



Financial Challenges and Strategies to Combat Them



The Council of
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Meet Your Facilitators



Paul N. Friga, PhD
UNC Chapel Hill and AGB

Paul Friga, PhD, is a prominent strategist in higher education, with over 35 years of experience as a professor, consultant, and researcher. As a senior consultant with the Association of Governing Boards of Universities and Colleges (AGB) and a clinical **professor at UNC's Kenan-Flagler Business School**, Friga focuses on strategic planning, mergers, and financial resource optimization for higher education institutions. His prior consulting roles at PwC and McKinsey have shaped his approach to addressing complex financial and operational challenges in academia, making him a trusted advisor to university boards and leadership teams.

In addition to his consulting work, Friga is a prolific author and researcher, with two best-selling books on team problem-solving and numerous articles in *The Chronicle of Higher Education* and *Inside Higher Ed*. He co-founded ABC Insights, a benchmarking initiative now part of HelioCampus, to drive efficiency in universities. Friga also brings strong governance experience, serving as a trustee at Saint Francis University and on the boards of the Rams Club and Carolina Alumni Association at UNC Chapel Hill. His work continues to shape the financial and strategic landscape of higher education, guiding institutions toward long-term success.



Michael Creed Maxey
Past President, Roanoke College

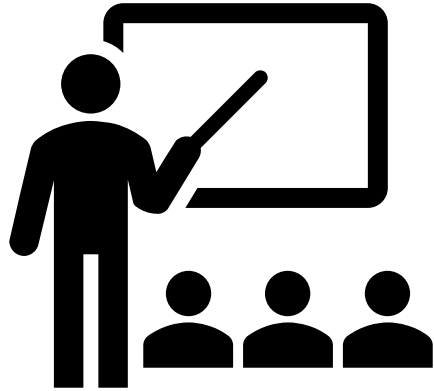
Mike has worked for 40 years in higher education leadership roles including advancement, enrollment management, student and academic affairs, planning, and marketing. He completed fifteen years of service as president of Roanoke College in 2022 and currently serves as an Academic Search senior executive coach. He served on the Board of Directors for CIC filling the role of board chair for 6 months prior to his retirement from the presidency.

He is a current member of the Augsburg University Board of Regents and the Educational and Institutional Insurance Administrators Board of Directors. His undergraduate and initial graduate study was at Wake Forest University in history and counseling, respectively. He later earned an advanced graduate degree in counseling at the University of New Hampshire. He has consulted with many colleges in the areas of advancement, board relations, enrollment management, and strategic planning. He is a passionate believer in independent higher educational institutions and their transformational impact on students and society.

Introduction and Warm-up

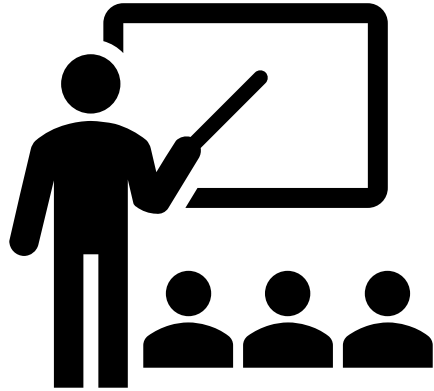
- What's on your mind?
- Why did you come here?
- What kinds of questions do you hope to have answered?

Today's Agenda



1. Symptoms and Origins of Structural Deficits
2. Cost Control
3. Solution Support
4. Revenue Generation
5. Campus Applications

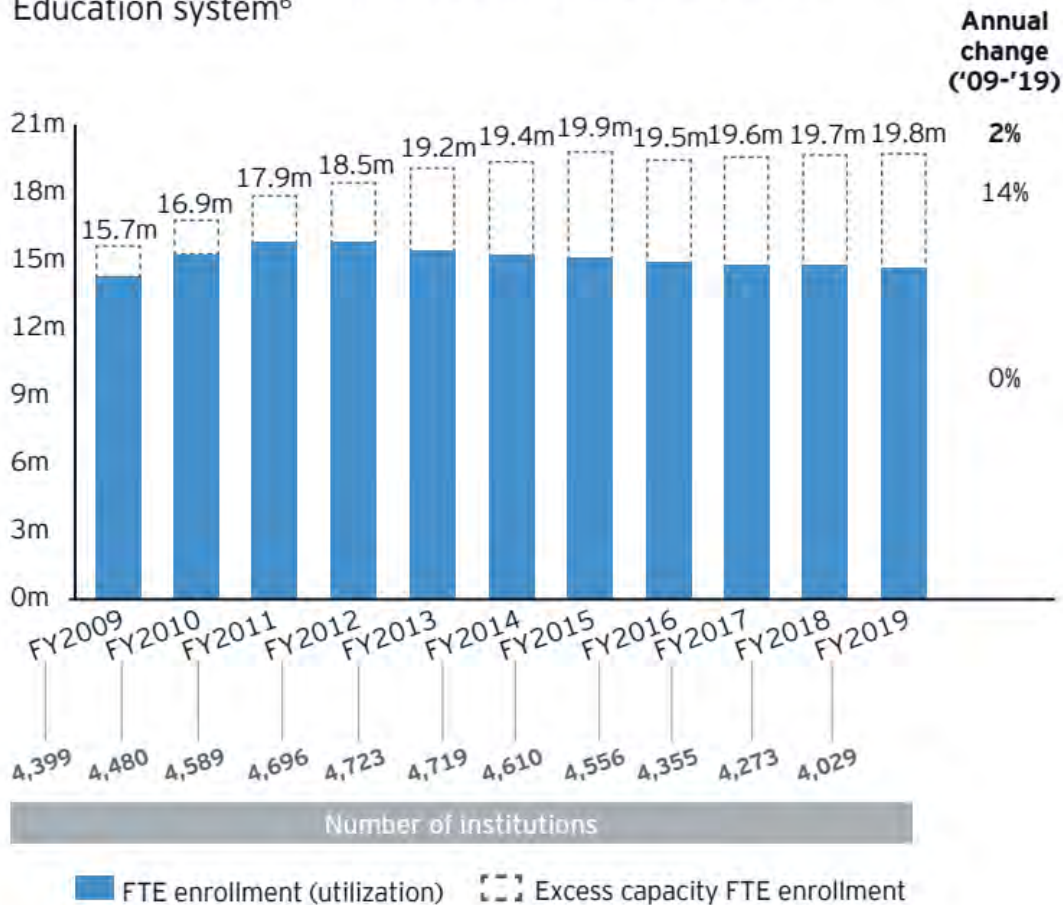
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Our Starting Point Is An Over-supply Of Higher Education

Figure 2. Excess and utilized capacity in the US Higher Education system⁶



Capacity growth of 26% dwarfs enrollment growth of 3% (FY2009–FY2019)

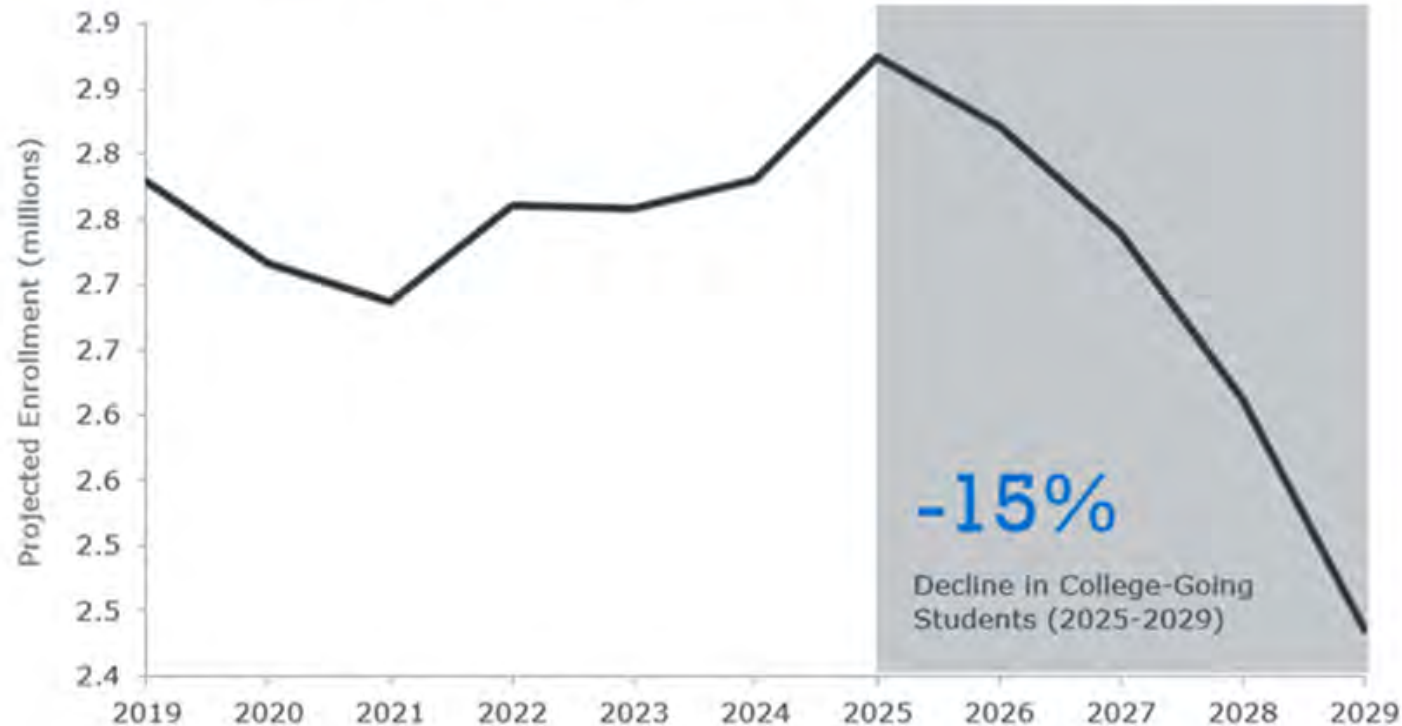
75% usage implies excess capacity of 3 million to 5 million seats

The cost of excess capacity could be as high as \$50 billion annually

Declining #S Of High School Graduates And Fewer Enrollments Are Causing Financial Pressure

Enrollment Projected to Drop Sharply After 2025

Forecasted Number of College-Going Students in the U.S. (millions), by Year of High School Graduation



Update on Recent Enrollments:

Undergraduate enrollment remains 15% below 2010 levels, the most recent headcount peak. Analysts expect enrollment to continue shrinking because of a strong labor market and the resumption of student loan payments.

Enrollment has recently declined at all levels, with the steepest declines in the undergraduate sector. Here, enrollments have fallen year-over-year for the past two years, **-4.9% in spring 2021**, **-4.7% in spring 2022**, and another **-0.2% in spring 2023**.

In spring 2024, undergraduate enrollment in the United States **increased by 2.5%** compared to spring 2023, adding approximately 359,000 students. This growth was primarily driven by **community colleges, which saw a 4.7% rise in enrollment**, accounting for over half of the overall increase.

Graduate-level enrollments have been more resilient throughout the pandemic. They decreased by only -0.1% in spring 2020, grew by 4.6% in spring 2021, declined -0.8% in spring 2022, and declined again by -2.2% in spring 2023, +3 % in spring 2024..

Small (<5K) And Mid-sized (5-15K) Institutions Are At Most Risk

“One deep” on all functional areas of the organization, limiting the ability to successfully execute

Many outdated and “out-of-market” operating policies and procedures

Lack 7x24 digital student acquisition systems, resources, and organizational depth

Outdated technology and limited tech resources

Quality of earnings – prosperity gap that requires major long-term revenue growth

Concentrated revenue positions in declining markets

Underpay employees, making it difficult to retain top talent

Attempt to use “tactical funds” for strategic initiatives

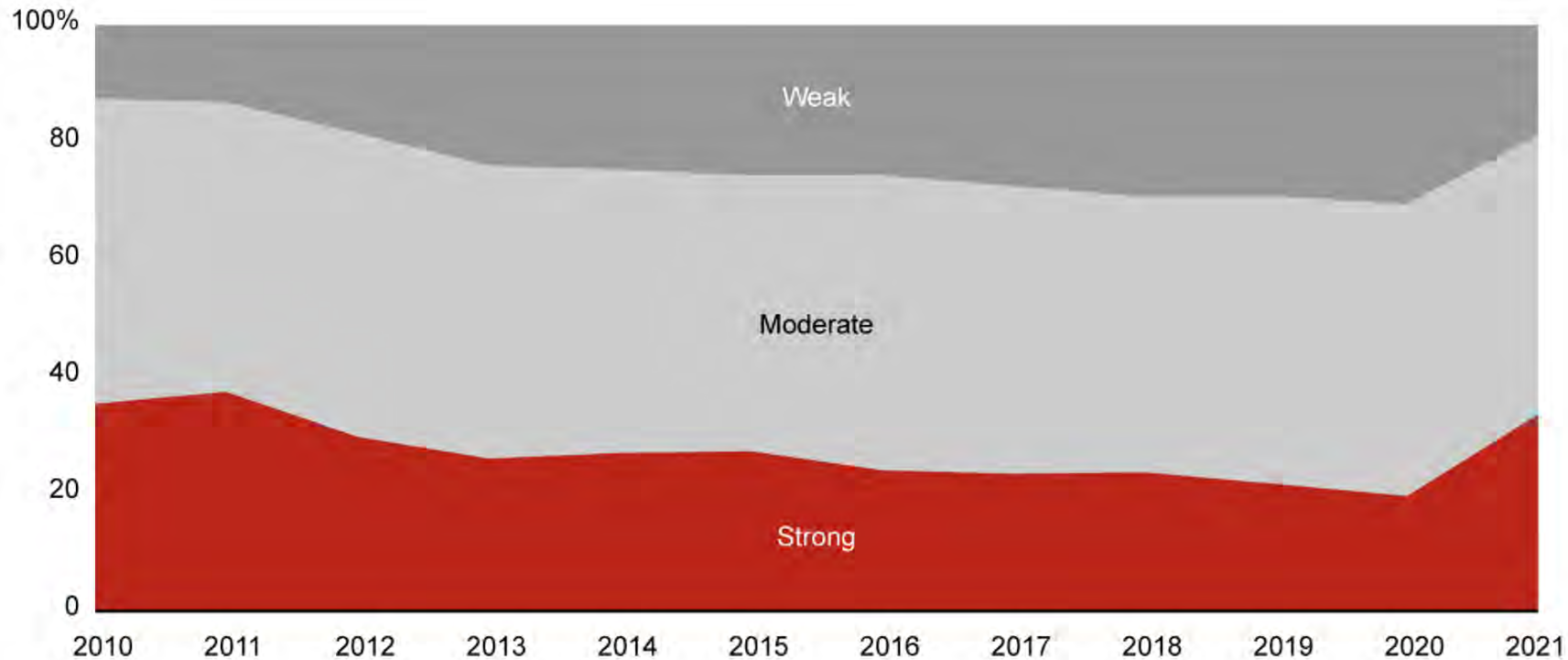
***Summary of 62 - Small and Mid-Sized Institutions
From 2017 to 2022 (Common Themes)**

Growth initiatives & ambitions are too small and even if successful will not bridge their prosperity gap



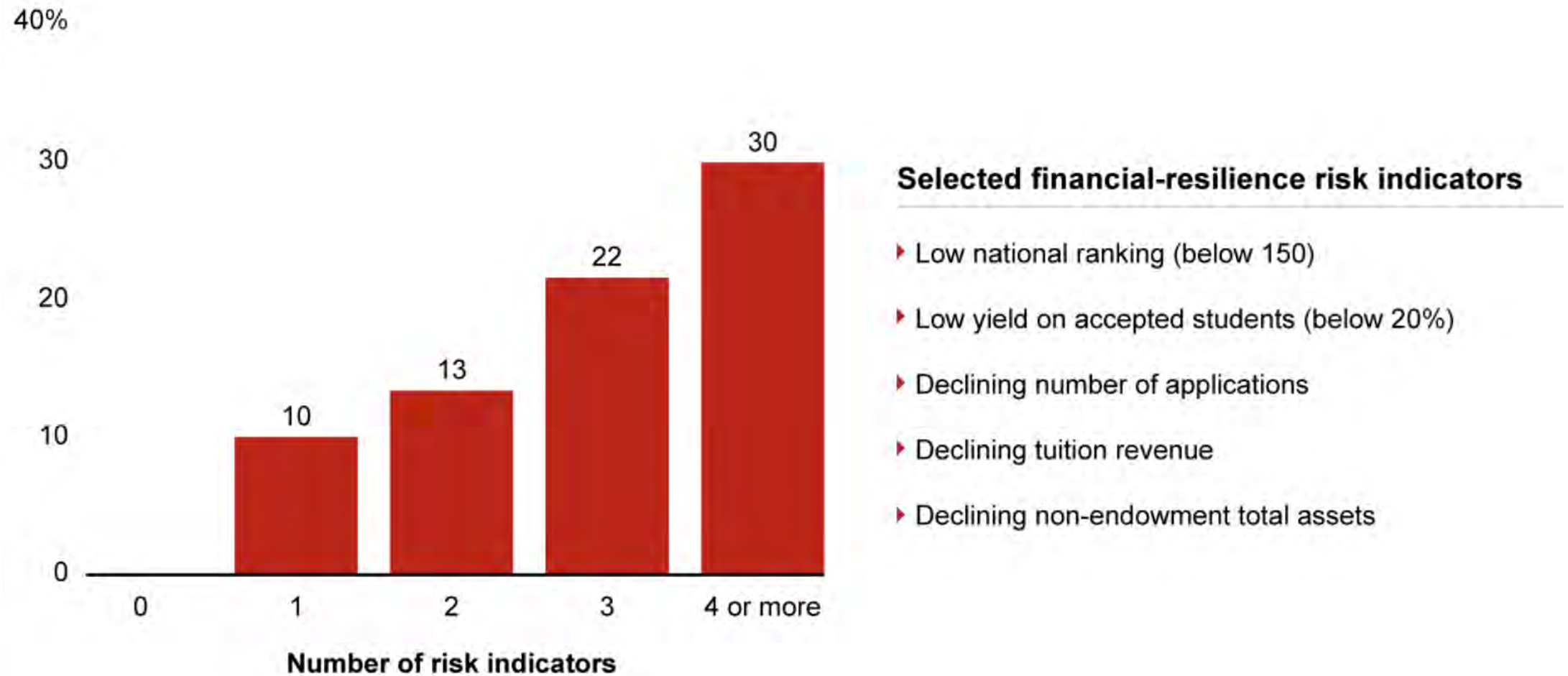
The Majority Of Universities And Colleges Are In A Weak To Moderate Financial Position

The annual composite score measures a university's resiliency based on three equally weighted metrics: **primary reserve ratio**, **net margin**, and **three-year enrollment growth**



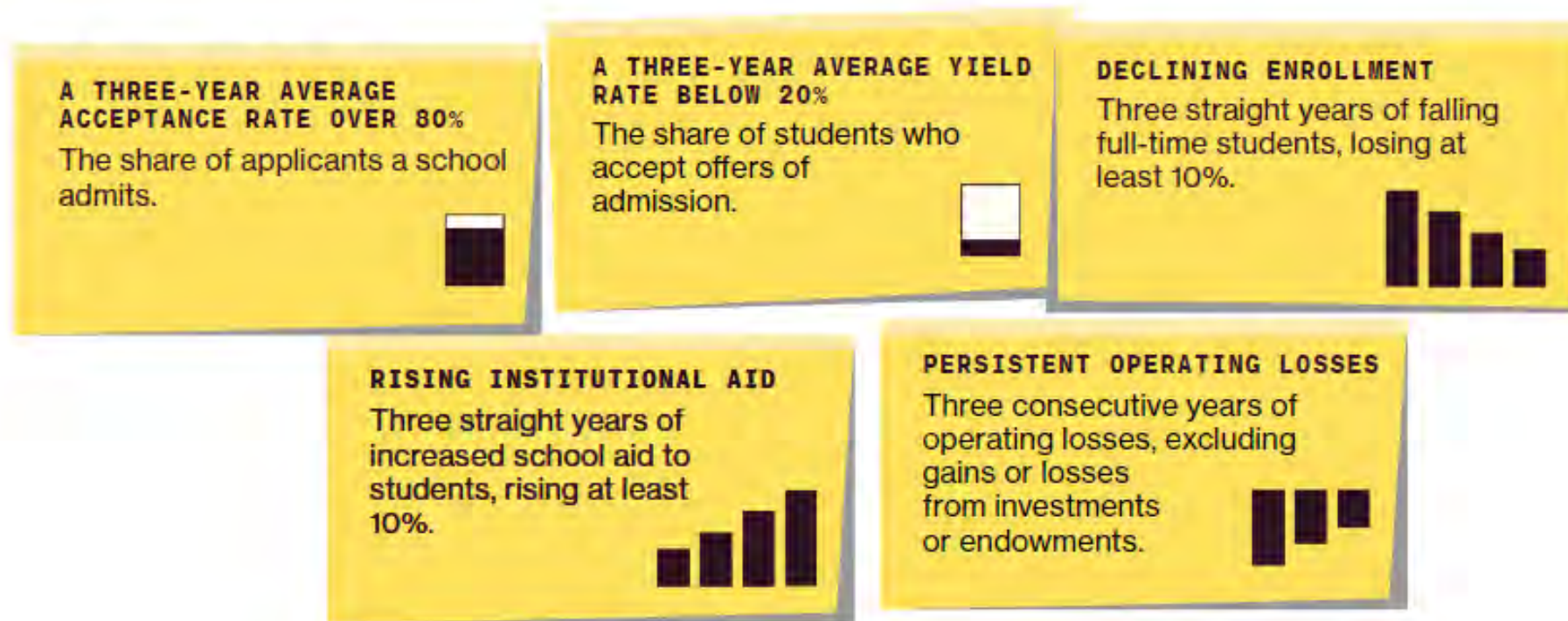
Temporary uptick due to significant federal support and strong endowment returns (not likely to be sustainable).

The More Risk Indicators, The Higher Risk Of Challenges With Financial Resiliency

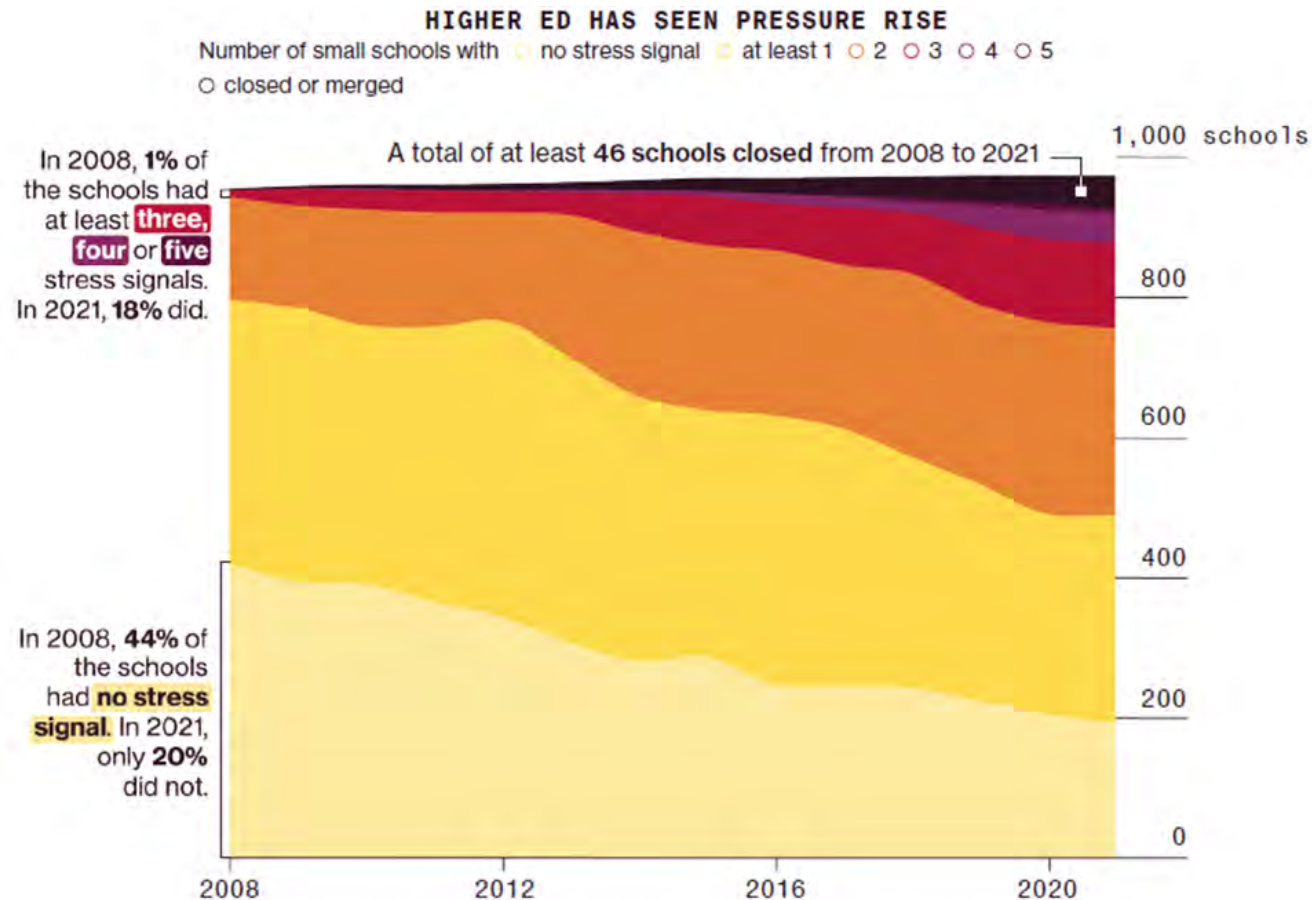


Bloomberg News identifies ~170 small, nonprofit colleges and universities in danger zone

Meeting 3 or more of the 5 metrics below



The financial stress in this sector continues to rise

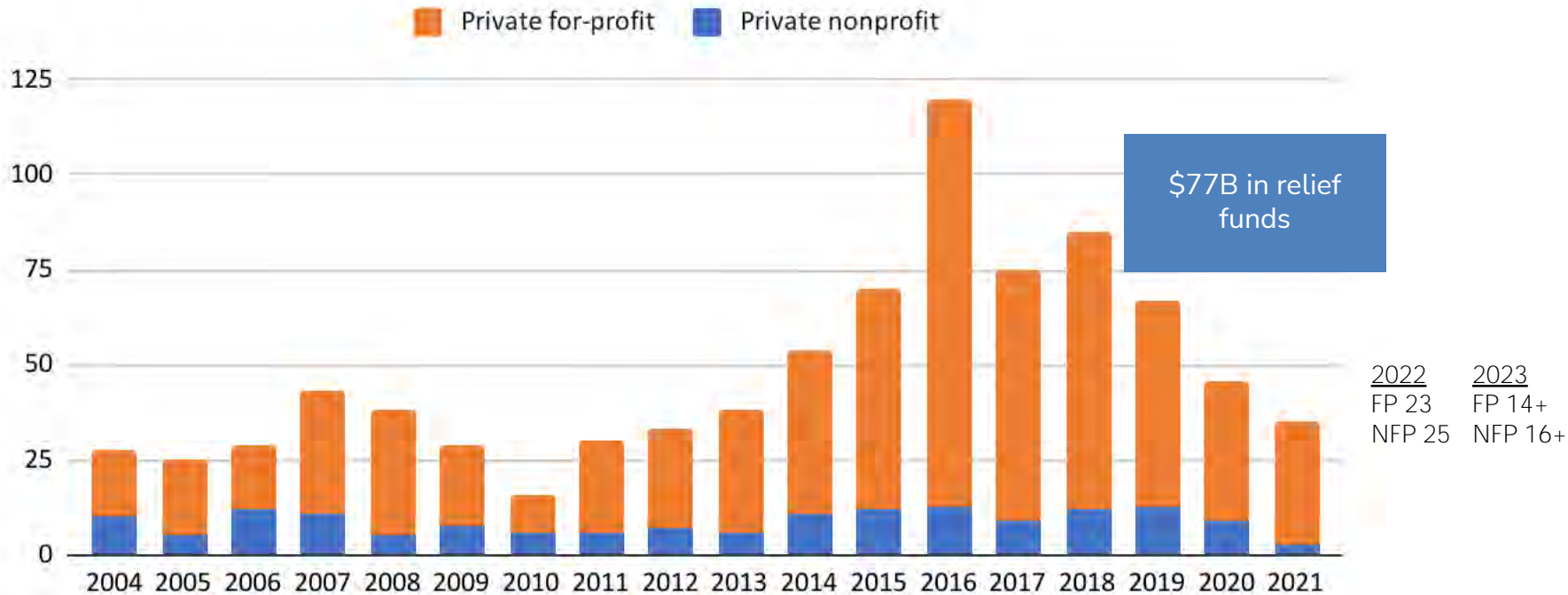


Note: Closures and mergers reflect instances of closure, merger or suspension of operations in the period from 2008 to 2021. Some merged schools still reported students.
Sources: Bloomberg analysis of 973 small, nonprofit four-year colleges; National Center for Education Statistics.

The Rise In Closures Between 2015 And 2019 May Be On The Decline Due To Federal Relief Funds But Are On The Rise

College closures

861 colleges and universities have ceased operations since 2004



Data source: SHEEO analysis of PEPS database at U.S. Department of Education

- 300 colleges have closed since 2000, according to EY-Parthenon. **80% had fewer than 1000 students.**
- 861 colleges and 9,499 campuses have closed since 2004
- Fitch Ratings issued a deteriorating outlook for U.S. colleges and universities in 2024, citing high labor and wage costs, elevated interest rates and uneven enrollment gains across the sector.

data from the National Center for Education Statistics indicated that the number of Title IV institutions—those eligible for federal financial aid—decreased by approximately 2 percent from 5,918 in the 2022–23 academic year to 5,819 in 2023–24, reflecting a net loss of 99 colleges and universities.



Expert guidance, proven solutions.

Source: The Chronicle of Higher Education, Lee Gardner, 2023; Hechinger Report 2022; NASFAA.org; Hechinger Report; Inside Higher Ed, Higher Ed Dive



Structural Deficits are Becoming Commonplace

College Name	Location	Enrollment Size	Reported Deficit	Strategic Initiatives
Christian Brothers University	Memphis, Tennessee	~1,800 students	\$5–7 million	Declared financial exigency; planning \$4 million in budget cuts. <small>INSIDE HIGHER ED</small>
Delta State University	Cleveland, Mississippi	~2,700 students	\$11 million	Considering job eliminations and salary cuts; addressing a 48% enrollment decline over 15 years. <small>AP NEWS</small>
Lane Community College	Eugene, Oregon	~7,000 students	\$3.8 million	Proposed budget cuts delayed for further review; addressing lower-than-expected fall enrollment. <small>INSIDE HIGHER ED</small>
Shepherd University	Shepherdstown, West Virginia	~3,200 students	\$6 million	Identified \$3.8 million in cuts, including staff and faculty positions; planning to close a regional campus. <small>INSIDE HIGHER ED</small>
Albion College	Albion, Michigan	~1,500 students	Not specified	Developed a three-year plan to eliminate the deficit; addressing violations of municipal debt covenants. <small>BLOOMBERG</small>



College Name	Location	Enrollment Size	Reported Deficit	Strategic Initiatives
St. Norbert College	De Pere, Wisconsin	~2,000 students	Not specified	Implementing cost-cutting measures; addressing financial challenges due to enrollment pressures. <small>INSIDE HIGHER ED</small>
Miami University	Oxford, Ohio	~19,000 students	Not specified	Planning budget cuts; addressing financial challenges due to enrollment pressures. <small>INSIDE HIGHER ED</small>
Alderson Broaddus University	Philippi, West Virginia	~625 students	\$10–50 million	Filed for Chapter 7 bankruptcy; ceased operations and transferred student records to another institution. <small>AP NEWS</small>
Bay State College	Boston, Massachusetts	~215 students	Not specified	Closed permanently; faced financial challenges and loss of accreditation. <small>WIKIPEDIA</small>
The King's College	New York City, New York	~300 students	Not specified	Suspended classes; lost accreditation and faced significant financial difficulties. <small>WIKIPEDIA</small>



Cooperation Could Also Be Key For Survival

- A macro trend is forming that will see multiple institutions join or create Private System Affiliation (PSA) supporting organizations and Course Sharing.
- Private institutions will have an opportunity to access a significant depth of resources to grow their revenue and transition their business model.
- **Clayton Christenson's prediction: "by 2028, a quarter of universities in the US could go bankrupt, merge, restructure or close" – not likely to happen at that pace but still coming**



National
University
System



7rize



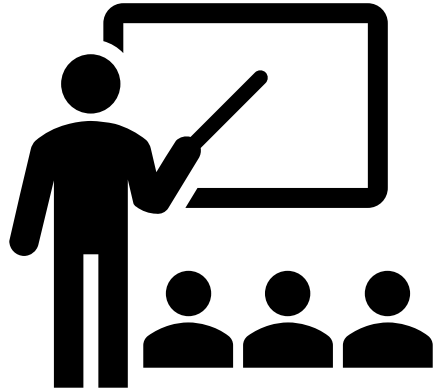
The Council of
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Over the next five years, private system affiliation models and course sharing will increase.



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“Quality Of Earnings” Analysis – Quantifying The Prosperity Gap



There are hundreds of institutions with poor quality of earnings.

Calculate the total cumulative expenses not allocated in the current operating budget. The output of this calculation will identify the incremental “operating margin” required for long term success. This can be translated into the required revenue growth to fulfill the institutional prosperity gap

- Financial Gaps

- Cash flow requirements to service, debt, fund depreciation, building cash reserves

- Operational Gaps

- Salary gap to attract and retain talented employees
- Head count deficiencies
- Student support services, coaching mentoring, tutoring, career advising, job placement
- Student acquisition (marketing and enrollment)
- Employee training, research, mission and diversity
- Technology – CMR, LMS, ERP, SIS
- Program development investment (R&D), Scholarly Research

- Infrastructure Gaps

- Plant and Equipment
- Maintenance, replacement fund

Analysis should be completed through the lens of being your best self



Expert guidance, proven solutions.

Source: AGB's Trusteeship Magazine

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Expenses Continue To Grow And Now Exceed Revenues On Average

Balance Sheets

Average equity ratios have declined by

8 percentage points

34% of universities saw equity ratios drop more than **5%**

Income Statements

Average expense ratios have increased by

10 percentage points

56% of universities saw expense ratios increase by more than **5%**



Consider A Wide Range Of Potential Strategic Actions

Optimize Administrative Spend

Assess level of investment vs strategy

- Consolidate Purchasing
- Cut Staff
- Re-engineer Processes
- Outsource
- Centralize/Shared Services
- Modernize Technologies
- Merge Multiple Locations
- Increase Spans of Control
- Decrease Energy Use

Increase Academic Program Returns

Rationalize academic offerings based upon demand

- Sunset Programs
- Grow Existing Programs
- Launch New Programs
- Increase Teaching Loads
- Hire More PT Faculty
- Hire More NTT Faculty
- Freeze New Faculty Hires
- Decrease # of Faculty
- Increase Student Retention

Our Special Guests



Alison Morrison-Shetlar
University of Lynchburg

Higher Education servant leader with the passion and the skills to develop educational environments that support all stakeholders reaching their maximum potential. My expertise in Higher Education Leadership, Economic Development and Workforce Talent Innovation have afforded me the opportunity to transform lives, be an agent of change and positively impact my communities. Some of the accomplishments of which I am most proud:

- Public speaker and thought leader in Higher Education
- Led the establishment of an Office of Diversity and Inclusion and hired the first Chief Diversity Officer
- Developed and implemented the Women in Leadership Academy for faculty and staff
- Led the formation of the Workforce Talent Development series (54 workshops, micro credentials, certifications)
- Work closely with community thought leaders in regional and statewide economic development and hired the Exec. Dir. of Economic Engagement and Innovation
- Revitalized the WCU Cherokee Center, hired the Director of the Center and significantly increased collaboration with the Eastern Band of Cherokee Indians
- Created two Lifelong Learning Communities (LIFE@Elon and LIFE@WesternCarolina) for community members over the age of 50



Chuck Ambrose
Husch Blackwell

Chuck Ambrose is a highly regarded higher education consultant and former university president, recognized for his extensive experience in leading institutions through transformative growth and innovation. With a career spanning over three decades, Ambrose has served as president of institutions such as Pfeiffer University, the University of Central Missouri, and KnowledgeWorks, where he developed and implemented strategic initiatives to improve student access, affordability, and career readiness. His expertise includes driving organizational change, enhancing educational outcomes, and cultivating public-private partnerships that enrich student opportunities and institutional **sustainability**. Ambrose's work in higher education is marked by his commitment to student-centered learning and creating pathways for underserved populations. As a consultant, he collaborates with colleges and universities to craft strategies that address challenges in enrollment, financial stability, and academic relevance. His holistic approach considers both the evolving needs of students and the sustainability of institutions, making him a sought-after advisor in higher education.

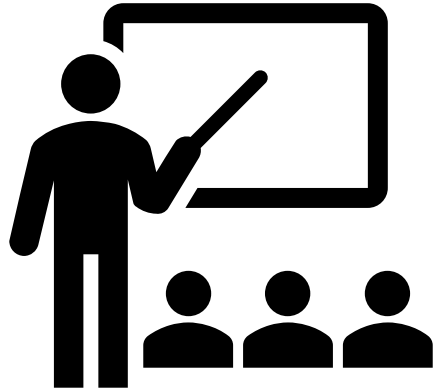


Roslyn Clark Artis
Benedict College

BA, JD, EdD – Roslyn Clark Artis is the 14th president of Benedict College and the first woman to hold the position. She holds the additional distinction of being the first female president of Florida Memorial University. She is also educational advisor to the U.S. Secretary of Homeland Security, serves on the board of directors of the United Negro College Fund and the Council of Independent Colleges, and serves as co-chair for the United Way of the Midlands Campaign.



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Kamalika Sandell
Core Education

Currently President of Core Education PBC, Kamalika Sandell has a combination of executive experience in business and higher education. As CIO/CTO at New Jersey Institute of Technology and a technology and innovation leader at American University, she held direct P&L responsibilities from \$20M-\$200M spanning startups, mid-size, and global enterprises. Kamalika has vast experience in creating and executing digital strategies, transforming processes, and influencing policies and organizational change. She has built organizations from the ground up, led divisions through multiple rounds of modernization, and championed an organizational culture of learning and innovation. Kamalika held senior positions at Capital One where she was responsible for the implementation and oversight of 23 acquisitions.

Kamalika is a BCSE in Computer Science & Engineering graduate from Jadavpur University and completed a Master of Science in Organization Development at American University.



Steve Probst
Gray Decision Intelligence

Executive and management consultant with deep experience in higher education, bridging the perspectives of faculty, administrators, trustees, and other stakeholders. Work with colleges and universities to assess current and identify new academic programs, evaluate potential new geographic markets and campus locations, improve curricular efficiency, and address other strategic, enrollment, and financial challenges. Use distinctive skills in creating, interpreting, and helping decision-makers use data about student demand, employment outcomes, competition and trends at other institutions, and instructional economics to reach a shared understanding of their situation and agree on important decisions.

Before joining Gray Decision Intelligence, I consulted in the motor vehicle and transportation industries, and on supply chain management strategy in other industries. This work included engagements in Europe and Asia as well as North America, and it included related work as an interim executive at client companies and in management education.

Specialties: Overall strategy development, communication, and implementation; higher-education program and campus portfolio management and curricular efficiency improvement; "Moneyball"-style operations improvement



Expert guidance, proven solutions.





Curricular Efficiency

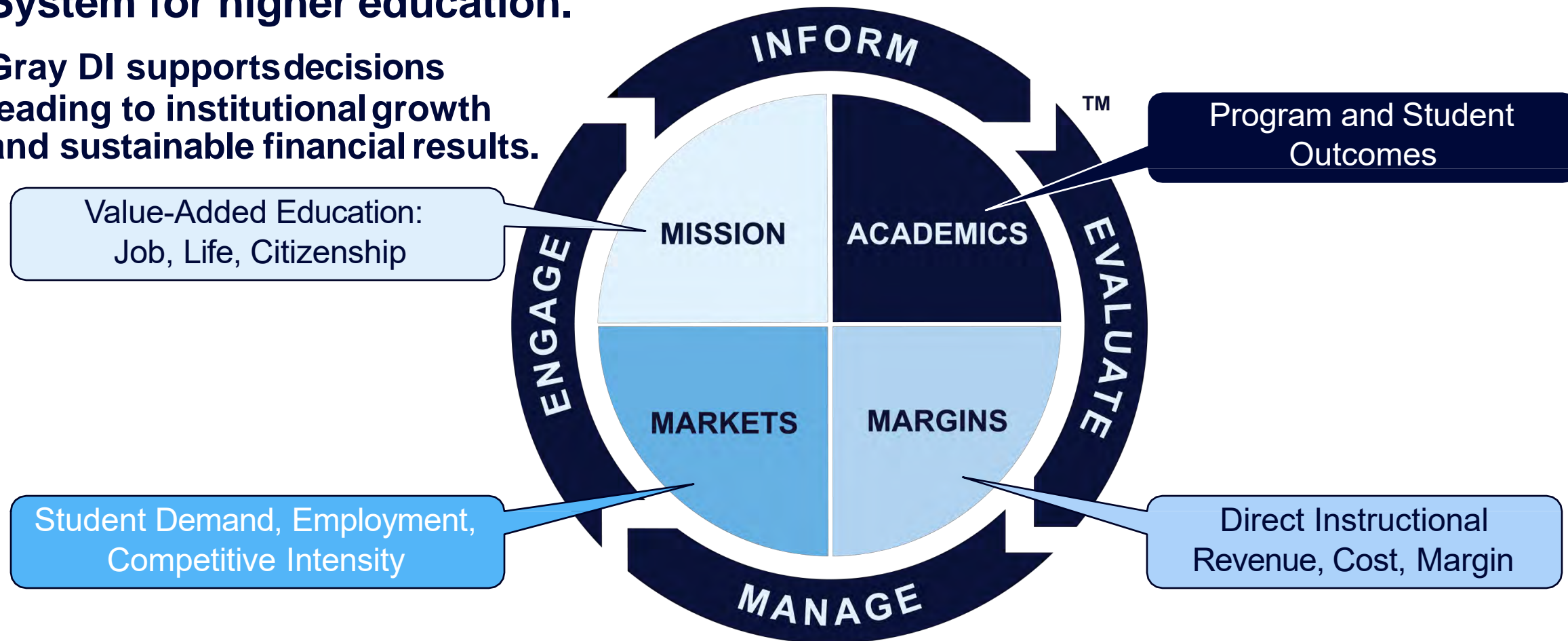
Presentation for CIC Presidents' Conference

January 7, 2025



Gray Decision Intelligence provides the only complete Program Evaluation System for higher education.

Gray DI supports decisions leading to institutional growth and sustainable financial results.

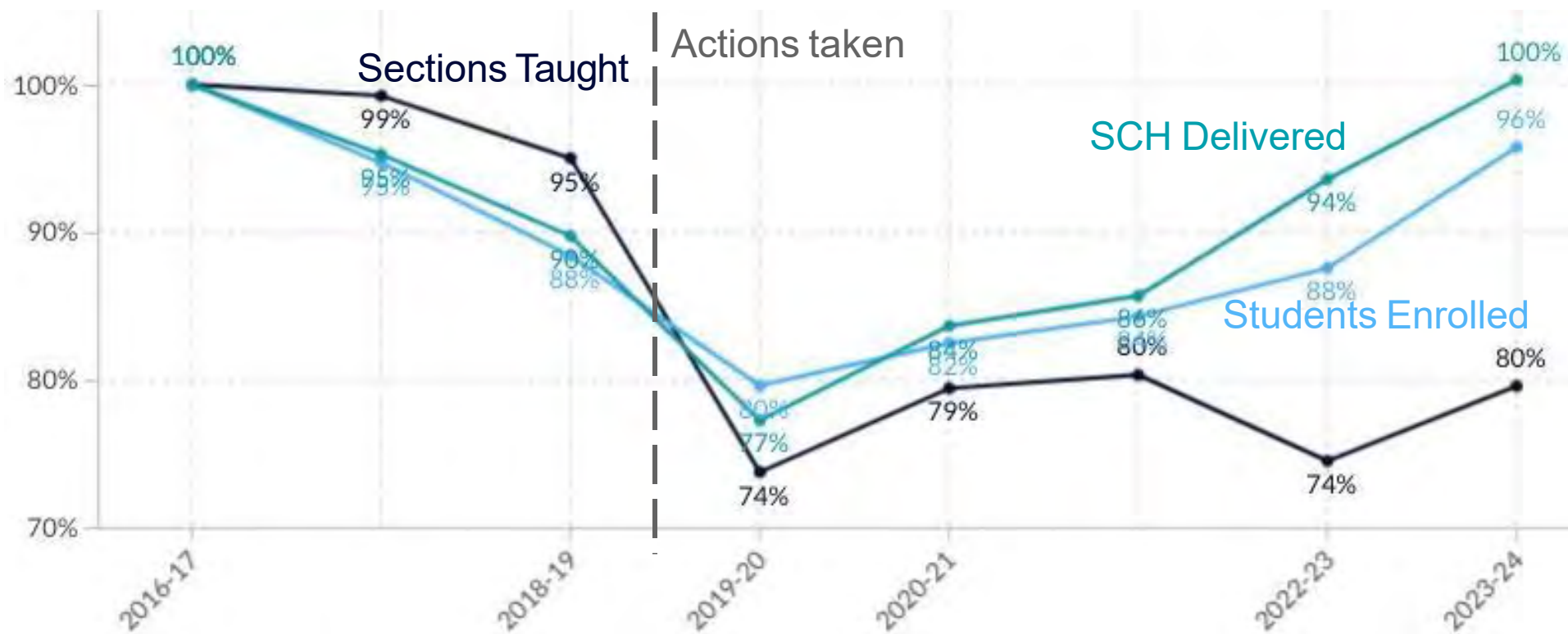




Actual Results for a Private Comprehensive College

This institution brought its instructional costs into alignment with its tuition revenue.

- Substantial cost reduction
- Data-informed decisions
- No “Financial Exigency”
- No headlines in local press
- No vote of no confidence
- Moved onto a sustainable path





Policy Decisions

Average SCH
per Student
per Section

Mix of Full-Time,
Overload, and
Adjunct Classes

Compensation
Levels

Teaching Share
of Full-Time
Compensation

Average
Teaching
Load

Recurring Decisions

Curricular Plans and
Course Schedule

Costs per Section for Full-Time, Overload, and
Adjunct Classes

Average Class Size

Weighted Average Cost per Section

Direct Instructional Cost per Student Credit Hour



Big Lessons Learned in Helping Colleges Improve Curricular Efficiency

- Small programs rarely indicate large cost-cutting opportunities.
- Look at margins, not just costs.
- For savings, start by looking at courses and departments, not programs.
- If you don't know whose paychecks your savings are coming out of, you have not identified real savings.
- The least painful savings come from not hiring people in the first place.
- The easiest savings (adjuncts, overload) raise the average cost per SCH.
- The faculty handbook is not a suicide pact.
- Savings can be used to “prime the pump” for growth initiatives.



Where Are Your Hidden Instructional Costs?

- Student attrition
- DFW rates
- Duplicative or unnecessary classes – particularly Gen Eds
- Courses with high workload units for faculty but low credit hours for students
- Excessive release time and unassigned time



Potential Actions to Strengthen College Finances

- Program launch and growth
- Increasing student retention
- Program pruning – but be careful, because most programs are contribution-positive
- Actively managing curricular efficiency
 - Managing the size of the full-time faculty
 - Managing the breadth and redundancy of course offerings
 - Setting reasonable (and internally consistent) policies for loads, releases, and course credit values



Thank you.

Steve Probst

SVP for Customer Success and Data Integrity

steve.probst@graydi.us



Future Proofing Institutions: The Business Model Transformation Playbook

January 2025



Core Education is a mission-critical **strategic partner** to colleges and universities.

We are a Public Benefit Corporation with a mission **to transform the business model of higher education**. We create a culture of prosperity for our institutional partners.

We leverage economies of scale to achieve operational effectiveness, technology efficiency, and market expansion. We accomplish this through a **comprehensive set of supporting services**.

52

Institutional
Engagements

\$3.3B

Combined System
Budget

Cost Recovery Financial Model

Allowing institutional partners to enjoy
stronger financial returns from services

As a strategic partner, Core provides comprehensive supporting services as part of our mission to transform the business model of higher education

Institutional Operations and Capital Strategy Solutions

- ✓ Capital Strategies
- ✓ M&A Strategies, Pre and Post Transaction Implementation – Total Life Cycle Support
- ✓ Real Estate Strategies
- ✓ Venture Philanthropy and Advancement
- ✓ Finance, Treasury, Non-Banking Solutions
- ✓ Campus Operations and Cost Optimization
- ✓ Academic Programming and Content

Technology and Digital Solutions

- ✓ Integrated Technology Team
- ✓ Stabilization and Modernization
- ✓ Becoming a digital campus
- ✓ Enterprise System Support (SIS, ERP); Workday, Ellucian, Jenzabar,
- ✓ Campus / Network Operations
- ✓ Business Intelligence
- ✓ Institutional Research

Revenue Solutions

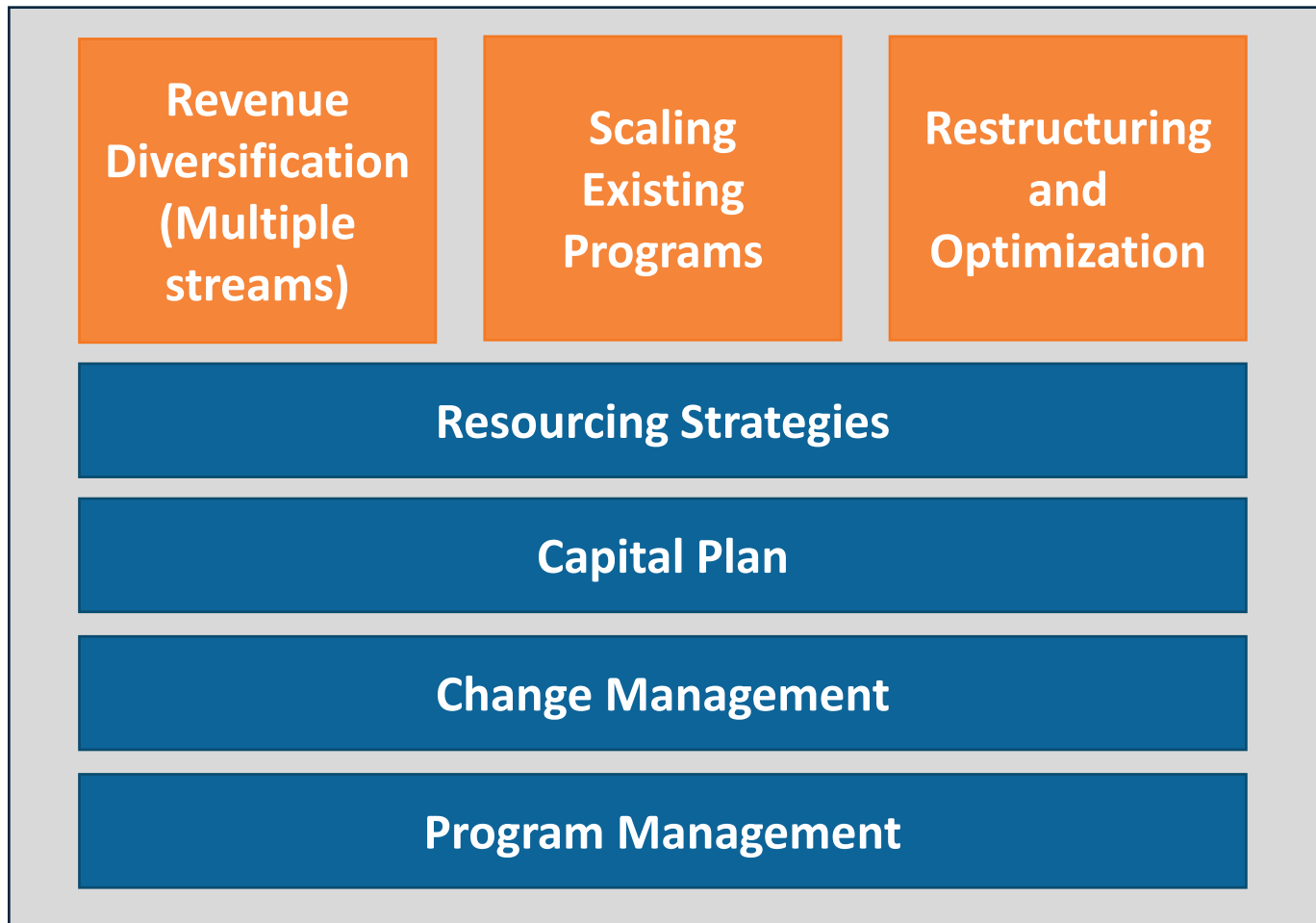
- ✓ Revenue diversification solutions
- ✓ Workforce/ Professional Development Platform
- ✓ Admissions support: Campus, Online
- ✓ Marketing/Lead Generation
- ✓ Student success and Retention
- ✓ Business-to-Business) Corporate Partnerships
- ✓ Enrollment yield management

Active Program Management

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education

Horizontal Integration of Solutions

Persistent systemic challenges have created a Prosperity Gap within institutions, necessitating comprehensive, multi-faceted, and non-linear strategies to reshape the business model

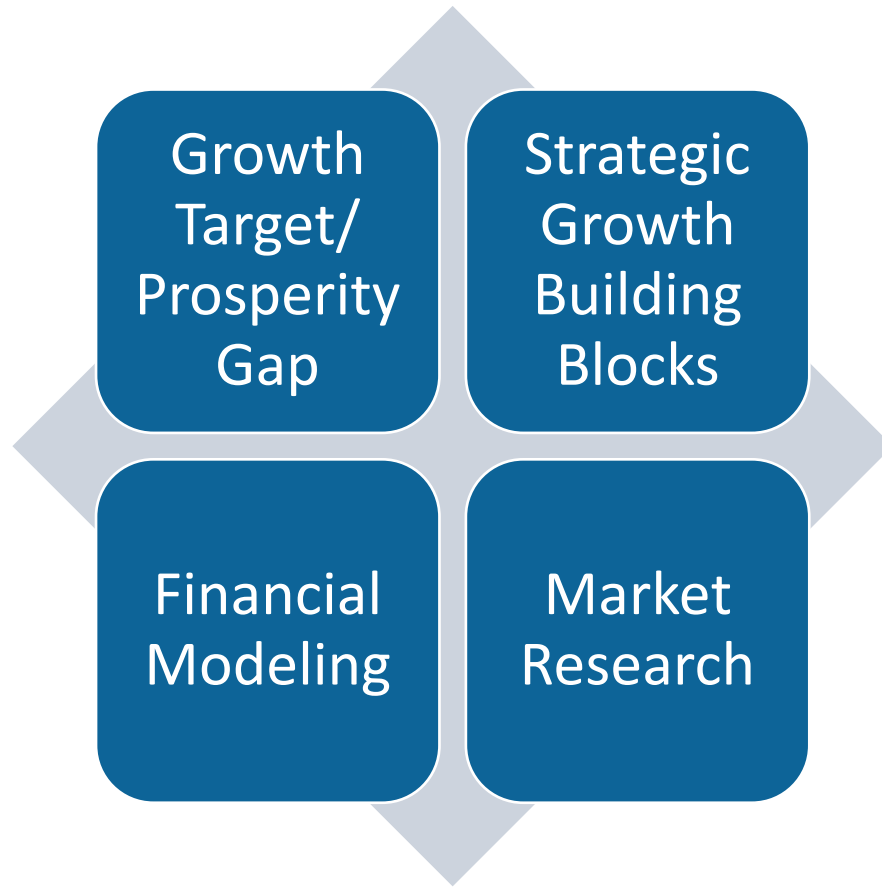


A growth plan that emphasizes

- **Diversification**
- **Margin expansion**
- **Internal Investment**

Revenue initiatives focus on growth while operating rhythms and cost optimization (not cutting) focuses on efficiency - together they can transform the business model

Prosperity Pathway and Growth Plan: Four Fundamental Design Principles



Prosperity Pathway

- Comprehensive operating plan
- Supporting resources executes with you
- ROI as the north star
- Lowering implementation risks

Growth Target: Starting with the “Prosperity Gap”

Too many institutions achieve a balanced budget through continued underinvestment in areas critical to their future, including:

- New program development
- Student outcomes: mentoring, coaching, tutoring
- Paying market rates to attract and retain employees
- Technology and employee training
- Marketing, Student Acquisition
- Mission, diversity and equity initiatives
- Academic and student support services
- Fully funding depreciation and equipment replacement
- Structural deficits



Continued underinvestment over a long period of time erodes the competitive position of an institution

Strategic Growth Vectors (Examples)

New Market Expansion

- Workforce Development Certificates
- Corporate Market Business-to-Business

Online Degree Programs

- Graduate
- Undergraduate

Existing Program Expansion

- Yield Improvement
- Transfer students
- Co-Curricular Target Areas
- Athletics
- Fine and Performing Arts
- Hispanic Market
- International students

Academic Margin Improvement

Administrative Spend Optimization + Digital

New Partnerships, Real Estate, MAP, Strategic Finance, Venture Philanthropy

Cumulative impact of the growth vectors must be large enough to impact the Growth Target

Growth capacity and operational capacity is analyzed to develop
Operational Growth Levers and Future Growth Anchors

Prosperity Pathway and Growth Plan Development Process

1. **Revenue Analysis** – Revenue concentration, revenue cycles, revenue segments requiring scaling
2. **Direct Margin Analysis** – Academic expense ratio, central nervous system of a financial model; determines direct margins available for operating expenses
3. **Prosperity Gap** – Quality of earnings, sets context on journey, areas of underinvestment; Quantifiable number in \$M of annual margin requirement
4. **Strategic growth building blocks** – Three to five big growth areas that in aggregate will exceed the prosperity gap; programming, market segments, scaling existing revenue segments, fulfilling capacity
5. **Operating Model** – Implementation plan, internal barriers to success, operating rhythms and policies, timelines, milestones, organizational
6. **Financial model** – Range of possible outcomes over one, three and five years; the capital requirement, ROI, the reinvestment modeling, short-medium and long-term range of results
7. **Capital Strategy** – Money follows great plans; board needs to own capital strategy along with the president; venture philanthropy; including the base case for financial support of the operating plan

The Strategic Operating Partner Model:

A partnership focused on growth execution



Takeaways

Invest in building a growth plan that supports the institution's broader strategy

President has a key role to play along with board and cabinet

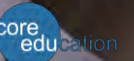
Revenue and ROI are the north star with mission as the anchor

Plan is the starting point but execution makes the difference; Good plans die with bad execution

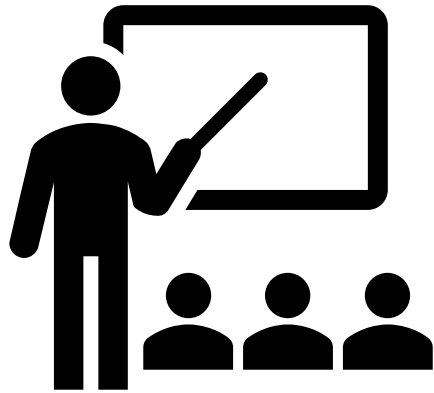


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Generating and Diversifying Revenue

Steps	Actions
1	Research what the marketplace wants, needs, will pay for, and your competition for those markets
2	Consider academic, co- and extra-curricular, existing assets, and non-correlating revenue stream potential
3	Connect your resources and capabilities to your marketplace review
4	Socialize the results and rationale of your research on campus including what is compatible with your mission and reputation
5	Once a decision is made, include a marketing and recruiting plan as part of your business plan
6	Implement your programming to generate and diversify revenue
7	Evaluate and make course corrections
8	No one gets it right 100% of the time, so be ready to halt failed initiatives

Best Practices: Diversifying and Generating Revenue

Academic Revenue



- Tuition remains one of the largest sources of revenue for institutions
- Boosting enrollment through offering new in-demand programming (such as Data Analytics or Cybersecurity) or alternative programming such as degree completion opportunities or local community college pathways
- Professional training offerings both on-site with local business partners or online through micro-credentials or continuing education offerings
- In-house online programming expansions to better meet a growing student demand

Partnership Revenue



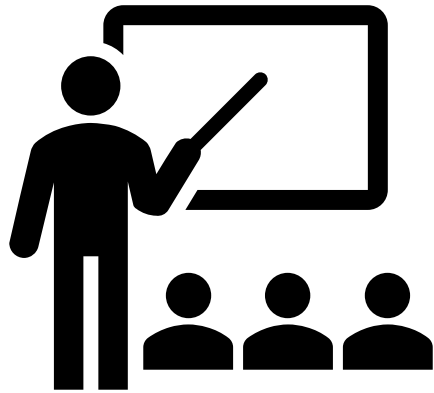
- Partnerships with local businesses or even other academic can help boost revenue
- Options for new Partnership revenue include:
 - Building contracts and leasing
 - Partnerships for long-term space usage, such as hotels or even for temporary usage, such as with Airbnb
 - Polling centers and other partnerships can help provide income and allow for student engagement and development opportunities
 - Retirement communities can provide revenue not only through the partnership but also through senior course programs

Auxiliary and Facilities Revenue



- Many institutions look to auxiliary service partnerships and creative usage of facilities to boost revenue
 - Cellphone towers and other utilities such as windmills
 - Working partnerships and flex-space agreements for local businesses to use on-campus space as partial office space
 - Long-term contracts for the rights to provide campus dining services or parking services for either an upfront fee (to invest) or a revenue-sharing agreement

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An Approach To Transforming Your Institution



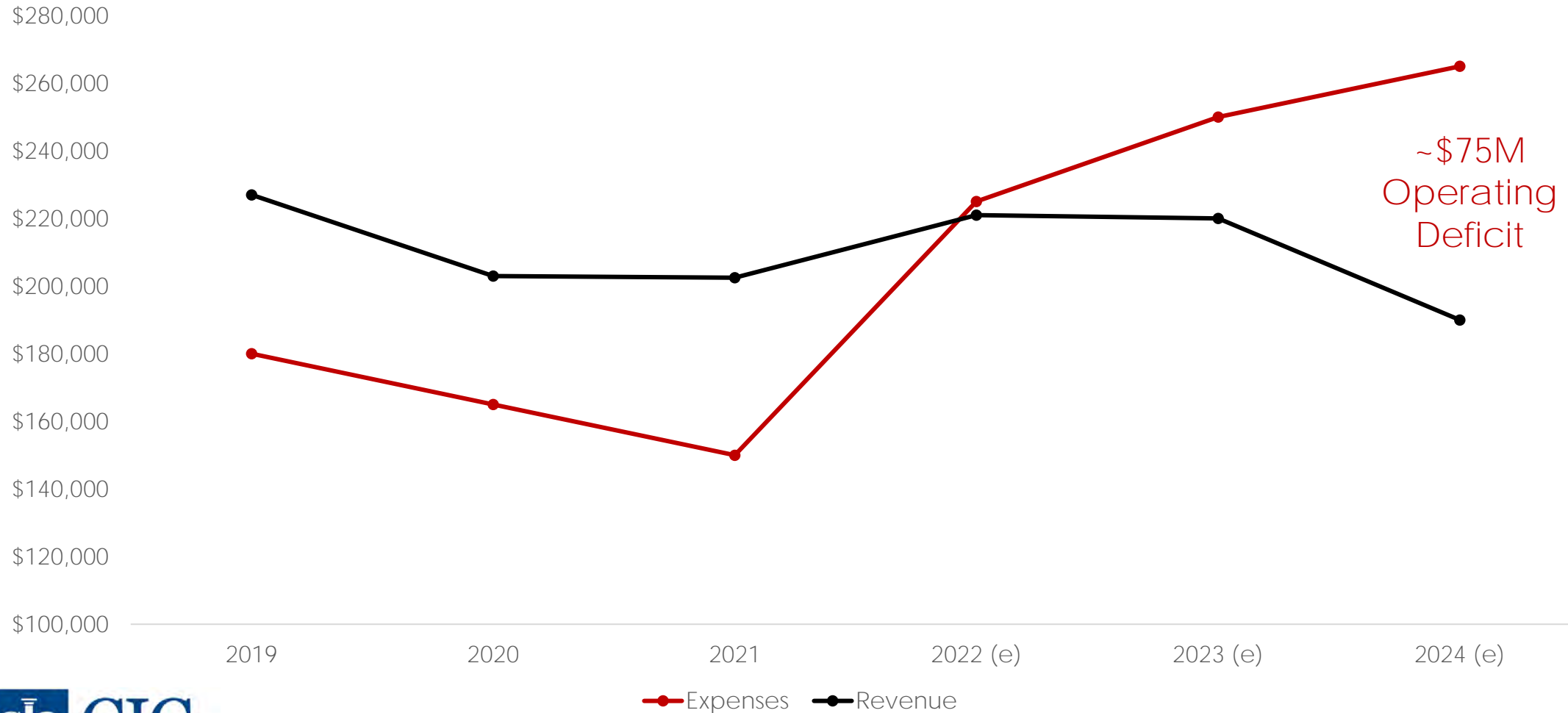
Transformation Priorities:

- Articulate Clear Strategy
- Identify prosperity gap
- Rightsize programs/faculty
- Streamline administration
- Grow enrollments
- Invest in research/acquisition
- Launch capital campaign

Key Success Factors For Multi-year Forecasting

1. Review historical numbers and baseline projections moving forward
2. Create base, best, and worst-case scenarios of how things may develop
3. Assess the potential financial impact of the new planned strategic initiatives over the forecast period

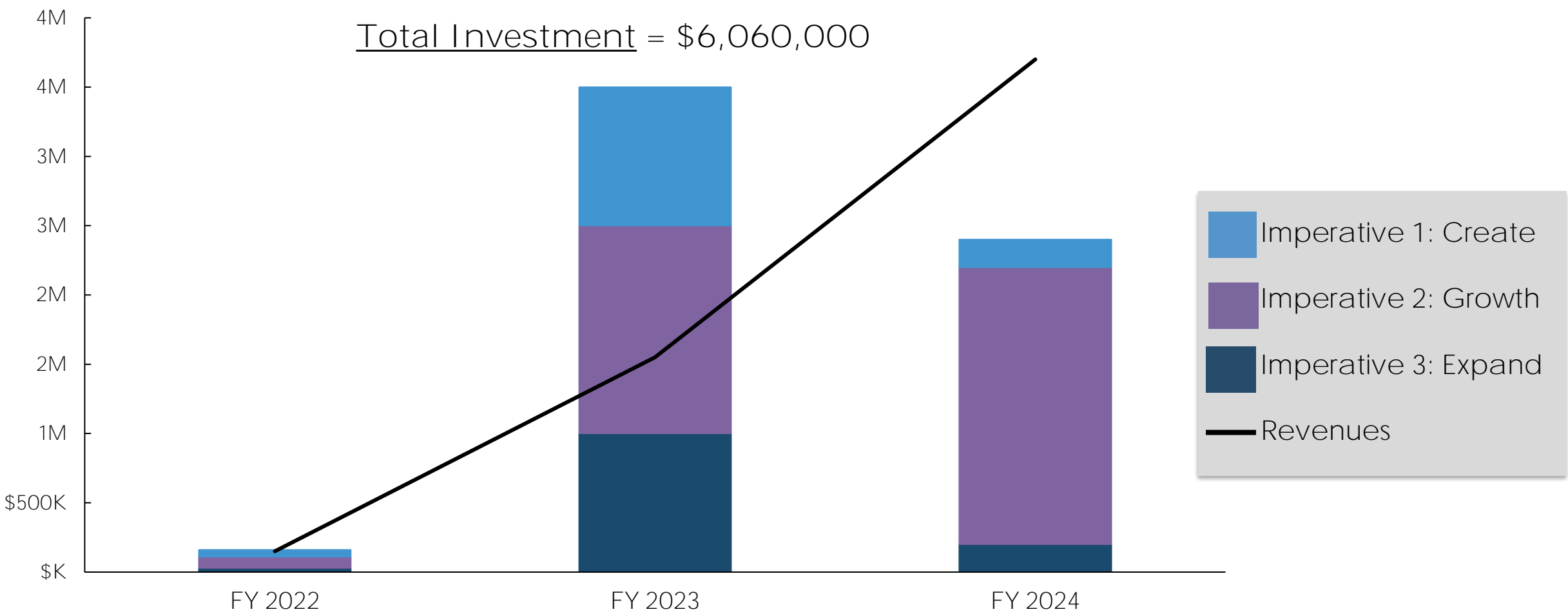
Example: University XYZ (Hypothetical Small Public Institution) – Multi Year Expenses & Revenues



Example: University XYZ (Hypothetical Small Public Institution) – Multi-Year Implementation Plan

	Priority 1: Create a compelling vision around student success, personalized education, and athletics			Priority 2: Grow research in high-impact disciplines			Priority 3: Expand external partnerships		
	Objective 1.1: Launch New Strategic Vision	Objective 1.2: Conduct Program Review to Reallocate Resources	Objective 1.3: Expand Athletic Programs	Objective 2.1: Develop Academic Plan	Objective 2.2: Research & Innovation	Objective 2.3: Create Nursing School	Objective 3.1: Develop Modern Pedagogies and Offerings	Objective 3.2: Strengthen Relationships with Employers, Alumni, and Partners	Objective 3.3: Launch New Online Program with Community Colleges Nationwide
Initiative 1 (Y1)	Assist all divisions and colleges in university-wide strategic refresh effort	Examine student enrollments, demand, and fit with faculty	Benchmark athletic programs and student success against peers	Prioritize research areas and redesign faculty incentives accordingly	Launch research institutes and grant writing office	Solicit input from stakeholders and finalize acquisition target strategic scoring matrix	Conduct market analysis of target student populations, demand, and competitive offerings	Expand partnerships with employers interested in diverse student graduates	Build business plan for expansion of degree completion programs and target markets
Initiative 2 (Y2)	Develop multi-year strategic performance dashboard	Eliminate lowest performing programs and invest in high market demand areas	Invest in athletics department, coaches, and new sports	Hire additional research faculty	Create equity fund and incubation facilities	Identify acquisition targets and conduct due diligence on top-scoring candidates	Invest in current and new digital offerings; promote inclusive pedagogical techniques	Grow key alumni engagement; invest in analytics and staff to prepare for comprehensive campaign	Create seamless transfer routes with community colleges in our state and beyond
Initiative 3 (Y3)	Share division and college level results on an annual basis	Communicate reputation for retention, graduation, and post-employment success	Leverage athletic programs to target prospective students nationwide	Create endowment to support research and launch academic journal	Expand commercialization and tech transfer capabilities	Develop robust integration plan, complete acquisition, and hire key leaders	Launch new micro-credential, certificates, and non-degree executive education offerings	Invest in incubator and SBD offices	Launch national advertising campaign to expand program
Underlying Values	Student Focused			Equity & Diversity		Outcomes & Accountability			

Example: University XYZ (Hypothetical Small Public Institution) – Strategic Investments

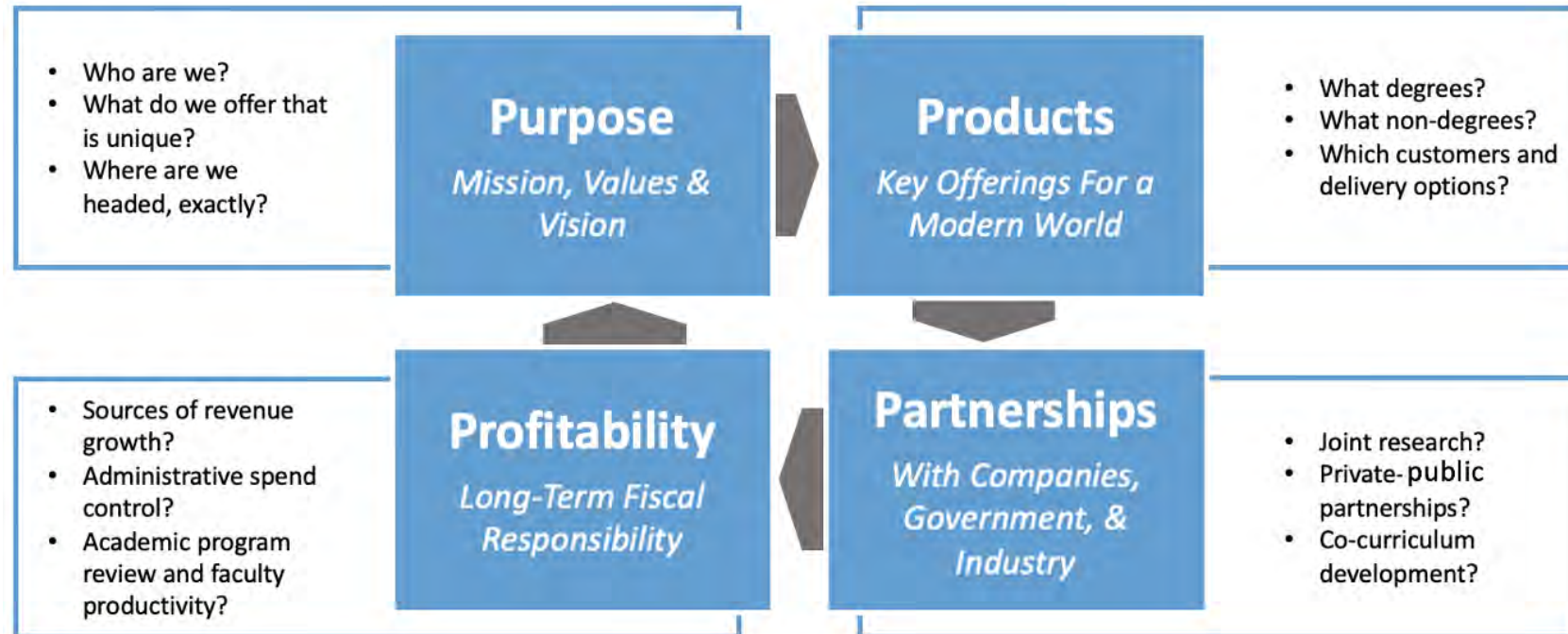


A Performance Dashboard Can Help The Board Track The Progress Of A Strategic Plan



A Framework For Strategic Priorities Over The Next Decade

Declining Enrollments



The Litmus Test Of Strategy Is Whether Or Not There Is Change – Keep This In Mind In Implementation

Kotter Change Model

1. Create a sense of urgency
2. Build a guiding coalition
3. Form a strategic vision and initiatives
4. Enlist a volunteer army
5. Enable action by removing barriers
6. Generate short-term wins
7. Sustain acceleration
8. Institute change



Sharing The Concepts and Solutions On- and Off-Campus

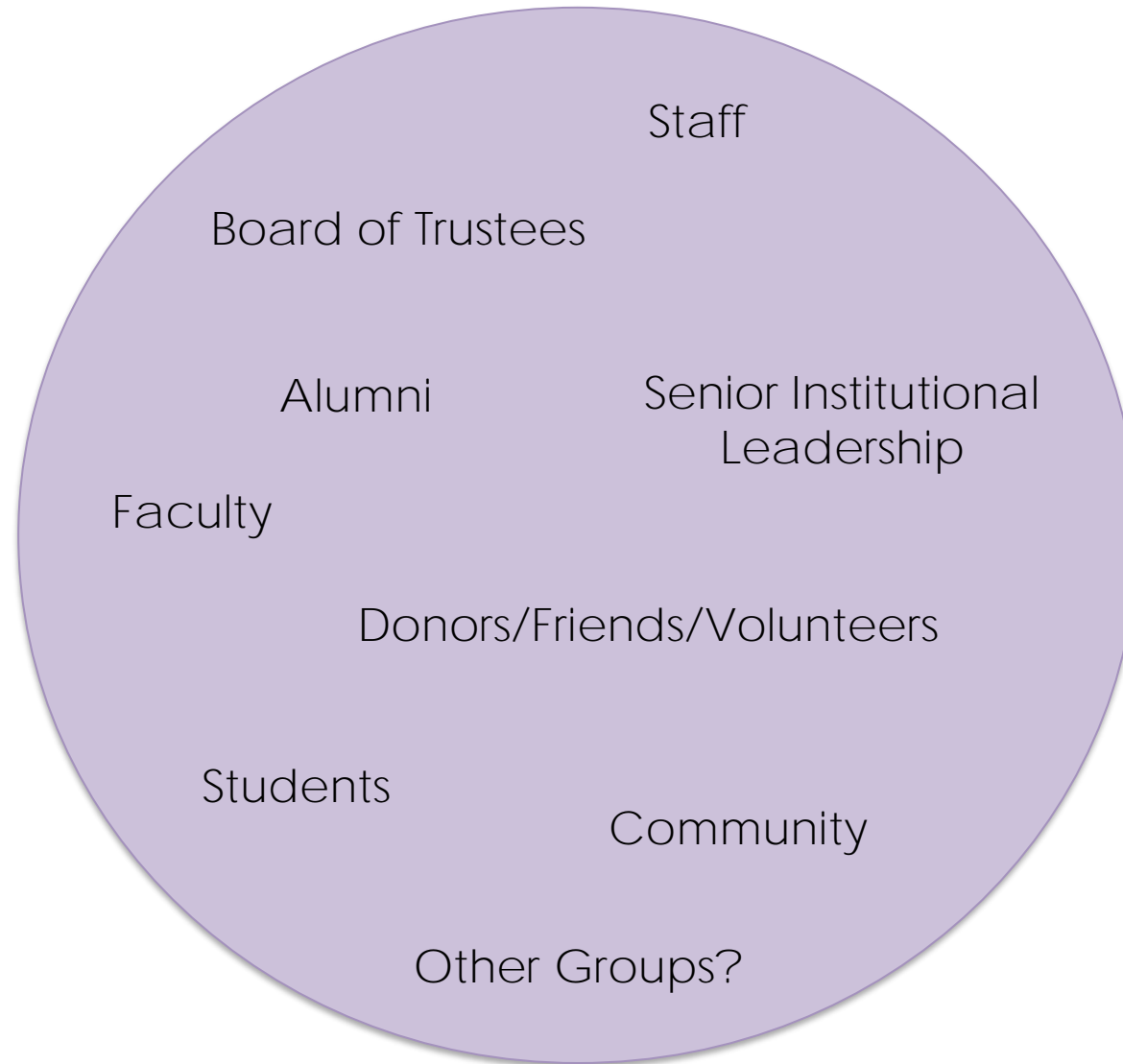
Guiding Principles

Transparency, Honesty, Hopefulness, and Follow Up/Accountability

Steps to Follow

- Socialize problems and solutions as much as possible
- No one should believe that expense reductions or revenue generating ideas came out of the blue (but expect people to act surprised)
 - Adhere to shared governance practices when you can
 - Set up a task force to recommend actions to you
- Determine your important constituencies and what they want/need to know
- Don't expect thanks, but this may be one of the most important things you accomplish in your presidency
 - Demonstrate moral leadership(walk the walk)
 - Focus on building long-term relationships

Multiple Constituencies Require Multiple Messages and Attention



Ideas to Take Home

- Document your key actions for your campus based on what you heard today
- Sharing your key actions with your colleagues at your table
- Share the best of your table discussions with the entire group

Discussion With Attendees





Thank you for attending
this session!



The Council of
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