Questions: Given the new reality for higher education, how does SHSU focus on data informed decisions for continued success?

A NEW ECONOMIC REALITY

- Cost-Push Inflation
- Decreased Funding For Public Institutions
- From Common Good to Private Good
- Introduction of the Large Scale For-Profit Model

STRATEGIC THINKING NEEDED TO TAKE US FORWARD

- Embracing Reality (What Is): Facts matter; what they mean is even more important.
- Imagining a New Future (What Could Be): Substantive change comes from a combination of accurate information and creativity. While mission and vision remain forefront, the current structure (the traditional campus) and consumers (teaching/learning, credentialing, research endeavors, and civic engagement) need to be questioned.
- Determining a Correct Path Forward (What Should Be): Identify opportunities for innovation. Urgency is a good motivator, but careful consideration is paramount.
- Implementation (What Will Be): A new organization structure that benefits students and society as a whole. This moment requires an active and strategic response.

STRATEGIC PLANNING FOR THE FUTURE

The decade ahead looks like a bleak one for colleges and their financial managers. An economic downturn seems likely, public spending on higher ed may weaken more, and there’ll be fewer student graduating from high schools (further shrinking revenue from tuition). What’s more, colleges face competition from new players, many online, which offer flexible types of credentials and are more efficient because they don’t have to maintain a traditional campus. While acknowledging the challenges, participants at the roundtable did not say it was time for despair, or that the dire predictions of Clayton M. Christensen – a Harvard Business School professor who said that half of colleges would go bankrupt by 2033 – are coming true. Thinking strategically about costs, always asking “why” about operations, and finding ways to reinvest in successful academic programs, they said, will put a college on solid footing not only to survive, but also to grow.

STREAMLINING

Colleges across the country are grappling with diminishing revenue, spiraling costs, and growing skepticism about the value of a degree. Competitors are offering alternative credentials. When higher ed leaders talk about innovation, the conversation almost always focuses on students and academic issues. Less discussed is how those in another vital part of the campus are rethinking how it works: business operations. Leading colleges are taking creative steps to find efficiencies in campus activities and functions. During the conversation at The Chronicle, the panelists discussed how they look to do more with less, rethink how to reduce cost and maintain quality, and spark a shift in campus mind-sets to move from budgeting to investing.

DRIVERS OF INNOVATION

- Enrollment is falling or flat
- College costs (debt)
- Less/flat revenue growth
- Doing more with less (efficiency)

BEYOND THE BUZZ

The demand for “innovation” echoes across higher education these days. It is now a currency of its own, a standard by which institutions and presidents are judged and even ranked. And that has happened, let’s admit, despite little shared understanding within campuses of what meaningful innovation looks like.

- Innovation has become an animating force in college leadership since the 2000s, fueled in part by the Great Recession.
- A widespread view is that most colleges are desperately in need of reinvention but too mired in the past to get the job done.
- Campuses have been at once receptive and resistant to the concept of innovation, which has taken on some negative connotations.
- Meaningful change doesn’t come from using buzzwords, adopting new technology, or chasing silver bullets.
- To improve results, colleges need to find ways to incentivize new ideas and offer technical support across the institution.
TRENDS OF INNOVATORS

It is so difficult to innovate on a large scale within the traditional university structure that perhaps the foremost examples of transformative innovation in higher education today are institutions that innovated outside it.

- Increasing demand for online education
- More targeted catalog of offerings (tied to workforce/market)
- Emphasis on student advising and support
  - Data to develop pathways
  - Meta majors
  - Academic/career advising
- Corporate style practices for non-academic units/processes

THE BARRIERS TO INNOVATION

Academe is good at producing new knowledge, advancing new ideas, rolling out new programs, introducing new improvements to this or that process. But many colleges and their leaders seem unable or unwilling to rethink what they’re doing comprehensively enough to do something truly different, much less truly new, even where it’s evident that business as usual will no longer suffice.

- Many colleges may need to consider transformative innovation – probably more than they realize. The “middle class” of institutions is where effective change is most likely to take place.
- Colleges are run conservatively by design. They may innovate in the classroom or lab, but not so easily on a large scale.
- The entrenched business model, the academic calendar, decentralization, and shared governance all can stand in the way of innovation.
- With the continuing drop in the population of traditional-age college students, courting new sectors of students may be critical for the survival of many institutions.

THEMES THAT WILL DEFINE REGIONAL PUBLIC UNIVERSITIES

- The current resource-constrained environment is unlikely to change. Regional public universities must rely on their own creativity to survive, thrive and meet their missions.
- Regional public universities often find themselves misaligned with student needs and demands. Managing change to meet students where they are will be key to the future.
- Place matters as much as ever.

RISKS

- Leaders who hope to transform today’s regional public colleges and universities into institutions that can survive and thrive in tomorrow’s climate will be forced to navigate a minefield of risks.
- What follows is an overview of four areas of risk that experts describe as percolating within many colleges and universities:
  - Scarcity Mind-Set: A scarcity mind-set can affect both regional public universities in growing states and those in states where the population is shrinking.
  - Prestige Seeking & Mission Drift: Judging by their behavior, many institutions don’t want to continue to be regional public colleges or don’t think they can continue to survive or thrive with that identity.
  - Leadership & Governance: Worries run high that the current generation of leaders is underprepared to face the set of challenges mounting against higher education.
  - Faculty & Institutional Structures: Changing any institution is difficult, even in a time of intense outside pressure. Changing an institution with a large number of highly educated, independent-thinking employees is even harder. And changing a regional public college or university, where faculty members expect to have a say in governance of the academic enterprise, can seem to be a herculean task.
- Flexible systems survive and rigid systems break when faced with stress; to the extent that relationships are so rigid that they can’t change, then they will break. There will be conflict. There will be things unraveling.

Resources