

## MOVING HIGHER EDUCATION TO ITS NEXT STAGE: A Call to Action for Universities

**Throughout their history, American universities have tackled major challenges** by making innovative and dynamic adjustments, maintaining their relevance by both shaping and responding to societal structures and needs. Today, an emergent class of complex, high-profile problems—poverty, health, basic education, and environmental quality—calls for solutions that cut across sectors and that require integrative knowledge derived from many fields. Harvard Business School faculty Rosabeth Moss Kanter, Ernest L. Arbuckle Professor; Rakesh Khurana, associate professor; and Nitin Nohria, Richard P. Chapman Professor, propose that universities address these and other needs by creating new graduate professional schools for experienced leaders who wish to tackle societal and global problems during what might otherwise be their retirement years. Their vision for a School of Advanced Institutional Leadership (SAIL) is rooted in the belief that a university's purpose is to serve society and that societal change demands innovation.

### NOTEBOOK

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A recent survey of Americans 50 to 70 years old found that over half want to spend the time after their primary career ends in national or community service. SAIL presents the opportunity to unlock and more fully utilize this experienced and productive human capital.

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## Universities and Society in America

The first three American universities—Harvard, Yale, and William and Mary—were founded in the 1600s as religious institutions, as were virtually all of their earliest successors. These early American institutions were independent of the state and were essentially local in their character and influence. Nearly 150 years passed before new kinds of educational institutions began to appear. In 1787, the Northwest Ordinance set aside public lands for the support of public education, and as a result, several state universities were founded—including the University of Michigan in 1817. These institutions signaled the first significant expansion of access to higher education in America, as well as a gradual transformation of higher education's fundamental purpose.

According to historian Laurence R. Veysey, a Harvard professor wrote to Thomas Jefferson in 1825 that “discontent is beginning to prevail in relation to the system pursued at all our colleges in New England which, being substantially the same that existed here a century and a half ago, can hardly be suited to our present circumstances and wants.” The letter presciently called for adapting the university to a society in transformation.

The Morrill Act of 1862 led to the founding of the nation's land grant colleges and an emphasis on “useful” education and research. Over the ensuing decades, the belief that universities in a democratic society need to offer practical benefits to the public, along with the increasing organization and prestige of science inspired by the German model, gave rise to the new American research university. With its triple mission of teaching, research, and public service, this new form quickly met with enthusiastic support from both public and private sectors.

In 1944, the post–World War II GI Bill of Rights sparked a tremendous expansion of access to higher education, which soon became one of the primary vehicles for economic and social advancement in America. Research was fueled by new sources of funding, primarily from the federal government but also increasingly from private industry. Yet although they gained influence and prestige during this period, universities also suffered a significant loss of autonomy as they became more dependent on federal and industry funding.

As this quite brief history suggests, the relationship between universities and American society is reciprocal. Society's conditions and demands have shaped the nature of universities, which in turn have shaped the society within which they are embedded. For the past 60 years, however, it is arguable that universities have been more

reactive than proactive. American higher education today is on the defensive and is struggling with dramatic reductions in state and federal funding.

## The Need for New Knowledge, Skills, and Leadership

At the start of the 21st century, the American university is once again on the familiar ground of rapid and radical societal change. Indeed, among the challenges being posed by globalization and the revolution in information and communications technology (ICT) are questions about the continued relevance of the university in its by-now traditional form. Many of the gravest problems confronting society today exemplify H.G. Wells's dictum, “History is a race between education and catastrophe.”

Four major issues are at the top of numerous agendas: global poverty, global health, basic education, and degradation of the environment. These problems are not entirely new, but the forces of globalization and the revolution in ICT make them more visible and increase their urgency. They share several characteristics that signal the need for new kinds of leadership that can integrate knowledge across professions.

One of the many common characteristic of these global problems is that they all include both political and technical components. The political context surrounding any problem must be understood and managed, and a variety of institutions across sectors must be mobilized before technical solutions can be applied. Along similar lines, technical knowledge of solutions alone is not enough to scale successful demonstration projects that address these complex problems. That step involves resources and skills centered on forging appropriate systemic connections to distribute solutions effectively. Thus, these challenges cannot be dealt with by one profession acting alone; indeed, effective action most often occurs at the intersection of professional fields. Holistic solutions, however, can be difficult to implement because of the complex interactions (or failures to interact) among many participants who deal with just one piece of an issue. Finally, solutions to these problems require concurrent actions at several system levels and/or among many stakeholders. This means that social capital, as well as financial capital, is required to forge relationships, influence opinion leaders and gatekeepers, and assure cultural appropriateness.

Greater complexity and system interdependence increase the difficulty of creating sufficient action in a consistent direction to reshape a whole system. They also

raise the specter of unanticipated consequences. Yet there is relatively little guidance in academic literature about the dynamics of large-scale systemic or social change and even less about necessary leadership competencies and how they can be developed. A consequence of too little theory and research is that the quality of practice is uneven or poor.

In short, there is an intellectual gap in solving an emergent class of high-profile problems that cut across sectors and that require integrative knowledge derived from many professional fields. This is exactly the kind of knowledge-building opportunity universities should embrace.

### **A Third Stage of Life and the Opportunity for Higher Education**

Improvements in medicine and medical technology are increasing both the length and the quality of life in the United States. As life expectancy has increased, a new group of productive workers and citizens has begun to form, forcing society to redraw the lines between various stages of life. Some scholars have argued that there are four stages of human life—each about 25 years long—dividing what used to be considered “old age” into two distinct phases. In this newer scheme, the first stage of life encapsulates maturation and most education. The second stage is devoted to household formation, parenting, and career development. The new third stage is defined by an empty nest, strong health, and great work potential. This third stage (our focus) should be thought of as “prime time,” a phase in which a person can continue to perform current work or begin another career focused on giving back to the community. The fourth stage begins at around age 75 and is defined by a general decline in activity levels, although some people remain very active.

Public discourse about the implications for American society of an aging population frequently centers on the cost of supporting the elderly. Concerns about the ability of Social Security and Medicare to sustain the Baby Boom generation are the stuff of campaign platforms and political debates. Despite such concerns, the new demographics in general, and reconception of the third stage of life in particular, present many potential benefits for both society and universities. Concerns about an aging population becoming a drag on the economy and a burden on younger workers overlook the potential productivity that older workers could and do provide. Peter Coy, economics editor of *BusinessWeek*, estimates

that if more workers were encouraged to keep their jobs or begin a new career, the gross domestic product (GDP) could increase by 9 percent by 2045. He also argues that by drawing on a rich variety of life events, older workers may be more adept at solving nuanced problems than are younger employees. Further, involving the senior population in socially productive activities will help create a healthier and happier older population, which will reduce the direct costs of expensive programs like Medicare and Social Security.

A recent survey of Americans 50 to 70 years old found that over half want to spend the time after their primary career ends in national or community service (Princeton Survey Research, 2005). If society can find ways to help talented, energetic, high-achieving people in the third stage of life find exciting and meaningful opportunities to continue to make a difference, the issue of changing demographics can be transformed from a problem to an opportunity to unlock and more fully utilize one of society’s scarcest resources: productive human capital.



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### **Third-Stage Schools of Advanced Institutional Leadership (SAIL)**

We have described an intersection of forces that provides a timely opportunity for universities to create a new stage of higher education—an *evolving university* concerned with its societal mission, a *global problem agenda* that requires development of new cross-profession knowledge, and *changing demographics* that make available a population of experienced leaders who are interested in service in their next phase of productive life. This situation calls for a bold new response, a new kind of school that will define third-stage education. We call this innovation a School of Advanced Institutional Leadership (SAIL). The name reflects the school’s unique intellectual agenda: to increase leadership in order to solve the world’s most intractable problems through a new kind of advanced education.

Third-stage education, as we envision it, is not just a brief postgraduate experience or executive program; rather, it is a truly new phase of education. SAIL would offer a

“think tank” environment, as well as an integrative educational program, for proven leaders to develop their own approach to creating and guiding complex institutional or systemic change. Its mission would be twofold:

- Open new opportunities for leadership for a growing senior population of accomplished professionals and enterprise leaders who are active, energetic, and interested in service well beyond the completion of a career in the traditional sense. Such learner-leaders bring the value of their experience, connections, reputations, resources, and convening power.

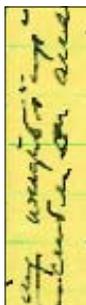
- Serve as an incubator for SAIL participants’ major projects, programs, enterprises, and foundations with the potential to offer significant solutions to global problems, such as poverty, health, education, and the environment. SAIL’s action orientation will add great value to the world when experienced leaders put the learning it produces into practice.

A multidisciplinary focus is a basic premise. SAIL could draw on intellectual capital from all parts of a university relevant to the topics of study and build new collaborations to create integrative knowledge. A variety of undergraduate, graduate, and professional schools would benefit from the connections SAIL would make and the resources it would attract. SAIL could comprise several types of programs: a full-blown degree-granting two-year course of study; a fellowship year in which experienced leaders take courses and develop their own project plans ready for launch; and short executive-education-type courses on specialized topics, including career transitions to public or community service.

SAIL’s equivalent of a “thesis” would be an action plan for what participants plan to do next. Thus, the time that participants spend at SAIL would be designed to give them what they need to tackle their next big effort in life—whether that be a job in a nonprofit, a strategy for a foundation, a cause they intend to advocate, or public service they hope to undertake by perhaps running for office or taking a position with a global institution. Participants’ work would be deeply informed by the best and latest work in relevant fields, and participants, in turn, would generate new research, knowledge, and frameworks that would be widely disseminated.

To provide proof of concept and to put in place a foundation for an entirely new school, we at Harvard are

now collaborating with faculty across the various professional schools to develop course material and a pedagogical model focused on training this new set of leaders.



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### Conclusion

Schools of Advanced Institutional Leadership at universities throughout America and the world will offer higher education a transformational concept and a catalytic innovation for the 21st century. These schools will reach their potential if university leaders are willing to think boldly and imaginatively about an entirely new phase of education and if the schools are allowed to take shape unconstrained by structures from the past. SAILs would usher in an era of integrative knowledge to tackle global problems and, as such, would present a tremendous opportunity to make higher education an indispensable force for human betterment.

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