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AUTHOR Barnett, Robert H.
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ABSTRACT

Decreasing enrollments of American colleges and universities of all types and geographic regions are described that have resulted in many deficits since 1968-69. Contributing to the financial squeeze are inflation, unionization, and sharp reductions in the level of scholarships and research support. Studies of four-year liberal arts colleges confirm the continued growth and frequency of deficits, despite much publicized and feared budget cuts. Policies of raising tuition, increasing the total amount of financial aid, and setting higher admission goals had the net effect of spending more money and attracting fewer students. These problems are seen to be not merely financial but managerial difficulties. Key trends are outlined that must be considered in making five or six-year plans, with annual reviewing and updating. Suggestions are offered for cooperative efforts on the part of admissions staffs, business offices, and students to carry out appropriate policies that will help solve the financial problems. (LBH)

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"Our past failure to cooperate with one another has been a substantial cause of our present problems."

THE BUSINESS OFFICER'S ROLE IN SOLVING THE ADMISSIONS PROBLEM

By Robert H. Barnett

American economic history is replete with examples of industries overreacting to an increase in demand. Higher education provides a current example of this phenomenon.

College enrollment increases during the 1950's and 1960's convinced most people that higher education was prospering, and would continue to prosper indefinitely. Few people anticipated the discontinuation of six to eight percent annual increases in enrollment, which had been spurred by the G. I. Bill, the post-World War II baby boom, and an increased desire for higher education. Early warnings sounded by various administrators and higher education associations were virtually ignored. Yet, by the end of the 1960's, the consensus was that higher education was in trouble:

The bust, like the boom, was largely symbolized by and attributed to the admissions situation. By the late 1960's, the growth in enrollment had slowed. This "admissions problem" has received much attention because of its impact on collegiate budgets. When income from tuition failed to meet the budgeted amounts, many colleges were unable to balance their budgets. Many deficits appeared in fiscal year 1968-1969, and deficits have become common since then, regardless of institutional type or geographic region. Contributing to the financial squeeze are inflation, unionization, and sharp reductions in the level of scholarships and research support. Studies of four-year liberal arts colleges confirm the continued growth and frequency of deficits, despite much publicized and feared budget cuts.

Solving the Admissions Dilemma.

Accumulating deficits forced colleges to recognize their precarious financial health. The diagnosis of the disease was not always as accurate as the recognition of illness; however, some schools responded to the trend by lowering admissions standards, but despite such compensatory action, many admissions offices were unable to fill their classes.

Upon noticing income from tuition falling, many administrators decided to raise tuition, increase the total amount of financial aid, and set higher admission goals. What began as a solution created new problems. These policies had the net effect of spending more money and attracting fewer students. Higher tuition costs drove students from private education to public education, from four-year schools to two-year schools, and in extreme cases, from college to employment. Given a stable pool of prospective students, it was inevitable that if some schools were able to increase their student bodies, others must fail to maintain their populations. Hardest hit by leveling or declining enrollments were schools with 1-500 and 501-1,000 students, whose plight was accentuated when contrasted with the general increase in collegiate enrollment. Aggressive admissions policies were appropriate, questionable policies were regrettable but predictable.

Admissions directors were often faced with impossible tasks. Colleges in general, and liberal arts colleges in particular, failed to develop unique personalities. Furthermore, the job market became such that college graduates were no longer guaranteed jobs. Thus, admissions directors could not offer unique experiences, programs, or jobs. For private colleges, education for education's sake at \$4,000 to \$5,000 a year or \$16,000 to \$20,000 for four years became a hard item to sell.

It is unfortunate that higher education's biggest problem continues to be ignored. Most injurious to higher education is not the financial problem, rather, it is the demonstrated lack of managerial competence in higher



Robert H. Barnett is the newly appointed vice president of Risk Management Corporation, Syracuse, New York. He had formerly served as vice president for business affairs at Goucher College, where he was responsible for insurance, personnel, labor relations, purchasing, budget planning, construction, and investments. In addition, he coordinated legal and tax matters, served as a member of the president's cabinet and was an officer of the college governing board.

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education. The management vacuum had existed for over a decade. During the period of rapidly expanding enrollments and ample incomes, actual resources were plentiful and administrators expended, rather than allocated, those resources. When the inevitable happened, when the "good times" ended, administrators proved themselves to be unable to recognize change, or cope with its implications.

Key Trends in Long Range Plans

The lack of long-range plans symbolizes the administrative impotence of higher education. Necessary are five or six-year plans, with annual reviewing and updating. Unfortunately, such plans and practices are useless unless one acknowledges certain facts and trends, such as.

1. The financial crisis in higher education.
2. The fact that higher education no longer ranks among the top ten priorities of the country.
3. The shift of collegiate enrollment from the private sector to the public sector.
4. The extent of the tuition differential between private and public institutions.
5. The fact that students must pay or pay back an increasing share of the increasing total costs of higher education, because of financial aid policies which determine awards on the basis of need.
6. Students' reassessment of the relevance of a collegiate education and or degree in terms of the job market, high tuition costs, and opportunity costs, and their increased tendency toward attending career-oriented and two-year schools.
7. The demographic factors which indicate little or no growth in the traditional college-age population over the next twenty years, and the probable decrease in the size of that age-group after twenty years.
8. The future, which suggests an unprecedented level of competition for students' declining numbers and changing tastes.
9. Persistent inflation.
10. The trend toward unionization of campus employees, including faculty and the resulting salary and benefit increases.
11. The trend away from massive federal grants to aid higher education.
12. Continuing college deficits despite cutbacks.
13. The fact that higher education's setback is not a fleeting one.
14. The necessity of analyzing and re-evaluating every college's and department's roles and functions.
15. Reluctance of academic administrators to increase faculty to student ratios.

It is against this somber background that all admin-

istrators work. But once we face these difficulties, we assume a position of relative strength, for our problems are best faced head-on.

Once we administrators recognize and acknowledge the magnitude of our problems, we can begin to take corrective action. It is imperative that attitudinal and policy-making changes be implemented, minor policy changes will not suffice.

The most important policy-making change would be administrators' commitment to cooperation with each other. Many problems of the past have arisen because admissions and business officers have been held responsible for many conditions over which they have had neither control nor responsibility. The admissions officer, for example, must attract students to a school whose programs he cannot make marketable, and whose prices he cannot make competitive. Likewise, the business officer must prepare a budget whose income and expenditures depend largely on other areas, i.e., admissions (income from students), development (income from gifts), academic expenses, and the general economy (inflation).

Our past failure to cooperate has been a substantial cause of our present problems. We have tended to erect walls around "our" areas. We resign ourselves to accepting questionable policies despite our knowledge that such policies may prove to be disastrous, after all, we say, it is not our problem. We become prone to criticize those on the other side of our kingdom's walls. Inevitably, we lose sight of the fact that we, ourselves, may be contributing to the other administrators' problems (We never lose sight of the fact that *they* cause problems for *us*, however.)

Interdependence among administrators must be acknowledged. Cooperation must be practiced. Only then will the colleges' policies be coordinated and thus able to achieve specific goals. Only then will colleges have the strength with which to fight for their survival.

Implementing Solutions to Admissions Problems

Cooperation must be pursued in all areas and with regard to all major decisions. The ultimate extent of such necessary cooperation precludes discussion here. However, the directions such cooperation must take can be seen by examining the policies which must be implemented with regard to the "admissions problem."

In *Admissions*, Elevate the director of admissions to the president's staff. For too long we have tacitly agreed with the contention that admissions is naturally subordinate to one of the major divisions within a college, usually the dean of faculty. We have ignored the fact that the director of admissions has a tremendous impact on all areas of the college, and that they have a tremendous impact on the director. The promotion of the director of admissions would be symbolically and functionally important. The

promotion would contradict the narrow conception of the duties and responsibilities of the ranking admissions officer and would symbolize the new cooperative thrust. The promotion would be functional by endowing the director with the power and respect which he needs if he is to fulfill the demands of his job. No longer could the advice of the director be dismissed because of the director's inferior rank, the promotion should result in a promotion of respect for his ideas and expertise.

At the same time, the promotion should make the director more free to pursue aggressive and innovative admissions policies. With the dean of faculty, he could review the admissions requirements to see whether they are functional or pretentiously rigorous. He could develop a program to attract academically qualified students who do not fit into the 18 to 20 year old, full-time student category. He might discover that the college could render a service to the community by scheduling evening or weekend classes. The director of admissions, in cooperation with fellow administrators, could initiate many changes which could boost admissions while preserving the academic integrity of the college, and without taxing the faculty and facilities.

Projections by the Business Office

In the *Business Office*, Prepare long-range (five to ten year) projections, so that others may see the financial future of the college. Determine the financial impact of changes in the student body size. (For example, schools with approximately 1,000 students should consider the budgeting impact of 100 to 150 more and less students.) Assume responsibility for the cost section of cost-benefit analyses, show how many additional students must be enrolled in order for the expense to be nullified. Determine the use capacity of the physical plant, analyzing not only the number of students who could be housed and taught during a normal term, during currently scheduled times, but also the feasibility of renting college facilities for such things as conventions, retreats, concerts, and recreation centers, and the feasibility of using the classrooms for evening and weekend classes.

Included in an analysis of the physical plant should be assessments of, for example, the cost of converting low-occupancy dormitories into apartments for students and or faculty, as well as the cost of converting other facilities for higher use programs, which would attract more people to the campus. The financial officer could also devise alternative ways of charging students for their education. Students could be charged by the course, by the credit hour, or by status (full-time, or part-time). Room and board charges could be varied by the type of room (single, double, suite), type of dormitory, (new or old, traditional or apartment, adequate or luxury), number of meals

eaten, (unlimited, up to 15, up to 21, etc.), housekeeping duties, (none, partial, total), etc.

With regard to *Faculty*, The dean of faculty, who determines academic standards for the college, should also determine the necessary qualifications of entering students. (The director of admissions should be responsible for determining the best means for assessing students' credentials, however.) The dean of faculty should make sure that the faculty is appropriate for the college and its student body, not *vice versa*. In addition, the dean should secure, from the faculty, descriptions of the various academic divisions, departments, and courses, as well as career opportunities related to the above. Such information can be used by the admissions staff in brochures and the catalogue. The dean must review the curriculum continuously, making sure that the cost of offering certain courses can be justified, that courses are offered at convenient times for interested students, etc.

Feedback from Students

With regard to *Students*, The dean of students must survey the student body, or a representative sample thereof, in an effort to ascertain the school's strengths and weaknesses. Findings should be made available to all administrators whose areas of responsibility were commented on by the students. The dean should assess the social atmosphere and living conditions of the campus, and make sure that both are accurately represented by official publications. To the extent that reality differs from the project's image of the campus, change should be made in the desired sphere.

The continuation of a college is no longer guaranteed by its existence. Colleges must fight for their survival; the price of that survival is financial solvency. Colleges cannot attain long-term financial health unless they correct, or compensate for, conditions which caused their financial decline.

The key to financial health lies in the optimum use of resources on campus, both human and inanimate. It is imperative that we acknowledge the limits of our resources. We cannot increase the size of the 18-22-year old age group. We cannot stop inflation. We cannot increase federal aid to higher education. However, we can do a great deal to ensure our own survival and, perhaps in the long run, that of higher education as we know it. If we are flexible, we can develop academic programs which will fill a need in the community, and which will attract students. We can make a college education more rewarding to students and thereby increase student willingness to pay high tuition costs. We can, in short, do many things to counteract the disturbing trends in higher education.

What is impossible is for us to change things alone. Only through cooperation can we succeed.

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