

How Focusing on “The Intelligent Education Consumer” and Establishing Clear Priorities Can Lead to New Opportunities

An A-HEC Leadership Interview with President Arthur Lendo of Peirce College
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Depending on how you slice the numbers, the non-traditional adult student now accounts for somewhere between 60% and 84% of the total population of roughly 16 million higher education students in the United States. This is astonishing considering that in 1970 the proportion of adult learners was only 28%. This trend shows no signs of slowing or reversing. It is likely that this trend will spread globally as other countries follow the U.S. In light of this trend the majority of institutions must at least consider whether their mission needs to evolve in concert.

One does not have to stray far from the Liberty Bell to find a case study of success in establishing a focused mission consistent with filling the important societal mission of providing greater access and accountability to working adult students. Peirce College, founded in 1865 by Thomas May Peirce, is located in Philadelphia’s business district. Arthur J. Lendo has been President of Peirce since 1991. He first presided over a comprehensive assessment of the college in the first half of the 1990’s, followed by a laser focus on the core mission of the institution that will make many of our readers envious.



Starting from the first key principle, that the college’s purpose is primarily to provide “teaching and learning”, as opposed to “campus management”, Peirce has devised and implemented a strategy that truly reflects their new mantra: “On campus, on-site, and online.” Under Dr. Lendo’s leadership, Peirce has successfully launched Peirce Corporate College and Peirce Online. The later

initiative involved over 5,000 course registrations in fiscal year 2003 with students from some 43 states and some half-dozen countries. The college, including online delivery, is accredited by Middle States.

Prior to coming to Peirce, Dr. Lendo’s credits include administrative and faculty positions at The American University, Boston College, Northeastern University, and Saint Joseph’s University (PA). In the middle of his academic experience there was a

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stint at Sperry Univac, during a tumultuous transition of the computing industry. From this experience Dr. Lendo says he learned many lessons about business practice - both good and bad. He holds a Ph.D. from Boston College, a M.Ed. from The American University, and a B.B.A. from the University of Notre Dame.

Available for download on the A-HEC website is the policy paper “Asynchronous Online Learning Generates Myriad Policy Questions”, presented by Dr. Lendo at the Oxford Round Table on July 8, 2004.

In this A-HEC interview we probe for some of the key lessons from the transformation experience at Peirce and get the President’s thoughts on the changing face of higher education.

A-HEC: Does Peirce have an objective to grow enrollments, and, if so, by how much?

AL: Yes. At Peirce we have three lines of delivery: on-campus (downtown Philadelphia), on-site (at corporations), and online (referred to as IMDL or Internet Mediated Distance Learning). Over the next four years we have objectives to grow all three by double digits each year.

A-HEC: Would you recommend organizing and tracking the financial results of various market-focused initiatives such as Peirce Online and Peirce Corporate College separately, or should they be integrated with the campus operations in some way?

AL: Although we have objectives for each of our three delivery lines, our approach is highly integrated. We are very concerned with being able to support what we refer to as the “mosaic learner”, which is a term we use to describe a student that takes courses in more than one delivery mode. At Peirce we believe that there are “no second class citizens”, meaning that every student receives the same high quality experience, whether they are taking courses online, on-campus, or on-site. Each of our delivery lines features the same curriculum, the same course descriptions, and the same faculty. Our staff and faculty understand that this integration and interchangeability makes our programs more appealing to students, who have a flexible way to stay with a program even with changes in lifestyle or location.

A-HEC: Peirce has been successful at achieving something that few non-profits have in that not only were you able to articulate the focus on teaching and learning, but, you implemented tradeoffs that eliminated resources and activities that did not align with that focus. What would you say were the most important three or four ingredients to being able to make and implement the tough decisions required to achieve focus?

AL: First, we have achieved alignment on the priority that our primary function is higher learning. This means that instruction drives our decision-making. As a result, for example, we are far more committed to instructional technology than to bricks and mortar.

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Second, student learning is our priority. We believe that employees and their welfare are very important. But, the fulfillment of student learning takes precedence.

Third, we have an equal commitment to all three-delivery lines in order to meet the needs of our student learners and insure quality across the board.

So, key to our achieving focus has been to frame our most important priorities and then make operational decisions that consistently reflect those priorities. In order to achieve quality in our priorities we have focused our resources toward those ends and away from other none critical areas.

A-HEC: Many institutions and pundits are in what seems like an endless debate on whether a student can also be a customer. At Peirce there are no qualms about the student being the customer. How have you managed to achieve such strong alignment on this key point that is elusive at other institutions?

AL: Framing the discussion is very important to achieving alignment. At Peirce we view students as intelligent education consumers. The average age of a Peirce student is 34 years young. We are concerned with providing services to meet their needs, while never sacrificing academic integrity. So, we choose to use this terminology, which seems to be easily understood and embraced, as opposed to using the term customer.

A-HEC: How do you recommend getting accurate, actionable feedback from the students/consumers?

AL: We utilize multiple instruments, including advisory groups and course feedback. Perhaps what is different about Peirce is that we have dedicated program advisors that provide ongoing, hands-on relationship management with students and the student feedback is reviewed at least monthly by our Chief Operating Officer. We do not have a Provost at Peirce. The Chief Operating Office presides over the academic operations.

A-HEC: If I understand correctly, at Peirce the faculty are non-tenured. Being very familiar with the tenure system yourself, how would you describe how this impacts Peirce's relationship with its faculty and academic freedom as perceived by the faculty?

AL: Peirce is a non-tenure environment with accreditation. This places us among a small group of higher learning institutions in the U.S. During my tenor we have worked to make employee development a top priority and implement a leading edge professional development process that the faculty actively participated in developing. All employees at Peirce, faculty or staff, are reviewed annually to measure their progress against their plan and rewarded on merit. Again, framing the discussion is key. While faculty and employees have rights, they have come to recognize that the college also has rights to insure we are meeting the needs of students. In the end

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analysis we believe that our faculty and other employees are very satisfied with their relationship with Peirce and it compares favorably with other options.

A-HEC: What is your advice on implementation of marketing programs to other higher education executives? You have been successful at expanding your reach beyond the local area. Is this something that you would recommend, and, if so, what is important to consider?

AL: My most important advice is that any image enhancement has to be in harmony with the institutional mission. You can't be all things to all people. You need to say what you mean and deliver what you say. Extending beyond the local region is a decision that should be made based on how competitive your program and institution is in that environment. So, looking at competitive positioning is key in that respect.

A-HEC: How important is keeping Peirce programs fresh, current, and practical to their success in the market and are there secrets to making sure that happens? Who has responsibility for this?

AL: Since our focus is on four-year practical baccalaureate programs, by definition we must stay on the leading edge. Besides the operational approach of program advisors and review by our COO, my office is directly responsible for strategic planning and positioning. At Peirce, ultimate authority rests with the board of trustees. The role of the faculty in academics is key, but the strategic direction of our institution is not delegated.

A-HEC: What do you consider to be most distinctive about the Peirce programs? Why?

AL: As mentioned previously, Peirce provides an educational experience with no geographical or physical boundaries and features the same high quality across all three delivery lines. We believe that this represents "academic freedom" for the intelligent education consumer.

In addition to institutional accreditation by Middle States Association, Peirce also provides the degree specific accreditations students are looking for. The Bachelor of Science and Associate in Science degrees and the Certificate of Proficiency in Paralegal Studies are approved by the American Bar Association (ABA). The Association of Collegiate Business Schools and Programs (ACBSP) endorses Peirce College's Bachelor of Science and Associate in Science degrees and the Certificate of Proficiency in Business Administration.

We focus on the practical side of the baccalaureate level and have found that our combination of flexibility and quality is very competitive in the market.

A-HEC: It appears that putting entire programs online has been a major success for Peirce, and Peirce has been a major beneficiary of being ahead of the curve in this regard.

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How do you see the competitive landscape evolving for Peirce for online degrees for career-oriented individuals?

AL: Many traditional institutions have been putting degrees online primarily at the graduate level. At the undergraduate level the large majority of traditional institutions are committed to a campus-based experience and online is a supplement to the campus experience. So, we believe that Peirce's online undergraduate degrees compete well with traditional institutions. As for the for-profit institutions, we feel that our 139 year tradition, accredited degrees, and quality services will continue to compete well.

A-HEC: Can non-profit institutions grow at the amazing rate of some of the for-profit institutions focused on career-oriented education? Should more non-profits be considering a growth-oriented strategy? How do you see the competition between non-profit and for-profit schools evolving?

AL: There is no question that the market opportunity is large and growing. The competitive landscape is also very complex. The for-profit institutions have set some high expectations that will get harder and harder to deliver on as they get larger and larger. Recently we have seen some backlash and reduced valuations as a result of unmet expectations.

At Peirce we are focusing on planned incremental growth. We see double-digit growth as positive and achievable, but, most importantly; it must be manageable to maintain our standards.

The higher education establishment is focused more on traditional models. Leaders need to think more about public accountability and economic realities. Costs are continuing to rise and economic uncertainty abounds. The price to the student is a fraction of the actual costs. A key question is to what level the taxpaying public will continue to subsidize such a model. Through technology, some institutions, such as Peirce, have been able to facilitate growth at a price students can afford and are competitive with for-profits and subsidized public institutions.

A-HEC: At Peirce you have implemented a very effective "Program Advisor Model" to address the needs of distance students. Do these advisors also help place students into jobs, and, is that something that the for-profits do that non-profits should consider emulating? Is this the ultimate "outcomes assessment" or do you have other measurements you focus on?

AL: Most of our students are working adults and therefore are already employed. Economically our students measure return through raises and promotions, which may come immediately or down the road. Such events are difficult to measure. However, we are beginning implementation of a Customer Relationship Management (CRM) system to enable us to track our graduate's progress. We think the application of CRM in higher education will be important in the future.

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Outcomes assessment is a cornerstone of the Peirce academic offerings, Peirce has moved expeditiously to embrace and implement the assessment guidelines of our accreditors. One of our motivations to move faster on this than most institutions has been to deliver on our value proposition of the same quality across all delivery lines.

A-HEC: Do you find that there is increased competition in developing corporate relationships and, if so, what is the best approach to serving your corporate partners/sponsors?

AL: The world of work is experiencing rapid change. In corporate relationships it is important to demonstrate value-add. At Peirce this value add comes from teaching on-site and working with the students to cover actual and relevant real world experiences and case studies. By combining this with our high quality curriculum we achieve a real value-add. We also provide the benefit of being able to serve a corporation that is geographically dispersed with our online capabilities.

At Peirce we have implemented an accelerated degree model. This is a tried and true model that has been used by many for 25 years. We have multiple start points throughout the year, which allows us to customize the schedule for a corporate partner, while maintaining integration and consistency of quality.

A-HEC: Finally, do you have any predictions on the types of strategic partnerships we will see emerging among institutions or between institutions and corporations to meet the ever expanding lifelong learning needs of adults?

AL: We have a current relationship with eCollege as our e-Learning platform provider. We think this is an example of a sophisticated, contractual, 21st century partnership that we engaged in only after looking at all of the alternatives. While our relationship with eCollege is very close, Peirce maintains control over all content-related issues, which is key to quality assurance. The advancement of technology to support teaching and learning is vital to our mission.

We have spent a large amount of time studying the healthcare and banking industries because we believe that there may be lessons to be learned from the evolution of these industries for higher education. This is not to say that we should repeat their mistakes, but we believe there may be indications as to where our industry may be going. However, our programming focus on workforce and economic development will continue to guide us through changing times. Our commitment to working adult learners will remain steadfast.