

Meeting today's higher education leadership challenges

Greater need, fewer resources

Shrinking endowments, declining giving, and dwindling state appropriations have created a real strategic dilemma for both private and public colleges and universities nationwide, as they struggle to sustain the volume and quality of their applicant pool and fulfill their institutional missions within the constraints of diminished resources. In the face of higher tuition and fees—with families needing more, not less, financial aid—many potential applicants are drawn toward less expensive education options, creating even more pressure on enrollment and financial aid programs. Demographics add to the pain: institutions are just now moving past the huge expansion made possible by the “echo boomers”—children of “baby boomers” now coming of age—which, at 80 million young people, was the largest generation of youth since the 60s. Colleges and universities have less cash, more competition and fewer resources, and will soon face a shrinking applicant pool and a surfeit of aging and adjunct faculty—at the very moment they are trying to reposition themselves and improve the quality of the educational experience, and access to it. To combat this perfect storm of constraints, spending cuts and freezes on hiring and construction have swept campuses nationwide.

As the economy roils higher education, options for organizational development can feel severely limited:

- How do you decide which initiatives to keep and which to drop in pursuit of globalizing your curriculum?
- How will you build research capacity when funding across the board is drying up?
- How will you afford your tenured faculty when your budget has been built on an adjunct workforce?
- How will you fill your student pipeline when financial aid is harder to offer?
- How can you develop a compelling story to support fund-raising in this climate?
- While centralizing resources seems like an obvious way to gain efficiency and reduce costs, how do you consolidate in a culture whose members prize autonomy?

Locating opportunity while conserving resources

CFAR believes that the current financial crunch offers significant opportunity for colleges and universities to sharpen focus, recalibrate priorities against available resources, and build efficiency. The situation also means it will be essential to consider ways to centralize, since it is difficult to make choices about institutional priorities efficiently while decisions are also being made at the local level. CFAR has decades of experience helping colleges and universities work through strategic choices about educational initiatives in a rigorous way that engages key stakeholders and builds a shared understanding of and commitment to the institution's future. We've also helped institutions reorganize their governance structures and improve collaboration across departments and schools, producing measurable improvements in ways that support important internal relationships and engage stakeholders across the community. We can help leaders preserve core assets and cultural values—using a crisis to prepare thoughtfully for the future—while stabilizing the bottom line.

Course correction for lasting results

CFAR offers educational leaders distinctive methods and broad experience in higher education that deliver results in three key areas central to effective leadership in conditions of recession—strategy, change, and collaboration:

Telling the Strategy Story—making smart choices to resolve short-term needs while building for the future.

We use research-based methods to help institutions focus and assess options. Because we deeply understand the business of higher education and the forces affecting it—as well as what motivates people in the large and loosely-coupled organizations that describe institutions in higher education—we help our clients clarify strategic choices in both quantitative and organizational terms. We use a variety of proprietary tools with our clients that allow them to understand and make strategic choices, and plot the steps needed to reach goals. Our approach to developing strategy allows faculty as well as administration to see their role in enacting strategy, thus deepening their engagement in the organization’s responses to market forces.

Campaign Approach to Change—getting it done.

The same economic pressure that drives the need to reduce costs can also create the opportunity to make changes that improve productivity—and to build a climate that stimulates innovation. In tough times, there is a tendency to “hunker down” and pull in the reins at the very time the university community needs reassurance that its leaders have their hands on the tiller. In this moment is a chance for leaders to create a compelling strategic theme for navigating rough water that engages the university community in realistic and appropriate ways. CFAR’s approach to change initiatives engage faculty and administration directly around activities that support new direction, and helps leaders create “pull” for the needed changes. CFAR’s method also builds structures that allow change to spread and stick. The result is faster improvement, more effective results, and the skills to transform again when the future demands it.

Collaboration—clarifying common interests.

In the current environment, the stakes are even higher around the need to clarify and build on common interests across departments, divisions, and schools, as well as build a strong administrative culture. This is particularly true when an efficient use of limited resources must also support innovation. Using a rigorous approach to build a clear understanding of roles within and across functional teams, CFAR helps higher education leaders build durable relationships that increase efficiency and improve performance at every level, and contribute to building an environment of shared agreement—an important social hallmark of institutions that successfully weather fiscal crisis.



The nation’s colleges and universities have thrived for hundreds of years, in part because they have historically been willing to reinvent themselves as the country’s economy, government, and educational needs and culture have evolved. Institutions that adapt to change and embrace opportunities for renewal will weather the current storm and emerge with renewed strength and focus. We invite you to learn more about CFAR’s capabilities and point of view in materials available on our website: www.cfar.com.