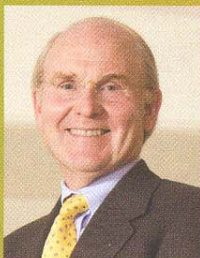


Shared Lessons, *Shared* Success

By Leo I. Higdon Jr.

When I left Wall Street in 1993 for a new career in academia, I found many opportunities to adapt the skills and perspectives I had acquired in the business world to college administration. I expected that. Today, I see new chances for knowledge transfer between the corporate and educational sectors—and what I have learned is that now, many of the lessons are flowing in the opposite direction. These days, I'd say CEOs have as much to learn from college presidents as we do from CEOs.

In the corporate world, we are seeing the demise of the imperial CEO, brought down in part by communications technology that gives anyone with a laptop and an Internet connection the 21st century equivalent of a microphone, a soapbox, and an enormous audience. Increasingly strict disclosure requirements have made the corporate environment dramatically more open. In the Internet age, any shareholder—or for that matter, any reporter, blogger, interested employee, or ordinary citizen—can instantly obtain detailed information about a company and share it, and their opinions about it, with the world.



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The result is that critical corporate decisions can no longer be made by a handful of people behind closed doors. Today's CEO must operate in an environment of unprecedented transparency. He or she must share more information, involve more people in decision making, explain and justify decisions, and consider the opinions of a wider range of constituents than has traditionally been the case.

This is clearly an area in which college and university presidents can help. In the so-called ivory tower, we live in a culture defined by broad consultation and consensus building. Faculty, staff, students, parents, alumni, local citizens, government agencies, and even the public at large all have strong feelings about our institutions and feel entitled to weigh in on decisions large and small. And the special interest groups can be challenging; after presiding over the United States and Princeton University, Woodrow Wilson is supposed to have said that the politics were more complicated in academia. As a result, decisions are painfully slow, but—here's the good news—once they're made, they tend to stick.

In my first year at Connecticut College, I framed a campus-wide discussion to learn what issues were important to people at every level. Drawing on the talents and experiences of all of our institution's stakeholders, that discussion evolved into a set of priorities from which we developed a common vision and an executable plan. Today, we are moving forward with widespread consensus—everyone understands the plan and the priorities and we are all working together toward its success.

Business leaders would be wise to incorporate more of this kind of collaboration into their own leadership styles, especially as they seek to attract and retain smart, driven individuals who want to be more involved in mapping the company's future.

Keeping Focus

Collaborative leadership at Connecticut College is very much driven by our institution's mission, and this is another area in which business leaders can learn a lesson from higher education. As we all experience change, colleges focus on their respective missions, the core principles and enduring values that are most important to their communities, their sense of history, and their future. Business, on the other hand, sometimes focuses on profits to the exclusion of everything else, including its mission, and that can be a mistake.

Higher education paints a much clearer picture of the future through public announcement and commitment to its values, mission, and core principles. In a real sense, our mission acts as the lens through which we view our future.

Let me highlight an example from my own background. As part of a board room discussion about the pros and cons of eliminating a number of long-standing business lines from a company in which I was involved, I asked the board members to view the business's future through such a lens. Up to that point, the discussion had been focused almost exclusively around the bottom line and short-term gains; talk of the company's deep-seated mission or the values that contributed to its own success had been absent.

I raised questions about what was important for the company to preserve. I asked if management had taken into consideration its mission and values in arriving at its decisions, lest it find itself doing long-term damage to its reputation and business franchise. When they looked closely at what the future might hold if the company strayed too far from its mission, the board members decided to rework the strategy, which was the correct long-term decision for the company and its shareholders.

In today's environment, some of those same values may relate to long-term concerns for public issues. Higher education has for many decades recognized the need to take an active role in life outside its ivy-covered walls. Colleges are driven in this area at times by idealistic young students who first raise issues in classroom discussions that then sweep across campus, building support. We are pioneers in the environmental movement, for example, as well as volunteers in our communities and advocates for the oppressed.

Higher education has concerns for public issues that, in some cases, businesses are only beginning to adopt. It's not enough to focus solely on the bottom line; all organizations should have a public purpose, such as supporting the environment, that they can then incorporate into their plans and thinking. Many businesses are beginning to adopt leadership roles in the environmental movement, as the green wave finally sweeps through corporate America. More CEOs need to realize that appealing to this kind of idealism is also good business. Higher education leaders can help our business counterparts understand how embracing a social issue can bring people together and benefit the institution over the long term.

Increasingly, success for all institutions—both corporate and academic—will be built around constant learning, and business leaders can definitely look to academe for help in integrating a learning focus into their corporate cultures. It's at the very heart of higher education. Of course, many companies today support learning among their employees, and given the pace of change in the world today, this is extremely important. Today's employees are constantly retooling themselves to meet the changing demands of the workplace. Companies that inculcate a culture

of learning will attract and retain employees who are problem solvers, who seek new approaches, and who can lead the company forward in an evolving global economy. The ability to learn is where people add the most value to their organizations. Many a business has successful executive education programs, but companies need to do more to integrate learning into their cultures.

The Business Case

At this point, having served as a leader in the academy for almost as long as I was on Wall Street, I can say that my own leadership style is a unique blend of both backgrounds. I know that just as business leaders can learn from college presidents, higher education leaders would be wise to incorporate proven business methods into their own leadership strategies and practices.

There is a set of business practices that has defined successful companies for decades. Certainly both higher education and business have a planning orientation. The distinction is that corporations generally are more focused on executing the plan. Business doesn't think the job is done when the plan is complete; instead, business leaders concentrate on next steps—what is the cost, how is success measured, what steps are required to reach the plan's goals, and, importantly, who is accountable?

Business also doesn't hesitate to alter the plan based on changes in its industry, environment, or the economy. Higher education should be more nimble and expect to incorporate changes as part of continued adherence to a plan.

The plan's execution in many cases is a direct result of the team structure characteristic of business. It's natural for companies to work in teams, and these can exist across continents, cities, product lines, and countless other areas, encouraging collaboration and



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improved performance. Some colleges and universities still tend to work in silos and could learn a lesson from business about breaking down these barriers to achieve their goals.

Another area in which business has made greater progress is the process of personnel evaluations. An environment that promotes assessment and feedback of individuals also promotes staff development. When people better understand their roles and how their actions benefit the mission and support the values of the institution, their value to the organization improves. After all, classroom feedback has been a hallmark of our education culture for a long time.

All Together Now

As college and university presidents, we all have boards that include successful businesspeople. Many of us also serve on corporate and community boards, alongside business leaders. Our alumni are integrated into every facet of the business world, in this country and around the globe. As we all enter together into this

more difficult economic environment, where more is expected of our country's higher education institutions, we need to look around us to the people who can help us successfully navigate the challenges on the horizon.

Even as the pressures upon our institutions increase, we should begin to engage in dialogue with the businesspeople around us. We are seeing many businesses begin to suffer the initial effects of an economic downturn—the same downturn that will cause major headaches for college and university presidents throughout the country. There are lessons here for all of us. We may succeed by staying on our own separate paths, but in today's knowledge-based economy, we each have a vested interest in the other's success. When we can learn from our business counterparts—and they from us—we all will truly benefit. ■

