



2010/2011 Series: Economic Prosperity in the Next Decade

chapter three: **No One Said It Would Be Easy**
*Presidential Leadership During
Challenging Economic Times*



No One Said It Would Be Easy

Presidential Leadership During Challenging Economic Times

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The lives of college presidents occupy the attention of many writers, critics, trustees, and other presidents. Newspaper headlines grab readers' eyes when a president receives a "no confidence" vote or spends university funds on a French chef. Bloggers growl about funding for athletics, and higher education e-newsletters highlight presidential compensation.

But college presidents do not garner much attention for at least one presidential activity: leadership during times of external challenge. During the global economic downturn, colleges and universities have faced a near-collapse of the stock market, precipitous drops in endowments, reduced student aid from states, and projections that the difficulties may last for years.

These are troubling times that change a college president's work. Uncertainty about when things will improve can leave presidents weary and discouraged. Leading an institution is hard work in good times. In sustained difficult times, the arduous job becomes even more wearing. Presidents approaching retirement wonder whether they will ever again lead an institution in good times.

To deal with the challenges, presidents learn from colleagues—those doing well and those who are struggling. Ironically, valuable lessons can be learned from both groups. I've learned from presidents whose anxiety about the economy became contagious to their staff and faculty members. I've also learned from those whose personal focus seems to empower them to remain calm and upbeat during the storm.

From dealing well with change to affirming values—effective presidents work in ways that reflect four principles about good leadership in bad times.

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1. A crisis is an opportunity to talk about change.

We need to talk openly with faculty, staff, and the board about change, including its inevitability and role as a catalyst for creativity. Knee-jerk resistance to change thwarts the most creative work, and difficult times need all available resources for working constructively with the economic challenges.

Colleges and universities are notoriously slow to change, but the world isn't. Just 50 years ago, we experienced the Montgomery Bus Boycott and landmark civil rights legislation, and today we have our first African American president in the White House. During that same time frame, Betty Friedan's *The Feminine Mystique* jolted us into thinking about gender equality. Today, we have multiple women justices on the Supreme Court. The magnitude of these changes over the past five decades is staggering.

Yet, many faculty members remain staunchly loyal to the traditional disciplinary organization of academia because they understand how they fit into that world. Many criticize the sharpening of career focus that they see in students. Students want majors that get them jobs, and often that means decreased interest in traditional liberal arts and sciences.

Presidents can participate in this dialogue by reflecting on change itself, advocating for openness to new ways of organizing knowledge, and pointing out past successes. Colleges and universities where faculty members understand the inevitability of change find ways to undergird new, more-applied programs with solid general education requirements in the liberal arts and sciences. Managing change is more constructive than blindly resisting it. A president can help a campus understand that difference.

Can presidents speed up the pace of change on campuses? Yes and no. They can certainly talk openly about change and its positive role in a healthy organization. They can work to increase their own comfort with change. They can encourage campus teams to visit other schools to observe how those schools adapted to changes in students or pedagogy. Presidents can demonstrate by their own behaviors that it is okay to change. It is okay to try something new. It is okay to fail—to brush oneself off and try again. An external force can be a healthy incentive for looking at old habits in new ways.

2. Crises require contradictory leadership approaches.

Presidents need to ask the big questions while also paying attention to some very small details. Obviously, presidents need to make sure that costs are contained. Every day, presidents must attend to the “little picture” of budgets and expenditures.

At the same time, presidents must keep both eyes on the “big picture.” They must think strategically about the institution’s long-term health, particularly at a time when people protect their own turf. Presidents must engage administrators, faculty, and other staff members in strategic discussions to strengthen the organization, especially during difficult times.

Ralph Waldo Emerson said that “not in his goals but in his transitions man is great.”¹ Economic downturns provide surprisingly rich moments for presidents and their staff members to review long-term goals.

Planning costs very little and is an excellent use of time when resources are limited. During the past two years, when resources were tight and fundraising was stagnant, our campus completed a thorough and highly participatory master planning process and space utilization study. We conducted an energy audit to set benchmarks and goals. We completed a campaign feasibility study and moved into the organizational phase of a major comprehensive campaign. We also finished a voluntary Environmental Protection Agency audit in cooperation with our state association of independent colleges.

With strategic priorities established several years earlier, our planning cost little money. It prepared us for better economic days ahead. We did not waste time. Instead, we used every single one of the planning initiatives to make progress on environmental sustainability goals, strategic priorities, campaign priorities, and on the campaign itself.

None of this is easy. Financial challenges intensify the work. People get tired. Resistance for its own sake, often in the form of, “We tried that before, and it didn’t work,” slows things down. We can celebrate the kind of hard work that leads to improved institutional health, even during tough times. As economist Paul Romer said, “A crisis is a terrible thing to waste.”²

1. Ralph Waldo Emerson, *The Journals and Miscellaneous Notebooks of Ralph Waldo Emerson*, Vol. 5, ed. Merton M. Sealts, Jr. (Cambridge, Mass: Harvard University Press, 1965), p. 38

2. Stanford economist Paul Romer made this statement in November 2004 at a venture-capitalist meeting in California. It has been widely attributed to Rahm Emanuel, but it actually originated with Romer.

3. Presidents need to lead, not manage, during external crises.

A crisis—particularly a sustained financial downturn—requires leadership. When revenues turn downward, many campuses have a knee-jerk response: cut expenditures. While cutting is essential, it is only the first step. When revenues continue to be low, effective presidents look beyond reducing the operations budget to ask bigger and more strategic questions, such as:

- What do we want to look like in 20 years? What mission will guide us?
- What works well now as we try to achieve our mission? How do we know what does and doesn't work? If we don't know, how can we find out?
- How do we do our work—In silos? In cross-unit collaborations? In comfortable groups of friends? What progress can we make if we shift how we approach tasks? How can we do better?
- How do we maintain our data? With which work teams do we share it? How can we redesign an old procedure (moving beyond a “this is the way we’ve always done it” mentality) so that it is more effective? Is there a reason to wait to do this?
- How do we make our data more helpful to many units across our campuses? How do we maintain the information and make it available to those who can use it? Is there a reason to wait to do this?
- Are we aggressively learning about best practices at other schools? What do we do when we hear about them? How can we do better?

4. In times of external pressures, presidents need to affirm their own core values and live them.

College presidents need to discern what they can do to advance the missions of their institutions. They need to keep themselves grounded in the love of their friends and families. When the stock market fluctuates, the board chair calls every other day, faculty grumble about salary freezes, and a donor uses Facebook to gripe about a new academic program. A president needs an internal compass to separate the wheat from the chaff.

Each president’s compass is distinctive, and it informs daily choices. It helps presidents decide what to put on the “to do” list and the equally important “not to do” list. It helps presidents gather the courage to remove someone from a position if the work is not getting done. The compass gives the president courage to gather a supportive, candid, and capable team to think and plan and laugh together. When the stock market and bond rates change, a president wants to be able to say, “Everything that we can control is going well.”

A president needs a moral center that supports the school's mission and also allows the president to conclude that "the best thing for me to do tonight is sit home and read a good novel—and not one about higher education!" This "center" can help the president start a confidential and stress-relieving journal with two columns:

Column 1: What I said to the person who complained

Column 2: What I wanted to say

Presidents need moral centers that reflect calm in the face of crisis. Calm presidents calm the people around them. They think more clearly, and they don't panic. Calm presidents can look at the stock market at 11:45 AM and still enjoy lunch.

Challenges and Opportunities

Throughout the course of history, tough times have shaped the work of many college presidents. The words of Martin Luther King, Jr. remind us of the way those tough times stretch presidents beyond what they imagined they could do: "The true measure of a man is not how he behaves in moments of comfort and convenience but how he stands at times of controversy and challenges."

Presidents face challenges and opportunities. When the challenges last far longer than expected, the presidents who talk forcefully about the opportunities of change, combine "big picture" with "little picture" thinking, and let their moral center guide them, are the presidents who can end each day knowing that they did their best and the sun will come up in the morning.



Dr. Jo Young Switzer assumed the leadership of her baccalaureate alma mater on December 1, 2004. For the previous 11 years, she served Manchester College as Vice President and Dean for academic affairs. During her presidency, Manchester's enrollment initiatives received national attention, setting records, and the College added master's degrees in education and athletic training.

Dr. Switzer advocates for affordable, accessible higher education, using Manchester College as a successful example. She is a member of the Board of Directors of The Council of Independent Colleges and serves as a Consultant Evaluator for the Higher Learning Commission of the North Central Association. Additionally, she provides consultation to colleges on assessment, curriculum development, and preparation for accreditation. She served on the Academic Council of BCA Study Abroad.

Dr. Switzer is coauthor of *Interviewing: Art and Skill* (Allyn & Bacon, 1995), two instructors' manuals, and numerous published articles and book chapters on communication. She has more than 50 academic presentations on teaching, applied communication, gender, and higher education.

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