



A JOURNEY OF  
TRANSFORMATION  
2010-2015

ΘΕΜΙΣ ΕΞΑΝΕΓΡΕΣΘΑΙ  
ΤΡΟΙΗΝ

University of  
Southern California



# A Journey of Transformation

UNIVERSITY OF  
SOUTHERN CALIFORNIA  
2010-2015

By Rob Asghar





UNIVERSITY OF SOUTHERN CALIFORNIA  
1880  
PALMAM QUI MERUIT FERAT

*This story about the dramatic transformation of USC is at its core a tribute to the dedicated and skillful architects of an ongoing metamorphosis: Elizabeth Garrett, Michael Quick, Al Checcio, Todd Dickey, Tom Jackiewicz, Tom Sayles, Carol Mauch Amir, Pat Haden, Robert Abeles, Lisa Mazzocco, Dennis Cornell, and First Lady Niki C. Nikias. They have inspired our community by demonstrating the fullest potential of great teamwork, in which individual skill and character are magnified, manyfold, by a shared and unshakable resolve to bring to the world something of enduring and limitless value—no matter the obstacles or challenges.*

*—C. L. Max Nikias, President, USC*





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# Introduction

The history of USC may be the quintessential American story: A legend of explorers and pioneers with audacious ambitions and the ability to achieve them. A saga of underdogs who don't simply defy the odds on the way to their goal but rather show deliberate disregard for them. A tale about a community of people with a shared taste for uncertainty, because they believe the greatest opportunities are born of moments that challenge—times of shake-up that embolden us to define and redefine ourselves.

For much of the time since its founding in 1880, the USC story has been beloved by those within its circle of influence—the Trojan Family, as they proudly call themselves—but it was more obscure to those on the outside. In recent decades, however, that began to change. A university that intuitively focused on its own pathway began to gain attention globally.

That USC would gain outside acclaim in any context would be impressive, given its modest roots. What has made its rise over the past five years more remarkable is that it came against the backdrop of tumultuous global change, and accelerated at a time when higher education as a whole was becoming a beleaguered, embattled enterprise. Some skeptics were even predicting that universities as we know them might disappear within a few decades, due to societal, technological, and economic changes.

The USC community anticipated massive, sweeping changes across the American and higher education landscapes. But they also believed that certain universities (especially their own) had a special, even singular, contribution to make in the decades ahead. The Trojan Family stepped forward with a series of bold decisions, commitments, and investments, all undertaken at a time when the traditional order of things was being turned upside down.

Crushed by the pressures of the 2009 recession, most organizations, institutions, and even nations chose to take a cautious route forward, scaling back expectations. By contrast, USC was fueled by a determination to protect its steady rise in recent years, and also to continue to grow, viewing the sweeping change and global uncertainty as a potential opportunity. As other institutions were slowing down, USC was in a position to move ahead of the competition, if it could capitalize swiftly on some key advantages.

Since the school's founding, much of its progress had not occurred in a steady, linear fashion but rather in a number of dramatic bursts and transformations in which its unique character came into contact with a particularly promising set of circumstances. And this time was no different.

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LEFT: Judge Robert Maclay Widney, a major force in transforming Los Angeles from a frontier village to a burgeoning world city, labored passionately for years to bring USC into existence. In 2014, the university honored its founder with a statue near the entrance of its University Park Campus to remind new generations of this bold and determined spirit. PREVIOUS PAGE: The Presidential Mace is carried by the head of the Academic Senate during the inaugural procession of a new USC president, to signify the importance of the faculty in the university organization.

## **The DNA That Drove USC's Growth**

All the successes and ongoing commitments of the USC community—in fact, the entire process of metamorphosis by which a humble school has grown into one of the world's most influential—reflect a distinctive institutional DNA.

“Every great institution is the lengthened shadow of a single man,” Ralph Waldo Emerson wrote a century and a half ago. “His character determines the character of the organization.” Even with the advances of time and technology, and amid dramatic social, economic, and demographic change, the University of Southern California reveals the lengthened shadow and character of its founder, Robert Maclay Widney.

Prior to founding USC, Widney had made a name for himself as a U.S. district judge, an entrepreneur, and a polymath who had been a professor teaching mathematics and law for no pay earlier in his career. While Los Angeles was still a patchwork of dirt roads, farms, and villages, the judge recognized its potential to be an even greater metropolis than its fast-rising cousin to the north, San Francisco. He believed the city could be a global hub for commerce and culture, despite being so far removed from the centers of power in the Atlantic.

Widney would speak to colleagues and friends about Los Angeles as a jewel that needed cutting and polishing. Where others saw a backwater village, he saw an environment that spoke of infinite possibility. At the outset of his presidency, C. L. Max Nikias observed, “Judge Widney saw the majestic mountains with snow in the winter within easy reach. He saw the vast Pacific nearby, which offered open access to a newer world; and a climate designed by heaven itself, offering the unlimited expression of the human mind, body, and spirit. This, he said, is where the next great world city could arise.”

Widney then began the process of cutting that jewel, helping bring the railroad to Los Angeles, bringing light and power to the city, and boosting the nascent economy through a new chamber of commerce. As one of Southern California's major architects, however, he recognized that Los Angeles needed a quality university at its core if the region were to manifest its astonishing potential. The financial conditions for such a venture were highly unfavorable when he first announced his goal. Undaunted, however, he spent a decade dreaming, planning, working, sacrificing, and cajoling community support, until the University of Southern California opened its doors in the fall of 1880 to 53 students and 10 teachers.

From its earliest days, the university demonstrated a global character, more committed than its peers to educating students from across the Pacific. Some observers traced this internationalist

aspect of its identity to an episode years earlier, in which the judge intervened in an anti-immigrant riot that was typical of the day along the West Coast. At the risk of his own life, the pistol-packing Widney dove into the crowd, fired a bullet in the air to break up the mob, and ushered a number of Chinese immigrants safely from the scene.

“It was at that moment, on that evening that the DNA of USC as a global institution was called into being,” President Nikias said at his inaugural address. “In that moment, on that evening, the ethos, the character of USC began to take shape.”

Significantly, the university easily could have carried Widney’s name. Most private universities bear the monikers of their founders while public schools are more likely to be named for a region. The naming was no accident, however: His new institution was intended from its infancy to have a public mission.

The University of Southern California, Widney’s prized achievement on the great Western frontier, reflected a commitment to seeing possibilities where others saw obstacles, and bringing those opportunities to life. Today, its academic community, alumni, and supporters reflect that same determined spirit as new frontiers come into view.

### **From Regional School to Research Powerhouse**

Academically, USC has been on a steady upward climb since Norman H. Topping took on the presidency in 1958. It began that era as a solid, regional school, best known for professional education, and concluded it as a research institution of national distinction—a status that was confirmed when USC was admitted to the prestigious Association of American Universities in 1969.

That pivot, from serving as a regional, professional school to becoming a national research university, was the first major transformation of the modern USC, and it took place in the face of great skepticism. Early in Topping’s tenure, *Time* magazine detailed his challenge, claiming that Stanford was “incomparably richer” and that UCLA was “incomparably better.” Thus when USC was elected to the AAU five years ahead of crosstown rival UCLA, it was an impressive sign of the Trojan Family’s determination to improve academically.

The university underwent another growth spurt in the 1990s, despite a recession and fragile economy, expanding its efforts to recruit top students, support its local community, and improve its campus infrastructure. These accomplishments set the stage for USC’s next metamorphosis, which would begin in 2009, during the greatest economic downturn since the Great Depression.



## **A Difficult Environment for Growth**

The year 2009 began with apocalyptic predictions of a worldwide financial crisis. In the wake of the commercial collapse at the end of 2008, trillions of dollars of economic value had evaporated. Some of the mightiest institutions of Wall Street were ghosts haunting the global economy. The unemployment rate was on a steady climb toward the 10 percent mark across the United States by the spring of 2010 and reached 13 percent in Los Angeles County during the same period. Everywhere, simple survival seemed the most plausible goal. Attempts to thrive or excel were dismissed by reasonable people as unrealistic.

Many peer universities were in debt, overextended in expenditures funded by shrunken endowments, or just paralyzed by fear—and therefore unable to invest in any new programs or improvements until the horizon cleared. Such clarity, of course, would not be soon in coming for most institutions across economic sectors. Uncertainty wasn't a phase but rather the new reality. USC adjusted prudently. But it also believed in the future and would budget accordingly.

The university had worked diligently to maintain a solid fiscal foundation and strong cash reserves. Due to the responsible approach of its academic leadership and Board of Trustees, USC was able to move with vigor and make major infrastructure investments even in the valley of the Great Recession. Across the country, municipal and state governments flirted with bankruptcy, Washington was choked under debt, and businesses and other universities looked to cut expenses wherever possible. But USC was in an enviable position, following 129 years of balanced budgets and an approach that was both judicious and entrepreneurial.

In that light, USC's bold expansions and acquisitions during this period symbolized its determination to take control of its own destiny. At the time, some saw these investments as gambles. Yet they reflected the university's belief that—as revolutions took shape in biology and medicine, in globalization, in digital media and online education, and in new forms of the humanities—USC would need to move aggressively to be at the forefront of emerging opportunities.

## **A Changing of the Guard**

The year 2010 also reflected other transitions. USC's 10th president, Steven B. Sample, announced his retirement late that fall, after nearly 19 years in office, during which the university had grown significantly in reputation and productivity. An aggressive and well-publicized national search ensued for a successor who could maintain the school's progress. Edward P. Roski Jr., then board

chair, headed a committee composed of trustees and other USC stakeholders, including faculty luminaries such as Kevin Starr, the eminent California historian and former state librarian; Velina Hasu Houston, the internationally renowned playwright; and Warren Bennis, widely considered one of the most prominent leadership experts of his generation. Bennis often spoke about how great helmsmen are characterized by “unwarranted optimism,” even in the most trying of circumstances and searing of crucibles.

Enter Nikias, USC’s provost during the previous five years of rapid growth. The search committee, after an exhaustive examination of 75 candidates from across the country, unanimously recommended to the full Board of Trustees in March 2010 that Nikias be named USC’s 11th president.

Members of the committee expressed surprise at the bold academic agenda Nikias set forth in the search interview process to elevate the university from a position of strength to a premier standing in the world of higher education. Some aspects of the plan were sweeping while others were bluntly specific. Nikias argued that USC should not be content to make incremental progress. Rather, he said, it should seize a once-in-a-century chance to achieve an undisputed elite status, which would allow its academic community to bring its unique combination of talents to bear on the challenges of the coming era. A window of opportunity had opened, he said, but it would remain so for only a few years. USC had to move quickly and decisively.

The three keys, he said, involved faculty, medicine, and money. Nikias emphasized that USC needed to dramatically strengthen the profile of its faculty, especially in emerging disciplines. He argued that the institution also had to pivot academically in order to be a major player in the global revolutions happening in medicine, biology, and healthcare. These initiatives would require billions of dollars in short order, and so he called for a fast-track plan for a historic fundraising campaign that would boost USC’s endowment.

It is worth noting that an internal succession of a president is relatively rare within higher education. While corporations often groom candidates from within their organization to succeed a celebrated CEO, universities tend to turn to the outside in search of their next leader. In USC’s case, the elevation of Nikias to the presidency symbolized a desire for continuity—not the sort of continuity that merely preserves the status quo, however, but rather a commitment to keeping the university’s pedal to the floor and even accelerating its pace.



## **A Snapshot of Dramatic Progress**

Perhaps Nikias's most valuable asset for the job ahead was his ability to give passionate expression to the USC community's far-reaching ambition. Indeed, the school's longtime members and leaders weren't content to see it continue on a gradually rising path. Rather, they responded to the idea that their university was undergoing a metamorphosis—a stage of rare transformation, in which its particular traits could give birth to something previously unseen, and of the highest value. Energized by this renewed vision, they moved forward with both determination and optimism.

By 2015, even as the specter of the recession lingered, it had become clear that the changes begun in 2009 and 2010 were approaching a major next stage of development. This evidence came in several forms and arenas.

### **Support for the USC Mission**

The university publicly announced a fundraising campaign in 2011, amid the economic softness of a jobless recovery. The total goal, \$6 billion within eight years, exceeded any campaign previously announced by any university. Many higher education observers wondered if the Trojans could raise this ambitious sum. Yet, as trustees and donors paved the way with major early gifts, USC reached the \$4.5 billion mark in the first five years. About half of the money came from 27 transformative gifts of \$25 million or more, with four of those at the level of \$100 million or more.

More than 290,000 donors have advanced USC's *Fas Regna Trojae* campaign, with gifts of every size making powerful statements about the breadth and depth of support that exists around the world. Approximately 60 percent of the money raised came from non-alumni, a striking sign of the university's ability to find support beyond the Trojan Family.

### **The Rise of USC's Faculty**

The foundation of the university's excellence, its faculty, was solidified and reinforced. USC recruited top scholars in every key discipline—including the arts and humanities, social sciences and professions, science and technology—from leading institutions such as Harvard, Caltech, Stanford, Northwestern, the Cleveland Clinic, UCLA, Michigan, UC San Diego, UC Berkeley, and the Scripps Institute.

### **A Uniquely Gifted Student Population**

USC's student body—already one of the most gifted and broadly talented in the world—grew further in stature. By 2015, it could be viewed accurately as a hybrid of the populations of premier research institutions, such as Caltech and Stanford, and the world's greatest arts conservatories.

Average undergraduate SAT scores rose to the 95th percentile nationally, up from the 50th percentile just a generation earlier. The university received 53,000 applications in 2015 for only 2,700 freshman seats, and its 18 percent admissions rate was the lowest in its history. Graduation rates had risen to an impressive 92 percent, a crucial sign that USC was increasingly able to offer a fulfilling experience to first-rate students.

Nearly a quarter of the school's freshmen were now from underrepresented ethnic backgrounds, and by 2015, it ranked third among private American universities in total Pell Grant recipients. Once seen as economically exclusive, this private university was now more inclusive than even its public peers in enrolling qualified students from every background.

### **A Bold Move into the New Age of Medicine**

The evolution of the overall university was symbolized by the changes in its academic medical and health enterprise. As these fields emerged as the chief intellectual disciplines of the 21st century, USC's leaders moved to ensure that its faculty and students were in a position to play a leadership role in a global health revolution. The university radically escalated its commitment to these fields—once again using interdisciplinary strengths that spanned both its campuses to accomplish quickly what traditional pacesetters in these areas could not.

### **Pioneering Research**

USC's research mission was thriving, as faculty and students stormed some of the most important academic frontiers of the coming decades. At the graduate and doctoral levels, the university became a magnet for more talented students than ever before. USC's faculty was able to race past the competition because of its particularly strong emphasis on cross-disciplinary research. For instance, its unique ability to combine social sciences, technology, and the arts allowed it to move to the forefront in informatics and digital media at a time when few other domains were more important to economic and social progress.

### **A Brighter Spotlight on the Arts**

The university community viewed its unusually wide array of internationally recognized arts programs as nothing less than a "secret weapon" that set it apart from peer research universities. The newly endowed Glorvya Kaufman School of Dance joined USC's five other world-class independent art schools, in architecture, cinematic arts, fine arts and design, music, and theater, providing the university with an even broader foundation in the creative and performing arenas. The USC Jimmy Iovine and Andre Young Academy for Arts, Technology and the Business of Innovation,



established in 2013, recruits multitalented students who are poised to make magic happen at the boundaries of creative and technical disciplines. And the Visions & Voices arts and humanities initiative allowed students from every field of study to connect with dynamic cultural presentations.

### **Athletics: Renewing the Trojan Spirit**

The university's unrivaled student-athlete tradition, which binds the hearts of Trojans around the world, went through a great renewal, at a moment when intercollegiate athletics at the national level were being tested in a crucible of change. Persevering through five years of the most disproportionately tough sanctions ever placed on an NCAA program, USC's short-handed football team maintained a high level of excellence, achieving as good a record as rival Notre Dame over the same period—and a better record than competitors UCLA and Texas.

The 2012 Summer Olympics in London were the most successful games ever for Trojan athletes, resulting in 25 medals. The university built major athletic facilities, including the John McKay Center and the Uytengsu Aquatics Center, and renovated existing ones. It also took on a 98-year master lease for the Los Angeles Memorial Coliseum, ensuring that the home of the Trojans (and one of the nation's most venerable sporting venues) would be restored to glory.

### **Guiding the Online Education Revolution**

USC's faculty created the world's first sustainable model for online higher education, a template that others would soon begin to use. While some experts had predicted that the ballyhooed online revolution would deliver undergraduate education globally at little or no expense, and possibly even make college campuses obsolete, USC developed an approach that did not succumb to the hype or backlash that plagued creators of other strategies. By the end of 2014, the university had some 8,700 tuition-paying students in 40 countries enrolled in online graduate and continuing education programs, with revenues reaching \$150 million—more than at any peer institution.

### **Building the Campus Infrastructure**

Major renovations and improvements to USC's infrastructure symbolized the academic progress under way throughout the university. New facilities such as Dr. Verna and Peter Dauterive Hall, Wallis Annenberg Hall, the Ronald Tutor Campus Center, and the Engemann Student Health Center were outward manifestations of USC's many rapid advancements. And community residents and the university celebrated the groundbreaking of the \$650 million USC Village project, the largest economic redevelopment undertaking in the history of South Los Angeles.

### **A Truly Global University**

As globalization became the inexorable reality of our times, every major university sought ways to become more international. USC moved closer, however, to being the first truly global university by capitalizing aggressively on natural assets such as its location at the hub of the Pacific Rim and its traditional role as the home to more international students than any other American university. By 2015, USC had established a permanent presence in key cities across Asia and Latin America, which would nurture academic partnerships and student recruitment efforts.

### **Extending the New Traditions of the Trojan Family**

The Trojan Family, now 350,000 members strong, developed a host of new traditions in addition to the most enduring ones of the past. Each Thanksgiving, the president and first lady hosted at their home hundreds of students with families too far to visit during the holiday. Nikias also created a regular tea-and-conversation program, through which he could personally connect with small groups representing a cross section of USC's 43,000 students, and invite them to share thoughts, concerns, and ideas regarding the life of the university.

## **A Continuing Transformation**

USC's substantial progress was obvious to observers of the higher education scene. A front-page *Los Angeles Times* feature in June 2015 trumpeted the university's rapid gains in academic and financial strength; and it credited them to the president's vision and drive, along with the zeal of the Trojan Family faithful.

But the mood of the university community remained one of focused resolve, rather than self-congratulation. After all, its goal wasn't incremental progress but rather a broad transformation of USC into an institution that could set the standard for decades and generations to come. Any such metamorphosis—whether we speak of a flower in mid-bloom or a large institution undergoing change—is a delicate and complex matter, consisting of myriad transitions and improvements. The milestones the university achieved in this short time period serve as a foretaste of things to come and a reminder that the journey will continue for many more years.