

 THE RESEARCH AGENDA

# A Tale of Two Private Catholic Philadelphia Universities: External Environment Factors that Influence Market Position

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This article explores the external environmental factors that affected organizational change at Joseph's University and Villanova University—two private Catholic institutions in Philadelphia, Pennsylvania—resulting in differentiated market positions at each institution. Specifically, the role of demographic changes and the role of intercollegiate athletics was assessed.

Saint Joseph's University and Villanova University are two private Catholic institutions located approximately seven miles apart in Philadelphia, Pennsylvania. The institutions share similar mission statements in that each references the importance of the liberal arts, justice, inclusivity, citizenship, and spirituality in the Catholic tradition (Saint Joseph's University 2020; Villanova University 2020). In addition, Saint Joseph's and Villanova share a number of similar characteristics. Before 2017, each institution was ranked amongst the best regional universities in the North in *U.S. News* (*U.S. News Academic Insights* 2019). Each institution also had a Carnegie Commission Classification of master's level until 2016 (American Council on Education 2023; Business Wire 2016). From a historical perspective, in the 1980s,

each institution enrolled a similar percent of students from the top 10, 25, and 50 percent of their high school class. Each institution also had similar five-year graduation rates, had a similar percent of faculty members with a terminal degree and student-faculty ratio, and had a similar endowment per student (*U.S. News Academic Insights* 2019; National Association of College and University Business Officers 2020). However, by 2017, and well before that time, many of the similarities in the characteristics in the institutions' paths had clearly diverged. For instance, today Villanova is ranked as a national university in *U.S. News* and is classified as a doctoral institution by the Carnegie Commission while Saint Joseph's remains a regional north University in *U.S. News* and a master's level institution by the Car-

negie Commission (*U.S. News Academic Insights* 2019; American Council on Education 2023; Business Wire 2016). In addition, the percentage of students who enroll from the top 10, 25, and 50 percent of their high school class, the five-year graduation rate, and the endowment per student at Villanova is meaningfully higher relative to Saint Joseph's (*U.S. News Academic Insights* 2019; National Association of College and University Business Officers 2020). Given the changes in the institutional characteristics at Saint Joseph's and Villanova, Villanova now operates in a different and stronger position in the higher education market relative to Saint Joseph's. Thus, the value proposition by which Villanova competes and appeals to internal and external constituents is stronger than Saint Joseph's. Financially, as a greater number of stronger students are now attracted to Villanova, and as the institution is able to capture greater resources via grants and donations, they are able to generate more institutional revenue. Based on the *U.S. News* rankings and Carnegie Classification, Villanova is perceived to be more prestigious than Saint Joseph's. Hence, Villanova's stronger and more differentiated market position allows for a more successful and sustainable operation relative to Saint Joseph's.

## Purpose of the Study

This article examines why organizational change occurred at each institution that influenced market position differentiation. Specifically, this paper works to understand how the external environment led to organizational change at each institution over time. Within the external environment, this study investigates how changes in demographics and the outcome of inter-collegiate athletic success affect organizational change (Kezar 2001). This article is a longitudinal comparative case study that assesses organizational change at Saint Joseph's and Villanova, why changes occurred, and the external environment factors that influenced those changes at each institution (Agranoff and Radin 1991).

## Methodology

This section describes the research methodology that was used in working to explain the phenomena related

to organizational change and market position differentiation in the Saint Joseph's and Villanova comparative case study. For this study, qualitative analysis was used to explain the phenomena at Saint Joseph's and Villanova. Qualitative research via a review of historical documents and interviews provided insight in answering how and why organizational change occurred at each institution. Ultimately, the qualitative analysis relative to the factors that led to organizational change at each institution informed longitudinal changes in market position.

## Research Question

The research question for this study was: how and why did organizational change occur at Saint Joseph's and Villanova in the external environment that ultimately influenced market position at each institution?

## Research Methods

Analysis was conducted to understand how and why organizational change occurred at each institution that subsequently influenced market position differentiation. Qualitative analysis using archival documents served as an opportunity to provide insights into the institutional histories at both Saint Joseph's and Villanova. Documents "are particularly good sources for qualitative case studies," as they serve as a means to ground the study within the context of the phenomenon being explored (Merriam 2001, 126). Such documents served as an initial framing, to help understand the phenomenon that occurred at each institution. Analysis of archival documents also helped create a broad outline of key institutional decisions and the approaches taken at each institution that affected organizational change. This analysis helped further inform how organizational change influenced each institution's market position differentiation.

Specifically, Middle States Accreditation Reports and planning documents were reviewed at each institution. Note that the COVID-19 pandemic prevented extensive on-campus inspection of these documents. At Villanova, Middle States Accreditation Reports in 1990, 2001, and 2011 were loaned. At Saint Joseph's, Middle States Accreditation Reports and planning documents were identified on campus and subsequently scanned and emailed.

Middle States Accreditation Reports and planning documents dating from the late 1970s to 1988 were obtained.

In addition, archival documents provided insight to Philadelphia history to understand the Catholic secondary school market and changes that occurred over time. Two specific examples of archival documents that helped inform the phenomena at Saint Joseph's and Villanova were institutional histories authored by Contosta. *Villanova University, 1842-1992* documented activities and actions at the institution from the initial charter to "its 150th anniversary" (Contosta 1995, 266). Similarly, *Saint Joseph's: Philadelphia's Jesuit University—150 Years* documented activities and actions at the institution from its charter in 1851 to 2001 (Contosta 2000).

In conducting interviews, "purposeful sampling" was used to target individuals who served in leadership positions at each institution (Ravitch and Carl 2016, 103, 128). Interviews were conducted with a current college president as well as with former provosts, vice presidents, and administrative and faculty leaders. In addition, interviews were conducted with individuals at Saint Joseph's and Villanova who played influential roles outside of primary leadership positions such as a former athletic director, a communications director, and an individual involved in institutional planning to capture different perspectives of the organizational change and market differentiation phenomena that occurred at each institution. Conducting interviews with a variety of different sources provided a level of trustworthiness to the findings and the phenomena being explored at each institution (Ravitch and Carl 2016).

Questions were asked about the role of the external environment, relative to organizational change, regarding changing demographics and athletic success. To maintain the semi-structured format of the interviews that allow for the emergence of new ideas, broad-based questions were asked about general factors that impacted change at each institution (Merriam 2001).

The interviews helped explain the role of the external environment that affected organizational change at each institution. In addition, the interviews helped further inform how the external environment influenced each institution's market position differentiation. Inductive

coding was used to identify common themes based on the phenomenon being explored (Ravitch and Carl 2016).

Using multiple data sources, such as archival documents and interviews, served as means of triangulation that affirmed the research findings (Merriam 2001). After completing the qualitative analyses, further inductive coding was conducted to find common themes relative to organizational change that impacted market position differentiation at Saint Joseph's and Villanova (Ravitch and Carl 2016). The coding structure was grounded in the literature on organizational change relative to the role of the external environment. Axial coding was employed as a means to identify patterns based on the qualitative archival documents and interview research (Ravitch and Carl 2016). The common themes and patterns identified were used to develop broad-based narratives or unique stories that affected organizational change at Saint Joseph's and Villanova. Themes consistently emerged through each interview and seemed to build upon each other. Thus, when compiled, the insights captured represented a thick description of the organizational change phenomena being explored (Ravitch and Carl 2016).

The following themes emerged from the primary research. Within the external environment, changing demographics in the high school Philadelphia market and the outcomes associated with athletic success emerged in the qualitative interviews. In addition, broad-based references to phenomenon in the external environment, such as an institution's location, and the influence of *U.S. News* on organizational change were referenced in the qualitative interviews but did not emerge as common themes.

After completing the overall analysis, the common themes and patterns that emerged from the qualitative analysis that explain organizational change at each institution informed changes in market position from the quantitative analysis. Taking a between-method and data-triangulation approach to qualitative analysis provided a level of interpretive validity in understanding how and why organizational change occurred at each institution that influenced their relative market position differentiation (Ravitch and Carl 2016).

## Conceptual Framework

The framework for assessing organizational change at each institution was grounded in the literature. The role of the external environment serves as a framework by which to understand organizational change (Kezar 2001).

The framework provides a model by which to understand organizational change and its influence on market position differentiation at each institution. Ultimately, there is an intersection between the framework for examining organizational change and market position. This intersection lies at the heart of understanding how and why organizational change at both Saint Joseph's and Villanova led to longitudinal market position differentiation between these formerly similar institutions.

## Limitations

In assessing organizational change that influenced market position differentiation at Saint Joseph's and Villanova, collecting historic information that had an effect on each institution, was complex.

Some archival documents in the form of historic institutional records did not exist. In addition, due to the COVID-19 pandemic, some historic documents were inaccessible. In the historic records, an element of author bias existed within the narrative relative to the factors that influenced organizational change at each institution. As such, the qualitative analysis was more reliant on interviews. Given the historic timeline involved in conducting the analysis, some of the individuals who had meaningful insight to the actions, activities, and decision-making at each institution were unavailable. Hence, the interviews conducted were limited to individuals who were available and willing to share information regarding the actions, activities, and decision-making at each institution. For those individuals who were available and willing to share information, there was an element of bias built into the interview responses. Some individuals shared overly optimistic and pessimistic viewpoints relative to the histories at each institution. Some individuals had personal agendas that biased institutional histories. Some individuals also did not remember information regarding organizational

changes that influenced market position differentiation at each institution.

To overcome these personal potential threats to the validity of the findings, the author worked to engage in a level of reflexivity to keep emotions and excitements in check. In addition, gathering as many sources of information via archival documents that existed as well as conducting interviews served as a means of triangulation and trustworthiness to verify findings.

## Findings

### Qualitative Research Findings

Saint Joseph's University and Villanova University are two institutions, which, at one point in time, had similar characteristics. They are both private institutions founded in the Catholic tradition and expressing Catholic missions. In the early 1980s, each institution was classified by the Carnegie Commission Classification as Master's level. They also shared similar alumni-giving percentage ranks according to *U.S. News*. In addition, during the 1970s and early 1980s, both Saint Joseph's and Villanova enrolled a meaningful proportion of students via Catholic high schools in Philadelphia. In the late 1980s and early 1990s, each institution enrolled a similar percent of students from the top 10, 25, and 50 percent of their high school class. During this time, Saint Joseph's and Villanova also had similar applicant-to-matriculated first-year student and admissions selectivity metrics. Anecdotally, faculty and administrators at each institution expressed that, during this time, the undergraduate academic profile of students was comparable, and even stronger, at Saint Joseph's. For example, a Saint Joseph's faculty member, who spent time with a Villanova faculty member in a similar discipline and was privy to the outcome of assigned work, said, "Saint Joseph's was more intellectually challenging than Villanova" based on the rigor of assignments and the outcomes of student work. Similarly, an administrator at Villanova related that, during this time, the students Villanova was recruiting were similar to that of Saint Joseph's. Another Saint Joseph's faculty member said, "We were far better than Villanova. There was no compari-

son. The statistics were quite clear. The students were better.” In comparing the two institutions, a Villanova administrator said, “In the early 1980s, I had a sister at Saint Joseph’s, and they were similar.” Relative to student persistence, in the early 1990s each institution had similar five-year graduation rates. However, over time, the characteristics of Saint Joseph’s and Villanova diverged, and each institution took different paths because of both internal and external factors, such that today they occupy significantly different market positions.

### *Shifts in the External Environment*

Within the environment external to each institution, changes in Philadelphia Catholic high school enrollment and the outcomes associated with intercollegiate athletic success had meaningful influences on Saint Joseph’s and Villanova’s short-term and long-term future.

#### **Philadelphia Catholic Secondary School Enrollment**

As mentioned earlier, during the 1970s and early 1980s, both Saint Joseph’s and Villanova enrolled a meaningful proportion of students via Catholic high schools in Philadelphia. For instance, in the 1970s, Saint Joseph’s, according to one administrator, had a long and rich history of excellence amongst Catholic school families. In 1976, Saint Joseph’s enrolled 77 percent of students from secondary Catholic schools, and 90 percent of traditional undergraduate students self-identified as Catholic (Middle States Association 1984). In addition, 90 percent of students enrolled from the Delaware Valley (Middle States Association 1984). Similarly, during the 1980s, Villanova, according to one administrator, had a “very regional draw with most people from the Delaware Valley” who enrolled from “Philadelphia Catholic schools.” In addition, a further indication of Villanova’s regional Philadelphia enrollment was based on the fact that more than 50 percent of students commuted to the institution, according to one administrator.

Beginning in the 1960s, enrollment in Catholic schools nationally began to decrease meaningfully (Kennedy 2018). More specifically, the percent of students enrolled in Catholic schools from the bottom 50

percent of the income distribution decreased during the 1980s (De Maeyer 2018). Within Philadelphia, there was a decrease in the Catholic population (Ryan 2021). Since the 1970s, more than 30 city Catholic parishes closed (Baldwin 2009). Similarly, in the mid-1970s, some Catholic high schools in Philadelphia began closing (Baldwin 2009). For example, two large Catholic Philadelphia high schools’ enrollments peaked in the 1950s and 1960s—North Catholic High School, 1953, and Cardinal Dougherty High School, 1965 (Baldwin 2009).

Despite changing demographics, during the 1960s, decisions were made to open additional Catholic high schools in suburban areas of Delaware and Philadelphia. To account for school expansion, Philadelphia Catholic high schools began charging tuition (Ryan 2021). Given that students who lived in the urban areas were mostly immigrants from lower socioeconomic backgrounds, tuition charges were a barrier to enrollment in Catholic high schools (Baldwin 2009).

This external environmental phenomenon had both short-term and long-term influences on both Saint Joseph’s and Villanova. At Saint Joseph’s, because of the demographic changes, the institution became more dependent on revenue from part-time, nontraditional student enrollment. However, increased competition for these students amongst community colleges and other Philadelphia public institutions resulted in a decline in enrollment of part-time students from 4,829 to 3,942 between 1970 and 1982 at Saint Joseph’s (Middle States Association 1983). Despite the part-time enrollment decline, institutional forecasts predicted that part-time student enrollment would stabilize in the 1980s (Middle States Association 1984). This did not occur.

Within historical documents at Saint Joseph’s, in the form of Middle States Association accreditation self-studies, there was an institutional acknowledgment that demographics at Philadelphia Catholic high schools were declining resulting in a haphazard search for the development of other revenue sources (Middle States Association 1984). A Saint Joseph’s faculty member acknowledged that the institution was aware of changes in the external environment such as the decline in Philadelphia Catholic high school enroll-

ment. Another Saint Joseph's faculty member said, "We thought we were the best.... We had the Catholic school system...we got the good students...but the whole thing collapsed." The 1988 Middle States Association report documented that there was a real need for a long-range plan for recruiting traditional undergraduate students at Saint Joseph's (Middle States Association 1988). To account for the lost revenue because of the decline in full-time enrollment resulting from demographic changes in Philadelphia Catholic School enrollment, in addition to part-time enrollment, Saint Joseph's hired two admissions representatives to recruit regionally, outside of the Delaware Valley, and began to increase graduate school enrollment (Middle States Association 1984).

Conversely, an administrator at Villanova expressed that the institution foresaw the decline in Philadelphia Catholic high school education. Other Villanova administrators acknowledged that they were aware a demographic downturn was coming and thus, "there was this awakening" that the institution needed to take a different approach to enrollment. In response to demographic changes in the secondary Catholic school market in Philadelphia, guided by admissions leaders Bill Maguire, and later Steve Merritt, Villanova began to recruit students nationally. One Villanova administrator said that the institution was one of the first to place admissions representatives in national recruitment territories like California and the Midwest to attract a greater number of high-achieving students. Because of this work, the percent of Catholic students at Villanova decreased from 90 percent in the 1970s to 80 percent in the early 1990s (Contosta 1995). In addition, Villanova began evolving from a predominantly local, commuting student population to a more residential student population. In 1977, 74 percent of students sought on-campus housing; in 1986, 91 percent sought on campus housing (Middle States Association 1990). As part of the plan to recruit students more nationally, the Villanova President Reverend Edward Dobbin, OSA, who served at the institution from 1988 to 2006, made the decision to reduce undergraduate enrollment to become more selective. In doing this, President Dobbin's goal was to increase the academic profile of the institu-

tion. This resulted in the enrollment of high-achieving students. By 1988, the institution received nearly 10,000 applications, the greatest amount in university history, high-achieving student enrollment increased, and the proportion of enrolling students in the top 40 percent of their high school graduating class increased (Middle States Association 1990). In addition, as part of President Dobbin's initial strategic plan to recruit students more nationally, Villanova worked to grow the residential capacity at Villanova as a means to enhance the student experience. According to one Villanova administrator, the construction of new residence halls in west and south campus allowed for a more residential student body that resulted in an increase in student persistence.

Villanova's response to the external environment change in demographics led to long-term increases in the number of applicants per matriculate and high-achieving students thus affecting the student demand. Villanova experienced a longitudinal increase in applicants per matriculant. Similarly, Villanova enrolled an increasing percent of students from the top 10 percent and 25 percent of their high school class, and the mean SAT at Villanova increased longitudinally. In addition, focusing on the residential student experience led to increases in student persistence.

Conversely, while there was acknowledgement of changing Philadelphia Catholic secondary school demographics at Saint Joseph's, there was no meaningful commitment to alter overall student demand beyond the region. To account for the demographic change, Saint Joseph's first worked to grow non-traditional and subsequently graduate school enrollment. While this helped maintain overall institutional revenue, it did not address the demographic change from a traditional student enrollment or academic profile perspective. Without a deliberate plan to address changing demographics at the traditional undergraduate level, Saint Joseph's did little to invest in the campus infrastructure via academic and residential facilities. In the long-term, student demand at Saint Joseph's declined based on admissions selectivity. Also, the enrollment of high-achieving students did not increase based on the percent of students enrolled from the top 10 percent, 25



percent, and 50 percent of their high school class. Similarly, while student persistence increased incrementally, it did not increase at the same rate as Villanova.

### Intercollegiate Athletics

Intercollegiate athletics, particularly men's basketball, play an important role in both Saint Joseph's and Villanova's history. Each institution has a proud history of success in the sport. However, the outcome of each institution's success in both the short- and long-term was different.

At Saint Joseph's, one of the institution's proudest athletic moments came in 1981 when the men's basketball team defeated DePaul University in the NCAA men's basketball tournament. At the time, DePaul was ranked number one in the United States and was the favorite to win the national championship. Faculty and administrators all reflected on that game and season, as an opportunity for Saint Joseph's to raise its national profile beyond the Delaware Valley. Similarly, in 2004, Saint Joseph's had another proud moment when the men's basketball team achieved an undefeated regular season and reached the top sixteen in the NCAA men's basketball tournament. Faculty and administrators also reflected on that season, as an opportunity for Saint Joseph's to raise its national profile given the level of national publicity the institution received.

Saint Joseph's faculty and administrators conveyed information about the formation of the Big East Conference and institutional decision-making at the time. The athletic director relayed that in 1979 the Big East Conference was formed and involved a partnership with the new television sports network ESPN. A number of Philadelphia-area as well as Catholic institutions, were identified as potential members for the new athletic conference. These included institutions such as Boston College, Temple University, Villanova, and Saint Joseph's. While Saint Joseph's applied to be a member of the Big East Conference, the president at the time, Reverend Donald MacLean, SJ, was reluctant based on the cost to join the conference relative to other more engaged institutions. The 1984 Middle States Association report documented that concerns were raised relative

to the costs associated with being an NCAA division one institution and the resultant travel expenses and salaries of coaches (Middle States Association 1984). Ultimately, Saint Joseph's was not invited to join the conference.

Conversely, the formation of the Big East Conference looms as a critical time in the history of Villanova athletics. The institution became a member in 1980. Because of the partnership between the Big East Conference and the new television sports network ESPN, Villanova men's basketball was seen, on average, 25 times per season by a television audience (Middle States Association 2001). One administrator described that men's basketball helped raise national awareness of the institution. In 1985, Villanova's men's basketball team defeated favored Georgetown University to win the NCAA national championship. One administrator said that this event vaulted the institution into the national spotlight and public eye. Another administrator said that winning the NCAA tournament launched Villanova to an entirely different realm from the past. Culturally, winning the national championship served as a source of institutional spirit and was a community builder for Villanova. President Dobbin, according to administrators, believed in the importance of athletics, and men's basketball in particular. Under his tenure, Villanova further invested and worked to capitalize on the success of men's basketball. The national recognition the institution received because of the success of men's basketball provided a level of national visibility such that Villanova was now being compared to national institutions. Faculty and administrators alike all related how the success of men's basketball served as a catalyst in moving the institution from one that was more regionally recognized to nationally recognized. Men's basketball success positively affected student demand as shared by one administrator who said that between 1984 and 1986, average SAT scores at the institution increased by nearly 100 points from 1040 to 1134.

In comparison, Saint Joseph's decision to not aggressively pursue Big East Conference membership, which would have provided the institution with more national visibility, coupled with the complacent mindset to not capitalize on athletic success, maintained more regional,

versus national, thinking and enrollment trends. As one Saint Joseph's administrator said, "In terms of using athletics as a springboard to change our position in the market, we have not been able to do that." Similarly, other administrators at Saint Joseph's emphasized that the institution worked to neither sustain nor exploit the opportunities associated with athletic outcomes to the degree Villanova had. Another Saint Joseph's administrator acknowledged that Villanova's basketball championship provided them with opportunities noting, however, that the institution had already begun to recruit high-achieving students nationally, resulting in greater student demand. One Saint Joseph's administrator asserted, "Anyone [who] tells you athletics does not have an impact on a university does not know what they are talking about...athletics had an impact. Certainly when (Villanova) won the national championship" in men's basketball it had an effect.

The success of men's basketball affected long-term student demand at Villanova, reflected in the overall academic profile, applicants per matriculate, and admissions selectivity of enrolling students. In addition, by being a part of the Big East Conference, Villanova's national exposure, coupled with its national recruitment efforts influenced the student demand element of market position. Conversely, not being in the Big East Conference coupled with institutional complacency to not capitalize on athletic success resulted in long-term stagnation in the student demand element at Saint Joseph's.

### *Analysis of Findings*

The external environment is an important factor in affecting organizational change (Burke 2002; Morgan 1986; Kezar 2001; Kotter 2012; Tichy 1983). While multiple external environment factors that affect organizational change exist, pertinent to the case study of Saint Joseph's and Villanova, the decline in the Catholic high school market in Philadelphia coupled with the outcome of intercollegiate athletic success affected organizational change but in meaningfully different ways. Note that the great recession had a short-term impact on market position.

### **Reaction to Demographic Changes**

It was apparent that while Saint Joseph's was aware of the decline in the secondary Catholic school market in Philadelphia, rather than aggressively broadening or diversifying recruitment efforts nationally, they relied on UC and graduate enrollment as an alternative source of tuition revenue. In taking this course of action, the student demand was adversely affected. In comparison, Villanova began aggressively recruiting high achieving students nationally by developing satellite national admissions offices. Ultimately, each institution's different responses to external environment demographic changes affected their respective student demand. For example, applicants per matriculated student increased at each institution longitudinally, the rate of increase at Saint Joseph's was much lower than at Villanova. In addition, while Villanova became a more admissions-selective institution—an indication of increasing student demand—Saint Joseph's became less selective—indicating a long-term decline in student demand. Relative to academic profile, Villanova realized an overall long-term increasing trend in the percent of students from the top 10, 25, and 50 percent of their high school class. Conversely, Saint Joseph's experienced an overall long-term decreasing trend in the percent of students from the top 10, 25, and 50 percent of their high school class. While there is an overall increasing trend in mean SAT at each institution, the trend at Saint Joseph's is comparatively flat relative to the more pronounced increase at Villanova. Villanova's aggressive national recruitment response to the demographic decline in the secondary Catholic school market in Philadelphia positively affected the institution's long-term market demand trajectory positively influencing its market position. Tied to this, President Dobbin's strategic plan to invest in campus infrastructure via residential facilities to house a national student body enhanced the student experience and student persistence, an element of market position. In comparison, Saint Joseph's less aggressive response adversely affected the institution's long-term market demand trajectory resulting in a more stagnated market position.



### Leveraging Intercollegiate Athletics Success

While both Saint Joseph's and Villanova experienced intercollegiate athletic success in men's basketball, it can be argued that Villanova's 1985 NCAA national basketball championship was more notable than each of Saint Joseph's highlighted successes in 1981 and 2004. Saint Joseph's complacent mindset coupled with President MacLean's decision not to aggressively pursue Big East Conference membership resulted in more regional institutional exposure relative to athletics. In comparison, the presidential decisions at Villanova to aggressively approach student recruitment on a national level, coupled by leveraging the national exposure associated with the national basketball championship and membership in the Big East Conference, provided a spotlight that positively affected student demand (Toma and Cross 1996; Pope and Pope 2009; Chung 2013). The applicant per matriculated student and admissions selectivity trajectories at Villanova were more pronounced at Villanova versus Saint Joseph's, resulting in different long-term market position student demand trajectories. Similarly, this influenced an overall long-term increasing trend in the mean SAT and percent of students from the top 10, 25, and 50 percent of their high school class enrolling at Villanova relative to Saint Joseph's.

### Summary

Within the external environment, as these examples show, demographic changes in the Philadelphia secondary school market and the influence of intercollegiate athletic success affected organizational change at the institutions.

This study presents a comparative case study between two institutions—Saint Joseph's University and Villanova University—two private, Catholic, Philadelphia institutions which at one time shared similar characteristics but over time experienced organizational change in vastly different ways. This case study assessed the factors affecting organizational change at each institution that subsequently influenced their respective market position differentiation. The study found that Villanova more successfully responded to changes in

the Catholic secondary school market in Philadelphia and better leveraged intercollegiate athletic success in the external environment to affect organizational change. Conversely, at Saint Joseph's, the institution did not respond to changes in the Philadelphia Catholic secondary school market and failed to leverage athletic success. The factors in the external environment affected organizational change such that the institution's market position remained more stagnant over time.

### Implications

This article served as an opportunity to explore the intersections of organizational change and the influence on market position differentiation. More narrowly, this study was a case study comparison of two institutions, which at one time had similar characteristics but because of differences in organizational change experienced different market position trajectories. Specifically, the author assessed the role of external environment on organizational change. This article has two primary implications—implications for further research and practical considerations for institutional leaders.

### Research Implications

From a research perspective, the design of this study is such that it could be replicated for other institutions with similar characteristics. Dissimilar institutions could also be assessed to determine if the external environment had similar or different effects on organizational change.

In assessing the effect of the external environment on organizational change, other factors could be explored outside of local demographic changes and the effect of intercollegiate athletic success, such as changes in the national, regional, or local economy or political landscape. In addition, the effect of broader demographic shifts regionally, nationally, or internationally on organizational change could be explored. The organizational change effect on an institution because of a natural disaster or a healthcare pandemic, such as COVID-19, could also be explored.

## Practical Considerations for Institutional Leaders

Institutional leaders interested in affecting change at their respective institutions, such that it improves their market position differentiation, involves being aware of and responsive to the external environment. For instance, the Villanova case study revealed that at institutions where intercollegiate athletics plays a meaningful role at the national level, purposefully investing in and leveraging athletic success can influence organizational change. In addition, the case study supports that changes to local student demographics had an effect on organizational change.

## Conclusion

The comparative case study of two private Catholic Philadelphia institutions, Saint Joseph's University and Villanova University, who at one time shared similar characteristics but changed over time, is one that addresses the intersection between organizational change and the directional influence on market position differentiation.

The case study showed that factors in the external environment, in this case demographic changes in the Philadelphia secondary school market and the outcome of intercollegiate athletic success, affected organizational change at each institution. Tied to this, differing decisions about how to respond and adapt to the exter-

nal environment affected organizational change at each institution. For instance, at Villanova the decision to engage in national student recruitment and campus infrastructure, in response to changes in the Philadelphia secondary school market, affected organizational change.

Being aware of and intentionally responding to external environment changes affected organizational change at Villanova. Specifically, President Dobbin intentionally leveraged athletic success in the external environment, which facilitated organizational change at Villanova. However, at Saint Joseph's, President MacLean did not leverage athletic success to affect organizational change. Similarly, President Dobbin was responsive to the external environment via demographic changes in the Philadelphia secondary school market by engaging in national student recruitment and the construction of residential facilities, which affected organizational change at Villanova. However, at Saint Joseph's, President MacLean did not engage in national student recruitment to affect organizational change. Hence, a leader who intentionally responded and adapted to external environment changes affected organizational change at Villanova.

The organizational change factors in the external environment directionally influenced the exponential long-term market position increase at Villanova. Conversely, the organizational change factors in the external environment resulted in a more stagnating long-term market position trajectory at Saint Joseph's.

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## About the Author



### John Haller

John Haller, Ed.D., is the Vice President of Enrollment Management and New Student Strategies at the University of Miami. Over the course of his career, he transformed two enrollment management areas taking a student success outcomes-driven approach. During his time at Miami, he led the movement from a largely merit-based to a hybrid merit- and need-based financial aid strategy where 100 percent of financial need is met. He also implemented a test-optional holistic admissions review

approach. The institution realized a 60 percent plus increase in applications and a 50 percent plus increase in yield. The institution also realized a \$10,000 decrease in student indebtedness upon graduation and the highest freshman retention and six-year graduation rates in university history. Prior to Miami, John served as the associate provost for enrollment management at Saint Joseph's University. At Saint Joseph's, the university attained the highest first-year persistence rate in university history. First-year enrollment also grew by 24 per-

cent as did entering student credentials and student of color enrollment. Student indebtedness at graduation also declined by \$6,000. John held positions in student success at Drexel University, M.B.A. Admissions at Vanderbilt University, and Undergraduate Admissions at Denison University. He is an honors graduate in economics and statistics from the University of Michigan, and he received master's degrees in business and higher education as well as an Ed.D. in higher education from the University of Pennsylvania.