



Board Independence Financial viability Business model stress
Competition Enrollment Tuition discounts Mergers and acquisitions
Campus closures International students Financial integrity Strategy
Online instruction Value proposition **Student Outcomes** Retention
Mental health Graduation rates Persistence Student support services
Student wellness **Student Experience** Career readiness Trust
Diversity, Equity & Inclusion Student loan debt AI Board diversity
Presidential transitions Presidential leadership Board composition
Leadership Succession & Support Civic education Enrollment
Student loan debt Reputation Shared governance Board Education
Crisis leadership Campus safety Student health Strategy Retention
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Top Strategic Issues for Boards

2024-2025

AGB

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Contents

2 Executive Summary

4 Introduction

9 Board Independence and Leadership

17 Leadership Succession and Support

**29 Student Success, the Student Experience,
and Campus Inclusion**

**39 Business Model Innovation
and Digital Transformation**

46 Notes



Executive Summary

College and university leaders—presidents and governing boards alike—are in a precarious position. Some institutions face dire financial difficulties or fear they are just around the corner. Skepticism abounds about the worth of a college degree and public trust continues to drop. Steep prices threaten tuition-dependent colleges with scant endowments. Politicians inveigh against how colleges are run and what they teach, and diversity programs are under assault in half the country. The hallowed tradition of independence of governing boards is in jeopardy. The current generation of presidents is graying and tenures in these pressure-cooker jobs keep getting shorter. Students demand more career-relevant instruction. A bright sign: Artificial intelligence has the potential to impact scholarship, teaching, and student services for the better, but colleges and universities need to figure out quickly what to do with it.

Top Strategic Issues for Boards 2024-2025 summarizes what college and university trustees, presidents, and AGB's own professional staff identified as the foremost issues that governing boards face on the near horizon. They are:



#1. Board Independence and Leadership

Many governing boards face grave threats from politicians and other critics to their independence and obligation to defend academic freedom and work in the best interests of their institutions. Public universities in half the states are under pressure to dismantle or curtail diversity, equity, and inclusion programs. The boards of private institutions are not immune from interference, as evidenced by the pressure from disgruntled donors and alumni that forced out Penn's president and cost Harvard's president her job as well. Both came under fire for how they handled rising anti-Semitism unleashed by the Hamas-Israel war.



#2. Leadership Succession and Support

In addition to safeguarding an institution's finances and future, hiring a president is the single most important thing a college or university board does. With more than half of presidents nearing retirement age, boards must prepare for their succession while at the same time doing everything within their power to help the incumbent succeed, including coaching and demonstrating concern for their well-being. At the same time, they must regularly assess the chief executive officer's performance, recommend any corrective steps, and ensure that there is a solid leadership pipeline at their institution. Finally, governing boards need to prepare for their own turnover.



#3. Student Success, the Student Experience, and Campus Inclusion

With many institutions struggling to keep up enrollments and advance to graduation those who do enroll, improving student services and supports is an imperative. Gen Z has grown up in an era with instant access to information in their pockets and they don't want to deal with an inefficient campus bureaucracy that makes it hard to register or get help. At the same time, colleges must attract and serve an increasingly diverse younger generation and make it easier for older, nontraditional students to matriculate and succeed.



#4. Business Model Innovation and Digital Transformation

Colleges and universities face relentless pressures to rethink their business models and the programs they offer. They must be open to partnerships with businesses and innovators outside the traditional academic mold. While some marriages with for-profit online providers have hit the rocks, others have flourished. For some institutions it is a matter of survival. While faculties fight to fend off cuts to out-of-favor academic programs, students flock to business, engineering, and technology classes to learn skills they think will get them jobs. The advent of generative AI has put digital transformation on fast forward as institutions scramble to harness its potential to enrich teaching, research, and learning as well as improve operations from guidance counseling to alumni relations.