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# 2017 Higher Education: Avoid Contagious Data Blindness

BUSINESS RESTRUCTURING, HIGHER EDUCATION  
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Having worked with different institutions of higher education in a strategic capacity over the past several years, a few observations have become clear to me. While the size and locations of these institutions varied, one thing remained constant - the amount of available data at these institutions far exceeds the desire and capacity to utilize it. It is ironic that most administration offices do not practice what is so often professed by the business schools - use your data.

Business school professors often preach things like: "know your numbers" or "you are your numbers". In other words, understand the data you have and reflect on it. I am reminded of a quote, sometimes attributed to noted writer Daniel Keys Moran: "You can have data without information, but you cannot have information without data." This supports the business professor's perspective by acknowledging that data alone is not sufficient to help make decisions.

This is complemented by a quote from Carly Fiorina, former Hewlett-Packard CEO (no comments allowed on the results that this individual delivered for HP but the quote is on target): "The goal is to turn data into information, and information into insight." It is the *insight* into the information that is increasingly becoming a critical "must-have" for institutions of higher learning to navigate successful ongoing missions.

The good news is that most of these institutions have access to both of the most critical elements - data and insightful thinkers. The challenge is to leverage these elements to help make better business decisions.

I believe there are six high-level concepts that institutions of higher learning should weigh into their reporting and planning process. Each concept will assist leadership, including boards of trustees, to balance the organization in terms of size and educational offerings.

1. **Know what you know** – Too often, the processes used to collect data are incongruent and lack accuracy and historical tracking. Additionally, the information may often be held too "tight to the vest" by individuals within the organization, making it difficult for others to access timely and accurate data. Often, data is not segmented by school, class, major or other critical groupings necessary to gain insight to transforming the data into information. It is imperative to leverage information available within all systems – incoming freshman enrollment, transfers, credits earned, credits enrolled, attrition facts, graduation data...just to name a few categories.
2. **Monitor, measure, and analyze** – Boards of trustees and administrations must define what metrics are important to track. These metrics should be periodically updated with analytical interpretation. Too often, the board may leave that responsibility to cabinet officials, while basic overall organizational drivers are ignored. Semester-to-semester

and year-to-year tracking will help identify trends while enabling solid baseline modeling grounded in historical fact. When enhanced with projected go-forward educational impacts, insightful assumptions may be derived and vetted.

3. **Align enrollment to course offerings** – If a three-year cycle is utilized, then the “gas and brake syndrome” may apply. In other words, if enrollment projections are lacking in a major (or course offerings are not being fully enrolled), early visibility may provide options. One: allow the gas to be applied, e.g., the faculty and administration can proactively recruit students. Two: the brake can be applied, and a wind-down of the course or potential elimination may be considered. Too often, reactive decisions must be made in relation to majors and course offerings. Again, straightforward views to timely and accurate data will create information that in turn can be acted upon.
4. **Be open for change** – It is essential that boards and cabinets create an environment of open discussion grounded in historical fact, yet remain open to ideas. A process that is steady and focused will ultimately allow for continued fine-tuning and an occasional significant change and redirection. An environment that filters out noise and bias while allowing for frank, direct and honest discussion will ultimately increase an institution’s chances for long-term survival. Why the need? Essentially, the same old process will not necessarily work, given the frantic pace of change in of technology, shrinking high school graduation, and the competitive landscape for enrollment.
5. **Be bold** – Know your target market of potential students, and be assertive in communicating with them. High school graduation rates are estimated to shrink over the next decade, so assertive and focused action must be taken to leverage the data you know: Where do your students come from? What high schools? What guidance counselors? What geography? What demographics? Strategically, one must focus on the highest potential “hit rate” while driving frequency and intimacy of “touch-points”. Direct interaction, follow-ups, status checks etc. must be part of the plan. Nothing should be taken for granted, from educating parents to monitoring the completion of enrollment forms. Help, assist and make potential students feel like they are “family”. Be bold in nature, as you have to capture more of a shrinking pool.
5. **Think three** – After working with varying institutions, I highly recommend that an organization have an active working budget committee composed of three board-of-trustees members, three cabinet members, and three others (two faculty members, and the chief financial officer). This standing committee is tasked with developing metrics and submitting a detailed three-year rolling planning forecast to the board for vetting. Three years is critical, as the natural flow of students through the institutions may often change the dynamics of the institution’s support – academically, operationally, and financially.

These concepts, while simple in nature, often become complex barriers to success in the world of academia. Fiefdoms, blind arrogance and other barriers must yield to simple and concise reporting of data which, if used properly, will enable straightforward discussion with minimal bias, allowing the institution to navigate its future. Many people involved in academia often complain that most people do not understand institutions of higher learning because they are too complex for the average person not working within such an institution. Stop. It is simply not the case. Higher education has a defined number of revenue sources and a very specific list of expenses – all knowns. It does not take a PhD to understand the business of higher education.

As such, trustees and cabinets must embrace data, define metrics, and correlate the institution to the market. I highly recommend that a three-year rolling planning process be utilized to foresee trends and identify potential assumption gaps that, if continually tweaked and adjusted, may maintain a solid core financial base allowing the organization to continue to its mission and vision. Preparing proper data requests with segmentation and defining primary metrics now will significantly enhance the chances for your institution’s success.

Success will be afforded to organizations that embrace flexibility and the ability to better absorb the changing market dynamics of future students, educational offerings, and the required supporting infrastructure. At Schneider Downs, we stand

ready to assist you to develop such a plan and avoid the dreaded contagious data blindness. Even if you would like to just chat about your own experience and perspective, please feel to [contact us](#).

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