



Creating the Future: New Challenges for Boarding Schools

By James W. Wickenden

WHEN I was asked to prepare a paper reflecting upon the issues facing boarding schools now and in the years to come, I was immediately reminded of some wise words from the renowned management expert Peter Drucker. In his book, **Managing in a Time of Great Change**¹, he states, “Those responsible for planning the future of an organization should ask and answer the following question: *What has already happened that will create the future?*”

While I do not pretend to possess a gift for divining the future, my work over the past 25 years has provided me with both insights about the current state of boarding schools and strong opinions about how school leaders should respond to the very real challenges facing this industry.

The Theory of the Business

Although it was written a decade ago, Drucker’s article *The Theory of the Business*² remains a clear and cogent analysis of the situation facing boarding schools today. He writes:

What underlies the current malaise of so many large and successful organizations is that their theory of the business no longer works. The assumptions on which the organization has been built and is being run no longer fit reality. These are the assumptions that shape any organization’s behavior, dictate its decisions about what to do and what not to do, and define what an organization considers meaningful results.

Some theories of the business are so powerful that they last for a long time. Eventually, every theory of the business becomes obsolete and then invalid. When a theory shows the first signs of becoming obsolete, it is time to start rethinking the theory, with the clear premise that our historically transmitted assumptions no longer suffice.

The theory of the business that served boarding schools well for so many years – their role as the premier launching pad to the most selective colleges and to leadership positions in American society – is long since obsolete. Yet many boarding schools have been slow to adjust to this new reality, continuing to focus their marketing message on their college preparatory role while missing the opportunity to make a strong case for the compelling – and unique – benefits of a boarding school education.

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¹ Peter Drucker, **Managing in a Time of Great Change**, Truman Talley Books/Dutton, New York, NY 1995.

² Peter Drucker, “The Theory of the Business,” **Harvard Business Review**, September-October 1994.

The New Reality

Generations ago, boarding schools were established to prepare students for admission to specific colleges or universities. Students at these boarding schools pursued a unique curriculum that prepared them for the entrance exams of particular institutions of higher education. A small number of these boarding schools virtually cornered the college prep market, serving as reliable feeder schools to the nation's most prestigious colleges and universities.

Those days, of course, are long gone. Colleges and universities now prize diversity in their student bodies. Standardized testing, the widespread availability of the AP curriculum, and an explosion of high-quality independent day schools and public high schools have forever altered the college prep landscape. The most noticeable result has been an increasingly less impressive college placement list at most boarding schools. And if day schools can match the academic offerings and college placement record of boarding schools while charging \$10,000 to \$15,000 less, is it any wonder that parents are opting in ever-larger numbers for the local day alternative?

Boarding schools were slow to acknowledge this major change in the theory underpinning their business. Finally, after steady declines in the number and quality of prospective students, boarding schools have responded over the past 30 years with a flurry of initiatives: coeducation, major increases in day student populations, a push for economic and racial diversity, the recruitment of international students, a facilities “arms race,” and an astonishing proliferation of academic and extracurricular programs designed to appeal to the various desires of the marketplace.

Many of these initiatives have succeeded in rebuilding the pool of boarding school applicants, although the industry certainly cannot be described as robust. What concerns me most, however, is that these individual initiatives do not add up to what is really needed: a new, coherent “theory of the business.” In fact, I would argue that many of these initiatives have introduced challenging forces of fragmentation within schools that were once noteworthy for their clear vision and strong sense of community.

The Forces of Fragmentation: An Environmental Scan

Since 1978, I have visited hundreds of schools in this country. These visits, which usually include interesting discussions with Heads of Schools and dedicated trustees, have convinced me that today's theory of the business for effective boarding schools needs to take into account the following forces of fragmentation:

I. Ever More Diverse Student Bodies

Born of a combination of idealistic and practical motives, the increasing diversification of the student population at many boarding schools is making it ever more difficult to build strong communities or articulate an overarching theory of the business. Full-fledged boarding schools are now rare; hybrid boarding-day and day-boarding communities are now the norm, with a broad range of proportions of day to boarding students. The range of academic abilities among students served by the typical boarding school has been expanded as well. More generous financial aid budgets have enabled boarding schools to enroll a much more economically diverse student body, and international students now enrich the community at most boarding schools.

All of these developments can be seen as positives, but they also require careful management to ensure that these disparate student groups do not become small colonies unto themselves. Maintaining a vibrant residential life program becomes much more difficult when half of the student body leaves at the end of the school day and disappears on the weekends. Unless adults in the school community are

knowledgeable about and sensitive to the varying cultural perspectives of international students, their integration into the life of the school can be minimal. Bringing together students from a wide variety of economic and social backgrounds can also be a challenge.

Trumpeting diversity has become fashionable in the independent school world over the past two decades, and the industry has indeed made great strides toward becoming more inclusive. Often, however, less is said about the hard work of creating community out of diversity. That, too, is an important component of the theory of the business for today's boarding schools.

II. The Increasingly Fragmented Curriculum

Defining what students should learn – what they should know and be able to do – is becoming increasingly complex and challenging. Advanced Placement courses are now the currency of selective college admissions, so families demand a full complement of them. As the College Board adds new exams to the AP list, schools are pressed to broaden rather than focus their curricular offerings. Many schools are introducing the International Baccalaureate Program as well, with yet another set of course requirements.

Colleges and universities continue to send mixed messages to secondary schools about their expectations regarding student preparation. The new SAT I test, which includes a writing sample, will ramp up the pressure on teachers to prepare students for this exercise.

Compounding these external pressures to expand the curriculum are the predilections of independent school faculty members, the best of whom love their subjects and are eager to teach fascinating if obscure electives in their areas of interest. While each of these offerings might be valuable individually, collectively they can undermine the coherence of the core educational program. Add to this the proliferation of extracurricular opportunities, community service requirements, independent study, senior projects, etc., and you have a recipe for both overextended students and muddled educational aims.

If it is difficult for those marketing the school to define the *essential elements* of the school's educational program, how do you expect those considering the school to distinguish it from other institutions?

Even the most affluent schools have finite resources. Thus, the challenge is to determine what can be offered – given the resources of the school – that will be first-rate and fulfill the unique mission of the school. Assuming that the resources available to a school remain fairly constant, educational leaders also must have the discipline to eliminate old programs when new ones are added.

III. The Clash of Values

Pat Bassett, the President of the National Association of Independent Schools, has emphasized the need for good independent schools to be “counter-cultural” – resisting negative influences and destructive values within the society at large. At the same time, though, boarding schools increasingly find themselves in a competitive marketplace – often feeling the need to woo prospective students with lavish facilities, appealing opportunities, and liberal policies. Parents who profess to support the school's stated behavioral standards often sing a different tune when their own child's behavior is at issue.

Because they operate *in loco parentis*, boarding schools must incorporate within their theory of the business a clear point of view regarding their role as a transmitter of values – including values not currently in vogue. Even more difficult, they must uphold those values consistently, even in the face of the inevitable pressures to relent.

- **MTV and Reality Shows:** If one of our goals as a society is to develop voyeuristic, hedonistic, self-centered people, all we need do is require our adolescents to watch MTV and the reality shows. If, however, good schools value the development of discipline, concern for others, delayed gratification, grace, dignity, and the ability to respond positively to adversity, then these need to be emphasized both verbally and programmatically.
- **Professional Athletes, Movie Stars and Rock Stars:** While it is always dangerous to stereotype, I am increasingly concerned about the behaviors – and resulting influence on today’s adolescents – of *some* professional athletes, movie stars, and rock stars. The use of performance-enhancing steroids, the lack of respect for teammates and coaches, exhibitionistic behaviors, and the excessive indulgence in alcohol or drugs combine to send terribly destructive messages to impressionable adolescents.
- **The Need To Be Entertained:** The ubiquitous availability of computers and television – along with iPods and CDs with the accompanying headsets – gives our youth multiple opportunities to be passively entertained. Good schools teach students the skills necessary to entertain themselves: to read for pleasure, to participate in a sport, to play a musical instrument, to paint or draw, to write, or to get involved in the community.

Strengths, Weaknesses, Opportunities, and Threats

When we consult with schools in the area of strategic planning, we always recommend that they conduct a SWOT (Strengths, Weaknesses, Opportunities, and Threats) Analysis. Despite our belief in the value of this exercise, most schools resist doing so. When I asked one Head of School why this is the case, she said, “Because those who work in schools are reluctant to confront institutional weaknesses or threats.” If that observation is valid, then I will assume the role of the bad guy by identifying the weaknesses I’ve observed in independent schools and the threats that I believe are on the horizon.

Strengths

The overriding strength inherent in all independent schools – boarding or day – is the freedom they enjoy to invent and reinvent themselves. Unencumbered by government regulation or public funding, independent schools answer only to their mission and their marketplace. Components of this freedom include the ability to:

- Define and modify the mission of the school.
- Develop institutionally unique programs that support the mission in academics, athletics, the arts, community service, and residential life.
- Establish core values and require those who wish to be a part of the community to live by them.

- Admit only those students who can be well served by the school and who can reasonably be expected to contribute to the school community.
- Modify the academic calendar and schedule to fulfill the institutional mission and to achieve the annual goals.
- Hire and fire based on a standard of excellence, without being encumbered by tenure, a union, or a negotiated contract.
- Create institutional stability at the top through a self-perpetuating Board of Trustees that is talented, dedicated to the school, and generous with wisdom and resources.

Schools that take full advantage of these freedoms operate from an enviable position of strength.

Weaknesses

The following weaknesses are common to many – although not all – independent schools.

- The insular environment of independent schools, and particularly boarding schools, can lead to complacency, a lack of perspective, and, in some instances, an overly self-congratulatory culture.
- The reluctance of independent schools to benchmark their performance against the very best schools – public and private – makes it difficult for many independent schools to achieve excellence. As Jim Collins stated in his book, **Good to Great**, “Good is the enemy of great.”³
- The ongoing professional development of faculty is usually an expectation only at well-endowed schools led by those who have high standards and expectations. Few schools meet both criteria. Faculty evaluation is a weak spot in many independent schools as well, in part because classroom autonomy is highly valued by private school teachers.
- Independent schools do not typically do a good job of orienting new trustees or devoting time and resources to the professional development of all trustees.
- Boarding schools have been slow to develop signature residential life programs that genuinely contribute to students’ social and moral development.

³ James Collins, **Good to Great**, Harper Collins Publishers, Inc., New York, NY 2001

- Independent schools are typically reluctant – or unable – to conduct the market research that is necessary to improve the school and to generate evidence that is sufficiently compelling to persuade parents to part with their most prized possessions, namely their children and their cash. Because many independent schools do not know why families choose or reject them, they make important marketing and programmatic decisions on the basis of faulty assumptions and suspect anecdotal “evidence.”
- Reluctant to exercise fiscal discipline, most independent schools are becoming steadily less affordable, thereby shrinking the pool of prospective applicants.

Opportunities

Independent schools willing to think creatively, remain focused, and seek help from their loyal supporters can enjoy almost unlimited opportunities to shape the future of their institutions. For example, they can:

- Respond quickly as advances are made in the use of technology to enhance learning, increase productivity, and improve communications.
- Better meet students’ needs by employing new insights into learning style differences and the functioning of the brain.
- Forge a social contract at the school in which positive peer pressure reinforces responsibility for self, others, and shared resources.
- Create a truly international community of students and faculty. From my perspective, most of the boarding schools who recruit internationally do so primarily to fill their beds and to balance their budgets. Given the phenomenon of the global village, however, bringing people from a variety of countries together may provide programmatic and marketing opportunities for entrepreneurial educational leaders.
- Use impassioned volunteers – i.e. parents and alumni – to raise money, to partner with the schools in areas where there is a shortage of help, and to recruit students, especially from areas outside a 250-mile radius of the school in locations where there are concentrations of loyal parents and alumni.
- Develop a residential environment that is a truly attractive place to live both for talented faculty and for ambitious students who are eager to broaden their social and cultural horizons.

Threats

- Both the demand for boarding schools and the overall quality of the applicants has been in decline for many years. According to the data we gleaned from **Peterson's Private Secondary Schools** – data that was self-reported by each school – there was an 11 percent drop in boarding students between 1987 and 1998 – a decline that occurred despite a robust economy. Schools running counter to these trends are those perceived as truly excellent, such as Andover, Exeter, Groton, etc.; schools that have included in their programs support for students with learning issues or other special needs; and those with niche programs in the arts, athletics, etc. Some institutions that do not fall into the aforementioned categories – Northfield Mount Hermon, for example – are downsizing in order to maintain the quality of the student body. Many schools are expanding the proportion of day students they admit. Even the most prestigious schools have seen the outstanding day schools siphon off many of their talented applicants. The real competition for boarding schools these days is not peer boarding schools, but the high-quality independent day and public schools that have flourished in affluent areas around the country.
- With the escalating costs of boarding schools, those without significant financial aid programs, or without programs that differentiate themselves from the independent day schools and the good public schools, run the risk of either pricing themselves out of the market or not paying their faculty adequately.
- By 2010, it is estimated that 50 to 60 percent of the current teachers – public and private – will have retired. If this estimate is accurate, schools will soon find themselves in the midst of a recruiting war. Those institutions that have prepared for this war by remaining true to their mission, by providing professional development opportunities for the faculty, and by ensuring that the faculty are given the resources to do their jobs well will find themselves in a better position to compete successfully for those in demand.

Recommendations

In what ways might a boarding school operating under a new theory of the business differ from a school fixated on the college-prep theme? Here are a few suggestions:

1. Prepare your students to be good citizens of our nation and the world.

The global village is now a fact of life. Unfortunately, however, most independent schools have not responded to this phenomenon in a coherent and compelling way. If my impression is correct, independent schools – and particularly boarding schools – might be missing an opportunity.

What might be done?

In his enlightening and sadly prophetic book, **The Clash of Civilizations and the Remaking of World Order**⁴, Samuel Huntington argued that “the central and most dangerous dimension of the emerging

⁴ Samuel Huntington, **The Clash of Civilizations and the Remaking of World Order**, Simon and Schuster, New York, NY 1996

global politics would be conflict between groups of different civilizations.” (Please note that this book was written in 1996, before the 9/11 tragedy and before the U.S. invasion of Iraq.)

Huntington identifies six civilizations: Sinic (Chinese), Japanese, Hindu, Islamic (many distinct cultures or sub-civilizations exist within Islam, including Arab, Turkic, Persian, and Malay), Western (including Europe, North America, Australia and New Zealand), and Latin America.

The vast majority of schools are preparing young adults to be productive, but insulated, inhabitants of *their own civilization*. Given our increasingly networked world, should we not also be preparing them to interact intelligently and effectively with members of other civilizations? If so, you might pay particular attention to the following statement Huntington makes:

Of all the objective elements which define civilizations, the most important usually is religion. People who share ethnicity and language but differ in religion may slaughter each other, as happened in Lebanon, the former Yugoslavia, and the Subcontinent.

If your boarding school’s theory of the business includes a commitment to developing future leaders, it now seems more crucial than ever that their education include the development of knowledge about and understanding of the world’s major religions and cultures.

My wife and I were fortunate during the summer of 1998 to participate in a wonderful trip entitled “Developing a Civil Society” that was sponsored by the National Humanities Center. Ninety of us visited several countries in Central Europe and heard directly from leaders of the Czech Republic, Austria, Slovakia, and Hungary. All of these nations are moving, albeit at varying speeds, from a totalitarian regime to a democratic society in which citizens are expected to assume responsibility for defining and resolving issues of concern. Within this context, discussions about a “civil society” refer *not* to exhibiting good manners in a checkout line, but rather, a *civil society emerges when organizations that are neither state-sponsored nor commercially driven develop spontaneously to address the concerns of citizens*. Stated another way, a civil society is not just about individual rights; it is about individuals joining together to assume responsibility for the quality of their society.

Boarding schools that enthusiastically accept the challenge of training students to be active participants and leaders in a civil society can play a vital role in shaping the future.

2. Prepare students for a world characterized by complexity, constant change, and a rapid pace of life.

As I think about the world your students will be entering as adults in a few short years, I cannot help but wonder how well the standard college-preparatory curriculum will prepare them to succeed. In general, it seems to me that secondary schools have plunged students deeper and deeper into the content-rich, higher levels of many subject areas without first ensuring that they have mastered the skills and habits of mind necessary to respond to a rapidly changing and complex world.

Communication via the written word has never been easier than it is today. Word processing capabilities permit rapid revision without retyping. Spell-check and grammar review programs, while far from perfect, catch many careless errors. E-mail allows us to write to those half a world away in the blink of an eye. Because we are all buried under a mountain of documents needing to be read, badly written material has very little chance of receiving much attention. If your students cannot rapidly produce a cogent, concise, reader-friendly piece of writing, they stand ill prepared for the impatient world that awaits them. It is more important than ever that the basics of composition and grammar be second nature in an age when there is rarely a second draft or a second set of eyes to review our written work. Just this month, the

College Board's National Commission on Writing for American's Families, Schools, and Colleges, released a report in which it estimated that remedying deficiencies in writing costs American corporations as much as \$3.1 billion annually.⁵

I would also argue that schools need to place more emphasis on the development of oral communication skills, formal and informal. Students need to learn how to engage in productive one-on-one conversations, to participate in the give and take of small groups, and to address large groups. It is a disservice to those who are naturally reticent to permit them to duck the challenge of public speaking in the relatively close-knit community of a boarding school; a more hospitable environment for developing those skills is unlikely to come their way later.

Schools can help to prepare students for their professional lives (not for a particular profession) by ensuring that they have developed the skills to be lifelong learners, are comfortable with technology, have developed good work habits, are able to work collaboratively, balance their work and personal lives, and maintain health and fitness.

To thrive in the fast-paced, complex society of the future, students will also need a full set of emotional tools: resiliency, creativity, self-confidence, adaptability, empathy, etc. Good schools impart these tools as intentionally as they impart academic skills and a command of facts.

3. Establish a values system that is well defined, tied to the school's programs, and consistently enforced.

Schools need to be explicit about the values they value. As John Gardner states in his book, **On Leadership**⁶:

The community teaches. If it is healthy and coherent, the community imparts a coherent value system... Social cohesion is advanced if the group's norms and values are explicit. Values that are never expressed are apt to be taken for granted and not adequately conveyed to newcomers and young people.

Given the increasing diversity in our society, schools must assume that their students arrive with a mixed bag of values. If a school is serious about contributing to the moral development of the students, it must define its Core Values and then make every attempt to live by them.

From a family's first contact with the school via the admissions viewbook to the day of their child's graduation, the school should transmit unmistakable signals about the behaviors and habits that are expected of students and consistently modeled by the adults in the community.

These values should be reflected in the academic, extracurricular, and residential programs of the school; in hiring practices; and in budgetary decisions. Rewards and consequences should be applied consistently; neither students nor their parents should be allowed to buy or threaten their way out of trouble.

⁵ *Writing: A Ticket to Work... Or a Ticket Out, A Survey of Business Leaders*, The National Commission on Writing for America's Families, Schools, and Colleges, 2004.

⁶ John W. Gardner, **On Leadership**, The Free Press, New York, NY 1990.

4. Ensure that the residential life program receives adequate attention and resources.

At the risk of stating the obvious, the fundamental difference between boarding and day schools is the existence of a residential life program in the former. Yet, based on my visits of scores of boarding schools, I have concluded that far too many boarding schools are failing to take full advantage of the educational possibilities inherent in a residential setting. Unless you define and develop unique programs, I predict a continuing decline in the appeal of boarding schools when compared to the alternatives available at a host of high-quality independent day schools and public schools.

Virtually all of the adults in the community should be expected to play an important role in the non-academic life of the school. The youngest, least experienced faculty should not be expected to carry the burden of dormitory supervision. Living in the dorms and interacting with students outside of class should be an essential element of working at the boarding school, not a matter of “paying your dues” and then being excused from dorm work.

Increasing the influence of adults in the residence halls should be a prime goal. A well-defined residence life curriculum should ensure that all boarding students are receiving the information and support they need to prepare for successful adulthood, not just academic success.

The most attractive faculty housing options should be in the dorms. Also, the importance of providing a high-quality residential experience should be underscored by paying dorm parents a stipend that adds significantly to their compensation packages.

Your challenge, then, is how to structure a residential life program that will convince parents that the dorm experience will contribute as much or more to the development of their adolescent than what he or she might experience at home. A daunting, but not impossible challenge!

5. Develop unique academic programs and practices.

Superior preparation for college should be the starting point rather than the entire goal of the academic program. Recognizing that boarding schools must go beyond college preparation to compete successfully with public and independent day school options, these schools should develop niche programs and offer experiences not readily available in day schools. For example:

- a. A significantly longer school year, perhaps with a fourth-quarter immersion option at a boarding school in another country.
- b. A program designed to accommodate one or more kinds of student “specialists” – dedicated athletes or musicians, for example – who need special facilities or scheduling adjustments so that they can pursue both their education and their passion.
- c. Alternate curricular approaches such as portfolio-based assessment, experiential or service learning, team-taught signature courses, exhibition-based demonstrations of mastery, or interdisciplinary, research-oriented, or theme-based programs rather than a traditional, subject-based academic program.

- d. A program that helps students to develop personal profiles related to their particular learning styles, emotional intelligences, and other strengths and weaknesses, with the goal of helping them to be more productive students, workers, and participants in fulfilling adult relationships.
- e. The use of technology to share academic resources with a consortium of schools, expanding students' curricular options while avoiding the need to hire faculty to teach low-enrollment courses.
- f. "Sense-of-place" programs related to the school's geographic location.

6. Rethink the notion of affordability.

Why do schools think first about what they want to offer, rather than what their customers are willing to spend? What makes schools different from other organizations (except the government and other monopolies) is that they routinely engage in *cost*-based pricing, not price-based *costing*.

According to Drucker in his book, **Managing in a Time of Great Change**, "The only thing that works is price-driven costing. . . The only sound way to price is to start out with what the market is willing to pay . . . and design to that price specification."

In the early 1990s, the National Association of Independent Schools' *Briefing on Pricing and Affordability* put forth the notion that families could be expected to allocate 10 percent of their pre-tax income for independent school education. If that is true, the only families who theoretically can afford a school with a \$30,000 price tag are those with an income of \$300,000 – and then only if they are educating one child!

Given these figures, I chuckle when I hear folks from independent schools express concern that they are becoming too expensive for the "middle class." Let's face facts: The middle class cannot think about independent schools unless significant financial aid is available. Those marketing boarding schools must realize that the only families who can truly afford those schools are those in the top 1% of U.S. households in terms of family income. Given that, might not a wise strategy be to reduce costs – and tuition – to such an extent that the school would be affordable by the top 2% of families? If you were to do that, you would have – theoretically – doubled the size of your potential market.

Stringent cost-control measures should be imposed to ensure that programs and policies that jeopardize the school's financial health would not be undertaken without a compelling reason.

Such a stance would require schools to challenge some dearly held assumptions, including the belief that every reduction in class size results in the provision of a higher-quality education and the notion that a broad range of course offerings is necessarily preferable to a carefully constructed core curriculum with fewer choices.

Final Thoughts

Boarding schools cannot expect to reverse years of decline by responding in knee-jerk fashion to the multiple and often conflicting demands of the marketplace. Instead, they need to do a better job of defining and communicating their unique mission, of differentiating themselves programmatically, of communicating the benefits of a residential education, and of articulating those advantages to parents with compelling evidence to back up their claims.

The real world is changing far more rapidly than the boarding school world. I encourage you to respond, not by adding on or tinkering at the margins, but by undertaking a wide-ranging examination of your mission and how you prepare your students for the exciting challenges and opportunities they'll face.

To survive and thrive in this new educational marketplace, the Heads and trustees of small boarding schools must ensure that their schools:

1. Articulate a compelling reason for their existence – a unique educational product for which there is a genuine need in the marketplace;
2. Achieve excellence in the accomplishment of the core mission;
3. Engage in market-oriented, research-based strategic planning; and
4. Plan for long-term financial equilibrium and sustainability.

School leaders who accomplish these vital tasks will be well on their way to a new theory of the business that should serve their schools well.