

# FINANCIAL SUSTAINABILITY TASK FORCE: ENTREPRENEURSHIP AND REVENUE

## Phase II Recommendations | Final Report 2023

### Overview:

#### **Introduction**

The Entrepreneurship and Revenue sub-committee for the Financial Services Task Force convened in the summer 2023 and the fall 2023 semester to review recommendations provided by the Phase I working group. The recommendations for review included:

- Recruitment
- Review tuition/fees pricing models
- Marketing academic programs
- Conferences and events
- Work towards Hispanic-Serving Institution (HSI) Designation
- Grants and fundraising efforts
- Advocate for Massachusetts state funding
- Evaluate the return on investment of current marketing efforts and recruitment strategies for both day and SGOCE programs
- Evaluate revenue of non-credit initiatives to determine if they are at least revenue neutral

The group delved into each of these focus areas to explore what opportunities may exist for revenue growth for the university. After thorough investigation and discussion, we have eliminated the following options from further consideration: working towards HSI designation, advocate for MA state funding and evaluate revenue of non-credit initiatives to determine if they are at least revenue neutral. These options were eliminated for various reasons.

#### **Limitations**

Over the summer and throughout the fall, we have not had faculty representation in the group, which left a vacancy in the co-chair space as well as a lack of faculty voice. As we further assessed whose voice is being represented in our recommendations, we noticed there is no student voice. Possible ideas to incorporate the student voice into this work in the future would be to:

- invite a student representative into each of the task force sub groups this fall
- host focus groups with the SGA or another student organization
- collect additional data based on student surveys, focus groups or other such events that have occurred in the last 1-3 years that may touch upon student needs, gaps, and services needed in order to retain and ultimately help students persist to graduation

### What priority did you choose:

In looking at the recommendations provided from Phase I, the group struggled with the recommendations aligning with the scope of our group. The recommendations presented did not necessarily read as entrepreneurial and revenue generating; so we've had to be creative in our

interpretation of the recommendations. Additionally, we know that some of the other subgroups have focused their attention on areas that we would've looked into further, which include:

- Upgrades to the residence halls in an effort to host more summer conferences/events as well as housing for upperclassmen, graduate students, international students and etc.
- Reassessing relationships with third party companies that provide educational services for colleges and universities - such as EAB

Recommendation:

### **Executive Summary**

The Entrepreneurship and Revenue sub-group met weekly throughout the summer and a few times in the fall to discuss focus areas and dive into the recommendations. As a result, we have narrowed our focus, currently, to the below recommendations. The three recommendations include:

1. Marketing programs
2. Grants and fundraising efforts
3. Conferences and events

#### Recommendation 1:

*Marketing academic programs:* We know that in order to make money, we need to spend money and that marketing and brand awareness is integral to sustaining enrollment and building new pipelines. A much deeper dive into current contracts, expenditures and budgets will be explored in the fall with more specific recommendations for how marketing can create renewed and expanded revenue streams long term.

Implementation Strategy:

Explore higher education marketing firms that are designed to meet the business needs of a small regional public institution with limited resources (aka: consider alternatives to existing contracts with vendors like EAB).

#### Recommendation 2:

*Grants and fundraising efforts:* Currently, there is not a Major Gifts Officer at Fitchburg State University. In comparing other Massachusetts state universities, we are the only institution that does not have personnel dedicated to planned and major giving. This would be a great opportunity to have a person serve in a role that can focus on building, fostering and maintaining large donors and continued increases and maintenance of the endowment. In the fall, the group will explore anticipated ROI of the position and how an increase in major gifts can have a positive ripple effect on enrollment, community connections, and overall stabilizing of the university's financial health.

Investing in fundraising personnel will be a long term commitment. An institution cannot expect that new staff coming in will be able to build relationships and trust immediately - this takes time and it takes bringing in the right people who have the right experience to foster these connections. Once a strong infrastructure is in place, however, it can be expected for a major

gifts officer(s) to raise five, ten or even more times their salary. Not only would that bring in additional revenue, but those funds could be repurposed for the most critical student needs whether scholarship, food, housing, etc.

**Implementation Strategy:**

Hire an experienced major gifts officer who has a proven track record of making an impact in university fundraising and is well connected to the community. **Pay them market value.** The ROI will pay off within 3 years and hiring can be done immediately (within 6 months).

**Recommendation 3:**

*Conferences and events:* Based on the results and recommendations of the other Phase II subgroups, we recommend expanding summer conference and on campus event offerings. If some of the residence halls can be equipped with air conditioning units or some type of resolution to house folks during the summer, we can expand a more entrepreneurial vision for bringing community members and conference goers to campus.

**Implementation Strategy:**

Expand upon our existing relationship with GameOn by coordinating housing options for their summer camps, tournaments, and other such events. By building upon a pipeline that already has visitors to the area, we are tapping into existing resources minimizing the personnel needed to get something like this off the ground.

We know if we can open Mara during the academic year, there's an opportunity for revenue up to \$500,000 if full occupancy is reached. This also leaves the summer for conferences, tournaments at GameOn, etc. that could bring in additional funds to the university depending on the rate we charge and what the overhead costs would be.

**Data/Information:**

There are important data points to consider when implementing a new strategy. Some leading questions may include:

- What is the revenue for the last 5 years of conferences? Can this be disaggregated based on time of year?
- How many beds do we have open in the residence halls in the summer that would otherwise be available / equipped for occupancy?

**Importance:**

These recommendations are important to the university because of the state of higher education and the competition we face regionally. Innovation will continue to be a driving force in the sustainability of institutions. It needs to be understood that in order to make money you need to spend money. But you have to spend money strategically, and in areas that are going to have the biggest impact and the biggest ROI. Simultaneously, and in parallel, we want to remain true to who we are as a university and continue to make an impact on the community of north central Massachusetts.

#### Future Considerations:

This project proved to be very challenging as the overall goals and logistics for this work were really ambiguous and not well defined. When bringing constituents across campus together and pulling them away from their day-to-day tasks, expectations and time commitments need to be made clear to ensure time equity among groups and stakeholders.

#### Other Accomplishments:

Aside from the outcomes of the Financial Services Task Force, the bringing together of staff from across differing divisions on campus has enabled us to learn a bit about what we all do in more depth. And why. It has served as a great opportunity to break down some of the silos that exist and has fostered connections that will organically lead us into a more collaborative future.