

## Revolt Over Dean's Ouster

At University of Southern California, some donors and trustees join with students and professors to demand that dean be kept in his job. Rancor is so intense that trustees have gone public with anger over dismissal.

By [Marjorie Valbrun](#) // February 19, 2019



USC's business school

The University of Southern California has started a search for a new dean of its Marshall School of Business. The move comes more than two months after the university's interim president announced that the dean would be removed from the position, setting off an unusually bitter and public dispute be-

tween the institution's top leaders who support the move and donors and trustees who oppose it.

"This search comes at an important time for our university and for the Marshall School," Michael Quick, USC's provost and senior vice president for academic affairs, wrote last

week in a memo to business school faculty, students and staff.

Although he was referring to continuing the "tremendous momentum" of the business school's "recent successes," Quick may as well have been alluding to the recent tumult over the decision to remove

the current dean, James Ellis.

Quick's memo was the first formal indication that university leaders were moving forward with those plans since a Dec. 3 announcement by interim president Wanda Austin that Ellis would step down effective June 30, 2019 and continue to serve as a USC faculty member.

"This decision regarding Dean Ellis's role at the university was made after careful deliberation," Austin wrote in a short letter addressed to business school students and faculty members. "I personally met with Dean Ellis as did several others. In addition, we consulted with outside legal counsel to the Board of Trustees and external human resources experts. At the end of this process, I informed Dean Ellis that he would remain as dean through the end of this academic year, but that a new dean would be appointed for the coming school year."

The letter provided no reasons for the removal of the popular dean, who has held the job since 2007, but it hinted that the decision was not made mutually with Ellis.

"I know this news is hard for many to process as he is such a prominent member of our university community," Austin wrote. "Because this is a personnel matter we are

limited in what we can share about this decision."

Local news reports and Ellis supporters have said his ouster was related to his alleged mishandling of harassment and racial and gender discrimination complaints at the business school.

One supporter said Ellis was told his removal was due to his failure to act on complaints to the University's Office of Equity and Diversity, or OED, since 2009. The complaints were against various Marshall faculty members.

The issue of accountability for investigating harassment complaints is particularly sensitive at USC because of revelations last year that a campus gynecologist sexually abused students and other misconduct in past years by a former medical school dean. The incidents raised questions not only about the conduct of those involved but about whether university leaders acted to prevent or respond to the improper behavior.

Quick and Austin did not respond to repeated requests for comment made through the university's media relations office.

Ellis declined to comment.

Austin's announcement



James Ellis

caught many business school faculty members, students, alumni and even Ellis himself by surprise. The students staged a rally in support of him four days later. The decision angered the business school's Board of Leaders, which has repeatedly and vocally demanded the university keep Ellis as dean. It also upset major donors who are current or former members of the university's Board of Trustees. Once the Board of Trustees upheld Austin's decision a week later, the simmering opposition that had been building boiled over into an outpouring of outrage and activism on the dean's behalf.

These latest developments are occurring as the university is still recovering from the embarrassing scandals and negative publicity of the past two years that led to the

forced resignation of then president C. L. Max Nikias and two medical school deans.

The current imbroglio is replete with recrimination, counteraccusations and less than diplomatic hyperbole not customary in the staid world of university trustees and institutional leaders. Some current and former members of the Board of Trustees have called for the resignation of Rick Caruso, the chairman of the board and subject of blunt and blistering opprobrium, for supporting the removal of Dean Ellis and allegedly attempting to silence other board members who disagreed. They accused Caruso of being "bullying," "offensive" and "grossly unfit," among many other complaints.

Critics of the dean's ouster, apparently themselves high-ranking business leaders, have been leaking a steady stream of documents and other information to Poets and Quants, a news website focused on business schools. One Poet and Quants article described a Dec. 12 meeting where the board was voting on the interim president's decision to remove Dean Ellis. Caruso demanded that a longtime trustee, Ming Hsieh, a major donor who has given \$85 million to USC and who opposed the dean's removal, limit his comments to one mi-

nute, according to the article. Caruso then kicked Hsieh out of the meeting.

Hsieh "was also one of the very few trustees who had personally examined the binders that contained the complaints in the Office of Equity and Diversity and read a report on them by the law firm of Cooley LLC. Hsieh says he found no evidence in those documents to support Ellis's dismissal as dean," the article states. He voted against the dean's dismissal.

Hsieh said that Austin told trustees she would resign if she were asked to change her position, according to the article.

The Board of Leaders for the School of Business, an advisory group of 116 prominent business leaders, has also demanded the resignation of Caruso and called on the Board of Trustees to place Austin, Quick and Carol Mauch Amir, the general counsel, on leave.

The Academic Senate, which represents USC faculty throughout the university, issued a unanimous condemnation of the lack of "shared governance and transparency" in how the decision to remove the dean was carried out. Additionally, 210 full- and part-time business school faculty members

who responded to a survey regarding the dismissal said they believed Ellis had performed well in his role and would continue "to provide excellent leadership to the Marshall School" if he remained as dean. The respondents represent 71 percent of the total surveyed.

Meanwhile, nearly 4,000 people have signed an "I Stand with Dean Ellis" petition on change.org. The petition also includes links to every action the dean's supporters have taken and to nearly 150 letters from business school alumni, parents of former and current students, members of various boards, and others -- all opposing his removal. Plenty of decisions at universities draw opposition from students and faculty members, but it's rare to see a movement that combines those groups with wealthy business leaders and donors.

Lloyd Greif, a member of the Board of Leaders and namesake of the school's Lloyd Greif Center for Entrepreneurial Studies, is leading the opposition.

He wrote a joint letter to his fellow Board of Leaders members and the Board of Advisors of the Leventhal School of Accounting, which is part of the business school,

asking them “to vocalize your strong opposition to this precipitous, irrational action,” by directly contacting Austin and Caruso, whose email addresses Greif included in the letter, as well as other trustees.

“This is not a time to sit on the sidelines,” he wrote on Nov. 30, just three days after he said Ellis was summoned to a short meeting with Austin and Amir, the general counsel, and told he was being removed as dean. “We need you on the playing field -- now.”

Greif described how Ellis was given “a terse, two-paragraph letter” at that meeting, which stated, “As you know, all deans serve at the pleasure of the president. I have decided to exercise my option under your contract of appointment to make a change in leadership of the Marshall School. Accordingly, I am notifying you that your appointment as dean will terminate at the end of the current fiscal year, on June 30, 2019.”

Greif believes the accusation that Ellis failed to act on complaints to the Office of Equity and Diversity is unfounded and “a tactic reminiscent of the depths of the hysteria of the McCarthy era.”

He said Ellis was only notified of approximately 10 percent

of the nearly 70 complaints -- “presumably the handful that OED deemed worthy of further review” -- all of which he allegedly investigated and resolved, and most of which were found to be baseless.

Greif said Ellis created the business school’s Office of Diversity and Inclusion on his own initiative in 2015, and that he was the first dean at the university to hire an associate dean of diversity and inclusion. The Marshall School was also one of the first schools at USC to implement mandatory unconscious-bias training for all recruiting committees and mandatory diversity and inclusion training for all faculty.

Greif also noted that five of the dean’s seven cabinet members are women, as are four of the nine members of the Department Chairs Council and five of the seven members of the Marshall Faculty Council, including the chairperson. What’s more, under Ellis the business school was the first full-time M.B.A. program of any major university to achieve gender parity (the Class of 2020 is 52 percent female). It also has the highest percentage of underrepresented minorities -- 22 percent -- of any major business school in the country, according to Greif. The director of the Lloyd Greif

Center for Entrepreneurial Studies is also a woman.

“He’s been a role model,” Greif said of Ellis. “A poster child for diversity and inclusion.”

Ellis has also raised over half a billion dollars for the business school and has personally given the school \$4.6 million, according to Greif. Marshall faculty have also won universitywide student mentoring awards 25 times during Ellis’s tenure. “That’s a USC-leading ratio of award winners to tenure-track faculty of 21 percent,” he noted. The Marshall School also won the “highly coveted” Culture of Mentoring Award in 2010, and two vice deans at the school have won the Provost Mentoring Award, the highest mentoring award at the university, in the last three years.

Of the Marshall School’s accomplishments and the dean who led them, Greif said, “if it’s not broken, don’t fix it.”

Greif, a 1979 graduate of the business school and also a member of its Corporate Advisory Board, said Ellis was removed without the opportunity to review or respond to the charges against him, an action Greif likened to “a kangaroo court of the highest order.” He has harshly criticized the administration for alleged-

ly attempting to silence critics, and said the coordinated responses of Austin and Caruso to critical emails and letters would make George Orwell proud. He has also rated the administration's alleged attempts to thwart scrutiny of its actions from "DEFCON 4" through "DEFCON 1."

Greif also twice wrote to the Board of Trustees, imploring them to reverse the decision.

"The administration and the Board of Trustees need to right this wrong, reinstate Jim Ellis as dean of the Marshall School and, most importantly, turn their attention to addressing all that ails the University of Southern California, starting with a culture that requires major surgery before the patient dies from these ever-deeper self-inflicted wounds," he wrote in a detailed seven-page letter on Dec. 6. He followed up with another seven-page letter on Dec. 11, again asking the board not to "rubber-stamp this decision" and to fire Austin and force Caruso's resignation.

"This is no longer about whether Jim Ellis stays or goes as dean of the Marshall School of Business," he wrote on Dec. 6. "This is now far more serious than that: it is about whether the University of Southern California is going to have the courage to

banish the demons of the last 18 months, aligning its actions with its words and transforming itself into a model of transparency, fairness and due process or continuing to be a pariah among major colleges and universities."

Although Ellis has not made any public comments about the allegations, he did send out an email to faculty and staff on Nov. 30 to inform them of his dismissal as dean. By then, rumors were already swirling at the business school, and after meeting with his Faculty Council and department chairs, who'd urged him to act, he decided to let everyone know.

"To the best of my knowledge, this decision was not based on anything I personally had done, but rather a cumulative record of OED cases from Marshall," he wrote. "The vast majority of these cases were never brought to my attention. Nevertheless, this apparently has led university leadership to believe that we do not have a positive culture here. Therefore, they feel a change in leadership is in order. The Faculty Council is asking for a meeting with the president to understand how we came to this, and there are many external stakeholders who have sent in concerns for the school. There are concerns

about process, transparency and reputational damage ... I will communicate more as I learn it."

According to Greif, Quick, the provost, sent an email to Ellis later that evening chastising him for sending the email.

"I was deeply disappointed to learn of the email you sent to Marshall's faculty earlier today," Quick wrote. "With that communication, you misused the Office of the Dean to advance your own personal agenda, and you placed your personal interests over the interests of Marshall and the university. Moreover, your email put faculty in a position where they may feel pressured to show support for you because of your current role, and out of fear of retaliation. That showed an alarming lack of judgment. I realize you disagree with President Austin's decision. However, you cannot abuse your role to try to change her mind. If you do that again, you will be subject to further action."

Ellis has not commented publicly since that reprimand. Greif has not stopped speaking on his behalf and vocally defending him.

"He's feeling shocked, angry and mystified," Greif said of Ellis. "And that's because there are no grounds for this action."