



STEVENS
INSTITUTE of TECHNOLOGY
THE INNOVATION UNIVERSITY

**Our Pledge to be “Student-Centric,” Efficient, Effective
*The Stevens Indicator, Summer-Fall 2013***

Autumn in Hoboken brings cooler temperatures, brilliant fall colors, and tremendous excitement here on Castle Point! New students, the start of classes, fall sports, and Homecoming festivities all contribute to a renewed sense of energy within our campus community.

“Back-to-school” themes are a perennial topic in the media during the fall. Recently, the national conversation has focused on the rising cost of higher education, with media coverage of ballooning student debt and increased attention to the return on investment (ROI) of higher education. Many across the country, from college presidents to parents to policymakers, are concerned about the value that universities are providing for their students and for society.

I would like to take this opportunity to tell you what Stevens is doing to increase value, control costs and improve efficiency. Several principles have emerged through our strategic planning process that guide our efforts. Most relevant are: “Efficiency and Effectiveness” and “Student Centricity.” Through the lens of Efficiency and Effectiveness (E&E) and with the encouragement of the Trustees and engagement of the Cabinet, the leadership team is analyzing the ROI of the resources we expend on programs, infrastructure, human resources, and new initiatives. For example, we are asking ourselves questions such as,

- Have we optimized our financial aid investment?
- Can we be more efficient with delivering academic and extracurricular programs?
- Can we reduce expenditures and reallocate to mission-oriented priorities?
- How do we compare to similar institutions in the budgetary allocations for key functions?

The leadership team is going through a systematic analysis of our resources to review, reprioritize, and reallocate resources according to our Strategic Priorities.

A second guiding principle that underlies this work is “Student Centricity.” As Stevens continues to align its educational offerings and research programs with the goals of the Strategic Plan, we are reevaluating everything we do on the basis of creating value for our students—in the classroom, through co- and extracurricular activities and supports, research experiences, top-flight facilities and technology infrastructure, and unparalleled career preparation.

Over the last 30 years, the cost of higher education has risen significantly faster than personal income and even faster than healthcare. While Stevens is grappling with the same escalation that universities nationwide are facing, it continues to deliver an excellent value to students, particularly as compared to many other institutions.

As an example, PayScale.com ranked Stevens #9 in the nation—ahead of universities such as Stanford and Harvard—for return on investment. Our job placement statistics rank among the best in the nation, with 94 percent of 2012 graduates (the latest data reported) having accepted jobs or entered graduate school within six months of graduation.

As an institution, Stevens is more tuition-dependent than most of our peers: 58 percent of our operating revenue comes from tuition and fees, compared to 36 percent, on average, for our peers. Recognizing that we are largely tuition-driven, we are vigilant about our priority to be a Student-Centric university. We have made substantial progress in controlling tuition increases, while being prudent with the funds that families and donors invest in Stevens.

Interestingly, even though we are #9 in the nation in ROI, we are 335th in the size of our endowment, resulting in far less flexibility and ability to cope with financial uncertainty. As we compete with top-tier institutions for talented students and for nationally recognized scholars and researchers, this financial flexibility is absolutely essential.

As we continue to implement our Strategic Plan and enhance the quality and recognition of our programs, we will intensify our development activities, especially to increase the size of the endowment, to reduce our dependence on tuition and increase our financial flexibility.

We are enormously grateful to alumni and friends who have re-engaged with Stevens over the last year.

On behalf of Stevens students, current and future, we thank you for your generosity and support and the role you are playing to ensure a strong and vibrant University for the next generation.

Per aspera ad astra,



Nariman Farvardin

President, Stevens Institute of Technology