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APPROVAL
CHANGE AND PERSISTENCE IN AN INDEPENDENT
NONPROFIT COLLEGE: A CASE STUDY

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DEDICATION

To my wife, Zephra; daughter, Niara; and son, Jonathan, for their patience and understanding in allowing me to pursue a personal goal. Many thanks to Zephra for her loving presence in my life and to Niara and Jonathan for their unconditional love and the incredible joy they bring to both Zephra and me. Obviously, a special thanks to my father, mother, brothers, and sister for their unyielding support through this process.

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ABSTRACT

Private independent nonprofit colleges and universities serve millions of students annually, yet very little is written about this group. Most of the literature and research concern large public institutions of higher learning. Davenport College, a private independent nonprofit college system in Michigan and northern Indiana, serving 15,000 students, was the focus of the case study that offers a historical view of how the college evolved and changed over the institution's 134-year history. The study highlights the influence of the five leaders and significant environmental events that led to change and persistence in Davenport College from its inception on January 25, 1866, to May 18, 2000. Further, an examination of the interactions between the influences of the environment at the institutional level, governance activities at the managerial level, and core activities at the technical level contributes to development of a system of explanation for organizational change at Davenport College.

Sources of primary and secondary data included personal interviews, historical documents, newspaper accounts, financial statements, annual reports, accreditation reports, and board reports, as well as college catalogs, brochures, and minutes of academic and executive leadership meetings. Many documents were collected that provided national, state, and local environmental data about economics, education, employment and training needs, and policies and statutes relevant to the college.

From the industrial revolution to the information age, through wars and depression, government support and regulation, technical advances and competition, Davenport leaders maintained the institution's mission and identity while adapting to a changing environment.

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CHANGE AND PERSISTENCE IN AN INDEPENDENT
NONPROFIT COLLEGE: A CASE STUDY

By

John Selmon

Dissertation

Submitted to the Department of Leadership and Counseling

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In partial fulfillment of the requirements for the degree of

DOCTOR OF EDUCATION

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April 15, 2005

Ypsilanti, Michigan

CHAPTER 1

INTRODUCTION AND BACKGROUND OF STUDY

This case study focuses on Davenport College, a private independent nonprofit college located in the state of Michigan. The study offers a historical view of how the college originated, evolved, and changed over the institution's 134-year history. It highlights the influence of the institution's five leaders as well as significant environmental events that shaped the college from 1866 to 2000.

In 1866, Conrad Swensburg, anticipating an education and training opportunity in Grand Rapids, Michigan, founded Grand Rapids Business College. From its inception and throughout the 134 years, the focus and purpose of the institution has been to provide training and education for careers in business. Indeed, the college was built upon this mission, and the four leaders who followed Swensburg perpetuated this mission and influenced generations of students.

Background of the Study

Private independent nonprofit colleges and universities have played an important role in the American higher education system. From the beginning of higher learning in America at Harvard University in 1636, until 1950, enrollment at private institutions was larger than enrollment at public institutions. From 1950 to 2000, with federal and state financial support, public higher educational institutions greatly outnumbered private institutions. Today, there are 1,600 independent colleges and universities in the United States serving 2.9 million students (National Profile, 2001). This number equates to approximately a third of public college and university enrollment.

Private institutions make a significant economic impact on local communities. They offer a wide range of program, service, and employment opportunities.

Ashcroft and Kerr (1990) stated:

Independent institutions employ three-quarters of a million people nationwide, and are frequently the single largest private employers in their areas. These types of institutions respond quickly to changing societal needs and to new clientele. They tailor programs to meet local conditions. (p. 10)

Further, private independent nonprofit colleges and universities play an important role in the Michigan higher education system in terms of the students who are served and the programs that are offered. Mendola (1979) stated:

Michigan has only one system of higher education with two sectors – the public or state sector and the nonpublic, private or independent sector. Both provide a public service. Funding and selection of governing board members are two of the significant differences between the public and private sectors. The state pays most of the costs for public institutions, while private institutions are more tuition driven and receive very few direct dollars from the state. Governing boards of the private institutions are usually self-perpetuating, while the boards of the public institutions are chosen by public elections or appointed by an elected public official. (p. 33)

Michigan's private independent nonprofit colleges and universities date back to the early 1800s. Davenport College, founded in 1866, is one of the oldest in Michigan and in the United States. According to the 1998 official roster of the Association of Independent Colleges and Universities in Michigan (AICUM), there are 43 members and 10 affiliate members. A report prepared for the AICUM president, Edward Blews, indicated:

Independent nonprofit colleges and universities in Michigan enrolled more than 92,000 students. Approximately 15.1 percent are African-American and 20.1 percent are minorities. These numbers represent the highest percentages for African-American and minority students among the sectors of Michigan higher education. Significant numbers are first-generation college students and disadvantaged students. Independent nonprofit colleges and universities contribute immeasurably to the educational, cultural, moral and economic well-being of Michigan and its communities. (Blews, 1998, p. 3)

Overall, the higher education marketplace is increasingly competitive and promises to become even more so in the years to come. Community colleges, corporate universities, trade schools, and online education institutions and programs have increased competition and intensified uncertainty in the higher education arena. Leaders in public and private institutions of higher learning constantly face complicated challenges and reform issues that demand attention. Declining resources, rising tuition costs, and stagnating family incomes are among the many external forces that threaten their survival in the future.

It is important for those who seek to understand, manage, and control organizations to understand the challenges and demands that the institution must manage in order to continue to exist and survive. Nearly every institution of higher learning is making strategic decisions out of concern about its future. Federal and state governments are placing more of the burden for financing education on the students, parents, and the institutions of higher learning.

Private independent nonprofit colleges and universities are influenced by their environments and require organizational adaptation in order to survive. They, like other open systems are, “linked to environments by federations, associations, customer-supplier relationships, and a social-legal apparatus defining and controlling the nature and limits of these relationships” (Pfeffer & Salancik, 1978, p. 2).

Purpose of the Study

Mintzberg (1979) stated, “The purpose of all research is to discover, describe, explain, and predict. Explanation is, of course, the purpose of research” (p. 587). The purpose of this dissertation was to understand educational leadership in private higher education and develop an analytical model that describes and explains what and how this leadership acted.

Private independent nonprofit colleges and universities serve millions of students annually, yet very little is written about this group. Most of the published literature and research concerns large public institutions of higher learning. “Historians of higher education have tended to use the research university as the means of understanding United States higher education in its institutional form” (Hutcheson, 1999, p. 307). The impetus for this study comes from the researcher’s interest in adding to the knowledge base regarding challenges, events, and leadership issues related to the private independent nonprofit business colleges and universities in general and the Davenport College in particular.

Significance of the Study

Merriam (1998) stated, “Insights gleaned from case studies could directly influence policy, practice, and future research” (p. 19). Institutions of the past hold forth important lessons for the future. There is much to be learned from an institution that is more than 134 years old. This study is significant for three primary reasons:

- 1) The study will help close the literature gap, add information and knowledge about private independent nonprofit business colleges and universities in Michigan to the higher education archives, and increase understanding of private institutions. As previously stated, most of the classical literature on higher education has been written about large public institutions. In contrast, little has been written about independent nonprofit business colleges and universities. Private independent nonprofit colleges and universities deserve to be studied in their own right.

- 2) The study will provide a public body of knowledge adequate to help the next generation of private independent nonprofit college and university administrators, faculty, and staff to better understand these complex institutions. Prospective leaders and managers of

private independent nonprofit business colleges and universities may learn from the detailed experience of others about environmental (institutional and task aspects) influences as they relate to the institution. Strategies for dealing with challenges and issues of scarcity and complexity in the environment may be learned from those who have been successful.

3) The study will develop an abstract model or conceptual framework by which to view institutions of higher learning, which may enhance leadership development. Scholars who research and teach the dynamics and processes underlying higher education may find the study useful as a detailed account of what leaders do to grow private nonprofit independent institutions of higher learning, in light of challenges and environmental influences.

Definition of Relevant Terms

Parsons (1960) identifies three major levels of organizational control: institutional, managerial and technical activities that provide the framework for analysis of data in this case study.

Institutional Level

“The part of the organization that relates the organization to its wider environment that determines its domain, establishes its boundaries, and secures its legitimacy” (Scott, 1998, p. 105).

Managerial Level

“The part of the organization responsible for designing and controlling the production system, for procuring inputs and disposing of outputs, and securing and allocating personnel to units and functions” (Scott, 1998, p. 105).

Technical Level

“The part of the organization carrying out the production function that transforms inputs into outputs” (Scott, 1998, p.105). Thompson (1967), drawing from Parson’s (1956) concept of the technical level, refers to the effective performance of the core technology of the organization.

Environment

The environment refers to the context in which the institution is embedded. Boundaries are not always clear, making it difficult to tell where the organization leaves off and the environment begins (Pfeffer and Salancik, 1978). In this study, the environment is divided into institutional and task environments, as they are influenced by national, state and local factors.

Institutional Environment

Since the mid-1970s, organizational theorists have recognized the significant effects on organizations associated with the wider social and cultural forces referred to as the institutional aspect of the environment. This group of theorists saw organizations as more than production systems; they were seen as social and cultural systems (Scott, 2001).

Task Environment

These are components of the environment that are relevant to the organization’s goals and purposes. Dill (1958) referred to the task environment as a production system, in particular, the sources of inputs, markets for outputs, competitors and regulators. “Since no organization generates all the resources necessary for its goal attainment or survival,

organizations are forced to enter into exchanges, becoming interdependent with other environmental groups, typically other organizations” (Scott, 1998, p. 195).

Resource Dependence Theory

The institution needs resources, which are found in the environment, to exist and persist.

Scott (1998) stated:

This perspective is strongly rooted in an open system framework. It is argued that one cannot understand the structure or behavior of an organization without understanding the context within which it operates. No organization is self-sufficient. All must engage in exchanges with the environment as a condition of survival. The need to acquire resources creates dependencies between organizations and external units. (p.116)

Boundary-spanning Sub-unit

This refers to one component of a complex organization that spans the organization and the environment (Thompson, 1967).

Marginal Mobilizing

This is a budgetary strategy whereby organizations design “their mobilizing efforts so they will be the most productive on the margin – i.e., they marginally mobilize by devoting most of their time to those income sources that will yield the highest return for their efforts” (Porter, Warner & Porter, 1973, p.24).

Nonprofit Status

Nonprofit is a tax-exempt status that frees an institution from federal taxes (Internal Revenue Service, 2004).

Tax Exempt

Tax exempt refers to a federal income tax exemption under the Internal Revenue Code. There are several categories related to establishing tax-exempt status. “The 501 (c) (3) is for charitable, educational and religious organizations, which covers independent colleges and

universities. Charitable organizations eligible for status are defined as those organized and operated for purposes beneficial to the public interest” (Internal Revenue Service, 2004).

Independent Colleges

Independent simply means that there is no primary support of public funds for nonpublic institutions of higher learning, no control by the state or federal governments, and it is not operated by a publicly elected or appointed official.

Delimitations and Limitations

In the conduct of this study I have limited discussion of organizational behavior to specific characteristics of private independent nonprofit colleges and universities and have not attempted to explain organizational behavior or describe higher education overall. I focused on Davenport College and excluded other private independent nonprofit colleges and universities. I limited this study to administrators, faculty, and staff of Davenport College in Michigan and northern Indiana. Relying on one private independent nonprofit college will limit the generalization to other institutions.

The reluctance of some of those interviewed to participate openly in the study may impair the quality of the study. Some respondents may have been guarded and selectively shared stories with me because of loyalty of individuals to the institution and relationships with other staff.

Brief Overview of the Study Design

According to Gall, Borg, and Gall (1996), “researchers generally do case studies for one of three purposes: to produce detailed descriptions of a phenomenon, to develop possible explanations of it, or to evaluate the phenomenon” (p. 549). The historical case study of Davenport College is a detailed description of the interaction between the environment and

the three levels of control over five distinct leadership eras. Each time period was linked to one of the five primary leaders for Davenport College from 1866 to 2000: Conrad Swensburg, 1866-1891; Aaron Parrish, 1891-1910; Michael Edward Davenport, 1910-1959; Robert Sneden, 1959-1977; and Donald Maine, 1977-2000. Further, an examination of the interactions between the institutional, managerial, and technical activities contributes to the development of a system of explanation for organizational change and persistence at Davenport College.

Data collection methods include document review and interviews. The data organization and data analysis were “an iterative process of gathering data, organizing the data, analyzing the data and then re-entering the field to collect more data” (J. Barott, personal communication, September 10, 2002). More information about the research design is presented in the next chapter.

The Structure of this Document

Chapter 1 includes an introduction, background, purpose, significance of the study, definitions of relevant terms, delimitations and limitations, and a brief overview of the design. Chapter 2 includes a review of literature related to the nature of organizations and change, environmental influences, and the theoretical concepts of leadership behavior. The research questions, research tradition, and research design, methods, findings, interpretations and recommendations conclude Chapter 2. A presentation of findings of the case study of Davenport College and its leaders from 1866-2000 in a chronological and thematic format is offered in Chapters 3 and 4. Chapter 5 includes an overview, answers to the research questions, organizing themes, concluding statements, implications for practice and research implications, references, and appendices.

CHAPTER 2

LITERATURE REVIEW AND METHODOLOGY

Conceptual Framework for the Case Study

“The theoretical or conceptual framework is derived from the orientation or stance that one brings to a study. It is the structure, the scaffolding, and the frame of the study. Each study has one” (Merriam, 1998, p. 45). The conceptual framework for this study was drawn from the works of Pfeffer & Salancik (1978) in *The External Control of Organizations*, Talcott Parsons (1956/1960a) in *A Sociological Approach to the Theory of Organizations and Structure and Process in Modern Societies*, and James Thompson (1967) in *Organizations in Action*.

Parsons (1960) argued that organizations tend to become differentiated vertically into three somewhat distinctive levels or layers:

The technical level, that part of the organization carrying on the production function that transforms inputs into outputs; the managerial level, that part of the organization responsible for designing and controlling the production system; and the institutional level, that part of the organization that relates the organization to its wider environment, determines its domain, establishes its boundaries, secures its legitimacy. (p.105)

Parsons’ three distinct levels of responsibility and control provide a lens through which to study, analyze, and interpret findings related to Davenport College. Figure 1 (p. 12) is a diagram of the conceptual framework and shows the conceptual framework used to guide the collection and analysis of data in the case study of Davenport College. In addition to the three levels of control (institutional, managerial, and technical), two aspects of the environment (institutional and task) are included in Figure 1. The inner circle indicates the technical level, which includes the curricula and other core-related activities that exemplify the range of products and services of the college. The middle circle indicates the managerial

level, which includes policies and decision-making that the college leadership implements to mediate with its task environment while protecting its technical level. The outer circle, the institutional level, represents the part of the organization that deals with the institutional aspects of the environment.

Using this conceptual framework, the researcher analyzed the environmental context, reviewed managerial structures and processes, and examined how the technical level was formed, maintained, grew and changed. Each aspect of the conceptual framework will now be explained in detail.

The Technical Level

The technical level or core technology is what the organization does as a primary function. “Core technology is the term that has come to refer to the work performed by an organization” (Scott, 1998, p. 228). Schattsneider (1975) referred to the core as a dominant bias. According to Schattsneider, “All organization is the mobilization of bias toward action” (p. 30). For Grand Rapids Business College (GRBC), the forerunner of Davenport College, the core and the fundamental mission was to provide a “practical business education.”

The Managerial Level

The managerial level of organizational control deals with the task environment. Managers are responsible for “designing and controlling the production system, for procuring inputs and disposing of outputs, and securing and allocating personnel to units and functions” (Scott, 1998, p. 105). Having enough students, buildings, equipment, acquisitions, and money is relevant to the organization’s goals and purpose, all of which is managed by the leaders.

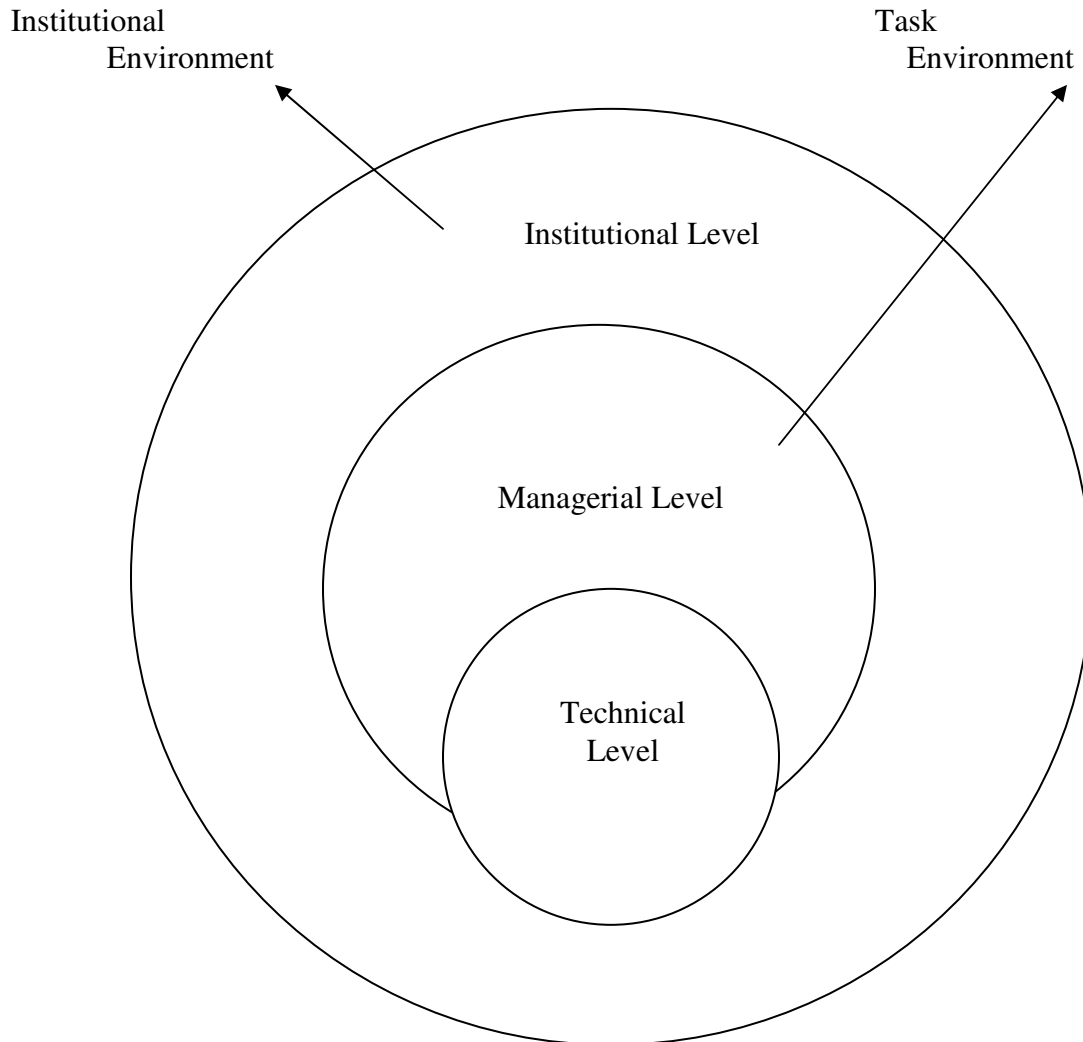


Figure 1. Conceptual framework for analysis of Davenport College.

The Institutional Level

“The institutional level is the part of the organization that relates the organization to its wider environment, that determines its domain, establishes its boundaries, and secures its legitimacy” (Scott, 1998, p. 105). This is the level of organizational control that deals with the institutional environment. Scott (1998) explains: “Institutional theory emphasizes that organizations are open systems – strongly influenced by their environments” (p. 117).

Environmental Elements

Environments are very important to organizations. No organization is self-sufficient and as a condition of its survival, all must interact with their relevant environment. “Every organization is a subsystem of a wider social system in which the source of meaning, legitimation, or higher level support makes implementation of the organization’s goals possible” (Parsons [1956] 1960b, p. 63). An organization is better understood when placed in the context of its environment. “Organizational activities and outcomes are accounted for by the context in which the organization is embedded” (Pfeffer and Salancik, 1978, p. 39). The organizational changes at Davenport College cannot be described without understanding the organizational environment.

Organizations are Open Systems

The concept of open systems was introduced in the 1960s and stressed the importance of the wider context or environment as it constrains, shapes, penetrates, and renews the organization (Scott, 2001). There are specific physical, technological, cultural, and social environments that organizations have to adapt to in order to survive. Open systems are embedded in environments in which they operate (Scott, 1998). Davenport College is characterized as an open system operating in the context of a local, state, and national environment. Within the open system, interdependent parts receive from and contribute to the whole which, in turn, is interdependent with the environment (Thompson, 1967). This case study will demonstrate that in open systems, causal actions may have multiple effects and directions, and events within the system may stem from forces outside of it. Davenport College and its environment are interdependent, as the college receives fiscal resources and is

granted legitimacy and support in exchange for providing education, training and services for the community.

Organizational theorists separated the environment into two parts: institutional environment and task environment. Most of the earlier work on environments dealt with the task element until the 1970s. Most recently, the institutional elements of the environment have been studied. A further explanation of the two environmental sectors follows.

Task Environment

The managerial level interacts or manages the task environment. “Most connection with technical environment involves flow of exchanges or information, and resources and personnel” (Scott, 1998, p. 211). The “task environment” as defined by Dill (1958), represents the parts of the environment that are “relevant or potentially relevant to goal setting and goal attainment” of the organization (p. 409). This includes inputs and outputs and other resources necessary for survival. J. Barott (personal communication, September 10, 2003) suggested that task environment includes resources, resource-dependency and supports, relationships, economics, demographics, competitors, and the operative system that identifies where the inputs come from and where the outputs go. So, you are dependent on students (inputs) and employers and graduate schools for outputs.

Resource Dependency Theory

Environments are critically important to organizations for resources. No organization is self-sufficient and requires resources from the environment to survive. The resource dependency approach argues that one cannot understand the structure or behavior of an organization without understanding the context in which it operates or is embedded. Those resources are embedded in the environment, and the organization has little or no control over

some external forces that control needed resources. Interaction with the environment provides the means to acquire and maintain resources, and thus to survive. The problem with environments is that they do change, which can be problematic (Pfeffer and Salancik, 1978).

The fact that organizations are dependent for survival and success on their environments does not, in itself, make their existence problematic. Problems arise not merely because organizations are dependent on their environment, but because this environment is not dependable. Environments can change, new organizations enter and exist, and the supply of resources becomes more or less scarce. When environments change, organizations face the prospect either of not surviving or of changing their activities in response to these environmental factors. (Pfeffer & Salancik, 1978, p.2)

Complex organizations have multiple task environments and, therefore, multiple exchanges and a network of interdependencies (Thompson, 1967). Organizations have to depend on their environments and likewise, environments depend on organization, thus creating an interdependent relationship, which requires interaction. Organizations seek stability and predictability in an attempt to manage their environments, which are unstable. Unstable environments cause organizational turbulence and vulnerability, which is a threat to survival.

Organizations want to remain rational at the technical level and obtain their goals. “Organizational rationality refers to the extent to which a series of actions is organized in such a way as to lead to predetermined goals with maximum efficiency (Mannheim, 1950/1953). Coordination at the managerial level helps balance the organization’s need for a stable environment and the pressures from the external environment.

Institutional Environment

The institutional level of the organization deals with the institutional environment. The institutional environment exhibits three distinct properties: regulative, normative and cultural-cognitive (Scott, 2001). The institutional elements of the environment encompass the more symbolic, cultural factors affecting organizations (Scott, 1998). Altbach, Berdahl and Gumpert (1994) identified these cultural factors as the external sources that impact institutions of higher learning, such as “the federal and state governments, tax policies, courts, private foundations, institutionally based associations, voluntary accrediting associations, voluntary consortia and regional compacts” (p. 201). Governments and professional associations exhibit a tremendous amount of influence over organizations in the institutional aspect of the environment.

Institutional theorists say that institutional environment deals more with institutions’ right to exist and how they establish legitimacy. Parsons (1960) and other institutional theorists put heavy emphasis on legitimacy as a source of organizational survival. “Organizations require more than material resources and technical information if they are to survive and thrive in their social environments. They also need social acceptability and credibility” (Scott et al., 2000, p. 237). Sociologists employ the concept of legitimacy to refer to these conditions. Organization legitimacy refers to the degree of cultural support for an organization (Meyers and Scott, 1983).

J. Barott (personal communication, September 10, 2003) further clarified that the institutional elements represent issues related to the part of the environment having to do with legitimacy, values, culture, accrediting agencies, regulations, rules, norms (like rules or expectations, not yet in law but commonly applied), and cognitive categories that have

meaning (language or words used in everyday communications). “Institutional elements, cognitive forms and cultural rules are secured and utilized or copied without being transformed. Great efforts are made to ensure their visibility to outsiders, and it is essential that their distinctive features remain intact” (Scott, 1998, p. 211).

Interactions of Organization and Environments

The leader works between the organization and the environment, which is the role of the leader. Organizations exist to achieve goals and objectives and to survive in a larger environment, which requires interaction between the organization and the environment. The organization needs to interact with its environment for resources, which can be found in the task environment, and legitimacy, social acceptability and credibility, which can be found in the institutional environment. Leaders have to manage the organization-environment relationship. The organization’s managerial level deals with the task environment, and the institutional level deals with the institutional environment.

Leaders play a critical role in an organization’s effectiveness and efficiency or performance and the management of demands of various aspects of the environment. Leadership has to focus on managing the resources between the core and the task environment and managing the institutional environment and the organization. College leaders are faced with mitigating the tension between stability and competing demands. The challenge of the administration, according to Thompson (1967), is administrators working to reduce uncertainty in the organization while they are involved in managing the dynamics of the task and institutional environments. “Uncertainty appears as the fundamental problem for complex organizations, and coping with uncertainty is the essence of the administrative process” (p. 159).

Leaders need to manage the institutional and task environments at the national, state, and local levels. Two broad classes of strategies to deal with the institutional and task environments include buffering and bridging. Buffering techniques for the task environment include coding, stockpiling, leveling, forecasting, and adjusting in scale to seal off the technical core from environmental disturbances:

Bridging techniques for task environment include bargaining, contracting, co-optation, alliances, joint ventures, mergers, associations and governmental connections that increase the number and variety of linkages with competitors and exchange partners, and thereby enhance security in technical environments. Buffering strategies for the institutional environment include symbolic coding and decoupling. Bridging strategies for the institutional environment include categorical, structural, procedural, and personnel conformity. (Scott, 1998, p. 198)

Resource dependency theorists suggest that when resources are critical and scarce, college leaders are responsible for acquiring the resources to ensure survival of their organization by managing environmental contingencies and appropriately shaping organizational activities and structures. Administrators balance and stabilize the certainty in the organization with the uncertainty of environmental demands through resource exchange (Pfeffer and Salancik, 1978).

Research Questions

Using the conceptual framework for analysis described above, the following research questions were explored:

Guiding Question: How did leadership connect with the task environment, adapt to and enact the institutional environment, while managing the core at Davenport College over the life of the institution?

- 1)
 - a) What did the leadership do to maintain the core technology?
 - b) What did the leadership do to change or adjust the core technology?
- 2)
 - a) How did the management and governance processes and structures change over the life of the organization?
 - b) How did the management and governance processes and structures persist over the life of the organization?
- 3) What strategies did leadership employ to survive in organization's task environment?
- 4) What strategies did leadership employ to achieve legitimacy in the organization's institutional environment?

Research Tradition

The research tradition used in this study was the interpretive approach. Interpretive research refers to the whole family of participant-observer research. "Interpretive research is concerned with the specifics of meaning and action in social life that takes place in concrete scenes of face-to-face interactions, and that takes place in the wider society surrounding the scene of action" (Erickson, 1986, p. 151).

The roots of the interpretive research tradition came from German social theorists in the late 19th century. This family of theorists maintained that 1) understanding the human social world required more than a value-free, factual assessment based on the five senses; 2) facts could not be separated from knowledge or values, not only of the observed but also the a priori knowledge of the observer; and 3) language organized perceived physical stimuli into

sense-making that was individual, subject to prior knowledge and cultural background (Yanow, 2000, p. 7).

The interpretive research method provides a way to understand what communities existed within Davenport College and its various environments. Erickson (1995) stated: “The task of interpretive research, then, is to discover the specific ways in which local and non-local forms of social organization and culture relate to the activities of specific persons in making choices and conducting social action together” (p. 219).

This interpretive method used in this study began with the researcher telling the story in a narrative form in an inductive manner. Next, attempts were made to build a grounded, theoretical explanation for the pattern observed in words and symbols (Gioia, 1998, p. 27).

Research Design

Creswell (1994) describes a case study as qualitative research involving a single entity “bounded by time and activity,” in which the researcher “collects detailed information by using a variety of data collection procedures during a sustained period of time” (p. 12).

Merriam (1998) stated, “A case study design is employed to gain an in-depth understanding of the situation and meaning for those involved” (p. 19).

The historical case study approach clarifies relationships and interactions between the three levels of control of Davenport College over five leadership eras from 1866 to 2000.

Merriam (1998) stated, “A case study might be selected for its very uniqueness, for what it can reveal about a phenomenon, knowledge we would not otherwise have access to” (p. 33).

I chose this particular design over other types of research because of the opportunity to explore in depth a single institution over a specific period of time (Smith, 1978), to document

and analyze specific events pertaining to Davenport College, and to add to the knowledge base of information about private independent nonprofit colleges and universities.

Unit of Analysis

Davenport College, established in 1866 as Grand Rapids Business College, was chosen for the study because it is one of the oldest private independent nonprofit business colleges in the country, as well as one of the largest independent nonprofit higher education systems in Michigan. For well over a century, Davenport College has continued to survive in a highly competitive higher education market, navigating the challenges of change. In addition, the business college is a very large, complex organization. It is racially and culturally diverse and offers a wide variety of academic programs from diplomas to more than 60 master's, bachelor's, associate degree programs and professional certifications.

Davenport College was a single campus, offering limited programs in business at its beginning in 1866. Today, it serves Michigan and northern Indiana as a private independent nonprofit, multi-campus graduate institution that strives to provide the highest quality education for student success in business, health, and technology. The college serves approximately 15,000 degree-seeking students throughout Michigan and northern Indiana.

Throughout the years, various initiatives such as diversification, forward and backward integration, and mergers and acquisitions occurred as Davenport College continued to grow and prosper. There is much that can be learned by current and future educational leaders of private independent nonprofit colleges and universities from an institution that is nearly a century and a half old and remains successful in a very highly competitive market.

Research Relationship and Self-monitoring

Maintaining objectivity is critical for the researcher who is an insider in the organization that is the subject of the case study. I certainly did not enter the study from an unbiased position. In my eighteen years of employment with the Davenport College system, I have served in the following capacities: counselor in the Educational Resource Center, assistant director and head counselor of the Educational Resource Center, assistant director of student affairs, associate dean for enrollment, campus dean, vice president/campus dean and vice president for corporate services. I currently serve as senior vice president. Of the five leadership eras analyzed in the case study, my employment has coincided with only the fifth one, Donald Maine, 1977-2000.

The benefits of being a member of the organization included timely access to data, opportunities to be a participant-observer, and personal acquaintances among prominent leaders, whom I interviewed. The knowledge of the structure and program and the experiences I have had as a member of the administrative team have given me insight into and an understanding of the challenges currently facing the college, along with an appreciation for the accomplishments of the past leadership eras.

The problem with being familiar with the research subject, when reporting the data and writing conclusions and summaries, is to adhere strictly to the truth of the data. This notion is confirmed by Bogdan and Biklen (1992) who stated, “the most important trademark of a researcher should be his or her devotion to reporting what the data reveal” (p. 54).

Simmons (1988) expressed this as “epistemological paranoia,” the fear that one’s connections and conclusions would be incorrect and embarrassing (p. 302). It was important for me to monitor my personal reactions and biases to the field experiences. To assure

truthfulness in presenting data, I examined my assumptions prior to the beginning of the study and subsequently employed the strategy of triangulation, gathering data by different collection methods to provide a “stronger substantiation of constructs” (Eisenhardt, 1995, p. 73). The triangulation approach as well as member checking adds to the trustworthiness of the study (Borg & Gall, 1989).

Data

Documents

Clark (1958) said that organizational records are scrambled history and the researcher’s task is to unscramble. Because of my personal interest in the private independent nonprofit college system, the data collection tradition began long before the study was formally proposed. As Stake (1995) stated, “There is no particular moment when data collection begins. It begins before there is commitment to do the study: backgrounding, acquaintance with other cases, first impressions” (p. 49). During the preliminary research activities, I collected data to construct a historical narrative of events and changes in the institution during the critical time periods and levels of responsibility and control. “Choosing issues helps us define data sources and data-gathering activities. We are likely to make observations, to interview, to get observations of things we cannot see ourselves, and review documents” (Stake, 1995, p. 133). Pettigrew (1995) describes data collection sequencing that involves constructing the chronology to determine the “what” of change and interviewing, observation, secondary data collection, and informal questioning to reveal the “how and why” of change (p.106).

I worked with a combination of primary and secondary data to deal with emerging questions and issues. In the earliest years of Davenport’s history, the primary data of

firsthand experience, personal documents and eyewitness accounts (Merriam, 1998) were less than ideal, although newspaper accounts in the early years yielded some primary data. Internal record-keeping by the institution was much better after the accreditation agencies got involved with the institution from the late 1960s forward, when updated filing and record-keeping systems were needed to collect certain data for accreditation and re-accreditation purposes.

As Merriam (1998) described, “Public records, personal documents, and physical material are three major types of documents available to the researcher for analysis” (p. 113). Historical documents, newspaper articles, annual reports, accreditation reports, and board reports were collected and reviewed. Davenport catalogs, dating back as far back as 1960, and brochures and minutes from academic and executive leadership meeting minutes were collected. These data revealed information about the core activities, governance, and environment.

Information was collected about leaders, financial data (including revenue sources or streams), programs, and enrollment patterns. Many descriptive documents were collected regarding environmental data about national, state, and local issues related to economics, employment and training needs, policies, and statutes. I gathered information from catalogs of the various Detroit college campuses, publications from the Michigan Department of Education and the Association of Independent Colleges and Universities in Michigan, and visits to the Davenport College and city of Grand Rapids libraries, the latter providing a source of some material found nowhere else. Stake (1995) said, “Almost every study finds some need for examining newspapers, annual reports, correspondence, minutes of meetings, and the like” (p. 68). At various chronological points in the research, those sources, as well as

personal interviews, served as either primary or secondary sources of data (Leedy and Merriam, 1997, 1998).

Interviews

Mintzberg (1979) stated:

We spend a good deal of time reading whatever historical documents we can find, in order to develop thorough chronologies of decisions in various strategic areas. Then we switch to interviews to fill in the gaps in the decision chronologies and to probe into reasons for breaks in patterns [i.e., for strategic changes] (p. 582).

Interviews of key personnel were conducted to bridge informational gaps, especially when the documents were not clear and helped to explain why things happened or how they happened. Stake (1995) suggested, "The purpose of interviewing, for the most part, is to get a description of an episode, linkage, an explanation" (p. 65).

The participants for interviews were purposefully chosen by virtue of their present or past leadership positions with the Davenport College and their ability to provide meaningful information and an understanding of the relationships among the pieces of information.

Patton (1990) describes this process as purposeful sampling:

The logic and power of purposeful sampling lies in selecting information-rich cases for study in depth. Information rich cases are those from which one can learn a great deal about issues of central importance to the research." Persons interviewed early in the study identified subsequent "information rich" people to interview, contributing to the process of "snowball sampling." (p. 169)

For example, I asked one college administrator to suggest people I could talk to about the early years of Davenport's history. Paul Baker, senior vice president for advancement, was referred to me because he had videotaped interviews with Margaret Sneden, Tyrus Wessel, and Donald Maine, three key players with personal experiences in Davenport's history for more than eighty years.

Face-to-face interviews were conducted with the following people who were serving Davenport College during the case study: Davenport College chancellor from 1977-2000, Donald Maine; Dr. James Mendola, president emeritus, Detroit College of Business; Paul Baker, senior vice president for advancement; and Lynda Cribari, vice president for enrollment services.

The interviews were guided by a list of questions that allowed for flexibility based on the contributions and areas of expertise. The interviews were semi-structured with a mixture of predetermined and open-ended questions. As recommended by Strauss et al. (1981), the combination of hypothetical and ideal position questions included some probing but no leading questions, yes-or-no or multiple-choice questions. Interviews were tape-recorded and later transcribed for the purpose of analysis.

Initial questions to begin interviews with participants were:

1. Tell me about your role (s) with the college over the years.
2. How has the management of the college changed over time?
3. How have the core activities of the college changed over time, i.e., in terms of students, services, and programs?
4. What external forces have impacted the institution, and how have they changed it over time?
5. What else do you want to tell me about the institution in terms of challenges and changes over time?

Data were collected, coded, stored, and classified to correspond to various parts of the study, including historical background information and issues related to national and state independent nonprofit colleges and universities. The conceptual levels that make up the framework for the study, i.e., the institutional, managerial, and technical, framed the data. Each major area had subcategories, as well. Data files at the institutional level related to the

external environmental sources such as the federal and state governments, tax policies, court decisions, private foundations, institutionally based associations, voluntary accrediting associations, voluntary consortia, and regional compacts. Data at the managerial level included organizational charts, institutional planning documents, governance issues, and committee structures. Data related to curriculum, enrollment patterns, facilities, and services were filed under the technical category.

Analysis of the Data

Qualitative data analysis tends to be “primary and inductive processes of organizing data into categories and identifying patterns (relationships) among categories” (McMillian & Schumacher, 1993, p. 479). Although categories and variables initially guide the study, others emerged throughout the study. As described by Stake (1995) in this case study, data derived from interviews, field observations, and documents were analyzed, or “taken apart,” for interpretation and understanding of the social processes involved (p. 71). “Data analysis is a complex process that involves moving back and forth between concrete bits of data and abstract concepts, between inductive and deductive reasoning, between description and interpretation. These meanings or understandings or insights constitute the “findings” of a study” (Merriam, 1998, p. 178).

Inductive reasoning seeks understanding based on observations and diverse groups of data collected (Leedy, 1997), whereas deductive reasoning is employed for interpretation of patterns or themes that emerge from the data. In this study, the files organized by the categories of the conceptual framework helped to make sense of information gathered in various places by various methods, and to recognize patterns and relationships for analysis (Glesne & Peshkin, 1992). The five distinct time periods that correspond to the tenure of

each of the five leaders of Davenport College are a central focus for analysis of the influences and events that impacted the college at the three levels of control.

As the first step of analysis, I recorded the events and described what happened at each level in each leadership era. Subsequently, I analyzed the descriptive data for patterns or relationships and recurring themes that helped to communicate an understanding of the environment, managerial activities, and technical activities within Davenport College. Gall et al. (1996) described this approach as interpretational analysis at the category construction level. “Category construction is moving beyond basic description to the next level of analysis. The challenge is to construct categories or themes that capture some recurring pattern that cuts across ‘the preponderance’ of the data” (Taylor & Bogdan, 1984, p. 139). Category and subcategories (or properties) are most commonly constructed through the constant comparative method of data analysis (Merriam, 1998).

Groups of comments, observations, and questions emerged from my notes, transcripts of interviews, and observations, and became the basis for further analysis by the method of constant comparison as developed by Glaser and Strauss (1967). The basic strategy of the method is to compare a particular incident from an interview, field notes, or document and compare it with another incident in the same set of data or in another set. These comparisons lead to tentative categories that are then compared to each other and to other instances. In this study, comparisons will be made between the institutional, managerial, and technical levels for each leadership era. It should be clear that categories are abstractions derived from the data, not the data themselves.

Validity and Reliability

Unlike discreet and controlled variables in quantitative studies, the data in the qualitative study is holistic and a kaleidoscope of ever-changing patterns and relationships. Credibility, authenticity, and trustworthiness are terms relating to validity found in the qualitative research literature (Creswell, 2003). Merriam (1998) asserted that internal validity is measured by the degree of congruity with reality, and asked, “Do the findings capture what is really there? Are investigators observing or measuring what they think they are measuring?” (p. 201). “Although qualitative researchers do not agree about how to address the traditional topics of validity and reliability, they express some general consensus regarding how the credibility of one’s findings might be ensured” (Leedy, 1997, p. 168).

I used many strategies in my work on the case study of Davenport College to enhance internal validity. Gall et al. (1996) discussed strategies commonly employed to achieve trustworthiness in a qualitative study. Triangulation is the process of acquiring data from multiple sources, including review of archival materials, interviews, and observation. This method helps to bring a broad perspective to the conceptual framework and themes of the study that help to justify the findings. Member checking refers to the process of having participants review research for accuracy and completeness. Several key members, including Davenport College chancellor emeritus, Donald Maine; Detroit College of Business president emeritus, Dr. James Mendola; Davenport College vice president for advancement, Paul Baker; and Detroit College of Business academic dean, Mary Cross, complied with requests for member checking.

All of the strategies described were employed to lend validity to the study and enhance credibility for the reader. External validity, concerned with the extent to which the findings

of one study can be generalized, is problematic in qualitative studies. It is important to note that only one system is being studied in this case, which limits generalization. However, Stake (1995) noted, “People could learn much that is general from single cases. They do that partly because they are familiar with other cases and they add this one in, thus making a slightly new group from which to generalize, modify old generalizations” (85).

“The real business of the case study is particularization, not generalization” (Mintzberg, 1979, p. 8). What is generalizable is the conceptual framework of the study. The intention of the researcher was to provide analytic generalizability. The conceptual framework that was used to make sense of Davenport College can be used to make sense of other independent colleges and universities.

There is also concern about the issue of reliability in qualitative studies. Merriam (1998) stated, “Reliability refers to the extent to which research findings can be replicated. If the study is repeated, will it yield the same results? Reliability is problematic in the social sciences simply because human behavior is never static” (p. 205). A triangulation method of using multiple methods of data collection and analysis was used in this study to enhance reliability.

CHAPTER 3

THE BEGINNING YEARS

Introduction

The 134-year history of Davenport College is presented in five leadership eras. The first four are presented in Chapter 3. These include Conrad Swensburg (1866-1891), Aaron Parrish (1891-1910), Michael Edward Davenport (1910-1959), and Robert Sneden (1959-1977). The fifth leader, Donald Maine (1977-2000), is presented in Chapter 4.

Private Higher Education in the United States

Long before the founding of Grand Rapids Business College in 1866, the first private institution of higher education, Harvard University, was established in 1636. Educational leaders sought to perpetuate their religious and political values by educating those who would become future leaders. The mission of Harvard and other early colonial colleges was to prepare men to be ministers or priests, which was important to the religious leadership during these times. These ministers were important in the eyes of the public and served their various local communities (Mendola, 1979).

Initial legislative support of higher education began in the mid to late 1700s. The new United States Congress took steps toward intervention in education when, under the Articles of Confederation, Congress issued the Northwest Ordinances of 1785 and 1787. The Articles of Confederation mentioned the sale of land to develop institutions of higher learning around the nation. As the number of higher education institutions grew (only a few were considered public), the federal government took on a more supportive role in an attempt to make educational opportunities available to all Americans.

During the early years, an interesting struggle for control took place as state governments attempted to control private institutions. Private institutions fought government interference. In 1819, the United States Supreme Court, a major external constituent, got involved with colleges and universities and rendered a decision that put limits on government interference in what became known as the Dartmouth College case:

In 1816, the New Hampshire legislature passed an act modifying the charter granted Dartmouth College by the British crown in 1769. Without consent of the trustees, it renamed the institution Dartmouth University, enlarged the board of trustees, and subjected its acts to veto by overseers appointed by the governor. The old board of trustees took the position that the act violated both the New Hampshire and the federal constitutions. The state court ruled that Dartmouth College, having been founded for the public good, was a public corporation and, as such, its charter was subject to amendment by the state legislature. On appeal before the U.S. Supreme Court in March 1818, the case for the trustees was argued by Daniel Webster and Joseph Hopkinson. In February 1819, Chief Justice John Marshall delivered the Court's opinion, holding that the college was a private corporation, that its charter constituted a contract, that the New Hampshire legislature had broken that contract, and that the legislature had acted unconstitutionally. This decision provided a safeguard for the development of private education. (Brubacher & Rudy, 1968, p. 36)

Different types of institutions were established in 1832, such as normal and commercial schools. Normal schools were designed to prepare teachers for the expanding school systems in the country (Snyder, 1993). Also, the notion of specialized business schools was established to train people in business:

The first "commercial school" in institutional form is credited to Benjamin Franklin Foster, who founded Foster's Commercial Academy in 1832—long before the nation's public education system was developed, and a full half-century before any organized form of vocational business education was offered by academic colleges or secondary schools. Foster's school revolutionized the teaching of business skills once acquired only through private tutorials or a lengthy apprentice system. By the 1850s there were 15 or 20 career schools in the country's major industrial centers. (Moceri, 1990, p. 20)

By the 1860s, there was a shift towards public funding of higher education. Politicians began to talk about higher education becoming more accessible, and many of them, as well

as educators, wanted to make it possible for all young Americans to receive some sort of advanced education. The rise of industry and the rise of commercial agriculture drove home the need for more educated Americans with various skill sets related to farming and engineering. These discussions led to the establishment of the Morrill Act of 1862. Snyder (1993) stated: “Public higher education was assisted through such programs as the first Morrill Act in 1862, which provided land grants for the creation and maintenance of agricultural and mechanical colleges” (p. 63).

As higher education evolved in the United States, the federal government established the Office of Education in 1867. Higher education’s legitimacy was enhanced when the federal government dedicated an entire department to this effort. Grant (1993) asserts that the Office of Education was created for “purposes of collecting such statistics and facts as shall show the condition and progress of education in the several States and Territories and of diffusing such information respecting the organization and management of schools and school systems” (p. 1). The Office of Education was the regulatory arm for the federal government and collected information about schools and teaching to help the states establish effective school systems.

Access and inclusion for all students would not come until the second Morrill Act of 1890, which granted additional funds to states that provided an education for all of their students, including students of color. This was an important moment in history, as land grant colleges provided opportunities for African Americans to enter formally into the American higher education system (Mendola, 1979).

The national economic landscape changed and a new laboring workforce emerged beginning in the late 1800s with the growth of transportation, mining, and lumbering

industries. Although farming was still paramount, people moved from farms to cities to find work in the climate of expanding trade, manufacturing, commerce, and production.

Paperwork resulted in the creation of various clerical jobs:

Graf-Klein (1982) stated:

Such activity germinated an entire clerical profession to process the paperwork, and the idea of “going to college” came to be viewed as a way of getting ahead. The great westward expansion pushed America’s boundaries to the Mississippi River and beyond, while manufacturing stoked the nation’s industrial development. “As enterprises grew in complexity, so did the office function.” (p. 20)

With the invention of the first typewriters, calligraphy and traditional methods of longhand transcription eventually faded from the scene. When gun makers produced the typewriter in the late 1800s, they founded a worldwide industry and revolutionized time-consuming office work. The typewriter became a vehicle for training and employment opportunities for those who were interested in the education business.

Michigan was organized as a separate territory in 1805. The Territory of Michigan entered the higher education arena in the early 1800s. It began with the University of Michigan, the state’s first public institution of higher learning, which was established in 1817 in Detroit and twenty years later was moved to Ann Arbor. In the United States, the responsibility of education rests with the states.

In the United States, education is primarily a state and local responsibility. States and communities, as well as public and private organizations of all kinds, establish schools and colleges, develop curricula, and determine requirements for enrollment and graduation. (United States Department of Education, *The Federal Role*, 2000)

The state's role in higher education was a part of Michigan's constitution, which also granted regulatory control over private corporations. Article X, Section 5 of the Michigan Constitution of 1835 gave the state broad powers over education.

The legislature shall take measures for protection, improvement or other disposition of such lands as have been, or may hereafter be, reserved or granted by the United States to this state for the support of a University; and the funds accruing from the rent or sale of such lands, or from any other source, for the purpose aforesaid, shall be and remain a permanent fund for support of said University, with such branches as the public convenience may thereafter demand, for the promotion of literature, the arts and sciences, and as may be authorized by the terms of such grant: and it shall be the duty of the legislature, as soon as may be, to provide effectual means for the improvement and permanent security of the funds of said University. (Michigan Constitution of 1835, 2002)

Michigan's Territorial Legislature chartered the Michigan and Huron Institute in Kalamazoo in 1833 as its first private institution. The institute later became Kalamazoo College. Some of the other early private, religious denominational colleges in Michigan included Albion (1835) and Hillsdale (1844). Although these institutions were church-related and modeled themselves after the New England colleges, their establishment in Michigan was important, because the doors were opened in the state for private institutions to exist (Mendola, 1979).

Higher education institutions sprang up all over the state. "In Michigan, nearly every city with a population of more than 3,000 could boast a business college. Most of these suffered a high mortality rate" (Moceri, 1990, p. 20). Support for public higher education continued as the Agricultural College of the State of Michigan was established in 1855, the nation's first land grant institution. It became the prototype for the rest of the land grant institutions under both Morrill Acts, 1862 and 1890 (Michigan State University, 2003-04). Other private institutions began to spring up all over the state with Adrian (1859), Hope (1862), Andrews (1874), Calvin (1876), and Alma (1886).

Michigan's economy paralleled the national economy; the laboring mix was no different.

According to Olson (1992):

The population of the state reached 749,113 in 1860, and farming, lumbering, and manufacturing were all part of Michigan's labor mix. Lumbering became a huge industry after the Civil War. Michigan woodlands, producing about a quarter of the nation's total supply, spurred furniture manufacturing in Grand Rapids and papermaking in Kalamazoo and produced enormous capital and wealth throughout the state. Another successful industry established in this early period was the production of cereal foods, launched by W. K. Kellogg and C. W. Post. Railroads transformed Michigan's economy by making it easier to distribute the state's timber, livestock, and food elsewhere in the nation. (p. 16)

The city of Grand Rapids, Michigan, had been incorporated for only 16 years when Grand Rapids Business College was established in 1866. The educational movement toward a more formalized educational system by city leaders began years later.

Etten (1926) wrote of the area:

Over 2000 years ago, the Hopewell Indians, known for their large burial mounds, occupied the Grand River valley in western Michigan. About 300 years ago, the Ottawa Indians moved into the area and lived in villages along the river. When the British and French arrived, the Ottawa traded fur pelts for European metal and textile goods. One fur trader, Louis Campau, established a trading post in Grand Rapids in 1826. Although he was not the first permanent settler (that distinction falls to a Baptist minister named Issac McCoy who arrived in 1825), Campau became, perhaps, the most important settler when, in 1831, he bought what is now the entire downtown business district of Grand Rapids from the federal government for \$90. (p. 2)

Grand Rapids' First Private College

The desire for formal training was demonstrated as local leaders opened the first public school in Grand Rapids around 1837. The formal educational movement began in the city. Private colleges came along a few years later in the 1850s. This first private college lasted just a little over two years but gave birth to future private institutions.

Lydens (1966) stated:

City leaders twice tried, without success, to establish a higher education institution in Grand Rapids, as early as 1833 and, again in 1837. The State Legislature authorized Grand Rapids' first college in 1850, the Episcopal-sponsored St Mark's College. A total of 90 students were enrolled, 40 boys and 50 girls. The college lasted a mere thirty months. (p. 504)

The notion of specialized education took hold in Grand Rapids in the late 1800s. Various commercial schools came and went in the earlier years, but Grand Rapids Business College persisted.

Olson (1992) explained:

Except for "writing schools" and a "mercantile academy," none of which survived long, the Grand Rapids Business College (GRBC) was locally alone in the field of business education (commercial courses were taught in the public schools) until its success spurred the establishment of competitors. (p. 513).

Lumbering was the main industry and brought the city of Grand Rapids international recognition as "The Furniture Capital of the World" in the late 1800s. A number of furniture factories were already in operation before Grand Rapids was incorporated in 1850. Grand Rapids took advantage of one of its great natural resources, the Grand River. The city was able to use the water to generate power for the factories and provide transportation for the logging industry. As the result of an international exhibition event in Philadelphia (1876), where Grand Rapids displayed its fine pieces of furniture, the city became recognized worldwide as a leader for its production (Olson, 1992).

Era 1: Conrad Swensburg, 1866-1891, The Founding of Grand Rapids Business College

Conard Swensburg was born and raised in the state of Ohio. As a youngster, he attended Oberlin College in Ohio and completed some coursework before his college career was

interrupted for a tour of military duty in the Civil War. He was a member of the Union Army. In 1866, he came to Grand Rapids, Michigan, looking for business opportunities.

Early records indicate that the task environment drove the need for commercial business training. Lydens (1966) stated: “The needs from early times of commercial enterprises in the community for personnel trained to keep accounting records and conduct their correspondence and other affairs gave rise to privately-owned schools specialized in such training” (p. 513). As a young entrepreneur, Mr. Swensburg anticipated the need for trained individuals to work in the offices of business and industry and founded Grand Rapids Business College (GRBC) in 1866 (Olson, 1992).

Swensburg initiated the core technology. The core technology is the term that has come to refer to the work performed by an organization (Scott, 1998) which, for GRBC, was providing a “practical business education” for its students. The core also is referred to as a dominant bias. All organization is the mobilization of bias toward action (Schattsneider, 1975). The bias was to provide education for careers in business.

Swensburg anticipated the need for trained individuals to work in the offices of business and industry as America evolved into the Industrial Revolution. The focus on business courses was quite different from the religious focus in the early higher education years. Changes came about as time moved on. Mendola (1979) stated, “After the Civil War, the curriculum began to change with the unveiling of the land grant colleges. And with the advent of new technology, the United States was becoming a highly industrialized nation” (p. 5).

In 1866, GRBC’s initial curriculum was limited to penmanship, bookkeeping, and arithmetic courses. These types of courses were reflected in the nature of jobs, such as

agriculture and farming, which were the major occupations in Grand Rapids in the 1800s. Then in the mid to late 1800s, the furniture industry, followed by office buildings and the need for workers with skill sets other than those of farmers, brought people to the cities in large numbers.

The business courses offered by Grand Rapids Business College (GRBC) were innovative, as opposed to the classical liberal curriculum predominant in colleges of the day. However, Mocerri (1990) indicated that Swensburg did have some liberal courses in the curriculum.

Swensburg's curriculum included a preparatory department offering German, French, English, Phonography, and English. His reason for including humanities as a variation on the commercial school theme reinforced GRBC's agenda with a solid educational grounding. Commercial colleges were common business ventures in post- Civil War America, and the field no doubt boasted more than its share of dubious organizations. Swensburg was determined that his school would not be classified among them. (p. 8).

The GRBC staff of GRBC developed and taught relevant programs and courses of the day. Business-related courses and programs, such as Practical Penmanship, Practical Arithmetic, Bookkeeping, Business, and Penmanship & Composition remained consistent through 1886. These courses were consistent with the employment and training opportunities of the late 1800s.

Swensburg changed and adjusted GRBC's curriculum with the times in order to maintain the core. (Penmanship was, in fact, Swensburg's tour de force; the walls of GRBC were adorned with his sweeping calligraphy.) "Penmanship was phased out of the business school curricula as typewritten correspondence replaced painstakingly hand-lettered office documents" (Mocerri, 1990, p. 15). Training shifted to skills related to typing, but the core remained true to its mission of providing a practical business education. The change from

penmanship to typing can be referred to as a first-order change within a system that allows the basic nature of the system to persist.

The original student population of GRBC in 1866 was composed of sixteen male students registered for courses in bookkeeping, penmanship, business law and arithmetic, the standard office skills of the day. The emphasis on enrollment was for men who were concerned with improving themselves in commercial education in all its branches as applied to the farm and country store, banking, commission and wholesale trade. As they expressed an interest, literature was sent to them. GRBC attracted students through advertisements in the local newspaper. Men were the primary market. In 1867, an advertisement for the college in Holland's Grand Rapids City Directory stated, "Every young man, no matter what his future occupation may be, should be EDUCATED FOR BUSINESS" (p. 212). Advertising is a buffering strategy called leveling or smoothing.

Scott (1998) said:

Buffering strategy is called leveling or smoothing, which is an attempt by the organization to reduce fluctuations in its input or output environments. Leveling entails a more active attempt to reach out into the environment to motivate suppliers of inputs or to stimulate demand for outputs. (p. 198)

The original location of GRBC was in the Luce Building at the corner of Monroe and Ottawa (then called Justice). The enrollment grew dramatically. As stated in a local newspaper, "In just three short years, by 1869, GRBC had the largest attendance of students than any other commercial college in Michigan" (The Grand Rapids Daily Eagle, October 20, 1869, p. 1). In 1875, Swensburg moved the school to the just-completed Ledyard Building. The move provided the growing college with more space.

Financial resources were needed to maintain the college. From the founding of Harvard University in 1636, financial concerns threatened the existence of every college. Private colleges and universities relied heavily on tuition and fees, and they had to depend upon gifts from wealthy individuals or concerned groups to ensure their survival (Mendola, 1979). For GRBC to survive, the leadership developed a fee structure in which students paid a tuition fee for training. Tuition in 1866 ranged from \$5 for 30 penmanship lessons to \$50 for a six-month class in bookkeeping (Moceri 1990, p. 9).

As GRBC experienced success, other colleges started to sprout in Grand Rapids. Many business schools would flow out of this notion of education for a purpose; business education was different from the liberal arts curriculum. In addition to McLachlan Business University, Valley City Business College, J. U. Leon's Business College and Shorthand Institute, and Professor J.W. Welton's College evolved locally in Grand Rapids from the "education for a purpose" school of thought (Moceri, 1990, p. 8).

Summary: Swensburg's Era

In 1866, Grand Rapids Business College (GRBC) was founded by Conrad Swensburg to provide education for careers in business. He developed the core technology for college. He invested in a business school idea. The needs of commercial enterprises during earlier times for skills such as keeping accounting records, conducting correspondences and other business related skills eventually gave rise to schools specializing in such training. As a young entrepreneur in search of business opportunities, Swensburg anticipated this need for trained individuals to work in the offices of business and industry as the country began the transition from an agrarian economy to one dominated by mechanization and innovation.

He was able to establish and maintain the college's identity in a changing environment. Mr. Swensburg was able to procure resources from the environment while not compromising on the identity of the college. Primarily, persistence occurred through the use of environmental resources. The aspects of the task environment drove the institution.

By 1866, furniture factories abounded in the area, and the city of Grand Rapids rapidly matured from a frontier outpost to the commercial and industrial hub of western Michigan. Opportunities for office-type work grew as the economy changed, requiring different skill sets of workers.

Mr. Swensburg is credited with establishing the identity of GRBC, developing the core technology, acquiring the critical financial and human resources, and providing training for careers in business for interested local community members. For 25 years, the college remained under his leadership.

Answers to Guiding Questions

1)

a) What did the leadership do to maintain the core technology?

Swensburg founded the core, which focused on a practical business education. He anticipated a need for office training, and he founded GRBC.

b) What did the leadership do to change or adjust the core technology?

Swensburg kept the school focused on a business education and changed and adjusted it to match the task and institutional environment of the time. The core was adjusted to current relevant business practices.

2)

- a) How did the management and governance processes and structures change over the life of the organization?

Swensburg was the first to own the school, so there was no change at this time to governance processes and structures. He established it as a sole proprietorship and handled the management decisions for the institution.

- b) How did the management and governance processes and structures persist over the life of the organization?

He maintained the sole proprietorship throughout his era.

- 3) What strategies did leadership employ to survive in the organization's task environment?

He recruited male students, which generated revenue by way of tuition and fees.

Some of the marketing was done through word-of-mouth and through the newspaper.

He also bought various facilities to delivery the courses. The original location was the Luce Building at the corner of Monroe and Ottawa. In 1875, Swensburg moved his school to the just-completed Ledyard Building, one of the most prestigious addresses in Grand Rapids. The business college was moved in the Norris Building in 1900.

Men were the primary target market as the institution advertised for students. For example, the 1867 advertisement for the college in Holland's Grand Rapids City Directory (p. 40) indicated as much. Advertising is a buffering strategy called leveling or smoothing.

Scott (1998) said:

Buffering strategy is called leveling or smoothing, which is an attempt by the organization to reduce fluctuations in its input or output environments. Leveling

entails a more active attempt to reach out into the environment to motivate suppliers of inputs or to stimulate demand for outputs. (p.198)

- 4) What strategies did leadership employ to achieve legitimacy in the organization's institutional environment?

Swensburg did some bridging and relationship building. He did some community work with the YMCA and other entities in Grand Rapids. He was involved with local businessmen, making business connections. He entered into and fostered relationships with various entities to obtain legitimacy and acceptance in the local community.

GRBC became locally recognized as a leader in business education.

Institutional Environment

National - Start of higher education 1636- Harvard University, legislative support with Northwest Ordinances of 1785 and 1787, Morrill Act 1862/1890. Department of Education in 1867 and commercial education 1832.

State - University of Michigan, 1817, Huron Institute in Kalamazoo in 1833 as its first private institution

Local - The Michigan Legislature authorized Grand Rapids' first college in 1850, the Episcopal-sponsored St Mark's College, Grand Rapids Business College in 1866.

Task Environment

National - Farming, and then a new laboring workforce emerged beginning in the late 1800s with the growth of transportation, mining, and lumbering industries.

State - Michigan's economy paralleled the national economy; farming, lumbering, and manufacturing were all part of Michigan's labor mix.

Local - Lumbering was the mainstream industry and brought the city of Grand Rapids international recognition as "The Furniture Capital of the World."

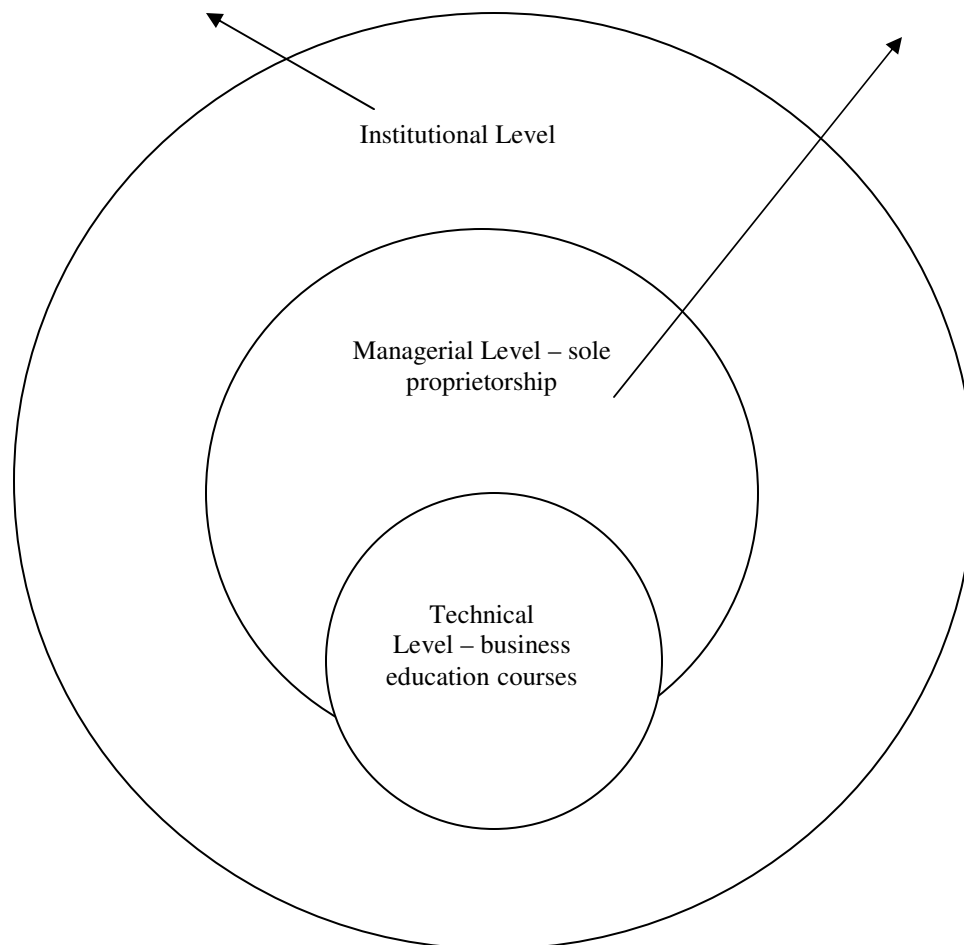


Figure 2. Conceptual framework for analysis of Swensburg's era.

Era 2: Aaron Parrish, 1891-1910,
Organizational Turbulence and Uncertainty: A Crisis of Leadership

In 1891, Conrad Swensburg decided to sell GRBC and move on to pursue other business interests. He sold the school to his former staff member, Aaron Parrish. Mr. Parrish took over as sole proprietor of Grand Rapids Business College in 1891.

Institutional Level

Institutional Environment

National

In 1895, North Central Association of Colleges and Schools and the Southern Association of Colleges and Schools were established. North Central Association of Colleges and Schools was critically important because it was established for the purpose of establishing close relations between colleges and secondary schools in the Midwest. Standards for education were being established around the country by regional accrediting associations to deal with the issue of what constitutes a college and how they should look and act.

Altbach, Berdahl, and Gumport, 1994, defined accreditation as “a process for holding institutions accountable to voluntary agencies for meeting certain minimum educational standards” (p. 66). This was a key component in the institutional environment as accreditation associations are one of the external constituents that affirms or grants legitimacy to institutions of higher learning as well other schools.

Ultimately, six accrediting associations were established throughout the United States. Just prior to Parrish’s era, the New England Association of Schools and Colleges was the first, which was established in 1885, followed by the Middle States Association of Colleges and Schools in 1887. An institutional accrediting agency evaluates an entire institution in

terms of its mission and the agency's standards or criteria. It accredits the institution as a whole. It assesses the formal educational activities of the institution and evaluates governance and administration, financial stability, admissions and student personnel services, institutional resources, student academic achievement, institutional effectiveness, and relationships with constituencies inside and outside the institution.

State

The state established and maintained regulatory control over educational institutions that applied for a license to operate as a business. An institution needs state authorization to operate legally and requires a licensure. The idea of an education to improve one's status continued its prevalence throughout this era.

Local

Institutions of higher learning continued to evolve in the local area. These included Grand Rapids Medical College (1897) and St. Joseph's Seminary (1909).

Task Environment

National

As the late 1800s came to a close, agriculture as an industry and related jobs were predominant. Van Gelder (2001) stated, "In the early 1900s, agriculture still provided the main occupations in the United States. Over 12.6 million people worked on farms" (p. 38). The Industrial Revolution transformed the American economy and gave birth to the auto industry.

State

Michigan's economy blossomed during this era. The population was growing and the manufacturing, lumbering, and farming industries were in full swing. By 1900, the population of the state had reached 2,402,982 and in the next few decades, the major turning point in the Michigan economy occurred:

Henry Ford introduced the assembly line into the manufacture of automobiles. Ford and other early auto pioneers, such as R.E. Olds, William Durant, and Walter Chrysler, set in motion the 20th century's greatest wealth creator, the auto industry. Automobile manufacturing created an enormous number of jobs, attracting people to Michigan from all over the United States and around the world. Between 1900 and 1930, only Los Angeles grew faster than Detroit, the population of which soared from about 286,000 to nearly 1.6 million. Flint grew from 13,000 to more than 156,000. (Olson, 1992, p.10)

Local

The Grand Rapids economy developed because of the furniture industry. Attesting to the continuing growth in the furniture industry, Etten (1926) recalls there were 68 furniture factories in Grand Rapids in the early 1900s that employed about 13,000 artists, skilled artisans, and other workers.

Olson (1992) described the economic culture at the time:

Technology had permanently changed the workplace. With an increasing supply of electrical power available, labor-saving machines became a standard factory feature.... Grand Rapids exemplified what was taking place all across the United States: The country was growing up and moving to the city. No longer was America a nation of rural towns and yeoman farmers. Cities, with their factories and industrial wage earners, were now the national norm. (p. 14).

Managerial Level

Like Conrad Swensburg, Aaron Parrish directed his attention to the acquisition and management of critical resources in the task environment in order for GRBC to continue to exist and survive. The institution was a sole proprietorship and Mr. Parrish owned and led the

institution, made the decisions, and thus determined the fate of the institution. Survival of the institution is the essential charge of senior organizational leaders (Pfeffer & Salancik, 1978). The college was located downtown in the Norris Building. The service area was confined to the city of Grand Rapids and the institution was resource-dependent on the city for its inputs (students).

Financial Resources

Revenue for private institutions of higher learning was driven entirely by tuition fees and gift aid. Funding to maintain the core was generated by student enrollment via tuition dollars. Toward the end of Parrish's tenure, the college faced bankruptcy when Parrish failed in his role as a boundary spanner to manage and move or funnel the resources from the task environment into the core to sustain it. He had led the institution for approximately nineteen years, until 1910 when, as Mocerri (1990) asserted:

Parrish abruptly left with the school's tuition money and was never seen again. While the details of his term are obscure, the records show that under Parrish's administration the once dynamic college deteriorated alarmingly. Instead of a flourishing, progressive enterprise, the institute was on the brink of collapse. The curriculum was allowed to atrophy. Student and faculty were demoralized and the school's ledger was awash in red ink. Creditors were literally at the doorstep, ready to repossess the typewriters whose payments were overdue. (p. 12)

Technical Level

Curriculum

Parrish followed Swensburg's lead and continued to support the initial mission of GRBC, which was to train people with the skills needed for employment in the offices of the great industries. The institution persisted by offering a business curriculum. More sophisticated support systems, in both in technology and talent, were required to meet the needs of the growing office culture. Parrish neglected important curriculum issues and the competition

gained some ground on GRBC by offering more updated courses and programs. Parrish did not pay attention to current training needs. “While it was more important than ever that training keep pace with progress, Mr. Parrish neglected to implement the courses necessary to upgrade the curriculum,” (Moceri, 1990, p. 12).

Students

The student population is one of the college’s most crucial dependencies. Enrollment took a plunge in the Parrish era, which left the school in dire straits. Parrish absconded with the school’s bankroll, and by the time a new leader took over, only 10 students were left on the rolls, 14 fewer than the two dozen students enrolled at the end of the Swensburg era.

Moceri also describes the end of the Parrish era:

The school had ten remaining students, three faculty - including M.E. Davenport - stiff competition from its chief rival, McLachlan Business University, not even enough money to pay the light bill, and a \$5000 debt - no menial sum in that day. Even to the most sanguine observer, the outlook was abysmal. (p. 7)

Summary: Parrish’s Era - 1891-1910

In 1891, Parrish assumed ownership and leadership of Grand Rapids Business College. His tenure was marked by a leadership crisis. Survival of the institution is the essential charge of senior organizational leaders (Pfeffer & Salancik, 1978). The college faced bankruptcy because Parrish failed in his role as a boundary spanner to manage and move or funnel the resources from the task environment into the core to sustain it.

Parrish paid very little attention to the core. The curriculum became outdated. Enrollment and revenue plummeted. When Parrish absconded with tuition funds in 1910, the core technology was in disarray and the future of the college bleak at best. The organization is viable only as long as it is able to maintain a sufficient coalition of support (Pfeffer & Salancik, 1978).

Answers to Guiding Questions

1)

a) What did the leadership do to maintain the core technology?

Parrish kept the focus on a business education but not necessarily up-to-date.

b) What did the leadership do to change or adjust the core technology?

He didn't do much to adjust or change the core. Relevant and current business courses were an issue and almost cost the institution its future.

2)

a) How did the management and governance processes and structures change over the life of the organization?

It was still a sole proprietorship.

b) How did the management and governance processes and structures persist over the life of the organization?

No progress.

3) What strategies did leadership employ to survive in the organization's task environment?

He continued to make sure that there was adequate enrollment, even though student numbers started to decline toward the end of his tenure. He made sure a facility was available. The business college was located in the Norris Building.

4) What strategies did leadership employ to achieve legitimacy in the organization's institutional environment? He maintained interaction with business and educational leadership in the community.

Institutional Environment

National - In 1895, the North Central Association of Colleges and Schools and the Southern Association of Colleges and Schools were established.

State - New institutions were chartered by the state of Michigan, which maintained regulatory control over educational institutions that applied for a license to operate as a business.

Local - Private schools continued to emerge in GR, Grand Rapids Medical College (1897) and St. Joseph's Seminary (1909)

Task Environment

National - Agriculture still provided the main occupations in the United States.

State - The population was growing and the manufacturing, lumbering and farming industries were in full swing

Local - The Grand Rapids economy developed as a result of the furniture industry. There were 68 furniture factories in Grand Rapids in the early 1900s that employed about 13,000 artists, skilled craftsmen, and other workmen.

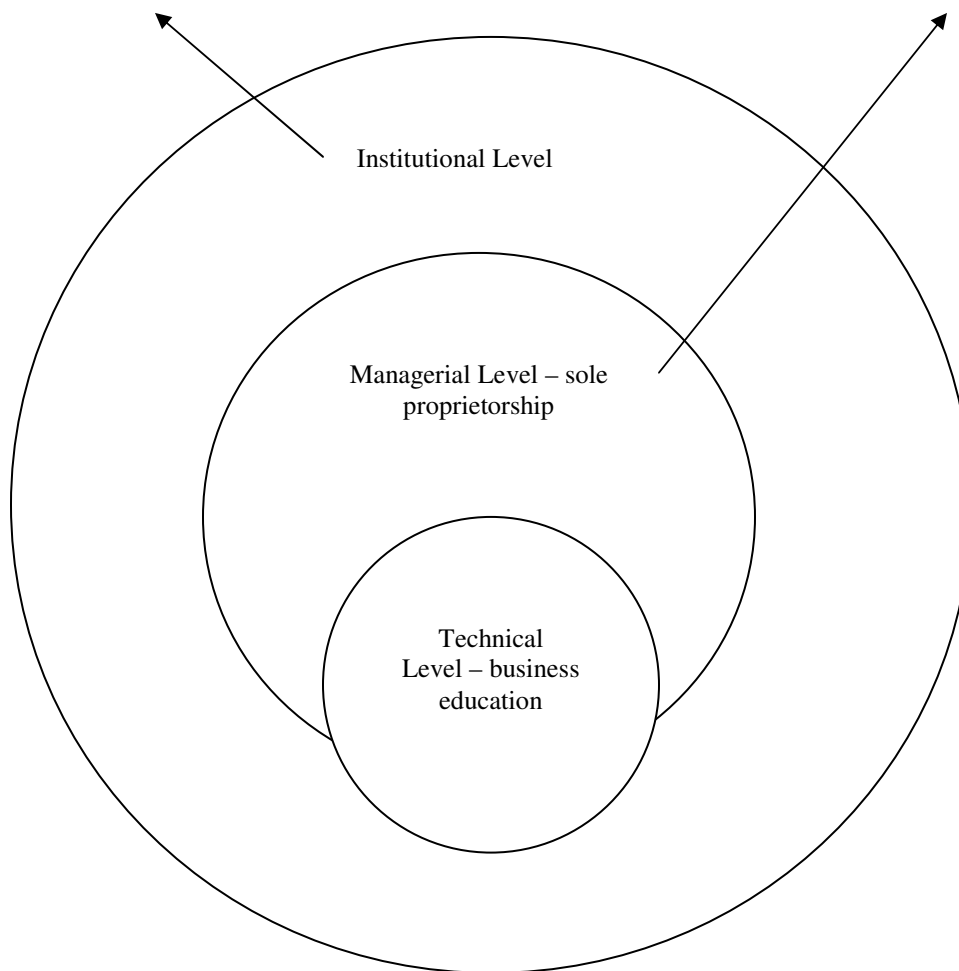


Figure 3. Conceptual framework for analysis of Parrish's Era.

Era 3: Michael Edward Davenport, 1910-1959, Organizational Turbulence, Rebuilding and Growing

M. E. Davenport's leadership era is presented in three distinct periods during which important world and national events affected every aspect of life. The three periods include Part 1: 1910-1918, Pre-war Years through WWI, Part 2: World War I 1919 through the Great Depression 1929–1939, and Part 3: the Golden Age to Beyond the Korean War 1940-1959.

Michael Edward Davenport was born on December 28, 1884. He was the second of six children that Warren and Sarah Davenport brought up in the farmlands of Montcalm County, Michigan. Davenport (later referred to as M. E.), was a Ferris Institute graduate and came to GRBC in 1910 as a young business instructor. “Instead of a flourishing, progressive enterprise, M. E. Davenport found an institution on the brink of collapse” (Moceri, 1990, p. 13).

In 1910, his relationship with the college changed forever, as he was thrust into a situation that resulted in his ownership of the college:

On a chilly spring morning in 1910, Michael Edward Davenport reported to work as usual at Grand Rapids Business College, where he taught bookkeeping, penmanship, commercial law, and several other subjects. On this particular morning, the school was in a state of chaos, staff and students milled the hallways, chattering and bewildered. Davenport drew a colleague aside to ask what was going on. Apparently, the college's owner, Aaron Parrish, had disappeared, taking with him what was left of the institute's bankroll. No one knew his whereabouts; in fact, he was never seen again. Together with his brother, Forrest, M.E. rescued the college and set it on the path of recovery. He saved the college from bankruptcy and served as its leader for nearly 50 years. He and his brother bought the assets to the school for \$500, which was not much, but that is how he got started. (Moceri, p. 7)

Part 1: 1910-1918- Pre-war Years through WWI

Institutional Level

Institutional Environment

National

Accreditation became important in 1912 when the National Association of Commercial Schools attempted to organize business schools into a united front (Moceri, 1990). Formal accreditation greatly enhances prestige and academic standing of a college.

Six major accrediting associations had been formed by this era, but had not developed criteria and requirements. “The North Central Association of Colleges and Schools (NCA) was the first such agency to develop criteria and requirements for institutional membership in 1910” (Altbach, Berdahl, & Gumport, 1994, p. 207). NCA serves the Midwest, which includes Michigan colleges and universities. Around the country, independent colleges and universities attempted to establish legitimacy and collectively protect the interests of their institutions.

State

The state of Michigan licensed educational institutions as businesses practicing in the state and issued charters. The responsibility for education rests with the states. Michigan, like other states, required institutions offering educational degrees and programs to comply with state laws.

Local

Higher education opportunities for Grand Rapids citizens became more of a priority in the early 1900s. The Grand Rapids Board of Education took steps to provide two-year, college-level transfer courses at Central High School. Leaders at the local level took some

initiative to make higher education more accessible. This led to the organization of Grand Rapids Junior College in 1914, the seventh community college to be established in the nation and the first in the state of Michigan. The community leaders had unsuccessfully tried three previous times (1833, 1837, and 1903) to get the State Michigan Legislature to establish a public institution of higher education in the city of Grand Rapids (Lydens, 1966).

Task Environment

National

The national economy was changing. New skill sets were needed for a new labor force. “New and expedient manufacturing techniques were dramatically transforming and accelerating the cadence of American commerce. It was more important than ever that training keep pace with progress” (Moceri, 1990, p. 12).

World War I (WWI), 1914-1918. Many eligible college-aged men were involved in WWI. The United States remained neutral at first, but many Americans turned against the Central Powers after German submarines began to sink unarmed ships. In 1917, the United States joined the Allies. U.S. troops gave the Allies the manpower they needed to win the war. In the fall of 1918, the Central Powers surrendered. The war lasted four years and took the lives of nearly 10 million troops (Coffman, 2001).

State

There were many economic changes taking place in the state of Michigan just after the turn of the century. The population had reached slightly over 2 million, and Henry Ford introduced the assembly line. The auto industry was born, which impacted the state’s economy as it created many jobs (Michigan in Brief, 2002).

Local

The local economy was also changing. In addition to the lumber industry, “L.V. Eberhard opened the first of a chain of grocery stores in Grand Rapids in 1918,” (Olson, 1996, p. 9). The grocery business created a need for different skill sets and occupational opportunities. Industrial statistical information indicates that in 1923, Grand Rapids, Michigan, had 473 establishments and 24,033 wage earners, according to Etten (1926). Grand Rapids had grown into a mechanized factory environment, and the speed of machines controlled the work.

Managerial Level

The business college was a sole-proprietorship (family-owned) by Michael Edward Davenport and his wife, Mabel. Acquiring and managing critical resources during these critical times demanded the attention of Mr. Davenport and his staff. Key decisions were made during this sub-era because of changing institutional and task environments to protect the core technology and to assure that institution would survive and continue to persist.

When they first purchased the school, the institution had to be rebuilt because Aaron Parrish had nearly destroyed it. The Davenports worked in the operation and taught full schedules of classes in addition to their administrative responsibilities. Individual instruction by the school’s leaders was promoted and marketed as notable attribute of the school.

In 1918, Mr. Davenport decided to rename Grand Rapids Business College to Davenport Business Institute (DBI). He moved the college from the Norris Building to a new location at 215 Sheldon that met their current and future facility needs. The building also served as a home for his family. The name change to DBI was the first time the family name appeared as the name of the college.

The school was in trouble financially. “Students and faculty were demoralized and the school was deeply in debt. Creditors were literally at the doorstep, ready to repossess the typewriters whose payments were overdue” (Moceri, 1990, p. 10). Davenport chose to revamp the curriculum and developed a strong local reputation for DBI as an institution focused on being the best at preparing students for specific employment opportunities. The curriculum changes shaped this new era.

Technical Level

Curriculum

Continuing tradition, the mission was to train students for a practical business education, centered on skills needed for employment in the offices of the great industries that were emerging in Grand Rapids. Mr. Davenport continued to provide students with a practical business experience, but he encountered challenges because the previous leader did not keep the curriculum current with the times. Aaron Parrish had allowed the curriculum to atrophy.

Addition to the core. As the job market became more demanding, M. E. Davenport offered an innovative curriculum, known today as “core curriculum.” Along with traditional business subjects, Davenport sought to fill a niche he saw in the college market — a mix of theory and practice. The curriculum was still specialized but very practical business education.

Moceri, (1990) stated:

Davenport’s reputation as a pioneer in developing programs grew from his idea of a practical education that combined elements of classical liberal arts and specialized business subjects that prepared the student for specific employment opportunities. From this philosophy came the motto that has guided the institution ever since: Make a Living — Make a Life— Make a Contribution. (p .17)

Students

When Aaron Parrish left, there were approximately ten students and three faculty members remaining. The low enrollment obviously presented some challenging financial problems. The enrollment of the college had suffered during the war years because of the numbers of men of college age serving in the military and the loss of those who did not return. But at war's end, "America's energy refocused on domestic issues. The city of Grand Rapids, as well as Davenport Business Institute, benefited from a growing economy. After World War I, a growing economy and a surge of returning veterans brought renewed momentum to Davenport Business Institute" (Mocerri, 1990, p. 15). Between 1910 and 1918, Davenport Institute experienced some significant growth from 25 to 150.

Summary, Part 1, 1910-1918 - Pre-war Years through WWI

Accrediting associations were forming at the national level, which created legitimacy for institutions of higher learning. The state controlled institutions' ability to operate legally. Local leaders were pushing for higher education opportunities for their citizens. The institutional environment became more active during Part 1.

The task environment was affected by national and world events such as the changing United States' economy and WWI. The war did affect potential local college students. The lumbering and grocery store industries kept the local economy afloat, which required new skill sets for the work force.

Michael Edward Davenport purchased the school and was faced with the enormous challenge of stabilizing a declining operation and to get to grow. Competitors were gaining ground. He was able to revamp the curriculum to make it relevant and regain the school's reputation as a provider of a quality practical business education.

Answers to Guiding Questions

1)

a) What did the leadership do to maintain the core technology?

Mr. Davenport continued the tradition, to train students for a practical business education. These were the skills needed for employment in the offices of the great industries that were emerging in Grand Rapids. Individual instruction by the school's leaders was promoted and marketed as notable attribute of the school.

b) What did the leadership do to change or adjust the core technology?

As the job market became more demanding, Mr. Davenport offered an innovative curriculum. Along with traditional business subjects, Davenport sought to fill a niche he saw in the college market — a mix of theory and practice, which combined elements of classical liberal arts and specialized business subjects that prepared the student for specific employment opportunities.

2)

a) How did the management and governance processes and structures change over the life of the organization?

The business college was a sole-proprietorship (family-owned) by Michael Edward Davenport and his wife, Mabel.

b) How did the management and governance processes and structures persist over the life of the organization?

M. E. Davenport continued to lead the effort with his wife. They made most of the management decisions.

- 3) What strategies did leadership employ to survive in the organization's task environment?

The leadership made sure that Davenport Business Institute enrolled its share of returning veterans to keep tuition and fees coming in, a source of revenue. He moved the college from the Norris Building to a new location at 215 Sheldon, which met their current and future facility needs.

Institutional Environment

National - NCA developed criteria and requirements, standards, and legitimacy for institutions of higher learning.
 State - State of Michigan licensed educational institutions as businesses practicing in the state and issued charters.
 Local - Citizens wanted more local educational opportunities, which led to the organization of Grand Rapids Junior College in 1914.

Task Environment

National - New and expedient manufacturing techniques were dramatically transforming and accelerating the cadence of American commerce. WWI 1914-1918
 State - Between 1910 and 1920, the state of Michigan claimed five of the 22 fastest growing cities in the country due to the booming automotive industry
 Local - New mechanized factory environment, furniture was the dominant industry. McLachlan University and other business schools evolved.

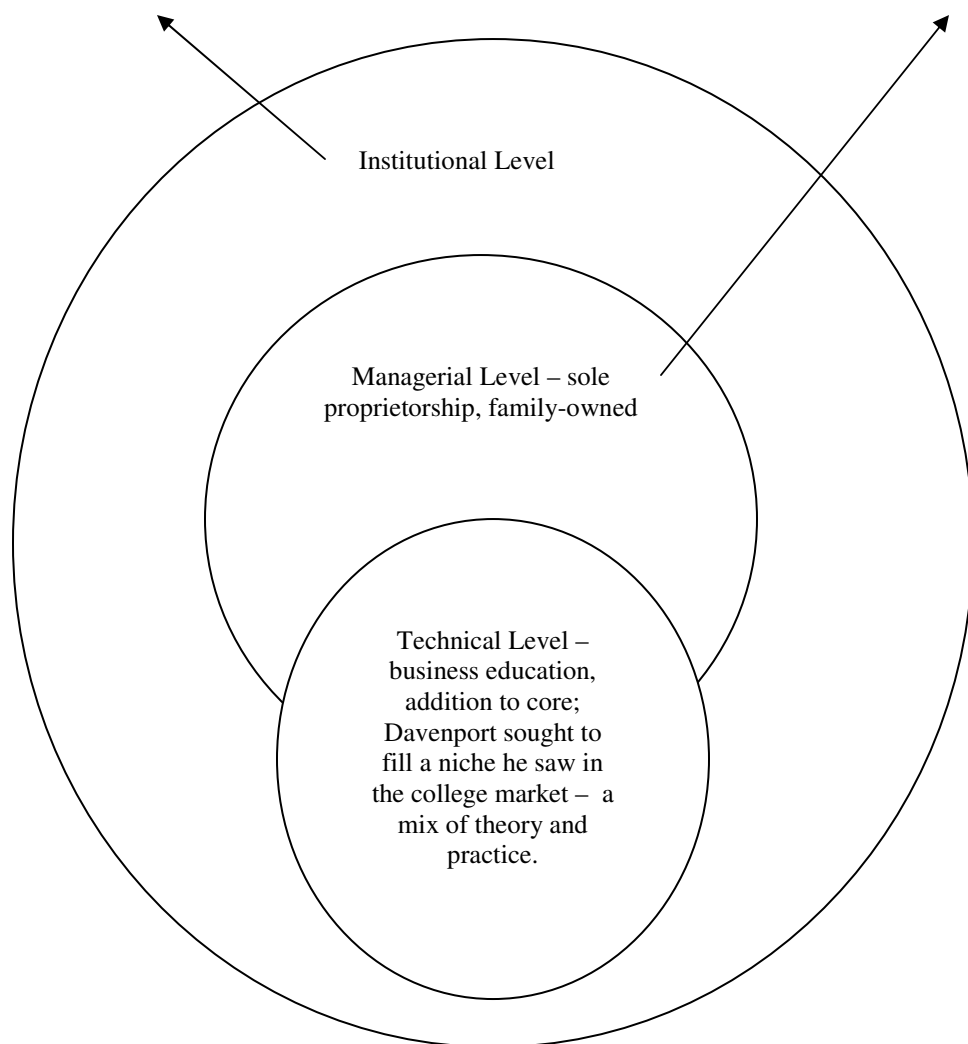


Figure 4. Conceptual framework for analysis of M. E. Davenport, Part 1, 1910-1918, pre-war years through WWI.

- 4) What strategies did leadership employ to achieve legitimacy in the organization's institutional environment?

The college complied with state law. The State of Michigan licensed educational institutions as businesses practicing in the state and issued charters to legally operate in the state. The state affirmed the college as a legitimate institution of higher learning by issuance of a charter.

Part 2: Post World War I, 1918 through the Great Depression, 1929-1939

Institutional Level

Institutional Environment

National

At the beginning of this period, accreditation was voluntary. There were no mandatory requirements by the federal or state government associated with accreditation. The National Association of Accredited Commercial Schools continued its work nationally as a collective voice for its members' legitimacy.

Rising popularity of colleges. One of the elements of the environment that was in favor of higher education in general was the "buildup" of the notion that going to college was one way to get ahead in life. America was coming off some tough times with the impact of WWI and the Great Depression on people's social and financial status. According to Altbach, Berdahl, and Gumport (1994), by 1920, it became very fashionable to attend college:

The big change in the place of the American college in popular culture started to gain momentum in the 1880s: an unprecedented situation in which a scarce, elite activity attracted vicarious popular fashion. It meant that "going to college" became fashionable and coveted....one explanation for this rising popularity of colleges was that in the United States between 1880 and 1920 the colleges finally had responded to the society's strong demand for "useful" studies. Indeed, this contention is strengthened by the appeal

of such “new professions” as engineering, agriculture, business administration, and forestry. (p. 29)

Social Programs. America had to deal with the issue of widespread poverty after some tough economic times. The New Deal, the federal government’s first major effort to provide a security net for Americans, came in 1935 during Roosevelt’s tenure. The program assisted working-class Americans by providing security against illness - and unemployment-related issues (America’s War on Poverty, 1996).

Several federal programs were initiated to help people cope with the consequences of the widespread affects of the Great Depression such as unemployment and other problems. One such Act program was the Emergency Relief Appropriations Act of 1935:

The Emergency Relief Appropriations Act of 1935 authorized the establishment of a Works Progress Administration (WPA), an agency created by executive order that decreased unemployment and provided work for eight million Americans. The National Youth Administration was created on June 26, 1935, as part of the WPA to provide training for unemployed youth and part-time work for needy students. As unemployment decreased and World War II approached, emphasis gradually shifted to training youths for war work until, early in 1942, all NYA activities not contributing to the war effort were dropped and its activities ceased late in 1943. (Howard, 1943)

The National Youth Administration impacted affected college and university students around the country as it provided work-study funds for student assistance. Federal aid to students and indirectly to the colleges and universities was of great assistance in meeting the problems of the Depression. Roche (1994) stated, “The National Youth Administration also established the first federal program of direct student aid, supplying work-study funds for more than 600,000 students from 1935-1943” (p. 30).

State

The State of Michigan began to regulate private institutions through the Michigan Corporation Code Act of 1931. The state maintained regulatory oversight over private institutions, as stated under Act 327, Public Act 1931:

If the institution is educational and desires to be incorporated, then it is subject to the Michigan Corporation Code (Act 327, P.A. 1931), as amended in 1938. The act provides that every educational corporation, before being authorized to file its Articles, shall be required to present a written statement to the Michigan Corporations and Securities Commission from the State Board of Education concerning the adequacy of existing or proposed (1) housing space and administrative facilities, (2) educational programs leading to diplomas or degrees to be offered, (3) laboratories, libraries, and other teaching facilities, (4) staff, and (5) capital paid in or reduced to possession. (Michigan Department of Education, Policies and Procedures, 1979)

Local

Additional private institutions were being established in Grand Rapids, which helped to solidify the importance and legitimacy of private institutions in the higher learning community. There were several, but “Calvin College, 1921, was the first to confer the Bachelor of Arts degree” (Lydens, 1966, p. 509). Private institutions such as Calvin began to offer bachelor degrees, which enhanced skills in the workplace.

Task Environment

National

The economy continued to change and evolve around the U.S. Farming was on the downturn as it related to manufacturing. The Great Depression had a profound impact on the national economy.

The Great Depression. The Great Depression changed the task environment. Beginning on October 29, 1929, and lasting about a decade, the Depression was the worst economic slump ever in U.S. history:

The 1920s saw a stock market boom in the U.S. that came as the result of general optimism by businessmen and economists who believed that the newly created Federal Reserve would stabilize the economy and the pace of technological progress guaranteed rapidly rising living standards and ever expanding markets. The "roaring twenties" was an era when the country prospered tremendously even though there was an oversupply of goods that were not considered necessities by many. Since the majority of the population did not have enough money to purchase these goods, the solution to this problem lay in one that would allow those who wanted these goods, to purchase them on credit. The concept of buying now and paying later was quickly adopted and by 1929, 60% of all cars and 80% of all radios were bought on installment credit. By 1929, 80% of Americans had no savings at all. Between 1925 and 1929 the total amount of outstanding installment credit increased from \$1.38 billion to over \$3 billion. This rapid expansion of credit resulted in a stock market bubble in the U.S. that hadn't been experienced for decades and was not to be repeated until the late 1990s. The stock market crashed on Black Tuesday, October 29, 1929. (Shepherd, 1929, p. 1)

State

Michigan, like many other states throughout the country, took an economic hit during the Great Depression. The Great Depression of the 1930s took a terrible toll. By 1934, approximately 800,000 of the state's five million residents were receiving some form of public relief. Half of the nonagricultural work force was unemployed (Michigan in Brief, 1998). During the depression in Michigan, the auto industry slowed and factories closed. Unemployment rates steadily rose, and many people left the state to seek employment (U.S. Census, 1941).

Local

Grand Rapids was no better off than the state of Michigan or the nation during the Depression. Times were tough; local companies suffered and many people were unemployed. Until the programs of the New Deal, many local families managed on low wages paid by the city of Grand Rapids for work on public construction projects. The furniture manufacturing industry was slowing and Grand Rapids was hard hit economically. Local residents had very little, if any, disposable income.

Work opportunities in the furniture industry were limited, as not many people were buying furniture. There were many unemployment issues and closings of businesses. Banks were closing nationwide and many would never resurface after the 1930s. It was wartime production work that helped ease some of the economic pain as major employers like General Motors, Metal Office Furniture (now Steelcase), and other industries produced war equipment. During these times women began taking jobs in greater numbers in the workplace. Most of the jobs related to working on the assembly lines to help produce war equipment during wartime (Olson, 1996).

Competitors. In the early 1920s, other business schools evolved in Grand Rapids. The McLachlan University, 1924, was one of the most notable. The Institute prepared students for an education in business-related curricula.

Managerial Level

The institution was still a sole proprietorship. Mr. Davenport pursued various accreditations to establish institutional legitimacy during this era. In addition to accreditation, the institutional aspects of the environment became more prevalent, such as the notion of a college education to improve one's livelihood and more federal legislative support through the Emergency Relief Appropriations Act of 1935.

First Acquisition

The task environment offered some great opportunities for growth. In the early 1920s, DBI acquired one of its major competitors, McLachlan Institute. Growth through mergers is a way for organizations to achieve stability and predictability (Katz & Kahn, 1966). Acquisition of other institutions was one way to grow the enrollment and reduce the competition for college. Mocerri (1990) described the acquisition of McLachlan Institute.

Malcolm McLachlan died in 1918. Davenport bought the school from his widow, and in 1924, M.E Davenport merged the two operations to form the Davenport-McLachlan Institute (DMI), then moved into McLachlan facilities on the fourth floor of the Putnam Building on Pearl Street. The 1924 affiliation with McLachlan-at the time still enjoying a reputation as one of America's leading business schools-was tremendously beneficial to Davenport. In fact, "Macs," as it was called, was so esteemed that the college maintained the Davenport-McLachlan hyphenation for the next 25 years. Davenport benefited from McLachlan's good name for nearly a quarter of a century. (p. 15)

Accreditation

Image and reputation were at stake, as well as the right for independent colleges and universities to exist without question. Davenport-McLachlan Institute achieved full accreditation by the National Association of Accredited Commercial Schools in 1924 and was granted a state-approved charter to operate as a Class "A" degree-granting institution. This was an important distinction because the institution's legitimacy was affirmed by the national accrediting agency and the state of Michigan (Moceri, 1990).

During the Great Depression, Margaret Sneden, daughter of M.E. Davenport, remembered some of the challenging times for the college administrators:

DBI's administration applied for and received federal funds, which provided assistance for girls attending Davenport. We had a lot of kids working back in those days. They were paid for working in the office at Davenport. These years proved to be very difficult times, not only for DBI, but the whole country suffered. I remember my father and the staff, at the end of week, whatever cash there was, it was split between employees. And \$20 a month was a lot of money back then. Students couldn't always pay in full back then, and we had different payment plans for them. It was all based on their ability to pay. If they paid \$12.50, we would loan them the rest and they would pay it off by working it off or repayment. (videotaped interview with Margaret Sneden, September 27, 2000)

At DMI, Davenport took advantage of some of the federal programs that assisted institutions of higher learning around the country. "As the social welfare programs of the New Deal expanded, the demand for office skills in newborn federal bureaus escalated

accordingly, and Davenport-McLachlan helped hundreds qualify for these openings”

(Moceri, 1990, p.17).

Ty Wessel, (treasurer in the M.E. Davenport’s era) remembered the early years:

In 1930, the economic picture of the country was not too good. As it moved along into the ‘30s, it got worse. I graduated in 1933 and found no employment so I went into the Army. I started in business administration, but switched to accounting because accountants were beginning to be recognized as important people and there was a chance to make more money. Tuition started at \$20 per month for a full program, then increased to \$25 a month when I went to Davenport. The economy was such that a business school didn’t have much of a chance to become a big school. Very few students who came to us had an easygoing financial situation. Of course, when the Depression years of the ‘30s were on us, enrollment went down and then up before the war. And then, during the war, we just had a few students with these large buildings (Aquinas College). The expenses were huge for the lawn and buildings. We had to work real hard to collect tuition from students. Many of the students were driving secondhand cars back then. The federal and state programs came along after the war for most anyone. Cliff Wonders traveled during the summer months in the UP (Upper Peninsula) to enroll students for fall. One summer he enrolled 12 students; this was a large number for us. (videotaped interview, September 27, 2000)

Creative Financing Initiative

The Great Depression changed the task environment in terms of financial resources for students to attend or stay in college. Davenport countered by offering several alternate financing options to keep the college open and tuition affordable. Students were allowed to pay what they could on a weekly basis, or “run a tab” and defer their tuition altogether until times improved. Allowing students to make payments over time was a buffering technique that Scott (1998) referred to as “leveling, an attempt by the organization to reduce fluctuations in its input or output environments” (p. 198). Hundreds of schools failed in the Depression era and never lasted beyond the 1930s, but Davenport persisted. One of the financing maneuvers was a loan/work program. Margaret Sneden (2000) recalled some of the struggles with financial aid issues during this era:

We ran our own tuition assistance program. If a student could pay \$12.50, then we loaned them the difference. Yes, we had collection problems. We were a lending institution and provided work for students. Boys ran the furnace and that was credited to tuition. In 1936, things started to break. We had very large enrollments. But that was short-lived because of the war coming on. (videotaped interview, September 27, 2000)

Unlike publicly funded institutions, whose existence is all but guaranteed, Davenport Institute had to constantly look for new ways to survive. Tuition was the only sure way of acquiring revenue, and the administrators set comparable prices annually. In 1928, tuition increased to \$202.50 for 36 weeks, \$270 for one year (48 weeks), and \$500 for two years (96 weeks).

Federal Funds

Some financial relief came in 1935 for college students to supplement their income. The college administration was able to access federal funds for work-study students from the National Youth Administration (NYA), which was one of the purposes of NYA. Students worked for limited hours on the campus to earn some money to offset some of the financial pain from the Great Depression.

Technical Level

Curriculum

In 1928, the faculty and staff had grown to four and included Mr. Davenport's wife, Mabel Engle Davenport (Business School, 1928). Programs included Accountancy and Business Administration, Secretarial Science, General Business and Banking, Salesmanship and Advertising, Gregg Shorthand and Touch Typewriting, Civil Service, Commercial Teaching, and Music: vocal and instrumental. The diploma programs were quite popular, as some two hundred DMI graduates received diplomas in the 1928 commencement held at the local YWCA (Moceri, 1990).

Davenport programs aligned education with careers in business. Many of the available jobs related to civil service training, which was reflected in the college curriculum. During the 1930s, more than ever, “practical education” was demonstrating its utility, since employable skills helped a graduate land what few jobs there were, or to qualify for positions unavailable to the unskilled. DMI’s civil service courses, promoted as “useful even in times of high unemployment,” offered concentrated training sessions that prepared graduates for quick entry into government service. As the social welfare programs of the New Deal expanded, the demand for office skills in newborn federal bureaus escalated accordingly. Davenport- McLachlan helped hundreds qualify for these openings. (Moceri, 1990, p. 17)

The Senior College Venture. There were a limited number of four-year colleges in the Grand Rapids area. Most were religion-based. So in 1936, M.E. Davenport and several of his executives decided there was a need for a liberal arts curriculum that was not religion-based. The Davenport-McLachlan Institute was expanded to create the University of Grand Rapids (UGR), based on what was perceived as an environmental need. The aim of the proposed independent, four-year institution was a combined liberal arts and business-related curriculum in the local community. The overarching objective was to offer a socially, intellectually, and culturally enriched educational program that also equipped students for employment upon graduation. Initial enrollment was about 69 students (Moceri, 1990).

Students

Recruiting students during these times was primarily word-of-mouth. It was not the easiest of times to recruit students. The enrollment numbers remained small because of World War I and The Great Depression. “Recruiting was a bad word. The elite schools survived, got by, off of reputation. Newspaper ads, you just didn’t do it. Schools just didn’t go out and beat the bushes for \$20 per month for tuition,” recalled Margaret Sneden, (videotaped interview, September 27, 2000).

Summary, Part 2, Post World War I - through the Great Depression (1919-1939)

The institutional environment was a mix of national accreditation and the rising popularity of going to college. The state published a document outlining the Michigan Corporation Code that had to be met by businesses wanting to operate legally in Michigan. The Great Depression devastated the economy throughout the United States. Farming was no longer the dominant industry and the federal government created a number of social programs (The New Deal) to deal with widespread poverty. Michigan and Grand Rapids, in particular, suffered because of the Great Depression. High unemployment and business closings were the norm. Wartime production eased some of the pain. Local business schools were coming and going. The environment was changing and requiring more interaction with the institution.

The big challenge for the school was to manage the environment. Seeking national accreditation, Davenport acquired a major competitor, accessed federal funds for students, and created in-house loan programs to help students continue to attend the institution in spite of tough economic times. He also focused on keeping curriculum current and relevant. A four-year component was added in 1936.

Answers to Guiding Questions

1)

a) What did the leadership do to maintain the core technology?

Continuing tradition, the mission was to train students for a practical business education with skills needed for employment in the offices of the great industries that were emerging in Grand Rapids. Individual instruction by the school's leaders was promoted and marketed as a notable attribute of GRBC.

b) What did the leadership do to change or adjust the core technology?

As the job market became more demanding, Mr. Davenport offered an innovative curriculum, known today as “core curriculum” at the new Davenport-McLachlan Institute. Along with traditional business subjects, Davenport sought to fill a niche he saw in the college market — a mix of theory and practice, which combined elements of classical liberal arts and specialized business subjects that prepared the student for specific employment opportunities.

2) How did the management and governance processes and structures change over the life of the organization?

The business college was still a sole-proprietorship (family-owned) by Michael Edward Davenport and his wife, Mabel.

3) How did the management and governance processes and structures persist over the life of the organization?

Management decisions were made by the family.

4) What strategies did leadership employ to survive in the organization’s task environment?

The leadership connected with the task environment through acquisitions, federal financial support, and facilities and students to survive.

Acquisitions. Davenport used acquisition as a strategy to grow. The task environment offered some great opportunities for growth. In the early 1920s, DBI acquired one of its major competitors, McLachlan Institute.

Leveraging of federal dollars. The institution’s leadership leveraged work-study dollars for its students, which was a critical financial resource to keep them in school.

The National Youth Administration administered the program as a result of the Emergency Relief Appropriations Act of 1935. The Act affected college and university students around the country as it provided work-study funds for student assistance.

Facilities/Students. The location at 215 Sheldon met the current facility needs until 1924. In 1924, M.E. Davenport merged Davenport Business Institute with McLachlan Institute, and then moved his school into the McLachlan facilities on the fourth floor of the Putnam Building on Pearl Street. In 1928, Davenport moved the Davenport-McLachlan Institute back to the 215 Sheldon location, which had been torn down in the interim. In 1936, the University of Grand Rapids (4-year venture) started at the Sheldon Avenue site as well. In 1939, the University of Grand Rapids outgrew its facility on Sheldon and in the summer, Davenport purchased the Edward Lowe estate, a wooded 67-acre property on Robinson Road on the eastern outskirts of the city. The leadership continued to recruit and enroll its share of returning veterans from World War I.

- 2) What strategies did leadership employ to achieve legitimacy in the organization's institutional environment?

Davenport established relationships with three major external constituents, the federal and state governments and a national accrediting agency, to help affirm the college's legitimacy and credibility:

Federal support. To be recognized as a participant (Emergency Relief Appropriations Act of 1935), the college had to be recognized as a legitimate

institution of higher learning. The leadership established and maintained a relationship with the federal government to participate in the program.

State of Michigan. The state of Michigan officially began to regulate private institutions through the Michigan Corporation Code Act of 1931, an authorization needed by institutions to operate legally in the state. Legitimate institutions of higher learning such as Davenport Institute were recognized.

National accreditation. M.E. Davenport sought national accreditation to enhance the school's reputation and image. Davenport-McLachlan Institute achieved full accreditation by from the National Association of Accredited Commercial Schools in 1924 and was granted a state-approved charter to operate as a Class "A" degree-granting institution. This was an important distinction because the institution's legitimacy was affirmed by the national accrediting agency. Accreditation assures the public, in particular prospective students, that an institution has been found to meet the agencies agency's clearly stated requirements and criteria.

Institutional Environment

National - Commercial schools continued their national push for legitimacy - The National Association of Accredited Commercial Schools. Going to college became fashionable and coveted in the 1920s.

State - The State of Michigan officially began to regulate private institutions through the Michigan Corporation Code Act of 1931.

Local - More private institutions were being established in Grand Rapids, which helped to solidify the importance and legitimacy of private institutions in the higher learning community.

Task Environment

National - By 1920, the farming and manufacturing numbers reversed; there were 10.9 million workers in agriculture and 12.8 million people in manufacturing. The number of clerks in America increased tenfold between 1880 and 1920. Social Programs - The New Deal Programs were created.

State - Michigan, like many other states throughout the country, took an economic hit during the Great Depression.

Local - Depression hit Grand Rapids. Local companies suffered and many people were unemployed. Furniture industry was slowing, banks/factories closed.

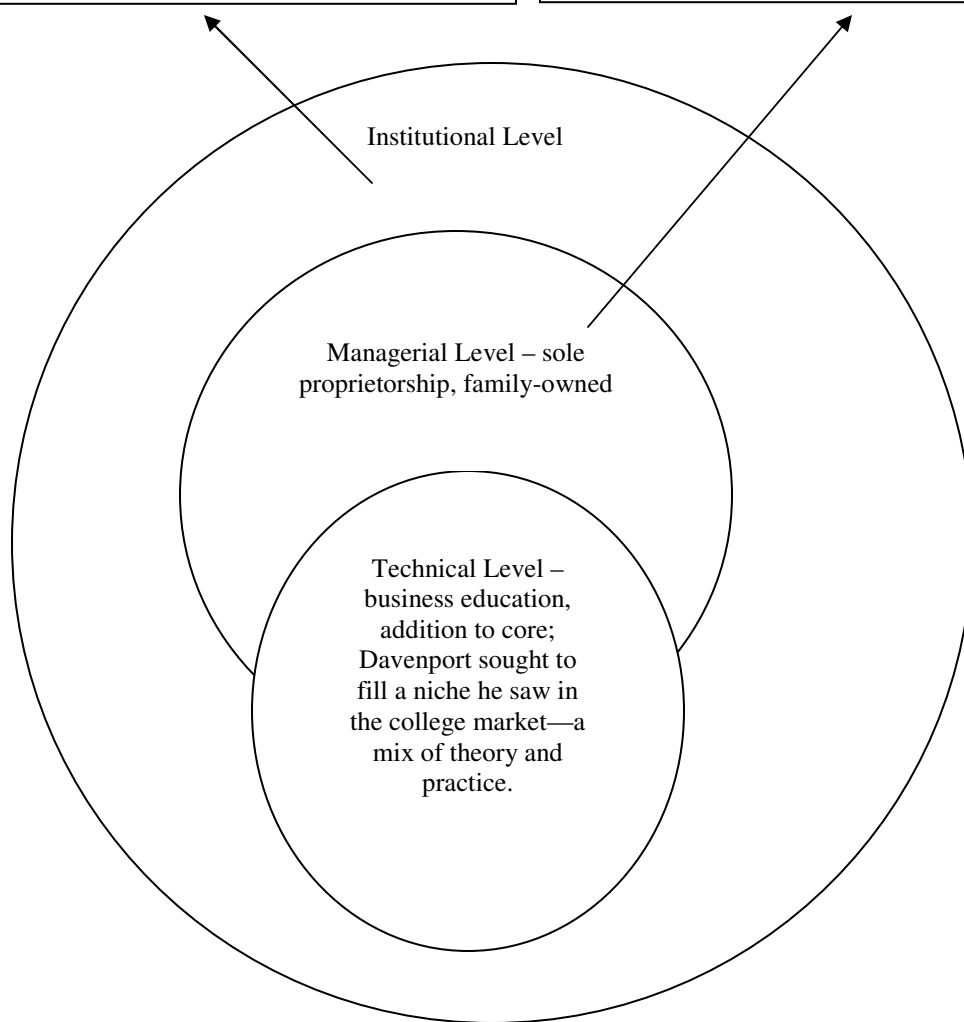


Figure 5. Conceptual framework for analysis of M.E. Davenport, Part 2, Post World War I, 1918 – the Great Depression, 1929-1939.

Part 3: World War II - The Golden Age to
the Korean War, 1939-1959

Institutional Level

Institutional Environment

National

The history of federal support for higher education in the United States, since World War II, is well documented and has been usefully divided into two periods:

The first period, from 1945 to approximately 1975 was a period of expansion known in the literature as the “Golden Age.” The second period, from 1975 to the present, has not been honored with a special name. It is more of a period of diversification not expansion. (Menand, 2001)

Cohen (1998) referred to the period 1945-1975 as “Mass Higher Education in the Era of American Hegemony,” when enrollments, finances, and institutions expanded (p. 187).

The G.I. Bill of 1944. The federal government took a great step toward legislative support of higher education as opportunities were created for thousands of veterans to attend institutions of higher learning around the nation. The federal government viewed education as important as housing for veterans, as indicated in its funding of the Servicemen’s Readjustment Act of 1944, known as G.I. Bill. “The G.I. Bill was the most ambitious venture in mass higher education that had ever been attempted by any society” (Ravitch, 1983, p. 14).

The history of federal assistance directly to students dates to the G.I. Bill of Rights in 1944. Congress, in an effort to ward off unemployment for the millions of servicemen and women, passed the G.I. Bill. This bill provided educational assistance that would ultimately send nearly eight million WWII veterans to college (U.S. Department of Education Federal Role, 2000).

The rules and regulations of the G.I Bill placed no limits on the type of institutions that could participate. Thus, private as well as public colleges and universities and K-12 school districts were eligible for indirect federal funds through aid to their students. The ideology of open-door access for all citizens expanded with the enrollment of the veterans, and higher education was finally opened to more than the elite few (Roche, 1994).

The Truman Commission Report, 1947. National ideological support for higher education was proposed in 1947. The report from the President's Commission on the Education for American Democracy, commonly called the Truman Commission Report, was developed in part after World War II in order to help continue higher education's role in preserving democracy. Altbach, Berdahl, and Gumport (1994) stated:

A noteworthy report of this year was the Truman Report of 1947, which suggested that after the veterans completed their schooling larger proportions of the civilian population should be educated. The Commission estimated that half of all high school graduates could benefit from higher education. It called for removing the financial barriers to college attendance by providing loans, grants, and work-study opportunities based on financial need. (p. 104)

Accrediting Associations Status Elevated. Even though the accrediting agencies had been around since the late 1800s, it was not until 1952 that the federal government elevated their status by requiring institutions that participated in federal financial aid programs to be accredited. Institutions had to use accrediting agencies on the federally approved list created by law. The change came about as a result of abuse of federal funds.

Altbach, Berdahl, and Gumpert (1994) stated:

Reported abuses of the Servicemen's Readjustment Act of 1944 (G.I. Bill) led to a series of congressional hearings, which led in turn to major additions related to accreditation in Public Law 550, the Veterans Readjustment Act of 1952. Section 253 of that law empowered the Commissioner of Education to publish a list of accrediting agencies and associations that could be relied upon to assess the quality of training offered by educational institutions. State approving agencies then used the resulting actions of such accrediting associations or agencies as a basis for approval of the courses specifically accredited. (p. 211)

The National Defense Education Act of 1958. The National Defense Education Act provided loans to college students and spelled out the provisions of the loans. Loans were provided for graduate and undergraduate college students particularly in math, science, and foreign language. The loan would change names, first to National Direct Student Loans and then Perkins Loans (Roche, 1994). The Act was created in reaction to the Soviets launching of Sputnik (the first artificial satellite to orbit the earth) and the Cold War.

Modern-day Civil Rights. The civil rights movement started in the 1950s to protest segregation. For more than 50 years, an 1896 Supreme Court decision, *Plessy v. Ferguson*, which established the "separate but equal" principle, was the cornerstone of arguments that supported states' rights to maintain segregation on the basis of race. Black students had few opportunities to achieve an education of any sort.

National events such as the *Brown v. The Topeka Board of Education* Supreme Court case in 1954, combined with the brutal murder of Emmett Till in 1955 and the Montgomery Bus Boycott, outraged the nation. In 1951, the Reverend Oliver Brown tried to enroll his daughter, Linda, in all-white Summer Elementary School in Topeka, Kansas. Denied, Brown sued the board of education, and the case was argued before the Supreme Court in 1953. The Supreme Court unanimously agreed that separate educational facilities are inherently unequal, thus unconstitutional. The ruling was the first legal blow to the "separate but equal"

doctrine and paved the way for large-scale desegregation. It was a victory for civil rights attorney Thurgood Marshall, who later returned to the Supreme Court as the nation's first black justice. This decision laid the foundation for future civil rights legislation.

In 1955, Emmett Till, a 14-year-old African American boy from Chicago, was dragged from the home of his great uncle by two white segregationists looking for a black boy who had whistled at a white woman clerk in a roadside store in the Mississippi Delta. Till was killed by the two white segregationists in a brutal manner; his skull was crushed, a bullet lodged in his skull and an eye poked out. His mother had the body shipped back to Chicago and ordered an open casket. The two whites were tried for the murder of Till and ultimately set free by an all-white jury, even with eye witnesses.

Magazines and newspapers picked upon the story and the picture galvanized the modern day civil rights movement and led to new civil rights laws. Carson (2003) stated, “The brutal murder, the photograph, and the gross injustice of the trial infuriated many northern whites as well as African Americans nationwide. Some consider Emmett Till a martyr, since his murder inspired many to join the fight for civil rights” (p. 129).

On December 1, 1955, Rosa Parks, an African American woman, refused to give up her seat to a white man on a Montgomery, Alabama, bus and was arrested. The black community was outraged and Reverend Martin Luther King, Jr., led an effective bus boycott with his non-violence civil disobedience philosophy. The boycott lasted for over a year, ultimately reaching the U. S. Supreme Court on November 13, 1956, which ruled that segregation on intrastate buses is unconstitutional, invalidating Montgomery’s law.

State

As in most states, Michigan is responsible for the laws governing incorporation of public educational institutions. The state has broad authority regarding the establishment and approval of nonpublic institutions of higher education as well. The authority is derived principally from language contained in the state's General Corporation Code, which requires approval of the State Board of Education prior to the issuance of a corporate charter, which would permit the granting of college degrees and approval of revisions to charters affecting the educational purpose of the institution. Similar authority over nonincorporated, privately operated colleges is provided under a separate legislative act. The State Board of Education also has authority over nonpublic institutions from outside of Michigan seeking to conduct classes or programs for degree credit within the state.

Voluntary Accreditation Continues. As indicated earlier, the North Central Association of Colleges and Universities was founded in 1895 as a membership organization for educational institutions. It is committed to developing and maintaining high standards of excellence. The Association is one of six regional institutional accrediting associations in the United States. Through its Commissions it accredits and thereby grants membership to educational institutions in the nineteen-state North Central region, which includes Michigan. In the United States, accreditation is voluntarily sought by institutions and is conferred by nongovernmental bodies. There are two types of educational accreditation: institutional and specialized.

Local

Higher education grew locally. Around 1950, public college enrollments equaled that of private colleges for the first time in history. Local competition for college enrollments grew

with overwhelming public support. With more and more students seeking college educations, political pressure in Lansing increased for the establishment of a publicly funded, four-year institution of higher learning in the Grand Rapids area.

The citizens of Grand Rapids really wanted a state-supported branch of the University of Michigan in Grand Rapids. A study was done to determine if there was a need for a state-supported college in the city. The study basically confirmed the need by highlighting that the number of local high school graduates who went on to college was below the state average. In 1960, the efforts of legislators and citizen-lobbyists from the area accomplished the creation, by law, of Grand Valley State College (Lydens, 1966 & Olson, 1996).

Task Environment

National

WWII spurred the economy. Prior to World War II, in 1940, Congress passed draft legislation. Americans were required to serve in the military if their draft number came up. The draft affected education and the economy. College enrollments declined across the nation as many men went to the service instead of to college. World War II also created many new jobs to support the military efforts. After years of Great Depression hardship, workers had ample opportunities to find skilled manufacturing jobs in Michigan and across the United States. The nation's conversion to wartime production had put an end to the incredible hardships of the Great Depression.

Business needs across the nation were constantly changing, which required curriculum changes or adaptations. By the late 1950s, about 9 million workers (6 million women) were employed in clerical work. Large numbers of women (3 in 10) were in office work. Office work had grown significantly since the turn of the century. "The U. S Census figures showed

that the number of office workers increased from 877,000 in 1900 to 9,700,000 in 1959, more than ten times. More than 2,000 women earned over \$7,500 a year for U.S. Civil Service office positions” (U.S. Department of Labor, 1959).

The impact of World War II and the federal assistance programs of the New Deal changed life in America as millions of people emerged from the depression to find new jobs to support the war. “The war years also transformed American domestic life by drawing millions of American women into war industries and the work force...and dramatically expanded society’s understandings of what was appropriate for women in the American economy” (America’s War on Poverty, 1996).

Recovery in the postwar era came as the national economy shifted to domestic production:

Between 1946 and 1958, the number of supermarkets in the United States quadrupled...at the rate of three per day nationally. Products such as Leitelt’s elevators, R.C. Allen’s business machines, and Gallmeyer-Livingston’s tool and die making equipment had to wait for the commercial and manufacturing sectors of the economy to recover before enjoying expanded markets. On the domestic side, families with new homes required appliances like Bissell’s carpet sweepers and Kelvinator’s ranges and refrigerators, and purchased them as soon as the recovering economy provided them with sufficient income. (Olson, 1996, p. 9)

Demographic Shifts. By 1947, one-half of all college students in the country were veterans, filling every available bit of classroom space shortly after war’s end. Roche (1994) reported that the costs of the entitlements quickly amounted to over \$300 million a year: “In 1900, the federal government was educating fewer than 250,000 people, but the number increased to 2.5 million in 1947. Nearly 50 government agencies were required to administer veteran’s higher education programs by the turn of the century” (p. 33).

An important demographic change in male-female enrollment began as early as the 1950s. Men in college outnumbered women two-to-one at the beginning of the decade, but the increasing numbers of enrollments by women established a trend that would show approximately equal numbers of men and women enrolled in college, and more and more women entering heretofore male-dominated professions in the next two decades (Olson, 1996).

State

The population in the state was growing as well as the wealth. The auto industry had created opportunities for employment and education:

Michigan's population reached 6,372,009 in 1950, and in the decade to follow, the domestic automobile reached its zenith. Without serious competition from other states or countries, Michigan automobile companies spread enormous wealth among workers and employers. In 1955 Michigan's per capita income was 16 percent above the U.S. average, among the highest in the world, and by 1960 the state probably had the world's broadest middle class. (Michigan in Brief, 1998)

Several private business institutions surfaced around the state of Michigan. Lansing Business University in Lansing, Parson's Business School in Kalamazoo, Detroit Business Institute in Detroit, Bay City's Northeastern School of Commerce, Davenport College in Grand Rapids, and Saginaw Business Institute in Saginaw are just a few. The map of Michigan in Figure 6 depicts a visual of the state of Michigan and its major cities.

Local

Grand Rapids depended on the furniture industry for a significant part of its economic base. However, the furniture industry had taken a hit in the postwar period. Striking steel workers, intent on securing raises that had been denied during the war, had idled the nation's steel mills and factories, but intervention by President Harry Truman restored full production by 1947. The economy was flowing again. Steelcase office lines and American Seating

school furniture made in Grand Rapids were being shipped to newly constructed office buildings and schools nationwide. The city never wanted to depend on one industry again and the leadership took steps to change things (Olson, 1992).

Olson (1992) described efforts in Grand Rapids to diversify the city's economic base and reduce dependency on the furniture industry:

Unable to compete with lower labor costs and cheaper raw materials, Grand Rapids had relinquished its claim as the "Furniture Capital" to southerners who would continue to strengthen their hold. In 1944, a University of Michigan study done for the Chamber of Commerce suggested that Grand Rapids would create as many as 19,000 new jobs by 1950, and nearly all of them would come from outside the furniture industry. To meet the challenges of the postwar era, local leaders were working to build a highly diversified economy. Determined to never again be dependent on a single industry, they looked to the area's 3,600 non-furniture businesses to provide 17,000 of the 19,000 new jobs, and they aggressively recruited other businesses to provide additional employment. The result of their efforts was not only a successful transition to a peacetime economy, but the foundation for a diverse economic base to fuel economic growth through the remainder of the 20th century (p.172).

The economy started to pick up in Grand Rapids in the 1950s. "As the business boom gathered speed, bank activity reflected the new prosperity.... Bank loans, a sure indicator of a growing economy, rose 20 percent and the total loans were approaching \$300 million by the end of Korean War in 1952" (Olson, 1996, p. 10).



Figure 6. State of Michigan map.

Olson (1992) stated:

By 1945, Grand Rapids' onetime hallmark industry was a shell of its former self. Giant factories stood empty, bankrupt companies lacked the capital to reenter the postwar market....more than a third of the city's furniture factories had been closed, and formidable competition was arising from manufacturers in the South. Clustered around High Point, North Carolina, this new generation of producers used a combination of lower labor costs, less expensive lumber supplies, and modern equipment in newer factories to make inexpensive furniture available to the average consumer. The result was the toughest competition local manufacturers ever faced. (p. 19)

Grocery stores began to grow in Grand Rapids as they did around the country. Beginning in 1949, Hendrik G. Meijer built small single stores into chain operations. By 1954, there were five Meijer supermarkets in Grand Rapids and more being planned around the community. Drive-in restaurants and Dairy Queens made their way into Grand Rapids in the 1950s. By the mid-1950s, the

trucking industry evolved with the largest of the firms headquartered in Grand Rapids, Interstate Motor Freight. In 1959, Jay Van Andel and Rich DeVos started the multimillion-dollar, multinational Amway Corporation of today (Olson, 1996).

General Motors (GM) opened its second plant in Grand Rapids in 1944 and its third plant in 1952. Grand Rapids was also home to two leaders in the office and institutional furniture industry, Metal Office Furniture, maker of the Steelcase furniture line, and American Seating Company. In 1953, G. M. in Grand Rapids employed 7,400 workers as the automobile manufacturing grew:

G M purchased the Fisher Body Trim Fabrication plant in Grand Rapids from the old Haskelite Corporation in 1950 and opened for operations in 1952. During the Korean War, the plant produced fighter-bomber aircraft fuselages before converting to the manufacture of interior auto trim for GM's best-selling Chevrolet in 1954. GM added 250,000 feet to Fisher Body I, making it the largest stamping plant in the world, and GM became the largest employer in Grand Rapids, accounting for 18 percent of all Kent County manufacturing workers. (Olson, 1996, p. 20)

Managerial Level

The institution remained under sole proprietorship during this sub-era until 1959. The institution's leadership engaged in a great deal of interaction with both the institutional and task environmental aspects. Davenport-McLachlan Institute (DMI) leadership had to comply with state laws in order to operate institutions in Michigan and to receive funds directly and indirectly for veterans' enrollments. The Grand Rapids Press reported, "The school is fully approved for veterans training under the GI Bill" (GI's stimulate building sale, 1946, p. 16).

Roche (1994) explained the importance of the role of accreditation in the acquisition and maintenance of federal aid:

Institutions have been subject to some pressures and constraints from the surrounding societies. Accreditation is a powerful tool for intimidation. Schools that receive a poor ranking or lose their accreditation also stand to lose students, faculty, and donors, as well as federal aid. Their students lose loans and grants and their graduates may not be eligible for many advanced degree programs or teaching certification. (p. 121)

Mr. Davenport faced one of his toughest challenges in 1945 when he lost a bid for accreditation of his four-year venture. Mocerri (1990) described the unfortunate circumstances involving accreditation that led to the demise of the University of Grand Rapids (UGR) in 1945:

The Michigan Association of North Central Colleges (MANCC) cited UGR for inadequate library; difficulty in transferring credits; the 40-minute class periods that were too brief; exaggerated course credit compared to other colleges; and unusually high grades for students who had not done particularly well in high school. MANCC also opposed a “crossover” arrangement between UGR and Davenport-McLachlan that allowed students at UGR to take evening courses at DMI at no extra charge and be counted in the enrollment figures of both schools. UGR missed out on the biggest enrollment of its time when the National Council of Pharmaceutical Education and the Michigan Board of Pharmacy refused to license the university’s Pharmacy graduates. In 1944, certification under the GI Bill was denied. MANCC awarded DMI the college of commerce status instead of UGR (p.29).

The politics of this situation run much deeper than the surface. It appears that MANCC was rather tough on UGR because of political pressure:

State educators were growing increasingly alarmed by the laxity of laws governing the incorporation of educational institutions, along with the spate of legally chartered “colleges and universities” that engaged in degree selling. Apparently concerned that UGR might be among them, MANCC pressured the state legislature to toughen Michigan’s educational regulations. The resulting legislation mandated that only institutions ranked as B-1 (a million dollars or more in capital assets) could have authority to establish and conduct colleges and universities of a graduate rank. University of Grand Rapids could not meet that threshold, so the State of Michigan took away its charter and the college went out of business. The UGR campus was sold to Aquinas College in 1945. (Lydens, p. 1966)

In 1952, the national convention of the National Association and Council of Business Schools passed a resolution creating the Accrediting Commission for Business Schools. A few years later after its incorporation, the commission was acknowledged by the United States Department of Education as “a nationally recognized accrediting agency.” The federal government basically affirmed the accrediting association as legitimate, able to assess institutions and individuals for academic quality (Moceri, 1990). Vice President Bob Sneden wanted to get schools like Davenport out of the storefront mode. “He knew that accreditation was an important step in achieving his goal. He would dedicate his life to this goal,” stated his wife, Margaret Sneden (videotaped interview, 2000).

Adapting to the Environment. An organization can decide to change in response to environmental constraints or attempt to change the environment to match the organization (Pfeffer & Salancik, 1978). In the immediate post-war years, college administrators began considering ways to make the college less dependent on tuition receipts for revenue. As a result of the wars and the Depression, enrollment fluctuations taught the leadership to have cash reserves that would cushion the school during lean periods. The institution came up with many alternatives to tuition dependency; two were carried out, a dual-purpose building and tax-exempt status.

Davenport presented blueprints for a new classroom building at the corner of Fulton Street and Division Avenue. The building was designed for a dual-purpose: a building where the school could hold classes as well as also generate income by leasing commercial office space. “Resource dependency theory suggests that organizations deprived of critical revenues will seek new resources” (Slaughter & Leslie, 1998, p. 113). The dual-purpose facility was used when the draft from the Korean War gouged college enrollments around the

country. The institution quickly outfitted the building for offices and leased space to generate some revenue to weather bad times.

The second step toward financial stability altered the school's corporate structure and greatly advanced its opportunities for future growth. The college had operated for years as a proprietary or profit-making enterprise. This model was good when times were good, but bad when times were bad, creating an unstable environment. Mr. Davenport wanted to change the tax status with the IRS. Even though it was a profit-making enterprise, Mr. Davenport operated the business de facto as a non-profit organization. The family made no profits and the little that was earned was returned to maintain the institution. Davenport found it very difficult to create reserves because of federal taxes on income absorbed it all.

In 1952, Mr. Davenport decided to apply for non-profit, tax-exempt status that frees such an institution from federal taxes under the Internal Revenue Code 501 (c) (3). He included all the family's equity and assets that he had invested in the school since 1910. The family was able to use any surplus to improve and expand the educational facilities and services to students. D. Maine (personal communication, September 8, 2001) reflected on the change to non-profit status at Davenport College:

In 1952, the Davenport family converted the school from a for-profit business to a non-profit. It was the first one in the country to make that conversion. So Davenport became non-profit in the eyes of the IRS, which means that you do not pay federal income taxes and they turned it over to a board.

Statewide College Expansion Program. Davenport decided to buy up as many business schools around the state as possible. These satellites were ultimately consolidated under a separate non-profit corporation known as Davenport Schools, Inc., a statewide franchise that offered a comprehensive network of accessible business training. See Table 1 (p. 91) for details of the acquisitions.

Table 1.

Acquisitions, 1924-1957

Leadership Eras	Acquisition (s)	Date of Acquisition(s)	College Name
Michael Edward Davenport 1910-1959	Davenport Schools, Inc.		Grand Rapids Business College Davenport Institute (DBI) 1918
	1. McLachlan University 1924	1924	Davenport-McLachlan Institute (DMI) 1924 - 1964
	2. Lucid Private Secretarial School 1941	1941	
	3. Heaney Business College 1944	1944	
	4. Lansing Business University 1951-1973. Became a branch campus of Davenport College in 1979	1951	
	5. Detroit Business Institute 1954-1985	1954	
	6. Bay City's Northeastern School of Commerce 1954-1977	1954	
	7. Parson's Business School in Kalamazoo 1957-Became branch of Davenport 1981	1957	
8. Saginaw Business Institute 1957-1997	1957		

Katz and Kahn (1966) asserted that growth, by way of acquisitions, offers a way to enhance predictability and stabilize relationships between organizations and their environment. The consolidation of satellites made Davenport the largest private system in the state.

Moceri (1990) provided details of Davenport's growth by acquisition:

Beginning in 1951 with Lansing Business University, the college embarked on a statewide college expansion program. The administration purchased a new school almost every year. By 1957 the Davenport network included Bay City's Northeastern School of Commerce, Parson's Business School in Kalamazoo, Saginaw Business Institute (Great Lakes Junior College), and Detroit Business Institute in Detroit. These satellites were ultimately consolidated under a separate non-profit corporation known as Davenport Schools, Inc., a statewide franchise that offered a comprehensive network of accessible business training. (p. 36)

Interacting in the Environment. Davenport was involved in a number of professional associations at the state level, including the Michigan Business Education Association.

These organizations were directly related to affirming the institution's legitimacy. At the local level, Davenport was also involved in a number of professional and civic activities, including the Grand Rapids Chamber of Commerce and the Civil Service Board (Moceri, 1990).

Technical Level

Curriculum

The college always emphasized practical education for useful employment and found that type of training met the requirements of a nation at war. Institutions had to meet certain program requirements in order for students to qualify for federal assistance. Typists, clerks, and other skilled professionals helped staff the offices that directed the war effort, and an education that included these skills meant almost certain employment. However, when the curriculum fell short of federal requirements, the government mandated that the Davenport Institute add "short training-intensive, pre-enlistment courses that emphasized instruction in high demand fields: accounting, meteorology, drafting, surveying, personnel administration,

medical technology, and civil engineering, among others. Pre-enlistment courses were also made available for women planning to enter the military” (Moceri, 1990, p. 27).

Attempt to Change the Core. Between 1936 and 1939, Davenport attempted to become a four-year university which was named the University of Grand Rapids. Courses and programs were offered in pharmacy and other medical and liberal arts types of four-year programs. The added programs offered more opportunities and brought a new population to the college. Many of the classes filled with transfer students from other colleges. The four-year component got into some accrediting problems and was not able to get approvals from the State of Michigan. While many improvements were made, including a tripling of volumes in the library and an extension of class periods, other steps that might have preserved the school were never taken (Moceri, 1990).

In September 1946, Davenport-McLachlan Institute offered four-year courses in accounting and business administration in addition to its standard courses. The four-year courses would lead to the bachelor of science in business administration degree (GIs stimulate building sale, 1946).

By September 29, 1949, psychology and salesmanship were listed among course options. As the years brought new business methods and machinery, corresponding courses were added and those that were obsolete were dropped. Penmanship fell by the wayside with the advent of the typewriter and arithmetic gave way to office machine courses, including billing, mimeograph, dictaphone, and calculator operation. In addition to typing and shorthand, advanced courses were added, such as business English, public speaking, economics, salesmanship, and accounting. The courses were kept flexible to meet the

constantly changing needs of business. Practical business experience as well as a college degree were the theme and mission promoted by every faculty member.

Students

Enrollment fluctuations created hardships and opportunities for Davenport. World War II caused hard times for both the Davenport-McLachlan Institute and the affiliated University of Grand Rapids. The institution faced challenges such as the wars, and competition from the lower-cost, land-grant institutions contributed to the enrollment fluctuations throughout this era. The call to military service and home front mobilization for the war effort severely decreased enrollment. From 1941 to 1945, UGR lost three-quarters of its student body, along with many key members of its faculty and administration. Other colleges across Michigan and the nation were similarly struggling.

Margaret Sneden recalled the effects of WWII: “Then came WWII siphoning off male students. Pharmacists were the only ones who could get waivers (deferment)... These were difficult times.... Not only did WWII take boys and girls into the service, but employment was at an all-time high” (videotaped interview, September 27, 2000).

When people are employed, they do not go to school. WWII affected general college enrollment in a couple of ways: decline in enrollments on one hand and indirect support for independent institutions on the other. “While only 2 percent of the population attended college in 1870, by the beginning of World War II, the figure mushroomed to 15 percent” (Roche, 1994, p.47). Students in several divisions qualified for deferment: pharmacy, engineering, mathematics, physics, and chemistry majors were designated critical fields. DMI enrollments were not typical. DMI was hit hard; in 1943, its enrollment dipped to almost nothing; 50 students remained.

Enrollment of returning veterans and civil service courses, especially after implementation of the GI Bill in 1944, contributed to dramatic enrollment increases. Other enrollment increases were attributed to the growing number of students attending in the evening, transfer students, female students and international students (Moceri, 1990).

Ty Wessel attended Davenport in the early 1930s and later worked at Davenport under three presidents, M.E. Davenport, Robert Sneden, and Donald Maine. Wessel reflected on the influx of veteran students and related services.

After the war veterans came, we went from 25 students to 400. They crowded in. Servicemen were enrolling in business schools because they couldn't afford four-year colleges and business schools were the quickest way. They didn't always stay with Davenport, but some did for a few months; some stayed for 27 months. They would work at their own pace. We had one big room on Sheldon St., which seated up to 400 students. We had double seats, students sat in one and I sat in the other seat to help each student. My job was to walk up and down the aisles and help students. One notable student that I helped in accounting was Margaret Davenport, M.E.'s daughter. This was individualized help and parents appreciated this approach. We had night school back then two nights a week. Spring and summer were low enrollments. We didn't have much trouble with the students. Many military students were older (up to 40), held high office rankings, were serious about their lives and some wanted to start a business and took Davenport night classes. We talked with parents of students who didn't want to be at Davenport, but their parents wanted them there. For the most part, students were focused on what they were doing. I started at \$20 a week and wrote all the payroll checks. Married people and older people had all the jobs. We had our ebbs and flow with employment. Times were terrible. (videotaped interview, September 27, 2000)

Table 2 shows the evolution of courses from the inception of the Grand Rapids Business College through 1944.

According to an article in the Grand Rapids Press in 1946:

Davenport-McLachlan Institute moved to a new facility in 1946. Increases in enrollments, consisting largely of ex-servicemen, necessitated purchase of the Monument Square building at 12 Division Street. The institute's new building offered 11 classrooms, offices, and a basement auditorium accommodating 500, and a business employment service reported to be the largest in West Michigan. (GI's stimulate building sale, 1946, p. 33)

In 1948 enrollment reached 400 and tuition for 12 weeks was \$90, or \$360 per year (48 weeks). President M.E. Davenport estimated that the school had trained approximately 20,000 students since 1924. In 1949, enrollment included 400 daytime students and approximately 300 night school students. Freshman enrollment totaled 215, the largest in the institute's history. Enrollments over the years included students from practically all the states and from Holland, Puerto Rico, Italy, England and France (Keeps up with business, 1949, p. 33).

Overall, enrollment soared with the acquisitions beginning in 1951. With the purchase of several more secretarial schools, under the auspices of Davenport Schools, enrollment reached 2,500 total students. Dormitories helped attract out-of-town students. Davenport boundaries expanded beyond the city of Grand Rapids. Local no longer meant Grand Rapids but the state of Michigan because Davenport had multiple sites all over the state. DBI produced larger numbers of graduates during this era; placement service began in 1958. The school's name was shortened to simply The Davenport Institute based on the reputation of the Davenport name.

Table 2

Programs and Courses During Early to Mid-19th Century

1866	1928	1944
<p>GRBC early curriculums offered instead of degrees two-year equivalent courses of study, plus shorter courses in subjects like stenography and typing. In addition to the typical business curriculum, Swensburg gave to Grand Rapids a new variation on the commercial school theme: a preparatory department offering German, French, English, Phonography, and English branches. (Humanities twist)</p> <p>Program offerings remained consistent through 1886 such as Practical Penmanship, Practical Arithmetic, Bookkeeping, Business Penmanship & Composition.</p>	<p>By 1928, programs included Accountancy and Business Administration, Secretarial Science, General Business and Banking, Salesmanship and Advertising, Gregg Shorthand and Touch Typewriting, Civil Service, Commercial Teaching, and Music: vocal and instrumental.</p>	<p>A faculty of six taught courses in law, accounting, business math, psychology, business English, public speaking, foreign languages, and industrial chemistry. The college planned to grant baccalaureate degrees in pharmacy, law, medical technology, and practical arts, with special attention devoted to two major schools, Business Administration and Pharmacy.</p> <p>In 1942-43, the university had professional schools in accounting and finance, engineering, forestry, journalism, industrial chemistry, medical technology, music, secretarial science, and social service.</p>

Note. This table shows the evolution of courses from the inception of the Grand Rapids Business College through 1944

Innovative Student Housing at Davenport Institute in 1958. The college started to provide accommodations for out-of-town students in 1958. This was important for recruitment of students as it kept the flow of students coming as well and created a new

market for the college. The dorms were intended to help the students in their transition from their families and provided televisions, recreation rooms, and laundry facilities.

Several houses were purchased and converted into dorms. Mocerri, 1990, stated:

In 1958, M.E. Davenport purchased four homes for conversion to dormitories beginning with the Charles Sligh estate at 455 East Fulton, which was converted into eleven apartments and renamed Mabel Engle Hall for Davenport's wife. An annex connected to the home accommodated several more students. Land was purchased that included the T. Steward White estate that became Warren Engle Hall. Two homes fronting East Fulton, the former Hawkins and Widdicombe residences, were purchased and later razed for a new academic center. In 1965, Mabel Engle Annex was renamed Lillian Myners Hall after Lillian Myners, an instructor at the college since 1936. (p. 47)

Apartments were relatively new for students and some people in the Heritage Hill expressed some concern. Margaret Sneden, in an interview on, September 27, 2002, recalled:

We were the first college in the area to have apartments for our students. Of course, this raised some eyebrows. My friends would call and say what a neat arrangement for students. We didn't have food service or anything. House parents and separate housing for boys and girls. It wasn't the regular old dormitory. We didn't have problems as such in housing. (videotaped interview, September. 27, 2002)

This type of community living was intended to help recruit out-of-town students as well as assist in their transition from their family lives at home to that of mature independence.

The students had a communal reception area; television, recreation rooms, and laundry facilities enhanced the convenience and camaraderie.

Free Employment Services for all Davenport Students Statewide. A unique operation in 1958, Davenport Schools offered statewide employment service to graduates at no charge, the first such service ever extended to graduates of any business college. The service permitted graduates to receive employment help from any of the Davenport Business Schools, including Davenport Institute of Grand Rapids, Lansing Business University at Lansing, Northeastern School of Commerce at Bay City, Saginaw Business Institute at

Saginaw, Parsons Business School at Kalamazoo and Detroit Business Institute at Detroit (Free employment services, 1958).

Summary Part 3: World War II - the Golden Age to the Korean War-1939-1959

The institutional and task environments were growing increasingly complex. The federal government started to pour money into higher education as enrollments, finances, and institutions expanded. The G.I. Bill was a major legislative initiative that led the way. Because of abuse with GI Bill, the federal government began to regulate participation in the program through federally approved accrediting agencies. Higher education became of more national importance as indicated by the Truman Report. The National Defense Education Act of 1958 confirmed this degree of importance. The fight for equal rights for all Americans gained momentum.

The state of Michigan continued to develop public institutions and maintain regulatory authority over privately operated colleges through the Corporation Code. Grand Valley State College was established by the state in 1960. Institutions had to meet minimum requirements to operate legally in Michigan.

WWII spurred the economy as wartime production helped with employment. Women entered the workplace in large numbers. Enrollments soared because of the veterans coming home and the federal government's financial support. The auto industry created employment opportunities and lured many people to Michigan to fill employment needs. Private institutions continued to come and go around the state. Amway, General Motors and the grocery industries helped the local economy grow.

Davenport made sure the college met the requirements to enroll veterans in the institution, which was a critical resource. The University of Grand Rapids, which was

established in 1936 to meet a local need, fell short after a few years (1939) because accreditation was denied. Buying a dual-purpose building and acquiring tax-exempt status were two initiatives to maintain some sense of stability in an unpredictable environment. A statewide expansion effort helped the institution grow.

Answers to Guiding Questions

1)

a) What did the leadership do to maintain the core technology?

Training students for a practical business education remained the focus of the institution.

b) What did the leadership do to change or adjust the core technology?

The institution modified the core on two occasions. The first modification was an attempt to create a four-year component and the second was mandated curriculum changes by the federal government to meet military education and training needs. Also, higher-level business courses were added as the demand grew. The core was adjusted to meet current needs.

In 1936, Mr. Davenport attempted a four-year university, the University of Grand Rapids (UGR). Courses and programs were offered in pharmacy and other medical and liberal arts types of four-year programs. UGR lasted until 1939.

Davenport Institute added “short training-intensive, pre-enlistment courses that emphasized instruction in high demand fields: accounting, meteorology, drafting, surveying, personnel administration, medical technology, and civil engineering. Pre-enlistment courses were also made available for women planning to enter the military” (Mocerri, 1990, p. 27).

In 1946, Davenport- McLachlan Institute offered four-year courses in accounting and business administration in addition to its standard courses. The four-year courses will lead to the degree of Bachelor of Science in Business Administration, which was not offered at DBI.

2)

a) How did the management and governance processes and structures change over the life of the organization?

The institution remained under sole proprietorship during this sub-era. The family made the management decisions.

b) How did the management and governance processes and structures persist over the life of the organization?

The family made the management decisions.

3) What strategies did leadership employ to survive in the organization's task environment?

Acquiring and maintaining adequate facilities. The leadership made sure that facilities were adequate for delivering the core. In 1943, the Sheldon Avenue building (Davenport- McLachlan Institute) was sold and moved. The college was moved to the University of Grand Rapids site on Robinson Road. On April 27, 1945, Lowe Estate, along with all UGR assets and equipment, was sold to Aquinas College. In 1945, following the acquisition of UGR by Aquinas College, Davenport-McLachlan Institute moved back downtown to a temporary location at 14 Foundation Street in the former Klingman Furniture Building.

In 1948, Davenport presented blueprints for a new classroom building at the corner of Fulton Street and Division Avenue. The building was designed for a dual-purpose: a building where the school could hold classes as well as also generate income by leasing

commercial office space at 1949 Fulton Street. Realizing that the downtown facility would no longer accommodate the growing student body, the college made preparations to move to a seven-acre campus in the historic Heritage Hill area just a quarter mile east on Fulton. The locations met their current facility needs.

Acquisitions. Starting in the early 1950s, M.E. Davenport decided to buy up as many business schools around the state as possible. He acquired five existing business schools: Lansing Business University, Parson's Business School in Kalamazoo, Detroit Business Institute, Bay City's Northeastern School of Commerce, and Saginaw Business Institute. These satellites were ultimately consolidated under a separate non-profit corporation known as Davenport Schools, Inc., a statewide franchise that offered a comprehensive network of accessible business training.

Tax-exempt status. In 1952, Davenport decided to apply for non-profit, tax-exempt status that frees such an institution from federal taxes under the Internal Revenue Code 501 (c) (3). This was a way to keep tuition costs down, and the savings were passed on to the students.

Students. The leadership continued to enroll its share of returning veterans, which brought in the tuition and fees. Enrollment of returning veterans and civil service courses, especially after implementation of the GI Bill in 1944, contributed to dramatic enrollment increases immediately after War II. The college provided dormitories to accommodate out-of-town students in 1958 and offered statewide employment service to graduates at no charge. This employment service included all the locations in the Davenport Schools, Inc.

- 4) What strategies did leadership employ to achieve legitimacy in the organization's institutional environment?

State of Michigan. The State of Michigan officially began to regulate private institutions through the Michigan Corporation Code Act of 1931, an authorization needed by institutions to operate legally in the state. Legitimate institutions of higher learning such as Davenport Institute were recognized. The Michigan Association of North Central Colleges (MANCC) affirmed institutions as legitimate institutions of higher learning. Leaders made sure DBI complied and received recognition by these major external constituents.

Institutional Environment

National - Beginning of the “Golden Age,” a period of great expansion of federal government support for higher education. The G.I. Bill of 1944, Accrediting Associations Status- mandated by feds. The National Defense Education Act of 1958. Modern day civil rights movement for basic human rights picked up momentum.

State - The State has broad authority regarding the establishment and approval of non-public institutions of higher education.

Local - In 1960, the efforts of legislators and citizen-lobbyists from the area accomplished the creation, by law, of Grand Valley State College.

Task Environment

National - GI Bill, dollars for veterans, WWII spurs the economy. Business needs across the nation were constantly changing, which required curriculum changes or adaptations. By the late 1950s, about 9 million workers (6 million women) were employed in clerical work. Large numbers of women (3 in 10) were in office work. By 1947, one-half of all college students in the country were veterans. Men in college outnumbered women two-to-one at the beginning of the decade

State - The population in the state was growing as well as the wealth. The auto industry had created opportunities for employment and education.

Local - Grocery stores, automobile factories, Amway Corporation, and the furniture industry keep the city alive.

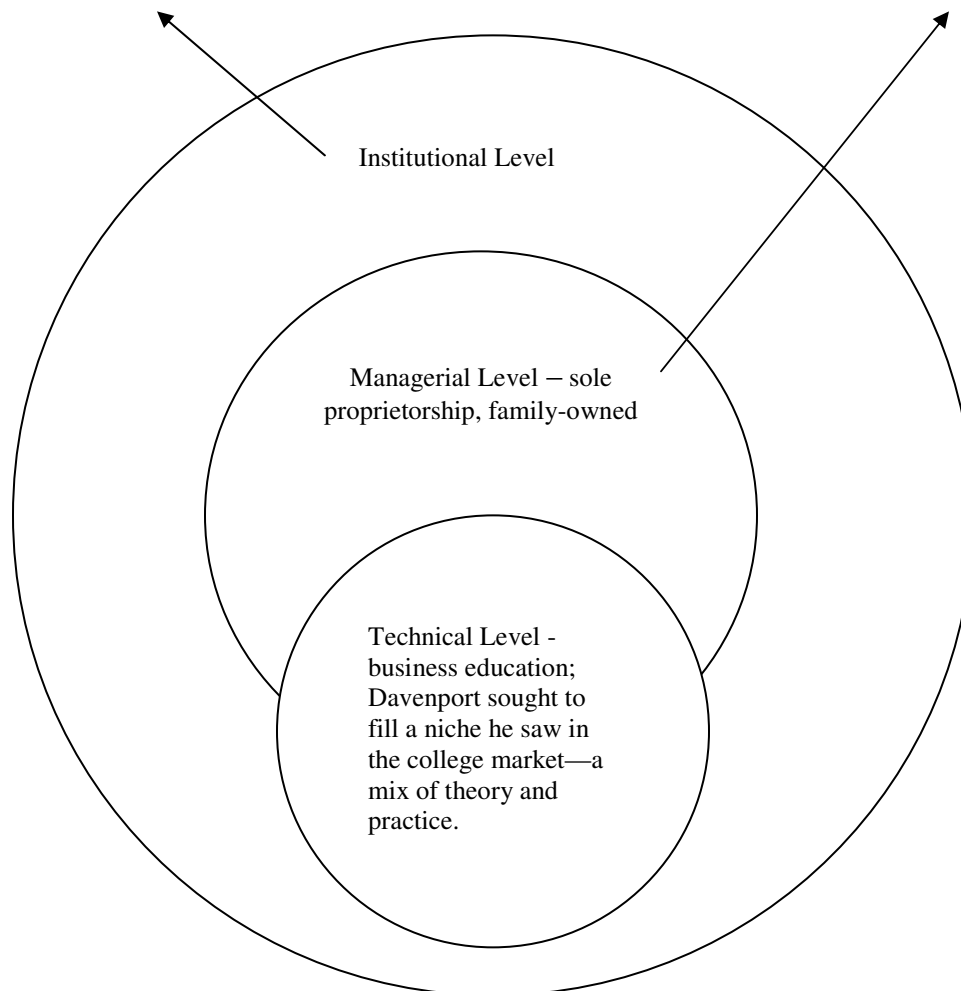


Figure 7. Conceptual framework for analysis of M.E. Davenport; Part 3, the Golden Age to beyond the Korean War, 1940-1959.

Community involvement. M.E. Davenport was involved in a number of professional associations at the state level, including the Michigan Business Education Association. These organizations were directly related to affirming the institution's legitimacy. At the local level, Mr. Davenport was also involved in a number of professional and civic activities, including the Grand Rapids Chamber of Commerce and the Civil Service Board.

Summary: M.E. Davenport Era

Michael Edward Davenport purchased the assets of Grand Rapids Business College in 1910 when the organization was in disarray following the abrupt departure of his predecessor, Aaron Parrish. Students studied a specialized business curriculum and graduated with the background to grow into management or administrative positions. The institutional and task environment presented monumental challenges and opportunities for M.E. Davenport, as he led the institution for half a century.

The era revealed how the external environmental pressures, as mediated by college leaders, influenced the technical level activities. He managed the institution through daunting economic, political, and demographics challenges of the Great Depression, two world wars, and the Korean War. The Industrial Revolution, the struggle for accreditation, federal student aid programs, and the impact of civil rights legislation produced profound changes in the environment for leadership and educational programs. There was plenty of legislative support for higher education during M.E. Davenport's era. First, the returning GIs were rewarded with the 1944 G.I. Bill. Then the National Defense Education Act of 1958 was established for federal support of scientific research to win first the hot war and then cold war. This was after the Russians launched Sputnik.

Davenport protected the core technology by proactive acquisitions and innovations in institutional facilities, student housing, program expansion, and curriculum. In 1924, the school became a degree-granting institution. In 1945, the Davenport-McLachlan Institute moved to downtown Grand Rapids at the corner of Fulton and Division Avenue, where the school changed its name to Davenport Institute and served as the facility's home from 1949 throughout M.E. Davenport's tenure.

M.E. Davenport's decisions secured resources and provided stability that sustained the school during bad times, and allowed the school to take full advantage in times of prosperity. He had to manage some major external constituencies: federal government, the state of Michigan, and accrediting association. A skillful and compassionate administrator, M.E. Davenport lived up to his own motto: "Make a Living – Make a Life – Make a Contribution." Robert Sneden, executive vice president during the Davenport era, became president of the school upon Davenport's death in 1959.

Answers to Guiding Questions

- 1)
 - a) What did the leadership do to maintain the core technology?

Mr. Davenport continued the tradition, to train students for a practical business education. These were the skills needed for employment in the offices of the great industries that were emerging in Grand Rapids.

- b) What did the leadership do to change or adjust the core technology?

As the job market became more demanding in the early to mid 1900s, Davenport offered an innovative curriculum, known today as "core curriculum," at the new Davenport-McLachlan Institute. The core was adjusted to meet current needs.

The institution modified the core on two occasions. The first modification was an

attempt to create a four-year component in 1936, and the second was mandated curriculum changes by the federal government to meet military education and training needs after 1944. Also, higher-level business courses were added as the demand grew.

2)

- a) How did the management and governance processes and structures change over the life of the organization?

The business college was a sole proprietorship (family-owned) by Michael Edward Davenport and his wife, Mabel. The family made the management decisions.

- b) How did the management and governance processes and structures persist over the life of the organization?

It was family-owned and Mr. Davenport continued to lead the effort with his wife. They made most of the management decisions.

- 3) What strategies did leadership employ to survive in the organization's task environment?

The leadership connected with the task environment through acquisitions, money, personnel, facilities, and students to survive. The leadership made sure that Davenport Business Institute enrolled its share of returning veterans to keep tuition and fees coming in, a source of revenue. Enrollment of returning veterans and civil service courses, especially after implementation of the GI Bill in 1944, contributed to dramatic enrollment increases immediately after World War II. The college provided dormitories to accommodate out-of-

town students in 1958 and offered statewide employment service to graduates at no charge. This employment service included all the locations in the Davenport Schools, Inc.

The institution's leadership connected with the federal government, who provided information that is made available to the institution to keep it on course with required coursework to receive military financial support. He moved the college from the Norris Building to 215 Sheldon to the corner of Fulton Street and Division Avenue, which met their current and future facility needs. The leadership made sure that facilities were adequate for delivering the core.

Acquisitions. Davenport used acquisition as a strategy to grow. The task environment offered some great opportunities for growth. In the early 1920s, DBI acquired one of its major competitors, McLachlin Institute. Starting in the early 1950s, Davenport decided to buy up as many business schools around the state as possible. He acquired five existing business schools: Lansing Business University, Parson's Business School in Kalamazoo, Detroit Business Institute, Bay City's Northeastern School of Commerce, and Saginaw Business Institute.

Connecting with Federal Initiatives. The institution's leadership leveraged work-study dollars for its students, which was a critical financial resource to keep them in school. The National Youth Administration administered the program as a result of the Emergency Relief Appropriations Act of 1935. Also, in 1952, Davenport decided to apply for non-profit, tax-exempt status that frees such an institution from federal taxes under the Internal Revenue Code 501 (c) (3). This was a way to keep tuition costs down, and the savings were passed on to the students.

- 4) What strategies did leadership employ to achieve legitimacy in the organization's institutional environment?

Davenport established relationships with three major external constituents, the federal and state governments and a national accrediting agency, to help affirm the college's legitimacy and credibility.

Federal Government. To be recognized as a participant (Emergency Relief Appropriations Act of 1935), the college had to be recognized as a legitimate institution of higher learning. The leadership established and maintained a relationship with the federal government to participate in the program.

State of Michigan. The state affirmed the college as a legitimate institution of higher learning by issuance of a charter. The State of Michigan officially began to regulate private institutions through the Michigan Corporation Code Act of 1931, an authorization needed by institutions to legally operate in the state. The State licensed educational institutions as businesses practicing in the state and issued charters to legally operate in the state. Also, the Michigan Association of North Central Colleges (MANCC) affirmed institutions as legitimate institutions of higher learning. Leaders made sure DBI complied and received recognition by these major external constituents.

National Accreditation. Davenport sought national accreditation to enhance the school's reputation and image. Davenport-McLachlin Institute achieved full accreditation from the National Association of Accredited Commercial Schools in 1924 and was granted a state-approved charter to operate as a Class "A" degree-granting institution. This was an important distinction because the institution's legitimacy was affirmed by the

Conceptual Framework Analysis M. E. Davenport’s Era

Institutional Environment

Task Environment

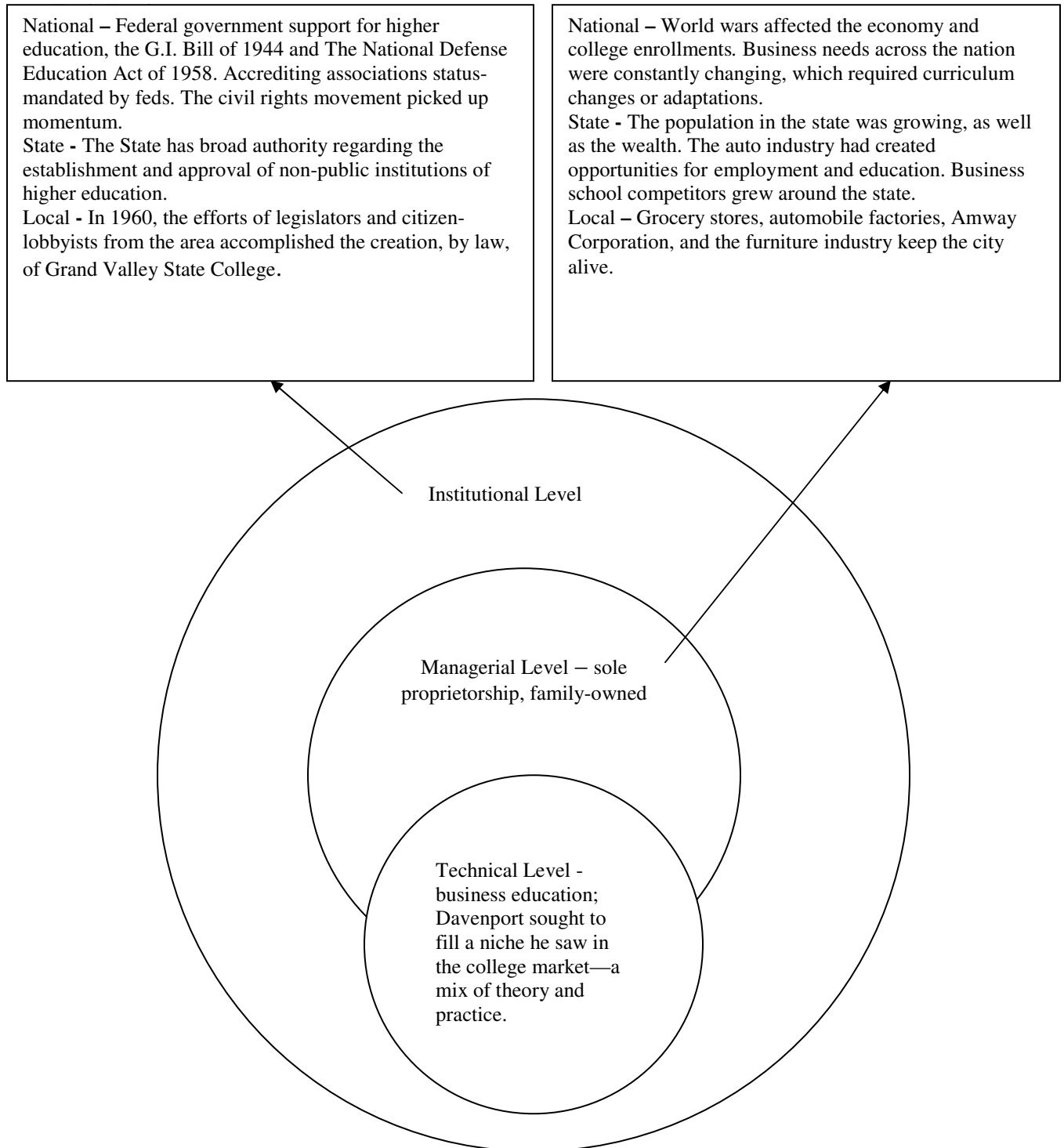


Figure 8. Conceptual framework for analysis of M.E. Davenport’s Era’s summary

national accrediting agency. Accreditation assures the public, in particular prospective students, that an institution has been found to meet the agency's clearly stated requirements and criteria.

Community Involvement. M.E. Davenport was involved in a number of professional associations at the state level, including the Michigan Business Education Association. These organizations were directly related to affirming the institution's legitimacy. At the local level, Davenport was also involved in a number of professional and civic activities, including the Grand Rapids Chamber of Commerce and the Civil Service Board.

Leadership Era 4, Robert Sneden, 1959-1977,
Continued Growth and Expansion

Robert W. Sneden was a product of the educational system that he would later own and operate as the CEO. He attended Davenport-McLachlan Institute and the University of Grand Rapids from 1937 to 1940. Davenport-McLachlan Institute was the two-year component and the University of Grand Rapids was the third and fourth year components during the times specified above. In 1944, Sneden married Margaret Davenport, daughter of Michael Edward (M.E.) Davenport, the owner of the college from 1910 to 1959.

Sneden joined the college staff in 1946, first as a faculty member and then as Director of Admissions and Manager of Lansing Business University. He held a significant role with the college from 1952 to 1959, as executive vice president, before becoming its president. He became president of Davenport College after the death of his father-in-law, Michael Edward Davenport, in 1959. “Bob was much like my father with students, giving them individualized attention. He had a philosophy that Davenport had a particular niche in this education market. What we are doing is unique or we would not have survived!” (videotaped interview of Margaret Sneden, September 27, 2000).

Institutional Level

Institutional Environment

National

This was a period, approximately midway through the “Golden Age,” of expanded federal government support for higher education that lasted until approximately 1975 (Menand, 2001). Cohen (1998) referred to the period 1945-1975 as “Mass Higher Education in the Era of American Hegemony, when enrollments, finances, and institutions expanded. Over 600 colleges were developed in this period” (p. 187). Increased legislative support and

regulations, accreditation, and the courts slowly changed the culture of higher education during this era.

During the early 1960s and 1970s, the federal government continued to create powerful pieces of legislation to reward these veterans and average Americans, which gave a big boost financially to institutions of higher learning in the United States. Veteran benefits continued through various legislative acts. Higher education support came through various acts such as The Higher Education Facilities Act of 1963, Economic Opportunity Act of 1964, The Higher Education Act of 1965, The Higher Education Reauthorization Act 1972, Comprehensive Employment and Training Act (CETA) of 1973, and The Higher Education Reauthorization Act 1976. The 1976 amendments, which were initially authorized in 1972, were simply re-appropriated.

The Higher Education Facilities Act of 1963. Public Law 88-204, otherwise known as the Higher Education Facilities Act of 1963, authorized assistance to public and other nonprofit institutions of higher education in financing the construction, rehabilitation, or improvement of needed academic and related facilities for higher education institutions. In fiscal years of 1964, 1965, and 1966, \$230,000,000 was appropriated (Higher Education Facilities Act, 1963).

Economic Opportunity Act 1964. President Lyndon Johnson came along with his programs of created domestic programs, which became known “The Great Society.” In 1964, Congress passed the Economic Opportunity Act that initiated most of the “Great Society” programs, such as Job Corps, Community Service, Work-Study for needy college students, and preschool children programs based on financial need. One important aspect of the

legislation was that students were able to earn dollars to offset living expenses and tuition costs en route to completing their degrees.

The Higher Education Act of 1965. One of the most important articles in the Higher Education Act of 1965 was the provision for subsidized loans for college and university students through the commercial banking system. Non-military students could use the student loan system to finance their education, which yielded greater enrollment numbers for all of higher education. Included in the Act were monies for college libraries, classroom equipment, research, community service, and teacher training programs.

The Act, which was named the Educational Opportunity Grant program, was an attempt at equalizing college opportunities for needy students by the federal government. The monies went to colleges and universities to administer. This program name was later changed to the Supplemental Educational Opportunity Grant Program. In addition to financial aid targeted for students from low-income families, Congress created the Trio Programs to seek out and identify needy students and first-generation college families, to prepare and support them with academic services when they reached college.

The Higher Education Reauthorization Act 1972. One of the most important federal financial aid initiatives for all students came in the 1972 amendments to Title IV of the 1965 Higher Education Act. The Basic Educational Opportunity Grant (BEOG) program provided grants to students attending accredited colleges, universities, and technical or vocational schools based on their financial need. This was huge as it afforded many Americans from all walks of life to enter the higher education arena.

In 1973, the appropriation was \$122,100,000. The BEOG program was later renamed Pell Grant program, in honor of Rhode Island's U.S. Senator, Claiborne Pell, chief author of the BEOG legislation.

The Higher Education Reauthorization Act of 1972 was phased in over a four-year period, and thus, covered all undergraduates by the 1976-77 academic year. When it was fully implemented across four years of undergraduate education, the federal Pell Grant maximum award for the lowest family income students stood at \$1,400, or enough to cover 72.4 percent of institutional charges at an average public four-year college (Refocusing Student Financial Aid, 1999).

The Pell Grant dollars covered a significant portion of the cost of tuition and fees at a large number of colleges and universities around the country. Minorities and low-income students began to enroll in record numbers. The federal government took a huge supporting role in higher education.

Comprehensive Employment and Training Act (CETA) of 1973. With rising unemployment, training needs became a priority for the federal government, which responded by developing programs such as the Comprehensive Employment and Training Act (CETA) of 1973. Taylor (2001) further stated:

As a response to soaring unemployment, Congress passed the Comprehensive Employment and Training Act (CETA) of 1973, with subsequent amendments. It was designed to help unemployed workers prepare for "non-subsidized employment" through an "effective, planned delivery of manpower programs. The intention of the program was to closely link the college with the labor market in which it operates and to be coordinated with other federal, state and local programs." (p. 88)

CETA was cut out during President Richard Nixon's years as his Administration began to reduce the growing federal budget as a way of controlling spiraling inflation. Through the State and Local Fiscal Assistance Act of 1972 and the Comprehensive Employment and Training Act of 1973 (CETA), the administration hoped to shift anti-poverty efforts from the federal government to states and local municipalities.

Increased federal regulations and mandates. Higher education enjoyed enormous federal support in the 1970s and beyond. However, with increased federal support came increased compliance and regulations for recipients of federal aid. Institutions that did not comply risked losing federal aid for their students. Private, independent nonprofit colleges and universities found it even more difficult to survive without federal support through grants and loans for students. The federal government influenced higher education through scores of statutes and regulations administered by diverse federal agencies. Higher educational leaders complained, but to no avail, about proliferation of mandates from Washington, such as legislative and regulatory requirements without federal funding.

The United States Department of Education's equal access mission introduced a number of laws that required compliance from institutions of higher learning that participated in federal programs. The passage of laws such as Title IV of the Civil Rights Act of 1964, Title IX of the Educational Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and The Family Educational Rights and Privacy Act (FERPA) of 1974, a federal law to protect the privacy of students' educational records that prohibited discrimination based on race, sex, and disability, made civil rights enforcement a fundamental and long-lasting focus of the Department of Education (Refocusing Student Financial Aid, 1999). The federal reach increased significantly.

Mandated accreditation. Out of concern for quality and control, the federal government exercised power over educational institutions participating in federal student financial programs:

Neither the United States Government nor any other centralized authority exercise national control over educational institutions in this country. The states assume varying degrees of control over education but, in general, institutions of postsecondary education are permitted to operate with considerable independence and autonomy. As a consequence, American educational institutions vary widely in the character and quality of their programs. In order to ensure a basic level of quality, the practice of accreditation arose in the United States as a means of conducting nongovernmental, peer evaluation of educational institutions and programs. (U.S. Department of Education Biennial Evaluation Report – FY 93-94)

In time, private as well as public institutions became more accountable for the way they used federal grants. As part of the 1972 Higher Education Reauthorization Act, a mandate for institutions to be accredited became law. One of the United States Department of Education's responsibilities was to certify accreditation agencies, as well as ultimately approve institutions to participate in the federal student aid programs.

The federal student aid programs came to rely on three things: institutional accreditation, state review, and federal oversight to ensure quality and access to higher education. The states licensed institutions of higher learning and reviewed them for certain federal statutory provisions. Accrediting agencies certified that institutions meet established educational standards. Ultimately, the Education Department determined both an institution's legal eligibility to participate in the programs and its administrative and financial capabilities to do so (U.S. Department of Education Biennial Evaluation Report –FY 93-94).

Establishment of the National Association of Independent Colleges and Universities in 1976. All organizations and institutions want to protect their interests. As federal funds became scarce, institutions of higher learning created regional, national, and state associations to represent their interest as a collective voice through the associations. Private independent nonprofit college and university leaders stepped up in 1976 and formed the

National Association of Independent Colleges and Universities. The association was established to serve as the unified voice of independent higher education.

This collective voice helped affirm legitimacy of independent institutions of higher learning in the eyes of the federal and state governments. Membership includes all types of private institutions. The association gets involved in the political process and advises members accordingly. The association represents private colleges and universities on policy issues with the federal government, such as those affecting student aid, taxation, and federal laws and regulation. By 2000, the association had 900 members nationwide (National Association of Independent Colleges and Universities, 2001).

The Courts and Private Institutions. The courts were involved with higher education as early as 1819 with the Dartmouth case. “The legal issue can be cast in both constitutional and statutory and apply to both public and private institutions. The U.S. Constitution applies to only public institutions and in private education, it has no application,” stated Kaplin and Lee, 1995 (p. 5). The statutory issue arises under Title VI of the Civil Rights Act of 1964 and Title IX of the Education Amendments of 1972, which prohibit race and sex discrimination by public and private institutions receiving federal funds. All institutions participating in federal financial programs are subject to the recent statutory laws. The GI Bill tied private institutions to the Title VI of the Civil Rights Act of 1964 statutory requirements and other regulations.

National Labor Relations Act. A new external force gained some control over private nonprofit postsecondary institutions. The National Labor Relations Act was created in 1935 to deal with collective bargaining issues. The Act did not affect the private institutions until 1970 and 1971:

In 1912, the postal workers were the first group to organize followed by the railway workers in 1926. The National Labor Relations Board (NLRB) is an independent Federal agency created in 1935 to enforce the National Labor Relations Act. They conduct secret-ballot elections to determine whether employees want union representation and investigate and remedy unfair labor practices by employers and unions. (National Labor Relations Board, 2003)

After two court cases, private institutions were subject to the federal law controlling collective bargaining, whereas collective bargaining in public institutions is regulated by state law. There were a number of regional offices established to deal with local complaints; Michigan is in Region 7 out of Detroit. Kaplan and Lee (1995) cited the start of NLRB jurisdiction over private nonprofit postsecondary institutions:

Private-sector bargaining is governed by the National Labor Relations Act of 1935 (the Wagner Act). The NLRB first asserted jurisdiction over private nonprofit postsecondary institutions in Cornell University, 183 NLRB (1970); and in C.W. Post Center of Long Island University, 189 NLRB 904 (1971), it specified that its jurisdiction extended to faculty members. (p. 169-170)

State

Michigan legislators and the governors created some powerful legislation to support the state's institutions of higher learning. The legislative support paralleled other states as states began to provide direct and indirect financial support to its public and private institutions of higher learning. Several programs were established during the 1960s and 1970s such as The Michigan Higher Education Assistance Authority (MHEAA) 1960, The State Competitive Scholarship Program, The Michigan Tuition Grant (MTG) (Act No. 313 of Public Acts of 1966, as amended), The Michigan Degree Reimbursement Programs (Act 75 of 1974), and The Michigan Higher Education Facilities Authority (MHEFA) - P.A. 222.

The Michigan Higher Education Assistance Authority (MHEAA) 1960. Legislative action established the MHEAA under the auspices of Act # 77 of the Public Acts of 1960. The MHEAA was created as a state agency, with the sole purpose of guaranteeing loans made by

Michigan banks to deserving Michigan residents who were enrolled in postsecondary education. In 1962, the first loan was guaranteed. The guaranteed loans allowed an opportunity for many students to attend college (Michigan Department of Treasury, Office of Scholarships and Grants, MHEAA, 2002).

The State Competitive Scholarship Program. The Michigan Competitive Scholarship began in 1964 when, on May 22, the State Competitive Scholarship Program was signed into law under Act 208 of the Public Act of 1964, and assigned to the MHEAA to administer. Under the provisions of the scholarships, awards are limited to those high school graduates who achieve a semi-finalist score on the American College Test (ACT). Semi-finalists, who demonstrate academic strength and financial need are eligible for awards ranging from \$100 to \$1,200 annually (Michigan Department of Treasury, Office of Scholarships and Grants, Competitive Scholarship, 2002).

The Michigan Tuition Grant (MTG) (Act No. 313 of Public Acts of 1966, as amended). The Michigan Tuition Grant (MTG), established by statute in 1966, provides need-based financial aid grants to Michigan residents of modest means enrolled in Michigan independent, nonprofit colleges and universities in all disciplines (except the constitutionally prohibited fields of theology, divinity, or religious education). This is the most important program for private institutions. The program is also designed to promote choice. Michigan was one of several states to make their private independent colleges and universities a regular part of the annual state appropriations process.

Even though the state of Michigan struggled economically during 1974 and 1975, Michigan continued funding tuition grants and degree reimbursements for its independent colleges and universities. The maximum awards amounts per student were \$1,200 in 1974

and 1975. The total appropriated by the state for independent colleges and universities in 1974 was \$7,876,346 and in 1975 was \$7,900,000. The per-student maximums of \$1,200 did not increase until 1980, when the maximums increased to \$1,300 per eligible student.

Table 3.

History of Appropriations and Tuition Grant Award Maximums

Fiscal Year	Maximum Grant	Appropriation
1972-73	\$800	\$5,563,002
1973-74	\$1,200	\$7,876,346
1974-75	\$1,200	\$7,900,000
1975-76	\$1,200	\$9,405,000
1976-77	\$1,200	\$12,200,000

Note. From “Association of Independent Colleges and Universities of Michigan Report,” by Edward Blews, 2000, Copyright 2000 by AICUM.

When the Michigan Tuition Grant became a regular part of the annual appropriation process, it also became a competitor to other state services and public institutions of higher learning. Even though, proportionately, the MTG was a small part of the state budget, in some circles, the thought of public dollars going directly to private institutions did not sit well, and some were against the idea.

Association of Independent Colleges and Universities of Michigan (AICUM).

Shortly after the MTG was created by the Michigan legislature, independent college and university presidents created the Association of Independent Colleges and Universities of Michigan (AICUM) in 1967. The association was critically important because it became a unified voice for independent nonprofit colleges and universities in Michigan.

As the lobbying arm of private institutions in the state, the association primarily represents the member institutions before state boards, authorities, and regulatory and advisory groups where decisions are made affecting the well-being of independent nonprofit colleges and universities and their students. The lobbying efforts focus primarily on a number of financial aid and degree reimbursement programs. In 1975, John Gaffney was president of the association and there were 28 institutional members (Mendola, 1979).

AICUM is the counterpart to the President's Council for public colleges and universities, established to protect their interests in terms of funding and continued institutional autonomy. Pfeffer and Salancik (1978) stated, "Most industries, as well as professions, have associations whose purpose is to exchange information and exert political influence for the benefit of their members" (p. 177).

Michigan State Board of Education Regulatory Control. The State Board of Education continued its regulatory control and authority to make decisions with possible legal consequences regarding status and financial matters pertaining to private institutions of higher learning. On April 9, 1968, the Michigan Department of Education, Bureau of Higher Education, published a revised document that outlined a considerable degree of control that the department had over private institutions of higher learning. The report gave the department authority to:

1. Decide if an institution is educational in nature.
2. Decide if an institution may begin operations on the basis of housing, program, facilities, staff, and financial stability.
3. Limit the use of certain names for an institution.
4. Decide on the adequacy of degrees of an institution.

5. Approve changes in programs for an institution.
6. Decide which institutions may be listed in state publications.
7. Decide which institutions may qualify for state scholarship assistance to their students.
8. Require annual reports from private institutions.
9. Require triennial inspections of private institutions.
10. Initiate proceedings for dissolving institutions not complying with the law.

(Michigan Department of Education, Bureau of Higher Education, 1968)

All private colleges and universities, as well as proprietary schools and other non-public institutions of higher learning operating in Michigan, had to comply with the Michigan Department of Education, Bureau of Higher Education document. The state conducted triennial inspections of these various institutions.

Michigan Degree Reimbursement Programs (Act 75 of 1974). The state directly funds three degree reimbursement programs. The first is the general degree reimbursement initiative, which covers all degrees except in areas such as divinity and theology. The second reimbursement program provides awards for each degree that is awarded to a Michigan resident in allied health fields requiring clinical experience or state licensing. The third reimbursement program includes a grant to the University of Detroit's Mercy Dental School (Michigan Department of Treasury, Office of Scholarships and Grants, Degree Reimbursement, 2002).

The MTG and Degree Reimbursement programs were particularly vulnerable during times of economic downturn in the state. The independent college and university leadership and AICUM Association battle every year to retain those dollars specifically set aside for students choosing these types of institutions.

The Michigan Higher Education Facilities Authority (MHEFA) - P.A. 222. The MHEFA was created in 1975 to defray construction costs for private institutions.

The mission of Michigan Higher Education Facilities Authority is to provide access to tax-exempt financing, that is available to public higher education, to private, nonprofit educational institutions that provide education beyond high school level, in order to lower the cost of higher education to Michigan citizens. (Michigan Department of Treasury, Office of Scholarships and Grants, MHEFA, 2002)

Task Environment

National

The federal government continued to take care of veterans through legislative acts throughout the 1960s and 1970s, which accounts for the large numbers of veterans in higher education institutions. College enrollments skyrocketed during these two decades. There were many federal and state programs designed to help eligible families to meet educational expenses. Federal grant aid was more common than loans during the 1970s, which kept college affordable, especially for low-income students and their families. Inputs for colleges and universities came via the ending of WWII:

With the return of World War II veterans, the United States experienced a population expansion, producing the baby boomer generation (1946-1964). On the national level in the 1960s, college enrollments reached 33 percent of the population. In raw numbers, the 1960s saw enrollment increased from three million to nearly nine million students, and, by the end of the 1970s, there were 11 million students. (Roche, 1994, p. 47).

In the 1960s the United States Census Bureau clearly indicated that while the number of manufacturing and farming occupations had declined, professional workers, clerical workers, and service workers increased during the 1950s. Meanwhile the number of farmers, operatives, farm laborers, and nonagricultural laborers decreased in the United States (United States Census Bureau, 1960).

Table 4.

History of Appropriations and Degree Reimbursement Rates

Year	Bachelor/Master's Degree	Associates Degree	Appropriation
1974-75	400	200	\$1,870,000
1975-76	400	200	\$1,881,000
1976-77	370	240	\$2,000,000
1977	480	240	\$3,269,000

Note. From “Association of Independent Colleges and Universities of Michigan Report,” by Edward Blews, 2000, Copyright 2000 by AICUM.

Nationally, the labor force skill sets required in the workplace had shifted, especially in the service, information, and manufacturing industries. Service and finance occupations, wholesale and retail occupations, and information industries had grown. Ratner, Soltow, and Sylla (1979) agreed that the growth of the service industry and information industry “increasingly challenged the dominance of the manufacturing industries” (p. 403).

State

The manufacturing industry, because of the automobile factories, was huge in Michigan. It was the leading occupation, employing nearly 50% of the state's workforce. The state of Michigan was ranked seventh in the United States for the number of employees working in the manufacturing. In 1960, the foreign market emerged on the scene and over time jeopardized Michigan's primary reliance on the fortunes of the motor vehicle industry (U.S. Census Bureau, 1960).

Michigan experienced a slowing economy and a recession in the latter years of the Sneden era. The state of Michigan experienced a recession during 1974 and 1975, then a recovery in 1976 to 1978 (Heck, 1988). The state was particularly hard hit due to its reliance on manufacturing, particularly the auto industry. Manufacturing in the state of Michigan represented 32% of the state labor force as compared to jobs in manufacturing in less than 24% in the United States (Regional Impact, 1980). The unemployment numbers soared in the state.

Local

The environment was now the state because Davenport had locations all over Michigan. The Community College Act of 1966, Act 331, revised and consolidated some laws relating to community colleges, thus enabling their further growth (Community College Act of 1966, 1966). Michigan reached a total of 28 community colleges, which was indicative of the legislative support for higher education. Even though this was a community college movement, higher education benefited in terms of prestige, importance and legitimacy. By July 1968, there were twenty-eight community colleges in the State of Michigan with a total estimated enrollment of 96,000 students (Michigan Department of Education, 1968).

Managerial Level

Sneden took over as president in 1959 and immediately got active in the institutional as well as the task aspects of the environment. One of his first presidential moves was to get Davenport Institute involved with a national accrediting agency, the Association of Independent Colleges and Schools (AICS), which dated back to 1961. This was a big step for the institution, for this level of accreditation was the highest scholastic rating available to colleges in its field. The Accrediting Commission for Business Schools (ACBS) approved Davenport Institute as a junior college of business.

ACBS recognition was important because the organization was officially recognized by the United States Commission of Education as the national accrediting agency for business schools. This recognition was a result of enactment of Public Law 550 that set forth criteria for accreditation and a directory that listed accredited colleges (Davenport Institute Catalog, 1960). Accreditation enhances an institution's image and reputation in the eyes of the federal and state governmental programs, as well as recognition with employers, students, and the community at large.

Accrediting agencies are powerful external constituents that visit institutions on a regular basis to confirm or deny accreditation. Davenport College had a favorable site visit and review in 1961 from an ACBS accrediting team and began reaping benefits immediately.

Moceri (1990) reported:

The evaluating committee took special notice of the “excellence of residence halls for women, high morale of students and faculty, commendable curriculums, and excellence of educational leadership. President Sneden asked for and received authorization to confer the Associate’s Degree for Davenport Institute. Davenport became the first independent business school in Michigan to achieve collegiate status, the highest scholastic rating available to institutions in its field. Davenport College began reaping rewards almost immediately. Enrollments and recognition grew as a result of this designation. (p. 47)

The educational mainstream recognized accredited institutions as legitimate, a legitimacy that required no explanation or defense of its existence. Sneden really wanted the college to be recognized as legitimate institution of higher learning and accreditation was a way to accomplish it.

Political issues. The federal government threatened to cut veteran benefits. The veterans represented a significant revenue stream for Davenport College as well as other institutions of higher learning because of federal financial support. Cutting off or not extending benefits to veterans represented a serious risk to financial stability for colleges and universities depending on veterans to meet enrollment goals. Considering this variable, President Sneden and many other educational leaders across the country petitioned Congress for an educational assistance bill for peacetime veterans. He ended up going to Washington, D.C., in 1963 to fight for veterans’ rights and benefits. Many educational leaders testified and shared their concerns about the federal government’s commitment and support to all veterans. This is an example of the institution’s role as a political actor. Although military service was still compulsory during the 1950s, the thousands of young men who were stationed in volatile areas like Berlin, Lebanon, Africa, Formosa, and Greenland were overlooked for military benefits that were afforded under previous G.I. Bills.

President Sneden took issue with the lack of support of this particular group of veterans:

If Cold War conditions were not present, Sneden told the House Veterans Committee in 1963, the majority of these men would not be entering military service, but would be pursuing their own individual goals in civilian life. An educational assistance bill will provide America with professional, technical, and vocational skills that otherwise might be irreplaceably lost. (Moceri, 1990, p. 50)

Sneden and the intervention of other educational leaders eventually resulted in legislation extending educational benefits to veterans of both the Korean and Vietnam Wars.

Federal loans. One of the things Sneden did was use external resources to finance various projects for the college without compromising the core technology. The task environment offered various financial opportunities. Dollars afforded through the Higher Education Facilities Act of 1963 provided some relief financially with federal low-interest loan dollars to institutions of higher learning. As Davenport began to grow out of its downtown facility, President Sneden pursued federal dollars to purchase a seven-acre campus in the historic Heritage Hill area. Approximately one-third of the cost of a new \$1.1 million academic building was paid for by a federal grant. The rest of the cost was financed by long-term, low interest government loans.

Board of advisors. In order to accomplish institutional goals, President Sneden created a lay board of advisors not long after he took over the presidency to keep the college in tune with the needs of the Grand Rapids' community and move the institution forward. The advisory board concept offered more formality for the college. The board members came from the task environment. In an article in the Grand Rapids Press in 1964, Sneden commented about the newly appointed advisory board:

In January of 1963, to expand the leadership of Davenport College, a board of advisors was formed of local business leaders. In addition to Joseph Hager, a prominent businessperson, seven others were added who had long records of community service and held high offices in civic organizations. This board will continue to guide the college at the policy-making level and the advisory board will be primarily concerned with educational standards and programs and the growth and development of the college,” said Sneden. (Davenport Institute, now college, 1964, p. 23)

Negotiated environments. President Sneden established many linkages to the environment. The board of advisors was one of the ways he attempted to stabilize the institution’s continued growth and development within the larger environment. He was well aware of the value of the participation of business and community leaders. Board Chairman J.A. Hager’s response indicated that community leaders were equally proud to be affiliated with President Sneden and Davenport College:

Your wisdom, experience and knowledge of Grand Rapids’ business needs will be of great value to Davenport Institute as it grows and broadens to meet those needs. We accept these appointments because, as businessmen, we are keenly aware of the increasing needs for higher education in the field of business. As men interested in our community, we believe Davenport makes a very real contribution to this area’s cultural and educational environment and does it with the self-supporting free-enterprise independence we all so heartily endorse. (Local business leaders, November 1963)

Name change improves image. In 1964, Davenport Institute became Davenport College and the college developed a philosophy and mindset that after two years of school, a student should go to work. The name change had to be approved by the school’s new Board of Trustees, the State Department of Public Instruction, and The Michigan Corporation and Securities Commission. Davenport no longer wanted to be recognized as a training school or institute. Sneden and the board wanted recognized recognition as a legitimate college of business as was reflected in the new name. Joseph Hager, chairman of the college’s board, was proud of the institution and boasted about its national rating as a junior college since 1961, chartered by the State of Michigan, approved by State Department of Public

Instructions, and recognized by the United States Office of Education (Local Business Leaders, 1963, p. 32). All of these external constituents affirmed Davenport's legitimacy and the linkages enhanced its image, something Sneden continually worked for throughout his tenure.

Regulatory issues. Davenport and other institutions of higher learning participating in federal financial assistance programs began to enter more into an era of compliance. As part of the Civil Rights Act of 1964, an institution could not receive federal funds if it discriminated on the basis of sex in educational programs, activities, or employment policies. As required, the college published the following non-discrimination policy in its catalog.

Davenport College has a policy of non-discrimination regarding students on the basis of race, color, national or ethnic origin, sex, age and religion in the administration of its admissions policies, educational policies, scholarship and loan programs and athletic or other school-administered programs. (Davenport College Catalog, 1965, p. 1)

Fight for state scholarships. The fight for state scholarship support for Davenport College and other private colleges in Michigan was one of Sneden's most persistent efforts that began during his vice-presidency and continued throughout his tenure as leader of Davenport College. A committee of private independent nonprofit college executives worked with the State Board of Education and the State Legislature to establish a program for private school tuition grants. This was a political move to influence public policy for Michigan independent higher education. The committee wanted the state legislators to understand that scholarships for students choosing private schools would alleviate demands on the state institutions and would also save the state money. Davenport became one of the first private schools to receive money under the new Michigan Tuition Grant legislation in 1966 (Moceri, 1990). The money for the MTG was taken out of the overall education budget.

Again, in 1966, Davenport officials used low interest federal loans to buy the former headquarters of the Packaging Corporation of America for the college library and administrative offices. “Davenport College received a \$316,220 federal grant for construction of a \$1.4 million general-purpose building to include a dormitory for 120 students” (Davenport gets grant, 1967, p. 21). The institution also applied for a \$417,000 long-term, low-interest loan under the Higher Education Facilities Act to finance the remainder of the project. Its total investment in Heritage Hill properties approached \$2 million (U.S. approves, 1966, p. 20).

The federal government grants provided Davenport College with financial support for building and expansions that may never have taken place without college leadership’s pursuit of external funds and interaction with external groups. The federal aid helped to ease resource dependency on tuition for various capital expenditures.

Annual fundraising drive. Private independent nonprofit colleges and universities depended heavily on tuition to pay the bills. The Higher Education Act of 1965 and additional amendments relieved the burden somewhat, but more was needed to keep up with the constant demands of equipment, books and facilities, scholarships, and improvements. Annual fundraising drives became a way of operating. There was pressure from accrediting associations for private colleges to reduce their dependency on tuition dollars. Hometown support for the college, partially reflected by the amount of corporate gifts, contributions, and endowments it received, elevated its stature not only in the eyes of the community, but of NCA as well.

In a continued effort to reduce dependency on tuition dollars, President Sneden initiated an annual fund drive in 1969 to meet operational and capital needs. Business and industry

leaders in the community were very responsive to the needs of the college by contributing significant financial support, as well as providing a number of academic scholarships. This was one way the leadership connected the institution to the community. The Board of Trustees was very active with college development activities. Several of the trustees and prominent business leaders were involved in the leadership of the campaigns.

Moceri (1990) supported this notion by stating:

Since 1969, the fund drive has been an annual affair, consistently meeting or exceeding its goal and building a growing roster of repeat corporate donors. Businesses continue to find that they do themselves a favor by contributing, since investment in Davenport pays dividends in highly trained employees. Also, since the success of the first fund raising drive in 1969, the private contributions campaign has helped to reduce the college's dependence on tuition for operating capital. (p.2).

Identity statement. It is important for any organization to establish itself in its environment. One way is to create an identity. By the 1970s, Davenport officially created an identity statement, which articulated the long-held philosophy of getting two years of education and going to work:

Davenport College evolved from a proprietary organization with a small, downtown facility to a non-profit two-year educational institution governed by a lay board of trustees, with a modern campus in an attractive conveniently located setting. (Davenport College, NCA, Institutional Self-Study, 1975, p. 1)

Faculty's role in institutional governance. The Faculty Senate was formed in 1970. The same group of faculty had met informally to discuss faculty concerns before 1970. This was the start of the faculty's limited role in institutional governance. This was a shift from an informal to formal coalition with limited influence. The Faculty Senate was established to provide an atmosphere for discussions, to identify and express member sentiments and aspirations, and to present through its representatives the view of the Senate to the Administration (Davenport College, NCA Institutional Self-Study, 1975).

The faculty and president shared a strong relationship that included respect and open communication. The Senate was a sounding board for new ideas of the administration and faculty, and it sought to protect the faculty's interests. As a result of regular meetings with President Sneden and his Cabinet, the Faculty Senate gained power and began to influence decision-making, including negotiating the faculty continuing contract every three years. The faculty sat on curriculum advisory and other committees for the college.

Scholarship relief. By 1970, The Michigan Higher Education Assistance Authority had established a scholarship with an \$800 maximum award amount. Further, the leadership created two internal scholarships with a maximum award of \$300: the Michigan Business School Association and Junior Achievement, and worked with two outside scholarship sources, American Business and Professional Women's Organization and Delta Nu Alpha, a transportation fraternity (Mocerri, 1990). The scholarship was a move away from tuition dependency.

Change in governance. The accrediting association, a major external constituent, instituted two major requirements for the institution: to relinquish family control and show steps towards reduced tuition dependency. It was a tough decision for President Sneden to relinquish family control of the college after 60 years, but he finally did, at the request of the accreditation association. Pursuant to North Central Association accreditation, Davenport College of Business (DCB) was required to relinquish its family control and show steps towards reduced tuition dependency (Mocerri, 1990). Sneden signed DCB over to an independent, self-perpetuating board of trustees to take control of the assets and direction of the institution.

The family governing board for over 60 years was dissolved and a public board took its place. The Board of Advisors became the Board of Control. The new charter of incorporation became effective on January 1, 1971, and a new public Board of Trustees accepted a specific mandate to oversee total administration of the college. The board comes from the public sector, but is not a publicly elected body operating under a public mandate. Its basic function is to carry out and perpetuate the aims of the college and to see that the institution is properly managed. Part of the accreditation process required institutions to have a governing board of diverse membership broadly representative of public interest. The new Board consisted of twelve members, six from the old advisory board and six new (including one non-voting). A separate corporation, Davenport Schools, Inc., was created for the affiliate schools in Lansing, Kalamazoo, Bay City, and Saginaw. This entity remained under family supervision. (Moceri, 1990, p. 53)

Establishment of executive council. As the operation grew and became more complex, President Sneden called on other administrators to help manage institutional activity. President Sneden formally organized the Executive Council in September 1971. The membership was composed of the President of the College, Vice President for Administration and Finance, Vice President for Academic Affairs, Dean of Students, and Director of Physical Plant and Property. This committee served as an administrative cabinet to the President, functioned in an advisory capacity, and counseled and advised the President on matters of institutional interest and policy. The Executive Council would meet with groups like the Faculty Senate. With the assistance of the Executive Council, Sneden used specific mechanisms to buffer the core from disturbing environmental influences and to build bridges to essential exchange partners and allies (Scott, 1998). This Executive Council assisted Sneden in leading the institution.

Davenport College reaching out. Davenport College received its first federal grant in 1971 for the Talent Search Program. Talent Search was part of the Trio Program legislation, which was funded under Title IV of the Higher Education Act 1965. TRIO programs are dedicated to assisting low-income, first-generation students to overcome class and social

barriers for successful entrance and graduation from college. “The college’s Talent Search counselors provided admissions counseling and financial aid and scholarship assistance to 900 low-income high school students annually, which was the purpose of the program” (Maine, Talent Search Proposal memo, 1987).

Fiscal troubles. The college needed capital to continue to exist and survive. At the end of fiscal year 1972, the institution was operating at a deficit and was deeply in debt. In response, Sneden conducted a vigorous program of budgetary planning and control involving many spending cuts in the first year. It took the institution approximately two years to balance the debt and eliminate the budget deficit. For the immediate future, fiscal stability was restored, and the college operated a break-even budget (Davenport College, Institutional Self-Study, 1975, p. 198).

Over the next few years, Davenport’s leadership made strides to demonstrate fiscal stability to its accrediting body, NCA. The focus was on a balanced budget, which was maintained for the years 1973-1975. Several factors contributed to this fiscal success. Tuition rates increased 8% for the academic year, 1975-76, yet they remained much below the tuition levels of other private colleges. The college received degree reimbursement dollars from the state, \$36,000 for 1974 and \$52,000 for 1975. Student enrollment in 1974, for both day and evening college, was the highest in history. Student recruitment increased, an additional recruiter was hired, and special curricular career exhibits were developed. Retention rates increased nearly 12%, and there was a ten-percent increase in total college enrollment (Moceri, 1990).

President Sneden and his administration came up with several additional strategic initiatives to generate more revenue and to strengthen alliances with some external partners:

1) a consortium with Grand Valley State College (GVSC) that would allow rental of facilities by GVSC during afternoons and evenings for junior, senior, and graduate-level courses on the Davenport campus; 2) indirect participation by the college in the Comprehensive Employment Training Act (CETA) Title I through cooperation with Grand Rapids Junior College; 3) the development of a special Veterans Outreach Program; and 4) cooperative programming of associate degree curricula in banking and finance construction management with related members of the industry (Mocerri, 1990).

Davenport College kicks off \$150,000 fund drive. The Grand Rapids Press, May 2, 1973, reported that the goal of the 1973 Annual Fund Drive was \$150,000 as Davenport appealed to the community, which it supported with training and educational programs. In addition, Davenport provided employment opportunities for many community members:

The Davenport College Fund, an appeal to the community served by the venerable but still fast-growing business college for \$150,000 to supplement the school's operating budget and capital needs, was kicked off today at a breakfast meeting today at the college. Approximately 150 volunteers gathered to hear General Chairman Wilbur A. Lettinga of W. A. Lettinga, Associates, outline the mechanics of the fund drive, which is seeking double the amount raised in a similar effort last year. "As with other institutions of higher learning, Davenport College charges sufficient tuition to provide the entire operating budget," Lettinga pointed out. "Such an increased charge to students makes education prohibitive to all but a select few and defeats the basic aims of the college." (Davenport College Kicks, 1973, p. 15-B)

Table 5 shows the dollar amounts received by the college from 1969 through 1976 through Annual Fund Drive Campaigns (Davenport College, Institutional Self-Study, 1981).

State Funds. Federal and state financial assistance was available to Davenport students in the mid 1970s. Michigan's Degree Reimbursement Program, enacted in 1973, provided direct dollars to private colleges in the amount of \$200 per associate degree graduate. In 1974, Davenport received \$36,000 and in 1975, \$52,000 (Davenport College, Institutional Self-Study, 1975, p. 190).

Table 5

History of Annual Fund Drive Results 1969-1976

Year	Funds Raised
1969	\$ 85,000
1970	44,000
1971	62,000
1972	84,000
1973	109,000
1974	78,000
1975	66,000
1976	81,000

Note. From “Association of Independent Colleges and Universities of Michigan Report,” by Edward Blews, 1999, by AICUM.

The college enjoyed the benefit of indirect federal and state financial aid funds that were allocated to Davenport students. Table 6 lists various revenue sources in 1974.

Regional accreditation status. President Sneden was passionate about accreditation and moved to a stronger regional accrediting body, the North Central Association of Colleges and Secondary Schools (NCA). He wanted the strongest accreditation status possible. The

institutional environment offered even greater opportunity for legitimacy. As indicated earlier in the study, regional accrediting associations were founded in the mid-1800s and considered strong and credible.

Table 6.

Revenue Sources - 1974

Federal Funds:
\$69,392 dispersed to eligible students
\$51,553 National Defense Loans
\$39,784 Work-Study Funds- 32 students
204 or 41% minorities receiving financial aid
State Funds
Michigan State Tuition Grant Scholarship
\$322,447 (292 students)
Guaranteed Student Loan Program
\$65,000 (75 loans as of June 30, 1974)
Other Sources:
150 students received veterans received V A Benefits
60 students received Social Security
40 students received Voc Rehab Service/ Vet Rehab Administration and Work Incentive Programs
Bookstore sales
\$115,000 in 1973-74
76% originating from book sales
24% from misc. sales

Note. From "Institutional Self-Study," Davenport College, 1975, pp. 101-104.

The institution was granted correspondent status by the NCA in July 1970 and designated as a candidate for accreditation in July 1973. The NCA initially came in to review strengths

and weaknesses of the institution, a requirement by the association. The NCA visitation team expressed some concerns and issues about fiscal stability of the institution and recommended some changes in the organizational structure, additions and deletions of staff, and realignment of administrative responsibilities.

Notes from the NCA Institutional Self-Study (1975) indicate some of the significant changes that were initiated:

Job descriptions were developed and published for all administrative and staff positions of the college. Board of Trustees became more involved with the affairs of the college (financial obligations, policy changes, etc). A five-year long range plan was developed for the fiscal years 1975-1979. An institutional data bank was developed, and new administrative staff positions were created in 1975, including Director of Institutional Research, Public Information Director, and part-time Director of Development, Mr. Clifton Wonders. Executive 100 Club was created, and demonstration equipment, valued at more than \$4000, was obtained from industry supporters of the hospitality program in 1975. (pp.190-201)

At Sneden's direction, college administrators worked tirelessly to conform to the standards of the NCA. Years of effort and many thousands of dollars were allocated to improve the curriculum, expand the library, and hire additional staff to meet NCA demands. The need for more counselors was identified as a concern by the association. Following a comprehensive review in November 1975, the decision came from NCA and the college was accredited and granted membership in the association in April 1976. The initial accreditation was granted for a five-year period; with the next comprehensive evaluation scheduled for 1981.

AICUM executive committee. Sneden spent a lot of his time managing the institutional environment, making sure Davenport College was recognized at various levels as a legitimate player in the independent college area. He was so concerned about MTG for private independent nonprofit colleges and universities that he took on a key role with the

AICUM association as an executive committee member in the 1975-76 and 1976-77 years. The executive committee members worked closely with the association's president to influence public policy issues important to Michigan independent higher education institutions (Blews, AICUM Annual Report, 2000). The big battle was to make sure legislators continued to fund the MTG and degree reimbursement dollars at appropriate levels annually.

Organizational structure. Also, Sneden put together an internal organizational structure to accomplish the goals of the institution. In addition to the board of advisors, the administration was made up of the president, executive vice president, two vice presidents, one vice president/treasurer, and secretary. The administrators were responsible for day-to-day operation. The interesting thing about the organization structure was who reported directly to the president during Sneden's era. The Director of Special Projects and Development and the Director of Admissions Counselors reported to the president, which connoted a level of importance of these two roles within the institution's hierarchy.

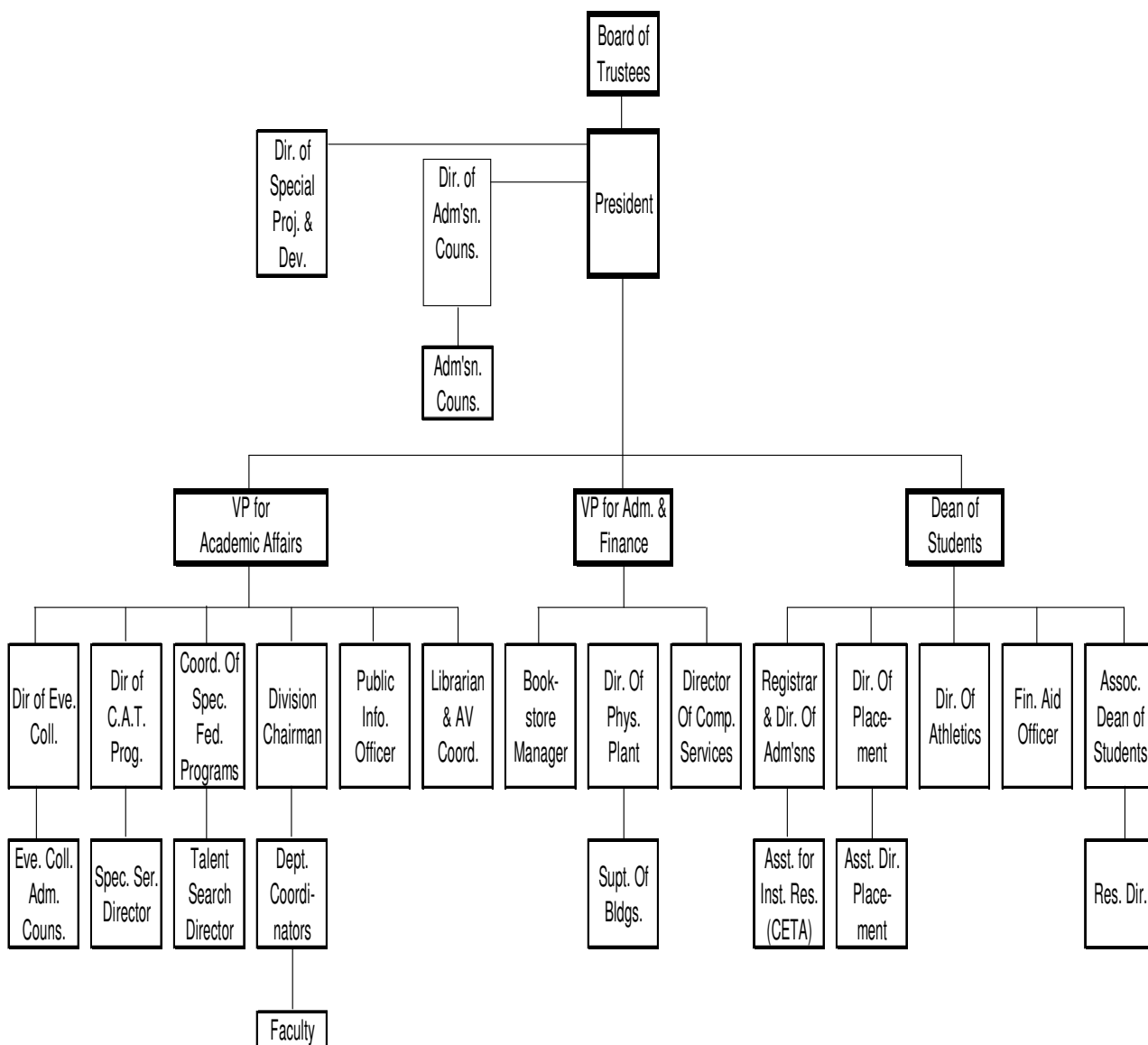


Figure 9. Table of Organization, 1975, Davenport College

The Vice President for Administration and Finance, Vice President for Academic Affairs and the Dean of Students also reported to the president. See previous page, Figure 9, 1975 Table of Organizational. “Hierarchy, formalization, centralization, modes of coordination – are all devices to help ensure that the organizational managers can shape and influence the behavior of other participants charged with carrying on the production activities of the organization” (Scott, 1998, p. 278).

Technical Level

Curriculum

Davenport College specialized in two-year programs for careers in business. Purpose drove core activities in 1960. The college advertised the opportunity to combine the cultural experiences of the traditional college with specialized training and education, with the objectives of being prepared to enter “dignified and rewarding occupations” and to “make a contribution to society” (Davenport Institute Catalog, 1960).

Program offerings. The programs and degrees offered during the 1960s were presented in the first published course catalogs. Davenport clearly established itself as a secretarial school based on the curriculum offerings. Diplomas were awarded at more than 48 and less than 96 credit hours (Davenport Institute Catalog, 1960). The college employed 40 staff members in 1960. The average cost for college in 1960 was approximately \$1,500 a year.

Davenport depends on its task environment to guide its curriculum. Mocerri (1990) stated, “In 1961, at the suggestion of local employers, specialized courses were developed to accommodate the growing need for dedicated skills, since advancement in office technology required employees trained expressly for certain tasks like data or word processing” (p. 47).

Davenport began to offer a variety of classes in accounting, income tax, business law, principles of insurance, political science, cost accounting, economics, business math, real estate, personnel management, and marketing. “There is a growing demand by employed adults for this type of instruction, probably because of today’s much more complicated business methods and competition for the better jobs requiring special training,” stated Robert Sneden, president, Davenport (School at Peak, September 1963, p. 8).

Curriculum advisory boards. The administration established curriculum advisory boards in the programs of Secretarial, Marketing and Sales, Management, Retail Management, Transportation and Distribution, and Real Estate Insurance. Members of the boards served in an advisory capacity, utilizing their unique skills, leadership, and experience to provide advice, information, and support for the college. This was one of the ways to maintain and improve the core.

Feedback from this group was essential for short-term and long-range planning for instructional programs and services that kept the institution in touch with current and future training needs in the workplace. These dedicated volunteer leaders formed an important link between the college and the community, and their participation enhanced the college’s ability to better serve the educational needs of the students and the corporate constituency.

Curriculum Advisory Committees continued to serve as the vehicle by which the college reviewed the relevance of the curriculum against the mission and purpose of the institution.

The Davenport College’s philosophy of business education is such that each year more than 98% of its graduates are placed in wage-earning positions. This is because Davenport College adapted its educational mission to the ever-changing needs of business and industry.

Table 7.

Davenport Institute, 1960 Diploma and Specialized Programs

Diploma Programs	Specialized Programs
Clerk-Typist Course	Comptometry
Stenographic Course	IBM Punch Card
Secretarial Course	Speedwriting and Shorthand
Executive Secretarial Course	
Medical Secretarial Course	
Business Administration Course	
Junior Accounting Course	
Higher Accounting Course	
Professional Accounting Course	

Change in curriculum. In 1961, a nationally recognized accrediting agency, the Accrediting Commission for Business Schools, approved Davenport as a junior college. (The state of Michigan and NCA authorized the college to award associate degrees in 1964). The programs started to change over the next few years.

According to an article in The Grand Rapids Press in 1963:

In addition to the office skills and other special courses previously offered to night students, Davenport this fall offers classes in accounting, income tax, business law, principles of insurance, political science, cost accounting, economics, business mathematics, real estate, personnel management and marketing. There is a growing demand by employed adults for this type of instruction...probably because of today's much more complicated business methods and competition for the better jobs requiring special training. (School at peak, September 1963, p. 23).

Three years later, the elevated status of Davenport was the topic of remarks by board chairman, J.A. Hager:

“Davenport is no longer strictly a vocational training school or institute,” said Joseph A. Hager, chairman of the board. “It has been a nationally accredited junior college business since 1961.” It is a nonprofit institution of higher education, chartered by the State of Michigan, approved by the State Department of Public Instruction and recognized by the United States Office of Education. It holds the highest scholastic rating available to colleges in its field. Its two-year college-level curriculum has been expanded to include many liberal arts subjects leading to degrees in business education. Its credits have been accepted as transfer credits by several state colleges and universities. (Davenport institute is now college, September 1964, p. 23)

Transfer program. Transfer-of-credit arrangements with senior colleges and universities were a priority beginning in the mid-1960s. Graduates had to have somewhere to go, either to work or to a senior institution. Transfer arrangements also helped to legitimize Davenport’s curriculum. The college developed a transfer program, which was a suggested list of general education courses for students who knew that they would transfer to a four-year institution. The upgraded accreditation status made it easier for students to transfer to senior institutions. This was one of the ways the institution managed outputs.

Snedden made sure that students had opportunities to go to work or move on to a senior institution. He was basically finding outputs for graduates. The options were to go to work after Davenport College or to go on to a senior institution. The most significant effective force for increased transferability was the “C” rating given the college by the University of Michigan, as the recognizing institution for American Association of Collegiate Registrars and Admissions Officer. Several institutions accepted transfer credits from Davenport such as Ferris State, Central Michigan, Northwood Institute, Grand Valley, and other four-year institutions.

What follows is a chart of three of the senior-level institutions with the largest number of transfer students by year. Grand Valley, which is closer in proximity than CMU or Ferris State, has the highest number of Davenport transfers.

Adjunct faculty. Maintaining an adjunct faculty has been a Davenport practice since the early 1960s. Adjuncts are a resource drawn from the task environment. The use of adjuncts was once dismissed as unprofessional. The use of adjunct faculty (practicing professionals) is a buffering technique that allows the institution to meet its need for up-to-date employment and training professionals. Today hundreds of colleges and universities recruit practicing professionals from many fields who double as instructors, not only for business schools but in other departments as well.

Table 8.

Transfer Students, 1972-1975

	CMU	Ferris State	Grand Valley
1972	0	36	37
1973	4	17	75
1974	2	25	70
1975	0	20	39

Note: From Davenport College, "Institutional Self-Study," Davenport College, 1975, p. 92

In 1970, Davenport College still offered associate degrees and diplomas, based on credit hours of instruction, as in the 1960s. There were 29 administrative staff and 44 faculty members to administer and deliver the programs.

New courses in the general education area were added as a result of initiating the Hospitality and Fashion Merchandizing curricula, namely, Social Awareness, Interpersonal

Communication, Contemporary Culture, and American Profile. Most other curricula include Social Awareness and Interpersonal Communication as part of their requirement. Optional tracks were developed in the combined majors of Accounting/Computer Programming (1974) and Fashion Merchandizing/Retail Management (1975).

Table 9

1970 Associate Degree and Diploma Programs

Associate in Science 96 Term Hours	Diploma in Business 48 Term Hours
Secretarial Science	Stenographic
Executive Secretarial	Receptionist-Typist
Legal Secretary	Junior Accounting
Medical Secretary	
Business Administration	
General Business	
Accounting	
Marketing and Sales	
Advertising	
Retail Management	
Transportation & Distribution Mgt.	
Real Estate and Insurance	

Note. From Davenport College catalog, 1970.

Experiential learning opportunities. During this era, Davenport administrators embarked on a new learning experience for students: cooperative education. These activities help students connect work and learning. Davenport's educational philosophy supported experiential learning as a vital aspect of its educational programs. The cooperative

educational concept was not developed by Davenport but was started in Cincinnati in 1906 (Grubb & Villeneuve, 1995).

Kerka (1999) explained:

Cooperative evolved into a program offered at the secondary and postsecondary levels into predominant models. In one model, students alternate a semester of academic coursework within an equal amount of time in paid employment, repeating the cycle several times until graduation. The parallel method splits the day between school (usually in the morning) and work (afternoon). (p. 1)

Davenport opted for the first model, in which students alternated semesters with academic coursework. Experiential programs were initially formalized for Fashion Merchandising, Retail Management, Executive Secretarial, Medical Secretarial, and Hospitality. Prior to this formalized approach, the experiences were confined to in-class programming and part-time student employment.

Davenport students enjoyed on-the-job training at the Candlestone Inn, and the administrators wanted to expand the practice of externships in other content areas. The Candlestone Inn was sold in 1988, but externships at the Amway Grand Plaza, Walt Disney World, and Marriott resorts nationwide provide similar opportunities (Davenport Catalog, 1970).

Medical secretaries program. One of the ways that by which Davenport College gathered information about education and training needs in a community was to do surveys. One such community survey indicated that a medical secretary's duties are no longer confined to filing, billing and telephoning, which resulted in curriculum changes to address the change. The medical secretary was involved in such direct doctor-assistant responsibilities as performing routine lab tests, giving injections under doctor's supervision and operating diagnostic and therapeutic equipment. Davenport expanded its facilities with the addition of a technical

laboratory to accommodate the program. In the new lab, students received training in urinalysis, hematology, bacteriology, immunology, injections, X-rays, physiotherapy, and electrocardiography. These new programs addressed the higher-level skills needed in the workplace (Davenport expands facilities, 1968, p. 23).

Hospitality program. In 1973, a hospitality program with on-the-job training opportunities was designed and implemented by the academic dean, James Stauffer. The Davenport hospitality program grew into a fully integrated restaurant and lodging management course that presently offers both associate's and bachelor's degrees. For several years, the program owned its own hotel, The Candlestone Inn.

Secretarial courses – majority. Secretarial courses were the majority of programs in the late 1970s. The Accounting/Computer Programming Division, in 1977, was still smaller than the Administrative Division. By 1976, the legal secretarial was the largest single program, with 139 students enrolled. Table 10 (p. 151) shows numbers of graduates by major for the years 1972-1975.

Secretarial courses were the majority of program in the late 1970s. The Accounting/Computer Programming Division, in 1977, was still smaller than the Administrative Division. By 1976, the Legal Secretarial was the largest single program with 139 students enrolled.

Students

Services for students. Services to enrolled students were provided in the Registrar's Office, Financial Aid Office, Business Office, Career and Employment Services, and the Bookstore. By 1960, time-payment plan, placement services, and career guidance were some of the services available to students. Time-payment plans allowed students to make a

Table 10.

Graduates by Major, 1972-1975

	1972	1973	1974	1975
Associate Science Degrees	188	226	205	247
Diplomas	70	71	49	45
Total Graduates	258	297	254	292
Business Administration:				
Accounting	45	51	45	56
Advertising	4	0	0	0
Accounting/Computer Prog.	0	0	1	5
Business Management	4	36	20	27
College Transfer	1	0	2	0
Computer Programming	4	9	12	16
Fashion Merchandising	0	0	0	6
General Business	31	12	22	12
Hospitality	0	0	0	16
Marketing and Sales	18	12	14	17
Retail Management	17	17	9	5
Transportation & Distribution Mgt.	4	8	8	10
Business Administration Total	128	145	133	170
Secretarial:				
Executive Secretarial	27	38	26	21
Legal Secretarial	20	25	29	33
Medical Secretarial	13	18	17	23
Secretarial Total	60	81	72	77
Accounting Assistant	9	10	7	11
Receptionist-Typist	49	37	32	28
Stenographic	12	24	10	6

Note. From "Institutional Self Study," Davenport College, 1974.

down payment and pay the rest of the tuition on a weekly basis. By 1970, counseling services included admissions, academic and personal, and employment counseling. The housing service was mandatory for all non-commuting students, out-of-town, and unmarried students. Housing facilities were available for 92 men and 36 women. Food service was in the form of vending with college entering into a contract with Canteen Company for services.

Stability in enrollment generated a critical resource, tuition, which was very important for survival. Detailed enrollment data were scarce prior to the North Central Association reports after the 1975 Self-Study. According to an article in the Grand Rapids Press in 1963, enrollment was growing at Davenport Institute in the early '60s. Day enrollment was at a maximum, and evening enrollment was growing. Robert W. Sneden, the president of the college since 1959, stated:

With the school's capacity of 600 daytime students enrolled at end of the registration period Monday, courses are full for the fall term at Davenport Institute and have been closed...Night classes will begin October 1 and this section, too, will be near capacity, according to advanced registrations, which are nearly doubled at this date compared to what they were a year ago...about 300 students are expected for the evening courses, which this fall have been expanded by including many subjects from the regular business administration course...In addition, about 120 persons are expected to be enrolled in the Carnegie leadership courses, so the business college expects to have a total enrollment this term of more than 1,000 students. (School at peak, 1963, p.23)

The student population had included a sprinkling of international students in 1967. The Grand Rapids Press reported:

Two foreign students, deVuyst of British Columbia, and Alphonsus Iwuagwu from Nigeria, were among the 224 graduates. This the largest graduating class in its history. Those graduating have worked in 12 categories of specialized business education including accounting, marketing and sales, retail management, transportation and traffic, real estate and insurance, general business and administration, executive, medical and legal secretarial stenographic and receptionist-typist. About 20 of the students have arranged for transfer to four-year colleges and universities where they will work towards a baccalaureate degree. (Davenport's class of '67, 1963, p. 38)

Enrollments in 1968 at the Davenport campus on Fulton Street in Grand Rapids reached 1,250 (800 day, 450 night). Davenport was clearly a day school. Davenport-affiliated schools in Lansing, Kalamazoo, Saginaw, Bay City, and Detroit put enrollment over 5,000. Tuition was \$17 per credit hour.

Day college. Full-time student enrollees in the daytime college classes increased in the academic years 1973-74 and 1974-75. A decline in enrollment of 7.7% occurred in the fall term of 1973 as compared to the fall term enrollment of 1972. However, the fall term enrollment of 1974 decreased only 3.1% from that of 1973 (Davenport College, Institutional Self-Study, 1975).

There was a flattening out of the enrollment curve in the 1973 and 1974 years. The administration responded by not only establishing a greater recruiting effort, but also revising recruiting methods and territories. The result was a stabilized and then increasing enrollment. Despite the decline in actual enrollees for the year 1973 and 1974, the retention rate showed a marked increase, as indicated in Table 11, p. 153.

Enrollment decline and the changing needs of business encouraged the college to delete some majors offered and to add new majors in the associate degree area. In the fall of 1973, three new associate degree programs were initiated,: a double major in accounting/computer programming, a major in fashion merchandising, and a major in hospitality.

By 1977, enrollment reached 2,100 students. Tuition was \$42 per credit hour. Programs were offered in areas such as computer programming, fashion merchandising, hospitality, management (restaurant and lodging), business management, and marketing.

Table 11.

Enrollment and Rate of Retention, 1972-1975

Year	Fall Enrollment	Spring Enrollment	Retention
1972-73	900	688	76.4%
1973-74	830	669	80.6%
1974-75	804	720	89.6%

Note. From “Institutional Self-study,” Davenport College, 1975.

Special services for veterans. Davenport had high enrollments of veterans and a vested interest in veterans continuing to receive their funds through Washington. Decisions in Washington had a significant impact on Davenport’s outcomes and, like most organizations, Davenport got involved politically when high stakes were involved. Pfeffer and Salanic (1978) confirmed this notion when they stated, “Organizations are also likely to become involved in political activity when governmental intervention begins to affect their economic well-being and certainty” (p. 222). The college offered a free job placement service, with no strings attached, to any military veteran searching for a business-oriented job.

“The offer included lists of openings in accounting, business management, retail management, sales, data processing and other business-related fields,” said C.C. Wonders, dean of the college. “The college has operated a placement service for years,” said Wonders, “free of charge to its graduates and for a fee to other job hunters....However, in light of the current tough job market and “with several federal agencies urging us to make a special effort to help the returning vets, Davenport is more than willing to waive any fee for ex-servicemen,” he added. (Davenport offers free, January, 1972, p. 3-E).

Attracting female students. The female market had started to grow after WWII, when women entered the workforce and higher educational institutions in larger numbers. In

addition to recruiting veterans in large numbers, Davenport College pursued various initiatives to address and attract the growing number of women in the workplace and homemakers desiring to enter the workplace. An advisory council formulated to study the needs of women in the Grand Rapids area recommended several programs to serve women. There was an Individualized Study Program, Operation Brush-up, and Upward Mobility, all geared toward women and their particular needs.

The individualized study was a creative program in that it was for homemakers planning to return to work and featured a self-designed, flexible schedule of courses two to ten weeks in length, depending on their background. Operation Brush-up was similar to individualized study but designed for the woman with experience in the business world who needed to refresh her skills. Upward Mobility was another program designed with a planned course sequence for women in the business world who desired help to prepare for advancement (Davenport has new program, October, 1973 p. 3-E). Davenport focused on meeting the demands of this new market by offering these various programs. This was another way that institution connected with the community and serving a need.

Outreach program. In addition to the women's initiatives, Davenport College continued to focus on programs and services for veterans, who were a main source of revenue for the college. The 1975 Davenport outreach program for veterans grew out of a conference sponsored by the United States Department of Education in Chicago in 1972, where the theme of the gathering was "Congress Doesn't Make Laws to be Ignored," and its purpose was to increase the numbers of veterans using educational benefits.

The Outreach Program at Davenport had a special schedule of classes designed for people with full-time jobs. An associate's degree could be obtained in two years on a part-

time basis by attending two nights or two mornings each week. This approach created an evening market for the college. The Outreach Program provided a practical approach to business education with a faculty of businessmen and women with particular expertise from the community (New GI Bill hurts, November 1976).

New 1976 GI Bill hurts Davenport program. The new GI Bill included an 8% increase in benefits, the right to use them for graduate school, and additional loan money and funds for tutoring. The bill failed to extend benefits for those who left the service before May 31, 1966, however, which cost Davenport 500 of its 1,000 participants in a two-year-old associate program for veterans (New GI Bill hurts, November 1976).

Until passage of the New GI Bill, Davenport allowed ex-servicemen to register for classes while they awaited their benefit checks, with the stipulation that Davenport receive the checks first. Three provisions hurt Davenport:

1. Servicemen planning on educational benefits were required to contribute \$50 to \$75 of their salaries each month in order to get 2-to-1 matching funds upon discharge from the service.
2. Benefits for programs with greater than 85% of the students using the GI Bill or getting other federal aid were denied. Davenport's Outreach Program consisted entirely of ex-servicemen, thus ineligible for reimbursement.
3. Veterans were prohibited from using their benefits at colleges and universities that did not include failures and withdrawals in student grade point averages. In the Outreach Program at Davenport, failures and withdrawals were not figured into final grades, but they were recorded against the hours of instruction attempted by a student.

“They are telling us who we can admit and how to run our school,” said Dennis Walker, Davenport College Outreach Program director. Last year, Davenport had 950 veterans on its campus, almost half the private college’s total enrollment. This fall, Walker expects 400” (Davenport picks director, January 1977, p. 4-A).

Continuing education program. Although the Outreach Program was originally marketed for veterans, over the years its demographic expanded with the increase in nontraditional students. Davenport, faced with the loss of federal dollars from veterans’ enrollments, adjusted and expanded the veteran program to include nonveterans and women. Expanding the program to include women created an alternate revenue stream for the college, thus acquiring the critical resources, tuition dollars needed for continued existence and survival. The outreach program offered flexibility and timeliness for women wanting to complete their degrees.

Eventually, the services of Outreach were absorbed into Davenport’s Continuing Education (Evening College) program, which provided off-campus and after-hours classes to a growing nontraditional constituency. The Evening College was operated for students who were working full-time during the day and preferred to attend college classes part-time in the evening. The program was designed to meet the changing needs of business and industrial employment. The emphasis in all classes focused on good basic theory but also on how to apply it directly on the job. What a student learns is often helpful to the student the “next day” at their work (Davenport College, Institutional Self-Study, 1981).

The college kept track of the quality and delivery of the program by having the director of Continuing Education report directly to the vice president for Academic Affairs. The off-campus part of Continuing Education was literally run on the periphery of the

college and required little in the way of organizational overhead or commitment while buffering the dominant academic core activities from the fluctuations in tuition and state aide.

Davenport's continuing education unit was loosely coupled. These types of units are allowed some leeway and breathing space in defining and meeting requirements. Loose coupling enables units to take responsibility for their own decisions and actions (Weick, 1976, 1982). Loosely coupling allows greater responsiveness to environmental change because more units have more varied interactions with the environment, which bring more information from the outside into the organization.

Tuition charges were lower in the Continuing Education program, a necessity to compete with programs offered by the public colleges, other private colleges and the secondary schools. The profit margin for the evening program was considerably higher than for the daytime program. In 1977, it cost less than \$50 to recruit a continuing education student and more than \$200 to recruit a regular day student.

Placement services. A true measure of a college's success is the employment of its graduates. A specific objective of the college is to assist the student after graduation to secure employment the student is educationally qualified for and to provide an opportunity for future educational adjustments, thus the idea of lifetime employment services and relationships for its students. Davenport had and maintained some good percentages: The placement director conducted a placement survey of the December 1973 through August 1974 graduates. Two highly significant developments were concluded from the results:

1. More than 80% of the graduates entered the employment market related to their major field of study within three to four weeks after graduation.

2. More than 88% of the 1973-74 graduates were accounted for in the final report of placement activities (Davenport College, Institutional Self-Study, 1974, p. 49.).

Table 12.

Salary Survey for Graduates, 1973-74

Curriculum	Number Reporting	Beginning Salary	Range	Average Salary
Accounting	27	\$ 21,667	\$43,334	\$ 32,500
Business	7	\$22,534	\$37,180	\$ 29,857
Business Management	14	\$ 8,027	\$43,334	\$ 30,680
Computer Programming	7	\$32,500	\$45,500	\$ 39,000
Comp. Prog./Acctg.	1	\$33,800	\$33,800	\$ 33,800
Marketing and Sales	7	\$22,984	\$42,813	\$ 32,864
Retail Management	7	\$24,787	\$32,673	\$ 28,704

Table 12 shows the beginning salaries, range, and average salaries for associate degree and diploma graduates in 1973-74.

Summary: Sneden Era

Davenport College adapted its curriculum and its culture over the years in response to the changing times during President Sneden's era. National, state, and local factors and continuing change affected Davenport College. The institutional aspects of the environment drove the institution as much as the task aspects. He also used environmental resources to persist but never failed to maintain the institutional identity. The curricula were constantly reviewed and revised by business advisory boards to ensure that the programs for students represented the needs of business.

Under his leadership, the college received accreditation as a junior college of business and formed a public board of trustees. In 1968 the college was moved to its present campus headquarters on East Fulton and in 1976, the college received its well-respected accreditation from the North Central Association of Colleges and Schools.

On a national level, the fluctuating economy, War on Poverty Programs, Higher Education Acts from 1963-1975, and issues of accreditation, regulations, and booming college-age population affected the institution. Though amended a couple of times, The Higher Education Act of 1965 became the legislative foundation for other federal postsecondary education in the Department of Education. The Reauthorization Higher Education Act of 1972 created one of the most important pieces of legislation and opened the floodgates for all Americans, including students choosing private colleges. The federal government worked hard to provide opportunities for students to attend college in the 1960s and 1970s by removing financial barriers with the various grant programs.

The Michigan legislature recognized the need for assistance and took action as early as 1960. Since the early 1960s, Michigan legislators and the governors have consistently supported private independent nonprofit colleges and universities through the regular annual appropriations process. Many states do not include private colleges in this process.

In the state, the Michigan Tuition Grant and Degree Reimbursement Program, initiated by the legislature, and creation of the Association of Independent Colleges and Universities in Michigan (AICUM) by a handful of independent college and university presidents, contributed to the continued growth and survival of independent nonprofit colleges and universities. Increased competition from new players and changing education and training needs introduced change and challenges at the local level. Direct student assistance came

through three types: scholarships, grants, and loans. Institutions got direct support through service contracts, facilities assistance, and formula grants exclusively for independent nonprofit colleges and universities in Michigan.

Environmental forces at the institutional and task environment levels influenced change in the core technology of the institution. Sneden had to manage major external constituencies: federal government, states courts, and non-governmental groups such as accrediting associations (AICS and NCA). He had to turn his attention outward to competitor institutions, to the world of business, and to government agencies concerned with regulating the education marketplace.

Sneden used buffering and bridging strategies to seal off the technical core from environmental disturbances and increased the number and variety of alliances to ensure survival of the institution. He created alliances and partnerships with Grand Rapids Junior College, Grand Valley State College, and others, focusing on developing strategic relationships and building ties. There was continuing contact with business and industry that enabled the college to stay abreast of changing conditions and to revise and add to its curricula in a timely manner.

Political forces are part of the environment and play a role in an organization-environment relationship. Sneden changed the college's status from a for-profit to a non-profit institution, with the establishment of a public governing board. Davenport Institute received accreditation as a Junior College of Business by the Accreditation Commission for Business Schools, won approval to grant associate degrees, and was known thereafter as Davenport College of Business. The college received accreditation by the North Central Association of Colleges and Schools in March 1976.

Sneden was influential in forming the Association of Independent Colleges and Universities in Michigan (AICUM) to protect the interests of independent colleges and universities. He was able to successfully advocate and lobby issues critical to Davenport's mission at the federal government levels, which included testifying in Washington, D.C. before the House of Representatives Veterans Affairs Committee to urge G.I. educational benefits for peacetime veterans. Under Sneden's leadership, the college facilities expanded significantly due to the prudent use of federal grants and loans. He was also instrumental in influencing the state of Michigan to dedicate dollars to independent nonprofit colleges and universities by way of the Michigan Tuition Grant.

Sneden stayed close to the founding purpose of the college, specializing in two-year or less curricular offerings to provide practical training for careers in business. The philosophy of "two years and go to work" remained the dominant bias of Sneden's era. Preparing students to transfer was not the dominant function, but Sneden emphasized relationships with senior institutions for transfer purposes and made it a priority to expedite transfer-of-credit arrangements.

Throughout Sneden's tenure the economy and workplace needs changed, which affected curriculum and enrollment. The programs offered by Davenport in Sneden's era ranged from short-term programs to associate degree programs. He reinforced the cultural/practical synergy by adding new courses, such as fashion merchandizing, hospitality administration, stronger business administration, accounting, computer programming and secretarial studies, more liberal arts training, and an honors program. Curriculum advisory boards and experiential programs closely linked the community, the classroom, and the work place.

More aggregate data were available about students who attended the college in this era than the first two leadership eras. Student demographics reflected a shift toward women in the workplace and the impact of federal aid programs for veterans and the needy.

Fundraising to offset the burden of a predominantly tuition-based program was a key element in the Sneden era. The Annual Fund Drive not only garnered much-needed money but also strengthened the college through the involvement of important businessmen and women in the community who conducted the fundraising activities.

Sneden stayed connected to Davenport College, even after his retirement from the presidency in 1977. He remained active in the direction and development of Davenport College.

Answers to Guiding Questions

1)

a) What did the leadership do to maintain the core technology?

Davenport College specialized in two-year programs for careers in business. He kept the focus on business, a practical business education. He added law and medical programs, but still with a focus in business.

b) What did the leadership do to change or adjust the core technology?

Davenport College adapted its curriculum and its culture over the years in response to the changing times during President Sneden's era. He maintained the core while adjusting it to current environmental issues. All the core expansions related to a continued focus on business education. He used curriculum advisory and governing board members from the community who assisted the college in staying current and relevant with its curriculum.

2)

- a) How did the management and governance processes and structures change over the life of the organization?

The college continued to be a family-owned and operated business. It was a family governing board. As the institution grew and the environment became more complex, the family governing board structure was deemed inadequate to keep up with the growth of the institution.

- b) How did the management and governance processes and structures persist over the life of the organization?

In order for Sneden to maintain the core, he had to pay attention to the task and institutional environments and adjusted the managerial structures in order to deal with it all.

In January of 1963, to expand the leadership of Davenport College, a board of advisors was formed of local business leaders. This board helped to guide the college at the policy-making level and, with the advisory board, would be primarily concerned with educational standards, programs, and growth.

The next change was a requirement by the accrediting association. Pursuant to North Central Association accreditation, Davenport College of Business (DCB) was required to relinquish its family control. The family governing board of more than 60 years was dissolved, and a public board took its place. The Board of Advisors became the Board of Control. The new charter of incorporation became effective on January 1, 1971, and a new public Board of Trustees accepted a specific mandate to oversee total administration of the college.

In addition to the public Board of Trustees, in September 1971, President Sneden adjusted his internal management structure, which he referred to as the Executive Council. This group met with the president on a regular basis and advised him on internal institutional activities.

Curriculum advisory board members, advisory board members in 1963 and governing board members in 1971, were co-opted into the decision-making structure at the institution. Co-optation was one of the strategies to acquire and use community members as a resource. “Co-optation is the incorporation of representatives of external groups into the decision-making or advisory structure of an organization,” (Scott, 1998, p. 201).

2) What strategies did leadership employ to survive in the organization’s task environment?

Sneden made good use of the task environment as he accessed human capital, established The Annual Fund Drive and Alumni Association, leveraged state dollars, implemented tuition increases, developed various alliances and partnerships, and maintained adequate facilities and enrolled students in record numbers:

Human capital. President Sneden pulled curriculum advisory board members, advisory board members, governing board members, adjunct faculty, and students from the task environment.

The annual fund drive, 1973. Sneden’s administration initiated the college’s annual fundraising drives to help offset capital and operational expenses and lessen the effects of the economic conditions on the college. The dollars generated increased as Davenport gained a broader base of community support. Fundraising became a key element in the Sneden era.

Alumni Association. An active alumni association was created to help raise additional money for the college to reduce its heavy reliance on tuition and economic conditions and to increase alumni involvement with the college.

State dollars and tuition increases. The college was always in need of money to continue to survive. The state provided direct financial support to independent colleges and universities for graduates who were Michigan residents through Michigan's Degree Reimbursement Program enacted in 1973. Tuition rate increases provided another way to generate revenue. Rates increased 8% for the academic year, 1975-76, yet they remained much below the tuition levels of other private colleges, and the college received degree reimbursement dollars from the state, \$36,000 for 1974 and \$52,000 for 1975.

Alliances and partnerships. Sneden used buffering and bridging strategies to seal off the technical core from environmental disturbances and increased the number and variety of alliances to ensure survival of the institution. He created alliances and partnerships with Grand Rapids Junior College, Grand Valley State College, and others. His focus was on developing strategic relationships and building ties. There was continuing contact with business and industry that enabled the college to stay abreast of changing conditions and to revise and add to its curricula in a timely manner.

Other initiatives included a consortium with Grand Valley State College (GVSC) that would allow rental of facilities by GVSC during afternoons and evenings for junior, senior, and graduate level courses on the Davenport campus; participation by the college in the Comprehensive Employment Training Act (CETA), Title I, through cooperation with Grand Rapids Junior College; and the development of a special Veterans Outreach Program. These

are examples of various partnerships designed to bring in resources for the college to continue to operate.

Facilities and students. In 1968, the college was relocated to its present campus headquarters on 415 East Fulton. This was a large facility with room for growth. The student number increased significantly, as more programs and marketing initiatives were directed toward veterans and women.

3) What strategies did leadership employ to achieve legitimacy in the organization's institutional environment?

These external constituents affirmed legitimacy and credibility for Davenport College and other institutions of higher learning.

Getting and keeping the federal and state governments involved in recognizing independent colleges and universities as legitimate players, worthy of financial support, were key political strategies during Sneden's era. He worked hard to achieve regional accreditation status as another way of establishing Davenport College as a legitimate institution of higher learning. Obviously, he worked with other educational leaders to accomplish these initiatives.

Federal government. The institution maintained its federal non-profit status with the federal government and its ability to continue with participation in Title IV student financial aid programs. Sneden played an important role on the national political scene when he testified in Washington, D.C, before the House of Representatives Veterans Affairs Committee to urge G.I. educational benefits for peacetime veterans. His presence and testimony in Washington, D.C., (along with that of other college and university presidents) enhanced the legitimacy and credibility of independent colleges and universities in general,

but Davenport College in particular. This was a strategic political move to influence the politicians to continue and expand educational benefits to veterans.

State of Michigan. The institution maintained its ability to operate legally under the charter granted by the State of Michigan as approved by the State Department of Education. The charter was modified as the college enhanced its program offerings but had to be maintained or run the risk of not being eligible to participate in student financial aid programs and other state-assisted programs for institutions of higher learning. An institution must have appropriate state authorization to operate in before it can seek accreditation status with NCA.

Sneden also played an important role politically in the state of Michigan by getting the legislature to recognize independent colleges and universities as legitimate institutions of higher learning in the state, worthy of state financial support. Their efforts resulted in the establishment of the Michigan Tuition Grant, which financially assisted needy Michigan residents who choose to attend independent colleges and universities in the state.

He was so concerned about MTG for private independent nonprofit colleges and universities that he took on a key role with AICUM as an executive committee member in the 1975-76 and 1976-77 years. The executive committee members worked closely with the association's president to influence public policy issues important to Michigan independent higher education institutions

National and regional accreditation. In addition, under Sneden's leadership, the college received accreditation as a junior college of business, and in 1976, the college received its well-respected accreditation from the North Central Association of Colleges and Schools. He was adamant about Davenport receiving various types of recognition that enhanced its image

and reputation. The accrediting association is one of the major external constituents that affirm legitimacy for institutions of higher learning. The accreditation status assures the public in particular prospective students, of Davenport College's educational quality and institutional integrity.

Another major part of establishing credibility and legitimacy was maintaining institutional and program accreditation from an outside agency. Davenport College maintained its important regional accreditation with North Central Association, which is required by the federal and state governments to participate in their higher education programs. Specific programs in law and health required program accreditation, which further validated credibility and legitimacy for the institution.

Transfer of credits. Sneden used buffering and bridging strategies to seal off the technical core from environmental disturbances and increased the number and variety of alliances to ensure survival of the institution. Because Davenport College was an associate degree-granting institution, Sneden emphasized relationships with senior institutions for transfer purposes and made it a priority to expedite transfer-of-credit arrangements. He established cooperative agreements to maintain institutional legitimacy with transfer agreements to senior institutions such as Grand Valley State College, Ferris State College, Calvin, Hope, Aquinas, Eastern and Western Michigan Universities, and Michigan State University and other senior level institutions.

It was important for transfer credits to be accepted by senior institutions because they, too, affirmed legitimacy of associate degree degree-granting institutions by accepting or not accepting their credits of transferring students. Transferability of credits and degrees is a matter determined by the institution receiving the credits. The only way that receiving

institution will enter into a specific arrangement with other institutions guaranteeing transfer of credits is if the receiving institution recognizes and accepts the sending institution as a legitimate and credible institution of higher learning.

AICUM. Sneden played a critical role with other independent college and university presidents as they connected with the institutional environment when they created the Association of Independent Colleges and Universities in Michigan (AICUM).

Organizational enactment is how the organization's members attend to and interpret the environment (Weick, 1995). The association became one voice for independent colleges and universities in Michigan and was one way in which the institutions legitimized themselves. The group became recognized as a legitimate group of higher education institutions that the State of Michigan and NCA, the regional accrediting association, respected and acknowledged as credible and legitimate. Davenport College is one of the original 28 members and holds an institutional membership.

Local community involvement. He was involved with local businessmen, making business connections. The annual fund drive not only garnered much much-needed money but also strengthened the college through the involvement of important businessmen and women in the community who conducted the fundraising activities.

Institutional Environment

National - “Golden Age,” a period of great expansion of federal government support for higher education that lasted until approximately 1975. Davenport received accreditation as a junior college of business in 1968 and later from AICS and NCA. War on Poverty Programs, Higher Education Acts from 1963-1975. In 1976, the college received well-respected accreditation from the North Central Association of Colleges and Schools.

State - Michigan Tuition Grant/Degree Reimbursement Program initiated by the legislature, and creation of the Association of Independent Colleges and Universities in Michigan (AICUM). Several other state agencies were created to support higher education such as Michigan Higher Education Authority and Facilities.

Local - Education was still a high priority for the communities in Michigan, in particular Grand Rapids.

Task Environment

National - fluctuating national economy, college enrollments started to skyrocket in the 1960s through the mid 1970s, institutions benefited from federal grants and loans to improve facilities and programs. Professional workers, clerical workers, and service jobs/workers increased.

State - The manufacturing industry was big in Michigan, Recessions in 1974/75 Tuition Grant/Degree Reimbursement Program initiated by the legislature.

Local - business and curricular advisory board members were regularly used to ensure that programs for students represented the needs of business. Sneden created alliances and partnerships. Student demographics reflected a shift toward women in the workplace and the impact of federal aid programs for veterans and the needy.

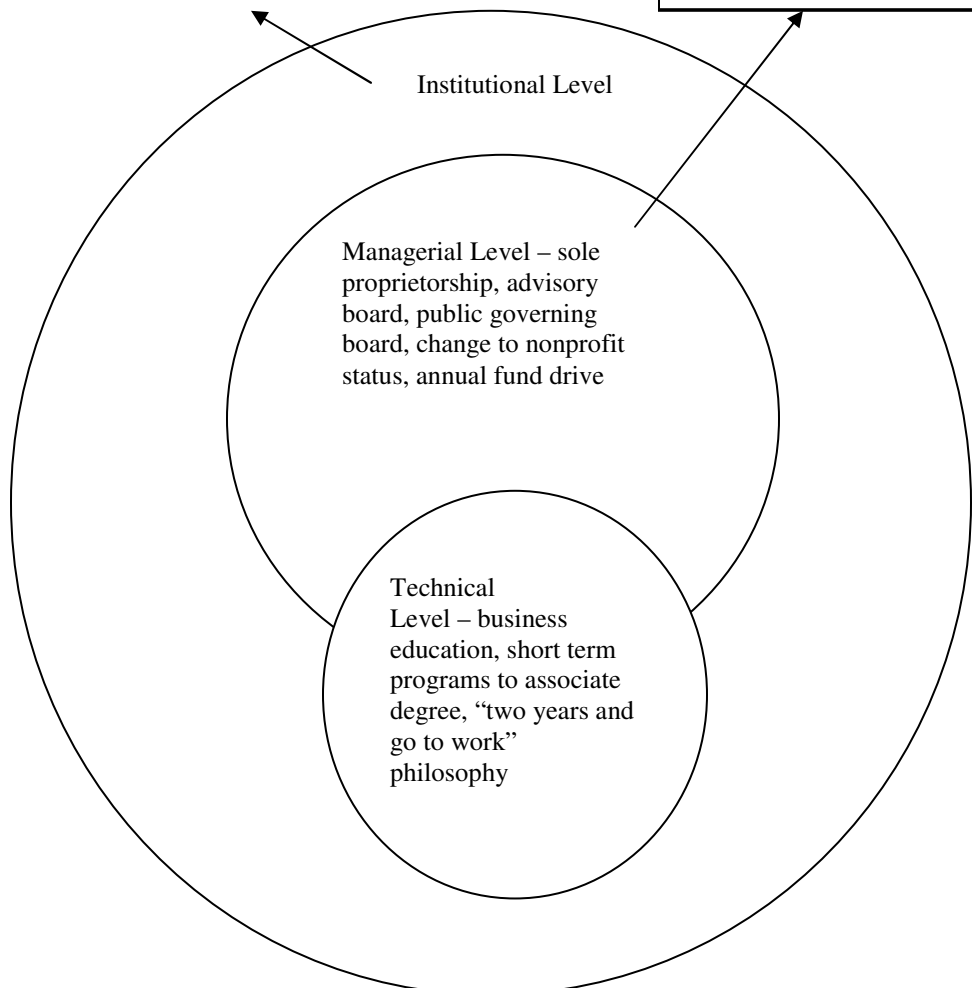


Figure 10. Conceptual framework for analysis of Sneden’s era.

CHAPTER 4

LEADERSHIP ERA V, DONALD MAINE 1977-2000,
GROWTH...GROWTH...GROWTH!

Donald Maine assumed duties as president of Davenport College of Business on September 1, 1977. He was the first non-family member to lead the college. It was a single campus at 415 East Fulton in Grand Rapids, Michigan. He had prior experience at Davenport College as an administrator, Director of Special Programs at Davenport College, from 1971-75. He left Davenport College in 1975 for a short while to work as an administrator at Grand Rapids Junior College, which was literally down the hill from Davenport. Colleagues at both institutions were impressed with his executive ability to lead and develop resources for the institution. Pfeffer and Salancik (1978) stated, "Organizations select executives who can deal with critical contingencies. A critical concern facing organizations is obtaining sufficient resources and those who contribute most to obtaining resources to develop power" (p. 232).

Institutional Level

*Institutional Environment**National*

Congress reaffirmed its position on domestic spending with liberal legislation in the late 1970s. Funding for higher education was high on the appropriations list until the presidency switched during the Reagan years. This era encompassed the presidencies of Jimmy Carter (late 1970s), Ronald Reagan (1980s) and Bill Clinton (1990s). Unlike Reagan, Carter and Clinton supported legislation and spending on higher education. Higher education opportunities were important to the federal government during this era.

These opportunities were substantiated by the increase in the number of Title IV programs and designation of the Department of Education as a cabinet-level agency in 1980.

Several federal agencies were combined, but its original mission remains, which is to ensure equal access to education and to promote educational excellence throughout the nation. In higher education, establishing policies on federal financial aid for education, and distributing as well as monitoring those funds, are one key function.

At the beginning of Maine's era, legislative support continued to expand through the education amendments that further liberalized need analysis for student aid, shielded the guaranteed-loan program from costs controls, and established two additional loan programs, Parent Loans for Undergraduate Students (PLUS) and Supplemental Loans for Students (SLS). Also, in 1987 more access was created for the middle-income type of students through The Middle Income Student Assistance Act 6 (P.L. 95-566). This act included provisions for student financial assistance programs to allow middle-income, as well as low-income, students attending college or other postsecondary institutions to qualify for federal education assistance (Refocusing Student Financial Aid, 1999).

Following his election in 1980, President Ronald Reagan's administration was determined to shrink domestic spending. This was a change in philosophy from the previous administration, which focused on domestic spending. President Reagan's philosophy held that the federal government was not the primary funding arm for higher education. Many provisions of the Higher Education Act as amended in 1980 were repealed or delayed and guaranteed-loan eligibility was tightened. Also Social Security benefits for students were phased out, appropriations leveled off, and the purchasing power of federal student aid declined. The Clinton administration would bring domestic spending back to the 1970 levels in terms of priorities.

Increased federal accountability and compliances. Congress continued to enact statutes designed to aid students. Lack of compliance with federal rules and regulations could result in the loss of institutional eligibility for federal financial aid. Title IV programs included College Work-Study funds, loans, and grants such as the Pell Grant and the Supplemental Economic Opportunity Grant (SEOG). Tied to the federal financial support in the late 1980s came an era of increased federal regulations. One of the first was the Anti-Drug Abuse Act of 1986. The Act established programs for drug abuse education and prevention, coordinated with related community efforts and resources, through the use of federal financial assistance.

Record regulations continued in the 1990s, with federal compliance issues that made all higher educational institutions that participate in federal financial aid programs increasingly accountable to agencies of the federal government. Roche (1994) identified some areas of heavy federal regulation:

Civil rights and alleged discrimination, student loan reporting, environmental impact, indirect costs and overhead, tax and nonprofit status, conflict of interest disputes, lab research, patents, and commercial development—and these are piled on top of thousands of other standard regulations in health, safety, licensing, hiring, liability, and so on that apply to all businesses, not just colleges and universities. (p. 125)

As the 1990s evolved, Congress continued to pass some institutional compliance laws in the form of the Student Right-to-Know and Campus Security Act of 1990 (Public Law 101-542), Americans with Disability Act of 1990, and the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508), all three with reporting mandates tying institutional federal financial aid eligibility to institutional public disclosure and support services. One of the provisions in The Student Right-to-Know and Campus Security Act required the institution

to certify that it has a campus security policy and will annually submit a uniform crime report to the Federal Bureau of Investigation (FBI). The Americans with Disabilities Act of 1990 (Public Law 101-336) prohibits discrimination against persons with disabilities.

The Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508) included a set of student aid provisions that were estimated to yield a savings of \$2 billion over five years. These provisions included delayed Guaranteed Student Loan disbursements, tightened ability-to-benefit eligibility, an expanded pro rata refund policy, and the elimination of student aid eligibility at high default schools.

Higher Education Amendments of 1992. The Higher Education Amendments of 1992 included a copy of provisions that are noteworthy. One is the State Postsecondary Review Program and Prohibiting Incentive Payments to Recruiters. The states gained more influence over private institutions, and colleges had to stop paying incentives, which is what attracts top recruiters:

State Postsecondary Review Program. According to the U.S. Department of Education:

In addition to licensing function by the states for private institutions, Congress as part of the Higher Education Amendments of 1992 created the State Postsecondary Review Entitles (SPRE). Under the program, the State's function is to conduct or coordinate reviews of institutions referred by the Secretary of Education under specific statutory provisions. The states were already major external constituents with significant influence over private colleges and universities. SPRE only added to that influence. The purpose of SPRE reviews is to determine whether those institutions should continue to participate in student assistance programs authorized under Title IV of the Higher Education Act of 1965, as amended. (U.S. Department of Education Biennial Evaluation, 93-94)

Incentive payments to recruiters. Borrego (2001) stated:

For the sleaziest of colleges, the formula is simple: Send recruiters out to find as many students as possible, and watch the federal financial aid stream in. Congress and the Education Department got wise to this ploy in the late 1980's, after reports surfaced about trade schools sending commissioned recruiters to round up prospects outside welfare offices. In 1992, while renewing the Higher Education Act, Congress passed a law that prohibited colleges from providing incentive payments to admissions officers and outside recruiters for signing up students. (p. A23)

Defaults on student loans. One of the provisions of the Omnibus Budget

Reconciliation Act of 1990 (Public Law 101-508) was the elimination of student aid eligibility at high-default schools. Students defaulting on loans became a huge issue for the federal government. Loan default numbers were staggering by 1991, with federal employees among the largest group of violators. Roche (1994) elaborated on the magnitude of loan defaults:

Defaults on student loans exploded near the end of the Reagan administration. PLUS (formerly National Direct Students Loans) defaults tripled between 1989 and 1991, from \$18.9 million to \$56 million. Perkins loan default percentages were in the double digits for years. SLS defaults jumped from \$14 million to \$533 million between 1987 and 1991. Defaults of Stafford loans grew by over 300 percent in the decade. Taxpayers forked over \$3.6 billion in 1991 and went down to \$2.92 billion in 1992 as the IRS cracked down on federal employees who had defaulted. (p.16)

Institutions of higher learning were penalized for high student loan default rates. As a result of years of slow or no payments on student loans, the United States Department of Education issued comprehensive cohort default reduction regulations on June 5, 1989, as part of a major effort to reduce the default rate of Federal Stafford Loans and Federal Supplemental Loans for Student Loan (SLS) borrowers. "Institutions participating in Title IV programs with default rates greater than 25.0% after three consecutive years could result in loss of eligibility to participate in the direct Loan and Federal Pell Grant Programs" (S. Crkovki, personal communication, March 31, 1999).

Accrediting Associations. There was an increased reliance of federal government on nongovernmental agencies as reliable authorities in determining the eligibility of schools and colleges to participate in federal education assistance programs. North Central Association of Colleges and Schools and other regional accrediting bodies continued to assure that Title IV funds would go to institutions offering quality educational experiences. Other national accrediting bodies include the Commission on Accreditation of Allied Health Education Programs (CAAHEP), the Committee on Accreditation for Medical Assistant Education, and the Accrediting Bureau of Health Education Schools.

Distance education. Distance education started to become a popular method of instructional delivery in the mid to late 1990s. Reports issued by the National Center Educational Statistics, Postsecondary Education Quick Information System, Survey on Distance Education Courses Offered by Higher Education Institutions, 1995, and Survey on Distance Education at Postsecondary Education Institutions, 1998-1999, spelled out the facts:

Number of different distance education courses offered by 2-year and 4-year higher education institutions in 1994-95 and 1997-98. In 1994-95, there were 25,730 distance education courses with different catalog numbers compared to 52,270 offered in 1997-98. There were 26,540 or 51% more courses offered in 1997-98 than in 1994-95. (p. 1)

State

The state provided direct and indirect aid for independent colleges and universities in addition to state review and approval of charters and licenses for degree-granting institutions. However, the economy and labor market concerns affected higher education in Michigan as well as the rest of the nation.

Authority and compliance. The state published a document in 1979 reinforcing the broad authority of the State Board of Education to make decisions relative to the establishment and approval of private colleges and universities in Michigan. The specific

compliance areas were covered in the Sneden Era state section of this document and have not changed.

Differential Grant Program. The gap in tuition costs between public and private institutions in Michigan grew to the extent that legislators created a program to offset the difference for Michigan residents who chose to attend private colleges and universities in the state. In spite of federal aid programs, private independent nonprofit college and university students faced significant and even higher financial burdens in tuition increases than students in public institutions. In 1978, the Legislature enacted and funded a Differential Grant Program providing need-based grants to all Michigan residents attending independent colleges as undergraduates. Eligible students received an MTG award of \$1,200, and \$500 for full-time and \$250 for part-time student status. This program was merged with the MTG in 1985-86 and maximum awards were combined at \$2,100 per eligible student (Blews, AICUM Annual Meeting, 2001, p. 58).

Mendola (1979) explained, “The purpose of the program was to help compensate for the tuition gap that existed between the public and private institutions” (p. 171). This offset tuition costs immensely and kept Michigan private colleges and universities affordable. The Differential Grants ended with a maximum award of \$400 for full-time and \$200 for part-time student status.

State Postsecondary Review Program, 1992. In addition to the licensing function by the states for private institutions, Congress, as part of the Higher Education Amendments of 1992, created the State Postsecondary Review Entities (SPRE). The program mandated that the states conduct or coordinate reviews of institutions referred by the Secretary of Education under specific statutory provisions. The states were already major external constituents with

significant influence over private colleges and universities. SPRE only added to that influence. SPRE reviews determine whether those institutions should continue to participate in student assistance programs authorized under Title IV of the Higher Education Act of 1965, as amended (U.S. Dept. Education Biennial Evaluation Report FY93-94).

Continued legislative support. Michigan's economy fluctuated throughout the early 1990s, but public policy support from the legislators for higher education continued even during difficult times. The state tried to provide tax breaks for parents and higher educational opportunity for students to get college credits with the Michigan College Tuition Tax Credit of 1995 and Postsecondary Enrollment Options Acts of 1996/1997.

Michigan College Tuition Tax Credit of 1995. Public Act # 7 of 1995 created a nonrefundable income tax credit for college tuition and uniformly applied fees paid for a student. To claim this credit, a taxpayer must be a Michigan resident and have a household income of no more than \$200,000, the student must attend a Michigan qualified institution of higher learning, and the institution must verify that tuition and fees will not increase in the ensuing academic year by more than the preceding year's inflation rate (Michigan Department of Treasury, Office of Scholarships and Grants, Tuition Tax Credit, 2002).

Postsecondary Enrollment Options Acts of 1996/1997. Since 1991, high school students in Michigan have had the opportunity to dual enroll in college courses at Michigan postsecondary institutions when the criteria are met. Schools are required to support dual enrollment of students who have taken all the MEAP High School Tests and are endorsed in the subject area in which they wish to enroll (Public Act 160 [HB 4643] and Public Act 178 [HB 5232]) (Michigan Department of Treasury, Office of Scholarships and Grants, Postsecondary, 2002).

Commission on Financing Postsecondary Education. Responding to concern about the affordability of higher education in Michigan, Governor John Engler created the Michigan Commission on Financing Postsecondary Education on September 16, 1999.

The purpose was to review the availability and flexibility of existing public and private postsecondary financing options for Michigan families planning for future postsecondary training and/or higher education costs; recommend the development and implementation of additional financing options where unmet needs exist, ensuring proper coordination with existing programs. Spiraling tuition increases were making the dream of a college education nearly impossible for the average and low-income Michigan resident. (Michigan *Commission on Financing Postsecondary Education, 1999*)

The governor and legislators wanted to take a serious look at college costs in Michigan. Led by Lieutenant Governor Dick Posthumus, the commission met five times around the state to solicit input about future financing of the Michigan higher education system. The independent colleges and universities were well represented and wanted to be included in any recommendations resulting from the commission. Public college and university leaders often question MTG and Degree Reimbursement dollars (public) appropriated by the state for students choosing private colleges and universities. The argument has always been that private institutions should not get any public money. The amount appropriated in 1999-00 was \$61 million.

Great news came from the Commission on Financing Postsecondary Education. The commission declared in its final report, "To aid in success of our independent, nonprofit institutions, we recommend the continuation and expansion of the MTG program for students at these schools" (Blews, AICUM Annual Report, 2000, p. 59).

Local

Local really refers to the entire State of Michigan because the service area of the college. The notion of higher education was infectious throughout the city and state, and institutions of higher learning were established in every community.

Task Environment

National

Shift in economy. The impact of inflation was felt throughout the economy, as described at a 1979 U.S. Senate hearing by Saul Hymas, professor of economics at the University of Michigan stated:

The economy has been plagued by a serious inflation problem for more than a decade. Even the most severe recession we have suffered since the 1930's – that of 1974-75 failed to push the rate of inflation below 5 percent for any sustained period of time and in the past half year the overall consumer prices index has risen at an annual average rate in excess of 11 percent. (Regional Impact, 1980, p. 4)

Further, manufacturing output in the United States declined as other countries produced goods at far lower costs. During the 1980s, the U.S. became a net importer of goods rather than a net exporter, and the majority of American jobs shifted from manufacturing to services. Two economic recessions hit in 1980 and 1981-82, forcing Congress to cut Pell Grant awards maximums for several years. The awards went from \$1,800 in 1979-80 to \$1,750 in 1980-81 to \$1,670 in 1981-82 (Refocusing student financial aid, 1999).

An educated workforce was needed to cope with the growing technologically based economy (Merriam & Caffarella, 1999). Rachal (1989) agreed that training is a vital component in an increasingly competitive world economy. Beginning in the early 1980s and continuing through the 1990s, more professionals also returned to school to update their degrees and skills due to technological advances (Merriam & Caffarella, 1999).

The labor market was an indicator of the change to a service economy. The fastest growing occupations between 1988 and 2000 were in the medical, computer, and service fields. Jobs included medical assistants, home health aids, medical secretaries, financial service workers, travel agents, computer systems analysts, computer programmers, correction officers, and electrical engineers (U.S. Census Bureau, 1998). In contrast, jobs classified as “blue collar” or manual labor declined between 1986 and 2000. Specifically, railroad yardmasters and railroad switch operators’ positions declined 40% (Cappo, 1990).

Student demographics change. Decline in the overall student market was apparent over the last two decades or so. The 1960s and 1970s high student enrollment had halted and then declined. Recent studies show that the shift from grants to loans in the 1980s directly influenced the downturn in the access of minorities to higher education and indirectly influenced the rate of growth in tuition (Edward, 1994).

Penn (1999) acknowledged:

Over the last two decades, there has been a decline in the number of young people graduating from high school who were eligible to attend a college or university. This decline signaled the start of increased competition among institutions for eligible potential students. After years of soaring enrollments with huge investments in physical plants to accommodate the new students, the number of people eligible and interested in attending college started a deep decline. It meant a scramble for the available students to fill classrooms and residence halls. (p. 2)

Declining student numbers present a problem for all institutions of higher learning because students are a critical resource for colleges and universities. Students bring the financial aid dollars that institutions need to survive. Even with declining student enrollment numbers, the adult and international markets grew.

Part of the decline in overall college student enrollments can be attributed to the number of black males who are behind bars and not in college. “The Bureau of Justice

Statistics, in 1994, indicated that there were about 678,300 black males behind bars...549,000 were enrolled in higher education. Michigan had 25, 278 black males in jail and 19,635 were in college” (Blacks Males in College, 1996). Women overall outnumber men in college attendance and black women significantly (over 60%) outnumbered black man in the 1980s and 1990s.

Adult population continues to grow. A report of The American Council on Education Center for Policy Analysis (2004) described the changes in characteristics of American college students during the past 15 years. Adults aged 25 and older are becoming predominant among students, as opposed to the traditional post-high school graduate who resides on campus and completes a baccalaureate degree in four years. Adult students, particularly those who are low-income, may face multiple challenges and barriers to academic success. “In the 1980s, the college population peaked at 12.5 million,” stated Roche (1994, p. 47).

Soaring higher education costs. During this era the cost for attendance to higher education institutions escalated rapidly. Most institutions raised tuition annually because of personnel costs, insurance hikes, and expensive supplies associated with programs in medical and dental areas. The concern reached the national level in the mid-1980s after a half decade of rising tuition. During President Reagan’s administration, the U.S. Congress mandated Secretary of Education William Bennett to conduct a study of college costs focusing on why they were rising at alarming rates. The big controversy was over the cause: federal government or institutions of higher learning (Edward, 1994). The situation has not been resolved and the controversy has continued, as has rising tuition.

Increases in tuition made colleges and universities less affordable for the average American family. Tuition was increasing at rates much higher and faster than the Consumer Price Index (CPI). Federal and state financial aid to students has not kept pace with increases in tuition. While need-based student financial aid has lost ground to tuition, increases without demonstrated financial need have proliferated. More students and families at all income levels are borrowing more than ever to pay for college (Altbach, Berdahl, & Gumport, 1994).

Two national reports on financing higher education addressed the issue of affordability. Two recent reports, *Trends in Student Aid* and *Trends in College Pricing*, released by The College Board in 1999, gave an overview of the extent of financial support available for students and the costs associated with higher education. The good news was that since 1988, overall student aid grew from approximately \$35 billion to \$58 billion. However, the proportion allocated for grants and scholarships has decreased 40%, and loans have increased by 60%. Since 1990-91, tuition at both public and private four-year colleges increased on average more than 110% over inflation (Gladieux, Watson & Dorsey, 1999). The heavy reliance on tuition revenues during the early part of the 1990s and corresponding high rate of student borrowing represent a generational shift in responsibilities of paying for higher education from federal and state governments to institutions, parents, and their children.

1998 Amendments to the Higher Education Act of 1965(P.L. 105-244). Under President Clinton's administration, Congress increased the Federal Work Study, Hope Scholarship Credit, Education IRAs, Lifetime Learning Credit, Pell Grants, and Student Loans. The Pell Grant increase was the largest in 20 years. In 1998-99, nearly 4 million low and moderate income students received a Pell Grant of up to \$3000. That was a 30% larger

grant than when President Clinton came to office. The student loans were cheaper, easier to get, and had a new, “pay as you earn” plan. The Hope Scholarship Credit helped make the first two years of college universally available through tax credits. (US Department of Ed, 1998 amendments)

Student aid shifts from grants to loans. Although the federal aid increased over the last few decades, notable assistance shifted from grants to loans. This shift put more responsibility on parents, students, and institutions to pay for higher education. Altbach, Berdahl, and Gumport (1994) pointed to several reasons for the shift from grants to loans, “ the winding down of Vietnam-era veterans educational benefits, the phasing out of Social Security student benefits, the substantial growth of federally guaranteed student borrowing beginning in the late 1970s, and erosion of the Pell Grant’s real value over time” (p. 34).

Even though the overall aid continued to increase during this era, the percentage of loans jumped significantly:

Grants for students comprise a declining share of total federal student aid. From 1990 to 1996, grant dollars declined from 49 to 42 percent of all federal aid allocated. Loans jumped during the same period from 48 to 57 percent. Campus work-study fell from 3.0 to 1.2 percent. As college costs outpaced inflation during the late 1980s and 1990s, the purchasing power of the Pell Grant, the largest federal grant program, fell sharply. According to the College Board, the maximum Pell Grant now buys less than 30 percent of the average tuition, room and board, and fees at public colleges. Growth in student borrowing was the most visible change in federal funding during the first half of the 1990s. Stafford Loans—the oldest and largest of the federal education loan programs jumped by about 43 percent from 1990 to 1994. (Callan & Finney, 1997, p. 35)

The Pell Grant dollars went to needy eligible students attending accredited institutions. In 1995-96, 5,725 higher education institutions were participating in the Federal Pell Grant Program, 212 institutions fewer than in the prior year and 676 fewer than in 1992-93. The

decrease in the number of participating Pell Grant institutions was concentrated among private, for-profit institutions. Many proprietary schools had such high default rates that they lost their eligibility to participate in the student loan programs and could not survive financially (Institutional Agreement and Authorization Reports, 1983-84 to 1995-96).

By 1996, Pell Grant awards reached \$4,913,560,000 in direct financial aid to needy undergraduate students at participating postsecondary institutions. In the 1995-96 award year, 3.6 million students received federal Pell Grants averaging \$1,515 per student. This number represents an increase of 28% in recipients since 1985-86, but a decrease of almost 10% since 1992-93. The decline in both Pell Grant recipients and total awards in recent years was due to several factors, including a tightening of eligibility requirements in the 1992 Reauthorization of Higher Education Act, particularly for independent students without dependents; a reduction of \$100 in maximum award; and a slowdown in the rate of increase in applications in 1994-95, probably caused by the recovering economy (Pell Grant End-of-Year Report, 1983-84 to 1995-96).

The Pell Grant was continually funded at levels that would help financially needy students. The Pell Grants, coupled with state dollars, significantly defrayed costs for students attending institutions of higher learning, especially at higher-priced private colleges and universities. Table 13 (p. 188) includes figures to show maximum funding levels established since 1995.

New market-international students flock to United States. Study abroad and foreign students studying in the U.S. increased over the last few years. International students interested in attending U.S. colleges and universities evolved as new markets for institutions of higher learning over time.

Desruisseaux (1999) stated:

The number of foreign students enrolled at colleges and universities in the United States grew by 2 percent last year....that increase brought total foreign-student enrollment to 490,933, a record. More than half of all the foreign students in the United States – 56 percent last year – come from Asia. (p. A-57)

Promising enrollment figures. Overall enrollment numbers look promising for the future. Patrick Callan, president of the National Center for Public Policy and Higher Education, stated, “The U.S. Department of Education estimates that total college enrollment will grow from 14.8 million in 1999 to 17.7 million in 2011” (p. 46).

Table 13

Maximum Pell Grant Awards, 1995-2000

Year	Amount
95-96	\$2,340
96-97	\$2,470
97-98	\$2,700
98-99	\$3,000
99-0	\$3,125
2000	\$3,300

Note. From Pell Grant End-of-Year Report, 1995 to 2000

The diversity in new students will be the challenge as the federal budgets get tighter and a large portion of these students will come from low-income families and historically reflect poor persistence rates.

Access for women and members of minority groups. The 1970s brought about many changes in higher education for women and minority students in the U.S. Before World War I, women made up less than 50% percent of U.S. college students. That share dropped to 29 percent in 1949 as a result of the G.I. Bill, which mostly benefited men. Minority students' enrollment numbers were no better than females until the civil rights and other anti-discrimination laws came about starting in the 1960s. The women's liberation movement and the 1972 federal anti-discrimination law known as Title IX contributed to the number of women in higher education. Black students benefited greatly from the civil rights movement of the 1960s and widespread adoption of affirmative action policies in the admissions by the early 1970s. Black enrollment in higher education reached 1 million by the late 1970s.

State

Michigan suffered economically from the impact of the recessions that hit the state in the late '70s and early '80s. State revenues increased slowly every year except 1991. Expenditures were increasing dramatically until a new governor, John Engler, instituted spending cuts and accounting changes that brought expenditures in line with revenues.

Funding for higher education increased in Michigan, even with declining public institution enrollments. The declining enrollments caused state funding per student to increase. Private colleges' enrollments increased during this same time. Tuition increased between 1991-1996, which reflected a nationwide trend and caused great concern for some of Michigan's elected officials, because of cost to the state and the cost to students and families. The state's public institutions had some of the highest tuition rates in the country.

Tough economic times for MTG. In the 1988-89 fiscal year for the Michigan, MTG maximum awards were appropriated at \$2,400, the same as the previous year. The following year the dollars declined, reaching the \$1,975 per student maximums in the 1994-95 year. The state had experienced a couple of recessions, and funds for both public and private institutions were limited. In 1995-96, the funds per student increased to \$2,700 by the 1999-00 year (Blews, Annual Report, 2000).

Public colleges and universities enjoy constitutional autonomy that limits the power of the legislature to influence tuition increases. Legislators must use the annual budget process or laws as a means to influence tuition rates. Since the recession of the 1980s, lawmakers abandoned the state's budget formula for public colleges and universities and based funding on the previous year's allocation. Callan and Finney (1997) remarked:

Growing concern about high tuition rates led the legislature to implement tax break incentives to individuals who enrolled in an institution that limited tuition increases. Elected officials backed off from the tax credits plan, when officials from colleges and universities claimed that an indirect means of controlling tuition through tax incentives violated the institutions' constitutional autonomy (p. 132).

State aid for private institutions. The Michigan Higher Education Facilities Authority issued a bond to Davenport College for \$5 million at 8.03% term bond interest rate on July 31, 1989. This was the eighth bond issued to an independent college or university since the Michigan Higher Education Facilities Authority started issuing such bonds in 1978.

Michigan Jobs Commission. Previously an independent state agency, the Michigan Jobs Commission (MJC) was incorporated as a state department on February 28, 1995, originally established in 1993.

Its stated mission is to:

- retain, expand, and attract jobs,
- improve the state's business climate, and
- maintain a premier work force for Michigan businesses.

The Michigan Jobs Commission created economic training grants to assist with its mission:

Economic-Development Job Training (EDJT) The EDJT program is a state competitive-grant program (\$31 million in FY 1997–98) designed to help Michigan businesses create new jobs and/or retain jobs that otherwise would be at risk. The program is targeted at businesses that are likely to have the most positive effect on the state economy: manufacturers, world headquarters, warehousing and distribution centers, and enterprises that export state goods and services. Companies that agree to create or retain jobs paying at least \$7 an hour are eligible to receive education and training services through Michigan colleges and universities under the EDJT program. (Michigan jobs commission, 1995)

Competition grows. Other players continued to penetrate the higher education market in Michigan. These players have similar programs, marketing campaigns and materials, and they pursue similar students. Donald Maine reflected on the competition and how things changed:

Competitors copy us. We were the first to advertise financial aid in the state of Michigan about going to school. When we first did that, people were appalled. They used to write and complain to the accrediting commission that we were bandits for advertising that if you went to Davenport College that you could get financial aid help. We were the first to advertise that if you went to Davenport you were taught by faculty who had practical business experience, that our faculty has business experience. Aquinas College, in Grand Rapids, took out ads in the newspaper, which stated that if you came to their college, their faculty is trained as educators and not just business people. We would profile pictures and people who were teaching part-time in the evenings for us who would be CPA's, working for different accounting firms as their primary employment. Now pick up the paper and what do you see? (D. Maine, personal communication, August 31, 2001)

For-profit colleges, such as University of Phoenix, have been attracting business majors, according to a report from the International Association of Management. While the number of bachelor's degrees dropped by 11% at non-profit colleges from 1992 to 1997, the

for-profit colleges increased by 180%, while master's degrees tripled. The reason, according to Hackman (1999), the association's director of membership, was due to more adults pursuing business degrees. "This trend should be a 'wake-up call' to traditional business schools" (p. 1).

The researcher did an environmental scan to investigate the extent of competition in Michigan. The competitors include public colleges and universities (15), community colleges (29), independent nonprofit colleges and universities (47), and proprietary schools (250, which include 25 out-of-state schools).

The number of community colleges exploded in the 1960s; 457 new public institutions opened between 1960 and 1970 (Vaughan, 2000). In the state of Michigan, 11 of the current 28 public community colleges were founded during this time period. The number of students attending public community colleges is significant. In 1997, 47% of first-time freshmen enrolled in community colleges, as compared to 53% in four-year colleges (Snyder & Hoffman, 1999).

According to Meister (1998):

Corporate university is a process where all levels of employees are involved in continuous life-long learning to improve their performance on the job. Over the last ten years or so, corporate universities have grown from 400 to 1000, while 200 colleges closed. Many have experimented heavily with new technologies to provide learner-centered training to the desktop, home, and hotel room of working adults. They are now doing something more; they are taking their innovative spirit and knowledge of the education and training market and offering training to outsiders for a fee. (p. 217)

Virtual colleges and universities are reputed to be in existence today, with thousands of accredited courses offered online. The total online higher education market is estimated in the billions. AICUM has 48 members and affiliate members. A report prepared for the AICUM president (Blews, 1998) said:

Independent nonprofit colleges and universities in Michigan enrolled more than 92,000 students. Approximately 15.1 percent are African-American and 20.1 percent are minorities. These numbers represent the highest percentages for African-American and minority students among the sectors of Michigan higher education. Significant numbers are first-generation college students and disadvantaged students. The Davenport College system serves approximately 15,000 of the 92,000 students served in Michigan by independent nonprofit colleges and universities. Independent nonprofit colleges and universities contribute immeasurably to the educational, cultural, moral and economic well-being of Michigan and its communities (p. 3).

Local institutions continued to grow and expand their boundaries. Grand Valley State University added two locations in the downtown Grand Rapids area. DeVry University and the University of Phoenix, primarily business colleges, were national chains that entered the Grand Rapids market.

Managerial Level

In 1977, Davenport College was a two-year, non-profit institution of higher learning operating under the charter granted by the state of Michigan as approved by the State Department of Education. The college had 50 employees, 1,800 students, and a \$1.9 million operating budget, and had been declared tax-exempt by the Internal Revenue service of the U.S. Treasury Department. Maine (personal communication, September 10, 2001) elaborated: “When I was selected as president, I set forth 25 objectives for the college that included a baccalaureate degree program, expansion of off-campus and continuing education programs, acquisition of branch campuses, and an ongoing embellishment of Davenport’s image and visibility.”

The governing board. Maine inherited the same board that governed the college when Sneden was president. The Board of Trustees consisted of up to 26 local business owners and other community members committed to the success and survival of Davenport College.

Besides policymaking, the board was responsible for hiring and evaluating the president, overseeing the financial well-being, and protecting the academic integrity of the institution.

Formalized strategic planning process. Maine faced many changes, challenges, and a great deal of uncertainty during his era. One of the first initiatives was a formal long-range process that was required by the NCA accrediting agency.

An ever-increasing rate of inflation, decreasing number of potential traditional students, uncertainty regarding effects of energy situation on commuter students and a growing demand from students, employers and the community that education offered be relevant, practical and personally rewarding. In order to meet the challenges of the coming years and in order to move consistently in a coherent direction about which there was a general consensus, Davenport College adopted an on-going method of long range planning designed to provide a logical framework for organizing, staffing, leading, evaluating, and developing the work of the College along its future path. (Davenport College, Institutional Self-Study, 1981, p. 8)

A formal planning process was developed to guide the college's decisions. The administration did not have a sophisticated strategic planning process in place, and Maine put one together. One of the initiatives was to grow their technological capabilities. "We had an ancient computer. We had an old general automation computer. We went on and purchased a Hewlett-Packard system." Maine further stated, "I didn't plan very well. I didn't do it like a consultant. I was always looking at where we wanted to be in three years from now. How big do we want to be? What cities do we want to be in? What programs do we want to run?" (D. Maine, personal communication, September 8, 2001).

The process was designed as an ongoing method of organizing, staffing, leading, evaluating, planning, and developing the future of the college. Task forces targeted at different facets of the organization, both system-wide and for each individual campus, helped define strategies for future solutions. This resulted in the establishment of a new computer lab, medical technician, and hospitality labs; expanded bookstore facilities; and the

development of the most comprehensive business library in the area (Davenport College, Institutional Self-Study, 1981).

Alumni Association. An active alumni association helped raise additional money for the college to reduce the heavy reliance on tuition and economic conditions and to increase alumni involvement with the college. Lack of programs and activities offered to alumni to encourage their active participation at Davenport was cited as one weakness in the financial development plan. When the researcher joined the Davenport staff, the small alumni group that existed in 1978 was not functional.

D. Maine (personal communication, September 10, 2001) stated: “They had raised about \$1,000 a year in ‘loose change,’ a great group of alums, but lacked leadership. We began to focus on raising money and getting people involved with a phone-a-thon, an alumni scholarship fund and the annual fundraising campaign.” Goals in the first few years were a modest \$100,000. The Alumni Association and board were established in 1981. Alumni boards are a vital part of Davenport College, providing an important link between students, employers, and community organizations. Graduates take an active role in planning social and fund-raising activities that promote Davenport College throughout the community. Alumni boards also serve as an opportunity for graduates to network, make new friendships, and strengthen their ties to the institution.

The Alumni Association started out with 4,000 students in 1978 and reached 15,000 by 1980. A deferred giving program was developed for donors who wished to leave their estates to the college (Davenport College, Institutional Self-Study, 1975, p. 189).

Robert Sneden, Donald Maine’s immediate predecessor, had used prominent individuals in fundraising efforts before, but Maine really connected with past well-known Davenport

graduates. Several prominent alums assisted with major fundraising initiatives. Maine (personal communication, September 10, 2001) reflected on how he involved alumni in fundraising initiatives:

Peter Cook is probably our most well-known graduate in West Michigan. All the Mazda cars that come into Illinois, Wisconsin, Ohio, Indiana, and Michigan all come through Great Lakes Mazda's Distributing, which is Peter's company. He is a Davenport graduate. Wilbur Lettinga is a well-known graduate of the community, second to Peter Cook. Wilbur was a long-serving board chair. So, whenever I did a fundraising campaign, I always had Wilbur and Peter as co-chairs or they were in that mix somewhere. It always gave us credibility and you want that credibility out there when you are raising funds, leading with two guys who are your graduates. They were the first guys to write checks. They both gave a million dollars to the campaign.

In the late 1970s, the institution received some direct funds from the government, primarily degree reimbursements. Davenport College received approximately \$1,344,286 for the 1978-79 academic year from federal and state sources. The following year, 1979-80, Davenport experienced an increase of 87% or \$2,513,195.

Administrative structure. President Maine changed the organizational structure in 1981 to monitor and achieve his strategic goals. The Executive Committee included the President, Executive Director for Planning and Development, VP for Administration and Finance, VP for Academic Affairs, VP for Students' Services, Dean of Continuing Education, Dean of Students, and Director of Development. The most noticeable change was that the Director of Admissions no longer reported to the President.

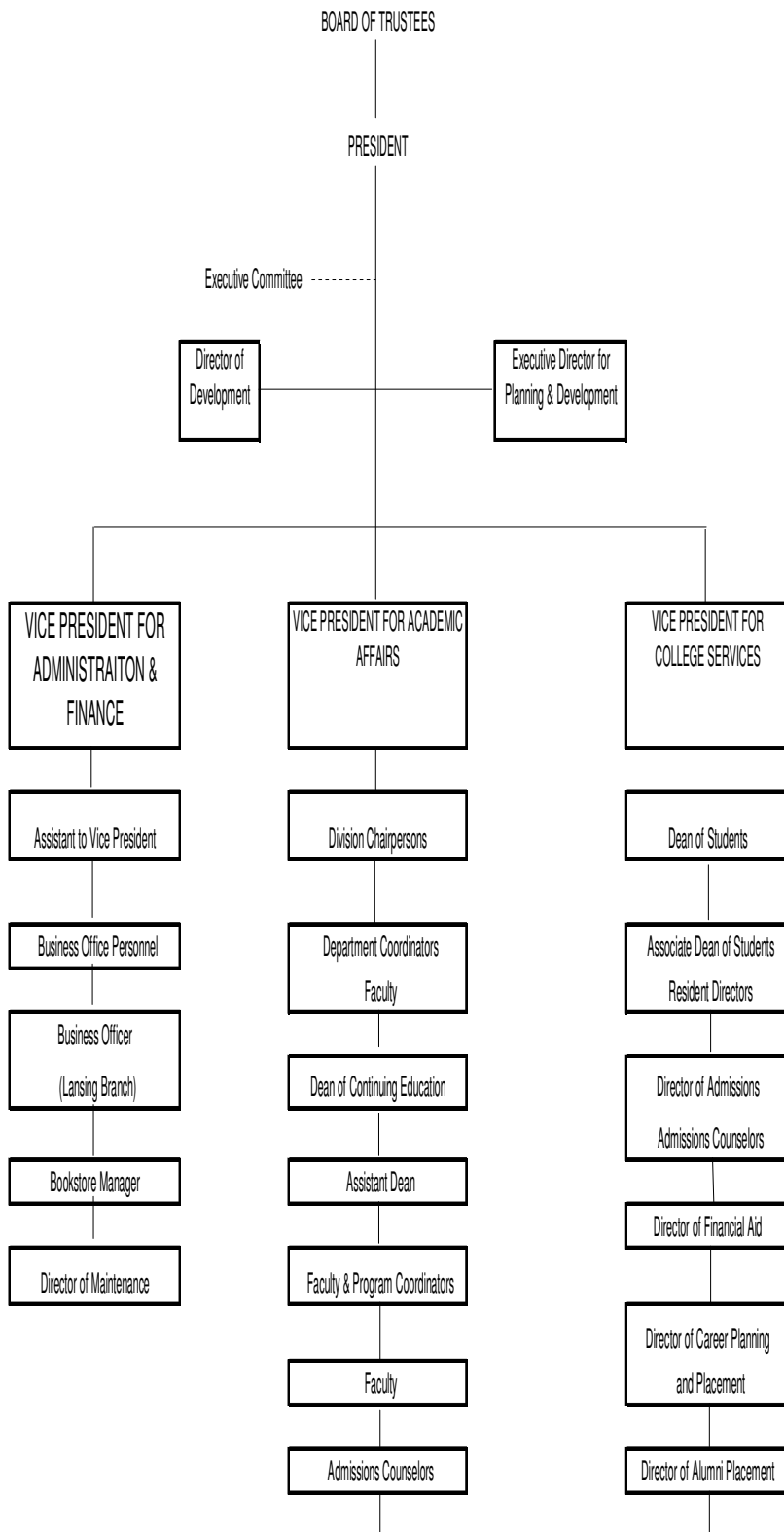


Figure 11. Table of Organization, 1981, Davenport College

Annual fund drive campaigns. President Maine continued with the annual fundraising drives that were initiated by Sneden's administration. The dollars helped with capital expenditures and student scholarships. The annual fund drive campaigns, between 1977 and 1980, supplemented the scholarships and operating budgets by an additional \$405,000. Prominent business leaders and longtime board members, like Wilbur Lettinga and Fred Vandenburg, have been involved with the college and fundraising initiatives since the early 1970s. Table 14 shows the increases in revenue generated by the annual fund drive campaigns from 1977-1980.

Table 14

Annual Fund Drive Campaigns, 1977-1980

Year	Funds Raised
1977	\$67,000
1978	\$95,000
1979	\$113,000
1980	\$130,000

Quest for continued legitimacy. Like Sneden, Maine wanted and strived for Davenport College to be recognized as a legitimate player in the college arena. What follows is some of his thinking about how he felt and managed the situation. Maine (personal communication, September 10, 2001) stated:

We would get involved in every organization that we could join such as American College Education (ACE), AICUM and others, anything that gave us credibility. In the 1970s, we were considered just this business school bandit. We were just one of those business schools, no credibility. When I came to Davenport College in 1977, we were nothing. We would go to meetings and would have to sit in the back of the bus. It was like the old Martin Luther King days in Selma, Alabama. I mean business

schools were treated like second-class citizens. We had so little legitimacy outside the business school associations, in which we were the biggest player in the country at one time. We were the top dog in the business school arena, but when we wandered out of that arena, like to ACE in Washington D.C., and you run into Syracuse University, University of Nebraska, Michigan State University, University of Southern California and all the other big institutions... Davenport and DCB...it is a “who are you” type attitude. I mean, we were like the bus driver. You belong to NCA and other organizations so that you have credibility as a legitimate institutionalized member and it took time to develop. We would present papers and things at these conferences and over time, we developed some credibility. We became legitimate in the eyes of these people.

Accreditation. In the early 1981, Davenport began to diversify its programs in the health and legal areas. Davenport College had two accredited programs: 1) The Medical Assisting program was accredited by The Commission on Accreditation of Allied Health Educations Programs (CAAHEP), on recommendation of the Committee on Accreditation for Medical Assistant Education and by the Accrediting Bureau of Health Educations Schools; and 2) The Health Information Technology program was accredited by the Commission on Accreditation of Allied Health Education Programs (CAAHEP) in collaboration with the Council on Education of The American Health Information Management Association (AHIMA).

Accreditation is important as the accrediting agency establishes legitimacy in institutions of higher learning and enhances image, reputation, and funding capability. In 1981, Davenport was granted continued accreditation status for a seven-year period. The focus of the visit in 1983 was to review the continuing development of off-site and branch programs. In 1984, North Central Accrediting Commission (NCA) authorized Davenport College to offer baccalaureate degrees. The 1988 comprehensive evaluation resulted in 10 years of continued accreditation.

Maine joins AICUM's executive committee/chair. Like Sneden, Maine was so concerned about MTG for independent colleges and universities that he took on a key role with the AICUM association as an executive committee member in the 1982-83 and 1983-84 years. The executive committee members work directly with the association's president to influence public policy issues important to Michigan independent higher education institutions (Blews, AICUM Annual Report, 2000).

The big battle was to make sure legislators continued to fund annually the MTG and degree reimbursement dollars at appropriate levels. These two grant programs are absolutely essential to the ability of thousands of Michigan resident students to choose independent colleges and universities and the ability of this college to effectively serve them. The big appointment came in 1986-87 when Maine became chair of the executive committee. He served dual roles in representing Davenport on one hand and the association on the other. Davenport was a major player in Michigan independent higher education because of its size as an organization and the recognition of its leader among his colleagues.

Off-campus initiatives. President Maine was responsible for the institution's survival and had ideas about ways to acquire additional critical resources to ensure survival. Resource dependence theory assumes that the manager's role in organizations is active in determining the organization's fate. "Organizational participants, particularly managers, scan the relevant environment, searching for opportunities and threats, attempting to strike favorable bargains and to avoid costly entanglements" (Scott, 1988, p. 116).

Maine (personal communication, August 31, 2001) recalled why market forces drove Davenport to pursue off-campus initiatives:

We moved off campus to bring classes to where people were because people's living styles were changing. People were shopping in the suburbs, living in the suburbs; churches were in the suburbs, the Meijers and Wal-Marts were building superstores in the suburbs, etc. People's lifestyles were going to the suburbs and schools were right smack-dab in the middle of downtowns in the cities. You wanted to put the schools and classes where the people lived, shopped, and went to church. So we went out there. And it also was cheaper to go out and lease a building with low overhead and to run classes and they became high profit margins to run branch campuses at multiple locations, rather than run those same classes in these great big expensive buildings on the main campuses. But the main reason to go there was that's where the people's lifestyles had moved. You have to go to where people are.

The Davenport Foundation. In addition to the annual fundraising drive and an effort to generate program funds through government grants, Davenport College established a foundation in November 1982 that provided financial assistance to qualified, deserving students, new program development, and additional education and professional training for faculty and staff. Helping students with their tuition costs helped offset the higher tuition at the college. The Davenport Foundation is a non-profit corporation, separate from the college. The foundation's purpose is to solicit, collect, invest, and administer funds in support of the educational programs and activities of Davenport.

Maine (personal communication, September 10, 2001) recalled how special people helped to make the Davenport Foundation successful:

Roger Vanderlaan was responsible for this part of the business and hired Marv Vanderwal, a former principal at one of the local Grand Rapids high schools. We wanted to focus on advancement efforts. Marv didn't know much about fundraising and we sent him off to Dartmouth University to get some training. But, Marv knew a lot of people and everybody liked Marv. Marv was good at two things: golf outings and special events for Davenport, and he hired good staff people. And because he had been principal for so many years in GR, he, like Elmer Vurrink, knew about everybody in town. He had a lot of connections and was not afraid to ask people for money. Marv was a key player. I had created the Davenport Foundation in 1982, before Marv even came along. We had no money and started the Davenport Foundation by putting institutional money in there and we said to the teachers and employees, "If you put a dollar in we will match it." So, the first go around, we started with \$30,000. Around the time that Marv retired, we had \$7 million in the foundation. A good share of that money was

from Marv's efforts in terms of golf outings and just asking people for scholarships.

In 1983, when foundation assets reached \$30,000, the foundation was able to give \$8,500 in financial aid grants. In the ensuing years, foundation assets have grown to \$7.5 million, providing financial aid to thousands of students (Maine, Davenport College Annual Report, 1994).

There are three scholarship options: General, Memorial, and Expression of Gratitude Scholarships. Investments are made under the direction of the Investment Committee of the Foundation Board of Trustees. Investments are 35% fixed or short-term and 65% equalities. Golf outings, dinners, and employee, and corporate donations have helped the foundation grow. D. Maine (personal communication, September, 10, 2001), stated, "Many endowments are created in the names of employees, companies, or in memory of a loved one. As the cost of higher education continues to rise, it is imperative we provide the means to help students achieve their educational goals."

A key selling point to potential donors was that Davenport College donates a substantial amount of administrative support to the foundation, consisting primarily of office supplies, accounting fees, and printing and publication fees, as well as the use of office facilities and clerical personnel.

One of Maine's initial goals was to offer a four-year degree program. In 1981, he did a pilot four-year program to test the market by offering baccalaureate degrees through a cooperative agreement with Detroit College of Business. Students could receive a baccalaureate degree in accounting, management, marketing, office administration, and industrial management. In the cooperative arrangement, all classes could be taken on

Davenport's campus in Grand Rapids. This program lasted until Davenport was granted approval from North Central Association in 1984 to offer baccalaureate degrees.

This cooperative arrangement is an example of a bridging strategy for managing the task environment called strategic alliance. According to Scott (1998), "Alliances involve agreements between two or more organizations to pursue joint objectives through a coordination of activities or sharing of knowledge or resources" (p. 203).

D. Maine (personal communication, August 31, 2001) reflected on moving the institution to the BBA level and beyond:

It was a logical sequence of change because if you look at two-year private institutions there is not one of them in business today in Michigan. We would have been out of business if we stayed as a two-year secretarial school. We would have been broke. One reason for the move was from businesses. Businesses liked our two-year graduates so well, they wanted a deeper quality of education so we moved to the baccalaureate, and the MBA was the logical sequential move.

Converting from a two-year to a four-year institution is an example of forward vertical integration. In 1984, Davenport integrated forward from an associate's to bachelor's degree programs. As stated by Thompson (1967):

Organizations that seek to expand their domain use the concept of vertical integration, especially with shrinkages in profit margins. It refers to the combination in one organization of successive stages of production: each stage of production uses as its inputs the production of the preceding stage and produces inputs for the following stage. (p. 40)

After Davenport began offering the bachelor's degree in 1984, President Maine developed a strategy to pursue articulation agreements with community colleges to increase enrollments of transfer students. Maine hired a retired "seasoned" assistant superintendent, Elmer Vurgink, to develop positive relationships among administrators at Davenport College and Grand Rapids Junior College so transfer students could transfer the maximum credits and have an easy transition to Davenport to continue their education. Elmer

established an office at the junior college and invested time with counselors and students.

The transfer students became a large part of Davenport's overall enrollment, and this market segment became a new revenue stream for the college.

Davenport also entered into other articulation agreements granting college-level course credit for learning and skills accomplished as part of secondary school instruction, first in the city of Grand Rapids and ultimately around the state of Michigan and Northern Indiana.

Many articulation agreements with school districts and community colleges would follow as Davenport College established linkages throughout the 1980s and 1990s.

Another goal was to develop the continuing education component of the college.

Continuing education enrollment doubled in three years. D. Maine (personal communication, Sept 8, 2001) remembered getting the continuing education program started:

These were the times when we moved off campus with classes and programs in the surrounding areas of Grand Rapids. Students living in or near Holland, Wyoming, Newaygo, Kentwood, Coopersville, Alma, and other communities in western Michigan were able to earn their degrees closer to home at local attendance centers. This provided an additional revenue stream for the college. Davenport College was more accessible to suburbs.

Acquisitions. D. Maine (personal communication, September 27, 2001) reflected on

Davenport acquiring multiple locations, which yielded incredible growth for the institution:

I made a note that we could have multiple campuses. I had been out in the state of Washington for Grand Rapids Junior College on business and happened to see out there, a chain of business schools that caught my eye. And when I was in Portland, Oregon, on other business....it made an impression on me, so that when I became president I remembered that. And I thought, there would be no reason that we couldn't have multiple campuses...one in Detroit....we could have one in other cities. In 1979, Lansing was our first acquisition....followed by Kalamazoo and Detroit in 1985.

Davenport College of Business acquired Detroit College of Business

System in 1985 and became the largest independent college system in Michigan. The acquisition led to some immediate promising success:

We brought DCB, which was not accredited, who was having significant trouble with accreditation through NCA. We went into Macomb County where there was no four-year degree granting institution. We had lots of success with the move from Madison Heights to Warren. When we opened the Warren campus we had a 40% increase in enrollment the day we opened. We met with the architect to double the size right after the ribbon-cutting ceremony. (D. Maine, personal communication, September 2001)

The combined campuses of Davenport/Detroit College System boasted a \$23 million operating budget and a consolidated enrollment of 8,000 students. “I’m delighted to see all the Davenport schools come back under the Davenport umbrella,” said D. Maine (personal communication, September, 10, 2001). On the practical side, greater economies of scale offered better opportunities for enrollment, recruiting, budgeting, and purchasing. The merger also made possible smoother placement and relocation exchanges of students between two employment offices. Figure 12 shows the organizational structure developed to support the combined institutions of Davenport College and Detroit College of Business.

The president’s cabinet members, in addition to serving as part of a general advisory body, also had assigned responsibility for at least one specific function related to the system and the purposes of long-range planning. Members included System Vice President for Research and Planning, System Executive Vice President, Vice President and Dean of the Lansing Branch, System Vice President for Administration and Finance, Vice President for Administration/Detroit College, Vice President and Dean of the Kalamazoo Branch, Vice President for Academic Affairs/Davenport College, and Vice President for Admissions/Davenport College.

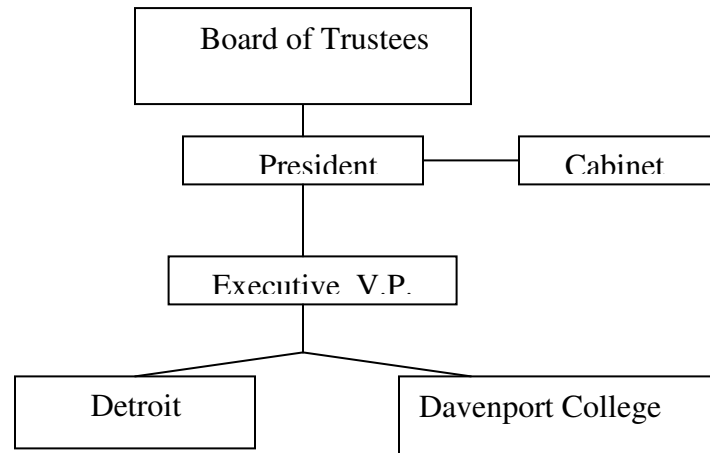


Figure 12. Organizational Structure, 1985, Davenport/Detroit College of Business System

Note: From Davenport College Institutional Self-Study, 1988.

Opening of the Wilber A. Lettinga Entrepreneurial Center. Davenport enjoyed close ties with businesses and reaches out to the business community in a more formal way with the opening of the Lettinga Entrepreneurial Center. Many Davenport College faculty members worked in local industry or owned their own businesses. Local business people served on advisory boards, headed volunteer projects, and appeared as guest speakers in classes, Davenport-sponsored seminars, and workshops. Local businesses also offered educational opportunities for Davenport students through co-op programs and internships. Because of that special ongoing relationship with the business community, business training was a natural outgrowth of business education.

P. Baker (personal communication, October 10, 2001) recalled: “In mid-1985, the W.A. Lettinga Entrepreneurial Center was opened to provide public seminars, assist organizations with in-house training, and to be a resource for small business.” W.A. Lettinga was a very distinguished, well-known alumnus of Davenport College. The Center’s customized or contract training was not only used to improve workers’ proficiency in existing technology, it

was particularly useful to a firm when adopting a new technology. The community colleges offered similar training, which created a great deal of competition. However, most of the training was non-credit, which allowed the college to charge rates more competitive with community colleges.

From 1986-1988, the Lettinga Center served 350 companies and 3,500 individuals. By offering needed services beyond the campus walls, the Center was a resource of tuition and fees that contributed to Davenport's continued survival. Through the W.A. Lettinga Entrepreneurial Center, Davenport received more than a million dollars in state grants designed to upgrade workers' skills to keep them employed at Ameritech, Amway Corporation, Bissell Inc., Consumers Power Company, Meijer, Inc., Metal Components, Metropolitan Hospital, and Smith Industries. At the Holland campus, training was provided to Castex/Nobles, Total Logistics Control (TLC), and Trendway (Maine, Davenport College Annual Report, 1993).

Golf Classic raises money for scholarships. A golfing committee was formed in 1987 at the request of President Maine to pursue golf outings as a way to raise money for the foundation that provides additional scholarships for deserving students. After the first year's success, the outing became an annual event. In addition to raising scholarship dollars, the social event offers opportunities for the staff to interact with alumni and local business and industry leaders. Since 1987, approximately \$394,721 has been raised for scholarships via golf outings. In 2000, approximately 200 participants raised nearly \$50,000, which funded about 45 scholarships. Table 15 shows Golf Classic Summary Sheet through 2000.

Invest in a Dream campaign. "Invest in a Dream" was the title given to the three-year campaign begun in 1988 to raise \$1.5 million dollars. With the help of employees, the

business and industry community, alumni, and many other friends, Davenport reached the financial goal in 1991. The campaign began with 26 scholarships and the number rose to 81 given by the foundation. Planned giving increased through donated life insurance policies with a face value of nearly \$1.5 million dollars (Maine, Davenport College, 1991 Annual Report).

Faculty's Role in Institutional Governance. Davenport administrators did purposely involve faculty in a more direct way after it was noted as a concern by NCA in an earlier 1985 visit. The accrediting association is one of the external constituents with lots of influence over internal institutional activities. Faculty's role in institutional governance is by way of committees for input. The administration made all final decisions. In 1988, North Central Association commented to the college administrators about faculty participation in institutional governance during a comprehensive visit:

The planning process and general institutional governance does not allow sufficient faculty participation," Following a period of significant restructuring, a strong emphasis was placed on increasing faculty involvement in academic decision-making processes particularly at the department level. The faculty members now make up the core of the Academic Council and provide input with a continuing faculty perspective with the College-Wide Management Group. (Davenport College, Institutional Self-Study, 1998, p. 20).

Assistance to expand from the state. The Michigan Higher Education Facilities Authority issued a bond to Davenport College for \$5 million at 8.03% term bond interest rate on July 31, 1989. This was the eighth bond issued to an independent college or university since the Michigan Higher Education Facilities Authority started issuing such bonds in 1978. Davenport College used the loan to expand its facilities. As Davenport College grew to include 30 campuses throughout Michigan and Northern Indiana, the task environment

expanded as well. Along with increased locations, increased competition had an impact on the institution.

Table 15.

History of Golf Classic Revenues, 1987-2000

Year	Funds Raised
1987	\$16,350
1988	\$13,350
1989	\$22,180
1990	\$18,448
1991	\$19,800
1992	\$18,971
1993	\$20,048
1994	\$24,163
1995	\$20,730
1996	\$25,485
1997	\$40,712
1998	\$52,173
1999	\$53,132
2000	\$49,179
TOTAL	\$394,721

The DCB Foundation Board, established in 1990, met its initial goal of raising \$1 million in the first five years. The mission of the DCB Foundation was to secure financial support from individuals, businesses, and organizations for the purpose of helping students obtain degrees from Detroit College of Business. Employees are responsible for more than half of the annual contributions to DCB's foundation. Every dollar donated through payroll

deductions or outright gifts was matched by the college. In addition, auctions and golf outings were held annually to raise the needed dollars as well. J. Mendola (personal communication December 10, 2001) stated, “Our employees also give freely of their time to help plan, organize, and attend fund-raising events and activities. In short, they believe...because they’ve seen so many dreams fulfilled.” The goal went from \$ 1million to \$2 million for 2000. The DCB Foundation Board of Trustees set a new goal of \$5 million by 2005. To date, more than 1,000 foundation scholarships have been awarded. The foundation assets have grown substantially in each of the last seven years, as shown in Table 16.

Table 16

Assets of Detroit College of Business Foundation, 1993-2000

Year	Assets
1993-1994	\$480,995
1994-1995	\$713,845
1995-1996	\$1,151,658
1996-1997	\$1,560,709
1997-1998	\$1,825,115
1998-1999	\$2,024,687
1999-2000	\$2,451,995

Note. From Detroit College of Business Foundation Annual Reports, 1993 through 2000.

Great Lakes College Foundation. Great Lakes College (GLC) established a Great

Lakes College Foundation Fund in 1994 for the sole purpose of providing scholarship funds to students attending Great Lakes College. When Davenport acquired GLC in 1997, the donated assets of the Great Lakes College Foundation were valued at approximately \$450,000. The M.E. Davenport Foundation, with more than \$12 million, has designated Great Lakes College as a major beneficiary of its gift program during the past several fiscal years.

Peter Cook Excellence in Business Award Dinner. After the current advancement leader, Marv Vanderwal, retired, President Maine hired Paul Baker, a professional fundraiser. Maine (personal communication, September 10, 2001), recalled various initiatives in the business of fundraising:

Paul had the idea of the Excellence in Business Dinner and the University Magazine. Paul had a lot of contacts and increased the endowed scholarships. The \$15 million dollar campaign (*Invest for Success*) was also Paul's idea. He and I had a big argument about this because I didn't think that we could raise this kind of money. I figured we could raise around \$8 or \$9 million. He said, "Don, you have been at this college for almost 25 years. People like you, and you have got so much credibility in business." Paul said that he was working with an outside consulting firm and the data shows that we can raise at least \$15 million in a campaign. The campaign started in 1998 and we went over the top. Paul was right and I was wrong. I got five one million dollar gifts. It was just amazing. I had one guy tell me that he "wouldn't give me a million dollars, but my foundation will."

"We launched the largest fundraising campaign in our history. More than \$12 million of the \$15 million Invest in Success campaign money has been raised," stated Barbara Mieras, president of Davenport College, in the spring of 2000 Annual Report. The Invest in Success capital campaign was also initiated to help be proactive by responding to student needs and other market forces. The plan is to expand and renovate the Grand Rapids campus, a \$5.3 million upgrade, add to the Holland campus, build a new south Grand Rapids campus, and expand endowments for scholarships and the graduate school. Generous gifts of \$1 million

each were received from Peter C. and Pat Cook, the Davenport-Snedden Family, Wilbur A. Lettinga, and the Steelcase Foundation (Maine, Davenport College, Annual Report, 2001).

In 2000, more than 700 guests attended the third annual Excellence in Business Dinner honoring Richard DeVos and featuring columnist George Will. The Davenport Foundation received \$2,359,275 from 1,239 donors. Due to overwhelming demand, the Davenport University Excellence Dinner was moved to the Grand Center for 2001. Wilbur A. Lettinga was the distinguished award recipient and the keynote speaker was Tim Russert. Davenport has many initiatives to raise money for student scholarships. By 2000, foundation assets reached \$9,122,651 and the foundation was able to give \$475,000 in financial aid grants (Maine, Davenport Annual Report, 2001).

Economic development job training grants. The state provided another opportunity for all of its colleges and universities to compete for dollars via grants in 1992. The Michigan Jobs Commission awarded 13 Economic Development Job Training (EDJT) grants to Davenport to provide training to area companies. "From 1992-1997, the System received EDJT Grants dollars from the state of Michigan. The System has generated revenue in excess of \$5 million, worked with over 50 companies, and served approximately 15,000 trainees," stated P. Baker (personal communication, September 29, 2001).

This was an important linkage for Davenport College. The organization's leaders' ability to link formally and informally with these agencies helps stabilize and reduce uncertainty. For several years, the state provided an alternate revenue stream for the college system. "When situations of exchange and competition are uncertain and problematic, organizations attempt to establish linkages with elements in their environment and use these

linkages to access resources, to stabilize outcomes, and to avert environmental control” (Pfeffer & Salancik, 1978, p. 144).

Changes in admissions process. Davenport College was operating an incentive program for enrollment staff and had to restructure its program. There was a base pay component and additional dollars for each student enrolled by a recruiter. This approach was working well. But with reauthorization of the Higher Education Act in 1992, Congress included a provision that prohibited colleges from providing incentive payments to recruiters. This Act affected all colleges and universities that participated in federal financial aid programs.

Management compromised with staff and based their new salaries on what they had been averaging with the incentive program. Many good recruiters left the institution because they could no longer earn the larger salaries. It was harder to get good replacements because salaries were too low. Recruiters could go into business and industry or to other institutions and make more money. It was time for adaptive responses as colleges and universities continued to be challenged by the environment’s ever-changing constraints and opportunities (L. Cribari, personal communication, September 5, 2001).

Nazareth College Charter. Nazareth College had gotten into financial trouble and was unable to get out but held a very important charter. The charter permitted the granting of graduate degrees. When Nazareth College went out of business in 1992, Davenport College acquired the Nazareth College charter and held it until 1995, when Davenport College merged with the Nazareth Charter. Until that merger took place, Davenport College had permission from the Michigan Department of Education to offer only bachelor’s degrees. In 1996, the Michigan Department of Education granted Davenport College authority to offer

graduate degrees. One year later, Davenport Educational System, Inc., offered its first master's degree program on the Detroit side of the system.

Davenport programs move up north. In the fall of 1994, as part of continuing expansion, Davenport opened its Northern Michigan operation in Gaylord. Sites were also opened at West Shore Community College and Traverse City. Maine (personal communication, September, 10, 2001) remarked, "We were just looking for markets and looking to keep competitors out."

Default rates rise in Davenport College system. Ten years ago, the student loan cohort default rate for all colleges, universities, and career schools had climbed to 22%. In the face of this alarming trend, the Secretary of Education, Lauro Cavazos (2000) announced, "Student loan defaults are a serious, but not unsolvable, problem. By working together, we can reduce defaults while increasing educational success for our students. Defaults are a waste of valuable student aid money and must be stopped."

Congress substantially changed the law and gave the Department of Education the authority it needed to restrict or terminate a low-performing schools ability to make student loans. Schools with default rates of 25 percent or greater for 3 consecutive years are now prohibited from making further loans. Enacted in 1992, this authority has proven to be powerful and effective tool. Some 850 schools have lost their student loan program eligibility since 1993. This year (2000), only 11 schools are faced with initial or extended loss of loan eligibility, and only 3 of these schools may also lose Pell Grant eligibility. (pp. 2-4)

President Maine and the governing board were well aware that the United States Department of Education had issued comprehensive cohort default reduction regulations on June 5, 1989, as part of a major effort to reduce the default rate of Federal Stafford Loan and Federal Supplemental Loans for Students Loans (SLS) borrowers. They also recognized the consequences associated with high official cohort default rates.

As stated earlier, initial loss of eligibility to participate in the direct Loan, FFEL, and federal Pell Grant Programs occurs when a school's three most recent official cohort default rates (for 1999-2000, the three most recent rates are for FY95, FY96, and FY97) are equal to or greater than 25.0%. Davenport College's default rate in 1995 was 15%. This rate reflects a cohort group of 2,753 borrowers who entered repayment and subsequently defaulted.

According to Department of Education regulatory guidance, this rate does not require the college to officially enter into any default reduction management plan. Davenport, however, had a strong commitment toward reducing student indebtedness and voluntarily established supplemental debt counseling for all students seeking unsubsidized loan funds in excess of the direct costs of tuition, books, and institutional housing (Davenport College, Institutional Self-Study, 1998).

The cohort default rates were getting high on the Detroit College of Business side of the system. Out of concern, the system-governing board directed DCB to be proactive and develop a Default Management Program in 1995. The overall objective of the Program is to lower the college's cohort default rates, as determined by the U.S. Department of Education, to an acceptable level, well under the sanction threshold of 25.0% and to maintain acceptable, consistent rates over the long term. The management program included initiatives such as providing in-depth loan counseling, development of written meaningful informational materials for students, and maintaining contact with borrowers by phone and mail during grace periods. After implementing the management program, the cohort default rates for DCB went from 25.1% in 1994 to 12.1% in 1999 (Default Cohort Rate memo, Davenport College, 1999).

Table 17

Davenport Educational System, Inc., Default Student Loan History

Detroit Side		Grand Rapids		
Borrowers/ Defaulters	Rate %	Fiscal Year	Rate %	Borrowers/ Defaulters
901/167	18.5	1991	14.7	2,186/321
1,297/279	21.5	1992	13.3	2,520/334
1,405/311	22.1	1993	15.6	2,435/379
1,718/432	25.1	1994	15.1	3,747/414
1,919/474	24.7	1995	15.0	2,763/414
1,837/334	18.2	1996	16.1	2,601/419
2,038/249	12.2	1997	12.4	2,636/328
2,091/259	12.4	1998	8.5	2,634/225
2,182/283	12.9	1999	10.3	2,800/328

Note. From Default Cohort Rate Report, Davenport College, 1999.

Distance education. As distance education became a more common form of instructional delivery, Davenport College responded with the interactive TV and online courses over the World Wide Web. The Learning Network (now Davenport University Online) began offering online classes in January 1999, and approval was granted by the NCA to offer full baccalaureate and graduate degrees online in 2000. Although the process was expensive and demanding on staff, accreditation continued to play a critical role in the allocation of state

and federal aid to postsecondary education, and Davenport College was forced to continue to comply with all federal regulations accompanying the federal aid.

Davenport gives layoff notices. In 1995, Davenport College was struggling with daytime enrollment and the leadership had to make some adjustments to remain viable. Maine (personal communication, August 31, 2001) reflected on why the layoffs occurred:

This was a first time for Davenport College and it was because of the enrollment shift from an 18-year-old market to a 35-year-old market. The layoff of the faculty dealt with the layoff of full-time day faculty, mostly in what we used to call administrative services or the old secretarial science department, because the women students had moved out of there on to other programs such as marketing, management, and accounting programs and all the other business departments. The layoffs occurred in those areas, 18-year-old market classes where this group of faculty had traditionally taught because our enrollment was booming at night, but not during the day. So, our faculty who were contractually obligated to teach for us during the day, we didn't have enough day classes for them to teach. So, we had to lay off about 9 full-time faculty members, we went from 30 to about 20 or so. It was a function of what went on in the marketplace.

The layoff information hit the local Grand Rapids newspaper. Of the nine full-time faculty to be laid off, seven were still on probationary status ("Davenport gives layoff," 1995, p. C-1). The college had to switch to an adult market over the years. Most of the business was in the evenings (Grand Rapids, 1995). In the late 1950s, the student population attended the day school.

In-house marketing and advertising. Competition was becoming more and more intense, and Davenport College System was feeling the pressure. The college had limited resources to respond to changes in the marketplace. An in-house advertising agency, which allowed for cost containment and quick turn around times, was initiated by James Farmer, retired Executive Vice President for System Admissions and Marketing, Davenport Educational System. L. Cribari (personal communication, September 19, 2001) recalled:

In October 1996, Davenport began using AdMark's in-house marketing and advertising agency, thus creating a system-wide approach to marketing and advertising. AdMark, which is the marketing arm, was created primarily to serve Detroit College Business (DCB) side of the system. It resulted because I worked with five advertising agencies and was never pleased with the results that we got even though we spent quite a bit of money. The return on direct mail pieces and all the other things that an agency should be able to do for us just didn't work. It just happened to be a couple of talented people, one who could design and one who could write and decided to form our in-house agency to do our own advertising in 1997. It was fairly successful with DCB. As a matter of fact our direct mail pieces generated, percent-wise, more return than the professional agency. So it started being very successful, the results of which didn't go unrecognized. So when the chancellor decided to form a DES Board, it was decided that it made sense to put a system marketing effort in place and add to that an admissions component, which I had been working with for years. That seemed to be the approach at that time to growing the enterprise.

Acquisition of Great Lakes College System. By the time of the 1997 acquisition of Great Lakes College System, Maine had many locations in Michigan and northern Indiana. See Figure 12, a map of locations. The dots represent locations and the connecting of dots represents locations that support each other with additional programs and services. The underlined names represent small locations.

Creation of Davenport Educational System, Inc. In 1997, Davenport acquired the Great Lakes College system, and after study and approval by the Board of Trustees on May 13, 1997, the Davenport/Detroit College System was reorganized into a three-college system and renamed the Davenport Educational System, Inc. (DES). The DES, Inc. was established for overall management and strategic planning of the whole system. The new educational system consisted of Davenport College, Detroit College of Business, and Great Lakes College. Great Lakes had five locations: Midland, Bad Axe, Bay City, Caro, and Saginaw. Great Lakes would add 1,500 students to the System, increasing the enrollment to approximately more than 15,000 degree-seeking students and another 3,500 in business and industry.

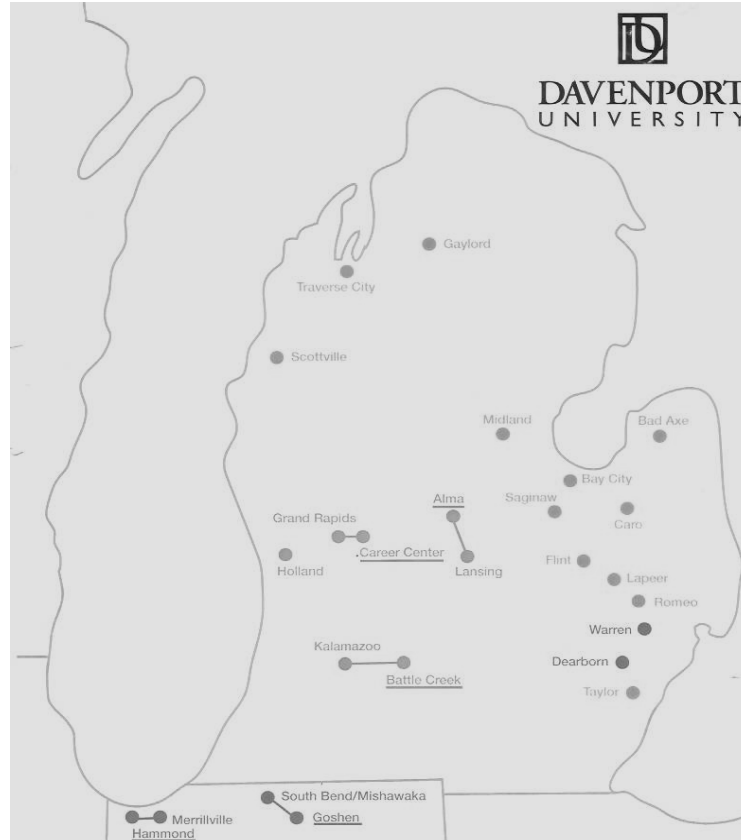


Figure 13. Map of Davenport University locations in Michigan and Northern Indiana

D. Maine (personal communication, August 31, 2001) reflected on the creation of Davenport Educational System, Inc., DES, Inc., and his attempt to reinvent the college system. Figure 13 illustrates the new organizational structure:

I did that because after 20 years of being president of Davenport College, I thought, well one thing about a business is that a business has to renew itself. In order for any business college or private business to be successful one thing that happens, if you have long-term leader, all businesses become stale at the top. The longer the person stays, the longer they tend to hold on to the past; it's just human nature. The less likely you are willing to risk change. Because what you built got so big, you get nervous about risking it, you get a little fearful of screwing up and failing, and bringing it all down and ruining it. When we got to be a \$100 million operation and I finished my 20th year, I thought... you know... I had a heck of a good time doing this. We were a \$1.7 million

dollar operation when I started off, we had sixty people on the payroll, we met in one classroom, and we had one campus...I was crowding 60 years of age and stepped down in September 1, 2000, because of age and health-related concerns. Also, I didn't want to be one of those guys who choke off the business at the end of his career and rides it off and I was beginning to see some of that in key leaders. I didn't like it and I wanted some other young people to enjoy the wild and crazy stuff that we did when we were young. A lot of managers, when they get into their mid-50s, they wouldn't do what I just did. They will just let their paycheck get fatter and fatter and grab more and more control and do less and less and just ride it out. You have to reinvent the company, which requires changes.

MBA programs. Detroit College of Business in Dearborn offered the MBA in 1997 and then Davenport College in Grand Rapids in 1998. Market research showed a very strong interest in a graduate program at Davenport College. Several hundred alumni indicated a desire to return for an advanced degree. Feedback from local employers, advisory boards, and trustees substantiated the support for another graduate program in Western Michigan.

Dr. J. Mendola (personal communication, September 26, 2001) recalled getting permission to start the MBA on the Detroit side of the system in 1996:

Probably the most significant program change in this era was when we went after the MBA. I can remember when Don Maine did not want to move on that. He thought that it would not reflect well for Davenport College. But he finally committed at commencement in Detroit. I remember him saying, "Ok, you are ready; DCB is ready at this time." For whatever reason, he didn't feel that Davenport College was ready to go for an MBA. Of course, you know the story, we went for an MBA and were able to get it. One year later, Davenport went for the MBA and was also able to get it.

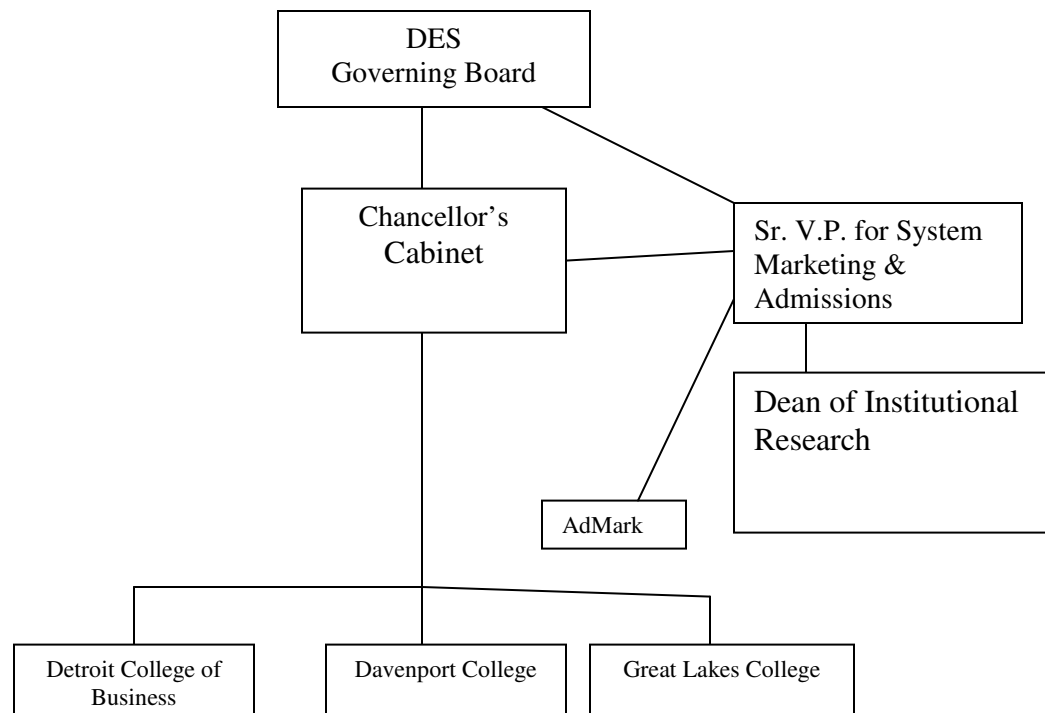


Figure 14. Organizational Structure, 1997, Davenport Educational System, Inc.

The Detroit College graduate program in Dearborn and the Davenport College graduate program were collapsed into one curriculum in 2000 when the new name for the system became the Davenport University System. Margaret Sneden, daughter of M.E. Davenport, gave a million-dollar gift to the college and named the graduate school in honor of the Sneden family, thus the combined MBA program was named the “Sneden Graduate School.” The program was designed for working adults who plan to pursue a graduate degree part-time. Classes are offered evenings and weekends.

More College-wide strategic planning. Since 1979, the college system had been using strategic planning as a vehicle for managing and growing the institution. The plans were developed by Davenport leadership around issues important to the institution. The institution

developed a plan in 1992-1997 around a variety of forces and trends, both within the College and outside of it in the community/marketplace.

In November and December 1996, administrative and staff leadership (Davenport College Management Group) from Davenport College met to develop a new college-wide strategic plan that would describe a shared, future direction. Many forces and trends are causing major, rapid change in the field of education. Davenport College leadership has made a commitment to address key issues that the organization faces that led to the following 1997- 2001 Strategic Goal Statements:

1. Provide quality academic programs and learning opportunities that are innovative, flexible, measurable, and responsive to diverse needs and to students' academic goals
2. Establish and maintain local niches that enable Davenport to retain and increase market share
3. Enhance fiscal stability and broaden and diversify fiscal resources to maximize the value and attractiveness of the college's educational product
4. Enhance participatory and effective leadership at all levels of the college.
Sustain an organizational structure, which assures fulfillment of the colleges' goals.

(Davenport College, Institutional Self Study, 1998)

Title change for president. In 1998, President Maine's title was changed to Chancellor of DES, Inc. and Dr. Barbara Mieras was appointed president for Davenport College. She handled day-to-day operations. The title change was more of an image thing for the educational system, reflecting a large system. A system-wide board of trustees held authority for governance of the total system, but each college operated with its own president

and board of trustees. Each college maintained its own curriculum, administrative and organizational structures focused around college-wide strategic plans, and its NCA accreditation status. D. Maine (personal communication, August 31, 2001) remarked, “The (individual college) boards can do everything but purchase property or secure loans; only DES, Inc. can do those types of things.” The Chancellor’s Cabinet was established and meets on a regular basis to conduct system-wide planning and to act upon common concerns that warrant a system-wide perspective.

Faculty joins United Auto Workers (U.A.W.). After Davenport formed The Davenport Educational System, Inc., which was the combining of three colleges--Davenport College, Great Lakes College, and Detroit College of Business--the Grand Rapids faculty began to feel a sense of uncertainty about their jobs. As a result in 1998 the faculty solicited the assistance of the United Auto Workers (U.A.W.). The Faculty Senate, organized in 1970, had always been the negotiating arm and voice of the faculty to the administration.

D. Maine (personal communication, August 31, 2001) reflected on what he believed were issues that led to the Davenport faculty unionizing:

For the twenty years that I served as president, the faculty didn’t unionize. Part of the reason they didn’t unionize is the fact that I came out of the faculty ranks. I was a faculty member with them before I was president. I knew all of them personally and when we had a contractual impasse, I could talk to the president of the Faculty Association personally, and we would resolve the contract impasse. When I broke the business into three pieces, Davenport College, Detroit College of Business, and Great Lakes College, Dr. Barb Mieras, the president of the Davenport side of the business in 1998, made an announcement at the first negotiation session that she was now the president and in charge and no one is allowed to talk to Don Maine about anything. She also stated that she was in charge of everything and there would be sanctions if anybody spoke to me about anything. She said because of enrollment shifts and patterns that there would be layoffs and she would be the one to make those decisions. The contract calls for X, Y, and Z and we are going to invoke X, Y, and Z. That could have been handled differently. The faculty got upset, secretly met, and voted to unionize and ultimately brought in the U.A.W. in 1998.

Connecting to community. Maine, speaking to his commitment to and interaction with the community on behalf of the college system (D. Maine, personal communication, September 10, 2001), stated:

I was the chair of AICUM Board and the only guy to be asked to serve on the Executive Board twice. I served on the Grand Rapids Economic Club Board and two different hospital boards. I served on several other community boards. I served on a board for two purposes; I never served on a board unless I had an opportunity to be board chairman, because otherwise, why just get go sit in a chair and be part of the process. I don't care to do that. If you want to be a player, be a player! The other reason is that you have a chance to increase the visibility of the school. I chaired the two hospital boards and various charitable boards to bring better visibility to Davenport College, to bring the name of Davenport to the forefront in the community. The one hospital board that I chaired led to the building of a brand new hospital in this community, which is the new Metropolitan Hospital Complex that will be built in GR in 2006.

Michigan Higher Education Facilities Authority Grants. Davenport administrators and other independent colleges and universities took advantage of the low-interest loans provided by the state for private institutions. In 1998, approximately 65 million bond dollars were issued. From 1978-1999, Michigan Higher Education Facilities Authority (MHEFA) awarded 44 bond issues totaling \$410,620, 000 for independent nonprofit colleges and universities in Michigan. Davenport received the most with four (\$26,800,000) (Michigan Higher Education Facilities Authority 1999 Annual Report).

Degree reimbursements. By 2000, the state degree reimbursements of \$250/500 per eligible student had grown to approximately \$500,000 in revenue for the Davenport system. The state reimbursed the institution for associate and bachelor/master's degree graduates who are Michigan residents. This was a revenue stream for independent college and universities, albeit small, but a source of revenue.

Succession planning. Succession planning strategies were key for Maine. In the 1990s, Davenport leadership, concerned about limited leaders within the ranks, established an internal leadership institute to capture and develop existing administrators with leadership potential. Leaders need to have a vision and articulate that vision to others. Strategic thinking and planning is of utmost importance. Leaders need to understand and prepare for the continuous problems of adjusting organizations and their purposes to environmental pressures. The Leadership Institute prepares potential leaders for these types of challenges within the Davenport system.

Maine hired retired high-level K-12 administrators, such as Elmer Vurrigink, former associate superintendent for Grand Rapids Public Schools. Vurrigink was hired to assist Davenport in developing some of the young inexperienced administrators and to grow Davenport's four-year program. Many individuals have participated and some have been promoted to higher positions throughout the college system. The leadership institute is a 10-month group process.

Upon satisfactory completion, members are recognized as alumni of the Leadership Institute, qualifying them to be invited to participate in special projects and mentoring opportunities and being ideally suited for future promotion.

Maine (personal communication, September 26, 2001) talked about the rationale and rewards of the Leadership Institute:

We also had a whole lot of very young administrators at the time and the superintendents brought a certain level of maturity to Davenport's management team. So, I was able to hire them and gained in two ways: gained from all of their connections and they were able to help mature a fairly young management team. It really helped a lot of young people who were shooting from the hip...who were kind of missing the target on things...We hired a lot of people who had finished off their K-12 careers or had their 30 years in and took the early retirement out. They were very strategically important to us.

They had this tremendous experience and I would rely on them for advice and counsel on different issues because they had all this management experience. Leadership Institute was developed as a more formal succession planning approach.

In the 23 years of Maine's presidency, his vision would become reality. In 1997, he was named chancellor of a vastly expanded higher education system. When Maine retired, the college system had grown to approximately 2,000 employees, 15,000 students, 30 locations in Michigan and northern Indiana, and an approximately \$100 million operating budget. The institution experienced extraordinary growth in locations and facilities, enrollment, and program offerings under Maine's leadership.

Technical Level

Curriculum

Davenport College continues diploma, certificate, and associate programs. Several short-term and associate degree programs were the focus when Maine took the helm as president in the late 1970s. In particular, accounting and data processing were big programs for the college.

J. Mendola (personal communication, September 21, 2001) recalled the program specifics in the 1980s:

Accounting and data processing were big programs back then. Computers were not that big back in 1979-80. In fact, the Lansing campus might have been the first campus to get some personal computers. I think the Lansing campus was the first to get a word processor. We brought a Lanier Word Processor for \$14,000. We had an open house and featured this Lanier Word Processor. We got started with personal computers around 1980-81.

Special programs. The United States Department of Labor provided funding for CETA job training in medical secretary, stenographer, and clerk typist programs for hundreds of participants in the 1970s and early 1980s. Davenport College of Business offered

these training programs in cooperation with the Grand Rapids Employment and Training Council. The 1981 NCA Institutional Self-Study Strategic Plan reported, “The college enjoys one of the highest CETA Job Training ratings of any institution in the Grand Rapids area” (p. 189).

Development courses. Davenport College offered developmental coursework for enrolled students who completed high school with less than a 2.0 grade point average (GPA). The college accepted any high school graduate or its equivalent but students with less than a 2.0 GPA received tutorials and developmental assistance in basic learning. A six-week College Achievement and Transition Program (CAT) were created to help academically disadvantaged students succeed in regular college level classes. “I used to run that program as a faculty member and the kids that came out of the program were successful. They were helped to learn the basics of reading, writing, and math skills to build up their basic skills to take college level classes” (D. Maine, personal communication, August 31, 2001).

Emergency medical services programs, 1981. In addition to business programs and degrees, Davenport began to offer health-related courses starting in 1981. Davenport College and Grand Valley State (GVS) developed an articulation agreement for transfer students. GVS was a four-year institution and Davenport was still a two-year institution. GVS discontinued their Emergency Medical Services (EMS) Program and sold it to Davenport College. As a result of the EMS programs, the college created the Division of Allied Health Sciences. This would be Davenport’s first venture into the health-related

programs. Students complete the program fully qualified to staff triage positions in ambulances, rescue units, and hospitals.

Development of baccalaureate programs. Davenport College offered two-year degrees for 20 years (1964-1984) and sent many graduates on to four-year institutions. The program focus remained on providing a practical business education. Associate programs were highly successful, and it was logical for the institution to move to the next level, baccalaureate programs. President Maine understood that growth and survival would come from expanding the curriculum. Pfeffer and Salancik (1978) noted “the desire for stability may be one of the most important considerations in choosing the direction for growth organizational size, in addition to providing stability, itself enhances the organization’s survival value” (p. 138-9).

The baccalaureate program began with an enrollment of 258. Maine (personal communication, September 27, 2001) reflected on Davenport moving to four-year degree programs, which yielded incredible growth for the institution:

I felt that we could become a baccalaureate school, that we should be a four-year institution all the time. The “two years and go-to-work” philosophy, which we had at that time, in the ‘70s and ‘80s, was fine, but we could be much more than that. We could offer the baccalaureate degree. I also made a note that if this was successful, we could go on to build a graduate program and offer a master’s degree.

In the fall of 1984, following NCA and the State Board of Education approvals, bachelor’s degrees were offered in accounting, general business, management, and marketing at the Grand Rapids campus. The move to a BBA created opportunities for formal transfer relationships with community colleges. Davenport started with Grand Rapids Junior College and eventually signed agreements with all 28 community colleges.

Degree acceleration concept. P. Baker (personal communication, September 26, 2001) described the process for degree acceleration: “In 1984 we switched from four credit hours to 4.5 credit hours. Students could get done with their programs with fewer courses. The management program was our biggest program, followed by accounting.” New programs, external learning and credit for life-work experiences were also developed to help mature students accelerate degree completion. In credit for life-work experiences, students receive the opportunity to obtain credits by providing evidence and documentation of knowledge and skills already acquired. Students can earn up to 27 credits in this manner.

Creation of the Ventures Committee. In 1985, the institution experienced the beginning of a decline in enrollment on the main branch campuses. Davenport was growth-oriented and looking for creative and innovative ways to increase enrollment. Creating new programs was a way to increase enrollment.

President Donald Maine and his leadership team created the Ventures Committee, a team of administrators brought together to take advantage of the best thinking in the system and to plan for ways for the college to stay ahead of the competition in terms of new programs. President Maine asked Deter Rohm, senior vice president in the system, to lead the effort with 10 other employees, and to meet once every quarter in Lansing until approximately six years. Three important programs resulted from this effort: The international program, the paralegal program, and the AACE Programs.

Establishment of Career Center Academic Programs. Career centers were established to provide intensive short-term programs in business and allied health. The centers were designed to provide people with an opportunity to obtain employable office skills in just six to nine months. Ninety percent of career center students were women, many of whom were

mothers or single parents attracted to the condensed training agenda. The state of Michigan supplied the dollars to help with these initiatives throughout the state. The linkage with the state of Michigan served as an alternate resource stream for the college.

We were the number one trainer and re-trainer for the state of Michigan because of our network of schools throughout the state. We did more training and retraining in business and industry through our career centers than anybody in the state, including community colleges and other state-supported colleges. (Maine, personal communication, September 10, 2001)

In December of 1984, Davenport College opened its first career center and its first location outside of the State of Michigan in South Bend/Mishawaka, Indiana. Two more were opened in the fall of 1985, one on Eastern Avenue in Grand Rapids, the other in Merrillville, Indiana. The Career Center on Eastern Avenue opened with 57 students in response to the educational gap in 1985 between traditional high school offerings and regular college classes that existed in Western Michigan.

D. Maine (personal communication, September 27, 2001) remembered:

We built career centers in Merrillville and South Bend, Indiana, and we experimented. I always wanted to see what would happen if we put a school in a mall, so we put a school in a University Commons Mall in South Bend. We leased space and finally outgrew it and built a campus...a very successful campus. Then we traveled about 60 miles due west, to Merrillville and built a campus on the Illinois border. Merrillville, Indiana, is the corporate headquarters of a lot of Illinois corporations that locate in Indiana for tax purposes. There are a lot of office-type jobs there so that enterprise has turned out to be quite successful. We have graduates who work in downtown Chicago, which is 25 minutes away, and make Chicago wages and live in Northern Indiana, which is a heck-of-a-deal for them.

Table 18 shows changes in enrollment for various programs from 1978-1980.

Development of Success System. In 1986, each course included Success System Outcomes, identified by employers, which prepared students for the changing needs of

business and industry. This was one of the ways that Davenport stayed connected to the community.

Table 18

Davenport College Associate Degree Programs, 1978-1980

Accounting/Computer Programming Division	Fall Enrollment			Chg. Vs. 1979
	1978	1979	1980	
Accounting	111	111	146	32%
Computer Programming	50	72	92	28%
Accounting/Computer Programming	128	158	167	6%
Accounting Assistant	8	11	8	-27%
TOTAL	297	352	413	17%
Percent of Total Enrollment	31.4	34.1	35.6	

Administrative Services Division	Fall Enrollment			Chg. Vs. 1979
	1978	1979	1980	
Executive Secretarial	67	61	93	52%
Executive Office Assistant	21	26	29	26%
Legal Secretary	100	91	71	-22%
Medical Secretary	48	20	18	-10%
Medical Assistant		11	20	82%
Stenographic	7	5	3	-40%
Receptionist/Typist	26	16	17	6%
TOTAL	269	230	251	9%
Percent of Total Enrollment	28.4%	22.3%	21.7%	

Through a series of surveys completed by faculty, staff, administrators, trustees, advisory boards, employers, and alumni, abilities were identified as essential in a valued employee.

These abilities included problem solving, oral and written communication, teamwork,

honesty and integrity, interpersonal abilities, decision-making and leadership, self-initiative, and reliability. Additionally, the surveys indicated that the critical thinking process is inherent in these abilities. The abilities integrate a focused career program with a broader general education core curriculum, helping the student become an independent, resourceful, career-resilient professional (Maine, Davenport College Annual Report, 1991).

No longer a secretarial school. In an attempt for the institution to move away from its widely known secretarial school image and to meet the demands of the modern-day office, a new associate's degree, business information specialist, was introduced in fall of 1988. By 1989, the majority of the graduates (66%) completed associate and bachelor degree studies in accounting, business management, sales and marketing, and general business. In 1989, accounting and business management claimed the highest percentage of graduates, as shown in Table 19.

D. Maine (personal communication, September 10, 2001) related his strategies to keep the curriculum current and up to date in the 1990s, including personal visits with industry leaders:

We were always looking at employers' needs. I was always talking to employers. Tom Brown was good at working with employers. He was always running focus groups with employers. At one time, I created this special group with Tom Brown, Tom Deem, and a couple other people. I sent them all around the United States and they talked to Microsoft, Hewlett-Packard, Lucent Industries, and other major employers, big companies in the early 1990s and these industry leaders about what do the future jobs look like for their industry. These are companies that look at the future trends because this is the way that they decide what equipment to build.

The curriculum design has always followed one cardinal rule: to meet not only the current career needs of business and industry, but also to anticipate future requirements. In other words, staying current is the objective of the college. Courses are constantly appraised

and redefined so that the skills taught were consistent with the skills in demand in the workplace. Students can take classes in their major field from day one of their program, so preparation for employment begins immediately.

In the early 1990s, business training at Davenport was offered in four general areas: accounting/computer programming, administrative services, business administration, and general education. Associate degrees were granted in 16 major fields, ranging from the more traditional secretarial and retail management courses to the newer areas like computer information systems and business information specialist. More emphasis was also directed toward middle- to upper-management orientation.

Table 19

Percentage of Graduates in Major Areas in 1989

Major Area	% of Grads
Accounting	20%
Administrative Services	11%
Business Management	24%
Computer Information Systems	6%
Fashion Merchandising Retail	3%
General Business	12%
Medical	6%
Restaurant & Lodging	5%
Sales and Marketing	10%
Travel and Tourism	3%

Accelerated program - AACE 1992. Through a great deal of research, Davenport gathered enough data to warrant consideration of another segment of the adult market in 1992. To serve the needs of working adult students, the college initiated an Adult

Accelerated Career Education (ACE) degree completion program in the fall term. This program was modeled after the highly successful program at Regis University located in Denver, Colorado. Several marketing and management courses were developed using the 7-week format to help students get through their degree programs more quickly than the regular eleven-week quarter courses. The ACE program was offered at both the Davenport Grand Rapids campus and Detroit College of Business Dearborn campus. After five years the enrollment peaked at several hundred students and began to decline.

International business. International business is an area of great interest to the world of business and industry. To prepare Davenport graduates to compete in the global market, a degree program in International Business was introduced in 1990. Courses included geography, international marketing, international business law, and international business management, among others. Students also have the opportunity to study at Richmond College in London, England. The opportunity for foreign study was expanded for fall 1991.

Maintaining a strong adjunct faculty. One of the strengths of Davenport College was a strong faculty with many adjuncts. Davenport relied heavily on adjunct faculty to bring current and relevant concepts and skills to the classroom to assist students in their learning. Adjuncts were not consistently evaluated across the system, and there were few standards in place. The adult learners, who were reentering colleges in record numbers, required an approach different from that of the traditional student. Thus, Davenport instructional needs changed and the institution responded accordingly.

Harrison (2003) stated:

In 1992, Davenport College began working with Regis University of Denver toward developing a degree completion program for adults. The Adult Accelerated Education Program (ACE) was implemented, along with a faculty assessment/selection process recommended by Regis University. The process was adapted to specifically fit the

changing instructional needs of the institution. The AACE staff along with the Academic Dean's office developed a program that fit the needs of the College regardless of the teaching format candidates were being selected to teach in. Knowing that the average age of Davenport students is approximately 32, exercises and questions were developed for use during assessment that focused on traditional and adult learners. (p. 1)

Technology programs. In this technology age, more and more business will be conducted electronically. Davenport, like other institutions of higher of learning, understands and is prepared for technology:

According to leading business forecasters, within the near future, the pressure of every business to get on the Internet will be irresistible due to the volume of business conducted there. This presents tremendous business opportunity for those educated to help businesses utilize the Internet and E-Commerce. Employees are needed to create web sites, advise and implement strategies for Internet business, and work with vendors to provide E-Commerce solutions. Davenport has taken the lead and developed degrees and programs to meet these needs, including an E-Commerce degree and a CIS Networking degree, which includes elective courses that prepare students for the Cisco Certified Network Associate (CCNA) exam. Certifications were important to employers and students. Certificate programs involved education and training that is a little more than a course but less than a degree program. Employers require proficiencies to a certain standard, in certificate programs like Cisco, Novell Certified Network Engineers, and Microsoft. (Mieras, Davenport College, Annual Report, 2000)

Given the ever-increasing changes of technology and the growth of Davenport College System, in July of 1995 the college appointed a system-wide director of information technology, now vice president, to assist in the coordination of technology throughout the college system. As a result of this appointment, a new System-wide IT Team was developed by January 1996 to focus on customer needs.

D. Maine (personal communication, September 26, 2001) commented on technology and online classes in particular:

We are being swept along in this tidal wave of technology. Now technology is reshaping how we approach our various publics, our customer base, business and industry, our students, everything that we do. How we function is going to be more and more technologically dependent. And that changes how you

approach the markets... That creates some real challenges for an institution. Creates some challenges for our faculty, because most faculty are tradition-bound; they want to teach in room 303 at ten o'clock. They are going to have to learn and continue to learn to be more adaptable with technology and the direction that technology is going to shape how we deliver our knowledge... So for the future, more so than any government regulations, the advances of technology will drive how our business functions.

Administrative and student access to technology advanced greatly in less than three years from August 1995 to January 1998, as shown in Table 20.

Table 20

Technology Advances, 1995-1998

August 1995		January 1998	
15	Non-networked Sites Part- and Full-Time Associates (employees)	24	Networked Sites Part- and Full-Time Associates (employees)
1,350		1,890	
800	Networked Computer Systems	2,035	Networked Computer Systems
150	Associate E-mail Users	1,800	Associate E-mail Users
0	Students with E-mail Access Campus with Dedicated Internet Access	6,000	Capable Student E-mail Users Campuses with Dedicated Internet Access
1	Students with College-provided Home Internet Access	22	Active College-provided Home Internet Access Users
0		2,600	

Note. From Davenport College NCA Comprehensive visit 1998.

The Davenport Educational System, Inc., which consisted of Davenport College, Detroit College of Business, and Great Lakes College, has several campuses that are taking advantage of interactive television. Using this kind of technology serves as an alternative to physically meeting at the same location. In 1998, Davenport College configured one at their Holland campus, from which they beam out to another site in Traverse City/University and Graylord/Grayling Center. In

1999, Detroit College of Business configured five interactive rooms: two in Dearborn and one each in Lapeer, Flint, and Warren.

P. Baker (personal communication, April 2001) stated:

The room in Holland was funded by local community support. They have very few classes interactive. As a matter of fact, the students do not like this delivery. Some community groups use it occasionally and that is about the extent of its use. For a while, they had several interactive meetings with their “northern tier” which is the sites in Traverse City/University and Gaylord/Grayling Center. They find it quite expensive to operate and have no future plans of adding any more or using the current ones extensively.

MBA program curriculum. Detroit College of Business (DCB) was the first location in the system to establish its graduate school in 1997. DCB offered a Master’s in Business Administration in accounting with certified public accountant (CPA) and management information systems (MIS) specialties, an MBA in health care management, and an MBA in management with specialties in entrepreneurial management and strategic management. In the fall of 2000, a human resource specialty was offered in management as well as a new MBA in finance.

The overall purpose of the master of business administration (MBA) degree is to develop professional managers, enabling them to effectively organize and direct resources, people, money, technology, and information to achieve goals. The curriculum was built on the premise that professional managers should primarily be generalists, but also to be effective it is important to develop or maintain technical competence in a concentration or functional area of business (Detroit College of Business, MBA Institutional Self Study, 1997).

The Sneden Graduate School of Davenport College, established in 1998, offered an MBA with concentrations in general management, marketing, and strategic management.

Enrollment followed the cohort model in which a specified number of students enrolled and completed classes together throughout the program. Students could complete the degree in less than three years by taking one course each term, or in less time if they chose to take more than one course at a time. If they took two classes each term, they could complete the degree in six terms.

When the Detroit College graduate program in Dearborn and the Davenport College graduate program were combined into one curriculum in 2000, the “Snedden Graduate School” remained the name of the MBA program for the Davenport University System, which then included ten specialties: MBA programs in accounting, management information systems, finance, healthcare management, strategic management, entrepreneurial management, human resources management, marketing, new E-commerce, and global business.

Many employers were asked to specify traits that were most important for graduate students. Survey results identified many traits, including leadership, teamwork, problem solving, ethical behavior, openness to change, and others... the most important elements built into Davenport’s graduate business education were the abilities to pursue independent and collaborative learning and to implement strategic change, the development of problem-solving skills and strategies, and critical thinking. Of secondary importance were skills related to teamwork and technology. When final program and course descriptions/outcomes were developed, it was determined that the four primary and two secondary themes should be integrated as completely as possible. (Davenport College, Institutional Self Study, 1997)

Online programs/deliveries. In January of 1999, the Davenport System received permission from North Central to offer entire master’s, bachelor’s, and associate’s degree programs online via “The Learning Network” beginning in the fall term, 2000. Davenport switched from Convene client-based software to Jonesknowledge.com, a web-based application, to better serve students. The Learning Network offered a broad representation of programs and delivers the same curriculum as is delivered on-site. The program grew more

rapidly than predicted to include more than 100 active faculty members and more than 12,000 undergraduate and graduate seats.

The System made great strides toward incorporating technology to meet students' unique learning and lifestyles. The Information Technology Services Department supports more than 1,800 computers and peripherals distributed throughout Davenport's 10 campuses and 49 attendance centers. The information services provided over the enterprise network include student, faculty, and staff Internet access, interactive TV, internal and external email, listserv, online chat rooms, WWW development space, on-line/full-text periodicals indices, and mainframe access for employees. By fall 2000, online degrees were offered in MBA, BBA, and ABA programs, as shown in Table 20.

D. Maine (personal communication, September 10, 2001) recalled the demographical shift for Davenport throughout his era:

There has been a tremendous shift. Schools used to be "time and place-bound." You came to this place, at this time, and you took this class. In my era, from 1977 to 2000, in the 23 years that I ran the place, markets changed or shifted because of the Internet, people's schedules, and where people lived. People used to live in the cities and now they live in the suburbs. People took classes at their convenience. People also became employed and began to take classes when they wanted to and at the time that they wanted to take them. So because of computers, we were no longer "time and place-bound." That led Davenport, once we became a BBA and MBA school, to the online school and that is why I hired Jerry Callahan. Jerry was hired to build an online university. We were ahead of everybody. We were one of the first colleges in Michigan to offer online classes and degree programs. The University of Phoenix was not in Michigan at that time; we started before them in Michigan. That is why I brought that Nazareth charter. This charter gave us the right to offer graduate programs. I brought the charter for \$50,000 in the late 1980s and put it in the school's vault until we needed it in 1997.

(Researcher's note: Nazareth, a small independent private college in western Michigan, held a charter that permitted Nazareth to offer advanced degrees. When Nazareth College went out of existence in the late 1980s, Donald Maine bought their charter and held it until 1997

when Davenport received approvals from NCA and the state of Michigan to offer master's degrees.)

Table 21

Online Degrees, Fall 2000

Master of Business Administration (MBA)	
Accounting Specialty	Entrepreneurial Specialty
Health Care Management Specialty	Strategic Management Specialty
Bachelor of Business Administration (BBA)	
Accounting	E-Commerce
Entrepreneurship Management	Industrial Management
Self-Directed Management	Marketing
Associate of Business Administration (ABA)	
Accounting	Computer Information Systems
Entrepreneurship	Management
Marketing	

Students

President Maine took over with 1800 students in 1977. By the fall of 1985, Davenport College and all of its locations, including career centers, enrolled 4,760 students. That number represented an increase of 215 students (or + 4.7%) over the previous year. Lansing and Kalamazoo campuses had been acquired to accommodate increased evening attendance.

In the fall of 1987, the college's six campuses enrolled 5,724 students, about 60% of them full-time. About 1,650 students were enrolled in administrative services associate

degree and diploma programs, primarily secretarial support programs that had been a mainstay throughout the history of the college.

The percentage of female students had grown to 70.6% and males had dropped to 29.4% at the Grand Rapids location. The female student population dominated the student makeup at the Lansing, Kalamazoo, and Career Centers, as well. This was a significant demographic shift in only seven years, as males were still a larger percentage of the student population as recently as 1979 and 1980.

Davenport was still at 51% of its students attending full time. The Lansing, Kalamazoo, and Career Centers held similar patterns with much higher percentages of full-time versus part-time enrollments. In the fall of 1987, the Grand Rapids location enrolled 3,193 or 2,740 full-time equivalent (FTE). Percentages of day and evening enrollments at various sites for 1987 are shown in Table 22.

Market shifted to an older market. Donald Maine (personal communication, August 29, 2001) recalled the response to the changing age of student demographics at Davenport throughout his era: “We used to go after all the 18-year-olds and the market shifted to an older market, average age in the mid-30s. The 18-year-olds became a smaller piece of the market share and most of our schools today are full.” Shifts in the high school market, less dollars to recruit adult students, and the fact that Davenport was experiencing a great deal of success in the adult market led to a renewed focus on adults. It costs less to recruit working adults.

Development of the enrollment management concept. By 1990, the Davenport College/Detroit College System had increased overall enrollment to 12,866, up 1,435 students or 13% over the previous year. In 1995, enrollment had reached 13,306, which was

down by 1,001 or -7% from the previous year. As enrollment started to flatten out in the 1990s, Davenport administrators decided to focus on an enrollment process with a management plan. Davenport College, by 1996, created an enrollment office to deal with all aspects of the enrollment and recruitment process. By the fall of 2000, enrollment had increased to 14,803 but was down 291 students or -2% from 1999.

Table 22

Percentage of Day and Evening Enrollments at Various Sites, 1987

Location	Full-time %	Part-time %
GR Day	85.8	13.9
GR Evening	17.7	82.1
GR Total	51.8	48.0
Lansing Day	98.5	1.5
K'zoo Day	86.3	13.7
K'zoo Evening	32.3	67.7
K'zoo Total	73.5	26.5
Grand Rapids CC	83.2	16.8
Merrillville CC	96.5	3.5
South Bend CC	81.6	18.4

Enrollment management is an organizational concept and systematic set of activities whose purpose is to exert influence over enrollments (Hossler, Bean, & Associates, 1990, p. 5).

It has four primary goals: to define the institution's nature and characteristics, and market the institution appropriately; to incorporate all relevant campus constituencies into marketing plans and activities; to make strategic decisions about the role and amount of financial aid for students and the institution; and make appropriate commitments of human, fiscal, and technical resources to enrollment management. (Dixon 1995, p. 7)

Key market audiences are adult learners, community college transfers, international students, online course enrollees, and high school seniors. These are all alternate resource streams. In the fall of 1991, the Davenport system enrolled 12,800 degree-seeking students; by the fall of 2000, the system enrolled 14,420 (4,119 new, 10,301 returning). In addition to the thousands of degree-seeking students, the system served another 8,000 non-degree-seeking students in 2000. Approximately 52% of the students were transfers, 16% between the ages 18-19, and 32% designated as first time in any college (FTIAC).

New markets. Davenport Educational System, Inc., started to grow in the different ways during this era. The System began to get involved with students dually enrolling while in high school, the online programs (Learning Network) were growing, students were taking advantage of accelerated classes, the MBA was introduced at the Dearborn campus, international students were coming in greater numbers to the Grand Rapids campus, and business and industry growth opportunities were thriving. All of these different initiatives began to impact enrollment positively around the System. L. Cribari (personal communication, September 18, 2001) commented:

When we became Davenport Educational System, Inc., obviously taking a look at the big picture there are a lot of similarities, but there are also some very distinct differences. For example Grand Rapids, being our main campus, their demographics are a lot different than our demographics here in Dearborn and as well as Warren. Their minority population is lower, about 30-40%.

Online education. Davenport broadened the range of inputs needed to generate revenue. At a cost of seven million dollars over a period of years, the online college was one of the new markets. People are so busy now that they want to be able to take a class at any hour of the day, anywhere in the world, so the tradition-bound student coming to school in the morning or taking a night class on Thursday is fading. More and more people are simply

using the Internet. “In January of 1999 we offered our first Learning Network (online) classes. Today we enroll students in over 1,200 seats,” stated J. Mendola (personal communication, September 26, 2001). Table 22 shows enrollment trends for international students, MBA students, online students and high school seniors in recent years.

Davenport College has a real interest in increasing its share of the high school seniors and international students. In the fall of 1990, Davenport University experienced its greatest number of high school seniors (942) enrolling in the institution. In the fall of 2000, 583 high school seniors enrolled at Davenport University. High school seniors continue to take more credits than non-traditional students.

International students. A handful of international students were enrolled and graduated from Davenport, College before the Office of International Programs was established in 1990. The office opened with only a director. In 1993, Davenport University enrolled 41 international students. By 2000, that number had increased to 225. Today, the staff has increased to four, and Office of International Programs is located on the Grand Rapids and South Bend/Mishawaka campuses. The Office of International Programs recruits predominantly in Japan, Taiwan, and the Netherlands, but it does attract students from other locales. Enrollment of international students has grown steadily with resources, staff, and facilities dedicated to this effort.

Although Detroit has the largest Middle Eastern population in the United States, the majority of international students are located on the Grand Rapids campus, where availability of on-campus living in the International House plus an additional dormitory is attractive to the international student. The dormitories provide completely furnished apartment-style living in which students can feel “at home” immediately upon arrival.

Table 23 shows enrollment figures by category of students:

Table 23

New Student Markets Growth

Category of Students	Date	Enrollment	Date	Enrollment
International Students	Fall 1993	41	Fall 2001	225
MBA Students	Winter 1998	134	Winter 2001	437
Online Students	Fall 1999	382	Fall 2000	1,167
High School Seniors	Fall 1990	942	Fall 2000	583

Support services and activities. The college system provided a full range of student services. Davenport College developed a tutorial assistance program, Davenport University Friends/Mentor Programs, Enrollment Services Center, and Learning Center/Resource Lab. In addition to computers, Internet, and email access, student services include academic advising, cooperative education, student employment, housing, financial aid, a deferred payment plan that allows students to divide tuition into two payments, bookstore services, professionally staffed libraries, and parking.

Lifetime brush-up classes are offered for graduates on a class-available basis. Counseling services include admissions counseling, academic advising, personal and social counseling, and drug abuse prevention counseling and treatment. The placement office also provides free lifetime employment services for graduates, workshops on resume writing, interviewing skills, and career exploration. The mission of the Career and Employment

Services (CES) Department is to assist current students and graduates of the college in pursuing meaningful experiences in the form of career development, part-time or full-time employment, cooperative and Work-Study Program employment, and volunteer opportunities (Davenport College Catalog, 2000).

Student activities include the Student Senate, Association for Women Students, Residence Hall Councils, co-curricular organizations, extra-curricular organizations, and publications.

Employment. Employment rates for main campus graduates in 1984 and 1985 were 98%. Over the years, the employment rate at Davenport College remained consistently high, with 1989 being no exception, when more than 98% of the main campus graduates were employed. The number of job requests from area employers in 1989 increased 10% from the previous year. There were more than 2,900 job requests listed for 1989, and the placement office had job listings from 986 new employees. The average salary for graduates with associate degrees increased by 13% and for bachelor degrees by 7%. The employment rate increased to 99% in 1990 (Maine, Davenport College Annual Report, 1989).

Outsourcing career placement services. Davenport University hired Manpower Professional Services Group to provide career planning and placement services to its students and alumni. College leaders felt that Manpower was in a better position to find career opportunities for Davenport graduates. With a Manpower representative onsite at Davenport three days a week, Manpower Vice President Mark deRoo said he believes “the addition of Davenport students to our professional service group will bolster the pool of professionally competent workers in the area’s tight market” (Davenport hires, August 2000).

D. Maine (personal communication, August 31, 2001) reflected on the importance of employment rates:

Our bread and butter have always been that 98% of our graduates were employed. And that meant for our graduates that we put them to work better than anybody. Then everybody copied it. It used to be that people never talked about it, they always talked about how well they educated someone, the quality of their education. That's at Michigan State University, Grand Valley State University, University of Michigan, Western Michigan University, Madonna University, and Eastern Michigan University. We used to talk about putting people in jobs; that's what we do. At our school, we put people to work and let me tell you how we do it; 98 percent are employed and 92 percent are employed in their major area of study from Davenport. Nobody ever advertised like that. Now that is all they do. They have cloned and copied what we do.

Summary: Maine Era

The end of the baby boom and two severe recessions in Michigan coincided to challenge the leadership skills of Donald Maine as he took office in 1977. He was challenged by trends that played major roles during his presidency, such as increased competition, changing workforce profile, gaps between needed work skills and available work skills, rising costs of education, a changing profile of the student market, and many more. The compounding of these socioeconomic factors forced some colleges to close and threatened others, but Davenport continued to survive.

However, Donald Maine's era was a time of growth and expansion for Davenport College. Since 1977, the college has grown both academically and physically. He pursued many new initiatives for the institution and developed an entrepreneurial administration focused on securing critical resources to ensure survival of the organization. The Maine era was marked by an aggressive strategic acquisition approach and expansion of campuses, the addition of the bachelor's, master's, and online degree programs, and the creation of foundations and collaborative programs that brought the expertise of the business and

industrial community to bear on the curriculum of the college. In addition to an expansion of the Grand Rapids campus, 29 other campuses and locations were established throughout Western Michigan and northern Indiana. Figure 14 lists the acquisitions during the President Maine's era.

Donald Maine addressed several critical needs that augmented the success of the college during his era. Environmental forces at the institutional and task environment levels influenced change in the core technology of the institution. Maine had to manage major external constituencies: federal government, states courts, and non-governmental groups such as accrediting associations in business, health, and law programs. A significant amount of his attention was spent outward to competitor institutions, to the world of business, to government agencies concerned with regulating the education marketplace.

Figure 15. Acquisitions during the Maine era

Leadership Eras	Acquisition (s)	Date of Acquisition(s)	College Name
Donald Maine 1977-2000	1. Lansing Business University	1979	Davenport College
	2. Parson's Business School	1981	Davenport College
	3. Detroit College of Business College System	1985	Davenport/Detroit College System
	4. Nazareth College	1992	Davenport Educational System, Inc.
	5. Great Lakes College System in 1997	1997	Davenport University May 2000

He recognized that higher education had to go to the students, rather than expecting all students to come to Davenport's campus. To this end, Davenport moved some of its courses and programs off-site in continuing education initiatives and offered tailored on-site courses and programs at various companies as part of corporate services. Davenport College

mobilized their resources in continuing education and corporate services departments in the mid-1970s.

President Maine continued the entrepreneurial boundary-expanding initiatives started by previous college leaders. He enlarged the task environment through the establishment of permanent Davenport campuses in Lansing and Kalamazoo, opening the W. A. Lettinga Business Training Center and offering graduate degrees and online classes. Record-setting expansion and enrollment growth was due in part to acquisition of other established educational entities. Acquisition of Lansing Business Institute (1979), Parson's Business College (1981), Detroit College of Business system (1985) and Great Lakes System (1997) represented instant growth and expanded resource streams. To better manage the total size and scope of the operation in 1997, Maine established the Davenport Educational System, Inc. By the year 2000, Maine had established ten permanent campuses and 49 attendance centers, making Davenport the largest independent college system in Michigan.

Throughout the Maine era, Davenport maintained its dominant bias toward a practical business education and open access. Guided by the philosophy that students can learn today and apply tomorrow, Maine led major efforts for curriculum upgrades, technology enhancements, and physical plant improvements at the college. His primary focus was accommodating adult students, meeting continuing education demands, and providing corporate services. With Sneden, the curricula were constantly reviewed and revised by business advisory boards to ensure that the programs for students represented the needs of business. New academic programs in technology kept offerings in demand.

The mission is still intact, to prepare and sustain people for careers in business, allied health, and legal studies. The core technology of Davenport College in this era ranged from

short-term programs in business to associate, bachelor's, and master's degree programs in business and allied health areas. More than 50 undergraduate majors and master's programs, a wide range of program delivery systems, multiple locations, and options for day, evening, and weekend classes all were designed to meet the needs of a diverse, mostly non-traditional student population.

Davenport needed the appropriate technologies to more effectively go to the students. Donald Maine committed millions of dollars to advance the institution technologically, especially to involve technologies that have no respect for boundaries such as satellite-distributed television, Internet, or CD ROM-based instruction. Davenport University Online started in 1998 and is one of the fastest growing areas of the college.

Like President Robert Sneden before him, Donald Maine kept one foot inside the organization and one foot outside the institution where he was able to successfully advocate and lobby issues critical to Davenport's mission at the federal, state, and local government levels. Although the Pell Grant program continued to grow during this era, federal legislation increasingly tied accountability measures, such as reporting mandates and support services, to eligibility for federal student financial aid programs. The Student Right-to-Know and the Campus Security Act also tied reporting mandates to federal aid, and the Americans with Disabilities Act of 1990 (ADA) ensured that colleges make reasonable accommodations for disabled students.

Despite economic recessions in Michigan, the Michigan Tuition Grant and Degree Reimbursement continued to provide direct and indirect funds for independent colleges and universities. Financial aid program support at both the federal and state levels in the form of merit scholarships, tax credits, tax-favored college savings programs, and relaxed need-

analysis shifted toward upper-middle- to high-income students and families. The poorer students, making a household income of less than \$40,000, were ignored in the 1990s. The 1980s and 1990s brought back the financial barriers that the federal government had removed during the 1960s and 1970s.

The competition expanded from the State of Michigan to include institutions all over the United States with the advent of online classes and programs. Competitors grew in numbers and became more aggressive at marketing to the adult student population once dominated by business schools like Davenport College.

College students and their parents experienced a new set of pressures, as tuition and fees, which already outpaced inflation, continued to rise. Maine's collaborative work with influential members of the business community contributed to the success of fundraising campaigns to gain critical resources for the institution and to defray educational costs for students. In addition, government grants and gifts from private sources became a much more important means of financing both operational and capital improvements. Fortunately, the income tax laws allowed gifts to be tax-exempt. People with large incomes could give to the college large sums at proportionately small costs to themselves.

Staff dedicated to fundraising expanded the ways in which individuals and organizations could give tax-deductible gifts. Alternative income streams included the annual fundraising campaign, alumni giving, golf outings, grants, and special fundraising dinners to relieve some of the dependency on tuition dollars. In 1982, Maine started the foundation with several thousands of dollars from employees and administrators. The endowment reached \$10 million in 2000 and has provided thousands of students with financial assistance over the years.

In May of 2000, Davenport College, Detroit College of Business, and Great Lakes College began operation as Davenport University and began the transition to become a single university. Davenport University is Michigan's largest independent university system, serving approximately 15,000 degree-seeking students at 30 locations throughout Michigan and northern Indiana. Donald W. Maine retired in October 2000, although he continues to serve the community as a member of the Metropolitan Health Board, the Hospital Board, the Grand Rapids Opera Board, and the Grand Action Executive Committee. Randolph K. Flechsig was appointed to lead the system following Maine. He now serves as president of Davenport University.

Answers to Guiding Questions

1)

a) What did the leadership do to maintain the core technology?

He kept the focus on business, a practical business education. He added law and medical programs, but with a focus in business. He improved upon the business programs that were already established during Sneden's era.

b) What did the leadership do to change or adjust the core technology?

Maine maintained the core while adjusting it to current environmental issues. He expanded the core from an ABA to a BBA to an MBA and the online college. In 1981, he oversaw a four-year pilot program to test the market by offering baccalaureate degrees through a cooperative agreement with Detroit College of Business. This agreement is referred to as a strategic alliance. "Alliances involve agreements between two or more organizations to pursue joint objectives through coordination of activities or sharing of knowledge or resources" (Scott, 1998, p. 203). This is a bridging strategy in the task environment.

The pilot was a success and in 1984, Maine sought permission and was approved by the state of Michigan and NCA to offer a baccalaureate program. All the core expansions related to a continued focus on business education. He continued to use curriculum advisory and governing board members from the community who assisted the college in staying current and relevant with its curriculum.

Non-credit training for business and industry. In mid-1985, the W.A. Lettinga Entrepreneurial Center was opened to provide public seminars, to assist organizations with in-house training, and to be a resource for small business. The Center's customized or contract training was not only used to improve workers' proficiency in existing technology, but it also was particularly useful to a firm adopting a new technology. Most of the training was non-credit, which allowed the college to charge rates more competitive with community colleges.

Development of success system. In 1986, each course included Success System outcomes identified by employers that prepared students for the changing needs of business and industry. Through a series of surveys completed by faculty, staff, administrators, trustees, advisory boards, employers, and alumni, abilities were identified as essential in a valued employee. The skills were incorporated into each class.

Maintaining a strong adjunct faculty. One of the strengths for Davenport College was a strong faculty, many adjuncts. Davenport relied heavily on adjunct faculty to bring current and relevant concepts and skills to the classroom to assist students in their learning.

MBA programs' interactive and online delivery. In 1997 and 1998, Davenport College system began offering MBA programs. As part of the strategic planning process, one of Maine's initiatives was to grow their technological capabilities. Improving the technological capabilities allowed the institution to keep up with the times by offering students interactive and online delivery options.

2)

- a) How did the management and governance processes and structures change over the life of the organization?

Maine inherited the governing board that governed the college when Sneden was president. He maintained the public Board of Trustees for Davenport College. The managerial and governance structures and processes kept changing to keep up with a more complex environment. As the institution grew over time, Maine added layers to manage the organization. It was increasingly difficult to manage multiple locations around Michigan and northern Indiana.

- b) How did the management and governance processes and structures persist over the life of the organization?

In order for Maine to maintain the core, he had to pay attention to the task and institutional environments and adjust the managerial structures. In 1977, President Maine changed the organizational structure to monitor and achieve the goals he had envisioned. He continued the incorporation of representatives of external groups into the decision-making or advisory structure of the organization, which is co-optation (Scott, 1998, p. 201). He continued, as Sneden did, to co-opt curriculum advisory and government board members.

Institutional long-range. In 1979, the college adopted an institutional long-range planning process that involved all college staff in the charting of school objectives. The process was designed as an ongoing method of organizing, staffing, leading, evaluating, planning, and developing the future of the college. Task forces were added to the management structure when needed and used for both systemwide and for individual campuses to help define strategies' solutions for the institutions.

In 1985, Davenport College of Business acquired Detroit College of Business System and became the largest independent college system in Michigan. Maine modified the administrative structure to accommodate key leaders from the Detroit College of Business. The governing boards remained separate.

Development of the enrollment management concept. Davenport College, by 1996, created an enrollment office to deal with all aspects of the enrollment and recruitment process. This group played an important role in the decision-making process for the institution. Several other ad hoc committees such as the Ventures group also participated in the decision-making processes.

Davenport Educational System, Inc. (DES). In 1997, Davenport acquired the Great Lakes College system, and after study and approval by the Board of Trustees on May 13, 1997, the Davenport/Detroit College System was reorganized into a three-college system and renamed the Davenport Educational System, Inc. (DES). The DES, Inc., was established for overall management and strategic planning of the whole system.

- 3) What strategies did leadership employ to survive in the organization's task environment?

Maine needed resources from the task environment for Davenport College to continue to exist and survive. Maine used buffering and bridging strategies to manage the task environment. He took Davenport programs to the people away from the main campus and expanded the college's boundaries. Davenport's administration continued to recruit students for tuition dollars, to acquire branch campuses, to establish continuing education sites and learning centers to increase enrollment and minimize competition, to participate in state and federal student financial aid programs, to expand and acquire facilities to accommodate growth, and to involve adjuncts and curriculum advisory and governing board members who have a vested interest in the success of the college.

Annual fund drive campaigns/fundraising initiatives. Maine continued with the annual fundraising drives that were initiated by Sneden's administration. The dollars helped with capital expenditures and student scholarships. Also, Davenport College established a foundation in November 1982 that provided financial assistance to qualified, deserving students, new program development, and additional education and professional training for faculty and staff.

The college's annual fundraising drives helped to offset capital and operational expenses and lessened the effects of the economic conditions on the college. Alternative income streams included the annual fundraising campaigns, alumni giving, golf outings, grants, and special fundraising dinners to relieve some of the dependency on tuition dollars. An active alumni association helped raise additional money for the college to reduce the heavy reliance on tuition and economic conditions and to increase alumni involvement with the college. As the cost of higher

education continued the rise, Davenport College came up with one solution, endowed scholarships. Endowed scholarships provide for tuition assistance long into the future of an institution. Maine significantly increased the endowment and doubled the number of students who received scholarships.

Community Colleges articulation agreements. After Davenport began offering the four-year programs in 1984, Maine developed a strategy to pursue articulation agreements with community colleges to increase enrollments of transfer students. Grand Rapids Junior College had one of the first articulation agreements in the mid-1980s.

Davenport College more accessible to suburbs. More students were afforded the opportunity to attend Davenport College close to home when Maine moved off campus with classes and programs in the surrounding areas of Grand Rapids. Students living in or near Holland, Wyoming, Newaygo, Kentwood, Coopersville, Alma, and other communities in western Michigan were able to earn their degrees closer to home at local attendance centers. This provided an additional revenue stream for the college.

Acquisitions. In the fall of 1994, as part of continuing expansion, Davenport opened its Northern Michigan operation in Gaylord. Sites were also opened at West Shore Community College and Traverse City. Davenport College of Business acquired Detroit College of Business System in 1985 and became the largest independent college system in Michigan. Detroit College had five campuses and several thousand students. The system adopted a new name, Davenport/Detroit College System. When Nazareth College went out of business in 1992, Davenport

College acquired the Nazareth College charter. Nazareth College had gotten into financial trouble, was unable to get out, and held a very important charter. The charter permitted the granting of graduate degrees.

The Michigan Higher Education Facilities Authority/Michigan Jobs Commission. The Michigan Higher Education Facilities Authority issued a bond to Davenport College for \$5,000,000 at an 8.03% term bond interest rate on July 31, 1989. The Michigan Jobs Commission awarded 13 Economic Development Job Training (EDJT) grants to Davenport to provide training to area companies. “From 1992-1997, the System received EDJT grant dollars from the state of Michigan. The System has generated revenue in excess of \$5 million, worked with over 50 companies, and served approximately 15,000 trainees,” stated P. Baker (personal communication, September 29, 2001). From 1978-1999, Michigan Higher Education Facilities Authority (MHEFA) has awarded 44 bond issues totaling \$410,620, 000 for independent nonprofit colleges and universities in Michigan. Davenport received the most with four (\$26,800,000).

In-House marketing and advertising agency. In October 1996, Davenport began using AdMark’s in-house marketing and advertising agency, thus creating a system-wide approach to marketing and advertising. Advertising is a buffering strategy called leveling or smoothing, which is an attempt by the organization to reduce fluctuations in its input or output environments (Scott, 1998).

Students. The System started recruiting students dually enrolling while in high school, the online programs (Learning Network) were growing, students were taking advantage of accelerated classes, the MBA was introduced at the Dearborn campus,

international students were coming in greater numbers to the Grand Rapids campus, and business and industry growth opportunities were thriving. All of these enrollment initiatives brought in students and revenue for the institution.

New markets. Key markets were identified in the 1980s and 1990s for individuals interested in intensive short-term programs, working adult students and international students. These are all alternate resource streams. Career centers were established to provide intensive short-term programs in business and allied health. In December of 1984, Davenport College opened its first career center and its first location outside of the State of Michigan in South Bend/Mishawaka, Indiana. Two more were opened in the fall of 1985, one on Eastern Avenue in Grand Rapids, the other in Merrillville, Indiana.

To serve the needs of working adult students, the college initiated an Adult Accelerated Career Education (AACE) degree completion program in the fall term 1992. The Davenport College Office of International Programs was established in 1990 staffed with only a director.

- 4) What strategies did leadership employ to achieve legitimacy in the organization's institutional environment?

Maine used buffering and bridging strategies to manage the institutional environment. The institution maintained some key relationships with federal and state governments, accrediting associations, private college associations, coalitions, and cooperative agreements in order to not lose institutional legitimacy in the institutional environment. These external constituents affirmed legitimacy and credibility for Davenport College and other institutions of higher learning.

Federal and state linkages. The college maintained its federal non-profit status with the federal government and its ability to continue with participation in Title IV Student Financial Aid programs. The institution maintained its ability to operate legally under the charter granted by the state of Michigan as approved by the State Department of Education. The charter was modified as the college enhanced its program offerings, but it had to be maintained or run the risk of not being eligible to participate in student financial aid programs and other state-assisted programs for institutions of higher learning.

Institutional and program accreditation. Another major part of establishing credibility and legitimacy was maintaining institutional and program accreditation from an outside agency. Davenport College maintained its important regional accreditation with North Central Association, which is required by the federal and state governments to participate in their higher education programs.

As Davenport moved into health and law programs, Maine focused on program or specific accreditation for these types of programs. Unlike regional accreditation, national accreditation associations often affirm these special programs as legitimate and credible, instead of the entire institution. These types of accrediting bodies apply specific standards for curriculum and course content and also assure the public, in particular prospective students, of Davenport College's educational quality and institutional integrity for specialized programs in areas such as law and health. Specialized accreditation further validated credibility and legitimacy for the institution.

In the early 1980s, Davenport began to diversify its programs in the health and legal areas. By the late 1980s, Davenport College had several programs accredited by various

national, state, and regional accrediting associations: The Medical Assisting program is accredited by The Commission on Accreditation of Allied Health Educations Programs (CAAHEP), on recommendation of the Committee on Accreditation for Medical Assistant Education (Grand Rapids campus), and by the Accrediting Bureau of Health Educations Schools (Kalamazoo, Merrillville, and South Bend campuses). The Health Information Technology program is accredited by the Commission on Accreditation of Allied Health Education Programs (CAAHEP) in collaboration with the Council on Education of The American Health Information Management Association (AHIMA).

In 1981, Davenport was granted continued accreditation status for a seven-year period. The institution had a focus of visit in 1983, which reviewed the continuing development of off-site and branch programs. In 1984, North Central Accrediting Commission (NCA) authorized Davenport College to offer baccalaureate degrees. The 1988 comprehensive evaluation resulted in ten years of continued accreditation. In 1997, NCA approved the change in affiliation status to include graduate degrees at Detroit College of Business, including an approval of a request by the Detroit College of Business to offer the master's degree in business (MBA) at the Dearborn campus.

A progress report had to be submitted in 1998 addressing enrollment patterns, course sequencing, budgeting, advisement, and assessment, and another comprehensive visit by the NCA was scheduled for May 2000. While the process for the MBA accreditation was going on in Dearborn, Great Lakes College, acquired by Davenport in 1997, requested a focus visit by NCA to expand its accreditation status to include baccalaureate degrees. Further accreditation followed in 1998 with NCA permission to grant graduate degrees at Davenport College.

Key associations linkages. Key associations such as the Association of Independent Colleges and Universities in Michigan and Michigan Student Financial Aid Association were important in establishing credibility and legitimacy for participating institutions of higher learning. Davenport College holds institutional memberships in both associations. Maine served as chairman of ACIUM on two occasions.

Maine, like Sneden, was so concerned about MTG for independent colleges and universities that he took on a key role with the AICUM association as an executive committee member in the 1982-83 and 1983-84 years. The executive committee members work directly with the association's president to influence public policy issues important to Michigan independent higher education institutions.

Cooperative agreements. Maine was busy establishing cooperative agreements to maintain institutional legitimacy with transfer agreements to senior institutions such as Grand Valley State College, Detroit College of Business, Ferris State College, Calvin, Hope, Aquinas, Eastern and Western Michigan Universities, and Michigan State University. It was important for transfer credits to be accepted by senior institutions because it proved that these institutions considered Davenport's courses and programs as credible.

Connecting to community. Maine was involved with local businesspersons, making business connections and serving the community as a member of the Metropolitan Health Board, the Hospital Board, the Grand Rapids Opera Board, and the Grand Action Executive Committee. He also got involved with other organizations such as American College Education (ACE), AICUM, and others, any that gave the institution credibility. In the 1970s, Davenport College was considered a business school with no credibility.

Davenport College staff presented papers and other materials at conferences and over time developed some credibility and became legitimate in the eyes of these organization.

President Maine talked about his commitment to community and why he serves on boards:

I was the chair of AICUM Board and the only guy to be asked to serve on the Executive Board twice. I served on the Grand Rapids Economic Club Board and two different hospital boards. I served on several other community boards. I served on a board for two purposes; I never served on a board unless I had an opportunity to be board chairman, because otherwise, why just go sit in a chair and be part of the process. I don't care to do that. If you want to be a player, be a player! The other reason is that you have a chance to increase the visibility of the school. I chaired the two hospital boards and various charitable boards to bring better visibility to Davenport College, to bring the name of Davenport to the forefront in the community. The one hospital board that I chaired led to the building of a brand new hospital in this community, which is the new Metropolitan Hospital Complex that will be built in GR in 2006. (Maine, personal communication, September 2001)

Institutional Environment

National-Increased funds tied to institutional accountability, regulations and compliance laws, tax credits, legislative support continued to expand through the education amendments 1978-1998. NCA accreditation. A continuous increase in the number of Title IV programs and designation of the Department of Education to a cabinet level agency in 1980. Soaring higher education costs, and student aid shifts from grants to loans, defaults on student loans.

State – continuous increase in state student financial aid programs and scholarship, tax credits, tax-favored college savings programs. State Postsecondary Review Program 1992

Local – The notion of higher education continued to grow locally. Grand Rapids was slowing becoming a college town.

Task Environment

National-Two nasty economic recessions hit in 1980 and 1981-82, forcing Congress to cut Pell Grant awards maximums. The 1960s and 1970s high student enrolled had halted and declined. Internet increased competition to include institutions all over the United States. The numbers of international students has increased overall in the United States. National reports on financing higher education addressed the issue affordability, which first surfaced in the mid-1980s.

State - The end of the baby boom and two severe recessions in Michigan. Internet increased competition to include institutions all over the state of Michigan. Twenty-nine other campuses and locations were acquired throughout Western Michigan and northern Indiana.

Local – Increased linkages with continuing education and corporate services sites. The curricula were constantly reviewed and revised by business advisory boards to ensure the programs for students represented the needs of business.

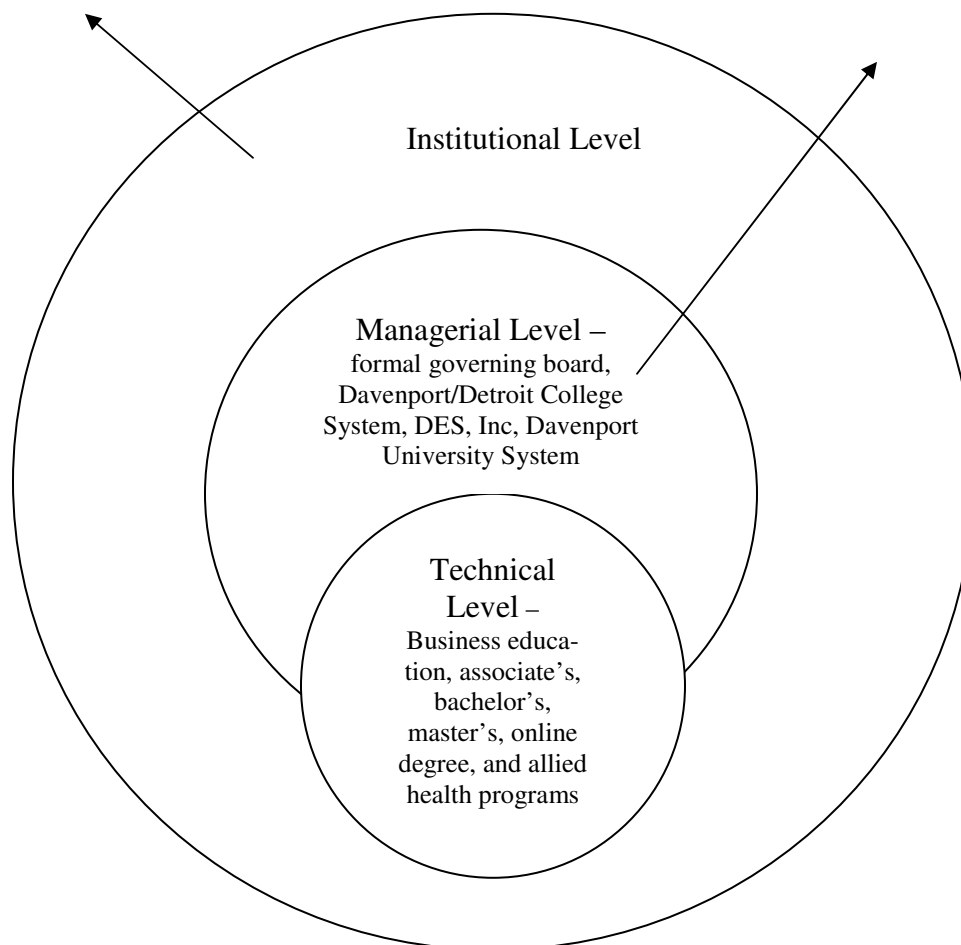


Figure 16. Conceptual framework for analysis of Maine era's summary.

CHAPTER 5

OVERVIEW OF THE CASE STUDY, ANSWERS TO RESEARCH QUESTIONS, ORGANIZING THEMES, CONCLUDING STATEMENTS, IMPLICATIONS FOR PRACTICE, AND RESEARCH IMPLICATIONS

Overview of the Case Study

The purpose of this dissertation was to understand educational leadership in private higher education and develop an analytical model that describes and explains why and how this leadership acted. Davenport College, a large private independent nonprofit college system in Michigan, was selected to provide the empirical data for the research on organizational growth and persistence. From its founding as a single-classroom site in Grand Rapids, Michigan, in the 1860s to its present-day multiple-campus location college with thirty locations in Michigan and Indiana, Davenport has remained rooted in a philosophy of providing practical education for careers in business. Over the years, in response to the demands of business and industry, the college has expanded its program offerings to include technology, legal studies, and health care. Likewise, in response to the growing demand for employees and increasingly complex skills and requirements in the workplace, Davenport expanded diploma programs to a full range of associate's, bachelor's, and master's degrees.

In this case study, empirical data were drawn from historical college documents, state and national laws and policies, and other published and unpublished historical writings and documents about America's history. To provide further clarification, interviews were conducted with several current and former Davenport College administrators such as the chancellor/president emeritus and other high-ranking members of the institution.

This study highlighted the effect and constraints of the environment on the institutional, managerial, and technical levels of the organization during each of five leadership eras. Each of the five primary leaders, except Aaron Parrish, demonstrated an ability to lead the institution in adapting to meeting the changing needs and new market demands and did not let the college fall behind. The college has consistently demonstrated an ability to evolve and change as necessary to serve the needs of its students and the needs of employers.

The institutional and task environment presented both challenges and opportunities over the years, yet the story of Davenport College is one of continuous growth, expansion, and persistence over more than 134 years. College leaders mitigated the tension between certainty or stability and competing demands. College leaders struggled to link core activities and organizational stability. At the managerial level, administrators procure resources for the technical function, or core activity, and mediate between the technical function of the organization and its customers (Parsons, 1960). This helped frame the conceptual understanding of organizational change at the institution. Managers are in a position to enhance the links and control the demands of the task environment on the technical activities (Thompson, 1967). Resource dependency theory helps to better understand the relationship between external environmental forces and organizational administrative actions and the effect on the technical activities of Davenport College.

Answers to Research Questions

Guiding Question: How did leadership connect with the task environment, and adapt and enact the institutional environment, while managing the core at Davenport College over the life of the institution?

1)

- a) What did the leadership do to maintain the core technology?
- b) What did the leadership do to change or adjust the core technology?

2)

- a) How did the management and governance processes and structures change over the life of the organization?
- b) How did the management and governance processes and structures persist over the life of the organization?
 - 1. What strategies did leadership employ to survive in organization's task environment?
 - 2. What strategies did leadership employ to achieve legitimacy in the organization's institutional environment?

1)

- a) What did the leadership do to maintain the core technology?

In 1866, Conrad Swensburg developed the core that focused on a practical business education. He anticipated a need for office training and founded GRBC. Like Swensburg, each of the following four leaders kept the same focus on a practical business education. They did not try to change from a business focus or try to be something else. They stayed true to the institution's original mission.

The institution's courses, programs, and degrees have always been aligned with careers in business. The content of programs has changed and increased over time, as a practical business education has evolved to include business management and related

programs in health, technology, and the legal professions. The current environment for each leader defined what constituted a practical business education. Knowledge required for a business career in 1910 was different from knowledge needed in 2000. Still, the dominant bias has remained consistent with the institution's mission of preparing students for careers in business.

1)

b) What did the leadership do to change or adjust the core technology?

The leaders kept the focus on a practical business education and changed and adjusted it to match the task and institutional environment of the time. The core was adjusted to current business practices. For example, the leadership adjusted from calligraphy to typewriters and from typewriters to computers, but kept focus on a practical business education.

The core curriculum was reexamined for the first time in 50 years, during M.E. Davenport's (1910-1959) tenure, and steps were taken in the direction of a traditional liberal arts education. Along with traditional business subjects, Davenport sought to fill a niche he saw in the college market — a mix of theory and practice, which combined elements of classical liberal arts and specialized business subjects that prepared the student for specific employment opportunities.

The institution modified the core on two other occasions. The first modification was an attempt at a four-year component (1936) and the second was mandated curriculum changes by the federal government to meet military education and training needs in 1945. Also, higher-level business courses were added as the demand grew. The core was adjusted to meet current needs.

In 1936, M.E. Davenport attempted to fill a local need with University of Grand Rapids (UGR), which was a four-year university. Courses and programs were offered in pharmacy and other medical and liberal arts types of four-year programs. Because of political and accreditation issues, UGR lasted until 1939. The leaders found out rather quickly that it was extremely difficult to move away from a business school image.

In 1944, the federal government required the institution to adjust parts of its curriculum to meet the military's education and training needs. Davenport Institute added short training-intensive, pre-enlistment courses that emphasized instruction in high-demand fields: accounting, meteorology, drafting, surveying, personnel administration, medical technology, and civil engineering. Pre-enlistment courses were also made available for women planning to enter the military.

In 1946, Davenport-McLachlan Institute offered four-year courses in accounting and business administration in addition to its standard courses. The four-year courses led to the degree of bachelor of science in business administration, which was not offered at DBI. The leaders found it much easier to build off of the business course foundation that was already established by the institution.

The leaders tailored programs to meet the changing needs of the various communities and offered them to veterans, homemakers returning to the workforce, and professional businessmen and women. The institutional leaders sought community input to keep the curriculum current and relevant. In 1964, Sneden expanded the curriculum to include an associate's degree in business. Curriculum advisory board members, a concept started during Sneden's era, contributed significantly to the curriculum development component. The curriculum advisory board members from the community assisted the college in staying

current and relevant with its curriculum. Each program had an advisory board that fed program information back to the institution's leadership.

Maine continued to maintain the core while adjusting it to current environmental demands. He continued the curriculum advisory board members' approach started during the Sneden era. To expand the core to include a BBA in 1981, he did a pilot four-year program to test the market by offering baccalaureate degrees through a cooperative agreement with Detroit College of Business. The pilot was a success and in 1984, President Maine sought permission and was approved by the state of Michigan and NCA to offer a baccalaureate program. All the core expansions related to a continued focus on business education. He continued to use curriculum advisory and governing board members from the community, who assisted the college in staying current and relevant with its curriculum.

In mid-1985, the college connected with the business community to offer non-credit training. The W.A. Lettinga Entrepreneurial Center was opened to provide public seminars, assist organizations with in-house training, and be a resource for small business. This was another way that the institution expanded the core. The focus of the center was on current and future education and training needs of local businesses. This non-credit component allowed the college to charge rates more competitive with community colleges and other low-cost institutions.

The leadership continuously focused on quality and relevance of the curriculum. In 1986, the Success System was developed for each course in the curriculum. Through a series of surveys completed by faculty, staff, administrators, trustees, advisory board members, employers, and alumni, abilities were identified as essential in a valued employee. The skills were incorporated into each class.

One of the strengths for Davenport College was a strong faculty that included many adjuncts. Davenport relied heavily on adjunct faculty to bring current and relevant concepts and skills to the classroom to assist students in their learning. The academic leaders constantly recruited quality adjuncts.

In 1997 and 1998, Davenport College System began offering MBA programs. As part of the strategic planning process, one of Maine's initiatives was to grow their technological capabilities. Improving the technological capabilities allowed the institution to keep up with the times by offering students interactive and online delivery options. In 1997, the core was expanded to include the online college.

In conclusion, at the technical level, change occurred in program, facilities, staff, and student demographics, but the college remained true to its mission of preparing students for business careers. Changes in program often generated support services to meet the diverse needs of students, including housing, financial aid, counseling, tutorial assistance, libraries, child care, technical tools, and, perhaps most important to the credibility of the college, an effective employment service that boasted a 98 percent employment rate among graduates.

2)

- a) How did the management and governance processes and structures change over the life of the organization?

The college started as a private, for-profit business venture, with a sole proprietor in 1866, Conrad Swensburg. Swensburg made the managing decisions. The eras of Aaron Parrish and M.E. Davenport included this approach to governance. During the first few years of Robert Sneden's era, he governed the institution like the first three leaders; family members made the management decisions. Sneden then moved to a community advisory

board that weighed in on college decisions, but the process was not officially formal. The formal governing board process, with self-perpetuating members, started in 1971 and continues today.

2)

b) How did the management and governance processes and structures persist over the life of the organization?

Organized as a private, for-profit business venture in 1866 by entrepreneur Conrad Swensburg, Davenport College continued in private hands for 105 years, through the leadership eras of Swensburg, Parrish, Davenport, and the first twelve years of Robert Sneden's era. The Davenport family governing board served for more than 60 years, from 1910 to 1971.

President Sneden brought non-family members into the management of the institution when curriculum advisory board members, advisory board members in 1963 and governing board members in 1971 were co-opted into the decision-making structure. Co-optation was one of the strategies to acquire and use community members as a resource. "Co-optation is the incorporation of representatives of external groups into the decision-making or advisory structure of an organization" (Scott, 1998, p. 201). In January 1971, Sneden signed Davenport College over to an independent, self-perpetuating public board of trustees to take control of the assets and direction of the institution.

Maine, in 1977, inherited the governing board that governed the college when Sneden was president. He maintained the public Board of Trustees for Davenport College. The board members rotated out every few years, but the governance concept remained the same. The managerial and governance structures and processes kept changing to keep up with a larger

institution and a more complex environment. As the institution grew over time, Maine added layers to manage the organization. It was increasingly difficult to manage multiple locations around Michigan and northern Indiana.

Maine followed Sneden in 1977 with the formal governing board for Davenport College. In 1985, when Davenport College acquired Detroit College of Business, three boards were established. Detroit College of Business maintained its board. Davenport College maintained its board and added a new structure to manage the Davenport/Detroit College System. In 1997, Davenport College acquired Great Lakes College system and then the Davenport/Detroit College System became Davenport Educational System, Inc. Each college maintained its own governing and foundation boards under the umbrella of Davenport Educational System, Inc., which was the board that governed the entire educational system.

In order for Maine to maintain the core, he had to pay attention to the task and institutional environments, and he adjusted the managerial structures in order to deal with it all. In 1977, Maine changed the organizational structure to monitor and achieve the goals he had envisioned. He continued the incorporation of representatives of external groups into the decision-making or advisory structure of the organization, which is co-optation (Scott, 1998, p. 201). He continued, as Sneden did, to co-opt curriculum advisory and government board members.

Institutional long-range. In 1979, the college adopted an institutional long-range planning process that involved all college staff in the charting of school objectives. The process was designed as an ongoing method of organizing, staffing, leading, evaluating, planning, and developing the future of the college. Task forces were added to the

management structure when needed and used for both system-wide and individual campuses to help define strategies' solutions for the institutions.

In 1985, Davenport College of Business acquired Detroit College of Business System and became the largest independent college system in Michigan. Maine modified the administrative structure to accommodate key leaders from the Detroit College of Business. The governing boards remained separate.

Development of the enrollment management concept. As enrollments became more challenging, Maine, in 1996, created an enrollment office to deal with all aspects of the enrollment and recruitment process. This group played an important role in the decision-making process for the institution. Several other ad hoc committees such as the Ventures group also participated in the decision-making processes.

Davenport Educational System, Inc. (DES). In 1997, Davenport acquired the Great Lakes College system, and after study and approval by the board of trustees on May 13, 1997, the Davenport/Detroit College System was reorganized into a three-college system and renamed the Davenport Educational System, Inc. (DES). The DES, Inc., was established for overall management and strategic planning of the whole system.

In May of 2000, Davenport College, Detroit College of Business, and Great Lakes College began operation as Davenport University and began the transition to become a single university. Each of the separate operations maintained its governing and foundation boards.

A major factor in the growth and persistence of Davenport was the stability of its administration and succession planning that contributed to its continuity. During this study, five primary leaders served over a 134-year period. Robert Sneden served under M.E. Davenport for years before he took over upon Davenport's death in 1959. Many of the

academic administrators held their positions for decades and helped to develop the culture at Davenport. For example, administrators Tyrus Wessell and Margaret Voss, who were faculty members in M. E. Davenport's era, worked until Donald Maine took the helm in 1977.

Other factors in the growth of Davenport College have been the stability of board members and the benefit of long-term faculty. Prominent businessmen and board members Wilbur Lettinga, Russ Warner, and Glen Steil have been involved in the college for 30 to 40 years. Individual board of trustee members tended to serve for several years and many were recipients of Davenport education. Decisions by the board of trustees and institutional leadership continued to support the core values of the institution. Managerial activities focused mainly on finding new ways to fund many initiatives for the college in spite of limited direct governmental support and fluctuating economic challenges.

1. What strategies did leadership employ to survive in the organization's task environment?

Dill (1958) defined the task environment as those features of the environment relevant to the organization viewed as a production system – in particular, the sources of input, markets for outputs, competitors, and regulators. Since no organization generates all the resources necessary for its goal attainment or survival, organizations must enter into exchanges, becoming interdependent with other environmental groups, typically other organizations (p. 194).

Scott (1998) stated, "Most connections with the task environment involve flows or exchanges of information, resources, personnel...exchange elements...technical elements are secured, combined, and transformed by organizational processes so that they commonly are

no longer visible in their original state” (p. 211). The leaders primarily used concepts of buffering and bridging to survive in the institution’s task environment.

Buffering strategies. Scott (1988) stated, “Buffering strategies are primarily associated with the technical core and bridging strategies are oriented toward the security of the entire organization in relation to its task environment” (p. 199). Institutions use buffering as strategies to seal off their core technologies from environmental influences. Buffering techniques for the task environment include coding, stockpiling, leveling, forecasting, and adjustments in scale, to seal off the technical core from environmental disturbances. Buffering increases institutional stability and predictability.

Buffering techniques for the task environment include coding and classification of inputs before inserting them into the technical core. Davenport leaders coded students by veterans, by developmental course work students, and by programs or majors, which is important because it causes delays and/or creates problems. Coding minimizes disruption of the technical core.

Buffering techniques for the task environment include leveling or smoothing, which is “an attempt by the organization to reduce fluctuations in input or output environment” (Scott, 1998, p. 198). The institution used advertising to stimulate a demand for college education, thus increasing the desire of interested potential students to choose Davenport College. The dual-purpose buildings back in the early to mid-1900s served as classrooms but occasionally were rented out as offices to businesses when enrollments declined, which helped to reduce economic fluctuations. The use of adjunct faculty from the business community gave the college continuing access to current trends in the marketplace and allowed for tailored programs to meet local conditions and thus protect the core technology.

In 1952, the college used its tax-exempt status to pass on the savings to students, which eased the burden of rising costs and increasing tuition rates. Students were also offered payment plans that allowed them to continue at the college with little or no money. Beginning in the 1980s, Maine established the foundation and raised endowment funds for growth in facilities, new programs, and scholarships to ease the burden of tuition for students.

Buffering techniques for the task environment include forecasting, anticipating changes in supply or demand conditions, and attempting to adapt to them. When the unemployment rates went up, demands for new skills in the job market were changing, and during times of war and major layoffs by large employers, the institution anticipated changes in enrollment and planned and staffed accordingly.

Bridging strategies. Scott (1988) stated, “Bridging strategies are oriented toward the security of the entire organization in relation to its environment” (p. 199). Bridging techniques for task environment include bargaining, contracting, co-optation, alliances, joint ventures, mergers, associations and governmental connections which increases the number and variety of linkages with competitors and exchange partners, and thereby enhance security in technical environments (Scott, 1998, p. 226).

Co-optation. Curriculum advisory board members, advisory board members in 1963 and governing board members in 1971, were co-opted into the decision-making structure at the institution. Co-optation was one of the strategies to acquire and use community members as a resource. “Co-optation is the incorporation of representatives of external groups into the decision-making or advisory structure of an organization” (Scott, 1998, p. 201).

Mergers. The leaders managed the demands of the environment in many ways, while reducing uncertainty and enhancing stability. One way was growth through mergers. Pfeffer and Salancik (1978) discussed vertical, horizontal, and diversification forms of mergers. Scott (1998) said vertical integration occurs when an organization engaged in related functions but at different stages in the production process merges backward or forward with one another (p. 205). Vertical integration, as in the acquisition of the Detroit College of Business in 1985, offered an opportunity to award advanced degrees. Great Lakes College in 1997 became an associate degree-granting institution while Davenport College was a bachelor degree-granting institution. Horizontal expansion and the reduction of competition occurred with the merger with McLachlan University in 1924, and diversification came through the statewide acquisition of smaller business schools.

The merger of Davenport and McLachlan University to become Davenport/McLachlan Institute was an investment on the margin. With the addition of a four-year college, Davenport's investment in the direction of its emerging four-year school led to a positive return and moved the organization in the direction of this margin. As programs advanced from the associate to bachelor's degree and from bachelor's degree to master-level degree, termed forward integration, student enrollments and revenue increased. This classic resource dependency approach decreased the organization's dependency on the original two-year program and increased the organization's dependency on other revenue sources.

Boundary spanning. Scott (1998) defined boundaries of organizations as the nature of activities performed: "We would expect to observe a change in the activities conducted by individuals as they cross a system boundary" (p. 184). Boundary spanning was

an essential and continuing function of Davenport leaders as they responded to the changing needs of employers and students. Boundary spanning programs supported the ideas of Senge (1990), who asserted that leaders create conditions that encourage learning. For Davenport, those conditions included expansion of programs into outlying areas, international studies, development of career centers and delivery of education, training, consulting, and related services to corporate customers, such as the W.A. Lettinga Business Training Center, formed in 1986, that spanned the environment and the organization. The Learning Network promised limitless online expansion of the core technology beyond the walls of Davenport College. Further boundary spanning included the involvement of business and community leaders as members of curriculum advisory boards. Through their participation, the college was able to gain vital information about the task environment and align core technology accordingly.

Strategic alliances. “Alliances involve agreements between two or more organizations to pursue joint objectives through coordination of activities or sharing of knowledge or resources” (Scott, 1998, p. 203). This is a bridging strategy in the task environment. Collaboration complemented and strengthened Davenport College throughout its history as the college entered into a variety of relationships with the state of Michigan and other institutions of higher learning, higher education associations, high schools, libraries, employers, and student organizations.

Employer alliances have been a hallmark for Davenport for many years. As advisory board members, employers assist the college with updated curriculum information, employment, co-op and internship opportunities, and financial support on a regular basis.

Employers play a critical role for Davenport's outputs as many of the graduates are employed with local companies in the communities where Davenport College campuses are located.

Presidents Sneden and Maine developed transfer agreements with four-year institutions for associate degree graduates from 1964-1983, the period in which the college offered only the two-year degree. Articulation agreements were established with such institutions as Grand State College, Ferris State College, Calvin, Hope, Aquinas, Eastern and Western Michigan, and Michigan State University.

In 1981, Davenport College coordinated (courses/programs/schedules) a unique four-year pilot program to test the market by offering baccalaureate degrees through a cooperative agreement with Detroit College of Business. Davenport College offered the first two years of a bachelor's in business administration, and the second two years were offered by Detroit College of Business. The entire program was offered on campus in Grand Rapids. This agreement is referred to as a strategic alliance.

The University Centers started up north and then in the Detroit and Flint areas. University Centers are another example of agreements and coordination of courses/programs/schedules between institutions. In the fall of 1994, Davenport opened its Northern Michigan operation in Gaylord. Sites were also opened at West Shore Community College in Traverse City, which was the University Center location for approximately 20 public and private higher education institutions. The Flint campus set up a cooperative relationship in 1997 with the University of Michigan-Flint and Mott Community College. In 1998, Montcalm Community College and Detroit College of Business (and 12 other public and private institutions) collaborated with a university center concept in Oakland County.

Associations. Scott (1998) defined associations as arrangements that allow similar or diverse organizations to work in concert to pursue mutually desired objectives. Individual organizations join associations in order, variously, to garner resources, secure information, exercise influence, or obtain legitimacy and acceptance (p. 206).

Davenport College entered into and fostered relationships through its membership in a number of national and local organizations, including the Association of Independent Colleges and Universities of Michigan, the National Association of Independent Colleges and Universities, American Association of College Registrars and Admissions Officers (AACRAO), and the Michigan chapter (MACRAO). Pfeffer and Salancik (1978) concurred that leaders' ability to link formally and informally with state and related agencies helps stabilize and reduce uncertainty. "When situations of exchange and competition are uncertain and problematic, organizations attempt to establish linkages with elements in their environment and use these linkages to access resources, to stabilize outcomes, and to avert environmental control" (p. 144). Pfeffer and Salancik add that with greater interdependency between the organization and its environment, demands for management of the relationships increase. "Organizational effectiveness is an external standard of how well an organization is meeting the demands of various groups and organizations that are concerned with its activities The organization is viable as long as it is able to maintain a coalition of public support" (p. 11).

2. What strategies did leadership employ to achieve legitimacy in the organization's institutional environment?

"Organizations require more than material resources and technical information if they are to survive and thrive in their social environments. They also need social acceptability and

credibility” (Scott et al., 2000, p. 237). Sociologists employ the concept of legitimacy to refer to these conditions. Suchman (1995b) provided a helpful definition of this central concept: “Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (p. 574). The institutional environment relates to the part of the environment having to do with legitimacy.

Commercial or business schools were not established until long after the earlier colonial colleges and universities and had to work hard to stake their claim as legitimate institutions of higher learning and to be recognized as such by others to whom they must relate. Davenport College leaders did much to make sure the institution was and remained classified as a legitimate institution of higher learning.

The institutional level of the organization, as defined by Parsons, deals with the institutional environment. In addition to the technical aspects of the environment, leaders must manage the institutional environment because this is the part of the environment where social acceptability and credibility are established. Social acceptability and credibility affirms legitimacy and enhances support for survival.

Researchers have identified two broad classes of strategies, buffering and bridging, by which organizations relate to their institutional environments. Scott (1998) stated:

There are two major types of collective actors that generate institutional rules – cognitive categories, normative beliefs, regulatory policies - are governmental units and professional groups” (p. 211). Buffering strategies such as symbolic coding, decoupling and bridging strategies such as categorical, structural, procedural, and personnel conformity are employed in securing legitimacy and support in institutional environments,” (1998, p. 226).

Davenport College was recognized by the federal and state governmental units and many professional groups - in particular, various accrediting agencies - as a legitimate

institution of higher learning. The federal government recognized Davenport College as a legitimate institution of higher learning and allowed the institution to participate beginning with the GI Bill 1944. The state of Michigan recognized Davenport College as a legitimate institution of higher learning by granting a charter and, beginning in 1960, allowing the institution to participate in state student financial and other direct aid programs. Legitimacy was established by the importance placed on independent higher education by the national and state lawmakers, as well as through accreditation, in the eyes of students, employers, and the public.

Accreditation. Accreditation helps institutions establish legitimacy as it is affirmed by accrediting associations. Legitimacy was a critical issue for Davenport College in the early years, as it provided a link to other organizational and societal systems and helped to shape the organization's identity and confirm its purpose. Through the years, Davenport's legitimacy was affirmed by state approval of programs and indirectly through the approval of federal aid. Aligned with legitimacy, and indeed essential to survival, the efforts to achieve accreditation were paramount through several leadership eras.

As early as 1924, Davenport became fully accredited by the National Association of Accredited Commercial Schools and thereafter presidents Davenport, Sneden, and Maine were committed to belonging to professional associations and acquiring accreditation that enhanced the reputation of the college and assured eligibility to participate in federal and state financial aid programs.

The college received regional accreditation by the North Central Association of Colleges and Schools (NCA) in 1976 under Sneden's leadership, an important endorsement for independent schools that verifies the institution's quality to employers and elevates the

school's image in the eyes of educators, contributors, and students. NCA accreditation equates the independent business school with public institutions in their commitment to educational excellence (Moceri, 1990). Accreditation became more important as it proved to be the pathway to expansion of programs through authorization of advanced degrees, thus increasing financial stability, legitimacy, and prestige for the college. Through a progression of approvals, NCA authorized Davenport College to include graduate degrees in 1998. The Learning Network (now Davenport University Online) began offering online classes the next year, and approval was granted to offer full degrees online in 2000. The federal government provided the lion's share of aid, and accreditation continued to play a critical role in the allocation of state and federal aid to postsecondary education.

The institutional leaders aligned with special national accrediting bodies validate their law, nursing, and other medical and health programs as legitimate. Individual organizations join associations to affirm their legitimacy or obtain acceptance (Pfeffer & Salancik, 1978). The Commission on Accreditation of Allied Health Education Programs (CAAHEP), the Accrediting Bureau of Health Education Schools, and The Commission on Accreditation of Allied Health Education Programs (CAAHEP) were just a few with which the institution aligned itself. These types of accrediting bodies assure the public, in particular prospective students, of Davenport College's educational quality in areas such as law and health. Specialized accreditation further validated credibility and legitimacy for the institution.

Bridging strategies. Bridging strategies such as categorical, procedural, and personnel conformity were employed for securing legitimacy and support in institutional environments. The institution began to structure itself, use language, and behave like other institutions of higher learning:

Categorical conformity. A bridging strategy, categorical conformity, is the process whereby institutional rules in the form of typifications and taken-for-granted distinctions, provide guidelines to organizations on which they pattern their structures. Conventional distinctions have developed between various scientific and humanistic disciplines with the result that most colleges and universities exhibit the same or very similar collections of schools and departments. Organizations incorporate these cognitive belief systems because doing so enables them to make themselves understandable to others and, in this manner, enhances their legitimacy and increases their access to resources and survival capacities (Scott, 1998, p. 213).

Procedural conformity. “Organizations are often placed under pressure from institutions in their environments to carry out specified activities or to carry them out in specified ways,” (Scott, 1998, p. 214). The federal government required annual audits by outside CPA firms for institutions participating in federal programs. Davenport adopted this procedure under the threat of formal sanctions.

Personnel conformity. “Institutional environments often specify what types of bridging strategies personnel conformity are employed in securing legitimacy and support in institutional environments,” as explained by Scott, (1998, p. 216). Certification is viewed as an important source of legitimation. Conformity to institutional rules often entails the hiring of specific types of personnel. In the medical programs, nurses are required to hold specific credentials. The hiring of individuals with appropriate educational credentials enhances the legitimacy of the employing organization and secures for it additional support and resources (p. 216). Davenport focused on job descriptions and organizational structures when the governing board took effect in the 1970s.

Community service. All the leaders served on community boards and worked publicly with other groups to enhance Davenport's image, legitimacy, and reputation. Presidents Sneden and Maine played key roles for Davenport College and independent colleges and universities when they served with the AICUM association as executive committee members.

Organizing Themes

This historical case study described the development, growth, and persistence of Davenport College chronologically by leadership era. Many external forces threaten the survival of an organization. Regardless of the type of organization, it is important for those who seek to understand, manage, and control organizations to understand the challenges and demands that the institution must manage in order to continue to exist and survive. The institutional and task environments and the core are three of the areas that organizational leaders must manage.

Three themes organized the findings of this study. The first theme involves the leaders adapting and enacting the institutional environment. The second theme involves the leaders connecting the organization with the task environment. The third theme involves the leaders protecting, adjusting, and coordinating the core. All three of these themes are meaningful threads that span the leadership eras:

1. Adapting and Enacting of the Institutional Environment

The institutional environment relates to the part of the environment having to do with legitimacy and acceptability type issues. Private independent nonprofit colleges and universities are influenced by their environments and require organizational adaptation in order to survive. One of the obvious observations from the study is that "organizations are inescapably bound up with the condition of their environment. Indeed, it has been said that

all organizations engage in the activities which have as their logical conclusion adjustment to the environment” (Hawley, 1950, p. 3). Organizations must adjust environments because they hold something very valuable, resources, which are needed for existence and persistence.

Davenport College leaders used various strategies designed to take advantage of opportunities or to shield the organization from environmental influences. Enactment is one of the strategies. Organizational enactment is how the organization’s members attend to and interpret the environment (Weick, 1995). The institutional level of the organization deals with the institutional environment. Scott (1998) stated, “It is assumed that existing organizations can act to improve their chances of survival” (p. 116). Davenport College leaders had to adapt to or enact a changing environment or run the risk of losing a portion of enrollments, thus losing resources, which are tuition and fees.

Federal and State Governments and Accrediting Agencies

Requirements imposed by powerful external constituents in its environment influenced adaptation. The federal and state governments and accrediting agencies are the rules makers. Sometimes institutions adapted by coercion and sometimes by choice. Davenport College leaders made sure that their institutions adapted to and stayed in compliance with federal and state laws and accrediting rules. The federal government typically creates laws that must be followed to receive funds and support. Many of the laws in higher education relate to anti-poverty and anti-discrimination issues. Institutions of higher learning must comply with these laws to maintain their legitimacy and credibility in the eyes of the state and federal governments.

The accrediting agencies publish the names of institutions or programs that meet or exceed acceptable standards of educational quality. Since 1924, Davenport College has kept the institution involved with program and institutional accreditation as a means of validating its quality educational programs to the public and various levels of governments.

Accreditation became increasingly important as the federal government relied on nongovernmental accrediting as reliable authorities in determining the eligibility of schools and colleges to participate in federal education assistance programs.

Other Institutional Environmental Forces

Environments are critically important to organizations and they do change from year to year. Organizations do not operate in isolation or as closed systems. They are acted on by outside forces, which are not predictable at times. Certain environmental forces at the institutional level, such as social, cultural, and political forces, affect the function of an organization.

Social forces.

Organizational actions are adjusted to conform to the constraints imposed by the social context...managers are sensitive to the social context in which the organization is embedded and have an understanding of the relationship between the organization and its environment (Pfeffer & Salancik, 1978, p. 19).

Davenport College and surrounding communities maintained an interdependent social relationship. Changes in the society compelled interaction among all levels of control as the college strived to meet the needs of individuals and the community. As the nature of the country shifted from agrarian to industrial and beyond to an information society, adjustments were made in Davenport programs, curriculum, and delivery systems to keep pace with

demands of the job market. College leaders scanned the environment to match core activities to changing demands.

“Make a Living, Make a Life, Make a Contribution,” the motto of M. E. Davenport, exemplified the social mission of the college to prepare students for careers in business. The college responded to the educational needs of special populations, including veterans, women, single parents, minorities, and international students. Attention to needs of students was a priority for Davenport staff, who took pride in their efforts to assure success for every individual. During times of hardship, the college responded with flexible payment plans and support services to provide education and training opportunities for the community and to remain viable as an organization.

The strong links established between the college and the business and industrial community formed a social fabric that benefited both entities. For example, Davenport leadership developed curriculum advisory boards to assist with assessing the needs of the marketplace. The members of the boards were employers and employees in the field, practitioners representative of current and future employment and training needs. These individuals provided valuable information for decision-making about the core technology, lending relevancy and current practice to educational programs. A major investment into corporate training not only served the needs of the state for specific training but also provided new resources for the college. Further, the cooptation of business leaders resulted in continuing commitment toward fundraising for scholarships and new program development.

The college responded to social forces but also was a social force, as undergraduate and advanced education and training programs enhanced the lives and work of people in the Davenport communities. Garland and Grace (1993), citing various studies from the late

1980s, indicated that although students' choices of studies were increasingly "based on relative anticipated incomes," they were also choosing areas such as health careers and education, occupations that were "traditionally stable during economic fluctuations and allow more personal contributions to society's welfare" (p. 35).

Cultural forces. In the broadest sense, cultural forces in the environment encompass all others, as cultural influences have to do with the way of life, the norms, expectations, and values of the society. To become institutionalized in the culture, the college had to be valued as a partner in the exchange of resources. Interaction of the environment at the institutional level, governance, and core technology was apparent at the inception of the college. Transition was an important cultural element in Conrad Swensburg's time, as the country recovered from the Civil War and as industrialization was revolutionizing the workplace. Swensburg established the business college and aligned the content of the program with the needs of the business office. The dominant bias of providing a practical business education endured and became the mission that responded to cultural forces and sustained the college for the next 134 years.

Though the mission remained stable through the years, the components of the curriculum were flexible in response to cultural influences in the task environment. Notable changes in the role and expectations of women in the society, greater educational support and access for minorities, and a growing interest in continuing education in general were reflected in the changing demographics of the student enrollment. Further, cultural and aesthetic expectations of the community and the need to prepare students for enlightened business leadership led to a broadening of the curriculum to include aspects of a liberal education and expansion of campus sites, libraries, labs, and enrichment programs. Through

outreach and collaboration, the culture of the entire community was enhanced by the inclusion of the college.

College leaders strived to maintain stability in the internal culture, an effort that was bolstered by the continuity of the leadership and long-term faculty. Governance employed buffering and bridging strategies to protect the core technology from potentially damaging cultural constraints, such as competitors and governmental regulations. Legitimacy, granted by the cultural support of the community, was achieved and maintained through the continuing exchange of resources and the balance of interactions between the levels of control, the institutional, managerial, and technical core.

Political forces. External and internal political forces shaped management structure, policies, and core activities throughout the history of the college. The national political agenda determined priorities and generated demands for curriculum changes. For example, in wartime, new training was required to serve the war effort, and the race for space created a demand for emphasis on math and science in the curriculum. Interaction between college managers and the federal and state government grew as the political forces at the institutional level exerted more and more authority over college operations. College leaders struggled with the paradox of wanting to maintain a private, independent status, and at the same time needing to comply with governmental regulations. Compliance and accountability were mandatory conditions for access to direct and indirect government funds that reduced the burden of tuition and lent credibility, and assured continuing enrollment of students.

Political affiliations were a means to gain credibility and legitimacy as educational institutions. Efforts to achieve and maintain accreditation began as early as 1912 when independent national college leaders organized the National Association of Commercial

Schools. Davenport and other business colleges initiated political alliances and were voluntary members in this and other accrediting associations, which helped to establish standards that ultimately determined quality of program and eligibility for funding.

Davenport experienced the negative consequences of political force when, in 1944, the state denied accreditation for the University of Grand Rapids (UGR), a four-year program acquired by Davenport. Accreditation was tied to dollars, and students pursuing bachelor degree programs could not use federal money at the UGR, thus limiting a critical resource for the institution. UGR eventually closed because of low enrollments.

The North Central Association of Colleges and Secondary Schools (NCA) had far-reaching political influence on Davenport College. President Robert Sneden led the effort for membership in the national accrediting agency that involved an arduous process of application, site visits, and program reviews. Most importantly, NCA required governance by a public lay board of trustees and the end of 60 years of family ownership of Davenport College. With state and NCA approvals, Davenport acquired additional sites, expanded degree programs and broadened educational options for students.

Decisions at the national and state level had significant impact on the governance and core levels of the college. However, political interaction did not always originate at the institutional level of control. Joining with others, Davenport College leaders mounted a successful campaign to influence government decisions to continue education benefits to veterans of both the Korean and Viet Nam Wars. Pfeffer and Salancik (1978) pointed out that organizations are more likely to take a more active role when high stakes are involved. In addition, Davenport College leaders mounted a successful campaign to influence government decisions.

With each acquisition, program expansion, and change in government policy, the environment became more complex and unpredictable. Scott (1995) proposed, in his own research on organizational development, that “organizations confronting more complex, fragmented environments - for example, multiple authorities and/or funding sources - would develop more complex and elaborate internal structures, holding constant the complexity of their work processes” (p. 117).

Internal political forces included the associations of faculty, whose concerns at the technical level were mediated by governance and balanced with approvals and constraints imposed by the task and institutional environment. Competition exerted considerable political influence. Students and parents, the consumers, exercised political power in their choice of educational services. Maine described the personal interactions within the internal structure that helped the complex organization persist and deal with internal and external political forces.

Davenport has been successful over the years and competition continues to stiffen. In order for a business to work when it is a fairly large organization, you have to have the right management mix. Usually at the top, you have to have the visionary kind of person, who has the generalist kind of skills, then you have specific people who report to the generalist, who can do specific things like finance, marketing, and operations, etc. The key is having people with different strengths than the leader. The generalist then pulls the strengths from all the others and makes it all one. That is how successful companies really work well. And in this business, it worked so well because I had so many people who had other strengths than what I had. And I was the generalist. We just complemented each other, all had different abilities, and worked well together. (D. Maine, personal communication, September 8, 2000)

2. *Connecting the Organization with the Task Environment*

The task environment, as described by Dill (1958), “refers to the parts of the environment that are relevant or potentially relevant to goal setting or goal attainment (p. 194). Connecting with the task environment is an important component for institutional stability and survival. Scott (1998) stated, “Most connections with the Task Environment involve flows or exchanges of information, resources, and personnel” (p. 211).

Organizations depend on the environment and the environment depends on organization, which creates an interdependent relationship. Pfeffer and Salancik (1978) asserted, “Interdependence exists whenever one actor does not entirely control all of the conditions necessary for the achievement of an action or obtaining the outcome desired from the action” (p. 40). Scott (1998) said, “Managers must expend as much time and energy in relating to the environmental demands as in directing the internal affairs of the organization” (p. 284).

At the managerial level, individuals play an important role in connecting the organization to the task environment. A primary function of the manager is to be a boundary spanner, to manage and move or funnel the resources from the task environment into the core to sustain it. Pfeffer and Salancik (1978) explain that the administration’s relationship with the environment depends on the administrators knowing (1) on what the organization depends, (2) when to respond or not respond to environmental demands, and (3) how to avoid environmental constraints that force actions that limit the organization’s chances for effectiveness and survival (p. 62).

Survival of the system, as the goal of the institution, is paramount for leaders, and survival depends on the ability to acquire and maintain resources. The leaders connected the

institution to state and federal governments, to task-related information, financial resources, students, facilities, and personnel, which are all parts of the environment that are relevant to the institution's survival. The institution's leaders used buffering and bridging to connect the institution to its task environment.

State and federal governments

The institutional leaders had to stay connected with the federal and state governments for financial support and affirmation of legitimacy. The federal government began indirectly providing financial support to private and public institutions through students with the GI Bill legislation in 1944. The federal government has increased that and continues that financial support through its Title IV Student Financial Aid Programs. The state of Michigan began its indirect financial support in 1960 and its direct financial support in 1966 with the Michigan Tuition Grant, a grant for students choosing private state institutions. The state has increased its financial support and continues a very important oversight role of state institutions participating in federal financial aid programs. It is imperative that the current and future leaders stay connected to both branches of the government because they set the rules of the game, affirm legitimacy, and provide financial support.

Students

The student population changed and so did students' needs. Students are the focus of all efforts to achieve legitimacy and accreditation, to meet government standards and provide curriculum to accomplish the mission of training for careers in business. A discussion of adaptation to a changing environment would be incomplete without mention of the continuing evolution of students attending Davenport College.

From the beginning, the critical resource for the Davenport organization was students and the tuition dollars generated by their enrollments. For more than half of the history of the college, tuition was basically the only source of funding. Direct and indirect government support ameliorated tuition costs following the war years and subsequently became an important resource, albeit with regulatory constraints. Sustained student enrollment was dependent upon the credibility of the college that promised to provide the skills demanded by the workplace.

Davenport leaders wore many hats to attend to internal administrative functions for impact at the technical level, while scanning the environment at the institutional level to be able to respond to economic conditions and responsibilities that would gain legitimacy and credibility for the college. “Organizational participants, particularly managers, scan the relevant environment, searching for opportunities and threats, attempting to strike favorable bargains and to avoid costly entanglements” (Scott, 1998, p. 116). With the exception of Aaron Parrish, whose abrupt departure and theft of tuition money took the college to the brink of failure, all of the leaders took an active role in securing resources by their commitment to the mission of preparing students for careers in business and by various strategies to ensure the survival of the college.

Davenport has grown from serving 16 white male students in 1866 in a small classroom to serving approximately 15,000 full- and part-time students in 2000 at 30 locations in Michigan and northern Indiana. By 2000, the student body was 74% female, 68% over the age of 25, and 44% minority. More than 75% of the full time students received financial aid.

When Conrad Swensburg opened the doors at Grand Rapids Business College in 1866, the students were young men preparing to meet the needs of business in the emerging industrial economy. Women were not recruited to enroll in the early years, but the invention of the typewriter in the late 1800s not only revolutionized the workplace but also brought women to the college classroom and subsequently enabled them to assume the clerical duties of men in the business offices.

Davenport, like many other institutions of higher learning, experienced a change in student demographics as a result of the economic and social environment surrounding the war years. Women not only entered military service or took the place of men on the assembly lines, but then also were recruited to fill the empty seats in the college classrooms formerly occupied by men. Society adjusted to women's changing roles. The end of WWII brought an enrollment boom as both male and female veterans returned to attend college with their government educational benefits. College enrollments of women declined after the war, offset by an increase in the numbers of men enrolled who received the benefits of the G.I. Bill. Enrollment of women regained predominance with the thrust of the women's movement and federal antidiscrimination legislation in the early 1970s.

By the early 1970s, enrollment of black and female students skyrocketed with the impact of the Civil Rights Movement and affirmative action policies in admissions. As the wave of veterans passed through the institution, the focus of recruitment shifted to other identified populations, and the programs were tailored to meet their specific needs.. During Maine's era, the trends in recruitment continued with nontraditional students in continuing education, high school seniors, international students, MBA students, corporate service students, and online students.

In 1870, 85.3% of the bachelor's degrees were awarded to men. By 1940, the percentage had decreased to 58.7% before increasing back up to 76.1% in 1950. The percentages declined in 1960 (64.7%), 1970 (56.9%), 1980 (51.0%), and 1990 (46.8%), when the percentage fell below the 50% mark. For the first time starting in 1990, women began receiving a higher proportion of bachelor's degree than men (Mortenson, 2000). This trend is consistent with Davenport's enrollment of female students, as the numbers had reached 70% in favor of women students by fall of 2000.

Facilities

Davenport College evolved from sixteen students taking penmanship courses in a single classroom offering limited programs in business to a multiple-campus university system. Transitions were made to expanded, appropriate locations to serve growing populations. Off-campus career centers and business training centers served outlying areas and specific corporate training. Growth that included classrooms, student housing, libraries, labs and administrative facilities was enabled by access to government grants and loans. Davenport also grew through direct expansion by way of direct capital investment that included the Peter Cook Administration Building and the Sneden Academic Building.

Further, acquisition of thirteen business-related schools through the years greatly expanded the capacity of Davenport College. Davenport's growth has been through acquisitions, which has been the operating model since at least 1924. This certainly has helped with survival. Organizational growth and large size enhance the survival capacity of organizations, providing them more power with respect to their environments and with more parties interested in their continuation (Pfeffer & Salancik, 1978, p. 140).

Davenport acquired a competitor school as early as 1924 in the M. E. Davenport era, then seven more by the end of his leadership in 1957. Though no additional schools were acquired during Sneden's era, 1959-1977, new property and facilities were added with the help of federal grants and loans. Beginning in 1977, under President Maine's leadership, Davenport College enjoyed a statewide expansion program, adding five more schools, and established branch campuses in Michigan and Northern Indiana. It was the horizontal expansion merger approach that Davenport's leaders enacted throughout its history to gain stability by reducing competition while increasing profitability. Pfeffer and Salancik (1978) said:

Growth, regardless of how it is achieved, provides organizations with additional control over their environments and enhances their likelihood of survival. Large organizations, because they are interdependent with so many other organizations and with so many people, such as employers and investors, are supported by society long after they are able to satisfy demands efficiently. (p. 131)

Size contributed to the stability and credibility of the organization, enhanced its ability to acquire students, and thus to thrive and persist.

Personnel

At Davenport, the Faculty Senate and the Academic Council involve staff in the important issues affecting the core technology. The Faculty Senate represents the highest voice of the faculty. The group provides input to the president of the college about faculty concerns, contractual issues, and differences with the college. Protective of faculty interests, the strong coalition of faculty wielded considerable political power within the college at one time. The Academic Council performs a bridging function linking employers, business and industry, and the education community. The Academic Council advises curriculum planners, keeping the college courses current and relevant.

The longevity and continuity of Davenport's leaders and full-time faculty created a strong internal culture. Clark (1970) demonstrated how colleges become distinct from one another on the strength of their organizational culture inculcated and transmitted by college presidents and their long-term faculty. Part-time, business and industry professionals played a vital role as Davenport's adjunct faculty. Their expertise brought relevancy to the coursework and adjustments to the curriculum that met demands of employers. Persistence of the college is attributable, in part, to the commitment of the faculty to the mission of providing a practical business education.

Task-related Information

Davenport College continues to partner with the business community in a variety of ways to meet the needs of the business world and to help stimulate local economies. The institution's leaders stayed connected to an information stream, which is a certainly a critical resource. Influential community leaders served on the board of trustees, and career advisory boards and adjunct staff contributed in many ways to the growth and persistence of the college by providing task-related information. Co-optation of community members, as well as representatives of businesses and industry, proved to be a valuable strategy for resource mobilization and credibility. Pfeffer and Salancik (1978) found that organizations depend on specific environments to affirm their legitimacy, garner resources, and provide exchanges. This legitimacy, providing a link to other organizational and societal systems, helped shape the organization's identity and confirmed its purpose.

3. Protecting, Adjusting and Coordinating the Core

Like many private institutions, Davenport College has a history of responding to local community needs. Ashcroft and Kerr (1990) stated, "Private institutions respond swiftly to

changing societal needs and to new clienteles. They tailor programs to meet local conditions, shift resources without having to consult through several layers of boards or commissions and concentrate on specific groups” (p. 9).

Davenport College’s hallmark has always been providing a practical business education. Conrad Swensburg, founder of Grand Rapids Business College, established the original core in 1866, which remained the dominant bias throughout the institution’s history. Schattschneider (1975) stated, “All organization is a mobilization of bias in action” (p. 30). For Davenport College, the dominant bias was, and continues to be, a practical business education in which students learn business skills in class that are useable in the workplace the next day. The core technology of education and training programs was a direct result of environmental needs.

From the onset, the college offered career development for its students. Swensburg sensed the shift in the economy as the labor market requirements changed from farming to a more industrialized nation, and he anticipated the need to train individuals to work in the offices. Pfeffer and Salancik (1974) explained that organizations are created from the environment in which they are embedded. Groups or individuals with special interests that need to be addressed initiate the creation of an organization in order to meet those needs or interests.

As the organization grew and changed, the college’s leaders mitigated the tension between certainty or stability and competing demands. College leaders struggled to link technical activities and organizational stability. Parsons (1960) stated that on the managerial level, administrators procure resources for the technical function, or core activity, and mediate between the technical function of the organization and its customers. Thompson

(1967) said that managers are in a position to enhance the links and control the demands of the task environment on the core activities. Clark (1958) explained:

The exercise of leadership in education, as in other institutional areas, means facing the continuous problems of adjusting organizations and their purposes to environmental pressures, and of understanding and controlling the long-run effects of the adaptations that are made. (p. 44)

“Make a Living, Make a Life, Make a Contribution,” M. E. Davenport’s 1910 motto, articulates what has always been the major objective of the college: to furnish individuals with a specialized and general education that will prepare them for entry-level positions in the traditional areas of business and industry, provide them with the background to grow into middle-management positions, and enable them to be responsible, contributing members of society (NCA Institutional Self-Study, 1975).

Remaining true to the mission of training students for careers in business that was established by the founder, Davenport College, like other private, independent nonprofit colleges and universities, operated in a continuously changing, highly competitive, relatively unprotected environment for many years.

Consistently maintaining the dominant bias, the core curriculum and delivery systems changed to reflect changes in the economy and to accommodate changes in student demographics. The core that consisted of a deliberately sequenced set of rigorous courses in Practical Penmanship, Practical Arithmetic, Bookkeeping, Business Penmanship & Composition gave way to typewriting, computing, and other relevant courses of study that evolved over the years to serve business, health care, legal services, and technology industries.

With enlightened leadership that responded to external pressures while maintaining the stability of the organization, the institution grew and persisted. Students today can attend

classes whenever they want and wherever they want, even complete 100% of their degree via the Internet. Programs are continually updated to provide the skills and expertise that are in high demand, and instructors hold high-level degrees and work in field they teach, so they can provide real-world solutions.

Cooptation for Commitment

Creation of curriculum advisory boards was one of the ways by which Davenport College stayed relevant and in touch with labor force education and training needs. The members of the boards were employers and employees in the field, practitioners representative of current and future employment and training needs. These individuals were part of Davenport's information system that was developed early in the institution's history and still exists today.

Growth by Degrees

The college started offering business courses; next, programs and diplomas; and finally, degrees at the various levels. Credentials, signifying the formal acquisition of knowledge and skills, were the focus of students and employers and the concern of accrediting agencies throughout the history of the college. Expansion of Davenport's core technology to include higher levels of academic achievement was a natural evolution to meet the complexity of the world of business and an economic necessity to keep pace with growing numbers of providers of higher education. At various times the marketplace dictated expansion. For example, associate's degrees from accredited institutions were necessary for students wishing to transfer to four-year colleges, and expansion to the baccalaureate degree provided the higher management skills required by business as well as access to financial resources to sustain the institution.

Converting from a two-year to a four-year institution is an example of forward vertical integration. In 1984, Davenport integrated forward from an associate's to a bachelor's degree program. As stated by Thompson (1967):

Organizations that seek to expand their domain use the concept of vertical integration, especially with shrinkages in profit margins. It refers to the combination in one organization of successive stages of production: each stage of production uses as its inputs the production of the preceding stage and produces inputs for the following stage. (p. 40)

The 1988 approvals to offer graduate level programs and the master's degree in business administration (MBA) established Davenport College as a legitimate and substantial provider of higher education in Michigan. The ultimate expansion, to date, of core technology, delivery of academic credentials, and boundary spanning is discussed in the next section.

Technology

The economic base changed from farming and lumbering in the 1800s to manufacturing/industrial in the 1900s to a complex high-tech society by 2000. As a result, education, training, and employee needs changed with the times. The skill sets required in the workplace changed from physical to mental, as America transitioned from an agricultural society to an industrial culture and beyond to the information age. Technological changes, more sophisticated concepts, and the influence of business and industry created a demand for better-educated and more highly skilled employees. Davenport College revised and expanded courses of study and grouped them into sharply defined degree and terminal programs designed to meet the vocational and general educational needs of the individual in the rapidly changing, complex global business marketplace.

Concluding Statements

Davenport College of Business and its antecedents have a history dating back to 1866. Throughout its more than 100 years of service, its fundamental purpose has been to provide training and education for careers in business, health, and technology.

Persistence for Survival

The leaders maintained persistence and survival of the institution by combining the above three themes. They adapted and enacted to the institutional environment, while connecting to organization with the task environment and protected, adjusted, and coordinated the core in order to persist in providing a practical business education. Each of the leaders had to manage the flow and pressures of the environment and adjust or not adjust the core in order to persist and survive. The key to organizational survival is the ability to acquire and maintain resources (Pfeffer and Salancik, 1978).

Watzlawick et al. (1974) stated “Persistence is a repetitive chain of events” (p. 1). In the case of Davenport College, persistence over 134 years entailed commitment to providing a practical business education. The institution had to change in order to remain the same. Handwriting was replaced by typewriters and typewriters were replaced by computers. A business education in 1910 is quite different from a business education in 2000.

Davenport leaders maintained the institution’s mission and identity in a changing environment that included the dynamics of the economic, social, cultural, political, and technological challenges and changes. Throughout each of the leadership eras, events are described that demonstrate the way that change, driven by outside forces, mediated by the

actions of governance and organizational culture and values, impacted upon the core technology.

At the center of the interaction, the governance level, the role of college leaders is to assure survival of the organization. Thompson (1967) describes the paradox of administration that must strive for certainty at the technical level as they seek to maintain balance with the task environment and institutional environment at the institutional level. Environmental resources and pressures may prompt change at the technical level, which in turn, reduces the value of existing core activities and causes uncertainty. However, without response to environmental pressures that include changes in core activities, the institution may not be able to survive.

Due to the many technological changes over time, more sophisticated concepts, and the influence of business and industry that created a demand for better-educated and more highly skilled employees, the college revised and expanded its courses of study and grouped them into sharply defined degree and terminal programs designed to meet the vocational and general educational needs of the individual in a rapidly changing, complex business society.

There was change at one level and persistence at another. Forces of persistence were greater than the forces of change. Providing a practical business education remains Davenport's core activity. The institution must change in order to remain the same. For example, handwriting was dropped when the typewriter came along, and the typewriter was abandoned when the computer became prevalent. By changing, the institution remained true to the core. As the institution grew in program options, it still remained narrow in focus and specialized in business education.

Implications for Practice

Educational leaders need to become more familiar with the environments that challenge and support the institution, and to employ techniques and mechanisms to acquire resources and successfully minimize the uncertainties in the changing environment. When environments change, organizations face the prospect either of not surviving or of changing their activities in response to these environmental factors (Pfeffer & Salancik, 1978, p. 2).

The task and institutional environments and the core areas are critically important to the persistence and survival of an institution. Therefore, higher education leaders need to pay attention to these three areas. Higher education leaders in graduate programs should be exposed to and taught to understand the importance of managing and monitoring the task and institutional environments and the core.

Institutional Environment

Educational leaders must pay attention to the institutional environment that includes federal and state legislative and regulatory issues, accreditation issues, establishment and maintenance of legitimacy, and cultural concerns. These all help with establishing the institution as credible and legitimate entity. Institutions bear a heavy burden of financial costs associated with implementing governmental regulations. The 1990s were pegged as an era of record regulation. Additional staffing and spending were related to compliance issues such as The Student Right to Know and Campus Security Acts of 1990 and Federal Tax Credit Acts of 1997. Roche (1995) cited the following as areas where federal compliance issues affect institutions like Davenport that receive federal funds:

Educational bureaucrats pile on new regulations year after year in the areas of civil rights and alleged discrimination, student loan reporting, environmental impact, indirect costs and overhead, tax and nonprofit status, conflict of interest disputes, lab research, patents, and commercial development—and

these are piled on top of thousands of other standard regulations in health, safety, licensing, hiring, liability, and so on that apply to all businesses, not just colleges and universities. (p. 125)

Task Environment

The task environment deals with making sure the institution has enough inputs and outputs happening. That means educational leaders need to pay attention to resource streams, information, personnel, students, and facilities. Institutions need revenue, which oftentimes comes through tuition and fees from students. Fundraising skills may be a highly marketable competency for candidates seeking education leadership positions in the future.

Managing the Core

You have to manage, monitor for relevance, and adjust the core. Don't try to be something you are not. Persist with what you do. If Davenport College changes too much from its core, the institution could lose resources and legitimacy. Leaders do not last when they try to make the institution something it's not.

Research Implications

There are many challenges ahead for all institutions of higher learning, private colleges and universities in particular, because of costs, limited state and federal financial support, and government regulations. Continuing research will be necessary to assess, monitor, and guide decisions of educational leaders, if private, independent colleges and universities are to remain viable options for the postsecondary education. What follows are research suggestions for higher education leadership, doctoral students and scholars who will come behind this study:

1. Look at universities and university leadership, in general, that have failed and ask what the cause was. Was it due to one or all of the three leadership areas explicated here?
2. Investigate the cause(s) of recent failures at private business colleges by their leadership.
3. What are some of the best practices of independent colleges and universities in adapting and enacting the institutional environment?
4. What are some of the best practices of independent colleges and universities in connecting with their task environment?
5. What are some of the best practices of independent colleges and universities with managing and adjusting the core?

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APPENDIX A
CURRICULUM VITAE
JOHN SELMON

EDUCATION

Pursuing Doctor of Education in Education Leadership, Eastern Michigan University
(Completed all but dissertation, projected, completion date August 2004)

Master of Arts Program in Educational Leadership Eastern Michigan University, 1997

Harvard University Management Development Program Graduate, 1990

Bachelor of Science in Education, University of Nebraska – Lincoln, Nebraska, 1982

EMPLOYMENT

Group Vice President Davenport University 2001-2004

Vice President for Corporate Services Detroit College of Business 1998-2000

Senior Vice President – Detroit College of Business 1996-1998

Campus Dean- Detroit College of Business-Flint 1993 - 1996

Associate Dean for Enrollment Management, Detroit College of Business-Flint 1992-93

Director of Student Affairs/Educational Resource Center Davenport College, Grand Rapids,
MI 1990-1992

Assistant Director/Head Counselor, Educational Resource Center, Davenport College, 415
East Fulton, Grand Rapids, MI 1986-1990

PROFESSIONAL AFFILIATIONS/MEMBERSHIPS

- Leadership Detroit XXIV 2002 participant
- Dearborn Chamber Board of Directors 2001-2003
- Dearborn Rotary Member 2000-2002
- The Millennium Commission-City of Flint 1998- Present
- The Fairlane Club Governing Board 2002

- Greater Flint Task Force Delegations to Washington, DC 1998
- Eastern Michigan University College of Art/Science Development Board 1998
- Education Advisory Group to Workforce Development Board of
- Genesee and Shiawassee Counties 1998
- Eastern Michigan University's Program and Policy Advisory Board 1997- Present
- Greater Flint Education Consortium 1994 - 1997
- United Way Advisory Board 1995
- United Way of Genesee/Lapeer Counties Allocation Committee 94 and 95
- Flint Urban Coalition 1994
- Economic Empowerment Committee 1994
- Flint Roundtable 1993-1997
- Leadership Flint Graduate 1993
- Flint Area Chamber of Commerce 1992-Present
- Forum Magazine Board Member 1993-Present
- Central Flint Optimist Board Member 1993-Present
- Mid-American Association of Educational Opportunity Program
- Personnel (Regional Chapter) 1986-1992
- Michigan-MAEOPP (State Chapter) 1986-1992
- NAACP 1982- lifetime member
- Ta-Wa-Si Athletic Association Vice President 1989-92
- Project Blueprint-United Way 1990
- West Michigan ACE Team Vice President 1990-92
- National Association of Student Personnel Administration 1990-92
- National alliance of Black school Educators 1992-1995
- Spectra Mental Health Board of Directors 1991-92

HONORS AND ACHIVEMENTS

- Dearborn Chamber Outstanding Volunteer Award 2003
- High School Wrestling Hall of Fame 2002 Inductee – Mansfield, Ohio
- Distinguished Alumni Grand Rapids Community College 2002
- African American Pioneer Award 1996 Flint Forum Magazine
- Drum Major Award 1995 Flint Mayor Award
- Flint Central Optimist Club Outstanding Service Award 1994
- NJCAA Wrestling Hall of Fame 1990 Inductee
- All Big Eight Academic Team, 1981 and 1982
- Big Eight Conference Outstanding Wrestler Award, 1981 and 1982
- National Junior College Wrestling Champion, 1979
- Silver Medalist at 1979 Jr. Pan Am Games, Monterrey, Mexico
- NCAA All-American, NJCAA All-American
- Team Captain, Wrestling, University of Nebraska, 1981 and 1982
- 1982 Senior World Greco-Roman Team Member
- 7th Place in 1982 World Games in-Katowice, Poland

APPENDIX B
HUMAN SUBJECTS FORM

The participation in this study is voluntary; refusal to participate will involve no penalty or loss of benefits to which the subject is otherwise entitled, and the subject may discontinue participation at any time without penalty or loss of benefits to which the subject is otherwise entitled. This simply means that the subject is at liberty to withdraw his/her consent prior to data collection or discontinue participation in the research at any time, without prejudice.

The study is titled “Change and Persistence in an Independent Nonprofit College: A Case Study.” This study will be conducted in the form of a qualitative case study design. The researcher will identify and analyze the three levels (environmental, governance, core technology levels) of the Davenport College (1866-May 2000) and how they interacted with each other throughout the history of the institution. Five educational leaders will be identified and studied: Conrad Swensburg, Aaron Parrish, Michael Edward Davenport, Robert Sneden, and Donald Maine. The purpose of this study is to examine a single “case” (Davenport College) in depth in order to gain more knowledge and develop a better understanding about the challenges and changes facing independent nonprofit colleges and universities and their component parts, using Davenport College as the unit of analysis. In other words, develop a system of explanation.

The primary two data sources for this study will be documents and interviews. Public records, personal documents, and physical material are three major types of documents available to the researcher for analysis. The data being collected are predominantly secondary in nature and publicly available. The participants will be interviewed by virtue of their present and past leadership positions with Davenport College as the model.

The participants will be interviewed by virtue of the present and past leadership positions with the Davenport College and their ability to provide meaningful information to the case study. The participants may be governing and foundation board members, chief executives (presidents), other campus leaders (vice-presidents/deans/directors), and members of curriculum and other advisory groups.

The data collected from interviews will be reviewed by participants, made public with their consent, and poses no risk of criminal or civil liability or damage to the subjects' financial standing or employability. Again, participation in the study is voluntary and without any negative consequences. In addition, participants will be personally contacted by the researcher and presented with an Informed Consent Document to sign that explains the study, risks, and their rights.

Interviews will be conducted person-to-person with current and past chancellors, presidents, vice presidents, deans, directors, and academic personnel. These interviews will be guided by a list of questions that allow flexibility for each interviewee because their contributions and areas of expertise vary and the same questions may not be appropriate. In other words, the interviews will be semi-structured, which is a mixture of predetermined and open-ended questions. Each interview is projected to last 30-45 minutes and that is the extent of involvement in the study by participant.

The researcher, John Selmon, is available to answer any questions before, during, and after consent at anytime by phone 313-581-4400 (work), 313-581-1853 (fax), 810-695-7557 (home), or at dbajselmon@davenport.edu (email). Also, concerns and questions can be answered by Dr. James Barott at 734-487-0255. Dr. Barott is the dissertation faculty advisor of this project for Eastern Michigan University.

I _____ have read the proposed study, “The Challenges and Changes in Independent Non-Profit College and Universities: A Case Study,” by John Selmon and clearly understand the study, risks, and my rights as a participant. I voluntarily agree to participate.

Interviewee’s signature/date _____