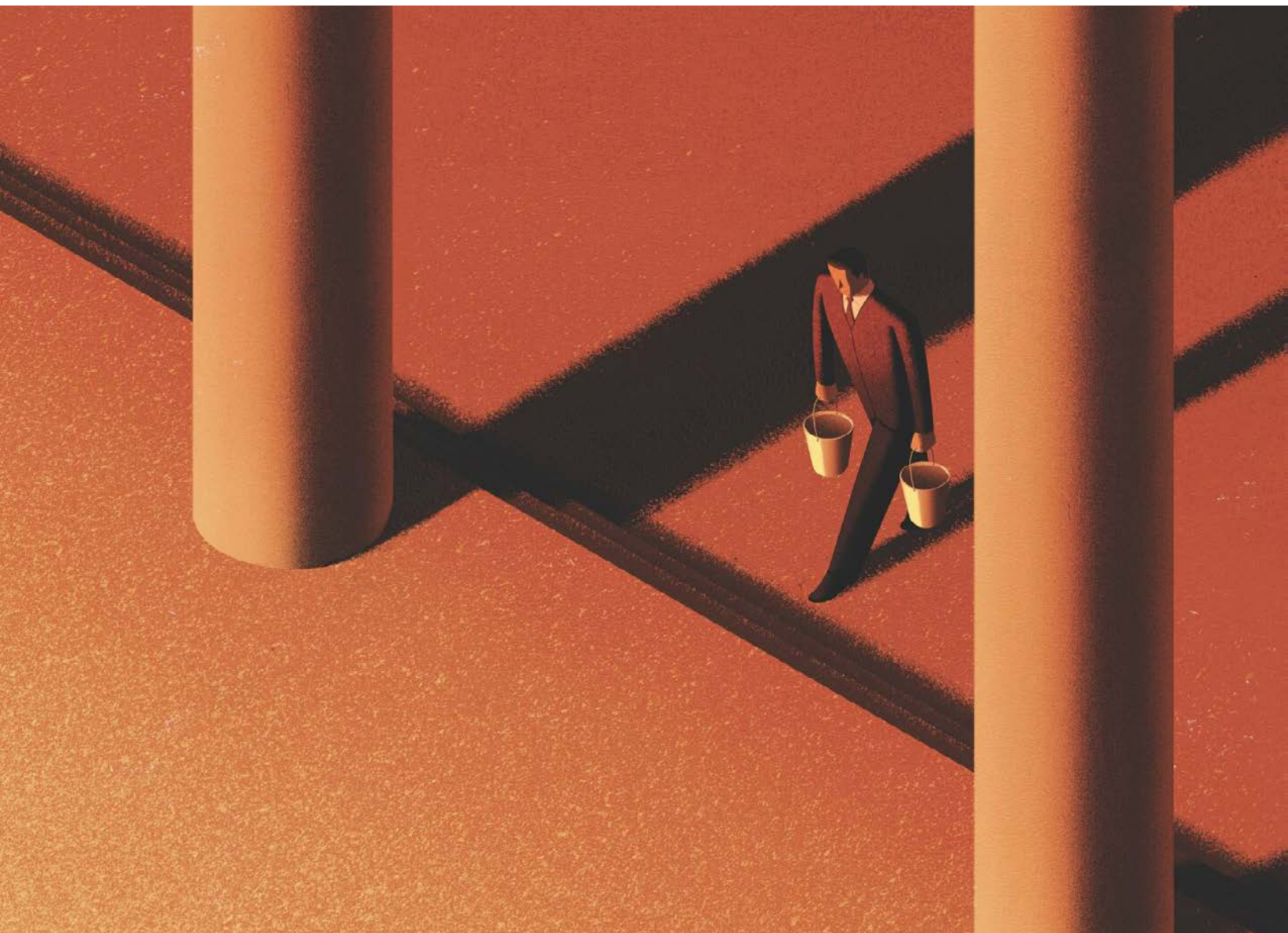




KEY TAKEAWAYS

Higher Ed's Permanent Crisis Mode

Leaders are managing constant upheaval. Here's how three of them do it.



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In my role as Group GM, Higher Education at Workday, I have the honor of traveling to campuses almost weekly, having conversations with higher education leaders about their challenges and what they need to do to be future-ready institutions. It's clear that Higher Education is currently navigating a complex landscape. Leaders are facing mounting operational costs, heightened student expectations for modern, personalized experiences, and significant shifts in demographics, particularly the decline of traditionally-aged college students. These pressures are intensified by reduced federal and state funding, increasing governmental regulations, and a volatile macroeconomic climate, creating real uncertainty. Leaders in higher education recognize the urgent need for action, even as they acknowledge the challenges of enacting change.

Workday is dedicated to partnering with Higher Education institutions to confront these realities. Our vision is simple, but powerful: to enable you with a flexible, unified AI platform that keeps your students on track, your teams centered on strategic, human-centered work, and your resources and revenue focused on your mission—ensuring you have a future-ready campus.

We continually work with our customers and our partners to deliver technology that gives you real value across the platform from day one. We're building AI agents and features that are refining the student admission, registration, and financial aid experiences, removing barriers to education and increasing your recruitment and retention. Skills Cloud aligns with rapid changes in the talent landscape, helping you retain and train your workforce for AI-human collaboration. Workday Contract Intelligence, powered by Evisort AI, gives you total visibility into the agreements that fuel your institution and enables you to spend less time reading contracts and more time on strategic work. Some of our customers report they are seeing staff efficiencies across campus, including 80% reduction in time to package financial aid, 60% reduction in procurement cycle time, and 47% decrease in time to fill positions.

By providing a secure, reliable, and extensible digital foundation, Workday enables institutions to focus on their core mission, confident that their enterprise platform can adapt to evolving business needs and provide the data and insights essential for strategic decisions. The technological choices leaders make today will establish the framework for the next two decades and allow them to meet both today's—and tomorrow's—challenges. We're more than proud to be a trusted partner in ensuring higher education is future-ready.

Michael Hofherr,
Higher Education Group GM, Product

Higher Ed's Permanent Crisis Mode

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HOST



David Jesse
Senior writer,
The Chronicle

SPEAKERS



Jordan B. Acker
Board of Regents member,
University of Michigan



Leslie Brunelli
Executive vice president for
finance and administration,
Washington State
University



Brad L. Mortensen
President,
Weber State University

“Is it a crazier time in higher ed than ever before — or does it just feel like it?” That was a question asked by David Jesse, a senior writer for *The Chronicle*, during a recent virtual panel with three campus leaders.

While their answers varied, the speakers — Jordan B. Acker, a member of the Board of Regents at the University of Michigan; Leslie Brunelli, executive vice president for finance and administration at Washington State University; and Brad L. Mortensen, president of Weber State University — agreed that financial and enrollment challenges coupled with the disruptions caused by the Trump administration make for an unusually tumultuous time for colleges, and perhaps an unprecedented one.

In addition to the issues their institutions face, the panel spoke about the need for senior leaders to be good communicators, cultivate relationships with trustees, and articulate an institutional vision within budget limitations.

The discussion was held on July 31 and underwritten by Workday. The following transcript has been edited for length and clarity. A recording of the discussion is available [here](#).

DAVID JESSE: When I started covering higher education nearly 20 years ago, it seemed like there was a regular cycle to it. Summer was quiet. No longer. Is it a crazier time than ever before — or does it just feel like it?

LESLIE BRUNELLI: There are more levels of uncertainty than ever before in my career. And I went through the Great Recession and the Covid pandemic. We’re dealing with the uncertainty coming out of D.C. and all the changes being made to students’ financial aid and our federal grant portfolio. So it’s different. It’s heightened. And it’s constant.

BRAD MORTENSEN: If you ask faculty and staff at Weber State, they definitely feel like it’s crazier right now. The level to which higher education has been politicized and dominates the news cycle certainly feels like there are a lot of challenges. But my predecessors all had pretty difficult situations. If we tell ourselves that it wasn’t crazy before, we’re kidding ourselves.

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JORDAN B. ACKER: Everything is more magnified in the era of 24/7 social media and constant attention in the news. The pressures from Washington, D.C., have created a much different stew that people are dealing with for the first time.

JESSE: Elaborate on that, Jordan. How do you feel the pressure differently than, say, 2019 or 2020?

ACKER: It never felt under previous Democratic or Republican administrations like there was a war between the institutions and Washington, D.C. What's changed is the tenor and the process. It's more haphazard. I don't know if I would describe it quite this way, but it's like — you don't know where the hits will come from next. It makes it hard from a board perspective to plan institutional priorities six months, a year, or further.

JESSE: Brad, as a president, how do you prepare for that level of uncertainty?

MORTENSEN: One of the members of our Board of Trustees is always saying, Hey, remember to focus on the students and their success, regardless of which way the political winds are blowing. It's all about seeing students walk across the stage at graduation and having their lives uplifted and changed.

JESSE: Leslie, headwinds are not only coming from Washington, D.C., but also from the state of Washington. How are you navigating the reductions in your budget?

BRUNELLI: This is the first time that the state has reduced higher education's budget since the Great Recession. This state has been exceptionally supportive of higher education, but it's considered discretionary. The challenge is, we don't think it's over. With what came out with the One Big Beautiful Bill, there is no doubt going to be pressure on the state, particularly with Medicaid and Medicare. Our budget could be in danger. In addition to setting up fiscal '26 with a reduction in place, we're looking forward to what another round of reductions might look like.

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JESSE: Brad, part of your role is to explain to the community about possible budget cuts. You also get to go to the legislature and talk to legislators about why they shouldn't cut. Talk to me about communicating to both groups.

MORTENSEN: A few months ago I was at a community art gathering, sitting next to someone who asked me, What do you do as president? I described it, and she said, Oh, you're an edge species! You go back and forth between the forest and the meadow, and you interact with the species in both. And I'm like, That's exactly what I do.

I spend time talking to policymakers and try to help them overcome a perception that the faculty are the problem. I say, Faculty are the solution. We rely on the faculty to deliver great experiences to students, to connect with industries, to stay abreast of what's happening in their fields.

On campus, I try to help the faculty understand why the legislature is making the decisions that they're making. The state of Utah has been very supportive of higher ed, in terms of funding. I'm trying to help folks see that we do have a supportive environment here and there is a lot of value placed on the work that we do. We just need to adapt to what the new expectations are.

JESSE: Jordan, I'm not sure if you're in the meadow or the forest. But you're in a unique position. You're on the board at the University of Michigan, which is looking for a new president. How do you start that search in these turbulent times?

ACKER: Brad described it right; the next president is going to be in the forest and the meadow: a fundraiser, a politician, an academic leader. He or she is going to understand the fiscal challenges of running an academic medical center. It's a unique and difficult position. Someone said to me, So, it's like being the president of General Motors but without the pay. I was like, Well, there's a bit of prestige, too. But ultimately it's a more difficult job because your constituencies are everywhere, and you're under an incredible microscope.

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We're at a time where you're not going to be able to make everyone happy. But you have to know what the future success of your institution looks like. So ultimately, whether it's someone who is currently in higher education, in business, or in government, that person is going to have that record of success in dealing with all of these different entities that make up the University of Michigan.

JESSE: How should a board member decide when to jump in, when to offer advice to a president, and when to ask questions, especially on some of these hot-button issues?

ACKER: If you ask all eight board members, all eight would have a different answer. But I think when we speak out less it is better for the institution, and that happens when the president is comfortable in the direction and values of the institution. The board should talk about the strategy and the long-term planning of the institution, and not get into day-to-day governance. The times that boards tend to speak out is when there is a vacuum, when there's a hole created by a lack of leadership by the president or by senior leadership at that institution.

MORTENSEN: That's a really great board perspective; try to stay at that strategic level. At the same time, it's fair for the board to expect to be kept up to speed by the president, so that they're not caught off guard by something appearing in the newspaper or social media. It really needs to be a partnership both ways.

ACKER: If you're the president of your university, you need to know your board really well and manage that relationship. Those relationships are best managed by the president, not by the board, and it's incumbent on presidents to take those relationships seriously and manage them well.

BRUNELLI: Having the president articulate the vision, that's one of the real challenges right now. Not that there's not strong presidential leadership, but higher ed is at a point where it's changing more rapidly now than it has in the past, and articulating a vision that still feels like it encompasses what the campus is, what the campus wants to be, and what it's going to do — serving the state, serving the region, serving the country, serving the world.

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Coming from a financial perspective, what I have seen is that higher-ed institutions want to be everything to everyone. That is just the way we are born, that is the way we are built. Yet there is a financial constraint, and at some point we cannot be everything to everyone. We have to be able to focus on certain things. And I think part of articulating that vision is being sensitive to both what the institution has been in the past and what it will be in the future, while being mindful of what financial restraints will be in place.

JESSE: Leslie, how do you manage the vision within financial restraints?

BRUNELLI: It means having a good sense of revenue streams and what the outflows are. Where do our dollars go? Where do our dollars come from? We have to look at our sources and uses of every dollar in a different and heightened way, and hold our folks, including myself, accountable for how we spend our dollars.

MORTENSEN: We are going through an exercise in Utah where all of the state schools are supposed to [cut administrative bloat and underperforming academic programs](#) and then reinvest in initiatives that would have a real impact for our community. We tried to make that as transparent a process as we could. That's not to say there aren't pockets of campus that are feeling quite a bit of pain right now. But overall, even in those areas, there was an understanding of the commitment to the mission of the institution to serve our local students and serve regional needs of our community.

ACKER: Administrative bloat is definitely part of an institution of our size. And there's an institutional resistance to reducing it because of the endowment. There is a fundamental misunderstanding by our community about what exactly the endowment can be used for, what it cannot be used for, and what it is used for to help support student success.

Every time on our campus that something is underfunded or somebody wants additional funding, the first response is, We'll just take it out of the endowment, as if the president has a Scrooge McDuck-like swimming pool full of coins in the backyard. What people don't understand, even though the university is financially very healthy, the margins are pretty slim. People see institutions with size and wealth, and are not realizing that the money for the most part is spent fairly efficiently. It can always be spent more efficiently, and we want to spend more directly on student success versus the administrative side. But spending out of the endowment is not something that you can do for the long-term success of an institution.