



Universities Can Meet Challenges and Build Trust Through Return to Roots

EVOLVE OPERATIONS WITH THE SAME INTELLECTUAL RIGOR AND EMPIRICISM THAT CHARACTERIZE ACADEMIC CULTURE

While there are myriad challenges facing American higher education today, at the foundation of many of them is a crisis of trust.

Efficient operations, cost-effective outcomes, and good resource management build trust among diverse constituencies. The way these principles are applied at a university is fundamentally different than at a for-profit corporation. There must be an extraordinarily close connection with the academic mission. When done properly, universities' actions (and investments) in operations are accomplished in partnership with the faculty and in support of the outcomes of discovery and dissemination of information.

In fact, the rise of the American university to world preeminence in the 20th century occurred simultaneously with the adoption of modern business principles in their administrative operations. This trend was driven by several factors, including the growing importance of science and technology in society, the increasing competition among universities for funding and students, and the emergence of new management theories and practices. The shift included strategic planning, budgeting, cost-benefit analysis, performance-based evaluation, entrepreneurial partnerships, and the use of data to measure performance and identify areas for improvement.

Utilizing data-driven business acumen in university operations is not at odds with academic culture; in fact, it has been a key to success in the past and is an integral part of higher education's future.

Numerous Widely Recognized Issues

American higher education faces multiple concurrent challenges that are well documented. In *The Great Upheaval: Higher Education's Past, Present, and Uncertain Future*, Arthur Levine and Scott Van Pelt recently summarized the present moment in higher education as "a time of profound, unrelenting, and accelerating change of a magnitude and scope unequaled since the Industrial Revolution."

Among the challenges are rising costs, [increased administrative spending](#), threats to endowments, intense [competition for top talent](#), and declining enrollment. Additionally, the way instruction is delivered is changing in dynamic and unpredictable ways, with the next generation of artificial intelligence (AI) [potentially transforming traditional methods for teaching](#) and policing academic misconduct. College athletics, a beloved aspect of American universities, is also confronting difficulties,

with the [Knight Commission on Intercollegiate Athletics](#) criticizing the “broken governance and financial frameworks” of Division I sports.

These complex and intertwined issues come at a time when society is experiencing a general atmosphere of distrust and lack of confidence. This distrust affects most societal institutions, and universities are no exception.

The international public relations firm Edelman has conducted the Edelman Trust Barometer survey for two decades. The [2022 edition](#) found some of the lowest levels of public trust and confidence it has ever measured. Since 1973, Gallup has measured public trust in an array of institutions from Congress to businesses to newspapers, and the [2022 poll](#) measured some of its lowest levels of trust across institutions.

The percentage of Americans who said higher education positively affects the country [dropped 14 points in just two years](#). In addition, [one recent poll](#) found a stark partisan divide, with Americans identifying as Democrat or progressive holding a positive view of universities at nearly twice the rate of their Republican or conservative peers.

A Return to The Roots of Higher Education

EveryIn many ways, the history of higher education in America is a centuries long journey of challenges and transformational moments. Past reports such as the 1947 [Truman Commission](#) and the 1998 [Boyer Commission](#) emphasized — in their own time and historical context — the need for bold and visionary changes. A decade ago, E. Gordon Gee, then-president of The Ohio State University, was among those concluding that universities faced a choice of [“reinvention or extinction.”](#)

To meet the particular challenges universities face today, specific policy discussions are vital, such as the reexamination of admissions policies, increased public funding support, transparency in costs and aid, and support for free speech on campus. In addition, universities must also look inward.

Universities need to apply the same intellectual rigor and empiricism used in academic culture to their operations. Using data, science, and reason, universities should focus on areas where there is broad public consensus, such as access and affordability, academic excellence, addressing pressing challenges, job readiness, and diversity and inclusion. This will restore trust and support a culture of diversity of thought while addressing the issues facing the higher education sector and society at large.

Many universities around the world are using business principles and the latest technologies to improve the efficiency of their operations. Some examples include:

- Smith College, a private liberal arts women’s college in Massachusetts, implemented Workday Student to improve efficiency and support strategic operations with a student-focused approach. The implementation was crucial in the college’s COVID-19 pandemic strategy due to its cloud-based structure and workflow functionality. After deployment, the college launched its first remote registration period and received positive feedback from both students and staff.
- Vanderbilt University aimed to transform its development and alumni relations by replacing its legacy advancement technology with a Salesforce platform to strengthen connections and better understand constituents’ preferences.
- Massachusetts Institute of Technology (MIT) is using some of the same energy technology developed by its researchers to meet its energy efficiency and climate goals. The university tracks and analyzes factors such as energy consumption, temperature, and occupancy levels in real time to identify areas for improvement and make data-driven decisions about resource allocation and energy usage.

The institutions of higher education that will be thriving in another 300 years will be those that apply the same intellectual rigor and empirical discipline in their operations as they do in their academic enterprises. They will do so in ways that draw from the best practices of business but are distinctly academic and faculty-driven.

This is how colleges and universities can continue to create more value, including equitable access, sustainable operations, and innovations to benefit society.

In his posthumously published *A Moveable Feast*, Hemingway wrote, "The best way to find out if you can trust somebody is to trust them." The American people have trusted the American university for centuries, and that trust has proven well placed. Now, that trust is tested. Part of the way universities can meet this test is to remain true to the fundamentals of academe data, reason, and science.

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