How to recognize and respond to genuine trends with potentially significant impact on your institution[1]

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Executive summary

Increasingly, higher education places a premium on leaders who can detect a trend early enough to formulate an institutional response that also addresses a broader societal problem. Although data are plentiful about past trends, extrapolating from them to future trends is difficult to do in today's volatile environment for higher education. Among trends that are likely to accelerate in the future and therefore require scrutiny now are: changing demographics of college-goers; need for increased financial aid; growth of master's degree programs; mismatch between the supply of PhDs in a field and the level of students' interest in the field; shortening tenure of institutional leaders; and public skepticism about the performance of colleges and universities. For each of these trends (and others, discussed in this paper), campus leaders need to build on those that offer distinctive opportunities for the institution, and to prepare defenses against those that could cause serious harm. No trend washes over all colleges and universities in the same way, nor does a trend dictate an institution's destiny.

Executive summary (continued)

A sequence of several steps can help leaders, planning committees, and trustees navigate the process of identifying the emerging trends that are most consequential for the institution and devise responses that advance the institution's best interest. The key steps in this process are:

- Review the data (national, regional, and local) to determine if a genuine trend exists.

- Identify the trends that have major potential consequences, positive or negative, for your institution.

- Disaggregate the information to focus on trends that offer ways to enhance institutional distinctiveness and amplify them.

- Consider at what point within a trend's lifecycle the institution should position itself to take optimal advantage of the trend.

The challenge

Through most of the history of American higher education, a dominant purpose was the preservation, advancement, and transmission of knowledge to the next generation. High standards and access by only a small fraction of talented students meant that one important benefit of being admitted to a highly selective institution was the opportunity to sit at the feet of the scholars and scientists who were disproportionately responsible for advances at the frontiers of knowledge.

The 1960s changed that paradigm. In the sciences, new knowledge led to new ways of organizing both study and research, first in the biological sciences and continuing today in the physical sciences. In the humanities and social sciences, new interdisciplinary, thematic, and problem-based configurations helped apply these disciplines to advancing social change. Today, the concerns of most campus leaders extend well beyond the traditional focus on preserving, generating, and conveying knowledge to the next generation. Instead, leaders aim to influence the public good more broadly by deploying the resources, expertise, and authority of the institution to champion social goals. This more activist stance requires campus leaders to understand both recent trends in higher education and urgent societal issues beyond the traditional concerns of academia.

In this environment, a key skill of effective leaders has become the ability to recognize important and genuine trends early enough to formulate and implement effective

responses to them—either to build on the opportunities they present, or to prevent harm to the institution from their effects.

With so many campus leaders peering at the tea leaves, why do only some anticipate changes successfully? Extensive experience, clear insight, and wise judgment remain of obvious value in this process, but there are also more methodical steps that a campus leader can take in planning a viable future for the institution. Several changes that currently appear to be emerging trends will be discussed in this paper, with the caveat that these are not the only apparent trends, nor will everyone agree that they are the most important. Nonetheless, as illustrations of how campus leaders can assess whether an emerging change is likely to be a genuine trend that calls for an institutional response, these examples can serve well.

Often, a basic beginning point is to track a trend in the recent past and try to determine whether it will continue into the future. To guide this exercise when looking at apparent changes for which data are available, leaders have many helpful resources. Among the most capacious are the data sets and analyses prepared by IPEDS,[2] the American Academy of Arts & Sciences,[3] and the National Student Clearinghouse.[4] More targeted than these—and also readily accessible to campus leaders—are sources that track over time the numbers and subjects of degrees awarded, the finances of higher education, and the socioeconomic characteristics of students and faculty. If identifying trends were a matter only of projecting from well-documented past patterns, campus leaders would have a clear path to follow. That, however, is not the case.

Because most college presidents and other senior officials lack the time to scrutinize all the available data, they frequently rely on distillations prepared by both campus-based offices and other organizations that assemble and analyze data. College leaders also rely on journalistic accounts which, although usually accurate, are necessarily brief and sometimes oversimplified. Many of the journalistic treatments of changes in higher

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2   IES, NCES National Center for Education Statistics, IPEDS Integrated Postsecondary Education Data System. https://nces.ed.gov/ipeds/

3   American Academy of Arts & Sciences. *PROJECT, Humanities Indicators*. https://www.amacad.org/humanities-indicators

4   The National Student Clearinghouse Research Center. https://nscresearchcenter.org/

education also exaggerate the degree of change, and some convey the assumption that the pattern being presented is the harbinger of longer-term trends, even if the pattern is only a year or two in duration.

Simplified reports can take on a life of their own. The risk is that they will be used by harried college and university leaders as the basis for making decisions about their own institutions' futures without reference to underlying details or contextual information. Of even greater concern is that abbreviated and overly generalized treatments in the news and social media often serve as the principal sources of information about higher education for college and university trustees. In their brevity, these reports can lead trustees to believe that the change described in the latest news story requires an immediate response by their own institution, even if it is disruptive to the institution's longer-term plans.

A more deliberate method: Five steps for identifying genuine trends and formulating institutional responses

It is a truism that the human mind usually attempts to find patterns in events. And like all leaders, higher education officials try to see the patterns in past events and to project likely future trends based on those observations.

Easily forgotten is the fact that in higher education, most patterns of change are limited to specific regions, types of institutions, categories of students, or fields of study. The following steps can provide a more deliberate way for any institution to proceed in its efforts to assess the legitimacy and relevance of a pattern and plan for the future.

Step 1. Review the available data to determine whether a trend exists. The first step is to review all the relevant data on a particular trend, looking for patterns that are national, regional, and specific to the institution. If there is alignment, it's important to understand the pattern in more depth and to ask whether the institution should address it. Among the questions on which to focus are whether the pattern has held for a reasonably long time at the national or regional levels or at the institution, and what is the evidence that it will continue in the same direction in the future?

Step 2. Discern relevant trends. The second step is to determine which, if any, of the trends discernible in the data are consequential for your institution. Often, a

"national" trend is present in only some regions of the country (Upper Midwest versus Southwest, for example) or for only colleges and universities that have certain shared characteristics (different patterns of enrollment in rural and urban institutions, for example). Are the discernible temporal patterns likely to persist?

Step 3. Disaggregate the information. The third step is to make separate decisions about each trend under discussion. Separating trends may be difficult, but it is important that planners not assume that a constellation of trends will all evolve in the same directions. Key questions to pursue from there are, at the extremes: (a) does the trend offer an opportunity for your institution to become distinctive; and (b) does the trend represent a threat to the institution? There are many possibilities between these poles. For example, if a college experiences a pattern of declining interest in foreign language study but a growing interest in study-abroad opportunities, is this seemingly inconsistent experience similar to that of other colleges in the region? How have the others reconciled what, on the surface, may appear to be a contradiction? Or is the pattern at this institution inconsistent with the pattern in many other colleges and universities?

Step 4. Amplify potential distinctiveness. The fourth step is to decide if a trend offers an opportunity for the institution to be distinctive. If that is the case, it is particularly useful to review activities at other institutions against which your institution likely will compete for students, faculty, philanthropic gifts, and visibility before making the effort to develop a new, distinctive institutional asset. If, on the other hand, the trend is likely to jeopardize one of the institution's ongoing strengths, the contextual question of whether that past strength will be perceived as favorably in the future should be considered.

Step 5. Position the institution for optimal advantage in the trend's lifecycle. Assuming that a trend does indeed appear to be worth the effort to leverage for the institution's benefit, the next step is to make a conscious decision about how to position the institution in relation to that trend. Where in the lifecycle does the institution choose to position itself in relation to the trend's early rise, period of popularity, and eventual waning? (This approach is elaborated upon below.)

Note that throughout all of these steps, it's important to avoid common mistakes driven by false historical reasoning. These include:

- the assumption that a trend is inevitable, so an institution cannot influence the trend's direction or its effects;

- the assumption that because events have followed a chronological pattern in the past, they will follow the same pattern in the future; and

- reliance on analogies as the evidence that a new trend will follow a similar path to an earlier one.

Trends to watch for potential relevance to your institution

Every campus leader has his or her own list of the most important trends to monitor. Naming actual trends of the recent past is not difficult; however, identifying those that will have enough staying power to warrant being factors in institutional planning is more of a challenge. The trends listed below are among those that have been noted frequently in recent years. This list is hardly comprehensive, and there is not universal agreement about these trends' likely longevity or import. They appear here mainly as vehicles to illustrate the use of the five steps.

To begin, then, with those about which there is strong consensus of reliability and proceed to trends about which there is less agreement:

The paucity of traditional-age college students. We know that during the next decade, the pool of potential traditional-age college students will be smaller than it has been. This trend is the easiest to verify and is the closest on this list to being universally acknowledged as relevant to many institutions. Nonetheless, it probably requires the most commentary. The U.S. Census provides 18 years of advance warning to college planners about the size of the potential college-going cohort each year.[5] Because most colleges draw more than half their students from within their own regions, regional and local projections from U.S. Census data are the most useful. The work of Nathan Grawe documenting and analyzing the demography of future college-goers (see Figure 1) and his proposed solutions to the problems that the data indicate are coming in the next decade are worthy of close study.[6]

Figure 1. Projected number for age-18 and college-going persons relative to 2018, 2018 to 2034
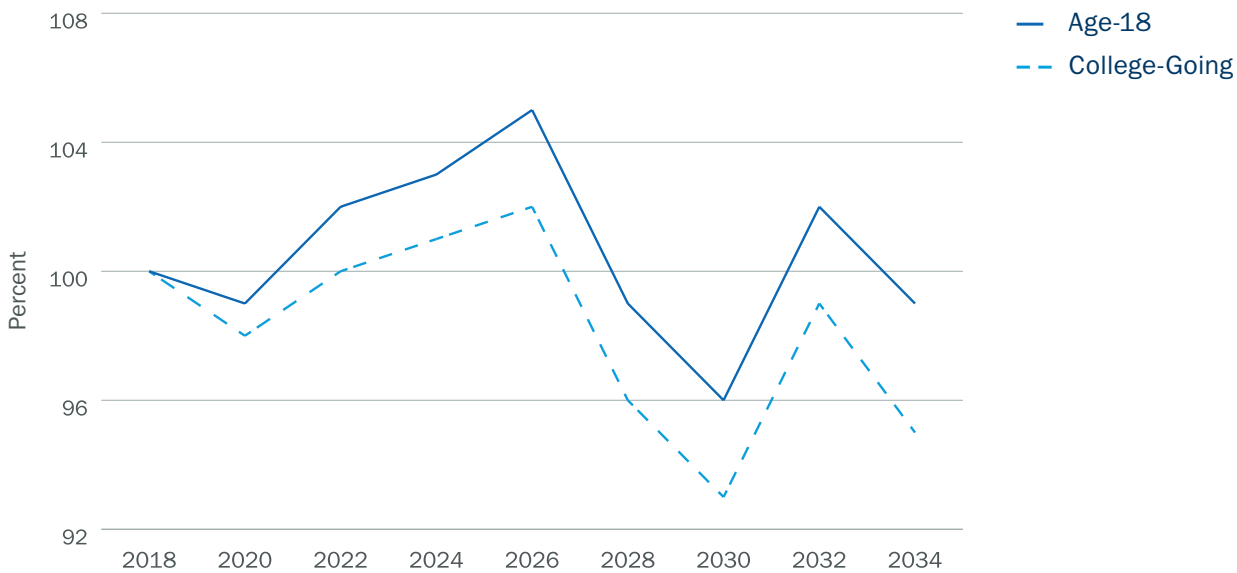
Source: Grawe, Nathan, 2021. *The Agile College: How Institutions Successfully Navigate Demographic Changes*, p. 28. Johns Hopkins University Press: Baltimore MD. Reproduced with author's permission.

5   United States Census Bureau. Age and Sex Tables. https://www.census.gov/topics/population/age-and-sex/data/tables.html

6   Grawe, N., (2021). *The Agile College, How Institutions Successfully Navigate Demographic Changes*, Johns Hopkins University Press. https://www.press.jhu.edu/books/title/12234/agile-college

Most campus leaders understand the Census data and, in response, many have tried to attract students from other locations and age cohorts. The growth in the number and percentage of students who are older than the traditional 18-22 year old college-going cohort is well established, and it is tempting to assume that it will continue to grow. Thanks to the work a decade ago of the Lumina Foundation and the U.S. Department of Education, a very large number of adults who have had some college experience but did not complete degree requirements has been identified as ready to benefit from continuing their educations. Indeed, a recent National Student Clearinghouse report estimates that more than 39 million Americans have "some college, no credential."[7] Many colleges and universities are actively recruiting those 39 million potential students.

But even this trend has been uneven. After a few years of rapid growth in enrollment of college-completers, the growth appeared to stop cold. Observers wondered if the reason for this sudden stop was that a one-time backlog of these students had been successfully persuaded by the Lumina Foundation and Department of Education initiatives to enroll, and if future annual numbers would return to being very small. However, as colleges modified their delivery systems to accommodate older students' preferences for evening and weekend programs and part-time study—preferences that are compatible with job and family obligations—a new surge of enrollment of older students began and is now underway. A key question for any college that hopes to bank on older students to replenish the declining number of younger undergraduates is to determine how long this new surge is likely to last *in its region*. If the conclusion is that it will last a long time, new delivery systems that adhere to the preferences of adult learners may need to be put in place.

A reader of this paper in 2023 will be aware that enrollment has decreased in the most recent few years for both traditional and older students, and that as COVID recedes as a factor, the pattern of returning students suggests that the increase in older students is not being sustained at many institutions. Whether this is a temporary interruption in the growth of enrollment among adult students or the start of a new, downward trend is a key question.

The growing need for financial aid by a larger percentage of college-bound students. As more students from low-income and first-generation backgrounds enroll in college—which is unquestionably a worthy goal for policymakers to embrace—the need for financial aid will also increase. Despite talk of free college and large-scale, but temporary, debt forgiveness, the need will remain high, and the burden on individual institutions to generate financial support for these students will remain substantial. If one assumes that students from low-income and first-generation backgrounds will continue to apply to U.S. colleges and universities, the future availability of financial support will be an even larger factor in the patterns of their enrollment than it has been—and increasingly difficult to predict, as well. State budgets are flush these days, increasing the probability that some of the current operating surpluses will be used to support college students in 2022 and 2023, but there is no way to predict for how many more years state governments will enjoy ample tax revenue. Indeed, for public universities, the annual appropriations by state governments can be volatile. SHEEO's State Higher Education Finance Project is an excellent source of data and trends in higher education finance on state and national levels.[8]

The growth of micro-credentials. Because both traditional-age and adult students who have job and family obligations will continue to comprise a large fraction of all college-goers, the popularity of disaggregated learning units—such as badges and certificates as credentials—is likely to expand. Integrating these smaller units of student achievement into a coherent general education program and graduation requirements presents a major challenge for colleges and universities. This effort cannot be attempted without substantial input from the faculty and possibly accreditors, as well. The degree of unpredictability in faculty deliberations will vary a good deal among institutions, while the pressure for more micro-credentialing will likely increase. While the interest of employers in these more targeted and more quickly acquired measures of skill attainment will no doubt

7   Sedmak, T. (2022, May 10). More Than 39 million Americans Have Some College, No Credential. *Media Center, Press Release, National Student Clearinghouse.* https://www.studentclearinghouse.org/blog/more-than-39-million-americans-have-some-college-no-credential-according-to-new-research/

8   State Higher Education Finance, SHEF. (2021). *Report, State funding to public colleges surpasses expectations amid historic declines in student enrollment and tuition revenue.* https://shef.sheeo.org/

continue, an open question is whether it will be colleges and universities or corporations that will account for the larger percentage of micro-credential offerings and enrollments.

The growth of master's degree programs. The enrollment of older students has been amplified, too, by the growth of master's degree programs. The rapid growth in such programs began more than two decades ago, mainly in professional fields for working adults, offered primarily in the evening and part-time. As online and hybrid programs became more numerous, the growth in master's degree programs skyrocketed and continues to grow today. In 2000, 10.4 million Americans had master's degrees; by 2021, the number had increased to 24.1 million. New master's degree programs by colleges and universities created since 2011 number 9,000. Figure 2 shows the fields with the most growth in master's degree programs offered.

Figure 2. Top 10 fields in growth of master's degrees programs offered

Field of study	No. of colleges with master's program, 2012-13	No. of colleges with master's program, 2019-20	Increase
Research and experimental psychology, other	73	240	167
Architectural and building sciences/technology	42	171	129
Econometrics and quantitative economics	200	327	127
Health and wellness, general	49	170	121
Management sciences and quantitative methods, other	6	120	114
Data modeling/warehousing and database administration	50	164	114
Research methodology and quantitative methods	131	226	95
Research and development management	133	224	91
Business statistics	9	99	90
Public relations, advertising, and applied communication	419	507	88

Note: Data reflect degree-granting. Title IV-eligible U.S. public, private nonprofit, and private for-profit institutions classified as baccalaureate, master's, doctoral, or four-year special-focus institutions in the 2010 and 2018 Carnegie Classifications.

Source: June, A. (2022, March 22nd). Higher Ed Added More Than 9,000 Master's-Degree Programs in Less Than a Decade, *The Chronicle of Higher Education*. https://www.chronicle.com/article/higher-ed-added-more-than-9-000-masters-degree-programs-in-less-than-a-decade

Despite a few recent, widely publicized efforts to reduce the college and postgraduate degree requirements for specific jobs and to substitute more narrowly defined credentials—the state of Maryland being one highly visible example[9]—many believe that competition for advancement in most fields will continue to encourage the pursuit of advanced degrees and the creation of more master's-level programs.

Tracking enrollment trends in existing master's degree programs can help planners assess the potential for adding master's degree programs in new fields at their institutions. An initial clue to the institution's receptivity to adult learners at the graduate level is the appeal of the institution to undergraduates who are adults. It's important to remember that the early wave of master's degree enrollment was motivated by institutions' concern about declining numbers of undergraduates in traditional liberal arts fields of study, and yet that led to the creation of master's degree programs mainly in professional fields that often were not represented in the institution's undergraduate curriculum. The lesson is that, while some adult learners will respond positively to the availability of new master's degree programs in fields already established at the undergraduate level, more adult learners have been and will be attracted to the institution if it already appears to welcome older learners, who then enroll in master's degree programs even in fields that may be new to the institution.

The oversupply of PhDs. The surplus of holders of PhDs in many fields, especially the humanities, does not appear to be ebbing. PhDs in these fields continue to be awarded in large numbers despite the worsening job market, as undergraduates' interest in the humanities continues to decline and fewer new humanities faculty are needed. There has been some recognition that PhDs can succeed in "alternate careers," as Leonard Cassuto and Robert Weisbuch have described.[10] In fact, in the sciences, it has always been the case that a large percentage of new PhDs aspire from the outset to nonacademic careers. The problem of oversupply is most severe in the humanities, and it is not yet clear that an emphasis on alternative career paths will resolve that problem, or if fewer students will enroll in humanities PhD programs. At the moment, some observers are treating the small recent annual reductions in PhDs awarded as a new trend and as a solution to the problem. But in the field of history, for example, 6,010 new PhDs were awarded in 2015 and 5,483 in 2020. And fewer than 400 full-time faculty positions were advertised in history

in 2020. If the average decrease in new PhDs awarded per year is approximately 100, it will take many years to equalize supply and demand and absorb into the academic workforce the thousands of unemployed and underemployed historians who have earned their PhDs since 2015.

The undersupply of PhDs. In comparison, the shortage of faculty members in some fields will persist despite being a concern for planners for many years. For example, in nursing, a growth field for undergraduate and graduate enrollment, numbers are constrained by the shortage of nurses with advanced degrees who can serve as faculty members. The shortage of PhDs as nursing educators is caused not only by universities not producing more, but also by the higher salaries that medical centers are able to offer PhDs in nursing.

Increased reliance on online methods of instruction will continue. This trend is likely to be most visible among institutions that already emphasize online instruction and cater to the needs of working adults. These colleges and universities will continue to enjoy enrollment growth. However, among institutions that were using live instruction prior to the pandemic and shifted to online instruction with the expectation that it would be temporary, we can anticipate a decrease in reliance on remote learning during the next few years as COVID-driven restrictions are lifted and if new variants are not life threatening. Studies of the use of online instruction suggest that the most talented students do well in both live and online formats, but the average student performs less well academically in the online format.[11] In other words, for many students, especially older ones, the convenience and lower expense of a wholly or partially online college education outweigh the likelihood of learning less and of not persisting. For most institutions, the solution will be a compromise, and hybrid instruction will continue to be offered for many years. For campus

9   Svrluga, S. (2022, March 20). Maryland drops degree requirement from some jobs, adding to debate over value of college. *The Washington Post*. https://www.washingtonpost.com/education/2022/03/20/maryland-srtate-jobs-degree-hogan/

10   Cassuto, L. & Weisbuch, R. (2021). *The New PhD, How to Build a Better Graduate Education*. Johns Hopkins University Press. https://www.press.jhu.edu/books/title/12093/new-phd

11   Bettinger, E., Fox, L., Loeb, S., & Taylor E. Virtual Classrooms: How Online College Courses Affect Student Success. https://scholar.harvard.edu/files/online-inperson-bflt.pdf

leaders, the higher attrition rates among remote learners will be a key consideration and will drive efforts to restore live instruction. Paradoxically, the same campus leaders will continue to be impressed by the large number of additional students who could be enrolled if online and part-time study were to be routinely offered throughout the institution.

Operating costs will grow. The increased operating costs of colleges and universities, especially for fuel, student mental health, other support services, and compliance with government regulations have grown rapidly in recent years and could become even more significant factors in the years ahead. It is extremely unlikely that these cost centers will become less significant factors. As pandemic-related influences have detracted from students' ability to focus on their academic work, students have increasingly relied on advising and counseling services. Because younger, K-12 students have exhibited similar need for support for the same reasons, it will likely be many years before colleges can reduce the expansion of student mental health services. The pressure on limited resources will continue. With respect to increased state and federal regulation, it must be acknowledged that in recent years both Republicans and Democrats have added to the burden of compliance for colleges and universities. If public criticism of higher education continues, it is likely to encourage more regulation.

The use of experiential pedagogies will become more widespread. Conditioned by their experiences with "hands-on" learning in their K-12 instruction, undergraduates will welcome the growth of internships, community-based learning, and other experiential pedagogies at the higher education level. Indeed, college students now expect these modes of learning. Like the 18-year lead time in projecting college enrollment, the classroom experience at the pre-college level will determine which pedagogies colleges can utilize effectively in the future.

The comparatively brief tenure in office for presidents, chief academic officers, and chief development officers will continue. The average length of service in these positions has declined fairly steadily for more than a decade: the American Council on Education's *American College Presidents Study 2017* found that a college president's average tenure in 2006 was 8.5 years, 7 years in 2011, and by 2017 had declined to an average of 6.5 years. (See Figure 3.)

Figure 3. President's average tenure 2006, 2011 and 2017
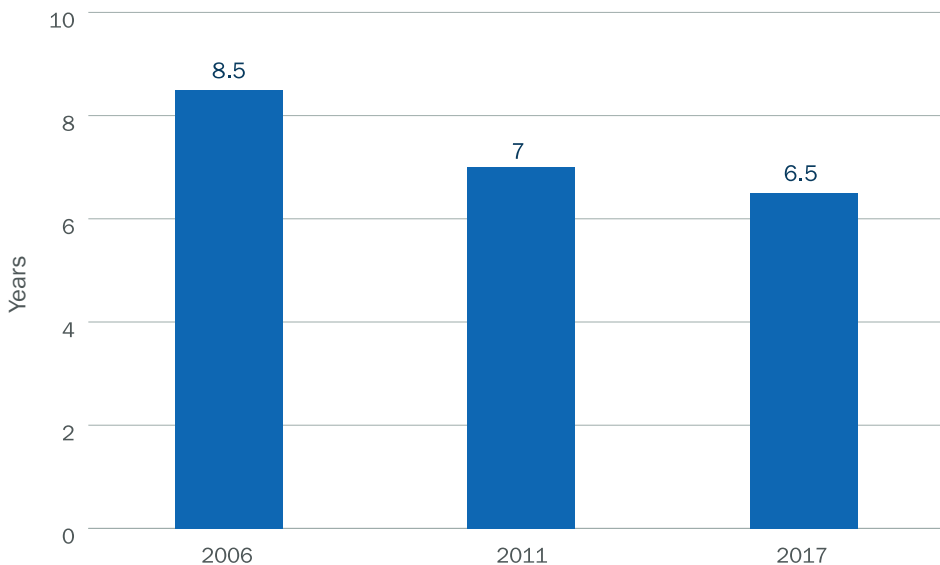
Source line at bottom: *American College President Study.* (2017) American Council on Education.
https://www.acenet.edu/Research-Insights/Pages/American-College-President-Study.aspx

The challenges to successful and long-lasting tenures for college and university presidents are great, and expectations by trustees, legislators, and the public are likely to remain difficult to satisfy. For these reasons, one can anticipate that rapid turnover will continue. It's also the case that different skills will be emphasized as new senior administrators are hired, with problem-solving and financial acumen being given more emphasis than scholarly achievement. Although there are downsides to the emerging pattern of leadership changes—such as reduced credibility with the faculty for presidents who lack faculty experience themselves—these downsides will not be enough to reverse this trend.

In 2022 and 2023, we are witnessing approximately three times the typical number of presidential retirements, including: (a) those who plan to retire this year or next year; (b) those who planned to retire earlier but delayed in order to see their institutions through the pandemic; and (c) those who had no intention of retiring anytime soon but are burned out by the enormous challenges of coping with COVID. By 2024, the number of presidential retirements is likely to return to the recent pre-pandemic level of about 15-20% of presidents per year—still high, but much less than the 2022 and 2023 numbers.

Greater use of information technology will influence both the teaching and research dimensions of academic life. Course-sharing among institutions in specialized subjects and sharing of library and other research materials will continue. These trends may have a negative impact on, respectively, the need for a large university to assemble or maintain a faculty that provides comprehensive coverage of a field of study, and on the numbers of scholarly books that publishers produce as the number of potential purchasers of those specialized materials becomes smaller. Nonetheless, the positive effects of judicious use of information technology for both teaching and research are likely to outweigh the negative.

The uncertain future of international students in the United States. Enrollment in U.S. colleges and universities of international students will not follow past patterns, but it is not yet possible to predict which countries will send the largest numbers of students to the United States in the coming decade. International enrollment is often a reflection of U.S. foreign relations. The politics of flows of international students can be volatile, as government-to-government agreements to send large numbers of students to the United States are signed or discontinued on short notice. While individual students from affluent backgrounds who wish to travel to the United States for study are less susceptible to this volatility, they are equally affected by political changes. At this point, projecting a trend in the international enrollment from any specific country is very difficult.

Public skepticism about the value of higher education may remain a factor. A long view of public opinion surveys indicates a decline in the public's confidence in higher education. A look at the immediate pre- and post-pandemic years, however, shows some improvement in those opinions. According to a recent survey by ACE, public confidence in the value of higher education is now at 38% of survey respondents, up from 27% in 2017. But as noted in a recent analysis of the survey, the vast majority of Americans still are either agnostic or have negative views of higher education.[12] With large segments of the public not enthusiastic supporters, their views could affect state appropriations, government regulation, and foundation and private donor support.

Most surveys, however, show that there are contradictions in the public's views. For example, often the same person who has a negative view of higher education institutions in general has a very positive view of his or her alma mater or local university. And there are significant differences of opinion between Republicans and Democrats and among older adults, young adults, and students. (Democrats and older adults are less skeptical than others.) Until these contradictions and variations can be understood better, it is unlikely that public skepticism, by itself, will cause a reduction in the number of individuals who choose to pursue a college degree The very recent downturn in enrollment has existed for too short a time frame to be interpreted as an indicator of declining public opinion rather than, for example, a symptom of the Great Resignation, COVID-related mental health issues, or even of generational malaise.

Taking the five steps to identify genuine trends and formulate the institution's responses

The remainder of this paper illustrates with specific examples the application of the five steps introduced above. The method here is not to address each step in isolation, but to apply it in the discussion that follows.

12 Lederman, D. (2022, March 14). Public's Impression of Higher Education Improves (Somewhat), *Inside Higher Ed.* https://www.insidehighered.com/news/2022/03/14/public-opinion-higher-education-takes-turn-better

Review the available data to determine whether a trend exists

A good example of how actual data sometimes contradicts widely held opinions may be the reportage during the past two decades about college closures. Nearly every time since 2000 that a college has closed its doors, the reports of its demise have treated the closure as the leading edge of a trend that will accelerate. To some reporters, each closure has signaled the beginning of the end for all small colleges, all underfinanced colleges, or all under-enrolled colleges. The reality is quite different: Every year for the past two decades, a small number of colleges has indeed shut down, but the number of nonprofit, private colleges and universities has usually been three or four, never more than ten, and sometimes none at all. The annual number of closures has not increased steadily, and these numbers cannot be correlated with other disruptive financial phenomena—such as the 2008-09 recession. To be sure, it's a sad day for the faculty, students, and alumni of a college or university when their institution closes, as well as a significant blow to the economy of the local community. To put these small numbers of closures in perspective, however, one must remember that there are approximately 4,000 colleges and universities in the United States.

Curiously, reporters often treat mergers, partnerships, and alliances among institutions as the equivalent of closures, when in fact a merger can be a way for the closure of a college to be prevented. That said, many mergers have been attempted in recent years, but only a fraction of these efforts has succeeded. Those most likely to be consummated are mergers of *dissimilar* institutions—where each brings something distinctive to the new combined entity. There have been recent examples of successful mergers of a college and a seminary (California Lutheran University and Pacific Lutheran Theological Seminary), a university and a design school (New England College and New Hampshire Institute of Art), and a large university and a small college (Northeastern University and Mills College).

Most failed mergers have been caused by the difficulty of merging two institutions that have similar, not complementary strengths, and/or by local factors that were at least as potent as broader trends. Midland University and Dana College, both in Nebraska, represent an unsuccessful effort at merger that foundered on local factors, not national trends, and Hilbert College and St. Bonaventure University, in western New York, despite prodigious and earnest efforts over several years, ultimately did not consummate their merger, also mainly due to local cultural factors. In the public university sector, the dramatic mergers of three similar state universities in the Pennsylvania State System of Higher Education into one new university, and two additional state universities in Pennsylvania into another new one, were made possible only because of a state agency's mandate. More mergers are likely in the future, primarily among dissimilar institutions.

In short, the assumption that almost all small colleges are going to close is unwarranted. Moreover, there is enormous regional variation in each of the factors that affect higher education institutions. Because most students enroll at a university or college that is within a few hours' drive from home, college leaders need to go beyond the plentiful national data to draw the most applicable lessons. This is not a difficult task, thanks to the state agencies and regional and state nonprofit organizations that collect, disaggregate, and analyze the relevant data.

Determine which trends are highest priorities for your institution

By way of illustration of how to determine which trends are highest priorities for your institution, let's assume that a university has analyzed the available data and is leaning strongly toward launching a nursing program, offering both bachelor's and master's degrees. The national data indicate that there will be a need for more nurses for a long time, given that Americans are living longer, that elderly people will require more health care, and that nearby hospitals and medical centers are always in need of more nurses.

But the seeming no-brainer of a decision to launch the nursing program should lead quickly to consideration of a few cautionary factors. Does the institution have the funds needed for the initial capitalization of the extensive facilities and equipment needed to offer a nursing program? Are nearby hospitals willing to enter partnerships with the university for the clinical portion of the program? Will the university be able to recruit and retain nursing educators—that is, individuals with doctoral degrees and significant experience—to teach and manage the program in a market that produces too few advanced degree-holders in nursing? Are nearby colleges and universities, following the same basic logic, likely to announce new nursing programs of their

own—programs that would compete for students, faculty, and hospital partnerships?

Answering questions such as these requires an understanding of the context in which the institution operates. It is not enough to be aware of macro-trends in the demography of college-goers, in the demand for nurses, or in the rise and fall in popularity of particular fields of study. A university or college without a nursing program located in a metropolitan area that is already home to many health-related institutions—Boston or Omaha, for example—would assess whether to begin a program by posing different questions from those asked by a college in a rural area that lacks any health-related postsecondary institutions. So, although a university's planners may conclude that a new nursing program would take advantage of a reliable trend, the contextual factors could point toward either developing a program or not.

One frequently-arrived-at conclusion by diligent universities and colleges that have asked themselves questions such as those noted here is to offer a new program that focuses on a niche within a larger field. For nursing, that might be pediatric nursing, elder care, or emergency room nursing. For another burgeoning field in the curriculum—business management—the niche might be sports management or international business, perhaps with an emphasis on one country or region. And even in fields that are not viewed as expanding overall, the same approach in planning is often appealing: for example, should the English department focus on Southern literature rather than English and American literature in general?

Instead of emphasizing new programs, many colleges and universities first try to improve retention of the students already enrolled. The observable data point driving this planning choice typically was that only about half of all undergraduates remain at one institution for the full bachelor's degree program. Also, it has been repeatedly demonstrated that retaining a student already at the institution is less expensive for the college than recruiting a new one. Remember that the physical plants of many colleges and universities are underutilized, so all efforts to enroll more students and reduce attrition are viable responses, at least initially.

For traditional-age students, less dropping in and out, or transferring, makes for a more coherent education. While colleges and universities have strengthened advising in an effort to retain students, and improved how students can transfer credits from one four-year institution to another, it is only recently that many four-year institutions

have begun to think about the potential inflow of students from two-year colleges. Many public university systems and some state associations of private colleges and universities have created smoother pathways for students who begin at a two-year college with plans to transfer to a four-year institution. The share of all undergraduates enrolled in two-year colleges has increased rapidly for many years and is now more than 40%. Further, more than 80% of all two-year college students say at the outset that they intend to earn a bachelor's degree, but, sadly, fewer than 20% actually do. These data suggest fruitful ways for colleges and universities to develop policies and programs that would attract and retain students. For a four-year college to ignore these shifts in enrollment patterns would be to forego opportunities to grow.

But the data do not always point in only one direction. While the generalization over two decades is that increasing numbers of undergraduates have chosen to begin their college educations at two-year institutions, the data of the COVID years tell a different story. At the outset of the pandemic, enrollment in all sectors of higher education decreased. This was a predictable short-term consequence. However, enrollment has not yet bounced back to pre-pandemic levels. Although enrollment began to recover in most sectors, the two-year college sector is not faring as well as others.

A university that contemplates a strategy to increase the number of transfer students it admits from two-year colleges should assess carefully both the recent and the conflicting longer-term trend data and attempt to identify plausible explanations for it. Questions to be addressed include: Are the past two years aberrations or the beginning of a longer-term trend away from enrollment in two-year colleges? How long should a four-year college leader wait in observing the recent declines in two-year college enrollment before deciding to abandon plans to emphasize an expected increase in transfer students from two-year institutions? Is the decline in one region due to the fact that, in the geographic area that the university typically draws from, students are already choosing to enroll in four-year institutions in large numbers? If that is the case, is there room for another four-year institution to compete for these students? Or is the better explanation that the current economy has made it less likely that area residents will enroll in any institution of higher education? If so, is it plausible for the institution to recruit transfer students from two-year colleges in other geographic regions? For most

institutions, the answer to the last question will be negative. Answers to the other questions posed here are less clear.

Sometimes a new idea without much trend data to bolster it is so appealing that it gains active support. Robert Zemsky, professor of education at the University of Pennsylvania, has devised throughout a distinguished career ameliorative responses to emerging trends that are potentially harmful to colleges and universities. His latest endeavor is to develop a strategy for U.S. students to earn a bachelor's degree in three years, not four. He notes that in the UK, the three-year degree is the norm and British college graduates appear to be well educated. Zemsky's "College in Three" approach seeks to eliminate the frills from required courses of study.[13] By "frills" he does not mean electives that enrich the college experience, nor does he insist on a traditional course of study in the liberal arts that eliminates—or at least postpones to postgraduate studies—more focused professional or vocational training. Rather, Zemsky envisions recasting the main substance of major and core requirements into a better integrated whole.

Zemsky's three-year degree proposal can be seen as a response to the clear trend toward higher prices of bachelor's degrees just when more students are entering college from low-income backgrounds. His conviction is that other approaches—such as relying exclusively on online education—shortchange the student's undergraduate experience. He is working with accreditors and government agencies to obtain approval for a degree based on fewer credit hours than are typically required without sacrificing benefits such as eligibility for federal financial aid funds. Zemsky understands the long-term trends in cost, price, and numbers of students from low-income backgrounds. He also understands the erosion of general education over a long period. In this mix of trend data, he is choosing to champion one response that, if successful, could address all of these trends effectively.

Zemsky knows the trends well—toward more online education, more low-income students, higher "sticker prices"—and his focus on a curricular solution may at first glance seem inconsistent with the deliberate methods discussed in this paper. But while championing three-year degrees—a phenomenon with only a short track record among a small number of institutions—is based on Zemsky's informed judgment and extensive experience, it is also based on his analyses of trends in pricing, enrollment, and curriculum change. As such, his work is illustrative of the types of analyses college

leaders should undertake as they strategize how best to respond to trends relevant to their institutions.

Search for institutional distinctiveness

Every college or university has certain features in common with every other college and university, so opportunities to be distinctive are necessarily limited. If, for example, every reputable college or university has a biology department, it would be a major undertaking to create one of superior quality to the biology departments at competing institutions. While a superior biology department could be achieved with enough tenacity, energy, and resources directed toward that goal, even if successful the public reputation of that department may be more difficult to influence and to present convincingly in relation to the reputations of biology departments at peer institutions. The dilemma is that, often, an institution's distinctive features offer more opportunities for leveraging trends than do efforts to achieve recognition for higher quality in features that are common across institutions.

A dramatic way of confronting this dilemma has been playing out at Adrian College in Michigan following the arrival in 2005 of Jeffrey Docking as the college's president. Docking quickly concluded that the college could not make its academic programs stand out as superior to the programs in comparable fields at many somewhat similar institutions in Michigan. Instead, he proposed that Adrian could distinguish itself through its extracurricular activities, as described in his book, *Crisis in Higher Education: A Plan to Save Small Liberal Arts Colleges in America*.[14] Very few colleges in the area had marching bands, for example, so Adrian started one. Every year since then, a dozen or so students have chosen to enroll at Adrian in part because of the distinctive opportunity to play in the band. The same approach was taken to starting a lacrosse program and a bass fishing team (which is an NCAA-recognized

13 Marcus, J. (2022). *Momentum builds behind a way to lower the cost of college: A degree in three years, Skepticism about the cost and duration of a higher education drives a need for speed*. The Hechinger Report. https://hechingerreport.org/momentum-builds-behind-a-way-to-lower-the-cost-of-college-a-degree-in-three-years

14 Curton, C. & Docking, J. (2015). *Crisis in Higher Education, A Plan to Save Small Liberal Arts Colleges in America, Transformations in Higher Education*, Michigan State University Press. https://msupress.org/9781628951332/crisis-in-higher-education/

intercollegiate competitive sport). The faculty initially balked at this nonacademic approach, so Docking asked for five years of faculty forbearance and pledged that if this approach succeeded, the funds from the increased enrollment would be used to support academic programs. The faculty agreed.

The additional students who enroll at Adrian each year largely because of the availability of each of these distinctive extracurricular programs have led to significant additional revenue that has been directed to strengthening the academic programs. Adrian has enjoyed an impressive 15-year run of success. Its competitor colleges in Michigan have not been asleep, however, and many of them have added one or more of the features that, at least for a while, were uniquely associated with Adrian. It's not clear whether the next 15 years will be as fertile a period for Adrian through this approach. Even so, it is notable that Adrian achieved a 15-year run of enrollment increases, in contrast to the equally long trend of declining enrollment at many small colleges despite their best efforts to advance academic programs.

Consider the optimal position of your institution in relation to a trend's lifecycle

As campus leaders work to identify and respond to genuine trends most relevant to their institutions, a key question to consider is: How long a run should the college be confident that a trend will have before committing to a plan to benefit from it? Where in this expected series of developments should a college or university position itself? Can one anticipate with confidence, for example, that the market for micro-credentials will continue to grow? Or, at the other end of the spectrum, which expanding fields, especially at the master's degree level, are likely to continue to do so long term—that is, long enough to justify program development?

Once an institution has determined that a trend is genuine, likely to be durable for long enough to make program development worth the effort, and presents an opportunity to be distinctive, how should the institution proceed? It is important to determine carefully when in a trend's lifecycle may be the best entry point given the larger context of the institution's circumstances.

The responses of colleges and universities to trends typically fall into one of five broad categories:

- Some colleges and universities that wish to be seen as innovators will try to be on the *pioneering front end* of an emerging trend. A good example of this stance is how many colleges will seize upon the latest instructional technology and trumpet its use at the institution as the first or only place where it is available.

- A second group of colleges and universities will choose to be *leading followers*. These institutions may not have been the very first to establish, say, a study-abroad program in Africa, but now believe that there are still only a few of these, that the pioneering universities have already demonstrated that it is a feasible undertaking, and that rapidly increasing numbers of students will be interested in such a program. In the technological realm, sometimes the decision to be a leading follower is based on more practical considerations such as the fact that technology always decreases in price for purchase or lease a year or two after its first release, when it's brand new.

- A third group will take note of a trend, understand that it cannot be ignored, and so *will go along* with it in a muted way but will not attempt to develop the college's response as an opportunity to create a distinctive feature of the college. This is not merely a wait-and-see outlook; a good example of this response to a trend is the massive increase in campus counseling and advising services. In recent years, all colleges have come to recognize the need to augment their mental health services for stressed students, but very few institutions have billed the expansion of mental health services as a distinctive feature of the institution.

- Yet another group of colleges and universities are only *dimly aware* of the trends that wash over higher education. These colleges do not try to address the trends—or, in fairness, do not try until very late. Happily, the number of institutions in this group is decreasing as higher education leaders are becoming more proactive and boards of trustees are more often choosing leaders with proven ability to solve complex problems. Even so, the instances of these seemingly oblivious, passive leaders are still more common than one might assume. A college president recently noted that one of the distinctive features of the institution he leads is its embrace of "service learning"—not appearing to recognize that the practice is now

widespread and has been for at least two decades. To decide to introduce service learning and other forms of experiential learning now would certainly be valuable to students, who would no doubt respond well to this pedagogy, but this approach can no longer be claimed as a distinctive feature by any college.

- Finally, some institutions may choose to *actively oppose a trend* that its leaders believe can be demonstrably harmful to the institution or to higher education more generally. Sometimes a strong commitment to the institution's mission may lead the college to oppose a trend. One example of the influence of mission on an institution's response concerns the declining participation in daily chapel services at colleges with strong religious identities. Should the colleges make chapel attendance mandatory rather than allow the emerging pattern of non-attendance to take its course?

On the other hand, there has been surprisingly little opposition to some of the harmful trends in higher education in recent years. Examples include the elimination of foreign language requirements and the reduced level of math or science required of non-science majors for graduation. These changes have been viewed by most institutions as regrettable but necessary responses to students' preferences. The erosion of these requirements has rarely been championed as a positive development for the institution or higher education in general. Today, many colleges and universities are eliminating majors in philosophy, physics, and pre-modern history because not enough students are interested. Yet neither more active promotion nor new requirements have been attempted at many institutions that assume that these declining numbers are irreversible.

In closing

If campus leaders are to be effective as facilitators of change, they must decide which trends create the best opportunities for positive change and which pose problems that the institution must try to avoid. It's natural for people to look for patterns in events and to study the past for clues in predicting the future. We can readily see, though, that this habit of mind may lead to the false assumption that future events will follow the same pattern as past events. Carried to extremes, this mindset can lead to a premise in planning that a pattern is inevitable, that the future of an institution of higher education is not susceptible to influence, and that a

college must passively follow both positive and negative trends to an institutional destiny that is largely beyond the college's ability to influence or control.

We have seen examples of this fatalism in the initiatives by some college trustees' attempts to shut down the institution without delay in reaction to a news story about the closing of another institution that appeared to have a similar mix of vulnerabilities and strengths. As discussed above, this mindset has led to exaggerated projections about additional college closures every time an institution does close.

Students of history are warned about historicism when they draw false conclusions from bromides such as "Those who fail to study history are doomed to repeat it." The psychology of historicism may be difficult to resist by campus leaders. Rather, simplified patterns become attractive as if they were behavioral laws for predicting the future—not only in higher education, but more generally. Frederick Jackson Turner's frontier thesis explains the westward expansion of the United States and Fernand Braudel explains the 16th century Mediterranean world as human events that are shaped by multiple layers of change—first geological and environmental, then institutional, and only then by individual leaders who are severely constrained by these larger forces. Today, it's Ray Dalio—an investment guru, not an historian—whose bestselling book examines thousands of years of history, discerns cycles in the rise and fall of civilizations, and describes an alignment of conditions in the contemporary world that are analogous to key periods of change in past civilizations. Dalio warns readers to address risks in politics and the economy based on the parallels he describes.[15] Although the presumed inevitability of outcomes may diminish confidence in the ability of leaders to exert significant influence on the future of their institutions, it's a fine line between deriving laws of human behavior from these interpretations of history and applying past patterns to institutional planning.

A more powerful mindset is to recognize that leaders can actively address the challenges their institutions face. Begin with the data, but don't assume that the data tell

15 Dalio, R. (2021). *Principles for Dealing with the Changing World Order, Why Nations Succeed and Fail*. Simon & Schuster. https://www.simonandschuster.com/books/Principles-for-Dealing-with-the-Changing-World-Order/Ray-Dalio/Principles/9781982160272

the entire story. Then take advantage of the skills of expert analysts on campus and beyond. Much analysis, synthesis, and thoughtful, informed discussion are required to separate fact from fiction and establish which trends are genuine and pertinent to your institution. From there, extrapolate possible courses of action for your institution. After that, the hard work of making choices begins—including, most importantly, how best to exploit any opportunities for institutional distinctiveness that have become evident in the process.

The steps outlined in this paper, and the examples throughout the discussion, are offered to help you avoid common mistakes and reduce risk as you lead your institution in planning for an uncertain future. By recognizing that very little about the future is inevitable and no trend washes over all of higher education in the same way, insightful leaders can take advantage of some trends that have great potential to benefit the institution and take steps to minimize the negative effects of others.

About the author

Richard Ekman is President Emeritus of the Council of Independent Colleges, following 21 years as President. Earlier he served as Secretary of the Foundation and Senior Program Officer of The Andrew W. Mellon Foundation, Director of both the Education Programs and Research Programs Divisions of the National Endowment for the Humanities, and Vice President for Programs of Atlantic Philanthropies. Named a Fellow of the TIAA Institute in 2022, he has received many honorary degrees and other awards, including Harvard University's W.E.B DuBois Medal.

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