Higher Education and The Needed Transformation

An ENKI LLC Think Tank Research Article

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It Is Time to Reimagine Higher Education

Do you see a train wreck?

Higher Education (HE) leaders are walking around a train wreck trying to decide if they are going to get on the train. Over the last 18 months, we've heard from three camps:

- 1. One camp doesn't recognize or acknowledge the wreck in progress.
- 2. Another camp is in a position of power and awareness. They know there is a wreck, they see it, they care about it, and they are exercising their ability to make an impact and survive.
- 3. A third camp includes people who know there is a wreck but are not in a position of power to make the needed decisions to recover from it.

The challenge we heard: The camp taking action is just too small to turn the industry around.



What has drawn us to this conclusion?

For the past 18 months we have researched and explored the fate of higher education across the country. Whether you read Facebook or the New York Times the story is the same. The business model of higher education no longer works. While colleges and universities with strong endowments stay the course, other colleges around the country are closing their doors or merging with the hope of staying viable long enough to be part of the last institutions standing. Meanwhile, leaders profess and demonstrate a lack of knowledge of how to "fix" it.

We have researched, read, discussed, interviewed, and held think tank discussions with presidents, provosts, dean, academics, students, and leaders of support organizations within higher education. The song is the same from every aspect and from all the people we met along the way.

For those who are aware, it is time for higher education to adapt or die. These individuals represent the group that know, see, and care about the future of higher education. These include some administrators, accreditation organization leaders and most students and their parents.

As part of our discovery, we identified a handful of the macro issues facing higher education in America. If companies faced only one of these issues, they would have to reconsider their approach to their business and their ability to be profitable. These issues have been reflected consistently in the research and in our Think Tank workshops with higher education leaders:

- Decreasing Demand / Shrinking Market
 - Shrinking population of university-aged students
 - o Failure to appeal to non-traditional (adult) and minority populations of students



- Trend of businesses requiring fewer University credentials
- Failure to deliver the product or service as promised
 - Failure to attract and graduate non-traditional and minority populations of students
 - o A need to rethink course offerings
 - Resistance to online education
 - o Academic, Student Experience, and Business components operating in silos
- Non-traditional / disruptive competition from micro-credential competitors that supplant the need for a full university degree
- High and increasing total cost of product and/or services for buyers even as demand decreases
- Increasing employee turnover, lowering quality, and increasing costs
- Operating at a loss, or expected to do so in the next few years

Is education a right?

The challenges mentioned above were not always the case, as these institutions were once considered indispensable, and higher education was a right. Institutions were inexpensive and heavily funded by both federal and state governments. The Higher Education (HE) industry grew rapidly to support this model as WWII vets and baby boomers flooded the systems in the 1950s-1960s. However, that funding model was changed by politicians that support education as a privilege and not a right in the US. As such, the industry must rapidly change again and this time in the other direction. This industry will shrink even if it embraces standard business practices that include providing its customers the necessary capabilities at a competitive price.

What can be done?

ENKI interviewed successful higher education transformation leaders to learn what has been tried and what has worked. These people include but not limited to;

- Dr. Kristina Collins, Academic Vice President of Accreditation and Assessment at Ivy Tech Community College
- Dr. Tim Mantz, former Dean of Business, Arts, Communications and Computer Science at Cabrini University
- Dr. Tomi Wahlstorm, former Provost, United States Sports Academy
- Dr. Steve Parscale, Chief Accreditation Officer, ACBSP and Baldrige Education Performance Excellence Framework expert

ENKI has examined the solution set from all angles and the findings are clear. Higher education would benefit from Business Architecture that focuses on the next generation business processes of a Purposeful Culture achieved through Organizational Change Management (OCM). Our interviewees confirmed that these things can be done in higher education.



They stressed the need to;

- Engage in cross-functional alignment between academic, administration, student, and educational buyer expectations
- Breakdown silos and rebuild with purpose
- Hire Presidents and Provosts with business leadership experience
- Acknowledge the disconnect between running an academic institution as a business vs. just educating students
- Recognition that customers are questioning the return on their investment into higher education and the need to create an offering that includes quality teaching and learning in core subjects and life skills such as critical thinking, social-emotional engagement, collaboration, communication to keep institutions relevant

Our interviewees also believe that frameworks such as <u>Baldrige Education Performance</u> <u>Excellence Framework</u> and <u>ACBSP</u> could help strengthen the academic experience. ENKI however has noticed in the business world that frameworks such as the Baldrige Award distract the organization from its purpose and often interferes with growth.

ENKI's summary: our takeaway is that you have to change what you are offering, or lower the price, or even better do both. What you will wrestle with is how to do both. That is where ENKI can help.

Engage Stakeholders in Professional Learning Transformation - The need for a Learning Architecture

Cross-functional alignment and commitment to academic quality cannot be achieved without engaging the institutions' stakeholders in their own professional learning. So we asked, "where does higher education go to school?" Who do they rely on to learn, grow, develop, and improve? Sadly, what we learned is that they don't go anywhere. Time and again the word "Ego" was presented by those serving higher education as an impenetrable wall preventing progress. The ivory tower can't get out of its own way - the "Ego" won't allow it. The need to always know everything despite the clear and present danger of reality and arrogant dismissiveness of any helping hand extended is commonplace. This begs the question; Why is it that an institution designed to share knowledge, develop life skills, and build individual capabilities to continually learn, doesn't?

During our learning journey we communicated repeatedly that corporations have been here before. Successful businesses have had to embrace tough times when they didn't have a solution set in front of them, and they recognize the need to work with experts who know how to architect and execute successful transformations.

What can be done about it?

The industry is crying out for the changes to recover from the train wreck. We at ENKI help organizations to build and align on the Business, Technical, and Learning architectures that change culture, processes, and technology to meet defined performance outcomes. Our assistance includes coaching the leadership team to apply strategic courage to shift culture, identifying



financial waste to eliminate, restructuring agreements/contracts, implementing short-term cash flow improvement programs, and implementing less expensive and "easy to use" technology to help enable new processes required to run the newly streamlined business.

Core to everything we do is our approach of engaging and aligning stakeholders on common goals and outcomes. This is the key to sustainable performance improvement.

About the Authors

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Right Now, Your Best Employees Are Eyeing the Exits. To stay, they need better pay, reasonable hours, and an end to mission-based gaslighting.

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