

Richard L Morrill
Associated Colleges of the South
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Collaboration in a New Era

Since I have many opportunities to survey the landscape of liberal arts colleges, I know the vibrant successes of both the colleges and the ACS during the past two decades. The goals that we had in 1991 in establishing the consortium have been far surpassed, and the benefits that have flowed to faculty, staff and students of the member colleges have been real and substantial. The ACS has enriched the quality and vitality of liberal education on our campuses. Programs and projects on the environment, cost containment, study abroad, library resources, technology and faculty and program development have attracted more philanthropic support than the founders ever imagined, and the ACS has helped to amplify the story of the power of liberal education in these undergraduate colleges.

I would like to suggest that the success of the ACS provides a foundation on which it can set its goals for the new era in which we now must operate. You know the challenges and the opportunities on a granular level better than I, because you live them every day. I would like to suggest that there are several structural or fundamental problems that we have to solve that go well beyond balancing the annual budget. Each of them is open to solutions that the campuses can create and mobilize, but the task will take more inventiveness and tenacity than we have had to show in the past because they run so deep. You have enormous academic, human and material resources and advantages to bring to the work, and ACS can play a decisive strategic role as a catalyst for constructive and cooperative change.

Let me suggest three basic structural challenges. Although there are wide variations among liberal arts colleges nationally and even within ACS, the financial and strategic models on which we are operating are not sustainable over the long term. Because of their great strengths, colleges in this room have the luxury of time to find a way forward. Second, the shared decision-making model we appropriately use on most campuses is typically not able to respond efficiently and rapidly to effect fundamental financial and educational change. If we get into a financial ditch, we don't have the decision-making tools to get out of it quickly and gracefully. We still have a hard time reconciling intrinsic academic values with the instrumental values of the organization and of the market. Finally, the public at large including many in government, does not value liberal education or know precisely what it means. Often we are not in agreement ourselves on its meaning either. We tend to think of academic quality even in small colleges and universities as defined by adding more specialties and courses to each discipline, not unlike our large university brethren. The model of liberal education itself has changed substantially in the past several decades, and it is increasingly "de-localized," in off-campus internships, service learning and research and in international study, or in cyberspace. Much of our focus has shifted to interdisciplinary studies, and most liberal arts colleges have also seen an ever enlarging shift to professional and vocational studies, especially below the top tier of schools in selectivity. There are huge consequences in the way we think about the curriculum and faculty professional identity and work. Let me touch on each of these issues, and also suggest a possible trajectory for ACS over the next twenty years.

The crisis of 2008 shook our financial foundations, and they are still reverberating from the shock. The prior 25 years had some huge financial bumps in the road including the dot com bust in 2000, but between 1982 and 2007 the Dow Jones Industrial average increased from 776

to 14,200. It fell to 6500 in March of 2009, and has almost doubled since then, though it is only slightly above its year 2000 high of 11, 700 eleven years ago. As stories at the end of 2010 kept reminding us, and our TIAA reports do as well, the first ten years of the 21st century was a lost decade for the major averages. The 6% decline in the DJ in the last month reminds us again of the issues.

We have not yet really figured out how we can sustain the financial model we put in place in those years and the assumptions of resource generation on which it was based. The model assumes pricing power well above inflation, which we have lost. It assumes a continuously increasing flow of new operating and endowment receipts every year, as well as consistent and effective endowment management. Our success in achieving these gains has been real, but appears more erratic and unpredictable in the future. It assumes that governments would not go broke, and reduce or eliminate some of the critical elements of support for financial aid, as now seems increasingly likely. We have learned that to put real money behind financial aid commitments rather than give discounts is very strenuous, both mathematically and financially. You have all run the models on tuition increases and discount rates, endowment performance and resource development, and I will not repeat them here. They show the challenges of meeting central strategic commitments to educational opportunity with a strained financial model.

The point is that we have competed in terms of the competitive advantage and the educational quality that resources could add to our programs and to educational opportunity for lower income students. We have generally added positions and reduced teaching loads, and created an expectation that we would be able to go on doing all these things once things are back to normal. We also have competed for the most capable students by increasingly providing merit aid and have added new facilities to improve our position in the marketplace. As our

comprehensive charges became larger than the average family incomes nationally and in our several states, we learned the limits of the high price, high aid strategies. We have seen that heavily discounted tuition may not produce much new net income, and that then we struggle to find money for faculty and staff salaries, new equipment and the annual double digit increases in health insurance.

Some colleges with large surplus numbers of qualified applicants have choices in the years ahead. They can expand enrollment and keep overhead largely constant, as many colleges have done, or face the ugly choice reducing the number of low income students, after working so hard to open the doors of democratic opportunity in the last two decades. We could admit students and then deny them aid, as was done in the past. Those without admissions flexibility have an even harder choice since they cannot easily enlarge enrollment, nor, in many cases, reduce aid even if they chose to do so, since it is the key to attracting the critical mass of talented students who match their programs. In these cases, colleges may have to award less aid than a student's need suggest, trusting that the student and the family will find the funds somehow—probably through larger loans.

To complicate the picture further, most ACS colleges do not have some of the options that less selective and more professionally-oriented private colleges and universities have adopted in the recent past. We have seen a large number of colleges create state and regional networks of locations to serve adult populations, sometimes to earn master's degrees in occupational and professional fields, or to complete a baccalaureate degree. Distance learning using the internet has become a new program option as well in many private colleges. By reason of reputation, location, governance, and commitment to liberal education, most ACS schools cannot or would not pursue these options.

Large public and private universities face serious structural problems in their finances as well. Graduate education in most disciplines is suffering, especially in the arts and the humanities. Universities at the top of the academic heap are not filling their openings for top graduate students, and programs, especially in public institutions, are being dropped. Nonetheless, large universities have a large array of revenue sources from sponsored research, corporate and foundation support, public service, continuing professional education and other sources. Even though they are rising rapidly, public universities have much lower tuitions than is the case in the private sector. On the other hand, most ACS colleges depend essentially on tuition income and gifts and grants.

In this context, it makes sense to ask the difficult question of how we might use our resources more effectively and efficiently without reducing the educational value of the programs we offer. As ACS has demonstrated for 20 years, colleges can work together to their mutual benefit even though they may compete for students and resources. It now appears that the next step in collaboration may be to address ways in which colleges could share hard educational resources that would restrain costs or even reduce them. I know that presidents cannot talk about using collaboration to reduce costs, but foundation people can get away with it. ACS has already developed a model approach in Sukonois to strengthen quality through collaboration, enhanced by technology. It is a worthy idea to explore as you are planning to in several other contexts, with some small planning funds from Teagle to explore “blended technology”, and I hope, with support from others as well. As you know so well because of your New Paradigm initiative, there are growing examples of how technology can effectively be used in on-campus contexts for some courses or elements of courses and that over time would be promising ways to both maintain quality and restrain costs. Because your total resources add up to the heft of a large

university with 30,000 students and 5 to 6 billion dollars in endowment, there are clearly ways that the joint development and use of a range of effective technologies can be fruitful. As in all such possibilities, the first step is to develop a set of student learning goals that the program is intended to meet, and to construct the opportunity around those goals. Experimentation on a small scale is always wise before scaling up the endeavor, but there are times to “Just do it.”

Let me use a related example about technology. As a professor of religious studies, I would see educational possibilities in having my students watch presentations by a distinguished on-line lecturer in, say, an Introduction to the New Testament while I met regularly with them to critique and explain the lectures, present other material, discuss and review readings, and give and work over assignments, many requiring engaged learning methods. Even though Biblical studies is not my primary field, I have done enough work in it to lead an introductory course. Using technology would free me up from preparing and giving as many lectures, from some class time, and allow me to work more with students in interactive ways or to teach another seminar.

Nor does it seem impossible that you might find ways to share the appointment of faculty among groups of collaborating colleges within ACS, or between ACS schools and a third or fourth non-member, including research universities. There are a series of geographical pairings that make sense in ACS and that could address the problems of staffing upper-level courses, or exotic languages, by considering shared appointments of full-time faculty. ACS could be the agent of appointment in some circumstances. Ideas that seem too cumbersome now may end up being attractive if the financial model proves to be as difficult as it now appears.

Other clear opportunities are relevant for ACS, especially in terms of the new ways in which students are learning these days. At a Teagle meeting in NYC that Wayne Anderson attended last fall, we suggested the metaphor that the campus is now more a “hub” than a “sanctuary” for learning. Students these days are here, there and everywhere pursuing their learning—off campus in internships, in community-based learning and research, and in study abroad, or on campus working in groups with or without professors outside of the classroom.

The summer is now often a key time for learning in research, study or travel, and it raises the idea of how students might systematize their planning around summer study options for a couple of summers during their studies. ACS could be the sponsor and agent for working out common opportunities on one or several campuses for students from other member schools. You are doing this now with study abroad, and other programs and it might become a major initiative in several forms.

A number of the colleges have locations that afford special opportunities in urban or rural areas. So, Rhodes, for example, might offer a chance for its own and other ACS students in its Urban Education Initiative, in cooperation with the Memphis public schools and Teach for America. Atlanta is filled with opportunities in international business, philanthropy and the arts that ACS might help to develop with Morehouse and Spellman. Not incidentally, some students might well economize on their tuition by finishing in less than four calendar years by using the summer consistently for study at less cost, perhaps even with compensation for some of the work or internships that they might pursue. To be sure, institutions might have to enlarge their enrollments if too many students pursued the option of graduation in less than four years, but its attractiveness as a possibility would be persuasive, especially to avoid the opportunity costs of a

full fourth year. So, ACS might help with structural educational changes in adjusting to the changing forms of student learning.

One of the major challenges for all liberal arts colleges is the increasing desire of students to prepare directly for employment, especially as the costs and the debt burden for undergraduate education mounts. Recent surveys show a changing attitude about parents and prospective students in their willingness to take on debt with no promise of employment. ACS could work with several member schools that have strong professional schools in commerce like Richmond and W&L, to provide summer programs on accounting and finance and marketing, for students in ACS colleges to supplement their majors in basic disciplines. UR has already experimented with a program of this kind, but it would work especially well if the talented students of ACS schools were the participants. When combined with business knowledge, majors in chemistry and biology, for example, can often find excellent employment opportunities in sophisticated sales and marketing positions, which are as much about product development and specification as sales.

As it has done already, ACS can continue to offer avenues for the professional development of member schools' faculty in the improvement of teaching and student learning. The professional identity of members of the faculty will increasingly rotate around student learning and will come to include more understanding by all of us of how students learn, both in our disciplines and in larger contexts of intellectual and personal development. The focus that you have at this meeting on cognitive science is parallel to programs that have emerged at the ACM and GLCA in the past several years.

In my view, the strategic promotion of the benefits of liberal education will be an increasingly important role for the ACS in the years ahead. We need to more fully document and communicate the difference that we make in the development of our students' intellectual and personal achievements and capacities through liberal education. Several of the member colleges post the results of their NSSE tests on their website and release other student performance data. As I read *Academically Adrift: Limited Learning on College Campuses* by Richard Arum and Josipa Roksa, I was intrigued by how starkly the experience of most students on ACS campuses contrasts with the low expectations, low performance and little time on task of the 2300 students from a cross-section of institutions in the study. Getting inside the ways our kinds of colleges make a powerful educational difference is a role that ACS has played, and can enlarge on in the years ahead as it monitors the work of national associations and tells the story of these colleges. We need to know more systematically about what accounts for student success and learning. There are wide variations in student learning between colleges and even wider ones within the same institution. Knowing what accounts for these differences and addressing ways to improve learning then enables us to communicate these results to our audiences. The information would provide a demonstration of the strong competitive advantage of the educational model of the liberal arts college. To do this will take persistence, collaboration and commitment among faculty, and leadership from the deans and presidents of the colleges and of the ACS.

By pooling the resources of 15 strong colleges, other possibilities emerge in the academic sphere. The consortium could have expertise in developing educational products and services that no one institution could afford to develop. Most schools have experimented in some form with electronic portfolios for various purposes. With a focus on the essential learning outcomes of liberal education, an interactive electronic portfolio could help students understand more

clearly the goals of liberal learning. They could then store and use the assessment of their own work by faculty as a way to evaluate their own progress and guide their own intellectual and personal development. It then becomes a form of meta-cognition, which assists them in “thinking about their own thinking.” With a central focus on student learning, many collaborative initiatives come more easily into view.

As you have shown, ACS also has much to contribute to creating efficiency in administrative services. You have explored and monitored a variety of ways to share services and programs in purchasing and new opportunities will continue to surface, especially in fields like risk management and health care. Law, regulation and the evolving state of “best practices” have enlarged most of our administrative support functions over the years. Staff in fields such as human resources, external relations and development, and institutional research and assessment have grown substantially in the last two decades—for lots of good and evident reasons. It is also true that some of these activities are episodic and seasonal and may involve some work that could be done from a central office, or from several regional locations. Why could ACS not provide expertise on assessment or some human resource functions, for example, from a collaborative hub. You could outsource to yourselves.

These suggestions, of course, take ACS one large step into the decision-making processes of colleges that tend to define themselves by their academic and administrative autonomy. Whereas faculty governance in many universities is primarily focused on the department, the concept of shared decision-making is alive and well at the institutional level among most strong liberal arts colleges. It should remain strong, but it also needs to focus more, not less, on the institutional and economic problems that liberal arts colleges must now continually confront if they are to be secure. Much of ACS’s success in the future in responding to these powerful

forces of change will mean it has to find a new identity for itself as a collaborative organization. With a new concept will come new mechanisms that give the possibilities of the consortium a larger place at the table in choosing cooperative activities in which to participate, and in taking initiative and in shaping projects that may contribute to the long-term financial viability of the campuses. No one can provide a script about how to accomplish these objectives—the European Union can't get it right on economic and monetary policy, nor the U.S. federal and state governments always on their respective roles, so ACS should not think it will be easy to craft a way to create a new concept and a larger role for the association. Balancing prerogatives, independence and sovereignty will be hard, but the alternative of losing strategic purchase on the future is worse. The presidents will have to think through the problem and address the possibilities in collaboration with their deans, their leadership team and faculty governance bodies. Different models of decision-making and leadership can be developed, debated and tested. Athletic conferences have developed ways to share sovereignty, even when the financial decisions are about lots of money.

Ultimately, though the stakes in collaboration are very high, and the tasks should not be delayed. The tendency is to wait until the bleeding get severe before acting, but that is not a good strategy. No one in this group to my knowledge is free from threats to either or both their strategic vision of educational quality and opportunity or their financial sustainability. Now is the time to summon the courage and energy to confront unworkable financial and decision-making models. Making the case for change and expanding on the possibilities for new and deeper forms of academic and administrative collaboration can preserve and enhance some of the greatest treasures in American higher education.