

To ensure their future, colleges and universities need a new approach to financial sustainability. Focusing on enrollment, retention and tuition revenue alone is no longer sufficient. Institutions must address their over-burdened cost structures and make critical choices to more closely match operating costs to operating revenues and shrink structural deficits. The HelioCampus Blueprint for Financial Sustainability offers institutions a model for building a strong fiscal foundation and making administrative and academic operations most efficient and effective. The blueprint is designed to support three core objectives:

THE OBJECTIVES

1. DRIVING STUDENT SUCCESS AND GROWING REVENUE

Increase enrollments, improve student success and accelerate gift giving

2. MANAGING COSTS AND STREAMLINING OPERATIONS

Activity-based cost analyses, benchmarking and quality surveys to measure efficiency and effectiveness

3. MAXIMIZING RETURNS OF ACADEMIC PROGRAMS

Rationalize academic portfolio, understand course and instructor efficiencies and benchmark spending

THE QUESTIONS

Multiple stakeholders need to be involved in the path to financial sustainability. The questions below illustrate the cross-functional nature of shared objectives.

STAKEHOLDERS LEGEND:



DRIVE STUDENT SUCCESS AND GROW REVENUE

- Are we recruiting students who will be most successful at our institution?
- Are we leveraging our institutional aid strategically to drive yield and retention?
- How can we break down students into sub-populations to better serve them?



MANAGE COSTS AND STREAMLINE OPERATIONS

- How does our non-faculty spending compare to peer institutions?
- Is spending aligned with our mission?
- How can I measure the effectiveness of our strategic changes over time?



MAXIMIZE RETURNS OF ACADEMIC PROGRAMS

- What is the efficiency of courses taught?
- What is the instructional capacity of faculty members at the institution?
- What is the sustainability of existing academic programs?



THE LEVERS

The current higher education business model is unsustainable. Most universities run a structural budget deficit where operating revenues do not cover operating expenses. A holistic view of the financial dimensions are a critical first step in the path to sustainability and longevity.

FINANCIAL DIMENSIONS



DRIVE STUDENT SUCCESS AND GROW REVENUE

Operating Revenues

Tuition & Fees, Auxiliary Enterprises, Other Revenues

Non-Operating Revenues

Gifts, Investment and Endowment Return, Federal, Government Appropriations, Other

Operating Expenses

Scholarships and Institutional Aid, Student Services and Other Expenses



MANAGE COSTS AND STREAMLINE OPERATIONS

Operating Expenses

Public Service, Institutional Support, Auxiliary Enterprises, Other Expenses and Deduction



MAXIMIZE RETURNS OF ACADEMIC PROGRAMS

Operating Revenues

Grants and Contracts, Sales and Services of Educational Activities

Operating Expenses

Instruction, Research, Academic Support

THE DATA

A centralized view of cross-institutional data is critical for strategic analysis. Sample data sources include:

Drive Student Success and Grow Revenue	Manage Costs and Streamline Operations	Maximize Returns of Academic Programs
<ul style="list-style-type: none"> Admissions Third Party Enrollment Financial Aid Student Success 	<ul style="list-style-type: none"> HR Payroll Financial Third Party 	<ul style="list-style-type: none"> Admissions Third Party Enrollment Financial Aid Student Success Financial Instructional Activity Course Demand HR and Payroll

THE APPROACH

Predefined outcomes will inform the approach needed based on your institution's unique objectives. Approaches could include:

OUTCOME	APPROACH
Improve Student Retention and Increase Net Tuition Revenue	<ul style="list-style-type: none"> Prospect Targeting Yield Modeling Financial Aid Optimization Student Segmentation Risk Scoring
Rationalizing Academic Portfolio	<ul style="list-style-type: none"> Academic Program Segmentation Course and Instructor Efficiency Faculty Pay Benchmarking
Identify Cost Saving and Efficiency Opportunities	<ul style="list-style-type: none"> Administrative Benchmarking Efficiency & Satisfaction Survey

ARE YOU READY TO TAKE THE NEXT STEP?

HelioCampus provides strategic decision support and insights through an enterprise analytics platform, benchmarking and data science services to help institutions drive student success and grow revenue, manage costs and streamline operations, and maximize returns of academic programs.