

# AN EXPLORATION OF THE BENEFITS AND CHALLENGES OF PUBLIC HIGHER EDUCATION SYSTEMS

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## ABSTRACT

*Public higher education systems have relied upon the ability to control individual campuses for the overall welfare of the public which it serves. This coordination and control has the potential to increase efficiencies of efforts, but also has the potential to limit the growth of individual campuses. The current study was designed to identify, explain, and understand the perceived benefits and challenges of higher education systems. Study findings identified a higher level of agreement about the challenges present in systems use, and the strongest benefit perceived of using a systems approach was for group buying power.*

The majority of public higher education institutions in the United States are organized around the idea of coordinated public services, and to attempt to ensure efficiency, are overseen through any number of state oversight agencies. In some states, a centralized governmental board of control is utilized, and in others, broad education departments that coordinate public elementary and secondary education are charged with higher education oversight as well. Aside from state-level governance, many states have put in place attempts to organize and structure publicly subsidized higher education through a controlling mechanism of institutional systems.

Higher education systems range dramatically in their scope and authority, with some simply coordinating legislative requests for information, to others that provide strong regulatory oversight to operations. Perhaps the most clearly defined structure of a university system was spelled out in the California Master Plan for Higher Education, largely attributed to Clark Kerr's leadership. In this plan, community colleges, state regional colleges, and research universities were all assigned a role and scope of

program offerings, and for nearly 50 years there was little deviation from this plan. Many other states attempted to retro-fit their own evolving higher education institutions into systems, assigning governance responsibilities to systems offices rather than individual campuses.

The diversity of systems behavior can to some extent be assigned to the authority granted to the systems office by legislative or state control. Through either legislative mandate or gubernatorial directed, institutional autonomy can become subject to state office or the creation of combinations of campuses under a unifying system.

There are many potential assigned benefits to higher education systems that are consistent with notions of public agency efficiency, including greater buying power for universal services (life and health insurance or food and housing services, for example), less redundancy in offering academic programs, greater opportunity for student and faculty mobility among campuses, and a more efficient investment of money into a system that can regulate itself and prevent other spending wastes.

Anecdotal evidence, however, suggests that state university systems may not function as intended. In the case of the California master plan, state regional colleges challenged the authority of research universities to offer doctoral degrees, for example, and ultimately won the right to offer such degrees. In other states, program duplication and an inability to articulate undergraduate programs are identifiable within systems, as campuses behave largely independent of each other with little or no control. Institutional leaders see the system as an additional layer of oversight rather than an advocate for better cost control. As a result, the purpose for conducting the study was to better identify, explain, and understand the perceived benefits and challenges of state governments making use of higher education systems management structures.

### BACKGROUND OF THE STUDY

Higher education systems, by design, are regulatory in nature. Designed to maximize efficiencies, they by function necessitate the allocation of resources and restriction of opportunities as well. As a result, systems structures vary by state and region, as well as complexity and functionality (Guri-Rosenblit, Sebkova, & Teichler, 2007). As public entities, however, they often become politically adaptive, meaning that functional authority can give way to political deal-making, resulting in an inability for these systems to be effective or enforce efficiency (Ferlie, Muscelin, & Andresani, 2008).

Many institutional systems have approached their inability to manage offerings and services by creating indices of performance measures, and attempting to influence activities based on these measures. Often called 'performance funding,' there is an attempt to force institutions to behave in a certain way and to focus their efforts accordingly. Areas such as graduation rates, retention, and job placement have all been tied to performance funding with modest and inconsistent effects (Fincher, 2015).

Martinez (2013) identified four primary areas of authority for higher education systems: budgeting, collaboration, efficiency and program planning, and articulation. He outlined these areas across the system of higher education in South Dakota, highlighting, for example, that budgeting had been tied to state policy goals that were consistent across the system and system-level mandates for degree course articulation. Martinez noted that in such systems behavior, authority is regulated and empowers those at the highest level working in the system, "yet the state's experience with articulation has proved less than satisfactory to almost all involved" (p. 372).

This notion of coordination has the potential to be most effective when there is a singular system with complete

control over the operation of institutional offerings. Buying power for benefits, maintenance, and operational items are also potential benefits of a system. As alluded to (Guri-Rosenblit, Sebkova, & Teichler, 2007; Ferlie, Muscelin, & Andresani, 2008), public sector politics have the potential to allow for the evolution of multiple systems and distortions of what a system can or should consist of to be effective. For example, in many states there is a combination of multiple university systems, differing systems for community and two-year colleges, and additional college campuses that are not part of any system. The result is a confusing network of institutions that have a free-market approach to competing for similar students and scarce public resources.

Perhaps the most challenging element of higher education systems is the ability to favor all institutions equally while allowing those with stronger leadership and better resources to flourish. As Birnbaum (1989) noted over 25 years ago, institutional leadership can transform an institution and that frequently an ability to recruit faculty, untapped student populations, and improve a campus in different regards is tied to presidential leadership. If systems, however, are attempting to regulate what an institution does and how it attempts to adapt, there is a greater likelihood that progress will be limited throughout the system. Strong systems do not allow individual campuses the capacity to try new and different things, restricting the already slow approach to change that higher education is known for (Sporn, 1999).

Examples of flagship university campuses fighting with systems administrators and procedures have become increasingly common. Recent examples include the University of Oregon, where a very popular campus president who transformed the institution fought with the system office about priorities, resulting in his firing. The University of California-Davis, the University of Texas, the University of Wisconsin, and Texas A&M University have all had similar, public fights between system and campus officials where the system was seen to be restricting and controlling the individual campus.

The extent that systems and campuses challenge each in some ways can be seen as a good opportunity for open discourse about how best to serve a public good, but, these same challenges can also cause open hostility, damage morale, erode public confidence in higher education, and very importantly, damage the status of the academy with public legislators. An extension of this conflict can be the relationship between the system administrator and campus leader, and the extent to which campus leaders have the discretion from the system to implement policy and make decisions and encourage change on their campuses. This relationship forms the central question addressed in

the study, specifically attempting to identify the benefits and challenges of higher education systems implementation.

Berdahl, Sample, and Rall (2014) made a convincing case that state systems do not always lead to good university governance, and that often these systems hurt the health of the flagship institution. "As institutions have grown larger and more complex, it is more difficult for a single system board to oversee and govern them. And systems emerged to manage growth in the 20th century, the current agenda and public interests are quite different, rendering them less effective if not obsolete" (¶ 3).

### RESEARCH METHODS

To identify the relationships, benefits and problem areas between university system administrations and campus flagships a survey instrument was constructed. The instrument was developed based on the perceived functions of both systems and flagship institutions. The instrument was distributed to a panel of five anonymous system officials and five anonymous campus officials for review and modification. Multiple revisions were made to the instrument, reflecting the expertise of the review panel.

The first section of the survey instrument asked respondents to identify general information about their institutions, including information such as size, setting, and structure.

The second section asked respondents to comment a variety of questions about the relationship between the system and the flagship. The final section of the survey included an open-ended written response opportunity for respondents to comment on either challenges, opportunities, or other areas for growth in the future.

Those individuals included in the study were drawn from 1) a sample of university system administration officials identified through internet based research listings of university systems and 2) officials at flagship campuses or land-grant universities within those systems, identified in the same manner. In most cases, the survey was sent electronically to the Chancellor or President of the campus requesting that the survey be completed or sent to an appropriate person, such as a Chief of Staff or Executive Assistant to the Chancellor. System and campus status was verified by an independent researcher to insure that only systems and flagship/land-grant institutions were being surveyed. The survey was distributed electronically to the sample, with three follow-up requests for participation.

### FINDINGS

Using three email reminders, 45 usable responses were received from the 139 institutions identified for participation in the study (32% response rate). Due to the descriptive nature of the study, and the precedence of online survey results, the response rate was deemed acceptable for the purpose of the current study.

In the first section of the survey, participants were asked to answer seven questions describing themselves and their relationship with their university's system office (see Table 1). The majority of respondents had worked on their campus for over a decade (n=29; 64%) and few had worked for a systems office prior to their current job (n=7; 15%). Most of the respondents reported having 6-10 independent campuses in their system (n=31; 69%), and the same percentage (69%) reported that their system included two-year colleges. Nearly all of the respondents indicated that their systems office was located in a different city (n=39; 87%), yet nearly all (88%) indicated daily communication with a system-level official. This communication resulted in 82% of the respondents indicated that they spent at least 30% of their time on system-level business.

In the second section of the survey, participants were asked to rate their agreement on a 1-to-5 Likert-type scale, with 1=Strongly Disagree progressing to 5=Strongly Agree with a series of 13 statements about the possible benefits of a college or university-level system. The overall mean for the 13 statements was 3.81, indicating a Neutral-to-Agree perception of benefits from system-level participation. The most agreement was identified on the items of group purchasing power for supplies (mean 4.21), degree articulation among campuses (mean 4.16), collaborative shared governance (mean 4.10), consistent campus policies (mean 4.00), and administrative structures (mean 4.00). Conversely, respondents agreed least on the system preventing duplication of efforts/degrees (mean 3.22), increasing access for low-income students (mean 3.48), and faculty collaboration (mean 3.50).

In this section of the survey, respondents were also asked to rate their agreement level with 10 different statements, all of which represented challenges of being a member of a university system. The overall mean rating for this set of items was 4.06, suggesting general agreement with the body of challenges. The most agreed upon challenges were competing with peer campuses (mean 4.68), creating individual market-place identity (mean 4.51), attracting legislative support (mean 4.33), and ability to be creative in problem solving (mean 4.24). The survey items in this section with the lowest level of agreement, meaning that they were seen as lesser problems for system participation,

were recruiting students (mean 3.60) and developing new degree programs (mean 3.68).

In the last section of the survey, respondents were provided an opportunity to write, in narrative fashion, any comments that they felt were appropriate for the study. Seven individuals wrote comments, two of which were interest in the study and a request for a copy of the study findings. The other five ranged in their content from support to disappointment in their respective systems. One respondent wrote "I think this study is a good idea. The idea of a system is great, but the practicality of it just doesn't work. There is too much competition between all of us and the president doesn't seem to support collaboration, only competition." Another echoed similar perceptions of the system, commenting "The idea is fine, but unless the system is serious about preventing degree duplication and helping us with group purchasing, they should just stay out of our way." One comment was supportive of the system, noting "it works, just not all the time, but it does keep campus ambition in check."

Data were then arranged to look at three comparisons: (1) for group purchasing between large and small systems, (2) degree articulation responses for systems that included two-year colleges, and (3) role and mission differences for systems that included two-year colleges. For the first analysis, those respondents reporting under 5 campuses ( $n=6$ ) were compared with those with 11 or more campuses ( $n=8$ ) regarding group purchasing power, a noted benefit of systems. With an overall combined mean of 4.21, that included 31 mid-sized systems, a t-test was used to compare the small (mean 4.46) and large (mean 3.88) systems, and the two means were found to be significantly different ( $t$ -calculated 2.73;  $t$ -critical 1.98;  $\alpha = .05$ ).

In the second comparison, the agreement on degree articulation was compared for those systems with two-year colleges ( $n=31$ ) and those without ( $n=14$ ). The overall agreement level was 4.21 for all respondents, and 4.13 and 4.18, respectively, for the two groups of respondents. The independent samples t-test did not identify any significant difference between these means ( $t$ -cal 1.62;  $t$ -crit 2.03;  $\alpha = .05$ ).

The last comparison was between those systems with and without two-year colleges and the challenge of recognizing different roles and missions. The overall mean agreement level of 4.00, with respective mean agreement levels of 4.03 and 3.98 respectively. Again, no significant differences were identified ( $t$ -cal 1.21;  $t$ -crit 3.01;  $\alpha = .05$ ).

## CONCLUSION AND DISCUSSION

This study addresses a somewhat growingly controversial issue: should states organize their higher education campuses and offerings into a centralized system. News reports and existing literature suggest that organized, centralized programmatic offerings hold a higher level of efficiency in spending public resources, but the overarching sentiment seems to be one of free-market supply and demand, where competition between public agencies will seemingly result in a 'survival of the fittest' institutions. The response rate for the study, 32%, is not particularly surprising and may actually be quite good when considering the potential politically sensitive issue of centralization.

Regarding the respondents, the nature of the survey distribution resulted in a high number of individuals with experience or the practice of working with the systems office; perhaps an assumption that was to be accepted for conducting the study. These individuals, however, reported significant amounts of their time were committed to working with systems offices and officials, with nearly all respondents (88%) reporting daily communication with the systems office and nearly the same number of respondents (82%) indicating that they spent over a third of their time on systems office requests. This means that systems offices are highly involved in individual campus work, which makes the results of the "better" and "challenging" sections of the survey somewhat problematic. And, the study points to strong challenges with system and campus administrations and further calls to question the effectiveness of large university systems.

With a strong involvement of systems offices in individual campus' work, there were relatively few areas where the respondents indicated that their campus benefited. There was agreement with five of the 13 "better" statements, with the highest levels of agreement being related to group buying power and degree articulation. The better degree articulation among individual campuses of a system is not insignificant; this finding shows that institutions see a benefit from systems-level membership that can clearly benefit a student's mobility throughout an academic system. The other three statements that had a mean rating above 4.0 (agreement) were all structural and office based, including better shared governance collaboration (presumably actions such as faculty senate presidents throughout a system meeting on a regular basis), consistent campus policies, and administrative structures (such as a consistent nomenclature of titles on campus). And although these all are seen as good outcomes of a system, they were not perceived to result in less degree duplication or improving access for low income students.

There was also strong agreement that system-level membership did not result in less competition among campuses, better campus identity, legislative support, or creative problem solving. These perceptions were somewhat contradictory, as the findings suggest that the system does not use its authority to align individual campus priorities, such as declaring a liberal arts campus, a science and technology campus, etc., but that it does inject itself into how campuses can solve problems or deal with difficult issues on separate campuses.

These findings seem to reinforce the idea that higher education systems, and indeed state coordinating bodies, seem to want their organization to be all things to all constituents. They seem to want to control what campuses do, but also want to leave campuses alone to make their own decisions. They want to align administrative structures, but they are not able to help campuses have their own methods for problem solving. The inefficiencies of higher education systems will continue to lead to poor legislative support and growing public scrutiny of higher education, and higher education will in turn continue to look to market itself as a great private versus public good. Without stronger state and national public policy leadership, higher education's future is at risk.

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<b>TABLE 1</b>		
<b>PROFILE OF RESPONDENTS</b>		
<b>(N=45)</b>		
<i>Characteristic</i>	<i>n</i>	<i>%</i>
Length of service on campus		
Less than 5 years	8	18%
6-10 years	8	18
More than 10 years	29	64
Ever worked in a Systems office		
Yes	7	15
No	38	84
Number of individual campuses in system		
Under 5	6	13
6-10	31	69
11 or more	8	18
Are there 2-year colleges in your system		
Yes	31	69
No	14	31
Location of Systems office		
On my campus	2	4
Same city/not on my campus	4	8
In a different city	39	87
How often do you engage with a system official		
Daily	40	88
Weekly	3	6
Monthly	2	4
Rarely	0	0
How much of your time do you spend on System business		
10% or less	4	8
20-30%	4	8
30-40%	27	60
40-50%	8	18
More than 50%	2	4

<b>TABLE 2 PERCEIVED SYSTEMS BENEFITS</b>		
<b>Characteristic</b>	<b>Mean</b>	<b>Range</b>
<b>Because of our institutional system, we have better:</b>		
Group purchasing power for supplies	4.21	.5232
Degree articulation among campuses	4.16	.8293
Collaborative shared governance	4.10	.5329
Consistent campus policies	4.00	1.0030
Administrative structures	4.00	.6646
Better efficiencies for degree offerings	3.99	.8399
Standardized tenure/promotion guidelines	3.89	.7146
Human resource benefits	3.88	.7389
Legislative lobbying efforts	3.62	1.1110
Access for high achieving students	3.55	.7041
Faculty collaboration	3.50	1.0018
Increasing access for low income students	3.48	.6777
Less duplication of efforts/degrees	3.22	.5855
Individualizing HR campus needs	3.88	.5325
Flexibility to respond to regional needs	3.75	.6633
<b>Because of our institutional system, we have these challenges:</b>		
Competing with our peer campuses	4.68	.4919
Creating individual market-place identity	4.51	.6201
Attracting legislative support	4.33	.6222
Ability to be creative in problem solving	4.24	.7748
Recruiting leaders/administrators	4.01	.6598
Recognizing different roles/missions	4.00	.7891
Developing new degree programs	3.68	.7007
Recruiting students	3.60	.8304