

EXPLORING STAKEHOLDER PERCEPTIONS OF AN ORGANIZATIONAL
RESTRUCTURE WITHIN THE ADVANCEMENT UNIT
OF A HIGHER EDUCATION INSTITUTION

by

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A DISSERTATION

Submitted in partial fulfillment of the requirements
for the degree of Doctor of Education in the
Department of Educational Leadership,
Policy, and Technology Studies
in the Graduate School of
The University of Alabama

TUSCALOOSA, ALABAMA

2014

ABSTRACT

The purpose of this dissertation was to understand the perception of university employees related to organizational change at a small, private university in the South. The researcher utilized a qualitative case study research design in order to understand organizational members' interpretation of the change. The study was intended to provide insight that will help higher education administrators successfully implement similar changes. Burns and Stalker's (1961) Contingency Theory provides the theoretical framework for the current study, which is guided by the following research questions:

1. What did stakeholders perceive as the primary reasons prompting the organizational restructure?
2. In what ways did stakeholders feel that the organizational restructure was related to the institutional culture?
3. How did stakeholders experience the organizational change process?

Organizational change can be the result of many different factors, some of which are related to the external environment. Developing a firm understanding of all aspects of the change process, including stakeholder experiences, will help facilitate similar changes within higher education. This study examined stakeholder's perceptions of the pressures that prompted the change, as well as their experiences with the change process.

DEDICATION

This work is dedicated to my amazing wife, Annie England, who always encouraged me and always let me dream big. I also dedicate this work to my beautiful children, Alexis, Addison, and Anna. I could not have completed this journey without your love and support.

ACKNOWLEDGMENTS

I have to thank several individuals for supporting me throughout this adventure. First, I must thank Dr. Karri Holley for her support and guidance. I could not have done this without your help. I must also thank Drs. Baldwin, Breaux, Hoppes, and Major for serving on my committee. Your wisdom was very much appreciated throughout this process.

I must also thank my parents, Michael and Deborah England for making so many sacrifices in order to give me a better life. I want to additionally thank, Jade and Steve Sun for allowing me into their lives and always believing in me.

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CHAPTER I

INTRODUCTION

Philanthropic support is extremely important to institutions of higher learning. The funds from generous alumni and supporters have helped to make many colleges and universities in the United States the prosperous institutions they are today. In fact, one scholar asserted that philanthropy was the most important factor in advancing American higher education to what it is today (Drezner, 2011). The fact that higher education's reliance on private gifts has increased substantially since the early 1900's (Holmes, 2010) indicates that philanthropic support still plays a key role in the funding of America's colleges and universities even today. The first step toward the formal management and cultivation of private gifts in American higher education occurred in 1919, when Harvard University hired a full-time professional named John Price Jones to manage its \$15 million endowment campaign (Drezner, 2011). The trend toward the formalization of institutional advancement officers and advancement through private funding continued across the United States into the 1920s, when donors began to express an increasing interest in becoming more involved in the day-to-day operations of the university. This encouraged institutions to implement formalized operations to temper donor demands and protect shared governance and academic freedom (Drezner, 2011). This step, coupled with the management of endowment campaigns, signaled the birth of the development office as a fixture in America's institutions of higher education.

In the last decade, a growing number of public institutions have begun to rely heavily upon philanthropy as an important funding source. In many ways, the success of advancement

officers who work directly with donors has a direct impact on the financial viability of the institution (Drezner, 2011). However, according to Duronio and Loession (1991), the competition for private dollars, both within the field of higher education and throughout the entire nonprofit world, is more vigorous now than ever before. For some institutions, doing well in this competition is no less than a matter of survival. For all institutions, competing successfully for private support provides the money to ensure institutional growth and strength.

(p.1)

The growth in the number of public institutions entering into the fundraising arena is the direct result of decreased state and federal support for higher education (Holmes, 2010). Because of this increased competition, private gifts are becoming even more important and more difficult to secure in a competitive market.

The growth in donor funds is of the utmost importance and securing those funds is no easy task. Institutions, both public and private, rely on donations to keep operations and initiatives alive and well. Funds that are secured by advancement officers are used to develop scholarships, build new facilities, and offset operational costs (Holmes, 2010). The growing needs of both public and private institutions indicate that the advancement function of the university will only grow in importance over the next decade. The development of a solid donor base can take years to establish and calls for constant oversight and maintenance. Further, the development process requires an appropriate structure and support on behalf of the university to produce effective results. Institutions should be aware of the most effective methods of building relationships with donors, defining job responsibilities and efficient processes for advancement officers, and ensuring that development offices have the resources they require to be successful. However, in many American colleges and universities, change initiatives that involve

restructuring may be required in order to implement these best practices in development and advancement.

Purpose of the Study

The purpose of this dissertation was to understand the perception of university employees related to organizational change at a small, private university in the South in order to more effectively understand the change process. Stakeholders in this study included members of the organization who were directly affected by the organizational change. A study of employees' experiences with the change process will offer fresh insight by helping to explain any unintended consequences of the organizational change. A more robust understanding of the change process will allow leaders within higher education to comprehend how the dynamics of change occur within a non-academic unit, specifically the advancement and development function of the university. Organizational leaders should be aware of the required outcomes and employee's reactions to the change process. The advancement units of universities are playing an increasingly vital role in the overall financial health of institutions. With greater needs being placed upon these advancement units to raise money, understanding the change process and how it impacts development officers and other employees throughout the institution is critically important. Organizational change can vary in significance and effectiveness based on the organizational culture, which can determine employee readiness for change. Although this study was conducted at a private institution, the findings provide insight to all leaders in higher education preparing for an organizational change within an advancement office or another non-academic unit.

Significance of the Study

This study supplements the existing literature on organizational change by filling several gaps in current research. This study provides information that increases the understanding of how employees react to an organizational change in a non-academic unit. This qualitative dissertation provides additional understanding in areas of organizational change and organizational culture by considering different individuals' perceptions of change to the organizational structure. The findings from this study work to build upon the current study's theoretical framework, Contingency Theory, to determine how culture, leadership, and change strategies can potentially work together to support or hinder the change process. Although there is a significant amount of literature on the organizational change process in higher education, which is detailed in Chapter II, there is a notable gap in research on the change process as it occurs in advancement and fundraising units. This qualitative study took into account the primary purpose of the advancement restructure, which is to effectively secure private funding for a small Christian liberal arts institution, while principally exploring employee perceptions of the change process. This study provided a specific examination of the organizational change process of an area within universities which lacks significant study.

Research Questions

The purpose of this dissertation was to understand the perception of university employees related to organizational change at a small, private university in the South. The following research questions guided the study:

1. What did stakeholders perceive as the primary reasons prompting the organizational restructure?

2. In what ways did stakeholders feel that the organizational restructure was related to the institutional culture?
3. How did stakeholders experience the organizational change process?

Background of the Study

The remainder of this chapter will help frame this single site case study by examining the important role of advancement units in the operations of private higher education institutions. With the critical importance of raising private funds, advancement units may require restructuring from time to time to stay abreast of current best practices and to ensure the financial viability of their institutions. Since 1919, private institutions have been a leader in the fundraising enterprise of higher education (Drezner, 2011). Private institutions that are attempting to reorganize their advancement unit in response to endowment losses or other financial shortfalls can garner significant insight from the past mistakes and victories of other private institutions. This study provides higher education leaders with information and understanding of their employees' reactions to organizational change within this key area of operations. The remainder of this chapter reviews literature that is relevant to the study's area of interest and is organized into the following sections: 1) the importance of fundraising for private institutions, 2) advancement organizational structures, 3) an investigation into why alumni do or do not give, and 4) ways in which institutions can increase giving rates.

The Importance of Fundraising for Private Institutions

Fundraising at private institutions has always been a vital source of income. Donor funds help supplement operational costs, fund scholarships, and finance on-campus building projects. Fundraising dollars are often used to grow the university endowment. An endowment consists of permanently invested funds that help support private universities. An endowment does not

represent a fixed figure; instead, the value of an endowment is a fluctuating figure that increases and decreases based on the institution's investment portfolio (Chabotar, 2010). Current strategies for private colleges and universities fundraising enterprises began with the foresight of Charles W. Eliot, president of Harvard University from 1869-1909. The previous president for Harvard University said in 1906,

In the competition between American universities, and between American and foreign universities, those universities will inevitably win which have the largest amounts of free money...How is more free money to be obtained?...The only way to increase the amount of such funds is to emphasize the urgent need of them, and then to treat them with such steady consideration that they will have...an assured permanence as funds. (Kimball & Johnson, 2012, p. 224)

Charles Eliot further developed this concept of "free money," changing the way private institutions fundraise to this day. Kimball and Johnson (2012) describe Eliot's strategies, which, while simple, were groundbreaking and far reaching in their impact on private higher education. The following list outlines Eliot's six concepts of "free money":

1. In the competition among universities for academic accomplishment and reputation, the standing of a university is determined primarily by its wealth.
2. A university must refrain from depending on tuition revenue, spending its own resources on buildings, or accept any "inexpedient" gifts.
3. A university must strive to keep its endowed funds "free" – unrestricted both in asset type and in purpose – although restricted gifts that are fungible should be strongly encouraged.
4. The university must be managed like a business, operating efficiently and disclosing its finances fully and clearly so that the public appreciates its prudence.

5. A university should never carry a surplus but regularly run a deficit because this provides the justification for asking for more free money. By implication, therefore, a university's needs are insatiable.
6. The president must assume responsibility for developing the wealth of the university, including identifying, justifying, and presenting its needs for more free money.

Harvard implemented Eliot's ideas as the foundation for their first capital campaign, which began in 1916. Following the success of their campaign, other private institutions quickly followed suit for the remainder of the 20th century. According to Kimball and Johnson (2012), Harvard's endowment grew from \$3.9 million in 1880 to over \$141 million in 1939. Other private institutions found similar growth by implementing Harvard's model. Columbia University grew its endowment from \$4.8 million to over \$70 million by the end of 1939 and Yale grew their overall endowment from \$1.2 million to \$100 million from 1880 to 1939. The endowment and support from private donors has served as a primary source of operating funds for private education throughout the 20th century and into the 21st century.

Private universities continue to rely on endowment growth and especially upon support from individual donors. From 1994 to 1998, a survey of seventy-four private institutions found that 55% of all contributions came from individuals. At these same seventy-four institutions, nearly 53% of all donations went to current operating expenditures. Other donation funds were contributed to construction projects and the growth of the university endowment (Smith & Ehrenberg, 2003). However, Smith and Ehrenberg (2003) found that some institutions had greater contributions from private donors. For example, from 1998 to 1999, Cornell University, a private institution, received \$341.3 million in financial gifts, with 79.7% coming from individual donors. The U.S. Department of Education reported that from 1999 to 2000, private

gifts made up 13.7% of all revenue for private colleges and universities. Also noted in this report was the fact that these private institutions had an investment return of 31.3% (Distribution of Revenue, 2012). This is a substantial percentage, which allowed private institutions to keep their primary source of revenue, tuition, to a minimum. Although the greatest source of revenue for private institutions continues to be tuition, which constitutes nearly two thirds of the total revenue for private institutions, private funds also serve as a substantial source of revenue (Distribution of Revenue, 2012). Holmes (2009) found that funds from alumni and other donors supported nearly 21.5% of expenditures at private liberal arts institutions in the United States. Chabotar (2010) reported that Harvard University used their endowment to cover nearly 30% of their operating costs. However, smaller private institutions were much more reliant upon their endowment and private donations than more prestigious higher education institutions. Wabash College in Crawfordsville, Indiana used endowment earnings to cover nearly 54% of its operational expenses (Chabotar, 2010). This reliance shows just how critical it is to grow fundraising dollars in order to maintain university operations in private higher education.

Endowment

With the great recession in 2008, private colleges and universities began to see significant drops in endowment due to a decrease in investment returns. From 2008 to 2009, the average university endowment had a negative return of 19% (Chabotar, 2010). Because of this substantial loss in endowment, private institutions were forced to increase their reliance upon tuition and fees. The U.S. Department of Education reported that tuition and fees in private universities accounted for 77.8% of all revenue, while less than 25% came from private donors (Distribution of Revenue, 2012). As endowments declined, the burden of supporting the private education enterprise shifted to students and their parents in the form of increased tuition and fees.

This rise in tuition prompted families to carefully consider whether a private education was worth the investment. In many cases, increases in tuition had a negative effect on enrollment. For instance, Guilford College, a private college in Greensboro, North Carolina had a 40% drop in applications between February 2008 and February 2009 (Chabotar, 2010). In order to secure classes, private institutions were forced to discount their tuition in order to make their rates more comparable with those of public institutions. Chabotar (2010), references a National Association of College and University Business Officers [NACUBO] survey to illustrate this trend. The survey showed that the average discount rate for private higher education, or the scholarship amount provided to students, went from 39% in fall of 2007 to 42% in the fall of 2008. Additionally, Chabotar notes that although the drop in private donor income was not as substantial as some initially believed in the midst of the recession, private giving to higher education did drop by 5.7% by the end of 2009. The combined decreases in applications, private donations, and endowment earnings caused significant concern throughout private higher education.

The investment market showed slight recovery from 2009 to 2010. Higher education institutions and the U.S. Department of Education (2012) reported that private higher education endowments saw a modest gain of 16.9% in 2010. The same report indicated that student tuition and fees made up 33.4% of all revenue and private gifts increased to support 10.7% of all expenses (Distribution of Revenue, 2012). However, the trend of poor financial performance from 2008 to 2009 served as an eye-opening experience for private colleges and universities. Many endowed scholarships had such significant losses that many development officers were forced to ask original donors to contribute more funding to maintain their scholarships' original market values (Chabotar, 2010). Some institutions pressed on with large fundraising campaigns

despite the weak economy. Spellman College, a private women's HBCU, launched a \$150 million campaign in 2009 that is expected to conclude in 2015 (Peeples, 2010). Spellman College understands the significant advantage to growing its endowment, and made the decision to press forward regardless of the financial market. Growing the endowment of these private institutions is critical to their long term financial stability.

Advancement Organizational Structures

In recent years, change in the investment market forced many private institutions to rethink how they were fundraising. Many institutions returned to their alumni base to restore their endowment to pre-recession values, while others developed new strategies to grow principal gifts, which are categorized as gifts anywhere from \$1 million to \$5 million dollars (Harvey, 2009). These principal gifts can have a significant impact on private institutions, although they may be difficult to obtain. However, according to Harvey (2009) these large gifts have become more attainable for small to mid-sized private colleges and universities in recent years. Harvey (2009) identified six strategies that smaller private institutions can use to grow large scale gifts:

1. Review your current top prospects and determine if they should be reassigned to one officer who will develop principal gift-type plans for them.
2. Whether reassigned or not, develop specific and unique plans for prospects to properly engage them and set the stage for a stretch solicitation.
3. If principal gift prospects are assigned to campus leadership, ensure that a member of the development staff manages the cultivation plan and tracks progress. Make sure to get feedback from leaders who participate in the calls so that the development staff is fully informed regarding the potential donor's response.

4. Try to limit principal gift prospects to approximately 50 in any officer's portfolio.
5. Given the current economy, if donors or prospects are reluctant to make major pledges at this time, continue engagement with them through stewardship visits.
6. Remember the 80/20 rule: 80 percent of your dollars come from 20 percent of your donors. A 90/10 rule may be even more apt. Focus resources on the top 10 percent of prospects.

To implement these strategies and develop more principal gifts, many advancement offices are restructuring. Beginning in 2009, many private institutions began to develop new strategies for fundraising, including allocating additional financial resources to annual giving offices (Chabotar, 2010). Although significant changes were implemented throughout higher education advancement offices in 2009, insight into the structure and resources of the fundraising element of higher education was nothing new. In 1958, the “Greenbrier Report” was published by a coalition of fundraising professionals in higher education. The report recommended that the three functions of alumni relations, communications, and development be centralized within higher education institutions (Hall, 2002). The recommendations were proposed in the belief that the centralization of these three functions would increase efficiency and the fundraising potential of the university. However, Hall (2002) found that in recent years, the move from centralized to decentralized advancement models has occurred for many of the same reasons. The three functions of alumni relations, communications, and development are being decentralized to individual schools and units to increase efficiency and communication with individual alumni bases. As a result of the decentralized model, higher education institutions who implement this model have found greater involvement from academic deans in fundraising efforts.

In most early fundraising efforts in higher education, the president did all the development work, but with a decentralized model, the work is dispersed throughout the university (Hall, 2002). Lauglo (1995) identified four distinct advantages to having a decentralized model for fundraising. Lauglo's explained that the decentralized fundraising model:

1. Alleviates restraint and uses market forces to achieve maximum potential.
2. Creates checks and balances against the concentration of power.
3. Challenges the organizational dominance by established elites, and;
4. Reflects the right of workers to be the decision makers.

Hall (2002) does not specifically advocate for a decentralized model over a centralized one, explaining that there are advantages and disadvantages to both. In a decentralized model, the chief fundraising officer of the institution can feel powerless, where as in a centralized model the dean can feel a sense of disconnectedness with the fundraising priorities of the institution. If the dean of an academic unit lacks fundraising experience, then Hall argues that a decentralized model of fundraising is the most effective because it closely partners a fundraising professional with the academic dean. Regardless of the structure chosen, Hall notes that it should match the overall management system of the institution and not conflict with established norms. Although Hall did not find any measurement that determines which type of model is most effective, but did establish that larger private institutions tend to follow a decentralized model.

With the complexity of the advancement process and the constant contact with donors required to keep them engaged, the organizational structure for development offices must be as efficient as possible. Grunig (1995) conducted a study to examine the efficiency of a decentralized development structure at research and doctoral institutions. Grunig conducted a

quantitative study that examined the amount of funds raised by the two different models in the development function: centralized and decentralized. The author was interested in determining whether the data supported the choice of reorganization plans that many institutions had undertaken and if the results were able to justify the structure change; Grunig found no significant difference in the amount raised through a decentralized model versus a centralized model. However, Grunig did find that larger and more complex organizations were likely to move to a decentralized model, while smaller colleges and universities had a tendency to maintain a simpler centralized model. The author found that the difference in model appeared to correlate very closely with the complexity of the philanthropic environment in which these institutions were operating. Grunig's study does not provide any conclusive findings on which model will work best for each institution; however, his findings do indicate that environmental circumstances drive organizational structure.

In the existing literature, the study of the fundraising and advancement organizational structures in higher education institutions is significantly lacking. Although Grunig (1995) provides a specific study on the reorganization of these units, his research does not examine employee perceptions of the reorganization through a qualitative lens. Additional research on organizational restructuring in advancement operations is needed in order to provide higher education leaders with further knowledge on the subject. There is little existing research that examines employee experiences in reorganization in this particular field. New studies must be conducted in order to expand upon current knowledge to assure better understanding of the vital function fundraising plays within higher education.

With the struggling economy and the growing importance of building an endowment, private colleges and universities are even more reliant on their alumni base than in the past. As

mentioned earlier, individual gifts make up a substantial portion of total donation dollars in private higher education. As adjustments are made to the organizational structure of the advancement function, institutions must be very knowledgeable about how to most effectively cultivate new gifts from alumni. This process starts with a firm grasp of why alumni donate to their alma maters and the reasons they choose to decline. A firm understanding of how and why alumni decide to contribute can allow advancement operations to be even more efficient and responsive to their donors.

Alumni Giving

Reasons alumni give. The reasons alumni donate to their alma maters vary from individual to individual. Giving provides some alumni with a sense of accomplishment and personal satisfaction (Drezner, 2011). The literature refers to this as the “warm feeling” individuals receive when they donate to a good cause. Other supporters of the institution may give because they have a true desire to improve society (Drezner, 2011). Alumni in this category feel that the institution is contributing to the growth and advancement of human society and that their donation will contribute to the cause. Advancement officers look to build long-term relationships with these types of donors. The institution needs to look beyond the donation as a single transactional interaction and build a relationship with these individuals. Building a relationship with these alumni will help the donor feel that the institutional mission aligns with their own ideology. When the donor feels connected to the institution, their relationship could develop into more long-term, large-scale gifts (Weerts & Ronca, 2008).

Beyond those who give for a good feeling and advancing society, donors will also give for a variety of other reasons, such as a desire to help others, to reduce feelings of guilt, or to give back to a cause that significantly helped them sometime during their own life (Drezner,

2011). Increasing one's social standing can also be a contributing factor which might lead a person to donate (Weerts & Ronca, 2009). Very often alumni may find themselves in social environments where they are judged by how much they give back to the community around them. In these cases, individual donations may be the result of peer pressure, rather than a sense of personal conviction.

Some donors are influenced by those around them, such as parents or guardians. Their perception of what their parents or guardians value is a significant predictor of their own giving level. Alumni who observed a parent or mentor's philanthropy at an early age are more likely to be willing to give themselves (Drezner, 2011). Beyond parental influence, alumni experiences at the institution itself play a major role in determining the level of giving. A study found that alumni who received an academic or need-based scholarship were more likely to give than those who did not. Weerts and Ronca (2008) asserted that past aid may contribute to an emotional attachment between the donor and the institution. Drezner (2011) found that alumni who were involved in student activities while an enrolled student are almost 90% more likely to give than former students who were not involved. These early experiences and contact with the institution build up a connection between student and university. This connection can further be further cultivated through a positive relationship with a faculty member. Very often an influential experience with a faculty member can be a motivating factor in whether a gift is given. Regarding future fundraising, every single aspect of the student experience is important, from student activities to financial aid. Institutions may benefit from taking a holistic approach to the student experience to ensure it will be positive and memorable. The university will also need to devise ways in which development officers can capitalize on these positive student experiences

and integrate them into their fundraising strategy. Fundraising operations must position themselves to capitalize on the fact that today's students are tomorrow's donors.

Reasons alumni do not give. The reasons behind alumni not giving to their alma maters can be more difficult to predict. Drezner (2011) explained that if alumni feel that their donation will not make a permanent difference, they may forego a donation altogether (Drezner, 2011). Other potential donors may feel that the institution is doing fine financially without their support. Because they perceive no need from the university, they do not participate through charitable giving (Weerts & Ronca, 2009). Langley (2010) analyzed the data from a survey that was distributed to 500 individuals from 100 different colleges and universities and found that there were four major reasons for alumni not supporting the institution. The first reason is that the alumni felt that they had already given to the institution with their tuition. This problem is only growing in significance as tuition rates and student debt continue to grow out of control. The second reason is that the alumni felt that the institution did not need their money. Colleges and universities will often maintain superior-looking campuses with large academic buildings and perfectly manicured landscapes. Although this is a positive feature in terms of recruiting students, it is a detriment when trying to solicit donations. Often, the resulting perception is that the institution appears to be thriving without additional money from alumni, so alumni may question the need to give at all. Langley's third reason is that alumni do not perceive a donation to the institution as worthy cause. This problem is created when the institution neglects to connect the passion of the donor to a program on campus. If institutions really listen to alumni, there is a good chance that they can match a donor's desire to support a worthy cause with a program in need of funds. Langley's final reason that alumni do not give to their institutions is that they have no feelings of attachment to the institution. For various reasons, these alumni

never felt as though they were a part of the institution, a problem that might be attributed to a variety of underlying concerns.

Drezner (2011) found that individuals who had more than one alma mater are less likely to give than those who only attended one university. Having multiple alma maters may dilute alumni's allegiance to any one particular institution, thus weakening any feelings of attachment. Regardless of the reason, the institution has failed to create a strong relationship with the student and, unfortunately for the development officer, this donor will be unlikely to ever give to the institution. This is a difficult reality to face for any institution. However, institutions may be able to curb this trend by adopting an organizational structure that utilizes current staff and resources in an effort to continually engage alumni. This may result in a reorganization of the current staff, but it is imperative that the most efficient organizational model is used in order to gain the best results for the university.

Strategies for Improving Giving

With the growing need for donations at the university level, institutions are implementing new strategies to ensure sustainable gifts over time. One of the strategies is to stress the importance of philanthropy to students while they are still enrolled. To establish the importance of giving to the institution, many universities have established class gifts that can be made in small amounts (Drezner, 2011). An additional strategy for improving alumni giving is to connect current students with faculty mentors. These mentors can help guide the student through the college experience, but also play an important role in helping students build long-term connections with the institution (Drezner, 2011). The experiences of students who are currently enrolled can significantly impact whether they will make financial contributions to the institution as alumni (Weerts & Ronca, 2008).

An additional strategy for improving individual donations is to increase the number of participants in the annual fund. Many development offices are stressing higher numbers of small gifts rather than small numbers of large gifts. They understand that small gifts from young alumni today can equate to larger and more significant gifts several in several years. Early giving to institutions opens the door for larger gifts later in the alumnus's life. However, the institution must look for a variety of ways to get involved in the lives of alumni. Advancement offices are always looking for new ways to interact with alumni groups. In years past, solicitations were sent via direct mail (Weerts & Ronca, 2009). However, fewer and fewer people are receiving their information from mailings. Because of this shift, new ways of communication are being utilized through social networking sites and email (Masterson, 2010). These creative new forms of communication are encouraging alumni to stay connected with their institution more frequently and more regularly. The more contact an institution's development office can maintain with alumni groups, the more often the institution can ask for contributions to scholarships or annual funds. Research has shown that 85% of total gifts to higher education are given after the institution made a specific solicitation (Weerts & Ronca, 2009). These solicitations need to be explicit in nature and explain the true need for and importance of each donor's gift.

Advancement offices are also in search of ways to reach more people in their fundraising campaigns. As a result, increasing the staff of advancement offices has become a growing trend. In 2011, Tulane University increased their development staff by 36 individuals, in the hope that the increased numbers of staff would double private support dollars (Masterson, 2011). This increase in employment numbers has also been fueled by the need to implement more programs. New initiatives, such as parent-giving programs have grown over the last several years and

additional personnel are required to manage these programs (Masterson, 2011). Development offices are also looking for new ways for alumni to interact with faculty members at the institution. One example of this strategy is the development of free on-campus lectures and open forums, which provide opportunities for alumni to interact with faculty members (Langley, 2010). Development officers believe that these different programs will bring alumni closer to their institutions, which will translate to increased giving for years to come. To ensure the success of these programs, advancement offices will need to be sure that their employees are positioned effectively within the university. This positioning pertains to both their physical location and the amount of interaction they have with alumni and other donors. Proper structure must be achieved as public and private institutions move into a new era that will rely even more heavily on the practice of philanthropy as a means to support the mission of the university.

Conclusion

This chapter provided background on the financial trends and struggles in higher education that are causing institutional leaders to place increased emphasis on securing private donations. The chapter additionally offered several strategies that are currently being used by institutions to increase their connections alumni in order to obtain financial support. The process of fundraising is extremely complex. Every interaction with donors is critical and must be approached in a strategic manner. With the importance of private donations on the rise, ensuring the most suitable structure for the advancement function of higher education is vital to the long-term health of the institution. However, the need to adjust the internal workings of a department will often result in a larger organizational restructure, which often has a direct impact on employees and their daily tasks. Developing a clearer understanding of how organizational change affects employees in the advancement function by studying qualitative data that reflects

these employees' perceptions of the change is critical. This study provides university leaders the information they need to successfully implement organizational change and to understand how the internal factors of their institution affect the change process. The next chapter reviews the literature on higher education organizational change, organizational culture, and employee reactions to organizational change.

CHAPTER II

REVIEW OF THE LITERATURE

Higher education institutions are faced with the need to change in order to prosper and survive in the 21st century. However, an institution enmeshed in traditional ways of operating may find change to be a difficult process. In some cases, administrators are content with established processes, strategies, and ways of behaving and see no need for change (Ginsberg & Berstein, 2011). Such was the case in 2006, when a small liberal arts institution in the South welcomed a new president to campus. Upon his arrival, the newly elected president found some existing practices to be impractical and ineffective, such as the fundraising aspect of the university, which was centralized. Four individuals performed the fundraising duties for the entire institution. In addition, donor files were kept in the president's office and were only allowed to be viewed with presidential approval. Since the new president took office, the fundraising function of the university has undergone structural changes. As of 2013, each school at the university has a designated advancement officer who works with his or her respective dean to manage fundraising initiatives specific to their individual units. Additionally, the number of employees in the advancement office increased from four to eight.

The structure and culture of the advancement unit at most higher education institutions is important to organizational functions. Such roles support an institution's ability to meet its fiscal responsibilities and to increase its ability to wholly serve students. Without adequate funds, an institution of higher education is ill-equipped to serve student, faculty and staff. Therefore,

university administrators are in need of data to support the viability of the structures and strategies related to advancement.

The single site case study conducted in this dissertation at the institution referenced above provides insight for organizational leaders and change agents who wish to learn from previous experiences. I conducted a qualitative study to examine employee reactions and perceptions to the change process at a small liberal arts institution. This study examined how employees interpreted the change and what forces they feel drove the change. Interviews were used to investigate the factors that prompted the reorganization, what caused university leaders to determine that it was needed, and how employees responded to the change. In addition, I obtained information from employees who have experienced both organizational approaches (centralized and decentralized) and obtained their reaction to the change. By conducting this study, future researchers can develop a better understanding of organizational change and how it affects the institution and its employees. I conducted interviews with the president and other key members of the administration to investigate their experiences and motivations which contributed to the change in structure.

With growing dependence of private institutions upon donations, national discussions regarding student debt, and increased tuition rates, the issue of fundraising is a prominent one in higher education. Advancement officers are being asked to raise more money to offset these budget cuts in order for higher education institutions to keep tuition rates stable. It is important for other institutions to learn from one another in regards to the process of reorganization, especially concerning the advancement function during difficult economic times. By examining how employees within the institution perceived the university's reorganization, administrators at other institutions can learn and benefit from the institution's mistakes and successes. A notable

lack of informative literature dealing with this aspect of higher education's fiscal challenges exists. With this significant gap in the literature, a dissertation that combines organizational change and fundraising helps fill the void of information.

The purpose of this dissertation was to understand the perception of university employees related to organizational change at a small, private university in the South. It is important to understand the intended and unintended consequences of any organizational change within higher education so that effective change can take place. Organizational leaders should be aware of the outcomes and stakeholder reaction to the change process. Advancement offices are playing an increasingly vital role in the overall financial health of institutions. With greater needs being placed upon these advancement units to raise money, it is important to understand the change process as well as the impact on development officers and other institutional stakeholders. Organizational change can vary in significance and effectiveness based on the organizational culture which can determine stakeholder readiness for change. Although this study was conducted at a private institution, the findings provide insight to all leaders in higher education preparing for an organizational change within an advancement office or other non-academic unit.

The research questions which shape this dissertation are:

1. What did stakeholders perceive as the primary reasons prompting the organizational restructure?
2. In what ways did stakeholders feel that the organizational restructure was related to the institutional culture?
3. How did stakeholders experience the organizational change process?

Theoretical Framework

Contingency theory is a theoretical perspective that suggests that an organization functions most effectively when the organizational design matches the environmental condition (Burns & Stalker, 1961). Contingency theory was selected as the theoretical framework for this study because it provides a lens in which to examine the organizational restructure of the development function at a small liberal arts institution. The findings from this study build upon Contingency Theory by examining how culture, leadership, and change strategies intersect with my theoretical framework. In essence, I conducted my research to determine if these three elements have any impact on the organizational restructure as a result of the external environment (Figure 1). The ultimate goal of this inquiry was not to verify or refute the theoretical perspective, but to build upon the current theory through a qualitative approach. The remainder of this chapter will provide additional information on Contingency Theory and how the external environment can cause change within a higher education institution. Additionally in this chapter, I outline current research related to culture, leadership, and the change process in higher education to provide a more in depth understanding of how each element works in conjunction with organizational change.



Figure 1. Conceptual framework

An important factor in structuring an organization is to have a holistic understanding of how the external environment can impact the efficiency of processes and procedures. According to Bess and Dee (2008), “organization effectiveness is contingent on a judicious, rational matching of organizational variables to environmental conditions” (p. 146). Contingency theory states that effective organizations are able to form their own internal structures to match the type of environment by which they are surrounded. Burns and Stalker (1961) conducted early

research on environmental conditions and organizational structure, identifying two types of organizational design (see Table 1) that would effectively interact with two very different environmental conditions. The first design that the authors describe is a mechanistic system, which relies upon each individual in the organization performing certain specialized tasks. In a mechanistic organization, the external environment tends to be very stable and with a very low rate of change. Because of the well-defined individual roles this organizational model provides for employees, there is little reason for employees to deviate from their daily responsibilities in a stable environment with little change. In fact, Burns and Stalker stated that one of the key characteristics of this model is “the precise definition of rights and obligations and technical methods attached to each functional role” (p.120). The leadership style in this organizational function lends itself to a hierarchical management model, in which duties and responsibilities are passed from the top down and are expected to be followed explicitly.

The second design that Burns and Stalker (1961) describe is an organic system, which is described as a structure that functions most effectively in a continuously changing environment. Individuals within this structure are given specialized duties, but it is common for employees to vary from their assigned tasks in order to achieve the organization’s goals. Burns and Stalker explained that one of the characteristics of the organic design is “the adjustment and continual re-definition of individual tasks through interaction with others” (p.121). Members in this type of organization are conditioned to be flexible in their roles and adjust their daily responsibilities. The authors also describe the leadership design in the organic model as lateral rather than vertical. In the organic model, there tends to be a much more collaborative relationship between individuals of different rank in the organization. Members of organizations with rapidly changing environments must be ready to adapt and perform whatever action is necessary to

fulfill the organization's mission. Thus, for such organizations, the organic system is the appropriate model.

Table 1

Burns and Stalker's Contingency Theory

Environmental Condition	Appropriate Organizational Design
Stable, low rate of change	Mechanistic
Dynamic, high rate of change	Organic

(Bess, J., & Dee, J., 2008, p. 145)

Burns and Stalker's (1961) work was indeed significant and provided insight into how environmental conditions influence organizational structure. However, further study on this topic was conducted by Duncan (1972) who further deconstructed the contingency theory into more specific components. Duncan examined three manufacturing and three research development organizations and their decision making processes based on their external environment. While Duncan's study was conducted on these specific organizational types, his conclusions are generalizable to most business types, including higher education. Duncan proposed four specific types of environments in which an organization can exist in (Table 2).

The first category Duncan (1972) describes is a mechanistic organization that interacts with an external environment with little or no change. Institutions that fit into this category would operate in a simplistic environment with a stable organizational structure. Members within the organization would have little interaction with significant change either from the external environment or from within. There would be fewer specialized functions within the organization, because there would be little need for such complexity.

The second category that Duncan (1972) describes is a mechanistic organization which operates in an external environment which experiences little change but operates in a highly

complex environment. This type of organization faces little change in the external environment, but the organizational structure itself tends to become more complex. This can be experienced in higher education in reference to the institution's academic offerings. In these instances, the departments and offices more narrowly focus on specific areas of expertise and allow faculty to specialize in areas of interest. In higher education organizations, this approach results in well-defined majors that attract a specific type of student.

The third category described by Duncan (1972) is an organic organization with low complexity, but a high rate of change in the external environment. As noted by Bess and Dee (2008), these organizations tend to be private liberal arts institutions. These organizations narrowly recruit a specific type of students, but must offer many educational options to remain competitive and relevant.

The fourth and final category is an organic structure that exists in a constantly changing environment and has a highly complex organizational structure. These institutions must be far more specialized and able to adapt quickly to changes from the external market. The departments in this model are highly specialized and can operate independently of each other.

Table 2

Duncan's (1972) Contingency Theory Model

		Degree of Complexity in the External Environment	
		Low Complexity	High Complexity
Rate of Change in the External Environment	Low Rate of Change (Stable)	Mechanistic, Low Degree of Departmental Specialization	Mechanistic, High Degree of Departmental Specialization
	High Rate of Change (Dynamic)	Organic, Low Degree of Departmental Specialization	Organic, High Degree of Departmental Specialization

Note. Adapted from Bess & Dee, 2008, p. 147)

It is important to note that mechanistic environments are far more constant and provide greater stability for an organization. An organic environment is ever changing, often giving rise to conditions that cannot be easily predicted. Members within these institutions must be willing to adapt and change. In order for an organization to be fully effective, it first needs to determine whether the environment in which it functions is mechanistic or organic. Once identified, the environment's impact on the institution's operations can be addressed. Organizations that understand their environment and work with its challenges and benefits are far more effective than those that do not (Tosi & Slocum, 1984). Such an understanding is critical to an organization's overall success, as well as an understanding of how employees will interact with the organization. As noted in the previous section, contingency theory can help explain how and why a particular organizational structure has developed over time. The following section will provide further discussion of specific aspects of the relationship between environment and organizational structure.

Contingency Theory and Structure

Employees at various institutions of higher education are strongly impacted by the organizational structure they work in. They very often work in organization structures based on the environment of their organization, which will change from time to time. They have specific tasks and expectations and the need to change can disrupt their daily experiences. However, change is necessary at times in order to develop the most efficient structural model for responding to and accommodating external variables. In order to better understand why an organization would change a structure that is comfortable for employees, it is vital to understand why such change might be necessary. In the next section, I will refer to Contingency Theory to explain how the external environment impacts organizational structure and discuss the origins of these external pressures.

As my theoretical framework, Contingency Theory helps explain why organizations are structured the way they are. Contingency theory helps explain how effective organizations are successful in complex environments. Leaders in these organizations have formed specialized units that can react quickly to new challenges and position themselves to address emerging and future issues (Ellis, Almor, & Shenkar, 2002). Contingency Theory asserts that the more constant the environment, the simpler the organizational structure of the university can be.

In environments with little change, employees can focus on specific tasks and very rarely need to perform non-routine tasks. As the environment around a university increases in demand and in its need for change, the more complex the organizational structure must become to accommodate these demands and needs. As a result, more specialized departments are needed to execute the highly demanding and ever-changing tasks of the organization (Bess & Dee, 2008). A simple organizational structure in a highly demanding environment would struggle to meet

institutional needs, just as a complex structure in a calm environment would be excessive. Contingency Theory suggests that the environment and the rate of change will ultimately determine the most efficient organizational model for the institution (Bess & Dee, 2008, p. 146). However, a large number of tasks does not necessarily equate to a need for the organization to develop a more complex organizational structure. If the tasks are predictable and constant, the structure can remain relatively basic. When the tasks become infrequent and unpredictable, the structure should change to accommodate the environment (Ellis, Almor, & Shenkar, 2002).

When growing into more specialized units, the organization must clearly identify the environmental factors that are the catalysts for the change and organize their structure and resources to be as effective as possible in response to these factors. Lutz (1982) found that the smaller sub-components of an organization ultimately provide the direction for the overall institution. It is important to align resources with the priorities that the institution values most. These smaller subunits will form policy, strategy, and develop new processes in order to deal with a rapidly changing environment (Lutz, 1982). These priorities will set the tone for the organization and determine how slowly or quickly they respond to changes in the marketplace.

Specialized subunits that operate in complex environments can be developed for a number of reasons. The three factors that typically contribute to the need to adjust the organizational structure are environment, technology, and uncertainty. Uncertainty can develop from concern that the higher education institution will not be able to provide the same services and compete with other institution. Changing to meet unique environmental demands is necessary for institutions that wish to remain competitive (Gore, Steven, & Bailey, 1998). Child (1974) stated,

According to contingency theory, different approaches to organizational design are conducive to high performance, depending on whether or not the environment in which the organization is operating is variable and complex nature, or stable and simple.

Variability in the environment refers to the presence of changes that are relatively difficult to predict, involve important departures from previous conditions, and are likely therefore, to generate considerable uncertainty. (p. 11)

To cope with the uncertainty mentioned by Child (1974), organizations should adjust their design to be most efficient with the environmental conditions in which they operate.

Change may be necessary at times; however, implementing successful change initiatives requires an understanding of culture, faculty willingness to change, and organizational history. Leaders must ensure that employees understand reasons for change, such as environmental uncertainties that may exist. Ellis, Almor, and Shenkar (2002) found that environmental uncertainty is the most common reason that organizational leaders elect to restructure. Being willing and able to respond to environmental changes must start at the top of the organization. Effective organizations have leaders who keep a constant eye on the environment in which they operate. Greening and Gray (1994) stated that leaders should understand that failure to adapt can negatively impact an institution's competitive advantage by diminishing its ability to remain relevant in an increasingly competitive market. The fear of losing ground in the market often pushes organizational leaders to make unconventional changes in services provided. The pressure to remain competitive can come from various sources, including parents, students, government mandates, and even within the institution itself; however, in recent years, the main stream media has been calling for reform in higher education. Negative media has been calling

for lower tuition, greater services, and new delivery systems for content (Fischer, 2011). Those institutions with more specialized functions are more apt to respond to these demands.

Very often the ability to adapt quickly to a changing environment, under contingency theory, requires a significant amount of decentralization. The decentralization of functions allows employees to focus on specific areas that require immediate attention. Ellis, Almor, and Shenkar (2002), found that decentralized structures tend to be more efficient when the organization operates in a highly complex environment. Each unit is more flexible and the top leaders do not have their judgment clouded by unnecessary details or bogged down with too much information. The authors found that when decisions could be pushed down to specialized department heads, the organization operated more effectively and could adjust more quickly. Roy and Khokhle (2001) determined that successful organizations align resources into these decentralized units in such a way that they can respond quickly to new challenges. The inability to decentralize the organization to focus on specific issues within the institution can often result in the need to outsource to external providers for functions such as marketing, printing, public relations, or other specialized needs. Greening and Gray (1994) found that when the ability to react and examine the external environment is not available in-house, that organizations will look to outside help. Greening and Gray (1994) explain that many organizations will rely on experts to recommend how to adapt to new environmental changes. However, this can be expensive and there is often a significant disconnect between experts and the employees performing the day to day tasks. It is to the benefit of the institution to have experts within the organization to identify new challenges and adapt based on what will work in the specific organization. The authors also explained that having these specialized employees on staff would require the organization to adopt a more complex organizational structure.

Decentralization and specialization can be achieved in two different ways. One way is to use existing employees to focus on specific tasks; the other is to recruit more employees who have specialized knowledge in a certain area. Roy and Khokhle (2011) do not believe that decentralization requires an addition of employees. The authors suggest that a contingency-based view does not specifically mean that new resources must be added. Rather, organizations should allocate current resources into specialized areas to deal with the unique environment. However, Jantz (2012) stated that innovative organizations tend to have more employees who specialize in specific areas. The author believes that to be cutting edge in a competitive education market, institutions benefit from have more employees who are experts in their particular fields rather than fewer employees with a general understanding of the different demands faced by the institution. In opposition to Roy and Khokhle, Jantz found that effective leaders should recruit new talent to energize the workforce and help the organization navigate difficult and challenging environment.

Environmental pressures and the need to adapt the internal structure can be seen in various institutions throughout higher education. Gore, Steven, and Bailey (1998) found that business schools were being forced to reorganize and restructure due to growing competition in the business school market. According to Gore et al., business schools were making realignment decisions for two reasons. The first reason was to differentiate themselves and stand out from competitors. The second reason was a reactive strategy in order to mirror the offerings from other business schools. Although these are two different causes, one proactive and the other reactive, they are both imposed by external forces. Another example of the environment influencing organizational structure is currently taking place in research libraries across the United States. Jantz (2012) explained that research libraries are facing significant issues in the

current market place. Jantz mentions that many professionals in the industry have said that book publishing will be completely abolished within the next several years. In order to accommodate this changing environment, Jantz asserted that libraries must adopt new methods and embrace change in order to deliver content to students in new ways. Technology librarians were a supplemental resource in previous years, but now, due to changing content formats, these librarians are a necessity. The complexity of content delivery services has forced research libraries to adapt organizational structure to meet demands. Failure to adapt and change would result in student dissatisfaction and a slide towards irrelevance.

Review of Literature

This literature review focuses on organizational change in higher education. The review of the research is subdivided into three main themes: organization and the environment, organizational culture and leadership, and organizational change and strategies for change. This review will provide a foundation for understanding of the change process and the different stages the process can entail. Since the primary focus of this study is employee perceptions, a firm understanding of how and why organizational change takes place is vital to understanding how employees experience and interact with the change process. This review explains that organizational change is a fit between environmental pressures, organizational culture, and implementation. The themes in this literature review will work in conjunction with the conceptual framework to provide context for the current study on organizational change within a small liberal arts institution in the South.

With regards to change theories and external factors that create change, the empirical research that is presented in this chapter stresses the importance of the organization's ability to adapt in response to pressures from the external environment, as well as other competitors in the

market. Often, adaptations in response to external conditions result in changes in organizational structure. Several scholars suggest that these structural changes are required in order to appropriately respond to external pressures (Marshall, 2011; Stromquist, 2007, Zha, 2009).

The foundations of change, such as culture and leadership, are specifically addressed later in the literature review. This research focuses on the organizational factors that contribute to a successful or an unsuccessful organizational change: organizational culture and institutional leadership characteristics. The blending of these two factors plays a significant role in the empirical research reviewed throughout this theme and in determining how employees respond to the change process. The research also examines different strategies to use or to avoid when implementing change. Some of the researchers, including Kezar and Eckel (2002), listed the specific responses that should be expected as organizations change or as leaders attempt to create organizational change. This section of the literature review will also address employee resistance and/or support for structural change within the organization. Nordin (2012) established that the organizational culture and leadership does influence the employee response to the change and subsequently determine whether employees accept or reject the change.

The final area of research that will be reviewed in this chapter is organization change strategies and process. Organizational change within an institution of higher learning can be a very slow process that requires strategic implementation (Zajac & Kraatz, 1993). The literature review will provide insight into the existing research on organizational change to assist higher education leaders in adapting change strategies and processes to accommodate the organizational model of their own organization.

Organization and the Environment

Competition as external pressure. Competition is a guiding factor in determining how and why colleges and universities make decisions. This section examines how competition can serve as an external force that brings about change within an organization. External competitive pressures can affect institutions in many ways through changes related to curriculum, technology, enrollment growth, and student services. Implementing organizational change in order to become more competitive can directly impact the experience and job responsibilities of organizational staff. Because understanding how competition drives change is critical for implementing effective changes, this section examines the current body of research on this topic.

The external environment can force institutions to change at times in order to survive and remain competitive. In their quantitative study, Kemelgor, Johnson, and Srinivasan (2000) found that that there were technological, competitive, and workplace-specific driving forces that compel business schools to change. The technological factors come primarily from the customers of the institution, who have a desire to receive curriculum content by means of new methods. These new delivery systems require web-based platforms so students can attend classes from any location. For some institutions, implementing these new technological systems could be a difficult task because of a lack of the proper infrastructure, which is likely require substantial time and resources for development. In addition to technological factors, Kemelgor et al. also identified competition as an issue driving organizational change. For-profit institutions have developed a way to deliver content to non-traditional students using convenient methods and cutting edge technologies, forcing traditional colleges and universities to quickly adapt to provide similar services in order to keep up with the market demand. These adaptations can include extensive organizational and structural changes to the institution. Kemelgor et al. identified weekend programs, distance learning, and satellite campuses as a few services that

non-traditional students are looking for in higher education programs. If traditional institutions fail to accommodate these growing demands, then other institutions will fill the void and provide the desired services. The final driving factor for organizational change that Kemelgor et al. (2000) identified was workplace-specific, meaning that higher educational leaders must be ready to adapt to new industries as they develop. Often times, new fields in growing industries require additional training for workers. By identifying new areas of need and being able to change quickly, higher education can remain relevant and take advantage of new opportunities in accommodating industry needs.

The need for change is nothing new in higher education. In their quantitative study conducted, Brint, Riddle, Turk-Bicakci, and Levy (2005) surveyed educators around the United States and found that most educators at the institutions realized the importance of adapting to the competitive environment. The majority of participants surveyed by Brint et al. believed that institutions must adapt in order to remain relevant and competitive in the current higher education market. The environment in which an institution operates has such a considerable impact that avoiding it or ignoring its importance could result in failure. Zha (2009) found that in order for an institution to fully reach its goals, members must be wholly aware of the environment around them and be willing and able to adapt to it. Zha also identified the need for leaders to possess the skill set necessary for monitoring the surrounding environment, as well as the ability to seamlessly respond to major changes in the environment. Because they are designed to help institutions navigate external environmental shifts, changes in an institution's services and organizational structure are for the benefit of both students and the institution (Zha, 2009). The research suggests that these changes are needed in order to maintain a competitive advantage over other institutions and to maintain the legitimacy and relevance in the market.

External competitive pressures from other colleges and universities affect all higher education institutions. Being able to compete with the offerings of another institution is important for keeping enrollment numbers high. Marshall (2011) studied various institutions throughout the United States, United Kingdom, Australia, and New Zealand over a five year period and discovered that if a university was unwilling or unable to adapt and provide a new service, another institution seeing the demand and potential for growth would do so, in order to maximize their own relevance in the marketplace. Marshall found that one of the fastest changing trends in the industry was technology, determining that university leaders need to be especially aware of how their competitors are using emerging technology. Leaders must be aware of their surroundings and be willing to change the direction of their institution to fulfill the needs of students, especially in new technology offerings. Zha (2009) determined that for universities to survive, they must be able to adapt to the pressures presented by other organizations with which they are in competition.

Changing technology is certainly one of the more contemporary external pressures that universities face, but it is not the only one. Pressures from competitors and the marketplace can force institutions into new markets otherwise unexplored. For instance, the drive to remain relevant is pushing more institutions to attempt to achieve a global impact. Stromquist (2007) conducted a single site case study at a private institution that revolved around the internationalization process and the perceived importance of global impact. The study included interviews with two top-level administrators and twelve faculty members in the College of Business. Stromquist found that the College of Business determined that they must have an international program or component in order to remain competitive with other business schools around the country. This change not only provided legitimacy to the school, but also budget

relief because many of the international students were full tuition students who did not require financial aid or scholarship funds. The influx of revenue dollars from the shift toward globalization allowed the school to more effectively recruit and advertise their program. Zha (2009) found similar results on the need to develop the international component of many institutions, determining that these organizations realized the necessity of marketing themselves globally if they wished to be viewed as legitimate, top-ranked institutions. According to Zha, institutions around the world are reorganizing themselves to internationalize their campuses in order to keep up with competitors.

Competing with other institutions is a large reason institutions are being forced to change. Another considerable external pressure prompting change is the necessity of maintaining the perception of excellence, an issue that has been magnified by the growing importance of the *US News and World Report* and other forms of college rankings. Stromquist (2007) found that an institution of higher education's ability to obtain research dollars was significantly increased, as was the push to hire more prestigious faculty, as a direct result of the need to maintain or increase the university's ranking. The same institution made other structural changes to raise their status and ranking. Using these measures, the institution was able to considerably increase their applicant pool, acquiring more growth than they actually required to appear more selective. Stromquist found that the institution also created "joint appointments" for faculty members in order to make their faculty to student ratio more competitive with other institutions.

The pressure from external forces to change can have an impact on the overall structure of the institution. With the growth in technology and other services for students, adjustment in personnel is often vital. Jantz's (2012) findings, growth in student enrollment requires growth in faculty to handle increased demand. Stromquist (2007) found that adjustments to organizational

structure and student growth of the study institution resulted in a substantial increase in mid-level management positions. These positions were needed to accommodate the influx of administrative tasks that faculty could not take on in addition to their current teaching roles. Stromquist found that as the environment around the institution became more complex, so too did the overall organizational structure of the university. Brint et al. (2005) found that over a 30 year period, the emphasis on liberal arts education decreased, reflecting a shift in students' educational demands away from a liberal arts education. Because of this shift in market demand, many institutions became more focused on career-oriented educational models. As a result of this dramatic shift, there were notable changes in the organizational structure in many higher education institutions, such as a considerable downsizing in foreign language and literature programs. At some institutions, these programs were entirely eliminated in an effort to reallocate funds to more popular and profitable programs. Interestingly enough, this change was mostly found in low to mid-level ranking colleges and universities. Brint et al. (2005) found that more prestigious institutions were not forced to make these adjustments to curriculum. Because of these institutions' status and rankings, students would still attend, regardless of program and course offerings.

Adjusting and reacting to the environment is a critical part of successful higher education institutions. University leaders must be aware of the impact of external pressures and be ready to respond if possible. Kemelgor et al. (2000) surveyed 313 deans in business schools around the United States and found that one of the most common traits of successful deans was the ability to respond to the forces driving change. The deans surveyed believed that if they were to fall too far behind other competitors, catching up would be difficult, which could be detrimental to their institutions. Making change is not always as easy as simply changing the structure. Leaders

must be aware of the workplace environment in which they are operating. Mitchell and Geva-May (2009) conducted a qualitative study at five institutions in Canada and found that, although the environment may dictate a change is required in organizational structure, the current personnel may not be equipped to successfully implement change. The findings from Kemelgor et al. (2000) and Mitchell and Geva-May (2009) show that university leaders must be aware of how far they can push their organization to change without creating serious problems. Having foresight and anticipating changes that may come can help these leaders overcome many of the obstacles many others will face.

Foundations of Change: Culture and Leadership

Regardless of the environmental pressures being applied to an organization, the culture of the organization must also be responsive to change (Ginsberg & Bernstein, 2011) and organizational leaders must be willing and able to push change forward (Rusch & Wilbur, 2007). Together, these two factors shape employees' experiences and determine how the process of change occurs within organizations. This section will discuss the importance of organizational culture, as well as explore how employee resistance or support contributes to the change process (see Table 3). Then, this section will provide an overview and examples of the leadership qualities of successful change agents. A summary successful leadership qualities during organizational change can be found in Table 4.

Culture. Organizational culture is built by the members of an institution and can change and adapt over time. Edgar Schein (2004) defines organizational culture as

the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration, and that have worked well enough to be considered valid, and, therefore, to

be taught to new members as the correct way to perceive, think, and feel in relation to those problems. (p. 3)

As Schein explains, the culture of an organization is learned, accepted, and then shared with other members. The process of developing a culture comes from the organization's need to overcome problems and interact with one another internally. These processes can result in the members of an organization defining their own vision and mission, which may differ significantly from that of the organization to which they belong. Whether they align with the organization's official position or not, these factors provide stakeholders with a purpose and a shared set of goals (Kezar & Eckel, 2002). The culture's strength can be either an attribute or a detriment to the organization. If the culture is healthy and strong, then it can easily adapt to new challenges and struggles quickly and efficiently; however, if the culture is unhealthy and weak, then new challenges can cause the organization to turn on itself and fail (Lakomski, 2001). The length of an organization's history in turn defines the strength of its culture (Schein, 2004). Organizations that have existed for only a short time will have a weaker culture and groups that have struggled over time to overcome obstacles will have a stronger culture (Schein, 2004). Healthy or unhealthy, strong or weak, the culture of an organization is developed by its members. Humans have a natural desire for rules and consistency. If these needs are not clearly defined and provided by the organization, then the members will create their own set of values which will govern their behavior (Schein, 2004). With an understanding of the strength of their own organizational culture, leaders in higher education can be ready to understand and address many of the issues that may arise.

Simske and Louis (1994) found in a single site case study at the University of Minnesota that before a change in organizational efficiency and behavior can be expected, a change in

culture must occur first. Understanding the culture is vital, and, over time, an organization's culture might become more amenable to organizational change and a new set of shared values can be developed. Leaders who are charged with implementing organizational change must develop sound strategies for facilitating transitions and understanding any cultural resistance that may emerge during the change process.

Organizational change can be difficult for any organization to identify and implement. Research shows that leaders must be aware of the environment they are attempting to change. Kezar and Eckel (2002) conducted a qualitative study at six different institutions in the United States that examined the transformational change process within higher education. The institutions selected included one research university, three doctoral granting institutions, one liberal arts college, and one community college. Kezar and Eckel found that a better understanding of the culture can help leaders achieve organizational change when the need arises. In instances where the organizational change or desired outcome conflicts with the culture, the culture must be transformed to successfully implement the needed change.

Ginsberg and Bernstein (2011) conducted a qualitative study at Eastern Michigan University that focused on culture change within the faculty, which found that attempting to implement a change that conflicts with cultural norms can cause significant conflict between organizational members and those leading the change. Ginsberg and Bernstein additionally asserted that in order to alter the culture of an organization, leaders must first have a clear understanding of how the culture has developed and more importantly what its member's value. Additionally, Ginsberg and Bernstein found that transforming organizational cultures can be a slow process. Organizational members are often reluctant to change, regardless of the reason or necessity of the change. This problem is perpetuated when new members come into the

organization and become indoctrinated into the pre-established culture by existing members (Ginsberg & Bernstein, 2011). Kezar and Eckel (2002) and Ginsberg and Bernstein (2011) make the case that in order to make an adjustment in culture, leaders must first create a new shared vision and culture with existing members of the organization. Research shows that the process of creating a shared vision and developing new values involves incorporating faculty and staff members of the institution. Studies of various strategies for implementing change by administrators indicate that the successful implementation strategies are most often those for which change is introduced and implemented over time with substantial member buy-in. The change process for administrators who did not practice this preferred method and attempted to force change despite a reluctant culture were often less successful.

Research indicates that in order for organizational change to be successful, leaders need to be aware that cultural buy-in from faculty and staff is required. Mills, Bettis, Miller and Nolan (2005) performed a qualitative study at Plains State University that examined organizational change relating to promotion and tenure for faculty members. The researchers found that there must be a sense of collaboration from all employees to implement effective change. Mills et al. asserted that members within higher education institutions value shared governance which has become an established cultural norm and valued by organization members. If these values are ignored by administrators or change agents, then the organizational change can be doomed to fail. Kezar and Eckel (2002) found similar results in their qualitative research, determining that change is unlikely to occur when the desired outcomes violate cultural norms. In the same study, Kezar and Eckel (2002) found that change strategies needed to be adapted to fit the culture already established within the organization. These findings do not say

that the culture that already exists must always exist; they assert only that the leader must consider the culture when beginning the change process.

Previous studies indicate first that if adjustments in culture are needed, then the leaders of an organization will need to understand how to begin the process. Second, any organizational change or cultural change is more likely to succeed if its members feel that the needed adjustment fits within the institutional mission. Mitchell (2009) conducted a qualitative case study to research the implementation of online education at a community college. Initially the faculty heavily resisted the change. However, administrators were able to adjust the culture over time and work with faculty. Leaders in the college were able to explain to faculty members that by using online education, the institution would be able to more successfully fulfill the institutional mission. By utilizing this strategy, administrators helped faculty members realize that the change fit within their current value system. Because the proposed change did not violate their cultural norms, the change was successful.

An important component in any organization is certainly the fit between the organizational culture and the proposed change. When considering the organizational culture, change agents should consider what strategies incorporate the culture into the change process to cultivate support. The following section reviews studies that further explain how this support is gained or lost from members of the organization.

Implementing organizational change without any resistance is difficult enough, but it becomes even more difficult when employees are opposed to or strongly fight against the needed change (Simske & Louis, 1994). The employee resistance can be shown in a variety of ways and can arise from several different circumstances. Nordin (2012) conducted a quantitative study that examined institutional readiness for change by compiling survey results from 169 academic

staff members at a single institution. The researcher found that organizational members who lacked an emotional attachment to the institution were less likely to support organizational change. The reason for the organizational change was not a deciding factor for these employees, but rather the absence of connection between the employees and the institution caused lack of buy-in, diminished commitment, and even a feeling of resentment (Nordin, 2012). Mills et al. (2005) found in their case study that faculty members strongly resisted a proposed change by administration for several reasons. One of the most significant reasons for the resistance was the fact that faculty did not feel that they had any opportunity to influence the decision. The faculty members who did not feel satisfied with the proposed changes also felt that administration did not take into account their thoughts and concerns. An additional reason the change failed was because the two change leaders lacked a shared vision. The dean and department chair were never able to articulate the true reasons for the change. This inconsistency created mistrust and resistance from faculty members. Mills et al. determined that this resistance was primarily due to the leaders' lack of respect and recognition of the established culture, values, and beliefs of the faculty. These studies demonstrate just how vital the understanding and acknowledgement of the organizational culture is in the process of creating true change.

Although it can be difficult to overcome employee resistance to change, there are some key indicators to identify employees who are ready to support the change. Nordin (2012) found that employees who had a high emotional attachment to the organization were often willing to support organizational change, even when it highly impacted their own work, as long as it would lead to overall success of the institution. Stanley, Meyer, and Topolnytsky (2005) shared their findings from their quantitative study conducted at various United States institutions. Their study included 65 participants and considered employee resistance and readiness to change. The

researchers found that employee readiness for change was determined by employees' overall experience with the organization. Positive experiences led to employee satisfaction and thus support for change that improved the organization. On the other hand, employees who had negative experiences were more likely to resist change regardless of the reason behind it (Stanley, Meyer, and Topolnytsky, 2005). Another method to build employee support while incorporating culture into organizational change is proper training and the availability of information. Mitchell (2009) found that proper training and information dissemination eased faculty and staff anxiety in the change process. These measures provided employees with time to examine the change and determine that it did indeed fit within their current value system. The integration between organizational change and culture is vitally important. Kezar and Eckel (2002) found that organizational change that supports the culture is likely to succeed and receive faculty and staff support.

The research conducted by Kezar and Eckel (2002) suggests that organizational change and cultural change are possible in higher education institutions; however, there needs to be a clear understanding from leaders on how the culture operates and how the organizational change can impact members. Obtaining support from employees is important and including them in the change process is necessary. The process can be long and tedious, but by understanding the complexities involved and the rationale behind both employee support and resistance, organizational leaders can achieve their goals.

Table 3

Key Authors and Main Themes - Culture

Lakomski, 2001	A healthy organizational culture can adapt to challenges and struggles quickly and efficiently. Weak organizational culture struggles with change.
Kezar & Eckel, 2002	Significant employee resistance will arise when organizational change conflicts with preexisting organizational culture.
Mills, Bettis, Miller, & Nolan, 2005	Faculty are more likely to resist organizational change when they do not feel part of the decision making process.
Nordin, 2012	Employees with a high emotional connection with the organization are more likely to support structural change.

Leadership. Nordin (2012) and Topolnytsky (2005) suggested that understanding an organization’s culture is certainly important in implementing organizational change, but it is only one part of the process. An additional aspect to the process of successfully implementing change is the leadership behind the change. Employees perceive organizational leaders to be the face and driving force of the change. Change leaders should be very aware of their impact on the process. Drew (2010) conducted a qualitative study at Queensland University of Technology in Australia to gather data on leadership qualities that facilitate organizational change. The study focused on 45 mid to senior level leaders within the institution and determined that having leaders who are able to be innovative and creative is extremely important to higher education institutions. These leaders, or change agents, should be carefully selected based on their ability to identify problems and discover solutions.

With the significance of the change agent’s role in organizational change, it is important to understand the qualities of successful leaders of change. Nordin (2012) found that effective leaders implementing change were able to secure commitment from the organization’s members

and increase their willingness to change for the good of the organization. Nordin (2012) identified commitment from staff as a significant indicator of the implementation of effective organizational change. Building commitment from employees is not generally achieved easily. Commitment is built over time and can be supported by a leader who is willing to listen to employees and their concerns. Hartley (2009) conducted a qualitative study that examined the effectiveness of grassroots change within higher education institutions related to civic engagement by analyzing periodicals from higher education organizations beginning in 1980. The qualitative study also consisted of interviews with 38 prominent leaders of civic engagement movements within their organization. Hartley's research showed that a dynamic or inspirational leader is not always needed for true organizational change. Instead Hartley found that by engaging in dialogue with employees, the success rate of change increase significantly.

Simske and Louis (1994) conducted a qualitative study at the University of Minnesota that examined the change process and paradigm shift and faculty reactions to change. The researchers interviewed 24 faculty members who had been at the University of Minnesota for at least 10 years. The researchers determined that leaders must be great "story tellers" and should be able to explain the reasons for organizational change. The effective change leaders in this study focused less on the need for structural change and more on the values of the organization and were able, through dialogue, to connect the organization's values to the proposed structural change. Drew (2010) had similar findings in a qualitative study that interviewed 45 senior academic staff members at Queensland University of Technology. Drew found that successful change leaders were able to focus more on the employees who would implement the change than the actual change itself. The commitment to the employee allowed the employees to feel included in the process, which can lead to a stronger desire to see the change become successful.

The studies by Drew (2010) and Simske and Louis (1994) reveal that leaders need a sound strategy to begin the process of change. The research further suggests that leaders should have a blueprint that prepares them for the issues that might arise during the change process. Predicting future stumbling blocks can be a challenge for any leader, but effective planning can prepare leaders for potential difficulties. Hartley (2009) shows that change agents need to begin the process of earning the organizations' trust and identifying internal support within the organization. Such development by the leader early on can set the organizations up for successful change initiatives.

Drew's (2010) determined that leaders were successful in their efforts to implement change because they were able to create an environment of trust, which caused employees to feel that the leader would guide them in a direction that was in the best interest of the organization. In this environment, Drew found that employees would be more willing to support an organizational change that the trusted administrator suggested.

Once a leader has established a trusting environment, he/she can begin to build a team of people who share a similar vision of change. Simske and Louis (1994) found that coalition building was extremely important for change agents at the University of Minnesota. In their study, Simske and Louis discovered strong resistance to the proposed change, some of which originated with faculty members who held prestigious positions within the organization. The change agent at the University of Minnesota was able to overcome this opposition by creating a coalition of support that collectively held more power within the organization than the opposing faculty members. The coalition that formed was able to overpower the resistance movement. Simske and Louis determined that this form of alliance building was especially important for revolutionary change. Since this type of radical change was likely to cause more anxiety and

distress to organizational members, building a support system was vital. Hartley (2009) had similar findings regarding the building a coalition of supporters. In Hartley's study, it was determined that the change leader should identify different ambassadors within the organization to be the champions of the proposed change. These ambassadors should be well-respected and from different cultures within the institution. Hartley determined that this type of support would benefit the change agent of the institution by allowing the message of change to reach a greater number of individuals than would otherwise be possible through direct contact.

Drew (2010) also stated that as the environment around an organization becomes more complex, institutions need leaders who can adjust and redirect priorities and resources to deal with the changing pressures on the organization. Drew (2010) determined that this type of change leadership is needed to continue to motivate and inspire employees in such a dynamic environment. Leaders need to be equipped to see issues as they occur and assist members in changing focus when needed. Effective leaders are able to accept new ideas and think creatively about new structures that will enhance the functions of the institution (Drew, 2010). The leader of an organization has a significant influence on the organization's ability and willingness to change (Nordin, 2012), so the selection of this individual is of utmost importance. Hartley (2009) determined that true organizational change cannot be implemented by one individual. Instead, it has to be a collaborative effort among many members of the organization. The change agent needs to have the skill set to bring faculty and staff together to work as a team. Hartley (2009) also found that change agents have the daunting task of not only motivating supporters, but also of appeasing and convincing those opposed to the change. The research conducted by Hartley (2009) and Drew (2010) proposes that leaders without the appropriate interpersonal skills will find it difficult to rally support from employees and will face significant resistance in

the change process. These findings assert that successful change agents must be willing and able to develop and inspire new ideas that keep the change process moving forward.

Leaders of change within the organization must also be aware of what employees expect of a leader. These leaders are the face of change, so it is critical that members of the organization have confidence in them. In their quantitative study on employee resistance to change, Stanley, Myer and Topolnytsky (2005) studied 65 individuals who worked at the various organizations at least 20 hours a week. The authors found that leaders implementing change need to develop a culture of trust with faculty and staff early. The leader need not attempt to gain the trust in the midst of the organizational change, but rather early on by being upfront and honest about the reasons for the change. When a relationship of trust is developed early in the change process, employees are often more open to accept proposed changes. Similarly, Drew (2010) found that communication and trust-building should continue once the change process has begun, stating that employees desire continuous feedback and updates throughout the change process. This strategy of continued communication provides employees with a sense of participation and investment in the process. Feedback and updates from leaders should be open and honest, but also have a confident tone.

Rusch and Wilbur (2007) conducted a qualitative case study that examined changes within a school at a state institution. The study focused on the school's attempts to meet the demands of accrediting bodies through organizational change. The researchers conducted interviews with the dean and 27 different employees within the organization. Rusch and Wilbur determined that faculty and staff felt more confident in the ability to change when they felt that the change leader was confident. Leaders must be aware of the tone with which they address employees when talking about the change process, remaining constantly aware that they

represent the face and voice of the change. If they present the change in a negative light, others will pick up on the negative tone. Research asserts that leadership in the organizational change process is vitally important. Not only does the leader need qualities that can inspire members of the organization, but the leaders must also be skilled listeners. These leaders must develop plans to counteract opposition and spend time developing support of their own. Change leaders need to be persistent and confident that the change they are suggesting is best for the organization.

Table 4

Successful Leadership Qualities in Organizational Change

	Drew, 2010	Nordin, 2012	Hartley, 2009	Simske & Louis, 1994	Stanley Myer & Topolnysky, 2005	Rusch & Wilbur, 2007
Confident						✓
Innovative	✓					
Focused on Communication	✓	✓	✓	✓	✓	✓
Focused on Organizational Values				✓		
Have a Plan/ Blueprint	✓			✓		
Earn Trust	✓		✓		✓	
Build Coalition for Change		✓	✓			
Ability to Adjust	✓					
Willing to Help Others Adjust	✓		✓			
Ability to Bring People Together		✓	✓			
Interpersonal Skills	✓		✓			✓

Organizational Change and Strategies

The process of change in higher education institution can be a very slow process. Change can involve working countless hours and constantly tweaking the process to achieve the desired results. One of the major aspects of the change process is the employees who will be affected by the change. To fully understand how the process of change occurs, leaders must understand the role that employees play. The personnel who are impacted by the change can help to speed along or significantly derail the progress of the change initiatives. Carefully negotiating personnel aspects of the change process can assist leaders in avoiding conflict.

Understanding what frightens or intimidates employees is critical for anticipating potential negative reactions from employees. Allen (2003) conducted a qualitative study between 1994 and 1998 that examined organizational change and employee resistance. Allen interviewed 24 organizational leaders at various institutions in the United States and found that frequent change initiatives within the organization can increase employee insecurity. These high rates of change do not allow employees to adjust. If employees are constantly on edge awaiting the next change, they will be less likely to support major restructures. Rapid change only increases the anxiety employees may have about their roles in the organization and leave them wondering how the next change might impact them. The leader of the organization or the change agent also plays a major role in how employees react to and deal with change. Stanley et al. (2005) studied employees who were resistant to the change process, determining that employees who lacked faith in the leadership of the organization were heavily resistant to any change being implemented. An additional cause of resistance can be a lack of transparency by the change leader. Discourse upon the true reason for the change and frequent progress updates are critical in obtaining buy-in from employees. Allen (2003) also found that lack of

transparency from administrators can cause significant insecurity for employees. Employees generally want to be involved in the process of change. They want to know that they have had a significant impact on the project and that their feelings are taken into consideration. If employees are not given the opportunity to participate and feel involved in the change process, progress can slow to a crawl. Allen (2003) reinforced these statements, finding that the inability of employees to participate in change initiatives creates significant mistrust for organizational leaders and the proposed changes. Allen's research implies that building trust in the leader and providing a clear rationale for the change must be a priority for institutions desiring to develop adjustments to structure. The research also indicates that understanding the potential roadblocks employees may face will assist leaders of the organization in implementing and expediting the change process.

There are ways in which the organization can work with employees to gain their trust and full support for most organizational changes. Kezar and Eckel (2002) conducted a qualitative study at six different United States institutions over a four year period with a primary focus on employee reactions and the role employees played in the change process. Kezar and Eckel outlined strategies that were implemented by successful change leaders, asserting that leaders who focused on the aspect of the organization that the change would protect rather than those it would reform had higher levels of success in implementing change. Leaders' explanations of the projected benefits of change were effective in reducing employee anxiety. Kezar and Eckel also determined that leaders who provide employees with time to absorb the change before it takes effect have much higher rates of effectiveness. This time allows the employee to react to and find their own role in the proposed change. Rather than forcing a change, successful leaders worked with the employees and involved them in the process. Additionally, Kezar and Eckel

found that a greater sense of teamwork was developed when employees were given this time to react and absorb the proposed change. Allen (2003) found that harsh external conditions that resulted in change brought employees closer together, suggesting that this unified mentality of togetherness and teamwork can be beneficial to the change process and many times reduces resistance.

Successful organizational change can only be achieved when administrators and faculty are working together (Allen, 2003), even if they do not always agree. Allen's results imply that keeping employees informed and giving them a voice leads to real change. By creating an ongoing dialog with employees, leaders can explain why the change is important to the organization and to the faculty or staff member. Drew (2010) found that employees are more willing to accept difficult changes when they are beneficial to their work. An open style of communication can foster consensus among employees which will help maintain the needed momentum for true change to occur (Allen, 2003).

The change process in higher education can be very slow. Simske and Louis (1994) found that although evolutionary and revolutionary change is possible in higher education, it does take considerable time to implement. It is vital that leaders who wish to implement change realize that it takes not only time but support from employees within the organization. Zajac and Kraatz (1993) found that organizations who implemented planned and thoughtful change are far more likely to see more immediate and sustained success. Successful change requires that the leadership have an understanding of its organization's unique structure, culture, and an appreciation of the individuals within that organization. Developing strategies to lessen anxiety and to increase support among the employees is critical. Research shows that these types of strategies must include effective communication and true transparency.

Summary

The literature reviewed in this chapter revolved around three major areas: the organization and the environment, organizational culture and leadership, and organizational change and strategies. These areas of research provide the foundation for understanding the organizational change at the small private institution in which the current study was conducted. Contingency Theory is one of many ways to explain how an organization interacts with its environment, and serves as the theoretical framework for the current study. Contingency Theory provides a context for understanding how employees relate to the organization and how employees perceive their roles within the overall structure of the organization. Although Contingency Theory helps explain why the organization might implement a restructure by providing a context for the change initiative, employee reactions and perceptions of the change help provide a holistic examination of the organizational change. This study developed an understanding of how employees interpreted and experienced the organizational restructure within the advancement unit of their university. Additionally, the study provides key information on the change process and how an organizational restructure can impact organizational members.

This dissertation provides much needed insight in an area that has largely been neglected by scholars in higher education and organizational change. A significant portion of the existing research that focuses on organizational change places a dominant emphasis on academic departments. Additionally, these studies tend to neglect the impact of change upon non-academic units in higher education and provide little insight into how employees experience the change process. This study fills this gap in literature by examining employee perceptions of the

change process in the development function at a small private liberal arts institution in the South. The findings from this dissertation provide valuable information to leaders regarding how members of a non-academic unit might respond to organizational change.

CHAPTER III

RESEARCH METHODS

The purpose of this chapter is to explain the methodological design of this qualitative research study. First, this chapter provides an overview of the study's purpose and key research questions. Next, this chapter discusses the current study's area of interest and rationale, research design and rationale, site selection and rationale, participant selection, researcher's philosophical positionality, data collection, and data analysis. Finally, quality considerations and a summary and conclusion are provided.

The purpose of this dissertation was to understand the perception of university employees related to organizational change at a small, private university in the South. Qualitative research designs are often used to "bring about understanding that in turn can affect and perhaps even improve practice" (Merriam, 2009, p. 51). Accordingly, a qualitative approach was selected for this study in order to understand organizational members' interpretations of the change, which will provide valuable insight for higher education administrators who plan to implement similar changes.

The following research questions shape the focus and direction of this study:

1. What did stakeholders perceive as the primary reasons prompting the organizational restructure?
2. In what ways did stakeholders feel that the organizational restructure was related to the institutional culture?
3. How did stakeholders experience the organizational change process?

The research questions in this study were developed to address some of the most critical areas of organizational change within higher education.

Topic Selection and Rationale

Higher education is going through serious scrutiny in regards to raising tuition rates and allocating resources. Students and parents are demanding more services and resources, while state and federal support for public institutions is in decline. Because of these difficulties, institutions of higher learning are looking for ways to secure private funding for scholarships and operating expenses. To ensure the greatest growth in financial contributions from alumni and other donors, colleges and universities need an appropriate infrastructure of effective, efficient fundraising professionals. Placing the right professionals in the right positions is critical to connecting donors with specific needs within the institution. However, the reallocation of employees often involves changes to existing organizational structures. At times, these restructures can be significant and may directly impact organizational members. This study focused primarily on employee reactions to the change process that took place in the advancement function of a small liberal arts institution in the South. The study sought to understand employee perceptions regarding the cause and implementation of the organizational change.

Research Design and Rationale

The research design for this study is a descriptive case study as defined by Merriam (2009). This study attempted to understand employee perceptions and reactions to an organizational change in a small liberal arts institution in the South. The case study research design was selected to provide a complete description of the organizational restructure, specifically employee views and opinions of the change process (Merriam, 2009). The

descriptive case study encouraged exploration beyond the step-by-step process that took place to implement the change to investigate authentic successes, failures, and mistakes as perceived by the institution's stakeholders. Analyzing qualitative data is the most effective way to examine participant behavior by allowing researchers to identify authentic employee perceptions of the change (Yin, 2009). The goal of this study was to fill the gap in literature as presented in Chapter 2 by exploring individual employee reactions to organizational change within a nonacademic unit in higher education. A single site case study was utilized because it was the most suitable method to address my research questions.

The primary data source for this research study was interviews with university leaders and other organizational stakeholders who directly experienced the organizational change. Yin (2009) explained that "one of the most important sources of case study information is the interview" (p. 106). In addition to interviews, which will served as the primary data source for the study, I also conducted an analysis of documents relevant to the restructure. These documents included, but were not limited to, emails, memos, organizational charts, and other written correspondence. I served as the primary data collector and analyst in this study.

Site Selection and Rationale

The site chosen for the study is a small liberal arts institution in the southeastern United States. The location was selected because it was geographically close to me, allowing for on-site interviews with employees. The name of the institution, its specific location, and the names of those interviewed have been changed to protect the identity of the institution and the participants. The institution in the study is known for being a residential undergraduate institution. The university has a specific focus on providing a liberal arts education in a Christian environment.

There are a limited number of graduate schools, including a law school, pharmacy school, and nursing school.

Study Participants

In an effort to capture the perspectives of a large number of participants who have a variety of experiences with organizational change, I utilized the snowball sampling method. Patton (2002) explained this sampling method in simple terms: “By asking a number of people who else to talk with, the snowball gets bigger and bigger as you accumulate new information-rich cases” (p. 237). I began my interviews with the university president, vice president for advancement, and the special assistant to the president, and expanded my participant pool based on their recommendations. These participants’ perspectives were critical to the development of the study because these university leaders led and implemented the organizational change. Relying on recommendations from these individuals, I obtained a list of participants whose experiences promised to “information rich” (Marshall & Rossman, 2011). A total of 23 interviews were conducted, with each interview lasting approximately one hour. The interviews began in March 2014, following the University of Alabama IRB approval. The first three interviews were with the university president, vice president for advancement, and the special assistant to the president. Following the initial three interviews, the staff of the advancement function at the institution were interviewed and additional interviews were added based on their recommendation (Table 5). After each interview, I asked the interviewee to recommend five to ten individuals who have had a specific experience with the organizational restructure. I interviewed a total of 23 participants, at which point I reached data saturation. I determined data

saturation was reached when participants' recommendations for additional interviews suggestions did not grow or vary.

Table 5

Interview Schedule, Frequency, and Timeline

Interviewee	Frequency	Timeline
University President	Single individual interview, approximately 1 hour	March 2014-April 2014
Vice President of University Advancement	Single individual interview, approximately 1 hour	March 2014-April 2014
Special Assistant to the President	Single individual interview, approximately 1 hour	March 2014-April 2014
Advancement Staff and recommended individuals (up to 27 interviews)	Single individual interview, approximately 1 hour	Late March 2014-April 2014

Researcher's Philosophical Positionality

This dissertation assumed an interpretive research model. Each stakeholder within the study institution had very different and unique experiences with the organizational change. The experience of the stakeholder was based on the context in which he or she experienced the change, creating “multiple realities, or interpretations, of a single event” (Merriam, 2009, p. 8). Therefore, no single interview or observation could explain the employee experience; rather, is the study's findings are a culmination of experiences that will define the restructure and its impact on the individuals within the institution. These varied experiences provided a more accurate understanding of the stakeholder experience with the organizational restructure.

Data Collection

Data collection began immediately following the approval of the University of Alabama dissertation committee and the Institutional Review Board. Interviews and document analysis took place over a three to four week period beginning in late March 2014 and ending in April

2014. Participant interviews were held on an individual basis to accommodate each interviewee's preferences for the time, date, and location of interviews. Most interviews lasted approximately one hour and were conducted in private locations that supported confidentiality to encourage candid responses to questions. All interviews were digitally recorded and transcribed verbatim for later analysis. No follow-up interviews were held to provide additional clarification. During breaks between interviews, I analyzed relevant documents including emails, memos, and organizational charts. I served as the primary data collector for the duration of the study.

The employee experiences of the organizational change was obtained through semi-structured interviews with university leaders, advancement employees, and others organizational stakeholders as suggested by participants (Merriam, 2009). In addition to interviews, I made field notes for each of the interviews within an hour following the interview to capture fresh insights and observations relating to the interview experience. These field notes provided detailed descriptions of what was observed and said during the interview (Marshall & Rossman, 2011). The field notes included the following three criteria as described by Merriam (2009):

1. Verbal descriptions
2. Direct quotations or at least the substance of what people said
3. Observer's comments

Transcription began immediately following each interview. The handwritten field notes were transcribed within two days of being written and included my own thoughts and experiences throughout each interview. The field notes were descriptive in nature and allowed me to enrich the data once I begin my data analysis. Each semi-structured interview was guided by an interview protocol (Appendix A), which ensured consistency across interviews, while still

allowing me to explore specific topic in more detail with each interviewee if needed. The interview protocol helped me to avoid some of the more common interview pitfalls such as multiple questions, leading questions, and yes-or-no questions (Merriam, 2009).

Document analysis was used in conjunction with interviews. The document analysis included documents that were relevant to the organizational restructure and were used to supplement interviews data to provide a rich case study (Yin, 2009). Reviewing documents provided three advantages, as described by Merriam (2009):

1. Many documents are easily accessible, free, and contain information that an investigator would spend an enormous amount of time to gather otherwise.
2. The data found can be used in the same manner as data from interviews or observations, and can provide a vast amount of descriptive data.
3. Documentary material is stable. The data is unlikely to be misinterpreted by the researcher.

To assist in document analysis, I invited each university leader I interviewed to share formal and informal documentation related to the organizational restructure. In addition to documents supplied by interviewees, I also searched the institutional website for relevant information and contacted the institution's Human Resource Department to obtain documents relevant to the organizational structure of the advancement unit. In combination, these diverse documents provided supplemental information that helped to inform a more holistic understanding of the organizational restructure. Other than IRB approval, no special permissions were required to obtain this additional information through document analysis.

Data Analysis

Data analysis began at the same time as data collection. I analyzed the data in partnership with my conceptual framework, contingency theory, to look for common themes. I began the analysis by looking for “clusters” of common data, and as the analysis of data continued, I looked for more specific “sub-clusters” of data. I maintained thematic memos as the data accumulated and as interviews were transcribed and coded (Marshall & Rossman, 2011). Contingency theory served as the lens through which I examined the study data; however, findings were reported and documented regardless of their alignment with the study’s theoretical framework.

Interviews were analyzed in careful detail once transcription was complete. The audio recordings of each interview were provided to a transcriptionist. Once the transcripts were returned, they were carefully compared with the original audio recordings to ensure accuracy. Once I confirmed that the transcripts were accurate, analysis of the interview data began immediately. Review of the recommended documents shared by interviewees began immediately once the documents were acquired. Field notes were maintained throughout the study. The field notes were initially handwritten in a field note journal between interviews and immediately before and after each interview. Within two days of each interview, the field notes were transcribed and coded for common themes. My field notes included several categories (Table 6).

Table 6

Field Note Category and Timeframe

Category	Timeframe
Date, Time, and Location of Interview	Before Interview Begins
Interviewee Name and Title	Before Interview Begins

Environmental Conditions of interview location	Before Interview Begins
Subject Demeanor	Before Interview Begins
Subject Demeanor	At the End of the Interview
Interviewer Perceptions of Interview	After Interview

Multiple data sources helped to ensure credibility and reliability through triangulation. I implemented a multi-method triangulation as defined by Merriam (2009). This process allowed me to cross-reference themes discovered in interviews with material I found through document and field note analysis (Table 7). Once the three sources of data were coded, the findings were maintained in an Excel spreadsheet. The Excel spreadsheet allowed me to sort codes and data by themes and sources. Merriam’s (2009) criteria for identifying themes were used to ensure credibility of analysis:

1. Be as sensitive to the data as possible.
2. Be exhaustive (enough categories to encompass all relevant data)
3. Be mutually exclusive (a relevant unit of data can be placed in only one category)
4. Be conceptually congruent (all categories are at the same conceptual level)

In addition to the three techniques used in triangulation, member checks were used to confirm findings provided by participants. As explained by Marshall and Rossman (2011), member checks allowed me to ensure the “correct representation of [participants] words” during the interview process.

Table 7

Data Sources Utilized in Triangulation

Data Source	Format
Interviews	Digital Recordings, transcribed in Microsoft Word Document
Document analysis; memos, emails, organizational charts	Various formats provided by interviewees, from the intuitional website, and from institutions Human Resource Department; Microsoft Word documents, emails, PDF's
Field Notes	Handwritten initially; transcribed in Microsoft Word Document

Quality Considerations

During the current study, I fully complied with the University of Alabama's Institutional Review Board (IRB) and the IRB requirements set forth by the institution. In order to obtain the most useful data, I protected the identities of all participants in the study by changing their names in the study data and report. All electronic data and documents were stored on a password protected computer and handwritten field notes were kept in a locked filing cabinet throughout the study. I did not disclose the name of the institution where the case study was conducted and I did not identify any individual participants. Each participant was fully informed of the project and my role as the researcher in the study.

Summary and Conclusion

The purpose of this chapter was to discuss the current study's methodology. I have explained how participants were selected for interviews and why, how the site for the case study was selected, and how I gathered the study's data. Additionally I have discussed the conceptual framework that was used to examine the data. Understanding how employees react to organizational change is an important area for scholarly inquiry, especially in the context

fundraising in higher education. With the growing importance of private contributions in funding America's colleges and universities, the advancement function in higher education may need to be adjusted to effectively attract donors. This study has sought to provide such insight to leaders in higher education who wish to implement necessary organizational changes.

CHAPTER IV

RESULTS

This chapter presents the results from the current study, which explored organizational change within the advancement unit of a higher education institution. The study examined how stakeholders within the organization experienced and perceived the reasons behind the organizational change and the change process itself. Understanding how stakeholders experience change is critical to navigating future changes, especially within the fundraising unit of a higher education institution.

The current study's theoretical framework, which is discussed in Chapter II, will build upon Burns and Stalkers' (1961) Contingency Theory by examining how culture, leadership, and change strategies intersect with my theoretical framework. In this chapter, I will share the results of my study as it relates to these three elements. The current study's findings were collected using in-depth individual interviews over a four-week period at Salee University, a small Christian liberal arts institution in the Southeast. This qualitative study focuses largely on the narratives and experiences of organizational stakeholders in an effort to understand their perceptions of the organizational restructure. As mentioned in Chapter II, the ultimate goal of this study is not to prove or disprove the theoretical perspective, but to build upon the current theory by answering my research questions using a qualitative approach. The study was guided by three research questions:

1. What did stakeholders perceive as the primary reasons prompting the organizational restructure?

2. In what ways did stakeholders feel that the organizational restructure was related to the institutional culture?
3. How did stakeholders experience the organizational change process?

This chapter is organized into five major sections. First, there is a discussion on the research participants in the study, which will provide valuable insight into the various roles and perspectives that each participant has within Salee University. Secondly, this chapter presents the results that reflect participants' perceptions of the reasons for the organizational change. This section will also include a description of the current and previous organizational structure, external pressures, and expectations for donor interaction. In the third section, I will present the results as they relate to organizational culture. This section will examine the previous advancement culture, the emerging culture, and resistance faced from stakeholders throughout the organizational change. Fourth, I will examine trends in the data that reflect the overall experience of the organizational change. This section will be divided into four subsections; pace of change, leadership qualities of the change agent, consequences of the organizational change, and overall communication of the restructure. The final section of the chapter provides a conclusion of the findings.

Research Participants

There were 23 participants in this qualitative study, each of whom had firsthand experience with the change and was able to speak to its cultural and functional impact on the organization. The study participants included 18 men and five women at various levels of administrative responsibility at the university. The interviews included one president, one provost, one faculty member, four vice presidents, five deans, and ten advancement staff members. A reference list of participants and individuals mentioned in this chapter can be found

on Table 8. Although each participant had a unique experience with the change process, all participants had experienced both the centralized and decentralized organizational structures at Salee University. Some of the subjects were heavily involved in the decision to change the organizational model, while others had no input in the decision. Interviewing participants who hold a variety of roles within the university was vitally important in providing different vantage points of the organizational restructure. To fully understand stakeholders' perceptions, it was important that a wide variety of participants were included in the study and that their experiences and perspectives were considered.

Table 8

Participants and Position within Salee University

Participant	Position
Sammy Johnson	President
Ralph Zimmer	Vice President for Advancement
Buddy Lovejoy	Special Assistant to the President
Bill McNally	Vice President
Mary Watkins	Vice President
Philip Carr	Vice President
Tom Fort	Provost
Suzanne Birch	Dean
Alex Taylor	Dean
John Billings	Dean
Robert Coates	Dean
Michael Roberts	Dean
Mary Fain	Advancement Employee
John Arch	Advancement Employee
Roe Parks	Advancement Employee

Mark Shores	Advancement Employee
Josh Jones	Advancement Employee
Richard Pritchett	Advancement Employee
Shane Patterson	Advancement Employee
Andy Baxter	Advancement Employee
Nathan Wall	Advancement Employee
Shay Jones	Advancement Employee
Janice Pace	Faculty Member
Frank Copeland	Previous President

Perceived Reasons for Organizational Change

The reasons underpinning the organizational restructure at Salee University are significant and varied. As I interviewed stakeholders, I asked them to explain why they felt the organizational structure in the advancement unit had changed from a centralized to decentralized model. Participants in the study identified several different reasons for the shift in organizational structure. Some attributed the change to external factors, while others identified weaknesses in the previous centralized model. The following sections describe stakeholders' perceptions of why the change occurred.

Organizational Structure

One of the most common reasons participants cited for the organizational restructuring of the advancement unit at Salee was inefficiency and ineffectiveness of the original centralized structure itself. In 2006, when President Sammy Johnson first arrived on campus, the advancement structure was very different from the current model. Fundraising was centrally controlled through the Office of the President and the responsibility for fundraising was divided among four major gift officers. The gift officers' responsibilities were divided by region and not

specifically designated by school or area of the university, even though the structure of the university itself is comprised of eight different schools: the College of Arts and Sciences, the School of the Arts, the School of Education, the School of Law, the School of Pharmacy, the School of Nursing, the School of Divinity, and the School of Business. One of the four original advancement officers explained that the centralized advancement structure was not particularly organized or efficient from a fundraising perspective, stating,

We called on anybody for anything. There was not really much of a donor list outside of folks that made annual gifts. It was not overly scientific, but it was the old school. You know, just get out there and cold call people. [Salee] University probably was not structured for the kinds of development universities need to do.

Other participants in the study agreed that the previous centralized model lacked focus and strategy. Advancement office research associate Mary Fain recalled that “the previous structure was much smaller and completely centralized, but even beyond that, it was really a matter of raising some money for something. It was not real goal-oriented. It wasn’t really project-related.” Goals and strategy were not set for the fundraising efforts of the institution. Based on participant feedback, Salee was content with what funds came in but did not actively pursue gifts.

President Johnson shared many of the employees’ concerns upon his arrival. The president came to the university with an extensive background in fundraising, serving for many years as a Vice President for Advancement at another university in the Midwest. With his background in advancement and fundraising, the new president quickly identified many of the weaknesses of the centralized structure that could pose threats to the university’s ability to fundraise. In our interview, he spoke at length about his first realization that the structure needed

to change in order to remedy these potential problems. He reflected on his first reaction to the previous fundraising structure, saying, “We had very few people that were actually directly seeking financial support for the institution. So I was, I guess a bit surprised that the advancement staff, centralized as it was, was as small as it was.” The president felt that the appropriate resources had not been allocated to the fundraising function.

In addition to the president, many participants felt that the advancement unit prior to restructuring was being underutilized and was not structured to succeed. One advancement employee noted that, “the prior structure was very centralized and we had a very small underdeveloped fundraising shop.” Planned Giving Director Mark Shores put the problems of a centralized approach to fundraising into context:

At the time of my arrival 18 years ago, we had maybe four major gift officers who were divided by region. Can you imagine having a quarter of the United States and having to be able to relate to all those people plus being knowledgeable about all the schools and all the activities on campus? It was extremely difficult.

Many others on campus began to realize that certain adjustments were required in the fundraising operation of the central office. Dean of the School of the Arts John Billings arrived on campus just as the current president was being hired and, like the president, quickly identified the issues of the centralized model. He told me that “having development officers divided by geographic region is simply not efficient. It’s daunting, it’s distracting and it’s difficult for that person to know where to begin.” The previous structure did not make the most efficient use of resources within the advancement office. The model was not only inefficient, but it was also difficult to manage for advancement officers. With little strategic direction, advancement officers were left to develop their own priorities and manage huge groups of donors. The change to a

decentralized structure would help them narrow down and clearly define the groups for which they were responsible.

Growth and Complexity of the University

Salee University's growth and complexity were also frequently mentioned in the interview data as another common reason for the organizational restructure. The former dean of the School of Business at Salee explained that, "as the complexity of a university increases, the more likely you are to see decentralized fundraising." This complexity can come from many different angles. School of Business faculty member Janice Pace elaborated on the university's growing complexity when I asked her to explain why she felt the structure had needed to be altered:

Our campus is very, very complex to be as small as we are... We have eight units, academic units, each with very unique histories, each with unique missions, very different programs and very different student bodies and alumni bases. They each have different needs that must be supported, and the centralized model could not support the complexity that was developing.

Another long-time employee of the university asserted that the complexity was largely driven by Salee's growing alumni base:

[Salee] is more complex today than it was when I came here eleven and a half years ago in terms of our academic structure, in terms of our alumni base... When I came to work here, we had about twenty-six thousand living alumni. We now have north of forty thousand living alumni, and it has only been eleven years.

Due to this growing number of living alumni, connecting with donors was becoming increasingly difficult under the centralized model. Director of Development in the School of Law Richard Pritchett stated,

We needed to get to the vast amount of alumni that could support us and spread that base from a few single, tremendous philanthropic people, to a much broader base of support. The reach simply could not be achieved with the centralized structure that the president inherited.

Many participants acknowledged that the environment in which Salee operated was growing more complex while the university's number of living alumni was also rapidly increasing. For these reasons, a more dynamic fundraising structure was needed to accommodate Salee's complexity and growth.

Donor Interaction

Donor interaction is an important factor in the fundraising office at Salee University. However, under the previous centralized structure, methods for maintaining relationships with donors, connecting donors with specific needs, and responding to donor needs were ineffective and inefficient, necessitating an organizational restructuring of the advancement model.

Maintaining relationships. Under the previous centralized structure, development officers lacked the resources they needed to build meaningful relationships with donors, much less maintain them over a sustained period of time. Advancement employee Mary Fain noted, "Deans felt like nothing much was really happening on the fundraising front. And that was true because each development officer was spread so thin." The restructuring of the advancement unit was an effort to engage donors who might not previously have been on Salee's radar. President Johnson stated, "Donors usually aren't just sitting around out there crying, you know, will you

please come see me. From an external support standpoint, our relationships were probably malnourished.” Under the previous centralized model, many donors were not being engaged the way they should or could have been. Because advancement officers were spread so thin, much of the need-specific fundraising fell to the deans of individual schools. One dean, John Billings, explained that he simply did not have the time to invest in meaningful donor relationships. He described the fundraising process prior to the decentralization:

If you were a dean of a school, you didn’t necessarily have anybody assigned to fundraising, so you were on your own. And what that means as a dean is that you’re left to whatever time your schedule might permit for fundraising. And that system doesn’t work well for fundraising. It’s persistence that really wins, not your, your prowess on a single day.

These malnourished university-to-donor relationships became the most prevalent issue in need of change. According to participants, the solution this problem was to increase the university’s interaction with donors. This objective was accomplished through the change in the advancement unit’s organizational structure from a centralized to a decentralized model.

Connecting donors with specific needs. Many of the participants in the study felt that the Salee University’s advancement team lacked the ability to connect donors with specific needs within each of the schools under the previous centralized model. Dean of the School of Law Robert Coates offered the following explanation in reference to the decentralization of fundraising:

This is an interestingly complex institution... alumni allegiance was not to the university, but to their individual schools. And so I think it was a recognition that your success

would be by allowing each individual school to identify the people that it believed were likely to contribute to that school, not to the university.

The dean of the School of Law's comments were reflective of the opinions of other participants, as well. Faculty member Janice Pace also noted the loyalty of graduates to their particular school and the need to carefully nourish their loyalty:

We know that for the vast majority of the alumni there's immense loyalty at the school level. We have not organized ourselves to deliver value to our alumni in that way. By centralizing, it's all vanilla [Salee] University.

Mary Watkins stated that, "Emotional ties from an alumni perspective aren't necessarily tied to the university as a whole, as much as a specific unit." The change in organizational structure from a centralized to a decentralized model allowed for much a "deeper and intentional relationship," as Mark Shores stated. He expanded upon this comment by saying that under the new organizational structure,

Development officers are far more likely and far more able to go deeper into relationships with donors, whereas before they were simply a stone bouncing across the surface. You really couldn't develop many deep relationships, and those that you did might not have any continuity.

The continuity discussed by Mark Shores is expressed through clear understanding and intimate knowledge of the individual school. Several deans mentioned the growth in ability to connect with donors in specific ways, which may have been more difficult under the centralized model.

Suzanne Birch, Dean of the School of Nursing said,

The reason that having a specific gift officer is important is because they have to understand the school, the program, and the alumni and they have to understand the

strategy, the strategic direction of the school, and where we are going. The decentralized structure has established and expanded the donor network. There's no way under the sun that four people in this university could have ever contacted and had a relationship with all the people we have a relationship with now.

The decentralization of the advancement function was a vital part to the growth of fundraising. As one dean, Alex Taylor, stated, "Decentralization was about providing service and it was about connection, but it was also about building loyalty; which I knew was going to translate into great philanthropy." Janice Pace agreed that the new structure facilitated donor interaction when she said, "Engagement is most important, because you've got to have engagement before you're going to have fundraising." The engagement additionally relates to the schools' ability to relate to graduates, especially those from professional schools. One graduate school dean, Alex Taylor, strongly supported the decentralization of fundraising. He used the School of Education as an example of the advancement officers' ability to relate to donors under the decentralized model:

Having somebody in the School of Education who understands the industry, understands the forces at work, understands the culture of educators, understands the kinds of rhetoric and activity that strikes at the heart of educators and can tug at the heart strings of educators, who is involved in industry, organizations, and conferences of educators and speaks the language. I'm just absolutely convinced that person can be a better fundraiser than the central office.

Alex Taylor's comments are reflective of the notion that decentralized advancement officers are far more effective in relating to potential and current donors. These advancement officers are able to talk about industry specific topics that will allow for deeper and more substantial

relationships with alumni and friends of each school. These relationships, in some aspects, are grown and nurtured and can develop into productive philanthropic partnerships between the donor and school. Many participants felt that without this close connection, it would be difficult to connect donors with specific needs within the school or department.

Responsiveness to donor needs. The need to be more responsive to donor needs was also noted as a reason for the organizational restructure. As the donor base has grown at Salee, so has the need to respond quickly to donor requests and needs. When discussing the benefits and the change from the previous centralized structure, Dean Suzanne Birch said, “We are able to react quickly to donor demands. We are much more reactive than four people in the central office could be.” John Billings, Dean of the School of the Arts, had a similar view: “Because we have a full-time development officer, we are seen as being more caring, attentive, and professional responders to donors and patrons.” Although the advancement officer has a critical role in the fundraising venture of each school, the deans also play a major role in the overall process of responding to donors’ needs. Each dean serves as the leader and the face of his or her school, so the intention of Salee’s restructure was to have an advancement officer work in conjunction with the dean at every level of the process. One advancement employee described this relationship:

When you put somebody in a school, they can work alongside the dean who has affinities, those relationships already with the public, and the dean and the development officer can partner together to say here’s the strategy for how we’re going to cultivate. Apart from getting down to that level, it would be difficult to find a strategy for cultivation when you have four staff trying to cover an entire campus of this size.

A decentralized approach is the most effective method to connect with donors who have wide ranging interests at Salee. Participant data shows that many understood the limitations of having four advancement officers trying to relate to such a wide ranging group of individuals.

Participants consistently mentioned the importance of remaining connected to donors as the primary reason behind the restructure. As one employee, Mark Shores, stated, “It takes two things to make a major gift. It takes affinity and it takes affluence. With the new structure we’re discovering people who have both that we didn’t know about, lots of them.”

External Pressures

In addition to the internal pressures being generated by the original centralized structure of the advancement unit, the university’s growth and complexity, and problems with donor interaction, many employees also cited external pressures, such as increased competition and financial concerns, as catalysts for the shift to a more decentralized structure. These external pressures were being felt by many within the organization when the centralized model was in use; the necessity of being able to respond to these external pressures became a driving force in the restructure of Salee’s advancement unit.

Competition. One particularly important external force that prompted the restructure was an increase in competition in the market for higher education. Mary Watkins, a former vice president at Salee University, explained that one of the reasons for the change was in response to competition within the industry:

Historically, fundraising had not been strong enough in comparison with our peers. And so you saw externally our peers really giving more than us in terms of advancement work. You saw externally the financial environment being one that required more resources, because of our campus trying to keep its tuition relatively low compared to

peers relied more on its advancement. And also just the fact that externally there was a lot of competition for both donors and also for branding and name recognition, both within the state and in the South.

Watkins offered a potential explanation for this lack of competitive effort on the part of Salee's advancement team, explaining that prior to the president's arrival, "the campus has a bit of an inferiority complex and really did not brand itself as strongly or proactively, nor did it reach as strongly to potential donors." As Salee grew, President Johnson felt that to maintain a competitive edge over other colleges and universities in the South, more expansive fundraising efforts were needed. Assistant to the President Buddy Lovejoy, agreed with Johnson that the university needed a more aggressive, strategic plan in order to remain relevant and effective in a competitive market environment. Lovejoy stated,

When the current president got on board, he realized that we needed to raise more money, to be more aggressive in the current market. We needed, in the best sense of the word, to give a shotgun approach to the masses, and we didn't have a large enough staff or appropriate structure under the old setting.

Lovejoy echoed the sentiment of many participants in regards to growing the intentionality of Salee's fundraising efforts. Many felt that Salee's competitors were making greater strides in growing donations, and if Salee was to remain competitive with peer institutions, it was critical that the structure adapt to be more efficient.

Financial concerns. Pressing financial concerns were another external pressure that prompted the organizational restructure of Salee University's advancement unit. The downturn in the economy and the public pressure to keep tuition affordable were two specific external pressures that were noted by participants. Many of Salee's stakeholders viewed the

decentralization of the advancement office as a necessity to deal with these financial concerns.

The Vice President of Advancement's comments exemplified these issues:

Costs and expectations for excellence are going up and yet we couldn't really raise tuition to the point where it would cover all the costs we have. And so we needed to ramp up the fundraising activity. There was backlash from the general public in regards to rising tuition.

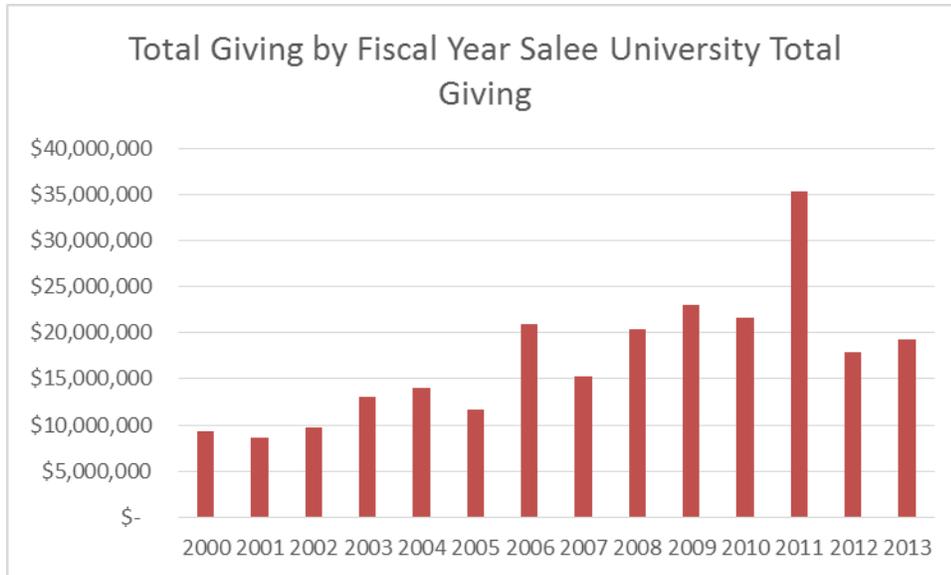
Producing the best education possible for a reasonable cost was an important consideration for many of Salee's administrators. Many employees believed that financial stability through fundraising was the best option for achieving quality and avoiding the need to increase tuition.

Advancement employee Bill McNally noted the decline in the stock market as a push for the organizational restructure. McNally felt that the university had been far too tuition-driven in the past and had pushed expenses onto the backs of students and parents. He noted that fundraising needed to take center stage to offset the university's dependence on tuition revenue. McNally noted that, "because of the downturn in the economy from 2008 and 2009, we recognized that we are going to have to do some things differently from a financial viability standpoint, especially fundraising." The need to adjust the financial strategy was also identified by Salee's current Vice President of Business Affairs, who also serves as the school's Chief Financial Officer. He echoed the thoughts of many other participants, saying, "With the change of administration and the shifting competitive environment, we saw a need to make adjustments to our fundraising structure to be more fiscally sound." The need to appropriately structure the fundraising efforts at the university was a critical factor in increasing donations. These donations were clearly vital to Salee's overall financial stability. Salee's commitment to raising significantly more funds to stabilize the budget can be seen in Table 8. This figure shows total

gifts given to the university from fiscal year 2000 thru fiscal year 2013. Total giving increased from \$9,356,029 in 2000 to \$35,333,833 in 2011, a total annual gain of \$25,977,804 over 11 years.

Table 9

Annual Giving at Salee University by Fiscal Year



This section described stakeholders' perceptions of the primary reasons for the organizational change in Salee's advancement unit. Some participants noted significant issues with the centralized structure, while others pointed to the growth and complexity of the university as a contributing factor. The large majority of participants indicated the need for Salee to connect with donors more substantial ways, explaining that under the previous model, donors were not engaged in ways that would lead to a major donation to the university. These efforts, according to participants, were needed to cultivate new relationships and bring in more donations. All of these factors, combined with the external pressures of a competitive market in

a poor economy, were cited by participants as primary reasons for the organizational restructuring in Salee University's advancement unit.

Organizational Culture

One of the most significant findings in this study was the evaluation and comparison of the cultures and expectations associated with the previous and current organizational models for fundraising at Salee. The first structural model was a very centralized, controlled culture of philanthropy led by the previous president. The current culture began to emerge under the leadership of the new president and centers the responsibility for fundraising within the university's schools and upon the various gift officers assigned to each school. The fundraising process is still important to the president; however he has delegated much of his control over the process to other informed and capable individuals within the university structure. The following section presents a narrative constructed from participant data that helps to illustrate the shift from a culture of centralized, tightly controlled approaches to fundraising to a decentralized culture of delegation and shared responsibility. This cultural shift is important to the current study because it illustrates the evolution of the culture of philanthropy at Salee. The contributing factors that were delineated in the previous section were not new Salee, but the previous president held much of the fundraising control and delegated very little, permitting no opportunity for the implementation of a much-needed restructuring to remedy the problems with the centralized structure. Participants strongly believed that the new president has allowed a new culture to take hold and has distributed the responsibility for fundraising beyond the walls of the president's office. In addition to discussing of the nature and evolution of Salee's fundraising culture, this section also explores trends of resistance within Salee's fundraising culture that emerged as a result of the change.

Salee's Fundraising Culture: A Centralized Model

The previous fundraising culture at Salee University was a centralized model that was strictly controlled by the president of the university. Advancement officers were utilized in nominal ways to support the president when needed, and were not tasked with securing donations to help support the university. Further, deans and other leaders of the university were also restricted in their opportunities to support or participate in fundraising efforts. This model was implemented and supported by the previous president at Salee, Dr. Copeland.

The president's approach. An instrumental supporter of the previous centralized advancement structure, former Salee University president Frank Copeland believed that fundraising should be centrally controlled by his office. Dr. Copeland, is a well-respected man among all the employees I interviewed. He had served as president for nearly twenty years when he decided to step down from office. The current Vice President for Advancement said,

The previous president liked to be very interactive with the largest donors, to the point where if you had a file of information about that donor in terms of correspondence or notes made when you went to see them, they were all in his office.

Advancement unit employee Shay Jones noted, "The previous administration kept fundraising very limited to the President's office." Although many saw the need for some tight control, others saw the need to expand the fundraising efforts of the university despite the hesitation from the previous president. It was clear from participant data that Copeland was not extremely interested in proactively meeting new prospective donors. Josh Jones, a long-time employee at the university told me, "The previous president was not the type of president who liked to get out and shake hands. He was a painfully shy person." Because of his shy nature, the cultivation of new donors suffered.

The previous president had a tight control over major donors. Major gifts were primarily restricted to Board of Trustee members, whose only contact was with the president. Mary Fain explained, “Many major donors, like trustees, the overseers, really key stakeholders, nobody in the advancement office was allowed to contact any of them.” Alex Taylor stated, “Frank Copeland’s philosophy was to keep everything close. Command and control was kind of his leadership philosophy.” The statement of command and control was repeated quite often when others were describing the previous president’s fundraising style. This leadership style was an expectation from the beginning to all new deans. One dean told me that the previous president told him, “Don’t call on any of the trustees, that was his domain.” Deans were not expected and not allowed to develop donors to support the needs of their schools. Dr. Copeland made it clear that connections with key donors were to be created and maintained through his office

The role of the advancement unit. It is not surprising that, under the previous president, advancement staff members were not expected to be in contact with donors on a regular basis, especially since all communication and contacts initiated with and were routed through the President’s office. Most often, donors would contact the president directly; participation from other members of the advancement staff in the process would be requested on an “as needed” basis (See Figure 2).

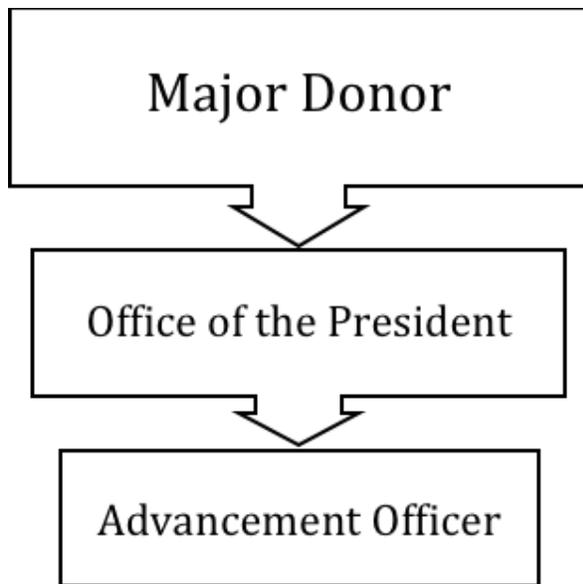


Figure 2. Flow of communication in previous centralized organizational structure for Salee University’s advancement unit.

President Johnson, Salee’s current president, shared a story about an early interaction with his assistant, who had also worked with the former president. All donor files were kept in the president’s office and could only be signed out upon the approval of the president. President Johnson explained that during his first year his assistant came into his office with several files in her hand. She asked the president that development wanted the files and asked what she should do. She explained that under previous leadership, the president had to give permission before any donor file could leave the president’s office. The president explained how this cultural expectation for control and the restriction of access to critical donor information “illustrated that we had, and possibly for good reason, an incredible bottleneck here, that prevented what I would characterize as widespread and meaningful association of our people with our donors.”

This comment from the president illustrates the tight control that the previous president had over the fundraising efforts of the institution. All correspondence with donors had to be approved by the president, and advancement officers had little or no direct interaction with these donors.

The role of the deans. One consequence of the former president's controlled approach to fundraising was that many of the school deans were excluded from the fundraising process.

Because of the fact that many of the deans were not vested in fundraising at the university, many felt disengaged from the development function. Vice President of Business Affairs Philip Carr said, "Deans were less involved, less interested in raising money, not because they necessarily weren't capable or had no interest. It was simply not what they were charged with." Roe Parks echoed this sentiment: "I don't think the deans had the same intensity or appreciation for the expectations they be part of the fundraising team." The feeling that the deans felt disconnected was not only shared by staff members, but also the deans themselves. Robert Coates said,

Previously, I don't think deans understood that they bore a lot of the responsibility for fundraising or at least needed to help in that regard. I think, before, the attitude was that's the university's administration and I, as a dean, don't have to worry about it.

Even if deans had wanted to become involved in the fundraising process, participant data suggests that they would not likely have been invited to do so. John Arch told me that under the previous structure, "Deans never made calls to donors. We didn't even engage them or include them on donor visits." The exclusion of the deans from fundraising at Salee appears to have occurred not by accident, but by the president's design.

Keeping the deans excluded from the fundraising process of the university was a strategic decision by the previous Salee president and was intended to ensure that representatives of the institution avoided badgering or annoying major donors and to ensure control and consistency of the fundraising message. However, because of the lack of interaction between the deans and the central office, many deans were unaware when gifts that were relevant to their individual schools were being negotiated. This exclusion caused many deans to have underdeveloped visions for

their schools related to fundraising. Dean of Nursing Suzanne Birch relayed an experience that captures her experience with being left out of the critical information loop and the impact of this exclusion upon her ability to manage and develop her school's programs to maximum benefit:

The previous president called and said I have a donor who wants to give a million dollars and they want it to go to the nursing program. He asked her, "What would you do with it, and I need to know right now."

Suzanne remembered being significantly caught off guard by the request. Although she was able to name off a few programs that needed the support, she expressed that she would have liked more time to strategically think through where the funds would best be used.

Funding for development. Another consequence of the former president's approach to fundraising is that Salee tended to be overly reliant upon tuition funds for campus projects and development. One narrative from Provost Tom Fort explains the issue. Fort recalled having a conversation with the previous Vice President of Advancement, who was under the leadership of President Copeland. Both were attending the grand opening of a new academic building on campus. Fort recalled,

I asked the VP "Can you tell me when the capital campaign ends for this building?" The VP said, "We didn't have a capital campaign." I said, "Oh, well, who were the major donors for this? Are you able to tell me that?" The VP said, "Well, we didn't have any." I said, "Well, was there one major donor who had a lead gift to make this possible?" The VP said, "No." And that's emblematic for what was and was not being done here with development.

Tom Fort's story was just one of many examples that indicated that Salee was relying heavily upon student tuition to fund many of the projects on campus, despite the fact that under President

Copeland's leadership there were many significant financial gifts to the institution, some of which were among the largest in the country at the time they were received. Large gifts were important to Salee University, but as one dean stated, "They were not actively being sought as aggressively as many felt they should be." Advancement employee Shay Jones reflected on the general culture of fundraising at the university before the restructure, saying,

I think fundraising in general was foreign to them. If it was centralized or decentralized, it didn't matter. It was fundraising, in terms of we didn't actively pursue gifts, instead we just opened up the doors and whatever comes in the door is what we raise.

As opposed to actively seeking out gifts from donors, Salee had previously waited for donors to find them. Donors were left on their own to identify a project they wanted to fund as opposed to the university making strategic suggestions based on real needs at Salee.

The previous fundraising culture was a top-down approach implemented and maintained by the president of the university. Advancement officers had very little to do with cultivating gifts and were only included when the president felt it was appropriate. In addition, deans had no interaction with donors and had limited input on how potential gifts could be used to improve their schools. Based on participant feedback, the university lacked a strategic direction or goals for raising philanthropic gifts. Salee was a university content with the funds they raised and their methods for raising them. However, with the arrival of a new president, the Salee's expectations for fundraising were about to rise.

Salee's Fundraising Culture: A Decentralized Model

Once Dr. Johnson, Salee's current president, took office, the process of fundraising began to shift to a decentralized model. Dr. Johnson took a less direct role in the day-to-day fundraising operations, and instead began to delegate responsibly for fundraising to others within

the university. Advancement officers are now responsible for identifying prospective donors as well as working with the deans to identify needs within each school. Under the new culture, the president has set expectations that deans will be heavily involved in the fundraising process. The decentralized model has developed into a bottom-up approach, as opposed to the previous top-down model implemented by the Salee's former president.

The president's approach. Under former President Copeland's leadership, the president was expected to function as the chief fundraising officer for the entire university. However, the current president quickly realized that he could not effectively manage the bulk of the fundraising responsibilities for such a complex university by himself: "I'm not good enough to manage, as president of the institution, to manage everything else and to manage well over 300 donor relationships." The new president was able to identify the limitations that exist with keeping all donor relations centralized in his office. Dr. Johnson felt that delegating more responsibility to the advancement officers would instate a more inclusive, campus-wide approach to fundraising and stress the importance of this central function to everyone.

When Dr. Sammy Johnson arrived as president, he brought in a new Vice President, Ralph Zimmer, who also recognized the need to change the cultural expectations for fundraising to all stakeholders. During our interview, Vice President Zimmer explained that,

We are going to try and change the culture at [Salee] to where people throughout the campus realize that a culture of philanthropy needs a permanent place. People need to understand that raising money is going to be an important part of all our jobs.

Some employees of the advancement unit have sensed that the change in culture is already strongly underway. Shay Jones said, "The restructure has helped our school personnel and even our students realize the importance of philanthropy." Dean Coates of the School of Law

exemplified the trickle-down effect of the organizational change to the overall culture by stating, “There was not much serious discussion about fundraising up until this change occurred. Fundraising now is a top priority at the university that we talk about all the time.” The employees who have seen a significant change in the fundraising culture also noted that it has begun to work into the vernacular of the student body at Salee. John Billings said of Dr. [Johnson’s] time as president, “The culture of philanthropy has changed over Dr. Johnson’s tenure. It’s saturated not only the leadership of each school, but it’s really saturated through the students.” Buddy Lovejoy discussed a recent experience that illustrated how deeply the new culture has impacted the Salee student body.

I went on a prospective student tour recently and I was so pleased to hear that the tour guides, who are current undergraduate students, tell prospective students about philanthropy at [Salee] and how important it is. That is something that would have been unheard of ten years ago.

The culture of philanthropy, that is so important to the president, has begun to trickle down to all aspects of the university. Participants reflected that alumni giving was now expected from graduates, not just an aspiration.

The role of the advancement unit. The expectation of donor interaction has significantly changed under the leadership of President Johnson. Donors are now cultivated at the school level in most instances and the president is brought into the process when as required. The president told me that he is typically involved in major gift requests or when a higher-level donor is involved, but for the most part, schools are responsible for their own donors and determine the manner in which donors are managed. At Salee, trustees are now open to any school who wishes to call upon them. The Vice President of Advancement explained that, “One

of the first things done during the decentralization was the distribution of all trustee contact information to all the advancement officers in each of the schools.” Another employee in the advancement unit agreed: “It was quite the change.” The flow of communication under the decentralized advancement model is shown in Figure 3.

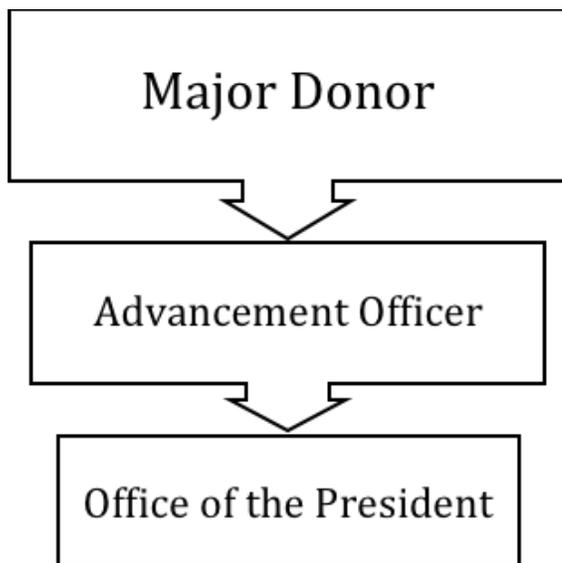


Figure 3. Flow of communication in new decentralized organizational structure for Salee University’s advancement unit.

The role of the deans. The expectation that schools would need to manage their own donors quickly became the rule as opposed to the exception at Salee. Dean of the School of Arts and Sciences Michael Roberts noted a significant change in the expectations for deans at Salee after the restructure:

I think at one time the president was considered to be the advancement officer and leader and deans were to manage academic affairs. I think at [Salee], there has been a move to see deans more as people who were leading advancement for their schools and colleges. Another employee felt that the delegation of responsibility from the president to the individual schools was critical. Shay Jones remarked, “A president’s office can’t be all things to all people. They have to prioritize and segment different responsibilities.” The shift in responsibility away

from central administration slowly began to reshape Salee's culture of fundraising. In reference to the change, David Pritchett in the School of Law remarked that, "I think we went from a low threshold of awareness and participation to a dramatic increase in a culture of philanthropy that we have today." Janice Pace felt that the organizational restructure was perfectly timed and that members of the university were ready to make adjustments: "I sensed that we had reached a time where there was a lot of pent up interest and willingness to have us do some things differently. In other words, to accept change." The data showed that members of Salee were ready for a change and willing to make the adjustments needed to achieve new fundraising goals.

The current president has set the expectation for participation in fundraising for each of the schools, and, by supplying each school with its own dedicated advancement officer, supports them in engaging current students early on. Dean Suzanne Birch talked to me about her advancement officers intentional efforts to have students embrace philanthropy as an important venture after graduation. She related one of these efforts in the following example:

Our development officer meets with every entering freshman class. Every new graduate cohort that we bring in, she meets with them. She meets with them the last day before graduation... and we talk about the importance of philanthropy. Because of this, we have seen an increase in our alumni giving.

Ten years ago, this dean would not necessarily have believed that this type of activity would have been possible, but she has seen the direct effect of the decentralization and its positive influence on the university's culture of philanthropy. She said, "I think the change has created that culture of philanthropy within each school at [Salee]." Advancement employee Mark Shores has experienced both the former and the emerging fundraising cultures at Salee and notes a significant change at the university:

I have seen a transformation, not just a culture change, but a transformation from a culture of what I described earlier as ‘we’re Christian and we’re pretty good at what we do’ to a mentality of ‘look at all the wonderful things we are doing.’ It has been a culture transformation from one that probably did not embrace what a strong development effort can really be to a culture of a little more forward thinking.

Members of the organization began to embrace the concept of sharing the great things happening at Salee with donors. The previous culture was one that shied away from boasting about the great things happening on campus. However, because of new leadership, informing others about Salee’s accomplishments became the norm.

Resistance to Cultural Change

Participants expressed that there was some resistance as it related to the organizational restructure. Although the vast majority of participants in the study could not recall significant resistance, but a few reported some hesitation from stakeholders during the change. The president noted that various deans who had been at Salee for a long time, “...didn’t know what to do with an advancement officer. They had not been part of their previous experience or skill set.” When discussing resistance to the change, the vice president of advancement stated, “Many deans felt that the whole concept of fundraising is not something they signed on to do.” The dynamic of resistance varied among deans in the academic units, as Buddy Lovejoy recalled:

There were some deans who were ready to go raise money. There were others who were very, very reluctant about really getting too deep into fundraising. The resistance came from two or three deans who just weren’t sure fundraising was something they needed to be engaged in.

John Arch mentioned that although some deans wished to fortify their school's resources, many were also hesitant to take on the role of chief fundraiser. Arch told me, "Deans wanted to see resources developed in their schools, but I think they weren't all comfortable with being involved in that process, the process of fundraising." Philip Carr experienced the same set of circumstances, but explained that fundraising had never been part of the dean's role in the past. He stated, "They had never done it. They were uncomfortable doing it. It had always been something the university had done for them." As the organizational structure of the advancement unit became more decentralized, some of the same deans who were uncomfortable with being involvement with fundraising began to resist. A member of the university administration who was deeply involved in the implementation explained that,

There were actually some deans who were starting to push back, meaning we had started this trajectory towards decentralization and some had the opinion that that wasn't working, that we needed to actually go back to more of a centralized model.

While some participants in the study commented on hesitation from deans, others identified significant resistance from current advancement personnel. Mary Watkins discussed to this friction, saying,

We had some tensions internally to the advancement staff who kind of had been doing things the same way for a long time and now are being pushed to do things differently. People don't typically fear change. They fear loss and that is what was happening with advancement: they feared loss of control.

Although there were initially some mild instances of hesitation and resistance, none of the study's participants experienced outright opposition to the change process. Most gave credit to

the pace at which the change occurred and acknowledged the skill and insight of the leaders who took ownership of the process.

The Experience of Organizational Change

Participants experienced the organizational change in different ways. However, many of their individual experiences with the change were influenced by common factors. The factors that were most common among participants were the pace in which the change occurred, the leadership qualities of the president, consequences directly related to the organizational change, and communication to stakeholders during the restructure. The remainder of this section explores each of these common factors in detail.

Pace

The pace at which the change occurred was a common theme throughout the study's data. Change within an institution as old as Salee University presents some fairly common concerns related to the pace of the change. Ralph Zimmer explained this trend, stating,

The very nature of a 173 year old institution that has a variety of faculty members with differing agendas makes it impossible to change as fast as a nimble start-up company where there might be a core of five decision makers and if they can get together in the afternoon, they might revamp their whole product line. It takes higher education much longer to do that.

Some participants disagreed with Zimmer, claiming that the change could have occurred much faster. However, others believed the decentralization process developed at the correct pace for the organization. Richard Pritchett explained that the pace was important to the overall success of the change:

It certainly could have been decreed, rolled out within a few weeks, if not a month, but I think some of the pacing has allowed for people to feel more comfortable, kind of kick the tires and, frankly, see some success stories at different units that are really encouraging.

Other members of the organization had experiences similar to Richard Pritchett. Several participants perceived the change as gradual, developing slowly over time. Dean Michael Roberts explained, “It’s not just been an overnight change. I think it’s been kind of a gradual change.” He discussed why he felt that the slower pace was important:

It was a gradual change. I think that was the best way to do it. It’s a learning process for everybody when you make changes like this. If you try to do too much in a hurry, I don’t think you get better results. I think you just compound the misery and not necessarily improve the effectiveness of it.

Those who seemed to support the slower implementation believed that a change over a multi-year period was the most efficient method for Salee University. Many participants believed that the slower pace was not ideal, but it was a needed adjustment to make the restructure fit within the university’s culture. Provost Tom Fort commented,

It could have happened sooner or quicker, but I don’t know how effective that would have been. But this was more of a transition, a process of evolution I suppose to get where we are today. I think that took into account the particular challenges or the circumstances of each of the academic units.

Buddy Lovejoy agreed with Fort’s remarks: “I think the change happened at the right pace for what the organization was ready for.” Lovejoy explained that too much change too quickly would have been difficult for the Salee community to handle. The comments from Mary

Watkins exemplified the idea of integrating change to the Salee campus. She simply stated, “Based on [Salee’s] culture, I don’t know that the change process could have gone any faster.”

The data reveals that although most agreed that the change was needed, the slower pace allowed employees to feel more comfortable with the adjustment.

As the change occurred, it was gradually implemented throughout the campus. The original four advancement officers initially had dual assignments, each taking two of the university’s eight schools. Existing resources were utilized to help make the transition more efficient. To achieve gradual implementation of the change, the president began to assign each of the four existing advancement officers to multiple schools within the university structure, as opposed to delegating their efforts by geographic region. Referring to this change in assignment, John Arch, who is the Senior Executive Director of Advancement and reports to the Vice President of Advancement, explained, “We were like dual-school assignments, but it was a start to getting people out there into the development world and into the schools. It was a small step, but a step in the right direction.” The concept of decentralization was slowly introduced to the schools through the dual assignment structure. Vice President of Advancement Ralph Zimmer explained the new division of labor among the four officers:

Originally, there were four major gift officers, then we gradually began to divide them among the different schools. We had one guy that focused on the College of Arts and Sciences along with the library. We had one guy that was beginning to focus on the healthcare professions, that being pharmacy and nursing. We had one guy that was focusing on the arts and education. And then [John Arch] was kind of a generalist, helped with business school some.

Even after the implementation of these changes, the decentralization of the advancement structure continued to evolve. Zimmer described how the organizational structure currently exists as a decentralized model:

We have an advancement officer or a major gift officer in each of the eight schools. We also have one in athletics. We have a Senior Executive Director who is responsible for overseeing their activities as it relates to advancement and fundraising.

As the officers were divided among the schools, some were hired and funded by the individual schools, while others were hired and funded by the central office. Fain said, “You’ve got about four who are funded by the schools, four who are funded by advancement, and then you’ve got athletics who is just their own.” Although each of these officers is funded through various means, the intention is to have all of the officers tied back to the central office. Vice President of Business Affairs Philip Carr explained, “Some of the advancement officers report to the vice president for the advancement organization with a dotted line to the dean of the school. We have others who are reporting to the dean, with a dotted line back to the vice president.” The president explained that the entirety of the advancement structure is intended to be closely connected to the central office: “Advancement officers reside in the schools, but the lines also go back to the central office.” The complexity of the dual reporting structure is shown in Figure 4. Four schools have advancement officers reporting directly to the dean of the school, while the other four report directly to the vice president.

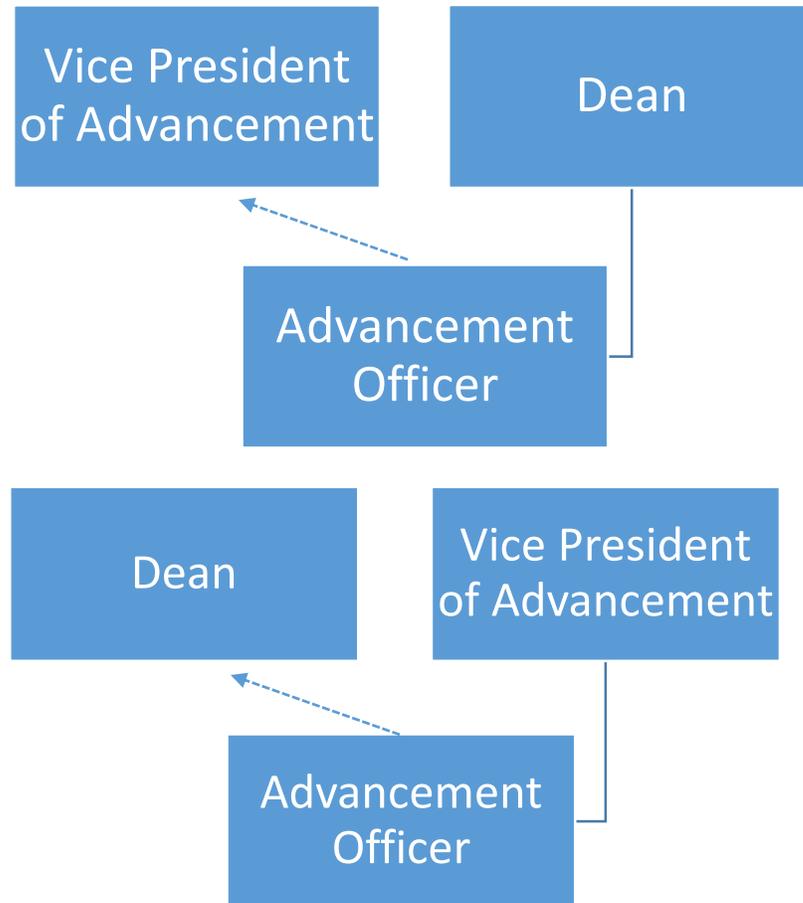


Figure 4. Two different organizational structures for advancement officers in decentralized structure

Although many members in the study felt that the organizational change was implemented at the appropriate pace for the university’s culture, others believed that it should have and could have been expedited much faster. President Johnson looked back at the overall process and commented,

The change did not go nearly as quickly as I had anticipated. I think it could have been done in two years. I think one year would have been a little ambitious because, you know, you’re taking too many people on at one time. That creates some training problems. If I had to do it over again I probably would have expedited the process a bit.

Several other participants felt that the slow change was not a result of the organizational culture, but of budget constraints that caused the slower pace of change. The Vice President of Advancement said that the pace was affected by the amount of resources allocated to hire development officers in each of the schools. He explained by saying:

If we had a blank check in 2008 or 2009, we would have done it quicker. Part of the timing was due to budget restraints. We can't just go out and hire...these are pretty well compensated people. It's not entry level jobs, so we had to kind of stay within a budget over the period of the change.

The budget was significantly restricting the pace in which the change could occur. Advancement employee Mark Shoes said, "The pace of the change had very little to do with the organization's ability to change and much more to do with personnel and budget." Another Vice President noted, "I think it was as slow as it was simply because of personnel and finances. But also, we had to build this airplane while we were flying it." One dean mentioned that budget constraints played a large role in how and when each school received their own development officer. He stated, "It think it could have gone a little faster. Again, you have to go back to that budget officer. It was hard to know, do we have the money to do this or not." Participant data shows that the pace of the change was vitally important to how well it was accepted by the Salee University community. While some felt that the pace was appropriate for the culture, others believed the slower pace was a result of budgetary restrictions. Nonetheless, the data shows that it was conducted in a manner that was acceptable to members of the institution.

Leadership

As the study's participants discussed the pace of change, the subject of leadership inevitably came up. Many participants noted that the slower pace was a result of the president's

understanding the unique qualities of the institution and realizing that a slower pace was a better approach for long-term success. While describing the president's approach to change, Josh Jones said,

I think culture was taken into consideration by the president. I think the fact that the president waited a period of time after he came into office to begin to move us to a decentralized model of fundraising underscores that. It wasn't that he came in and in the first week or first month says this is the way we are now going to do this.

Another employee, Shay Jones, in the advancement unit talked about the president's approach to change at Salee. She told me, "He just doesn't come in and upset the applecart. It's deliberately slow." Other employees of the university remarked on Dr. Johnson's intentional slower pace in regards to change. One faculty member, Janice Pace noted,

This did not happen immediately with his arrival. He had been here for about a year and a half before we began this shift. And part of that is that in his first year, he was out studying the way the university was organized and how things were run.

Participants reflected on his patience and willingness to evaluate the organization and saw it as a significant benefit to a change leader's personality. Robert Pritchett explained that, "The president had a reservoir of goodwill that when he began to champion this approach, he was able to draw on that to get buy-in in the areas it was really critical." As the leader of Salee, the president could not make too much change too quickly. As Robert Pritchett explained, the president needed to build goodwill with faculty and staff. Vice President Philip Carr explained, "Our president needed to be thoughtful in the things that he did so as to build the trust and confidence with the faculty and administration and not come across as too heavy handed." In fact, the president specifically mentioned the importance of matching pace of change with the

culture. He told me, “I am a slow and steady reformer. I don’t like to tear up the fabric of places.” The president also expressed that patience was key to implementing change at Salee.

Vision. As participants talked about effective change leadership, one common trend surfaced repeatedly: the president’s ability to cast a vision. The data suggests that President Johnson was uniquely skilled at describing where he wanted the institution to go and how Salee would get there. This ability was vitally important to stakeholders within the institution. Dr. Johnson believed that a decentralized fundraising model would be the most effective for Salee University. He shared that vision and was able to implement it throughout the campus. When describing the importance vision in the change process, faculty member Janice Pace explained,

Our instinct is not to change. We’re habitual creatures. I think change scares people. And I think a lot of it is about explaining change and explaining the benefits of change and what creating that change will allow.

Engaging members of the university to explain the benefits of the leader’s vision was an important factor for Salee employees. Alex Taylor discussed the importance of sharing a vision when implementing change when he said,

Effective leadership during transition starts with vision, the ability to lay out and to articulate a clear vision and destination for a unit, for a program, for an institution. It might be a shared vision, one that people can buy into and see even if they have some skepticism.

Participant feedback shows that the current president has the ability to obtain buy in to a vision that was foreign to stakeholders within the Salee community. Bill McNally stressed the need to create a vision that visualizes the end goal of the change, a talent which he believed President Johnson possessed: “The president has the ability to cast a vision, to have a dream, to think

outside the box, go beyond the line and bring others with him on that journey.” The data from additional members of the organization substantiate the comments made by both McNally and Taylor. Provost Tom Fort explained:

The leader of an organization has to cast a vision for the university which develops out of missional character and integrity of that school. They have to value its heritage. But they look at opportunities that are out there in this world which is always changing.

The president was able to share his vision for a decentralized organizational structure for the advancement office. Dr. Johnson was able to communicate that vision to those most impacted by the restructure. Based on study data, he was open to input from deans and others within the organization as to how the overall structure would function.

The data shows that members of Salee were much more supportive of the change because the president had a clear vision of where the institution needed to go. Dr. Johnson understood where he wanted to take the fundraising structure, and that clear vision was able to develop into a clear plan for implementation. One of the important ways to share his plan was through the communication he had with vice presidents and deans at the institution.

Communication. As important as having a vision is, a large number of participants discussed the importance of the president sharing the vision with members of the organization through discussions and ongoing dialogue. One participant Shane Patterson remarked,

The president’s biggest strength is that he had a plan. He had a vision and he doesn’t just push it through. He tries to build collaboration and buy-in and he doesn’t use a sledgehammer to do what a tiny hammer will do. I think he is pretty skilled at that.

Appropriate and deliberate communication from the president built support for the change. This spirit of collaboration and discussion was shared by other employees. Josh Jones stated, “He

asked people's opinions and then actually listened to those opinions and in many instances incorporated those in some shape or fashion into what we were doing." Allowing employee feedback was not just something that was said, it was actually done by the president. Mark Shores had similar comments when he stated, "The president allowed all of us to have some input on the structure and how it would work with the larger picture." In many cases, the participants referred to the president's responsiveness to feedback as evidence of his effectiveness leader, especially as it relates to organizational change. His collaborative spirit appears to have encouraged members of the organization to follow his lead. Suzanne Birch said,

Faculty and staff will go where a strong leader takes them because most people want to be led. They want to do it. They want to be good. They'll do whatever they can, but they have no idea where to go or how to get there.

At Salee University, the direction of decentralization was led by the president, and it appears that many followed his lead. Richard Pritchett best described the president's strategy by saying, "The president made a decision, stood by it, and didn't look back. He likes to win, he likes to succeed. Any, you know, just leadership in the purest sense of charge the hill and everybody come with me." The communication from the president allowed members of the organization to feel invested in the change. The data suggests that the communication followed by collaborative discussions eased most resistance.

Consequences

Although the organizational change from a centralized to a decentralized model appears to have been largely accepted by the university community, it has had two significant negative consequences. As administrators worked to implement the decentralized structure for fundraising, the reporting structure began to vary and lacked consistency. As a result the

communication and collaboration in relation to fundraising strategy and practice began to break down.

Structure. As mentioned earlier in this chapter, some officers report to the Vice President for Advancement, while others report directly to the dean of the school. Mary Watkins talked about the early issues that led to the different reporting structures in different schools. She claimed that most of the issues relating to the various reporting structures that developed was due to the fact that some schools on Salee's campus received a dedicated advancement officer earlier than others, which caused some deans to want to expedite the process of receiving their own dedicated advancement officer, so that each school was treated in a similar manner. Watkins explained, "Early on some tension between the deans was shown because, once the individual unit started getting their own, then those who still had to share resources kept pushing. Okay, when are we going to get our own?" According to Watkins, some schools received their own advancement officers earlier because they could absorb the expense in their own budgets, while others could not. She said, "By introducing school-specific officer gradually, some deans were upset because they did not have the resources. Unintentionally, we were setting up a kind of class system where those with the most received the benefits first."

Philip Carr best explained the result of the different reporting structures:

As we implemented the change, one school wanted the reporting one way and another school wanted another way. And long and short of it was kind of a negotiation until we got a few of them done. What we actually have is a hybrid. And it came through compromise of trying to get from point A to point B without ruffling a lot of feathers or upsetting folks.

As compromises were made, the result was half of the development officers reporting to the deans and half reporting to the vice president. Buddy Lovejoy noted that some confusion exists even within the institution's administration regarding the reporting structure: "There is still some confusion about the advancement officers and who exactly they report to. It is confusing." Although half of the advancement officer's report to deans and half report to a vice president, the university administration is unclear about who falls into which category. While all the participants believed that having an advancement officer in each school was a necessary change, many felt that the reporting structure for the individual officers needed revision. Many of the participants pointed to this reporting structure as a significant negative aspect to the current system.

Communication. One of the significant shortcomings of the inconsistent reporting under the decentralized structure appears to be the lack of communication between schools and development officers regarding donors. As advancement employee Shane Patterson aptly stated, "Communication can be a casualty of decentralization." Patterson was implying that as the structure is spread out across campus, communication can be the communication among the various schools. He continued by explaining that, "When you have a much larger advancement team spread across the campus and alumni who cross departmental lines, traffic control becomes an issue." With the various reporting structures that developed over time, many participants were not clear on who was responsible for maintaining communication across school lines. Bill McNally explained that loss in communication was a natural part of the decentralization process:

Anytime you decentralize, it's going to show your gaps in communication just because you have to work harder to get the message out to your own staff, much less to the people they are calling on, and this decentralization was no exception to the rule.

The gap in communication can specifically result in issues related to the ownership of donors with multiple academic homes. The president discussed this gap when he told me:

I think we have had some of the inevitable skirmishes, where you've got a person who is an Arts and Sciences alum with a degree in sociology that then goes to Salee's law school to pursue a law degree. And then you've got two development officers wondering about whether that donor belongs to Arts and Sciences or the law school.

Data suggests that ownership of the aforementioned donor seems to be an issue for Salee University in the decentralized model. Another employee in advancement made similar remarks regarding who has access to donors with have multiple academic homes:

There is one couple in particular that I always use as an example when we are talking about the structure. The husband is a Salee graduate. He got a degree in history, which ties him to the College of Arts and Sciences. He ended up having a business career, and now they give to scholarships in the School of Business and Athletics. With this sort of decentralized structure, who owns that donor?

While some participants have praised the decentralization as a necessary step to connecting donors with the schools, others felt differently. John Arch explained that some of the officers miss out on the bigger picture, saying, "At times our development officers get too focused on their own school and miss out on new opportunities." A faculty member indicated similar concerns, "There's a lot of silo disconnect right now and that's how the structure weakens the advancement office efforts." The concerns about the inward facing fundraising officer were shared by many members of the organization, even champions of the decentralization. Dean Billings, who was the beneficiary of the decentralized model early in the change process expressed a similar concern with how the advancement officers maintained their

tie back to the central office: “I worry that the new model could have some schools move too far away from the core, in essence the central administration, to do their own thing. I think both sides lose in that process.” The Dean expressed concerns about decentralized advancement officers not collaborating with the central office. He continued by explaining that moving forward, this concern could be alleviated by having all advancement officers’ report to the vice president. He remarked,

I would have a common practice, common expectation in regards to the structure. At some point, I think you just have to say that all advancement officers are reporting to the central office, because that is what is best for all of us.

Philip Carr appeared to have made the same determination about the long-term structure, and believes that decentralized advancement officers should report back to the central office. He stated,

More recently we determined, and it became clearer that what makes the most sense for the university is we believe that a more centralized reporting or accountability makes more sense than disbursed advancement officers reporting to eight or ten people.

The data shows that decentralization has been largely supported by the university community. However the comments from some administrators reflect a desire to re-centralize the structure, by having all advancement officers’ report directly to the vice president.

As the data was reviewed, there was gaps in communication beyond those developed by the disjointed reporting structure of advancement officers. Communication from administrators to additional members of the university had its flaws as well. I investigated the communication strategy used by university administrators to inform stakeholders of the restructure. Participants explained that the organizational restructure was not a widely communicated plan, but rather a

phased-in approach that was explained to the deans and vice presidents. As a document review was conducted, no mass communication from any administrator to the campus regarding the restructure could be found. In addition, weekly messages from the president to the campus community were researched, and no message related to the decentralized approach to fundraising could be found. Mary Watkins, who was heavily involved in the process, stated,

The change in structure was communicated to university leadership at the dean's retreat during the president's second fall in office, so I think it's been pretty organic. I don't think there was really a strategic approach to communicate it as a true initiative or why it needs to happen, beyond just those conversations with the leadership team.

The communication was kept to a relatively small group of key stakeholders within Salee.

Watkins continued by saying,

The dean's retreat was vitally important to the process of communication, ensuring collectively among them that they would have ownership of this model and how it was going to be implemented and how the resources were going to be put in place to support it.

The communication was limited to the deans, vice presidents, and advancement officers largely because they were the critical members of the university who were tasked with implementing the change. Buddy Lovejoy, who was present at the dean's retreat reflected on the meeting in which the concept of a decentralized fundraising model was announced. Lovejoy reflected upon the importance of the meeting and the president's focus on increasing fundraising efforts:

The president introduced the subject of decentralization at the Dean's retreat in the fall.

The whole retreat focused on philanthropy. It was the first time that we had all the deans together and talked about what is our strategy for raising money at [Salee].

The dean's retreat was an important factor in bringing together leaders of schools and the fundraising professionals. Decentralizing the fundraising process at Salee was something that had not been done in a formalized meeting in the past. When explaining the importance of the retreat, John Arch stated,

The first communication was at an offsite meeting that involved the deans and development officers, and the president led the session on how development was vital to [Salee]. Deans and development officers met for the first time with each other to talk about how can we drive development where [Salee] needed to go and what are your ideas as deans and your ideas as development officers and actively work together on this.

It does not appear that there was any formal communication to the larger campus community regarding the restructure. It was up to each dean to communicate the change. Ralph Zimmer explained this:

Communication about the change was handled verbally to the University Council, the boards, the advisory boards for the schools and the deans. Then the deans usually did the communication with the faculty members and that probably varied in the way it worked.

When asked about if any formal communications were extended to campus stakeholders, Buddy Lovejoy said, "We didn't do anything official to announce the restructure. It was all very gradual." Another dean, John Billings said, "Communication was on a need to know basis. We didn't talk about any of this a lot. It came up a time or two in University Council." The communication being limited to certain individuals certainly left room for members of the institution to create their own reality of why the restructure was occurring. Josh Jones said,

While we tried to do our best to help bring this about, there was a lot of chatter and questions about why this was happening because of the inherent distrust between faculty

and administrators. Instead of people asking questions for clarification, there was chatter going on about what they perceived.

The data shows that communication was effective to top level administrators at the university. However, participant feedback reflects a lack of information transfer to other faculty and staff. Roe Parks told me, “I’m not sure how far down it was communicated that we were making this significant change beyond the deans of each school, if at all.” Another employee in the Advancement Office, Shane Patterson, identified that communication from the president to the deans was strong, but the communication from the deans to faculty and staff was inconsistent. Patterson said,

What I heard was that communication was great at the top level and through the staff, but that maybe necessarily that information about why we were doing what we were doing and how it would help schools was not trickled down to faculty within each school. If we could do it over again I would do a better job with communication. A lot and better communication to the masses of why and what the benefits are.

Patterson’s remarks indicate that communication was intended to be verbal and limited in scope. Sharing information about the organizational change was delegated to the dean and vice presidents to determine how much information was shared with lower-level employees.

Conclusion

This study describes how stakeholders of Salee University experienced an organizational restructure of the advancement unit. The key data areas were reasons for the change, culture of Salee, and the organizational change process. The first section clearly identified growth and complexity of the university, the need for greater donor interaction, and external pressures as primary reasons for the organizational change. As the demands upon the university grew, the

need to adjust the organizational structure became apparent. Participant data suggests that the change in structure was slowed under the leadership of the previous president. However, upon the arrival of the new president, the culture was allowed to adjust and change. This chapter framed and explored the fundraising culture under the previous president and the emerging culture under the new president. These sections help explain how culture was taken into consideration throughout the change process. In addition to these areas, the change process itself was explored through participant narratives. These results showcase the importance of leadership and the need to match the pace of change with the culture. The data in this chapter show the complexities of organizational change. The narratives presented in this chapter connect stakeholder experiences with the change process and identify ways in which internal factors contribute to the speed in which reorganization can occur.

In conclusion, the goal of this chapter was to present the results of the study by outlining the data gathered through interviews. Critiquing the change process utilized by university leaders was not the goal of this study. Instead the ultimate goal of this dissertation was to explore how stakeholders perceived the change

CHAPTER V

INTERPRETATIONS AND FURTHER RESEARCH

The purpose of this chapter is to present my interpretations of the data presented in chapter four. This chapter will also outline possible implications for future studies. This chapter is broken down into several different sections. The first section provides an overview of the study's purpose, followed by a summary of the literature review, my data collection methods, and a summary of results. Additional sections will answer the research questions that guided this study; interpretations of the data, possible limitations, recommendations for future research, and recommendations for practice. In my final section I will present a relationship between my theoretical framework and the data followed by a conclusion.

The following research questions guided the study:

4. What did stakeholders perceive as the primary reasons prompting the organizational restructure?
5. In what ways did stakeholders feel that the organizational restructure was related to the institutional culture?
6. How did stakeholders experience the organizational change process?

The Study's Purpose

The purpose of this dissertation was to understand the perception of university employees related to organizational change at a small, private university in the South in order to more effectively understand the change process. Stakeholders in this study included members of the organization who were directly affected by the organizational change. A study of employees'

experiences with the change process will offer fresh insight by helping to explain any unintended consequences of the organizational change. A more robust understanding of the change process will allow leaders within higher education to comprehend how the dynamics of change occur within a non-academic unit, specifically the advancement and development function of the university. Organizational leaders should be aware of the required outcomes and employee's reactions to the change process prior to implementing change. The advancement units of universities are playing an increasingly vital role in the overall financial health of institutions. With greater needs being placed upon these advancement units to raise money, understanding the change process and how it impacts development officers and other employees throughout the institution is critically important. Organizational change can vary in significance and effectiveness based on the organizational culture, which can determine employee readiness for change. Although this study was conducted at a private institution, the findings will provide insight to all leaders in higher education preparing for an organizational change within an advancement office or another non-academic unit.

A Summary of the Literature Review

The literature review focused on three major concepts as they relate to organizational change in higher education. The first section explored the relationship between a higher education institution and the external environment. This section identified ways in which external pressures can affect the way an organization reacts to an external pressures. One of these pressures included the need to adapt to competition from other higher education institutions. Zha (2009) identified the need for organizations to adapt to these external forces to remain relevant and competitive. The second section presented in the literature review was foundations of change: culture and leadership. These two factors contribute to the effectiveness

of the change and the institutions ability to accept the restructure. Kezar and Eckel (2002) determined that understanding the organizational culture is critical to successfully implementing any significant change. As important as culture is, the leadership of the institution also plays a vital role in the effective implementation of an organizational restructure. Hartley (2009) determined that leaders who serve as change agents for their institution are able to cast a vision and build institutional support, which is important in seamlessly creating change at a higher education institution. The final section of the literature review focused on organizational change strategies. Strategies that determine a successful change include developing stakeholder buy in and participation. Allen (2003) found that faculty and administrators working together to implement change was a vital factor in creating a sustained change for the organization.

Outline of Data Collection Methods

The research design for this study is a descriptive case study, as defined by Merriam (2009). This study attempted to understand employee perceptions and reactions to an organizational change in a small liberal arts institution in the South. The case study research design was selected to provide a complete description of the organizational restructure, specifically employee views and opinions of the change process (Merriam, 2009). The descriptive case study encouraged exploration beyond the step-by-step process that took place to implement the change, and rather investigate true successes, failures, and mistakes as perceived by the institution's stakeholders. Qualitative data is the most effective way to examine participant behavior, which will allow me to identify true employee perceptions of the change (Yin, 2009).

Summary of Results

The data presented in this study confirm several of the assertions set forth by Burns and Stalker's (1961) Contingency Theory. As the environment became more intricate, the university restructured to cope with the new degree of complexity. Most participants pointed towards the need to closely connect with donors in more dynamic ways as a primary reason for the restructure. The previous structure was not robust enough and a change in structure was needed to cope with new demands. However, a significant number of participants identified the institution's previous president as the primary reason the change did not occur much faster. An additional finding in the study data shows that the organizational culture did not change prior to the decentralized restructure, rather the culture changed as a result of the reorganization. Several participants expressed satisfaction with the new approach to fundraising although some consequences arose from the change including intra-university communication among advancement officers. Overall the data pointed towards some important findings as it relates to the organizational change and how members of the organization experienced the change.

Answering the Research Questions

By obtaining data through interviews, observations, and document analysis, the research questions were answered. By answering the research questions, stakeholder perceptions of the change process were identified and their experiences enriched the understanding of organizational change within the university setting. These narratives, in conjunction with the theoretical framework provided a backdrop in which the data was analyzed.

What did stakeholders perceive as the primary reasons prompting the organizational restructure?

Based on the data collected through interviews, observations, and document analysis most participants pointed towards limitations of the centralized advancement structure as one of the primary reasons for the organizational restructure. Advancement officers were given far too many donors to connect with and had a limited knowledge of what the needs within each individual school actually were. The lack of understanding of the needs within each school limited advancement officer's ability to connect donor passions with school needs. An additional observation from participants was that the centralized structure employed far too few employees to deal with the growing complexity of the university. Each school was growing their alumni base by significant numbers and centralized advancement officers were finding it difficult to connect with donors in any meaningful way. Numerous participants believed that sporadic contact with donors was an inefficient way to grow donations. The data shows that many within the university believe that the decentralized approach would be the best way to connect donors with specific needs within each school. The growth of philanthropic gifts are crucial to university officials in order to meet the demands of the general public who are becoming more critical of tuition growth. These donor funds would support the mission to keep Salee as affordable as possible. The issues such as problems with the centralized advancement structure, growth and complexity of the university, the need for additional donor interaction, and external pressures were all identified by participants as significant factors that caused the change.

In what ways did stakeholders feel that the organizational restructure was related to the institutional culture?

The organizational structure had a strong connection to institutional culture. Participants noted that the previous leadership held a centralized philosophy in relation to fundraising. The previous president's approach to fundraising trickled down to the rest of the organization which caused faculty and staff members at the university to feel distant to the process. The philanthropic culture that existed under the previous president was one that disenfranchised deans and limited the ability of advancement officers to interact with major donors. Several employees within the university felt that fundraising was not their job and believed that it was the sole job of the president. When the current president arrived and began the process of decentralizing the fundraising office, the culture began to change. Deans and advancement officers were now primarily responsible for cultivating donors and reaching specific fundraising goals. This resulted in an increased awareness of the importance of fundraising to the rest of the campus. Although awareness increased substantially, some resistance did occur. Some deans who had not been responsible for fundraising were intimidated by the prospect of having to be their school's primary fundraiser. Additional resistance occurred from some within the advancement unit who did not wish to disperse control or information to others across the university. The decentralized approach stood in direct opposition to the centralized culture that had been developed over the previous president's administration. The previous culture, emerging culture, and the resistance, showcase how organizational culture impacted the change process.

How did stakeholders experience the organizational change process?

The organizational change process involved several different variables that participants identified as important. First, members of the organization reacted to the leadership of the current president and how he was able to direct a significant organizational change. First, they noted his unique ability to cast a vision. His vision for Salee was to decentralize the fundraising operation of the university, and increase donor funds. He had the ability to gain buy in from key stakeholders and used their input to design an implementation process that worked for the university. Additionally, participants identified the pace of change as a significant factor in the overall change process. The data shows that most felt that the change occurred at the right pace for what the university could handle. Several others were pleased with the results but felt that budgetary issues were to blame for the lengthy implementation. None of the participants felt that the process should have gone slower, but a small number believed that it should have been done faster. The study data additionally showed some consequences that resulted from the reorganization. The first consequence was a result of the varying reporting structure that developed. Half of the advancement officers reported to deans, while others reported to the vice president. This lack of consistency has resulted in a silo effect with the advancement officers. The data shows that there is no common performance expectations for these officers, thus resulting in inconsistent results. The other consequence was a result of the limited information given to the university community about how and why the change was occurring. Some participants felt that limiting information to those who needed to know was critical in implementing it effectively. Others felt that keeping important information from the university community only grew the distrust between faculty and administrators.

Interpretations

As the research questions were answered some significant data was discovered. This data will provide valuable information to administrators wishing to undertake a significant organizational restructure in the future. The major finding related to the relationship between the leader of an organization and its ability to adapt to external forces. The leadership of an organization can act as a dam to the natural development of organizational growth. The second is impact of culture on organizational change and how these two factors work in conjunction. A significant amount of literature asserts that a change in culture must occur prior to an organizational change. The findings of this study show the contrary to this assertion. Thirdly, there were significant insights into how communication can be dispersed to a university community in the midst of an organizational change and how quickly the change can occur. Speed and communication have been identified by scholars as a critical factor in implementing organizational change. The findings of this study affirm several studies, but it also identifies issues that should be studied further. And finally, I found that there were some consequences when making compromises throughout the change process which are discussed later in this chapter.

Leadership and Change

Scholars such as Burns and Stalker (1961) and Duncan (1972) have identified the need for an organization to adapt in the face of external complexity. However, their studies did not specifically address how the leader of an organization can support or restrict the organizational adjustment. In this study it was found that the previous president, Dr. Copeland, served as a barrier to the natural progress seen by other organizations. Study data shows that several administrators within the organization recognized the shortcomings of the centralized approach

to fundraising, but any changes towards a decentralized model was strictly forbidden by the previous president. His philosophy was to command and control which was noted by a large majority of participants in this study. Despite the growing complexity of the institution and growing donor demands, he required donor contacts to be routed through his office. Due to the centralized approach, fundraising growth remained stagnant. As the new president Dr. Johnson arrived on campus, a decentralized approach to fundraising was facilitated. The data suggests that the pressure to move to a decentralized approach had been gaining support among advancement officers, and with the arrival of a new president it was implemented and ultimately successful. The two presidents, former and present, have drastically different leadership styles. Dr. Copeland believed that centralized fundraising was important to protecting his donors from a litany of requests. However, Dr. Johnson wanted donors to connect their passions to a need within a specific school. Under the decentralized approach, Salee does run the risk of asking donors for too many different ventures, but it is a risk that Dr. Johnson is willing to take. Under contingency theory, the more complex an external environment becomes, the more complex an institution must become to accommodate this complexity. However, it is clear through this study that the leadership can and will play a vital role as to when and how the institution responds.

Culture and Change

Culture can play a significant role in the success and implementation of an organizational change. Simske and Louis (1994) have suggested in their research that a change in culture must precede any major organizational change. This change in culture prepares the organization and ensures buy in from stakeholders. Kezar and Eckel (2002) and Ginsberg and Bernstein (2011) have a similar opinion. These scholars have stated that the organization must first create a new shared vision and culture with existing members of the organization prior to implementing

change. However, the organizational change at Salee took a much different approach. The data shows that the organizational change occurred first, and then the culture began to change. The decentralization instilled a culture of philanthropy throughout the Salee community. By distributing the responsibility of fundraising to each school, the importance and urgency to raise funds began to trickle down to faculty, staff, and students. Deans became much more vested in connecting with donors who shared a passion with the mission of their school, and advancement officers were able to narrowly focus their efforts to a smaller number of prospective donors. The organizational change prompted the change in culture.

Communication and Change

Communication with organizational stakeholders has been identified by many scholars as an important step in members of the organization accepting organizational change. Mitchell (2009) determined that information should be provided to members of an organization so they have the appropriate time to digest and disseminate the proposed change. Allen (2003) also noted the need for transparency from administrators to employees about any proposed change to reduce resistance and ease concerns from members of the organization.

This study concluded that although communication was widespread to deans, vice presidents, and advancement officers, other members of the organization were not notified in a substantial way. The president had in-depth meetings with deans and left the responsibility to communicate with their faculty and staff to their discretion. The study data shows that this did cause some confusion and anxiety for members in the university community who were not informed of the new decentralized approach. As opposed to being told how and why the change would occur, faculty and staff were left guessing. Although participants noted a few instances of this lack of communication, most felt that the process was fairly organic and seamless. The data

from the study suggests that mass communication to the university community is not required, especially when the change has little impact on member's day to day tasks. For instance, faculty do have a vested interest in increasing donations to their school but the process in which donors are identified and contacted has very little significance to their daily responsibilities. The administration at Salee University communicated appropriately with those most affected by the organizational restructure. Communication to the entire campus community did not seem to be appropriate or necessary in the instance of this restructure.

An unintended consequence related to communication resulted from the disjointed organizational structure that was developed during the implementation of the decentralized approach. Half of the advancement officers report to the vice president while the other half report to the various deans at the university. This has created a communication silo, in which advancement officers are not communicating as effectively as they could. Because there is not one single individual setting standards for the officers and mediating turf issues with donors, strategic efforts are not being implemented on a consistent basis. Officers are left to look out for their own interests and not the greater interests of the university.

Change Process

The change process can be difficult to manage and it is important for administrators to understand the long term consequence their actions may have. Kemelgor, Johnson, and Srinivasan (2000) and Mitchell and Geva-May (2009) note that having foresight of potential problems is critical to organizing a successful organizational change. In the case of Salee University, compromises were made early on to implement the decentralized fundraising structure. These compromises included adjusting the reporting structure of advancement officer for the different schools. Half of the officers report directly to the vice president, while the other

half report directly to the academic dean. At the time of the change, this adjustment was made to implement the change and to allow schools without the financial resources to hire their own officer to take advantage of the decentralized model. At the time, this measure was needed to ensure the vision from the president was taken campus wide. As mentioned earlier in this chapter some issues have arisen because of the organizational change. These adjustments in structure have begun to cause some communication issues. The communication issues primarily result from advancement officers not communicating efficiently with the central office, or coordinating their efforts for donors who have multiple connections with the university. Moving forward, university administrators shared their plan to have all new advancement officers' report directly to the vice president and indirectly report to the dean of each school. These specific findings indicate that the university plans to implement a hybrid development program in the future. Decentralized advancement officers in the schools, but a very centralized reporting structure appears to be the desired outcome.

The additional finding from this study that relates to the change process is the pace in which the change should occur. Kemelgor, Johnson, and Srinivasan (2000) and Mitchell and Geva-May (2009) show that university leaders must be self-aware of how far they can push their organization to change without creating serious problems. Having foresight and anticipating changes that may come can help these leaders overcome some of the obstacles many others will face. Change in higher education can be a very slow and methodical process (Zajac and Kraatz, 1993). Indeed, the change at Salee did take nearly eight years to implement. However the study data shows that participants felt that the change could have occurred at a much faster pace. The slow reorganization process was largely attributed to budgetary constraints, not a fear to adjust

too quickly. The slower pace did appear to allow the change to take hold, and allowed for stakeholder buy-in and support.

Possible Limitations of the Study

Limitations to the design and results of the study are acknowledged. Possible limitations of this study include the fact that this was a single site case study, the length of time that occurred between the organizational change implementation and the interviews, and the length of time for data collection. This section focuses on the limitations in an effort to diminish any questions related to the validity of the study.

The length of time between the reorganization implementation and the collection of data for the purpose of this study should be noted. Many participants had to recall conversations and actions taken years prior. Data may have illuminated different aspects of the change process if collected at an earlier point in time. The second limitation of this study relates to the fact that this was a single site case study. The data collected was limited to one institution and does not imply that all advancement reorganizations would react in a similar manner. The third and final limitation of this study includes the length of time for data collection. The data was collected over a four week period of time. Interviews generally lasted one hour because of participant schedule conflicts. Longer interviews could have resulted in additional data that may have resulted new findings.

Recommendations for Future Research

The study was conducted as a single site case study at a small liberal arts institution in the South. The dynamic of faculty and administrators at this type of institution can be largely divergent from that of a large public institution. Future studies should explore the change process in the advancement unit at various types of institutions. In this study, the culture

changed as a result of the organizational change. Future researchers should look to identify these trigger events that cause culture change at an institution. Additional studies in this area should consider multiple interviews with participants over a prolonged period of time. Forthcoming studies should also consider exploring the change process in non-academic units other than advancement offices, to see if stakeholder perceptions are similar to the data found in this study. In addition, this study only focused on stakeholder perceptions and did not set out to determine if the organizational change was successful. Future studies should strictly define success, either by employee satisfaction or through an increase in donations, and determine if the change was a success or failure based on the criteria selected by the researcher, which could lead to a quantitative study. And finally, as opposed to employee perceptions, future studies could examine how donors respond to an organizational restructure in the advancement unit.

Recommendations for Practice

Organizational change in a higher education institution can be a process that employees accept or reject. The steps that are taken by administrators or change agents are critical to developing buy-in and sustaining the desired change or restructure. There are three recommendations for practice based on the findings from this study. These three are to develop long term strategies, monitor organizational leadership for ability to change, and to ensure that the change agent or leader has the ability to inspire and communicate with members of the organization about the desired organizational change.

Leaders in higher education must understand how employees respond to proposed change, in order to avoid resistance and increase support by developing long term strategies for implementation. In addition, higher education institutions should also closely monitor the leadership of their college or university to ensure that organizational units are responding

appropriately to external pressures. This study found that the leader of the organization can significantly hinder or support needed change for the institution. Should the external environment become much more complex, leaders must be willing to allow the structure of the organization to adapt and change to manage the growing needs. Finally, if a change to the organization is required, the change agent must be an individual who can inspire others and develop a dialog with stakeholders. The members of the organization are a critical link in implementing a change, and the leader must be able to share his/her vision and communicate why the change is needed.

Relationship of Study Findings to the Literature

Burns and Stalker's (1961) Contingency Theory served as the primary theoretical framework for this study. The goal of the study was to explore how leadership, culture, and change strategies intersect. In essence, this dissertation was to determine if these three elements have any impact on the organizational restructure as a result of the external environment. In this study it was found that all three aspects do indeed have a relationship to how quickly the organization adapts to the external environment. However, leadership appears to have had the largest impact of all. In the study it was shown that the previous president would not allow the organization to change even though it was clearly moving from a mechanistic (stable) environment to an organic (dynamic) environment. The pressures and necessity to grow the complexity of the advancement structure was increasing, but the ability to adjust was curbed by the previous president. In contrast, the new president appeared to identify the complex environment and allowed the adjustment in structure to occur. The new president removed the restrictions and allowed the natural progression, described in Contingency Theory, to occur. In this study, the leadership served the largest role in allowing the organization to adapt

appropriately. The leadership set the tone, and culture and the change process responded in reaction to the leadership position.

Burns and Stalker (1961) and the additional study from Duncan (1972) have been proven to be accurate in this study. However, the data suggests that the factors that influence the change can be slowed down significantly by the leader of the organization. Should the leader of a higher education institution allow for adjustments, then Contingency Theory does hold true.

Conclusion

In conclusion, this study was an attempt to explore stakeholder perceptions of an organizational restructure in the advancement area of a higher education institution. In addition, the goal was to draw upon the narratives provided by participants to expand Burns and Stalker's (1961) contingency theory. The theory was to be expanded by determining how leadership, culture, and change strategies impact the theory. This dissertation validates how complex the change process can be, and how different stakeholder perceptions can be. While contingency theory proved to be a valid explanation for why the organizational restructure took place, leadership played a vital role on how quickly the effects of the external environment had an impact on the organizational structure. The findings from this study should provide practitioners and scholars new avenues to consider when implementing or studying change in non-academic units. Change in higher education is a complex process, with many different moving parts. To ultimately achieve any proposed change, all aspects need to be considered in an effort to have a successful and sustained organizational change.

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APPENDIX A
INTERVIEW PROTOCOL

External Forces that influenced the organizational change

1. How is the Advancement unit currently organized at the university?
2. Prior to the organizational restructure, what was the structure of the Advancement unit?
3. Specifically, how does the new structure differ from the previous?
4. What were the external factors (to the university) that prompted the restructure in Advancement?
5. What were the internal factors (to the university) that prompted the restructure in Advancement?
6. Is the current organizational structure common at other higher education institutions?
 - a. If yes, did other institutions see success with the revised model?
 - b. If no, what prompted you to choose the specific model?
7. Has the revised restructure had the desired results?
 - a. If yes, do you anticipate continued adjustments to the organizational structure to address future needs?
 - b. If no, why do you feel the restructure failed to achieve the desired results? What would you do different next time?

Organizational Response to the structure change

1. How would you characterize the organizations ability to change?

2. Was organizational culture taken into consideration when the organizational restructure was proposed? If so, in what specific ways?
3. What, if any, resistance did the institution face when implementing the organizational change?
4. If resistance occurred, what group provided the greatest resistance during the organizational change?
5. Who provided the greatest support during the organizational change?
6. Who took the leadership role in implementing the organizational restructure?
7. What qualities did these change agents have that helped or hurt them in the change process?

Organizational change process

1. How much time was allocated to the organizational change process?
2. How long did the organizational change actually take?
3. Could it have been performed faster or slower?
4. How was the restructure communicated to the university community?
5. What did you perceive as the great successes of the organizational change?
6. What did you perceive as the greatest challenges of the change process?
7. If the process could be started again, what should be done differently?

APPENDIX B

INVITATION TO PARTICIPATE IN A DISSERTATION RESEARCH STUDY

Dear [Name]:

I am conducting a study on stakeholder's perceptions of an organizational restructure within the advancement unit of a higher education institution. I would like to invite you to participate in my research study. The goal of the study is to more accurately understand how stakeholders perceive and react to an organizational change within a higher education environment. Your participation in this study would include a one-hour interview. You would be free to drop out of the study at any time. The structure of the study is in the attached consent form. I will need to receive the signed consent form prior to our interview. Please let me know if you have any questions related to your rights as a participant.

Your participation is important to me, and I hope you will consider being a part of this research study. If you are able to participate, please respond to this email.

Sincerely,

Ken England

APPENDIX C



March 6, 2014

Ken England
College of Education
Box 870302

Re: IRB#: 14-OR-065 "Exploring Stakeholders Perceptions of an Organizational Restructure within the Advancement Unit of a Higher Education Institution"

Dear Mr. England:

The University of Alabama Institutional Review Board has granted approval for your proposed research.

Your application has been given expedited approval according to 45 CFR part 46. Approval has been given under expedited review category 7 as outlined below:

(7) Research on individual or group characteristics or behavior (including, but not limited to, research on perception, cognition, motivation, identity, language, communication, cultural beliefs or practices, and social behavior) or research employing survey, interview, oral history, focus group, program evaluation, human factors evaluation, or quality assurance methodologies

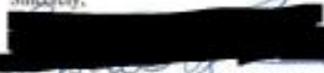
Your application will expire on March 5, 2015. If your research will continue beyond this date, complete the relevant portions of the IRB Renewal Application. If you wish to modify the application, complete the Modification of an Approved Protocol Form. Changes in this study cannot be initiated without IRB approval, except when necessary to eliminate apparent immediate hazards to participants. When the study closes, complete the appropriate portions of the IRB Request for Study Closure Form.

Please use reproductions of the IRB approved stamped consent forms to obtain consent from your participants.

Should you need to submit any further correspondence regarding this proposal, please include the above application number.

Good luck with your research.

Sincerely,


Carpulato T. Myles, MSM, CIM, CIP
Director & Research Compliance Officer
Office of Research Compliance
The University of Alabama



IRB Project #: 14-02-065

FEB 04 2014 09:02:11

**UNIVERSITY OF ALABAMA
INSTITUTIONAL REVIEW BOARD FOR THE PROTECTION OF HUMAN SUBJECTS
REQUEST FOR APPROVAL OF RESEARCH INVOLVING HUMAN SUBJECTS**

I. Identifying information

	Principal Investigator	Second Investigator	Third Investigator
Names:	Ken England	Karri Holley	
Department:		Education	
College:	Education		
University:	U of Alabama		
Address:			
Telephone:	205-515-3774	205-348-7825	
FAX:	205-726-4457		
E-mail:	kwenglan@samsford.edu	klholley@bamaed.ua.edu	

Title of Research Project: Exploring stakeholders perceptions of an organizational restructure within the advancement unit of a higher education institution

Date Submitted: 2/3/14
Funding
Source: n/a

Type of Proposal New Revision Renewal Completed Exempt

Please attach a renewal application

Please attach a continuing review of studies form

Please enter the original IRB # at the top of the page

UA faculty or staff member signature: _____

II. NOTIFICATION OF IRB ACTION (to be completed by IRB):

Type of Review: _____ Full board Expedited

IRB Action:

Rejected Date: _____

Tabled Pending Revisions Date: _____

Approved Pending Revisions Date: _____

Approved-this proposal complies with University and federal regulations for the protection of human subjects.

Approval is effective until the following date: 3/5/2015

Items approved: Research protocol (dated _____)

Informed consent (dated _____)

Recruitment materials (dated _____)

Other (dated _____)

Approval signature: _____ Date: 3/7/2014

**UNIVERSITY OF ALABAMA
HUMAN RESEARCH PROTECTION PROGRAM**

Informed Consent Form

Study title: Exploring stakeholders perceptions of an organizational restructure within the advancement unit of a higher education institution

Investigator's Name and Title:

Ken England

University EdD Student, University of Alabama

Investigators Dissertation Chair Name and Title:

Karri Holley, PhD – Assistant Professor, Higher Education University of Alabama

IRB Approval #: 14-02-005

OSP#:

Sponsor:

You are being asked to be in a research study.

The name of the study is "Exploring stakeholder's perceptions of an organizational restructure within the advancement unit of a higher education institution"

This study is being conducted by Ken England, EdD student at the University of Alabama.

What is the purpose of this study – what is it trying to learn?

This study is interested in exploring how stakeholders experience an organizational change at a higher education institution. These stakeholders are those individuals who are connected with the institution in some way and experienced the organizational change first hand.

Why is this study important – what good will the results do?

With the growing importance of philanthropic support in higher education, many institutions are finding the need to restructure their fundraising departments to become more efficient and effective. It is important to understand the employee interactions with the change to better understand any unintended consequences of such organizational changes. This study will provide more robust understanding of how change can take place within a non-academic unit, specifically the advancement and development function.

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CONSENT FORM APPROVED: 3/6/14
EXPIRATION DATE: 3/5/2015

Why have I been asked to be in this study?

You have been asked to participate in this study because you have a unique insight into the Advancement function within higher education and/or you have experienced the organizational change being examined in this case study.

How many other people will be in this study?

A total of 30 individuals who match the criteria above will be asked to participate in this study.

What will I be asked to do in this study?

You will be asked to complete a one-on-one interview with the principle investigator. The interview will last approximately one hour and will be recorded for future transcription. The interview location will be at a location most convenient for you, or can be conducted by phone, Skype, or other method.

How much time will I spend being in this study?

You will be asked to participate in a one hour interview. Additional time may be needed if the principle investigator requires clarification from original interview.

Will being in this study cost me anything?

The only cost to the participant is his/her time.

What are the benefits of being in this study?

There are no direct benefits to the participant in this study. However, this study will add to the existing literature by filling gaps in current research. This study will provide literature that will increase the understanding of how employees react to an organizational change in a non-academic unit at a higher education institution.

What are the risks (dangers or harms) to me if I am in this study?

There are no foreseen risks involved in this study. Participant's identity will be kept confidential at all times, and participation can be discontinued at any point.

How will my privacy be protected?

Your identity will not be disclosed at any point in the study. Other than the principal investigator, no one will know you are in this study.

How will my confidentiality be protected?

Data will be stored on a password protected computer and handwritten field notes will be kept in a locked filing cabinet throughout the study. I will not disclose the institutional name where the

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 CONSENT FORM APPROVED: 3/6/14
 EXPIRATION DATE: 3/5/2015

case study was conducted, and will not identify any individual participants by name. The electronic recordings of each interview will be deleted at the conclusion of the study. Each participant will be fully informed of the project and my role in the study.

Do I have to be in this study?

No. You can refuse to be part of this study. You can also start the study, but opt out at any time.

If I don't want to be in the study, are there other choices?

If you don't want to be in this study, the only other option is to refuse.

What if new information is learned during the study that might affect my well-being or decision to continue in the study?

You can decide at any point whether you wish to continue your participation in the study.

What if we have questions, suggestions, concerns, or complaints?

If you have questions about the study now, please ask them. If you have questions or concerns later, you can reach Ken England at 205-726-2887 or at kwenglan@samford.edu. If you have questions about your rights as a research participant you may contact Ms. Tanta Myles, The University of Alabama Research Compliance Officer, at 205-348-8461 or toll-free at 1-877-820-3066.

You may also ask questions, make suggestions, or file complaints and concerns through the IRB Outreach website at http://osp.ua.edu/site/PRCO_Welcome.html or email the Research Compliance office at participantoutreach@bama.ua.edu.

After you participate, you are encouraged to complete the survey for research participants that is online at the outreach website or you may ask the investigator for a copy of it and mail it to the University Office for Research Compliance, Box 870127, 358 Rose Administration Building, Tuscaloosa, AL 35487-0127.

I have read this consent form. I have had a chance to ask questions. I agree to take part in it. I will receive a copy of this consent form to keep.

Signature of Research Participant Date

Signature of Investigator Date

UNIVERSITY OF ALABAMA IRB
CONSENT FORM APPROVED: 3/6/14
EXPIRATION DATE: 3/5/2015

Audio Taping Consent

As mentioned above, the individual qualitative interview will be audio recorded for research purposes to transcribe for further analysis. These digital recordings will be kept on a password protected computer and only available to the principal investigator. Digital recordings will only be kept for no more than one year and will be deleted after they have been transcribed.

I understand that part of my participation in this research study will be digitally recorded and I give my permission to the principal investigator to record the interview.

Yes, my participation in the interview can be recorded.

No, I do not want my participation in the interview to be recorded.

UNIVERSITY OF ALABAMA IRB
CONSENT FORM APPROVED: 3/6/14
EXPIRATION DATE: 3/5/2015



Approval Form Identification and Certification of Research Projects involving Human Subjects

The Institutional Review Board (IRB) must complete this form for all applications for research and training grants, program projects and center grants, demonstration grants, fellowships, traineeships, awards, and other proposals which might involve the use of human research subjects independent of source of funding.

This form does not apply to applications for grants limited to the support of construction, alterations and renovations, or research resources.

PRINCIPAL INVESTIGATOR: Ken England

PROJECT TITLE: Exploring Stakeholder Perceptions of an Organizational Restructure within the advancement unit of a higher education institution

1. This is a training grant. Each research project involving human subjects proposed by trainees must be reviewed separately by the Institutional Review Board (IRB).

2. This application includes research involving human subjects.
The IRB has reviewed and approved this application on 3/3/14 in accordance with ██████████ University's assurance approved by the United States Public Health Service. The project will be subject to annual continuing review as provided in that assurance.

This project received expedited review.

This project received full board review.

3. This application may include research involving human subjects. Review is pending by the IRB as provided by ██████████ assurance. Completion of review will be certified by issuance of another APPROVAL FORM as soon as possible.

4. Exemption from subject informed consent based on number(s)

3/3/2014
Date

Theresa Davidson
IRB Committee Member

EXPD-E-14-S-12
IRB Application Number