

UW-Green Bay Financial and Strategic Assessment

Opportunity Report

Updated April 2024

Opportunity Report Table of Contents

The main objectives of this report are to 1) review the business cases for the prioritized opportunity catalog and 2) discuss next steps for the project.

Contents

- 03** Project Overview
- 04** Executive Summary and Opportunity Catalog
- 08** **Business Case #1:** Refine Enrollment Diversification Strategy to Incorporate Student Success Measures
- 22** **Business Case #2:** Continue to Build on Continuing Education Success
- 32** **Business Case #3:** Capitalize on Institutional Real Estate
- 39** **Business Case #4:** Establish Budget Guiding Principles and Strategy
- 48** **Business Case #5:** Define Campus-Wide Data Strategy to Drive Decision Making
- 57** **Appendix:** Change Management



Project Objective:

The **main objective** of the project is to assist the Universities of Wisconsin in addressing the following questions:

Financial Health Assessment

- *What is the current operating performance on each campus and what do current revenue and expense trends portend for future performance?*
- *How diversified are the campus revenue streams and what strategies are in place to manage costs?*
- *How strong is each campus's balance sheet?*

Operational Review

- *Are non-academic programs effective in meeting student recruitment, retention, and success?*
- *Are admin. services effective in supporting mission and are they conducted in an efficient manner?*
- *Is the current academic portfolio aligned to student demand and the needs of the region and state?*
- *Are there mission-aligned revenue opportunities that the institution is not pursuing that could materially impact the overall financial position?*

Project Overview

In July 2023, the Universities of Wisconsin kicked-off an effort to conduct a financial and strategic assessment across its 12 member institutions (excluding UW-Madison) to guide a path toward a more sustainable future.

Approach:

The work at each campus is guided by **2 phases**, grounded in strong collaboration with leadership.

1 Current State Assessment

- **18+ interviews** to contextualize potential strengths, challenges and opportunities
- **Financial health analysis** to assess revenue and expense trends, tuition pricing setting, ratios (CFI, etc.) and pro-forma financials
- **Operational assessment**, to assess operational efficiencies and/or deficiencies
- **Academic program analysis** to reflect the current state of program demand in the context of state workforce needs

Focus Area of this Report

2 Future State Opportunities Development

- **Development of opportunity catalog** to promote a more sustainable future, taking into account the unique culture and context of each campus
- **Leadership workshop** to prioritize which opportunities the institution wants to continue evaluating with an eye toward implementation





Executive Summary and Opportunity Catalog

The Current State Assessment Highlights a Case for Change

A shift in student mix, strategic investments, and rising expenses have led to a deficit that will require Green Bay to make decisions about the University's future.

Green Bay embraces its mission as an access institution, serving as a regional comprehensive for Northeast Wisconsin

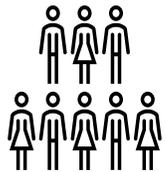


With nearly 200 majors and minors to choose from, **Green Bay serves a wide variety of student types** across high school, undergraduate, graduate, and a growing base of adult learners in the **profitable Continuing Education Program**. These learners are distributed across Green Bay's four distinct campuses through a **workforce-aligned culture and certificates/programs that meet students where they are**.



By leveraging innovative learning methods and teaching modalities, the University has enabled careers for the Class of 2022 **reporting average salaries of over \$53,000 after graduation** - well above the Wisconsin per capita income of \$40,000 according to the US Census Bureau.

...but it faces enrollment, retention, and expense challenges that have created a deficit and threaten its future success



Although **total student FTEs have risen by 11%** from Fall 2018 – 2023 (including a **24% increase in Graduate Students**), the strongest growth is seen in high school students (+234%) for **whom tuition rates are 1/3 that of traditional UG students**.



Net tuition revenues improved in FY 2023 by \$1.3M but are driven by Green Bay's evolving student mix, **Auxiliaries have slightly recovered to \$8.7M but have not yet fully reached pre-pandemic figures**, such as the high of \$9.9M seen in FY18.

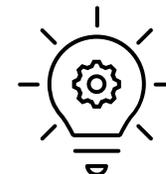


Revenues declined by -\$8M in FY23 (in part due to HEERF funding expiration) and expenses continued to rise at an **average annual rate of 7%** (since FY 2018), creating a tuition fund deficit **that grew to \$7.2 million in FY 2023** (~\$1M of which was one-time spend), eroding nearly 50% of UW-Green Bay's tuition fund reserves.

...therefore, Green Bay leadership should act with urgency to steer the University on a path of financial sustainability



Green Bay has recognized these challenges and made budget reductions; however, absent further changes to the status quo, the university will struggle to resolve its deficit as **the state participation rate declines** and the traditional college applicant pool in Wisconsin shrinks. These trends could result in **depletion of the tuition fund balance by FY27**.



Given the magnitude of the deficit within the tuition fund (**-\$7.2M represents 8.2% of operating revenues**) and the exhaustion of COVID-19 aid, the university should consider **mission-aligned solutions** in the near- and long-term that will enable it to continue to fulfill its mission.

The Path Forward Should Leverage Strengths and Address Challenges

The current external environment, coupled with internal operating model hurdles, makes overcoming the ongoing deficit challenging; similarly, limited expendable balances make investing in growth difficult.

The Path Forward Should Leverage Strengths...

...and Seek to Address Existing External and Internal Challenges



Cultural Agility Across the Institution

Known for its “test and learn” culture, Green Bay embraces innovation. From pioneering direct enrollment to strategically restructuring branch campuses, the leadership team fosters a dynamic and forward-thinking culture among faculty and staff.



Enrollment Growth and Diversification

Green Bay excels in attracting a diverse student body, particularly through innovative high school programs like *Rising Phoenix*, a strong Continuing Education program with local business partnerships, and a focus on graduate programs for adult learners; all of which have contributed to overall enrollment growth and revenue diversification.



Strategic Programming Aligned to Student Demand and Workforce Needs

Driven by proactive academic leadership, Green Bay continually looks to evolve programming to meet the needs of its community and its students (e.g., introduction of Engineering). Green Bay is in the midst of making decisions to balance programming and services based on demand and financial sustainability.



“Bridge Builders, Not Gatekeepers”

Green Bay has embraced its mission re-alignment as an access institution and has quickly gained faculty and staff buy-in to evolve all facets of the university to serve its future student base.

Shift in Enrollment Mix

- While Green Bay has seen an overall increase in enrollment, it faces similar challenges to other UW campuses in that traditional UG enrollments have declined.
- Graduate and High School student enrollment has improved, however tuition revenue for high school students is 1/3 that of an UG student.

Limited State Appropriations

- According to the *Wisconsin State Journal*, Wisconsin ranks 43rd in the nation in state funding per student.
- Future state budgets, regulatory complexity, and economic uncertainty add further risk to Green Bay’s long-term outlook as the institution has become increasingly dependent on State Appropriations.

Shared Understanding of Budget Realities

- The perception among staff is that there is a contradiction between “record” enrollment figures and a simultaneous deficit despite significant communication efforts from leadership.
- As financial stability work continues at Green Bay, the university should drive toward a common vision that stakeholders can rally around.

Declining Retention

- Green Bay surpassed the UW retention average in 2013 and peaked at 78.1% but has now fallen well below average, dropping to 70.4% for the Fall 2022 cohort.
- Following the current trajectory, retention rate challenges will only compound enrollment pressures in the coming years.

Legacy Funding Model

- Green Bay’s legacy funding model that provides incremental budgets to units across campuses creates challenges in tying true unit costs to true unit revenues.
- As a result, cross unit subsidization occurs to balance budgets (as with Athletics with \$1.8M in support in FY 2023) and fill gaps across the university.

Role of Branch Campuses

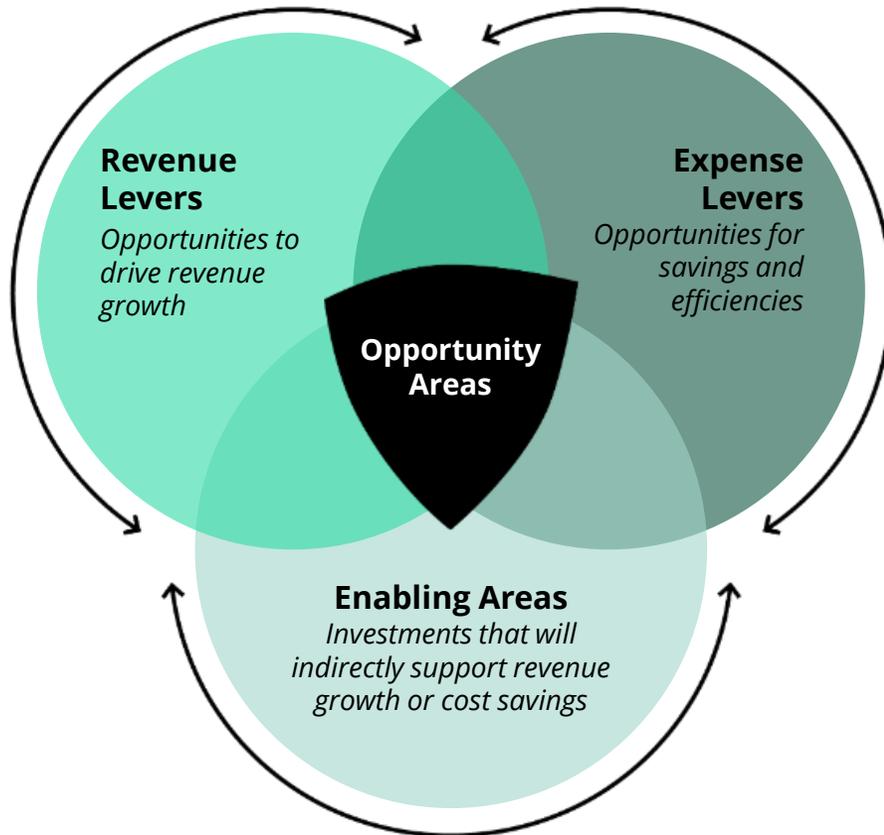
- The approach to the consolidation of branch campuses was unique for Green Bay, but enrollments have declined at Marinette (-27%) and Sheboygan (-13%) with Manitowoc growing 22% since Fall 2018.
- Assessing the unique role each of these campuses play in the future will be critical.

External Market Pressures

Internal Operating Model Challenges

Green Bay Opportunity Areas

Through review of the qualitative information and insights gathered through interviews and analysis of the quantitative data provided by both Green Bay and the Universities of Wisconsin, the team has identified the following five key opportunity areas.



#1 Refine Enrollment Diversification Strategy to Incorporate Student Success Measures

Identify the margins of a sustainable and profitable student mix, analyze and align to the demand for programs and courses within the mix, and implement targeted strategies to increase retention for these segments

#2 Build on Momentum of Continuing Education Success | Evaluate profitability and effectiveness of each Continuing Education program, further cultivate partnerships with the local business community to develop tailored Continuing Education programs to align with regional demand, and implement cross-promotion of certificate and degree programs

#3 Capitalize on Institutional Real Estate | Conduct a comprehensive analysis of existing university-owned land to identify demand and locations for development and explore opportunities for mixed-use developments to maximize revenue streams

#4 Establish Budget Guiding Principles and Strategy for a New Budget Model

Define the vision for Green Bay's future investment strategy and align tactics to budget forecasts, determine strategic investment levels for programs that elevate the GB Brand (e.g., Athletics) and consider a new budgeting model given revenue diversification

#5 Define Campus-wide Data Strategy to Drive Decision Making | Establish systems for aggregating data from various sources to inform decision-making, implement risk assessment strategies to evaluate potential investments, and develop a performance metrics framework that aligns with Green Bay's institutional strategic objectives

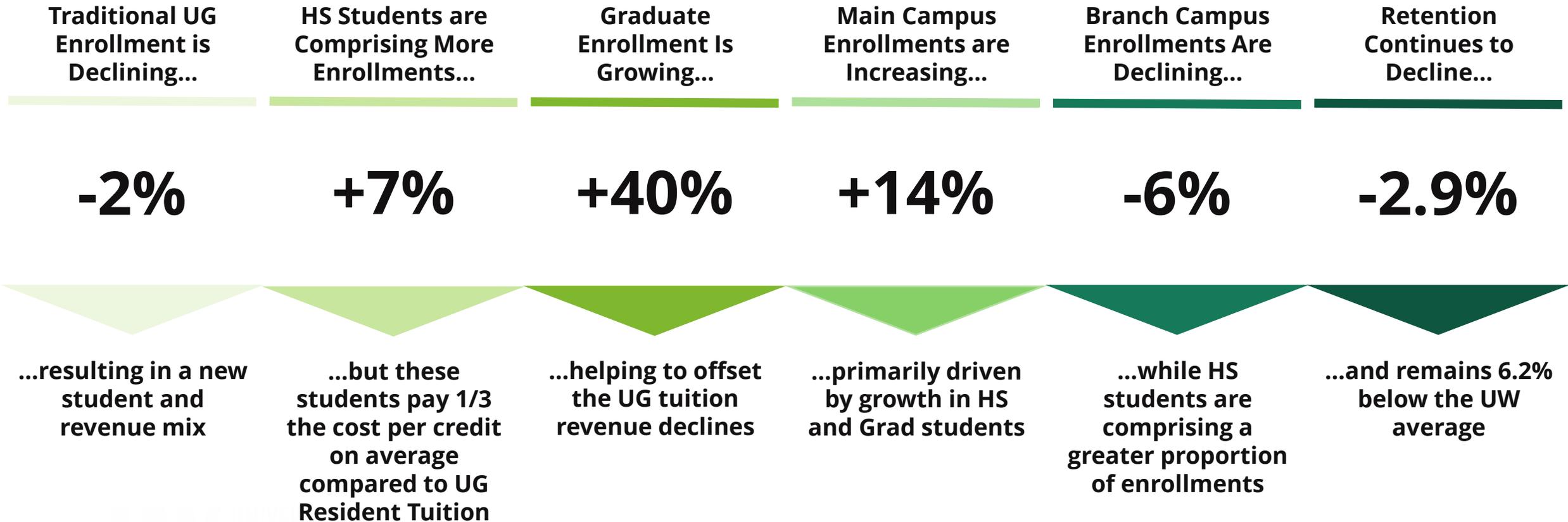


#1 Refine Enrollment Diversification Strategy to Incorporate Student Success Measures

UW-GB's Student Segments Continue to Shift, Creating a New Revenue Mix

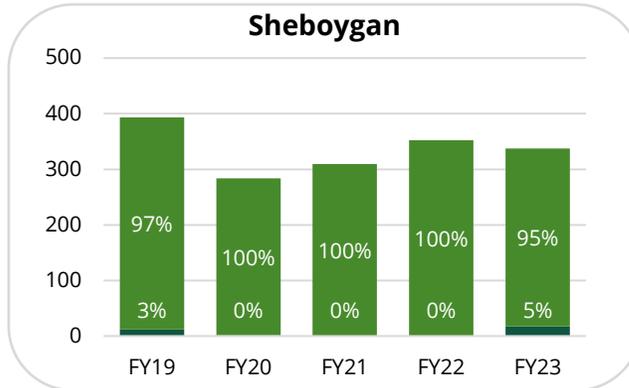
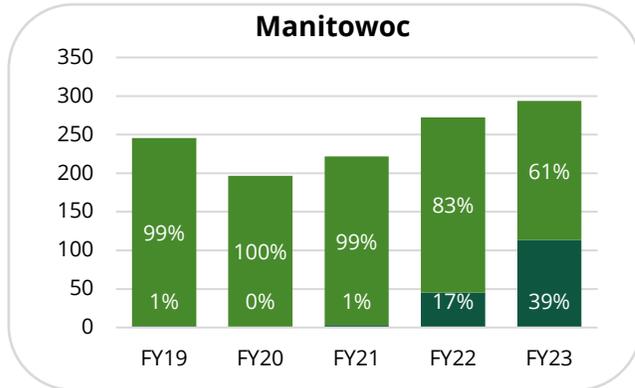
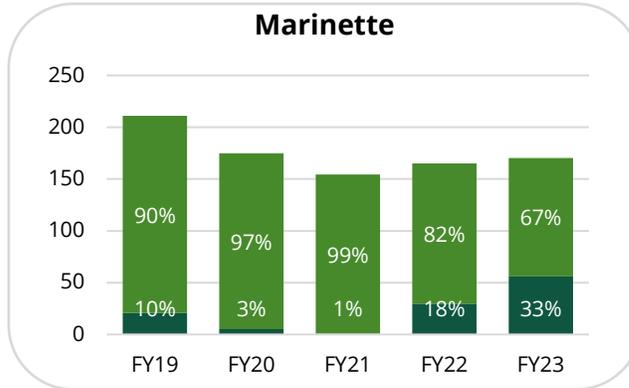
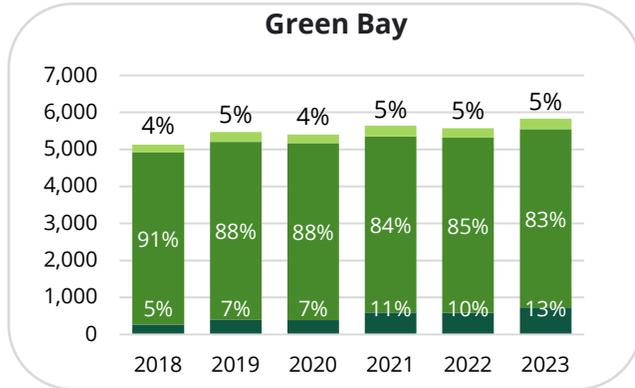
Green Bay's student mix continues to diversify, leading to the need for Green Bay to evaluate the sustainability and profitability of the new student and revenue mix to accurately prepare for the financial future of the institution.

Fall 2018 – Fall 2023



Enrollment Diversification is Driving Overall FTE and Tuition Growth

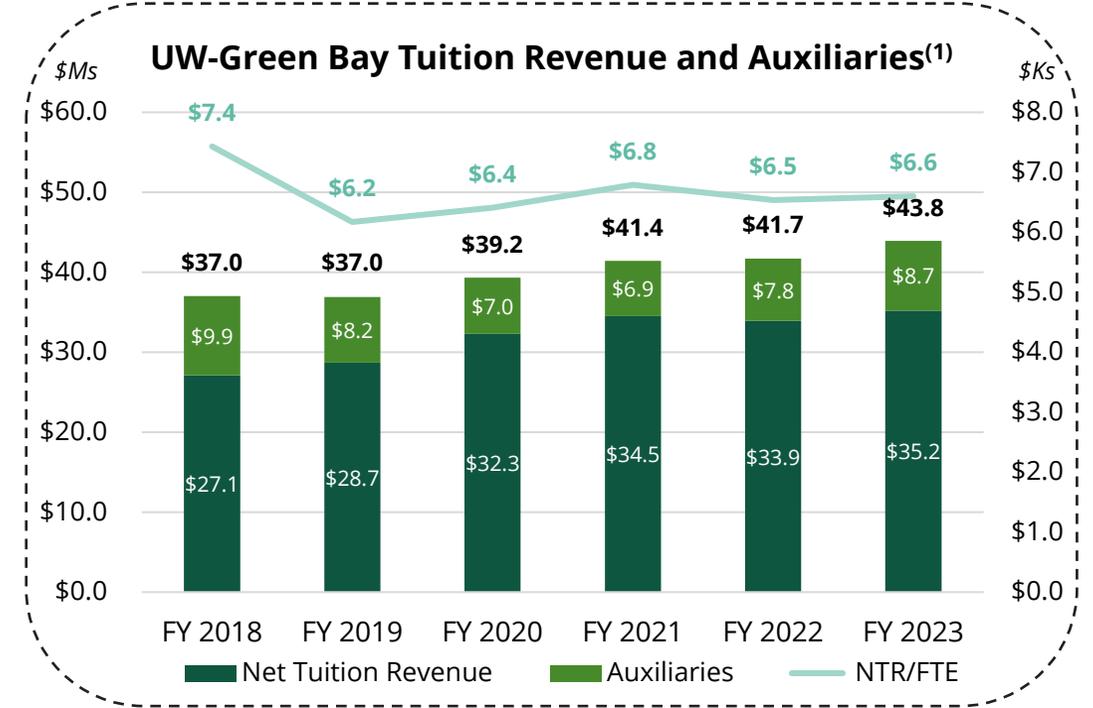
With the shift in enrollment mix to a more substantial high school dual enrollment and graduate student population, UW-Green Bay's overall enrollment has grown 11% since Fall 2018 but is creating a new revenue model that will need to be monitored.



High School FTEs Undergraduate FTEs Graduate FTEs

Green Bay's enrollment mix has shifted....

- Over the illustrated time horizon, **Green Bay Main Campus enrollment UG FTEs have declined from 91% of Total FTEs to 83%** as **High School FTEs and Grad Students have grown to 13% and 5% of Total FTEs** respectively.
- While HS FTEs at Sheboygan have remained a small portion of FTEs, **Marinette and Manitowoc have seen HS FTEs grow to 33% and 39% of total FTEs**, respectively.



....and is creating a new revenue model

- Net tuition revenue increased by \$2.9M since FY20**, while auxiliary revenues increased by \$1.7M, showing modest recovery post-pandemic campus closures.
- Green Bay housing had 1,959 Revenue Generating Occupants in Fall 2023 which is 34 more occupants than Fall 2018; **however auxiliary revenues have not fully returned to pre-pandemic levels seen in FY18.**
- As the student mix shifts, **Net Tuition Revenue per FTE has declined** from \$7,428 in FY2018 to \$6,602 in FT 2023.

Key Levers to Improve Enrollment and Retention

The following slides in this business case outline 4 key components of the value proposition and approach that Green Bay can take to enable its student body and revenue mix to continue adapting along with external market demand and broad shifts in higher education.

Student Segmentation

By developing an in-depth understanding of each student segment within the current – and potential – student market, Green Bay can gain insights into the unique needs and costs associated with its current and target customers



Understanding Cost Structure

Using insights gained from the student segmentation efforts, Green Bay can understand not just the revenues associated with each segment, but also begin to outline the costs to deliver services for each student segment



Journey Mapping

Beyond understanding the unique needs and preferences of each student segment, it is also critical to obtain first-person (student views) on the highs, and lows, of the student experience at Green Bay



Improving Retention

If Green Bay can identify the 'pain points' that are most likely to lead to a student stopping-out, the institution can then adjust student success services, as necessary, to support each student



Each of the above pieces is a critical 'puzzle piece' and cannot stand alone; an understanding of student segments or the student journey is of little use unless the institution leverages these insights to drive targeted actions in enrollment and student retention.

Identifying Green Bay's Student Segments

As some student segments become larger parts of the campus population, the next step is understanding how each segment contributes to the bottom line.



Full-time, Undergrad, WI Resident, Main Campus

Undergraduate students who are enrolled in courses full time at main campus and are Wisconsin residents



Full-time, Undergrad, Non-Resident, Main Campus

Undergraduate students who are enrolled full time at main campus and are not Wisconsin residents



Part-time, Graduate

Graduate students who are enrolled part time at Main Campus



Full-time, Undergrad, Branch Campus

Undergraduate students who are enrolled full time at branch campuses



Part-time, Undergrad

Undergraduate students who are enrolled part time at main campus or branch campuses



High School, Rising Phoenix

High school students who are seeking an associate's degree through the Rising Phoenix Program



High School, Non-Degree Seeking

High School students who are enrolled part time earning college credit



Continuing Education, Adult Learners

Part time adult learners who are enrolled in Continuing Education offerings

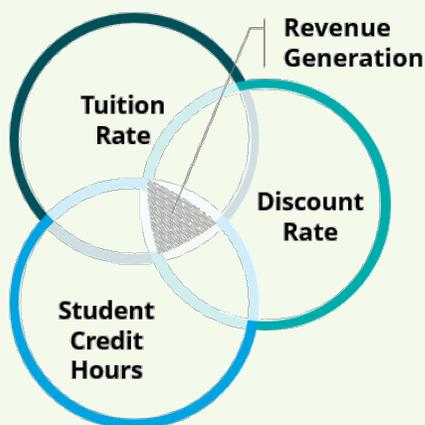
Understanding Costs to Deliver Services for Each Student Segment is Key

Determining how costs are attributed to colleges, programs, and student segments can facilitate Green Bay's ability to determine the optimal student and program mix for profit generation and fiscal stability in the overall context of its mission, vision, and values.

Revenues

Green Bay Understands the Key Revenue Drivers Across Campus

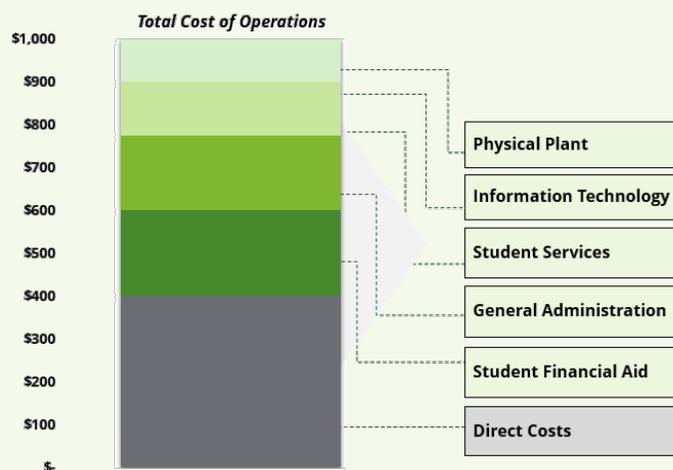
- Green Bay currently has an understanding of the key revenue drivers by college, program and student segment across the institution
- Additionally, the institution is able to reasonably forecast and budget for these revenues given the data available on its programs and the more direct relationship between tuition rates, discount rates, and student credit hour generation by college, program, and student segment



Expenses

Cost Attribution is Critical to Understanding the Expense Drivers

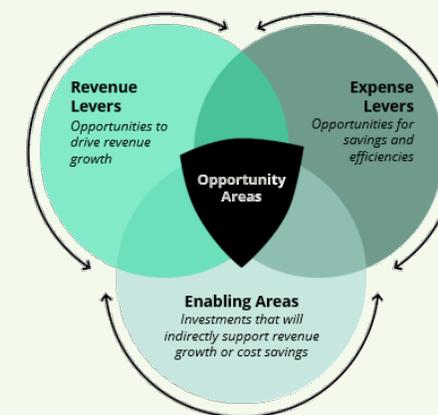
- By allocating the indirect costs (General Administration, Student Services, IT, etc.), in addition to the direct expenditures, Green Bay can develop an understanding of the cost per student credit hour by college, program, and student segment to have a more granular understanding of how different programs drive operating costs and impact operations at the institution



Margin

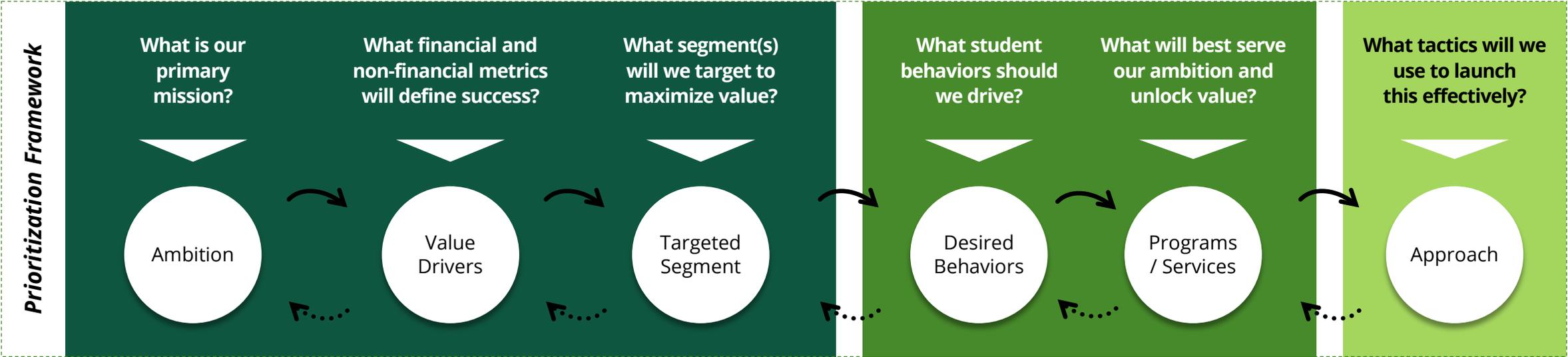
Understanding Operating Drivers can Fuel Strategic Processes

- Being able to understand the cost per student credit hour, in tandem with the revenue generated per student credit hour by college, program, and student segment, can enable Green Bay to optimize the way it evaluates its operations and academic portfolio
- Understanding both revenues and expenses associated with colleges, programs, and student segments can help Green Bay fully consider how to strategically plot the best path forward for the future of the institution



Prioritizing Student Segments to Drive Value

Once the costs and revenues associated with each student segment are identified, Green Bay can then make data-informed decisions regarding its optimal mix of student segments.



Defined by your financial, student, and Campus priorities

Defined by behaviors of current and future students

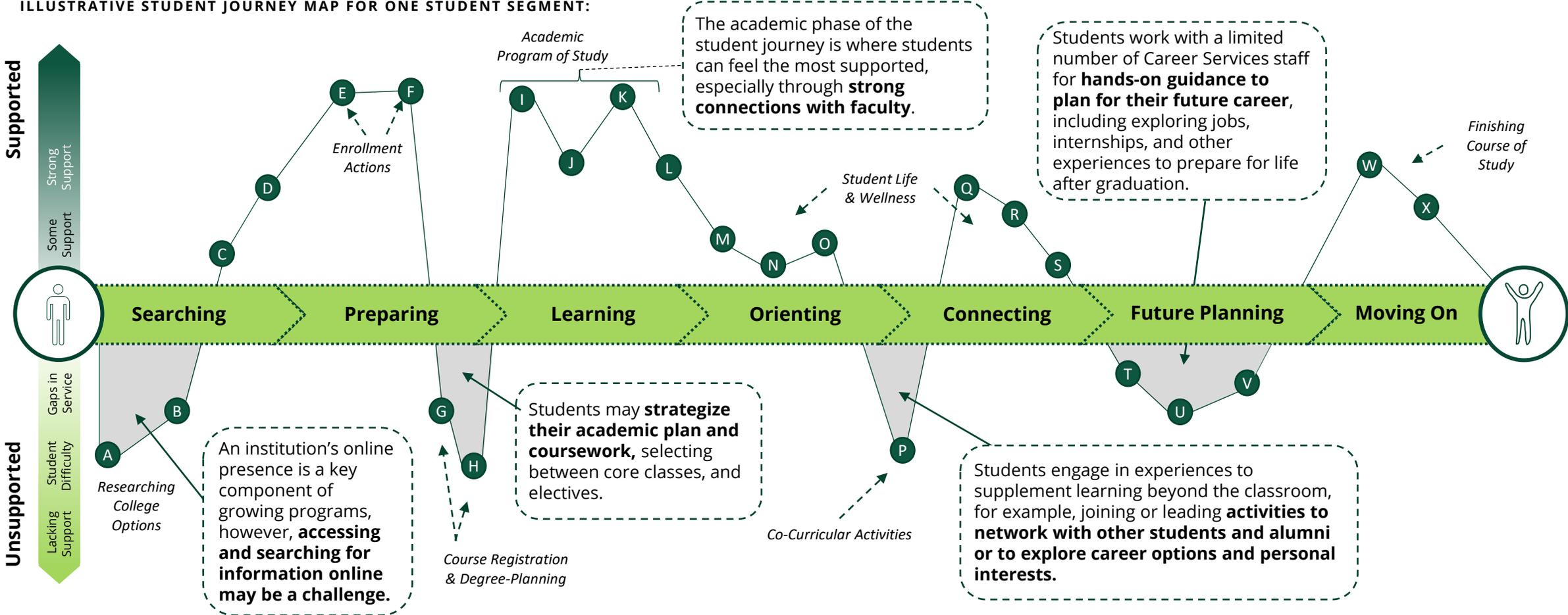
Defined by segments, assets

Illustrative Examples	Grow Student Body	Increase Enrollment	UG FTE	Increase Traditional Student Applications	Increased Promotion of Growth Programs	Targeted Paid Media
	Retain Green Bay Students	Increase Retention	FT On-Campus	Prevent Transfers and Withdrawals	Increase Touchpoints and Student Support	Curriculum Planning
	Grow Profitable and Sustainable Segments	Increase Credit Hour Production	Continuing Ed	Capture Learners in New Categories	Develop New Programming	Increased Recruitment via Corporate Partners

Meeting Student Needs Along the Journey

Once Green Bay has defined its targeted student segments to help drive sustainable enrollment and revenue growth at the institution, it will be key to develop an in-depth understanding of each student segment's journey with UW-Green Bay.

ILLUSTRATIVE STUDENT JOURNEY MAP FOR ONE STUDENT SEGMENT:



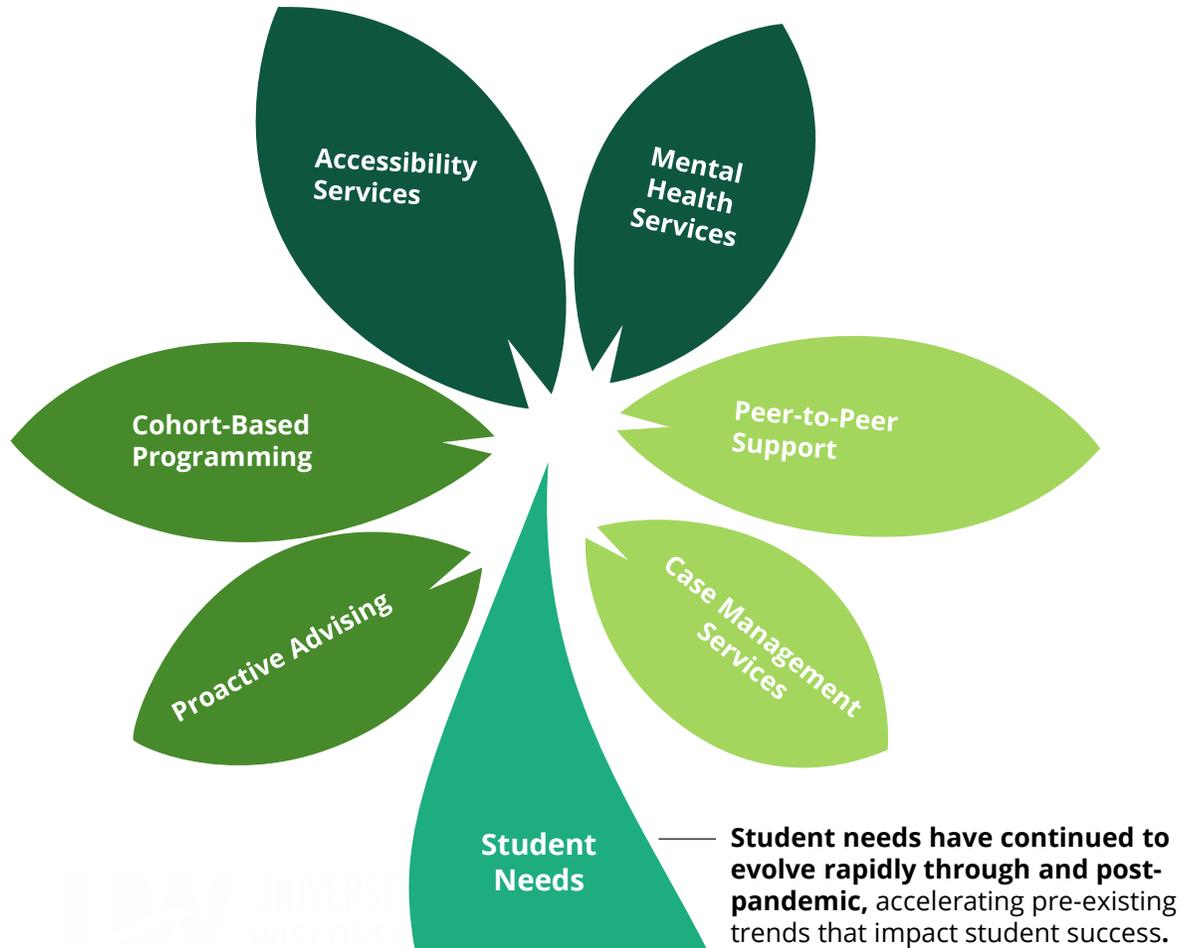
Using the insights from the journey maps will allow UW-GB to better target its marketing, recruiting and messaging to drive enrollment, while also enabling refinements in student services, retention, student success all the way through to alumni engagement.

Key: A - X Circular points on the illustrative journey map represent potential points of student engagement throughout the student lifecycle.

Reinforcing the Essential Student Supports Needed Along the Journey

Reimagining the student success ecosystem within a student-centered operating model versus an organizational operating model and mapping out the key elements of the student experience and who is supporting those students is a helpful exercise.

Critical support services to sustain throughout the student journey:



- Proactive Advising**
This concept is based on the practice of early, intentional outreach to students to gain early and frequent awareness of academic and other issues that could be a barrier to success.
- Cohort-Based Programming**
Creating small and closely affiliated groups fosters an increased sense of belonging to a community within the institution and encourages informal peer support.
- Accessibility Services**
A rapid growth in the number and percentage of students needing accommodations has been well-documented.
- Mental Health Services**
Higher education has been grappling with a mental health crisis in recent years that has been exacerbated by the pandemic and has required additional resources.
- Peer-to-Peer Support**
This support model is often used to provide support to students who share similar identities to foster a sense of belonging and understanding of similar life circumstances.
- Case Management Services**
UW-Green Bay has brought student services under one roof but could also consider assigning a single point of contact to each student that enables triage and follow-up of service referrals across the campus, building further rapport and connections with students.

Leading Retention Practices Showing Success at Peer Institutions

Green Bay can consider adopting practices that leading higher education institutions are deploying to improve student retention.



Targeting Inclusion for First Generation Students

- Institutions are focusing on improving inclusion for first-generation students. Nationally, one-third of first-gen students drop out after 3 years.
- UCLA offers an Advancement Program to provide better access to academic, personal, and professional development through academic advising, peer learning, and workshops.
- UCLA has seen strong results from its **First Year Experience program, designed to build students' sense of belonging**, proficiency, and confidence through summer bridge programs, student mentorships, and orientation programs.
- UCLA has an **80% completion rate for first-generation students**.



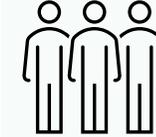
Leveraging Analytics to Target Intervention

- Many institutions are investing in analytics to support data-driven student success insights.
- Monroe College uses analytics to provide a macro view of student performance and found red alerts such as a "C" in psychology that signal a student was at high risk of dropping out.
- University of Central Florida uses real-time Learning Management System (LMS) data on students' performance in specific courses to scale intervention efforts. **UCF states they can now predict with 90% accuracy a student's likelihood of success.** With data, UCF is designing actionable strategies they can take to help students complete their degrees.



Harnessing Innovation to Improve Mental Health

- According to a recent survey of higher education presidents, nearly 75% rated mental health as the most pressing issue on their campus.
- The need for more counseling services has spurred institutions to think creatively about how to meet the increased demand and cut down on wait times, especially through technology.
- UArizona, for example, has implemented telehealth technology for remote counseling and is also implementing apps and **peer-to-peer networks where students certified in psychological first aid can offer virtual support** for other students.



Service-Based Leadership Training and Support

- Leading higher education institutions are cultivating leadership and community engagement among students, linking academic success with real-world services to enhance retention and graduation rates.
- University of Texas at Austin's University Leadership Network (ULN) is designed to improve retention rates, particularly **among low-income students**. The program provides leadership training, academic support, and scholarships based on participation in **community service and internships**.
- Thanks to ULN, from 2014 to 2022, the university's overall 4-year graduate rate increased by **17-percentage points**.

Green Bay's Opportunity to Drive Revenue Through Enrollment Growth

Green Bay has an opportunity to continue improving main campus enrollments and drive increased revenue by further refining the approach to student segmentation.

POTENTIAL IMPACT OF SCENARIO:

+1.6% Enrollment Growth

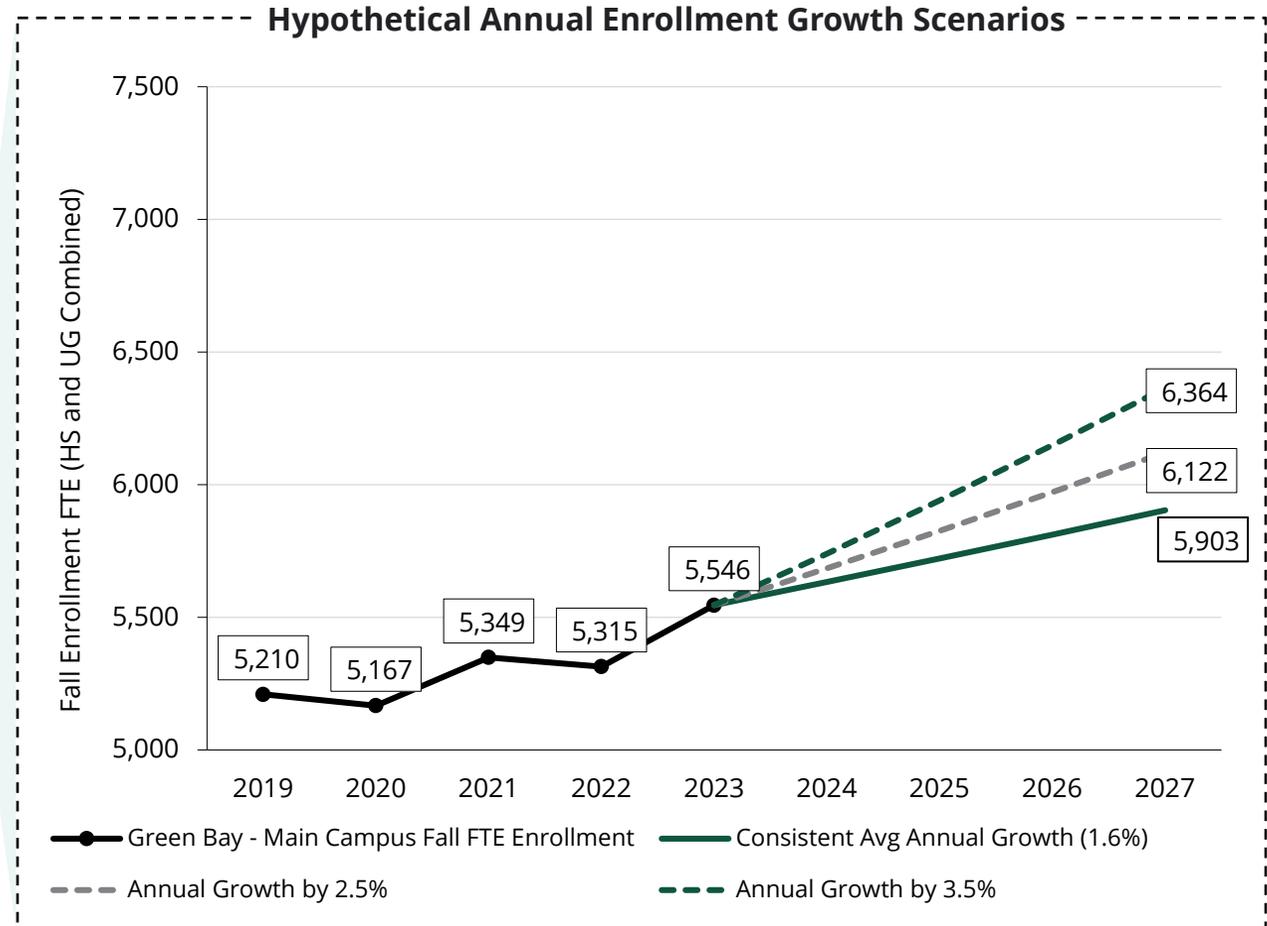
- Targeting a consistent annual 1.6% increase in enrollment over the next four years to 5,903 student FTEs from 5,546 HS and UG student FTEs (as of Fall 2023), through refining Green Bay's approach to segmentation, has the potential to drive incremental revenue. Assuming average AY 2022-23 tuition and fee rates for UG and HS segments, this **implies a potential annual revenue increase of nearly \$2.3M by Fall 2027.**

2.5% Enrollment Growth

- Similarly, targeting an annual 2.5% increase in enrollment from Fall 2023 to 6,122 student FTEs and assuming current tuition rates **implies a potential annual revenue increase of about \$3.7M by Fall 2027.**

3.5% Enrollment Growth

- Lastly, targeting an annual 3.5% increase in enrollment from Fall 2023 to 6,364 student FTEs, and assuming current tuition rates, implies a **potential annual revenue increase of nearly \$5.3M by Fall 2027.**

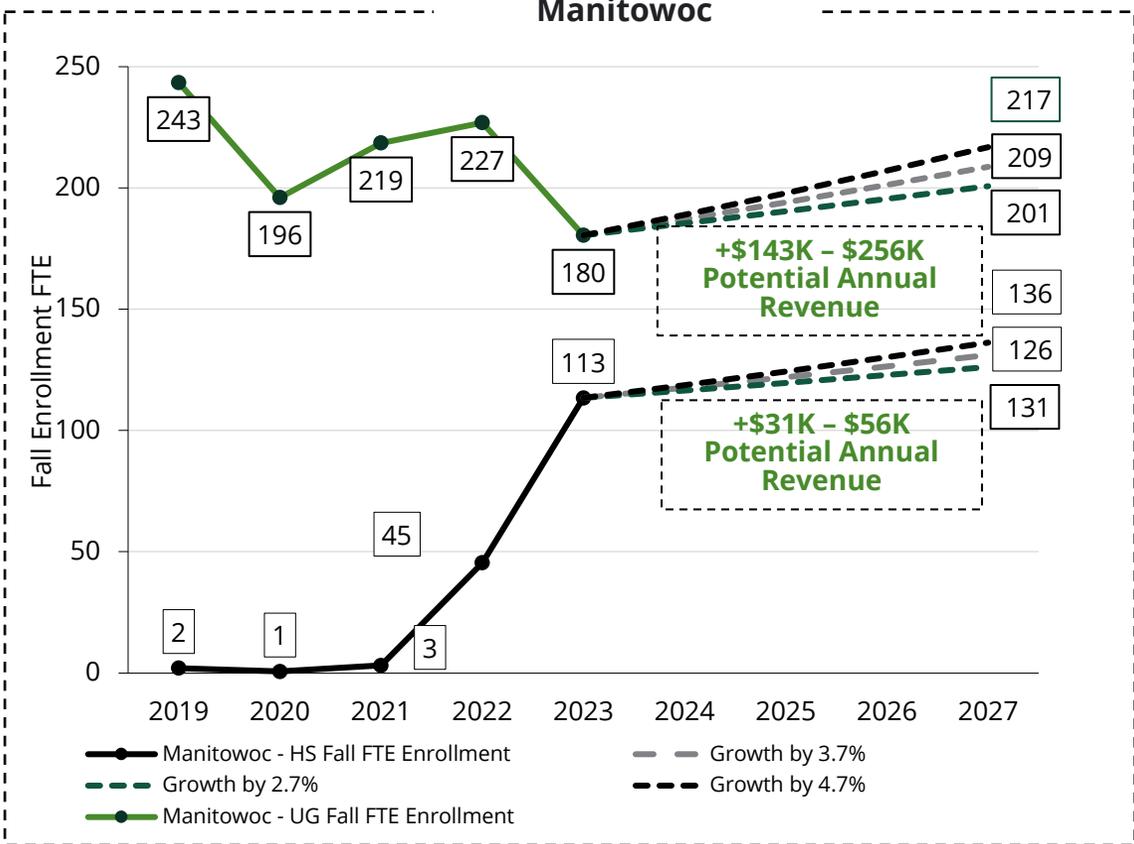
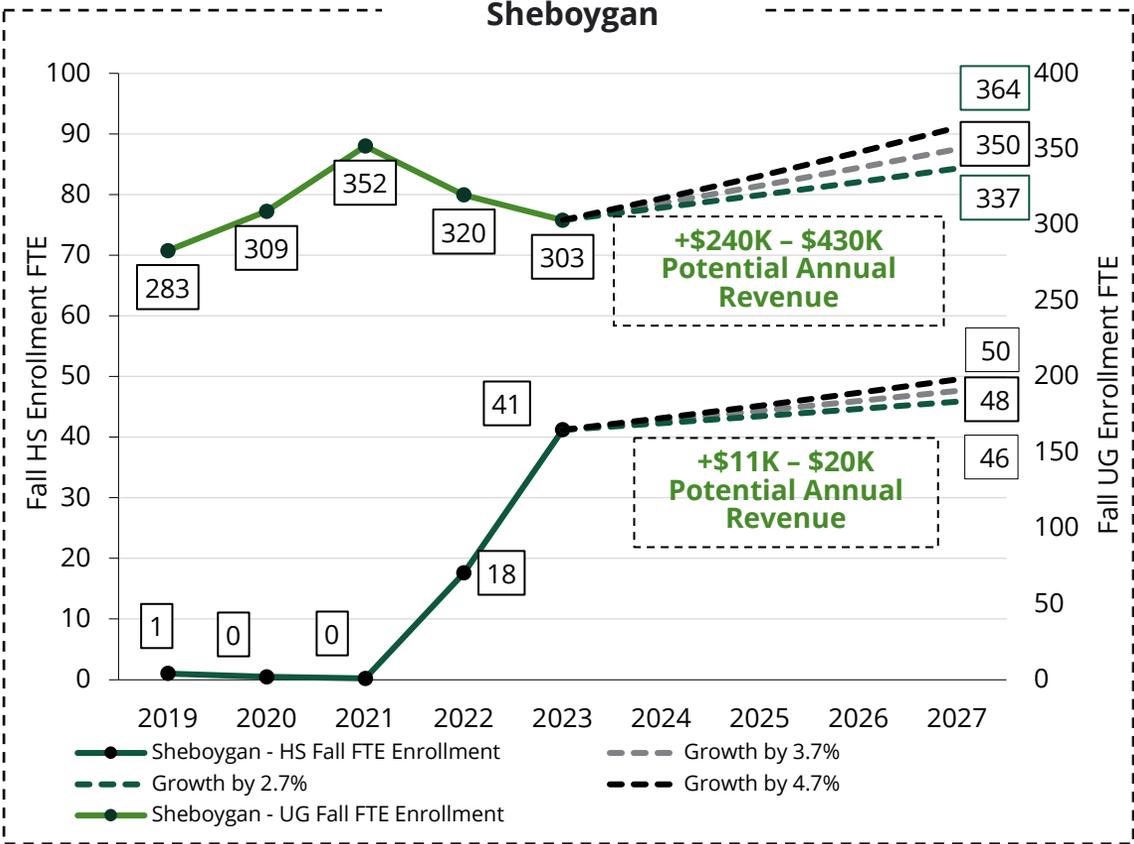


Consistent average annual growth at 1.6% for HS and UG students can aid Green Bay's efforts to grow enrollment and drive approximately \$2.3M revenue, while increased recruitment efforts could drive ~\$3.7 – \$5.3M annually (based on 2.5-3.5% growth).

Branch Campus Growth May Only Provide More Moderate Upside

Green Bay has an opportunity to improve enrollments and drive increased revenue by further refining the approach to student segmentation at Sheboygan and Manitowoc.

Hypothetical Annual Enrollment Growth Scenarios⁽¹⁾



Defining targets for sustainable student segments and organizing recruitment to effectively engage each segment can aid branch campus efforts to grow enrollment and drive ~\$425K to \$762K revenue⁽²⁾ annually by Fall 2027 (based on 2.7-4.7% growth scenarios).

Targeting Historical Retention Rates to Further Bolster Revenues

Green Bay has an opportunity to improve retention and drive increased revenue by enhancing the student journey.

POTENTIAL IMPACT OF SCENARIO:

+1.6% Improvement to Retention to 72%

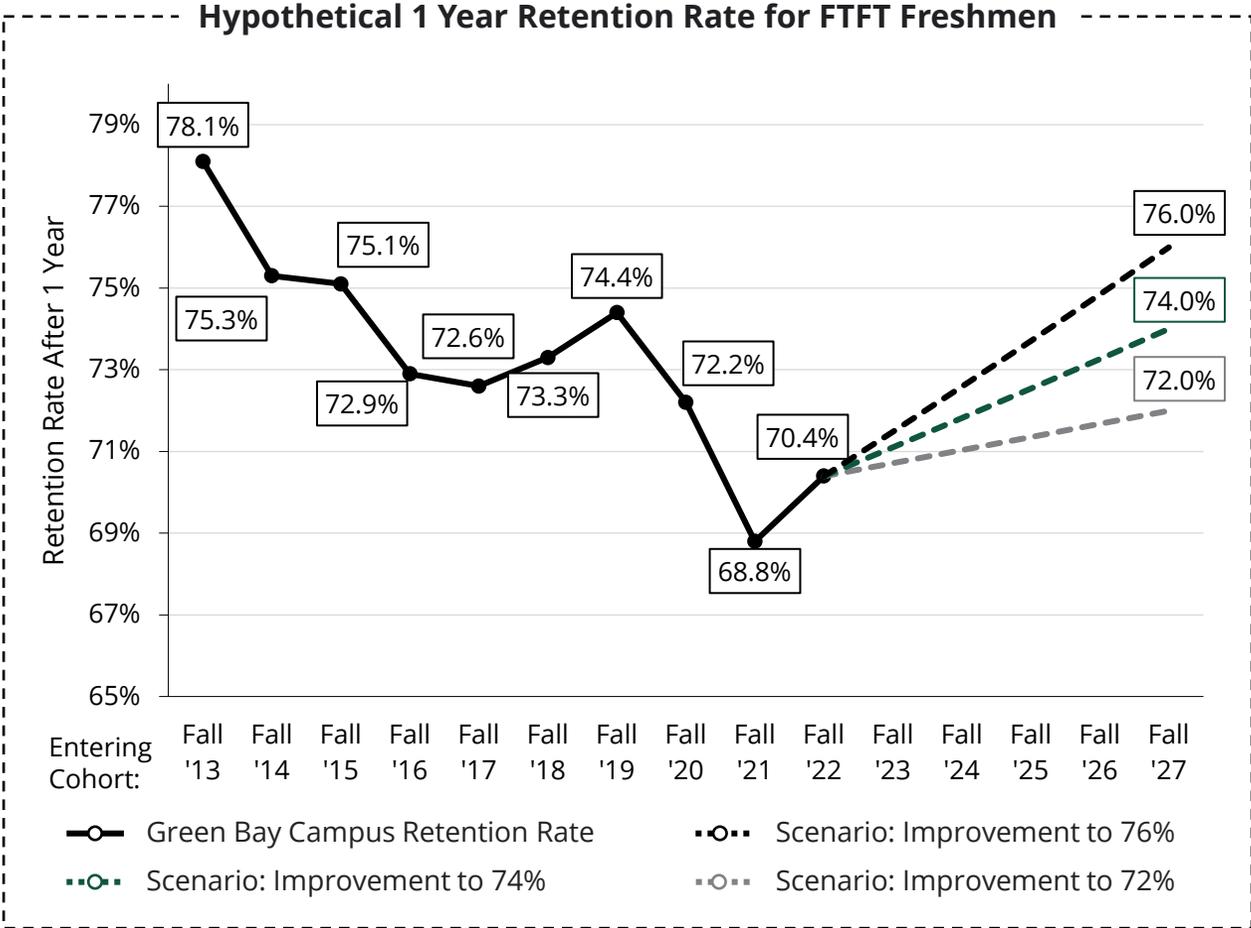
- Based on Fall 2023 cohort data, improving Green Bay Main Campus' 1st year retention rate for FTFT freshmen by 1.6% to 72.0% has the potential to drive 93 more sophomore enrollments annually by Fall 2027. Based on current tuition rates, this has the **potential to drive about \$654K additional revenue at steady state.**

+3.6% Improvement to Retention to 74%

- Targeting a 1st year retention rate of 74.0% has the potential to drive 209 more sophomore enrollments annually by Fall 2027¹. Based on current tuition rates, this has the **potential to drive about \$1.5M annual revenue at steady state.**

+5.6% Improvement to Retention to 76%

- Finally, targeting a 1st year retention rate of 78.0% has the potential to drive 326 more sophomore enrollments annually by Fall 2027¹. Based on current tuition rates, this has the **potential to drive about \$2.3M annual revenue at steady state.**



Improving the freshman retention rate to at least 72% has the potential to drive approximately \$654K in recurring revenue at steady state. However, this will require alignment of resources and engagement from staff to faculty to achieve success.

Note: (1) Assumes no change to 2nd to 3rd and 3rd to 4th year retention rates, 58.4% and 47.2%, respectively as of the most recent year; assumes no change to fall cohort, 5,730 as of Fall 2022; and assumes no change to Green Bay undergraduate resident tuition and fee rate of \$7,034.26 per semester as of AY2023-24. Source: UW Retention and Graduate Rates, UW-Green Bay Cost Basics, Avg. Annual Tuition Rates Provided by GB

Opportunity #1 Action Items

The table below outlines a menu of potential high-level activities that Green Bay could undertake to help support the Enrollment Diversification Strategy to Incorporate Student Success Measures

Opportunity Delivery Check List

Strategic Analysis and Planning (3-6 Months)

- Evaluate revenue and expenses of each student segment and assign margins that will enable more strategic planning as the student mix evolves
- Align on key data points, sources and KPIs to analyze student segments and student journeys and to measure performance
- Analyze current student body to identify student segments where targeted investments will have the highest impact on enrollment and retention
- Use student feedback to develop journey maps to identify pain/exit points for each prioritized student segment

Program and Service Alignment (6-12 Months)

- Create marketing and outreach strategies aimed at attracting and retaining priority student segments
- Align academic programs and student support services with the needs of student segments, considering identified student needs

Implement and Scale (12-24 Months)

- Establish a system for tracking enrollment growth and retention rates among targeted segments, adjusting strategies as needed and regularly assessing the financial impact
- Continuously refine academic offerings and student services based on feedback and performance data to enhance student success and satisfaction
- Continuously monitor progress as needed to expand high-performing efforts and terminate efforts that are not yielding results



#2 Build on Momentum of Continuing Education Success

Continuing Education is Profitable but There are Still Opportunities to Grow

Building on the current success of Continuing Education at Green Bay, further developing offerings that align to workforce needs and leveraging synergies with existing degree programs could capture additional revenue.



However, opportunities for growth remain...

2.1 Cross Promotion with Degree Programs

Cross-promoting Continuing Education courses with existing degree programs creates a **seamless educational journey** for students.

This strategy can enhance enrollment by offering complementary skills that align with students' academic and professional goals, thereby **increasing the value and appeal of both program types**.

2.2 Expansion into Growing Regional Industries

By identifying and aligning Continuing Education offerings with the growth trajectories of key regional industries and tailoring courses and certificates to meet the **emerging needs of the local job market**, Green Bay can position itself as a pivotal contributor to workforce development, ensuring that both students and employers benefit from relevant skills training.

2.3 Stackable Credential Pathways

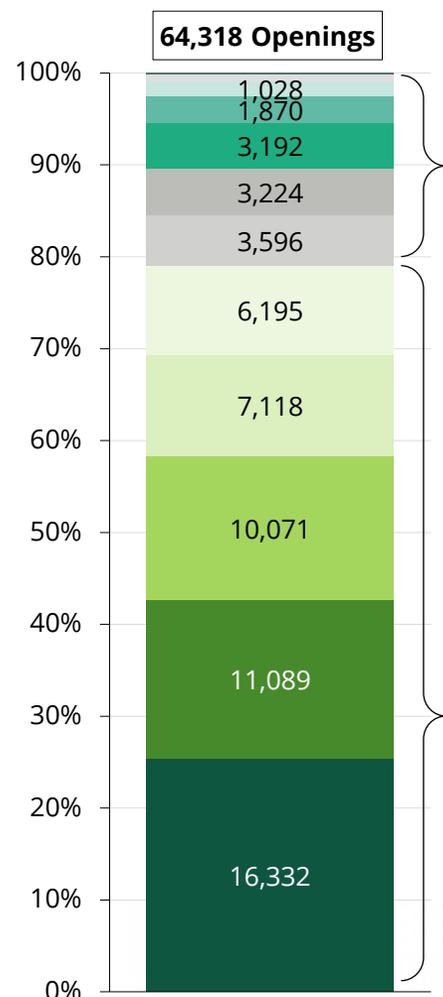
Developing stackable credential pathways enables students to build upon their education incrementally, combining short courses, certificates, and degrees into a cohesive learning experience

This approach provides **flexible options for nontraditional students** to advance their careers in stages, adapting to their evolving professional and personal commitments.

2.1 Workforce Alignment Makes the Case for Cross Promotion Opportunities

Building on the current success of Continuing Education at Green Bay, leveraging synergies with existing degree programs could capture additional enrollment and revenue.

WI Annual Openings Requiring Bachelor's Degree+ by Occupational Group, 2020-30⁽¹⁾



Rank	Occupational Group	Proj. Annual Openings Req. Bach. Deg.+	Share of Annual Openings	Does GB confer degree? ⁽²⁾	Does GB have at least 1 Cont Ed program?
13	Protective Service Occupations	17	0%	✓	
12	Office and Administrative Support Occupations	24	0%	✓	✓
11	Legal Occupations	562	1%		
10	Sales and Related Occupations	1,028	2%		
9	Life, Physical, and Social Science Occupations	1,870	3%	✓	
8	Community and Social Service Occupations	3,192	5%	✓	✓
7	Architecture and Engineering Occupations	3,224	5%	✓	✓
6	Arts, Design, Enter., Sports, and Media Occupations	3,596	6%	✓	
Subtotal:		13,513	21%		
WI Top 5 Job Areas					
5	Computer and Mathematical Occupations	6,195	10%	✓	✓
4	Healthcare Practitioners and Technical Occupations	7,118	11%	✓	✓
3	Management Occupations	10,071	16%	✓	✓
2	Education, Training, and Library Occupations	11,089	17%	✓	✓
1	Business and Financial Operations Occupations	16,332	25%	✓	✓
Subtotal:		50,805	79%		
Total		64,318	100%		



Like UG degree conferrals, Continuing Education is **aligned to WI's Top 5 Job Areas**.

This alignment between UG degrees and Continuing Education programs indicates **synergies among the demand for education**.

To meet this demand and increase enrollment, UW-Green Bay can **cross-promote Continuing Education programs** with relevant existing degree programs.

2.1 Growth Through Cross-Promotion with Degree Programs

Leveraging the synergy between degree and certification programs presents a strategic avenue for Green Bay to enhance academic value and drive revenue growth by offering students comprehensive, multidisciplinary educational pathways.

Why cross-promote continuing education programs?⁽¹⁾

Per *Inside Higher Ed*, Continuing Education offerings can boost enrollment in traditional programs, but institutions do not create easy avenues for students to move between CED and UG programs

In one study, institutional barriers were cited as the biggest challenge to creating a pathway from non-credit courses to credit-bearing ones

Three out of five respondents in the survey referenced by *Inside Higher Ed* said that their Continuing Education program was not well-integrated with the rest of their college's offerings

Illustrative Cross-Promotion Examples⁽²⁾

	Degree	Certificate
Business and Management	Business Administration	<ul style="list-style-type: none"> • Business Concepts • Digital Marketing and Sales Management
	Organizational Leadership	<ul style="list-style-type: none"> • Entrepreneurship • Organizational Development
Health and Human Services	Human Biology	<ul style="list-style-type: none"> • Health Information Management • Physical Education
	Nursing	<ul style="list-style-type: none"> • Management in Health Systems • Professional Ethics
Technology and Engineering	Computer Science	<ul style="list-style-type: none"> • Data Analytics • Marketing Analytics
	Mechanical Engineering	<ul style="list-style-type: none"> • Mechanical Engineering Principles • Electrical Engineering Principles

Cross-Promotional Tactics

- Data-Driven Retargeting:** Analyze student and course enrollment data to identify key stages in their academic journey and trigger targeted promotions.
- Integrated Curriculum Advising:** Train advisors to inform students about how certain certificate programs complement their major and encourage faculty members to mention relevant programs where there's a clear link to the subject matter.
- Joint Marketing Materials:** Create materials that showcase how certain degrees and certificates complement each other and distribute these materials among current and prospective students via physical and digital outreach methods, both internally and through Corporate Partners.
- Bundled Program Scholarships:** Offer a scholarship to students who enroll in a UW-Green Bay degree program after completing a complementary certification program (and vice versa). For example, the University of Virginia covers 25% of the first year of tuition for individuals who have completed one of Google's Career Certificates.

2.1 Case Study: The University of Virginia

The University of Virginia's initiative to offer scholarships for working adults completing online, part-time degree programs represents a forward-thinking approach to aligning educational offerings with the evolving demands of the workforce.



University of Virginia

The University of Virginia (UVA), founded by Thomas Jefferson in 1819 and located in Charlottesville, is a public research university and a UNESCO World Heritage Site.

With a diverse student body and array of undergraduate, graduate, and professional programs, the university plays a critical role in shaping future leaders and driving economic and social progress both within Virginia and beyond.

Business Case Overview

- UVA's School of Continuing and Professional Studies established a partnership with Google to support working adults in completing their four-year degrees, beginning in Fall 2022
- Individuals who have completed a Google Career Certificate are eligible for a **\$5,000 scholarship** to pursue their degree through UVA's online, part-time degree completion programs
- This initiative addresses the need for reskilling, as the World Economic Forum estimates that 50% of all employees will require new skills by 2025, particularly due to the demand for technical skills
- This partnership program includes **an employer consortium of over 150 companies** that consider program graduates for employment, including major names like Infosys, Verizon, Walmart, and Wayfair
- Overall, the program aims to equip job seekers with in-demand skills and a pathway toward a four-year degree, enhancing their economic potential and long-term career success



Takeaways

- **Addressing the Skills Gap:** This pathway allows individuals to acquire job-ready skills in high-demand areas by blending traditional degree programs with industry-relevant certifications
- **Enrollment Incentives:** The financial incentive of a scholarship can lower barriers to education for many individuals, boosting enrollment and revenue for the university
- **Job Opportunities:** The involvement of an employer consortium not only enhances the employability of graduates but also demonstrates the industry's support of innovative educational pathways

2.2 Untapped Areas of Regional Demand Could Further Support CED Growth

As Continuing Education programming is already well aligned to WI Hot Jobs. Further aligning the offerings to regional industry workforce needs could capture additional revenue from in-demand and growing areas.

Industry Projections for WDA #5 (2020-2030)⁽¹⁾

	2020 Employment	2030 Projected Employment	Employment Change (2020 - 2030)	Percent Change
Services Providing Industry				
Leisure and Hospitality	34,212	41,516	7,304	21.35
Other Services (except Government)	19,947	22,999	3,052	15.30
Education and Health Services	78,470	86,488	8,018	10.22
Professional and Business Services	39,239	43,246	4,007	10.21
Government	21,487	23,155	1,668	7.76
Trade, Transportation, and Utilities	76,011	81,063	5,052	6.65
Financial Activities	25,017	25,513	496	1.98
Information	2,875	2,484	-391	-13.60
Goods Providing Industry				
Natural Resources and Mining	8,297	9,187	890	10.73
Construction	21,427	23,459	2,032	9.48
Manufacturing	89,339	92,139	2,800	3.13

Tactics to Consider



Leisure and Hospitality is growing, and Green Bay already has foundational customer service programs in place. Thus, expanding to Hospitality Certifications could be a natural progression.



Similar to other cross-campus collaborations, there may be an opportunity to partner with UW-Eau Claire on their Responsible Mining Certificate program to align to the growth in Natural Resources & Mining.



Local transportation companies provide an opportunity to develop Logistics Certification Programs to meet the growing number of open roles in Trade, Transportation, and Utilities.

Illustrative Examples

As Green Bay builds on the success of Continuing Education, looking past WI Top Jobs to broader industry trends could enable the university to tap into a new pool of corporate partners and learners.

2.3 Stackable Credentials as a Growth Tool for Continuing Education

By leveraging the growing demand for flexible, career-oriented education, Green Bay's Continuing Education program can further develop stackable certificate pathways, enhancing educational accessibility and driving revenue growth among non-traditional students.

Overview

Stackable credential pathways consist of multiple, sequential awards that either allow students to earn successively higher-level credentials ("progressive" programs) or build a "lattice" of interconnected credentials. These pathways lead to **increased enrollment, improved student success outcomes, and matriculation** into degree-seeking programs.⁽¹⁾

Current State⁽²⁾

- **Master of Science in Biodiversity Conservation and Management** features three stackable certificates, including Biodiversity and Conservation Science, Conservation Data Management and Analysis, and Conservation Leadership, Policy, and Management.
- **Master of Science in Information Technology** features three stackable certificates in IT Leadership, Enterprise Infrastructure, and IT Operations,

Benefits

Enhance Educational Accessibility

- Stackable credential pathways are designed to **accommodate students at various stages of their careers** and lives, offering differing entry points and providing a flexible, modular approach to education.
- This flexibility not only supports Green Bay's mission but sets the university on a path to **adapt with changing student demographics** nationwide.

Drive Revenue Growth

- Stackable credential pathways represent a strategic opportunity for Green Bay to **attract learners seeking short-term, career-focused education** that delivers tangible outcomes.
- This approach **encourages continued enrollment** as students return to complete additional certificates and progress in their careers.

Strengthen Workforce Development

- By collaborating with industry leaders and employers to design these pathways, Green Bay can ensure that its programs are relevant in **current and future job markets**.
- This relevance boosts the employability of graduates, making the university a contributor to the local economy and **enhancing its reputation** among students and businesses in the region.

2.3 Case Study: California Community Colleges' Stackable Credentials

The California Community Colleges' implementation of stackable credentials in career education exemplified a strategic approach to enhancing workforce readiness, increasing student economic mobility, and supporting the region's economic development.



California Community Colleges

California Community Colleges, the largest system of higher education in the United States, comprises 116 colleges and serves over 2.1M students.

With a mission to support student success and workforce development, these colleges play a crucial role in driving economic growth and social mobility within the state.

Business Case Overview

- California's community colleges are pivotal in providing postsecondary education, addressing the workforce needs of a diverse student body, including adult workers seeking retraining
- To support this demographic, the colleges instituted stackable credential pathways which consist of multiple, sequential awards allowing students to earn progressively higher-level credentials or build a lattice of interconnected credentials
- Between 2000 – 2014, **nearly 200,000 students earned a short-term certificate** as their first community college credential
- About one in four of these students obtained another credential within three years, and **some transferred to four-year colleges**
- The Public Policy Institute reports that while only 15% of existing programs make explicit connections between credentials, students in career education programs with well-defined stackable credentials are **16 percentage points more likely to stack credentials** as compared to students in programs with no definable stackable sequence



Takeaways

- **New Revenue Streams:** Stackable credentials allow colleges to attract working adults seeking career advancement, leading to increased enrollment
- **Cost Efficiency:** By enabling students to build upon previously earned credentials, institutions increase the efficiency of program delivery, maximizing the use of resources and faculty
- **Enhancing Marketability:** Offering clear career pathways enhances the marketability of colleges to prospective students by highlighting the direct link between education and employment opportunities

Potential to Drive Revenue Through Continuing Education Programs

Green Bay has an opportunity to leverage its strengths in Continuing Education to expand enrollments and increase revenues in Fiscal Year 2024 and beyond.

POTENTIAL IMPACT OF SCENARIO:

+1.0% Improvement to Continuing Ed Revenue

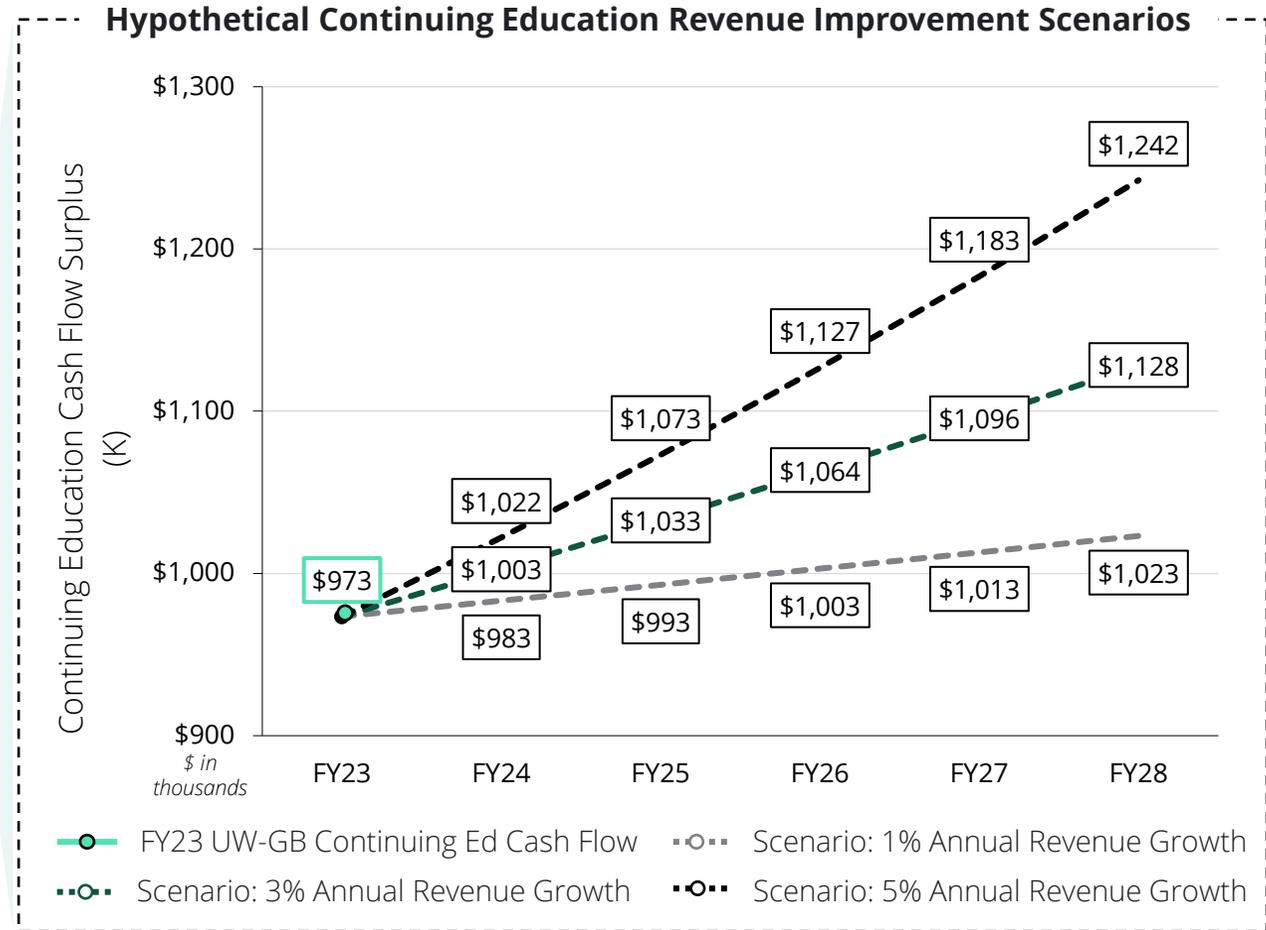
- Based on the FY23 Continuing Education cash flow surplus generated (Non-Credit and Credit-Outreach), growing Green Bay's Continuing Education revenues by 1% per year, while maintaining the FY23 margin performance of approximately 22.4%, has the **potential to drive about \$1M of cash flow in FY28 and would provide nearly \$150K of cumulative incremental cash flow from FY24-FY28.**

+3.0% Improvement to Continuing Ed Revenue

- Growing Green Bay's Continuing Education revenues by 3% per year while maintaining the FY23 margin performance has the **potential to drive about \$1.1M of cash flow in FY28 and would provide nearly \$456K of cumulative incremental cash flow from FY24-FY28.**

+5.0% Improvement to Continuing Ed Revenue

- Growing Green Bay's Continuing Education revenues by 5% per year while maintaining the FY23 margin performance has the **potential to drive about \$1.2M of cash flow in FY28 and would provide nearly \$781K of cumulative incremental cash flow from FY24-FY28.**



Improving the revenue generated by the Continuing Education program (Non-Credit and Credit-Outreach) at Green Bay has the potential to drive over \$1.2M in cash flow surplus by FY28 with annual 5% revenue improvement each year on FY23 performance.

Opportunity #2 Action Items

The table below outlines a menu of potential high-level activities that Green Bay could undertake to build upon the success of its Continuing Education program.

Opportunity Delivery Check List

Strategic Development and Market Research (1-3 Months)

- | | |
|--|-------------------------------------|
| Establish clear goals for the expansion of the Continuing Education program, aligning with Green Bay's overall educational mission and financial targets | <input checked="" type="checkbox"/> |
| Perform a comprehensive analysis of regional industry growth trends, identify synergies between existing degree programs and potential continuing education courses, and map out stackable credential pathways that align with both market needs | <input checked="" type="checkbox"/> |

Curriculum Design and Enhancement (3-6 Months)

- | | |
|---|-------------------------------------|
| Design modular courses that can be cross-promoted with existing degree programs and fit into stackable credential pathways | <input checked="" type="checkbox"/> |
| Collaborate with industry partners to ensure curriculum relevance and alignment with current workforce needs | <input checked="" type="checkbox"/> |
| Engage with faculty and department heads to develop clear pathways for credit transfer and recognition between continuing education units and degree programs | <input checked="" type="checkbox"/> |

Implementation, Evaluation, and Scalability (6-12 Months)

- | | |
|--|-------------------------------------|
| Create targeted marketing campaigns that highlight the benefits and opportunities of new and existing programs, emphasizing cross-promotion, industry relevance, and stackable credentials | <input checked="" type="checkbox"/> |
| Establish metrics for success, including enrollment numbers, completion rates, student satisfaction, and employment outcomes | <input checked="" type="checkbox"/> |
| Explore funding opportunities, grants, and partnerships to support the sustainability and expansion of successful programs | <input checked="" type="checkbox"/> |



#3 Capitalize on Institutional Real Estate

Green Bay's Campus Can Be One of its Greatest Assets

With the right investment, Green Bay's expansive campus can serve as more than an academic setting; it can be an asset supporting community initiatives and regional economic vitality.

Location Benefits



Sitting on ~700 acres, Green Bay has the **second largest campus in the Universities of Wisconsin** which offers opportunities for growth and development, including the potential for new student facilities or commercial partnerships



Green Bay benefits from its proximity to **key natural areas**⁽¹⁾, offering students unique opportunities for academic enrichment, ecological and policy-based research, and recreational opportunities.

Location Challenges



The presence of unused land along the waterfront presents a prime opportunity for development, yet its potential is hindered by the need for **improved connectivity to the main campus**, requiring strategic infrastructure planning to bridge this gap



The **absence of a traditional downtown** close to Green Bay can limit off-campus social and cultural experiences for students and necessitate innovative solutions to enhance campus vibrancy and accessibility

Location Opportunities



Green Bay's campus is ripe for development. The transformation of the golf course into a **revenue generating cross-country track** and the success of **large cultural events** showcase the campus' potential as a versatile venue for community engagement and economic development.



Green Bay is positioned to leverage its extensive campus properties to meet the **growing need for commercial land** in the area. By identifying parcels of land suitable for development, the university can engage in selling or leasing land to address emerging demand trends in the region.



Planned as a hub for entrepreneurship, technology, and community engagement, **Phoenix Innovation Park** offers the opportunity to create a vibrant ecosystem of innovation on campus. Through this development, the university not only enhances its academic offerings but also positions itself as a key player in collaboration with local industries.

Sources: 1) UW System Administrative Procedure 999.B 2) InBusiness 3) Commercial Construction Renovation 4) Green Bay Commercial Real Estate Market Report

Cultivating Community and Revenue Through Campus Land Usage

By creatively repurposing campus land for events, sports, research, and wellness initiatives, Green Bay not only fosters community engagement but also strategically positions itself to capitalize on new revenue opportunities, enhancing its role in the regional economy.

Some Historical Successes

Golf Course Conversion

The conversion of the golf course to an outdoor recreation center not only enhanced the university's athletic facilities, but also attracted regional high school cross country events, offered outdoor equipment for rental, and provided workshops and seminars.

Hispanic Culture Festival

Capitalizing on its expansive campus, Green Bay hosted its first Hispanic Culture Festival in September 2023, drawing a crowd of over 8,000 attendees and enhancing community relations.

Other Revenue-Generating Opportunities

Event Venues

By developing dedicated event venues and conference centers that leverage the campus's natural beauty and modern amenities, the university can create a sought-after destination for event planners and generate revenue through facility rentals and event management solutions.

Research Partnerships

Green Bay's Natural Areas provide unique opportunities for research partnerships with private companies, especially in fields related to environmental science, sustainability, and agricultural technology, and can generate revenue through leasing agreements and collaborative grants.

Sports Camps

Utilizing the university's athletic facilities, such as the outdoor recreation center, Green Bay hosts community sports camps and clinics that cater to a variety of interests, as well as rent to local high school sports teams, continuing to generate direct revenue.

Leisure & Wellness Retreats

Offering programs such as yoga retreats, wellness workshops, and corporate wellness programs among its serene and natural setting on the lake, Green Bay can generate revenue through participation fees, accommodation, and additional services.

By harnessing the unique assets of Green Bay's campus, the university can continue to generate revenue and elevate community engagement, setting the stage for exploring opportunities where land resources can meet growing commercial demands in the region.

Capitalizing on Commercial Land Demand

Addressing regional needs, Green Bay can leverage its vast land resources to drive revenue by selling or leasing it.



Land Demand

1. Economic Value

Commercial property values in Wisconsin achieved near-record growth in 2023, **increasing 10.9%**⁽¹⁾.

2. Regional Trends

Key demand shaping the Wisconsin commercial property market includes the need for flexible workspaces, warehousing and distribution centers, mixed-use developments, and health and wellness spaces⁽²⁾.

3. Business Innovation

Green Bay's competitive location makes it an **attractive place for industrial development**, and demand for industrial property in the area has remained steady throughout the pandemic⁽³⁾.



Economic Development

- **Consider selling or leasing strategic land parcels** for the development of business and industrial hubs that might accommodate a variety of uses from economic opportunity, light manufacturing, to logistics and distribution, catering to the diverse needs of the regional economy and supply chain.

Once Green Bay determines the land it would like to develop or sell, close partnership with the Universities of Wisconsin Capital Planning and Budget team will be critical to comply with Administrative Procedure 999.B (Sale of Real Property Process)

Economic Development Through Phoenix Innovation Park

Through business incubation, partnerships, and commercialization of research, Phoenix Innovation Park can generate new revenue streams for the university, attract and retain high performing students, and cultivate a downtown area adjacent to the campus.

Overview

Phoenix Innovation Park represents a significant development aimed at fostering innovation, expanding educational opportunities, and driving economic growth.

This ambitious project, in partnership with Brown County, is designed to increase enrollment by creating a hub that attracts students, researchers, and businesses.

Highlights:

- The partnership underscores a shared vision with Brown County for economic and educational development in the region
- The park is envisioned as a catalyst for new ideas, technologies, and solutions, aligning with the university's commitment to innovation and student success
- The park is set to become a cornerstone for both the university and the community's future, promising new opportunities for learning, research, and business development – as well as potentially doubling enrollment according to early estimates.

Opportunities

Improving Student Enrollment and Engagement

To bolster enrollment, retention and student success, the university can work with incoming businesses to develop internships, co-op programs, and entrepreneurial opportunities, supporting the student journey and enhancing Green Bay's attractiveness to potential students.

Attracting and Retaining Faculty

By developing research facilities, fostering industry partnerships, and supplementing current academic offerings and capabilities, Green Bay may attract and retain new talented faculty members.

Creating Jobs and Stimulating Economic Growth

By diversifying the local economy by attracting startups, tech companies, and green industries, the university can foster a vibrant community of innovative companies, creating a range of employment opportunities.

Considerations

Resource Investment

Resource investment is targeted and strategic, focusing on securing funding, attracting talent, and building state-of-the-art facilities. Investments are made with an eye toward creating a hub that supports cutting-edge research, startup incubation, and community innovation initiatives.

Stakeholder Engagement

Communication and feedback are crucial, involving continuous dialogue with university representatives, local businesses, government entities, and the community. This process aims to build support, foster collaborative partnerships, and align the park's development with stakeholder expectations and needs.

Case Study: Davidson College's Hurt Hub

Davidson College's Hurt Hub, addressing the need for practical entrepreneurship within a liberal arts setting, has become a financially beneficial model, boosting student ventures and fostering economic growth in the community.



Davidson College

Davidson College, established in North Carolina in 1837, enrolls nearly 2,000 students.

The college, which does not have a business major or graduate school, is committed to making education financially accessible and fostering a supportive community where students are encouraged to lead and serve in a rapidly changing world.

Business Case Overview

- To create a hub for local entrepreneurs, innovative companies, and students and faculty from Davidson College, the **Hurt Hub was conceived to bridge the gap between liberal arts education and practical entrepreneurial experience**
- Davidson College **received a \$5M gift** from alumnus Jay Hurt **and additional support from local sponsors** like Barings, Lowe's, Ingersoll Rand, and Tresata
- Hurt Hub was developed in a renovated 23,000 square foot historic cotton mill off-campus, including **a 7,000 square foot lab for long-term projects and business ventures**, a data analytics factory, and a virtual reality lab
- The Hub now houses two anchor companies, Everblue Training Institute and Quoin, and **over 80 companies and 176 individuals** use the coworking space and private offices
- The Hub recently celebrated its 5th anniversary with significant achievements; **students have spent thousands of hours consulting** with businesses and have been awarded substantial start-up capital



Takeaways

- **Revenue Generation through Space Leasing:** By leasing office spaces to anchor companies and startups, the Hub generates ongoing revenue for the college
- **Local Economic Effect:** The Hub acts as an economic catalyst in the region, increasing the college's influence and financial returns to the community
- **An Enrollment Tool:** The unique nature of the Hub attracts more students to the college, increasing enrollment and tuition revenue

Opportunity #3 Action Items

The table below outlines a menu of potential high-level activities that Green Bay could undertake to capitalize on its institutional real estate.

Opportunity Delivery Check List

Assessment and Planning (3-6 months)

Conduct an in-depth assessment of all campus real estate assets, including land, buildings, and facilities

Develop a strategic plan for maximizing the use of campus real estate, aligning with the university's academic, financial, and community goals

Strategic Development (12-24 months)

Prioritize real estate projects based on potential impact, feasibility, and alignment with university objectives

Secure funding sources and create financial models for proposed real estate projects, including cost-benefit analyses

Engage with internal and external stakeholders, including faculty, students, and business leaders to gather input and build support

Identify and cultivate partnerships with private developers, government agencies, and community organizations for joint real estate ventures

Ensure all real estate developments comply with zoning, environmental, and construction regulations

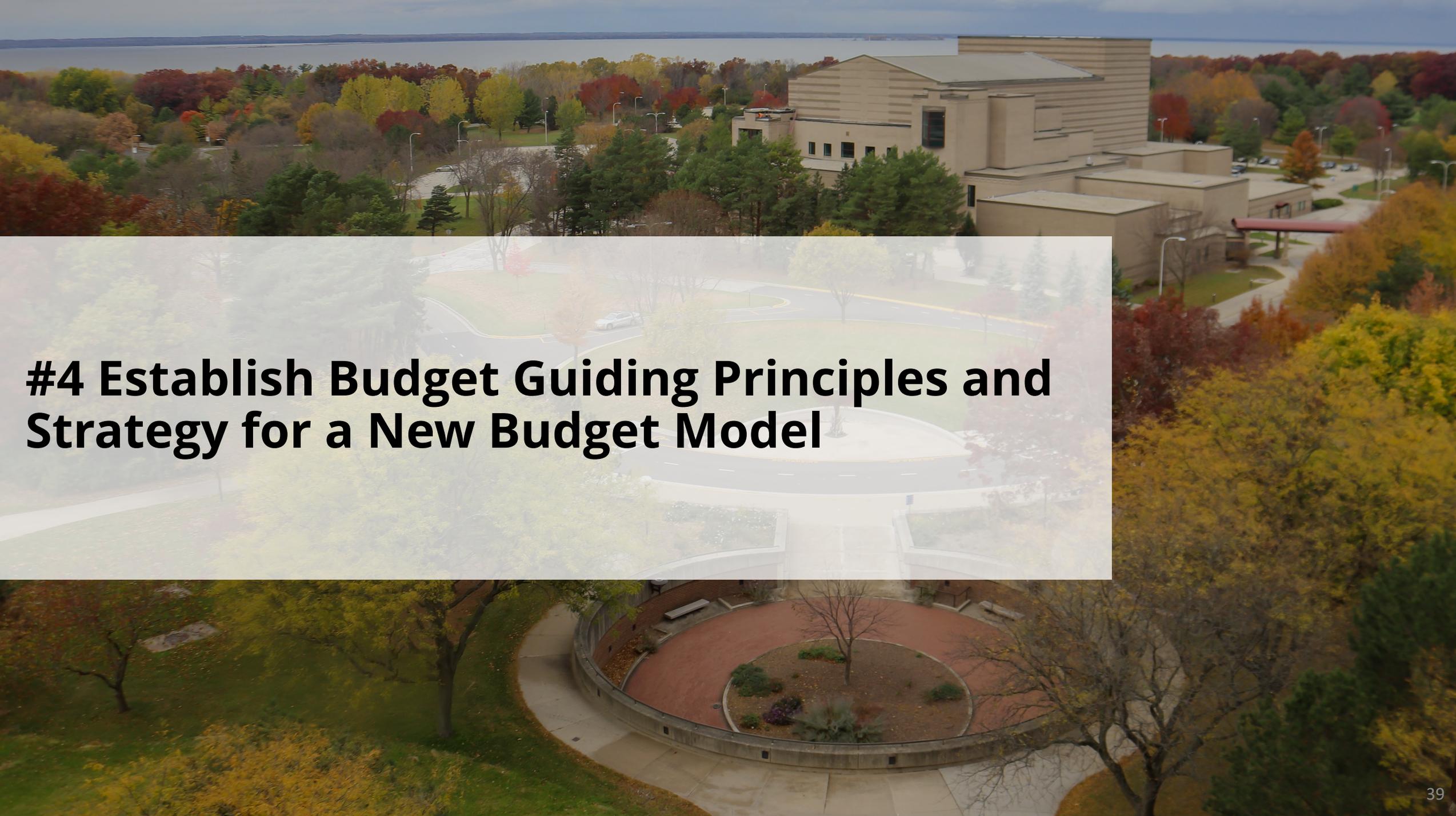
Implementation and Evaluation (2-5 years)

Initiate approved projects, applying robust project management practices to ensure timely and on-budget completion

Oversee the development of infrastructure and facilities, ensuring they meet the needs of the university and its stakeholders

Integrate new real estate developments into university programs and operations, including academic, research, and community services

Adapt and refine the real estate strategy based on performance data, stakeholder feedback, and changing market conditions



#4 Establish Budget Guiding Principles and Strategy for a New Budget Model

Green Bay's Current Budget Approach is Creating Challenges

There is a desire from Green Bay leadership to take a new approach to their budget strategy to allow for more predictable, intentional spending that is consistent across divisions and allows for strategic investment in growth areas and brand building initiatives.



Predictability

- Green Bay has taken varied approaches to budgeting over time yet the general consensus is the right model has not yet been determined
- There is a lack of predictability to enable the institution to forecast and balance budgets both short- and long-term
- There is a need to continue supporting strategic investment areas that are not directly supporting revenue growth, but the approach today does not allow for planned spending in these areas while balancing the budget in advance of each fiscal year



Transparency

- Based on interviews with faculty and staff, there is a perception that budgetary decisions could be explained more clearly and consistently, as they are not perceived to be administered evenly across divisions and departments
- Outside of the leadership team, there is little understanding of the new student mix that is contributing to Green Bay's growth, which in turn will impact the overall approach to the budget given new cost and revenue levers



Accountability

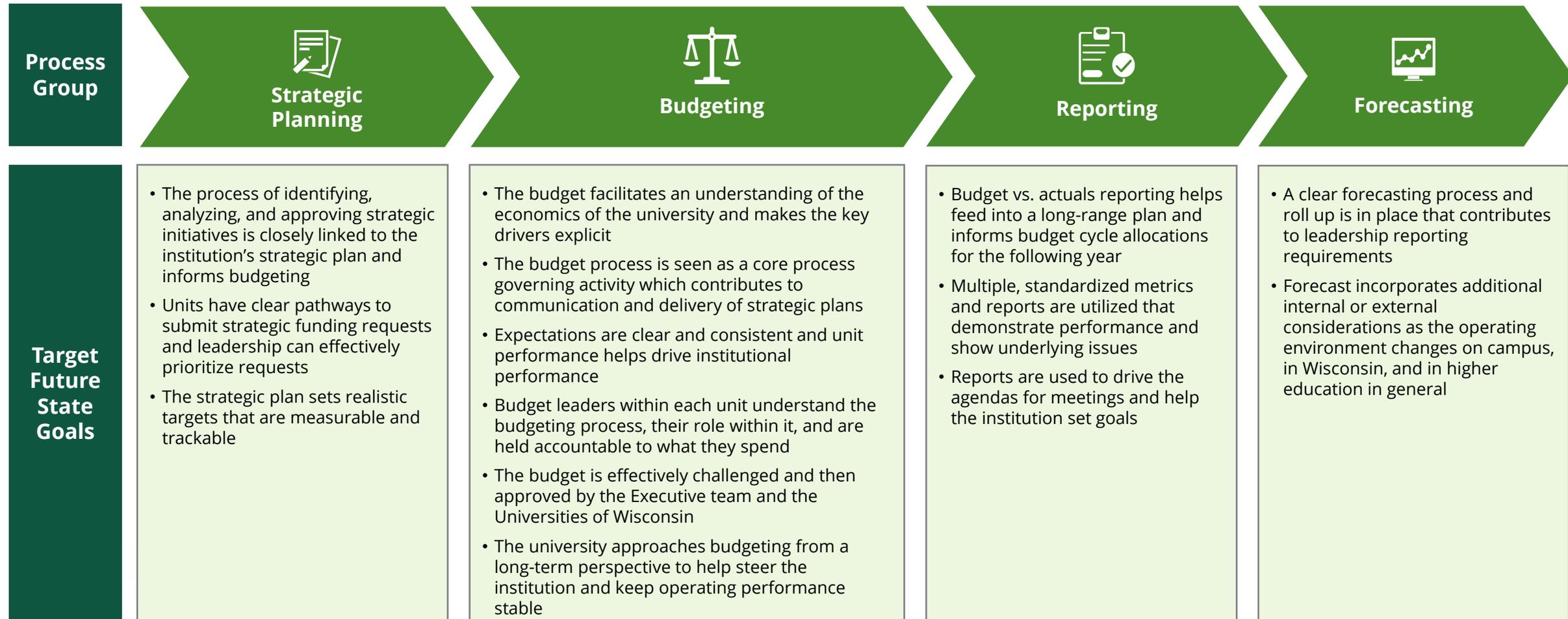
- There is a desire from faculty and staff to move toward a more performance-based model to reward high performing areas with the budget support needed for growth
- Similarly, there is a desire to have performance metrics play a larger role in driving difficult budgetary decisions
- A future model should also take into account appropriate subvention to not only fund "the commons" but also to allow for the institution to make strategic investments

Embracing a hybrid model to budgeting and understanding that budget strategy should be continuously evaluated and improved can address some of the pain points Green Bay is currently experiencing.

To Address These Challenges, Setting a Strategic Budget Plan Will Be Key

Clearly defining the budget strategy and aligning tactics to the strategic objectives can help Green Bay better track, manage, and plan for expenses, as well as better understand how changing enrollment dynamics may impact available investment dollars going forward.

Planning and Managing the Institution Financially



Assessing Institutional Readiness For Change

Once Green Bay has gained leadership alignment on the new budgetary approach it is critical to perform a readiness assessment prior to rolling out a new model across campus.

Functional Readiness Criteria

- | | |
|-------------------|--|
| People | <ul style="list-style-type: none"> Governing bodies are in place to make budget model decisions Budget & planning staff understand sources and uses of funds and all-funds planning approach Employees are equipped with sufficient training and resources to utilize tools and build their financial acumen Budget model guiding principles are established |
| Process | <ul style="list-style-type: none"> Clear and standardized processes, expectations, and criteria are implemented and applied Performance against budget is regularly assessed at the unit- and institution-level A change management approach is established A forecasting and multi-year financial planning process is in place |
| Data | <ul style="list-style-type: none"> Faculty and staff generally trust data produced by central reporting teams Leaders across campus regularly use data to inform strategic decision-making |
| Technology | <ul style="list-style-type: none"> Unit-based budget staff are positioned to leverage budget & planning tools beyond Excel Unit budget owners develop and manage operating budgets in standardized (v. shadow) systems Central and unit-level leaders have access to dashboards and reporting to strategically manage their budgets Modern budget & planning system supporting annual budget development |

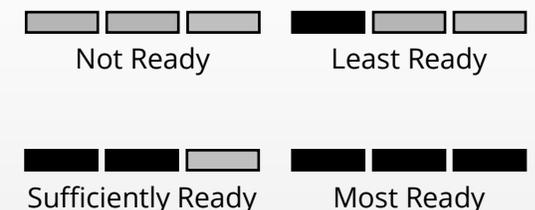
Foundational Readiness Criteria

- Institution has a strategic plan in place that includes specific goals the budget model will incentivize
- Leadership is aligned on the case for change
- Institution has stable leadership in key university roles
- Gaps between current state and future state operations are identified
- The role of the budget model within finance transformation is understood
- Leadership has clear understanding of what institutional challenges the budget model can and cannot address
- Ledger data is easily accessible, reliable, and understood
- Performance metric data (e.g., student credit hours) are accessible and updated at regular intervals
- Compliance with state and institutional policies around uses of funds and reporting requirements is high
- ERP systems are stable and reliable
- Central finance staff have the capacity to embrace and implement change

Assessing Readiness

- In order for Green Bay to determine the readiness to move forward with a new budget model, each of the Foundational and Functional Readiness Criteria should be ranked along the Readiness Scale
- This scale will provide a gap assessment for the institution to address and prepare less mature areas for change

Readiness Scale



Guiding Principles To Lead Budget Model Selection

Green Bay leadership should first answer strategic questions to align their budget model with the culture and history of the institution to assist in achieving the university's mission and path forward.

Stakeholder Behaviors and Incentives

- *What are the behaviors we need to engender to accomplish the objectives?*
- *What is current behavior of staff and academic units towards budgeting and how will that need to change?*

Detect and Prevent Perverse Incentives

- *What mechanisms can be established to detect and prevent perverse incentives?*
- *How might governance play a role in establishing a level playing field?*

Transparency vs. Simplicity

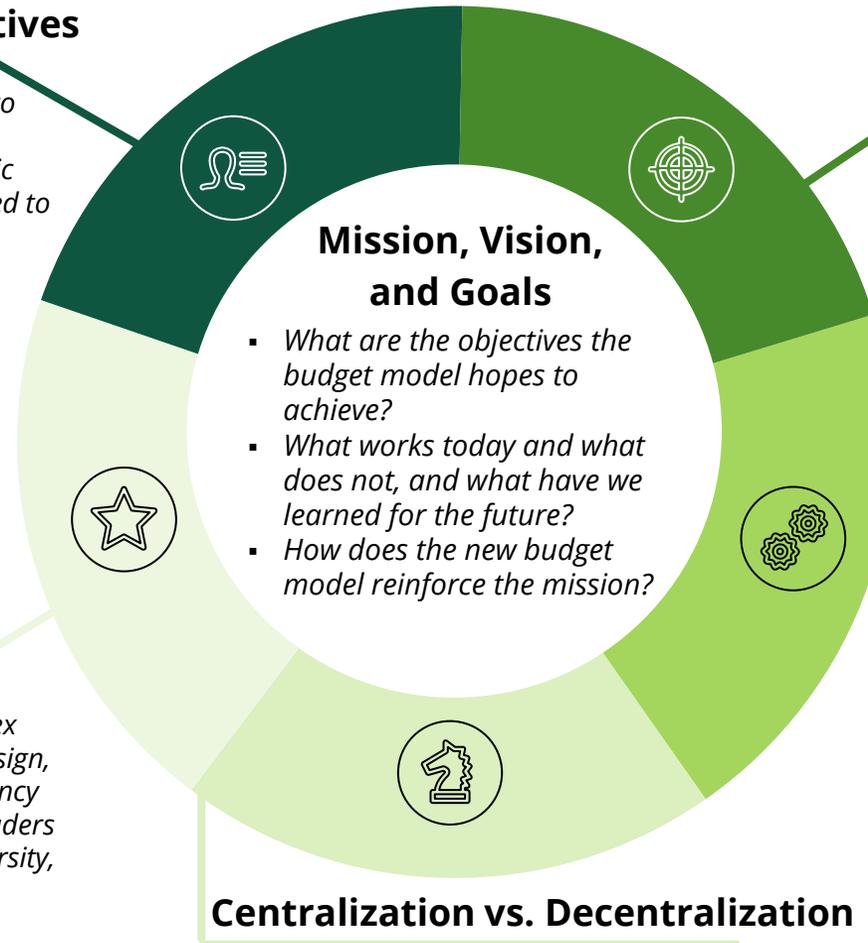
- *As budget models become more and more transparent, they tend to become over complex*
- *As institutions think about budget model redesign, they will need to weigh the need for transparency and simplicity to create a model that helps leaders understand how funds flow through the university, but simultaneously doesn't require heavy maintenance*

Evaluating and Refining the New Model

- *What process do we use to continually re-evaluate the budget model?*
- *How often should the budget model be reevaluated, e.g., every three years?*
- *How should adjustments to the budget model be reviewed and communicated?*

Centralization vs. Decentralization

- *What is the right balance of budget authority?*
- *How can a model enable entrepreneurialism and ownership within the units but simultaneously keep some degree of control within central administration?*



A Hybrid Approach Can Be Tailored To UW-GB's Guiding Budget Principles

Once Green Bay leadership is aligned on guiding principles of the budget strategy, components of different budget models can be chosen to create the model that best fits the objectives and mission of the institution.

Incremental Budget

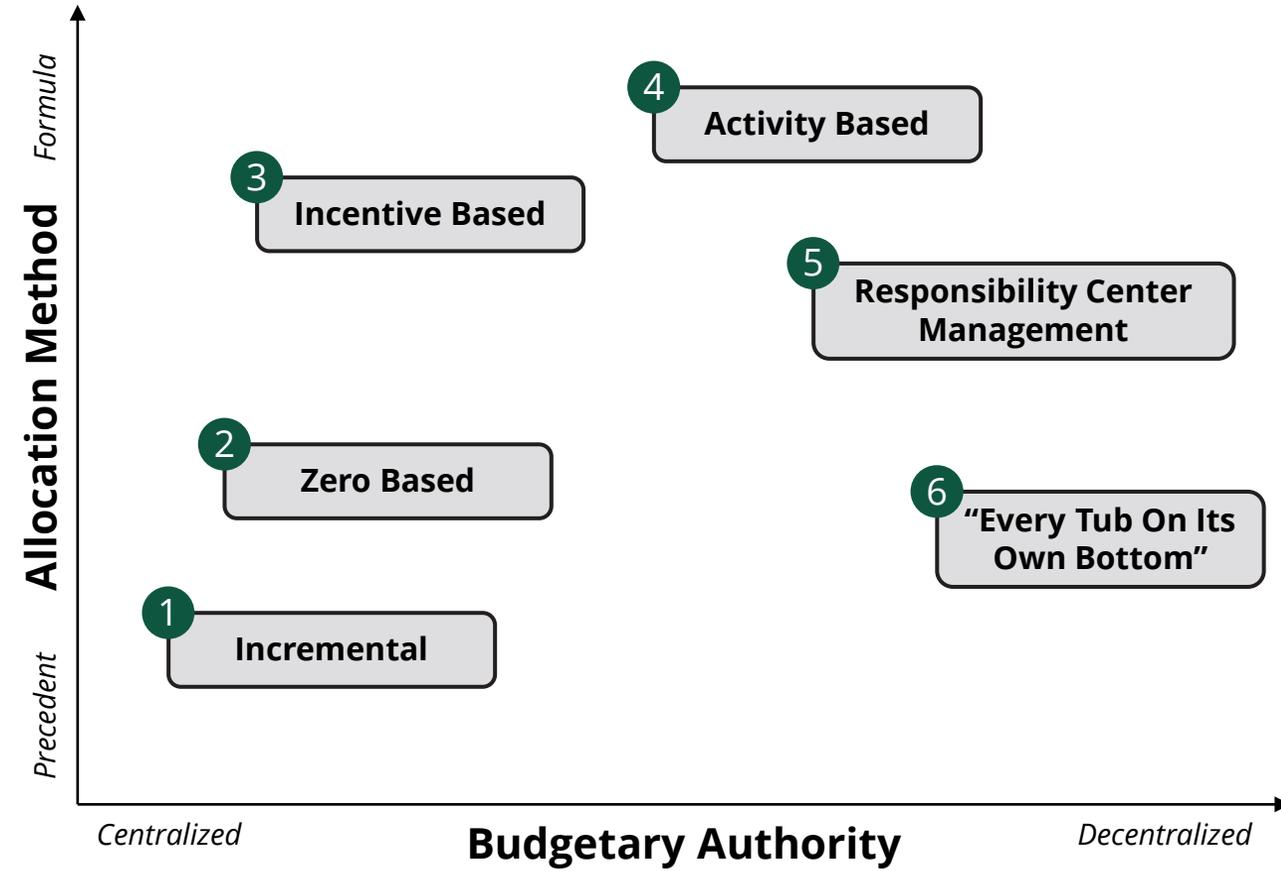
- 1 **Incremental**
Budget based on previous year's budget with addition or subtraction of "base"
- 2 **Zero Based**
Each line-item expense should be justified annually, and prior year spending is not considered

Formula Funding Budget

- 3 **Incentive Based**
Funding based on performance measures and tied to units of input, such as research, or output, such as graduation rates
- 4 **Activity Based**
Funding provided in accordance with specific activities undertaken and specific metrics met

Revenue Centered Budget

- 5 **Responsibility Center Management**
Budgets are developed where revenues are generated and costs are incurred
- 6 **"Every Tub On Its Own Bottom"**
Schools "stand alone" financially and academically with little central support



Budget Models: Common Challenges in Transitions

There are several roadblocks Green Bay should overcome to improve the chances that a budget model change will be successful.



Institutional **culture and budget management practices may need to shift** over time to meet the collectively-agreed upon new budget model's goals



Budget model transformations involve a wide base of stakeholders and leaders should ensure **personnel have the capacity and tools** to bring about the change



Understanding that **a budget model will not be, and is not intended to be, perfect**; there are compromises to be made and not every decision will reach 100% consensus



Impacts may not be immediate; leadership should be patient and **see the evolution of the model as a long-term initiative**



Socializing the principles of the budget model and **ensuring there is leadership buy-in and sponsorship** in how it connects operational work with institutional strategies is critical

Case Study: Case Western Reserve

Case Western Reserve utilizes a hybrid allocation model designed to give deans the flexibility to grow their programs, promote diligent management of expenses, and create pools of funding necessary to accomplish strategic priorities.



Case Western Reserve

Case Western Reserve is a private, doctoral university located in Cleveland, Ohio with over 12,000 students (headcount). The university awards over 3,000 degrees per year and operates on a decentralized budget model that places great accountability on the “management centers” for the planning and implementation of academic programs, revenue generation, and expense management.

Business Case Overview

- **Grad Tuition:** The majority of Graduate tuition is assigned to the schools in which the student is registered (College of Record). Credit hours taken in a school outside a student’s home school are assigned to the school teaching the credit hours (College of Instruction).
- **UG Tuition:** The Undergraduate tuition revenue pool, net of financial aid and the Undergraduate Strategic Reserve, is distributed 85% based upon the proportion of undergraduate student credit hours taught by each school in 2021 and 2022, and the remaining 15% is based upon the proportion of baccalaureate majors of the graduating students in 2021 and 2022.
- **Indirect Expenses:** Each school is allocated a share of expenses stemming from central and support services. These expenditures are categorized as Library, Student Services, Plant Services, Information Technology Services, and University Services and are recorded in each budget summary as indirect expense. Each pool is distributed to the colleges through a different metric aligned to consumption.
- **Strategic Reserve:** Units are taxed to fund a strategic reserve.



Takeaways

- **COVID Response:** Like many institutions, Case Western Reserve had significant revenue challenges as a result of the pandemic. Through holding leaders accountable to their bottom line, the university was able to save over \$70M through the pandemic
- **Focused Strategic Investment:** Through monetizing the strategic plan, the university sets aside enough funding through the model to accomplish its goals
- **Units in Deficit:** CWR requires strong recovery plans for units that operate at a deficit pushing its key tenets of disciplined expense management and diligent forecasting to account for macro-impacts

Opportunity #4 Action Items

The table below outlines a menu of potential high-level activities that Green Bay could undertake to establish budget guiding principles and strategy for a new budget model.

Opportunity Delivery Check List

Foundation Setting (3-6 months)

- | | |
|---|-------------------------------------|
| Establish clear, institution-wide budgetary goals and guiding principles that align with Green Bay's strategic objectives and mission | <input checked="" type="checkbox"/> |
| Determine budgetary approach that tailored to Green Bay's financial goals and align across leadership | <input checked="" type="checkbox"/> |
| Conduct a gap assessment to determine areas of foundational capability readiness | <input checked="" type="checkbox"/> |

Implementation Planning (3-6 months)

- | | |
|---|-------------------------------------|
| Create a detailed plan for transitioning to the new budget model, including timelines, milestones, and responsible parties | <input checked="" type="checkbox"/> |
| Develop a comprehensive training and communication plan to ensure all stakeholders understand the new budget model, guiding principles, and their roles within it | <input checked="" type="checkbox"/> |
| Pilot the model in select departments to test its effectiveness and make necessary adjustments before a full-scale rollout | <input checked="" type="checkbox"/> |

Execution and Monitoring (12-24 Months)

- | | |
|---|-------------------------------------|
| Continuously monitor the performance of the new budget model against predefined metrics and goals, adjusting as necessary to ensure its effectiveness | <input checked="" type="checkbox"/> |
| Establish a mechanism for ongoing feedback from stakeholders to identify issues, gather suggestions, and make iterative improvements to the budgeting process | <input checked="" type="checkbox"/> |

Continuous Improvement (ongoing)

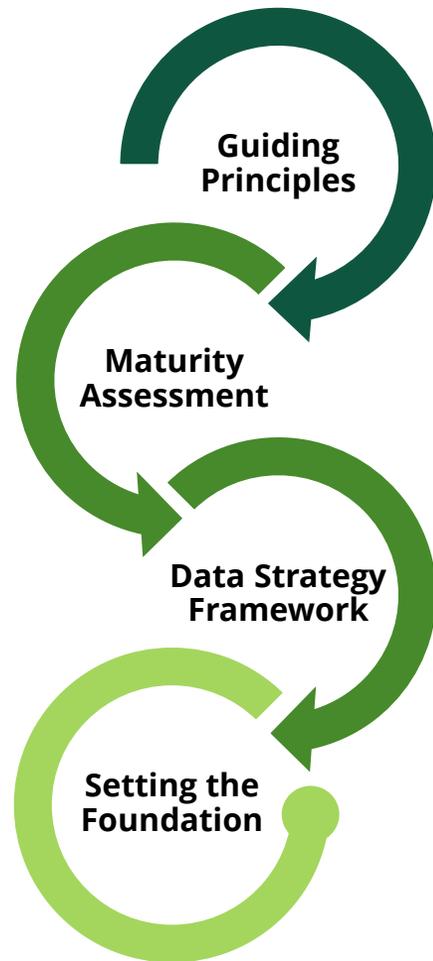
- | | |
|---|-------------------------------------|
| Maintain a culture of transparency and accountability, ensuring that budget principles are aligned with institutional goals | <input checked="" type="checkbox"/> |
| Continuously seek ways to enhance financial sustainability and resource allocation efficiency under the new budget model | <input checked="" type="checkbox"/> |



#5 Define Campus-Wide Data Strategy to Drive Decision Making

Green Bay's Leadership Understands the Need for Data to Guide Decisions

Green Bay has invested in new data capabilities that will better equip leadership to strategically guide decision making based on data.



- As Green Bay looks to evolve its data strategy, the foundational step that should be taken is to align on the guiding principles that will underpin the overall approach
- Once the guiding principles are aligned at a leadership level, assessing the institution's data maturity to understand areas of strengths and gaps will inform Green Bay's Data Strategy Framework
- Green Bay will need to make an integrated set of choices that will set the framework for the institution's data strategy
- Taking a structured approach to development of a data strategy can enable Green Bay to set its aspirations for data and analytics at the institution

Having the right data capabilities in place is just one step to building a data strategy. Additional measured and planful steps will need to be taken to fully capitalize on institutional data.

Green Bay's Leaders Should Align on Guiding Principles to Lead the Way

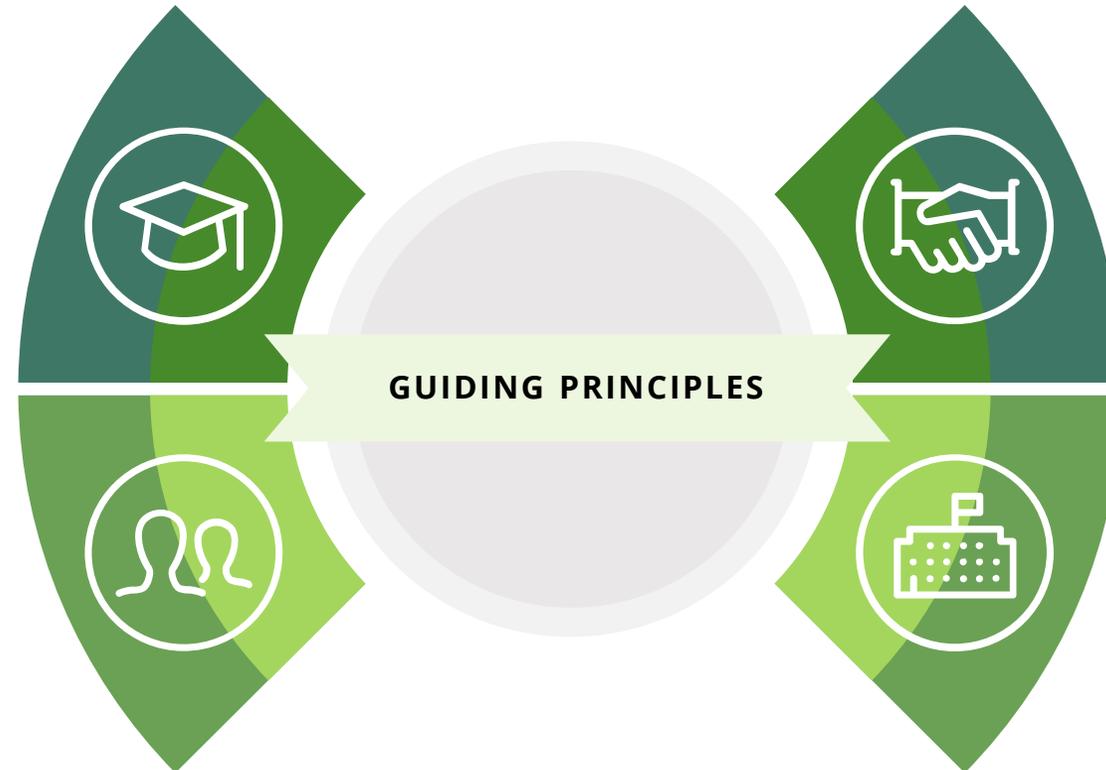
Defining the guiding principles of the data strategy is the foundational step that should be taken to align the institution's overall approach to data and analytics.

Leadership Through Accountability

Through 'leading by example' and setting clear objectives, Green Bay leadership – and key committees or change champions – can set the tone for the rest of the campus community

Data-Informed Decision Making

Having the right aggregated data, KPIs, and targets in place and readily available to leadership will enable Green Bay to decide how and when to make difficult decisions



Lead with Data First

While data should lead the way in nearly all decisions, responsible strategic investments not led by data that support the mission or university brand and differentiate the institution should also be considered when investment is available

Rigorous Performance Management

Failure is acceptable if lessons are learned and tactics change; setting and monitoring KPIs will enable Green Bay to thoroughly evaluate progress towards the sustained \$0 deficit goal

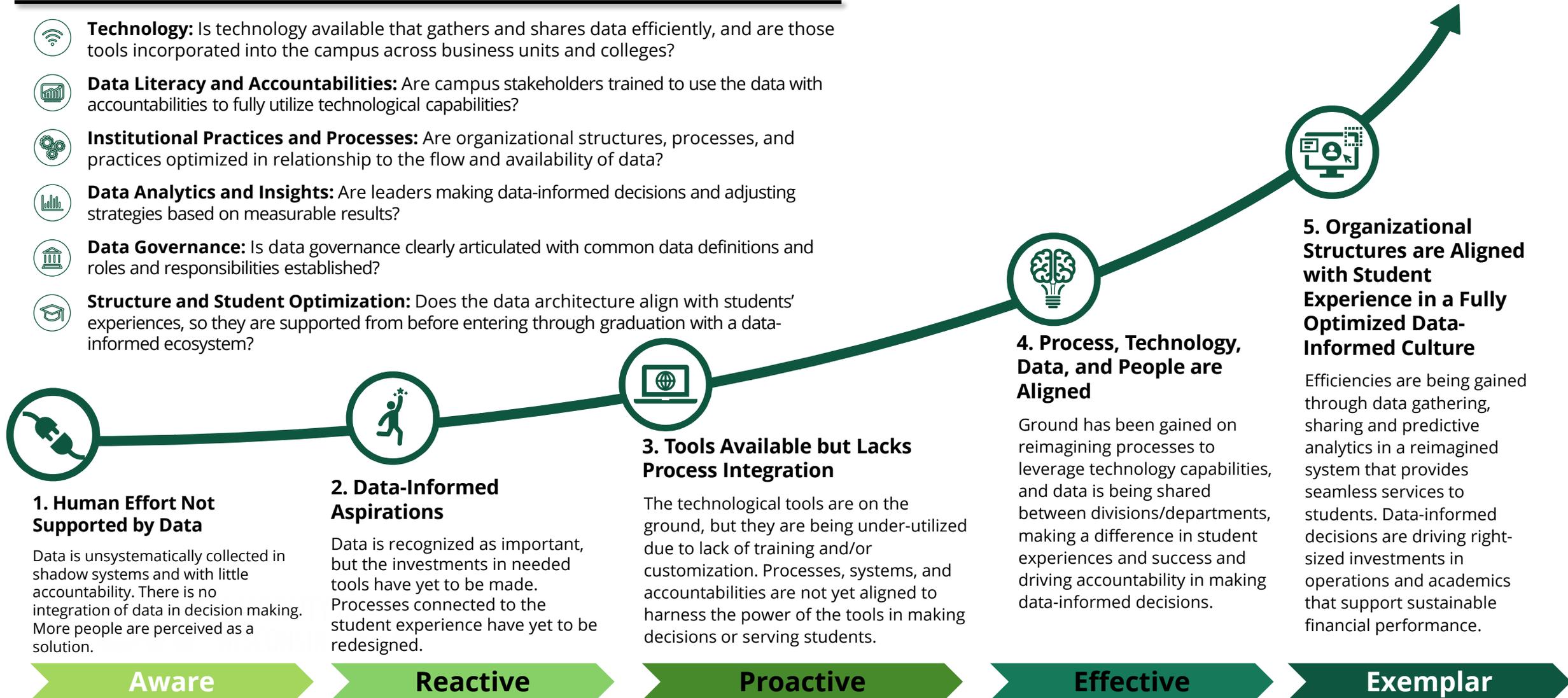
A culture of accountability and data-informed decision making starts from the top of the institution, requires data infrastructure including tools and SMEs to use them, and can encourage innovation and rapid adjustment to targets with KPI tracking.

Assessing the Campus Against a Data Maturity Scale and Setting Targets

Understanding where Green Bay falls along the maturity scale on each element of maturity will both set a realistic baseline of where the institution is today and help to define the building blocks for the path to where it wants to be in the future.

Elements of Maturity

-  **Technology:** Is technology available that gathers and shares data efficiently, and are those tools incorporated into the campus across business units and colleges?
-  **Data Literacy and Accountabilities:** Are campus stakeholders trained to use the data with accountabilities to fully utilize technological capabilities?
-  **Institutional Practices and Processes:** Are organizational structures, processes, and practices optimized in relationship to the flow and availability of data?
-  **Data Analytics and Insights:** Are leaders making data-informed decisions and adjusting strategies based on measurable results?
-  **Data Governance:** Is data governance clearly articulated with common data definitions and roles and responsibilities established?
-  **Structure and Student Optimization:** Does the data architecture align with students' experiences, so they are supported from before entering through graduation with a data-informed ecosystem?



1. Human Effort Not Supported by Data

Data is unsystematically collected in shadow systems and with little accountability. There is no integration of data in decision making. More people are perceived as a solution.

Aware

2. Data-Informed Aspirations

Data is recognized as important, but the investments in needed tools have yet to be made. Processes connected to the student experience have yet to be redesigned.

Reactive

3. Tools Available but Lacks Process Integration

The technological tools are on the ground, but they are being under-utilized due to lack of training and/or customization. Processes, systems, and accountabilities are not yet aligned to harness the power of the tools in making decisions or serving students.

Proactive

4. Process, Technology, Data, and People are Aligned

Ground has been gained on reimagining processes to leverage technology capabilities, and data is being shared between divisions/departments, making a difference in student experiences and success and driving accountability in making data-informed decisions.

Effective

5. Organizational Structures are Aligned with Student Experience in a Fully Optimized Data-Informed Culture

Efficiencies are being gained through data gathering, sharing and predictive analytics in a reimagined system that provides seamless services to students. Data-informed decisions are driving right-sized investments in operations and academics that support sustainable financial performance.

Exemplar

Developing the Framework of Green Bay's Institutional Data Strategy

A data strategy should be tailored to Green Bay's unique objectives, challenges, and priorities. Leadership should align on the core components of the data strategy, communicate to key stakeholders and hold the campus accountable to the aligned framework.



DEMAND

What are the **needs** for **data and analytics** by the **institution**?

STRATEGIC CONTEXT

AMBITION

OPPORTUNITIES

DELIVERY METHOD



GOVERNANCE

How do we establish data and analytics **ownership** and **horizontal connectivity**?

ORG. & DECISION RIGHTS

PRIORITIZATION & BUSINESS CASE

ADOPTION & RESULTS

RESPONSIBILITY



SUPPLY

How do we **deliver** against data and analytics needs?

DELIVERY MODEL

WORKFORCE

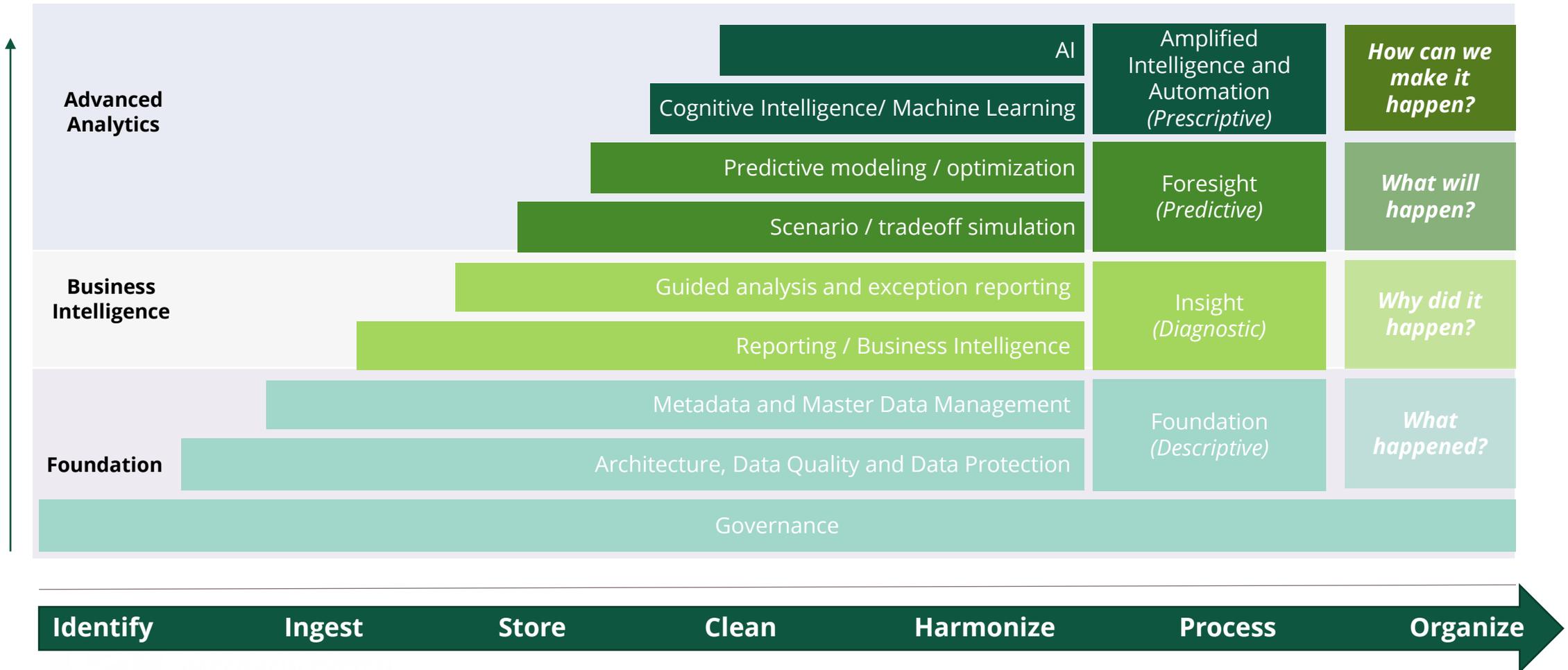
DATA

TECHNOLOGY

For a data strategy to be effective, Green Bay should ask and answer a key set of questions to inform their data strategy.

The Future Foundation for a Data Driven Institution

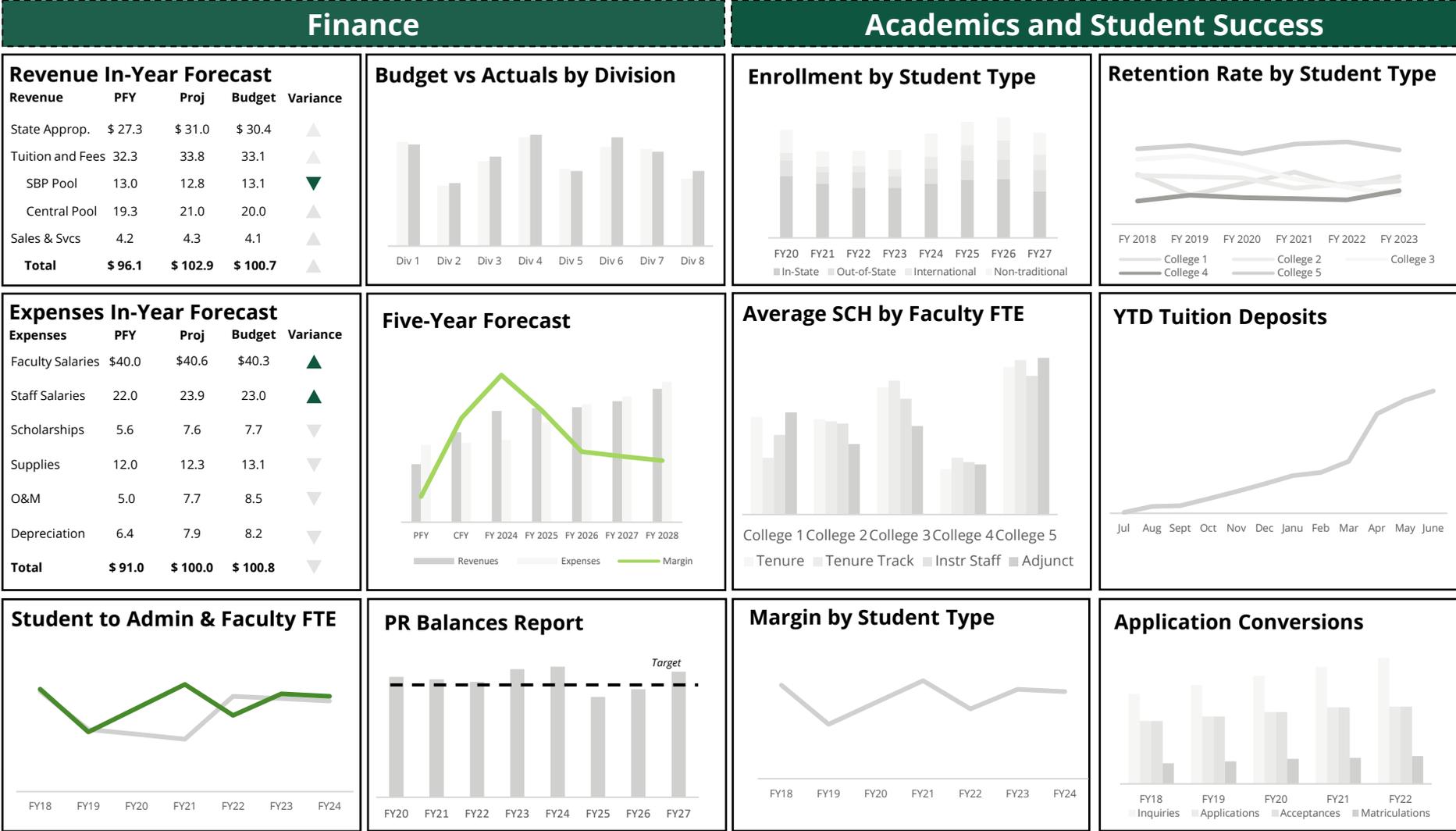
While foundational data capabilities are integral to informed decision making, having a clear roadmap for the institutional data strategy can position Green Bay to capitalize on the rapidly advancing capabilities of data analytics.



Implementing Data-Informed Decision Making through Analytics

Green Bay should create an executive dashboard for leadership that displays at-a-glance metrics that are most clearly tied to university financial performance. This dashboard can be used to drive cabinet agendas and keep a pulse on strategic initiative progress.

LEADERSHIP DASHBOARD IS ILLUSTRATIVE AND FOR DISCUSSION PURPOSES ONLY



Case Study: Data Analytics at Bridgewater State University

Bridgewater State University (BSU) is a somewhat comparable peer in terms of size, academic focus, and position within the overall state system. Bridgewater has built a substantial data infrastructure and exceeds peer benchmarks on student outcomes.



Bridgewater State

Bridgewater State University is one of 9 state universities in the Massachusetts public higher ed system and serves approximately 9,600 students, ~ 8,100 of which are undergraduates. They deliver a research-enhanced undergraduate education in a well-populated area about 45 mins outside of Boston.

They serve 48% first-generation students and have consistently exceeded state and national peers in retention and graduation rates.

Case Study Overview

- Bridgewater leadership sets the tone of data-informed decisions by having a **Chief Data Officer sit on the President's executive council**
- Their **Office of Institutional Research and Decision Support** is well-staffed and goes well beyond mandated reporting to be **partners with administrative and academic departments** and committees to support data-informed decision making
- Focusing on student success, Bridgewater has **matured a predictive analytic framework** for over a decade refining the inputs and algorithm to their student population and using those data **to inform targeted student intervention**
- **A recent adopter of Navigate**, Bridgewater is working to integrate this tool into its ecosystem and streamline communications, notes, alerts and predictive models with the EAB platform
- Like many institutions, **Bridgewater continues to work on faculty adoption and participation** of technology including entering data for early alerts.



Business Case

- **Realizing a Positive Financial Return:** With a first-to-second year retention rate (79%) 5% above their national peers, and a 6-year graduation rate (62%) 6% above those peers, BSU is improving their financial position with their investments in data-informed student success interventions
- **Confidence in Decision Making:** By elevating data as a part of the leadership and decision-making culture, investing in data infrastructure, and building a culture of innovation with a pilot and deploy approach, BSU leaders have more confidence in their decisions and investments.

Opportunity #5 Action Items

The table below outlines a menu of potential high-level activities that Green Bay could undertake to define its campus-wide data strategy to drive decision making.

Opportunity Delivery Check List

Project Initiation (1-3 Months)

- Evaluate existing capabilities and data captured and perform a gap analysis to determine where investment may be required
- Assess and align on where Green Bay falls along the Data Maturity scale
- Set 5-year performance goals for the institution and urge leaders to set divisional goals
- Identify and onboard data stewards across divisions and formalize data governance roles
- Gather requirements and inputs to capture data and track progress

Analysis and Design (3-6 Months)

- Gather cross-functional and cross-divisional feedback on metric calculations
- Determine cadence and framework for campus wide reporting, analysis and evaluation
- Train key stakeholders on new tools and processes

Implement (6-12 Months)

- Build user-friendly dashboards with drill-down capabilities for divisional targets
- Drive leadership meeting agendas with progress reports on meeting targets
- Review dashboards and update as priorities shift, and targets are met
- Celebrate successes



Appendix: Change Management

Structured, Intentional Change Management Will Be Critical

Implementing campus-wide change initiatives have the potential to create conflict, perpetuate uncertainty, and produce change resistance. How well Green Bay can manage these changes will be crucial to the initiatives' success.

BRIDGING THE GAP

There appears to be a disconnect between administration and academics that has resulted in varying narratives on campus regarding Green Bay's current financial position which has led to an inability of the campus to rally behind a common strategy. "Bridging the Gap" between these stakeholder groups and uniting the campus to move from "Unaware" to "Acceptance" to "Ownership" together as Green Bay implements change will accelerate adoption.

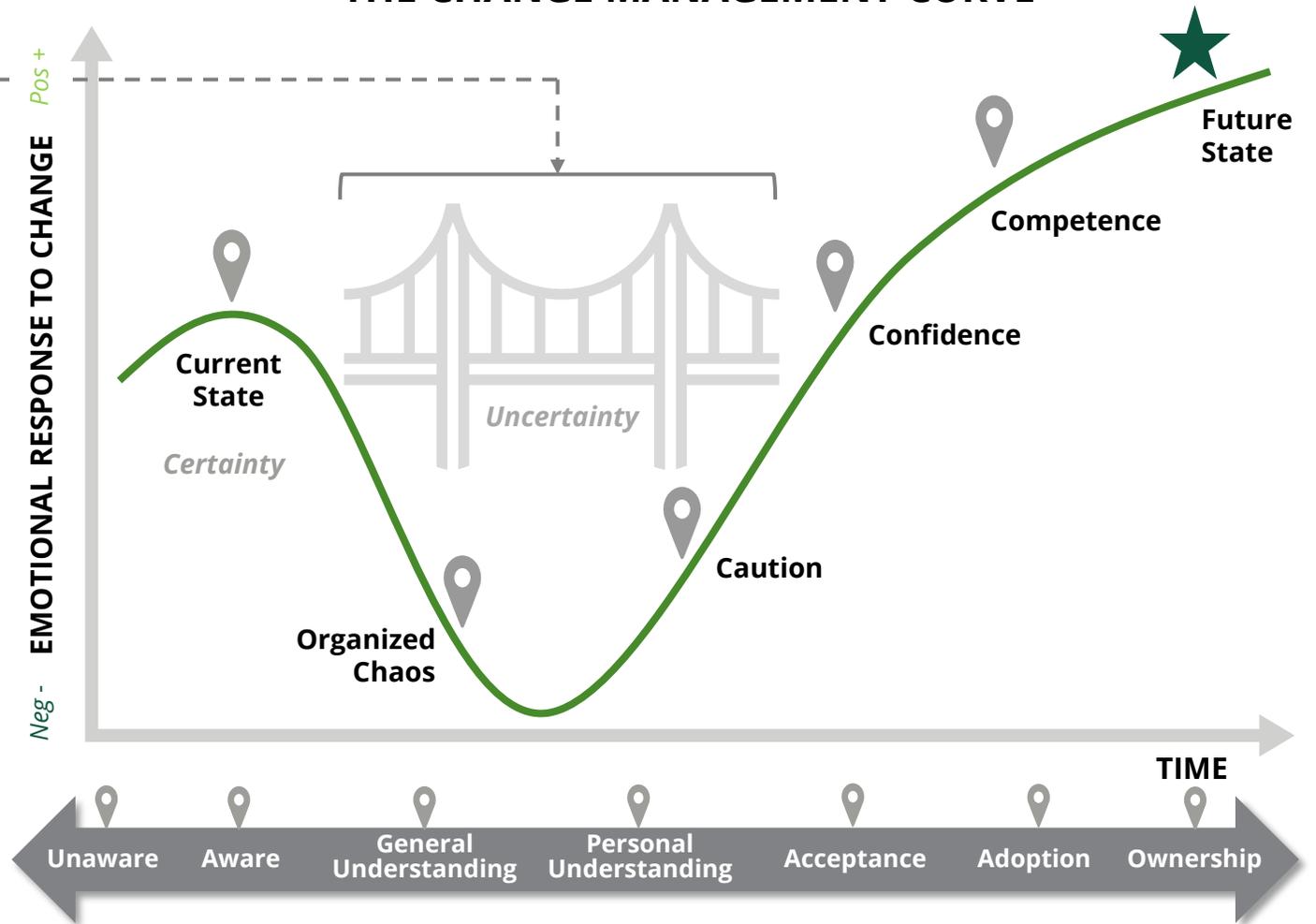
SEVEN CHANGE MANAGEMENT PRINCIPLES

The seven change management principles can serve as guardrails when attempting to move stakeholders along the Change Management Curve.

CHANGE COMMUNICATIONS

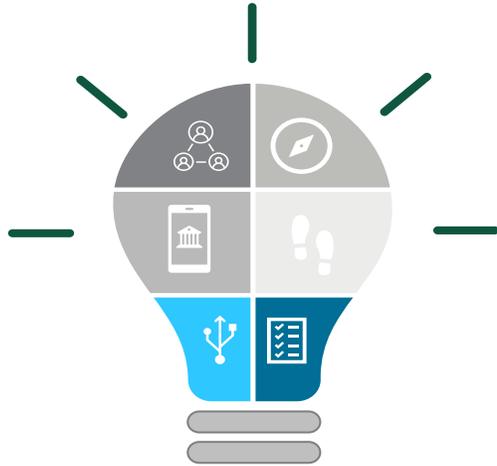
Effectively communicating change from leadership is critical to ensuring the right information is provided, using the right channels, at the right time, to the right stakeholders.

THE CHANGE MANAGEMENT CURVE



Strategies for Effective Change Management

Change management is foundational to any successful transformation. The seven principles delineated below can help enable Green Bay to implement the effective change management needed to underpin any proposed changes.



1 Start with the End in Mind

Successful change efforts should begin by bringing together the necessary players to drive alignment amongst key leadership and the major stakeholders who will be impacted by the change(s) proposed.

2 Understand Institutional Culture

An understanding of the existing culture at Green Bay should be the foundation of any undertaking to ensure that efforts align with, act on, and uphold the institution's values.

3 Communicate, Communicate, Communicate

Different people consume information in different ways. Knowing the media and language that works best for your audience(s) and creating opportunities for two-way dialogue will help build a critical mass of support.

4 Walk a Mile in the Shoes of Those Whose Roles May Change

The employee experience should be valued the same as the student experience. Therefore, it is important to understand every step of the change journey for faculty, staff, and administrators and how it could affect their day-to-day work.

5 Create Win-Wins and Align Incentives

Find ways for the colleges, divisions, and individuals to benefit from the envisioned changes.

6 Embrace Incrementalism to Drive Change

Starting with a bold goal in mind and relentlessly taking small steps can build organizational capital in the same way that compounding annual investment returns can build wealth.

7 You Won't Get What You Don't Measure

It's critical to ensure that leadership is aligned on the vision and success criteria from the start, including creating mechanisms for measuring and monitoring success. The resulting data and insights can then be used to continuously calibrate.

Clear Communications to Support the Needed Change

Aligning on communications and understanding the universe of stakeholders is critical to ensuring the right information is provided, using the right channels, at the right time, to the right stakeholders to support building a culture of urgency and accountability.

Building Stakeholder Communications to Generate Engagement and Action for Change

Guiding Principles	Align stakeholders around a set of core tenets and values to help reinforce commitment and accountability
Stakeholder Groups	Ensure key messages are received by the appropriate stakeholders and differentiate/tailor messaging, as appropriate, for different groups
Roles and Responsibilities	Manage expectations and coordination around ownership, development, and review of progress and status
Development Process	Establish a clear, consistent process for the critical steps in developing and reinforcing each stakeholder's role and responsibilities throughout the process
Feedback Mechanisms	Identify effective mechanisms to gather quantitative and qualitative feedback about effectiveness in achieving desired objectives and make improvements accordingly; this includes feedback loops
Vehicles and Channels	Identify the various communications vehicles, channels, committees, and stakeholders that leadership can utilize to spread the message

Key Messages Build the Backbone for Communication

CHANGE NEEDED

- Sense of urgency
- Case for change

IMPACT IF CHANGE HAPPENS

- Impact if NO change happens
- Benefits and challenges

VISION

- Desired end state
- How things could/should be

WAYS TO ACHIEVE VISION

- Critical events
- Timelines and communication

CONSIDERATIONS WHEN DRAFTING KEY MESSAGES AND CHANGE STORIES

- Use **combinations of elements above** to tell a full story
- Make those messages as **concrete as possible based on relevant, meaningful data and examples**
- Data and examples should be **relevant** to the majority of stakeholders and describe a current (or past) situation which triggered the change **AND how the situation should or will be in the future**
- Demonstrate linkages between feedback from stakeholders and changes or improvements** to processes or performance on campus
- Provide **supporting evidence for the key messages/examples** provided through vehicles appropriate for given stakeholder groups

