

**Dealing with the Future Now:  
Principles for Creating a Vital Campus in a  
Climate of Restricted Resources**

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It is an irony of the present higher education landscape that just as we are developing some of the most promising models for teaching, learning, student engagement, and the use of technology, we are simultaneously facing dire budget circumstances. Whether we are able to maintain and advance quality teaching and learning in this environment is a challenge almost all of our colleges and universities must address. Dealing with these difficult fiscal struggles while maintaining the quality of faculty work-life and student learning we believe will require that most institutions fundamentally restructure how faculty teach, students are educated, and campuses are organized.

As financial pressures increase, there is a danger that promising innovations in teaching and learning will be marginalized or lost, as campuses reduce any activity not seen as being at the core of academic life, and even some that have been traditionally seen as essential to it. While striving to increase resources will remain a necessary approach, it will not be sufficient for meeting the twin goals of quality student learning and a decent faculty work-life. To achieve these goals we believe it will also be necessary to restructure the organizational and learning systems of an institution around the most promising teaching and learning innovations. Such fundamental change offers the most hopeful future for student learning and faculty vitality in a future marked by restricted resources.

Recent trends indicate that our fiscal stress is not short term. While the recession may be temporary, the fiscal problems – both in higher education and in our state governments – are structural. The Executive Director of the National Governors Association (NGA) outlined the problem in state governments.

...the states' fiscal problems [are] only partly due to the cyclical downturn in the economy. Two longstanding structural problems – an eroding tax base and the explosion in health care costs – are the major causes. Both of these problems were

camouflaged by the phenomenal economic growth in the second half of the 1990's. The recession unmasked the problems, but it was not the reason for the swift and steep decline in the state fiscal situation... The bottom line is that the current problem is long-run and structural... (Sheppach, 2003).

David Breneman, a leading economist of higher education, echoes the statement from the NGA, arguing that the challenges for state governments (and thus for public higher education) are deeper than the current recession.

Increasingly, tax revenues are insufficient to support the myriad social services expected of state governments, including public higher education. The shift of many social-service obligations from Washington to the states has only amplified this problem. The late Harold A. Hovey, a former budget director in Illinois and Ohio, estimated in 1999 that the high level of economic activity was masking structural deficits in 39 states. His analysis, which many states ignored at the time, was prescient... (Breneman, 2002)

The financial challenges faced by our state governments are troubling, and promise severe consequences for public institutions of higher education.

But it is not only our public colleges and universities that face structural financial problems. Fund-raising has been down in the past two years, the result of the recession and a post-9-11 reality. While it is always difficult to predict the equity markets, there are some indications that the stock market, which has fueled many recent successful campaigns, will not experience a sustained 1990s type of growth for some time (Geanakoplos, McGill, Quinzii, 2002) At present, many of our private colleges and universities are struggling financially, and the potential that future fund-raising might be flat or increase only modestly among the 90+% of non-wealthy institutions will only exacerbate their problems. Simply stated, costs are continuing to escalate beyond their ability to generate tuition and fund raising revenue.

In 1997, the Council on Aid to Education pointed out that the cost of higher education has grown substantially more than the rate of inflation for nearly three decades. Referring to both public and private institutions, they described the problem in this manner.

A sector whose costs grow faster than inflation for an extended period ultimately reaches the limits of available resources, as has been demonstrated in the health care industry...

In 1995 dollars, higher education will have to spend about \$151 billion in 2015 to serve future students if costs continue to grow at current rates. Assuming that public appropriations to higher education continue to follow current trends, government funding will be about \$47 billion in that year. Tuition, grants, and endowment income will account for another \$66 billion. In other words, the higher education sector will face a funding shortfall of about \$38 billion—almost a quarter of what it will need (Council on Aid to Education, 1997).

If these financial problems are indeed long term and structural, how can our colleges and universities respond creatively to this emerging reality? Most institutions to this point have responded by making incremental changes, with hopes of riding out a cyclical downturn. While some of these temporary, short term measures will no doubt provide budgetary relief, over the next ten years fewer real (i.e., inflation adjusted) dollars from governmental sources combined with limits on tuition levels and private fund-raising for almost all campuses (with the exception of the wealthy institutions) will still lead to significant budget shortfalls.

What will a college or university look like that does not make significant changes in how it educates students in a climate of dramatically reduced budgets? What impact will ongoing budget reductions have on the quality of faculty work-life and student learning? In a constrained fiscal environment, can a college or university create a viable undergraduate institution by redesigning its educational delivery system and its organizational systems so that quality of student learning and faculty work-life is enhanced? If we were creating a college or university today, given what we know about likely fiscal, technological and societal realities, what would it look like?

Answers to these questions are (literally) not an academic exercise, for facing this future head-on is essential for maintaining the viability and quality of our higher education institutions.

And, given the importance of a college education for the present and future of our knowledge-based world, the answers are critical to the future of our society.

### ***Two Institutional Responses to Fiscal Constraint***

#### *Muddling Through*

The initial instinctive response of many (if not most) institutional leaders, with the full support of faculty and staff, is to assume that the present fiscal constraints are a short term problem will quickly dissipate—state appropriations and fund raising will bounce back in a year or maybe two and then increase along with continuing tuition increases. As a result, the immediate response to an annual budget shortfall and deficit is

**Table I**  
**Comparison of Assumptions and Actions of Institutional Responses to Severe Fiscal Problems:  
 Muddling Through Versus Transforming the Institution at the Undergraduate Level**

	<b><i>Muddling Through</i></b>	<b><i>Transforming the Institution</i></b>
Assumptions about the Fiscal Reality	Short-term, very serious, cyclical, no permanent consequences, “this too shall pass”	Long-Term Problems Require long Term Solutions
Assumptions about Needed Change	<ul style="list-style-type: none"> <li>• Present educational delivery system is unchangeable</li> <li>• Technology is always an added expense</li> <li>• Changes in faculty and staff work lead to workload increases</li> <li>• Incremental changes in faculty teaching and hiring will be sufficient to maintain quality of student learning and faculty work-life</li> <li>• Present organizational systems are necessary to maintain institution</li> <li>• Past calls for fundamental reform based on financial realities proved to be unnecessary</li> </ul>	<ul style="list-style-type: none"> <li>• Reorganizing how education is delivered is necessary to assure quality of student learning and faculty work-life</li> <li>• Curriculum reorganization needed to assure academic program survival with quality</li> <li>• Technology can improve campus effectiveness and reduce costs per student of teaching-learning process and administrative organization</li> <li>• Increased enrollment will lead to increased costs unless educational delivery system is changed</li> <li>• Large tuition increases are difficult to sustain without undermining campus values regarding access and diversity</li> <li>• Significant increases in fund-raising are needed but will not offset losses in revenue</li> </ul>
Actions to be Taken	<ul style="list-style-type: none"> <li>• Incremental changes; selective cuts and layoffs</li> <li>• Hire inexpensive faculty; increased workload</li> <li>• Increase tuition to maximum allowed</li> <li>• Focus on increasing enrollment</li> <li>• Contract out/collaborate on selective services</li> <li>• Ratchet up fund raising</li> <li>• Forceful presentations to state legislators</li> <li>• Refinance debt</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Create a Clear and Coherent Vision of the Future</b> (<i>focus on student learning, quality of faculty work-life and reducing costs/student</i>)</li> <li>• <b>Transform Educational Delivery System</b> (<i>consistent with vision of the future</i>)</li> <li>• <b>Transform Organizational Systems</b> (<i>consistent with vision of the future</i>)</li> </ul>

to balance the budget by draining all available and unspent dollars, make across-the-board budget reductions, and protect all faculty and staff positions.

Yet, in the present environment, a rapid one year turnaround in fiscal conditions is highly unlikely. The result is that after an initial reaction and a second year of reduced resources, institutional leaders tend to move into what we call a “muddling through” mode of operations. As identified in Table I, such an approach assumes that the fiscal reality is very serious but cyclical and therefore, short term—that is, institutional leaders acknowledge that expense reductions need to be deep and selective, fairly significant layoffs and early retirements are part of any budget plan, and wherever possible vacated faculty positions are filled with inexpensive part-time and full-time instructors who teach more and are paid less than other faculty members. At the same time, major emphasis is placed on increasing resources from all sources—maximizing tuition revenue, increasing enrollment, refinancing debt, ratcheting up fund raising goals, and in the public sector pulling out all stops to persuade state officials to increase appropriations to their institution and higher education generally.

In all these reasonable efforts, the focus is on maintaining and even protecting the existing educational and administrative delivery systems while making minor incremental changes throughout the campus. In fact, it is assumed that the educational delivery system cannot be changed. It is also assumed that, while technology may improve faculty teaching, it is always an added expense.

“Muddling through” is a time-honored practice of dealing with cyclical fiscal problems and does not fundamentally change how students learn, faculty teach, and services are provided. In the face of the present fiscal constraints, one can almost hear people say, “we have been successful in the past and we will come out of this OK.” “This too shall pass.”

Most people would say that “if it isn’t broke, don’t fix it,” that our higher education system is the envy of the world and over the last half century has helped create the most powerful economy in history. But, Charles Handy reminds us in *The Age of Paradox*,

It is one of the paradoxes of success  
that the things and ways which got  
you where you are seldom are those  
things that keep you there...  
[This] is a hard lesson to learn.  
(Handy, 1995).

In the present environment, responses that assume a rapid turnaround in fiscal conditions are difficult to justify. The present and projected future economic realities seem to indicate a very different scenario than the past. And if this analysis is correct, then the muddling through approach, far from protecting institutions, may actually undermine the nature of the academic profession by:

- requiring faculty members to take on increasing workload;
- having fewer and fewer faculty members who will have the security associated with quality teaching and scholarly pursuits;
- creating salaries that are not competitive with alternate forms of employment;
- losing the best faculty members who will leave the profession or not join it;
- undermining our capability to offer the present curricula—whether traditional or innovative—with quality.

Over time, this will mean that academic offerings will be less challenging and the quality of learning will be seriously diminished. (Guskin and Marcy, 2002).

## ***Transforming the Campus: Three Organizing Principles and Seven Transformative Actions<sup>1</sup>***

### *Introduction*

The alternative to muddling through is a more profound and, we believe, more hopeful transformative approach to these challenges. Changing societal conditions challenge us in new ways and demand different responses than we have followed in the past. Many of the fiscal difficulties, the increasing developments in technology, the changing demographics of students, and the needs of a diverse, knowledge-based society represent a long term reality that will require long term solutions, not short term, incremental ones. It is in this context that, we believe, colleges and universities must begin to transform their institutions. In Table II and the remainder of this paper, we outline how this might be done by embracing a set of organizing principles and transformative actions that will, we believe, ultimately offer a more hopeful future for the quality of student learning and the nature of faculty work.

We have identified three organizing principles and seven actions that can transform campuses to support student learning and faculty vitality in an era of restricted resources. These principles are based on assumptions about the purpose of colleges and universities, and about the fiscal realities they face: the need to maintain or enhance the quality of faculty work-life; the need to maintain or enhance student learning; and the reality that we will have to accomplish these goals in a significantly restricted fiscal environment.

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<sup>1</sup> The work of this section reflects a continuing series of discussions by the members of the Project's Institute on the Future of Higher Education. Besides the authors, the Institute members are: Michael Bassis, Edgar Beckham, Estela Mara Bensimon, Johnetta Cross Brazzell, Marie Eaton, Peter Ewell, Richard Guarasci, Devorah Lieberman, Kathleen O'Brien, William Plater, Eugene Rice, Barbara Leigh Smith, Carla Stoffle, and Carol Twigg.

Table II

**Creating a Vital Campus in a Climate of Reduced Resources:  
Organizing Principles and Transformative Actions**

**Organizing Principle I:**

**Create a Clear and Coherent Vision of the Future Focused on Student Learning, Quality of Faculty Work-life and Reduced Costs/Student**

**Organizing Principle II:**

**Transform the Educational Delivery System Consistent with Vision of the Future**

*Actions*

1. *Focus on assessment of institution-wide common student learning outcomes as basis for undergraduate degree*
2. *Restructure the role of faculty to include faculty members and other campus professionals as partners in student learning while integrating technology*
3. *Integrate and recognize student learning from all sources*
4. *Audit and restructure curriculum to focus on essential academic programs and curricular offerings*

**Organizing Principle III:**

**Transform the Organizational Systems Consistent with Vision of the Future**

*Actions*

5. *Utilize zero-based budgeting process to audit and redesign the budget allocation process while involving faculty and staff as responsible partners*
6. *Audit and restructure administrative and student services systems while using technology and integrated staffing arrangements to reduce costs*
7. *Audit and redesign technological and staff infrastructure to support transformational changes*

These principles and actions are not meant to be implemented in a linear fashion, rather they represent three sets of overlapping change efforts that are systemically interconnected. While the first organizing principle—creating a clear and coherent vision for the future focused on student learning, quality of faculty work-life and reduced costs per student—must begin any fundamental reform process, many of the others can be approached in a number of different patterns, some in parallel, others sequentially.

The fiscal and administrative organizational systems can and should be approached first after creating a clear vision of the future, however few campuses will find enough resources within these areas to solve their multi-year resource problems. Nevertheless, starting with the administrative areas is a wise initial step as it indicates to the entire campus the seriousness of the institutional leaders as well as offering some potential strategies and resources that will be important for other restructuring efforts. While doing so may delay for a year or two the inevitable financial need to fundamentally reform the learning and curricular systems, it is imperative to begin the process of making these changes. To delay doing so may well be a serious long-term error. For, such major reforms take a long time to implement, and starting too late may miss opportunities to contain rising expenses, which could undermine academic functions and student learning.

When dealing with transforming how students learn, faculty teach and the nature of the curriculum--the educational delivery system--the organizing principles and actions invite us to move beyond many successful individual program innovations to institution-wide change. For example, redesigning large multi-sectioned first year courses through the use of technology and restructuring how faculty teach and students learn has proven to be an effective means of increasing student learning while reducing costs. But so far, these changes have been made only

at the individual course level. The principles and actions assume that innovations such as course redesign, if scaled up to include all courses that could benefit, will lead to fundamental changes in the educational delivery system and the organizational systems of the campus.

## **ORGANIZING PRINCIPLES AND TRANSFORMATIVE ACTIONS**

### **Organizing Principle 1: Create a Clear and Coherent Vision of the Future Focused on Student Learning, Quality of Faculty Work-life and Reduced Costs/Student**

The starting point of any major institutional change effort is to ask a very basic question:

*Given what we know and the likely fiscal, technological and societal realities of the future, if we were creating this college or university today focusing on student learning, what would it look like?*

The initial answer to this broad question is global in nature but leads to the creation of a clear and coherent vision of the future focused on student learning, quality of faculty work-life and reduced costs per student. Such a vision creates the potential for aligning and transforming all academic and organizational programs and structures of an institution around a coherent focus and leads to the pragmatic, strategic choices that build towards a transformed, viable future for a campus. Developing such alignment around a coherent vision of the future also gives the campus an identity to its community and current and prospective students and faculty.

It is a rare college or university that has such a clear and coherent vision of the future and continually acts on it by making strategic choices that intentionally align its systems and programs. Most institutional vision and mission statements are broad, general and often quite elaborate. Their intent, usually, is to state a broad philosophy of education common to many other colleges and universities rather than a focused, tightly drawn vision that enables choices to be made among competing interests regarding the short and long term future of the campus. Clarity about a coherent vision of the future that is continually acted upon requires courageous

leadership and the active participation of many key campus members. Without the creation of such a clear and coherent institutional vision, serious fundamental reform is not possible.

### **Organizing Principle II: Transform the Educational Delivery System Consistent with Focused Vision**

Inherently, the present educational system of courses, credits, and calendar-based systems of teaching and learning focuses solely on how faculty work and, therefore, all attempts at efficiency and productivity in a time of severe fiscal constraint emphasize increases in faculty workload. As outlined in Table III, the present educational delivery system is locked into the notion that creditable learning is primarily and often solely the result of students sitting in a classroom taught by a faculty member. Increasing productivity or efficiency means, then, increasing the number of classes taught or the numbers of students per class.

**Table III**

#### **Relationship between Present and Future Educational Delivery System, Institutional Learning Productivity and Faculty Work**

<b>Nature of Educational Delivery System</b>	<b>Instructional Learning Paradigm of Educational Delivery System</b>	<b>Method for Increasing Institutional Learning Productivity</b>
<i>Present</i> Focus on Faculty Teaching	<b>Student learning is based on faculty teaching courses in classrooms in a time-based calendar format.</b>	Increase faculty teaching time by additional classes or additional students in class  Primary focus is on faculty productivity
<i>Future</i> Focus on Student Learning	<b>Student learning is based on: multiple instructional strategies</b> — <i>e.g., technology-based group and individual learning formats, learning communities, accelerated learning formats, intensive residencies, experiential/service learning, learning with peers, individual learning;</i> <b>new instructional roles</b> — <i>instructional role of campus professionals (librarians, student affairs, community members), faculty mentoring, faculty led intensive discussion groups, and courses;</i> <b>and assessment of student learning</b>	Increases in student learning or enrollment occur in many arenas without increasing total faculty instructional time with students.  Primary focus is on student learning productivity based on assessment of student learning outcomes, irrespective of how or where learning occurs.

Since so much of a campus' budget is tied up in instructional costs (i.e., faculty time), in a period of severe fiscal constraints there will be a need to reduce the faculty time per student or hire inexpensive faculty who will reduce instructional costs by teaching more students at lower pay. The latter is the primary manner in which institutions have acted, often in episodic and unplanned ways. In the long run, as the fiscal resources continue to decrease in real dollars, there will be a tendency not to hire such inexpensive faculty but directly increase existing faculty workload. From the point of view of both the quality of faculty work-life and student learning, it is much more effective in the long run to create alternatives to the present delivery system which reduce the amount of faculty time per student rather than merely hire (and often exploit) inexpensive, temporary faculty or substantially increase faculty workload.

Choosing to reduce the amount of faculty time per student while increasing student learning requires an educational delivery system that is built upon the assessment of student learning outcomes wherever or however the learning occurs. The implicit assumption of following such an alternative path is that the key productivity issue at a college or university is not how much faculty teach but how much students learn.

Students can learn in many ways, and campuses can create many avenues for that learning. Some of these learning environments will involve faculty members, some librarians and student affairs staff, and some community members and employers. The key will not be the time students spend in particular venues, but in their demonstration of learning.

The nature of the learning environment and instruction cannot be haphazard or unplanned, but it can be very diverse and very cost effective in the use of faculty and staff time. A restructured educational delivery system would be focused on student productivity—on students' mastery of skills and subject matter and their ability to demonstrate that learning—not

faculty productivity, thereby reducing costs while enhancing the learning of students and the quality of faculty work-life.

***Transformative Action 1: Focus on Assessment of Institution-wide Common Learning Outcomes as Basis for Undergraduate Degree***

Focusing on the assessment of institution-wide common undergraduate student learning outcomes as the basis for an undergraduate degree changes how we approach student learning. Rather than dealing with credits earned, seat time and course grades, assessment of student learning focuses on the demonstration of student learning outcomes consistent with the institution's educational goals as they are reflected in particular academic areas.

Such an emphasis on assessment of learning outcomes opens up new arenas of learning and provides an essential lever for other transformative changes that will lead to reduced costs per student. This orientation to assessment encourages the integration of experiential and academic learning as well as the integration of learning across academic disciplines. Assessment of individual learning—especially in the lower division—could emphasize continuous assessment of student work that would enable both the student and faculty members to monitor student success. Such assessment of learning outcomes provides the means for the development of alternative instructional roles for faculty members and other campus professionals.

By focusing on a common set of institution-wide learning outcomes, a campus emphasizes that a student can learn at their own pace in different educational arenas—i.e., mastery learning. Such an emphasis on mastery learning unlocks the time-bound controls on how, when and where student learning can take place. In so doing, a campus can create alternative calendars which can enhance student learning options, and create more effective and efficient instructional strategies (e.g., technology-based learning communities built on “Hi-Tech, Hi-Touch” formats; cohort-based accelerated learning; technology-based individual learning.)

This emphasis on assessment and mastery learning also opens up the possibility that students with different learning styles can seek out instructional strategies more conducive to their needs without changing the academic integrity of the campus.

Institution-wide common learning outcomes encourages a campus to continuously change and adjust as it receives continuous feedback on how well students are learning in one or another instructional strategy, curricula program or learning arena inside or outside the institution. In a time of severe fiscal constraints, such assessments would also provide faculty members and institutional leaders with information about areas that are essential to maintain and enhance in alignment with the campus' vision of the future, as well as those that may not be essential. (For examples of assessment of learning in alignment with an institution's vision see Alverno College and Indiana University-Purdue University Indianapolis -IUPUI).

It should be emphasized that by itself assessment of institution-wide common learning outcomes will not necessarily reduce costs, but it is an essential tool for ensuring academic quality while providing the framework for other transformative actions that can reduce the costs per student. This is evident in the following three transformative actions.

***Transformative Action 2: Restructure the Role of Faculty to include Faculty Members and Other Campus Professionals as Partners in Student Learning while Integrating Technology.***

Facing a future of major reductions in financial resources while maintaining the quality of faculty work-life will require a significant reconsideration of how faculty work, and a much broader conception of how non-faculty campus professionals can contribute to student learning. Making these changes will require us to reconsider how we can maximize the use of all relevant educators in a systematic planned way: by utilizing full-time faculty—both tenure track and non-

tenure track—and part-time faculty, by utilizing librarians and student service professionals, and by directly involving community members in the education of students.

The traditional specialization of campus faculty and staff roles has meant that faculty members spend much of their time preparing for or working in the classroom and, in many cases, conducting research. Meanwhile, other campus professionals who have close contact with students—including those in student affairs and the library—often are not integrated directly into the academic life of students. By enlisting other campus professionals as partners with faculty members to help students achieve institutional learning outcomes, student could be provided greater opportunities for a wide range of learning options.

Focusing on student learning and the assessment of student learning outcomes makes it easier to conceive and implement new learning environments and involving other campus professionals with faculty. Since students will be assessed on their demonstration of what they have learned, the classroom need not be the only, or even primary venue, in which learning takes place; nor will direct contact with a faculty member always be necessary for all legitimate student learning to occur.

Integrating technology into the core of the educational process also has the potential to significantly alter how faculty teach and students learn. Good examples of utilizing technology in this way are emerging from the work of Carol Twigg and her collaborators at more than 30 colleges and universities, where there have been successes in restructuring high-enrollment, multi-sectioned courses. These restructured courses offer multiple avenues for learning, including content-based software, student-led problem solving teams, learning laboratories with faculty or tutorial support, increased individual work, and—at times—student-paced learning protocols. These redesigned courses have led to increases in student learning and reduced

faculty workload, while yielding very significant cost savings—from 30-80% per course. (For examples see Virginia Tech and the Center for Academic Transformation at RPI)

Another restructured course format utilizes cohort-based intensive residencies that meet on a monthly or bi-weekly basis—or some other time sequence—complemented by connection through technologically linked learning communities. These formats have been shown to have considerable success in providing a flexible response to the demands on student and faculty time and increasing student retention. In all of these restructured learning environments that integrate technology, the key is to focus on student learning, faculty workload, and cost reduction rather than on the technology itself.

This reconsideration of how faculty work within the context of new technologies and the role of other campus professionals leads us to conceive of new roles for faculty members; rather than the standard lecture discussion teaching format, faculty members may well carry out a diverse set of activities such as mentoring, intensive discussion leader, lecturer for short periods of time and assessor of student learning outcomes (Eaton, 2002). As long as clear institution-wide and program learning outcomes are articulated and achieved, these roles could reduce the amount of faculty time per student and the work of all campus professionals could be more directly linked to student learning, providing efficiency and engagement while maintaining or enhancing student learning.

As discussed in *Transformative Action 7*, the key to these changes in the instructional role will be the availability of campus centers for helping both faculty members and other campus professionals develop the skills to be effective in these redesigned educational arenas. (For examples, see the Center for Teaching Excellence at Portland State University.)

***Transformative Action 3: Integrate and Recognize Student Learning from All Sources.***

Virtually all of our research on student learning tells us that students learn from all aspects of their college experience, including time spent with peers, in student activities, and in their out-of-school work and service life. Yet we integrate very little of this out-of-class learning into our coursework, and measure even less via our structure of accumulated credits. A learning process that more intentionally integrates student learning from a range of experiences can ensure that student learning out of the classroom is focused, reflective, and moves toward campus goals for learning outcomes. A key for making this successful is the development of assessment tools for measuring learning outcomes (*see Transformative Action 1*).

Service learning, co-op learning, student activities, and other experiential learning have been shown to make a positive significant contribution to student success. One way to financially capitalize on these positive gains is for a campus to build a sophisticated experiential learning system that refocuses some of the current workload in areas such as student affairs and student support services, and more fully integrates these learning experiences into the academic core. There is also the possibility of more directly involving skilled community and employer supervisors of experiential learning experiences as educators who are not only involved in guiding students in their work, but also fostering meaningful student reflection on these experiences.

Capitalizing on student learning experiences that occur in many arenas—with and without faculty and staff members—offers the opportunity for a more efficient utilization of campus human and technological resources. The key to distinguishing these learning experiences as valid educational ventures will be the degree to which students reflect upon these experiences—with the aid of peers, community members, faculty members and/or other professionals—and demonstrate how their learning meets faculty generated, institutionally

approved educational outcomes measured by assessment tools. In following this pattern, a campus can reduce its expenses but offer a richer education for students.

***Transformative Action 4: Audit and Restructure Curriculum to Focus on Essential Academic Programs and Curricular Offerings***

A campus that has a clear and coherent vision of the future has the capability to assess its curriculum, and make strategic choices about which programs are essential to support the institution's vision and how they should be designed and structured. The need for such a curriculum audit reflects the manner in which the curricula of most colleges and universities—even those that have undertaken major curricular reform—have incrementally evolved over the last four decades: as each discipline or specialty has grown, it has been common for new courses, majors, or minors to be added along with the continual development of new programs to meet faculty and/or student interests. A structured audit allows for the identification and support of programs that are in alignment with the institutional vision of the future, and the deletion of those that are not so aligned. In developing such curricular alignment, a considerable amount of faculty time can be freed up for new curricular formats while, at the same time, reducing the overall size of the curriculum, reducing the costs per student and maintaining or increasing quality.

This type of curriculum audit also provides the opportunity to identify:

- programs that might benefit from collaboration with other institutions;
- extremely large classes that can be redesigned to increase student learning, reduce faculty workload, and save resources;
- extremely small classes that are important but can be integrated with others or change in significant ways.

Such an audit and the strategic decisions that follow create the possibility for greater curricular focus, a better use of campus resources, and a reduction in costs per student.

### **Organizing Principle III: Transform the Organizational Systems Consistent with Vision of the Future**

Organizational systems in higher education, and every other institutional form, are built to maintain the present operations along with incremental adjustments. Major changes in basic operating processes and procedures are resisted and usually avoided. These systems are built for stability and are very effective as long as the underlying assumptions on which they are based continue. In effect, the structures and processes of higher education were built to educate and support residential, traditional aged students from relatively homogeneous backgrounds whose prior education prepared them to attend college in a pre-information technology-based learning environment. Faculty members were the primary means for imparting information and knowledge. The classroom, therefore, was the sole province of the individual faculty member who was also responsible for evaluating student learning. Completing the bachelor's degree in this setting is determined by the accumulation of credits.

To support this learning environment, an elaborate staff was developed which was organized into departments representing specific functions—registrar, business office, technology etc. In turn, much like the faculty, national groups were created to develop standards for each of these professional areas that led to increasing specialization on the campus. As the internal and external demands on each of these areas increased along with the introduction of sophisticated computer technology, so did the need for staff and for fiscal support. The result was that in the 1980s and '90s, the largest increases in campus personnel were in the non-academic areas.

One of the results of the increasing specialization among both the faculty and non-academic staff is that each group focused more intently in their own areas while each expected the others to be totally successful in their actions, thereby increasing the resources of the institution. For example, admissions staff were seen as solely responsible for bringing in students and were to blame if targets were missed; student support staff were responsible for student retention and taking care of student problems; faculty were expected to teach and do research and not worry about the budget (that would be handled by the financial people) and so on. The outcome of this specialization has been a tendency to blame others when things go wrong and not to be responsible for how resources are spent and generated and the overall success of students.

All of these incremental changes made sense and followed the needs of the institutions. But, like the academic area, they are based on a set of assumptions of how colleges and universities have been funded and the traditional practices of professionals utilizing their specialized expertise. The problem today is not that people are failing to do their jobs, but that these assumptions are coming under the challenge of 21<sup>st</sup> century realities—in terms of available funds, the powerful changes in the academic area and its needs, the changing profile of the student body, and the ever increasing sophistication of computer technology and software. In particular, these new technologies provide the potential for redesigning routine administrative activities (by substituting technology for staff) as well as providing easy access to information that has long been the preserve of professional and technical staff.

The tendency of administrators—like everyone else—is not to challenge underlying assumptions but make incremental adjustments to serve new needs and then seek more resources to fund them. But, as we have maintained throughout this paper, the reality is that if we do not

transform how we do our work the costs of maintaining our colleges and universities will significantly outstrip our capability to generate resources. These are tough times and there are tough choices to be made, in both the administrative and academic areas of the campus.

***Transformative Action 5: Utilize Zero-based Budgeting Process to Audit and Redesign the Budget Allocation Process while Involving Faculty and Staff as Responsible Partners***

The most effective way to move a campus in the direction of specific goals or themes is to ensure that annual budget allocations are aligned with the vision of the future. This may seem obvious, but it is not easy to do. Most institutions engage in incremental budgeting, adding or reducing from the previous year's allocation depending on available resources. Even when a campus undertakes a new initiative, it is most likely done with additional budget money, without any serious reallocation of the base budget for the institution.

Creating a zero-based budget following an institution's vision of the future is challenging, but it is essential if a campus is to deal with continuing fiscal constraints while providing a quality education for students and decent work-life for faculty and staff. The challenge lies in questioning all institutional functions and services, and determining every year or every other year which are most worthy within the context of the campus' vision of the future.

The questioning and challenging of all institutional functions and services, including those in the academic area, require the involvement of faculty, staff, and administrators at many levels, not just those higher level administrators responsible for major institutional units. Enabling people to participate in and be responsible for decisions that affect their lives as members of a campus is good philosophy and pragmatically wise. On the one hand, people can and will change when they are aware of the need for it to occur, if they understand the costs of not doing so, and if they believe they have responsibility for creating a more hopeful future. On the other hand, if people are ignorant of how money is allocated in their own unit and have no

responsibility for what can and will happen to their unit's resources, they will expect that any reductions and need for reorganization in their area may not be matched by others. (see IUPUI for how it uses Responsibility Centered management).

Ultimately, the annual budget process of an institution represents the only concrete statement about alignment of an institution's practices with its vision of the future. And, where money is spent drives people's expectations about what they should and should not do. If an institution's vision is incrementally funded, with the relatively few dollars saved from unfilled positions or small incremental dollars available, the message is clear to everyone—such programs are desirable but not essential; business as usual—with minor adjustments—rules the day. College and university leaders can deliver pronouncements about their institution's future, but it is the allocation of the annual budget that creates that future!

***Transformative Action 6: Audit and Restructure Administrative and Student Services Systems while using Technology and Integrated Staffing Arrangements to Reduce Costs.***

Administrative and student support services, like other areas of the campus, are usually not reviewed at a core level, but receive incremental increases or reductions based on available resources. However, given the need to reduce expenses, a campus will need to redesign these services and the systems that support them. This can be done by assessing what are essential and non-essential services, and by reducing or eliminating the non-essential. Campuses will need to utilize contemporary technology to redesign support activities, and to train staff to work together more effectively and efficiently within these redesigned organizational environments.

New and evolving technology may result in significant efficiencies in administrative programs, if consideration is given to what technology can do well. As one of our colleagues said, "let robots do robotic work, and let humans do people work." Many budgeting, accounting, and aid processes have become more efficient with current technology. Technology that allows

for automated registration and grading is now common; there are good examples of institutions in which almost all students apply for financial aid on-line, which have resulted in a reduction of staff time and the inconvenience of long lines for students; and new developments in electronic portfolios for students show great promise in increasing student learning and available information for faculty, while reducing administrative workload. (see, for example, Alverno College).

The challenge is to determine those services and functions that are essential and then to redesign them around these new technologies, thereby reducing costs and improving service, rather than using the technology as an addition to traditional structures. A critical part of this redesign of essential functions will be the cross training of teams of staff, to offer more integrated, effective and efficient services.

***Transformative Action 7: Audit and Redesign Technological and Staff Infrastructure to Support Transformational Changes***

Developing a strong, efficient and creative technological, academic and administrative support infrastructure is critical to the transformation of a campus. In each of the transformative actions there are infrastructure needs that require an investment in new technology and personnel. While it may seem paradoxical to be urging investment in increased financial support in these areas while reducing support in others, it is a practical fact of life that must be confronted in any fundamental reform of a campus.

When building a system for assessment of institution-wide learning outcomes, faculty will need new skills in learning how to develop and implement such a function. To acquire those skills will require considerable faculty development and the expertise of skilled professionals in this area. When faculty roles are restructured around learning outcomes and new non-classroom relationships with students—e.g., mentoring, leading intensive small group discussions,

facilitating student reflection on work experiences, and working as partners with others in the learning process—there will be a need for creative professionals in faculty development centers to support these changes in faculty work. Similarly, campus professionals whose work will be more intimately involved in achieving student learning outcomes will need support to reconceive their activities. Encouraging administrative staff to be cross-trained and operate in an integrative fashion with others rather than in separate departmental silos will also require considerable training and continuous support

An area that will undergo significant restructuring itself and will also be important in supporting the changes in the academic area is the library. Rather than be a separate unit providing access to their own resources, most academic libraries are now part of elaborate networks of resources and have become essential guides for students and faculty to global information resources in increasingly accessible formats.

But, the library of the future will need to be a true learning center for students and faculty; where all information technology resources are integrated into one efficient unit that is focused on how the ever increasing developments in technology can be utilized for the benefits of the campus vision of the future, and where faculty and staff development regarding new roles, instructional strategies, and activities are centered. Such a transformed library will be both the symbolic and concrete educational heart of a campus.

Investments in such infrastructure needs will make the very difficult process of zero-based budgeting even more complex, as there will be even deeper and earlier cuts in traditional functions in order to reallocate funds for supporting the development of the new transformed educational delivery system and administrative and student support areas. Following such a path will indeed be difficult; for the tendency has always been to cut the support and infrastructure

areas first, including the library, faculty development centers and even technology support personnel. However, these choices will be made conceptually easier when a campus recognizes that the present fiscal and societal realities are not short-term, cyclical matters that will dissipate over time but rather long term issues that require long-term solutions.

## **CONCLUSION**

This paper makes the argument that there is a need for significant restructuring of our colleges and universities—especially at the undergraduate level—and proposes a set of three organizing principles and seven transformative actions for creating such institutions. In making this case, we are mindful of the difficulties and pain that can ensue as administrative and faculty leaders embark on this journey. We propose such fundamental changes only because the alternative will be more painful and damaging—and less hopeful—than redesigning our institutions. We believe that it does not make sense to follow a path that leads to a slow and inexorable erosion of the nature of the academic profession as we know it—and for the quality of the educational programs and student learning that has evolved from it.

When embarking on a path to fundamental reform, it will be helpful for faculty and institutional leaders to have models of what a transformed campus might look like in order to lead their campuses to envision a viable and vital future. Following the path we have laid out provides direction for developing such conceptions. In the months ahead, the Project on the Future of Higher Education, which includes some of the most creative thinkers and practitioners in undergraduate education (see earlier footnote), will use these organizing principles and transformative actions to create models for how institutions might be organized at the undergraduate level in different types of colleges and universities, as well as considering the change process involved in such fundamental institutional changes.

In developing these institutional models, we recognize that no single tried and true model exists that will enable an individual college or university to meet the challenges of the future. Each institution will have to come to terms with its own history, values, institutional settings and resources.

Choosing to follow the path we have outlined requires an overhaul in our thinking about how our colleges and universities can be organized. These are tough choices in a difficult time. However, for the overwhelming majority of young and middle-aged faculty who will remain at their institutions throughout their work-lives, the fundamental changes that emerge from redesigning their colleges and universities around the proposed actions will create opportunities for meaningful and vital careers and the possibility of engaged, substantive learning opportunities for their students.

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