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"Certainly we're changing, but change which keeps the best of the past,

yet which meets the needs of today's students

who will be living in tomorrow's world."

—Walter H. Carpenter

Vice President of Academic Affairs

CHAPTER 4

Crisis, Conflict, and Change

No sooner had Roger Babson founded the Babson Institute than he discovered that, for a man of substance heavily engaged in business affairs such as himself, it was simpler to create a college than to run it. Just two years later, he stepped down as president and turned the office over to Dr. George W. Coleman, a 54-year-old retired businessman. The choice proved a happy one.

In George Coleman, Roger Babson had found a mirror image of himself, right down to the Kentucky colonel moustache and goatee that Coleman cultivated after coming to the Institute. Coleman, like Babson, had no prior experience in school administration, and, like Babson, he did many things well. An entrepreneur, civic leader, and former president of the Boston City Council, he assumed his duties at a time when the Institute was struggling for survival. As mentioned previously, Babson credited Coleman as one of the key people who helped turn the college around and put it on the path of growth and progress.

Left: Grace and Roger Babson (center foreground) at the dedication of the Babson Globe in 1955.

It was no accident that George Coleman came to the office of president without experience in school administration. Roger Babson was looking for business leaders to run the new school, and Coleman fit the bill. So did Sidney Linnekin, the former carpenter, who started out selling Roger Babson's correspondence courses. Linnekin had never attended college. He had, however, demonstrated a talent for sales and administration as head of the Babson Extension Division. That was enough for his patron, who not only appointed Linnekin the Institute's first vice-president but also its first dean. Linnekin also taught an occasional course; and for many years, he served as a member of the school's governing boards.

During the fourteen years of the Coleman presidency (1921 to 1935), the Institute grew from a tiny, touch-and-go experimental school operating out of a brick office building on Washington Street to a flourishing, self-contained campus college. Built during his administration were Bryant Hall, the Coleman Map Building, Hollister, the Knight Auditorium, Lyon Hall, Millea Hall, Mustard Hall, Park Manor South, the Peavey Gymnasium, the Post

President George Coleman, left, at the inauguration of the Mail Air-Pilot beacon light on the Babson campus, January 4, 1927. Others (left to right), Capt. Raymond Brooks, Creighton Hill, A. M. Peterson.

GEORGE W. COLEMAN
President of Babson College
1921-1935

Office, Park Manor Central, the first President's House (today's Westgate Health Center), and Publishers Hall. Enrollments climbed steadily from 44 in 1921, when Coleman took over, to 129 in 1931, after which they tumbled because of the Great Depression. Curriculum and the part office/part school method of instruction underwent fine-tuning during these years, as the administration added new courses or ironed out unanticipated kinks in the program. Overall, however, there were few substantive changes to the original program, and the fundamental goals and principles, as might be expected, remained unchanged. They were, after all, the creations of Roger Babson, and represented some of his bedrock beliefs.

Coleman's chief responsibility as president was to administer the day-to-day operations of the Institute. Decisions for major changes came from a higher authority. There was never any question

where the buck stopped at the Babson Institute. At the top of the chain of command was the Babson Corporation, whose members, the incorporators, elected the trustees. Chairman of the Corporation was Roger W. Babson, a post he held until 1955.

President Coleman expected and got full cooperation in running the school, although it was not always easy. Roger Babson never made a secret of the fact that he liked being the boss. He was accustomed to doing things his way; and he possessed an authoritarian streak that could surface in the heat of the moment. One incident, in particular, illuminates this feature of his personality.

Babson enjoyed tooling around campus in his automobile, slowing down from time to time to startle unsuspecting students with blasts from his horn. On one uncommonly warm spring day while on his rounds, he spotted a professor holding class outdoors. Some of the students, horror of horrors, were reclining on the ground. It was a scene that chilled the blood of the founding father, violating as it did the Protestant work ethic. He returned to his office and fired off an angry note to John Millea, dean of students. He received a prompt reply—not from the dean, but from the president of the college. Dr. Coleman's note came right to the point. Concerning classes held outside on hot days, Coleman wrote, it is indeed proper that students sit up, but the following points should also be kept in mind: "1) We have permitted outside classes in hot weather for nine years. 2) Good business would call for the use of all one's assets, including an exceptional location. 3) Please let me run my job." No more was heard about the incident.

It was a learning experience for Roger Babson. Out of the exchange of notes came a keener appreciation for the administration's need for more latitude in running the school. Henceforth, he was less prone to intervene directly, adopting instead a hands-off policy regarding day-to-day operations. But he never relinquished his grip on the tiller. All appointments to the Board of Trustees had to pass muster with him, and this enabled him to pack the Board with members who were certain to be compliant to his wishes.

Roger Babson with his automobile. He often rode around the campus, sometimes by car and sometimes on horseback.

In the 1930s, America experienced the most severe and prolonged depression in history. Notwithstanding Roger Babson's cheerful annual forecasts that the economy was about to turn the corner, no one knew for sure when, or even if, the hard times would end.

Throughout it all, Roger Babson remained unalterably upbeat. At the 1931 Commencement, for example, the message that he passed on to the graduating class was introduced in the form of three quotations: 1) "Blessed is he to whom adversity comes early in life"; 2) "It is much better to start at the bottom of the ladder than at the top"; and 3) "Those who go up like a rocket come down like a stick." Babson ended his pep talk on the same cheerful note:

> *You men now graduating must scratch for a job and scratch even harder to keep them after you get them. . . .Yes, you are surely having adversity early in life and hence are greatly blessed. So here's a hand, men, for you all. I envy you.*

DR. CARL SMITH
President of Babson College
1935-1943

There is no record of whether or not the members of the Class of '31 shared the founder's enthusiasm for their prospects. But it is a matter of record that never in the nation's history had business conditions been so terrible, the economic outlook so dismal, or job prospects so wretched. It is also a fact that, as the depression dragged on, alumni began to feel the crunch of the disaster that had befallen the country. So did graduates like those of the Class of '31, who were not having any luck "scratching" for jobs. Things got so bad that Dean Millea issued pleas in the alumni magazine for assistance in finding jobs for graduating seniors and unemployed alumni.

Inevitably, the depression years took their toll on the Institute itself. Everett Stephens, Dean of Students and later Vice President of Public Affairs, recounted that the Institute had catered to a special clientele in the predepression years—wealthy young men who "were used to driving around in Stutz Bearcats, wearing coonskin coats, being served by waitresses in the school dining room, and selecting from the menu pickled tripe or roast beef or what have you." Cost was no object. Room and board alone cost their parents more than what elite schools like Amherst, Williams, Mount Holyoke, and Wesleyan were charging for everything. The Great Depression changed all that, because, as Stephens noted, it "hit many of these family businesses terribly, terribly hard, and $3,000 was a lot of bucks to pay and so enrollments began to suffer."

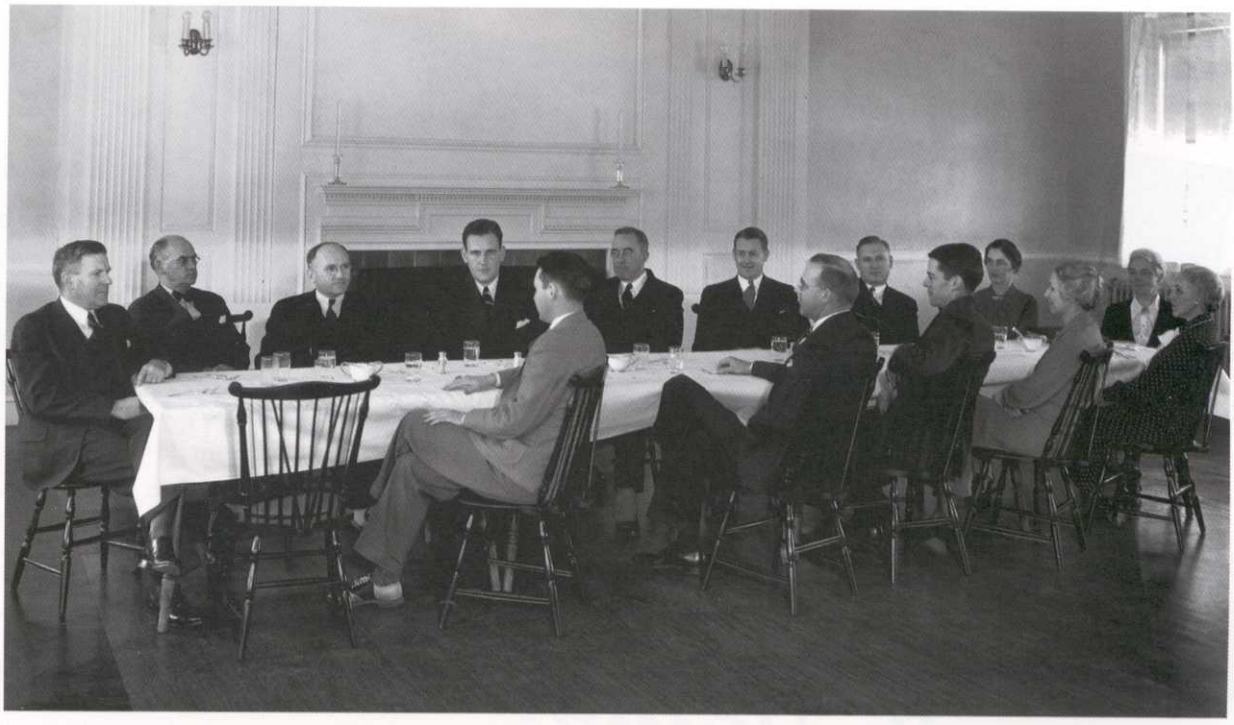
Like the nation, the Institute hit bottom in the bleak winter of 1932-1933. Enrollments plunged, falling from their 1931 peak of 129 to 46 in 1933, a 64 percent drop in just two years. Babson Institute was facing a life-or-death situation, and it was apparent to the administration that something more than the power of positive thinking was needed if the school were to survive.

One response was to cut staff and slash wages and salaries by 20 percent. Another was to reduce spending on the Great Relief Map. None of the cost-cutting measures, however, addressed the root cause of the slumping enrollments—affordability.

In the winter of 1933, the Institute tried a new tack—a cost-cutting experiment that slashed the combined tuition and room and board charges for college graduates attending Babson from $3,000 to $2,000. The experiment worked. Degree holders rushed to take advantage of the lowered prices. Twice as many signed up for the fall term as had the previous year, proof enough for the trustees that the experiment worked. They announced that, effective January 1934, the reduction would apply to all students. Enrollments rebounded, and the crisis passed. In addition, the introduction of the two-year course for secondary school graduates boosted enrollments to new heights.

In 1935, Dr. Coleman retired and the Board of Trustees, at Roger Babson's bidding, chose as his replacement Dr. Carl Smith. A professional educator, Smith was dean of the College of Business Administration at Northeastern University when he accepted the offer to become the Institute's third president. Smith was anything but crestfallen over the school's prospects when he arrived. The corner had been turned; enrollments had resumed their upward climb; and he welcomed the challenge.

Like Roger Babson, Carl Smith believed in the survival of the fittest, a concept that he applied to



President Carl Smith and faculty, circa 1935.

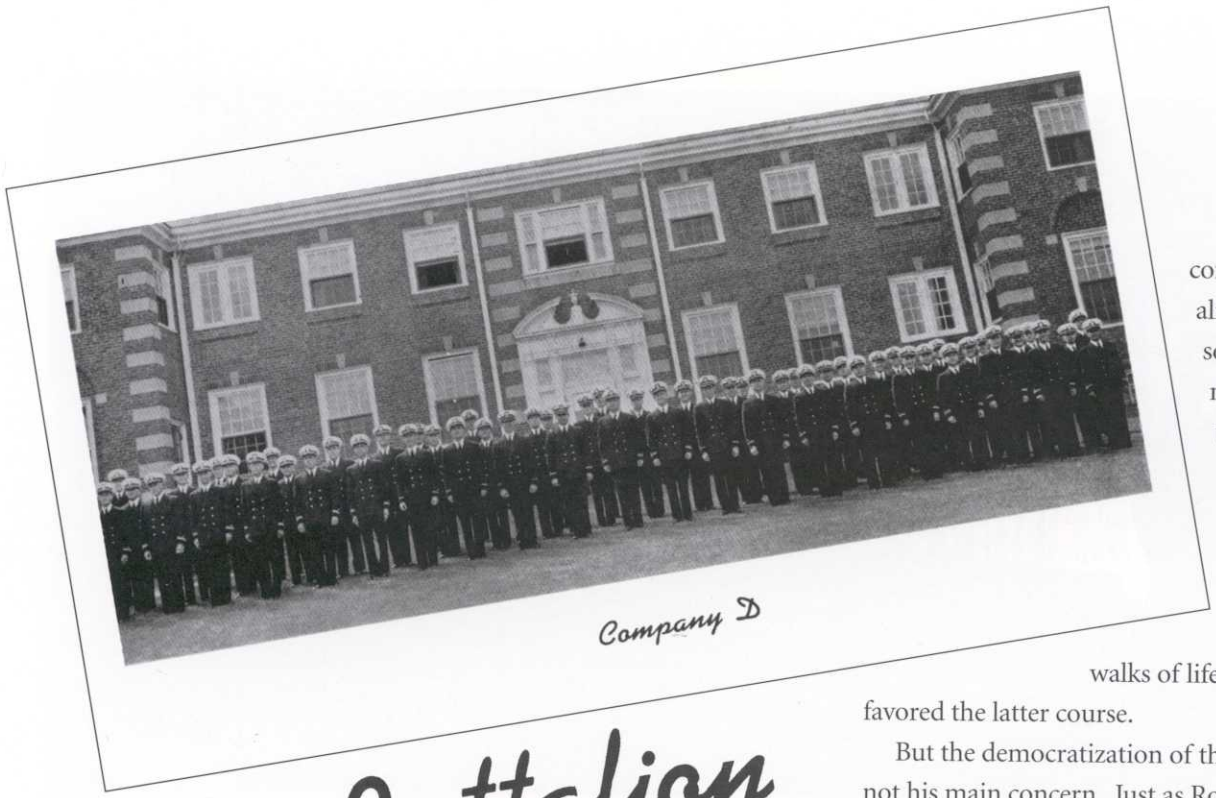
colleges as well as to businesses. "Babson Institute is an integral part of the environment in which it exists," he asserted, upon taking up his duties. "It could not, if it would, be oblivious to the necessities of the economic and social order, for it must face and honestly deal with the changing obligations which inevitably find their source in the shifting circumstances of society."

However, Smith's June 1935 Commencement inaugural address, stressed a different theme: the need for continuity as well as for change. The Babson Institute had met its end of the bargain with the Class of '35, he told the graduating seniors, by preparing them to shoulder the responsibilities of leadership. They were the recipients of an education that enjoyed respect in business circles, because it met the criteria of a good, solid business education—teaching effectiveness, well-defined aims and objectives, and a curriculum fitted to the needs of the student and business.

Smith reminded the seniors—who needed little reminding—that they were graduating at a critical moment in time. Solutions to the grave and deep-rooted social and economic problems afflicting American society, he told them, rested in the hands of business leaders and business educators. They were about to join the vanguard of those waging war against the depression. This was the greatest challenge facing the Class of '35—and, thanks to the basic training that they had received at the Institute, Smith was confident they would prevail.

It was a fine speech, and it was well-received by the audience; but it was more a recapitulation and an endorsement of the educational ideals and goals of Roger Babson than a vision of the future. Only when the talk briefly touched on the theme of an educational institution "as an essentially living organism . . . subject to the principles of evolution" did it foreshadow, albeit faintly, the seminal changes that lay ahead. Like his predecessor, Smith was content to leave unchallenged the ideas and convictions of the man who had given life, form, and substance to the Institute. The times, no less than the founder, would scarcely have permitted otherwise.

Notwithstanding the perception that he was reluctant to express his own ideas, Dr. Smith did have his own vision of the institution. Eight years later, with the world plunged into the darkness and



The Battalion

For two years during World War II, the Babson campus was turned over to the U.S. Navy Supply Corps School. Over 2000 reserve officers trained there from 1943-45.

chaos of the most destructive war in history, he peered into the future through a different prism. What Smith saw rising from the ashes of war was a world transformed and opportunity unbounded.

Wartime prosperity had triggered the greatest social and economic uplift ever experienced by the American people and had catapulted millions of poor and working-class families into the ranks of the middle class. The number of Americans filing income tax returns almost doubled from 1940 to 1941, nearly doubled again the following year, and again by 1945. Economic progress was the father of rising expectations; and the implications of this were profound for higher education. The number of young Americans who could afford a college education had grown exponentially. Adding to this reservoir of potential students were the millions of young men serving in the armed forces, who (thanks to the recently passed GI Bill) were eligible, once they left the service, to go to college, compliments of a grateful nation.

The Babson Institute stood at a crossroad. Once the war ended, it could either proceed along the path carved out for it by Roger Babson and continue to recruit almost exclusively the sons of affluent businessmen, or it could take a different direction and open its doors to a new clientele—returning veterans and youths from all walks of life. Dr. Smith clearly favored the latter course.

But the democratization of the student body was not his main concern. Just as Roger Babson had foreseen the rising demand for better-trained business managers that arose in the wake of World War I, Carl Smith anticipated in 1943 a growing preference in postwar business circles for holders of a college degree. If this proved true, the conclusion was inescapable. The Babson Institute would no longer be able to rely on the uniqueness of its training program to remain viable. To follow a status quo policy would relegate it to an educational backwater—a certificate-granting vocational school competing in a field in which the baccalaureate degree opened doors.

What President Smith had in mind to ready the Institute for the postwar adjustment was the adoption of a three-year degree program to replace the standard certificate program as the educational centerpiece of the Institute. To accomplish this, he had to clear it with Roger Babson, no easy matter. Babson was less than enthusiastic about a proposal that threatened the one-year program to which he remained wedded for both philosophical and sentimental reasons. He had conceived and brought forth that program and had nurtured it for nearly a quarter of a century. Over that time, the program had proven its worthiness, serving well the interests of both students and business.

Another sticking point was the state law that required a business college to include liberal arts courses in its curriculum in order to secure legislative approval to confer the baccalaureate degree. To endorse Smith's proposal would necessitate the

introduction of liberal arts to the curriculum, and that possibility gave Roger Babson pause.

As mentioned previously, Babson had no quarrel with the liberal arts per se, as long as they were not part of the Babson program. To compensate for their exclusion, he had made it a cardinal rule of the Institute that students have their academic studies behind them (as is the case with most M.B.A. programs today). It is possible, he explained, to combine academic and business courses, but that is like riding two horses at the same time: "It can be done, but it is not efficient."

It was a defining moment in the college's history, and President Smith met it head-on, arguing that radical change demanded a radical response. The environment in which the Institute had flourished in the prewar years was no more. Thus, it followed that, unless the Institute responded to the Darwinian imperative of adapt or die, it was doomed.

Fortunately, Roger Babson was no prisoner of the past. He understood the universality of change better than most men, having earned fame and fortune tracking the economic trends of the present in order to fathom the patterns of the future. He remained unconvinced that a baccalaureate degree was synonymous with a sound business education, but he recognized that, in the Institute's case, it was necessary to respond to the growing preference by the business community for degree holders. Reluctantly, Babson gave his nod to the three-year degree program.

Smith moved quickly, petitioning the Massachusetts General Court in 1943 for approval to confer the degrees of Bachelor of Science in Business Administration (B.S.B.A.) and Master of Business Administration (M.B.A.). The legislature assented. However, because of the uncertainties of the time, the degree programs did not go into effect until after the war.

World War II was a critical period for higher education. On the one hand, the government turned to the nation's colleges and universities for the kinds of skills and programs that they could contribute to the war effort—and on the other, it siphoned off young men from the college ranks to help meet the manpower needs of America's armed forces. In 1942, the first full year of the war, enrollments at Babson dropped by nearly one-half, from 112 to 58.

Even before America's entry into the war, it had become obvious that the nation's defense industries faced a critical shortage of men trained in management and production, two basic components of the defense buildup that were vital to overall military and naval effectiveness. Babson, as a school of management, had much to offer in this area. It moved quickly to take advantage of the sudden demand by developing a special course entitled "Training in Production and Management." Mindful of enrollments, which were slumping badly, the Institute

Roger Babson and Dean of Faculty John J. Horner (center) join an adult education class in 1946.

promoted the course as an opportunity for draft-age men to acquire "valuable training which will increase their opportunities and usefulness in the armed forces." For those not subject to the draft, the course offered "a quick and practical route" to opportunities in defense industries.

The Institute made other adjustments as well. It added a summer term to better the student's chances of completing his schooling before having to answer the call to duty. Geared to two-year men (juniors), the four-term year enabled high schoolers to start classes immediately following their graduation in June and, by going full-time, to lop six months off the two-year course.

In the 1942-1943 school year, some students enlisted in the Army or Air Force Reserves or in the Navy's V-1 program, which allowed them to defer active service until graduation. Nevertheless, student concerns over the prospects of exchanging their business suits for khaki uniforms continued to depress enrollments, prompting the Institute in early 1943 to try a new tack—the announcement of a guaranteed refund of "the unused portion" of the room, board, and tuition payment to any student called up by the military during the school year. At the same time, the school slashed its tuition and other fees to $1,250, effective June 1943. But there was little that it could do to reverse the enrollment trend. In a world at war, the students and the Institute alike faced an uncertain future. Some all-male colleges went coed in an effort to remain open. Babson, however, took no steps to follow suit, other than to enroll 119 men and women in 1941-1942 in "war training" courses run through Northeastern University in cooperation with the U.S. Office of Education.

The Babson administration put on a cheerful face, announcing that the regular Institute program would continue as usual and that work was in progress to convert Bryant Hall into a residence hall for students.

Stopgaps like these could not stave off the inevitable, and when only a handful of civilians signed up for the 1943 spring term, it forced the school's hand. In the summer of 1943, having granted the U.S. Navy permission to use the entire campus and all of its facilities, the Babson Institute shut down for the duration of the war. President Smith, bowing to circumstances, resigned. For the next two years, the Navy's Supply Corps School at Babson made its contribution to the war effort by training and graduating a total of 2,038 reserve officers.

Hard on the heels of Japan's surrender on August 14, 1945, ending the Second World War, the Babson Institute reopened its doors. Only seventy-six students signed up for the fall term—a meager total, even by prewar standards, but one that reflected more the sudden reopening of the school than potential applicants' lack of interest. It was a bare-bones operation—the entire faculty consisted of just three professors—put together on the spur of the moment by a skeleton staff that Roger Babson had employed to stay on after the Institute had shut down.

The spring term brought an enrollment of 277, twice that of the peak prewar year (1940); and the crush of returning veterans jamming the admissions office in the summer of 1946 was so overwhelming that it forced the Institute to reject nearly five applicants for every one it accepted. In the fall term, a record-shattering 494 students began classes. Of that total, 95 percent were veterans and 280 (or well over half) had registered for the new three-year degree program.

Much that the entering students encountered at the Institute in September of 1945 was as it had been before the war. The buildings and grounds looked the same; and the goals and ideals that Roger Babson had breathed into the Institute at its birth were intact. Also in place were the one- and two-year programs, the trimester school year, and Saturday morning classes.

The curriculum remained focused on the fundamentals of business. Instruction continued to rely on the conference method and case studies. The part school/part office routines had not changed. Students still kept regular business hours, punched time clocks, wore business attire, went on field trips, and attended regularly scheduled showings of industrial films. The school, as before, combined a commitment to the development of character and personality, with the promise of preparation for careers "above the level of routine clerical work."

In 1949, this Babson classroom resembled a boardroom, as students carried on a lively discussion around the table.

Students continued to hold their dances at Knight Auditorium, the site of the autumnal National Business Conference and the annual Commencement exercises. The student assemblies (attendance required) held there remained unpopular. The school catalogue continued to ramble on about volunteers "from the frontline of business" who had consented to visit the campus on a regular basis to share with students the enlightenment and insights born of experience; and students continued to complain that seldom, if ever, had they spotted one of these luminaries, let alone engaged any of them in dialogue. And, finally, the ultimate authority of the Institute still resided in the person of Roger W. Babson who, while content to let others run the school, had the final say on major policy decisions, especially when they required financing, since he, after all, footed much of the bill.

The main gate on Wellesley Avenue, in a 1951 photograph.

Nevertheless, the school that entered the postwar era, for all of its continuities, was a fundamentally different place from what it had been during its first twenty-five years. Among the seventy-six students who began classes in September of 1945 were the

thirty-six members of the Class of '48, the first ever to enroll in a degree program at Babson and the first ever to take liberal arts courses. Their presence on campus signalled that the Institute was banking on its new three-year degree program to transform itself from a vocational school into a bona fide business college.

Even so, the school continued to run both of its prewar courses. As in 1919 when the Babson Institute opened, so, too, when it resumed operations at the close of the Second World War, the one-year certificate program proved popular with ex-servicemen. These veterans—anxious to make up for time lost during the war years—were looking for a refresher course to bring them up to speed or for a short, intensive training course that would gain them quick entry into business. The Institute catered to their needs, even waiving the requirement of a high school diploma for "promising veterans."

But this was a special situation for a special group whose members soon began to dwindle as the GI generation of students moved on into post-college careers. Shrinking enrollments in the non-degree programs bestirred the Institute to scratch the two-year course from its offerings in 1950. The one-year course proved more durable, lasting another six years before being phased out. Its passing went unremarked, a sad commentary on the fact that the program, which for many years had defined the mission that Roger Babson had set for the Institute, had outlived its usefulness.

While enrollments in the nondegree programs waned, those in the degree program soared. Thanks to the prescience of Dr. Smith, the Institute had positioned itself as early as 1943 to respond to the intensified demand for a baccalaureate. The times made for spectacular growth. The Babson Institute had reverted to civilian status just in time to catch the first ripple of what proved to be a tidal wave of veterans that swept into the nation's colleges and universities. Joining the veterans were youthful members of working-class and middle-class families, whose numbers continued to climb even as the so-called "veterans' bulge" began to taper off. As a result, each year brought record-breaking numbers,

In the late 1940s, businesses were directly encouraged to "interview Babson men" for jobs in the postwar economy.

until the outbreak of the Korean War in 1950 temporarily halted the boom.

Room, board, and tuition for the first postwar term was $1,250—the same amount charged the last civilian class in 1943 and far less than half of what students paid in the 1920s. Even at this reduced price, however, the cost of a Babson education was relatively high compared with other business colleges; but, as the Institute was quick to point out, its accelerated degree program, by eliminating a full year from the four years required at other undergraduate colleges, placed the overall cost of a Babson education well below that of the competition. Moreover, it put the Babson graduate on the career path (and payroll) a year ahead of schedule.

According to the Institute, the savings in time and money were major advantages achieved at minor costs, namely a "slight" extension of the school year (by four weeks) and a "slight" increase in the course load (from 15 hours per term to 20). Doubtful though it may be that those shouldering the extra work load regarded the burden as slight, there were few complaints. The GI generation of students was more intent on making up for lost

A Babson education . . . put the Babson graduate on the career path (and payroll) a year ahead of schedule.

time than on grousing. Besides, by 1950, the school was more competitive price-wise, charging $1,400 for room, board, tuition, and fees—which, according to the school, was "definitely lower" than what "many other leading colleges" (whose tuition and other fees had gone up more rapidly than Babson's) were charging.

Concern over keeping costs competitive was one sign of the changing times. Another was the adoption of a new school advertising slogan: "Practical Training for Business Responsibility." Changing times had brought changing demands from the business community, one of which (as Dr. Smith had foreseen) was a growing preference for entry-level junior managers with college degrees. In response to that preference, the Institute reversed itself on a major selling point of the prewar program—practical training for management positions that eliminated the need for on-the-job training. (Also abandoned was the practice of custom-tailoring courses to fit the needs of students who were slated to take over family businesses.) No longer did the Institute promise to turn out "finished executives" in a year or two (or three, for that matter), spotlighting instead the special advantages of starting out in a subordinate position. To start at the ground floor in a company, it noted, afforded the newcomer the opportunity to acquire through experience "an intimate knowledge of the business that is essential for working one's way up through the organization."

Majors were also new to Babson. Their emergence heralded a new educational mission for the Institute—the training of specialists in fields like accounting, marketing, finance, or management.

Still another significant change was the incorporation of liberal arts courses into the curriculum, which stirred rumblings among some of the undergraduates who raised for the first time what has become a perennial question: Why require liberal arts courses at a business college? Rather than simply respond that it had to in order to satisfy the requirements of state law and various accrediting agencies, and let it go at that, the Institute made the case for the relevance of liberal arts at a business school. "Business does not function in a vacuum," it explained, "but in a maelstrom of social and economic complexities where science, language, government, economics, and ethics play ever increasing and important roles." Sooner or later every young businessman "comes face to face with the necessity of having a broader background than is afforded by an education limited solely to business subjects."

To support its case, the Institute published the results of a nationwide survey that it had conducted among leading businessmen and educators. On the question of what proportion of the curriculum a business college should devote to liberal arts, an overwhelming majority—82 percent of the businessmen and 93 percent of the educators—favored at the minimum 40 percent. The Institute hailed the findings as a reaffirmation of the principle that a curriculum comprising a mix of business and liberal arts courses was superior to one confined solely to business subjects, and announced that henceforth its undergraduate program would consist of 60 percent business courses and 40 percent liberal arts. Not willing to close the door completely on the past, it added that those intent on a business-only educa-

DR. EDWARD B. HINCKLEY
President of Babson College
1946-1956

tion could still sign up for one of the school's two certificate programs.

Most students not only came to accept the idea of liberal arts courses as part of the curriculum, but they also actually enjoyed them. There were a few die-hards (there always are) who continued to complain that "the college is just trying to teach us the difference between chicken cacciatore and Shostakovich."

Rumblings of discontent were heard as well from some of the alumni. Many of them wanted to know, "Have you gone academic on us?" Those posing the question were voicing a concern that the incorporation of the liberal arts into the curriculum would transform their alma mater into something quite different from what Roger Babson had intended when he created the Institute.

They were at least partly right. The college was indeed taking on a new mission, but not because it had opted in favor of the liberal arts. Their inclusion in the curriculum was the effect; the cause was the decision made in 1943 to convert Babson into a degree-granting institution, and Roger Babson, albeit somewhat reluctantly, had agreed to that decision.

The transition from wartime to peacetime created confusion as well as opportunity. For one thing, the Babson Institute had no president when it reopened for classes. Dean of Faculty John K. Horner agreed to serve as interim director while the school conducted a search for a replacement for Dr. Smith. In June 1946, the Institute, backed by Roger Babson and the trustees, chose Dr. Edward B. Hinckley.

Like his predecessor, Hinckley was a professional educator, having begun his career as an English professor at the University of Tampa. He then headed the English department at Kalamazoo College in Michigan, where he filled in as acting president during the war. In 1945, he was appointed academic dean, a post he held when the Institute recruited him. He became Babson's fourth president in 1946, and over the next ten years led Babson through a period of unparalleled transition.

Everett Stephens, who served as dean of students under Hinckley, described the situation confronting the new president upon his arrival:

> *President Hinckley took over in a difficult period in the college's history. From its founding, the Institute had as its primary purpose the education of sons from wealthy families to enable them to eventually take over their fathers' businesses. Then Babson got the reputation as a rich boy's school. After World War II, Roger Babson realized that this had to change if the college was to move forward. Edward Hinckley was to bring about that change.*

The Hinckley years were difficult ones. They were also exciting. It was a decade of spectacular growth. Former servicemen flocked to the school in the immediate postwar years, transforming the Institute in the process from "a rich man's club" for the sons of wealthy businessmen to a school whose rank and file hailed from all walks of life.

Some years later, Stephens fondly recalled the impact of the GI generation.

> *It was really the veterans of World War II who made Babson. . . . Boy, I remember so well the classes of 1948, '49, '50 . . . , they were like missionaries going out in business, and they were older, they were more mature, they were anxious to move*

The Park Manor quadrangle on a snowy day.

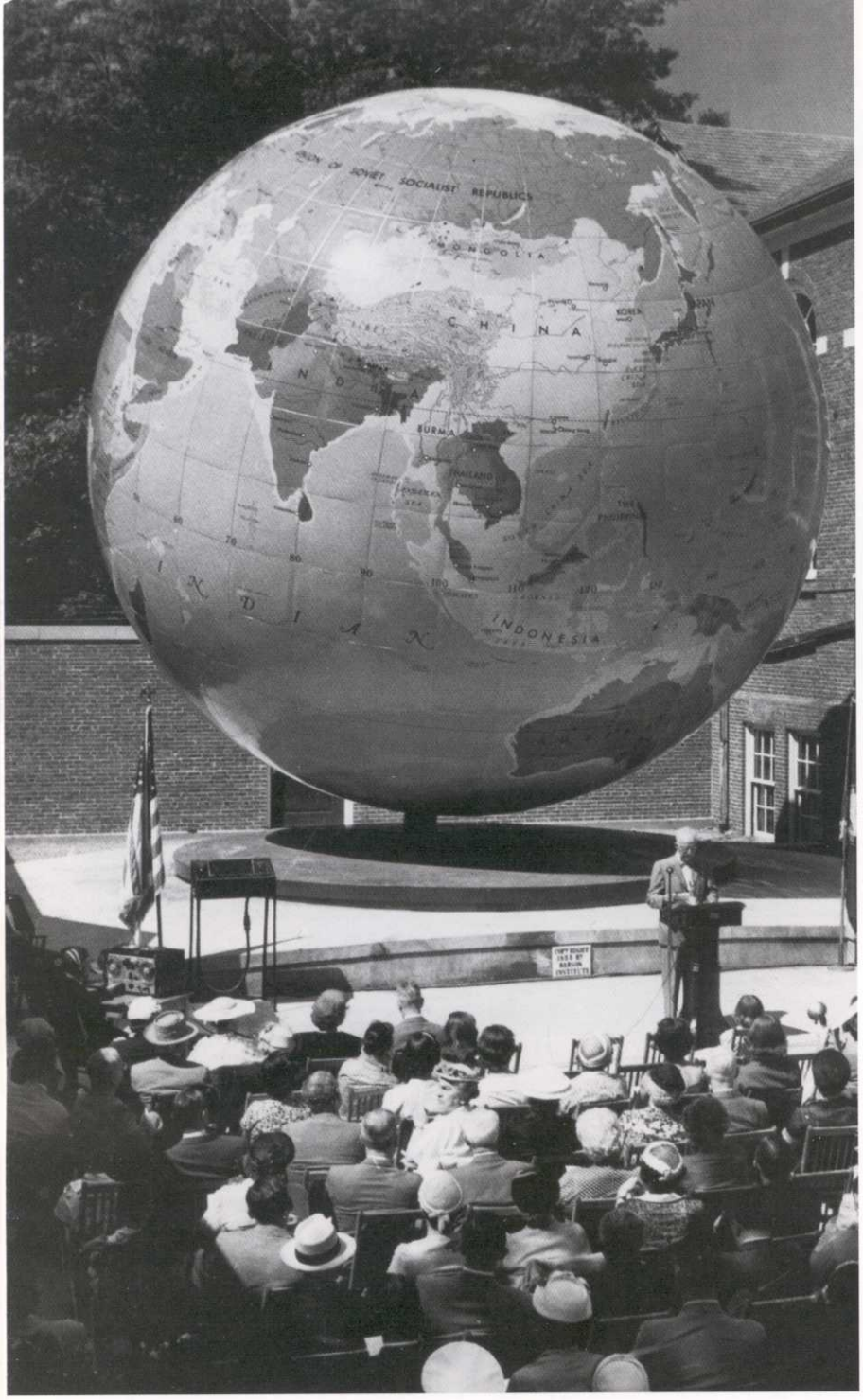
ahead fast, and they all got their education in three years. . . . And they did a great job in spreading the word for Babson College.

Babson Institute had in Dr. Hinckley a man with an eye on the future and a leader whose enthusiasm proved contagious. Walter H. Carpenter, who applied for a teaching position in 1947, said that the president sold him on Babson during the job interview. "We have a great opportunity at Babson, because we have to build a college," Hinckley told the future vice-president of academic affairs. It was this observation that convinced Carpenter on the spot to join the team that was building the new Babson. "You can have buildings and grounds," Carpenter later explained, "yet to be a college you must have a program and a faculty to teach it. I came to Babson to help build a college."

Henry Kriebel shared the feeling of excitement characteristic of that generation of college builders. He had arrived at Babson at the start of the second postwar term (January 1946) to head the accounting division. Dr. Hinckley immediately enlisted him in the task of building a first-rate degree program. In Kriebel's case, this entailed a major revision and expansion of the accounting curriculum. Kriebel was delighted. "I began to see there was a real future in this place," he recalled. "It was a wonderful time to be around."

Not everyone considered President Hinckley to be a leader. There were widespread feelings that he was too much in the tow of Roger Babson to fight for programs that his boss opposed. Still, as one alumnus who served on the Board of Trustees observed, "Hinckley had to live with Roger Babson [and] for the president of the school it was sometimes difficult. . . ." (Nor was Hinckley the exception in this regard. Every president from Carl Smith to Henry Kriebel experienced difficult moments in their dealings with Roger Babson. It could hardly have been otherwise. Babson was a man of firm opinions who liked to lead; and when his opinions on school matters conflicted with those of the president, tensions mounted. This was particularly the case in the postwar era.)

Roger Babson was uneasy with the direction that the Institute was taking. It was pulling away from its original moorings, and he feared that the college was in danger of losing its uniqueness. He was not



Roger Babson spoke at the 1955 dedication of the Globe. He contributed the entire $200,000 cost, and he hoped it would stimulate an interest in world geography among students and the general public. It has attracted thousands of visitors.

Built at a cost of $200,000, the Babson Globe measured 28 feet in diameter, weighed 25 tons, and rotated on its own axis.

above second-guessing the administration, but he was reluctant to interfere. Paul Staake, who served as registrar in the early postwar years, explained why:

> *Mr. Babson at that time had some regret that . . . we were conforming too much to what others did. There were other institutions that had undergraduate programs in Business Administration. He was never one to see us give up our uniqueness. I think that perhaps the one thing that made our program palatable to him at that time was that we were still unique. We were operating the program in three years instead of four. . . . And I think that its uniqueness was appealing to Mr. Babson.*

Henry Kriebel added another reason. Roger Babson, he said, was a bit of a impresario and "no showman can put on a show unless he has something unique to show." Offering a three-year degree program was certainly different from what other colleges were doing, and this appealed to the showman in Babson.

One facet of the drive to raise academic standards was the tightening of admissions require-

ments. Before the war, the formal requirements for admission were virtually nonexistent, other than some college or business experience. In the postwar period, however, the more academically demanding degree program led the Institute to require a strong secondary school background in English, mathematics, science, and social studies.

Despite the tighter standards, enrollments climbed from 76 in the first postwar term to 591 in 1955, or close to an eightfold increase in a single decade. Bryant Hall, Publishers Hall, and Coleman Hall were pressed into service to help the Park Manor residence halls (Central and South) meet the demand for on-campus housing. But the demand proved insatiable. Not even the opening of Park Manor North in the fall of 1951, with accommodations for seventy-five students (only one fewer than the entire enrollment when the school reopened in 1945), solved the problem.

Another major project undertaken in the early 1950s was the construction of the world's largest globe. Built at a cost of $200,000, the Babson Globe measured 28 feet in diameter, weighed 25 tons, and rotated on its own axis. At the ground-breaking ceremony held in May 1953, Roger Babson dedicated the Globe to the United Nations. He hoped it would impress upon students and other viewers an appreciation of the world as a whole and that it would stimulate an interest in world geography, history, economics, transportation, and trade. Completed in 1955, the Globe immediately established itself as Babson Institute's most popular landmark, attracting thousands of viewers each year.

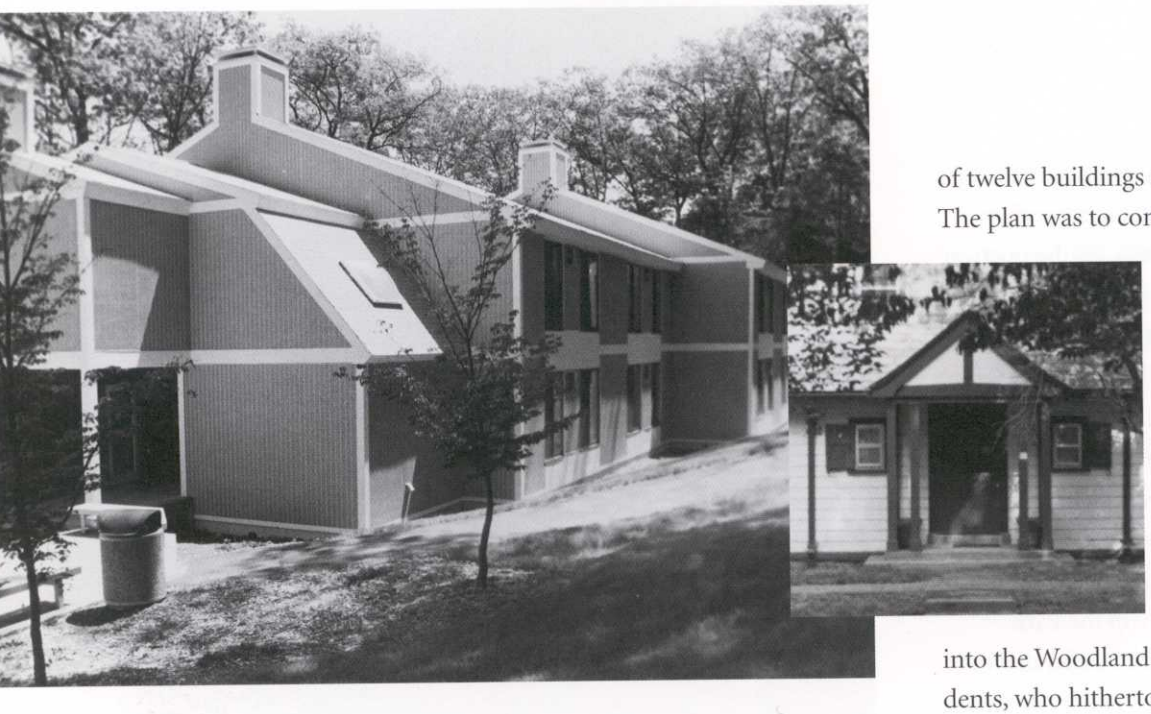
Designer of the Globe, George C. Izenow of New Haven, recalled in a 1981 interview how Roger Babson called him one night out of the blue to tell him, "You know our ancestors up here in New England used oak as the masts of the sailing vessels. . . . I would like very much for you to investigate mounting the Globe on an oak tree trunk."

The Globe was Babson's brainchild. He paid for it out of pocket, and he was set on having his way. Nevertheless, Izenow could not quite fathom how a 25-ton globe could rest, let alone revolve, on a tree trunk. "I had one hell of a time arguing him [Babson] out of the idea," he said. "That oak tree thing, that was pretty amazing."

On the stage of Knight Auditorium in 1951, Grace Babson received a silver pitcher from President Hinckley.

Amazing, certainly, but so were the Globe and the giant relief map of the United States (also the largest in the world) which attracted up to 25,000 visitors to the campus each year until the late 1970s. By then, the Map and Globe had fallen into such a state of disrepair that the crowds ceased coming.

In June of 1948, the Babson Institute passed another milestone with the graduation of the first baccalaureate class. (A few students who had transferred in from the certificate program had received their degrees earlier.) Two years later, the Institute chalked up a major breakthrough in its drive to enhance its academic standing when it received accreditation for its baccalaureate program from the New England Association of Colleges and Secondary Schools. With accreditation came full membership in the regional body and recognition of the Babson degree by colleges everywhere in the country. A jubilant President Hinckley called it the biggest news to hit the campus since the reopening of the school in 1945. It was, the president said, "absolutely essential to our growth that we should



In 1951, Woodland Hill provided housing for married students. Today, the complex houses graduate students.

become accredited." Hinckley, reflecting on his career at Babson in a 1987 interview, called accreditation "my proudest moment."

Now that the Institute had established its credentials as an undergraduate college, it turned its attention to the establishment of a graduate school. Thanks to the foresight of Carl Smith, the state legislature had approved the Institute's request to confer the master of business administration degree in 1943. However, the school was forced to put its plans on hold while it built its undergraduate program and strengthened its faculty to the point where it could support an M.B.A. program.

Thus, it was not until September of 1951 that the graduate school opened. Only twenty-five students enrolled in the first M.B.A. class, a disappointing total that inspired little confidence in the future of the program. Still, the new school had before it the example of the mother institution. The Babson Institute had started with an enrollment of twenty-seven, and it had evolved over the years into a thriving institution with brilliant prospects.

In December of 1951, the Institute purchased a 19-acre tract of land on Woodland Hill, adjacent to the campus. The site of the former Channing Sanatorium, the Woodland Hill property consisted of twelve buildings surrounded by a wooded park. The plan was to convert the buildings into a self-contained center for the graduate school. Unfortunately, the plan fell victim to the college's growth. Babson's burgeoning student population and the concomitant pressure for additional residential space forced the school instead to convert the buildings on Woodland Hill into housing. Among those moving into the Woodland Hill apartments were married students, who hitherto had to find accommodations off campus.

As with the undergraduate program at the Institute in the prewar years, the graduate school operated on a two-track system, a one-year course for holders of a baccalaureate degree in business administration and a two-year course for those with baccalaureate degrees in nonbusiness fields. Despite the disruption of the Korean War (1950 to 1953), the graduate enrollment had reached sixty at the start of the 1954-1955 academic year, prompting the trustees to create the office of dean of the graduate school and empowering it to administer the program. Picked for the post was Chairman of the Finance Division, Wilson F. Payne.

Acquiring property, constructing and renovating buildings, establishing the degree program, enriching the curriculum, expanding and strengthening the faculty and administration, attracting better-qualified students, and launching the graduate school advanced the standing and reputation of the Babson Institute in the academic and business worlds. Development on this scale, however, came with a very high price tag.

Fortunate and few are the colleges blessed with enormous endowments. Postwar Babson Institute was not among them (nor is it today). It relied almost exclusively on tuition and other fees, and the generosity of the Babson family, for its funds. In the prewar period these sources were adequate for a tiny school run by a handful of administrators and faculty. Student enrollment at its peak in 1940 stood at 139. Tuition was pegged at what the market (that is, wealthy businessmen) could bear. Even after the Institution sliced its charges by a third in the 1930s,

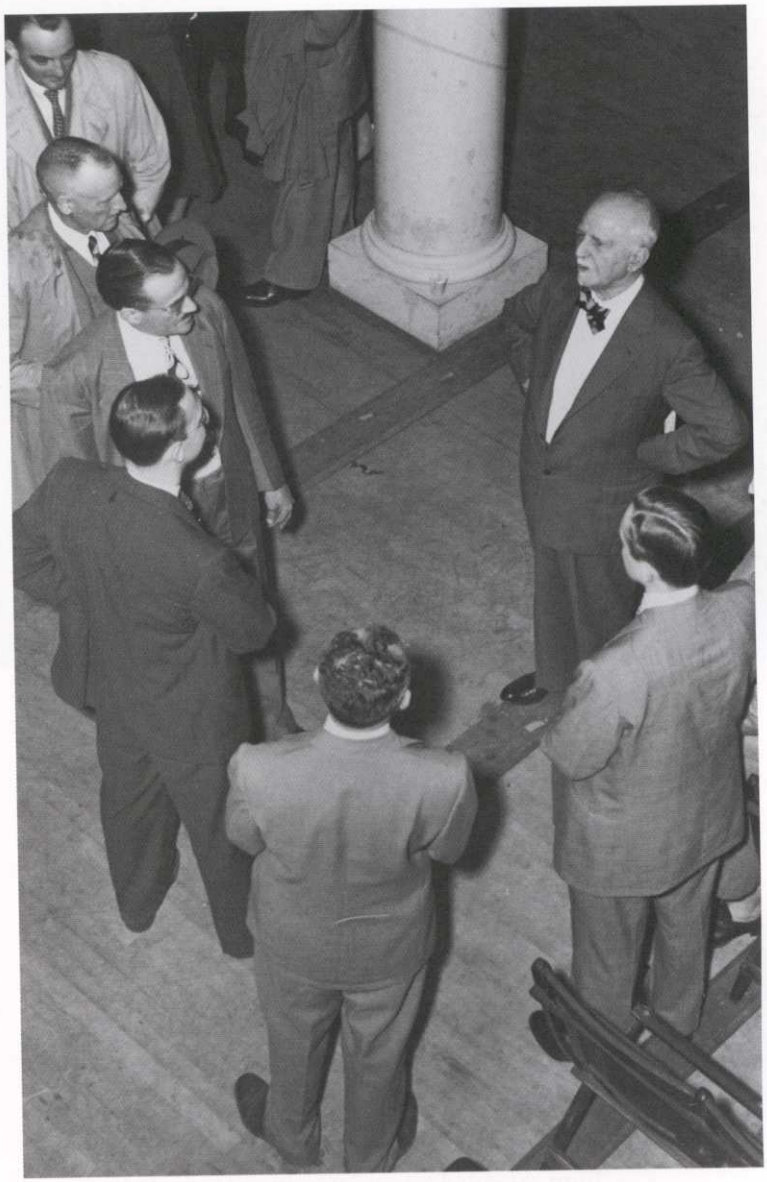
the income derived from tuitions and other fees, combined with contributions from the Babsons, was more than adequate for running the school.

In the postwar transitional period, however, the soaring costs of physical and academic expansion and improvements created a pressing need for new sources of revenues. An ideal source was close at hand—the alumni. But there was a major sticking point. Roger Babson opposed asking the alumni for financial support, asserting that his "boys" had already met their financial obligations to their alma mater during their school days. It was a bedrock conviction born of his sense that he had given his word to generations of students that the Institute would never ask them for money once they had graduated. Moreover, he believed in running the school on a pay-as-you-go basis. "A Business Institute," he said, "should be operated on a balanced budget, or else it is misnamed." In other words, if costs exceed revenues, raise the tuition.

It was bad advice, and it was bad policy. For one thing, it assumed a student body with deep pockets, which was no longer the case; and for another, the only way to operate on a pay-as-you-go basis without hiking tuition through the roof would be to cut back on expansion and abandon the drive to make the Babson Institute one of the nation's premier business colleges. Unfortunately, the founder had the final word on the subject, and it was no.

Roger Babson did make one concession. He approved the request of the Alumni Association to ask its members to contribute to a scholarship fund for needy students. Adamant though he was in his opposition to "passing the hat" to make up for a deficit in the operating budget, he conceded that "we are justified in asking for partial scholarships for worthy men of exceptional native ability."

In 1952, the Alumni Association kicked off the first of a series of annual alumni fund raisers with a goal of $5,500. The following year, the Association upped its target to $6,000. The *Babson Institute Alumni Bulletin*, in an outburst of enthusiasm, pronounced both drives successes, cheerfully burbling that the 1953-1954 drive had set "a new high." Indeed it had, but because it had only the previous



Roger Babson enjoying an informal chat with visitors in Knight Auditorium in 1948.

year's collection with which to compare itself, this was hardly an epic accomplishment.

In truth, both fund raisers had fallen short of their modest goals, the initial campaign garnering only $4,186.15 and the follow-up, $4,390.12. After two full years of earnest effort, the Alumni Association had a paltry $8,576.27 to show for its trouble. Obviously, the alumni needed educating on the importance of giving. To encourage their support, the Association first had to make them aware that donations to the alma mater helped not only the college but also themselves, for as the school's prestige rose, so did the prestige and marketability of a Babson degree. But with Roger Babson opposed to tapping the alumni to help defray operational costs, no such educational message was in the works.

In December of 1955, matters took another major turn with the announcement that the Institute had received its first foundation award ever, a Ford Foundation grant of $107,700, to be used with future Ford grants to increase faculty salaries over a period of ten years. President Hinckley was euphoric, ranking the award second only to the New England Association's accreditation of the college five years earlier as a measure of Babson's rising stature as a degree-granting institution. (Roger Babson did not share Hinckley's enthusiasm, since his objections to external solicitations extended beyond the alumni to include corporations and wealthy benefactors as well.)

In any event, the president seized the moment to define his vision of Babson Institute's destiny and to alert the loyal sons and friends of the college that only with their financial support could the Institute fulfill that destiny.

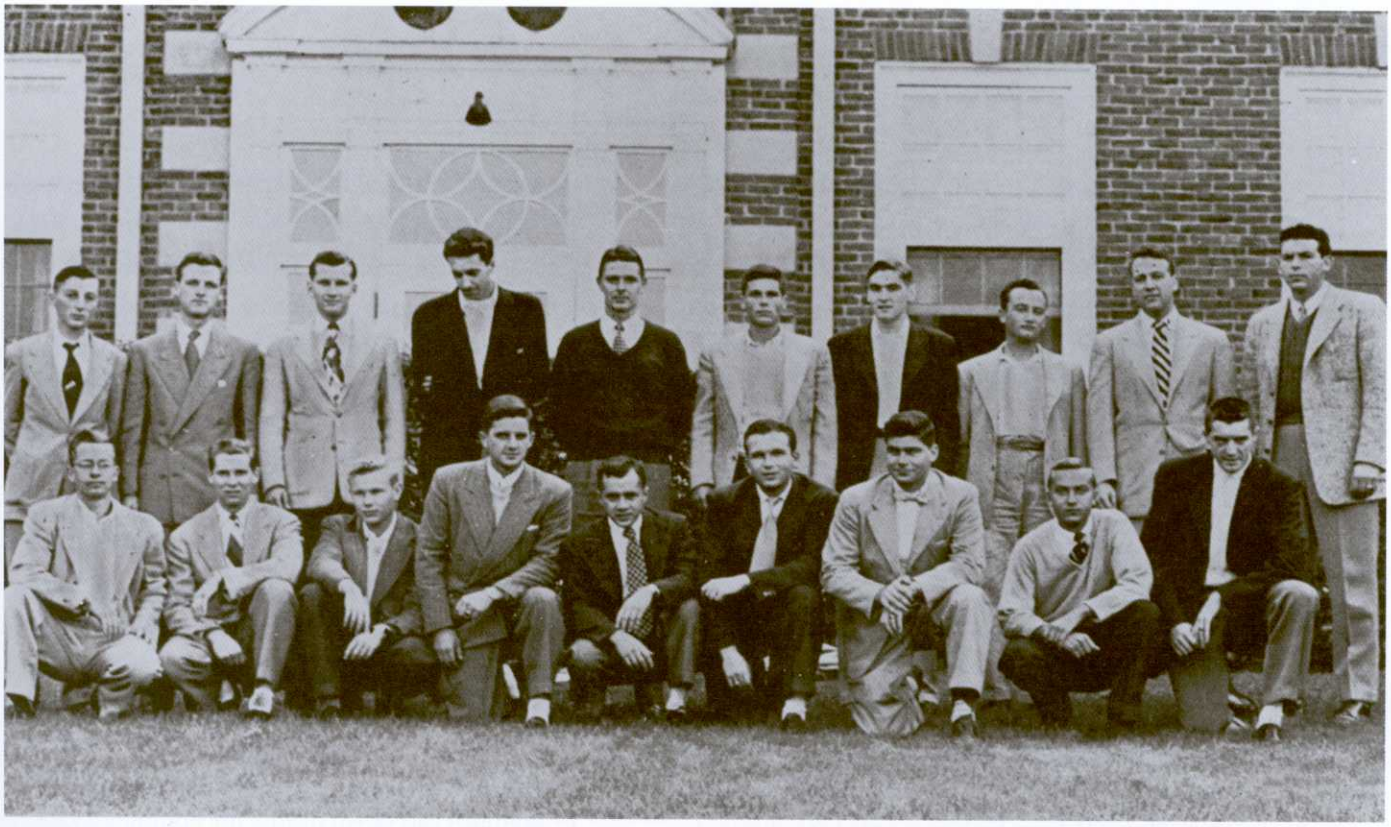
> *With this encouragement from an outside objective philanthropic organization [the Ford Foundation], I feel strongly that the time is ripe to think seriously about a fund drive from alumni and other interested friends for the physical and intellectual needs of Babson during the next twenty-five years. Among these needs, I would list high in priority additional classroom space, higher faculty salaries, and a substantial increase in our endowment funds.*
>
> *We've come a long way since our Degree Program was instituted ten years ago. We've achieved accreditation, recognition, reputation. With this grant, a tremendous impetus has been given to the accumulation of the physical, financial, and intellectual resources necessary to retain our preeminent place in the academic world.*
>
> *The challenge is tremendous; we cannot fail to meet it.*

Unfortunately, the Institute did fail to meet the challenge, at least in the short run. Rising costs, brought on largely by Hinckley's determination to improve the Institute's standing in the academic world, and the need for alumni financial support, had combined to create an irresistible force. At the same time, Roger Babson's intransigence on the subject had solidified into an immovable object. He had given his word to the students, and he intended to keep it. If anything, the greater the pressure for soliciting the alumni, the stiffer his resistance to it. "So long as I live," he told the Class of '56, "there will be no drives by the Babson Institute for contributions toward operating expenses. . . . I see no reason why any college which properly invests its funds cannot balance its budget without pestering the alumni for help."

The issue was joined, but there never was any doubt about the outcome. Former Superintendent of Buildings and Grounds, Edward Sullivan, who had come to Babson during the Hinckley years, explained why in a 1990 interview.

> *Roger Babson had control of everything that happened, one way or another. He appointed the trustees, more or less. When he said yes, they said yes; and when he said no, they said no. . . . And if they went against him, then they weren't trustees any longer. And that was the way it was with everything. He put his people in, and he wanted them to do it his way.*

But his way brought on a severe money crunch that halted progress. Sullivan remembered well the impact that it had on Buildings and Grounds: "There just wasn't any money to do anything. We patched; that's how we scraped by."



A group of students in the early 1950s.

Under the circumstances, President Hinckley concluded that he could no longer lead Babson Institute in the direction that he wanted to take it. "I am submitting my formal resignation as the President of the Institute to take effect September 30, 1956," he wrote in a letter addressed to the chairman of the Board of Trustees and dated April 10, 1956. "This has not been an easy decision to make."

But it was a necessary one nevertheless. He was resigning, he said, because of the "administrative pattern" in place at the Institute, which he felt stymied the kind of progress that he had in mind for the school.

Hinckley was referring specifically to the in-house composition of the Board of Trustees, whose members were under the spell of Roger Babson and shared with the founding father an abiding faith that the law of action and reaction governed the business cycle.

Because "every living thing must continue to grow or it ceases to live," the letter continued, and because the present system of governance was incapable of keeping up with the pace of change at Babson, it was imperative that the Institute's chief governing body, the Board of Trustees, broaden its base. The Board should reach out beyond "the Babson organizations" from which it had always drawn its members and recruit new people, particularly alumni, who had achieved prominence in business and other professions. Diversification would benefit the entire Babson community by infusing the Board with fresh ideas and perspectives and by bringing in members "able to make substantial [financial] contributions."

At the heart of Hinckley's message was his challenge to the school's autocratic system of governance. The Board, he wrote, had to assume a greater responsibility for the future of the college, and it should begin by scrapping "the present unsatisfactory and dangerous situation which [places] far too much responsibility on Mr. Babson and on me. . . ." Such responsibility, Hinckley warned, should be shared.

It is noteworthy that Hinckley submitted his resignation to the Board without first conveying his grievances or intentions to Roger Babson. He probably hoped to convince the trustees of the gravity of the situation facing the college and through them to

persuade Babson to change his mind on the question of alumni solicitation.

If so, it was a high-risk ploy. Roger Babson was a volatile man who over the years had hired, fired, and (after sober reflection) rehired so many people that employees deemed it an honor to be a member of the so-called "Fired Club." In Hinckley's case, however, matters had gone too far.

Roger Babson was in Florida when word reached him of Dr. Hinckley's decision. He professed himself "stunned" by the news. Nevertheless, he had sufficient presence of mind to fire off a letter to Vice-President Gordon M. Trim with instructions to have it read at an all-college assembly in Knight Auditorium. In the letter he called Dr. Hinckley "my beloved personal friend" and described himself as saddened and terribly hurt that Hinckley, the man Roger Babson had once urged the alumni to back to the hilt, because "if anything should happen to [the president], the security of the Institute would . . . be shaken," should have resigned without first having consulted him.

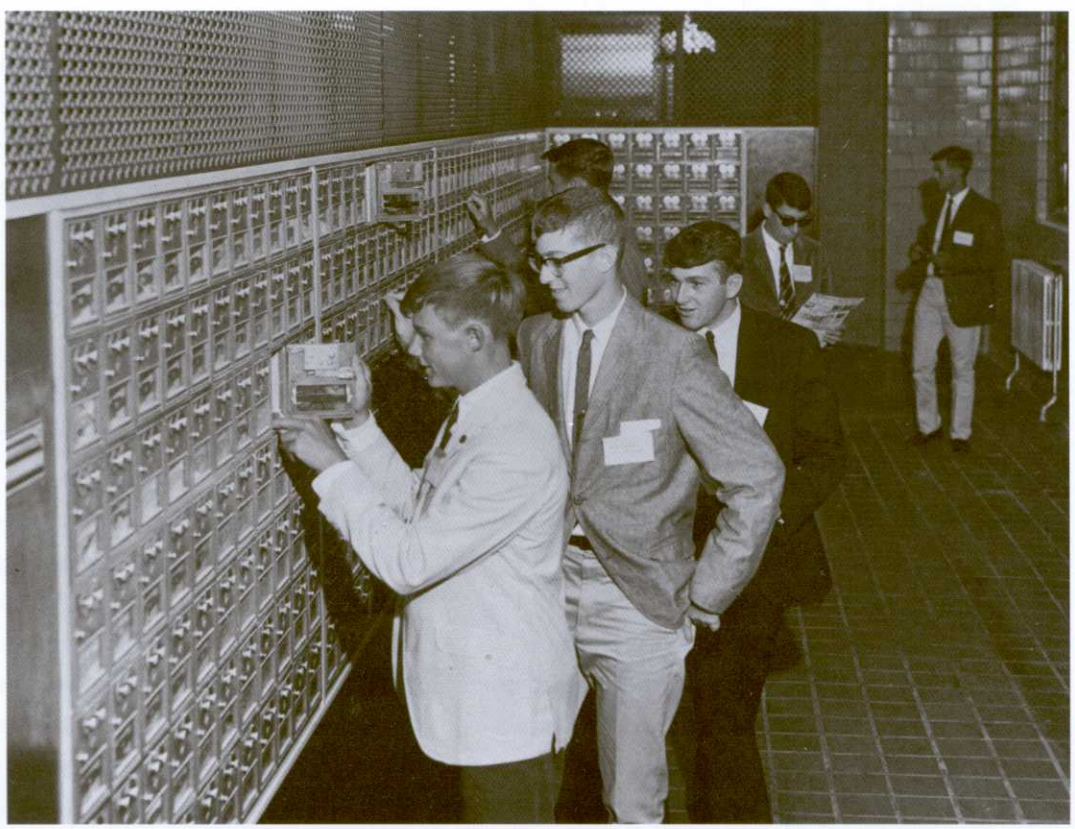
Babson defended the trustees and pronounced himself "in one hundred per cent accord" with the "administrative pattern" that Dr. Hinckley had condemned.

As Roger Babson saw it, the differences between Dr. Hinckley and the Board of Trustees boiled down to three issues: 1) finances and fund raising; 2) management of the college; and 3) creating a full-time position for the development of the college.

The Babson Institute's current prosperity, Babson said, in addressing the first issue, was due almost entirely to the faithful adherence of the trustees to a course of investment based on Sir Isaac Newton's law of action and reaction. What people could see—the 250-acre campus, over a score of buildings, a sizable endowment fund—was paid for by holding costs down during the booming 1920s and using the savings to invest and build during the depressed 1930s.

Changing times had not created the need for a reversal of policy. History was about to repeat itself,

For many years the students' mail boxes were in Park Manor. Now they are located in Hollister along with other student services.



the economy having entered the second half of the business cycle. Thus, the trustees were currently keeping building and operating costs at a minimum and squirreling away the savings in preparation "for building and investing when the next crash comes."

Regarding the issue of management of the college, Babson pointed out that whereas Dr. Hinckley recommended changing the composition of the Board of Trustees in order to reverse its fiscal policy, the Corporation fully backed the Board and its "Action and Reaction Program." To "mess up the Board" by adding nationally known professionals and businessmen would be "suicidal," Babson said, because the current trustees were following a policy of "storing up every penny now when most professionals and businessmen are bullish . . . to reinvest during the next depression when these same professionals and businessmen will be bearish." To change the Board would be to change a policy with a proven record of success, Babson asserted.

He urged the Babson community to exercise patience regarding the Board and its policy. The Board expected to multiply the endowment several times over and to earn ample funds from its investment policy to pay for the buildings, higher salaries, pensions, scholarships, and other needs. That is why the trustees were opposed to "begging funds" from graduates. Babson shared the Board's confidence. "It is a labor of love with them," he observed, "and if left alone—without any fund raising—they will provide millions for new buildings, more salary raises and pensions." All it would take to bring about this happy state of affairs was another depression.

Addressing the third issue, that of a full-time person in charge of development and fund raising, Babson noted that Dr. Hinckley had never broached the subject with him. However, Babson would support the recommendation and the trustees would be happy to entertain nominations for the position, provided that the "man in charge of Development . . . will not be limited to material development."

It seems that, for Roger Babson, the word "development" as applied to the Institute had a radically different meaning from what it meant to Dr. Hinckley. "Mrs. Babson and I," he remarked, "would be very unhappy if we knew that our time and energy were being used to help our students only materially." Development might very well need a full-time person to be done right, but to Babson, that meant whoever filled the position would have to also help students develop fundamental spiritual values. "I would like to see such a man," he added, "responsible for bringing back our once important Vesper Services and more often emphasizing the importance of Religion, Character, and the fundamentals of life."

Dr. Hinckley said farewell to the Babson community at the same assembly in Knight Auditorium in which Roger Babson's letter was read. He was leaving Babson with deep regret, Hinckley told the audience, but at a time when the Institute was never stronger. It had a solid foundation, steadfast purpose, clear goals, and an international reputation. "I am proud of having [taken] part in its growth in the past decade. I wouldn't swap the experience for $10 million," he said. "I am leaving because it seems to me the only way to underline to those in positions of responsibility the inadequacy of our present administrative pattern."

Dr. Hinckley said that he was leaving Babson Institute without bitterness, but the sentiment was not shared by those he had challenged. His attack on the autocratic system of governance had stirred up considerable rancor at the highest reaches of the college. His letter of intent, dated April 10, 1956, and specifying September 30, 1956, as the effective date of resignation, provided adequate time for all parties to adjust to the transition. The Board, however, accepted his resignation, effective April 16. It seems that, no sooner had Hinckley notified his superiors of his intention and this was communicated to Roger Babson, than the man who just two years earlier topped Roger Babson's list of the Institute's most valuable personnel and who less than a year earlier had been reelected to a three-year term was told to clean out his desk and leave.

However intense the hostility displayed toward Hinckley at the top level of the college, the rest of the Babson community showered him with accolades. There was much in the record of the depart-

ing president to praise. The college had undergone vast change for the better during his tenure. It had activated the baccalaureate program, launched the graduate school, and overhauled and redesigned the business curriculum to meet the demands of the burgeoning postwar business order and the changing needs of students aspiring to careers in business. Furthermore, it had laid the foundations of the liberal arts division, expanded and strengthened the faculty and administration, and set higher standards for faculty and student performance.

Enrollments had climbed by one-third over the decade, despite the departure of the World War II veterans and the precipitous downturn during the Korean War. Major building projects completed during Hinckley's term included the Millea Swimming Pool, Park Manor North, and the Babson Globe. In addition to the Woodland Hill property, the college purchased the home of Mr. and Mrs. Babson on Whiting Road to house the president of the college. Finally, the accreditation from the New England Association and the Ford Foundation award stood proof that the effort to put the Babson Institute on the academic map had succeeded.

President Hinckley may have fallen on the sword of alumni solicitation, but not before he had helped establish the Babson Alumni Association "to weld together students, alumni, and faculty in mutual enterprise." In this, as in so many other matters, he anticipated the future direction of the college.

When Edward Hinckley left Babson, its standing in the academic world was secure, resting on the solid foundation of an accredited undergraduate program and a small but growing graduate school. His colleagues paid tribute to the departing president, noting that under his guidance the Babson Institute "had taken its place in the academic world by way of accreditation, recognition, and reputation." Babson had evolved during the Hinckley years from what was essentially a vocational school into the only private independent accredited college of business administration in the United States.

Hinckley credited the metamorphosis to "the efforts of a great many people building on the foundations laid by Mr. and Mrs. Babson." Indeed, it

The accreditation from the New England Association and the Ford Foundation award stood proof that the effort to put the Babson Institute on the academic map had succeeded.

was the result of a team effort, but it was President Hinckley who had personally hired many members of that team and who had inspired them to join him in a great pioneering venture—building a college that someday would take its place in the forefront of the nation's business colleges. That vision and that mission is part of the Hinckley legacy. Each of his successors has shared that vision, and each has succeeded in moving the college closer to the goal that Dr. Hinckley had bequeathed to them.

In a poignant postscript to the Hinckley story, the *Babson Bulletin* carried an account of his brief visit to the Babson campus in 1981, his first in twenty-five years. "I just wanted to slip onto the campus quietly and look at the renovated map," he explained, when his presence on campus was discovered. He also expressed interest in the church bell that had been hung in the belfry of the former Newton Library during his tenure. "Tell me," he asked, "does it still ring ship's time?" After lunch with President William Dill and a brief reunion with Vice-President of Student Affairs Paul Staake (whom Hinckley had brought in from Kalamazoo to take over as registrar in 1948), Dr. Hinckley left almost as silently as he had come.

He returned once more, in 1987, to attend a reception held in his honor to celebrate his gift to Babson College of a collection of 400 books on sailing. He died one year later, without having visited again the college he had served so well.