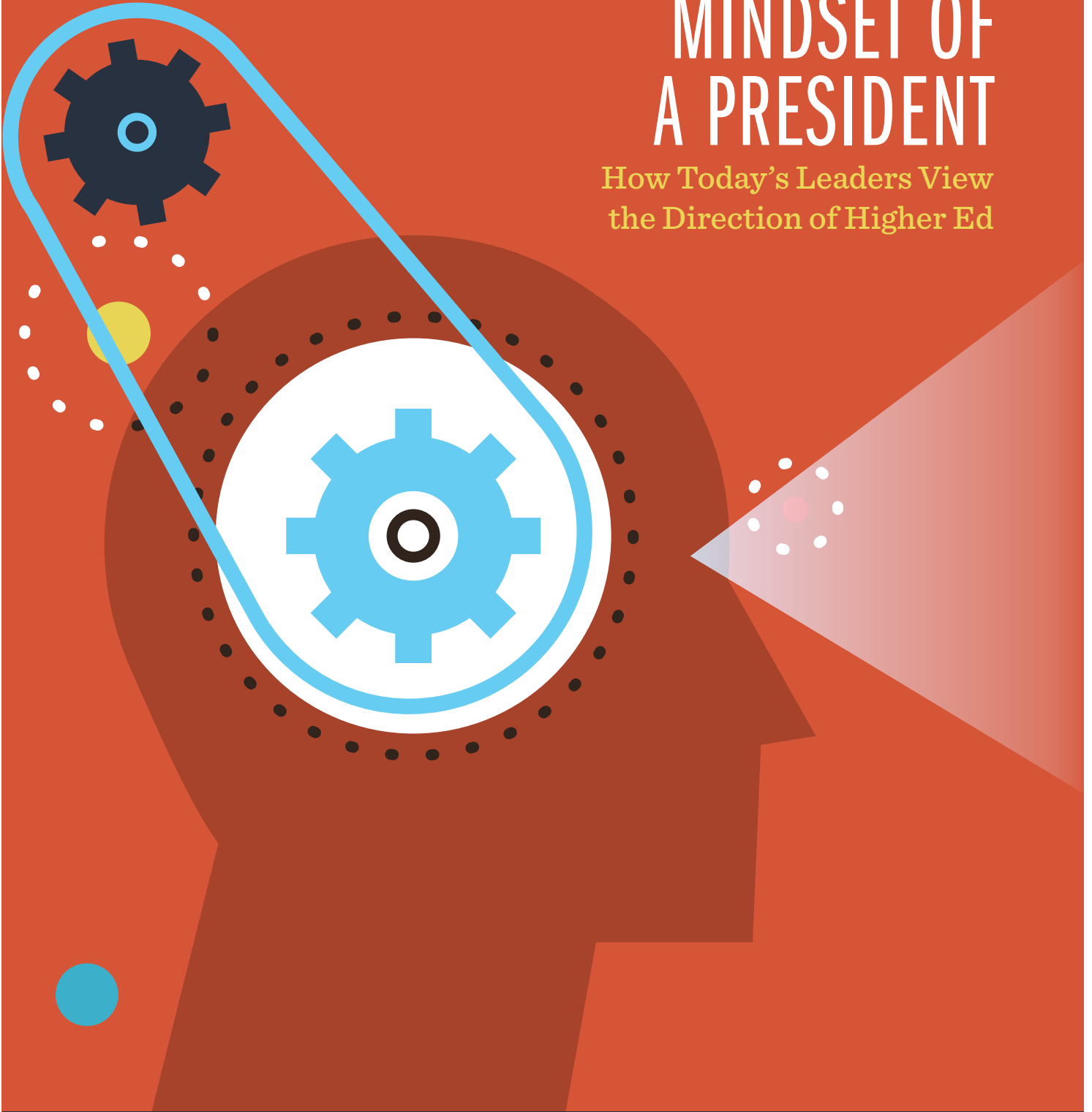


# THE MINDSET OF A PRESIDENT

How Today's Leaders View  
the Direction of Higher Ed



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# Table of Contents

Executive Summary	4
Introduction	6
Presidents Remain Optimistic About the Value of a College Degree	7
Presidents Now Say Higher Education Is Headed in the Wrong Direction	8
Percentage Who Say Higher Education Provides Good Values Has Declined	9
Presidents Say Academics Are as or More Important Than Experience	10
Presidents Say Students Are Well Prepared for the Job Search	11
Presidents and Employers Differ on the Value of a College Degree and Its Usefulness in Career Preparation	12
Presidents Rate Balanced Budgets First in Evaluating Their Own Success	12
Metrics Presidents Prefer in Rankings by Others	13
Changes in Leadership Likely?	13
Conclusion and Methodology	14



*The Mindset of a President: How Today's Leaders View the Direction of Higher Ed* is based on surveys conducted by Maguire Associates, Inc. in 2014 and 2015 and was written by Sheila McMillen, edited by Ken Sands, and is sponsored by Oracle. The Chronicle is fully responsible for the report's editorial content. Copyright 2016.

# Executive Summary

Over the past decade, college and university presidents have found their jobs becoming increasingly demanding and complex. They need to predict, assess, and respond to challenges both familiar and new. Not only must they prepare budgets, raise funds, and supervise academic life, but they also have to address a range of recent developments, such as changing demographics that are altering the student population, a greater demand for accountability from parents, students, and politicians, and the need to prove the value of a degree as student debt and employer doubts have increased.

Beginning in 2005 and then again in 2013, 2014 and 2015, *The Chronicle of Higher Education* conducted a series of surveys of college and university presidents at four-year institutions across the country to examine their attitudes and thoughts about the state of higher education and the challenges of their jobs.

Although the specific focus of the surveys changed from year to year, a number of issues were examined multiple times, and some major trends are evident. In just the past two years, for example, two-thirds of presidents say they have come to believe that higher education is headed in the wrong direction when it comes to financial sustainability. But on other issues, the majority of institutional leaders say they remain confident about the value of a college degree and the readiness of graduates to enter the work force.

**Presidents remain confident about the readiness of graduates to enter the workforce.**

## HIGHLIGHTS



### PRESIDENTS REMAIN OPTIMISTIC ABOUT THE VALUE OF A COLLEGE DEGREE

In 2015, a majority of college presidents said they believed that the four-year bachelor's degree was worth more in the job market than it had been five years earlier.



### PRESIDENTS SAY ACADEMICS ARE AS OR MORE IMPORTANT THAN EXPERIENCE

The majority of presidents said they continue to believe that academics is as or more important than experience (87 percent). Only 13 percent said they believe experience is more important.



### PRESIDENTS NOW SAY HIGHER EDUCATION IS HEADED IN THE WRONG DIRECTION

In 2014, when asked about the direction of higher ed, two-thirds of presidents said they believed it was headed in the right direction. But in 2015, when asked specifically about financial sustainability, the majority said higher ed was headed in the wrong direction.



### PRESIDENTS CONTINUE TO SAY STUDENTS ARE WELL PREPARED FOR THE JOB SEARCH

Nearly three-quarters of presidents in both 2013 and 2015 said they believed students were “prepared” for the job search and nearly a third in 2015 said students are “very well prepared” for the job search.



### THE PERCENTAGE WHO SAY HIGHER EDUCATION PROVIDES GOOD VALUE HAS DECLINED

In 2014, 82 percent of presidents said the higher-education system was doing a good or excellent job of providing value for the money spent. This was a slight drop from 2013, when 88 percent said they thought higher education provided good value.

# Introduction

In a survey conducted by *The Chronicle of Higher Education* on the attitudes of college leaders in 2013, presidents said that they were increasingly worried about the future, a worry that had grown since a similar survey in 2005. Presidents reported being more concerned than ever before with money—raising more of it, controlling costs and balancing budgets, and enrolling more students while keeping a lid on costs.

At the same time, presidents were weighing the pressures coming from families and others to prove the value of a college degree. They were conflicted on how to measure quality in American higher education, and were at odds with employers about how much responsibility colleges bear in training the work force of tomorrow.

By 2014, the worries about declining enrollment and tight budgets remained, but added to them were questions about the overall direction of higher education and how to incorporate new technology into traditional educational structures.

When presidents were asked at the beginning of 2015 what most concerned them, their responses clustered around a few key issues. A clear majority of public-college executives, for example, were worried about declining state financial support. For their part, private-college presidents were concerned about competition for students. Overall, they thought that the higher-education business model was being complicated by financial instability (a decline in median family income) and a major shift in student demographics (falling numbers of high-school graduates and increases in the population of Asian and Hispanic children).

Another constant across the surveys: presidents said ratings, such as those by U.S. News & World Report, are not good measures of an institution's strength. They also said they are skeptical that ratings by the federal government, such as the recently developed College Scorecard from the U.S. Department of Education, will provide an accurate assessment of an institution's success.

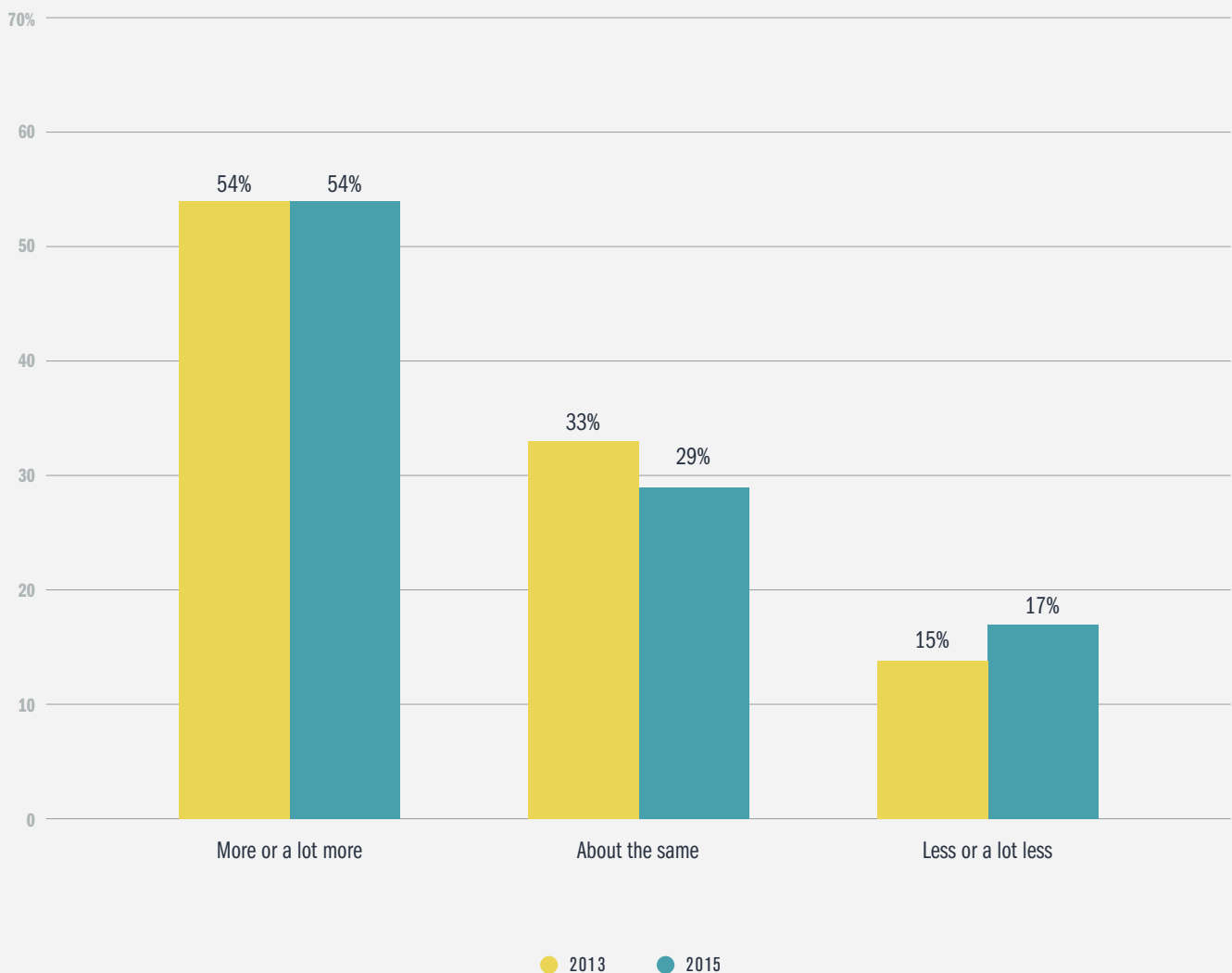
Ratings are not good measures of an institution's strength.



# Presidents Remain Optimistic About the Value of a College Degree

In 2015, a majority of college presidents said they believed that the four-year bachelor's degree was worth more in the job market than it had been five years earlier. These figures were roughly the same as those from 2013 (see Figure 1).

**FIGURE 1**  
**VALUE OF A COLLEGE DEGREE COMPARED TO FIVE YEARS AGO**



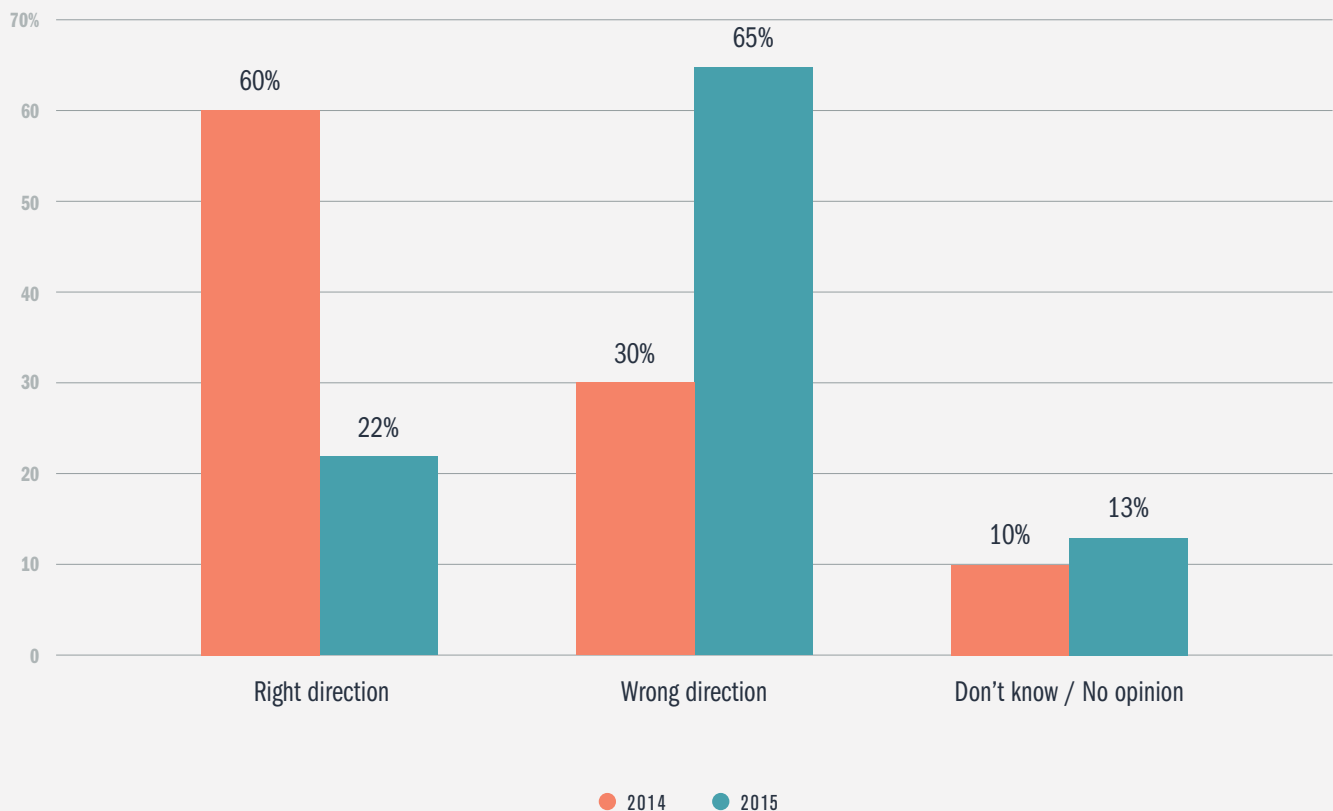
## Presidents Now Say Higher Education Financing Is Headed in the Wrong Direction

In 2014, two-thirds of presidents at public institutions said they believed higher education was headed in the right direction and more than half of their peers at private institutions expressed the same belief.

But in 2015, when the question was specifically about the financial stability of higher education, two-thirds of presidents said higher education is going in the wrong direction (see Figure 2).

Public-college leaders said they were worried most about the decline of state financial support, and leaders of private institutions said they were most concerned with the intense competition for students.

**FIGURE 2**  
**PRESIDENTS' OPINIONS ON THE DIRECTION HIGHER EDUCATION IS HEADED \***



\* The 2015 survey question asked specifically about the financial stability of higher education

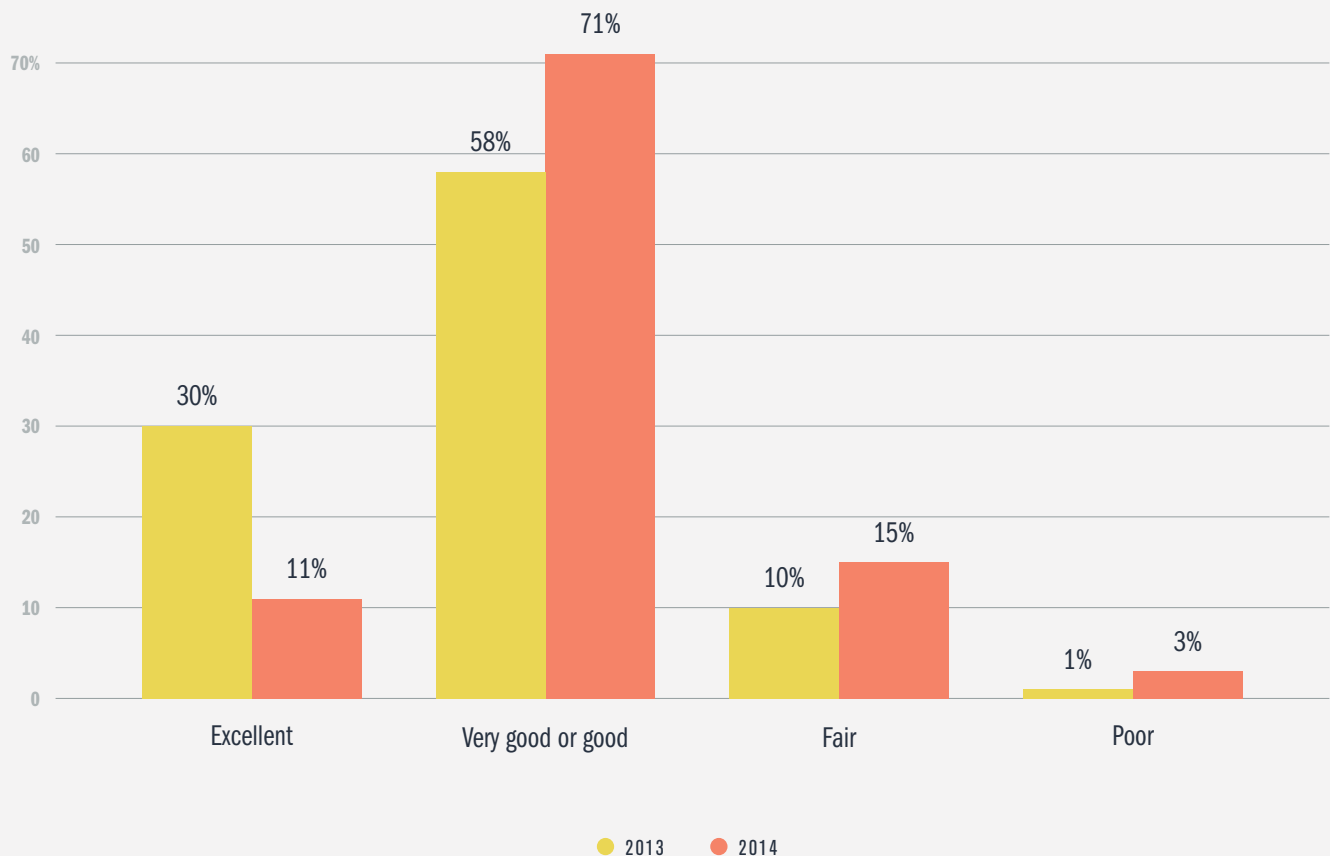


# Percentage Who Say Higher Education Provides Good Value Has Declined

In 2013, 88 percent of presidents said the higher-education system was doing a good or excellent job of providing value for the money spent. Nearly a third of presidents rated the value as excellent.

But in 2014, 82 percent of presidents said they believed that the higher-education system was providing good to excellent value for the money spent by families. Only 11 percent rated the value as excellent. (see Figure 3)

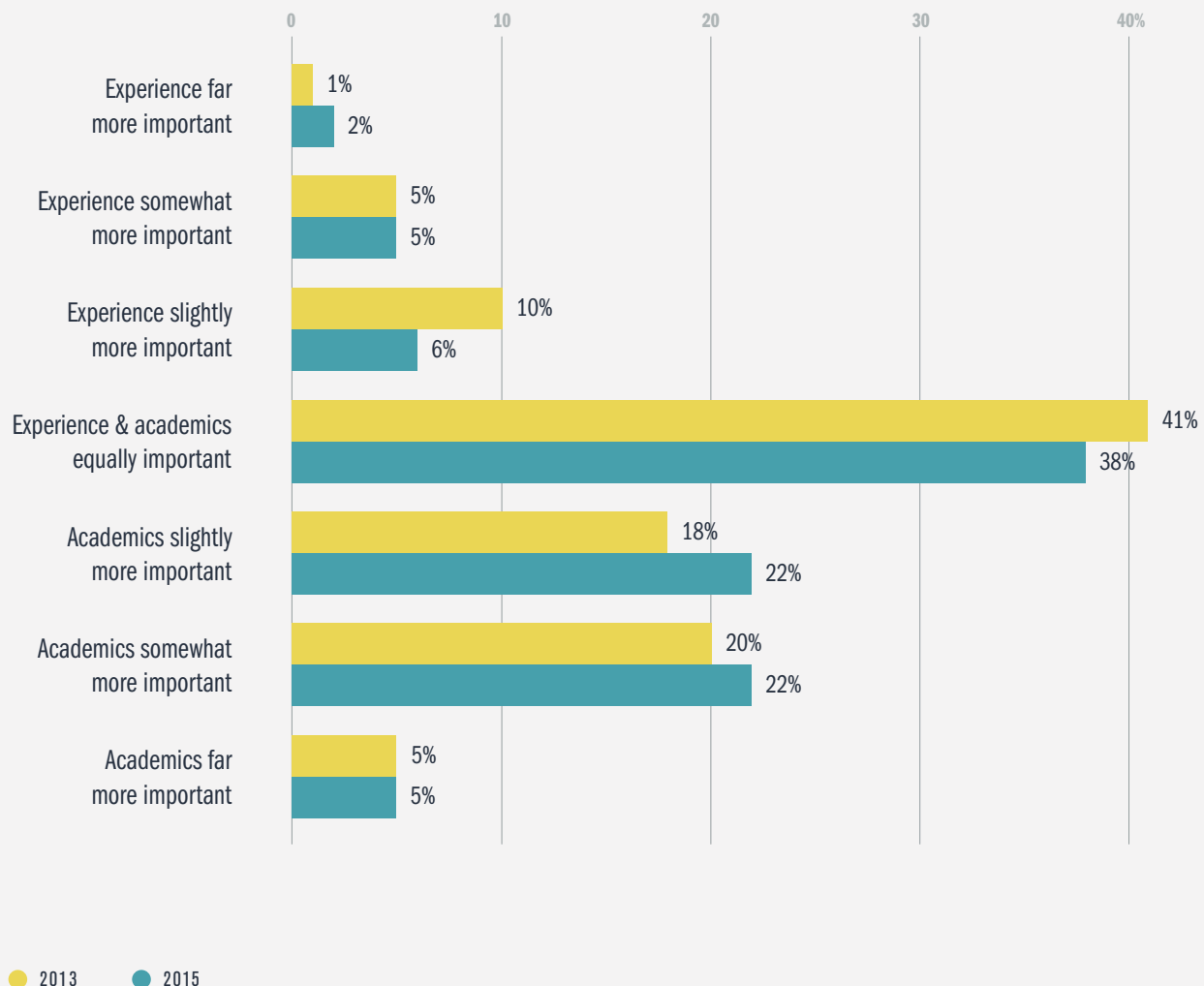
**FIGURE 3**  
**PRESIDENTS' VIEWS ON THE VALUE OF HIGHER EDUCATION**



# Presidents Say Academics Are as or More Important Than Experience

Presidents continue to say the focus of higher education should be on broad academic training, not specific career training. Indeed, compared to a similar survey in 2013, campus executives said they are even more in favor now of emphasizing academics over real-world experience. Presidents also generally said the development of overall career-ready skills is more important than preparing students for specific careers (see Figure 4).

**FIGURE 4**  
**THE PROPER BALANCE BETWEEN ACADEMICS AND REAL-WORLD EXPERIENCE**  
**(2015 VS. 2013 SURVEYS OF PRESIDENTS)**



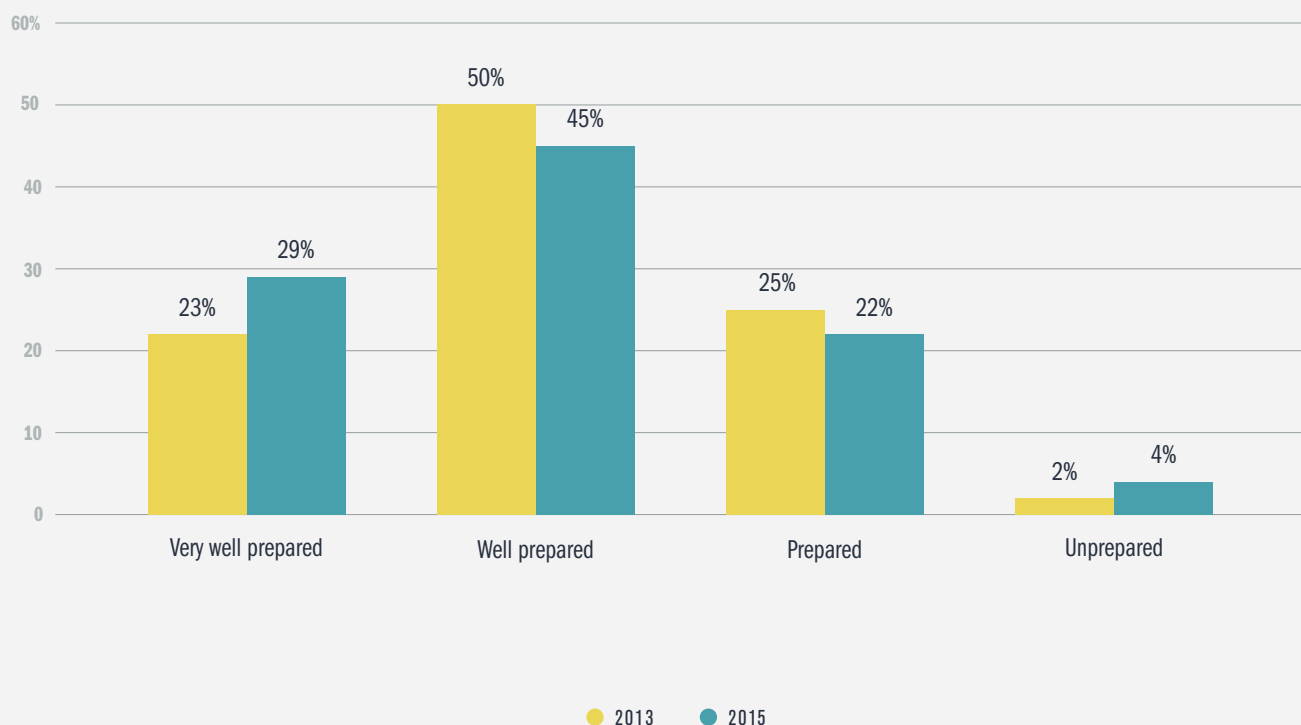
# Presidents Say Students Are Well Prepared for the Job Search

One standard used to rate the value of a college education is how well an institution prepares its graduates for the work force. On this topic, presidents remain confident their institutions are performing well, and their confidence increased between 2013 and 2015.

In 2013, 73 percent said their students were well prepared or very well prepared for the job market after graduation.

By 2015, those numbers had not changed much. Nearly 75 percent said they believed their students are either well prepared or very well prepared for the job search, with presidents of private colleges expressing more confidence than those at public colleges. At same time, one-third of presidents surveyed said that it's more difficult for their students to launch their careers compared to 10 years ago. More than three-quarters of presidents also acknowledged they were having more discussion about job preparation than three years earlier (see Figure 5).

**FIGURE 5**  
**PRESIDENTS' ATTITUDES ON HOW WELL PREPARED STUDENTS ARE FOR THE JOB SEARCH**



## Presidents and Employers Differ on the Value of a College Degree and Its Usefulness in Career Preparation

Surveys of employers in recent years have consistently found those who hire college graduates are more neutral than presidents on the value of a degree. In 2013, while a majority of employers thought a college degree was about the same value as in 2005, almost 30 percent thought it was “less” or a “lot less” valuable.

In 2013, half of employers told *The Chronicle* and American Public Media’s Marketplace that they have trouble finding qualified recent graduates to fill jobs. Nearly a third gave colleges just fair to poor marks for producing successful employees. And they criticized bachelor’s degree holders for lacking basic workplace proficiencies, like adaptability, communications skills, and the ability to solve complex problems.

Presidents and employers also disagree on whether work experience or academic credentials are more important for success in a job. By equal amounts, employers favor work experience and presidents favor academic credentials.

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## Presidents Rate Balanced Budgets First in Evaluating Their Own Success

Money is critical to how presidents evaluate their success. When asked to rank measures of success for their presidencies in 2005 and 2013, the No. 1 metric was a balanced budget. Other top measures of success were a strengthened reputation for their institution, improved quality of faculty and education programs, and a good record of student placement.

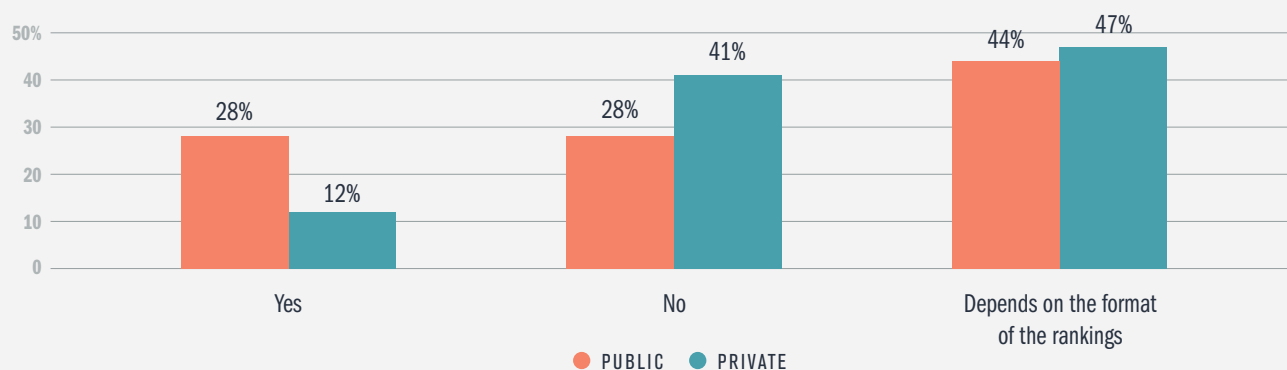
Near the bottom of rankings they associated with success were online-program expansion and increased global presence. Improved ratings by outside sources carried the least weight in their evaluation of success. Least important of all? Improved *U.S. News & World Report* rankings.

## Metrics Presidents Prefer in Rankings by Others

In 2013, when considering the measures used by the public in rating their institution's success, presidents favored most the use of graduation rates, job-placement rates, and placement in graduate and professional schools.

In 2015, college presidents were facing the advent of ratings by the U.S. Department of Education's College Scorecard. The metrics they wanted policy makers to focus on were completion rates, average net price, percentage of students receiving Pell College Grants, and first-generation college status. Forty-six percent of presidents were willing to take a wait-and-see approach on the value of the College Scorecard. But nearly half of the presidents from private-sector institutions said it was inappropriate for the government to rate their colleges (see Figure 6).

**FIGURE 6**  
**PUBLIC COLLEGE PRESIDENTS MORE SUPPORTIVE OF FEDERAL RANKINGS**



## Changes in Leadership Likely?

From 2013 to 2015, the average age of presidents hasn't changed much—a college president is usually over 60 years old with many years of experience.

In 2013, 8 percent were younger than 50 years old, 32 percent were 50 to 59, and 61 percent were over 60, with nearly a quarter over 65. Demographic trends suggested that major changes were thus likely to take place among institutional leaders, but the changes have yet to occur. In 2015, according to a survey by the American Council on Education, nearly six in 10 presidents were 61 or over, and nearly a third said it was "very likely" or "extremely likely" that they would retire in the next five years.

# Conclusion

Since 2005, *The Chronicle* has conducted four surveys of presidents at both public and private four-year colleges and universities on issues they must address in their jobs. Comparing the surveys reveals that, although the challenges and pressures on presidents have increased, they remain generally confident of the value and importance of a college degree.

But on some topics, such as the direction of higher education overall, they are less confident than in previous years. That confidence may erode further—the challenges facing college presidents are not likely to diminish any time soon. Presidents will continue to face questions on the value of

higher education and on what the balance should be between experience and academics. They will be asked how well prepared graduates are for the work force. They will see that greater demands for technology in the classroom and changing demographics in the student population will continue to cause disruption. They and their institutions will be subject to greater public scrutiny.

Although presidents remain focused primarily on academics, they are divided about whether colleges should provide a broad education or specific training, and one third of them don't want to be held accountable for the career outcomes of their students. But consideration of the needs of the labor force is apt to grow

in the future, with an increase in experiential learning, such as internships and cooperative programs, as employers look for greater job readiness in new grads.

We live in a world in which knowledge, especially when linked to technology, is becoming more and more valuable. As a result, the importance of colleges and universities as cultural and economic forces in American life is unlikely to decline any time soon. Despite the many demands of their jobs, college and university presidents can expect to be important figures, both on and off campus, as the debate about higher education—its purposes, direction, and influence—continues.

[TOC»](#)

## Methodology

The results of *The Mindset of a President: How Today's Leaders View the Direction of Higher Ed* are based on responses from presidents of four-year public and four-year private, not-for-profit colleges and universities that fall into a selected group of classifications developed by the Carnegie Foundation for the Advancement of Teaching. Maguire Associates, of Concord, Mass, invited presidents to respond; in 2014, 17 percent responded and in 2015, 20 percent did. The data collection took place in January 2014 and 2015.

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