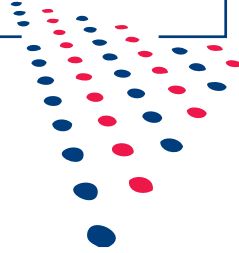


PRESIDENTIAL PERSPECTIVES



a higher education presidential thought leadership series

2011/2012 Series: **Strategies to Address the Rising Cost of Higher Education**

chapter

2: Cutting Our Way to Excellence? Unlikely.

Cutting Our Way to Excellence? Unlikely.

Dr. Donna Randall, President, Albion College

Higher education today requires a significant investment from students and their families—an investment that unfortunately many are not prepared to make, given the current economic challenges we face. The National Humanities Center reports that college costs have increased 50 percent over the past decade, while family income actually fell between 2000 and 2009. At the same time, the media is stepping up criticism of the cost of higher education. Legislators are demanding a more thorough assessment of the outcomes of higher education. College graduates are increasingly burdened by loan debt.

Does the investment in higher education provide commensurate value?

The Price Component

To improve the price-to-value equation, over the past decade, many higher education institutions across the nation have made sweeping budget reductions. This cutting intensified with the current recession. Some of the recent cuts were across the board—salary freezes, furloughs, and operating budgets. Other cuts were more targeted—program reductions, position reductions, and closure of departments.

Albion College, like hundreds of other institutions, reduced its budget with across-the-board and targeted cuts.

The Value Component

Cost-cutting, however, does not address the need to meet students' expectations for increased value for their investment in higher education. At Albion College, we recognized that we must provide the quality of education necessary to prepare our graduates to compete in a global context. In 2009, we launched a strategy that focused on the value component of the price-to-value equation. The challenge for the institution was simultaneously to cut expenses so we could minimize tuition increases, while reallocating current dollars and investing new resources to increase the value of an Albion education—both real and perceived.



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PRESIDENTIAL PERSPECTIVES

Real Value

Albion College is a four-year liberal arts college in southern Michigan founded in 1835. It was the first private college in Michigan to establish a chapter of Phi Beta Kappa. Albion College enrolls about 1,600 students from 25 states and 17 foreign countries. The college is known for several programs of distinction, including three institutes focusing on leadership in public policy and service, business and management, and premedical professions.

Of our 23,000 graduates, many can be found at the highest levels in private and public enterprises. They remain deeply thankful for the solid educational foundation provided through their liberal arts education. Many attribute their career success to the critical thinking and analytic and communication skills they developed as undergraduates. They report that those skills allowed them to change careers with ease and to thrive in new and challenging positions.

While the college is proud of its past and its alumni, the world economy has changed, and our graduates are now entering one of the most challenging employment climates in decades. As many of our students are recruited from Michigan and want to stay in the state after graduation, they face particular challenges as the state's unemployment rates remain high. Since 2007, many more of our families have been worried about their financial security and their ability to afford a private college education for their children. Their anxiety extends to the prospects of employment for their students upon graduation.

With such challenges, I determined that Albion College needed to add more value in order to attract and retain talented students and to provide them with the professional preparation needed for their career success. Our strategy was to design a four-year educational model integrating a career readiness focus into our liberal arts curriculum. We wanted to seamlessly blend the timelessness of a liberal arts education with the timeliness of career readiness support. We called this new program the "Albion Advantage."

At any liberal arts college, one can find students who will graduate with strong career preparation, ready to enter some of the best graduate and professional schools or land a satisfying first job. However, not all students who graduate from these colleges will have these opportunities. At Albion College, we sought to develop a program that will reach out to every student—not just the lucky, assertive, or well-advised student. Under the Albion Advantage, all students will be presented with opportunities to explore different career paths, experience some of those career choices (through internships, mentoring, shadowing, and service activities), reflect upon those experiences with faculty and staff, and network with an extensive group of alumni.

The program is intentional. Appropriate career support activities are provided for each of a student's four years, starting in the first semester of the freshman year. The program also seeks to build career development activities into the liberal arts program. Faculty advisors help guide students' selection of courses based on their expressed interests.



PRESIDENTIAL PERSPECTIVES

The program comes with a pledge. If our students graduate in four years after participating in the Albion Advantage and they are not ready to take their next step, we pledge to continue to support them. The support could be through one semester of tuition-free classes, a research assistantship, an internship, or third-party career services.

The challenge for the College was to convince several constituent groups of the need for change. We knew that we were looking at a world that has moved to a “new normal” and relying on past practices would not add the educational value that our students need and deserve. While some elite colleges may be able to continue business as usual without adapting to the new environment, others may not have this luxury. John Immerwahr, a senior research fellow at Public Agenda and professor of philosophy at Villanova University, notes that change will not come easily to higher education, as it is a “mature industry.” He also points out lessons from a particularly well-known business sector for those of us who are presidents of Midwest colleges—automobile manufacturing. He cautions, “We don’t want to be Detroit.”

Will the Albion Advantage provide real value? This program was launched for the entering class in fall 2010. As these students graduate in the Class of 2014, we will be able to better assess the outcomes. However, while the pledge of support takes effect with this class, we believe that all current students at Albion will benefit from the enhanced career support we now offer.

Perceived Value

We realized quickly that we needed to more effectively articulate this new program. To communicate our strategy, we recently hired a national marketing firm. This firm will help us convey the value of our strategy to many different but important constituent groups—prospective students and their parents, current students, faculty and staff, alumni, and foundations. The message must be well-integrated across the campus, and each of these constituent groups must understand and support the new strategy. As such, we have launched an educational campaign to help convey the value and power of the Albion Advantage. While most colleges and universities fully embrace the need for strong and proactive internal and external communications, many liberal arts colleges, with the exception of their admission offices, have not fully engaged in marketing themselves. For me, a product of a liberal arts education (a Ph.D. in Sociology) and business education (an M.B.A. and former dean of a business school), marketing a service or product makes good sense.

For many years, liberal arts colleges have struggled with the challenge of making a compelling case for why liberal arts colleges matter. Those of us who work at liberal arts colleges know the intrinsic value of a liberal arts education; it enriches the lives of our graduates and makes them better citizens. We are troubled that the public does not appear to fully understand or appreciate the power of a liberal arts education: “If only we could tell our story better...”.

At Albion College, we believe that the problem is not just one of perceived value, but the problem may be larger—one of both perceived and real value. As Richard Vedder, director of the Center for College Affordability and Productivity and professor of economics at Ohio University, said about today’s college diploma, “The

piece of paper has to have more than just symbolic value.” Higher education in the U.S. finds itself in a highly competitive international marketplace. We clearly need to more effectively make the case for the intellectual foundation of a liberal arts education over one’s lifetime, while, at the same time, demonstrating the more immediate real value and utility of a college education. Albion College believes that we can, and should, do both for our students. We are not choosing career preparation over a liberal arts education; we are choosing to do both.

Have our efforts increased the perceived value of an Albion education? While we are only in the beginning stages of launching our marketing strategy, we do know that offering an exceptional product (an Albion education) is insufficient if it remains relatively unknown. Higher education leaders need to take bold steps in these uncertain times. By launching the Albion Advantage and actively promoting our message in the marketplace, Albion College is making a strategic move to add real and perceived value for each and every one of our graduates.



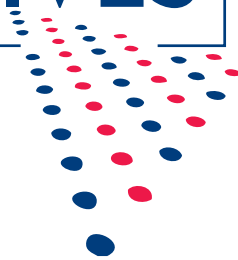
Dr. Donna M. Randall became Albion College’s 15th President in 2007 and is the first woman President in the College’s history. Most recently, Dr. Randall served as Provost at the University of Hartford. In that role, she provided leadership for the university’s seven colleges and schools, as well as international programs, the honors program, and admissions and financial aid.

Prior to the University of Hartford, Dr. Randall was Dean and Professor of Management at the Fogelman College of Business and Economics at the University of Memphis and Interim Senior Vice Provost for Academic Affairs. She was involved nationally in the Association to Advance Collegiate Schools of Business (AACSB International). She was on the faculty of the Department of Management and Systems at Washington State University. For a year, Dr. Randall was a visiting Professor at University College-Dublin in Dublin, Ireland, and has written extensively about ethical decision-making in the professions and is a past editorial board member of the “Journal of Business Ethics.”

Randall holds a B.A. in sociology from Drake University, as well as M.A. and Ph.D. degrees in sociology and an M.B.A. from Washington State University. She currently serves as a member of the Commission on Women in Higher Education (American Council on Education), the Oaklawn Hospital Board of Directors, and the Chemical Bank Marshall/Albion Community Bank Board.

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