



Henry Smith: Building on IWU's Success

By Tom Schuman

During his nine years at Indiana Wesleyan University (IWU), Henry Smith never forgot the past while also looking toward the future. He does the same in this discussion with *BizVoice*®. Smith announced his decision to step down in early October. The June 30, 2013 retirement comes with a sabbatical that begins January 7. From July 1 of this year through 2015, Smith will take on a new role as chancellor.

BizVoice: Talk about some of the things that you are most proud of over the last seven years.

Henry Smith: “When I came to Indiana Wesleyan, I followed a 19-year president (Jim Barnes) who I think the whole world knows had been exceedingly successful. Enrollment growth. Facilities growth. All kind of things. I felt the board was saying to me, ‘We really like what’s been happening to Indiana Wesleyan University for the past 15 to 20 years. We’re not looking to go off into a new direction. We want to continue some of those things that have really made us who we are today.’

“For one year as executive VP and one year as president-elect, I could sit in all of the meetings the president had, do some traveling, establish some relationships and just spend a year thinking about what I might do to advance the trajectory of success that the university had had year after year after year. As I leave the presidency, next June 30, I will have spent seven years as president and nine years at the university. One of the things that I feel really good about is that I was faithful to the charge that was given to me to do my part to advance some of those things.

“One, we continued with our growth, our numerical growth and with our new program expansion. The campus itself grew. During the last seven years, a \$22 million chapel auditorium, millions of dollars of additional residence halls, a new \$10 million to \$15 million classroom building ... the

Indiana Wesleyan University

- Founded as Marion College in 1920; name changed in 1988
- Affiliated with The Wesleyan Church, which has its international headquarters in Indianapolis
- More than 3,000 students at main residential campus in Marion; total enrollment of nearly 16,000
- Nearly 70 undergraduate majors; master’s and doctoral programs serving more than 4,700 students
- Regional education centers in 17 locations in Indiana, Kentucky and Ohio, with additional instructional locations in all three states

Henry Smith

- Born in Frankfort, Indiana; father served as pastor of Victory Chapel Wesleyan Church there for more than 50 years
- Education: God’s Bible College, University of Cincinnati and The Ohio State University
- Twenty-five years in various higher education roles at Mount Vernon Nazarene University in Ohio and Olivet Nazarene University in Illinois
- 2004: First executive vice president at Indiana Wesleyan; 2005: president-elect; 2006 (July 1): became eighth president of IWU

list goes on. Right now, we are in the midst of completing two projects, a new seminary building for \$7 million and a new science building which is right around \$43 million.”

(As a consultant for the Higher Learning Commission, Smith recalls a campus evaluation visit a few years ago to an institution that was saddled with facility problems and millions in deferred payments). “I really felt that, for me, was a mandate to try to do whatever we could to preserve this incredible debt-free campus that’s really been erected in a very short period of time. Three hundred to \$350 million of debt-free facility in the last 15 to 20 years, that’s pretty aggressive for a school our size. This is something I am very, very proud of.”

BV: As I read various stories after your announcement, there was a theme about putting students first. Describe some of the ways you and your team did that.

HS: “That again has been a long tradition at Indiana Wesleyan. We’ve not existed just as a place for faculty to do their research and have their own agenda.

“We realize that unless we can find a way to make sure we stop this runaway train of costs to attend college, we’re going to actually price our students out. To put students first to us, in a great part, means how can we find ways to find financial assistance for them. We’ve really wanted to build our endowment, not for buildings, but an endowment for student aid. I know some schools that have gotten their unfunded aid up in the 40s, nearly 50%. That’s just not sustainable. We’ve kept ours at the national average. We have an unfunded discount rate of 32, 33%. We’ve taken some dollars with our donors and used it for matching. Here’s the money we will match with if you will contribute to scholarships of your own interest. That’s been exceedingly successful.

“The first year we tried that, we put out a \$4 million nest egg to see if we could match it. Within the first three or four months, we matched it. The second year we took that same amount and in the first 30 days we matched it. In a two-year period of time with just that matching, we have over \$16 million added to our endowment for student scholarships. All students are cost sensitive; our constituency even more so. These students are often coming from homes where they are first-generation students, from homes that aren’t in the upper part of our economic status. We want to provide more aid for students to come here and we are passionate about that.”

BV: What makes a good location for a new Indiana Wesleyan operation? What are the main factors to consider?



Indiana Wesleyan University students offer a prayer over president Henry Smith at the start of the academic year. Prayer is a foundational element at IWU.

HS: “We’re continuing to look for opportunities. Once upon a time in Indiana, if you went around the outer belt of Indianapolis, you would see Indiana Wesleyan, maybe the University of Phoenix but not many others (engaged in adult education). The other day we did a count when we drove around I-465 and we counted over 40 different providers that were essentially competitors for the adult market. Everyone is getting involved in adult education. We have continued to be absolutely committed to adult education for all the right reasons.

“We made a goal in teacher preparation that we wanted to have teachers and principals in every school district, and we have that now. Our nursing programs have just exploded. We have a School of Nursing with over 2,500 students. About 600 are on our traditional campus in Marion, others are in our master’s programs and nurse practitioners and RN to BSN. We just got approval from the Higher Learning Commission for a doctorate in nurse practice.

“A lot of that is to adult students. It used to be that all these adult programs were in the evening, four hours a night one day a week. That has changed to where of the 12,000-plus students we have identified as adult students, over 7,000 of those are doing their programs completely online. We have whole floors of buildings where we have people who are advisors and counselors and curriculum designers for the online world.



One of many adult learners in the Indiana Wesleyan system receives her diploma. Students from all IWU locations come to the Marion campus for graduation.

“During my presidency, we realized we had to reinvent ourselves and start thinking more online and new programs, realizing the environment had changed. I would think the business world would understand that. So often higher education is so slow to change that by the time they finally decide to change, it is too late. But we saw that early on. I came here and there was already a spirit of

innovation and entrepreneurship, a willingness to adapt and change that was every unique to a higher education institution.”

BV: Is our education system doing a good enough job of meeting the needs of employers and employees?

HS: “As an enterprise, higher education has been too self-centric over the years and not reached out as much as we could. We have tried to combat that. We have done it well in some areas, not so well in other areas. We look very carefully at what programs are in great need. The health sciences area, health care, we think is the next big thing for our country, for higher education and for Indiana Wesleyan. We did a study and looked at the fact that nearly every county in Indiana is underserved in regard to doctors and nurses and occupational therapists and physical therapists. This new \$43 million building is a statement to say to the world that we want to be a leading provider of higher education and training for the health sciences. That was response.”

BV: Is competition in higher education a good thing or does cooperation need to be taken to a higher level?

HS: “There are two sides to that. The American way of comparison and competition can make us better. In higher education, if you know the school down the street is doing a better job, that competition can be a good thing. On the other hand, the competition kind of gets in the way and prohibits or at least impedes us from collaborating in ways that we should that will help us be more effective or more efficient. We’re really excited about the fact that our technology department here at the university has partnered with two or three other schools in just the past year. I think we’re saving \$100,000 or \$150,000 a year from this pooling of resources when we buy technology.

“I met about a month ago with the presidents of Anderson, Taylor and Huntington universities. We talked about this issue – how can we work together. Are there some baby steps or low-hanging fruit that we can get? We talked about things such as maybe having a professor that would be jointly assigned to all of us teaching some esoteric topic that we didn’t have enough students (for at one campus). We need to get past the drinking coffee, talking about it, knowing it’s a good idea – no one would disagree – to actually doing something that can work. I’m really hopeful in the coming years that schools that are so common, like the four I mentioned, can find ways to work more collaboratively.”

BV: Why leave now?

HS: “I will have completed seven years as president, that’s pretty close to the national average. I’ve been offered the great privilege of continuing to work for the university as chancellor, in a slightly different role but one that can be very fulfilling. I just felt it was time for someone else to come in and build on the kind of things that are happening here. I’m 62, still fairly young, I have a lot more hopefully to offer to the world of higher education and Indiana Wesleyan.

“Schools like ours, you have to be careful that the chancellor doesn’t get in the way. I’m determined not to do that. A lot of what I will do in my new role as chancellor, come July 1, will be dictated in part by where the new president would like to plug me in. I’m very comfortable with that. In my 30-some years in higher education, I never had a break. The board offered me a sabbatical as well. That is a going to be a positive thing, a time to regroup. It seemed like the right thing to do.”

BV: How do you see the higher education experience changing for students in the next 10 years?

HS: “I really believe that the distinctions of for profit and not for profit and the distinctions between online and on ground and adult learners and younger learners – all those lines are going to become increasingly blurred. We’ll continue to be more sophisticated in being able to distinguish what is good and what isn’t in all those different genres. Let me give you an example. When online higher education first took place, there was a lot of misunderstanding, a lot of skepticism, a lot of questions and everybody lumped all kinds of online education into one big morass. Many people who were traditionalists would kind of condemn it.

“The truth is there is some pretty bad online education, but there is also some very good online education. The same is true of traditional undergraduates.

“I think the future is going to become much more eclectic where you have lots of different options. ... The world of higher education is going to continue to adapt and find new ways to reinvent itself. I think those schools that don’t are really doomed. But I think the schools that don’t find their way back to the business world, to really understand that they are a business, the whole underpinning of what it means to be strong financially, are going to be re-examined. They’re going to disappear from the landscape.”

President Smith welcomes seniors to a backyard picnic. Smith frequently opens his home to students for parties, bonfires and other special events.

