

Perspectives

Community College
Leadership for the
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Community College Partnerships: "Skin in the Game" Required

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The need to develop partnerships with multiple colleges, universities, and business has never been greater. Categorically, this need arises from three major sources: the need for revenue, the need for physical and intellectual resources, and the need to sustain or gain a competitive position in the educational marketplace.

First, it is necessary to define partnerships as something beyond articulation agreements or placement opportunities for students. While these types of agreements are good and frequently valuable, they would not be defined as partnerships. There is much written on the term and many lists regarding the context of a partnership; they all go beyond the simplest "agreement to cooperate" which is the basic context of most college/university agreements. When we talk about partnerships, we are speaking of two or more entities involved in a formal relationship where the parties "have skin in the game."

Frank and Smith (2000) provide several criteria to define a partnership, including shared authority (over the project or program); a joint investment of resources; clear mutual benefits; and shared risk, responsibility, and accountability. These factors are what I referred to earlier as "having skin in the game."

General college revenue. There are several myths to be disposed of, such as the cost of instruction is less at a community college. **FALSE.** The cost to the student is less but the cost of delivery is about the same. This is due in large measure to how community colleges are funded versus state universities. The lion's share of state university funding comes from the state and the federal government, mostly from PELL financial aid and grants. For community colleges, the lion's share is from local taxpayers through voted millages based on property taxes. This too, is supported by federal PELL financial aid dollars. For Schoolcraft, about 14% of our annual GOF comes from the state, while local taxes and tuition make up the rest. Local tax revenue has been in decline especially since 2008, because that revenue is based on property values. This brings about the need for significantly more revenue coming from sources **other** than the state or from students.

If you want to remain current, to sustain your academic reputation you turn to grants, partnerships, or fundraising as alternative sources of revenue. For community colleges in particular, partnerships represent the best

alternative, **assuming you have assets to offer in return.**

Assets and resources. For most community colleges, graduates represent the greatest and most plentiful assets you have to offer, but they actually need to be assets. Students with out-of-date training, using out-of-date equipment, operating in an unrealistic environment are not assets. They become a drain on your reputation and give you nothing with which to negotiate. Generally, this situation is the beginning of most potential partnerships with businesses giving equipment and advice in exchange for a future labor source.

As a community college, you need to be just as picky as any college or university who wants to do business with you.

Colleges use other assets that may also be of value like land, classroom space, and faculty talent. If there is physical proximity, you may be able to offer security, meeting space, mutually agreed-upon speakers, courses for business employees, recreation space, and so on. If the need is strong enough, then everything is on the table. By the way, be careful not to enter into exclusive rights unless the vetting of other possibilities makes exclusivity a better financial and operational choice.

Positioning in the marketplace. Another myth to be destroyed is that community colleges compete with each other for prospective students. **FALSE.** Our experience shows that students who apply to Schoolcraft College, but do not attend, tend to enter state universities rather than a nearby community college. For us, the primary competitor is Eastern Michigan University. In developing partnerships or new programs, or looking at the latest equipment, we look for what Eastern has or does not have, rather than looking at Henry Ford or Oakland Community College or Wayne County Community College District. They are not our competitors on the same scale as Eastern, U of M-Dearborn, Wayne State U, etc. Their power comes from the reputation as a four-year school or from the parent institution. If the University of Michigan had a campus in a Florida swamp, it would still have U of M cachet.

For us, beyond name recognition, what can you get at any of these places that you cannot get at Schoolcraft College? That becomes a partnership driver. Remember, the partnerships have to be mutually beneficial, not just

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When states decrease funding for community colleges, institutions must resort to other means to keep operating, such as increasing tuition, fundraising, and restructuring their offerings or downsizing.

- Catherine Morris

Community college-based partnerships... promote college access, student and staff development, and institutional stability [and] respond to economic pressures, legislative demands, and institutional constraints.

- Belkis Suazo deCastro & Melinda Mechur Karp

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EMERGING LEADERS' PERSPECTIVES

Community colleges typically attract the neediest students with the most educational challenges, while receiving far less support than four-year public institutions. As the trend of ever-shrinking state contributions to community college finances continues unabated, college leaders must determine other avenues to keep preparing their students for the future. Consequently, decreased funding is driving college leaders to become more innovative in establishing partnerships and developing revenue generating initiatives. We posed the following question to emerging and national leaders. Their answers appear below.

Tammie Mahoney

Manager of the Project Management Office and Business Process Improvement
Harper College
Palatine, Illinois

Higher education institutions in the United States, particularly community colleges, have been faced with the challenge of generating revenue amidst budget cuts, lay-offs, and some campuses having to close their doors. In order to continue the mission of educating students for the future, it is of the utmost importance that community college leaders work with their employees, students, and communities to discover innovative ways to continue to generate revenue.

Private-Public Partnerships are one key strategy that colleges and universities could utilize to reduce costs as well as increase revenue. These partnerships can be a great win-win for all involved including the college, the student, and the business. One partnership example is tying selected course curriculum and student projects to the needs of local businesses.

Oftentimes, local businesses are looking to solve a problem, create or build a customer base, or even find a new way to handle an old process and don't have the talent or manpower to complete the task. Instead of the business putting this project on the back burner these partnerships will enable faculty and staff in related courses to design assignments and projects that may help the local business at a minimal fee. This is win-win because the business receives a possible solution, the student has real-world experience to put on a resume, and the college gets the revenue, recognition, and possibly increased enrollment.

Experiential learning for students is a key factor to their success and it also assists students in determining what their interests are as well. J. Eyler (2009) wrote that experiential learning can lead to more powerful academic learning in three ways:

- ▲ a deeper understanding of subject matter than is possible through classroom study alone;
- ▲ the capacity for critical thinking and application of knowledge in complex or ambiguous situations;
- ▲ the ability to engage in lifelong learning, including learning in the workplace.

Student success is not just about getting a grade, it is about determining what students like, what they are good at, and having a learning experience of which they can be proud. When students can take a more in-depth look at what they are learning in the classroom through engagement in a project or experiential learning, they get a much more rewarding educational experience. When higher education partners with businesses, this can be very lucrative for both parties and especially for our students and the future of businesses in America.

Reference

Eyler, J. (2009). The power of experiential learning. *Association of American Colleges and Universities* Volume 95 (4). Retrieved from <https://www.aacu.org/publications-research/periodicals/power-experiential-education>.

QUESTION OF THE MONTH:

What creative strategies would you recommend to college leaders to generate the revenue needed to educate students and support projects?

Debbie Dawson, MSEE

Director of the School of Engineering and Computing Technology
Ferris State University
Big Rapids, Michigan

As state and local funding diminishes, community colleges are becoming more reliant on tuition and fees – without a corresponding increase in financial aid for students. It is clear that institutions will need

creative funding strategies to maintain their revenue streams. Given these challenges, leaders must develop flexible business models that support institutional priorities and protect the organization from changing economic conditions (Phelan, 2015). Leaders should consider:

New Sources of Funding. Many institutions have turned to major foundations and the federal government for grant opportunities. While this seems to be an obvious potential revenue stream, these opportunities require an infrastructure that includes grant writing expertise and reporting capabilities that may not already exist at the institution. Institutional fundraising campaigns have also become additional sources of funding. These could include capital campaigns and entrepreneurial pursuits (Zeiss, 2014).

Effective Data Collection and Analysis. Accurate data has important implications for performance-based funding models (Hanover Research, 2013). As a side benefit, faculty can use this data to improve their students' performance to increase future performance-based funding. This "culture of evidence" requires institutions to not only collect the data, but to also understand how to analyze and use the data to make informed decisions.

Strengthening Partnerships. Partnerships can provide many benefits to the community college. From a funding perspective, industry can supply state-of-the-art equipment to the classroom, eliminating the need for institutions to purchase this equipment. By partnering with other educational entities, equipment and labs can be leveraged across multiple institutions. Partnerships can also cause meaningful changes to curriculum and instructional practices; create sustained career support for students including learning communities and career advising; provide faculty and staff with professional development opportunities; and provide a pipeline for students (Hanover Research, 2013).

Technology Integration. Community colleges have become increasingly aware of the benefits of incorporating technology into classroom instruction and institutional administration. Web resources and software have allowed students access to new learning opportunities. For example, students can gain remote access to expensive lab equipment and educational materials without the institution having to invest in hardware or equipment (Hanover, 2013).

Innovation and strategic planning will be key for community colleges as they face the funding challenges ahead. Leaders will have to "think in multiple dimensions, embrace calculated risks, innovate, create, explore, develop new relationships, develop new capital, network, think competitively, leverage resources, tolerate ambiguity, and document and communicate achievement" (Phelan, 2015) to be successful.

Tammie Mahoney is the Manager of the Project Management Office and Business Process Improvement at Harper College. She served in the US Army where she had the opportunity to work at the White House. She has nearly 10 years of higher education experience and over 25 years of experience in Information Technology. In 2007, Tammie created the much-needed Student Service Desk at Harper College which receives an average monthly overall client satisfaction rating of 96%. She is currently enrolled in FSU DCCL program.



Debbie Dawson is Director of the School of Engineering and Computing Technology at Ferris State University. She held several engineering and management positions before moving into academia, first as an Electrical and Computer Engineering instructor at Western Michigan University, then as Dean of Business and Advanced Technology at Kalamazoo Valley Community College. She holds the MSEE degree from Rochester Institute of Technology and is currently completing her doctorate in the FSU DCCL program.



NATIONAL LEADER PERSPECTIVE

Community colleges typically attract the neediest students with the most educational challenges, while receiving far less support than four-year public institutions. As the trend of ever-shrinking state contributions to community college finances continues unabated, college leaders must determine other avenues to keep preparing their students for the future. Consequently, decreased funding is driving college leaders to become more innovative in establishing partnerships and developing revenue generating initiatives. We posed the following question to emerging and national leaders. Their answers appear below.

The Key to Successful Partnerships - Solve Somebody Else's Problems

Leah Goss, MBA

Vice President for Development
Excelsior
Aurora, Colorado

With public support dwindling, community college leaders have long recognized the need to develop private support to fill in the gaps and enable their institutions to fulfill their missions. While many traditional community college foundations were established to raise money for scholarships, increasingly, community college leaders are investing in development efforts that are capable of launching capital campaigns, building endowment, and creating new programs.

I began my career in community college fundraising in 2005, three years before the "crash" and the economic downturn that followed. Since that time, I have led development efforts in three states for both individual colleges and state-wide systems. Along the way, I have been privileged to work for, and with, some of the most remarkable and resourceful community college presidents in the nation.

All these leaders had one thing in common. They were focused on solving somebody else's problems. I believe this is the key to fundraising success and to the kinds of innovative partnerships that lead to programmatic as well as student support.

One of my favorite community college leaders, who is also an incredibly successful fundraiser, tells the story of calling on a local businessman. The businessman knew why the community college president had come to see him – to ask for money of course – and he was prepared to write a modest check. However, the president refused his donation because the purpose of his call was to find out what the college could do to help the businessman. From that visit came an innovative partnership to provide training for employees in the businessman's company that reduced his costs and grew his business. A few years later, the businessman made a transformative gift to the college. All this occurred because the president was solving somebody else's problem.

These partnerships occurred because we were focused on solving somebody else's problems instead of our own; but, a funny thing happened on the way to the bank. We solved our problems, too!

Another of my favorite community college leaders always put it this way, "The College has no needs. Our communities have needs. Local businesses have needs. Students have needs. But colleges have no needs. Colleges are a means to an end, and not an end unto themselves."

I experienced this first-hand when, in one of my positions, we were raising \$34 million dollars for new campus facilities. The entire campaign was focused on the problems we were solving – skilled labor shortages,

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geographical access, and support for economically disadvantaged students. In a little more than a year, we surpassed our \$34 million-dollar goal by nearly \$10 million dollars. School districts gave us land and said, "Build here! You will be closer to our students and they can attend your college!" City governments donated infrastructure for a newly constructed building to reduce costs. Entire industries came together to support new programs with donated buildings and major equipment to meet their workforce needs.

These partnerships occurred because we were focused on solving somebody else's problems instead of our own; but, a funny thing happened on the way to the bank. We solved our problems, too!

Innovative partnerships are the result of understanding the problems of individuals, employers, and communities and owning the solutions.

One challenge to be overcome in creating innovative partnerships is establishing the role of advancement and including them early in the process. Too often, advancement leaders are not engaged in these projects on the front end and are therefore unable to add value to the process in its early stages. As chief advancement officer for a large community college, I had the opportunity to sit at the table as partnerships were being developed and was able to assist in moving the process forward. I added value by finalizing industry commitments and developing the recognition and philanthropic pieces of the effort. This resulted in stronger support from industry partners and increased philanthropic support for students in our programs. The role of advancement is to be a strategic partner in helping the College fulfill its mission, so make room at the table for us when developing partnerships.

Innovative partnerships are the result of understanding the problems of individuals, employers, and communities and owning the solutions. This is more than a strategy for developing partnerships. It is an institutional philosophy that causes us to fully engage as outward facing leaders who solve the problems of others. And when we focus on the needs of others rather than our own, we will find that the resources offered to the college will be more than adequate. They will exceed our wildest hopes and dreams.

Leah Goss, MBA, is the Vice President for Development for Excelsior, a mental and behavioral health organization in Aurora, Colorado. For over twenty years, she has worked in fundraising and non-profit management, including eleven years in community colleges. She began her community college fundraising career as director of development at Front Range Community College in Denver. She went on to serve seven years leading system advancement for the Louisiana Community & Technical College System in Baton Rouge, and was also chief advancement officer for Lone Star College in The Woodlands. In July 2016, she returned to Denver to assume her current post with Excelsior and be closer to family. While working in community colleges, Leah was active nationally with several organizations including the AACCC, COMBASE, CASE, and the Council for Resource Development, and was a frequent presenter at national and regional conferences. Leah earned her MBA from Regis University and is proud of her associates degree from Adirondack Community College, which she achieved as a non-traditional student.



QUICK TAKES
Highlights
from the Field

How higher education funding shortchanges community colleges

by Richard D. Kallenberg

Kallenberg stresses that as accountability measures increase, it is vital to make sure colleges have sufficient resources to succeed. This brief looks at three key issues surrounding the funding of higher education. Included are the overall variations in spending between community colleges and four-year institutions; whether the current low community college funding levels are efficient; and whether it make sense to move toward a K-12 style system of "adequacy" funding. Access this work here: <http://bit.ly/2joK5ux>

The skilled trades playbook: Dynamic partnerships for a new economy

by the Aspen Institute

This document stresses that public/private partnerships can be a key to sustaining the future of community colleges, especially at a time of scarce public resources, as well as helping to build a stronger workforce. Such partnerships provide a real value-added to the college without taxing its existing funding. Outlined are ten steps to form and sustain a successful partnership, from inception to conclusion, with a variety of win-wins for both partners. Access this work here: <http://bit.ly/2jy8Uqj>



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Community College Partnerships: "Skin in the Game" Required (continued from page 1)

of benefit to one partner. As a community college, you need to be just as picky as any college or university who wants to do business with you. A bad deal at Harvard or with GM or Ford is still a bad deal. If you can't see how both of you can make money, don't do it.

The following are some investments that Schoolcraft College has made to improve the asset value of what we can offer to a business.

Schoolcraft has a few assets that others do not. Principal among these is land and location. The main campus is located in Livonia, Michigan, at the entrance and exit of two major expressways, I-275 and I-96. We are on about 184 acres of land, which is prime real estate for companies wanting highway visibility and access. For many years, only college buildings occupied the central portion of this acreage, with the rest occupied by a few playing fields and acres of space to practice lawn mowing skills. The college buildings were primarily accessible from Haggerty Road; the rear of the property required driving through main campus streets to gain access. This property to the rear had all of the highway visibility so desired by corporations. Some time ago, the Board of Trustees made a decision to not sell but lease this land to corporate entities, assuming that there was a discernable commonality of purpose and that any new business would not disrupt our business.

The first project was the construction of three office buildings along Seven Mile Road, with the developer eating all of the development costs and the college sharing in rental revenues in exchange for land. This is a very long term lease. When the lease is over, the land returns to Schoolcraft College along with the buildings.

In order to access the rear of the campus, the college primarily with its own money, constructed a road running from Seven Mile to Six Mile, parallel to Haggerty, which runs the mile at the front of the campus. This new road, in addition to a major storm water drainage project, was for developers, more evidence of our "skin in the game." It was a very expensive project but it attracted two more developers and two more major projects. As with the first project, there is financial participation by the college in rental and lease revenue.

The second of the two projects is a sports dome. It gives the college an asset it didn't have, an asset our competitors don't have either. It provides revenue from our partners and attracts students to the college – just plain ideal! Over time, these projects will bring millions of dollars to the balance sheet and help with the property tax shortfall.

In addition to our real estate investments, we have formed more traditional partnerships with corporations. Departments have been created within the college whose sole purpose is to help businesses develop additional opportunities. Perhaps the most successful of these, is helping businesses do business with the federal government. Not as easy as it sounds. Over the years of operation, the college has facilitated close to two billion dollars in business transactions between these companies and the federal government. One such company came to us before it was fully formed and they are now a

major company employing well over 100 workers.

Besides corporate partnerships, the college has generated genuine partnerships with the City of Livonia as well. This partnership is in three categories. We provide asset value in the city's development efforts. The one utilized most often is in providing a trained workforce for new employers. Equally important is the value in helping to retain employees who might be thinking of moving. Grants to train existing and new employees have made a difference on more than one occasion.

A less traditional partnership developed between the city and the college is the building of a second campus in an area where nearly all of the property was vacant. The city owned a landfill which they were financially unable to rehabilitate. Since that landfill depressed the value of all of the surrounding structures, building owners could not rent the space; it could have turned into blight.

A college is not just an educator of students, or a trainer of employees, it is a cultural and economic engine whose ability to reenergize its environment is essential to the vitality of the community in which it exists.

The college needed a large parcel of unoccupied land for its police and fire training programs. We agreed to lease the landfill for free and in exchange we would clean it up. We also made a very advantageous financial deal for two empty buildings adjacent to the landfill. The net result is that the city gained space which was a cost burden – now burden free. The college gained training space at a very low cost and the owners of the other vacant properties suddenly had prospects of rentable/saleable value because of the presence of the college. Every building on the street is now occupied, which makes our space more inviting to students and visitors. Everybody "had skin in the game" and everybody profited.

A college is not just an educator of students, or a trainer of employees, it is a cultural and economic engine whose ability to reenergize its environment is essential to the vitality of the community in which it exists.



Dr. Conway A. Jeffress, PhD, is the fourth president of Schoolcraft College. Schoolcraft is a comprehensive community college of 36,000 credit and non-credit students with its primary campus located in Livonia, Michigan. Dr. Jeffress has been at Schoolcraft for more than 30 years. He joined the college as Vice President of Instruction and has been President for 16 years. He is an officer within the Michigan Community College Association. He has been appointed by Governor Snyder to serve as a Commissioner on the 21st Century Education Commission and he serves as a member of its structure and governance committee. He is also a member of a number of other state and national organizations. Before coming to Michigan he held posts as a faculty member, researcher, assistant dean, dean, and vice president.