

#### **Restructuring and Layoffs at Ashford**

The online university, seeking transition from for-profit to nonprofit, suffers enrollment losses resulting in layoffs of 300 there and at its parent company.

By Lindsay McKenzie

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# **OVERVIEW**

Today, Ashford University is announcing strategic changes in its structure and operations in order to ensure the university's sustainability in the future.

In implementing this change in direction, some positions will be eliminated. As a result, we are notifying you today that your employment with Ashford University will end on Friday, January 3, 2020.

Ashford University, a predominantly online for-profit institution that is seeking nonprofit status, is restructuring its colleges and has made an unknown number of faculty members redundant.

Craig Swenson, president and CEO of Ashford University, said in an emailed statement that the institution would consolidate its existing colleges and the Division of General Education into two colleges: the Forbes School of Business and Technology and a new College of Arts and Sciences.

"We are focusing on strengthening the core academic programs most sought by working adults; this will involve discontinuing new enrollments in certain non-core programs," wrote Swenson.

"Although these changes will enhance Ashford's financial and operational sustainability, they affect members of our university community, including both faculty and non-faculty, most of whom were associated with programs that will no longer accept new enrollments," Swenson wrote. "Our goal is to treat every faculty and staff member with dignity and respect, and that is especially true now."

A spokesman for the university, which is owned by publicly traded company Zovio (formerly Bridgepoint Education), did not confirm how many faculty positions would be eliminated.

In a <u>financial statement</u> published Wednesday, Zovio reported it approved a restructuring plan this month, "which includes the elimination of approximately 300 current positions as well as other cost-saving measures." The Zovio spokesman said this number referred to layoffs at both Ashford University and Zovio.

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## **NEXT STEPS - REMOTE**

AU Human Resources will be sending a **Separation Packet** to your personal email address by end of business today. Included in the packet will be the following information:

- 1. Notification Letter
- 2. Change of Status Form
- 3. Severance Details
- 4. Outplacement Services
- 5. Additional Resources & FAQs
- 6. Instructions on Equipment Return

If you fail to receive the packet today, please email Human.Resources@ashford.edu for assistance.



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An anonymous tip sent to *Inside Higher Ed* suggested that a large number of experienced faculty members at Ashford were told this week that their employment would end in January. Professors in the social sciences and humanities are thought to have been particularly affected. The announcement was reportedly delivered via an online PowerPoint presentation on Tuesday.

The majority of Ashford's faculty work remotely and are untenured. Slides from the PowerPoint say the university is announcing "strategic changes in its structure and operations in order to ensure the university's sustainability in the future." Ashford has not confirmed whether the PowerPoint slides are authentic.

In an investor call Wednesday, Andrew Clark, CEO of Zovio, said that enrollment at the university decreased to 36,349 students in 2019, down from 39,584 students in 2018. Clark projected that enrollment would continue to fall next year but at a slower rate.

The company intends to either successfully convert Ashford to a nonprofit institution or sell the university to another higher education institution by the end of the year, said Clark.

#### Read more by **Lindsay McKenzie**

https://www.insidehighered.com/digital-learning/article/2019/10/31/ashford-university-restructuring-contributes-hundreds-layoffs?utm\_source=Inside+Higher+Ed&utm\_campaign=76a3634655-DNU\_2019\_COPY\_02&utm\_medium=email&utm\_term=0\_1fcbc04421-76a3634655-198467257&mc\_cid=76a3634655&mc\_eid=0c2028f1a2\_