



LEADING WITH CLARITY:

EMPOWERING DATA-DRIVEN DECISIONS IN HIGHER EDUCATION

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The effective use of financial data is a critical component of business success in any industry. Yet in higher education, the ability to collect, access and operationalize financial data (e.g., liquidity, balance sheet, planning, budgeting, resource allocation) and academic data (e.g., enrollment, accreditation, communications, media relations, fundraising, capital planning, tuition and financial aid) can vary widely from institution to institution. From “data deserts,” wherein the collection of data is difficult and delayed, to “data oceans” in which the sheer volume of available information impairs forward momentum, there are a number of potential pitfalls for colleges and universities that can stymie their capacity to assess and strategically impact the institution’s overall health.

There have been myriad examples of suboptimal data management throughout the COVID-19 pandemic. While some institutions struggled to quickly and effectively respond to the disruption,

others accessed, analyzed and acted on data to more readily stabilize and advance their mission in the new environment. Today’s higher education leaders must proactively contribute to the strategic vision of their institutions by leveraging data and their own financial acumen to manage risk, find creative solutions to complex challenges, and position their colleges or universities for sustainable, long-term success.

Nonnegotiables of Effective Institutional Data Management



SINGLE SOURCE OF TRUTH



CHANGE MANAGEMENT
AND LEADERSHIP



DATA ACCURACY
AND INTEGRITY



CLEAR LINEAGE
AND TRANSPARENCY



USER-FRIENDLY EXPERIENCE



CONSISTENCY AND
STANDARDIZATION



IMPROVED CHART
OF ACCOUNTS

College and university leadership can effectively make use of data by integrating standardized, dynamic financial reporting technology and capabilities into institutional strategy and by making the financial office a true business partner of every department on campus. The transformation of an institution's financial management strategy — informing academic metrics and building data maturity — requires new forums for internal collaboration, data governance and best-fit technology implementations.

Building Collaboration Across Critical Campus Departments

Data supports operational, budgetary and strategic planning efforts in both the financial and academic realms. Strong collaboration across financial and academic leadership with information technology (IT) offices is one of the key characteristics of an institution that manages data well and uses it to empower forward motion.

There is a real cultural transformation required when institutions invest in the resources to move from traditional onpremise systems for data collection and analysis to more modern cloudbased systems. It goes far beyond the implementation of new technology. It requires an intentional shift from traditional thinking to objective, datadriven decision making.

In this relationship, it is critical for the IT department to understand the business use of data and for the finance team to understand its role in articulating reporting requirements and objectives and to engage in meaningful validation discussions.

While financial and academic leadership offices are the stewards of the data, the IT team enables the process and enacts the controls; it is a shared responsibility. When there is clear, consistent and frequent communication across these teams, staff members are empowered to work collaboratively to optimize an approach for data collection and analysis.

This collaboration often requires education and training for department leaders, who must be willing to listen, learn and evolve fo the betterment of the entire institution. As the responsibility for collection and analysis is broadened to incorporate leadership throughout the organization, more stakeholders feel ownership over the data. And, as a byproduct of that ownership, they are better equipped and more motivated to serve as stewards of data and to produce information that is actionable and propels the institution forward.

Making Data Actionable

To support improved data management and lessen the burden of maintaining the infrastructure, many institutions are modernizing their systems by migrating to the cloud and completing a system rationalization effort to reduce reliance on shadow systems, consolidate needed data to critical applications, and enable leaders to better trust and leverage the information needed to make agile, real-time decisions.

Technology alone is merely an enabler. There is real cultural transformation required when institutions invest resources to move from traditional onpremise systems for data collection and analysis to modern cloud-based systems. This goes far beyond the implementation of new technology. It requires an intentional shift from traditional thinking to objective, data-driven decision making.

To catalyze this movement, leaders should optimize data collection, analysis and socialization across the institution. Start by considering which key performance indicators (KPIs) are currently being tracked, and identify what should be tracked moving forward to arm leaders with the information they need to make effective change. To that end, leaders should intentionally identify KPIs that are tied to organizational objectives and can be measured periodically.

When modernizing your systems, do not be tempted to repeat history by replicating ineffective reports and metrics (and the system configurations that support them). Instead, take the opportunity to solicit input and assess what reports are actually used, what value is gained from them, and what data gaps most urgently need to be filled.

Empowering Institutional Agility

colleges and universities will be tasked with planning for a range of financial and academic scenarios, with the list of possibilities growing and shifting as new information related to safety, government regulations and public health continues to evolve. Leaders in the finance, IT and academic offices can collectively play an integral role in maintaining short- and long-term institutional stability — if they have the right data at their disposal and invest in the adoption of a technology infrastructure that supports an integrated approach to data management.

By proactively building the capability to access and act on institutional data in real time, institutions protect themselves from the vulnerability that comes with making quick decisions based on incomplete, misaligned or outdated information. Although the variables will change over time, institutions with flexible, technology-

enabled data solutions will be better equipped to pivot as needed. With finance, academic and IT teams working together, institutions can quickly use their information to provide a clear, transparent and decisive message to both internal and external stakeholders.

Top 5 Actions to Encourage Collaboration Among Campus Leaders With Quality Data

1. Create an environment of data transparency to enable discussions on resource allocation for institutionwide strategic priorities.
2. Facilitate learning about each other's approaches to using data to establish priorities, allocate resources and prepare budgets.
3. Participate in academic department meetings to supplement data with direct input from deans and faculty.
4. Discuss how the academic function impacts financial clarity by leveraging data insights on enrollment fluctuations, degree program plans, faculty retirement and more.
5. Partner intentionally in establishing top priorities and sharing joint communications on data-informed decisions.

It is important to keep in mind, especially for those institutions that have not yet completed their transformation to become data-enabled organizations, that it is a marathon, not a sprint. The actions required to make a real difference in the way institutions view and use data will not happen overnight, but there are steps that can be taken today to make improvements to better position the institution for success in the future.

Key Takeaways

To lead through change and be better equipped for future disruptions, higher education leaders should

Think differently.

Although it requires significant investment, improving institutional data management will deliver long-term benefits that empower strategic decision making and sustainability.

Plan differently.

Take the time to evaluate and prioritize institutional data to ensure it supports larger strategic objectives.

Act differently.

Finance leaders must be catalysts for collaboration with academic leadership and IT departments to collectively own and assess data in order to make actionable decisions that are aligned with mission.



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