



Innovation in a Traditional
Environment

By: Dr. John Donohue



INNOVATION IN A TRADITIONAL ENVIRONMENT

There are many critiques circulating regarding higher education in America. There are calls for re-engineering on a grand scale, for a recasting of the form and function of the academy, and for innovation that will ultimately prove hugely disruptive. While critical voices raise important points, and change is certainly needed, it may be that a more targeted approach to innovation has the greatest likelihood for acceptance and success in today's higher education space.

THE CHALLENGE

Across the country, many colleges and universities are experiencing challenges related to sustainability. While a small minority of elite institutions with large endowments are insulated from these issues, the clear majority of institutions, public or private are facing significant problems in relation to enrollment growth and financial stability.ⁱ

The causes are many—demographic patterns, changes in consumer mentality, economic trends, as well as shifts in governmental policy—but they are converging in a way that make institutional sustainability a serious and immediate concern.

Whatever the widely shared conviction that any particular college or university is special and as a result is exempt from market pressures, this belief is under siege by an insistent reality.

Each higher educational institution, by virtue of its mission and the commitment of its members to that ideal, feels that it is in some way “special” and that the unique character it exhibits will permit it to survive the latest crisis. In addition, higher education is a subsidized market. Because of Federal and State aid, colleges and universities are somewhat shielded from the direct vagaries of the market. But this situation is changing for all players. For public institutions across the country, state subsidies are under attack and the relatively robust public financial support of

a generation ago is disappearing. Private institutions, largely dependent on tuition revenue, are subject to the policy dictates of a federal government increasingly skeptical of the value proposition of college and looking for ways to back out of its role as higher education's banker.

So, whatever the widely shared conviction that any particular college or university is special and as a result is exempt from market pressures, this belief is under siege by an insistent reality.

While thinkers like Clay Christensen have long predicted that as many as half of today's college are facing existential threats,ⁱⁱ the subsidized nature of the higher education market seemed for a time to protect it. But a recent spate of closings and mergersⁱⁱⁱ seem to suggest that various market, political and social factors are bringing (often unwelcome) change to higher education.

THE RESPONSE

If this is the bad news, the good news is that there are ways to address these issues that are simultaneously respectful of tradition and mission and responsive to the market. At Synergis, we believe that the immediate challenge in higher education today is not necessarily the redesign of the academy, but rather how to engage in a tactical response we term Targeted Innovation (TI).



The key to TI is the awareness that the choices we face today are not binary ones. For most colleges and universities, the key to survival is using multiple approaches to

serve an educational mission. A diversified educational portfolio, containing discrete programs with varying features and investment returns, will increasingly be an important tactic to address the challenges institutions face.

TI has these characteristics:

- It is focused on meeting student needs and desires—it's market driven.
- It is designed to use efficiency and best practices to create concrete objectives – enrollment growth and ROI.
- It is conceived of as part of a larger institutional strategy.

TI as tactical response can assist an institution in the innovative design and delivery of programs that are in demand, scalable, and aligned with the institution's mission.

The major hurdle for colleges and universities when considering TI is two-fold: resources and expertise. All programmatic initiatives take time to execute and resources to do so. A college under financial stress may clearly imagine how an innovative solution might address its problems, but lacks the ability to invest in the initiative. As a result, the institution is caught in a Catch-22 cycle where it needs revenue, but would have to expend revenue to generate more revenue, and, of course, it has no revenue to spend.

In addition, like any mature industry, higher education attracts people with skills sets and attitudes that are a good institutional "fit." As I have said in other contexts, it's hard to imagine thinking outside the box when the box is what you've devoted your life to.

This is where Synergis Education comes in. Our experience assisting partner institutions develop, launch, and grow TI programs has made a real contribution toward institutional sustainability.^{iv} As an organization, we have the insight, expertise, and resources to invest that assist our partner institutions and helps them make the most of Targeted Innovation. We have the financial capacity to invest in TI, the market research insight to help identify program opportunities, highly refined services built on industry best practices that are designed to support innovative programs. And, most importantly, we promote an organizational culture that stresses an alignment with our partners' missions and a commitment to developing high quality programs that meet the educational needs of students.

THE AUTHOR

John J. Donohue is a higher educational professional with thirty years' experience in higher education teaching, administration and leadership. He has served as tenured professor, dean, vice president, provost and acting president. He is an expert on curricular design and program development and currently serves as Chief Academic and Development Officer for Synergis Education.

REFERENCES

ⁱ For more on a financial perspective on contemporary higher education, see my colleague Colin Malchow's white paper "Change, Disruption and Success in Higher Education," available here: http://ww2.synergiseducation.com/wp-content/uploads/2017/04/Change_Disruption_and_Success_in_Higher_Education.pdf

ⁱⁱ Nisen, Max. 2013. Clay Christensen: Higher Education Is 'On the Edge of the Crevasse.' *Business Insider*, Feb. 12, 2013. Retrieved from <http://www.businessinsider.com/clay-christensen-higher-education-on-the-edge-2013-2>.

See also comments in Christensen, Clayton M. and Henry J. Eyring. (2011). *The Innovative University: Changing Higher Education from the Inside Out*. Hoboken, NJ: Jossey-Bass.

ⁱⁱⁱ Seltzer, Rick. 2017. Days of Reckoning. *Inside Higher Ed*, November 13, 2017. Retrieved from https://www.insidehighered.com/news/2017/11/13/spate-recent-college-closures-has-some-seeing-long-predicted-consolidation-taking?utm_source=Inside+Higher+Ed&utm_campaign=c5ce232171-DNU20171113&utm_medium=email&utm_term=0_1fbc04421-c5ce232171-199735881&mc_cid=c5ce232171&mc_eid=d53f0e2fac

^{iv} A case study on partner success can be found in my white paper "Partnership, Innovation and Growth: A Case Study," found here: <http://ww2.synergiseducation.com/partnership-innovation-and-growth-a-case-study/>