Chief Disruption Officer

Arizona State University’s president, Michael M. Crow, was a disruptive innovator long before that role had cachet. He arrived over a decade ago, fresh from Columbia University, where he had been executive vice provost, with a mandate to get ASU ready for the coming challenges in the global, technology, and diversity spheres. He took on the role of academic change agent, arguably the most dangerous job on a college campus. (Just ask the University of Virginia’s former rector, Helen Dragas.)

Prior to Crow’s arrival, ASU was largely regarded as “punching below its weight class.” Today it is a major global research university that compares favorably on any number of key metrics to such institutions as Caltech, Columbia, MIT, and Stanford. Crow’s brand of disruptive innovation succeeded because he focused ASU on where it could exert greatest impact (a broad-based and robust education); on what it does best (great research, with an emphasis on the practical); and on whom it serves (a cross section of socially and ethnically diverse students from Arizona and across the nation).

“We need to find some way where you can match excellence and access in the same institution,” he says.

Crow is blessed with the natural talents of a born leader, a powerful demeanor enlivened by an alert sense of humor, and a prodigious ability to synthesize vast amounts of information. These qualities and his disruptive, entrepreneurial, pragmatic, visionary leadership have put him, according to Time, among the top-10 best university presidents in the country.

Like a university, businesses and especially their boardrooms are knowledge organizations. In this interview, NACD Directorship’s Jeff Cunningham explored the academic leader’s thoughts on how to inspire the knowledge organization and America’s future inside and outside the classroom.

Are ASU’s departmental recombinations something like a keiretsu?

Like a CEO in business, academic leaders have to decide what to do about a successful product that now requires new applications for tomorrow’s audience. We had to find more innovative ways to self-assemble our parts, and out of that thinking came the transdisciplinary schools. For example, geology and astrophysics were reborn as the School of Earth and Space Exploration, a concept that is far more dynamic and inspiring to students. We have done something similar with medicine in the ASU-Mayo Clinic partnership, which combines a medical degree with a specialized master’s degree in the science of healthcare delivery that is more appropriate for today’s healthcare environment. We took the same approach with the School of Sustainability, which has a transdisciplinary focus on finding real-world solutions to environmental, economic, and social challenges.

It is one thing to make academic disciplines more dynamic, but what about professional studies? Are they required to reach across the campus for innovative approaches?

Indeed—future journalists, lawyers, and executives at ASU are all earning their innovation degrees. In 2007, ASU’s Walter Cronkite School of Journalism and Mass Communication revised its curriculum to engage a new emphasis on digital media, innovation, and entrepreneurship. Even in the legal field, the Sandra Day O’Connor College of Law built an interdisciplinary approach with the schools and colleges of business, history, philosophy, social work, bioscience, justice studies, bioengineering, psychology, and sustainability. In the business arena, we took on a radically charged global focus at the W. P. Carey School of Business, where one example is the MBA program, launched in 2003 in partnership
with the Chinese Ministry of Finance, that has brought more than 700 Chinese executives [to Shanghai] to earn their MBAs.

Yet things are not quite right across all of academe. The University of Virginia had a governance problem that became headline news.

University governance and corporate governance are not even in the same thesaurus. In a corporate board you typically have experienced problem solvers with a very focused assignment to help advance shareholder value. At a university, the board may include as many as 30 members driven by a very specific set of political objectives, and Virginia is the perfect example. The Virginia rector was worried about technologies that could threaten the very existence of the institution, but the internal and external academic community perceived the main objective as maintaining academic status and not adaptability. It wasn’t really a clash of ideas as much as ideologies.

If Virginia’s breakdown was from the top, Harvard’s Larry Summers fell from grace when he suggested women might be inherently challenged in math and science. That led to a faculty uproar that cost him his job, and maybe the Fed chairmanship.

Blame falls very close to responsibility. The number one premise a president of a university has to operate under, including myself, is that everyone has an equal chance of success. If you articulate that someone does not have an equal chance due to gender, ethnicity, or socioeconomic class, you will be subject to deep criticism. I call that the “arrogance of ignorance.”

Now, an individual can fail and an individual may lack skills, but certainly never the entire “class.” So from the outset the word “university” referred to a community of scholars, and there is an unwritten 11th commandment suggesting all shall or can have knowledge. In any case, my wife, Dr. Sybil Francis, is a nuclear science PhD, and I routinely defer all math questions to her.

You have had extensive private board-level experience, including In-Q-Tel and WebFilings. Give us some of your observations that might be of interest to public company directors.

In looking over my own board career, and as a more than casual observer of these organizations, one interesting thing that struck me is that at publicly traded companies almost the entire focus was on tactics and operations, and as a result some companies become abstract financial mechanisms. What I mean by this is that if you spend all your time thinking mainly of how to drive down costs and reduce everything to the metrics of output, you forget that somewhere outside of that equation is the soul of the company: what it makes, who makes it, and who it serves. And that’s usually when you get whacked by an outfit that intends to disrupt your status quo by making a better product or finding a better way to serve your customers.

At ASU you have turned innovation into a discipline applied across the university. What can business borrow from your playbook?

It depends on your willingness to experiment. Last week I was meeting with John Doerr from Kleiner Perkins, and we were sitting at a table where he was telling me: “This is the table where we had first money in at Apple and Google.” So why are they talking to me? I wondered to myself. Well, it turns out that ASU is an aggregator of a vast number of technologies that he is investing in, and we are making decisions on the use of these technologies that in many ways will dynamically affect their fate. So understanding a wide range of disruptive technologies is part of ASU’s focus, and not just tangential.

How do we break the cycle?

Our country is at 2 percent growth but we won’t even think about how to get at 4 or 5 percent. This is due mainly to a lack of backbone to try a different approach. Back in the day we had thousands of firms…and they were bundled by our economic model, which applies its aggregation and assembly line kind of effect. So we are good at startups, then we are good at conglomerating them into these monster institutions where even the fourth-level person is making millions due only to the fact that the institution is so huge. They didn’t make anything—they were the transaction clerks. Somewhere we lost the spark that would have changed the way we do things. On the positive side, I am quite impressed by the record of some of the new angel investors like Dave McClure, who runs 500 startups, a seed accelerator that has invested in over 500 companies.

What are your thoughts on U.S. competitiveness? Does U.S. competitiveness matter?

Obviously, I believe in globally open markets and free trade, but we live in a constitutional democracy driven by capitalism, in which the main success path is innovation and adaptation, and if we are not the best at that, then our democracy is at risk. There are people who say it doesn’t matter if that research is done in the United States, or if not, someone else will do it. Well, I don’t care if someone else is doing it—I care about what we are able to do here.