7-2-2019

Strategically Engaging the Third Mission: A Comparative International Case Study of Alternative Revenue Strategies Between the U.S. Flagship University and the European World Class University (WCU)

Harry Michael Clayton
Louisiana State University and Agricultural and Mechanical College, michael.clayton231@gmail.com

Follow this and additional works at: https://digitalcommons.lsu.edu/gradschool_dissertations

Part of the Educational Leadership Commons, and the Higher Education Administration Commons

Recommended Citation
https://digitalcommons.lsu.edu/gradschool_dissertations/5014

This Dissertation is brought to you for free and open access by the Graduate School at LSU Digital Commons. It has been accepted for inclusion in LSU Doctoral Dissertations by an authorized graduate school editor of LSU Digital Commons. For more information, please contact gradetd@lsu.edu.

A Dissertation

Submitted to the Graduate Faculty of the Louisiana State University and Agriculture and Mechanical College in partial fulfillment of the Requirements for the degree of Doctor of Philosophy

in

The School of Education

by

Harry Michael Clayton
BS, McNeese State University, 1971
BA, Colorado State University, 1978
MAT, Louisiana College, 2013
MEd, Louisiana State University, 2016
PhD, Louisiana State University
August 2019
ACKNOWLEDGMENTS

I would like to express my deepest appreciation to my committee for their guidance, mentorship, flexibility, encouragement, and dedicated interest in my study. Dr. Jennifer Curry, Chair of my committee, generously shared her wisdom and vision as an academic, empowering me to broaden the boundaries of “my best” and turn my passionate effort, as a novice researcher, into a manuscript that qualified as a doctoral dissertation. Dr. Carlos Lee consistently remained by my side step-for-step, with an always—calming energy that strengthened my confidence and motivation, from the beginning of my master’s studies through delivery of my final defense.

Dr. Margaret–Mary Solentic Dowell was amazing in her unwavering dedication to sharing with me her highly respected knowledge of academic writing and research, always reminding me, “You can do it!” Dr. Edward Benoit, as the graduate representative, provided the balance, interest, and valuable time of the much-needed support for me to realize success through my final defense. Finally, Dean Roland Mitchell opened the door when I knocked and offered the opportunity for me to enter the privileged world of a doctoral student.

I would also like to extend a special thanks to Dr. Mary Hidalgo, who patiently listened to my dissertation ideas and expertly questioned my initial written words, all of which provided the guidance I needed to finally develop a consistent path of research and writing for this study.

Ultimately, I give the deserving credit for my motivation and dedicated work necessary to successfully complete this study to the memory of my dad, and also to the pride and joy of my life: my son, Dr. Sean Clayton, MD, who inspires me everyday to be a better person…and now, humbly, to be a better scholar.
## TABLE OF CONTENTS

ACKNOWLEDGMENTS ........................................................................................................ iii

ABSTRACT .......................................................................................................................... vi

CHAPTER ONE. INTRODUCTION ...................................................................................... 1
  Theoretical Framework — Strategically Engaging the Third Mission .................. 10
  Structural and Cultural Changes of the European University ......................... 11
  Traditional Funding of Higher Education in the U.S. ........................................... 12
  Traditional Funding of Higher Education in Europe .......................................... 13
  Economic and Political Shifts, University Market Opportunities, and Privatization 14
  Addressing the Social Contract .......................................................................... 16
  Methods ....................................................................................................................... 17
  Summary ....................................................................................................................... 18

CHAPTER TWO. LITERATURE REVIEW .......................................................................... 19
  Emerging Trends and Competitive Advantage .................................................... 19
  Political Economic Power in 2018 Versus Decline in Capitalistic Competition .... 23
  High Tech Innovation and Regional Growth ........................................................ 28
  Federal Funding for University Research and Development (R&D) and Patents 29
  Alternative Revenue Streams for the U.S. Flagship University ......................... 30
  Political Economy and Policy in the U.S ................................................................. 36
  The European Higher Education Area [EHEA] and Student Funding ............... 38
  The Intersection of Capitalism and Higher Education ......................................... 43
  The University-Urban Development Process ....................................................... 48
  Transformative Worldview Considerations ............................................................ 50
  Social Justice and Reducing Inequality ................................................................. 53
  Through the Lens of a Radical Activist and Education Reformist ...................... 56
  Failed State: A Documentary on American Higher Education ......................... 57
  Moral Capitalism and Entrepreneurial Justice ...................................................... 59
  Summary ....................................................................................................................... 61

CHAPTER THREE. METHODS .......................................................................................... 63
  Research Questions .................................................................................................... 63
  Design ......................................................................................................................... 65
  Participants ................................................................................................................ 68
  Data Sources .............................................................................................................. 69
  Data Collection ......................................................................................................... 70
  Ethical Issues ............................................................................................................. 71
  Analysis ....................................................................................................................... 72
  Methodological Assumptions ................................................................................. 76
  Limitations ................................................................................................................ 77
  Summary ....................................................................................................................... 77

CHAPTER FOUR. FINDINGS ............................................................................................. 78
  Data Source One (Interviews) ................................................................................... 78
ABSTRACT

The risk of financial sustainability for the university in the U.S. and Europe has been stressed by the reign of political authority in higher education disinvestment in the last four decades. The institution’s purpose has since been questioned, weighted by economics versus academics. Institutional priority and expanded centrality for strategic planning of societal engagement—the Third Mission—coupled with the Education and Research missions, promote clarity of the university’s purpose in this knowledge-based economy. Transparency of intended opportunities for regional economic engagement and societal development is then demonstrated to university communities. A comparative international case study of financial strategies between the U.S. Flagship and European World Class University (WCU) was explored in a qualitative analysis of viewpoints from four notable academics in higher education—two from the U.S. and two from Europe—and a gap analysis of strategic plans between Louisiana State University in the U.S. and the University of Bologna in Italy. Significant to the findings of this study, favorable institutional priority shifts in Third Mission strategic resources can imply ongoing university-community partnerships and growing revenue streams. Organizational change and strategic alignment from the traditional disciplinary university structure to an interdisciplinary framework design enables an external orientation that can maximize community partnerships, and engages academics, research, and service to promote economic development and innovative social growth. Leadership of the University of Bologna reframed its strategic framework in 2017, adapting all 17 of the United Nations 2030 Agenda Sustainable Development Goals (SDGs) to assist in achieving financial stability. Further research may indicate university networks of common SDGs translate into a new model for success in university community and regional engagement, social growth, and significant influence on political power shifts across the globe.
CHAPTER ONE. INTRODUCTION

The Third Mission is defined within the context of three primary university missions: research, education/teaching, and economic and societal engagement (alternatively termed the Third Mission). Douglass (2016) characterized the Third Mission (from the United States (U.S.) perspective) as “a relatively new pursuit…not yet fully valued by an academic culture slow to adapt to a wider definition of the purpose of their institution” (p. 6). Douglass added that many Flagship leaders view economic and societal engagement as a core mission that should be integrated into a “broader institutional strategy” (p. 6). Zomer and Benneworth (2011) offered that the university Third Mission in Europe has been commonly acknowledged for delivering benefits to host societies. They specified, “universities consciously and strategically make these societal contributions” (p. 3) – other contributions included enterprising and innovative activities in parallel with the other core missions of research and teaching activities.

The gap between economic advancement and social mobility may justify research that is central to the purpose of the university and the risk of its financial stability. Evolving global pressures – marketization and internationalization of businesses, governments, and civic society – has brought into question the definition of the university, with new market opportunities for students in emerging economies of the 21st century (Zomer & Benneworth, 2011). “Changes in economic conditions and shifts in political values and perceptions” (Lyall, 2009, p. 82) has driven reconsideration of national higher education policies. The changing economic, political, and societal views of how the university is valued would arguably shape that definition, perhaps along with debate favoring the academic institution’s greater financial stability and resulting impact on society.
The Third Mission, first identified in its current form in 1982 by the Organization for Economic Cooperation and Development (OECD) / Center for Education Research and Innovation (CERI) think tank (Zomer & Benneworth, 2011), was explored to set the context of this study in terms of purpose and scope, apart from the other two university primary missions of teaching and research. The Third Mission involves university societal engagement and resulting economic contributions (Benneworth & Jongbloed, 2009), and potentially aligning strategic priorities in a reform process that may increase the centrality of its core mission. The United Nations (UN) 2030 Agenda (UNRIC, 2015) contains sustainable development goals that will be used as standards for comparison between the United States (U.S.) Flagship University and European World Class University (WCU) for this study. Selected UN Sustainable Development Goals (SDGs) will provide an assessment platform for a gap analysis review of these two universities.

The increased focus on internationalization has come with an increased availability to academic collaborators, which may have broadened the scope of the university definition to justify a comparative study between a representative U.S. Flagship University and a WCU in Europe. Societal contributions and economic engagement of the research university’s regional communities – the university’s Third Mission (Douglass & Sobotka, 2009; Zomer & Benneworth, 2011) – may provide a common link between the U.S. and European universities for a comparative study of the institutions’ strategic priorities. Global factors have introduced emerging changes in funding the higher education public university for Europe and the U.S., including assigned division of financial ownership among the state, the family, and the student (Lyall, 2009).
Through this study, the researcher attempted to address the financial sustainability and risks of the university in the U.S. and Europe, and the possible mitigation strategies to resolve financial stability for these academic institutions. U.S. state legislature disinvestment in higher education (Alexander, 2017) and European State policy reregulation (Zomer & Benneworth, 2011), at least since the 1980s, “trends in university fees and financing in the E.U. [European Union] and U.S.” (Douglass & Sobotka, 2009, p. 27). These trends may logically rationalize research into alternative revenue streams that potentially contribute to university financial stability in the wake of a “financial meltdown” (p. 27). The respective impact on socioeconomic mobility and racial equity in the globalized community is an additional research concern, since both of these issues are at the forefront of global interests, selected as key goals of the United Nations (UN) 2030 Agenda (Ubertini, 2016). These issues are also shared strategic plan goals of the representative U.S. Flagship University and European WCU in this study.

University financial sustainability may be assumed as a global problem; however, the scope of this study is targeted to universities in the U.S. and Europe. Changing trends in higher education finance may be characterized as a financial risk across the borders of most OECD countries, including the U.S. as a member nation. Economic pressure to create change in higher education finance presents a unique opportunity for countries to share knowledge. International policy transfer (Chapman & Greenaway, 2006) refers to learning across borders. Achieving success in international policy transfer necessitates that countries have comparative political and institutional preconditions, policy objectives, and antireform lobbies (Chapman & Greenway, 2006).
Research Question

Lyall (2009) further suggested that leveraging international policy transfer could possibly bridge the gap of “what we can learn from each other” [concerning] “market-driven trends in the financing of higher education” (p. 81). The U.S. Flagship’s financial sustainability has relied on continual disinvestment of local government, rising student tuition, and creative alternative revenue streams limited by competing stakeholder priorities. The purpose of this study was, therefore, reflected in the following overarching research question:

What comparative strategies for engaging the Third Mission might be identified from the U. S. Flagship and European WCU to assist in achieving financial stability?

Sub-questions

Four key sub-questions further represent the research objectives for this comparative international case study. These research objectives and the primary research question outline the key areas of interest that help define the scope of this study. More related detailed questions listed in the interview protocol (Appendix A) will be presented to interview participants, with their answers presented as a data source for this study. The details for this process are explained in chapter three. The sub-questions for this study are listed below.

Research Sub-question One. How will participants’ view expanded institutionalization of the university’s Third Mission as impacting economic competitiveness in the global and regional economic marketplace?

Research Sub-question Two. Which of the alternative revenue streams will participants’ identify as being strategically impactful, long term, for the university’s financial stability?

Research Sub-question Three. How do participants view prioritizing economic development as impacting socioeconomically challenged and disenfranchised populations?
Research Sub-question Four. What strategies and risks will participants identify for the institution from expanding the strategic management of the Third Mission?

The purpose of this comparative international case study (Bereday, 1964; Dogan & Pelassy, 1984; Hantrais, 2009; Holmes, 1981; Noah & Eckstein, 1969) was to extend existing research on growing the university’s Third Mission (Zomer & Benneworth, 2011), and provide opportunity to initiate design of a model profiled for a more financially stable global university for the future. The researcher focused heavily on the institution’s strategic economic engagement of leveraging alternative revenue streams, necessitated by diminishing traditional revenue allocations (Alexander, 2017; Douglass, 2016). Additionally, the researcher explored the realities of balancing the university’s financial stability while advancing socioeconomic mobility. Select sustainability goals of the United Nations (UN) 2030 Agenda (Ubertini, 2016) served as a global baseline to compare (and recognize gaps between) the U.S. Flagship University and European World Class University (WCU).

Operational Definitions

United Nations 2030 Agenda. All 193 UN member countries signed the 2030 Agenda for Sustainable Development in September 2015 (United Nations Regional Information Center (UNRIC, 2018)). The agenda is comprised of 17 global Sustainable Development Goals (SDGs) that may be viewed as actionable by every member nation. The SDG program scope is represented by a 15-year timeline that was initiated at the beginning of 2016, with a commitment by all UN countries working to complete by 2030. Selected SDGs will frame the baseline for a gap analysis between two universities representing the U.S. and Europe in this study.

Sustainable Development Goals (UN 2030 Agenda). The United Nations sustainable development goals (SDGs) of the UN 2030 Agenda (UNRIC, 2015) comprise 17 SDGs and 169
targets. The UN members have defined goals for the agreed upon actions, through 2030 for humanity and the planet, within the scope of three dimensions of sustainable development: the economic, social, and environmental (UNRIC, 2015, p. 1).

*Flagship.* Douglass (2016) stated that the distinct missions of the 21st Century New Flagship University model were not recently defined, however the flagships were actually chartered in Lincoln’s Land Grant Act (Morrill Act, 1862; 1890) period, thereby framing the vision and scope of state universities: “broad access, a wide array of academic programs, purposeful engagement with local economies, and leadership in developing public education” (Douglass, 2016, p.33). Douglass reflected, “Leading national universities are now more important for socioeconomic mobility, for producing economic and civic leaders, for knowledge production, and for pushing innovation and societal self-reflection than in any other time in their history” (p. 39).

Profiling a New Flagship University model helps validate the university’s roles within the social contract and clarifies values offered to society by the institution, to include delivering responsible citizens who will enrich the political, social, and economical cultures of our local and international populations. Four categories define the New Flagship profile in terms of policies and practices, as they respectively map to external responsibilities and internal operations of the institution: (1) national higher education system; (2) core mission –teaching/learning and research; (3) public service and economic engagement; and (4) management and accountability (Douglass, 2016, pp. 42-43).

*Innovation.* The literature review in chapter two expands discussion into high tech (HT) innovation, in the form of computers, telecommunications, microprocessors, and any other products related to the electronics-based business sector, in the U.S. and other countries that has
provided a competitive advantage for the university, partnering with private industry at the regional, national, and global levels. Both Romer (1994) and Solow (1987) advocated in their theories that innovation stimulated growth. Douglass (2009) discussed market factors that have influenced knowledge accumulation (and HT innovation) that, in fact, have created Knowledge-Based Economic Areas (KBEAs) in the U.S. — for instance, in Silicon Valley (Douglass, 2009).

**Internationalization.** Members of the European-American Consortium for Legal Education (EACLE) acknowledged, in their sixth transatlantic meeting in 2007, the significance of internationalization in public law (Klabbers & Sellers, 2009). Advancements in communication and technology had notably improved global contacts and cooperation, which further influenced changes in law and legal education. Knight (2003) proposed, “Internationalization at the national, sector, and institutional levels is defined as the process of integrating an international, intercultural, or global dimension into the purpose, functions or delivery of postsecondary education” (p. 2). The term, intercultural, was used to convey that the definition of internationalization specifically addressed (within relationships between nations) the diversity aspects of countries, communities, and institutions (Knight, 2003). Knight acknowledged a previous definition of internationalization that included integrating these dimensions into teaching, research, and service missions of the institution. Further, she specified that the two definitions complimented one another and differed in the terms — purpose, function, and delivery — to generically relate internationalization to the economic sector level, as well as to the education institutional level (2003).

**Globalization.** Globalization, often confused with internationalization, describes the process of integrating national economies into a global economy (Daly, 1999). The effects of globalization may be seen as a process — including values, knowledge, technology,
environmental sustainability, and the economy — that impacts internationalization (Knight, 2003). Douglass, King, and Feller (2009) postulated, “Globalization is a phenomenon often described as a process of opening and expanding markets for educational services” (p. 6).

Technological advances in communications and resulting innovation that has created intellectual property competitive advantages, for instance, have also contributed to organizational and behavioral changes, resulting from increased institutional competition (Douglass et al., 2009).

Perspectives have drastically differed on the impact of globalization — from Friedman’s (2000) view that the effects are inevitable in integrating markets, technologies, and nations more effectively and efficiently than ever witnessed before, to scholars and activists who claimed globalization was deliberate “economic liberation that subjects states, institutions, and individuals to more intense market forces” (Douglass et al., 2009, p. 7).

**Democratic Mass University.** Delanty (2002) used the phrase, Democratic Mass University, when referring to the traditional university and its associated local community partners, prior to university funding changes of the 1980s. The Democratic Mass University functioned as an intellectual safe space for societal independence from private corporatists interests after World War II, through the 1970s; in fact, the university provided (as a priority) societal opportunities for “creating and developing well-rounded and critical democratic citizens” (Zomer & Benneworth, 2011, p. 8). These funding changes of the 1980s were brought about by creation of the Third Mission and associated regional economic engagement that provided alternative revenue streams for the university. The transition from the concept of Democratic Mass University to a more entrepreneurial university has evolved for approximately the past 35 years at an asynchronous, random pace, dependent upon the respective university (Zomer & Benneworth, 2011). The spirit of the university’s societal responsibilities has,
however, remained intact for most institutions (Zomer & Benneworth, 2011).

**World Class University (WCU).** Initial references to the WCU were highly correlated to international rankings of universities, and these were largely assumed to be research universities (Douglass, 2016). Douglass (2016) also associated the WCU with the World Bank’s defining parameters: “a high concentration of talented faculty and students, abundant resources, and a favorable governance organization with high level of autonomy” (p. 22). The researcher has attempted, for comparative purposes between the U.S. and Europe, to refer to the WCU as the European research university, and the Flagship University as the U.S. research university. The term, World Class University, could very well be inclusive of a Flagship for world ranking purposes, for instance. The common purpose of both the Flagship University and the WCU, from this researcher’s perspective, is that both serve “as central for reaching national, political, economic, and societal goals” (Douglass, 2016, p. 193).

**Privatization.** The reference of privatization, in common terms, conveys transferring a product or service from the public to private sector. Results of the privatization process may be perceived as either a positive or negative, and may cause contentious debate. An example would be the public contributions and private contributions of higher education, as Weisbrod, Ballou, and Asch (2008) discussed the place of donations in higher education funding: “Whether it is useful to refer to the revenue changes [governmental grants versus private donations] as ‘privatization’ of public higher education…in their dependence on private contributions and tuition…” (p. 114).

Ayers (2016) argued that education was a fundamental and universal human right and moral obligation to the community, and implied for educational policy, “…privatization an assault on the commons and the community” (p. 161). Lipman (2011) discussed implications of
the World Bank and International Monetary Fund (IMF) imposing structural changes on economically developing countries and “mandating privatization of state-owned industries…and user fees for public services” (p. 9). Alexander (2017) explained that the if there were no changes in the long-term continued state disinvestment in higher education funding, “colleges and universities will become increasingly privatized and dependent only on student tuition” (p. 6).

**Theoretical Framework – Strategically Engaging the Third Mission**

This study was strategically framed around the Third Mission — generally, synonymous in scope with regional economic engagement (community service). The Third Mission, within this context, is a common dimension of strategic planning for many research universities, and might represent a virtual shared bridge that connects the comparisons between the U.S. and European research institution of higher learning. Weisbrod, Ballou, and Asch (2011) espoused that U.S. higher education encompassed three overarching social missions: teaching, research, and public service. Benneworth and Jongbloed (2009) explained that the European university responded to the beginning of significant funding challenges in the 1970s by “becoming more engaged with society and increasing its economic contributions, [thus] the emergence of the ‘third mission’” (Zomer & Benneworth, 2011, p. 3). The difference in purpose of the Third Mission, respective of the U.S. versus the European university, may have more to do with strategic priorities in regional engagement — advancing the institutionalization of this mission in the U.S. — than naming convention (Third Mission versus community service).

A more recent prophecy in the U.S. of the “third mission” (Douglass, 2016, p. 6) involved what may be characterized as a wider mission and institutional definition of purpose. These aspects possibly bring the university’s core purpose into focus; especially, the scope of the mission and vision and the strategic management of institutional goals. Douglass (2016)
advocated for a university model with greater autonomy for “internal cultures of self-improvement and evidence-based management…[that]…more overtly shape and pronounce their own missions and, ultimately, to meaningfully increase their role in the societies that gave them life and purpose” (p. 5). Additionally, in terms of knowledge and innovation, several economists have espoused that knowledge is an intrinsic dimension of the economic systems (Romer, 1990). Romer (1994) postulated that innovation stimulated growth in his endogenous growth theory.

**Structural and Cultural Changes of the European University**

Zomer and Benneworth (2011) explained that the initial driver of the Third Mission in Europe was the funding crisis due to ever-increasing demand on university production and limited resources — the aftereffect of World War II, as Europeans realized that the university signified economic success and social stability (Greenhow, 1831; Fawcett, 1924; Shinn, 1980). According to Zomer and Benneworth (2011), funding concerns intensified in the 1980s, when funding changes included diminished block grants from the government (Geuna, 1999; Slaughter & Leslie, 1997), decreased research core funding (Slaughter & Rhoades, 1996), and theme-driven policy-making (Lepori et al., 2007). The university then took action to mitigate this gap in revenue, looking to improve financial stability through such commercialization as patents, technology transfers, and consulting (OECD, 2004; Zomer and Benneworth, 2011). The Third Mission of the university had, therefore, been prioritized as an added strategic dimension alongside the other two core missions of research and teaching.

This added dimension, the Third Mission, expanded the university’s role and relationship with European society. Alternative revenue streams created through regional economic engagement added to the institution’s financial base, as the university’s societal reach extended beyond the traditional local community partners. Three-plus decades after higher education
funding changes of the 1980s and the fading image of the traditional Democratic Mass University (Delanty, 2002), academic institutions have continued to demonstrate their vital role in European society. Higher education institutions and funding agencies have since taken great care to deliver accountability and reporting measures that demonstrate societal impact (Zomer & Benneworth, 2011). Additionally, universities have “[mobilized] their partners to convince politicians and policy-makers that they are valuable institutions for competitive knowledge economies” (p. 9).

The Democratic Mass University (Delanty, 2002) environment has drastically changed from well over three decades in the past, to the modern innovative university of Europe today. The pressures of the university in fulfilling its societal role and value as a driver of competitive knowledge economies has impacted the academic institution’s culture and framework. The university has seen three significant changes by increasing societal and economic engagement (Zomer & Benneworth, 2011, pp. 8-9): (1) transition to centralized management structures to minimize risks in overseeing their capital base; (2) institutionalization of capitalizing on intellectual property, excluding potential partners who could not pay for those intellectual property rights; and (3) generating a return from intellectual property value, demonstrating tangible results (science parks, technology transfer organizations, spin-offs, and incubation units, for example).

**Traditional Funding of Higher Education in the U.S.**

During a speech on the eve of the 50th anniversary of the Higher Education Act (1965), Louisiana State University (LSU) President, F. King Alexander (2017), observed, “…the nation witnessed the unanticipated beginning of a three-and-a-half decade decline in state support for public higher education” (2017, p. 5). Alexander indicated state funding for higher education,
measured as a percentage of per capita income, was approximately 55% below 1980 figures. Alexander claimed that if there are no changes, “colleges and universities will become increasingly privatized and dependent only on student tuition” (p. 6). He cited the State of Colorado higher education as an example of diminished state funding, which by 2025 will no longer receive legislative allocations if current trends for that state continue.

Declining state revenue is a common theme for most (if not all) Flagships today, as public institutions have nationally increased tuition to counter declining state funding and rising costs. Annual published tuition has increased by $2,333, or 33%, at four-year public colleges from 2007-08 to 2015-16 school years (Mitchell, Leachman, & Masterson (2016, paragraph 7). There have been consistent reductions in state funding for the research university, as state allocations have decreased by approximately 37% from 2008 to 2016 (Mitchell et al., 2016, p#). The Flagship University is continually faced with economic pressures to accomplish its social mission while maintaining financial sustainability.

**Traditional Funding of Higher Education in Europe**

The last half of the 20th century, and more specifically in the last quarter of the century, both the U.S. and Europe began to see new eras of financial change in higher education, albeit the effects were from different root causes. Traditional funding for most countries currently part of the European Higher Education Area (EHEA) — excluding newly-formed nations, post-USSR collapse (December 26, 1991) — therefore, evolved in a similar timeframe to the U.S. World War II was the seminal event fostering European ministries to recognize the significant role of the university in national economic success and social stability (Shinn, 1980; Zomer & Benneworth, 2011). This recognition was key in formulating the university and business innovation mindset in establishing economic wellbeing (Etzkowitz, 2008). The university in the
1970s was the foundation of a democratic society that advanced societal opportunities and existed in defiance of a corporatist post-war State (Daalder & Shils, 1982). The mission of the Democratic Mass University (Delanty, 2002) was based on supporting independence of researchers and students from corporatists’ interests — private over public interests — in their respective host society and community. Funding for the independent university, at this time, came from these societal partners.

The higher education reform process, which began before the 1970s in Europe, gained momentum when the European Commission (EC) prioritized revitalization of technology development. The traditional Democratic Mass University was tasked by European national governments to share the responsibility with businesses in creating competitive industries to leverage against emerging competitive economies of other countries like Japan, Taiwan, and Brazil (Delors, 1988; Reich, 1991; Sharp, 1990; Zomer & Benneworth, 2011). Societal partners that had financially supported the independent institution (Democratic Mass University) began to disinvest in funding support as they witnessed resources diverted from their traditional host societies and redistributed to regional research and development activities (Landabaso, 1999; Reich, 1991; Zomer & Benneworth, 2011). Additionally, the increasing orientation of a European market economy that was supported by the State, and the correlated “aggressive reregulation of the public sector” (Zomer & Benneworth, 2011, p. 1), might have been an influencing factor of changes noted by Douglass & Sobotka (2009) in university fees and financing.

**Economic and Political Shifts, University Market Opportunities, and Privatization**

Market logic began to substantially influence education policy in the 1970s (St. John, Daun-Barnett, Moronski-Chapman, 2013), although prior international higher education
institutional studies were typically based on human capital frameworks beginning in the last half of the 20th century (Kerr, 1978). The foundation for human capital theory was that individuals and governments made education-based decisions from projected (or perceived) human and economic returns (Becker, 1964). The federal government in the U.S. had recommended that states build and support colleges and programs guided by manpower needs (Halstead, 1974). The effects of market logic, however, also began to heavily sway education policy in the early 1970s.

Lyall (2009) posited, “Economic and political shifts are driving public universities toward market opportunities and market discipline; in the U.S., this move towards privatization is well advanced” (p. 83). Lyall (2009) raised awareness of those who side with the political argument to shift higher education costs to families and individuals. Many politicians and economists, who saw societal gain of the Flagship University reduced to individual benefit of the more advantaged middle-and upper-income families agreed; meanwhile, the low- and moderate-income families were paying taxes on the higher education subsidies for a privilege that they might never see. Lyall argued (2009) the economic perspective that efficient capital markets negated the need for state subsidies, since this market environment would enable students to recoup their educational costs within an appropriate payback period (resulting from employment). This was possibly a layman’s interpretation of the economists term, market-clearing price.

The model of Human Capital Theory (HCT) (Becker, 1994) may explain the decision-making logic for a student to go to college if the marginal benefits outweigh the marginal costs of funding the college education. Some of the more intangible variables that factor into student enrollment decisions include socioeconomic status and prior quality of education. These factors, applied on the low end of the socioeconomic scale, profile those qualified and yet financially
challenged students – “an affordability crisis in America” (Archibald & Feldman, 2011, p. 189) – who knock on the university doors for access and enrollment opportunities. Students that fit this profile may justifiably extend the rest of the political argument about the logic of governments eliminating subsidies (Lyall, 2009).

The growing belief, relative to pubic support of higher education subsidies, however, seems to default to this efficient capital market solution, with dwindling pressure on state government funding obligations to higher education. Impact of theses political and economic shifting trends is pushing the public university toward markets offering alternative revenue streams to fulfill budget needs. State governments’ continued disinvestment, clearly apparent in declining subsidies, is shoving the Flagship toward privatization-centric forms of financial sustainability.

**Addressing the Social Contract**

The Third Mission (OECD-CERI, 1982) — inclusive of public service and regional economic engagement — has evolved in both the U.S. and Europe to leverage the efficiencies of intellectual capital and value knowledge accumulation (Douglass; 2016; Douglass, 2009; OECD, 1996; Zomer & Benneworth, 2011). This researcher posits that the Third Mission concept of higher education must also recognize and support the social responsibilities to meet the needs of all students equally, with sustainable goals to address inequity and disenfranchised people. The intent of this study is to acknowledge awareness that certain terms – structural adjustment, recovery, human capital, economic competitiveness, capitalism, and privatization, for instance – may be associated with facilitating, rather than solving, inequities of marginalized populations of poverty and racial prejudice, particularly in association with policy, the political economy, and education (Lipman, 2011). Within this context, the following section that highlights innovation
and regional economic growth is opined by most supporters of the capitalist laissez-faire model as a means of enabling socioeconomic mobility (Scott, 2011; Smith, 1776); whereas, competitive market activities and resulting regional economic growth may be avidly held by many supporters of Marx’s social economic model as a means of societal oppression (Marx, 1867). These concerns, sometimes polarized within the broader context of this current study, are further explored in chapter 2.

**Methods**

The researcher applied a comparative, international qualitative case study design to examine the research question, guided by the seminal works and case study methodology of Merriam (1998), Stake (1995), and Yin (2009). Further, this comparative international research study was utilized as a distinct field of inquiry, and as such, the researcher focused on the theoretical comparative frame of reference for the study and consistently applied the comparative approach from the research design through the research findings process (Hantrais, 2009). Interview questions posed for the (semi-structured) interviews of the respondents have been crafted with the following four broad categories in mind: (1) institutional priority and expanded centrality for strategic management of the third mission (Benneworth, de Boer; & Jongbloed, 2015); (2) organizational strategies and risks for regional and local economic engagement of the university with the community (Douglass, 2016; Zomer & Benneworth, 2011); (3) alternative revenue streams for university stability in the face of traditional funding disinvestment (Alexander, 2017; Douglass, 2016); and (4) programs for upward socioeconomic mobility of university communities (Ubertini, 2016; Zomer & Benneworth, 2011).

A gap analysis has also been designed to compare the strategic plans, and respective strategic goals within those plans, between the U.S. Flagship University and the European WCU.
The gap analysis is intended as a modeling tool for possible improvement goals and organizational changes within the institution, supported by gap analysis practices (Gronroos, 1982; Bordley, 2001). Methods have been comprehensively detailed for this study in Chapter 3.

**Summary**

This chapter included a purpose for the current proposed comparative international case study (Hantrais, 2009), a theoretical frame, and an overview of issues germane to how evolving global pressures — specifically marketization and internationalization of businesses, governments, and civic society — redefines the university; furthermore, with new market opportunities for students in emerging economies of the 21st century (Zomer & Benneworth, 2011). The researcher delineated the differences between the U.S. Flagship University’s mission of societal engagement and the European WCU’s Third Mission, with emphasis on strategic priorities within this primary institutional mission. This differentiation set the platform for exploring the purpose and scope of the Third Mission for the U.S. and European university from the standpoint of Third Mission institutionalization, with the goals of resolving university financial stability, while mindful of societal inequality. In Chapter 2, the researcher presents a review of literature significant to how the university is defined. In Chapter 3, the researcher will outline a proposed comparative international case study (Hantrais, 2009).
CHAPTER TWO. LITERATURE REVIEW

For this literature review, the researcher used several search engines and significant information sources for research data that included the Education Resources Information Center (ERIC); US Department of Education (DOE); United Nations Regional Information Center (UNRIC); Organization of Economic Cooperation and Development (OECD); and, European Higher Education Area (EHEA). Additionally, the researcher went back 259 years into the research of Adam Smith’s, *The Theory of Moral Sentiments* (1759), followed by his book, *The Wealth of Nations* (1776). The following descriptors were used: third mission, Bologna process, flagship university, UN 2030 Agenda, tuition, higher education finance, university strategic planning, world class university (WCU), and regional economic engagement.

**Emerging Trends and Competitive Advantage**

The knowledge-based economy is perhaps a universal reference for scholars, leaders of the university, higher education faculty, and international business enterprises of the global economy’s dependence on value knowledge accumulation (Douglass; 2016; Douglass, 2009; OECD, 1996; Toedtling, Asheim, & Boschma, 2013; Zomer & Benneworth, 2011). New growth theory, or the endogenous growth theory, as known from Romer’s (1986, 1994) model, seems most appropriately associated with value knowledge accumulation, as advancing human capital is a key ingredient of the theory and (arguably) a primary goal of the university “teaching [mission]” (Weisbrod, 2011, p. 2). Further, Douglass et al. (2009) observed that postmodern economies and developing economies were growing in dependency on “knowledge accumulation” (p. 247). A basic understanding of how capitalism and an evolving economy in the 21st century might influence Third Mission goals could improve decision-making strategies for regional economic engagement between the university and the community.
Nobel Prize winners Solow (1987), followed by Romer (1994), both contributed to defining growth theory through their individual seminal works (Roberts, 2014). Effects of the Romer (1994) model has shown sustained growth, while Solow’s (1987) model has indicated eventual decline in growth. Romer substituted production of ideas (technological knowledge) in place of capital, used in Solow’s model.

The law of diminishing returns applies to Solow’s (1987) model, with the logic applied that capital and income begin to decline in growth, in terms of the rate of per capita output, from the result of capital depreciation. Sustained growth per capita output is generated in Romer’s model since the production (technological growth) of ideas is constant and not limited to the output per person that is dependent upon capital per person in Solow’s model.

The Solow and Romer model combined — where capital accumulation and technological growth are internal (endogenous) within the model — demonstrates the effects that continuous technological growth supports continuous capital growth, as shown in Figure 2.1 (Rahman, 2015). The practical application of the combined effects of this model may signify the argument that knowledge growth will sustain long-term capital growth in any global geographical area, thereby generating economic growth for the potential benefit of that society. This logic also advances the value of knowledge and the cause for academic research and the associated regional partnerships between the university and community. Additionally, this may further explain why technological innovation has provided a competitive economic advantage to certain Knowledge-Based Economic Areas (Douglass, 2009), as recognized in the U.S., and in regions of Europe. The influence of technological innovation in these areas is further discussion in the section: High Tech Innovation and Regional Growth.
Rahman (2015) summarized the effects of the combined model based on three equations: (1) GDP is produced where technology is combined with capital and production workers. Now capital and technology grow in this economy. (2) The growth of capital is demonstrated, where savings causes capital to rise, and capital depreciation causes capital to fall. (3) The growth of technology rises with the number of “researchers” (p. 1) and falls due to the “cost of invention” (p. 1). Finally, this illustration shows that the long-run growth rate is positive and rapid, demonstrating that “the growth in technology is complemented (emphasis added) by growth in capital” (Rahman, 2015, p. 4).

Solow (1987), whose research was later advanced by Romer’s (1994) Endogenous Growth Theory, explained that Research and Development (R&D) is the catalyst for innovation, and innovation produces efficiencies in production (Roberts, 2014). Solow (1987) postulated that more efficient business processes (production) resulted from innovation, which allowed decreases in prices for consumers. The cycle of innovation spurned more competition and consequently more economic growth (1987).

Solow’s (1987) findings may appropriately extend the conversation in *The Economist* article on the subject of market power from three ways. (1) The first proposal concerning market
power was to liberate tech services users so they might take their data and intellectual property to other locations beyond the incumbent firms. This would include “requiring big platforms to license anonymised [sic] bulk data to rivals” (The Economist, 2018, p. 13). (2) The second discussion related to market power that involved partnering with governments to challenge complex regulations from industry lobbyists, and to rid barriers of market entry that included non-compete clauses and restrictive occupational license requirements — approximately 20% of U.S. workers reportedly carry licenses, as opposed to 5% in 1950 (The Economist, 2018). (3) The third challenge to market power was to update antitrust laws (enforcing fair competition) for the 21st century so that regulators had more power to investigate and enforce governance issues, especially when overseeing big tech firms that would be attempting to stifle competition of new potential long-term rival firms.

Solow (1987) pointed out that “to encourage long-term growth, somehow you’ve got to encourage both technological innovation and innovation” (Roberts, 2014, 11:07). Both Romer (1994) and Solow (1987) advocated in their theories that innovation stimulated growth. Solow referred to Romer’s (1994) endogenous theory as describing a business process that resulted in innovation and the resulting economic growth (Roberts, 2014). He indicated that innovation was creating efficiencies in production, which would include creating new products or processes that would efficiently replace the legacy products or processes (Roberts, 2014). Solow clarified that growth rates were dependent on demography (population and labor force growth rate) and technological progress (increased capacity of one more unit of output per unit of input); he also noted competitive advantage could be gained by invention and design of better products (Roberts, 2014).
Political Economic Power in 2018 versus Decline in Capitalistic Competition

Solow credited one of his mentors, Schumpeter — noted for his seminal book, *Capitalism, Socialism, and Democracy* (1942) and his theory of dynamic economic growth — with characterizing innovation and entrepreneurship as distinct from mere technological advancement (Roberts, 2014). Swedberg, who wrote the introduction of *Capitalism, Socialism, and Democracy* (1942), explained Schumpeter predicted in his book that capitalism was bound to disappear, “not because of its failure, but because of its success” (p. ix). His prophecy may perhaps cause some economists to pause and reflect on today’s capitalistic economy, as it applies to both the U.S. and Europe.

Schumpeter (1942) hinted that the strength of capitalism might lead to its own self-destruction (p. 62). This statement might immediately be mocked as preposterous, had the world not witnessed the stock market crash, characterizing a capitalistic crash in 2008. He described capitalism as evolutionary and that true economic evolution is perpetuated by “the new consumers’ goods, the new methods of production or transportation, the new markets, the new forms of industrial organization that capitalist enterprise creates” (p. 83). Schumpeter (1942) also proposed, however, that the capitalistic process, “both by its economic mechanics and by its psycho-sociological effects” (p. 139), had weakened other partners in society that would have reinforced balanced representation within the capitalist stratum — the artisans (the village and craft guilds), the farmers, and other small business owners.

The real strength of the capitalistic society was then left in the hands of the large corporations who would be positioned to control political power, economic competition, and regulatory diplomacy. Ironically, the initial test of economic performance — “total output…in a unit of time” (p. 63) — diminished the voices of these other partners, unable to compete with
more powerful conglomerates within the evolutionary capitalist ecosystem, dictated by unavoidable capitalist policies. Some observers may perceive that removing these diminished voices, considered essential elements of the capitalist schema (Schumpeter, 1942), might be the last phase of the evolutionary capitalist life cycle.

Schumpeter’s (1942) economics philosophy was further extended by his categorizing of two kinds of competition: “the daily battle of wits between two apple sellers….And [alternately]…breakthroughs by entrepreneurs that transform how industries operate” (The Economist, Special report Competition, 2018, p. 6). Schumpeter’s (1942) description of the first type of competition would be perfect competition, as envisioned by Adam Smith (1776), with a large number of buyers and sellers of a common (homogenous) product, and price is dictated by supply and demand (such as an apple). The outcome of the second type of competition cited by Schumpeter (1942) might be an oligopoly, where a large-scale enterprise controls price, with little effect dictated by supply and demand, such as an Apple iPhone. These breakthroughs — that create an oligopoly (or monopoly) — may be unpredictable leaps in economic activity. This observation might become appropriate when attempting to understand that these new leaps may be inspired by giant profits by a few big firms holding a majority of sales today in the U.S. and Europe, and amid fears of the decline in capitalistic competition from small businesses (The Economist, 2018).

A rise in market concentration (degree in which sales are dominated by one or more companies in a market) has occurred in two-thirds of U.S. industries since 1997 (The Economist, 2018). One tenth of the economy consists of industries where four companies control two-thirds of the market (The Economist, 2018, p.13). These four firms within each of their respective industries have continued to grow their market shares by 3% (p.13) since the turn of the 21st
century (2018). This trend is similar in Europe, where dominant firms have a strong foothold in markets, and these markets are slowing in innovation and competition.

Slowing or lackluster competition, while industry profits remain abnormally high, and while there is little sign of new entrants into the marketplace, may be cause for concern shared by the U.S. and Europe. There would be little reason for concern, however, by those oligopolies with strong footholds in the marketplace, finding “new ways to constrict competition” (The Economist, 2018, Special report Competition, p. 4). Some incumbent firms have gained more power, in part, by stifling competition, with $44 trillion of takeovers from 1998 to 2018 (The Economist, 2018). Pricing power or other efficiencies to increase profits have been achieved by many of these firms, while consumers see no reduction on prices they pay — possibly explaining U.S. labor’s declining share of GDP since 2000, as previously observed (The Economist, 2018).

This power may be typical of some of the large tech firms. “The good reason for more powerful firms is the rise of an innovative elite that is an engine of efficiency…. companies that have mastered digital technologies and enjoy network effects that help them fend off slower competitors,” explained MIT’s Van Reenen (as cited in The Economist, Special report Competition, 2018, p. 4). This growing evidence of a shift away from competition, while certain powerful firms have remained profitable at the expense of slowed economic growth and devalued customer-buying power, would justify further examination.

The Economist (2018) scholars explain that globally, companies’ profits can be measured as earnings above a certain hurdle rate that would include cost of capital, excluding goodwill, and including intangible assets in the form of research and development (R&D), reported as a 10-year tax depreciation write-off. Those profits, considered excess, are $660 billion (top 5000 non-financial firms), as of October 2018 from Bloomberg data (The Economist, 2018, Special
report Competition, p. 5). U.S. firms claim 72% of these excess profits, comprised of health care, technology, and firms that are not traded — for example, the airlines or Department of Defense (2018). Europe owns 26%, in a smaller domestic market, however, with greater global market span that includes firms such as Nestle and Unilever, luxury goods businesses like LVMH, and drugs companies (2018).

Europe and the U.S. may be analyzed, in terms of economic power and capitalistic competition, at the national levels using three tests (Table 2.1), labeled as concentration, abnormal profits, and openness. These tests are explained from data associated with the respective tests categories as follows (The Economist, 2018): (1) concentration in two-thirds of 900 industries in a census increased from 1997 to 2012, and the market share of the top four firms grew from 26% to 32%; (2) abnormally high profits, respective of GDP in November 2018 — for those firms considered members of the oligopoly category (market dominator, reducing competition) — that show 76% cash flow above the 50-year average in 2018; and (3) the openness test measure, which indicates that the U.S. leads innovation globally, spending $450bn annually on R&D, yet with fewer new firms entering the market than in 1997 (The Economist, 2018). Openness in the U.S. has been characterized as stalling, and GDP of foreign business’ subsidiaries has been declining since 2011.

Europe is dependent on U.S. technology businesses, and the concentration test in Europe demonstrates an increasing trend in oligopolies’ market share. An OECD study indicated a 3% rise in average market share since 2000 by the top four firms representing each industry (Calvino, Criscuolo, & Verlhac, 2018).
Table 2.1. U.S. and European Trends of Economic Power and Capitalistic Competition

<table>
<thead>
<tr>
<th>Tests Analysis</th>
<th>(1) Concentration(^c) (Average market share of top 4 firms)</th>
<th>(2) Abnormal Profits</th>
<th>(3) Openness Innovation / New Firms &amp; Competition</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.(^a)</td>
<td>26-32% higher (1997-2014)</td>
<td>&gt; 76% over 50-year average</td>
<td>$450bn per yr / &lt; or stalled competition</td>
</tr>
<tr>
<td>Europe(^b)</td>
<td>3% higher (2000-2018)</td>
<td>&gt; 18% over 20-year average</td>
<td>$225bn(^d) per yr / &lt; or stalled competition</td>
</tr>
<tr>
<td><strong>Summary</strong></td>
<td>Higher (indicative of &lt; growth, &lt;competition, &lt; consumer spending power, &amp; &gt; profits for firms)</td>
<td>Higher (indicative of &gt; cash flow for firms)</td>
<td>&gt; Innovation / &lt; or stalled competition [powerful firms &gt; in power / ($44tn in takeovers since 1998) &lt; competition (The Economist, 2018)]</td>
</tr>
</tbody>
</table>

Note. > = increased; < = decreased
\(^a\) Data sourced from The Economist (2018, November 15).
\(^b\) Data sourced from Calvino, F., Criscuolo, C., and Verlhac, R. (2018), forthcoming study.
\(^c\) OECD issued a Market Concentration - Note by the United States: Hearing on Market Concentration that stated, “claims of increasing concentration are unsupported by data for meaningful markets” (OECD, 2018, June 7), as a note contesting academics’ and journalists’ claims of a consistently increasing market concentration of certain firms in the U.S. A footnote in this same brief (from the Obama Administration), authored by the Council of Economic Advisors, titled Benefits of Competition and Indicators of Market Power, stated, “Several indicators suggest that competition may be decreasing in many economic sectors, including the decades-long decline in new business formation and increases in industry-specific measures of concentration. Recent data also show that returns may have risen for the most profitable firms (2016, May, p. 1); further, “…trends that are broadly suggestive of a decline in competition: increasing industry concentration…” (2016, May, p. 4).
\(^d\) Data is approximated at 50\% of U.S. R&D spending from statement, “[Europe] spending half as much on R&D in absolute terms as America” by Calvino et al. (as cited in The Economist, 2018, Special report Competition, p. 5).

That is half of the rise measured in the U.S. European profits, measured as a share of gross domestic product (GDP) in November 2018, were 18\% above the 20-year average (Calvino et al., 2018). The openness test shows similar results in Europe, as in the U.S., with numbers of new firms decreasing. R&D spending in Europe equals half of the U.S. investment, but trade indicators are higher in Europe as measured in terms of GDP from 2007 (Calvino et al., 2018).
**High Tech Innovation and Regional Growth**

High tech (HT) innovation, in the form of computers, telecommunications, microprocessors, and any other products related to the electronics-based business sector, in the U.S. and other countries, has provided a competitive advantage for the university, partnering with private industry at the regional, national, and global levels. Douglass (2009) discussed market factors that have influenced knowledge accumulation (and HT innovation) that, in fact, created Knowledge-Based Economic Areas (KBEAs) in the U.S. (Douglass, 2009). Silicon Valley in the San Francisco Bay area is perhaps one of the world’s highest profile knowledge-based economic areas; other examples include Austin, Texas, and Boston, Massachusetts, which are advantaged by major research universities — University of Texas at Austin, and Massachusetts Institute of Technology (MIT), for instance. The political culture, research and development (R&D) funding, entrepreneurial spirit, and associated risk-taking have combined to offer an environment of favorable economic policy and innovative programs (Douglass, 2009).

Empirical evidence of KBEAs — Silicon Valley, for example — has demonstrated university-business collaborative programs and influence on policymaking for alternative university revenue (including technology transfer opportunities and public-private partnerships) that has generated regional economic growth and associated upward socioeconomic mobility. Douglass (2009) conveyed “two major market advantages for long-term economic growth” (p. 254) within this context: (1) high percentage of private sector investment of R&D; and (2) relatively high investment in basic research — the U.S. spent approximately 18% on basic research as of 2009, and about half was funded by the federal government, performed by personnel in academic institutions. Other competitive market advantages have supported a
societal economic engagement theme of mutual benefit to both the institution and the private sector.

A primary revenue source for HT is venture capital (Douglass, 2009). This funding advantage for the university in the U.S. is perhaps unrivaled by other countries. Many of the OECD countries are challenged with expertise and experience in this field. There are also regulator and fiscal constraints in some countries. Venture capital firms in the U.S. are also trading across international borders, continuing to expand their global portfolios, but with the adverse effect of possibly narrowing this U.S. gap advantage, as European firms become more involved.

**Federal Funding for University Research and Development (R&D) and Patents**

The Bayh-Dole Act (Bayh-Dole Act, 1980) in the U.S. was a significant federal government revision in expanding ownership to the university and research faculty working on federally-funded projects that became patented — “making research more financially attractive” (Weisbrod, Ballou, & Asch, 2011, p. 22). The university and researchers were allowed to market their inventions with the commercial private sector. The significance of opening this new revenue market also expanded the university’s opportunity to promote other socioeconomic efforts, and to become involved in possibly other community-related efforts than just the core business partnership.

Actors involved in international patents and associated technology transfer programs have introduced a global market of intellectual property developed overseas. U.S. receipts in 2003 had reached $48.2 billion and associated intellectual property trade of a $28.2 billion surplus (Douglass, 2009). International business has become another market channel for
intellectual property overseas and the associated alternative revenue channel for academic institutions.

A comparative assessment of competitive advantage that has allowed institutions in the U.S. to become even more differentiated has been the research university’s progressive association with the business sector, especially in the science and technology fields. Competitive advantage strategies – high rates of R&D investment, tax incentives, legal precedents (Bayh-Dole Act, 1980), technology transfer, and venture capital – have helped lead the U.S. in global economic competition. Other countries are constantly assessing competitiveness as their universities compete with the U.S. The question remains as to who will be ahead in the near future; perhaps, a more challenging question would be related to how the university can partner internationally to better advance socioeconomic mobility for individuals, globally.

Alternative Revenue Streams for the U.S. Flagship University

Public institutions have chosen to vet financial markets offering alternative revenue streams, to include: donors and Foundations; public-private partnerships (P3s), to include sale-leaseback transactions; online classes; and intellectual property (IP), technology transfer and regional economic engagement. Intellectual property, technology transfer and regional economic engagement, facilitated by passage of the aforementioned by Bayh-Dole Act (1980), provided impetus for a legal pipeline for the research university to obtain patent licensing rights and related royalties from federally funded projects (Powers & Campbell, 2009). This is quite possibly the most strategic long-term alternative revenue stream, while all of the alternative revenue streams would tentatively be prioritized within the scope of Third Mission strategic management.
The efficient capital market solution is an effective argument for the public to conveniently relieve state legislatures from supporting higher education subsidies, with perhaps very little responsible thought given to accessibility and affordability of college enrollment for socioeconomically, and otherwise marginalized, disadvantaged students. Alternatively, disinvestment of traditional funding solutions has compelled higher education to take a more independent stance on financial stability. The university is now, or in the immediate future, vetting financial markets offering alternative revenue streams to fulfill budget needs (Douglass, 2016). Figure 2.2 depicts the mix of entities that are interrelated in the current model of financing public higher education institutions.

Figure 2.2. Interrelationships in Financing Higher Education

![Figure 2.2. Interrelationships in Financing Higher Education](image)

Figure 2.1. NCHEMS Information Center Higher Education Policymaking and Analysis (2018). Copyright 2018 by The National Center for Higher Education Management Systems.
**Donors and Foundations**

University foundations provide a nontaxable immediate source of an existing revenue stream that can otherwise be a source of creative revenue alternatives. The most intuitive revenue alternative from the university’s foundation is for the foundation to pursue endowment and fundraising opportunities through more aggressive budget goals. Table 2.2 shows the LSU Foundation’s philanthropic run rate strategy, doubling in out-year projections for the next three years, as well as an aggressive capital campaign drive to move up in SEC rankings (LSU Foundation Interviews, IRB# E10793, 2017). Donor fundraising and research funding grants are included in these numbers. The timing of this budget project coincided with the implementation of the *LSU Strategic Plan 2025*. The Foundation budget strategy is depicted in Table 2.2.

Table 2.2. Summary of the LSU Foundation Budget Strategy

<table>
<thead>
<tr>
<th>Strategic Plan Core Missions</th>
<th>Current Year</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Donor-giving participation</td>
<td>SEC 2\textsuperscript{nd} Quartile</td>
<td>--------</td>
<td>--------</td>
<td>SEC 4\textsuperscript{th} Quartile</td>
</tr>
<tr>
<td>II. Billion $ plus capital campaign</td>
<td>1\textsuperscript{st} year ramp-up</td>
<td>$1.2B</td>
<td>--------</td>
<td>$1.2B - $1.5B.</td>
</tr>
<tr>
<td>III. <em>Academic</em> philanthropic run rate</td>
<td>$50MM</td>
<td>$100MM</td>
<td>$100MM</td>
<td>$100MM</td>
</tr>
</tbody>
</table>

(LSU Foundation Strategic Plan Interviews, Clayton, 2017)

**Public-Private Partnerships (P3s)**

Public-Private Partnerships (P3s) provide another alternative for the revenue growth trajectory formula. Public-private partnerships (P3s) have become a lucrative alternative revenue stream for colleges and universities, given budget challenges caused by diminishing state subsidies. P3s add the advantages of better managing capital and operational expenditures,
according to speakers at the Society for College and University Planning’s annual conference in Washington, D.C. (July 2017).

Seltzer (2017) observed some of the advantages of P3s that potentially serve as cost-savings financial models. A private sector partner can provide cash-outlay upfront for capital investment such as new construction or renovations. Revenue that would otherwise be immediately needed for capital expenditure initiatives remains untouched — a revenue-savings strategy that can also mitigate rising tuition and fees.

The public-private partnerships may also be brokered through a private enterprise entity, to include the university’s foundation (a private enterprise business) that can be directly connected with the nonprofit function of a public institution in capital expenditure investments; for instance, new construction that ultimately becomes a sale-leaseback transaction. The construction is done on the university’s property, then sold to an outside company, but may be leased back by the university for occupancy purposes once the building is completed. The university gains revenue on the sale of the property, but does not assume cost of operational maintenance. Part of the realized revenue from the sale may pay for the university’s lease space on a scheduled payment plan. The remaining revenue may be used to offset a portion of the anticipated rise in tuition and fees.

**Online Classes**

DeMillo (2015) emphasized the need to think beyond massive open online courses (MOOCs) when judging technological change in education. His analogy demonstrated this logic:

At the start of the Renaissance, colleges in southern Europe disrupted the business models of civic universities and, enabled by the sudden availability of relatively inexpensive textbooks, provided a way for effective teaching to chip away at state-run
monopolies. It only took two hundred years for slate blackboards to transform teaching styles… (DeMillo, 2015, p. 83)

DeMillo reminded his audience that, in the long run, we may not be able to predict which technologies are most important and, therefore, we would possibly be better off to understand the influences that drive technological change.

A number of influencing factors have driven online, web-based classes, to include: affordability and accessibility for students who are limited by physical impairment or restricted by geographical location; accommodation of a mass audience that may otherwise be restricted to a class size and one professor in the traditional brick-and-mortar university model; and the resulting institutions’ alternative earned revenue and, arguably, cost savings by distributing instruction over the world-wide-web. Internet-based learning has emerged as an alternative means of revenue, potentially profitable and directly contributing to the institution’s mission (Weisbrod et al., 2011)

**Intellectual Property, Technology Transfer, and Regional Economic Engagement**

As previously discussed, Technology transfer, IP, and regional economic engagement potentially offer university differentiation and competitive advantage. This alternative revenue stream appears most strategic long term, as it is directly linked to the Third Mission, a strategy shared and associated with economic and societal engagement of the university in Europe (Benneworth & Herbst, 2015; Douglass, 2009, 2016; Zomer & Benneworth, 2011). This revenue stream might logically be channeled through economic regional engagement in discovering and creating technology innovation, and facilitating current and future knowledge accumulation, hopefully contributing to equitable upward socioeconomic mobility.
As previously mentioned, the (U.S.) Bayh-Doyle Act in 1980 promoted federally funded academic research commercialization and university revenue from commercial licensing (Powers & Campbell, 2009; Weisbrod et al., 2011). Technology programs were part of the allowable royalty benefits, which gave the research university support to build additional staff and economic development infrastructure. Douglass (2016) stated, “Regional economic engagement is an important mission of the modern Flagships…flagship universities must have teaching and research programs that specifically support local industry and businesses, and that promote entrepreneurialism” (p. 66).

Caution is prefaced regarding intellectual property (IP), since protecting the independence of academic research can pose complex policy issues for the institution regarding technology transfers. This includes protecting the independence of academic research. The results of achieving patents and licenses, however, is that technology transfer projects, “form and leverage university-business partnerships that effectively bring university-generated ideas and technology into the market…[providing] a major route for brain circulation between the public and private sectors” (Douglass, 2016, p. 68).

Further, the interaction with faculty, students, and industries may be the real intangible benefit of technology transfer activities, in that the resulting communication is what grows economic development (Douglass, 2016). The IP concept and related regional economic engagement activities may seem somewhat abstract when establishing or renewing goals for any institution, but may significantly impact regional and state growth. The key phrases assigned to the technology transfer primary objectives for the Office of Intellectual Property (IP) & Industry Research Alliances at University of California, Berkeley, may serve as an example to clarify technology transfer strategy in this case:
• Pursue public benefits from UC Berkeley IP including improvements to quality of life and economic development…

• Establish IP terms of research partnerships by reconciling the IP policies and practices of the University…

• Provide IP-related guidance, education and feedback channels for the campus community, and also as pertinent…[to all stakeholders]

• Lead Fiduciary Stewardship of UC Berkeley IP by obtaining fair compensation from companies for access to IP rights…(Douglass, 2016, p. 72)

Political Economy and Policy in the U.S.

Certain political perspectives have incited skepticism of governments’ competency in managing 21st century challenges, and under this same multinational view there is dimming confidence in long-term increases in higher education public investment (Chapman & Greenaway, 2006). Higher education institutions in the U.S. are faced with economic pressures to accomplish their social missions while maintaining financial sustainability. Cost cutting measures, student enrollment reductions, and increased tuition and fees are mitigation strategies for the institution’s financial survival, while state funding reductions for higher education consistently continue (Alexander, Harnisch, Hurley, & Moran, 2010).

States in the U.S. have represented an implied social and financial contract with higher education since the 18th century, until over approximately the last 35 years, higher education has witnessed a “break [of] this implicit financing contract” (Archibald & Feldman, 2011, pp. 235-236). These researchers claimed their institution had clearly become more financially dependent on private donors and direct charges to students. They offered two key reform ideas in potentially restructuring the relationship between public academic institutions and the states:
first, schools most importantly needed to have tuition revenue diverted from the state revenue stream, and instead flow directly into higher education budgets, thereby creating institutional financial independence; and second, schools and governing boards needed to totally own tuition decisions (2011).

Federal policymakers have been forced to expand student aid programs, causing further student debt as state appropriations have consistently declined and tuition has increased. The American Recovery and Reinvestment Act (ARRA) of 2009 contained the provisions of the “Maintenance of Effort” (MOE), enacted after Alexander (2010) initially testified to the U.S. House of Representatives in 2008, offering the strategy of using federal money to supplement state funding. Alexander (2010) convinced legislatures to invest in federal funding after proposing that public colleges and universities enroll 75% of students in the U.S., and these students “play a critical role in U.S. economic competitiveness” (Alexander et al., 2010).

The idea was that Congress hold state legislatures accountable for partial higher education support, incentivizing states to maintain a higher education funding level of at least their average previous five years (Alexander et al., 2010). The states would not receive federal funding if they did not comply with the MOE provisions, thereby limiting state funding disinvestment. Congress passed the ARRA (2009), and states’ disinvestment was successfully slowed after the bill was enacted (Alexander, 2017). The ARRA (2009) MOA activities potentially indicated that the federal financial incentives for higher education investment could be further leveraged to partner with states in future joint federal-state strategic programs, given where political power rested for future legislative actions.
The European Higher Education Area [EHEA] and Student Funding

The landscape of the European framework for higher education is profiled in *The European Higher Education Area [EHEA] in 2015: Bologna Process Implementation Report* (European Commission, 2015). The EHEA framework was chartered by the Bologna Process and is comprised of the voluntary intergovernmental agreement of 48 countries, as of 2017. The Bologna Process stems from the Bologna Declaration in 1999 and the mission is driven by common values and goals, as agreed to by all 48-member countries.

**Tuition and Fees in Europe**

The European approach of assessing tuition and fees may provide perspective on higher education funding challenges and opportunities, as documented by the EHEA (European Council, 2015). Tuition and fees are aligned with three cycles equivalent to the three levels of graduate degrees in the U.S. — First Cycle (Bachelor’s level), Second Cycle (Master’s level), and Third cycle (PhD). The proportion of fees that are paid by students, and the amount of fees students pay has a large variation. Funding support for students is also widely varied, although the majority of first cycle students receive a greater portion of support than the other two cycles. Third cycle PhD students seem to have the most diverse fees and support systems.

The definition of fees across countries that belong to the EHEA generally include tuition and fees attached to certification, registration and other miscellaneous enrollment fees, excluding housing (similar to the U.S.). The EHEA reported that at least some students have to pay fees in the majority of member countries (European Commission, 2015). A large variation in numbers reflected the policy in different countries; for instance, 90% of the students in Italy and Croatia paid fees, while less than 10% paid fees in Denmark (p. 130).
The Czech Republic and the Netherlands were noted for charging registration fees that were so minimal that many students possibly did not perceive them as fees. Full-time students usually paid lower fees than part-time and distance learners, in the student status category. Alternately, France was cited as one country that charged higher fees for students pursuing engineering or health fields (European Commission, 2015).

Socioeconomic background may justify waivers, where Switzerland was highlighted for this example (European Commission, 2015). The selection process is, however, focused on vocational job readiness and student success for more than 65% (OECD, 2014, p. 1) of upper secondary education students in Switzerland, enrolled in either pre-vocational or vocational programs that combine school and work-based instruction, geared for career readiness. There is also a heavy investment by business through paid apprenticeships at the secondary level for those that go into vocational education. The vast majority of these students continue after secondary studies into a vocational (tertiary type-B) program, while only 31% (OECD, 2014, p. 1) are projected to graduate from a university (tertiary type-A) program. Other countries largely throughout Europe follow suit with this vocational education strategy, albeit other OECD countries maintain only 44% of a student vocational population, compared to Switzerland’s 65%.
Tertiary (postsecondary) public spending per student was $9,635 for EU21 countries (member countries of both the European Union and OECD), $9,280 for OECD countries, and $10,017 for Switzerland (OECD, 2014, p. 1). Switzerland was notably highly invested in education, both in spending per student and as a percentage of public expenditure, with 16% of the country’s total public expenditure on education compared to 13% and 12% (p. 1) on OECD and EU21, respectively. Additionally, Switzerland’s international tertiary student population as a percent of total students, at 16% (p. 2), was only exceeded by three other OECD countries — Australia, Luxembourg, and the United Kingdom (2014). The Swiss model, and to a more moderate extent, the model of other European countries, demonstrate a significant difference from the U.S. in higher secondary and tertiary strategy, toward a prominent vocational student career path to meet workforce needs.

Percentages of tuition and fees of GDP per capita indicated the trend that second cycle students paid more than first cycle students. The EHEA conveyed that the traditional Western European countries (Spain, France, Portugal, and Benelux — Belgium, Netherlands, Luxemburg) paid annual fees for full-time students in the 0-9% of GDP per capita range (European Commission, 2015, p. 133). England and Ireland students were assessed in the 10-49% range (p. 133). Scotland students were not charged fees, according to the European Commission (2015) data compiled from the Bologna Follow-Up Group (BFUG) and World Bank (p.133).

Public grants were the most common financial support from public funds for higher education students, followed by public subsidized loans, tax benefits to parents, and other types of family allowances, as of 2011 (European Commission, 2015). The portion of household funding of tuition and fees seemed to, in some cases, fluctuate in proportion to state funding,
similar to noted trends in the U.S. This observed market trend might possibly be made cautiously, however, based on wide variation in country-by-country policy and related state contributions.

Most noteworthy of household funding and related public funding of student fees was in the U.K., where total expenditure doubled between 2005 and 2008, and then increased an additional 24% by 2011 (European Commission, 2015, p. 135). These changes may be due to a raised tuition cap in the U.K. (England, Wales, and Northern Ireland), excluding Scotland, in the 2006-07 academic year. Higher education in public expenditure also decreased between 2010 and 2011. This shows the strong possibility of a correlational trend between household expenditure and public expenditure.

The EHEA publishes these reports at approximate two-year intervals. This program, driven by the Bologna Process, is supported from the synergistic efforts of 48 countries, with the charter countries first meeting in Bologna, Italy, in 1999 (European Commission, 2015). One may note that the University of Bologna, founded in 1088 A.D., is the symbolic foundation for the voluntary-based EHEA; however, this foundation possibly provides the impetus for driving the autonomous World Class University (WCU) with common goals and strategies that represent the University of Bologna and its sustainable future. Figure 2.3 depicts a conceptual view of the Alma Mater Studiorum Universita Di Bologna [sic] - University of Bologna Strategic Plan 2016-2018.
Figure 2.2. Alma Mater Studiorum Universita Di Bologna Strategic Plan 2016–2018 Diagram
Student Loans as Income Contingent Loans (ICLs) in the United Kingdom (U.K.)

Student loans are a common challenge for the higher education sectors of the U.S. and much of Europe. Other countries, including the U.K., have opted to adopt income contingent loans (ICLs) rather than redesign the university-state relationship (Lyall, 2009). Tuition and fees, and a portion of living expenses (in some cases), are paid by the government, and then collected from the student in installments through the tax system after graduation. Timing for payback depends on when that student’s earnings pass a specified threshold.

The ICL system promotes student awareness of their investment in education and provides flexibility for the government to administer subsidies in the form of loan forgiveness; for example, when appropriately applied to the respective countries’ social policy. Student loan defaults are mitigated and loans paid back efficiently, given the country has a reliable tax system (Chapman and Greenaway, 2006). They also cautioned that this system should allow, rather than discourage, low-income students to enroll and not restrict choice of study programs selected by the students (2006).

The Intersection of Capitalism and Higher Education

Higher education policy reflects the fluctuating tuition and fees, student loan funding requirements, and especially diminishing government subsidies for the U.S. and Europe. Lyall (2009) referred to “Economic and political shifts…” (p. 83) that exert external and internal pressures on institutional policy decision-making, currently continuing to drive privatization. Further examination of the relationship (and different perspectives) of capitalism and the effects on higher education seems appropriate for this study.

Smith (1776) may be the best known of modern economists whose philosophy has been the basis for others who are also proponents of capitalism and laissez-faire policies. Smith also
set the tone for the opposing views of Karl Marx’s social economic philosophy. Smith (1776) proposed that an environment of free competition was best for economic development, supporting individualism and free markets, leading to economic well-being in society. A further brief discussion on the broad topic of economics is justified, considering the convergence of the economy, society, and higher education in this study.

Smith’s (1776) *The Wealth of Nations* was studied by many economists who might not have read, as Smith intended, *The Theory of Moral Sentiments* (1759) — a theoretical study on the ethical concern for others (Coker, 1990). Smith (1759) advocated, in fact, that financial stability prompted citizens to behave more ethically, legally, and philanthropically responsible. He also believed that the essence of financial stability allowed people to more likely support justice and reduce self-harm or harm to others. Smith made the point in *The Theory of Moral Sentiments* (1759) that economic motives were not the only purpose of one’s actions and, in fact, that self-absorbed behavior should be cautioned by concern for others (Newbert & Stouder, 2012).

Making sense of capital economy and higher education, one crosses an important intersection of political economy, and for that matter, economic theory versus the political economy of capitalism. Pertinent to this proposed current study, however, is how capitalism intersects with higher education and the role governance plays in this market-driven environment. Scott (2011) introduced the political economy of capitalism, in that capitalism is a socio-political and economic system.

Marx viewed capitalism from the perspective of social relationships between and among people participating in economic life (Elwell, 2013). Marx described these relationships within capitalism as relations of production; whereas technology and work patterns used to meet the
needs of people living in their respective environment (industrialism) were categorized as forces of production (Elwell, 2013). The relations of production, considered the economic organization, were based on these forces of production, contextualized by Marx within the societal culture (2013).

Scott (2011) perceived capitalism through the lens of an economist, as an indirect system of governing the economy, where economic actors compete to deliver service needs to customers, guided by certain rules. Capitalism, interpreted through this lens, is a system of governance, where markets drive supply and demand. Competition provides momentum to mobilize talent, energy, and the respective economic actors, to society’s benefit (Scott, 2011). He explained that capitalism entails complex relationships where multiple actors have power and influence on how the capitalistic system works.

Elwell (2013) explained that Marx primarily focused on relations of production (representing capitalism), with minimal emphasis on the “forces of production [that] basically set the stage for these relations” (p. 1). The significance of Elwell’s (2013) observation may explain Marxists’ view of capitalism as the major cause of societal problems, without focus on issues that may be symptomatic of industrialization. Elwell (2013) observed that Marx (1867) recognized social mobility, however, the concept was not included in Marx’ analysis. Marx asserted that every economic system, with exception of socialism, resulted in forces of production that initiated a new economic form (Elwell, 2013). He believed that an individual’s beliefs and behaviors were predetermined by the class role to which she or he was born, and one may interpret capitalism, in this respect, as oppressive to the working class. Marx’s words reflected this belief:

I paint the capitalist and the landlord in no sense couleur de rose [i.e., seen through rose-tinted glasses]. But here individuals are dealt with only in so far as they are the
personifications of economic categories, embodiments of particular class relations and class-interests. My standpoint, from which the evolution of the economic formation of society is viewed as a process of natural history, can less than any other make the individual responsible for relations whose creature he socially remains, however much he may subjectively raise himself above them. (Marx, 1867, p. 7)

Scott (2011) translated the complexity in understanding the capitalistic system by using sports (a separate system) as an analogy to a capitalist economy, both systems inherent of regulated competition. He pointed out that people watching sports competition can observe the difference between a game or contest with rules and referees--one without referees can become an unregulated free-for-all. Both the capital economy and organized sports are explained as three-level systems.

The first level is the competitive game, resulting in a win or loss. The second level of regulatory and administrative officials creates the infrastructure to guide the first level--the game. The second level stipulates the rules and the scoring system where the game is monitored. The third level legitimizes the institutional foundations as the political authority that represents the power to decide on game rules, regulations of eligibility, game schedules of time and place, and terms for distribution of revenue, while enforcing limits on disparities.

The three levels of organized sports can then be defined as: the games (level 1); institutional foundations (level 2); and the political authority (level 3). Comparatively, Scott (2011) defined capitalism’s three-level system as follows: the economic markets (level 1); institutional foundations (level 2); and political authority (level 3). Scott (2006) possibly interpreted the progression of socioeconomic mobility through the lens of capitalism, stating, “capitalism is designed to promote the productive use of societal resources in order to meet consumer needs in the short run and to raise the standard of living through time” (p. 9).
Promoting productivity, as a result, is given priority by regulator frameworks, rather than equalizing competitive resources in the short term (Scott, 2006).

Scott (2011) expanded of the important role placed within regulatory frameworks, in that, for economic markets to be appropriately regulated — “appropriate countenance of societal costs and benefits” (p. 64) — is dependent upon how well the political markets’ system of governance adheres to societal interests. He proposed capitalism as a three-level system that is political and administrative, as well as economic (2011). Scott (2011) also believed that the political process should be representative of societal costs and benefits, as well an individual property rights; that political power (government authority) should regulate corporate monopolies, harmful to competition and lower consumer prices; and that government authority should periodically modernize “market frameworks as circumstances change, including the modification of societal priorities as incomes rise” (p. 64).

Arguably, Scott’s description of capitalism is in close proximity to the concept of higher education financial stability, while the university’s mission is also contributing to the social good — both may be conceptually within Third Mission strategic priorities. This is not to promote the commoditization of a university’s purpose, but rather associate the parallels (and possible dependency, one upon the other) of capitalism and higher education. This statement is not to ignore a key government component of the capitalistic environment.

Scott (2011) explained, “government coordinates the modernization of market frameworks...[with] changing perceptions of societal costs and benefits” (Abstract). Government has two distinct roles, in fact: first, to administer institutional frameworks through laws and regulations; and second, to mobilize political power in order to modernize the frameworks for societal priorities (2011). The Flagship is positioned within the social infrastructure of the
in institutional foundations level. Table 2.3 shows the three level system and associated high-level functions, as explained by Scott (2011).

Table 2.3. The Political Economy Hierarchical Structure

<table>
<thead>
<tr>
<th>Levels</th>
<th>Capitalistic System</th>
<th>Functions</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Political Authority</td>
<td>Government - Political institutions connecting political authority to political markets (elections); political power accountable to civil society</td>
</tr>
<tr>
<td>2</td>
<td>Institutional Foundations</td>
<td>Infrastructure - physical &amp; social (<em>higher education</em>); agents of the state enforcing rules and regulations</td>
</tr>
<tr>
<td>1</td>
<td>Economic Markets</td>
<td>Competing and coordinating of supply &amp; demand</td>
</tr>
</tbody>
</table>

Note. Contents adapted from Scott (2011).

**The University-Urban Development Process**

Higher education is defined contextually within the Political Economy Hierarchical Structure (Table 2.3) as a level 2 institutional foundation of the capitalistic system (Scott, 2011), with a leadership role in society’s infrastructure. Archibald and Feldman (2011) reminded those charged with fulfilling the university’s mission of the implied social contract, as a responsibility to foster society, even in communities outside the campus walls. This researcher is interested in understanding how the Third Mission can not only provide financial stability to the university, but also appreciably close the gap of socioeconomically challenged populations within the institution’s regional communities by promoting decent work and economic growth through university-community engagement, thereby reducing inequalities.

Charles Van Hise (1904), University of Wisconsin president, articulated the similar goal of the “Wisconsin Idea”: “never be content until the beneficent influence of the university reaches every family in the state” (University of Wisconsin-Madison Board of Regents, 2006; Weisbrod et al., 2011). Beyond the view of economic advantage for the university was Benneworth & Herbst’s (2014) perspective of economic growth that might positively influence city-to-city relationships, visualizing cities as representing nodes within a network. Universities
making territorial networks, as ecologies or territorial innovation systems (Asheim & Coenen, 2005), may act as drivers of knowledge-based urban development processes, “providing place leadership and creating spatial frameworks encouraging cooperation and knowledge overspill” (Yigitcanlar, 2010, as cited in Benneworth & Herbst, 2014, p. 4).

Benneworth and Herbst (2014) researched influence of the university on interterritorial relationships of European urban development in their study. They addressed a purported research gap in the comprehensive influence of the university-related human capital on groups and group interactions (within a regional population)--sociological research at the meso-analytical level (between micro- and macro-levels). The researchers specified that their quest was to understand how universities “make places and shape urban hierarchies” (Benneworth and Herbst, 2014, Abstract).

Research was framed around university-urban development and the direct influence at the urban scale of created human capital and mobility. The researchers created indicators that measured university student attraction, as well as retention of those graduates, in their respective geographical areas in regions of Poland. Benneworth and Herbst (2014) approached this study from the premise that human capital may not necessarily lag behind existing economic structures and hierarchies, but instead “human capital is by its very nature formed in particular places” (p. 2)--alternatively, through education, with human capital as the catalyst for economic development (not just through economic activity).

This premise placed human capital in the leading position, from this perspective, with economic activity the byproduct of human capital. Empirical evidence of Knowledge Based Economic Areas (Douglass, 2009) — Silicon Valley, for example — is built on the assumption that economic activity of technology companies has been the impetus for regional development;
however, it might be viewed that accumulated human capital formed (as the basis) to progressively change Silicon Valley and the urban hierarchical structure (in the context of this example). Benneworth and Herbst (2014) have urged in the conclusion of their study to prioritize research focus on university-regional engagement, with related “through-flow in places” (Abstract) and evolution of these places into nodes that may expand the network of urban systems and hierarchical structures. The essence of their study presents a unique perspective on how university-community engagement may potentially advance societal mobility.

**Transformative Worldview Considerations**

Advancing societal mobility, as a strategic component of an institution’s Third Mission also comes with ethical responsibility that is inherent in this researcher’s study. This researcher supports awareness of the work and continuing challenges of other voices concerning the impact of economic engagement policies on the university community – especially those policies possibly characterized as neoliberal in nature. Sensitivity is therefore given to “those most affected and least heard” (Lipman, 2011, p. 18). Lipman recalled Santos’s (2002) counsel to intellectuals to maintain “a constant epistemological and political vigilance on [her] self lest [her] help becomes useless or even counterproductive” (p. 1085). The transformative worldview may most appropriately fit the perspective of these voices committed to challenges echoed by Lipman (2011) and Santos (2002). Table 2.4 is provided to further illustrate the context of transformative voices, as differentiated from the respective voices of other worldviews.

Table 2.4. Transformative Worldview Differentiated from Other Worldviews

<table>
<thead>
<tr>
<th>Postpositivism⁴</th>
<th>Constructivism²</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Determination</td>
<td>✓ Understanding</td>
</tr>
<tr>
<td>✓ Reductionism</td>
<td>✓ Multiple participant meanings</td>
</tr>
</tbody>
</table>
Lipman (2011) reflected on her perspective of dominant policies and ideologies in the mix of The New Political Economy of Urban Education (2011) by stating, “I grapple with the dialectic of research and social transformation as do others who are engaged in this work” (p. 17). Ethnographical considerations — cultural issues — may make certain populations more resistant to change than excepting of social transformation resulting from the university-urban relationship. Some of the immediate cultural concerns of Lipman (2011) and other scholars in this field, all possibly holding the Transformative worldview, are echoed in Lipman’s words (p. 17) by stressing three issues. (1) How can research help reconstruct the field of ideological and material struggle (Gilmore, 2007b). (2) What is the relationship of researcher and social movements (Lipman, 2011). (3) How does social struggle create and transform knowledge (Lipsitz, 2007).

Further contextualizing this line of questioning, core focus might be on the strategy most effectively employed by higher educational leadership to maximize social Third Mission priorities, alongside regional economic engagement priorities. Lipman (2011) explained that academic institutions may forecast the post-neoliberal framework of an economic paradigm that will influence societal changes to produce new social imaginary (Castoriadus, 1987; Ricoeur, 1987, 1965; Taylor, 2004) — a reconstruction of “values, social relations, and social identities,”
Lipman’s socio-political stance, in mentioning social imaginary, quite possibly related to how political power (refer to political authority in Table 2.3) is configured, and how that configuration impacted society.

Academic administrative and institutional changes within the university seem an appropriate starting place as a catalyst for Third Mission strategic priorities for advancing socio-political and socioeconomic outcomes within the university-community partnership. The case of a public U.S. Flagship University, located in a large metropolitan area in the South, presents such a scenario where a (university vice presidential-level) diversity and community engagement portfolio (DCEP) was created, with community engagement as one of the primary strategic goals (Vincent, Sanders, & Smith, 2015). The university administration’s specific goal – paraphrasing Vincent et al. (2015) – called for cultivating mutually beneficial community-university partnerships to advance the university mission. Emphasis was placed on the historic and current underserved community, within the geographical scope of the state and beyond.

Hurtado’s (2012) multicontextual model for diverse learning (Hurtado et al., 2012) was one of the theories that provided direction for framing racial and ethnic diversity of the higher education campus climate. Governmental and policy forces were among the variables explored from a multicontextual perspective--moving from a “diverse compositional community to an inclusive culture where people actively and intentionally engage with diverse people, ideas, and perspectives” (Vincent et al., 2015, p. 202). Additionally, another DCEP key goal was centered on research and best practices for diversity and community engagement, with focus on variables that included innovative scholarship, policy development, teaching, and services (2015).

The university-urban development process might be viewed with less resistance and more accord through economic regional engagement, in step with the voices of those who experience
“racial battle fatigue (RBF)” (Fasching-Varner, Albert, Mitchell, Allen, & Smith, 2015, p. xvii), not only on the university campuses, but also within the university regional communities (Smith, 2004). All member nations of the United Nations have endorsed the UN 2030 Agenda that defines the 17 sustainable development goals (SDGs), and pointedly--SDG 10 and 11: reducing inequality and making (cities and human settlements) inclusive, resilient, safe, and sustainable, respectively (United Nations Regional Information Center (UNRIC, 2018). Scholars and world leaders of within the UN member nations, remain challenged with the often polarized positioning of solutions for progressive economic engagement and human capital advancement, while also promoting effective societal progress of inequalities caused by race and poverty, and other marginalized inhibitors. The institution may need new ways of looking at solutions that can be created by partnerships, engaging the university and its social community to create common, rather than disparate goals. Societal engagement, as part of the Third Mission, is possibly one realistic way to achieve successful outcomes for the university and society.

Social Justice and Reducing Inequality

Reconciling capitalism with social justice is a challenging part of the formula for regional social and economic engagement Third Mission strategy, balanced by a risk awareness of promoting effective societal progress. The debate of conceptual tension may be argued between generating revenue and, alternatively, improving the wellbeing of society, particularly for those populations disadvantaged in a privileged world. Two philosophical views possibly confront the institution’s definition and purpose, where “cultural, moral and intellectual purposes of education” (Alison Wolf, 2002, p. 254) intersect with leveraging the marketplace to expand economic growth through the commodification of higher education learning.
Wolf’s (2002) words may remind university leaders to focus on moral, cultural, and intellectual purposes of education in reducing inequality, a commitment signed in 2015 as a global agreement by UN countries and termed the UN 2030 Agenda (UNRIC, 2015). Reducing inequality is the tenth of 17 Sustainable Development Goals (SDGs) of the UN that intuitively fall under the scope of the Third Mission. Mtima (2015) suggested cultural and social equality may be significantly promoted by understanding how to leverage the intellectual property (IP) revenue stream as a means of advancing social justice. Mtima (2015) declared that recognizing and gaining control of “[Intellectual property]--the products of your mind, talent, and cultural traditions” (p. xvii)--can possibly offer resources required to do business in the global marketplace. A brief review of two historical figures who generated significant cultural impetus for U.S. African Americans to explore the IP asset may be appropriate.

Du Bois (1917) expressed social and legal equity as foundational components in his philosophy that contributed to the socioeconomic transformation of the African American community, of which economic justice was an important dimension (Du Bois, 1917; Mtima, 2015). Du Bois’ “Talented Tenth [Economic Uplift]” (Edwards, 2004; Brown & Bell, 2008) was his vision of revolutionizing the economic marketplace by a select group of African Americans, desegregating and transforming the American market environment through entrepreneurship and, therefore, uplifting mobility of the African American society. Mtima (2015) pointed to socio-legal equity as the first order over economic advancement for Du Bois’ Talented Tenth, where funds from profits would be used initially for underwriting higher education and professional training for family members rather than alternative business investments. The Imperial Broom Company stands as an example of this economic model with a legacy of over 100 years.
Washington (1895), alternatively from Du Bois’ (1917) philosophy, declared Equality Through Economics (ETE), termed as social entrepreneurship (Mtima, 2015). Washington (1895) proposed that all blacks, equally, could pursue and realize goals of social change motivated through entrepreneurial activities (Whitman, 2012). Du Bois held social equality as key, as was black professional class advancement, followed by dispersive flow (of those selected from the elite Talented Tenth) into mainstream society, as a form of upward societal mobility. The distinction in opposing views of Washington’s social entrepreneurship and Du Bois’ classic entrepreneurship was possibly clarified in Mtima’s (2015) reflection that “Washington’s ETE ideology tends to subordinate individual aspirations and preferences in favor of communal social progress” (p. 26). Individual wealth, inherent in a capitalist economic agenda (Du Bois), was possibly overridden by the ETE philosophy of socially elevating African Americans (Washington), and thereby offering a social framework for African Americans and initiatives like Intellectual Property (IP) Empowerment (Mtima, 2015).

Minority rights for legal and social equity championed by Du Bois (1917) remains a struggle today despite years of Civil Rights progress (Fasching-Varner et al., 2015), yet ETE social entrepreneurship may provide a gateway to act on social action for African Americans through Intellectual Property Empowerment, most cost-effectively promoted by cooperative venture enterprises (Spear, 2012). IP commercial advancement, most often too expensive to explore as a lone entrepreneur, may be realized through cooperative ventures within the community. Pursuing this channel of opportunity spreads the entrepreneur’s risk to respective members of the cooperative partnership and can “economically empower the community as a whole” (Mtima, 2015, p. 27). Commodification of IP, in this case, may yield benefits that help
address the needs of respective minority communities that are included in this partnership (Phillips, 2007), to include potential gains in social justice.

**Through the Lens of a Radical Activist and Education Reformist**

Ayers (2016) advocated for social justice in higher education by raising awareness of the injustices, and associated imbalances, in his book, *Demand the Impossible: A Radical Manifesto* (2016). Ayers’ (2016) observations were documented through his lens as a former radical activist, current education reformists, and retired university professor. Ayers (2016) described the crisis as “painfully real and entirely fraudulent, manufactured by the banksters” (p. 102). He presented a partial list of issues to validate the word crisis: massive student loans instead of grants and scholarships; skyrocketing tuition and fees; increasing class sizes and decreasing course offerings; tenure-track professor position eliminations, staff cutbacks and layoffs; multi-tier payment structures implemented, weighing heavily on temporary labor or underpaid graduate students; rising unpaid mandatory furloughs, hiring freezes, and pay reductions; and increasingly unaffordable price tags for college student access (Ayers, 2016, p. 102).

Some university presidents and high-level administrators might use these cost-cutting measures regrettably, facing little support (from state legislatures, boards of regents, or other powerful special-interest groups) to implement alternative, less invasive means of financial survival for their institutions. Ayers (2016) observed that solutions presented to remedy the root causes of higher education challenges were regularly guided in the direction of “strategies [that] are consistent with the triumph of ‘academic capitalism’” (p. 102). The root of the issue may be taking the viewpoint that education is considered either a product or a human right. Learning, as a human right, Ayers (2016) challenged, was a community responsibility, while learning as a product for sale — as has been the case for decades of restructuring — advanced capital market
fundamentals, justifying all the previously mentioned education crisis issues, further entangling students in debt; additionally, protecting class privilege, while exacerbating college entrance due to accessibility and affordability issues.

Ayers (2016) noted that traditional funding of higher education (prior to funding structure changes starting in the 1970s) included the GI Bill that provided funds for millions of veterans who graduated from college debt free. The bill was decreased in funding to only a token representation of the original GI Bill in decades that followed until the second invasion in Iraq (Ayers, 2016). The GI Bill significantly increased (albeit, not to original post Word War II levels) at this time, but some of the more unscrupulous--and later closed--for-profit institutions targeted the veterans’ millions of publically-funded dollars (U.S. DOE, 2016; Veterans Education Success U.S. Senate Investigation, 2012).

Ayers (2016) cautioned that “graduates from these predatory places have lower earnings than their community college peers, and they’re much more likely to be unemployed” (p. 104). Anthem (2012) and Corinthian (2015) colleges were two of the for-profits whose administrative leaders were investigated by the U.S. Senate, with the results of their doors being closed and students’ funding and time investments lost (Ayers, 2016). An award-winning documentary to advance Ayers (2016) cautions on some for-profits that have demonstrated “predatory” (Ayers, 2016, p. 104) practices while drawing federal aid for their operations may be an appropriate segue.

*Failed State: A Documentary on American Higher Education*

Alexander Shebanow, director of *Failed State* (2018) and political documentary filmmaker, conveyed a national awareness of federal policymaking that demonstrated big business taking approximately 40% of federal financial aid with 11% of the higher education
students, which controversially led to at least a 40% federal loan default rate (Bolt et al., 2018). The big business, in this case, illegitimate for-profit higher education institutions that delivered fraudulent job-placement claim promises and valueless diplomas. For-profit colleges (FPCs), in fact, received 70% of their revenue from the U. S. Department of Education (DOE) based on Title IV of the Higher Education Act (DOE, 2016; Cellini & Koedel, 2017). Currently, public institutions compete with for-profit private institutions for federal funding, while for-profits are not governed by federal or state legislators on tuition ceilings — in some cases, two to five times higher than 4-year and 2-year publics, respectively. Additionally, federal financial loans will still fund 90% of FPC’s tuition and fees (Higher Education Act, 1965).

LSU President Alexander, also featured in the documentary, explained that the number one reason tuition keeps going up (Bolt et al., 2018, Alexander interview) for the public university is state legislatures’ disinvestment in annual revenue funding of the higher education institution. Alexander (2018) explained that there has been a 37% drop in state funding nationally from 2008 to 2016 (Bolt et al., 2018, Alexander interview). Long-term consistency in declining revenue from state legislatures directly caused tuition to rise and the college accessibility and affordability gap to widen, Alexander (2018) claimed. He added that underrepresented and socioeconomically challenged students seeking a college education were the victims. The legitimacy of most FPCs continues to be argued today, with student recruiting techniques by some that prey on low-income students, unaware that their outcomes of obtaining a diploma most likely result in high debt and academically unrecognized skills in the job market (Bolt et al., 2018).

The DOE recently sanctioned national for-profit corporations Corinthian Colleges and ITT Tech for failing to meet regulatory requirements, again spurring debate (and possible
criminal implications) about abusive FPCs. Both of these colleges have gone out of business, and as a result, thousands of students have been left with tremendous debt and no prospective job opportunities (Bolt et al., 2018). The new Gainful Employment (GE) regulations have specified a debt-to-earnings ratio tied to federal aid eligibility of, particularly, vocational programs; in essence, requiring graduate salary comparisons to federal financial aid debt calculations for either justifying or eliminating federal revenue (Higher Education Act, 1965). DOE Secretary DeVos has supported relaxing these regulations, as late as August 2018, which may provide less pressure on for-profit colleges to maintain the credibility of justifying federal financial revenue—the adverse of regulatory requirements imposed by the Obama administration that purportedly guarded against for-profits’ abusive practices (US Department of Education, 2018).

**Moral Capitalism and Entrepreneurial Justice**

Finally, new entrepreneurial businesses may provide an opportunity to promote societal economic justice, in partnership with the university, through regional economic engagement. Newbert and Stouder (2012) proposed a form of social economics, based on Rawls’ (1971) theory of justice that may add ethical considerations to a capitalistic partnership. The university and nascent business organization may have the potential opportunity to combine synergies in gaining traction on the social contract with economic benefits.

Newbert and Stouder (2012) acknowledged that Smith (1759, 1776), although a proponent of societal benefit, did not make a compelling case for modern-day economists in merging the polarized goals of entrepreneurial profits and the social good. Well over 200 years after Smith (1759) wrote *The Theory of Moral Sentiments* (1759), Sen (1997) advanced Smith’s (1759) argument about ethics when he stated, “(t)he assumption of universal profit maximization as the only business principle common in many economic analysis…has little empirical support,
nor much analytical plausibility, and there is a strong case for going beyond that rudimentary structure (p. 14; Newbert & Stouder, 2012, p. 233). Sen (1987) also noted that a major deficiency with contemporary economic theory was “precisely the narrowing of the broad Smithian view of human beings” (p. 28). Friedman (1962) represented free market capitalism with, perhaps, a stereotypical neoclassic economist’s viewpoint when he suggested the antithesis of social welfare in economics work, in that the sole obligation was to pursue profits in business, and “leave the ethical problem to the individual to wrestle with” (p. 12; Newbert & Stouder, 2012, p. 235). Rawlsian theory might, however, be applied to reinforce ethics and justice within organization (or community) structures to augment economic strategies.

Newbert and Stouder (2012) proposed that Rawls’ (1958, 1971) theory, related to welfare economics, might enable entrepreneurial leaders and their teams to promote justice within their firms. A Theory of Justice was written by Rawls (1971), who advocated justice incorporated through procedural norms — most effectively implemented at the initial phase of organizational founding, as noted by Newbert and Stouder (2012). They posit that Rawlsian theory is based on a situational approach, a thought experiment called the Veil of Ignorance (Rawls, 1971), that accommodates different interests and competing values, and that allows for continuous revisions and adjustments within the culture of an organization Newbert and Stouder (2012).

The Veil of Ignorance (Rawls, 1971) represents a thought process that is connected in the spirit of the implied social contract (Archibald & Feldman, 2011; DeMillo, 2015; Rawls, 1971), with balance and fairness through equality, justice, and moral values for all. This veil, in principle, suggests decisions regarding justice for all should be made by all stakeholders, without those stakeholders knowing their own standing, in terms of status in society (or an organization/community). Sen (2009) cautioned that one set of rules could not be set for societal
governance at any designated point in time. Rawls (1971) seemed to have allowed for Sen’s (2009) caution with his design of the difference principle to ensure “the least-advantaged individuals are made better off by all subsequent decisions” (Newbert & Stouder, 2012, p. 239).

Smith’s (1759, 1776) ethical concerns for others in a capitalistic environment, however, without details of theory to practice, and Sen’s (1987, 1997) proposed impartial spectator viewpoint, had both left Newbert and Stouder (2012) without a practical solution (other than Rawls’ theory) in their study that might mitigate the free enterprise capitalist and ethical gap. Negative aspects of entrepreneurs using Rawls’ theory to balance economics with ethical goals might include extra implementation expense or competing priorities involving short-term interests in initial organizational startup that derails a well-intentioned holistic program involving economics and ethics. The extraordinary demands placed on business/organizational startup initiatives may cause negative reception to the Rawlsian approach. Newbert and Stouder (2012), however, raised awareness of an organization’s unique opportunity to promote moral capitalism as a significant step to support the social contract, while also stepping up as a global leader to embrace the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda (UNRIC, 2015).

Summary

This chapter included a review of literature significant to theoretical contributions and significant findings that influence the financial stability and societal role of the university in its regional community. This review included substantive sociopolitical and socioeconomic traditional and current issues that may impact strategic planning of the Third Mission for the U.S. Flagship and European World Class University. The researched literature revealed challenges and possible opportunities to inspire a conceptual model for closing the gap of
economic advancement and social mobility through the synergies of the institution and communities working together, guided by further institutionalizing the university’s Third Mission strategic planning. In chapter 3, the research methodology is explained for this potential international comparative case study, to further define the university’s purpose and strategic role as an institutional foundation of our physical and social global infrastructure.
CHAPTER THREE. METHODS

In this chapter, the elements of the current study are presented. These components include the research questions, the study design, participants, setting, data sources, and data analysis. Limitations will also be presented.

Research Question

The overarching research question of this study is listed immediately below, followed by four sub-questions.

What comparative strategies for engaging the Third Mission might be identified from the U. S. Flagship and European World Class University (WCU) to assist in achieving financial stability?

Research Sub-question One: How will participants’ view expanded institutionalization of the university’s Third Mission as impacting economic competitiveness in the global and regional economic marketplace?

Research Sub-question Two: Which of the alternative revenue streams will participants’ identify as being strategically impactful, long term, for the university’s financial stability?

Research Sub-question Three: How do participants view prioritizing economic development as impacting socioeconomically challenged and disenfranchised populations?

Research Sub-question Four: What strategies and risks will participants identify for the institution from expanding the strategic management of the Third Mission?

Operational Definitions

Sustainable Development Goals (SDGs) UN 2030 Agenda Gap Analysis. A gap analysis was conducted of the strategic goals between Louisiana State University (U.S. Flagship) and University of Bologna (European WCU) strategic plans, using a baseline for comparison of
selected United Nations (UN) SDGs of the UN 2030 Agenda. Eleven selected goals and definitions are listed below, with SDG numbers assigned by the UN (SDG Knowledge Platform, 2015). The University of Bologna 2016-2018 Strategic Plan specifies eight of these goals, while the Louisiana State University Strategic Plan 2025 specifies three SDGs (7, 13, and 15) that are not published in the University of Bologna plan. The UN SDG numbers are recognized globally (UNRIC, 2015, p. 14).

1. Good Health & Well-Being (SDG 3) – Ensure healthy lives and promote well-being for all, at all ages.

2. Quality Education (SDG 4) – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

3. Gender Equality (SDG 5) – Achieve gender equality and empower all women and girls.

4. Affordable & Clean Energy (SDG 7) – Ensure access to affordable, reliable, sustainable, and modern energy for all.

5. Decent Work & Economic Growth (SDG 8) – Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.

6. Industry, Innovation, & Infrastructure (SDG 9) – Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

7. Reduced Inequalities (SDG 10) – Reduce inequality within and among countries.

8. Sustainable Cities & Communities (SDG 11) – Make cities and human settlements inclusive, safe, resilient, and sustainable.

10. Life on Land (SDG 15) – Take action to stop all things that threaten our global home, including deforestation, land degradation, and loss of animal and plant species.

11. Partnerships for the Goals (SDG 17) – Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

**Design**

This researcher utilized a comparative case study design to study the research question. The researcher attempted to explore four main areas, focusing on the seminal works of Merriam (1998), Stake (1995), and Yin (2009) and their methodological perspectives on case study research. The researcher should also responsibly recognize some of the classic research in comparative international strategies that are still recognized and cited as authoritative reference works today (Hantrais, 2009): (1) comparative method in education (Bereday, 1964); (2) science of comparative education (Noah & Eckstein, 1969); (3) comparative education (Holmes, 1981); and (4) comparing nations in the political science discipline (Dogan & Pelassy, 1984).

Notwithstanding the research theories, supporters of comparative international research, as a distinct field of inquiry, seem utmost concerned with a comparative frame of reference for the study and consistently applying the comparative approach from the research design through the research findings process (Hantrais, 2009).

The compare-and-contrast analysis approach, therefore, followed in which the U.S. Flagship (A) and European WCU (B) were weighted equally. The intent was to collect data for A and B from field research and provide similarities and differences to support an informed case (Walk, 1998) — the influence of prioritized economic engagement (Third Mission) on university financial stability.
Frame of Reference

The frame of reference for the design of this research was the Third Mission — generally synonymous in scope with economic engagement and societal development — that is commonly a dimension of strategic planning for most research universities, and might represent a virtual shared bridge, which connects the comparisons between the U.S. and European research institutions of higher learning. The outcome of this study suggested extending existing research on growing the university’s Third Mission (Zomer & Benneworth, 2011), and possibly providing opportunity to initiate design of a model profiled for a more financially stable global university for the future. The researcher heavily focused on the institution’s strategic economic engagement by leveraging alternative revenue streams, necessitated by diminishing traditional revenue allocations (Douglass, 2016; Alexander, 2017). Additionally, the researcher explored the realities of balancing the university’s financial stability while advancing socioeconomic mobility. Select sustainability goals of the UN 2030 agenda, as such, come into play that were selected as goals in the University of Bologna’s strategic plan--used in this research as a global baseline for comparative reference for the U.S. Flagship university and European WCU.

Organizational Scheme and Linking

Two basic ways to consider organizing the compare methodology process include text-by-text, by discussing the U. S. Flagship (A) and then discussing the European WCU (B), or point-by-point, by alternating points of A compared to points of B (Walk, 1998). The researcher used the lens comparison, viewing B through the lens of A, anticipating that B may extend A, with the advantage of possibly providing higher contrasts in similarities versus differences. Walk (1998) offered that in the lens approach, using A as the framework to view B, a text-by-text scheme may be the most appropriate choice within this context. Further, the intent was to get to
the root of the argument as effectively and efficiently as possible, while the grist of the compare-and-contrast approach should clarify the relationship between A and B (1998).

Linking can produce a cohesive study that demonstrates consistency of the comparative analysis (Walk, 1998). Linking A and B in the compare-and-contrast approach necessarily allows the reader to follow the study more easily and systematically. Each point of argument should also be linked back to the frame of reference, which provides a logical map that allows the reader to understand how the argument is advanced as new sections in the study are reviewed (1998).

**Gap Analysis Study Design**

Gap analysis may be viewed as a tool for an institution (or organization) to reach benchmarks of service quality and customer satisfaction for such companies as General Motors (Bordley, 2001). Modeling goals using gap analysis are also strongly supported in Gronroos’ (1982) book, *Strategic Management and Marketing in the Service Sector*. Bordley (2001) and Gronroos (1982) have contributed to credibly promoting the gap analysis process of defining quality of the service that should be provided and the stakeholder’s perception of what service is actually delivered (Boulding, Kalra, Staelin and Zeithaml, 1993).

Gap analysis for this study might then be guided by UN 2030 Agenda SDGs (UNRIC, 2018) as benchmarks within the public policy ecosystem of education (Bolman & Deal, 2003), as well the business ecosystem. The design for Data Source Four, gap analysis of strategic plans between the U.S. Flagship University and European WCU, is based on a hybrid redesign (by the researcher) of a gap analysis model previously used by one of the Big Four consulting firms with which the researcher worked on a private industry business case study project. This model design is framed around current practices of the university’s strategic goals in the current state compared to the equivalent of recognized best practices strategic goals desired in the future state.
This model seems an appropriate fit for a case study that involves strategic goals, as a hybrid with best practice university strategic planning goals selectively designated by the SDGs (UNRIC, 2015), set as the baseline for the gap comparison.

**Participants**

The fieldwork for this study targeted interviews with four informants whose work was central to the significance of higher education within the key areas of this research study. Purposive sampling (Patton, 1990) was selected for this reason, to improve the quality of research synthesis when utilizing the interview protocol (Appendix A). The researcher’s intent was to apply adaptability of purposeful sampling strategy to construct “multi-perspectival, emancipatory, participatory and deconstructive interpretations” (Suri, Abstract) of these participants’ responses. Specifically, central themes and common patterns emerging from, otherwise, great variations in outcomes from these respective participants’ institutional programs added invaluable credibility to interview findings, emulated by the maximum variation strategy of purposeful sampling (Patton, 1990). The researcher’s secondary or backup participants—in the event that the primary participant does not wish to participate (or is not available) for the interview—was to be the respective university provost (or another participant suggested by the provost) to provide information-rich interview responses.

Interviews were targeted with Dr. F. King Alexander (Louisiana State University President); Dr. Paul Benneworth (Professor of Innovation & Regional Development – The Netherlands and Norway); Dr. Michael Stubblefield (Vice Chancellor for Research and Strategic Initiatives, Southern University and Agricultural and Mechanical College), and Dr. Angelo Paletta (Deputy Rector of Finance, Planning & Process innovation, University of Bologna, Italy). Their combined work has contributed to the framework of this research. The framework is
supported within the scope of four key areas of interest to guide this comparative international study, as follows:

1. Institutional priority for strategic management of the third mission (Benneworth, de Boer; & Jongbloed, 2015);

2. Strategies and risks for regional and local economic engagement of the university with the community (Douglass, 2016; Zomer & Benneworth, 2011);

3. Alternative revenue streams for university stability in the face of traditional funding disinvestment (Alexander, 2017; Douglass, 2016); and


Data Sources

Data Source One (Primary): Interviews with Alexander (Louisiana State University), Benneworth (the European university—The Netherlands and Norway), Stubblefield (Southern University), and Paletta (University of Bologna)

Data Source Two (Secondary): Mission and Vision statements from LSU and University of Bologna [compare and contrast analysis of both]

Data Source Three (Primary): The university strategic plans for LSU and University of Bologna depicted by representational graphics (created by the researcher) [compare and contrast analysis of both]

Data Source Four (Primary): Gap analysis (created by the researcher) of LSU and University of Bologna strategic plans, using a baseline of the UN’s selected — not all 17 goals were selected for the University of Bologna’s strategic plan — key goals of the UN 2030 Agenda.
Data Collection

The first step in the data collection process, after the dissertation committee gave
permission for the study, was to gain approval from the Louisiana State University
Institutional Review Board (IRB). Application requirements from the IRB included (1)
application form, (2) a short study description, (3) Informed Consent, (4) Certificate of
Completion of Human Subjects Protection Training, and (5) IRB Security of Data Agreement
with signature. Participants were immediately contacted after the IRB granted permission to
c conducive the study.

Questions were targeted to participants who have demonstrated, through their past and
current experience in higher education, the highest level of proficiency with the subject matter.
Video teleconferencing technology was used by the researcher for the European locations due to
financial constraints. Every opportunity was made to meet logistical challenges with scheduling
and completing each interview. The interview was semi-structured to accommodate flexibility
for the interviewees, facilitated by the questions that are listed in Appendix A as the interview
protocol. The researcher transcribed all interview recordings to maintain consistency and
integrity of the participants’ responses.

Data Source Four involved a gap analysis based on United Nations (UN) Goals, eight of
which had been included in the published (2016) strategic plan of the European (WCU), with
three additional SDGs (7, 13, and 15) published (2017) in the U.S. Flagship strategic plan.
These 11 goals were used as the baseline for the gap analysis between the two universities’
strategic plans. All 17 sustainable development goals listed in the UN 2030 Agenda (UNRIC,
2015) are shown in the translation table of the chapter four analysis to provide context and
clarity. The gap analysis baseline for comparison between the U.S. and European university is shown in Table 3.1.

Table 3.1. Sustainable Development Goals for Baseline Gap Analysis

<table>
<thead>
<tr>
<th>Strategic Dimension</th>
<th>SDG</th>
<th>SDG Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>8</td>
<td>Decent work &amp; economic growth</td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>Industry, innovation &amp; infrastructure</td>
</tr>
<tr>
<td>Teaching</td>
<td>4</td>
<td>Quality education</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Decent work &amp; economic growth</td>
</tr>
<tr>
<td></td>
<td>17</td>
<td>Global partnerships for the goals</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Good health &amp; well-being</td>
</tr>
<tr>
<td></td>
<td>10</td>
<td>Reduced inequalities</td>
</tr>
<tr>
<td></td>
<td>11</td>
<td>Make cities and human settlements inclusive, safe, resilient and sustainable</td>
</tr>
<tr>
<td>Third Mission</td>
<td>4</td>
<td>Quality education</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>Affordable and Clean Energy (U.S. Flagship)</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Decent work &amp; economic growth</td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>Industry, innovation &amp; infrastructure</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Gender equality</td>
</tr>
<tr>
<td></td>
<td>10</td>
<td>Reduced inequalities</td>
</tr>
<tr>
<td></td>
<td>11</td>
<td>Make cities and human settlements inclusive, safe, resilient and sustainable</td>
</tr>
<tr>
<td></td>
<td>13</td>
<td>Climate Action (U.S. Flagship)</td>
</tr>
<tr>
<td></td>
<td>15</td>
<td>Life on Land (U.S. Flagship)</td>
</tr>
<tr>
<td></td>
<td>17</td>
<td>Global partnerships for the goals</td>
</tr>
</tbody>
</table>

Note. Adapted from University of Bologna (Retrieved from http://www.unibo.it/en/university/who-we-are/strategic-plan)

*aSustainable Development Goal (SDG)*

*bOrder sequence as addressed in University of Bologna’s Strategic Plan 2016-2018 (table continued)*

**Ethical Issues**

The researcher has protected research participants through earned trust and integrity, to include protection of their personal privacy through Internet data collection, and will continue to make every effort to guard against impropriety and misconduct that might be reflective of their institutions (Israel & Hay, 2006). Additionally, the researcher has defended exploitation of
participants during interviews and observations by avoiding leading questions or disclosing sensitive information, and, instead, remained open to sharing personal impressions and involved participants as collaborative partners (APA, 2010; Creswell, 2013; Lincoln, 2009; Merlens & Ginsberg, 2009; Salmans, 2010). Further, the researcher was sensitive to preventing collection of harmful information by remaining on topic with questions stated in the interview protocol. All artifacts, including hard copy and electronic, are stored safely in the researcher’s home office and password protected (for electronic files). Identifying information for institutions and participants, where anonymity protocol has been requested, will be changed in the storage process.

Analysis

The post-interview analysis was guided by a linear and hierarchical approach, with steps within the process became interactive and iterative in practice (Creswell, 2014). The seven steps suggested by Creswell (2014) were be used for data analysis of this case study, as listed here (p. 197): (1) interpreting the meaning of themes/descriptions; (2) interrelating themes/descriptions (e.g., grounded theory, case study); (3) coding the data; (4) reading through all data; (5) organizing and preparing data for analysis; (6) raw data (transcripts, field notes, images, etc.); and (7) validating the accuracy of the information. The comparative frame of reference was linked to the research findings to advance the argument for the respective sub-questions within each key area of interest.

The researcher is positioned approximately with the social constructivist interpretive framework and worldview (Creswell, 2014), depicted in chapter two, Table 2.4 of this study. An interpretive approach is derived from subjective meanings often involving complex views rather than immediately seeking narrow meanings. Reliance on participants’ views is prefaced to construct meaning, and inductively (as opposed to deductively) form or develop theory
(Creswell, 2014). Further, the researcher attempts to balance personal views and bias with the lived experiences of others, as the researcher has lived in the U.S. and briefly in Europe, worked in strategic programs in private industry, has strong academic research interests in strategic planning, and remains keenly aware that possibility of solutions to complex problems are provided through the synergies of multiple minds, and not just one contributor. This awareness motivates the opportunities (to be realized and shared by this researcher), through this study, to possibly advance financial stability of the university and further facilitate innovative social growth in this knowledge economy.

Codes were assigned to each of the four key areas of interest — linked to the four subquestions in this study. Keywords were initially extracted from these subquestions and assigned to four code groups in the Atlas.ti software tool. Reading through and organizing the data for analysis revealed evidence in the transcripts — imported into Atlas.ti for coding analysis — of other dominant keywords that were reoccurring descriptors associated with the original keywords in the respective key areas of interests. Open coding analysis was applied as these secondary key words were then added to the four code groups, expanding the total number of code descriptions to 12. A list of the codes and code frequencies are shown in Table 3.2.

Table 3.2. Codes and Code Frequency Table

<table>
<thead>
<tr>
<th>Code No.</th>
<th>Code</th>
<th>Frequency</th>
<th>Code Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>economic engagement</td>
<td>30</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>educating</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>financial</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>funding</td>
<td>27</td>
<td>3</td>
</tr>
<tr>
<td>5</td>
<td>human capital</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>6</td>
<td>innovation</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>7</td>
<td>institutional priority</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>8</td>
<td>knowledge</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>9</td>
<td>markets</td>
<td>13</td>
<td>3</td>
</tr>
</tbody>
</table>

(table cont’d.)
(table cont’d.)

<table>
<thead>
<tr>
<th>Code No.</th>
<th>Code</th>
<th>Frequency</th>
<th>Code Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>power</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>11</td>
<td>revenue streams</td>
<td>17</td>
<td>3</td>
</tr>
<tr>
<td>12</td>
<td>socioeconomic mobility</td>
<td>20</td>
<td>4</td>
</tr>
</tbody>
</table>

Note. Code Groups are defined as follows:
Code Group 1 – Institutional priority and expanded centrality for strategic management of the Third Mission
Code Group 2 – Strategies and risks for regional and local economic engagement of the university with the community
Code Group 3 – Alternative revenue streams for university stability in the face of traditional funding disinvestment
Code Group 4 – Programs for upward socioeconomic mobility of university communities

The process for validating coding accuracy during analysis was performed by selecting a significant quote from the interview transcript, synthesizing a formulated meaning from the quote, and then interrelating the code group(s) and related code(s), to categorize the quote into the appropriate subquestion (and key area of interest). The steps followed by utilizing this process allowed a means for the voices of the four participants to be consistently represented across all key areas of the study. The coding process, following this scheme, represented a theme-centric representation of the four key areas, and for that reason, these key areas (and subquestions) are informally labeled as themes of analysis in chapter four. Table 3.3 depicts the analysis that was applied to validate accuracy of the coding process.

Table 3.3. Process for Validating Coding Accuracy

<table>
<thead>
<tr>
<th>Significant Statements (Paletta interview)</th>
<th>Formulated Meaning</th>
<th>Themes &amp; Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Third Mission has two highlights—economic and social engagement. Social engagement is very important for our university because we have a multi-campus model …. The link with the local communities is very important to create the conditions for the development of responsibilities in the community, in social and economic aspect, of course, but also in the health and wellbeing [SDGs] because we have a role in this regional [partnership].</td>
<td>One of Bologna’s Third Mission strategies has been to leverage the multi-campus model, a key link between these campus communities and the university to build the framework for innovative social development and economic engagement.</td>
<td>(Themes-Groups 2 / 4) Strategies and risks for regional and local economic engagement /Socioeconomic mobility of university communities (Codes) economic engagement /socioeconomic mobility</td>
</tr>
</tbody>
</table>

(Table format adapted in part from Creswell and Poth, 2018)
The initial step of the gap analysis (Data Source Four) involved collecting data from Data Source Three that represented, by illustration, the similarities and differences of the strategic plans for the U.S. Flagship University and the European World Class University, respectively. This data was entered into a translation table that provided a tool to compare strategic goals between each university and, overall, with the centerpiece for the translation — 17 Sustainable Development Goals of the United Nations 2030 Agenda (UNRIC, 2015). A sample preview of the translation table format is shown in Table 3.4.

Table 3.4. United Nations (UN) 2030 Agenda Translation Table Sample Preview

<table>
<thead>
<tr>
<th>U.S. Flagship Strategic Themes</th>
<th>17 Sustainable Development Goals (UN 2030 Agenda)</th>
<th>European WCU Strategic Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>1. No Poverty</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>2. Zero Hunger</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Good Health &amp; Well-Being</td>
<td></td>
</tr>
</tbody>
</table>

The gap for each line item (goal) was defined with the UN Sustainable Development Goal (SDG) for reaching the goal. A modified use-case analysis (Jacobson, Christerson, Jonsson, & Overgaard, 1992), using an Agile (Lean) Six Sigma (Jacobson, Spence, & Bittner, 2011) approach was used to extend the analysis. Agile use-cases may provide streamlined detailed analysis, using an Agile-based use-case analysis—appropriate for improved business/organizational processes (Jacobson et al., 1992) – for improved strategic management processes in achieving goals.

Agile principles (AP) evolved in the 1950s, and decades later were formally presented as the 2001 Agile Manifesto (Larman & Basili, 2003). The cumulative defined actions from the completed gap analysis may then become an action plan template, with an agreed upon timeline and assigned resources (action team) to complete the project. This project plan may be managed
as a linear modeled effort, planned in GANTT chart format, with established defined milestones and completion dates that become the critical path timeline for project completion.

Rigor and Credibility

Procedures for validating findings are bound in scope by trustworthiness, authenticity, and credibility (Creswell & Miller, 2000; Lincoln, Lynham, & Guba, 2011). These procedures included the following strategies, as suggested by Creswell (2014, pp. 201-202): triangulation; member checking; rich, thick descriptions to convey findings; bias clarification brought to the study by the researcher; and presentation of negative or discrepant information. Rigorous checks included documenting as many procedures of steps in the case study as possible (Yin, 2009). Finally, other validation as outlined by Gibbs (2007) was implemented, to include: checking transcripts for obvious transcription errors; constantly comparing data with codes to ensure there were no shifts in code meanings; and using the qualitative software program ATLAS.ti to deliver an acceptable level of coding consistency, recommended by Miles and Huberman (1994) at 80% (Creswell, 2014, p. 203).

Methodological Assumptions

The objectives of this study were to explore, from the participants’ perspectives, the following key areas: (1) expanded institutionalization of the university’s Third Mission to improve economic competitiveness; (2) organizational strategies and risks from traditional resourced missions to prioritized strategic management of Third Mission engagement; (3) alternative revenue streams most strategically impactful long term for the university’s financial stability; and (4) prioritizing economic development that leads to societal upward mobility and better quality of life for socioeconomically challenged and disenfranchised populations. The process of this research was characterized as inductive and shaped by collecting and analyzing
data (Creswell & Poth, 2018). The interpretive framework that guided this research includes the Endogenous Growth Theory (Romer, 1994), Solow’s (1987) theories of economic growth, and Rawls’ (1971) theory of justice; additionally, possible different worldview perspectives of the researcher and participants, shaped by (seemingly) polarizing perceptions of capitalism and societal mobility.

**Limitations**

Limitations were anticipated in this study. The interview participants targeted for this research were geographically dispersed in two different countries in Europe (Netherlands and Italy) and two locations in one state in the U.S. (Louisiana). The researcher purports, however, the four informants have in common the overarching knowledge of strategic planning for economic and societal engagement aligned with Sustainable Development Goals (SDGs) of the UN 2030 Agenda; as such, their ongoing work is central to the significance of higher education within the key areas of this international comparative case study, and added substantive credibility. Fieldwork for the European participants was conducted through video teleconferencing due to the expense of travel that would have been incurred by the researcher. Further, this limitation may have detracted from the otherwise richer descriptive interactions and effective personal dialogue normally expected and associated with qualitative research.

**Summary**

In this chapter, the components of the study were presented. The research work included data collected from the interview protocol, comparisons of vision and mission statements from a U.S. Flagship University and European World Class University, and a gap analysis comparison between the U.S. and European university, utilizing the standard for comparison of the
Sustainable Development Goals of the UN 2030 Agenda. In chapter four, study findings were discussed. Chapter five included a discussion and implications from results of the study.
CHAPTER FOUR. FINDINGS

Study findings will be presented in this chapter. Analysis of the findings in this study included four data sources: Data Source One—four respondent interviews; Data Source Two—mission and vision statements gap analysis; Data Source Three—strategic plans for Louisiana State University (LSU) and University of Bologna depicted as representational graphic comparisons; and Data Source Four—gap analysis of Louisiana State University (LSU) and University of Bologna strategic plans, using a baseline of United Nations (UN) 2030 Agenda Sustainable Development Goals (SDGs).

Data Source One (Interviews)

Interviews

This chapter contains selected excerpts from each interview of the four respondents (listed in the participants section of chapter three). The case for each respondent has been summarized according to themes one through four at the end of this chapter. The following respondents were interviewed:

1. Alexander (Louisiana State University and A&M College, U.S.)
2. Benneworth (the European university—The Netherlands and Norway)
3. Paletta (Alma Mater Studiorum University of Bologna—Italy)
4. Stubblefield (Southern University and A&M College, U.S.)

The coding process, and the process for validating coding accuracy during analysis (described in the analysis section of chapter 3, denoted a theme-centric representation of the four key areas, and for that reason, these key areas (and subquestions) are informally labeled as themes (Table 4-1). Data source one is presented in theme order. The analysis of each case and the voice of the participants transcend each theme.
Table 4.1. Themes (Code Groups) and Codes Assigned to Interview Responses

<table>
<thead>
<tr>
<th>Theme 1: Institutional priority and expanded centrality for strategic management of the Third Mission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Codes:</td>
</tr>
<tr>
<td>○ educating ○ human capital ○ institutional priority ○ power</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theme 2: Strategies and risks for regional and local economic engagement of the university with the community</th>
</tr>
</thead>
<tbody>
<tr>
<td>Codes:</td>
</tr>
<tr>
<td>○ economic engagement ○ innovation ○ knowledge</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theme 3: Alternative revenue streams for university stability in the face of traditional funding disinvestment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Codes:</td>
</tr>
<tr>
<td>○ financial ○ funding ○ markets ○ revenue streams</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theme 4: Programs for upward socioeconomic mobility of university communities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Code:</td>
</tr>
<tr>
<td>○ socioeconomic mobility</td>
</tr>
</tbody>
</table>

Four themes were assigned as code groups and represent the key areas of this study. The codes were used to match (either directly or approximately) as key words associated with the four different code groups. The same themes (code groups) and associated codes were consistently applied in the analysis process across all interviews. Each theme has been addressed by analyzing the respondents’ interview transcripts, providing the voice of the participants within the context of the review of literature in this study.

**Theme 1: Institutional Priority and Expanded Centrality for Strategic Management of the Third Mission**

*President Alexander of Louisiana State University (U.S.)*

Alexander reflected on how the definition of the university had possibly changed since the turn of the 21st century, within the context of socioeconomics. The land grant university, in which the federal government granted land in each state to finance and construct a public higher
education institution, was a topic of his reflection. The concept of the land grant had provided the opportunity of affordability and accessibility to those students who had little chance of entering private universities. Dr. Alexander stated,

The land grant idea was perhaps the greatest idea that was ever invented in higher education. It was in design [the Morrill Act of 1862 and the Morrill Act of 1890] … to serve the industrial classes …. We actually for a century after that, embarked on the creation of a public system of higher education of which the rest of OECD [Organization for Economic Cooperation and Development] world has now adopted. (F. K. Alexander, personal communication, February 27, 2019)

Another university president—Charles Van Hise (1904), University of Wisconsin—had prefaced Alexander’s observation about the land grant institution by declaring in his Wisconsin Idea theme, “never be content until the beneficent influence of the university reaches every family in the state” (Weisbrod et al., 2011, p. 3). Land grant universities offered an affordable alternative to private higher education. Public university access for students continued to expand through the mid-1960s, and adversely, private institutions were beginning to go out of business, as Alexander explained:

… the great debate in American higher education occurred from 1965 to 1972. At that time the public universities were unified in support of the federal government getting involved in Lyndon Johnson’s Great Society. So it was about expanding access to those who didn’t have it…. But the debate that people had forgotten about was that private higher education… They’d gone from 50% of all the students in the [19]40s to 25% in [19]65. And they said privates are going out of business. So the private argument from 1965 to 72 is that we need a market approach to higher ed.

The timing of these events marked the momentum for the pendulum of financial stability for public institutions to swing the other way. Thus began approximately four decades of decline in annual state allocations for the university. Archibald and Feldman (2011) noted that the implied social and financial contract between the states and higher education since the 18th century had been broken. The governments’ competency in managing 21st century challenges of
higher education, from certain political perspectives, demonstrated skepticism of long-term increases in higher education public investment (Chapman & Greenaway, 2006).

The market approach created an entirely different economic environment for higher education that included competition in student enrollment, university ratings, and student debt in the U.S. Meanwhile, private institutions were allowed access to the same federal funding as public institutions. Federal policymakers expanded student aid programs that allowed state appropriations to consistently decline, countered by tuition and fees to consistently increase. As noted by Alexander,

The private [universities] said that, hey, we’ll let a lot more low-income students in our front door and we’ll become less costly. We’ll be able to control our prices and pricing and costs [will be] a lot less. Well nobody held them accountable to either. So they’ve done neither. And they have less low-income students today than they did then and they kept ratcheting up the pricing and ratcheting up the charges because the federal government can’t control what they charge.

The state legislature has seemed more likely to hold back higher education funding, and hold on tax increases that would alternatively financially balance this strategy, while allowing the burden of debt to be owned by students and their families. Archibald and Feldman (2011) proposed that one of the reasons for the consistent downturn in state funding was the fact that college tuition increases had become politically less resistant and more acceptable than increases in taxes. They offered potentially restructuring the relationship between the university and the state in two ways: schools and governing boards should have total responsibility for tuition decisions; and most importantly, tuition revenue should be diverted from the state revenue stream (Archibald & Feldman, 2011).

In the case of President Alexander at Louisiana State University, state legislature funding to mitigate risks of affordability and accessibility for students in the public university were seen as a prerequisite to growing human capital for promoting economic competitiveness and
innovative social growth. Alexander pointed to state legislators, sponsoring state funding
disinvestment of higher education for decades, as primarily responsible for rising tuition and
fees, and increasing student debt.

Dr. Paul Benneworth and the European University (The Netherlands and Norway)

Benneworth thought about the purpose of the European university and what might have
distinguished its definition in the 21st century. His perspective included professorships in the
Netherlands, Norway, and initially in the U.K., as well. Benneworth stated,

So you have this idea of the world class university and then the rise of league tables and rankings. What's distinguished the 21st century higher education more generally is... [a] very, very strong process of homologation, so a convergence around a very restrictive, very reductive version of what the university is.... even those universities that 30 years ago never have aspired to having anything in common with the global elite university... are now feeling all kinds of pressures...[to mimic these elite universities]. The world class university debate [primarily about power], particularly by powerful universities, has [generated] an increasingly dominant view of what constitutes useful university contributions. (P. Benneworth, personal communication, February 25, 2019)

Power, rankings, and commercialization of knowledge—perhaps due to the institution’s
financial necessity and pressure from government ministries in Europe—may have reduced the
university definition in scope. There has been similar pressure of university rankings in the U.S.,
yet the variables in the ranking formula may differ, depending on which ranking system is
referenced. A more prominent variable used by the U.S. News & World Report is a measure of
financial resources (Archibald & Feldman, 2011). Government ministries (in Europe, for
instance) have used rankings to showcase their research-intensive universities as a means of
national economic development (Douglass, 2016).

The conversation shifted to potential challenges that might surface for the European
university by increasing institutional priorities for Third Mission strategic regional economic
engagement. Benneworth cautioned to use strategies both efficiently and effectively, as he observed,

And the pressure that's been put on universities to specialize and profile in what they do well, and to pick a few limited priorities, to prioritize them strategically, and then try to do them well, and compete to gain the resources to do those—so compete to get students, compete to win research grants, you know, compete through their business activity. Now, the key issue for this is there's an assumption that if you have a strategic goal, you can deliver it because it's strategic. But the point about organizations is that they can really only do a very limited number of things as strategic priorities… And universities look at the environment around them and then make choices about which of those strategic priorities are important and which of those they're just going to just kind of engage with in a lip service sort of way.

Benneworth’s response may explain some of the logic behind—and risks presented, in terms of—the importance of institutional support, the institutional buy-in from staff and academics in the organization for successful outcomes of strategic initiatives. Risks that include organizational resistance to change may have to be mitigated. The feasibility of fully implementing a strategic objective depends on ownership of activities and dedicated resources, including funding, to complete those activities, at a minimum (Hinton, 2012). Discontent within the organization may occur when implementation of strategic goals are not fully supported (2012). This same scenario could be presented when faced with implementing and achieving the university’s strategic plan goals.

The subject of power was introduced into the question of strategies that might be utilized by the European university to promote quality of life for underserved populations. Broadening Third Mission strategies as a means of redirecting power authority to positively influence underserved populations—a socioeconomic consideration—seemed fitting within the context of Theme 1 for strategically managing the Third Mission, particularly in mitigating oppression and other injustices of vulnerable communities. Benneworth responded,
So the big answer is that universities can empower less powerful communities in various different kinds of ways. So they can give them a platform and articulate injustices that have been done to them. They can make those communities aware of the injustices. They can work collectively with the partners through social innovation to create solutions. They can use their political power to lobby for actions to be taken to improve the lot of those communities.

The transformative worldview may most appropriately fit the voice of Benneworth and his perspective for advancing societal mobility for underserved communities, as a Third Mission strategy. Before moving to his possible solutions, however, Lipman (2011) cautioned about social transformation resulting from the university-urban relationship, in terms of restructuring communities. She explained that academic institutions may forecast the post-neoliberal framework to influence societal changes to produce new social imaginary—a reconstruction of “values, social relations, and social identities,” (Lipman, 2011, p. 10). The general caution, therefore, is how political power may be used to impact society, in the name of transformation that may further disenfranchise (culturally or geographically) those exposed to a market-oriented culture and political economy. Benneworth continued,

Universities are well placed to do something about that because they could by building up long-term relationships with specific recipients, create activities that benefit communities …—it's relatively simple: you create activities in which local communities are in charge of.

The convergence of universities, in order to emulate the research-intensive university in a market-driven higher education climate, has possibly narrowed the European university mission, with less prioritized importance and resources dedicated to social growth. Strategic-driven delivery of institutional initiatives seems more in line with the 21st century-centric university and less characteristic of the university before the turn of the century. Benneworth observed organizations [the institution] are limited in realistically performing strategic priorities by having to make choices of what is really important in the university environment, as he explained,
But the question then becomes why wouldn't they? But there are a lot of reasons related to power and prestige, which is why universities don't do those things. You would have to address those power and prestige issues to have a serious opportunity to make a difference.

To Benneworth’s point, DeMillo (2015) talked of the negative effects of power inside the university as:

. . . further evidence of the corporatization of the academy and as unwarranted intrusions into academic life by faceless boards of trustees whose ranks are swollen by businessmen trying to force-feed short-term market ideologies on unwilling professors, or by accreditors and other bureaucrats enamored with planning (p. 187).

The big challenge, however, is dealing with the influence of power and prestige that can limit those partnerships. Expanding the Third Mission means clearly defining goals that truly empower communities to partner with the university to succeed in social growth. This concept moves empowerment of the community in front of prestige that the university may gain as a benefit of social engagement and good will.

*Dr. Angelo Paletta of the Alma Mater Studiorum University of Bologna (Italy)*

Paletta considered how the definition of the university had possibly changed in the 21st century. His responsibilities at the University of Bologna included implementation of the Sustainability Development Goals (SDGs) of the United Nations (US) 2030 Agenda, as part of the strategic oversight for the university’s strategic plan. His attention seemed immediately drawn to the task at hand, advanced by the landmark Bologna Process of 1999, when a declaration was signed at the University of Bologna that established common goals and values that has now been agreed upon by 48-member countries (European Commission, 2015). Paletta observed,
I think it is the experience of the University of Bologna but this is in general the same for the Italian university system—I think that the Third Mission is a new horizon to universities to manage the changing agenda to SDGs [United Nations 2030 Agenda Sustainable Development Goals (SDGs)]. The 2030 Agenda of the United Nations for the university is a new conceptual framework to address the change in teaching, [and] research to promote new approaches to impact social, economic, and environment issues. (A. Paletta, personal communication, March 19, 2019)

The University of Bologna adopted an institutional strategic framework that expanded from 10 Sustainable Development Goals (SDGs) in the 2016–2018 strategic plan, to all 17 goals in 2017, timed with the 43rd G7 Summit (G72017 Italia, 2017)—a component of which was hosted in Bologna. This was an organizational change as well as commitment to a new strategic direction for the University of Bologna. Representative universities from the other G7 countries (U.S., U.K., France, Germany, Italy, Canada and Japan) collaborated with Bologna during the summit in 2017 and learned from this European university model transition. Paletta continued,

Strategic planning is a mechanism of governance of the universities that includes the UN agenda… About the role strategic planning for sustainability of the university strategy… This is very important for my university because SDGs have become the institutional framework to design new strategies.

G7 university representatives were presented with three main issues for which their institutions were responsible in order to commit to the United Nations 2030 Agenda: 1) governance and accountability; 2) sustainable teaching, where the professor and the student share in mutually beneficial knowledge; and, 3) the change from disciplinary research to interdisciplinary research, emphasizing trust with other university partners. Beyond the three issues, University of Bologna focused on stakeholder engagement, and especially student engagement in the campus operations environment.

The university’s redesigned organizational structure to an interdisciplinary (issue 3, above) interface meant that community partners could conveniently engage with university students and professors. The significance of this interdisciplinary interface may be appropriate to
compare with the research of Benneworth and Herbst (2014) on influence of the university on interterritorial relationships of European urban development. Generally, their study focused on influence of the university-related human capital on groups and group interactions—an interdisciplinary exchange of ideas—within a regional population, and how universities “make places and shape urban hierarchies” (Benneworth & Herbst, 2014, Abstract).

The premise was that “human capital [may be] formed in particular places” (Benneworth & Herbst, 2014, p. 2), through education, leading as the catalyst of economic activity, and economic activity was, therefore, the byproduct of human capital. This presents a good argument that Knowledge Based Economic Areas (Douglass, 2009)—Silicon Valley, for example—which were assumed to have been developed by economic activity of technology companies, may have been, in fact, initially formed by an accumulation of human capital. This premise might further convince those in positions of political authority that funding (rather than disinvesting in) higher education may be a high priority for stimulating economic growth.

The researcher moved to the interview topic of university engagement in societal challenges. Paletta was asked what strategies were used to promote quality of life for the Bologna community. The researcher assumed during this discussion that the university was required to expand (to some extent) Third Mission strategies and possibly shift institutional priorities for even more focus weighted on strategies for innovative social growth. Paletta replied,

Yes, this is another aspect of the Third Mission, because the Third Mission has two highlights—economic and social engagement. Social engagement is very important for our university because we have a multi-campus model. The University of Bologna has the headquarters in Bologna, but [also] four other campuses in the region: Ravenna, Forli, Cesena, and Rimini…The link with the local communities is very important to create the conditions for the development of responsibilities in the community, in social and economic aspect, of course, but also in the health and wellbeing [SDGs] because we have a role in this regional [partnership].
With these features, the university creates economic value for the community and even promotes situations for local communities to engage in cultural activities. For example, the University of Bologna has a museum, we have a library, and these buildings are open to the local community. So we have citizens that participate in the museum, library, and other activities. This [partnership] is important, but our problem at the moment is that we do not have indicators to measure the active social engagement in the local communities. We have many, many events, for example, in different cities, but it is very problematic to measure these complexities.

One of Bologna’s Third Mission strategies has been to leverage the multi-campus model, a key link between these campus communities and the university to build the framework for innovative social development and economic engagement. Douglass (2016) discussed the importance of building relationships between the university and community that facilitated established business partnerships and economic growth. The time spent in the university’s socially driven venues around the Bologna region include money and time spent by the institution’s administrative staff, professors, and students that cannot (without established measurement indicators) be logged on the balance sheet. Quantifying the worth of these intangible factors is more of a universal problem in education, as well as the private sector. It is difficult to justify an initial financial investment in process improvement, for example, since the measurable value is only realized (as an economic and social return) over time.

Intellectual capital and innovation are also intangible, although both of these elements are dominant factors in our knowledge economy, reflected in the global economy’s dependence on value knowledge accumulation (Douglass; 2009; Douglass, 2016; OECD, 1996; Toedtling, Asheim, & Boschma, 2013; Zomer & Benneworth, 2011). Paul Romer’s (1994) endogenous growth theory (within the theoretical framework for this study) most appropriately relates to value knowledge accumulation in the form of human capital—a key ingredient of the theory, advanced through knowledge sharing (teaching) by professors at the university. These intangible
elements cannot immediately be seen as products coming off the production line, but are value-producing just the same, in terms of economic growth, and the global economy is dependent upon them (Schumpeter, 1942; Solow, 1987; Romer, 1994). Yet funding of these elements remains challenged in the ministries in Europe and the legislatures in the U.S. due to (generally) other financial priorities.

Dr. Stubblefield of Southern University (U.S.)

Stubblefield was responsible for research and strategic initiatives at Southern University, an Historically Black College and University (HBCU). Southern University is, in fact, designated as the only HBCU system in the U.S. Stubblefield prefaced his interview participation by emphasizing his observation on part of the title for this study:

The researcher asked if he had heard of the United Nations 2030 Agenda. Stubblefield replied:

Actually, yes, we looked at it recently. But I'm also intrigued about the recent economic development. Because one of the thoughts we had was, how can HBCUs be intimately involved in economic growth and community growth. So if you always say teaching, research, and service, then the research and service portion really is connected by the Third Mission. (M. Stubblefield, personal communication, March 26, 2019)

Stubblefield discussed that he and other leaders of Southern University contemplated how the Southern University HBCU system could become more involved in broadening economic and community growth. He related this intent to Third Mission strategy, and envisioned managing Third Mission goals as connecting the research mission with the service mission at his university. Southern University was actually the second land grant institution developed in the State of Louisiana under the Morrill Act of 1890. The 1890 legislation, which provisioned for the establishment of HBCUs so that students of Color would be entitled to the
same equality in privileges as White students, followed the Morrill Act of 1862, 28 years later (DeMillo, 2011; 2015).

The challenges faced by HBCUs, with a heritage of competing with the majority of White-dominated universities in the 20\textsuperscript{th} century and the first two decades of the 21\textsuperscript{st} century, may be positioned with some unique insight into how they become intimately involved in economic growth and community growth. Du Bois (1917) expressed social and legal equity in his philosophy related to the socioeconomic transformation of the African American community. Du Bois’ vision, titled the “Talented Tenth [Economic Uplift]” (Edwards, 2004; Brown & Bell, 2008), was about a select group of African Americans revolutionizing the economic marketplace through desegregating and transforming the American market environment with an entrepreneurship strategy that would uplift the mobility of African-American society.

Washington (1895), alternatively, declared Equality Through Economics (ETE), called social entrepreneurship (Mtima, 2015). Washington (1895) posited that all blacks equally, motivated through entrepreneurial activities, could pursue goals of social change (Whitman, 2012).

Relative to the idea of connecting the university research mission with the service mission, Stubblefield stated,

> It was creating a network-to-network—international networks. So we proffered the idea of having an HBCU network here in the different cohorts. But to connect them on issues of sustainability, particularly water, energy, and environment with communities in Africa and Asia. And then with one other organization's support. A couple other European countries... Australia [in the Asia-Pacific] and Denmark [in Europe], I believe. With their help, they are allowing us to not only take our HBCUs in the communities that they're located—in terms of, they have no network amongst themselves on the topic—but we're also about the idea of creating leaders, how actually have our [students] to be exposed—to be exposed to the global market opportunities.

This concept would be applied within the framework of using the HBCU as an “ambassador to other countries—communities in Africa and countries of color…” (M.
Stubblefield, personal communication, March 26, 2019) to leverage education, research innovation, and business partnerships. A pause may be appropriate (respecting postcolonial precautions) to recognize advocates—scholars, radical activist, education reformists—that warn about the commodification of education, while in the process of leveraging the marketplace to expand economic growth. Bill Ayers (2016), quoting from Demand the Impossible: A Radical Manifesto has spoken of higher education challenges that were regularly guided by “strategies [that] are consistent with the triumph of ‘academic capitalism’” (p. 102). Wolf (2002), in Does Education Matter? Myths about education and economic growth, has written about “cultural, moral and intellectual purposes of education” (p. 254), which could be interpreted as within the context of the academic institution’s definition and purpose. Smith (2012), in Decolonizing Methodologies: Research and Indigenous Peoples, has written about threatening the way of life and cultures of indigenous peoples, in the name of “…concern for human and civil rights, the rights of women and other forms of oppression…[for]…imperial outreach” (p. 24).

The researcher observed that university leaders might justify the intent of strategic initiatives, prefaced by the cautions of Ayers (2016), Smith (2012) and Wolf (2002), and focus on moral, cultural, and intellectual purposes of education in reducing inequality. Stubblefield continued,

> When you consider the fact that your companies here locally, you know, Exxon, Dow, all petrochemical firms, they are U.S. headquartered firms. They have multinational footprints. Our kids need to be prepared, at least in the workforce development side, to be able to adjust and acclimate to those communities. . . So when we say something about the four and five star jobs for the State of Louisiana, you can easily match those up against, as well, with those [UN] SDG goals. So I think there's a common theme, because we even referenced the UN strategic plan in our response to The National Science Foundation.

The spirit of such a balanced approach may be offered in a commitment signed in 2015 by the UN countries, as a global agreement structured by 17 Sustainable Development Goals
(SDGs), termed the UN 2030 Agenda, (UNRIC, 2015). The tenth goal of the 17 SDGs, reducing inequality, would be specific to a strategy of the Third Mission. Stubblefield emphasized that innovative growth, demonstrating positive community impact through jobs created, as well as new companies started, would validate the significance of Third Mission strategies and priorities for both economic growth and societal mobility.

The researcher asked Stubblefield if anything else came to mind about how the definition of the university had possibly changed since the turn of the 21st century, as related to global socioeconomics. Some of the previous discussion that might have applied included the urging from the State of Louisiana for HBCU involvement in economic and social activities. Stubblefield replied,

When we mentioned earlier about how the State of Louisiana, actually [its] public institutions, to see what their impact is on the economic and social standing of the state—that's a major point... when you look at the funding formula of the state. So it's actually in the funding formula about, what does your research do? How many jobs have you created? They talk about workforce development and those four and five star jobs, and how you are getting the programs aligned against them to promote those growth targets.

Whereas there is possibly general agreement that higher education may (in time) profit students, corporations, and a nation’s economy, there is an assumption from state and federal governments that it is justifiable to pressure academic institutions with financial targets. In the words of Benneworth, quoting from Creating the Market University (Berman, 2012), “So it is [about] ‘how academic science became an economic engine’” (P. Benneworth, personal communication, February, 25, 2019). The argument would not center on willingness of institutions to do everything in their power to uplift society and the economy. The argument would be recognizing that budget decisions on state and federal funding (aligned with this justifiable assumption of financial pressures applied to the university) are shortsighted, formulated by minimal funding allocations from states (U.S.) and ministries (Europe),

93
necessarily increasing professorate and administrative hiring, and staggeringly high student enrollment, compared to available professorate support.

**Theme 1 Summary**

Theme 1 included the question of a possible shift or change in the university’s purpose since the 21st century, with a unanimous response from the four participants that priorities of the institution in the current century were now weighted on economic pressures, as opposed to (traditionally) academic focus. Alexander centered his thoughts on legislative action to mitigate approximately 40 years of state government disinvestment. Benneworth noted the university purpose had narrowed in scope precipitated by the push of university rankings and commercialization of knowledge. A new strategic planning framework consisting of the UN 2030 Agenda’s SDGs was a key mitigation strategy described by Paletta to facilitate community partnerships for economic and social growth. Stubblefield visualized Third Mission service engagement as a possible new strategy to realize innovative social change for global underdeveloped regions and renewed (and alternative) revenue streams.

**Theme 2: Strategies and risks for regional and local economic engagement of the university with the community**

**President Alexander of Louisiana State University (U.S.)**

Alexander introduced the strategy of leveraging the federal government to increase financial stability of higher education, and sociopolitical and socioeconomical influences on decision making for financing the university. Alexander stated,

I make the whole case about what we ought to do the next 50 years and it's in that speech [points to a bounded copy of his speech] that I've given to all the public university presidents in the country.

The speech is titled *Forging New Policies: Supporting a Federal/State/Public Institutional Partnership as Part of the Next 50 years of the Higher Education Act* (2017). In his speech,
Alexander emphasized, “…in the U.S., the key to understanding how colleges and universities are financed often has more to do with politics than economics” (2017).

Timing of the speech was approximate to the eve of the 50th anniversary of the Higher Education Act of 1965—legislation to make higher education affordable for students and families of students who were disadvantaged socially and economically (Alexander, 2017). Noted influence of the Higher Education Act (1965) included policies that advanced the Civil Rights Act (1964), the Elementary and Secondary Education Act (ESEA, 1965), policy debates about private institution funding, and federal direct student aid, under Title IV policies (2017).

Alexander focused on the effect of politics and economics on financing the public academic institution, as he explained,

We are in the process of saying that the market—the invisible hand—is going to treat everybody equally. They're saying there are legislators right now that [express] why don't you just privatize at LSU? [The answer is] because we can only privatize so much. There are only a handful of publics that can get away with privatization. The Virginia's maybe the Michigan's. But it's at the expense of their own state and economic growth because they're going to go to 80 percent out of state kids and not serve anybody in state. And the detrimental impact on their own economic growth within Michigan or Virginia has never fully been measured or assessed.

The market balance to which Alexander referred is either the automatic pricing-adjustment based on supply and demand in a free enterprise economic system, or possibly the hand of the government making adjustments through a political process. He explained the logic behind public higher education privatization as an alternative for financial survival. Lyall (2009) posited, “This move towards privatization [emphasis added] is well advanced” (p. 83), when referring to economic and political shifts and those effects on the public university. Alexander (2017) explained that if there were no changes in the long-term continued state disinvestment in higher education funding, “colleges and universities will become increasingly privatized and dependent only on student tuition” (p. 6). The interview continued as Alexander explained,
What hasn't changed is the economic impact of human capital. Which is really what Adam Smith said. He said that the wealth of nations is not based on how much coal you have or how much natural resources you have. It's who you have and what you do with those people.

He was possibly referring to the human capital relationship to innovation, and resulting growth of the economy. Understanding the invisible hand concept might be helpful in understanding its (metaphorical) role in political and economic influence of financing the university. The invisible hand concept was recognized by Adam Smith (1776) in his book *The Wealth of Nations*, as an atomistic pricing adjustment to balance market competition related to supply and demand of products in the market place. The invisible hand usually referred to reestablishing balance between supply and demand without the government’s help, otherwise referred to in a capitalistic society, generally, as laissez-faire policy. The other reference to the invisible hand is the invisible hand of government, which in a democratic society is controlled through a political process (Scott, 2011), and, therefore, political authority (power).

The invisible hand referenced by Smith (1776) was an appropriate fit for his theory when analyzing competition prior to the Industrial Revolution, where economic inequalities were not at the magnitude that existed after the revolution (post-1840), when power relationships became commonplace in economic markets (Scott, 2011). Corporate monopolies were then scrutinized under more government intervention and regulation, when competition was suppressed by the monopolies (and oligopolies), where a large-scale enterprise controlled price, with little effect dictated by supply and demand (The Economist, 2018). Proponents of capitalism hold that laissez-faire policy is still the appropriate economic policy that best suits a free enterprise capitalistic society today. Imbalances in power (political authority), to include corporations categorized as oligopolies, also still exist today, and without strict regulation from the government can cause decreased or stalled competition from “grossly unequal power
relationships” (Scott, 2011, p. 18), decreased economic growth (relative to gross domestic product (GDP)), and decreased spending power for consumers in society, as a whole (The Economist, 2018).

Alexander continued his statement:

A third of Silicon Valley was based on international students who stayed. This is a human capital world now. It is talent-based, it's driven, and we have states doing that basically, and I made a speech last night [to the Louisiana State Legislature]. I said I want to thank our legislators who are here tonight for not cutting us for the first time and God knows how long. But [I] also let them know that we're not fully funded. You actually didn't cut us so we didn't drop below our 1991 funding level.

So I've got to, I've got to convey that message to everyone of these legislators that think, 'hey we didn't cut you. You must be all right.' So I would argue that unlike anybody else in the OECD world, we have taken public moneys and put them in private universities—we've put them in unaccountable private universities.

Alexander explained that with state funding reductions have come increasing market disadvantages for public institutions, relative to private institutions. The difference in pay for a senior research faculty member in 1972 was about $1000 (5.6%) higher for private institutions (Alexander, 2017). In 2013 the salary differential increased by 35.4% or $45,000 (Alexander, 2017). The advantage for private university regarding full-time students (FTE) from about 1990 also trended in the same pattern. Per student spending at private research universities was approximately $9000 above that of public research universities, while the advantage difference in 2010 for private students had increased to $30,000 (2017). Ultimately the concern stems from the benefit of the Higher Education Act of 1965, originally intended for “funding greater access for lower-income students” (2017), when the future financial stability (in grossly unequal competition with publically-funded private institutions) is at high risk of crumbling.

**Dr. Paul Benneworth and the European University (The Netherlands and Norway)**

One of the challenges with the second theme—strategies and risks for regional and local
economic engagement of the university with the community—was that strategies and risks for regional and local engagement of the university were in some scenarios linked and in other scenarios independently considered in the analysis of participants’ responses. The researcher’s statement, couched as an observation, solicited a response from Benneworth that probably lead to the former scenario (strategies and risks linked) in formulating his answer. The researcher mentioned in the interview that one worries about society and societal mobility, and questions whether university efforts are negatively affecting society while building revenue for the university. Benneworth responded,

So what are the effects of this increasing pressure on universities to cover their costs, has been a formalization of where the boundaries of universities lie—in particular, the issue of span of control. So if you have a big flagship research center where everyone in it has a pass they get in and out of the building and is an employee or has some kind of contract, then universities can control that, and it is a good way to attract revenue.

If you sort of have open lectures via where people go into and out of, and you're not really keeping track of all of those things—you know, you've got people coming from outside to give lectures, you have people attending lectures without necessarily paying for them. It's much harder to kind of ensure financial stability. But there are some kinds of teaching and some kinds of knowledge activity that fit much better with that kind of open boundary-less classroom.

Benneworth’s first scenario would involve economic engagement where university-community partnerships led to revenue from contract research, for instance, that resulted in patents, spinoffs that form new entrepreneurshipships or expanded contracts with existing commercial partners, or intellectual property and technology transfer opportunities that may have driven revenue-based economic strategies for the university. Silicon Valley in the U.S. is a high-profile example of this scenario of university-business collaborative programs and influence on policymaking. Douglass (2009) pointed out “two major market advantages for long-term economic growth” (p. 254) within this context: (1) high percentage of private sector investment
of R&D; and (2) relatively high investment in basic research. Private sector investment can come in the form of technology venture capital (Douglass, 2009).

The Bayh-Dole Act of 1980 in the U.S. allowed for university ownership of federally funded projects that became patented — “making research more financially attractive” (Weisbrod, Ballou, & Asch, 2011, p. 22). European ministries also have similar policies for the research-intensive university and patent agreements. International patents and associated technology transfer programs are now big business, with global market of intellectual property that brought in U.S. receipts in 2003 of $48.2 billion and associated intellectual property trade of a $28.2 billion surplus (Douglass, 2009). Benneworth observed,

Typically, contract research is the most lucrative. When there are subsidies for industrial city centers, if you can get patents licenses spinoffs and make them profitable, then that's another way of generating activity. But in terms of the university knowledge process, with which they are associated, they are only applicable to a vanishingly small number of disciplines.

The span of control to which Benneworth referred in his first scenario also has a possible narrowing effect for strategic priorities of his second scenario. The free open boundary-less classroom is a scenario where the university (most often) pays for the person giving the lecture, while attendees do not necessarily pay, or other community-related social events that involve knowledge sharing by the university without cost to the community. These activities do not show immediate revenue for the university, and the strategic priorities more than likely will receive far less resources, time, or funding by the university, compared to the first scenario. Many of these activities, as well, would fall into developing innovative social growth for the community. Benneworth stated,

When you get in the social sciences and humanities, most of the knowledge activities with society are not codified in any kind of meaningful sense, so things like public lectures, contributions to television, radio, things like blog posts, writing for media appearances. Those are things that universities have great deal of difficulty in controlling,
all through teacher activities and universities' accounting systems… not to count the number of hours that students do contributing to other people's problems.

Relative to the knowledge process and “vanishingly small number of disciplines” (P. Benneworth, personal communication, February 25, 2019), immediate solutions seem limited, perhaps justifying research with a different perspective at promoting social growth. Benneworth and Herbst’s (2014) presented a unique perspective on how university-community engagement may potentially advance societal mobility in their study — The City as a Focus for Human Capital Migration: Towards a Dynamic Analysis of University Human Capital Contributions. These researchers proposed in the conclusion of their study more prioritized research should be focused on university-regional engagement, with related “through-flow in places” (Benneworth and Herbst’s, 2014, Abstract) and evolution of these places into nodes that may expand the network of urban systems and hierarchical structures. The researcher’s interpretation of urban systems and hierarchical structures is that these authors were referring to communities linked in social networks.

**Dr. Angelo Paletta of the Alma Mater Studiorum University of Bologna (Italy)**

Paletta was asked if there were any particular strategies that have been very helpful in implementing regional economic engagement or increasing regional economic engagement for the university? He described the industry environment in the region of Bologna, and also in most of Italy, as predominately small businesses. He stated that there was one large packaging firm, however, with which the university had developed a partnership. Paletta continued,

We have a connection and convention for an agreement with the single corporation, but also with the association to create the condition to diversify their sources to engage the professionals in the corporation with researchers in university—people working together for a research and development… The corporation required problem solving, and the problem solving required an interdisciplinary approach.
Paletta explained that the university-corporate partnership connection was possible through the university reorganization that facilitated an interdisciplinary solution. The new interdisciplinary organization functioned as a collaborative interface for the university and company to combine synergies and work together. Paletta stated,

This is another important aspect, an economic aspect, related to the strategy of the University of Bologna, as a spin-off that promoted an incubator for new business. In this period we have many, many activities by the students to introduce new ideas in this [corporate partnership] business. We have a proof of concept program to promote the capacity of the students to systematize and to organize their business ideas for the possible new corporation [partnership]. We have an incubator... program to support students and, of course, professors to work together with professionals in the corporation to create new business.

This interface also provided a portal through which other local small businesses could collaborate with professors and students. University of Bologna had, through reorganization, expanded the feasibility of partnerships for economic and social engagement. Additionally, student engagement activities with community businesses that allowed proof of concept possibilities for creative ideas could lead to new or expanded business partnerships and promoted students’ employable skills.

The university’s interface that bridged a collaborative working relationship with the community, professors, and students also made possible entrepreneurial opportunities for all participants. Douglass (2016) emphasized in *The New Flagship University: Changing the Paradigm from Global Ranking to National Relevancy* an important mission of modern Flagships involving economic engagement, which may translate to the European World Class University—“To a significant extent, although not solely, Flagship universities must have teaching and research programs that specifically support local industry and businesses, and that promote entrepreneurialism” (p. 66). University of Bologna’s reorganization to accommodate an
interdisciplinary community partnership environment seems to mirror the feasibility of Douglass' idea.

**Dr. Stubblefield of Southern University (U.S.)**

A discussion about leveraging a multi-campus system as a network led to the topic of economic engagement for Southern University, utilizing its HBCU system. Campuses in the Louisiana cities of Shreveport and New Orleans complete the HBCU system of Southern University, located in Baton Rouge. The researcher commented on the recent presence of a national private company in the Shreveport, Louisiana, area, and the potential partnership opportunities with Southern University's regional campus located there. Stubblefield replied,

> Our strategy is, again, about the economic or social piece, and how does Southern University become greater engaged with our New Orleans and our Shreveport campuses, for one. But then we look at the bigger picture. How do we actually engage with that national network of HBCUs to have more of a global picture? So that's the purpose, that's the mission.

So there's a place for public–private–partnerships, particularly when you look at how universities can plan their space. Most institutions, universities, even if you look at federal contract work or anything related to services…that's one of the ways that you can actually grow a revenue stream into the state. Because now you're targeting opportunities all across the U.S. and even globally.

Public-private partnerships (P3s) are another means of financing university budgets as university presidents and research policymakers have urged forging new private involvement in funding universities (Douglass, 2009). Seltzer (2017) observed some of the advantages of P3s that potentially serve as cost-savings financial models, such as the private sector partner providing initial cash for capital investment of initiatives. Construction, renovation, and other infrastructure projects can be mutually beneficial for revenue gained by the private sector partner and university, with little upfront cost for the institution. Joint ventures between research-intensive universities and corporations, where private currency in publicly funded research
laboratories is another source of public-private partnership revenue (Douglass, 2009). Joint training courses between businesses and universities is yet another funding source for these partnerships (Douglass, 2009).

Stubblefield continued,

…when I specifically talk about P3s, I'm looking at it more so, how can we provide a service to an agency or company, which means now you're hiring workers to do some everyday, day–to–day activities, whether in the IT field or on the energy side, as well. That provides a window for us to work specifically with small businesses providing services to large contractors, for example. Working with other companies, other universities, to be able to do some of that work, and definitely if you partner with businesses, how do you create a space where you can grow that firm here in Louisiana with HBCUs?

Reflective of Stubblefield’s statement on creating a space to grow business in the State of Louisiana, Kim Hunter Reed, who serves as Commissioner of Higher Education for Louisiana and received her doctorate degree from Southern University, has stressed that a key mitigation for the long time poverty rate in Louisiana was education, emphasizing the link between higher education and economic development (Borchers, 2018). An impediment to Louisiana’s economy has been a sparse work field (of workers) with higher education, as reported by Borchers (2018) in the Louisiana State University student newspaper. The results of this potential international network, with Southern University’s HBCU system, could be utilized to appreciably influence economic growth within the State of Louisiana, as well as the U.S. southwest region, where most of the HBCUs are concentrated. This international alliance with Southern University could also possibly further engage other HBCUs in growing the U.S. network.

Theme 2 Summary

University strategies and risks of regional engagement were considered in Theme 2. Alexander discussed the risks resulting from forced privatization of public universities because of the competitive market environment, but balanced his argument with human capital output —
the overwhelming majority of students graduating from public institutions — as competitive economic justification to encourage the public, federal, and state renewed investment in public institutions. Benneworth observed that contract research and fee-based learning (sourced from international students) as lucrative financial strategies, however, he cautioned certain non-codified knowledge activities and disciplines were diminishing in favor of economic-driven goals and objectives within the university. Paletta credited institutional organizational change from a traditional internal-facing disciplinary organization to an interdisciplinary solution that provided a portal for students, professors, and community organizations for proof of concept assessments, including university incubator environments to benefit collaborative research and student engagement. Stubblefield’s economic engagement strategy included concentrating on small business service opportunities, leveraging larger business service contracts, pursuing federal funding to facilitate more business activity and employment in the State of Louisiana, and advancing networks to engage nationally.

**Theme 3: Alternative revenue streams for university stability in the face of traditional funding disinvestment**

*President Alexander of Louisiana State University (U.S.)*

Our conversation became one of university funding and markets in the face of traditional funding disinvestment. Alternative revenue streams became secondary in this conversation to that of re-establishing traditional levels of state government funding from four decades of decline. Alexander’s determination to regain this funding is met with others less optimistic, as suggested by Archibald and Feldman (2011) who advocated, “We do not see any reasonable prospect that the halcyon days of high state effort and low list-price tuition could return” (p. 251). Alexander explained,
That's what's different from us in France and England and in Norway and Sweden, and we are not the world's best higher education system that we think we are, big just because we have more institutions. I like the fact you're looking at the European models because they're outpacing us in access and competition now. And nobody wants to talk about it.

Douglass (2009) suggested that states lack concern and a broad comprehension of growing social and economic stratification, and an understanding of national competitiveness (of universities, both private and public). States (Louisiana, as an example) fund annual higher education allocations as a discretionary line item in their budgets, meaning that what is left over from everything else funded gets spent on colleges and universities. There are competing needs, of course, as well as political conflict. Prefaced with this, and to Alexander’s point in comparing the European and U.S. university, Douglass contends, “The specter of privatization and market models will probably not generate the investment rates and political commitment needed to adequately bolster American education and to retain its leadership position” (Douglass, 2009, p. 186). Alexander stated,

… if we don't get federal involvement to shut these states down from getting out of their responsibilities, we will completely federalize higher ed in basically a voucher system. Market-based voucher system.

A significant landmark decision was made by Congress during the 2008-2009 time period to pass the U.S. American Recovery and Reinvestment Act (ARRA) of 2009, along with the Maintenance of Effort (MOE) of 2008. Alexander was instrumental in facilitating passage of this legislation, presenting his case to U.S. Congress in Washington, D.C., about the state legislatures’ disinvestment of annual budget allocations to higher education institutions throughout the U.S. He made the case to Congress that public colleges and universities enrolled 75% of students in the U.S., and these students “play[ed] a critical role in U.S. economic competitiveness” (Alexander et al., 2010). Alexander observed,
...we've given our legislators an incentive not to fund higher education, because they can dump it on us. We raise tuition and fees, become more private, they don't have to vote for tax increases... we take the heat for raising tuition and fees, then our students go into greater debt, ...we slowly privatize ourselves and look more and more private, which is what our private universities want. They don't want affordable public institutions out there competing against them...

U.S. Higher Education seems to be headed toward a market-based, federalized voucher system. Federal funding requires more accountability of university spending and more responsible state investment, thereby reducing student debt. DeMillo (2015) of MIT indicated approximately half of all institutions, from credible estimates, could be insolvent within 15 years (by 2030). William Bennett (2013), former U.S. secretary of education, in vocalizing availability of federal grants and loans as one of the core reasons college costs were rising, also blamed many colleges of greed, families willing to pay anything to gain college entry for their kids, and “[the fact that] the federal government endlessly subsidizes these increases” (DeMillo, 2015, pp. 138-139). The financial health of colleges and universities from which degrees are granted is tracked by the U.S. Department of Education.

The reports indicated that 127 nonprofit institutions failed the financial health test in 2008, an appreciable increase from 100, when DeMillo (2015) initially began to follow these reports, trending up to 150 in 2010 (Blumnestyk & Richards, 2010). Median level debt grew for over 200 public colleges and universities by 31% between 2005 and 2009, as initially reported to Moody’s subscribers (Blumnestyk & Richards, 2010). This financial shortfall translated to $1200 of debt per student. State subsidies were steeply declining, which DeMillo (2015) attributed to diminishing tax revenues reacting to the market crash in 2008.

Moody’s comment was, “Most public universities will be able to raise tuition to help absorb the revenue gaps” (Blumnestyk & Richards, 2010; DeMillo, 2015, p. 140). Moody’s comment and the events leading up to this tuition policy change, in order to mitigate loss of
university revenue, were strong indicators that state funding has a direct influence on tuition price setting by higher education. The reason tuition and fees have continued to rise may, therefore, have less to do with William Bennett’s logic, and more to do with the direct effect of state legislature’s disinvestment in higher education, as Alexander observes,

And right now that's what we're working on—is putting federal leverage on states to quit doing that and behave more appropriately and fund your institutions so that we can remain affordable…. I do think—this may be the pessimist in me—that if the federal government doesn't do something on this reauthorization, that trend is going to just keep going down the same direction. Debt levels will keep growing and growing. And you're seeing backlash. That's the policy backlash of that.

Alexander was referring to federal leverage in the form of a new Memorandum of Effort (MOE), like the MOE of 2009 that he facilitated in passing through Congress. Policy backlash included accessibility and affordability for students of poverty and also students of middle-income families. Reaction to this backlash was a risk of uncertain financial stability for the higher education institution. This backlash also justified political debate at the state and federal level, and drew on noteworthy radicals’ responses with substantiated facts, such as those of Bill Ayers (2016), who observed: “average amount of student loan debt for all graduating seniors with student loans (2014) — $28,950; average amount of student loan debt for all graduating seniors with student loans (1994) — $10,100; and total outstanding student loan debt (May 2013) — $1.2 trillion (p. 207).

**Dr. Paul Benneworth and the European University (The Netherlands and Norway)**

Benneworth proposed that rather focusing on alternative revenue streams first, the university should “deal with the reality of what a university is” (P. Benneworth, personal communication, February 25, 2019). This statement was in concert with his vision of the purpose and definition stated in Theme 1. Benneworth first formulated a question that directly addressed the overarching question of this study, and then responded,
So the question, what would a sensible university strategy for using with third mission to guarantee institutional long term financial sustainability—what would that look like? And so my answer is—what it would do, is it would optimize external connections in ways that enriched the internal activities taking place.

There are many different ways in which outside actors can effectively contribute to university activities in ways that make them qualitatively better. So more kind of more engaged, more grounded pedagogy but a research practice that...couples to society. And that takes place, again, through this diversity of different activities and connections that are enabled by allowing autonomous academics to develop connections and then integrate them in a meaningful way into teaching and research activities, and then rewarding those academics when they do those activities well [emphasis added by Benneworth].

Benneworth (2011) had certainly endorsed the need for financial sustainability of the university through Third Mission strategies, and the necessary ministry changes to policy for commercializing university-business engagement activities through European State policy reregulation (Zomer & Benneworth, 2011). The researcher observed that optimizing external connections through this means of quality improvement might then justify to institutional staff, students, community partners, and other external stakeholders a more distinctive university — albeit the image of the Democratic Mass University (Zomer & Benneworth, 2011) in Europe of over three decades ago. One major form of economic engagement perhaps pertinent to Benneworth’s vision would be fulfilling labor needs in local markets.

A focused effort may take two paths (Douglass, 2016). The first path could involve public service events or activities and faculty-led projects through research engagement. The second path could include education and training for professional careers, but with an expanded scope of training students in high-order skills for entering the job market (Douglass, 2016). The financial impact from broadening Third Mission strategies may enable leveraging core — as opposed to alternative — revenue streams to accomplish financial stability, while accomplishing
the university mission, as well as proving to society the university’s purpose. Benneworth reasoned,

And then you will have partners who are meaningful for you and those partners will contribute to your activities so your activities will be better. So you will see the value of the partners not in terms of a separate revenue stream but in your core revenue streams. But you will be better. You’ll be more distinctive. You will do better teaching and research because of your external orientation.

Benneworth’s philosophy of restoring the core revenue streams that were aligned with the university mission 30 to 40 years prior — eliminating, or at least reducing, the need for alternative revenue strategies—would be essentially readdressing the definition of the university prior to the financial plight of the institution by the turn of the 21st century. The net effect may reduce the gap between economic and societal priorities set by the university’s strategic planning. Following Benneworth’s vision, however, might entail internal reorganization of the university to broaden the interdisciplinary interface to “optimize external connections” (P. Benneworth, personal communication, February 25, 2019). Benneworth stated,

So the big challenge is how to restore any kind of equilibrium to activate when all the power and all the money is flowing towards this kind of global research centered-led approach to the social mission.

The reality of this challenge would require a reformed relationship between the university, political power (in terms of reshaping policy), and business partnerships. Any kind of meaningful change would first need support from public officials—governors and state legislatures who control decision-making and influence over the university (Archibald & Feldman, 2011). Public officials would most probably sense supporting the required policy changes as a loss of their power over higher education institutions and reducing their scope of authority (Archibald & Feldman, 2011). The impact of these hypothesized reform efforts could,
alternatively, incentivize the university to become less dependent on state legislative budgets and more autonomous in seeking their own financial solutions.

The interview was directed to financial solutions and viable markets in which the university might compete in Europe. Benneworth viewed student recruitment as not only a market for alternative revenue, but also necessary for survival of the university. Benneworth remarked,

Different universities face different challenges, but recruiting students competing effectively in markets to recruit students, clearly is, in a market led system, critical to the survival of those universities.

So, yeah, I mean private education, fee income is the most obvious long-term strategy for European universities. Fee-based teaching. For most European countries in the EU, they can't operate differential regime that charge high fees to EU residents. But what you see is the kind of expansion of international higher education outside Europe to attract fee paying students, basically from China. So as China develops a growing middle class with a high disposable income that's looking to credentialize then offering opportunities to buy European education is extremely lucrative. Now I'm not sure how far that market has peaked at the moment...but I think that's what most universities are looking at for their revenue stream. And so you see things like emergence of international campuses...

The market-led strategy of recruiting students from other countries in this global economy has become a significant export industry-related business for higher education. Higher education has been ranked fifth largest of export services, “attracting more than 550,000 international students who spend more than $1 billion annually in the U.S.” (Lyall, 2009, p. 88).

Alternatively, the effectiveness of universities in brokering social and economic growth is dependent upon managing the desired levels of competition to preserve the university’s core mission. Lyall (2009) suggests nation-states should carefully consider how much competition they want in higher education.

*Dr. Angelo Paletta of the Alma Mater Studiorum University of Bologna (Italy)*
The reorganization of the University of Bologna resulted in an interdisciplinary collaborative interface (discussed by Paletta in Theme 2) to allow communications among students, professors, and the partnering company’s workers for a new university-business engagement. The added benefit of the reorganization was, as he had described, the offering of opportunities for other alternative revenue streams. In Paletta’s words,

This is another important aspect, an economic aspect, related to the strategy of the University of Bologna, as a spin-off that promoted an incubator for new business.

The added dimension of an incubator environment strategy to enable spin off ventures, resulting from the reorganized interdisciplinary approach for the university, could then be leveraged for potential new business partners, employment opportunities for students working in the incubator environment with those firms, and entrepreneurial possibilities for university graduates. Forbes reported on a study of more than 150 incubators and approximately 900 companies, which revealed university-businesses yielded more jobs and sales than incubated businesses that were not in partnership with the university (Legatt, 2019). Massachusetts Institute of Technology (MIT), for instance, has a program for student entrepreneurs to help them in accelerating their growth for building sustainable ventures, as a capstone educational opportunity (Legatt, 2019). Respective of the potential risks of the viability of startups grown from incubator use, “university incubators typically provide greater connectivity and legitimacy with respect to important contingencies associated with key industry and community stakeholders” (Lasrado, Sivo, Ford, O’Neal, & Garibay, 2016).

Paletta was asked about other alternative revenue strategies that may have impacted the university. He formulated his response based on some of the mitigating steps taken after the economic crisis in Europe (2008) and ensuing years of diminishing revenue. One step was the aforementioned organizational change to an interdisciplinary collaborative interface for external
connections. Two other significant steps included restructuring the SDGs strategic planning roadmap, as Paletta described in Theme 1, and implementing a new governance instrument introduced by Rector Ubertini to govern SDG activity and funding. Paletta replied,

The public funding has been reduced. The public funding for the university is problematic because different countries in Europe and worldwide, we have a low percent of the PIL [translation: Gross Domestic Product (GDP)] invested in university and tertiary education. We have rules that limited the possibility to increase tuition fees for the students. For example in Italy we have a rule that limits 20% the tuition fee from students in respect to the public funding.

Benneworth pointed out, “for most European countries in the EU, they can't operate differential regime that charge high fees to EU residents” (P. Benneworth, personal communication, February 25, 2019). The European Higher Education Area (EHEA) reported that at least some students have to pay fees in the majority of member countries (European Commission, 2015). Policy on tuition and fees largely vary in different countries—90% of the students in Italy and Croatia paid fees, while less than 10% paid fees in Denmark (p. 130). Most noteworthy of household funding and related public funding of student fees was in the U.K., where total expenditure doubled between 2005 and 2008, and then increased an additional 24% by 2011 (European Commission, 2015, p. 135). These changes may be due to a raised tuition cap in the U.K. (England, Wales, and Northern Ireland), excluding Scotland, in the 2006-07 academic year.

Paletta explained the importance of the new governance instrument and process that were part of institutionalizing the SDGs. According to Paletta,

It traditionally is very difficult to connect the link of strategic planning with finance [and] to the behavior of the people…We have [over] 80,000 students and five campuses in the region…[and] 6,000 people [that includes] teachers and administrative personnel. So there is a new device…an instrument that is called Alma 2021. So we have ... the actions and the projects connected to the strategic objectives, and these actions and projects collect the funding [which are allocated dedicated funds] from the university. So we can link Finance to the strategic planning.
The problem for the actual governance of the university is to make the strategic objectives affordable—all 17 strategic objectives for sustainability. So we need to invest resources and authority to the single [individual] objectives, SDGs. But this is only possible if we can connect the strategic objectives on this specific action and project.

This governance step is significant, in that the intent of efficient and effective university governance spending addresses the topic of uncontrolled university funds (and helps mitigate ministry funding reductions), generally associated by critics of higher education costs. The steps taken by the University of Bologna possibly go beyond expected accountability of cost accounting for any public institution or private sector enterprise. Inasmuch, the governance instrument (Alma 2021) could be viewed as an implementation tool to institutionalize new strategic policy (all 17 SDGs) and ease the burden of resistance to change within the institution’s organization (Hinton, 2012).

**Dr. Stubblefield of Southern University (U.S.)**

Stubblefield reflected on his vision of various alternative revenue strategies with service-related contracts that could be implemented with small businesses, and how the value proposition for the university (and impact on the state) in this scenario may be greater long term “than trying to recruit that one large homerun” (M. Stubblefield, personal communication, March 26, 2019). His reflection was offered as a segue to the association between the federal government and HBCUs and potential service contracts through partnership with small businesses that might interest the federal government, as a new market base for federal funding in the State of Louisiana. This thought implied that the federal government might justify funding allowance for Southern University, which would then enable the university to gain increased revenue streams, and increase economic activity and social mobility within the state. Stubblefield explained,

It is very important for us to figure out a way where we can get our HBCUs more involved in service work. That allows us to again generate and create a new diverse
revenue stream because when we look at grants versus contracts the value of them and then there is [more incentive] for the private sector to want to partner with an HBCU because they see the value proposition.

Stubblefield alluded to the possibility that, in some cases, the contract may be of more benefit. Generally, grants are welcomed, and even highly anticipated as a revenue source from state and federal governments in the U.S. to augment university funding. HBCUs are not immune to revenue shortfalls, even with federal funding they receive. Stubblefield’s statement, however, is a reminder of what may be in the best interest of broadening the scope of the institution’s mission, using creative strategies to flex the bounds of highly regulated policies that can restrict an autonomous university environment. Lyall (2009) phrased this, “align[ing] governance structures with actual stakeholders” (p. 88), as she maintained,

Governing boards should reflect the multiplicity of constituencies that finance the 21st century university and not solely the government that legally ‘owns’ it. The focus should be on finding an appropriate set of incentives and disincentives for operation in the public interest, not on grinding down public universities against the stone of one set of political interests. (p. 88)

Service contracts, as a market for potential revenue streams to which Stubblefield was referring, would be aligned with what the state has recognized as core industry, developing industry, and a perceived future aspiring industry, as he stated,

Oil and gas, petrochemicals. Developing ones like I.T., trying to grow something with IBM, and I forget the name of the company in New Orleans, but all on the cyber security side and IT side. And then aspirant [industries], I really don't believe that we have a strong space in renewable industry on those [United Nations 2030 Agenda] sustainable development goals, in terms of those types of new technologies for tomorrow. So those should be considered more of an aspiring industry development goal.

The scenario for a new service market of potential alternative revenue strategies might be indicative of gaining political officials support—liaised by the Louisiana governor’s office and the federal government in Washington, D.C.—leveraging political officials’ special interests (and special interest-lobbying groups) to gain university financial stability and advance
socioeconomic growth for the state. The economic versus social mission dichotomy in
considering university financial stability, relative to federal and state funding, political power,
definition of the university, and the “social contract” (DeMillo, 2015, p. 276), is one of the
perplexing root causes of this study. The institution, representative of Southern University (and
other public universities), seems to be charged with the solution for this problem.

**Theme 3 Summary**

Alexander observed, within the context of Theme 3 (alternative revenue streams), that
financial instability of the university had significantly contributed to rankings in the U.S. falling
behind some countries in Europe, and that a federal-state match program, with similar legislation
passed under the Memorandum of Agreement (under the ARRA) in 2009, should be pursued as
viable alternative revenue stream. Benneworth emphasized institutional external orientation
would strengthen community partners and enrich university internal activities, thereby enhancing
core revenue (as opposed to alternative revenue) streams, creating new opportunities for
innovative social growth. Paletta stressed the importance of institutionalization of the Third
Mission — crediting the interdisciplinary design and new SDG strategic infrastructure — as key
to further business development and alternative revenue strategies in the Bologna region.

Stubblefield promoted the benefit of demonstrating to private industry the value of partnering
with the HBCU that included public-private partnerships and supplemented funding from the
federal government to the university, strengthening financial viability of the partnerships.

**Theme 4: Programs for Upward Socioeconomic Mobility of University Communities**

*President Alexander of Louisiana State University (U.S.)*

The researcher posed the question about whether Louisiana State University was
planning any immediate local activities or energy where the university may be using external
connections to possibly enrich the institution’s internal activities, echoing Benneworth’s (P. Benneworth, personal communication, February 25, 2019) words, referring to university strategy for using the Third Mission? Alexander stated,

So… here's a good little test for us. We're going to create...we're going to have a bill that creates a tax zone around the university campus, basically taxing businesses that benefit from our students, faculty, and staff. They’re on the north side they're on the south side, to kind of clean up the area and make it safer and put more lighting and have mutual benefit for everybody. We don't know if it's going to pass. Here is something with just tremendous mutual benefit. It will help reduce crime. It will help lighting, help parking. This bill we're going to put forward in this legislative session. And the people are going to have to vote on it. And I'm not real sure it's going pass.

The outcome of Alexander’s legislative proposal may be seen as a mutual benefit for both the local community and the university, or as a tax burden community commercial businesses should not have to bear. Taxation for public funding of public education is in close proximity to public taxation to mutually benefit university-community partnerships that promote development of human capital. Scott (2011) addressed similar experiences, contextualized as structure and strategy in the provision of public goods, as he stated,

This discussion of public education can be brought to bear on public goods in an egalitarian community more generally. An egalitarian society creates a situation favorable to the development of local resources through political as well as economic markets…where capitalism and democracy are truly symbiotic. (Scott, 2011, p. 131)

One argument may be that local business owners next to the campus may be unfairly taxed if they have no one in their families attending the institution (and therefore no vested interest), debated by a second argument on the benefit business owners would receive from student business patrons and, as well, support of the university that benefits development of human capital and the associated societal gain. The resulting cost of crime versus the resulting beneficial cost of potentially developing a safer environment for students and business owners in the community will have to be weighed.
The underfunding of public universities, in part exacerbated by federal funding of private for-profit institutions (benefiting from federally-funded student loans) has been a highly contested topic for Alexander. He and other public education advocates have raised awareness of student loan defaults resulting from false promises of for-profits with questionable credentials and educational worthiness of their diplomas in the career marketplace. Alexander stated,

So where it went wrong, and the assumption in 1972 was that we've got to save the privates, ‘We'll create a voucher system and then everybody can play in it’. But they created a system that was tuition sensitive. So the Pell grants capped, but if you charge more you can just tell students here we'll help you get a loan. And we'll help you get a subsidized loan. Will help you get an unsubsidized loan. And so there's this endless supply of money out there that you can keep charging more and say trust us we're worth it. And without ever showing that they may even be worth it.

A political documentary of national acclaim was produced on this topic, in which Alexander participated. The film was made to demonstrate the overall negative socioeconomic impact and other risk implications on public higher institution. The documentary, Failed State: A Documentary on American Higher Education (Bolt et al., 2018), expressed an awareness of federal policymaking that demonstrated big business taking approximately 40% of federal financial aid with 11% of the higher education students that controversially led to at least a 40% federal loan default rate (Bolt et al., 2018). For-profit colleges (FPCs) received 70% of their revenue from the U. S. Department of Education (DOE) based on Title IV of the Higher Education Act (DOE, 2016; Cellini & Koedel, 2017).

Public institutions compete with for-profit private institutions without governance on tuition ceilings. Even with two to five times higher tuition charges than publics, federal financial loans still fund 90% of FPC’s tuition and fees (Higher Education Act, 1965). Alexander explained that the number one reason tuition kept going up for the public university was state legislatures’ disinvestment in annual revenue funding of the higher education institution. Gainful
Employment (GE) regulations have specified a debt-to-earnings ratio tied to federal aid eligibility, however the political authority of federal regulators must guard against for-profits’ abusive practices. This particular market-led outcome of competition between public and private institutions of higher education has resulted in a negative impact to most students of fraudulent for-profits’ promises and revenue gains from federal funding to those same institutions (Bolt et al., 2018).

**Dr. Paul Benneworth and the European University (The Netherlands and Norway)**

University program ideas and strategies for upward socioeconomic mobility were discussed with Benneworth, respective of his experience in European universities. He responded to the question of what strategies might the European university utilize to promote quality of life for underserved populations? Benneworth’s thoughts included the following response:

Certainly the university seems less well equipped to do that now than 30 years ago. The modern strategic University with a tightly regulated balance sheet and an eye on competition in markets appears to be a less effective structure for delivering social innovation than universities 30 or 40 years ago.

[In the Netherlands, the university] had a technology development group… it was literally about creating intermediate technology…It got involved into all kinds of micro-scale projects. You're pioneering renewable distributed energy generation, which is, if you're community gets it, it's a transformation. It was, you know it wasn't global, it wasn't, it didn't cover its own costs, so it got merged into other different groups and it still potters on. But it's kind of a pale imitation of what it once was…

These kinds of spaces for alternative thinking and what sometimes gets called alternative economies, have been driven out of universities. And until you restore the places for these kinds of alternative activities that have their own economic base, then it's unlikely to see kind of wide scale activity. So it's not fashionable to say that we've gone backwards but I think in terms of technology and democracy, we're not as far, we have gone back in the last 40 years.

Benneworth’s statement remained consistent with his dialogue in themes 1 through 3, with the university maintaining focus on its external orientation and local community partnership, also mindful of the regional and global communities. The “high-level economic
message” (P. Benneworth, personal communication, February 25, 2019) is now part of the culture of the university, and expectation of many stakeholders, suggesting a more restricted effort on social growth. Finance has, in fact, become the university debate that often redirects attention from socioeconomics impact on the global society. An example was portrayed in a notable event where annual discussions were observed about comparative international trends in higher education.

One of the most sustained conversations, as characterized by Lyall (2009) attending a conference about issues facing European and American universities at the time, was on governance—not innovative social growth. That conversation, from her perspective, has since been replaced by finance, and not societal mobility. Lyall (2009) maintained, “Interestingly, many of the driving trends in higher education finance across OECD countries, including the U.S., stem from common roots, although approaches to dealing with these trends vary. Herein lies an opportunity for learning across borders …or what Chapman and Greenway (2006) call ‘international policy transfer’” (p. 82). These topics are of utmost importance to higher education in the U.S. and Europe, however, societal mobility conversations—hard discussions to have in the wake of university financial instability—may most often remain in the background.

The question becomes one of feasibility in applying Benneworth’s philosophy in relevant ways for optimizing external connections. His mention of lost spaces for alternative thinking and alternative economies may be interpreted as encouraging innovation and interdisciplinary practices—in curriculum for students, in the professorate for interchanging ideas, and in community partnerships. Benneworth explained,

There are many different ways in which outside actors can effectively contribute to university activities in ways that make them qualitatively better. . .It's that inability to deal with the reality of what the university is—which is, it's a series of knowledge
activities that derive value from the quality of the knowledge, and that could be turned financial streams. If you focus on the financial streams you'll effectively miss the point.

Douglass (2016) described in The New Flagship University an illustration of the undergraduate student experience by depicting overlapping spheres that represented different activities involved in knowledge sharing (p.46). The overlapping circles, may possibly suggest an interdisciplinary practice that is representational across the life of the student experience. These spheres might as easily represent an internal improvement lifecycle for the university, using some of the same activities in the spheres of overlapping design.

The internal improvement lifecycle design to “optimize external connections” (P. Benneworth, personal communication, February 25, 2019) in a university-community partnership may be configured to include: research engagement, overlapping public/community service (Third Mission), overlapping social life and conditions, overlapping curricular engagement (possibly in open lectures for the community). Benneworth’s reference to knowledge activities (represented by the spheres) would then advance quality of the knowledge through this interdisciplinary and cross-functional multi-sphere model. This model may emulate, in practice, Benneworth’s phrase of “enriching internal activities” (P. Benneworth, personal communication, February 25, 2019), driven by external connections that, in turn, create alternative economies.

**Dr. Angelo Paletta of the Alma Mater Studiorum University of Bologna (Italy)**

Paletta relayed in Theme 1 of this chapter University of Bologna’s total transition to the UN 2030 Agenda SDGs strategic institutional framework. The SDGs, 17 goals in total, are inclusive of strategies for global social risks such as hunger, poverty, good health and well-being, clean water, and climate. Additionally, Rector Ubertini of the university made a systemic shift in university priority to accommodate the interdependencies of resource and budget
management, to insure governance compliance of these institutional changes in alignment with UN goals. The researcher asked Paletta about how he would describe the best thing that the University of Bologna had done to help reach out to other partners globally? Paletta responded,

. . . the capacity of the single university to address the SDGs’ agenda is related to the capacity of the university to create networks to SDGs. It is impossible for a single university to address complex problems in the SDGs’ agenda. So there are 17 [SDGs]—the network has capacity to promote network and partnership with all the universities . . . I think it is the true important role of the university to promote the SDG agenda because the university can become the leader for the SDGs. But these are required to create first of all, a network with all the universities and following, to enroll all the stakeholders in a social non-profit business the plan of the single SDG. I think it is very strategic to create at the national level.

Social, economic, and political considerations should be accounted for in strategic planning of global partnerships and international engagement. Authors of a study in our current decade of international research engagements espoused, “International cooperation is not only a trend, but it is almost a mandatory practice for any individual, research group or country,” noted in research titled, International Collaborations between Universities: Experiences and Best Practices (Knobel, Simoes, & Cruz, 2013, as cited in Douglass, 2016, pp. 60-61). Should all the universities in Italy maintain, in concerted strategy, the same SDGs for their strategic plans, then the culmination of their goals all carry the same voice of influence, and their network then provides impetus to advance other networks in Europe, the U.S., and other geographical areas globally. Paletta continued,

I think it is a strategic goal of the university because, worldwide, we have a complex problem that requires significant evidence to address the political agenda—for example, the question of the climate change. Now the new policy based on evidence to address the climate's change...this is a tool for all politics in the social environment or for economic question.

Paletta’s statement of a world wide problem such as climate change (SDG 13) has incited awareness that could create an eventual shift in political power where the university takes the
leadership role of social influence, potentially balancing the equilibrium of external economic pressures on the institution. “Political authority is determined by and involved in an inter-play between political markets, civil society, culture, ideology and political power, “ (Scott, 2006, p. 16). Political markets hold governments accountable and are comprised of people’s right to speech, geographical boundaries of districts, and election processes, in effect encompassing a political market’s own market framework (Scott, 2006). These political markets interact with society, ideology, political power, and culture to determine political authority (Scott, 2006, p. 16). University of Bologna communities may also be leveraged within these political markets of the political structure in Italy, as the municipal and regional levels are in closer proximity to university leaders, so that the University of Bologna rector and deputy rectors, for example, have multiple direct ties by way of economic and social activities with mayors of the municipalities and the governor of the Bologna region.

*Dr. Stubblefield of Southern University (U.S.)*

Stubblefield has in the previous themes discussed institutional priorities and shifting strategies reflective of the UN 2030 Agenda SDGs, to address service-oriented activities associated with the university. Southern University has proposed to the American Council on Education (ACE) that the university could function as an ambassador to underdeveloped communities in Africa and other selected areas by forging international partnerships with other institutions and leveraging their networks to reach these communities. Stubblefield reflected,

> I can look at a community in and around most HBCUs, they are socially distressed — economically distressed. But I can look similarly at communities in Africa or South America and those particular areas, similar types of barriers and obstacles exist. So if we're talking about this global socioeconomics, the grand challenges, what are global grand challenges? The *UN goals* [emphasis added].
The UN goals make a distinction between decent work and economic growth (SDG 8) from reduced inequalities (SDG 10). Generally recognized, the gap between wealth and poverty has widened. Alternately, Third Mission service strategies of the institution encompass economic engagement and socioeconomic mobility. Stubblefield has emphasized prioritizing service opportunities in future strategy planned for the Southern University HBCU system. Most often the words economic and social are in the same sentence in this study, and in this light, opportunity to promote both, together, is offered.

There are arguments for and against this analysis. Economic competition may also be viewed by supporters of Karl Marx’s (1867) social economic model as a means of societal oppression (Marx, 1867). Marx considered Smith’s definition of capitalism in the context of social relationships between and among people participating in economic life (Elwell, 2013). This perspective would hold that Marxists’ view of capitalism is the major cause of societal problems. He also held that beliefs and behaviors of individuals were predetermined at birth by (economic and social) class role. A differential between his social economic model and Smith’s (1776) free enterprise economic model was that Marx recognized, but ostensibly did not include in his analysis, social mobility — a byproduct of Smith’s (1776) free enterprise capitalism (Elwell, 2013).

Mtima (2015) suggested leveraging the intellectual property (IP) revenue stream as a significant means of promoting cultural and social equality and advancing social justice. Recognizing and gaining control of “[Intellectual property] — the products of your mind, talent, and cultural traditions” (Mitma, 2015, p. xvii) — might offer the resources, strategically building on a unique, cultural competitive edge, required to do business in the global marketplace. Creative and unique strategies offered from an HBCU perspective may significantly advance the
position of education in this global marketplace and promote innovative social growth, especially in underdeveloped communities. Stubblefield continued,

…one of the things that Louisiana has been struggling with is necessarily about how much money am I [the university] generating within my state borders? And then that number is, you know, somewhat stabbing, right. So how do you actually create additional dollars to come across your borders, working with federal agencies or businesses that are multinational, or even promoting small businesses to be more globally engaged?

So the revenue opportunity does work when we actually look at the fact that in academics—workforce development, if you want to coin it that, plus the research which is the innovation component of it, the service piece, which is your community economic development, socioeconomic things you are speaking about, that formula really does lead to great opportunities for everyone.

Douglass (2016) maintained, “Leading national universities is now more important for socioeconomic mobility, for producing economic and civic leaders, for knowledge production, and for pushing innovation and societal self-reflection than in any other time in their history” (p. 39). An analysis of Adam Smith (1759) in chapter two of this study might appropriately bear repeating, regarding the conflicting dynamics of economic innovation and social innovation. His analysis is surprisingly reflective of many of the 17 SDGs.

Smith (1759) advocated, in fact, that financial stability prompted citizens to behave more ethically, legally, and philanthropically responsible. He also believed that the essence of financial stability allowed people to more likely support justice and reduce self-harm or harm to others. Smith made the point in The Theory of Moral Sentiments (1759) that economic motives were not the only purpose of one’s actions and, in fact, that self-absorbed behavior should be cautioned by concern for others (Newbert & Stouder, 2012).

**Theme 4 Summary**

The university’s impact on socioeconomic mobility was discussed in Theme 4. Alexander described the university’s proposal for a local tax zone for businesses in the
immediate surrounding campus area that would mutually benefit business owners, students, residents, and shoppers with a safer environment; while alternatively, he voiced that legislation should be reinforced to protect students and their families from predatory practices of those private institutions that could not deliver on false claims of student graduate successes. Benneworth advocated regaining spaces of alternative thinking and alternative economies, focusing on knowledge activities to generate core revenue streams, thus revalidating the university’s mission and purpose. A primary solution for Paletta’s socioeconomic concerns was utilizing the capacity of university network partnerships to engage in achievement of the SDGs that could advance societal mobility, as well as awareness of political agenda priorities. Stubblefield underscored leveraging small businesses, as well as multinational industrial organizations, to promote revenue opportunity and innovative social growth, while stating that the greatest challenge and focus would be on achieving the UN 2030 Agenda SDGs.

**Data Source One Summary (Summarizing the Four Cases within the Four Themes)**

Summary of the interview analysis is prefaced with this observation. Visualizing what revenue strategies might exist, gaining support from the institution and political authority for that vision, and institutionalizing, through implementation of that idea is a process that is generally exercised in pursuit of the overarching goal of financial stability for the university. The reality of the economic-centric mission has caused the university’s social contract to weaken and widen, respective of financially driven objectives and a competing market environment for the institution. Changes in core revenue streams for the traditional university have forced alternative revenue strategies that have impacted the institution’s internal activities in various ways.
Summary of Theme 1: Institutional Priority and Expanded Centrality for Strategic Management of the Third Mission

Theme 1 involved participants including their thoughts on factors that influenced the purpose and definition of the 21st century university. The purpose of the university in the 21st century was overwhelmingly described by all four participants as a directional shift to an economic message implied by external economic forces. Their perspectives on institutional priorities were swayed by this factor.

In the case of Alexander, the financial stability of the university through both state and federal funding was the overarching thematic agenda. State legislature funding to mitigate risks of affordability and accessibility for students in the public university was seen as a prerequisite to growing human capital for promoting economic competitiveness and innovative social growth. Alexander pointed to state funding disinvestment of higher education for decades, as primarily responsible for rising tuition and fees and increasing student debt.

In the case of Benneworth, he suggested university rankings and commercialization of knowledge had caused the traditional university to emulate the more elite and powerful research-driven institution. To Benneworth, the results of this homologation of the university had narrowed its purpose and limited the university’s significance related to community social growth. He proposed that the university was well-positioned to empower underserved populations through Third Mission strategies involving university-community mentoring and partnerships, but credited reasons related to power and prestige as the preventative hurdle in the way.

Paletta focused on the systemic change at the University of Bologna and the strategic planning roadmap redirected to all 17 Sustainable Development Goals (SDGs) as the foundation for the university’s institutional priority. The multi-campus network in the Bologna region was
key in planning economic and social engagement with the community. A challenge was quantifying social services on Third Mission strategy to measure time and cost of social engagement within the community.

Stubblefield discussed becoming intimately involved in economic growth and community growth through Third Mission service engagement. He talked of pursuing an American Council on Education [ACE] proposal for HBCUs to build networks with international partners, partnering with those universities by leveraging their networks to underdeveloped communities in different geographical regions, to promote sustainability programs. He suggested that the results of this potential international network, with Southern University’s HBCU system, could be utilized to appreciably influence economic growth within the State of Louisiana, as well as the U.S. southwest region, where most of the HBCUs are concentrated.

**Summary of Theme 2: Strategies and risks for regional and local economic engagement of the university with the community**

Alexander discussed the sociopolitical and socioeconomical influences on decision making for financing the university. He considered financial strategy for the university in the form of federal funding to incentivize state funding and reduce student debt. He spoke about the forced privatization of public universities because of the competitive market environment exacerbated by private universities receiving public funds from the federal government, and the negative impact on economic and social growth. Alexander also promoted the value of human capital growth and positive impact on economic growth.

Increasing costs pressures on universities has led to a formalization of the institution’s boundaries, from Benneworth’s perspective. He observed that the most lucrative economic engagement to maintain financial stability of a tightly bound institution came in the form of contract research and fee-based learning, leveraging, in large part, the growing middle class
student population of China. He recognized that knowledge activities with society were not
codified through university accounting systems, and therefore harder to justify as valuable
investments for resources and funding.

Paletta shared the strategic initiative, generating a reorganization within the University of
Bologna from a traditional disciplinary approach to an interdisciplinary environment that
accommodated a collaborative interface with a corporate business partner. Another important
economic aspect he discussed was the added functionality from the interdisciplinary interface
that allowed other small businesses to partner with the university in incubator environments,
from which spinoff companies have been generated. This added benefit has enabled university
students the exposure to these community partners, promoting new careers and embarking on
entrepreneurships.

Stubblefield’s greater purpose in economic engagement was to connect with the HBCU
national networks (and expand globally), also advancing engagement of the New Orleans and
Shreveport campuses, as Southern University hosts the only HBCU system in the U.S. His
economic strategies included partnering with small businesses in the community (as public-
private-partnerships) to gain service contract work by leveraging the businesses of larger service
contracts with industry in the area. Another plan that Stubblefield wanted to pursue, as a result of
these service contracts, was to attract more federal funding for the State of Louisiana, thereby
generating more economic activity and employment inside the state.

**Summary of Theme 3: Alternative revenue streams for university stability in the face of
traditional funding disinvestment**

Alexander reflected on university funding and markets, and inferred that instability
incurred by loss of traditional funding had meant that the U.S. does not have the best education
system in the world, and that, in fact, countries in Europe, such as France, the United Kingdom,
Norway, and Sweden were ahead. He emphasized that if the federal government did not get involved, there would be a complete federalization of higher education. Alexander’s mitigation strategy for this quandary has been to work with a bipartisan group in Congress to reenact the U.S. American Recovery and Reauthorization Act (ARRA) of 2009, along with the Maintenance of Effort (MOE) of 2008. The added strategy would be introduction of a matching federal-state investment, incentivizing state legislatures to invest in the public university or incur penalties by the federal government, withholding funds on their side.

Benneworth encouraged the university should maintain an external orientation—to “optimize external connections in ways that enriched internal activities taking place” (P. Benneworth, personal communication, February 25, 2019). He further encouraged that these kinds of activities would become qualitatively better, with more grounded pedagogy and research practices coupled to society, thereby strengthening community partners and increasing investment in core revenue streams. Benneworth challenged that this philosophy would enable a university more distinctive and possibly sway political power (from societal university partners) in the direction of innovative social growth.

Paletta explained that the incubator environment developed by way of the new interdisciplinary organization at his university (as summarized in Theme 2), also established a proof of concept process that benefited potential further business development and alternative revenue streams in the Bologna region. This concept offered another attractive benefit of partnering with the university in a highly competitive business market. Paletta also credited the rector with introducing an implementation tool (Alma 2021) that enabled tracking accountability of managing cost and resources for supporting the new SDG strategic infrastructure, facilitating institutionalization of SDG processes.
Stubblefield discussed promoting the value proposition, and making private industry aware of the benefits in partnering with HBCUs, to include federal funding support that could generate new alternative revenue streams. Additionally, he expressed the benefit potential of securing private partnership contracts versus university grants. Stubblefield observed that the possible long-term value of multiple contracts with extended terms in the contracts might provide more incentive for additional revenue.

**Summary of Theme 4: Programs for Upward Socioeconomic Mobility of University Communities**

Alexander responded to a question regarding planned new activities of social or economic engagement with the LSU community. He described a legislative proposal that created a tax zone for businesses immediately surrounding the campus that would generate a local tax to upgrade lighting and other safety features for students and other citizens shopping in that zone—offered as a mutual benefit for the community and university. Alexander also talked about the negative socioeconomic impact of those for-profit universities that had victimized students with false advertisements about the value of their degrees and career potential—leaving thousands of college and university students in extreme financial debt. He discussed advocating for legislation to protect students and their families from those for-profit institutions that operated from predatory practices causing further student loan defaults, impacting their private lives and adding to the largest debt issue in the U.S.

Benneworth advocated for universities to regain spaces of alternative thinking and alternative economies, driven out of institutions. He proposed the result would generate wide scale activity with its own economic base. Benneworth expressed that, although it was not fashionable to admit, universities of the 21st century were not as equipped as the institutions of 40 years earlier to promote societal growth. He advised that instead of focusing on revenue
streams, to focus on the knowledge activities, as the true purpose of the university, and the impact of those activities would generate financial streams.

Paletta focused on partnerships to advance SDGs locally, regionally, and globally. He equated the capacity of a single university to the capacity of partnering universities that formed a network with the power to advance the sustainability goals locally or globally. He spoke about the sustainable goal of climate change and the new evidence to address the political agenda. Paletta stressed that the power of the SDGs, in this case, “is a tool for all politics in the social environment or for economic question” (A. Paletta, personal communication, March, 19, 2019).

Stubblefield stated that the grand challenge of “global socioeconomics” … [was the]… “UN goals” [emphasis added] (M. Stubblefield, personal communication, March 26, 2019). He discussed economic challenges with the State of Louisiana and creating additional revenue through federal agencies or businesses, with the HBCU promoting multinational and small businesses, alike, to become more globally engaged. Stubblefield espoused that the revenue opportunity did work and led to great opportunities for everyone, when engaged in academics, research, service as economic development, and innovative social growth.

**Data Source Two: Parts A and B**

**Data Source Two: Part A—Mission and Vision Statements Prefaced by Values from the U.S. Flagship and the European World Class University (WCU)**

Data Source Two: Part A is a comparison and gap analysis of values and mission and vision statements between the U.S. Flagship and European World Class University. Values of each university are matched to respective Sustainable Development Goals (SDGs) in Table 4.2, while mission and vision statements are aligned with Theme 1 through Theme 4, and respective codes under each theme in Table 4.3. The analysis in Table 4.3 is intended to show an approximate strategic direction for each university, as scored by each theme.
Table 4.2. Values Listed in Strategic Plans and Associated Sustainable Development Goals (SDGs)

<table>
<thead>
<tr>
<th>Matching SDG</th>
<th>U.S. Flagship University Values</th>
<th>European WCU Values</th>
<th>Matching SDG</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDG 17</td>
<td>Collaborative</td>
<td>Critical Thinking</td>
<td>All SDGs</td>
</tr>
<tr>
<td>SDG 9</td>
<td>Creative</td>
<td>Integrity</td>
<td>All SDGs</td>
</tr>
<tr>
<td>All SDGs</td>
<td>Culturally Adept</td>
<td>Engagement</td>
<td>All SDGs</td>
</tr>
<tr>
<td>SDG 17</td>
<td>Globally Engaged</td>
<td>Cooperation</td>
<td>All SDGs</td>
</tr>
<tr>
<td>SDG 9</td>
<td>Innovative</td>
<td>Responsibility</td>
<td>All SDGs</td>
</tr>
<tr>
<td>All SDGs</td>
<td>Transformative</td>
<td>Creativity &amp; Dignity</td>
<td>SDG 9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sustainability</td>
<td>All SDGs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trust</td>
<td>All SDGs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Inclusion</td>
<td>All SDGs</td>
</tr>
</tbody>
</table>

Note. All SDGs are listed under Data Source Four, Table 4.9. SDG 9 = Industry, Innovation, and Infrastructure; SDG 17 = Partnerships for the Goals.

**Louisiana State University’s (LSU’s) Vision and Mission**¹ [Mission Statement for LSU Strategic Plan 2025, originally approved October 2012]

As the flagship institution of the state, the vision of Louisiana State University is to be a leading research-extensive university, challenging undergraduate and graduate students to achieve the highest levels of intellectual and personal development. Designated as a land-, sea-, and space-grant institution, the mission of Louisiana State University is the generation, preservation, dissemination, and application of knowledge and cultivation of the arts.

In implementing its mission, LSU is committed to:

- offer a broad array of undergraduate degree programs and extensive graduate research opportunities designed to attract and educate highly qualified undergraduate and graduate students;
- employ faculty who are excellent teacher-scholars, nationally competitive in research and creative activities, and who contribute to a world-class knowledge base that is transferable to educational, professional, cultural, and economic enterprises; and
- use its extensive resources to solve economic, environmental, and social challenges.

¹LSU Vision and Mission Statement approved December 2006 and reaffirmed October 2012, (copied verbatim from the Louisiana State University website). Retrieved from https://lsu.edu/search/?q=LSU+Mission&sitesearch=lsu.edu

**University of Bologna’s Mission**¹
Alma Mater is a large community of women and men who, through different roles and competences, work to transmit knowledge, experiment with techniques and elaborate ideas fitting for the transformations of our time.

On the strength of a history rooted far back in time and of a continuing quest for excellence, for its foundations Alma Mater chooses vocation for teaching and vocation for research, and these are the twin pillars of its life and its autonomy. These go together with an urge to maintain vital and dynamic relations with society and with the world of work.

Thanks to its Multicampus structure, Alma Mater can interact with an extremely extensive local territory, and thanks to its international vocation it is also connected with many of the most important universities in the world, through a continuous flow of students and teachers. The education and training of new generations, passion for culture united with a deep ethical conscience, and the enhancement of the pluralities of its intellectual disciplines are all essential features of Alma Mater’s central mission, and of its role as a major public university.

1 University of Bologna Mission Statement (2016), (copied verb atim from the University of Bologna Strategic Plan). Retrieved from https://www.unibo.it/en/university/who-we-are/strategic-plan

University of Bologna’s Vision:¹ [each strategic line abbreviated]

- as a place of conservation, transmission and elaboration of ancient and modern knowledge, the University promotes the quality of its educational offer through the selection and training of its teaching staff …
- as a centuries-old public institution, the University of Bologna considers research as the central domain for the elaboration of ideas, projects and technologies fit to deal with the requirements of the present and also to look ahead towards the future in European and international contexts …
- as an extended workplace where students, professors and men and women with technical and administrative roles continuously come into contact …
- in its role as an institution which generates knowledge of public interest, the University is open to a continuous dialogue with the territory surrounding its numerous Multicampus structures …

¹ University of Bologna Vision statement, (2016), (copied verbatim from the University of Bologna Strategic Plan, with exception of each strategic line abbreviated, as highlighted in the strategic plan). Retrieved from https://www.unibo.it/en/university/who-we-are/strategic-plan

A comparison of the mission and vision statements between the U.S. Flagship and the European World Class University was conducted by continuing to utilize the same themes and codes scheme as threaded through the four interviews and respective analysis in the previous section under Data Source One. The use of this comparison scheme is intended to present consistency and clarity in these two cases of the U.S. and European university models. Table 4.3 displays an analysis of the dominant themes (code groups 1–4) for mission and vision statements
in comparing both universities.

An analysis was performed of Louisiana State University and University of Bologna mission and vision statements, by comparing total scores of themes and associated codes in each of the four code gropes. Louisiana State University seemed more aligned in its mission and vision with Theme 2–strategies and risks for regional and local economic engagement of the university with the community. University of Bologna seemed to match closest to Theme 1–institutional priority and expanded centrality for strategic management of the Third Mission.

The approximate strategic direction of University of Bologna (Theme 1) indicates that the institution aspires to broaden goals that would further institutionalize Third Mission strategies. The Louisiana State University approximated strategy seems to center on economic focus with local and regional communities. Part B of data source two is a selective analysis of the two universities’ approximated strategic directions relative to feasibility of their aspirations.
Table 4.3. Mission and Vision Comparison to Themes between Louisiana State University and University of Bologna

<table>
<thead>
<tr>
<th>University</th>
<th>Themes and Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Code Group 1: Institutional priority and expanded centrality for strategic management of the Third Mission</td>
</tr>
<tr>
<td></td>
<td>Codes: ○ educating ○ human capital ○ institutional priority ○ power Total</td>
</tr>
<tr>
<td>LSU</td>
<td>2</td>
</tr>
<tr>
<td>Bologna</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Code Group 2: Strategies and risks for regional and local economic engagement of the university with the community</td>
</tr>
<tr>
<td></td>
<td>Codes: ○ economic engagement ○ innovation ○ knowledge Total</td>
</tr>
<tr>
<td>LSU</td>
<td>2</td>
</tr>
<tr>
<td>Bologna</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Code Group 3: Alternative revenue streams for university stability in the face of traditional funding disinvestment</td>
</tr>
<tr>
<td></td>
<td>Codes: ○ financial ○ funding ○ markets ○ revenue streams Total</td>
</tr>
<tr>
<td>LSU</td>
<td></td>
</tr>
<tr>
<td>Bologna</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Code Group 4: Programs for upward socioeconomic mobility of university communities</td>
</tr>
<tr>
<td></td>
<td>Code: ○ socioeconomic mobility Total</td>
</tr>
<tr>
<td>LSU</td>
<td>1</td>
</tr>
<tr>
<td>Bologna</td>
<td>1</td>
</tr>
</tbody>
</table>

Data Source Two: Part A Summary

The resulting analysis of Part A revealed the approximate mission and vision direction of LSU seemed to be focused on economic engagement for the university. The University of Bologna trended toward the direction of expanding strategic management of the Third Mission. LSU proposed activities based on social return on economic investment, while University of Bologna was focused more on institutional prioritization of service-oriented engagement. Analysis of both university profiles indicated that the University of Bologna appeared in more
favorable position to socially engage community partners and maintained a more focused external (to the university) orientation.

**Data Source Two: Part B — Approximated University Strategic Direction Relative to Feasibility and Aspirations**

*LSU’s Seven Outcomes Representative of the Social Return on Investment*

The LSU Strategic Plan 2025 presented seven aspiring outcomes of global issues, also faced in the State of Louisiana, that the institution’s administration felt uniquely positioned to solve (LSU, 2019). Four of the aspiring outcomes were selected from seven for a brief review of the feasibility of accomplishing these outcomes. All the stated outcomes seem to demonstrate LSU university leader’s resolve for global solutions. Currently Feasible and Not Currently Feasible ratings are strictly the researcher’s assessment.

#2—(Currently Feasible) Louisiana will earn a reputation as an exemplar for scientific discovery. The first and second detections of gravitational waves, confirming Albert Einstein’s (1915) general theory of relativity, were made by a group of LSU academic staff and graduate students in Livingston, Louisiana in 2016. The LSU Physics & Astronomy Department partnered with the Laser Interferometer Gravitational-wave Observatory (LIGO). Thirteen LSU researchers were some of the recipients of the Special Breakthrough Prize in Fundamental Physics.

#4—(Currently Feasible) Louisiana will advance its position as the undisputed leader in research and practice on coastal preservation and restoration. The collaborative partnership between LSU and the Costal Protection and Restoration Authority (CPRA) has validated LSU’s ongoing activities for costal restoration and river management. The LSU Center for River Studies utilizes a movable bed physical model (one of the largest in the world) to forecast simulations of the Mississippi River Delta, and this model can be used by costal communities around the globe to perform similar simulations of their costal environments (CPRA, 2013). LSU
has collaborated with Costal Protection and Restoration Authority in training future engineer, geology, and river expert graduates.

#6–(Not Currently Feasible) Louisiana will be the role model for improving the world’s health outcomes, where Louisiana citizens will see a 20% reduction in chronic diseases in the next 20 years. The LSU campus recreation center was chosen as a case scenario. The researcher chose the LSU faculty and staff population as Louisiana citizens in this case, as a what-if scenario, since participants were not actually interviewed or surveyed. The university recreation center is advertised as a true amenity to faculty and staff in this state-of-the-art $54 million center, opened May 2017 (to students and employees). Full time students have been allowed membership without additional costs from their fees (inclusive of tuition and fees) at the beginning of each semester.

The fee that has been assigned to faculty (citizens in this case) who wished to join the university facility represented a cost of $504 (plus tax) for individual membership, or $3.3 million (rounded) per year for 6,500 faculty and staff (as of 2016, LSU website). This cost may be unaffordable to many individual faculty and staff members, and assumingly prohibitive for the university to fully fund as a preventive health facility — certainly questionable as a model on the institution’s own campus to serve as an exemplar for outcomes, both across the state and across the globe. The philosophy of offering the exercise center to university staff (as citizens) would not be aspirational as a solution for citizens of poverty-stricken underdeveloped communities—respective of the fee assessed faculty and staff on the LSU campus — without a continuous and viable funding source to pay for required good health and well-being (SDG 3) solutions.
#7—(Not Currently Feasible) Louisiana will rank among the top 20 states with regard to high school graduation rates and percentage of students who attend college through innovative university/K-12 partnerships. University/K12 partners are aimed at college readiness to improve success rates, with common core standards implemented in secondary schools during this decade, along with dual enrollment classes where high school students take college-level courses to gain accelerated status upon college entry. Education rankings from U.S. News currently showed the State of Louisiana Pre-K–12 ranked 46th out of 50, while in college readiness of high school seniors, Louisiana was ranked 42nd (U.S. News, 2019). CATO Institute listed state education rankings, using the National Assessment of Education Progress (NAEP) rating, which indicated that Louisiana was 47th in overall high school education rankings (Liebwitz & Kelly, 2018). The stated outcome in the strategic plan does not currently seem feasible, since it would require an approximate range of 110% to 135% jump in education rankings within the next six years.

**University of Bologna Impact Ratings**

The *Times Higher Education* has rated University of Bologna globally since this journal has developed the only global performance tables used to rate universities relative to the UN Sustainable Development Goals (UNIBO, 2019). Interestingly, the only U.S. university in the top 25 ranked, in terms of impact ratings, is University of North Carolina at Chapel Hill. The impact ratings cover over 450 universities in 76 countries, with University of Bologna rated 9th. The impact ratings are based on four selected SDGs, rated from lowest to highest points achieved by University of Bologna: gender equality—77.7 (SDG 5); quality education—78.0 (SDG 4); decent work and economic growth—78.4 (SDG 8); and partnerships for the goals—89.8 (SDG 17).
Feasibility in the case of the SDG impact ratings for these four SDGs was demonstrated by the university’s activities / indicators currently dedicated to each goal, under Third Mission strategy (UNIBO, 2019). The gender equality indicator has shown 275 downloads of the gender report. Quality education has 2,204 students on lifelong learning programs, 173 teachers on lifelong learning programs, and 8,900 enrolled to obtain university credits for qualification (also, Education Mission includes 39 collaborations, teaching, and mobility in six global regions). Decent work and economic growth, commonly referred to in this study as economic engagement, has consisted of 30 spinoffs and startups. Partnerships for the goals has resulted in development cooperation initiatives as follows: Western Balkans–5; North Africa–7; Middle East and Gulf region–8; Central and South America–15; Near East–3; Asia–13; and Sub-Saharan Africa–8 (UNIBO, 2019).

Sustainable Development Goals not listed on the impact rating that are associated with LSU’s feasibility assessment include — technological innovation (SDG 9) with LSU Outcome #2, life on land (SDG 15) with LSU Outcome #4, good health and well-being (SDG 3) with LSU Outcome #6, and quality education (SDG 4) with LSU Outcome #7. Third Mission outcomes for technological innovation goals are 98 patents, including new plant varieties to testify for sustainability innovation, and innovative entrepreneurial incubators in Rimini, Cesena, and Forlì campuses (UNIBO, 2019). Life on land outcomes are dependent on an experimental farm initiated in 1974 for agriculture and veterinary medicine that includes experimental projects for defense of land, fertilizing the land, and improving plant and tree cultivation, comprised of 9 research projects budgeted at 1.9 million Euros (2019). Good health and well-being Third Mission outcomes are demonstrated by three cooperation and social engagement research projects in Europe (2019).
Medical benefits for new moms (student and faculty) have access to a Baby Pit Stop area for changing and feeding their infants (UNIBO, 2019). The university dental clinic offers free first time visits and 30% off of all services, except orthodontics and oral surgeries for which there is a 10% discount for faculty and students (UNIBO, 2019). European Union (EU) citizens are provided a European health card to associate their type of medical coverage with medical services required (2019). There was no comparative cost analysis between U.S. medical insurance and EU medical insurance coverage.

**Data Source Two: Part B Summary**

Part B revealed Louisiana State University (LSU) and University of Bologna were differentiated by separate institutional methodologies to accomplish their mission and vision, although both universities sought similar solutions to global issues. LSU targeted seven outcomes, separate from the six challenges (strategic goals) defined in the strategic plan, however the seven outcomes seem to transcend the six challenges in the strategic plan structure. University of Bologna made a systemic conversion in 2017 to target all 17 Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda, however maintained the original direct links between the three missions (Education, Research, and Third Mission) and the Sustainable Development Goals designed in the original 2016–2018 Strategic Plan. Since this university-wide change in institutional priorities, University of Bologna has engaged in projects or other measured activities of all SDGs for each mission agenda (of all three missions).

The current feasibility of four LSU outcomes were assessed, where two outcomes demonstrated notable global reach, while two outcomes seemed to realistically lack probability of success, given target objectives. Feasibility of impact ratings for University of Bologna SDGs was rated by the *Times Higher Education* global performance tables as 9th out of 450 universities.
globally. There is evidence that some U.S. Flagships may be adopting SDGs as part of their institutional methodology, as University of North Carolina at Chapel Hill received an impact rating of 24th in the top 25 ranked universities globally that utilize SDG strategies.

**Data Source Three**

**Representational Graphics of the U.S. Flagship and European (WCU) Strategic Plans.**

An initial strategic plan comparative diagnostic between the U.S. Flagship (LSU) and the European WCU (University of Bologna) was analyzed by designing a blueprint of each university’s strategic plan (Figure 4.1). A design was based on the swim lane diagram — a Lean Six Sigma tool (Jacobson, Spence, & Bittner, 2011) — to map processes of the strategic plan separately into categories, activities, or possibly departments within each institution. The researcher has presented this visual exercise, depicting the plan structures for comparison.

The diagram on the left in the figure, representing LSU, illustrates a possibly more decentralized organization management style where the six challenges (objectives) are arranged vertically down the design and segregated from the top layer mission level. The diagram on the right, representing University of Bologna, possibly exemplifies a more centralized management style where the top layer missions are directly linked to the objectives (SDGs). Strategic goals may translate as more interdependent, which could present more management flexibility in the LSU design, but possibly more risks toward accountability. University of Bologna goals appear more directly linked to the mission level of the plan, which may represent more direct accountability in strategic plan management. Lack of direct line-of-sight from strategic plan goals to the mission level, and therefore more layered accountability to the institution, might introduce more risks associated with available resources and budget to successfully accomplish objectives.
Figure 4.1. U.S. Flagship and European WCU Strategic Plans Graphic Comparison

**Data Source Four**

Data Source Four is presented in two parts. The first part is a comparison of the top structure, or mission level, of the strategic plans. The second part is a comparison of the gaps in support of the Sustainable Development Goals (SDGs) of the UN 2030 Agenda, between the strategic plans of the U.S. Flagship University and European WCU. The side-by-side illustration
representing the strategic plans of both universities in the Data Source Three section has been segregated for closer comparison in Data Source Four.

**Strategic Plan Structure and Strategic Management Inside the Organization Gap Analysis**

Strategic management of the strategic plans may be more specifically defined through the institution’s mission structures. The highest strategic plan level of the mission structure is called the Institutional Framework (Primary Areas) in the Louisiana State University (LSU) strategic plan, while designated as Strategic Dimensions (Strategic Areas) in the University of Bologna strategic plan (Table 4.4). The mission level structure is further illustrated in Figures 4.2 and 4.3.

**Table 4.4. Mission-Level Strategic Plan Comparison (U.S. Flagship and Europe WCU)**

<table>
<thead>
<tr>
<th>U.S. Flagship Strategic Missions (LSU)</th>
<th>GAP</th>
<th>Europe WCU Strategic Missions (Bologna)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional Framework (Primary Areas)</td>
<td>Highest Strategic Plan Level</td>
<td>Strategic Dimensions (Strategic Areas)</td>
</tr>
<tr>
<td>Direct Link to Strategic Goals</td>
<td>U.S. Flagship</td>
<td>Europe WCU</td>
</tr>
<tr>
<td>Career Excellence &amp; Enrichment</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Service &amp; Operational Excellence</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Student Success</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Challenges (8 Strategic Themes)</td>
<td>Yes</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N/A</td>
<td>Yes</td>
</tr>
</tbody>
</table>

¹Six challenges outline goals specifically defined for each strategic theme.
²SDGs (United Nations Sustainable Development Goals) are listed separately, and integrated with the other goals specified for each strategic dimension (Research, Education/Teaching, Third Mission).

The top structure, or mission level, of the strategic plans may be used, then, to describe the gaps in management styles — by how the strategic plans are organizationally structured — between the U.S. and European university. The primary framework (primary areas) intersects across six challenges (themes), with each challenge, in turn, linked to specific strategic plan goals of the U.S. Flagship University. The following three areas comprise the primary
framework for the U.S. Flagship: career excellence and enrichment; service and operational excellence; and student success. The strategic dimensions (strategic areas) are directly linked to specific goals for each strategic dimension of the European WCU. The following three areas represent the strategic dimensions: research; education/teaching; and Third Mission.

**Sustainability Development Goals Data Gap Analysis**

The gap analysis compared the strategic plan objectives that provided definition of strategic direction for Louisiana State University (LSU), representing the U.S. Flagship, in comparison to the University of Bologna, representing the European World Class University (WCU). The UN 2030 Agenda Sustainable Development Goals (SDGs) strategy, used as a best practice to frame the comparison, indicated an 80% match for both universities. The researcher attempted to balance any unfair comparison in the gap analysis, since 10 of the 17 total SDGs were adopted as strategic objects by University of Bologna, while LSU utilized a differently structured strategic plan. The possible difference in strategic goals definition dictated a translation of LSU themes (goals) into UN SDGs.

The LSU themes illustrated in Figure 4.2 that translated into an SDG match have been shaded in color. University of Bologna SDGs for each strategic area were color coded to match the respective strategic dimensions in Figure 4.3. Table 4.5 represents the gap analysis results.
Figure 4.2. U.S. Flagship University Translated Sustainable Development Goals Graphic
Figure 4.3. European World Class University Sustainable Development Goals Graphic
Table 4.5. United Nations (UN) 2030 Agenda Translation Table

<table>
<thead>
<tr>
<th>LSU Strategic Plan 2025 Strategic Challenges (Themes)</th>
<th>17 Sustainable Development Goals (SDGs) of the UN 2030 Agenda</th>
<th>U. of Bologna Strategic Plan 2016-2018 SDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. No Poverty</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Zero Hunger</td>
<td></td>
</tr>
<tr>
<td>X</td>
<td>3. Good Health &amp; Well-Being</td>
<td>X</td>
</tr>
<tr>
<td>X</td>
<td>4. Quality Education</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>5. Gender Equality</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6. Clean Water &amp; Sanitation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7. Affordable &amp; Clean Energy</td>
<td></td>
</tr>
<tr>
<td>X</td>
<td>8. Decent Work &amp; Economic Growth</td>
<td>X</td>
</tr>
<tr>
<td>X</td>
<td>9. Industry, Innovation &amp; Infrastructure</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>10. Reduced Inequalities</td>
<td>X</td>
</tr>
<tr>
<td>X</td>
<td>11. Sustainable Cities &amp; Communities</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>12. Responsible Consumption &amp; Production</td>
<td></td>
</tr>
<tr>
<td>X</td>
<td>13. Climate Action</td>
<td></td>
</tr>
<tr>
<td></td>
<td>14. Life Below Water</td>
<td></td>
</tr>
<tr>
<td>X</td>
<td>15. Life on Land</td>
<td></td>
</tr>
<tr>
<td></td>
<td>16. Peace, Justice &amp; Strong Institutions</td>
<td></td>
</tr>
<tr>
<td>X</td>
<td>17. Partnerships for the Goals</td>
<td>X</td>
</tr>
</tbody>
</table>

Note: University of Bologna integrated all 17 SDGs in a redesigned strategy in 2017, with an implementation rollout structure of designated projects aligned with the SDGs (A. Paletta, personal communication, March 19, 2019).

This gap analysis reflects strategic plan status at the time of publication for each university. The results of the SDG Data Gap Analysis showed that the following goals in both university strategic plans matched: SDGs 3, 4, 8, 9, 11, and 17. Additional goals in the LSU strategic plan were SDG 7 (Affordable & Clean Energy), SDG 13 (Climate Action), SDG 15.
Additional goals in the University of Bologna plan were SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities).

**Data Source Four Summary**

Both institutions have attained world-class notoriety and have set challenging goals in their strategic plans. Some strategic goal targets seem unrealistic while others are not that well defined, in terms of metrics. LSU’s Strategic theme of good health and well-being to support university and community health, within the context of health care affordability of Outcome #6 in the strategic plan, was not currently feasible (in the researcher’s estimation), when compared to established outcome target metrics. The details of this analysis are discussed in data source two. Similarly, the strategic theme of transforming education to improve pre-K–12 education by impacting the educational journey of the student population, within the context of rankings of Outcome #7 in the strategic plan, was not currently feasible (in the researcher’s estimation), when compared to established outcome target metrics. The details of this analysis are also discussed in data source two.

Measured key SDGs for University of Bologna provided evidence that rated the institution number nine globally in University Impact Rankings 2019 (UNIBO, 2019). Gender equality was an example of clearly defined targets, with the Glass Ceiling Index of the University of Bologna (UNIBO, 2019), as improvements trended upward in years 2014 through 2017, from 1.83, 1.80, 1.65, to 1.59, respectively. All 17 SDGs are now fully institutionalized within the university’s culture, but more defined target metrics for all SDGs (particularly for Third Mission strategic goals) are possibly needed to clearly measure periodic improvements for these goals (in the researcher’s estimation).
Summary

In this chapter, input from the results of the interviews was gathered from four respondents: two respondents in the U.S and two respondents in Europe. Additionally, an analysis of the results from the four data sources was presented, and study findings were discussed. Chapter five will include discussion of implications and conclusion from results of the study.
CHAPTER FIVE. IMPLICATIONS

Whereas findings from the four data sources were presented and summarized in chapter four, the significance of these findings will be discussed in chapter five. This study was theoretically framed on the basis of Romer’s (1994) endogenous growth theory, as an extension of Solow’s (1987) economic growth theory, to substantiate and guide strategic possibilities for future financial stability of the university. Comparative research between the U.S. Flagship University and the European World Class University was conceptually bridged by the commitment of innovative economic and social growth and cultural development — community service opportunities to broaden Third Mission priorities and strategies.

Implications presented in this chapter are from the results of four cases, relating to the overarching problem of public university financial stability. The results of the data have been synthesized and the implications for practice have been described in each case. The gap analysis results observed in chapter four are also described, in terms of similarities and differences, comparing the U.S. Flagship University (Louisiana State University) and the World Class University (University of Bologna).

Economic, Social, and Political Pressures and the Changing University Definition

The four highly respected interview respondents who participated in this study discussed their insight about how the definition of the university had changed since the turn of the 21st century and what this might imply for their universities or higher education in the future. Their perceptions regarding change in the purpose of the university, in the wake of the last four decades, in fact, set the stage for each of their prophecies on strategies to challenge the risks of political, economic, and social pressures for higher education in their environments now and in the foreseeable future. A summary of implications for practice from these interviews that may
be considered potential strategies, or in some cases may have already been operationalized follow.

**The Purpose of the U.S. Flagship University in Financial Crisis**

The market-driven environment of higher education, blamed in large part on state legislature funding disinvestment in the U.S., has caused public universities to not only fiercely compete against private universities for student enrollment numbers, but also contend for funding from the federal government. Mitigating financial strategies include raising tuition and fees by universities and federal financial aid borrowing from students to make up the difference in consistently diminishing state funding allotment. Record student debt is now over the $1.5 trillion mark and continuing to increase, while for-profit private institution students own 47% of federal loan defaults (F. K. Alexander, personal communication, February 27, 2019).

There is possible future action by land grant university leaders, such as President Alexander of the U.S. Flagship, Louisiana State University, to initiate activities that bring heightened awareness to U.S. Congress of how the public university system is being undermined, to a great extent, by the market-driven higher education environment, exacerbated by the for-profit university sector. The resulting record-breaking financial student debt numbers, and continually rising university tuition and fees, validate the fact that the federal land grant acts of 1862 and 1890 now have little affect on protecting the opportunity for student accessibility and affordability in public land grant universities. A networking strategy of consolidated land grant universities—joining Alexander’s possible land grand act review campaign — may challenge political authority at the federal and state legislative levels to address possible solutions to this significant financial public education system crisis.
A second proposed solution to the higher education financial crisis that may be imminent, also facilitated by Alexander’s leadership, would address state funding disinvestment. The Memorandum of Effort (MOE) stimulus package that proved in 2009 to be an effective control to incentivize state legislatures to maintain a minimum level of funding was linked to passage of the American Recovery and Reauthorization Act (ARRA) of 2009. Discussions that call for reenactment of a similar stimulus package could attract a U.S. House of Representatives bipartisan federal congressional committee that would contribute to eventually lowering student debt and university tuition and fees. The key to this MOE success, suggested by Alexander, would be a federal-state match stimulus package where state funds, specifically allocated for higher education would be, at a minimum, matched by federal dollars given to the governors of each state that participating in this stimulus program.

**A New Way of Thinking about Partnerships, Revenue Streams, and Third Mission Strategy for the European University**

Power, rankings, and commercialization of knowledge — perhaps due to the institution’s financial necessity and pressure from government ministries in Europe — may have reduced the university definition in scope. Institutional priorities were reset by the growing expectation of economic return from the university in exchange for considerable funding. This characteristic the 21st century university, and the expectations now set by many in society and political office, implies that the higher education institution of today, compared to three and four decades past, is less positioned for innovative social growth.

Regaining the lost spaces of alternative thinking and alternative revenues, “driven out of universities” (P. Benneworth, personal communication, February 25, 2019) by the economic shift in institutional priorities, may initiate a different way of thinking about financial stability and strengthening community partnerships. Benneworth’s answer to a “sensible university
strategy for using with the Third Mission to guarantee institutional long term financial sustainability” (P. Benneworth, personal communication, February 25, 2019) implied maximizing the university’s external connections — the university’s external stakeholders — to advance internal activities of the institution. Strategies that are applied, as a matter of governance, to autonomously created partnerships with less restrictive policy on required economic return, may strengthen trust and support of community and regional partners. The value of these partners would reinforce and enhance the core revenue streams, rather than alternative revenue streams, and revalidate the central purpose and academic mission of the university. Exactly how this works may best be reflected in Benneworth’s words:

And that takes place, again, through this diversity of different activities and connections that are enabled by allowing autonomous academics to develop connections and then integrate them in a meaningful way into teaching and research activities, and then rewarding those academics when they do those activities well [emphasis added].

UN Strategic Development Goals (SDGs) as a New University Strategic Model

The Bologna Agreement in 1999, which is backed by the European Higher Education Area (EHEA), is the signed document that backed policy unification of the 47 member European universities at the turn of the 21st century. University of Bologna Deputy Rector Paletta stated that for his university and the Italian university system, as well, “the Third Mission is a new horizon to universities to manage the changing agenda to SDGs [sustainable development goals]” (A. Paletta, personal communication, March 19, 2019). The university reframed strategic philosophy in 2017 to align with all 17 of the United Nations 2030 Agenda Sustainable Development Goals (SDGs). The significance of this strategic redirection may be considered evolutionary in that university strategy is directly linked to the same approved goals of the United Nations (UN), a world organization with the endorsed signature from the United States and other member nations.
The University of Bologna’s leadership commitment to this new strategic direction was further solidified in 2017 during the meeting with universities representing the G7 countries in Bologna as part of the G7 summit. University of Bologna leaders enrolled in the United Nations agenda with an implementation strategy that addressed three main pillars to change — new approaches of university governance and accountability, sustainable teaching (with shared experiences of the professor and student), and the transition from disciplinary research to interdisciplinary research that allowed for shared university-community partnership that provides a virtual portal interface, with increased student engagement. The implication for practice in this scenario is the creation of an implementation project that could be referred as a model implementation methodology for other institutions interested in leveraging SDGs strategic goals strategy.

The three strategic dimensions of the Teaching Mission, Research Mission, and Third Mission structure this model. Third Mission strategy included the economic element of an interdisciplinary research interface that “promoted an incubator for new business” (A. Paletta, personal communication, March 19, 2019) with community partners who were predominantly small businesses. This Third Mission strategy further accommodates a proof of concept process where students can engage in collaborating with existing and potential business partners in developing new ideas for promising new business ventures. This Third Mission strategy implies the high probability of on-going university-community partnerships and growing revenue streams.

Curriculum to Careers, Service Contract Revenue Streams, and Sustainable Development Goals (SDGs) with Global Networks for an HBCU

Vice Chancellor, Stubblefield, regarded the state’s funding formula that is based on economic gain from research, to include jobs created, as the most influential element that has
changed the purpose of Southern Louisiana and other Historically Black Colleges and Universities (HBCUs) in the State of Louisiana in the 21st century. Realigning academics with the business sector is an aggressive step Southern University is taking, by making some adjustments to the curriculum to better prepare students for career jobs. Stubblefield is also envisioning a university strategy of more involvement in service work by partnering with small businesses that provide services for large contractors. Whereas grants provide much-needed income for the HBCU, building relationships with small business partners, as another revenue stream, may lead to contracts that yield continuous revenue that more often may outlast a grant-funding period for the university.

Another of Stubblefield’s strategic ideas for possible future development is exploring the concept of how Southern University can create connector hubs between urban and rural communities with some type of supply chain service. Stubblefield, who is charged with economic development and strategic planning for Southern University, which is the domain for the only HBCU system in the U.S., has extended the possibility of this concept to a global network for education. The eventual path of this strategy may be to partner with campuses of select universities in Europe and Australia, and from these hubs, leverage their extended contacts and global partners, and build supply chain networks to underdeveloped communities in Africa and on other continents and to other countries where communities are in need of innovative social development. The significance of this global network concept may be in possibly adopting Sustainable Development Goals strategy of the UN 2030 Agenda, similar to the University of Bologna framework. This may also imply potential new international business partnerships through this conceptual network-node strategy that grows into another revenue stream.
Formulated Meanings of the Four Research Themes and Four Sub-questions

A synthesis from significant quotes of the respondents’ interview transcripts have been categorized by the themes and coding scheme presented in Chapter 4. These quotes from the respondents’ varying perspectives were further translated into formulated meanings that may lead to implications for this study. Further, these formulated meanings from the respondents may serve as participant’s responses to the four sub-questions of this study. The following are presented, respective four research themes and sub-questions.

Institutional Priority for Strategic Management of the Third Mission

How will participants’ view expanded institutionalization of the university’s Third Mission as impacting economic competitiveness in the global and regional economic marketplace? Participants observed:

Affordability and accessibility of higher education were realized as key to knowledge growth and innovative social development, supporting a growing economy. Expanding the Third Mission means clearly defining goals that truly empower communities to partner with the university to succeed in social growth. The university may gain as a benefit of social engagement and good will, and to make a serious difference, power and prestige must be addressed.

The University of Bologna has adopted (in 2017) an institutional strategic framework, integrated with teaching, research, and Third Mission service priorities that is structured by the UN 2030 Agenda Sustainable Development Goals (SDGs). Third Mission service priorities include social, economic, and environment issues. In terms of swaying political power, leadership of the University of Bologna may hold significant influential advantage in Italy and throughout Europe by proclaiming the strategic goals of the university are the same goals of the United Nations—the Sustainable Development Goals (SDGs). Notably, a methodological shift oriented toward a Sustainable Development Goal strategy could be implied when assessing early
trends from traditional U.S. institutional priorities such as University of North Carolina Chapel Hill, rated 24th in University Impact Rankings (for institutional support of SDGs).

**Strategies and Risks for Regional and Local Economic Engagement of the University With the Community**

What strategies and risks will participants identify for the institution from expanding the strategic management of the Third Mission? Participants observed:

Risks were introduced that require mitigating increasing pressures of university financial viability that are formalizing where new boundaries of the institution lie. Other risks introduced require mitigating the span of control, reflected by codified activities, while social disciplines may be vanishing. Third Mission service strategies that are not codified in accounting systems require indicators that will translate the value to support these activities with appropriate resources and funding.

The University of Bologna has reorganized the strategic planning structure to allocate funding to projects and activities that are directly linked to the UN 2030 Sustainable Development Goals (SDGs). The University of Bologna leadership has redesigned the traditional university organizational structure into an interdisciplinary interface that accommodates potential spinoffs through innovative collaboration among students, professors, and business partner professionals. One of Bologna’s Third Mission strategies has been to leverage the multi-campus model, a key link between these campus communities and the university to build the framework for innovative social development and economic engagement.

**Alternative Revenue Streams for University Stability**

Which of the alternative revenue streams will participants identify as being strategically impactful, long term, for the university’s financial stability? Participants observed:
Trending consensus in Europe is that the growing higher education demand, basically from China, was possibly one of the best long-term strategic markets for revenue growth. The emergence of international campuses is a significant alternative revenue source for accommodating those international students from outside of Europe seeking European credentials. From an alternative viewpoint, optimizing university external connections may frame a roadmap strategy to maximize core revenue streams from new internal activities that successfully deliver the mission, and prove-out the university’s purpose to society.

University of Bologna supported redesign of the organizational structure to serve as a collaborative interdisciplinary interface for alternative regional economic strategy of joint problem-solving activities between the university and potential corporate and small business partners. This incubator program has encouraged student engagement, including creative student ideas presented in an initial proof-of-concept phase of proposed projects that may promote ongoing or new university-business partnerships and revenue. Additionally, this element adds competitive advantage for the university in a competitive market environment.

Federal funding requires more accountability of university spending and more responsible state investment, thereby reducing student debt and providing new revenue through increased state allocations. President Alexander at Louisiana State University and a U.S. Congressional bipartisan team are planning a “Maintenance of Effort” reenactment bill. The legislation provides punitive action for state legislatures that do not support annual funding for public universities, thereby, if successful, providing for the increase in government revenue. Online programs hosted by Louisiana State University for degreed programs accommodate distance-learning and full-time working students, as an added dimension of knowledge-sharing and alternative revenue. Revenue strategies can be prioritized and managed by targeting HBCU-
small business partnerships, based on industry categories (core, developing, aspiring), receiving federal funding incentives.

**University Societal Engagement and Resulting Economic Contributions on Upward Socioeconomic Mobility of a Global Society**

How do participants view prioritizing economic development as impacting socioeconomically challenged and disenfranchised populations?

[A significant observation was the frequent overlap in innovative economic growth and innovative social growth themes related to the same formulated meaning. This implies the often-mutual benefit and overlap of social growth and economic growth.]

Participants observed:

Integrating service, as an institutional priority, within the university mission to accomplish the UN’s Sustainable Development Goals (SDGs) would be the greatest challenge to innovative social growth today, and the most desirable mitigation strategy. Expanding the Third Mission means clearly defining goals that truly empower communities to partner with the university to succeed in social growth. This concept moves empowerment of the community in front of prestige the university may gain as a benefit of social engagement and good will. The purpose of the university has changed, most influenced by the funding formula of the state legislature for HBCUs based on economic gain from research, to include the number of new jobs created.

**Gap Analysis Implications**

The researcher’s analysis in chapter four of Data Source Two, Part II — social return on investment goals for Louisiana State University — demonstrated questionable feasibility on outcomes #6 and #7. Whereas most of the goals (and accomplishments) were impressive, the questionable feasibility of goals defined in a strategic plan implicates doubt that some strategic outcomes are attainable. Any doubt interpreted in a strategic plan fuels skepticism of some
within the university population that are asked to accept the risks of strategic challenges and sign off on resources and budget that must be dedicated to strategy implementation and engagement. The value of the plan is dependent upon buy-in from the strategic plan team, and the vision of the authors of that plan’s outcome must be set up for success by the entrusted value held in the strategic goals. Aggressive goals can be inspirational, but must also be feasible to realize success.

The purpose of a mission and vision gap analysis (Data Source Two) was to understand if there was a significant difference between the orientation of the U.S. Flagship and the University of Bologna to one of the four defined themes in this study. The assessment of Louisiana State University implied the U.S. Flagship was most oriented toward strategies and risks for regional and local economic engagement of the university with the community. Alternatively, the assessment of the University of Bologna implied the European World Class University was most oriented to institutional priority and expanded centrality for strategic management of the Third Mission. The significance of these implications may be interpreted as predictors of future strategic direction for each university, based on their assessed orientations.

The graphic depictions of both universities’ strategic plans (Data Source Three) show the physical structure differences when comparing the two blueprints side-by-side. The significance of the visual contrast may imply the different philosophical stances of administration management and governance in executing the strategic plans. Certainly, the Mission-Level Strategic Plan Comparison Table in chapter four (Data Source Four) validates the contrasting management styles by how the strategic plans are organizationally structured, when comparing and contrasting the direct link to strategic goals at the mission level of the plans.
This may further imply that the vision for University of Bologna’s plan, in which there is direct line-of-sight from the strategic dimensions (mission level) to the strategic goals (as shown in Figure 4.4), positioned the university in the future for a complete redesign in strategic direction to implement all 17 of the UN’s sustainable development goals (SDGs)—the original 2016-2018 Strategic Plan showed 10 SDGs — as the new strategic framework. This implementation, in fact, was performed under the guidance of Dr. Paletta in 2017. In contrast, Louisiana State University management has directly linked the six challenges (or six themes) to the mission level of the strategic plan (Figure 4.3). This visual clearly indicates the Flagship’s institutional priorities and strategic direction.

The final dimension of the gap analysis compared the strategic plan objectives for Louisiana State University (LSU), representing the U.S. Flagship, and University of Bologna representing the European World Class University (WCU). There might be room for interpretation of comparison results, in that best efforts to objectively select specific goals of each university may not have captured the spirit of intent underlying each goal. Given this precursor, the additional goals defined in one university versus the other were as follows: LSU listed additional goals for SDG 7 (Affordable & Clean Energy) and SDG 13 (Climate Action); University of Bologna listed additional goals for SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities).

Alternatively, LSU did not specifically list gender equality and reduced inequalities in the initial publication of the university strategic plan, while University of Bologna had not listed affordable & clean energy and climate action in its strategic plan. This implies both strengths and weaknesses of initial strategic objectives for both universities, and challenges for improvements in the weak areas. As noted in chapter 4, however, University of Bologna integrated all 17 SDGs
in a redesigned strategy in 2017, with an implementation rollout structure of designated projects aligned with the SDGs (A. Paletta, personal communication, March 19, 2019). In this light, LSU also listed (translated from the LSU strategic plan theme — global partners to drive the world economy) SDG 17 (Partnerships for the Goals). This UN goal, formulated to drive global partnerships, implies the common interest that both the U.S. Flagship and the European WCU seek to forge partnerships and globally advance knowledge through the higher education system.

**Implications for Research**

This comparative international case study promotes a number of opportunities for future research. The knowledge base of Third Mission strategy needs to be expanded, with particularly more exposure in the U.S. where Third Mission may be equated more to a faculty or staff member’s role to perform community service activities. The Third Mission, although not totally a new term in higher education, is still predominantly foreign as a mission strategy conceptually. The concept of innovative economic engagement and innovative social growth, expanded through broadened institutional priorities in Third Mission strategies, versus the common practice of community service hours extended periodically by faculty or staff members—both with potentially positive outcomes — may vary substantially on social, economic, and cultural impact, in terms of the university’s external connections.

Additionally, key performance indicators (KPIs) need a more precise quantitative, and perhaps universally accepted, measure to capture the intangible value of positive, socially-enriching outcomes from the institution’s social service hours, for example, dedicated to maximizing external connections to existing and potentially new university partners. An accepted KPI measure could further justify revenue generated by the institution, from expenses incurred, for legislators and other stakeholders who demand economic results in exchange for
endorsement of university funding. The cost of human capital or social capital related to KPI measurement of activities may be a good place to start.

**Conclusion**

The consensus of the U.S. and European respondents in this study is that the competitive market-driven environment and economic pressures have swayed the definition of the institution in the 21st century to an educational enterprise that must be financially justified to exist. Public university equal access and affordability are at risk for students, as the university in both the U.S. and Europe continue to vie for new and alternative means of financial stability. Further, opinion suggests the university of today, characterized as constantly monitoring competition in markets and rigorously controlling balance sheets, may be less effective engaging in innovative social growth than three to four decades earlier. This rather harsh but realistic observation is not about the good will of people in higher education, but more about institutional priorities driven by power and prestige, originating from external economic and political factors that have, in fact, narrowed the scope of the university’s purpose.

President Alexander’s leadership to aggressively reclaim lost higher education funding and to raise awareness of the narrowing intent in scope of the federal land grant acts of 1876 and 1890 (meant to protect affordability and accessibility in public institutions) implies the Flagship (Louisiana State University) taking a powerful step toward broadening and restoring the definition of the university from four decades earlier. Additionally, the implication is that the federal government may hold state legislatures responsible through a financial stimulus package, with punitive measures, that may include a program of federal-state match funding. Professor Benneworth’s dedicated research work in innovation and regional development in Europe,
leveraging strategies within the university’s Third Mission, inspires reclaiming lost creative alternative spaces inside the university.

Benneworth’s message implies allowing more autonomous activities and, possibly less restrictive policies, to maximize the university’s external connections with partners and stakeholders, thereby generating new quality internal activities, strengthening core (as opposed to alternative) revenue strategies. Investing in trusted partnerships may allow the value of those partners to be realized in growing core revenue streams and better align society and the university mission. Also implied is the strategic direction to broaden the institution’s purpose of prioritizing knowledge activities first (as intended four decades earlier) and challenging the external pressures of an assumed economically driven primary, core mission of the university.

The University of Bologna committed to a new strategic framework of the UN 2030 Agenda Sustainable Development Goals (SDGs) in 2017, driven by the leadership of Rector Ubertini, with implementation facilitated by Deputy Rector Paletta. Paletta advised that addressing the complex problems in the SDGs agenda is impossible for one university. Success for that single university is related to creating networks to SDGs and connecting with other universities and community partners. Building a global network of partners can help one university accomplish an SDG objective for that local community. This implies that the process can translate into a new model for success in university community and regional engagement, and socioeconomic development across the globe.

Significant to this study, Third Mission strategy implies the high probability of on-going university-community partnerships and growing revenue streams. Paletta observed, that the strategic implementation transition of the Sustainable Development Goals infrastructure, and a community engagement project, prioritized through University of Bologna Third Mission
strategy, achieved additional economic opportunities by way of an interdisciplinary framework design that connects with community partners. The implication of this empirical observation may help prove to substantiate the overarching research question of this study: What comparative strategies for engaging the Third Mission might be identified from the U. S. Flagship and European WCU to assist in achieving financial stability?

Southern University’s emphasis on community, national, and international services strategic planning may be an indicator of broadening Third Mission strategy. Vice Chancellor Stubblefield has conceptualized plans for an alternative revenue stream roadmap strategy of small business service contracts, leveraging relationships with small local business partners who engage in large corporate service contracts. Further, Stubblefield envisions network partnerships with international universities, implementing UN Sustainable Development Goals (SDGs) objectives, and extending network partnerships to underdeveloped communities—designed in a network-hub, supply-chain workflow configuration—that may lead Southern University to the first HBCU-driven global partnership aligned with United Nations goals. This strategy implies broadening institutional priorities of the Third Mission, effectively expanding innovative social growth and economic development.

**Implied Lessons Learned by the Researcher:**

The conversations with these four respondents during our interview sessions for this study were, at minimum, rich in detail and fascinating for the researcher. The statements below might serve as a checklist when considering the actions that help define the purpose of the 21st century university. For this researcher, these are a few of the many implied lessons learned in this research experience.
1. Reaffirming the federal government’s intention of public land grant universities and calling for the accountability and responsibility of state government’s support of higher education in the U.S.

2. Creating a new way of thinking about the old purpose of the university—a series of knowledge activities—and then using this human capital to enhance core (and grow new) revenue streams.

3. Creating a global partnership network to harness public higher educational power to challenge the current political and economical restrictions on growing public education.

4. Utilizing university networks internationally to connect with socioeconomically challenged global communities.

5. Shifting institutional priority to Third Mission strategies that build and grow trust in community partnerships in all disciplines, in addition to high dollar industrial and high technology projects.

6. Understanding that prestige and power must be dealt with first, to truly advance social development.

7. Emphasizing the word innovative, whether describing economic or social growth [from the researcher].

**Getting the Story Right for Indigenous Peoples**

This researcher respects the ethics of a cautious research approach, in that academic studies may potentially imply some form of social transformation. In this researcher’s opinion, the notion of benefiting society in a transformative way should be weighed against invading cultural norms, especially those of indigenous peoples, holding the cultural and historic roots of their respective countries. Some may read this as out of place, as this research has been focused
on social development through economic engagement. Smith (2012) advocated, however, “There are no neutral spaces for the kind of work required to ensure that traditional indigenous knowledge flourishes; that it remains connected intimately to indigenous people as a way of thinking, knowing and being; that it is sustained and actually grows over future generations” (p. 226).

Our global society includes, as a small sampling of many, such indigenous peoples as the Himba of Namibia and Angola, Africa, the Choctaw of North America, and the Maori of New Zealand. In the simplest terms of outlining research caution, this researcher respectfully observes that the far-reaching global strategies of the UN 2030 Agenda Sustainable Development Goals (SDGs) be implemented in partnership — and in highest respect for — indigenous communities, through the vision of their peoples’ well-being. Social transformation, in this sense, should lead to growing and sustaining indigenous communities (as with our nonindigenous communities) without “… sacrificing their cultural values, leaving their homes, giving up their languages and surrendering control over basic decision making in their own lives” ((Smith, 2012, p. 236). The intent of sharing knowledge in this study, for the purpose of innovative social development, is done so in this spirit.
REFERENCES


Greenhow T. M. (1831). “The expediency of establishing an academic institution, of the nature of a college or university, for the promotion of literature and science, more especially amongst the middle classes of the community, briefly considered”, *Paper read to the Literature and Philosophical Society of Newcastle upon Tyne*, April 5 1831, 13pp. Available in Newcastle University Library Archive.


Liebowtiz, S. & Kelly, M. L. (2018, November 13). *Fixing the bias in current state K–12 education rankings*. CATO Institute, Policy Analysis No. 854. Retrieved from https://www.cato.org/publications/policy-analysis/fixing-bias-current-state-k-12-education-rankings?gclid=Cj0KCQjww47nBRDIARIsAEJ34b1X2KB79FOw49eFcUt7w0UUISmTqYl6YM6TrdpZ341q00IudmuMaAj1ZEALw_wCB


[Calculated from College Board, *Trends in college pricing 2015: Average tuition and fee and room and board charges, 1971-72 to 2015-16 (Enrollment-Weighted)*, Table 2, http://trends.collegeboard.org/college-pricing]


Morrill Act of 1862, 7 U.S.C. § 301 (1862)

Morrill Act of 1890, 7 U.S.C. § 321 (1890)


education: Exposing the myth of post-racial America (pp. 197-206). Lanham, MD: Rowman Littlefield.


APPENDIX A. INTERVIEW PROTOCOL

Interview Question One: How has the definition of the university possibly changed since the turn of the 21st century, as related to global socioeconomics?

Interview Question Two: What potential challenge(s) might surface for [your university] by increasing institutional priorities for strategic regional economic engagement (Third Mission goals)?

Interview Question Three: For [your university], which alternative revenue market appears to be the best long-term strategy? How come?

Interview Question Four: How might universities best mobilize their partners to sway policymakers and politicians to support investment in higher education?

Interview Question Five: How might [your university] advance global partnerships to challenge inequities of socioeconomics, race, and gender?

Interview Question Six: What strategies might [your university] utilize to promote quality of life for underserved populations?

Interview Question Seven: Do you see a relationship at [your university] between Third Mission strategy (regional economic engagement) and independent financial stability?
APPENDIX B. IRB APPROVAL

ACTION ON EXEMPTION APPROVAL REQUEST

TO: Jennifer Curry
   Education

FROM: Dennis Landin
      Chair, Institutional Review Board

DATE: February 5, 2019

RE: IRB# E11482

TITLE: Strategically Engaging the Third Mission: A Comparative International Case Study of Alternative Revenue Strategies Between the U.S. Flagship University and the European World Class University (WCU)


Review Date: 2/4/2019

Approved X Disapproved

Approval Date: 2/5/2019 Approval Expiration Date: 2/4/2022

Exemption Category/Paragraph: 2b

Signed Consent Waived?: No

Re-review frequency: (three years unless otherwise stated)

LSU Proposal Number (if applicable):

By: Dennis Landin, Chairman

PRINCIPAL INVESTIGATOR: PLEASE READ THE FOLLOWING – Continuing approval is CONDITIONAL on:

1. Adherence to the approved protocol, familiarity with, and adherence to the ethical standards of the Belmont Report, and LSU's Assurance of Compliance with DHHS regulations for the protection of human subjects*

2. Prior approval of a change in protocol, including revision of the consent documents or an increase in the number of subjects over that approved.

3. Obtaining renewed approval (or submittal of a termination report), prior to the approval expiration date, upon request by the IRB office (irrespective of when the project actually begins); notification of project termination.

4. Retention of documentation of informed consent and study records for at least 3 years after the study ends.

5. Continuing attention to the physical and psychological well-being and informed consent of the individual participants, including notification of new information that might affect consent.

6. A prompt report to the IRB of any adverse event affecting a participant potentially arising from the study.


8. SPECIAL NOTE: When emailing more than one recipient, make sure you use bcc. Approvals will automatically be closed by the IRB on the expiration date unless the PI requests a continuation.

* All investigators and support staff have access to copies of the Belmont Report, LSU's Assurance with DHHS, DHHS (45 CFR 46) and FDA regulations governing use of human subjects, and other relevant documents in print in this office or on our World Wide Web site at http://www.lsu.edu/irb
VITA

Harry Michael Clayton has worked as an educator in the classroom, private industry manager and executive leader for multiple Fortune 500 companies, and first lieutenant in the U.S. Army. A career dedicated to facing complex problems and providing creative solutions in private industry has led to his passion for the challenging world of higher education academics and administration. Research interests during his doctoral studies at Louisiana State University (LSU) have included strategic planning, revenue strategies, innovative university–community economic development and societal mobility, continuous improvement, and assessment. His graduate studies include a Masters in Educational Leadership from LSU in May 2016 and Masters of Arts in Teaching from Louisiana College in December 2013, while he earned undergraduate degrees at Colorado State University in Business Journalism and McNeese State University in Business Administration earlier in this career. He anticipates receiving his doctorate degree in Educational Leadership and Research in Higher Education Administration from Louisiana State University in August 2019.