ATLANTIC UNION COLLEGE CASE STUDY

Students:

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Introduction

Atlantic Union Colleges is a Seventh-day Adventist college in South Lancaster, Massachusetts, founded in 1882.

From 1933 to 2011, AUC was a four-year liberal arts college with a maximum enrollment of more than 700 students. After a financial crisis in 2011, it suspended the undergraduate programs, then resumed them on a smaller scale in 2015. In February 2018, the university announced that it would definitely close after the spring semester of 2018.

Founded in 1882, Atlantic Union College in South Lancaster, Mass. It is the oldest campus in the Seventh-day Adventist world educational system. In 1882, the school was organized as a high school under the leadership of Adventist "pioneer" Stephen Nelson Haskell to address the needs of Adventist constituencies in the northeastern part of the United States and Bermuda and was named "That New England School."

The following year the name changed to South Lancaster Academy. In 1918, it was renamed: Lancaster Junior College. Then, in 1922 was once again renamed to Atlantic Union College (AUC) after being authorized to grant degrees in the state of Massachusetts. That year, the academy and the university separated. In 1933, Governor Joseph Ely granted AUC the right to confer the bachelor of arts degree.

In 1945, the school was accredited for the first time by the Association of Schools and Colleges of New England (NEASC). In 1954, the granting of a degree in science was authorized. Herbert E. Douglass was president from 1967 to 1970. In 1990, Atlantic Union College was authorized to award a master's degree in education.

As of 2018, the university offers two undergraduate programs, the Bachelor of Theology / Religion and the Bachelor of Biology / Health Sciences, as well as several certification programs.

Geographical segmentation

Atlantic Union Colleges is a Seventh-day Adventist university in South Lancaster, Massachusetts, founded in 1882. It is acknowledged that the culture, geographic concentrations of members, and demographics of the constituency in the Atlantic Union have significantly changed over the years. It is perceived that there are different educational needs among the different demographic segments of the constituency.

Within geographic segmentation, the university's targeted audience is framed by Adventist students throughout the Atlantic Union. The ethnic percentage of the university population develops as follows: 65.5% black or African race; 16.7% Hispanic or Latino; 6.9% white; 5.9% Asian; 3.9% ethnicity unknown; and finally, 1% two or more non-Hispanic races. In the 1990s there was a trend of racial discrimination.

Career segmentation

From 1933 - 2011 the university had in its curricular plan the race of Liberal Arts that consisted of 4 years. This university campus had several identity names in 1918. It was called Lancaster Junior College, in 1922 Atlantic Union Colleges. In 1933 Bachelor of Arts, in the year of 1945 is recognized the accreditation given by England. In 1954 he gave the Bachelor of Science; in 1990 the master's degrees in education are awarded.

In 2011 the undergraduate programs are suspended, in 2015 they reopen with two accredited programs at the baccalaureate level: Theology and Religion together with Science of Health and Biology, in addition to some more courses such as teaching English as a Second language, business and computer science.

Economic development segmentation

From its beginnings this university always suffered in the economic part. In 2002, 500 students received student funds, but they were not canceled in the necessary time. In 1993, 82% of students with scholarships did not meet the economic requirements of responsibility with the university, reaching 3 million dollars in debt. In 1994 the report was that 2 million dollars had been borrowed. In 1995, 6.2 million debts were increased, 3 million from the Rotary fund and almost the remaining 3 million was due to general conference.

The market of the university within its segment and after conducting a study we conclude that its student population should have more students that are not from the Adventist circle. And that should work with schools around the city where the University is located.

Using the variables of economic analysis, it is observed that it should carry out an in-depth study to make correct decisions within the cost benefit in favor of the university.

In addition, we observe the behavior of the races are not very competitive for the market. As a result, it is proposed to sell or enter into a renegotiation with Andrews University to be a direct branch. So that in this way we can resume Adventist education in that place.

This demonstration of segmentation allows us to create policies in the educational and financial part and recognize the different types of universities and be in a good university level within the city, state and country.

The environmental exploration, as the name implies, has as its mission to manage, that is, to propitiate the interaction of the support areas required to carry out the exploratory projects from their conceptual phase, execution and closure of them according to the needs of the Company.

Swot Study

We analyzed the internal forces that are surrounding AUC and concluded that these are the most significant to the process.

Strengths

1. Until its temporary closure in the summer of 2011, the AUC had one of the best nursing schools in New England.
2. The AUC has excellent facilities or physical structures.
3. Its historical legacy. It was established in 1882.
4. Its geographical location. Atlantic Union College is located in a strategic geographic area, as it can be a very attractive location for Adventist students from across the East Coast and much of the center of the country.

Weaknesses

1. Lack of academic credibility, internally and externally of the church, which translates into little capacity to recruit new students
2. Immersed in a deep economic crisis.
3. Lack of Strategic Planning (including Strategic Planning Guidelines) in the short, medium and long term.
4. High level of dissatisfaction with the administrative-managerial capacity of the current president of the AUC.
5. Outside of church activities, the AUC offers few extracurricular activities
6. Loss of accreditation from the state of Massachusetts. Which translates into two major problems to:

a. Inability for students to complete their degree in the AUC

b. Inability of students to apply for Students Loan or state or federal financial aid.

7. Withdrawal of financial support from the conferences of the Atlantic Union Conference.

8. Very limited academic offer, with almost total lack of technological and scientific laboratories.

9. Total lack of sports programs.

We also analyzed the external forces that are surrounding AUC and concluded that these are the most significant to the process.

Opportunities

1. The support that can be received from a church that is relatively strong throughout New England, and the East Coast of the United States.
2. The lack of a higher education center with conservative philosophy throughout the region, which can be a great attraction for both parents and students who are looking for higher education provided by and in a conservative Christian institution.
3. The studies say that 73.2% of students in Massachusetts go on to attend some level of college.

Threats

1. The State of Massachusetts is an extremely liberal state in its nature.
2. The New England area has very high standards of education.
3. The AUC is surrounded by 112 excellent colleges and universities, many of which are ranked among the best in the United States and the world, which offer a wide and extraordinary quality.

Benchmarking for AUC

Several authors advocated that benchmarking is more suitable in higher education than business sector, due to its collegial environment, which encourages easily to collaborate and cooperate (Bender and Schuh, 2000; Alstete, 1995; Schofield, 1998). As Schofield (1998) says despite increasing market pressures, higher education remains an essentially collaborative activity with institutions having a strong tradition of mutual support. Alstete (1995) says, due to its reliance on hard data and research methodology benchmarking is especially suited for institutions of higher education in which these types of studies are very familiar to faculty and administrators.

For most institutions of higher education, the desire to learn from each other and to share aspects of good practice is almost as old as the university itself. The process-oriented benchmarking within higher education seeks to answer some of the following questions:

1. How well is the university or college doing compared to others?
2. How good, and in what areas, does the university we want to be?
3. Across the university as a whole which part of it is doing best, and how do they do it?
4. How can universities introduce into their own practice what is done well in others?
5. How does an institution improve its performance while retaining its unique features?
6. How an institution might become better than the best in the context of its own mission?

So far as types of benchmarking are concerned, Alstete (1996) identifies four categories based upon the voluntary and proactive participation of institutions, to -which a fifth (the so-called ‘implicit benchmarking’) might be added.

1. Internal benchmarking in which comparisons are made of the performance of different departments, campuses or sites within a university in order to identify best practice in the institution, without necessarily having an external standard against which to compare the results.

2. External competitive benchmarking where a comparison of performance in key areas is based upon information from institutions which are seen as competitors.

3. External collaborative benchmarking usually involves comparisons with a larger group of institutions who are not immediate competitors.

4. External trans-industry (best-in-class) benchmarking seeks to look across multiple industries in search of new and innovative practices, no matter what their source. Amongst some practitioners this is perceived to be the most desirable form of benchmarking because it can lead to major improvements in performance, and has been described by NACUBO (North American Colleges and Universities Business Officers) as “the ultimate goal of the benchmarking process”. In practice, it may be extremely difficult to operationalize the results of such cross-industry comparisons and may also require a very high level of institutional commitment to cope with the inevitable ambiguities that will result.

5. ‘Implicit benchmarking’ has already been referred to above and is likely to increase in future years as governments and central funding agencies seek to apply benchmarking approaches to universities.

The benchmarking it is thus defined that benchmarking as a continuous, systematic process of evaluating companies recognized as industry leaders, to determine business and work processes that represent ‘best practices’ and establish rational performance goals.

The Atlantic Union College is in the category of the so-called Liberal Arts College. A liberal arts college has several qualities that distinguish it from a university or community college. In general, a liberal arts college is characterized by the following:

1. Undergraduate focus: The number of graduate students at a liberal arts college is low or zero. This means professors are dedicated exclusively to undergraduates.
2. Baccalaureate degrees: Most degrees awarded from a liberal arts college are four-year bachelor's degrees such as a B.A. (bachelor of arts) or B.S. (bachelor of science).
3. Small size: Nearly all liberal arts colleges have fewer than 5,000 students, and most are in the 1,000 to 2,500 student range. This means you'll get to know your professors and peers well.
4. Liberal arts curriculum: Liberal arts colleges focus on broad skills in critical thinking and writing, not narrow preprofessional skills. Along with a focused major, liberal arts students will take a breadth of courses in fields such as religion, philosophy, literature, math, science, psychology, and sociology.
5. Faculty focus on teaching: At a large university, professors are often evaluated for their research and publishing first, and teaching second. At most liberal arts colleges, teaching has the top priority. The "publish or perish" model for faculty tenure may still be true at liberal arts colleges, but the equation for tenure will place much greater emphasis on teaching.
6. Focus on community: Because of their small size, liberal arts colleges often highly value the interaction of faculty and students. The overall educational environment tends to be more intimate and personal than at larger universities. If you don't like the idea of 500-person lecture halls and professors who don't know your name, a liberal arts college might be a good choice.
7. Residential - The majority of students at liberal arts colleges live at college and attend full time.
8. There is close relationships between students and their professors.

Even though there are many liberal arts colleges throughout the country, the greatest concentration is in New England and the Middle Atlantic states. The [Williams College](https://www.thoughtco.com/williams-college-admissions-787269) and [Amherst College](https://www.thoughtco.com/amherst-college-admissions-787141) in Massachusetts often top the national rankings. While liberal arts colleges share some common features, they also vary significantly in personality and mission.

There are 15 features that are used to determine the quality of a college and its ranking in comparison with other college.

1. High Graduation Rate
2. Low Student / Faculty Ratio
3. Good Financial Aid
4. Internships and Research Opportunities
5. Travel Opportunities for Students
6. Engaging Curriculum
7. Clubs and Activities to Match Your Interests
8. Good Health and Wellness Facilities
9. Campus Safety
10. Good Academic Support Services
11. Strong Career Services
12. Good Computing Infrastructure
13. Leadership Opportunities
14. Strong Alumni Network
15. Do credits earned abroad transfer easily?

Taking these elements as a reference, and because of its location the Atlantic Union College has the challenge of facing very strong competitors. It is easy to reach the conclusion that, unfortunately, outside the spiritual area, the Atlantic Union College is not able to compete or even be compared with the colleges or universities of the New England area. This is a region of the United States with some of the highest standards of education in the United States and the world, including the programs offered at the Community Colleges. The above mentioned leads us to an obvious conclusion, and it is, that it becomes unfeasible or impossible to make an analysis of Best-in-class benchmarking - comparing your performance or capabilities against 'best-in-class' performance.

Cultural Web

Given the current condition of the AUC, it is impossible to do an analysis of the cultural web of Atlantic Union College.

The Pestel Framework

The American Association of State Colleges and Universities (AASCU) in their annual report for 2018[[1]](#endnote-1) states many political, environmental, social, policy and economic factors that universities will grapple with that will affect higher education. Most of the same factors will have an effect on the success or failure of Atlantic Union College. These factors I have divided into different groups according to the PESTEL framework.

Political Factors

Changes in the Federal Tax Law. “While many policy analysts have focused on provisions in the legislation directly targeting higher education, changes in the federal tax structure will have wide-ranging consequences for state tax codes and revenue outlooks in 2018 and beyond. Outside of the tax bill, calls from leaders on Capitol Hill to reform entitlement programs, address pressing issues on immigration policy, and rewrite the Higher Education Act (HEA) could all have immense repercussions for states and reshape American public higher education for a generation.”

Economic Factors

Sluggish Revenue Growth: “The revenue situation in states combined with tax reform, limited net tuition growth, and growing expenses prompted Moody’s Investor Service to downgrade higher education’s financial outlook from stable to negative in December 2017.” Financing for AUC is sluggish also and has caused shut-down. Adventist Education is not cheap, and most of AUC students, since the early 1980s never fulfilled their financial obligations, leading to the financial crisis of the institution. This can still be an issue in the future.

College Affordability: “Over the past several years, public concerns over college affordability have prompted governors and legislators to negotiate with campus officials for—or to mandate—tuition increase caps or freezes. The renewed focus from state political leaders on college affordability in recent years, coupled with new state investments in higher education, have contributed to limited tuition increases over the last several years.” Adventist Education is not cheap, and most students will still need financing for their studies. In States like New York where College degree is tuition-free, students will need a powerful incentive to pay thousands of dollars away from home for an education they can get for free at home.

Economic and Workforce Development: “Public higher education has long been a centerpiece of state efforts to modernize and grow their economies, and 2018 will continue this trend… governors usually discuss higher education in terms of its role in economic and workforce development. With midterm elections approaching, governors and legislators will be looking for initiatives that create pipelines to available middle- and high wage jobs in the state. Because of limited new state revenues, concerns over student debt, and the need for skilled workers in specific state industries, governors in recent years have primarily focused on promoting and incentivizing shorter-term.” College would need to produce skilled workers to compete in the market and make a name for itself.

Socio Cultural Factors

Undocumented and DACA students: “If DACA expires without a resolution, there will be considerable fallout in states, particularly those with substantial populations of DACA students.” Many SDA church members in the region has are either undocumented or have DACA status.

Guns on Campus: “Legislation stripping institutions of their autonomy to regulate campus safety policies now allows guns on campuses in 10 states, including the 2017 additions of Arkansas and Georgia.”

Responses to Population Shifts: “Northeast hit their peak number of graduates in 2010 and are steadily declining each year, with some states experiencing sharp declines in enrollment…. In response to limited new resources and dwindling enrollment in some states, state and university officials have considered mergers and restructuring to become more efficient, to provide more opportunities for students and to improve outcomes.” AUC has had a population shift over the years. New England is predominantly Caucasian but AUC is over 65% African-American, over 16% Latino, and less than 7% Caucasian. Needs to do more to attract locals.

Performance-Based Funding and College Completion: “Some state leaders and national foundations view performance-based funding as a key element in their strategies to boost institutional productivity and educational attainment, but recent research casts doubt on its effectiveness.

Campus Free Speech:

Combatting Campus Sexual Assault: “In response to the national attention given to campus sexual assault during the Obama era, states have explored policies to crackdown on campus sexual assault in recent years. This includes legislation requiring affirmative consent for sexual relations on campus, notations on transcripts for those found guilty of sexual misconduct and those charged with misconduct who chose to withdraw from campus, and better coordination between campus officials and law enforcement in investigating allegations of campus sexual assault.”

Dual Credit/Enrollment: “Programs that enable high school students to earn college credit, including allowing them to take Advanced Placement and International Baccalaureate classes and college courses, are believed to boost access and improve readiness, while expediting time to degree and containing costs. This past year, lawmakers in 15 states considered legislation to make dual enrollment opportunities more accessible, to financially incentivize teachers and districts to offer such courses, and to regulate standards to ensure quality classes that transfer smoothly to other institutions.”

AUC has recently entered into articulation agreements with Andrews University and Southwestern Adventist University, under which AUC students can transfer to Southwestern and Andrews and finish an accredited degree at one of those schools. AUC is pursuing similar arrangements with other Adventist schools. These arrangements could have some unknown level of beneficial/negative impact on enrollment. These arrangements could be beneficial in the sense students may perceive that they will in the end be able to obtain an accredited degree. The arrangements could be negative in the sense that AUC will see the transfer of students to schools with which AUC has established articulation agreements.

Whether there will be a balance between new intakes and outflows is unknown. This model only works as long as AUC can undercut the tuition rates of schools with which articulation agreements have been established thus making it attractive for students to remain on the AUC campus as long as possible. It is unknown if schools with which articulation agreements have been established will insist on parity of tuition and fee structures to prevent students from their home campuses transferring to AUC to achieve the reduced tuition rates.

Academic Issues: “A nascent effort by conservative state lawmakers in recent years to make changes to tenure, shared governance and faculty hiring has played out over the last several years.” Closing of the College will bring challenges in the academic and legal areas.

Technological Factors

Innovation: “Innovation in higher education is an emerging policy issue playing out in statehouses, with more headlines expected in 2018. With ambitious state attainment goals approaching and scarce new budget revenues, governors and legislators are looking for innovative ways to provide higher education to more people while containing costs.”

Data and Privacy: “With the growing reliance on data and data analytics to help states meet their attainment goals, there has been renewed concerns for data collection, use, privacy and security in statehouses.”

Blue Ocean Opportunities

Cater to Adventist Church Needs: The only SDA College in the North East and serving one of the largest constituencies of churches and members in the United States with no competing SDA University in its area. Especially Pastoral Ministry and Theology, Partnerships with Adventist and Local Academies for Dual Credit/Enrollment, Multi-Campus Locations (Including other States, such as New York), Industrial Plan for Students That Cannot Afford: Work/Study Plan, Partnership with other SDA Universities (Andrews, Loma Linda) and Short-Term Skills Specialization as Needed.

Recommendations and Suggestions

1. The essence of Adventist education values and philosophy—including the nature of the student experience—must be reflected in the recommended model for providing affordable Adventist education to the greatest possible number of students within the constituencies of the Atlantic Union.
2. The historical model of a four-year, boarding college in one location is deemed to have a low probability of success. It has failed twice, experiencing low enrollments that were insufficient to support the financial requirements of the educational model; therefore, a non-traditional delivery method should be considered.
3. For the Atlantic Union Conference and its conferences to make direct subsidies to students to enable them to attend other Adventist colleges and universities is a legitimate alternative to operating a school of higher education within the territory of the Atlantic Union. Such a model could provide substantial financial assistance to far more students than were enrolled in Atlantic Union College recently.
4. The educational model delivery system must be designed to be low-cost with innovative infrastructure that provides access to academically-sound, state-of-the art education that is regionally and church accredited at approximately one-third of the cost of the traditional residential campus model.
5. Higher education opportunities must be tailored to the needs of the population in each locale being served based on market-by-market data on economic status, transportation infrastructure and patterns, and socio-ethnic cultural preferences.
6. Teaching locations must be located in multiple geographic areas where there are concentrations of Adventist students.
7. The model must be omni-channel, using both distance education and a variety of dispersed existing brick and mortar facilities not necessarily including the AUC campus including secondary schools, church buildings or corporate-style office space, to deliver education and the student experience via the internet and through face-to-face interactions.
8. It is recommended that the initiative begin with community college two-year courses, associate degrees, and certificates to enable graduates to prepare for gainful employment and be vibrant witnesses for Christ in their workplaces and communities. The community college model will be an initial cost-control strategy that will offer low-cost education to students and low-cost-of-subsidy requirements to the Atlantic Union and its conferences. It will also avoid duplicating existing Adventist baccalaureate programs. Baccalaureate degree programs may be offered within the Atlantic Union in the future as demand and financial resources indicate.
9. Academic coursework, counseling and opportunities for community involvement must be delivered seamlessly.
10. Maximum flexibility must be provided for students in the choice of courses and delivery channels, under the umbrella of an established, accredited and state-recognized degree-granting Adventist university or a consortium of Adventist universities.
11. With cost savings from this model compared to the previous subsidies required of the Atlantic Union Conference and its conferences, two initiatives are recommended:
    1. First, Advent Houses should be established for SDA students enrolled in its community college programs to provide spiritual nurture, Christian fellowship, discipleship, academic counseling in the context of a biblical worldview, and healthful food.
    2. Second, such facilities should be established to provide similar benefits to Adventist students enrolled in non-Adventist universities in cities such as Boston, New York City and other locations with significant SDA enrolments.
12. Both qualitative and quantitative market research must be undertaken to create market understanding and customer insight, determine constituency needs and validate economic feasibility.

It is also noted that implementation of these recommendations will require a combination of academic, technological and business expertise available only through partnerships and collaboration, which in turn will require significant leadership and coordination on the part of an individual or organization working on behalf of the Atlantic Union Conference.

1. [↑](#endnote-ref-1)