

THE ORGANISATION OF KNOWLEDGE:
IMPERATIVES FOR CONTINUITY AND
CHANGE IN HIGHER EDUCATION¹³

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The questions of what knowledge matters most, how should it be organised and supported, and who should decide are at the core of higher education reform. In teaching and research activities, higher education has served society by preserving, transmitting, and advancing knowledge. These diverse knowledge functions have been the *raison d'être* and foremost justification for a myriad of public and private funding, even prior to higher education's worldwide expansion during the 20th century. In practice, the pursuit of these knowledge functions is imbued with ambiguity for those who are responsible for determining the appropriate academic structures and practices to realise these purposes.

In shaping the academic landscape, a perennial challenge for academic organisations is to sustain their commitments to enduring fields, while keeping pace with – perhaps even leading the way to – knowledge advancements. In a context of abundant resources, additive solutions have been commonplace. Rather than choose between subjects that align with one of these two sets of priorities, one has the option of investing in both. Under conditions of resource constraint, however, the imperatives for continuity and for change in the academic structure become competing priorities, with unclear operating principles. Such conditions exacerbate divergent views over higher education's primary purposes, including which adaptations are necessary for higher education to maintain its vitality and centrality in society.

The difficulties for higher education leaders in responding to conditions of resource constraint became readily apparent during the last quarter of the 20th century in the United States. Public higher education, in particular, faced waves of constrained funding symptomatic of broader political economic pressures. An unprecedented mix of external forces turned the spotlight on higher education institutions, amplified accountability demands, and raised the stakes for the very legitimacy of the enterprise in the eyes of society. Declining public confidence along with policy-

¹³ Adapted from Gumpert (2000 and 2001).

makers' scrutiny of higher education's costs, quality, and governance practices – all conveyed to higher education leaders that sufficient public funding was no longer assured. The mandate for change was clear: higher education needed to adapt its academic practices, both to become more efficient and to meet the short-term utilitarian interests of students, employers, and various state actors. The dominant ideology favoured the pragmatic over the idealistic. The extent to which higher education could demonstrate its willingness and ability to restructure trumped the long-held institutional expectations of preserving academic subjects.

From extensive case study research on academic restructuring in the U.S., I argue that the cumulative effects of these changes are far-reaching. Before elaborating on this thesis, I locate my research within key themes developed in Maurice Kogan's work on higher education reform.

A COMPLEX INTERDEPENDENCE

My approach to studying these changes focuses on the intersection of knowledge, organisations, and environments. Kogan's work has been generative in this regard, particularly in identifying a complex interdependence between environmental pressures and changing conceptions of higher education's purposes and knowledge agendas.

Kogan's theoretical work is distinctive in spanning political theory, public policy, and organisational theory. Kogan uses empirical evidence to scrutinise widely accepted conceptualisations and then elaborate upon those most fruitful. His substantive contributions illuminate structural and normative changes in higher education systems during the last several decades of the 20th century. Refuting a model of simple causation, such as top-down public policy, Kogan has depicted how actors at several levels – with the institutions themselves – have exerted agency amid state forces and specific reform policies. Therein he locates an ongoing interdependence between governance, values, and knowledge (Kogan et al., 2000). A prominent theme in Kogan's work is how expanding student enrolments in higher education constituted both a context and a consequence of policy change. He states:

Whilst expansion, fuelled by increased student demand, was a dominant factor in causing change, it pulled into more rigorous public policies a domain that had hitherto been trusted to do good by doing what it thought to be good. The demystifying of academic work, and reduced confidence in professional groups in society as a whole, went along with increased numbers and severely cut units of resource (Kogan and Hanney, 2000: 15).

The expansion of higher education rendered it more vulnerable to a powerful mix of ideological orientations that were already gaining momentum. Institutional auton-

omy was effectively displaced by prescriptions driven by a faith in market forces that prized competition and privatisation, tightening governmental accountability mechanisms, and extending economic instrumentalism into the content of teaching and research activities. The increased size, complexity, and costs of higher education intensified state and public scrutiny, which in turn dramatically affected the inner workings of higher education systems.

What I find particularly valuable in Kogan's analyses is the way he casts the cumulative consequences as, among other things, redefining the parameters for higher education's knowledge functions to align more closely with the needs of the economy. I pursue this theme in my study of academic restructuring in the United States to show how the wider forces that constrained institutional autonomy simultaneously changed the prospects both for existing academic subjects and for new knowledge (Gumport, 1997; 2000; and forthcoming). Kogan's major analytical accomplishment in this regard is twofold: he characterises how the external pressures on higher education to change teaching (curriculum) and research (R & D) emphases threatened to undermine the authority and legitimacy of "academically-anchored knowledge" (Kogan and Hanney, 2000: e.g.58); and he links this process to the decline in the status of academics, underway since the 1970s as part of a broader anti-professional ideology.

My case study research on academic restructuring during the last quarter of the 20th century in the United States has borne out Kogan's views on these political and economic exigencies: higher education's responses have been varied but profound. For the most part, administrators and faculty no longer have the option of widespread additive solutions such as their predecessors enjoyed. Even though there is talk about a knowledge explosion, and the prevailing image of knowledge change on many campuses is still one of expansion, academic fields are differentially valued and resourced. Organisations selectively invest in new areas to align with projected student demand, employer needs, and currency in today's marketplace; and conversely, consolidate academic programs and departments deemed to have insufficient centrality, quality, or cost-effectiveness (Gumport, 1993). In the corresponding governance dynamic, centralised strategic initiatives tend to bypass representative forums of faculty governance. Moreover, the faculty workforce itself has been reconstituted: as faculty vacancies arise, those full-time tenure-line positions may be replaced with fixed-term or part-time appointments, or simply eliminated. The tenure-line academic workforce becomes smaller, eroding institutional memory and weakening the faculty voice in deliberations over alternative responses to political and economic exigencies.

I concur with Kogan that the implications of such shifts are far-reaching. The tensions in intermingling long-held academic commitments with wider economic and political pressures signify that deliberations over reorganising academic units

will likely be ongoing. My research in the United States also raises the question of whether higher education will lose legitimacy in moving away from its accumulated heritage as an educational institution. At the campus level, the spotlight is on officials to respond strategically. In an era when market forces and a competitive ethos have reached an unprecedented level of legitimacy, campus leaders are compelled to set related short-term imperatives above longstanding mandates to serve society's vital educational and social justice needs. Higher education's adaptation to unrelenting pressures from policymakers, employers, and prospective students has prompted discussion of whether higher education has lost the ability to define the terms of the academic enterprise. While some adaptation seems necessary in order to survive, a wholesale adaptation could reduce public higher education to a mere sector of the economy, thereby subsuming the discourse about higher education's future within a logic of economic rationality, to the detriment of the educational legacies and democratic interests that have long characterised American education.

The remainder of this chapter expands upon my thesis. I focus on the interplay between external pressures and the forces already in play within U.S. higher education institutions: the expansion of administrative authority; the spread of a consumer orientation; and the stratification of academic subjects. I argue that, cumulatively, these have redefined the dominant legitimating idea of public higher education, which has shifted in the collective conception from a social institution to an industry, with profound implications for what knowledge is valued and who should decide.

THE LEGITIMATING IDEA OF PUBLIC HIGHER EDUCATION

Over the past 25 years, academic knowledge in U.S. public colleges and universities has been reorganised along a utilitarian trajectory such that historically, at the macro level, the dominant legitimating idea of public higher education has shifted away from higher education as a social institution, to higher education as an industry.

At the macro societal level, a legitimating idea is constituted by taken-for-granted understandings of the parameters for what is legitimate; that is, what is expected, appropriate, and sacred, as well as the converse. In higher education, both legitimating ideas of higher education – as a social institution, and as an industry – have distinct premises regarding what is valued, what is problematic, and what is in need of improvement in public higher education. Simply stated, from the perspective of higher education as an industry, public colleges and universities are seen principally as a sector of the economy. As with firms or businesses, the root metaphor then becomes a corporate model of production that includes producing and selling goods and services, training the workforce, advancing economic development, and performing research. Harsh economic challenges and competitive market pressures

warrant better management, including swift programmatic adjustment, maximum flexibility, and improved efficiency in the direction of greater accountability and thus customer satisfaction. Emphasis is placed on maximising one's competitive position and seeking opportunities to be out in front. In contrast, from the perspective of higher education as a social institution, public colleges and universities by definition must serve a broader range of societal needs; these include workforce training and economic development, but also foreground such essential educational commitments as preserving knowledge (and its pursuit) as a public good, cultivating citizenship, transmitting cultural heritage(s), and forming individual character and habits of mind. The value of such educational aims and practices does not lend itself to cost-benefit analyses. Fostering imagination and creativity as well as character and public responsibility – these are long-term pursuits irreducible to tangible or parsimonious outcome measures.

The tension between these two legitimating ideas is profound. It is not simply that the social institution idea connotes a multiplicity of purposes while the industry idea is a narrower set of priorities to be pursued in a more focused manner. The tension is captured in what is at stake for higher education if it fails to respond appropriately. The industry perspective is dominated by a concern that higher education's inability or unwillingness to adapt to contemporary demands will result in a loss of centrality to society and perhaps ultimately a loss of viability. In fact, there are widely cited proclamations that higher education – in the United States – has already lost the ability to judge itself (Zemsky and Massy, 1990; Neave and van Vught, 1991; Dill and Sporn, 1995; Gumpert and Pusser, 1999). In contrast, the social institution perspective is dominated by a concern that adaptation to market forces and to a competitive ethos gives primacy to short-term demands to the detriment of a wider range of educational responsibilities and knowledge pursuits, thereby jeopardising the long-term public interest.

Higher education as an industry

The conception of higher education as an industry primarily sees public colleges and universities as quasi-corporate entities producing a wide range of goods and services in a competitive marketplace. A research university may be thought of as offering a widely diverse product line, as in the post-World War II "multiversity," the term coined by Clark Kerr (1963). An entire state's public system of higher education may be seen as offering an even more diverse range of goods and services with segments differentiated by mission. Community colleges offer degrees, or one course at a time in many fields, to people of all ages. The universities offer many courses and levels of degrees across hundreds of fields of study; profess to serve

national, state, and local economic needs; and sell entertainment in sporting and cultural events to the local community.

According to microeconomic theory, organisations are ideally managed based upon values of economic rationality. The main services of teaching and research are variously supplied and priced to correspond to laws of supply and demand. Students, parents, state legislatures, employers, and research funders are seen as customers who conceive of themselves as purchasing a product or procuring services. Particular customers have different tastes and preferences. Other people, such as faculty employed by the organisation, are presumed to participate out of calculative involvement. As such, they can be motivated to greater productivity through incentives and sanctions. Major obstacles to maintaining the organisation's viability include: fixed costs and inefficiencies; competition and oversupply; uncertainty and imperfect information. Guiding principles for the organisation's managers are to know its liabilities and assets, to anticipate costs and benefits, to enhance efficiency and flexibility, and – as realised in the contemporary quality movement – to increase customer satisfaction. To be successful entails a willingness to take risks and an ambition to be out in front by envisioning what is just beyond the horizon.

The insights of this “industry” perspective focus on the harsh realities of market forces and the urgency of doing what is required to stay competitive, be it planning strategically, scanning environments, attempting to contain or cut costs, correcting inefficiencies, or whatever it takes to maximise flexibility. Adjustments include changing product lines, substituting technology for labour, and reducing fixed costs through such means as outsourcing and privatising, as well as increasing the proportion of part-time and temporary personnel. Doing nothing is not an option. Such imperatives were popularised in the reengineering movement during the 1990s, catapulted by variations on Hammer and Champy (1993), whose work – along with other writings on reengineering in private companies – was adapted by U.S. higher education discourse as a rationale for moving beyond retrenchment to organisational restructuring.

Within this conceptualisation, higher education can be viewed as having not just one major marketplace, as determined by type of student served, geographic location, or degrees granted. Instead, we can see several markets at work – not only for obtaining students, but for placing graduates, hiring and retaining faculty, obtaining research funding, establishing collaboration with industry and other organisations, maintaining endowments, sustaining and extending alumni giving and other fundraising sources, and so on.

Managers read each market for constraints and opportunities relevant to the viability of their niche; if this is done well, a higher education organisation can position itself competitively, capitalise on untapped demand, and supply the educational product at a higher price. Adding an academic program can position the college or

university to attract new and higher paying customers, thereby increasing revenue. In this sense, programmatic changes can be seen as prudent market corrections.

All of this should sound quite familiar to observers of contemporary higher education management, where corporate metaphors of production and a competitive ethos in multiple marketplaces are omnipresent. Knowing one's resources, comparative advantage, and strategic alternatives has become standard in the U.S. and increasingly in Europe.¹⁴ Of course, public higher education diverges from the corporate model in that the market is regulated through public subsidies, restrictions in pricing, approved degree offerings, and prescribed admissions standards. Yet the industry perspective and its dominant corporate metaphor have pervasive resilience, due in part to their parsimony, to today's uncritical acceptance of business and economic rhetoric, to the declining proportion of public funding in total revenue, and to the very real complexity of today's campus operations.¹⁵

This conception of higher education has consequences. In the industry formulation, attention is not focused on the educational, normative, and societal costs incurred from short-sighted adaptation to market forces. Nor are provisions made for preserving public goods that exceed the market's reach.

Higher education as a social institution

The rising dominance of the above conception, its implicit metaphors and attendant discourses, has been so powerful that in some academic settings, the legitimating idea of higher education as a social institution has been gradually displaced.¹⁶

A social institution may be seen as an organised activity that maintains, reproduces, or adapts itself to implement values that have been widely held and firmly structured by the society. According to Turner (1997), human history is characterised by the evolution of social institutions, relatively stable and conservative in norms, structures, and general standards of good/bad, appropriate/inappropriate, worthy/unworthy, and other evaluative criteria for behaviour. Over time, as institutions change, they do so in relation to one another. For example, key functions such

¹⁴ Over the past two decades there has been a steady stream of publications in higher education that either diagnose or prescribe the utility of business concepts, such as strategy. (See, for example, Keller, 1983; Chaffee, 1985; Hearn, 1988; Hardy, 1990; Cameron and Tschirhart, 1992; Massy, 1996; Clark, 1998).

¹⁵ See Duderstadt's (1995) characterization of "the University of Michigan, Inc.," which with an annual budget of over \$2.5 billion would rank roughly 200th on the list of Fortune 500 companies.

¹⁶ In other academic settings, the two conceptions may coexist side by side, to varying degrees of harmony and conflict. The circumstances of each I elaborate on in my case study research (Gumport, forthcoming).

as childcare have moved out of the family into workplace and educational settings. Turner is among those who argue that social institutions, while inherently interdependent, have been in a process of ongoing differentiation, with far-reaching consequences – including the further challenges to organic solidarity that Durkheim so powerfully depicted.

Thus through the lens of “social institution” we see educational organisations devoted to a wide array of social functions that have expanded over time: developing individual learning and human capital, socialising citizens and cultivating political sensibilities, preserving knowledge and cultural heritage(s), and fostering other legitimate pursuits for the nation-state. In the U.S. in the decades following World War II, higher education not only expanded in student enrolments and the number and size of institutions, but as a social institution, higher education dramatically diversified in activities regarded as its legitimate province. In addition to traditional functions, higher education became a venue for: educating the masses in less selective settings, providing remedial education and English as a Second Language for immigrants, advancing knowledge through applied and commercially viable research, contributing to economic development by employing and retraining workers for a changing economy, and unabashedly collaborating with industry. These shifts in societal imperatives reshaped expectations for higher education and redefined what activities are or are not recognised as “higher education.” Such expectations continue to be reconstituted over time, tantamount to reinterpreting higher education’s social charter.

An additional dimension of the historical proposition warrants consideration. As an enduring social institution, public higher education is interdependent with other social institutions – not only with other levels of education, but also with the family, government, industry, religion, and popular culture. Turner argues that society has expected education to take on human capital, political legitimation, and socialisation functions (1997: 258-59). His thesis lends great insight to understanding the proliferation of expectations for higher education as a social institution during this historical period. In one sense, these expanded purposes can be seen as aligning with higher education’s expanded enrolments, and we might deduce that higher education became more functionally embedded in society.

While the expanded mandate to serve more of society may seem promising initially, the weight of these additional expectations may also have increased the likelihood that higher education could not do all of them well, especially under conditions of resource constraint. Looked at from a political economic rather than a functionalist perspective, such expanded expectations may subject higher education to unprecedented levels of scrutiny and ideological pressures in the policy context, as Kogan has proposed in his analyses. From either angle, the fate of higher education is not assured: for just as higher education is asked to do more for society, its re-

sources are threatened and its autonomy is undermined. The result is a *de facto* narrowing of the institutional and individual academic commitments that count as most worthwhile. For example, within corporate metaphors of production, no rationale provides for higher education as a place for dissent and unpopular ideas, for creativity and the life of the mind, for the irrelevant or unvalued, except as inefficiencies likely to be deemed wasteful or unaffordable.

Just as the legitimating idea of higher education as an industry carries powerful connotative metaphors, so the formulation “social institution” wields potent associations.¹⁷ As Bellah et al (1991:11) explain, in our thinking we often neglect “the power of institutions as well as their great possibilities for good and evil”; for the process of creating and recreating institutions “is never neutral, but always ethical and political.” For example, speaking of alternatives in a language of trade-offs (such as trade-offs between health care, prisons, higher education, or other public goods) “...is inadequate for it suggests that the problems are merely technical, when we need a richer moral discourse with which to conduct public discussion...” (26). Heeding Bellah et al’s admonishment, conceptualising higher education as fundamentally a social institution invokes the moral context and consequences.

For, as the above should make clear, not only are contemporary public universities and colleges being reshaped by their environments, but the very discourse about those changes and challenges itself plays a significant role in the reshaping. The framework of higher education as a social institution focuses on societal needs – construed broadly, short-term, and long-term. Its conceptual anchor is to interpret the changing nature of the social charter between higher education and society, which is not only dynamic but reflects a multiplicity of rights and responsibilities. Through the lens of the social charter, one must ask how well higher education is fulfilling its responsibilities and meeting societal expectations for educating citizens and workers, among its other functions. The question must also be raised from the other side: to what extent society is fulfilling *its* responsibilities – in continuing public investment to sustain higher education’s institutional capacity, in trusting professional authority, and in protecting campuses for their unique societal functions as places that foster critical thinking, creativity, and even social dissent. As participants and observers of the higher education enterprise wrestle with these questions as to

¹⁷ It is essential to note that the terms “institution” and “organization” do not have the same meaning, even though they are often used interchangeably in higher education. While colleges and universities are frequently referred to as organizations, the use of the term “institution” is commonly intended as a synonym, often used casually to refer to organization-wide constructs such as institutional leadership, decisions, or policies. When used in a theoretical context, the term “institution” sends a clear signal to those familiar with sociology and institutional theory that the referent both includes the organization and extends to the larger arena of institutional dynamics transcending the organization.

how well public interests are being served, it becomes clear that, often, actors position themselves as speaking on behalf of those public interests, when other interests may be at work. When policymakers speak, it is not clear whether they are speaking for national, state or local interests; or for their political or individual interests. When employers speak, it is not clear whether they are speaking for their company, their industry, their employees, or for their own professional interests. When college presidents speak, it is not clear whether they are speaking on behalf of the public interest, their sector's interest, their organisation's interest, or their own managerial interests. So, in this arena, we see that the public interest is neither clearly defined nor unified. Further, an array of public and private interests is increasingly represented not only as compatible but as convergent, with little to no inspection of the veracity of that claim. And again, the framework of higher education as a social institution, as a partner in the social charter, is itself transformed by such discourse.

CONVERGING MECHANISMS

Higher education as an industry became a dominant legitimating idea during the last quarter of the 20th century through an unprecedented mix of external pressures, propelling three major forces already underway within U.S. higher education institutions: expanding administrative authority; a spreading consumer orientation; and increasing stratification of academic subjects.

a) Academic management

Since the 1970s, universities and colleges of all types have shown signs of expanded administrative structures and – as information systems became more elaborate – more centralised administrative authority embedded in those positions.

The momentum for expansion in the number, authority, and professionalism of academic managers was galvanised by the ideology inherent in management science and organisational adaptation. The core premises of these literatures position campus leaders and key administrators as managers who diagnose and prescribe organisational well being. The rationale is simple: organisations can and do adapt, and organisational survival is dependent upon the ability of the organisation to respond to its environment, which is characterised as dynamic and thus uncertain and potentially threatening. Among other responsibilities, managers monitor the organisation-environment interface, determine appropriate strategies, and develop effective bridging and buffering mechanisms.

Applying this rationale to the academic enterprise, campus leaders attend to both resources and resource relationships. Managing resources – their acquisition, maintenance, and internal allocation – and managing resource relationships between the

organisation and its environment become key organisational practices to position their organisations for survival (Gumpert and Sporn, 1999). Prominent examples include: monitoring vulnerabilities of resource dependence, trying to reduce existing dependencies, and meeting expectations for compliance. To monitor vulnerabilities from environmental turbulence, campus managers attend to forecasting enrolment changes, to shifts in state appropriations, and to how such changes are handled by their peer institutions. To cultivate new resources to reduce existing dependencies, public universities and colleges devise strategies to generate revenue for the organisation – whether to improve public relations with the state legislature, seek out new student markets, find new sources for research funding, step up efforts for alumni giving, or cultivate new sources of private revenue. These managerial prerogatives have gained currency in the contemporary era as dependence on state appropriations has created serious challenges.

Managers also ensure compliance with demands from a number of sources, some of which are expensive for the organisation. Health and safety regulations abound, for example, as both public and private universities well know. With the most recent wave of accountability required in operations and in educational functions, mandates are often tied to essential state and national funding. Initiatives monitor faculty productivity as well as student learning outcomes. One study documented that approximately half the states in the U.S. have already instituted some type of performance-based funding, with twenty additional states anticipating doing so in the near future (Burke and Serban, 1998).

Managing these challenges positions higher education administrators in the central mediating role of determining the potential costs and benefits of any course of action (or non-action). They function as interpreters for the rest of the organisation, addressing such key concerns as: Who are the constituencies from whom the organisation is seeking legitimacy, and what do they want? What are successful peer institutions doing? Can some demands be responded to symbolically or minimally? Managers can have powerful effect in securing a sense of stability as the organisation navigates through uncertain and turbulent times.

In positioning higher education managers in an expanded role, with such broad authority, a key premise warrants careful scrutiny – that they are appropriately and effectively positioned to act for the organisation. This premise is questionable. The need to manage resources and resource relationships and to reduce resource dependence provides a compelling post-hoc rationale for an expanded managerial domain to select among academic priorities, make the case to eliminate or downsize academic programs, and determine the academic workforce and its characteristics (e.g., full-time vs. part-time, courseloads, etc.). Critics of expanding managerial authority have suggested that environmental conditions should not pre-determine such academic restructuring. Rhoades and Slaughter (1997:33) argue: “The structural pat-

terns we describe are not just inexorable external developments to which colleges and universities are subject and doomed... The academy itself daily enacts and expresses social relations of capitalism and heightened managerial control grounded in a neo-conservative discourse." This makes explicit a mechanism that has helped an industry discourse to displace an institutional discourse that had previously justified a full range of knowledge areas supported for reasons other than their anticipated human capital or market value.

b) Academic consumerism

A second mechanism contributing to the legitimating idea of public higher education as an industry is the rise of academic consumerism, which emerged after the post-World War II decades of massification and its attendant democratic gains. The conceptual shift elevates consumer interests to paramount consideration in restructuring academic programs and reengineering academic services – over the more diffuse mandate to serve society by providing education, cultivating citizenship, and other liberal education ideals.

When considering whom public universities and colleges serve, several types of consumers come to mind: taxpayers, employers, research funders, and students. However, we most commonly think of the student-as-consumer in public higher education, and particularly the student as potential or current employee seeking workforce training or economic security. The rise of academic consumerism in the contemporary era has been accelerated by four essential presumptions, each in its own way problematic.

First, the student-consumer is presumed to be capable of informed choice, with the ability to pay (Readings 1996). To view prospective students as prospective buyers conjures up images of the smartest shoppers among them perusing *Consumer Reports*, as when considering the purchase of an automobile or major household appliance. The premise is that the intelligent consumer will select that which has the best value for the money. In practice, the U. S. higher education system has no such institutional performance data available. Institutions themselves vociferously resist such attempts, even as they pay close attention to their standings in the widely cited *US News and World Report* rankings.

A second, related presumption is that the enrolled student-consumer has chosen to attend that particular college or university. Thus, a student chooses to enrol at a community college to maximise his or her utility, rather than as a result of socialisation, truncated aspirations, socio-economic barriers, or a discriminatory culture.

Third, enrolled students-consumers are "...encouraged to think of themselves as consumers of services rather than as members of a community," as Readings (1996: 11) insightfully observes. The basis for exchange is the delivery of an academic ser-

vice (e.g., lecture, course, piece of advice). This conception of students drastically reduces the potential richness of teaching and learning relationships, mentoring and sponsorship, and students forging meaningful bonds with their peers.

Fourth, consumer taste and satisfaction become elevated to new heights in the minds of those responsible for designing academic services and programs. The translation of this presumption into practice can be seen in vocationalising academic programs with as little consideration as changing the time that courses are offered, or rushing to establish them on-line. The academic quality movement also places a premium on customer satisfaction. While attention to student needs and preferences is by no means inherently misguided, *reducing* students to consumers in this way, and prioritising consumer interests in academic restructuring, may make consumer taste rather than professional expertise the basis for legitimate change in public higher education.

The consumer orientation is also evident in the perspective of some states, as they come to view their relationship to public higher education as procurement of services rather than as a long-term investment. Academic consumerism may increasingly dictate the character of the academic enterprise, as public colleges and universities cater to the desires of the state or the individual (shortsighted though they may be). While such interests should arguably play a role in determining some academic offerings, the concern is over what happens if they become the dominant determinant, thereby further displacing faculty authority and educational legacies.

c) Academic stratification

Academic subjects and academic personnel have been re-stratified based upon the increased use-value of particular knowledge in the wider society and its exchange-value in certain markets. The increased use-value of knowledge is evident in both the culture of ideas and the commerce of ideas, defining features at the heart of post-industrial society (Bartley, 1990; Drucker, 1993; Gibbons et al., 1994; Slaughter and Leslie, 1997). The culture of ideas acknowledges an accumulated heritage of knowledge accepted by society, sometimes seen as a storehouse or stock of knowledge with shared understandings and values. From this perspective, public colleges and universities may be seen as social organizations of knowledge that contribute to society in the Durkheimian sense of integration. However, the commerce of ideas spotlights the creation and distribution of ideas in what is now referred to as “the knowledge economy,” and the growing exchange-value of knowledge in specific markets. From this perspective, public colleges and universities – particularly research universities – may also be seen as competitors in the commercial activities of publications and copyrights, patents and licenses, positioning themselves and the nation for global competitiveness. Such knowledge activities have, on some campuses, come

to be seen as essential – even as core – pursuits of public colleges and universities. (Moreover, this is quite compatible with the revenue-generating aspirations of academic managers, as discussed above.) This idea arises from understanding higher education primarily as a knowledge-processing system. This contrasts with the conventional view characterising higher education as a people-processing system in which goals, structures, and outcomes support students' undergoing personality development, learning skills, and acquiring credentials that may enable upward mobility.

An instrumental orientation toward academic knowledge also seems widespread in the contemporary era – what Kogan refers to as “economic instrumentalism.” The notions of knowledge as a public good seem increasingly unsustainable in a context where academic subjects and knowledge workers are not buffered from market forces. Given the realities of complex organisations, where resource acquisition and status considerations abound, these developments also have consequences for the stratified social order on campuses. Academic knowledge areas require capital for fuel and the promise of future resources for sustained legitimacy. The salience of these requirements cannot be overstated, such that today's knowledge creation and management may be interpreted as increasingly dominated by a proprietary ethic in the spirit of advanced capitalism. This characterisation may be problematic insofar as it uses the corporate metaphor to talk about higher education in terms of entrepreneurial dynamics that help a campus sustain its inventory and pursue its core competencies. Nevertheless, in the present era, the resource requirements of creating, sustaining, and extending knowledge activities figure prominently in campus deliberations over what academically is worthy of support.

As an illustration, consider the ways in which state governments conceptualise public higher education as services to procure. Particularly in the past fifteen years, we see evidence of a willingness to support (i.e. allocate financial resources to) public universities to procure teaching (and where applicable, research) services. This procurement orientation suggests an underlying production function approach, where higher education is valued for its instrumental contributions vis-à-vis preparing and retraining individuals for work and applying useful knowledge to social and economic needs, rather than an approach where all fields of study have inherent worth. In this sense, the context quite directly shapes what knowledge is considered to have value for instruction, research, or service. Conversely, the context neglects – or perhaps actively dismantles – those areas not valued. In this way, the context alters the academic landscape and its knowledge areas.¹⁸

¹⁸ Public universities themselves come to internalize this conception (e.g., see NASULGC 1997).

Selection processes are also at work as higher education managers reshape the academic landscape according to demands. Thus, what has come to count as knowledge has not simply unfolded or evolved out of existing areas, but has resulted in part from the differential valuing and resourcing of academic units competing for epistemological, organisational, and physical space. Priorities are identified; particular units are constructed as failing to pull their weight, obsolete, or unaffordable, and are targeted for downsizing and elimination. Small humanities programs, for example, have been consolidated and, on some campuses, have lost resources and status. The role of countervailing forces bears consideration in this challenging question: what if student demand becomes too small to support those subjects still considered to be core by those with vested interests, whether internal or external to higher education? The fate of the foreign languages in the United States, for instance, suggests an even more complex mix of forces at work and thus an unclear trajectory: on some campuses foreign languages are being consolidated, despite widespread recognition of their economic instrumentalism and salience given global interdependence.

Similarly, the discourse of restructuring for selective reinvestment on campuses is a marked departure from comprehensive field coverage, and directly parallels the discussion about maximising one's comparative advantage that dominates corporate approaches. In contrast, the histories of many U.S. public colleges and universities suggest that they were established with the ideal of openness to all knowledge, regardless of immediate applications and relevance. It was assumed that access to the full range of knowledge is desirable, and that higher education is the appropriate gateway to that reservoir. However, now that comprehensiveness is not considered a widespread option, academic reorganisation is cast as a set of budget issues and a management problem, albeit with educational implications. Such restructuring limits the scope of academic knowledge that students are offered on any given campus – and longer-range, risks further stratifying who learns what (Bastedo and Gumpert, 2003, Gumpert, forthcoming).

It remains to be seen whether campuses will become increasingly divided by initiatives such as responsibility-centred budgeting and the pursuit of selective excellence, where a paramount consideration is the revenue-generating capability of discrete academic units and their proximity to thriving industries, such as software and microelectronics. The longer-range consequences, of course, are not just organisational but institutional – that is, for higher education as a social institution. As knowledge is seen as a source of wealth, it is increasingly constructed as a private good rather than a public good. The commodification of knowledge proceeds alongside negotiations over the ownership of knowledge, and is refined in policies for intellectual property rights. Market-consciousness of knowledge outputs and property rights is bound to constrain teaching and research, and perhaps even thinking, in public higher education.

CONCLUSION: MANAGING FOR LEGITIMACY

The cumulative effect of these changes has thus been to displace the dominant legitimating idea of public higher education as a social institution and to lend momentum to the notion of higher education as an industry, with profound implications for what knowledge is valued and who should decide. One consequence of these converging forces is that the managers of public higher education institutions face formidable legitimacy challenges, where it is exceedingly difficult to achieve both strategic and institutional legitimacy. The tensions are evident in academic restructuring dynamics on different types of campuses.

The central balancing act in contemporary academic restructuring is to respond adequately to seemingly irreconcilable expectations, where gain in one dimension means loss in another. For example, achieving strategic positioning in new knowledge markets may yield immediate gains for a campus in generating resources, but at the cost of its institutional legitimacy, core purposes, and values, such that it is no longer recognisable and identified as the entity that it wanted to be. Alternatively, a campus could have all the legitimacy it can muster and no revenue, and thereby go out of business. Particularly for public colleges and universities, repositioning with respect to contemporary environmental demands is difficult – not only in terms of reconciling conflicting demands, but also in the extent to which the organisation can respond to demands that threaten its survival.

The question of whether or not the organisation *can* respond should be preceded by the question of whether or not it *should* respond to short-term demands linked to the resources on which it depends, for – again – an entirely different kind of organisation may result. For example, a local community college and a liberal arts college may face demands to offer more vocationally oriented programs, including electronic access through expanded distance learning programs. It is prudent for the community college to do so given that nationwide, community colleges perceived to be cutting-edge are offering such programs, advertising through relevant media that they can enthusiastically and swiftly accommodate these demands. For the liberal arts college, however, the path is not clear. While some liberal arts colleges may come to add professional or vocationally oriented programs, the bulk of the academic program cannot shift too far afield from its institutional charter to provide liberal education. In fact, the institutional unwillingness to offer such programs may earn it greater legitimacy within a smaller elite niche, for holding steadfast to its commitment to distinctive core values. In this situation, it would be prudent to see what its peer institutions are doing, in particular its most successful peers.

However, managing legitimacy challenges cannot be reduced to a simple calculation or weighing of discrete trade-offs. Acknowledging public higher education's institutional legacies, the full range of expectations must be considered, along with their moral import. Consider, for example, the commonly cited array of demands on

public higher education: to reduce or contain costs, to improve teaching and learning, to remain technologically cutting-edge, and to expand access. The demand to reduce or cut costs can be achieved in several ways – by streamlining, disciplining budgets, eliminating programs that are not cost-effective, divesting of expensive ventures, or by economies of scale. Improvement of teaching and learning may be achieved by reducing class size, providing more faculty attention to individual students, obtaining more state-of-the-art equipment, or enhancing learning environments. Similarly, upgrading technology may entail major overhauls of the institutional infrastructure and of access to information systems, in addition to providing students and faculty with the training to use it. Finally, expanding access may involve admitting students who are academically underprepared and in need of expanded and extensive remedial programs across subject matters. Accomplishing any one of these four would be an outstanding feat, while achieving any two in a resource-constrained environment is unlikely. The demands in themselves are not at cross-purposes, but the strategies for responding to them may be in conflict under conditions of resource constraint.

Thus, the challenge for public higher education's leaders in the U.S. is to invite collective deliberation over appropriate responses – not only at the campus level, but at state and national levels as well. And the challenge for the rest of us is to participate actively and critically in these determinations. Given the decentralised structure of U.S. higher education, few forums exist for such purposeful discussion of the cumulative impact of local academic restructuring. Considering the nature and direction of change in higher education, consensus holds that the locus of academic reform, if not control, has moved beyond local campus settings.

Not only have economic and political demands proliferated, but satisfying them all is ultimately elusive – due either to the prohibitive cost or to the irreconcilability of conflicting mandates. Besides cutting costs, improving access, and enhancing quality, campuses are expected to embrace new information and communications technologies that are in themselves costly and unproven. Moreover, the accountability climate has in effect squeezed public higher education into a vice, even as various legislative and state actors have taken it upon themselves to dissect the enterprise, inspecting slices of academic life/work/teaching/learning under a microscope. The assessment paradigm has an apparently unlimited reach, imposing an institutional and individual performance metric on every aspect of higher education, with profound consequences for the academic workplace (Gumport, 1997; Rhoades and Slaughter, 1997). (This trend is also evident in Europe (Neave and van Vught, 1991; Dill and Sporn, 1995)).

What Kerr (1987: 184) calls the “confrontation” between the past and the future is characterised by a profound tension, a simultaneous call for protection and for redefinition. How can higher education protect its legacy, including decades of pub-

lic investment in an enterprise whose strengths must not be diluted or deteriorated for short-term market demands? On the other hand: how can higher education redefine itself to attend to the signals of those it is supposed to serve? Several observers of contemporary calls for change share Kerr's observation that this historical moment is a defining one for higher education, perhaps as significant as the late 19th century transformations (Clark, 1998; Marchese, 1998; Readings, 1996).

In the process of rapidly assimilating concepts from corporate approaches, bolstered by concepts from management science, contemporary public colleges and universities risk losing sight of the historical reality that they are more than organisations *per se*, and that prescriptions for their management must not be reduced to general organisational imperatives. Unfettered organisational imperatives have the potential to run wild in public colleges and universities – free of content, history, and values, disregarding their accumulated heritage as particular types of social institutions, traditionally within yet not entirely *of* society, with educational legacies grounded in the centrality of knowledge and democratic values. To guard against this, I suggest that contemporary academic restructuring be viewed not only as organisational change but also as institutional change. And as such, we need to pause and reflect on the cumulative record of the recent past.

We are witnessing a reshaping of the institutional purposes of public higher education: in its people-processing activities as well as its knowledge processing. The change entails not only what knowledge is deemed worthy, but also who has access to it and ownership of it. In deviating from accumulated heritage, questions of moral import arise. For example, should public colleges and universities primarily serve the needs of the economy? If so, will core educational and socialisation functions be redistributed among other social institutions – such as the family, religion, or the media – that already serve in part to fulfil some of these functions? Can public universities sustain knowledge creation, production, and transmission as compatible activities? Or will each set of activities become privatised in their respective ways? Who will judge the academic worth of specific subjects – faculty, students, state legislators, employers? I raise these issues in the spirit of considering unintended consequences in a Mertonian sense, and for the purpose of reflecting upon the cumulative impact of the ways we talk and the ways we think about the settings where we study and work.

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