

A few reactions to Arjun Appadurai's commentary in the Chronicle of Higher Ed, Higher Education's Coming Leadership Crisis.

In general the article takes aim at the tendencies of universities to "corporatize" themselves. In this piece, he's looking particularly at issues surrounding the leadership of institutions.

His first point involves a prediction that a greater number of leaders will come from outside higher ed and will lack a deep grounding in higher education. I tend to agree with him that movement in this direction would not be good. Not just with Presidents, you can even make the case that CFOs with strong higher ed experience work out better, but I think it all depends on how the person comes into the organization. When I think about CFOs I know, I realize some of the strong ones started out in the corporate world, but have been in higher ed a long time now and come across as fully integrated into this environment. At various levels of the organization, when I hear about business managers without much higher education experience I often want to point out that most of the people on the administrative side of the house had to build their higher ed somewhere at some time.

In a section on management, "the old tension between full-time members has become acute, and presidents perform between their chief academic officers has by and As the economy spirals down, the profit maximization will grow even academic leaders to shape the sharply." There's several things to parse out here.

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Appadurai argues the following: administrators and full-time faculty the balancing act that most chief financial officers and their large given way to rule by the CFO. voices of parsimony, thrift, and stronger, and the capacity of agenda of colleges will diminish

First, in my experience with Provosts and CFOs, I'm just not seeing "rule by the CFO." Usually, the Provost is the dominant figure. However, it is worth thinking about why Appadurai might see it that way. One explanation is that this reflects his personal experience as Provost at the New School, where he worked with a President from outside academe (Bob Kerrey). But I think there's a more interesting way to look at this.

Focus on the values listed in the last sentence--parsimony, thrift, and profit maximization. Leaving aside that thrift is an enduring value in many institutions (the institutional equivalent of a tweed jacket worn in the sleeves), you can probably make the case that these sorts of economic values may predominate in decisions, even if the Provost or a President with a distinguished academic background is making the decision. I would argue that those values are thrust upon the institution by the fact that universities must operate in the contemporary society and economy, which are dominated by a hyper-charged pervasive market capitalism (to borrow Ed Luttwak's phrase, Turbo-Capitalism). The universities are

forced to play by the rules of this climate. It's the same climate that puts tremendous pressure on landowners where I live in Tennessee to exploit every bit of land they hold, getting cash from it in the form of timber harvests or development--it's partly a function of increased costs of living and an increasing need to buy your way into security, higher expectations of luxury, or pressures from taxes as property values rise.

The economic margin of error seems to have tightened in many arenas. There's no reason to think that higher ed would be exempt from these pressures. Even if the Provost retains an appropriately powerful voice, her hand may be forced. Even Presidents with strong records of scholarship will find themselves gaining fluency with bond ratings.

With the current economy, maybe we'll see some easing on this pressure to monetize land. And maybe there's a similar silver lining for higher ed. Otherwise it's hard to say how an individual institution on its own can break out of these structural pressures in the environment.

-Robert Stickney, Partner | RPM

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