

For-profit and traditional institutions: What can be learned from differences?

Author: Robert R. Newton

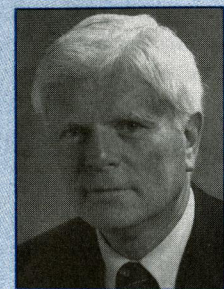
Persistent link: <http://hdl.handle.net/2345/4403>

This work is posted on [eScholarship@BC](#),
Boston College University Libraries.

Published in *The Academic Workplace*, vol. 12, no. 1, pp. 4-7;14, Fall/Winter 2000

For-Profit and Traditional Institutions: What Can Be Learned from the Differences?

Robert R. Newton,
Associate Academic Vice President, Boston College



The 3,500+ institutions of higher education in the United States represent a wide variety of purposes and clienteles. Major research universities, selective liberal arts colleges, religiously oriented colleges, state college systems, and private and public two-year colleges are all part of the multifaceted \$200+ billion American higher education industry. Within that industry, the *Chronicle of Higher Education* reported in January 1998, the fastest growing sector is for-profit higher education, at that time totaling 564 institutions. The *Chronicle* commented that "Within little more than five years, post-secondary proprietary education has been transformed from a sleepy sector of the economy, best-known for mom-and-pop trade schools, to a \$3.5 billion-a-year business that is increasingly dominated by companies building regional and even national franchises."

The most highly publicized for-profit institution has probably been the University of Phoenix. It offers graduate and undergraduate degree and certificate programs to working professionals around the world. In summer 2000, it had 85 campuses and learning centers in the United States, Puerto Rico, and British Columbia and a growing number of on-line programs that know no boundaries. With 68,000 students enrolled, it claimed to be the largest private accredited university for working adults. According to its web site, the University is exploring opening campuses in the Netherlands and Germany and will eventually enter markets elsewhere in Europe and Asia.

At a recent conference on distance education sponsored by the New England Board of Higher Education, Jorge Klor de Alva, then President of the University of Phoenix, described the purpose and various facets of his institution. The University's clear and highly systematic approach to the implementation of its programs was impressive. The sharpness of its objectives and organization stimulated me to ask how the University of Phoenix and, by extension, other similar for-profit institutions differ from traditional colleges or universities. Such a comparison would add both an understanding of how for-profits like Phoenix stand apart from traditional colleges and a heightened awareness of what is distinctive about traditional institutions that needs to be emphasized and strengthened if they are to maintain their position in higher education. For the purposes of this com-

parison, I will contrast the University of Phoenix with the kind of traditional college that sits at the far end of the spectrum of traditional and nontraditional institutions. I realize that U.S. higher education institutions fall along numerous points of this broad spectrum and that the comparison for a particular institution would need to be adjusted accordingly.

For many [faculty], evaluation of student learning is an unscientific process that often has little impact on the delivery of the course the next time around.

Focus

The University of Phoenix has concentrated on one slice of the higher education pie: the education of working adults with already-established career goals. To enroll in a Phoenix program, you must be over age 27 and employed full time. Phoenix course goals could be described as tactical rather than strategic, focusing on the knowledge and skills that have immediate payoff. They are the competencies these individuals need right now for advancement along a chosen career path. Focusing on this narrowly defined student population enables Phoenix to pursue its mission unfettered by the multiple concerns or clienteles that preoccupy traditional institutions.

The traditional college usually targets a different age group and generally encourages full-time study while discouraging full-time employment. These institutions usually offer the "college or university experience," a broad range of educational, extracurricular, artistic, social, and athletic programs that make up the academic experience and stimulate growth both inside and outside the classroom. The focus of the traditional college is a liberal education, an experience that seeks to "free" the students from prejudice and ignorance by confronting them with fundamental human questions, exploring different responses to these questions, insisting

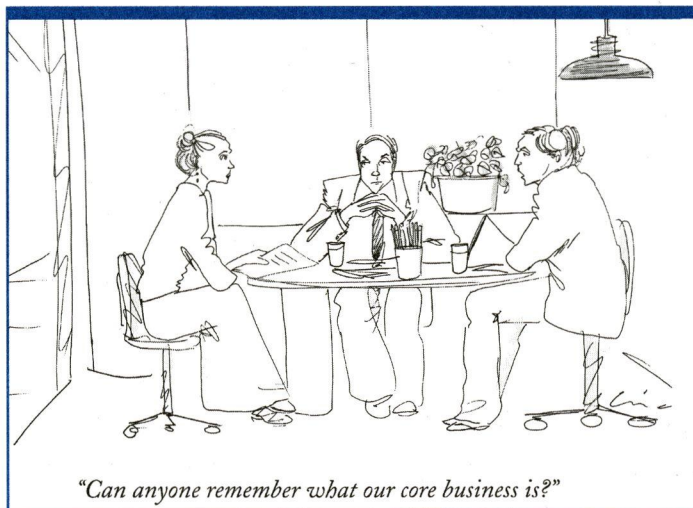
that students develop their own positions, and challenging them to live the “good life.” While some undergraduate degree programs may have a professional focus, it is usually within the broader context of the traditional aims of a liberal education.

Metaphors

Institutions of higher education are both educational corporations and communities of scholars. As corporate entities, colleges and universities depend on expertise in finance, higher education law, accreditation, marketing, customer relations, etc., to survive in the highly competitive environment of American higher education. While every institution must also be an efficiently functioning corporation if it is to maintain its viability, the concepts of higher education as an “industry” and students as “customers” are relatively recent developments. Framed by the industrial metaphor, a college or university is an educational corporation, part of the \$200+ billion industry that delivers education and training services to consumers.

Scholarly individuals who provide the knowledge base and the expertise in pedagogy and evaluation are an essential component of any institution of higher education, traditional or for-profit. Viewed as a community of scholars, the university is not a business but a “sacred” institution with a special societal mission; students are not customers but co-learners with or apprentices to faculty in the communication and discovery of knowledge.

While traditional colleges attempt to maintain themselves as scholarly communities in both their rhetoric and operation, for-profit colleges



© The New Yorker Collection 1999 Robert Cline from cartoonbank.com

like Phoenix are content with their role as competitors in the higher education industry efficiently and effectively delivering the knowledge and competencies students need at a price they can afford. Thus, if one were to arrange all institutions of higher education along a spectrum whose ends were “community of scholars” and “educational corporation,” it seems clear that the for-profit model like Phoenix and the traditional college would land at opposite points.

Faculty

One of the most interesting facets of the Phoenix model is the “unbundling” of the teaching component of the faculty role. In the traditional college, the faculty member, like a craftsman in a cottage industry, is the knowledge expert, the

course designer, the presenter, and the evaluator. In the Phoenix model, the faculty functions are separated: content and curriculum experts design the course objectives and materials; practitioners hired as part-time faculty deliver the course, adding their real-world insights; and evaluation experts, rather than the instructors, design assessments for the course. In the traditional setting, where the typical faculty member performs all these functions, there are considerable quality variations as result of the uneven talents of individual teachers. Some faculty may be outstanding knowledge experts but be weak in course design or presentation. For many, evaluation of student learning is an unscientific process that often has little impact on the delivery of the course the next time around.

What constitutes scholarship, teaching, and service; how these activities interrelate; and in what ways they can be carefully and reliably assessed are issues that individual faculty, departments, and disciplines in the range of colleges and universities are reexamining.

The Phoenix model identifies experts in each phase of the course design, delivery, and assessment processes. It resembles more a systems approach in which precise competencies or outcomes are identified, a course experience is designed to produce these outcomes, and an assessment is developed to measure them. Curriculum designers are responsive to customer assessment and revise courses based on student evaluations. The results of the assessment are used in a feedback loop to improve the course design or teaching performance. In the traditional setting, the faculty member holds the central position, controlling the educational process throughout its various stages within general guidelines provided by the department or college. The model emphasizes the unique talents and creativity of individual faculty members, but often produces inconsistent results. In the Phoenix model, the instructional system is central and controlled, plugging the various knowledge, design, delivery, and assessment experts into their appropriate slots. The model emphasizes rational design, consistency, and continuous improvement but minimizes the creativity of individual faculty members, except in the delivery phase.

Traditional college faculty members are affiliates of departmental, school, and university communities that provide professional context not only for their own growth but also for the development of their disciplines. Traditional college faculty members are expected to teach (the “bundled” responsibility described above), be engaged in scholarship, and perform various kinds of internal and external service. The Phoenix model not only separates instructional

continued on next page

process into its various parts, but also eliminates the research and service elements for the classroom teachers. In the Phoenix model, the classroom instructors are individual contractors, technicians implementing and supplementing a preset instructional design. As even traditional colleges become more complex in response to a changing world, there is an inevitable impact on traditional faculty roles. What constitutes scholarship, teaching, and service; how these activities interrelate; and in what ways they can be carefully and reliably assessed are issues that individual faculty, departments, and disciplines in the range of colleges and universities are reexamining. Also affecting faculty roles are the means by which many institutions are linking academic and student affairs—traditionally the “customer service” arm of the organization—in an effort to promote fuller, more integrated learning.

Students

The terms used to describe students give an additional clue to the difference between for-profit and traditional institutions. As noted above, the Phoenix model views the student as a consumer seeking a businesslike relationship that will deliver the skills and competencies he or she wants. The connotations of the words “consumer” and “customer” are quite different from those that surround the word “student.” In a traditional institution the student/faculty relationship is viewed as a helping relationship in which the student feels that the faculty member has

his or her best interest at heart. Teaching has traditionally been regarded as a “vocation” not unlike that of the doctor or clergyman. The concept of customer or consumer, on the other hand, symbolizes a relationship in which the provider’s ultimate concern is a literal bottom line. This is not to suggest that the goal is not first-rate service and consumer satisfaction, but that the ultimate motivation for these intermediary goals is corporate profit and growth.

Knowledge

The traditional college or university has always had discovery of knowledge as one of its main goals. It aims not only at the communication of the

citizenship” or “development of the whole person” symbolize the often intuitive but rather vague goals of the traditional institution. A Phoenix education, on the other hand, is a “just in time” experience: The student learns just what he or she needs and can apply immediately, predominantly in a career setting.

Investments and Organization

As noted above, the University of Phoenix focuses on a narrow segment of the higher education market and, within that market, on one set of needs: the knowledge, skills, and competencies needed for career advancement. As a result, it

with widely varying interests, are notorious for a glacial pace of change and decision making. An organization like Phoenix, on the other hand, sharply focused on a narrow set of objectives and required to satisfy only its corporate leadership and its consumers, can adapt much more quickly to changes in the environment.

Educational Model

The traditional college operates on a scholarly discipline model where the disciplines are the context for conveying cultural heritage, for posing the questions that have perplexed humankind over the ages, for engendering new questions, and for teaching the methods of inquiry that have developed in particular disciplines. Students interact with the best ideas and minds, both historical and contemporary, through a variety of educational means. The Phoenix model, on the other hand, has a more behaviorist starting point that focuses on the competencies that the student needs and the most efficient and effective ways to deliver these outcomes to the student. These different starting points, perhaps more than any of the other differences noted above, illustrate the contrast between the goals of the University of Phoenix and a traditional institution.

The table on page 7 summarizes what I have suggested are the differences between a traditional college and the University of Phoenix.

This comparison also raises questions for faculty, staff, and students alike: What must remain “sacred” in order for a college to remain a college?

intellectual, historical, and cultural traditions but also at the extension and expansion of this heritage. The University of Phoenix does not seek to discover new knowledge but to teach students how to apply existing theory and research to practical situations and real work issues.

Klor de Alva describes the traditional college as providing a “just in case” education—a broad education in which most student learning is not related to an immediate objective or application. Statements like “preparation for life or

targets its investment on the development of a content, pedagogy, delivery, and assessment system that can produce these outcomes. The more traditional college or university makes major infrastructure investments in libraries, classrooms, athletic facilities, theaters, laboratories, dining facilities, residences, student unions, infirmaries, etc. A traditional college (especially if residential) aims to be a total environment. Colleges or universities, with their many and varied goals and the requirement that they involve multiple constituencies

Conclusion

I proposed that by comparing the University of Phoenix with a traditional college, we could learn something about both. I am impressed with the sharp focus and efficient organization of the Phoenix plan. It is likely that they will provide a good service to the clientele they have identified and will be successful

and profitable. Their stated intent is not to displace the traditional college or university but to serve a currently underserved clientele in a more targeted and efficient way. At the same time, for-profit institutions could have a significant impact on not-for-profit higher education institutions that focus on adults who need education or training for career advance-

ment, or on traditional institutions that have "profitable" adult career education as part of their portfolios.

This comparison challenges more traditional institutions to examine how effectively they are delivering on their lofty, even if less precise, goals. At the New England Board of Higher Education meeting mentioned above, the moderator asked

whether traditional colleges and universities were really genuine "communities of scholars," whether students are actually receiving the level of personal attention necessary for developing the "whole person," whether these institutions are efficiently using their substantial resources and effectively engaging students in an exploration of the perennial questions.

continued on page 14

	TRADITIONAL COLLEGE	UNIVERSITY OF PHOENIX MODEL
focus	multiple goals: teaching, research, service—a total environment	one slice of operations of the traditional college: career training of adult working population
goal of learning	strategic (long-term, distant, broad goals)	tactical (clear, immediate aims)
time perspective	preparation for life	preparation for next career move
targeted group	traditional undergraduate and graduate students	working adults
students' goals	the undergraduate or graduate experience	skills needed for careers
symbolic goal	the degree	the credential
view of learner	student at feet of master or scholar	consumer seeking a businesslike relationship
institutional metaphor	community of scholars	educational corporation
organizational metaphor	cottage industry	higher education industry
sharpness of goals	broad, vague goals of a liberal education	behavioral outcomes, measurable competencies
evaluation	intuitive	outcomes assessment
pace of change	glacial, requiring the participation and buy-in of diverse constituencies	more responsive; decisions and changes made by administrative leadership
instructor relationship to institution	member of departmental, school, university communities	individual contractors
faculty role	craftsmen in a cottage industry	specialized deliverers; teacher as technician implementing a preset instructional design
locus of learning	learning inside and outside classroom	instructional experiences leading to competencies
style of organization	loosely organized	rational, systematic, focused on systems that produce precisely defined outcomes
knowledge	discovery and communication of heritage	focus on the application of knowledge to practical situations
profit orientation	not-for-profit	profit-making, special divisions of not-for-profits, profit-making subsidiaries
major investments	infrastructure, technology, libraries, research labs, residences, student life, etc.—requirements of a total environment	content, pedagogy, assessment—just what's needed—no more
content focus	what learners should know	what learners need to know and do for next career move
faculty	maximize research/satisfice teaching	maximize learning
instructional functions	bundled—teacher is expert in all aspects of instruction: content, pedagogy, presentation, assessment	unbundled—different experts for content, pedagogy, presentation, assessment
criterion for content	just in case (the student might need it)	just in time (with what the student needs)
nature of programs	one size fits all	customized; tailored to individual needs
educational model	scholarly discipline/great books (Bruner/Hutchins)	behaviorist (Skinner)
metaphor	sacred institution—the cultural heritage, perennial questions, preparation for life	corporate entity serving a constantly changing market

FEATURE ARTICLE

continued from page 7

The question implied was that if traditional colleges cannot demonstrate that they are providing an experience that distinguishes them from a more delimited and efficient for-profit education, will prospective students and their families be willing to continue to support this much more expensive alternative?

The University of Phoenix, with its clear focus on one segment of higher education, provides a sharp contrast to the world of traditional higher education with its commitment to a broad and complex spectrum of goals and constituents. Phoenix markets a stripped down, but more efficient, version of higher education targeted to the career ambitions of a narrow clientele, with the ultimate goal of making a profit for the provider. Traditional colleges and universities, in their role as major societal "institutions," view themselves as the places where humankind does its thinking, where the insights and knowledge that guide society and power the economy are generated, and where the new generation of citizens learns how to deal with challenges of the future. At the same time, the contrast between these two approaches and the challenge offered by the for-profits is for traditional institutions to be more effective both in achieving their goals and in articulating to their various publics the critical role they have played and must continue to play in society. This comparison also raises questions for faculty, staff, and students alike: What must remain "sacred" in order for a college to remain a college?