

Making the Academy Market-Smart

Hardwiring Enrollment Priorities into Academic Decision-Making

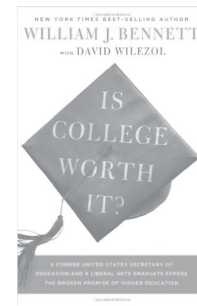
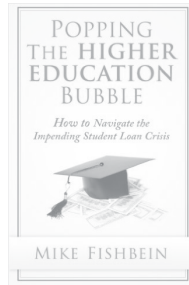
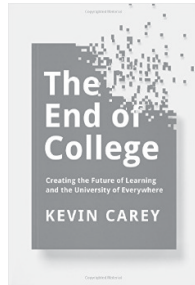
Missouri State University



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Strategic Research
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Higher Ed Assailed By A Drumbeat of Critiques



The Other Side of the Story

Popular Accounts

More Nuanced Understanding



The cost of higher education is out of control



The public doesn't grasp "net" versus "sticker" price; net cost for publics is still very low; and greatest barriers to low-income students are cost of living (room and board) or opportunity cost of lost wages



University spending is wasteful and unrestrained



Educational spending per student has slowed since the recession, now growing less than 1% above inflation; "admin bloat" reflects investment in student services and changing times



Colleges and universities have trigged a student loan crisis



Media figures are flawed and non-representative averages and most debt and defaults stem disproportionately from non-completion, graduate/professional school, and for-profits



Disruptive innovation will cause universities to lose students to low-cost providers



"Disruptive" innovators focused more on non-consumers, new formats like MOOCs and Competency Based Education not yet to scale



College degree is losing value

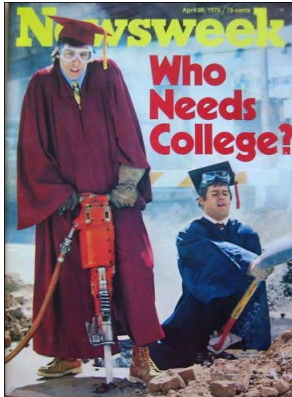


College premium has never been higher; baccalaureate holders earn on average 1.8 times that of high school graduates in 2013, compared to 1.4 times in 1975



Not Exactly News...

College Has Been Called into Question for Decades – And Always Around Recessions



April 1976



40 years before Sen. Marco Rubio's comment:
"Welders make more money than philosophers. We need more welders and less [sic] philosophers."

Fact Check: Twenty years after graduation, philosophy grads have a median **salary of \$97,000** while welding grads make **\$58,000**

Guess Which Quotes Are From 1976 vs. 2012

“By all estimates, the rising costs of college have been paced by diminished economic returns on the college investment.”

“Is all this investment in college education really worth it? The answer, I fear, is that it's not.”

“As much as 27 percent of the nation's work force may now be made up of people who are "overeducated" for the jobs they hold.”

“More than half of all recent graduates are unemployed or in jobs that do not require a degree.”



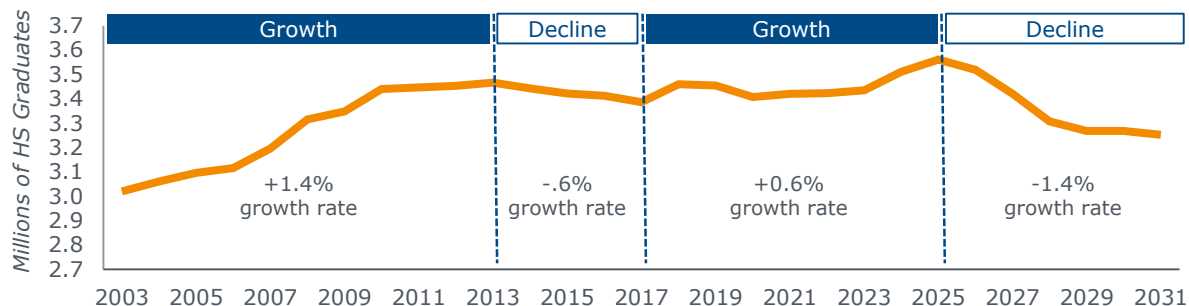
Source: "Who Needs College," *Newsweek*, April 1976; "Who Needs College? The Answer Might Surprise Newsweek," *Huffington Post*, October 2012; <http://www.forbes.com/sites/katiesola/2015/11/11/rubio-welders-philosophers/#2a80837d12a1>; EAB interviews and analysis.

Not Enough Growth to Go Around for Everyone



High School Graduate Growth Rate Plateaus Before Precipitous Decline

Number of High School Graduates and Compound Annual Growth Rates



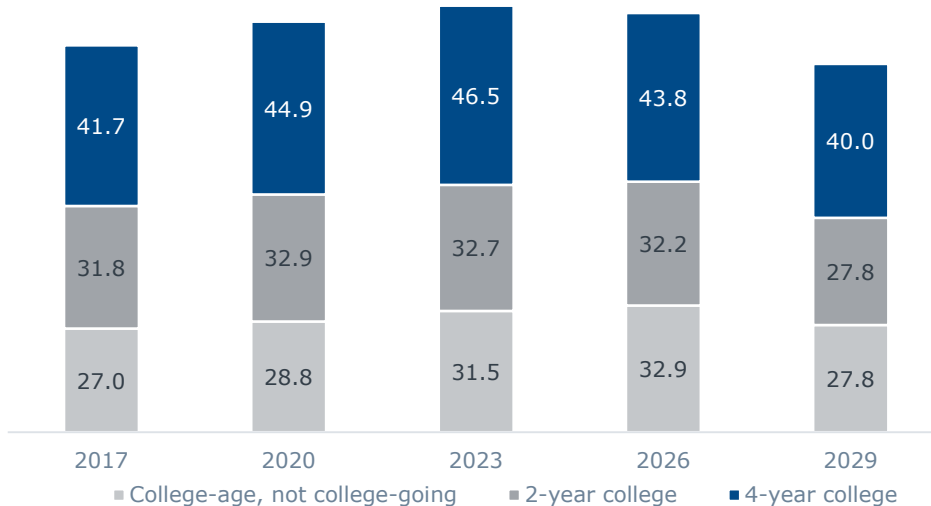
Change in High School Graduates from School Year 2012-2013, by Region

	West	Midwest	Northeast	South
2019-2020	-11,500	-41,200	-42,000	32,200
2024-2025	24,900	-29,700	-26,200	117,900
2029-2030	-45,900	-26,200	-72,300	7,100

Recruitment Pool Set to Shrink in the Next Decade

-4% Decline among four-year college-going students between 2017 and 2029

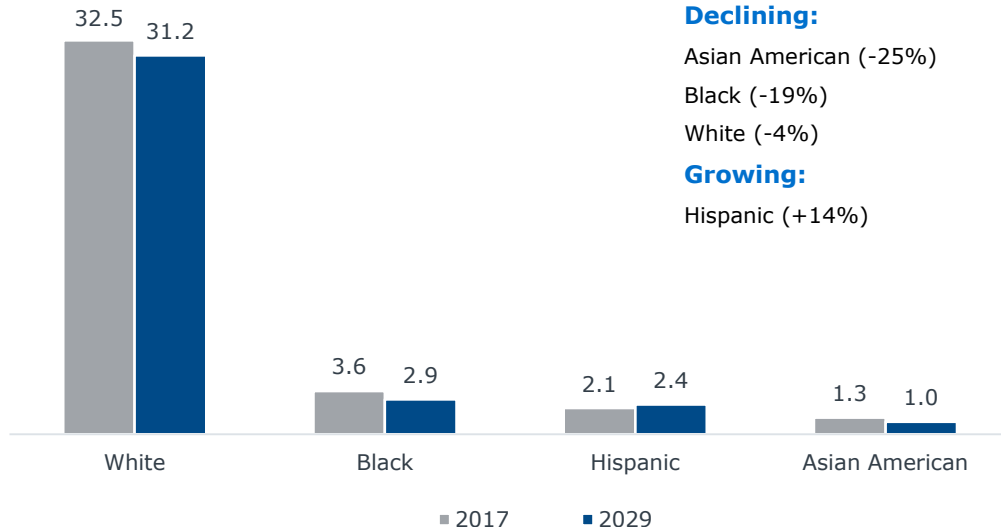
Forecasted Number of College-Aged and College-Going Students in Missouri (Thousands), by Year of High School Graduation



Source: Grawe, Nathan D., *Demographics and the Demand for Higher Education*, 2017; EAB analysis.

Missouri's Shift in Race/Ethnicity

Projected Number of Four-Year College-Going Students in Missouri (Thousands), by Race/Ethnicity





Pressure on Publics From All Sides

Community Colleges

For price sensitive families, we are often losing to CCs on price and practicality

State Flagships

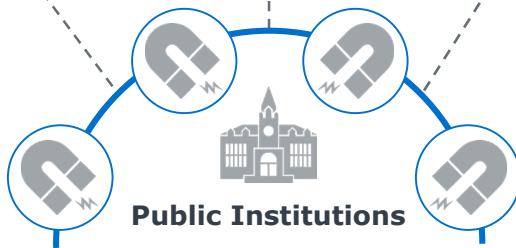
Selective publics are capitalizing on the flight to “affordable quality”

Workforce Entry

Debt concerns combined with a focus on trade and vocational programs attract price sensitive students

Private Institutions

Aggressive marketing campaigns focused on outcomes and a personalized experience



Public Institutions



Today's Undergrads More Challenging to Reach

Declining Geographic Mobility

Median miles traveled from home to college by ethnicity

79	White	42	Hispanic
78	Black	40	Asian

What about out of state?

56%

Of freshman studying at a school less than 100 miles from home

A More Demanding "Shopper"

Attending Multiple Orientations to Decide

22%

Increase in withdrawn deposits from 2007-2015

New Marketing Approaches Needed

87%

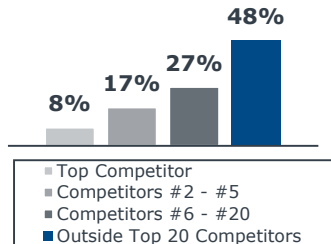
Percentage of prospects who say they don't trust university websites, seeking validation from external source

A Long Tail of Competitors

Where Admitted Students Who Did Not Deposit Went (n = 81,827)

108%

Increased applications from 2001—2014 with just an 11.6% increase in prospects



Increasingly Price Sensitive

25%

Percentage of families who **would have enrolled elsewhere for less than \$5k** in additional grant or scholarship assistance from second choice

NACUBO-Reported Discount Rate for FTFT Freshmen

38.6%

in 2006-2007

49.1%

in 2016-2017

Source: "DepositIQ Survey 2016," EAB Royall & Company, 2016; "Graduate Enrollment and Degrees: 2005-2015"; Trends in College Pricing, *College Board*, 2016; Selingo J, The Future of Enrollment, *The Chronicle of Higher Education*, 2017; Western Interstate Commission for Higher Education, Knocking at the College Door: Projections of High School Graduates, 2016; "Rise in student applications creating greater financial risk for some colleges," Moody's Investors Service; Jon McGee, *Breakpoint: The Changing Marketplace for Higher Education* (Johns Hopkins University Press, 2015); "How America Pays for College," Sallie Mae, "The Student Customer Journey," Learning Places, 2015

The End of Information Asymmetry?

When an Experience Becomes A Commodity – Or a Transaction

Buying a Car: Then and Now



1980's

Salespeople Have Exclusive Access to Product Details



Consumer

Financials:

- Sticker Price
- Personal Budget

Priorities:

- Safety
- Towing and Storage Space
- Reliability
- Color: Red



Salesperson

Financials:

- Invoice Cost
- Financing Options

Safety:

- Rating
- New Airbags

Towing and Storage

- Competitor Specs

Reliability

- Repair frequency
- Cost to repair

Color

- Availability of other colors

2010's

Readily Available Information Shifts Power to the Consumer

TRUECar.

- Invoice price
- Rebates
- Shows distribution of prices paid

carWOO!

- Dealers bid for sale
- Buyer selects most favorable deal

Consumer Reports

- Reliability data
- Safety ratings



- Aggregated car availability
- Specs for all models

Source:

<http://www.usatoday.com/story/money/cars/2012/12/06/car-shopping-prices-roundtable/1749101/>

A New Kind of Ranking

Proliferation of Rankings and Search Tools based on Career Outcomes

New Resources to Measure ROI Emerge Post-Recession

2010



College salary and ROI reports

BUSINESS INSIDER

Survey asks which schools best prepare for postgrad success

2012



State-level salary data for VA, AR; later expanded to CO, FL, TN, TX

2013



Alumni giving as indicator of outcomes, ROI



20% of ranking based on earnings

2014



Placement rate at top companies in hot industries



One-third of rankings by career outcomes

2015

BROOKINGS

Value added vs. predicted salary



Colleges' value added based on Scorecard data



Increased weight for outcomes in rankings formula



College Scorecard

Median earnings 10 years out; Percent students earning >\$25K

College Scorecard Now Front and Center in Online Search

Georgia State Undergraduate Admissions
admission-requirements • Georgia State University •
tips to submit SAT or ACT scores. Please refer to the state
accepted GSD students.

review - CollegeData College Profile
getcollege_jpg1_img1.html?h=1208 •
1913 is a public university. In the South - Council
boards were admitted. Early Action.

admission Chances, SAT and ACT Scores ...
orgia georgia state university admission •
1913 • What are the SAT and ACT requirements for students to
apply and what score do you need to get in? - 47 percent of
origa State University

admissions - niche
state university admissions •
including tips from current students on... if it's not within
an 800/800, then fine.
applicants: 8,445
enrollment: 37%

niche
university



Georgia State University

Admissions

Georgia State University is a public research university in downtown Atlanta, Georgia, United States. Founded in 1913, it is one of the University System of Georgia's four research universities. [Wikipedia]

Acceptance rate: 57.1% (2014)
Graduation rate: 53.2% (2014) College Scorecard
College Scorecard
Average cost for students receiving federal aid: 10,963 USD (2013)
College Scorecard
Average salary after attending undergrad: 40,800 USD (2013) College Scorecard
Undergraduate tuition and fees: International tuition: 28,856 USD (2013). More

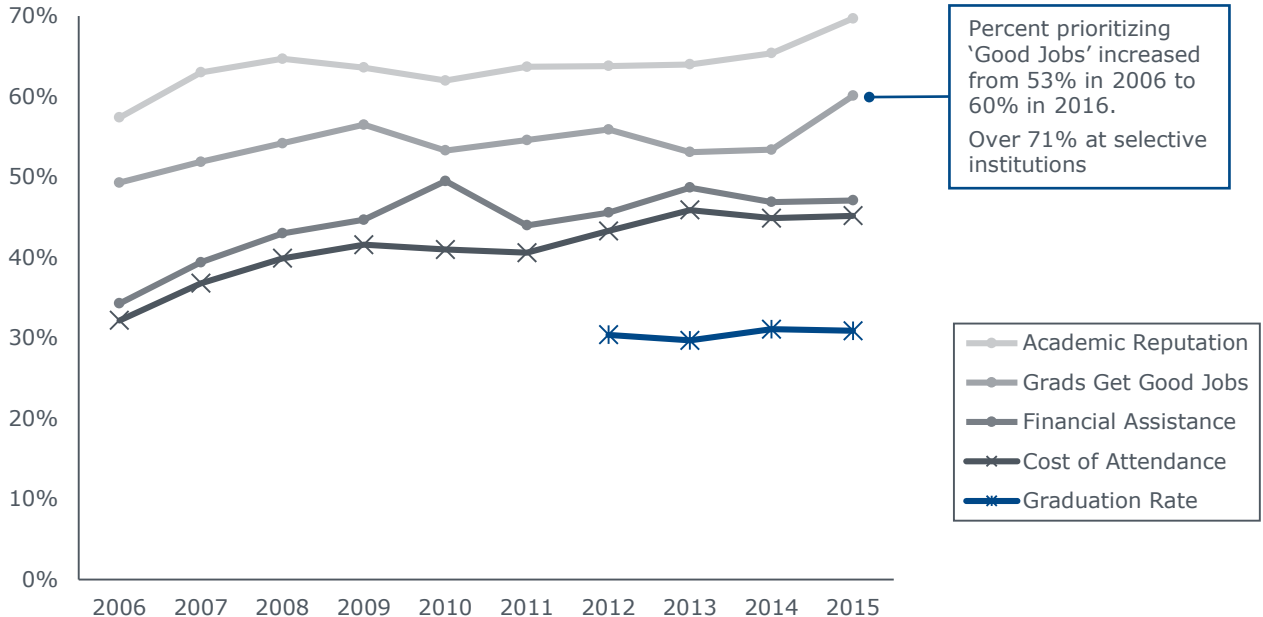


Source: http://www.collegemeasures.org/4-year_colleges/college-performance-rank/.

A Rapid Shift in Priorities

Job Outcomes More Important than Cost Across All Segments

Percentage of Students Rating Category "Very Important" in College Decision

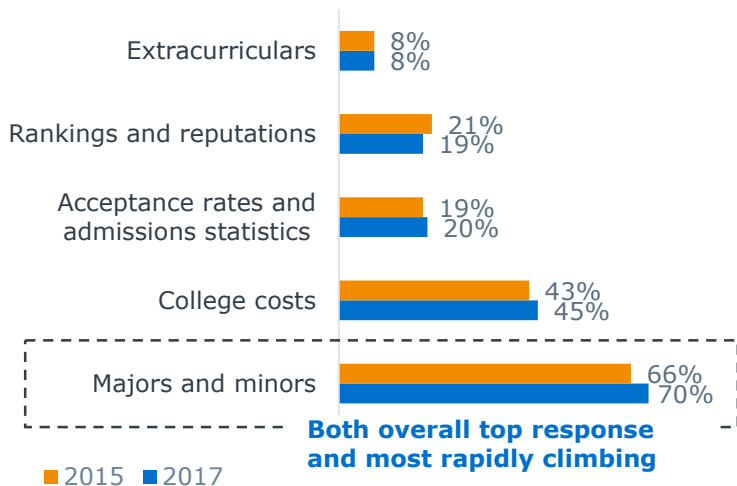


Majors a Growing Dimension of Decision-Making

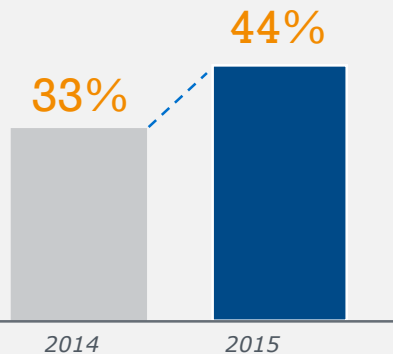


Most Desired Information on College Websites

EAB survey of 5,000 college freshmen enrolled at 900 colleges and universities in 2017



Percentage of parents who said they were **more likely to fund their child's education** if they majored in a field with a higher likelihood of employment

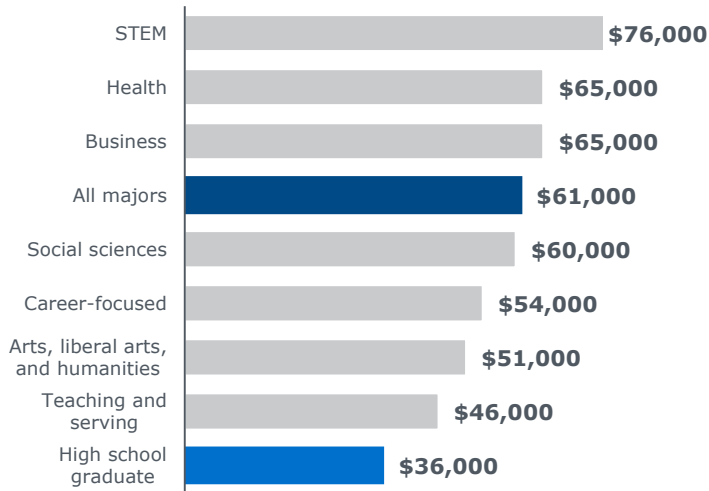


— Discover Student Loans Annual Survey (2015)

Majors Matter

ROI Varies Significantly by Discipline

Median Annual Wages of College-Educated Workers Age 25-59 by Major Supergroup



Difference in lifetime earnings between highest and lowest-earning major (\$3.4M) exceeds difference between college and HS degree (\$1M)

An Information Experiment



Sample of students asked to predict their earnings at age 30



Students then exposed to data showing their major's expected earnings



12%

Percentage of students who decided to change major in response to earnings data

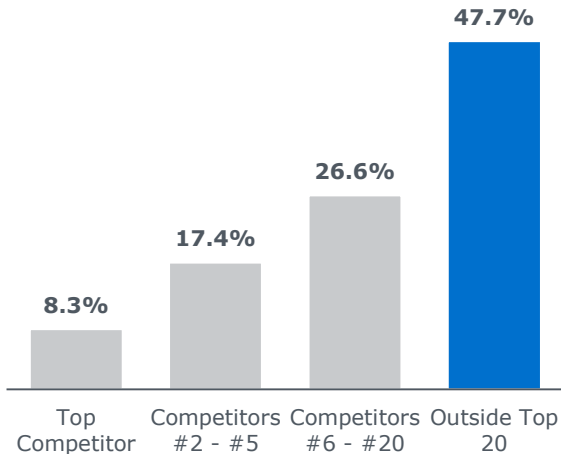
Sources: "The Economic Value of College Majors," Georgetown University Center on Education and the Workforce, 2015; Wiswall, M Zafar, B, "Determinants of College Major Choice: Identification Using an Information Experiment," Federal Reserve Bank of New York Staff Reports, June 2011; revised August 2014; EAB interviews and analysis.

The Rise of Program Level Competition

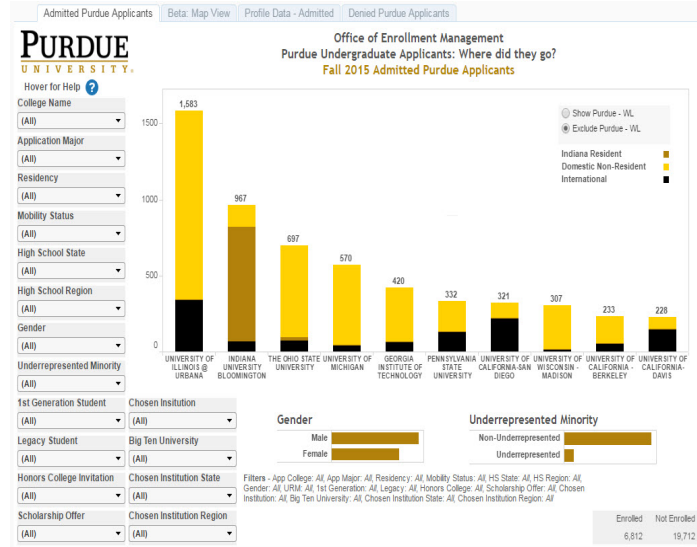
From “Peer Institutions” to “Peer Programs” ?

A Long Tail of Competitors

Where Admitted Students Who Did Not Deposit Went (n = 81,827)



Granular Analysis of Purdue’s National Clearinghouse Data Shows Opportunities



Supporting the Costs of Specialization



Program Proliferation Confusing to Prospects, a Burden for EM

Challenging Decisions Faced by Undergraduate Applicants

Public Research University



Student Selects Field of Interest

*"I probably want to be a doctor—that narrows down the **200+ options** to Life Sciences"*



Student Specifies Major

*"Biochemistry it is... but there are **three Biochemistry majors!** Which will get me into med school?"*



Admissions Unable to Resolve Confusion

*"My admissions counselor **couldn't even tell me the difference** between them!"*

New-in-Seat EM Intervenes to Curb Faculty-Driven Innovation

Private Research University



36

Proposals under review for new program approval, Fall 2015



2

Separate proposals for Bachelor's in Dance



0

Programs approved, criteria implemented to prioritize new program investments moving forward

What's Holding Us Back?

Traditional Program Investments Prevent Enrollment Opportunities

Common Barriers Preventing Market-Smart Academic Programs



Enrollment Information Deficits



Unrealistic Targets

- Academics out of touch with enrollment trends and the institution's relative competitiveness
- Enrollment data delivered upon complaint
- Academic decisions driven by anecdotes and assumptions



Insular Program Planning



Stale Programs

- Academic jargon clouds program value
- Programs designed according to faculty, not student, interests
- Consideration for and evaluation of enrollment viability infrequent



Ad Hoc Program Generation



Missed Opportunities

- Innovation process driven by faculty, divorced from enrollment trends
- Slow approval processes prevents taking advantage of immediate opportunities
- No mechanism for sensing student demand

Questions on Every EM's Mind

Leverage Points to Prioritize Leadership Attention

Enrollment Demand Across the Program Portfolio



Took Our Eye Off The Ball

Program Underperformance Often Goes Undetected Until It's Too Late



Unfortunate Surprises from First Enrollment Viability Review



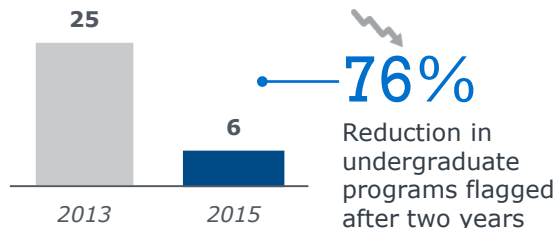
33%

Proportion of undergraduate programs flagged as at risk of state system closure



Outsized Impact of Enrollment Awareness

Programs Flagged Following Annual Review



“We want to make sure all of our degrees are meeting institutional goals. However, we do have programs on life support and we intentionally provide a venue to discuss plans to restore health or teach out. **Having a collaborative plan with a clear timeline and target enables us to control our decision-making** rather than dealing with state-mandated action.

*Wanda Dean
Vice Provost for Enrollment and Degree Management
Virginia Tech*

Virginia Tech Learned A Little Goes A Long Way



Pinpointing Prospect Turn-Offs in Program Websites

48%

Of college prospects go first to program websites before institutional websites

Step One: Benchmark Site Performance



Institution Average

Program

Monthly Page Views

800

=



Average Visit Length

15 sec



Click Rate

4%



Red flag: Average or above-average page view volume with below-average visitor engagement

Website Refresh Drives Applications

25%

One-year increase in Liberal Arts applications following site improvements

Step Two: Conduct Usability Audit

5 Key Questions



Search-Engine Optimized

Do students find the website?



Readable

Will a non-academic visitor find the content easy to grasp?



Student-Centered

Does content speak to prospects? Are there student photos and testimonials?



Up-to-Date

Is the website updated annually?



Features Call-to-Action

Does it prominently link to the admissions application?

What's in a Name?

Two Steps to Intelligent Program Name Changes

1 Size Opportunity Loss

National Student Clearinghouse Data by Program

Destination, 400 Admits	#	5YR Δ	SAT	\$
University A	118	+5%	1310	\$15k
My University	102	-3%	1260	\$9K
University B	63	+2%	1350	\$20K
University C	48	0%	1240	\$8.5K
University D	30	+1%	1370	\$8K



- Sum number of admits lost per peer
- Call out 5-year change calls out trends
- Drive urgency with average test score and revenue per student

2 Benchmark to Peers

My Program

University A

Computational Science

Information Technology

Information Systems

Computer Science

Information Technology

Information Systems

Gaming

Software Development

A New and Improved Relaunch

MARIST



>10%

Incremental enrollments in Computer Science over two years from added "Game Design and Programming" specialization

Distracted from Smart Bets

Enrollment Alone an Inadequate Guide for Growth Investments



Low Performers

- Marketing can't compensate for secular enrollment decline
- Option to re-appropriate resources not addressed



Stalled Programs

- High-growth potential but mediocre enrollments
- Highest return-on-investment opportunities



High Performers

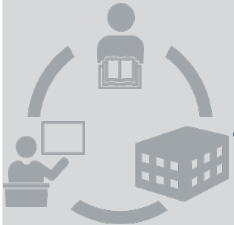
- May have already achieved "piece of the pie"
- Diminishing returns on continued investment

Connecting Curriculum to Employer Insights

Enrollment-Focused Employer Feedback Key to Maintaining Market Relevance



Not Just for Professional Programs



Department Chairs hold triannual reviews with regional employers, as required for program review



Enrollment Focus Reveals Program Opportunities



Is the program relevant?

- How do names and specializations reflect workforce trends?
- What required skills are not clearly taught?



What opportunities does it miss?

- What majors and specializations would result in better-employed graduates?
- Are we overlooking untapped enrollment populations?
- Should we consider alternate delivery formats?



Committee Ensures Implementation



Provost, EM, CBO, Department Chair triage recommendations, agree on path to implementation

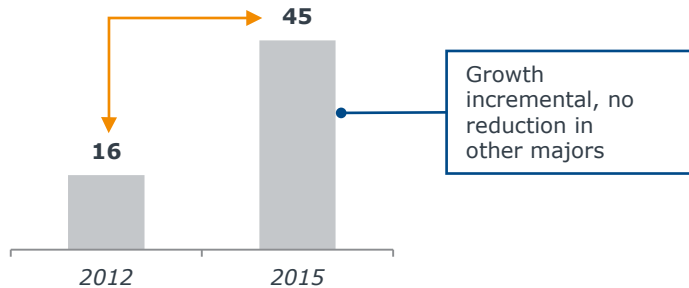
Serving Mission and Margin

Workforce Advisor Recommendations Sow Seeds for Growth



Immediate and Long-Term Gains from Advisor Recommendations

“Graphic Design” Art Major Triples Enrollments



Success Seeds Future Enrollment Growth

Plans for Program Expansion Following Initial Success



Online Bachelor’s



Added specializations



Master’s program

“ Our mission is to **establish ROI for students through an embedded liberal arts concept**... It is our responsibility to be responsive and relevant to the public and to show that in our university’s structure.

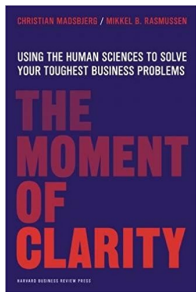
*Eric LaMott
Provost and Chief Operating Officer*

A Faustian Bargain?

Rebranding the Liberal Arts as the Key to Professional Success

The Moment of Clarity (2014)

Using the Human Sciences to Solve Your Toughest Business Problems



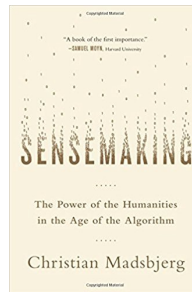
The Fuzzy and the Techie (2016)

Why the Liberal Arts Will Rule the Digital World



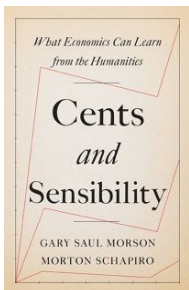
Sensemaking (2017)

The Power of the Humanities in the Age of the Algorithm



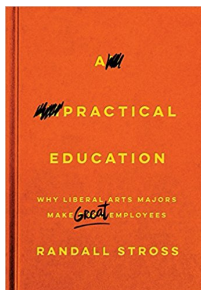
Cents and Sensibility (2017)

What Economics Can Learn from the Humanities



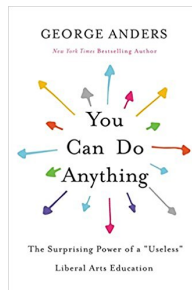
A Practical Education (2017)

Why Liberal Arts Majors Make Great Employees



You Can Do Anything (2017)

The Surprising Power of a "Useless" Liberal Arts Education



Specializing Without Sacrificing Breadth



Susquehanna
UNIVERSITY

**English Department
Added Successful
Minor**



**Grew Into New
Major in Publishing
and Editing**

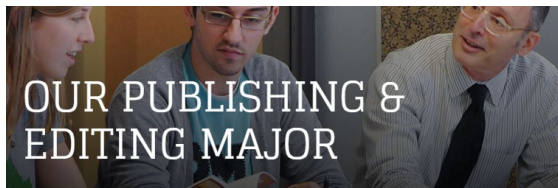
- The English Department developed an industry-specific practicum taught by a professional-in-residence
- All students required to complete a relevant internship
- Faculty developed a program-specific capstone.
- A few new major-specific courses were added to the curriculum

95%

School of Arts and Sciences graduates employed or continuing education

80%

Growth in enrollment in English in two years



What can a publishing and editing degree do for you?

If you dream of working at a publishing house, trendy magazine or scholarly journal, then our publishing and editing major is for you.

One of the only degree programs of its kind at a liberal arts college, this new major will prepare you to work in the industry or go on to postgraduate study.

Prepares Students for Careers in:

- Marketing
- Public Relations
- Arts Journalism
- Library and Information Science
- Media Management

The Sky is the Limit

No, Really: You Can Major in Drones Complementary Professional Programs



Business German Program

School of Business  Department of Foreign Languages

- Open to all majors
- Provides language and cultural skills for students to succeed in a German professional setting
- Assignments based on real-life scenarios
- Online components and biweekly labs

Additional Opportunities Through Program



Study abroad in Germany



Complete an internship or other career development opportunity



Take the Zertifikat Deutsch für den Beruf, internationally recognized examination of German language ability

Interdisciplinary Innovations



Digital Course Design/Redesign Initiative

New program in digital humanities and computational studies applies new methodologies to liberal arts scholarship



Adds majors in global commerce, narrative nonfiction writing, and social justice



University of Illinois adds "CS + X" program that combines computer science with astronomy, music, linguistics, etc.

Kansas State University, Embry-Riddle Aeronautical University, Indiana State University, others create majors in "unmanned aerial vehicles"

Campus Partners Teach “How to Speak Business”



Interession Professional Skills Boot Camp



- 4-week summer or winter session
- Team projects simulate the work environment
- Basic business, professional, and entrepreneurship skills
- Initial target: students at liberal arts colleges and elite universities



6-day boot camp required to start professional certificate program



7-day boot camp and internship serves as liberal arts capstone

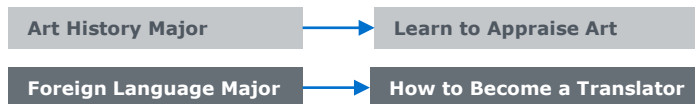
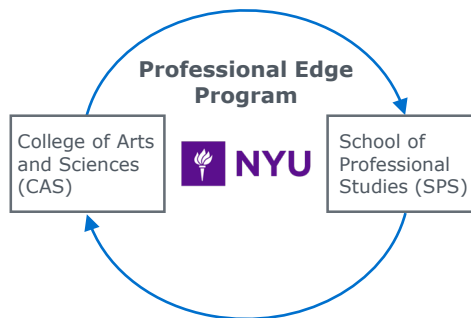
Giving Students a “Professional Edge”

Serious students, who can handle extra work

- 3.65 GPA; juniors and seniors
- CAS pays SPS tuition

Ensuring maturity to sit aside working professionals

- Application, advisor conversation required
- B grade required but won't count on transcript





In Fall, 2017, 8.3% of all undergraduates at DePaul are majoring in programs that didn't exist at the university six years ago.

John Boeckenstedt

AVP, Enrollment Management, DePaul University



But There's A Lot We Don't Understand

? How much do prospective undergrads base enrollment decisions on programs versus institutions?

? What types of programs really impact prospective student (and parent) decisions?

? Will the new programs we are considering attract students who would not have enrolled otherwise, or simply shift students around?

Types of Programs Thought to Have Most Potential to Grow Undergrad Enrollments



- Programs with explicit career focus (e.g., physician assistant studies, social work)
- Programs that appeal to new student students (e.g., adult degree completers, international students)
- Interdisciplinary programs in niche fields with few competitor offerings (e.g., arts entrepreneurship)

Many Campuses Experiencing “Profitless Growth”

Some New Programs Underperform, Become Long-Term Drains on Institution

Hard Lessons Learned in “Profitless Growth”



Lesson

Too many programs fail due to lack of validation



Strong enrollments do not equate with net revenue growth if costs too high



Longer-than-expected ramp up periods strain short-term finances

Example

Schuyler¹ University launched new program in education without adequately evaluating demand data

Burr¹ College neglected to account for new facilities costs of proposed science program prior to approval

Mulligan¹ University expected new data science program to generate positive net tuition revenue by year 2

Result

Projected year 1 enrollments of 60 students; enrolled four students in first cohort

Program continues to be subsidized by other programs in the college

Program ultimately broke even in year 5; college dean struggled to accommodate 3 years of unexpected losses

1) Pseudonym.

Demand Validation is Both Art and Science

No Single Source of Data Reflects All Necessary Demand Considerations

Common Data Sources Limited in Isolation, Yield Robust Demand Insights in Aggregate

Type of Data	Source	Limitations
<i>Labor Market Demand</i>	National and State/Provincial Government Databases (e.g., Bureau of Labor Statistics)	<ul style="list-style-type: none"> Databases updated infrequently (i.e., every 3-5 years), so not all new and emerging fields (e.g., data science) are included National and state/provincial labor trends do not always apply to local context
	Industry Associations (e.g., American Nurses Association)	Industry-sourced growth projections often overly optimistic
	Real-Time Employer Demand Analytics (e.g., EMSI)	Labor market demand does not always translate into student demand
<i>Student Demand</i>	National and State/Provincial Government Databases (e.g., National Center for Education Statistics)	National and state/provincial student trends do not always apply to local context
	Institutional Surveys	Indicated interest from representative students (i.e., individuals in target demographic not actively seeking credential) does not always translate into actual student enrollments
<i>Competitor</i>	Integrated Postsecondary Education Data System (IPEDS)	Multi-year lag time for some datasets (e.g., two-year lag between enrollment period and enrollment data update)

Separating the Wheat from the Chaff

Pre-Proposal Form Checks Misguided Faculty Innovation at the Gate

Embedding Enrollment Viability into Program Innovation



Creighton
UNIVERSITY

Enrollment-Focused Pre-Proposal



Validate Market Demand

*What types of students will the program enroll?
How many students would be interested?*



Demonstrate Value Proposition

*Where else is the program offered and how has it fared?
What is the unique value proposition of the program?*



Specify Required Investments

*How much will it cost to get the program off the ground?
What existing resources can be leveraged?*



Link to Mission

How does the program advance the institution's strategic plan?

Immediate Gains from New Launch Process

Pre-Proposal Benefits Advance University Toward Growth Goal



Pre-Proposal Harnesses Only the Best of Faculty Ideas



11

Proposals
over two
years



2

Programs
flagged as
unviable



0

Launches
without
enrollment
benefits



“A major benefit of the pre-proposal process is that faculty have some guidance in areas to consider before bringing their ideas to the table—they can look at the form and quickly understand the criteria being used when evaluating new program development priorities. The process has helped to funnel energies and leverage opportunities that align with Creighton’s mission and desire for growth in new programs.

Mary E. Chase

Vice Provost for Enrollment Management



Institution on track to meet
1,200-student growth target

Creighton's Top-Down Growth Engine

Enrollment Pipeline Group Surfaces and Recommends Program Ideas



Enrollment Pipeline Group's Process for Surfacing Growth Ideas

1 Recruit Cross-Campus Leadership

- Academic and administrative unit leaders represented include:
 - Center for Academic Innovation¹
 - Enrollment management
 - Market research
 - Provost office
 - Finance
 - Academic Excellence and Assessment²

2 Conduct Regular Labor Market Demand Analyses

- Centralized market researcher analyzes external market data and circulates quarterly summary of high-demand programs to pipeline group members, deans, and provost

3 Assess Potential Programs for Institutional Fit

- Pipeline group, deans, and provost compare high-demand programs to Creighton's institutional strategy and brand
- Group recommends programs to deans and provost that align with goals and mission for further development

4 Recruit Faculty Champion

- Pipeline group and deans identify and recruit faculty champions to develop proposals and guide them through approval processes

Results

11 New programs launched in three years

8% Increase in graduate enrollment over three years

1) Campus office that helps faculty develop new programs and create online/hybrid courses.

2) Campus office that oversees faculty professional development, institutional research, and student learning assessment.

Finding a Willing and Able Faculty Champion

Identifying and Motivating the Right Leader

Select Faculty Champion Roles



Prepare new program proposal



Obtain necessary approvals for launch



Coordinate with campus stakeholders to plan curriculum and budget

Characteristics of Right-Fit Faculty Champions

- Enthusiasm for new program idea
- Relevant disciplinary knowledge
- Sufficient workload capacity
- Adaptability to new pedagogies and delivery methods
- Strong project management skills
- Ability to collaborate with cross-disciplinary stakeholders

Selling Points for Faculty Buy-In

- ✗ Fulfilling Labor Market Demands
- ✗ Meeting Institutional Revenue Needs
- ✓ Sharing Academic Expertise
- ✓ Growing College or Departmental Prestige

Building Redundancy Into the System



Benefits of recruiting 2-3 faculty champions to new program development:

- Avoids disruption if one champion leaves, retires, or goes on sabbatical
- Allows faculty with incomplete but complementary skillsets to successfully lead new program development

Adapting to Post-Launch Enrollment Performance

Flexible Launch Targets Maximize New Program Potential

MARIST

Committee Agrees to Standard Student-to-Faculty Ratio

- Set by Provost, Dean, CBO, EM, Department Chair
- Target: 15:1 land-based, 20:1 online



Five-Year Launch Phase Target Tracking

Above Expectations



- Increasing student-to-faculty ratios trigger additional fund release
- Funds go toward faculty hires and new specialization tracks

On Track



Below Expectations



- Adjust marketing
- Adjust program name
- Sunset

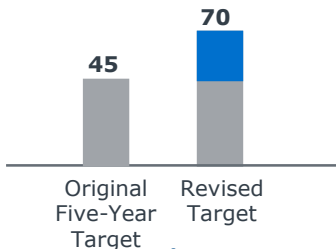
A Just Reward for Over-Performance

Dynamic Launch Monitoring Maximizes Growth from New Programs

MARIST

Built-In Expansion Budget Maximizes Enrollment Potential

Integrated Marketing and Communication Enrollment



Year 2 Review:

Growth supported by one additional faculty member and two courses in Mobile Marketing and Analytics

Five-Year Monitoring an Alternative to Sunset

“Many programs that were launched before we formed the committee don’t have serious demand and they’re barely breaking even. They say ‘we’ll bring in 20 people next year,’ and I’m thinking we haven’t brought in more than 12 in the last 6 years! These targets **reduce the struggle between the academic side of the house and the enrollment management team** because we’ve agreed to what’s realistic from the outset.



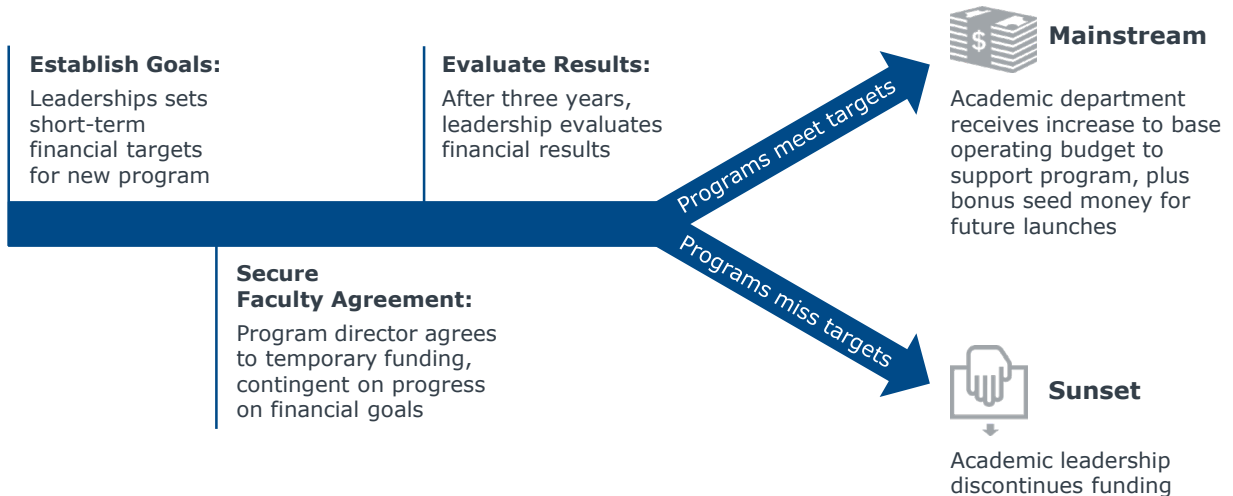
*Sean Kaylor
Vice President of Admission and
Enrollment Planning*

Creating Upfront Sunset Provisions

American University's Policy Facilitates New Program Closures



Upfront Sunset Provision Process for New Programs



The Secret to Sunsetting Success

Clear Financial Targets Facilitate Buy-In and Enable Program Closures



Sample New Academic Program Budget Projections

Total Costs (Direct and Indirect)	\$377,208
Net Income/(Loss)	\$250,692
Income to Direct Expense Ratio	2.09
Anticipated Residual Return to School	\$125,346

Income/Expense Ratio

- Most new programs agree to 2:1 I/E¹ ratio targets
- Targets vary based on program type, location, and proportion of direct expenses
- Recurring failure to achieve expected I/E¹ ratio serves as grounds for potential program termination

Benefits of AU's Upfront Sunset Policy



Avoids underperforming programs becoming permanent budget drains



Achieves academic buy-in for program closure decisions



Motivates faculty to continually assess and improve programs

10%

of new market-driven programs sunset for weak financial performance

1) Income to direct expense.

A Wait-and-See Approach to Resource Investment



Proven Playbook for Minimizing Upfront Costs of New Programs

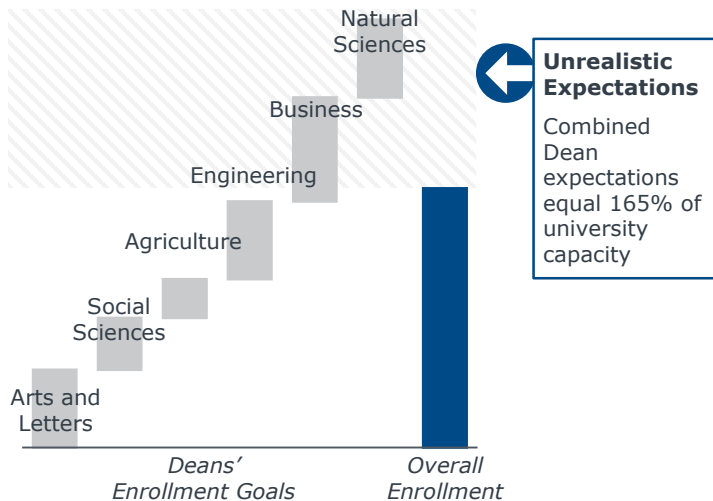
Type of Expense	Cost-Minimizing Tactics
<i>Instruction</i>	Identify under-enrolled existing courses to include in new program curriculum to minimize new instructional costs.
	Hire adjunct faculty when appropriate to reduce fixed labor costs. Students in select market-driven professional programs benefit from expertise of practitioner instructors.
	Delay tenure-track faculty hiring until new program proves market demand.
	Leverage existing tenure-track faculty where appropriate to minimize new costs. Legacy faculty's reputations may bolster early enrollments in research-oriented programs.
<i>Administration</i>	Source program directors from existing faculty where possible. Compensating existing faculty through course releases more cost-effective than hiring new.
	Add program administrative responsibilities to existing staff workloads where possible to achieve economies of scale. Some staff motivated by diversified tasks and contributions.
<i>Facilities</i>	Review space utilization data to identify existing space to leverage before building new classrooms, laboratories, or office space.
	Lease new facilities space where possible until new programs prove demand and permanent facilities investment warranted.
<i>Licenses</i>	Review existing library subscriptions and software licenses to identify resources to use rather than entering new contracts.

Living in a Dream World

Individual Program Planning Out-of-Sync with Institutional Needs

Sum of Program Enrollment Expectations Exceeds Institutional Capacity

Actual and Expected Undergraduate Enrollment



Working Together for Market-Smart Enrollment Planning



Faculty Expertise

- Curricular advances
- Discipline evolution
- Inter-disciplinary opportunities



EM Knowledge

- Enrollment trends
- Student and family preferences
- Skill gaps

Embedding EM Priorities into Academic Units

Two Key Requirements for Program-Level Enrollment Planning Success

CAL POLY
SAN LUIS OBISPO



“If you add up the numbers everyone submits, it will be more than the university can handle as a whole... but administrators don't have the discipline knowledge. To do this right, **it takes a combined effort—and faculty leadership is crucial** to getting their buy-in.

Linda Dalton
Chief Planning Officer



Making Room for Faculty Engagement

Dedicated Faculty Member

One faculty member per department released for one term of training, data aggregation, and analysis

Prioritizing Time Allocation

Deans and chairs cleared of administrative responsibilities; forecasts off-cycle from tenure and reappointment reviews



Upskilling Faculty for Planning Success

Future-Thinking Training

Seminar on materials from the *World Future Society* provides structure on futuristic thinking

Demography Training

Demographer-led seminar overviews population growth trends, answers discipline-specific questions, and walks through resources for further exploration (e.g., U.S. Census surveys)

Making Planning a Team Sport

Leadership Team Calibrates Faculty and EM Projections

Step One: 10-Year Program Projections

Inputs from Department Chair

Qualitative Discipline Forecast

- What skills will no longer be needed?
- What new specializations will become necessary?
- How should curricula adapt to changing skill demands?

Quantitative Enrollment Forecast

- How many graduates will be needed in this specialty?
- How many faculty will we need to hire, in what areas?
- How will we adapt or construct facilities to support change?

Input from EM

Program Market Demand

- How many students will want to enroll?
- How will the students enrolling be different from the students currently enrolled?

Step Two: Right-Sizing Estimations



EM, Provost, Academic Planner, and Dean compare the inputs

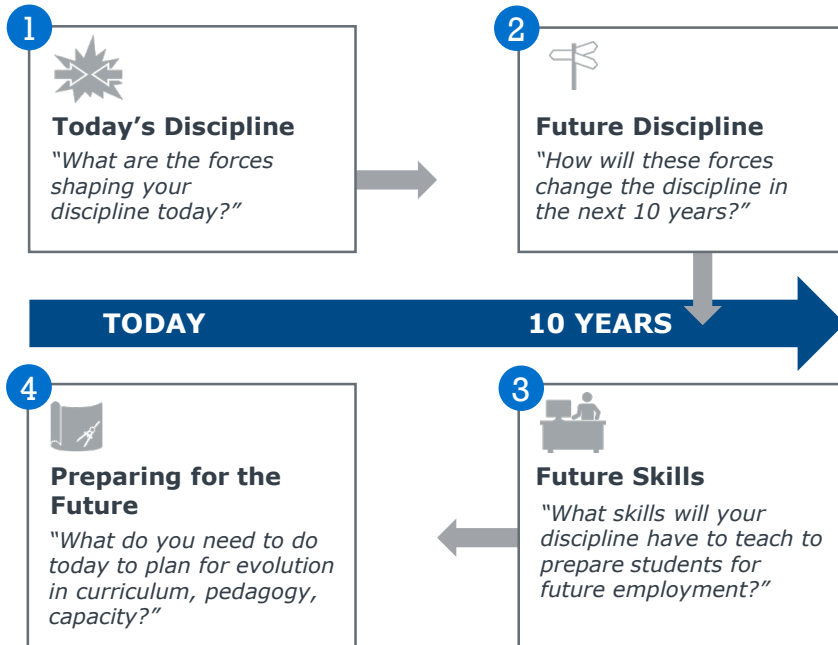


Dean makes final call, insulating EM from negotiations with Department Chair

Planning from the Future Backward

Qualitative Discipline Forecast Key to Program Planning Success

Cal Poly's Four-Step Program Planning Process



EM Benefits

Embeds Market-Smarts

Ensures generation of ideas for growth

Calibrates Targets

Overcomes Chairs' concerns over maintaining share

Quiets Resistance

Enforces realistic targets, as they must be corroborated by initial qualitative projections

Program Planning Leads to EM Success

EM Benefits from Program Enrollment Forecasts

Building a Foundation for Enrollment Performance

“California’s rollercoaster trends make simple regression analyses useless to predict enrollment... Instead, we plan for enrollment long-term, down to the individual program level, and constantly scan the environment to adapt enrollment strategy to what our competitors are doing to meet that plan. **Making program enrollment part of the institution’s long-term plan has been key to our success** in meeting the enrollment needs of all pockets of the institution.

*Jim Maraviglia
Associate Vice Provost for Marketing and
Enrollment Development*

Program Precision Key to Target Achievement



43%

of four-year institutions
miss overall enrollment targets



25

Consecutive years Cal Poly’s enrollment management team has **hit enrollment targets**



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