



2010/2011 Series: Economic Prosperity in the Next Decade

edited by: Dr. Marylouise Fennell and Dr. Scott D. Miller

foreword by: John Walda



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Foreword

John Walda, President and CEO of the National Association of College and University Business Officers

In this edition of *Presidential Perspectives*, Scott Miller, president of Bethany College, West Virginia, and Marylouise Fennell, senior counsel for the Council of Independent Colleges—with the generous support of ARAMARK Higher Education—offer essays on a range of important leadership topics written by 10 presidents who are successfully taking on today’s higher education challenges.

This forward-looking publication, *Economic Prosperity in the Next Decade*, follows on the heels of *Leadership in the Great Recession*—an excellent compendium of best practices for challenging economic times. This is not to imply that challenging times are behind us—far from it. In higher education, we face continued state budget shortfalls, diminishing state allocations for public colleges and universities, endowment losses, and the impending end to federal stimulus funds. Tight—and, in many cases, diminishing—resources are further strained by unprecedented student demand.

What has changed, dramatically and positively, is the way we in higher education do business. Higher education institutions have been exploring new financial and educational delivery models at an unprecedented pace. Institutions have been finding new and innovative ways to respond to student need, often while simultaneously cutting operating costs. While *Presidential Perspectives* has always been written with presidential readership in mind, it is with the recognition that the presidential role is not a static one. One could argue the college president role has become more and more like that of a corporate CEO, as colleges and universities are necessarily run increasingly like businesses in order to not just succeed but thrive in today’s competitive world.

The essays address many critical issues presidents and other campus leaders contend with today in order to successfully plan for tomorrow—topics such as transformational leadership, three-year degrees, sustainability and climate action planning, and public/private relationships. It’s important to note that prior editions of *Presidential Perspectives* have been used not just by college and university presidents; others in higher education senior level administration have found them useful as guides. Additionally, these essays have made their way into classrooms, as instructors have recognized their usefulness as a teaching tool. The timely essays in this year’s *Presidential Perspectives* continue the tradition of providing unique insight into the world of higher education.



John Walda is the President and CEO of the National Association of College and University Business Officers (NACUBO) in Washington, D.C., a position he has held since June 2006. Walda received both his B.A. degree and J.D. from Indiana University. His career has spanned three decades in both public policy and law. He served as President of the Indiana University Board of Trustees for eight years, as Chairman of the Indiana Lottery Commission, as a Director and Chairman of the Association of Governing Boards, and as Chairman of the Board of Clarian Health Partners, which owns and operates the Indiana University Hospitals. He currently serves as the Chairman of the Steering Committee for the Washington Higher Education Secretariat and as Director of the American Council on Education.

Preface and Acknowledgements

Dr. Marylouise Fennell, RSM, Senior Counsel for Council of Independent Colleges

Dr. Scott D. Miller, President of Bethany College

The changing landscape of higher education continually challenges colleges and universities to excel in an increasingly competitive environment. The current economic climate further compounds the academic and administrative decisions facing institutional leadership. Yet, many institutions are not only adapting to the new realities of higher education, but also thriving. Authored by notable presidents whose institutions are in the forefront of innovation, the 2010–2011 series of *Presidential Perspectives* addresses “Economic Prosperity in the Next Decade” and provides thoughtful case examples from which other institutions can learn and emulate.

Now in its fifth year, *Presidential Perspectives* endures due to the generosity and innovation of ARAMARK Higher Education, a leading provider of award-winning dining, facility management, and conference center services to colleges and universities. Each month, a different presidential chapter is distributed electronically and posted on the Presidential Perspectives website (www.presidentialperspectives.org). The culmination of the annual series is a bound keepsake book.

We are especially indebted to:

- **Chris Hackem**, ARAMARK Higher Education President, for her support and sponsorship of this thoughtful leadership series
- **Bruce Alperin**, ARAMARK Higher Education Senior Director of Marketing, for his vision, guidance, and countless hours bringing this series to fruition
- **Martha Gaffney, Betty Van Iersel**, and **Stephanie Kappel**, our special assistants, who regularly read our minds
- **Annie Miller**, Scott’s wife of 28 years, a dedicated supporter of education who has loyally served as “first lady” of three colleges

About the Editors



Dr. Marylouise Fennell, RSM, is an internationally recognized management consultant in higher education. Dr. Fennell specializes in independent higher education as a mentor, counselor, search consultant, and consultant to presidents, administrators, and boards of trustees of colleges and universities, as well as for-profit businesses that serve the non-profit sector.

Dr. Fennell brings a unique perspective to her specialty—namely, an intimate knowledge and respect of the presidency and higher education administration. She has served as President of Carlow University in Pittsburgh, Pennsylvania; served as Assistant Dean of the Graduate Division of St. Joseph College in West Hartford, Connecticut; and has been a tenured faculty member, Department Chair, Division Chair, founder and Director of the Counseling Institute, Director of the Pastoral Ministry Institute, and founder and Director of the Cross Cultural Counseling Symposium. Prior to these assignments, she served in teaching and clinical positions at the University of Hartford and Boston University. Dr. Fennell is the first graduate of the University of Hartford to be named a College President. In 1999, Governor Tom Ridge named Dr. Fennell a Distinguished Daughter of Pennsylvania.

Dr. Fennell is the Senior Counsel for The Council of Independent Colleges and has been the chief consultant for the Association of Private Universities of Central America. She has assisted the Central American Universities in the establishment of an accreditation system and is the author of the Central American Accreditation Guidelines for Excellence in Education. Dr. Fennell is presently serving as Executive Director of the Inter-American Consortium of Higher Education.

Dr. Fennell presently serves on numerous boards and has served as a trustee on more than 50 boards throughout her career. She was the first woman to be elected to the Board of Directors of the Duquesne Club, which was founded in 1873. Dr. Fennell has won many awards and received approximately 45 honorary degrees. She is widely published.

About the Editors



Dr. Scott D. Miller is the President and M.M. Cochran Professor of Leadership Studies at Bethany College in West Virginia. Dr. Miller earned his Bachelor of Arts degree from West Virginia Wesleyan College, Master of Arts from the University of Dayton, Ed.S. from Vanderbilt University, and Ph.D. in Higher Education Administration from Union Institute & University.

Now in his 21st year as a college Chief Executive Officer, Dr. Miller served for 10.5 years (1997–2007) as President of the College and Du Pont Professor of Leadership Studies at Wesley College in Delaware. He also has served as President of Lincoln Memorial University (1991–97). Before being named President there, he served as Executive Vice President (1988–91) and Vice President for Development (1984–88). A native of Pennsylvania, Dr. Miller is a former Director of University Relations and Alumni Affairs at the University of Rio Grande in Ohio and a former journalist. Well known nationally for his contributions to higher education, he was one of 17 presidents nationwide featured in a Kaufman Foundation-funded book, *The Entrepreneurial College President* (American Council on Education/ Praeger Series on Higher Education, 2004). Dr. Miller and the Wesley story were one of four amazing transformational stories featured in the book *The Small College Guide to Financial Health* (National Association of College & University Business Officers, 2002) and one of six featured in *The Small College Guide to Financial Health: Weathering Turbulent Times* (NACUBO, 2009). He was extensively interviewed in *The First 120 Days: What A New President Must Do* (Jerold Panas, 2008). He is a regular columnist for *College Planning and Management* and is the author of a widely distributed e-newsletter, “The President’s Letter,” which addresses a wide variety of higher education issues.

Both Drs. Fennell and Miller serve as consultants to college and university presidents and boards and are regular columnists to *College Planning and Management* magazine.

About the Publisher

About ARAMARK Higher Education

ARAMARK Higher Education is dedicated to excellence in facility, dining, conference center, and stadium and arena services. ARAMARK Higher Education enhances the living and learning experience and environment for more than 600 colleges and universities throughout North America. Facility services offered include facilities maintenance; custodial; grounds; energy procurement and management; climate action planning and implementation; capital project management; and building commissioning. Dining services offered include master planning; culinary development and venue design; catering; and residential, quick-serve, and express dining concepts. For more information, please visit www.aramarkhighered.com.

About ARAMARK

ARAMARK is a leader in professional services, providing award-winning food services, facilities management, and uniform and career apparel to healthcare institutions, universities and school districts, stadiums and arenas, and businesses around the world. In *FORTUNE* magazine's 2010 list of "World's Most Admired Companies," ARAMARK was ranked number one in its industry, consistently ranking since 1998 as one of the top three most admired companies in its industry as evaluated by peers and analysts. ARAMARK seeks to responsibly address issues that matter to its clients, customers, employees, and communities by focusing on employee advocacy, environmental stewardship, health and wellness, and community involvement. Headquartered in Philadelphia, ARAMARK has more than 255,000 employees serving clients in 22 countries. Learn more at the company's Web site, www.aramark.com, or at www.twitter.com/aramarknews.



2010/2011 Series: Economic Prosperity in the Next Decade

chapter one: **Leadership and Change**



Leadership and Change

Dr. Kevin J. Manning, President of Stevenson University

Most leaders instinctively understand the danger in initiating change in their complex organizations, because all parts relate to one another. When you strengthen or change one part, you may weaken another. Often participants may not like change, so they push back, or worse, they become lost in new directions. Clearly, change can be hazardous and even destroy an organization.

Yet, there are many reasons to bring about change in an organization. In some cases, the basic organizational model or business plan is too weak to continue generating adequate resources. Or, maybe an organization is out of balance with external markets and begins to falter. In the case of Stevenson University, where I became president in 2000, the reasons to implement change encompassed both perspectives.

The Historic Context—A Need to Change

In 1947, Stevenson University was founded by the Sisters of Notre Dame de Namur as Villa Julie College, initially as a one-year college for women near Baltimore, Maryland. A Belgium-based order with an educational mission, the sisters founded three other colleges in the United States.

By the mid-1950s, Stevenson was a church-affiliated commuter college for women, offering two-year degrees in career-related fields. In 1967, the sisters transferred ownership to an independent board, making the school eligible for public funding. Leadership consisted primarily of former Sisters of the Order who then led the institution for more than 30 years.

By the late 1960s, the College was a small institution with few buildings and limited financial resources. Even as enrollment gradually increased, financial resources were tight. In 1972, the institution became coeducational and in 1984 began to offer four-year degrees, an undertaking met with vigorous objections by other Maryland colleges.

“No change takes place without fostering teamwork and realizing passion and action.”

During the late 1990s, Stevenson built two needed buildings to address continuing growth and student needs. This created considerable neighboring community conflict and tremendous stress for the leadership team. Following the successful construction, the president, who had been at the helm for nearly 30 years, decided to retire. An interim leader was appointed to allow time for a national search.

In 2000, the search concluded with the arrival of the new president. With approximately 1,400 students and an operating budget of \$24 million, Stevenson was still predominately a commuter college with a residential population of several hundred students housed off campus in leased space. Although the budget was balanced, Stevenson's future prospects were not favorable due to competitive pressures and foreseeable demographic declines in Maryland's traditional student base.

A Fresh Perspective

Stevenson's new president brought a 30-year background in higher education, along with recruitment and fundraising experience. His first act was leading faculty and staff in the creation of a five-year strategic plan. In 2001, the strategic plan was launched, focused on a vision of becoming a national leader in career education.

Because of the institution's roots and the high number of first-generation collegians as its students, a career-oriented vision made sense. Surprisingly, even at this point in time, an explicit career goal for a four-year non-vocational college is somewhat distinctive in higher education. Stevenson was ahead of the curve in recognizing that parents were very concerned about their children's futures. Stevenson students shared a similar concern. An emphasis on career excellence, blended with liberal arts in the core curriculum, addressed the issue.

The career office, aided by the strategic plan processes, was expanded, relocated, and reviewed regularly for necessary updates. The institution focused on job and graduate school placement rates; developed a trademark-pending process called Career ArchitectureSM; and connected career planning to the curriculum and academic departments.

A Strategic Connection

One of the most important aspects of change at Stevenson was the direct connection of the budgeting process to the strategic plan. The 2001 strategic plan incorporated the standard elements: mission, vision, values, and strategies. The impact of the process was realized in 2002 when administrators were required to connect all budget requests to the strategic plan. This linkage created two advantages. First, it led to needed funding for new programs. Second, it validated the importance of the plan itself. Academic departments and administrative units were required to focus on strategic goals.

An Enrollment Focus

The leadership team had to decide what the emphasis was going to be: raising money for expansion or expanding the enrollment. With a relatively small endowment of \$24 million, additional resources would clearly be required for expansion. Stevenson had no history of successful fundraising campaigns. Expanding enrollment also was especially challenging, since the footprint of the original campus was small, and there were no residence halls to attract distant students. The decision was made to initiate enrollment expansion while introducing a comprehensive fundraising campaign at a later time.

Taking a Big Risk

It had long been a dream of the Stevenson Board of Trustees and executive leadership to build student residence halls. Campus housing was a near impossibility on the main campus because of expensive infrastructure and zoning issues. The Board eventually approved the purchase of land to build residence halls at a site six miles from the original campus.

The addition of campus housing proved to be the turning point in the strategic development of a true university. Clearly, the expansion decision posed many risks, especially because Stevenson eventually planned to offer classes on the two campuses. These risks included transportation, duplication of services, related costs, and acceptance by student applicants. Although very large universities have more than one location, it is unusual to find two full-service campuses operating simultaneously at a smaller institution.

A Dynamic Transition

In just 10 years, Stevenson University transitioned from a small and fragile commuter college with 1,400 commuters to a regional university with an anticipated enrollment of 3,000 undergraduate students for the 2010 academic year. The endowment grew from \$23 million to nearly \$50 million, and gross assets grew from \$65 million to about \$250 million. To facilitate the growth, the debt load grew from \$12 million to nearly \$125 million. Almost all of the expense was paid for via tax-exempt bonds. The financial ability to build this attractive second campus for favorable terms was the result of a strong relationship with a local developer who took a personal interest in the growth and development of the institution. Today, combined housing and additional enrollment generate \$45 million in resources.

Beyond just student housing, Stevenson generated a sustained level of dynamic growth with its second full-service campus. The new 100-plus acre campus now includes an athletic complex with a modern gymnasium and plans for a 3,000-plus seat stadium, three types of residence halls housing up to 1,500 students, a student center, and two academic buildings. Classes are held on both campuses and shuttle vans transport students day and night.

Stevenson and Change

Stevenson University and change seem to be synonymous. Since 2000, the University has changed or reviewed the core curriculum twice. It implemented a faculty council for an institution that had never had formal faculty governance. Stevenson spent nearly four years patiently deciding to organize under a university model and researching and planning the 2008 name change from Villa Julie College to Stevenson University. Since then, Stevenson has established six schools led by new deans.

Throughout this evolution, Stevenson's approach has been lauded by national publications and received several awards for its entrepreneurial efforts. Stevenson has been recognized in *U.S. News and World Report's* America's Best Colleges as one of a handful of up-and-coming colleges known for innovation in education.

Lessons Learned

The changes during these past 10 years at Stevenson were necessary to sustain a successful organization. From a leadership perspective, these changes were difficult. Some of the essential ideas that helped propel the extraordinary changes include:

- **Focus on Unique Strengths.** Higher education officials are obsessed with emulating the strengths of other institutions. Although such benchmarking approaches may be desirable, these can sometimes take away the distinctive competencies sought by students and parents during complex college search processes. Market research shows that job placement and career planning consistently rank as higher education strengths sought by education consumers. By narrowing Stevenson's focus on career preparation while linking to a solid tradition in the humanities, the University has accessed a significant portion of the Mid-Atlantic regional market in a short period of time. Rapid growth of out-of-state applicants was supported by the fact that Stevenson's tuition and fees have always been competitive in state but are even more so compared to non-Maryland applicants.
- **Create a Challenge.** Whether it is the president, the board, or the faculty and staff, challenging goals are highly motivational and can quickly transform an institution. Employees and faculty may resist challenging goals early in the change process, largely due to a fear of failure. With encouragement and focus, nothing is more satisfying or powerful than to have achieved a difficult goal.
- **Make Bold Decisions and Take Risks.** Stevenson's transformation to a university has not been easy. The name change was especially complex and required the involvement of diverse and sometimes emotional constituencies to gain support. To create the second campus, borrowing of \$125 million with an operating budget of only \$70 million was a risk that most boards and presidents would not be willing to take. Stevenson was convinced that it had the right tuition level, career focus, and academic plan to successfully recruit students to fill a new campus. After just a few years, and despite a challenging economy, strong enrollment results support and justify the dramatic changes undertaken.

PRESIDENTIAL PERSPECTIVES

- **Involve Everyone in Everything.** A strategic plan provides the focus. The risk permits the journey to begin. But no change takes place without fostering teamwork and realizing passion and action. Stevenson involved numerous faculty, staff, students, and alumni in decisions about the name change. Subsequently, a newly formed faculty council helped to create the University structure. The Board provided wise counsel on important matters. Although much input from diverse stakeholders was advisory in nature, such involvement assisted campus leadership in making better decisions.
- **Rewards Overcome Risks.** Stevenson may illustrate the exception to the standard minimization of risk practices so prevalent in the Twenty-First Century. With a raging recession and continued fears about the future, it is difficult to imagine other institutions undertaking the financial and change risks of creating a second college campus while simultaneously repositioning itself as a university with a new name. The leadership team assessed the changes as essential to long-term survival and success.

The future of higher education overall is bright, albeit challenging. With patience, planning skills, and a focus on calculated risks, needed changes at the institutional level may improve the higher education industry and enable future students to receive the education they need for success.



Dr. Kevin J. Manning assumed the role as the fourth President of Stevenson University on July 1, 2000. President Manning’s career in higher education spans more than 40 years. Before coming to Stevenson University, he was Vice President for Development and College Relations at Immaculata University in Pennsylvania. Previously, he held key administrative positions at Elizabethtown College in Pennsylvania and at Washington University in Missouri.

Widely acknowledged as a visionary leader (He received Ernst & Young’s, “ Entrepreneur of the Year® Award ” for Education in 2007.), President Manning also is on the Board of Directors for the United Way of Central Maryland and was the cochair for its 2009 fundraising campaign. He also is on the Board of Directors of the Greater Baltimore Committee, the Maryland Business Roundtable for Education, and the Maryland Chamber of Commerce.

President Manning earned a Bachelor of Arts in Theatre from Webster University, a Master of Science in Counseling and Student Personnel from Shippensburg University, and a Ph.D. in Higher Education Administration from Ohio State University.

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