CALIFORNIA COMMUNITY COLLEGE CHIEF EXECUTIVE OFFICER (CEO) TENURE AND RETENTION STUDY: AN UPDATE – 1997 AND 1998

The latest update on the retention and tenure (i.e., length of service) of California Community College district CEOs indicates an upswing in retention and length of service with a commensurate downturn in annual turnover and movement of CEOs out of state. The study, entitled *CEO Tenure and Retention Study,* is an ongoing project of the Community College League of California. It originally was commissioned by the California Community College Trustees (CCCT) board of the League to determine the extent of turnover and possible consequences, with a goal to improve the recruitment and retention of effective district CEOs.

DATA FOR DISTRICT CEOS

Annual Turnover Rate – The initial study indicated that the annual turnover rate for California Community College district CEOs for the years 1984-92 was 13%, while the national average turnover rate for those same years was 12%. While national data are not available for the most recent years (1997 and 1998), California data indicate a drop in annual turnover rates, to 5.6% in 1997 and 11.3% in 1998 (see Table I).

Length of Service – The initial study compared the length of service of California Community College district CEOs with two national studies (Vaughan [1996] and American Council on Education [1995]) and found that the average length of service for California Community College district CEOs in their present position was 4.4 years in both 1995 and 1996, while the average length of service for community college CEOs nationally were 7.5 and 7.8, respectively. The latest California data indicate average service length of 5.0 years in 1997 and 5.7 years in 1998 (see Table II A-1).

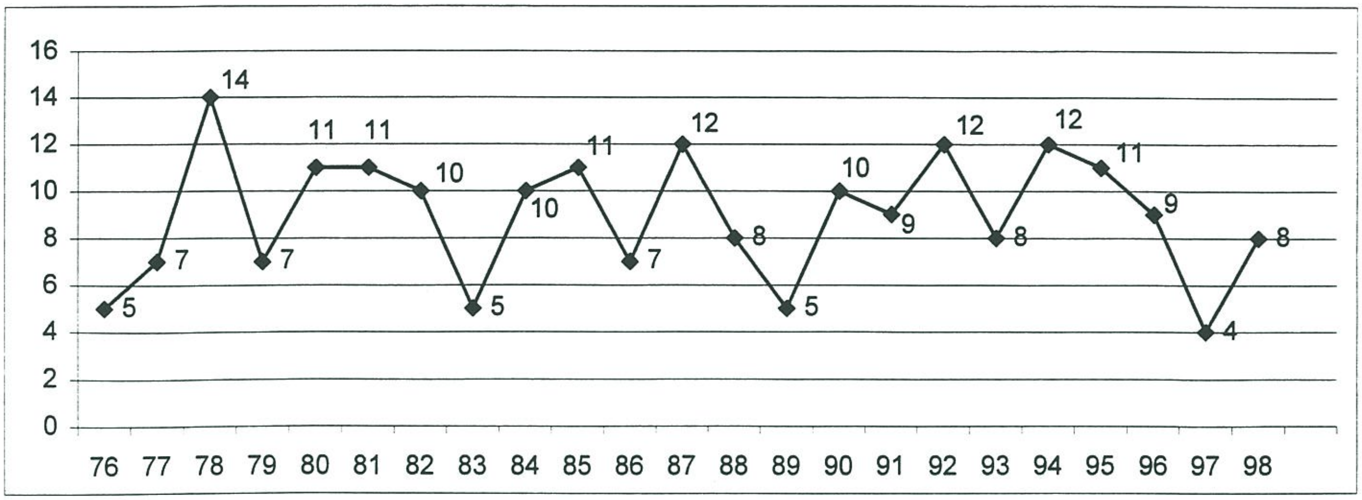
Reasons for Leaving/Inflow vs. Outflow – While the data are too small for statistical analysis, they reflect a trend toward more positive (or neutral) than negative reasons for leaving these positions and more movement into California than out of the state. For example, in 1997, four district CEOs left their positions – 2 retired, one left for a higher position in California, and one left under fire. One (who had left under fire) left the state; one of the four replacement CEOs came to California from out-of-state. In 1998 eight district CEOs left their positions -- four retired, three resigned under pressure, and one left to take a higher position. One of the three who resigned under pressure left the state. Three of the eight who retired or left their positions were replaced by out-of-state candidates; thus the outflow/inflow ratio was 1:3 (see Table III A, B & C).

Table I

Analysis of 71 California Community College District CEOs

Number Leaving by Year, 1976-1998

Includes all CEO Change, <u>Excluding Interims</u>
50 CEOs from single college districts
21 CEOs for district from multi-college districts



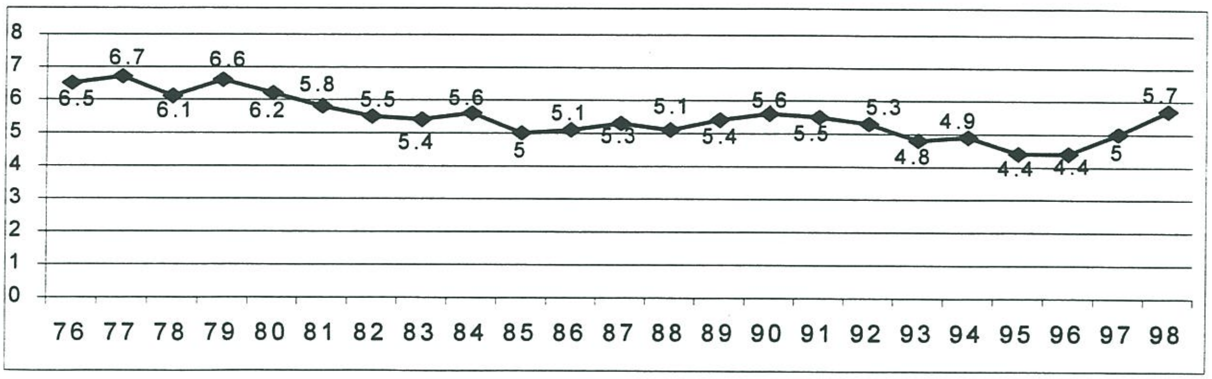
Percentage of California CCC District CEOs Leaving by Five Year Intervals

Years	Average Number Leaving	Average Percent Leaving
1976-80	8.8	12.4
1981-85	9.4	13.2
1986-90	8.4	11.8
1991-95	10.4	14.6
(1996-97)	(7.0)	(9.8)
Average of Five Year Intervals		13.0

Community College League of California
September 1999

Table II A-1
Analysis of 71 California Community College District CEOs

Mean (Average) Number of Years of Service, 1976-1998
Includes all CEO Changes <u>Excluding Interims</u>
50 CEOs from single college districts
21 CEOs for district from multi-college districts



Mean (Average) Number of Years of Service for All District CEOs by Year

Mean 1976 through 1980 = 6.4
Mean 1981 through 1985 = 5.5
Mean 1986 through 1990 = 5.3
Mean 1991 through 1995 = 5.0
(Mean 1996 through 1998 = 5.0)

Mean 1976 through 1998 = 5.5

Table III A

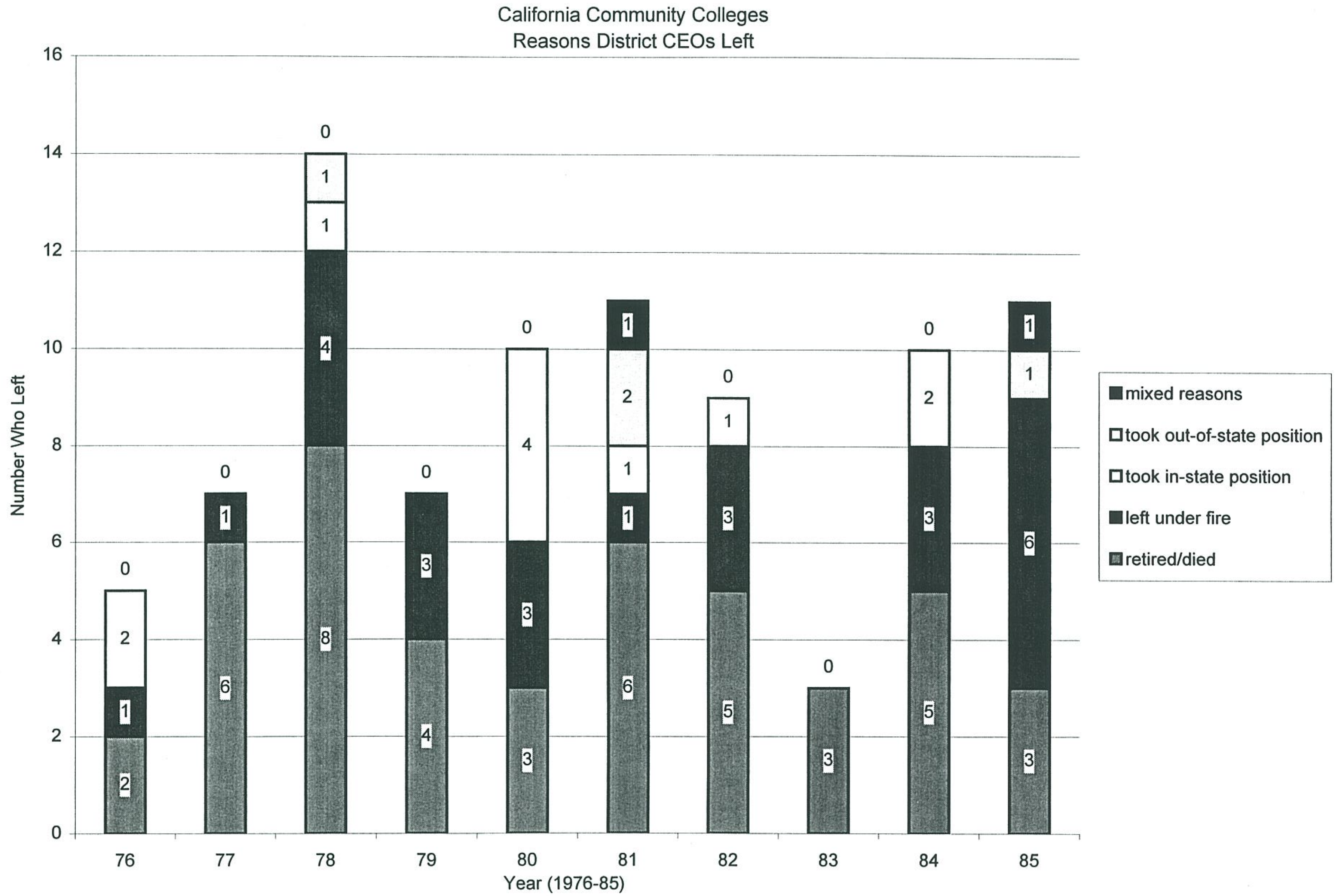
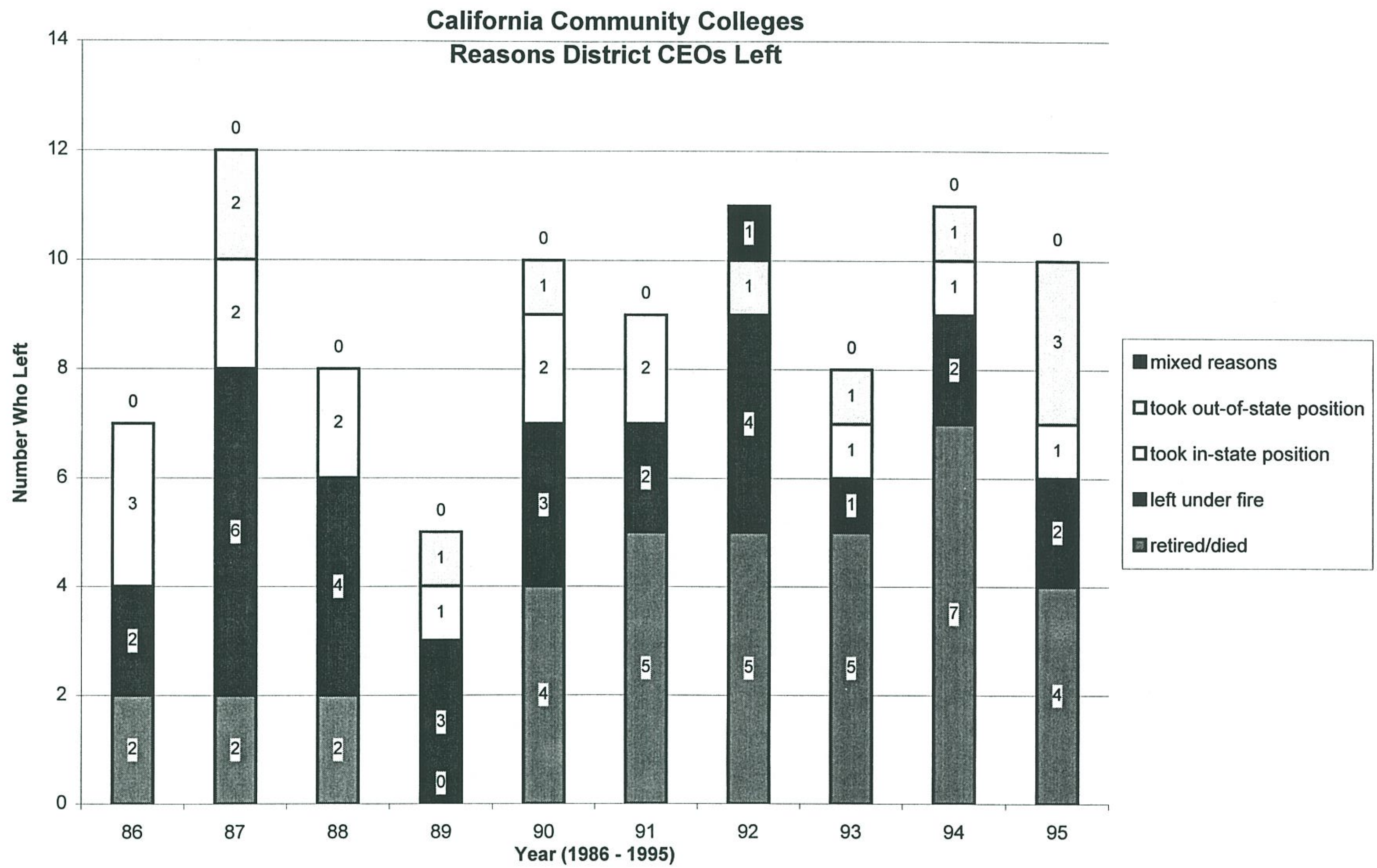
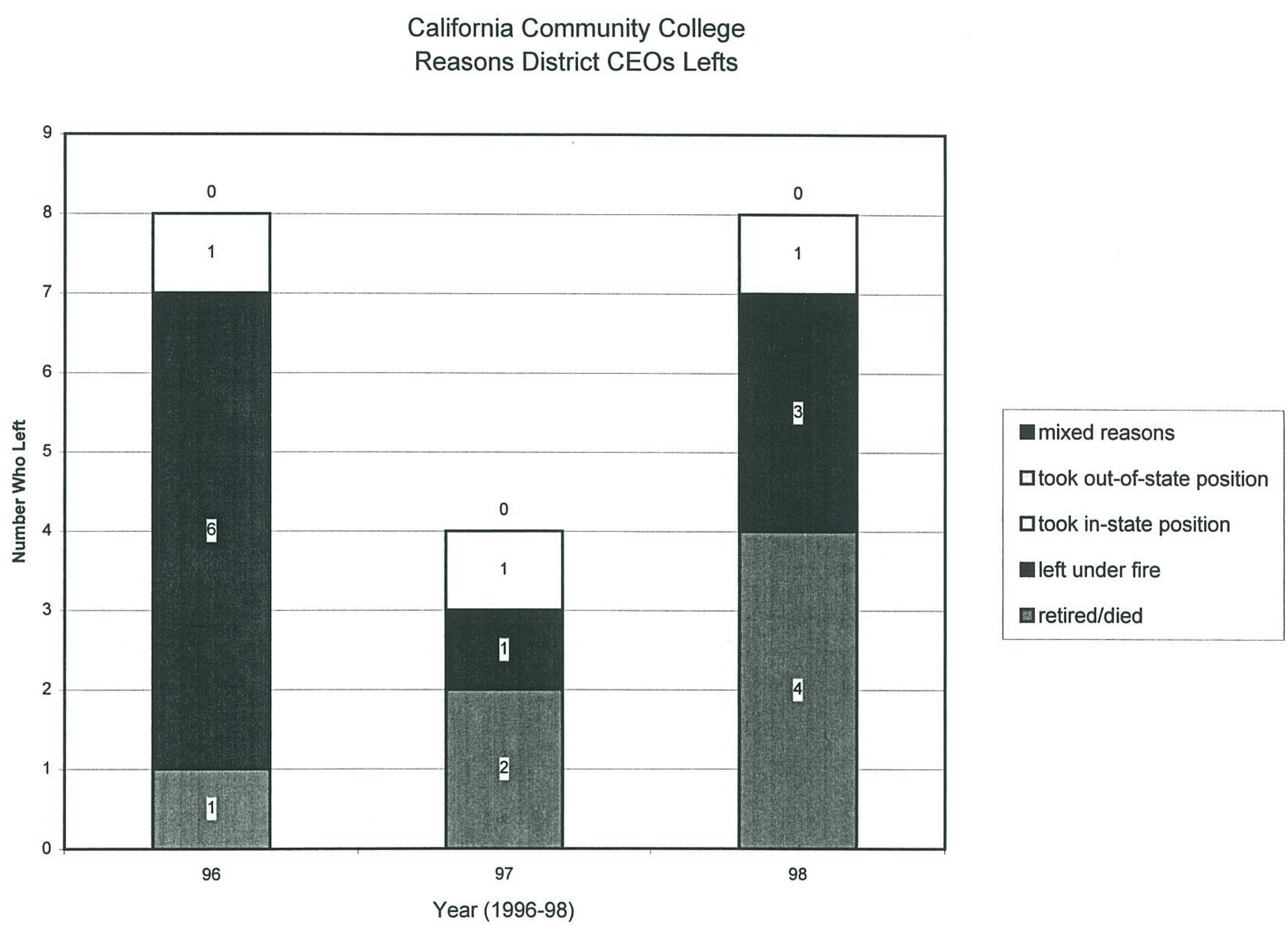

California Community Colleges
Reasons District CEOs Left
Number Who Left
16
14
12
10
8
6
4
2
0
76
77
78
79
80
81
82
83
84
85
Year (1976-85)
mixed reasons
took out-of-state position
took in-state position
left under fire
retired/died

Table III B



California Community Colleges
Reasons District CEOs Left
Number Who Left
14
12
10
8
6
4
2
0
86
87
88
89
90
91
92
93
94
95
Year (1986 - 1995)
mixed reasons
took out-of-state position
took in-state position
left under fire
retired/died

Table III C


California Community College
Reasons District CEOs Lefts
Number Who Left
0
1
2
3
4
5
6
7
8
9
96
97
98
Year (1996-98)
mixed reasons
took out-of-state position
took in-state position
left under fire
retired/died

DATA FOR CAMPUS PRESIDENTS

Annual Turnover Rate – The turnover rate for campus presidents averaged slightly higher than either the national rate for CEOs or the rate of turnover for California District CEOs. Over five-year intervals, it ranged from a high of 16.3% between 1991 and 1995 to a low of 13.3%, with the average of the last three years (1996-1998) dropping back from the highest level to 14.95%(See Table I-A).

Length of Service – The data on years of service has been recomputed and reanalyzed for this report due to a technical error in the original analysis. This new analysis reveals that the length of service for the earlier years of the study, as well as the overall mean, was higher than portrayed by the previous analysis. (For example, the average length of service was 5.4 years for 1976 -1980 rather than 4.4 years as had been determined earlier, and similar changes were revealed throughout the twenty-year range of data.) The trend, however, remains the same – the average length of service for campus presidents has always been lower than for district CEOs – and has dropped further (to a low of 3.8 years) for 1996-1998 (See Table II A-2).

Reasons for Leaving/Inflow vs. Outflow – These data were neither collected nor compiled as part of this study. However, a glance at the data indicates that the campus presidency is a common route to the district CEO position (usually in another district).

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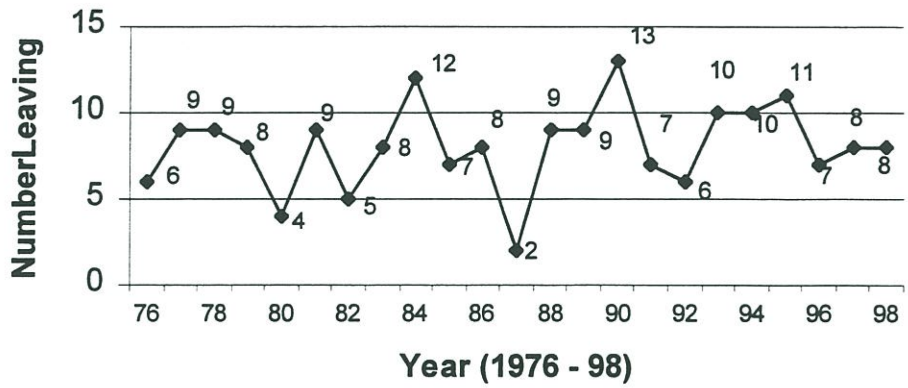
TABLE I-A
CALIFORNIA COMMUNITY COLLEGE PRESIDENTS IN MULTI-CAMPUS DISTRICTS

Number Leaving by Year (1976 – 1998)
Includes All CEO Changes Except Interims



PERCENTAGE OF CCC PRESIDENTS LEAVING BY FIVE YEAR INTERVALS

Years	Average Number Leaving	Average Percent Leaving
1976-80	7.2	13.3%
1981-85	8.2	15.0%
1986-90	8.2	15.2%
1991-95	8.8	16.3%
Average of Five Year Intervals		**14.95%**
(1996-98) (Not five Year Interval)	(7.7)	(14.17%)

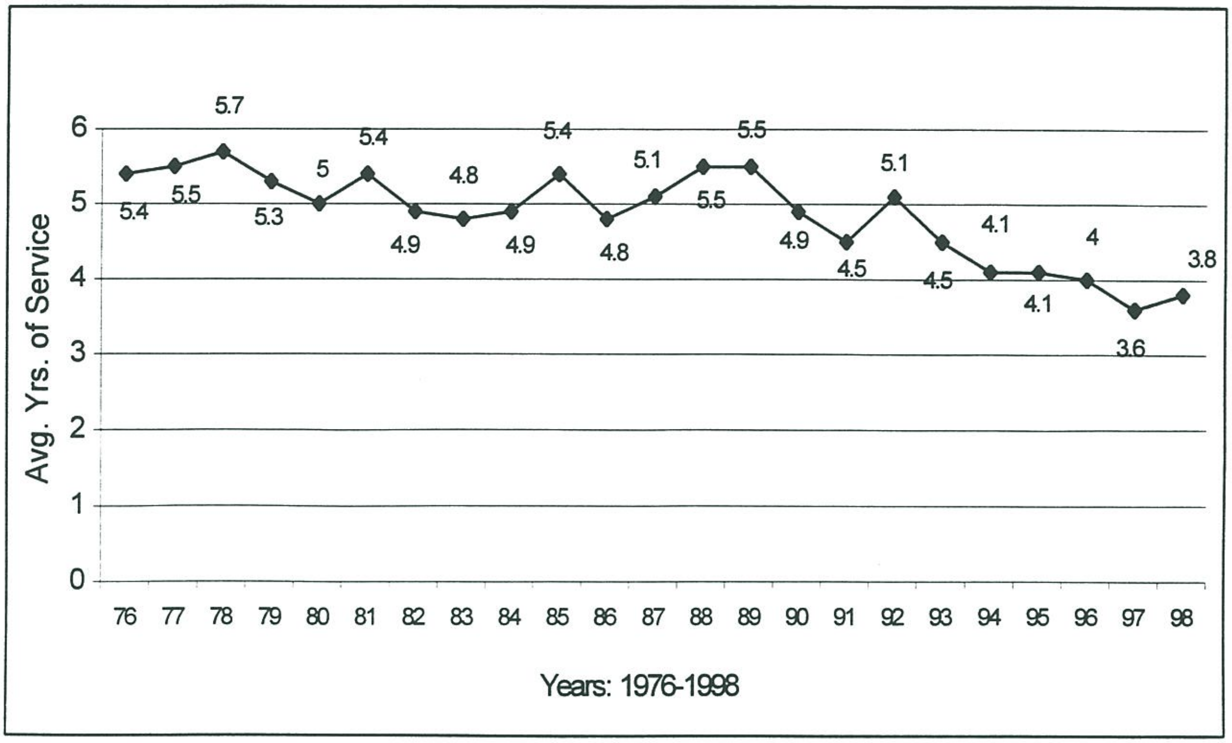
The denominator for determining the percentage leaving differs as colleges have been added (q.v., Los Positas in 1990 and Santiago Canyon in 1997) or returned to campus status (Indian Valley in 1984).

Table II A-2

Analysis of CEOs at Colleges*
In Multi-college Districts

Mean (Average) Number of Years of Service
For All CEOs by Year

Includes all CEO Changes Excluding Interims



Mean (Average) Number of Years of Service for College CEOs
In Multi-college Districts by Year

Mean 1976 through 1980 = 4.4
Mean 1981 through 1985 = 4.7
Mean 1986 through 1990 = 4.9
Mean 1991 through 1995 = 4.7
(Mean 1996 through 1998) = (3.7)
Mean 1976 through 1996 = 4.6

*The denominator for determining the average length of term for CEOs (presidents) in multi-campus districts varies by year as colleges have been added (q.v., Los Positas in 1990 and Santiago Canyon in 1997) or returned to campus status (Indian Valley in 1984).

Biennial CEO Tenure and Retention Study: An Update – 1999 – 2000

Summary

The third review of data on the retention and tenure (i.e., length of service) of California Community College district CEOs[1] (which includes chancellors and superintendent/presidents) indicates that:

- Length of service levels are continuing to remain at slightly higher levels since their lows of 4.4 years in the initial study years of 1995 and 1996.
- The annual turnover rates continue to be well below the national average.
- The movement of CEOs out of state has dropped close to zero, while in-migration of CEOS from outside California is rising.
- Retirement of a significant number of high-ranking CEOs is imminent.
- The numbers and percentages of female CEOs are increasing at all levels within the ranks of CEOs.

The *CEO Tenure and Retention Study* is an ongoing project of the Community College League of California. It originally was commissioned by the California Community College Trustees (CCCT) board of the League to determine the extent of turnover and possible consequences, with a goal to improve the recruitment and retention of effective CEOs.

Data for District CEOS

Annual Turnover Rate – The initial study indicated that the annual turnover rate for California community college district CEOS for the years 1984-92 was 13%, slightly above the national average of 12%. Since that time, the California average turnover rate has dropped significantly, to 5.6% in 1997, 11.3% in 1998, 8.3% in 1999, and 6.9% in 2000. (See Table I.)

Length of Service – The initial study compared the length of service of California Community College district CEOs with two national studies (Vaughan, 1996 and American Council of Education, 1995) and found that the average length of service for California Community College CEOs in their present positions was 4.4 years in both 1995 and 1996, compared with national averages of 7.5 and 7.8 years, respectively. California data for 1997 and 1998 indicated longer average service of 5.0 years and 5.7 years, respectively. This trend toward longer terms has continued in 1999 and 2000 with average service lengths of 5.3 and 5.7 years, respectively. While this remains below the 1995/96 national average, it appears that CEO tenure is rising slightly and tending to stabilize at a higher level than in earlier years. (See Table II.)

Reasons for Leaving/Inflow vs. Outflow – While the earlier reviews indicated that there were not as many CEOs leaving under pressure as commonly thought, our data revealed that one of four (25%) CEOs who left their positions in 1997 and three of eight (37%) who left in 1998 did so "under fire." In 1999, however, no CEO left under pressure; rather, all district CEOs who left their positions retired. In 2000, the data were mixed, with two CEOs leaving under pressure, one leaving to go out of state and two leaving to take higher positions (one of which was in California and one out-of-state position.)

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[1] There were 71 California Community College district CEOs in the years 1984-1999; in 2000, there were 72 California Community College district CEOs.

Issues of Concern – It is noteworthy that when this study began in 1995, the original impetus and greatest concern was the resignation of high-ranking CEOs (including several Chancellors from large districts) to take positions out of state. The issue of leaving California for other states has now receded as the "inflow" of CEOs from other states is far outpacing the "outflow" to other states. (In 1999, no CEO left California to take a better position out of state, while six CEOs entered California service from states other than California. In the year 2000, two CEOs entered from out-of-state, and one CEO left to take a higher position out-of-state. However, the CEO who went out of state left a long-time superintendent/presidency to take the position of executive director of the premiere national community college association, rather than primarily out of frustration with California.)

Thus, the concern for CEOs leaving California for "greener pastures" out of state has been replaced by apprehension about the impending retirement of CEOs and the prospect that the pool of qualified applicants to replace retiring CEOs may be limited in California as well as elsewhere. This concern has been reflected in California with efforts to establish the California Leadership Development Institute to train new leadership; and nationally in stories in the community college and higher education press – including *Trustee Quarterly* (Spring 2001) "The Leadership Challenge: A Significant Number of Presidents Will Retire in the Next Few Years"; *The Chronicle of Higher Education* (April 6, 2001) "Community Colleges Face a Crisis of Leadership: Most presidents will retire in the next decade and the pool of replacements is shallow"; and *Community College Times* (October 5, 1999; Vol XII, No. 20) "Community Colleges Enter Decade of CEO Retirements."

The apprehension appears to be justified in California as it has been estimated that at least 14 CEO positions may be vacated in 2002 and 2003, as the current cohort of CEOs reaches retirement age.

Other Issues of Interest – Changes regarding Female CEOs

A review of the data regarding female CEOs reveals interesting and positive information. In 1980, there were 6 of 121 – or 5% – female CEOs (all of whom were college presidents in multi-campus districts, which meant that they were not the highest administrator in their district and reported to a male CEO rather than directly to the board of trustees); by 1990, there were 28 female CEOs, including 17 out of 50 or 34% who were college presidents in multi-campus districts, and 11 out of 71 or 15% superintendent/presidents or chancellors who reported directly to their local board. By the year 2000, there were 48 female CEOs including 20 of 72, or 28%, superintendent/presidents or chancellors and 28 of 54, or 52% presidents in multi-college districts), and thus had increased both their absolute numbers and overall percentages in all categories.

Conclusions

When the CEO retention and tenure study began in 1995, its primary thrust was to determine whether the numbers of CEOs leaving was above average and whether the average tenure (i.e., length of time in a single position) was below average. With the rise in the average tenure of CEOs and the dropping of average annual turnover since the inception of this study, a new and possibly more intractable problem – that of large numbers of retirements combined with limited resources in the state of California for educating and preparing new community college leadership – has arisen. This issue, as mentioned earlier, appears to be a national issue (as the issue of shorter term lengths was in 1995) but attention has focused on California due to the loss in recent years of graduate leadership programs at major doctoral institutions. The result has been training of California's leadership outside California. Efforts are now being made to address this issue; however, it will take some time to implement these efforts at a level sufficient to meet the needs of California's community colleges.

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