

# Breaking the Iron Triangle

Sustaining Excellence in the New Financial Reality

#### Challenges Across All Components of Mission

- Increasing gap between high and low income
- · Falling behind other countries
- · Generational decline in % with a degree



- Rising tuition
- · Growing financial need
- Increasing debt

- · Stagnant retention and graduation rates
- Questions about learning outcomes
- Employer complaints about skills

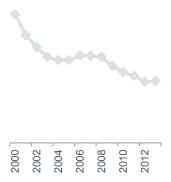
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## It's Going to Get Worse Before It Gets Better

Economic and Demographic Trends Will Increase the Pressure

## Continued Decline in State Funding per Student

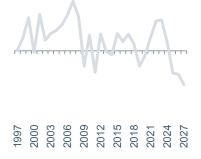
Georgia Educational Appropriations per FTE (Constant \$)



- Shift to outcomes-based funding
- Increased transparency and accountability

## Slower Growth in Overall 18-22 Year Old Population

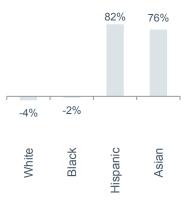
Annual Change in Georgia High School Graduates



- Increasing competition from out-of-state
- Merit aid arms race for top students

## All Growth in Non-Traditional Student Populations

Projected Growth in Georgia HS Graduates, 2010-2020



- Rising student support costs
- Higher risk student populations



Common Proposals Require Unacceptable Tradeoffs

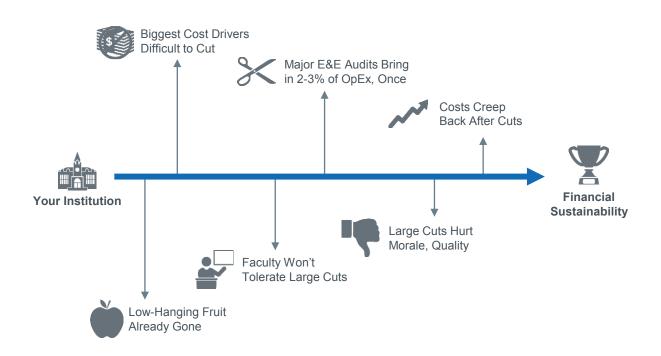
	Affordability	Access	Quality
Cap student tuition and fees			•
Encourage disruptive innovation			•
Raise admissions standards	<b>*</b>	•	1

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## The Limits of Cost-Cutting Initiatives



**Necessary But Not Sufficient** 



#### **Notes:**



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## **Managing Tradeoffs at the Micro Level**



Using Data to Align Investments with Outcomes

#### **Lessons Learned Across EAB Studies**



Collect data on costs and outcomes at the lowest level possible



Support front line decision-makers in using data to make tradeoffs



Create incentives for decision-makers to share in institutional improvement

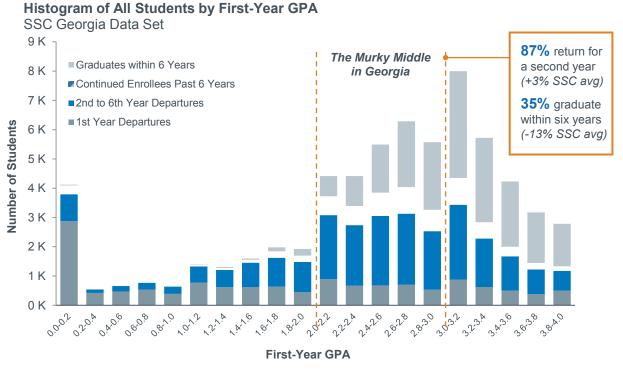


Change policies and structures to remove roadblocks

### **Finding New Opportunities to Improve**



"Murky Middle" Represents Big Chance to Improve Success Rates



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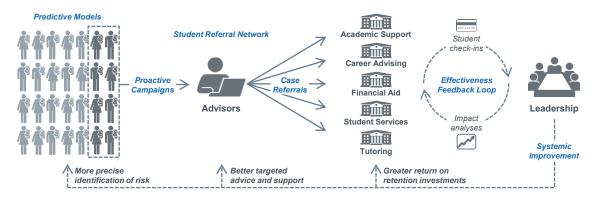
#### The "Coordinated Care Network"



Building a Continuously Improving Student Support Infrastructure

Advisors use risk analytics and alerts to identify and triage struggling students, refer them to appropriate support service, and collect results

Administrators view utilization reports and outcomes data to assess support service effectiveness and make continuous improvements



Institutions and EAB partner to improve risk identification, drive systemic change and elevate the impact of the entire system













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## What Would a "Predictive" Campus Look Like?



Proactive, Preventative Services Customized to Individual Students



**Early Warning** 

Systems would automatically sense at-risk students and notify intervention teams, without relying on faculty alerts



**Advising** 

Advisors would guide students based on proven patterns of success, customized to their individual needs and goals



Admissions would identify which applicants have the best chance of graduating – and which need help right from the start



Academic **Programs** 

Students would pick majors based not just on interest, but also on likelihood of graduation and career success



**Financial Aid** 

Financial Aid would anticipate warning signs of financial distress and deploy targeted assistance at key moments



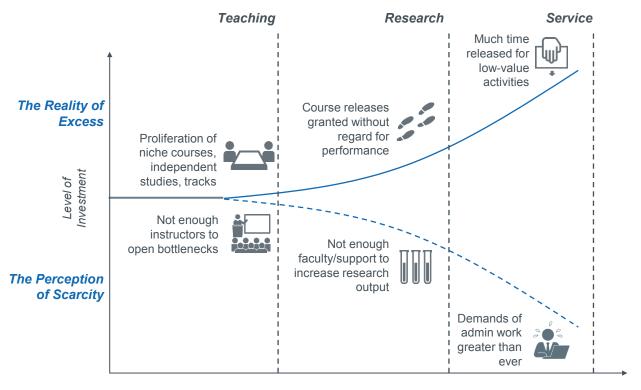
Support **Services** 

Staff would precisely target customized services to students before they even know that they need help

## Managing in an Environment of Scarcity



The Disconnect Between Decisions and Consequences



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## **Bringing Transparency to Academic Decision-Making**

EAB's Pilot Research Project

A Year-Long Joint Effort Answers Three Key Questions



Is it possible to extract and standardize data at the department level?

EAB Engineers integrate Finance, Human Resources, Student and Financial Aid data

EAB Analysts standardize disparate data definitions to ensure data consistency



Is it possible to benchmark across institutions?

EAB Implementation Analysts apply the same key financial and quality metric definitions within and across institutions

Are there real departmental and institutional opportunities?

the results identify new and substantive opportunities for improved academic -resource allocation

Definition of Section Fill Rates







Institution A

Section enrollment at beginning of semester Maximum section capacity

Institution B

Section enrollment after add/drop period Maximum section capacity

Sampling of Opportunity Areas



Curricular Complexity



Over- and Under-Filled



Faculty Administrative Workload



Program Prioritization

## **Finding and Reallocating Academic Resources**



A Roadmap for Realizing Academic Ambitions



**Space** Utilization



Course Offerings



Success



Curricular **Focus** 



**Faculty** Workload

- Identify course access bottlenecks
- Better leverage existing space
- Consolidate underutilized sections
- Reduce number of small courses
- Expand bottleneck courses
- Limit high-DFW courses
- Rationalize major curricula
- Defuse inefficient gen ed reform
- Maximize capacity utilization
- Differentiate faculty workloads

**50%** 

Classroom Utilization

33%

Underutilized Sections

20%

**Attempted Credits** Not Completed

30%

Students Graduating with **Excess Credits** 

60%

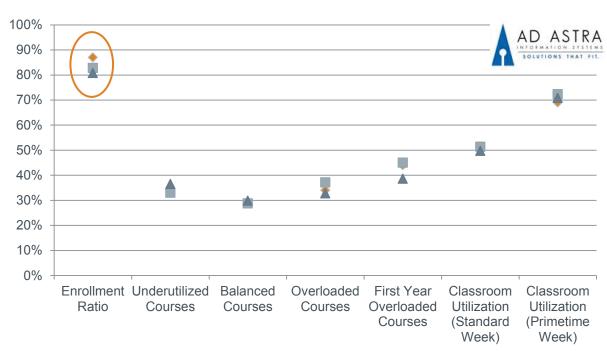
**Faculty Teaching** Less than Standard Load

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Space Utilization

## **Instructional Space Utilization**

Benchmarks from Ad Astra's Higher Education Scheduling Index



♦ USG (n = 5)

■ AASCU (n = 22)

 $\blacktriangle$ 4 yr Publics (n = 53)

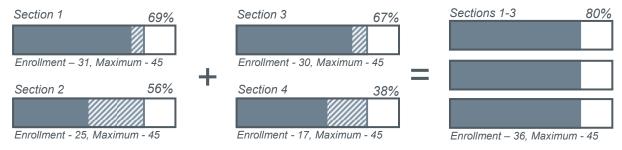
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### **An Easy Win**



Significant Gains by Consolidating Sections Within a Single Course

#### **Lower Division Anthropology Course**



Collapsing Sections  Assuming Optimal Fill Rate of 80%	25% Sections taught by adjuncts	200 Adjunct credit hour savings	\$330,000 Savings from adjunct
289 Superfluous sections	75% Sections taught by full-time faculty	875 Full-time faculty credit hour savings	\$1.5M  Long-term savings from faculty

<sup>1)</sup> For analyses, all courses with a maximum enrollment of zero are excluded. ©2015 The Advisory Board Company • eab.com • 30669

Source: Education Advisory Board, Gates Research Project

Course Success

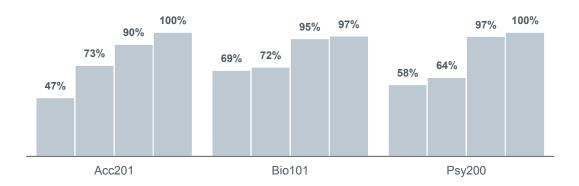
## **A Clear Opportunity for Improvement**



High DFW Variability Within a Course Demands Further Analysis

#### Failure Rates Vary Drastically, Even Within a Single Course

DFW Rates by Section and by Course, Fall 2013, Public Master's University



"The greatest (financial) impact we can make at our institution is by focusing our attention on improving retention in our lower division courses."

Chief Business Officer
Public Flagship Research Institution

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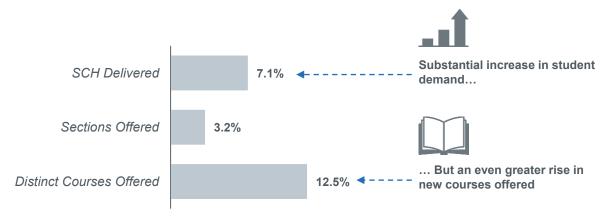
#### The Rococo Curriculum



Course Diversity Increasing Faster Than Enrollment

#### Are We Neglecting Bottlenecks in Favor of Curricular Diversity?

Increase in Enrollment, Sections, and Courses, 2009-2013, Public Master's Univ.



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Source: EAB interviews and analysis

Faculty Workload

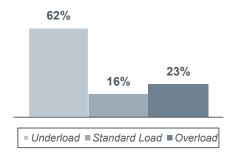
### Is It "Standard" If No One's Doing It?



Large Share of Faculty Time Released or Unaccounted For

## Overwhelming Majority of Faculty Don't Work Standard Load...

Share of Faculty by Load Status<sup>1</sup>, Public Master's University



... Especially at Research Institutions?

57% Share of FT faculty teaching capacity utilized (Representative Department, Public Research Institution)

#### The Primary Reasons for "Underloading"



Research Releases



Service/Admin Releases



**Insufficient Demand** 



**Alternative Compensation** 

"

#### Who's Minding the Shop?

"There is a black market on campus for overload, supplemental pay, and reduced loads – no one has any data on this."

Vice Provost Public Master's University

Standard load is 24 semester credit hours

## What's Standing in Our Way?



Roadblocks to Data-Driven Academic Resource Management

#### **Creating a Usable System of Metrics**

- No consensus on how to measure most important objectives
- Current data collection methods make it difficult to answer basic questions
- Many interrelated factors driving performance make responsible inputs difficult to decipher
- Variety of institutions complicate to defining comparison groups

#### **Changing the Decision-Making Process**

- Resources traditionally allocated based on seniority, relationships, and institutional politics
- Tendency to use data to support pre-existing decisions rather than identify new options
- Academics often skeptical of receiving benefits from data-driven efficiency gains
- Difficult to reallocate specialized resources from low demand to high demand areas

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#### **Notes:**



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