

rests on the bold experiment that continually underpins the design of knowledge and life together in intentional community. Liberal arts colleges, in this way, provide a hopeful future, developing the leaders who will aspire to bring all that they have learned about how to think, create, and live into practice throughout their personal, professional, and civic lives.

## NOTES

1. The term “distinctively American” is borrowed from the title of the volume *Distinctively American: The Residential Liberal Arts College*, ed. Steven Koblik and Stephen R. Graubard (New Brunswick, NJ: Transaction Publishers, 2000). Interestingly, the residential liberal arts college is now being emulated in countries such as Ghana, France, England, and China.

2. Women, slaves, and certain groups of immigrants were not counted as individual citizens at the founding of the country. The principles identified as the foundation of the social charter—critical thinking, the formation of moral and civic character, and using knowledge to improve the world—allowed the ongoing redefinition of freedom, democracy, and the common good. This work continues today.

3. John Dewey, “Creative Democracy: The Task before Us,” in *John Dewey: The Political Writings*, ed. Debra Morris and Ina Shapiro (Indianapolis, IN: Hackett, 1993).

4. William M. Sullivan, *Reconstructing Public Philosophy* (Berkeley: University of California Press, 1982), 168.

5. William Cronon, “Only Connect: The Goals of a Liberal Education,” *American Scholar* 67, no. 4 (Autumn 1998): 73–80.

6. See, for instance, Kate Zernike, “Making College ‘Relevant,’” *New York Times*, Jan. 3, 2010, [www.nytimes.com/2010/01/03/education/edlife/03careerism-t.html?pagewanted=1&em](http://www.nytimes.com/2010/01/03/education/edlife/03careerism-t.html?pagewanted=1&em).

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8. See, e.g., the study by Peter D. Hart & Associates commissioned by AAC&U, [www.aacu.org/leap/businessleaders.cfm](http://www.aacu.org/leap/businessleaders.cfm).

9. See the Hardwick Day study prepared for the Annapolis Group: <http://collegenews.org/news/2011/liberal-arts-college-graduates-feel-better-prepared-for-lifes-challenges-study-finds.html>.

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11. Thomas L. Friedman, *The World Is Flat* (New York: Farrar, Straus and Giroux, 2007).

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## Challenges and Opportunities in the Changing Landscape

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The greatest challenge facing higher education today—both for individual institutions and for the system as a whole—lies in the ability of its leaders and key stakeholders to realize an academically compelling, publically comprehensible, and economically sustainable vision in an environment of profound uncertainty. The major factors driving this uncertainty are well known to all who maintain an interest in American colleges and universities: a distressed and (presumably) unsustainable economic model; the proliferation of dazzling and potentially transformative technologies; a seismic demographic shift in college-eligible students; and increased public skepticism about the purpose and value of a college education, or more cynically, a college degree. Collectively, these factors are likely to have an impact on the mission and purposes of higher education comparable to, if not greater than, that of the GI Bill on college enrollments following the Second World War or, shortly thereafter, the impact of government-sponsored research on the rise of the American research university. In some ways we might compare the current situation to the so-called revolution of the 1960s, which achieved, among other changes, coeducation as normative at most selective institutions, the “democratization” of the curriculum, and the emergence of community colleges as an essential part of the national system of higher education.<sup>1</sup>

In order to conceive of what such a leadership vision might encompass for liberal arts colleges, it would be useful to assess more closely the precipitating factors that are driving much of this change as well as the disparate and complex competitive environment within which liberal arts colleges currently operate.

## Precipitating Factors

### *Economics*

Clearly, the most obvious and long-standing problem facing higher education has been the dramatic, and presumably unsustainable, rate of increase in college tuitions and fees. Even after adjusting for inflation, during the last twenty years tuition and fees at private four-year colleges and universities have increased by 280 percent, while that for public institutions has increased 370 percent.<sup>2</sup> It is for good reason that many families no longer believe that they can afford to send their children to college. Whereas in 1992 educational costs represented 30 percent of median family income, by 2012 the number had risen to 55 percent and is continuing to rise.<sup>3</sup> The problem of escalating costs is highly complex and, perhaps not surprising, poorly understood by the public and even by many key stakeholders. The impact, however, is becoming increasingly clear to all.

Following the economic downturn of 2008, the connected problems of rising costs and declining affordability have attracted much attention from leaders in higher education, economists, and the national media. Once thought to be largely the consequence of shortsighted management practices and an excessive focus on consumerism, the root causes of these financial problems are now generally recognized to be systemic and cumulative. I will review briefly five major factors: (1) the skilled labor productivity problem, also known as “cost disease”; (2) the cost premium for investing in quality and innovation; (3) the consequences of an overheated competitive environment; (4) historical management practices; and (5) the impact of increasing market demand.

First identified by William Baumol and William Bowen in their study on the economics of the performing arts, the cost disease problem in higher education has received much recent attention, including a comprehensive study on rising college costs by Robert Archibald and David Feldman.<sup>4</sup> Put briefly, the problem concerns the costs associated with supporting a highly skilled workforce in labor-intensive industries such as higher education or the performing arts. Since at least the 1970s, industrial productivity gains have lifted the overall economy, and therefore the standard of living, for a highly educated workforce. Whereas productivity improvements have generally led to substantial salary gains for skilled workers—clearly benefitting some more than others—this has not been the case in labor-intensive industries such as higher education. For skilled labor in higher education, including especially professors and administrators, salaries have grown to keep pace with the general economy, but productivity growth significantly lags behind that of other sectors. As a result, educational costs per student

have inevitably risen faster than the overall economy.<sup>5</sup> Increasing faculty productivity would be very difficult under the current system without either increasing class size or redirecting faculty away from research and service and toward increased teaching loads. Of course, modest gains can and have been achieved, primarily through the use of technology, but options are limited unless performance goals for faculty are to be modified.

Another structural problem that cannot easily be resolved concerns the need for continued investment in educational resources that simply do not track with increases in the cost of living. Colleges and universities, even those that do not pursue research as their highest institutional priority, must invest substantially in laboratory and scientific equipment; books, periodicals, and other scholarly materials; and digital media and technology, as well as the staff required to oversee and maintain these resources. Whereas it is now generally recognized that technology-related expenses inevitably grow at rates well in excess of inflation on college campuses just as they do in most other business sectors, it is also true that other expenses are equally difficult to control. One notable example concerns the troubling rate of growth in acquisition costs for periodicals. The average increase for periodical subscriptions at leading small colleges has been close to 8 percent per year for the past decade.<sup>6</sup> In light of this challenge, and in order to control library acquisition costs overall, many schools have had to reduce book acquisition expenditures to balance budgets, a practice that has further eroded a difficult market for academic books.

Another area of concern that has generated much attention is the financial impact of an overheated competitive environment. In order to keep pace with real and perceived competitors, for example, institutions have invested in campus improvements intended to heighten eye appeal for those with a consumer's mentality. These kinds of expenses have attracted much attention from critics, including Andrew Hacker and Claudia Dreifus, who proclaim, “The colleges are caught in an extravagant amenities race, tripping over each other to provide luxuries, large and small, especially aimed at seventeen-year-old applicants.”<sup>7</sup> There is little doubt that many colleges and universities are guilty of some pandering to young applicants, but it is also true that competitive pressure has been a good thing for many college students and their families. Such pressures have driven the creation of innovative academic programs, the acquisition of state-of-the-art facilities and resources, and most of all, the implementation of new financial aid programs that have substantially reduced or even eliminated affordability as a problem for many low-income families and even some with middle incomes. At Lafayette and a

great many peer institutions, this commitment to economic access has resulted in rates of growth in financial aid budgets well in excess of growth in overall operating expenses. Although sponsoring institutions and many students have benefitted greatly from these programs, the associated expense growth trajectories are clearly unsustainable over the long term.

The fourth factor concerns historic management practices that have placed too great an emphasis on inputs rather than outcomes—or to put it differently, on more rather than better.<sup>8</sup> Institutions across the spectrum—public and private, large and small, highly selective and those with open admissions—have longstanding management practices and institutional planning processes that were predicated on the generation of incremental resources rather than the reallocation of existing ones. Largely as the result of emerging reaccreditation pressures, most colleges and universities have now begun to develop better methods for measuring the quality of outcomes, which, in turn, has led to better decision making about cost management and resource reallocation.

A final, crucial factor that has contributed to the problem of rising costs is the fact that market demand and other forms of external support have continued to grow in the face of rising tuition rates and other market pressures. During the past several decades, most of the selective public and private institutions have experienced significant growth in college applications and, equally, in other forms of external support, including rising levels of philanthropic giving from alumni, parents, and others; private foundation support; and government-sponsored research. All of these groups have, in one form or another, sent a signal that they believe their investments to be worthwhile or they would not have chosen to sustain them. Even as prices have risen at rates well in excess of the cost of living, and there is more and more talk of the affordability crisis, applications at the most selective institutions have continued to rise. During the past several decades, the most expensive private—and increasingly, public—institutions have experienced ever-increasing levels of interest in them. Seen in this way, it would be correct to observe that the market has rewarded more and better programs, increased numbers of faculty, and even more campus amenities. Only recently has there been evidence that demand is shifting in important ways for many sectors of the higher education system.

Because colleges and universities serve their missions best by operating in a highly competitive environment, performance in the market will continue to be crucial in helping leaders determine how best to allocate resources and plan for the future. For a very long time we have lived in an environment that rewarded

ever more institutional growth and program enhancement. Perhaps those days are now behind us. The market has many ways of making clear what it values.

### *Technology*

It is increasingly evident that near and intermediate-term advances in technology are likely to exert a more substantial impact on the direction and practices of higher education than any of the other leading factors outlined in this essay.<sup>9</sup> Yet we must also acknowledge that the specific consequences for liberal arts colleges and other sectors of the higher education system remain unclear at best. Drivers of change in education are closely related to the general impact of technological progress in our society as a whole. Because the value of technology to the educational work of faculty and students continues to improve, there is increased demand for new resources, which in turn has provided powerful incentives for investment in new businesses to serve these markets.<sup>10</sup> Within our complicated and disparate educational system there is clear evidence that new technologies are ably and efficiently replacing distressed labor-intensive approaches. For example, the development of cost-effective and educationally compelling interactive technologies, including cognitive tutors and other systems, has now provided exciting new platforms for individualized teaching on a very large scale. Student demand for innovative, flexible, and cost-effective new technologies will continue to drive the market just as consumer demand has driven the general technology market.

Because of the demonstrable value of these technologies for research and teaching, they will continue to find their way onto college and university campuses across the spectrum of institutions, even if the specific details of a financially sustainable business model has not yet emerged. The proliferation of new businesses and learning platforms will surely continue, and some will have a transformative impact on us all (if only we knew which ones). As we follow these developments, our institutions will need to make new investments, some with considerable uncertainty, even as we continue to realign our organizations to keep pace.

These changes, dramatic as they are, will require liberal arts colleges to think carefully about how technological changes in higher education can enhance the quality and effectiveness of their particular offerings within their distinctive model. Administrators and faculty will need to consider the following questions as they develop their own institutional plans:

1. What is the appropriate role of technology for institutions that focus on individual mentorship of students and close interaction with faculty?

2. What is the best method for thoughtful and cost-effective planning?
3. How do we make sure to acknowledge—and even optimize—generationally distinct learning approaches?
4. What are the right kinds of investments in a constrained financial environment?

### *Changing Demographics*

A major demographic shift is now underway in the United States that will have a profound impact on the character, constitution, and competitiveness of liberal arts colleges. According to the U.S. Census Bureau, within ten years minorities will comprise more than half of all children, a number that is expected to rise to 62 percent by the middle of this century. By 2050 the Hispanic and Asian populations are projected to double, while the black population will see modest rates of growth. As a result, the longstanding educational goal of increasing diversity within the small college sector is likely also to become a strategic necessity. Because many of these students will be the first generation in their families to go to college, finding ways to attract them to small private institutions that focus on a liberal arts education will not be easy. The problem is complicated further because many of these students will come from geographic areas that are traditionally underserved by liberal arts colleges, including the South and the West, while areas of traditional enrollment strength, including New England and the Middle Atlantic regions, will see significant decreases in college eligible populations.<sup>11</sup>

### *Public Skepticism*

As a consequence of the factors described above and surely of others, public concern has been rising about the value of an investment in higher education and, more generally, about the direction and integrity of our postsecondary educational system. These concerns find expression in the national media on a daily basis, and they extend beyond finances to include the costs—financial and otherwise—of intercollegiate athletics; the failure of graduates to find satisfactory employment even as they face unmanageable student debt; and, for many, the questionable long-term benefits of a liberal education rather than a more focused pre-professional one. As David Scobey has recently written, “This crisis of legitimacy . . . has fueled the atmosphere of distrust that pervades public debates over higher education, the current rash of calls for external assessment and accountability, and rising skepti-

cism about the ‘value proposition’ that social and familial investment in higher education offers.”<sup>12</sup>

Some critics have gone farther, describing the current environment as an emerging crisis comparable to those of the health care system or financial services. Mark Taylor has pointed out that “there are disturbing similarities between the dilemma colleges and universities have created for themselves and conditions that led to the collapse of major financial institutions supposedly too secure to fail.”<sup>13</sup> In *Academically Adrift: Limited Learning on College Campuses*, a recent study that received a great deal of media coverage, Richard Arum and Josipa Roksa raise troubling questions about the amount of real learning that is occurring on the campuses of American colleges and universities.<sup>14</sup> They see a growing disconnect between institutional objectives and undergraduate academic learning. In one form or another, the volume of these criticisms is rising for the general public as well as for various stakeholders, including state and federal governments, foundations, and the media.

Moreover, the problem has been exacerbated by a growing disconnect between college leaders and the public on these very issues, especially concerning the value and affordability of a college degree.<sup>15</sup> Those on the inside who are closest to the debate have much greater knowledge of complicated financial aid resources that significantly reduce the real cost of attending college, and they have benefited from the opportunity to see the long-term benefits of a college education on a great many individuals and society as a whole. Prospective students and their parents, as well as recent graduates and the public, inevitably have a more circumscribed perspective on these difficult issues.

Whatever the merit of these criticisms may be, the issue of public skepticism and loss of trust is real and highly consequential. If college and university leaders do not engage these criticisms more directly, develop meaningful and appropriate actions to respond, and communicate more effectively about them, the problems are likely to increase, leading to further erosion of trust. The consequences will be serious indeed, including possible loss of market share to lower-cost alternatives, the prospect of increased government regulation, and potential further reductions than we have already seen in government funding as well as other forms of external support. Finally, the most invidious consequence of diminished public trust will be damage to the crucial but fragile partnership between colleges and their many stakeholders. As this problem escalates, we will see more and more evidence of public criticism and distrust, which inevitably will detract from the ability of colleges to provide a challenging and comprehensive learning experience for their students.

Institutional Category	No. Institutions (approx.)	Admissions	Curricular Emphasis	Outlook
1 Most selective liberal arts colleges	100	Highly selective	Liberal arts	Strong/stable
2 Research innovators / global leaders	50	Highly selective	Diverse	Strong/stable
3 National universities—public and private	50	Selective	Diverse	Challenging
4 Providers of social mobility		Open	Vocational	Enrollment strong / funding precarious
Community colleges	1,100			
Regional publics	500			
5 Regional private colleges	500+	Moderately / less selective	Liberal arts / preprofessional	Precarious
6 For-profit providers	700+	Open	Vocational / preprofessional	Strong / high growth / increased government scrutiny

## The Competitive Environment

Within the large and disparate universe of colleges and universities in the United States, the impact of these four precipitating factors will vary significantly by the type of institution and the particular markets they serve. Without doing injustice to the richness and heterogeneity of institutions within our system, we might distinguish between six general categories of schools from the vantage point of the undergraduate student (see table, facing page). In segmenting the higher education market in this way, I recognize that in some cases I have blurred important distinctions between individual institutions and in others distinguished between schools that otherwise have much in common. In focusing on the competitive environment for undergraduates, I have considered four distinguishing characteristics: (1) the kinds of students who attend; (2) curriculum and academic programs offered; (3) sources of institutional distinctiveness for undergraduates; and (4) institutional success factors.

### *Most Selective Liberal Arts Colleges*

Offering a student-centered environment with substantial opportunities for leadership, close work with faculty, and outstanding resources dedicated to undergraduates, these colleges have consistently achieved outstanding results as measured by student and alumni satisfaction, graduation rates, and professional outcomes. Faculty members are expected to be actively engaged in research that advances their disciplines but that also complements the institution's focus on undergraduate education. Many of these colleges are able to compete for the best students in the United States and around the world, and they support them by offering financial aid comparable to that offered by the leading research universities. Success factors include significant endowment levels per student, strong annual giving and major gift programs, outstanding faculty who are dedicated to mission, and highly developed campus infrastructures. In addition to the significant resources dedicated to undergraduates, these schools are distinguished by an excellent record of graduate outcomes and strong alumni networks dedicated to supporting the college.

### *Research Innovators*

Representing the gold standard of American universities, these institutions are among wealthiest and most widely respected in the world. The universities in this group, including the Ivies, MIT, and Johns Hopkins, as well as a few of the leading

flagship public universities, have vast resources, diverse academic offerings, and a research focus that generally privileges graduate students and professional schools. Because of their prestige, the quality of their students and faculty, and the wealth of opportunities they offer, undergraduate admission is intensely competitive, even if for the most part the programs that serve them represent a niche within a larger institution. Success within this group depends on the effective management of a complex funding system including, in addition to tuition, large endowments, research grants and indirect cost recoveries, philanthropic support, and other revenue-producing operations. Notwithstanding their emphasis on graduate and professional education and the research demands that often circumscribe the kind of faculty engagement seen in selective liberal arts colleges, these schools have been national leaders in the area of undergraduate education. Because they are global institutions with substantial resources, what they do has reverberated throughout the system. Demand for undergraduate admission to these universities is only likely to increase.

#### *Public and Private National Universities*

Offering a traditional university experience for undergraduates, these schools offer a wide range of academic programs; a more balanced faculty commitment to research and teaching; opportunities for professional training in engineering, business, and education; and, very often, highly visible and expensive intercollegiate athletics programs. Admission to these universities is moderately selective. As opposed to small liberal arts colleges, the student experience is characterized more by opportunities for participation than for leadership, and class sizes tend to be large. The private schools in this group are very expensive, relying primarily on tuition revenues, with supplemental income coming from endowments and research funding. Success factors include a strategic vision that enhances institutional distinctiveness, signature programs that offer competitive advantage or at least greater visibility, and strong fiscal management. The outlook for these schools is more uncertain, given ongoing financial challenges from state funding sources for public institutions and from continued pressure on pricing increases for both public and private schools. Although these institutions are large and collectively serve a significant portion of undergraduates in the United States, they will be challenged to maintain quality and enrollments in the face of increasing competitive and financial pressures.

#### *Providers of Social Mobility*

Offering open admissions and a low cost of attendance, community colleges and regional public universities represent the largest number of schools in the American system.<sup>16</sup> These schools emphasize pre-professional and vocational academic programming designed to help graduates secure employment and begin careers. Many of these students are among the first generation in their families to attend college. This sector has benefitted significantly from the demographic changes outlined above and therefore has experienced rapid growth. Institutional success depends on a clear and comprehensible value proposition, careful management of costs, stable sources of public funding, and geographic proximity to their students, since most of those enrolled are commuters. This sector is likely to see continued enrollment growth even as it struggles with serious funding shortages tied to state budget cuts.

#### *Regional Private Colleges*

With generally more limited resources, regional and local markets for student enrollments, and significant pressures on tuition pricing, regional private colleges will continue to face significant challenges in the face of a difficult economy and the proliferation of competitive options available to prospective students. These schools focus on providing a traditional small college experience that includes relatively small classes, a student-centered environment, and a faculty dedicated primarily to teaching. Thus far, many of these schools have been able to survive by meeting enrollment targets while limiting growth in discount rates, by careful control of operating costs, and, increasingly, by offering degrees in pre-professional fields. Faculty at these schools are generally required to carry heavier teaching loads than that required at other four-year schools, and their salaries fall well below benchmarks for universities and leading liberal arts colleges.<sup>17</sup> Notwithstanding these challenges, these colleges succeed in providing many students with a strong and highly valued small college experience, a supportive educational community, and significant opportunities for student engagement. In light of the precipitating factors outlined above, it is likely that some of these schools will be struggling for their survival in the coming decade.

#### *For-Profit Providers*

Offering flexible on-line programs primarily for nontraditional students, the for-profit sector has experienced rapid growth in the past decade but has recently

experienced weakened demand and increased government scrutiny for its financial practices, particularly with regard to management of student loans.<sup>18</sup> This sector has achieved success by offering relatively lower cost and flexible programs leading to vocational and pre-professional degrees. Unlike other sectors, these businesses have a highly flexible cost structure due primarily to reliance on part-time faculty who do not hold tenure. The for-profit business model requires aggressive advertising, a market-driven curriculum that serves well-defined consumer needs, and ease of access toward a degree. It is likely that this area will continue to experience market share growth in the foreseeable future.

### An Opportunity to Lead

Over the next decade, the four precipitating factors discussed above are likely to result in dramatic change across the system, although the particular impact will vary for each of the groups described above. With more limited resources and greater pressure on pricing, we should expect to see greater differentiation than we have seen thus far, both across sectors and between individual institutions. As they are called upon to achieve specific institutional objectives with greater resource constraints, colleges will inevitably have to make more clearly defined choices, and this will drive greater levels of institutional risk taking and differentiation in the market. Over the long term, greater heterogeneity should serve the public more effectively by encouraging innovation and offering a wider range of college choices for prospective students.<sup>19</sup> However, these market and financial pressures are also going to result in consolidation; clearly some of the more than four thousand institutions serving undergraduates today will not survive. Greatest risk will be to regional private colleges and perhaps some regional public universities as well. One factor that is not yet clear to anyone is the long-term impact of computer-based instruction, both on institutional practices and on the system as a whole.

Within this complex and dynamic competitive environment, the most well-funded and selective liberal arts colleges are especially well positioned to lead in advancing undergraduate education because of their strong and diversified resource base, the capacity to adapt more quickly to change, their proven educational model, and their continued focus on the needs of undergraduates. However, such an opportunity to lead will not be easy. Success will depend on the degree to which these colleges are able to build on six areas of distinction that have traditionally contributed to an outstanding educational experience and an enduringly valuable investment. In addition, they will need to maintain a strong focus on several key success practices.

### Six Areas of Distinction

1. *Formative Educational Experience:* For many small colleges, the pressure to enhance the curriculum with pre-professional training continues to increase, usually in response to perceived market needs in a down economy. Yet we know that our graduates will change jobs, and even careers, several times throughout their lifetimes and that they will be served best with an education that helps them to develop the critical skills needed to function effectively in a rapidly changing environment, including the ability to read carefully, think critically, communicate effectively, and reflect carefully on an ethical dimension. Most important, they will need to become highly skilled lifetime learners. A liberal education is for many students the most effective means of achieving these skills and helping them realize strong graduate outcomes. Since so many other schools in the system offer ample pre-professional training for those who seek it, there is little incremental value for liberal arts colleges to redirect their resources away from a proven educational model to produce a duplicative one.

2. *Comprehensive Learning Environment:* As Rebecca Chopp, John McCardell, and others in this volume have argued, the distinguishing characteristic of most liberal arts colleges is their capacity to create learning environments that integrate the curricular, extracurricular, and cocurricular experiences for all students. In so doing, they aspire to what Chopp calls the “cultivation of character,” using the development of critical thinking, a civic perspective, and service to the world as critical components in building intentional communities that can serve as incubators for linking knowledge, freedom, and democracy.

3. *Engaged Faculty:* Perhaps the most important component of the small college experience for students is the opportunity to work closely with faculty within the classroom and in other contexts and in so doing to build mentoring relationships that endure well beyond their college years. In my experience, the best faculty members at these institutions select small colleges because they believe in the complementarity of teaching and research, and they value these relationships as much as do the students. Finding the right balance between research and teaching varies not only by the institution and academic discipline but also by the intellectual interests of the faculty member. However, it is important to recognize the value of research to the teaching mission and to support it accordingly. Moreover, the commitment of the best faculty to the small college environment extends beyond their teaching and academic contributions to the institution itself through serious engagement in shared governance. More than any other institu-

tions within our system, small colleges depend on faculty involvement in governance and community leadership.

4. *High Impact Learning Practices*: These include first-year seminars, learning communities, writing intensive courses, undergraduate research, service learning experiences, and capstone projects among others. In his 2008 study of high impact learning practices, George Kuh noted that these practices are powerful because they increase the frequency of meaningful interactions with faculty and peers, induce students to spend more time and effort on research, writing, and analytic thinking, and involve students in more hands-on and collaborative forms of learning.<sup>20</sup> While these kinds of educational opportunities can and should be offered to all undergraduates regardless of the kind of institution they attend, small colleges are particularly well positioned to ensure that all students have such highly meaningful experiences.

5. *Outstanding Postgraduate Outcomes*: The leading liberal arts colleges have historically done an outstanding job of helping their graduates to develop meaningful careers by engaging with them throughout their college years in careful advising and close mentoring. Graduates are therefore well prepared to make informed decisions about graduate school or careers, and they have the support they need to help them along.

6. *Powerful Alumni Network*: Although they are not unique in offering their students access to an extensive and extraordinarily productive alumni network, the elite liberal arts colleges do this from a position of special advantage. These colleges can often provide access to a vast network of support for professional and social opportunities that are otherwise unavailable to students and alumni. In addition to the long-term benefit of membership in such a group, these networks also supplement the college learning environment by providing valuable internship opportunities and through meaningful engagement on campus.

### *Key Success Practices*

Although there is considerable uncertainty and even anxiety about the changes ahead for higher education, there is less doubt about the effectiveness of the liberal arts college model in producing outstanding and well-documented educational results. In order to build on this record of achievement, to anticipate as much as possible the changes that lie ahead, and to lead the nation and the world in providing innovative, enduring, and relevant education for life in the twenty-first century, several key success practices will be essential:

- Developing a compelling institutional vision that enhances all six areas of distinction.
- Implementing careful and prudent financial management practices to limit reliance on fee increases. Budgeting growth rates beyond 1–2 percent above CPI is not likely to be sustainable.
- Incorporating technology into the overall vision, including operational practices and academic planning. Involve students and faculty in the process.
- Focusing planning efforts and management practices on outcomes and make them transparent to all stakeholders.
- Maintaining a strong and visible commitment to the values of shared governance, even as decision-making cycles become shorter. Make clear what is needed from all constituencies.
- Engaging more actively in communication and advocacy with the public on all of the educational issues of concern to them. Make a compelling case for the purposes and enduring value of liberal arts colleges.

If, in the face of much uncertainty, liberal arts colleges can contribute to society, as they always have in the past, by graduating highly intelligent and ethically grounded individuals who are capable learners, productive team members, and effective communicators, and if they can do so without imposing undue financial hardship on most of their students or their families, they will persevere through the challenges before us and help us to navigate whatever lies ahead.

### NOTES

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13. Mark Taylor, *Crisis on Campus: A Bold Plan for Reforming Our Colleges and Universities* (New York: Knopf, 2010).
14. Richard Arum and Josipa Roksa, *Academically Adrift: Limited Learning on College Campuses* (Chicago: University of Chicago Press, 2011).
15. See the Pew Research Center Report, "Is College Worth It?" <http://pewresearch.org/pubs/1993>.
16. In 2009, public two-year colleges represented 26 percent of full-time undergraduate enrollments in the United States, while public four-year colleges represented 44 percent. See [www.collegeboard.org/trends](http://www.collegeboard.org/trends).
17. See the recent study on financing of liberal arts colleges by Lucie Lapovsky, <http://lapovsky.com/wp-content/uploads/2012/06/Case-lib-arts-colleges-21412.pdf>.
18. According to the College Board, market share for private for-profits increased from 6 percent to 11 percent between 2000 and 2009, [www.collegeboard.org/trends](http://www.collegeboard.org/trends).
19. This point was made by Bowen in "Thinking about Tuition," 534.
20. Quoted in *The LEAP Vision for Learning: Outcomes, Practices, Impact, and Employer's Views* (AAC&U, 2011), 15.

## PART II / An Opportunity to Lead