Discussion topics

- Introductions and Overview

- Plenary: Strategy Execution Under COVID – *The Importance of Key Data*

  - Aligning of Strategy to Actions and Metrics

  - Measuring ROI at the University and Unit Level

  - Improving Individual Strategic Decision-Making

- Breakouts

- Report Outs

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Program Overview

WACUBO · **ABC** INSIGHTS · A HelloCAMPUS COMPANY

Your Hosts:

SESSION 1-2:

Paul Friga, Ph.D.
Strategy Prof. at UNC CH, Co-founder of ABC Insights
Focus on university strategy and efficiency/effectiveness
Previously with PwC and McKinsey
B.S. St Francis University, MBA & Ph.D. UNC-CH

SESSION 3-4:

Howard Teibel
Founder, Teibel Education Consulting
Leadership training in Higher Ed – commitments & action
State University of New York at Binghampton

Special Guests:

| **Dec. 2** 2-3:30pm PT	**Dec. 16** 2-3:30pm PT	**Jan. 6** 2-3:30pm PT	**Jan. 20** 2-3:30pm PT
Strategy Formulation Under COVID – Survive and Thrive	**Strategy Execution Under COVID – The Importance of Key Data**	**Cultivating Leadership Competencies**	**The Strategic Imperative of Diversity and Inclusion**
Ruth Johnston Vice Chancellor, Strategic Chief Financial Officer, New Mexico State University	**Rebecca Barber** Associate Vice President for Financial Planning, Budget, and Analysis, UNLV	**Lupe Valencia-Skanes** Associate Vice President for Business Affairs, The University of Texas at El Paso	**Stefanie Johnson** Associate Professor of Management, University of Colorado Boulder

Opening Remarks:

Michael Clune, Ph.D

Senior Associate Vice Chancellor and Chief Financial Officer, University of California San Francisco

Welcome Participants!
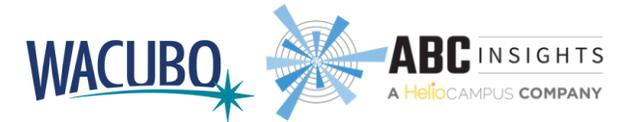
Community Colleges

Wendy Davis	Cochise College
Cheryl Heath	Northern Wyoming Community College District
Katherine Perry	Mesa Community College
Sylvia James	Pierce College Fort Steilacoom
Debbie Baker	Western Wyoming Community College
Gina Kidneigh	Northern Wyoming Community College District
Carie Edmiston	Peninsula College
Sheldon Flom	Linn-Benton Community College
Cherie Berthon	Washington State Board for Community & Technical Colleges
Catherine Ly	Maricopa County Community College District Office

Small institutions - Private

Avo Kechichian	University of La Verne
Sherri Mylott	University of La Verne
Debra Martin	Mount Saint Mary's University
Donna Horn	Seattle University
Kara Wittmer	Seattle University
Deborah Stuker	Perry Technical Institute
James Angelosante	Gonzaga University

Medium – Private

Leslie Brunelli	University of Denver
Clint Emmerich	University of Denver
Mike Furno	University of Denver
Linda Kosten	University of Denver

Large – Private

Kelli Bagley	University of San Diego

Small institutions - Public

Joyce Lopes	Sonoma State University
Ana Karaman	Western Oregon University
Vessela Jivkova	University of California, Santa Barbara
Michelle Hammer Coffer	University of California, Ag & Natural Resources
Heather Heersink	Adams State University
LeeAnn Case	Eastern Oregon University
Gregory Krems	University of Colorado Colorado Springs
Stephanie Pope	Oregon Institute of Technology
Laurie Dixon	California State University, Monterey Bay
Yolanda Anglin	California State University, Monterey Bay
Julie Crea	Lewis-Clark State College
Mary Boyd	Colorado Mountain College
Kathleen Patrocinio	UC ANR - SAREP
Kendra Yoshimoto	University of Washington, Bothell
David Tamanaha	University of Hawaii Maui College
Kwabena Boakye	Grays Harbor College

Medium – Public

Jennifer Haft	California Polytechnic State University-San Luis Obispo
Ruth Johnston	New Mexico State University Main Campus
April Davidson	University of New Mexico, Main Campus
Kelly Sebastian	California Polytechnic State University-San Luis Obispo
Anne Gilbert	Western Washington University
Mariam Emyan	California Polytechnic State University-San Luis Obispo
Guadalupe Valencia	University of Texas at El Paso
Diane De Hoyos	University of Texas at El Paso
Michelle Cardona	California State Polytechnic University, Pomona

Large – Public

Penny Burgess	Oregon State University
Jon Giacomi	University of California, San Francisco
Shannon Turner	University of California, San Francisco
Nicholle Zarkower	University of Nevada, Las Vegas
Sarath Kraus	University of Nevada, Las Vegas
Michele Hassett	University of California, Davis
Heather Ortiz	University of Nevada, Las Vegas
Andrey Furmuzan	University of California, Davis
Jeffrey Ratje	University of Arizona
Tracy Hunter	University of California, Davis
Kaitlin Pennell	University of California, Davis
Irina Skiba	University of California, Davis, FOA Business Partners
Steve Lanterman	University of California, Davis
Gladis Lopez	University of California, Davis
Jennifer Keene	University of Washington
Olivia Yang	Washington State University
Joe Kline	Washington State University
Meri Bozinovski	University of California, San Diego
Rory Korpela	University of Colorado Boulder
Kristina Do-Vu	University of California, Davis
Stephanie Kelly	University of Colorado at Denver
Elizabeth Loesch	University of California, Davis
Michael Clune	University of California, San Francisco
Stephanie Metz	University of California, San Francisco
Ashley Carr	University of California Davis
Takiyah Beckett	University of Nevada, Las Vegas
Queen King	California State University, Bakersfield
Lisa Terry	University of California, Office of the President
Joemari Cedro	University of California, Berkeley
Mollie Holt	Washington State University
Connie Gamble	University of Nevada, Las Vegas - Real Estate Department
Cherie Garrity	University of Nevada, Las Vegas - Real Estate Department
Bridget Hahn	University of Nevada, Las Vegas - Real Estate Department
Brian Townsend	University of Nevada, Las Vegas - Real Estate Department
Kathleen Tagaca	University of Hawaii at Manoa
Nicole Sanderson	University of Washington
Luis Alvarez	University of California, Riverside
Annie Hoai Hooper	University of California, Riverside
Terri McDonald	University of California, Riverside
Carmen Rivera	University of California, Riverside
Laura Schulte	University of California, Riverside
Linda Moran	University of California, San Francisco
Marissa Gardner-Saraf	University of California, Berkeley
Janis Rutherford	University of Arizona
Lisa Frace	University of California, Davis
Linda McDermott	Washington State University

Session 2 – Strategy Execution Under COVID – *The Importance of Key Data*

ABC INSIGHTS
A HelloCAMPUS COMPANY

Dec. 16 2:00 – 4:00 PST

Paul N. Friga, Ph.D.
Strategy Prof. at UNC CH, Co-founder of ABC Insights

Rebecca T. Barber
Associate Vice President for Financial Planning, Budget, and Analysis, UNLV
Assistant Clinical Prof. at ASU

Description
The key to successful execution of a nicely formulated strategy is resource allocation. In this segment, we will walk through the importance of tying two types of important resources, people and money, to strategic priorities of the institution. We will also cover the importance of budgeting and evaluating performance with clear metrics of success.

Learning Objectives
- Realize the importance of resource allocation to strategy
- Identify different tools of resource allocation in an organization – especially the creation of supporting initiatives, appropriate budgets, and most importantly, underlying data
- See examples of fully vetted strategic plans that are aligned to priorities and measured

5 min	Introductions
30 min	Plenary Presentation
40 min	Breakouts
15 min	Report Outs

Key Readings
- Under COVID-19, University Budgets Like We've Never Seen Before (April, 2020)";
- How to Steer Your Campus Through a Recession (April, 2020)
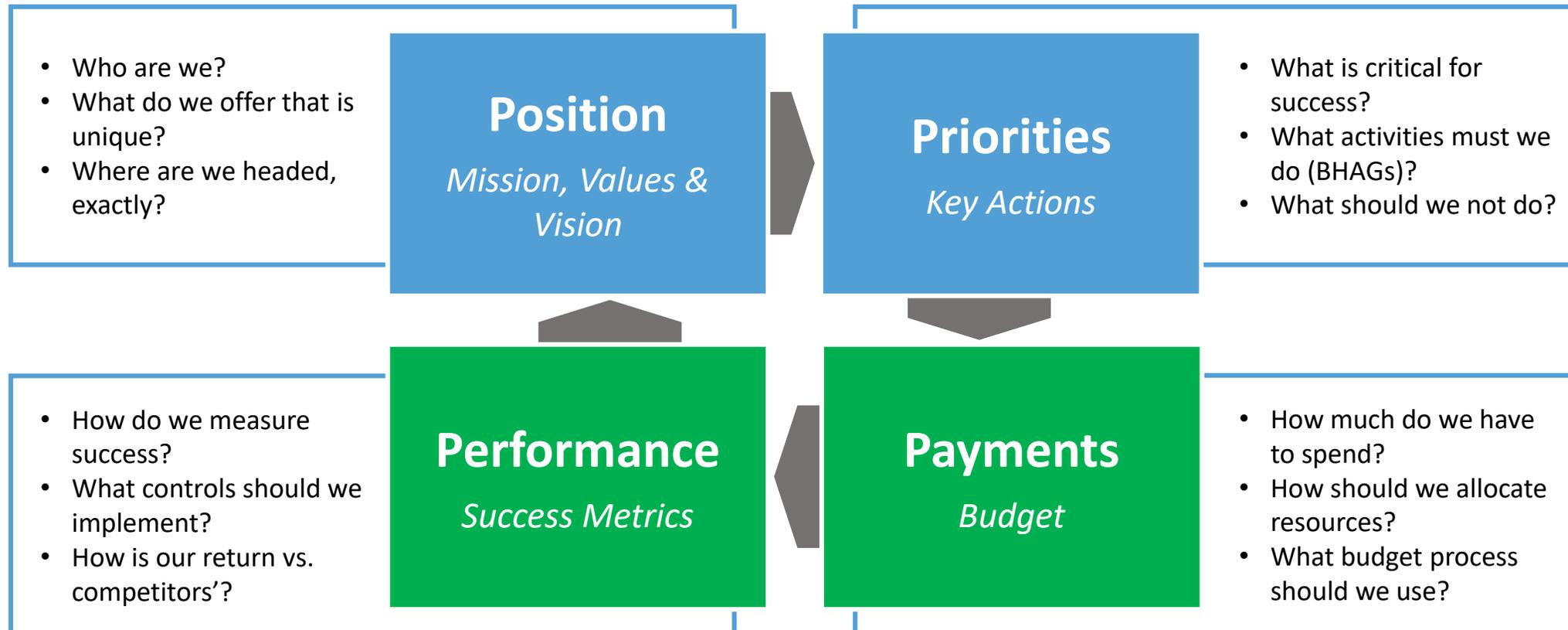- How To Improve Your University During COVID (October, 2020)

Key Videos
- "Strategic Resource Allocation - Budgets, Priorities, Initiatives & Metrics" – Dr. Paul N. Friga; "*Strategic Planning – How to Do It Right*" (**https://vimeo.com/showcase/paul-video** and the password is "UNC2020")
- **NACUBO Podcast – Hot Off The Press**

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A reminder of the content of strategy – Paul's 4 P's

- Who are we?
- What do we offer that is unique?
- Where are we headed, exactly?

Position
Mission, Values & Vision

Priorities
Key Actions

- What is critical for success?
- What activities must we do (BHAGs)?
- What should we not do?

- How do we measure success?
- What controls should we implement?
- How is our return vs. competitors'?

Performance
Success Metrics

Payments
Budget

- How much do we have to spend?
- How should we allocate resources?
- What budget process should we use?

Source: **From Theory to Action: The Story of One Strategy**, *Friga*

Example – UNC College of Arts & Science Strategy

Mission
Think. Communicate. Collaborate. Create. …For meaningful lives.

Vision
Reimagining the arts & sciences for the public good

Values
Student Focus Scholarly Excellence Strategically Bold

Proposed Priorities
1. Develop a modern, innovative, inclusive, and global **curriculum**   2. Expand high-impact and interdisciplinary **research**   3. Tell the **story** of the College of Arts & Sciences

Definitions for Implementation Plan terminology

Priority – thing we do to live our mission and achieve our vision; first of mind; more important than other things; could be noun or verb statement

- **Objective** – A thing aimed for; goal/target that if accomplished would indicate significant progress on the priority

  - **Initiative** – summary statement of actions; usually lead with a verb

Priority 1: Develop a modern, innovative, inclusive, and global curriculum

Objectives and Examples of Initiatives

A) Reinvent General Education

1. Develop a planning process and timeline for curriculum development and campus-wide review/approval
2. Identify key guiding principles based on current literature, national models of excellence, and key stakeholder input
3. Evaluate and prioritize knowledge areas and student outcomes for potential inclusion in the curriculum
4. Consult with a wide range of user groups on inclusiveness, implementation, and feasibility (e.g., students, faculty, advisors, registrar)
5. Develop an annual general education assessment plan for each included component
6. Provide the curriculum blueprint for review and critique by major campus review groups and implement new curriculum by fall 2019
7. Assess the functioning of the curriculum after one complete academic cycle

B) Reimagine the Humanities Ph.D.

1. Create new, innovative graduate courses that integrate an introduction to the discipline and its methods with professional development activities and an exploration of public engagement;
2. Explore alternative formats to the monograph-based humanities dissertation (e.g. digital, interdisciplinary collaboration/team-based, etc.)

C) Expand and develop instructional methods based on evidence-based inquiry

1. Maintain student focus
2. Increase instructor professional development about student learning
3. Leverage and integrate new technologies
4. Secure appropriate spaces
5. Introduce new ways of measuring student learning
6. Utilize predictive analytics

D) Generate interdisciplinary, experiential, and global learning opportunities

1. Increase public and private partnerships for student learning
2. Expand credit and non-credit bearing global learning opportunities for all students
3. Provide interdisciplinary courses in hybrid (in-person-online) and other formats

Priority 2: Expand high-impact and interdisciplinary research

Objectives and Examples of Initiatives

A **Strengthen basic and applied research portfolio**

1. Identify top priority research expansion areas based upon department and center input
2. Leverage new strategic resource pools for key high-impact research

B **Harness interdisciplinary talent for addressing global issues**

1. Encourage opportunities/new structures that go beyond single departments for research
2. Measure and reward interdisciplinary grants, projects and major partnerships

C **Build adaptive research facilities**

1. Build new APS/Tech development building for translational research
2. Renovate Wilson Hall to improve animal model research and support flexible laboratories for biology.
3. Renovate Phillips Hall as a home for CoSMS Institute
4. Encourage and expand makerspaces, including app development space for students

D **Increase commercialization of research**

1. Notice and celebrate our successes
2. Build incubator space
3. Create college-level incentive for translating research
4: Build better database of "expertise", "facilities", and "capabilities" to connect with entrepreneurial networks

A — **Raise the national profile of the College of Arts & Sciences**

1. Promote innovative College research and teaching
2. Identify key graduate programs to raise the profile of to improve U.S. News ranking

B — **Create awareness at the local and State level of the role of the College as research entity, economic driver, and source of innovation**

1. Promote awareness of companies, start-ups, patents, products, nonprofits created by College faculty, alumni, students
2. Raise profiles of College institutes and centers working on "big problems"—environment, energy, water, racial/religious intolerance, social justice, and others

C — **Instill a culture of strategic planning and thinking that creates and shares the story of the College**

1. Complete College and Department level strategic planning
2. Raise awareness among faculty—and the greater UNC-Chapel Hill campus community as a whole —of strategies and research and teaching innovations and outcomes
3. Create more effective external communications channels to collect and promote College successes

D — **Raise $600M + for the college as part of the University's capital campaign**

1. Refine College campaign priorities
2. Engage volunteers and advisory boards
3. Prepare and launch mini-campaigns to highlight and secure support for key priorities

Metrics need to be tracked and reported out regularly – Example: UNC College of Arts & Sciences

Element	Description	Metrics
Mission	Think. Communicate. Collaborate. Create. For meaningful lives	Student satisfaction (net promotor) Faculty satisfaction (net promotor) Alumni satisfaction (net promotor)
Vision	Reimagining the arts & sciences for the public good	External review assessment of performance/alignment Annual faculty and staff survey
Priority 1	Develop a modern, innovative, inclusive, and global **curriculum**	Learning outcomes % adoption of modern teaching % initiatives completed % students with global credit bearing experience % students with internship/work experience % students with directed research % securing full time jobs/graduate school # cross listed/interdisciplinary courses % of students in cross listed/interdisciplinary courses
Priority 2	Expand high-impact and interdisciplinary **research**	$ total research grants awarded % faculty applying for grants # of new buildings % faculty in joint grants # publications # patents # licenses # start-ups # IPOs # STTRs/SBIRs

Priority 3	Tell the **story** of the College of Arts & Sciences	Rankings – national and international (e.g. US News, Kiplinger, etc.)
		$ raised from donors
		$ raised from corporate partners (for research and operations)
		% of strategic objectives and initiatives completed

Strategy occurs on multiple levels in an organization

Business Unit Strategy

How do we operate within the selected businesses? What products or services should our firm offer? How should our firm create those products or services? How should our firm take its products or services to the marketplace?
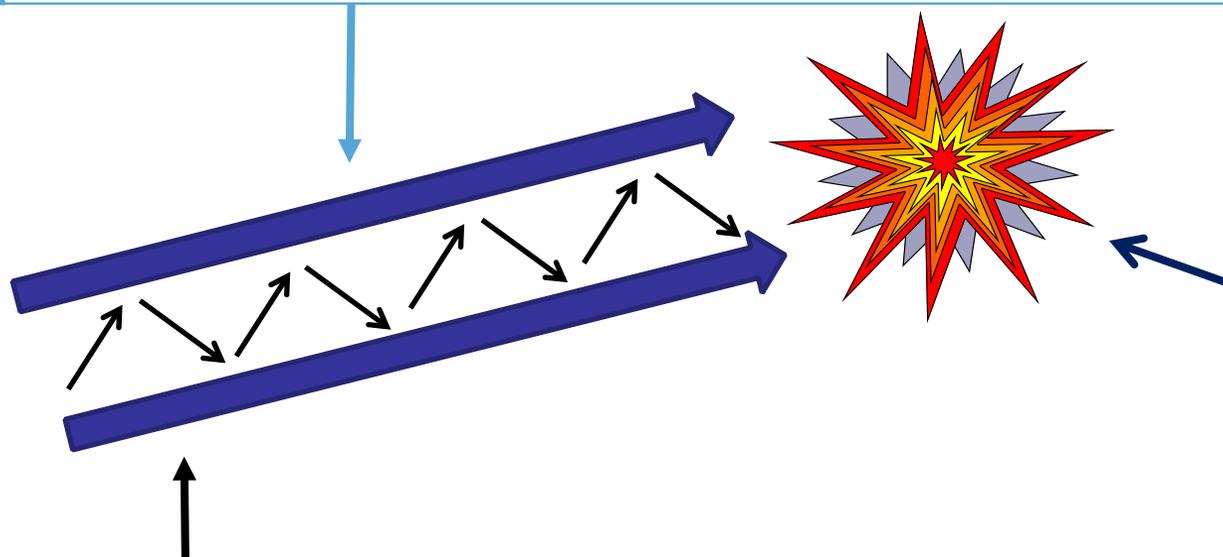
Enterprise Strategy

In what businesses or areas should our firm compete? What should our firm's overall portfolio of businesses look like?

X

Functional Strategy

How should our firm operate within specific functional areas (e.g., marketing, R&D, production, finance, HR)?

Aligning the strategies in an organization is straight-forward but also complex

Alignment Process	Objective	Barriers	Enabling Tools
1. Align Business Units *How do we align business units to create corporate synergies?*	Cascade and embed corporate strategy into business unit strategies.	Business unit strategies typically are developed and approved independently, without the guidance of a corporate perspective; lack of integration across business units.	• Cascading of strategy maps to business units • Vertical and horizontal alignment
2. Align Support Units *How do we align support units to business units and corporate strategies?*	Ensure that each support unit has a strategy that enhances the performance of corporate and business unit strategies.	Support units treated as "discretionary expense centers," with goals to minimize costs rather than to support enterprise and business unit strategies.	• Service-level agreements • Support unit strategy maps and scorecards
3. Align Employees *How do we motivate employees to help us execute the strategy?*	All employees understand the strategy and are motivated to help successfully execute the strategy.	Most employees are not aware of or do not understand the strategy. Their objectives and incentives focus on local, tactical performance, not strategic objectives.	• Formal communication strategy • Employee objectives with clear line of sign to strategic objectives • Incentive and reward programs • Competency development

The goal of alignment is connect the strategies both vertically and horizontally
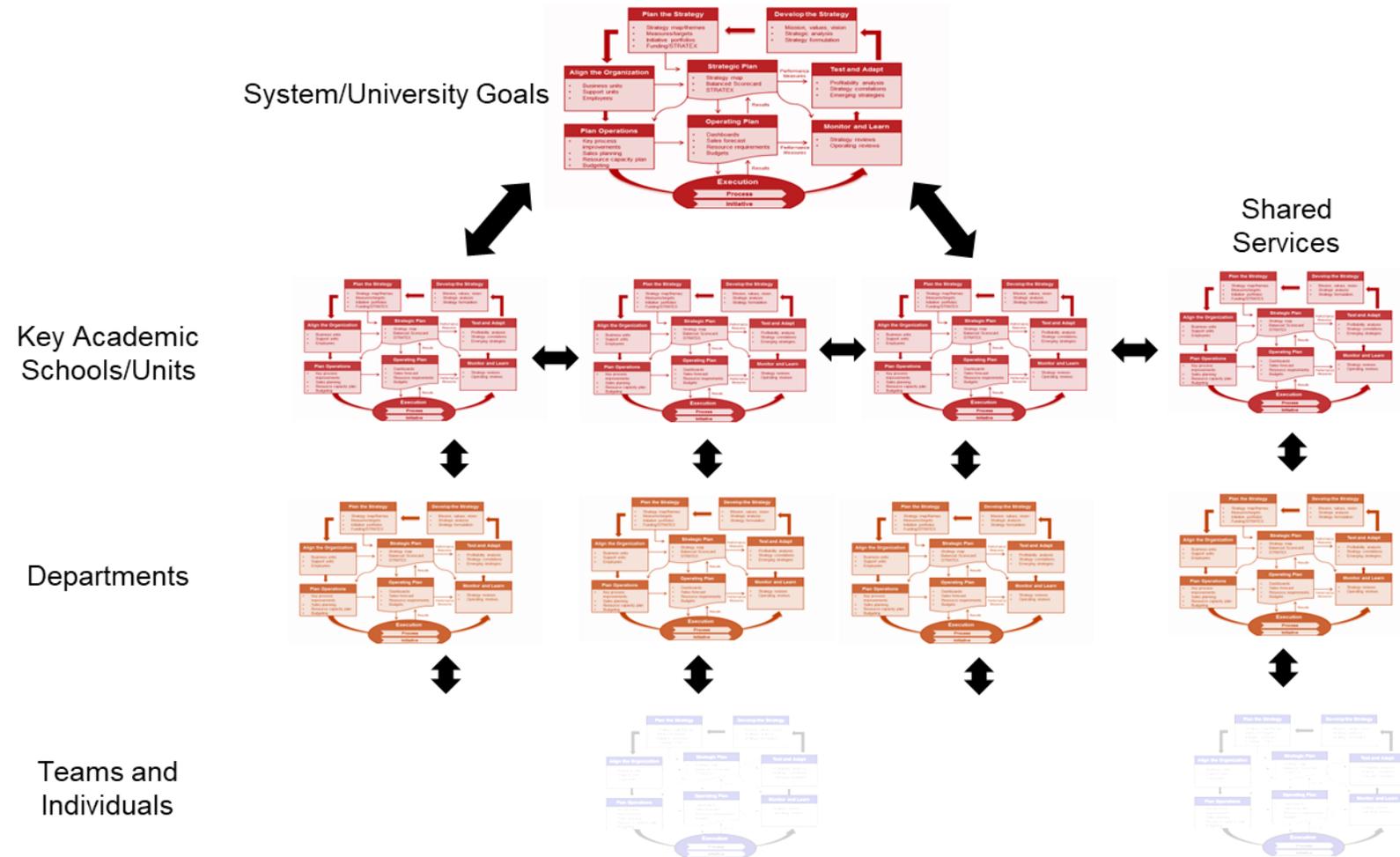
The different types of budgets – in general and in higher ed

Four Budgeting Methods
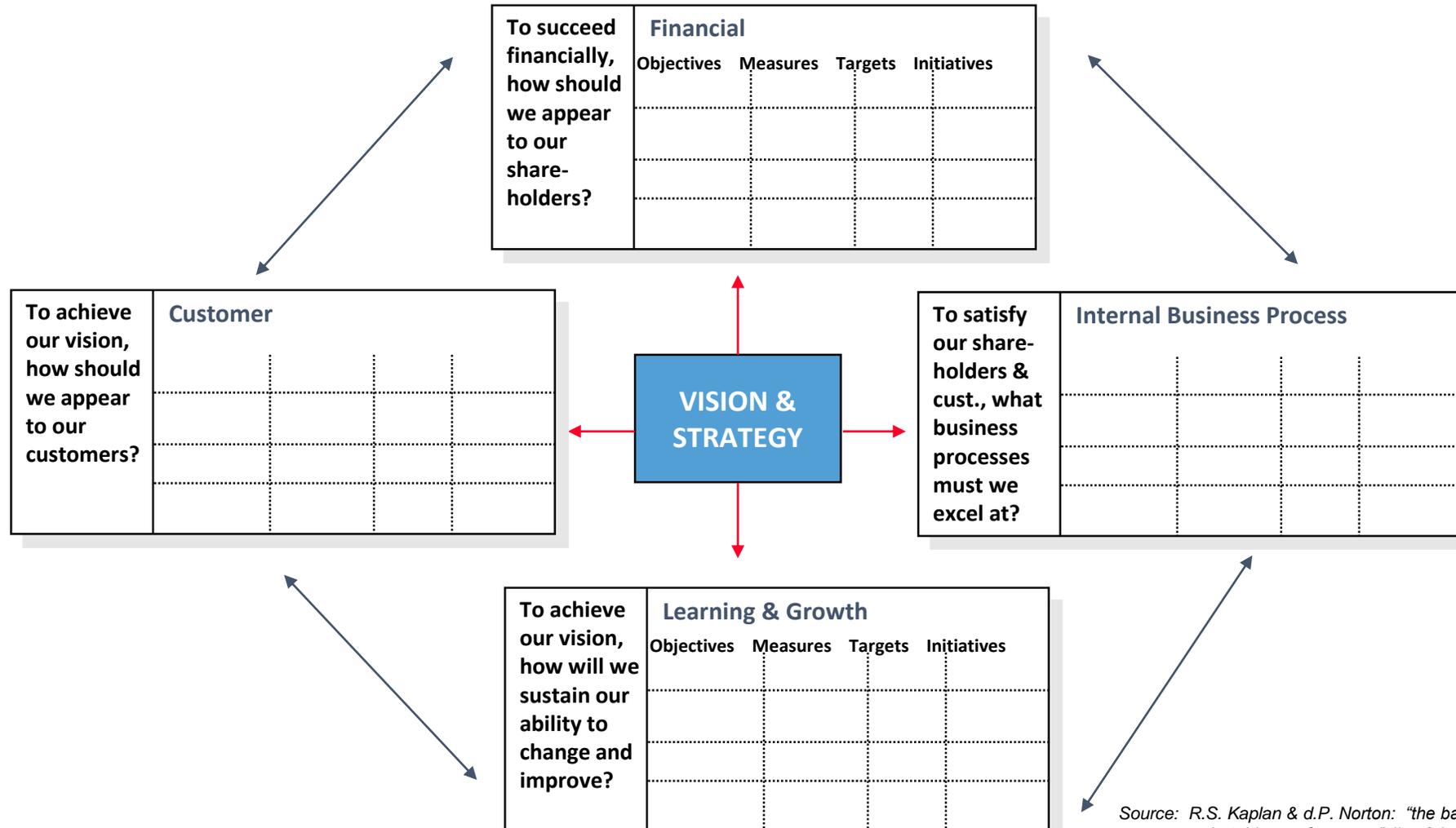
Incremental	Activity Based	Value Proposition	Zero Based

National Association of College and University Business Officers — NACUBO

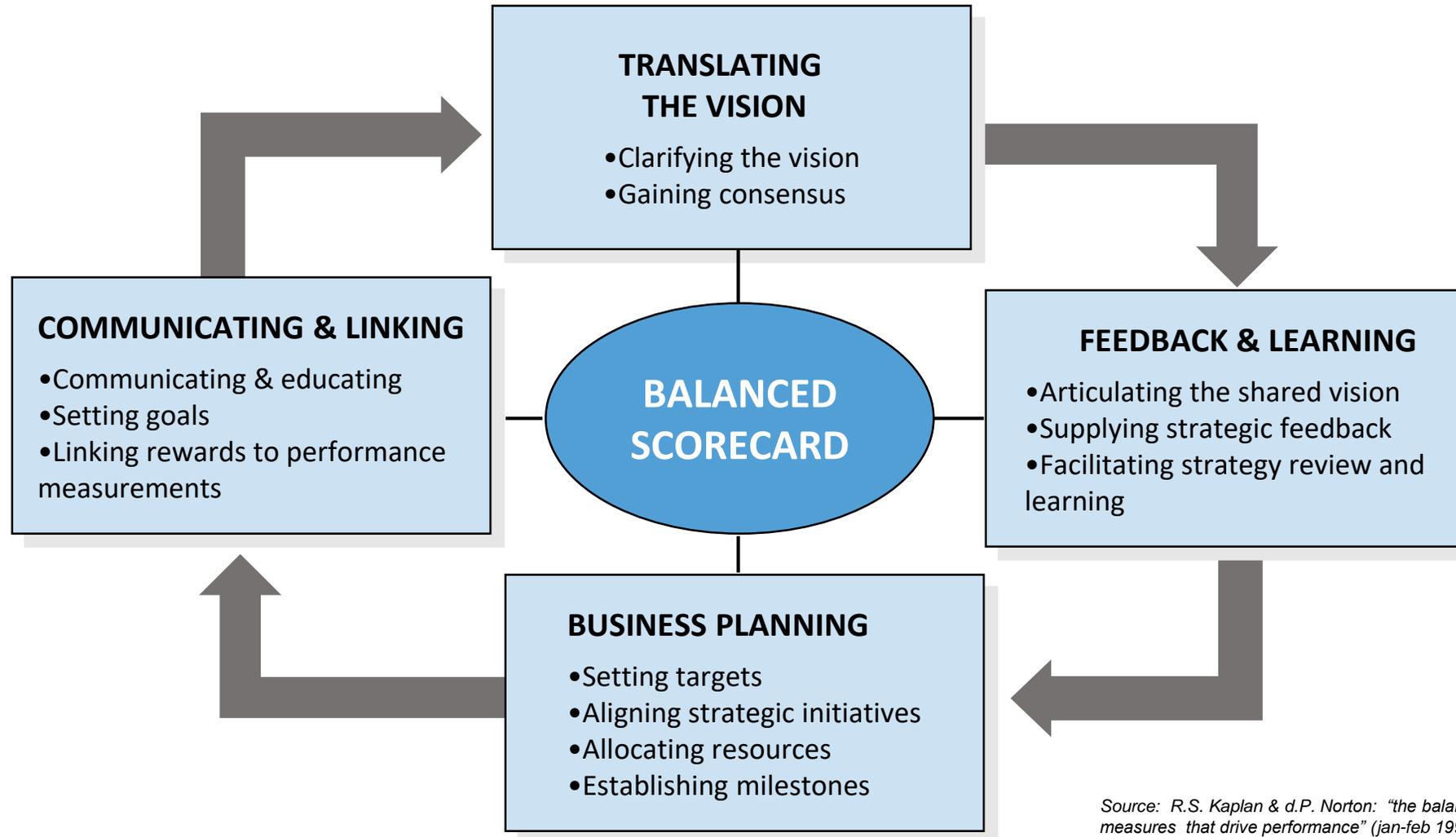## Budget Processes

- Overall processes
  - Incremental
  - Formula
  - Zero-based
  - Responsibility center
- Special purpose
  - Initiative-based
  - Performance-based

Source https://corporatefinanceinstitute.com/resources/knowledge/accounting/types-of-budgets-budgeting-methods/#:~:text=There%20are%20four%20common%20types,%3A%20CFI's%20Budgeting%20%26%20Forecasting%20Course

Source: NACUBO

The Balanced Scorecard is a tool to link strategy to initiatives

Financial — To succeed financially, how should we appear to our share-holders?

Objectives	Measures	Targets	Initiatives

Customer — To achieve our vision, how should we appear to our customers?

Internal Business Process — To satisfy our share-holders & cust., what business processes must we excel at?

Learning & Growth — To achieve our vision, how will we sustain our ability to change and improve?

Objectives	Measures	Targets	Initiatives

VISION & STRATEGY

Source: R.S. Kaplan & d.P. Norton: "the balanced scorecard -- measures that drive performance" (jan-feb 1992), "putting the balanced scorecard to work" (sep-oct 1993), & "using the balanced scorecard as a strategic management system" (jan-feb 1996) harvard business review.

The Balanced Scorecard Process

TRANSLATING THE VISION
- Clarifying the vision
- Gaining consensus

COMMUNICATING & LINKING
- Communicating & educating
- Setting goals
- Linking rewards to performance measurements

BALANCED SCORECARD

FEEDBACK & LEARNING
- Articulating the shared vision
- Supplying strategic feedback
- Facilitating strategy review and learning

BUSINESS PLANNING
- Setting targets
- Aligning strategic initiatives
- Allocating resources
- Establishing milestones

Aligning Strategy to Metrics

UNLV / ASU; A tale of two public R1 institutions

UNLV's diverse faculty, students, staff, and alumni promote community well-being and individual achievement through education, research, scholarship, creative activities, and clinical services. We stimulate economic development and diversification, foster a climate of innovation, promote health, and enrich the cultural vitality of the communities that we serve.

ASU is a comprehensive public research university, measured not by whom it excludes, but by whom it includes and how they succeed; advancing research and discovery of public value; and assuming fundamental responsibility for the economic, social, cultural and overall health of the communities it serves.

UNLV

Aligning Mission /Vision / Goals / Values with Metrics

A dashboard or report that tracks both the goals and the level of progress on those goals is critical.

Each individual area needs its own metrics, often more than one.

Leading Indicators		Base-line	July 2016	July 2017	July 2018	July 2019	July 2020	July 2021	July 2022	July 2023	July 2024	July 2025
Research, Scholarship, and Creative Activity [L1]												
Research Expenditures ($ M)	Goal		45.0	49.0	55.0	61.0	73.0	85.0	100.0	115.0	133.0	150.0
	Actual	42	62.8	66.3	83.8	99.4						
Faculty - Tenure & Tenure-Track	Goal		796	812	828	845	860	874	883	891	889	900
	Actual	792	786	813	818	813	775					
Faculty – Number of Publications	Goal		1,152	1,188	1,223	1,260	1,298	1,337	1,377	1,418	1,461	1,504
	Actual	1,092	1,092	1,153	1,258	1,542	1,611					
Artistic Publications, Presentation, and Innovation	Goal	-	17	20	23	26	30	35	40	46	53	61
	Actual	15	15	23	15	30	49					
Student Achievement of Learning Outcomes [L2]												
Learning Experiences (SSI)[1]	Goal	5.00		5.05			5.10			5.15		
	Actual	5.12		5.06			5.29					
SES UULO: Major/Spec Courses Inq/Crit Think[2]	Goal	-	-	-	-	-	-					
	Actual	-	-	-	-	4.21	4.18					
SES UULO: Major/Spec Courses Written Comm[3]	Goal	-	-	-	-	-	-					
	Actual	-	-	-	-	3.95	3.93					
Milestone GPA	Goal	-	-	-	-	3.14	3.15	3.16	3.17	3.18	3.19	3.2
	Actual	3.01	3.05	3.01	3.11	3.16	3.20					
Freshman Retention Rate (%)	Goal	-	75.2	76.3	77.4	78.5	79.6	80.7	81.8	82.9	84	85
	Actual	74.1	74.1	77.1	74.4	75.9	79.4[2]					
6-Year Graduation Rate (%)	Goal	-	40.7	41.2	41.7	41.8	41.9	42.1	45.2	46.8	48.3	50
	Actual	40.5	40.5	40.7	41.6	42.9	44.8[3]					

UNLV Top Tier Strategic Plan Progress Card: https://www.unlv.edu/sites/default/files/page_files/3/Progress-Card-Leading-Indicators-8.1.2020.pdf

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External Metrics

Diversity [L3]												
US News & World Report Ranking (Top 5 - Diversity)	Goal		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Actual	Y	Y	Y	Y	Y	Y					
HSI Status Obtained	Goal		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Actual	Y	Y	Y	Y	Y	Y					
MSI Status Obtained	Goal		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Actual	Y	Y	Y	Y	Y	Y					
Intellectual and Entrepreneurial Activity [L4]												
Disclosures Submitted[4]	Goal				35	38	41	44	48	51	56	60
	Actual	34	57	57	42	39	33					
Patents Issued	Goal			5	6	7	8	9	10	12	13	19
	Actual	1	5	5	8	10	14					
New Business Starts	Goal			30	31	33	35	37	38	40	42	45
	Actual	12	14	30	49	52	68					
SBDC Clients Served	Goal			248	265	282	300	317	334	352	378	404
	Actual	92	126	248	328	322	778					

UNLV Top Tier Strategic Plan Progress Card: https://www.unlv.edu/sites/default/files/page_files/3/Progress-Card-Leading-Indicators-8.1.2020.pdf

Another example

Unit-level Missions

Business Affairs:

To advance UNLV's Top Tier initiatives through support, service, and infrastructure excellence.

Business and Finance:

... supports the New American University's vision of excellence, access and impact by effectively leading and managing its financial and business operations and developing ASU's human and capital resources.
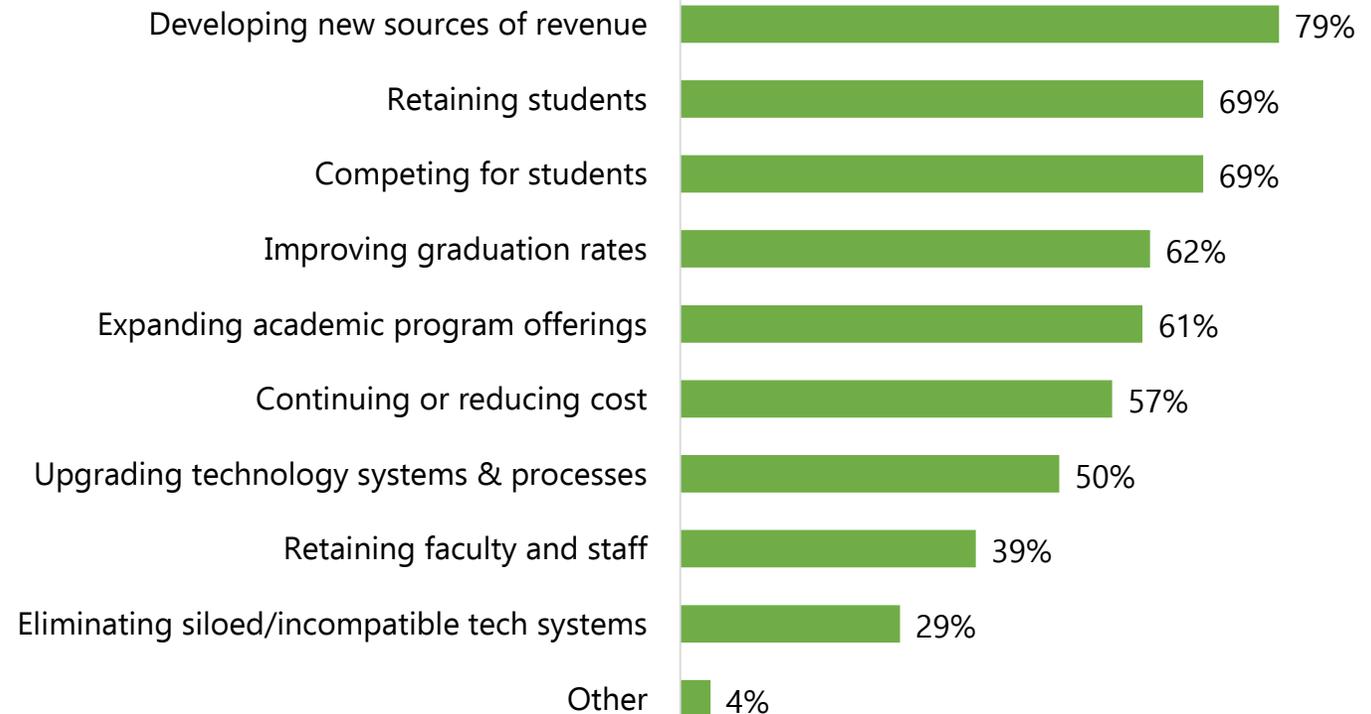
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Growth and increasing efficiency are top priorities on campuse in higher education around the nation (Pre-COVID)

Top Institutional Challenges According to Academic Leaders

Growth in revenue and enrollment

Challenge	Percent
Developing new sources of revenue	79%
Retaining students	69%
Competing for students	69%
Improving graduation rates	62%
Expanding academic program offerings	61%

Efficiencies and cost management

Challenge	Percent
Continuing or reducing cost	57%
Upgrading technology systems & processes	50%
Retaining faculty and staff	39%
Eliminating siloed/incompatible tech systems	29%
Other	4%

ABC Insights helps to improve the efficiency and effectiveness of higher education

Our Mission: Improve sustainability of higher education by helping universities become more efficient and effective

Our Vision: Become the trusted partner and thought leader for analytics, benchmarking, and insights in higher education
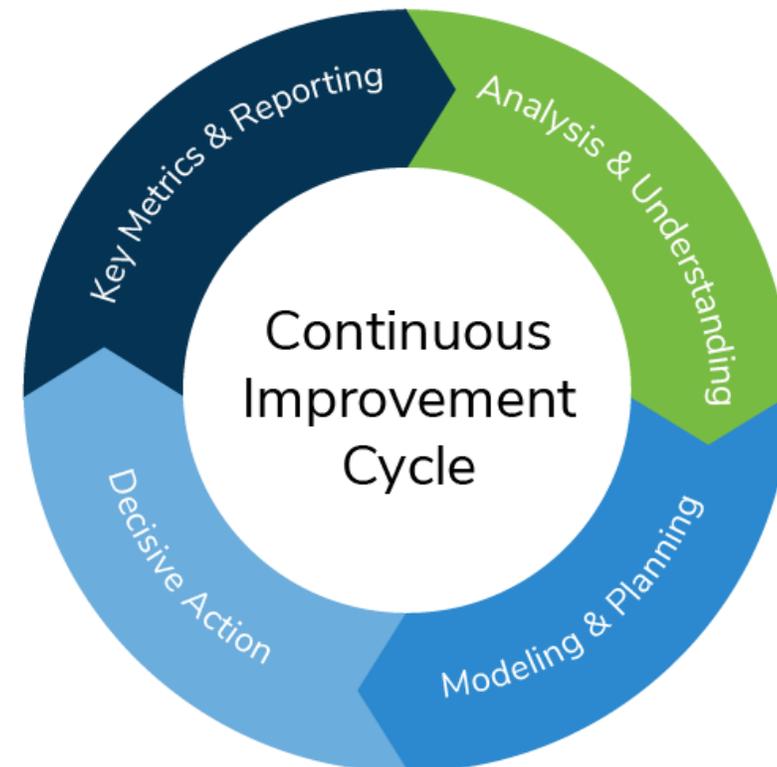
Key Metrics & Reporting

Analysis & Understanding

Continuous Improvement Cycle

Modeling & Planning

Decisive Action

The ABC Insights Framework for ROI in Higher Education

ABC Insights® ROI = More efficient and effective universities will result in higher returns for investment

Efficiency	Effectiveness
Optimize Administrative Spend	Drive Student Success
Increase Academic Program Returns	Increase Employee Performance
Grow Resources	Improve Faculty Productivity

The key areas for strategic change and measurement under COVID – efficiency

Optimize Administrative Spend	Increase Academic Program Returns	Grow Resources
Assess level of investment vs strategy	*Rationalize academic offerings based upon demand*	*Increase enrollments and revenue*

Optimize Administrative Spend

Annual Spend (High / Low)

Reimagine	Showcase
Assess	Maintain

Comparable Efficiency Percentile (Low → High)
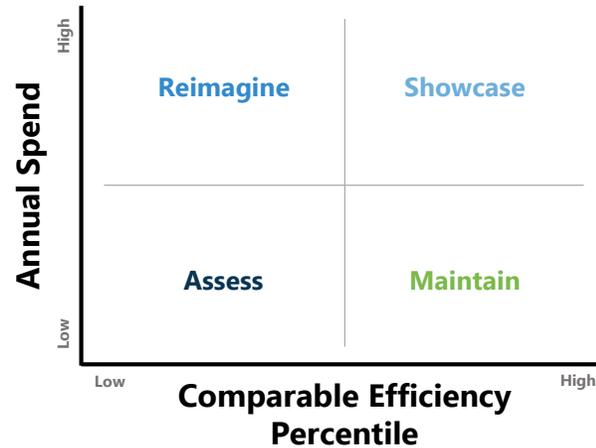
Mapping: Activities and Sub-Activities
Size of bubble: Level of FTEs

Increase Academic Program Returns

Annual Net Contribution (High / Low)

Reimagine	Showcase
Assess	Maintain

Market Demand (Low → High)

Mapping: Schools and Majors
Size of bubble: Student Outcomes

Grow Resources

Potential Growth (High / Low)

Pursue	Sequence
Consider	Ignore

Investment Required (Low → High)

Mapping: Sources of Revenue
Size of bubble: Current Revenue Level

Efficiency actions to consider

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

Grow Resources
Increase enrollments and revenue

- Launch New Development Campaign
- Determine Unique Positioning
- Invest in Advertising Campaigns
- Collaborate with Other Universities
- Pursue PPPs (facilities, energy, etc.)
- Launch Medical Services
- Develop More Executive Education
- Increase Online Program Offerings
- Secure New Debt Offerings
- Grow Research Portfolio
- Sell Excess University Assets (land, etc.)

Proprietary and Confidential

33

The key areas for strategic change and measurement under COVID – effectiveness

Drive Student Success	Increase Employee Performance	Improve Faculty Productivity
Increase retention, graduation, and earnings	*Recruit, train, evaluate, develop and reward*	*Teaching and Research*

Drive Student Success chart:
- Y-axis: Earnings (Low to High)
- X-axis: Satisfaction (Low to High)
- Quadrants: Two (top-left), One (top-right), Three (bottom-left), Four (bottom-right)

Mapping: Activities and Sub-Activities
Size of bubble: Level of Investment

Increase Employee Performance chart:
- Y-axis: Performance (Low to High)
- X-axis: Satisfaction (Low to High)
- Quadrants: Two (top-left), One (top-right), Three (bottom-left), Four (bottom-right)

Mapping: Schools and Majors
Size of bubble: Average Salaries

Improve Faculty Productivity chart:
- Y-axis: Investment (Low to High)
- X-axis: Productivity (High to Low)
- Quadrants: Two (top-left), One (top-right), Three (bottom-left), Four (bottom-right)
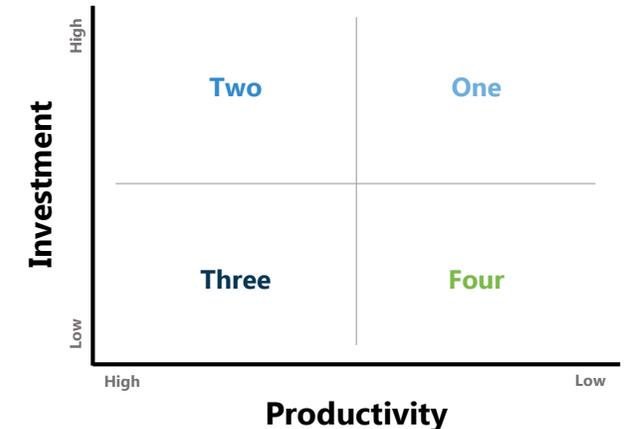
Mapping: Sources of Revenue
Size of bubble: Current Revenue Level

Effectiveness actions to consider

Drive Student Success	Increase Employee Performance	Improve Faculty Productivity
Increase retention, graduation, and earnings	*Recruit, train, evaluate, develop and reward*	*Teaching and Research*

Drive Student Success

- Academic Advising
- Admissions
- Career Services
- Diversity
- Financial Aid
- International Programs
- Recreational Services
- Registration
- Residential Services
- Student Engagement
- Tutoring and Learning

Increase Employee Performance

- Hiring
- Training
- Evaluating
- Rewarding

Improve Faculty Productivity

- Student to Faculty Ratio
- Class Size
- Load
- Support
- Tenure vs. Clinical Mix
- Teaching Support
- Research Support

Analyze administrative human capital investment by spend and FTE as compared to others

Optimize Administrative Spend

Assess level of investment vs efficiency

Chart Key

- ■ Facilities
- ■ Student Services
- ■ Information Technology
- ■ General Administration
- ■ Finance
- ■ Communications
- ■ Development
- ■ Human Resources
- ■ Research Administration

Size of Bubble: Level of Admin. FTEs

ABC Insights ROI Framework
Administrative Activity Analysis –University of XYZ

Reimagine   Showcase

Assess   Maintain

Annual Spend $M (High / Low)

Comparable Efficiency Percent (Low / High)
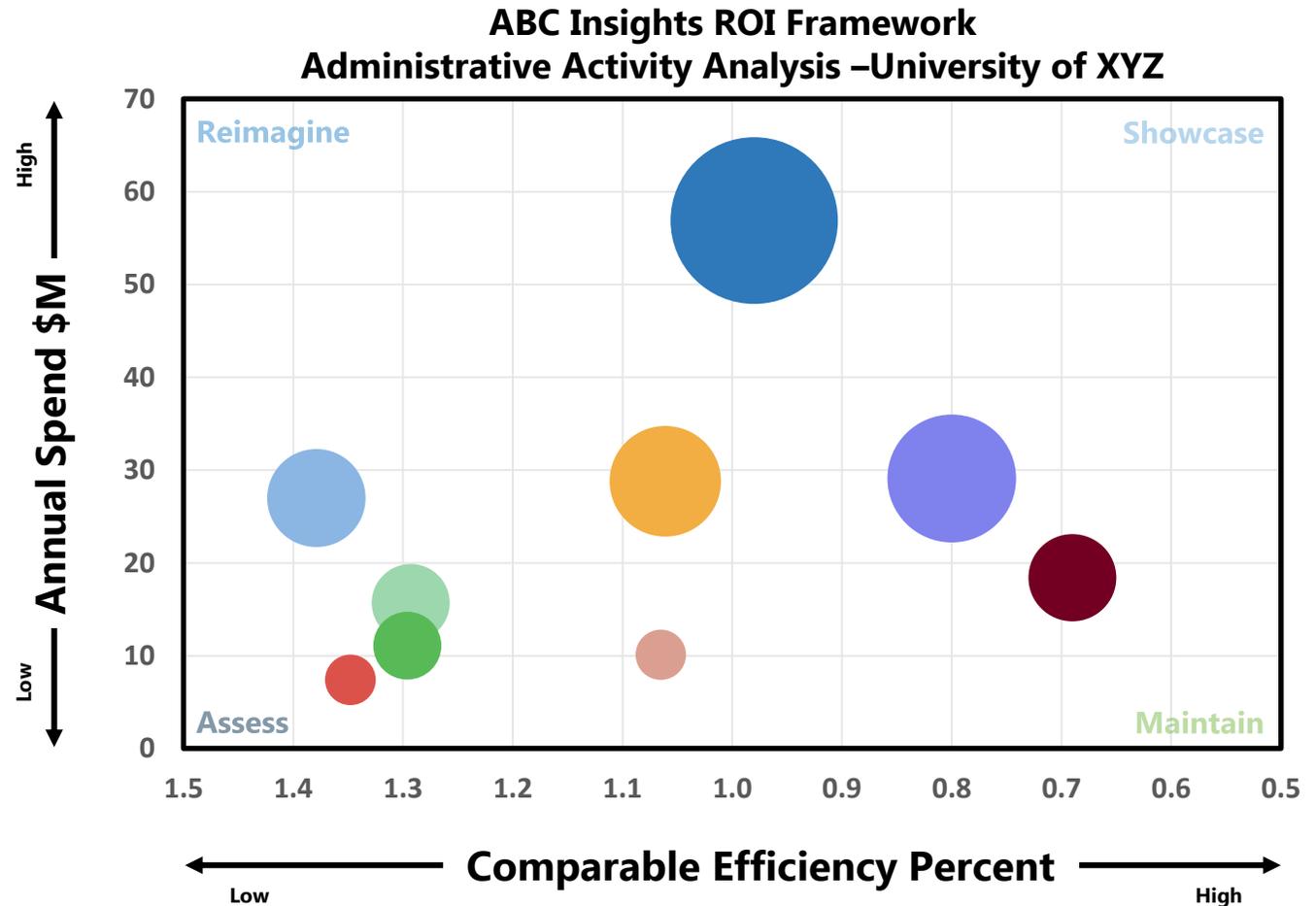
Conduct the same analysis at the school level

Optimize Administrative Spend

Assess level of investment vs efficiency

Chart Key

- ■ Agriculture
- ■ Arts and Sciences
- ■ Business
- ■ Dentistry
- ■ Education
- ■ Engineering
- ■ Journalism
- ■ Law
- ■ Medical

Size of Bubble: Level of Admin. FTEs

ABC Insights ROI Framework
School Administrative Spend Analysis – University of XYZ
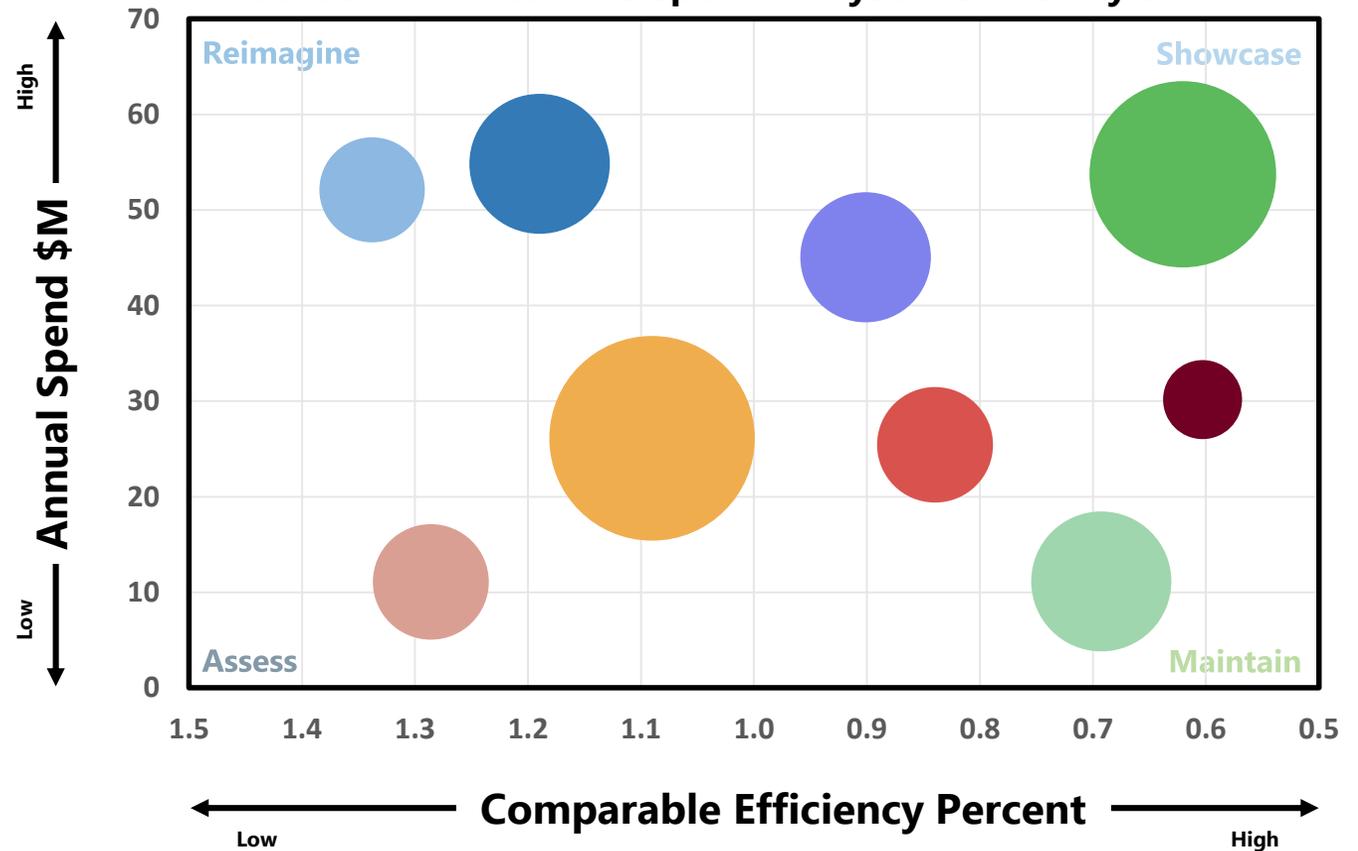
Annual Spend $M (High / Low) vs Comparable Efficiency Percent (Low ← → High)

Quadrants: Reimagine (top left), Showcase (top right), Assess (bottom left), Maintain (bottom right)

Georgetown Study on ROI - Student success and future earnings as a basis for Return on Investment

ROI: Return on Investment for universities can be based not only on the profitability of an institution's administrative operations, but also on student success outcomes

Net Present Value (NPV)	NPV at Multiple Years	Net Price
Type & Level of Institution	Earnings-Price Return	Earning-Debt Return
7-Year Repayment Rate	Graduation Rate	Additional Institution Filters

ROI University NPVs

Institution	10-year NPV	20-year NPV	30-year NPV	40-year NPV
Arizona State University-Tempe	$134,000	$492,000	$786,000	$1,028,000
Auburn University	$81,000	$447,000	$748,000	$995,000
Kent State University	$63,000	$348,000	$582,000	$775,000
UNLV	$127,000	$465,000	$743,000	$970,000
UC Davis	$138,000	$576,000	$934,000	$1,229,000
Average of All 4,500 Institutions				**$723,000**

One common measure of university success is ranking

US News & World Report uses the following weighted combination of academic quality indicators to calculate rankings:

Ranking Factor	Weight (2017)	Weight (2019)
Graduation and Retention Rates	22.5%	22%
Undergraduate Academic Reputation	22.5%	20%
Faculty Resources	20.0%	20%
Student Selectivity	12.5%	10% (0% accept. rate)
Financial Resources	10%	10%
Graduation Rate Performance	7.5%	8%
Alumni Giving Rate	5.0%	5%
Social Mobility	0%	5%
Total	100 %	100%

* Financial resources include "average spending per student on instruction, research, student services, and related educational expenditures in the 2015 and 2016 fiscal years" (Source: US News)

USNWR also ranks the most efficient (and effective) university

$$\text{Operating Efficiency} = \frac{\text{Spend per student on education-focused activities*}}{\text{Overall 0-100 Score}^+}$$

* "US News measures financial resources by calculating how much a school spends per student on instruction, public service, research, student services, institutional support and academic support. Unrelated spending on amenities like dorms and cafeterias do not count"; Financial resources has 10% weight in US News & World Report Best Colleges Ranking methodology (Source: US News)

Introducing the most efficient (and effective) universities (those indicated in blue are members of ABC Insights Consortium)

Efficiency Rank	University (state)	U.S. News National Universities Rank	Overall Score	Financial Resource Rank	Spending per student for each point in U.S. News overall score
1	Miami University – Oxford (OH)	78 (tie)	55	226	$362
2	Florida State University	81 (tie)	54	211	$390.18
3	Brigham Young University – Provo (UT)	61 (tie)	174	174	$411.92
4	San Diego State University	140 (tie)	42	250	$413.62
5	Binghamton University – SUNY	87 (tie)	53	190	$436.49
6	University of Alabama	110 (tie)	48	211	$443.19
7	College of William and Mary (VA)	32 (tie)	70	111	$466.87
8	Clark University (MA)	81 (tie)	54	163	$481.80
9	University of Georgia	54 (tie)	62	121	$484.40
10	Arizona State University – Tempe	115 (tie)	47	197	$489.01
11	Texas Christian University	78 (tie)	55	158	$489.16
12	Indiana University – Bloomington	90 (tie)	52	163	$493.10
13	University of Texas – Dallas	145 (tie)	41	217	$494.94
14	DePaul University (IL)	120 (tie)	46	197	$497.35
15	Clemson University (SC)	67	59	129	$501.72
16	University of South Carolina	103 (tie)	49	179	$501.77
17	Auburn University (AL)	103 (tie)	49	174	$517.16
18	George Mason University (VA)	140 (tie)	42	202	$522.68
19	Villanova University (PA)	46 (tie)	64	103	$524.05
20	St. John Fisher College (NY)	145 (tie)	41	202	$528.42
21	Virginia Tech	69 (tie)	57	114	$546.37
22	Stevens Institute of Technology (NJ)	69 (tie)	57	114	$552.13
23	University of Missouri	120 (tie)	46	163	$556.18
24	University of Oregon	103 (tie)	49	147	$561.80
25	Duquesne University (PA)	120 (tie)	46	163	$565.05

Source: ABC Insights – www.abc-insights.com
NACUBO University-Level ROI:
How to Get Better Results With Less
April 23, 2020
US News

Summary Observations for increasing ROI at the Unit Level – Buffalo

Start with measuring desired outcomes and then gather relevant benchmarking data to assess areas of over or under-investment

Strategically examine all administrative positions and classify them as to unique nature (e.g. "Strategic," "Core," or "Currently Utilized")

Change resource allocations accordingly based on data from processes listed above.

The first step is to calculate your University's Administrative Intensity Measure (AIM)

FY18

$441,325,273

of total spend analyzed from the FY18 data file

$156,931,552

mapped into ABC's Standard Activity Model (SAM) – Administrative Spend

35.6%

Take a deeper look at administrative spending investments

FY17

Total Labor Spend in FY17 Data File
Total Cash Compensation - All W2 Employees

Info Tech (7%)
Facilities (6.9%)
Student Svcs (5.5%)
General Admin (5%)
Finance (3%)
Rsrch Admin (2.2%)
Comm (2%)
HR (1.5%)
Devel (1.2%)
Review (0.1%)
Unmappable (0%)
Non−SAM (65.5%)

$416,750,853

FY19

Total Labor Spend in FY19 Data File
Total Cash Compensation - All W2 Employees

Facilities (8.6%)
Info Tech (6.7%)
Student Svcs (6.4%)
General Admin (5.7%)
Finance (3.2%)
Comm (2%)
Rsrch Admin (2%)
HR (1.5%)
Devel (1.2%)
Review (0.2%)
Unmappable (0%)
Non−SAM (62.5%)

$507,620,701

We noted that the administrative spending has gone up

Total Labor Spend vs. SAM Spend

$500.00 — $507.62 M

$441.33 M

$416.75 M

$400.00

$300.00

$200.00 — $189.15 M

$156.93 M

$143.07 M

$100.00

$0.00

FY17   FY18   FY19

Total Labor Spend

Research Admin SAM Spend Millions
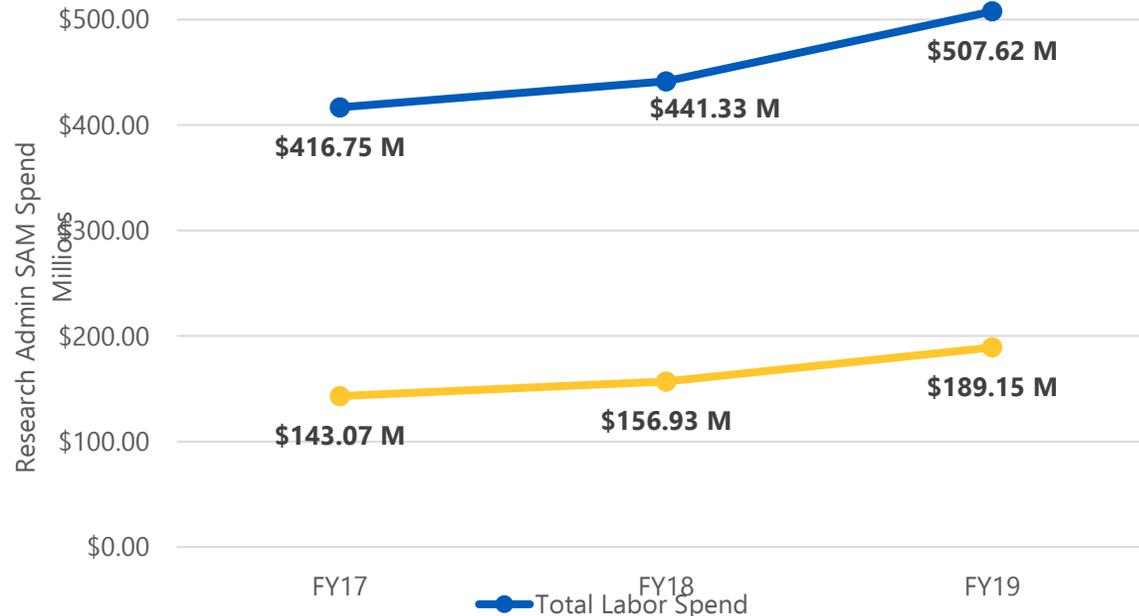
FY17 AIM	FY18 AIM	FY19 AIM
34.3%	36.6%	37.3%

Spend	Compound Annual Growth Rate (CAGR)
Total Labor Spend	10.4%
SAM spend	15.0%

Summary Observations for increasing ROI at the Unit Level – Temple

Start with and continually evaluate spend against benchmarks to discover efficiency opportunities.

Equally important is to find a way to measure effectiveness of administrative services from the perspective of faculty and staff
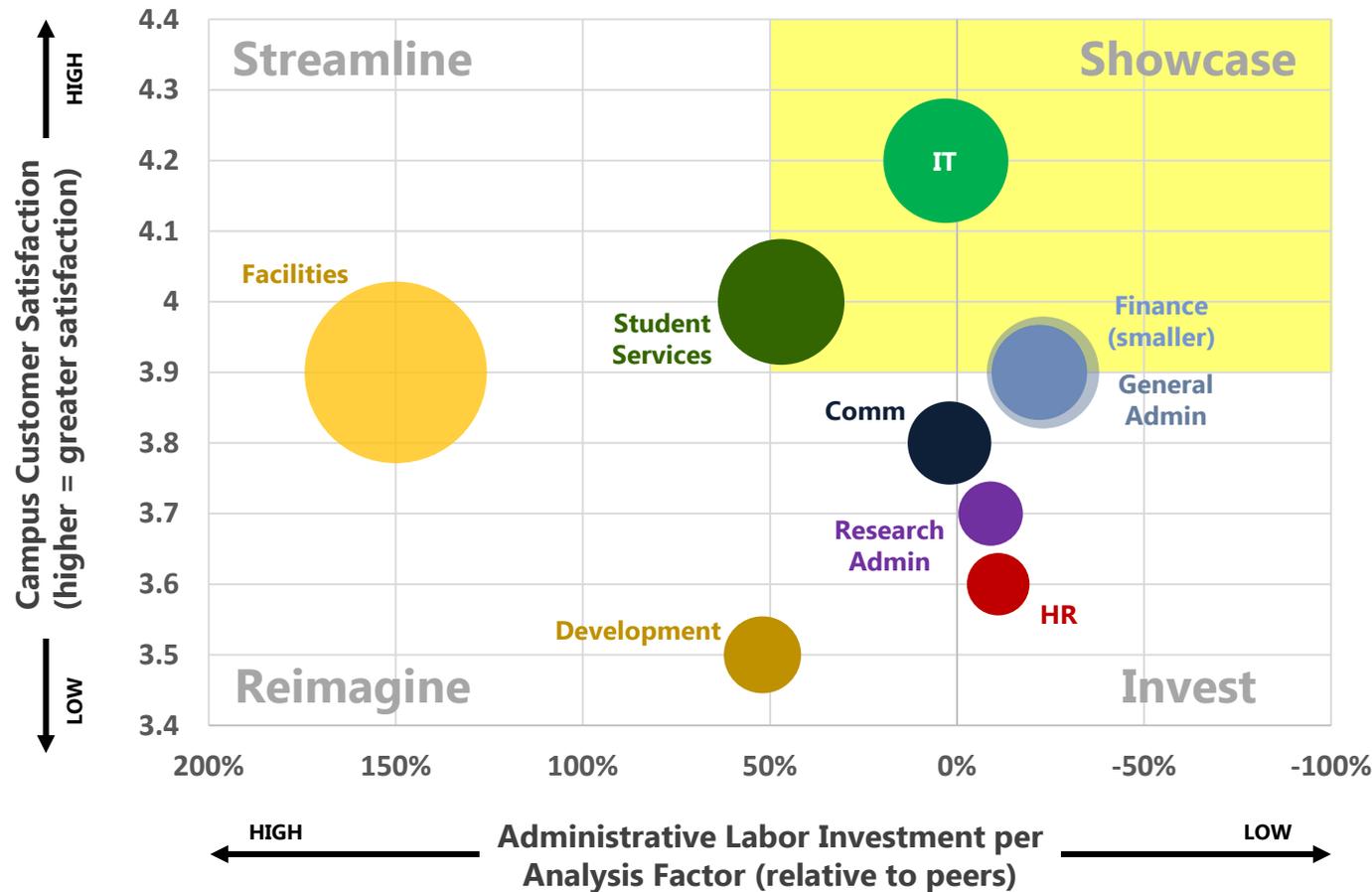
All part of effort for continuous improvement that we take from both a central and decentral approach

ABC Human Capital Matrix (Narrow Band)

Campus Customer Satisfaction (higher = greater satisfaction)

HIGH — LOW

| | Streamline | Showcase |

- **IT** — (4.2, ~0%)
- **Facilities** — (3.9, ~150%)
- **Student Services** — (4.0, ~50%)
- **Finance (smaller)** — (3.9)
- **General Admin** — (3.9)
- **Comm** — (3.8)
- **Research Admin** — (3.7)
- **HR** — (3.6)
- **Development** — (3.5, ~50%)
- **Reimagine**
- **Invest**

X-axis: Administrative Labor Investment per Analysis Factor (relative to peers)
200% — 150% — 100% — 50% — 0% — -50% — -100%

HIGH ← → LOW

Bubble size
Total Administrative Labor Investment (cash compensation only)

Analysis Factor
- Communication: Total Headcount
- Development: Funds Raised
- Facilities: Square Feet Cleaned
- Finance: Total Employee Headcount
- General Admin: Total Headcount
- HR: Total Employee Headcount
- Information Technology: Total Headcount
- Research Admin: Total Research Awards
- Student Services: Total Student FTE

Measuring ROI

Benchmarking and Return on Investment

- Multiple Levels – Project vs Institution vs Student Outcomes
  - Negative ROI at the project level may still be positive at the institution or student outcomes levels
  - Benchmarking is the key – internal and external

UNLV

UNLV has fewer noninstructional staff per 100 FTE students than the average R1s and has risen to be comparable to the average public R2

Institution	2016	2017	2018
University of Nevada-Las Vegas	11.24	12.55	13.57
R1 Institution (Mean)	29.26	29.35	29.41
R1 Institution (Median)	21.67	21.49	21.39
Public R1 Institution (Mean)	21.26	21.24	21.33
Public R1 Institution (Median)	19.12	18.42	18.67
R2 Institution (Mean)	14.33	14.49	14.28
R2 Institution (Median)	12.49	12.48	12.47
Public R2 Institution (Mean)	12.19	12.22	12.45
Public R2 Instution (Median)	11.38	11.51	11.47
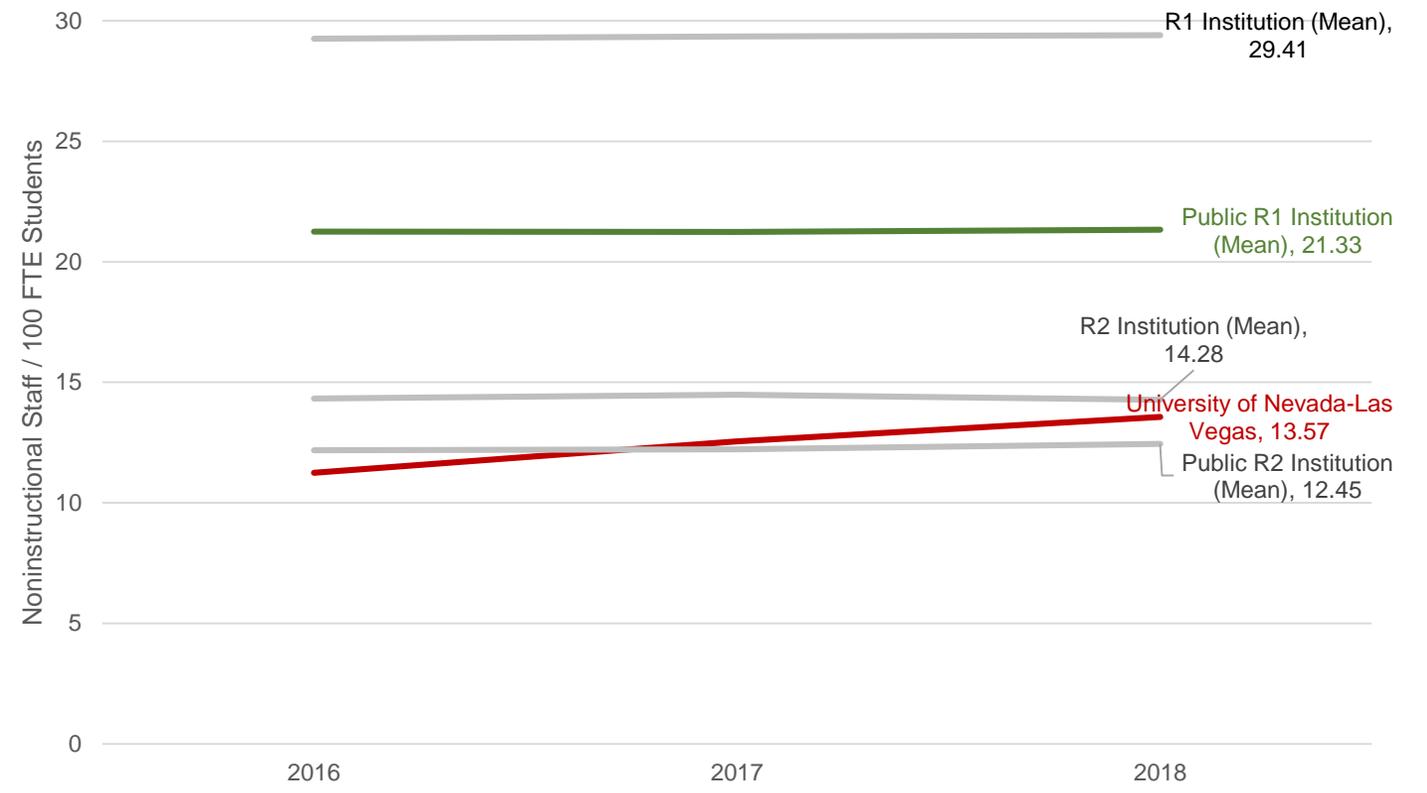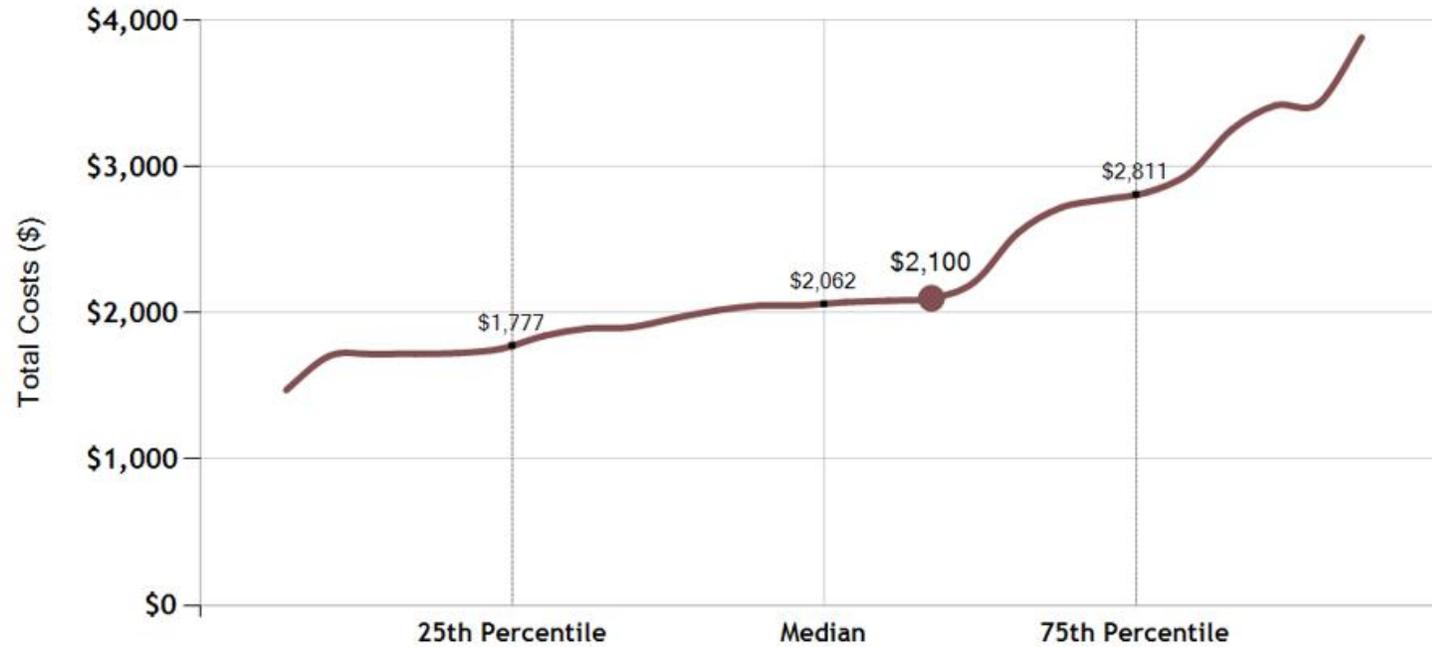
ASU had *lower spend per student Fall FTE* across most activities – except for Communications and IT – compared to selected benchmarks in FY18

Analysis Factor: Student Fall FTE (IPEDS)

Activity	Spend per student FTE by university*		% Difference
	ASU FY18	Selected Benchmark Average FY18	
General Administration	$465	$1,251	⬇ 63%
Facilities	$1,000	$2,194	⬇ 54%
Development+	$173	$351	⬇ 51%
Research Administration	$194	$307	⬇ 37%
HR	$174	$271	⬇ 36%
Finance	$532	$722	⬇ 26%
Student Services	$1,128	$1,149	⬇ 2%
Communications	$477	$460	⬆ 4%
IT	$1,125	$1,026	⬆ 10%

*Indicates adjusting by Area Wage Index
+ Includes ASU Foundation labor estimates
Note: Standard divisions not at ASU (e.g., Medical School, Agriculture School, etc) were excluded from all peer universities for this analysis to ensure apples-to-apples comparisons.

ACADEMIC BENCHMARKING CONSORTIUM

ASU Arizona State University

Institutional Efficiency Data

- Data sources for Efficiency
  - IPEDS (https://nces.ed.gov/ipeds/use-the-data) ← FREE but lags
  - SACUBO Benchmarking tool (https://benchmarking.sacubo.org/) ← FREE but limited to NACUBO code level and little data validation
  - University Benchmarking Initiative (https://universitybenchmark.org/) ← $, but limited metrics for comparison
  - National Community College Cost & Productivity Project (https://costandproductivity.org/) ← $, Community colleges only
  - ABC Insights (https://abc-insights.com/) ←$$, but lower level of detail and substantial data validation

Efficiency Vs Effectiveness

- How far does your money go?

- What types of results are you getting for that money?

- What are the downstream effects of this strategic investment?

UNLV

ASU's human capital investment in Student Services per student Fall FTE has steadily increased from FY16 to FY18

Of the Student Services subactivities, Academic Advising, Other, & Admissions labor spend had the largest increases over time (slope)
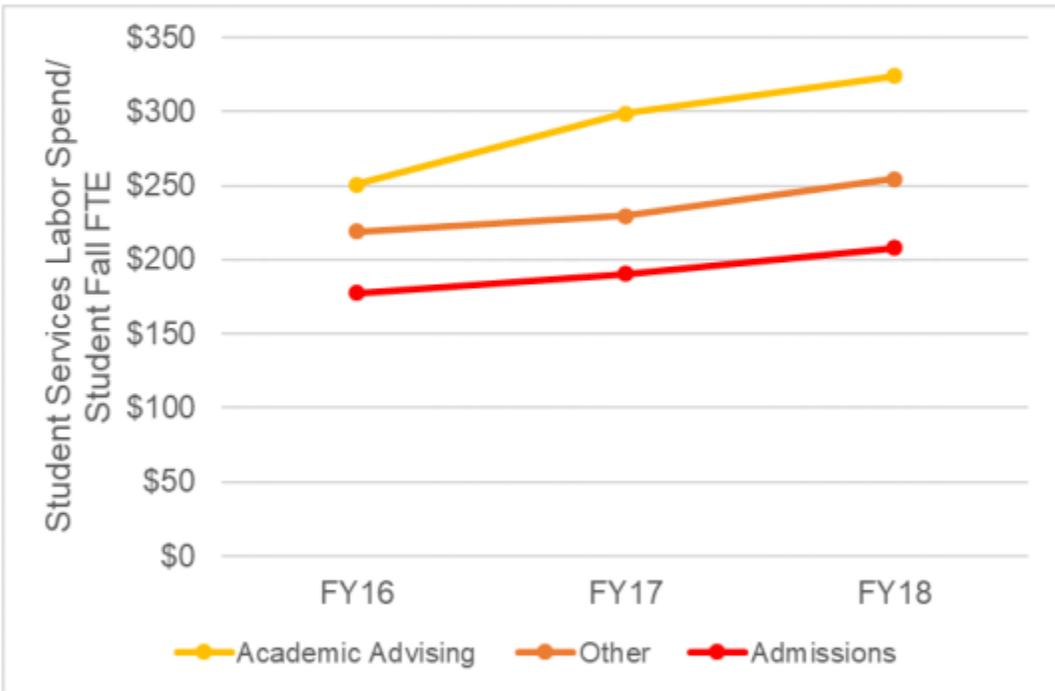
| Student Services Subactivity | % Increase (FY16 to FY18) | |
	ASU	Benchmark Average
Academic Advising	29.0%	14.0%
Admissions	17.1%	49.7%
Other (Tutoring & Student Engagement)	16.3%	47.9%

Academic Advising - Central Spend Drivers:

- EdPlus:
    - EdPlus Success Coaching Center: new Academic Success Specialists/Success Coach title (+$3M)
- University College:
    - Academic Advising Services: additional Academic Success Specialists (+$115K)
    - Academic Advising Services Poly: new dept (+$189K)
- Provost/Sr. Vice Pres Tempe:
    - Provost University Center: new dept (+$170K)

Discussion topics

- Introductions and Overview

- **Plenary: Strategy Execution Under COVID – *The Importance of Key Data***

  - Aligning of Strategy to Actions and Metrics

  - Measuring ROI at the University and Unit Level

  - **Improving Individual Strategic Decision-Making**

- Breakouts

- Report Outs

On a macro level, we have room for improvement

And what do they do wrong? 31% of CEOs/TMTs get fired for mismanaging change, 28% for ignoring customers, 27% for tolerating low performers, 23% for denying reality and 22% for too much talk and not enough action – source: Leadership IQ, 2010

Executives' perceived quality of strategic decisions in their company

Pie chart:
- Mostly Bad 12%
- Generally good 28%
- Bad as frequently as good 60%
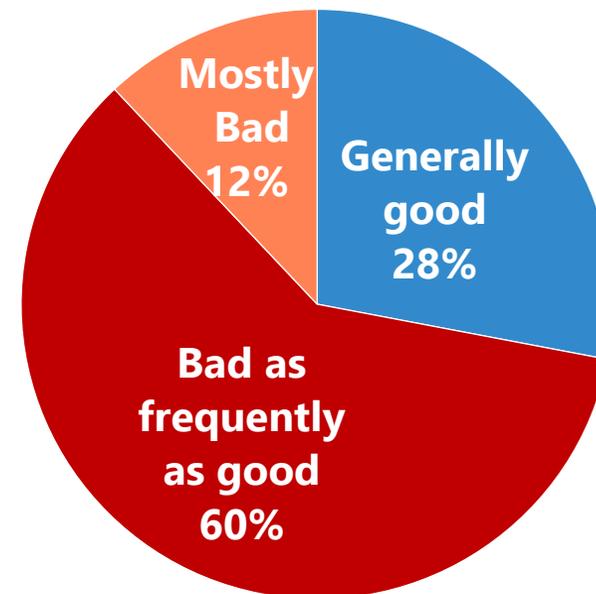
Organizations have issues of their own

- Only 16 of the 100 largest U.S. companies at the start of the 20th century are still identifiable today

- In a recent year, 44,367 businesses filed for bankruptcy and many more U.S. businesses failed

- Approximately only 15-20% of all acquisitions/mergers achieve the anticipated synergies identified as justification for the action

This has been the subject of much study

- Kahneman and Tversky were key contributors...

Flawed Decision Making (not rational)

Environment → Individual Perception → Decisions
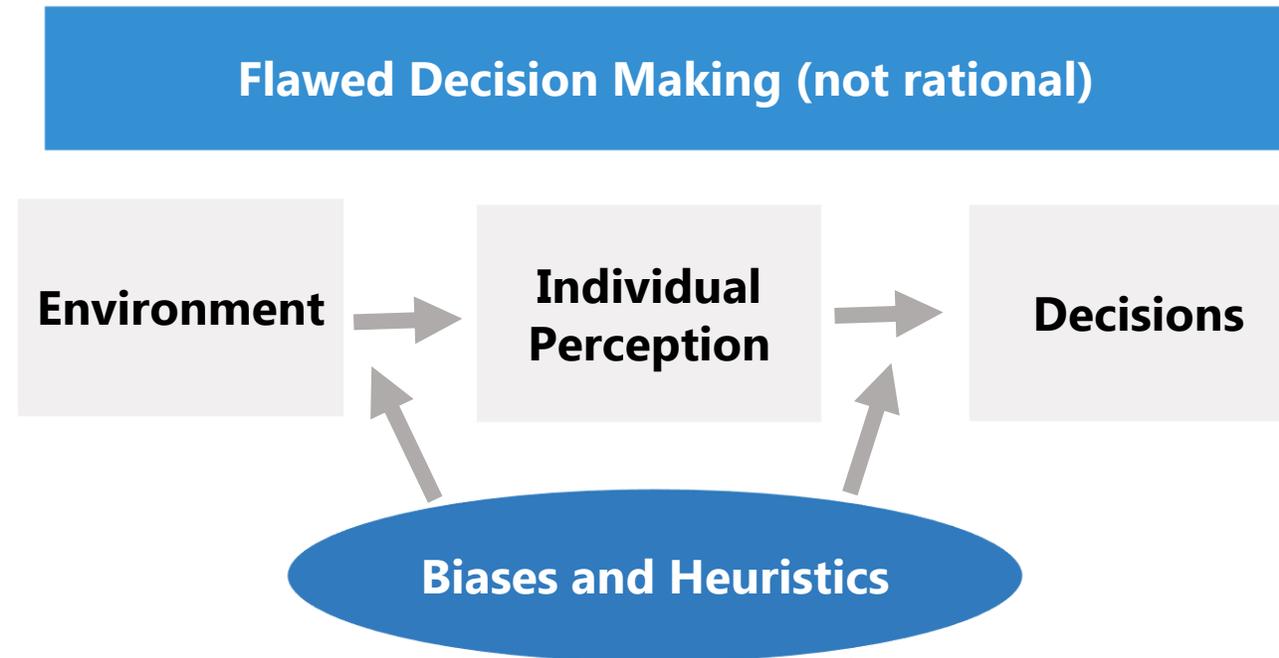
Biases and Heuristics

B – Bad money after good (escalating commitment)

L – Limited frame of reference

I – Invalid assumptions (taboo or just wrong)

N – Non-statistically significant conclusions

D – Deal Maker's Curse

S – Self-focus over organization

P – Problem framing (key issue and components)

O – Overconfidence

T – Tendency to avoid loss

S – Sending good news bias

Mitigation Strategies – Individual

1. Become aware of the "blindspot" problem

2. See your own blindspots

3. Seek external and diverse opinions on major issues and decisions (support group)

4. Be particularly conscious of overconfidence

5. Set limits for gambling

6. Balance personal vs. organizational returns

7. Learn statistical analysis

8. Utilize the scientific method of problem solving

9. Do not repeat failure – learn from it

10. Be open to devil's advocate assessments

Mitigation Strategies – Team

1. Become aware as a team of potential blindspots

2. Document explicit assumptions on the team

3. Appoint a devil's advocate

4. Understand and utilize the scientific method

5. Focus on data-driven analysis and support

6. Search for analogies in other industries

7. Set limits in advance on major deals

8. Incorporate an external perspective (consultant?)

9. Ignore sunk costs

10. Seek diversity on all teams

Mitigation Strategies – Organization

1. Encourage all employees to be aware of blindspots

2. Establish a culture of open communication

3. Encourage learning from failure (and benefits)

4. Create a system of checks and balances

5. Assemble multi-functional and diverse teams

6. Involve more employees in strategy sessions

7. Analyze scenarios (and especially worst case)

8. Incorporate independent external perspectives

9. Reward innovation and entrepreneurship

10. Provide training in blindspot mitigation!

The Six Steps to Decision-Driven Reorganization

1. • Identify your organization's key decisions.

2. • Determine where in the organization those decisions should happen.

3. • Organize the macrostructure around sources of value.

4. • Figure out what level of authority decision makers need.

5. • Align other elements of the organizational system, such as incentives, information flow, and processes, with those relate to decision making

6. • Help managers develop the skills and behaviors necessary to make and execute decisions quickly and well

Improving Individual Strategic Decision-Making

Aligning Individual Incentives with Strategy

Examples:

- Offering programs to generate revenue when there is little market demand or too much competition

- Certain forms of RCM

- Avoiding central "taxes"

- Excessive decentralization

Participant Participation – Polling Question 1

Our campus aligns strategy from the top all the way to individual decision-making.

1 = Strongly Agree
2 = Agree
3 = Disagree
4 = Strongly Disagree

Discussion topics

- Introductions and Overview

- Plenary: Strategy Execution Under COVID – *The Importance of Key Data*

  - Aligning of Strategy to Actions and Metrics

  - Measuring ROI at the University and Unit Level

  - Improving Individual Strategic Decision-Making

- **Breakouts**

- Report Outs

Breakout Discussion Topics

- **Do you have strategic metrics that are clear, aligned and accessible?**

- **How have you been able to identify and share the most relevant data for decision-making?**

Participant Participation – Polling Question 2

What are your biggest challenges accessing quality data for decisions?

1 = Data Quality
2 = Data Governance
3 = Technical Accessibility

Discussion topics

- Introductions and Overview

- Plenary: Strategy Execution Under COVID – *The Importance of Key Data*

  - Aligning of Strategy to Actions and Metrics

  - Measuring ROI at the University and Unit Level

  - Improving Individual Strategic Decision-Making

- Breakouts

- **Report Outs**

Teams report out key topics, insights, and recommendations

Are you investing in better data, analytics and execution processes on your camps?

1 = Yes
2 = No

Update poll question

Thank you to our program organizers and sponsors