Prioritizing Profits Over Purpose: Is Commercialized Academia Eroding the Essence of Leadership Education?

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Introduction

In 2014, I stood on the TED stage detailing a solution-focus approach to addressing the complex problems, noting that "our institutions of higher education are having to trade what they hold dear with respect to learning for the tuition generation machine, so they can be sustainable" (Andenoro, 2014). As I reflect upon my time on stage that day, the research that informed my talk, and my 25-year career as a leadership faculty member and university administrator, I am reminded that bad news does not get better with time. Unfortunately, the problems I noted in 2014 have significantly intensified over the last decade for both higher education and leadership education, as universities and colleges declare financial exigency and announce closures (Hill, 2021; Moore et al., 2024; Siegel, 2023). Revealing the unsettling realization that now more than ever, leadership education rests at a tenuous inflection point.

Problem

The field and interdisciplinary space of leadership education is currently navigating through a sea of complex and multifaceted challenges. To effectively navigate these turbulent conditions, a deep understanding of the escalating

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pressures that higher education faces is essential for our collective success. More specifically, the shift toward commodification in higher education endangers the perception of education as a public good, as institutions wrestle with wage inflation, labor shortages, and the decline of federal aid as a crucial source of post-pandemic recovery funds (Caudill, 2020; Zumeta et al., 2021). These economic pressures have led to a significant increase in operational costs for institutions, including the provision of essential services like mental health and wellness support (Scherer & Leshner, 2021). Additionally, adhering too strictly to traditional and inefficient practices, outdated programs, and antiquated educational methods, at the expense of embracing innovation, has hindered the economic resilience of higher education (Andenoro et al., 2017; Devlin & Samarawickrema, 2022; Grawe, 2021; Ueda & Kezar, 2024). Higher education institutions' hesitation to embrace innovation and agility for the changing learner and market dynamics hampers their ability to cope with rising inflation and budget constraints, while the robust job market and increasing cost of living entice potential students away from college and directly into the workforce (Balzer, 2020; Bowen, 2018). In response, the higher education sector finds itself in an era of pivotal transformation, reevaluating and reinventing its business models to address the evolving needs of diverse learner demographics and shifting workforce demands (Halabieh et al., 2022; Hashim et al., 2022).

The preceding challenges demonstrate the need for adaptive solutions that seemingly align with the development of leadership education courses, programs, and degrees to (1) generate tuition revenue due to high student demand, (2) engage students and drive retention due to their unique individual and relationship-focused curricula, (3) demonstrate an institutional commitment to social movements, inclusion, and academic dialogue, and (4) focus on the development of critical thinking skills in concert with emotionally intelligent and character-centric dispositions to produce civically minded graduates. However, in practice, administrators often fail to align with evenly portioned quarters of the previous whole in favor of a concentrated approach to tuition generation, resulting in the emergence of a crucial dialogue surrounding the commercialization of leadership education and its potential detriments. The paradox of commercialization offering a short-term financial lifeline at the cost of eroding the core values of leadership education necessitates a critical re-assessment of the balance between commercial needs and educational integrity. It is essential to uphold leadership education as a pillar of societal development and not just a marketable commodity.

Urgency

The current situation in higher education, where leadership education is being undermined by commercialization, carries a sense of urgency (Kezar & Bernstein-Sierra, 2024). As the market increasingly drives academic decisions, there is a significant danger that the core objectives of cultivating ethical, critical, and transformative leaders will be neglected. This trend not only impacts the quality of leadership education but also has broader implications for society, as the next generation of leaders may not be equipped with the depth of understanding and experience necessary to navigate complex challenges. Therefore, it is imperative to reevaluate and assert the value of leadership education in its truest form, prioritizing its foundational role over short-term financial gains.

Implications for Leadership Education

The potential consequences for leadership education programs and the students they serve, due to academia's commercialization, are multifaceted and deeply concerning (Kezar, 2023). Leadership programs risk becoming transactional rather than transformational. The focus on immediate revenue generation and reduced overhead often results in increased teaching responsibilities for interdisciplinary faculty and a greater reliance on adjunct faculty, who may offer varying levels

of commitment. This emphasis on financial efficiency can lead to a curriculum more focused on providing credentials rather than nurturing key leadership qualities such as ethical decision-making, empathy, and civic responsibility.

In the long term, the integrity and quality of leadership education could be compromised (Ueda & Kezar, 2024). Students may emerge with a set of skills suited to market demands, but lacking the reflective and critical thinking abilities that applied leadership requires. This transactional approach leads to a generation of leaders ill-equipped to face complex societal challenges thoughtfully and humanely. Ultimately, the transformation into commercial entities supplemented by third-party marketing and recruitment firms alters leadership development programs significantly, as they become less focused on fostering genuine leadership competencies and capacities and more focused on providing a quick path to degree completion or increased course enrollment, which could potentially weaken the role of higher education as a bastion of leadership for the public good.

Challenges to Character Development & Societal Impact

A profit-driven model poses considerable challenges to nurturing ethical and character-based leadership. Such a model may prioritize technical skill acquisition over the development of integrity, ethical frameworks, and social responsibility. The neglect of character development can lead to a lack of leaders who are prepared to make principled decisions, lead with compassion, and engage with societal challenges in a responsible manner (Carr, 2017; Lamb et al., 2022; Rockenbach, 2020; Singh, 2019). The consequences of this are far-reaching, as neglecting character development in leadership education risks producing leaders who prioritize profits over principles, potentially harming their organizations and society. Developing ethical leadership is not merely an educational pursuit with financial benefit but a societal imperative essential for a thriving democracy.

Solutions

In navigating the complex landscape of higher education's economic challenges and the commercial pressures on leadership education, solutions must be as innovative as they are imperative. To preserve the integrity of leadership programs, it is crucial to align financial sustainability with educational excellence. The forthcoming solutions delve into strategic approaches that address the dual necessities of financial viability and maintaining the depth of leadership education. They provide institutional administrators with context for recalibrating their programs' financial models to support educational quality and learning environments where ethical, character-based leadership education can flourish.

Profits Over Purpose as a False Dichotomy

Balancing profit motives with educational goals in leadership programs requires a strategic approach that recognizes the inherent value of quality education (Moore, 2015; Ruhviyanti et al., 2023). To dismantle the false dichotomy between quantity-based tuition generation and quality leadership learning, institutions can explore diverse revenue streams such as partnerships with industries, grants, and alumni contributions that support the educational mission without relying solely on student fees. More specifically, by implementing tiered program structures that leverage resources from accessible introductory courses to fund transformative leadership programs (Greere, 2023; Maiya & Aithal, 2023; Robinson et al., 2022), adopting balanced scorecard approaches that equally value financial, customer, internal business process, and learning and growth perspectives (Ruhviyanti et al., 2023; Sauri et al., 2023; Sinuany-Stern & Sherman, 2021) and/or investing in endowments specifically for leadership education that emphasize long-term investment over short-term profitability (Fardows et al., 2023), institutional administrators can secure financial stability while preserving the integrity of their leadership education programs and validating student, faculty, and stakeholder value.

In navigating this competing dichotomy, transparency with stakeholders about the cost and value of educational offerings is essential (Langrafe et al., 2020). Institutional administrators should consider the development of metrics that go beyond enrollment or financials to include educational impact, ensuring that leadership programs remain true to their core mission of developing leadership capacity and competence. Integrating these measures into the operational ethos of higher education institutions ensures that the depth and quality of leadership education are not compromised for short-term financial gains.

Encourage Reform – A Carrot Approach

Encouraging reform involves strategic incentives that align economic viability with quality mandates. This approach can include offering financial incentives tied to specific educational quality benchmarks, such as high student satisfaction rates or successful post-graduation outcomes, and rewarding institutions that enhance their leadership programs (Ortagus et al., 2020). Moreover, prestigious recognition for programs excelling in integrating ethical training and societal impact could motivate continuous improvement. Support for innovative pedagogical practices, such as new teaching technologies or community-based learning experiences, could also be incentivized, encouraging institutions to adopt forward-thinking education models and curricula that integrate real-world problem-solving, ethical decision-making, and opportunities for reflective practice (Averill & Major, 2020; Sorokina et al., 2021).

Concurrently, creating partnerships with industries and organizations through collaborative funding opportunities can help align leadership programs with current market and societal needs. This enhances program and learning relevance and application allowing students to engage directly with leadership challenges (Audretsch & Belitski, 2022; Skalicky et al., 2020). Additionally, incorporating digital and blended learning platforms can expand access to leadership education, inviting a diverse range of voices and experiences to inform and shape the learning process (Alenezi, 2023). Finally, linking student financial aid to participation in leadership development could drive student enrollment in these programs, overall retention, and an institutional focus on quality and expansion (Salmi & D'Addio, 2021). When combined, these strategies can balance financial pressures with a commitment to educational excellence while forging a path that ensures leadership education remains a transformative experience that contributes positively to society.

Accreditation & Standards – A Stick Approach

The creation and enforcement of accreditation standards specifically for leadership education programs could be a powerful means to address the challenges highlighted. Standards would establish a benchmark for the essential elements of leadership education, including but not limited to ethical development, critical thinking, and societal impact. Extending beyond guidelines or suggested practices, programs would need to demonstrate quantitative and qualitative metrics of how their curricula and pedagogies contribute to these outcomes to receive accreditation (Gaston, 2023).

Such standards could mandate that programs offer a balance of theoretical and practical learning experiences, ensuring that leadership is taught as a practice grounded in real-world challenges (Andenoro et al., 2019; Andenoro et al., 2023). Accreditation could also require programs to show how they foster character development and prepare students to make ethical decisions that positively impact society (Guthrie & Beatty, 2022; Guthrie et al., 2021). This could shift the trend away from commodification and force institutional administrators and faculty members to realign with and actualize their core mission of developing competent, conscientious individuals capable of addressing the complex challenges faced by our organizations and communities across our global landscape.

Furthermore, preserving the essence of leadership education amidst financial and market pressures

requires a multi-pronged strategy that anchors itself in the core purpose of cultivating authentic leaders. This idea goes beyond the proverbial ivory tower of higher education to policy-makers, nonprofits, and corporate entities attempting to shape change and viability within higher education spaces as a key function of leader preparation and societal impact (Beerkens, 2020). Policy recommendations should focus on incentivizing institutions to invest in quality leadership programs through strategic partnerships and accreditation standards that emphasize ethical and transformative leadership outcomes and, ultimately, produce ethically driven, socially responsible leaders capable of impacting a positive trajectory for our organizations and societies.

Conclusion & Value

Within the current landscape of higher education, there is an intricate balance between maintaining the veracity of leadership education and the commercial pressures that threaten to undermine it. However, a revitalized approach grounded in innovation and agility that disrupts the traditional preferences and approaches of higher education while preserving the integrity of leadership education has a tremendous value. It provides actionable strategies for realigning educational practices with the core mission of developing adaptive and principled leadership capacity for change within our dynamic student and learner populations.

Understanding this, the preceding purpose-driven approaches provide intellectual merit for the diverse fields and interdisciplinary space of leadership and broader impact for society at large. The intellectual merit of the preceding serves the diverse fields of leadership education by advocating for high-quality leadership programs that adhere to ethical and educational standards, despite prevailing economic pressures. The intellectual merit is extended to the broader context of higher education institutions, as a stakeholder/learner-focused approach that understands and meets the needs of various organizations and communities through leadership education

ultimately has the potential to create and extend value for struggling institutions of higher education. This includes a reevaluation of relationships with internal and external stakeholders to ensure that higher education institutions fulfill their educational and societal missions to cultivate the next generation of leaders replete with a toolkit for addressing the most pressing adaptive challenges now and in the future. The broader impact tied to societal advancement is also evident, as the preceding approaches emphasize developing leaders equipped with the foresight and integrity to address future societal challenges, thus reinforcing the importance of leadership education as a public good essential for the advancement of democracy and community well-being.

The outlined strategies emphasize a deep commitment to maintaining the core principles of leadership education and ensuring it continues to produce ethical, reflective leaders adept at navigating our complex society. However, these strategies also serve as a cautionary tale for institutional administrators who will ultimately determine the integrity of their leadership education programs, the strategic allocation of resources, the agency of their faculty, and the quality of their student experience. As a leadership educator and former university administrator with extensive experience in leadership education, I understand that upholding these standards and ensuring leadership education remains a force for positive change depends on the commitment of everyone involved in the process. However, as an advocate for leadership education change, I also recognize that the path to hell is paved with good intentions. We need leadership educators, faculty, administrators, and policymakers to engage in strategic actions that reaffirm our collective commitment to the integrity of leadership education through consistent institutional approaches that ensure leadership education's place as a potent force for good in society. By doing so, we can ensure that leadership education continues to enrich not just the financial bottom line but individuals, communities, and societies, making a profound impact on the world.

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