The Business of Higher Education

By: Dr. Jairy C. Hunter, Jr.
President
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College of Business Management Institute
July 24 – 28, 2017
The Business of Higher Education

Lecture #1: State of Higher Education

Lecture #2: The Maximum Business Officer

Lecture #3: Strategies for Leveraging Change
State of Higher Education

I. Challenges
II. Organizational Health
III. Multicultures
IV. Costs
V. Graduates
I. Challenges

1. Student Financial Aid
2. Cost of Higher Education
3. Enrollment
4. Campus Safety and Security
5. Other?
I. Challenges

Economic Outlook Survey

1. How much longer do you think the recession we are currently in will last? 
   4 mths___ 6mths___ 8mths ___ 1 yr___ More than 1 yr___

2. Do you believe that there is a limit to the amount of money the Federal Reserve Bank can print?  Yes___ No___

3. What will be the increase in tuition and fees at your institution in the fall? 
   ___0% ___1% ___2% ___3% ___4% ___5% ___6% ___7% ___Other

4. How much of a budget cut has your institution experienced in the past two years?

5. Please raise your hand if your institution has not given a pay increase in: 
   ___3 or more years ___2 years ___1 year
II. Organizational Health

Chaotic Organization

II. Organizational Health

Please Answer (Yes or No)

1. The quality of communication and collaboration

- Do employees interact only with people from their own group? Y/N
- Are there strong subcultures that align with business groups or divisions? Y/N
- Are there breakdowns in communication caused by the formation of silos? Y/N
- Has collaboration between groups decreased over the past five years? Y/N

- Total Yes Answers ________

Source: The Advantage, Patrick Lencioni, Jossey-Bas.
II. Organizational Health

2. **The capacity to adapt**
   - Are many people uncomfortable with change? Y/N
   - Do people and groups operate according to well-established routines? Y/N
   - Has it been a long time since your organization developed a significant new revenue stream? Y/N
   - Has the percentage of revenue from new streams decreased over the past five years? Y/N
   - Total Yes Answers ___

II. Organizational Health

3. The balance of power among groups

- Do influential groups or individuals use most of the organization’s resources? Y/N
- Is it difficult for people outside the organization’s central group to obtain resources? Y/N
- Do influential groups or individuals impede decision making? Y/N
- Have the groups or individuals that were influential five years ago extended their influence? Y/N

Total Yes Answers ___

Source: The Advantage, Patrick Lencioni, Jossey-Bas.
II. Organizational Health

Final Score

- **0 – 2 yes answers**: There’s no need for change just yet
- **3 – 7 yes answers**: It’s the perfect time for a change
- **8 – 12 yes answers**: You’re late already; your company needs substantial change

Source: The Advantage, Patrick Lencioni, Jossey-Bas.
II. Organizational Health

Essentials

• Trust is the watchword

• Alignment

• Effective communication

• Right people in the right positions

• Strategic Thinking

• Innovative actions encouraged & celebrated
II. Organizational Health

Principles For Success

(What’s Your True North?)

• Know your Purpose & Passion

• Employ the highest ethical standards

• Treat others with respect and kindness

• Have a plan and work your plan every day

• Demonstrate humility and servant leadership

II. Organizational Health

Principles For Success
(What’s Your True North?)

• Think positive and envision successful outcomes
• Be an active listener and participate
• Exhibit high energy and a sense of urgency
• Be a problem solver and not a problem maker
• Give others credit for success and assume responsibility for failures

III. Multicultures

Baby Boomers Ages 48 – 66
Expectations In the Workforce

- **Staying In Harness:** 42% project they will work after 65

- **Long Runways:** 47% see themselves in the middle of their careers

- **From “Me” to “We”:** 55% are members of volunteer networks

- **Yearning for Flexibility:** 87% believe being able to work flexibly is important

- **Familial Obligations:** 71% report having elder care responsibilities

III. Multicultures

Generation X Ages 35 – 47

Expectations In the Workforce

- **Individualistic**: Independent, resourceful, self-sufficient, values freedom and responsibility. They dislike being micro-managed and embrace a hands-off management philosophy. More Ethnically diverse and better educated than the Baby Boomers. Over 60% of Generation X attended college.

- **Technologically Adept**: First generation to grow up with computers, technology is woven into their lives. Comfortable using PDAs, cellphones, e-mail, laptops, etc.

- **Flexible**: Less committed to one employer and more willing to change jobs to get ahead than previous generations. Adapt well to change, tolerant of alternative lifestyles. Ambitious and eager to learn new skills, but on their own terms.

- **Value Work/Life Balance**: Members of Generation X work to live rather than live to work. They often incorporate humor and games into their work activities.

Source: Generation X, by Sally Kane.
III. Multicultures

Gen Y Changes The Way We Work

Source: https://youtu.be/PZYWVp4Ar0Y
III. Multicultures

Gen Y’s (Millennials) Ages 18 - 34

Expectations In the Workforce

- **Ambition:** These are go-getters: About as many Gen Y’s who call themselves very ambitious say they are willing to go the extra mile for their company’s success.

- **Loyalty vs. Quest:** Gen Y employees fully hope to remain faithful to a workplace, but the clear majority say they also want work to bring a range of new experiences and challenges. They may be more susceptible to wanderlust than they realize.

- **Multicultural Ease:** Gen Ys are clearly at ease with diversity, whereas only 27% of Boomers have such a comfort level. Even when it comes to networking, Gen Ys excel at diversity: More than a quarter network primarily with people of a different ethnicity.

- **Healing the Planet:** Gen Y workers want an employer who shares their eco-awareness and social consciousness, even down to the details of office energy use. Nearly one quarter say it’s very important to work in a green, environmentally conscious workplace.

- **Networking by Nature:** Working in teams is a top motivator for Gen Y employees. They love to connect with others and enjoy working in offices that are open and conducive to socializing. They want people, even bosses, to be readily accessible.

Source: How Gen Y & Boomers Will Reshape Your Agenda, by Hewlett, Sherbin, and Sumberg, HBReview.
III. Multicultures

Things Gen Y/Millennials Won’t Tell You

• “We live with our parents. So what?”

• “Mom and Dad: Don’t buy us a car.”

• “We’re practically professional students.”

• “You might not want to hire us…

but soon, you’ll work for us.”

Source: The Wall Street Journal
IV. Costs of Higher Education

Chief Financial Officers’ Areas of Concern

- State of the Economy
- Private Colleges at Risk
- Failure to Meet Enrollment Goals
- Revenue Shortfalls
- Need for Programs to Increase Revenue
- Delays in Faculty Retirement
- Lack of Useful Data
- How to Cut Costs

IV. Costs of Higher Education

College Presidents’ Pressing Issues

• Financial Sustainability
• Changing Student Demographics
• Student Learning Outcomes
• Strategies to Increase Revenue
• Succession Planning and Training

IV. Costs of Higher Education

2017 Survey of College & University Presidents Findings

• Six in 10 presidents strongly agree or agree they are confident their institution is financially sustainable over the next five years. Slightly less, 52 percent, are confident about their institution’s financial health over the next 10 years, more than felt that way in 2016.

• College presidents’ greatest concerns about enrollment are having enough institutional aid to enroll as many low-income students as their college would like to have, enrolling students who are likely to be retained and graduate on time, and enrolling their college’s target number of undergraduates. The latter is especially true among leaders of private baccalaureate colleges.

• The vast majority of presidents describe the state of race relations at their college as either “excellent” (20 percent) or “good” (63 percent). More than three-fifths of presidents describe race relations at American colleges in general as “fair”.

• Just 12 percent of presidents strongly agree or agree that most Americans understand the purpose of higher education; half strongly disagree or disagree.

## IV. Costs of Higher Education

<table>
<thead>
<tr>
<th>Public Two-Year</th>
<th>Tuition &amp; Fees</th>
<th>With Room &amp; Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middle States</td>
<td>$5,010</td>
<td>$14,540</td>
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<tr>
<td>Midwest</td>
<td>$4,090</td>
<td>$10,800</td>
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<td>New England</td>
<td>$5,210</td>
<td>$13,530</td>
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<tr>
<td>South</td>
<td>$3,680</td>
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<tr>
<td>Southwest</td>
<td>$2,580</td>
<td>$10,390</td>
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<tr>
<td>West</td>
<td>$2,500</td>
<td>$10,860</td>
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<table>
<thead>
<tr>
<th>Public Four-Year</th>
<th>Tuition &amp; Fees</th>
<th>With Room &amp; Board</th>
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<td>Middle States</td>
<td>$10,330</td>
<td>$22,250</td>
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<td>Midwest</td>
<td>$10,160</td>
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<td>New England</td>
<td>$12,460</td>
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<tr>
<td>South</td>
<td>$8,990</td>
<td>$18,460</td>
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<tr>
<td>Southwest</td>
<td>$9,000</td>
<td>$17,760</td>
</tr>
<tr>
<td>West</td>
<td>$9,140</td>
<td>$21,450</td>
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</table>

Source: The College Board, Annual Survey of Colleges Average Tuition & Fees and Room & Board (Enrollment-Weighted) by Sector and College Board Region, 2016-2017.
## IV. Costs of Higher Education

<table>
<thead>
<tr>
<th>Private Non-Profit Four Year</th>
<th>Tuition &amp; Fees</th>
<th>With Room &amp; Board</th>
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<td>Middle States</td>
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<td>$48,830</td>
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<td>$32,090</td>
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<td>New England</td>
<td>$42,260</td>
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<tr>
<td>South</td>
<td>$29,190</td>
<td>$39,870</td>
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<tr>
<td>Southwest</td>
<td>$31,650</td>
<td>$41,840</td>
</tr>
<tr>
<td>West</td>
<td>$29,910</td>
<td>$41,870</td>
</tr>
</tbody>
</table>

Source: The College Board, Annual Survey of Colleges Average Tuition & Fees and Room & Board (Enrollment-Weighted) by Sector and College Board Region, 2016/2017.
IV. Costs of Higher Education

Why is College So Expensive?

IV. Costs of Higher Education

Definitions

**Sticker Price** - the posted price charged by institutions

**Net Price** - what students must cover after financial aid awards

**General Subsidies** - State, Federal and local appropriations, as well as private philanthropy

Source: National Commission on Cost of Higher Education.
IV. Costs of Higher Education

Tuition Discount Survey

**Figure 1** Average Tuition Discount Rate for First-Time, Full-Time Freshmen and All Undergraduates

Source: NACUBO Tuition Discounting Studies, 2005 to 2016. Data as of fall of each academic year.

*Preliminary estimate

Source: NACUBO Tuition Discounting Studies, 2005 to 2016.
## Costs of Higher Education

### Average 1, 3, 5, and 10 Year Returns for U.S. Higher Education Endowments and Affiliated Foundations

<table>
<thead>
<tr>
<th>Size of Endowment</th>
<th>1-year %</th>
<th>3-year %</th>
<th>5-year %</th>
<th>10-year %</th>
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<tr>
<td></td>
<td>N=792</td>
<td>N=744</td>
<td>N=721</td>
<td>N=598</td>
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<tr>
<td>Over $1 Billion</td>
<td>-1.9</td>
<td>6.0</td>
<td>6.1</td>
<td>5.7</td>
</tr>
<tr>
<td>$501 Million to $1 Billion</td>
<td>-2.2</td>
<td>5.4</td>
<td>5.7</td>
<td>5.3</td>
</tr>
<tr>
<td>$101 Million to $500 Million</td>
<td>-2.4</td>
<td>4.9</td>
<td>5.1</td>
<td>4.8</td>
</tr>
<tr>
<td>$51 Million to $100 Million</td>
<td>-1.8</td>
<td>5.1</td>
<td>5.0</td>
<td>4.7</td>
</tr>
<tr>
<td>$25 Million to $50 Million</td>
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<td>5.2</td>
<td>5.3</td>
<td>4.7</td>
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<tr>
<td>Under $25 Million</td>
<td>-1.0</td>
<td>5.5</td>
<td>5.8</td>
<td>5.0</td>
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</table>

<table>
<thead>
<tr>
<th>Type of Institution</th>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>All Public Institutions</td>
<td>-1.7</td>
<td>5.3</td>
<td>5.4</td>
<td>5.0</td>
</tr>
<tr>
<td>Public College, University, or System</td>
<td>-1.4</td>
<td>5.8</td>
<td>5.5</td>
<td>5.5</td>
</tr>
<tr>
<td>Institution-Related Foundation</td>
<td>-1.6</td>
<td>5.2</td>
<td>5.3</td>
<td>4.9</td>
</tr>
<tr>
<td>Combined Endowment/Foundation</td>
<td>-2.0</td>
<td>5.2</td>
<td>5.3</td>
<td>4.7</td>
</tr>
<tr>
<td>All Private Colleges and Universities</td>
<td>-2.1</td>
<td>5.2</td>
<td>5.4</td>
<td>5.0</td>
</tr>
<tr>
<td>Average (All Institutions)</td>
<td>-1.9</td>
<td>5.2</td>
<td>5.4</td>
<td>5.0</td>
</tr>
<tr>
<td>Median (All Institutions)</td>
<td>-2.1</td>
<td>5.1</td>
<td>5.2</td>
<td>4.9</td>
</tr>
</tbody>
</table>

IV. Costs of Higher Education

Average and Median Annual Net Investment Rates of Return* for U.S. College and University Endowments and Affiliated Foundations Fiscal Years 2016 to 2007

IV. Costs of Higher Education

Cost Containment Measures

• Zero increase in budgets
• Top Administrators take pay cut
• Capital projects frozen
• Deferred maintenance delayed
• Electronic deposit where possible
• Flat cell phone allowance
• Reduction in travel expenses
• No “business lunches” / “No gift cards”
• Other?
IV. Costs of Higher Education

Cost Containment Measures

• No raises for faculty or staff
• Reduction in force (faculty and staff)
• Faculty and staff hiring freeze
• Voluntary early retirement plan (VERP)
• Mandatory unpaid time off
• Reduced pension contribution
• Higher employee health care benefit contribution
• Flexible Classroom Models
• Other?
IV. Costs of Higher Education

Revenue Enhancements

• Enhance Distance Education Programs
• Charge fees for labs and other services
• Rent available facilities, buildings and grounds
• Maximize classroom space
• Add revenue producing athletic events
• Add new academic programs/net revenue
• Place ceiling on Tuition Discounts
• Other
IV. Costs of Higher Education

Cost & Value of a College Degree

Public Concerns

• Student loan debt $1.31 trillion
• “Student Loan Bubble”
• According to the U.S. Census Bureau, median family income in the U.S. rose only at an average rate of 0.4% from 2005-2015
• According to the College Board
  • Public 4-year colleges rose by 9% (after inflation adjustment)
  • Public 2-year colleges rose by 11% (after inflation adjustment)
  • Private non-profit 4 year colleges 13% (after inflation adjustment)
  • Average room & board for 2016-17 $10,207
IV. Costs of Higher Education

Cost & Value of a College Degree

• “Bennett Hypothesis” – claims that Federal Financial aid is a driver of tuition increases

• The cost of higher education is the top concern of the public

• Political Issues
V. Graduates

Skills Needed for Workplace

• Written and Oral Communication Skills
• Decision Making and Problem Solving Skills
• Collaboration Skills
• Working With Diverse Groups
• Managing Multiple Priorities
• Analytical Skills
• Technical Skills
• Planning and Organizational Skills
• Team Leading Skills
V. Graduates

Four-Year Graduation Rates Higher at Private Colleges

*Notes: PDN = private nondoctoral colleges. Observations are at the institution/year level. All differences between PND (matched) and Public (matched) are statistically significant at the .01 level.

V. Graduates

Education’s Impact on Employment

Unemployment rates and earnings by educational attainment, 2016

<table>
<thead>
<tr>
<th>Educational Attainment</th>
<th>Unemployment Rate (%)</th>
<th>Median Usual Weekly Earnings ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctoral degree</td>
<td>1.6</td>
<td>1,664</td>
</tr>
<tr>
<td>Professional degree</td>
<td>1.6</td>
<td>1,745</td>
</tr>
<tr>
<td>Master’s degree</td>
<td>2.4</td>
<td>1,380</td>
</tr>
<tr>
<td>Bachelor’s degree</td>
<td>2.7</td>
<td>1,156</td>
</tr>
<tr>
<td>Associate’s degree</td>
<td>3.6</td>
<td>819</td>
</tr>
<tr>
<td>Some college, no degree</td>
<td>4.4</td>
<td>756</td>
</tr>
<tr>
<td>High school diploma</td>
<td>5.2</td>
<td>692</td>
</tr>
<tr>
<td>Less than a high school diploma</td>
<td>7.4</td>
<td>504</td>
</tr>
</tbody>
</table>

Total: 4%

All workers: $885

Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.

V. Graduates

Education Pays
The Business of Higher Education

The Maximum Business Officer
Lecture #2

By: Dr. Jairy C. Hunter, Jr.
President
Charleston Southern University

College of Business Management Institute
July 24 – 28, 2017
The Maximum Business Officer

I. Know Your Purpose
II. Cast Your Vision
III. Build Character
IV. Think Strategically
V. Maximize Your Potential
VI. Leadership Excellence
VII. Summary
“To be a Maximum Business Officer your endeavors must be to accomplish something beyond what you have already mastered.”

~ Hunter
I. Know Your Purpose

“The purpose of life is a life of purpose.”
~Robert Byrne

• Who Am I?
• Why Am I Here?
• Where Am I Going?
• What Legacy Will I Leave?
• Illustration: Alfred Nobel

“The secret of success is consistency of purpose.” ~Ben Disraeli
II. Cast Your Vision

• Desired Future
• Passionate
• Exciting
• Challenging

“If you don’t know where you’re going, you’ll probably end up somewhere else.” ~ Yogi Berra
II. Cast Your Vision

Nik Wallenda’s Skyscraper Walk

Source: https://youtu.be/XvzcLs3H5Jk
III. Build Character

“Character is higher than intellect.” ~Ralph Waldo Emerson

• Balance Three Forces
• Tell The Truth
• Avoid Conflicts of Interest
• Protect Your Name
• Keep Your Promises

“Never give up what you want most; for what you want at the time.” ~Unknown
III. Build Character

Three Forces to Balance

“Character is what you do when nobody is looking.” ~Hunter

- Ambition
- Competency
- Integrity

“Life consists of boomerangs. Our thoughts, actions and works return to us with amazing accuracy.” ~Hunter
III. Build Character

Tell The Truth

Source: YouTube - Lance Armstrong On Oprah: "It Was All One Big Lie"
IIII. Build Character

- Protect Your Name
- Brian Williams
- Keep Your Promises

NBC news anchorman, Brian Williams, apologizes for falsely claiming his helicopter was attacked in Iraq. Brian said he “misremembered.”

2/05/15 – 6:20 p.m.
III. Build Character

Avoid Conflicts of Interest

• An attorney is a voting member of an organization’s Board. The attorney also does all of the legal work for the organization and charges his regular fee of $750/hour.

• A Board member owns a construction company and bids on the job for a new building, along with three other contractors. He gets the job, and remains on the Board. Is that a conflict?

• A Board member of a health care system owns a medical supply company. His company provides essential supplies which amounts to several million dollars a year for three hospitals in the health care system. The Board member states that if he is able to continue serving on the Board, and if the health care system renews his contract, he will make a gift of $2 million. If these conditions are not met, then he will make a gift of $50,000.

III. Build Character

Conflict of Interest Policy

Name:_________________________
Position (Board member/employee):__________________________
Please complete the financial relationships survey below.
These disclosures will be used for Form 990 for the ___________________

 During the year, _____
 Did you loan any money to or receive a loan from ____________? Yes ( ) No ( )
  If yes, was the loan outstanding at the end of the year? _____ Yes ( ) No ( )
 Did you have a family or business relationship with another officer or director of ____________________________? Yes ( ) No ( )
 Did __________provide a grant or other assistance to you or person related to you? Yes ( ) No ( )
 Did you or a member of your family own more than 35% of another entity doing business with _________? Yes ( ) No ( )
 Did you serve as an officer, director, trustee, key employee, partner, or member of an entity doing business with _________? Yes ( ) No ( )
 Did a member of your family receive compensation or other material financial benefit from __________? Yes ( ) No ( )
IV. Think Strategically

“Never, ever, think outside the box.”

Source: Leo Cullem, CN Collection.
IV. Think Strategically

- **Strategic Planning:**
  - Begins with the end in mind
  - Is the ability to generate insights, set goals and develop strategies
  - Strategic Planning Formula

How + What + Who = Desired Results

- **Strategic Planning requires:**
  - Trust
  - Sense of Urgency
  - Broad-based Participation
  - Open Communication and Collaboration

“The most sought after leadership skill is strategic thinking.” ~Wall Street Journal
V. Maximize Your Potential

The Maximum Potential Matrix

<table>
<thead>
<tr>
<th>Goals</th>
<th>2017 Today</th>
<th>2022 (5 Yrs.)</th>
<th>2027 (10 Yrs.)</th>
<th>2037 (20 Yrs.)</th>
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<tbody>
<tr>
<td>Spiritual</td>
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<td></td>
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<td></td>
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<td>Educational</td>
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<td>Professional</td>
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<tr>
<td>Recreational</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

“There’s power in writing out goals and setting target dates.” ~Hunter
V. Maximize Your Potential

“Motivation will always beat mere talent.” ~ Norman R. Augustine

- Exhibit “Want To”
- Use Common Sense
- Go The Second Mile
- “Do What Others Won’t Do”
- “Do More Than Is Expected”
- Live For Something Greater Than Self

“You have not lived until you have done something for someone who can never repay you.” ~ John Bunyan
VI. Leadership Excellence
Maxwell’s Law of the Lid

VII. Summary

- Know Your Purpose
- Cast Your Vision
- Build Character
- Think Strategically
- Maximize Your Potential
- Become an Excellent Leader
“To laugh often and much; to win the respect of intelligent people and the affection of children; to earn the appreciation and honor of critics and endure the betrayal of false friends; to appreciate beauty, to find the best in others; to leave the world a bit better, whether by a healthy child, a garden patch or a redeemed social condition; to know even one life has breathed easier because you have lived.”

~Ralph Waldo Emerson
The Business of Higher Education

Lecture #3

Strategies for Leveraging Change

By: Dr. Jairy C. Hunter, Jr.
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Strategies for Leveraging Change

I. Understand Change
II. Accept Change
III. Leverage Change
IV. Reflect on the Future
Strategies for Leveraging Change

Dilbert’s Strategy for Change

Change is Great!!!

You Go First
I. Understand Change

- “Change is the process by which the future invades our lives and organizations”
  ~(Alvin Toffler, Future Shock)~
- “In a networked world, rules no longer apply, boundaries disappear and ambiguity prevails”
  ~(Battin)~
- Paradigm shift from “Industrial Age” to “Information Age”

Press here for a message. ~(Hunter)
I. Understand Change

I. Understand Change

Reimagining the Role of Technology in Higher Education

• Better policies on all levels are aligned to promote access, affordability, and completion for students in postsecondary education.

• Greater Availability of data on student learning and outcomes.

• Improve technology-enabled models of learning have allowed educators to rethink the design and delivery of high-quality education.

• Use of online and interactive digital tools such as simulations, adaptive platforms, and cognitive tutors have become more pervasive and have expanded learning opportunities for many students.

• Develop more high-quality learning programs designed to address changing student needs.

I. Understand Change

Changes Affecting Higher Education

• Competitive Marketplace
• Political/Economical/Social/Technological
• Education Anywhere/Anytime
• Consumer “Value Proposition” Concept
I. Understand Change

Consumer “Value Proposition”

Question: Why should prospective students select our institution?

• Marketing and branding
• Recruiting and admissions processes
• Financial Aid (Tuition Discounting)
• Campus Facilities/Technology
• Athletics
• Partnerships/Collaboration
I. Understand Change

Consumer “Value Proposition”

Question: Why should prospective students select our institution?

- Feeling of Friendliness and Belonging
- Internships
- Academic Advising/Faculty Access
- Student Relations and Satisfaction
- Student Success
- Employment after Graduation
- Other
I. Understand Change

Response Time Survey

Question: Is it annoying when it takes more than an hour to get a text RESPONSE?

- Yes  50%
- No   47%
- Other 3%
I. Understand Change

Change Questionnaire

• Describe a major change taking place in your organization that some are accepting and others are resisting.

• How do you feel about this change?

• Why are people resisting this change?

• Why are people accepting this change?
I. Understand Change

“The only person who likes change is a wet baby”

~ R. Blitzer
II. Accept Change

Proper Attitude

• Anticipate change

• Let go of the old cheese and change

• Accept change

• Be ready to change again

II. Accept Change

Change Agent Strategies

• Be Aware of the Environment
  o Institutional Mission
  o Power-based units/Where are decisions made?/Turf
  o Organizational Milieu (Past-Present-Future)

II. Accept Change

Change Agent Strategies

• Understand the Dynamics
  o Political Systems
  o Stakeholders
  o Decision Makers
  o Gatekeepers
  o Change Agendas of Others
    (Traditionalists/Radicals)

II. Accept Change

Change Agent Strategies

• Win Over Critics
  o Address Criticisms/Challenges
  o “Got-you” Game
  o “Yes-but” Game
  o “I see Where You’re going, but…”
  o Frame Ideas Against Resisters
    ▪ You don’t know the issues well enough (explain that you do)
    ▪ “Idea is too risky”/Show how the risks have been addressed

II. Accept Change

Change Agent Strategies

• Secure “Buy-In”
  o Build Coalitions for Positive Outcomes
  o Convince Others of the Merits of Change
  o Justify the Initiatives (Not always $ Savings)
  o Stay the Course (Things That get Done are Measurable)
  o Remember Change Depends on “Politics”

II. Accept Change

Accepting Change

Source: https://youtu.be/jwxrsngEJDw.
III. Leverage Change

Transformational Leadership

• Exhibit transparent leadership
• Create a culture of trust and innovation
• Establish a sense of urgency
• Develop a mission, vision and strategy
• Encourage broad-based participation and teamwork
• Promote open communication
• Celebrate short-term wins

III. Leverage Change

Succession Planning

• CBO’s Next Career Move
  o 43.6% Plan to Retire
  o 19.6% Undecided
  o 20.2% Seek another CFO/CBO position at different institution
  o .8% Seek different administrative position at current institution
  o 7.6% Seek college presidency
  o .8% Seek a faculty position
  o 7.3% Seek work outside higher education

Source: NACUBO’s 2016 National Profile of Higher Education Chief Business Officers, April Motley, NACUBO Business Officer, July/August 2016.
III. Leverage Change

Succession Planning

- Institutional Succession Planning in Higher Education
  - 37% Institutions report no CBO Succession Plan
  - 49% Institutions have an informal Succession Planning Process

Source: NACUBO’s 2016 National Profile of Higher Education Chief Business Officers, April Motley, NACUBO Business Officer, July/August 2016.
III. Leverage Change

Succession Planning

• Percentage of CBO’s With CPA Certification in 2016
  - Total 42.5%
  - Private non-profit 48.0%
  - Public 4-Year 36.7%
  - Public 2-Year 37.1%

Source: NACUBO’s 2016 National Profile of Higher Education Chief Business Officers, April Motley, NACUBO Business Officer, July/August 2016.
III. Leverage Change

Succession Planning

- CBO’s Most Recent Employment Outside Higher Education
  - Military 1.7%
  - Nonprofit Executive 9.6%
  - Government Agency or Elected Official 37.3%
  - Consulting Firm 4.0%
  - Legal, Medical Other Professional 1.7%
  - Accounting Firm 10.2%
  - Other 16.4%
  - K-12 7.3%

Source: NACUBO’s 2016 National Profile of Higher Education Chief Business Officers, April Motley, NACUBO Business Officer, July/August 2016.
III. Leverage Change

Succession Planning

• New Thinking & Strategies for Succession Planning
  o Advocate 100% institutions having a succession planning process for everyone (who is worthy and interested)
  o Provide leadership developments and skills training for all
  o Pursue professional development opportunities (CBMI)
  o Incorporate succession planning, leadership development and skills training into annual performance reviews
  o Hire and promote from within where possible (JCH)
  o Envision having a key role in equipping your successor
  o Remember – “The best job you have is the job you have right now”

Source: NACUBO’s 2016 National Profile of Higher Education Chief Business Officers, April Motley, NACUBO Business Officer, July/August 2016.
III. Leverage Change

Proper Alignment

Poor Organizational Alignment

Good Organizational Alignment

Source: Bill Barbert, Insightformation, Inc.
III. Leverage Change

Collaboration of “Silos”

Communication Is Essential

Source: Bill Barbert, Insight formation, Inc.
III. Leverage Change
Succession Planning & Training

The Idea in 90 Seconds
Find Your Strategic Leaders

III. Leverage Change

Talent Pool Planning (50/50 Crisis)

- Identify high potential leaders
- Select the best and employ
- Develop continuously
- Monitor and evaluate
- Energize and support
- Celebrate Succession

Source: Bill Barbert, Insight formation, Inc.
IV. Reflect on the Future

• “We work 11,000 days of our lives between the ages of 21 and 65” ~ Richard Koonce

• “Choose a job you love and you will never work a day in your life” ~ Confucius

• Remember the 3 R’s
  • Relax
  • Rethink
  • Refocus

• Keep your “skills” and “contacts” up to date

• “Farmer Fleming experienced the boomerang”