Huron, the American Council on Education (ACE) and the Georgia Institute of Technology

The Transformation-Ready Higher Education Institution

HOW LEADERS CAN PREPARE FOR AND PROMOTE CHANGE

HURON

ACE® American Council on Education®

Georgia Tech

WHY WE PUBLISHED THIS RESEARCH

The question of how higher education institutions will transform has become the focus of leadership forums and cabinet meetings across the country. To begin formulating answers, we went to the source.

Together, our organizations surveyed 495 leaders and interviewed dozens more to understand their perceptions of the industry's threats and challenges, the steps they've already taken to position their institutions for tomorrow and the plans they are developing for the future. The intent of this research was to provide a candid view into how higher education leaders are addressing disruption. Our results that follow illuminate the current landscape leaders face and suggest that successful, sustainable institutions view transformation as a constant.

CONTRIBUTORS

Peter Stokes

Peter is a managing director in Huron's higher education strategy and operations (S&O) group, focusing on strategic planning and student success. Over a 20-year career, he has worked with presidents, provosts, deans and other senior institutional leaders at a diverse array of public and private institutions across the U.S. as they have sought to reach new audiences, develop innovative curricular models at both the undergraduate and graduate levels, support the work readiness of their graduates and engage more meaningfully with their alumni and employer partners. He is the author of "Higher Education and Employability: New Models for Integrating Study and Work" (Harvard Education Press, 2015) and a contributor to "Reinventing Higher Education: The Promise of Innovation" (Harvard Education Press, 2011, edited by Wildavsky, Kelly and Carey), among other publications.
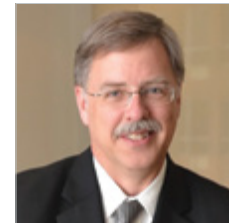
Nelson Baker

Nelson C. Baker, Ph.D., is the dean of professional education at the Georgia Institute of Technology and a professor in the university's School of Civil and Environmental Engineering. As dean, Dr. Baker leads a multifaceted operation, including the Global Learning Center, Georgia Tech-Savannah, the Language Institute and Georgia Tech's extensive professional education programs in STEM- and business-related subjects. Dr. Baker also oversees educational outreach programs and serves as the interface between Georgia Tech's professional education activities and the industries, corporations, government agencies and professional societies that benefit from them. Under Dr. Baker's leadership, Georgia Tech Professional Education has steadily expanded, now serving more than 36,000 learners worldwide and 2,600 organizations each year. Currently, Dr. Baker serves as the secretary-general of the International Association of Continuing Engineering Education (IACEE) and is also the president of the University Professional Continuing Education Association (UPCEA).
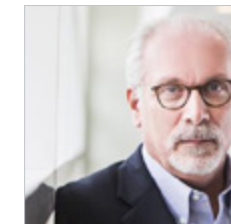
Richard DeMillo

Richard A. DeMillo is the executive director of the Georgia Institute of Technology's Center for 21st Century Universities (C21U), as well as the Charlotte B. and Roger C. Warren chair of computer science and professor of

management. He is responsible for educational innovation at Georgia Tech and is a national leader and spokesman in the online revolution in higher education. Previously, he was the John P. Imlay dean of computing at Georgia Tech, where he led the design and implementation of the Threads program, which has helped transform undergraduate engineering education in the U.S. and around the world. DeMillo's influential 2011 book, "Abelard to Apple: The Fate of American Colleges and Universities," helped spark a national discussion around the future of higher education. DeMillo has authored over 100 articles, books and patents, and his research has spanned computer science and includes fundamental innovation in computer security, software engineering and mathematics. He is a fellow of both the Association for the Advancement of Science and the Association for Computing Machinery.

Louis Soares

Louis Soares serves as the chief learning & innovation officer at ACE. Soares incubates and scales ACE's executive leadership networks, as well as catalyzes compelling research and innovation initiatives across the council. Working with colleagues, Soares integrates the work of ACE's leadership, research and innovation teams to optimize membership value for colleges and universities by developing programs and services to advance the success of senior leaders, diversify the executive talent pipeline and facilitate partnerships to enhance institutional performance. While at ACE, he published landmark papers, including "The Post-traditional Learners Manifesto Revisited: Aligning Postsecondary Education with Real Life for Adult Student Success" and "Evolving Higher Education Business Models: Leading with Data to Deliver Results."

Laura Yaeger

Laura is a managing director and one of the founding members of Huron and its higher education business. Laura has been consulting in higher education for nearly 30 years and has worked with more than 50 premier universities and academic health centers to become better positioned to achieve strategic and financial goals, manage risk and prepare for the future. Her areas of focus often include strategic and financial planning, organizational and service delivery design, operational performance improvement, information technology planning and deployment, and enterprise risk management. Laura currently serves as Huron's higher education client services leader.

INTRODUCTION

The higher education industry continues to be immersed in change, with institutions navigating increasing competition, diversifying student populations and dwindling financial resources. College and university leaders face a growing sense of urgency to prepare for the future and transform.

Leaders will not be able to solve for every economic, political, social or technological variable reshaping the industry. But by rooting transformation in tangible changes to the management approaches, processes and structures that have long defined their institutions, leaders will prepare their teams to educate and meaningfully impact as many students and communities as possible — regardless of what the future holds.

"Higher education leaders have our work cut out for us. This joint research underscores the opportunity and available tools we have to evolve our institutions and reinforce their essential role in our communities."

— **DR. ÁNGEL CABRERA**, PRESIDENT, GEORGIA INSTITUTE OF TECHNOLOGY

Together, Huron, the American Council on Education (ACE) and the Georgia Institute of Technology surveyed 495 leaders at four-year, nonprofit colleges and universities to understand areas of opportunity and concern, and how they are preparing for future change.

As our collective research details, leaders can position the institution for effective transformation by building upon four key dimensions of transformation readiness:

• Develop and empower **collaborative leaders** who share accountability for strategic growth and manage enterprise performance more deliberately.

• **Plan differently** and ask questions with both immediate, short-term and visionary, long-term perspectives.

• Operate in more connected ways through **shared data and technology** that enable **stronger performance management**.

• Establish innovation centers to **develop and launch offerings for new student populations**, from first-generation learners to corporate employees and adults pursuing career shifts.

HIGHER EDUCATION'S HEADWINDS — A GREATER SENSE OF URGENCY TO PREPARE

We asked higher education leaders which market trends will impact their institutions most in the next five years, and their responses reflect increasingly familiar concerns: growing competition for students among p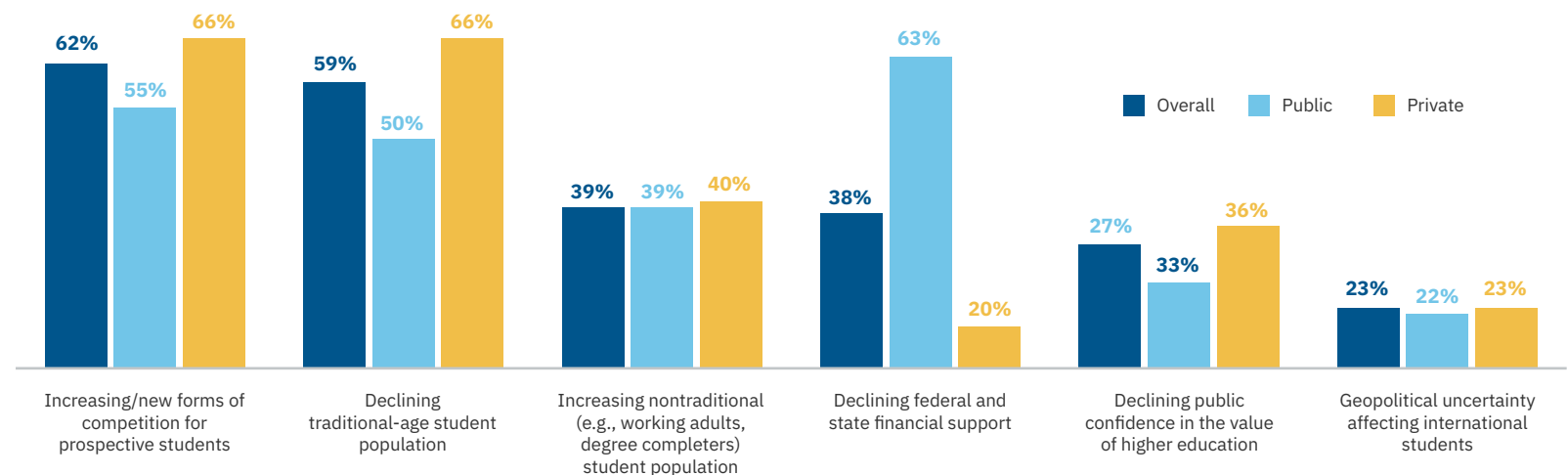rivate school leaders, unrecoverable declines in federal and state funding among public school leaders and preoccupation with the shrinking pool of traditional-age students in both sectors.

Education leaders recognize that competition for distinct student populations will continue to be a challenge. Almost all

"[Our] world is changing so rapidly that we as educational leaders not only have to be disruptive, we have to move at a lightning pace."

— **DR. ROBERT E. JOHNSON,** CHANCELLOR, UNIVERSITY OF MASSACHUSETTS DARTMOUTH

**Revenue and Market Trends Expected to Impact Institutions in Next Five Years
(Percentage who selected as a top three choice)**

	Overall	Public	Private
Increasing/new forms of competition for prospective students	62%	55%	66%
Declining traditional-age student population	59%	50%	66%
Increasing nontraditional (e.g., working adults, degree completers) student population	39%	39%	40%
Declining federal and state financial support	38%	63%	20%
Declining public confidence in the value of higher education	27%	33%	36%
Geopolitical uncertainty affecting international students	23%	22%	23%

(86%) respondents agree that competitive intensity will increase in the future. While most leaders are primarily concerned with existing competitors seeking to grow market share, about half view scaling national universities as a threat, and one-third recognize the disruptive possibilities of startups and alternative education providers.
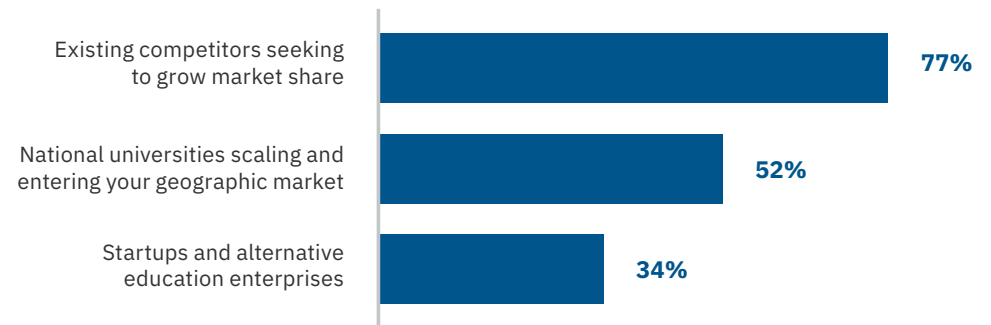
Leaders from small and midsize institutions (with fewer than 10,000 students) particularly fear existing competitors gaining market share. And administrators at all but the most selective institutions believe their institutions are threatened by scaling flagship national universities that are making substantial investments in their online programs.

Few institutional leaders are highly confident that their institutions

"Our challenge right now is how do we attract that 25- to 45-year-old back to campus."

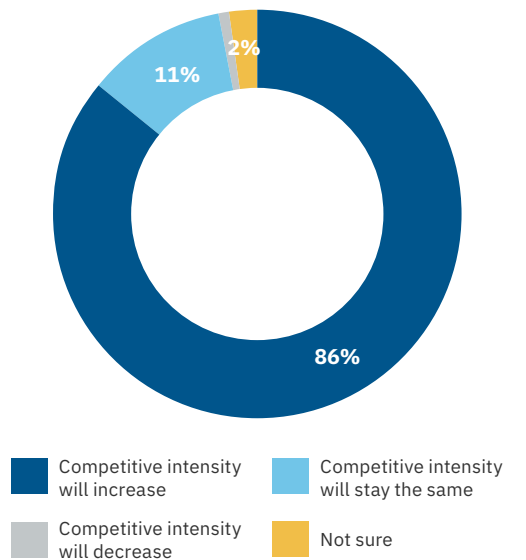— **LESLIE WONG,** FORMER PRESIDENT, SAN FRANCISCO STATE UNIVERSITY

Perceived Threat From Various Competitor Types

Existing competitors seeking to grow market share — 77%
National universities scaling and entering your geographic market — 52%
Startups and alternative education enterprises — 34%

can optimally respond to or thrive amid changing market forces. While most leaders consider their institutions to be relatively prepared to meet evolving student needs, fewer feel certain that they can substantially change to shift public perception about the value of higher education or overcome new forms of competition.

Leaders have more faith in their institutions' ability to address student expectations —

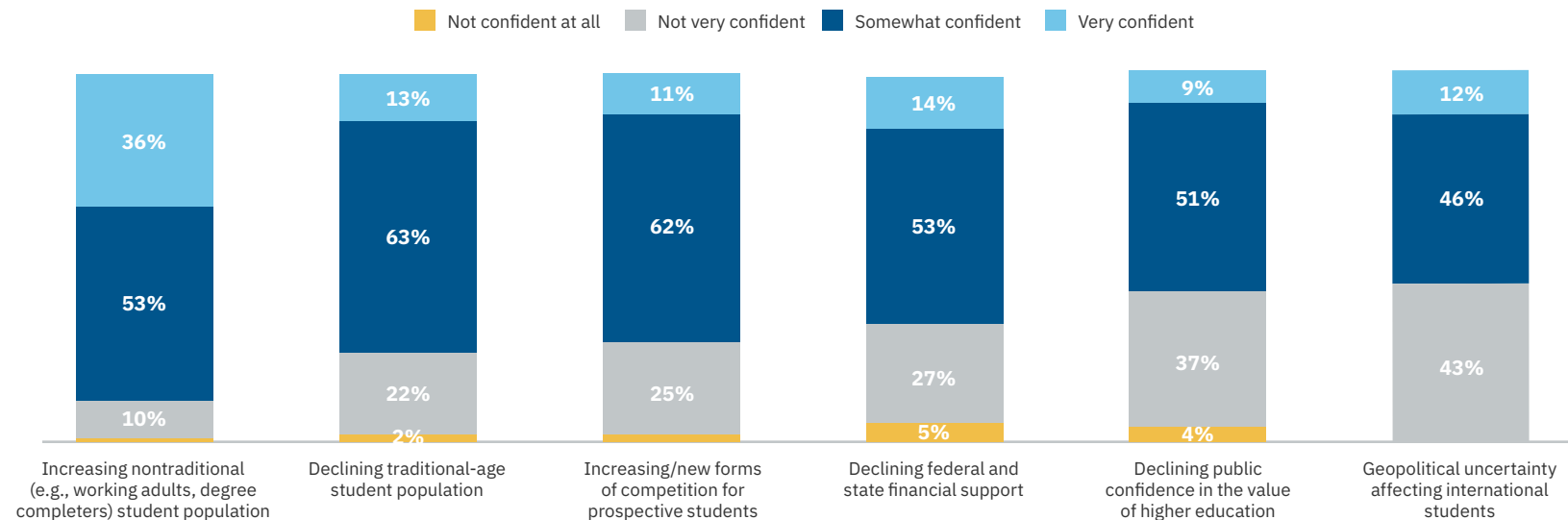**Expectations Regarding Competitive Intensity in the Future**

- 86% Competitive intensity will increase
- 11% Competitive intensity will stay the same
- 2% Not sure
- Competitive intensity will decrease

acknowledging the opportunity to evolve and extend their missions to serve students from different demographics, at varying points in their personal and professional lives. Leaders are less sure about trends outside of their direct influence, including declining public confidence and government support, as well as geopolitical uncertainty as it pertains to international students.

Watch San Francisco State University's former President Wong and the University of Massachusetts Dartmouth's Chancellor Johnson discuss the headwinds facing higher education leaders.

Confidence in Institution's Ability to Respond to Top Market Trends

Not confident at all · Not very confident · Somewhat confident · Very confident

	Increasing nontraditional (e.g., working adults, degree completers) student population	Declining traditional-age student population	Increasing/new forms of competition for prospective students	Declining federal and state financial support	Declining public confidence in the value of higher education	Geopolitical uncertainty affecting international students
Very confident	36%	13%	11%	14%	9%	12%
Somewhat confident	53%	63%	62%	53%	51%	46%
Not very confident	10%	22%	25%	27%	37%	43%
Not confident at all		2%		5%	4%	

Transformation Readiness Dimension 1

EMPOWERING AND PROMOTING A SHARED LEADERSHIP MODEL

There is no universal solution for how institutions can successfully evolve the higher education business model. The new program or lease agreement that sparks a turnaround for one institution could prove wholly ineffective at another. But we know that successful institutions do have at least one common denominator: leadership teams who share accountability for an institution's goals and blend expertise to help achieve them.

To move from reactive decision making to strategic change management, colleges and universities must invest in strong executive leadership. College presidents need to know that they can rely on administrative teams to turn their vision for change into reality. Forward-thinking institutions build a pipeline of future leaders who can provide continuity.

Some institutions have established task forces for strategic planning and implementation, which provide leadership access and experience for junior-level administrators. In Virginia, Shenandoah University created a year-long program to train and cultivate emerging leaders. Efforts like these create a pool of rising talent from which today's executives can quickly identify their successors.

Institutions can best empower leaders by enabling a culture of shared decision making and joint accountability for strategic goals. The traditional leader/follower relationship structure does not take advantage of the specific expertise of individuals across an institution.

Shared leadership accommodates multiple perspectives rather than those of a single person or governing body. Not only does this culture create an institution focused on its own network and existing resources, it also injects a variety of new management structures, such as autonomy, external coaching, accountability, interdependence and shared

recognition, into what has typically been a hierarchical environment.[1]

An institution can only be as agile and receptive to innovation as its governing forces allow. By establishing an accountable shared leadership model at the top, higher education leaders can position their institutions for something more than survival — growth.

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[1] Kezar, Adrianna J. and Holcombe, Elizabeth M., "Shared Leadership in Higher Education: Important Lessons From Research and Practice." American Council on Education, 2017. https://www.acenet.edu/news-room/Documents/Shared-Leadership-in-Higher-Education.pdf

"Shared leadership accommodates multiple perspectives rather than those of a single person or governing body. "

TO ENCOURAGE A CULTURE OF SHARED LEADERSHIP:

- Prioritize recruiting and developing individuals with deep domain expertise who can serve as strategic advisers on different cross-functional initiatives such as improving access and quality and meeting financial expectations.

- Create opportunities for mentorship across institutional areas to improve internal communication and also build a pipeline of future leaders.

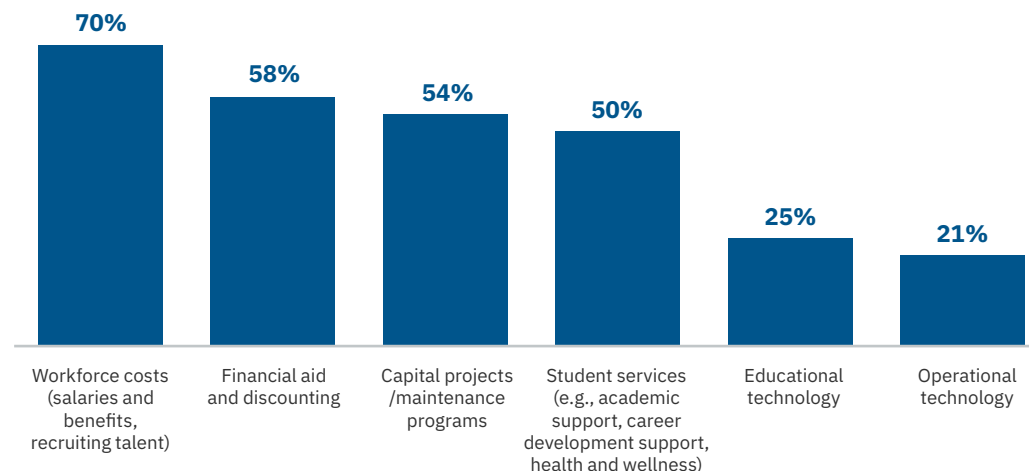- Realign incentives to reward innovation and collaborative performance.

THE PLANNING PARADOX — CONSERVING THE LEGACY WHILE FACING THE FUTURE

Higher education has consistently thrived on tradition. But traditional academic values, along with change-resistant tenure models and costly upkeep, have compelled some leaders to cling to legacy structures.

When we asked respondents to identify the expense trends that will impact their institutions in the next five years, most leaders focus on the costs of their current business model (workforce/salaries, tuition discounting, and capital projects and maintenance).

These commitments may be ill-adapted to the growing prevalence of nontraditional students who combine education with work, expect lower costs, learn online and infrequently visit physical campuses.

Expense Trends Expected to Impact Institutions in Next Five years

Category	Percentage
Workforce costs (salaries and benefits, recruiting talent)	70%
Financial aid and discounting	58%
Capital projects /maintenance programs	54%
Student services (e.g., academic support, career development support, health and wellness)	50%
Educational technology	25%
Operational technology	21%

"Unless a university or college [is] transforming itself on a daily basis, something is wrong."

— **REV. PETER M. DONOHUE,** OSA, PRESIDENT, VILLANOVA UNIVERSITY

Faced with financial, competitive and demographic challenges to the traditional higher education business model, most institutions still plan for the "medium term" — not fast enough to be agile or future-facing enough to be transformational. Fifty-seven percent of leaders report that their institution plans in a three- to five-year timeframe, as has been conventional in higher education for decades. Only 16% are looking out 10 years or beyond.

In many cases, administrators' tendency to delay visionary planning is enabled by older constructs, such as accreditation timelines, leadership renewal cycles and institutional risk aversion.

**How Far Into the Future
Institutions Plan**

Less than 3 years	3–5 years	6–9 years	10+ years
8%	57%	19%	16%
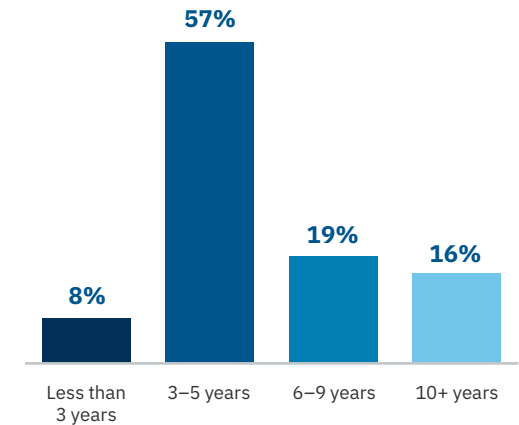
Watch University of North Georgia President Dr. Jacobs and the Georgia Institute of Technology's Dean Baker discuss their institutions' approach to planning for the future.

Transformation Readiness Dimension 2

PLANNING DIFFERENTLY FOR THE IMMEDIATE AND LONG TERM

Many institutions subscribe to planning models that were built for a different time and a different competitive market. To become truly transformation-ready, institutions' short- and long-term planning efforts should link directly to the needs of increasingly empowered, discerning audiences for whom higher education is not simply a next step after high school.

Using the jobs-to-be-done framework — a process for understanding the functional, emotional and social motivations behind a customer's buying behavior — leaders can uncover student, faculty or alumni needs that aren't being met, and pursue new ways to satisfy them. This may mean serving current audiences in new ways or attracting new audiences (such as corporate or pre-college learners) with evolved offerings.

Adopting a jobs-to-be-done mindset compels leaders to examine the often overlooked factors that contribute to student success, from how students define value to the experiences they expect to have after graduation. This perspective frees institutions to plan beyond the legacy constraints of degree programs or courses, and instead identify growth opportunities that could come to life through partnerships, acquisitions or new hires.

Defining the Jobs-To-Be-Done Framework

The jobs-to-be-done framework, developed by Harvard Business School professor Clay Christensen, is a process for understanding a customer's underlying needs by examining their true motivations on three levels:

- Functional aspects of a job, or what the customer wants to accomplish

- Emotional aspects of a job, or how the customer wants to feel

- Social aspects of a job, or how the customer wants to be perceived by others

Consider the University of North Georgia, which in 2015 opened a fifth campus in Blue Ridge, Georgia, after a task force of business, education, government and community leaders identified the need for greater access to education in the region. Upon opening, one of the location's primary focuses was to offer dual-enrollment courses in partnership with local high schools — creating pathways for students to easily transition to associate's or bachelor's degree programs.

Institutions do not need to abandon their identities to succeed in the future, even if the future environment is in many respects different from today. A jobs-to-be-done approach to planning extends institutions' missions and impact by placing students' underlying needs, not historical precedence, at the heart of their strategy.

TO INFUSE A JOBS-TO-BE-DONE APPROACH INTO PLANNING:

- Invest in continuous in-house or third-party market research — both primary and secondary, through quantitative and qualitative means — to track how student, parent, faculty, alumni and employer preferences evolve.

- Shift from grouping audiences by traditional demographics (e.g., full-time or part-time, liberal arts or business major) to segmenting by motivation or need.

- Use jobs-to-be-done insights to guide administrative decisions, including team redesigns and technology planning, as well as student-focused program or resource planning.
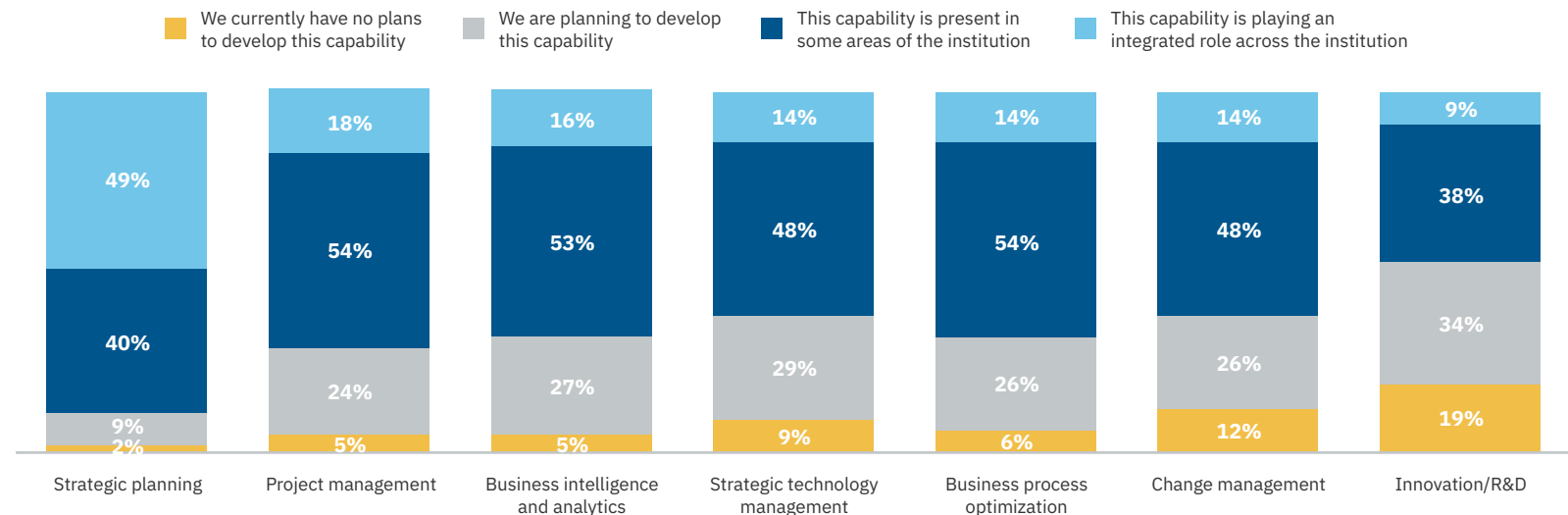
DEVELOPING A STRATEGIC PERFORMANCE MANAGEMENT CAPABILITY

Even as higher education leaders acknowledge the forces destabilizing the industry, most institutions lack the performance management capability and disciplines to support real-time responsiveness.

While half of surveyed leaders indicate that strategic planning is conducted at the institutional level, fewer than one in five report the presence of other planning, strategy and transformation capabilities integrated across their institutions. Nearly one-quarter of leaders

report that their institutions remain in the "planning for investment" phase for key resources and expertise, including business intelligence and analytics, and strategic technology management (i.e., the roles and processes to oversee the timely adoption and integration of new solutions).

To what extent are each of the following capabilities present and playing an integrated role in planning, strategy and transformation at your institution?

Legend:
- We currently have no plans to develop this capability
- We are planning to develop this capability
- This capability is present in some areas of the institution
- This capability is playing an integrated role across the institution

Capability	No plans	Planning to develop	Present in some areas	Integrated role
Strategic planning	2%	9%	40%	49%
Project management	5%	24%	54%	18%
Business intelligence and analytics	5%	27%	53%	16%
Strategic technology management	9%	29%	48%	14%
Business process optimization	6%	26%	54%	14%
Change management	12%	26%	48%	14%
Innovation/R&D	19%	34%	38%	9%

Deep-rooted expectations of functional autonomy and cost concerns may be inhibiting investments in capabilities that enable leadership teams to understand and manage performance. Our data shows, however, that these investments correlate with confidence in institutional resiliency (see chart below).

Rev. Peter M. Donohue, OSA
President, Villanova University

Watch Villanova's President Donohue, Cal Poly Pomona's President Coley and the Georgia Institute of Technology's Dean Baker discuss the factors driving change at their institutions.
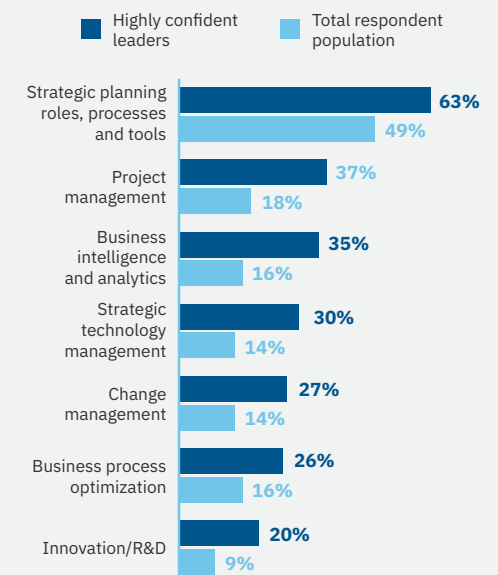
Leaders with higher confidence about the future are found at institutions that plan farther out and invest in a stronger performance management infrastructure.

Leaders who are highly confident that their institutions are prepared to change in response to revenue and market trends in the next five years (a segment that makes up 16% of the total respondent population) have some justification, **as 52% run institutions that have experienced enrollment growth**

over the past five years (compared with 38% of all respondents).

Highly confident leaders are **much more likely to be at institutions with longer planning horizons**, with 59% of them at institutions planning six or more years out (compared with 35% of all respondents).

Highly confident leaders are **much more likely to be found at institutions with planning and performance measurement tools integrated across the organization**.

Legend: Highly confident leaders / Total respondent population

	Highly confident	Total
Strategic planning roles, processes and tools	63%	49%
Project management	37%	18%
Business intelligence and analytics	35%	16%
Strategic technology management	30%	14%
Change management	27%	14%
Business process optimization	26%	16%
Innovation/R&D	20%	9%

16

Transformation Readiness Dimension 3

PURSUING DATA-DRIVEN PERFORMANCE MANAGEMENT

College and university leaders at all levels should be encouraged to rethink their institution's business model by analyzing how processes, technologies and resources are used to deliver value. Like executives across most industries, they have a responsibility to learn how to analyze information in a way that suggests different solutions. For example, activity-based costing models can be applied to individual courses to understand how they (and their program or department) affect the institution's bottom line. This approach allows for nimble decision making and transparency around academic priorities and institutional investments.

Data is no longer just for institutional researchers. Today, all leaders — presidents, provosts and chief financial officers — are expected to use data to make informed choices. Doing so means that leaders must continuously work to integrate data throughout their planning process.

To help drive that change, equip more leaders, faculty and staff (not just business officers) with the tools and training they need to take accountability for financial planning, budgeting and program analysis. By using data, we can empower those on the front lines to make insightful decisions that improve institutional practices and drive higher performance outcomes.

This collaborative, data-driven approach shifts shared governance from an emphasis on institutional dialogue and coherence to institutional performance based on agreed-upon metrics. For example, while serving as vice chancellor of planning and budget at the University of California, Riverside, Maria Anguiano proposed a framework focused on courses as the central unit of accounting. Courses — as the building blocks of all college programs — are, by default, meaningful to all stakeholders

and used by all institutions.[2] But in Anguiano's framework, all education spending is categorized into direct and indirect cost categories that are then allocated to specific courses. The allocation of costs to specific courses requires the institution to develop an appropriate model of the relationships between the institution's educational activities and course delivery.

[2] Anguiano, Marie. "Cost Structure of Post-Secondary Education — Guide to Making Activity-Based Costing Meaningful and Practical." Bill and Melinda Gates Foundation: Post-Secondary Education Success. 2013.

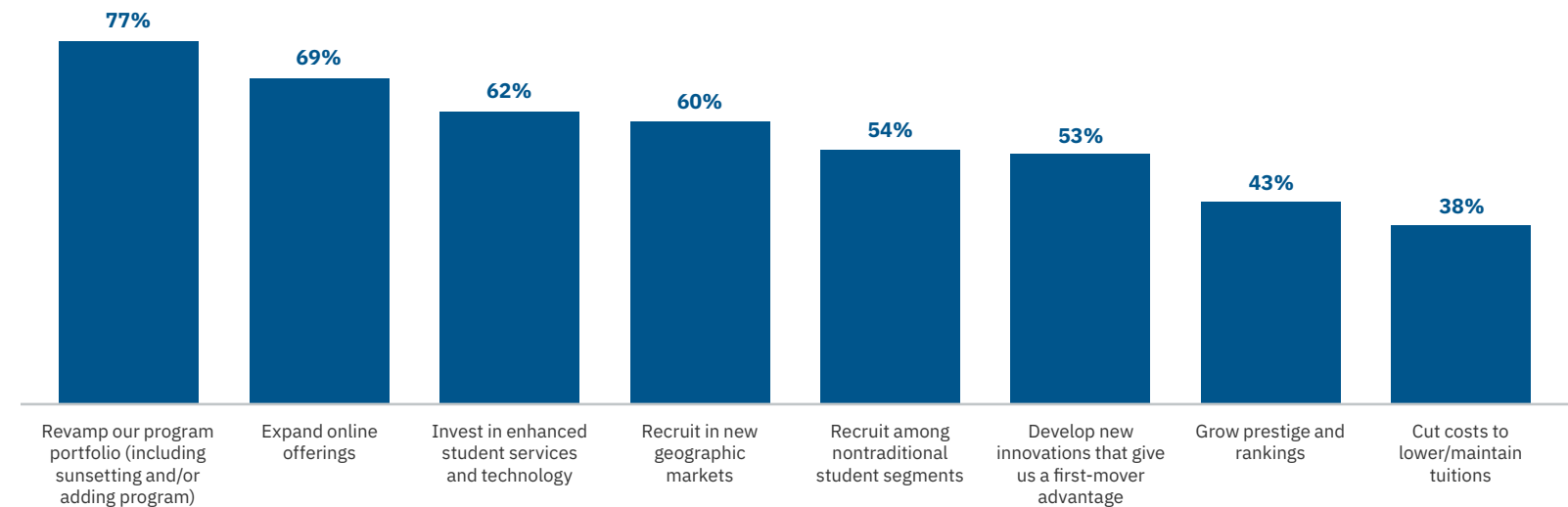## TO ELEVATE AN INSTITUTION'S PERFORMANCE MANAGEMENT CAPABILITIES:

- Inventory current technology systems to understand what data is currently captured and where analytical blind spots exist.

- Commit time and talent to managing internal data governance, with mechanisms to ensure the integrity and reliability of data across the institution.

- Use planned system upgrades (e.g., ERP modernization initiatives) as a chance to rethink internal roles and user access permissions, giving more people visibility into actionable data.

- Adapt incentives and recognition to reward fact-based decision making and collaborative leadership.

- Identify opportunities to involve front-line staff in critical planning exercises (e.g., giving deans more autonomy over academic portfolio reviews).

RESPONDING TO CHANGE THROUGH A STUDENT-CENTRIC LENS

Higher education leaders understand that increased educational relevance and support for students provide the best path toward sustaining and serving their missions. Our interviews with leaders emphasize that designing student-centric approaches is an inspiring and mobilizing initiative across their institutions.

Efforts to respond to competitive forces include revamping the program portfolio and expanding online offerings. Close to two-thirds (62%) plan to invest in enhanced student services and technology — areas that boost support, relevance and access for students.

How Institutions Expect to Respond to Increased Competition

77%	Revamp our program portfolio (including sunsetting and/or adding program)
69%	Expand online offerings
62%	Invest in enhanced student services and technology
60%	Recruit in new geographic markets
54%	Recruit among nontraditional student segments
53%	Develop new innovations that give us a first-mover advantage
43%	Grow prestige and rankings
38%	Cut costs to lower/maintain tuitions

Among the leaders who plan technology investments, 76% plan to implement a new student information system in the next five years, while 60% plan to invest in technology for instruction and advising. Despite recognizing the importance of technology, only 14% have strategic technology management integrated across their institutions — suggesting a potential gap between intentions and leadership's capacity to realize the value of these investments.

Some leaders expect to rebalance their business models by expanding into new geographic and student markets, an approach that may accelerate competitive churn in tight markets. Only a third are prepared to cut costs, an indication of some institutions' already lean operations.

Watch Cal Poly Pomona's President Coley and Villanova's President Donohue reflect on putting students at the center of their institutions' transformation.

"What we recognize is that we have to have well-prepared, well-rounded students who leave us, because the nature of work is so disruptive."

— **DR. SORAYA M. COLEY,** PRESIDENT, CAL POLY POMONA

Transformation Readiness Dimension 4

CREATING STUDENT-FIRST ENGINES TO MEET NEW DEMAND

To meet the demands of a new student population, higher education needs to reinvent itself. A college or university's value proposition emerges when students are placed at the center of its short- and long-term strategies. The rapid growth of new technologies and a constant stream of knowledge is driving a steady increase in adult learners seeking additional education to remain relevant in a changing market. In our experience, effective innovation depends on how it is positioned within an institution's structure.

Continuing and professional education units are ideal environments for innovation and refinement of new ideas because they are at the forefront of change. They are accustomed to keeping pace with evolving market demands, developing the programs and services that students and employers seek. As largely self-supporting units that have provided alternative credentials to the adult learner population for decades, they are experienced in fulfilling the goals of this critical audience.

These units offer a unique perspective because they straddle two worlds. They operate in an academic environment, but also have direct access to (and often, established relationships with) potential employers and the workforce. Professional education teams can serve as a bridge between institutions and industry, providing valuable insights about this growing population's needs and facilitating cross-sector partnerships to bring new services to life. For example, Northeastern University launched its Experiential Network (XN) program that connects graduate and professional studies students with more than 2,000 employer sponsors (from nonprofits and midsize businesses to global corporations) to collaborate on short-term virtual projects.

We've seen other institutions benefit from having a stand-

alone function solely dedicated to innovation. Under Paul LeBlanc's leadership, Southern New Hampshire University introduced its Sandbox Collaborative: an internal consultancy focused on incubating new business models, learning solutions and other strategies for the institution. By dedicating a team whose primary purpose is research and development, leaders exemplify the strategic importance of innovation. As separate units, these teams can more effectively experiment outside the confines of existing academic or administrative departments.

TO DEVELOP INNOVATIVE OFFERINGS AND SERVICES THAT ATTRACT NEW OR UNDERSERVED AUDIENCES:

- Consider student needs at a macro and micro level, reflecting on both national demographic trends and shifts in the institution's stakeholder community.

- Look for ways to scale existing industry relationships (and the insights they yield) beyond professional education units or career services teams.

- Assess how formal partnerships, including mergers and acquisitions or joint ventures, may help capture efficiencies and accelerate a push into new markets.

- Identify new student services that capitalize on the diverse populations already present in many institutions, such as advising relationships that pair younger students with mid-career, working students or connecting adult learners with a continuing education unit's employer partners.

BUILDING A STRONG FUTURE

Some institutions plan in order to change as little as possible. Others plan for change. To successfully serve students for decades to come, higher education institutions must embrace transformation by developing leaders, mechanisms and cultures that value innovation and agility. There is no one correct approach to embracing change, but strong leadership, dynamic planning and a resolute focus on students will better position institutions to educate new learners in new ways.

Every institution can and should remain committed to its history, traditions and core identity. At the same time, each institution should anticipate how the future environment and customers may be different and prepare to refine its target population, delivery model, educational offerings and available resources accordingly.

Recognizing that the current higher education business model cannot keep pace with changing student expectations and market conditions is step one. Staying relevant in the years to come requires leaders who simultaneously solve for today's challenges and prepare their institutions with the resources and culture required to thrive in an uncertain future.

Key Takeaways

Transformation-ready colleges and universities are the result of thoughtful, iterative innovations, not one strategic plan or investment line item. Equipping an institution to not only transform when the competitive environment shifts, but also to remain ready for change at all times, requires leadership teams to:

1. Invest in recruiting and developing bold, innovative leaders who will collaboratively guide institutions through continuous change. Arm them with the tools and infrastructure to make future readiness decisions.

2. Evolve the typical three- to five-year planning cycle constraints. Cultivate a leadership culture and competencies that balance near-term improvements with visionary goal-setting.

3. Regularly assess the evolving needs of students, faculty, alumni and industry. Use this research as a guiding light for strategic planning and business model innovation.

4. Designate teams or departments whose primary responsibility is to test, pilot and scale offerings that will drive future growth and impact.

Huron

Huron is a global consultancy that helps our clients drive growth, enhance performance and sustain leadership in the markets they serve. We partner with higher education organizations to develop strategies and implement solutions that enable the transformative change our clients need to own their future. In our more than 25 years of experience providing services and solutions to the education industry, we have worked with more than 500 institutions, including all of the top 100 comprehensive research universities. Together, we help our clients advance their core missions, identify new growth opportunities and implement lasting change. Learn more at www.huronconsultinggroup.com.

The American Council on Education (ACE)

ACE is a membership organization that mobilizes the higher education community to shape effective public policy and foster innovative, high-quality practice. As the major coordinating body for the nation's colleges and universities, ACE's strength lies in its diverse membership of more than 1,700 colleges and universities, related associations and other organizations in America and abroad. ACE is the only major higher education association to represent all types of U.S. accredited, degree-granting institutions: two-year and four-year, public and private.

Georgia Institute of Technology's Educational Innovation Ecosystem

Guided by the Office of the Provost, Georgia Tech's Educational Innovation Ecosystem is a coordinated effort of institute units dedicated to the adoption of new and innovative educational methodologies and the institute's efforts pertaining to lifelong learning initiatives for traditional and nontraditional learners. Together, the units grow, support and expand the educational experience at Georgia Tech. The units include the Center for 21st Century Universities (C21U), the Center for Teaching and Learning (CTL), Georgia Tech Professional Education (GTPE) and the Office of Information Technology (OIT).

C21U, CTL, GTPE and OIT each play a critical role in the way the educational experience is delivered to the Georgia Tech learner, either residential or digital, from K-12 to undergraduate and graduate students and from professionals seeking certifications to the many learners in between. Together as a team, these units lead and guide the educational innovation mission for the institute.

RESEARCH METHODOLOGY

In 2019, Huron, ACE and the Georgia Institute of Technology launched a survey of leaders at four-year public and private nonprofit institutions in the U.S. The primary research objective was to understand how these leaders perceive the competitive threats and challenges their institutions face, and how they plan to address them in the future. There were 495 higher education leaders who responded to the survey.

In addition, Huron held focus groups at the ACE 2019 annual conference and interviewed a group of presidents, chancellors and C-level administrators, including the following:
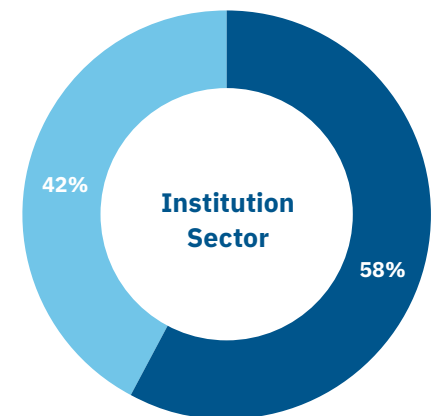
• President Bonita Jacobs,
  University of North Georgia

• Chancellor Robert Johnson,
  University of Massachusetts
  at Dartmouth

• President Soraya Coley,
  Cal Poly Pomona

• Former President Leslie Wong,
  San Francisco State University

• President Peter M. Donohue,
  Villanova University

• Dean of Professional Education
  Nelson Baker, Georgia
  Institute of Technology

We are grateful to all who shared perspectives and expertise through the survey and subsequent discussions.

Role
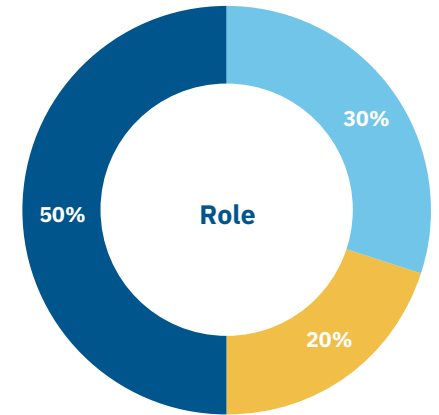
- 50% President/Chancellor/CEO
- 30% Provost/Chief Academic Officer
- 20% Other C-Suite Respondents

Institution Sector

- 42% Public, four-year or above
- 58% Private nonprofit, four-year or above

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