



## **Working with Consultants**

*How to Make the Relationship Win-Win*

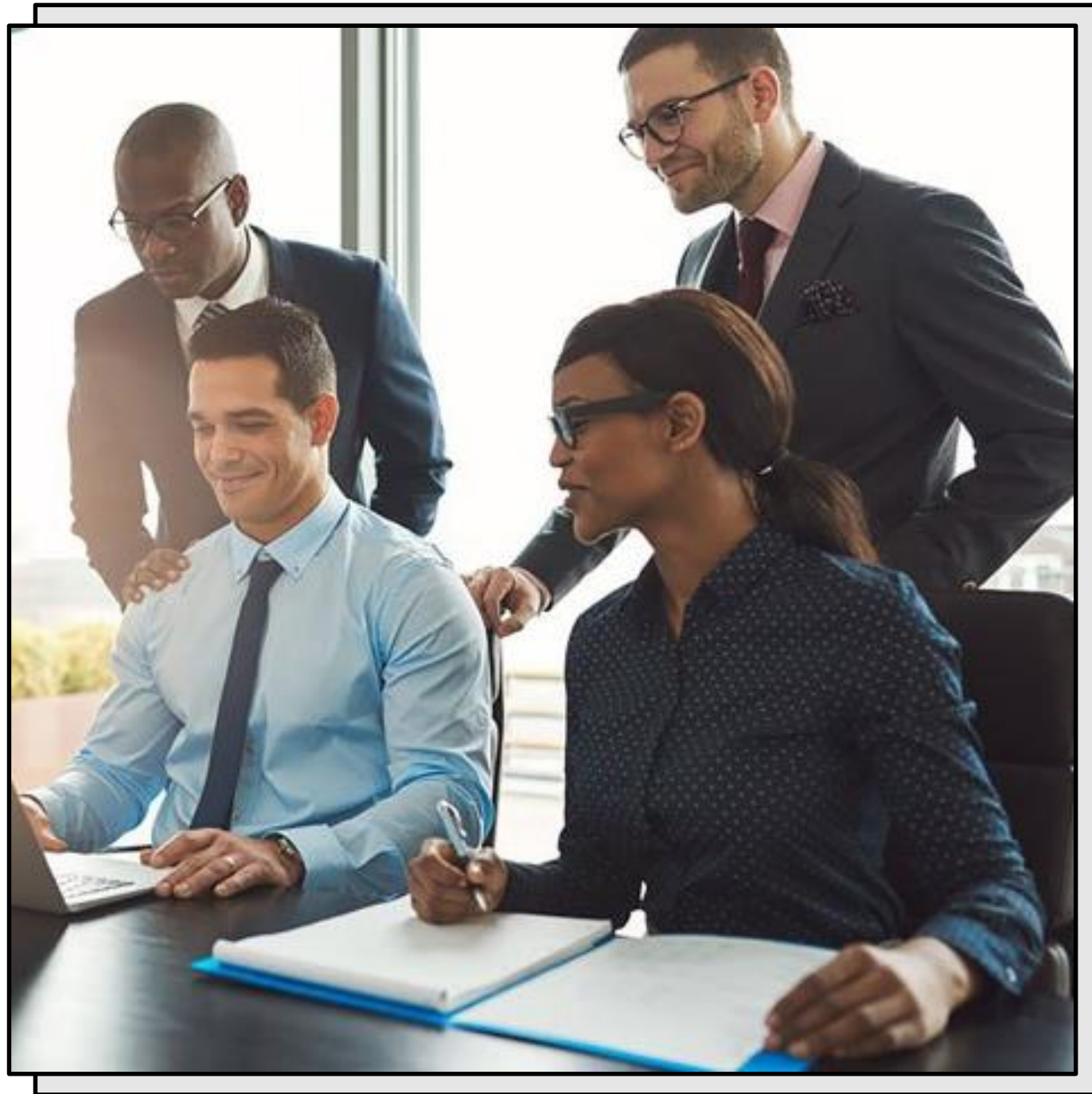
*Tuesday, September 13<sup>th</sup> – 10:15 – 11:15*

### **Presented by:**

**Dr. Paul N. Friga**, *UNC-CH and ABC Insights®*

**Ken Kaiser**, *Temple University*

**Andrew Mangels**, *UMass Amherst*



# Your hosts for this session



**Dr. Paul N. Friga** - [pnf@unc.edu](mailto:pnf@unc.edu)

- Clinical Associate Professor of Strategy & Entrepreneurship, UNC Kenan-Flagler School of Business
- Chief Strategy Officer and Co-Founder, ABC Insights® (The Academic Benchmarking Consortium <https://abc-insights.com>)
- Paul earned a B.S. degree in Management and Accounting from St. Francis University (served on Board of Trustees) and an MBA and Ph.D. from the UNC-CH, Kenan-Flagler Business School and worked as a consultant for PwC and McKinsey



**Ken Kaiser** – [ken.Kaiser@temple.edu](mailto:ken.Kaiser@temple.edu)

- Vice President, Chief Financial Officer, and Treasurer, Temple University
- Since 2007, he has served as the Senior Associate Vice President for Finance and Administration responsible for several areas including: Budget, Human Resources, Bursar, Risk Management, Treasury and Investments
- Ken holds a B.S., MBA, and Master of Management Information Systems and E-Business, all from Temple University



**Andrew Mangels** – [amangels@umass.edu](mailto:amangels@umass.edu)

- Vice Chancellor for Administration and Finance, University of Massachusetts Amherst
- Previously Associate Vice Chancellor for Finance and Budget Director since 2011 and he was Controller for 10 years
- Andrew earned a B.S. in Business Administration from the College of William and Mary and an MBA from Johns Hopkins University. He passed the CPA exam in 1989



# Let's hear from you...



**Has your university engaged with a consulting firm in the last year?**

*Yes or No*

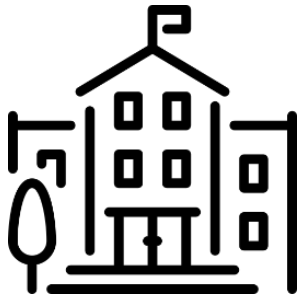


**How effective do you believe the consulting engagement was?**

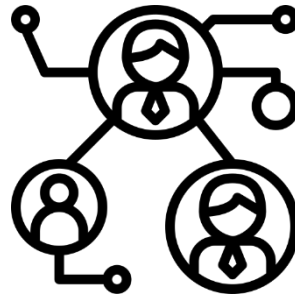
*Low, Moderate, High*

# Executive Summary

## Consulting for Higher Education



## Creating Successful Interactions



## Moving Forward with Consultants



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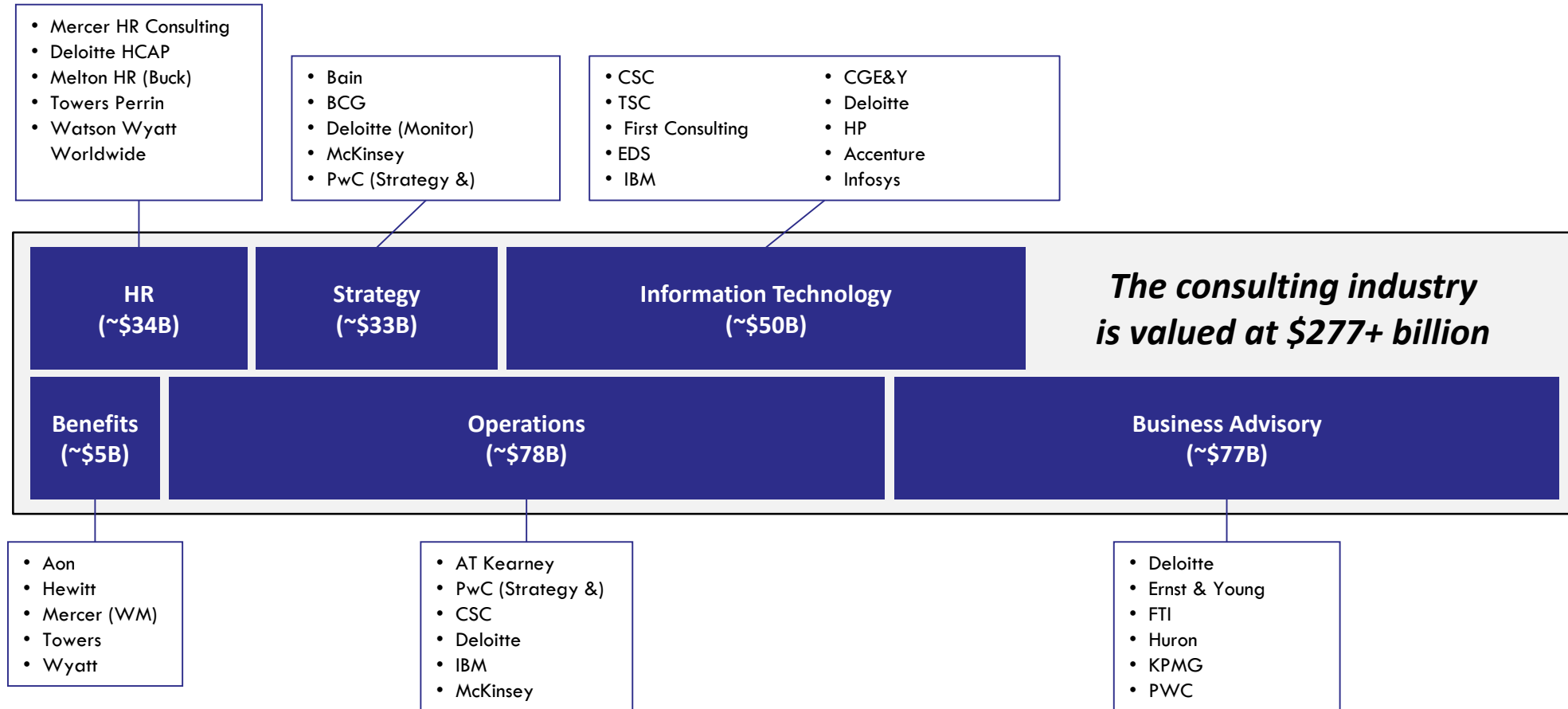


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# Consulting is a massive industry with many players



Source: Vault.com, Statista

# Who are the players in higher education consulting?

## What do they do?

### Strategy

- Strategic planning, resource allocations, partnerships, new offerings, online capabilities, private/public partnerships, M&A

### Operations

- New technologies, supplier consolidation, student success efforts, program and admin. reviews. workforce planning

### Marketing

- Customer/student analysis, overall campaign design, segmentation, conjoint analysis, enrollment services

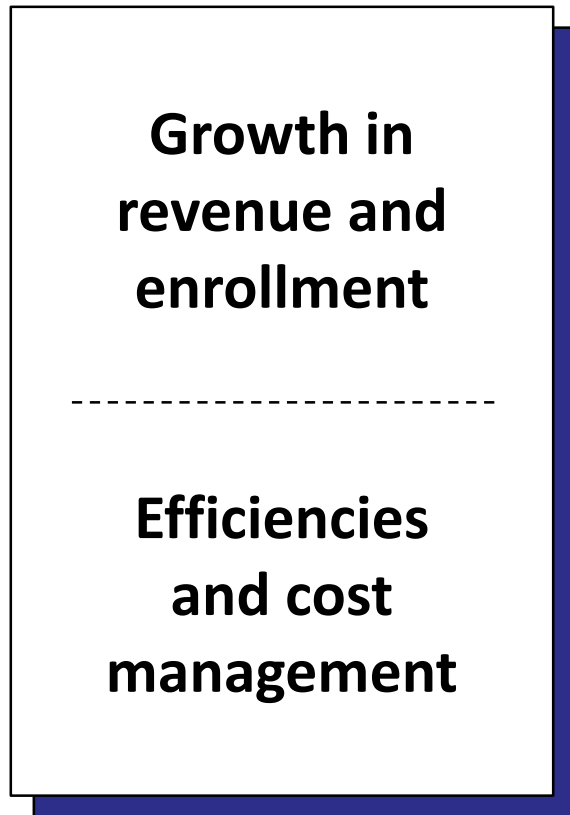
### Financial

- New budget models, risk assessment, cash flow/P&L forecasting, CFO office support

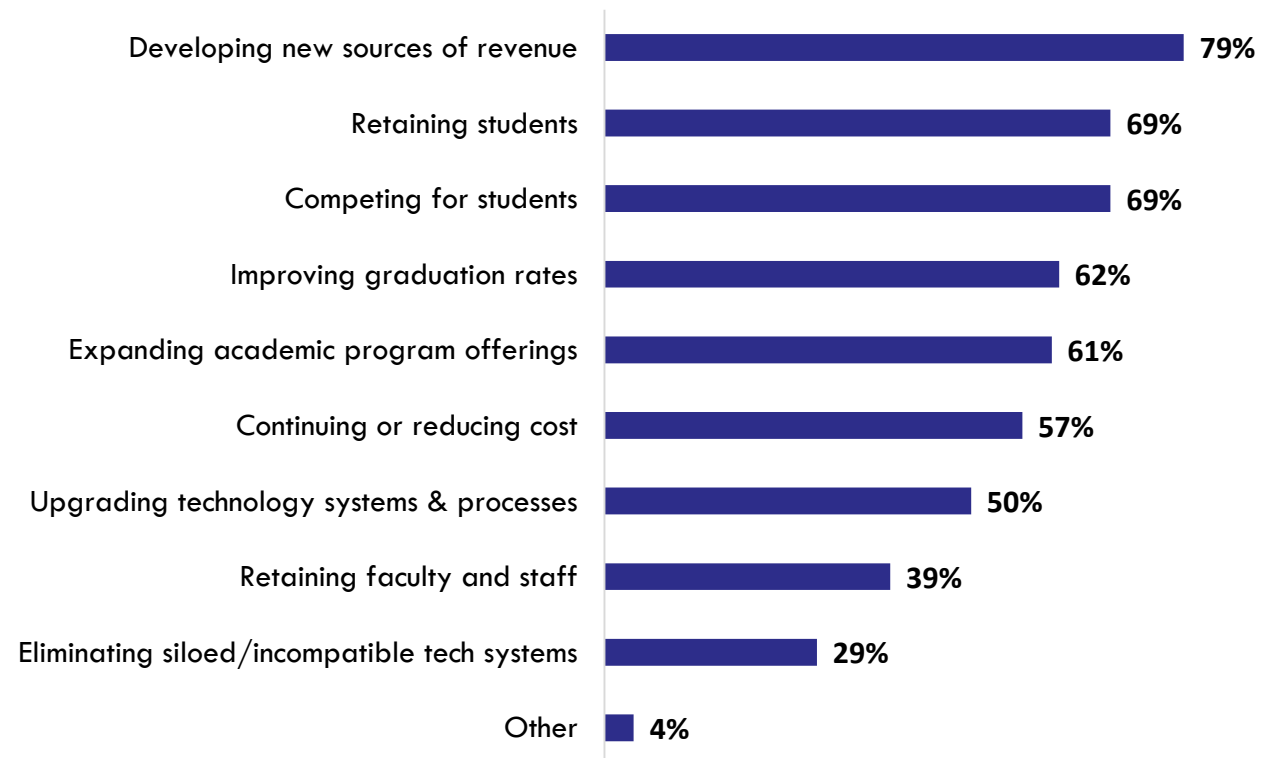


Source: Vault.com, Statista, Consulting Firm Websites

# Growth and efficiency are key challenges in higher ed



## Top Institutional Challenges According to Academic Leaders



Source: Chronicle of Higher Education, 2019



# Data and implementation are priorities in universities

A 2017 survey of institutions found that **91 percent** of colleges report that they are investing in descriptive data and analytics in some way, and **89 percent** report that they are investing in predictive data and analytics in some way.

Only **40 percent** of college representatives agree that they “are able to implement the results of student success analytic studies effectively”

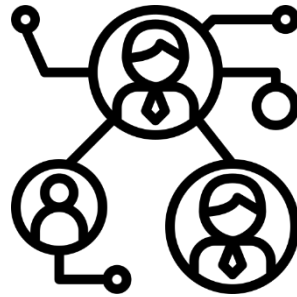
Source: Institute for College Access and Success

# Creating Successful Interactions

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# The 1st Step – “Pre-Engagement” Tips

## Frame the Problem

- Key question?
- In-house versus consultants?
- Support for consultants?
- Successful outcomes?

## Network & Research

- Networking
- High level insights (free advice)
- Primary and secondary research

## Meet & RFP

- Spend time with potential consultant
- Tailored to your needs
- Create a Request for Proposal (RFP)

# 2<sup>nd</sup> Step – “During the Engagement” Tips

## Scope of Work

- Scope of Work document
- Key dates and project timelines
- Expected deliverables
- Determine roles

## Ownership

- Take responsibility for the process
- Use resources such as ABC Insights® to gather data, help control costs, and track progress

## Deliverables

- Monitor progress on a regular basis
- Ensure that supporting analysis is being shared

# 3<sup>rd</sup> Step – “Post-Engagement” Tips

## Implement

- Consider consultants for implementation
- Find internal champions
- Continue to set key dates and regular check-ins

## Track

- Measure the results
- Be detailed in data tracking
- Understand how the data demonstrates positive results or future challenges

## Discuss

- Stay in touch with your consultants
- Challenge staff to think and act like consultants
- Work to continuously improve

# Moving Forward With Consultants

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# Best practices for successful engagements with consultants

## Set Clear Expectations

Spell out what you want at the front-end. Share motivations behind goals, possible stakeholders, and anticipated challenges.

## Stay Engaged

Schedule check-in dates throughout the project to stay fully involved on the progress, key findings, and deliverables.

## Communicated Constantly

Communicating feedback in a timely fashion can lead to faster adjustments and a more successful overall engagement.

## Be Open to Changes

Use a consultant's outside perspective to your advantage by being open to course corrections throughout an engagement.

# Companies like ABC Insights® can support consultants

## ABC Insights®

*ABC Insights® is the premier benchmarking platform for finance executives within higher education, designed to allow members to easily perform comparative analyses against peer institutions and to share best practices.*

### Mission

To improve decision-making in higher education by providing reliable benchmarking data and insights

### Vision

To become the industry standard by improving university performance

## ABC INSIGHTS® METHODOLOGY

DATA  
SUBMISSION

ACTIVITY  
MAPPING

NORMALIZED  
REPORTING

INSIGHTS  
DELIVERED

## ABC Insights® – Standard Activity Model (SAM)

*ABC analyzes and organizes our member universities administrative labor expenses into a standardized and consistent model called our SAM or Standard Activity Model.*

Standard Activity Model (SAM) Spend as a Percent of Peers  
All Activities (FY16)



Source: ABC Insights®



# Administrative transformation is a focus area for consultants

 <p><b>COMMUNICATIONS</b></p> <p>Marketing and Communication Public Affairs</p>	 <p><b>DEVELOPMENT</b></p> <p>Alumni Relations Fundraising Prospect Management, Research and Analytics</p>	 <p><b>FACILITIES</b></p> <p>Capital Planning and Management Construction Services, Maintenance and Repair Dining Services Energy and Utilities Environmental Health and Safety Grounds Custodial Services Public Safety Transportation</p>	 <p><b>FINANCE</b></p> <p>Accounts Payable Budget and Financial Planning Financial Reporting General Accounting Payroll Processing Procurement Student Accounts</p>	 <p><b>GENERAL ADMINISTRATION</b></p> <p>Executive Leadership Departmental Support</p>
 <p><b>HUMAN RESOURCES</b></p> <p>Benefits Classification and Compensation Employee and Labor Relations Hiring Training</p>	 <p><b>INFORMATION TECHNOLOGY</b></p> <p>Application Development Education Technologies Infrastructure and Operations Security and Privacy User Support</p>	 <p><b>RESEARCH ADMINISTRATION</b></p> <p>Pre-Award Post-Award Research Compliance</p>	 <p><b>STUDENT SERVICES</b></p> <p>Academic Advising Admissions Career Services Diversity Financial Aid International Programs Recreational Services Registration Residential Services</p> <p><b>FY19 +</b> Engagement and Events Student Success and Tutoring Wellness</p>	

## Standard Activity Model (SAM™)

*The ABC Insights® Standard Activity Model (SAM™) is focused on a subset of 43 non-faculty “staff” labor expenses categories.*

## Recent Higher Ed Admin Reviews

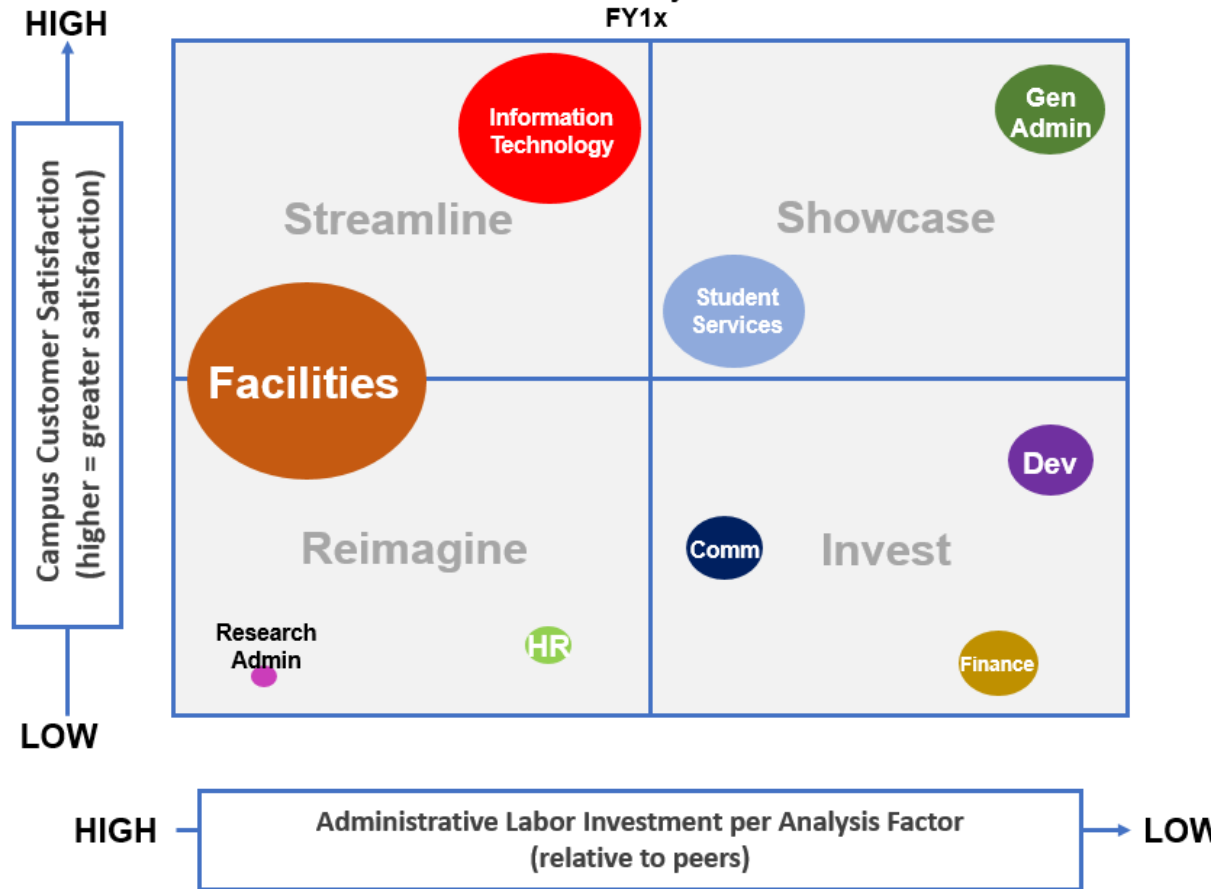


Source: ABC Insights®, News Sources

# ABC Insights Matrix for tracking/reporting Admin Labor

## ABC Human Capital Matrix (Draft)

For University Name  
FY1x



**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 Expenses
  - Student Services: Total Student Headcount

Source: ABC Insights®

# Discussion – What has worked and what hasn't?



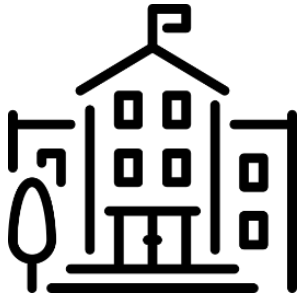
**What has led to a more successful engagement with past consultants?**



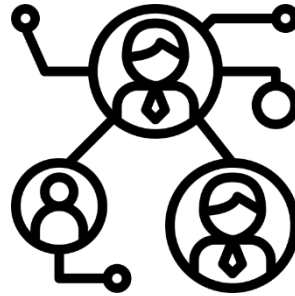
**What are the challenges of working with consultants?**

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