Colleagues:

Some members of the community have expressed confusion or concern regarding recent administrative actions. This memorandum is intended to provide clarity concerning these issues.

We have referred to sustainability for quite some time, because multi-year financial projections provide abundant evidence that our business model is not viable, and will result ultimately in a succession of negative revenue years and a continuing downward financial spiral once these losses begin. Our objective within the strategic plan, to create an “enduring international resource,” is focused squarely on ensuring that we persist into the future, and that – unlike many small private colleges, including the object lesson of Windham College, which provides a cautionary example every time we walk on this campus – we intend to survive for generations, continuing to pursue our unique educational purpose and mission for decades to come. This will occur only if we have the fortitude to make difficult choices and to implement changes in the ways we conduct our activities, organize our operations, and provide our services to students.

Sustainable Organization

A sustainable organization is one with an aligning and inspiring mission, operating in ways that are powerfully effective and financially viable. It delivers on the promise inherent in its stated organizational mission and purpose, and it does so effectively and efficiently, without entropy or waste. It sets clear expectations for its professional community within a humanistic and motivating environment, and it works diligently to ensure it has the resources to fairly compensate and provide appropriate benefits and career growth to its professional community. It engages in regular, honest communication, establishes realistic plans, sets clear goals, and measures organizational and individual progress routinely, ensuring that accountability is built into its organizational practices.
The fact that Landmark College is admittedly not sustainable does not mean that we do not engage in these activities. It does mean that we have many challenges to address, and changes to make, in order to create a more effective and stable organization.

In a recent communication, President Katz indicated that we have made a commitment to the Board of Trustees to provide a conceptual model for a sustainable Landmark College at its November 2009 meeting. Significant information collection and analysis has been underway for some time, to establish clarity regarding such issues as work loading, divisional and departmental resource requirements and costs, compensation levels and associated equity structures, and the relative investments in various discrete activities across the College. As our accounting practices in the past did not include “cost centering,” a great deal of information collection and analysis has been required and needs scrutiny.

As many organizational systems and practices were built upon assumptions and strategic decisions made in the distant past, it has also been necessary to surface and document the rationales for various institutional structures, to ensure these structures and systems are rational and well understood – and to make certain that we possess a well-developed understanding of how things worked before we considered any necessary changes.

Recent Personnel Actions

As this information gathering and analysis has progressed, we have surfaced a number of practices and situations that are inherently unsustainable and cannot be defended. One of these issues is an insufficient amount of work to justify various full time positions. It became clear that in the past we “made work” or were willing to overlook the cost of various activities in relation to their outcomes, in order to avoid taking difficult and unpleasant actions – allowing these conditions to persist, often for years. More recently, beginning in the Advancement Office and then progressing into the education program, we have alerted some employees that we would not be renewing their work agreements. While this may represent a change in our customary practices, it must be noted that past practices like these have been a key factor in creating the unsustainable business model that threatens our continuing success as an organization. It has also created a financial dynamic that compels us to take other difficult actions, such as freezing wage and salary increases in the upcoming fiscal year, rather than pursuing our stated and sincere objective to establish competitive compensation practices that are benchmarked to our peer institutions.

These employee actions arose as a result of the information gathering and analysis associated with sustainability planning, and are certainly relevant to our sustainability. These employee actions do not meet the definition of a Reduction in Force, which would entail a wide-spread personnel reduction driven by financial exigency (as spelled out in the recently revised RIF policy and procedure). These employee actions are also not part of our contingency planning, which will detail various financial scenarios and the necessary actions that will be required should there be a significant shortfall in total enrollment, or some other significant financial downturn. Rather, these employee actions
represent careful resource management, balancing head count in relation to work load and measurable outcomes. Every effective and sustainable organization must operate in this manner. While it is truly unfortunate that this has impacted some members of our community, in every case, these actions were taken only after clear evidence that they were warranted and necessary, and were pursued with the full involvement of the Office of Human Resources to ensure they complied with our policies and procedures.

Sustainability Planning & Strategic Objectives

We have already created a complex, multi-year financial projection that details and integrates operating, strategic, and fundraising budgets. Sustainability efforts will favorably impact the operating projections and are intended to position us to maintain financial viability while pursuing our strategic objectives, which include providing resources that will directly benefit the professional community, such as professional development funding, competitive compensation, and other investments in employee resources. While some community members associate sustainability planning solely with cost cutting, it will actually include enhanced investments in various aspects of the College, most of which are detailed within the strategic plan. A high-level version of the strategic plan is currently before the Board and is expected to be approved soon. Once this is accomplished, we will adjust the detailed strategic plan accordingly and make it available to the internal community.

Summary

Higher education is currently in distress, with many venerable institutions forced to take dramatic actions that may hamper them strategically for decades. As a tuition-driven organization, we will avoid their fate only by working cooperatively to establish a sustainable structure that has the stability to weather short-term economic challenges, while effectively and efficiently delivering on the promise inherent in our stated organizational mission and purpose.

Shawn Harrington and I intend to attend Staff Council and Faculty Senate meetings for the balance of the semester, whenever we are available. We look forward to engaging in further dialogue about these and other issues with the larger community.