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Forces inside and outside of community colleges are changing the context for governance and mandating new and different approaches to decision making.

Governance in Strategic Context

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In a chapter titled "Reforming Governance," Alfred and Smydra (1985) offered the following observation on governance in community colleges:

> To the experienced community college administrator, one message would seem clear: competition is on the increase among different institutions to meet the demands of a changing student population. Two-year colleges will require aggressive leadership and innovative approaches to governance if they are to maintain or increase their share of the student market. . . . The questions that must be faced by community college boards, faculty, and administrators are: To what extent will any changes or dislocations in the structure of postsecondary institutions affect governance in community colleges? How will decision makers anticipate and react to these changes? Will community colleges continue in their present form or will they extend beyond their current organization and deliver new services? Will they be selectively integrated with other sectors of education as pressure mounts for coordination in a period of austerity? [p. 200]

In retrospect, this observation was simultaneously prophetic and ill conceived. A baseball scorecard would show five hits and one out. On the mark was the idea that student needs and interests are changing, competition is on the increase, and market share is an important driver for institutions. Off the mark was the notion that community colleges could be selectively integrated with other sectors of education to quell pressures for accountability and fiscal restraint. Especially insightful, however, were the

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observations on expansion of institutional boundaries to deliver new services and the impact of structural changes within institutions on governance. The context for governance in community colleges is changing, and it is changing in ways that will have implications extending vastly beyond anything we have seen in earlier periods of institutional development.

This chapter begins with a retrospective look at governance in community colleges based on a working understanding of governance as a correlate of decision making. In its simplest form, governance is "a process for distributing authority, power, and influence in decision making among constituencies" (Alfred and Smydra, 1985, pp. 201–202). What makes inquiry into governance important, both in earlier periods and today, is the notion of forces inside and outside of colleges and their relationship to governance. What are these forces? Why are they important? And what are their implications for governance? The objective of this chapter is to answer these questions by examining the contextual conditions that affect colleges and, by extension, shape the context for governance, including forces in the external environment, internal operating dynamics, and the imperative for growth and change.

Governance: A Retrospective Look

A useful account of the evolution of governance in community colleges from their early development in the 1950s and 1960s to the turn of the millennium was provided by Alfred (1998b). Portions of this account are presented here to show how some elements of current practice in governance are a carryover from the past in a sector of postsecondary education that is comparatively young.

In the short span of forty years, community colleges have evolved from small organizations administered by leaders with almost unlimited authority to complex multifaceted organizations staffed principally by specialists and part-time personnel in departments and administrative units detached from the center of the organization. In the early days, presidents made decisions with a small group of administrators and relied on an informal network to communicate the results of the decision process. As institutions grew in size and complexity, a pyramid structure for governance evolved in which power flowed from the president at the top of the organization through layers of vice presidents or deans, directors and department heads, and faculty and staff (Alfred and Carter, 1993). The allocation of resources in the budget came to be the primary mechanism of control for many presidents. Faculty maintained primary responsibility for decisions on courses, curricula, and matters pertaining to teaching and learning, and administrators maintained responsibility for decisions related to operations, priorities for institutional development, and resource allocation (Alfred, 1998b). The result was the beginning of conflict between faculty and administrators over roles in decision making. Issues were weighed in terms of their impact on stakeholders, and growing numbers of staff made the availability of resources a critical factor in decision making.

Tightening resources and increasing pressure for inclusion in decision making altered the context for governance in the late 1970s and early 1980s. Collective bargaining entered the picture, and community colleges that had assigned a primary decision-maker role to the president in their developmental years found themselves besieged by special interests. New actors outside of institutional walls laid claim to a stake in governance, including coordinating boards, legislators, local politicians, policymakers, and influential citizens (Alfred and Smydra, 1985). Few issues generated more controversy than the control of colleges and the location of power for making decisions. A sharp increase in support from the state was accompanied by state-level monitoring, auditing, and policies that affected the programs and operations of most colleges (Alfred, 1998a). At the same time, faculty and staff began to push for meaningful involvement in decision making under the banner of shared governance. Increasingly cognizant of the fact that collective bargaining could safeguard or improve working conditions, but could not guarantee involvement in strategic decisions, faculty began to establish alliances with special interest groups to push for a voice in governance. Legislation spurring a move from participative to shared governance in California community colleges ushered in a new era of governance in which words such as empowerment were routinely used by faculty and staff to describe a preferred way of doing business.

The context for governance took a corporate turn in the 1990s, when rapidly changing conditions inside and outside of colleges rendered traditional structures and systems obsolete. Students and stakeholders became more vocal in making their expectations for service and quality known and exercised other educational options when institutions responded with too little, too late. New and aggressive rivals arrived on the scene and challenged existing rules of competition by creating value for students in ways that surpassed traditional colleges. For-profit colleges brought new meaning to student intake by bringing the entire process to prospective learners at home or work, determining financial assistance on the spot, and offering lifetime placement assistance and job guarantees following program completion. Technology eliminated barriers to market entry, and a new wave of providers put a different spin on access and convenience by offering courses and services on the Internet twenty-four hours a day and seven days a week (Alfred, 2005). Finally, pressure for accountability and performance documentation intensified, as state and federal government agencies sought to gain a measure of control over costs and student outcomes.

This pressure point continues today through the work of the Spellings Commission and its efforts to push colleges and universities to do more with student access and student support. The decade of the 1990s and the early years of the new millennium changed the context for governance by encouraging approaches to decision making keyed to speed and flexibility.

The day of the slow-moving sedan on a two-lane highway was gone, and in its place was a sleek sports car on a freeway capable of accelerating quickly in response to rapidly changing conditions. On a freeway of shrinking resources and aggressive competitors, the margin for error was small: a fast-moving car could reach its destination successfully only if the driver was looking ahead.

Interestingly, the governance systems at work in community colleges today contain many of the elements of governance in earlier periods. Inside colleges, power and influence in decision making remain at the executive level, but decisions are now made by an executive team, in contrast to the president. Reliance on informal networks to interpret and communicate the why and how of decisions continues to be strong, but informal channels of communication are now a necessity to navigate the chimneys of an increasingly complex organization. Within our colleges, faculty and staff continue to push for inclusion in decision making, but the push is now more symbolic than real as the press of work created by rapidly escalating demands and diminishing full-time staff makes survival more important than engagement. Outside of colleges, pressure for accountability is escalating, but it is coming from new and different angles, some direct and some oblique, as new stakeholders holding more and varied interests get into the game.

Governance has become a process for the few and for the many; it is both an ideal and an actuality, and its meaning today is different from what it was yesterday. Depending on the importance one assigns to decision making as an imperative for improved organizational performance, governance can take on greater or lesser importance. For example, can we say with certainty that specific practices in governance actually result in better or poorer decisions? Are universal truths such as the desirability of inclusion in decision making viable under all circumstances, or only under certain circumstances? Are there automatics in governance—practices that make good sense regardless of circumstances—that should be part of every college's management arsenal? If so, what are they? I'll try to answer these questions, or at least to explore their implications for community colleges, in the pages that follow, beginning with the strategic context for governance.

Community Colleges in Strategic Context

This chapter was written in the third quarter of 2007. Anyone reading a newspaper or magazine, watching the evening news, or surfing the Internet was likely to encounter headlines focused on

- The I-35 bridge collapse in Minneapolis
- Climate change and global warming
- War or the threat of war on multiple fronts
- Terrorism and homeland security
- Declining market share for domestic automakers

- Immigration reform
- Global competition and new economic superpowers
- Preparedness of U.S. school-age youth in a world of hypercompetition
- Declining stature of the United States in world opinion
- Presidential candidates jockeying for advantage
- Rising oil prices and calls for synthetic fuels
- Increasing health care and infrastructure costs

These challenges are global in scope, but local in impact through their influence on the goods and services people acquire, the prices they pay, and the issues in life and work they encounter each day. Thinking globally and acting locally have never been more important for service organizations (Alfred, Shults, and Seybert, 2007). On the one hand, it is a mantra that community colleges will need to embrace as they try to maintain or increase market share in a world of new players, new rules, and ever-more demanding stakeholders—a world of disequilibrium and hypercompetition. On the other hand, it is a contextual reality that leaders will need to address as they grapple with the largely unpredictable but profound impacts that diverse staff, new digital connections, and new generations will make on their institutions. Community colleges are likely to face numerous challenges to traditional forms of governance emanating from forces and conditions outside and dynamics inside institutional walls. The forms these challenges will take and their implications for governance are described next.

External Forces. The pace of transition from an industrial economy to a knowledge economy and from a national economy to a global economy will accelerate. In the new economy, community colleges will be expected to become the hub of a supplier network of schools, colleges, for-profit providers, and business working together to prepare workers with world-class skills (Alfred, Shults, and Jaquette, forthcoming). Advancing technology and global competition will open up new industries and new jobs. Existing jobs will be reconfigured to meet changing knowledge and skill requirements, and new jobs will be created to support emerging industries. Jobs that once seemed to be a source of opportunity will disappear, and others that could not have been imagined five years ago will take their place. The workforce will become more diverse as domestic and foreign markets become important sources of skilled labor. More age generations will be represented on college campuses, and demand for postsecondary education will swell beyond capacity, prompting colleges and universities to make teaching resources and materials available to people free of charge on the Internet. Just-in-time education in small learning communities will become a preferred mode for knowledge and skill acquisition among learners.

Turning to education, large numbers of students will continue to drop out of high school before graduation, and a growing number of learners will look for alternatives to the senior year. School districts seeking to improve retention and diploma completion will pursue articulation agreements with colleges and universities that funnel students into postsecondary education at an earlier age. More students will move on to college, more than half will enroll in community colleges, and most will require remediation. These learners will enter college with advanced experience and expectations for technology. Advancing technology will separate generational groups into digital "natives" and digital "immigrants," and it will revolutionize the postsecondary education market by removing barriers to market entry for new providers and meeting learners' expectations of access to learning and services twenty-four hours a day, seven days a week.

Community colleges will move into an accountability era where government agencies—local, state, and federal—will provide a greater share of funding based on evidence of value added. Spending on education will be linked to increased accountability, as public funds tighten because of mandatory expenditures for transportation, health, and national defense. Colleges will be forced to develop new assessment strategies to qualify for funding and to maintain market share with hard-driving rivals. For-profit providers will continue to challenge community colleges, but a greater threat will come from new rules of access and convenience prompted by informal learning communities seeking flexible, low-cost educational services via the Internet and traditional students swirling among and between colleges to customize the learning experience (Alfred, Shults, and Jaquette, forthcoming). New learner generations will differ from their predecessors in important ways, most notably their tolerance of diversity, their high level of comfort with new technology, and their exposure to best practices in different types of organizations, which enable them to view institutional performance in a considerably broader context. To counteract the disruptive effects of change and competition, educational providers will seek to collaborate and work in networks, ultimately making the structure of the network more important than the administrative structure of the college.

Internal Dynamics. Organizations have a natural development cycle beginning with growth followed by maturation, stability, and then decline or renewal (Alfred, 2005). Community colleges have experienced sustained explosive growth over four decades. To enable and support growth, they have become complex organizations with expansive requirements for money, staff, technology, and facilities. Their organizational architecture has grown to encompass new program and service missions, and expert staff have been hired to perform specialized functions. To cope with more functions, more responsibilities, and more staff, colleges have distributed work processes among more people, each performing a range of functions smaller and more specialized than the staff before them. Increasing specialization has led to increasing fragmentation as organizational subcultures have grown and flourished among small numbers of staff working together to deliver a service. A new organization has emerged—one with multiple suborganizations (departments, administrative units, and work groups) pursuing specific operating objectives within the structure of a loosely coupled parent organization (Alfred, Shults, and Jaquette, forthcoming). The college that started as a handful of administrators and faculty serving 1,200 students in 1968 has now become a siloed, multifaceted institution serving 12,000 students with one thousand instructors and staff (including part-time) deployed in fifty academic programs and thirty service units.

Decision making and communication in this extended organization are different in form and function from their makeup in smaller organizations. Staff working in tightly knit subcultures cope with increasing size and complexity by restricting their focus to the operating unit. For many, the work unit has displaced the institution, as their touchstone and perceptions of work are formed through the lens of the work group, not through personnel in other parts of the institution. Consensual decision making and effective communication are desirable commodities in any organization, but in this siloed organization they are elusive and beyond reach. In an earlier day, staff could resolve problems through direct contact with leaders who could fix them. Increasing size and complexity have rendered direct solutions more difficult as policies, systems, and procedures have been created to coordinate the work of staff. To get work done, community colleges now rely heavily on outsourcing and partnerships composed of people and organizations outside of institutional walls. Almost every institution is partnering with K–12 schools to dually enroll students, with employers to design and deliver customized programs, with technology firms to deliver distance education, and with government agencies to promote economic development.

On this background of increasing complexity, leaders are daily confronted with challenges of changing loyalties of faculty and staff and a diminishing span of control over the institution. Activist cultures inside the college and demanding stakeholders outside are increasingly burdening seasoned leaders. Questions are being asked by boards and stakeholders that challenge the fundamentals of leadership, management, and governance. What is the college? Is it a whole organization or a sum of parts? What can leaders do to enhance individual performance and commitment when loyalty to the work unit is stronger than loyalty to the institution? Which approaches to management and decision making work most effectively in a complex multifaceted institution?

Implications for Governance

A conceptual frame that puts an interesting cast on governance in complex service organizations like community colleges is Granovetter's (1985) theory of organizational embeddedness, in which decisions are embedded in networks of personal relationships involving leaders and staff. The structural nature of embeddedness posits a tension between *ties* that bind people together and thereby encourage cohesiveness and stability and opportunities or *holes* that encourage change and enable new ideas to gain a foothold in the organization (Burt, 1992). Organizational dynamics such as increasing size and complexity favor the development of governance models that facilitate dualistic approaches to decision making. Once embedded in the personal network of leader-staff relationships, these models become a source of stability and cohesion, but also a force for adaptation and change.

If we use the concept of embeddedness to describe the implications for governance of forces inside and outside of community colleges, a paradox involving simultaneously contradictory conditions emerges. The dimensions of this paradox can be described as tensions between strategic and operational approaches, vertical and lateral structures, rational consistency and sense making, and institutions and networks.

Strategic and Operational Approach. The evolution of community colleges into large-scale organizations has created a tension between forces of cohesion (dynamics holding an institution together) and fragmentation (dynamics dividing an institution into parts). Examples of the former include statements of institutional vision and priorities, core values, and uniform systems and processes. Examples of the latter include divisional plans and budgets, departmental practices and procedures, and subculture norms. The implication for governance is dualism in decision making, with faculty and staff exercising control over operational decisions and the president and executive team controlling strategic decisions. The difficulty with this scheme is that the distinction between strategic and operational is often murky, and the two decision realms bleed into one another. When this happens, senior administrators narrow their focus in decision making to operations at the expense of strategy. This pattern can be observed in the tendency to confuse strategic planning priorities with institutional strategy and to elevate the budget—an instrument of control—to a statement of priorities. The effect is to remove strategy from the table as an important decision realm in governance at a time when attention to this realm is more important than ever.

Vertical and Lateral Structure. The introduction of large numbers of expert staff to carry out specialized functions has produced parallel (and sometimes competing) decision-making structures in community colleges—one vertical and the other lateral. Silos remain the organizing framework for operational decision making related to the delivery of programs and services, but a lateral structure has emerged to assume responsibility for decision making in specialized performance arenas such as student intake, curriculum development, and assessment. Staff affiliated with lateral structures work differently from staff laboring in silos. Decision making in the lateral organization is "outside-in" rather than "inside-out," with clients clearly identified, their needs and expectations determined, and need satisfaction established as the primary objective in decision making. In contrast, decision making in silos is focused to a much greater extent on maintaining balance and minimizing the disruptive effects of change. Limited resources and short staffing encourage personnel to find shortcuts and efficiencies in decision making that often make them the primary customers of their work. The implications for governance are two-fold: the number of players and beneficiaries in governance has increased, making it more complex and difficult to manage as a process; and multiple organizations with different priorities and operating modes are at work in community colleges, making governance a pluralistic process instead of a shared venue.

Rational Consistency and Sense Making. The basis on which decisions are made creates tension in community colleges. Although leaders and practitioners have been encouraged through the writings of organizational analysts and the advice of mentors to believe that the best decisions are made through a process of rational thought using adequate information, in reality many decisions are made on the basis of insufficient information. In periods of great uncertainty, rapid change, and ambiguity, the limited and piecemeal information available to decision makers sometimes leads them in the wrong direction. Drawing a parallel between woodland firefighting and organizational leadership, Weick (1996) argues that leaders sometimes misread the context in which decisions are made. They have a tendency to rely heavily on time-tested tools and thus may fail to imagine navigating a situation without them or, worse, fail to relinquish them and explore alternative paths to a decision. Under unusual operating circumstances, leaders who spend too much time seeking information to make the best decision may channel their thinking and fail to grasp the reality of the situation at hand.

The implication for governance is a need to consider parallel systems for decision making in community colleges: one better suited for rational, data-based decision making in periods of stability and the other for sense making in periods of fast change. Parallel governance may be likened to situational decision making—an arrangement by which contradictory approaches to decision making can be employed depending on the situation. The ground rules guiding the use of different systems would be known and understood by staff, and leaders would be responsible for determining which system to use depending on their assessment of the urgency of a situation, the speed of change, the need for inclusion, and the nature of a desired outcome.

Institutions and Networks. The literature on high-performing organizations encourages the need to consider alternative pathways in governance by bringing into focus the importance of *networks*. More and more colleges are collaborating with external organizations—business and industry employers, technology providers, K–12 schools, and so forth—to control costs and improve quality in an increasingly competitive market. The network poses a challenge to governance and management, however, because it calls into question the locus of power for strategic decision making—does it reside in leaders in the institution, players in the network, or both? Community colleges in a number of states are evolving into seamless P–16 educational networks involving K–12 schools, community colleges, public universities, employers, and government agencies to facilitate educational attainment through the baccalaureate degree. The rationale for doing so is compellingly simple: the outcomes and benefits produced by networks easily exceed those produced by a college, because networks expand geometrically in relation to the resource capabilities of multiple organizations, whereas colleges are limited by the quantity and quality of their internal resources (Alfred, 1998a). Networks, therefore, are not a question of yes or no, but of when and to what extent. They will become a major force in community college operations, and they will radically alter the context for governance by injecting new and influential players into the decision process.

Navigating the Paradox

A problem frequently cited by leaders in colleges undergoing growth and change is decreased opportunity for staff involvement in decisions. Inclusion—engaging staff in decisions that establish direction for the institution—is rapidly becoming a lost skill in community college management. Yet in the full-service organizations that community colleges will need to become to serve tomorrow's learners, inclusion will be perhaps the single most important determinant of leader and institutional success. Leaders will need to find ways to prevent size and complexity from turning institutions into educational bureaucracies and dispirited workplaces. They will need to turn large organizations into small ones by reducing the scale of the administrative structure and by minimizing the isolating effect of walls and boundaries. Most importantly—and this is the key to navigating the paradox of contradictory conditions—they will need to craft models for governance that engage staff in the strategic life of the institution by involving them in decisions.

It has been my practice as a thinker and writer to close articles and books with a call for change—something that will make a difference in what practitioners think and do and how institutions perform. I will forgo that practice in this chapter and instead offer an example of how governance can be modeled around a principle of inclusion using the Six Sigma program of Illinois Central College (ICC).

Developed in 1987 by Motorola, Six Sigma is a process improvement methodology used by organizations to improve performance by comparing results to customer-constituent expectations. Beginning in 2005 and continuing today, Illinois Central has incorporated Six Sigma methodology into governance by selecting and training staff to work full-time with institutional teams charged with identifying and solving institutional problems and improving business processes. The teams are cross-functional in composition and employ a methodology known as DMAIC—or define, measure, analyze, improve, and control—to identify and solve problems. Currently, more than half of the full-time faculty and staff at ICC are working on teams engaged in improving processes such as advisement, financial aid, and assessment of student performance. By engaging faculty and staff in collective problem solving using an accepted and widely practiced industry technique, Illinois Central has tackled the problem of inclusion. Decisions are made by faculty and staff working directly with customers and constituents, not senior administrators working apart from customers in the comfortable security of offices.

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