ENVIRONMENTAL SCAN:
AUC’s Major Achievements, Challenges, and Opportunities 2008-2013

Over the past five years, AUC has faced numerous challenges, from relocating the University to a new campus to epidemics, a revolution, student protests, and ongoing political and economic crises. When faced with each of these challenges, AUC has in most cases met the challenges while remaining true to its mission and using those challenges as opportunities to improve programs, services, business processes, and the education it offers its students. At the same time, while facing these challenges, the University has been able to continue to evolve, implementing University-wide changes, adding programs, and addressing the aspirations of its community. The key to the AUC’s ability to implement these changes while facing such uncertainty has been its adoption of a process of continuous self-assessment and a willingness to be flexible and adapt. AUC has emerged from this period a stronger, more streamlined, and more nimble University with a greater awareness of both its weaknesses and its strengths as well as the opportunities that the future holds.

This learning process has happened concurrent with many of the other challenges facing universities around the world: ensuring quality academic and co-curricular programs, meeting accreditation requirements, integrating planning, building a culture of assessment, improving efficiency, making campus operations more sustainable and environmentally sound, and meeting the needs of millennial, always-connected students. The revolution in 2011 and the ensuing political, social, and economic changes have added layers of complexity to AUC’s operations, but in most cases the University has been able to find opportunity in each crisis – to refine its plans, improve business processes, and “live” its mission and core values.

MAJOR ACHIEVEMENTS SINCE 2008

Transition to the New Campus
In August 2008, AUC moved its operations to a purpose-built campus located in a new community, still mostly desert, outside of Cairo, and managed to start fall semester on schedule. The paint still wasn’t quite dry on the campus, and there were many small glitches, but students, faculty, and staff showed great flexibility and resiliency in adapting to their new surroundings. The University not only had to complete campus construction and contend with issues related to the physical relocation, but it also had to develop a number of new systems and adjust to operating a campus 29 times bigger than its previous one. AUC had to contend with a relatively non-existent public transportation infrastructure and a University community that lived primarily off-campus. The University’s answer was to develop a bus system that today transports more than 4,100 members of the AUC community each day in air-conditioned buses equipped with WiFi. In addition, the University had to learn to operate the campus on a 24/7 basis and to manage its world-class athletic facilities, secure and control access to its 260-acre campus, care for its beautiful gardens and landscaping, use the living-learning spaces and smart classrooms, merge the downtown campus with the new campus in identity and operations, develop and manage the infrastructure to make on-campus residential living appealing, and manage many other aspects of adapting to its new environment. AUC and its community are continuing to learn how to use this world-class campus and to discuss together how to make best use of these facilities.

Managing the Revolution
In January 2011, just two weeks after AUC’s new president took office, Egypt experienced a revolution, with the main protests occurring in Tahrir Square, just steps away from AUC’s historic campus. AUC’s faculty, staff, students, and alumni were heavily involved in the protests, and the University had to contend with a government shutdown of the Internet and cell phone networks, the closure of banks and ATMs, nationwide curfews, a breakdown in security and public safety, voluntary – and in some cases, mandatory - evacuations of foreign faculty and students. AUC was able to manage this crisis in ways that brought

1 Excerpted from AUC’s Periodic Review Report to the Middle States Commission on Higher Education, June 2013, Office of Data Analytics and Institutional Research (DAIR), the American University in Cairo.
commendation from its community and from parents in the US by grounding its actions in its mission and core values and by keeping the safety and well-being of its community at the center of its decision-making. AUC’s emergency management team met daily and established a landline hotline for information. Campus switchboard operators worked overtime to provide landline numbers and connections outside of Egypt. The University, very visibly led by the new president, activated warden systems to communicate with its community, sent daily emails to parents of international students, and held meetings in residence halls to reassure students and faculty. AUC transferred departing faculty and students to the airport between changing curfew limits and delivered emergency cash as needed to its community, among many other actions. When classes resumed, the president called for a number of campus fora to provide the community with opportunities to voice concerns and sent out daily emails to update the campus on news and to prevent rumors from spreading.

Violent clashes continued in the fall and winter of 2011-2012, most involving the area around Tahrir Square, and in each instance, the University prioritized the safety of its staff and students, while acting to ensure as much as possible the integrity of its property. Throughout 2011-2012 and into this year, the country has been convulsed by protests, most nonviolent but preventing normal operations and traffic movements. The University has updated and expanded its emergency communication system and uses emails and text-messaging to alert the community about bus route changes, expected protests, and other public safety notices.

A collateral effect of the revolution has been a culture change, particularly evident in our students who are unused to being able to publicly voice their grievances. The student protests in fall 2011 and particularly in fall 2012 could easily have devolved into violence and confrontation, but the University instead approached them with understanding and used them as learning experiences not only for the community but also for the campus administration. The University addressed student grievances and worked with students to involve them in exploring solutions to some of the problems that sparked the protests, while insisting on accountability for policy violations and the closure of the gates. The University increased student involvement in governance as well as recognized that our students need to be made more aware of their rights and responsibilities and to be better prepared to become effective citizens. The Student Government Constitution was modified in 2012 to improve student governance. The University Senate agreed to increase the number of student representatives from three to seven students, who also sit on Senate committees and serve as full voting members. The University also adopted a new freedom of expression policy and added the student-developed document of student rights and responsibilities to the freshman orientation program. Finally, the University added student representation to most standing committees on campus, including the Emergency Management Team and the Budget Committee.

**Increasing Efficiency and Sustainability**

AUC has maintained, from the start of discussions about the move to the New Campus, that it needs to develop world-class operations to match its world-class facilities. Since the move, AUC has made much progress in identifying problem areas and developing and implementing solutions, although the move required unforeseen investment in many areas. For several years, budgets grew much faster than expected. Since the revolution, reducing expenditures and becoming much more efficient has become an imperative due to budget constraints and the need to limit tuition increases. The University has restructured and streamlined to reduce redundancies and has been successful in finding ways to save that do not have a negative impact on its ability to achieve its mission or on its community. AUC has increased transparency, including creating a central public source for policies and procedures and improving and expanding its website and use of social media, and is working to create a business culture that puts transparency as the default response. It has also greatly improved its use of technology to streamline workflows and provide readily available data for decision-making, moving to SAP and Banner, Blackboard and Turnitin.com, online forms, electronic workflows, and an integrated system for planning and assessment.

In addition, AUC created an Office of Sustainability to address “AUC’s environmental challenges, including climate change, pollution, waste management and resource conservation, in ways that improve the University’s operations and strengthen its finances.” The office published Egypt’s first university carbon footprint report, found substantial savings in improving the efficiency of AUC’s utilities.
infrastructure, introduced recycling stations across campus, and is implementing a campaign to increase awareness across campus.

**Improving the Academic Experience**
This report has detailed many of the initiatives taken during the past five years to improve the academic experience at AUC. Most of these initiatives are the result of a series of assessments, discussions, and committee and task force meetings to explore the source of problems and the impact of planned changes. They all demonstrate the University’s commitment to quality and its willingness to resolve issues that constrain AUC’s ability to meet its own expectations for quality. Some of these initiatives include establishment of the position of dean of undergraduate studies, the new Academy of the Liberal Arts, the dean of graduate studies, new positions in the provost’s office to support research and outreach, the provost’s task forces, and the expansion of the freshman orientation program and the introduction of the revised freshman year. The University restructured its schools and added a Graduate School of Education and a School of Global Affairs and Public Policy, introduced a PhD program in sciences and engineering, added new graduate programs, and received accreditation of its intensive English program, the Management Center, and its School of Continuing Education as well as accreditation from Egypt’s new national accrediting body. In addition, the University has used the results of assessments to explore ways to improve the co-curricular experience, student life, faculty salaries and benefits, faculty-student interaction, advising and mentoring, community-based learning, research and more.

**Fostering a Culture of Continuous Improvement**
Since 2008, AUC has implemented and revised a process that more closely integrates planning with budgeting and assessment and has developed and implemented a rolling three-year strategic plan with a revised mission, a new vision statement, and set of core values. The University also implemented and continues to revise a plan for assessment of learning and institutional effectiveness which calls for all academic and administrative units to regularly assess their effectiveness and report and use the results of those assessments to make improvements and as evidence for decision-making. The plan also calls for implementation of strategies to build a culture of assessment across campus and to assess the effectiveness of the institution as a whole. Today, all academic programs have developed and in most cases implemented assessment plans and undergo a six-year review. The Assessment Committee is implementing an exhaustive calendar of institutional assessments, and a number of administrative areas have already conducted external reviews of their operations. The University administration has demonstrated a strong commitment to the success of these efforts, which have been transformational to the University’s approach to planning and decision-making.

As preparation for this report as well as for the revision for 2014-2016 of AUC’s strategic plan, DAIR, the AUC Assessment Committee, and the Integrated Planning Committee administered a set of open-ended questions to the University’s leadership – the Senior Administrator’s Group and the University Senate – to elicit their perceptions of the University’s strengths, areas needing improvement, challenges, and opportunities in the 2014-2016 planning period ([Appendix Fourteen](#)).

An analysis of the challenges and opportunities facing AUC must be conducted through the lens of AUC’s core strengths as reported by the survey respondents:

**AUC’S CORE STRENGTHS**
- AUC’s campuses: the campus in New Cairo, which provides students, faculty, and researchers with classroom, library, and laboratory facilities and communications technologies that are widely recognized as unmatched in Egypt, and AUC’s historic campus, which provides a hub for continuing and professional education and cultural activities in downtown Cairo
- AUC’s reputation for excellence and its nearly 100-year history as a leader in higher education in Egypt and in the region
- AUC’s system of education, which provides students with a strong foundation in the liberal arts on which to base their study and a focus on learning outcomes and values like critical thinking, ethics, and lifelong learning
- Quality educational programs and governance structures, recognized by institutional accreditation in Egypt and the US and specialized accreditation from US, European, and Egyptian agencies
• Talented and committed administrators and staff and a working environment that stresses the importance of quality, continuous improvement, innovation, and adaptability
• A dedicated and diverse faculty, many of whom are internationally recognized for their achievements
• AUC’s location in the region, at the nexus of Africa, the Middle East, Asia, and Europe and at the center of events of the Arab Spring
• Strong outreach programs, community engagement, and linkages with local and international institutions
• A vibrant, strong, engaged student body and a wide array of co-curricular activities
• A large pool of influential and committed alumni

POLITICAL TRENDS (STANDARDS 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13)
The current economic and demographic trends in Egypt are likely to negatively influence the country’s political situation. Though Egypt is attempting to transition its government from an authoritarian system to democratic one, high unemployment, high prices, and a young population have been and will continue to cause unrest. Continuing instability and dissatisfaction with the government’s ability to deliver on its promises and become more inclusive have worsened the economy, and the poor economy has increased political instability. Until Egyptian lawmakers, both those in power and those in opposition, come to some type of national agreement, it is likely that the current political situation will remain volatile. The ongoing political unrest is likely to continue to negatively impact international student enrollment, particularly students from North America. Safety concerns might also impact the University’s ability to recruit and retain international faculty, and frequent protests in the Tahrir Square area pose concern for business continuity and property in AUC’s downtown campus.

Post-revolutionary Egypt is experiencing new freedoms of the press and of expression that are providing expanded space for AUC’s faculty and students to discuss and debate ideas and opportunities to reach out to both government and non-governmental organizations to work cooperatively on addressing Egypt’s challenges. Student movements across Egypt have held protests and demonstrations to the point of closing campuses to press their demands for change. AUC will need to navigate carefully between growing faculty and student expectations and government policies that are still evolving. Great opportunities exist to realize its aspiration as a “Catalyst for Change”: updating and revising curricula, expanding cooperation and linkage agreements with national and international organizations, increasing community-based learning, expanding research in strategic areas and co-curricular activities, and helping to equip its students with the knowledge and skills they will need to become effective citizens in the new Egypt. Campus-wide interdisciplinary projects, themes, and events would help build a sense of community on campus. Initiatives in all of these areas are currently underway and will be included in AUC’s revised strategic plan.

ECONOMIC TRENDS (STANDARDS 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13)
In the two years since the January 25th revolution, Egypt’s economy has slowed to almost a standstill. In 2009 and 2010, the economy averaged a fairly high GDP growth rate of 4.7% and 5% respectively; however, in 2011, the GDP growth fell to only 1.8% and continued at the same rate in 2012. Political instability continues to plague the nation, stagnating growth and driving away foreign investors. Foreign investment has declined from $155.1 million in 2010 to $54.9 million during the same period in 2012. Egyptians are feeling the strain of the bad economy. Egypt’s urban consumer inflation measure rose to 8.2 percent in the 12 months to February 2013 from 6.3 percent in January. The Egyptian pound has fallen sharply in the past few months; the current exchange rate is 1 USD to 6.7 EGP, and the government has imposed controls on the movement of hard currency and capped the amount of dollars lenders can buy at auctions to help conserve Egypt’s dwindling foreign currency reserves, currently at 1/3 of what they were pre-revolution and below the critical minimal level of three months of imports. Continued devaluation of the currency will increase inflationary pressures. Because of an imbalance in AUC’s revenue and expense

currency streams, every decline in the value of the Egyptian pound of 0.25 currently has a $US one million negative impact on AUC’s budget.

In addition, Egypt’s infrastructure is suffering from a lack of planning and investment. Electricity outages and fuel and water shortages are increasingly common, and the lack of adequate public transportation, paralyzing traffic jams, and road safety concerns make travelling and the AUC community’s Cairo commutes problematic. AUC has had to develop storage capacity and other contingency plans to cope with these problems.

Projections for 2013 are hesitantly optimistic, however, if not particularly good. Egypt has received influxes of financing from Qatar and Libya, and many leaders around the world are encouraging Egypt to reach a deal on the $4.8 billion IMF loan, which would likely save the country from further economic turmoil though it would also require the government to embark on the politically difficult task of introducing austerity measures that include the removal of the subsidies that consume such a large percentage of the annual budget.

The impact of political instability, inflation, and a devaluation of the Egyptian pound on AUC’s budgets has been negative, and the University has had to move towards austerity. It has been generally able to do this without dramatic cuts through streamlining, introducing efficiencies, and capping expenditures in supplies and services. Respondents to the SWOT survey expressed concern about AUC’s ability to fund research and offer financial aid and salary packages needed to attract outstanding faculty and students if these external pressures continue. One of the areas that respondents noted that needed improvement was the continued existence of inefficient business processes, bureaucracy, and redundancy and the need to increase transparency and accountability across campus; interestingly – and rightly – this was also seen as an opportunity. Respondents understood that efforts to reduce these inefficiencies and bureaucracy, to remove redundancy, to streamline and “right-size” the University’s programs and administration, and to increase transparency and accountability will improve quality throughout the University and free up resources that can be invested in areas of strategic importance. By becoming leaner, AUC can become stronger, more efficient, and more student-centered.

**TRENDS IN HIGHER EDUCATION** (STANDARDS 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14)

The cost of attending college has risen steeply during the past few years and is increasingly an issue of concern for parents and students not only in Egypt but also around the globe. Despite the rise in tuition, institutional finances are precarious. Universities are increasingly experiencing student unrest based on tuition increases and the quality of education. At AUC, student protests in fall 2011 and again in 2012 highlighted the need to hold tuition increases to a minimum and to address issues related to quality. In addition, there is concern about the impact that the economic situation in Egypt will have on AUC’s ability to provide the financial aid needed to attract outstanding students from economically diverse backgrounds.

E-learning, or online learning, is an extraordinarily important new trend in higher education. Online enrollments have risen from less than 10% of total enrollment in 2002 to slightly over 30% of all US college enrollments. Universities are moving quickly towards a combination of e-learning (digitized resources), hybrid or blended learning combining face-to-face and online experiences, and fully online learning. These online courses not only present opportunities for universities to expand their reach, including the growing population of adult learners, but they also provide an added source of competition and other challenges, such as assuring quality and awarding transfer credit. The American Council on Education and the Carnegie Foundation are working on credit issues, including the possibility of redefining the credit hour. Several institutions in Egypt have already jumped into distance learning. Thirty-six percent of Egypt’s people have access to the Internet, making online courses an attractive option for universities. AUC has been exploring moves in this direction for a number of years but has recently increased its focus with the appointment of a task force to explore opportunities and challenges and to develop the necessary infrastructure and capacity to ensure quality.

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7 Grummon, Phyllis. “Trends to Watch in Higher Education.” The Society for College and University Planning, volume 9 no. 1
The population of students around the world studying abroad is also increasing. At least 3.6 million
students in 2010 were enrolled in tertiary education abroad, up from 2 million in 2000. This surge reflects
the rapid expansion of enrollment in higher education globally, which has grown by 78% in a
decade. Nearly one-third of the globally mobile student population of approximately four million is from
either China or India. In relative terms, however, students from Central Asia and sub-Saharan Africa are
the most mobile in the world. Nearly 6 out of 100 students in colleges and universities from Central Asia,
and 5 out of 100 from sub-Saharan Africa, go away to study. There is an opportunity to expand
recruitment of international students beyond the US to target the growing mobile student populations in
developing countries, particularly India, China, and countries in Southeast Asia and Africa. Developing and
marketing summer institutes and courses targeted for summer study abroad students that take them into the
local community would also make use of AUC’s underutilized campus facilities in the summer.

ENVIRONMENTAL TRENDS (STANDARDS 1, 2, 3, 5, 6, 7, 9, 11)
Environmental challenges are expected to increase public interest in the development of cost-effective and
sustainable solutions to current problems. Global expansion of the middle class and its demand for
resources is expected to increase the volatility of prices for energy, food, materials, and water. Evidence for
global warming can no longer be disputed, and governments and private interests are taking a greater
interest in investing in renewable energy and sustainability. In Egypt, water shortages, exacerbated by
inefficiencies in the water system and a lack of incentives for water conservation, continue to be a major
problem and create substantial hardship, particularly for the 14 to 15 million Egyptians living in squatter
villages. By 2050, Egypt will need 50% more water than it is currently allocated under the Nile Basin
Agreement. Fuel shortages, particularly the diesel fuel that powers much of the economy, and moves to
reduce subsidies have resulted in civil unrest and economic losses, and the lack of substantive energy
planning has led to a significant decrease in the country’s oil and gas production, even as demand for fuels
increases. Fuel subsidies are estimated to currently consume 20% of the country’s total budget. In
addition, garbage collection remains problematic throughout the country, and air pollution, land use, and
rising sea levels threaten health and economic growth.

These challenges present opportunities for innovative solutions. Green technology is becoming increasingly
popular in Egypt as the country tries to figure out solutions to its environmental problems, and proponents
of green technology in Egypt view sustainability as the next job frontier. AUC has been a pioneer in
sustainability in Egypt, becoming the first University to research and publish a report on its carbon
footprint and introducing initiatives like an interdisciplinary MA in sustainable development, BS and MS
degrees in petroleum and energy engineering, research in green technologies, and reducing consumption of
non-renewable resources on campus.

TRENDS IN TECHNOLOGY (STANDARDS 1, 2, 3, 5, 7, 9, 11, 13, 14)
AUC is increasing moves to incorporate technology into instruction. Amid concerns about cost and quality,
AUC needs to be deliberate about how that technology is used, ensuring that it enhances the learning
experience and institutional effectiveness rather than just reinforcing existing practices. Today’s always-
connected users present a number of challenges for AUC. With multiple wireless devices, users expect to
be able to access information everywhere all the time on all of their devices. While AUC already offers its
community campus-wide wireless access, AUC needs to ensure that its systems offer ubiquitous coverage
on multiple platforms. By 2016, 85% of all broadband service will be mobile instead of fixed, and
predictions are that by 2014 users will store more of their information in the cloud than on their personal
computers. AUC will need to ensure that signal strength is sufficient for tablets and smart phones, 2.4 GHz
and 5 GHz devices. The IT department will need to upgrade skills to accommodate emerging technologies,
changing IT management and service delivery models, security issues, the growing demand for analytics

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10 Grummon
11 UNESCO Institute of Statistics
12 “Desertec dream moves towards reality with Egyptian solar farm.” BusinessGreen, 21 April 2010,
for student tracking and success, and the needs of online learning. AUC will also need to resolve outstanding system issues including ensuring that the University’s various systems integrate and are used in cost-effective ways to allow for expanded use of analytics and to improve business processes and student success.

**QUALITY (STANDARDS 1, 2, 3, 4, 5, 6, 7, 8, 9,10, 11, 12, 13, 14)**
The quality of the overall AUC experience remains the most important opportunity – as well as challenge – of the University. AUC needs to ensure that it continues to assess quality in all areas and initiate actions to improve where improvement is needed. There are concerns, expressed in the recent SWOT survey, that AUC has expanded too rapidly and needs to re-focus on its core strengths and quality as well as more closely communicate and integrate plans throughout the University. Other concerns include the lack of community, the quality and preparedness of entering students, accountability, campus culture in the wake of the revolution, and other areas, all of which will need attention in the University’s plan for 2014-2016. In addition to its community’s ongoing demand for quality, national and regional accreditors are increasingly focused on a University’s ability to demonstrate that it is achieving its mission and learning outcomes in an effective and efficient way that meets the standards of the agencies. AUC will need to continue to explore ways to assess and report on its work that are informative and helpful and that meet US and Egyptian standards.

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13 Grummon