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Profits in a Non-Profit World: Celebrating Entrepreneurship in the Community College

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Community colleges have a natural aptitude for entrepreneurship and are positioned best to take advantage of emerging opportunities. The unique challenges of this new millennium—perhaps at the top of the list, declining state support and increasing student enrollment—prompt college leaders to embrace the critical need for creative and innovative practices, fine-tune strategic plans, transform institutional programs and services, optimize current resources, and generate new dollars to fund growth and support current operations. Interested in how this was accomplished, and the extent to which entrepreneurial strategies have been implemented successfully at two-year colleges, we set out to study what we perceive as a growing phenomenon—entrepreneurship in community colleges across North America.

Identifying a universal explanation of community college entrepreneurship proved to be an impossible task; the definitions applicable to business and industry do not apply, in large part, to higher education; and even in that venue, the term has multiple meanings. We chose to define community college entrepreneurship as activities that enhance current resources or generate new revenue. Moreover, we define it as a state of mind—a philosophical approach to the way we conduct our business. For each college we examined, entrepreneurship began with a vision, a desire to fulfill the mission of the college. As we continued our study, we discovered a profound interest in entrepreneurship among community college leaders. Faced with tough decisions, two of the most critical being reductions in workforce and elimination of programs and services, leaders were focused on identifying reasonable, preventive solutions. The most successful leaders were choosing to venture deep into unexplored areas—encouraged by the idea that within a non-profit world, profits (both tangible and intangible) are indeed possible.

For these individuals and their colleges, generating a profit does not represent “selling out,” or jeopardizing their mission to serve students; rather, profits are opportunities that lead to the growth and enhancement of programs and services. Electing to find additional dollars from donors and/or partnerships with business and industry are strategic means to important ends—ways to fund new programs and/or ensure the longevity of others. Sam Walton, founder of Wal-Mart, Inc., observed: “There will come a time when big opportunities will be presented to you, and you’ve got to be in a position to take advantage of them.” Successful entrepreneurial colleges create a foundation and a climate that allow them to react quickly and appropriately when opportunity knocks.

Based on our findings about the best and most innovative community college entrepreneurial practices, we wrote *Opting for Opportunity: The Entrepreneurial College*. Our discussions with and about presidents and senior leaders from community colleges in the United States and Canada, we identified lofty goals achieved and hard-earned outcomes celebrated, enjoyed an array of success stories that showcased exactly what could be achieved through the practice of entrepreneurship, and identified innovative practices that contribute significantly to missions fulfilled. Drawing from the results of our study, we offer three fundamental lessons learned from successful entrepreneurial community colleges and their leaders—lessons focused on strategies, relationships, and leadership.

Strategies

The entrepreneurial colleges we studied were implementing an array of innovative strategies, including:

- Providing contract training services
- Purchasing new properties, leasing existing facilities, divesting non-productive resources
- Outsourcing
- Writing grants and garnering foundation support
- Hiring
- Pricing services and products competitively
- Developing small businesses
- Fund-raising

While these colleges described a wide variety of successful strategies, together they shared a common element—i.e., at some juncture, all of the particulars of the planning, approach, interaction, and evaluation would

“click,” and the “fit” would “feel and be just be right.” At that juncture, the college discovered it could better respond to customer needs and attain loftier goals—e.g., in their words, they could generate additional revenue, expand current resources, and cultivate new partnerships.” With their wealth of resources—including the advantages of state-of-the-art technology, faculty expertise, and custom-designed facilities—many community colleges are well positioned to develop and engage in entrepreneurial strategies. And, these community colleges are getting better at achieving their “best fits.”

Our findings indicate that successful entrepreneurial infuse innovation into their organizations with competitive pricing for contract training services, entrepreneurial “think tanks,” shared and leveraged resources. North Harris Montgomery Community College (TX) fulfilled its strategy of building a state-of-the-art emergency services program by partnering with Cy-Fair Volunteer Fire Department, which led to Emergency Services funding a 25,000 sq. ft., \$4.4 million complex. Seminole Community College (FL) President E. Ann McGee uses her “45 second elevator speeches” and “120 days, 120 speeches” to enhance college fund-raising and minimize competition from other successful community colleges in the region. Leveraging resources, most often of the human kind, this college has raised millions of dollars to build new and expand current facilities.

Other colleges use less direct strategies or approaches to creating an entrepreneurial environment, such as replacing fear-based management with leadership that values the creativity and innovation of all employees. Humber College Institute of Technology and Advanced Learning President Robert Gordon (CN) observed that developing a climate that supports innovation is an important strategy in seeking entrepreneurial success. Some key strategies he describes for infusing entrepreneurship throughout the institution include maximizing individual potential through professional development; hiring the best people available; delegating widely; allowing freedom to engage in work and supporting creativity; and establishing a culture that supports change and respects past successes while setting new directions.

Whether strategies are direct and action-oriented, or philosophical paradigm shifts, entrepreneurial leaders and their colleges recognize that in today’s economically turbulent, competitive environment, they need new ways of doing business and new strategies to help expand the entrepreneurial spirit.

Relationships

The community college story includes the role of the extraordinary power of relationships. As colleges of their communities, their missions are achieved best in collaboration with business, industry, and community leaders. Community colleges play increasingly critical roles in economic development. With only a little effort,

community colleges have been and continue to be are well-positioned to attract private sector interests. In many instances, business and industry initiate contact, recognizing the wealth of resources these college have to offer. College administrators serve on chambers of commerce, private and government boards, and a variety of community associations, enabling the institution to foster relationships with key community leaders.

However, we propose and argue with strong conviction, that the most significant relationship in a community college is the partnership between employees and the administration—that is where extraordinary strength lies and where intestinal fortitude to stay the course resides. We heard frequently about the innovative ideas that emerge from the creative minds of college faculty and staff. At Midland College (TX), President David Daniel acted on the advice of one automotive instructor that, as college president, he should make a call to a special local resident, a retired superintendent of schools, and ask to visit with him about making a donation to the college. That visit resulted in a \$50,000 check to the college, followed by regular checks annually; and upon the death of this special donor, half of his estate was bequeathed to the college.

Norm Nielsen, President Emeritus of Kirkwood Community College (IA), attributes an enormous part of the college’s success to its ability to establish meaningful, positive relationships.

My community involvement, and that of other key Kirkwood leaders, encourages many community members to explore innovative partnership ideas with the college. A high percentage of donations and ideas for new or improved educational programs is a result of connections made by these activities.

Whether one chooses to refer to relationships as strategic alliances or partnerships, establishing connections between the college and its constituents, better than any other strategy, can build positive foundations and create collaborative superhighways to the development of new programs or initiatives, opportunities for shared resources, and the growth and/or enhancement of programs and services. However they are defined, positive relationships are an important and critical aspect of the entrepreneurial community college. Colleges showcased in this report have made significant progress by choosing to pursue, build, and sustain relationships with their internal and external communities.

Florida Community College at Jacksonville (FCCJ) is a prime example of a “best practice” institution that has achieved enormous benefits from successful, win-win partnerships with government entities. For example, as the largest provider of education and training services for the United States Navy, FCCJ currently reaps solid, extraordinary benefits from a five-year, \$10 million contract with the Navy and realizes more than 10,000 students enrolled in courses or receiving training. At Guilford

Technical College (NC), relationship building expanded beyond the boundaries of local business, industry, and community, and led to the creation of an innovative community college program. Partnering with singer and songwriter, Larry Gatlin, the college created the Larry Gatlin School of Entertainment, and successfully raised \$9.25 million to build a one-of-a-kind program to prepare students for professional work in the entertainment industry.

Building meaningful relationships with constituents of the internal community is critical, as well. At Springfield Technical Community College (MA), President Emeritus Andrew Schibelli credits the entrepreneurial efforts of faculty and staff with the college's becoming the NSF-funded National Center for Telecommunications Technologies and the lead college in Verizon's \$32 million New England Next Step program.

Leadership

The third key, and arguably the most critical, aspect of creating an entrepreneurial college is leadership. In times of great uncertainty (today being a good example), it is leaders who must navigate change and identify innovative ways to do business. For example, entrepreneurship often requires that leaders must build their organizations by seizing the advantages in the realities of discontinuous opportunities. And, it is the leader—the entrepreneur—who identifies the opportunity when it appears, coordinates resources, and makes changes that ultimately lead to success and profitability. St. Petersburg College (FL) President Carl Kuttler observed: “Your vision is altered when you change your view.” Instilling entrepreneurship into the community college culture requires a new way of doing business, and with that, a new skill set for leaders. Bringing a college together—making the most of strong relationships embracing “best fit” strategies for taking the most responsible risks, they speak volumes about their own values and their own authenticity.

While having the desired skill sets and being a responsible risk-taker is a heady profile for a community college leader, we found that the one characteristic that truly defines the entrepreneurial leader is authenticity. Leaders' ability to understand the people with whom they work, value the contributions each employee makes, and lead in an honest (authentic) manner, is as critical as any new partnership or acquisition of any new resource. And, in fact, the success of these ventures very often will depend and rest squarely on the quality and credibility of that variable.

And, finally, these college leaders are responsible risk-takers. Relying on partnerships with individuals and organizations outside the college is essential to becoming entrepreneurial, but it is also a risk. Successful leaders balance the introduction of new initiatives with the traditional functions of the college, gauging the level of risk associated with any new venture. It has been said about Greenville Technical College's (SC) President Tom Barton, widely recognized for successful risk-taking over his more than 40 decades at the helm of this institution:

He [Barton] encourages risk-taking behavior within the institution . . . An atmosphere where employees are not afraid of failure has encouraged a high level of creative thinking and innovation. . . . this working environment has encouraged employees to question long-standing assumptions and status-quo processes and procedures. Barton's philosophy, “If you aren't making any mistakes, then you're not doing anything,” helps to create a supportive environment that allows and encourages Greenville Tech employees to try new things. . .

The unique successes of each individual entrepreneurial college leader profiled in this report could be traced primarily to a shared ability to embrace and employ some of these key leadership strategies.

- They work with constituents to formulate a common vision for the future.
- They foster a culture that supports and sustains innovative activities.
- They build long-lasting relationships with internal and external communities.
- They hire the right people.
- They view challenges as opportunities.
- They find a worthy cause and create an environment to motivate investors.
- They understand the value and potential of new and existing resources.

Conclusions

Entrepreneurial colleges succeed when strategies, relationships, and leadership merge to create a culture that inspires and sustains innovation. Leaders ensure the identification of key strategies and foster the development of meaningful relationships with internal and external communities. They recognize the entrepreneurial talents that exist among college faculty and staff, and create opportunities for the successful implementation of ideas. And as these leaders move community colleges into the next decade, chances are better than ever that these entrepreneurs will enjoy delving into the wealth of opportunities that await them, then watching their colleges fulfill their missions, sharpen their visions, and achieve their dreams.

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