The origins of the University of Michigan-Dearborn can be traced to manpower supply studies conducted by Archie Pearson, director of training for Ford Motor Company, in the mid-1950's. Convinced that serious shortages were looming for the Company in qualified, college-trained engineers and junior administrators, he made discreet inquiries of educational institutions in the Detroit area concerning their willingness to adjust their programs to meet these needs.

Pearson was particularly interested in a program with a cooperative education component that would provide several periods of full-time work experience, alternating with regular terms of professional academic study. However, until Pearson and his associates were put in touch with members of the top administration at the University of Michigan, the search had been futile. In late 1955, Pearson, with his associates, began negotiations with the University of Michigan officials that led to the establishment of the Dearborn Center of the University of Michigan. The announcement on December 17, 1956 of a gift of land and capital development money from the Company to the University emphasized the building of an upper-division and master's level campus which would adopt a cooperative work-study requirement as a part of its regular degree program in engineering and business administration. The University was to provide the regular professional and liberal arts courses necessary to a University of Michigan bachelor's or master's degree, with the co-op work assignments forming an integral addition to the regular academic requirements. UM-Dearborn opened as the Dearborn Center of the University of Michigan on September 28, 1959.

The upper-division cooperative education program was the first important educational emphasis of what is now UM-Dearborn. Cooperative education is still a vital part of the professional programs, and not only has it expanded to include liberal arts students, but other kinds of off-campus experience for credit have been added as well. There are now regular program-related internships in political science, economics, social work, humanities, health studies and public administration. Nevertheless, it became apparent in the early days that the campus could not afford to be limited to a single focus, and over the years the University has gone through several stages of modifying its original purposes and structure.

From its inception in 1956 to about 1962, the cooperative education program was confidently set forth as a sufficient raison d'être for the campus, in spite of growing evidence that this admittedly fine and educationally sound opportunity was not drawing a sufficient number of students for economical use of the facilities. In the fall of 1962, William Stilton, the University of Michigan Vice President and UM-Dearborn's first chief executive, extended cooperative education to the liberal arts areas on an optional basis. Few liberal arts co-op work assignments were actually made before 1973, when the present liberal arts co-op program was officially established. This early attempt to extend the co-op program to liberal arts constituted the last major attempt to build the campus solely on the basis of the co-op programs and the upper-division/graduate structure. That effort came about at the same time as the change in the name of the institution from "Center" to "Campus" (to make its objectives seem less limited). Both events marked the beginning of a period in the mid-1960's characterized by growing uncertainty about the future of the institution. This period ended in 1969 with the recommendations of the Ross Committee (also referred to as the Balzhiser Committee, and officially called the Dearborn Campus Planning Study Committee), which radically changed the direction of the campus.

The 1969 report of the Dearborn Campus Planning Study Committee, appointed by University Vice President for State Relations and Planning Arthur Ross to consider the future of the campus, recommended the addition of the first two years of undergraduate education for the Dearborn Campus to become a full four-year institution along with expanding non-co-op programs. Those and other changes were implemented in 1971 giving the campus its present structure along with the newly designated title of "The University of Michigan-Dearborn" and a Chancellor as its chief executive officer. Two years later, the organizational structures changed from "divisions" to schools and colleges, and the Division of Education ("Urban Education" for the first few years) was created, with each of the major academic units headed by a dean. The Board of Regents appointed the first Chancellor of the UM-Dearborn, Dr. Leonard E. Goodall, in July 1971.

After that watershed change in 1971, UM-Dearborn grew rapidly from just under 1,000 students to over 6,000 in 1979. From 1971 through 1979 there was a scramble just to supply the courses and facilities needed to accommodate the soaring student population propelled by the transition into a University. New faculties were added at the rate of 10 to 20 per year, and the face of the campus changed as a new set of buildings (the former University Mall now remodeled as the University Center, the Fieldhouse, and the Library) was planned and constructed to the south of the original four buildings. These years of expansion also ushered in a period of severe retrenchment, when the debt burden of the new structures coincided with a recession and cuts in state aid to the campus. Dr. William Jenkins, appointed as UM-Dearborn's second Chancellor in 1980, took the helm at the beginning of what may be called the institution's "Years of Consolidation."

The early 1980's at UM-Dearborn were, as in the state of Michigan as a whole, a period of severe financial crisis. From 1979 through 1982, over a million dollars of funds allocated to UM-Dearborn by the state had to be recalled. During that same time, faculty and staff salaries were cut and student tuition rose 44 percent in three years. Nevertheless, student enrollment, after a slight drop from 1982 to 1984, resumed its steady rise that has continued to the present. Facilities were constructed also, including Manufacturing Systems Engineering Laboratory, the Social Sciences Building (formerly the School of Management Building), and the Computing Wing of the Science Building.

From about the time of the inauguration of Chancellor Blenda Wilson (1988), several developments in campus organization, administrative personnel, and academic offerings have highlighted what might be called the "Years of Redirection". At the center of this redirection has been a program of strategic planning, initiated in the summer of 1990 and reinforced by planning retreats for the whole campus in the fall terms of 1990, 1991 and 1992. A new campus mission statement arose out of the first retreat which rearticulates UM-Dearborn's commitment to providing an experience of academic excellence for a diverse body of students from the metropolitan Detroit area, encouraging full community attention to the traditions of free intellectual inquiry, critical thinking and ethical behavior through interactive teaching, research, creative and applied scholarship, and service. From the second retreat emerged the principal points of a set of learning goals for undergraduate students.

In 1993, the Board of Regents appointed Dr. James C. Renick as the fourth chancellor of UM-Dearborn. Under Chancellor Renick, UM-Dearborn experienced several important developments: (1) a new Mission
Statement was formulated; (2) a new set of Campus Bylaws provided for a newly formed Faculty Senate; and (3) funds were received from the State for the construction of four major new facilities for the School of Engineering, the College of Business, the Center for Corporate and Professional Development, and the College of Arts, Sciences, and Letters.

In July of 2000, the Board of Regents appointed Daniel Little as UM-Dearborn’s fifth Chancellor. Under Chancellor Little’s leadership the campus has achieved record enrollment growth, increased the academic quality of the student body, and improved the academic support system for student success. During these years the campus came to embrace a metropolitan vision that encourages engagement with the community by students, faculty, and staff. Particular areas of metropolitan focus include supporting advanced manufacturing, contributing to racial and ethnic equality, enhancing P-K12 education, addressing urban environmental issues, and contributing to progress in health care and health equity. Little has helped to build strong relationships between UM-Dearborn and a wide range of community-based organizations to enhance the impact and partnership of the university in the Detroit metropolitan region. The Chancellor also led the campus in establishing a public-private partnership to offer a student-housing option for the first time on campus since the 1980s.

In 2009, UM-Dearborn welcomed its fourth Provost and Vice Chancellor for Academic Affairs, Dr. Catherine A. Davy. Under her leadership, the School of Education was transformed into the College of Education, Health, and Human Services with a focus on health studies. In addition, a new campus-wide general education program titled the Dearborn Discovery Core was developed. Finally, in the fall 2014, Provost Davy led the successful reaccreditation of UM-Dearborn by the Higher Learning Commission.

Source of information up to 1984: A Gift Renewed, written by Professor Elton D. Higgs.