

# Paths to Institutional Prosperity at a Time of Constrained Resources

*An Inside Higher Ed* webcast  
Wednesday, March 15, 2023  
2 p.m. Eastern

# Presenters



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# Challenges Facing Higher Education

- Flattening or declining enrollments and expected drops in the number of traditional-age college students in the decade ahead.
- Financial strain linked to enrollment, but fueled by inflationary costs and other factors, too.
- Growing societal doubts about the return on investment of a college degree (among other things).
- Increasing competition from technology-enabled alternative providers to meet the learning and credentialing needs of traditional and post-traditional students alike.

# Standard Institutional Responses

- Cutting costs (benefits, programs)
- Improving campus efficiency (optimizing use of facilities, scheduling, energy)
- Investing in student persistence
- Developing new programs aimed at new student audiences (graduate degrees, certificates, new majors)
- Using technology to change instructional delivery
- Exploring collaborations and partnerships, up to and including merger

# Can Any Institution Remain an Island Unto Itself?



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# Pros and Cons of Partnership/Collaboration

Cons	Pros
Self-sufficiency provides utmost control and independence; collaborations require compromise	Expands knowledge, expertise, personpower and resources available to individual institution
Fear of losing competitive advantage	Greater economy of scale

# Traditional Partnerships and Collaborations

- Public college and university systems
- Outsourcing of administrative functions (bookstores, dining)
- Regional institutional collaboratives (Claremont Colleges, Five Colleges, Great Lakes College Association, etc.)
- Achieving the Dream
- Regional alliances (Big Ten Academic Alliance, SEC)
- Buying consortiums (E&I Cooperative Services)
- United Educators



# New Models of Collaboration: Networks Working on Key Issues

Institutions teaming up around a common purpose/  
to address common challenges:

- University Innovation Alliance



- American Talent Initiative



- Unizin



- Common App/Coalition for College





# New Models of Collaboration: Networks or Outside Providers Filling Institutional Gaps

- Online program management companies marketing and (often) providing upfront capital to expand programs.
- Course-sharing platforms (Lower Cost Models Consortium/Rize Education, Council of Independent Colleges' Online Course Sharing Consortium).



Lower Cost  
Models for  
Independent  
Colleges  
Consortium

## New Models of Collaboration: Shared Services and Supporting Organizations

- More-formal organizations that provide an array of services (tech, finance, HR) to colleges. Participating colleges often shed costs and benefit from greater economies of scale than they can achieve on their own.
- Some, like [TCS Education](#) and [National University System](#), essentially operate as the equivalent of public-college systems for a set of private nonprofit institutions. They govern them as well as provide services.
- In others, like [Core Education](#) and the Collaborative for Higher Education Shared Services ([CHESS](#)), institutions remain independently governed.

## Newer Models of Collaboration: Formal Merger and Consolidation

- Seeing more mergers of private colleges – but typically absorptions rather than mergers of equals
- Numerous recent examples of public college systems going a step further by combining campuses: Pennsylvania State System of Higher Education, Vermont State University
- Mergers are often a last resort, because one or more institutions usually lose their identity.
- Greater control over fate the earlier it is considered.



# Thanks

