ORGANIZATIONAL ADAPTATION TO THE RAPIDLY CHANGING EXTERNAL ENVIRONMENT: A CASE STUDY OF STRATEGIC MARKETING AT NOTRE DAME COLLEGE IN OHIO

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Abstract

This thesis examined the role of strategic marketing in organizational adaptation to a rapidly changing and competitive external environment among institutions of higher education. Colleges and universities adapt to external pressures as open systems operating within a broader external environment (Bess & Dee, 2008; Keller, 1983). How does adaptive change occur, how are strategic marketing concepts part of this change, and how does the organizational structure support the change? These questions made this an ideal case study for contingency theory, which accounts for changes in the external environment and the importance of “good fits” that will vary by organization (Bess & Dee, 2008; Kast & Rosenzweig, 1973).

Notre Dame College (“NDC”) in South Euclid, Ohio, was selected as the research site partly because private liberal arts colleges are particularly vulnerable in the current tumultuous environment (Kirp, 2003). This case study found that NDC’s president, Dr. Andrew Roth, as de facto chief marketing officer led an effort to make strategic marketing adaptations by engaging in strategic planning through the lens of the marketing mix (product, price, place, and promotion). NDC’s student enrollment more than doubled after creating new curricular, co-curricular, and extracurricular programs; keeping tuition and net price competitive with other private colleges; expanding into online courses; and improving personal selling and advertising.

The primary and most significant implication from this thesis is that colleges and universities cannot leave organizational adaptation or marketing planning to chance in the current rapidly changing and competitive environment.
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Chapter 1: Introduction

This doctoral thesis followed a basic principle relating to marketing and organizational adaptation derived from the work of George Keller (1983) who stated that the goal of strategy in college and university administration is “to get [the contemporary university] to behave like an organism that must feed itself, change, and adapt to its environment” (p. 174). Institutions of higher education (“IHEs”) operate within a context of an external environment of changing and competitive political and economic forces to which they continually adapt (Keller, 1983). This thesis was rooted in a desire to know more about the ways that IHEs adapt to environmental changes and the ways strategic marketing concepts influence adaptive organizational change.

Adaptive organizational change occurs through strategic planning, whereby IHEs interpret the external environment and adapt to changes in it in order to achieve a competitive advantage (Bess & Dee, 2008). IHEs use strategic marketing concepts during strategic planning by surveying the environment, learning about the needs of the segment of the population that it serves, and developing a plan that positions the IHE to serve the needs of the target population better than its competitors (Bess & Dee, 2008). Strategic planning is an iterative process that forecasts the future and develops a response plan to the forecast based upon an analysis of the relationship between the organization and the environment (Allison & Kaye, 2005; Bess & Dee, 2008; Keller, 1983).

The importance of strategic marketing to linking the environment to organizational adaptation was prophesied by Hiram College President Kenneth Brown (1940), who has no known relation to this researcher, in the following way decades prior to the proliferation of marketing in higher education:
As with Hiram, so will it be true of the hundreds of small American colleges. The uncertain future will be determined largely by the vision and the untiring effort of the college servants in ascertaining the educational needs of that section of American youth which the college serves and in fulfilling these needs in a superior way—but also partially at least by national and economic forces wholly outside their control. (p. 113)

While this statement originates more than 70 years prior to this doctoral thesis, the sentiment is immediately applicable to contemporary higher education administration. Just like Brown (1940) at Hiram College in the mid-twentieth century, senior administrators within the modern twenty-first century academic organization should understand the interaction between the organization and the rapidly changing and competitive external environment (Bess & Dee, 2008). Despite the purported importance to higher education, a scan of literature from the past decade about senior marketing officers at IHEs revealed only a few doctoral dissertations on the subject (e.g., Cardona, 2009; Hall, 2006). Therefore, this research set forth to expand upon a particular line of inquiry relating to higher education marketing and organizational adaptation.

**Statement of the Educational Problem and its Significance**

Systems theory puts into context the changes that have occurred in higher education vis-à-vis the political and economic history of the United States. In systems theory, open systems recognize the interaction between complex organizations and a constantly changing environment over which management has little control (Alkhafaji, 2003; Bush, 2003; Daft, 2007; Hatch & Cunliffe, 2006; Morgan, 2006). IHEs are open systems that adapt to the external environment (Cameron, 1984; Gumport & Pusser, 1995; Morrison & Mecca, 1989; Richards, O’Shea, & Connolly, 2004). For example, in the early years of American higher education, IHEs primarily
trained ministers and educated laymen for public service (Altbach, Berdahl, & Gumport, 2005; Brubacher & Rudy, 2006). During the nineteenth century, the founding of land-grant colleges and the proliferation of denominational colleges provided education for agricultural and mechanical arts and other useful subjects as the number of institutions grew to accommodate increased higher education enrollments (Altbach et al., 2005). In the years following World War II, higher education provided expanded access to job training for war veterans in record numbers (Altbach et al., 2005). By the end of the twentieth century, IHEs engaged in technology transfer and economic development in order to contribute to regional needs (Cote & Cote, 1993; Dooris, 1989; Missouris, 1998). In each example, IHEs provided services that changed according to their external environment; i.e., IHEs adapted in order to develop alignment or congruence with outside political and economic conditions.

As organizations adapt to the external environment, they often engage in strategic planning for the purpose of assessing the external environment, identifying their strengths and weaknesses, and developing a response to the environment in the form of services that are likely to resonate favorably with the environment (Alkhafaji, 2003; Allison & Kaye, 2005; Andreasen & Kotler, 2003; Peter & Donnelly, 2004). Bess and Dee (2008) refer to this as the adaptive model of strategy, which enables organizations to better adjust to the environment and therefore have a competitive advantage over other organizations in the same field. Organizations achieve a competitive advantage by offering a product or service that meets the needs of a specific market segment (Porter, 1996). Hatch (1997) summarizes that adaptive strategy “provides an important link between the organization and its environment” (p. 123).
Bess and Dee (2008) explicitly state the importance for marketing managers in academic organizations to understand the interaction between the organization and the environment. From a student recruitment perspective, for example, marketing managers must understand the nature of the student body and the competition for students from other IHEs, as well as the relationship between their institutions and the external environment (Bess & Dee, 2008). In other words, marketing managers use information about the types of students they serve, the programs that those students need or want, and competition from other IHEs offering similar programs in order to meet student recruitment goals. Outcomes in student recruitment provide valuable feedback to marketing managers about how well the academic organization aligns with its environment.

In determining where marketing fits into an organization, Armstrong and Kotler (2007) indicate five orientations from which to choose: functional, geographic, product management, customer management, or a combination of these orientations. While these orientations were not the focus of this research, Armstrong and Kotler (2007) say that the study of these orientations has become an increasingly important focus for organizational management. More organizations are shifting strategic focus away from products, brands, and territories and toward customers and customer relationships (Armstrong & Kotler, 2007). This doctoral thesis examined the interaction between IHEs and the environment, specifically with respect to strategic marketing’s role in adaptation to the environment.

Historically, marketing did not have a respectable place in higher education, as it has been viewed by the academy as “commercial” and a “necessary evil” (Ryans & Shanklin, 1986, p. 94). Broader recognition of marketing in contemporary higher education coincided with publications such as David Kirp’s (2003) *Shakespeare, Einstein and the Bottom Line: The*
Marketing of Higher Education, which examines higher education marketing and how IHEs have effectively used marketing in modern times, and George Keller’s (2004) Transforming a College: The Story of a Little-Known College’s Strategic Climb to National Distinction, which examines the 20-year conversion of Elon University from an undistinguished, regional liberal arts college to a eminent comprehensive university, in part through its marketing prowess.

Yet, no clear model for marketing in the organizational structure of IHEs has emerged (McGrath, 2002). The College & University Professional Association for Human Resources1 ([CUPA-HR], 2005, 2012), which has been tracking salary and demographic data since 1967, added the “Director of Marketing” position to its annual salary survey in 2004-2005, and as of 2011-2012, did not list a college or university marketing position in its senior executive and chief functional officers category. Instead, CUPA-HR (2012) has listed the “development of marketing plans for recruitment and retention of students” in its job description of the chief enrollment management officer, a position that is also responsible for coordinating admissions, financial aid, records, registration and advising (p. A-3). Outside of higher education, businesses have created chief marketing officer (“CMO”) positions, focusing on marketing department organization and shifting from a brand management focus toward a customer management focus (Armstrong & Kotler, 2007). In corporate America, CMOs are increasingly responsible for strategic leadership and producing measurable results (Fleit & Morel-Curran, 2012). In contrast, marketing in higher education generally has been regarded as underfunded or under prioritized even at the same time

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1 The College & University Professional Organization for Human Resources is a membership-based association of about 90 percent of all U.S. doctoral institutions, 70 percent of master’s institutions, 50 percent of bachelor’s institutions, and 500 two-year and specialized institutions that delivers information and resources to human resources professionals in higher education (CUPA-HR, 2011).
that marketing departments at IHEs experience considerable pressure to bolster existing sources of revenue and find new sources of revenue (Dunlap & Abrahamson, 2008; McGrath, 2002).

As expected, the importance of generating revenue emerged at a time when the broader economy became a bigger concern. The tumultuous economy has defined to some extent the environment of the first decade of the twenty-first century, which has been dubbed the “Lost Decade” in popular media since the U.S. stock market posted negative returns during a ten-year period for the first time since the 1930s and household incomes remained stagnant (Dougherty & Murray, 2010; Lim, 2010; Shell, 2011). Popular media has covered national political leaders scrutinizing student tuition subsidies, as well as debating federal funding for Pell Grants, the Leveraging Educational Assistance Partnership program, loan programs, and career-education funds, especially in light of increasing college costs (Burd, 2001, 2005; Field, 2008, 2011; Supiano, 2008). IHEs are grappling with increasing tuition and fees and rising student debt (Martin, 2012), and a national political debate on college student loan interest rates has emerged in 2012 on the eve of subsidized Stafford loan rates potentially reverting to their pre-2007 levels (Gardner, 2012; Lewin, 2012; Sonmez & Helderman, 2012). In response to economic challenges, private IHEs have discounted tuition at high levels unseen in the past, to the point where growth in net tuition revenue has slowed or reversed (Kiley, 2011). Partly in response to the tumultuous economy, advances in technology have led to substantial increases in online enrollment across all types of IHEs, which Chau (2010) contends is a commodification of higher education.

State political leaders in Midwestern states such as Ohio have provided a mixed response to the tumultuous economic environment by cutting tuition subsidies to students at private colleges, a step also taken in other states, while freezing tuitions at public universities (Eckstein,
The state of Ohio took these steps after overhauling its statewide governance of higher education by creating a cabinet-level chancellor position in the hopes that the governor could promote collaboration among its public IHEs as well as increase the number of its citizens with postsecondary degrees (Hermes, 2008). Leaders in higher education worried about the prolonged economic downturn and considered responses such as hiring freezes, halting building projects, increasing tuition, dipping into endowments, increasing efficiency by offering classes during evenings and weekends, and hiring more adjunct instructors (Wilson, 2008).

**Purpose of the Study**

Maxwell (2005) proposed that researchers should understand the goals motivating their work, particularly practical and intellectual goals. Practical goals focus upon “accomplishing” something and intellectual goals focus upon “understanding” something (Maxwell, 2005, p. 21). The practical goal of this doctoral thesis, which Maxwell (2005) says is not always answerable by research, was to know how to prioritize and utilize marketing at IHEs. As previously stated, marketing positions are not prevalent in higher education as much as they are in other industries, and the College & University Professional Association for Human Resources (2005, 2012) has added a marketing director position to its salary survey only within the past decade. The practice of higher education administration involves adapting to the external environment, and senior administrators are faced with how to prioritize the role and responsibility of marketing in the organizational structure (McGrath, 2002; Sands & Smith, 1999; Schee, 2009).

The intellectual goal of this doctoral thesis was to understand more about the process that IHEs use to determine strategic marketing’s role in adapting to the external environment. This thesis analyzed the context of a particular IHE to explore how it adapted to the environment,
including an analysis of marketing’s role in adaptive strategy. This research provided an analysis on the current state of affairs in organizational adaptation in higher education within a particular setting, which provided insight about how the changes occurred and the organizational structure that supported those changes.

**Research Question**

Against the backdrop of the rapidly changing and competitive environment for IHEs and the adaptive strategy organizations use to remain competitive in the marketplace, this doctoral thesis investigated the process that a particular IHE used to determine strategic marketing’s function in organizational adaptation. The research question was as follows:

In what ways has Notre Dame College in South Euclid, Ohio, made strategic marketing adaptations in responding to the rapidly changing external environment during the first decade of the twenty-first century?

**Theoretical Framework**

The research was framed in the contingency theory of organizations. Contingency theory states that organizations adapt to the environment (Bess & Dee, 2008; Daft, 2007; Donaldson, 2001; Kast & Rosenzweig, 1973; Scott, 1992; Scott & Davis, 2007; Sporn, 1999). Bess and Dee (2008) define contingency theory as “a process of achieving a ‘fit’ between the conditions of the environment and the design of the organization” (p. 138). Kast and Rosenzweig (1973) provide a more complete definition as follows:

[This] view of organizations and their management suggests that an organization is a system composed of subsystems and delineated by identifiable boundaries from its environmental suprasystem. The contingency view seeks to understand the
interrelationships within and among subsystems as well as between the organization and its environment and to define patterns of relationships or configurations of variables. It emphasizes the multivariate nature of organizations and attempts to understand how organizations operate under varying conditions and in specific circumstances. Contingency views are ultimately directed toward suggesting organizational designs and managerial actions most appropriate for specific situations. (p. ix)

General systems theory provides the broad framework for understanding contingency theory whereby organizations exist in open systems and continuously interact with the external environment (Bess & Dee, 2008; Daft, 2007; Dessler, 1976; Hatch & Cunliffe, 2006; Kast & Rosenzweig, 1985). In general systems theory, open systems recognize the interaction between organizations and a constantly changing environment over which management has little control (Alkhafaji, 2003; Bush, 2003; Daft, 2007; Hatch & Cunliffe, 2006; Morgan, 2006). Biologist Ludwig von Bertalanffy (1956) originally advanced general systems theory to explain the interaction between inputs and outputs in an organism. Katz and Kahn (1966) extended general systems theory to social psychology in order to explain relationships, interdependence, and structure among social organizations. Social, cultural, political, legal, economic, technological, and physical factors of the changing external environment act upon organizations (Katz and Kahn, 1966; Daft, 2007; Hatch & Cunliffe, 2006). To illustrate the open-systems model, Kast and Rosenzweig (1985) and Hatch and Cunliffe (2006) provide examples of business organizations that use people, information, and raw materials in exchange for products or services in the market. The market is where the organization and the environment interact, and
the organization is constantly adapting its products and services to serve the market in order to achieve a good fit with the external environment (Bess & Dee, 2008; Daft, 2007).

**Contingency theory and environmental uncertainty.** Daft (2007), Hatch and Cunliffe (2006), and Scott and Davis (2007) outline the various organizational responses to environmental uncertainty. Using four levels of uncertainty, Daft (2007) describes organizational characteristics that fit within each environment as follows:

1. Organizations in stable and simple (low uncertainty) environments have mechanistic structures, few departments, no integration, and slow responses to change.
2. Organizations in stable and complex (low-moderate uncertainty) environments have mechanistic structures, many department, some integration, and moderate-speed responses to change.
3. Organizations in unstable and simple (high-moderate uncertainty) environments have organic structures, few departments, some integration, and fast responses to change.
4. Organizations in unstable and complex (high uncertainty) environments have organic structures, many departments, high integration, and fast responses to change.

**Contingency theory in organizational science.** Contingency theory is a major theoretical lens used to view organizations and it forms the basis of much of contemporary organizational science (Donaldson, 2001; Hatch & Cunliffe, 2006). Contingency theory originated in the 1960s as a challenge to the traditional management approach that sought the one best way to organize (Hatch & Cunliffe, 2006). Until the middle of the twentieth century, organizations were viewed in terms of closed systems and isolated from the external environment (Dessler, 1976; Hatch & Cunliffe, 2006; Kast & Rosenzweig, 1985). The adoption of general systems theory and the
open-systems approach led to the development of new theories of organization including contingency theory, resource dependence theory, and population ecology theory (Hatch & Cunliffe, 2006; Kast & Rosenzweig, 1985). By the 1970s, organizational theorists took environmental factors for granted (Hatch & Cunliffe, 2006).

Hatch and Cunliffe (2006) summarize the early contingency approach to organizational theory. The first forms of organizational theory that accounted for the environment took the form of environmental uncertainty theory, which explained the elements of the environment and the frequency with which they changed. Environmental uncertainty theory accounted for changes in the environment independent of organizations, and it did not account for how organizational decision makers perceive the environment. Unfortunately, this is a major limitation, since people, not environments, experience uncertainty. Hatch and Cunliffe (2006) conclude that modern contingency approaches account for the perceptions of organizational decision makers as they relate to environmental conditions.

Contingency theory is based upon organizational adaptation to the environment, with four additional qualifications to distinguish contingency theory from other theories of organization. First and foremost in the literature, Burns and Stalker (1961) and Lawrence and Lorsch (1967) pioneered the contingency theory of organizations with the finding that certain organizational designs fit better with certain environmental conditions. Burns and Stalker (1961) challenged the notion that a single, optimal management system exists for all organizations, and that effective organizations align their organizational structure to environmental influences. Contingency theory holds that there is no “one best way” to organize, and organizations perform best when they adapt to fit their contingencies (Bess & Dee, 2008; Daft, 2007; Donaldson, 2001; Hatch &
An alternative to Taylor’s (1911) scientific management and Weber’s (1924) bureaucracy, contingency theory contends that “[t]he correct management approach is contingent on the organization’s situation” (Daft, 2007, p. 27). To illustrate contingency theory, for example, mechanistic forms of management work in stable environments, and in contrast, organic forms of management work in rapidly changing environments (Burns & Stalker, 1961; Hatch & Cunliffe, 2006; Scott & Davis, 2007). Hatch and Cunliffe (2006) conclude that contingency theory’s most important contribution to modern organizational science “has been to make us aware that there are many different ways to organize successfully and to begin to enumerate the possibilities and their consequences” (p. 115).

Furthermore, organizations adapt to the environment on two levels: first, subunits of an organization align to the specific characteristics of their environments, and second, the larger organization aligns with the overall environment in which it operates (Lawrence & Lorsch, 1967; Scott, 1992). In contingency theory, the alignment of the organization to contingencies leads to high performance; therefore, organizations seek to achieve “fit” and avoid misalignments with the environment (Donaldson, 2001). In this way, the environment shapes the organization, since the organization constantly adapts to the environment to achieve maximum performance. According to contingency theory, organizations are compelled to change by changes in the environment if the organizations want to avoid loss of performance (Donaldson, 2001).

Morgan (2006) outlines three additional characteristics that distinguish contingency theory from other theories of organizational science. First, management is concerned with achieving “alignments” and “good fits.” Second, management may adopt different approaches to
different tasks within the same organization. And third, different types of organizations perform better in different types of environments.

**Contingency theory in higher education.** Contingency theory applies to the examination of organizational adaptation at IHEs (Clark, 1998; Peterson, 1995; Sporn, 1999). Against the backdrop of systems theory, Weick (1976) developed the concept of loosely coupled systems at educational organizations, a precursor to Rubin’s (1979) loose coupling study in higher education. These are among the earliest studies of contingency theory in higher education. IHEs as loosely coupled systems have relatively autonomous departments where linkages occur both with each other and with the environment (Dill & Sporn, 1995). Clark (1998) used contingency theory in a case study of innovative and entrepreneurial IHEs. Peterson (1995) used contingency theory to study the effects of national and state policies on the structure and decision making of IHEs. Sporn (1999) used contingency theory as the conceptual framework for case study and grounded theory research in adaptation at IHEs in the U.S., Italy, Switzerland, and Austria.

**Research Design**

This research was based upon qualitative research design using the case study method (Yin, 2009). The problem statement outlined the interaction between IHEs and the environment, specifically with respect to marketing’s role in adaptive organizational change. The research question asked how an IHE in a particular setting, Notre Dame College in South Euclid, Ohio, adapted to the environment during a timeframe of approximately one decade. In other words, the inquiry sought an understanding of why marketing fits within the organization where it does, how marketing influences IHE adaptation to a rapidly changing and competitive external environment, and the role of top management teams in adaptation. These types of “why” and
“how” questions are suited to qualitative research designs (Creswell, 2003; Creswell 2007; Maxwell, 2005).

Limitations of the Study

As a case study conducted in an educational setting involving one IHE, the findings of this doctoral thesis cannot be extrapolated to a wider scope. However, the selection of the case study method was consistent with the purpose of the study, and provided insight into how one IHE adapted to its external environment, and how strategic marketing concepts were utilized in the organizational adaptation. If another IHE finds itself in a similar situation as Notre Dame College with respect to responding to external pressures, then it could benefit from learning how senior administrators adapted the organization and deployed marketing strategy. Furthermore, the findings of this doctoral thesis led to observations about marketing’s role in the college and university organizational structure that is extremely valuable to higher education practitioners.

This doctoral thesis case study was also limited by its exclusive consideration of external environmental pressures. Internal pressures and unit-level adaptation at Notre Dame College’s academic and administrative departments were not included in this doctoral research. This thesis focused on the organization as a whole and how through strategic planning it adapted to external political and economic pressures in the environment. This thesis did not study how individual units within the organization adapted to the others and with the external environment. However, the focus on the whole institution was consistent with a study of discovering how marketing concepts might influence overall organizational adaptation.
Chapter 2: Literature Review

In *Understanding College and University Organization*, a two-volume series on policy and practice theories, Bess and Dee (2008) expound upon the importance of marketing at institutions of higher education (“IHEs”). Marketing managers at IHEs, like their counterparts in business and industry, understand the interaction between the organization and the environment specifically to align the organization’s services with the needs of its target audience (Bess & Dee, 2008). As previously stated in the introduction of this doctoral thesis, marketing has not historically been widely accepted in higher education (Ryans & Shanklin, 1986). However, Keller (2004) and Kirp (2003) provide case studies to illustrate how IHEs use marketing to achieve institutional objectives. IHEs assess the external environment and adapt their internal processes correspondingly through organizational strategy (Bess & Dee, 2008). In the literature about organizational theory, strategy aligns internal resources, structures, and goals with the changing and competitive external environment (Armstrong & Kotler, 2007; Bess & Dee, 2008).

Allison and Kaye (2005) define strategy as “a coordinated, broad approach or direction that informs organizational resource allocation,” and strategic planning as “a systematic process through which an organization agrees on, and builds commitment among key stakeholders to, priorities that are essential to its mission and responsive to the environment” (p. 177). Through strategic planning, organizations choose a particular course of action among several alternatives in response to a changing and even unfriendly environment. According to Allison and Kaye (2005), strategic planning involves seven phases: getting ready; defining mission, vision, and values; assessing the organization’s situation (i.e., environmental scanning); agreeing on
priorities; writing the plan; implementing the plan (i.e., assessing and supporting organizational change); and evaluating and monitoring the plan (p. 14-20).

This thesis is not about strategic planning per se, but focuses on aspects of strategic planning that relate to organizational adaptation to the external environment. Strategic planning is a practice by which IHEs determine responses to the changing and competitive external environment through a deliberate attempt to maintain or increase its competitive advantage in the marketplace (Bess & Dee, 2008). IHEs use strategic planning in order to achieve a competitive advantage (Bess & Dee, 2008). Strategic planning provided a competitive advantage for organizations that used it prior to the twenty-first century, but the changes in the global economy has since made strategic planning a requirement for all organizations (Alkhafaji, 2003).

This literature review on organizational adaptation and higher education marketing is organized into three main sections: (1) environment, with an emphasis on systems theory and its applicability to higher education; (2) adaptation in organizational management, including a review of organizational adaptation in higher education and adaptation to the environment by top management teams; and (3) marketing, with a focus on practices and organizational structure in higher education. The conclusion reviews the gap on organizational adaptation at IHEs.

**Environment**

*Systems theory.* Morgan (2006) indicates that metaphors can define the way we view organizations, and organizations may be understood as machines, organisms, brains, cultures, political systems, or psychic prisons. The metaphor most applicable to this study is organizations as organisms, a view with origins in general systems theory developed by biologist Ludwig von Bertalanffy (1956). In biology, systems theory describes how the components that make up
organizations (individuals or groups) interact with other components of the organizations, and the components’ needs that must be satisfied (Morgan, 2006). However, general systems theory is applicable to multiple disciplines, not just biology, and Dill (1958), Burns and Stalker (1961), and Lawrence and Lorsch (1967) described the importance of the external environment to management and organizational behavior. Dill (1958) examined how managerial decisions are influenced by information about the environment and managerial perceptions of that information. Burns and Stalker (1961) originally introduced the concept of organizations as organic structures that lack formally defined tasks and operate in a tumultuous environment. Through six industrial organizations, Lawrence and Lorsch (1967) studied organizational adaption to the environment, and more specifically, the optimal relationships of business units within an organization to each other, finding that both high integration and high differentiation among business units best enable an organization to adapt to its environment.

The seminal work in the field linking the biological concept of general systems theory to the social sciences and organizational behavior is Katz and Kahn’s (1966) *The Social Psychology of Organizations*. Katz and Kahn (1966) proposed an alternative to Weber’s (1924) bureaucracy and Taylor’s (1911) scientific management in organizational behavior, neither of which dealt adequately with changes in the external environment and the introduction of new inputs from the external environment. Katz and Kahn (1966) bridged the psychological view of the individual (which often ignored groups) and the economic view of organizations (which often ignored individuals). By linking these concepts, Katz and Kahn (1966) developed open-systems theory that recognized that organizations are not self-contained, whereby researchers and organizational
leaders could more adequately deal with changes in the environment by using a biological lens to view organizations as organisms.

In general systems theory, systems may be open or closed. Closed-system theory views organizations as a collection of its internal components (management, personnel, and materials) that can be managed without significant consideration of external factors like supply of raw materials or competition (Katz and Kahn, 1966). This view does not preclude the presence of external environmental influences on an organization; however, it gives organizational leaders the ability to make decisions based upon the internal environment rather than external influences. Katz and Kahn (1966) developed open-systems theory recognizing organizational dependency on external environments. Pfeffer and Salancik (2003) support the view of open systems where organizations constantly exchange resources with the environment.

Open systems and higher education. Contemporary researchers apply open-systems theory to understanding organizational behavior (Bolman & Deal, 2008; Daft, 2007; Hatch & Cunliffe, 2006; Morgan, 2006; Pfeffer & Salancik, 2003; Scott, 2008; Scott & Davis, 2007). Bess and Dee (2008) describe the open-systems metaphor as “[m]uch like a cybernetic feedback loop” in which “organizations are continually engaged in adjustments and modifications to address more effectively environmental expectations and to capitalize more frequently on environmental opportunities” (p. 726). Hatch and Cunliffe (2006) frame organizations and their interaction with the environment in open-systems terms when describing organizations as a technology that transforms inputs into outputs which become revenue for the organization in its environment. In higher education, for example, inputs include classrooms, instructors, desks, computers, academic knowledge, and pedagogy (Hatch & Cunliffe, 2006). The outputs of higher
education are research, education, and knowledge production (Hatch & Cunliffe, 2006). The constantly changing environment and the exchange of information between the environment and IHEs in particular means that IHEs constantly change their programs and services to meet the needs of the environment (Bolman & Deal, 2008; Scott & Davis, 2007).

Consequently, IHEs are described as open systems in the literature (Bess & Dee, 2008; Birnbaum, 1988; Kezar & Eckel, 2004; Sporn, 1999). Sporn (1999) indicates that changes in the external environment drive changes at IHEs, specifically in the areas of access, quality, costs, and effectiveness. President Emeritus and University Professor of Science and Engineering at the University of Michigan James Duderstadt (2000) describes the American higher education system in open-systems terms. Specifically, Duderstadt (2000) indicates that “educational institutions are unusually responsive to the needs of society” (p. 41), and elaborates:

[t]he modern university interacts with a diverse array of constituencies that depend on the university in one way or another, just as our educational institutions depend upon each of them: students, faculty, staff, and alumni; the public and their elected leaders in government; business and labor; industry and foundations; and the full range of other public and private institutions in our society. The management of the complex roles and relationships between the university and these many constituencies is one of the most important challenges facing higher education, particularly when these relationships are rapidly changing. (p. 52)

**Limitations of systems theory.** Considerations of organizations interacting with the external environment are present in the literature of strategic planning (Allison & Kaye, 2005), strategic management (Alkhafaji, 2003), and strategic marketing and marketing management
(Andreasen & Kotler, 2006; Cravens & Piercy, 2006; Peter & Donnelly, 2004). However, the metaphor of organizations as organisms has limitations. Most importantly, organizations and their environments may be understood as social constructs (Morgan, 2006). In other words, organizational leaders construct the environment through their participation in it as well as their construction of organizations. Child (1972) recognized the relationship between organizations and the external environment, since organizations define and manipulate their environment through strategic choice by dominant coalitions (i.e., organizational decision-makers). By making strategic choices, organizational leaders choose the aspects of the external environment that affect the organization the most. Another limitation of viewing organizations as organisms is that organizations are not generally unified like organisms since there may be conflict among an organization’s business units (Morgan, 2006).

**Adaptation in Organizational Management**

*Adaptive model of strategy.* The adaptive model of strategy is rooted in the biological metaphor of general systems theory and suggests that an organization constantly interacts with its environment (Bess & Dee, 2008). Adaptive strategy is different from linear strategy, or the methodical implementation of strategy through a sequential planning process, and interpretive strategy, which is an approach based upon social constructs that assumes organizations attract individuals to cooperate in mutually beneficial exchanges (Chaffee, 1985). Adaptive strategy is “concerned with the development of a viable match between the opportunities and risks present in the external environment and the organization’s capabilities and resources for exploiting these opportunities” (Hofer, 1973, p. 3). Keller (1983) advocated for the view of adaptive strategy for
IHEs, and Bess and Dee (2008) relate adaptive strategy to IHEs for achieving a competitive advantage by scanning the environment for new programs or services.

Adaptive organizational change theories. Adaptive organizational change is best described as planned, first-order change as defined by Porras and Robertson (1992). The change is both a “deliberate, conscious decision to improve the organization in some manner” and “consists of alterations or modifications in existing system characteristics…rather than a shift in some fundamental way” (Burke, 2008, p. 123). The change as a continuous improvement involving a part of the larger organization suggests that the nature of the organization change is what Burke (2008) describes as evolutionary and what Daft (2007) describes as incremental. Additionally, the framework that best describes the process of the change situation is evolutionary theory as it is an “ongoing, evolving process” absent “permanent equilibrium” (Burke, 2008, p. 140).

Burke (2008) cites David Bleacher’s formula for readiness to change: \( C = (ABD) > X \) (p. 141). In words, it means that change (C) occurs when dissatisfaction with the status quo (A), desired state (B), and practical first steps (D) are greater than the cost of the change (X) (Burke, 2008, p. 141). Change may occur if there is recognition by leaders of an IHE that the external environment has changed which requires a change in focus for the organization. There is, in other words, dissatisfaction with the status quo and a need for a vision for a desired state.

Another model to describe the change situation is through the lens of the punctuated equilibrium paradigm (Gersick, 1989; Gersick, 1991; Romanelli & Tushman, 1994). The punctuated equilibrium paradigm consists of three components: deep structure, equilibrium periods, and revolutionary periods. In summary, deep structure represents the units and operating
procedures of an institution—essentially a framework for how the institution runs itself.

Equilibrium periods are those when the institution is performing its functions with relative stability, perhaps making slight adjustments in response to internal or external environmental influences. Revolutionary periods are those during which substantial changes occur such that new deep structures are required to continue the work of the institution (Gersick, 1991). For example, Romanelli and Tushman (1994) found that organizations produce revolutionary change through short, discontinuous bursts of evolutionary change.

A final way to view the change situation is through the lens of the Nadler-Tushman congruence model (Burke, 2008). The Nadler-Tushman congruence model provides an emphasis on the “fit” (Nadler and Tuchman’s term) between the inputs and outputs and the transformation process. As a model grounded in open systems theory (Burke, 2008), inputs include the environment, resources, history, and strategies. Outputs are the effectiveness of the institution, how well the institution is functioning, how effectively departments communicate with one another, and how individuals behave. Burke indicates that the key to the model is to find congruence or incongruence between inputs and among inputs and change processes.

**Adaptation and higher education.** Historically, studies of adaptation in higher education have been based upon planned change, but by the end of the twentieth century, adaptation studies of the interaction between market environments and IHEs became predominant due to an interest in exploring questions about environmental forces acting upon IHEs (Sporn, 1999). Sporn (1999) conducted a review of theories of adaptation in management and higher education. *Adaptive University Structures* contains an extensive review of the literature available on organizational adaptation and applications in higher education, including open system theory, contingency
theory, strategic choice, resource dependence, population ecology, institutional isomorphism, and network organization (see Sporn, 1999, p. 58).

Strategic choice has been applied to adaptation in higher education at length (Dill, 1994; Keller, 1983; Lewis, 2007; Mazza, 2009; Peterson, 1997; Simsek & Louis, 1994; Sporn, 1999). The strategic choice approach analyzes strategy and strategic planning in higher education as “proactive management responses to changing environmental conditions” (Sporn, 1999, p. 62). Some approaches include contingency approaches to planning, i.e., developing different plans for different contingencies (Peterson, 1997; Sporn, 1999). Chaffee (1985) developed models of strategy in higher education by studying the literature of leadership and governance: (1) linear, with a focus on planning, (2) adaptive, with a focus on environment, and (3) interpretive, with a focus on social constructs (p. 90-93).

Resource dependence is another approach applied to adaptation in higher education, focusing specifically on IHEs aligning with external agencies providing resources that IHEs need to be successful (Sporn, 1999). One approach to this theory is an analysis of reorganization of IHEs based upon resource acquisition (e.g., Massy, 1996), and another approach is an analysis of the connection between resources and academic labor (e.g., Neumann, 1995). Sporn (1999) cites another thread called “academic capitalism” (p. 70) that describes research from Slaughter and Leslie (1997) that examines restructuring at IHE academic departments based upon changes in the market and changes in competition.

Political theory has been applied to higher education adaptation, which focuses on the role of interest groups and relationships (Sporn, 1999), as well as restructuring and professional administration of IHEs (Gumport & Sporn, 1999; Rhoades & Slaughter, 1997). Internal and
external networks, which are largely inspired by technology and emphasizing collaboration and temporary cross-functional working groups, has also been applied to adaptation in higher education, although it is used less frequently than the other approaches (Sporn, 1999).

This doctoral thesis focused upon the body of literature that comprises contingency theory on the basis that “[a]pplications of contingency theory to colleges and universities emphasize the interplay between the environment and structural elements supporting change and adaptation” (Sporn, 1999, p. 59). Dill (1997) and Peterson and Dill (1997) were prescient in their argument that the knowledge economy of the twenty-first century would introduce changes to the broader environment (e.g., globalization, diversity, and productivity), which subsequently has introduced changes to higher education systems. Peterson (1995) translates this into four processes that IHEs use to adapt to the environment: redefining the IHE’s nature and industry, redirecting external relationships and missions, reorganizing basic processes and structure, and reforming university culture. This approach links organization with the external environment, including national and state policies and trends in lifelong learning, applied research, and academic leadership (Sporn, 1999).

Adaptation and top management teams. The seminal work in the specific area of study relating top management teams (“TMTs”) to organizational adaptation is Hambrick and Mason’s (1984) “upper echelons” inquiry into top managers’ background characteristics and their relation to strategic choices and organizational performance. Hambrick and Mason (1984) argue that organizational strategies and performance are “reflections of the values and cognitive bases” of the most powerful people in the organization (p. 193). Hambrick and Mason (1984) issue a call for research in the area of TMT characteristics through a series of propositions involving age,
functional track, career experiences, formal education, socioeconomic background, financial position, and group heterogeneity (p. 196). During the decades that followed Hambrick and Mason’s (1984) publication, researchers responded as the following examples illustrate.

TMT research includes organizational adaptation to the environment with a focus on socio-behavioral integration (Chen, Lin, & Michel, 2010), team size (Haleblian & Finkelstein, 1993), issue interpretation and conflict (Shook, Payne, & Voges, 2005), team homogeneity (Boone, Van Olffen, Van Witteloostuijn, & De Brabander, 2004), and team heterogeneity (Knight et al., 1999; Lankau et al., 2007; Murray, 1989; Wiersema & Bantel, 1993). Findings in the literature are that environments are an important force acting upon organizations, TMTs in particular are primarily responsible for interpreting organizations’ environments and developing a response in the form of strategy, and the composition and demographics of the TMT will affect organizational strategy and performance (Haleblian & Finkelstein, 1993; Murray, 1989).

In an analysis of the entry and exit of TMT members during a 25-year time period at five major Dutch newspapers, Boone et al. (2004) found that when faced with a competitive and turbulent external environment, TMT members who are most unlike their peers tend to leave their organizations first. This is a less surprising finding than their discovery that TMTs at organizations performing poorly in turbulent environments tend to hire members who are more like the existing members of the team. This led to “team reproduction and homogenization” at the newspapers, which the researchers speculate was due to TMTs desiring to reduce uncertainty among their ranks by attracting similar members (Boone et al., 2004, p. 649). Through research that finds that during turbulent times individuals seek those who they trust and they tend to trust
people most like themselves, Boone et al. (2004) also suggest that TMTs might desire to increase decision-making efficiency by reducing conflict that may arise among heterogeneous teams.

Studies of team heterogeneity are more common in the literature (Knight et al., 1999; Lankau et al., 2007; Murray, 1989; Wiersema & Bantel, 1993). Lankau et al. (2007) examined the relationship among TMT members, and between the TMT members and the chief executive officers (“CEOs”) of organizations. They found that TMT heterogeneity increases task and relationship conflict in organizations. Rather than using demographic variables, Lankau et al. (2007) relied upon perceived differences in organizational values as they relate to task and relationship conflict. The findings showed that lower satisfaction among the TMT results when values are not shared with the CEO. Lankau et al. (2007) also found that relationship conflict is harder to resolve than task conflict.

In contrast to Lankau et al. (2007), Murray’s (1989) research considers demographic characteristics. Murray contends that an organization’s ability to adapt to the environment is influenced by TMT heterogeneity. The characteristics that a TMT needs to produce efficiency are not the same as those that provide long-term adaptability (Murray, 1989). Murray finds that TMT heterogeneity impacts adaptation and therefore long-term performance in two ways. First, a weaker socialization process operating in groups that have been together for shorter periods of time permits greater exploration of new ideas. Second, a greater range of backgrounds increases the probability that a new strategy would be implemented, and that the TMT has the skills to implement the new strategy (Murray, 1989, p. 138).

Shook et al. (2005) examines issue interpretation and conflict during the TMT decision-making process regarding issues that are framed as responses to the environment. Shook et al.
(2005) found that political issue interpretation is important because it increases both cognitive and affective conflict because TMT members perceive benefits at the expense of others. Shook et al. (2005) contend that strategic issue interpretation, on the other hand, does not lead to cognitive conflict because TMTs may defer to a more knowledgeable member’s ideas and decisions. Shook et al. (2005) also speculate that conflict may not arise because the CEO may be the one to identify issues or because the TMT only deals with important issues that are generally considered strategic. Issues that are both political and strategic heighten cognitive conflict, and TMTs are very willing to take on issues for which the organization and resource distribution are at stake (Shook et al., 2005).

Other environment-related studies focus on socio-behavioral integration (Chen et al., 2010), and team size (Haleblian & Finkelstein, 1993). Chen et al. (2010) examine the degree to which TMT members work together as a team at 104 Taiwanese firms. The study examines the relationship between the competitive environment and an organization’s competitive behavior. Chen et al. (2010) consider both social and behavioral team integration, which reflects how well TMT members work together. The study found that a combination of a competitive environment and TMT socio-behavioral integration positively influences organizational competitive behavior. Haleblian and Finkelstein (1993) examine TMTs in the computer industry (an industry that is more turbulent) and natural gas industry (an industry that is less turbulent) and found that TMT size is more positively related to organizational performance in the more turbulent environment (p. 857). At the same time, CEO dominance in the TMT is more negatively associated with organizational performance in the more turbulent environment (Haleblian & Finkelstein, 1993).
The research literature of organizational adaptation and TMTs is varied and complex. The literature review of the environment shows that TMTs are responsible for interpreting an organization’s environment and developing a response in the form of strategy (Haleblian & Finkelstein, 1993, p. 845). As TMTs are responsible for interacting with the environment, TMT characteristics are related in some way to strategic outcomes, and the outcomes depend in some way upon TMT conflict. Strategic outcomes are a combination of environment, strategy, and TMT demographics, which is more nuanced than earlier studies appreciated. Pitcher and Smith (2001) instructively inform the need for different research methodologies such as case studies to describe the process for TMTs to achieve strategic outcomes.

**Marketing**

Marketing addresses competition within a tumultuous operating environment where organizations must learn at the same rate of changes in the environment around them if they are to maintain market-valued core competencies (Cann & George, 2003). Yet, this is an area that, from a review of the literature, needs more attention in higher education. According to one study, while most institutions had a mission statement, less than half had an institution-wide marketing plan; most institutions had a list of primary competitors, but far fewer had a formal plan to monitor competitors (Newman, 2002). The purpose of marketing planning is to guide action, facilitate training, define responsibility, assign accountability, establish priority, provide a framework for resource allocation, and build support (Whiteside, 2004).

The marketing concept places the emphasis on the customer or target population instead of the product or service or the selling of products or services (Andreasen & Kotler, 2003; Armstrong & Kotler, 2007; Cravens, Hills, & Woodruff, 1980; Cravens & Piercy, 2006; Kotler,
In the 1950s, General Electric (“GE”) was among the first organizations to adopt the marketing concept, and many companies had followed GE’s lead by the 1970s (Cravens et al., 1980). A GE executive was among the earliest practitioners to articulate the importance of the customer to the marketing concept:

[T]he principal task of the marketing concept is not so much to be skillful in making the customer do what suits the interests of the business as to be skillful in conceiving and the making the business do what suits the interests of the customer. (McKitterick, 1957, p. 78)

With this view of the purpose of the business to serve the customer, Kotler (1976) provides a formal definition of marketing as:

a management orientation that holds that the key task of the organization is to determine the needs, wants, and values of a target market and to adapt the organization to delivering the desired satisfactions more effectively and efficiently than its competitors. (p. 14)

A more contemporary definition of marketing is “the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return” (Armstrong & Kotler, 2007, p. 6). While marketing has various definitions, and the definitions have evolved since the 1950s, the most critical and unwavering characteristic of marketing is the customer orientation rather than the product or selling orientation (Armstrong & Kotler, 2007; Kotler, 1976; McKitterick, 1957).

Delivering customer value and customer satisfaction are essential marketing objectives (Armstrong & Kotler, 2007). Armstrong and Kotler (2007) describe the customer-centric nature of marketing, summarizing the marketing process in five steps consisting of the following:
1. understanding the marketplace and customer needs and wants,
2. designing a customer-driven marketing strategy,
3. constructing a marketing program that delivers superior value,
4. building profitable relationships and creating customer delight, and
5. capturing value from customers to create profits and customer quality. (p. 6)

The marketing process describes an exchange between an organization and a customer; the organization creates value for the customer and in return receives value (e.g., sales or profits) back from the customer (Armstrong & Kotler, 2007).

By definition, marketing is closely linked to strategic planning, the process noted earlier by which organizations adapt to the environment. Marketing is essentially “satisfying customer needs” (Armstrong & Kotler, 2007, p. 5). Practitioners using marketing understand the external environment (specifically to know the needs of the customer and determine about how to satisfy those needs) and make choices among several alternatives, tasks that are a responsibility of top management teams. Three additional characteristics that link marketing to strategic planning are that (1) marketing relies on environmental scanning, (2) nearly all strategic planning decisions have marketing implications, and (3) marketing managers are increasingly involved in strategic analysis and planning (Biggadike, 1981; Peter and Donnelly, 2004).

Understanding marketing requires an understanding of the three-step process of identifying customers to serve: market segmentation, target marketing, and market positioning (Armstrong & Kotler, 2007). Market segmentation is a process of dividing the entire market into groups of customers who have different needs, characteristics, or behaviors. Target marketing is the process of evaluating the market segments and selecting one or more to enter. Market
positioning is offering a product or service with a distinct advantage or differentiation from competitors in the target market (Andreasen & Kotler, 2003; Armstrong & Kotler, 2007; Cravens & Piercy, 2006).

Marketing management is a process that consists of the analysis, design, implementation, and control of a marketing strategy to achieve marketing objectives (Cravens, Hills, & Woodruff, 1980). Consistent with the marketing concept, marketing management aims to serve the needs of customers in a target market through the conception, pricing, promotion, and distribution of products or services that satisfy customer needs (Kotler, 1994). Marketing management consists of situation analysis, marketing planning, and implementation and control of a marketing plan (Peter & Donnelly, 2004). The situation analysis involves analyzing the environment, which includes cooperative, competitive, economic, social, political, technical, legal, and natural forces acting upon the organization (Alkhafaji, 2003; Andreasen & Kotler, 2003; Cravens, Hills, & Woodruff, 1980; Peter & Donnelly, 2004).

Marketing in higher education. Bess and Dee (2008) explicitly state the importance for marketing managers in academic organizations to understand the interaction between the organization and the environment. From a student recruitment perspective, for example, marketing managers must understand the nature of the student body and the competition for students from other IHEs, as well as the relationship between their institutions and the external environment (Bess & Dee, 2008). Students comprise the target market of IHEs, not trustees, faculty, or staff, and demand for a particular IHE’s services depends upon how the IHE’s offerings match enough students’ needs and wants (Ryans & Shanklin, 1986). While IHEs have complex packages of goods and services to market, the selection of colleges has long-lasting and
personal consequences for students (Liu, 1998). In recognition of the importance of the customer experience, companies outside of the higher education sector are creating chief marketing officer positions and shifting from a brand management focus toward a customer management focus (Armstrong & Kotler, 2007; Fleit & Morel-Curran, 2012). Therefore, it follows that marketing practices from business have potential to influence higher education marketing.

For example, consider the traditional four Ps of the marketing mix (product, price, place, and promotion as defined by Perrault, Cannon, & McCarthy, 2008). Armstrong and Kotler (2007) propose a new marketing mix consisting of four Cs—customer, cost, convenience, and communication—which is a customer-centric approach that differs from the four Ps. Some higher education practitioners also use the four Cs (Black, 2004; Huddleston & Ivanova, 2004; Wasmer, Williams & Stevenson, 1997). According to Black (2004), the substantive difference between the four Cs and the four Ps is that the four Ps look inward, focusing upon academic programming and projected tuition revenue, whereas the four Cs tend to look toward the competitive external environment, focusing upon student recruitment and retention. Regardless whether the marketing mix is described as four Ps or four Cs, the concept underscores the importance of satisfying customer needs through the delivery of products or services.

Liu (1998) puts higher education marketing in context by stating that profit maximization is not the end for higher education. Marketing practices were introduced to American higher education during the 1970s when supply of IHEs exceeded demand for postsecondary education, and continued as environmental factors influenced academic programs IHEs offered and the types of financial aid available to potential students (Ryans & Shanklin, 1986; Altbach, Berdahl, & Gumport, 2005). Marketing was historically viewed unfavorably in higher education, but has
since emerged as an important function in the strategic management of some successful IHEs (Keller, 2004; Kirp, 2003; Ryans & Shanklin, 1986). Ryans and Shanklin (1986) define marketing in higher education as identifying student needs and marshaling organizational resources to fulfill them, and indicate how it should be implemented: “[a] productive marketing program is not turned on and off like a spigot…A successful and sustainable marketing strategy requires a continual and wholehearted philosophical and monetary commitment to marketing by top administrators on down” (p. 87).

Use and misuse of marketing in higher education. Marketing at IHEs involves understanding the market forces in higher education: demographics, increased competition, consumer orientation, technology and globalization, societal demand and the economy, political pressures, and institutional image (Black, 2004). The barriers to higher education marketing are the historical archetypes, academic culture, resource constraints, competing funding priorities, organizational structure, and leadership commitment (Black, 2004). Areas of importance to higher education marketers are market segmentation, target marketing, and marketing planning (Andreasen & Kotler, 2003; Armstrong & Kotler, 2007; Cravens & Piercy, 2006).

Market segmentation, which is an essential marketing activity that divides the population into target audiences and places them into market segments, has implications in higher education (Andreasen & Kotler, 2003; Armstrong & Kotler, 2007; Cravens & Piercy, 2006). IHEs have multiple audiences including students, faculty, prospective students, alumni, donors, and governing boards (Blasco & Saura, 2006; Huddleston & Ivanova, 2004; Liu, 1998). While market segmentation is important to marketing, little has been done to develop and implement it in higher education (Blasco & Saura, 2006), and as an example, admission professionals do not
have a clear understanding of what it means (Newman, 2002). For example, Newman (2002) found a substantial discrepancy in the number of admission professionals who report using target marketing versus market segmentation. It is unclear whether practitioners are truly satisfying customer needs or if they are using these basic marketing concepts improperly, as evidenced by the differences in utilization of these complementary tactics (Newman, 2002).

Blasco and Saura (2006) argue that leaders must know the levels of expectations of students in order to build market segments based upon expectations, a view that is consistent with Kotler’s (1976) customer-centric definition of marketing. Furthermore, IHEs may not be properly organized to evaluate marketing effectiveness, given that information is available but there is little internal organization on the data that drives decisions (Hayes, 2004). The data that should drive marketing plans include competitor information, yet competitor leadership and potential future competitors are often overlooked (Hayes, 2004).

In addition to the strategies involved in marketing at IHEs, the utilization of marketing at IHEs is also covered in the literature, including Schee’s (2009) longitudinal study of changes in marketing practices at private Christian colleges, McGrath’s (2002) study of attitudes toward marketing practices by professionals in higher education and who should be responsible for marketing, and Sands and Smith’s (1999) study of marketing organizational structure. A Dunlap and Abrahamson (2008) study is useful in its findings that nonprofit organizations of all sizes indicate that building awareness is a chief priority among marketing managers, and furthermore, in five years more than 40% of survey participants indicated that generating revenue will become a top priority, much higher than building awareness (20%). They also feel that they will be
challenged to enter new markets and marketing channels, launch new services and products and leverage technology. (p. 12)

**Marketing structure in higher education.** Also found in the literature on marketing in higher education are the many organizational structures of marketing at IHEs (Dunlap & Abrahamson, 2008; Goldgehn, 1990; Kalsbeek, 2006; Lauer, 2006; McGrath, 2002; Sands & Smith, 1999; Sevier, 2000). With a strategic plan, organizations align separate business units, which can operate independently from the others while contributing to the goals of the whole organization (Peter & Donnelly, 2004). IHEs were introduced to marketing through publications such as the first edition of Kotler and Fox’s (1985) *Strategic Marketing for Educational Institutions*. Yet, the review of the literature indicates that such publications have not led to widely accepted practices.

Lauer (2006) argues that marketing officers have more influence at the highest levels of IHEs because of the increasing competition for resources, but both Lauer (2000) and Sevier (2000) find no widely accepted practices for marketing officers at IHEs. Specifically, Goldgehn (1990) indicates that marketing is not well coordinated at IHEs, concluding that “[i]t is rare for colleges and universities to develop an overall marketing strategy and/or plan in which the techniques are coordinated and applied in a systematic manner” (p. 20). Sands and Smith (1999) find that organizational structures at IHEs are “archaic and do not adequately address the challenges and problems” and the answer “can be found by clearly and precisely integrating the institution’s communications and marketing goals with its strategic and academic goals” (p. 41). There is lack of consistency in higher education as to where marketing sits in the organizational structure, with departments reporting to academic affairs, student affairs, or business affairs at
various institutions (McGrath, 2002). Kalsbeek (2006) provides the example of a view that links marketing to enrollment management: “enrollment management and institutional marketing are now conceptually, strategically, tactically—and increasingly structurally—inseparable” (p. 7). A study from Dunlap and Abrahamson (2008) provides insight into the challenges in coordinating marketing with other organization units in higher education:

while [marketing departments] feel challenged to raise money, they usually don’t have responsibility over areas where funds are generated…despite the fact that revenue generation is one of their top marketing priorities. This highlights the need for continued attention to integrated marketing and coordinated strategies and tactics. (p. 20)

A scan of the literature reveals recent articles about chief marketing officers in business and the changing and expanding responsibilities of those marketers (e.g., Aaker, 2008; Fleit & Morel-Curran, 2012; Groysberg, Kelly, & MacDonald, 2011; Nath & Mahajan, 2008; 2011). With the exception of a few doctoral dissertations (e.g., Cardona, 2009; Hall, 2006), a scan of the literature in higher education reveals less focus in this area. Furthermore, the College & University Professional Association for Human Resources (2012), which has been tracking salary and demographic data since 1967, does not list a marketing position in its senior executive and chief functional officers category as of 2012, the most recent data available.

This shortcoming in the literature led to the research topic of this doctoral thesis. This review established the breadth and depth of literature in the areas of systems theory, adaptation in organizational management, and marketing. This led to a review of marketing’s role in college and university adaptation to the changing and competitive external environment. The research in this area seems to agree that marketing is an important organizational function at business firms.
For example, an executive search firm indicated that chief marketing officers in business are more important than ever, and are charged with responsibilities to develop and execute strategic change and produce measurable results (Fleit & Morel-Curran, 2012).

But the same cannot be said of higher education. In fact, there is very little agreement in terms of where marketing sits in the organizational structure, and very little evidence to support adoption of the role of a chief marketing officer in higher education. At the same time, IHEs are experiencing fierce competition for resources in a constantly changing and competitive environment. IHEs, and especially small private liberal arts colleges such as Chester College, Dana College, Wesley College (Mississippi), and Lambuth University are closing in the aftermath of the economic downturn that started in 2008 (Jaschik, 2012). The use of marketing principles could be an indispensable strategy in this environment; therefore, this doctoral thesis investigated how IHEs could use strategic marketing in organizational adaptation to the environment and how marketing could be prioritized in the organizational structure.
Chapter 3: Research Design

Research Question

Against the backdrop of the rapidly changing and competitive environment for institutions of higher education (“IHEs”) and the adaptive strategy organizations use to remain competitive in the marketplace, this doctoral thesis investigated the process that a particular IHE used to determine strategic marketing’s function in organizational adaptation. The research question was as follows:

In what ways has Notre Dame College in South Euclid, Ohio, made strategic marketing adaptations in responding to the rapidly changing external environment during the first decade of the twenty-first century?

Methodology

This doctoral thesis was based upon qualitative research design using the case study method (Yin, 2009). The problem statement outlined the interaction between IHEs and the environment, specifically with respect to marketing’s role in adaptive organizational change. The research question asked how a particular IHE has adapted to the environment during a timeframe of approximately one decade. In other words, the inquiry sought understanding of why marketing fits within the organization where it does, how marketing influences IHE adaptation to a rapidly changing and competitive external environment, and the role of top management teams in the adaptation. These types of “why” and “how” questions are suited to qualitative research designs (Creswell, 2003; Creswell 2007; Maxwell, 2005).

Qualitative research design. Creswell (2007) indicates that qualitative research is an appropriate approach when a problem or issue needs to be explored, and in particular because of
a need to study a group or population. Further, Creswell (2007) indicates that qualitative research helps when researchers want to understand the context in which participants make decisions about a problem or issue, or to augment quantitative research to “tell us about why people responded as they did, the context in which they responded, and their deeper thoughts and behavior that governed their responses” (p. 40). The review of literature for this study revealed findings from Goldgehn (1990), Sands and Smith (1999), McGrath (2002), Kalsbeek (2006), and Dunlap and Abrahamson (2008) that demonstrate that no uniformly accepted practices for marketing organizational structure or strategies are adopted among IHEs. Despite Armstrong and Kotler’s (2007) and Fleit and Morel-Curran’s (2012) assertion of the growing prevalence of an executive-level marketing position in corporate America, the same has not been deployed in higher education, as evidenced by the College & University Professional Association for Human Resources’ (2005, 2012) annual salary survey, which shows that a mid-level marketing manager position only became more prevalent in higher education within the past decade.

Contingency theory informs us that the lack of uniform marketing practices is not only predictable but also likely because organizations adapt to fit their environments (Bess and Dee, 2008; Daft, 2007; Donaldson, 2001; Hatch & Cunliffe, 2006; Morgan, 2006; Scott, 1992). A qualitative research approach is appropriate to reconcile these conflicting views through the lens of an intensive and iterative study of the ways that IHEs change marketing strategies in order to adapt to the external environment. This study sought a better understanding of how and why IHEs behave as they do, consistent with qualitative research design, and responded to Pitcher and Smith’s (2001) call for different research methodologies, including case studies, to describe the process that top management teams use to achieve strategic outcomes.
Role of the researcher. According to Creswell (2003), the qualitative researcher “seeks to establish the meaning of a phenomenon from the views of participants” (p. 20). The qualitative researcher makes philosophical assumptions with regard to ontology (the nature of reality), epistemology (how the researcher knows what he or she knows), axiology (the role of values in the research), rhetoric (the language of research), and methodology (the methods used in the process) (Creswell, 2007). Researchers further bring a paradigm or worldview to their research, such as post positivism, constructivism, advocacy/participatory, and pragmatism (Creswell, 2007). Since the researcher is involved in the study through his or her data collection and interpretation, it is important to understand the role of the researcher and how it shapes the research study (Creswell, 2007).

Creswell (2003) outlines eight characteristics of qualitative research through the role of the researcher (p. 181-182). First, qualitative researchers conduct studies in the natural settings of the participants in order to gain detailed information about the experiences of the participants. Second, qualitative researchers use methods that are interactive and humanistic, being careful not to disrupt research sites, and often include open-ended observations, interviews, and document collection. Third, qualitative researchers conduct emergent rather than predetermined research. Research questions and processes may change as the researcher learns the appropriate questions to ask and the appropriate people to ask those questions. Fourth, qualitative researchers interpret data; therefore, the researcher applies his or her personal lens to drawing conclusions from the research. Fifth, the qualitative researcher takes a holistic view of social phenomena. Sixth, the qualitative researcher acknowledges his or her biases and values as they shape the study. Seventh, the qualitative researcher follows an iterative process, using both inductive and
deductive reasoning that flows back and forth between data collection, analysis, and problem reformulation. Finally, qualitative researchers use one or more strategies to proceed with a qualitative study (Creswell, 2003, p. 181-182).

Case study methodology. Sporn (1999) used a mixed case study and grounded theory approach for an empirical study of university adaptation. Sporn’s (1999) study was based upon open system and contingency theory, and explored the governance, management, and leadership of IHEs. Sporn (1999) selected the case study approach because of its suitability to investigate contemporary problems, and because the applicability to generate new theories through a grounded theory approach. This doctoral thesis did not propose to develop new theories through a grounded theory approach, but did mimic Sporn’s (1999) study in theoretical framework and research design. Similarly, Wong’s (1991) dissertation about adapting organizational strategies to the environment among U.S. apparel manufacturers provided a model for this research design. While the dissertation did not focus on IHEs, Wong (1991) used case study methodology to study organizational adaptation to a changing external environment through an analysis of data collected from six organizations.

Generally, case studies are a common approach to qualitative research design (Creswell, 2007; Gerring, 2007; Yin, 2009) and also to qualitative research within educational settings (Bassey, 1999; Creswell, 2008). Case studies have also been used to study organizational adaptation in higher education (Sporn, 1999). Stake (2005) contends that the case study approach is not a methodology but a choice; however, Creswell (2007), Gerring (2007), and Yin (2009) consider it a qualitative methodology. While much more can be said about the definition of a
case study, case study is fundamentally research of an issue through a case in a specific setting or context (Creswell, 2007; Gerring, 2007; Yin, 2009).

Yin (2009) contrasts case studies from other research methods. Case studies are appropriate in situations where the form of research addresses “how” and “why” questions, when behavioral events cannot be controlled, and when the study focuses on contemporary events (Yin, 2009). Yin (2009) asks researchers embarking upon a case study to consider alternative approaches to the research, including a survey or experiment, and to elucidate what makes the case study approach superior. Schramm’s definition of case study methodology is particularly instructive to providing a response (as cited in Yin, 2009):

The essence of a case study, the central tendency among all types of case study, is that it tries to illuminate a decision or set of decisions: why they were taken, how they were implemented, and with what result. (p. 17)

To answer Yin’s (2009) question for this doctoral thesis, previous research demonstrates that no uniformly accepted practices for marketing organizational structure or strategy are adopted among IHEs (Dunlap & Abrahamson, 2008; Goldgehn, 1990; Kalsbeek, 2006; McGrath, 2002; Sands & Smith, 1999). The theoretical framework for this study, contingency theory, states that there is no “one best way” to organize, and instead, the optimal way to organize is by adapting to contingencies in the environment (Bess and Dee, 2008; Daft, 2007; Donaldson, 2001; Hatch & Cunliffe, 2006; Morgan, 2006; Scott, 1992). Furthermore, prior researchers have cited the case study approach as a needed research methodology for describing the process that top management teams use to achieve strategic outcomes (Pitcher & Smith, 2001).
This study sought to know more about how IHEs adapt to the external environment, with an emphasis on marketing practices in higher education that business and industry uses during environmental adaptation. An experiment would have been extraordinarily difficult since behavioral events cannot be controlled (e.g., it would have been difficult to control for personnel changes at IHEs). A survey would have yielded valuable information to respond to “who,” “what,” “where,” and “how many” questions, which would be a valuable precursor to this study. However, a survey would not reveal answers to questions about the ways in which IHEs adapt to the environment, who is involved in the decisions, what information is considered among the top management team members in order to make the decisions, what barriers IHEs encounter as they adapt to the environment, the role of marketing in organizational adaptation, and why marketing has the role that it does. A case study allows the researcher to gain an understanding of the decisions and allow for emergent themes during the process (Yin, 2009).

**Site and participants.** This doctoral thesis researched a private liberal arts college in the Midwest particularly because of the highly competitive environment within which tuition-driven IHEs operate (Kirp, 2003). Private IHEs educate fewer than four percent of all undergraduates nationally, making this a particularly tumultuous competitive environment (Kirp, 2003). While there is an elite class of private liberal arts colleges armed with financial power and reputation, McPherson and Schapiro (1999) estimated that fewer than 50 exist. An alarming trend for IHEs in this highly competitive marketplace, 167 private liberal arts colleges closed between 1967 and 1990 (Hawkins, 1999). The trend continued into the first decade of the twenty-first century, affecting liberal arts colleges with deep historical roots, such as Antioch College in Ohio (Fain, 2008; Jaschik, 2012; Smith, 2012). Keller (2004) offers descriptors of these IHEs, which rely on
student tuition and private contributions: “[t]hey are the middling many, frequently indifferent, complacent, satisfactory, and less affluent” (p. xiii). Kirp (2003) outlines other characteristics these colleges share: they are small, residential, and reliant on full-time professors rather than adjunct instructors, with intimate faculty-student mentoring and commitment to student success (p. 53).

The site for this thesis was Notre Dame College (“NDC”), a small, four-year, private liberal arts college located in South Euclid, Ohio, less than 30 minutes from Cleveland in the Great Lakes region of the Midwest (NDC, 2010c). Founded in 1922, NDC was an institution for women until it began admitting men in 2001 (NDC, 2010c). The College is presently completing requirements to join NCAA Division II with 24 men’s and women’s sports (NDC, 2010c). Its mission states that, “Notre Dame College, a Catholic institution in the tradition of the Sisters of Notre Dame, educates a diverse population in the liberal arts for personal, professional and global responsibility” (NDC, 2010c).

NDC has been the subject of a doctoral thesis. Matthew Whelan’s (2011) case study of academic turnaround examined the leadership of the current NDC president, Dr. Andrew Roth. Whelan (2011) framed the thesis in existing research literature pertaining to institutional stress indicators, academic turnarounds, and presidential leadership. While Whelan’s (2011) research site, research subjects, and methodology are similar or the same as this doctoral thesis, the research questions and theoretical frameworks are very different. In examining the external and internal environment and various enrollment and financial stress indicators of NDC between 1990 and 2003, Whelan (2011) asked, “Was the college in fact stressed? If so, what improvements or changes contributed to its transition from a stressed college to an emerging
successful college? How and why had this transition occurred? What role, if any, did presidential leadership play in strengthening the college’s fiscal and reputational condition?” (p. 10).

These questions are different from the research question in this doctoral thesis. The existence of an academic turnaround may be tangential but is unimportant to the context of this doctoral thesis. The research question in this doctoral thesis sought to understand how strategic marketing is related to organizational adaptation, and did not specifically examine presidential leadership. Nevertheless, Whelan’s (2011) finished doctoral thesis provided encouragement and evidence that NDC was a fitting institution for a qualitative study examining organizational adaptation to the environment, and that the case study method could be applied for this purpose.

Whelan (2011) provided an excellent analysis of the history of NDC between 1990 and 2010. The history of NDC between 1990 and 2002 is not the subject of this doctoral thesis, but the progression of the College during this time provides essential context to the present study. The full-time equivalent (“FTE”) enrollment, calculated as the part-time registered credit hours divided by 12, was 656 in 1990, which represented a total headcount of 849 (Whelan, 2011, p. 77). A decade later in 1999, prior to the strategic decision to admit and educate men, the total headcount dropped to 745, and the FTE enrollment fell 30.94 percent to 453 (Whelan, 2011, p. 77). As noted, NDC began admitting men in 2001, and in 2003, the year that Dr. Andrew Roth assumed the presidency, FTE recovered to just 6.86 percent below its 1990 level at 611 (Whelan, 2011, p. 77). In 2010, total headcount increased to 2,137 with an FTE enrollment of 1,749, which was a 166.61 percent increase from the 1990 level (Whelan, 2011, p. 77).

Whelan (2011) also examined net operating results comparing unrestricted revenues with unrestricted expenses from 1990 to 2010, which provided a measure of operating performance as
income generated from operations. Between 1995 and 2003, NDC ran deficits every year except one (Whelan, 2011, p. 83). The College relied upon endowment transfers during the deficit years, presenting long-term viability challenges (Whelan, 2011, p. 84). Between 1992 and 2000, the value of NDC’s endowment exceeded its operating expenses, but after the decline of the financial markets in 2001, NDC’s endowment lost 30 percent of its value and the College’s expenses exceeded its endowment value (Whelan, 2011, p. 87). However, in the years between 2004 and 2010, NDC ran a deficit only once, in 2009, which resulted from the College’s enrollment growth outpacing available housing leading to the need for rented apartments (Whelan, 2011, p. 85). To illustrate the changes in net operating results at NDC, unrestricted revenues increased from $4,781,869 in 1990 to $24,838,932 in 2010, and unrestricted expenses increased from $4,393,372 in 1990 to $23,912,766 in 2010 (Whelan, 2011, p. 83).

Whelan’s (2011) analysis of the enrollment and financial circumstances of NDC from 1990 to 2010 showed measurable outcomes that changed at a particular IHE—enrollment declines turned into enrollment gains (p. 77), and operating deficits turned into operating surpluses (p. 83). The data also showed that the most substantial changes occurred between 2003 and 2010, which corresponds to a change in the top management team with the installation of Dr. Andrew Roth as president (Whelan, 2011, p. 85). The changing circumstances during this time made NDC a suitable research site for conducting a closer examination of the changes, if any, in marketing strategy that contributed to organizational adaptation to the external environment.

**Data collection.** Yin (2009) lists documentation, archival records, interviews, direct observations, participant-observation, and physical artifacts as six sources of evidence for case studies. No one source is better than the others, but using many sources strengthens case studies
Like Wong (1991) and Sporn (1999), this study used a variety of sources, including documentation, archival records, and interview transcripts. Because this case study examined events in the past, from 2003 to 2011, it was not applicable to include observation as a source of evidence. Physical artifacts, such as marketing and communications materials including student recruitment communications, are manifestations of marketing plans and as such were applicable but not central to the research. This thesis examined strategic marketing and organizational structure, not the use of marketing communications, making marketing communications materials less relevant to answering the research question.

Data collected for this research included a variety of documents such as mission statements, academic program information, college catalogs, strategic plans, organizational magazines, and organizational charts. Archival records included documents like reaccreditation materials, past strategic or communication plans, and historical or statistical records such as staffing levels and reporting lines for marketing operations and budget information for marketing operations. Yin (2009) indicates that interviews are essential sources of information for case studies, and cites the nature of case studies as inquiries into human behavior and interviewees’ insights into those events in support of interviews as an essential source of evidence. Therefore, interviews with the participants were an essential source of evidence. The interviews took the form of what Yin (2009) describes as in-depth interviews, which may take place during an extended period of time, which ask the interviewee to propose his or her insights into the subject, and during which the interviewee may recommend other interview subjects or sources of evidence (p. 107). Interview participants at NDC included top management team members predominantly: the president who has served from 2003 to the present and others representing
academic affairs, finance and administration, communications, community relations, student recruitment, student affairs, development, and the faculty. See Appendix A for a list of sample interview questions.

**Data analysis.** Creswell (2007) describes qualitative research data analysis in three broad steps: preparing data, coding data, and representing the data in a discussion. The steps represent a “data analysis spiral” (Creswell, 2007, p. 150) or a sequential progression through organizing data either by hand or by computer, reading data by developing initial categories, describing data through a classification system and interpretation, and finally putting the data into text or figure form. The steps may be reflexive—occurring simultaneously during the research project—but generally follow the directional spiral (Creswell, 2007). For case studies, the analysis provides a detailed description of the case and the setting, in part through the use of categorical aggregation that seeks to find patterns and meanings in the data (Creswell, 2007).

Yin (2009) elaborates on general strategies to case study research, where the researcher’s starting point is to “play” (p. 129) with the data, which is similar to Creswell’s (2007) approach. The purpose is to code data and look for meaningful patterns. Yin (2009) outlines four general strategies for data analysis: (1) relying on theoretical propositions, (2) developing a case description, (3) using both qualitative and quantitative data, and (4) examining rival explanations. Relying on theoretical propositions is the approach most appropriate to this study. This proposal outlines a theoretical framework based upon contingency theory, and using this approach establishes a framework from which to orient the data collection and data analysis (Yin, 2009). Yin (2009) further outlines analytic techniques to case study data analysis, which includes pattern matching. Data analysis included pattern-matching logic, a similar approach to
both Sporn (1999) and Wong (1991) who examined organizational adaptation in university and apparel industry environments, respectively. The notable difference is that both Sporn (1999) and Wong (1991) used multiple cases, whereas this thesis was a single case study.

Validitendimento creditibilidade. This study followed Yin’s (2009) three principles of data collection in order to maintain validity and credibility. First, this study used multiple sources of evidence (documents, archival records, and interview transcripts). This principle allows for data triangulation, or developing “converging lines of inquiry” (p. 115) where conclusions are based upon several different sources of evidence. The second principle is to create a case study database, which is a mechanism to increase the reliability of the case study (Yin, 2009). A case study database includes case study notes (the researcher’s notes and observations), case study documents, tabular data (such as charts), and narratives (interview transcripts), which become the basis of the case study report (Yin, 2009). Finally, this study maintained a chain of evidence, which is the direct connection between the case study report, the case study database, sources of evidence, and case study questions (Yin, 2009).

Four tests for validity are common to all social science methods, including case studies: construct validity, internal validity, external validity, and reliability (Yin, 2009). Construct validity is established by using multiple sources of evidence and establishing chain of evidence, both noted previously, and asking interviewees to review draft case study reports (Yin, 2009). Internal validity is established during the data analysis stage by pattern matching, and external validity is established through the use of theory in research design (Yin, 2009). Reliability is established during data collection by assuring that the protocols can be followed to conduct the same case study and develop a study database (Yin, 2009).
All four tests for validity were used in this study. First, construct validity was established through the use of multiple sources of evidence, which in this case were interviews combined with document analysis. A chain of evidence was maintained connecting findings from the study to specific documents or interviews, the latter of which were transcribed for analysis. Construct validity was established by asking interview subjects to review drafts of the findings. Second, using software to identify patterns in the interview transcripts and correlating those patterns with others that emerge from the document analysis established internal validity. Third, external validity was established by linking the findings to the theoretical framework of this doctoral thesis, contingency theory. The literature review outlined the applicable phenomenon observed in practice, which were correlated to the findings of the research. Finally, reliability was established through documenting each step of the research process so that this study can be replicated in a different setting.

**Protection of Human Subjects**

The goal of this research was to learn in what ways IHEs adapt to the competitive and changing external environment, which involved interviews with the president, chief academic officer, chief financial officer, institutional researchers, and appropriate members of the senior staff and governance structure of NDC. Research participants were selected by virtue of their position at the research site, and no participants were excluded on the basis of age, gender, ethnicity, race, health, literacy level, or socioeconomic level. The researcher asked individuals in writing to participate in this study, with an explanation of the research question and the reason they are being asked to participate (see Appendix B for a sample of the solicitation letter). Interview subjects were informed that their participation was voluntary, and should they choose
to participate in an interview, they may end the interview at any time without penalty. No incentives were offered to the interview subjects.

Northeastern University’s Institutional Review Board approved this doctoral thesis research study (see Appendix C for approval documentation). Only the researcher and the researcher’s faculty advisor had access to the research data. The changes that have occurred at the IHE under study in this research were already public (e.g., changes in enrollment available through databases such as the Integrated Postsecondary Educational Data System), and the research study did not explore future plans that would be more sensitive and potentially more damaging if they were unintentionally publicized.
Chapter 4: Report of Research Findings

Data collected for this research included a variety of documents such as institutional magazines, academic program information, catalogs, strategic plans, organizational charts, reaccreditation materials, and other records such as reporting lines for marketing operations and transcripts from interviews. As Yin (2009) indicated, interviews are essential sources of information for case studies, and data collection included interviews with the president and other senior administrators at Notre Dame College ("NDC"). The interviews took the form of what Yin (2009) described as in-depth, occurring during several months and asking the interview subjects to propose his or her insights about the topic. The interview subjects recommended additional interview subjects or sources of evidence. Interviews provided a mechanism to gain detailed insight into the research question, which was the following: in what ways has NDC in South Euclid, Ohio, made strategic marketing adaptations in responding to the rapidly changing external environment during the first decade of the twenty-first century?

First, the research began with a review of key documents including strategic plans, reaccreditation materials, catalogs, and institutional magazines and promotional materials. The research provided insight with respect to NDC’s perceptions of its internal strengths and weaknesses and external opportunities and threats, and some of the new programs and activities introduced at NDC during the first decade of the twenty-first century. Second, research included interviews with key administrators such as the president and senior administrators representing communications, recruitment and admissions, student affairs, academic affairs, business and finance, community relations, and the faculty. Third, the interviews led to additional document
analysis as interview subjects recommended additional materials to research related to the interview topics.

Interviewing administrators and analyzing documents was an iterative and recursive process that moved back and forth between conversations with administrators and a review of other documentation. The NDC archivist provided access to documents and institutional research such as enrollment figures throughout the process. The researcher created a database of detailed notes from document analysis and interview transcriptions. Data was imported into TAMS Analyzer qualitative analysis software, and the researcher used the software to code research notes and interview transcripts and identify patterns in the data in order to determine what role, if any, strategic marketing had in NDC’s adaptation to the rapidly changing external environment.

The research for this doctoral thesis did not identify an organizational procedure for collecting information about external pressures at NDC, but the research did reveal that external pressures in the form of economic, social, political, technical, and legal forces were referenced in planning documents and during interviews. Furthermore, a review of staffing changes and organizational charts from 2003 to present shows that the organization itself changed several times during the first decade of the twenty-first century (see Figures 2, 3, and 4).

This doctoral research study identified strategic marketing adaptations that occurred at NDC with the leadership of Dr. Andrew Roth as president. The research is replete with examples of Dr. Roth’s deployment of the four P’s of marketing—product, place, price, and promotion—in changing the organization in response to external pressures and increasing its enrollment from a total headcount of 894 in 2003 to 2,147 in 2011, a 240 percent increase in less than a decade (see Table 7). This doctoral research study also found that NDC introduced new academic, co-
curricular, and extracurricular programs and new online programs for non-traditional and part-time learners, remained one of the lowest-cost private colleges in the Great Lakes region, and increased publicity via personal selling and creative use of advertising budgets.

*Changing External Environment*

This research study began with an analysis of changes in the external economic, social, political, technical, and legal environment as described by NDC’s key administrators. A review of documents covering the first decade of the twenty-first century combined with interviews with senior administrators provided evidence of the external environmental pressures that were most influential for strategic planning purposes.

*Environmental scanning at NDC.* The only document to make reference to a process for environmental scanning is a NDC (2007a) reaccreditation Self-Study Report, which stated that the organization conducted “periodic environmental scanning,” and did not provide information about how environmental scanning occurred except to indicate that “[t]he Admissions Office collects and tabulates information relating to the needs of its prospective students… regarding their curricular and extracurricular interests” (p. 176). The report tacitly acknowledged that environmental scanning could be more structured or more pervasive across the organization by recommending that a “scan for identifying community needs should be done every five years,” and that NDC should “perform periodic environmental scanning” (NDC, 2007a, p. 202).

Nevertheless, references to external environmental considerations are prevalent in key documents, particularly with respect to academic program development. For example, a May 29, 2002, report to the Long Range Planning and Budget Committee of the Board of Trustees contained a progress report on NDC’s strategic plan. The first initiative calling for career-
oriented liberal arts included explicit actions for “contacting employers and finding more paid cooperative education position [sic] for students,” and “[t]ake full advantage of the College’s location in Cleveland” (NDC, 2002b, p. 2). The report predates Dr. Andrew Roth who assumed the presidency in 2003, but it reflects the state of NDC as of the beginning of the timeframe under consideration for this case study.

NDC’s president referenced the external environment in a letter to the executive director of the Higher Learning Commission, NDC’s regional accreditor, and specifically cited external environmental influences in a section titled, “Strategic Planning, Assessment, Program Review and Governance” (Roth, 2004, p. 3). Planning, President Roth indicated, “has a bias for action,” and contained a program review element that included considerations such as regulatory impositions on the organization, potential for student enrollment, the existing competition, and promotional implications such as “challenges and requirements in recruiting students and participants to the program” (Roth, 2004, p. 4).

President Roth’s reflection upon external pressures acting upon NDC was not limited to his first few years in office. His March 2007 “Strategic Thinking” document, while itself not a strategic plan, includes the directive that NDC “needs to explore who it is today, what it does today, what opportunities and threats surround it today [emphasis added], and what it might do tomorrow” (Roth, 2007, p. 1). The document also references an approach that colleges and universities take

to benchmark themselves against the measurable attainments of peer or aspirant institutions by using data from instruments such as the National Survey of Student Engagement (NSSE), the Collegiate Learning Assessment (CLA), or even US News and
World Reports ratings to profile similar institutions, compare and contrast them to Notre Dame, do a gap analysis and set goals for the College. (Roth, 2007, p. 3)

As another example of evidence that NDC considered external environmental pressures when developing academic programs, the 2007 Self-Study Report references a document approved by NDC’s Educational Policy and Planning Committee, titled “Check List for Adding Programs and/or Courses to the Curriculum” (NDC, 2007a, p. 69). Among other requirements, the checklist indicates that new course or program proposals should include “evidence for need, perhaps based on marketing analysis,” “field experience requirement,” “requirements for admission to new program,” and “internship and co-op opportunities” that demonstrate a consideration of external factors such as market demand, new student admission requirements, and the availability of practice-based experiences outside of NDC (NDC, 2006, p. 1).

**External environmental pressures.** The Higher Learning Commission (“HLC”) of the North Central Association of Colleges and Schools, NDC’s regional accreditor, exerted sizeable external pressure upon the organization during the first decade of the twenty-first century. After its 2000 review of NDC, the HLC directed NDC to submit monitoring reports about enrollment and strategic planning (Nyhammer, 2004). The monitoring reports were prompted by NDC’s announcement in 2000 to become coeducational, after being a women’s college since NDC’s founding in 1922, and the HLC’s concerns about adequate planning to become a coeducational institution (Nyhammer, 2004). The decision by the previous administration to become a coeducational institution combined with the HLC’s concern about the lack of planning were related in part to the total enrollment at NDC during this time. In 2003, the College enrolled 332 full-time undergraduate students and 894 students when part-time undergraduates and graduate
students were included (NDC, 2010d). Shortly after he arrived on campus, President Roth (2003a) issued a monitoring report in a letter to the HLC’s executive director, which responded to HLC’s primary concerns and cited a 54.4 percent increase in full-time undergraduate students and freshmen to sophomore year retention of 91 percent in the fall of 2003, up from a “typical” rate of 60 percent before the institution was co-educational (p. 2). President Roth recalled the situation in the following way:

The College had suffered in 2000 from a very tough Higher Learning Commission accreditation visit in which it was challenged on its dwindling enrollment, its lack of finances and financial reserves, and an absence of strategic planning for the future. They were required to file two monitoring reports, and the Higher Learning Commission would come back, not in 10 years, but in six years. And so that put some immense pressure upon us when I first came here in 2003. (personal communication, January 27, 2012)

President Roth’s (2003a) letter to the HLC included a report of strategic planning at NDC, another area of concern. As part of its planning efforts and in response to the HLC’s ominous conclusions in 2000, NDC administrators demonstrated that the rapidly changing economic and social environment weighed heavily on their minds during strategic planning subsequent to the 2000 HLC conclusions. NDC’s 2007 Self-Study Report described challenges in a section titled “Notre Dame College realistically prepares for a future shaped by multiple societal and economic trends” with the following passage:

Demographic data shows that the largest group of students ever is now entering higher education but with different characteristics than prior generations. Earlier groups were mostly from affluent white suburban families. Current students are more diverse, and a
growing number are poorer and older. At the same time, states are cutting back their support of higher education. Campuses are becoming crowded, tuition rates are rising, and there is an increasing demand for financial aid...For small colleges, the longer-term enrollment outlook is very challenging. The National Center for Education Statistics projects an 11 percent increase in high school graduates between 2001 and 2013 but that growth is centered in the west, southwest, and southeast regions of the country. Larger institutions with more amenities and lower cost programs could edge out small colleges in a shrinking applicant pool. Analysts project that many small colleges are not fiscally prepared for this challenge and many will close or merge by 2010. (NDC, 2007a, p. 88)

Corroborating this finding in the 2007 Self-Study and prior communications with HLC, interviews with key administrators demonstrated a keen awareness of economic forces affecting student enrollment. Interview subjects commented that the early-2000s enrollment challenges exerted tremendous pressure on NDC, pressure that was fueled by external economic forces to some extent. Furthermore, interviews showed that the pressure remained an ongoing challenge. Interview subjects described how the economy, through the ability of students and families to pay tuition and fees, affected NDC’s enrollment. The economic constraints that prospective students and their families faced while making decisions about attending college created a difficult environment for recruiting students. A key administrator described the sentiments that existed among students and families in the external environment in the following way:

Students and parents are questioning should my son or daughter start out at a community college as opposed to a private institution? What’s the financial aid going to be like at a private institution versus a state institution? How far away do I want my son or daughter
to go; do I want them to live on campus, or can I save some money having them stay at home?

Another key administrator observed how the external pressures applied directly to NDC in the following way:

We’ve seen a pretty dramatic increase in the amount of struggles students and their families have to be able to afford college. And so there is more pressure on the institution to give out need-based and merit-based financial aid, while students are borrowing a lot of money to come here.

President Roth described students’ ability to pay as it relates to their own economic circumstances and the state and federal public policy with respect to financial aid. The type of student that NDC attracted was a student who required more financial aid in order to attend a private college like NDC. Regarding the external pressure on NDC, President Roth summarized:

If you look at an income distribution from the financial aid office, our students are overwhelmingly middle and working class. That means they need financial aid…So the biggest environmental pressures acting upon us today are the economy—the downturn in the economy impacting families’ ability to pay—and the political pressure at the state and federal level…on financial aid. (personal communication, January 27, 2012)

Another interview subject reflected on the external political environment summarizing that “the federal government’s intrusion with what they’ve done with financial aid and the state cutting the financial aid has affected us.” The confluence of price sensitivity among prospective students and families and the reduction of state and federal support for higher education (for both IHEs and students) applied substantial pressure on NDC.
External economic and political pressures affecting traditional student enrollment were exacerbated by additional pressures affecting non-traditional student enrollment, which were driven by demographic and technical changes and the growth of accelerated and online programs for adult students. In 1978, NDC established a weekend college program for non-traditional learners (NDC, 2007b). However, President Roth indicated that demographic changes altered the external market for weekend programs, with the result that at NDC by the late 1990s, “the adult program had begun to shrivel” (personal communication, January 27, 2012). Table 1 shows the precipitous drop in enrollment in NDC’s Weekend College program after the year 2000.

Table 1

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Source: Notre Dame College Archives.

A U.S. Department of Education (2002) analysis of non-traditional undergraduate students in a National Center for Education Statistics report outlined the demographic changes that were underway during the turn of the century. The report defined a non-traditional student as one who delays college enrollment, attends college part-time, works full-time, is considered financially independent for financial aid eligibility, has dependents other than a spouse, is a single parent, or does not have a high school diploma (U.S. Department of Education, 2002, p. 26). Significantly, the U.S. Department of Education (2002) found an increase in the percentage of students who met those criteria between the academic years of 1992-1993 and 1999-2000, and found a decrease in the percentage of undergraduate students attending part-time during the same period.
Demographic changes were not the only external environmental challenges impacting NDC. The U.S. Department of Education (2002) indicated that “distance education may allow nontraditional students to overcome some of the difficulties they encounter in coordinating their work and school schedules,” and that eight percent of all undergraduate students participated in some form of distance education in 1999-2000, 60 percent of whom participated via the Internet (p. 31-32). President Roth made references to “the disruptive impact of online technology” as a major external pressure, and added that “by the late 1990s, if you were in the adult business you were going to be in some version of the online accelerated business” (personal communication, January 27, 2012). In addition, President Roth indicated that NDC in 2003 was “not responding to the beginnings of the new for-profit competitors,” with the University of Phoenix cited as the prime example of an institution that already had a physical campus in the Cleveland, Ohio, area and was also offering programs in online and accelerated formats (personal communication, January 27, 2012). Another administrator summarized the demographic and technical challenges with the following statement:

And not that there is still not a great number of adults who need degrees, but they don’t necessarily want to come on the weekend, so now that’s another reason for online. The adult market has shifted, and competition is so intense.

The drop in Weekend College student enrollment shown in Table 1 demonstrates the affect of the market shifts on NDC, and the increase in adult undergraduate student enrollment after 2000, shown in Table 2, reveals a shift toward non-weekend adult programs at NDC.²

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² According to NDC Chief Information Officer Deb Sheren, adult undergraduate populations at NDC are tracked in three separate categories, which are Weekend College, semester students, and Teacher Education Evening Licensure for adults who already have an undergraduate degree
NDC’s ability to financially compensate for changes in the external environment due to fluctuations in student enrollment was extremely limited. President Roth attributed the bust of the “dot com” bubble and subsequent negative effects on NDC’s endowment as an important environmental factor during the early part of the decade (personal communication, January 27, 2012). As a result, NDC could not rely on the endowment to fund generous financial aid offers for prospective students or cover other operational expenses (A. Roth, personal communication, January 27, 2012).

**Public visibility and competition.** A need to recruit more students meant a need for increased public visibility at NDC, which had traditionally been a “best-kept secret” in its geographic area according to several interview subjects. One senior administrator said, “Notre Dame’s problem was—and they would brag about this in those years—that the College was the best kept secret in Cleveland. Well, the worst thing you can be in business or education is the best-kept secret.” Another administrator described the situation in the following way:

> Competition was one of the pressures that we had, and how to make our mark having been a quiet institution and frankly a lot of people didn’t know it. Here is the good news,
bad news. The bad news was we didn’t have much of a reputation, but the good news is at least we didn’t have a bad reputation to have to overcome.

The same interview subject recalled the pressures of undergoing the 2000 reaccreditation visit, changing from a single-sex institution to a coeducational institution, and changing NDC’s brand identity and public perception simultaneously. The example illustrated the confluence of several external pressures and the challenge of gaining public visibility for an organization that recently and markedly changed.

When asked about NDC’s primary competitors, senior organizational leaders were consistent in their responses. Primary competition came from higher education institutions in Northeast Ohio in three broad categories. First, interview subjects invariably listed two other Cleveland-area private Catholic liberal arts colleges that were both fewer than five miles from NDC’s campus, John Carroll University and Ursuline College, and other Cleveland-area private colleges including Baldwin-Wallace College and Lake Erie College. Second, interview subjects listed two-year and four-year public colleges and universities. These IHEs, such as two-year colleges Cuyahoga Community College and Lakeland Community College and four-year IHEs Cleveland State University and Kent State University, were cited as examples of institutions that were competitive especially on price. Finally, administrators listed for-profit colleges and universities in NDC’s competitive set, such as the University of Phoenix. As previously noted, institutional leaders recognized competition from outside of Northeast Ohio in the area of online accelerated learning and the adult student market.
External environmental pressure existed not only for name recognition in NDC’s highly competitive market, but also pressure from the expectations of prospective students. One interview subject elaborated on students’ expectations in the following way:

They come with more expectations for better amenities: they don’t want to share rooms, they want to have recreational opportunities, they want to have fitness opportunities, and they come with a level of expectation that you see in the larger community. So they work out in Urban Active [an upscale fitness center near NDC’s campus] and they expect to see something like that in Notre Dame… So, there is more pressure for amenities and you know there is almost like an arms race going on with schools. [For example,] they will look at [The University of] Akron’s student union, which is unbelievably nice.

And this pressure is felt during the student recruitment process, as the same interview subject observed:

A lot depends on what the incoming student wants; what they are looking for. Students are applying to more institutions than they have in the past. So maybe five years ago [students applied to] two to three [colleges], now students apply to six, seven, and eight institutions. They want to know what’s out there, what do you have, and how is it going to benefit me, how much it’s going to cost me. We want to be able to be competitive in cost but then also in terms of their educational experience. So, they can come here and say, “okay I’m going to have this kind of this signature experience over the course of four years, where inside the classroom and outside the classroom experiences are combined and supportive of each other.” Then the hope is that would be more attractive to that student and that also gives them a better experience.
As this administrator acknowledged, NDC’s strategic adaptations were based upon how students and their families perceive the NDC experience, and therefore, administrators were responsible for creating an experience that would resonate with increasing numbers of students and families.

This research study found evidence of environmental considerations in documents, archival records, and interview transcripts despite the lack of a formal environmental scanning process at NDC. Competition for new students was a significant pressure fueled by a harsh visit with the HLC reaccreditation team in 2000. As a result of the visit, NDC focused more intensely on economic and political trends (NDC, 2007a). Demographic and technical changes altered the market for non-traditional students at the same time (U.S. Department of Education, 2002). The documents (e.g., NDC, 2007a) and interview transcripts examined for this study revealed the priority to recruit and retain students in order to keep pace with long-standing competitors such as the region’s small private colleges and new competitors such as for-profit and online colleges.

**Strategic Marketing**

This research study included an analysis of strategic marketing at NDC. A review of documents combined with interviews with senior administrators provided insight into marketing planning and marketing concepts that framed NDC’s use of strategic marketing during the first decade of the twenty-first century. The Notre Dame College (2007a) Planning Template shown in Figure 1 illustrates how the marketing mix—product, price, place, and promotion—assisted administrators with strategic planning. The four Ps of the marketing mix are the “analytical lenses” that administrators used to evaluate academic, athletic, and student life programs. While the word “marketing” is not part of the template, the analytical lenses of “program,” “financial,”
“distribution/facilities,” and “promotion” are analogous to the four Ps. This research further explored how NDC administrators used the four Ps in planning.

Figure 1
Notre Dame College Planning Template from 2007


**Marketing planning at NDC.** As demonstrated by the Notre Dame College (2007a) Planning Template in Figure 1, marketing influenced planning at NDC, but neither a marketing plan nor an institution-wide definition of or framework for marketing was discovered in the research. Among the administrators interviewed for this thesis, the concept of promotion was frequently substituted for marketing even though the terms are not synonymous, and in fact,
promotion is only one of the four parts of the marketing mix. During interviews, key institutional leaders did not talk universally about marketing planning from the perspective of creating value for customers (students). Instead, several key administrators elaborated about promoting NDC when asked about marketing. One interview subject defined marketing as “sharing information, advertising, branding, [and] PR [that] includes recruiting efforts for new students,” and this definition was entirely consistent with the understanding shared by other interview subjects.

Presidential leadership by the marketing mix. Key administrators interviewed for this doctoral thesis did not describe marketing planning as a process to usher organizational resources to satisfy student needs, but President Roth (2012), with a M.B.A. with a marketing emphasis and extensive practical experience in marketing, viewed the process of adapting NDC to the changing external environment as a process of marketing management. He said, for example,

Our strategic objective number one of the current strategic plan is to build an institution that’s faithful to mission. But in terms of the actual programmatic pricing, distributional and promotional tactics we employ, they’re all driven by marketing strategy. By asking ourselves who are our customers? Who are our students? Where are they? What do they want? (personal communication, February 9, 2012)

And upon reflecting upon the changes at NDC from 2003 to present, President Roth added the following:

We’ve done everything consistent with the history of the mission of the school. We have not changed the mission of the school; in fact, our mission is still what it was verbatim in ’03. It’s to use marketing strategy and the tactical implementation of marketing activities that we were able to deliver that mission. (personal communication, February 9, 2012)
Not only did President Roth reflect upon his tenure with this marketing framework in mind during several interviews with the researcher in 2012, he also articulated this framework during his November 2, 2003, inaugural address (Roth, 2003b). While addressing the NDC community, President Roth articulated his plan for how NDC would become “one of the finest, small, Catholic, residential, liberal arts colleges in the Great Lakes region” (Roth, 2003b, p. 6). President Roth listed “four tools at our disposal” and suggested that the community “must become masters of each.” They are “programmatic creativity” (e.g., product), “financial creativity” (e.g., price), “distributional creativity” (e.g., place), and “recruitment and promotional creativity” (e.g., promotion) (Roth, 2003b, p. 7). This theme is revisited at NDC through the first decade of the twenty-first century. The following sections elaborate upon each of the four Ps of the marketing mix as they were applied to NDC’s organizational adaptation.

**Product (program).** The marketing strategy began with an analysis of NDC’s “product”—its educational mission and services—offered to its “customers”—students. On this point, interview transcripts and key documents collected from 2003 to present are clear about how programs would advance the mission of the institution. President Roth’s inaugural address, in a section entitled “programmatic creativity,” indicated that curricular, co-curricular, and extracurricular innovations would help elevate NDC to one of the finest Catholic liberal arts colleges in its region (Roth, 2003b, p. 7). The theme of programmatic curricular, co-curricular, and extracurricular innovations was repeated in President Roth’s “Strategic Thinking” document four years later (Roth, 2007, p. 2). This thought was subsequently incorporated into the next strategic plan, in a section of strategies for enrollment, which calls for recruiting new students by
“developing new undergraduate, graduate and non-traditional academic programs,” and “extra-curricular activity and intercollegiate athletic programs” (NDC, 2009, p. 15).

During interviews, President Roth elaborated on the importance of aligning programs to NDC’s changing external environment. Beginning with an analysis of NDC at the start of his presidency, President Roth indicated that institutional leaders focused on two primary market segments: traditional students and non-traditional students, where non-traditional students were defined as anyone who was not age 18 to 22 that attended college full-time (personal communication, February 9, 2012). He continued with a programmatic analysis of the institution he inherited in 2003 with the following comments:

[t]he College’s marketing strategy—to the extent I think I can say there was one—was out of alignment with that market in a number of ways…academically, there was no attempt to either generate new programs or to tweak/modify existing programs to make them more effective and more specifically aligned with the interest of students…in terms of extracurricular, they added men’s sports when they went co-ed…but they did not have marching band, there was no choir or any of that, so there was very limited programmatic initiatives. (personal communication, February 9, 2012)

Other institutional leaders who were responsible for making decisions that would grow NDC to achieve President Roth’s vision of creating the finest Catholic liberal arts college in the region confirmed both the importance of programming to the institution’s strategic plans and the influence of President Roth’s marketing savvy on the planning process. An interview subject in enrollment and student affairs outlined the importance of programs though the lens of student enrollment in the following way:
Enrollment at colleges comes down to two things, and this comes from Dr. Roth, programs and raw recruiting. When we look at programs, there’s two types of programs, there is new or existing. When we look at programs here at Notre Dame College, we look at them in a three-segmented pipeline. There is academic program, there is co-curricular program and there is extracurricular program, so what are our existing academic programs, co-curricular programs, and extracurricular programs that we can grow through the raw recruiting?

A different administrator in enrollment and student affairs underscored the importance of new programs that set NDC apart in the marketplace for the purpose of enrolling more students with the following observation:

I think one of the biggest issues is that there are a lot of colleges in Ohio, there are a lot of colleges in this region, and most of them are tuition driven and they are all fiercely going after students and trying to come up with different programs to get students…and it is tough because you have a shrinking pool of students that you can bring in.

To recruit more new students, NDC added eleven new academic majors, which are listed in Table 3 with unduplicated student enrollment figures from 2004 to 2011. An academic affairs administrator spoke about the opportunity to expand academic programs and described NDC’s academic reputation circa 2003 as “weak,” having been “known for a school that educated teachers and did a fine job of that.” As a result, new academic majors in business administration, international business, sport/recreation management, intelligence analysis, and criminal justice were added in part to appeal to men, which was an important target demographic after NDC became coeducational in 2001. Majors in nursing appealed to the healthcare industry in the
region and the need for a trained nursing workforce in the immediate geographic vicinity. The number of undergraduate students enrolled in these new majors totaled 451 in 2011, which was equivalent one-quarter of the total undergraduate enrollment at NDC in that year.

Table 3

<table>
<thead>
<tr>
<th>New Academic Programs and Enrollment at Notre Dame College after 2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
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<td>2</td>
<td>19</td>
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<td></td>
<td></td>
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<tr>
<td>Graphic Design</td>
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<td>11</td>
<td>14</td>
<td>12</td>
<td>15</td>
<td>17</td>
<td>23</td>
<td>32</td>
</tr>
<tr>
<td>International Business</td>
<td>1</td>
<td>6</td>
<td>11</td>
<td>14</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sport/Recreation Management</td>
<td>25</td>
<td>41</td>
<td>60</td>
<td>64</td>
<td>85</td>
<td>112</td>
<td>117</td>
<td>97</td>
</tr>
<tr>
<td>History (Intelligence Analysis)</td>
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<td>13</td>
<td>13</td>
<td>12</td>
<td>16</td>
<td>16</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Nursing (BSN)</td>
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<td>11</td>
<td>28</td>
<td>72</td>
<td>67</td>
<td>44</td>
<td>79</td>
<td></td>
</tr>
<tr>
<td>Nursing (Huron)</td>
<td>19</td>
<td>12</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nursing (RN to BSN)</td>
<td>2</td>
<td>2</td>
<td>15</td>
<td>10</td>
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<td></td>
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<td>16</td>
<td>11</td>
<td>7</td>
<td>6</td>
<td>2</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political Science (Criminal Justice)</td>
<td>17</td>
<td>25</td>
<td>32</td>
<td>36</td>
<td>63</td>
<td>81</td>
<td>72</td>
<td></td>
</tr>
</tbody>
</table>

Source: Notre Dame College Archives.

The same interview subject also elaborated upon the importance of NDC’s Weekend College program, which prior to 2003, “virtually kept the school afloat” since “the traditional population wasn’t where it should be, but the WECO [Weekend College] population was huge.” Another successful program cited by administrators is NDC’s Teacher Education Evening Licensure (TEEL) program, which helps adults who already have a bachelor’s degree earn the credentials they need to become professional educators (NDC, 2010e). Table 4 shows the enrollment for the TEEL program after 2003. Several interview subjects explained that in order to meet the needs of adult students, NDC began to offer online classes and programs as well as offering TEEL classes online, which is covered in the following section related to place, another element of the marketing mix.
Table 4  
**TEEL Enrollment at Notre Dame College after 2003**  
<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registrations</td>
<td>2,247</td>
<td>2,287</td>
<td>2,409</td>
<td>2,882</td>
<td>3,117</td>
<td>3,803</td>
<td>3,442</td>
<td>3,341</td>
</tr>
<tr>
<td>Credit Hours</td>
<td>6,369</td>
<td>6,755</td>
<td>6,565</td>
<td>7,744</td>
<td>8,399</td>
<td>10,040</td>
<td>9,226</td>
<td>9,187</td>
</tr>
<tr>
<td>Headcount</td>
<td>446</td>
<td>471</td>
<td>492</td>
<td>507</td>
<td>544</td>
<td>602</td>
<td>621</td>
<td>520</td>
</tr>
</tbody>
</table>

Source: Notre Dame College Archives.

The research showed that NDC administrators developed co-curricular programs to recruit and retain students. Several interview subjects cited NDC’s Academic Support Center as a primary example of a program that was created to recruit and retain students in a particular market segment of underserved college students. Developed to meet the needs of students with documented learning disabilities, the Academic Support Center offered free and fee-based services, enrolled 110 students as of 2012, and was touted in popular media as one of the few programs of its kind in the country (Farkas, 2012; NDC, 2010a). Another program frequently cited was NDC’s marching band, which was started in 2009 and has grown to include more than 50 members (NDC, 2011).

NDC catalogs from 2002-2004 to 2011-2012 showed that the number of student organizations offered remained relatively unchanged, ranging from a low of 22 in 2010-2011 to a high of 29 in 2005-2006 (NDC, 2005, p. 17; NDC, 2010b, p. 20). Several student organizations persisted through those years, such as accounting, art, drama, literary, and psychology clubs. Other clubs, such as Future Educators, public relations and communications, and Student Nurses Association were added later in the decade. No reliable college-wide data were available on the number of students involved in all of the student organizations.

With respect to extracurricular programs that would help NDC adapt to the wants and needs of students, NDC offered new athletics programs that would appeal to new students. As of
2012, NDC offered 24 varsity sports as a NCAA Division II institution, and boasted of winning two consecutive national championships in wrestling (NDC, 2012a). When President Roth took office in 2003, NDC was a member of the NAIA with teams in volleyball, soccer, cross country, basketball, tennis, softball, and track (NDC, 2002a, p. 23). An interview subject in academic affairs acknowledged the importance of athletics to attract and retain students. Early in President Roth’s term, according to the interview subject, a fast way to differentiate NDC from other institutions was to develop new athletics programs, particularly since the institution had only recently began admitting men and did not fully take advantage of men’s sports to recruit good students who wanted to play competitive sports at the collegiate level. Six men’s sports (bowling, football, golf, swimming and diving, water polo, and wrestling) were added after President Roth assumed office. The same interview subject explained that increasing student enrollment through expanding athletic programs provided the financial resources that later allowed expansion of academic programs. New athletic programs added after 2003 and the corresponding student enrollment figures are listed in Table 5.

<table>
<thead>
<tr>
<th>Table 5</th>
<th>New Athletic Programs and Enrollment at Notre Dame College after 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2004</td>
</tr>
<tr>
<td>Bowling (Men's)</td>
<td>16</td>
</tr>
<tr>
<td>Bowling (Women's)</td>
<td>6</td>
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<tr>
<td>Football</td>
<td>95</td>
</tr>
<tr>
<td>Golf (Men's)</td>
<td>6</td>
</tr>
<tr>
<td>Golf (Women's)</td>
<td>5</td>
</tr>
<tr>
<td>Lacrosse (Women's)</td>
<td>14</td>
</tr>
<tr>
<td>Swimming &amp; Diving (Men's)</td>
<td>7</td>
</tr>
<tr>
<td>Swimming &amp; Diving (Women's)</td>
<td>18</td>
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<tr>
<td>Water Polo (Men's)</td>
<td></td>
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<tr>
<td>Water Polo (Women's)</td>
<td>6</td>
</tr>
<tr>
<td>Wrestling</td>
<td>42</td>
</tr>
</tbody>
</table>

Source: Notre Dame College Archives.
The data in Table 5 showing new athletic programs and their corresponding enrollment makes abundantly clear the critical role that both men’s and women’s sports played in program development and student recruitment at NDC. Combined with new academic majors and the extension of the popular TEEL program to an online format, the new programs expanded the market segments in which NDC competed and made NDC a more attractive option for students in those targeted markets.

**Place.** An important organizational adaptation closely related to program was NDC’s expansion into online programs. As mentioned, NDC is nestled in a region with abundant competition, with new college and university competitors emerging from the for-profit and online sectors. The previous section listed academic programs that NDC began to offer after 2003, including an RN to BSN completion program, which was first listed in NDC’s catalog in 2005-2006 (NDC, 2005). The RN to BSN program was eventually offered entirely online (NDC, 2012), and an interview subject described the thinking of NDC administrators and the external pressures that emerged as they deliberated this move:

> When [the RN to BSN program] first started, there were no online RN-BSN programs in Northeast Ohio. So that was a real opportunity. The previous dean of the nursing program was very resistant for a number of reasons…so we delayed that for a number of years. In the meantime, Ohio University was able to build an online RN-BSN program, and in three years they captured about 80 percent of Northeast Ohio market in that area.

Research revealed that considerations for the development of an online program was not apparent during the early part of the decade under consideration, but it was later included in NDC’s strategic plan for 2008-2013. Among the strategies was an explicit mention to “[d]evelop
a comprehensive online educational program,” with supporting directives to “[h]ire a Dean for Online Education Services,” “[i]ncrease the College’s online course offerings by providing training for faculty in online course pedagogy, design, development, and delivery,” and “[r]e-invent Weekend College to encompass a comprehensive adult education program employing both face-to-face and online distance education strategies” (NDC, 2009, p. 13-14). President Roth explained,

On the non-traditional student market we are getting more and more online because we have just started into a partnership with The Learning House [a consulting firm that develops online programs] to develop Notre Dame Online. In the intervening years we have begun to do online and have over 300 and some students online and that is largely by taking the TEEL [Teacher Education Evening Licensure] program and the graduate program in education online, now we diversified their program offering by adding the SPS, Security Policy Studies, et cetera. (personal communication, February 9, 2012)

Nevertheless, NDC carried out its objectives outlined in the 2008-2013 strategic plan, and its reach extended beyond its physical location in South Euclid, Ohio. Table 6 shows enrollment in online classes at NDC from 2003 to 2011, and illustrates growth in online enrollments after the implementation of the strategic plan. Increases in online enrollment beginning in 2008 coincided with NDC dropping the restriction on the distance a student must live from campus to participate in the TEEL program (P. Harding, personal communication, May 17, 2012). Notre Dame College Online’s (2012b) website as of this writing lists eight online programs, including nursing, education, security policy studies, and intelligence analysis. Some of the programs can be completed entirely online (Notre Dame College Online, 2012). Organizational charts from
NDC confirm the changes that introduced a position responsible for online programs. For the first time, an organizational chart dated June 2009 included “online programs” reporting to academic affairs. By June of 2011, the position responsible for online programs was the Dean of the Finn Center, reporting to the senior vice president of finance and administration.

Table 6

| Enrollment in Online Programs at Notre Dame College after 2003 |
|------------------------|--------|--------|--------|--------|--------|--------|--------|
| 2004                   | 2005   | 2006   | 2007   | 2008   | 2009   | 2010   | 2011   |
| Registrations          | 17     | 640    | 1,359  | 2,379  | 2,959  | 3,673  |
| Credit Hours           | 51     | 1,599  | 3,528  | 6,339  | 8,278  | 10,602 |
| Headcount              | 16     | 161    | 278    | 587    | 790    | 911    |

Source: Notre Dame College Archives.

**Price.** Among the challenges that come from larger competitors from across the country is a focus on college costs, student debt, and financial aid (Burd, 2001, 2005; Field, 2008, 2011; Gardner, 2012; Lewin, 2012; Martin, 2012; Sonmez & Helderman, 2012; Supiano, 2008). Again using Ohio University’s RN-BSN program as an example, an administrator elaborated upon how Ohio University was able to dominate Northeast Ohio market, and what NDC did in response.

[Ohio University] made the program much easier much more simple, they also drastically cut the price they undercut everybody’s price in Northeast Ohio. And so nobody really has been able to compete, and everybody’s program was basically struggling. So by the time we were serious about entering the market we had a number of decisions to make. We knew we had to compete on price. So the president agreed that we could reduce our price to the point where we are competitive with Ohio University.

President Roth was cognizant of price considerations with respect to both new and existing programs. While his inaugural address was vague with respect to price—it mentioned “financial creativity” with a directive to “increase the sophistication of our financial systems to
ensure that a values-based Notre Dame education remains accessible to all” (Roth, 2003b, p.7)—he spoke directly to the price sensitivity with prospective students and their families in the market. President Roth recalled that

The financial aid policy here was a pricing policy to use market language. The financial aid policies in 2003 were completely out of line with the new age of leverage discount. They did it the old fashioned way treating it as more or less as fixed expense for which you budget at specific number, you allow for the fact not everybody takes your offer so maybe you over award by some very conservative percentage, and once you have hit that number you stop recruiting. (personal communication, February 9, 2012)

As a result, NDC began focusing on price. One administrator in enrollment and student affairs said plainly in reference to the published tuition and fees as they compared to other IHEs in NDC’s region, “I would say that we purposefully go out and find out how much every school costs and we try to position ourselves just below almost every school.” Table 7 lists published tuition and fees as of 2012 for private colleges within 100 miles of NDC listed in ascending order of tuition and fees, excluding institutions with limited academic programs such as the Cleveland Institute of Art and the Cleveland Institute of Music.

An interview subject from the business and finance area offered an additional explanation of how NDC evaluated its tuition and fees vis-à-vis other IHEs, particularly private colleges. If prospective students and families perceived NDC’s programs as less prestigious than programs at other Cleveland-area private colleges such as Baldwin-Wallace College or John Carroll University, then the approach by the administrators was to set tuition at a lower level than the other colleges. In the words of an interview subject in the finance area,
We can’t be a high price leader. We have known that from the get-go, and until our programs have the same stature that the larger schools—as in Baldwin-Wallace and John Carroll—would be able to command, we need to come in under the radar screen. Our discussion about affording the cost of education is this: do we have at least a slight advantage over those other schools?

Table 7

*Published Tuition and Fees for Entering Students as of 2012*

<table>
<thead>
<tr>
<th>State</th>
<th>Tuition and Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grove City College</td>
<td>PA $14,212</td>
</tr>
<tr>
<td>Tiffin University</td>
<td>OH $19,890</td>
</tr>
<tr>
<td>Franciscan University</td>
<td>OH $21,220</td>
</tr>
<tr>
<td>Walsh University</td>
<td>OH $23,550</td>
</tr>
<tr>
<td>Heidelberg University</td>
<td>OH $23,670</td>
</tr>
<tr>
<td>Robert Morris University</td>
<td>PA $24,189</td>
</tr>
<tr>
<td>Geneva College</td>
<td>PA $24,480</td>
</tr>
<tr>
<td>Malone University</td>
<td>OH $24,536</td>
</tr>
<tr>
<td>Notre Dame College</td>
<td>OH $25,514</td>
</tr>
<tr>
<td>Ursuline College</td>
<td>OH $25,790</td>
</tr>
<tr>
<td>Thiel College</td>
<td>PA $26,288</td>
</tr>
<tr>
<td>Gannon University</td>
<td>PA $26,526</td>
</tr>
<tr>
<td>University of Mount Union</td>
<td>OH $26,650</td>
</tr>
<tr>
<td>Baldwin-Wallace College</td>
<td>OH $27,060</td>
</tr>
<tr>
<td>Lake Erie College</td>
<td>OH $27,368</td>
</tr>
<tr>
<td>Ashland University</td>
<td>OH $28,858</td>
</tr>
<tr>
<td>Hiram College</td>
<td>OH $28,950</td>
</tr>
<tr>
<td>Mercyhurst University</td>
<td>PA $29,037</td>
</tr>
<tr>
<td>Westminster College</td>
<td>PA $32,700</td>
</tr>
<tr>
<td>John Carroll University</td>
<td>OH $33,180</td>
</tr>
<tr>
<td>Allegheny College</td>
<td>PA $37,610</td>
</tr>
<tr>
<td>College of Wooster</td>
<td>OH $39,810</td>
</tr>
<tr>
<td>Case Western Reserve University</td>
<td>OH $40,490</td>
</tr>
<tr>
<td>Kenyon College</td>
<td>OH $44,420</td>
</tr>
<tr>
<td>Oberlin College</td>
<td>OH $44,905</td>
</tr>
</tbody>
</table>

Source: The College Board.
Tuition and fees for private colleges within 100 miles of NDC range from $14,212 to $44,905 annually, with a median of $26,650. The median tuition and fees for Ohio colleges only is $27,060. NDC’s published tuition and fees ($25,514) sits below the median of all private colleges and Ohio-only private colleges within this region. In addition, NDC’s published tuition and fees are less than the tuition and fees of all of the private colleges that NDC administrators identified as primary competitors (Ursuline, Baldwin-Wallace, Lake Erie, and John Carroll).

Published tuition and fees is only part of the story, as interview subjects explained. A finance administrator elaborated,

Well, there is pricing on the list price and then there is pricing that affects the net tuition…For the parents of our students and students themselves, they understand the net tuition price and they understand how government support through loans or grants from state and federal levels allow them to get to an out-of-pocket price.

In addition to government support, institutional aid such as scholarships will determine net price, or a student’s out-of-pocket expenses. Institutional aid and other discounts offered by competing IHEs could be a mitigating factor in remaining price competitive, as an administrator observed:

The individual players have come up with some very interesting techniques…Hiram [College, a private IHE 30 miles east of NDC] has something unusual where a student comes in and whatever their tuition price is, it is fixed for four years…Walsh [University, a private IHE 55 miles south of NDC] really had a lower list price [but] they did not offer as much scholarships, and so, we probably fell close to the same net tuition.

The combination of various sources of institutional aid, collectively known as discounts, tied closely with the published tuition and fees, and is explained by an administrator.
The tuition alone could be discounted by 50 percent. Coming up with a set of methods that gets that well understood by the student and the family, they are going to say, “Wow, you guys really have done more than say, Ashland University [a private IHE 75 miles southwest of NDC], did for me, you must really want me.” … And we say, “We want you to connect, and you are really interested in let’s say soccer, we want you to connect to the college and your high school GPA or your test scores coming in says you are going to do well here” and we factor in the family contribution and so forth. So, we feel like we have really done something for them.

Therefore, NDC set out to compete on both published tuition and fees and net price. Anecdotal evidence shows that NDC’s plan to compete on both compared favorably against other private colleges, and when combined with a personal selling approach, the plan enhanced NDC’s ability to recruit and retain students (and their families) with programs that met their needs and wants at a price they were able and willing to pay.

**Promotion.** The four Ps comprise the marketing mix, and as a mix, they are intertwined. NDC’s deployment of marketing planning through the vision and direction of President Roth and the subsequent strategic planning by institutional stakeholders shows how program, place, and price are combined to satisfy student wants and needs. In the example of NDC’s online nursing program, the RN to BSN completion program was a new program offered at a new place at a lower price to reflect the competition in the area (NDC, 2012c).

Promotion, the most recognized part of the marketing mix, brings together the program, price, and place and presents it to potential customers through various means. In NDC’s case, the customers are its students, and the promotion took place through two essential means: personal
selling, which took place via student recruitment and non-personal selling, which took place through advertising and public relations (A. Roth, personal communication, January 27, 2012). As previously mentioned, President Roth included “recruitment and promotional creativity” and an emphasis on “developing sophisticated, college-wide outreach systems” in his inaugural address (Roth, 2003b, p. 7). This doctoral thesis case study investigated both types of promotion, which were the most visible part of marketing through the eyes of interview subjects.

NDC’s promotion efforts were covered in organizational documents, especially with respect to recruiting new students. In 2003, NDC increased the recruiting operating budget and hired a new dean of undergraduate admissions (NDC, 2007a, p. 15). An excerpt from the 2007 Self-Study Report provided this overview of changes:

The Dean implemented a new recruitment strategy, now a campus-wide priority based on quality admissions personnel, personal touch customer service, and focused marketing. Since 2003 the Dean initiated changes in training, expectations, and placement. The admission support staff was reorganized to achieve optimal efficiency. An office manager was hired and is supported by two part-time staff. There are seven admissions counselors, which includes an Assistant Soccer Coach who coordinates international recruitment. An effort is made to hire qualified Notre Dame College graduates as counselors who can relate their personal experience of the College to prospective students. (NDC, 2007a, p. 16)

The emphasis on personal selling was apparent through the reorganization of the admission staff. A specific definition of personal selling, which is more widely referred to as a “personal touch” approach, was deployed in student recruitment, and included “handwritten
letters, flyers and postcards, e-mail and consistent phone calls” (NDC, 2007a, p. 17). Eventually, the personal selling approach encompassed discussions about financial aid packages, consistent with including price in the overall marketing mix for NDC. According to the 2007 Self Study,

In the past, the admissions counselor did not become involved with the financial aid package. Now the counselor remains with the student and the family throughout the total recruitment process. The Dean and the counselor or coach create the package after all federal and state monies are awarded. Then the counselor guides the family through the process. This method of delivery is consistent with the personal touch strategy of recruiting. (NDC, 2007a, p. 17)

The one-on-one personal selling approach described in the literature was an accurate and literal description of how NDC approached promotion. For example, according to one interview subject in enrollment and student services,

We did it the old-fashioned way. We knocked on doors, we shook hands, we slapped backs, we schmoozed, and we got people to come here and see what we’re doing and what our vision was. And this is a true story.

President Roth explained that personal selling is important because the cost is high and the amount information required by prospective students and their families is high, so an IHE would not be able to recruit a class by advertising alone (personal communication, February 9, 2012).

Still, advertising was an important component to NDC’s promotion, notwithstanding limited financial resources to spend on it. One administrator explained that Notre Dame College Online advertising was handled by The Learning House, the agency hired to design NDC’s online programs, which identified several advertising opportunities via online, radio, movie
theatres, and area kiosks. Another interview subject explained that NDC used consultant Royall & Company to identify the top 20,000 to 30,000 candidates for its traditional program through non-personal selling techniques. As one administrator stated, “the majority of the marketing budget was put to outside companies,” which was used for advertising NDC’s programs to prospective students and their families. Another interview subject described a novel approach to gaining public visibility via mass communication with a very limited budget beginning in 2003:

How can I take money that’s probably less than 10 percent of what the big boys have and make them look like I’m a big boy in the Cleveland market? I would spend money on WKNR or Clear Channel one week, then I’d spend money on cable, then I’d spend money on Channel 3 or Channel 8, then I’d spend the money in the PD [Cleveland Plain Dealer], then I spend money in Cleveland Magazine and then I come back and do WKNR. And so I was never on all those things at the same time. But from somebody on the outside it looked like that we were like Cleveland State or John Carroll or Tri-C [Cuyahoga Community College], because again, people are going to say, “Notre Dame is everywhere,” but I don’t have everywhere dollars, I never did.

When promoting NDC, institutional stakeholders took steps to convey consistent messages in advertising and personal selling across the institution. According to the 2007 Self-Study Report, “[m]arketing communication staff meet and consult with internal clients to ensure accuracy in news releases, advertising, printed collateral and the Notre Dame College website” (NDC, 2007a, p. 70). An interview subject confirmed this approach, where campus departments worked directly with staff members in the communications office to coordinate messages. The same interview subject conceded that earlier in the decade messages were not coordinated across
campus, and individual departments would develop and deliver their own messages out of pressure to meet their own objectives. The 2007 Self-Study Report included mention of an initiative that was forwarded to the Institutional Policy and Planning Committee to "increase marketing staff to better promote our unique resources and programs" (NDC, 2007a, p. 202), which led to steps to reorganize the organization to meet this new objective.

**Organizational Adaptation**

Notre Dame College’s organizational structure changed and evolved during the first decade of the twenty first century, especially with respect to positions responsible for public relations, communication, and marketing. Figures 2, 3, and 4 provide an illustration of how the organization changed during the first decade of the twenty-first century. In 2006, illustrated in Figure 2, the president had four direct reports with the title of vice president (academic affairs, finance and administration, adult recruitment and enrollment services, and advancement), plus an executive dean, a dean of admissions, and a director of athletics. During this time, a director of public relations reported to the executive dean.

**Figure 2**

Notre Dame College Organizational Structure in 2006

Source: Notre Dame College Archives.
The public relations position is missing from the 2009 organizational chart, shown in Figure 3, replaced with one position for communications and another position for marketing, both reporting to a vice president of community and board relations. In 2011, shown in Figure 4, the structure changed again, with a chief communications officer reporting directly to the president. The changes represented a transition from a staff person responsible for public relations one step removed from the president to a person responsible for communications strategy reporting directly to the president.

Figure 3

Notre Dame College Organizational Structure in 2009

Source: Notre Dame College Archives.

The role of traditional and non-traditional student enrollment functions evolved during the first decade of the twenty first century. In 2011, admissions and financial aid, along with The Finn Center, responsible for non-traditional students, reported to the senior vice president of
finance and administration in recognition of the important role of admissions and non-traditional enrollment to generating revenue for the institution. In 2009, the non-traditional programs reported to the vice president for academic affairs, and the departments of admissions, athletics, student affairs, and student services reported to the vice president for enrollment and retention. Student financial aid reported to the vice president for administration and finance, which remained unchanged between 2009 and 2011. While the enrollment positions changed hands periodically, the positions of other allied functions, such as mission effectiveness, advancement or development, information technology, and community and board relations, remained relatively unchanged.

Figure 4
*Notre Dame College Organizational Structure in 2011*

Source: Notre Dame College Archives.
A notable distinction must be emphasized about marketing’s role in the organizational structure. In 2011, NDC had a position responsible for *communications* reporting directly to the president, not a position for *marketing*. One administrator made this point clear during an interview:

Two years ago was my impression that we were going to embark on a marketing program that didn’t exist before so two years ago the college did not have a marketing plan; it didn’t have clearly defined overall and responsibilities regarding marketing.

The administrator speculated that NDC has not focused upon creating long-term marketing plans since the institution is still rapidly transforming itself. The administrator explained:

We’re still pretty heavily enrollment driven, numbers driven. We’re still in survival mode; the numbers are extremely important. We don’t have much of an endowment. So the numbers are very important for us to just keep going to semester by semester…Our next challenge is going to be much more focused upon expanding beyond enrollment by creating a separate philanthropic campaign.

Further evidence of this is found in a memorandum to NDC faculty and staff. President Roth (2011) stated that,

[a]s the College prepares to reassess its strategic alternatives in response to a rapidly changing external environment, it is critical that it possess the organizational flexibility to anticipate and to respond to those changes. A critical part of that response is sustaining the College’s stunning enrollment successes of the past decade… [and] the College must develop multiple additional sources of revenue from both auxiliary enterprises and traditional fund raising. (para. 2)
In this passage, President Roth connected the organizational structure with key performance indicators in terms of enrollment and other sources of revenue for NDC.

**Key Performance Indicators**

Since Dr. Andrew Roth became president in 2003, NDC introduced new curricular, co-curricular, and extracurricular programs, including 11 major areas of study (see Table 3) and 11 men’s and women’s sports (see Table 5). NDC began offering online courses in 2006, and online courses accounted for more than 10,000 credit hour registrations by 2011 (see Table 6). NDC kept its published tuition and fees competitive with other private liberal arts colleges in its region (see Table 7). NDC improved its personal selling approach to recruiting students and improved its advertising. This deployment of the marketing mix in strategic planning coincided with significant increases in enrollment and revenue.

As indicated in Table 8, NDC’s enrollment increased between 2003 and 2011, which was evidence that NDC offered programs and services that met the needs of increasing numbers of students and families each year. Beginning with a total headcount of 894 in 2003, NDC’s headcount increased to 2,147 in 2011, or a 240 percent increase in less than a decade.

<table>
<thead>
<tr>
<th>Year</th>
<th>Full-Time</th>
<th>Part-Time</th>
<th>Graduate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>332</td>
<td>445</td>
<td>117</td>
<td>894</td>
</tr>
<tr>
<td>2004</td>
<td>505</td>
<td>541</td>
<td>154</td>
<td>1,200</td>
</tr>
<tr>
<td>2005</td>
<td>604</td>
<td>471</td>
<td>146</td>
<td>1,221</td>
</tr>
<tr>
<td>2006</td>
<td>793</td>
<td>446</td>
<td>152</td>
<td>1,391</td>
</tr>
<tr>
<td>2007</td>
<td>887</td>
<td>437</td>
<td>167</td>
<td>1,491</td>
</tr>
<tr>
<td>2008</td>
<td>950</td>
<td>502</td>
<td>183</td>
<td>1,635</td>
</tr>
<tr>
<td>2009</td>
<td>1,135</td>
<td>563</td>
<td>228</td>
<td>1,926</td>
</tr>
<tr>
<td>2010</td>
<td>1,266</td>
<td>581</td>
<td>290</td>
<td>2,137</td>
</tr>
<tr>
<td>2011</td>
<td>1,327</td>
<td>476</td>
<td>344</td>
<td>2,147</td>
</tr>
</tbody>
</table>

Source: Notre Dame College Archives.
As Table 9 shows, net revenues increased from $8,818,388 in 2003 to $27,132,816 in 2011. Just as important, even as expenses increased, net operating results remained relatively positive. Between 2003 and 2011, NDC posted net operating losses only three times, compared with deficits every year except one between 1995 and 2003 (Whelan, 2011, p. 83).

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Revenues</th>
<th>Operating Expenses</th>
<th>Net Operating Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>8,818,388</td>
<td>9,299,006</td>
<td>(480,618)</td>
</tr>
<tr>
<td>2004</td>
<td>10,027,415</td>
<td>9,496,808</td>
<td>530,607</td>
</tr>
<tr>
<td>2005</td>
<td>12,554,270</td>
<td>11,882,893</td>
<td>671,377</td>
</tr>
<tr>
<td>2006</td>
<td>13,846,698</td>
<td>13,771,609</td>
<td>75,089</td>
</tr>
<tr>
<td>2007</td>
<td>16,794,983</td>
<td>16,161,402</td>
<td>633,581</td>
</tr>
<tr>
<td>2008</td>
<td>20,414,676</td>
<td>18,733,814</td>
<td>1,680,862</td>
</tr>
<tr>
<td>2009</td>
<td>19,928,150</td>
<td>20,550,062</td>
<td>(621,912)</td>
</tr>
<tr>
<td>2010</td>
<td>24,838,932</td>
<td>23,912,766</td>
<td>926,166</td>
</tr>
<tr>
<td>2011</td>
<td>27,132,816</td>
<td>27,348,220</td>
<td>(215,404)</td>
</tr>
</tbody>
</table>


The central finding of this study is that the strategies that NDC administrators, faculty, and staff implemented that led to substantial increases in both student enrollment and operating revenues were based upon responses to the external environment. Furthermore, the responses were conceived through a marketing lens in the form of organizational adaptations with respect to curricular, co-curricular, and extracurricular programs, online courses, competitive pricing, and improved personal selling and advertising.
Chapter 5: Discussion of Research Findings

Institutions of higher education ("IHEs") adapt to external political and economic changes like other organizations that are open systems operating within a broader environment (Bess & Dee, 2008; Keller, 1983). How does adaptive change occur, how are strategic marketing concepts part of this change, and how does the organizational structure support the change? These questions made this an ideal case study for contingency theory, which accounts for changes in the environment and the importance of “good fits” that will vary by organization (Bess & Dee, 2008; Kast & Rosenzweig, 1973). Notre Dame College ("NDC") in South Euclid, Ohio, was selected as the research site partly because private liberal arts colleges such as NDC are particularly vulnerable in a tumultuous environment (Kirp, 2003).

This case study analyzed how NDC described changes in the external environment vis-à-vis institutional documents and interview transcripts with senior administrators. For purposes of this doctoral thesis, environment referred to external inputs and pressures acting upon NDC and did not consider internal environmental factors. This approach is consistent with open-systems theory of organizational behavior, whereby organizations interact with the external environment, which Bess and Dee (2008) and Hatch and Cunliffe (2006) applied specifically to higher education. Isolating external changes from internal changes was critical to understanding how NDC adapted to changes in the external environment, if at all.

NDC was selected because of its particularly vulnerable place in the higher education industry. Tuition-driven private liberal arts colleges operate in a very competitive environment and they enroll fewer than four percent of all undergraduate students nationally (Kirp, 2003). Keller (2004) and Kirp (2003) have described private liberal arts colleges as small, residential,
ordinary, satisfactory, and less affluent—hardly flattering descriptors. The economic pressures of first decade of the twenty-first century, dubbed the “Lost Decade,” have put college costs and student loan debt on the top of the popular media agenda, and the agendas of families making college choices (Gardner, 2012; Lewin, 2012; Martin, 2012; Sonmez & Helderman, 2012). IHEs have discounted tuition at some of the highest levels ever as a result (Kiley, 2011). Add to these changes the expansion of the online delivery of higher education (Chau, 2010; DeSantis, 2012; Young, 2008). All IHEs and private liberal arts colleges in particular find themselves in the middle of a firestorm that requires thoughtful strategic planning and organizational adaptation.

**External Environmental Pressures**

The external pressures acting upon NDC were significant. NDC’s regional accreditor, the Higher Learning Commission, applied substantial pressure when President Roth assumed office in 2003, which stemmed from concerns for finances and lack of planning (Nyhammer, 2004). Administrators knew that financial pressures reflected the depressed state of enrollment, and external economic forces inhibited the College’s ability to recruit and retain students, both through students’ ability to pay and public policy affecting student financial aid. Additionally, NDC’s programs for non-traditional learners were affected by demographic and technical changes in the environment (U.S. Department of Education, 2002). Finally, there seemed to be a consensus that competition was increasingly fierce and coming from a greater number of IHEs, particularly for-profit and online colleges.

As an example that combines several of these threats, one interview subject explained the complex competitive landscape when offering online programs. NDC’s traditional competitors in Northeast Ohio, IHEs such as Baldwin-Wallace College, John Carroll University, and Ursuline
College, no longer comprise the bulk of the competition when colleges offer online programs. Examples such as Ohio University, Indiana Wesleyan University, and the University of Phoenix are a few of the IHEs with which NDC now competes online, and the abundance of online programs may be considered a bigger threat than the long-standing local competition (DeSantis, 2012; Young, 2008). The competitive external environment guided NDC administrators toward making programmatic changes that would appeal to more students.

**Strategic Marketing Adaptations**

This case study investigated how NDC made strategic marketing adaptations in response to external pressures during the presidency of Dr. Andrew Roth beginning in 2003. By the time of this writing in mid-2012, NDC clearly changed, which is evidenced through considerable increases in student enrollment and operating revenue. Student enrollment more than doubled, beginning with a total headcount of 894 in 2003 and increasing to 2,147 by 2011 (see Table 8, p. 93). Similarly, net revenues more than tripled from $8,818,388 in 2003 to $27,132,816 in 2011 (see Table 9, p. 93). The key performance indicators reflect broader organizational adaptations that NDC made with respect to new curricular, co-curricular, and extracurricular programs, online courses, competitive pricing, and improved personal selling and advertising, as described in the previous chapter.

This case study discovered how NDC adapted to the external environment through an analysis of documents, archival records, and interview transcripts and the findings were neither simple nor straightforward. Strategic marketing principles were critical to NDC’s adaptation to the external environment, which was evident through the use of market segmentation, target marketing, market positioning, and the marketing mix. The findings were complex because they
sit at the intersection of several areas of study, including systems theory, adaptive strategy, and marketing. Moreover, the findings seemed contradictory at first glance. For example, despite the lack of evidence of an established college-wide process for scanning the environment, NDC administrators were knowledgeable of and responsive to students’ wants and needs with the creation of new curricular, co-curricular, and extracurricular programs. Despite that few interview subjects knew the definition of marketing as cited in the literature and there was scant evidence of any administrator except the president having marketing as part of his or her job responsibilities, the marketing mix (product, place, price, and promotion) was the cornerstone of the strategic plan that aligned NDC with the environment.

It is necessary to ask how NDC made strategic adaptations to the external environment without a formal process for conducting environmental scanning, which corresponds to one of two ostensible contradictions presented by this case study. After all, it does not seem possible to adapt to a changing environment if the changes are not cataloged. However, the findings of this case study indicate that external pressures were top of mind of NDC’s administrators, a finding that was deduced from documents and interview transcripts. Additionally, even without a formal process for identifying and recording external environmental pressures, there were generally agreed upon pressures acting upon NDC during the first decade of the twenty-first century. During an interview, President Roth confirmed this informal process of marketing planning driven by staff members that constantly surveyed the environment and adapted to changes on a continual basis in consultation with NDC’s governing board.

The findings indicate that NDC’s president led a transformation of the organization through deploying strategic marketing strategy, especially focusing on the marketing mix. The
review of literature cites Perrault, Cannon, and McCarthy’s (2008) four Ps (product, place, price, and promotion) and Armstrong and Kotler’s (2004) four Cs (customer, convenience, cost, and communication). In addition, Black (2004) indicates that the four Cs are more prevalent in higher education. In NDC’s implementation of the marketing mix, there is not a significant difference between the four Ps and the four Cs. NDC’s approach was outwardly focused on the “customer” (i.e., new and current students) the organization served. The first element of the four Ps—product—was interpreted in this setting as programs, including curricular, co-curricular, and extracurricular programs, with a clear focus on students as customers. The remaining elements of the marketing mix, whether understood as Ps or Cs, makes negligible difference in interpreting the findings of this research study. Price was defined as tuition and fees minus student financial assistance yielding a net out-of-pocket cost. Place was defined as the convenience of providing online courses, regardless whether students were near or far from campus. Promotion was defined as the advertising and personal selling forms of communication. The significant finding is that NDC’s president used the marketing mix, whether overtly or covertly, as a framework for adapting the institution to the needs and wants of prospective and current students.

The research findings clearly indicate that NDC made strategic marketing adaptations. Marketing concepts were part of NDC’s strategic plan and were articulated by its president in documents, archival records, and interview transcripts. Administrators used marketing concepts in the execution of their job responsibilities, whether or not they were cognizant of the marketing implications of their actions. Considering key performance indicators, the deployment of marketing strategies corresponded to substantial increases in enrollment and revenue, which were the desired outcomes as envisioned by some of the earliest correspondence between
President Roth and the Higher Learning Commission. It is impossible to know what the key performance indicators would have revealed if marketing had not been tied to strategic planning during the past decade; however, it is reasonable to conclude from this case study that strategic marketing can be an effective framework for strategic planning for an IHE in similar circumstances.

**Marketing in Academe**

Prior research shows academe’s skepticism of marketing and the fact that IHEs have not yet fully embraced marketing positions, particularly at the senior executive level (CUPA-HR, 2012; McGrath, 2002; Ryans & Shanklin, 1986). Therefore, it should not be surprising that NDC did not have a marketing plan or a senior officer responsible for marketing. Instead, identifying how NDC made organizational adaptations through the use of strategic marketing in response to the rapidly changing external environment required a comprehensive analysis beyond reviewing instances of the word “marketing” in research materials or interview transcripts. To this end, this doctoral thesis study led to striking findings.

Specifically, this research study did not reveal any evidence of a written marketing plan at NDC. Instead, marketing concepts were revealed when searching for specific concepts such as market segmentation, target marketing, market positioning, and of course, the marketing mix—product, place, price, and promotion. Market segmentation was frequently cited in documents and interview transcripts, particularly with respect to separating traditional and non-traditional student enrollment and separating programs appealing to men and women. While NDC became a coeducational college three years prior to the start of Dr. Andrew Roth’s presidency in 2003, explicit considerations of market segments by gender were still very much apparent such as in
the introduction of sports programs or academic majors intended to appeal to men. Market segmentation was also prevalent in the analysis with respect to programs, whether curricular, co-curricular, or extracurricular, such as marching band programs to appeal to music students, and men’s sports programs to attract male students.

The RN to BSN program is an example of NDC’s use of market segmentation, target marketing, and market positioning. This program was introduced to meet the needs of working professionals who were already in the nursing field but needed additional credentials in order to advance in their careers. NDC identified this as a field to enter by initially offering campus-based courses. When Ohio University entered the market by positioning itself as a more convenient option with online courses, NDC eventually responded by taking its program online and offering it at a lower price point. This is a textbook example of marketing management.

Findings at NDC were consistent with the literature with respect to the role of marketing in the management of NDC in response to pressures from the external environment. Armstrong and Kotler’s (2007) definition of marketing was the basis of the analysis. As previously noted, marketing has been historically viewed disparagingly in higher education, but it is emerging, albeit slowly, as an important function in the strategic management of colleges and universities (Keller, 2004; Kirp, 2003; Ryans & Shanklin, 1986). Nevertheless, even in the current case study at NDC, administrators were not clear about what marketing means or what it entails, given that marketing was consistently mistaken for promotion.

Understanding precisely why NDC administrators identified “marketing” as “promotion” was not the focus of this doctoral thesis. However, two interview subjects with prior training in marketing offer two possible explanations. One interview subject observed, “I think most people
think marketing is advertising and that’s pretty understandable because that’s by far the most expensive component.” Perhaps another way to express this thought is to say that advertising is also the most visible component from the standpoint of glossy brochures or highway billboard advertisements. This is not to say that developing new programs is either less expensive or less visible; however, new programs do not have the same material outcome as new advertising campaigns that are designed to attract attention. It may also be the case that the term “marketing” is widely used as an abbreviation for “marketing communications” in this setting.

Another interview subject relayed a possible explanation that marketing is an anathema in higher education, consistent with Ryans and Shanklin (1986), with the following comment about marketing’s role in higher education administration: “That’s not what everybody’s about in a college environment. It’s a liberal arts college. It’s a values-based education…and I believe in its mission first.” It is striking to find the academy’s suspicion of marketing as “commercial” and a “necessary evil” (Ryans & Shanklin, 1986, p. 94) from more than 25 years ago was stubbornly still present at least in the present case, even in the face of successful implementation of strategic marketing that led to substantial increases in student enrollment and net revenue. Despite the persistent suspicion, this case study demonstrated the critical role strategic marketing played in an IHE’s adaptation to the rapidly changing external environment.

*The President as de facto Chief Marketing Officer*

A reasonable question arises about how NDC used strategic marketing if it had no senior marketing officer and no common understanding among administrators as to what marketing means. In NDC’s case, its president, Dr. Andrew Roth, had academic and practical training and experience in marketing. His educational background includes an M.B.A. with a concentration in
marketing from Gannon University in addition to a Ph.D. from the State University of New York at Buffalo in public policy and higher education finance (Roth, 2012). Prior to his appointment at NDC, Dr. Roth held positions as director of admissions and financial aid, dean of enrollment, vice president of enrollment, chief information officer, and vice president for academic affairs at Mercyhurst College in Erie, Pennsylvania (Roth, 2012). His formal academic training and practical experience in student recruitment, admissions, financial aid, and academic affairs gave Dr. Roth rich experiences that covered creating, delivering, and promoting programs in higher education. By the time he was appointed president of NDC, he was already a seasoned and successful marketing professional, even if disguised as a traditional educational administrator more palatable to academe.

President Roth, regardless of the positions and titles of his direct reports, may be rightly considered the “chief marketing officer” of NDC. In higher education practice, the presence or absence of a chief marketing officer—a title often found in industry—may be subordinate in importance to the qualifications, experiences, and backgrounds of the top management team members. In fact, the presence of a chief marketing officer by itself does not guarantee that its holder has either academic training or practical experience in marketing as defined in the literature, let alone both as in the case of President Roth. As Matthew Whelan (2011) found in a prior doctoral thesis, NDC was experiencing enrollment and financial stress between 1990 and 2003, prior to President Roth’s installation as president. New leadership provided by President Roth and the team he put into place led to the successful turnaround of NDC (Whelan, 2011). Whelan (2011) concludes that President Roth played a critical role in NDC’s achievements, and
to that finding this doctoral thesis adds the central role and importance of strategic marketing to President Roth’s leadership.

Therefore, in this case study involving NDC, the two seemingly contradictory findings that (1) strategic marketing was the cornerstone of the institution’s adaptation to the environment that led to enrollment and revenue growth and (2) NDC did not have a marketing plan, marketing officer, or common definition for marketing can be explained by the fact that NDC’s president was the de facto chief marketing officer. It is convenient that the president is the chief executive officer reporting directly to the governing board, which is common practice in higher education. The president of an IHE substantially influences strategic planning and supervises the work of direct reports in important leadership positions in academic affairs, enrollment, student affairs, communications, and other allied functions. As the leader of the institution, the president sets the tone and direction for strategy and implementation (McLaughlin, 2004). In this case study, as the de facto chief marketing officer, President Roth had an ability to articulate a vision for NDC, beginning with his inaugural address in 2003, that was based upon a marketing framework, and with the hard work and cooperation his direct reports and the rest of the NDC community, carry out that vision through the first decade of the twenty-first century. The role of president as de facto chief marketing officer is also convenient for an field that shuns the notion of marketing, since the marketing function can be masked behind the presidency (or chief executive), a traditional and accepted position within higher education.

**Organizational Adaptations**

The review of literature cites descriptions of organizational change that Burke (2008) describes as evolutionary and Daft (2007) describes as incremental. NDC’s environment could
be described as unstable and complex, for which a successful organization would have organic structures, many departments, high integration, and fast responses to change (Daft, 2007). These descriptions accurately reflect NDC, which was an organization that experienced pressures from the external environment, a need to adapt, and a vision for what the organization could become in the future. As rapidly as the changes occurred at NDC, the changes were still implemented in increments.

For example, the organizational structure changes between 2006 and 2009 (see Figures 2 and 3, p. 89-90), which Daft (2007) might characterize as “organic,” reflect the shifting strategic priorities at the time, such as an emphasis on developing new online programs, creating a college experience that would attract and retain more students, and consolidating marketing and communications through a new community relations position. These priorities were reflected by placing non-traditional programs with the academic affairs division; placing admission, student affairs, and athletics within a new enrollment and retention division; and creating a community and board relations division that included marketing and communications. As the key performance indicators show, enrollment in online programs at NDC increased from 51 credit hours in 2006 to 6,339 in 2009 and a whopping 10,602 in 2011 according to data from NDC Archives (see Table 6, p. 80).

By 2011 the organizational structure changed again from 2009 as adaptations continued (see Figures 3 and 4, p. 90-92). Most notably, for the first time, a chief communications officer reported to the president, with responsibilities closely aligned to promotion (public relations and advertising). A new provost position was responsible for academic and student affairs. The deans for admission and the Finn Center (non-traditional programs) were moved to report to the senior
vice president for business and finance in recognition for their roles as revenue centers. In preparation for increased fundraising activity, the president strengthened the community relations and development areas (Roth, 2011).

The astute observer will notice that between 2009 and 2011 the legal counsel function moved from the enrollment management vice president to the development vice president, an unusual move absent any explanation. The reason is because the vice president for enrollment, who was one of President Roth’s first recruits in 2003, was appointed to the position of vice president for development in 2011, with the intention of extending NDC’s tremendous successes in enrollment to its fundraising function. This hire and subsequent success of the appointee appears to confirm earlier findings that top management team members tend to seek individuals who are like themselves, which increases decision-making efficiency and reduces conflict (Boone et al., 2004). The senior vice president for business and finance is also an early recruit of President Roth, and the vice president for community and board relations is a person with a long history with NDC. The heterogeneity introduced by the members of the staff who fill the direct report positions for the president may have generated cognitive conflict (rather than affective conflict) thereby promoting long-term adaptability and success. The size of the top management team remained relatively consistent during the first decade of the twenty-first century.

Conclusions for Practitioners

Several conclusions may be drawn from this doctoral thesis case study with respect to contingency theory, the practice of marketing in higher education, and the role of marketing in the organizational structure of the contemporary IHE. These implications are particularly
instructive to practitioners in higher education as the environment continues to evolve forcing small private colleges to either change or close (Grasgreen, 2012; Jaschik, 2012; Kiley, 2012).

**Contingency theory.** In what could be both reassuring and unsatisfying at the same time, this study supports the contingency theory of organizations since NDC’s success was arguably based upon adapting to contingencies in its environment. The good news is that the process that NDC used to adapt to its environment could be replicated in another setting. The steps that NDC took in order to adapt to its external environmental contingences are documented in this doctoral thesis, Whelan’s (2011) doctoral study of NDC, and in various documents at NDC (e.g., NDC, 2007a, 2009; Roth, 2003b, 2007). Future board members, presidents, and top management team members in higher education should look toward NDC as a model for how to adapt to a rapidly changing and competitive external environment.

The bad news is that this case study reaffirms prior contingency theory research indicating that there is no “one best way” to organize (Bess & Dee, 2008; Daft, 2007; Hatch & Cunliffe, 2006). The consequence is that this case study of NDC does not provide other IHE leaders an organizational structure to replicate in responding to external environmental pressures. The adaptive strategy depends on a site-specific analysis of changing external economic, social, political, technical, and legal forces acting upon an organization. NDC changed organizational structure several times during the first decade of the twenty-first century while continuing on a trajectory of remarkable growth in student enrollment and net revenue (see Figures 2, 3, and 4, p. 89-92). Very plainly, even NDC cannot claim a single best organization within its environment. On the contrary, NDC made incremental changes to its organization in response to changes in the
environment and its strategic priorities as they evolved. NDC successfully adapted to its contingencies as evidenced by the key performance indicators in enrollment and net revenue.

Additionally, as interview transcripts revealed, administrators at NDC were cognizant of the fact that the environment continued to change even while the institution was adapting to it. An interesting observation came during an interview with President Roth who himself posed the question of how well NDC adapted to the environment when the environment itself is constantly changing. In other words, an organization that performs an environmental scan and successfully adapts to external pressures after several years may find that it is not actually in alignment with the environment if the environment has continued to change. Perhaps this explains the lack of a formal process for environmental scanning, particularly in a higher education setting. Being notoriously slow at carrying out administrative procedures, IHEs cannot afford to wait long to scan the environment, interpret it, and develop a response. If the process is not completed quickly enough, the adaptive response may not be in congruence with an environment that changes constantly. Instead, IHEs must rely upon the insight and speed at which senior administrators interpret external environmental pressures and adjust strategy to compensate. Such a view would also be consistent with contingency theory. In the case of NDC, adaptation was an iterative process that involved assessing environmental pressures, creating new programs or delivery methods that resonated with environmental realities, then measuring results and adjusting organizational structure and strategy correspondingly.

*The practice of marketing in higher education.* This case study demonstrates that strategic marketing can be an extremely valuable lens by which to strategize in higher education. NDC is an excellent case study for how to adapt to external pressures by using marketing
concepts like market segmentation, target marketing, and market positioning. NDC successfully deployed those concepts and the marketing mix as a framework to adapt to the environment, which led to increases in student enrollment and operating revenue. Despite the persistent view of marketing as “commercial” and a “necessary evil” among some professionals in higher education (Ryans & Shanklin, 1986), this case study demonstrates the utility of marketing, if not its immediate applicability in a modern higher education setting.

Unfortunately, the incorporation of marketing practices into higher education might be met with challenges beyond a bias against marketing as unfit for the academy. Newman (2002) previously found a substantial discrepancy in the number of admission professionals who report using target marketing versus market segmentation, and this case study conducted now ten years later found differences in how NDC administrators defined marketing. NDC’s president needed to champion marketing in order for it to be a valuable strategy for the organization. Other IHEs looking toward NDC as a model will likewise need to find a marketing champion who is familiar with marketing as defined in the literature, not just familiar with marketing communications.

**Acceptance of marketing in the organizational structure.** Primarily, this case study demonstrates that in higher education the absence of a position for “marketing” at the middle or senior level of an organization does not necessarily preclude either the importance of or the lack of marketing at an IHE. At the same time, an administrator identified as such may not have the experience, organizational influence, or strategic vision to be a true marketing champion. For example, the responsibilities might be limited to promotion (i.e., marketing communications), or the position in the organizational structure may not report directly to the president. This case study discovered that the president is the de facto chief marketing officer at NDC, due to Dr.
Andrew Roth’s position in the organizational structure, his academic and practical training in marketing, and his implementation of marketing strategy. Furthermore, since marketing in a higher education setting involves such broad areas as academic affairs, student affairs, business and finance, and communications, it could be argued that the only positions in the organizational chart that could be responsible for marketing are the president, the provost, or a position that works collaboratively, directly, and very closely with the president and senior administrators.

“What’s in a name?”

This doctoral thesis case study illuminates a significant strategic finding for higher education: the proper implementation of strategic marketing can provide a framework for not only adapting to a tumultuous external environment but also thriving within it. Herein lies an important implication for practitioners responsible for making hiring decisions at the highest levels of higher education administration. This case study demonstrated that managing an organization using strategic marketing principles made NDC a viable, vibrant, and even thriving IHE within a rapidly changing and competitive environment. This occurred within a higher education setting that has historically not accepted marketing practices. Whether or not IHEs are ready to fully embrace marketing, search committees for presidents, provosts, and other senior officer positions should seek candidates with marketing experience, regardless if the experience is explicit or cloaked in an academic facade. Search committees might spot marketing-savvy candidates through an academic degree (e.g., a MBA in marketing) or through prior practical and policymaking experience across multiple functional areas spanning academic affairs, student affairs, business and finance, and communications. The more experience an administrator has across all functional areas of an IHE, the more prepared he or she will be to develop and
implement marketing strategy. Dr. Andrew Roth is an example of an administrator who gained these experiences prior to becoming president of NDC.

Furthermore, IHEs that have not embraced marketing by establishing a senior marketing position should use this case study as an impetus for adding or improving marketing practices within their organizations. One explanation for the lack of a senior marketing administrator in higher education that follows from this doctoral thesis is that the function has been de facto a responsibility of the president or the highest-ranking officer of an IHE, either explicitly or implicitly. However, a review of literature shows that marketing has only begun to be accepted in higher education within the past decade despite wider acceptance in the corporate sector (CUPA-HR, 2012; Fleit & Morel-Curran, 2012; Lauer, 2000; Sevier, 2000). Leaders of IHEs might examine corporate business practices where the marketing function is at a senior level to find out how those practices could be adapted to higher education through modifying the roles of president, provost, or other senior positions, if not creating a new position for this emerging function. To paraphrase Shakespeare, the lesson for practitioners that NDC imparts through this case study is as follows: that which we call marketing by any other name would still benefit adaptation to the rapidly changing and competitive external environment in higher education.

Implications

The survival of IHEs is tenuous in an environment that is competitive and constantly changing, particularly for IHEs that fail to adapt to their contingencies. Because practices that are successful in one setting are not guaranteed to work in another, this thesis concludes with immediate implications warranting both action as well as future study.
Against the backdrop of a tumultuous and rapidly changing external environment for IHEs, this doctoral thesis expanded upon the existing literature in systems theory, organizational adaptation, and marketing through a case study of how a particular private liberal arts college thrived in these conditions. Through its findings with respect to marketing’s essential role in adaptive strategy at NDC, this case study laid the groundwork for future study in organizational adaptation to the rapidly changing external environment. At the same time, as a case study rooted in contingency theory, this thesis warned against trying to find the “one best way” to organize and adapt to the external environment. For example, this thesis made the case for presidents at IHEs to be marketing-savvy and ready to integrate marketing principles into strategic planning. This thesis also indicated that IHEs could successfully adapt by creating a marketing officer reporting to the president as a way to ensure that marketing principles are incorporated in operations across an institution.

A significant implication of this case study is the importance of environmental scanning in higher education. At NDC, no formal environmental scanning process or marketing plan was discovered in the research. Given the critical nature of environmental scanning and strategic marketing to NDC’s adaptation, the implication is that higher education needs to inculcate environmental scanning and marketing principles into their fabric in the competitive and changing environment. A further implication is the continued resistance to marketing in higher education, particularly to what extent, if at all, that this perception still exists among faculty members. Whether marketing planning can continue to occur incognito in higher education settings is an area that needs ongoing study.
Another significant implication from this thesis is the president’s role in marketing and the implications for governing board members who are ultimately responsible for organizational adaptation to a tumultuous environment. Future research and presidential search committees may need to identify leaders like Dr. Andrew Roth at NDC to explore how college and university chief executives use marketing principles in leadership and strategic planning. There is urgency for this type of research and action because of the impending retirements of many of presidents in higher education (Stripling, 2011). At the same time, future study could identify IHEs that have adopted the model of a chief marketing officer—whatever the title may be—and evaluate how the presence of this administrator contributes to environmental scanning and organizational adaptation to the environment. An important implication of this case study is that at least one, if not more, of an IHE’s senior executives needs to be responsible for marketing planning.

At the time of this writing in mid-2012, higher education media is reporting on closings of small, private liberal arts colleges (Jaschik, 2012) and colleges expanding into new market segments in order to attract more students from a wider pool (Grasgreen, 2012; Kiley, 2012). President Debra Townsley of William Peace University, a former women’s college that announced its decision to become coeducational in 2011, commented that,

I think the reason that a school like Peace has been around so long is that it adapts to the changes of the market, and to the needs and wants of students, and that’s the bottom line.

(Grasgreen, 2012, para. 19)

This succinct summary from a scholar-practitioner illustrates the primary and most significant implication from this thesis: IHEs cannot leave organizational adaptation or marketing planning to chance in the current tumultuous environment.
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Appendix A: Sample Interview Questions

1. What was your role at NDC when Dr. Roth became president in 2003, what is your role at NDC today, and how has your role changed since 2003?

2. Briefly describe your educational and professional background. (How long have you been at NDC? Where were you prior? What is your functional area of expertise? Where did you go to college or graduate school and in what areas did you earn your degree(s)?)

3. In this study, the term “environment” refers to the external economic, social, political, technical, and legal forces acting upon NDC. What were the environmental pressures acting upon NDC in 2003?

4. What are the environmental pressures acting upon NDC today? How has the environment changed from 2003 to present?

5. How do these environmental pressures influence strategic decisions you make for NDC?

6. What strategic decisions have you made that are responses to environmental changes?

7. Who was involved in making those decisions?

8. What data and information did you consider when making those decisions and how did you make those decisions?

9. Did you have resistance? Did the changes occur gradually or rapidly?

10. Who are your competitors? Why do you consider them competitors and what do you know about them? What do you know about how your competitors’ marketing strategies?

11. Who at NDC do you work with most closely when making strategic decisions? Why?

12. How are the decisions you have made at NDC from 2003 to present reflected in how NDC has changed during that time?
13. Would you attribute those changes to responses to pressures from the environment? If yes, why? If not, why not?

14. Would you attribute those changes to implementation of marketing strategies? If yes, why? If not, why not?

15. How do you define “marketing?” What is the purpose of marketing? What experience do you have in marketing of higher education?

16. How does marketing planning occur at NDC? What data or information do you use when making marketing plans?

17. Who at NDC would you consider as marketing “experts?” Why?

18. How has NDC changed from 2003 to present? How are those changes related, if at all, to changes in the environment?

19. What do you think are the most important changes that NDC has made from 2003 to present (i.e., changes that have contributed most to the success of NDC)?

20. Has marketing been important to NDC’s adaptation to the environment? Why or why not? What other factors are important to NDC’s adaptation to the environment?

21. How would you compare/contrast NDC’s “alignment” with the environment in 2003 versus today?

22. Who else should I consult for this study, and what other information should I research for this study?
Appendix B: Sample Recruitment Letter

Dear <recipient>,

My name is Shawn Brown and I am an education doctoral student in the College of Professional Studies at Northeastern University. I am working on a doctoral thesis project that explores how institutions of higher education change marketing strategies in response to changes in the external environment. I have selected Notre Dame College as my research site based upon the extent to which the institution has changed during the presidency of Dr. Andrew Roth. My doctoral thesis focuses upon strategic marketing and organizational adaptation and how top management team members make decisions that affect an institution’s interaction with its external environment.

I am writing to ask you to be part of my research project by participating in an interview about the organizational adaptation that occurred at Notre Dame College between 2003 and present. My interview questions will focus upon your analysis of Notre Dame’s external environment, and the level of congruence Notre Dame has achieved with the external environment. The interview will last approximately one hour.

My doctoral thesis project is in full compliance of Northeastern University’s Institutional Review Board requirements. As such, please know the following:

- You are not required to participate in this study.
- Your identity will be kept confidential through the research process and upon publication of the findings, and only my doctoral thesis advisor, Dr. Leslie Hitch, will have access to the research data.
- If you choose to participate in the study, you may withdraw at any time without penalty.
- If you chose to participate in the study, I will review the interview protocol and ask you to sign an informed consent form.
- You will not be compensated for your participation in this study.

Please notify me by email at brown.shaw@neu.edu if you wish to participate in this study. If you have any questions, please email me or call my cell phone at 330.472.6828. If you wish to speak with Dr. Leslie Hitch, you may reach her at l.hitch@neu.edu.

If you indicate your willingness to participate in this study, I will contact you to arrange a time and place to meet. Thank you for your consideration of my request.

Best wishes,

Shawn M. Brown
Doctoral Student
Northeastern University
Appendix C: Northeastern University IRB Approval

Northeastern

Notification of IRB Action

Date: December 14, 2011  IRB #: 11-11-02
Principal Investigator(s): Leslie Hitch
                                      Shawn Brown
Department: College of Professional Studies
                                      Northeastern University
Address: 41 BV
Title of Project: Organizational Adaptation to the Rapidly Changing
External Environment: A Case Study of Strategic Marketing at Notre Dame College in Ohio
Participating Sites: Notre Dame College, South Euclid, Ohio
Informed Consent: One (1) signed consent
DHIS Review Category: Exempt #4
                                      Expedited #7
Monitoring Interval: 12 months

Approval Expiration Date: DECEMBER 13, 2012

Investigator’s Responsibilities:

1. Informed consent form bearing the IRB approval stamp must be used when recruiting participants into the study.
2. The investigator must notify IRB immediately of unexpected adverse reactions, or new information that may alter our perception of the benefit-risk ratio.
3. Study procedures and files are subject to audit any time.
4. Any modifications of the protocol or the informed consent as the study progresses must be reviewed and approved by this committee prior to being instituted.
5. Continuing Review Approval for the proposal should be requested at least one month prior to the expiration date above.
6. This approval applies to the protection of human subjects only. It does not apply to any other university approvals that may be necessary.

C. Randall Colvin, Ph.D., Chair
Northeastern University Institutional Review Board

Nicole S. Regina, Director
Human Subject Research Protection

Northeastern University FWA #: 4630