The Governance of Denominational Colleges and Universities in an Era
of Declining Denominational Identity among Students

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Dedication

I dedicate this dissertation to my family: my parents, Frank and Helen Dorner, and my sister and brother, Faye Flynn and Frank Dorner.

My father never graduated from high school but was a model of lifelong learning, while my mother's education began in a one-room schoolhouse in rural Wisconsin.

My sister has always been my model for academic excellence, and my brother has taught me much over the years.

Abstract

Higher education in the United States, in comparison to the rest of the world, has a unique group of colleges and universities linked with Christian denominations, some of which have an active role in their governance. The governing boards consist of lay volunteers who accept the fiduciary responsibility of setting the mission and vision of the institutions with the goal of acquiring the assets needed so that the institutions will last well into the future. Denominationally-related institutions are now feeling the impact of the social change of people identifying less with organized religion and more with spirituality that has little relationship to the values and beliefs systems of denominations. This research examined how trustees at denominational colleges and universities lead their institutions in an era of declining denominational identity. The framework guiding the study was agency theory with the view that the administration works as agents on behalf of the principal, the denomination.

Quantitative and qualitative research methodology were included to collect data on the experiences of a group of trustees with the denomination, administrators and students. The denomination for this research was The Lutheran Church – Missouri Synod and its ten colleges and universities which are members of the Concordia University System. In the quantitative study, board members responded to an Internet survey regarding their preparation for serving as board members, their views of the denomination and their understanding of the roles and responsibilities of being a board member. Of the 134 board members who could have responded, 102 did so for a response rate of 76.1%. In the qualitative study, limited to the board chairs of each institution, nine

respondents expressed their views about current board structure, expectations about the future of their denomination and interpretations of the current religious climate and its impact on higher education.

The results from both the survey and interview indicated that while the board members are aware of the changing religious climate and its impact on denominations, they remain focused on leading their institutions in ways that remain connected to their denomination. Some concern was expressed about the declining numbers of students from the denomination in comparison to the other students enrolling, but 86.3% of the board members place greater importance on the denominational identity of the faculty as being critical to maintaining a Lutheran identity. Results also indicated concern about the structure of governance and the process of selecting board members. Agency theory worked well as a framework for analyzing the board members and their relationships with their institutions and with the Synod.

Leaders from other denominations that have active involvement in the governance of their colleges and universities could use this study as they review their mission if they are experiencing falling enrollment of students from their denomination and determine how to react to it. The quantitative data of experiences could be beneficial as a point of comparison to university presidents and board chairs as they review their processes for selecting trustees. Board members and administrators could use the qualitative data as they seek to guide their institution at a time when fewer students have an interest in the denomination that brought the institution into existence.

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Chapter One: Introduction

Governance in higher education is an operational aspect about which the general public hears little until something goes wrong at large or small institutions. The resignation and reinstatement of Teresa Sullivan, President of the University of Virginia within sixteen days of each other exposed a rift between her and the Board of Visitors. President Sullivan espoused incremental change in addressing the needs of the university, while the board desired urgent transformation (Hebel, Stripling, & Wilson, 2012). The struggles of small, church-related institutions with low enrollments and small endowments were exemplified by the collapse of discussions led by the trustees of Montreat College in North Carolina and Point University in Georgia to merge the two institutions, followed by the call of the faculty of Montreat College for the resignation of all Montreat trustees who supported the merger (Ryland, 2014). The American Council of Trustees and Alumni (2014) issued a statement challenging all trustees in higher education to intensify their work at addressing the issues of high tuition and student debt and a sense that college graduates are not as prepared as they should be for working in a global economy.

Seeking to guide institutions through turbulent times as well as stable periods, administrators, faculty and trustees interact in a system of shared governance in which each group has input to varying degrees in the decision-making processes. Governance during the latter decades of the 20th century shifted power from trustees to faculty, and finally to administrators, as governance shifted from participatory to a more corporate style (Hines, 2000). As college and university boards become more like boards of public

corporations, they do so in an era when institutions continue to diversify their revenue streams as they attempt to compete in a shifting landscape, where changing market positions are forcing institutions to seek new sources of revenue (Hearn, 2003). Public colleges and universities are engaging in "academic capitalism" in the sale of a range of products in the private sector as a basic source of income (Rhoades & Slaughter, 2004). When state governments struggle with balancing their budgets and choose to reduce their allocations to public colleges and universities, these institutions shift their revenue stream to be more like a private institution with greater dependence on tuition revenue. For example, the University of Michigan received in fiscal year 2007-08 three times the revenue from tuition as it did from the state (Fain, 2010). In the early 1990s, state appropriations and tuition revenue contributed equally to the university's budget (Woodhouse, 2012).

Although research on the roles and contributions of faculty and administrators is extensive, the literature on trustees is sparse and is limited to the analysis of a small number of topics. In their analysis of trustee interlocks, i.e., the pattern of multiple board memberships held by individual trustees at top public and private research universities in the United States, Pusser, Slaughter, and Thomas (2006) determined there is not much theoretical literature on postsecondary boards of trustees. They believe higher education scholars assume that university presidents are the key decision makers and institutional leaders, so research has not focused on trustees as institutional change agents. Literature on boards of trustees is either descriptive, presenting trustee characteristics or

prescriptive, educating trustees so they understand and better perform their duties, such as the work of Legon (2014) and Eckel (2013).

Few studies have analyzed rigorously the characteristics of members and actions of boards of trustees. The most extensive body of research comes from the research arm of the Association of Governing Boards (AGB) (Tierney, 2004). Tierney stated that "gaining entrance to a board is frequently a hurdle that researchers cannot overcome, so even though boards are a critically important component of governance, they are also the least studied structural configuration in academe" (Tierney, 2004, p. 97). Most studies consist of document analyses instead of case studies of boards or interviews with board members.

The vast majority of colleges and universities in the United States, whether they are public or private, share certain characteristics with for-profit corporations. One defining element of a corporation is its governing board, commonly known as a board of directors or board of trustees, or board of regents in higher education. A myth regarding the governing board in higher education is that its origin is in the American corporation (Ingram, 1993), almost as if higher education had borrowed the corporate structure from business. For example, a 1971 statement by the Assembly on University Goals and Governance, a statement which did not reflect the centuries-long history of higher education governance, noted that for too long colleges and universities borrowed their governance models from business and public administration, neither of which was appropriate for academic institutions, but the statement was wrong as Ingram (1993) noted that citizen trusteeship preceded corporate governance by many, many years.

"There is no evidence the corporate sector ever dominated higher education (governance) in the powerful ways alleged by social critics such as Upton Sinclair and Thorstein Veblen" (Ingram, 1993, p. 7).

Institutions of higher education in the United States are either public, with ownership and funding residing with the state governments, or private, with ownership and funding residing with the institutions through state charters. Included in the group of private institutions are those that have a relationship with a religious denomination. In the United States, the early history of higher education includes numerous institutions established by church bodies. Harvard, Yale, Princeton and the University of Chicago were established by church bodies, but over the course of their history that denominational relationship ended (Benne, 2001). Today, many Christian denominations continue to operate just over 800 colleges and universities (Andringa, 2009). Some Protestant denominations, such as the Seventh Day Adventist, the American Baptist Church and the Lutheran Church – Missouri Synod, require their trustees to be members of congregations within their denomination and allow for the denomination to select some or all trustees. This model is different from the more common practice among private institutions, where the boards are self-perpetuating and select their own members. In the 1960s and 1970s, Catholic institutions changed from having boards consisting exclusively of members of the affiliated religious orders to self-perpetuating boards with a small number of trustees who come from the affiliated religious order (Gallin, 1996).

Trustees for colleges closely aligned with their denominations are facing challenges similar to trustees at other colleges and universities, as well as challenges

unique to church-related institutions, which generally have low enrollments, small endowments, locations in rural areas and limited or no funding from their denominations. As higher education becomes more complex and takes on business-like qualities, some trustees question their preparedness for meeting the expectations of their roles. A survey by *The Chronicle of Higher Education* in 2007 of trustees in 1,082 institutions asked them about their impressions of their trustee role. Of the 1,478 trustees who responded, 15% stated they were "very well prepared" for their role, while 40% of trustees stated they were only "slightly" or "not at all" prepared for their role (Selingo, 2007). Trustees who believed they were not ready for board service were more likely to feel unfulfilled and less valued and indicated they would not be interested in serving again. The same survey found the ability to understand the finances of higher education varies widely among board members (June, 2007).

Small colleges with limited endowments and high tuition rates might lose students and revenue as students seek options at colleges with lower tuition rates (Carlson, 2008). The results of the survey of the 1,478 trustees showed the precarious financial position of the nation's smallest colleges, those with enrollments of fewer than 1,000 students: only 4% of trustees at those institutions believed them to be "very healthy" financially (June, 2007). Financially, denominations that once provided large operating subsidies to the institutions now provide funds equal to 1 to 3% of the operating budget (Andringa, 2009). Such subsidies are unlikely to increase as denominations are struggling with shrinking memberships and declining operating funds (Burke, 2012). The closure of Dana College, a college of the Evangelical Lutheran Church in America, in June 2010 (Huckabee, 2010)

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by its Board of Trustees is a reminder that not all colleges have a perpetual existence. Columbia Southern University, a for-profit institution, purchased Waldorf College in Forest City, Iowa, also a college of the Evangelical Lutheran Church in America, at the point in 2008 when it had over $20 million in debt, only 858 students and few donors willing to support the college (Biemiller, 2011).

Along with the financial difficulties, denominational colleges and universities are facing societal changes regarding Christian denominations. Ross (2010) reported that denominational colleges are starting to see fewer students from their denominations choosing to enroll. This enrollment pattern could reflect the growing number of students who identify themselves either as a "non-denominational Christian" (Higher Education Research Institute, 2005) or as people who have no affiliation with a religious tradition (Pew Research Center, 2010).

Research Focus

This research explores the question, how do trustees at denominational colleges and universities lead their institutions in an era of declining denominational identity? Agency theory was the framework for the research conducted on the trustees of the 10 colleges and universities of the Concordia University System of the Lutheran Church – Missouri Synod. According to agency theory, "organizational performance will be maximized when an independent board of directors monitors the chief executive's propensity to behave with self-interest" (Miller, 2002, p. 430). In this case, the Lutheran Church – Missouri Synod is the ultimate owner of these institutions, and the trustees seek to safeguard the denomination's interest. Financially, the institutions have a book value

over $800 million including over $200 million in endowment investments, much of which is earmarked to support the education of students preparing for church vocations. Historically and organizationally, the institutions have been the source for pastors and teachers who have served in congregations and schools of the Synod.

An online survey and interviews were the two parts of the mixed methods research design. The quantitative online survey focused on three research questions:

1. How do the trustees measure their work in terms of the denomination's expectations of them?

2. How prepared are the trustees to understand and review the work of the administration?

3. What impact does the declining denominational identity of students have on the work of the trustees?

The above questions addressed the work of trustees as they interact in three domains: with the denomination or the principals according to agency theory, with the administration or agents according to agency theory, and with the students. The qualitative portion of the research included interviews of the board chairpersons from each of the nine institutions. The questions focused on the same areas as the online survey but allowed respondents to include more detailed responses that could not be obtained through the limitations of a survey.

Chapter Two: Review of the Literature

The literature review includes six sections. First, the literature on the corporation as the fundamental organizational form for boards of colleges and universities is reviewed. The second section characterizes higher education governance's unique history in the United States, originating in the medieval era. Third, a general overview of boards of trustees is followed by a review of the responsibilities of trustees. Fourth, a description of the particular experiences of trustees then follows, and the fifth section focuses specifically on the boards and trustees of church-related institutions. The sixth section identifies theories and frameworks for examining board structure and functions.

The Corporation as an Organizational Form

The origins of the university as a corporation go back to the Roman era when Roman law recognized a corporate association as a *corpora*, a body distinct from its parts (Duryea, 2000). Corporations were unaffected by changes in its membership, with corporate property belonging to the *corpus* and the rights and liabilities belonging to the corporation and not to the members. The corporation operated like a private person holding property of its own with an identity distinct from all its members. The basic format of a Roman corporation is still in use today in the approximate 6,800 post-secondary institutions in the United States, where 2,000 are public institutions and 4,800 are private institutions. Those private institutions include about 1,900 non-profit and 2,900 for-profit, with 1,700 of the 2,900 for-profit institutions being non-degree-granting institutions, such as trade schools, e.g., beauty and truck driving schools that offer certificates (Knapp, Kelly-Reid, & Ginder, 2010).

Common to both for-profit and non-profit entities is the board of directors. Allen and Gale (1998) delineated the duties of board members for the shareholders of for-profit corporations. Board members are the channel through which shareholders exercise control over the corporation on a one share – one vote basis, and usually consist of elected members from outside the corporation and inside directors, such as the chief executive officer. Shareholders have little say in the operations of the corporation beyond their vote for members of the board of directors. All board members are compensated for their work since they work to guide the corporation to greater profitability and increase the investment value of the shareholders who are the owners of for-profit corporations.

Non-profit corporations have no shareholder owners, yet they have boards of directors. Without the goal of increasing shareholder wealth, board members for a non-profit organization follow in the tradition of volunteering primarily without pay to help the organization achieve its mission (Duca, 1996). Duca compiled three different models of non-profit governance. The first example was from Cyril Houle, a long-time professor of education at the University of Chicago from 1942 to 1978, who described non-profit governance as "a tripartite system comprised of a board of directors, an executive, and staff" (p. 4). The board's function is to keep the organization's mission in focus. The board's primary responsibility in this model is to ensure that the executive and staff are working toward accomplishing the mission, along with fostering activities that advance the mission and goals of the organization.

Willekens and Sercu (2005) describe the relationship between the board of directors and the shareholders as an "agency relationship" in which the managers are

agents of the principals, the shareholders. In reviewing existing empirical literature for some round-table discussions held at Katholieke Universiteit Leuven in Belgium in the early 2000s on corporate governance issues raised by corporate fraud cases, Willekens and Sercu saw the board acting as the "eyes" of shareholders, who pay the board members for their work. Allen and Gale (1998) stated the average board size for a for-profit corporation ranges from 10 to 15 people. By 2012, a survey by the National Association of Corporate Directors determined the average size a for-profit board of directors was 8.8 members (NACD, 2012). Jensen (1993) determined that boards beyond the size of seven or eight members are less likely to function effectively and are easier for the chief executive officer to control. When they grow beyond seven or eight members, agency problems arise with boards becoming more symbolic and less involved in leading the corporation, thereby weakening their work on behalf of shareholders.

The second model Duca described is the Carver model, developed by John Carver, a consultant on board governance. Carver (1997) recognized that for-profit boards have an automatic danger signal with the loss of profit and the fall of stock value in the market. Non-profit boards do not have such a signal, and instead must perform that function by defining the worth of their products to the marketplace. Carver's model has the board moving away from concerning itself about the management of the organization and instead creating policies that will focus on the ends to be achieved, the means to those ends, the board-staff relationship and the process of governance itself. Therein lies the complexities involved as trustees of denominational colleges seek to safeguard the denomination's interests.

Miriam Mason Wood, in her research on 21 non-profit organizations, developed a cyclical board model that describes categories of board behavior at different stages of an organization's existence (Duca, 1996). After the initial, non-recurring founding stage, Wood defined the stages of sustaining, super-managing, corporatizing and ratifying through which organizations move as they deal with crises. Wood noted that as organizations age, board members become less interested in the organization's mission and programs and more interested in the board's bureaucratic procedures and the agency's reputation for success in the community. Wood's empirical research supported the observations that boards tend to operate in a traditional mode, modeling their behavior after their immediate predecessors, because that behavior is a known quantity, but board behavior is also cyclical driven by crises external or internal to the organization.

In reflecting on 15 years of experience in and research on religious, non-profit organizations, Jeavons (1994) wrote on the leadership of Christian, primarily Protestant, non-profit service organizations, and noted that the traditional view of a governing board is to set policy and choose the senior executive who can carry out the board's intentions. In place of having such clearly distinct responsibilities, the leadership and management of these organizations involve both the board and director working together in a dynamic relationship. Middleton (1987) described the paradox of this relationship where the board with its final authority is dependent on the director for its information and policy implementation while the director has power to lead the organization but is hired and can be fired by the board.

While all corporations have boards of directors, for-profit board members serve on behalf of shareholders seeking to increase the value of their investment in the corporation while fulfilling their educational mission. In the absence of shareholders, non-profit board members of private institutions focus on helping the organization achieve its mission while board members of public institutions focus on achieving the educational mission within the additional obligation of fulfilling the interests of the state and sometimes national interests.

<div align="center">The Origins of Governance in U.S. Higher Education</div>

The Romans developed corporations, but after the fall of Rome, corporations disappeared from Europe during the Dark Ages until the rise of the University of Paris in the twelfth century. The universities of Paris (1160) and Bologna (1088) became the models of governance for many universities that were founded after them (Martorana, 1963). Somewhat different models developed in different countries. The governance of French universities resided with the faculty. By way of contrast, in Italian universities, the students made administrative and legislative decisions, but eventually they lost their power, and civil authorities appointed lay bodies of non-academic people to govern the universities. The shift in the Italian model toward lay board members, along with incorporating the Parisian model and its governance by faculty, would eventually become the model adopted in the United States. The student-led model shaped the universities of Spain and Latin America (Duryea, 2000).

With most of the early colonists emigrating from England, the new colleges they established, in what would become the United States of America, borrowed their

governance ideas from what they had known in England, where the universities had operated as corporations with governing boards since the founding of Oxford in 1167. Corporate charters granted by the new states granted governing authority to private groups separate from the established government, divorced from agencies of church and state, and used governing boards that were all private citizens without faculty participation (Duryea, 2000). The first college established in the United States was Harvard College in 1636, although its charter was not formalized until 1650 (Brubacher & Rudy, 1997). Harvard created a bicameral form of governance with its 30-member Board of Overseers, all elected by Harvard alumni for the purpose of providing counsel to the university leadership, and the President and six Fellows of Harvard College, who have the primary fiduciary responsibility for the corporation. Reflecting the growing complexity of higher education, in 2010 the Harvard Corporation expanded the number of Fellows to 13 with a term limit of six years while keeping the number of Overseers at 30 (Fain, 2010). The establishment of Yale University in 1701 had a single governing board with eleven ministers and successors to serve as trustees to found and manage the institution and its endowment. Yale's Board of Trustees as a single board became the model for many institutions but without the preponderance of clergy (Brubacher & Rudy, 1997). The College of New Jersey (later Princeton University), chartered in 1746, included 10 "lay gentlemen," 12 ministers, and the Governor of New Jersey (Duryea, 2000).

After the Revolutionary War in 1776, some of the states began to establish public institutions. On January 27, 1785, the state legislature of Georgia granted a charter for the

University of Georgia (Dyer, 1985). The organizational plan called for a Board of Trustees as well as a Board of Visitors comprised of the governor and other high officials. Eventually the Board of Trustees became the dominant governing power. Unlike the institutions in New England with members of the clergy serving as trustees, as a public institution, the charter for the University of Georgia did not provide for clerical representation on the board, but requirements free of any religious condition went only so far as another section of the charter required that all officers had to be of the Christian religion. The first nonsectarian university in the United States was the University of Virginia established by Thomas Jefferson in 1819 with the Board of Visitors having its first meeting. The University of Virginia was established on the location of the former Central College, whose Board of Visitors included Thomas Jefferson, former United States President James Madison and the current President, James Monroe.

A critical development in the establishment of private institutions in the United States was the 1816 Supreme Court decision in favor of Dartmouth College, an institution chartered by the English Crown in 1769 with a self-perpetuating board of trustees and a president who could appoint his own successor. Challenges with presidential succession led some of the trustees to approach the New Hampshire legislature to change the charter which changed the college from private to public along with the duties and selection process of the trustees. Existing trustees filed suit, and the Supreme Court ruled in their favor stating the college should remain private as the state of New Hampshire had no authority to impair a contract, even one written between the English Crown and a party in what was now the United States (Brubacher & Rudy, 1997).

After the Civil War, the nation changed from the pervasive authority of Protestant

Christianity, evident in the early colleges, to one with the secular values of the frontier

and an increasingly industrialized urban culture. Catholic higher education did not have

much of a presence in the mid-1800s as the waves of Catholic immigrants were only

beginning to appear in 1829 and the focus of immigrants was primarily on the

establishment of parish-based elementary schools (Buetow, 1970). Enthusiasm was

growing for a new way of life which rejected social stratification and espoused

unrestricted freedom to go as far in life as opportunity, hard work, and ability allowed,

especially in pursuit of economic gain. Higher education played a significant role in this

change. Previously, education was limited to a few privileged individuals and was

broadened into an avenue of advancement for larger numbers of students. The land-grant

colleges created by the Morrill Act of 1862 led the transition from the medieval to the

modern period era by allowing applied sciences and mechanic arts to have a recognized

place in the college curriculum (Brubacher & Rudy, 1997). Governing boards of both

private and public non-profit institutions continued their traditional responsibility for the

oversight and direction of colleges and universities as philanthropic corporations, but the

makeup of the boards changed with lawyers and businesspeople replacing ministers and

magistrates as well as alumni having greater participation; professors would be the one

category consistently excluded from becoming trustees (Metzger, 1989). In the 1800s,

with the rise of wealth from the manufacturing sector, benefactors who donated large

amounts of funds also began to receive board seats in return (Keller, 1983).

Even with the development of public institutions, the establishment of governing board remained unchanged (Duryea, 2000). As state legislatures granted charters for public institutions as they did for private institutions, their corporate structure was similar to private institutions with the use of governing boards. In February 1867, the Illinois Legislature passed the charter through the Organic Act for the Illinois Industrial University, which later became the University of Illinois in Champaign-Urbana (Solberg, 1968). The act established a governing board with 28 trustees, all appointed by the governor. The charter stated that each trustee would have a six-year term, but the General Assembly changed the term to two years. Members came primarily from main-line Protestant denominations, with farmers making up two-thirds of the membership. The statute charged the trustees with operating a university that would teach agriculture, mechanic arts and military tactics for six months, and then allow students to go home and work during the other six months.

Later, the legal case, *Board of Trustees of the University of Illinois vs. Barrett* in 1943, classified the university as a "public corporation" created for the purpose of operating the university as an agency of the state, but as separate and distinct from the state with no sovereign powers. By the 1950s, the boards of public institutions were functioning similarly to those of private institutions, but instead of being accountable to a founding organization or church denomination, these boards were accountable directly to the state governments (Duryea, 2000). Lay control of higher education institutions in the United States, using governing boards consisting of members from outside the institutions, has remained a constant throughout the nation's history. Kauffman (1980)

linked this form of governance to the U.S. Constitution and its silence about the federal

role in education, forcing education to be a responsibility of the individual states. The lay

board has become the accepted norm for governing the diverse institutions of higher

education, and keeps them relatively independent from direct state or federal

governmental control.

The Carnegie Commission (1973), in a series of surveys and studies, defined

seven major transformations in higher education governance since the founding of

Harvard in 1636. First, the church gradually lost in influence in governance with the rise

of public institutions and the secularization of church schools. Second, after the Civil

War, the presidency increased in authority as institutions became more complex and as

administrations became more professional. Third, faculty members took on greater

control over academic affairs, especially since World War I, and increased in status as

independent scientists and experts. Fourth, the decline of *in loco parentis* i.e., in the place

of a parent, accelerated after World War II as students grew in numbers, experienced

greater social freedom as student life changed along with society, and gained political

power with the right to vote at age 18. Fifth, federal authority increased after World War

II, in part as a result of the G.I. Bill of Rights. Sixth, multicampus systems developed

using coordinating councils and superboards, and enrolled one-half of all students.

Seventh, the role of the single campus board declined while these other six changes

occurred.

Higher education in the United States has developed into a system of private and

public institutions, organized and chartered within the individual states as corporations.

With origins in the ancient Roman form of corporations and European higher education, the governance of these institutions has changed as the nation has changed during its history but continues to rely on a group of trustees who share similar responsibilities in both the private and public spheres to ensure the continued operation of their institutions.

A General Overview of Boards of Trustees in Higher Education

The development of higher education in the United States has created a system in which the governance of colleges and universities is the shared responsibility of a board of trustees, the faculty and the administrators. This system is unlike the rest of the world, where higher education typically is controlled by government agencies staffed by professional educators or institutions, such as Oxford and Cambridge, where faculty and administrators continue to have complete responsibility (Nason, 1982). The boards of colleges and universities in the U.S. have a tradition of being different from the boards of corporations with the "lay" domination of the boards of control (Wood, 1985). This tradition is based on the belief that lay people or non-experts should oversee the efforts of professionals who serve the public. The hypothesis is that boards of non-profit organizations consisting of lay people are uniquely equipped to protect the public interest by assuring that the professionals of these organizations contribute to the common good.

The participation of lay members on boards of trustees has not always been viewed favorably. In 1918, Thorstein Veblen (Aronowitz, 2000) detected the hand of business control dominating every aspect of the modern university, including the prominence given to intercollegiate athletics and "vocational instruction." Veblen believed that trustees who worked in business corporations interfered with the academic

management in matters that were not of the nature of business, beyond their competence, and outside their normal business interests (Nason, 1982). Veblen even questioned the continued existence of boards of trustees, calling them an "aimless survival from the days of clerical rule" when they sought to enforce conformity among the faculty to orthodox opinions and observances (p. 15).

The 1960s and 1970s began an era of significant changes for boards reflective of the concurrent changes in society. A survey of almost 600 educational leaders during the 1971 meeting of the American Association of Higher Education found one-third of respondents expressing the opinion that the traditional lay board of trustees was no longer a workable mechanism for the governance of colleges and universities in the United States although no respondent from the private denominational group held this view (Hodgkinson, 1971). Those surveyed believed that as the power of the federal and state governments increased, the educational leaders had no voice in the decision-making governing their endeavors, with the board acting as a point of incursion for political and other influences antithetical to the true role of the academy.

Student activism in the late 1960s and early 1970s caught governing boards off-guard. As students acted in ways previously unseen on campuses, people outside the campus community called for greater involvement by board members in controlling campus life (Schuster, 1994). Neil Smesler, in his 38-year career at the University of California at Berkeley from 1958 to 1994, served as a professor and administrator and directly witnessed how the governing board reacted to the challenges beginning with the Free Speech Movement in 1964 and a series of crises through 1970 (Smesler, 2010).

Smesler identified three reactionary patterns the Berkeley board took. First, the board would pass new disciplinary resolutions that would prevent the type of actions that had occurred in the previous crisis. Second, powers that the board had designated to the campus it could choose to withdraw, such as granting tenure to controversial faculty members such as Angela Davis. Third, the board would strengthen the authority of the campus administrators over the students and faculty since the board had more control over the administrators than it had over the students and faculty. In 1972, Henry Manne, who later became Dean of the George Mason University School of Law, (Nason, 1982) forecasted that boards of trustees were on their way to near-impotence since as the modern private university became "democratized", the control of the board over the university lessened.

The difficulties in operating colleges forced the boards of 167 private four-year institutions, including denominational colleges, to close between 1967 and 1990, years of significant changes in higher education (Hawkins, 2000). 1984 was the first year for a drop in total higher-education enrollments as the baby-boom generation neared the end of its college enrollment. Government aid brought along government regulations. New administrative roles brought along new employees in place of faculty colleagues who would have picked up a few additional duties in the past. Increased requirements for winning tenure, as well as the end of the federal mandatory retirement age, created an environment where new faculty had lower expectations of getting tenure, especially as the use of adjunct faculty began to grow.

During the 1980s, studies in the management of business and organizations grew and became popular and had an indirect effect on governance in higher education. Writers such as Tom Peters with his book, *In Search of Excellence* in 1982 and Peter Drucker, with his many publications about management theories including *The Frontiers of Management* in 1986, became part of popular culture as businesses began to expand and increasingly compete on a global level. As the theories of management expanded, so did the idea that management theories were not limited to business but could be applicable to higher education. George Keller (1983) in his *Academic Strategy* strongly promoted the adoption of management practices, particularly strategic planning, in higher education.

Keller saw the management of universities as having unique challenges. Faculty power had been increasing as the number of faculty increased from 266,000 in 1955 to 633,000 in 1974. During these years, the power of students, outside agencies such as federal and state governments, and also accrediting agencies increased. There was conflict between the faculty and the president about institutional decision-making. In a more recent public example of this conflict, Lawrence Summers, president of Harvard University from 2001 to 2006, resigned from the presidency after having many conflicts with the faculty, including his concern that the pace of curricular change was too slow and his desire to allow military recruiters on campus along with views he expressed about women having innate differences that prevent them from advancing in the sciences and mathematics (Wilson, Fain, Fogg, & Selingo, 2006). Many presidents were former professors and leaders of faculty professionals, yet in their presidential role they were the

executive arm of the lay governing board while retaining their faculty status, usually without teaching responsibilities.

Difficulty with decision making in the changing setting of higher education provided the right environment for the introduction of management methods from the business world, such as strategic planning, as a means of lifting higher education out of its malaise. Bryson (1988) defined strategic planning as a "disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does and why it does it" (p. 6). Strategic planning would be one business method higher education would readily adopt. A January 2002 survey of the Big Ten universities and the University of Chicago, also known as the Committee on Institutional Cooperation, indicated that 10 of the 12 research universities published university-wide strategic plans and linked planning directly to the budgeting process (Dooris, 2003). A survey of 40 Lutheran colleges and universities revealed a statistically significant relationship between certain elements of strategic planning and financial results as measured by the U.S. Department of Education's Composite Score, particularly between financial performance and some financial best practices, which the Lutheran institutions may or may not have implemented as a result of their strategic planning (Ries, 2014). Boards of trustees should be involved in strategic planning based on their level of involvement as board members. Some members are busy executives themselves and prefer to have the administration work through the details of the plan, while other boards will have one or two trustees involved in key strategy sessions. Denominations have made significant investments in their colleges and universities, and strategic planning is a mechanism process that helps

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in safeguarding the denomination's interest in them as a means of focusing on the long-term growth of the campuses.

Birnbaum (2000) noted the propensity of higher education institutions to adopt business practices as symptomatic of adopting management fads without analyzing their appropriateness for higher education. Business leaders, often the type who become trustees, believe colleges and universities should become more efficient by adopting business practices, while faculty members believe there is little to gain from such practices. A 1998 survey of 601 leaders in academia, government and business determined that business leaders were dismayed with the operations of colleges and universities where the unit costs have increased while the unit costs of other businesses have decreased (Immerwahr, 1999). Colleges and universities, organized as non-profit corporations, do not have owners and cannot distribute profits, so there is less pressure to operate efficiently. Business leaders do not worry about wooing constituencies or appeasing them to the extent that college presidents do. College presidents do not issue directives, edicts or orders as company presidents can do. Universities are not organized like business firms (Birnbaum, 2000). By 2012, adjunct faculty made up 70% of the professoriate (Hebel, 2012).

Most writings about management and organization have used the machine form of organization, i.e., highly structured operations broken down into simply executed tasks, as their basis – bureaucratized, formalized, hierarchical and tightly coupled (Mintzberg, 1994). In contrast, universities are professional organizations with loosely coupled systems in which managers who have limited authority support relatively autonomous

specialists performing complex tasks within relatively stable structures. Criticism of higher education often does not account for the difference between the two distinct forms, yet trustees, many of whom come from business enterprises, are asked to provide guidance to organizations that are fundamentally different from their own. Of the 1,478 trustees from 1,082 colleges and universities who replied to a survey in 2007 about their roles, 49.7% of the respondents identified business as their primary occupation with the next largest group at 21.9% for professional services ("The Chronicle Survey of Trustees of 4-Year Colleges," 2007).

The growth of business practices in higher education has led Aronowitz (2000) to believe that "learning" or free inquiry driven by curiosity is becoming harder to find than it once was as, "education" which reinforces and reproduces the norms of culture and "training", takes precedence over learning. Similar to the concerns of Chapman and Veblen in the early 20th century, Aronowitz noted that business practices were becoming increasingly prominent in the early 21st century. Mimicking the flexibility of lean, just-in-time production costs in manufacturing, institutions are switching tenure positions to adjunct faculty positions (Aronowitz, 2000).

An indication that higher education is adopting corporate business practices is the application of accounting principles to academic employment and planning by using cost-benefit analysis and cost containment as the main criteria for perpetuating a traditional department or starting a new department or program. A recent study by Texas A & M University of its faculty calculated the revenue earned by the number of students enrolled in each class and subtracted the faculty member's salary and benefits to determine

whether each professor is operating in the black or in the red (Mangan, 2010). Focusing

on the number of students enrolled and graduating compared to the costs of running the

academic departments were part of the recent administrative decisions to terminate

programs at Florida State University, Brandeis University and the University of Northern

Iowa (Glenn & Schmidt, 2010). The academic value of a program is counter-balanced

with the questions of whether a department pays for itself in terms of tuition, outside-

funded research or other contributions that do not stress the operating budget, as public

institutions seek to limit tuition rate increases as a result of decreasing state government

appropriations.

Derek Bok (2003), in his book, *Universities in the marketplace: The*

commercialization of higher education, has analyzed how marketplace-type methods

have changed the operations of colleges and universities. As the economy has become

more technological, the growth area in many universities has been in technology, such as

in the growth of the computer science major and department, although the annual number

of bachelor's degrees awarded in computer science and computer engineering dropped

12% in 2009 compared to 2008 (Carey, 2010). A corporate culture is more evident with

the focus on the bottom line of the budget (Chapman, Glenn, Howard, June, & Kaya,

2010), some presidents being viewed as chief executive officers (June, 2006), and the

growing importance of the collegiate brand name for the institution (Moore, 2010).

Student interest in majors continues to grow in vocational areas, such as business and

nursing. The increased use of adjunct instructors seeks to minimize expenditures, and

measurements of activities tend to quantify the results monetarily instead of qualitatively.

Chait (1992) determined that board members, reflecting the increasing business focus of universities, could take on a greater role in strategic planning with what he defined as a four-stage process. He characterized the board as the one entity that holds the values, beliefs, heritage and defining characteristics of the institution, so it begins the process with a "temporal double vision" looking both at the past and the future, as well as at the denomination and its expectations of the institution. The second stage of formulating strategy has the board wrestling a vision of the future in the realm of reality by evaluating the administration's plan. This role for the board is primarily reactive since its meeting times are few. In the third stage of implementing the strategy, the board has a minor role, but in the fourth stage of monitoring the strategy, the board is more active in reviewing the data to see that the plan is working.

Wood (1985) used case-study methodology to examine the role of trustees at 10 selective, financially viable liberal arts colleges in four states. Wood visited each college and interviewed the president, the chair of the board and three trustees. Her first research objective was to go beyond the formalities of the charter and by-laws to understand the board's informal decision-making processes, its power structure and its relation with the president. Understanding these activities would lead to a better assessment of the potential and limitations of the board as an institutional resource. Two questions shaped the focus of the study: What do trustees actually do, and how do their activities affect the college? Her second objective was to provide some research for scholars and administrators that included trustees instead of ignoring them. Her work is descriptive in nature.

Her research led Wood (1985) to identify three models of boards in the context of how the members work together. A ratifying board is one which tends to approve automatically the president's decisions with little disagreement among the members. A corporate board tries to run the institution like a business corporation. In the third model, boards that have a number of alumni trustees tend to operate in a participatory style, where the members hope to take care of the college in a familial style. They have a close relationship with the college as alumni and/or through family connections, so that they participate as if they were running a family business.

The governance of for-profit universities follows the pattern of governance of for-profit corporations. Capella University, as an example, is owned by the Capella Education Company, a publicly-traded corporation. At the annual meeting of shareholders, the 10-member board of directors presents a slate of nominees for the shareholders to elect as new board members (Capella, 2009). Like members of non-profit corporations, Capella board members are required to attend board meetings, and like members of for-profit corporations, Capella board members receive compensation for their work. In 2009, eight board members who were not Capella employees received compensation ranging from $50,000 to $61,000; an additional amount of compensation included $55,020 to each individual in stock awards (Capella, 2010). Eight board members of the Apollo Group, parent corporation of the University of Phoenix, earned compensation ranging from $219,000 to $519,000 (Apollo, 2010), which included cash payments along with stock awards and stock options. The closure of Corinthian

Colleges, a for-profit university, by the U.S. Department of Education impacted some 75,000 students and left shareholders with virtually worthless stock (Blumenstyk, 2014).

Higher education in the United States has grown immensely from small colleges in the 1600s to campuses with thousands of students offering many academic programs, yet the governance model has remained relatively unchanged. Boards of trustees with members volunteering their time continue to guide these institutions in the public interest. While the operating environment of higher education has adopted ideas and techniques from the business world, the trustees still have responsibilities that have changed little over time.

Responsibilities of Trustees

Contrary to Manne's prediction that boards of trustees were on their way to near-impotence (Nason, 1982), boards of trustees are still an important part of the operation of colleges and universities. Around 50,000 people serve as governing board members in the United States (Association of Governing Boards of Universities and Colleges, 2010). Boards of private institutions have an average of 20 members, larger than public boards which average 11.8 members, and are self-perpetuating with the boards selecting new members to replace members who leave the board. These boards normally meet three or four times per year with an executive committee that might meet monthly or bi-monthly (Mortimer & Sathre, 2007).

Wood (1985), in her research on 10 selective liberal arts colleges, determined that the relationship between the board and the president to be one where presidents are on their guard with boards, especially when they sense board members individually and

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collectively seek to interfere with the day-to-day administration of the college. Trustees believe they should support the president as their representative on campus with the faculty and students, even though they see the work of a president as one of society's most challenging occupations. Trustees see themselves as having minimal impact on educational programs and administrative departments, and they view the president as the leader in fund-raising compared to their role in fundraising. Trustees also see themselves as losing the ability to set policy to faculty committees, and some of their potential value to the college is lost out of fear that they become overly involved in the management of the college based on their own vocational expertise.

Chabotar (2006), as President of Guilford College, a private, liberal arts college in Greensboro, North Carolina, described the fundamental responsibility of a board of trustees as charting the institution's course and ensuring it has the resources needed to fulfill its mission. The board oversees and governs the institution without involving itself in the management of the institution. The term, trustee, reflects how the board holds the assets of the institution in trust seeking the greatest benefit for current and future beneficiaries (Ingram, 1993). The trustees work together as a board to see that the purposes and values of the institution are transmitted to the students and preserved for the future, while also being the entity that has the supreme legal and fiscal responsibility for fiscal and policy matters (Kauffman, 1980). The board governs the institution; individual members do not (Nason, 1982). Board members at denominational institutions have the additional responsibility of working within guidelines established by the denomination.

The board begins to carry out its governance function through its relationship with the president (Nason, 1982). The president serves as the primary agent of the board, to whom the board delegates its authority to administer the college or university in accordance with the policies the board has established. While in office, the board has the responsibility to support the president helping him or her address weaknesses in leadership, and also to monitor the president's performance (Nason, 1982). A review of the president's activities typically includes determining how efficiently the administration is functioning and how the institution is carrying out board policies. Chait (2006), in a reflection on his experience with boards of trustees, warned against emphasizing that the selection of the president was the most important responsibility of board members. If the board selects a strong president who does well, the board may end up focusing on the welfare of the president and disengaging from governance. The trustees' overestimation of presidential importance may lead to overdependence on the president and underperformance by the board.

The fiduciary responsibility of a board includes monitoring the generation of financial resources, the spending of financial resources and the managing and protecting of financial resources, including working capital, long-term capital, and long-term debt. Planning and budgeting are included in the fiduciary responsibility (AGB, 1985). "The real task of trustees is to relate the financial status and requirements of the institution to the programs and functions linked to the financial capacity and to grasp the varying impact of such support on the programs of the institutions" (AGB, 1980, p. xvi). Trustees should always consider the long-term fiscal health of the institution, even while they

might be addressing short-term deficits; the future financial health is not to be sacrificed to current demands (Nason, 1982). A 2009 survey of governing boards by the Association of Governing Boards of Colleges and Universities showed that few boards participate in sophisticated financial planning (Fain, 2009). About 15% of the survey respondents engaged in planning that spans three to five years. About 50% continue to focus on the annual budget, while 35% have only a basic understanding of financial planning.

A part of the fiduciary responsibility is the responsibility to obtain resources for the institution (Radock & Jacobson, 1980). Trustees have a valuable perspective regarding the institution as they are distant from the daily operation and can see the broader role of the institution and know how prospective gifts might benefit the college or university. They should donate their own funds and then ask people for their gifts. People serving as trustees should believe the institution is worth supporting and have little hesitation in asking for support.

Beyond the fundamental responsibilities of trustees, writers about governance have expanded on that broad responsibility to include particular roles and activities, some of which have reflected the eras in which they were written. For example, the Carnegie Commission (1973) addressed two issues following the turbulence in higher education in the late 1960s and early 1970s, student dissent and faculty dissent from sensing a loss of control over their profession. One role the commission identified was to serve as the final arbiter of internal disputes involving the administration, faculty and students, like a court of last resort.

As the educational environment has changed, so too have the responsibilities of

trustees, at least according to Michael Shattock (2003) with more concentration on the

long-term view of the institution as opposed to administrators who focus more on the

short-term. Schuster et al. (1994) identified the changes within the higher education

environment that are influencing board members to become more involved with the

planning of their institutions. The economy is prone to cyclical fluctuations with federal

and state deficits changing the amount of funding available for institutions. A

fundamental rethinking of how higher education is to be financed is occurring with

students paying more of the costs of the operations and the state governments paying less.

The physical plant is steadily deteriorating and in need of repair, a need which

institutions have not determined how to fund. Compliance with government regulations

requires costly compliance activities, and technology expectations and costs continue to

increase. "Long-range" planning has become "strategic planning" and brought about

greater participation and accountability of the board for how the institution is reacting to

this changing environment.

Recent developments in the area of executive pay have highlighted the board's

responsibility in determining executive compensation. With the median total cost of

employment for presidents at $440,487 in 2009-10 (Stripling & Fuller, 2011), trustees

will cite the need to be competitive in national searches to find the best candidate to serve

as president. Higher pay for presidents contrasts with stagnant wages for faculty and

increasing tuition rates for students. Payouts in paid-leave packages in the range of $2.8

million for administrators at the University of Minnesota "hurt the public's trust" as

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President Kaler commented on the actions of the previous president, Robert Bruinicks (Stripling & Fuller, 2012). The Board of Regents for the University of Minnesota formed a committee to have a greater role in reviewing and approving the compensation packages for university executives (Koumpilova, 2012). In July 2014, Eric Kaler, President of the University of Minnesota, received a five-year extension on his contract until 2020 and a base salary increase from $610,000 to $625,250 after the Board of Regents expressed praise for his three years of performance (Lerner, 2014). The renewal of the contract for Steven Rosenstone, Chancellor of the Minnesota State College and Universities (MnSCU) system, in 2013 by the Board Chair, Clarence Hightower, and not the full board forced the state legislature and faculty to raise questions of concern as MnSCU continued contentious negotiations with the faculty union well into 2014 (Koumpilova, 2014).

In their analysis of higher education administrators shifting to a stronger focus on responding to what students in the higher education market desire, Zemsky, Gregory, and Massy (2005) noted that boards need to be more proactive in the monitoring of the health of their institutions by integrating their oversight of academic planning and budgeting processes to determine that values expressed in the mission statement are reflected in the curriculum, budget and policies. They also noted that trustees at private institutions tend not to treat them as competitive enterprises or see them as business enterprises as much as they should.

Experiences of Trustees

The process of becoming a board member is different between public and private non-profit institutions. Public institutions have members who are either appointed by governors or other members of the state government (Gale, 1980), but in Colorado, Michigan, Nebraska and Nevada the general population votes for a range of two to five board members (Hebel, 2004). In contrast to the public institutions, the boards of private institutions are self-perpetuating in that the board selects its own members without any involvement from the state government. Some boards use a nominating committee to find their next members; others give that responsibility to their presidents. A nominating committee should have a process by which they solicit nominees, a process for checking qualifications, a method for bring the recommendations to the full board and a process for orienting new members (Gale, 1980). The Association of Governing Boards recommended that the president and board chairperson should be ex officio members of the nominating committee to provide broad perspective of institutional needs. Since trusteed and presidents must work together, "no trustee should ordinarily be chosen who is not acceptable to the president" (AGB, 1980, p. 20).

The practice of selecting alumni to be board members is common among public and private institutions, with some institutions having a designated number of alumni trustees, such as Dartmouth College which had eight out 18 trustees elected by alumni through a parity agreement established between alumni and the college in 1891 (Wray, 2010). Eight other trustees were appointed by the board along with ex officio seats for the college president and the governor of New Hampshire. In August 2007, the Board voted

to expand the number of trustees to 26 by adding eight additional board-appointed trustees and ending the 1891 agreement. This new arrangement reduced alumni-elected seats to 31%, more in line with Ivy League boards where the average number of trustees is 34 (Wray, 2010).

A 2006 survey by the *Chronicle of Higher Education* of 1,500 trustees of 1,000 colleges found that 58% of the trustees who were alumni felt no better prepared to handle important board issues such as dealing with the president, working on the institution's strategic plan or tackling the budget (Fain, 2010). The findings suggest that there is a false assumption that alumni are more prepared than non-alumni to be board members. Alumni may have the additional disadvantage of living in the past in their relationship with their universities.

Two surveys in 2010 by the Association of Governing Boards of Universities and Colleges of 195 public and 507 private institutions showed that people who are the members of governing boards are overwhelming white, male and over 50 years old (Fain, 2010). Whites account for 74.3% of trustees at public institutions and 87.5% at private institutions. At private colleges, 30.2% of trustees are women and 83.1% are over 50. At public institutions, 28.4% of trustees are women and 75% are over 50. Martin (2010), in a study of 115 public institutions, determined that legislatures with a larger share of female legislators are more likely to appoint female trustees to boards than legislatures with a larger share of male legislators.

The process of adjusting to the role of a college trustee can be difficult. A 2009 survey by the Association of Governing Boards of Universities and Colleges of trustees

at almost 700 public and private colleges determined that the common length of board orientations was less than a half-day, with only 20% of boards offering a full day of orientation (Fain, 2009). Eighty-five percent of these new members received some training in college finances, and 69% received a review of academic programs. New board members generally have a half-day orientation for their new role, which includes some instruction on higher education finance.

Adapting to the role of being a trustee is more difficult than what some trustees might expect. Wilson (2005), board chair emeritus of St. Lawrence University in New York, reflecting on his experience with boards noted that trustees tend to be highly successful and outgoing in their careers, but as new trustees they can be quiet as they participate in board meeting. Many trustees come from business and view the university as a business, but the institution is a non-profit organization. The board has the legal authority for the university and delegates that authority to the president. New members have to learn the complexity of the relationship between the president and the board. For some trustees, it is difficult to understand the governance structure in that the president works with the faculty in a setting that is not hierarchical but collaborative. Managerialism as practiced in higher education, with the concentration of decision-making with the administration as opposed to the faculty (Bess, 2006), would be a structure trustees with a business background would understand, but the business model for the university is different from that of a corporation. Profit is not the motive, nor is success measured financially, although financial viability should be a key concern for trustees. There are neither shareholders nor equity holders, and no surplus is distributed.

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Reflecting on his experience from 1985 to 2001 as a board member at Saint Lawrence University in Canton, New York, Wilson suggested that orientation practices should include assigning a mentor to new trustees, helping new members to understand the difference between higher education and business, and assigning new members to committees with the goal of using the committee experience as a time of learning about the institution.

Based on his years of experience consulting with boards, Chait (2006) likened a board of trustees to an orchestra of soloists, where many members want to be principal players or the conductor, but do not want to be regular musicians or want to rehearse. Outside of the boardroom, they are accustomed to being decision-makers, and prefer to go alone in their board work. Many board members still view being a trustee as honorific with governance largely being ceremonial. Many believe that goodwill, coupled with philanthropy, offset the obligation of due diligence and shared responsibility. Chait noted that governance is no longer a "spectator sport" given the increased operating complexity of even the smallest colleges.

A recent development among university boards is "managerialism," defined as the board meeting without the president or other senior officers and discussing and implementing university policy without much input by those impacted or following one-sided reports in the discussions. MacTaggert (2007), reflecting on his experience with boards, noted that three-fourths of big companies expect their boards to meet regularly in executive session without the CEO present, according to a 2006 *Wall Street Journal* article, a change from only three years ago when just over half the companies expected

this to occur. MacTaggert provided three cases of managerialism and characterized it with these features: a few trustees dominate board discussion with politics and personality conflicts overtake the boardroom. He sees boards as overstepping their authority by acting independently of the administration without any consultation and making bad judgments after an impoverished deliberative process often with meetings in executive session with the president attending. For MacTaggert, these trustees cross the line from setting policy to managing the organization to the detriment of both.

Trustees will eventually be curious to know if they are being effective in their work. Chait, Holland, and Taylor (1996) worked with the boards and presidents of six independent colleges over five years to determine the characteristics of the most effective boards of trustees. The competencies were categorized into six dimensions. With the contextual dimension, the board takes into account the culture and norms of the organization it governs, while the educational dimension has the board taking the necessary steps to ensure that the trustees are knowledgeable about the institution and the board's responsibilities. The interpersonal dimension has the board nurturing the development of trustees as a working group fostering a sense of cohesiveness, and the analytical dimension recognizes the complexities of issue and accepts ambiguity and uncertainty as healthy precautions for critical discussion. In the political dimension, the board accepts its responsibilities to develop and maintain relationships with major constituencies, and the strategic dimension helps the institution envision and shape a strategy. For denominational institutions, the political dimension would include denominational leaders as a major constituency.

Michael et al. (2000) studied 50 public and private non-profit institutions in Ohio to determine how trustees perceive their own effectiveness. Their study attempted to answer the question: What do trustees consider to be indicators of effectiveness for themselves? They hoped their research would enable non-trustees to understand how trustees think regarding their roles and responsibilities. For boards that are interested in evaluating their own performance, indicators of effectiveness provide a basis for developing relevant measurement instruments. Their goal was to investigate the differences among the private and public sectors regarding perceived indicators of effectiveness.

Their conceptual framework determined three areas that determine individual trustee effectiveness. Each trustee must possess some knowledge of higher education culture, the politics within their specific institutions and the differences between administration of higher education and business organizations. The second area for effectiveness is the trustee's contribution to the welfare of the institution, either directly through financial gifts or participation in meetings and events, or indirectly through influence on the public and politicians on behalf of the institution. The third area is the trustee's individual relationship with the president, students, faculty and other board members.

Michael et al. (2000) received 489 (71.2%) responses from the 686 questionnaires mailed to the trustees at the 50 Ohio institutions four-year private institutions and determined from the survey data three areas of knowledge crucial for individual trustee performance: knowledge of the higher education institution, knowledge of the politics of

the particular institution the trustee serves, and knowledge of the uniqueness of higher education institutions and their differences from the business sector in particular. The only difference in effectiveness between the private and public sectors was in the attention given to budget detail where private sector trustees had a significantly higher mean score, 4.43, compared with the public sector at 4.07 and combined mean of 4.37 using scale points where 1 = unimportant to 5 = highly important.

Preston and Brown (2004) examined the relationships between board member commitment and individual performance using the Three-Component Model of Commitment for paid employees developed by Meyer and Allen (1997). This model defines three types of commitment. Affectively committed board members are emotionally committed to the organization and possess a sincere desire to continue serving as board members. Members with a normative commitment serve because they believe it is the moral thing to do, not necessarily because they want to. Continuance commitment reflects the need to remain on the board because members fear the loss of social prestige, social relations or networking possibilities. Preston and Brown adapted the components to understand the commitment of volunteer board members. This research did not include higher education institutions, but used 533 board members of midsized social service non-profit organizations in Orange County, California.

The findings in Preston and Brown's research supported a positive relationship between affective commitment and board performance ($r = .43$, $p < .001$, $n = 196$). Normative commitment reflected a weaker commitment compared to affective commitment ($r = .22$, $p < .002$, $n = 196$), but board members continued to have a sense of

obligation toward their commitment. There was no significant relationship between continuance commitment and board member performance. While board members with continuence commitment would not contribute negatively toward the organization, they would do little to benefit the organization. When fellow board members engage other board members in their roles, affective commitment increases and benefits the performance of the board as a whole.

Bastedo (2005) examined the growing role of activist boards of public universities. Without a generally accepted definition of board activism, Bastedo defined activist boards as those with an "independent and aggressive role in the policy-making process, resulting in organizational characteristics that are appreciably distinct from traditional boards" (Bastedo, 2005, p. 552). Bastedo used an institutional theory framework focusing on institutional entrepreneurship in which institutional entrepreneurs are disproportionately influential in setting policy agendas. His case study used the Massachusetts Board of Higher Education from 1991 to 2000 because it became an activist board in 1995 following the selection of James Carlin, a businessman, as chair of the board. He conducted 21 interviews with board members, system officers, lobbyists, college presidents, faculty union representatives and senior administrators. Archival data, internal memoranda and system reports were available for Bastedo to use. Bastedo concluded from his research that Carlin's ability to make significant policy changes, such as in admission standards and fiscal policy, stemmed from his larger-than-life personality and his ability to use board staff to accomplish his goals with a web of relationships among key legislators, government staffers and governors. The faculty members quickly

began to despise Carlin due to his confrontational style during a three-year series of collective bargaining negotiations.

Bastedo (2009) connected his research on activist boards with new research on trustee independence and how it is threatened by moral seduction, a term he defines as a "gradual process where participants come to believe more in the fundamental rightness of their own judgments than in the organizational mission as construed by others" (Bastedo, 2009, p. 60). Activist trustees have more concern with the higher education system as a whole than they do with the institution they govern. Bastedo's research was a qualitative study of 59 public university presidents during 2004-2005 who participated in the Presidents' Institute on Trusteeship for public college and university presidents established by the University of Illinois in collaboration with the Association of Governing Boards. Bastedo obtained his data through the large open discussions and small group discussions among the presidents as well as telephone interviews six months after the Institute. The presidents expressed concern about trustee independence for trustees who show greater loyalty to the political party or governor who appointed them, have financial conflicts of interest with the university, claim management expertise and dominate board decision making, and possess personal agendas placing their personal and family interests above the interests of the university.

Using a sample of 20 prominent research universities in 2000, Pusser, Slaughter, and Thomas (2006) studied the interlock relationships of university trustees in public and private non-profit institutions who also serve on boards of directors for publicly traded corporations. Of the 662 trustees from the 20 institutions, 413 trustees (62.4%) were also

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serving as directors on corporate boards. Private universities had an average of 4.9

trustees who served on corporate boards with other trustees from the sample institutions;

the average for public universities was only 0.5. Interlocks create channels for

information to flow from one organization to another and can shape institutional

performance through the information and knowledge made available to trustees. Pusser et

al. (2006) did not measure how the interlocks are beneficial to the universities.

DePaul University studied its own board effectiveness in 2004 and discovered

broad dissatisfaction among the trustees (Holtschneider, 2013). Fewer than half of the 49

board members attended meetings, and they were not involved in fundraising nor did they

interact with the university between meetings. One issue in particular was the executive

committee. Trustees believed the executive committee was determining the outcome of

the major decisions at meetings, and the executive committee believed the board chair

and two vice-chairs were the three people primarily making decisions. The board

addressed the issue by reviewing the authority of the executive committee and assigning

decisions formerly brought to the board to sub-committees that make more decisions and

increase the engagement of board members in those committees. Board meetings have

returned to discussing broader questions about the mission and future of the university.

In summary, trustees in higher education institutions serve on governing boards of

public and private, large and small institutions. Dedicated to the institutions they serve, at

first they wonder how well-prepared they are for the tasks ahead, particularly as they lead

educational institutions in an environment where the use of business practices is

increasing. As trustees progress in their time of service, they question how effective they

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are in their roles. Being committed to and focusing on the institution while avoiding

getting involved in the management of the institution allows for effective trusteeship.

Boards and Trustees of Church-related Institutions

Church-related institutions are part of the broader category of independent

institutions which states do not have a role in operating or governing. In 2011 there were

884 institutions that self-identified themselves as having a religious affiliation (National

Center for Education Statistics [NCES], 2012). Of these institutions, 234 institutions are

Roman Catholic, 35 are Jewish, and the United Methodists are the largest Protestant

denomination with 95 institutions. There are 40 Lutheran institutions. About 1.4 million

full-time students attend these institutions with enrollments averaging 1,585, while about

8.6 million full-time students attend public state institutions with enrollments averaging

5,255 (NCES, 2012).

The definition of what is a church-related college or university has changed over

the years. A significant study commissioned by the Danforth Foundation in 1962

identified six elements in defining college-church relationships. The elements include

ownership, board composition, financial support, acceptance of denominational standards

or use of the denominational name, educational goals and the processes for selecting

faculty and administrative personnel (Pattillo &Mackenzie, 1966). About 60% of

institutions were required to have more than half of their board members from their

denominations, and about 45% of the institutions required three-fourths or more of their

board members to come from the denomination. The Danforth study recognized that the

relationship was a continuum with some institutions having close ecclesiastical control

and others having only a vague historical association with a denomination. Two

characteristics that define church-related institutions are the intentional desire of the

institution to have a relationship with its denomination and have a place for religion in all

its dimensions (Cuninggim, 1978, p. 32). Cuniggim created three categories on a

continuum to determine levels of church-relatedness. "Consonant" colleges are

committed to the tradition of the related church and its values are similar to the

denomination's values. "Proclaiming" colleges proclaim their affiliation with its affiliated

denomination at every appropriate occasion, particularly in education and religion.

"Embodying" colleges have strong allegiance to their denominations which is clearly

evident when visiting campuses. Later, Cuninggim (1994) developed a three-part

definition of church-related colleges: they honor their heritage in profession and practice,

believe in the academic values of truth, freedom, justice and kinship, and have a

relationship with its denomination that is credible and mutually understood.

Literature on the study of the boards of church-related institutions is scarce. A

1939 study of 198 Protestant and 62 Roman Catholic liberal arts colleges examined the

stated purpose of each college as published in catalogs from 1860 to 1920 as well as in

1933, 1934 and 1937 (Patton, 1940). The study also examined the personal letters, annual

reports and inaugural addresses of the presidents and reports the colleges provided to the

denominations. A predominant theme among the publications was character development

of the students. With reference to the support and supervision of higher education, the

study concluded that the boards should reconsider the place of the denominational

colleges, since junior colleges were increasing and professionalized courses were gaining

in popularity at universities. The denominations were having difficulty obtaining funds to maintain high-quality institutions, and character-building, a strength of church-related institutions, was also occurring in public universities. A study by the Educational Board of the Church of the Brethren of their six colleges (Patton, 1940) expressed similar concerns along with the "rising educational costs" and the rapid growth of enrollment in state universities, which was drawing students away from their colleges.

In a study of 706 private institutions, Eells (1961) identified 326 of them as having the majority of their board members elected or appointed by church bodies or officials, whereas 266 boards were self-perpetuating. With private boards, the median number of members was 24, while the median for public boards was 10. The "typical" private board was elected or appointed by a church body and consisted of 24 members who served three-year terms each. Boards were trending towards smaller numbers of clergy members (Wicke, 1964). Denominations were passing on the ownership of the colleges to boards of trustees of the colleges. There was a growing recognition that boards had an important financial responsibility, and should not take on the role of administrators. One major transition over the last 30 years has been to fewer religious orders or churches maintaining control over board appointments, which characterized the first 70 years of the 20th century (Mortimer & Sathre, 2007).

In a study of seven Catholic universities that went through the process of changing their board composition from clergy and members of religious orders to primarily lay people, Gallin (1996) described this shift as allowing the universities to achieve a level of educational excellence so they could compete with other private

universities and move away from the perception that the Church ran the institutions. Instead of people viewing them as inferior to other private institutions, they improved their image with local communities, state and federal agencies and the national higher education community. This shift allowed the institutions to increase the lay involvement in fundraising through alumni/ae and trustee contacts with corporations and foundations and to achieve a greater presence in higher education.

The Emerging Trends in Leadership Study, a study providing insight into the leadership of Roman Catholic institutions, interviewed four administrators at each of 33 institutions located in different settings with enrollments of varying sizes and presidents who are both lay and religious (Morey & Piderit, 2006). The research methodology was qualitative in nature using personal interviews and focused on the Catholic identity of the institutions. The findings involved the issues of selecting a president, establishing policy and monitoring presidential performance. Trustees must determine the "Catholic knowledge" of candidates and their commitment to the Catholic Church as part of their search process. When establishing policy, trustees must address Catholic institutional identity and provide service to the Church. Trustees will monitor presidents to see how they are leading the institution in fulfilling its Catholic mission. These findings would be applicable to other denominational institutions in some measure. Byron (2011), a Jesuit priest, in a reflection about his years of service on the boards of 10 Catholic colleges and universities, describes how boards at Catholic institutions have moved away from governance by the sponsoring religious communities to governance by lay men and

women. He challenges board members to know the history of their institution and to be committed to the mission and Catholic identity of the institution.

In describing the challenges facing residential liberal arts colleges, those institutions based on Carnegie classifications that focus on arts and science programs without graduate studies, of which approximately half of the 166 institutions had some form of denominational relationship, Neely (2000) listed market forces, including demographic, economic and geographic shifts. Cultural trends, such as materialism and utilitarianism, threaten liberal arts colleges as well as the dominance of market economics as a determining force. "Nominally liberal arts schools" as Neely describes them, are institutions that have a liberal arts background but have expanded their curriculum into the areas such as education, business and nursing, programs viewed as being professional. They have their own special challenges as they all face escalating costs, increasing competition and having relatively meager capital resources. They are locally-based, and rely on part-time, non-traditional, and non-residential students. They have the greatest ambiguity about their mission as they see economic salvation in meeting student demands for specialized training. Without large endowments, economics forces them toward a larger operating scale undermining the smallness that is part of their social and pedagogical but not curricular attraction. These schools in the middle, neither small and specialized nor large and wealthy, suffer most in comparison to public institutions. They are likely to cost more, offer less, pay their faculty lower wages in comparison to other institutions, defer maintenance and scrape for full-fare tuition students. Credentialism, either generic or vocational, hurts the middle tier. Once enrollment declines, cost-cutting

occurs, visibly harming quality and reducing enrollment. Operations become a downward spiral with increasing annual operating losses and the looming possibility of closing the doors of the institution.

McPherson and Shapiro (2000) affirmed Neely's findings through research they performed using data from the Integrated Postsecondary Education Data System (IPEDS) comparing the revenues and financial aid expenses in 1987, 1991 and 1994 between public and private institutions. Financial challenges for less affluent, less prestigious colleges include the lack of resources to give deep subsidies to their educational efforts or to finance substantial tuition discounting from sources other than current revenues. Simultaneously, they lack the brand-name recognition to recruit qualified, full-paying students without offers of merit aid or other discounting strategies. The fundamental problem is the lack of a customer base that is willing or able to cover the costs of the enterprise. In the past, the college could rely on regional or local appeal, and church-related institutions could rely on the denominational link for a sufficient number of students. The college could recruit faculty nearby, but now the search for faculty and students is national. The loyalty to a denomination by students is gone. Students do not expect to pay full price, but tuition reduction does not address the issue that fewer people are interested in the product than they used to be. Hawkins (2000), in a survey history of liberal arts colleges, noted that by 1988, denominations were providing the funding for an average of only 1% of the operating costs of colleges claiming church connections.

Astin and Lee (1972) did a study on what they refer to as the 494 "invisible colleges," which included 326 church-related colleges. These 494 private colleges were

not selective in their admissions with combined SAT Verbal and Mathematical scores less than 1000 and had enrollments less than 2,500 students. They identified challenges for these 494 institutions they described as, "few people know about and perhaps even fewer people care about" (p. 11). They are private colleges who receive limited support from the state and suffer in the competition for federal grants. With limited financial resources they cannot offer students much financial aid without jeopardizing their financial stability. In an increasingly secular society, the college struggles with retaining affiliation or severing the bonds with the parent church body. Even with these struggles they enroll around 500,000 students. Twelve percent of the church-related colleges changed their names to appear less sectarian. Arkansas Christian College became Harding College and appeared to be less interested in providing a focused Christian education and more interested in appealing to a wider range of students.

The conditions for many church-related institutions had improved for some by 2005 but not for others according to work done by Andringa (2009) for approximately 50 denominational leaders in 2005. Andringa served as the president of the Council for Christian College and Universities from 1994 to 2006. In that role he was able to work closely and strategically with leaders of approximately 900 self-defined, religiously affiliated colleges and universities. His goal was to create a national profile of the 900 campuses whose religious affiliation ranged from denominational ownership to a distant historical affiliation. Andringa identified three emerging trends. First, there is a steady student desire for distinctly Christian institutions. Second, these institutions are facing increased competition from public, for-profit, online, and other private institutions,

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particularly private institutions with better locations, programs and endowments. Third, government student aid will not keep up with inflation as governments struggle with competing priorities.

Among these approximate 900 institutions Andringa categorized 800 of them as financially weak and unlikely to last many years as they had small enrollments with fewer than 200 students and no endowments. A unique challenge for these institutions is the decreasing role of denomination in the life of lives of people of faith and how that decrease is impacting church-related colleges and universities (Andringa, 2009). The majority of religiously affiliated institutions receive less than 2 to 3% of their operating budgets from denominational sources, an amount slightly higher than Hawkins (2000) found at 1%. These institutions struggle with promoting themselves as being primarily denominational and losing potential students, while moving away from that denominational identity could reduce church support and alienate donors who value that identity. Some of the more conservative colleges struggle with a denominational authority that appoints trustees when the institution sees the need for broader representation on the board reflecting the market of students it serves. Trustees loyal to the denomination are tempted to interfere with campus initiatives causing friction on campus while other trustees see their denominational loyalty as necessary to conserve campus assets and be hesitant to take risks in advancing the institution's mission.

Hunter (2012) examined the correlation between the variables that lead to financial stability and instability for 673 U.S. private institutions that enroll fewer than 2,000 students, of which, 497 (78.3%) were affiliated with a Christian denomination. A

conceptual framework of institutional health guided the research to determine if there were relationships between four families of independent variables (i.e., institutional characteristics, strategic choice, financial indicators and external environment) and the U.S. Department of Education's (DOE) Test of Financial Strength score in either the 1998-99 or 2008-09 academic years. Religious affiliation was an independent variable as an institutional characteristic but did not account for a significant amount of variance in the Department of Education's Test of Financial Strength ($p = .308$). Statistically significant variables with a positive impact on the DOE score included an institution's cash on hand ($p < .001$), total undergraduate enrollment ($p < .001$) and unrestricted giving ($p < .001$), while statistically significant variables with a negative impact on the DOE score included a fully online program ($p = .005$), the discount rate ($p = .020$) and being from the Great Lakes ($p = .003$) and Plains ($p = 0.13$) regions. Hunter's research underscores the challenges trustees at denominational institutions face in their work.

Significant changes occurred in the governance of church-related institutions during the 20th century. The role of the denomination lessened with fewer exercising direct selection of trustees and fewer trustees coming from clergy and religious orders, particularly in Catholic institutions. Some denominational colleges and universities are financially stable but weak and face the same economic challenges as other higher education institutions. While they might continue to promote their denominational tie, other institutions see the relationship as a hindrance to attracting a diverse student body at a time when denominational identity is weakening among students.

Denominational Challenges

Jacobsen and Jacobsen (2012) interviewed students and faculty at 50 private and public colleges and universities to obtain a view of religion in higher education. They determined that more of the world's religions are present in the population in the United States and that being religious is no longer identified with being a part of a historic religious community. The differences between religious and non-religious people are not always obvious, and the line between public and private religious life has become blurred, all of which do not mean well for Christian denominations.

Protestant Christian denominations have experienced significant changes in their membership and finances over the last two decades. The Lutheran Church – Missouri Synod, a denomination that once had 3 million members, reported that its membership decreased in 2008 by 45,735 people to a total membership of 2.33 million. During 2008, contributions decreased by $57 million to a total of $1.34 billion, and Sunday school enrollment dropped nearly 44,000 to a total of 371,204. ("Falling Numbers," 2009). In 2011, the Episcopal Church witnessed its membership decline to fewer than 2 million members along with a decrease in donations. Denominational leaders are considering significantly restructuring the operation of the denominations as a result of having fewer funds available. Denominations, such as the United Methodist Church and the Evangelical Lutheran Church in America, have examined changes in the structure and functions in their headquarter offices as means of addressing similar changes. (Burke, 2012). In 2009, the Evangelical Lutheran Church in America announced a $5.6 million reduction in its budget, eliminated 23 jobs and had 12 vacant positions, required

departments to reduce their budgets, and slashed grants to colleges and universities ("Lutherans Cut Jobs," 2009). These challenges support Andringa's (2009) finding that the majority of religiously-affiliated institutions of higher education receive less than 2 to 3% of their operating revenues from their affiliated denomination and will continue to do so as funding challenges continue.

Within these denominations are young people who are potential students for the colleges and universities of their denomination. Limited research has studied the religious values and attitudes of this group. The Higher Education Research Institute (2005), under the direction of Alexander Astin, began in 2003 a multi-year research project to examine the spiritual development of college students during their undergraduate years. A survey was taken of 112,232 entering first-year students from 236 colleges and universities across the United States, and the data were collected in late summer and early fall 2004. In identifying religious denominations, Roman Catholics were 28% of the group while "None" at 17% was the second largest group. "Other Christian" was 11% with Baptist as the largest Protestant denomination at 13% while Methodist was at 6% and Lutheran was at 5%. The most common response for "other Christian" was "nondenominational Christian." Based on the 2004 survey, None and Other Christian are the two fastest-growing categories reaching all-time highs at 14 and 18%, respectively.

The Pew Research Center (2010) published a review of its surveys of 18-29 year olds focusing on religious beliefs. From the 2007 survey on the religious landscape in the United States, they determined young people are less likely to affiliate themselves with any religious tradition or to identify themselves as part of a Christian denomination.

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Twenty-five percent of adults under age 30 describe themselves as "atheist," "agnostic," or "nothing in particular," yet 68% of them state that they are members of a Christian denomination with 43% of them as Protestants. Young adults who are not affiliated with a religious tradition have, in part, left the religion of their upbringing and have not become involved in a new faith. One third of those under 30 say they attend worship services at least once per week compared with 41% of adults 30 and older.

Kinnaman (2011) of the Barna Group, a company that analyzes religious trends, did research focusing on 18 to 29 year-olds with a multiphase process using telephone and in-person interviews of 2,000 people and online surveys of 50,000 people. The focus was on reasons young people have for leaving the church. Kinnaman divided people into three groups: "nomads" who walk away from church engagement but still consider themselves Christians, "prodigals" who lose their faith and describe themselves as no longer Christian, and "exiles" who are still invested in their Christian faith but feel stuck or lost between culture and the church. Kinnaman summarized his research as follows:

> "The Mosaic generation (born from 1984 through 2002) is skeptical, even cynical, about the institutions that have shaped our society, and while they retain an undiminished optimism about the future, they see themselves creating that future mostly disengaged from (or at least reinventing) the institutions that have defined our culture thus far. Few institutions in our culture are immune to the impact of the next generation – from music to media, from the workplace to education, from politics to the church. The generational churn at play within the religious establishment is, in many ways, part and parcel of the alienation affecting every segment of our society." (p. 49)

Kinnaman's findings are reflected in a report on changing enrollment at denominational colleges. Ross (2010) reported that faith-based universities with historically strong denominational ties – Southern Baptist, Nazarene, and Mennonite – are enrolling fewer students from their denominations. At institutions affiliated with the Churches of Christ,

members from the denomination composed 70% of first-year students in 1999, but by

2009 the amount was down to 53%. Mike O'Neal, the president of Oklahoma Christian

University, noted that an overall drop in denominational loyalty among Protestants has

led to a perception that church-related institutions are all alike. Much of the evidence of

this trend remains anecdotal as no one has done a detailed study on this phenomenon.

<center>Theories and Frameworks of Board Structure and Functions</center>

Public and private colleges and universities share a common structure, the

corporation with its board of directors, a structure found outside education in business

and the non-profit sector. Shareholders who desire to share in the profits of the

corporation clearly mark the ownership of for-profit corporations; non-profit corporations

do not have easily identified owners as no profit is distributed, and this difference in

ownership creates a challenge in determining the framework to use in researching the

governing boards of denominational colleges and universities.

Bastedo (2009, p. 354.) expressed his hope "to construct a theory of higher

education governance that can provide a better guide for administrators and scholars in

the field." Kezar and Eckel (2004) noted that a challenge with each theory of governance

is the lack of a standard, precise definition of governance. Research studies have included

scholarship on state boards, boards of trustees, faculty senates and student government

which are all different aspects of governance. Shared governance is the common model

of governance in higher education as a structural theory with the faculty, administrators

and board each having their lines of authority, roles and procedures and functions within

that structure (Kezar & Eckel, 2004). Describing the studies of higher education

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governance, they noted that "Regardless of the definition, structure has been the major emphasis within studies of governance the last forty years" (Kezar & Eckel, 2004, p. 375).

Other theories are beginning to focus on the relationship aspect of governance and the interactions of the people involved in governance. Tierney (2004) proposed a cultural analysis of governance in place of a framework that was historical or structural where the researcher constantly interprets the environment and the organization to internal and external constituencies because "organizations and the environments in which they exist neither come predefined nor are capable of instantaneous redefinitions as if the contexts in which they exist are irrelevant" (Tierney, 2004, p. 115). As institutions go through significant contextual changes buffeted by external demands, they have to adapt quickly to the changes. A cultural analysis focuses on the manner in which the culture creates the environment in which individuals work with one another and decide issues in light of the existing governance structure. All parties see the governance processes as emergent and fluid rather than as static and developed as they follow academic and localized cultural norms.

One framework that is applied to corporate governance is the principal-agent framework (Willekens & Sercu, 2005). Shareholders of corporations are owners in proportion to the stock they own, but they are not involved in the management of the corporations: shareholders are the principals. The executive leaders, particularly the chief executive officer, work as agents on behalf of the owners to maintain the profitability of the corporations and maximize shareholder wealth. A board of directors has the role of

monitoring the work of the executive leadership so that the executives work on behalf of the owners and do not take advantage of their position for their own personal gain (Miller, 2002). While the principal-agent framework works well with public corporations, few researchers have applied it to non-profit entities and higher education in particular.

Miller (2002) used the agency framework to examine the monitoring behaviors of non-profit boards with a sample of 12 boards in New York and Connecticut. The chief difficulty with using the agency framework was identifying the principals, since the non-profit organizations did not have shareholder owners although the chief executive officers were the agents, nor was it as simple to measure performance as shareholders can do with the amount of profit the corporation earns along with the market price of the company's stock. Board members did not share a common performance measurement for their organization, and they struggled to determine who owns the organizations. Understanding who owns the organization leads to determining to whom the board is accountable. Board members struggled to measure collectively organizational effectiveness and instead measured in ways that reflected their personal or professional competencies. Agency theory provided an incomplete picture of a non-profit board's monitoring function of the agents due to unclear performance measures and the ambiguity of ownership when an owner or sponsor is not clearly defined.

Recognizing the limitation of agency theory in examining the monitoring behaviors of non-profit boards, Miller-Millesen (2003) expanded her research to include resource dependence theory and institutional theory. Focusing on the board's ability to expand the organization's boundaries and acquire resources for the organization, resource

theory provides insight into the ways power and influences have the capacity to impact resource allocation decisions. Resource theory states that organizations select their board members based on the resources the organization needs based on the belief the board members can provide access to informational and financial resources reducing the environmental uncertainty in which the organization operates (Simmons, 2012). Institutional theory focuses on the ways organizational structure and processes reflect pressures, rules, norms, and sanctions from the external environment on the organization. Agency theory focuses attention on the board's strategic contribution through involvement with mission development, strategic planning, executive recruitment and oversight, and resource allocation. Miller-Millesen determined that each theory can be used to understand and interpret board behaviors. Board size, composition, and performance expectations will differ based on environmental organizational factors. As a result, board behavior will be influenced by a board's recruitment strategies.

Ostrower and Stone (2010) proposed a framework for examining non-profit governance that focused on internal and external factors impacting organizations. This contingency-based framework includes internal contingencies such as institutional age, size, degree of professionalization and life cycle. External contingencies include the legal, institutional, and funding environments. Combining these conditions with variables of board membership and responsibilities, the researchers sought to discover the levels of engagement by members in typical board roles and responsibilities. Using the sample of 5,111 public charities (a response rate of 41%) from the Urban Institute National Survey of Non-profit Governance, the survey asked the executive directors of each organization

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to rate how actively their board engage in 11 different traditional roles on a four-point scale ranging from not very active to very active. The results of the survey indicated that the three categories are associated with how actively board members engage in their roles with internal characteristics and board attributes have a wider relationship to board engagement compared to external characteristics.

Theories and frameworks provide the tools for guiding and performing research. In higher education governance, no single framework or theory has been developed or arisen to be the one, definitive model to use. Each framework has its merit for researching an aspect of governance, and each researcher must choose a framework that supports the intended research. In spite of its limitations, agency theory serves as the basis for the present research because of the focus on the interaction between the governing boards and the administration or agents. The role of the principal is not as clear as in corporate governance with shareholders, but private institutions with a strong denominational relationship or public institutions with their relationship to the state can have principals who desire the agents to carry out their goals in the operation of their colleges and universities.

Chapter Three: Methodology

The methodology section begins with a review of trustees at denominational institutions followed by demographic data and information about the Lutheran Church – Missouri Synod, the denomination which participated in this research. A discussion of the theoretical framework is followed by a description of the research design with the implementation of the survey and interview and the data analysis strategies used. The chapter ends with data on the characteristics of the research participants.

Overview of Trustees at Denominational Institutions

The number of church-related colleges and universities for which denominations still have an active role in selecting trustees has declined greatly since 1960. As Patillo and Mackenzie (1966) noted in their research, over one-half of the 817 institutions they studied nominated or elected some or all of the board membership. Now it is difficult to find denominations that have a high level of involvement in the governance of their colleges and universities. The Seventh-day Adventist denomination still selects the trustees for its 13 higher education institutions. As part of this selection process, Andrews University in Berrien Springs, Michigan, the flagship institution of the denomination, requires all trustees to be members of the denomination. The worldwide, national and regional levels of the denomination all contribute trustees to Andrews University ("Bylaws," 2011). The American Baptist Church is a denomination, which through its geographic conventions selects the members of the boards of the 16 colleges. Alderson-Broadus College in Philippi, West Virginia has 32 board members and is one American Baptist college which has six new boards members selected annually through the West

Virginia Baptist Convention. Each term lasts three years, and trustees can serve three consecutive terms with an interval of one year after the third term so that another three terms of service are possible ("West Virginia," 2003). Roman Catholic institutions have changed their board structures primarily to self-perpetuating boards with a few seats held for members of the religious order with which the institution is affiliated (Gallin, 1996).

<div align="center">The Lutheran Church – Missouri Synod</div>

The Lutheran Church – Missouri Synod (LCMS) is a Protestant Christian denomination located in the United States with its headquarters in St. Louis, Missouri. Established in 1847 by immigrants from Saxony, Germany, the denomination now has 2.2 million members in some 6,100 congregations, with half of its members living in the Midwest ("LCMS statistics", 2013).   The denomination is smaller than it was earlier in its history when around 1970 the membership reached its peak at 2.8 million members.

The governance structure of the LCMS begins on the congregational level. Decision-making authority resides with the voters' assembly of each congregation, generally comprised of the adults of legal voting age who are members of the congregation. As congregations vary in size, so do the sizes of voters' assemblies. Congregations are organized into 35 primarily geographic districts which are part of the Missouri Synod. Synod decision making occurs among the delegates at triennial national and district conventions, where the assembly is equally divided between lay and pastoral representatives.

Higher education has been an integral part of the history of the LCMS. Concordia Seminary in St. Louis was founded in 1839, eight years before the Synod was established

in 1847. Currently, the 10 colleges and universities of the LCMS are located in Bronxville, New York; Ann Arbor, Michigan; Selma, Alabama; Austin, Texas; Irvine, California; Portland, Oregon; Seward, Nebraska; River Forest, Illinois; Mequon, Wisconsin; and St. Paul, Minnesota. Concordia College in Selma, Alabama is a historically black college. Collectively, this set of colleges and universities is referred to as the Concordia University System (CUS). The name Concordia comes from the 1580 German *Book of Concord*, a collection of Lutheran theological writings to which people professed their agreement. The colleges and universities began as institutions with the primary role of educating students who would become pastors in the church or teachers in the parochial schools. Like many church-related institutions, the academic programs have expanded beyond the original mission of the institutions. For example, a recent announcement stated that one of institutions had begun new graduate programs in Health Care Management, Educational Technology, Sport Management and Strategic Communication Management (*Concordia University System enrollment*, 2011).

Table 1 shows how as the institutions have developed their graduate programs, the overall CUS enrollment has increased over a 19-year period. The enrollment among the 10 institutions during the fall semester 2013 was 33,399 students, the largest enrollment in their history (*Concordia University System enrollment*, 2013).

While the total enrollment numbers continue to increase, both the numbers of LCMS students and those LCMS students who are studying for church vocations continue to decrease. Members of LCMS congregations could question the identity of these institutions and their role within the denomination, considering that in 1985, 46.1%

of students were studying for a church vocation while almost 30 years later, only 4.6% of

the students are studying for church vocations, and the percentage of LCMS students has

fallen from 61.3% in 1985 to 12.1% in 2014.

Table 1

CUS Enrollment Data

Academic Year	Total Head-count	Graduate		Undergraduate		LCMS Students		Church Vocation	
		N	%	N	%	N	%	N	%
1985	6,516					3,994	61.3	3,005	46.1
1991	7,679					3,486	45.4	2,094	27.3
2004	16,433	3,031	18.4	13,402	81.6	4,907	29.9	2,805	17.1
2005	17,500	3,940	22.5	13,560	77.5	5,189	29.5	2,729	15.5
2006	18,569	4,911	26.4	13,658	73.6	4,996	26.9	2,613	14.1
2007	20,091	6,661	33.2	13,430	66.8	4,878	24.3	2,406	12.0
2008	21,839	9,035	41.4	12,804	58.6	4,841	22.2	2,237	10.2
2009	23,318	10,180	43.7	13,138	56.3	4,586	19.7	2,034	8.7
2010	25,516	11,664	45.7	13,852	54.3	4,314	16.9	1,900	7.4
2011	27,454	12,565	45.8	14,889	54.2	4,272	15.5	1,954	7.1
2012	28,421	12,909	45.4	15,512	54.6	4,158	14.6	1,762	6.2
2013	29,597	13,790	46.6	15,807	53.4	4,189	14.2	1,654	5.6
2014	33,399	16,819	50.4	16,580	49.6	4,030	12.1	1,531	4.6
2015	36,250	16,845	46.5	19,405	53.5	4,031	11.1	1,392	3.8

Note. CUS compiles the enrollment data provided by each institution. Students are asked
to identify if they belong to LCMS congregations. Church vocation students have
declared their intent to pursue a vocation in teaching or pastoral ministry.

Beginning in 1917, a new Synod constitution created a Synodical board of

directors for the next 30 years that had control over finances, personnel, educational

policies and locations. Historically, the governance of all LCMS higher education

institutions resided with the Synod with a local "board of control" of the college that had

responsibility for the oversight of property and little else (Solberg, 1985, p. 292). In 1947,

governance began to shift to the individual institutions. Local boards of control received

authority to select faculty members, and the president of the college became the chief

executive officer responsible to the local board of control (Solberg, 1985). In 1992, the

LCMS created a new entity that was designed to oversee the operation of the 10 colleges

and universities. The Concordia University System (CUS), as an entity separate from the

colleges and universities, was designed to build national identity, enable cooperative

endeavors and enhance the strength of colleges and universities as they engaged diverse

students in "quality, Christ-centered, value-oriented, Lutheran higher education for lives

of service to church and community" (Convention Workbook, 2007, p. 151). From the

perspective of the LCMS, the main objective of the colleges and universities is the

recruitment and education of professional church workers, primarily pastors and teachers,

even though the number of students studying in these areas has fallen while other

academic areas have grown in enrollment.

The governance model for each CUS institution is the same. Each governing

board consists of 17 voting members. One subset of board members, consisting of one

ordained minister, one commissioned minister (teacher) and two laypersons, is elected at

triennial conventions of the Synod. A second group, consisting of one ordained minister,

one commissioned minister, and two laypersons is elected by the geographical district in

which the institution is located. Of the 35 districts in the LCMS, only 10 have a college

or university. The board itself may select no fewer than four and no more than eight

members. Each term for a board member is three years. The president of the district in

which the institution is located serves as an ex officio member. Board members may

serve up to three maximum terms for nine years, and must hold membership in a member

congregation of the church with no more than two elected members coming from the same congregation (Handbook, 2013).

The responsibilities of each Concordia board are similar to those of boards at other colleges and universities. The boards select new presidents, approve budgets and have a fiduciary responsibility for the long-range operation of the institutions. Each board also has responsibilities due to the relationship with the LCMS. The board is required to be familiar with and have an understanding of the policies, guidelines and standards of the LCMS and the Concordia University System (Handbook 2013). The board coordinates institutional planning with other CUS institutions and approves master plans for its university. Approval of new academic programs, in the context of the assessment of CUS policies and guidelines, rests with the board. The board is required to operate and manage the institution as an agent of the LCMS, "in which ownership is primarily vested and which exercises its ownership" (Handbook, 2013, p. 173) through the board of each institution.

One event in the history of the LCMS deserves mention in reference to institutional governance. What began as discussions about principles of Biblical interpretation in the 1930s at Concordia Seminary in Saint Louis (Marquart, 1977), turned into a governance crisis for both the Synod and the seminary in the 1970s as board members at both the Synod and the seminary attempted to deal with professors and students whose views of Biblical interpretation no longer were the same as the Synod's public confession (Danker, 1977). On February 19, 1974, 45 of 50 faculty members and 274 of the 381 students at Concordia Seminary left the institution in protest to restrictions

on academic freedom. They formed their own seminary, Concordia Seminary in Exile, also known as Seminex, which became Christ Seminary – Seminex in 1977, an institution that merged into other seminaries by 1987. The impact of this day went throughout the Synod as some faculty members at the colleges resigned from their positions and congregations elected to leave the Synod. While no one has done a study on the long-term impact of this event on the Synod, one might wonder if the laity doubted the ability of governing boards to keep the leadership of their institutions in line with the denomination's beliefs.

Recognizing the growth in enrollment, budgets and campus structures as well as increased oversight from federal and state agencies as well as accrediting agencies, in 2007 the Synod voted in convention to allow the governing boards of the 10 Concordia campuses to select an additional four members increasing their membership from 13 to 17 (Proceedings, 2007). Until that change, the denomination, through its elections, selected the majority of board members, but now the number of board members selected by each board is equal to the number of members elected through the Synod. In 2010, the Synod in convention voted to change the Synodical by-laws and give the boards the full authority to select presidents after acknowledging the previous method did not give the boards an appropriate level of leadership in the selection and election processes; however, the Synod did retain some involvement in the process. Once the institution has a short list of presidential candidates, a committee of the Synod president, the district president serving on the institution's board and the board chair of the Concordia University System will meet to review the list and a potential candidate can be removed

with a two-thirds majority vote. Previously, the presidential search committees were dominated by faculty members, and in the election process, the authority for the election resided with the Synod and not the board, as the election of a president included four votes with one vote by the board collectively along with the votes from the Synod president, the district president and the Concordia University System president (Proceedings, 2010). Change has come slowly to governance in the LCMS with the event in 1974 at Concordia Seminary as a possible explanation for the delay, but that is primarily conjecture.

<div align="center">Theoretical Framework for Research</div>

Resource dependency theory was considered as a possible lens for conceptualizing this research, but was rejected. Certainly the CUS institutions are in need of financial resources as they all have small endowments and rely heavily, if not exclusively, on student fees for their revenue. The challenge with using resource dependency theory is the selection process of board members, since the election process in particular is not focused on finding members who bring financial resources and information to the board. Ordained and commissioned ministers elected as board members are not elected because of their financial contributions or expertise, but they are a quarter of the total members of each board. While some board members might be selected because of their financial wealth and connections, all board members are not selected with that factor in mind. Using resource dependency theory would not fit well with the Concordia boards.

The research used agency theory as the framework for this study. Agency theory is used predominately in research of corporate boards, as it hypothesizes that shareholder wealth and organizational performance will be maximized when the board of directors takes on the role of monitoring the propensity of the chief executive to behave with self-interest. The importance of separating ownership from control is the emphasis of agency theory (Fligstein & Freeland, 1995). After the management of the company has initiated and implemented decisions, the board of directors assumes responsibility for ratifying and monitoring the decisions. Risk-bearing functions are separate from decision-making structures, and shareholders know that the organization is using resources as they intended (Fama & Jensen, 1983).

There are challenges, however, with using agency theory as a framework in studying higher education governance. First, there are no shareholder-owners who select the board members and to whom the board members are accountable in non-profit higher education. Second, the shared governance model of higher education with the board of trustees, administration and faculty members all having a role in the governance is different from the governance of corporations, where the primary parties are the shareholder-owners, the board and the executive management team. The participation by the faculty in governance is not reflected by employees in for-profit corporations, who generally have no role in corporate governance. Third, board members in for-profit corporations are elected by the shareholders and represent their interests; most non-profit colleges and universities have board members selected by other board members in a self-perpetuating structure. Governance in CUS has characteristics which do not fit exactly

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with the components of agency theory, but there are aspects to the governance structure in CUS that support using agency theory.

The agency framework is more applicable in the context of the institutions of the Concordia University System in terms of the question of ownership than in the control of the institutions. The Lutheran Church – Missouri Synod is the ultimate owner of each institution. Each college and university is understood to be an agency of the Synod. All assets titled in the name of an agency are considered to be "property of the Synod" (Handbook, 2010, p. 23). The Synod acts as an owner of the institutions, which have a net value over $500 million, and participates in the election of half the board members for each institution.

Each Concordia institution practices some amount of shared governance with participation from the governing board, the administration and the faculty. In this aspect, agency theory is not ideal to use as faculty members do not match well with the definitions of principals and agents. They are not the owners as principals are, but in a way, they act as agents by meeting the expectation of not teaching anything that would be in disagreement with Synodical beliefs and participating in the governance. The focus of this research was not on the overall governance structure, but on the work of the governing boards, in particular. The concern within agency theory that chief executives might operate in their own self-interest instead of the interest of the shareholders could be changed to address whether the college and university presidents are operating the institutions in accordance with their own interests or with denominational objectives.

Although principal agent theory is not a perfect model for studying higher education governance, there are two elements of the CUS structure that make agency theory a reasonable framework. Legally, the LCMS is the owner of the CUS institutions. Unlike other church-related institutions that describe themselves as "affiliated with" a denomination that could choose to rescind the relationship, the CUS institutions are operated under the auspices of the LCMS with a legal ownership residing with the denomination. The ownership structure fits well with the principal aspect of agency theory. Secondly, there is the involvement of the denomination in electing half of the board members. In corporate governance, shareholders elect board members to represent them in their interactions with the executive leadership of the corporation. In CUS governance, the denomination elects board members to represent the expectations of the LCMS as listed in the constitution and by-laws of the Synod. These two aspects of CUS governance led to the selection of agency theory as the theoretical framework for this research.

Miller (2002) discovered in her research using agency theory with 12 non-profit agencies in New York and Connecticut that non-profit boards struggle with identifying the owners of their organizations and that this struggle leads to problems with accountability and performance measurement. The boards were unsure to whom they were ultimately accountable, and the organizations lacked commonly accepted measures of performance. The present research on CUS addressed these issues in the context of the three primary research questions:

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1. How do the trustees measure their work in terms of the denomination's expectations of them? Are they aware of what the denomination expects them to do? How do they represent the denomination and its expectations as expressed in the by-laws of the Synod's constitution?

2. How prepared are the trustees to understand and review the work of the administration? How do they monitor the work of the administration in determining the institution is fulfilling its educational mission within the Synod?

3. What impact does the declining denominational identity of students have on the work of trustees?

<p style="text-align:center">Research Design and Questions</p>

The research focused on the approximate 160 elected members of boards of the 10 institutions of the Concordia University System. Each board has 16 elected trustees with an additional trustee, the president of the district in which the institution is geographically located, serving as an ex officio member. These district presidents were not included in the research as they are neither elected nor are they selected by the boards to serve as members. Each member was invited to respond to an online survey. In addition to the survey of the board members, the chairperson of each board was invited to participate in an oral interview. Each institution is free to select its own process for electing a board chair. This mixed-methods approach used a concurrent triangulation strategy (Creswell, 2009). In this approach, quantitative data through the survey and qualitative data through the interviews were collected concurrently and then compared to determine if there is convergence, differences or a combination of both. Creswell states

that the weight between the two methods ideally is equal, but often in practice priority may be given to one or the other. In this research, the interview results were analyzed to find areas of agreement and disagreement with conclusions drawn from the survey results.

Researcher Perspective

The researcher is an ordained minister of the Lutheran Church – Missouri Synod, one of the type of participants in the survey, and as an ordained minister is eligible to serve as board member. That eligibility is mitigated by being employed at Concordia University, St. Paul as employees of Synodical entities (excluding congregations) are not allowed to be board members of other Synodical entities (Handbook, 2013). The researcher has interacted with the board members at his institution for ten years in his role as vice president for finance and has attended regularly the triennial board meetings.

Survey Design

Using the three aforementioned questions, the survey sought to answer the question, how do trustees at denominational colleges and universities lead their institutions in an era of declining denominational identity? Appendix A contains the survey. The survey had six sets of questions.

Board member information. The first set of seven questions focused on how they became trustees and their level of previous service as board members with other organizations. The classification of the board members and their selection method were two independent variables used in the data analysis. Respondents were asked to identify their status of ordained minister, commissioned minister or layperson along with if they

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were elected through a Synodical or district convention or selected by the board. Respondents identified the term in which they were serving as well as if they had graduated from a Concordia institution. Lastly, respondents identified previous board service within the LCMS, other non-profit organizations and for-profit businesses.

Experiences of board members before first meeting. Focusing on the period before their first board meeting and their sense of preparedness for serving, the second set of nine questions addressed the issue regarding trustee preparedness (Selingo 2007). Three questions requiring a yes or no response asked about contact from the university before the first meeting.

Six questions used a four-point scale to measure their sense of preparedness. Respondents were asked about their desire to serve using a scale from 1 = *definitely not* to 4 = *yes, definitely*. The question about their most recent visit to campus used a 5-point scale (1 = *within the last year* and 5 = *I had never been to campus*). Questions asking respondents about their familiarity with the Synodical Handbook, their familiarity with the campus, and their knowledge of higher education issues used a 5-point scale (1= *not at all* and 5 = *extremely familiar*). The final question asked about individual sense of preparedness for their first meeting with a 5-point scale (1 = *not at all* and 5 = *extremely*) and there was an option for providing comments.

Board members' understanding of their campuses. The third set of five questions focused on the colleges and universities in two aspects. How well do the trustees understand the operations of institutions and who is attending them? What is the significance of the denominational identities of the students? One question asked

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respondents to rate their understanding of campus operations on a 5-point scale (1 = *poor* and 5 = *excellent*). Respondents were asked to estimate percentages of different aspects of undergraduate students regarding their backgrounds, including denominational with a 5-point scale (1 = *0-20%* and 5 = *81 – 100%*).

Three questions focused on the denominational identity of students and faculty as well as the future enrollment of LCMS students, and all three questions allowed respondents to provide comments. The first question about denominational identity used a 5-point scale (1 = *disagree strongly* and 5 = *agree strongly*), while the second used a 5-point scale (1 = *0-20%* and 5 = *81 – 100%*) for percentage estimates. The third question about future enrollment of LCMS students used a 5-point scale (1 = *significantly higher* and 5 = *significantly lower*).

Roles and responsibilities of board members. The fourth section consisted of two parts. The first part listed 24 statements addressing the respondents' understanding of their roles and responsibilities. Using the work of Chait, Taylor, and Holland (1996) as well as the responsibilities outlined in the Synodical handbook (Handbook, 2010), this section used a 5-point scale (1 = *disagree strongly* and 5 = *agree strongly*). There was a section for additional comments. The second part included three statements about time spent keeping informed about the institution and higher education along with time spent with students using a 4-point scale (1 = *1 hour or less* and 4 = *more than 5 hours*) with the option of providing additional comments.

Board members' demographics. The fifth part of the survey contained four demographic questions asking for the respondents' gender, age range, highest level of education and ethnicity.

Open-ended question. *What issue, do you believe, is the most critical one the Concordia institutions and their governing boards are currently facing? Why?* This question provided the researcher with qualitative data in addition to the quantitative data from most of the survey. Unlike the other comment sections that were optional, the online survey was coded in a way that required a response.

<div align="center">Survey Implementation</div>

The 10 presidents were first informed of this survey in September 2011, when the president of Concordia University, St. Paul, Reverend Tom Ries, shared the proposed research with them. They received the news favorably as no research had occurred with their trustees. Appendix B contains the letter sent to the presidents in June 2012, reminding them of this survey and asking them for the e-mail addresses and mailing addresses of their board members. Each president was asked to include a statement of support of the research to be included in the letter sent to the board members as a means of reinforcing the desire to get a high percentage of participation.

Each board chair received an initial e-mail from the researcher to inform him or her about the survey and to introduce the researcher and the research topic. Dillman (2009) recommends personalizing all contacts to respondents to reduce the risk spam filters misidentifying the message as spam. This initial communication allowed the board chairs to reply with any questions they might have had. Three board chairs expressed

concern about the researcher comparing the survey results between the campuses, but the researcher assured them that the survey did not ask respondents to identify the institution on which the board members were serving.

The process of arranging the trustees to take the online survey began in June 2012 with an initial contact of the presidents of the ten Concordia institutions. The goal was to receive the addresses by July 13, 2012, a goal that was not met; the expectation that the presidents would simply send the email addresses to the researcher was premature. Instead, some boards waited until their September meetings to discuss participating and then gave notification of their decision. The decision to participate by the final institution came in the middle of November 2012.

Before contacting the survey participants, approval was sought from the Institutional Review Board: Human Subject Committee for my research. After submitting the required application and forms, authorization to proceed with the research arrived on October 30, 2012. Appendix C shows the "Exempt from Review" status.

During the week of November 19, 2012 the e-mail with the link for the survey was sent to each set of board members. The survey was made available to the trustees on the Internet using www.surveymonkey.com. Appendix D contains a copy of the letter of invitation. This message asked respondents to complete the survey within a period of eight weeks by January 13, 2013. The period of eight weeks was selected due to the number of holidays, Thanksgiving Day, Christmas and New Year's Day, and the likelihood of family commitments reducing the time available to complete the survey. Reminder messages were sent on December 12, 2012, December 26, 2012 and January

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11, 2013. After each message was sent, there was a spike in the number of submitted surveys. Dillman (2009) notes that the optimal timing sequence for web surveys has not yet been determined, but he warns against sending too many reminders that might make the researcher seem pushy and might irritate respondents. An email message after January 13, 2013 invited the board members to complete the survey as there had been 99 responses. By January 26, 2013 there were 105 responses and the survey was closed and the data downloaded from www.surveymonkey.com.

Interview Design and Implementation

As a mixed-methods research design, this research included interviews of some of the board members. One type of mixed-mode design that Dillman (2009) identifies has surveyors using a second mode to collect responses from some of the same respondents and set of specific questions which are parallel to questions on the survey. The interview consisted of six questions that are linked to the three broad questions of the survey. The interview questions were:

1. What are your thoughts about the current selection process of board members?

2. What are your thoughts about the level of involvement of the denomination in the governance of the institutions?

3. In the future, how do you see the universities viewing the institution's relationship with the denomination?

4. What are your thoughts about the effects of the decreasing number of LCMS students on the institution's denominational identity?

5. What can the board do to address the enrollment of LCMS college-age students?

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6. What do you see in the current situation as to how denominations are losing their significance in American life? What are your thoughts about how that will affect denominational colleges and universities?

The first and second questions are linked to the broad question, how do the trustees measure their work in terms of the denomination's expectations of them? The third and fourth questions are linked to the broad question, how prepared are the trustees to understand and review the work of the administration? The fifth and sixth questions are linked to the broad question, what impact does the declining denominational identity of students have on the work of trustees?

The intention was to interview each board chairperson. Each individual was contacted separately via e-mail and a time for the interview was arranged. Only one of the board chairs lives in Minnesota, thus allowing for a face-to-face interview. The others are all across the country. The preferred format for the interviews was with WebEx, a web-based communication tool that allows conversations to be recorded but that format did not work for every interviewee as scheduling times to meet online was difficult. Instead, each interview took place via a phone call, an easier method to schedule, and was recorded using a Sony IC Recorder, a personal digital recording device.

From November 2012 through January 2013, the chairperson of each board was interviewed via a telephone call. The informed consent form was reviewed prior to each interview. Each participant learned of the risks and benefits of participating in the study as well as the anonymity of his or her responses. Appendix E contains the informed consent form. Along with the informed consent form, each participant received a copy of

the six questions so each person could prepare thoughtful responses. Appendix F

contains the interview questions. Eight interviews lasted between 20 and 35 minutes. One

lasted over an hour due to some recent events with the board. Each interview followed

the outline of the questions and included follow-up questions when the responses

sounded like the interviewee had additional thoughts to share.

Characteristics of Participants

Participating institutions. Of the 10 institutions, nine decided to participate with

the campus in Selma, Alabama declining to participate without a reason provided for the

decision. Concordia College in Selma is the only historically black college in the

Concordia University System. Table 2 contains the Basic Institutional Data for the nine

institutions for which trustees were invited to participate in the study.

Table 2

Basic Institutional Data for Participating Institutions

Location	Year Founded	Carnegie Basic	Carnegie Profile	Undergraduate Students	Graduate Students
California (CA)	1976	Master's L	MU	1,944	2,102
Illinois (IL)	1864	Master's L	MGP	1,604	3,682
Michigan (MI)	1963	Bac/Diverse	MU	584	156
Minnesota (MN)	1893	Master's L	MU	2,171	1,461
Nebraska (NE)	1894	Master's S	MU	1,508	698
New York (NY)	1881	Bac/Diverse	ExU4	887	66
Oregon (OR)	1905	Master's L	MU	1,388	4,040
Texas (TX)	1926	Master's L	MU	1,531	1,034
Wisconsin (WI)	1881	Master's L	MU	4,363	3,580

Note. Master's L = Master's colleges and universities (larger programs), Master's S =
Master's colleges and universities (smaller programs), Bac/Diverse = Baccalaureate
Colleges – diverse fields, ExU4 = Exclusively undergraduate four-year, MGP = majority
graduate/professional, MU = majority undergraduate. Enrollment data come from the
Concordia University System office for fall 2014.

One measure of the financial stability of an institution of higher education is the

Composite Score calculated by the U.S. Department of Education, as presented in Table

3. This score is a weighted composite of three ratios derived from the institution's audited

financial statements. The three ratios are the primary reserve ratio, an equity ratio and a

net income ratio. The ratios and composite score are intended to measure the financial

health and not the educational quality of the institution. A composite score below 1.5

tends to reflect a year with an operating loss. As the composite score uses each

institution's audited financial data, the size of the score mirrors the strength or weakness

of the campus balance sheet and income statement. With the exception of Michigan,

which merged with Wisconsin in 2013, the 2012 scores are all above the 1.5 threshold

requirement of a financially stable operation.

Table 3

Composite Scores as Published by the U.S. Department of Education

	Location									
Year	CA	IL	MI	MN	NE	NY	OR	TX	WI	Avg.
2007	2.5	1.9	1.3	1.9	2.6	2.1	2.7	3.0	3.0	2.3
2008	0.5	1.4	1.8	2.2	2.6	2.6	3.0	2.4	3.0	2.2
2009	0.7	0.9	0.6	1.9	2.3	2.2	2.8	1.5	2.3	1.7
2010	1.5	2.0	0.0	2.7	3.0	2.7	2.0	1.6	3.0	2.1
2011	2.2	2.1	(0.2)	2.7	3.0	2.4	2.7	2.0	3.0	2.2
2012	3.0	1.8	-	2.3	2.9	2.4	2.1	1.7	3.0	2.4
Avg.	1.73	1.68	0.93	2.28	2.73	2.40	2.55	2.03	2.88	2.1

Note. Scores of 1.5 to 3 indicate financial responsibility, scores less than 1.5 to 1.0 are
financially responsible but require additional oversight, and scores less than 1.0 to
negative 1.0 are not considered to be financially responsible and are subject to cash
monitoring requirements and must post a letter of credit.

Although the institutions are all affiliated with the same denomination, the

trustees serve institutions that vary in their financial stability. The financial condition of

the institutions, presented in Table 4, ranges from Wisconsin, which is strong, to Michigan, which is weak and merged with the Wisconsin campus in 2013 in an effort to remain operational.

Table 4

2012 Financial Data for Participating Institutions

Financial Indicator	Location								
	CA	IL	MI	MN	NE	NY	OR	TX	WI
Assets, in millions	103	78	24	90	91	36	96	106	179
Liabilities, in millions	44	52	22	33	29	14	58	38	31
Net Assets, in millions	59	26	2	57	62	22	38	68	148
Net Assets as % of Assets	57%	33%	8%	63%	68%	61%	40%	64%	83%
Unrestricted Net Assets	29	(8)	(8)	27	17	12	18	50	59
Temporarily Restricted NA	16	22	1	4	19	2	6	1	69
Permanently Restricted NA	14	12	9	26	26	8	14	17	20
Total Net Assets	59	26	2	57	62	22	36	68	148
Fixed Assets, in millions	61	46	12	46	52	24	59	83	100
Endowment, in millions	14	17	8	23	28	8	7	19	46
All other assets, in millions	28	15	4	21	11	4	30	4	33
Fixed Assets % Total Assets	59%	59%	50%	51%	57%	67%	61%	78%	56%
Endowment % Total Assets	14%	22%	33%	26%	31%	22%	7%	18%	26%
All other assets % Total Assets	27%	19%	17%	21%	12%	11%	31%	4%	18%
Bond Debt (tax-exempt)	29	29	0	19	22	0	28	33	21
Bond Debt % Total Liabilities	66%	56%	0%	58%	76%	0%	48%	87%	68%
Revenues, in millions	76	73	17	51	45	25	55	47	98
Expenses, in millions	62	71	18	48	39	26	54	46	90
Net Income, in millions	14	2	(1)	3	6	(1)	1	1	8

Note. The data in this table come from published federal 990 tax returns for 2012 for non-profit organizations obtained through the website, www.eri-nonprofit-salaries.com

When comparing net assets balances using the equity ratio, which compares net asset balances to asset balances, four campuses (Minnesota, Nebraska, New York, Texas, and Wisconsin) have an equity ratio in the 60% or higher range, while the other four range from 8% to 57%. Using the guidelines established by the National Association of College and University Business Officers (NACUBO) for its annual survey of endowments and debt, eight of the 10 institutions are in the smallest category under with endowments under $25 million, while Nebraska and Wisconsin are in the small category with endowments from $25 to $50 million. Four of the institutions with assets from $51 to $100 million that have long-term bond debt have debt below the average of $66 million and median of $37 million. The long-term bond debt for the Texas, California, and Wisconsin institutions are also below their categorical averages and medians for institutions with assets from $101 to $500 million.

<div align="center">Survey Results</div>

Survey participants. With nine participating institutions each having 16 board members, there was a potential pool of 144 participants, as is indicated in Table 5. The actual pool consisted of 134 board members as only five institutions had the expected total of 16 members. One institution had 15 members, two had 14 members and one had 11 members. The gender breakdown of the board members was 74% male and 26% female. The three categories of members noted in Table 5 are further broken out by the ways in which the members were appointed or elected to the board in Table 6.

Table 5

Numbers of Board Members at Nine Participating Institutions, by Classification and Gender

Classification	Potential population	Actual population	Gender	
			Male	Female
Ordained Minister	18	15	15	0
Commissioned Minister	18	18	14	4
Layperson	108	101	70	31
Total	144	134	99	35

Twenty-five percent of the board members are elected laypeople, 25% are

ministers, ordained and commissioned, and the remaining 50% are laypeople selected by

the board. The largest group male group is the layperson members selected by the board,

51 of 99 males, or 51% of the male population. The largest female group is the layperson

members selected by the board, 15 of 35 females, or 43% of the female population.

Table 6

Gender Breakdown of Board Members by Classification and Election Process

Classification	Actual Population	Male		Female	
		N	%	N	%
Ordained –district election	8	8	100.0	0	0.0
Ordained – Synod election	7	7	100.0	0	0.0
Commissioned – district election	9	8	88.9	1	11.1
Commissioned – Synod election	9	6	66.6	3	33.3
Layperson – district election	17	11	64.7	6	35.3
Layperson – Synod election	18	8	44.4	10	55.6
Layperson – board selection	66	51	77.2	15	22.8
Total	134	99	73.9	35	26.1

The impact of the lack of gender balance of the board members on agency theory is

unknown, but men and women are commissioned ministers and laypeople so there could

be greater gender balance within this group compared to the 70.6% male and 29.4% female of the 119 board members.

Response rate. Of the 134 possible participants, 105 went into the survey to reply. One person entered no responses, and two people completed only half of the survey. The responses of 102 people used in this research provide an overall response rate of 76.1%. Seventy-five of the 99 men replied for a 75.8% response rate, and 27 of the 35 women responded for a 77.1% response rate. Table 7 contains response rates by classification, election process and gender. Eleven ordained ministers responded for a response rate of 73.3%, 12 commissioned ministers responded for a response rate of 66.7%, and 79 laypersons responded for a response rate of 78.2%.

Table 7

Response Rate Breakdown by Classification, Election Process and Gender

Classification	Population	Responses	Rate
Ordained –district election – male	8	7	88%
Ordained – Synod election - male	7	4	57%
Commissioned – district election - male	8	6	75%
Commissioned – district election - female	1	1	100%
Commissioned – Synod election - male	6	4	66%
Commissioned – Synod election - female	3	1	33%
Layperson – district election – male	11	8	73%
Layperson – district election – female	6	6	100%
Layperson – Synod election – male	8	7	88%
Layperson – Synod election – female	10	11	110%
Layperson – board selection – male	51	39	76%
Layperson – board selection - female	15	8	53%
Total	134	102	76%

Note. The 110% response rate for Layperson – Synod election – female indicates a possible error by a respondent in identifying.

Ordained and commissioned ministers are classified as members of the Synod in the same way as congregations are members of the Synod. The researcher had hoped for higher response rates from these two categories due to their connection to the Synod.

Race and age of board members. The group of respondents is primarily Caucasian with 98 respondents, three Latinos and one African-American. Table 8 provides the breakdown by age. No respondents were in the range of 26-35 years. Forty-two percent of the respondents are between the ages of 36 to 55, and 58% of the respondents were 56 years or older.

Table 8

Age Ranges in Years of Board Members, by Classification, Election Process and Gender

Classification	Age Range				
	36 – 45	46 - 55	56 – 65	66+	Total
Ordained –district election – male		3	2	2	7
Ordained – Synod election - male		2	1	1	4
Commissioned – district election - male	1	1	2	2	6
Commissioned – district election - female		1			1
Commissioned – Synod election - male		2	1	1	4
Commissioned – Synod election - female			1		1
Layperson – district election – male	1	2	3	2	8
Layperson – district election – female	1		3	2	6
Layperson – Synod election – male	4	1	1	1	7
Layperson – Synod election – female	3	6	2		11
Layperson – board selection – male	1	11	11	16	39
Layperson – board selection - female	1	2	3	2	8
Total	12	31	30	29	102

Descriptive Data Analysis

Data in this research were both quantitative and qualitative. Descriptive statistics were calculated for each of the 28 questions on the survey. The analysis of the quantitative data used the category of the trustee – ordained minister, commissioned

minister or layperson – as an independent variable. The selection status of the trustee – Synod election, district election or board selection – was used as a second independent variable.

Analytical Data Analysis

For each survey question, the mean was calculated and a one-way analysis of variance was calculated for each of the three independent variables. Some analysis using the status variable of gender within the commissioned ministers and laypeople was done, but not within the ordained ministers since they are all men. A factor analysis was performed to reduce the data to a smaller number of variables among the participants and their views of their roles and responsibilities. Using this data to answer the overall research question of how do trustees at denominational colleges and universities lead their institutions in an era of declining denominational identity, the data determined if there are differences among the trustees from those who focus primarily on the role of the Synod in the operation of the college or university to those who minimize the role of Synod in the operation of the institution.

The nine interviewees, who were the chairperson of each board, can come from any of the three categories of trustees as each board is free to select any trustee as its chairperson. They can be ordained or commissioned ministers or they can be laypeople. No attempt was made to distinguish among these three categories in analyzing the interview data. The data from these interviews were used as part of a concurrent triangulation strategy with the goal of determining if there is some degree of convergence

or difference between the two sets of data, as well as to understand more fully the meaning of the quantitative results.

Analyzing qualitative data is "an ongoing process involving continual reflection about the data, asking analytic questions, and writing memos throughout the study conducted concurrently with gathering data, making interpretations, and writing reports" (Creswell, 2009, p. 184). Creswell provides a series of processes for qualitative data analysis beginning with transcribing the interviews. The recording of each interview was transcribed using Dragon Speech Recognition Software. As the software is limited to interpreting only one voice, the researcher re-recorded the interview with his own voice and then used the software to transcribe it. While listening to the original interview, the researcher was able to transcribe exactly what the interviewee had said. The recorded interviews resulted in 70 pages of double-spaced text available for analysis.

For Creswell, the second process is to read through all the data and obtain a general sense of the information and to reflect on its overall meaning as revealed in the ideas and their tones expressed by the participants. The results of the nine interviews ranged from the positive tone that the Concordia institutions are operating the best they ever have done to the negative tone that some of the campuses need to close. Overall, the ideas expressed concern about governance in a time of decreasing denominational importance in society with a perception of outdated denominational functions and arrangements.

Coding was the major process of the qualitative analysis with organizing the interview material into segments. The segments could be linked with each of the six

research questions or with themes that appear in the responses. Bogdan and Biklen (1992) suggest categorizing the data based on perspectives held by subjects, activity codes, strategy codes or relationship and social structure codes. The responses participants provided tended to be short and direct which helped in identifying the ideas that became the codes. From the responses, 27 codes appeared that are listed in Appendix G.

Reviewing the codes and quotations allowed for identifying commonality among the codes and grouping them into code "families." Thematic ideas emerged from the process of placing codes into families. The initial 27 codes were grouped into 5 codes as follows:

1. Denominational purpose
2. Election method
3. Inter-campus relationships
4. Lutheran identity
5. Student focus

Chapter 4: Results

This chapter presents the descriptive and analytical findings related to the online and telephone surveys drawn from the responses the board members gave regarding their experiences as well as their views about the work they do. The chapter begins with additional general descriptions of the relevant background characteristics of the respondents, followed by descriptive statistics for sets of the survey items. Following those results are one-way analyses of variance and post-hoc testing on sets of survey questions, constructed based on a factor analysis of 24 survey items. The chapter concludes with a summary of the results from the telephone interviews.

Quantitative Descriptive Results for Survey Questions

Prior education and service. Questions in the first section gathered data about the prior education of the board members as well as data for measuring their experiences with institutions in the LCMS beyond their current board service. Table 9 provides the results regarding the education attainment and service history of the board members. Ninety-seven percent of the respondents are college graduates, including 46% with a master's degree and 24% with a doctoral degree. Approximately one-quarter of the board members are a graduate of a Concordia institution, but 77.5% do not have a degree from the institution they serve and 75.5% do not have a degree from a different Concordia institution. Seventy-three percent of the respondents have no relatives enrolled in or employed at a Concordia institution. Nearly three-quarters of the respondents were serving in their first or second term. Over three-quarters (77%) have served on the board of a non-profit organization, while 19% have had no prior experience on a board.

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Table 9

Educational Background and Experience of Concordia Board Members

Question	Percent
Response	(N = 102)
Highest level of education	
Not a college graduate	3.0
College graduate	26.5
Master's degree	46.1
Doctoral degree	24.5
Received a degree from the institution serving	
No	77.5
Yes, bachelor's	16.7
Yes, master's	6.9
Received a degree from a Concordia different from one serving	
No	75.5
Yes, bachelor's	18.6
Yes, master's	10.8
Currently have family members and/or relatives	
Enrolled at Concordia where serving	13.7
Enrolled at a different Concordia	7.8
Employed at Concordia where serving	6.9
Employed at a different Concordia	4.9
No relatives enrolled or employed	72.5
Serving in which term	
First	41.2
Second	32.4
Third	19.6
Fourth or more	6.9
Served on the boards of	
Other institutions in the Concordia University System	5.9
The Concordia University System	2.9
Other LCMS entities	23.5
Other colleges or universities	10.8
Other types of non-profits	76.5
For-profit corporations	26.5
None	18.6

Prior to board members' first meeting. The second set of questions asked participants to recall the time before their first meeting to measure their engagement with their institution and higher education. Serving as a board member was a desire of 75.5% of the respondents before their first meeting. As results in Table 10 indicate, 88% of them remembered being contacted by the president of the institution before the first meeting while 71% of them remembered receiving some kind of orientation materials beforehand. Only 58% remembered meeting a fellow board member before that first meeting.

Table 10

Contacts Board Members Received before First Meeting

	Yes	No	Do not remember
	%	%	%
President contacted before meeting	88.2	6.9	4.9
Fellow board member contacted before meeting	57.8	27.5	14.7
Received orientation materials before meeting	70.6	18.6	10.8

Table 11 indicates that 82% were only up to somewhat familiar with the Synodical Handbook and its responsibilities for board members, while 66% of them were only up to somewhat understanding of campus operations and activities. Within the Synodical Handbook are the responsibilities of board members which the Synod expects them to carry out on behalf of the Synod as well as the responsibilities of the university administration in relation to the Synod in its agency relationship. Board members were familiar with the campus they were about to serve as 66% had been on the campus within a year of serving, and 21% had been on campus within the previous two to five years.

Table 11

Board Members' Familiarity with the Synodical Handbook and Campus Operations

	Not at all	A little	Somewhat	Very familiar	Extremely familiar
	%	%	%	%	%
Synodical Handbook	17.6	24.5	40.2	14.7	2.9
Campus operations	10.8	16.7	39.2	25.5	7.8

Before their first meeting they had learned some familiarity with current issues in higher education as results in Table 12 indicate. More highly publicized issues in higher education were the ones where the board members were at least somewhat familiar, as 80% were some familiar with tuition rates, 81% with student debt and 76% with student diversity. Board members were less familiar with the issue of adjunct faculty at 66% and only up to somewhat familiar with the role of the federal government at 73%.

Table 12

Board Members' Familiarity with Issues in Higher Education before First Meeting

	Not at all	A little	Somewhat	Very familiar	Extremely familiar
Issue	%	%	%	%	%
Tuition rates	3.9	14.7	37.3	37.3	6.9
Student debt	2.9	16.7	30.4	37.3	12.7
Diversity among students	7.8	16.7	40.2	31.4	3.9
Use of adjunct faculty	10.8	23.5	31.4	24.5	9.8
Role of the federal government	12.7	30.4	29.4	24.5	2.9

When the board members attended their first board meeting, 76.4% felt either somewhat to extremely prepared for that meeting. With this question, respondents had the option of providing comments and 33 did so. A board-selected layperson stated, "I felt

prepared from the perspectives of a corporate executive / decision maker, of someone intensely interested in higher education (esp. Christian higher education), and of a committed churchman." A commissioned minister elected by a district stated, "I am a principal of a K-8 school, so I am familiar with governance issues." An ordained minister elected by a district stated, "I served on the faculty and had been a Division chairman and member of numerous faculty committees before being elected to the Board of Regents."

Included in the comments about preparation for board meetings was the concern about understanding how campuses operated, which was noted in six of the 33 comments. The same board-selected layperson as quoted previously commented, "I felt less prepared on matters of institutional history, as I am not an alum of the institution of the CUS. Additionally, there was a learning curve relating to organizational structure and current issues within higher education, which was to be expected." A commissioned minister elected by the Synod stated, "…but I understood that I had a lot to learn about the inner workings of this campus. Each one has many unique elements." A layperson elected by the Synod stated he was prepared except for the context. "Having worked in higher ed for over 15 years prior to my election on to the Board of Regents, both at public and private institutions, I felt quite prepared to be a productive member of the board, once I became more familiar with the specific context at Concordia."

One comment hinted at an agency issue. A layperson stated, "Orientation focused on how the Board operates at meetings. Now in my second term, there is still no indication of what is expected from Board members. Administration is still trying to figure that out." Within an agency framework, the board would be monitoring the work

of the administration on behalf of the Synod. Perhaps this board member is looking to the

administration for guidance on the role of the board member without considering the

expectations of the Synod.

Board members' sense of campus engagement. Two questions sought to gain

an estimate of the engagement of the board members in the operational aspect of their

institutions as they seek to review the work of the institutions according to the Synod's

expectations of the universities, as well as how much of their time they engage in

activities beyond their board meetings. Table 13 shows how the respondents have a

stronger understanding of the finances and overall operations of their institutions

compared to the more specialized areas of faculty governance and financial aid.

Table 13

Board Members' Understanding of Campus Functions

	Response[a]					*M*	*SD*
	Poor	Fair	Good	Very Good	Excellent		
Function	%	%	%	%	%		
Financial strength	5.9	5.9	18.6	46.1	23.5	3.75	1.07
How campus functions overall	2.0	8.8	33.3	44.1	11.8	3.55	0.89
Student diversity	2.9	6.9	46.1	32.4	11.8	3.43	0.90
Graduation rates	3.9	10.8	35.3	39.2	10.8	3.42	0.96
Retention rates	5.9	12.7	28.4	41.2	11.8	3.40	1.05
Student life on campus	2.0	14.7	47.1	30.4	5.9	3.24	0.85
Student financial aid	2.9	15.7	41.2	36.3	3.9	3.23	0.87
Faculty governance system	4.9	21.6	33.3	30.4	9.8	3.19	1.04

[a]Responses coded on five-point scale from 1 = poor to 5 = excellent.

Outside of regular board meetings, board members spend an hour or less per week

staying informed about events on their campuses or higher education, in general, as

results displayed in Table 14 indicate. While on campus, three-quarters (77.5%) spend

only an hour or less with students. The lack of time with students could be reflective of

tight meeting schedules or a lack of interest from the board members to spend time with

the students.

Table 14

How Board Members Use Their Time Outside of Board Meeting Times

	Response[a]			
	1 hour or less	2–3 hours	4-5 hours	More than 5 hours
Question	%	%	%	%
Other than the weeks of board meetings, the average number of hours per week spent keeping informed about what is happening at institution	52.9	40.2	5.9	1.0
The average number of hours per week spent keeping informed about what is happening in higher education in the United States	60.8	32.4	1.0	5.9
The number of hours spent with students when on campus	77.5	19.6	2.9	0.0

[a]Responses coded on a four-point scale from 1 = 1 hour or less to 4 = more than 5 hours.

The option for leaving comments concerning these questions was provided and 10

respondents did so. Two respondents expressed concern about the lack of time. "Our

quarterly meetings are compressed into four hours and there is no planned activity for

students or campus involvement. The BOR agenda includes zero time for long term

strategic discussion or planning." "The board of regents has little opportunity to interact

with the students; some members do so if they have children, friends of children or some

other avenue to interact with students." One respondent was rather critical of his role,

"Again, the role of a regent seems to be only a superficial position with no active role in

the institution other than to provide financial support and most of the regents are not in a financial position to do so at any level of significance."

Board members' views about denominational identities. All board members of the Concordia institutions are members of congregations of the Lutheran Church – Missouri Synod, and as such, might have views about what occurs within the denomination. The relationship between the institutions and the Synod was the basis for three survey questions. Table 15 contains the result from the questions regarding the denominational identity of students and faculty.

Table 15

Board Members' View about Denominational Identities

	Response[a]					*M*	*SD*
Question	Disagree Strongly %	Disagree %	Neutral %	Agree %	Agree Strongly %		
…of the students is a critical component of the campus' identity as an LCMS institution	6.9	28.4	26.5	25.5	12.7	3.09	1.15
…of the faculty is a critical component of the campus' identity as an LCMS institution	0.0	4.9	13.7	41.2	40.2	4.17	0.85
…of the faculty is more important that the denominational identity of the students	0.0	2.9	10.8	51.0	35.3	4.19	0.74
…of students have an impact on work as a board member	9.8	31.4	29.4	22.5	6.9	2.85	1.09

[a] Responses coded on a five-point scale from 1 = disagree strongly to 5 = agree strongly.

The denominational identity of the faculty is far more important for the respondents than the identity of the students with 81.4% agreeing or strongly agreeing that faculty identity is a critical component of campus identity, compared to 38.2% for student identity as a critical component of campus identity. Of the respondents, 70.6% are neutral, disagree or disagree strongly with the statement that the denominational identities of the students have an impact on their work as board members.

Of the respondents, 24 provided comments on this set of questions. The comments reinforced the statistical results that indicate the denominational identity of the faculty is critical for the institution. One layperson responded, "Faculty set the culture of the organization. If they are not Lutheran, they will not be able to influence Lutheran perspectives on issues." Similarly, another layperson responded, "The faculty, who has a tremendous impact on the development of the belief systems, social and societal norms should be predominately LCMS." An ordained minister similarly expressed, "I have always maintained that a college, university, or for that matter a grade school or high school, deserves to consider itself Christian or Lutheran if it stands for such from the top down, and not just based on the behavior or beliefs of the students."

A concern about the declining numbers of LCMS faculty members was expressed by this layperson,

> "Outside the theology and "some" of the education faculty, the LCMS identity is
> declining among faculty. I do not believe we are making a sufficient effort to
> maintain our denominational identity. To the extent there is a Synodical identity,
> it may be coming more strongly from the student body who are LCMS members."

Focusing on the identity of both students and faculty was expressed in this comment by a layperson,

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"As a board member, we serve all students regardless of denomination. Being an LCMS institution should mean that we daily have people on the campus who represent LCMS theology and ethics. Part of the board member's responsibility is to ensure that when possible, faculty is LCMS and to encourage LCMS students to attend our institutions."

A commissioned minister recognized the importance of having a range of students.

"Our CUS campuses need to reach out to a broad spectrum of students. Denominational identity is a factor to consider in who they are, but should not be used as the basis for how we serve them. Faculty denominational identity, however, does influence the very identity of the campus and must be considered strongly."

Two comments referenced the importance of the role of serving as a board member. One layperson expressed concern about the authority of the board to select its own members.

"The current LCMS by-law method of having board members elected (selected) by the board has clearly "packed" the board with persons that do not hold LCMS objectives as an important priority. Members elected at LCMS conventions will always be a minority (4 of 17 members) so that LCMS influence is limited if the policy direction of the board is improper (which I believe is now the case)."

Another layperson expressed concern that his focus was on the institution alone. "Values-based education, based on Lutheran identity, is important to our institution, which is what attracts students, but should not be a prerequisite for students. As a Board member, my obligation – statutorily – is to the local institution and not LCMS or CUS."

With a long history of operating colleges as institutions intended primarily to prepare students for work in the denomination, the changes in enrollments in LCMS institutions, as described in chapter 3, has been towards larger numbers of students who do not come from within the denomination. Table 16 shows how the respondents believe

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having an enrollment of less than 20%, either from the denomination or for careers within

the church, places the denominational identity of the institution at risk. Simultaneously,

76.5% of the respondents believe that up to 40% of the current student population could

be from outside the denomination before LCMS identity is at risk.

Table 16

Board Members' Percentage Estimates for Students

	Response[a]					*M*	*SD*
Question	0 – 20% %	21 - 40% %	41 – 60% %	61 - 80% %	81 - 100% %		
Lowest percentage of LCMS students a Concordia can have before its LCMS identity is at risk	53.9	32.4	13.7	0.0	0.0	1.60	0.72
Lowest percentage of students studying for church careers a Concordia can have before its LCMS identity is at risk	68.6	23.5	6.9	1.0	0.0	1.40	0.66
Percentage of students on campus for whom the identity as an LCMS institution is important	36.3	40.2	14.7	6.9	2.0	1.98	0.98

[a] Responses coded on a five-point scale from 1 = 0 - 20% to 5 = 81 – 100%.

Of the respondents, 17 commented on these estimates as they could affect the

LCMS identity of an institution. Some comments expressed indifference but most

expressed concern about the LCMS identity. One layperson expressed,

> "The LCMS identity is over-emphasized. The leadership of the institution has
> much more to do with this than the make-up of the student body. Those studying
> for church careers have nothing to do with remaining true to our purpose as a
> university. In my opinion, ALL students are being trained for a career in the
> church."

Another layperson commented, "The students know and celebrate that Concordia

University is a Christian university with a faculty that shares the gospel of Christ from an

LCMS perspective." One layperson expressed concern about program growth without consideration of the church-worker program.

> "The growth mentality of the Board has been in place for several years. This has been successful in terms of financial operations and student recruitment. Focus now is on vocational training rather than high quality church-worker preparation…. While that has made growth (student population and budget), the student church-worker percent continues to decline. I think it is time to re-focus on highest quality church-worker preparation while leveling out the student population (particularly on campus)."

Another layperson expressed the concern that the number of LCMS students has to be the majority.

> "To be an LCMS institution, I think, you have to have a majority. Right now, we have too many campuses in the CU system and not enough students. To a point, if you have students seeking a "Christian" education who are not necessarily LCMS, you can at least maintain your identity as a Christian institution; however, if they come from evangelical backgrounds, they will not necessarily fit within a liturgical, real presence, infant baptism culture. At this point, we (and probably many of the other Concordias) are simply looking to fill places to keep the lights on, and our historic identity has unfortunately taken a back seat."

Given the changing enrollments at the institutions, the respondents were asked, "In your opinion, ten years from now, the number of LCMS students at your campus will have changed in this direction." Two percent of the respondents stated the number will significantly higher, and 4.9% stated the number will be somewhat higher. For 22.5% of the respondents the number will be about the same, 54.9% believe the number will be somewhat lower, and 15.7% see a significantly lower enrollment of LCMS students in 10 years. For this question, 17 respondents offered comments about how they see the number of students changing in the future. Their views reflect societal changes and changes within the denomination. One layperson recognized how the importance of denominations is in general decline.

"The age of denominational identity and its relevance to society is in decline. I often hear from people, who do not see the importance of the LCMS identity of ELCA or LCMS or WELS, we are just all Lutheran. It matters to me, but perhaps only because I have educated myself enough to know the difference."

As colleges and universities deal with the problem of increasing tuition rates, one layperson identified that as an issue. "The cost of an LCMS education prevents many LCMS students from attending one of our institutions as compared to a state-supported institution." The status of the denomination, though, was also a factor in the responses. One layperson criticized the politics of the denomination. "LCMS generally is in a no-growth mode, as are its families. Its factionism [sic] hurts internally. It is unlikely LCMS will survive in its present form in ten years unless it finds a way to deal with this issue." Another layperson noted the lack of growth in the denomination. "I do not see our church body growing. Neither do I foresee more of our members rushing to LCMS colleges because they are Lutheran. Rather, I see students choosing based on things such as tuition, campus amenities, and majors offered."

Roles and responsibilities of board members. The longest set of questions of the survey included 24 statements about roles and responsibilities of board members and asked respondents to indicate their level of agreements or disagreement with each statement. The survey was developed by modifying the survey of trustees at private colleges (Chronicle, 2007) with responsibilities outlined by Chait, Holland, and Taylor (1996) as well as the responsibilities outlined in the Synod's *Handbook* (2010). Table 17 includes these statements sorted by the highest to the lowest mean of agreement.

Table 17

Board Members' Perceptions of the Roles and Responsibilities of Board Members

	Response[a]						
	Disagree Strongly	Disagree	Neutral	Agree	Agree Strongly		
	%	%	%	%	%	*M*	*SD*
To provide proper financial oversight	0.0	0.0	0.0	29.4	70.6	4.71	0.46
To understand the financial position of the institution	0.0	0.0	1.0	30.4	68.6	4.68	0.49
To address the needs of the institution	1.0	0.0	2.0	26.5	70.6	4.66	0.62
To ensure effective institutional planning	0.0	1.0	0.0	32.4	66.7	4.65	0.54
To determine the institution's mission and purpose	0.0	0.0	2.9	30.4	66.7	4.64	0.54
To assess the president's performance	0.0	1.0	2.9	27.5	68.6	4.64	0.59
To assess my own performance	1.0	0.0	2.0	34.3	62.7	4.58	0.64
To enhance the institution's reputation	0.0	0.0	2.0	38.2	59.8	4.58	0.54
To support the president	0.0	0.0	5.9	32.4	61.8	4.56	0.61
To assess the Board's performance	1.0	0.0	4.9	38.2	55.9	4.48	0.69
To assess the Board's performance	1.0	0.0	4.9	38.2	55.9	4.48	0.69

- - Table 17 Continued - -

Table 17 (Continued)

	Response[a]						
	Disagree Strongly	Disagree	Neutral	Agree	Agree Strongly		
	%	%	%	%	%	*M*	*SD*
To represent the needs of all students	0.0	1.0	6.9	36.3	55.9	4.47	0.67
To contribute financially to the institution	1.0	2.0	10.8	30.4	55.9	4.38	0.83
To understand the unique aspects of higher education finance	0.0	0.0	7.8	57.8	34.3	4.26	0.60
To recruit and orient new board members	0.0	2.9	22.5	47.1	27.5	3.99	0.79
To enhance the institution's standing within the Synod	2.0	2.0	25.5	40.2	30.4	3.95	0.91
To represent the needs of the LCMS students	1.0	3.9	24.5	45.1	25.5	3.90	0.86
To represent the purposes and goals of the Synod	0.0	2.9	10.8	51.0	35.3	3.89	0.91
To spend time in activities that strengthen the relationships among board members	0.0	5.9	22.5	50.0	21.6	3.87	0.82
To be responsible for creating an environment that attracts LCMS students	1.0	4.9	17.6	60.8	15.7	3.85	0.78
To be held accountable for my work by the members of Synod and the congregations	3.9	9.8	14.7	50.0	21.6	3.75	1.03

- - Table 17 Continued - -

Table 17 (Continued)

	Response[a]						
	Disagree Strongly	Disagree	Neutral	Agree	Agree Strongly		
	%	%	%	%	%	*M*	*SD*
To be able to create an environment that attracts LCMS students	1.0	7.8	20.6	57.8	12.7	3.74	0.82
To represent the members of Synod and the congregations	9.8	31.4	29.4	22.5	6.9	3.74	1.02
To recruit potential members of the board who reflect the diversity of the students	2.0	9.8	31.4	38.2	18.6	3.62	0.97
To review the intercollegiate athletic program	4.9	9.8	43.1	38.2	3.9	3.26	0.88

[a]Responses coded on a five-point scale from 1 = Disagree strongly to 5 = Agree strongly

On a scale of 1 (disagree strongly) to 5 (agree strongly), the highest mean was 4.71 (agree) for the statement, "to provide proper financial oversight," and the lowest was 3.26 (neutral) for the statement, "to review the intercollegiate athletic program."

Perhaps due to the length of this question, only 15 respondents wrote comments in the comment section. Two comments, in particular, referenced whom they believe the board members represent. One layperson stated succinctly, "As I was not elected by Synod, I don't think I have to represent Synod." Another layperson stated, "Being held accountable to congregations and members of the Synod has to be primarily carried out through re-election / re-appointment processes." An ordained minister commented on the diversity of the board members as a worthwhile goal with limitations, "While it's good

for board members to reflect the diversity of the students, I do think that board members must be active members of LCMS institutions."

Two respondents expressed frustration with how they are expected to do their work. A layperson stated, "While I view many of these things as important, my ability to do anything about them as a member of a volunteer board, which meets only quarterly for informational meetings, is limited." Another layperson stated,

> "I was elected by the Synod and my accountability is to the Synod to maintain our institution as an LCMS institution. This requires understanding the finances and operations to keep open, providing good governance as best we can, financially supporting the institution as I am able, and trying to maintain LCMS identity. Use of the "Carver model" (a governance model in which the board focuses on writing policies that define the roles of the board and the president) and the limited number of meetings we have makes it difficult to do this; we largely have to rely on the president of the institution and the administration."

The above comment also includes concern about institutional identity, a theme that was prevalent in the responses to the final question, summarized on page 105, asking, "What issue, do you believe, is the most critical one the Concordia institutions and their governing boards are currently facing?"

A primary components factor analysis was performed to determine if the 24 roles and responsibilities could be combined into a smaller number of factors to gain a better understanding of the underlying factors which explain the responses for the question about roles and responsibilities. The factor analysis also provided the basis for examining differences among subgroups of board members in detail. The estimated seven common factors the analysis created provide insight into how the respondents view their roles and the work they do. The seven factors, listed in Table 18, account for 71.22% of the variance among the respondents.

Table 18

Factor Loadings in Rotated Component Factor Analysis

Factor Label Statement	1	2	3	4	5	6	7
Standard board responsibilities							
To assess my own performance	**.863**	.063	.014	.077	.226	.157	.069
To assess the board's performance	**.825**	.039	(.036)	.179	.244	.094	.018
To address the needs of the institution	**.822**	(.023)	.046	(.127)	.257	.090	.061
To ensure effective institutional planning	**.816**	(.097)	.052	.098	(.035)	.051	.247
To assess the president's performance	**.774**	.039	(.073)	.306	.024	.159	.069
To provide proper financial oversight	**.558**	.029	(.103)	.214	(.132)	.103	.370
Accountability to the denomination							
To represent the member of Synod and the congregations	.054	**.851**	.180	(.116)	(.115)	.148	(.038)
To represent the purposes and goals of the Synod	.076	**.842**	.110	.043	(.071)	.041	.131
To be held accountable for my work by the members of the Synod and congregations	(.091)	**.838**	.013	(.101)	(.099)	.189	(.107)
To represent the needs of the LCMS students	(.025)	**.736**	.321	(.160)	.201	(.170)	.078
Students from the denomination							
To be able to create an environment that attracts LCMS students	.051	.235	**.899**	.041	.002	.031	(.001)
To be responsible for creating an environment that attracts LCMS students	(.116)	.270	**.852**	(.028)	(.154)	.117	.072
Relationships among board members							
To spend time in activities that strengthen the relationships among board members	.139	(.100)	(.105)	**.845**	.092	108	.077
To recruit and orient new board members	.231	(.168)	.039	**.651**	.184	.146	.344
To recruit potential members of the board who reflect the diversity of the students	.232	(.134)	.251	**.600**	.461	.060	(.055)

- - Table 18 Continued - -

Table 18 (Continued)

General institution support							
To represent the needs of all students	.077	.158	(.136)	.161	**.735**	(.000)	.163
To contribute financially to the institution	.251	(.226)	(.032)	.117	**.663**	.027	.017
To support the president	.171	(.256)	(.031)	.074	**.482**	.411	(.021)
Purpose and reputation of institution							
To enhance the institution's reputation	.279	.015	.057	.014	.276	**.674**	.271
To review the intercollegiate athletic program	.202	.137	.084	.234	(.176)	**.649**	(.004)
To determine the institution's mission and purpose	.057	.283	(.020)	.098	.210	**.586**	.335
To enhance the institution's standing within the Synod	.042	.530	.339	(.051)	(.133)	**.502**	.152
Institutional finances							
To understand the financial position of the institution	.148	.030	.127	(.039)	.121	.248	**.809**
To understand the unique aspects of higher education finance	.258	.044	(.029)	.276	.034	.062	**.716**

The first factor that accounts for the largest percentage of the variance among the respondents, 25.41%, centers on the theme of standard board responsibilities. The board members recognize their role with the following items: a) each member should assess his or her own performance, b) board members should assess the board's performance, c) the board addresses the needs of the institution, d) the board seeks to ensure effective institutional planning, e) the board assesses the president's performance and f) the board provides proper financial oversight.

The second factor, accounting for 18.14% of the variance among the respondents, involves the relationship of the institution with the Synod. The relationship consists of these items: a) representing the members of the Synod and the congregations, b) representing the purposes and the goals of the Synod, c) being held accountable for their

work by the members of the Synod and the congregations and d) representing the needs of the LCMS students.

The remaining five factors account for 27.67% of the variance among the respondents. One of the five factors, accounting for 7.21% of the total variance, students from the denomination, comprises two roles: a) being able to create an environment that attracts LCMS students, and b) being responsible for creating an environment that attracts LCMS students. A second factor, accounting for 5.94% of the total variance, relationships among board members, consists of three roles: a) to spend time in activities that strengthen the relationships among board members, b) recruiting and orienting new board members and c) recruiting potential board members who reflect the diversity of the students.

A third factor in the remaining set of five factors, representing 5.67% of the total variance, supporting the institution in general, comprises three roles: a) to represent the needs of all students, b) to contribute financially to the institution and c) to support the president. The fourth factor at 4.61%, focusing on the purpose and reputation of the institution, consists of these roles: a) to enhance the institution's reputation, b) to review the intercollegiate athletic program, c) to determine the institution's mission and purpose and d) to enhance the institution's standing within the Synod. The fifth and smallest factor, at 4.24% of the variance, focuses on understanding the finances of the institution with the items: a) understanding the financial position of the institution and b) understanding the unique aspects of higher education finance.

The seven factors were examined to calculate their internal consistency using Cronbach's alpha as a measure of reliability, and the range of values ranges from a low of .579 to a high of .901 as shown in Table 19. The two factors that have the largest percentage of the total variance also have the highest alpha values at .901 and .872, respectively. The factor, general institution support, has the lowest alpha value at .579

Table 19

Reliability Coefficients of Component Factors

	Alpha
Standard board responsibilities	.901
To assess my own performance	
To assess the board's performance	
To address the needs of the institution	
To ensure effective institutional planning	
To assess the president's performance	
To provide proper financial oversight	
Accountability to the denomination	.872
To represent the members of Synod and the congregations	
To represent the purposes and goals of the Synod	
To be held accountable for my work by the members of the Synod and congregations	
To represent the needs of the LCMS students	
Students from the denomination	.865
To be able to create an environment that attracts LCMS students	
To be responsible for creating an environment that attracts LCMS students	
Relationships among board members	.737
To spend time in activities that strengthen the relationships among board members	
To recruit and orient new board members	
To recruit potential members of the board who reflect the diversity of the students	
General institution support	.579
To represent the needs of all students	
To contribute financially to the institution	
To support the president	
Purpose and reputation of institution	.665
To enhance the institution's reputation	
To review the intercollegiate athletic program	
To determine the institution's mission and purpose	
To enhance the institution's standing within the Synod	
Institutional finances	.657
To understand the financial position of the institution	
To understand the unique aspects of higher education finance	

The factor analysis reduced the 24 roles and responsibilities into a group of seven weighted characteristics among all respondents. These factors were used when analyzing the responses to these questions based on the respondents' gender, selection basis as ordained minister, commissioned minister or layperson, as well as the election basis of Synod election, district election or board election.

Board members' most critical issue. The final question of the survey was an open-ended question, "What, in your opinion, is the most critical issue the Concordia institutions and their governing boards are currently facing? Why?" The question was coded in the www.surveymonkey.com website so that respondents were required to reply. When downloading the responses, two of the 102 were blank. Perhaps the respondents hit the space bar to submit the survey without intending to give a response.

As the respondents were free to reply as they desired, the responses had a range of length. The average response was 49 words, with 31 words being the median. Three responses were one word; 29 responses were 19 or fewer words. The highest number of words was 281, with 11 responses having more than 100 words. The predominant theme appearing in 55 comments was financial, with 18 responses directly mentioning financial stability or financial vitality. Twenty-one people commented on the Lutheran identity of their institutions. Comments related to identity included 15 comments about the relationship with the Synod and 10 comments about CUS. Other comments about identity included 12 that mentioned the mission of the institution and its academic offerings. Twelve comments expressed concern about recruiting students. Lastly, eight respondents commented about their boards, and four commented about governance.

Illustrative comments about financial themes follow. The first three are the shortest responses, "money," viability" and "financial stability." Two comments reflect the general challenges facing higher education. A commissioned minister stated, "Financial stability, it is obvious that maintaining stability is essential for an institution to carry out its mission and ministry. A layperson stated, "Assessing and setting the strategic plan for the institution and taking such steps as are feasible to assure adequate financial resources to attain the strategic goals in the plan," and another layperson stated "Managing the rising cost of education (tuition and fees) and the ability to attract and grow substantial endowment funds."

Longer comments expanded the financial issue to include topics of identity and denominational relations. A commissioned minister wrote, "Remaining faithful to Christian identity and mission while remaining financially viable." Expanding on the finance and identity relationship, a layperson wrote,

> Lutheran identity/finances. The two go hand in hand. Since many of our Concordia institutions are struggling financially, the temptation is to be pragmatic about the way we handle issues in an effort to be fiscally responsible rather than standing firm in our Lutheran identity."

Another layperson wrote,

> "Running a financially viable Christian university where both Christ is honored and all are welcome. This is getting significantly more challenging as the church and society change. This is difficult when denominations no longer value or fund students trained at denominational schools. Fewer students from the denomination's churches."

Reflecting on the relationship with the denomination, a layperson selected by the board wrote,

"Financial viability. In having lost effectively all financial support from the Synod, the Concordias (and in this I am speaking principally for my own since I have no personal experience to speak for others) have been put in the position of having to fund that shortfall on a continuing basis with neither the background nor experience in fund raising and with expectation that funding matters were not necessary to have as a priority. To change this and make fund raising a focus for all of the constituents of the schools (including, among others, the faculty and the regents) requires a complete reeducation and change of focus. Speaking for myself, I do not see the Synod or CUS being helpful to the Concordias in this endeavor. In fact, the opposite seems to be the case in many respects. Without strong finances, these schools cannot accomplish their missions. "

Illustrative comments concerning identity are listed below. Three laypersons elected through Synodical elections made these comments. "Building and maintaining a distinctly Lutheran identity – not just in academics, but in student life on campus as well." "Whether we are truly Lutheran institutions. We have become all things to all men and therefore have lost our identity." "The most critical issue that Concordia is facing is its identity as a Confessional Lutheran Church Missouri Synod School." A board selected layperson linked his response with the work of CUS,

"Identity. Higher education is increasingly more competitive. The Concordia system "brand" has served us and the students well, but needs new creative and strategic thinking to meet the needs of a changing student population, economic environment, religious and spirituality preferences and practices, evolution of careers and the job market, etc."

Two laypersons, both elected at Synodical conventions, linked the identity issue with the denomination. The first layperson wrote,

"I see several critical issues. Maintaining unique Lutheran identity. I feel that most of our Concordias, without admitting to it or fully realizing it, in an effort to appeal to the lowest common denominator have watered down our Lutheran identity and the fullness it has to offer by adopting the practices of our evangelical Christian friends. This may appeal to some, but it does put our Lutheran identity in jeopardy, and also alienates students who want their Lutheran school to be faithfully Lutheran. I have personally talked to many of these young people. They feel unwelcome in our own Lutheran Concordias."

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The second layperson wrote,

>"Maintaining our LC-MS identities. There are hundreds of small private colleges, many of which can provide a generic "liberal arts" education as well or better than we can, or have better facilities, more money or more renown. There is no need or reason for us to exist except to fulfill our mission to produce pastors, teachers and educated Christian laity as part of a Lutheran educational system. I attended a private university which was originally founded on a religious basis, and is now internationally known and has a billion dollar plus endowment, but has lost its religious identity altogether and its 'chapel' has been cleansed of all religious imagery. That is not my goal for us. We need consciously to recruit Lutheran faculty (growing our own if necessary) and students who, if not LC-MS, at least want Christian higher education."

Comments regarding the denominational relationship and the relationship with CUS are listed below. One commissioned minister wrote, "Remaining faithful to the mission and goals of the Synod, but being able to diversity our offerings to attract more students and not losing entirely the church work preparation programs." A layperson commented, "CUS has done nothing to enhance the colleges and universities. Their time has past.[sic] Electing CUS members at the Synodical convention has produced a bunch of cronies and created a board whose members have little or no relevant experience or expertise." Another layperson commented on the denominational leadership,

>"The adversarial relationship that current Synodical and CUS leadership is cultivating toward institutions of higher education in Synod is unsettling to orderly planning processes among us and causing turmoil and stress. This impedes our abilities and freedoms to fulfill my/our role and responsibilities as I/we see fit."

Lastly, a layperson commented how the denomination has almost abandoned the institutions.

>"Our Synod and churches have funneled their money to other areas of mission, thinking that the Concordias would remain strong without their financial support. This in turn, distanced the churches from the Concordias and I believe that the

Concordias have watered down their theology without strong Synodical/church influence. Once theological integrity is questioned, it is difficult to rally churches around an institution. So the Concordias look to outside funding and the cycle continues."

Comments about mission and academics are below. A layperson wrote, "Be able to remain a relevant higher learning institution, true to our mission in an increasingly post church society." An ordained minister stated, "Staying focused on the mission of the institution resulting in alignment of board, staff, faculty and students for that mission." Regarding academics a layperson wrote, "How to attract and hire the most capable instructors. Sometimes the best candidate for the job may not be an LCMS member," and a commissioned minister stated, "The erosion of traditional residential higher education programs in light of the digital revolution and the exponential growth of online degree programs. How will the Concordia system remain relevant?" Lastly, a layperson commented on both areas:

> "The biggest issue facing Concordia is recognizing that our role is to equip students for a life of service, regardless of vocation. I believe there are many within the LCMS that wish we had more students going into various traditional ministry pursuits and somehow, if a CUS school does not have many students enrolled in those vocations, then that school is failing its mission as an LCMS institution. I see/hear that already, when people state that a particular school is quote-unquote more "spiritual" because they have more church work students enrolled."

Three comments are illustrative about recruiting. One layperson commented, "Attracting the best LCMS students and strengthening the church work programs at the university," and another commented, "Maintaining a full-time faculty of LCMS members. Qualified faculty that are LCMS members are not available or recruitable [sic] for certain disciplines (e.g., Nursing)."A commissioned minister commented,

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"The most currently critical problem is maintaining a university with a truly confessional Lutheran world-view with which every student, graduate or undergraduate, must, to some degree, become familiar with what makes a Lutheran university education different from the current prevailing secularist world-view found in non-faith based institutions. Otherwise, we are wasting precious time and resources. We cannot continue to recruit just for the sake of keeping Lutheran universities alive on the life-support of student collections. 'He who pays the piper picks the tune.'"

Comments about serving on the board and governance reflect challenges board members are experiencing. A layperson expressed, "Governing authority of the board of regents being undermined by the Synod," and an ordained minister wrote, "The challenges and responsibilities of self-governance. Synodical support is minimal, but control is high." Another layperson commented, "The election process is deeply flawed. Having actual or potential turnover of five district and four LCMS elected members every three years is ludicrous. It essentially devolves leadership to the eight board elected candidates." One layperson commented,

"I believe it is also extremely important that a board be allowed to select its best and most qualified individuals to serve on the board – from its own geographical area rather than having Synod, or even districts, vote in individuals from distant areas who are not familiar with higher education (public and private) in the region of the institution, or with the CUS institution itself."

One comment pulled together a number of the different topic areas.

"Purposeful Survival – pure and simple. None of the Concordias has a deep endowment. The LCMS and the pool of potential LCMS students (especially those attracted to a Concordia) is [sic] shrinking. All of the Concordias have annual financial budgets that are, more or less, "hand to mouth." To remain financially viable, each school has expanded its programs and recruitment so as to attract a broader student body. While there is likely no choice but to continue this strategy, it will cont0inue to produce fewer students who possess, understand, or even care about a Lutheran (or even Christian) heritage or identity. If eventually only a small fraction of our students care about and engage in matters of faith, and if we continue to operate on financial shoe strings, we will ultimately have to decide if we can survive, and if there is a purpose to our survival."

Survey Analytic Findings

Data analysis was performed on the survey questions that focused on the perceptions and experiences of the board members using one-way between subjects ANOVA tests. The analysis was performed on questions which used Likert scale answers for their responses allowing the researcher to analyze the responses among different groups of respondents as a means of identifying the overall views of these groups.

Board Members' Desire to Serve as Board Members. Question 8 inquired about their desire to serve on a Concordia board with the responses ranging from 1 for definitely not to 4 for yes, definitely. Three one-way between subjects ANOVA tests were conducted. Table 2 showed 75% of the trustees had desired to serve on a Concordia board. None of the three tests showed any significant difference between their groups. There was not a significant effect of gender on desire to serve at the $p<.05$ level for the trustees $[F(1,100) = 0.37, p = 0.55]$. The effect of selection basis on the desire to serve was not significant at the $p<.05$ level for the trustees $[F(2,99) = 1.923, p = 0.15]$, and the effect of election basis was not significant at the $p<.05$ level $[F(2,99) = 2.65, p = 0.08]$. No post-hoc test was necessary.

Board members' understanding of current issues. Question 15 asked about the understanding of the trustees in regards to five issues in higher education prior to serving on the board using a scale ranging from 1 for not at all to 5 for extremely familiar. Table 6 indicated the results with the majority of trustees having some understanding of the issues. There was no significant effect of gender on these issues at the $p<.05$ level for the trustees ranging from $[F(1,100) = 0.03, p = 0.88]$ for tuition rates to $[F(1,100) = 0.86, p =$

0.36] for the use of adjunct family. The effect of selection basis on the these issues was not significant at the p<.05 level for the trustees ranging from [F(2,99) = 0.10, p = 0.90] for racial/ethnic diversity among students to [F(2,99) = .95, p = 0.39] for the role of the federal government, and the effect of election basis was not significant at the p<.05 level ranging from [F(2,99) = 0.21, p = 0.81] for the use of adjunct faculty to [F(2,99) = 1.34, p = 0.27] for the role of the federal government. No post-hoc tests were necessary.

Board members' preparedness for the first meeting. Question 16 inquired about their sense of preparedness as they went to their first meeting with the responses ranging from 1 for not at all to 5 for extremely. Three one-way between subjects ANOVA tests were conducted. Table 7 indicated 76.4% of the trustees felt prepared for the first meeting. There was a significant effect of gender on preparedness at the p<.05 level for the trustees [F(2,99) = 9.93, p = 0.00]. The responses were female (M = 2.70, SD = 1.2) and male (M = 3.35, SD = 0.78), which indicates that males had a higher level of perceived preparedness. The effect of selection basis on preparedness was not significant at the p<.05 level for the trustees [F(2,99) = 1.51, p = 0.23], and the effect of election basis was not significant at the p<.05 level [F(2,99) = 2.88, p = 0.06]. No post-hoc tests were necessary on the selection and election bases.

Board members' understanding of campus functions. Question 17 rated their understanding of various aspects of eight campus functions as shown in Table 8 with responses ranging from 1 for poor to 5 for excellent. Three one-way between subjects ANOVA tests were conducted. There was not a significant effect at the p<.05 level of gender on campus retention rates [F(1,100) = 0.68, p = 0.41]. There was a significant

gender effect at p<.05 for student life on campus [F(1,100) = 0.51, p = 0.03]. The responses were female (M = 2.92, SD = 0.96) and male (M = 3.35, SD = 0.78). The effect of selection basis on the these functions was not significant at the p<.05 level for the trustees: [F(2,99) = 0.18, p = 0.98] for retention rates, [F(2,99) = 2.39, p = 0.10] for student life on campus. The effect of election basis was not significant at the p<.05 level for retention rates [F(2,99) = 0.41, p = 0.66] but was significant at p<.05 for financial strength [F(2,99) = 3.52, p = 0.03]. Post-hoc comparisons using the Tukey HSD test for financial strength indicated that the mean score for the Synod election (M = 3.33, SD = 1.21) was significantly different from the board election (M = 4.00, SD = 0.98), however, the district election (M = 3.75, SD = 0.97) did not differ significantly from the Synod election and board election.

Board members' views of denominational identities of students and faculty. Question 19 inquired about the denominational identities of students and faculty as shown in Table 10 with responses ranging from 1 for disagree strongly to 5 for agree strongly. Three one-way between subjects ANOVA tests were conducted. There was no significant effect of gender on these views at the p<.05 level for the trustees ranging from [F(1,100) = 0.04, p = 0.83] for students having an impact on work to [F(1,100) = 0.26, p = 0.61] for the identity of students as a critical component of the campus identity as an LCMS institution. The effect of selection basis on the these views was not significant at the p<.05 level for the trustees ranging from [F(2,99) = 0.12, p = 0.86] for students having an impact on work to [F(2,99) = 2.72, p = 0.71] for the identity of faculty as a critical component of the campus identity as an LCMS institution. The effect of election

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basis was not significant at the p<.05 level for the identity of the faculty is more

important that the identify of students [F(2,99) = 0.42, p = 0.63]. Election basis was

significant at p<.05 [F(2,99) = 5.00, p = 0.01] for the identity of students as a critical

component of the campus identity as an LCMS institution. Post-hoc comparisons using

the Tukey HSD test for the identity of students indicated that the mean score for the

Synod election (M = 3.67, SD = 1.18) was significantly different from the board election

(M = 2.89, SD = 1.09) and from the district election (M = 2.86, SD = 1.08), however, the

district election did not differ significantly from the board election.

Board members' views of denominational identities by percentages. Question

20 also inquired about denominational identities from the percentage viewpoint by

groups of 20% with responses ranging from 1 for 0-20% to 5 for 81-100% as shown in

Table 11. Three one-way between subjects ANOVA tests were conducted. There was no

significant effect of gender on these views at the p<.05 level for the trustees ranging from

[F(1,100) = 0.33, p = 0.57] for the lowest percentage of LCMS student to have before

LCMS identity is at risk to [F(1,100) = 0.62, p = 0.431] for the percentage of students

who believe the LCMS institutional identity is important. The effect of selection basis on

the these views was not significant at the p<.05 level for the trustees ranging from

[F(2,99) = 0.29, p = 0.75] for the lowest percentage of LCMS student to have before

LCMS identity is at risk to [F(2,99) = 1.51, p = 0.23] for the lowest percentage of LCMS

students studying for church careers before LCMS identity is at risk. The effect of

election basis was not significant at the p<.05 level [F(2,99) = 1.06, p = 0.35] for the

percentage of students on campus who believe the LCMS identity is important, but was

significant at p<.05 [F(2,99) = 6.31, p = 0.00] for the lowest percentage of LCMS students to have before LCMS identity is at risk. Post-hoc comparisons using the Tukey HSD test for the percentage of students indicated that the mean score for the Synod election (M = 2.00, SD = 0.83) was significantly different from the board election (M = 1.47, SD = 0.62) and from the district election (M = 1.46, SD = 0.64), however, the district election did not differ significantly from the board election.

Board member's estimates of the change in the enrollment of LCMS students. Question 21 asked the respondents to estimate the change in enrollment of LCMS students in ten years with responses ranging from 1 for significantly higher to 5 for significantly lower. Their responses in Table 12 show 70% expect a lower enrollment. None of the three tests showed any significant difference between their groups. There was not a significant effect of gender on expected enrollment change at the p<.05 level for the students [F(1,100) = 0.67, p = 0.41]. The effect of selection basis on expected enrollment change was not significant at the p<.05 level for the students [F(2,99) = 2.69, p = 0.07], and the effect of election basis was not significant at the p<.05 level [F(2,99) = 2.50, p = 0.09]. No post-hoc test was necessary.

Data analysis focused on question 22 with the respondents' views of their roles and responsibilities. Using a scale of 1 for disagree strongly to 5 for agree strongly, the means of the responses ranged from 4.71 to 3.26 with standard deviations ranging from .46 to 1.03 as shown previously in Table 13. Analysis of this question focused on using the results of the factor analysis and the seven created scales in place of analyzing the 24 questions by the different groups. This method of analysis reduced the need to review the

results of each role and responsibility and focus instead on the seven scales and then the

roles and responsibilities linked with them in cases of statistically significant differences.

Table 20 contains the means and standard deviations for the seven scales.

Table 20

Means and Standard Deviations for the Seven Scales

Scale	M	SD
Standard Board Responsibilities	4.62	0.24
Accountability to the Denomination	3.82	0.66
Students from the Denomination	3.80	0.56
Relationships among Boards Members	3.83	0.49
General Institution Support	4.47	0.27
Purpose and Reputation of Institution	4.11	0.27
Institutional Finances	4.47	0.22

The first analysis with the seven scales was by graduate (alumni) status using a

one-way between subject ANOVA to compare the effects on the responses of having

received a degree from the institution versus not having a degree, and the results are

listed in Table 21. Of the respondents, 23 had graduated from the institution they were

serving and 79 had not graduated from the institution. The differences between the means

were slight, and no p value < .05, the value indicating statistical significance. Based on

this test, there was no significant difference between graduates and non-graduates in the

responses to questions about roles and responsibilities of board members.

Table 21

Differences in Board Members' Perceptions of Roles and Responsibilities, by Graduate

| | Status | | | | | |
| | Graduate | | Non-graduate | | | |
Scale	M	SD	M	SD	F	p
Standard Board Responsibilities	4.58	0.45	4.63	0.50	0.18	0.67
Accountability to the Denomination	3.87	0.88	3.81	0.80	0.10	0.75
Students from the Denomination	3.65	0.79	3.84	0.74	1.07	0.30
Relationships among Boards Members	3.83	0.64	3.83	0.72	0.00	1.00
General Institution Support	4.51	0.40	4.46	0.56	0.15	0.71
Purpose and Reputation of Institution	4.14	0.53	4.10	0.52	0.12	0.73
Institutional Finances	4.46	0.40	4.47	0.49	0.03	0.87

Without a p value of significance at the p<.05 level with graduate status, the next one-way between subjects ANOVA conducted was to compare the effects of gender on the responses, and the results are listed in Table 22. While the p values ranged from a high of 0.89 to a low of 0.24, none was below 0.05, the value indicating statistical significance. Based on this test, there was no significant difference between men and women in the responses to questions about roles and responsibilities of board members.

Table 22

Differences in Board Members Perceptions of Roles and Responsibilities, by Gender

| | Gender | | | | | |
| | Male | | Female | | | |
Scale	M	SD	M	SD	F	p
Standard Board Responsibilities	4.60	0.51	4.67	0.42	0.37	0.54
Accountability to the Denomination	3.78	0.80	3.93	0.87	0.60	0.44
Students from the Denomination	3.83	0.78	3.69	0.65	0.78	0.38
Relationships among Boards Members	3.88	0.69	3.69	0.70	1.39	0.24
General Institution Support	4.50	0.51	4.38	0.54	1.04	0.31
Purpose and Reputation of Institution	4.10	0.53	4.12	0.50	0.21	0.89
Institutional Finances	4.47	0.47	4.48	0.47	0.02	0.89

With the selection basis of ordained minister, commissioned minister and layperson, a one-way between subjects ANOVA was conducted to compare the effects of selection basis on the responses, and the results are in Table 23. The p values ranged from a high of 0.86 to a low of 0.12 but none was below 0.05, the value for statistical significance. Based on this test, there was no significant difference between ordained ministers, commissioned ministers and laypersons in the responses to questions about roles and responsibilities of board members.

Table 23

Differences in Board Members Perceptions of Roles and Responsibilities, by Selection

| | Selection | | | | | | | |
| | Ordained | | Commissioned | | Layperson | | | |
Scale	M	SD	M	SD	M	SD	F	p
Standard Board Responsibilities	4.50	0.38	4.60	0.51	4.67	0.42	2.15	0.12
Accountability to the Denomination	4.05	0.86	3.78	0.80	3.93	0.87	0.68	0.51
Students from the Denomination	3.64	0.67	3.83	0.78	3.69	0.65	0.32	0.73
Relationships among Board Members	3.82	0.43	3.88	0.69	3.69	0.70	0.16	0.86
General Institution Support	4.42	0.47	4.50	0.51	4.38	0.54	2.10	0.13
Purpose and Reputation of Institution	4.16	0.54	4.10	0.53	4.12	0.50	1.20	0.31
Institutional Finances	4.27	0.52	4.47	0.47	4.48	0.47	1.28	0.28

The final one-way between subjects ANOVA was conducted on the election basis of Synod election, district election and board election to compare their effects on the responses, and the results are in Table 24. The p values ranged from a high of 0.55 to a low of 0.00 with three below 0.05, the value of statistical significance. The three scales

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with low p values were Accountability to the Denomination at 0.00, Relationships among

Board Members at 0.01, and General Institution Support at 0.00. Using the scales in

Table 18, a one-way between subjects ANOVA was conducted on each of the roles and

responsibilities linked with each scale to determine where there was disagreement about

the roles and responsibilities.

Table 24

Differences in Board Members Perceptions of Roles and Responsibilities, by Election

| | Selection | | | | | | | |
| | Synod | | District | | Board | | | |
Scale	M	SD	M	SD	M	SD	F	p
Standard Board Responsibilities	4.57	0.42	4.51	0.45	4.71	0.53	1.82	0.17
Accountability to the Denomination	4.23	0.72	3.81	0.89	3.59	0.74	5.82***	0.00
Students from the Denomination	3.93	0.77	3.71	0.70	3.77	0.77	0.60	0.55
Relationships among Board Members	3.51	0.71	3.81	0.62	4.02	0.67	5.08**	0.01
General Institution Support	4.15	0.57	4.45	0.54	4.67	0.38	9.95***	0.00
Purpose and Reputation of Institution	4.15	0.51	4.20	0.41	4.03	0.58	0.99	0.37
Institutional Finances	4.43	0.53	4.38	0.48	4.55	0.42	1.43	0.24

**p<.01 ***p<.001

Two roles and responsibilities linked with Accountability to the Denomination

had statistical significance. There was a significant effect of election basis on being held

accountable for work by the members of Synod and the congregations at the p<.05 level

for the three types of elections [F(2, 99) = 6.16, p = .003]. Post hoc comparisons using

the Tukey HSD test indicated that the mean score for the Synod election (M = 4.30, SD =

0.76) was significantly different from the board election (M = 3.38, SD = 1.01), however,

the district election (M = 3.82, SD = 1.06) did not differ significantly from the Synod

election and board election. The second role and responsibility scale with significant

effect of election basis was representing the members of Synod and the congregations which appeared at the p<.05 level for the three types of elections [F(2, 99) = 7.21, p = .001]. Post hoc comparisons using the Tukey HSD test indicated that the mean score for the Synod election (M = 4.26, SD = 0.76) was significantly different from the board election (M = 3.38, SD = 1.01), however, the district election (M = 3.82, SD = 1.05) did not differ significantly from the Synod election and board election.

Two roles and responsibilities linked with General Institution Support had statistical significance. There was a significant effect of election basis supporting the president at the p<.05 level for the three types of elections [F(2, 99) = 4.59, p = .012]. Post hoc comparisons using the Tukey HSD test indicated that the mean score for the Synod election (M = 4.30, SD = 0.67) was significantly different from the board election (M = 4.72, SD = 0.50), however, the district election (M = 4.54, SD = 0.64) did not differ significantly from the Synod election and board election. Secondly, there was a significant effect of election basis on contributing financially to the institution at the p<.05 level for the three types of elections [F(2, 99) = 8.42, p = .000]. Post hoc comparisons using the Tukey HSD test indicated that the mean score for the Synod election (M = 3.89, SD = 1.05) was significantly different from the board election (M = 4.66, SD = 0.56), however, the district election (M = 4.39, SD = 0.78) did not differ significantly from the Synod election and board election.

For the scale, Relationships among Board Members, a significant effect of election basis on recruiting potential members of the board who reflect the diversity of the students appeared at the p<.05 level for the three types of elections [F(2, 99) = 5.49, p

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= .005]. Post hoc comparisons using the Tukey HSD test indicated that the mean score

for the Synod election (M = 3.19, SD = 1.04) was significantly different from the board

election (M = 3.91, SD = 0.86), however, the district election (M = 3.54, SD = 0.92) did

not differ significantly from the Synod election and board election.

<div align="center">Qualitative Descriptive Results from the Interviews</div>

In addition to the survey results from the 102 participants, the board chairs of the

nine institutions consented to an interview about their experiences as board members.

The six open-ended questions allowed the interviewees to discuss issues of governance,

denominations, and students in a context broader than the online survey descriptive

results. The coding of the results and the content of each of the summary codes is shown

in Table 25.

Table 25

Coding Results from Interviews with Board Chairs

Summary Code	Code
Denominational purpose	Control
	Denomination is the issue
	Denominational loyalty
	Denominational relevance
	Synodical connection
	Synodical loyalty
	Top-down involvement
	Unsustainable
Election method	Antiquated system
	Change needed
	Lack of trust
	Non-sensical process
	Political
	System is broken

<div align="center">- - Table 25 Continued - -</div>

Table 25 (Continued)

Inter-campus relationships	Competition
	Cooperation
	Little help
	Safety net
Lutheran identity	Christian versus Lutheran
	Cultural battle
	Importance of Lutheran faculty
	Remain faithful to our theology
Student focus	Difficulty recruiting Lutheran students
	Focus on Lutheran high schools
	LCMS students
	Mission opportunity
	No change to recruiting

Interview Analytic Findings

Denominational purpose. Responses to four of the six interview questions

provided data leading to the creation of this code. The responses reflect a wide range of

views regarding the purpose of the institutions within the larger framework of the Synod.

With the question, *what are your thoughts about the current selection process of board*

members, one respondent referenced the current relationship between the Synod and the

universities as good with the Synod upholding the institutions. This positive view of the

relationship between the Synod and the institutions reflects the old paradigm of the

universities being owned and operated by the Synod, more so than the newer

understanding of operating under the auspices of the Synod.

> "As long as the Synod continues to consider the Concordias their own, in other
> words, as long as the Synod says, "These Concordia universities, they are ours.
> We have a great deal of interest in ownership in these things." As long as that's
> the case, I do believe it is good that Synod and district conventions elect some of
> the regents. So I think, the current system, as long as the Synod is going to

continue to say these are our universities, I think the current system is a great improvement over the past, and I think it's pretty good."

The second question of the survey, *what are your thoughts about the level of involvement of the denomination in the governance of the institutions*, generated the most comments relevant to this summary code and the responses ranged widely in emphasis and tone. One interviewee replied succinctly, "I guess I would call it the top-down involvement of the past is no longer relevant or necessary. I think we have universities that can certainly take care of themselves and move forward on their own."

Similar to irrelevancy of top-down involvement, other interviewees commented on the idea of reduction. Two interviewees focused on maintaining Synod oversight of theological concerns but allowing for greater operational freedom. One interviewee also mentioned a political concern.

> "I think the denomination involvement needs to really be limited to assuring that we are true to our theological precepts and perhaps some financial awareness and continued support, I guess at the CUS level…. My concern is that the Synod has become a political institution and it has no place in university governance."

Another interviewee discussed the similar trade-off between theological oversight and financial concerns.

> "I think the Synod views them[selves] as we are kind of a safety net for schools so we have to have some kind of oversight for the financial matters, and I think that's appropriate and certainly the Synod should have some oversight in terms of making sure that the doctrinal stance and teaching are all appropriate. So it's a matter of saying how can we make sure the Synod keeps some consistency in terms of the financial safety net and also that the doctrine is appropriate but yet, beyond that, let the institutions run as they see fit because they are the ones that have to raise the dollars to make it happen."

This comment reflects the concern that many board chairs had that the theological ties with the Synod remain strong, but the financial relationship could be different. The

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Synod serves in a helping role in a time of financial distress, but the institutions now raise

their own funds through tuition and gifts with little financial support coming from the

denomination. As that relationship of financial support has decreased over the years,

there is a belief that the relationship between the Synod and the universities should reflect

that change with the Synod reducing its involvement with the universities identified in

the following comment:

> "I think as the denomination, as the universities have moved to be universities and
> not prep schools for pastors and teachers, I think the role of the denomination and
> their level of involvement in the governance should and needed to change, kind of
> operate under the auspices of the denomination, and I think but the denomination
> also has to recognize that it is no longer providing really any meaningful
> operations or finance for its own essence. They have really given up their
> operating role in that so the governance needs to match that level of involvement,
> and frankly, their level of involvement is just about nil, so their level of
> involvement in the governance probably should be minimal."

One of the more radical ideas about reduction was the idea that there are too many

institutions and the Synod should look at letting some of them end their relationship with

the Synod.

> "What I think we should at least explore, I'm not saying let's do this, but let's at
> least explore it and say should we have far fewer Concordia universities and
> should they be parochial and I mean that in the positive sense. These are LCMS
> schools for LCMS people both professional church workers but also preparing
> people for other vocations from the perspective of the teaching of the LCMS
> based on that, and I would think we would have at least two or three. And the
> other Concordia's we say "Go in peace" and stay as closely connected with us as
> you would like, but that's your call not ours. So I think what we currently have is
> unsustainable. We cannot have ten LCMS parochial universities."

This interviewee's views reflect the historical role of the universities as preparing

workers for the church, primarily, and secondarily preparing Lutheran students for their

vocations. Students from outside the Synod are not expected to enroll. Given the overall

small number of LCMS students currently enrolled, this reduction could result in a

significant number of the campuses leaving the Synod.

One response to the question, *in the future, how do you see the universities*

viewing the institution's relationship with the denomination, discussed the value of the

Synod in relation to the control the Synod exerts over the institutions. This response

recognizes the decreasing relevance of denominations in society and the challenge for

denominational and university leaders to respond to this change as the importance of the

denominational relationship is important for fewer and fewer parents and students.

> "So as the denomination becomes more or less relevant that will be proportionally valuable, especially relative to the target audience for university parents and students. My observation is that right now the denomination's relevance is pretty low for parents and students for the most part relative to the general population and so it's of relatively low value to the university but I don't think it has to be that way."

Two responses to the questions, *what do you see in the current situation as to how*

denominations are losing their significance in American life and what are your thoughts

about how that will affect denominational colleges and universities, focused on the level

of control the Synod has on the universities. One respondent included the issue of trust,

> "There is an element of distrust and I don't know how much that plays into the control or what seems to be the control factor that is exercised over these schools including this whole issue of who gets to, whether CUS should approve the initial hiring of religion faculty notwithstanding the fact that it was written out of the bylaws at the last convention and that is why I think there is an element of unease and distrust that makes people in my position say why is it that I'm not respected as a professional and someone who can exercise judgment given that the fact that I do have these fiduciary duties and I do have this mission and why is that people think that I'm not going to exercise my judgment appropriately and why won't they allow me to?"

Another interviewee identified the inability of denominations to adjust to change and how that inability leads to worries about losing control.

> I think that denominations have lost significance in the value it provides to the local church which is slightly different and I think from that, because the denominations are losing value in the area of the church and the church is not playing a significant role in helping kids go to college, that denominations are having less of an impact on where kids go to college. I think it has to do with the denominations frankly not being very easy to adapt. I mean that's the nature of democratically-elected organizations is they are slow to change and the reality is I don't think that is likely to change much in the future. Honestly, what I worry about is, as the denomination feels like it is starting to lose control and what it does is it puts the death grip on some of the institutions by trying to exercise more control than is helpful and that is the kind of thing to watch out for."

Without data from interviewing CUS and other Synodical leaders to get input from the other side of the Synod-university relationship, the perception arises that the board members sense they recognize that the increased complexity of higher education governance is greater than the Synod's recognition, and the denomination is unsure how to respond to this complexity.

The summary code, denominational purpose, reflects the array of views the interviewees had about the relationship between their institution and the Synod. A number of considerations contribute to creating this code. The enrollment history as shown previously in Table 1 is one of small institutions enrolling primarily LCMS students and educating future church workers contrasted with the more recent enrollment of primarily non-LCMS students who are not preparing for work in the church. The financial model has changed from primary financial supports coming from the Synod to institutions funding themselves. Concern for theological agreement

remains strong, but beyond theology, the role of the Synod in the operations of the

universities appears to be open to ongoing discussion.

Election method. The comments from the first interview question, *what are your*

thoughts about the current selection process of board members, are the basis for this

summary code. The most succinct comment declared the election system to be outdated.

> "My observation is that the selection process is very antiquated. I think we need
> to actually have something that fits the current [era], these are really self-run
> organizations. They are not really, or they may be part of the denomination at a
> global level, but they are really from an organizational standpoint, completely,
> missionally, and otherwise operationally disconnected."

Recognizing that the process is outdated, some comments focused on the candidates as

well as the election process at Synodical conventions. One board member commented,

> "The ones elected at the national convention are absolutely a wildcard and
> sometimes they fit well and sometimes when they get on our board, they scratch
> their heads and say, "Why am I here?" So I guess that quartile of board members
> possibly we should look at some ways of helping to improve that part of the
> process."

Continuing with the wildcard theme, another board chair observed the lack of

connectedness with the new board members,

> "The disadvantage is it really makes it a wildcard and you can have people elected
> that don't have much tie to the university so there's a longer education curve to
> really get them up to speed on how things work and those types of things."

Potential board members who are coming through the Synodical election process

appear to be selected less on their ability to serve and more on how they fit in a political

system according to one board chair,

> "My problem is the Synodical process has turned into a political process so the
> Synodical portion of selecting board members boils down to which faction is
> supporting which slate. It has become a slate-type of selection process at the

Synodical level by people who are not really knowledgeable of the university, the specific university, its needs, its cultures."

Another board chair noted how the election process relies on voters who have little

knowledge about the candidates,

"The Synodically elected candidates, the four that come to us from Synod is very poor methodology. The reason is that the nominations committee for Synod is required to bring forward three candidates for every position, and when you get together all the delegates who can vote on candidates from across the country, the odds that any one delegate will have a slightest idea who they are voting for are between slim and none, and as a result, what we have tended to see is very uneven quality."

Two board chairs who recognized the challenges with the Synodical election

process did have suggestions about how to improve the process. One suggested ending

the Synodical election process,

"My recommendation is that it either gets moved to district where people are more knowledgeable of the culture and environment and needs of the university and are more local to them or those seats would move to selection by the existing board of regents."

Another board chair commented about the institutions having more involvement in the

selection process for Synodical nominees,

"I think, overall, my sense and the sense of our board would be is that we would look for some changes to that process to say that current board could be more involved in that process in the nomination process or the screening process or those types of things to institution on how that works."

The sense that the election process needs some type of change came from this

board chair,

"To have board members selected without any regard to their relationship to the school, their history with the school, it's just, and it's nonsensical. It is not all clear to me what results are trying to be achieved by the structure that we have with the Synodical appointments, the district appointments and other board

appointments. If the goal is to have to make sure that more than half the board is Lutheran that could be put in place."

Inter-campus relationships. The comments from the third interview question, *in the future, how do you see the universities viewing the institution's relationship with the denomination*, are the basis for this summary code. The comments concern how the universities work with each other and with Synod and the Concordia University System. One comment recognized the concept of branding as there are ten institutions that use Concordia in its name and that someone should oversee what that name means to the public,

> "We would hope that the denomination's role in terms more of a national branding of what does it mean to be going to a Concordia that somehow the denomination could be more of a leader in that in terms of its relationship with the individual school."

The sense of the denomination providing leadership also involved reviewing academic programs and making decisions about offerings at different campus with the goal of strengthening the programs by pruning them,

> "I also think there could be a big role for the Synod in helping the universities work together more. Again, the challenge with that is there is cooperation and competition between all the universities for the same shrinking pool of students so there are some challenges there. If we've got two mediocre programs at two different universities, maybe we should just have one really good program in this area and eliminate it at one place."

Similarly, another board chair commented about seeing more cooperation as a means of greater use of the resources available at each campus, "I would like to see more cooperation among the universities and colleges that are members of the CUS because I think we are missing some opportunities for leverage there."

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While most board chairs interviewed saw potential for growth and collaboration among the campuses, one board chair was looking at the Synod to make the difficult decisions about closing campuses. Seeing the future of the denomination as one of great change with smaller congregations closing and the ethnicity of the church changing, the interviewee stated,

"We do not need ten colleges and universities. So either one way or the other, some of these universities are going to leave the Missouri Synod. I would like to see us do it in an orderly, prayerful fashion rather than it happen out of chaos, and now is the time to start working on that. The chaos has already begun, and it is only going to escalate. The big question would be which one? It would take the leadership from the national Synod to do that and say you have two, maybe three convention cycles to get this done. I fear we are not going to do it."

Lutheran identity. The responses that led to the creation of the code discussed Lutheran identity from the focused viewpoint of the institutions to the broader viewpoint of Lutherans as one of the participants in today's changing Christian denominational landscape.

Responding to the fourth question, *what are your thoughts about the effects of the decreasing number of LCMS students on the institution's denominational identity*, one interviewee stated the identity of an institution lies more with the leaders than it does with the students. When few LCMS students are enrolled, there are opportunities to share the church's teaching with a new audience.

"I have just always maintained that the denominational identity and integrity, the theological and doctrinal integrity really has to be communicated from the top down. We can't expect our Concordia to be judged by the theology of the student body. I think as long as we clearly believe, teach and confess Lutheran doctrine from the top down that frees us up then to bring in students who don't already have that theological position and do our best to try to inculcate that upon them."

Referencing the declining membership of the Synod, another interviewee saw the

low enrollment of LCMS students as a mission opportunity among students who do not

come from the denomination.

> "There are decreasing numbers of LCMS students because there are decreasing
> LCMS members. I agree with that and it's a good thing, but it is good we
> (campus) have a relatively high percentage of LCMS students because it is
> students impacting students, and I think it is an important element of college life.
> It's not only professors and staff; it's students impacting students. So we do not
> want to lose that level of LCMS students being involved on our campuses because
> we don't want to lose it if we can prevent it so I think we need to be intentional in
> that way but I do agree that it is a mission opportunity."

Linking the declining numbers in the denomination, one respondent noted that

more church workers are graduating than the church needs creating a system that needs

adjustment.

> "The LCMS is a declining church body. Our congregations, we are closing more
> than we are opening, and as far as Lutheran schools are concerned, we are closing
> far more than we opening many, many more so we simply do not need. There is
> not as great a market for church workers in general as there once was in the
> Synod, especially commissioned teachers. There were far fewer Concordias so we
> have greater output with significantly decreased demand for the product. This is a
> broken system. Anyone will look at that system and say this is unsustainable."

Responses to the final interview question about the declining influence of

denominations in American life provided insight to the board members' perception of

Lutheran institutions in higher education. One interviewee observed that the

denominational identity is non-existent for many people, "My observation is the brand

has shifted from being an LCMS school to a Concordia University school and maybe just

a private Christian college so what most people, unless you are a real insider, you don't

know [about the denomination]."

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Two interviewees identified how the concern for a particular denomination has been replaced with the desire to attend a Christian institution without much concern for the denominational affiliation. One interviewee attributed this change to an overall decrease of knowledge about theological differences,

> "Denominational loyalty, no question about it, is not what it used to be. I think it goes beyond denominational loyalty to actual denominational perspective that even a lot of folks who might consider themselves died-in the-wool Lutherans in terms of denomination actually have a theology that is more influenced by what they hear on Christian radio or read in popular Christian best-selling books and movies and the like. So I guess maybe to answer that question, I think that good Lutheran Christians nowadays are probably just looking for a good Christian school and not necessarily thinking of a Lutheran school. You are dealing with those who are looking for a safe haven and Christian bubble to escape the world."

Another comment attributed the age of potential students as a reason for a lack of interest in choosing a particular denomination as well as the concern about the quality of the institution they attend,

> "I think in terms of what people that age are looking for would be they are going to say, 'We want to go to a solid Christian university.' They are not going to be as concerned about whether it's Lutheran or Methodist or Presbyterian or whatever it would be…. I just don't know how people are going to pick Concordia because it's Lutheran. They're going to pick it because it's an excellent Christian university."

In response to the third question about the institution's relationship with the denomination, one interviewee noted that for some people there is indifference or lack of knowledge even about the different Lutheran denominations, which the LCMS may or may not understand,

> "I think the denomination can make, that the Synod can make it so difficult that people will decide otherwise. That is a possibility or the institutions may decide on an individual basis that having a Lutheran identity or tie to the Synod is not so critical for them. It is hard to predict the future. Most people have no concept of

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the difference between LCMS and ELCA (Evangelical Lutheran Church in America). They just don't get it and it doesn't matter to them, and so for us when we are out here in this part of the country, it is important for us to talk about Lutheran identity and vocation. If we insist on being LCMS only, LCMS only and LCMS only and the congregations continue to decline, decline, it is going to put a lot more pressure on the schools to have to try to find LCMS people."

Student focus. Responses to two questions provided insights about the views of board member regarding students and their relationship to the institutions. For the board chairs interviewed, the denominational identities of students do not appear to be a significant factor in how they view their institutions.

One interviewee to the fourth question about the decreasing number of LCMS students on the institution's denominational identity observed denominational loyalty is a foreign concept to students,

> "I do realize that obviously the denominational loyalty among our young people is certainly very different than it has been with other generations. And I think that they select the university they wish to go to based on more than just a denominational issue, and so I think that plays into it, and there is another very important factor out there that just says there are far fewer young Lutherans of that age group, you know, the college age group."

Two interviewees noted more concern with the denominational identity of the faculty than with the identity of the students. One of the responses viewed today's enrollment numbers as good,

> "I think the vision and mission of Concordia is to be a Christian college that promotes the values of the LCMS denomination is belongs to regardless of the kinds of students that are there, and of course, it makes it harder to do that if nobody understands what those values are, but frankly, I think it has less to do with the students and more with the professors. Today are the glory days. We are getting a much higher share [of LCMS students]. It is the denomination that is the issue. Again, if you get, if you have an irrelevant denomination, there is not much the university can do to fix that problem."

The second interviewee observed how faculty and staff have to understand what a

Lutheran education entails and how it is beneficial to every student,

> "I think as long as you have a critical mass of faculty, in particular faculty and staff who are Lutheran, you educate the rest of the faculty and staff so that they understand what we are doing and why we are doing it. The fact that you do not have as many LCMS students as you might want to have is not really so important in part that is because as I say, my view is what you are teaching the students you are teaching them and giving them experiences that many of them, even the LCMS kids, do not appreciate until a later point in their lives. So part of what we do is to try to bring non-LCMS people, students, our students into a Lutheran experience that changes their lives and that is very missional."

Responses to the sixth question about denominations in American life provided

insight about the concern of the respondents regarding the institutions keeping their

theological foundation even as students come from a different or no denomination. One

prevailing theme in all the responses from the board chairs was that with all the changes

occurring, each institution must maintain its theological foundation and no changes

should occur to that foundation,

> "So in and with that, when we are attracting more Catholics and Baptists, that is not a bad thing at all, and the fact that we have growth in the other populations, that is still okay in the thing that we have to do, especially in this world in which there are so many denominations that have very watered-down theology. We have to maintain kind of a firm, unwavering approach in terms of our theology, but on things where you can be flexible, we need to be flexible so we can work to kind of attract students."

Another interviewee combined the concern for providing quality education without

changing theologically. Students are searching for high quality education,

> "I think quality of the educational experience and quality of the culture are far more important than denominational affiliation, and I think all of the LCMS colleges and universities, at least that I am close enough to have a feeling about, understand that they need to reach more people because of the quality education, the quality environment, and in many cases, the Christian environment, but a lot of it has to do with the quality education and the quality of the cultural

environment. LCMS theology is as solid as it comes from a Biblical standpoint so that is an argument we can win, but let's figure out how to be more relevant and therefore more successful in reaching out to the unchurched without compromising our theology."

Chapter 5: Discussion, Conclusions and Implications

Compared to the rest of the world, one unique aspect of public and private non-profit higher education in the United States is the governance of the institutions by governing boards composed of volunteers. Some governing boards are self-perpetuating, while others have members appointed by state governments or related entities such as religious bodies. Some board members have much experience in higher education, while other members have little if any experience in higher education. There might be people who question this type of governance, but it has a long history going back to the establishment of Harvard College in 1636 and even before then in Europe. A second unique aspect of higher education in the United States is the continued affiliation of some colleges and universities with religious bodies, most notably Christian denominations. Some denominations are closely involved in the governance of their institutions, participating in the selection of board members, while others have a relationship where the denomination has little involvement in the governance or operation of the institution. The most important change in the last several decades in the relationships between denominations and institutions is the decline in financial support from the denominations to institutions with denominations contributing approximately 1% of operating revenues at the turn of the century (Hawkins, 2000).

These church-related institutions operate at a time when the trends in religious practices in the United States are impacting denominations. The membership in mainline Protestant denominations has declined during the past 40 years. People are identifying themselves as spiritual in place of being religious and affiliating less with particular

congregations and denominations. The spectrum of religious identities and practices has broadened to include many beliefs beyond the Judeo-Christian identity. The United States has viewed itself as a "melting pot" of peoples; now it is also a "melting pot" of religious beliefs and an increasingly secular society.

The purpose of this research was to answer the question, *how do trustees at denominational colleges and universities lead their institutions in an era of declining denominational identity*? One denomination in particular was studied, the Lutheran Church – Missouri Synod, with its 10 colleges and universities which comprise the Concordia University System. The 10 institutions, founded between 1864 and 1976, are located in 10 states and enrolled 33,399 students in 2014. The governing boards of each of these institutions consist of eight members selected by the board in a self-perpetuating fashion and eight members selected through elections by the denomination, with all members limited to serving three, three-year terms. The framework for this research was agency theory, which has been used in research on for-profit corporate governance, where the board members monitor the activities of the agents or management on behalf of the owners or principals, the shareholders. Non-profit higher education institutions do not have owners or principals so using agency theory is a new line of inquiry in understanding board governance. With the denominational ownership of the Concordia institutions as well as the denominational election of half of the board members, agency theory can be applied on the basis of how the board acts on behalf of the denomination as it interacts with the administration of the institution.

Summary of the Research

Nine of the 10 Concordia institutions participated in the research. Of the 134 board members who were invited to participate in a quantitative online survey, 102 responded for a high response rate of 76%. Such a high response rate might be reflective of the respondents' interest in knowing how they serve as a group and also be reflective of their dedication to their denomination. Men were 74% of the respondents and women, 26%. The ethnicity of the group was 96% white. Fifty-eight percent of the group was at least 56 years old. The profile of the overall group of board members is similar to the findings of Fain (2010) who characterized boards as being overwhelmingly white, male and over 50 years of age. Eight of the nine board chairs interviewed were men.

Three questions guided the scope of the research to determine how trustees are leading denominational colleges and universities in an era of declining denominational identity with agency theory serving as the theoretical framework. The three questions targeted the different groups with whom trustees interact: the denomination, the administrators and the students.

Board members and the denomination. The first question asked *how do trustees measure their work in terms of the denomination's expectations of them*, a question central to agency theory. The second scale calculated in the factor analysis, accountability to the denomination, was formulated from the four roles and responsibilities listed in Table 26. The standard deviation ranged from 0.86 to 1.03 with the median of 0.91. The post hoc comparisons for the role of being held accountable by the members of Synod and the congregations indicated a significant difference at $p < .003$

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between those elected at a Synod election (M = 4.30) and those elected by the board (M = 3.47). Post hoc comparisons for the role of representing the members of Synod and the congregations also indicated a significant difference at p<.001 between those elected at a Synod election (M = 4.26) and those selected by the board (M = 3.38).

Table 26

Selected Roles and Responsibilities Pertaining to the Denomination

Role and responsibility	Mean
To represent the needs of the LCMS students	3.90
To represent the purposes and goals of the Synod	3.89
To be held accountable for my work by the members of Synod and the congregations	3.75
To represent the members of Synod and the congregations	3.74

Board members and administrators. The second question targeted the administrators with whom the boards interact and asked, *how prepared are the trustees to understand and review the work of the administration*. The first scale calculated in the factor analysis, standard board responsibilities, was formulated from the six roles and responsibilities listed in Table 27. The roles and responsibilities in this table are more typical of college and university boards compared to the roles in the Table 26.

Table 27

Selected Roles and Responsibilities Pertaining to the Administration

Role and responsibility	Mean
To provide proper financial oversight	4.71
To address the needs of the institution	4.66
To ensure effective institutional planning	4.65
To assess the president's performance	4.64
To assess my own performance	4.58
To assess the board's performance	4.48

The standard deviation ranged from 0.46 to 0.69 with a median of 0.61 compared to a range of 0.78 to 1.03 with a median of 0.91 for the roles and responsibilities in Table 26. With the means above 4.45, there is a strong agreement of what the board members are expected to do in relationship to the institution's administration. There were no statistically significant differences between the type of election process, but there was one statistically significant difference between the type of category for the role of assessing the president's performance at $p<.007$ between commissioned ministers (M = 4.25) and laypersons (M = 4.73). Overall, the Concordia board members are fulfilling typical roles and responsibilities similarly to the other higher education boards (Nason, 1982; Chabotar, 2006; Chait, Holland & Taylor, 1996).

Board members and students. The third question targeted the students of the institutions and asked *what impact does the declining denominational identity of students have on the work of the trustees*. The third scale, students from the denomination, was formulated from two roles and responsibilities. The role of being able to create an environment (or having the authority to shape campus life) that attracts LCMS students (M = 3.74) was lower than being responsible (or being accountable to the Synod) for creating an environment that attracts LCMS students, or (M = 3.85). There was no statistically significant difference with these two roles between the types of category or election process. The role of representing the needs of all students appears to have strong acceptance among the board members, even stronger than meeting the needs of LCMS students (M = 4.47, M = 3.90, respectively).

Discussion and Conclusions

The survey was designed to gather data from the board members about their experiences and their understanding of the expectations of a board member. A survey by Selingo (2007) found 15% of trustees were "very well prepared" for beginning their role while 38.2% of the Concordia trustees described themselves as being "very well prepared." Wray (2010) discussed the practice of alumni serving as board members. Roughly 23% of the Concordia board members are alumni of where they are serving. A one-way analysis of variance on the roles and responsibilities of boards showed no significant difference between alumni and non-alumni board members in their views as defined by the seven scales developed in the factor analysis of the 24 items. Similarly, there was a lack of difference in the survey results between men and women.

One of the responsibilities in the question pertaining to board members' roles and responsibilities included selecting board members that reflect the diversity of students that had a mean M = 3.62, SD 0.97, but the ANOVA by election basis [$F(2,99) = 5.488$, $p = .005$] reflected a significant difference in views on board diversity. Board members elected at the Synod convention (M = 3.19) were lower than board members selected by the board (M = 3.91). In Table 6, *Gender Breakdown of Board Members by Classification and Election Process,* there were 66 laypersons elected by the board, 51 men and 15 women. It appears that the boards are ignoring the basic form of diversity, gender, when selecting their members.

Wood (1985) identified three models of boards in how the board members work together. A ratifying board approves the president's decisions with little discussion, a

corporate board attempts to run the institution like a business and a participatory board operates in a familial style and often has a high number of alumni trustees. Supporting the president was one of the responsibilities in the question pertaining to board members' roles and responsibilities that had a mean M = 4.56, SD 0.61, but the ANOVA by election basis measured [$F_{(2,99)}$ = 4.56, p=.012] reflecting a significant difference in views between members elected at the Synod convention (M = 4.30) and members selected by the board (M = 4.72). In addition, 23% of the board members are alumni and those board members (M = 4.43) were less supportive of presidents than non-alumni board members (M = 4.59), although alumni elected through Synod conventions (M = 4.57) were more supportive than non-alumni (M = 4.30) elected through Synod conventions. Categorizing the Concordia boards in one of the three Wood identified is difficult as there is some statistically significant difference in the support of the president and the number of alumni board members is not a majority.

Radock and Jacobson (1980) stated trustees should donate their own funds and solicit gifts. Contributing financially to the institution was one of the responsibilities in the question pertaining to board members' roles and responsibilities that had a mean M = 4.38, SD 0.83, but the ANOVA by election basis measured [$F_{(2,99)}$ = 8.42, p = .000] reflecting a significant difference in views on donating to the institutions between board members elected at the Synod convention (M = 3.89) and board members selected by the board (M = 4.66). The ANOVA by category measured [$F_{(2,99)}$ = 4.27, p = .017] reflecting a significant difference between commissioned ministers (M = 3.75) and laypersons (M = 4.48).

Considering that all respondents are members of LCMS congregations, one might expect the means to be at least 4 or higher on the roles and responsibilities pertaining to the denomination as evidence of unity among board members who are leading church-related institutions and serving as intermediaries between the Synod and the leadership of the institutions as expected with agency theory. Two survey comments, in particular, referenced whom they believe the board members represent. One layperson stated succinctly, "As I was not elected by Synod, I don't think I have to represent Synod." Another layperson stated, "Being held accountable to congregations and members of the Synod has to be carried out primarily through re-election / re-appointment processes." The board chairs interviewed expressed opinions reflecting different viewpoints of their relationship to the Synod. One board chair commented, "As long as the Synod continues to consider the Concordias their own, I believe that it is good that Synod and district conventions elect some of the regents." Another board chair commented, "To have members of the board be selected without any regard to their relationship to the school, their history with the school, it's nonsensical." The comments and opinion reflect significant differences on the relationship between the Synod and the institutions, which then impacts how the board members view their duties.

In response to the survey question about the most critical issue facing the institutions, a board-selected layperson stated, "Governing authority of the board of regents [is] being undermined by Synod." An ordained minister, voted through the Synod, wrote, "The challenges and responsibilities of self-governance. Synodical support is minimal but control is high." Another board-selected layperson wrote, "The adversarial

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relationship that current Synodical and CUS leadership is cultivating towards institutions

of higher education in Synod is unsettling to orderly planning processes among us and

causing turmoil and stress." A commissioned minister, elected through the Synod,

described the issue as, "remaining faithful to the mission and goals of the Synod, but

being able to diversify our offerings to attract more students and not losing entirely the

church work preparation programs." The statements reflect a wide array of views

concerning the relationship between the board members and the Synod. The structure of

the governance raises questions, but there is genuine concern the theological training of

the past remains strong. As the administrators seek to carry out the Synodical

requirements for their institutions, the board members are in the middle between a

denomination that senses the institutions identifying less with their original role and

administrators who have moved farther into the academic areas where the marketplace is

showing growth.

Two interview questions with board chairs focused on the relationship between

the board and the Synod. The first question asked for their thoughts about the level of

involvement of the denomination in the governance of the institutions. One observation

was that the model of the past is inappropriate for today. "The top-down involvement of

the past is no longer relevant or necessary. We have universities that can certainly take

care of themselves and move forward on their own," as one board chair stated. One

element of the past was significant amounts of operational funding but as that has ended

the Synod's role operationally in the institutions, as one board member suggested the

Synod's "level of involvement in the governance probably should be minimal."

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Comments written by the survey respondents show the theological harmony between the Synod and the educational institutions to be in reasonably good condition according to many board members with support of the Synod's doctrine. One board member commented, "We pay a great deal of attention to the theological constraints that the Synod places on us not because we feel we have to but because we want to because we consider it to be a vital portion of what we are committed to do." Another board member commented that "the Synod should have some oversight in terms of making sure that the doctrinal stance and teaching are all appropriate."

The second question about the relationship between the Synod and the denomination asked what that relationship might be in the future. A stronger focus on partnership between CUS and the institutions was the hope of one board member, while another hoped to see "CUS provide more of a level of cooperation between the colleges and universities." While one board member expressed a desire that the Synod could focus on national branding of what it means to attend a Concordia, another board member stated that the denomination has a low relevance for most parents and students and that relevance could impact the future relationship between the Synod and the institutions.

In terms of the denomination's expectations of them, the board members of the Concordia institutions offer less of a unified picture than one might expect from a group of people all coming from the same denomination given none of scores of their responses for roles and responsibilities related to the Synod was at least 4.00 signifying agreement. Board members that come out of the Synod elections appear to have a greater sense of working on behalf of the Synod as one might expect based on agency theory, while board

members selected by the board appear to focus more on the university or college than on the Synod. One factor in this difference could be the elected board members are predominately ordained and commissioned ministers, while the boards at individual institutions select only laypeople as new members, yet each group of board members serves the same institution within the same denomination.

There was a sense that denominational expectations of the institutions need to change. Without providing significant operating dollars as the Synod did in the past, some trustees believe the Synod has lost its right to be as heavily involved in governance as it was in the past, yet the ownership interest of the Synod in the institutions remains intact, and as such, the agency relationship with the administrations, boards and the Synod remains in effect. No trustee expressed any desire to weaken the theological relationship but beyond that relationship, the Synod should attempt to move in new directions. In place of focusing on operational expectations, the Synod could partner with the institutions to help with their national exposure.

While most of the responses to the question about the most critical issue discussed finances or institutional identity, there were a few responses about fellow board members. A board-selected layperson lamented how the election process is "deeply flawed" with the Synod election always having the risk of turning over all four elected members every three years, and the institutions having no input in the candidate selection process. Another board-selected layperson noted the increased need for board members who have expertise in their vocational fields, such as law or human resources.

One of the interview questions with board chairs identified a possible weakness in preparing people to serve on the boards. The first interview question asked for thoughts about the current selection process of board members. The most commonly identified weakness is the election process at the Synod conventions, yet from the perspective of agency theory, the Synod is exercising its authority most directly in selecting board members to monitor the work of administrators. Respondents identified the Synod election process as too political with electors voting for candidates they do not know to fill board positions on campuses they have not visited. One respondent identified the universities as "completely, missionally, and otherwise operationally disconnected" from the Synod, and the board selection process should reflect how they are self-run organizations. Another board member noted that the board members selected by the Synod have a longer education curve in getting them up to speed on how things work.

Board chairs interviewed expressed the desire to change the election process of board members. When considering agency theory in terms of the first research question about denominational expectations, the group of board members selected by the Synod was the group that was most closely aligned with the theory of working on behalf of the Synod. For each board, the four members elected at the Synod convention represent one-quarter of the total 16 board members. They are elected every three years so there is always the possibility they may serve only one or two terms. While those board chairs interviewed identified this process as a weakness, agency theory suggests that these trustees are the ones most likely to consider themselves to be intermediaries between the agents of the institution and the principal, the Synod.

Board members appear not to have an accurate understanding of who is attending the institutions. One question in the survey asked respondents to estimate how many of the students in all the institutions come from the LCMS. Fifteen percent thought up to 20% come from the LCMS and 59% thought 21 to 40% come from the LCMS. Table 1 indicated that only 14.2% of the total enrollment comes from the LCMS. This discrepancy could be a result of focusing on the traditional undergraduate students or unfamiliarity with the enrollments at the other institutions while trying to estimate the percentage of all institutions. Another result indicated that 77.5% of the respondents stated they spend one hour or less with students. With a limited amount of time spent with students, the respondents might not be seeing the student body as it exists. According to their responses to a question about the future enrollment of LCMS students, 70.6% of the board members expect to see a lower enrollment. This decline in LCMS enrollment is closely related to the concern about institutional identity.

In response to another survey question, 53.9% of the respondents stated that having 20% or fewer students from the LCMS was the lowest percentage that would jeopardize the institution's LCMS identity. An even greater percentage, 68.6% of the respondents stated that having 20% or fewer students studying for church careers was the lowest percentage that would jeopardize the institution's LCMS identity. With 14.2% of the total students coming from the LCMS, institutional identity is a concern, and respondents expressed that viewpoint in the open-ended survey question about the issues facing the institutions.

In response to the question about the most critical issue, of the 21 survey

comments coded as referencing identity, 14 came from board members elected by the

Synod, one from a board member elected by the district and six from laypeople selected

by the board. A layperson elected by the Synod commented, "Whether we are truly

Lutheran institutions. We have become all things to all men and therefore have lost our

identity." Another layperson elected by the Synod stated, "I believe the most critical issue

for the CUS is maintaining Lutheran identity and pure doctrinal teaching because of the

disunity in the Synod caused by un-Lutheran worship practices." A commissioned

minister elected by the district stated simply, "Remaining faithful to Christian identity

and mission while remaining financially viable." A layperson elected by the Synod

reiterated the theme of identity and finances by stating, "Lutheran identity/finances. The

two go hand in hand. Since many of our Concordia institutions are struggling financially,

the temptation is to be pragmatic about the way we handle issues in an effort to be

fiscally responsible rather than standing firm in our Lutheran identity." Two final survey

comments reference the struggle of maintaining a Lutheran identity in a pluralistic

society. A commissioned minister elected by the Synod stated, "Loss of Lutheran

identity. We are becoming milk-toast Christians to please the community and gain

students. We are post-modern and don't want to offend anyone. Our focus is on sports

and non-Lutheran focused classes. God will not bless the work we do." A board-selected

layperson wrote, "Trying to balance the need to identify with the LCMS versus appealing

to a broader audience in order to attract quality students who choose the CUS other than

for its ties to LCMS."

The comments about identity coordinate well with survey question about the denominational identity of the students and faculty. They were neutral about the denominational identity of the student body as being a critical component of the campus' LCMS identity and neutral about the denominational identity of the students impacting their work. For board members the denominational identity of the faculty is a critical component of the institution's LCMS identity, and the faculty identity is more important than the students' denominational identity. The identity ultimately comes from the Synod and not the students whom the institutions serve.

The fourth interview question with board chairs asked about the effects of the decreasing number of LCMS students on the institution's identity. Interviewees recognized the decreased denominational loyalty of students when selecting a university is exacerbated by a denomination that has a declining membership number. While the student numbers come less from the LCMS, one interviewee observed the faculty does not and "is a way to ensure that the viewpoint from how we are teaching things stays true and make sure everything that everyone is teaching is from the same Christian perspective." The institutions' identities come more from the faculty than from the students is a belief the board members hold.

As denominations wane in their significance in American life, how will that affect places like the Concordia institutions was the last interview question and there was acceptance that families look more for universities that are Christian with less concern about the denomination and more about the quality of the educational experience. One interviewee stated that campuses understand they need to "reach more people because of

the quality education, the quality environment and in many cases the Christian environment, but a lot of it has to do with the quality education and the quality of the cultural environment." Another board chair stated, "I just don't know how people are going to pick Concordia because it's Lutheran. They're going to pick it because it's an excellent Christian university." One reply expressed concern from the denominational angle and that as it feels it is starting to lose control, "what it does is puts the death grip on some of the institutions by trying to exercise more control than is helpful and that is the kind of thing to watch out for."

Limitations

There were several limitations with this study. The focus was on the board members of one denomination. The responses and experiences of another denomination could be quite different in denominations that have no role in the governance of affiliated colleges and universities or in denominations that select all board members for their higher education institutions.

The response rate of 76% was good but could have been higher. Sending the survey during the Thanksgiving through New Year's holidays might have been a factor, although the respondents did have until mid-January to complete it. One institution did not respond to requests to participate, so the results do not represent a complete picture of the board members of the Concordia University System.

In the survey, one question was poorly constructed. It asked the respondents to estimate the percentage of students at their institution and all institutions based on ethnicity, first generation enrollment and financial aid. The challenge with the question

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was the inability of the researcher to verify their estimates against any collected data as there are no data for the statements except for estimating the percentage of LCMS students enrolled in all the institutions. Those data are available from CUS and is included in chapter 3. Only this statement was included in the data analysis.

In the telephone interview, the fifth question asked what the board members could do to address the enrollment of LCMS students. A few interviewees replied with tactics being used on their campuses, but one interviewee correctly replied there was nothing the board could do as that was not a board responsibility. The results of this question were not included in the data analysis.

<div align="center">Implications</div>

Tierney (2004) noted that gaining access to boards for the purpose of research was a hurdle to overcome so this research makes a contribution to that literature, particularly given the high response rate. In terms of the overall research question, *how do trustees at denominational colleges and universities lead their institutions in an era of declining denominational identity* within an agency theory framework, the presidents and administrators of the Concordia campuses continue to lead them as agents of the Synod, with the governing boards monitoring their work on behalf of the Synod especially with the election method at Synod convention producing trustees who see themselves more oriented towards the Synod than those trustees selected by the board. Synod leaders might wish to increase the number of board members elected at the Synodical conventions and increase the number of board members who see themselves as representing the Synod in their service.

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The survey did not ask for responses from the Concordia presidents, but as the other party of the agency relationship, they would have an interest in this research. For presidents who are seeking to distance their institutions from the Synod, they could work to increase the number of trustees the institutions are able to choose, making the total number of board members selected by the board greater than those elected at the district and Synod elections. Presidents who are content with the existing relationship between their institutions and the Synod might seek to leave the structure as it currently exists.

Individual boards will continue to lead their institutions as they have in the past focusing on the long-term mission and operation of their institutions. While the boards express no disagreement with the theology of the Synod, there is disagreement with the involvement of the Synod in the governance of the institutions. The boards could choose work towards changes in the selection of board members and campus presidents through the voting process at Synod conventions.

This research provided many types of data about the experiences, impressions and concerns of individual board members. Although the board members all come from the same denomination, they expressed differences in their views towards the Synod and its role in their service as board members. Board members could benefit from having frank discussions about how they view their work in relationship to each other and to the Synod.

The Concordia boards are part of the estimated 800 colleges and universities in the United States affiliated with Christian denominations with varying degrees of involvement in their governance. The governing boards are now leading institutions that

have missions, often religious in nature, which they have to support in an increasingly

non-denominational, secular market. As board members seek to lead their institutions in a

higher education environment increasingly dominated by market forces, they have to

avoid to "treat(ing) the institutions they superintend as ideal entities rather than the

competitive enterprises they are" (Zemsky, Wegner, & Massy, 2005, p. 208). Boards

have to govern institutions balancing between missions that can be linked to the history

of their institutions with a narrow educational focus in a market where students are

looking for academic programs beyond that narrow focus and one in which there is

increasing competition to get students to enroll.

Implications for Theory

After reviewing several theoretical foundations for the present study, agency

theory was selected from a set of other possible theoretical foundations for research on

governing boards. Agency theory considers how "agents" (in this case the leaders of the

Concordia institutions) implement the priorities of the "principals" (in this case the

Synod) (Willikens & Sercu, 2005). Given that the boards assume an intermediary role

between the principals and the agents, agency theory was limiting in that agency theory

does not discuss the role of intermediaries such as governing boards. The literature on

higher education governing boards suggests that boards play a buffer role, especially in

the case of public institutions where boards serve to buffer the influence that political

parties and actors may have on public higher education entities. In the case of most

secular private institutions which do not have a single "principal" to consider, governing

boards of private institutions consider the perspectives of many stakeholders.

Stakeholder theory suggests that the manager of an organization has obligations to a group of stakeholders and that the maintenance of these diverse stakeholder relationships may influence the development of the organization (Wellens & Jegers, 2014).

Results of the present study included some findings which are consistent with agency theory. Board members elected through Synod elections saw themselves as being held accountable for their work with the administration on behalf of the members of the Synod and the congregations as well as representing the members of the Synod and the congregations more clearly than did the board members elected through district or board elections, but this consistency alone does not mean that agency theory is the best foundation on which to examine boards of higher education institutions. While the Synod had a significant role in the development of the Concordia institutions, the campuses now enroll larger numbers of students who neither come from the denomination nor are pursuing academic studies leading into church vocations, the predominant academic pursuit until the 1990s.

Some of the findings of the present study suggest connections with a broader understanding of the multiple dimensions of resource dependence theory. The fact that less than one percent of the institutions' resources comes from the Synod considers only one of the "resources" of the Synod, i.e., financial resources. It is clear that the basic Lutheran tenets of the Synod, which are also appropriately considered as a resource in the context of resource dependency theory, were well understood and valued by board members as part of their broader concerns about the Lutheran identity of their institution in an increasingly secular society.

A challenge with researching higher education governance is the lack of a standard theory as Kezar and Eckel (2004) noted. They identified the challenge with each theory of governance is a lack of a standard, precise definition of governance and noted that most research on boards focused on the structure of governance. Bastedo (2009) expressed his hope to construct a theory of education governance to help scholars in their research. Tierney (2004) developed a cultural analysis of governance in which the culture of the institution guides the governance as it follows academic and localized cultural norms. His model represents an effort to analyze governance within the broader context of the institution beyond the narrow functional aspects of governance.

Additional theoretical frameworks should be examined to see if they might provide a better foundation for research on governing boards, especially governing boards of particular types of institutions. It may be that the institutional identity theories might provide a better foundation for research on board governance in institutions that have undergone significant changes in their identity. Freed (2012) identified the isomorphism of higher education with institutions becoming more similar to each other and losing elements of distinctiveness as they imitate each other when pressured by uncertainty. Organizational identity theory was a lens for understanding the role of unique campus signature events that build campus community. The Concordia institutions once shared a unique Lutheran identity preparing primarily LCMS students for church vocations. As these institutions increase enrollment, particularly among students from outside the LCMS, and offer academic programs similar to other institutions, maintaining a Lutheran identity will be a challenge for the governing boards

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as they seek to balance expectations from the Synod with the current trends in the higher education marketplace.

<center>Additional Research</center>

Structurally, a president reports directly to the governing board. There could have been a survey or interview of the Concordia presidents to obtain their views on the roles of the trustees and the changes in denominational identity in society. Unique to the LCMS institutions is the role of the Concordia University System, an entity that the Synod uses to provide more oversight to the institutions. CUS has its own governing board and those members could provide insight into the overall governance of higher education in the LCMS. A survey of a sample of students at each institution could provide insight into their perceptions of the denominational identity of the campus and the role of the denomination in the life and operation of the institution. On a daily and direct basis, faculty members interact with students and experience the role of the denomination the life of the campuses. Surveys and interviews of their views of the role of the denomination in the operation of the institutions would provide additional insight, particularly as the survey respondents believed the denominational identity of the faculty is more important than the denominational identity of the students as shown in Table 15.

This research focused on the role of governing boards and their relationship with denominations. Future research could focus on the groups with whom trustees interact as they experience the changes in the importance of denominational identity in society. Denominational leaders have a broad view of the religious landscape and would have views on the role and future of denominational colleges and universities, particularly in

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terms of agency theory and how administrators are managing institutions on behalf of their denominations.

Students at denominational colleges and universities would provide insight into the changes in denominational identity. Using the denominational identity of students as the independent variable could lead to findings about their selection of and value of attending a particular denominational institution.

This research indicated that the denominational identify of faculty members is critical for the denominational identity of the institution. Research could focus on their perception of their role in maintaining denominational identity, as well as the importance of that identity to their work and to the students.

Concluding Thought

In Martin Luther's *Small Catechism*, a book written for parents to use in teaching their children the Christian faith, each section of teaching is followed by the question, *what does this mean*, with his explanation, a question one could easily ask about this research. Church-related colleges and universities continue to have their governance led by volunteers with varying knowledge of higher education who work to see that their institutions will operate from one generation to the next, even as the generations change in their religious identities. For the Concordia institutions, the current board members want to see their institutions thrive but have concerns about the election process of board members and the involvement of the denomination in the governance of the institutions which is perceived to be less than helpful or a hindrance. The presidential selection

process with the Synod having authority to remove candidates the boards have selected is an issue to be addressed in the future.

The total enrollment at the 10 Concordia campuses is greater than it ever has been with 33,399 students in 2014, a sign that the institutions are being successful in the market, but the enrollment of students from the LCMS, a part of their historic mission, is the lowest percentage of students it ever has been having decreased from 61.3% in 1985 to 12.1% in 2014. The challenge for the LCMS is to see its colleges and universities as Lutheran even when the enrollment of LCMS students and those studying for church professions continues to fall. The changes and challenges that come with the changing denominational identities of students do not appear to have a significant impact on the work of the Concordia board members. That may not be the case for the LCMS when it meets in convention where voters can make decisions impacting the Concordia institutions and the work of their boards. What makes an institution Lutheran and what is the role of the college and university boards in keeping the institution Lutheran are questions the LCMS has to answer even as society has less and less interest in that answer.

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Appendix A

Survey of board members of the institutions of the Concordia University

Part 1 Board Member Information

1. Which of the following describes the basis for your selection to the Board?

○ Ordained Minister   ○ Commissioned Minister   ○ Layperson

2. How were selected for the board?

○ Elected at Synodical convention   ○ Elected at District convention   ○ Selected by the board

3. In which term are you currently serving?

○ First   ○ Second   ○ Third   ○ Fourth or more

4. Have you received a degree from the institution you serve?

☐ No

☐ Yes, I received my bachelor's degree. Please provide year.

☐ Yes, I received my master's degree. Please provide year.

Year(s)

[   ]

5. Have you received a degree from a Concordia different from the one you serve?

☐ No

☐ Yes, I received my bachelor's degree. Please provide year.

☐ Yes, I received my master's degree. Please provide year.

Year(s)

[   ]

6. Currently, do you have relatives (check all that apply)

☐ enrolled at the Concordia for which you serve as a Board member?

☐ enrolled at a Concordia different from the one for which you serve as a Board member?

☐ employed at the Concordia for which you serve as a Board member?

☐ employed at a Concordia different from the one for which you serve as a Board member?

☐ I have no relatives enrolled at or employed at any Concordia campus.

7. Have you served on the board(s) of (check all that apply)

- [ ] other colleges or universities within the Concordia University System?
- [ ] the Concordia University System?
- [ ] any other LCMS entity? (CPH, LCEF, the LCMS Foundation or the seminaries as examples)
- [ ] colleges or universities outside of the Concordia University System?
- [ ] other types of non-profit organizations?
- [ ] for-profit corporations?
- [ ] none.

Survey of board members of the institutions of the Concordia University

Part 2 Before Your First Meeting

8. Was serving on the board of a Concordia something you had desired to do?

○ Definitely not.   ○ Probably not.   ○ Yes, probably.   ○ Yes, definitely.

9. After your selection/election, did the president from the college or university contact you before the first meeting of the Board?

○ Yes   ○ No   ○ I do not remember.

10. After your selection/election, did a fellow board member of the college or university contact you before the first meeting of the Board?

○ Yes   ○ No   ○ I do not remember.

11. How familiar were you with the Synodical Handbook with its list of board responsibilities before the first meeting?

○ Not at all   ○ A little   ○ Somewhat   ○ Very familiar   ○ Extremely familiar

12. Did you receive orientation materials from the board before your first meeting of the Board?

○ Yes   ○ No   ○ I do not remember.

13. Before your selection/election, when had you last visited the campus?

○ Within the last year   ○ Within the last 2 to 5 years   ○ Within the last 6 to 10 years   ○ More than 10 years   ○ I had never been to the campus.

14. How familiar were you with the campus operations and activities prior to the first meeting of the Board?

○ Not at all   ○ A little   ○ Somewhat   ○ Very familiar   ○ Extremely familiar

15. How familiar with these issues in U.S. higher education were you when you were first selected/elected?

	Not at all	A little	Somewhat	Very familiar	Extremely familiar
Tuition rates	○	○	○	○	○
Student debt	○	○	○	○	○
Racial/ethnic diversity among students	○	○	○	○	○
The use of adjunct faculty	○	○	○	○	○
The role of the federal government	○	○	○	○	○

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16. Walking into that first meeting, how prepared did you feel to serve on the board?

◯ Not at all ◯ A little ◯ Somewhat ◯ Very ◯ Extremely

Comments

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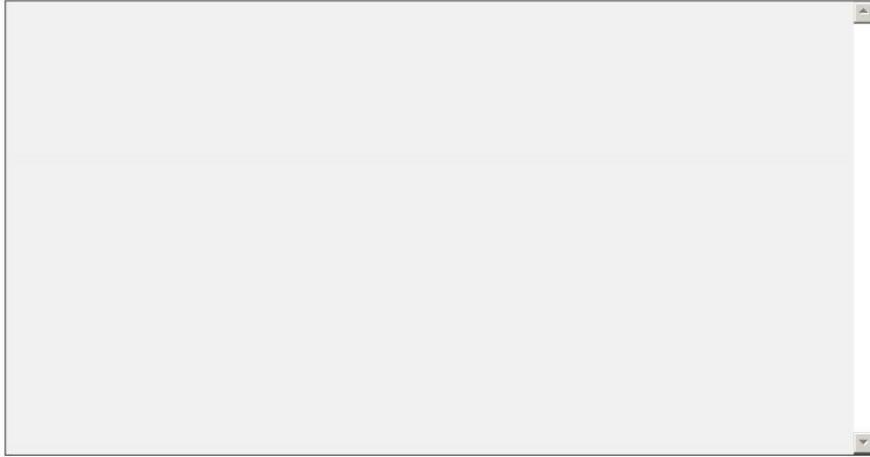
Survey of board members of the institutions of the Concordia University

Part 3 Your College/University

17. Rate your understanding of the following:

	Poor	Fair	Good	Very Good	Excellent
- how your campus functions overall	○	○	○	○	○
- the faculty governance system	○	○	○	○	○
- student life on campus	○	○	○	○	○
- student financial aid	○	○	○	○	○
- financial strength	○	○	○	○	○
- retention rates	○	○	○	○	○
- graduation rates	○	○	○	○	○
- diversity of the student population on campus	○	○	○	○	○

18. Among the following statements, estimate the percentage of undergraduate (18-22 year old) students

	0-20%	21-40%	41-60%	61-80%	81-100%
at your institution who come from the LCMS	○	○	○	○	○
at all ten CUS colleges and universities who come from the LCMS	○	○	○	○	○
at your institution who have non-Caucasian backgrounds of one or both parents	○	○	○	○	○
at all ten CUS colleges and universities who have non-Caucasian backgrounds of one or both parents	○	○	○	○	○
at your institution who are first-generation college students	○	○	○	○	○
at your institution who receive institutional, need-based financial aid	○	○	○	○	○
at your institution who receive institutional, merit-based financial aid	○	○	○	○	○

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19. Please agree or disagree with these statements.

The denominational identity(ies)

	Disagree strongly	Disagree	Neutral	Agree	Agree strongly
of the students is a critical component of the campus' identity as an LCMS institution.	◯	◯	◯	◯	◯
of the faculty is a critical component of the campus' identity as an LCMS institution.	◯	◯	◯	◯	◯
of the faculty is more important than the denominational identity of the students.	◯	◯	◯	◯	◯
of students have an impact on your work as a board member.	◯	◯	◯	◯	◯

Comments on these statements

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20. Please estimate the following percentages.

Denominational identity

	0-20%	21-40%	41-60%	61-80%	81-100%
What is the lowest percentage of LCMS students a Concordia can have before its LCMS identity is at risk?	◯	◯	◯	◯	◯
What is the lowest percentage of students studying for church careers a Concordia can have before its LCMS identity is at risk?	◯	◯	◯	◯	◯
For what percentage of students on your campus is the identity as an LCMS institution important?	◯	◯	◯	◯	◯

Comments on these questions

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21. In your opinion, ten years from now, the number of LCMS students at your campus will have changed in this direction.

◯ Significantly higher ◯ Somewhat higher ◯ About the same ◯ Somewhat lower ◯ Significantly lower

Comments on this question

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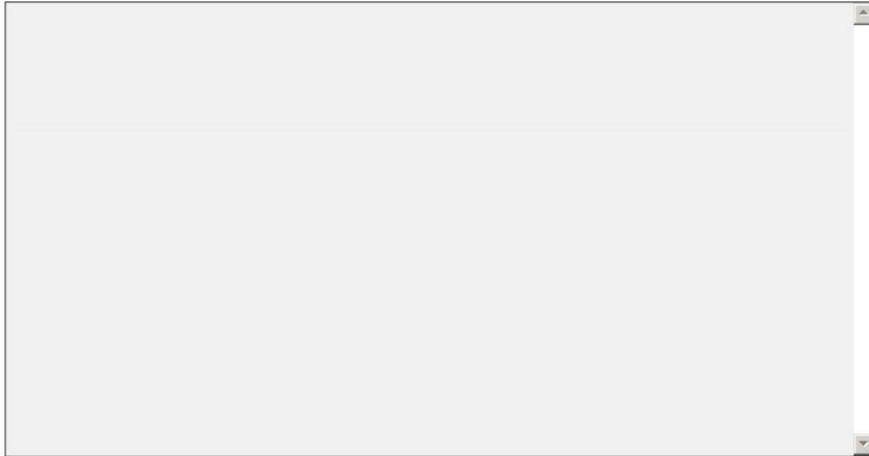
Survey of board members of the institutions of the Concordia University

Part 4 Your Role as a Board Member

22. Consider the extent to which you agree or disagree with each of the following statements about your role and responsibilities as a member of the board.

	Disagree strongly	Disagree	Neutral	Agree	Agree strongly
- to be responsible for creating an environment that attracts LCMS students.	◯	◯	◯	◯	◯
- to be able to create a environment that attracts LCMS students.	◯	◯	◯	◯	◯
- to represent the purposes and goals of the Synod.	◯	◯	◯	◯	◯
- to represent the members of Synod and the congregations.	◯	◯	◯	◯	◯
- to be held accountable for my work by the members of Synod and the congregations.	◯	◯	◯	◯	◯
- to represent the needs of the LCMS students.	◯	◯	◯	◯	◯
- to represent the needs of all students.	◯	◯	◯	◯	◯
- to address the needs of the institution.	◯	◯	◯	◯	◯
- to assess the Board's performance.	◯	◯	◯	◯	◯
- to assess my own performance.	◯	◯	◯	◯	◯
- to contribute financially to the institution.	◯	◯	◯	◯	◯
- to support the president.	◯	◯	◯	◯	◯
- to review the intercollegiate athletic program.	◯	◯	◯	◯	◯
- to determine the institution's mission and purpose.	◯	◯	◯	◯	◯
- to enhance the institution's reputation.	◯	◯	◯	◯	◯
- to enhance the institution's standing within the Synod.	◯	◯	◯	◯	◯
- to assess the president's performance.	◯	◯	◯	◯	◯

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- to ensure effective institutional planning.	○	○	○	○	○
- to provide proper financial oversight.	○	○	○	○	○
- to understand the unique aspects of higher education finance.	○	○	○	○	○
- to understand the financial position of the institution.	○	○	○	○	○
- to recruit and orient new board members.	○	○	○	○	○
- to spend time in activities that strengthen the relationships among board members.	○	○	○	○	○
- to recruit potential members of the board who reflect the diversity of the students.	○	○	○	○	○

Comments on any of the above statements
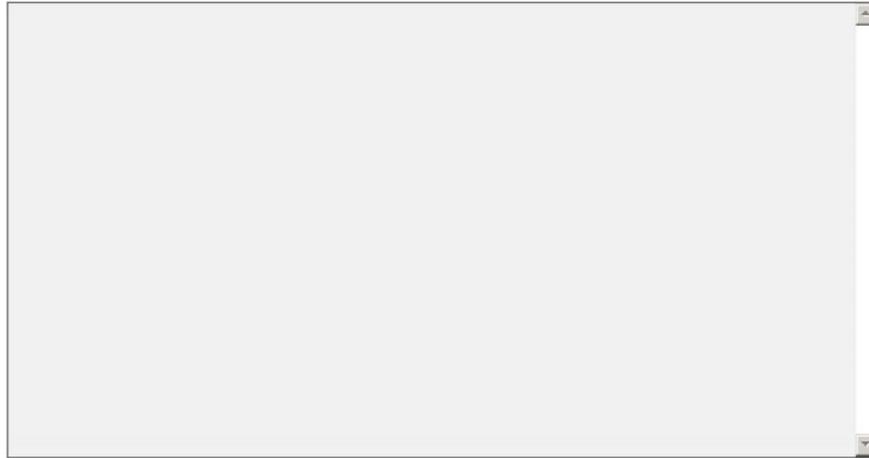
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23. How much time do you spend on the following?

	1 hour or less	2-3 hours	4-5 hours	More than 5 hours
Other than the weeks of board meetings, the average number of hours per week you spend keeping informed about what is happening at your institution?	○	○	○	○
The average number of hours per week you spend keeping informed about what is happening in higher education in the United States.	○	○	○	○
The number of hours you spend with students when you are on campus.	○	○	○	○

Comments on any of the above statements

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Survey of board members of the institutions of the Concordia University

Part 5 Demographics

To put your answers in context, I would like to gather some demographic information from you. I will keep them in strictest confidence.

24. What is your gender?

○ Female

○ Male

25. What is your age?

○ 25-35 years

○ 36-45 years

○ 46-55 years

○ 56-65 years

○ 66 years or older

26. What is the highest level of education you have completed?

○ High School

○ Some college (1-3 years)

○ College graduate (4 years)

○ Master's degree

○ Doctoral degree

**27. Which of the following best describes your racial or ethnic background?**

○ Asian-American

○ Black/African-American

○ White/Caucasian

○ Hispanic/Latino/a

○ Native American

○ Other

Please specify

[   ]

Part 6 Open-ended question

28. What issue, do you believe, is the most critical one the Concordia institutions and their governing boards are currently facing? Why?

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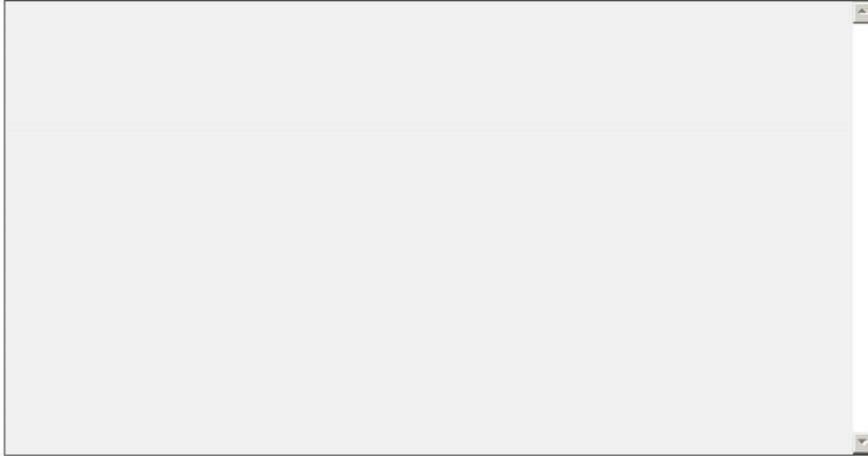
Survey of board members of the institutions of the Concordia University

Thank you for your responses. I greatly appreciate you taking the time to reply to my survey.

Please remember to click [Done] to submit your answers.

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Appendix B

June 25, 2012

Dear CUS Presidents,

Back in September, 2011, at your annual retreat in Portland, Tom Ries mentioned to you that I would be contacting you in the future for help with my doctoral dissertation. That time has finally come!

My dissertation concerns governance in higher education, and I would like to use the governance practice in CUS for my research. Our method of selecting regents through elections at conventions and by the boards themselves is a method that few other institutions use. My research question is, "How do trustees at a church-related college or university maintain their institution's relationship with the denomination in an era of declining denominational identity in society?"

This research uses a mixed methods approach. There will be an online survey for the regents (excluding district presidents) to complete**. There will also be a short interview for the individuals you identify as your board chairmen.** I am including the online survey and interview questions for your review, if you desire to do so. Presidents Ries and Cedel have reviewed the questions.

At this point, I would appreciate you sending me the names and e-mail addresses of the individuals who served as board members as of March 1, 2012. Please also identify the chairman from your institution. I would like to receive the names and addresses by July 13. You may send them to me at dorner@csp.edu.

The survey asks questions about the regents and their experiences; it does not ask the respondents to identify the institution they serve. This research will examine CUS as a whole and not by institution. I will share the results with you when I have them available.

Thank you for your help in getting me closer to finishing the dissertation process at the University of Minnesota. If you have any questions or concerns, please contact me at dorner@csp.edu

Sincerely,

Rev. Michael Dorner
Vice President for Finance
Concordia University St Paul
University of Minnesota graduate student.
dorner@csp.edu
651-641-8811

Appendix C

1210E23041 - PI Dorner - IRB - Exempt Study Notification

10/30/2012

TO: hende001@umn.edu, dorne032@umn.edu,

The IRB: Human Subjects Committee determined that the referenced study is exempt from review under federal guidelines 45 CFR Part 46.101(b) category #2 SURVEYS/INTERVIEWS; STANDARDIZED EDUCATIONAL TESTS; OBSERVATION OF PUBLIC BEHAVIOR.

Study Number: 1210E23041

Principal Investigator: Michael Dorner

Title(s):
Trustee leadership at church-related colleges and universities in a post-denominational era

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This e-mail confirmation is your official University of Minnesota HRPP notification of exemption from full committee review. You will not receive a hard copy or letter.

This secure electronic notification between password protected authentications has been deemed by the University of Minnesota to constitute a legal signature.

The study number above is assigned to your research. That number and the title of your study must be used in all communication with the IRB office.

Research that involves observation can be approved under this category without obtaining consent.

SURVEY OR INTERVIEW RESEARCH APPROVED AS EXEMPT UNDER THIS CATEGORY IS LIMITED TO ADULT SUBJECTS.

This exemption is valid for five years from the date of this correspondence and will be filed inactive at that time. You will receive a notification prior to inactivation. If this research will extend beyond five years, you must submit a new application to the IRB before the study's expiration date.

Upon receipt of this email, you may begin your research. If you have questions, please call the IRB office at (612) 626-5654.

You may go to the View Completed section of eResearch Central at http://eresearch.umn.edu/ to view further details on your study.

The IRB wishes you success with this research.

We have created a short survey that will only take a couple of minutes to complete. The questions are basic but will give us guidance on what areas are showing improvement and what areas we need to focus on:
https://umsurvey.umn.edu/index.php?sid=94693&lang=um

Appendix D

Dear members of the Concordia University _____ Board of Regents,

Thank you for taking the time to complete my survey. Words can never express my gratitude to you, a group of people I have not met, who are willing to help me complete the research requirements for my dissertation at the University of Minnesota.

Briefly, this survey asks you to reflect on your experiences as a board member. The research is studying the Concordia system as a whole with the focus on board members who are elected or selected. District presidents and advisory members are not included in the pool of respondents. No question asks you to identify the institution you serve and as such, there will be no comparisons among the campuses. No question asks you for your name; there will be no comparisons among individuals.

With this online survey, I will not be following who has responded and who has not. There might be a way to do that, but I do not how nor am I interested in doing so. That means I will send out three reminders about participating to everyone, even those who have completed the survey. I will send out those reminders on December 12, December 26 and January 11. The final day for completing the survey will be Sunday, January 13, 2013, the Baptism of Our Lord Sunday. I chose that day so when you are sitting in church that day, the observance of our Lord's baptism will help remind you of the survey.

Two individuals went through the survey as gauge of estimating the time needed to complete it. They both took 20 minutes. There are sections where you may enter comments about your experiences. If you choose to enter comments, my estimate is 30 minutes for you to complete the survey. At the beginning of the survey are the details about how to complete it.

Here is the link for the survey:
https://www.surveymonkey.com/s/ConcordiaBoardMembers Thank you for your time in completing the survey. I will be sharing the results in some format. If you have questions, please contact me at dorner@csp.edu
Gratefully yours,

Rev Michael Dorner
Vice President for Finance
Concordia University, St Paul
Graduate Student
University of Minnesota

Appendix E

<div align="center">

INFORMED CONSENT FOR RESEARCH STUDY

The University of Minnesota

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Title of Research: Trustee Leadership at Church-related Colleges and Universities in a Post-denominational Era.

Researcher: Michael Dorner, Ph.D. candidate,
                Organizational Leadership, Policy & Development
                College of Education and Human Development
                University of Minnesota, Minneapolis, MN
                E-mail: dorne032@umn.edu

The purpose of this survey is to examine how institutional board members at church-related colleges and universities serve in their roles in a time of decreasing denominational identity in society. If you agree to participate in this study, you will be asked six questions about your work on your governing board and your views about your work in relation to the denomination, the administration and students. Your will responses, along with those from other respondents, will help in understanding how trustees view their work in relation to their denomination.

The interview will last approximately 30 minutes, and I will tape record the discussion. You may direct any questions you have to Michael Dorner at dorne032@umn.edu.

Here are your rights by agreeing to participate in this research:

1.   Your participation in this research is entirely voluntary. You are free to decline to participate in this research at any time during the interview.

2.   Participation poses minimal risks and none that one would harm your physical or mental well-being.

3.   Your identity will remain confidential and only the researcher will have access to your identity and affiliation. Your identity will be coded so that only the researcher can match a name to a code number. Only aggregate data will be presented.

4.   The interview tape and the researcher's notes will be destroyed upon completion of the research and conferral of the doctoral degree in 2013.

This section *below* indicates that you have read this document and are giving your informed consent to participate in the research.

I agree to participate in an investigation to understand accountability mechanisms that influence the transactional environment between system leadership and institutional leadership in public higher education and the degree to which those mechanisms can be customized or allow for flexibility in implementation. I understand this study is an authorized part of the education and dissertation requirements of the Ph.D. program in the College of Education and Human Development of the University of Minnesota, Minneapolis, Minnesota.

I understand the information provided in this consent form and any other instructions given to me to understand the nature of the research. I understand that my participation in this study is voluntary and that I will receive no compensation for my participation

Appendix F

Interview opening statement:

Thank you for participating in this interview. (Review informed consent statement form and answer any questions). The purpose of this interview is to ask for your views of board governance within the Concordia University System. I will ask you six questions. They will focus on the board and its relationship to the denomination (TLCMS), the board and its relationship with the administration of your institution, and the board and its relationship with students. I would like you to answer the questions based on your experience serving as a board member.

1. What are your thoughts about the current selection process of board members?

2. What are your thoughts about the level of involvement of the denomination in the governance of the institutions?

3. In the future, how do you see the universities viewing the institution's relationship with the denomination?

4. What are your thoughts about the effects of the decreasing number of LCMS students on the institution's denominational identity?

5. What can the board do to address the enrollment of LCMS college-age students?

6. What do you see in the current situation as to how denominations are losing their significance in American life? What are your thoughts about how that will affect denominational colleges and universities?

Conclude interview with thanking the interviewee for his or her involvement.

Appendix G

List of Codes

Antiquated system
Change needed
Christian versus Lutheran
Competition
Control
Cooperation
Cultural battle
Denomination is the issue
Denominational loyalty
Denominational relevance
Difficulty recruiting Lutheran students
Focus on Lutheran high schools
Importance of Lutheran faculty
Lack of trust
LCMS students
Little help
Mission opportunity
No change to recruiting
Non-sensical process
Political
Remain faithful to our theology
Safety net
Synodical conection
Synodical loyalty
System is broken
Top-down involvement
Unsustainable