## A HIGHER EDUCATION PRESIDENTIAL ESSAY SERIES



2006 SERIES: "CREATING COMPETITIVE ADVANTAGE"

- ESSAY 1 -

Institutional Transformation: Physical, Environmental and Cultural



## Presidential Perspectives:

Institutional Transformation: Physical, Environmental and Cultural

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### **FOREWORD**

Dr. James L. Fisher

Higher education has become progressively more competitive and enlightened institutions are adopting and applying best business practice. Indeed, the current philanthropic environment demands that colleges demonstrate sound stewardship, clear accountability for outcomes and leading edge business practices. Stakeholders are demanding it, and effective leadership requires it. These practices in no way compromise the historic canons of higher education.

For presidents, the "business" of higher education consumes increasing amounts of time. Regardless of the size or location of an institution, most college presidents today tell us they are spending at least 60 percent of their time dealing with external stakeholders including friend raisers, fund-raisers and chief financial and marketing officers. This new "business" model means that in many areas college presidents are functioning as corporate CEOs, charged with developing an institutional vision, selling it to external constituents, and managing more efficiently. The practical result of this is that areas of institutional management such as marketing, finance, technology and human resources now require much greater presidential attention and commitment.

Thus, the entire nonacademic arena holds enormous promise for institutions and presidents in today's competitive landscape. Often broadly grouped under the area of "student services and facilities," this critical area no longer serves a secondary or support role. While an institution's academic program remains paramount, it no longer suffices as the sole criterion for attracting prospective and retaining students. Rather, these "auxiliary services" now are on the "front line" as colleges and universities strive to create competitive differentiation; the customer's experience is fast becoming a critical component of an institution's appeal.

The corporate and not-for-profit worlds are slowly converging in considering higher education a product that can be enhanced by good customer-service. Driven by a trend toward increasingly consumer-savvy students and families, colleges are investing in the entire spectrum of amenities, building "wired" apartment-style residence halls, high-end fitness and recreation centers and student-friendly food and retail courts to rival those at the local mall. Not simply content with attracting students, the institutions profiled in these essays demonstrate their proactive response to the necessity of enhancing the total quality college experience from "soup to nuts," i.e., from long before a student actually enrolls to long after matriculation.

These insights describe the changes that have occurred in higher education and the responses of innovative institutions in creating their unique customer experiences. Bearing in mind academic quality, these presidents look beyond the academic arena to leverage the opportunities that exist. They innovate, lead and plan strategically, create attractive conditions and build financial structures that are efficient and responsible. These are the leaders of the 21st century.

Dr. James L. Fisher is President-Emeritus of the Council for the Advancement and Support of Education (C.A.S.E.) and Towson University. He has taught at Northwestern, Illinois State, Johns Hopkins, Harvard, and has been a consultant to more than 300 colleges and universities. Dr. Fisher is one of the most published writers on leadership and organizational behavior in American colleges and universities today. He is the author or editor of 10 books.

# PREFACE AND ACKNOWLEDGEMENTS

Dr. Marylouise Fennell
Dr. Scott D. Miller

The increasingly competitive landscape of higher education has caused many institutions to respond to market pressures not previously envisioned. More than ever, colleges and universities are adopting the practices of the for-profit sector, transforming themselves through strategic planning and thriving in the process. As part of this ongoing market-driven analysis, institutions of higher education are becoming more student-friendly, creating new opportunities and reinventing their "brands" to establish a discrete niche for their institution. Frequently viewed as a barometer of institutional success by prospective students, families and donors, nonacademic facilities now play a primary role in the entire enrollment management process while holding enormous promise for institutions and their presidents.

Presidential Perspectives: Creating Competitive Advantage is a white paper series written by and for college presidents. This 2006 series focuses on leveraging successful strategies from the nonacademic environment as an integral part of an academic institutional vision, mission and ultimately, a competitive advantage. Authored by notable presidents whose institutions are in the forefront of innovative practices in their areas, each essay addresses a different aspect of how the nonacademic environment is being leveraged for institutional benefit.

Thanks to the generosity of Aramark Education, a leading provider of award-winning food and facilities management services to colleges, universities, and other educational entities, a different presidential essay will be distributed electronically and posted each month on the Presidential Perspectives website (www.presidentialperspectives.org). At the end of the series, the foreword and chapters will be bound into a keepsake book.

#### We are especially indebted to:

- Joe Neubauer, Chairman and CEO of ARAMARK, for his unwavering commitment and support of higher education. The culture he has fostered at ARAMARK has encouraged the sponsorship of this white paper series.
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- Dr. Richard Ekman, president of the Council of Independent Colleges, a dear friend and colleague to both of us, who continues to advocate for independent higher education, encourage dialogue, engage us in reform, and stimulate progressive national programs and initiatives, while providing stellar support to member presidents in every aspect of their professional lives.
- Martha Gaffney, Betty Van Iersel, and Ellen Coleman, our special assistants, who regularly read our minds; and
- Annie Miller, Scott's wife of 23 years, a dedicated supporter of education, who has loyally served a "First Lady" of two colleges.

### **ABOUT THE EDITORS**

#### DR. MARYLOUISE FENNELL, RSM

Dr. Marylouise Fennell is senior counsel for the Washington, D.C.-based Council of Independent Colleges (CIC), for which she also coordinates the New Presidents Program. She is past president of Carlow University in Pennsylvania, and her background includes both teaching and administrative positions at Saint Joseph College and the University of Hartford, both in Connecticut, and Boston University.

Dr. Fennell holds the Bachelor of Arts degree from Diocesan Sisters College, the Master of Education and the Certificate of Advanced Graduate Study from the University of Hartford, and a Doctoral degree from Boston University. She has also published widely. An internationally recognized management consultant, she has worked in more than 20 countries, including a post as chief consultant for the Association for Private Universities of Central America (APRICA). Her awards include more than 40 honorary doctoral degrees, and she is presently a member and/or chair of six college boards of directors. In addition, Dr. Fennell serves as executive director of the Inter-American Consortium, a partnership of six American and 11 foreign higher educational institutions.

#### DR. SCOTT D. MILLER

Dr. Scott D. Miller is in his ninth year as president of Wesley College in Dover, DE.

Dr. Miller earned his Bachelor of Arts degree from West Virginia Wesleyan College, Master of Arts from the University of Dayton, Ed.S. from Vanderbilt University and Ph.D in Higher Education Administration from The Union Institute & University.

Prior to coming to Wesley, Dr. Miller served as president of Lincoln Memorial University (1991–97). Before being named president, he previously served that institution as executive vice president (1988–91) and vice president for development (1984–88). A native of Philadelphia, PA, Dr. Miller is a former director of university relations and alumni affairs at the University of Rio Grande in Ohio. Well known nationally for his contributions to higher education, he was one of 17 presidents nationwide featured in a Kaufman Foundation-funded book entitled *The Entrepreneurial College President* (American Council on

Education/ Praeger Series on Higher Education, 2004). The Wesley story was one of four "amazing turnarounds" featured in the book The Small College Guide to Financial Health (National Association of College & University Business Officers, 2002).

He is a regular columnist for The Delaware State News and College Planning and Management.

Both Drs. Fennell and Miller serve as consultants to college and university presidents and boards. Last year they published the book *President* to President: Views on Technology in Higher Education.

# Institutional Transformation: Physical, Environmental and Cultural

DR. ROSALIE MIRENDA

President, Neumann College

Wheatley suggests good news for college presidents, that is, presidents and their leadership continue to be needed as colleges and universities engage in continuing and evolving transformative change.

Although some institutions have closed or merged to survive the turbulent higher education marketplace, others have succeeded through a strategic or institutional transformation. How do these institutions succeed? Must they "reinvent" themselves for success? What are the barriers to transforming an entire institution and how can they be overcome? What role can the nonacademic environment play in transforming an institution? These are some of the questions we at Neumann College asked ourselves in response to accelerating change at the 30-year mark in our history.

There comes a point at every college when it is time to remember its origin and purpose, to celebrate its heritage and founding and at the same time, to believe in the future through a well-defined shared vision and plan. This point came in 1995 for Neumann College, a Catholic Franciscan institution committed to providing a liberal-arts based curriculum to prepare graduates for professions. From its founding in 1965 the College had remained fiscally sound, with a balanced budget every year. Societal change was slow and at an easily managed pace; competition existed, but was well-known and stable; and changes at the College seemed to occur in a 15-year cycle.

In 1995, however, a Board-led study resulted in the recognition that the future held rapid change, demographic shifts, a volatile student academic and cultural profile, a knowledge/information-based society, growing competition and shrinking resources. The discussion that took place over a year and a half resulted in reaffirmation of the College's mission and a new vision for how it would be implemented. I believe that other institutions could benefit from the steps we took to ensure our continued viability.

First, the recognition that "growth" was essential led to the decision to incorporate a residential program. Student residences were constructed in phases, with the dedication of three centers in 1997, 1999 and 2002. While the initial decision was focused on the addition of a residential program, the leadership of the College recognized that it needed to be accompanied by the growth of academic programs and services, human resources, co-curricular activities, physical space, marketing and public relations and funding sources. Most important to this evolving formula was the relentless passion and energy directed at ensuring that all of the variables needed to "grow" successfully had to be congruent with the College's mission and values.

Next, Neumann opened its first doctoral degree program, the entry level doctoral degree in physical therapy, in FY 2005. This year, total enrollment has increased by 210 to 2810, including graduates and undergraduates, women and men, commuters and residents. We are now preparing a strategic plan for the

"All living systems have the capacity to self-organize, to sustain themselves and move toward greater complexity and order as needed."

MARGARET J. WHEATLEY
Finding Our Way:
Leadership for an Uncertain Time
2005

2007-2009 years that projects 3300 students, online degree programs at the undergraduate and graduate levels, international study opportunities, including exchange, and the approval of a doctoral degree program in education. At this point, college presidents may also want to determine whether to retain their current status or to move to university status.

It is critical that as enrollment increases and new academic programs are added, collaboration across the units of the institution is created as an integrated effort aimed at mission fulfillment and student success, along with enhanced co-curriculum and service-oriented opportunities.

#### **Shaping Tomorrow**

With institutional growth come the added challenges of funding, monitoring, planning and allocating resources. Through leadership's focus on mission, planning and assessment, the College has emerged as a higher education institution in a healthy fiscal position with a deep commitment to: its mission and values as a Catholic Franciscan institution of higher learning; access and affordability; excellence of faculty, programs and services; effective management; and collaboration.

The opportunity to continually work toward a preferred future is a privilege and a responsibility of all who lead and contribute to the goals of an organization with a mission to educate and to transform the lives of its learners so as to assume future leadership in our world. The leadership of Neumann College, including the Sponsorship, the Board of Trustees, faculty, and administration, seized the opportunity and began the climb to unite in a continual process of assessment, planning, and implementing strategic initiatives that have advanced both the mission and the vision of the College. The underlying beliefs that persons and organizations exist in a world of constant evolutionary activity and that change is inevitable became paramount to the journey. As a result, change is now a constant at our institution, embraced with intelligence, intentionality and integrity.

#### **Dynamics of a Changing Organization**

Shaped by core values, effective relationships will likely emerge as a conscious institutional as well as personal goal for the organization. New and/or continuing positive relationships within the college, as well as between the college and external entities, will constitute the base of a number of new donors, programs and services. Examples from our own experience may include the shared offering of online courses between two or more institutions, dual enrollment agreements with school districts and the participation in a consortium for international study and exchanges. The sharing and utilization of information/data has opened new markets and closed ineffective ones, expanded recruitment, created financial ingenuity, and motivated us to form new relationships and a broader public image.

#### **The Road Ahead**

The road ahead for relatively small, private colleges is not an easy one: The future will take hard and deliberate work, passion for its mission and willingness to change. Thoreau said, "Things do not change; we do." Today, all institutions face new market demands, new knowledge, shifting demographics and new pedagogies. Emerging and complex societal needs mandate growing intellectually and evolving accordingly. The good news, however, is that, given dedicated leadership, a relentless focus on mission, strategic planning, hard work and tough choices, colleges can prosper.

Therefore, I encourage other presidents to embrace change as a constant. Indeed, we have no choice if we are to thrive. As George Keller puts it in Transforming a College (2004), "a lack of capacity or willingness to do so will result in a college that does not improve and that will quickly disappear."



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