



Association of Catholic Colleges and Universities 2018 Annual Meeting

*Collaboration in higher education:
Questions we should be asking ourselves*

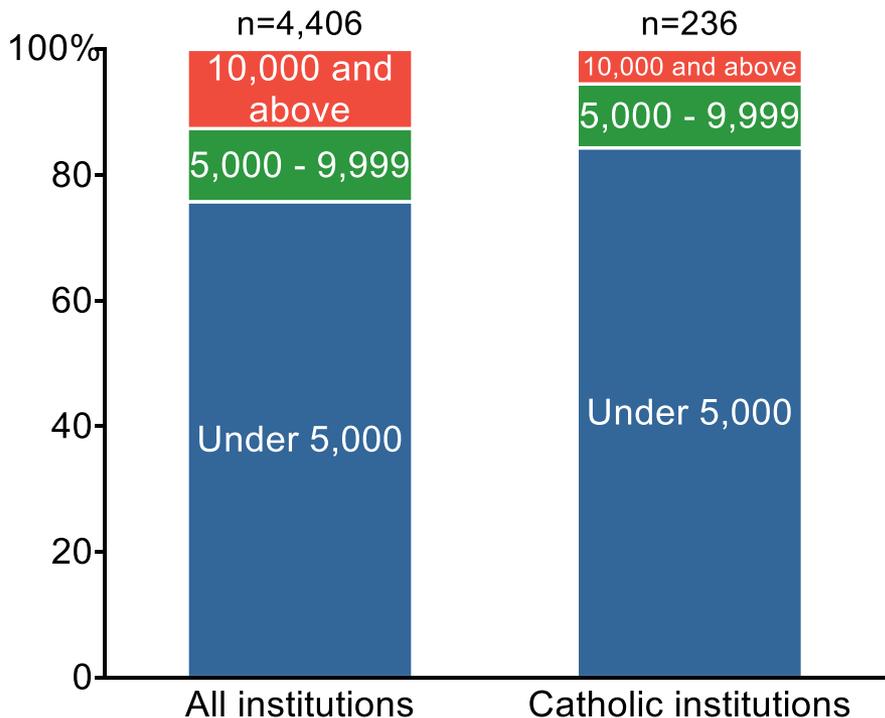
Kasia Lundy and Samantha Fisher

February 5, 2018

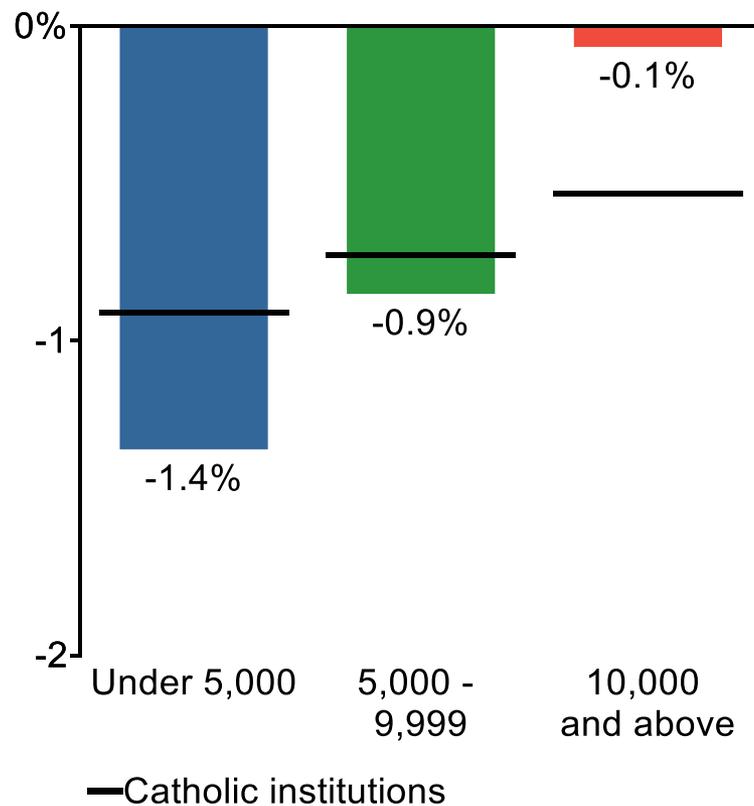
Industry context

Smaller institutions have felt the impact of increased competition most acutely; Catholic institutions experience market trends similarly

Number of institutions by size, 2016
All degree-granting institutions

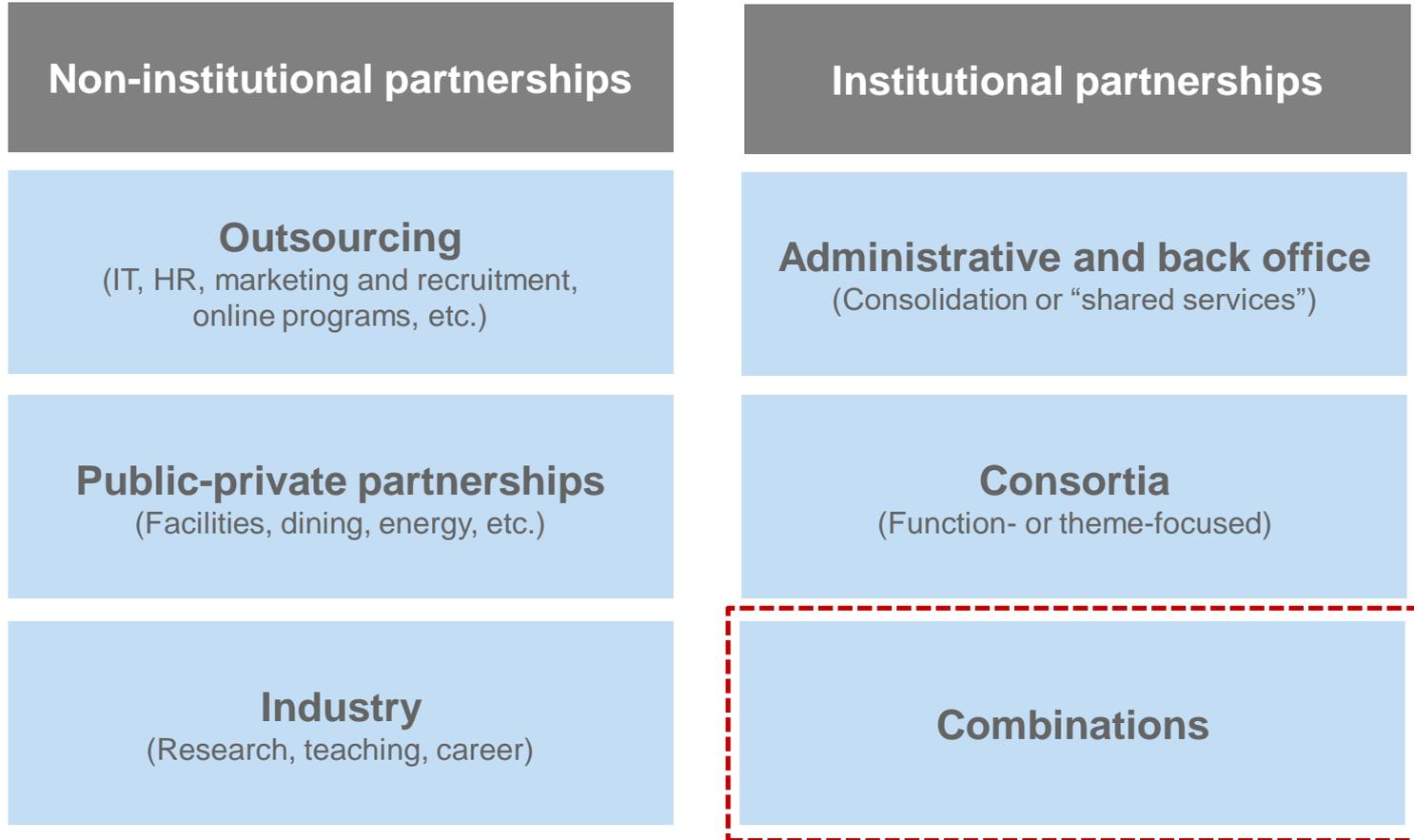


Enrollment trends by 2010 size, 2010–16
All degree-granting institutions



Collaboration

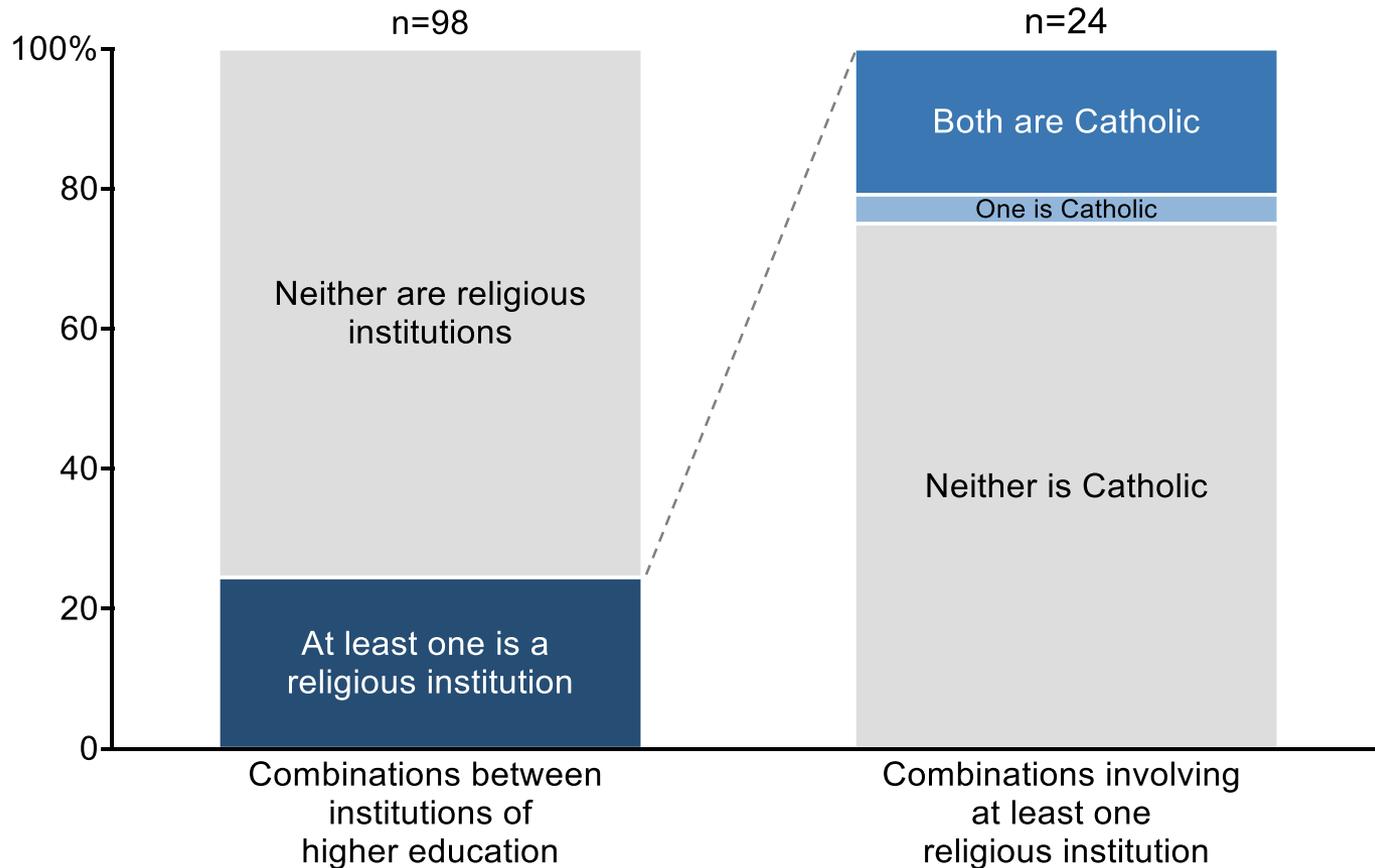
Institutions are looking to numerous options to address today's challenges, including combinations with other institutions



Collaboration

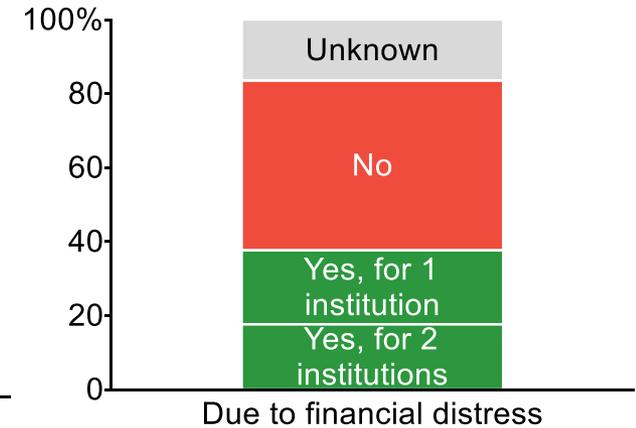
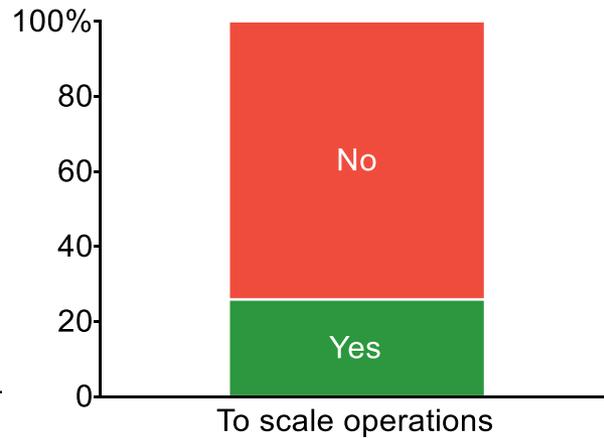
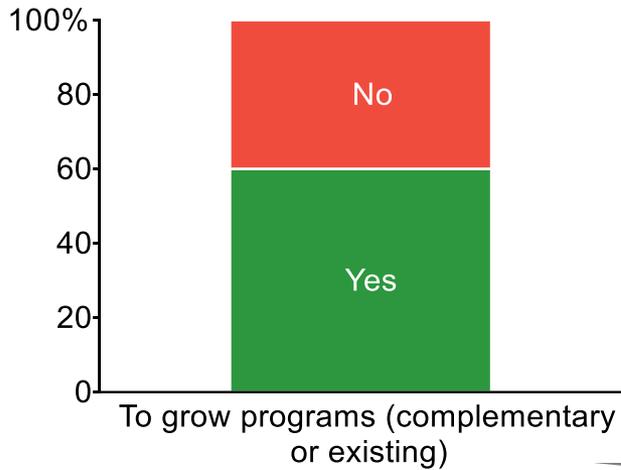
Of the 98 combinations we identified since 2000, roughly a quarter involve religious institutions, and a quarter of those involve at least 1 Catholic institution

Partnerships between institutions of higher education, by type of institutions involved, 2000–17



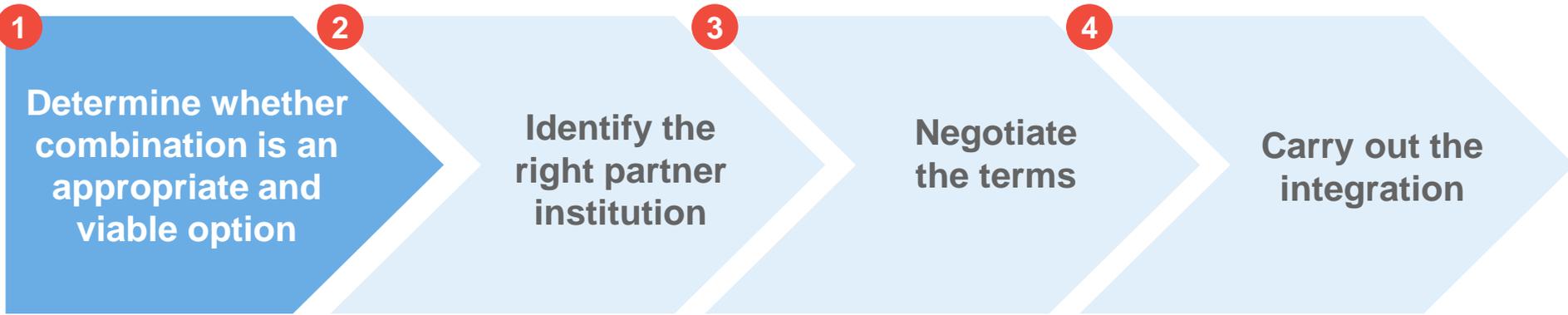
Collaboration

There are three primary motivations for combinations, which take multiple forms



Managing the combination process

Thoughtfully discerning whether combination is the appropriate path for an institution is a critical first step in the process



Why or why not?

Now or later?

If so, how?

Managing the combination process

There are a number of questions to consider to determine whether a combination is the right path forward

Why or why not?

Sustaining or expanding the mission: Does a combination have the potential to be better than standing alone?

1. Might it allow me to expand or preserve the mission of my institution?
2. Could it allow my institution to better serve our students and community?
3. Are there financial/operational synergies that could be achieved through this combination?
4. Might this approach offer access to capabilities or markets that could be difficult to grow organically? (e.g., online)

Now or later?

Internal considerations

5. Have recent shifts impacted my institution's ability to sustain its mission and operations? (e.g., financial challenges, changes in enrollments, significant retirements)
6. Would waiting cause the value of my institution to be diluted and put us in a worse negotiating position?

External considerations

7. Are there external market opportunities we could pursue jointly that we might miss out on alone?
8. Are others likely to take the best opportunities if we wait?

If so, how?

Seeking advice

8. What small group of individuals should be involved in the conversation at this early stage?
9. Should we seek outside advisors to aid in navigating this process?

Considering the facts

10. How could my board be encouraged to differentiate between feelings and facts?

Presenters



Kasia Lundy
Managing Director
EY-Parthenon
+1 617 478 6328
kasia.lundy@parthenon.ey.com

Kasia is a leader in the EY-Parthenon's Education practice, with a focus on the US market. In 2003, Kasia moved to Harvard University, where over the course of six years she held several senior administrative roles, including Chief of Staff to the President and Provost.

Since rejoining EY-Parthenon in 2009, Kasia has focused exclusively on education sector engagements. Her work in the sector spans primary, secondary and higher education systems, and includes higher education institutions (both public and private), school districts, state education agencies and private foundations.

Kasia's higher education engagements have included strategic planning, governance and organization structure design, revenue-generating strategies (online strategies, program development, alternative revenues), academic outcome improvement strategies, and operational efficiency improvement strategies.

Kasia holds a BA in Economics from Harvard University and earned her MBA from Harvard Business School.



Samantha Fisher
Vice President
EY-Parthenon
+1 617 478 4637
samantha.fisher@parthenon.ey.com

Samantha is a vice president in EY-Parthenon's Education practice, with a focus on the US market. She has nearly 15 years of experience in management and strategy consulting on projects located across 20+ countries, predominantly focusing in the education industry.

Samantha has worked across the spectrum of education, from nonprofit to for-profit, private to public, small to large, and at all ranges of selectivity. She helps leaders of these organizations advance their mission outcomes with the help of improved strategies and operations.

Her areas of focus include strategic planning, market entry and growth, operating model design and transformation, digital and analytics strategy, performance management and stakeholder management.

Samantha has an MBA from INSEAD and a BA in Economics and International Business from Brandeis University.

About EY-Parthenon and the Education practice

About EY-Parthenon

Parthenon joined Ernst & Young LLP on August 29, 2014. EY-Parthenon is a strategy consultancy, committed to bringing unconventional yet pragmatic thinking together with our clients' smarts to deliver actionable strategies for real impact in today's complex business landscape. Innovation has become a necessary ingredient for sustained success. Critical to unlocking opportunities is EY-Parthenon's ideal balance of strengths – specialized experience with broad executional capabilities – to help you optimize your portfolio of businesses, uncover industry insights to make investment decisions, find effective paths for strategic growth opportunities and make acquisitions more rewarding. Our proven methodologies along with a progressive spirit can deliver intelligent services for our clients, amplify the impact of our strategies and make us the global advisor of choice for business leaders.

About EY-Parthenon Education practice

Parthenon has served as an advisor to the education sector since its inception in 1991. The EY-Parthenon Education practice – the first of its kind across management consulting firms – has an explicit mission and vision to be the leading strategy advisor to the global education industry. To achieve this, we invest significantly in dedicated management and team resources so that our global experience extends across public sector and nonprofit education providers, foundations, for-profit companies and service providers, and investors. EY-Parthenon has deep experience and a track record of consistent success in working closely with universities, colleges, states, districts, and leading educational reform and service organizations across the globe.

Follow us for regular updates



Twitter | [@EY_Parthenon](https://twitter.com/EY_Parthenon)



Facebook | www.facebook.com/EYParthenon/



LinkedIn | www.linkedin.com/company/ey-parthenon

Learn more about us at parthenon.ey.com

EY | Assurance | Tax | Transactions | Advisory

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

EY-Parthenon refers to the combined group of Ernst & Young LLP and other EY member firm professionals providing strategy services worldwide. Visit parthenon.ey.com for more information.

© 2018 Ernst & Young LLP.
All Rights Reserved.

EYG no. 00579-183GBL

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax or other professional advice. Please refer to your advisors for specific advice.

ey.com