

BIENNIAL CEO TENURE AND RETENTION STUDY 2002 UPDATE

Summary

The third review of data on the retention and tenure (i.e., length of service) of California Community College district CEOs¹ (which includes chancellors and superintendent/presidents) indicates that:

- Length of service levels are continuing to remain at slightly higher levels (5.5 years) since their lows of 4.4 years in the initial study years of 1995 and 1996.
- The annual turnover rates were below the national average until 2001 when increasing numbers of CEOs began to retire and the average turnover increased greatly; the higher turnover rates were largely (55-75%) due to retirements.
- 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 long-time CEOs has begun in earnest.
- Length of tenure for presidents in multi-campus districts is declining as these administrators are more frequently chosen to serve as chancellors and superintendents in their own or other districts.
- The numbers and percentages of female CEOs are increasing at all levels and are well above national averages.
- The number and percentage of non-Anglo CEOs increased in earlier years (between 1984 and 1997) in California but has stagnated around the 1997 level in the following years.

Data for District CEOs

Annual Turnover Rate – The annual turnover rate of district CEOs has risen to 16.7% in 2002, from 15.35% in 2001, primarily (67% and 55%, respectively) due to retirements (see Table I). This compares with the initial study years (1984-92) when the annual turnover rate for California community college district CEOs was 13%, slightly above the national average of 12%.

Length of Service – The most recent California data (2002) indicate an average tenure length of 5.5 years for community college chancellors and superintendent/presidents, compared with the national tenure average of 7.2 years (Vaughan, 2002). This is a significant improvement over the early years (1995-96) of this study which found California CEOs in their current positions for an average of 4.4 years while the national average in two studies (Vaughan, 1996 and American Council of Education, 1995) was 7.5 and 7.8 years, respectively. This trend means that the gap between the average service length for California CEOs and the national average service length for community college CEOs has dropped from 2.9 years to 1.5 years between 1996 and 1999 and has stabilized at that lower level (see Table II).

¹ There were 71 California Community College district CEOs in the years 1984-1999; in 2000-02, there were 72 California Community College district CEOs.

Reasons for Leaving/Inflow vs. Outflow – In 2001 and 2002, the majority (13 of 24) of CEOs who left their positions did so to retire; the 2001-02 data further reveal that, while two CEOs left California for other states, seven CEOs were hired from out-of-state to replace those who left. This contrasts with the original study which responded to concerns that CEOs were leaving under pressure and some were exiting the state. For example, in 1997, 25% of CEOs who left their positions did so under pressure and three of eight (37%) who left in 1998 did so under pressure. 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 assume an out-of-state position, and two leaving to take higher positions (one in California and one out-of-state position.)

Data for Presidents of Colleges in Multi-Campus Districts

Many observers are interested in the trends affecting college presidents from multi-campus districts because these presidents have frequently been chosen to serve as superintendent/presidents or chancellors in their next career position. Thus, the section below addresses the turnover, “reasons for leaving,” and tenure for these CEOs.

Turnover Rates and Reasons for Leaving – Review of the data for the five-year turnover rates for presidents of colleges in multi-campus districts indicates that the rates are from 1 to 4% greater for presidents than for chancellors and superintendent/presidents. The data also reveal that the average tenure for presidents over the past twenty years ranges from one to three years less than chancellors and superintendent/presidents in each five-year interval. However, further review of the data indicate that the primary reason for the higher turnover rate is that presidents tend to become superintendent/presidents or chancellors, whereas the most common reason for the turnover of chancellors and superintendent/presidents is retirement. Thus, one could surmise that the higher turnover rate among presidents is due to a relatively new and strong trend to elevate those already known and experienced in California (see Table III).

Length of Service – As far as length of service, the data consistently show that presidents in multi-campus districts tend to have served in their current position for a shorter average period of time than chancellors or superintendent/presidents. For the last four years, the president vs. chancellor/superintendent average years of service are as follows: 3.8 vs. 5.5 (2002); 4.0 vs. 5.5 (2001); 3.7 vs. 5.7 (2000); 3.7 vs. 5.3 (1999). Once presidents establish themselves as effective in their positions, they increase the likelihood that they will be chosen for a position (either chancellor or superintendent/president) which reports directly to a local board of trustees (see Table IV).

Issue of Interest

Changes regarding Female CEOs – By the year 2001, there were 51 female California community college CEOs including 20 of 69 (29%) serving as superintendent/presidents or chancellors and 31 of 59 (52%) serving as presidents in multi-college districts, for an overall percentage of 39.8% female, an increase in both their absolute number and overall percentages in all categories. These compare favorably to the Vaughan data showing that 27.8% of presidents at the nation’s 1200 community colleges were women in 2001.

These data are particularly impressive because earlier data did not reveal such positive information. For example, in 1980, there were 6 of 121 (5%) female CEOs (all of whom were college presidents in multi-campus districts, which meant that none was the highest administrator in her district but

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 (34%) who were college presidents in multi-campus districts, and 11 out of 71 (15%) superintendent/presidents or chancellors who reported directly to their local board.

Concerns and Conclusions

Retirements – Currently, the primary concern about CEO turnover is the impending retirement of experienced CEOs and the prospect that the pool of qualified applicants to replace them may be limited in California as well as elsewhere. This concern has been reflected in California with the establishment of the California Leadership Development Institute to assist in the coordinated development of 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.”

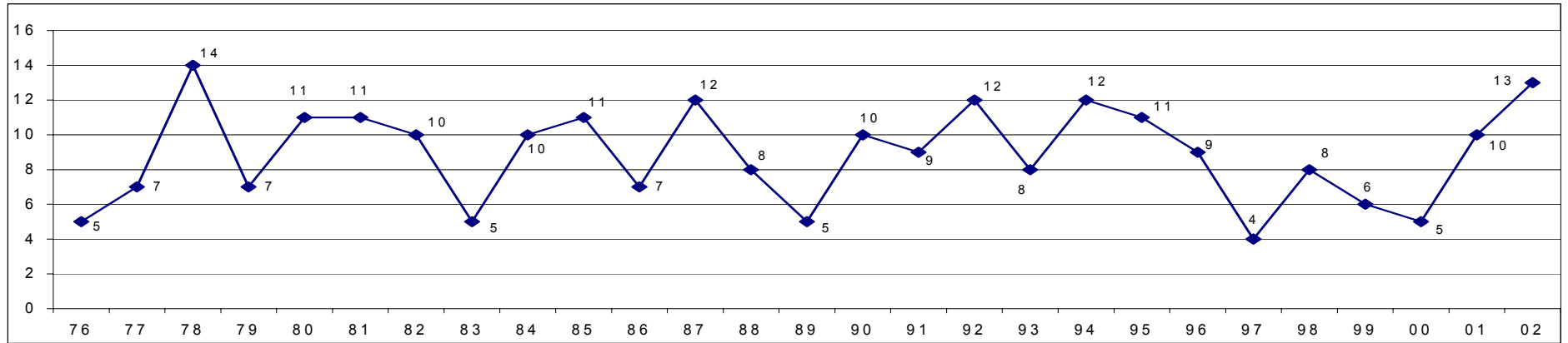
The attention to this issue appears justified in California as eight long-time chancellors or superintendent/presidents retired in 2001, another seven retired in 2002, and a similar number are expected to retire in 2003 and each of the following years.

Changes regarding non-Anglo CEOs – According to Vaughan (2002), members of minority groups accounted for 14% of community college presidents nationwide in 1996 and a similar percentage were serving as presidents in 2001. For California community colleges (CEOs including chancellors, superintendent/presidents, and presidents in multi-campus districts), the corresponding figures are 40% in 1997, and 35% in 2002. Thus, while California colleges have hired a significantly greater percentage of non-Anglo CEOs than community colleges throughout the nation, the percentages have begun to stagnate, similar to the national percentages.

Moving out of California – The concerns about retirements and stagnation in hiring non-Anglo CEOs have replaced the primary concern which resulted in this study in 1995 – 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 national community college association.

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Table I
California Community College District CEOs
 Number Leaving by Year
 1976-2002
(excluding interims)



District CEOs Leaving by Five Year Intervals

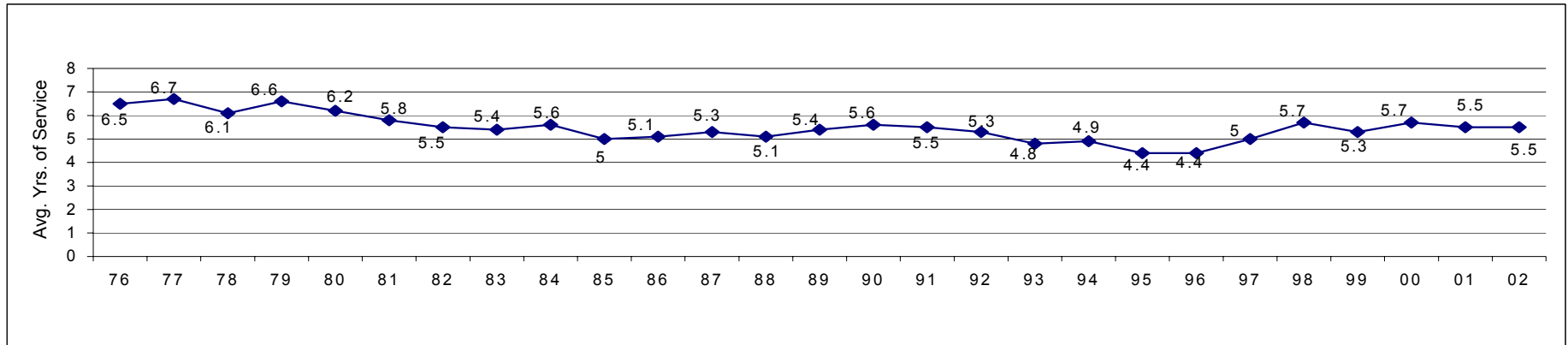
<u>Years</u>	<u>Average Number Leaving</u>	<u>Average Percent Leaving</u>
1976-80	8.8	12.4
1981-85	9.4	13.2
1986-90	8.4	11.8
1991-95	10.4	14.6
1996-2000	6.4	9.0
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Average of Five Year Intervals	8.7	12.2
2001	10.0	13.9
2002	13.0	19.4
Average of 2001 – 2002	11.5	16.1

71 California community college districts through 1999
(51 CEOs from single college districts and 20 CEOs from multi-college districts)
 72 California community college districts as of 2000
(52 CEOs from single college districts and 20 CEOs from multi-college districts)

Table II

Analysis of California Community College District CEOs

Mean Number of Years of Service
1976-2002
(excluding interims)



Mean Number of Years of Service for District CEOs by Five Year Intervals

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 2000 = 5.2

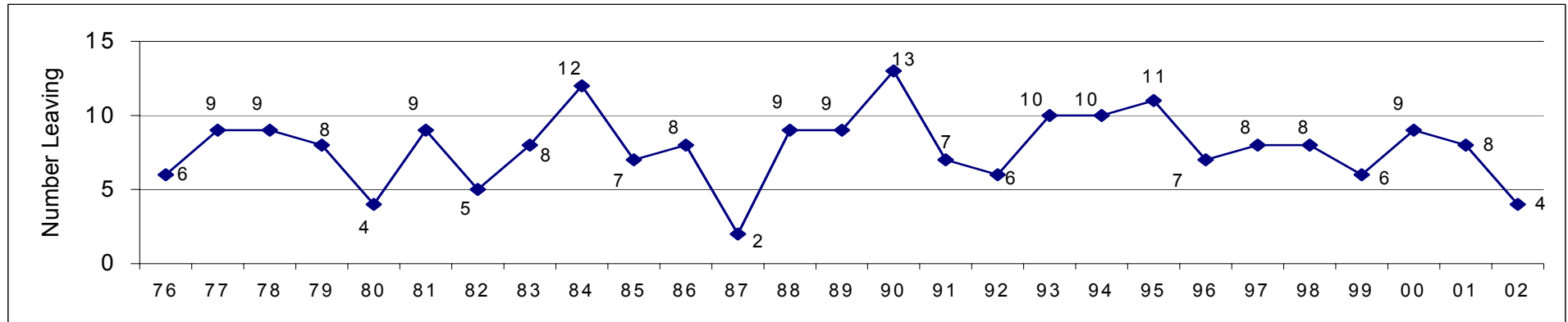
Mean 1976 through 2000 = 5.5

Mean 2001 through 2002 = 5.5

71 California community college districts through 1999
 (51 CEOs from single college districts and 20 CEOs from multi-college districts)
 72 California community college districts as of 2000
 (52 CEOs from single college districts and 20 CEOs from multi-college districts)

Table III Analysis of California Community College Presidents in Multi-College Districts

Number Leaving by Year
1976 – 2002
(excluding interims)



Presidents in Multi-College Districts Leaving by Five Year Intervals

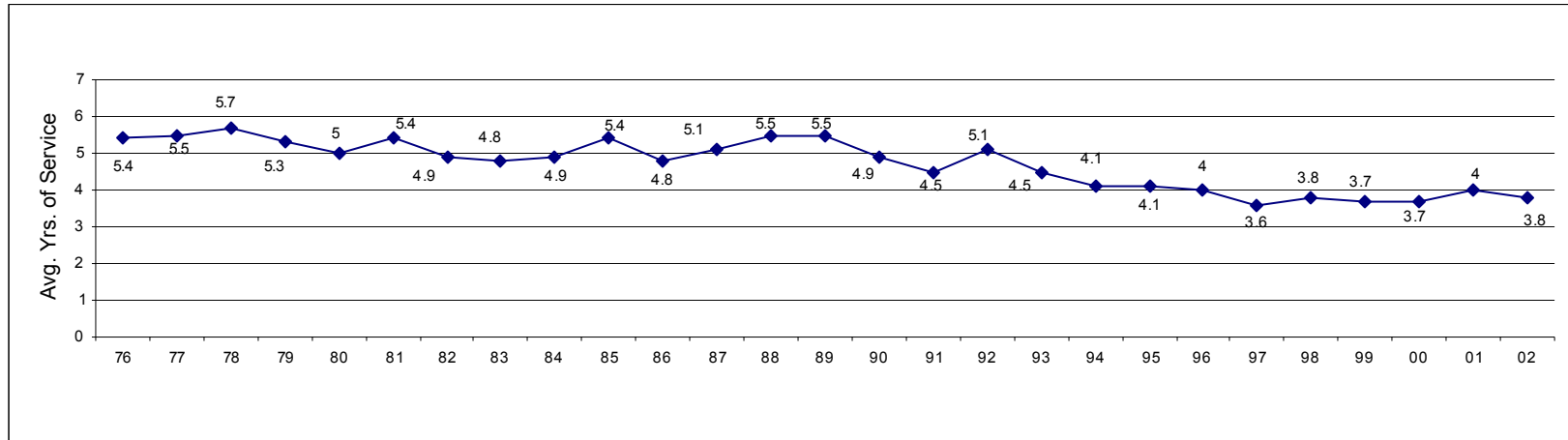
<u>Years</u>	<u>Average Number Leaving</u>	<u>Average Percent Leaving</u>
1976-80	7.2	13.3%
1981-85	8.2	15.0%
1986-90	8.2	15.2%
1991-95	8.8	16.3%
1996-00	7.6	13.8%
Average of Five Year Intervals	8.0	14.7%
Average 2001 – 2002	6.0	11.0%

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 IV

Analysis of California Community College Presidents In Multi-college Districts

Mean Number of Years of Service by Five Year Intervals
1976 - 2002
(excluding interims)



Mean Number of Years of Service for Presidents In Multi-college Districts by Five Year Intervals

- 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 2000 = 3.8
- Mean 1976 through 2000 = 4.6
- Mean 2001 through 2002 = 3.9

The denominator for determining the average length of term for CEOs (presidents) in multi-college 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).

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