

The Demise of Harwich Point College – New England University*

Part A: The Day the Music Died

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ABSTRACT

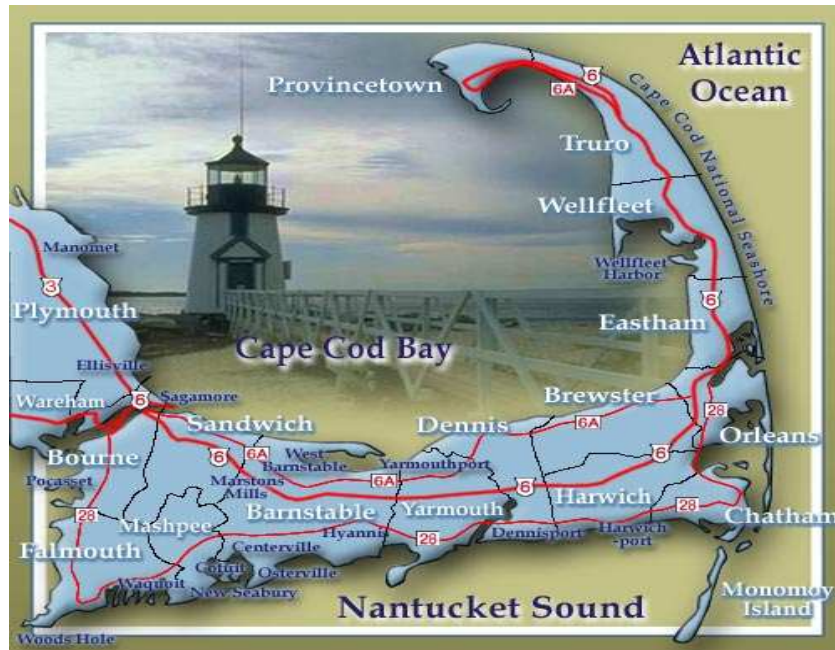
This is a two part, field-based case which describes, from a faculty member's perspective, some of the events which lead to the closing of the undergraduate programs at Harwich Point College – New England University. In Part A, a Professor receives an e-mail from the President of the University which was sent to the entire college community indicating that their undergraduate programs were to be transferred to another campus of the university; in Part B the professor has found some data on the college's web site about the college and the university and wants to analyze the data in order to better understand the financial situation of both institutions. The case has a difficulty level appropriate for a junior level course. The case is designed to be taught in two class periods (may vary from fifty to eighty minutes each period depending upon instructional approach employed, see instructor's note) and is expected to require between six to eight hours of outside preparation by students (again, depending upon instructor's choice of class preparation method).

Introduction

It was a warm and balmy early summer day in Harwich Point College – New England University (located on the southeastern portion of Cape Cod, Massachusetts, between Yarmouth and Chatham, see Exhibit One) and the summer tourist season was in full swing. Bumper to bumper traffic clogged Route 6 (the major thoroughfare in Cape Cod) and even the back road to Harwich Point, Route 28, was seeing more than its usual fair share of vacationers producing traffic jams and unhappy travelers (see Exhibit Two). The downtown area swarmed with anxious shoppers, all looking for that one special antique, painting, or specialty item that would commemorate their stay in the playground of Massachusetts. Others were spending a relaxing day at the beach, which, although always crowded, provided a unique setting given the contrast between the picturesque coastline and the intrusive multimillion dollar mansions that lined the seashore and created an unnatural barrier to the ocean.

Dr. Shebekowski, however, sitting in his office in the Writing Center of Harwich Point College, one of the three major campuses of New England University, was oblivious to all of this; the cars, the weather, the beaches, and the 'beautiful people.' For Harwich Point College, sitting nestled between Route 6 and Route 28, provided a haven of solitude for its students, staff, and faculty and sheltered these seekers of truth and wisdom from the banalities and distractions so associated with the Cape Cod vacationer lifestyle - the pursuit of pleasure and relaxation (see Exhibits Three and Four).

**Exhibit One
Cape Cod**



**Exhibit Two
Harwich Point Location – Aerial Photograph**

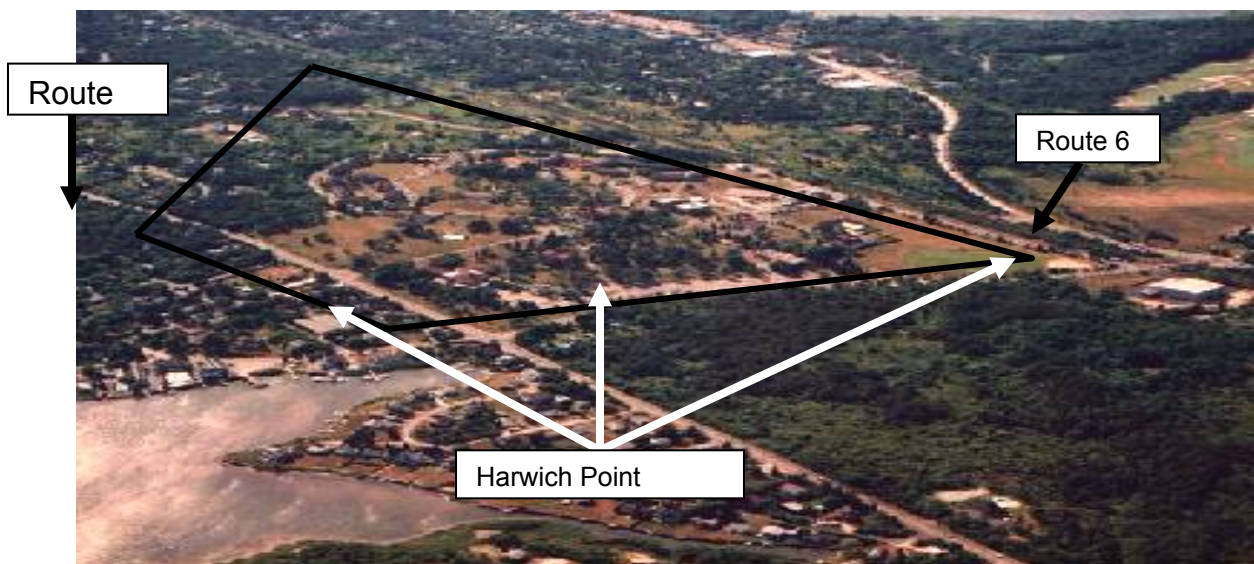


Exhibit Three

Background Information – New England University

New England University was chartered by the Massachusetts Education Department in 1926 in Boston, as a nonsectarian, coeducational, privately supported university to provide effective and moderately priced education to people from all walks of life. Admissions to the University from its beginning have been based on merit and promise, and have included large numbers of immigrants and children of immigrants seeking to achieve the American dream.

The institution has evolved into one of the largest private universities in the U.S., establishing the Springfield Campus in 1954, the Providence Campus in 1959, Harwich Point College in 1963, the Burlington Graduate Campus in 1975, the College of Osteopathic and Health Sciences in 1979, the Watertown Campus in 1980, the Provincetown Campus in 1982, and the International Abroad Program at Harwich Point College in 1991.

New England University has three residential campuses. The Springfield Campus, across from Basketball Hall of Fame, is within walking distance of the downtown area and boasts the historic former Paramount Theatre as part of its campus. The Providence Campus is situated on a rolling landscape, property which consolidated the former estates of cereal heiress, Marjorie Merriweather Providence, financier E.F. Hutton and the Charles Hickox family. Harwich Point College, nestled on Cape Cod's southeastern tip, enjoys a spectacular view of nearby Herring River and is home to an early 18th century windmill which serves as a symbol of the campus. The residential campuses offer a broad range of outreach programs for the communities they serve. The University's central administration is located at the Providence Campus, also a former estate.

Across its campuses, the University comprises more than 400 acres and 3 million square feet of buildings. Since 1985, as part of its capital improvement plan, the University has spent or authorized \$400 million for new buildings and renovations.

Regional campuses are located in Provincetown, Massachusetts, and Burlington Vermont. Special degree programs are operated at other sites throughout New England.

Additionally, the University operates both the SEAmester Program aboard tall ships and the the International Abroad Program at Harwich Point College and five overseas locations:

China Center East Asian Center (Japan) European Center (England) Latin American Center (Costa Rica) South Asian Center (India).

The Vision and Mission of New England University *(Toward a More Peaceful and Humane World)*

New England University envisions a learning community dedicated to empowering and transforming the lives of its students to effect a more peaceful and humane world that respects differences and cherishes cultural diversity; improving health and the overall quality of life; advancing social justice and protecting human rights; reducing poverty; celebrating creativity and artistic expression; rewarding innovation and entrepreneurship; honoring education and public service; and managing natural resources in an environmentally-responsible, sustainable fashion. It aspires to move toward

this vision through an institutional culture that is open to all, cherishing and nurturing the expansion of knowledge; intellectual inquiry and critical thought; artistic and creative expression; teaching and learning; and community service as its core values. This vision sustains the University and provides the foundation upon which its mission rests.

Mission: Excellence and Access

The mission of New England University is to provide *excellence and access* in private higher education to people from all backgrounds who seek to expand their knowledge and prepare themselves for meaningful, educated lives and for service to their communities and the world.

The University Today [2004]

One of the nation's ten largest independent, private institutions of higher learning, New England University is a highly-diverse, non-sectarian, coeducational, multi-campus, regional university, offering a comprehensive range of undergraduate, graduate and professional degree programs, and doctoral study in several fields, as well as credit and non-credit certificate programs. Chartered as a single academic institution, led by a single president and governing board, and guided by a single, integrated academic structure, the University maintains an urban residential campus, a suburban residential campus), and a small town residential campus, as well as regional campuses serving commuter students in New England. It also supports such specialized programs as the College of Osteopathic and Health Sciences, a University School of Continuing Studies dedicated to offering lifelong learning opportunities, the International Abroad Program of global education for social change and its academic centers around the world, and the SEAmester Program with ships operating in both the Atlantic and Pacific oceans. The Board of Trustees, by providing policy leadership, critical insights, essential resources and independent assessment, oversees and supports the entire educational enterprise and is responsible for holding the University accountable to its mission in the public interest.

Embracing many students whose life circumstances, economic means or previous academic opportunities might otherwise make private, higher education an impossible dream, the University provides an excellent academic, artistic, and cultural learning environment, complemented by opportunities for experiential education and lifelong learning. It offers its students access to the American dream of personal success and to the timeless and eternal goals of a liberal education.

Toward that end, the University places its highest priority on inspiring and teaching students to realize their full potential as whole human beings. It seeks to prepare and empower its students to develop their intellectual capacities; engage in critical thought and scientific inquiry, especially with respect to the political and social aspects of their communities and physical environments; expand and refine their creative and artistic talents; acquire higher-level professional skills and knowledge, grounded in the liberal arts and sciences; and enjoy the benefits of the liberally-educated, self-reflective and civically-responsible life. Dedicated to the advancement of knowledge as well as its transmission across the generations, the University encourages its faculty to engage in active programs of research and academic service, to involve their students in those activities wherever possible, and to enrich their teaching and mentoring with the fruits of those endeavors. The University is also committed to providing an environment that fosters active campus life, academic and co-curricular student services, personal enrichment and community service opportunities, cultural and recreational activities, and intercollegiate athletics – all designed to nurture the

development and health of the whole human being. The University recognizes its responsibility to the community through numerous public outreach activities, including a public radio network spanning much of Massachusetts, a major regional center for the performing arts, several museums and galleries, readings and public forums, student performances, and non-credit programs for professional development, lifelong learning and cultural enjoyment.

New England University takes special pride in the rich diversity of its unique and distinctive campuses. At the same time, its campuses and additional instructional sites around the globe benefit from the transcending unity and common purpose, shared identity and reputation, intellectual synergy and major resources of a large private institution of higher learning respected for the University's traditions of *excellence and access*.

Exhibit Four **Background –Harwich Point College**

Harwich Point College was established in 1963 by New England University at the invitation, and with the financial support, of community leaders of eastern Cape Cod.

The idea of establishing a college in eastern Cape Cod had been discussed at various times for more than 20 years. In the early 1960s it was given fresh impetus with the formation of the College Committee of Harwich Point. Under the leadership of Dr. William Macdonough Agar of Harwich, a geologist, author and educator, the committee soon found a site, the 60-acre Tucker Mill Inn property, and began a fund-raising drive for its purchase and conversion. The University was immediately receptive, and the College Committee went to work. New England University's Board of Trustees also responded positively. On December 20, 1962, Chairman William Zeckendorf declared, 'We are convinced the college is needed and wanted,' and authorized the administration to proceed with plans to open the new college. Vice Chancellor Chester C. Wood, who joined the University after retiring from active naval service, had a major role in planning and implementing the establishment of the college and served as the chancellor's direct representative in University supervision.

Harwich Point College opened its doors in the fall of 1963 with 249 students. Dr. Edward C. Glanz, a psychologist with ten years of experience at Boston University as a teacher, author, and administrator, was selected as provost.

A Small, High Quality Institution

The committee and the University agreed that the College would be a small, high quality institution of liberal arts and sciences. From the beginning the College emphasized close and continuing guidance for each student, a program that is today continued as the New England University Plan. Small class size with informal, congenial faculty-student relationships was and is emphasized.

From 1964 to 1968 the College continued to grow with the direct support and involvement of the University. As a unit of New England University, the College was accredited by the New England States Association of Colleges and Secondary Schools in 1965. The College grew quickly during the mid 1960s and soon established a national reputation for its Marine Science program. At the time of its 25th anniversary in 1988, the College had grown to an enrollment of 1,200

undergraduates with a full-time faculty of 67. Facilities and programs have continued to evolve, most recently with the addition of an MFA in Theatre, and a new academic center.

The Mission of Harwich Point College

Harwich Point College is dedicated to educating students to realize their full potential and make a positive contribution to the world in which we live. Excellent academic programs, a wide variety of opportunities for experiential learning, and a small, caring community with rich cultural and natural resources close at hand make Harwich Point a special place in which to study and grow.

Harwich Point College Today [2004]

Drawing on the resources of New England University, one of the largest private universities in the country, Harwich Point is a small and close-knit community of about 1300 students and 200 full-time faculty and staff, who live and work together among the waterways and villages of Cape Cod's beautiful Eastern seaboard. The academic program is enhanced by the extraordinary natural and human resources that abound in this pristine coastal setting. A natural marine laboratory, comprised of the ocean, bays, salt marshes, tidal inlets and barrier beach, makes the College an unparalleled setting for the study of [marine and environmental](#) sciences. A thriving community of artists and writers and leaders of the world of industry, finance and entertainment who live in Cape Cod or in Boston and participate in workshops and master classes.

The undergraduate curriculum of Harwich Point College is a unique blend of traditional liberal arts and sciences enriched by a strong commitment to experiential education in its many forms. [Co-ops and internships](#) allow students in all disciplines to learn on the job by working in real-life situations with practicing professionals in their fields. Small classes provide a stimulating yet supportive atmosphere in which every student can thrive. Programs are designed to sharpen critical thinking skills and encourage community service to prepare students for successful careers and meaningful contributions to society. [The Greenprint](#), a student-generated program of environmental action, focuses on the need to protect the earth's resources -- so evident in the beauty of the surrounding area -- by starting within our own community.

The College's philosophy of encouraging academic excellence and hands-on experience, coupled with the rich resources of the surrounding environment, enable us to offer distinctive programs in the following areas:

Marine Science, Environmental Science. These nationally recognized programs have produced many Fulbright Scholars and graduates who are leaders in their fields all over the world.

Visual and Performing Arts. Offering many options in the visual and performing arts, including rigorous studio experiences, our programs are supplemented by interaction with an internationally-known community of artists.

Writing and Literature. Students have many opportunities to meet and work with writers and publishers living in the area with outstanding student writers being recognized each year.

Communication Arts. Students in our communications arts program go on to careers in television, radio, advertising, public relations and film at local and national levels.

The International Abroad Program. This program offers many unique opportunities for experiential education through study at eight international centers in Africa, Asia, Latin America, Europe and the United States.

Education. Extensive hands-on experience is an important part of our teacher training program which prepares fine teachers for future generations.

Professional Studies/Business. Our program serves students and the community. Graduates manage their own business or become productive members of an organization.

Social Sciences and Environmental Studies. The social science programs are designed to help students develop problem solving skills and to provide them with appropriate subject area knowledge. The environmental studies programs prepare students for careers in environmental planning and policy.

Graduate Programs in Education, Theatre, and Business. Our Master's level programs recognize the needs of the working professional for a lifetime of learning.

The Method: **Critical Thinking, Critical Skills**

Traditional liberal arts and science offerings are taught by dedicated faculty who are experts in their fields and who have designed programs that will sharpen the critical thinking skills of their students. The Writing-Across-the-Curriculum Program, math and computer competency requirements, and a carefully constructed core curriculum prepare students for their Providence-graduate careers, and enable them to develop the essential literacy skills necessary to compete in today's world. An [Honor's Program](#) offers specialized courses in all disciplines for outstanding students.

Experiential Learning: Learning by Doing

Harwich Point's commitment to [experiential learning](#) enriches the curriculum and extends the boundaries of the classroom to the entire world. These programs build a bridge between academic achievement and career or Providence-graduate study success. This learning takes many forms, including:

- Full and part-time [cooperative education](#) placements in all fields of study and work
- An international network of [internships](#) with professionals in many disciplines throughout the world
- [SEAmester](#), a program in which those with a love of the sea -- or simply a spirit of adventure -- can spend a semester studying on a 125-foot schooner as it sails the eastern seaboard
- The International Abroad Program, a globally oriented, student-centered program offered on eight international campuses
- [WNEU-FM](#), the College's 25,000-Watt public radio station, which provides a learning laboratory for communication arts students
- [Tropical Marine Biology](#), [Australearn](#), and other travel courses in the sciences and the arts
- Independent studies for the self-motivated student
- Extensive field work and field placements

Community Service

A campus-wide commitment to community service at Harwich Point reinforces in students the skills and abilities developed in academic programs. Faculty and staff recognize that education is most valuable when new learning is used in the service of others. An award-winning Freshman Program encourages students to get to know their new community and to become involved through volunteering in local environmental organizations, civic groups, homeless shelters, public schools and in mentoring programs for students at risk.

Care for Students, Care for the World

Small class size, and ongoing academic advising and counseling ensure that students at Harwich Point are treated as individuals. The close human relationships among students, faculty, staff and the community provide a nurturing environment that prepares students with both the skills to become effective members of society and a sense of social obligation that will enrich their lives and careers. Harwich Point will remain strong in its commitment to care for students who will care for the world.

The Stage Is Set

With the air conditioner laboring on its highest setting, and an electronic version of Mossorgsky's "Pictures at an Exhibition" blaring in the background, this day was no different from any other day as far as Dr. Shebekowski was concerned. Whether it was the dead of winter or the height of the summer season, Dr. Shebekowski could always be found in his office at his computer working on a paper or a project for the college. Banging away at his keyboard in rhythm with the cacophony of sounds he called music, Dr. Shebekowski following in the deep tradition of his fellow academicians, was following his own path in the discovery, development, and dissemination of knowledge. All seem right in the world and it was business as usual.

Yet this day was to be like no other day he had ever experienced and would be remembered by the Harbor Point College community along side 9-11 and Pearl Harbor as a day of infamy. The events to unfold on this day, June 16th 2004, would dramatically change not only Dr. Shebekowski's life but the lives of the students, staff, and faculty forever for it would be the day that the music died at Harwich Point College.

First Warning Shots

Looking back at his nine years at Harwich Point College, it would not have been too hard for Dr. Shebekowski to reflect upon his experiences at Harwich Point and see the portents of the College's downfall.

Arriving in the Fall of 1996, Dr. Shebekowski heard from many of the faculty that in the prior year their salaries had been frozen (called wage deferrals) in order to guarantee that courses that had enrollments of less than 10 students per class would run as a full classes (would count toward their 24 credit hour teaching load). When he queried the faculty as to why this was a problem, he found out that historically many classes had enrollments of lower than 10 students and faculty would,

during the first week of class, have to scramble around for more students or worse, bounce less senior faculty and/or adjuncts out of fully enrolled classes.

Nosing around a bit, he might have come across a document entitled “Report of the Committee on Academic Planning and Deficit Reduction” (September 8, 1995). The joint administration-faculty Committee was “charged with ‘recommending cost-effective measures consistent with long-term academic and fiscal improvement’ at the campus [because] ... The university administration and its Board of Trustees will no longer support massive deficits, nor is there any immediate prospect for external funding to finance losses in the range of 15% of operating costs.” (p.2)

This 38 page document denoted how the College should redeploy its personnel and resources by supporting its four leading academic programs (Marine and Environmental Sciences, Visual Arts, Writing, and Psychobiology), maintaining three of its five secondary programs (education, gerontology, and communications), adding two secondary programs (liberal arts, small business) and deleting the regular business major. It was estimated that the plan would save the institution over \$2 million dollars by the third year of implementation. Interesting enough, a joint administration-faculty planning committee that Dr. Shebekowski served on reviewed the Deficit Reduction Report in the Fall of 2001 and this committee noted that many of the suggestions in the plan had not been implemented or were not successful in either increasing student enrollments or reducing operating costs.

A Clear and Present Danger?

Several critical pieces of information about the college’s economic well-being were considered ‘common knowledge’ at Harwich Point College by the faculty and staff and, as such, became part of the “urban legend” of campus life and culture. The most important piece of information was that the College had started in 1963 under-budgeted and underdeveloped, that is, it was the belief of the local community that Harwich Point College did not receive adequate support for the college’s operation.

The college was therefore placed in a position where they had to “do more with less” both in terms of a yearly operating budget as well as in terms of long term facilities planning. This inadequate support lead to two highly predictable outcomes: accumulating annual budget deficits throughout the college’s existence; and lack of planning and funding for infrastructure maintenance and development.

The accumulated deficit became sort of a joke at the College since many of the faculty and staff perceived this deficit as being merely the indirect administrative expenses that the University charged the College for the use of centralized University services (i.e. payroll, mainframe support, human resource services, etc. ...). It became understood that the College would operate at a deficit every year and that the University administration would continue to fund those deficits out of its general operating fund. Why? Because the chief financial officer (CFO) of the College, Brian Timmons, remained as CFO for over fifteen (15) years despite his inability to balance the budget. Many faculty and staff thought that as long as Mr. Timmons retained his job that “he must be doing something right” and that the deficit was really not a problem at all. In fact, many senior staff and faculty felt that if the College were an independent entity that these deficits would miraculously disappear; the College would be solvent if not for the onerous expense of paying for central administration.

Lack of investment in the College's infrastructure, which started at the birth of the College, continued throughout its history. The aging infrastructure was continually cited by prospective students as a major weakness of the institution; they felt that they would be paying for a high priced college but receiving low income accommodations and classrooms. The Board of Trustees was faced with a chicken-egg predicament; do we invest now in infrastructure in the hope to attract more students or do we wait for more students to enroll with the understanding that more students would justify the investment in infrastructure? The Board took the conservative root. Except for a gymnasium built in the early 1970's, the only real investment in the campus came in 1999, the construction of Chancellor's Hall.

Again, many staff and faculty members took this lack of investment as a given. For example, they believed that the only way that the Writing Center's aging front doors would be replaced is if they fell off their hinges (and ironically that is exactly what happened). The University had drawn up numerous plans for renovating the campus but never implemented them due to lack of funding. A running joke (bet) between faculty members was whether the University would construct a new library before or after their head librarian retired; he had been at the college for over 25 years and threatened not to retire until a new library was built "to replace him."

The Bomb is Dropped

It was late in the afternoon of June 16th, 2004 and Dr. Shebekowski was finishing up his work for the day. It had been a another long day at the office and all the good doctor wanted to do was to check up on the stock market and close down the office. He was answering a few last minute e-mails when he noticed that he had just received an e-mail from Dr. Stephen Davidson, the President of New England University. This was not only highly unusual but clearly quite astonishing since one, he had never received a direct e-mail from the president in his nine years of working at the College (all communication from the president to the faculty were sent by one of his assistants), and two, the summer was normally the time of the year that the administration tended to make decisions that would not cull favor from the faculty and students (most faculty and students were not on campus over the summer). He quickly thought of several incidents that had occurred over the past few summers that many faculty and students were extremely upset about and that were obviously made over the summer to minimize the negative reaction from the students and faculty. Yes, wasn't it three years ago that the Board of Trustees unilaterally appointed a new Dean of Academic Affairs? And two years ago that a tenured senior faculty member, who was deemed a nuisance by the administration, was mysteriously fired for unknown reasons? Dr. Shebekowski knew that a communiqué from the President did not bode well for himself and/or the college and with trepidation turned off his music and opened the e-mail (see Exhibit Five).

Exhibit Five President's Letter

To: The New England University Community
From: Dr. Stephen Davidson, President
Date: June 16, 2004
Subject: Relocation of Harwich Point's Undergraduate Programs

Yesterday, the University's Board of Trustees instructed the University Officers to relocate the undergraduate liberal arts and sciences programs currently offered at Harwich Point College onto the Providence Campus, effective September 2005. The University will continue to offer its outstanding graduate programs at Harwich Point. It is with a heavy heart that I write to inform you of this painful but necessary decision, one in which the University Officers unanimously concur. In response to the Board's unequivocal instructions, the administration now must move thoughtfully to bring this decision to fruition.

In the fiscal year ending August 2004, the Harwich Point campus is anticipated to lose \$9 million. The anticipated deficit for the 2004/05 fiscal year is projected at greater than \$12 million. The cumulative deficit since inception at Harwich Point will have reached an unacceptable \$77 million by September 2005. Despite the extraordinary efforts of a great many people on that campus and the embrace of generous alumni, overseers, trustees and supportive citizens on Cape Cod, hard fiscal realities make a continuation of high quality but very expensive undergraduate instruction at Harwich Point beyond the reach of this University.

For more than four decades, New England University has sought to sustain three discrete residential campuses, each functioning in its own environment and developing its own character. The effort to create at Harwich Point an academically excellent, financially self-sufficient, world-class, small college has been a labor of love for countless individuals over many years. Ultimately, however, the University's primary obligation always must be to its current students — both those who study at Harwich Point College and, equally, those who study elsewhere in the University.

Several years ago, after an exhaustive review and analysis, a special committee of the Board concluded that maintaining the status quo at Harwich Point was no longer a viable choice. The Board instructed the administration to draft a Master Plan, to redesign a dynamic core curriculum, to begin a capital construction effort and to launch a fundraising campaign. What could not be measured then was the timing and size of future enrollment increases as the result of new curricula and facilities. Despite a modest upturn in potential freshmen for the upcoming year, the required enrollment growth necessary to reduce significantly Harwich Point's operating deficits is not foreseeable. Consequently, the loss of tuition dollars has created deficits beyond the University's ability to stay the marathon course. The Harwich Point deficit must not jeopardize the health of the entire University.

The dynamic new core curriculum for freshmen as well as the existing courses required for returning students will be taught at the Harwich Point campus next year and at Providence thereafter. The University is also in active discussions about how best to meet the needs of those

students enrolled in marine science after next year. We intend to work with every student to help each one meet his or her educational goals. Every Harwich Point student will be given a careful explanation of his or her options, a chance to visit Providence or Springfield, and an opportunity to receive professional help in any efforts to transfer to other colleges, if that is their choice.

Over the next days and weeks, the University will communicate with the many Harwich Point stakeholders through detailed memos, personal meetings and individual sessions. Faculty, staff and administrators will receive an explanation of the implications of this decision. At every appropriate juncture, timely information and a comprehensive array of services will be provided for Harwich Point students and staff to help them through this transition.

The University's fundamental commitment to provide each student a superior education and to treat every student, teacher and employee with genuine care, concern and respect will not waver. This Board decision will affect individual human lives, each with a unique set of circumstances, cares and concerns. Many at Harwich Point College have labored long and hard in pursuit of a dream that, sadly, now will not happen there. Although it pains me and my colleagues deeply, the Board's decision sets the parameters of what the University must do now to achieve its potential in the decades to come. In that spirit, I charge all of us to transform this disappointment into a renewed commitment to New England University.

The Mushroom Rises

He read the e-mail several times in total disbelief. "How could they do this?" he thought to himself. "They just broke ground on a new library in May, in fact, the ground breaking ceremony was in conjunction with this year's graduation! We have all worked so hard to make Harwich Point a college that is unique in educational programs and student relations. Furthermore, we were promised by the President that if we changed the core curriculum we would have three to five years to turn the school around. Where was the consultation with the faculty, staff, and students? Where was the request for help to local, state, and national representatives, all of whom are Harwich Point alumni? In fact our State Assemblyman, Brian Timmons, is the former CFO of the College!

Many thoughts were simultaneously running through Dr. Shebekowski's head while his heart was on an emotional roller-coaster. He kept going from disbelief, to anger, to frustration, and back to disbelief. He kept wondering what would be the fate of the students, staff, and faculty of the College. Yet through the blare of these thoughts and the tumult of his emotions streamed a single verse of a song that he had not heard in many years but which now kept repeating in his head over and over again.

*"Bye bye Miss American Pie.
Drove my Chevy to the levee but the levee was dry
Them good ol' boys were drinkin' whiskey and rye
Singing 'This'll be the day that I die,
This'll be the day that I die.'")*

(<http://www.faqs.org/faqs/music/american-pie/>, September 24, 2004.

*The names of the college, affiliated campuses, characters, and campus location has been changed upon the request of the editor. References have also been omitted in order to keep the disguise intact.

**The Day the Music Died:
The Demise of Harwich Point College – New England University (NEU)
Part B: The After “math”**

Dr. Shebekowski, as well as the rest of the College community, were clearly in shock. Newspaper articles reported that “faculty and students ... were ‘stunned’ into silence” while State Assemblyman, Brian Timmons, a former provost of Harwich Point College was quoted as saying “It’s a very sad thing. The core of the college is its undergraduate instruction.”

Once the shock and was over, several days later, Dr. Shebekowski surfed the college’s web site for more specific information. The College’s web site yielded the following general information:

We understand that this decision will affect you personally. We are committed to providing clear and specific information as this emerging situation unfolds. Please be assured that:

- The College will be open in the Academic Year 2004-2005;
- Your financial aid award will remain the same, including study grant, scholarship, loans, work study, federal and state programs, etc.;
- You will have the opportunity to complete your major/degree program;
- In September 2005, Harwich Point students will be embraced as full members of the Providence community, with full access to degree programs, support services, facilities and services;
- Students may have the option to transfer to a Providence program.

In the coming days, you and your family will undoubtedly have many questions. We have created a Web site where you will find answers to commonly asked questions and where you can ask new ones.

A “Transition Fact Sheet” was also on the web and provided the following information:

- Our plan is that in the fall of 2005, Harwich Point’s programs and faculty will move to the Providence campus of NEU. All courses and services will remain on the Harwich Point campus until fall of 2005.
- It is our plan that once we move to Providence in 2005, students will be able to participate in our core program and will be able to take courses through Harwich Point and through Providence.
- All Harwich Point faculty will be invited to teach at our “college within a college” at Providence.
- Students who have scholarships and financial aid from Harwich Point will continue to receive these benefits after the move to Providence, as long as they remain eligible for these benefits.
- Unfortunately, we do not have definite answers yet for students in the marine sciences. The University is at work trying to finalize arrangements for this program, and at this time there is nothing definite about where it will be located. It is our largest program and we are aware of how critical it is to our students that we answer this question as soon as possible. Please be assured that we will be in touch with you as soon as we know details about this program’s future placement.
- Housing will be provided for Harwich Point students at Providence on or near the campus.
- Harwich Point students at the Providence campus will be welcome to use all of the Providence facilities and services, including the state-of-the-art Pratt Recreation Center which houses a fitness center, an eight-lane Olympic-sized pool, a basketball arena, and an indoor track; the Winnick Student Center for dining; and the B. Davis Schwartz Memorial Library, with access to

more than 2.7 million volumes. Other facilities include Hillwood Commons which features a food court, a movie theater, club meeting rooms, computer labs, two art galleries, a bank and a hair salon.

- Harwich Point students who decide that they would rather attend either Providence or the Springfield campus of NEU will be able to easily transfer.
- Plans are underway to introduce Harwich Point students to the Providence campus this fall.

Dr. Shebekowski was also surprised to find that the college had provided some financial information, not only about the campus's last five years of operation, but also about the financial history of the university, its numerous campuses, and their analysis of what it would take to keep the campus open. (See Exhibits 6 through 9 below.) He decided that it would be a good idea to analyze the data presented so he could better understand the university's position.

Exhibit 6 Harwich Point College Fact Sheet

Affiliation:

Private, nonsectarian, co-educational, independent, liberal arts based.

Class Size:

Average Undergraduate: 17

Average Graduate: 15

Tuition Rates:

Undergraduate: \$19,510 per year (full-time)

Graduate: \$609 per credit *These prices do not include University fees ranging from \$65 to \$310 and fees for student activities and specific programs. Tuition rates may differ for certain programs.

Room and Board Charges:

\$9,210 per Year

Students Receiving Financial Aid:

Undergraduate: 88%

Graduate: 40%

<u>Year</u>	<u>Net Operating (Loss) – in millions*</u>	<u>Discount Rate[^]</u>	<u>Enrollments[#]</u>
FY99		1,312	
FY00	(\$3.3)	33.4%	1,198
FY01	(\$4.7)	34.6%	1,211
FY02	(\$5.9)	35.3%	1,276
FY03	(\$6.9)	35.5%	1,120
FY04 – Projected	(\$8.6)	35.9%	1,000 (projected)

*Net operating loss is shown before special one-time gift of \$3.5 million credited as follows: FY01 - \$536K; FY02 - \$958K; FY03 - \$1.956mm.

[^]Total institutionally-funded scholarships as a percentage of total tuition and fee revenue. (FY04 comparisons: Springfield campus – 11.4 %; Providence campus – 13.8%)

[#]Fall FTE census, exclusive of the International Abroad program - administered from offices located at Harwich Point College.

Endowment

\$1.4 million

Market value as of 6/30/03 of Endowment Fund restricted by donors for Harwich Point College. (Market value of total New England University Endowment Fund - \$40 million.)

Outstanding Debt
\$7.1 million

Outstanding debt as of 8/31/03. Proceeds of debt used primarily for construction of Chancellor's Hall. Debt matures through 2026.

Exhibit 7
Letter from the Vice President for Finance and Treasurer, NEU

Subject: Harwich Point College – What it would have taken to succeed.

Date: June 30, 2004

You mentioned to me that in light of the Board's decision to relocate Harwich Point College's undergraduate programming to the Providence campus a few people had raised the question of what it would have taken for the campus to succeed financially.

As you know, upon the University's request PwC Consulting prepared a report in September 2002 which recommended among other things that "the University develop an endowment of \$100 million+ and raise significant funds to support facilities development." If this recommendation could have been realized it undoubtedly would have increased student interest in the College which in turn would have likely increased enrollment and stabilized, or perhaps reduced, the University's discount rate.

If an endowment of that size would have existed in 2002 it would have generated annual spending of \$5 million (using the University's 5% endowment spending rate) which would have been sufficient to eliminate the College's reported operating loss of \$4.9 million in that year. The value of the University's endowment fund on June 30, 2003 was \$40 million, of which \$1.4 million was restricted by donors for the use of Harwich Point College. Attached is information obtained from the 2003 NACUBO Endowment Study regarding endowments of small, private, Northeastern colleges and universities. A quick review reveals a single great truth about college and university economics – a small, private college requires an endowment many times the current value of Harwich Point College's to achieve fiscal stability and academic success.

As you can see for a student body of 1,500 students (another PwC recommendation) the recommended endowment of \$100,000,000 (\$67,000 per FTE) would have ranked at the middle to lower end of the Endowment per FTE range of other similarly-sized private, Northeast colleges and universities.

If the amounts necessary to be raised to support building renovations and the construction of critically needed new facilities (estimated at between \$60 to \$100 million) were to be added to the amount necessary to establish the Endowment Fund for the College it would have required approximately **\$200 million** of gifts to allow the College to succeed financially and academically.

Over its 40 years of its existence, that level of support - from alumni, friends, trustees, residents, et al. - simply did not exist for the College.

At Saint Louis University, a Jesuit university, the mantra was, "No money, no mission." Though the mission was different, that was the story of Harwich Point College, too.

He first starting examining Exhibits 6 and 7 and, shaking his head incredulously, then decided to dive head on into the College's and University's publicly-released financial statements (Exhibits 8 and 9, below). His maxim had always been that "figures don't lie but liars figure" and he felt that he was now going to put that old adage to the test. Given that he was a tenured, full professor, he believed that if he uncovered any financial mismanagement of the college that he would have nothing to loss if he reported his finding to the Massachusetts State Education Department, the governing body of all Massachusetts colleges and universities. Dr. Shebekowski voraciously went to work.

Teaching Note

The Demise of Harwich Point College – New England University

CASE SYNOPSIS

Derived from personal observation and secondary research, this disguised case in Part A describes how a tenured full professor is caught off-guard by the announcement by the President that all of the undergraduate programs at Harwich Point College would be transferred to Providence, another campus of New England University. The narrator recounts numerous warning signs that the Professor could have picked up on in order to be more prepared for this eventuality. Part A ends with the Professor wondering as to the fate of the students, staff, and faculty and anguishing over the University's lack of outreach to the college's constituency (students, staff, faculty, alumni, local community, and politicians). In Part B the Professor surfs the college's web site for further information and finds information that describes a transition plan for students to attend Providence as well as financial data about the college and the university relative to the University's decision to close Harwich Point College. At the end of Part B, the Professor decided that it would be a good idea to analyze the data presented so he could better understand the university's position.

Overview

The closing of a college or university, although certainly considered a major tragedy, should not be wholly unexpected in the 21st century. Standard and Poor predicted that colleges and universities might merge in large numbers or close. Their unusually blunt assessment of the financial problems in higher education was made as institutions struggled against stagnant levels of financial resources and substantially higher levels of debt. (Van Der Werf (a), 2002) For example, despite the fact that it received one of the largest gifts in the history of higher education, Polytechnic University in New York City is still, as of 2005, in economic decline. The university laid off 32 staff and announced a buy-out plan for senior professors. Following a deficit of \$12.9 million in 2002, the operating debt for 2003 was expected to total \$10.3 million. The programs that the university depended on, namely computer science and engineering, were losing favor amongst high school students, and the university could not afford to keep attracting students by offering more financial aid than its competitors. (Van Der Werf, 2003) This problem, however, is not just limited to the United States. A report commissioned by the Australian government in 2002 recommended that some universities be closed, that hundreds of courses be scrapped, and that research be conducted at just a few specialist universities. (Maslen, 2002) Private colleges in Ireland were under pressure to introduce a bonding arrangement to ensure students get their fees back if these colleges closed, following the closure of Advanced Technology College in Dublin, the third private college to close in Ireland in three years. (Walshe, 1997)

Although there are signs that the U.S. as a whole is pulling out of recession, it is only just beginning to positively effect college campuses. Evidence from across the country suggests that private colleges are being harmed in major and minor ways. All types of institutions, including those that are large and prosperous, will face difficulties, but it is the small universities with the lowest tuitions and the slimmest operating margins that appear to be the most vulnerable. (Van Der Werf (c), 2002) Small colleges and universities such as Harwich Point College, those under 5000 students, have the greatest risk of closing given their smaller resource base, and their focus on small classes and personalized services. Smaller colleges also tend to develop a familial culture, one that tends

to downplay formalized administrative behaviors including strategic planning (Rowley and Sherman, 2001).

Unfortunately numerous examples exist of small college closings. Mount Senario College in Ladysmith, Wisconsin, went into receivership in May 10, 2002. The college had always struggled because it lacked a well-defined niche in the marketplace and was not supported by a strategy or vision. These problems were further compounded by poor decision-making and lazy oversight. (Van Der Werf (b), 2002) Officials at Trinity College (a small liberal arts institution in Vermont), in spite of their 1999 announcement that the college would remain open, concluded that they would not be able to redress a shortfall in students through fund-raising and would have to shut down. The college had a cumulative operating deficit of \$2.7 million during the last four years, and its long-term debt in 2000 stood at around \$5.6 million. (Van Der Werf (a), 2000) Bradford College in Haverhill, Massachusetts, closed on May 20, 2000. Founded in 1803, its closure was linked to shifting strategies, unrealistic projections, and the lack of a market niche. (Van Der Werf (b), 2000) Upsala College, East Orange, New Jersey, was unable to find a solution to a debt of nearly \$13 million. Contributory causes in the college's demise included rising debts, diminishing gifts, plummeting enrollments in the 1980s, and a decreasing endowment. (Mercer, 1995)

Given the plethora of college and university closings in the last few years, one would expect that college administrators would have formulated exit strategies, more specifically a public relations strategy, that would handle or head off unfavorable reporting of the closure while trying to put the best spin on an unfortunate event. (Armstrong and Kotler, 2003) The first part of this two-part case documents how New England University chose to announce the transfer of their undergraduate programs from Harwich Point College to Providence, namely through a system-wide e-mail to the staff, faculty, and students of Harwich Point College. The expectation is that students will examine this methodology and determine whether this was the best method for conveying this information. The second part of the case, Providence announcement, requires students to examine the actual material that the university put on the college's web site in order to explain the University's decision to transfer the undergraduate programs. Again, students will be asked to determine whether this was the best method for conveying this information and what alternative methods were available to the university.

Research Methodology and Data Collection

The author in this case is actually the case protagonists, and therefore this research is subjective and phenomenological in nature.¹ The writing style of the case therefore reflects a more colloquial style than one might find in a typical business case and tries to capture the points of view of the case character. The information for this case was collected by the author through personal reflection, observations, e-mails, and surfing Harwich Point College's web site. The e-mail and other material presented in this case are from the University President and Harwich Point College's web site.

Intended Instructional Audience & Placement in Course Instruction

¹ An excellent discussion of phenomenological research is provided by Stan Lester at <http://www.devmts.demon.co.uk/resmethy.htm>, October 27, 2004.

This case was primarily developed for undergraduates taking a course in Public Relations. The case should be introduced after the students have read the chapters on: public relations preparation and process (Seitel, 2004, Chapters 3-8; Cutlip, Center and Broom, 2000, Chapters 10-13), employee and consumer relations (Seitel, 2004, Chapters 11, 14), and the practice in educational organizations (Cutlip, Center and Broom, 2000, Chapter 16). Secondly, this two-part case could also be employed in an Advertising and Promotion course when discussing the issue of public relations (Duncan, 2005, Chapter 17), a Business and Society course when discussing employee and customer relations (Lawrence, Weber, and Providence, 2005, Chapters 16, 18), and a Principles of Management course when discussing organizational communication (Hellriegel, Jackson, and Slocum, 2002, Chapter 16).

This sequence of cases creates a continuity for the students yet are not sufficiently complex for graduate students. However, the case is broad enough to be employed as a comprehensive case in a Public Relations course although it would seem more appropriate as an end-of-chapter case for the other referenced courses.

Learning Objectives

The overall purpose of this two-part case is to introduce students to the nuances associated with communicating extremely sensitive and negative news to employees and customers. This case depicts a highly charged issue which may bring about extremely adverse conditions for the college's students, staff, and faculty and may lead to highly damaging publicity for the University. Students are asked to deal with both the issue of how one announces such horrendous news so as to minimize negative publicity as well as what additional information should be conveyed after the initial news release.

Specific objectives are as follows:

1. For students to recognize that numerous stakeholders (both internal and external) are impacted by the University's decision to transfer its undergraduate programs to Providence.
2. For students to analyze the University's initial communication with faculty, staff, and students and the effectiveness of that communication.
3. For students to develop an alternative method and/or content for this information release.
4. For students to analyze the effectiveness of the information Providenceed on the web from a public relations perspective.
5. For students to suggest alternative methods (content and process) for following-up the initial information about the transfer.

Teaching Strategies

Preparing the Student Prior to Case Analysis

There are several approaches, none of which are mutually exclusive, that an instructor may employ in terms of utilizing these cases. It is strongly recommended that regardless of the specific methodology employed, that students prior to reading these cases be exposed to some material on managing Providencesecondary institutions and the role of media. This conceptual framework may be delivered prior to assigning the case by using at least one (1) of the follow methods:

- a short lecture and/or discussion session on aforementioned topics.

- a reading assignment prior to reading the case on the administration of educational institutions and the media (Rodgers and Adams, 1994; Oblinger and Katz, 1999).
- a short student presentation on each topic.
- a guest lecture from the college or university president, public information officer, or a local reporter.

The Case Method

In the traditional case method, the student assumes the role of a manager or consultant and therein takes a generalist approach to analyzing and solving the problems of an organization. This approach requires students to utilize all of their prior learning in other subject areas as well as the field of marketing. This case in particular will also require students to draw upon their knowledge of public relations. It is strongly suggested that students prepare for these cases prior to class discussion, using the following recommendations:

- allow adequate time in preparing the case
- read the case at least twice
- focus on the key issues
- adopt the appropriate time frame
- draw on all your knowledge of business (Pearce and Robinson, 2005).

The instructor's role in case analysis is one of a facilitator. The instructor helps to keep the class focused on the key issues; creates a classroom environment that encourages classroom discussion and creativity; bridges "theory to practice" by referring back to key concepts learned in this or prior courses; and challenges students' analyses in order to stimulate further learning and discussion. There are several variations of the aforementioned approach including: written assignments, oral presentations, team assignments, structured case competitions, and supplemental field work (Nicastro and Jones, 1994).

Regardless of the variation employed, it is recommended that the students' work be evaluated and graded as partial fulfillment of the course's requirements.

Using Parts A-B: Some Suggestions

The traditional method for using a multipart case is to assign Part A as the take home case and to then use the subsequent case as either an in-class reading (if time permits) and/or follow-up take home assignment to be discussed later in class. The epilogue to this two part case may then be handed out in class for students to read or described by the instructor in order to bring closure to the learning exercises. This method provides continuity to the story line and brings fairly quick closure to the case.

Role-Playing

An alternative or supplement to the case method is role playing. Role-playing enacts a case and allows the students to explore the human, social, and political dynamics of a case situation. This two-part case lends itself quite well to a role playing exercise since it involves a rather simple situation with only two to three characters and therefore most of the class can role play in this

exercise.

The use of the role playing exercises should correspond to the use of the case parts, with the role plays immediately following the case part assignment but occurring prior to the case part discussion. The instructor may wish to mix the instructional method, that is, use role playing for one of the parts, and use the traditional case method for the other, or even have a part or two where both methods are employed. The decision as to the mix of instructional methodologies may include several factors including time availability, class size, and instructor preferences.

Prior to role-playing the case part, students should be asked to not only read the case part but to answer the following questions:

1. Who are the key participants in the case part? Why?
2. What is the “role” of each of these participants in the case?
3. What is their motivation or rationale for their behavior?
4. What are the critical junctures of the conversation between the characters in the case?

The instructor may either go through these questions prior to case part enactment or wait for the role playing exercise to be completed in order to use this material to debrief the exercise.

Instructions

Step 1 (For Parts A, B): Assignment of Roles (10 minutes). The class should form groups of 4-5 students with one student enacting the role of Professor Shebekowski, and the other students enacting the role of new characters. One student will enact the role of the college’s public information officer, one a staff member of the college, and the last a college student. The students not enacting the any roles should act as observers. The instructor should pass out a short reminder notice about participants staying within their assigned roles.

Step 2: Enactment of Part A (15-20 minutes). Part A ends with Professor Shebekowski being quite shocked and stunned at the e-mail announcement he received from the President. The student playing the role of Professor Shebekowski should summarize the situation, and then begin to ask questions about the college’s relocation to the student enacting the role of the public information officer (PIO). The students acting as the staff member and the college student should then ask their own questions. The student playing the role of the PIO should try to answer all of the questions keeping in mind that the job of the PIO is to both tell the truth and to ensure that the college is presented in the most positive light.

Step 3: Debriefing of Part A (20 minutes). The instructor might want to ask the following questions:

- Did the PIO answer all the questions to everyone’s satisfaction? If not, what information would the PIO need in order to do so?
- Were there any questions that the PIO refused to answer? If so, what were they?
- Did the PIO remain positive throughout the questioning?
- Were there differences in the questions asked by the Professor, the staff members, and the student? If so, what were they?

Step 4: Enactment of Part B (15-20 minutes). The same groups should be employed. Part B ends with Professor Shebekowski planning to analyze the financial information provided by the college on the college’s web site. Staying in the same roles, the role play should begin with Professor

Shebekowski making some observations about the financial situation of the college (i.e. revenues were flat for the last four years yet expenses rose, most dramatically in the last two years, why?). Again, students acting as the staff member and the college student should then ask their own questions. The student playing the PIO should try to answer all of the questions with the knowledge that he or she will not have the answer to most of the questions posed.

Step 5: Debriefing of Part B (20 minutes). The instructor might want to ask the following questions:

- The PIO could not have possibly known the answers to many of the questions that required specific knowledge as to how particular financial decisions were made – how did the PIO handle these situations?
- If the PIO stated that he or she had no additional information, what was the questioner's response?
- Looking at the financial data, do you think that it helped the College's public image to release this data? Why or why not?

Step 6: Debriefing of the Entire Exercise. The instructor should have the class as a whole comment on the results of the role-playing exercises. Students should also be given the opportunity to comment on the role-playing exercises as a learning instrument. The instructor might ask the class the following questions:

- Did this exercises animate the cases? Did students get a "feel" for the issues surrounding the differing business situations?
- What were the strengths and weaknesses of the exercises? What changes would they make to the exercises given their experiences with it?

The debriefing session should produce closure for students by connecting the "theory" underlying the cases with case specifics and the results of the role-playing exercises.

Suggested Case Questions

Part A

1. Who are the internal and external stakeholders that are impacted by the University's decision to transfer its undergraduate programs to Providence?

The purpose of this question is to provide students an analytical framework as well as a context in which to analyze this case. Since "stakeholders push and pull the college in different directions ... [and] stakeholders control certain resources that the college requires to operate properly" (Rowley and Sherman, 2001, p. 214) it would seem incumbent that students be able to identify the significant parties affected by the University's decision.

The *below average student* will answer this question by merely providing a list of stakeholders for the college with neither an explanation as to why each group could be considered a stakeholder group nor differentiating between internal and external stakeholders.

The *average student* will answer this question by first defining what is meant by a stakeholder. "Stakeholders are people or organizations with a stake in a particular issue or resource."

(<http://www.usaid.gov/cg/stakeholderdef.html>, January 20, 2005) This student may then go on

to define the difference external and internal stakeholders; “the insiders are the individuals or groups that are stockholders or employees of the firm.” (Pearce and Robinson, 2005, p. 48) From this definition the student might develop the following list of college stakeholders with a brief explanation:

TN Table 1

Average Student List of Stakeholders: Harwich Point College

Internal Stakeholders	External Stakeholder
Faculty Staff/Administration Board of Trustees	Students

The above average student would note that there may be several college stakeholders not mentioned in the case who regardless still have a vested interest in the college. See list below.

TN Table 2

Above Average Student List of Stakeholders: Harwich Point College²

Internal Stakeholders	External Stakeholder
Faculty Staff/Administration Board of Trustees Other Personnel	Students Competitors Alumni Parents Potential Students Creditors Local Community/Businesses General Public Suppliers Unions Professional Associations Accrediting Agencies Local Government/Politicians Philanthropists

Besides describing the import of each group, this student would denote that there would be an adverse economic impact from moving the undergraduate programs to another campus that may have deleterious affects on the local community, local suppliers, and any unions that may include college employees. This student might also discuss how there may be negative publicity related to the firing of the employees as it affects the continued operation of the college. It might also be mentioned that this move would be beneficial to any other local colleges in the area as well as colleges that may compete on a programmatic level with Harwich Point College (i.e. in Marine Sciences).

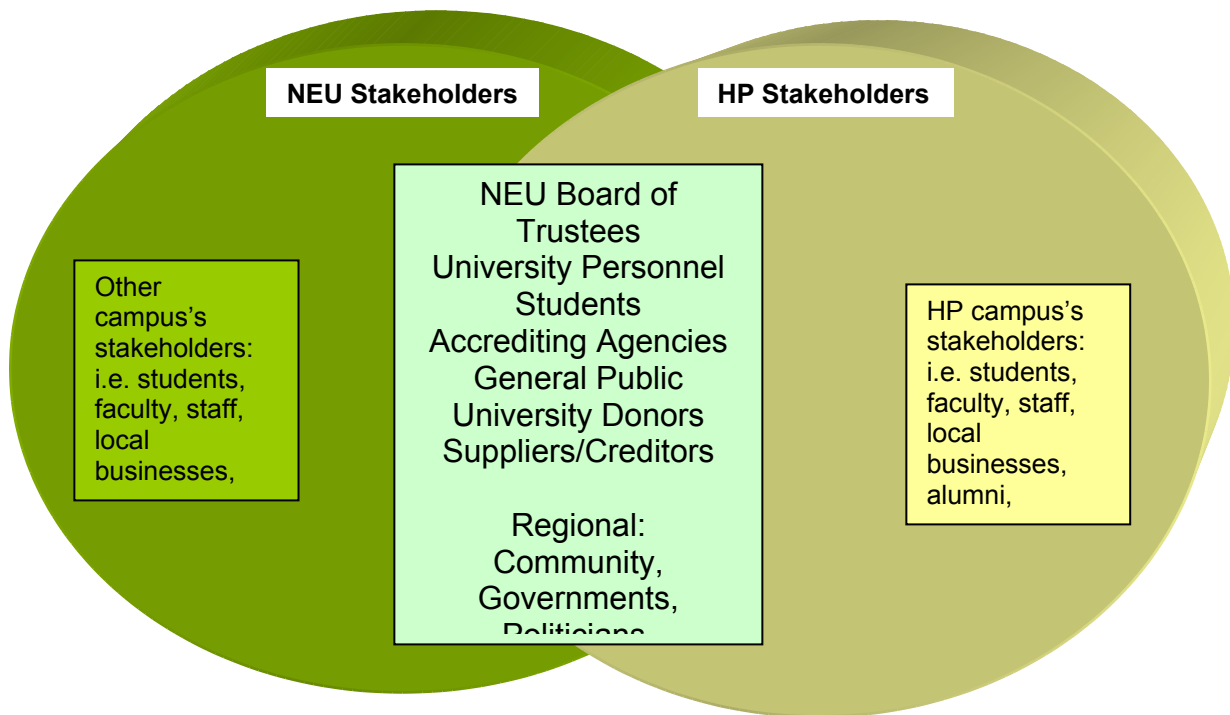
² Adopted from Rowley and Sherman, 2001.

The exceptional student might struggle with the question as to whether or not students should be considered an external stakeholder group. Rowley and Sherman (2001, 2004a) categorized students as internal stakeholders and indicated that they should be the focus of university academic planning. Rowley and Sherman (2004b) later denoted that students enact a multiple role set in the university setting (consumer/customer, fellow learner/researcher, possible employee) and therefore they possess the highest stake in the institution's success.

Secondly, this student might note that the stakeholder question is a matter of perspective; is the question being asked in terms of the college's stakeholders (which have already been discussed) or from the university's stakeholders? This is an crucial point to make since the college is part of a larger university system and it was the University's Board of Trustees that made the decision to transfer these undergraduate programs from one campus to another (and one assumes for the benefit of the University). This perspective broadens the context of the decision and certainly captures all of the affected parties since Harwich Point College's financial woes affected the University's financial decision. This student may also note that a dual stakeholder analysis should be employed in order to determine which stakeholders are shared by the University and the college and which are not. This may be drawn as a Venn diagram, see TN Figure 1 on the next page:

TN Figure 1

A Composite Venn Diagram of NEU/Harwich Point College Stakeholders



This diagram highlights the fact that HP's poor financial situation has a negative affect on the other campuses of NEU and its stakeholders; most directly their students, faculty, and staff. It also indicates that in the transferring of the undergraduate programs to Providence that their stakeholders will be impacted as well.

2. The University's initial communication with faculty, staff, and students about the transferring of the undergraduate programs to Providence was conveyed through a college-wide e-mail. Why might the university have released such important information in this manner? What are some of the drawbacks to using e-mail in this manner?

This question is posed to the student in order for the student to analyze the communication medium of e-mail as a method for conveying both important and sensitive news. The *below average student* will answer this question without first defining the properties of e-mail as a communication medium for public relations. Secondly, this student will answer the question in an off-hand manner, that is, offer up personal opinion rather than refer to the textbook or other outside references that would support this student's comments.

The average student would first start by defining e-mail. “**e-mail:** also **E-mail**, and **email**, Abbreviation for [electronic mail](#). An electronic means for communication in which (a) usually text is transmitted (but sometimes also [graphics](#) and/or audio [information](#)), (b) [operations](#) include sending, storing, processing, and receiving information, (c) users are allowed to communicate under specified conditions, and (d) messages are held in [storage](#) until called for by the addressee. Some e-mail [software](#) permits the [attachment](#) of separate electronic files, e.g., word-processor files, graphics files, audio files.” (<http://www.its.bldrdoc.gov/projects/devglossary/e-mail.html>, December 30, 2004.)

These students will note that some of the strengths of using e-mail include its low cost, ease of use (similar to and/or linked with word processing packages), near instantaneous transmission, and high usage rate by computer users. (Straus and Frost, 2001; Marconi 2004) These students might conclude that e-mail was the logical choice for communicating with the faculty, staff, and students since it was quick, cheap, easy (assuming that lists of e-mail addresses existed for these groups), and targeted to the exact population they wanted to reach. (Kleindl, 2003) On the negative side, the average student might note that although e-mail may be sent to everyone immediately, that e-mails (like regular mail) are only read when they are opened; slow readers of e-mail would get the message late, non-email users would be missed entirely.

The above average student will take a step back from the problem and ask the question “what is the purpose of the university’s communication of this information with the employees, faculty, and students?” This fundamental question strikes at the underpinnings of public relations and therefore this student will then define public relations’ role in an organization. “Public Relations is a form of communication primarily directed toward gaining public understanding and acceptance. Public relations usually deals with issues rather than products or services, and is used to build goodwill with public or employees.” (<http://www.definethat.com/define/?id=52>, December 30, 2004) These student might reason from this definition that the purpose of this communication was to then “gain understanding and acceptance” of the University’s decision to move Harwich Point College’s undergraduate programs to Providence and by the end of the communication to have “built good will” with the employees. These students would therefore ask whether an e-mail sent to faculty, employees, and students would obtain the aforementioned objectives.

These students will perhaps then realize that it is not what you say but how you say it that counts; that the medium is the message. (McLuhan, 1964) They will then focus on the e-mail medium and recognize that other benefits of using e-mail include the ability to control the content of the message, the distribution of the message, the intensity of the message,³ the responses to the message (response would usually be in e-mail form since it is easy to reply) with minimal noise or interference. E-mail messages therefore simultaneously gain the attention of the target audience while obtaining the targeted recipients’ interest through customized and personalized content. (Kleindl, 2003)

These students will also see drawbacks using e-mail. Many individuals who have e-mail disregard much of their mail because of unsolicited commercial e-mail (Spam). (Deitel, Deitel,

³ Sherman (1985) extended McLuhan’s concept of hot/cold media to e-mail and concluded that its similarities to other print media, coupled with its interactive features, made e-mail a very intensive (hot) medium; a strong attention grabbing device.

and Steinbuhler, 2001) Marconi (2004) suggested that in order to avoid e-mail being treated as junk mail, that the sender of the e-mail be highly recognizable to the recipient – in this case the President's name would be highly recognizable to the college community. A second problem is that if active e-mail user will receive the message first, this will allow the development of a rumor mill (assuming that information of this nature would be quickly passed from an active e-mailer to a non-active e-mailer) and the passage of misinformation since in all likelihood this information would be conveyed verbally (live or phone conversation). These students might suggest that it would not be difficult for the concept of "transfer" to quickly be interpreted as "closing" and that the story could be stretched way out of proportion (see grapevine effect, Adler and Elmhurst, 2002).

Exceptional students will note that perhaps the University employed e-mail because, in all candor, no one wants to personally delivery bad news (and more importantly deal with the reaction to said news). By using an impersonal approach, it was easier to be straight forward about both the College's economic problems and the Board's solution strategy to those problems. These students might also suggest that this method allowed the college to exercise logical reasoning to induce "understanding and acceptance" of the situation from the target audience; reasoning that perhaps would be lost in conversation and discussion of on this topic. Secondly, these students could also argue that this e-mail was both a preemptive strike against possible leaks and mistruths that might emanate from members of the Board of Trustees as well as a delaying tactic to give the university time to organize a thorough and well conceived public relations campaign.

These same students, however, will see their prior explanations as more of mere rationalizations then good planning and public relations. These students will indicate that good public relations with employees both begins and ends with what Marconi (2004) called "the personal touch and the adult approach." (p. 129) Rowley and Sherman (2004) in describing supervision within colleges and universities noted that issues such as trust, adult-adult relationships, collegiality, respect and honesty were the cornerstone to worker productivity. Both sets of authors acknowledged that that the most preferred means of communication within an organization, especially of matters of high import, was "face-to-face personal contact." (Marconi, 2004, p. 131) These students might therefore speculate that faculty, staff, and students might become angry not only as to the content of the message but, more importantly, as to the impersonal means in which it was conveyed. This impersonal approach would seem to be counter to the value system of the college as well as the University as described in the background information presented in Exhibits 3 and 4.

Finally, these students might also indicate that the University should have been in crisis management mode; that the story they had to tell was not a pleasant one. That being stated, the question becomes "does the university's action of sending out an e-mail to its employees build and sustain its reputation while being connected to a crisis?" These students might argue whether or not the e-mail served as the appropriate first step in a much larger public relations campaign and how well served the university was in starting this campaign with an e-mail.

3. Assume that you disagree with the method in which the university first informed the students, faculty, and staff about the transfer decision. What would be your first step in this public relations campaign in terms of informing students, faculty, and staff? Message and media usage?

The purpose of this question is twofold: one, to have students think about how they would have liked to have been informed if they were on the receiving end of this message. This should be a fairly easy task since college students are part of the target audience. More importantly, this question requires students to become empathetic with the recipient of the communication, a critical factor in effective communication. (Howell, 1982) Third, this question broadens the scope of the problem by placing this crucial incident (first contact so to speak) within a larger framework, that is, within the context of an overall public relations campaign.

The *below average student* will answer this question in an off-hand manner (as described in question one) or might recommend that no action be taken by the University until a thorough public relations campaign has been developed. This student would indicate that without a public relations plan it will be hard to “identify[ing] with whom you want to have a relationship *with*, what you want from that relationship, and what you can do to achieve it.”

(<http://www.nku.edu/~turney/prclass/readings/plan.html>, December 31, 2004)

Unfortunately, Marconi (2004) recognized that no action is the worst action of all and recommended that organizations “acknowledge the problem, deal with it, and move on.” (p. 264) It is clear in this case that information of this import could not stay bottled up amongst the members of the Board of Trustees until a public relations plan was developed since the worst scenario would be for the University to have to respond to “news breaking” media coverage of this decision. The *average student* would accept the fact that some action needed to be taken immediately by the University, regardless if a public relations plan was in place, since the news constituted a crisis situation. This student would have noted that once the crisis hit that the University should have: a) designated one person to act as spokesperson for the crisis; b) get the story out quickly; c) presented the organization within a larger context than the crisis, constantly coming back to the positive attributes of the college; d) kept everyone in the organization informed; e) reinforced a sense of pride in the organization; f) been honest and responsive. (Marconi, 2004)

This student would then detail how this information should have been released by indicating who should release the story (President, Chair of Board of Trustees, Chancellor of Harwich Point College, Public Information Officer of the University, etc...), the recipients of the story (differing segments of the target population), the media employed (mass media, internal communications), the message (its actual content), and the staging of the information release (assuming the message is delivered in person, where, what setting, which media present, etc...).

The *above average student* would note that if the University had an active and engaged public relations officer (PRO) then that person would have (or should have) known that on the Board’s agenda was the possible transfer of undergraduate programs from Harwich Point College to Providence and therefore should have sketched out a public relations campaign and more specifically the first step in that campaign prior to the Board’s decision. The student would denote that as part of public relations planning the PRO should have performed a situation analysis (a “what if” study), establish measurable, verifiable, and attainable objectives for the campaign, identify the target audience, shape the message, and determine the media to be used to deliver the message. (<http://www.graphicarts.org/nalc/prmanual/pr1plan.htm>, December 31, 2004) This student would then, like the *average student*, detail how this information should have been released.

The *exceptional student* might also observe that the best way to prepare for a public relations crisis is to cultivate strong media relations; to be proactive. “If the public relations staff truly has a customer-centered approach to its relationships with the media, it will have established itself as having the media’s interests at the center of public relations program. This should mean that key media people will give the organization the benefit of any doubts and will give the organization a clear opportunity to get its story across.” (http://www.campagne.com/pdfs/PR_planning.pdf, December 31, 2004, p. 3)

More importantly, this student might also realize that the best way to diffuse the possible negative impact of this information would have been to take the “surprise” element out of the situation. (Kanter, 1983) Perhaps the faculty, staff, and students might not have a vociferous and raucous reaction to the announcement if the Board of Trustees and/or the President had approached them prior to the notice to discuss the college’s cash flow problems and the impact of this negative cash flow on the University. Furthermore, by including these target groups in a discussion of the problem (rather than in a discussion of the Board’s solution to the problem) then perhaps alternative strategies could have been discussed, investigated, and implemented. This student would undoubtedly point out that the seemingly unilateral nature of the decision-making by the Board is just as much a problem as the actual announcement by the Board and may serve as a negative multiplier effect.

In general, there should be some commonality between these differing students in terms of how this information should have been delivered to the students, staff, and faculty of Harwich Point College (we believe that a live, in-person announcement by the President and/or the Chairperson of the Board of Trustees followed by a question and answer session would have been most appropriate) as well as the differing media used to present the message (radio, TV, newspapers, college website), and the necessity of having a written press release sent to the media in question.

Part B

1. Examine Exhibit 8 from Part B of the case. What is the relative financial position of the college?

Although financial analysis is not part of a public relations course, students must understand that financial statements convey information about an organization and therefore constitute part of a public relations effort. The purpose of this question then is to have students confront their need to analyze financial data as well as to draw some preliminary conclusions about the financial position of an organization.

The *below average student* might require assistance in answering this question or answer in such generalities as to hardly refer to the Exhibit. For example, this student may employ terms such as “good” or “bad” in terms of the college’s financial status rather than provide an actual quantitative analysis or refer to actual numbers provided in the exhibits.

The *average student* will examine the exhibit and report, in general terms, financial trends over time i.e. operating results for the college indicated increasing losses from 99-04 while revenues remained stable over the same five year period. A list of trends for the college are reported below, see TN Table 3, below.

TN Table 3
Financial Trends for Harwich Point College – Qualitative Reporting

For Harwich Point College	Trend 99-04
Revenues:	
Tuition & Fees	Slightly up
Scholarships & Fellowships	Up
Net Tuition & Fees	Flat
State Aid	Slightly down
University Revenue	Dramatically down
Unrestricted Gifts	Went up then down
Transfer from Restricted	Went up then down
New Fundraising Events	Once in '04
Other Revenue	Went up then down
Total Educational & General	Flat
Auxiliary Enterprises	Went up then down
<i>Total Revenues</i>	<i>Slightly down</i>
Expenditures:	
Instruction	Up
Academic Support	Up
Student Services	Up
Staff Benefits	Up
Institutional Support	Up
Operations & Maintenance of Plant	Up
University Expense	Down
Mandatory Transfers	Flat
Non-Mandatory Transfers	Up then down
Total Educational & General	Up
Auxiliary Enterprises	Slightly Up
Total Expenditures	Up
Educational & General:	Down
Auxiliary Enterprises	Down
Results Before Clear Channel Gift	Down
"Clear Channel Gift"	Up
Total Results of Operations	Down

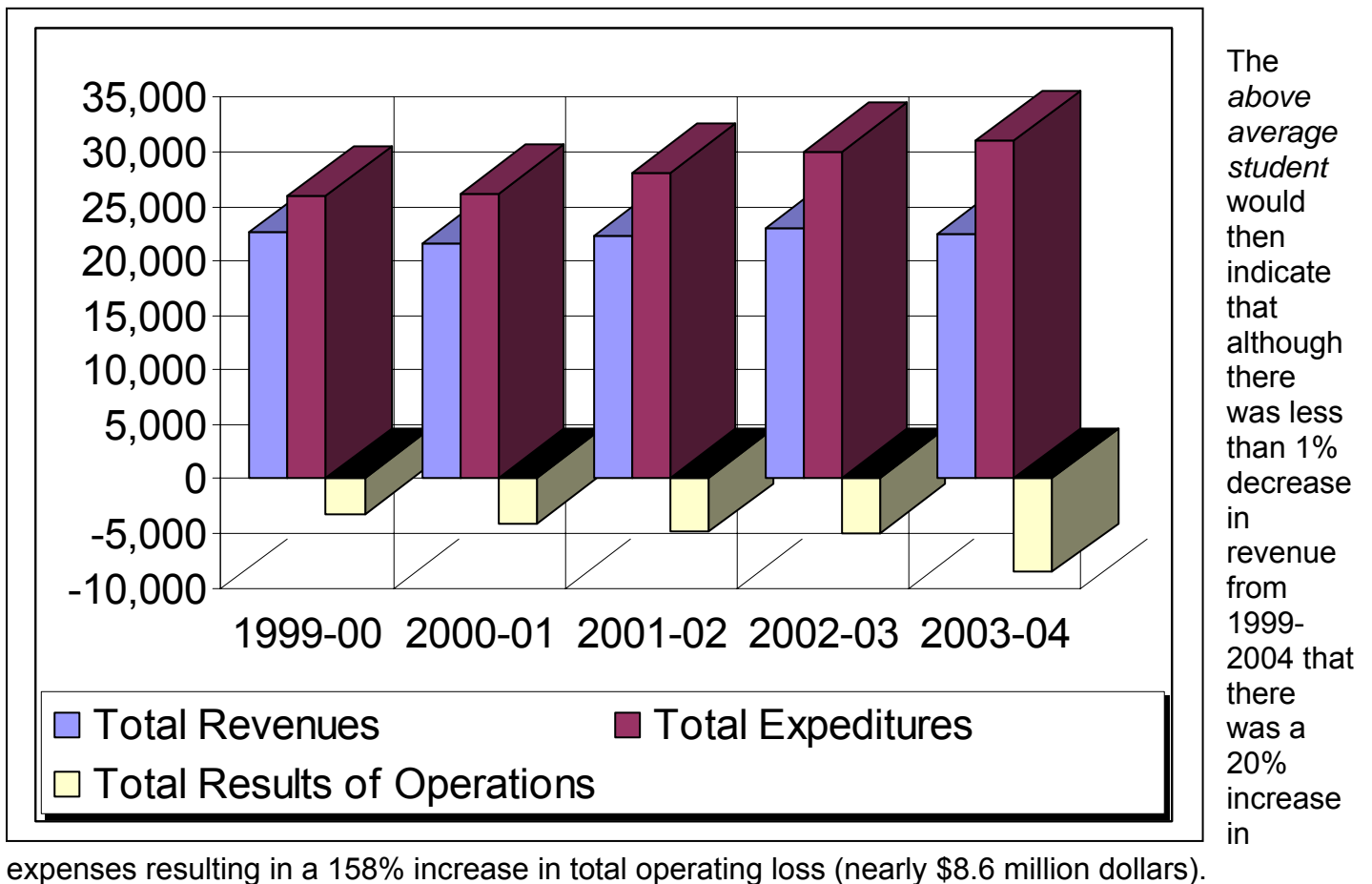
The *average student* after constructing this chart would conclude that overall revenues were relatively the same over the five year period while expenditures were up.

The *above average student* would actually use the data in Exhibit 8 to generate new information about the college including quantitative trends and perhaps associated graphs. See TN Table 4 and TN Figure 2 below.

TN Table 4
Financial Trends for Harwich Point College – Quantitative Reporting

(Dollars in 000's)					2003-04	
	Actual				Projected	% change
Harwich Point	1999-00	2000-01	2001-02	2002-03	@6/3/04	99-04
Revenues:						
Tuition & Fees	22,004	21,751	23,263	24,930	23,400	6.34%
Scholarships & Fellowships	7,352	7,528	8,607	9,923	8,400	14.25%
Net Tuition & Fees	14,652	14,223	14,656	15,007	15,000	2.38%
State Aid	157	140	117	103	133	-15.29%
University Revenue	419	418	241	164	182	-56.56%
Unrestricted Gifts	1,370	1,257	1,087	1,347	1,100	-19.71%
Transfer from Restricted	-	32	-5	21	-	
New Fundraising Events	-	-	-	-	700	
Other Revenue	763	819	1,099	1,111	920	20.58%
Total Educational & General	17,361	16,889	17,195	17,753	18,035	3.88%
Auxiliary Enterprises	5,218	4,663	5,077	5,297	4,462	-14.49%
Total Revenues	22,579	21,552	22,272	23,050	22,497	-0.36%
Expenditures:						
Instruction	7,422	7,373	7,889	8,431	8,208	10.59%
Academic Support	1,458	1,609	1,772	1,739	2,016	38.27%
Student Services	2,054	2,103	2,242	2,199	2,413	17.48%
Staff Benefits	3,821	4,157	4,515	4,915	5,446	42.53%
Institutional Support	1,914	1,634	1,853	1,811	2,405	25.65%
Operations & Maintenance of Plant	2,447	2,587	2,629	2,838	3,221	31.63%
University Expense	1,673	1,660	1,812	2,011	2,262	35.21%
Unallocated Salaries	-	-	-	-	-200	
Mandatory Transfers	1,157	1,098	1,104	1,136	1,155	-0.17%
Non-Mandatory Transfers	-	44	291	656	110	
Total Educational & General	21,946	22,265	24,107	25,736	27,036	23.19%
Auxiliary Enterprises	3,965	3,950	4,046	4,216	4,060	2.40%
Total Expenditures	25,911	26,215	28,153	29,952	31,096	20.01%
Results of Operations:						
Educational & General:	-4,585	-5,376	-6,912	-7,983	-9,001	96.31%
Auxiliary Enterprises	1,253	713	1,031	1,081	402	-67.92%
Results Before Clear Channel Gift	-3,332	-4,663	-5,881	-6,902	-8,599	-158.07%
Clear Channel Gift	-	536	958	1,956	-	
Total Results of Operations	-3,332	-4,127	-4,923	-4,946	-8,599	-158.07%

TN Figure 2
Harwich Point College Total Revenue, Total Expenses, and
Total Operating Results: '99-04



The *exceptional student* would also try to employ financial ratio analysis in order to analyze the college's operation and realize that Exhibit 7 does not possess all of the information necessary in which to calculate all of the ratios. They would, however, present whatever analyses they could calculate, see TN Table 5, below.

TN Table 5⁴
Change in Profitability Ratios for Harwich Point College: 1999-2004

Sales = Total Education + General
 Cost of goods sold = Expenditures – (Transfers + Auxiliary Enterprises)
 Operating expenses = Transfers + Auxiliary Enterprises
 Other Income = Auxiliary Enterprises (two listings) + Clear Channel Gift

Profitability Ratios	1999-01	2000-1	2001-2	2002-3	2003-4 (est.)	% change
Gross	-19.75%	-24.27%	-32.08%	-34.87%	-42.89%	-236.91%
Operating	-49.25%	-54.22%	-63.73%	-68.72%	-72.49%	-196.44%
Net	-11.98%	-19.44%	-27.65%	-21.77%	-45.45%	-391.36%

This student would note that the college is becoming a larger and larger cash drain on the university with little to no hope in sight of reversing the negative profitability trends.

2. Perform a similar financial analysis for the University given Exhibit 9.

The purpose of this question then is to have students realize that the college's financial position is just part of a much larger financial picture that includes other campuses. By having students examine the cash flow position of the university, they will be able to appreciate the perspective of the board of trustees and the other campuses' stakeholders as to the impact of Harwich Point College and the university's financial operation.

The *below average student* might require assistance in answering this question or answer in such generalities as to hardly refer to the Exhibit. As mentioned in question 2, this student might refer to the University's overall situation in either positive or negative terms without referring to specific Exhibit data.

The *average student* will examine the exhibit and report, in general terms, the general financial trends for the university and each of its academic units. For example, this student might report that only since 1995-6 has the university operated in the black and that its cumulative revenue peaked in 2002-2003; since then the university's accumulated revenues had declined back to 2000-1 levels. See TN Table 6 for more details.

⁴ Using the financial ratio calculator at <http://www.acctsite.com/calcs/Ratios.html> the following ratios were calculated by year.

TN Table 6
Qualitative Analysis of NEU Cumulative Balance: Overall & by Campus

Campus	Trend
Springfield	Largest deficits in the mid-1980's; largest surplus in early 2000s. Starting to reduce surplus.
Osteopathic Medicine	Largest accumulation in 1997-98; slightly declined from then on. Still has positive accumulation.
Providence	Largest deficit in 1997-8; estimated to finally have a positive accumulation in 2004-5.
Harwich Point	Has never accumulated a surplus. In rapid decline.
International Abroad	Surplus first year, declines thereafter. 2004-5 first year to reduce overall deficit.
Burlington	Always adds revenues to surplus (cash cow). Biggest single contribution in 2002-2.
Watertown	Always adds revenues to surplus (cash cow). Biggest single contribution in 1995-6.
Provincetown	Always adds revenues to surplus (cash cow). Biggest single contribution in 2004-5.
New England University	Largest negative accumulation in 1990-91; increasing surplus from 1995-6 to 2002-3.

This student may make several observations:

- 1) Burlington, Watertown and Provincetown are cash cows, that is, they are excellent revenue enhancers.
- 2) Harwich Point and International Abroad have always lost money.
- 3) The university has a negative cumulative deficit from 1959-94; surpluses have only been around for the last ten years.

This student might wonder why the university now decided to move Harwich Point's undergraduate programs to Providence and list several reasons:

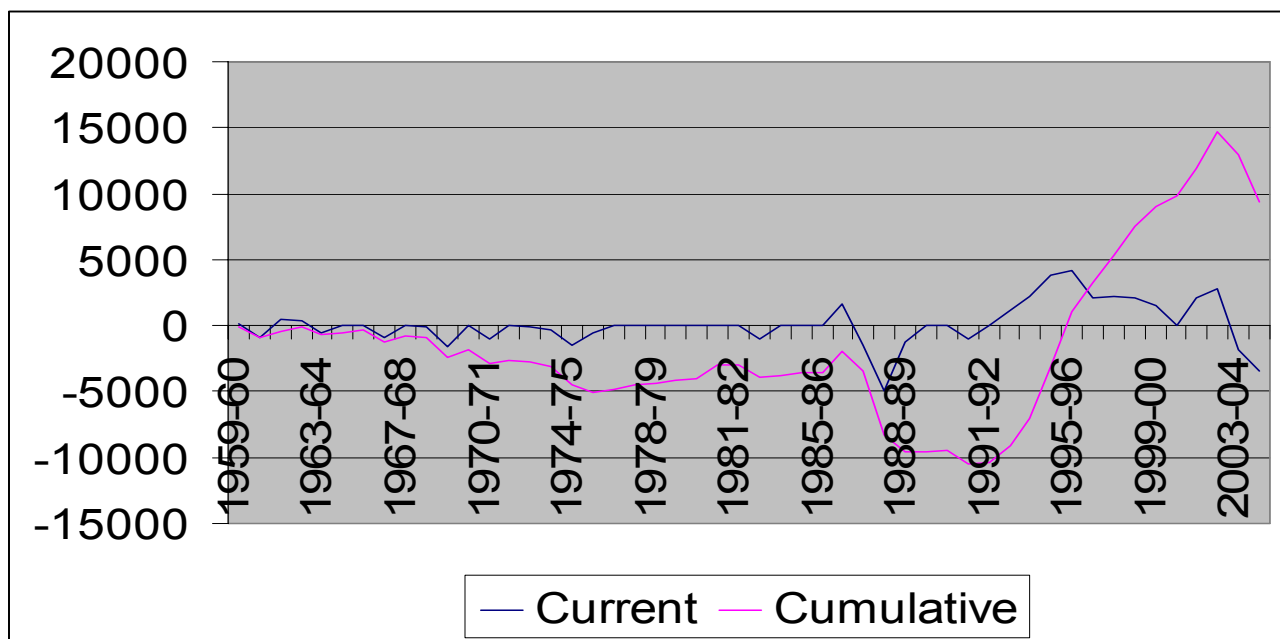
- a) Providence was expected to show an accumulated surplus in 2004-05, the first time in over ten years. Why risk Providence's possible growth in surplus? (Did they expect this move to add to Providence's surplus?)
- b) The University was still "in the black" and had been in the red for 35 years. What "changed" in the university's fiscal policy that would not allow them to operate with what seems to be a slowly decreasing surplus?
- c) Harwich Point College and International Abroad were always "money pits"; again, what changed in the university's fiscal policy that would not allow this to continue?

The *above average student* would use the data in Exhibit 8 to generate information about the university including quantitative trends and perhaps associated graphs. See TN Table 7 and TN Figure 3 below.

TN Table 7
New England University Cumulative Unrestricted Funds

AY	Current (000)	Cumulative (000)
1959-60	120	-50
1960-61	-891	-941
1961-62	445	-496
1962-63	377	-119
1963-64	-571	-690
1964-65	89	-601
1965-66	230	-371
1966-67	-885	-1256
1967-68	463	-793
1968-69	-71	-864
1968-69	-1565	-2429
1969-70	640	-1789
1970-71	-1076	-2865
1971-72	214	-2651
1972-73	-72	-2723
1973-74	-335	-3058
1974-75	-1475	-4533
1975-76	-534	-5067
1976-77	257	-4810
1977-78	280	-4530
1978-79	141	-4389
1979-80	263	-4126
1979-80	119	-4007
1980-81	963	-3044
1981-82	79	-2965
1982-83	-978	-3943
1983-84	184	-3759
1984-85	155	-3604
1985-86	7	-3597
1985-86	1671	-1926
1986-87	-1475	-3401
1987-88	-4923	-8324
1988-89	-1271	-9595
1989-90	126	-9469
1990-91	-1000	-10469
1991-92	91	-10378
1992-93	1214	-9164
1993-94	2172	-6992
1994-95	3867	-3125
1995-96	4220	1095
1996-97	2124	3219
1997-98	2157	5376
1998-99	2134	7510
1999-00	1535	9045
2000-01	749	9794
2001-02	2151	11945
2002-03	2781	14726
2003-04	-1822	12904
2004-05	-3486	9418
Average	146	-1430

TN Figure 3
New England University Cumulative Unrestricted Funds: Trend Lines



This student might make several observations about the university's cash flow:

- 1) That given the average annual university contribution of \$146,000 it would make sense that the last few years of losses (\$1.8 million in 2003-4; nearly \$ 3.5 million in 2004-5) would be of grave concern to the university.
- 2) That the university's average annual accumulation was negative \$1.4 million and therefore their current accumulation of \$9.4 million gave them somewhat of a cushion to absorb another year or two of losses.
- 3) That only since the mid-1990's was cash flow accumulations positive. Therefore the university should be accustomed to dealing with negative cash flows and the problems associated with it.

The *exceptional student* would analyze all of the campuses (as well as the university) and might present the following summary chart of their calculations. See TN Table 8.

TN Table 8
New England University Cumulative Unrestricted Funds by Campus: Summary Data

	Springfield*		Osteopathic*		Providence*	
In 000's	Current	Cumulative	Current	Cumulative	Current	Cumulative
Average	(34)	(6912)	98	3541	(378)	(252)
Maximum	6666	3457	1855	4994	2281	3468
Minimum	(4386)	(30129)	(847)	(212)	(2480)	(5339)

	Harwich Point*		International Abroad*	
In 000's	Current	Cumulative	Current	Cumulative
Average	(2038)	(14369)	(184)	(1189)
Maximum	(14)	(87)	(60)	(228)
Minimum	(12723)	(77036)	(417)	(1629)

	Burlington^		Watertown^		Provincetown^	
<i>In 000's</i>	<i>Current</i>	<i>Cumulative</i>	<i>Current</i>	<i>Cumulative</i>	<i>Current</i>	<i>Cumulative</i>
<i>Average</i>	1989	18872	1260	9281	721	5825
<i>Maximum</i>	4409	44278	1489	19482	1962	16575
<i>Minimum</i>	1047	1704	1051	1314	69	272

*Main Campuses (Osteopathic is attached to the Springfield campus, International Abroad to Harwich Point)

^ Satellite Campuses

This student might also make several observations:

- 1) None of the three main campuses, excluding Osteopathic, had an average positive current or cumulative revenue position
- 2) All of the satellite campuses had an average positive current and cumulative revenue position
- 3) The Burlington campus had the highest average and cumulative revenue position while Harwich Point had the lowest positions

This student might take the position that these campuses constituted a “portfolio” of campuses comprising the overall university. Therefore in order to keep the university’s revenues from further reductions, the poorest economically performing campus had to be dismantled; Harwich Point College.

3. Analyze the effectiveness of the information provided on the web from a public relations perspective. How constructive was this information in meeting the general objectives of a public relations campaign?

This questions asks students to determine whether or not the information provided on the college’s web site by the university “establishes and maintains mutually beneficial relationships between an organization and the publics on whom its success or failure depends.” (Cutlip, Center, and Broom, 2000, p. 6). This question requires students to understand the stages of public relations evaluation (preparation, implementation, and impact; Cutlip, Center, and Broom, 2000) and requires some content analysis of the web materials provided in the exhibits beyond those already discussed in questions 1 and 2.

The *below average student* will answer this question without making any reference to the purposes, goals, and objectives of a public relations campaign. Talking only in generalities and providing only opinion, this student may or may not take a position as to the effectiveness of he material placed on the web site.

The *average student* will note that there are three steps in evaluating a public relations program:

- 1) Preparation evaluation = assesses the quality and adequacy of information and strategic planning.
- 2) Implementation evaluation = documents the adequacy of the tactics and the effort.
- 3) Impact evaluation = provides feedback on the consequences of the program. (Cutlip, Center, and Broom, 2000, p. 436)

More specifically this student will note that the web site content can be evaluated based upon the “appropriateness of the message and activity content ... [and the] quality of the message and activity presentations.” (Ibid, p. 437) The student would then proceed to first analyze the content of the material provided in Part B and the presentation approach (format) in a general manner. The first step would be to list the items in question:

- a) General Information
- b) Transition Fact Sheet
- c) Harwich Point College – Fact Sheet
- d) Letter from the Vice President for Finance and Treasurer, NEU
- e) Harwich Point College – AY 1999 to 2004
- f) New England University Cumulative Current Unrestricted Fund

This student would then comment on the tenor of the material as well as some of its content, perhaps denoting portions of the material that they thought met the general goals of a public relations campaign. For example, this student might praise the fact that the university “understand(s) that this decision will affect you personally ... [and is] committed to providing clear and specific information (General Information) but wonder as to what a “college within a college” is or why the University has yet to work out the particulars for the Marine Science majors (Transition Fact Sheet). Furthermore they may comment on the seeming superfluous nature of the financial exhibits and the very negative tone of the letter from the VP for Finance and Treasurer. Last, there may be a general comment that the University needs to talk up the quality of the Providence campus facilities and the quality of the education offered by this campus – that the students will in fact benefit from this move given the more comprehensive facilities and plethora of majors, programs, courses, and extra-curricula activities offered at Providence.

The *above average* student will deal with each item listed above as a separate document and comment accordingly. The material below is provided as a hypothetical response.

- i. General Information – short, concise and very sympathetic to the plight of the students. Provides a good overview of the situation as well as a web site for commonly asked questions.
- ii. Transition Fact Sheet – tone is quite factual in nature. Uses a confusing term “college within a college.” Mentions that housing may not be on campus and that details have not been worked out for marine science majors. Describes some of the facilities at Providence but does not ‘sell’ the campus.
- iii. Harwich Point College Fact Sheet – the general information about the college seems unnecessary. The factual presentation of net operating losses, discount rate and enrollments seems to support the assertion that the college has economic problems, however, the information on endowments and outstanding debt seems out of place – the significance of this information is missing.
- iv. Letter from the VP for Finance – this letter puts forth the argument that \$200 million dollars is needed in order to turn around Harwich Point College (\$100 million endowment; \$ 100 million for building). At face value the argument seems logical, however, if the University only has a \$40 million dollar endowment how could Harwich Point College be expected to obtain \$ 100

million? Furthermore, if you extend the argument used to move Harwich Point College's undergraduate programs (FTE about 1000 students) to the entire university (that you need \$ 67,000 per FTE) then clearly the University should be closed given the fact that with 20,000 students attending the university (a rough figure) that an endowment of \$1.34 billion dollars would be warranted. The argument put forth in the letter therefore has little validity and would raise questions as to the sincerity of the university.

- v. Harwich Point College – AY 1999 to 2004 and New England University Cumulative Current Unrestricted Fund – although it is a sign of good intentions to put his type of detailed information on the web, this information can be easily misinterpreted with readers jumping to the wrong conclusions. For example, as mentioned in question 1, given Harwich Point College's relatively flat revenues for the past five years, is the increasing expense of operating the college (and therefore the resultant deficit) due to resource mismanagement or just the result of labor and supply cost increases imposed by suppliers? It is suggested that more general statements about the cost of operating the college be presented on the web which then reference the above two documents.

The *exceptional student* would have performed the above analyses and made several additional observations both in terms of the question and the resultant analysis.

1. That the material on the web is not necessarily the entire public relations program – that in order to analyze this material's efficacy one would have to examine this material within the context of a broader public relations campaign.
2. That although the content of the messages as well as their presentation format is important in analyzing the effectiveness of the material, without analyzing the implementation and impact of the material on the web site on the target audiences one cannot properly deduce the material's value. You would need information from the web site that would track, for example, the number of hits on the site, the number of hits on each item on the site, recipient information (data mining of the readers' cookies). You would also need to try to discern how many of those recipients learned the message content, changed or reinforced their opinions, behaved as NEU desired, repeated that behavior, and what changes might have occurred at a more macro level (social/cultural). (Cutlip, Center, and Broom, 2000)

Epilog

The summer of 2004 saw a flurry of articles in local and regional newspapers dealing with the transfer, several of which have misconstrued the transfer as a closing ("Shutdown 101"; "All for the Sea: See You Later"). There have also been numerous angry letters to the editor published in the local newspaper, the Harwich Point Press, denouncing the actions of the administration and the Board of Trustees. In the fall of 2004 the college hired a new director of public relations while several groups emerged to dispute the transfer (Save Harwich Point's College, an alumni-driven group, and Orphans of Harwich Point College, a student-driven group). These groups held a press conference and joint protest march at Providence in November of 2004. The faculty in November cast a vote of no confidence in the administration and later that year petitioned the New York State Board of Education to investigate NEU for possible mismanagement of Harwich Point College.

The University has published several press releases on the transfer and have maintained their web site in order to keep their students, staff, and faculty up-to-date. Both the Provost and the Dean of

Academic Affairs have written to the Harwich Point Press to clarify what programs will remain and Harwich Point.

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