Crisis management at a four year college management essay

Business, Management

IntroductionIn today's changing academic environment, leaders at higher education institutions are confronted with increasing demands to transform these institutions, as stakeholders' expectations have risen and resources have diminished. Colleges and Universities compete intensely to attract students and to generate revenues as operating costs rise and government subsidies decline. Higher education institutions are facing greater scrutiny and accountability from outside agencies that impact accreditation, funding, and financial aid resources ([3] Boyett, 1996; [11] Newman et al. , 2004; [13] Raelin, 1995). One outcome of the changing academic environment is the need to challenge models of leadership that focus on the competencies, behaviors, and situational contingencies of individual university leaders. Whereas, such models may focus on collegiality as the primary aptitude for engaging faculty, and are concerned with satisfying departmental needs over those of the overall university, leadership in today's academia should take into account the needs and demands of various stakeholders. In the current environment faculty needs become one factor among many major elements that need to be considered to accomplish the mission and goals of the university. The purpose of this paper is to demonstrate that the changes needed for the institution to flourish in today's environment have greater potential for success if decision-makers view leadership as a " process" that requires innovation and input from all relevant stakeholders. Referred to as " adaptive leadership", [6] Heifetz (1994) proposes a method of leading that can be sustained for the long-term, adopted by impacted stakeholders, and is responsive to the competitive higher education market. [7] Heifetz et al. (2004, p. 24) stressed that leadership is the " activity of mobilizing people to

tackle the toughest problems and do the adaptive work necessary to achieve progress". Specifically, this model provides a framework for determining when to and how to lead that can result in creative problem solving and foster successful and sustainable modifications in the relationship between the organization and its stakeholders ([4] Glover et al. , 2002). To illustrate the merits and potential of adaptive leadership in initiating or accomplishing successful change in academia two cases studies are analyzed. The first case examines the collapse of a small, private college. The adaptive leadership model is used to explain, in part, why the change initiatives implemented by the president failed to impact favorably on the crises the college was facing. In the second case, the chair of an academic department employs the adaptive leadership process to facilitate successful transformation of a major academic program. Before presenting the case studies, we briefly explore other models of leadership that have been used to analyze the context of higher education. While such discussions held merit, and drew similar conclusions concerning the difficulties of leading in the university environment, they did not provide a clear course of action that reflected the demands of today's changing environment and that could be effectively applied to the case studies presented. We then summarize the dimensions of Heifetz's adaptive leadership model ([8] Heifetz and Laurie, 1997). An analysis of the cases and discussion of the merits of applying adaptive leadership to the changing academic climate conclude the paper. Leadership modelsLeadership in today's academia must take into account the needs and demands of various stakeholders, and include these major stakeholders in the change process. It is no longer acceptable for any one stakeholder group

to place responsibility for instituting change on the shoulders of one individual leader ([5] Gregory, 1996; [15] Rowley and Sherman, 2003). Researchers who have studied leadership in today's more business-like university environment, where the university must be able to manage equally competing needs from the current marketplace, have focused on transactional leadership, transformational leadership, or a combination of both. Transactional leadership, which is based on motivating people to perform in exchange for specific rewards, has been shown to enable the university to manage the conflicting demands of maintaining a balanced budget while continuing to support the needs of the faculty ([12] Pounder, 2001). However, the limitation of this approach to leadership is evident: when leadership lacks the resources to provide a basis for the exchange, it can become difficult to obtain commitment from the faculty. The ability of a leader to generate commitment to change underscores the primary dimensions of transformational leadership ([14] Ramsden, 1998). Originally defined by [1] Bass (1985) and [2] Bass and Avolio (1994), transformational leadership is the ability to motivate employees to excel beyond what is expected through the use of individual consideration, intellectual stimulation, and charisma. The practice of transformational leadership by the department Chair, has been found to be related to faculty satisfaction and the willingness to expend the extra effort required in the change process ([10] Neumann and Neumann, 1999). Furthermore, this style of leadership works well in situations where administrators, have few resources with which to induce behavioral change ([15] Rowley and Sherman, 2003).[12] Pounder (2001) examined the relationship between transformational and transactional

leadership and university organizational effectiveness. He concluded that the style of leadership which reflects a combination of both transformational and transactional dimensions may be most effective in providing the university with the flexibility it needs to make substantive changes. However, the ever-present limitation of both the transactional and transformational leadership styles is its focus on the traits and behaviors of the individual leaders as the pathway to effect change. Therefore, if the transformational leader enters the change process too late, as with the interim president in the first case presented, there may not be sufficient time to gain enough support to initiate the necessary changes. Furthermore, when the transformational leader steps down, the leader's change initiatives may not be maintained unless subsequent leaders possess not only the same charisma and ability to inspirationally motivate, but the same vision. Adaptive leadershipAdaptive leadership is based on the premise that leadership is more of a process rather than individual personal capabilities ([7] Heifetz et al. , 2004). This process requires people to focus on the specific problems at hand and to modify the way they have worked in the past. According to [7] Heifetz et al. (2004), this type of leadership should compel all stakeholders involved to work towards a solution through debate and creative thinking, identifying the rewards, opportunities, and challenges they will face. The outcome of the process should be positive change that is non-threatening to those responsible for generating and executing the change. In addition, since adaptive leadership focuses on process, not person, this model employs the knowledge of all who have a vested interest in moving the organization to a higher level, and provides a framework for attaining employee commitment

to actively participate in seeking and implementing solutions to challenges. By engaging people to become active participants in the change process, adaptive leadership offers a route around historical constraints that reinforce the way change has been traditionally introduced. According to [9] Heifetz and Linsky (2002), leaders are confronted by two types of problems - technical and adaptive. Technical problems are well defined, the solutions are known, and anyone with adequate expertise and organizational resources can solve them. Adaptive problems refer to problems that are not well defined, therefore the solutions are not known in advance. When adaptive problems exist, there are generally many different stakeholders involved; each with his/her own interpretation of the issues at hand. Most importantly, solutions stem from the stakeholders themselves, not from one single entity, since " the problem is rooted in their attitudes, priorities, or behavior" ([7] Heifetz et al. , 2004, p. 25). If the leader fails to recognize that the organization is being confronted by adaptive problems, and applies instead a more technical solution, successful change will be compromised. The process of adaptive leadership involves six stages when executing change in a complex, organizational setting where non-routine decisions are required. These include identifying the adaptive challenge as previously discussed, focusing attention on the problem to make stakeholders aware that change must occur, framing the issues in such a way as to sustain their attention, maintaining stress at a productive level to ensure continued efforts toward change, securing ownership of both the problem and solution from the stakeholders themselves, and creating a safe environment for them by providing the resources and the " right cover" so no retribution will occur

([8] Heifetz and Laurie, 1997) (Table I [Figure omitted. See Article Image.]). The following two situations faced by an interim president and academic department chairperson are presented to further underscore the possible benefits of applying the adaptive leadership process when implementing change in an academic environment. Case I: Crisis management at a four-year collegeBecause the adaptive leadership model is not dependent on the abilities of an individual leader, the process can be instigated at any stage of a particular situation. In this first case, a fiscal crisis resulted from the move of an urban four-year college to a more suburban location, which was done with the expectation that a larger, more bucolic campus would serve as an enticement for increased enrollments. When student numbers did not increase, this tuition-dependent institution began to incur significant debt. Eventually, the Board of Directors replaced the President and reorganized the Board. The new President was faced with myriad fires burning at once. In response, he approached the problems in a very systematic, top-down fashion, dictating the change process in relative isolation, seeking input solely from the Vice President. He faced draconian decisions concerning personnel and financial operations, and implemented hour-by-hour actions to keep the college fiscally viable. Though the institution was in crises, and the measures required were numerous, the new President chose to focus his efforts and attentions on developing a long-term strategic plan, including few of the relevant stakeholders in the process. With efforts focused on long-term solutions, the Board of Directors grew increasingly concerned that there would not be enough students or money to open the following fall semester. Faced with the increasing concern and pressure from faculty, students and

families, the Board came to a crossroads with the president, and he, too, was let go. The vice president was then chosen as interim president, as he had already earned the trust of the Board, faculty and staff through his efforts on the College's behalf in his previous role at the institution. The interim president asked the faculty, including himself, to accept a pay cut. Although the faculty agreed, they did so apparently from a sense of self-preservation. When the interim president subsequently asked for faculty assistance with student recruitment, he was faced with disappointing results. The faculty, marginalized in the initial change efforts, was less than willing to make phone calls or be more proactive in the recruitment process. In this situation, the faculty felt that the fiscal difficulties of the college were the responsibility of the interim president and the Board of Directors, regardless of the fact that all parties would be affected if the college failed. Thus, despite his best efforts in saving the institution, by summer the bank decided to no longer financially support the institution, and began the foreclosure process on the school." Leadership" in reviewAccording to Heifetz, the first stage necessary when initiating institutional change is to determine if the problem facing the organization is technical or adaptive in nature. In the case above, the president believed he understood the issues confronting the college, and in effect identified them as technical. As such, he proceeded to address these problems in a very hierarchical, top down fashion, prescribing the actions that would be undertaken. For example, the recovery activities, while not conducted behind closed doors, were far from inclusive. In contrast, a leader employing a more adaptive style of crises management might have not only defined this problem differently, but would have communicated with all of

the stakeholders, including the students, staff, faculty, Board of Directors, and the financial community. The involvement of the college community would have allowed the interim president, then, to get the key stakeholders to secure ownership in finding a solution to the crisis, gaining institutional loyalty and buy-in, which could have helped to turn the crisis into an opportunity for the entire college community. The implementation of the adaptive leadership process may not have reversed the eventual demise of the college but it would have provided the opportunity for bringing together the key stakeholders, utilizing the knowledge and resources of these people to work towards resolving the crisis. Case II: Rebuilding a graduate programIn the second case, a master's level graduate program at an east coast university had experienced a 20 percent decline in enrollments over the past five years, with no indication of future abatement in the rate of decline. A new chair was hired and charged by the dean to determine whether the program should continue. This graduate program had existed for over 25 years, and at one time was nationally ranked as one of the top 15 programs. This program offered courses in four locations and had evening and weekend formats. Also, there were 310 student files in the department, none of which indicated whether the student was actively pursuing the degree, which meant that the staff typically scheduled classes and hoped that students would enroll. Given the declining enrollments, the class cancellation rates were increasing, leading to student complaints. The department and division records could not give an accurate count of active students nor could they guarantee error-free communication with those students who were active. Another challenge faced by this chair was that the

program relied heavily on part-time, practitioner faculty, which meant that the department was dependent upon a group of people whose commitment to the university and the program was on a course-by-course basis. The new chair recognized that the first major issue was to get an understanding of the cause(s) of the enrollment problem. The chair communicated to staff, full-time and part-time faculty and students that she was willing to meet and to hear their concerns. The discovery of the cause of program's decline in enrollment was complex and needed input from many sources. In this attempt to uncover the reasons for the program's decline, it became evident that missing from the puzzle were the part-time faculty who had formerly been affiliated with the program, some for ten years, and students who had completed the vast majority of their credits but were no longer taking courses or corresponding with their advisors. Each of these groups had essentially " dropped out" of the program. The chair discovered that the challenges confronting this program were not new and that there had been other attempts at improvement, which resulted in short-term blips in enrollment although the overall decline continued. During the three months of interviewing various stakeholders, it became evident that the challenge of rebuilding the program would be more than reviewing the curriculum. It would also mean creating a culture of change in regards to the behaviors and attitude of department staff and faculty as well as bringing people who had never been a powerful voice in the department to a " seat at the table". The challenge was to change the core behaviors and culture of the department. From the interviews it was learned that each group blamed the other for the problems with the program. The faculty blamed the staff and

the falling admission standards. The students believed that the faculty and staff were not responsive to their needs and the staff believed that the faculty and students were overly demanding and did not understand the time and resource constraints the department faced. The most difficult challenge was to shift the constituents' focus from blaming each other to taking leadership in the change of the program. Applying the adaptive leadership processThe chair took a number of steps that helped to create a change in the department that would be sustainable and long term. These changes addressed many underlying problems, including the need to modify the behaviors of faculty. For example, one pressing issue was the lack of pertinence of many of the courses that were being taught. The efforts by the chair resulted in the development by faculty of more up-to-date courses that reflected newly defined learning outcomes and responded to students' and the external communities' needs. Below is an analysis of the chair's approach, which reflects the six steps of Heifetz's adaptive leadership process. Identifying adaptive challenges. The first process in Heifetz's adaptive leadership model is for the decision makers to determine if the problems facing the institution are technical, every day issues, or more adaptive in nature, unusual and complex. If the leader fails to recognize that the department is being confronted by adaptive problems, and applies instead a more mundane solution, successful change will be compromised. The chair in this case recognized that declining enrollments were occurring not just because of exogenous events, such as a recession, but that there were internal problems that impeded improving enrollments and needed immediate attention. This stemmed from the myriad conversations the chair

had with key stakeholders, including those who had already left the program. The chair developed a rule that only when she heard the same concern or reason for a problem three separate times from three seemingly unrelated sources, would it then be noted as a critical issue. From these meetings with the various constituents, it was evident the program's challenges were complex and adaptive in nature, and therefore the solution required an integration of input from all impacted stakeholders. Focusing attention and framing the issue. Although there was a general consensus that there was a problem with the program, none of the faculty believed that they were the ones who needed to change it. More importantly, no one realized that if the problem with enrollment was not addressed, the program itself would be eliminated. This sense of complacency, along with a pattern of blaming others, would make leading the group through a profound change highly problematic. The chair therefore recognized that in order for the curriculum to be significantly changed, she would need the faculty to focus their attention on the critical issues facing the program, and claim ownership of the program's redesign. Securing ownership of both the problem and solution from the stakeholders. The first step was to create an environment that would enable the faculty to discover the causes of the enrollment issues and identify potential solutions. A committee was formed whose charge was to review the various change options for the program. Stakeholders were chosen from all-important constituencies to serve on this committee. The faculty was split between the two disciplines of the department, and faculty subgroups were also represented. Committee notes were posted on a community online bulletin board to ensure that suggestions and concerns

were heard from all of the subgroups on the committee. As ownership of the problem was secured, the committee developed a set of recommendations that stressed the need to completely redesign the program, which would mean eliminating nearly 60 percent of the existing courses and updating the remaining forty percent. Typically, a proposal that recommended such drastic changes would have been met with tremendous resistance by the faculty. However, since the chair employed a more adaptive process by identifying and including all key stakeholders in determining the changes required, these stakeholders became the advocates for such radical change. Managing conflict and regulating distress. In order to maintain a productive level of stress that will ensure the follow-through of change initiatives, the adaptive leader must ensure that the problems that have been identified and the solutions that had been proposed remain in the forefront. In the graduate program case, the chair provided many forums and online discussion boards for students and faculty to hear about the problems and to discuss the ramifications. Also, at these meetings and private one-on-one meetings, the chair began to discuss the possibility of having to reduce the number of course offerings and the potential of closing the program. At the end of each meeting, the chair commented that she wanted to create a program that would be a return to the previous quality and reputation, otherwise the program would be closed. The chair created a program review committee, which became the outlet for productive debates. This review committee took over the process of discovering the extent of the problems. The committee's final report was a critical way to solicit the various opinions regarding the change. Creating a safe haven. An important component of the successful

redesign of the graduate program was the chair's efforts to create an atmosphere of trust among her, the faculty and the students. As the chair talked with many of the stakeholders in the program, it was increasingly difficult not to become fully enmeshed in the intradepartmental conflict. Faculty, students and administrators wanted the chair to choose who was at fault for the demise of the program. The process of staying above the political fray meant that the stakeholders could trust that the chair would listen to their concerns and provide a safe environment for them to disagree and not face any political retribution. Additionally, the chair made a concerted effort to publicly praise and appreciate people who made suggestions, no matter how critical they appeared to be of the change effort, and to deliver on resources and provide political " cover" for those who started to make suggestions for change. Also, as part of creating trust, she was careful to never promise anything that she could not deliver and to describe the situation as it truly was and to openly admit if she did not know the answer. EpilogueIn the end, the total curriculum content of the program was developed. The faculty took charge of deciding which courses would be eliminated. New courses were developed based on an agreed upon set of student learning outcomes. Faculty were organized into subgroups and were responsible for the development of new courses and the redesign of existing courses that they had decided would remain in the new program. Students were excited about the new program and a transfer mechanism was established allowing existing students to take some of the new offerings and not impede their progress through the program. The program continues to improve and enrollment trends have reversed. A summary of the findings of

the case is noted in Table II [Figure omitted. See Article Image.]. ConclusionIt has been suggested throughout this paper that it is necessary to challenge models of leadership that focus on the competencies, behaviors, and the situational contingencies of individual leaders. Instead, the needs and demands of various stakeholders must be considered in order to accomplish the mission and goals of the academic organization. Case I demonstrated what happens when more top down approaches are applied to manage the crisis facing the institution. Case II illustrated the successful change initiative resulting in the resurrection of a current graduate program. By applying Heifetz's model of adaptive leadership ([6] Heifetz, 1994) the failure of the college in the first case, and success of the chair in the second case, may both be better understood. The adaptive leadership process, as examined in this paper, is not intended to be the only strategy available to solve significant organizational problems. However, this process can provide a set of guidelines that will enable leaders to know when and how to address the increased demand to be accountable, competitive, and financially viable in today's academic environment, while fostering sustainable and successful modifications in the relationship between the organization and its stakeholders.