American higher education system: consumerism versus professorialism

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Suggests that institutions of higher education in the USA encounter problems that are unique to the market environment. These problems include competition for resources, escalating costs, and resource constraints. In response to these problems, higher education systems within this kind of environment tend to borrow strategies from organizations operating under the most competitive environment – the business sector. Discusses specific strategies adopted by institutions of higher education in North America. Examines how these strategies have affected the culture of higher education. Discusses the shift occurring between the consumerism-professorialism continuum. Calls for the need to understand the dual nature of higher education so that strategies can be selectively adapted.

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Introduction

In a very interesting text, Birnbaum (1988) observed the rather paradoxical nature of the American higher education system (p. 3). He observed that, on one hand, the American higher education system remains the envy of the world. At home, it continues to enjoy a sizeable favourable balance of trade, meaning that the number of foreign students enrolling in US institutions of higher education far outnumbers the number of US students seeking education abroad. Abroad, the American higher education system continues to attract the attention of scholars, as demonstrated by the large number of foreign journals featuring articles about this system, and as demonstrated by the large number of US scholars making presentations at international conferences about the problems and successes of the system of higher education in the USA.

However, in spite of this sizeable favourable balance of trade, criticism of the American higher education system has been on the increase, most notably in the USA itself. It is fair to say that never in the history of the system have there been so many expert and non-expert pronouncements on how the system has failed the nation and on what solutions to this failure the leaders of higher education should adopt to reverse the situation. The American higher education system is increasingly seen as a poorly managed enterprise and, as noted by Keller (1983), it is among “the least businesslike and [least] well managed of all organizations” (p. 5).

Given this paradox, Birnbaum (1988) made three rather interesting speculations: perhaps the system is successful because it is poorly managed; perhaps the system is successful but can be improved with a better management; or perhaps the system is successful in spite of its management. He further noted that if the first scenario holds, an improvement of the management of the American higher education system may be counter-productive. If the second scenario holds, improved management may enhance the success of the system. If the third scenario holds, improved management will have no bearing on the success of the system and thus will constitute a waste of effort.

A fourth speculation is also possible: it is a scenario under which all three of Birnbaum’s speculations are true. In the first instance, what is seen as “poorly managed” may depend on the entrepreneurial lenses being used to examine the higher education system, and to the extent that the system differs from the business sector, a willy-nilly adoption of business strategies may become counter-productive in higher education. In the second instance, to conclude that there is no aspect of the American higher education system that can benefit from improved management will constitute a special academic arrogance (Shapiro cited in O’Brien and Siyahi, 1989). Finally, as has been the experience of many administrators within this system, some management strategies that have been adopted in higher education have little or no effect on institutional outcomes. Consequently, these strategies may well be seen as an exercise in futility, especially as far as the academic side of the system is concerned.

Administrators and students of American higher education must continue to examine the nature of their organizations, because it is only with a good understanding of higher education, and most especially its peculiar culture, that they can know which strategies to adopt and which ones to reject. It is with this purpose in mind that this paper reviews models for classifying higher education systems, in an effort to show differences in the environments of higher education. The paper also examines constraints that are common to higher education systems located within environments that are identical to that of the USA and identifies strategies that have been adopted in the USA to reduce these constraints. Furthermore, the paper discusses the implications of strategies adopted for the consumerism-“professorialism” continuum and concludes with a reminder of the dualism of controls in the American higher education system.

Models for classifying higher education systems

The term “higher education system” is often used to describe a collection of post-secondary institutions operating within a defined geographical area and under a specific "government" administration. In this paper, a state higher education refers to a post-secondary education system within a particular state, while the American higher education system refers to the aggregate of all the state systems and perhaps should have been termed the "American higher education suprasystem".

Birnbaum (1988) reminds us that models are merely representations of phenomena under consideration and that they can neither be right nor wrong but can be more or less informative. Good models, therefore, provide insightful ways to understand complex phenomena and higher education systems (as complex phenomena) will continue to benefit from discussions of models that aid our understanding of such systems. The author of this paper is well aware of the many criticisms surrounding attempts to develop models for classifying higher education systems. For example, it is legitimate to question the need for the exercise given the complexity of higher education systems worldwide. It is also legitimate to be concerned about an attempt to lump together systems that are seemingly different, on the basis of only a few factors. However, it is the author's view that the complexity of a task must not be an excuse to decline further deliberations. Models that provide additional or alternative ways of looking at higher education systems deserve the attention of scholars.

Understanding higher education systems and the political-economic forces shaping them are crucial to the appreciation of the dynamics within institutions of higher education. For example, how higher education responds to the question of accountability (in terms of what performance indicators to adopt) will depend on whether the system is operating under a social demand approach or a manpower approach, and whether the system is operating under a centralized or decentralized approach. A few of these models are discussed in this paper.

Several models for classifying higher education systems exist in the literature. Some of these attempt to identify common elements among various higher education systems with the aim of classifying and categorizing them accordingly. Others seek to classify higher education systems on the basis of political-economic systems which shape the structure of higher education. For example, the level of economic development influences the type of higher education adopted from country to country (Eurich, 1981). Sims (1982) observed that higher education systems would be influenced by a country's economic goals and agenda.

However, Eurich (1981) noted that "perhaps even more formative than economic aspects in influencing higher education systems is the political structure and stance of the government" (p. 7) and that "higher education systems, in overall structure, mirror the political form of their countries" (p. 28). On this note, Maynard (1982) provided a collective-liberal continuum model for classifying higher education systems. Maynard stated that:

> While the objective of the collective/socialist ideology is to allocate the scarce education resources regardless of the ability and the willingness of the recipients to pay, the objective of the market/liberal ideology is to allocate on the basis of the ability and the willingness of the recipient to pay (p. 60).

In an attempt to classify higher education systems along the centralized-decentralized continuum model, Millett (1979) explained that:

> the more pluralistic the socio-political structure, the greater the diversity in the organization and operation of institutions of higher education. The more monolithic the socio-economic structure, the more positive and determined are the thrusts toward governmental planning and management. The more evident the unitary organizational arrangement of the nation, the more highly centralized are the planning practices and the fewer the evidences of institutional autonomy. The more federally organized the nation, the more planning practices are decentralized and the greater are the differences in the types of higher education planning and management practiced (pp. 14-15).

Therefore, the more decentralized the political system is, the more pluralistic the socio-political structure, and the more diverse the organization and operation of institutions of higher education will be. As noted by Clark (1983), countries with highly centralized governmental controls such as Italy, Spain, and Sweden, adopt a single system of higher education, while countries with federal systems (i.e. decentralized controls) such as Canada, Australia, Mexico, and the USA, tend to adopt multiple systems of higher education. It is also generally true that countries leaning towards authoritarianism tend to be highly centralized, while countries leaning towards democracy tend to adopt a decentralized approach.

Clark (1983) provided a state-market model for classifying higher education systems. This model is based on Lindblom's explanation (as cited in Clark, 1983):

> Historically, the alternative to governmentalization of a national politico-economic system has been the market. And just as

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hierarchical, bureaucratic, and governmental systems arise from the authority relation, so market systems arise from the simple exchange relation … Not merely a method for reshuffling the possession of things, exchange is a method of controlling behaviour and of organizing co-operation among men (p. 138).

Given this understanding, Clark (1983) proceeded to locate six countries on the state-market continuum shown in Table I. Clark (1983) argued that nations often move along this continuum and Hextall (1988) observed that Britain has shifted considerably towards the market linkage. Michael (1991) explained that "while Canada may be described as a decentralized system at the national level, there is a considerable bureaucratic influence on higher education systems at the provincial level of government" (p. 62). Therefore, attempts to classify higher education systems is often fraught with problems.

Nevertheless, Michael (1991) observed that most of the models in existence tend to describe higher education from the supply side and argued for a model that describes both the supply and demand sides of higher education. Figure 1 provides a basis for classifying types of higher education systems that takes into consideration both sides. The first continuum describes the extent to which a higher education system operates under a social demand approach and a manpower planning approach. Under the social demand approach, demand for programmes and courses determines their availability. Under the manpower planning approach, programme offerings will be based on a pre-determined manpower need for various professions. Therefore, if a country decides that X number of teachers and Y number of medical doctors need to be produced within the next five years, the allocation of resources will reflect this decision. The second continuum describes the extent to which a higher education system is centralized or decentralized. A centralized system implies that a central co-ordinating agency determines programme offerings and resource allocations, while a decentralized system leaves this decision to each institution.

Based on this model, higher education systems can be classified as operating under a free market (quadrant I), a partial market (quadrant II), a controlled system (quadrant III), and a controlled competition (quadrant IV). Perhaps it is appropriate to note at this juncture that economists are in agreement that a perfectly free market is only an academic concept since the conditions of free entry and exit and perfect producer and consumer knowledge of market activities hardly exist in reality. However, the use of the term "free market" does not present any serious problems among economists, but the limitation of the term is well understood and applies in this paper.

The shaded portion (quadrant I) represents higher education systems characterized by high competition, greater participation by private institutions of higher education, greater freedom and capacity of potential students to choose among substitutable institutions, a greater reliance on the market forces to drive up educational quality, and a greater institutional autonomy and academic freedom. This quadrant represents the category to which American and Canadian systems of higher education and several systems in Western nations belong (perhaps more for the American system than that of Canada). It is no surprise, therefore, to find that systems of higher education in Western nations are struggling with similar problems, although the intensity and severity of each problem differs from country to country.

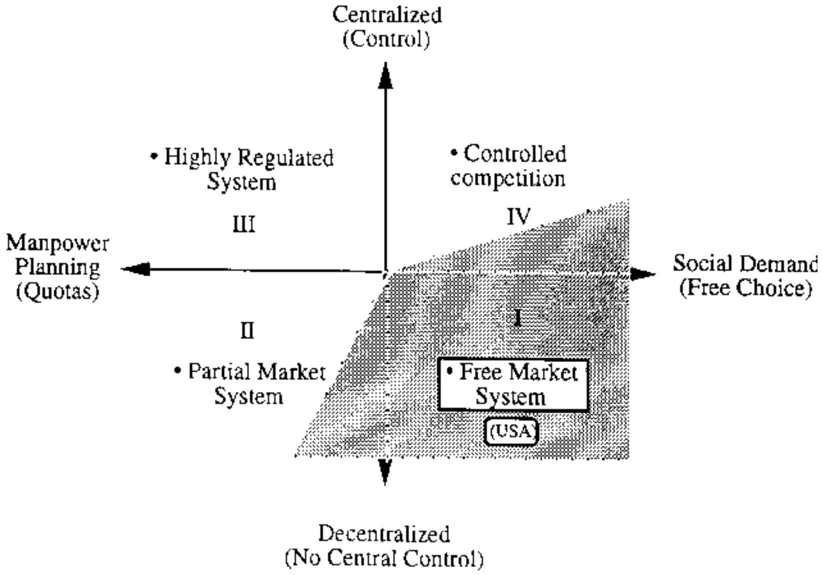
Constraints in American higher education systems

Certain problems are peculiar to higher education systems located within the shaded

Table I
State-market continuum

Sweden	France	UK	Canada	Japan	USA
State administration					Market linkage

Figure 1
Types of market systems of higher education (adapted from Michael, 1991, p. 66)



Source: adapted from Michael, 1991, p. 66

portion of Figure 1. These constraints or problems include competition for students, competition for resources in general, financial constraints, increased demand for accountability, a quest for a more customer-oriented service, conflicting government actions/inaction, and problems associated with internal cost management.

Competition for students

The landscape of the American higher education system changed with the prediction of enrolment decline. Several writers predicted a shortfall in the number of people seeking higher education. For example, Goodall (1980) attributed the shortfall to "a diminishing pool of high-school graduates" (p. 12). Schmidt (1989) predicted that "between 1988 and 1996, the number of high school graduates will drop 12 per cent from 2.76 million to a 20-year low of 2.44 million" (p. 367). Even institutions that have traditionally enjoyed excess demand for admission could not turn a deaf ear to these predictions.

As a result of the bleak enrolment forecasts, writers predicted keen competition for students in higher education. The 1980s and early 1990s were predicted to be periods in which institutional survival would be the number one concern of administrators of higher education. But increased competition for students was going to happen with or without the prediction. An increasing number of governments were tying enrolment statistics with funding and, where an enrolment-driven budget was adopted, administrators of institutions of higher education were automatically induced to become more competitive for students.

While some institutions of higher education in the USA experienced growth in their enrolments, other institutions did experience enrolment decline and while some programmes experienced growth, other programmes were discontinued or reduced as a result of enrolment decline. Currently, some institutions are still experiencing enrolment decline.

Changing demography of students

Enrolment forecasters were accurate as to the diminishing pool of high-school graduates and as to the increased competition for students in higher education, but overall, enrolment statistics both in Canada and in the USA did not decline in the manner predicted. The decline in traditional cohorts was offset by an increase in the number of non-traditional students enrolling in institutions of higher education in both countries. For example, Uhl and MacKinnon (1992) reported that:

> participation rates increased considerably [in Canada] ... in part as a reflection of the desire of many people outside the traditional 18-24 age group to follow college or university courses. In 1990, students 25 years of age and older constituted 24 per cent of all full-time university enrolments compared to 18 per cent in 1975. Their numbers grew from about 70,000 in 1975 to nearly 130,000 in 1990. In 1976, older students constituted 12 per cent of full-time college enrolments compared to 16 per cent in 1988, their numbers increasing from 11,000 to 50,000. As a result, these older students are becoming very much a part of the university and college scenes (p. 48).

(The Canadian scene may, however, be showing actual decline in enrolment currently.) Similar occurrence was reported in the USA by Webb (1993) who noted that :

> the late 1970s witnessed the beginning of significant demographic phenomena in post-secondary education. The birthrate in the United States decreased between 1965 and 1980, which resulted in a decrease in the number of traditional college-age (18-24) students. This decrease has been offset by an increase in non-traditional students. The non-traditional population includes women, minority groups, immigrants, handicapped individuals, and older people (p. 205).

Also, Parker and Morrow-Anderson (1989) reported that "college participation rates and increased numbers of adults attending college have blunted the anticipated impact of fewer 18-year-olds on college enrolments" (p. 342). In addition, the massive unemployment associated with the economic shift (from industrial to high technology to information-related jobs) in the USA, resulted in increased demand for higher education.

Apart from the increase in the participation rates of adult students, the proportion of minority students entering institutions of higher education in the USA increased considerably during the 1980s. The presence of adult and minority students in a large number in American institutions of higher education affected some of the services provided by these institutions.

Competition for resources

As mentioned earlier, competition is a major characteristic of any higher education system located within the shaded area of Figure 2. However, competition for resources has escalated for American institutions of higher education. Until recently, intra-sectoral competition was the main concern of college and university administrators. For example, colleges of similar missions within close proximity are more likely to compete for resources among themselves than compete with institutions outside the college sector even though they may be closer in proximity (Michael, 1991).

However, administrators have had to worry not only about competition from other institutions within and outside their sectors, but from other non-education-related social service sectors. For example, Scannell (1993) noted that:

> In 1982, New York spent $330 million for a 28,000-prisoner population. In 1992, the State of New York spent $1.3 billion, four times what was spent in 1982, for a 61,000-prisoner population or a 270 per cent increase in state funding in constant dollars. During that same period of time, funding for higher education in this state fell 8 per cent in constant dollars (p. 2).

In Ohio, from 1984-1985 to 1994-1995, the proportion of the state general revenue fund allocated to higher education decreased from 14.1 per cent to 12.3 per cent. Within that period of time, the proportion going into Medicaid jumped from 19.4 per cent to 32.1 per cent (Plain Dealers, 1995). In general, Jones observed that:

> economic conditions have forced various state priorities into sharper focus and, at times, into direct conflict. Often mandated by a legislative statute, state commitments to elementary and secondary education, welfare, and other programmes have been maintained at the expense of higher education. Not only is the fiscal pie getting smaller in real terms, the sizes of the pieces are changing (p. 6).

Given the increased competition for resources, therefore, administrators of institutions of higher education have sought and continue to search for resource attraction strategies. Some of these strategies are aimed at politicians, while others are creative ways of attracting resources from private sources.

Financial constraints in higher education

Closely akin to the problem of increased competition for resources is the problem of financial constraints in higher education. There are several factors responsible for financial constraints in this sector. Apart from cuts in government appropriations in some places or budget increases that are at less than inflationary rates in other places, institutions of higher education continue to experience constraints due to other factors.

Perhaps chief among these factors is institutional inability to contain internal costs. Most costs within an institution are fixed. For example, personnel costs, which often make up about 60-70 per cent of operating costs, are primarily fixed. This implies that institutional leaders have little or no control over these costs, especially within a short-term period. Compounding the problem of personnel costs is the increasing unionization of staff and faculty on many campuses. Some faculty members have found it convenient to trade part of their academic freedom for the protection of a union. Unions drive up costs and limit the control of institutional leaders on personnel costs.

Also, costs of periodicals, journals, and printed materials have continued to rise faster than the inflationary rate. These costs are largely outside the control of administrators of higher education. In addition, as society presses for more accountability in higher education, institutions strive to put forward programmes aimed towards educational excellence. Excellence, in these cases, is measured as inputs to the system. Many of these inputs – for example, increasing library capacity, hiring distinguished faculty members, ensuring accreditation, upgrading available technologies, to mention but a few – force institutions to incur more expenses. Hence, administrators of higher education are caught up in a circle of searching for funds to increase excellence (defined as level of input) and excellence driving up costs.

Increased demand for accountability

Accountability issues in higher education can be divided into two broad areas: demand for increased productivity and demand for stewardship. In the USA, public criticism against faculty productivity has been on the rise. Criticism ranges from faculty members' light teaching loads to poor teaching skills; from faculty members' frivolous and inconsequential research to controversial and irrelevant publications; and from faculty members' unavailability to advise students effectively to professors' unavailability to provide adequate services to the wider community, except for a few, of course.

In terms of stewardship, higher education has been criticized for its high costs, wasteful management, fat faculty and administrative salaries, and inability to relate costs to productivity. As Burrup and Brimley (1982) pointed out, "many taxpayers view public education as an unnecessarily large industry whose high costs result in excessive tax burdens on many people and too large a drain on the public Treasury" (p. 2).

Similarly, Perot (1989) criticized American education as ranking "at the bottom of the industrialized world in terms of academic achievement, [it is] spending $328 billion a year on public education. It is paying more than any other nation on earth for educating our young people, and has the least to show for it" (p. 14). While Perot's comment was

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aimed at the K-12 education, statements such as this have some effects on higher education, especially in the minds of those who find it difficult to separate the higher from the lower level of education.

To increase accountability, some governments have implemented mandatory programme reviews with an aim to discontinue some of the programmes they consider duplicative. Also, tenure has been under attack in many states. In addition, several governments are reviewing their faculty workloads with the aim of increasing the number of hours that faculty teach per week. The federal government is currently reviewing how institutions charge indirect costs to research grants with the aim of reducing these costs. Indeed, the demand for accountability in higher education has never been higher than it is today.

Conflicting government actions

During the reconstruction era (a period immediately following the Second World War), governments of western nations adopted the ideology of instrumentalism towards their higher education institutions. To this end, higher education was generously funded and, in the USA, for example, many new institutions were established while the existing ones expanded their facilities (Michael and Holdaway, 1992). This was necessary in order to respond to the upsurge in demand for higher education. Rapid expansion of higher education continued for a little less than two decades with a philosophy of reductionism (Michael and Holdaway, 1992). With this philosophy came another strategy to make institutions more entrepreneurial.

Today, higher education institutions are actively involved in creative resource generation and their governments (legislatures and governing boards) seem actively to support such initiatives. However, administrators of institutions of higher education are experiencing conflicting messages from these governments. On one hand, there is the message that institutions should become more proactive in generating funds on their own, that is, become more entrepreneurial; but on the other hand, governments are adopting measures to control these institutions. For example, mandated external programme review conducted by the government of the State of Ohio (USA) is contrary to the spirit of entrepreneurialism. Similarly, the attempt to cap tuition fees that institutions can charge (at least in the USA) is also contrary to the injunction that requires these institutions to self-generate funds. Many government actions to increase efficiency are compatible with a system located in quadrant III (Figure 1), yet the present thrust and ideology are located in quadrant I.

Constraints-reduction strategies adopted

Dill (1991) pointed out that:

> If academic institutions are engaged in a competitive market – competing for scarce financial resources from multiple and shifting supporters, competing for able students and faculty, competing for social prestige – then it is argued they should adopt the managerial techniques of market-based business: strategic planning, marketing, and management control (p. 183).

Therefore, in response to these constraints, administrators of institutions of higher education have sought and adopted several strategies, some of which are business-related. While each institution of higher education has different experiences or successes with these strategies, a general description of the impact of the strategies can be provided. Specific strategies implemented to reduce constraints from the environment of higher education include enrolment management, marketing or resource attraction, strategic planning, and total quality management, and several efforts to ensure accountability.

Enrolment management

In response to the apparently decreasing pool of the 18-24 age group, institutions of higher education across North America (American continent including Canada) adopted recruitment strategies. Writers on higher education administration predicted fierce competition among institutions of higher education for students, and institutions were advised to adopt a proactive approach to the problems of enrolment decline. Consequently, many institutions started to explore strategies to confront these problems, and administrators turned to the business sector for guidance. The corporate world was also quick in offering suggestions based on long experience in competitive environments. Initially, institutions were scolded for not properly marketing themselves. Thus, several conferences were organized to examine how institutions of higher education can best market their services with the intent of maintaining their market share and, probably, enhancing their enrolments.

However, the realization that faculty members were somewhat negative or unfavourable towards the concept of "marketing" led to a change of tactics. Admission staffs in many institutions started talking of

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enrolment management, a concept that, for all intents and purposes, describes the same functions of marketing as found in the corporate world. Hossler *et al.* (1990), for example, defined enrolment management as:

> an organizational concept and a systematic set of activities designed to enable educational institutions to exert more influence over their student enrolments. Organized by strategic planning and supported by institutional research, enrolment management activities concern student college choice, transition to college, student attrition and retention, and student outcomes (p. 5).

The adoption of marketing or enrolment management strategies in higher education has altered the dynamics within these institutions. New concepts, such as recruitment, personal selling, advertising, targeting, segmentation, and so on, started to percolate around the campuses. The structure of the offices responsible for admissions were changed – up-graded in many cases to vice-president level; titles were also changed to enrolment managers instead of admission officers.

In addition, institutions were advised to adopt a total-service concept. This concept implies a comprehensive approach to student services ranging from the point of initial contact to admission, from instructional-related services to non-instructional-related services, and from experiences on the campus to after-graduation contacts. From this stage, students were no longer to be viewed as "students" but rather "customers".

Resource attraction strategies – marketing

Various resource attraction strategies are currently in use in higher education. For example, many institutions have altered their organizational structures to provide for offices responsible for development and fund-raising activities. These officers employ business-like tactics such as market research, segmentation, and targeting to provide desired results for their institutions.

In addition, many institutions of higher education, in a bid to attract corporate dollars, have set up units to engage in the sale of intellectual properties. Knowledge creation has, therefore, become an attractive money-making venture for some institutions. In terms of the impact on the culture of higher education, administrators are more likely to encourage research projects that look attractive to the corporate world than those which offer no readily definable benefits. Administrators are inclined to search for ways to foster relationships with corporate leaders with the sole intent of attracting resources from this sector. Consequently, administrators are increasingly adopting the language and tactics of the business world in order to relate profitably with that environment.

Another resource attraction strategy commonly found on our campuses today is government relations. In many institutions in the USA, an office is designated and charged with the responsibility of watching government deliberations with the aim of identifying the principal actors and attempting to influence them. The idea of influencing government to the advantage of higher education may sound strange to some and others may actually question the ethical basis for such an action. However, when one considers that politicians basically respond to pressure groups and the outrageous number of pressure groups existing today, the need for higher education to ensure that their concerns are not lost in the maze becomes obvious. Therefore, higher education can be pardoned for responding to the higher order need of the society (discovering knowledge and equipping us with knowledge and skills) by getting their hands dirty in our sometimes polluted political ponds.

The idea of keeping close to the politicians, befriending and influencing them for the cause of higher education has some ramifications. In some states, institutions approach politicians individually, thereby creating unnecessary competition among these institutions. Second, to develop and maintain effective government relations in institutions of higher education is expensive. Third, maintaining effective government relations without appearing partisan is a daunting task. Finally, changes in political offices mean that developing government relations is a never-ending task.

In summary, institutions of higher education are increasingly utilizing a comprehensive marketing approach to attract resources such as students, faculty and staff, desirable image, donations, and political support. As expressed by Michael (1991), public colleges and universities funded solely by one source (government) are invariably captive to the source; diversified funding sources are therefore an extension of institutional autonomy and, ultimately, academic freedom.

Total quality management

Industrial output is measured in terms of its quantity and quality. While the quantitative evaluation of production is simple and straightforward, the qualitative aspect presents some problems. To minimize waste and increase productivity, business managers adopt several quality control techniques. Chief among these techniques is what is

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widely known today as total quality management (TQM).

While different authors define TQM in different ways, all agree that it is a technique of waste reduction by focusing on continuous improvement of the process of production with the aim of achieving the highest quality possible. Therefore, TQM is also known as CQI or continuous quality improvement (Seymour, 1993). While the business sector has a long experience with TQM, its arrival to higher education is recent (Marchese, 1993). Sherr and Lozier (1991) observed that:

> TQM is a style of management that has worked for several decades overseas and is receiving growing attention in the United States. Now some colleges and universities are beginning to recognize that TQM values are more compatible with higher education than many existing management systems (p. 3).

DeCosmo *et al.* (1991) stated that the need to conserve resources, improve effectiveness, capture the quality niche and increase participation in decision making necessitated the adoption of TQM in institutions of higher education. Focusing on the experience of Delaware County Community College (DCCC), the authors acknowledged that:

> the executive staff at DCCC is convinced that TQM is worth every effort we have made. The college is on the leading edge of a management revolution designed to provide higher quality to keep the United States competitive. Success in implementing TQM will allow DCCC to continue to meet the needs of its stakeholders well into the next century (pp. 22-3).

Sherr and Lozier (1991) explained that TQM is about achieving controlled processes, not controlled people. To do this, they posited that the continuous process improvement technique utilizes five basic elements: honesty (acknowledging the presence of a problem); shared vision (staff understanding and acceptance of the idea that processes can be improved); patience (there is no magic wand, the technique entails study and time); commitment (the involvement and support of all levels of personnel); and TQM theory (pp. 6-7). According to these authors, there are many principles of TQM, but those of particular interest to higher education management are mission and customer focus, systematic approach to operations, vigorous development of human resources, long-term thinking, and commitment (pp. 7-9). Similarly, Marchese (1993) noted that TQM in higher education implies focusing on customers, adopting a continuous improvement philosophy, managing by fact, using benchmarking (that is, "systematic search for best practice", p. 12), emphasizing people, and adopting appropriate structures (pp. 10-13).

To recapitulate, TQM attempts to focus on the process that aims at improving customer satisfaction and organizational efficiency. Among its goals is to enable employees to develop a "Kaizen " attitude (DeCosmo *et al.*, 1991), an attitude that, if adopted, is expected to transform higher education. But as Marchese (1993) admitted, what TQM means to higher education is yet to be fully understood:

> On almost any campus, thin as the knowledge may yet be, people are already stoutly for total quality or deeply sceptical of it. What the quick-to-judge miss – what the early, triumphalist writing about TQM in higher education also misses – is that total quality is complicated, important, difficult to implement, and far from figured out. Contrary to the tool-driven, seven-step workshops that consultants are busily selling, we're years away from knowing what academic versions of TQM will appropriately look like (p. 10).

Strategic planning techniques

The 1980s witnessed a widespread adoption of strategic planning techniques in institutions of higher education in North America. The techniques are highly praised in the literature for helping to ensure survival and growth of thousands of enterprises in the business world. Faced with dwindling resources and increasing competition, and perhaps in a bid to assure the society of its responsiveness to the changing environment, institutions of higher education in North America turned to strategic planning.

According to Bryson (1988), strategic planning may be defined as "a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization (or other entity) is, what it does, and why it does it" (p. 5). The planning technique provides institutions with the opportunity of identifying their stakeholders, developing mission statements, examining strengths, weaknesses, threats, and opportunities, and developing appropriate strategies to achieve specific goals and objectives. Bryson (1988) pointed out that:

> At its best, strategic planning requires broadscale information gathering, an exploration of alternatives, and an emphasis on the future implications of present decisions. It can facilitate communication and participation, accommodate divergent interests and values, and foster orderly decision making and successful implementation (p. 5).

Again, like many business-related strategies imported into higher education, strategic planning has some effects on the culture of this sector. First, strategic planning conveys a message of vulnerability and urgency in a way that was unfamiliar in higher education before. The idea is conveyed that without this plan nobody's job is secured and that if there was ever a time to engage in this planning, it is now. Second, the attempt to develop a mission statement for an institution forces the once loosely-coupled communities within the institution to attempt to develop common vision, common approach, and common language. In its purest sense, a university is an assemblage of communities with different ideologies, agenda, and academic traditions held together by a common institutional logo and name. The search for truth, which requires different creative approaches, necessitates the octopus-like nature of institutional structure. However, the application of strategic planning is having some impact on the traditional culture of these institutions. Third, the idea of identifying stakeholders and responding to their needs as a means of ensuring resource attraction has some effects on the traditional culture of the university sector.

In summary, the goals of strategic planning are to enable higher education institutions to increase their planning capacity, be more efficient in their resource deployment, and become more proactive in anticipating changes and developing the capacity to respond appropriately.

Other academic accountability strategies

Accountability, simply put, means "accounting" for the "ability" promised and expected. Higher education receives resources from society because of its "ability" to provide certain services. Society, therefore, demands that institutions demonstrate how resources obtained are being used to accomplish their tasks; hence, accountability means to be answerable for responsibility assigned. Generally, accountability addresses two issues: one is the extent to which resources are being used for their intended purpose and the second is the extent to which these resources are being used efficiently.

For several reasons, higher education has had a daunting problem in meeting these accountability requirements. First, faculty operating under the epistemological paradigm are suspicious of any accountability demand because attempts to fulfil the demand may obfuscate or taint their objective search for truth. Second, the outcomes of higher education services do not lend themselves to easy and quick accounting. Third, faculty members perform diverse services; one faculty may excel in one area but be deficient in another. Determining the relative worth of these diverse services is seen as arbitrary and subjective. Fourth, and perhaps most important, accountability criteria acceptable or desirable to those outside academia are generally undesirable to those within.

Caught between the pressure to demonstrate stewardship and the need to preserve institutional autonomy and academic freedom, administrators and faculty in higher education have come up with several techniques in an attempt to demonstrate academic accountability. Chief among these techniques is programme accreditation. By submitting a programme to the standards specified by an independent accrediting agency, institutions hope to assure the public of the quality of their offerings. But, as Brubacher (1990) observed, "some states do not seem to trust voluntary accrediting agencies, through which the academic establishment accredits itself. 'What confidence can we have in such self-serving accreditation?', they ask" (p. 31).

Another process of demonstrating accountability common to institutions of higher education in North America is self-study. Sometimes as part of an accreditation exercise, other times as part of a strategy to convince the university and government authorities of the rigour, worth, and attractiveness of a programme, programme faculty voluntarily conduct a self-study of their programmes. Sometimes an external expert is invited to audit the programme, while at other times the faculty members concerned compile statistics and prepare a report on the programme. Numerous types of these studies exist on campuses across the nation, but the questions as to the self-serving nature of the exercise and as to who is reading these reports remain unanswered.

In terms of research grants, recipients are increasingly being asked for meticulous documentation of activities and expenses associated with their studies. In terms of publication, private agencies are springing up to evaluate "the relative impact" of published works. For example, the Institute for Scientific Information (ISI) attempts to rank institutions based on the number of publications, the number of researchers, and the level of citations. While impact is measured by the number of publications divided by the number of citations, the relative impact is measured by the citation impact of the university divided by the impact of the field as a whole (Institute for Scientific Information, 1994). Measuring relative impact of published works based on citations is not without its own problems. First, the method used to determine citation level is far from being accurate to say the least. ISI attempts to determine citation number by processing

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hundreds of journals, looking for references and footnotes cited in each work. Needless to say, journals not within the collection of ISI are not included in the exercise and, more importantly, books and other works are not included in the exercise. Second, authors vary in the extent to which they cite other works in support of their writings. Also, some authors are contented with citing one author in support of their work while others cite several works. Third, many of us are familiar with excellent works buried and forgotten (for a long time) only to be resurrected and to become the cornerstone of new cutting-edge developments. Finally, some authors succumb to the temptation of over-citing their personal works, while others resist this temptation by reducing this practice to the minimum.

In summary, academicians appear to be relentless in their search for ways to demonstrate accountability to society. While externally imposed criteria may prove ineffective, methods adopted by academicians themselves may offer some promise. Irrespective of the source of criteria, current methods of ascertaining accountability in higher education only convey part of the story and some do convey a wrong story completely.

Cost-control strategies

In response to the pressure for resource utilization accountability (production efficiency), institutions have examined and adopted several cost-control strategies. The first wave of financial constraints was met with mandatory across-the-board cuts in institutions of higher education. With the adoption of strategic planning, which forces institutions to examine their strengths and weaknesses in order to carve out their niches, across-the-board cuts were abandoned or reduced for a more selective funding practice. Systems were reorganized and computerized. For example, technology helped in integrating many libraries, thus reducing the library costs. TQM was implemented in many institutions with the aim of studying processes and eliminating waste and duplication of effort. Mandatory retirement plans were instituted in many colleges and universities with the aim of retiring older and more expensive faculty members. In addition, many institutions adopted the strategy of contracting out services rather than providing these services directly. Also, many institutions came together to provide a "captive insurance" service, that is, a self-insurance policy for participating institutions, thus saving thousands of dollars (NACUBO, 1992). Indeed, institutions have not relented in their search for creative cost-containment and cost-curtailment strategies. However, the degree to which the general public is convinced that institutions are currently doing more with less is debatable.

Implications

The first implication of the adoption of constraints-reduction strategies discussed above is the increase in the number of professional administrators on our campuses. Changes in the environment of higher education have necessitated administrators who have skills in practical management. Many of these administrators have business backgrounds with a "consumerist philosophy of life". Their presence has undoubtedly enhanced the shift towards consumerism (discussed further below) in higher education.

Consumerism-"professorialism" continuum

Higher education services can be provided under two opposing philosophies. On one extreme is "consumerism" and on the other is "professorialism". Consumerism is an ideology of the business world – an ideology that defines the consumer as the "king". Under this philosophy, the identification of a need, the conceptualization of a product or a service in response to the need, the design and marketing of the product or service are dictated by information obtained from the consumers. Indeed, the survival of a business organization depends solely on the continuing satisfaction of its customers. Where the customers vote against the product or service of an organization, the organization runs at a loss and when they vote in favour of the product or service, the possibility of profit realization is ensured.

What is arbitrarily termed "professorialism" here connotes an ideology of the academic world – an ideology that defines the academicians as the "king". Under this philosophy, the faculty or professors determine what to offer, how to offer, and when to offer. The professors decide the kind of services to provide and what constitutes quality service. Professorialism describes the ideology of higher education operating under what Brubacher (1990) called epistemological consideration.

Much has been written about the apparent lack of responsiveness of institutions of higher education to its customers. Many of these writers (for example, Kotler and Fox, 1985) agree that every institution has diverse constituents with different and sometimes conflicting expectations of what the institution should be doing. Chief among these constituents, however, are students who constitute the largest population segment of any institution except, perhaps, the alumni.

Therefore, institutions have been advised to become more student-centred or to ensure that their administrators adopt a consumer-oriented philosophy. The bases for this philosophy are simple and clear: students who are poorly served may transfer to other institutions; such students may not become positive voluntary salespersons for the institution; they are not likely to be among those alumni who remember the institution generously, and they may hold a political office in future and may not remember the institution favourably. Given all these disadvantages, therefore, a consumerist philosophy for higher education is not only a recommended strategy but seems to be an acceptable strategy for progressive and proactive higher education leaders in the twenty-first century.

But as Maynard (1982) observed, students are not in a position to be the king in the academic industry for several reasons. First, the majority of students cannot decide what specific training is needed for their chosen profession. Second, they are hardly in a position to decide what curriculum the training should cover. Third, even if students can determine the curriculum coverage, they are seldom in a position to determine what competences, quality, or standards need to be achieved. In short, students do not stand in the same position as a consumer of pizza. Many of us who buy pizza do so to satisfy an immediate need, but the need being fulfilled by higher education is long-term and the extent to which this need has or has not been met will not be known until many years later.

Therefore, higher education operates under a very imperfect market, a market where consumers lack important knowledge of the prevailing market conditions. Students, even if they have the resources, generally will not hop from one institution to another every time they are dissatisfied with service provided. In higher education, an institution's ability to enter into and exit from the market is highly circumscribed. Therefore, the success of the application of the consumerist philosophy to higher education is very limited. Yet, as seen in Figure 2, the majority of business-related strategies are intended to extend this philosophy in higher education.

On the other hand, faculty members are, by training, in a better position to decide the goals of higher education and the means to achieve these goals. The faculty role of knowledge transmission is preceded by their role of knowledge creation. The role of knowledge creation exposes faculty members to the nature of knowledge within their specializations and, therefore, they are in the best position to decide how such knowledge should be organized and transmitted. Consequently, they typically make decisions on entry requirements (admissions), programme content, curriculum coverage, and exit requirements (examinations). Although, faculty members may keep the needs of their students in mind while making these decisions, they, the faculty, are primarily governed by their perception of what the profession or professionals recommend or require (Birnbaum, 1988). After all, higher education is not an entertainment industry where services are rendered for the convenience, amusement, and enjoyment of the students. Rather, it is a "knowledge industry" with a mission to educate the "minds" and train the "hands" under conditions that may be sometimes less than comfortable or acceptable to the students.

Nevertheless, partly because of the concern about the possibility of "deadwood" among the faculty and partly because of the concern about the need for faculty accountability, several attempts have been made to extend the consumerist philosophy in higher education. For example, tenure has been under attack in many states, external programme reviews have been mandated in some states, and there is a growing reliance on student evaluation in determining faculty teaching quality. Therefore, it is valid to say that the American higher education system is currently shifting towards consumerism and away from professorialism; shifting towards the market and away from the traditional ivory tower.

As indicated in Figure 3, the two philosophies have different implications for higher education. In the first instance, the ideology of professorialism is the search for truth whereas the ideology of consumerism is market survival and growth. Given their ideology, academicians are oriented towards academic freedom, while the corporate leaders are oriented towards responsiveness to customers. In academia, leadership invariably comes from the faculty, but in the business sector administrators speak on behalf of the consumer as king. In academia, reward is determined by knowledge creation and dissemination, but in the marketplace, reward is based on demand and profit. In academia, accountability issues are best resolved through the established academic tradition. For example, the worth of knowledge created will be determined by its publication where other trained academicians can use the "acceptable canon of truths" to judge the work, and teaching quality is ensured through a faculty's active intellectual engagement. In the business sector, on the other hand, accountability is ensured by the continuing satisfaction of the shareholders.

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Figure 2
The philosophical underpinning of new strategies in use in higher education

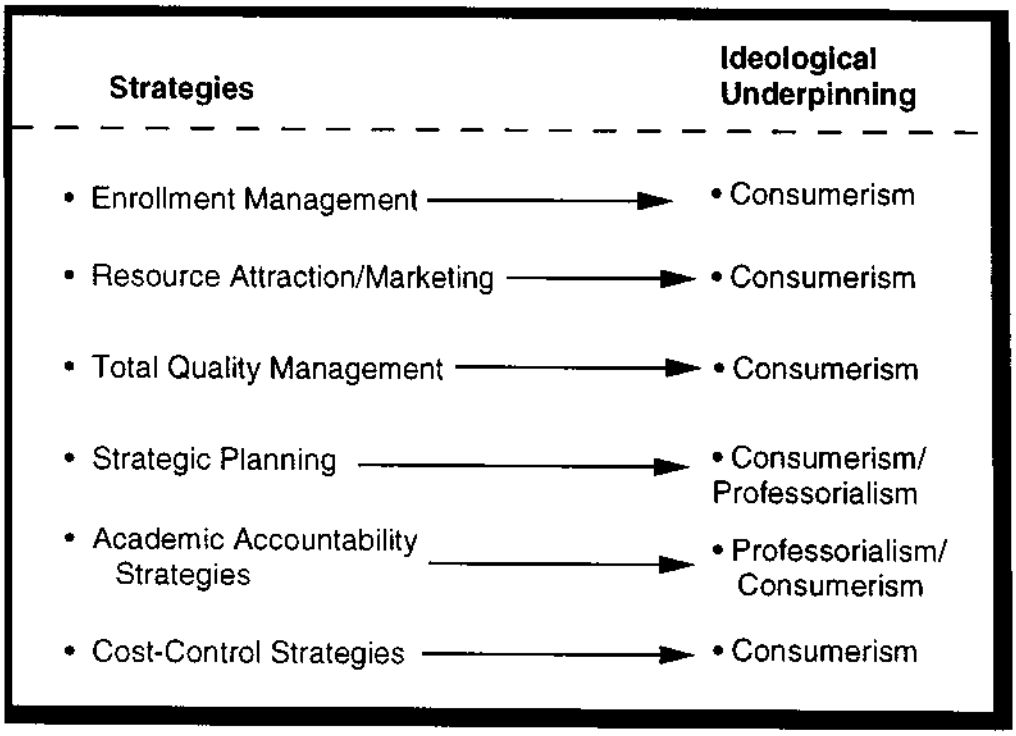
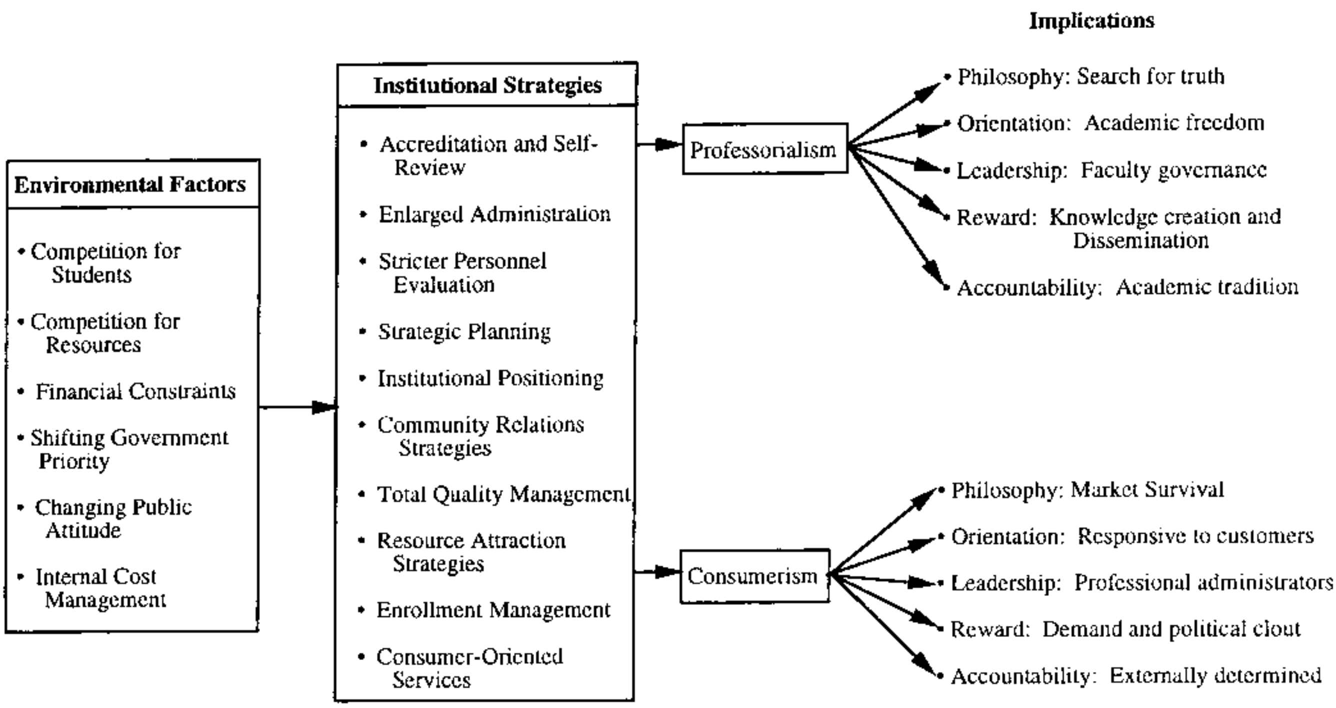


Figure 3
Environmental factors, institutional strategies, and competing ideologies



Dualism of controls in higher education

Allen and Chaffee (1981) argued that:

> administrators in higher education, like administrators in other fields, have often seized on a particular management technique as the answer to their problems. They have done so without adequately considering if the technique addresses specific situations and needs of their institutions. When the fit of the technique to the problem is not good, they force it. Thus, administrators convert what might be a perfectly valid and useful management technique into a management fad (p. 3).

Scholars have offered several reasons for the problems associated with the adoption of business strategies in institutional management. For example, Birnbaum (1988) pointed to the problem associated with the nature of higher education: "We may fail to get what we want not because we have not planned well enough but because many aspects of the system do not operate in a manner that conforms to conventional administrative rationality" (p. 54). Failure to recognize the differences between higher education and the business sector leads to frustration on the part of those who would want to enhance efficiency in higher education sector.

Also, administrators of higher education adopt business strategies not because they truly believe in them but because not to adopt them would convey a negative impression to the public. This point was made by Birnbaum (1988):

> Huxley [college] can be seen publicly as legitimate and prudent and can protect itself against claims of negligence, irrationality, or ineffectiveness to the extent that it can point to the existence of the long-range plans, mission statements, and accountability systems that legitimate and prudent institutions are presumed to have. Such plans, statements, and systems may come to have symbolic and ceremonial, rather than instrumental, significance. It may be more important for Huxley to be able to say "we have a strategic plan", for example, than it is for Huxley to actually implement one (p. 77).

Consequently, there is hardly any institution of higher education in North America that cannot boast of a repertoire of business strategies that have been implemented, especially over the last two to three decades.

In addition, the failure to recognize the dual nature of higher education presents serious problems to institutional leaders. The administrative or business aspect of higher education differs remarkably from the academic aspect. The two are different in structures, value systems, and operations. Administrators in the business sector do not wrestle against dual nature; hence, it is often easier to adopt a comprehensive, integrated approach. However, administrators in the higher education sector must recognize that it is only the administrative or business aspect of higher education that bears some resemblance to the business sector. Strategies to enhance academic effectiveness may not be compatible with strategies that will increase administrative efficiency and vice versa. Failure to recognize these differences will continue to frustrate institutional management efforts in higher education.

Conclusions

Higher education systems in different nations encounter different environments. On the basis of differences in the environment, higher education systems can be classified on a manpower-social demand continuum and a centralized-and-decentralized continuum. These continua describe factors associated with demand for and supply of higher education and reflect situations under totalitarian and democratic conditions. Higher education systems located within the free market environment encounter similar problems and pressure from their environment. These problems and pressures include competition for students and for resources, conflicting government measures, demand for accountability, and cost pressure. Given the kind of environment prevalent in these countries, higher education tends to borrow strategies from the most competitive sector, the business sector. Strategies borrowed from the business sector include student recruitment or enrolment management, resource attraction or marketing and institutional advancement, strategic planning, TQM, and cost reduction strategies.

The adoption of these strategies tilts the consumerism-professorialism pendulum towards the consumerist philosophy. The consumerist philosophy emphasizes values that are remarkably different from those of professorialism. But the attempt to force consumerist strategies over aspects that should be governed by professorialism is at the centre of the conflicts that are often experienced by institutional managers in a free market environment. Hence, experienced administrators will recognize the dual nature of higher education and the need to apply business or market strategies selectively in the higher education sector. Without this selective application of strategies, some efforts aimed at reforming higher education will meet with less success while others may be totally counterproductive. Indeed, as has been suggested by writers on higher education, the challenges before higher education scholars today include developing ways to enhance stewardship in higher education; educating the general public as to the nature, problems, and resources required to fulfil

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higher education's mission; and, at the same time, remain true to higher education's traditional values including the meeting of emerging societal needs.

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