

# Transcript: From Pressure to Possibility: Navigating the New Realities of Higher Ed

**Host (Katy) (00:00):**

In this episode, I'm talking to Dr. Nicholas Zeppos, Chancellor Emeritus and University Distinguished Professor of Law and Political Science at Vanderbilt University.

Dr. Zeppos shares his take on the most pressing challenges facing higher education—like affordability and access, public perception of higher ed's value, and navigating immense social, political, and financial pressures.

He also highlights new opportunities leaders should consider, from AI and data analytics to good old-fashioned community engagement. In this uncertain moment, he offers some concrete actions that leaders can take to get started.

Dr. Zeppos served as Chancellor of Vanderbilt from 2008 to 2019, leading a number of strategic transformations in student success, residential life, and academic medicine. He continues to serve Vanderbilt today by teaching in the law school and Department of Political Science.

Dr. Zeppos, welcome to *Next Practices*. Thanks for joining us to share how your work helps students succeed in college.

**Dr. Nicholas Zeppos (01:32):**

It's a pleasure to be here. There's nothing more important than talking about our great colleges and universities—and the success of our students.

**Host (Katy) (01:41):**

Let's start with your university, Vanderbilt. Can you tell us about the mission it serves, your role in it, and the work you've done throughout your career to support student success?

**Dr. Nicholas Zeppos (01:54):**

Sure. I've always thought of Vanderbilt as, at its core, a liberal arts college. We have about 6,500 undergraduates getting a fairly traditional, yet dynamic liberal arts experience. But that's merged with the scale and research power of a major university—especially through our affiliated medical center.

We do about a billion dollars in research annually, but we're intentional about making sure undergrads have a meaningful, community-engaged experience.

**Host (Katy) (02:33):**

It's interesting how you describe Vanderbilt as a hybrid institution—part liberal arts college, part research university. I think that really reflects what institutions can be. Each one has its own identity, its own combination of strengths, and its own student experience.

Sometimes we paint higher ed with a broad brush, but really, no two institutions are the same, even if they share some common challenges.

**Dr. Nicholas Zeppos (03:05):**

If you've seen one university, you've seen one university. It's fascinating—when young people visit campuses, they can pick up on a vibe during the tour that sometimes we adults just don't get.

Every school has its unique qualities. I've been at Vanderbilt almost 40 years now—held every job except football coach, thankfully. My focus at Vanderbilt has always been access and affordability.

We're going through a seismic shift in higher ed. We're fundamentally resetting models that challenge everything we do. But we have to make the case for access—and provide the resources to back it up.

When I first started in administration, Vanderbilt had a fairly high loan burden. It was a deterrent for students and families. We weren't attracting the best students because of the financial strain.

**Dr. Nicholas Zeppos (04:11):**

So, about a week after Lehman Brothers collapsed, I made a decision: no Vanderbilt undergraduate would graduate with debt. That became Opportunity Vanderbilt.

We raised, I think now it's around \$700 million. It completely transformed the campus and changed the conversation around graduation and completion.

Before, we were losing students who felt unhappy or unsure and didn't want to take on debt to stay. Families were under pressure. But when a student takes on debt, the whole family is taking it on.

Eliminating loans was a transformative decision. And while universities usually change slowly, this changed Vanderbilt pretty fast. But it also revealed gaps—we had to catch up in terms of what we taught, the services we provided, career development.

For me, it's always been about setting students up for success—whether that's grad school, employment, nonprofit work—whatever they choose.

**Host (Katy) (05:56):**

Yeah, I think setting the student up for success is so multifaceted. For so long, the focus has been just getting students to the degree as quickly as possible.

But there's so much more to the college experience than just getting the diploma. Students need to be prepared to step into their chosen profession—or any path—with confidence and a sense of purpose.

Sometimes, in our efforts to improve retention and completion metrics, we lose sight of that bigger picture.

**Dr. Nicholas Zeppos (06:44):**

Absolutely. Think about the development that happens between 17 or 18 and 21 or 22. Those are transformative years—not just academically, but psychologically, emotionally, and socially.

So we always talked about educating the whole student. If they're spending 14 or 15 hours a week in class, what else surrounds them? What services, support systems, and experiences help them thrive?

It's about moving from *I'm going to graduate* to *I'm thriving here*. And when they're thriving, they're happy, engaged, and ready to succeed beyond college—whether that's grad school, the workforce, or service.

Grad schools and employers don't just see a transcript. They see a whole person. We have to help students develop holistically.

**Dr. Nicholas Zeppos (07:52):**

You're investing a lot in these students—through financial aid, through the families paying full tuition, through room and board. So the goal can't just be, "I want my student to graduate."

That's a baseline. And sure, many institutions still need to improve completion rates. But we also need to think holistically.

I was kind of a data nut when I was Chancellor. I started looking closely at indicators of student engagement, dissatisfaction, mental health, wellness—all of it.

And I realized: we have to move from a model of "Are students graduating?" to "Are students thriving?"

To justify the investment families and institutions are making, we need to ask:

Are students well?

Are they engaged?

Are they prepared for what's next?

We already have the data. It's there—it's just siloed across different systems, hidden in servers, or not being leveraged. But it's essential. Because if you want to prove your value, you need more than anecdotes—you need insight.

**Host (Katy) (09:28):**

Yes, and to your point—when institutions actually bring their data together and look at it holistically—not just generic models or national trends, but their own data—a few powerful things happen.

Sometimes, it validates what they've suspected but didn't have evidence for. Other times, it surfaces really simple opportunities—like small shifts or interventions that can make a big impact.

And often, it doesn't require a big investment or a whole new department. It might just mean making a service more visible or connecting the right students to it at the right time. It's about being smart with what you already have.

**Dr. Nicholas Zeppos (10:21):**

Exactly. Most universities already have the data—but it's stuck in corners of the campus.

What's missing is clarity around goals. Institutions need to ask:

- What do we want for our students?
- What does success actually look like here?

And then they have to map their existing data to those goals. That's how you make it meaningful.

This doesn't require new surveys or software. It requires alignment—and the courage to be transparent and accountable.

Because that's the reality now. Whether we like it or not, higher ed is being viewed as opaque and unaccountable.

We need to turn that around by saying:

Here's what we're trying to do.

Here's what the data shows.

Here's why this experience is worth it.

And that's how you start shifting public perception.

**Host (Katy) (11:34):**

Yes—understanding the challenges institutions face is so important.

Affordability and access are a big part of the issue, but there's also this perception problem:

What's the ROI of higher ed? Is it worth the time, the money, the effort—especially if a student doesn't finish the degree or doesn't get the job they want right away?

There are social, political, and financial pressures. But what do you see as the biggest challenges right now—and how should we be thinking about them as leaders?

**Dr. Nicholas Zeppos (12:35):**

I think we're going through a dramatic reset—across all sectors of higher ed. Every kind of institution is under strain.

Having spent my career at a major private research university, I can say: even the best-endowed schools are at risk.

There are serious threats to research funding—some political, some structural. At institutions like Columbia, we've seen entire streams of funding cut off.

Endowment taxation is also a real possibility. And even though people think that's just for places like Vanderbilt or Harvard, those thresholds could easily change.

A lot of schools that thought they were safe may find themselves affected—and financially exposed.

**Dr. Nicholas Zeppos (13:49):**

We're also in a moment where, because of social media and political division, everything a university says, teaches, or even implies is under high-level scrutiny.

Free speech, academic freedom—these are all being tested. And colleges are now being evaluated not just academically, but politically, financially, and culturally.

On top of that, we're entering an **enrollment cliff**. The number of high school graduates is declining. That might not affect the most in-demand institutions immediately, but it will hit the majority of schools hard.

And the discounting model—offering more and more financial aid to attract students—that approach has likely run its course.

We're starting to see some colleges close. I'm surprised we haven't seen more already. But I think closures could accelerate in the next few years.

**Dr. Nicholas Zeppos (14:56):**

Here's the other issue: you can't grow your expenses faster than your revenue forever.

A lot of institutions are doing just that—especially when it comes to staffing and benefits. But that model isn't sustainable.

And if you can't raise tuition, and you can't increase enrollment because of demographic shifts, where's the money supposed to come from?

Those pressures—political, financial, and structural—are all colliding at once. And schools are going to have to find a dramatically different way forward.

**Dr. Nicholas Zeppos (15:59):**

The political environment is really difficult. The enrollment cliff is real. And the financial model of higher education—it's just out of sync.

Costs keep growing faster than revenues. And there's no realistic path right now for revenues to catch up.

We can't just keep increasing tuition. We can't assume more students will show up. We can't keep discounting more and more.

So what we're left with is a system under incredible strain—and I think hundreds of institutions are going to be forced to rethink everything.

It's not just a policy issue—it's existential.

**Host (Katy) (16:49):**

Yes. These challenges aren't new—we've been talking about many of them for a long time.

I've worked in higher ed for 15 years, and the enrollment cliff, the rising cost of college, the pressure to justify value... they've always been *coming*.

But now—they're here.

And while there's a lot of uncertainty and complexity, I know you also see opportunities for leaders to respond differently.

What are some of the most important ways you think higher ed leaders can begin to shift their mindset and approach?

**Dr. Nicholas Zeppos (17:36):**

First, we have to be honest: not everyone's going to go to college—and that's okay.

But the idea that college *doesn't* improve outcomes in life? That's just flat-out wrong. And I think higher ed leaders have been too quiet about that.

We haven't made the case strongly enough—not to our boards, not to our faculty, not to our students.

And I worry now that college presidents and boards are being pulled so far outward—responding to media, to politics, to public pressure—that they're losing internal alignment.

If we want to make the case for the value of higher ed, we have to start **inside** our institutions. That alignment matters.

**Dr. Nicholas Zeppos (18:50):**

Then, we have to make that case **externally**—loudly, clearly, and often.

**Dr. Nicholas Zeppos (18:50):**

I was really surprised—despite being Provost before becoming Chancellor—how much time I spent, and how much I enjoyed being with external stakeholders and telling the story of our impact.

Presidents, boards, and universities need to be out there talking to members of Congress, state legislators, mayors, city councils—anyone who influences public discourse and policy.

Because here's the truth: they're not getting the full picture. They're hearing soundbites—"college isn't worth it," "tuition's too high," "it's only for the elite."

**Dr. Nicholas Zeppos (19:57):**

I would tell members of Congress—some of the smartest, most informed people—that for many students, going to Vanderbilt was actually cheaper than going to a state school.

And they'd say, "That's not true." And I'd say, "Here's the data."

These are thoughtful, engaged leaders—and they *still* didn't know. And I realized: that's not on them. That's on *us*.

**Dr. Nicholas Zeppos (19:57):**

That moment stuck with me. I just assumed people knew how generous our financial aid program was. But they didn't—and that's a failure of communication.

We've missed a huge opportunity. It's not just about convincing alumni or students. It's about the **sidewalk alumni**—people who didn't attend our school but live in our communities and vote and influence policy.

They need to hear what we're doing. They need to see how we're making a difference.

**Dr. Nicholas Zeppos (20:56):**

And we have to open our doors. Open our books.

We need to be transparent about our finances—even when it's complicated. Most people think an endowment is just a giant slush fund. They don't understand that most of it is restricted.

We need to help people understand how the economics of higher education really work.

Because until we do that—until we show people how we operate, what we cost, and what impact we make—we'll keep fighting a perception problem we helped create by staying too quiet.

**Dr. Nicholas Zeppos (21:51):**

One thing I really want to emphasize: you can't be a Chancellor who's only focused externally.

There's a divide happening on campuses—presidents and chancellors are getting pulled so far outward by politics, PR, and fundraising that they're losing connection internally.

I made it a point to have dinner with faculty two or three times a week—just to ask, “What’s on your mind?” I stayed in touch with students too.

We can’t lose that connection. You have to advocate outside your institution, yes. But you also have to lead **within** it.

**Dr. Nicholas Zeppos (23:01):**

And then there’s the cost issue. The financial model is broken. Expenses are rising faster than revenues, and it’s not sustainable.

I was recently in a conversation where someone asked: *Could artificial intelligence help bend the cost curve?*

Not by replacing faculty—but by reducing overhead, administrative load, and inefficiencies that have crept into higher ed operations.

**Dr. Nicholas Zeppos (23:38):**

We need to look at technology—especially AI—not just as a risk, but as an opportunity. Because if we don’t figure out how to control costs without degrading quality, a lot of institutions are going to be in real trouble.

**Host (Katy) (23:50):**

Yes—it’s so important that higher ed doesn’t stay siloed or stuck in “this is how we’ve always done it” mode.

It’s about getting outside the bubble, having real conversations, and correcting misconceptions—especially about things like financial aid.

A lot of people don’t realize that private institutions often provide more generous aid than public ones. There’s just so much *inside baseball* in higher ed.

**Dr. Nicholas Zeppos (24:31):**

Totally. Sometimes I think higher ed feels like a medieval secret society—its own language, rituals, traditions.

But we’ve got to throw the doors open. We’ve got to be more transparent, more human. We’ve got to show people that we’re listening.

And we also can’t back down from the value proposition of college.

What frustrates me is when successful people who *did* go to college turn around and say, “You don’t need it.”

**Shame on them.** If you benefited from that experience, don’t pull the ladder up behind you.

**Host (Katy) (25:09):**

Exactly. The data is really clear—going to college improves your life outcomes.



That's not opinion—it's evidence-based. But if we don't keep emphasizing that, and **showing** it in ways people can relate to, we risk losing the narrative.

**Dr. Nicholas Zeppos (25:14):**

No question. It's absolutely clear. The value is there.

But we can't just keep saying that over and over like we're yelling into the void.

We have to engage—authentically—with a wide range of people. Internally and externally.

It's not just about messaging. It's about relationships. If people don't feel like we're listening—or worse, if we come off as arrogant or out of touch—they'll tune us out.

We've got to talk *with* people, not *at* them. And that includes skeptics.

**Dr. Nicholas Zeppos (26:32):**

One of the things we used to do at Vanderbilt was something called **Saturday Road Scholars**.

Once a month, we'd load a bus with faculty, staff, and students and go visit a part of Nashville—sometimes just a mile or two from campus—where we had no real relationship.

We'd meet people, listen, learn. Not just parachute in—but *be present*.

**Dr. Nicholas Zeppos (27:39):**

And it wasn't always far. It could be right next door. But proximity matters.

For example, Nashville has a large refugee population. It's great if one student from that community gets admitted to Vanderbilt—that's a success story.

But what about the bigger picture? Were our HR teams reaching out to hire talent from that community? Were our language departments helping with integration, English as a second language, or civic engagement?

It's not enough to celebrate isolated wins. We need to be actively thinking about how the university is part of the **ecosystem**—and how we can contribute meaningfully to it.

**Dr. Nicholas Zeppos (28:45):**

When Nashville had a challenge, my mindset was always: *How can I help?*

Transit issues? How can Vanderbilt contribute?

Healthcare gaps? How can we step in?

It's not enough to say, "Vanderbilt is a great university, and we support the community."

We had to **show up**. We had to be proximate to the real problems people face—because that's where trust is built. That's where impact happens.

**Dr. Nicholas Zeppos (29:27):**

At Vanderbilt, there's a real ethic of community engagement.

Our students, faculty, and staff are deeply involved—whether it's addressing food deserts, improving childhood health, or supporting underserved neighborhoods.

And something I always tried to do as a leader: invite people who disagreed with us *into* the conversation.

Even if they had no formal connection to the university. Even if they were critical of what we were doing.

**Dr. Nicholas Zeppos (30:18):**

I just wanted to talk. Listen. Ask questions. Understand their perspective.

Because often, people who are skeptical or angry aren't bad people—they just haven't felt heard. And once you listen, you can either clarify a misunderstanding or at least **depersonalize** the disagreement.

I'd joke sometimes that one of my goals was just to not come off as some pointy-headed academic. Be approachable. Be a listener. Don't be arrogant. Don't be condescending.

**Host (Katy) (31:12):**

We've covered so much—and I know it can feel daunting for higher ed leaders facing all this change.

You've shared a ton of great ideas already, but if someone's wondering, "*Where do I even begin?*"—what would you say?

**Dr. Nicholas Zeppos (31:42):**

I'd give two very different starting points.

First, do a **deep audit** with your marketing, communications, and community relations teams. Ask: *How connected are we, really, to the people in our community?* Are we engaging with those who believe college isn't worth it? And if not—*why not?*

That engagement strategy is critical.

**Dr. Nicholas Zeppos (32:12):**

Second, start seriously exploring **artificial intelligence and automation** to bend the cost curve.

Not in a gimmicky way—but by genuinely rethinking how the institution operates. Because many colleges are drawing too heavily from their endowments. That's not sustainable.

The institutions that figure out **how to control costs while maintaining quality**—they're the ones that will thrive.

**Dr. Nicholas Zeppos (32:51):**

Here's something that used to drive me crazy: we'd implement a new software system—something that was supposed to save time or money—and then we'd hire **ten more people** just to run it.

That's not innovation. That's inefficiency.

If you're investing in technology, it should be bending the cost curve, not inflating it.

So we need to start asking tough questions:

- *Where are the actual savings?*
- *Where are the operational gains?*
- *How do we reduce complexity instead of adding to it?*

Because unless we solve that, hundreds of institutions are going to face **very** hard times.

**Host (Katy) (34:01):**

We've covered so much today—so many urgent challenges and opportunities.

Before we wrap up, is there anything we haven't touched on that you want to leave folks with?

**Dr. Nicholas Zeppos (34:01):**

Yes—I just want to say, I really believe this is an **existential moment** for higher education.

We're at an inflection point.

If we don't act now—on public perception, cost control, engagement—we're going to come through this diminished.

Even if we survive, we'll be on defense for years. The public view of higher ed is deeply skeptical right now—and it won't fix itself.

We need to take control of the narrative, build trust, and show people the real value we deliver.

**Host (Katy) (34:45):**

Yes. Thank you so much, Dr. Zeppos—for joining us and for sharing such honest, thoughtful insights.

It's been a powerful conversation.

**Dr. Nicholas Zeppos (34:51):**

Thank you. And best of luck to everyone out there doing this work.