

The Future of American Higher Education

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Abstract

Few would dispute that the development, dissemination, and application of knowledge will always strongly impact the course of the future. Historically, this knowledge management has primarily been a function of private nonprofit and public institutions of higher education. However, higher education itself is now embroiled in a dynamic set of forces that will shape how knowledge management and learning will occur in the future.

This article examines 15 trends that are currently impacting higher education, along with changing expectations in accountability related to education, and some possible scenarios for the future of higher education. Each trend, in and of itself, is significantly disruptive to the status quo in higher education. In combination, their impact on students, faculty, staff, parents, and the institutions themselves may be very significant.

Higher education can be organized in several broad categories, including traditional private institutions which often have their roots in church affiliations, and range in size from very small to very large; publicly funded institutions that include community colleges, regional universities, research universities; and private for-profit institutions that are often based on the use of online technology for course delivery.

Major Trends

A review of the trends impacting higher education will find that they can generally be grouped under three classifications: economic, technical, and student. In this article, the first five trends are economic in nature. Five others are driven by changes in learning technology, while the last five are associated with changes among the student population.

Economic Trends

Faltering funding for higher education. With the exception of a few states that are experiencing increased revenues from oil production, most states have been reducing their funding of higher education and allowing institutions to make up for these decreases by raising their tuition. This has been a major component in the spiraling cost of public education. Additionally, both public and private institutions have suffered from losses in market investments that have further limited their ability to control tuition costs. At the same time, most have seen only marginal increases in philanthropic support from alumni or other donors whose portfolios have likewise suffered in the current economy.^{1, 2, 3, 4}

Increasing benefits costs for faculty and staff. As health care costs increase, and both private and state supported pension funds are diminished by poorly performing investment portfolios, institutions are increasingly dipping into their own revenues to support benefit packages and passing increases along to faculty and staff. In many cases,

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costs for benefits covered by faculty and staff are increasing faster than their salaries, so at many institutions, faculty and staff take-home pay is actually decreasing.⁵

Reductions in research funding. As federal budget cuts loom over the country, federal money for research projects and funding for new laboratories and classrooms on campuses appears to be at risk. The reduction in congressional earmarks have already inhibited many specially funded research centers across the country. Budget cuts threaten the fundamental mission of research universities which is both to generate new knowledge and prepare the next generation of faculty.^{6,7}

Athletics. The cost of intercollegiate athletics continues to rise while few institutions are actually able to even break even on this investment. Traditional private and public universities are caught in a situation where their alumni and regional supporters expect athletic competition, while new for-profit institutions are able to forgo this expense. Some institutions may overextend themselves by investing too much in new athletic facilities, scholarships, and staff salaries that must be paid for by raising student tuition. Still, athletics remains a powerful source of brand recognition for colleges and universities.^{8,9,10}

Student debt. Having passed the rising costs incurred from federal budget cuts, increased athletic expenses, and poorly performing investments directly on to consumers for the past five years, the higher education field has caused students and their families to assume much greater levels of debt than earlier generations had to manage. Higher debt levels also appear to be related to the increase in the number of public and for-profit institutions that are admitting students who may not be well prepared to succeed in college, and may accumulate significant debt while never earning a degree.^{11,12,13}

Trends in Learning Technology

Online and for profit. The development of the

capability to deliver classes and academic programs through the Internet has introduced a new player into the field of higher education: the for-profit learning institution. These institutions tend to employ business process models when designing courses, selecting and preparing instructors, advising, marketing, and addressing issues of quality assurance. They tend to avoid the costs associated with athletics programs and tenured faculty, as well as most of the costs associated with operating a physical campus. They primarily serve adult students who are seeking their first college degree or an advanced degree that will lead to a better employment opportunity, and rely mostly on the use of adjunct and non-tenured faculty.^{14,15,16}

Online and on campus. Traditional private and public universities are increasingly embracing online course delivery for both their traditional age students and to reach out to the adult student population. Traditional age students enjoy having the option to take some courses online. Adult students often value earning a degree from a traditional institution in their region that has a campus they can visit, institutional traditions, and an athletic team they can support.^{17,18,19}

New publishing technology is redefining the college textbook. What was once a print-on-paper object is often now an online resource that blends reading materials, lectures, and video demonstrations with online tests and links to other reference materials. The change in textbooks will redefine how many traditional courses are taught and will further the shift the role of faculty from being the “sage on the stage” to being the “guide on the side,” with significant new levels of investment flooding into this area.^{20,21,22,23}

Open-source course materials offered by some of the most prestigious institutions in the country are creating significant reconsideration regarding how faculty can facilitate student learning and how institutions may verify student learning. Major institutions are providing course syllabi and lecture materials online for free to any

viewers. Of all of the 15 trends, this may be the most disruptive of the status quo in the long term.^{24, 25, 26}

The evolution of information technology used to manage enrollments, student records, campus communication, publicity, campus security, and all manner of course management continues to move ahead faster than most institutions can keep pace. The number of employees involved in Web-site management and other information technology support positions continually rises. Concurrently, student expectations for broadband access on campus have skyrocketed as students arrive on campus each fall with an ever-increasing number of digital devices.^{27, 28}

Trends Within Student Populations

Tradition still important. Despite the growth in online education delivery, the desire among traditional age students to have a “college experience,” and the need for parents to send their family’s teenagers “off to college” remains strong. Traditional campuses are not going to disappear from the higher education landscape. While higher education is an educational experience, “going to college” still remains a social experience that is important for many young people. However, in the face of economic pressure, institutions that serve traditional-age students must have strong brand recognition, possess a strong endowment, or develop innovative ways to underwrite their operational costs if they are not to be forced out of existence.^{29, 30}

Adults. For the time being, the interest among adult students either to complete their first degree or obtain an advanced degree appears to be remaining robust. For adult learners, the primary demands for higher education appear to be access to a program they want, delivered in a format which allows them to conveniently complete the program (this often means online), overall affordability, and the confidence that an academic degree will aid their career advancement.^{31, 32}

International students. The past decade has seen a significant increase in the number of students studying outside their native countries. As businesses are increasingly operating on an international level, an international higher education experience is considered to add value to an academic degree. The ability to interact successfully with people from different cultures is increasingly viewed as a core component of an education. This trend has been largely fueled by students from China and may diminish somewhat as the capacity of higher education institutions in China will soon be greater than the number of Chinese students who will be eligible to pursue higher education.^{33, 34, 35}

War and Peace. The phased ending of the Iraq and Afghanistan wars will adversely impact the number of active-duty military personnel pursuing all levels of academic degrees. This in turn will impact for-profit and not-for-profit institutions that provide online education to active-duty personnel. On the other hand, the number of ex-military civilians with veterans’ benefits will increase for a few years.^{36, 37}

New specializations. Institutions will offer more and more cross-disciplinary programs to meet the interests of students who want to obtain an education in the new specialties that continue to emerge in such fields as medicine, energy, and information technology. Examples might include “health information specialist” or “cloud architect.” Also, higher education institutions will increasingly seek to develop intake pipelines with local high schools to attract more students in science, technology, engineering, and math programs, and to build up enrollment in general.^{38, 39}

Accountability

All these trends are occurring within a context of increasing questions concerning the accountability of higher educational institutions for their academic programs’ value and quality. Questioning the value of a college degree is nothing

new. Anyone who examines the curriculum of the baccalaureate degrees offered a hundred years ago will immediately recognize that the course of study back then was heavily based on understanding Latin and Greek language and culture and familiarity with the manner in which European civilization had evolved.

Today, this has largely gone by the wayside in favor of career-oriented programs in education, business, health care, engineering, science, social services, and information technology. The challenge is that, at some institutions, the cost of delivering the programs students desire to take has far outstripped the price those students can pay. As a consequence, students often graduate with debts far greater than the salaries they are likely to earn. This is unfortunately the case at many traditional private institutions serving traditional-age students, and appears to be the case as well at some of the new for-profit institutions serving adult students.

The question of quality is even more complicated. Regional accrediting bodies and specialized accrediting bodies, established voluntarily by academic institutions and disciplines, are the official arbiters of quality. However, the standards against which performance is measured are written to accommodate a wide range of institutions. There is little consistency across the country regarding expectations for the use of full time versus part-time faculty and graduate teaching assistants.

Assessment of student learning has become a cottage industry for consultants and little agreement exists among evaluators regarding what is and is not effective. Some question whether the “college experience” actually adds any real value in terms of student outcomes based on broad measures of learning.⁴⁰ Furthermore, by leveraging its control of student loans, the federal government is increasingly seeking to regulate higher education by influencing the accrediting bodies, in the name of accountability.

Key Debates Within Higher Education

While administrators and faculty in traditional colleges and universities are concerned about all 15 of the forces discussed in this article, the conversation within the walls of academe often centers on different issues regarding the future of higher education. Many faculty are indeed engaged in developing online courses and exploring new ways to employ new technology to enhance student learning. But others are more focused with attempting to modify the traditional college experience by enhancing student engagement.

Practices such as service learning, learning communities, and deliberative decision making provide an increased focus on improving students’ civic engagement and building the leadership skills vital to a democracy, in addition to preparing young people for entry into a profession.⁴¹ So, even as higher education institutions respond to many external forces, there are internal conversations taking place that will also shape the nature of the traditional higher education experience.

Implications

Many implications emerge from these 15 trends or forces that are now impacting higher education and will continue to do so in the future. There are implications for institutions, for government, for faculty, and for students and their parents. However, while some foresee a revolution in higher education based on “disruptive innovation,” higher education is not a monolithic structure. These 15 trends are likely to impact different parts of higher education in different ways.⁴²

For institutions: Institutions must focus equally on having an effective academic model and an effective financial model in order to be sustainable. This may require them to make increasingly difficult strategic decisions regarding what they can and cannot afford to do, and that may make some stakeholders angry. Passing cost

increases on to consumers is only sustainable if students perceive value in their educational investments. Enabling students to accumulate \$80,000 in debt while earning degrees that will only qualify them for \$40,000-a-year jobs is not a value added proposition.

For government: Constituents are frustrated by the increasing costs of education, the increasing levels of debt being accumulated, and the perception that some for-profit and state-supported institutions are selling educational services that do not add value when it comes to obtaining employment. Some conservative politicians, who feel strong animosity toward traditional higher education, much of which they consider to be left-leaning, are delighted by the growth of for-profit institutions, even while maintaining allegiance to their own alma maters. Others consider the higher education community to be an important part of their base of support and will listen attentively to the perspectives expressed by college and university leaders.

Still others remain neutral regarding the political leanings of higher education but focus on issues of access, cost, and accountability. The challenge currently facing all politicians is how to meet their constituents' desires for access to affordable quality education given the slow economic recovery.

For students: The halcyon days of higher education, when students could drop in and drop out of college, change their majors, and "find themselves" while having little concern about the financial costs, are largely gone. Today, the economic investment in higher education is so great, and the ramifications of that investment are so significant, that the decision when and where to pursue post-secondary education may now be the most significant one an individual can make in his or her life. However, students will have an ever-widening set of higher education options, in terms of modes of delivery and institutions from which to select.

For faculty: No one has a greater stake in the future of higher education than the individuals who have invested their lives in preparing to become faculty. These individuals have made sacrifices and endured significant stress in order to reach their positions as instructors and researchers. The general public has little understanding of the work they do and is sometimes hostile to their efforts.

The greatest challenges to faculty posed by today's trends deal with faculty governance of academic programs in higher education and the need for faculty with doctorates to excel both at conducting research and at teaching. As institutions seek to contain costs, they will tend to continue to employ more adjunct faculty and expand the use of graduate teaching assistants. A decrease in the number of full-time faculty positions at an institution impacts the ability of the faculty there to provide appropriate oversight for the content and quality of its academic programs. Conversely, the emerging use of online textbooks may lead to more standardization in the content of courses, requiring less involvement from full-time faculty regarding curriculum issues.

Likely Scenarios

Community colleges can be expected to establish links with technical schools to provide new approaches that better prepare young people and adults to work in settings that demand both technical expertise and the interpersonal and conceptual skills traditionally provided in the general education college curriculum.

Small, private, nonprofit institutions will be challenged to continue to exist if they do not have significant endowments. The survivors will be those that jump on board with online courses and degree programs that leverage their brand recognition in their region and that maximize the use of their existing investment in full-time faculty. These institutions have smaller numbers of alumni, so they will be at a competitive disadvantage when it comes to fundraising.

State-supported regional universities will continue to reduce their support for academic programs that do not provide a direct path to employment and will seek to carve out academic and research niches in small areas that do not compete significantly with research universities. These institutions will face very difficult budgetary choices and will most likely migrate toward offering courses and programs online in order to make up for revenues lost from state governments. Some will be unable to sustain their current levels of diverse academic programs, campus activities, and athletic expenditures and will go into receivership unless they develop strategies to reinvent themselves and redefine their mission and scope.

Research universities may experience a crisis in retaining their research faculty and infrastructure. This, in turn, will reduce their ability to sustain their traditional approach to instruction in lower-division courses, which depends heavily on graduate assistants.

However, the brand recognition at research universities is so strong that they should have little difficulty attracting the numbers of students necessary to sustain operations. In addition, they typically have a large number of alumni that will continue to contribute to the institution as the economy recovers. The research universities also have athletic programs that operate at or near profitability since they play heavily televised Division One football, which is the one area of collegiate athletics that pays for itself.

Elite private institutions remain largely untouched by economic trends, due to the size of their endowments. But they, too, will have to address information technology changes like all other institutions. Elite private institutions may actually ride the wave of electronic textbooks by collaborating with publishers to produce textbooks specifically marketed to take advantage of their major institutional branding.

For-profit institutions will be threatened as several thousand community colleges, small pri-

vate colleges, and public regional institutions develop online degree programs to compete for students. While the for-profits excel at online and televised recruiting, the small privates and public regional universities will excel at reaching high-school students and adults in their local communities and will be strong in providing walk-in services for online learners.

Conclusions

American higher education is not a monolithic structure that will respond to external forces and internal calls for change in any uniform way. Parts of the higher education structure in the United States predate the establishment of the nation itself. However, just as higher education altered and grew dramatically in the era immediately after World War II, it will continue to change in response to the economic, technological, and student-driven changes taking place in society today. Change will not be uniform, but will come to different parts of the higher education enterprise in different ways.

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