

Northeast Higher Education District White Paper

Creating Advancement Strategies for NHED Colleges

May 2016

Note from President Bill Maki

I look forward to healthy discussions on this white paper which offers some suggestions about how we move forward collectively to best serve our stakeholders, including our students, faculty, staff, alumni and communities. It is critical to generate hope and optimism into the way we talk about our future. There is collective fatigue at the colleges after having to reduce budgets and trying to do more with less. We need to do a better job of prioritizing what is important at each of our colleges. We will all benefit by better utilizing our resources while ensuring we do not allow mediocrity to strangle our niche programs.

This paper is meant to provide a broad overview of advancement strategies. If we chose to move ahead with a particular strategy, we will need to develop a more detailed implementation plan that includes measurable goals.

Bill Maki

1. Executive Summary

The long-term success of the NHED colleges will be based upon our ability to work more collectively and not individually. We must be willing and able to leverage resources across all five colleges, harnessing the power of the individual schools to support the greater whole. We need to hone our messaging to prospective students. We have to excel at retaining as many students as possible in our backyards, and then improve our reach to neighboring areas as well as statewide.

Without providing programs that distinguish ourselves from one another and other colleges in the region and the state, we will be viewed as a commodity. We must strive to offer distinctive programs so that employers remain interested in hiring our graduates, today and on into the future as new employment opportunities become available. As Minnesota—even

northeastern Minnesota— becomes more ethnically diverse, we will also need to better serve communities of color, American Indian communities, and immigrant communities.

This white paper lays out critical initiatives in four areas where the colleges can work together to generate new enrollment and additional revenue:

- Shared marketing
- Regional recruiting
- Grant writing
- Development

To make these initiatives become reality, we need support from key stakeholders. We will need engagement across the colleges so that enrollment growth is everyone’s responsibility. If the five colleges work together effectively, in the future they can be more stable, with more flexibility to expand during times of enrollment increases and footings to endure enrollment decreases.

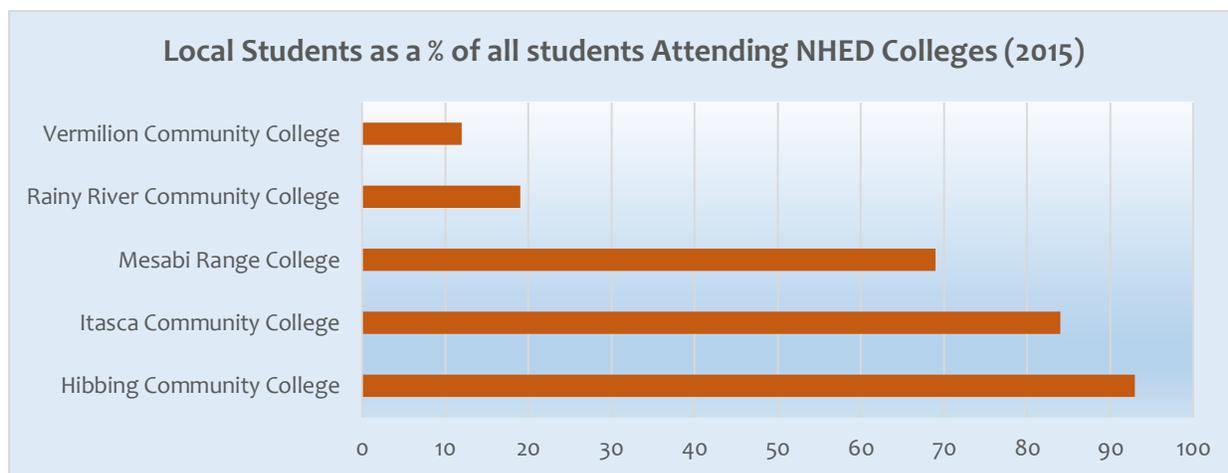
2. Situation assessment

The Northeast Higher Education District (NHED) has seen enrollment at its five colleges decrease by over 1,000 full-year equivalents (FYE) or 23% over the last six years. That demographic trend, along with changes in the landscape of higher education, is not working in NHED’s favor.

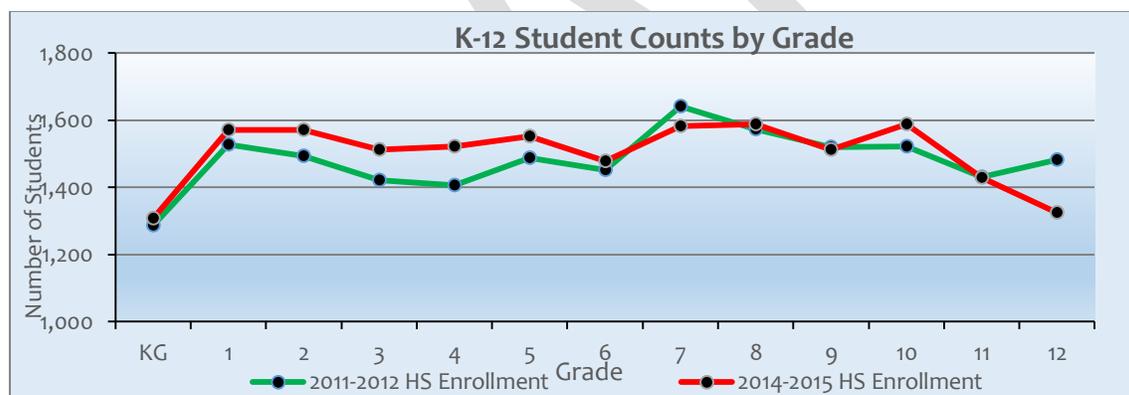
NHED colleges, with the exception of Vermilion (Ely), have traditionally drawn heavily from their local areas.

Percentage of Enrollment from Local Area - Fall 2015	
Hibbing Community College	67%
Itasca Community College	56%
Mesabi Range College	68%
Rainy River Community College	68%
Vermilion Community College	25%
NHED Total	59%

	Fall 2011	Fall 2014
New students entering NHED colleges who have graduated high school in the prior spring	1,002 / 18%	781 / 16%
MN high schools	84%	85%
Other states/countries	7%	10%
Unknown	4%	3%
Wisconsin	5%	2%
From "area" high schools	510 / 51%	429 / 55%



While NHED colleges have done a good job of retaining the share of local graduating high school seniors, the reality is that the population of the NHED service has declined, particularly among school-age residents. That trend is not expected to change soon.

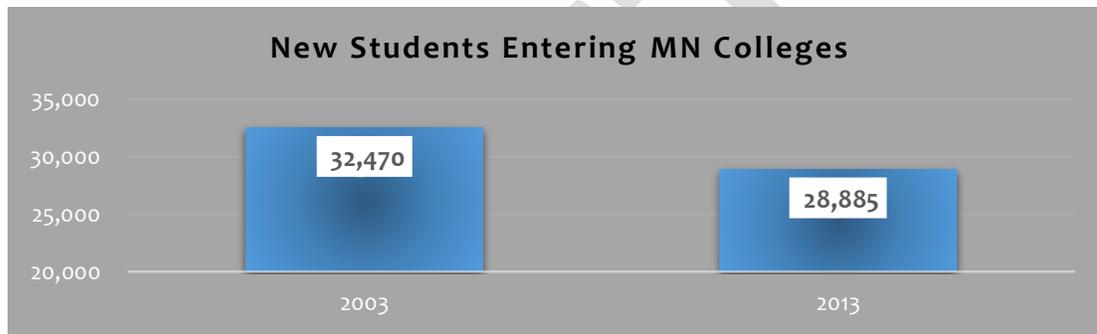


This demographic reality is the backdrop for several other trends we cannot ignore.

- In response to a national trend of concern for the cost of college tuition, the Minnesota Legislature has imposed tuition freezes the previous three school years and mandated a one percent tuition decrease for 2016-2017. Many state and federal legislative leaders have advocated recently that two-year colleges operate tuition-free.
- Meanwhile, our students are taking out more loans to pay for their education. While the percentage of Minnesota college graduates with debt increased from 70% to 72%

in 10 years (2004 to 2014), the average debt jumped from \$19,580 in 2004 to \$31,579 in 2014.

- Relationships with our regional K-12 school partners are different. There are several collaborative efforts with which we're all involved: Colleges in the Schools, Applied Learning Institute. As a consequence of these worthwhile programs, students come to us with more credits than ever before. They are "purchasing" fewer credits from us, and the impact has been felt most acutely in the liberal arts programs: we are producing fewer Associate of Arts degrees.



- As more attention is focused on this situation, NHED's accountability to third parties has been heightened. We are busy complying with requests from accrediting bodies, Federal regulations and the MnSCU Board of Trustees. Do these demands help the success of our students? Whether or not they do, we are obliged to allocate resources to respond.

3. Shared marketing

None of the five NHED colleges have significant marketing budgets considering the size and reach of their collective service area. The five colleges together spend \$200,000 annually on marketing. Much of the spending is targeted at northeastern Minnesota audiences where we already know we have challenging demographics.

Our target audience is social media-savvy, yet collectively our colleges have an inconsistent and low-profile social media presence. We do not spend much time celebrating our accomplishments and those of our alumni or generating stories about students and faculty and our work, all great content options for social media and a broader communications program.

Our individual college marketing teams have responded admirably to the challenges they have been faced, but with limited resources and expertise among all NHED colleges, pooling of existing resources along with new ones could complement our internal skill-set would help build our presence and voice.

Once the marketing plan is developed and the initial investment is complete, we will need to ensure we have resources identified to sustain and improve the program. Finding the right marketing firm or consultant to help us develop and implement strategies will allow us to create some consistency and measure the results.

We need to create more of a presence outside of our traditional service areas and markets. It is possible to do to this as a collection of colleges by focusing on individual areas of strength

The District's assets can be utilized to good advantage in a collaborative marketing effort. Past ventures include the Applied Learning Institute (K-12 schools in Taconite Tax Relief Area) and Advanced Minnesota. The internal and external relationships developed by both initiatives/programs provide guidance on how our colleges can work together collectively. The concern will be to guard against the notion that collaborative efforts are not perceived as a "sixth college", but rather be viewed as extensions of each of the five colleges.

4. Regional recruiting

Another opportunity to work together is in employing a regional recruiter, a position that would serve all five colleges. The goals for the recruiter would be established based on targets for individual programs and be developed by faculty and staff at the five colleges. Creating this position will reinforce two messages: we are serious about increasing our enrollments while not duplicating programs among our colleges, and we need to try nontraditional ways to reach new markets.

NHED should consider working with its partners in the Minneapolis/St. Paul area to initiate an aggressive and sustained recruitment effort. Given the demographic trends of the NHED service area, and the population density of the Twin Cities area, positioning resources there may be a good initial strategy.

A compensation package for the position would be developed in keeping with market conditions, internal compensation equity and the expanded scope of responsibilities. The successful candidate would ideally be someone with no real or perceived affinity to one of the five NHED colleges, but rather one who can successfully represent the five colleges as a whole. This individual would need to develop a deep understanding of unique academic programs at each college.

External funds would be pursued to cover 100% of the position in the first year; 50-67% in Year 2, and 25-50% in Year 3. By Year 4, the position should be financially sustainable. Clear metrics will need to be established to judge the effectiveness of this position, but generating new students for the District colleges should justify the long-term needs for this position.

An organizational commitment will need to be made for multiple years to allow sufficient time to build both internal and external relationships. This position will hopefully reduce duplication of effort from NHED multiple colleges having booths or tables at college fairs-, and those resources can be reallocated to help with retention activities at their colleges.

While this may be a risky venture, there is substantial value in creating collaboration with support from the District and the five colleges. Trust among leadership at the colleges, including the Provosts, faculty, and staff, will be important to ensure this has a chance to succeed. It is also critical to implement an idea that comes with initial support from the five enrollment management staff at each college.

5. Grant writing

Many faculty and staff have suggested that NHED would benefit by investing in grant writing resources, although the organization has struggled collectively defining how those resources would be deployed. Options include retaining a technical writer to help draft proposals or an individual whose assignment is intentionally building relationships and looking for external funds opportunities. The resource could reside within NESU as a staff resource in the Office of Institutional Research and Effectiveness or we could contract with consultant to assist as needed, providing more flexibility.

While the colleges have had long-term success with certain types of grants, it seems to be more reliant on certain individuals or departments versus having a systematic approach to evaluate and pursue opportunities. Examples of such successes include:

- Minnesota Job Skills Partnership grants
- National Science Foundation grants
- Federal TRIO Grants

One challenge will be to overcome residual beliefs that such a position needs to pay its own way by including its cost in grants we seek. While ultimately the position should bear fruit, a two-year commitment to funding the position, setting clear metrics and then assessing performance is needed. It will take time to build rapport with key faculty and staff, identify funding opportunities, and then approach granting organizations before the colleges should expect to see results.

There will be caveats as we move forward. We will have to guard against the tendency to chase grant dollars as opposed to making sure we are targeting grants that are mission-related and aligned with our strategic plan. We will also need to be sure we can sustain activities for which we pursue external funding. In the perfect world NHED would find some sure wins before the position is filled to ensure early successes, but this may not be possible. In any event, creating this infrastructure should demonstrate NHED's commitment to generating new revenue.

6. Development

Each of the five NHED colleges have foundations; they would all benefit from more resources. This is another area where shared resources could be useful, but this must be done in ways that do not compromise the identities of each individual college foundation. Donors will be motivated to give to their favorite college in a community to which they have some relationship, and that reality must not be overlooked.

There could be several ways to share resources across the five college foundations that ensure individual identity is not compromised. These areas include sharing donor management software, prospect research, and accounting functions.

The focus for NHED's development work needs to shift more from raising funds for scholarships and organizing time-intensive, low-return fundraisers to spending time building sustainable relationships that will yield substantial returns in the long run. There can be an understandable resistance to spend money to make money. For example, it should be viewed as a good investment to travel to meet with prospective donors. The scope and perspective

of our development work needs to be broadened if the NHED colleges wants to compete with competing fundraising endeavors.

There is great variability across the colleges in terms of the human resources dedicated to this work. Our college foundations range from having 2.0 FTE of staff to having a college liaison where volunteers carry most of the responsibilities.

An outline for a development plan was formed in 2014 with financial support from the Blandin Foundation. The five key recommendations were:

- Develop a case statement;
- Find financing for NHED development work;
- Create a centralized NHED development office;
- Initiate a major gifts campaign;
- Report activity to key stakeholders.

With key themes being the need for collaboration and leadership, the development work must be led by the five college foundations in partnership with the NHED president's cabinet. The 2014 recommendations remain valid, but the NHED leadership team should become more engaged in setting priorities for development, and they need to be primary champions for articulating the priorities of the colleges.

7. Next steps

The feedback received from this white paper will inform the next steps we take to achieve the initiatives explained here, following is a high-level timeline for the major actions identified in this document.

- 1) **Shared Marketing:** A marketing plan can be developed this summer after identifying an external resource to work in concert with the five college marketing teams/individuals. An RFP would be issued in June 2016 to bring in a consultant to assist us.
- 2) **Regional Recruiter:** Prepare position description; work with Twin Cities partners to identify office space and logistics; commence job search summer 2016.

NHED

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- 3) **Grant writing:** Identify interested college faculty and staff to create a task force to recommend potential structures; identify funding sources; launch new grants office second semester 2016-2017 academic year.
- 4) **Development:** Build upon 2014-2015 work to identify ways to work together with our college foundations that increase fundraising capacity while also embracing individual college affinity. Work with our foundation boards during the 2016-2017 academic year to develop a vision.

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