

# The End of the Line; Next Stop: Higher Education V2.0

*by* Justin Chase

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The End of the Line

Next Stop: Higher Education V2.0

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**Abstract**

Though higher education appears to be making strides towards providing better learning experiences and outcomes for students, the question remains as to whether schools are doing enough to keep up with industry. Exploring recent innovation in business and leadership programs, such as The Hogan Entrepreneurial Leadership Program run by Gonzaga University, and The Evergreen State College's unique approach to liberal education, this paper provides insight into how higher education has begun to move forward in the 21<sup>st</sup> century. Despite these advances, alternative pedagogies continue to be recommended by scholars, including Constructivism and Experiential Learning. The growing differences between what students need in order to be successful, and what schools are willing to provide could signal the end of higher education as we know it. This paper demonstrates that the future of higher education could deviate significantly from its current path, and that such a course may be necessary for students to truly thrive.

*Keywords:* innovation, business, leadership, higher education, The Evergreen State College, The Hogan Entrepreneurial Program, Constructivism

**The End of the Line**  
**Next Stop: Higher Education V2.0**

**Introduction**

**Overview**

It is 2016, and in the past few years, those following business trends have witnessed the rise of companies such as Uber and Tesla rise up out of nothing, observed the radical restructuring of Microsoft and its enterprises, and been amazed by the unmanned landing of a reusable rocket by a company called SpaceX. It could be said that all of these companies and their products revolve around a single word: innovation. The innovator has the power to shape the future of an existing industry, forge a new one, or even change the course of the world. Yet, despite radical advances in technology, knowledge, and access to resources, higher education remains largely unchanged even after hundreds of years. Are the offerings of this slow-moving, monumental behemoth so perfected that they need not change? Are the needs of students and the demands of the workplace the same needs and demands that existed two centuries ago? Or is it that higher education is reluctant to, or unable to, change due to the complex web of regulations, funding sources, traditions, and accreditation requirements that currently exist?

With the specific reasons that large bureaucracies are slow to change being well beyond the scope of this paper, the focus will instead be on examining the value of change within the higher education industry. By examining the needs of students and employers in the field of business and leadership, and determining how well these needs are being met, we can analyze the quality of current offerings and speculate on what the future may look like. However, it is valuable to take a brief look at higher education as a whole. Higher education began in America

in the 1800's, primarily as institutes with religious affiliations that sought to pass down traditions and knowledge to the next generation (Owens, 2011). These schools and their leaders attempted to impress upon students the need for a sense of social and civic responsibility, but over time took on a more liberal approach that emphasized individual growth, exploration, and advancement, an approach that we see reflected in many of today's long-standing and prestigious universities (Owens, 2011).

The recent documentary *Ivory Tower* calls into question the cost and value of higher education in the United States, while simultaneously exploring the changes that have occurred in the universities over time (Rossi, 2014). The documentary catalogues a shift from the university as a place primarily of education and learning, into vacation centers that are full of luxuries – luxuries that are fit to rival the most beautiful hotels in the world. Rossi (2014) contends that rather than competing on quality of education, universities have shifted their focus to non-essential expenditures, in the hopes of attracting out-of-state residents and garnering higher tuition rates. The result? Skyrocketing costs have accumulated from these additional offerings, costs that have been passed on to students as state funding has decreased. *Ivory Tower* (Rossi, 2014) demonstrated that many students believe they have experienced no significant academic learning or workload during their time in post-secondary education, that 68% of students attending public four-year schools have failed to graduate within four years, and 44% have failed to graduate within six years (Rossi, 2014). On top of this, faculty is now primarily evaluated by means of consumer feedback – student consumers. The same faculty that create and maintain challenging, in-depth courses and challenge students to do, think, and be, better now run the risk of receiving poor evaluations by students who find high standards off-putting. While this documentary is clearly meant as propaganda, it does raise some important questions about the

direction of higher education. How many other businesses in the world can essentially ignore their primary purpose and still remain major players in their industry?

Universities and institutes have begun to change, but questions still linger about whether they are making the *right* changes, and whether they are keeping up with the demands of our world. There is no doubt that the addition of online courses, integration of technology, and inception of new programs have improved opportunity within higher education, but are these changes enough to ensure students have the skills and experience to be relevant in a complex world by the time they graduate? In an attempt to determine how schools are innovating their offerings in response to the needs of their students and the workplace, a literature review was conducted. The review draws primarily on material over the prior six years, concerning innovative programs and proposed pedagogical changes that could better the ability of universities to prepare students for future success in the fields of business and leadership. The essential goal is to determine *how* universities are innovating their business programs to meet the needs of the workplace, as well as to determine what the final iteration and realization of these innovations might look like.

## **Literature Review**

### **Innovation and Pedagogy**

A search for “innovation in higher education” using EBSCO Information Service and limited to results 2010-2016 turned up surprisingly few resources pertaining to innovations in the higher education industry. While this search is likely too recent in scope to capture the institutes’ shift to online course offerings, it was expected that there would be research on significant



innovations from the early 2000's to present captured in the article base, given the vast advancements in science and technology that have taken place during that span. The results of the search were remarkably consistent, however, illustrating the development and implementation of entrepreneurial courses or programs in business and liberal arts schools, proposed pedagogies that promote entrepreneurial spirit and skills, and the addition of active, hands-on learning to existing education programs.

One of the programs that have been developed is the Hogan Entrepreneurial Leadership Program, which was founded by Gonzaga University in 2000 (Buller & Finkle, 2013). This leading entrepreneurial program was examined in an article that included a literary analysis, and showed strong support for entrepreneurial programs as a means of satisfying student needs and preparing them to be competitive in the workforce. The authors referenced a Kauffman Foundation study from 2001 conducted with Arizona State University students, which found that entrepreneurship graduates earned on average \$23,500 more per year than non-entrepreneurship graduates, and that these graduates accumulated 62% more in personal assets than their non-entrepreneurship peers (Buller & Finkle, 2013, p. 114). While the study is outdated, it is reasonable to assume that in today's world of startups and new business ventures that this gap has widened even further. The Hogan Program develops students' skills by creating a small, tightly-knit community of peer-oriented learners from varying fields and majors, and requires them to participate in internships, a New Ventures Lab (NVL), a regional business plan competition, and additional co-curricular activities. These are the primary attributes of what has made students more successful in the Program, which also incorporates "Hogan Angels" – investors who work with students and oversee the NVL (Buller & Finkle, 2013). While the authors of the study offer little in the way of critical evaluation of the Hogan Entrepreneurial

Leadership program, they do offer some insight into what factors have led to the success of the program since its inception, attempting to share what has been learned from past mistakes and subsequent process improvements (Buller & Finkle, 2013). There are many such programs (though their efficacy is beyond the scope of this paper) that have been implemented in higher education at universities such as Babson College, Baylor University, Northeastern University, DePaul University, and Syracuse (Princeton Review Staff, 2014).

It is clear that higher education has experienced a shift towards offering entrepreneurship programs, as demonstrated by the dozens of universities that have implemented their own programs (Princeton Review Staff, 2014). What mindset or pedagogical approach do such programs require to meet the needs of future students more effectively? The following studies indicate that a redefinition of programs to promote entrepreneurial skills and knowledge require a change in pedagogy, deviating from the lecture-based courses of the past. A Constructivist pedagogy supports the learning and development of practicable skills for students rather than the transmission of information that most students have neither the understanding nor the ability to apply upon graduating (Chiatula, 2015; Pizarro, 2014). Chiatula (2015) promotes the use of the Constructivist pedagogy in combination with the Freeschooling model, given the emphasis on the needs and interests of the learner that both facilitate. While providing potential benefits to adult learners, the recommendation for a change to these pedagogies does not include any means by which to evaluate or monitor learners' success or failure, nor does it include milestones for students to reach before graduating. Pizarro (2014), however, references an existing model of Constructivist pedagogy in operation at The Evergreen State College (TESC). He posits that a Constructivist education is more relevant to the needs of entrepreneurial students because of the teaching-learning environment it creates. It fosters, and in fact requires, self-directed learners

who are involved in problem-based learning, living cases, shadowing, and action learning – all of which are critical to the growth of entrepreneurs. The Evergreen State College model relies heavily on faculty as facilitators rather than instructors, with their primary role being one in which they further student interests and skill towards a targeted goal, seeking to open students' minds to potential avenues and ideas that should be considered. While proven effective, TESC's model does come with significant challenges; namely, that every new student and every passing day brings new challenges to faculty.

In addition to Constructivism and Freeschooling, a Trans-Theoretical Model (TTM) has also been proposed (Clark, 2013). This model integrates theory and practice by incorporating inter-professional education within universities. Highlighting the difficulties and conflict that result from competition between educational departments for resource allocations, prestige, and personal preferences in program requirements, the article is convincing in its argument for integration between departments and professions. While exploring this need in the setting of a typical institution and proposing a model for its implementation, the content of the article offers an opportunity to speculate on the ability of a highly flexible, decentralized organization to lead the changes that are needed. Unfortunately, the author does not explore the impact that such an innovative organization might have on the current systems in place within higher education.

Taking a deeper look at what students need from universities in order to be successful, Weaver (2014) includes a literature review demonstrating the need for developing strategic thinking and intuition in students – an area that higher education fails in, despite more recent efforts to include “... case studies, simulations, group projects, and evidence-based discourse ...” in business school courses (p. 111). The author proposes that strategic thinking and intuition are not only necessary, but that they can be developed by placing a focus on cause-effect

relationships. By incorporating deep and sequential analysis into educational programs and courses, students will be more prepared to act with insight on the potential outcomes of their decision-making (Weaver, 2014). **This idea is, however, confined by the walls of the classroom.**

The author's narrow focus precludes students from learning these skills via reflection on their actual experiences outside of the classroom, which leads to a possible weakness in the model. After all, how can students be expected to immediately apply their strategic thinking and intuition upon graduation if they have never actually done so in a practical scenario outside of school grounds? Case studies are certainly useful, but an "in-depth" analysis can only go so deep when students cannot ask questions of those involved or examine the scenarios from different angles.

Taking an alternative view of higher education, a pair of authors question the "dehumanization" of leadership that exists within business schools, questioning how MBA programs have turned leadership into a nuts and bolts operation, rather than demonstrating leadership as a fluid role that revolves around the needs of people, business, and changes in the environment (Petriglieri & Petriglieri, 2015). They state that effective leaders must learn "... who they are, where they belong, and who they might become." (Petriglieri & Petriglieri, 2015, p. 626). The article focuses on social endeavors, and minimizes the individual as a leader, but it also highlights the over-emphasis on theory and analytic procedures and the under-emphasis on interpersonal skills, people, and ethics in today's business schools. These observations, and the existential questions referenced above, fall squarely within the realm of philosophy, and appear to support the need for philosophical study and deep internal exploration. Without these, students leave school unprepared for the tense situations they will undoubtedly face as leaders.

In some ways, though, entrepreneurial programs may do a better job of preparing students for their future roles in the workforce than other programs, because nearly all of them require the practical applications of skills, such as starting and running businesses at the beginning of programs, using serious games and simulations, design-based learning, and reflective practice (Neck & Greene, 2011). Based on existing research spanning from 1965-2009, Neck and Greene (2011) believe that entrepreneurship should be taught as a method, rather than as a process. What this means is that students will need to take their learning beyond simply knowing or understanding; they need to act on their learning, perform it, and reflect upon it (Neck & Greene, 2011). While convincing in their distinction between the process and method of teaching entrepreneurship, their model is entirely theoretical and makes its own assertions, though the authors do so because of thorough research covering nearly 45 years – research that reveals very consistent data in support of their model.

Rahman and Day (Rahman & Day, 2015), however, posit that entrepreneurial education can act as a “panacea” for higher education with minimal changes in structure, creating employment, prosperity, and sustainability within the existing educational scene. Their model requires a proper institutional setting as well as adequate structure and supporting facilities in order to be adopted effectively. The literature used that led to the development of the model supports the use of the traditional approach, but also advocates the use of action learning, new venture simulation, skills-based courses, creation of actual ventures, experiential learning, and mentoring – a plethora of approaches that would be extremely difficult and likely very costly to implement into the current models of education that exist within institutions around the country without a radical restructuring. Since their theory has not been applied, future research to determine precisely how much of students’ time should be spent on each of those areas

(traditional, experiential, mentoring, etc.) could be extremely beneficial to future developments in education.

Based on the findings within the existing literature, the need for innovation, practical application, and a departure from current teaching methods and pedagogies seems readily apparent – but what if the need for instructors became irrelevant in the near future? Each of these models relies on the assumption that teachers will be required in perpetuity for formal learning experiences, yet MIT and over 250 other institutions worldwide have contributed to the Open CourseWare (OCW) Consortium since MIT’s OpenCourseWare initiative in 2001 (Kumar, 2012). While the OCW Consortium was aimed primarily at expanding opportunity to those who could not afford a college education, it also opens the door for innovative programs to take advantage of the resources that have been made available, while limiting their spending on formal lessons. The access to this wealth of information, in structured course formats, highlights the incredible possibility for a program with high levels of faculty-student interaction and individual attention to come into existence – something that a revolutionary 21<sup>st</sup> century organization might be able to provide at a high level.

In summary, based on the limited scholarly resources available, it appears that entrepreneurial programs are the future of business school education. The majority of models and pedagogies indicate that students need more opportunity to actually apply their skills in the business world before graduating. The walls of the institution are no longer able to contain all of the knowledge and skills that students will need to be successful, and in many cases those walls have become a limiting factor. The results of this literature review illustrate that the benefits of a formal classroom education appear to be waning, particularly in business and leadership

programs, which opens the door for innovative organizations and new approaches to set the future course of the industry.

### **Skills for the Future**

Young professionals in leadership positions are bound to face tough situations, and they must be able to find success amidst that adversity. Because of this, Krell (2015) identifies a number of skills as “mission critical”, including strong business acumen, experience growing a bottom line, solid staff/resource management, the ability to influence stakeholders and constituencies, offer a fresh perspective, build partnerships, think strategically and critically, possess financial management prowess, and be savvy when taking risks. These skills require a broad range of knowledge and the ability to apply this knowledge to complex situations in the heat of the moment, further supporting the need for hands-on experiences for college students. It takes time, reflection, experience, and constant growth to be able to respond effectively to these challenges, and without that experience, graduates may be left fighting in the reactionary game, not knowing enough to be proactive or to prevent many of these situations from ever occurring.

In an additional literature review using the results of studies conducted in Greece, Bulgaria, Cypress, Latvia, and Lithuania, it was found that among the 41 leadership skills identified, the most important skills for young leaders included inspiring others, strategic thinking and planning, collaboration and teamwork, and goal-setting in addition to self-management skills like flexibility, adaptability, self-confidence, and innovation (Iordanoglou & Ioannidis, 2014). These results were also compared with a global study conducted by Haygroup in 2011, and were found to be markedly consistent.

These comprehensive literature reviews further reinforce the innovations seen in recent higher education programs, as well as the goals of the recommended pedagogical approaches. Graduates and young leaders need to be prepared to jump into their roles in the workforce, which is quite a challenge if they have rarely been provided an opportunity to serve in those roles and experience the demands of the job firsthand. What better time is there to learn “on the job” than when surrounded by peers and faculty who are tasked with helping students expand their knowledge and learn from their mistakes? The business world can be unforgiving; some mistakes can cost people their livelihood or bring a business to its knees. Are we really doing enough to prepare our students for the level of responsibility they’ll have to bear? Only the employers that hire graduates are able to provide this answer.

### **Employer Evaluations**

In a peer-reviewed study of 1000 employers, less than 10% of them believe that colleges are doing an excellent job preparing students for work (Jenkins, 2012). Approximately half of these employers believe that students should receive more job-specific training (Jenkins, 2012). The author indicates that programs have emphasized critical inquiring and thinking, but that despite this emphasis students are still unable to apply those skills. As a solution, Jenkins (2012) proposes four clusters of competencies for global critical leadership (see next page) and recommends that institutions: invite speakers with leadership experience, encourage deep analysis of case studies, require students to create scenarios where cultural assumptions must be challenged by a leader with an examination of potential outcomes, and create a dissonance that



challenges student perceptions. He believes that this will more effectively prepare students for the situations they will face as leaders in the workforce.

**Jenkins' Actions for Global Critical Leadership** (Jenkins, 2012, p. 98)

**1. Situational Leadership and Global Contexts**

- Be aware of the context of your situation and evaluate the implications of your decisions
- Know the strengths and weaknesses of your followers as well as cultural limitations. Direct or empower accordingly.

**2. Actions and Decision Making**

- Understand cultural processes before you try to change them.
- Be purposeful and take into account your organizational and cultural values when making decisions.

**3. Flexibility and Open-Mindedness**

- Take the time to understand the diversity of others' decisions, values, and opinions.
- Be flexible and open-minded in your decision-making.
- Engage others where they are, not where you want them to be.

**4. Critical Leadership**

- Ask questions and listen appropriately.
- Accept, internalize, and apply constructive criticism.
- Encourage global critical followership.
- Take informed action.

To continue exploring the perspectives of employers, it is necessary to leave the realm of peer-reviewed scholarly resources. The Association of American Colleges and Universities (AAC&U) has employed Hart Research Associates for a number of years to conduct research on graduate and employer views on the quality of education that students have been receiving, and on the level of preparation they have when entering the workforce. Hart Research Associates' work has been consistent over the span of nearly a decade, and as an independent company researching in the fields of business, education, politics, media, labor, and advocacy, they appear to be a neutral party with nothing to gain by intentionally skewing data.

In a 2008 study, it was found that few employers thought college transcripts were very (13%) or fairly (16%) useful, with 33% of them believing that transcripts are not useful at all in helping to evaluate a candidate for potential success in their organizations. (Peter D. Hart Research Associates, Inc.). It was also found that employers have little confidence in multiple choice, general knowledge tests, and that they would instead recommend assessments that evaluate graduates' ability to problem solve, analyze, and overcome obstacles similar to the ones they'll face in the workplace, as evidenced by their internship work, senior (or otherwise) projects, and their responses on essay exams (Peter D. Hart Research Associates, Inc., 2008, pp. 4-5).

In 2010, Hart Research Associates went a step further, finding that only 26% and 28% of two- and four-year colleges, respectively, are doing a good job of preparing students for a global economy (Hart Research Associates, 2010, p. 6). In the study, 88% of employers agree that their employees face greater and more complex challenges than in the past, requiring their employees

to take on greater responsibilities, use a broader skillset, work harder to coordinate with other departments, and possess higher levels of learning and knowledge than ever before (Hart Research Associates, 2010, p. 5). Employers also “see a positive benefit in educational innovations that foster active learning and research skills.”, with 62% of them saying that a significant project prior to graduation, demonstrating analytical, problem-solving, and communication skills while simultaneously displaying their knowledge within the major course of study would help a lot, along with 66% of them saying that internship or community-based field projects would help a lot (Hart Research Associates, 2010).

In subsequent studies, similar results were found, overwhelmingly indicating that employers are not satisfied with the preparedness of their students or with the approach that educational institutions have been taking. In 2013, “[m]ore than nine in ten [employers] agree that “innovation is essential” to their organization’s continued success”, and 95% of those surveyed indicated that they would give preference to graduates whose skills would enable them to promote innovation at their jobs (Hart Research Associates, p. 1). Employers in the same study also agreed that, in general, students should be exposed to situations in which they must solve problems with people whose views differ, that they should learn about ethics and controversial debates within their fields, and that students should have direct learning experiences to solve important problems in their communities.

In 2014, three focus groups conducted in Massachusetts and Texas revealed that students and employers are generally aligned when identifying the learning outcomes that will best prepare students for success in their future workforce roles, skills such as critical thinking, communication, collaborating, and innovating (Hart Research Associates, 2014, p. 4). Students would like to see more guidance and involvement from their advisors, particularly early on in

their education careers. Many college students also question the value of general education credits (Hart Research Associates, 2014).

Even as we progress further along in the 21<sup>st</sup> century, despite all of the innovative programs discussed in the literature above, employers continue to say that our universities and institutes are not doing a good enough job. In 2015, Hart Research Associates found that 80% of employers state that it is important to them that candidates be able to demonstrate their ability to apply their knowledge outside the classroom walls – yet only 23% of employers believe that graduates are well prepared to

do so, with 44% of them rating students as not well prepared or not at all prepared to apply these abilities in real-world settings (Falling short? College learning and career success, 2015). Both

employers and students see room for improvement in

college programs, yet even despite this shared view, students appear to overestimate their abilities upon graduating. Employers tend to rate students as “prepared” about half as often as students rate themselves in a plethora of categories, including ethics, communication, innovation, solving problems, awareness of diverse cultures, and more (Falling short? College learning and career success, 2015).

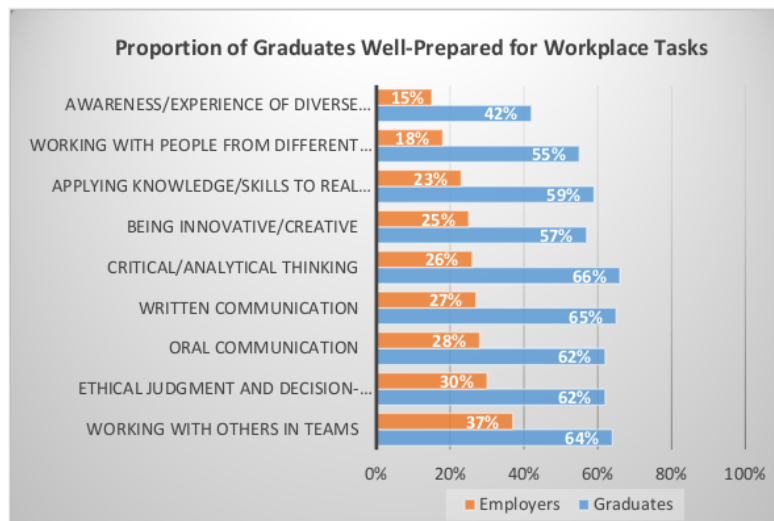


Figure 1.

Recreated from: Hart Research Associates. (2015). Falling short? College learning and career success. Washington, D.C.: Hart Research Associates.

In a final study by Hart Research Associates, it was found once again that students and employers are very consistent in identifying the skills and knowledge proficiency that are important to their success in the workforce (Optimistic about the future, but how well prepared? College students' views on college learning and career success, 2015, pp. 5-7). Students are, however, more likely to think that colleges are doing a good job than are employers, by a significant gap – 32% in regards to preparation for entry level positions, and 28% for preparation of advancement or promotion (Optimistic about the future, but how well prepared? College students' views on college learning and career success, 2015). This gap may be indicative of false confidence instilled in students by success at college, though that success that may not carry into the workforce.

If employers are not satisfied with how well prepared graduates are, is it plausible to state that colleges are “doing a good job” of preparing our students for their future endeavors? Even with the innovative new programs in higher education, there still appears to be significant limits on the current system’s effectiveness with its current structure. New pedagogical approaches like Constructivism will require universities to branch out and conduct more of their education outside of the classroom walls and utilize new teaching methods. This will likely require significant additional training for faculty, new text resources, a restructuring of programs, a change in the cost of education, new methods of evaluation, and much, much more. Can higher education meet these needs in an efficient fashion? Alternatively, will it continue to lag years behind the needs of the workforce – a workforce that is requiring more from its employers than ever before?

## **Discussion and Analysis**

### **The Current State of Higher Education**

American Higher Education is tasked with a great many responsibilities. We not only expect our institutes to prepare students for careers in fields that are vast and differentiated, we also expect them to do it with students who hail from different regions, socioeconomic origins, ability levels, political ideologies, and vastly different personal goals and accomplishments. Schools are tasked with morphing teenagers into responsible, informed, productive, and sensible contributors to our society, while simultaneously gathering, processing, and disseminating all of the relevant information a student might need. They often house students, provide access to leisure, health, wellness, sustenance, and also arrange various clubs, internships, sports, and extracurricular activities that extend well beyond the range of academia. To adequately satisfy all of these needs, universities must operate on quite a sizable scale, even before we account for the complex systems and infrastructure that every business needs. In order to ensure access by students, most schools must obtain accreditation to enable students to take out federal student loans – a process that has historically been long, difficult, and costly. To make matters even more challenging for schools of higher education, federal involvement in the accreditation process has dramatically increased as a result of new regulations, and the power that accompanies the ability to withhold student loan funding from universities that fail to live up to federal “suggestions” or guidelines (Eaton, 2010). Our schools are now subject to the political landscape of the day, with the freedom to choose what, when, and how they educate dwindling away at the point of a regulatory gun.

With all of these responsibilities on their doorstep, it is easy to see why universities around the country are having difficulty meeting the needs of students. Instead of hiring additional teachers to provide high-quality education, they are forced to hire administrative teams at an alarming rate just to remain in existence (Rossi, 2014). The sheer size and scope that many long-standing schools have had to resort to in order to meet standards and regulations, as well as to “keep up with the Jones’” in regards to extra-curricular offerings is downright scary. The obstacles that come with this size are just as vast, restricting efforts for change and delaying initiatives that could make a world of difference to students. The hierarchies that are forced into existence by these challenges create incredibly tall management structures, which lead to coordination problems, informational distortion, motivational problems, and too many middle managers (Hill & Jones, 2011, pp. 229-231). The miniscule span of control that each member of a tall structure possesses limits their influence to initiate needed change or take action to fix problems they see. Schools rely on private tuition payments, private loans, federal student loan funding, external contributions, state funding, and many more sources. Naturally, the places that money flows from affords those places some level of control or influence in an organization, and if that is the case in higher education, these schools are likely being pushed and pulled in many different directions. If an individual within the school notices an area of opportunity and makes a proposal, who has the final say on whether that direction is good for the university? Is it the students, administrative staff, teachers, local governing bodies, federal regulators, accreditors, alumni, or even the banks that provide access to loans for new programs? With all of these hands in the cookie jar, it is a wonder that so many institutions have survived for so long – and no surprise at all that their focus appears to have been diverted from providing the highest quality education available.

The literature review conducted revealed that, while much further research is needed, there is quite a strong correlation between what students think they need for success and what employers want to see. Why, then, is it so hard for universities to find ways to meet these demands? The reluctance to deviate from the traditional classroom lecture approach is illustrated by repeated recommendations to move towards a Constructivist or Experiential learning style that can provide engaging and meaningful learning experiences. Higher education does not need to become primarily a job-training industry, but it *does* need to drive individual growth and foster the skills that make industry success possible. Switching to a Constructivist-style pedagogy would not prevent schools from providing a liberal education – in fact, by engaging in scenarios that provide experience in the arts, philosophy, science, history, and other areas, students can build a practical knowledge that helps them better understand and integrate the world around them. The lack of these practical skills, at least as evidenced in business and leadership programs, has led to a severe disconnect between the results that universities are able to provide, and those that employers are seeking or requiring. When 64% of employers think that colleges need to do a better job to ensure that college graduates have the skills and knowledge necessary for career advancement in their organizations, there is no excuse not to be moving forward (Optimistic about the future, but how well prepared? College students' views on college learning and career success, 2015, p. 17). We have seen some level of innovation in the literature reviewed, but what is the cause of the general stagnation in a world now full of innovations?

Higher education suffers from a lack of leadership, which may be one of the primary causes of stagnation. Individual institutions have adapted their offerings in limited fashion to reflect the changing economy, job market, and student demands. They may also have modified their campuses to attract and retain students. However, there is an absence of true leadership in



higher education. At the start of this paper, companies such as Microsoft, Tesla, Uber, and SpaceX were referenced. These companies have changed entire markets, created demand where there was none, and changed the way that our world views their industries. Of course, tech companies have an easier time of it than a cumbersome organization like a university might, but it is not as if Uber invented driving – they merely invented a better way to share rides for both drivers and passengers. Where is that leadership within higher education? Who will step up to the plate and be the leader that the industry so desperately needs? Whether an individual or an entire university system, there needs to be someone who is willing to shake things up and look beyond the status quo. Higher education is here, but it does not appear to be keeping up with the times. Who is going to lead the wave of the future and force (by means of economic demands) the other institutions into action, creating a situation where failing to move forward results not in standing still, but in becoming irrelevant?

John Kotter's 8-Step Change Model, as summarized by Deetz, Tracy, and Simpson (2000, pp. 43-47), can shine a light on some of the reasons that higher education organizations are so reluctant to change.

### **Kotter's 8-Step Process for Leading Change**

- 1. Establish a Sense of Urgency** – Higher education in the United States is now going on nearly two centuries of existence (Owens, 2011). What urgency is there within a behemoth supported by a multitude of funding sources (many public), tradition, and connections, supported by state and federal government regulations that limit entry to the market and make it exceedingly expensive to compete with the economies of scale necessary to generate a profit? If a sense of urgency is

unlikely to come from within higher education, perhaps there needs to be pressure from without, from employers or new innovators seeking to enter the market.

2. **Form a Powerful Guiding Coalition** – If institutions currently feel no need to change, a guiding coalition capable of exerting pressure on institutions or supporting new ones would need to consist of students, faculty, and employers. We’ve heard of students protesting because they feel offended by certain words or ideas, or because their school will no longer be “free” (Rossi, 2014) – but where are the protests or organized movements about the quality of education being provided, when the literature reviews herein identified that neither students nor employers are satisfied with the product colleges are selling? To make a lasting change, people will need to stand together and demand excellence, but that has not happened yet.
3. **Create a Guiding Vision** – Schools face a significant challenge here, particularly because they are so laden with expectations and responsibilities. To set a new direction would require the abandonment of what higher education currently is – or at the very least it would require a significant departure from many of the norms that currently exist.
4. **Communicate the Vision** – See step three.
5. **Empower Others to Act** – In a regulatory mess, coupled with the numerous ways that universities are funded, structured, and managed, it would be difficult to empower anyone in fundamentally changing the form or purpose of an institution. The tall structure and narrow span of control present at most universities limits

the power that can be wielded by those not endowed with formal power or authority.

6. **Create Small Wins Along the Way** – Schools have been able to make small improvements and innovations, as illustrated by the literature. However, these small wins mean little in the grand scheme of thing when there is no overarching vision to guide or integrate them.
7. **Consolidate Improvements and Create More Change** – See step 6.
8. **Institutionalize the New Culture** – In order to institutionalize new culture, it must first have an abstract idea that guides it. There are not any readily apparent ideals by which to shape a new culture in higher education, at least not any with influence.

Even if institutions were able to recognize the changes that would lead to greater student success (and they may already have done so to some extent), taking the steps to move along that path are, as illustrated above, exceedingly time-consuming and cumbersome. Particularly with the number of demands, expectations, and responsibilities that are placed on schools, any path to change is a difficult one. However, there are some universities that have dared to be different, and many more are beginning to follow the model of institutions like Gonzaga University and their Hogan Entrepreneurial Leadership Program. Despite the bleak outlook of change that exists among the industry of higher education as a whole, these rays of sun shining through the fog are encouraging – but are they still limited by the boundaries of what higher education is expected to be, or do they show enough leadership to make a real difference and change the course of an industry?

## Bright Spots in Higher Education

### The Evergreen State College

Located in the Pacific Northwest via Olympia, Washington, The Evergreen State College offers an alternative approach to education. This unique take on what it means to provide quality higher education is reflected in Evergreen's efforts to connect what have historically been disconnected courses in undergraduate degrees. Rather than being given a rigid set of pre-requisites for program completion at the Bachelor's level, Evergreen students work with their faculty and advisors to create their own individual program based on their future goals and field of study (Academics, n.d.).

Multiple faculty members teach many of the classes (called programs) at Evergreen from different fields. This allows the faculty to design their programs into interconnected courses of inquiry, examining the practical applications of the fields as they exist outside the classroom walls. For example, TESC offers a program called "Earth Dynamics", which explores the way that humans affect environments and create global economic processes (Academics, n.d.). The program includes elements from Economics (Principles of Economics), Physics (Geology), and History (World History). By approaching courses in this fashion, students have the opportunity to learn how different subjects and ideas are interconnected, as opposed to studying subjects as largely discrete entities as they would in other schools. Evergreen is well represented by its Five Foci of Learning, taken verbatim from their web site (About Evergreen, n.d.):

1. **Interdisciplinary Study** – Students learn to pull together ideas and concepts from many subject areas, which enable them to tackle real-world issues in all their complexity.

2. **Collaborative Learning** – Students develop knowledge and skills through shared learning, rather than learning in isolation and in competition with others.
3. **Learning Across Significant Differences** – Students learn to recognize, respect and bridge differences - critical skills in an increasingly diverse world.
4. **Personal Engagement** – Students develop their capacities to judge, speak and act on the basis of their own reasoned beliefs.
5. **Linking Theory with Practical Applications** – Students understand abstract theories by applying them to projects and activities and by putting them into practice in real-world situations.

These five foci clearly illustrate the priorities of TESC – namely, that the college and its employees are focused on providing students with an intricate, relevant experience that broadens their horizons and sets them up for future success. Given that TESC claims 88% of their graduates are employed or pursuing graduate/professional programs within a year of graduation, what the school is doing appears to be working (About Evergreen, n.d.), though gaining employment does not necessarily mean one is well-prepared for a given position, as evidenced in Table 1 on page 19 of this paper.

The Evergreen State College appears to have pushed the boundaries of what a public institution can be, well beyond what most schools have done. Allowing students greater control in their education and creating interdisciplinary programs makes TESC unique. Despite this, the college still faces many of the problems of traditional schools, including primarily classroom-based learning, and charging out-of-state tuition rates that are more than three times the cost of in-state tuition, \$23,007 vs \$6,534 for tuition alone and \$36,297 vs. \$19,824 for total estimated costs per year (Costs, n.d.). In addition, TESC does not appear to offer any distance learning or

online courses. The Evergreen State College, despite all of its upside, is a novel approach to traditional education – not the reinvention of higher education that is needed to make change a desirable process and to hurdle past the limitations of the current system.

### **University of Phoenix**

Though TESC does not offer online courses, many other schools do. The rise of the online university is readily apparent by looking at the success of the University of Phoenix. While not without controversy about its educational content and quality, there is no doubt that the University of Phoenix was instrumental in the rise of the private online school. While it may have differentiated itself as a for-profit institution with broad offerings, it has not differentiated itself in terms of its educational quality, design, or overall structure.

The University of Phoenix has, however, filled a need in the higher education sector. In 2009, an estimated 140,000 students were turned away from public universities in California alone. Schools like the University of Phoenix offer an opportunity for virtually all students to have access to education that they would otherwise not be able to obtain (Bradley, 2010, p. 12). These schools allow students to attend on flexible schedules, completely online, and with potentially lower entrance standards than most public universities. The for-profit school, however, faces greater scrutiny due to the failure of some for-profits to live up to expectations. The threat of further government regulation, limiting the ability of schools to educate as they see fit, could spell disaster in the future (Bradley, 2010). As Bradley (2010) remarks, for-profits face opposition both from the universities they compete with, and from the public, many of whom believe having a profit motive in education means that schools will provide low-quality education in the hopes of making a quick buck. University of Phoenix has been a bright spot in

the way it has brought change to higher education, and it has continued to improve its offerings. However, it still fails to separate itself in a substantial way from public institutions because it provides similar educational experiences (with arguably “lower” quality), utilizes cost structures and organizational design that are commonplace in the industry, relies heavily on federal funding via financial aid or federal Pell grants, and bears the added risk of future regulatory restrictions due to controversial quality standards. University of Phoenix, though admirable in its willingness to improve access and provide alternatives, has numerous pitfalls and fails to stand out as a true leader amongst the competition as we move towards the future.

### **Honorable Mention**

There are dozens of colleges, institutes, schools, and universities all around the country that have increased the opportunities available to students. From Capella’s FlexPath program, which allows graduates to utilize their prior knowledge and experience while limiting the time and cost of obtaining degrees, to the startup-launching Founders Institute, there are organizations around the world who are offering pieces of the solution to anyone willing to participate. This is, however, one puzzle that may be missing too many pieces, no matter what programs are added to existing schools. The time has come for an innovative organization to lead the way within higher education – not to destroy the current institutions, but instead to show them that they can, and should, do better.

## Conclusion

### The Future of Higher Education

#### Three Keys to a Successful Revolution

To truly shape the future of higher education, someone must be willing to take risks. As Benjamin Franklin once said, “Nothing ventured, nothing gained.” With universities held in a logistical chokehold, how much are they truly willing, or able, to risk on pursuing a new direction? Facing the potential loss of accreditation, funding, and existing student clientele, universities are understandably apt to refrain from emulating the calculated, but risky maneuvers of the many entrepreneurs who have risen to success in the global economy.

To successfully reshape higher education, there are three key features that an organization must have, features that would be integral in crafting effective mission and vision statements. First, they need to utilize a 21<sup>st</sup> century pedagogy that makes use of the plethora of resources available and creates a learning environment that is intellectually stimulating and engaging. Second, an organization must have proper leadership – leaders who are willing to do what is necessary to prepare students for success in life and in the workplace, even if it requires making difficult choices. Finally, it is time for a moral institution to exist, one that is transparent, flexible, and just, which puts the success of its students at the forefront of everything it does.

As the research within this paper has shown, a shift to a Constructivist pedagogy would help students meaningfully connect with their work by making knowledge and experience synonymous with the learning environment. Students need intellectual stimulation and can benefit from material that is organized and made available for them to quickly learn important information in their field, but they also need numerous opportunities to apply this information



and receive meaningful feedback. Utilizing Massively Open Online Courses (MOOCs), free online learning resources that can be found through search engines, such as scholarly articles and training videos on YouTube, and textbooks (both traditional and non-traditional), students should have greater access to information than ever before. By teaching students to critically analyze the information they receive, as well as its sources, we can ensure they are receiving quality information. A great institution would help them organize that information and teach them how to sift through it for the important details. In addition to a Constructivist approach, David A. Kolb's Experiential Learning (Kolb & Kolb, 2005; Kolb, Boyatzis, & Mainemelis, 1999) may also be a fitting addition to a 21<sup>st</sup> century school. The adoption of either (or both) would mark a transition from the passive transference of information that presently exists, into an active, engaging learning environment where the construction and application of knowledge is emphasized.

For this, and many of the other needed changes to be implemented, there would also need to be a significant departure from the leadership models and organizational structures currently used in most schools. A proper leadership model for a new vision of higher education would include charismatic or transformational leaders who can inspire students and staff to greatness, pushing the boundaries of what is known and possible (Northouse, 2015). These leaders would lead by example and "walk the walk" as well as the talk. They would likely face heavy social and political opposition, as well as opposition from other organizations within higher education. The path to greatness can be long and arduous, but a transformational leader brings the best out in people by empowering them and encouraging them to do better. In a similar sense, Path-Goal Leadership could be applicable because a primary focus of the leader includes removing obstacles that would prevent or hinder employees and clients from achieving their goals

(Northouse, 2015). By freeing up the path for educators and students, Path-Goal leaders can position their teams in ways that allow them to constantly seek to improve their offerings rather than being put in positions where they are destined to fail. These leaders make it easier for their employees to do the job that they know needs to be done, instead of being bombarded with tasks and policies that prevent them from doing it.

Situational or Adaptive Leadership might also be very effective in an industry that has been resistant to change over the past few decades. These leadership styles rely on an accurate assessment of the reality that exists within an organization and its industry, which leaders then use to inform their decisions and adjust their approach to problem solving. Had higher education involved more leaders of this caliber, it may have been able to keep up with the industries it is supposed to prepare students for success in.

Perhaps the most important factor in the reshaping of higher education is the idea of a moral institution. Today, the funding of schools is not directly tied to the success of its students. If educating students and preparing them for future success is the purpose of an institution, then the amount that students pay for school should be directly correlated with how successful they are in the future. Tying these two together unequivocally makes schools accountable, because their very existence relies not on public funding, grants, endowments, or student loans, but instead on the future success of their students. This requires an institution to stay true to its stated purpose, making it a moral institution that holds its own interests in the same regards as its clients. Providing low quality education would hurt its bottom line, whereas providing the best possible education would result in the greatest benefit for the school. Such an institution would necessarily be a for-profit, because it is the profit motive that will encourage these moral institutions to continue to innovate and find ways to prepare their students better than any other

institution in existence. The one that can do this most effectively will reap the greatest rewards. This runs in contrast with the existing perceptions of for-profit schools, which many consider to be fraudulent and out to rip students off. A moral institution would not survive without successful students, so tying the school's survival with student success may go a long way towards changing the existing perceptions.

### **Final Thoughts**

While the resources that were available for this paper were limited, they showed consistency and strength. Future research on these topics is certainly needed, but these resources clearly showed that while some schools *are* innovating, it is too little and too late. Higher education is no longer in a position to succeed, with its current structure and approach becoming more cumbersome and outdated by the day. In order for institutions to better meet the needs of their students and the workplace, they need to undergo significant changes. But, with the risk that such radical changes would bring, schools are not willing to do so.

Based on my research and experience within business and education, I believe that a radical new approach to education could lead the way for existing universities. A small, for-profit institute might be able to take the financial risks that schools are unable to take, and to implement innovative new programs that reflect the findings within this paper. If successful, this organization could be a catalyst for monumental change within the industry, allowing existing schools to implement similar programs that provide a higher level of educational quality. Such an institute would not be competing with other universities, but with itself – seeking to refine the process until it can be refined no further, and sharing insight with others to create a worldwide shift in higher education. All it takes to achieve the impossible is one organization willing to take

the risks that no one else will take, in pursuit of a goal that its employees, clients, and supporters can be passionate about. If my own efforts are successful, we'll see such an organization come into existence in the very near future. My research shows that the time for change is now, and only by putting that theory to the test can we determine if this change is the one that revolutionizes higher education.

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