BRAND ESTABLISHMENT AT THE UNIVERSITY OF CHICAGO: AN INVESTIGATION OF DE-ESCALATION OF COMMITMENT IN UNIVERSITY ATHLETICS

Adrien Bouchet & Michael Hutchinson

Abstract

This article is a historical case analysis of the University of Chicago’s decision to discontinue participation in scholarship football in 1939. This decision was made at the behest of then University of Chicago President Robert Hutchins and Board of Trustee members in hopes of preserving the university’s academic reputation and brand. This article discusses the decision of a highly selective and academically prestigious research university to abandon Division I athletics during a period of athletic success by its football team. This unprecedented decision by a founding member of one of the nation’s premier athletic conferences, the Big Ten, has left questions about the role of intercollegiate athletics within a highly selective and academically prestigious university.

Keywords: De-escalation of Commitment, University Branding, Intercollegiate Athletics, University of Chicago

Introduction

Although the decision on where to position a university’s athletic department (e.g., NCAA, NAIA, regional conferences) has faced institutional administrators for decades, its prominence among academically prestigious and highly selective institutions is particularly difficult. Many institutions rationalize escalation in athletic expenditures because their athletic programs serve as a means for creating awareness and branding the respective university (Bouchet & Hutchinson, 2010). This is not necessarily the case at highly selective institutions. Oftentimes, such universities (e.g., Harvard, Yale, Stanford) have formidable academic reputations which serve to promote the institutional brand. As one of a select few institutions who abandoned football while being a member of a major athletic conference, the University of Chicago is a unique case that warrants examination. Unlike many small, private institutions that continue competing in Division I athletics, the University of Chicago chose to take a different route regarding its football program. While there is a significant amount of literature on escalation and its effect on organizations, there is a paucity of research conducted on organizational utilization of de-escalation strategies. This paper will examine the tensions between shifting academic and athletic visions which ultimately led to the decision by the University of Chicago to discontinue its highly successful football program.
within the prestigious Big Ten athletic conference in an effort to explicitly focus on development of the academic brand of the university.

While most large research-focused institutions continue to rely on successful athletic programs for visibility, the University of Chicago made a conscious decision to focus solely on improving its academic reputation at the expense of its football program. Despite the abolishment of football in 1939 and subsequent reclassification of all athletic programs to non-scholarship status a decade later, the University of Chicago currently ranks among the nation’s elite academic institutions of higher learning. U.S. News and World Report currently ranks the institution’s law school, business school, statistics department, and mathematics department among the top ten programs in the country, with the physics department, chemistry department, and medical school in the top fifteen (U.S. News and World Report, 2010). This study will further focus on the internal and external factors that played a key role in the University of Chicago’s decision to maintain an academically prominent brand without using the visibility of football to accomplish this goal.

Intercollegiate Athletics as a Growth Industry
The outset of the 20th century brought about a significant increase in intercollegiate athletic viewership, thus proving to be a principal growth era for college football (Cohen, 1998). In this era, athletics was used by universities to “join the alumni to the institution, sustaining their loyalty and, not incidentally, their donations” (Cohen, 1998, p. 122). It was also during this era that many universities began partnering with peer institutions to form alliances, eventually evolving into athletic conferences. These athletic conferences were important to universities who were attempting to associate their institution with like-minded institutions.

The initial president of the University of Chicago, William R. Harper, was one of the first academic leaders to view institutional athletic teams as a manner in which to garner publicity for the university. Harper wanted to build a world class university in all academic areas and promote them via athletics (Lester, 1999). However, this attitude changed when Robert M. Hutchins became president of the university in 1929. Hutchins was not pleased with the way football was conducted at the national level and, more specifically, at the University of Chicago. For example, Hutchins believed recruiting students who were unprepared to handle rigorous academic coursework was tarnishing the undergraduate reputation of the university. An educational puritan at heart, Hutchins believed a first rate academic institution would have no problem attracting both students and faculty. As such, Harper’s argument for athletics serving as a public relations mechanism for the institution was not shared by President Hutchins. Serving as a lens for examination of this case study, escalation of commitment theory provided a foundation for further understanding the University of Chicago’s institutional management strategies.

Theoretical Framework and Review of Literature

Escalation of Commitment Theory
Escalation of Commitment theory has been primarily applied within public policy and strategic management literature in order to describe how organizations become engaged in escalating situations (Allison, 1971; Ross & Staw, 1986; Staw, 1976). The concept of escalation has proved popular as it delivers an explanation for organizational investment in failing courses of action (Ross, 2003). Developed by Barry Staw in 1976, Escalation of Commitment is a theory which states there are “many instances in which individuals [and
organizations] can become locked into a costly course of action” (Staw, 1981, p. 577). Staw (1976) revealed that when individuals were personally responsible for a failing course of action, they often increased their investment instead of withdrawing and accepting a loss. According to Staw (1976), the basic tenets of this theory are twofold: 1) one would anticipate individuals to amend any behavior(s) which results in negative consequences, and 2) self-justification plays an important role in the decision making process that led to the escalation behavior (Staw, 1976). Rational behavior suggests “one would expect individuals to reverse decisions or to change behaviors which result in negative consequences” (Staw, 1976, p. 27). Escalation of commitment theory exhibits this is not always true.

There are several variations of this theory within both academia and everyday life. Beyond the public policy and strategic management context, escalation tendencies have also been examined in several social and psychological contexts. Organizational behaviorists have referred to such escalation behavior as job embeddedness (Mitchell, Holtom, Lee, Sablonski, & Erez, 2001). The term job embeddedness describes the tendency among individuals to remain in organizations due to social network connections. In social psychology literature, research has examined and documented the phenomena of entrapment (Brockner & Rubin, 1985) and conflict resolution (Teger, 1980). Within the conflict resolution context, Teger (1980) has investigated situations involving the “too much invested to quit” rationale. Such rationale posits the dichotomy between the investment of additional time, money, and effort, and subsequent difficulty in removing oneself from the activity.

The behavioral economics literature discusses the effects of sunk costs (McAfee, Mialon, & Mialon, 2010). Sunk costs are considered previously spent costs which are deemed unrecoverable upon expenditure. Such behavior refers to this phenomenon as “throwing good money after bad” to describe continuing down a path of escalation despite negative consequences. These disciplines broadly address issues related to why individuals continue pursuing no longer advantageous situations. However, little research has been conducted on organizations attempting to initiate de-escalation initiatives.

Previous de-escalation research has been primarily confined to laboratory settings conducted within the IT (information technology) context (Montealegre & Keil, 2000). Within the present study, three investigations have relevance to de-escalation of intercollegiate athletics. In their exploratory investigation on a failing software project, Keil and Robey (1999) identify key factors in organizations attempting to de-escalating troubled projects. This study discussed failing software projects and the effectiveness of managerial actions taken to redirect such projects. Keil and Robey (1999) revealed a key component for turning around or redirecting such projects is for management to recognize problems and prepare to implement corrective action.

Further, research regarding de-escalation by Montealegre and Keil (2000) examined a recently implemented IT-based baggage handling system at the Denver International Airport. Similar to Keil and Robey (1999), Montealegre and Keil sought to better understand the de-escalation process from a practical standpoint. According to results, de-escalation was a four-phased process consisting of 1) problem recognition, 2) re-examination of prior courses of action, 3) search for alternative courses of action, and 4) the implementation of an exit strategy. These phases assist in the explanation of key activities comprising the de-escalation process. A final study on de-escalation was undertaken by management scholar Helga Drummond (1995). This study dealt with the dissolution of a law partnership and displayed
the importance of power and timing in de-escalation situations. In her investigation, the disadvantages of the partnership manifest themselves quickly. This forces partners to make a decision on whether or not to remain in what is correctly perceived as a losing course of action. Based on the results, the sooner negative feedback emerges, the likelihood of withdrawal is increased. For purposes of its application to the intercollegiate athletics setting, this indicates the significance of timing and its correlation to negative feedback being critical.

University Brand Equity and Intercollegiate Athletics

Institutions of higher learning are making a purposeful effort to develop the overall brand of a university by establishing meaningful differences among stakeholder attitudes and perceptions (Aaker, 1991; Clark, Apostolopoulou, Branvold, & Synowka, 2009; Judson, Aurand, Gorchels, & Gordon, 2009). As a relevant aspect of developing brand value, brand equity becomes an important component for impacting impressions, attitudinal dispositions, and behavioral predilections (Rangaswamy, Burke, & Oliva, 1993). Commonly evaluated from a financial standpoint, brand equity has been defined as a set of assets “linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service” (Aaker, 1991, p. 15). Primarily based on the work of Aaker (1991, 1996) and Keller (1993), most scholars associate brand equity with four primary dimensions: brand loyalty, brand awareness, perceived quality of brand, and brand associations. Within mainstream marketing literature, brand loyalty is associated with consumer attachment to a particular brand, while brand awareness indicates consumer brand recognition or recall (Aaker, 1991). Further, perceived quality relates to a consumer’s subjective judgment concerning overall brand superiority (Zeithaml, 1988), whereas brand associations are representative of any cognitive memory linked to a brand (Aaker, 1991).

Such brand equity applications within the professional and collegiate sport context have adhered to the aforementioned dimensions (See Gladden & Funk, 2002; Gladden & Milne, 1999; Gladden, Milne, & Sutton, 1998). According to scholars, sport-based research should evaluate brand equity on the basis of both tangible (e.g., revenue) and intangible (e.g., public perceptions) indicators (Bruening & Lee, 2007; Gladden et al., 1998). Gladden et al. (1998) developed a framework for assessing brand equity, positing such university-related (reputation and tradition, conference and schedule, entertainment package/product delivery), team-related (success, coach, star player) and market-related (media coverage, geographic location, competitive forces, support) antecedents impact marketplace consequences (e.g., ticket sales, television exposure). Notable applications of Gladden et al.’s (1998) brand equity framework include Robinson and Miller’s (2003) examination of Bobby Knight’s impact on Texas Tech University, Bruening and Lee’s (2007) investigation of Tyrone Willingham’s influence on Notre Dame, and Clark et al.’s (2009) assessment of Robert Morris University’s effort to build equity via re-branding intercollegiate athletics.

As the higher education setting transitions to a more market-driven environment, it is imperative for universities to invest in initiatives that will promote their respective brand and build subsequent equity. Several institutions rely upon the promotion of intercollegiate athletics to better position the university in an effort to attract students and increase alumni giving. Utilizing athletic programs as an avenue for building the university brand has been a prime factor for the inclusion of numerous football programs over the last decade. For instance, University of North Carolina-Charlotte Chancellor Phillip DuBois stated the following concerning the addition of a new football program to the university: “I do believe that football will enrich the student experience here, enliven school spirit, and serve as one
more bond of engagement between the students and their university” (DuBois, 2008, p. 8). This statement embodies what many campus leaders assume and believe: there is a link between university branding and intercollegiate athletics.

**De-escalation in a University Athletics Department**

Although many universities have dropped their athletic programs to lower classifications within the NCAA, the University of Chicago is a highly selective university that was a founding member of one of the top athletic conferences in the country yet chose to abandon scholarship football. This study focused on organizational level de-escalation at a university which struggled to define athletics within the institution, ultimately initiating the unprecedented step of abolishing the football program. According to Ross and Staw (1993), “since escalation research is as much concerned with how organizations get out of losing courses of action as with how those courses expand over time, it is important to examine projects that are not self-terminating” (p. 704). Studying de-escalation at the University of Chicago was an ideal scenario because it is the only institution that competed in a major Division I conference to completely abandon scholarship football. Based upon the aforementioned theoretical framework and review of literature, the following research questions were used as a guide for this investigation:

1. What are the factors that influenced the University of Chicago’s decision to discontinue long-term investments in its football program?
2. What role does the internal and external environment play in the institution’s decision to discontinue investing in their football program?
3. What are the historical implications of a major research university abandoning Division I scholarship football?

**Method**

**Background and Institutional Setting**

The University of Chicago was founded in 1891 by its benefactor, John D. Rockefeller. Due to Rockefeller’s unprecedented donations and recruitment of world class scholars, Frederick Rudolph stated “no episode was more important in shaping the outlook and expectations of American higher education during these years than the founding of the University of Chicago” (1962, p. 349). Over the years, it has been affiliated with 82 Nobel Prize laureates and a leader in the development of modern physics. However, the history of the university can be chronicled in the story of two past presidents and a football coach. Presidents William R. Harper and Robert M. Hutchins, along with head football coach Amos A. Stagg, played an integral part in the development of higher education and the role athletics played on a college campus. In an article published in the *Journal of Sport History*, Lawson and Ingham (1980) explored the relationship between Harper, Hutchins, and Stagg in what would become a precursor of the institutional interplay between college presidents and athletic coaches. Due to the nature of this investigation, additional in-depth background information will be provided in the results section, as a historical analysis of the university and these three individuals will be conducted.
Case Study Method

The information in this study is presented in the form of a historical case study. Yin (1984) defines the case study research method as “an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used” (p. 5). Stake (1995) further notes “a case study is the study of the particularity and complexity of a single case, coming to understand its activity within important circumstances” (p. xi). Due to the numerous stakeholders involved in decisions regarding university athletics and the broader context that athletics plays in our society, implementation of the case study approach is an appropriate method in which to study the University of Chicago.

According to Staw and Ross (1987), implementation of the case study methodology is a necessary component for conducting escalation-based research for two reasons. First, previous research on escalation (or de-escalation) has become detached from the field. Second, additional theoretical research should search for broad patterns, or prototypes, of escalation (or de-escalation). Further, previous de-escalation research has noted that case studies allow researchers to observe de-escalation behavior in a natural setting (Montealegre & Keil, 2000). Observing de-escalation strategies in a historical setting provided insight into the dynamics of a university athletic department and the stakeholders who influence behavior. Finally, the case study method was used because of a lack of field-based experiments regarding de-escalation research.

Data Collection

Data for this investigation were collected through a thorough document analysis and select interviews with University of Chicago stakeholders. According to Lincoln (1992), qualitative research has been divided into artifactual methods and human-to-human methods. Artifactual methods consist of “documents – such as letters, memoranda, project descriptions, evaluation reports, diaries, descriptions of curricula, and the like – records, and unobtrusive measures” (p. 376), while human-to-human methods include “interviewing, participant and non-participant observation, and nonverbal communication,” (p. 376). Due to the situational nature of this early 20th century case, this investigation employed the artifactual method of document analysis as the most appropriate and primary research method. Document analysis involves the examination of available and established documents or records for the purpose of substantiating other research methods employed (Lincoln & Guba, 1985). Patton (2002) further notes “records, documents, artifacts, and archives – what has traditionally been called “material culture” in anthropology – constitute a particularly rich source of information about many organizations and programs” (p. 293).

The initial step in this investigation consisted of gathering relevant documents from the Department of Special Collections at the University of Chicago and collecting published articles in the mainstream press regarding the University of Chicago’s decision to abolish football. This step allowed for the development of a better understanding regarding the situation at hand. On two separate occasions, researchers visited the University of Chicago’s libraries in order to gather data located in university archives. Documents for this study consisted of newspaper articles, books on higher education during the time period researched, peer reviewed academic journal articles, dissertations, papers of former President W. R. Harper and former Head Football Coach A. A. Stagg, and historical books about
former President W. R. Harper, R. M. Hutchins, and A. A. Stagg. These documents provided a thorough description of the events within the athletic department and university throughout the time period under investigation at the University of Chicago.

A secondary source of data consisted of four interviews with authors of books regarding the subject matter and retired university faculty members. These individuals were chosen because of their specific knowledge of the subject matter. Contrary to traditional forms of qualitative inquiry, the human-to-human method was the secondary data collection tool utilized for this investigation. Following the two visits to the University of Chicago library archives, four individuals with a working knowledge of the subject matter were interviewed. One interviewee had written his doctoral dissertation on a portion of the subject matter, which was later developed into a popular press book. The remaining interviewees were retired University of Chicago history and sport studies professors who had conducted relevant academic research regarding the subject matter. Potential interviewees were sent an e-mail including a detailed description of the researcher’s background, research agenda, and request for an interview at the individual’s earliest convenience. Interviews were conducted over the phone and ranged from 30 to 45 minutes in length. These measures were implemented in an effort to best ensure an accurate assessment of the situation under investigation.

Data Analysis

For both data collection methods, the analysis technique implemented was the process of content analysis. Content analysis simplifies and organizes data into components of meaning in an effort to uncover underlying tendencies among collected data (Lincoln & Guba, 1985). For both artifactual and human-to-human data, content analysis may involve counting and quantifying themes, words, contexts, characters, interactions, or ideas (Morrow & Waters, 1982). Broadly, content analysis seeks to extract themes from a variety of sources based on frequency of response or identification within said sources (Morrow & Waters, 1982; Stemler, 2001).

For both interviews and documents, open, axial, and selective coding were applied to discover common thematic emergences and dissimilarities among the data (Creswell, 1998; Neuman, 2006). Schwandt (2001) identifies coding as “a procedure that disaggregates the data, breaks it down into manageable segments, and identifies or names those segments” (p. 26). The analysis began by independently dissecting interview and document data into distinct ideas or ‘units’ of information (Lincoln & Guba, 1985). Open coding occurred throughout the initial examination of the data as units derived from interview and document data were housed in a spreadsheet for organization into preliminary codes. The initial codes from the open coding process were subsequently organized, linked, and condensed into broader thematic categories (Neuman, 2006). This stage of the coding process, referred to as axial coding, provided researchers the ability to better organize data by establishing categories or themes that could be clustered together. The themes derived from the axial coding process were subsequently applied to frame and organize the results, further providing insight into implications of the findings. Finally, selective coding was implemented following the completion of data collection. Specific interview and document quotations were inserted within the manuscript to best support the emergent themes from the data (Creswell, 1998).
Findings

Four main factors played a role in the de-escalation of athletics at the University of Chicago: 1) Change in Presidents, 2) Shifting Academic Visions, 3) Financial Condition of the Athletic Department, and 4) Change in Coaches. This section will discuss these factors and the role played in this study.

Change in Presidents

In the beginning, John D. Rockefeller hired William R. Harper to establish the best university west of the Mississippi. He instructed President Harper to recruit the best and the brightest to serve as deans at the university. The faculty Harper eventually recruited would be comprised of nine former presidents and seminary leaders (Lester, 1999). Although an academic by training, Harper was well-versed in the need to promote a university, particularly a young university. Harper’s intent was to use the publicity created by the football program to draw attention to all academic departments and promote the University of Chicago as a first rate academic institution (Lester, 1999). Harper was not the only member of the faculty to express interest in intercollegiate athletics as an advertising tool for the university. Albion W. Small, head of the sociology department, expressed similar sentiments as Harper in stating “athletic sports in our colleges are among the most important moralizing influences at our disposal” (Storr, 1966, p. 179).

When the university first opened in 1891, President Harper ensured athletics would be a central part of the institution by hiring Amos A. Stagg. Stagg, a graduate of Yale University, was hired not just as a football coach, but as an associate professor in the Department of Physical Culture. According to Storr (1966), “Stagg was not – as custom elsewhere indicated – a coach hired by an autonomous athletic association to produce winning teams but a professor appointed by the University to carry to success a segment of its own program” (p. 180). This move ensured him tenured status and was designed to better integrate athletics into the overall mission of the university, which was to serve as a modern research university.

Prior to assuming the presidency at Chicago, Harper had been a professor at Yale where Stagg was one of his top students. The hiring of Stagg fit neatly into the plans of Harper to establish Chicago as a premier institution of higher learning. Together, Stagg and Harper would use football to promote the institution to both the city and nation. Such promotion was accomplished through radio broadcasts and newsreel highlights, subsequently used to engage the public in Harper’s idea of an American university (Lester, 1999). This strategy would prove effective until 1929, when Robert M. Hutchins was appointed president of the University of Chicago. Prior to his presidency, Hutchins served as dean of Yale Law School. The son of a former college president, Hutchins set out to establish his legacy at the university. Such a legacy would involve attempting to modify the undergraduate curriculum, operating a university consistently strapped for funds, and abolishing varsity football.

Shifting Academic Visions

Prior to the arrival of Hutchins, several university administrators and stakeholders voiced their concern for the undergraduate college. The University of Chicago graduate schools remained among the nation’s finest; yet campus administrators had apprehension with the place of the undergraduate college. To combat this problem, Deans Wilkins and Boucher authored what came to be known as the “New Plan” during Hutchins inauguration in 1929.
President Hutchins had a vastly different viewpoint of the mission of the university than Harper. As discussed by Lawson and Ingham (1980), “Hutchins fundamental point of departure rested in the assumption that a university’s principle function should be to provide intellectual leadership in society” (p. 49). In his book *The Higher Learning in America* (1936), Hutchins outlined one source of problems within higher education, that of the “love of money” which subsequently forced the university to “sell its soul”. This mindset was quite contrary to Hutchins view of higher education. In accordance with Hutchins book, Lawson and Ingham state that (1980) “in order to make themselves attractive to students, donors, and legislation, thereby to acquire money, institutions tended to emphasize social life, character building, and athletics, all of which led to a debasement of these institutions and to a confusion of their purposes” (p. 50 & 51).

During Hutchins initial years at the university, as briefly acknowledged above, the faculty passed a revised curriculum known as the “New Plan”. This plan called for revisions in the undergraduate portion of the curriculum. Specifically, the plan instituted comprehensive exams following the students’ second year and prior to entrance into the specialized portion of their degree plan. Under the “New Plan”, a significant amendment was the abolishment of physical culture as an undergraduate requirement. This amendment dealt a blow to Stagg who wanted to use the physical culture requirement to recruit and retain athletes. Consequently, such a requisite loss dismantled Stagg’s player development system (Lawson & Ingham, 1980). A separate “uncommissioned” report, authored by University of Chicago Health Officer Dudley Reed, proposed that “intramurals be elevated over commercialized athletics with its “win at all costs” ethic” (Lawson & Ingham, 1980, p. 52). The proposal, which was endorsed by Hutchins, showed just how distant the visions of Hutchins and Harper diverged. Hutchins viewpoint was made clear in a statement he made regarding academics and athletics:

> I hope that it is not necessary for me to tell you that this is an educational institution, that education is primarily concerned with the training of the mind, and that athletics and social life, though they may contribute to it, are not the heart of it and cannot be permitted to interfere with it (Lawson & Ingham, 1980, p. 59).

**Financial Condition of the Athletic Department**

The decline of football was swift at the University of Chicago. Helping expedite this decline was the drastic drop in gate receipts of the football program. By the end of the 1925 season, Chicago led the Intercollegiate Conference (A.K.A. Big Ten Conference) with net receipts of nearly a quarter of a million dollars (Lester, 1999). By 1929, however, Chicago had dropped from first to eighth in football receipts, further encouraging football’s removal from varsity athletics. This drastic reduction in revenues fostered a climate of doubt regarding the viability of football at the university.

The idea of football as a long term investment was further discouraged when the administration decided not to invest in constructing a larger stadium, instead simply expanding the existing facility (Lester, 1999). This move came at a time when rival institutions were making strategic investments in their football stadiums as primary revenue sources. In deciding to enlarge the existing facility but not build a brand new stadium, university administrators made a calculated bet to keep alumni happy while also retaining authority over football expenditures. The refusal of the university to build a stadium
coincided with an era of unprecedented expenditures devoted to stadium construction by rival universities. As an example, Chicago’s rivals, the University of Illinois, University of Michigan, and University of Wisconsin, all used deficit financing or donations to build new football stadiums during this time period (Cohen, 1998). Between 1921 and 1930, college football enjoyed its greatest growth period as the Intercollegiate Conference witnessed attendance rates double and gate receipts skyrocket (Lester, 1999). Football growth was especially prominent at the University of Chicago. Although the city of Chicago had a robust history of supporting sports, competition among other alternative sport-based initiatives was a significant deterring factor (Lester, 1999). Among the alternative games offered were from rivals Northwestern University, Notre Dame, and the University of Illinois, as well as the Chicago Bears of the newly created National Football League.

Change in Coaches

According to both popular press and academic literature, Stagg’s reputation and the escalation of football at Chicago were undoubtedly intertwined. During his tenure at Chicago, Stagg made many modifications to the position of head coach. These changes were made with the intent of increasing his power base both inside and outside the university. However, the culture changed when Hutchins became president. With the appointment of President Hutchins came a reexamination of athletics at the University of Chicago. President Hutchins and faculty members never fully supported the arrangement developed by Harper and Stagg with athletics. Prior to stepping down as Chicago’s head football coach, Stagg wrote a letter to President Hutchins stating the following: “I may be frank in saying that I have often felt that, in fairness to myself, I should resign from the University and take a position where I would have a favorable chance to recoup the loss in prestige which I have suffered as a football coach” (Lester, 1999, p. 148). After failing to come to an agreement with Hutchins on a proper position for himself at the university, Stagg resigned and later accepted a head football coaching position at the University of Pacific in Stockton, California.

Following Stagg’s departure, the University of Chicago’s football program declined dramatically. Regarding the football program, Hutchins stated “unless the football team wins a fair proportion of its games, it does not serve as a rallying point for the undergraduates” (Murphy & Bruckner, 1976, p. 223). As spectator interest in the program declined, so did the talent recruited to the university. Clark Shaughnessy, Stagg’s successor, watched as the university gradually lost ground on its conference rivals. In 1939, Hutchins de-emphasized athletics and officially abolished the football program at the University of Chicago. This withdrawal from football competition, according to Lawson and Ingham (1980), was but one more indication of how the University of Chicago “regarded education as a serious occupation for serious people, and not as recreation and punishment for the immature” (p. 58). Seven years later, the university withdrew all other sports from the Big Ten conference prior to reinstating Division III non-scholarship football in 1969.

Discussion and Implications

Change in Top Leadership and Project Champions

According to previous de-escalation research, changes in top leadership are often needed to force a change in a given course of action as such leaders are commonly committed to maintaining deeply troubled projects (Keil & Robey, 1999). This was especially true at the University of Chicago. When Harper was president of the university, he had a plan to use
football (and athletics) to promote the mission and vision of the institution. This philosophy changed when faculty voted to de-emphasize physical education and mandated university athletics be pursued at the intramural level. From a prestige standpoint, the university was left without their most famous spokesperson. For years, Stagg and the university had been synonymous with football success from both a local and national perspective. The research conducted for this investigation indicated that even with a change in presidents, the abolishment of football would not have happened without a change in coaches. According to Keil and Robey (1999), “when project champions leave, or are removed, it is often easier for commitments to be reassessed and de-escalated” (p. 68). In this case, Stagg served as a champion for football at the university and his successor was never able to win the necessary administrative support.

One of President Hutchin’s goals was to reemphasize undergraduate education. The decline of the football program coincided with the university’s decision to reemphasize undergraduate education. Prior to Hutchins arrival, university administrators and faculty felt the undergraduate education was slipping. Faculty believed this slippage was due, at least in part, to the physical culture requirement invariably tied to football (Lester, 1999). Following a significant reworking of the university’s undergraduate curriculum with the “New Plan”, President Hutchins removed the physical culture requirement. This move was in contrast to the direction other universities were moving: “By the mid 1930’s, most American universities had developed a physical education major in response to required physical education in most school systems in America” (Lester, 1999, p. 137). The curricular modifications instituted at Chicago made it more difficult for athletes to gain acceptance into the institution. As in any university setting, the president’s voice is but one of many. In the case of the University of Chicago, Hutchins and the Board of Trustees worked hard to marshal support of faculty, alumni, and other university stakeholders in support of the move out of scholarship football. One trustee estimated nearly 80% of the, at that time 47,000 alumni, were overtly in favor of the break (Lester, 1999).

**Legitimizing and Establishing the Brand**

Due to the growth of intercollegiate athletics, football has been the vehicle most institutions of higher learning use to advertise and promote their respective university brand (Bouchet & Hutchinson, 2011; Roy, Graeff, & Harmon, 2008). While this is less true at academically prestigious institutions, many such universities, including Stanford, Northwestern, and Duke, continue participating in Division I athletics. In terms of brand equity development, such institutions are certainly more likely to develop a greater degree of brand awareness than the University of Chicago due to national media coverage of revenue generating sports. However, based on the results, the dimensions of perceived quality of brand and brand associations may be different for such institutions. Unlike Harper, Hutchins was not trying to promote the academic reputation of the University of Chicago brand through its football program. By the time Hutchins was named president of the University of Chicago, the institution was widely considered a first rate academic institution. The decision by Hutchins and the Board of Trustees to de-escalate participation in Division I athletics and emphasize the academic reputation of the Chicago brand solidified the perceived quality of brand dimension.

Pertaining to the brand association dimension, Hutchins further contended that athletics, particularly football, was inconsistent with the mission, vision, and values of the university.
With the academic reputation intact, Hutchins believed football was not necessary for enhancement and promotion of the university’s brand. Contrarily, Hutchins believed football and the physical culture requirement were hurting the institution’s undergraduate reputation. Such developing commercialized sport associations were considered undesirable and unwanted when linking the Chicago brand with stakeholder and public perception. Additionally, this allowed the University of Chicago to focus on fulfilling their mission, vision, and values solely through academic means, while minimizing the potential for negative brand associations via a high-profile athletic program. Accordingly, Hutchins determined the necessity of focusing efforts on branding the university as one of academic prestige, as opposed to athletic prowess.

Implementing an Exit Strategy

In 1939, university administrators discussed alternative courses of action regarding intercollegiate football including 1) hiring a new coach, 2) recruiting new players, 3) new opposition, 4) a new scale of participation, and 5) abrogation of the sport (Lester, 1999). The first alternative was dismissed because the present football coach, Clark Shaughnessy, had tenure and was considered by all to be an excellent coach despite his win-loss record at the university. The prevailing wisdom at the university was that Shaughnessy had been dealt a bad hand regarding the situation and institutional officials were reluctant to replace him. The second alternative was not a viable option because university officials refused to succumb to the recruiting tactics implemented by rival institutions. With the strengthened nature of undergraduate education at the university, administrators refused to digress to the days of the watered-down physical education curriculum. The third alternative, to play lesser schools, was discussed at length. However, President Hutchins did not prefer the idea of “diminishing Chicago’s status as a premier university” (Lester, 1999, p. 183) by regularly scheduling non-research-based institutions such as Oberlin, Wabash, and Ripon. This was in stark contrast to Stagg’s previous approach of playing national research universities including Penn State University, University of Texas, and Stanford University. After much debate, the fourth alternative of playing an intramural schedule was considered unworkable and therefore dismissed. As such, the final alternative of abandoning football altogether became the choice determined.

As established at the outset, Hutchins was an educational puritan at heart and sharply disagreed with Stagg’s stance regarding the importance of football. However, he was not naive about garnering political support for the abolishment of football. In the years leading up to the removal of football in 1939, Hutchins made several overt attempts at garnering political support from key constituencies to lessen the impact of the decision. As an example, Hutchins began secretly courting key Board of Trustee members with the goal of influencing their view regarding football at the university. This was accomplished by providing board members with anti-football literature from the nation’s press (Lester, 1999). This effort was designed to counter the growing influence of both alumni and the journalistic community. Specifically, Hutchins chose to highlight to the board members what national media outlets were saying regarding football. This was done to counter what Hutchins felt was the bias of the Chicago media, who were clearly pushing the university to accelerate athletics spending. Leading up to 1939, Hutchins also wrote several public press articles in well-known publications expressing concern over the direction of intercollegiate athletics. As such, these articles were distributed to the university’s Board of Trustees. These tactics, along with
Chicago’s winless record, eventually persuaded the board to go along with Hutchins’ recommendations for the institution’s proposed re-direction.

Conclusion

To this day, the question remains: Did the University of Chicago make the right decision to abandon Division I athletics? Private institutions like Duke University, Vanderbilt University, and Stanford University are first class academic institutions still participating in Division I athletics. Certainly, these universities provide evidence of maintaining rigorous academic requirements while continuing intercollegiate athletics participation at the highest level. William H. McNeill, distinguished professor emeritus and noted anti-football critic, noted in his book entitled *Hutchins’ University* (1991):

> Of all the actions Robert Maynard Hutchins took in his twenty years as president of the University of Chicago, the abolition of intercollegiate football, announced in December 1939, provoked the loudest reaction, both among alumni and across the country… Football overshadowed everything else, and the university’s popular reputation as a place where radical intellect had snuffed out red-blooded, all-American games became an unhappy counterpoint to (William) Benton’s celebration of the university’s cultural and public roles. In retrospect, it is clear that withdrawal from big time football involved significant loss for the university… The loss for the university was and remains real (p. 97).

Similar to most higher education institutions, McNeill’s comments highlight the diversity of opinions regarding athletics, particularly football. Perhaps at an institution like the University of Chicago with its rigorous academic study, football could have served as a necessary counterbalance. The abolishment of football at the university does not negate athletics use as a promotional tool for the university.

Although Hutchins’ decision to abandon football remains up for debate, there can be little argument today, years after the decision to abandon football, that the University of Chicago remains one of the premier research institutions in the nation. Certainly, highly selective and academically prestigious institutions are indeed competitive in Division I athletics. However, such institutions are minimal and typically struggle to compete athletically with large, state-supported universities. Another question deserving attention is whether or not this type of decision could be enacted in today’s intercollegiate athletics environment. If a university president or Board of Trustees were to reclassify or abolish athletics, subsequent media attention on the institution would be tremendous. Prime examples of this would be Birmingham-Southern College and Vanderbilt University.

As a long-time member of the NAIA classification, Birmingham-Southern College transitioned to the Division I classification in 1999. However, in 2006, several economic (e.g., strained finances) and institutional (e.g., unsubstantiated outcomes, presidential leadership) factors led to the reclassification (i.e., de-escalation) of Birmingham-Southern from Division I to Division III. Although this decision appears to be most suitable for the mission, vision, and values of Birmingham-Southern, the majority of media exposure was negative in nature. In the case of Vanderbilt University, then President E. Gordon Gee abolished the traditional structure of an institutional athletic department in 2003. Although Vanderbilt maintained a Division I athletics program, Gee was attacked and criticized as an
administrator who did not take athletics seriously. As a reminder, Hutchins faced tremendous negative media exposure even before the advent of television for his decision to abolish football at the University of Chicago. In an age when most universities operate in a political environment, this would create what most campus administrators would consider to be unneeded attention on the institution.

The larger question pertains to the extent to which universities use their athletic department’s success to promote the broader brand of the institution, that of academic excellence. As an example, some would assert Notre Dame has used the visibility brought about by football’s on-field success to promote the institution’s academic mission. Today, Notre Dame is the flagship Catholic university in the country – a designation many credit in part to football’s success. While the research presented displayed the University of Chicago initially using the football program to promote academics, the abolishment of the sport has certainly not hurt the institution’s academic reputation and brand.

It deserves mentioning that few athletic departments operate without subsidies from the university (Fulks, 2010). Often, these subsidies come in the form of increased student fees or directly from the university’s central fund. As universities struggle to provide a meaningful education while maintaining reasonable tuition costs, greater attention is paid to how an institution allocates their financial resources. As costs continue to rise for institutions attempting to compete at the Division I level, campus administrators are forced to make hard decisions regarding the role intercollegiate athletics plays on their campuses. This is especially true at private institutions that often do not have the financial resources to compete with large state institutions and are typically more selective in the students admitted. As the delineation continues in Division I athletics between institutions willing to engage in escalating athletic budgets and those without the financial resources to do so, such a decision at the University of Chicago by President Hutchins was not only courageous but correct.

**Limitations**

Due to the events within this case study taking place in the early 1900’s, the researchers were limited to the material preserved in the university archives. Supplementary data information came from authors who had written books about the university and its athletic program. These individuals were invaluable in delivering useful background information regarding the main actors. While ample information existed regarding this subject matter, there was surely information lost due to the time lapse between the actions discussed and the writing of this paper. While this paper explores how one private university dealt with escalation involving athletics in the early 1900’s, the vastly different institutional viewpoints regarding the benefits and drawbacks derived from athletics must be acknowledged.
References


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BRAND ESTABLISHMENT AT THE UNIVERSITY OF CHICAGO: AN INVESTIGATION OF DE-ESCALATION OF COMMITMENT IN UNIVERSITY ATHLETICS

Adrien Bouchet & Michael Hutchinson

MANAGEMENT WHITEPAPER

Research Problem

The purpose of this study was to examine the internal and external struggles that the administration encountered during the time period that the University of Chicago made the decision to abandon intercollegiate football in 1939. This decision was made at the behest of the then University of Chicago President Robert Hutchins and Board of Trustees in hopes of preserving the university’s academic reputation and mission. This article discusses the decision of a highly selective and academically prestigious research university to abandon Division I athletics during a period of athletic success by its football team. This unprecedented decision by a founding member of one of the nation’s premier athletic conferences, the Big Ten, has left questions about the role of intercollegiate athletics within a highly selective and academically prestigious university. This study utilizes De-escalation of Commitment as a theoretical framework for examining the case of the University of Chicago.

Issue

Escalation of Commitment Theory

Escalation of Commitment theory has been primarily applied within public policy and strategic management literature in order to describe how organizations become engaged in escalating situations (Allison, 1971; Ross & Staw, 1986; Staw, 1976). The concept of escalation has proved popular as it delivers an explanation for organizational investment in failing courses of action (Ross, 2003). Developed by Barry Staw in 1976, Escalation of Commitment is a theory which states that there are “many instances in which individuals [and organizations] can become locked into a costly course of action” (Staw, 1981, p. 577). Staw (1976) revealed that when individuals were personally responsible for a failing course of action, they often increased their investment instead of withdrawing and accepting a loss. According to Staw (1976), the basic tenets of this theory are twofold: 1) one would anticipate individuals to amend any behavior(s) which results in negative consequences, and 2) self-justification plays an important role in the decision making process that led to the escalation behavior (Staw, 1976). However, little research has been conducted on organizations that initiate de-escalation initiatives.

University Branding and Intercollegiate Athletics

Across the nation, institutions of higher learning are making a purposeful effort to develop the overall brand of a university (Judson et al., 2009). Increasingly, institutions of higher learning are realizing that prospective students determine their college choice on the brand of an institution over any other variable (Judson, Gorchels, & Aurand, 2006). Outside the university setting, marketing scholars have discovered the influential nature of branding on consumer beliefs (Beckwith & Lehman, 1975). However, research indicates that this phenomenon...
is prevalent within university branding initiatives as well (Judson, et al., 2006). As such, scholars indicate that branding initiatives are only successful if they are properly aligned with the university mission and values (Chapleo, 2005; Clark et al., 2009). As the higher education setting transitions to a more market driven environment, it is imperative for universities to invest in initiatives that will promote their respective brand.

Certainly, most institutions strive to brand their respective university on the basis of academic superiority. However, many institutions rely upon the promotion of intercollegiate athletics to better position the university in an effort to attract students and increase alumni giving. Utilizing athletic programs as an avenue for building the university brand has been a prime factor for the inclusion of numerous football programs over the last decade. For instance, University of North Carolina-Charlotte Chancellor Phillip DuBois stated the following concerning the addition of a new football program to the university: “I do believe that football will enrich the student experience here, enliven school spirit, and serve as one more bond of engagement between the students and their university” (DuBois, 2008, p. 8). This statement embodies what many campus leaders assume and believe: there is a link between university branding and college athletics.

De-escalation in a University Athletics Department

Although many universities have dropped their athletic programs to lower classifications within the NCAA, the University of Chicago is unique in that it is a highly selective university that was a founding member of one of the top athletic conferences in the country yet chose to abandon scholarship football. This study will focus on organizational level de-escalation at a university that struggled to define athletics within the institution, ultimately initiating the unprecedented step of abolishing the football program. Ross and Staw (1993) note that “since escalation research is as much concerned with how organizations get out of losing courses of action as with how those courses expand over time, it is important to examine projects that are not self-terminating” (p. 704). Studying de-escalation at the University of Chicago is an ideal scenario because it is the only institution that competed in a major Division I conference to completely abandon scholarship football.

Summary

Four factors played a role in the de-escalation of athletics at the University of Chicago.

Change in Presidents

When the university was first opened in 1891, President Harper ensured that athletics would be a central part of the institution by hiring Amos A. Stagg. Stagg, a graduate of Yale University, was hired not just as a football coach, but as an associate professor in the Department of Physical Culture. The hiring of Stagg fit neatly into the plans of Harper to establish Chicago as a premier institution of higher learning. Together, Stagg and Harper would use football to promote the institution to both the city and nation. This strategy would prove effective until 1929, when Robert M. Hutchins was appointed president of the University of Chicago. The son of a former college president, Hutchins set out to establish his legacy at the university. Such a legacy would involve attempting to modify the undergraduate curriculum, operating a university consistently strapped for funds, and abolishing varsity football.

Shifting Academic Visions

Prior to the arrival of Hutchins, several university administrators and stakeholders voiced their concern for the undergraduate college. To combat this problem, Deans Wilkins and Boucher authored what came to be known as the “New Plan” during Hutchins inauguration in 1929. President Hutchins had a vastly different viewpoint of the mission of the university than Harper. In his book *The Higher Learning in America* (1936), Hutchins outlined one of the sources of problems with higher education, that of the “love of money” which subsequently forced the university to “sell its soul.” During Hutchins initial years at the university, as briefly acknowledged above, the faculty passed a revised curriculum known as the “New Plan”. Under the “New Plan”, a significant amendment was the abolishment of physical culture as an undergraduate requirement. This amendment dealt a
blow to Stagg who wanted to use the physical culture requirement to recruit and retain athletes. Consequently, such a requisite loss dismantled Stagg’s player development system (Lawson & Ingham, 1980).

Financial Condition of the Athletic Department

The decline of football was swift at the University of Chicago. Helping expedite this decline was the drastic drop in gate receipts of the football program. This drastic reduction in revenues fostered a climate of doubt regarding the viability of football at the university. The idea of football as a long term investment was further discouraged when the administration decided not to invest in constructing a larger stadium, but simply expanding the existing facility (Lester, 1999). The refusal of the university to build a stadium coincided with an era of unprecedented expenditures devoted to stadium construction by rival universities. Although Chicago was a large city that had a robust history of supporting sports, competition among other alternative sport based initiatives was a significant deterring factor (Lester, 1999). Among the alternative games being offered were from rivals Northwestern University, Notre Dame University, and the University of Illinois, as well as the Chicago Bears of the newly created National Football League.

Change in Coaches

It is clear from both popular press and academic literature that Stagg’s reputation and the escalation of football at Chicago are intertwined. During his tenure at Chicago, Stagg made many changes to the position of head coach. These changes were made with the idea of increasing his power base both inside and outside of the university. However, the culture changed when Hutchins became president. With the appointment of President Hutchins came a reexamination of athletics at the University of Chicago campus. President Hutchins and faculty members never quite accepted the arrangement that Harper had with Stagg and athletics. After failing to come to an agreement with Hutchins on a proper position for himself at the university, Stagg resigned and later accepted a head football coaching position at the University of Pacific. Following Stagg’s departure, the University of Chicago’s football program declined dramatically. Hutchins stated that “unless the football team wins a fair proportion of its games, it does not serve as a rallying point for the undergraduates” (Murphy & Bruckner, 1976, p. 223). In 1939, Hutchins de-emphasized athletics and officially abolished the football program at the University of Chicago.

Analysis

Change in Top Leadership and Project Champions

Previous de-escalation research has noted that a change in top leadership is often needed to force a change in a given course of action as such leaders are commonly committed to maintaining deeply troubled projects (Keil & Robey, 1999). This was especially true at the University of Chicago. When Harper was president of the university, he had a plan to use football (and athletics) to promote the mission and vision of the institution. This philosophy changed when faculty voted to de-emphasize physical education and mandate that university athletics be pursued at the intramural level. The research conducted for this paper indicated that even with a change in presidents, the abolishment of football would not have happened without a change in coaches. Keil and Robey (1999) state that “when project champions leave, or are removed, it is often easier for commitments to be reassessed and de-escalated” (p. 68). In this case, Stagg served as a champion for football at the university and his successor was never able to win the necessary administrative support.

Legitimizing and Establishing the Brand

Unlike Harper, Hutchins was not trying to promote the academic reputation of the University of Chicago brand through its football program. By the time Hutchins was named president of the University of Chicago, the institution was widely considered a first rate academic institution. It no longer needed (or wanted) a football program to enhance and promote the brand of the university. Hutchins main argument was that athletics,
particularly football, were inconsistent with the mission and values of the university. If President Harper’s plan was to use football to enhance and promote the university’s academic reputation, then Hutchins reasoned that with that reputation intact, football was not needed. In fact, Hutchins believed that football and the physical culture requirements were hurting the institution’s undergraduate reputation. Accordingly, Hutchins determined the necessity of focusing efforts on branding the university as one of academic prestige, as opposed to that of athletic prowess.

**Implementing an Exit Strategy**

As established at the outset, Hutchins was an educational puritan at heart and sharply disagreed with Stagg’s stance regarding the importance of football. However, he was not naive about garnering political support for the abolishment of football. In the years leading up to the removal of football in 1939, Hutchins made several overt attempts at garnering political support from key constituencies. This move was done to lessen the impact that the decision would have on key university stakeholders. For instance, Hutchins began courting a key trustee member, John Nuveen, by providing other Board of Trustee members with memorabilia and anti-football literature from the nations press (Lester, 1999). Leading up to 1939, Hutchins also wrote several public press articles in well-known publications expressing concern over the direction of intercollegiate athletics. As such, these articles were distributed to the university’s Board of Trustees. These tactics, along with Chicago’s winless record, eventually persuaded the board to go along with Hutchins recommendations for the institution’s proposed direction.

**Discussion**

To this day, the question remains: Did the University of Chicago make the right decision to abandoned Division I athletics? Private institutions like Duke University, Vanderbilt University, and Stanford University are first class academic institutions that also participate in Division I athletics. Certainly, these universities are proof that institutions of higher learning can maintain tough academic requirements and still participate in intercollegiate athletics at the highest level. Perhaps at an institution like the University of Chicago with its rigorous academic study, football could have served as a necessary counterbalance. The abolishment of football at the university does not negate the fact that athletics could have been used as promotional tool for the university.

Although Hutchins decision to abandon football will always be debated and second guessed, there can be little argument that today, years after the decision to abandon football, the University of Chicago remains one of the premier research institutions in the nation. Critics can argue that there are highly selective and academically prestigious institutions that compete in Division I athletics and indeed that is true. However, it deserves mentioning that there are academically prestigious institutions that struggle to compete with large, state supported universities. Another question deserving attention is whether or not this type of decision could be enacted in today’s college athletics environment. With the increased media attention that revenue sports generate, the answer would likely be no. If a university president or Board of Trustees were to abolish or reclassify athletics, there would be tremendous media exposure placed on the institution. The majority of this media exposure would likely be negative in nature as evidenced by the case with Birmingham Southern College. When President E. Gordon Gee abolished the athletic department (but continued Division I athletics) at Vanderbilt University, he was attacked and criticized as an administrator that did not take athletics seriously. As a reminder, Hutchins faced tremendous negative media exposure even before the advent of television for his decision to abolish football at the University of Chicago. In an age when most universities operate in a political environment, this would create what most campus administrators would consider to be unneeded attention on the institution.

The larger question pertains to the extent to which universities use their athletic department’s success to promote the broader brand (e.g., mission and values) of the institution, that of academic excellence. While the research presented displayed that the University of Chicago initially used the football program to promote
academics, the abolishment of the sport has certainly not hurt the institution’s academic reputation and brand. It deserves mentioning that few athletic departments operate without subsidies from the university (Fulks, 2009). Often, these subsidies come in the form of increased student fees or from the university’s central fund. As universities struggle to provide a meaningful education while maintaining reasonable tuition costs, greater attention is paid to how an institution allocates their financial resources. As costs continue to rise for institutions attempting to compete at the Division I level, campus administrators are forced to make hard decisions regarding the role intercollegiate athletics plays on their campuses. This is especially true at private institutions that often do not have the financial resources to compete with large state institutions and are typically more selective in the students they admit. As the delineation continues in Division I athletics between institutions that are willing to engage in escalating athletic budgets and those that do not have the financial resources to do so, it appears that such a decision by President Hutchins was not only courageous but correct.