



Reclaiming Public Confidence in a Competitive Environment: U.S. Presidential Perceptions on Balancing Competition, Market Demand and the Public Good

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Lit: Two Sides of the Argument

1. Higher education is *selling out*, being swept away by market-based opportunities that are distorting the mission.
2. Higher education is *responsive* to new opportunities and constrains and advancing its mission given the current financial realities.



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The Presidential View

1. How do leaders move their institutions toward public goals and objectives *and* maintain competitiveness? What tensions exist?
2. How does higher education renew, maintain or regain public confidence and respect from policy makers?
3. What has been the effect of heightened competition on higher education? (Cost, quality and access?)
4. What does the current trajectory suggest for the future of higher education and its public purposes?



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Consensus: Effects of Competition

- Streams of competition exist – faculty, resources, students, media attention
- Understanding the institutions with which they compete and in which areas
- Increasing competition with long-time rivals and introduction of new rivals



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Three Sides to Competition

1. Competition as damaging: Unintended consequences, raise costs that do not always directly impact quality, harmful to low-income students; favoring wrong things (amenities and flash not substance).



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Three Sides to Competition

- *"I get concerned when competition takes resources away from something important, for example, the climbing wall takes resources away from class size."*
- *"We may soon create a market in which some students [particularly low-income] are frozen out."*



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Three Sides to Competition

- *"We reap what we sow, and we compete on dysfunctional elements. We do not compete over cost, student satisfaction or student learning. The way we compete for students would be like choosing between retirement funds...based on the quality of the bags they give out at the ACE Annual Meeting."*



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Three Sides to Competition

2. Competition as positive: Makes institutions more responsive, more innovative, more cost conscious, and more strategic.
- *"Are we presuming competition is a bad thing?"*



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Three Sides to Competition

3. Competition is what it is: Student market and demand; markets for graduates in particular fields; public policy trends and funding; basic American values and assumptions; rankings.



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Three Sides to Competition

- *"If they want climbing walls, we give them the damn walls even if it is stupid. But students want them and they have a choice [in where to enroll]."*
- External pressures *"pull campuses away from some goals and are more a reflection of the political and social climate than an indication of an intentional, competition-driven rejection of the mission."*



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P1: Competing Dynamics

- **Rock & Hard Place of Competition and Public Good:**
 - › Competition (which requires individual institutional effort) vs. Public good (which requires joint, collaborative efforts)
- *"We are seen as too much at each other's throats. Obviously we are going to compete and try to outdo each other, but we have to find a way to come together [to address state needs.]"*



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P2: Viewed as Unresponsive

- HE is seen as not being able to get its collective act together – particularly on access and affordability, and efficiency.
- *"Each legislative session starts with the same questions by the same legislator: "Why are your graduation rates so low? What are we spending money on?"*
- *"We seem to be ignoring public demand."* – slow to respond to state workforce needs



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P3: No Consensus about the Public Agenda

- *"We need to address the public agenda directly, show that we understand it, and that we are advancing it, and that we are demonstrating progress toward it."*
- *"We can't let current public agenda dictate our efforts, but we need to attend to it nevertheless."*
- Tensions: economic utility; short-term policy agendas; defining the work of HE in terms of economic arguments



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P4: Inability to Articulate "Uselessness" of What We Do

- *"The focus on efficiency and responsiveness is important to the public, but what about the "uselessness" of all that we do? The unleashing of dreams, the better lives we build, the informed citizens we create, the nonutility...in the system that creates wonderful things?"*
- *"We don't have the right words to capture these ideas, and if we as higher education leaders don't how can we expect others to communicate them?"*



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P5: Undone Both by Inaction (Costs) & Action (Aspiration)

- *"Cutting costs or holding costs is not in our DNA."*
- *"Technology has driven costs up in our industry...everywhere else in the world, it drives costs down."*
- *"We are poorly served by the importance we place on hierarchy in higher education."*
- *"We talk about how poor we are, but then hire a football coach for \$2 million a year."*



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The Work of Leaders: “We can’t market ourselves out way of the bind we are in.”

- Be the solution not a problem to be solved.
- Understand state public policy context – “playing offense or defense?”
- Make the case for contributions beyond economic
- Manage messages intentionally and minimize future boiling points.



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The Work of Leaders

- Make efforts on efficiency and cost (and communicate progress)
- Do the necessary work inside campus
 - › Translating external pressures
 - › Showcase good work
 - › Buffer institution from shifting political winds
 - › Make progress on public needs



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Long-Term View

- Outcome-driven funding
 - › Changing belief: Tangible ROI
 - › Changing belief: *Quid pro quo*
 - › Entrepreneurial demands
- “Unforgiving” marketplace
 - › Heightened competition-US and foreign universities; other providers
 - › Fast-paced
 - › “Tyranny of parochialism” vs. the common good



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Long-Term View

- Access and social fragmentation
 - › Access and affordability – policy priorities and institutional capacities – stratified experience
 - › Merit aid vs. Need-based aid
- Changing demographics
 - › Race/ethnicity and beyond
 - › Generational changes
 - › Population shifts among states
- Growing skepticism regarding HE
 - › Non-responsive (disfavor)
 - › Economic development (new favor & expectations)



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Work of Leaders for Tomorrow

- Address needs/demands **both** of today and for tomorrow
- Convince the campus of the need for “investments” for the future in times of scarcity



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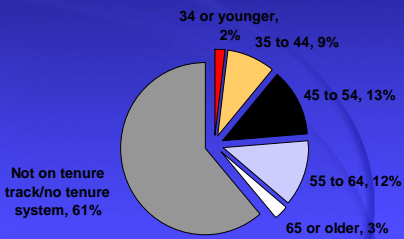
Work of Leaders for Tomorrow

- Attend to those historically left behind
- Develop talent for tomorrow
- Serve as stewards of place *and* adopt a global orientation
- Perfect collaboration and develop the capacity for continual innovation



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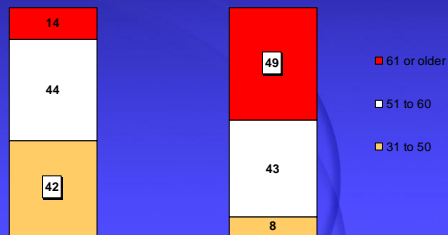
Tenured/Tenure Track Academics by Age



Source: NCES, National Survey of Postsecondary Faculty, 2004.
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Who will lead? Presidential Retirements

The Aging of Presidents: 1986 and 2006



Source: ACE, 2007. *The American College President: 2007 Edition*
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Continued Questions

- **The Dynamic Nature of Knowledge**
 - › Teaching and learning; the knowledge “business”; and the changing role of the expert
- **Shifting Demographics, Shifting Expectations**
 - › Race & ethnicity; population flows; generational changes
- **American Higher Education's Global Future**
 - › Preparing students; positioning the institution; competing globally

Source: ACE, 2007. *The American College President: 2007 Edition*
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