

# The Metropolitan University as a Principal Ally and Agent of Change for Economic Development

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## Abstract

*The University of South Carolina Upstate requested permission of the USC Board of Trustees in September 2007 to undertake planning to locate its business school in downtown Spartanburg. Since that request millions of dollars in private donations have been raised, including the naming of the business school as the George Dean Johnson Jr. College of Business and Economics (JCBE). Construction began in November 2008 and will be complete in the summer of 2010.*

The city of Spartanburg has invited the University of South Carolina Upstate to locate the Johnson College of Business and Economics downtown... and not just “downtown” but in the heart of the city’s “Renaissance Park.” Anchored on one end is the four-star Marriott Conference Hotel and the other is the newly-completed forty-million-dollar Chapman Cultural Arts Center. Surrounding this will be a master-planned commercial village, galleries, corporate sites, parking facilities, and residential developments.

The presence of the business campus will strengthen the city’s position in attracting investment, increasing its tax base, and enhancing the flow of downtown traffic to the benefit of local businesses. Long-range benefits will accrue to the city including: stimulating innovation, supporting incubation, enabling continuing education, and enhancing the downtown “cool” factor. Most importantly, the downtown campus will be predisposing some graduating business majors by virtue of their experience, comfort levels, and internship connections to build careers and perhaps to live in the city.

For the university this opportunity represents a strategic decision to use the infrastructure investment of a new facility for the Johnson College as an economic development engine for the city. This moves beyond the institution’s “metropolitan engagement” into a full alliance with economic development efforts. This also goes beyond the provision of educational opportunity to regional residents, beyond partnerships with regional enterprises, and beyond growth and continuous improvement to recognition as a “principal ally and agent of change” in the reinvention of the city. This embodies the highest calling upon our select mission as a “metropolitan university.”

The remainder of the paper addresses four major considerations:

1. The mission and the downtown location
2. The limited academic space on the main campus

3. The institutional impact of the move
4. The unique opportunity available now

## **USC Upstate's Mission and the Downtown Location**

The university's mission begins with the following statement:

... the University of South Carolina Upstate aims to become one of the Southeast's leading "metropolitan" universities, a university that acknowledges as its fundamental reason for being its relationship to expanding populations along the I-85 corridor.

Further,

...the university's metropolitan mission rests upon a foundation of partnerships with the education, corporate, and service organizations of the Upstate.

Universities have "general" and "select" missions. The character of the "general" components of our mission—specifying region served, degrees offered, institutional size and the like—are common to most teaching universities across the nation.

It is within the "select" component of our mission that USC Upstate distinguishes itself from others. That "select" mission we call our "metropolitan mission." It underscores our unique obligations to the metropolitan I-85 corridor that we serve from Spartanburg to Greenville and surrounding communities.

Even as land grant universities have unique obligations to their state's engineering and agricultural environments, metropolitan universities have special obligations to their urban environments. We might even call these institutions "metro-grant universities." After all, most have been partially funded by the political entities that contain them including USC Upstate.

As with USC Upstate, many metropolitan universities occupy a residential campus at some location within their corridors and support specialized locations in the core cities along their corridors. In our case this is along the interstate north of the city of Spartanburg.

USC Upstate's residential campus in Spartanburg County is the primary venue for delivery of our general mission. The university's impressive three hundred-acre campus offers classroom space, academic support facilities, housing, athletic, and recreational facilities. Additionally, new infrastructure has been created to provide highly visible entrances with ease of traffic flow on and off the interstates to and from the campus. For students entering the university as freshmen, the environment of the residential campus plays a key role in their educational and social development.

Why, then, would USC Upstate operate additional locations in Greenville and, with this proposal, in downtown Spartanburg?

## **Greenville Location, Strategy, and Rationale**

What is our role in the city of Greenville? USC Upstate has had operations in Greenville at the University Center for the past twenty years. Over the past dozen, our growth in Greenville-based enrollments has moved steadily upward.

USC Upstate is the most aggressive partner within the seven-member University Center of Greenville (UCG) at McAlister Square. We deliver over 70 percent of all the center's undergraduate enrollments across a full array of professionally-oriented programs (business, nursing, education, communication, criminal justice, computer science, etc.) at the upper division baccalaureate level. Over six hundred students are enrolled in USC Upstate's programs at UCG.

Our guiding strategy for the university's operations in Greenville is as follows:

1. Deliver the broadest possible range of professional degree programs at the junior/senior level.
2. Closely articulate with Greenville Technical College's freshman/sophomore level associate degree programs.
3. Enable students' completion of the baccalaureate degree.
4. Increase career competitiveness.

Our Greenville strategy is driven by its higher education marketplace. This is composed of the large associate degree presence of Greenville Technical College, the private liberal arts presence of Furman University, the graduate presence of Clemson University, and the post-graduate health sciences presence of the University of South Carolina. This leaves available to USC Upstate the very sizeable and untapped baccalaureate degree completion market for which a regional public university with a metropolitan mission such as ours is ideally suited. Since Greenville represents a large population base at the far end of the I-85 corridor served by USC Upstate (twenty-five miles distant from the main campus), our downtown Greenville presence through the University Center of Greenville is warranted. It is indeed essential to obviate the necessity for a public four-year university in Greenville.

Proximity, population density, metropolitan mission, and market niche argue strongly for a continued and growing presence in downtown Greenville with professional programs across all disciplines at the upper division level.

## **Spartanburg Location and Strategy**

What, then, will be USC Upstate's role in downtown Spartanburg? Certainly "proximity" and "population density" alone do not argue for the location. The new downtown campus is separated only by four miles on the I-585 connector. Traffic from the Spartanburg area can as easily travel to the main campus as to the downtown location. However, "mission strategy" and "market niche" do argue very strongly for the downtown Spartanburg business campus.

Unlike Greenville with our purposefully broad array of professional programs across all disciplines, our guiding strategy for the downtown Spartanburg business campus has a different purpose. In keeping with the metropolitan vision, it will be, specifically, to deliver business majors and outreach programs. It will house the business faculty in the heart of the city. All of these factors capitalize on reciprocal benefits to students, faculty, the school, the university and just as importantly, the city.

### **Spartanburg Rationale from the City's Perspective**

It may seem counter-intuitive to make the initial argument for a downtown Spartanburg business campus from a “downtown” perspective but not if one carefully considers the defining characteristics of the metropolitan mission. In his *Metropolitan Universities* journal article, “Smart Communities, Universities and Globalization,” John Eger argues as follows:

Increasingly...like the land grant colleges of an earlier era, universities in urban and metropolitan settings are being looked to for unique leadership, particularly as communities make the transition from a post-industrial economy and society to a new uncertain age in the wake of globalization.

Some universities have already started more actively to engage their communities in meaningful ways....Now, however, in the wake of a basic shift in the structure of the world economy, cities across America are looking to their universities to be principal allies and agents of change (2005, 28).

Few cities are working harder to make this transition than Spartanburg. With its recent economic history in textiles and railroads, its tax base static, and its community demographics challenging in many respects, the obstacles to transition are significant.

Under the leadership of a visionary mayor, dedicated city staff, and committed investors and developers, noteworthy progress is being made. Corporate headquarters have located downtown. A thirty-five-million-dollar cultural arts center is now thriving. A four-star conference hotel, the Marriott Spartanburg at Renaissance Park, has opened. Small businesses are emerging. Significant private dollars are being invested in downtown condominiums and other housing. Thirty-four million dollars have been secured to replace public housing on the south side of the city.

Since 1995 when the USC Board of Trustees approved the “metropolitan mission” for USC Upstate, the university has sought to partner with the city along with other communities across the I-85 corridor. We have served on Spartanburg’s commissions and boards, collaborated with Chamber and economic development activities, supported funding for cultural initiatives, and partnered with social services. We have participated with the mayor on the “college town” initiative. Our students have invested thousands of hours in volunteer service. Faculty have undertaken research and consultation on issues of importance to the city, particularly its south side Community

Education and Outreach Center. In short, we are deeply “engaged” in Spartanburg as one should expect of our mission.

Yet, there is a step beyond “engagement” to which a metropolitan university can aspire and that is “alliance.” In Eger’s words, to be considered by a city as a “principal ally” and an “agent of change” marks that city’s recognition that its own reinvention will benefit directly by the resources of its university.

“Alliance” is the target toward which all our earlier “engagement” efforts have been aimed. Beyond being an institution for regional residents, beyond emerging as one of the fastest-growing institutions in the state; and beyond continuous improvement in academic standards, diversity measures, and athletic affiliations...to be looked upon as a “principal ally and agent of change” in the reinvention of the city is the highest calling upon our select mission as a “metropolitan university.”

The request to locate the Johnson College of Business and Economics downtown represents a new alliance. This request is most serious as evidenced by commitments to raise private funding for the project. Over \$12.5 million was pledged prior to the groundbreaking.

The presence of the Johnson College of Business and Economics in downtown Spartanburg is specifically targeted to raise the innovative capacity for regional businesses. The infrastructure to support innovative business practices and emerging enterprises is a key element to raising prosperity for the region. As Michael Porter argues, “Locational advantages—rooted in proprietary information flows, special relationships with local companies, and preferential access to local institutions—are competitive advantages that are difficult for outsiders to overcome” (Porter and Stern 2001) Thus, the university is positioned to become an anchor for the sustainable economic strategy of the city.

What are the mission-related benefits to the university? The downtown Spartanburg business campus benefits USC Upstate’s mission from numerous perspectives. Following are examples of perspectives for students, faculty, professional and other external stakeholders.

### **Student Perspectives**

Professional education is at its best when it involves experiential learning, engaging future employers and professionals together in the learning environment, giving students direct access to the profession. For education majors student teaching in the schools is critical. Nursing majors work and learn in hospitals and health care facilities. Experiential learning for business majors suggests a model where students enjoy the advantages of direct access to the regional business center.

Indeed, for such students, learning in a professional business environment may be more critical than proximity to traditional campus support services. A downtown

facility will portray a professional business atmosphere that assists them in making the transition from campus life to their first professional role in their business career.

### **Faculty Perspectives**

JCBE faculty understand the metropolitan mission. They recognize and embrace the opportunity to undertake research and professional engagement with the regional business community. Location in downtown Spartanburg provides an exceptional opportunity to pursue that research, to develop continuing education and outreach programs, and to engage with colleagues in the profession.

### **Professional Perspectives**

One of the advantages of an accredited business school is the opportunity for the university to use that distinctive program to establish a “front door” to the business community. Increasingly, business schools are moving off campus to downtown locations and research parks. In so doing an opportunity exists to establish a brand that connects very directly with external business stakeholders.

USC Upstate’s Johnson College of Business and Economics is making progress in building strong professional connections in the Upstate. The engagement of business leaders in our classrooms, the expansion of our Executive-in-Residence program, and increased communication with friends and alumni throughout the Upstate all serve to increase the visibility of the school. The downtown location will cement this brand as clearly linked to the metropolitan region we serve.

### **Other External Perspectives**

Further, this move will aid in establishing an image that attracts major donors to endow the school and the university as evidenced by the private commitments already pledged to develop this capital project. Attracting additional private support and expanding operational resources are a necessary part of our plan for academic distinction, both for the school and the university.

USC Upstate has struggled with the issue of visibility over the forty years of its history, with its early years as a “branch,” a “two-year satellite campus,” located “out there” north of the city. In recent years, the university has pursued many mission-driven strategies having secondary impacts on this historic perception. There have been substantial improvements in incoming students’ academic credentials, increased faculty research and public service agendas, notable growth in enrollments, development of market-driven major programs, increased internship linkages, campus capital and grounds improvements, and transitioning to NCAA Division I athletics to name a few.

The impact of the move of the Johnson College of Business and Economics to downtown Spartanburg will most directly and profoundly address this “visibility” agenda. As the college attracts and partners with downtown economic development both the college’s and the university’s profiles will become increasingly important.

## **Greenville vs. Spartanburg Downtown Strategies**

Will the location of USC Upstate’s JCBE in downtown Spartanburg create complications for our strategy in Greenville? No. Keep in mind that the steering mechanism of our Greenville strategy is a “broad array of professional upper division degree completion programs.” It is a strategy driven by the nature of the market in Greenville. Business programs are and will continue to be a growing component of our Greenville program mix, as will several other professional programs in nursing, education, and computer science.

“Economic development alliance” is the steering mechanism of our downtown Spartanburg business campus strategy. It is a strategy aligned with the highest realization of our “metropolitan mission” and supported by numerous advantages to the Johnson College of Business and Economics.

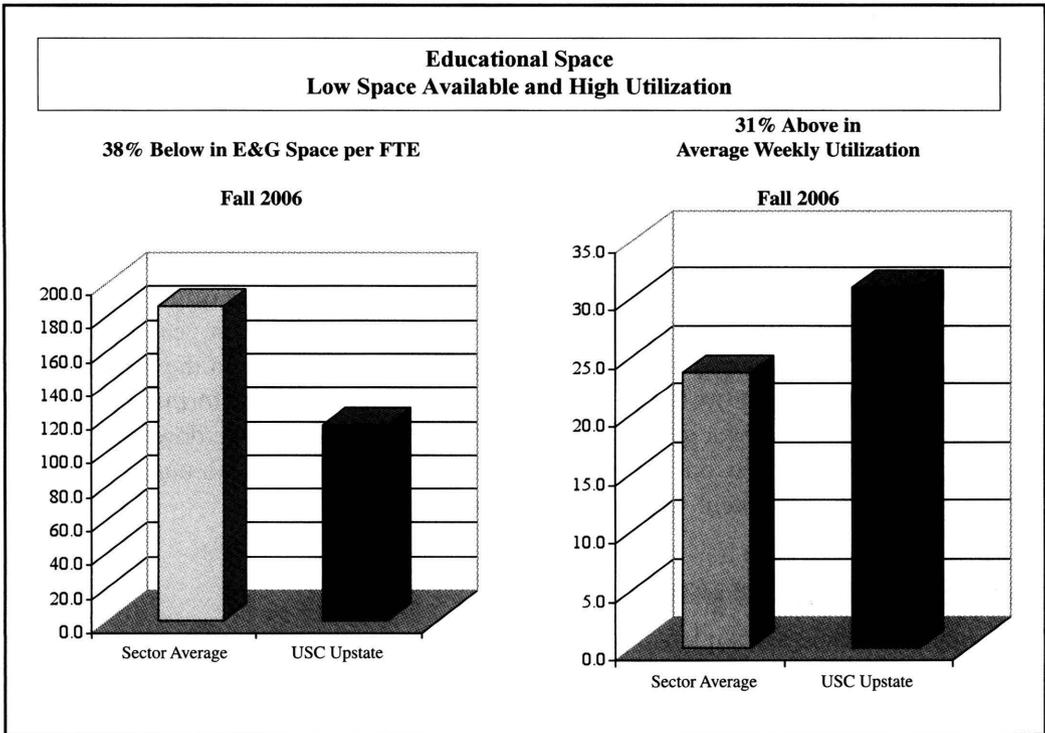
Greenville has other support for economic development including the presence of Clemson and USC graduate and post-graduate enterprises. However, Greenville is in need of a higher percentage of baccalaureate degree holders for the future of its economy (the target of our Greenville strategy). Spartanburg requires higher percentages also (a need met by our residential campus), plus the “principal ally and agent of change” represented by the JCBE in the heart of the city.

## **Limited Academic Space on the Main Campus**

USC Upstate has the lowest amount of square feet available for education and general purpose use per full-time enrollments among the ten comprehensive universities in the State. As a consequence, our classroom utilization rates are the highest among those universities—in most prime instructional hours at 100 percent. State bonding for construction at USC Upstate is by far the lowest among those ten universities over the state’s forty-year history of capital improvement bond funding.

Space is at a premium as the many portable classroom units on campus testify. Additional space is urgently required to continue to support the university’s current enrollment, let alone its projected growth. This privately funded capital project is the only credible prospect on the horizon for a new JCBE facility.

A new facility is desperately needed. The college now shares cramped quarters in a modestly sized academic building with the school of education and SCETV. The move downtown will increase classroom and office space for the school three-fold. It will greatly ease academic space pressures on the main campus. This move is consistent with other priorities of ongoing campus master plan development.



## **Increased Space for the Johnson College of Business and Economics**

First priorities for the JCBE are modern facilities with current technology, shared space for executive and continuing education opportunities, and a “Class A” office environment that welcomes and serves the business community.

This new facility will relieve pressures on restricted space for teaching and learning through the creation of sufficient classrooms and offices for future growth. In addition, the new facility will permit the development of specialized instructional space including dedicated computer labs with business software, a stock market trading room for finance classes, and classrooms with computers to permit students to individually run educational software during class. It will also support executive education and other academic outreach activities enabling expanded services for small businesses and connecting business leaders with the university and its students.

## **Increased Space on the Main Campus**

Although USC Upstate opened its new Health Education Center in the summer of 2008, which provided sixteen new classrooms for the schools of education and nursing, this number barely offsets the twelve temporary building classrooms (double-wide mobiles) currently in use. The Health Education Complex will provide “domino-effect” expansion benefits for other seriously space-locked programs such as the natural sciences, psychology, and various arts and sciences programs. Increased space

will occur only when the JCBE relocates to a new building—which the downtown location will provide.

### **Consistency with the Campus Master Plan**

The current iteration of USC Upstate’s campus master plan was approved ten years ago by the Board of Trustees and is nearly complete. However, there is no space on the plan for the JCBE. Its omission was not because we anticipated this downtown opportunity. It was rather because we anticipated the construction of the Information Resources Complex/Library before now allowing for adaptive re-use of the current library for academic expansion. In the absence of a bond bill in recent years, that construction has not occurred and may not occur in the near future. In the meantime enrollments continue to grow to the point that, with or without the Information Resources Complex, new facilities for the JCBE had to be found. The downtown opportunity not only meets our growing need for space consistent with our unique mission but also is consistent with our campus master plan.

### **Institutional Impact**

Will support services for students and faculty be adequate for those who are spending the majority of their time on the downtown Spartanburg business campus?

As an institution of higher learning, our primary obligation is to ensure that appropriate support services are available to stakeholders at any location where we offer programs, especially students and faculty.

Over our years of operation in Greenville, we have learned how to balance and effectively deliver off-site student support services, advisement, library resources, auxiliary services, enrollment management and faculty staffing. We are experienced in off-site operations and are in a position to fully deliver needed services in downtown Spartanburg. Indeed, the challenge is much simpler than the Greenville model with the residential campus and its full range of services within a ten-minute drive.

### **Academic Scheduling**

How will academic scheduling be managed for the downtown Spartanburg business campus and what adverse effects may arise for students and faculty?

The downtown facility will utilize a schedule similar to that in Greenville. Academic classes are scheduled Monday through Thursday. Friday and Saturday the facilities are available for executive education, student team and group work, and business community interaction and events.

An immediate concern for faculty will be the potential for assignments on multiple sites with increased commute time and corresponding reductions in time for preparation, research, or student interaction through office hours.

- Rather than just adding a “third location” we will relocate business and economics courses, classrooms, and faculty and administrative offices to downtown Spartanburg.
- Faculty members will be guaranteed that no one will be required to teach at more than two locations in the same semester (the norm at present between the residential campus and Greenville). With staffing at current and anticipated levels, this is an easy commitment to keep.
- The PMBA program offered in partnership with USC’s Moore School of Business and any planned new programs will move downtown as well.

Students’ concerns about multiple locations must also be addressed.

- We have discovered through our history of offering courses in Greenville that there are circumstances wherein students take courses in more than one location during a given semester. We can anticipate the extent of this practice for the downtown Spartanburg business campus. For example, last fall, of 529 students taking upper level business classes, approximately two hundred were taking only these upper level classes. Just over 60 percent have some type of split schedule and were also taking classes outside of the JCBE. Approximately 85 percent of these residential campus students with courses outside of the JCBE had only one course that would require them to split their location and drive between downtown and campus. With the downtown Spartanburg move announced a couple of years in advance, students have time to plan and reduce the incidence of split schedules, if they desire. Additionally, if need be, we can offer a section of the most popular elective courses on the residential campus.
- A significant source of these split schedules involves those students in majors outside of the JCBE who take a significant cohort of business classes. During the 2007-08 academic year, for example, 223 non-business majors occupied 422 seats in business classes. Currently there are four majors that involve a business cognate requiring from eighteen to twenty-one semester hours of business courses. These majors include nonprofit administration, information management systems, computer information systems, and engineering technology management. In each case the business requirements are significant enough to require requests for exclusion of these programs from our AACSB accreditation review since they are outside the JCBE.

Steps are being taken to improve management of this overlap, including approval of a minor replacing the cognate, thus limiting the number of courses serving other majors while continuing to offer sections of business minor courses that serve other majors on the residential campus.

- A shuttle service from the main campus to the downtown Spartanburg location may be implemented as needed for students and faculty wishing to move between locations and choosing not to drive.
- In Fall 2008, with the opening of the Health Education Complex on the residential campus, a “one-stop” shop became available for all enrollment, financial, and bookstore needs. This will ease considerably the beginning-of-semester transactions required of all students whether on the residential campus or the downtown Spartanburg business campus.

## **University Support**

Who will determine the best approaches and solutions to these logistical issues and others moving forward? Strategic planning is required to implement the move and ensure a smooth transition. Engaging the campus community requires involvement of faculty, students, and support staff. Fortunately, given the scheduled May 2010 opening of the downtown Spartanburg business campus, a two-plus-year time frame was available after the initial announcement to initiate the necessary planning.

The concept stage of the proposal was, by necessity, kept confidential. After approval by the USC Board of Trustees to plan the project, due diligence to finalize the decision and implement the move became an open process that engaged the university community.

## **Community Support**

Will the business community accept the opportunity offered by the proximity of the Johnson College of Business and Economics and embrace alliance? Early responses to the proposal clearly suggest that the business community will eagerly do so. The first indicator is the successful financing of the project requiring multiple commitments by major donors. This is not the wish of a single individual, but the shared vision of key leaders in the civic and business community.

This vision is grounded in the recognition that the city of Spartanburg and the regional economic environment will gain from both direct and continuing impacts of this alliance.

## **Direct and Continuing Impact**

The Johnson College of Business and Economics is home at present to over eight hundred business majors. Approximately half are upper level majors who will schedule the majority of their courses at the downtown location. On a daily basis, five hundred or more students, faculty and staff will utilize the new facility. From 2006 until 2008 the college grew by over 15 percent. The college's share of students at the university across majors has increased from 15 percent to 17 percent. In 2008-09, the university exceeded a head-count enrollment of five thousand students. At six thousand, a probable number over the coming five years, business majors will reach one thousand. Faculty, staff, and support services will grow accordingly. The downtown location will stimulate a potential flow of approximately up to 250 people through the downtown business district at multiple, regular, even hourly intervals throughout the day. Many will be eating and shopping downtown, providing a direct boost to the viability of downtown businesses.

As a major downtown presence, the Johnson College of Business and Economics will enhance Spartanburg's "college town" image and assist in attracting commercial development, new businesses and additional corporate headquarters.

The college's presence may also provide opportunity for office space for related university external services such as executive development education, conference center space, and enhanced career placement services.

Another potential use of shared space is the development of small and emerging business incubator or pre-incubator services. The focus will be on innovation. This includes student business enterprises, local emerging enterprises, or innovators interested in locating to the region. Such programs offer materials and support for small business management and development. For example, a business class works on developing the business plan for a local emerging enterprise. Certainly the college is receptive to partnerships that leverage its expertise and serve the student learning environment.

We have barely begun to explore the possibilities for these affiliated services. The downtown Spartanburg business campus will offer a tremendous stimulus to do so.

## **The Unique Opportunity**

Why now? The idea of a downtown Spartanburg college of business and economics has been discussed before but not until now have the pieces fallen into place making the project compelling. These include the city's interest, the timeliness of its master plan, and its readiness to make available prime land and to concurrently construct parking. Even more compelling is the presence of private funding for the majority of the project's cost.

The mayor, the city's manager, its planning staff, and the city's master planner have worked confidentially and persistently together with the university in crafting this possibility. There is a deep interest in making the project work, an interest that anticipates its significant impact on the future of the city and that respects the university's capacity to deliver on that anticipation.

In the weeks preceding the emergence of this project Spartanburg announced a proposed master plan. Inspired by visionary leadership and supported by recent investments and economic and cultural development successes, the plan serves to weave the basic assets of the city into a tightly knit tapestry—a tapestry of connectivity, housing, mixed-use infill and redevelopment—all woven around and throughout an urban downtown.

A most important centerpiece of this tapestry is Renaissance Park, a sixteen-acre mid-city parcel anchored by the Marriott Hotel (a four-star conference hotel), Barnet Park (a beautifully designed urban green space with amphitheatre), the Montgomery Building (an eight-story landmark recently purchased for renovation amenable to housing attractive to students), and the Chapman Cultural Arts Center (a forty-million-dollar complex opened in October 2007). In addition to these properties, Renaissance Park will include mixed-use office buildings designed to attract corporate relocation, a commercial village center, a significant parking garage, and new neighborhoods.

Spartanburg owns the land to be developed within Renaissance Park and is considering a most prime location for the school, immediately adjacent to the Chapman Center and proximal to the Marriott Hotel, fronting on St. John Street, parallel to and one block off Main.

About two-thirds of the cost of the project will be privately funded. The largest shares of these donations have already been committed. The city made the property available to the university at no cost with the university's participation in the provision of a parking garage and essential infrastructure.

The project is scheduled to be completed by May 2010, enabling occupancy for the fall 2010 semester.

Acting now can establish the brand of the Johnson College of Business and Economics as clearly linked to and deeply embedded in the metropolitan region we serve. This quality facility not only will provide access for the business community but also will heighten the awareness and visibility of USC Upstate. Acting now moves us closer to the establishment of an image and a reality that will attract major donors, endow the college, and support its programs and outreach efforts, a necessary part of our plan for academic distinction as we fulfill the university's metropolitan mission and move to the next level.

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## **Author Information**

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