Changing Course: Reinventing Colleges, Avoiding Closure

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In memory of Martin A. Kramer, 1932–2011

It is with great sorrow that we at Jossey-Bass report the death of Martin Kramer, the co-editor-in-chief of New Directions for Higher Education. Martin died of natural causes on Tuesday, September 13, in Berkeley, California, where he had lived for many years. He was truly a scholar and a gentleman, someone for whom the word “courteous” was wholly appropriate—one of his colleagues said that his rejection letters felt kinder than most acceptance letters. In addition to his responsibilities to the journal he spent a generous amount of time with his two sons, Theodore and William, who admired him very much.

Martin came to the journal as a consulting editor in 1980 and took over as editor-in-chief with the first issue of 1982. For 30 years he guided the journal with great success, alone until 2007 and after that with the collaboration of a co-editor. He was a thoughtful, careful steward, and New Directions for Higher Education was recognized as a reflection of the breadth and depth of his interests and knowledge.

Martin was an honors history undergraduate at Harvard and, as a Rhodes Scholar, received a D.Phil. in philosophy from Oxford. After two years at Harvard Law, he left to teach philosophy at UT Austin. Starting in 1961, he worked in the federal government: the Bureau of the Budget, the National Institute of Mental Health, and finally the Department of Health, Education and Welfare, where he rose to be director for higher education planning. He was a member of the panel that wrote the 1971 Newman Report, a call for reform that raised hackles across the leadership of higher education. At the end of the 1970s, as a senior fellow of the Carnegie Council on Higher Education, he contributed to their final report, Next Steps for the 1980s in Student Financial Aid. In 1979–1980, he served as president of the American Association for Higher Education. During his tenure as journal editor, he worked as a higher education consultant, contributed often to Change magazine, and taught higher education finance at the University of California, Berkeley.

Martin Kramer was a pleasure to work with and a pleasure to be with, and we are all better for the privilege of having known him.
Sounding a Wake-up Call

Small, poorly endowed colleges face threats from within and without: crises in financial aid; competition for students; shifts in student mobility; changes in student expectations (wealthy institutions offer enticements with housing and services comparable to those at luxury resorts); increased debt loads; low returns on endowments; reduced annual giving; escalating overhead costs (health care benefits, utilities), and a public growing increasingly critical of institutions of higher education and less willing to provide public support to them. The seriousness of the situation for private colleges is often in *Chronicle of Higher Education* headlines: “Recession and Reality Set In at Private Colleges.” “The most severe effects will be at the colleges that can least afford it—small institutions with the lowest tuitions and the slimmest operating margins. A confluence of factors that have been building for years may rock the financial foundations of smaller colleges, a trend that has been masked while the economy was booming. . . .” (Van der Werf 2002).

For twenty-five years, I worked with private colleges in five central Appalachian states as director of the Appalachian College Association (ACA). The ACA is a consortium that raises money to help faculty and students have academic experiences which might be difficult for a small individual college to mount—sabbaticals for research, study abroad, service learning experiences, internships, participation in conferences. Of the thirty-seven colleges served by the ACA during my tenure, roughly one-third seemed to be “on the edge,” hoping to postpone paying bills—sometimes including the ACA dues—until the next tuition checks arrived. I watched faculty grow stronger in expertise and experiences while their colleges often grew weaker in financial stability.

During my first year of retirement, I produced a confidential report on four colleges that had closed. Later, I studied six colleges that almost closed but managed to reinvent themselves to survive. The major conclusion of my research was that, generally, colleges did not decide to close: closing was a decision imposed from the outside. In the examples studied, the church refused to provide new support; the regional accrediting agency would not affirm accreditation, so the college lost federal funding; the bank foreclosed. Something happened to make it impossible for the college to pay its normal operating expenses. The real issue to study is what leads an institution to the point where an outside agency determines that a college must close.

My main observation about colleges that almost closed is that no college wants to admit it almost closed. Colleges hesitated to admit that closing had ever been a cause for concern—or a cause for reinvention. Even
when a president resigned and said, “I don’t want to be the person who turns out the lights,” those remaining on campus talked about the wonderful new opportunities for the departing president and the college. Some relatively new college administrators admitted their predecessors might have considered closure at some point, but then insisted the future looked bright. Even when information on web sites or in news articles indicated that a college had considered closing, few would talk about it, despite the fact that the past contains valuable lessons for others.

The key issue in every case was a denial of serious problems. With predictions that more than half of the existing private colleges in the country today will close or merge by 2025 (Carroll 2003), the experiences of colleges that have closed or almost closed can be instructive. The stories presented here are told by the presidents of colleges that closed or were reinvented to survive. Within each story—each college—are practices that could serve as models for change at other colleges struggling to address social and economic challenges. My hope is that this book will serve as a “wake-up call” for colleges on the edge of collapse in time for them to prepare for a graceful end or find ways to assure another generation of students can benefit from their offerings.

An old Appalachian saying advises, “Hope for the best, prepare for the worst, and be grateful for whatever comes.” That’s good advice for a lot of small colleges today.

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Editor

References

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