

2023 Presidents Institute  
**Design Thinking**  
**Experience**  
Challenge Brief



**Experience Leader**

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# Challenges

During the interactive design thinking experience, each president will choose one of the Challenge Questions below. In this guide, Bryan Alexander, senior scholar at Georgetown University, offers insights into each Challenge Question's present and future.

These challenges flow into designing the future of independent higher education. Which Challenge Question most influences the vision, mission, strategy, values, and history of the college or university you lead?



How might we lead independent higher education **business model adaptation** and change?



How might we create new ways independent colleges and universities can lead in support of **democracy and civic engagement**?



How might we realize the dream of truly **equitable education** in a demographically changing nation?



How might we create mission-driven responses to **digital transformation's** pedagogical, intellectual, economic, political, and social implications?

# Challenge Questions Brief

## How might we lead independent higher education business model adaptation and change?

Currently, a substantial number of colleges and universities are struggling to maintain and adapt their inherited business models in an increasingly unpredictable environment. While elite institutions (as identified by reputation and financial resources) are continuing to do well, others are increasingly facing challenges. The overall decline in American post-secondary enrollment, which began in 2012, exerts pressure on revenue, notably on tuition and residential income. The COVID pandemic exacerbated this stress, especially for residential learning as well as for some international student presence. While pandemic measures had mostly abated by late 2022, recent data shows enrollment has not rebounded. These revenue challenges occur when many institutions simultaneously face increasing costs, ranging from escalating medical expenses to deferred physical plant maintenance and upgrades.

At the same time as these stresses occur, a general financial practice for higher education institutions has been to expand a two-step tuition model. Published tuition and fees have risen, often to howls of outrage from media coverage and politicians, while campuses have increased tuition discounts, usually without any public notice. Different enrollment management models have shaped this strategy, most often in the form of economic assistance – i.e., higher discounts for families with fewer resources, while charging closer to full freight for the most affluent. Other models have used increased prices/discounting to produce classes for other goals, such as supporting legacy students, boosting numbers of certain populations, and attracting students for academic and nonacademic programs.

Looking ahead to the short- and medium-term future, several forces are likely to encourage campuses to maintain these practices, including alumni activism, institutional inertia, staff being overwhelmed by multiple stresses, and concerns about alternative models which seem unproven or inapplicable to a given institution's identity. It's possible that some colleges and universities may decide to increase their digital work in one of two ways. First, to follow the "digital liberal arts" model of expanding digital projects and capabilities for the in-person campus environment, starting with more computer work in classes and increased infrastructure support, up to and including addressing the digital divide. The business goal is to attract and retain more students, based on an understanding of a market ever more immersed and interested in the digital world. The second path, which adds a longer term scope, follows the enrollment successes of "megauniversities" such as Southern New Hampshire and Arizona State Universities: offering substantial academic programs that are entirely online. Such institutions have succeeded in garnering large classes, and other campuses may see ways to follow suit. The problems of this strategy for colleges and universities not already engaged in it are well known: a sense of culture clash for institutions which value in-person education; high capital and maintenance costs; and problems with OPM relationships.

Additionally, institutions can shift resources to introduce or expand academic programs in fields which currently attract a great deal of student interest. These fields tend to be in STEM domains

# Challenge Questions Brief

## How might we lead independent higher education business model adaptation and change? (*cont.*)

as well as in pre-professional areas. Programs in climate change seem likely to attract the interest of Greta Thunberg's student generation. Once again, the problems inherent in such a strategy are well known: culture clashes with some understandings of a liberal arts experience, and the risk of committing an institution to a field when enrollment might fall short, either due to program quality or a saturated market.

Further, we should expect a continuous ferment of institutional creativity as the late 20th century's business models falter. Some campuses are already trialing competency-based education, dual enrollment (with high schools), improved transfer credit partnerships, income-based tuition repayment, external sponsors for student degrees, microcredentials, sportsbook gambling, and more. The first year of the pandemic saw a series of additional innovations, from altering academic calendars to offering low-density classrooms. Colleges and universities will continue experimenting, as well as attempting new models.

# Challenge Questions Brief

## How might we create new ways independent colleges and universities can lead in support of democracy and civic engagement?

American higher education is currently quite interested in supporting democracy and civic engagement. Research has shown that post-secondary experience tends to encourage graduates to become active participants in democratic life. Recent years have given that practice more urgency, from political unrest to the problems of misinformation. Various actors, such as associations and funders, have encouraged colleges and universities to double down on our pro-democratic curriculum. Some academics come to this view organically, often in response to developments in American politics. Campuses have responded in various ways: adding civic requirements to core curricula; increasing co-curricular political and civic programming; and exploring institutional ways to support politically engaged students.

Looking to the near-term future, it seems likely that this interest and those incentives will continue. The 2024 elections loom large and suggest an intensification of political problems. Interest in improving American civic capacity does not appear to be slackening. The digital misinformation environment shows signs of worsening, notably from artificial intelligence-powered deepfakes to the splintering of online platforms. Reaffirming academic commitment to improving students' democratic participation appears to be a good bet.

In the medium- and long-term future, it seems unlikely that American higher education will shed this function. Despite the work of nonprofits and businesses in this space, the need is too great and academia is simply a solid contributor.

The unfolding climate crisis may modify academia's engagement with both democracy and civic engagement. First, as weather damage, economic issues, and political fallout impact both a campus and its immediate community, the climate crisis enters into town-gown relations, creating opportunities for collaboration and friction. Second, to the extent that faculty, staff, and students see climate activism and their academic work as connected, they will be more likely to speak out or intervene in public settings from their intellectual standpoint - i.e., more public intellectual work, more activism in general, connecting campuses to the wider world. Third, to the extent that a county, state, or the nation take major steps to adapt to or mitigate the crisis, higher education institutions are likely to be impacted by such policy actions. The precise nature of a given campus' engagement with climate change will vary based on geographical location and institutional culture, yet we should expect a rising tide of academic energies aimed at the crisis. Ultimately this may reshape all academic ways of addressing democracy and civic life, from faculty research to student majors and core curricula.

# Challenge Questions Brief

## How might we realize the dream of truly equitable education in a demographically changing nation?

American colleges and universities have responded to the nation's changing demographics unevenly at best in recent history, but many shifted to stronger DEI commitments after the 2020 murder of George Floyd. Efforts have included: curricular revision; hiring/promotion/tenure process revision aimed at increasing representation of underrepresented populations; expanding support for marginalized students; expanding bias reporting mechanisms; and altering the physical landscape to address problematic histories. We have a refined and growing body of knowledge about how best to support marginalized academics in our institutions. There is also a growing number of administrators and consultants who help implement DEI initiatives.

It is unclear to what extent campuses will continue these DEI efforts. On the one hand, there is cultural support at the national level as America continues to progress through its collective reckoning about racism. There is also organic academic interest, from scholars working in related fields, to student activism. On the other hand, there is the risk of initial enthusiasm waning over time, especially as academics face competing demands on scarce resources and as other stresses mount. Maintaining DEI energy will require careful and sustained institutional support.

America's demographic transition tells us that the racial and ethnic transformation will continue, namely the increasing numbers of some populations (most notably Latinos, followed by Asian-Americans) and the decrease of the white population. Immigration's role in these long-term trends remains an open question, especially in the wake of the Trump presidency. The reputation of the United States as a magnet for immigrants took a major hit that might take years to overcome. Further, as more nations see their fertility rates decline, fewer numbers of younger people (disproportionately represented among immigrants) may choose to move to the United States. Taken together, the needs for improved DEI are likely to persist, albeit in some different forms, and the potential for academic action remains.

A different demographic trend also gives academia both a challenge and opportunity. Worldwide, societies which undergo development and modernization – particularly by improving public health, medical care, and the education and reproductive capacities of women – usually see their fertility rates drop, while lifespans extend. The United States is not immune to this trend, which an increasing number of academics are realizing means reducing the supply of traditional-age undergraduates. This can drive increasing competition for a shrinking market. At the same time, colleges and universities have the opportunity to increase their enrollment of adult learners. Further, they might be able to address the growing senior citizen population with targeted programs and community work. This can be a challenge for campuses that have historically served entirely traditional-age students.

# Challenge Questions Brief

## How might we create mission-driven responses to digital transformation's pedagogical, intellectual, economic, political, and social implications?

Before COVID, American colleges and universities were increasing their digital engagement in several ways. Some, as noted above, offered online classes, while others beefed up their digital work in in-person environments. Academic research and class offerings grew, from computer science to media studies. Some of these offerings have been instrumental (i.e., teaching programming languages) while others were more critical. The library field contributed information and digital literacy research and programming. The pandemic accelerated all of these practices, beginning with the extraordinary leap online in spring 2020. Since that moment, American higher ed is more "digitalized," with more academics having more digital experience and having improved their digital skills. To the extent that institutions have stepped back from pandemic practices, there has been a desire to step back from the online world. Nevertheless, research indicates colleges and universities are, on net, more digitally invested in late 2022 than they were in late 2019.

The digital world during this time has become both larger and more fraught. The number of people with online access continues to increase. The sheer amount of online content and platforms also continues to grow and develop. New technologies appear and advance at an almost bewildering speed, from automation (robotics and AI) to Extended Reality (the emerging synthesis of virtual and augmented reality). At the same time, public concerns have been rising over many issues: privacy violations; security problems; untrustworthy actors; mis- and disinformation; shambolic business practices; and hostile actors preying on individuals and communities.

Looking ahead to the near-term future, academic engagement with the digital world looks likely to persist and grow. The allure of digital jobs alone should elicit institutional support for relevant programs. Academic research – which played a key role in creating the internet, after all – seems unlikely to diminish. Critical research and classwork seem to resonate with a population increasingly nervous about the growing digital world, all of which presents challenges for colleges and universities. Choosing the right structure for such work can be complex – an interdisciplinary center or traditional departments or emerging units? What are the best ways for faculty and students to work with support staff, from IT to learning designers to librarians?

The physical nature of the campus may become more digitally enhanced. We have already seen digital whiteboards, document cameras, splitscreen projectors, and laptops in classes, not to mention the growth of media labs and offices loaning out hardware. Any meeting space, from a classroom to a conference room, may now host sessions combining in-person with online participants, which means those spaces require more sophisticated audio-visual infrastructure: better microphones, speakers, screens, cameras, and broadband. Students, faculty, and staff will need more support in making such blended, hybrid, and HyFlex meetings succeed.

It's possible that the digital liberal arts idea might grow; that is, the practice of seeing a uniquely liberal arts approach to technology, such as encouraging students to be critical makers of digital content, rather than uncritical consumers. The liberal arts' interdisciplinary heritage plays a role here as well, supporting students as their curiosity crosses departmental boundaries. It remains to be seen what impact the digital liberal arts might have on the rest of higher education, not to mention the digital world as a whole.