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This dissertation, directed and approved by the candidate's committee, has been accepted by the College of Graduate and Professional Studies of Abilene Christian University in partial fulfillment of the requirements for the degree

Doctor of Education in Organizational Leadership

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the College of Graduate and
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March 17, 2021

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Abilene Christian University
School of Educational Leadership

A Case Study of One Small Christian College
Overcoming Decline and Implementing an Institutional Turnaround

A dissertation submitted in partial satisfaction
of the requirements for the degree of
Doctor of Education in Organizational Leadership

by
Richard H. Johnson
April 2021

Dedication

As I began this difficult journey in August of 2016, little did I know of the time, patience, love, and sacrifice that would be required of my family, especially my beautiful and loving wife, Andrea. Since we married on May 16, 1985, Andrea has been a constant source of encouragement, help, and wisdom to me. We have worked side by side during most of our adult careers and in our church involvement. Andrea has helped me proof numerous papers in most of my classes in this doctoral program, and she has kept me focused when I was finding it difficult to get to my assignments because of the busyness of life. Andrea never doubted my completing this degree. It is my pleasure to share this achievement with Andrea and to dedicate this dissertation to her. Andrea, I love you very much and realize that you were a big reason for my being able to finish this degree and this dissertation.

I am also very appreciative to each of my three children and their families for being patient with me and allowing me to take time away from them while working on this degree. Thank you to our son, Brandon and his wife, Lacey, and their two daughters, and to our daughter, Bethanie and her husband, Seth and their two sons, and to our youngest son, Logan. I promise to make up for lost time with you, and I love you all very much.

I also want to thank my dad and mom, Bryan and Zella Johnson, for always encouraging me throughout my life. Both have encouraged me in practically everything I attempted growing up, and you have not stopped encouraging me ever since. I also want to thank my father- and mother-in-law, Jerry and Vendetta Carlile. They have also encouraged me and blessed me with their daughter, Andrea. Thank you, Dad and Mom and Jerry and Vendetta, I love you all very much.

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Thank you to the participants in this study who represented Seymore University (pseudonym). You made this study possible. I hope you enjoy reading this study and perhaps learning about some areas that can help your university continue to improve. You have a very special Christian higher education institution that I pray God continues to immensely bless.

Lastly, I wish to thank each member of the board of trustees at Crowley's Ridge College for encouraging and allowing me to pursue this doctorate degree. I also want to thank my colleagues at Crowley's Ridge College for your patience with me as I pursued this degree, especially for allowing me to shut my door frequently and concentrate on this study. I hope that I did not take away from your needs too much but will do my best now to be more available.

Thank you, Heavenly Father, for many answered prayers and for your indwelling Spirit.

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Abstract

Numerous studies and national data show a growing number of small, private, Christian colleges face extreme difficulties, which often result in decline, followed by closure or merging with larger, higher education institutions. Attempting to overcome the loss of student revenue from a declining enrollment, many small colleges raise tuition prices, spend endowment funds, and overextend themselves with high debt payments. Countering the increased tuition prices, these colleges often increase scholarships and financial aid, which reduces available funds for other institutional needs. Other challenging issues include meeting accreditation standards, raising money for operational and capital needs, and the general public losing confidence in their perceived value. However, some small, private, Christian colleges overcome these issues of decline and are able to revitalize or turnaround. The purpose of this mixed methods, single case study was to understand how Seymore University overcame decline and implemented a turnaround while having an enrollment of fewer than 1,000 students and an endowment of less than \$15 million. Specifically, this study investigated if Seymore University in 2008 or 2009 met four of the six indicators of decline as found in a 1993 study by Ruth Cowan of 16 small colleges, which included a prescription for turnaround. Furthermore, this study investigated if Seymore University successfully implemented a turnaround in 2010. Fifteen participants were interviewed in the qualitative portion of this study to answer five research questions regarding how Seymore University overcame decline and began to turnaround. Quantitative research for these questions was accomplished by examining enrollment data, financial data, expense data, and ratios, and related areas. The board of directors was key at slowing the decline at Seymore University by implementing extensive budget cuts and by hiring a new president. The new president is credited with refocusing their mission, training employees, improving

communication, and creating internal systems, which achieved record enrollment and fundraising, increased degree programs, and engaged the community. Turnaround continues at Seymore University as it attempts to overcome challenges of further increasing enrollment, providing pay raises, and hiring back positions previously cut.

Keywords: case study, small colleges, higher education, turnaround, Cowan's prescription, decline, leadership, budget, enrollment, fundraising

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Chapter 1: Introduction

In spite of providing academic and interrelated experiences to college students, many small faith-based colleges and universities are struggling, and several have closed in recent decades. Public and private baccalaureate colleges and universities offer a unique environment with degrees in a wide range of academic areas. According to the Integrated Postsecondary Education Data System (IPEDS; 2016a, 2016b), 6,600 postsecondary institutions with a total enrollment of 26,963,399 students were awarded 4,891,888 degrees and certificates at the completion of the school year 2015–2016. The growth of U.S. higher education since the first colonial college, Harvard College, was founded in 1636, has been a positive economic and educational force throughout the country (Thelin, 2011). However, according to the National Center for Education Statistics (2020) total undergraduate enrollment in degree-granting postsecondary institutions “decreased by 8 percent between 2010 and 2016 [from 18.1 million to 16.6 million students]” (para. 1). The study proposed here focuses on the significant challenges faced by the higher education industry, which are extremely difficult for small, private, Christian colleges to overcome, as many attempt to turnaround declining institutions.

Background

Private liberal arts colleges and universities have especially been facing perilous times for several years, with many being in decline (Moody’s Investors Service, 2013). Decline is defined as higher education institutions that have met at least four of the following six negative indicators during their years of being in decline:

Five percent or greater declines in fall FTEs [full-time equivalent] for three consecutive years, an endowment smaller than institutional expenses, 50 percent deferral of plant equipment and maintenance, a decline in the ratio of net worth to debt, tuition increases

60 percent higher than the increase in total expenses, and expendable funds lower than debt for two years. (Cowan, 1993, p. 32)

Among private colleges, those facing the greatest challenges appear to be the smaller institutions, described by Vanderwerf (2000), as closing at an alarming rate. More than 20 small private colleges closed in the last decade, and 40 institutions were “acquired by larger schools or merged” (CBN News, 2015, para. 1; Hu, 2017, p. 2). Attempting to overcome decline, small, private, Christian colleges continue to increase the tuition price, which is now considerably higher than public institutions (Baum, 2017). Small, private, Christian colleges are defined as religious or faith-based institutions connected to a particular denomination with an enrollment of 1,000 students or less. Price is defined as the assigned monetary value to tuition based on the market of what students are willing to pay (Townesley, 2002).

Small, private, Christian colleges attempted to improve enrollment numbers significantly increased financial aid offerings, which doubled tuition discount rates, leaving less revenue for other areas (Hu, 2017; Supplee, 2014). A discount rate is defined as “the percentage of revenue from tuition and fees that is returned to students in the form of institutional gift aid” (Supplee, 2014, p. 253) by the higher education institution. Revenue is defined as financial resources received, including tuition and fees, gifts from individuals, businesses, churches, events, grants, interest income, and auxiliary services. Auxiliary services include revenue from the cafeteria, student housing, books, and other areas (Townesley, 2002).

Other challenges for small, private, Christian colleges included the 2007 and 2008 economic crises and increased regulations. Resulting from these challenges, many small, private, Christian colleges experienced a decline in areas such as philanthropic support, endowment earnings, enrollment, and credit, which hampered infrastructure and academic growth (Hilbun &

Mamiseishvili, 2016). Further problems continue today as many question the value of a college degree at private institutions, including the lack of ability to pay off large student loan debts after graduation with no job or a low paying job (Rine & Guthrie, 2016).

However, decline and closure are not the only outcomes for small, private, Christian colleges. A third outcome, institution turnaround or revitalization, is also possible (Chaffee, 1984; Cowan, 1993; Hamlin & Hungerford, 1988; MacTaggart, 2007a). Turnaround or revitalization means the same, with both referring to a corporate or higher education organization that has overcome decline, is experiencing financial stability and growth, and no longer anticipating closure (Cowan, 1993; Martin & Samels, 2009). According to a study by Cowan (1993), turnaround means “bringing an institution to the point where there can be ongoing, more orderly, less frantic change” (p. 34). The definition for decline mentioned earlier provides a criterion for colleges in need of a turnaround, which consists of their having met four of the following six negative indicators found by Cowan (1993):

Five percent or greater declines in fall FTEs for three consecutive years, an endowment smaller than institutional expenses, 50 percent deferral of plant equipment and maintenance, a decline in the ratio of net worth to debt, tuition increases 60 percent higher than the increase in total expenses, and expendable funds lower than debt for two years. (p. 32)

A study by Chaffee (1984) summarized the turnaround of eight private four-year colleges and universities during the 1970s. Chaffee (1984) found that turnaround transpired by hiring an effective leader to implement needed changes to overcome decline. Those leaders surrounded themselves with competent senior leaders who engaged other staff, students, and the community in the turnaround process. Hamlin and Hungerford’s (1988) study of 51 four-year colleges and

universities during the 1980s revealed that turnaround occurred due to the efforts of effective presidents. Presidents in the study ranked activities they used to revitalize their higher education institutions. Cowan's (1993) turnaround study of five small colleges and a review of the revitalization efforts of 11 other colleges as reported by the media revealed the importance of the president to overcome challenges, implement systems, and celebrate successes. A more recent study by MacTaggart (2007a) of 40 higher education institutions that experienced turnaround also emphasized the leadership role of the president and the importance of being decisive and working with others. MacTaggart (2007a, 2007b) noted three stages needed for turnaround: stage one is financial recovery, stage two is marketing and rebranding, and stage three is to redefine culture.

Statement of the Problem

Understanding the causes of decline at small, private, Christian colleges is difficult, though existing studies attribute frequent closures to a variety of financial issues (Carey, 2014; Curry et al., 2012; Henck, 2011; Rine & Guthrie, 2016). The financial issues stemmed largely from decreased enrollment, resulting from a higher tuition price for private colleges compared to community and four-year public institutions (Carey, 2014; Drake & Sparks, 2012; Hilbun & Mamiseishvili, 2016; Hu, 2017; Rine & Guthrie, 2016). Additionally, declining donations, endowment losses, rising debt, increased regulations, poor credit ratings, and the inability to meet student's vocational needs are challenges for small, private, Christian colleges (Burrell, 2008; Garrett & Poock, 2011; Supplee, 2014; Weisbrod & Asch, 2010). An endowment is defined as a restricted account into which higher education institutions deposit contributions for specific purposes as stipulated by each endowment's agreement. Endowments are designated for

operational, capital, scholarships, athletics, technology, student activities, and other areas, and only the interest earned or a portion of it is spent (Townesley, 2002).

Small, private, Christian colleges have utilized various initiatives attempting to revitalize their institutions. A case study by Hilbun and Mamiseishvili (2016) of three Christian higher education institutions, with enrollments ranging from 600 to 1,380 and endowments ranging from under \$10 million to greater than \$170 million, revealed six areas to overcome numerous difficulties largely attributed to “the Great Recession of 2007” (p. 6). These six areas included fiscal management (aggressive budget cuts in every department), adding more academic and athletic programs, decreasing personnel, increasing fundraising, and increasing enrollment. Fletcher (2015) utilized a case study regarding three financially successful Christian universities with enrollments of 1,404 to 3,039 and endowments of \$8 million to \$60 million, which revealed seven best practices. These best practices included strategic planning, annual planning, financial information, resource allocation, a bottom-line focus, academic efficiency, and living within institutional means.

What is not known is how the smallest Christian colleges, those with an enrollment of 1,000 students or less and an endowment of \$15 million or less, can successfully implement a turnaround process. Limited research is available regarding this area among these colleges.

Purpose of the Study

The purpose of this mixed methods, single case study was to explore and understand how a small, private, Christian college with an enrollment of 1,000 students or less and an endowment of \$15 million or less while in decline, successfully initiated a turnaround within the last 10 years and what were the connected experiences concerning this phenomenon. Enrollment of 1,000 students and an endowment of less than \$20 million were thresholds mentioned in studies

concerning small, private colleges in need of a turnaround (Astin & Lee, 1972; Brown, 2015; Hunter, 2012; Martin & Samels, 2009; Townsley, 2002). This study addressed the research areas at a single small, private, Christian college by interviewing board members, members of the executive leadership teams, long-term faculty, support staff, and supporters. Additionally, information was collected from the institution through corporate websites, strategic plans, annual financial audits, board meetings, staff meetings, newsletters, fundraising reports, financial reports, IPEDS, and other pertinent literature. Researching this problem of practice may help others understand factors connected to the turnaround process and add to the existing literature and implications surrounding this area.

Research Questions

One main question guided this mixed methods, single case study: How did the institution overcome decline and implement a successful turnaround? Additionally, the following research questions helped explore this phenomenon:

RQ1. How did the institution recognize and stop decline?

RQ2. What factors contributed to the institutional turnaround?

RQ3. What financial variables contributed most to the institutional turnaround?

RQ4. How do various stakeholder groups describe their experiences related to the institutional turnaround?

Definition of Key Terms

The following definitions are provided to clarify the reader's understanding of each key term used in this study:

Decline. Decline for this study is defined as higher education institutions having met at least four of the following six negative indicators during their years of being in decline:

Five percent or greater declines in fall FTEs for three consecutive years, an endowment smaller than institutional expenses, 50 percent deferral of plant equipment and maintenance, a decline in the ratio of net worth to debt, tuition increases 60 percent higher than the increase in total expenses, and expendable funds lower than debt for two years. (Cowan, 1993, p. 32)

Discount rate. Discount rate for this study is defined as “the percentage of revenue from tuition and fees that is returned to students in the form of institutional gift aid” by the higher education institution (Supplee, 2014, p. 253).

Endowment. Endowment for this study is defined as larger gifts to a higher education institution that are invested, permanently restricted for a variety of purposes, including operational, capital, scholarships, athletics, technology, and other areas (Townesley, 2002).

Price. Price for this study is defined as the assigned monetary value to tuition based on the market of what students are willing to pay (Townesley, 2002).

Revenue. Revenue for this study is defined as financial resources received, including tuition and fees, gifts from individuals, businesses, churches, events, and grants, interest income, and auxiliary services (auxiliary services include revenue from the cafeteria, student housing, books, and other areas; (Townesley, 2002).

Revitalization or turnaround. Revitalization or turnaround are interchangeable terms in this study. Both refer to a corporate or a higher education institution that has overcome decline, is experiencing financial stability and growth, and not anticipating closure (Cowan, 1993; Martin & Samels, 2009).

Small, private, Christian colleges. Small, private, Christian colleges for this study refer to religious or faith-based higher education institutions with an enrollment of 1,000 students or less (Astin & Lee, 1972; Martin & Samels, 2009).

Chapter Summary and Preview of Chapter 2

This mixed methods, single case study will explore how a small, private, Christian college with an enrollment of 1,000 students or less and an endowment of \$15 million or less while in decline successfully initiated a turnaround within the last 10 years and what were the connected experiences concerning this phenomenon. Chapter 1 begins by providing an introduction to higher education in the United States as being a driving economic and educational force, producing millions of graduates, but in recent years was faced with declining enrollment throughout much of the industry, especially within small, private colleges and universities. The background summarized challenges faced by private liberal arts colleges and universities, followed by the extreme difficulty such challenges present, especially for small, private, Christian institutions. Chapter 1 continued with a discussion regarding the statement of the problem, purpose of the study, research questions for a mixed methods, single case study, the definition of key terms, and a summary, which included expectations for Chapter 2.

Chapter 2 describes this study's literature review synthesizing three areas of research: the conceptual framework; small, private, Christian colleges; and organizational turnaround. The first area, the conceptual framework for this study, is a prescription for college turnaround developed by Cowan (1993) following her study of 16 colleges. Cowan's study was a qualitative, multiple case study of five small colleges and reviewed information concerning 11 other small, independent colleges and universities. The second area pertains to small, private, Christian colleges regarding their value, challenges, decline, and closing. The last area pertains to

organizational turnaround considered from the perspectives of corporations, higher education, and within small, private, Christian colleges.

Chapter 2: Literature Review

The purpose of this literature review was to understand institutional decline and turnaround as they pertained to small, private, Christian colleges having an enrollment of 1,000 students or less and an endowment of \$15 million or less. Few studies are directed at this narrow area of focus. The literature search process utilized online library databases searched by subject and keywords to find peer-reviewed journal articles, empirical studies, books, and dissertations connected to institutional decline and turnaround. Reviewing numerous abstracts and reference pages of journal articles and dissertations revealed germane information for these research areas. Web searches and Google Alerts also produced key information connected to this study. This literature review attempts to provide greater insight into institutional decline and turnaround, beginning with the conceptual framework for this study. The second section includes a discussion of small, private, Christian colleges regarding their value, challenges, decline, and closing. The last section pertains to organizational turnaround considered within corporations, higher education, and small, private, Christian colleges.

Conceptual Framework

This section explains the study's conceptual framework, "five requisites for turnaround" developed by Cowan (1993) after her qualitative study of 16 small colleges (p. 34). Those five requisites include a willing president, a collaborative process, comprehensive change, operational effectiveness, and symbolic actions (Cowan, 1993). This section also includes a summary of Cowan's (1993) qualitative research process, a listing of her six indicators of decline, and other indicators of decline resulting from a combination of strategic, operational, and symbolic problems with summaries for each. Additionally, information from eight other studies included in this section affirms, adds to, or is critical of Cowan's (1993) study.

Cowan (1993) developed the conceptual framework chosen for this study, titled “five requisites for turnaround” (p. 34). This framework is the result of Cowan’s (1993) research at 16 small colleges in which she created a “prescription for turning around small colleges” (p. 31). Cowan’s prescription was based on interviews conducted at five small colleges in which turnaround resulted, according to interviews with their leadership, staff, and external constituents. Cowan also studied each of the five institutions’ “financial, enrollment, annual, self-evaluation, and external evaluation reports covering periods before and after the turnaround process began” (p. 31). Additionally, in arriving at her prescription for small college turnaround, Cowan (1993) studied available documentation at 11 other “small, independent colleges whose efforts to reverse institutional decline” were reported by media, and from her speaking with acquaintances at some of these colleges (p. 31).

Each of the five small colleges in Cowan’s (1993) study met at least four of the following six negative indicators:

Five percent or greater declines in fall FTEs for three consecutive years, an endowment smaller than institutional expenses, 50 percent deferral of plant equipment and maintenance, a decline in the ratio of net worth to debt, tuition increases 60 percent higher than the increase in total expenses, and expendable funds lower than debt for two years. (p. 32)

The above six negative indicators will be measured in the quantitative portion of this mixed methods, single case study to examine factors concerning institutional decline and the turnaround process at one small, private, Christian college (see Appendix A). These areas will be examined from information obtained from corporate websites, strategic plans, annual financial audits, academic reports, board meetings, staff meetings, newsletters, fundraising reports,

financial reports, the Integrated Postsecondary Education Data System (IPEDS), and other pertinent literature.

Cowan (1993) also found other signs indicating decline at each institution in her study. These included “faculty strikes, program proliferation, quick sales of tangible assets, ‘cash only’ vendors, high student attrition, low graduation rates, high staff turnover, or newspaper reports of the college’s imminent closing” (p. 32). Cowan (1993) stated that these signs of decline “all point to a combination of strategic, operational, and symbolic problems” (p. 32).

Cowan (1993) stated that the “critical strategic problem of these colleges was in every case murkiness as to purpose” and that each institution, prior to overcoming decline, “lacked a clearly stated, shared understanding of what the college offered” (p. 32). Employees were not on the same page regarding the institutional services, whom they served, or what goals were important to achieve.

Each institution also exhibited serious “operational problems” in being able to produce important data for decision-making in areas of finances or enrollment (Cowan, 1993, p. 32). Leadership frequently relied on inaccurate or out-of-date reports, which made it impossible to predict trends or plan annual and long-term objectives. Each institution appeared to have few systems in place to help manage finances, maintain student records, keep up with alumni, or utilized business functions across departments.

Cowan (1993) believed each college exhibited chaos in operations, leading to “symbolic problems of pessimism, hopelessness, and alienation” (p. 32). Symbolic problems included leadership not encouraging coworkers and financial supporters about the institution’s current progress or future plans. Additionally, leaders were not engaged in building morale, celebrating

successes, or showing gratitude to coworkers, and little excitement existed among leaders serving at institutions in decline.

Cowan (1993) stated that some of the colleges experienced the problems just described over 20 or 30 years, largely due to each institution's "problem-blindness" (p. 32). Their problem-blindness or lack of admitting their institution was in decline or lack of knowing what to do concerning the decline, prevented leadership from making needed changes to overcome the various internal issues associated with decline. Cowan (1993) believed most college leadership do recognize being in decline, often due to evaluation teams, board meetings, or bank notes due, which brings problems into focus. However, leadership generally acts too quickly under such pressure and misdiagnose the problems, enabling decline to continue.

Each of the same five small colleges in Cowan's (1993) study later experienced a turnaround. Their successes helped Cowan (1993) create the following prescription, which she called "five requisites for turnaround" (p. 34):

1. "A willing president: The first necessity for becoming different and better is a president willing to launch the turnaround process and take responsibility for carrying it forward. Turnaround requires the president to be the chief change agent" (p. 34).
2. "A collaborative process: . . . that envisions a future and develops action plans to realize it. A president, alone or in consultation with a few favored advisors, who offers "the answer" will fail to lead effective change" (p. 35).
3. "Comprehensive change consistent with the college's character: Complementing the principle that change must come from the college as a whole is the principle that change must affect the college as a whole . . . The solutions must be comprehensive because the problems are" (p. 36).

4. “Operational effectiveness: . . . college managers must assure operational effectiveness. The college must use its resources efficiently. This requires day-to-day purposeful attention to details” (p. 37).
5. “Symbolic actions to maintain optimism and energy: . . . build a high level of excitement, commitment, enthusiasm, optimism, and even fun. Everyone on campus needs to feel that what the college does is worthwhile, that the institution has a future, and that their contribution counts” (Cowan, 1993, p. 37).

Cowan’s (1993) five requisites for turnaround described above guided the inquiry in the qualitative portion of this mixed methods, single case study to examine factors regarding the turnaround process at one small, private, Christian college (see Appendix B). Each of the five requisites for turnaround was considered in the interview questions to board members, members of the executive leadership teams, long-term faculty, support staff, and supporters (see Appendix C). Additionally, the five requisites for turnaround in Appendix B were considered when reviewing the information from the single institution through corporate websites, strategic plans, annual financial audits, academic reports, board meetings, staff meetings, newsletters, fundraising reports, financial reports, IPEDS, and other pertinent literature. Cowan’s (1993) five requisites for turnaround were used to help identify themes for this study and other important factors connected to these areas.

Brown (2015) used Cowan’s (1993) prescription for college turnaround as a conceptual framework in her single case study to “compare and examine the factors and decisions that comprised the revitalization of a small, private, religious institution” (p. 4). Brown (2015) found that the institution explored in her study utilized each of the five components required for

turnaround described in Cowan's conceptual framework. Those being a willing president, a collaborative process, comprehensive change, operational effectiveness, and symbolic actions.

Cook argued that of the five requisites for turnaround identified in Cowan's conceptual framework, a "strong president is one of the most significant elements at a small college undergoing transformation" (Cook, 2015, pp. 8, 39). Such a leader is one who can acknowledge decline does exist at his or her institution, make decisions, and formulate a collaborative plan for change (Cook, 2015). Ventimiglia (2005) referred to Cowan's (1993) five requisites for college turnaround in her study of 41 higher education institutions to consider the role of faculty in providing needed change to serve the needs of students better. Ventimiglia (2005) affirmed the role of the president and collaborative leadership, as emphasized in Cowan's (1993) study. Ventimiglia (2005) stated that the president's role was key to successful change and to connecting with faculty in the change process.

Kezar and Eckel (1999) acknowledged that Cowan's (1993) five requisites for college turnaround were prevalent in the literature describing the turnaround process. However, Kezar and Eckel argued Cowan's five requisites for turnaround were too broad a description of such strategies, which are not that helpful to leaders in effecting institutional change. Kezar and Eckel (1999) argued, "It is the micro-level detail that is helpful" to leaders in turning around an institution (p. 4). Kezar and Eckel (1999) sought in their study of three colleges to understand what micro-level details consisting of strategies, sub-strategies, strategies interrelationship, and balance of strategies have more of an impact on the overall transformation of an institution in decline. Kezar and Eckel's (1999) findings included internal reflection, termed sensemaking, which was also the main ingredient in transforming a college in decline connected to Cowan's (1993) study of college turnaround.

Baker (2013) referenced Cowan's (1993) study of institutional turnaround in a study of 16 small college presidents tasked with making ethical decisions. Baker affirmed from Cowan's (1993) study that financial struggles were merely external symptoms caused by internal problems, which force change at the struggling institutions to overcome such issues or face closure if no change occurs. Baker (2013) also affirmed from Cowan's (1993) study the need for leadership to acknowledge that financial issues were external pressures and not the causes of institutional decline. The causes of decline were internal in nature, but the external pressures take away from the time needed to focus on internal areas in overcoming these issues (Baker, 2013).

Kezar and Eckel (2002) argued Cowan's (1993) five requisites for college turnaround are too general and need more specificity to help leadership understand which critical changes to implement and how to implement for institutional turnaround to transpire. Their case study of six higher education institutions examined elements of transformational change, which they believed to be theoretically and empirically grounded. Kezar and Eckel (2002) affirmed Cowan's first requisite for turnaround, a willing president, stating this has been "well acknowledged in the literature" regarding having the support of the president to implement needed change (p. 298). However, Kezar and Eckel (2002) argued that a willing president has been less important in the last decade "compared with organizing a collaborative process" (p. 299).

Brownell (2016) examined faculty perceptions of the turnaround process in a qualitative case study at one higher education institution. The study affirmed each of Cowan's (1993) five requisites for college turnaround, especially the importance of leadership in encouraging faculty and staff, as the institution implemented internal processes aimed at overcoming financial instability. Additionally, Brownell (2016) affirmed Cowan's study regarding making decisions to

improve financial areas, marketing, rebranding, academic excellence, organizational culture, implementing business systems, and also short- and long-term strategic planning.

Paul (2005) compared 10 studies “reflecting revenue and retrenchment strategies” in higher education institutions facing fiscal stress (p. 116). Cowan’s (1993) prescription for college turnaround is listed in the comparison and includes leadership emphasis on mission and internal operations regarding information systems, budgeting or cost controls, and academic quality or costs. Paul (2005) affirmed each of the five requisites for college turnaround and the following states of decline found in Cowan’s (1993) study:

(1) Problem-blindness; (2) problem recognition and blame on external forces, such as population trends; (3) sudden panic and focus by the preturnaround president on symptoms, such as cash flow or enrollment problems; (4) survivalism, a focus on one-time solutions, such as asset sales, borrowing, and program cuts; and (5) new leadership that establishes clarity of purpose and addresses enrollment, operations, and morale issues. (Paul, 2005, p. 131)

Cowan’s (1993) “five requisites for turnaround” as this study’s conceptual framework provides a good fit to understand how a single small, private, Christian college in decline with an enrollment of 1,000 students or less and an endowment of \$15 million or less can successfully turnaround (p. 34). Cowan’s five requisites include a willing president, a collaborative process, comprehensive change, operational effectiveness, and symbolic actions (Cowan, 1993).

Eight other studies in this section affirm, add to, or are critical of Cowan’s (1993) study. Brown (2015) affirmed each of Cowan’s (1993) five requisites in her study and especially emphasized the importance of leadership. Cook (2015) affirmed presidential leadership as the most important requisite. Ventimiglia (2005) affirmed leadership with an emphasis on including

faculty to create the plan and internal processes to overcome decline. Likewise, Kezar and Eckel (1999) argued for more specifics in how leadership can correct internal problems. Baker (2013) emphasized the need for leadership to acknowledge how internal issues led to decline. Kezar and Eckel (2002) argued that more concrete solutions should be added to Cowan's (1993) turnaround prescription and an increased emphasis on a collaborative plan. Similarly, Brownell (2016) affirmed the need for leadership to create a collaborative plan, as emphasized in Cowan's (1993) study. Paul (2005) affirmed the need for leadership to emphasize the mission and create needed internal systems throughout the institution. These eight studies provide additional ideas that may enhance Cowan's (1993) five requisites for turnaround as pertaining to this study.

Each of Cowan's (1993) five requisites for turnaround and the above eight studies and others helped formulate this study's interview questions. These combined studies broadened the types of data collected in the interviews and from reviewing financial and related information from the single institution in this study. This data collection and analysis process resulted in the identification of themes and other important factors connected to this research.

Small, Private, Christian Colleges

Today, small, private, Christian colleges generally operate with a board of directors, a president, a leadership team, generally composed of a provost, deans, financial and human resource directors and personnel, a variety of academic personnel, and support staff (Carey, 2014). Revenue sources for these institutions consist of tuition, fees, residential housing, and cafeteria revenue, fundraising and endowment revenue, estate gifts and bequests, foundation grants, and support from churches, individuals, businesses, events, and through athletics (Docking & Curton, 2015; Garrett & Poock, 2011).

Small, private, Christian colleges, those with enrollments of 1,000 or less, make up about 30% of the “1,600 private nonprofit colleges and universities in the United States” (Wootton, 2016, para. 6). Using Wootton’s (2016) estimate of 30%, computes to 480 private nonprofit colleges with enrollments of 1,000 or less. According to Moody (2019), U.S. News and World Report stated there are “800 private colleges with enrollment of (fewer) than 1,000 students” (para. 10). The College Board Access website states there are more than 2,000 colleges in the United States (College Board, n.d.). Narrowing search parameters to private colleges with an enrollment of less than 2,000 equals 779 institutions (College Board, n.d.).

Hunter (2012) presented a quantitative study of private higher education institutions in the United States with less than 2,000 students in the 1998–1999 or 2008–2009 academic years. Hunter (2012) stated that small institutions operate fiscally much differently from larger colleges and universities in that they do not receive state funding, which forces most to charge more for tuition compared to public institutions. Lindsay (2019) stated the following reasons for the size of the smaller colleges: they offer a “very specialized curriculum that caters to a narrow demographic of students” (para. 4), many are “religious schools of a particular denomination, art schools, or professional schools” (para. 4), and many are “committed to keeping class sizes small and giving each student individualized attention” (para. 7).

Value of Small, Private, Christian Colleges

Rine and Guthrie (2016) noted in a quantitative study including IPEDS data that the value of a college degree at small, private, Christian colleges is questioned by many today due to its higher price and doubts about the quality of education received compared to public institutions. Two qualitative case studies with both investigating two small private colleges stated the value of small Christian institutions is being questioned today by many in this country due to high

tuition prices compared to public institutions (Carey, 2014; Drake & Sparks, 2012). Fischer (2011) stated in the *Chronicle of Higher Education*, there is much public anxiety over college costs today and that small tuition-driven colleges are confronting a student market that is searching for more affordably priced higher education institutions. Hilbun and Mamiseishvili (2016) conducted a multiple case study of three liberal arts colleges, which included 31 participants composed of leadership, faculty, and others referred during the study. Hilbun and Mamiseishvili (2016) stated that among their interviews, some stated that constituents within their service area did not understand the need or value of smaller Christian colleges when compared to larger public colleges and universities.

Eide (2018) postulated that small private colleges are beneficial to students who do not want to attend a large college and provide students with solid support due to the smaller class size, teachers, and mentors. The extra support those students receive is connected to their being involved in extracurricular activities at smaller private colleges. More than 95% of the students assessed this year at the small college where I am employed agreed the institution did an excellent job meeting students' financial needs, and teachers and staff do more than is required to meet academic and student life needs (C. Hughes, personal communication, May 2019).

Johnston (2017) argued in a publication connected to the Council for Christian Colleges and Universities that faculty and staff in Christian colleges “integrate faith, learning, and living into their teaching and encourage students to explore the deep and challenging questions of their faith” (p. 25). The College Foundation of North Carolina website contains interviews from faith-based college educators and administrators, stating students desire to have conversations in the classroom about their faith or other religious beliefs. Those conversations are expected and encouraged at small, private, Christian colleges but are not always welcome in public colleges

and universities (College Foundation of North Carolina, n.d.). Similarly, a study of 128 business graduate students at a private university in California with a religious denominational affiliation found students open to discussing spiritual topics in class, but some were concerned about how such discussions should be approached (Allen & Williams, 2015).

Tarrant et al. (2018) completed a follow-up study to 491 small colleges, termed the invisible colleges in a 1972 study by Astin and Lee. Those small institutions provide “a vital component to the institutional diversity found in American higher education” (Tarrant et al., 2018, p. 342) as many have fewer restrictions regarding enrollment, providing opportunities for students that may not qualify to attend more selective institutions. Additionally, many of those small colleges have unique missions, often connected with a particular religious denomination, which offer opportunities for students seeking a particular educational environment (Tarrant et al., 2018). Tarrant (2015) stated the invisible colleges from the 1972 study by Astin and Lee that exist today “provide a diverse option in higher education for students seeking a different experience than that which institutions in the public sector can provide” (p. 22). Similarly, Wootton (2016) emphasized the loss of diversity when a small college closes its doors for good and its unique environment is no longer available. Not every student prefers a large college, and when small colleges close, students who prefer a smaller environment have fewer choices of small colleges to attend (Wootton, 2016). While many value the benefits received from small, private, Christian colleges, those institutions continue to face numerous challenges.

Challenges of Small, Private, Christian Colleges

Over the past two decades, small, private, Christian colleges have doubled their tuition price attempting to overcome financial deficits. Such large tuition increases have forced students to choose more affordable higher education institutions (Davis, 2013). These tuition price

increases resulted in these institutions offering students increased scholarships to overcome higher tuition prices, causing higher operational expenses, which reduced funds available for academics, student life programs, and campus improvements (Rine & Guthrie, 2016). Some colleges are now giving more scholarship discounts than the amount realized by net tuition revenue (Eide, 2018). Subsequently, the 2008 economic decline hurt most small, private, Christian colleges in reduced endowment earnings, donations, enrollment, and spending for operational areas (Weisbrod & Asch, 2010). Challenges for small colleges since 2008 included increased regulations, hiring additional staff due to the increased regulations, higher operational expenses, and increasing degree offerings in an attempt to grow enrollment (Rine & Guthrie, 2016).

According to Hunter (2012), being independent can change quickly for smaller institutions due to their inability to operate effectively when enrollment drops or economic problems occur. Under such circumstances, smaller, private Christian institutions have few resources to overcome unanticipated problems and have difficulty meeting operational needs. Martin and Samels (2009) utilized a qualitative study to evaluate the experiences of 200 college leaders and found the new threshold for enrollment had increased from 1,000 to 2,500 for small colleges to have adequate revenue for operational needs. According to Astin and Lee (1972) and Martin and Samels (2009), colleges with 1,000 students or less appeared to be at the greatest risk of financial problems, which is connected to other challenges. Supplee (2014) described some of those challenges in his quantitative study of 119 colleges within the Council for Christian Colleges and Universities, which argued “rising costs, burgeoning debt, and falling credit ratings are among the financial challenges faced” by small, private, Christian colleges (p. 250).

Demographic challenges for small, private, Christian colleges include fewer young adults pursuing a college degree today compared to the 1970s and 1980s when a large number of children from the baby boomers prepared to enter college (Eaker, 2008). However, the “Western Interstate Commission for Higher Education projects a rise in the number of graduating high-school seniors until the mid-2020s,” but then those numbers are predicted to decline through 2030 (Eide, 2018, p. 38). Other demographic challenges include a decreasing membership of many denominations in recent years, as small Christian colleges feel the pinch of declining enrollment numbers (Hebert, 2014; Ross, 2017). Yet, a positive demographic trend, according to Pew Research Center’s *2015 U.S. Religious Landscape Study* (as cited in Johnston, 2017), includes the need for Christian colleges to expand their recruiting efforts to take advantage of the growing number of racial and ethnic minority students within the United States and globally, who desire to attend a religious, private institution.

Leadership is another challenge for small, private, Christian colleges, with half the current leadership being in their 60s and many retiring in the next five to 10 years (Henck, 2011). Frawley (2014) noted the challenge to “replace retiring leadership with new leaders” who embrace the mission of Christ-centered education (p. 34). Frawley (2014) stated the serious problems connected to new leadership coming to a Christian college with their own agendas, which may not include the emphasis on long-term traditions or strategies that realize the importance of keeping a Christian mission as the main focus. Carey (2014) stated that the inability to overcome these numerous challenges causes small, private, Christian colleges to experience further decline.

Decline of Small, Private, Christian Colleges

According to Townsley (2002), the decline of small colleges, including Christian institutions, occurred due to poor finances. Townsley described 33% of those colleges with deficits even during good economic times in the 1990s. Townsley found those colleges struggled to pay bills as they lived from registration to registration, on large donor gifts, and did not utilize planning connected to a long-term perspective of building a strong endowment program, which yields needed revenue. Townsley (2002) believed the presidents of the four colleges in his study had served their institutions poorly by not preventing areas of decline from occurring prior to their closing. Those areas of decline included “rising debt loads, continuing deficits, shrinking net assets, falling enrollment, investments converted to fixed assets, and dwindling amounts of cash” (Townsley, 2002, p. 98).

Small, private, Christian colleges appear to have made little progress overcoming financial struggles. According to a quantitative study by Hunter (2012) showing, “between 1998–1999 and 2008–2009, small, private colleges, on average, grew enrollment but demonstrated a decline in financial health indicators,” which led to further organizational decline and demise (p. 163). Other surveys show that private, “religiously affiliated” higher education institutions have declined from 922 institutions in 1990 to 883 institutions in 2015 (National Center for Education Statistics, 2017).

Martin and Samels (2009) added to a 1985 report by Dennis P. Jones, former president of the National Center for Higher Education Management Systems, to provide an updated listing of 20 indicators connected to the causes of decline for small higher education institutions. The following updated list is based upon interviews with Dennis P. Jones and a variety of other higher education leaders.

The first 10 focus on institutional budget and resource source challenges:

1. Tuition discounting more than 35%.
2. Tuition dependency more than 85%.
3. Student default rate above 5%.
4. Debt service more than 10% of the annual operating budget.
5. Less than a one-to-three ratio between endowment and operating budget.
6. Average tuition increased greater than 8% for five years.
7. Deferred maintenance at least 40% unfunded.
8. Short-term bridge financing is required in the final quarter of each fiscal year.
9. Less than 10% of the operating budget is dedicated to technology.
10. Average alumni gift is less than \$75, and fewer than 20% of alumni give annually.

(Martin & Samels, 2009, Kindle Location Nos. 209–272)

The next 10 indicators relate to campus leadership, culture, and programs:

11. Institutional enrollment of 1,000 students or fewer.
12. Conversion yield is 20% behind that of primary competitors. According to Martin and Samels (2009), a conversion yield at such a low level shows the inability of the institution to provide customer service with current resources and staff.
13. Student retention is 10% behind that of primary competitors.
14. The institution is on probation, warning, or financial watch with a regional accreditor or a specialty degree licensor.
15. The majority of faculty do not hold terminal degrees.
16. Average age of full-time faculty is 58 or higher.

17. The leadership team averages more than 12 years or fewer than three years of service at the institution.
18. No complete online program has been developed.
19. No new degree or certificate program has been developed for at least two years.
20. Academic governance and curriculum development systems require more than one year to approve a new degree program. (Martin & Samels, 2009, Kindle Location Nos. 277–347)

While all 20 of the indicators may not be present in a declining institution, having a “preponderance of these 20 indicators clearly means that an institution has slipped, possibly far from its founding vision and strength, and that some form of surgery will most likely be required to bring it back to health” (Martin & Samels, 2009, Kindle Location Nos. 200–201).

While these 20 indicators are useful, Lyken-Segosebe and Shepherd (2012) cautioned consideration to be given “within the context of the individual institution” before applying the indicators as listed (p. 4). For example, “keeping tuition dependence below 85% of total revenues” may not work for some institutions that “need to keep tuition dependence at a much lower rate in order to stay in operation” (Lyken-Segosebe & Shepherd, 2012, p. 4), though, no explanation is given regarding this type of reasoning. Lyken-Segosebe and Shepherd (2012) suggested keeping the context of short- and long-term perspectives in mind as institutions utilize Martin and Samels’ indicators.

Province (2009) conducted a quantitative study regarding the closure of 40 four-year colleges from 1965 to 2005. Province (2009) found two significant groups in his study from combining research questions to connect a listing of indicators about failing institutional health. Province (2009) found that higher education institutions adapting to a different culture, which

also included a business model, could have prevented many of the college closures examined in his study.

Province (2009) provided the following list of indicators compiled from several studies regarding “failing institutional health” (p. 44), which also included the 20 negative indicators listed earlier by Martin and Samels (2009).

MacTaggart (2007a) contributed two indicators:

1. A combination of increasing debt with a decreasing endowment (para. 7).
2. Leadership separating from collaborators in difficult times (paras. 12, 13).

Putnam (1996) contributed two indicators:

1. As the college declines, the board takes a less active role in the core financial issues of the institution.
2. As the college declines, the president will begin to restrict access to the financial information once easily available.

Taylor (1996) contributed four indicators:

1. Raising tuition while cutting faculty salary. Raising tuition while freezing faculty salary may be an even earlier indicator.
2. Number of degrees awarded falls steadily over a period of several years.
3. Downsizing the curriculum from a four-year to a two-year college, or talk of doing so.
4. A lack of understanding and respect for the mission of the institution by the local business and public officials.

A study by MacTaggart (2007a) and colleagues regarding the turnaround of 40 colleges with three quarters being private institutions found correcting financial issues as the critical first

step in overcoming decline by creating an overall business plan, which included a balanced operational budget as opposed to increasing debt and borrowing from an endowment. MacTaggart (2007a) also found an equally important strategy in overcoming decline that included collaborative leadership involving the board, all departments, and students. Putnam (1996), in a multiple case study analysis of three small higher education institutions, found leadership greatly influenced formal communication presented to the board, and, as institutions battled decline, boards often lost confidence in leadership communication. Taylor (1996) found a single university in decline from a large dependence on funds from the city government's budget, and when slashed, forced the institution to reduce degree offerings, cut salaries, and consider becoming a two-year program. Some community leaders showed little concern regarding those financial struggles. However, Taylor (1996) provided no definitive solutions regarding how a city budget-dependent university could overcome decline during such difficulties. Many higher education experts are steadfast in their concern about the future of small private colleges in America. Eide (2018) stated these experts believe that for small private colleges, enrollment is dwindling, deficits are mounting, and more closures are looming.

Closing of Small, Private, Christian Colleges

According to Breneman (1994), 334 private liberal arts higher education institutions closed or changed their standing between 1972 and 1988. The majority of these institutions had enrollments of 1,500 or less. A quantitative study by Bates and Santere (2000), regarding 1,600 private colleges considered for closings and mergers from 1960 to 1994, argued small higher education institutions that close or merge go relatively unnoticed by others in the industry due to the limited number of small colleges in the United States. Townsley (2002) stated, "seventy-one percent of the colleges that closed between 1988 and 1997 enrolled fewer than 1,100 students,"

and by the time these small colleges closed, they had “an average enrollment of 566 students” (p. 89). Lyken-Segosebe and Shepherd (2012) stated that 57 private institutions with enrollments of 250 to 1,000 closed from 2004 to 2013, which included several connected to religious denominations.

Fletcher (2015) noted that 49 Christian colleges and universities closed between 2000 and 2010 due to financial issues. Toppo (2019) listed several small colleges’ recent closings and stated that Moody’s Investors Service (2013) predicted future increases in small college closures in the “range of 15 per year” (para. 8) and that a group of “about 750 small private colleges are increasingly struggling to cover costs with revenue” (para. 8). Busta (2019) described the struggles of small nonprofit colleges, listing 42 institutions that closed and 24 that merged since 2016, with the majority of those being faith-based schools. Busta (2019) attributed the institution’s small size of 1,400 or less, declining enrollment, and small endowments as the main reasons for their closures and mergers. However, research also shows a number of other small colleges have managed to turn their institutions around and revitalize.

Organizational Turnaround

Schweizer and Nienhaus (2017) stated that organizational turnaround had been a “subject of research for many decades,” with studies from the 1960s through the present-day (p. 4). Zammuto and Cameron (2017) noted the long-term interest in studies regarding organizational decline and how organizations respond, dating back to the late 1970s and early 1980s. This section includes a comparison and contrast of key differences about organizational turnaround in corporations, higher education midsize and larger institutions, and small, private, Christian colleges.

Corporations

Schweizer and Nienhaus (2017) consolidated literature from 262 sources representing numerous theories to “provide a more detailed analysis of the numerous facets of turnaround during corporate distress” (Schweizer & Nienhaus, 2017, p. 38). Schweizer and Nienhaus (2017) discussed the difficulties in “accurately measuring turnaround outcomes by contrasting the success measures employed by different research streams” (p. 38). An example of such difficulties is noticed in a study by Zammuto and Cameron (2017), which stated early studies treated organizational decline as a one-dimensional concept, causing a wide variety of opinions regarding actions leading to turnaround and the implications of theories about the process.

Zammuto and Cameron (2017) argued that understanding decline as a “multivariate phenomenon” (p. 254) assists managers in making decisions important to implement corporate turnarounds. Zammuto and Cameron described four areas to assist corporate managers in turnarounds, which included their perceptions of decline, behavior in leading, implementing effective and efficient strategies, and the domain selected to utilize available resources for the population served. However, their study states that all four areas in overcoming decline work differently at each corporation due to the uniqueness of the problems connected to decline at each corporation. In the intervening years since the findings presented by Zammuto and Cameron (2017), many have studied corporate turnarounds.

Nystrom and Starbuck’s (1984) study of corporations over 20 years focused on leadership unlearning behaviors that lead to employees becoming complacent. Turnaround in those corporations transpired by managers making needed changes brought about by listening to subordinates regarding areas to correct, keeping current on technology and product demand, by

unlearning attitudes regarding what used to be successful, and examining current related opportunities, which seemed more affordable and profitable.

Dowell et al. (2011) conducted a quantitative study of 227 young internet firms who did business via the internet from 1996 through 1999, which led to a need for turnaround in the early 2000s. An internet firm is “one that conducts business with consumers or other businesses over the internet or provides products and services (e.g., software or consulting) to other businesses to support their Internet operations” (Dowell et al., 2011, p. 1029). Dowell et al. (2011) sought to determine the connection of the chief executive officer (CEO) and board to “the Internet shakeout in March 2000” (Dowell et al., 2011, p. 1030). Dowell et al. (2011) confirmed the connection of corporate governance in the downturn for those businesses and of “high board independence” associated with “firm survival when financial distress is high” (p. 1039).

Dowell et al. (2011) found that when “the degree of financial distress is low, firms with boards having relatively low independence actually have lower failure rates” (p. 1039). Dowell et al. (2011) also found firms that were highly stressed financially had a greater chance of overcoming such challenges with a small board. Part of this, Dowell et al. (2011) theorized, was because quick decisions can be arrived at much easier and faster by a small board compared to a larger board. Last, Dowell et al. (2011) found the benefit of having a decisive CEO who can articulate a turnaround plan, especially in terms of a smaller corporation in financial distress.

Chen and Hambrick (2012) conducted a quantitative study regarding the poor performance of 223 large established corporations, excluding small and financial firms. The study focused on companies in which turnaround was needed due to their no longer performing well, and they had changed from operating at a profit to a loss. Such areas were then compared to a possible “predecessor misfit and successor fit” (Chen & Hambrick, 2012, p. 231). The study’s

sample included “Standard and Poor’s 1500 index companies in the years 1990 to 2003” (Chen & Hambrick, 2012, p. 230).

Chen and Hambrick (2012) found support for the following related to the CEO in turnaround situations:

1. If performance problems are severe, the company will benefit from replacing a long-tenured CEO, and it will benefit from an outside successor.
2. If performance problems are severe, the company will benefit from replacing a CEO who lacks throughput experience (for managing major asset or cost rationalization), and it will benefit from appointing a successor who has such credentials.
3. If the industry performance problems are severe, the company will benefit from replacing a long-tenured industry veteran, and it will benefit from hiring an industry outsider. (Chen & Hambrick, 2012, p. 238)

The consolidation of 262 publications of research by Schweizer and Nienhaus (2017) in the area of corporate turnaround provides a broad analysis, which can help explain the numerous facets involved regarding corporate revitalization. The study by Schweizer and Nienhaus (2017) “considers a broad range of substreams on turnaround content, processes, and contexts, as well as the interdependencies between the various disciplines” (p. 38).

Zammuto and Cameron (2017) believed the key ingredient to organizational turnaround is connected to leadership being proactive in these four areas: must perceive decline is occurring, must display leadership behavior in dealing with decline and creating turnaround, must implement effective strategies to overcome decline, and leadership must collaboratively work across all departments.

Nystrom and Starbuck (1984) concluded that corporate managers must unlearn areas that contributed to the crises within the organization. However, most will need to change some of their personal likes or dislikes for significant organizational improvements to occur in the process. Nystrom and Starbuck (1984) postulated managers listening to coworkers who disagreed implemented changes, taking advantage of opportunities, and new product experiments were key to corporate turnarounds.

Dowell et al. (2011) found a strong connection between organizational structure and creating turnaround was dependent on a variety of areas related to the operation, the culture of the corporation, the involvement, the size of the board, and a decisive leader. Given so many considerations in creating turnaround, Dowell et al. (2011) theorized that not any particular prescription works for all young corporations in decline.

The study results by Chen and Hambrick (2012) suggested a strong connection to CEO replacement decisions in troubled companies when top leaders are not skilled to bring about needed turnaround within a declining corporation. The corporation in need of a turnaround that is considering the replacement of the CEO should consider how misfit the current CEO could be compared to the abilities of the new CEO regarding how to create the desired turnaround (Chen & Hambrick, 2012). The corporate turnaround studies just summarized relate well to the next section, higher education.

Higher Education

MacTaggart (2007b) stated that he studied turnaround in 40 colleges, according to an article he authored, "The Realities of Rescuing Colleges in Distress," featured in the *Chronicle of Higher Education*. MacTaggart described the colleges as public and private and classified as institutions "on the brink of disaster, threatened by tribulations such as bankruptcy, loss of

federal approval for financial aid, and sanctions from their accrediting agencies” (2007b, p. B11). MacTaggart’s article also described a second group of institutions from his study that, “while better off and unlikely to miss a payroll or lose accreditation, had gradually slipped in their academic strength, brand recognition, and ability to attract able students” (p. B11).

MacTaggart (2007b) revealed three stages in the article for creating an institutional turnaround. Stage one included utilizing a business model, which produced a balanced budget. Stage two included utilizing marketing strategies and building or rebuilding the institution’s reputation or brand. Stage three required involvement throughout the institution to focus on the educational mission, implement new ways of pedagogy, and create new energy both in and out of the classroom.

While MacTaggart’s work is mentioned in a variety of other literature, some desire additional details about his study. Province (2009), referencing MacTaggart’s study of the 40 institutions, stated, “it does not analyze the conditions of the institution at the time of intervention, but it does describe the steps taken to effect rescue” (p. 22). McLendon (2009) provided a book review of MacTaggart’s work and praised its practical usefulness but preferred more details regarding the revitalization of the institutions and leadership methods utilized.

Murray and Kishur (2008) emphasized similarities in how presidents of 13 community colleges handled crises in the areas of finance, personnel, public relations, and political issues. Difficulties in these areas over an extended period can lead to institutional decline and closure. Each of the presidents overcame those crises by working directly with each issue, understanding the issues and problems, communicating with the board and staff, and including consultants as needed. The final step included taking action to solve each issue (Murray & Kishur, 2008).

Lovik (2014) described the strategic planning process in a comparative case study for a community college founded in 1960, having “over 3,000 curriculum students and more than 5,000 noncredit students (continuing education) studying in over 60 certificate, diploma, and associate’s degree programs” (p. 63). Enrollment had declined at the institution following the economic crisis of 2008. The college reviewed its past strategic plans, board minutes, and related financial information in developing a revised strategic plan to combat the decline. The new strategic plan encompassed four phases, which consisted of (a) an introductory phase, (b) dialogue phase, (c) writing or revision phase, and (d) an approval phase. A key component of the revised strategic plan included the alignment of the institution’s mission, engagement of stakeholders, and ongoing leadership communication, which led to a successful college turnaround (Lovik, 2014).

Small, Private, Christian Colleges

According to Richard Ekman, president of the Council of Independent Colleges, stated in spite of the “significant challenges” faced by “small and midsized private colleges and universities,” a review of their “financial health over the last 14 years provides ample reason for optimism about their future” (Council of Independent Colleges, 2017, para. 9). President of the Council of Independent Colleges, Richard Ekman, stated that many “private colleges and universities have adapted—and continue to adapt—to economic and demographic challenges, by creating new, innovative programs, reducing expenses, and generating new sources of revenue” (2017, para. 9). Largely connected to the improved financial positions for those institutions included “strong institutional leadership” as perhaps the most important factor in “determining the financial health of an institution” (Council of Independent Colleges, 2017, para. 8).

Martin and Samels (2009) agreed concerning the importance of leadership in their study, which listed the following seven key factors that college presidents must implement, regardless of the institution's size, to reverse decline and revitalize:

1. Strengthen the board of trustees and increase volunteer involvement.
2. Ensure the perception of academic quality.
3. Decentralize decision-making.
4. Maintain morale.
5. Broaden the resource base.
6. Plan strategically.
7. Prioritize spending cuts. (Martin & Samels, 2009, Kindle Location Nos. 845–858)

Martin and Samels (2009) emphasized in their description of the seven factors critical to institutional turnaround the importance of the board to review how it functions in terms of overcoming decline. The board should make certain its policies and objectives are in alignment with the intended outcomes of overcoming decline and should review this information frequently. Second, emphasis included the need to identify niche academic areas and to assure each is of the highest quality possible. Third, leadership must involve others in key decisions, which helps an institution adjust as needed in order to overcome challenges. Fourth, leadership must retain employees by implementing collaborative leadership and strategic planning, utilizing transparent communication, encouraging one another, and celebrate achievements and improvements connected to turnaround. Fifth, developing constituency relationships in all areas connected to alumni, financial support, academic regulators, and volunteer areas must be done to accomplish turnaround. Sixth, assessment of student and employee needs must be ongoing to improve overall program areas, which will also increase the revenue needed to generate

turnaround. Last, Martin and Samels (2009) stressed avoiding the same percentage cuts in every department but making certain resources available for newly developed programs, which will stem institutional growth and help the turnaround process.

Cowan (1993) found that turnaround was possible for a college in decline but only by becoming an “integrated and distinctive” institution (p. 33). These complex concepts can be accomplished by increasing enrollment, annual and endowment gifts, improving retention, and ascertaining a “clarity of purpose” (Cowan, 1993, p. 33). Clarity of purpose refers to understanding the institution’s mission and creating systems in which the mission can be achieved (Cowan, 1993). Identifying key areas such as these relates to the theory of systems thinking in which Stroh (2015) discussed “leverage points” (p. 148). An organization focusing on leverage points can identify small areas, as Cowan (1993) did, which with a long-term focus can have a positive impact related to institutional turnaround (Stroh, 2015). “Once turnaround begins, a law of accumulating advantage takes hold,” which enables “successes” to be more likely across various departments and displayed in the decisions and actions of leadership (Cowan, 1993, p. 39).

Cowan (1993) stated, “turnaround results in organizational effectiveness and health, not in perfection or an end to change. Turnaround means bringing an institution to the point where there can be ongoing, more orderly, less frantic change” (p. 34). Problems still occur in turnaround institutions but can be managed more effectively by utilizing Cowan’s prescription for overcoming decline, which includes a willing president, a collaborative process, comprehensive change, operational effectiveness, and symbolic actions (Cowan, 1993). More information about Cowan (1993) concerning turnaround is available in this study’s Conceptual Framework section.

Townsley (2002) included the following five suggestions from Cowan for small college presidents as they face new challenges and implement changes to transform their institutions:

1. Conduct frequent face-to-face meetings.
2. Acknowledge individual accomplishments, no matter how trivial.
3. Reestablish rituals and organize celebrations.
4. Invite prominent people to the campus so they can witness the changes taking place.
5. Take visible risks, such as raising salaries, even if only slightly. (pp. 125–126)

Carey (2014) found in her qualitative study regarding two turnaround institutions the importance of a board recruiting a president who will accept the challenges, create a turnaround plan, make and implement decisions to correct the most pressing needs, acquire support from key constituencies, develop a leadership team and release employees not in favor of the turnaround plan, raise funds, communicate a future vision, and increase enrollment. Both presidents in Carey's (2014) study recognized declining areas upon arrival at their institutions. That awareness helped each leader realize creating a turnaround plan was their main objective, which both quickly began working on and implementing after their arrival at each institution. According to Carey (2014), college and university presidents must lead with organizational change in mind, as they implement turnaround plans as just described, and must have excellent communication and decision-making skills in the process.

Drake and Sparks (2012) conducted a qualitative study by interviewing senior leadership at three private, not-for-profit higher education institutions. Each institution had implemented transformative changes, which helped overcome decline. The study revealed nine common themes from the three institutions, which led to turnaround.

The nine themes in Drake and Sparks (2012) study included:

Focused, visionary leadership; strategic planning; building facilities first, then endowment; expansion of graduate programs; intentional community relations; faculty and curriculum development; emphasis on mission; identifying and leveraging a market niche; and strategic emphasis on attracting affluent students. (p. 15)

Resulting from the literature review and the interviews, Drake and Sparks (2012) listed the following nine recommendations to help other colleges and universities implement “transformative institutional change” (p. 14):

- Universities seeking transformational improvement should assess the capacity of their leadership to inspire and drive change efforts. Transformational change requires focused executive leadership that balances a compelling long-term vision with immediate actions and needs.
- Leadership should consider strategic planning as a valuable framework for outlining and implementing a change vision and path to achievement. Plans and goals must be constantly, consistently, and clearly communicated to all constituents.
- Institutions seeking comprehensive growth should focus financial resources first on providing adequate facilities to meet university needs and goals. Once the critical facilities’ needs have been met, endowment resources should rise in priority to ensure the long-term sustainability of programs and scholarships.
- Universities seeking enrollment growth should assess viable options for expanding or adding graduate programs. This approach avoids the cost of providing additional housing for new students and responds to increasing market demand for professional programs and career development.

- Institutions should proactively seek community relationships and broadly communicate the university's mission and value, prioritizing key individuals and organizations that may combat change or growth or whose support will influence broader buy-in from others. Universities can benefit from approaching community relationships from a service-minded perspective that encourages the community to take ownership and pride in the institution.
- Institutions seeking to enhance academic quality should prioritize the development and engagement of faculty as champions of intellectual growth. Increasing academic profiles may require the recruitment of high-potential new faculty members. Universities planning major change efforts should reevaluate and potentially revise curriculum and general education requirements to remain relevant and competitive.
- Universities planning major change efforts should refer to their established mission statement as a guideline for growth and the key factor in strategic decision-making. Clearly aligning change with the university's mission will increase stakeholder support and provide a common frame of reference for all constituents.
- Institutions should identify and leverage an individual or select few strengths, target audiences, or strategic advantages that build a unique identity and provide differentiation among peers. Strengthening and communicating these unique assets allows the institution to enhance its profile and attract new students and partners.
- Universities can increase the financial feasibility of enrollment growth by intentionally recruiting a critical number of students with limited financial needs. This should not occur at the expense of qualification or fit with the institution and need not exclude those with greater need from acceptance or enrollment. Identifying and

attracting students with the ability to pay full price for tuition allows the institution to offset some of the expense associated with institutional growth. (Drake & Sparks, 2012, pp. 14–15)

Drake and Sparks (2012) do not believe their recommendations should be the only ones considered for a college or university desiring to make needed changes to overcome decline. However, the previous recommendations do provide key information that colleges and universities may want to consider as they anticipate overcoming decline, with a focus on an institutional turnaround.

Several aspects of the turnaround studies discussed in this literature review relate well to key areas within this proposed study. Martin and Samels (2009) provided a comprehensive look at small Christian institutions in decline, effective leadership, board involvement, institutional culture, fundraising, and suggestions for turnaround. Martin and Samels referred to institutions having 1,000 enrollment or less being more susceptible to decline. Similarly, Cowan (1993) studied small Christian colleges and referred to the 1,000 in size as a challenge for higher education institutions in being able to overcome decline. While both Martin and Samels (2009) and Cowan (1993) studied a variety of institutions and interviews that represented most constituency groups, other turnaround studies did not. Carey (2014) interviewed board members, leadership, and faculty but not other areas of their constituency. Drake and Sparks (2012) only interviewed senior leadership in their study.

Each of the studies emphasized leadership, a turnaround plan, and key strategies to implement, while some emphasized leadership, fundraising, enrollment, and planning processes much more than others. Table 1 in this study compares each of the turnaround studies mentioned in this literature review. The single institution in this study will have an enrollment of 1,000 or

less and include additional data sources not utilized in some of the studies in Table 1. This study compared results to the suggestions summarized in the turnaround studies in Table 1 and other studies. Perhaps this study will add to the results found in these studies regarding areas of leadership, board involvement, key strategies to overcome decline or find something new to consider regarding how to overcome decline and successfully implement an institutional turnaround.

Table 1*Higher Education Turnaround Studies*

| Cowan (1993) | Kezar & Eckel (1999) | Kezar & Eckel (2002) | MacTaggart (2007a) |
|--|--|---|--------------------------------|
| Willing president | Core strategies | Leadership support | Financial recovery |
| Collaborative process | Substrategies | Collaborative leadership | Market programs |
| Comprehensive change | Strategies correlation | Robust design | Improve branding |
| Operational effectiveness | Cultures impact | Staff development | Redefine culture |
| Symbolic actions | Sensemaking (training) | Visible action | |
| | Balance in strategies | | |
| Martin & Samels (2009) | Drake & Sparks (2012) | Carey (2014) | Tarrant et al. (2018) |
| Clarity of mission | Focused, visionary leadership | Board recruits a president ready for the challenge | Increase full-time enrollment |
| Financial stability | Strategic planning | President designs compelling turnaround plan | Higher selectivity of students |
| Maintain buildings | Building facilities, then endowment | President takes immediate action to correct most pressing problems | Increase part-time enrollment |
| Maintain technology | Expansion of graduate programs | Key constituencies provide support to the president | Improve donor relationships |
| Maintain accreditation | Community relations | President develops a team and releases those not embracing the vision | |
| Engaged board, executive, and faculty leadership | Faculty development | President raises financial support | |
| | Curriculum development | President communicates a clear direction for future | |
| | Central focus on mission Market niche Recruit students who can afford to pay the full price of tuition | Enrollment growth | |

Chapter Summary and Preview of Chapter 3

The first section of the Chapter 2 literature review included a discussion of this study's conceptual framework, the "five requisites for turnaround" developed by Cowan (1993), which included a willing president, a collaborative process, comprehensive change, operational effectiveness, symbolic actions, and her six indicators of decline (p. 34). Studies supported the role of a strong president in institutional turnaround (Brown, 2015; Cook, 2015; Ventimiglia, 2005), while other studies argued for additional details beyond Cowan's five requisites for turnaround (Baker, 2013; Brownell, 2016; Kezar & Eckel, 1999, 2002; Paul, 2005).

The next section included a discussion of small, private, Christian colleges concerning their value, challenges, decline, and closing. The organizational structure of small, private, Christian colleges is much the same as public institutions (Carey, 2014). Small Christian colleges have multiple revenue sources with emphasis on increasing fundraising, endowment programs, and denominational support (Docking & Curton, 2015; Garrett & Poock, 2011). Smaller, private institutions charge more than public institutions, partially due to not receiving state funds (Hunter, 2012). There is strong support concerning the need for small, private, Christian colleges in the United States (Moody, 2019; Wootton, 2016). Legislators, parents, prospective students, and society, in general, are critical of the overall value received at small, private, Christian colleges compared to lower-priced public institutions (Carey, 2014; Drake & Sparks, 2012; Fischer, 2011; Hilbun & Mamiseishvili, 2016; Rine & Guthrie, 2016). However, many students excel at small colleges in academics, extracurricular activities, and enjoy their spiritual environment (Eide, 2018; Johnston, 2017; Lindsay, 2019; Tarrant, 2015; Tarrant et al., 2018). Small, private, Christian colleges add to the overall diversity of higher education in terms of providing unique higher education experiences (Astin & Lee, 1972; Wootton, 2016). Small,

private, Christian colleges face enormous challenges. Doubling their price of tuition over the last 20 years compared to public institutions and forced students to choose more affordable options (Davis, 2013). Small colleges increased financial aid to attract students, which reduced funds for other areas and the net tuition revenue (Eide, 2018; Rine & Guthrie, 2016). Economic downturns, increased regulations, and decreased enrollment are difficult on small institutions (Hunter, 2012; Martin & Samels, 2009; Rine & Guthrie, 2016; Weisbrod & Asch, 2010). Demographic challenges for small, private, Christian colleges include fewer young adults pursuing a degree compared to the 1970s and 1980s (Eaker, 2008; Eide, 2018). A number of presidents in small colleges are expected to retire in the next five to 10 years, with few remaining employees desirous or prepared for the top post (Frawley, 2014; Henck, 2011). Decline continues to occur at many small, private, Christian colleges (Hunter, 2012; Townsley, 2002). Several studies supported that leadership must be aware of decline indicators (Martin & Samels, 2009; Province, 2009; Putnam, 1996; Taylor, 1996). Numerous studies and news media confirmed that many small Christian colleges were unable to overcome decline and close permanently (Bates & Santere, 2000; Lyken-Segosebe & Shepherd, 2012; Toppo, 2019; Townsley, 2002). Studies show small, private, Christian colleges close due to financial issues, which stemmed from decreased enrollment, lack of fundraising, and endowment gifts, which were internal issues connected to a lack of leadership (Busta, 2019; Cowan, 1993; Fletcher, 2015; Martin & Samels, 2009).

The last section included a discussion regarding organizational turnaround from the perspectives of corporations, higher education, and within small, private, Christian colleges. Studies concerning organizational turnaround have existed at least since the 1960s (Schweizer & Nienhaus, 2017). Studies about corporate turnaround vary in their findings regarding the causes

of decline and actions needed for turnaround to transpire (Nystrom & Starbuck, 1984; Schweizer & Nienhaus, 2017; Zammuto & Cameron, 2017). Some of the differences in the studies stemmed from the age of a corporation, leadership ability and experiences, business type, and board involvement (Chen & Hambrick, 2012; Dowell et al., 2011; Nystrom & Starbuck, 1984). Turnaround studies in higher education focused on multiple stages of improvements throughout the organization (MacTaggart, 2007a, 2007b). Some studies supported the need for more precise details of how to correct the inner problems so that institutional turnaround could transpire (McLendon, 2009; Province, 2009). Studies also supported specific strategies for higher education turnaround created through collaborative leadership and implemented through strategic planning (Lovik, 2014; Murray & Kishur, 2008). A number of studies discussed that turnaround is possible for small, private colleges while providing a listing of suggested strategies with most connected to strong leadership (Carey, 2014; Cowan, 1993; Drake & Sparks, 2012; Martin & Samels, 2009; Townsley, 2002). However, the literature did not reveal how the smallest Christian colleges, those with an enrollment of 1,000 students or less and an endowment of \$15 million or less, could successfully implement a turnaround process. Limited research is available regarding this area among these colleges.

Chapter 3 is a description of this study's research method, including an introduction, the research design, population, sample with quantitative and qualitative sampling, quantitative and qualitative materials and instruments, quantitative and qualitative data collection and analysis procedures, including methods for establishing trustworthiness, the researcher's role, ethical considerations, assumptions, limitations, delimitations, and a summary.

Chapter 3: Research Method

It is not easy to determine in available research how the smallest Christian colleges can overcome decline and turnaround. The purpose of this single case study was to explore and understand one instance of this phenomenon at a small, private, faith-based college. This study investigated how a small, private, Christian college with an enrollment of 1,000 students or less and an endowment of \$15 million or less while in decline successfully initiated a turnaround within the last 10 years and what were the connected experiences of the stakeholders involved in this phenomenon.

One overarching question guided this study: How did the institution overcome decline and implement a successful turnaround? Additionally, the following research questions helped explore this phenomenon:

RQ1. How did the institution recognize and stop decline?

RQ2. What factors contributed to the institutional turnaround?

RQ3. What financial variables contributed most to the institutional turnaround?

RQ4. How do various stakeholder groups describe their experiences related to the institutional turnaround?

The remainder of this chapter considers the following areas for this study: research design and method, population, sample, which includes both quantitative and qualitative sampling, quantitative materials and instruments, qualitative materials and instruments, quantitative and qualitative data collection and analysis procedures, including methods for establishing trustworthiness, the researcher's role, ethical considerations, assumptions, limitations, delimitations, and a summary.

Research Design and Method

This mixed methods, single case study design included both qualitative and quantitative methods (Stake, 1995; see Appendices A and B). The intention for using a mixed methods, single case study methodology was to employ multiple research approaches in order to study important real-world issues pertinent to the success of a small struggling Christian higher education institution, which was formerly in need of a turnaround (Stake, 1995; Yin, 2011).

A case study is “one of the most frequently used qualitative research methodologies” (Yazan, 2015, p. 134) and provides a variety of tools in the analysis of an institution, processes, and involved individuals. Qualitative research involves “emerging questions and procedures, data typically collected in the participant’s setting, data analysis inductively building from particulars to general themes, and the researcher making interpretations of the meaning of the data” (Creswell, 2014, p. 4). Qualitative research provides the flexibility needed when dealing with human interaction, such as in this research study examining turnaround and connected experiences at a small, private, Christian college (Brinkmann, 2013; Yin, 2011).

A semistructured interview, “one of the most commonly used methods in qualitative inquiry,” allows the interviewer to adjust based on the responses of the interviewee (Saldaña & Omasta, 2018, p. 92). Adjusting the interview is important when trying to understand varying perspectives of a certain phenomenon (Yazan, 2015; Yin, 2011). Challenges in conducting interviews include overcoming the biases of the interviewer and interviewee (Woodside, 2017). Both groups have their views regarding what interview questions to ask and interpret the answers (Woodside, 2017). This study’s main phenomenon was to understand how a small, private, Christian college implemented initiatives connected to institutional turnaround, which aligned well in using a qualitative single case study approach (Stake, 1995).

This study also utilized quantitative methods, which involved collecting data from a single institution through their website, financial audits, academic and fundraising reports, board meetings, and the Integrated Postsecondary Education Data System (IPEDS), which will be analyzed numerically (Muijs, 2011). These quantitative areas included analyzing full-time equivalents (FTEs), enrollment data, financial, expense data, ratios, and related areas as utilized in Cowan's (1993) prescription for college turnaround and other turnaround studies. These quantitative areas connected to other findings from within this study's qualitative research consisting of semistructured interviews, document examination, and connecting themes and patterns from these areas to Cowan's (1993) prescription for college turnaround and other turnaround studies. Having access to these multiple data sources provided a deeper insight into this study (Yin, 2011).

Population

This was a study of a single, small, private, Christian college with an enrollment of 1,000 students or less and an endowment of \$15 million or less while in decline, which successfully initiated a turnaround within the last 10 years. The higher education institution for this study was selected from reviewing the membership of the Council for Christian Colleges and Universities and from speaking with higher education leaders. The small, private, Christian college, which participated in this study, met Cowan's (1993) description of an institution in decline, which included meeting four of the six negative indicators prior to hiring a new president in 2009. As research for this study was completed, this college was found to have met four of the six indicators of decline in 2008 but only two of the six indicators of decline in 2009.

Sample

Individual participants at the institution included board members, members of the executive leadership teams, long-term faculty, staff, supporters, and others who are or were involved with the institution when the turnaround transpired. Gaining access to the research site and approval of the individual participants was arranged prior to the study through multiple gatekeepers at the institution (Stake, 1995). The gatekeeper was made aware of the purpose, possible beneficiaries of the study, concerns regarding privacy during interview recording or publishing of corporate and individual names, scheduling of interviews, institutional documents needed, and miscellaneous issues (Saldaña & Omasta, 2018). The gatekeeper provided feedback regarding which persons are or were involved with the institution who had knowledge of the turnaround information sought for this study. Following this feedback, 15 individuals were selected for this study, and 100% participated.

Materials and Instruments

Each participant received a summary of the interview protocol (see Appendix C) and a copy of the interview questions (see Appendix D) by email and again in person before the interview started. The need to interview other participants did not emerge while on the campus of the institution in this study. The interview protocol summary listed the institution's name, interviewee and their title, name of the interviewer, and date of the interview. The interview protocol summary also included an introduction of the interviewer, the purpose of the interview, and what to expect during the interview (see Appendix C).

Informed consent was discussed before each interview. Each participant received a summary regarding informed consent and was asked to sign it upon their agreement with the information (see Appendix E). All interview participants signed their copy of the informed

consent. The process of informed consent explained the information gathering procedures, methods to maintain confidentiality, emphasized it was voluntary, could be stopped at any time, all questions answered at the interviewee's discretion, the possible risks, and the benefits.

The interview questions were designed to provide answers connected to this study's overarching research question and five additional research questions. Additionally, probing questions connected the interview to the mixed methods qualitative and quantitative study areas (see Appendix D). Being successful with the interview process is considered somewhat of an art for a skilled interviewer and requires extensive preparation in writing and trying out the questions with another person prior to the interview (Stake, 1995).

Each interview was designed to be a "face-to-face verbal exchange" on the campus of the single higher education institution selected for this study (Brinkmann, 2013, p. 1). Of the 15 interviews conducted, 14 were in person and one was completed by telephone. The location was determined by the gatekeeper and was the same for each face-to-face interview. The face-to-face interviews were conducted in a conference room, which provided privacy and had minimal distractions. Follow-up questions provided additional information when responses were not clear, and the interviewer noticed the interviewee's verbal or body language indicated they appeared to have more to say regarding a particular question. Building a "relationship" with the interviewee helped provide a clearer understanding regarding when to ask follow-up questions (Brinkmann, 2013, p. 5). Each interview concluded by asking the interviewee if they had other information they wanted to add, perhaps something not asked in the interview, or if they wanted to clarify any of the information already provided (see Appendix D).

Data Collection

The general order of data collection included first collecting all publicly available data related to the quantitative and qualitative areas of this study through the websites of the higher education institution participating in this study and IPEDS. The second step included emailing the gatekeeper regarding the types of data and literature needed upon arriving at the institution. Interviewing the gatekeeper provided another opportunity to collect this information. The third step included scheduling a campus visit through the gatekeeper for the purpose of conducting the interviews.

Data was collected from each interview using a digital audio recorder and handwritten field notes (Saldaña & Omasta, 2018). Interviewing is not a simple process and often generates a massive amount of data collected (Brinkmann, 2013). The field notes provided further clarity regarding information needing follow-up questions or for noting particular interview responses emphasized by the interviewee, which were especially important to this study.

The interview process enabled the collection of qualitative information connected to Cowan's (1993) five requisites for turnaround regarding the areas of a willing president, a collaborative process, comprehensive changes, operational effectiveness, symbolic actions, and other turnaround studies. Some of these areas were also partially determined from the qualitative and quantitative information collected from the institution through corporate websites, strategic plans, annual audits, board meetings, staff meetings, newsletters, fundraising reports, financial reports, and other pertinent literature. Quantitative information collected from these areas were connected to Cowan's (1993) six indicators of decline pertaining to FTE's, endowment, institutional expenses, plant equipment and maintenance, net worth, debt, price of tuition,

available funds, and from other areas of decline found in key studies. The chief financial officer (CFO) for the institution provided five of the six negative indicators for this study.

Data Analysis

This mixed methods, single case study contained data from interviews, field notes, and information collected from corporate websites, strategic plans, annual audits, board meetings, staff meetings, newsletters, fundraising reports, financial reports, and other pertinent literature. Qualitative content analysis was utilized to recognize possible patterns or themes from the data (Saldaña & Omasta, 2018). Content analysis is a “research technique for making replicable and valid inferences from texts” (Mayer, 2015, p. 60).

Following the format in Appendix D, the interviews were transcribed from the digital audio recordings and field notes. The digital audio files were uploaded into Otter.ai, a web-based software. Otter.ai enabled the importing of the digital audio files, the ability to edit transcribed files, and provided a summary of the keywords for each interview (Otter.ai, n.d.). Otter.ai aided in managing the content, analysis, and finding significant themes regarding the lived experiences examined within this study. Noting keywords and phrases as possible codes or themes is recommended in qualitative research (Saldaña & Omasta, 2018; Stake, 1995). Listening to the audio recordings multiple times and reading each interview transcript and the field notes helped me recall and reflect on the interviewee’s meaning, decide upon previously anticipated themes, and selecting new themes most relevant to this study (Yin, 2011).

This study’s qualitative analysis stems from information connected to Cowan’s (1993) five requisites for turnaround regarding a willing president, a collaborative process, comprehensive changes, operational effectiveness, and symbolic actions (see Appendix A). Appendix A enables comparison for each of Cowan’s (1993) five requisites for turnaround by

analyzing information from the interviews and from the institution through corporate websites, strategic plans, annual audits, board meetings, staff meetings, newsletters, fundraising reports, financial reports, and other pertinent literature. Much of the information included in Appendix A was found in a qualitative study by Brown (2015) regarding a small Christian college, which successfully revitalized and met each of Cowan's (1993) five requisites for turnaround.

Each participant's interview questions in Appendix D were analyzed using in vivo coding, which enabled special emphasis given to "the participant's own language" from particular words or phrases spoken by them that revealed pertinent information (Saldaña & Omasta, 2018, p. 121). Such words or phrases were placed in quotation marks due to their being the interviewee's actual words (Saldaña & Omasta, 2018). Using in vivo coding as a first analysis following the interview provided an effective way to understand key information that led to themes upon being analyzed a second time or more (Saldaña & Omasta, 2018). These areas were compared to Cowan's (1993) five requisites for turnaround and to a study by Brown (2015), which utilized Cowan's prescription for turnaround as a conceptual framework.

The quantitative analysis used descriptive statistics to decide if the small college in this study met four of the following six indicators of decline found by Cowan (1993) in one or more years prior to turnaround:

Five percent or greater declines in fall FTEs for three consecutive years, an endowment smaller than institutional expenses, 50 percent deferral of plant equipment and maintenance, a decline in the ratio of net worth to debt, tuition increases 60 percent higher than the increase in total expenses, and expendable funds lower than debt for two years. (p. 32)

Appendix B in this study is a quantitative comparison for each of the six indicators of decline from analyzing information from the institution collected through corporate websites, strategic plans, annual audits, board meetings, staff meetings, newsletters, fundraising reports, financial reports, and other pertinent literature. This information was organized and analyzed according to the variety of quantitative measurements stated within each of the six indicators of decline (Cowan, 1993). This type of descriptive analysis revealed possible trends that occurred over the varied timeframes given for each of the quantitative areas and helped denote the institution's ability to overcome these areas and turnaround (Yin, 2011).

Methods for Establishing Trustworthiness

Stake (1995) stated that examining multiple sources of evidence is a way to establish the trustworthiness of data, which includes interviews, coding processes, and analyzing multiple documents, as was included in this study. Meeting the principle of triangulation in comparing the data three ways involving notes, coding, and themes as described above and in the data analysis section “adds more dimension to the data” and adds to its trustworthiness (Saldaña & Omasta, 2018, p. 99).

Stake (1995) also stressed the importance of interviewing multiple participants in order to get various perspectives about key areas of the study and guide the interview toward the topic of study with focused research questions and probing questions when needed, as planned for this study. These methods helped to interpret the data and assure its accuracy (Stake, 1995; Woodside, 2017). Considering “multiple sources of data” in the analysis section helped create a more in-depth study overall (Brinkmann, 2013, p. 48; Yazan, 2015, p. 142).

Comparing this study's qualitative and quantitative data to other higher education turnaround studies, such as MacTaggart's (2007a) and Martin and Samels (2009), added a

dimension of trustworthiness and reliability to this research. Yazan (2015) summarized practices by researchers Yin, Merriam, and Stake, which stated multiple reviews of data and various types of analyses, increases the reliability of a study's findings. This study employed similar practices in examining the data from the interviews and multiple document analyses, attempting to strengthen its trustworthiness and reliability.

A key part of quality research is making certain a study is valid in that it measures what it intends to measure (Muijs, 2011). This study considered internal and external validity through qualitative and quantitative research consisting of semistructured interviews, coding, and document analysis (Saldaña & Omasta, 2018). This study's interview protocol provided internal consistency in defining the process, including using identical research questions for each interviewee (see Appendices C and D).

Understanding Cowan's (1993) prescription of college turnaround in her study of 16 higher education institutions added to this research's external validity. Having external validity implies that a study can be applied to a larger population (Yazan, 2015). I believe such is true for the data in this research and desires for it to be helpful to other institutions beyond the single college explored in this study.

Researcher Role

I currently serve as the president of a small Christian college in the southern region of the United States. I have been associated with this baccalaureate institution in full-time employment for 14 years, more than four years as a consultant, and attended when it was a junior college in 1982–1984. This particular college and several small nonprofit organizations, which I have consulted with, have experienced financial difficulties for many years. I believe these struggles stemmed from specific reasons and could be corrected. My interest in this area and current

employment led me to this research area, along with the support and encouragement from my employer's board of directors.

I am enrolled in Abilene Christian University's Organizational Leadership Doctoral program higher education track in August 2016. My knowledge of qualitative and quantitative studies and computer and people skills have served me well in completing this study. I am aware of my biases regarding institutions experiencing a turnaround and was mindful of not allowing those biases to influence this study.

Ethical Considerations

Prior to data collection, the approval process of Abilene Christian University's Institutional Review Board was completed (see Appendix F). Safeguards included removing all identifying information of the single college and individual participants involved in this study. One of the major concerns was to make certain all face-to-face interviews remained confidential, which they did. This study's interview questions were not designed to elicit any response that should be construed negatively, but one cannot predict everything an interviewee may say. Because of this unknown, it was important that all verbal communication occurred in a confidential area, which it did. The gatekeeper discussed earlier played a key role in the location of interviews being conducted in a private, confidential area.

Prior to all interviews, informed consent was given to each participant, and the interview protocol was thoroughly discussed. All participants were asked if they understood the process and were asked to sign an informed consent document (see Appendix E). All participants signed the informed consent document. It was also emphasized to all participants regarding their participation being purely voluntary and that they could stop participation at any time (Electronic Code of Federal Regulations, 2018). Ethical considerations have been part of the study during

and at the conclusion, in terms of not revealing any information about either institution or participant that would bring harm to them emotionally, financially, or in any other way. I was the only person with access to audio recordings, field notes, financial data, or any sensitive data or item connected to identifying information, and he made certain those items were kept in a secure location and with appropriate digital security measures in place.

Assumptions

According to Yin (2011), it is important to understand one's own assumptions prior to a study and to limit those assumptions as much as possible. Assumptions in this study included that the institution had experienced decline and successfully implemented a turnaround within the last 10 years prior to being included in this study. These assumptions were based on phone and email discussions with the president of the institution prior to this study.

Appropriate financial and data records were reviewed regarding this institution's decline and successful turnaround. Individual participants had the mental ability to understand this study's overview once it was explained to them and by reading the interview protocol. The institution in this study supplied me with official documents and literature created for the general public, board members, and staff. Any questions I had regarding this information was addressed with the appropriate person as suggested by the gatekeeper.

Limitations

Yin (2011) stated limitations do exist, which affect the generalizability of a study, and such is especially true in solo research. This study should be considered in the context of the limitations related to its design and how the data was collected and analyzed. The main data were limited to its connection with Cowan's (1993) prescription for college turnaround. While this mixed methods case study enabled exploratory research to occur regarding the phenomenon

of an institutional turnaround, only a single institution was studied. Such a small study limits the research to one institution and a limited number of participants at the college. Future findings may not be relevant for other institutions that differ in the size of the single institution and with the experiences of the individual participants from this study.

Turnaround colleges were identified through the Council for Christian Colleges and Universities and higher education leaders familiar with higher education institutions overcoming decline. Therefore, this study was limited to the recommendations gathered through these two resources. Utilizing different professional organizations or data from other resources may provide additional turnaround colleges important to this or a future study. Higher education is a busy industry with various schedules among leaders and support staff. This was true of this study, which did limit the interview process due to some of the participants' time constraints.

Delimitations

Delimitations in a study serve as a bounding of the case to explain certain constraints placed upon the researcher's study (Creswell, 2014; Yazan, 2015). Delimitations for this study included examining only a single, small, Christian college that had experienced decline and successfully implemented a revitalization process, which provided an institutional turnaround within the last 10 years. A second delimitation included examining only a single, small, Christian college with an enrollment of 1,000 students or less and an endowment of \$15 million or less when it successfully overcame decline and implemented a turnaround process.

These delimitations were selected due to my need to determine a specific point in time that a small Christian college was able to overcome decline by implementing a process, which led to turnaround. A second reason for selecting these delimitations is that current research

appears limited in studies pertaining to small Christian colleges in decline that have successfully implemented a turnaround.

Chapter Summary

Chapter 3 provided the research method, including an introduction, which explained the purpose of this mixed methods, single case study that explored how the phenomenon of institutional turnaround was possible for a small, Christian college. The introduction continued with listing the research questions and explained how this study utilized both qualitative and quantitative methodologies to understand what factors led to revitalization within the last 10 years and the related experiences at one small, private, Christian college with an enrollment of 1,000 students or less and an endowment of \$15 million or less when turnaround transpired. The sections following the introduction included a discussion of the research design and method, population, sample, including quantitative and qualitative sampling, quantitative materials and instruments, qualitative materials and instruments, quantitative and qualitative data collection and analysis procedures, including methods for establishing trustworthiness, the researcher's role, ethical considerations, assumptions, limitations, delimitations, and a summary.

Chapter 4: Results

This study sought to determine if Seymore University (pseudonym) met four of the six indicators of decline in 2008 or 2009 according to the criterion by Cowan (1993) and began to implement a turnaround in 2010 successfully. The purpose of this mixed methods, single case study was to explore and understand how Seymore University overcame decline and implemented a turnaround while having an enrollment of less than 1,000 students and an endowment of less than \$15 million and what were the connected experiences concerning this phenomenon. One overarching question guided this study: How did the institution overcome decline and implement a successful turnaround? The following research questions guided this investigation:

RQ1. How did this institution recognize and stop decline?

RQ2. What factors do participants perceive contributed to the institutional turnaround?

RQ3. What financial variables contributed most to this institution's turnaround?

RQ4. How do various stakeholder groups describe their experiences related to this institution's turnaround?

This chapter contains the analysis and interpretation of the data for this study, and the next chapter contains the answers and the discussion of the research questions.

First, this chapter presents areas of decline connected to Seymore University as found in the various documents and literature in this study and as explained by 15 participants in the semistructured interviews of this study (see Table 2). Decline was also considered by assessing if the institution met Cowan's (1993) four of six negative indicators in 2008 or 2009:

Five percent or greater declines in fall FTEs for three consecutive years, an endowment smaller than institutional expenses, 50 percent deferral of plant equipment and

maintenance, a decline in the ratio of net worth to debt, tuition increases 60 percent higher than the increase in total expenses, and expendable funds lower than debt for two years. (Cowan, 1993, p. 32)

Table 2

Study Participants at Seymore University (Fictitious Names)

| Pseudonym | Title | Years Employed or Involved |
|----------------------|------------------|---|
| 1. Dr. Bob Nix | President | 12 |
| 2. Mr. Max Taylor | Former Trustee | 16 |
| 3. Dr. Jim Helston | Administration | 30 |
| 4. Mr. Greg West | Administration | 17 |
| 5. Mr. Dax Norton | Administration | 17 |
| 6. Mr. Paul Acre | Director | 7 |
| 7. Mr. Les Green | Records | 10 |
| 8. Mrs. Lisa Jones | Support Staff | 12 |
| 9. Dr. Ted Crain | Faculty | 30 |
| 10. Dr. Bart Highman | Faculty | 34 |
| 11. Dr. Chris Blue | Faculty | 7 |
| 12. Dr. Mary Pratt | Faculty | 18 |
| 13. Dr. Mike Nelson | Faculty | 28 |
| 14. Mrs. Leann Carr | Community Leader | 9 (in community) 14 (Seymore University) |
| 15. Mr. John Stone | Community Leader | 35 (in community) |

Second, this chapter presents an examination of an institutional turnaround for Seymore University connected to five themes as described by the study participants and found in the various documents and literature. Finally, this chapter summarizes the challenges associated with recognizing and stopping decline and initiating a turnaround as described by the study participants and found in the various documents and literature.

Seymore University Decline

Seymore University was founded in 1890 and today has approximately 500 students enrolled in associate, bachelor, and master degree programs. Seymore University has been accredited since 1994 as a baccalaureate higher education institution, according to the institution's website. The university was in financial decline before 2009 due to "decreasing enrollment, increasing debt, and budget deficits over the previous several years," according to the institution's website. The university was included on a list of "Financial Failing Institutions" published by the Department of Education in 2009, according to the university's website. Dr. Bob Nix was hired as the president of Seymore University in January 2009.

Dr. Bob Nix, president of Seymore University, was one of the 15 participants interviewed in this study. President Nix explained that the university's financial decline was so severe, the institution could not utilize a five million dollar estate gift received in 2005 to improve cash flow. However, the large gift did clear out unpaid student accounts (Nix, president). The previous president had built several buildings, some much larger than the original plans specified. Those new facilities were supposed to help attract students and guests to campus, but this did not transpire (Nix, president). Furthermore, since those facilities were financed through loans instead of raising the money needed, the institution went deep in debt with high debt service payments, causing severe consecutive annual budget deficits.

Additionally, the president before Dr. Nix had placed Seymore University's endowment funds in a firm that did not invest them appropriately, which led to those endowment funds being depleted (Nix, president). Another reason the endowment funds were depleted was due to the university's overspending. "During those years . . . the endowment was in the \$6 million area, and we were spending around \$9 million a year" (West, administration).

Mr. Greg West, a member of the administration, recalled consecutive years of “deficit spending” prior to 2008 until the board got involved, telling the president and his administrative team, “enough is enough and we can’t borrow anymore.” The board instructed the president and department managers to cut the budget by more than \$1.5 million (West, administration). President Nix stated, “Had the board not done that, it is probably unlikely that Seymore University would have survived.”

Dr. Mike Nelson, a long-term faculty member, recalled some of the 2007 and 2008 budget cuts as the “most significant budget personnel cuts” he had seen since arriving at the university in 1992. Furthermore, the process of cutting their budget so drastically created a great deal of negativity. During those years, both enrollment and employee morale were low. The president at that time realized his ability to lead had been greatly diminished, which led to his resignation and the hiring of Dr. Bob Nix (West, administration).

Mr. Dax Norton, a member of the administration, recalled the challenging budget cuts that transpired in 2007 and 2008:

We lost faculty. We lost staff members. We lost services. We lost athletic programs. We closed down a lot of things that we were doing, and our retention suffered terribly . . . all of our students were well aware that faculty were losing their jobs, and they didn’t want to be a part of an unstable environment . . . normally we don’t lose 45 or 50 students over the summer. I think after the summer 2008, we lost close to 90 students, which was a significant drop . . . they shut down the golf program, they shut down the track and field program, shut down volleyball, and all those students had to find somewhere else to go to college or they were hurt by the college ending those programs. (Norton, administration)

Former long-term board member and chairperson Mr. Max Taylor believed Seymore University's board made some bad decisions through budget cuts by voting to discontinue some of their athletic programs. The board thought students who participated in athletic teams would continue attending the university, which turned out not to be true for very many (Taylor, former trustee). Dr. Nix agreed that enrollment declined due to cutting athletic teams, which also caused less tuition revenue. Mr. West also believed discontinuing the athletic teams caused enrollment to decline, which resulted in a variety of budget issues.

Mr. Taylor stated that prior to hiring President Nix, Seymore University might not have survived without a local banker's generosity, which included both substantial gifts and loans, and that the university had been doing far too much deficit spending. "These events happened in 2007, and in 2008 the economic downturn comes" (Nix, president). The board chair and the president before 2009 "talked to one of our other Christian colleges about taking over operations, which was pretty much rock bottom" (Nix, president).

Dr. Jim Helston, a long-term member of the administration, described the year before President Nix was hired at the university. "There was a great deal of angst on campus, we had gone through budget cuts and declining enrollment, a very stagnant enrollment," and many were discouraged, wondering if they would still have a job (Helston, administration). "Everything you wanted down was up. Debt was higher, morale was down, enrollment was down . . . and there just wasn't a lot of good news" (Helston, administration).

This study also examined decline from Cowan's (1993) criterion, which posited a higher education institution is in decline by meeting four of six negative indicators. Table 3 lists each of the six negative indicators along with their outcome for Seymore University. This study determined if the university met the criterion of being in decline for the years 2008 or 2009. The

reason these two years were selected to measure decline was that most interview participants believed Seymore University was in decline prior to Dr. Bob Nix being hired as president in 2009.

Table 3 illustrates that Seymore University met the criterion for decline by Cowan (1993) in four of six negative indicators for 2008 but only in two of six negative indicators for 2009. Therefore, according to Cowan (1993), the university was considered to be in decline in 2008 but not in 2009. Regarding 2008, negative indicator one was not met, and negative indicator three was not applicable as that information about Seymore University was not available. Negative indicators two, four, five, and six were all met. Regarding 2009, negative indicators one, four, and five were not met. Negative indicator three was not applicable as that information was not available. Negative indicators two and six were both met.

Table 3*Cowan's Negative Indicators Calculated for Seymore University*

| Negative Indicators | 2006 | 2007 | 2008 | 2009 |
|---|---|---------------|---------------|---------------|
| 1. Five percent or > decline in fall FTEs three consecutive years | 433 | 432 | 380 | 381 |
| 2. Endowment smaller than institutional expenses | Endowment | \$ 7,138,999 | \$ 6,771,175 | \$ 6,320,250 |
| | Total Expenses | \$ 9,284,370 | \$ 8,520,224 | \$ 8,489,814 |
| 3. Thirty percent deferral of plant equipment and maintenance | No documented amounts available from Seymore University | | | |
| 4. Decline in ratio of net worth to debt | Net Worth (NW) | \$ 9,378,876 | \$ 8,347,694 | \$ 9,054,970 |
| | Debt | \$ 15,873,838 | \$ 16,274,659 | \$ 15,613,950 |
| | Ratio NW/Debt | 59.08% | 51.29% | 57.99% |
| 5. Tuition increases 60% higher than the increase in total expenses | Tuition Per Year/Per Student | \$ 13,500 | \$ 14,000 | \$ 14,000 |
| | Tuition increase | \$ 1,070 | \$ 500 | \$ 0 |
| | % of Increase | 8.61% | 3.70% | 0% |
| | Change in Total Expenses | \$ 261,389 | \$ (764,146) | \$ (30,410) |
| | Expense Change % | 2.90% | -8.23% | -0.36% |
| 6. Expendable funds lower than debt for two years | Expendable Funds | \$ 2,797,993 | \$ 1,605,272 | \$ 2,073,858 |
| | Debt | \$ 15,873,838 | \$ 16,274,659 | \$ 15,613,950 |

Table 4 summarizes the results of comparing the negative indicators for Seymore University in 2008 to the criterion by Cowan (1993).

Regarding negative indicator one, Seymore University did not experience three consecutive years of a 5% or greater decline in their fall FTE's in the years 2006, 2007, and 2008, as their fall FTE only decreased by one from 2006 to 2007. Multiple interviewees spoke of students who left the university because of budget cuts in 2007 and 2008, which included discontinuing some athletic teams. These decisions resulted in a dramatic decrease in enrollment from 2007 to 2008, which illustrates why this negative indicator was not met.

Regarding negative indicator two, the university did show an endowment smaller than institutional expenses in 2008. Multiple interviewees spoke of the president prior to 2009, who increased Seymore University's debt and spent a large portion of the endowment, which connects to this negative indicator of endowment being smaller than expenses.

Regarding negative indicator three, no information was available from Seymore University to investigate this area.

Regarding negative indicator four, there was a decline in the ratio of net worth to debt in 2008. Multiple interviewees spoke of the president during this time as not being conservative with finances. Seymore University operated with consecutive budget deficits, incurred millions of dollars of debt, and millions of dollars were depleted from the endowment to offset budget deficits and to pay for capital improvements. These issues explain why negative indicator four was met.

Regarding negative indicator five, tuition increases were not 60% higher than the increase in total expenses. Multiple interviewees spoke of \$1.5 million in budget cuts

implemented in 2008 to decrease the operational deficit. This major reduction and a minimal increase in tuition caused this negative indicator to be met.

Regarding negative indicator six, expendable funds were lower than debt for two years in 2007 and 2008. Multiple interviewees spoke of the president during this time not being successful in reaching fundraising goals and operating with consecutive budget deficits. These issues correlate to how this negative indicator was met for having fewer funds available than debt for the years 2007 and 2008.

Table 4*Comparison of Cowan's (1993) Negative Indicators to Seymore University for 2008*

| Cowan's Six Negative Indicators | Comparison of the College in My Study |
|---|--|
| Check box below for each negative indicator met | |
| 1. Five percent or greater decline in fall FTEs for three consecutive years | <input type="checkbox"/> <i>Provide any clarifying comments below:</i> Fall FTE's: 2006 = 433, 2007 = 432, and 2008 = 380. The fall FTE's for years 2006 to 2007 do not show a 5% or greater decline. |
| 2. Endowment smaller than institutional expenses | <input checked="" type="checkbox"/> <i>Provide any clarifying comments below:</i> Endowment to Expenses for 2008: Endowment = \$6,771,175 Expenses = \$8,520,224 Endowment is smaller than expenses, an indicator of decline. |
| 3. Thirty percent deferral of plant equipment and maintenance | <input type="checkbox"/> <i>Provide any clarifying comments below:</i> No information available from Seymore University for this negative indicator. |
| 4. Decline in ratio of net worth to debt | <input checked="" type="checkbox"/> <i>Provide any clarifying comments below:</i> Ratio Net Worth/Debt 2007 to 2008: 2007 = 59.08%, 2008 = 51.29%. This decrease in Net Worth ratio to Debt from 2007 to 2008 is a decline. |
| 5. Tuition increases 60% higher than the increase in total expenses | <input checked="" type="checkbox"/> <i>Provide any clarifying comments below:</i> Tuition increases were 60% higher than the increase in total expenses in 2008. Tuition increased \$500 from 2007 to 2008, while Total Expenses decreased is a decline. |
| 6. Expendable funds lower than debt for two years | <input checked="" type="checkbox"/> <i>Provide any clarifying comments below:</i> Expendable Funds in 2008 = \$1,605,272 Debt in 2008 = \$16,274,659 Expendable Funds in 2007 = \$2,797,993 Debt in 2007 = \$15,873,838 Expendable funds were lower than debt for two years, an indicator of decline. |

Table 5 summarizes the results of comparing the negative indicators for Seymore University in 2009 to the criterion by Cowan (1993).

Regarding negative indicator one, Seymore University did not experience three consecutive years of a 5% or greater decline in their fall FTEs in the years 2007, 2008, and 2009 as their fall FTE increased in 2009. Multiple interviewees spoke of President Nix's leadership in correcting areas in admissions and academics, which are connected to the upward movement in enrollment, and not meeting this negative indicator.

Regarding negative indicator two, the university did show an endowment smaller than institutional expenses in 2009. Multiple interviewees spoke of the presidents prior to 2009, who increased Seymore University's debt and spent a large portion of the endowment, which connects to this negative indicator of endowment being smaller than expenses.

Regarding negative indicator three, again, no information was available from Seymore University to investigate this area.

Regarding negative indicator four, there was not a decline in the ratio of net worth to debt in 2009. Multiple interviewees spoke of President Nix's leadership in decreasing expenses, paying off debt, and increasing fundraising, which correlates to why this negative indicator was not met.

Regarding negative indicator five, tuition increases were not 60% higher than the increase in total expenses. Multiple interviewees spoke of students who left the university because of budget cuts, which included discontinuing some athletic teams. A tuition freeze was implemented for 2009, partly to help attract these and other students to enroll. Keeping the cost of tuition the same caused this negative indicator not to be met.

Regarding negative indicator six, expendable funds were lower than debt for two years in 2008 and 2009. Multiple interviewees spoke of the president before 2009 not being successful in reaching fundraising goals and operating with consecutive budget deficits. These issues correlate to how this negative indicator was met for having fewer funds available than debt for the years 2008 and 2009. Furthermore, President Nix was hired in early 2009 and immediately began correcting accreditation issues and may not have had adequate time to correct fundraising issues in 2009 to reduce the excessive debt inherited for that same year.

These combined results illustrate that for the year 2008, Seymore University met four of the six indicators of decline as identified by Cowan (1993). Cowan (1993) found a college to be in decline if they met four of six indicators of decline. However, for the year 2009, the university only met two of the six indicators of decline, which meant they were not considered fully in decline during that year, according to Cowan (1993). Possible reasons for the university being in decline in 2008 but not in 2009 will be more fully discussed in Chapter 5.

Table 5*Comparison of Cowan's (1993) Negative Indicators to Seymore University for 2009*

| Cowan's Six Negative Indicators | Comparison of the College in My Study |
|---|--|
| Check box below for each negative indicator met | |
| 1. Five percent or greater decline in fall FTEs for three consecutive years | <input type="checkbox"/> <i>Provide any clarifying comments below:</i> Fall FTE's: 2007 = 432, 2008 = 380, and 2009 = 381. The fall FTE's for years 2008 to 2009 do not show a 5% or greater decline. |
| 2. Endowment smaller than institutional expenses | <input checked="" type="checkbox"/> <i>Provide any clarifying comments below:</i> Endowment to Expenses for 2009: Endowment = \$6,320,250 Expenses = \$8,489,814 Endowment is smaller than expenses, an indicator of decline. |
| 3. Thirty percent deferral of plant equipment and maintenance | <input type="checkbox"/> <i>Provide any clarifying comments below:</i> No information available from Seymore University for this negative indicator. |
| 4. Decline in ratio of net worth to debt | <input type="checkbox"/> <i>Provide any clarifying comments below:</i> Ratio Net Worth/Debt 2008 to 2009: 2008 = 51.29%, 2009 = 57.99%. This increase in Net Worth ratio to Debt from 2008 to 2009 is not a decline. |
| 5. Tuition increases 60% higher than the increase in total expenses | <input type="checkbox"/> <i>Provide any clarifying comments below:</i> Tuition increases were not 60% higher than the increase in total expenses in 2009. Tuition remained the same from 2008 to 2009, while Total Expenses increased is not a decline. |
| 6. Expendable funds lower than debt for two years | <input checked="" type="checkbox"/> <i>Provide any clarifying comments below:</i> Expendable Funds in 2009 = \$2,073,858 Debt in 2009 = \$15,613,950 Expendable Funds in 2008 = \$1,605,272 Debt in 2008 = \$16,274,659 Expendable funds were lower than debt for two years, an indicator of decline. |

Seymore University Turnaround

When the Seymore University board began talking to Dr. Bob Nix about being their next president, the institution had run “between a million and a million and a half dollar deficits per year, five years in a row” (Nix, president). Nearly 12 years since that time, the university is now in a much better financial position, finishing with a surplus in “10 out of the last 11 years” (Nix, president).

Investigating turnaround in this study at Seymore University yielded five themes from the 15 participants, which include (a) leadership, (b) increased enrollment, (c) budget constraints, (d) increased fundraising, and (e) community involvement. All 15 interview participants mentioned leadership and increased enrollment, 14 mentioned budget constraints, 13 mentioned increased fundraising, and 10 mentioned community involvement (see Table 6).

Table 6*Study Participants at Seymore University—Reasons for Turnaround*

| Name | Leadership | Increased Enrollment | Budget Constraints | Increased Fundraising | Community Involvement |
|---|------------|----------------------|--------------------|-----------------------|-----------------------|
| 1. Dr. Bob Nix President | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2. Mr. Max Taylor Former Trustee | ✓ | ✓ | ✓ | ✓ | ✓ |
| 3. Dr. Jim Helston Administration | ✓ | ✓ | ✓ | ✓ | ✓ |
| 4. Mr. Greg West Administration | ✓ | ✓ | ✓ | ✓ | |
| 5. Mr. Dax Norton Administration | ✓ | ✓ | ✓ | ✓ | ✓ |
| 6. Mr. Paul Acre Director | ✓ | ✓ | ✓ | ✓ | |
| 7. Mr. Les Green Records | ✓ | ✓ | ✓ | ✓ | |
| 8. Mrs. Lisa Jones Support Staff | ✓ | ✓ | ✓ | ✓ | ✓ |
| 9. Dr. Ted Crain Faculty | ✓ | ✓ | ✓ | ✓ | ✓ |
| 10. Dr. Bart Highman Faculty | ✓ | ✓ | ✓ | ✓ | ✓ |
| 11. Dr. Chris Blue Faculty | ✓ | ✓ | ✓ | ✓ | ✓ |
| 12. Dr. Mary Pratt Faculty | ✓ | ✓ | ✓ | ✓ | |
| 13. Dr. Mike Nelson Faculty | ✓ | ✓ | ✓ | | |
| 14. Mrs. Leann Carr Community Leader | ✓ | ✓ | ✓ | | ✓ |
| 15. Mr. John Stone Community Leader | ✓ | ✓ | | ✓ | ✓ |

Leadership

Dr. Bob Nix arrived on campus as the new president of Seymore University in January 2009. Dr. Nix began trying to correct major issues almost immediately, with one of the first being improving the university's mission statement.

The most important thing that happened to us when I got here in 2009 occurred at our first board meeting in January. Prior to that first meeting, I had sent the board probably 15 or 20 mission statements from other schools. I asked them to tell me what was the mission of Seymore University because the current one was like so many other universities and so, they came up with the improved mission statement that we now have. I think this mission statement has transformed the way we think, the way we operate. You see it everywhere, but I credit our board in coming up with our mission statement.¹

(Nix, president)

Dr. Helston agreed that reexamining the mission was an important step that occurred with Dr. Nix as their new president. As a variety of changes had been made, "people were trying to find their way, he's pointing to the mission . . . if you're trying to be mission-driven, this process makes you more efficient" (Helston, administration). Dr. Chris Blue, a faculty member, echoed similar thoughts, who viewed keeping spending in check and a refocus on the mission to be the two most essential steps Dr. Nix implemented to help Seymore University begin their turnaround process.

Another critical issue Dr. Nix found that he had to address immediately for the university pertained to its accreditation with the Higher Learning Commission:

¹ Author's Note: I chose not to include the mission statement of Seymore University in this study due to maintaining confidentiality, as a mission statement would be easy to identify.

We were under ‘show cause’ with the Higher Learning Commission, and no one here seemed to be aware of it. I came in January, and in April, I went to the Higher Learning Commission meeting and learned about a monitoring report that had to be written regarding our low finances and enrollment, which was due in September of 2009. If the report was not submitted, the institution will be required to show cause for why accreditation should remain. I spent May, June, and July writing the report myself and sent it in. (Nix, president)

Mr. West believed that the hiring of a new president brought a “new feeling” to campus, “an uptick” . . . part of this was because Dr. Nix was “very student-oriented” and “he wanted to immediately do things to rejuvenate the campus look, bring a new look, new life to campus.” Mr. West also viewed Dr. Nix as a strong communicator due to how he shared plans for the university in the beginning and ending school year meetings. In those meetings, Dr. Nix would describe what had been accomplished recently and what he planned to achieve during the year. The president would “get us excited about the new students coming,” and he would talk about “our potential for the year” (West, administration).

Dr. Nix realized the need to hire good people, though given Seymore University’s financial issues at the time, that often meant he first had to train people for key positions as they could not afford to pay high salaries for experienced personnel. “All your problems are personnel problems. Every problem is a people problem. It’s not resources and everything else that enters into it, but the problems are people problems. If you can’t solve the people problems, you can’t be successful” (Nix, president). Dr. Nix utilized each employee’s strengths, organized leadership committees, and asked for their opinion before making key decisions (Helston, administration).

Dr. Nix was involved in most key decisions during his first three years as president:

I remember a year or so ago, a board member said, so what happens to the college if you drop dead tomorrow? I said, absolutely nothing; the people there now know their jobs, and they will do what they are supposed to do. They can run things. (Nix, president)

Paul Acre, one of the directors at Seymore University, described Dr. Nix's early years as president as helping to improve systems throughout the institution. Dr. Nix made several staff changes, some he put into new roles and brought in some new staff. Dr. Nix also promoted leadership as he implemented regular meetings of department heads, added technology and software in each department, and improved overall communication. These changes led to more cohesiveness, improved morale, and better student retention (Acre, director).

Similarly, Lisa Jones, who worked in administrative support, agreed the leadership teams implemented by Dr. Nix, which included the vice presidents, provost, and the president, helped the university make progress. Their weekly meetings kept everyone informed as they frequently discussed various ways to improve in each department (Jones, support staff).

Dr. Blue viewed Dr. Nix's leadership team as having "diverse styles of leadership," yet were "all focused on the same thing." Furthermore, he stated the "buy-in, the vision that we share" stemmed from Dr. Nix setting the example as he encouraged everyone "with his calm demeanor" and by "working alongside" no matter the job that needed to be done (Blue, faculty).

Dr. Helston stated another leadership characteristic that stood out in Dr. Nix was his willingness and ability to be transparent with staff in his regular communication. This communication included beginning of the year meetings with all staff and regular meetings with various leadership committees throughout the school year. Dr. Nix not only provided good news, such as when larger gifts were received, but he also shared the bad news, like when enrollment was under projections and caused finances to be tight (Helston, administration). Dr. Helston

believed that transparency built trust as people realized important information was not hidden from them, as many believed had occurred with previous presidents. Dr. Nix's transparency also promoted stability and promoted equilibrium. The consensus among employees in those difficult years as the university was implementing turnaround was "even when things are bad, here is the plan, and we are going to work hard to get through this together" (Helston, administration).

Dr. Nix was also viewed as a president who held employees accountable:

I think there was an emotion felt on campus that he was a nice guy, but if you weren't doing your job, then you lose it. I really felt like before there were maybe some people that were coasting a little bit, or maybe didn't feel like they had to do a great job because they weren't paid enough. (Norton, administration)

Mr. Norton described Dr. Nix as being the key factor for Seymore University's turnaround. "No doubt about it . . . if you're looking for a key factor . . . there is no way Seymore University is even close to what it is today" without the leadership of Dr. Nix (Norton, administration). Mr. Norton viewed Dr. Nix as "a great leader" that "people want to follow." Mr. Norton admired that the president set the example, even when physical labor was needed, and that he was involved in about every aspect of campus life with the teachers, staff, and students during the day, evenings, and weekends.

Mrs. Jones believed Dr. Nix's leadership was the main reason that Seymore University was in the financial position they are in today. Mrs. Jones described the president as "modest . . . very approachable . . . students love him . . . if you need to talk to him right away, he will just drop whatever he is doing and talk to you."

Dr. Nix attributes much of Seymore University's success during his time there as president to clarity given to him from God:

A lot of times we pray to God for guidance, and then we go ahead and make a decision. There's a lot of times when people come to me and say, why haven't you made a decision on a certain area or issue yet? I said, because God has not given me any clarity just yet, and it will eventually come. I know it will, I have faith in Him, and it always has, but right now, I don't have that clarity, so I am waiting to make that decision. (Nix, president)

Increased Enrollment

Enrollment began to improve at Seymore University in 2010, a year after Dr. Nix became president, as junior varsity programs and new degree programs were added. Dr. Nix implemented a five-year strategic plan, which emphasized coaches achieving target numbers for each athletic team and included that admissions staff begin recruiting students before their senior year. Multiple leadership conferences and forums were also hosted during the summer, allowing high school students to visit the campus, which resulted in several first-year students enrolling.

Mr. John Stone, a community leader, local business owner, and supporter of the University for more than 50 years, believed the additional degrees helped increase their enrollment and reputation within the community. The degree additions, improved and new facilities, and events helped them change from "that college on the hill, which was away from the rest of the community," to an institution that became part of the community (Stone, community leader).

Mr. Norton stated that the increased target numbers of athletes that coaches recruited on their teams helped increase student enrollment numbers needed to bring in additional student revenue. Junior varsity programs were also added, and additional coaches were hired, which helped recruit more athletes for some of the collegiate programs (Norton, administration).

Another enrollment strategy implemented by Mr. Norton included that instead of recruiting prospective students within specific territories, admissions staff began to recruit based on connecting prospective students to their college interests and pairing those interests to the most qualified staff member. These changes helped recruit athletes and added students to the university's music, business, educational programs, and other areas. Mr. Norton credited these enrollment and admissions practices to "creativity from the president in looking outside to other sources" to overcome enrollment decline at the university.

Dr. Bart Highman, a long-term faculty member, viewed athletics as always the "quick fix" to how Seymour University corrected budget problems. He also believed adding the junior varsity programs under the leadership of Dr. Nix was a key that helped to turn around enrollment, which added needed tuition revenue. College students wanted to "live the dream" as they continued their sports careers at the college level (Highman, faculty).

Mr. Acre agreed that athletics was the biggest reason for increasing their enrollment numbers. He believed the institution changing from the National Collegiate Athletic Association (NCAA) conference to the National Association of Intercollegiate Athletics (NAIA) helped recruit more athletes, as did the addition of junior varsity programs (Acre, director).

Dr. Mary Pratt, a long-term faculty member, recognized the need to add more athletic programs to attract more students. She stated that athletic recruiting was necessary because there were not enough students available within churches that aligned with their university (Pratt, faculty). Dr. Pratt also emphasized the benefit the university received from a government grant, which helped create "Student Success Services." This program enabled the university to improve services to students in areas of tutoring, library and internet usage, and other programs, which increased retention and annual enrollment numbers (Pratt, faculty).

Dr. Nelson also credited the university's increased enrollment to have occurred due to having fewer students available within their supporting churches. Since fewer students were available from these churches, to find more students, recruiting efforts focused more on targeting additional athletes and adding more junior varsity programs (Nelson, faculty).

Dr. Nix also increased emphasis on recruiting and retention throughout campus. Faculty and staff became much more involved in assisting students in all aspects of their college career.

Mr. Taylor stated:

The whole faculty began looking at students who particularly might leave early. . . .

Rather than wait and find out they've left, they started looking for indicators and became very sensitive to this person is not happy, or they are having financial troubles, or they are having family troubles or they're having academic troubles . . . they became very focused on helping those that are in school, to stay in school. Therefore our attrition rate went from somewhere around 15 down to less than 10.

Dr. Helston believed that turnaround for Seymore University began upon the hiring of Dr. Nix in 2009. As 2010 began, the university began to make progress due to the groundwork laid the previous year by Dr. Nix, which helped increase enrollment (Helston, administration).

Many of the added online and graduate degree programs occurred after 2010. These new programs started partly due to Dr. Nix's friend with expertise in enrollment, who helped him understand the need to think of Seymore University not as "the campus and then your online programs." Instead, to think of the institution as "a college of 1000 students, 500 of whom live on your campus" (Nix, president). That type of thinking led the institution to experience its highest enrollment in history during the spring of 2020, which is the first year since Dr. Nix's tenure that "tuition revenue exceeded the budget" (Nix, president). Dr. Blue supported adding

graduate programs under Dr. Nix's leadership, which began with only a few students. However, they added more students each year until these online programs helped increase enrollment, which also brought in needed student revenue (Blue, faculty).

Seymore University now has 140 graduate students, which is due primarily to multiple partnerships, which have increased their online enrollment. One is a partnership with the national association connected to Seymore University, which enables teachers and school administrators to complete continuing education courses. This partnership led to a similar partnership due to members of the association contacting others they knew, telling of their successful experience with Seymore University's online programs. A firm specializing in online education also began collaborating with the university and worked out discount pricing based on having a certain number of online students enrolled in each cohort. At least one corporation also works with Seymore University by reserving a certain number of spots for their employees in online classes whether they have those spots filled or not, which provides significant monthly revenue to the institution. Dr. Nix believes those "partnerships are what is going to sustain them going forward" and offer additional options to keep increasing future enrollment.

Budget Constraints

Numerous interview participants praised Dr. Nix's ability to operate by the numbers, which became evident during his first year of becoming president. During that year, Seymore University finished with a surplus of funds for the first time in several years, which was attributed to "some judicious cutting in the budget (Nix, president). Mr. Norton stated that "fiscal responsibility" was evident under Dr. Nix's leadership, who "didn't spend before we had the money." However, his "fiscal conservative approach kept us from being our own worst enemy . . . something we didn't understand 15 years ago" when construction on new facilities began

before the funds had been raised (Norton, administration). Dr. Pratt agreed that the new president's ability to balance the budget, reduce spending, and stop borrowing money from the local bank were all key to the university being able to overcome decline and to turnaround.

Mr. Norton believed this more conservative approach helped steady the institution until they could finally spend some money in a few areas, which also led to overall growth for the university. Dr. Crain, a long-term faculty member, described Dr. Nix as a "numbers guy" with the ability to keep the budget numbers in check, raise funds needed for new facilities before construction begins, pay off long- and short-term debts, all of which "helped stabilize the college." Likewise, Mr. Taylor agreed that Dr. Nix was the key to the university being able to turnaround due to his ability to be "a good manager of funds" and to keep "his eye on the bottom line."

Increased Fundraising

Additional financial turnaround at Seymore University began to transpire in 2010 as major gifts were received, which continued through much of the decade. In particular, one donor gave multiple significant gifts to endow department chairs and participated in multimillion-dollar capital campaigns. These campaigns funded the construction of multiple state of the art facilities, which continue to benefit students and the community. These successful campaigns led to Dr. Nix being described as a "builder in the sense he is wanting to have a strong foundation and continue moving forward . . . always making improvements, and each year, have a visible improvement that is undeniable" (Helston, administration).

Mrs. Jones believed Dr. Nix in waiting to build new facilities until after the money was raised kept the university on solid financial footing. She described building two new facilities

and other renovations in recent years, which were paid for through capital fundraising campaigns overseen by Dr. Nix and the vice president for development (Jones, support staff).

Seymore University finished its most successful fundraising campaign in history during June 2017, which had a \$10.7 million goal but produced \$16.87 million. By 2019, the institution increased its endowment to nearly \$20 million (Nix, president). Dr. Nix stated it was a priority of his to increase the endowment, “because I want to make sure whoever comes after me doesn’t have the same struggles that I had when I arrived at Seymore University.” Dr. Nix was careful to point out that without the financial support of that significant donor and others and successful capital campaigns, his presidency would be much different in terms of its overall success.

Another important factor mentioned in the university’s fundraising success was the leadership of their vice president for development. He was credited with helping the university achieve its annual fundraising goals and for being a significant part of the institution’s turnaround, which positively affected the entire campus (Norton, administration). Les Green, who served in records at Seymore University and in other roles at the institution, credited their vice president for development as key in helping turnaround the university with increased staff longevity and fundraising successes, which led to new facilities and programs that extended beyond athletics. These activities and new degrees attracted new students and helped bring the community to many campus events (Green, records).

Community Involvement

Dr. Crain believed “the community had been very supportive,” going back to presidents in the 1980s and continued with Dr. Nix. The community supported the university’s students with jobs, supported working around their college schedules. Key leaders donated money and buildings to the university in several capital campaigns before and including Dr. Nix’s tenure

(Crain, faculty). Dr. Blue stated the facilities resulting from those successful capital campaigns allowed the university to host important events, which the community attended. Furthermore, these experiences helped the community to become more familiar with the institution, which led to continued financial support (Blue, faculty).

Mrs. Jones believed Dr. Nix's involvement as the university's president in the local community through his participation as a member of the chamber of commerce, a civic club, and on another board helped the university bond with the community. His community involvement led to connections with business leaders, which enabled the university's events to be well attended by the community and attract well-known speakers and entertainers (Jones, support staff).

Mr. Helston stated that having a local banker's vocal and financial support proved very important in helping Seymore University overcome decline. That particular banker was well known and active in the community, which Mr. Helston described as the one who "continually beat that we've got to keep Seymore University here drum."

Mr. Stone believed the community supported the university by providing jobs for their students but needed to provide more financial support given the institution's importance to the community.

Mr. Green stated that the university "has a big involvement with the community," which he described as a "shared partnership" through many in the community having attended there or at least completed a class. However, Mr. Green did not view the community as having much of a role in the university's turnaround during his tenure with the institution.

Seymore University Challenges

Participants mentioned several challenges connected to decline and turnaround. While making a variety of improvements, Seymore University struggled to give employee raises. “We haven’t given across-the-board raises here since 2010, which is a long time. We have not really been able to reward our dedicated employees with better financial situations. That’s bothered me ever since I’ve been here” (Nix, president). Mrs. Jones described this same disappointment, as management not “able to give faculty and staff a raise in several years and they agonize over that.” Dr. Crain also echoed the disappointment of employees not receiving a salary increase in the last 10 years, which had been difficult given that health insurance premiums and other areas increased during that same time.

Dr. Crain stated,

If enrollment is going up and we are doing better, why can’t you take care of some employees who really pour out their hearts here? It would be huge if we experienced a pay raise, in terms of morale.

Another challenge concerned getting approval for improvements in various departments, which was viewed as not easily done or in receiving pay raises, even after the university made progress in recent years. “The first question to be asked is how much is this going to cost . . . Most of the faculty and staff go without pay raises for years and years” (Green, records). Mrs. Leann Carr, a community leader who worked at the university before Dr. Nix was hired as president, believed the lack of pay raises and increased workload caused them to lose critical employees. Furthermore, students became aware of the university’s financial difficulties, and some were not happy about losing teachers caused by personnel cuts. Mrs. Carr believed these

combined issues were known within the local community, damaging the university's reputation, which the presidents before Dr. Nix had worked so hard to build and maintain.

A challenge that transpired from increased enrollment was in working with students today that do not meet the university's minimum American College Test (ACT) or grade point average (GPA) requirements. Getting buy-in from faculty regarding such a change in admissions standards was difficult as we helped them to realize "this isn't the same college student that you taught 10 years ago" (Green, records). Assisting lower-performing students brought about the need to offer more services, such as tutoring and improved library services. These new services and assessing students' progress caused more work for faculty, as most wore "multiple hats" and were not "just teaching and going home anymore" (Green, records). Dr. Crain believed most of the challenges of working with lower-performing students stemmed from the university's increased enrollment by adding athletic programs. This strategy changed the student body's overall makeup, which included students who needed more assistance from teachers and were often not from a religious background (Crain, faculty).

Dr. Highman supported the university's growth using athletic recruiting but also stated they needed to use a similar strategy to improve academic recruiting:

We probably would have been in trouble without athletics, but I'm just not sure there's room for one more athlete on this campus. That means . . . you're going to have to begin the process of learning how to fund academics the way you have funded athletics.

(Highman, faculty)

Funding academics was also challenging for the university. Mr. Nelson stated that budget cuts included losing personnel in some academic programs, which still have not been replaced. "My guess is we don't have as many people working here now; in fact, I know it, as we had in

2007,” which resulted in “people being stretched too thin” (Nelson, faculty). Mr. Nelson viewed the “tight budget” and “limit on personnel” as problematic, even in the last two years.

Cutting the budget by a large amount before hiring Dr. Nix as president was extremely difficult. While no one was fired, some employees were encouraged to find another job to help the university save money and reduce deficit spending. Friends who did not want to leave did so for the good of the institution (West, administration). Mr. Norton agreed that losing friends who felt they had to leave was tough to watch. He viewed them as “talented and smart” who had “blessed our campus,” but they could not stay due to the need to trim the budget (Norton, administration).

Trying to find the right mix of things to turn the university around has been difficult. Enrollment increased from above 400 to more than 500 after hiring Dr. Nix, but then it went down again. “It is not one thing, rather it’s a combination of things that affect your enrollment and your finances” (Taylor, former trustee). Dr. Crain was not convinced the university had experienced a turnaround just yet. He summarized how enrollment had increased just before Dr. Nix was hired as president and how it grew even more for a few years after Dr. Nix was hired, but then it “took a sharp dive for several years” (Crain, faculty).

Dr. Crain described how the university in recent years was doing much better but that the turnaround was not complete just yet:

I still have difficulty saying we’ve turned it around. Okay. We’re on an upswing, which is great. But then again, we still have a ways to go before we can be safe. I don’t know if we can ever be safe.

While enrollment is much better today than it was five years ago, keeping enrollment stable is complicated and is still a “year to year and maybe even a semester to semester concern

and challenge” (Helston, administration). Part of the enrollment challenges is due to Seymore University recruiting most students out of state, which is difficult for a small Christian college. “Only about 30% of our students come from this state” (Helston, administration). Dr. Helston stated that still today, the university has issues, such as “cash flow or having money to do things, extra things” or staying on top of our “long-term and short-term debt” or even looking at this year’s budget, “there’s no fat there.”

Chapter Summary

Chapter 4 included the purpose of this single, mixed methods case study, a brief description of Seymore University, and listed the main overarching and four supporting research questions. Next, decline at the university was summarized from interviews with 15 participants and from information found in various literature and documents. Further considering decline included comparing the criterion from Cowan (1993) to Seymore University for the years 2008 and 2009, as this period was strongly believed by the vast majority of interview participants as when the institution was in decline and why a new president was hired in 2009. The next section summarized turnaround at the university along with identified themes pertaining to turnaround. The last section summarized challenges to overcoming decline and implementing turnaround for the university. Chapter 5 provides further discussion about the results along with recommendations, including practical application and future research.

Chapter 5: Discussion, Conclusions, and Recommendations

This study sought to determine if Seymore University (pseudonym) met four of the six indicators of decline in 2008 or 2009 according to the criterion by Cowan (1993) and began to implement a turnaround in 2010 successfully. The purpose of this mixed methods, single case study was to explore and understand how Seymore University, a small, private, Christian college, overcame decline and implemented a turnaround while having an enrollment of fewer than 1,000 students and an endowment of less than \$15 million and what were the connected experiences concerning this phenomenon. This study was limited to investigating a single higher education institution within a conceptual framework utilized by Cowan (1993) regarding a prescription for college turnaround. The study participants were limited to 15 individuals, as suggested by the university in this study. This chapter discusses the results as connected to past literature, answers the research questions, and offers five recommendations for application and three recommendations for future research.

Discussion of Findings in Relation to Past Literature

This study was guided by one overarching question: How did the institution overcome decline and implement a successful turnaround? The following research questions guided this investigation:

RQ1. How did this institution recognize and stop decline?

RQ2. What factors do participants perceive contributed to the institutional turnaround?

RQ3. What financial variables contributed most to this institution's turnaround?

RQ4. How do various stakeholder groups describe their experiences related to this institution's turnaround?

How Did Seymore University Overcome Decline and Implement a Successful Turnaround?

The results presented in Chapter 4 and illustrated in Tables 3, 4, and 5 indicate that Seymore University met four of six indicators of decline in 2008 but only met two of the six indicators of decline in 2009. Cowan (1993) postulated meeting four of six indicators of decline show a higher education institution was in decline. These findings suggest that Seymore University was in decline in 2008 but not fully in decline in 2009. This is important to understand, as the majority of the interview participants believed 2010 was the year in which turnaround began to occur at the university. However, comparing the negative indicators of Seymore University in 2008 and 2009 to the criterion by Cowan (1993) suggest turnaround began to emerge at the university before 2010. Turnaround actually began in 2009, mainly due to the \$1.5 million of mandatory budget cuts required by the board in 2008. This sizable reduction represented a 14% decrease from the previous year's budget of \$10,617,520, which was provided by their CFO. Implementing aggressive budget cuts as Seymore University did in 2008 mirrors some of the turnaround strategies implemented by other small colleges as they overcame financial decline (Fletcher, 2015; Rine & Guthrie, 2016).

Examining the various documents and literature in this study and interviewing the 15 participants show that Seymore University aligns well with Cowan's (1993) prescription for turnaround. Cowan's five requisites for turnaround in her prescription include (a) a willing president, (b) a collaborative process, (c) comprehensive change, (d) operational effectiveness, and (e) symbolic actions. These five requisites are summarized in Table 7, which illustrates how they compared to Seymore University. Each requisite, as connected to the university, are further explained in the five paragraphs following Table 7 in answering the overarching question for this study, How did Seymore University overcome decline and implement a successful turnaround?

Table 7*Comparison of Cowan's (1993) Prescription to Seymore University*

| Cowan's Five Requisites for Turnaround | Comparison of the College in My Study |
|--|--|
| Check box below for each requisite met | |
| 1. A willing president | <input checked="" type="checkbox"/> A willing president <i>Describe leader below:</i> A new, willing president was hired who understood higher education administration, enrollment, finances, and strategic planning. |
| 2. A collaborative process | <input checked="" type="checkbox"/> A collaborative process <i>Describe collaboration below:</i> Administrative leaders were developed, worked with others, established goals, and communicated plans and news, which encouraged and motivated each other. |
| 3. Comprehensive change | <input checked="" type="checkbox"/> Comprehensive change <i>Describe change below:</i> The change began with having a clear and understood mission, which connected throughout Seymore University. |
| 4. Operational effectiveness | <input checked="" type="checkbox"/> Operational effectiveness <i>Describe effective systems below:</i> Systems were developed in every department to improve enrollment, student retention, and fundraising while operating in a fiscally conservative manner. |
| 5. Symbolic actions | <input checked="" type="checkbox"/> Symbolic actions <i>Describe symbolic actions below:</i> The president communicated effectively throughout the year, kept improvements at the forefront, and frequently made time for others. Meeting capital campaign goals and opening new facilities were celebrated. |

A Willing President. President Nix was hired as a willing president at Seymore University in 2009. President Nix's knowledge of higher education and his leadership helped the university to overcome the majority of its decline by the time this research was conducted in February 2020. Dr. Nix corrected accreditation issues, continued to reduce spending, implemented sound fiscal practices, increased enrollment, and implemented strategic planning.

A Collaborative Process. President Nix worked in a collaborative process. He developed administrative leaders, established goals in every department, and communicated plans frequently with the leadership team and with all employees at the beginning and end of each school year.

Comprehensive Change. The changes made by President Nix were comprehensive and strongly connected to the university's mission. Their board reworked the university's mission in 2009 at the beginning of Dr. Nix's tenure. Throughout the institution, the improved mission was understood and used as a guide on which most decisions were based.

Operational Effectiveness. President Nix improved the university's operational effectiveness, which transpired due to his hiring and developing dedicated staff throughout the institution. These areas included academics, technology, admissions, finances, fundraising, athletics, and other areas. Many department leaders implemented new systems that connected across departments, sharing reliable information, which improved the timeliness and quality of decisions. Interview participants described improved operational effectiveness beginning in 2010, which led to record enrollment numbers, improved student retention, and record fundraising campaigns over the next decade.

Symbolic Actions. Symbolic actions were also met during Dr. Nix's tenure as president. President Nix had a constant focus on a variety of external improvements, which gave staff

renewed confidence that Seymore University's financial condition was much improved and instilled pride throughout campus. These symbolic actions included upgraded campus landscaping, building renovations, and the addition of new facilities and athletic complexes. Fundraising campaign goals enabled these improvements, which were concluded with formal celebrations involving the board, employees, students, and the local community. These celebrations were shown on the university's website and included in local media digital and print publications. Other symbolic actions included the intentional placement of the university's renewed mission throughout campus and a wall of honor recognizing dedicated long-term staff, board members, and major donors.

RQ1. How Did This Institution Recognize and Stop Decline?

Seven of the 15 interview participants described how the board of directors in 2007 and 2008 realized Seymore University was going deeper into debt from not meeting enrollment goals and from the president at that time not operating in a fiscally conservative manner. The board forced that president, who had experienced multiple consecutive years of operational deficits, to cut approximately \$1.5 million from the university's budget in 2008 in an attempt to help stop decline. However, those severe budget cuts and the lack of overall organizational progress resulted in less confidence by the employees and board in that president, which led to Dr. Bob Nix's hiring as the new president in 2009.

Twelve of the interview participants credited President Bob Nix's leadership with stopping financial decline at Seymore University. Dr. Nix had many years of success in a variety of administrative areas at higher education institutions, including admissions, financial aid, and strategic planning. Dr. Nix was also an experienced consultant who had served several higher education institutions. President Nix quickly implemented more fiscally conservative policies at

Seymore University, including not spending more than the total institutional revenue provided and not taking on more debt for facility renovation or new structures. Immediately correcting some of the university's Higher Learning Commission accreditation issues helped Dr. Nix more clearly understand areas of financial decline at the university.

Five of the interview participants also credited the leadership team put into place, which included President Nix, as the main reason the university recognized and stopped decline. They believed personnel and policy changes, which transpired through this leadership team, enabled the university to correct accreditation problems, improve systems that led to increased enrollment numbers and retention rates, and achieve record fundraising. These areas provided revenue streams needed to operate effectively and helped stop decline at the university.

Seymore University recognized and stopped decline by hiring a new president, who developed a successful leadership team and implemented new systems in many departments. Internal changes from Dr. Nix included conservative fiscal spending practices and new budget policies that did not allow overspending or going into excessive debt on capital projects. These changes led to increased enrollment and retention, which increased overall revenue. Recognizing these causes of decline and overcoming these issues as Seymore University did were also true in other studies of small private colleges in decline (Carey, 2014; Curry et al., 2012; Henck, 2011; Rine & Guthrie, 2016).

RQ2. What Factors do Participants Perceive Contributed to the Institutional Turnaround?

All 15 interview participants described leadership and increased enrollment numbers as the main factors contributing to Seymore University's turnaround. Thirteen participants believed it was Dr. Bob Nix's leadership as the new president, which contributed to Seymore University's turnaround. Participants also credited his leadership for the university improvement in many

areas, including stopping deficit spending, increased fundraising, record enrollment numbers, improving student retention, and additional degree offerings and online classes. As mentioned earlier, seven of the participants credited the board's leadership in forcing \$1.5 million in budget cuts in 2008, which occurred prior to the hiring of Dr. Nix in 2009.

All 15 participants credited increased enrollment as the main factor, which contributed to the university's turnaround. Some of these enrollment increases occurred prior to hiring President Nix, but then enrollment began to decrease. President Nix then implemented changes in admissions, including improved data management systems shared among other departments regarding prospective student interests. These data improvements led to changing recruiting practices based on each prospective student's interest, such as academic degree offerings, music, drama, sports, and other areas. Athletic programs, including junior varsity in some sports, were added, and coaches' recruiting targets led to increased enrollment numbers. Additional degree offerings and online classes, which occurred since Dr. Nix was hired, also helped increase enrollment numbers.

Fourteen of the participants mentioned management implementing budget constraints, resulting in reduced spending and no longer having consecutive annual operational deficits, which caused the university's turnaround. Some participants stated that reduced spending helped the university operate more effectively even when enrollment goals were not met.

Thirteen of the participants mentioned Dr. Nix's efforts to increase fundraising helped with the turnaround. Several of the participants, including Dr. Nix, credited the increased fundraising due to generous donors, especially one family in particular who gave multiple major gifts to increase the endowment and multimillion-dollar gifts to build new facilities, all of which began in 2010. During Dr. Nix's tenure, multiple successful fundraising campaigns led to

improved facilities, which enabled the university to offer more degrees and student activities. These campus activities frequently brought in the community for a variety of events.

Multiple participants believed it was not just one or two factors that helped Seymore University turnaround. They thought it was a combination of things, as described earlier. Those being board and presidential leadership, improved internal systems, increased focus on the mission, increased enrollment, improved retention, more focus on student services, and successful fundraising. Most participants believed the vast majority of these improvements occurred after President Nix was hired.

One participant described the turnaround as still occurring. This person used the analogy of Seymore University's turnaround being like the stock market, with it being up some years and down in other years. However, this person did believe the university's most recent years were very encouraging with record fundraising and enrollment successes, which all point that turnaround is indeed occurring.

Another participant believed turnaround had occurred under previous presidents before Dr. Nix. This participant viewed those presidents as gifted at working with the community and building relationships. Former presidents had helped add excellent facilities, and while those facilities put the institution in debt, they helped the community and prospective students notice Seymore University and attracted more students. However, this participant also described the university before 2009 as having a reputation of not being able to pay bills, which was widely known in the community.

Another participant credited turnaround at Seymore University having occurred by getting the community involved under the leadership of several past presidents, which included

Dr. Nix. As new presidents were hired, each one was able to improve on what the others did before them. Dr. Nix was credited as being a better financial manager than previous presidents.

The factors that contributed most to Seymore University's turnaround included hiring Dr. Bob Nix as their new president in 2009. The vast majority of interviewees credited President Nix's leadership and his ability to increase enrollment as helping the university turnaround. Budget constraints were also key in institutional turnaround, with most crediting Dr. Nix in his knowledge of this area and ability to manage better than the previous administrators. These findings agree with higher education studies, which suggest turnaround is possible by hiring a new leader, leadership support, providing financial stability, increasing enrollment by adding online classes, additional bachelor and graduate degree programs, and providing internal management structure to address issues holding an institution back (Carey, 2014; Drake & Sparks, 2012; Tarrant et al., 2018).

RQ3. What Financial Variables Contributed Most to This Institution's Turnaround?

All 15 participants credited increased enrollment in providing more student revenue as the primary financial factor, which contributed to Seymore University's turnaround. Table 3 illustrated that enrollment, indicated by the full-time equivalency (FTE), was 380 in 2008 and 381 in 2009, the years this study investigated if Seymore University met four of six negative indicators of decline as found by Cowan (1993). Full-time equivalency at the university in 2010, according to their chief financial officer, had increased to 433, which is a 14% increase over 2008, when the university met Cowan's (1993) indicators for being in decline. Interview participants credited this enrollment growth from 2008 to 2010 as providing the university with increased funds for operations, which enabled improvements in various areas. As mentioned earlier, this enrollment growth occurred by improved recruiting strategies in admissions, adding

degrees, online classes, increasing athletic programs, and implementing recruiting targets for coaches.

Fourteen of the participants believed that the board cutting \$1.5 million from the budget prior to 2009 and President Nix's expertise in managing the institution in a fiscally conservative manner helped stop Seymore University's overall financial decline. Many believed being fiscally responsible during Dr. Nix's tenure enabled the university to correct areas of decline in operations, including facility repairs and renovations. This fiscally conservative approach led to the university paying down millions in debt, which had occurred under previous presidents prior to 2009. Dr. Nix sharing news of less institutional debt and operating within annual budgets gave employees increased confidence concerning the university's ability to operate effectively without fear of further job losses and removed doubt concerning if the university might close.

Thirteen of the participants mentioned increased fundraising further helped with turnaround at Seymore University. Several participants mentioned the university receiving multiple major gifts to the endowment and completing multimillion-dollar capital campaigns after 2009. Additionally, Title III government grant funds were successfully applied for and received. These combined fundraising areas enabled the university to offer more degrees, renovate facilities, add new facilities, and increase student services. Multimillion-dollar estate gifts received before 2009 and after 2009 were also mentioned as contributing to the university's turnaround. Two participants said the estate gifts received prior to 2009 helped pay off larger debts but did not help the institution make any other improvements.

Interviewees were conclusive in believing enrollment growth, budget constraints, and increased fundraising, including government grants and estate gifts in that order, being the main financial variables that helped Seymore University overcome decline and implement turnaround.

Other higher education studies revealed similar findings in growing enrollment (Carey, 2014; Tarrant et al., 2018), which transpired by adding academic programs and classes (Drake & Sparks, 2012) and by adding athletic programs (Supplee, 2014). Implementing budget cuts, including operating more efficiently and stressing a bottom-line focus, was key in studies (Fletcher, 2015; Rine & Guthrie, 2016; Tarrant et al., 2018). Increased fundraising was important to turnaround found in other higher education studies of small colleges (Carey, 2014; Drake & Sparks, 2012; Rine & Guthrie, 2015).

RQ4. How do Participants Describe Their Experiences Related to This Institution's Turnaround?

Seven themes were identified from the experiences of interview participants connected to this institution's turnaround, which included (a) leadership, (b) increased enrollment, (c) budget constraints, (d) increased fundraising, (e) community involvement, (f) morale, and (g) mission. Some of the participants also brought up areas of decline in the process of describing turnaround, which are described in some of the seven themes.

Leadership. Leadership was a recurring theme as participants described their experiences related to turnaround. Poor leadership was emphasized by some of the participants for several years prior to 2009. The president at that time was a people person and someone that nearly everyone liked. The community admired him and how involved he was in various civic activities. However, that president's leadership did not yield the results needed to keep spending down or to increase enrollment and fundraising. After consecutive years of budget deficits, board leadership stepped in and forced \$1.5 million in spending cuts in 2008, which led to the resignation of that president and to the hiring of Dr. Bob Nix as president in 2009.

The vast majority of interview participants recognized the leadership of Dr. Bob Nix as president and the leadership team developed by him as the key to when Seymore University began to turnaround. During his first few years as president, Dr. Nix was involved in most departmental decisions, though he did involve others in the decision-making process while providing needed training and improved systems, which led to sharing information across departments. After a few years of Dr. Nix's leadership, the leadership team, management structure, and policies, which were in place, provided the structure needed for the institution to operate effectively with minimal input by President Nix. Multiple participants described the excellent communication skills of Dr. Nix in being transparent with everyone regarding challenges the university still faced, goals for key areas to overcome decline, and his being approachable and open to input from others. President Nix's leadership style was described as providing needed stability and a vital reason for the university getting through those difficult years and beginning further turnaround under his tenure.

Increased Enrollment. Increased enrollment was especially needed following a decision by the board to cut some of the athletic teams prior to Dr. Nix being hired in 2009. It was believed when some of those athletic teams were cut, their team members would still choose to attend Seymore University, which proved not to be correct. Many of those students and others decided not to attend the university. The board realized their error in cutting those teams and reversed that decision the following year, but few team members returned as students.

Dr. Nix began to increase enrollment numbers through new systems implemented in admissions and by adding more athletic programs, online classes, and degree programs. President Nix was described as being innovative in making those changes to increase enrollment. The changes implemented by his leadership did increase enrollment numbers. Table 3 lists

Seymore University's fall FTE at 380 in 2008 and 381 in 2009. Additionally, the CFO of the institution provided information showing their fall FTE at 433 in 2010 after Table 3 was created. Finally, according to IPEDS, their FTE had grown to 507 in fall 2019, with 95% of the students listed as full-time.² Interview participants described how exciting it was to see the university turnaround and have record enrollment, which was visible by seeing a larger number of students on campus and participating in the online programs.

However, some participants worried about the effect on their culture that serving more athletes and students outside their religious fellowship would have. Several believed increasing enrollment through those methods would require having to lower ACT acceptance scores or teaching Bible concepts from a very elementary level. Dr. Nix helped alleviate these fears by a renewed focus on student retention and student services, which helped faculty and staff work successfully through most changes caused by accepting students with a lower ACT score and a growing number outside the university's religious fellowship.

Budget Constraints. Multiple interview participants conveyed that meeting with committees in 2007 and 2008 to discuss the large budget cuts made in 2008 was a hard, difficult process and very emotional. Some of the committee members made suggestions on areas to cut, believed they were hurting their own departments, and described meetings that included discussing possible job losses with coworkers, many of whom were friends. Several interview participants stated that seeing friends let go was the most difficult change that occurred during 2007 and 2008. Some interview participants stated those budget cuts were necessary, which were explained more clearly to staff after President Nix was hired, as he communicated the combined

² Author's Note: I chose not to include the citation of the IPEDS regarding Seymore University in this study due to maintaining confidentiality, as this would make it easy to identify the institution.

issues pertaining to overspending, decreased enrollment, and fundraising, which had caused decline prior to 2009.

Dr. Nix was described as being more talented in managing finances than previous presidents. He was determined to correct the problem of annual budget deficits that had occurred at the university prior to his arrival. Multiple interview participants stated that President Nix often spoke of not overspending or going into debt to build new facilities or improve existing ones. However, saying no in the form of budget constraints was not easy for Dr. Nix. An area that especially troubled the president is that no staff raises were given over the last 10 years; only adjustments in some positions where pay was much too low have been made. Multiple participants said keeping spending down is still a focus today, and several are still troubled by not filling positions, which were previously cut. Participants believe having these positions filled today could help the university serve its students better and make it easier for teachers.

Increased Fundraising. Most participants described that fundraising was not successful before President Nix was hired. The president at that time would talk about fundraising goals, which were not often achieved, causing him to go to a local banker to arrange financing with loans. The board chair told the local banker after hiring President Nix that Seymore University would not be coming to him again for a loan and apologized for putting his bank in the possible awkward position of overextending themselves for the university with past loans. President Nix helped correct needed fundraising by hiring an experienced vice president for development who was described as someone who knew how to raise funds, build relationships, worked with all departments, and partnered with the president for certain major donors. Creating this process was described as taking multiple years of hard work before their development office enjoyed major success in completing multiple capital campaigns successfully in reaching fundraising goals.

Participants were quick to point out that Dr. Nix always wanted the university to be working on a project, such as improving landscaping, renovating a facility, or building a new facility, which was noticed throughout campus and the local community. The most recent capital campaign completed in 2017 caused a great deal of excitement among the staff and community. The goal for that campaign was \$10.7 million, but \$16.8 million was raised, which was the largest fundraising campaign in Seymore University's history. Successful fundraising that came about through President Nix brought the university to a new level, which included several state of the art facilities and an endowment that grew during his tenure to about \$20 million. Alumni were involved in the university's fundraising success, as 47% donated during the last 10 years.

Community Involvement. Multiple participants mentioned community involvement as it pertained to Seymore University's more financially difficult period for several years prior to 2009 and after improvements were more visible from 2010 to the present day. The university's challenging times financially, before 2009, led to some in the community having ill feelings toward the institution. Most of the challenges were related to the university's inability to pay businesses on time for services, loans, and other areas. The president at that time was quite involved in the community and talented at working with the public regarding those issues, but the reputation of the university still suffered some during those years. Participants stated those negative issues made it more difficult to raise major funds in the community and for the institution to be valued by some community members.

The majority of participants believed Dr. Nix's leadership helped correct most financial struggles of the university and, in doing so, caused the community to regain confidence in the institution, support them more financially, and provide good jobs for graduates. President Nix would not let bills go unpaid, as had been done by the previous president. Multiple participants

shared that Dr. Nix made sure the community was included in campus events, such as sports, plays, musical productions, and recognizing fundraising successes and other university achievements. Most of the participants strongly believed that today, the community recognizes the value of Seymore University, the institution has broad community support, and businesses hire their alumni on a regular basis.

Morale. The \$1.5 million in budget cuts made in 2008 was mentioned by the majority of interview participants as negatively influencing both employee and student morale. Employees were cut, which included friends of colleagues and students' favorite teachers. Cutting sports programs by Seymore University's board led to many students not returning, and both employees and students lost confidence in the institution. Having fewer employees led to coworkers discussing having too many job responsibilities and believing they were not able to do them as well as they did before the cuts were made. Fear was another concern about how Seymore University would overcome decline and who else might lose their job.

As president, Dr. Bob Nix brought new leadership to Seymore University in 2009, and his ability to keep spending under control helped stabilize the institution and instilled renewed confidence in both employees and students. President Nix brought a new level of excitement to the university with increased fundraising, increased enrollment numbers through adding online classes and degree programs, and through admissions and athletic recruiting. Creating new systems in those areas and employees working together helped everyone become more confident about Seymore University's successful future. Those overall improvements helped remove employees' worries of job losses or fears concerning the university closing.

However, multiple employees described how difficult it had been not to receive a pay raise in over 10 years while the cost of living increased, including higher health insurance

premiums. Some employees also believed it was time to hire back positions, which were cut before Dr. Nix became president. Overall, the employees were described as being very dedicated through these improvements, but realize they cannot let up and must keep working hard, continuing to progress, so that decline does not happen again at the university.

Mission. Mission was another theme that most participants referred to when they described Seymore University's improvements once Dr. Bob Nix was hired as president in 2009. Participants believed a big reason for the staff's dedication was due to Dr. Nix emphasizing the mission and seeing it fulfilled. Improvements made were described as being connected to transforming students' lives, which was evident by the campus-wide focus on their improved mission. Dr. Nix, who credited the board with the renewed focus on the mission, had signs posted in many parts of the campus, and some of the participants quoted the mission word for word during the interviews. The dedicated staff was described as staying focused on the mission, staying late, and doing whatever it took to get the job done.

Limitations

The results of this mixed methods, single case study should be considered in the context of its limitations. This study's primary limitations include its conceptual framework, population, sample, and researcher bias.

The conceptual framework used in analyzing the data for this study was connected to decline and turnaround criterion from Cowan (1993). Cowan (1993) found a college or university to be in decline if it met four of six indicators of decline, pertaining to FTEs, endowment, institutional expenses, plant equipment and maintenance, net worth, debt, price of tuition, and available funds. These areas were analyzed for Seymore University in the years 2008 and 2009. These years were selected to examine decline because 2010 was the year when most

interview participants believed the university began to turnaround. Examining 2008 and 2009 for decline helped to more clearly understand if the institution was in decline during those years and if turnaround began in 2010 or perhaps before 2010. Cowan's (1993) study of 16 colleges resulted in a prescription for turnaround, which included these five requisites: (a) a willing president, (b) a collaborative process, (c) comprehensive change, (d) operational effectiveness, and (e) symbolic actions. These five areas were analyzed in the qualitative portion of this study.

The population for this study included only a single institution, Seymore University. Seymore University is located in a rural part of the United States and is a small, private, Christian college with an enrollment of 1,000 students or less and an endowment of \$15 million or less while in decline. As previously mentioned, this study was also designed to consider if Seymore University successfully initiated a turnaround within the last 10 years and specifically if turnaround began in the year 2010, the year after Dr. Bob Nix was hired as president.

The sample size for the qualitative portion of this study included 15 interview participants. While participant composition included members of the board, the president, vice presidents, directors, faculty, midlevel management, support staff, and community leaders, interviewing other employees, board members, supporters, or community members may have provided additional information important to the results of this study. This study is bounded within the parameters just summarized in the previous summaries concerning conceptual framework, population, and sample. Results for this study may not be generalized to all higher education institutions, especially those of a different size, offerings, rural setting, or with their own unique financial and operational challenges.

Researcher bias is the final limitation of this study. As a current president of a small, private, Christian college, the study topic is of particular interest to me. My current role and

experiences from working with small, nonprofit organizations have exposed him to several of the areas within this study. Throughout this study, I attempted to maintain awareness of his biases connected to this study. Open-ended interview questions and follow-up questions for the qualitative portion were developed in full awareness of his biases. Additionally, I attempted to keep his biases in mind throughout the interviews and other analyses performed for this study.

Recommendations

In this study, Seymore University was found to be much like numerous other small, private, Christian colleges throughout the United States. It must continuously focus on multiple internal and external issues to prevent decline from occurring (Cowan, 1993; Martin & Samels, 2009; Townsley, 2002). It is my opinion that this study adds to the existing literature concerning how small, private, Christian colleges can overcome decline and implement a successful turnaround. Previous studies and this study postulate that no single strategy can help a higher education institution overcome decline and turnaround (Carey, 2014; Cowan, 1993; Drake & Sparks, 2012; Kezar & Eckel, 2002; MacTaggart, 2007a; Martin & Samels, 2009; Tarrant et al., 2018). It is also my opinion that this study adds to Cowan's (1993) prescription for turnaround by including the emphasis of the board for Seymore University requiring mandatory budget cuts, which helped overcome decline and begin a turnaround prior to the hiring of a new president in 2009. While this study does not provide a systematic process regarding how to stop decline and begin turnaround, several takeaways can be recommended for its practical application.

Recommendations for Practical Application

First, having access to this study regarding how Seymore University overcame many areas of decline in the last decade-plus and implemented numerous turnaround strategies may be helpful to higher education board members, presidents, and other leaders of struggling smaller,

private, Christian colleges. The board members for Seymore University were engaged enough to recognize decline was occurring at the institution prior to 2009. Their actions of implementing approximately \$1.5 million in mandatory budget cuts that went into effect in 2008 proved essential in helping the university begin to operate in a more fiscally conservative manner. These budget cuts also paved the way for turnaround to further progress upon the hiring of Dr. Bob Nix as president in 2009.

Second, hiring a new president is often necessary to turnaround a small, private, Christian college (Carey, 2014; Cowan, 1993; Drake & Sparks, 2012). The board hiring of Dr. Bob Nix in 2009 was key to the institution further overcoming decline and implementing numerous turnaround initiatives. While Dr. Nix corrected immediate critical issues with accreditation and budget shortfalls, he and the board also reworked the mission. The mission was the foundational element tied to needed improvements and understood throughout the university. Connecting to the mission was significant in securing buy-in from staff. President Nix provided leadership in hiring and training personnel to improve areas connected to accreditation, increase degree programs, enrollment, retention, and fundraising.

Third, President Nix worked closely with his leadership team, especially in his presidency's first three years. Most critical decisions during this early period involved and were approved by Dr. Nix. This practice enabled his leadership team to implement systems, create policies, and establish departmental goals concerning admissions, enrollment, retention, athletics, academics, and fundraising. Each of these areas was connected and dependent on one another in the institution operating efficiently and effectively (Cowan, 1993; Stroh, 2015). These improvements enabled Seymore University to function more efficiently and successfully while

providing needed structure for current and future leadership, no matter who was serving as the president, which was important to Dr. Nix.

Fourth, President Nix had higher education experience in financial aid, admissions, and student development. These experiences helped Dr. Nix oversee the implementation of different recruiting strategies for admissions and coaches. These strategies included adding athletic teams, which established target goals for each coach to achieve per team and for admissions to recruit based on each student's needs and interests instead of working specific territories for each admissions representative. Dr. Nix also created corporate partnerships with associations and firms, which led to offering online classes and professional studies, which further increased enrollment. Additionally, the added focus on meeting students' needs in financial aid, offering additional scholarships and programs to further their academic success led to increased retention rates, which further increased enrollment numbers. The success of these combined improvements is proven by the growth in total enrollment numbers shown in Table 3 at 380 in 2008, the year before Dr. Nix became president, and increasing to 507 in 2019, according to IPEDS.³

Last, President Nix had a keen understanding of higher education finances and fundraising. His experience in these areas enabled him to create zero-based budgeting practices, complete multimillion-dollar fundraising campaigns, and increase their endowment to nearly \$20 million at the time of this study. Prior to the hiring of Dr. Nix in 2009, Seymore University's endowment was approximately \$6 million, but the previous president had depleted much of it. President Nix's leadership enabled Seymore University to overcome past annual operational deficits. This was evident in the university having a surplus in 10 of its last 11 years. However, reducing staff and not replacing them or providing annual raises hurt some staff members'

³ Author's Note: Again, I chose not to include the citation of the IPEDS regarding Seymore University in this study due to maintaining confidentiality, as this would make it easy to identify the institution.

morale. A suggestion would be to add back staff as finances allowed. This may help staff members reduce their workload, increase the overall quality of their work, and positively affect student satisfaction, leading to increased student retention. A similar suggestion would be to provide an annual cost of living increases or other benefits to help staff feel more appreciated for their dedicated work.

Recommendations for Future Research

First, nearly all the interview participants believed Seymore University was in much better shape financially and improved its overall management structure after hiring Dr. Bob Nix as president in 2009. However, some stated financial decline was not yet completely stopped, as was evidenced by personnel cuts prior to and after 2009, who have still not been replaced more than a decade later. Multiple participants stated that not replacing those employees caused additional workloads for current employees than formerly was the case, which they believed negatively affected their overall job success. A future study concerning the effect of personnel cuts on the turnaround of institutions formerly in decline would be interesting. Possible areas to research would be its impact on student retention, graduation rates, and employee morale.

Second, some of the participants also mentioned not having received a raise in more than 10 years to offset inflation in the cost of living as a sign that Seymore University had not yet fully overcome all areas of decline. President Nix also mentioned not being able to give annual cost of living raises or performance bonuses as something he regrets not having occurred during his tenure due to correcting numerous financial areas. A future study concerning the effect of personnel not receiving annual cost of living raises or performance bonuses has on the turnaround of institutions formerly in decline would be interesting. Possible areas to research would be the impact on student retention, graduation rates, morale, and overall job satisfaction.

Last, while President Nix revealed Seymore University had utilized multiple strategic plans during his tenure, neither he nor other interview participants emphasized their impact on institutional turnaround. Those plans seemed to be something created and understood by President Nix and his leadership team but did not appear to be a catalyst in the institutional turnaround process until a few years after Dr. Nix was hired. However, multiple participants said the strategic plan did help increase fundraising, which is connected to Seymore University's turnaround. A future study concerning the impact of strategic planning on institutional turnaround would be interesting. Possible areas to research would be the timing to implement a strategic plan when overcoming decline, its connection to turnaround, and receiving successful input and buy-in throughout the institution.

Conclusions

Seymore University met the criterion for decline by Cowan (1993) in four of six negative indicators for 2008 but only in two of six negative indicators for 2009. Most notable of this decline included decreasing enrollment for three consecutive years in 2006, 2007, and 2008 (see Table 3), high debt from financing multiple capital projects, consecutive years of income losses, and spending millions of dollars of restricted endowment funds mostly due to annual operational deficits. However, in 2009, turnaround began occurring as enrollment increased, net worth increased, debt decreased, and expendable funds increased (see Table 3).

The mandatory \$1.5 million in budget cuts implemented by the board, president, and staff, which went into effect in 2008, were successful in slowing down several areas of decline at Seymore University. Those areas of decline included problems with accreditation, budget deficits, decreased enrollment, and not having adequate funding for operational or capital needs. Much of the decline that transpired at the university before hiring President Bob Nix in 2009 has

mostly been corrected. The main themes, which elucidated how turnaround occurred in those areas after President Nix was hired, included leadership, increased enrollment, budget constraints, increased fundraising, and community involvement.

President Nix's leadership was evident through his emphasis on the mission as the foundational element for major decisions to be based. President Nix's leadership resulted in implementing needed systems, including improving internal and external communication, conservative fiscal practices, new policies, training leadership staff, and increased enrollment, which included adding graduate and online programs. The increased fundraising during Dr. Nix's administration included multiple successful multimillion-dollar capital campaigns and community involvement, which were vital to the university accomplishing many academic, program, and facility improvements throughout the next decade. These areas of turnaround have put Seymore University in a solid place to deal with its remaining challenges, which include continuing to increase enrollment numbers, improving employee pay, and adding needed employees.

Therefore, according to this study's findings, which were examined through a conceptual framework lens provided by Cowan (1993), Seymore University was considered to be in decline in 2008 but not in 2009, indicating that turnaround actually began in 2009 and not in 2010 as most interviewees suggested. Seymore University met each of the five requisites as summarized in Cowan's (1993) prescription for turnaround (a willing president, a collaborative process, comprehensive change, operational effectiveness, and symbolic actions) as they began to overcome decline in 2009 and continued to do so through February 2020, when the interviews for this study were conducted. While Seymore University has made significant progress in

overcoming decline and implementing turnaround, this study's findings reveal that turnaround for the institution is still an ongoing process.

Seymore University's challenges and all small, private, Christian colleges continue, and leadership must remain keenly aware of the numerous issues surrounding higher education. While this is only a single, mixed methods case study, its findings reveal that turnaround is possible for a struggling institution, though turnaround is an ongoing process. According to this study and many others, there is no single solution to overcome decline and turnaround a higher education institution. Instead, it requires leadership that can support the institution's mission and understands the needed systems in every department, which support the numerous elements to meet the institution's overall financial needs. These are connected to offering degree programs that students desire, offering student activities that students are passionate about, operating in a conservative fiscal capacity, and successfully raising funds to support the institution's current and future needs. It is my desire that this study provides a small glimpse of how the leadership of a small, private, Christian college can be successful in overcoming decline and implementing turnaround.

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Appendix A: Comparison of Cowan's (1993) Negative Indicators to the College in My Study

| Cowan's Six Negative Indicators | Comparison of the College in My Study |
|--|--|
| <p>1. Five percent or greater decline in fall FTEs for three consecutive years</p> | <p>Check box below for each negative indicator met</p> <p><input type="checkbox"/> <i>Provide any clarifying comments below:</i></p> |
| <p>2. Endowment smaller than institutional expenses</p> | <p><input type="checkbox"/> <i>Provide any clarifying comments below:</i></p> |
| <p>3. Thirty percent deferral of plant equipment and maintenance</p> | <p><input type="checkbox"/> <i>Provide any clarifying comments below:</i></p> |
| <p>4. Decline in ratio of net worth to debt</p> | <p><input type="checkbox"/> <i>Provide any clarifying comments below:</i></p> |
| <p>5. Tuition increases 60% higher than the increase in total expenses</p> | <p><input type="checkbox"/> <i>Provide any clarifying comments below:</i></p> |
| <p>6. Expendable funds lower than debt for two years</p> | <p><input type="checkbox"/> <i>Provide any clarifying comments below:</i></p> |

Appendix B: Comparison of Cowan's (1993) Prescription to the College in My Study

| Cowan's Five Requisites for Turnaround | Comparison of the College in My Study |
|--|---|
| 1. A willing president | <p>Check box below for each requisite met</p> <p><input type="checkbox"/> A willing president <i>Describe leader below:</i></p> |
| 2. A collaborative process | <p><input type="checkbox"/> A collaborative process <i>Describe collaboration below:</i></p> |
| 3. Comprehensive change | <p><input type="checkbox"/> Comprehensive change <i>Describe change below:</i></p> |
| 4. Operational effectiveness | <p><input type="checkbox"/> Operational effectiveness <i>Describe effective systems below:</i></p> |
| 5. Symbolic actions | <p><input type="checkbox"/> Symbolic actions <i>Describe symbolic actions below:</i></p> |

Appendix C: Interview Protocol

Name of Institution: _____

Interviewee, Name, and Title: _____

Interviewer: Richard Johnson

Date of Interview: _____

Interviewer Introduction:

Thank you for agreeing to meet with me today and to be interviewed about this research topic for my doctoral dissertation titled: How small Christian colleges overcome decline and successfully implement an institutional turnaround.

I currently serve as the president-elect and current vice president for advancement at a small Christian college in the southern region of the United States. I have been associated with this college in full-time employment within their administration for more than 12 years, more than four years as a consultant, and attended there in 1982–1984 when it was a junior college. This particular college has struggled, for the most part, since its founding in 1964. I have thought for many years that this institution's struggles stemmed from specific reasons and could be overcome. I enrolled in Abilene Christian University's Organizational Leadership Doctoral program in August 2016, partly, to help understand how this college could overcome various challenges and to successfully turnaround.

Interview Explanation:

It is not easy to determine in available research how the smallest Christian colleges, those with an enrollment of 1,000 students or less and an endowment of \$15 million or less, can successfully overcome decline and implement a revitalization process. Limited research is available regarding both areas among colleges and universities within these parameters, which is what has brought me to your institution today. The purpose of my study is to investigate how a small, private, Christian college with an enrollment of 1,000 students or less and an endowment of \$15 million or less while in decline, successfully initiated a turnaround within the last 10 years, and what were the connected experiences concerning this phenomenon. It is my understanding that your institution meets the parameters just described to be included in my study.

Interview Introduction:

I have just a few details that you may want to know about today's interview. This interview will be held in the strictest of confidence, and your name will not be provided in my completed study. During the interview and afterward, I do plan to make some handwritten and computer-generated notes to help me better recall the details of our interview. I would also like to record only the

audio portion of today's interview that will help me keep my records as accurate as possible, which is especially important to me now and throughout this study. Your participation is voluntary, and the interview may be stopped immediately if, at any point, you are not comfortable with our discussion. Are these details agreeable to you? If they are, would you please sign this consent form regarding today's interview?

This interview is not intended to last beyond one hour. The questions have been designed to help me better understand the research area for my study pertaining to how small Christian colleges overcome decline and successfully implement an institutional turnaround. I believe your role and experiences can help me better understand this research area from your perspective as it pertains to your institution. As we discuss important areas today, I anticipate that some of the information may not be favorable to your institution. While these types of discussions can be difficult, it is important that you are candid with me about those areas. Please keep in mind that I will be removing all identifying information regarding the names and titles of all interview participants and of this institution.

Thank you again for meeting with me. Do you mind if we now begin our interview?

Set the audio recorder to record the interview. Assign a method to differentiate between each interviewee's recording.

Appendix D: Interview Questions

Opening Icebreaker Questions:

1. As we begin, let me ask you to tell me a little more about yourself and your role at this higher education institution?
2. How long have you been serving in your current role?
3. Have you served in other roles here, and if so, tell me about those?

Interview Questions:

1. Overarching Question: How did this institution overcome decline and implement a successful turnaround?
2. How did this institution recognize and stop decline?
 - a. How would you describe at this institution what some call the indicators of decline in terms of poor finances, increasing debt, lower than expected enrollment, budget issues, and related areas?
 - b. How would you describe the process of dealing with these negative indicators?
 - c. Which areas were most difficult to overcome and why?
 - d. Was closing this institution ever considered? Why or why not?
3. What factors contributed to this institution's turnaround?
 - a. Describe any involvement of the board in the institutional turnaround.
 - b. Describe any involvement of the president and other key leaders in the institutional turnaround.
 - c. Describe any involvement of other staff or others in the institutional turnaround.
 - d. Describe any involvement of the community in the institutional turnaround.
4. What financial variables contributed most to this institution's turnaround?
 - a. Describe any other areas not mentioned, which contributed to the turnaround?
 - b. How were successes recognized and celebrated?
5. How do you describe your experiences related to this institution's turnaround?
 - a. How would you describe the planning process, if any, such as annual and strategic planning that helped with institutional turnaround?
 - b. What would you attribute as the main reason or reasons that the institution was able to overcome decline and implement a successful turnaround?
6. Is there anything else that you would like to tell me that may be important concerning how this institution overcame decline and implemented a successful turnaround or anything else that you wanted to share?

Appendix E: Interview Consent Form

Thank you for reading this informed consent form, which summarizes important areas of the interview process as has just been discussed with you by the interviewer. If you are comfortable and in full agreement to participate in this interview, please read this form and sign below.

I confirm to having understood the interview protocol process just previously discussed with the interviewer and that I had the opportunity to ask questions.

I understand that my participation in the interview today is voluntary and that I am free to withdraw at any time without a need to provide any reason and without any negative consequences for withdrawing from the interview.

I understand that my answers to the interview questions today will be given at my own discretion and that I am free to decline answering any question or questions of my choosing.

I understand the confidential nature of this interview process. My name or the name of this higher education institution will not be included in any completed version of this study or further presentations, conferences, or articles resulting from this study.

I understand the audio from this interview will be recorded and used to assist the interviewer for analysis following this interview. I understand that I will not be personally identified in the audio recordings used by the interviewer for this study or in any presentations, conferences, or articles resulting from this study. I understand no other use will be made of the audio recordings without my written permission, and only the research team will have access to these recordings.

I agree that all data given by me in this interview may be kept to benefit future research, such as publications or other related studies to institutional turnaround, but will remain anonymous.

I understand that all research has certain risks, but such are minimal in this study.

I agree to participate in this interview.

Name of Interview Participant

Date

Signature

Name of Interviewer

Date

Signature

Once all parties have signed and dated this interview consent form, each will receive a copy of the (1) interview protocol, (2) interview questions, and (3) interview consent form. A copy of the signed and dated consent form is to be securely kept with the main research at a location selected by the interviewer.

Appendix F: IRB Approval Letter

ABILENE CHRISTIAN UNIVERSITY
Educating Students for Christian Service and Leadership Throughout the World

Office of Research and Sponsored Programs
320 Hardin Administration Building, ACU Box 29103, Abilene, Texas 79699-9103
325-674-2885



January 23, 2020

Richard Johnson
Department of Educational Leadership
Abilene Christian University

Dear Richard,

On behalf of the Institutional Review Board, I am pleased to inform you that your project titled "How Small Christian Colleges Overcome Decline and Successfully Implement an Institutional Turnaround",

was approved by expedited review (Category 6 & 7) on 1/23/2020 (IRB # 19-107). Upon completion of this study, please submit the Inactivation Request Form within 30 days of study completion.

If you wish to make any changes to this study, including but not limited to changes in study personnel, number of participants recruited, changes to the consent form or process, and/or changes in overall methodology, please complete the Study Amendment Request Form.

If any problems develop with the study, including any unanticipated events that may change the risk profile of your study or if there were any unapproved changes in your protocol, please inform the Office of Research and Sponsored Programs and the IRB promptly using the Unanticipated Events/Noncompliance Form.

I wish you well with your work.

Sincerely,

Megan Roth

Megan Roth, Ph.D.
Director of Research and Sponsored Programs