

GROWTH OF UNIVERSITY BUREAUCRACY: CHOICE OR INEVITABILITY?

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Purpose

To explore the opportunities and challenges that accompany a growing university administrative class and the impact on students, faculty and society.

Students

University students benefit immensely from the programs designed to help them: orientation, financial, learning centers, enrollment and retention programs, remedial programs, etc. But these services have come with a high cost with rising tuitions and rapidly increasing student debt. After mortgage debt, student debt “is the largest amount of debt held by U.S. consumers” (Dai, 2013). The debt is “likely due to an increase in the number of borrowers as well as the amount of debt incurred per borrower.” Much of this debt is wasted. A large number of those borrowing money never graduate from college, and some who borrow aren’t even in degree programs (Vedder, 2012). Like the housing market, many warn that an “education bubble” is being created by cheap federal money, which would create a major recession if it were to collapse. Ironically, most of this money has not gone into direct education, but as Vedder (2013) points out, “What has the schools done with the funds? Mostly, they have hired lots of staff.”

Faculty

Professors are increasingly spending more time on activities not related to teaching or research, with fewer resources. Studies indicate that an ever increasing amount of universities’ budgets are going to administrative costs, yet faculty members are often required to be represented on various committees beyond those related to scholarship and teaching. In fact, it is not uncommon for faculty to be involved in developing, contributing to and maintaining administrative work relating to five different organizations, i.e. ACBSP, AACSB, Higher Learning Commission, North Central, and the Regents. Further, in some states, legislative bodies are asking for additional data that must be generated by faculty, synthesized at multi levels, and then submitted to administrators and legislators for viewing. It is rarely discussed, but it is becoming more common that additional administrative costs, in time and energy, are often borne by faculty without additional course releases or pay. In fact, teaching the addition of MOOCs now increases the teaching load as well.

Society

There is a great emphasis on students attending college today, but the rising costs to society need to be addressed as well. For instance, student retention rates are of great concern. Instead of asking what we can do to increase enrollment and retention rates, perhaps a better question might be “Why?” During higher education’s glory days, universities took great pride in being highly competitive. It was believed that in retaining only the best, that they and society would benefit by matching talents and skills to what society needed and was willing to pay for in salaries. Not everyone graduated, nor was expected to. Competition was keen, but also efficient. It has been estimated that colleges now spend more than \$3 billion a year on remedial education with little results. Less than 10% of community college students who take remedial courses, graduate; less than a third of college students who take these courses ever graduate

(Smell, 2013). Even adjusted for inflation, tuition costs were lower when America's higher education was considered the best in the world, and with far less federal subsidies and loans. Certainly, student loan debt did not exceed credit card and auto loan debts (New York Federal Reserve, 2013). See Figures 1 through 4 for additional information.

Discussion

Perhaps it is time to investigate rising college costs across the nation and ask ourselves who is being best served and at what cost?

Certainly, the panel will not arrive "with all the answers." But we would like to discuss this matter with a diverse group of peers in the Marketing Educators' Association community who will bring both additional questions and possible solutions to some of the challenges universities face today.

References Available upon Request