



RECOMMENDED STRATEGIC DIRECTION FOR CSU

REPORT OF THE PATH TO 2020 PROGRAM TEAM

APRIL, 2017



Cleveland State University

Office of the President

April 19, 2017

Dr. Ronald M. Berkman
President
Cleveland State University
2121 Euclid Avenue, AC 302
Cleveland, OH 44115

Dear President Berkman:

Strategic Direction for CSU

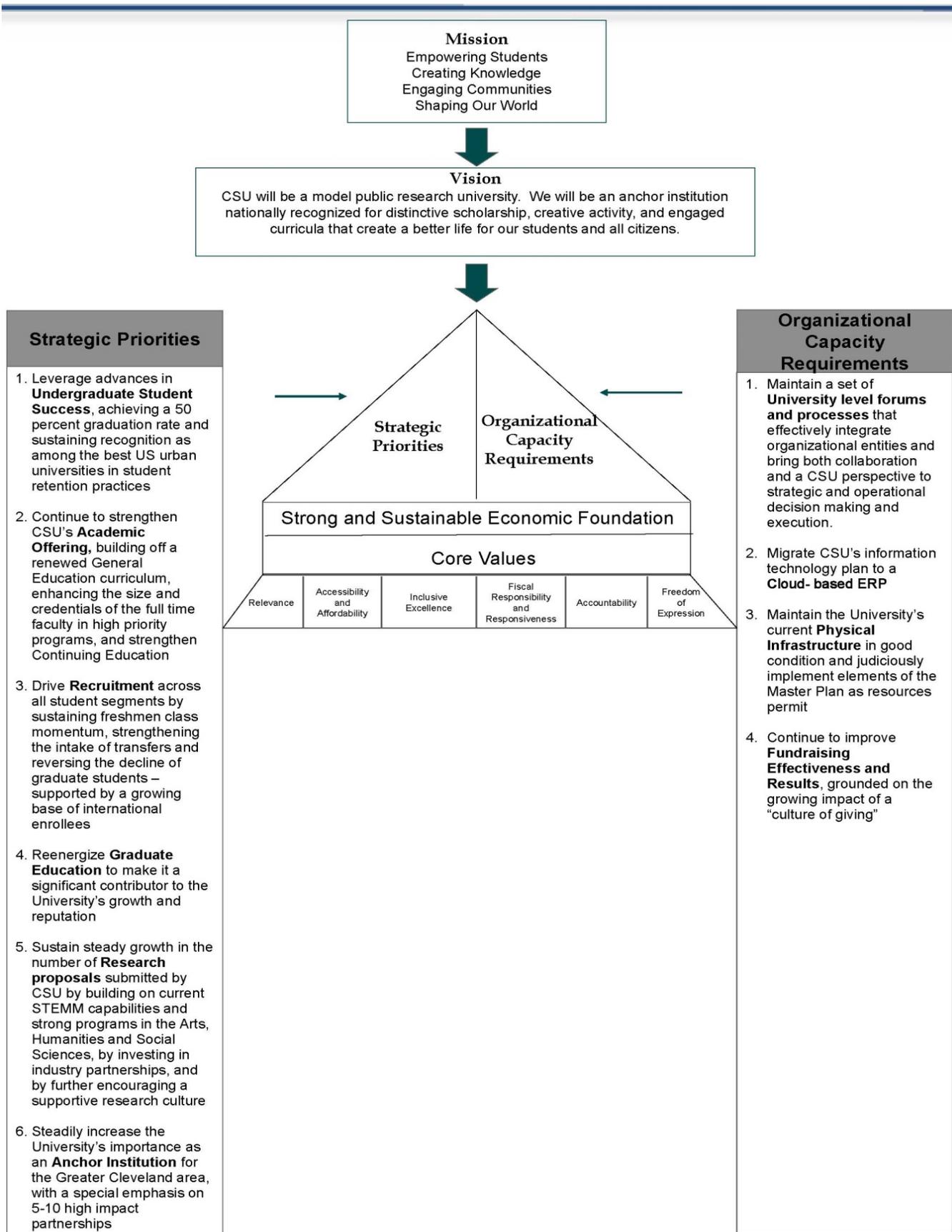
We are writing as the Team for Cleveland State's Path to 2020 Program to transmit one of the major end products of our work: **a recommended overall strategic direction for CSU** based principally on a synthesis of the conclusions and recommendations of the 16 individual projects that have been part of the Program since it was launched in August, 2015. This letter serves as both a summary of that strategic direction and an introduction to the report that follows. That document is organized in six main chapters, and the graphic on the facing page summarizes the direction that the Team recommends.

- I. Cleveland State's Twin Challenges: Renewing the University While Making Ends Meet.** As is well known, the forces at work in higher education today require fundamental changes in the way that four year public universities have operated – nothing short of a major reshaping of course offerings, delivery models, faculty roles, and economic structure. We at CSU understand the challenge of self-renewal and are well along in that multi-year journey.

At the same time, we face intense and chronic economic pressures from a combination of student demographics, heightened competition from other institutions, and State of Ohio funding policies – most particularly tuition freezes and restricted State Support for Instruction. As a result, Cleveland State University simply does not have the money required to invest in the arduous renewal effort at the level that is clearly required for success.

The strategic direction recommended in the attached document and highlighted in Chapter I addresses these twin challenges by calling for step-by step actions that will reshape CSU gradually over time. Put another way, there will be no dramatic changes in a single year, but looking back in the early 2020's CSU will be a different university from today – just as today it is a stronger institution than five years ago in 2012.

Cleveland State - Recommended Strategic Direction



More specifically, the strategy calls for reenergized building blocks of Mission, Vision, and Values; six sharply defined substantive Strategic Priorities, and four supporting Organizational Capacity Building requirements – all built upon a strong and sustainable economic foundation.

- II. Reenergized Building Blocks: Mission, Vision, and Values.** An effort to recharge Cleveland State’s current Mission and Vision – and to develop a first University wide set of Values – was an integral part of the Path to 2020’s project slate. The work was led by senior faculty members, and its core was a series of workshops with faculty, students, and staff. The second chapter of the attached document recommends these new building blocks of CSU’s strategic direction. We believe that the recommended Mission (“Empowering Students. Creating Knowledge. Engaging Communities. Shaping Our World.”) and Vision (“CSU will be a leading public, research university. We will be an anchor institution nationally recognized for distinctive scholarship, creative activity, and engaged curricula that create a better life for our students and all citizens.”) will be enthusiastically supported by the University community and provide both focus and energy for implementation of the other elements of CSU’s strategic direction.
- III. Sharply Defined Strategic Priorities.** The third chapter of the document spells out the substantive priorities that the 2020 Team believes are most critical to CSU’s success in meeting the University’s challenges. At the August 2016 President’s Retreat, the 30 person Senior Leadership Group broadly endorsed such priorities and ranked them in two tiers of importance.

Strategic Priorities

Tier I

1. Leverage steady advances in **Undergraduate Student Success**, achieving a 50 percent graduation rate and sustaining recognition as among the best US urban universities in student retention practices
2. Continue to strengthen CSU’s **Academic Offering**, building off a renewed General Education curriculum, enhancing the size and credentials of the full time faculty in high priority programs, and ramping up Continuing Education
3. Drive **Recruitment** across all student segments by sustaining annual growth of the freshmen class, strengthening the intake of transfers, and reversing the decline of graduate students – supported by a growing base of international enrollees

Tier II

4. Reenergize **Graduate Education**, making it a significant contributor to the University's growth and reputation
5. Sustain steady growth in the number of **CSU Research proposals** by building on current STEM capabilities and strong programs in the Arts, Humanities and Social Sciences; by investing in industry partnerships; and by further encouraging a supportive research culture
6. Steadily increase the University's importance as an **Anchor Institution** for the Greater Cleveland area, with special emphasis on 5-10 high impact partnerships

IV. Organizational Capacity Building Requirements. To deliver against a demanding set of substantive strategic priorities, any enterprise must have the commensurate and aligned organizational capacities – the individual talents, institutional skills, processes, organization, and culture to get the job done. Because this is especially true in the complex ecosystems of a university, the Path to 2020 Program asked each of the project teams to think through the specific capacities required to implement their recommendations.

Chapter IV of the document sets out the four capacities - summarized below – that are a synthesis of this work, and explains what is needed to put them in place.

Organizational Capacity Building Requirements

1. Maintain a set of **University Level Forums and Processes** that effectively integrate organizational entities and bring both collaboration and a CSU perspective to strategic and operational decision making and execution
2. Migrate CSU's information technology platform to a **Cloud-based ERP**
3. Continue to improve **Fundraising Effectiveness and Results**, grounded on the growing impact of a "culture of giving"
4. Maintain the University's current **Physical Infrastructure** in good condition and judiciously implement elements of the Master Plan as resources permit

V. Strong and Stable Financial Foundation. Cleveland State cannot fulfill its enduring Mission and achieve the University’s stretching Vision of accomplishment without a secure and sustainable economic base. This fifth chapter recommends a program for ensuring that is the case. It calls for a multi-part effort of conservative and disciplined management of all elements of CSU’s income statement and balance sheet.

VI. Near Term Implementation Plan. Of obvious but nonetheless vital importance, our strategy needs an implementation plan – particularly for the next year to maintain momentum as the temporary Path to 2020 structure is merged into the Office of Performance Management in May 2017. The final chapter of this document recommends such a plan. In particular, we recommend that each element of the strategy have an executive sponsor, that the President and Executive Committee lead the overall effort, and that the Office of Performance Management serve as the “Control Tower” and coordinating point in support of the University’s senior leadership team.

* * *

The 2020 Team submits this recommended strategic direction with the confidence that it is the right path for Cleveland State University for the next several years and – because of the extensive participation in each project – will be broadly supported by the University Community.

As members of the Team, we look forward to assisting in implementation in the best way that each of our individual roles can allow.

Sincerely,

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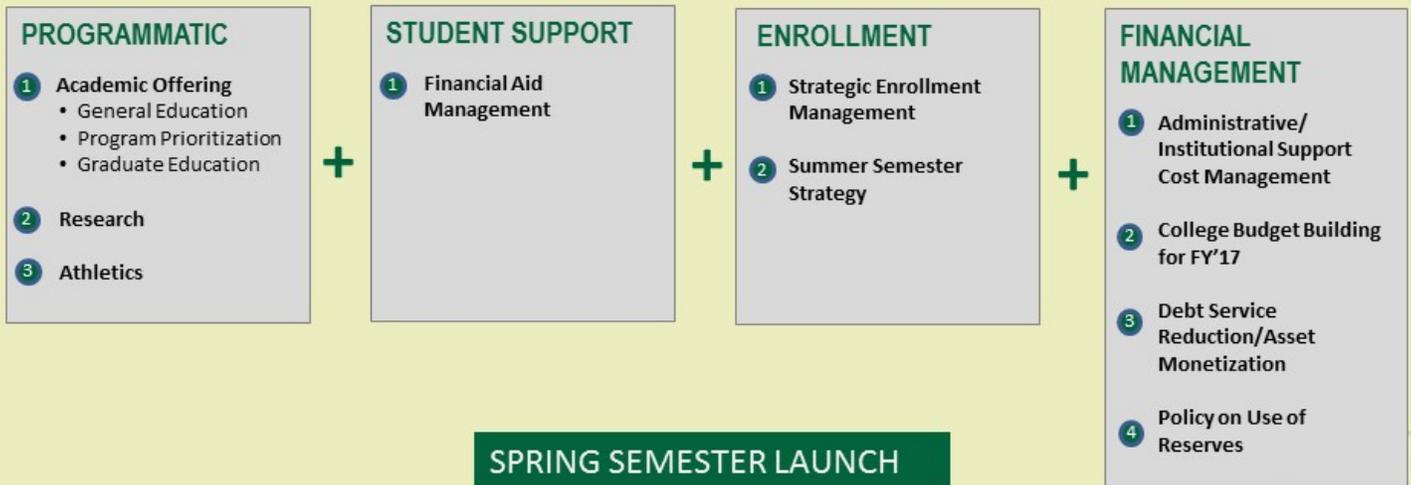
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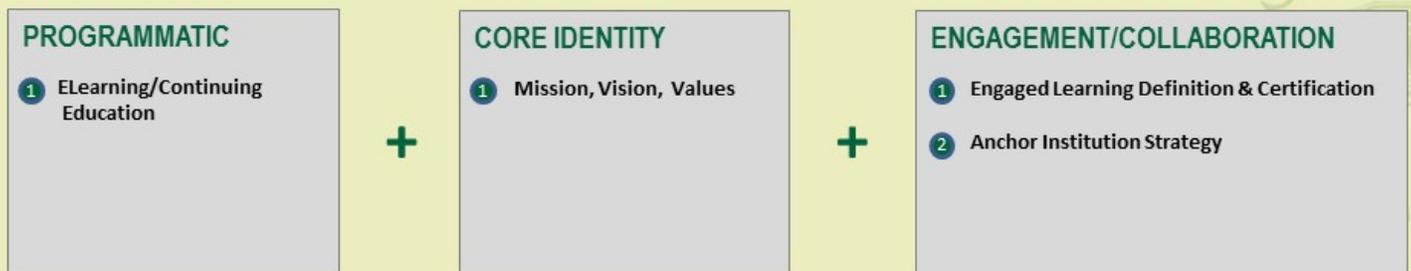
Path to 2020 Projects

Academic Year 2016

FALL SEMESTER LAUNCH



SPRING SEMESTER LAUNCH



SYNTHESIS OF OVERALL DIRECTION

Exhibit 1

I. Cleveland State's Twin Challenges: Renewing the University While Making Ends Meet

Cleveland State is today half way through a decade long journey to change the way we serve our students, support the Greater Cleveland Community, and improve the productivity of our public and private resources.

We began in 2010 with a concentrated effort to improve student retention through more effective approaches to student advising, course selection and registration, financial aid awards, and financial incentives to keep students on track to a degree. These approaches have been implemented to shorten the time to a degree, thereby lowering the student's out-of-pocket cost and increasing 6 Year Graduation Rates of entering freshmen from 30 percent in 2011 to over 40 percent in 2016 – an overall improvement of nearly one third.

Underscored by CSU's response to cuts in State funding in 2011, the University has also been committed to a prudent use of resources. This commitment has resulted in a record of significantly improved operational efficiency during academic years 2011-2016 – with balanced budgets throughout. Since 2011 this includes a 15 percent increase in the key indicator of Undergraduate Degrees Awarded/Educational & General Expenditures – an average annual productivity gain of 3 percent.

As the next major phase of the renewal process, CSU's Board of Trustees and senior leadership team together decided in summer 2015 to undertake a comprehensive review of virtually every aspect of the University's operations. The overall goal of the initiative – termed **The Path to 2020** – was to develop a comprehensive, energizing, and widely supported action plan to guide the next five years of Cleveland State's development.

The Path to 2020 Program with its 16 individual projects is shown on **Exhibit 1**. The Program is largely complete, and now – in Spring Semester 2017 – it calls for further reshaping of virtually every aspect of how CSU does its work. Almost any such change, however, requires significant investments in student support and talented people to accomplish its intended result. To cite just two of countless examples, CSU needs to sharply expand its service to adults in the community who wish to enhance their skills and employability with additional credentials – leading in some cases to a degree – through flexible curricula, primarily online.

One comprehensive approach to such a program is Competency Based Education, and its initial cost of development at CSU is estimated in the \$5 - \$10 million range. As a more focused example, 39 percent of CSU's undergraduate, lecture-based credit hours were taught by part-time faculty in Fall 2016 - too high for the quality of classroom instruction and mentoring that our students need. To make a significant impact on that percentage – for example, a reduction to 25 percent in 2021 - would require annual incremental expenditures for more full time faculty of at least \$1.5 million annually over the next five years, for a cumulative investment of some \$22 million.

The Path to 2020 Team’s judgement is that CSU’s Fiscal Year 2017 total budget of roughly \$300 million would need to increase by roughly ten percent – or \$30 million – to fund our full list of such transformational requirements while achieving a breakeven operation.

The circumstances that prevent such an investment are straightforward from a **revenue** standpoint.

- For Fiscal Years 2016 and 2017, the State of Ohio mandated no tuition increases for in state undergraduate students. Our revenues for Fiscal Year 2018 beginning July 1, 2017 would have been \$4 million higher with a modest two percent annual increase. The current version of the biennial budget proposes a continuing freeze, which – if enacted – will result in tuition revenue \$8 million below Fiscal Year 2015 going into Fiscal Year 2020.
- State Support for Instruction (SSI) has declined from 38 percent of CSU’s operating budget in Fiscal Year 2011 to 30 percent in Fiscal Year 2017. The comparable absolute dollar amounts are \$73.4 million and \$75 million respectively, and we are told to expect little or no increase for Fiscal Year 2018. Had CSU’s SSI allocation matched our productivity increase of 17.1 percent in undergraduate degrees, the University would have received some \$12 million more in SSI in our current Fiscal Year.

On the **cost** side of the equation, CSU’s total current dollar unrestricted operating expenditures have risen by an average of 2 percent annually over the last five years, and – in turn – most of that increase has been in employee salary and benefits, barely keeping pace with inflation. On a 2011 constant dollar basis, CSU’s budgets have been practically flat – in part reflecting a \$3.5 million in cost reduction in this current year, Fiscal Year 2017. In other words, the University has done an admirable job in restraining costs.

To step back, Cleveland State’s financial obstacles to continuing adaption and renewal are clear: we don’t have the funds we need because revenues are capped, and there is little room left for significant cost reduction. Hence, Cleveland State’s **Twin Challenges: Reshaping the University While Making Ends Meet**. The **overall strategic direction** emerging from the Path to 2020 Program and described in subsequent chapters seeks to strike that balance as best we can by:

- Structuring the elements of the strategy in a coherent **Strategic Framework** where each element reinforces the others.
- Focusing on a relatively short list of substantive **Strategic Priorities**, and supporting them with relatively modest new investment.
- Recommending that the required **Organizational Capacity** is in place to have the best chance of “working smart” on implementation.
- Committing the University to maintaining a strong and stable **Financial Foundation**.

Cleveland State - Recommended Strategic Direction

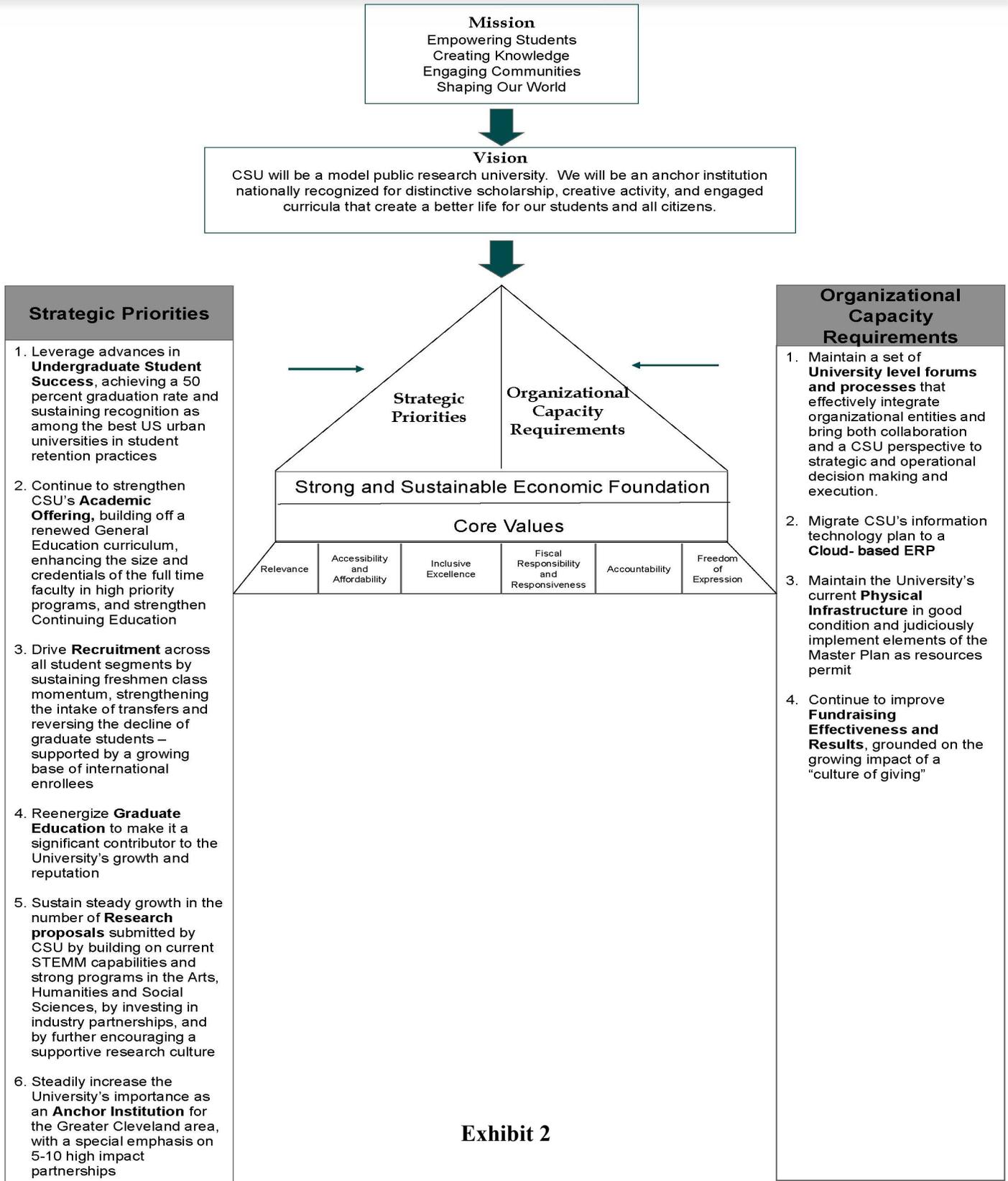


Exhibit 2

* * *

The substance of this overall direction which was summarized graphically in the previous letter to the President is shown again on **Exhibit 2**. The 2020 Team believes that with determined implementation it will represent a successful second five years of CSU's renewal journey and will result in a Cleveland State in the early 2020's which is even more impactful than today in serving our students and the Northeast Ohio community.

II. Reenergized Building Blocks: Mission, Vision, and Values

Mission, Vision, and Values represent an enterprise's core identity, and – as shown earlier - are both the apex and the foundation for the overall strategic direction that the Path to 2020 Program Team recommends for Cleveland State. Indeed, there is broad agreement in the world of management that compelling and widely supported Mission, Vision, and Values are essential to a high performing organization – because they can together unite and energize its stakeholders, ranging from employees through customers and community partners.

At Cleveland State, there are such statements in most Colleges, but the Mission and Vision at the University level have not been examined in a number of years. Our current Mission and Vision as shown below fall short of being memorable and compelling statements of the University's enduring purpose and what we aspire to achieve over the next, say, five years. In addition, there is no formal set of Values at the CSU level.

Current CSU Statements

Mission

“To encourage excellence, diversity and engaged learning by providing a contemporary and accessible education in the arts, sciences, humanities and professions, and by conducting research, scholarship, and creative activity across these branches of knowledge. We endeavor to serve and engage the public and prepare our students to lead productive, responsible and satisfying lives in the region and global society.”

Vision

“We will be recognized as a student-focused center of scholarly excellence that provides an accessible, engaged and exceptional education to all. We will be a place of opportunity for those who seek truth, strive toward excellence and seek a better life for themselves and for their fellow citizens. As a leader in innovative collaboration – both internally and externally – with business, industry, government, educational institutions and the community, the University will be a critical force in the region's economic development. We will be at the forefront of moral, ethical social, artistic and economic leadership for the future and embrace the vitality that comes with risk. We will be the strongest public university in the region and be known for our scholarship and diversity in service to students and to our community.”

CLEVELAND STATE UNIVERSITY

Mission

Empowering Students. Creating Knowledge.
Engaging Communities. Shaping Our World.

Vision

CSU will be a leading public, urban research university.

We will be an anchor institution, nationally recognized for distinctive scholarship, creative activity, and engaged curricula that create a better life for our students and all citizens.

Values

Relevance: Providing our students with the resources they need to persist and succeed in their career pathways, the community with active citizens, and the region with enriching scholarship and creative activity.

Community engagement: Connecting the university to the larger community through meaningful, mutually beneficial partnerships.

Accessibility and affordability: Providing high-quality, accessible, and affordable educational experiences to a wide spectrum of students.

Inclusive excellence: Ensuring that we are a diverse institution where the collaboration and involvement of all are encouraged, all voices are heard, and all are treated with dignity and respect.

Fiscal responsibility and responsiveness: Being good stewards of public and university resources and anticipating the best ways to deploy them.

Accountability: Being responsible for our words, our actions, and for their consequences.

Freedom of expression: Protecting and championing the right to freely communicate ideas without censorship and to study material as it is written, produced, or stated.

Exhibit 3

Accordingly, a 2020 Project Team was charged to “Develop updated Mission, Vision, and Values statements with content that energizes the University and is engaging to the broader community.”

The Results

The Team designed its process in Summer, 2016 and conducted its first workshop with the Senior Leadership Group at the President’s Retreat on August 10. The 30 leaders were divided into five groups which each developed a recommended mission by “telling a story” about CSU when “we are at our best”. That process worked well, so was replicated with seven similar sessions in the Fall Semester: three with faculty and two each with students and staff.

In December and January, the Team synthesized the results and translated the underlying ideas and words from the some 20 proposed missions that resulted from the workshops into a single recommended Mission supported by a new Vision for CSU and the University’s first set of Values. The Senior Leadership Group reviewed those end products on January 27, 2017 and the Team made additional changes. The President’s Cabinet suggested further refinements at a meeting on March 27 and agreed on a final version (Exhibit 3) to be recommended to the Board of Trustees.

Particularly in the Mission and Vision statements, each word or phrase was discussed and debated for its meaning and importance. In the workshops, for example, “Empowering Students” had special significance as opening lifelong opportunities that our particular student body might not have available were it not for Cleveland State, as well as enabling them to make many choices about their educational career and community involvement while at the University.

Using Mission, Vision, and Values Strategically

The 2020 Program Team believes that these new statements lend coherence and power to CSU’s strategic direction. First and most basic, they provide a broader context for the Strategic Priorities. Each of these six individual priorities is essential for achieving some element of the recommended Mission and Vision. Second and equally important, the Mission and Vision set high aspirations for what Cleveland State University is all about – and specifically what we want to achieve and how we will conduct our business.

These benefits, however, will be realized only if the new statements are broadly communicated and then gradually infused into the ongoing behavior of the University community.

To that end, we recommend the following next steps.

- **Gain endorsement of the Board of Trustees.** Approving an institution’s Mission, Vision, and Values is of course among the highest priority governance responsibilities of its Board of Trustees. Thus, gaining the endorsement of CSU’s Board is an essential next step now that the President’s Cabinet has signed off on the recommendations from the Project Team, with subsequent refinements from the March 27 meeting.

- **Incorporate the new Mission, Vision, and Values in the University’s many communications vehicles**, both print and electronic. These elements of CSU’s core identity may well merit a broad-based communication program developed by the leadership of the Marketing & Communications Division in collaboration with the Office of Program Management and then endorsed by the President’s Cabinet and Senior Leadership Group. At a minimum, however, they should be used to update the language currently on CSU’s websites and in printed materials across the University.
- **Consider a series of workshops with key stakeholder groups.** Experience shows that Mission, Vision, and Values come to life when discussed in small groups of employees, volunteers, and external constituents – with a focus on what they mean in practical terms for day – to – day behaviors, interactions, and decisions.

While time consuming and arduous, these discussions can generate momentum and belief in the institution’s future – especially in the headwind of difficult external challenges. Accordingly, the Path to 2020 Team recommends a modest pilot project to test this approach at CSU.

* * *

With enthusiasm for the Mission, Vision, and Values described above, the chapter that follows recommends six Strategic Priorities to deliver against the aspirations they represent.

STRATEGIC PRIORITIES: DRIVEN BY MISSION AND VISION

Recommended Mission and Vision	Recommended Strategic Priorities					
	1. Undergraduate Student Success	2. Academic Offering	3. Recruitment	4. Graduate Education	5. Research	6. Anchor Institution
Mission						
• Empowering Students	✓	✓			✓	✓
• Creating Knowledge		✓		✓	✓	
• Engaging Communities	✓	✓				✓
• Shaping Our World	✓		✓		✓	✓
Vision						
• Model Public Urban Research University	✓	✓	✓	✓	✓	✓
• Anchor Institution	✓	✓	✓		✓	✓
• Nationally Recognized		✓	✓	✓	✓	
– Distinctive Scholarship						
– Creative Activity			✓	✓	✓	
– Engaged Curricula	✓	✓	✓			✓
• Better Life	✓					
– Students			✓	✓		✓
– All Citizens					✓	✓

Exhibit 4

III. Sharply Defined Strategic Priorities

Experience shows that an enterprise makes the greatest progress by choosing a relatively small number of strategically critical priorities and pursuing them with focus and disproportionate resources over at least several years. By contrast, most organizations – including higher educational institutions – maintain a long list of good intentions that satisfy their range of stakeholders’ desires and then have difficulty implementing them. As a result, the enterprise makes little strategic progress.

Mindful of that contrast, the Path to 2020 Team recommends the relatively short list of six strategic priorities described in this chapter of our report. All six have been either stated or implicit substantive CSU priorities over at least five years. All tie to the Mission and Vision recommended in Chapter II as is shown on **Exhibit 4**, and all were to some extent addressed by one of the 16 of the Path to 2020 projects. These six priorities are divided into two tiers of importance based on the views of the Senior Leadership Group at the President’s Retreat in August, 2016, and the Tiers represent therefore, the relative claim on Cleveland State’s leadership attention and limited financial resources. On that last point, each 2020 Project Team identified the highest impact investments needed to implement its recommendations. Taken together, they represent additions to the operating budget of \$5-6 million annually – or about two percent of the total. The 2020 Team believes, therefore, that a relatively small amount of money could make a significant strategic difference.

Tier I: Undergraduate Student Success, Academic Offering, and Recruitment

Three interrelated priorities are the lifeblood of the University and therefore are in the first tier of strategic importance. In the vernacular, if CSU could only tackle and accomplish three main things going forward, they are these.

1. Leverage Advances in Undergraduate Student Success

Student Success has been CSU’s top strategic priority since 2010 with a particular focus on the retention of entering freshmen through to graduation in six years. Outsiders have observed that a commitment to “Student Success” is palpable across the University and the most noticeable element of CSU’s institutional culture. Two Trustee-approved comprehensive College Completion Plans – (2014-2016 and 2016-2018) have helped drive actions and resource allocations to that end, and Cleveland State’s initiatives to improve retention have been nationally recognized. Specifically, in 2015 the American Association of State Colleges and Universities (AASCU) awarded CSU the prestigious (only two in the country) Excellence and Innovation Award for Student Success and College Completion. In 2016 the University was one of five finalists in the Project Degree Completion Award given by the Association of Public and Land-grant Universities (APLU) in recognition of innovative approaches to improve retention and degree completion.

Most significantly, an institution – wide focus on Student Success has resulted in impressive gains. Six year graduation rates for IPEDs freshmen cohorts have increased from 30 percent for the cohort to graduating in 2011 to 40 percent for the cohort graduating in 2016 – an improvement of over one third. An important contributor to increased freshman graduation is steady increasing retention rates from the freshmen to sophomore years – from 66 percent in 2011 to 71 percent in 2016.

The table below (**Exhibit 5**) shows a broader picture: historical results for ten cohorts of both entering freshmen and transfer students, summing to an overall weighted average graduation rate of 48.7 percent in 2015 – close to a one fourth increase since 2006.

CSU Undergraduate Graduation Success Rates - FTIC (First Time in College Freshmen) and Transfer Students
Using a Six Year Cohort

Cohort Start	6 Year Graduation - Term	FTIC Starting Cohort #	FTIC Graduations #	FTIC Grad Rate	Transfers Starting Cohort #	Transfers Graduations #	Transfers Grad Rate	FTIC + Xfers Starting Cohort #	FTIC + Xfers Graduations #	FTIC + Xfers Grad Rate
Fall 2000	Spring 2006	934	283	30.3%	922	452	49.0%	1,856	735	39.6%
Fall 2001	Spring 2007	1,008	322	31.9%	1,175	602	51.2%	2,183	924	42.3%
Fall 2002	Spring 2008	946	248	26.2%	1,133	556	49.1%	2,079	804	38.7%
Fall 2003	Spring 2009	925	266	28.8%	988	529	53.5%	1,913	795	41.6%
Fall 2004	Spring 2010	922	274	29.7%	802	464	57.9%	1,724	738	42.8%
Fall 2005	Spring 2011	955	286	29.9%	834	479	57.4%	1,789	765	42.8%
Fall 2006	Spring 2012	947	318	33.6%	921	499	54.2%	1,868	817	43.7%
Fall 2007	Spring 2013	1,132	361	31.9%	1,044	630	60.3%	2,176	991	45.5%
Fall 2008	Spring 2014	1,007	395	39.2%	1,095	646	59.0%	2,102	1,041	49.5%
Fall 2009	Spring 2015	1,127	437	38.8%	1,095	646	59.0%	2,222	1,083	48.7%

Exhibit 5

As an aspiration for the gains that CSU can achieve with Student Success as a continuing top strategic priority, the 2020 Team recommends that the University’s leadership **consider a commitment to the following goals by 2022.**

- **Entering Freshmen – 50 percent**
- **Transfer Students – 65 percent**
- **Combined Undergraduate Student Body – 58 percent**

To reach these graduation rates will require that Student Success remains the overriding element of CSU’s culture – one that influences our mindset, action plans, and resource allocation across all functions and departments of the University.

For example, the 2014 - 2016 College Completion Plan set out an integrated program of eight major actions that in combination demonstrated the highest impact ways to help students progress to a timely graduation. The 2016-2018 College Completion added an additional nine initiatives, building on the lessons learned in the prior several years. Many of these are academically oriented, but others assist students with the array of employment, personal, and financial challenges that work against staying in school. The Division of Student Affairs plays a critical

role in these, and supporting their major programs is an essential part of this highest strategic priority. These efforts include:

- Career Services, including internships
- Counseling Services
- Food self-sufficiency
- Access to health care and health insurance
- Affordable student housing
- Access to child care services

The list of other CSU departments that support Student Success is long. To mention just several, the International Division has countless services to meet the particular needs of our some 1,700 international students; Financial Aid and Treasury Services administer approximately \$50 million annually in grants and scholarships; the Athletics Division provides a range of academic advising and other services to help enable over 300 intercollegiate athletes enjoy successful academic careers at CSU.

Considering the whole range of activities and services, the Retention Roundtable has brought together senior administrators from a number of Divisions and has catalogued necessary support for students “Beyond Financial Aid”. Many actions are underway to expand existing capabilities or to add new ones, and in Fall 2016 the Roundtable recommended ten such new initiatives to the President and Executive Committee. They included an organized campaign – led by College Deans – to increase Starfish early alert use by the faculty, and the provision of “risk” scores to advisors enabling them to focus intrusive advising efforts on students in their caseload at greatest risk.

2. Continue to Strengthen CSU’s Academic Offering

A second Top Tier strategic priority is to further strengthen Cleveland State’s Academic Offering, the educational product the University delivers to its students and – through them – to employers. At the outset of the 2020 Program, the Team worked with the Provost’s Office and the Division of Engagement to charter four Path to 2020 Projects that directly addressed ways to strengthen CSU’s current Academic Offering. Following through on the conclusions and recommendations of the Projects are integral to this strategic priority.

General Education

In 2007 and 2008, the General Education Task Force created by CSU’s Faculty Senate proposed what became known as GenEd 08, which has remained Cleveland State’s system of requirements until now. Given the many changes in the GenEd field over the last eight years, a new ad hoc General Education Committee of the Faculty Senate was created as part of the Path to 2020 effort to undertake a thorough assessment of this critical component of the University’s academic offering which aims to develop students’ skills in six areas: writing, quantitative analysis, critical thinking, information evaluation and interpretation, working in groups and oral communications. (Each General Education course – other than quantitative literacy – must incorporate two of these skill areas).

The Committee began its work in Fall 2015, under the leadership of a newly appointed Director of General Education. Among many other activities, the Committee organized a summit on Undergraduate Education in the 21st Century, held in April 2016 with both outside and CSU experts. Summit attendees responded to directed questions and provided numerous suggestions and recommendations that the Committee incorporated in its work. That work was completed and captured in a report dated Spring 2017. The Committee made 12 recommendations divided into three broad areas:

- **Framework (4 recommendations).** The report first recommends a “scaffolding” to strengthen the integration of current general education requirements into programs for majors. In particular, academic schools and departments determine the general education skills and requirements important to each major and map them accordingly into the curriculum at key points in the student’s academic career. A second Framework recommendation is to simplify General Education by dropping the non-US requirement, and a third (expanded upon below) is to add Civic Engagement as a General Education skill. A fourth is to remedy the lack of availability of certain courses through a multi-pronged approach.

The third Framework recommendation noted above to add Civic Engagement to General Education was closely tied to the outcome of the **Engaged Learning Definition and Certification Project**, which was also part of the Path to 2020 project slate. That Project - which completed its text report in Fall 2016 - proposed a CSU Engagement Pyramid and an accompanying Five C Framework for Community Engagement with requirements and a methodology for certification. The Project also recommended that the certification effort become part of General Education. In endorsing this recommendation, the General Education Committee noted that the American Association of Colleges and Universities has defined Civic Engagement as a skill area – and that more importantly it is integral to our identity as a university. Moreover, the 2020 Team notes that the proposed Mission calls for “Engaging Communities” and the Vision commits CSU to “Engaged Curricula”.

- **Implementation (5 recommendations).** The Committee first recommends improved criteria sheets and rubrics to strengthen ongoing assessment of General Education, and secondly that the skill areas in each course be added to the catalog description. A third recommendation is a systematic review of all General Education courses, of which there are 577 currently. Additional Implementation recommendations are to increase opportunities for oral communication (starting with a pilot program of “Reacting to the Past” which has nationally recognized pedagogy), and to allow innovative or topical courses on a “Pop Up” basis.
- **Support (3 recommendations).** For ongoing support, the Committee strongly endorses regular professional development around General Education topics (such as scaffolding and curriculum mapping) delivered through the Center for Faculty Excellence. The group also recommends strong efforts to promote the need for General Education to students, faculty and staff. Finally, the Committee recommends that the cap size of Writing Across the Curriculum courses be reduced from the current 35 to a “best practice range of 20 to 25 students.

Implementation of the ad hoc Committee's recommendations begins with broad approval by the Faculty Senate before the end of the current academic year. With that endorsement, the report will go to the Curriculum Committee for the development of detailed recommendations at the individual course level, with approval targeted in Fall 2017 to enable initial implementation during the 2019 Academic Year.

Program Prioritization Follow On/High Priority Programs

Recommendations to further invest in CSU's strongest academic programs emerged from the Path to 2020 Program Prioritization Follow On Project. The original program prioritization process began in Academic Year 2013 -2014 and systematically identified and classified the some 150 of the University's academic programs into 3 Tiers: Invest, Maintain, and Suspend. A fourth category – Further Review – was created for those programs for which additional data and evaluation were necessary. Faculty lines accrued from the suspension and/or elimination of programs were earmarked for investment in Tier 1 programs. Phase 1 completed that task, at which point there were 24 programs in the "Suspend" category and 31 programs classified as "Further Review". By January 2016 the status of all those programs had been resolved, and Academic Affairs concluded its review of low enrollment courses. In January 2016, that Board-approved report to the Chancellor of the Ohio Department of Education summarized the process for identifying such courses and for removing them from the schedule as it becomes apparent that they will not meet the required threshold enrollment.

Beginning early in 2016, the Project shifted its attention to reallocating resources to "Invest" programs – under the leadership of the Provost and Vice Provost for Academic Planning. The work has focused on the following programs demonstrating those with high employer and student demand and therefore with the best prospects for short term enrollment growth:

- **Arts/Film School**
- **Engineering**
- **Health Sciences**
- **Nursing**
- **Social Work**

In parallel, the Executive Committee began the process of allocating discretionary resources to these investments. **A companion overall goal has been proposed: namely, to reduce the percentage of undergraduate student credit hours (lecture-based) taught by part-time faculty from 39% in Fall 2016 to 25% in Fall 2021** through the hiring of additional tenure-track and full-time non-tenure track faculty for high demand programs.

Adult, Continuing and Online Education

A clear and accelerating trend in higher education is for universities to provide a comprehensive and coordinated system of continuing education which enables adults to build the skills needed for enhanced employment or to work toward a degree. At Cleveland State, since 2011 Continuing Education has been dispersed across the Colleges and there is no University-level leadership.

At least partially as a result, CSU today is behind competitors in providing such an offering and in capturing the revenue opportunities it can provide.

With the aim of addressing this shortfall, a team of faculty, staff and administrators was assembled in Spring 2016 with a 2020 project charter to develop strategies for 1) Building and expanding on current continuing education initiatives as CSU's adult learning centerpiece; 2) Supporting CE academic units' efforts to build relationships with local employers, and 3) Marketing customized, high-quality, research-based non-degree programs and professional certificates for adult learners.

The Team produced white papers on Competency-based Education (CBE) and Prior Learning Assessment (PLA) and carefully examined best practices and business models from the Council on Adult and Extended Learning. Its final report dated December 2016 made three broad sets of recommendations and proposed a number of specific actions within them.

- **Continuing Education.** Most importantly the Team concluded that after several years in a decentralized model, the time is now to establish a well-defined Continued Education organization at the University level that will support entrepreneurial and well-structured programs within Colleges, but also provide strong overall substantive leadership and accountability – as well as consistency in reporting, student records, and financial oversight. Noting that the Office needs to have the prominence and authority to work with seven or more academic Colleges across the campus, the Committee strongly recommended that it be located in the Provost's Office.

With this organizational change, the Committee believes that Continuing Education can be a growing and self-sufficient entity, and respond to the University's pressing need for a strengthened adult education program.

- **Prior Learning Assessment (PLA).** This term refers to methods used to evaluate whether learning acquired outside the traditional academic environment meets college-level standards for credits. The Project Team concluded that CSU currently has a number of ways to award such credit (the most extensive being the one semester portfolio assessment in the College of Urban Affairs), but that there are a number of opportunities to expand these opportunities to benefit current and future adult learners at the University. In particular, the Project Team recommended eight follow up steps to capitalize on this potential.
- **Center for e-Learning.** The Center was established in 2006 and provides a highly regarded range of services, technical support, and pedagogical expertise – with a strong track record of accomplishment. The Committee's report recommended that the Center and online education remain in the Office of Academic Planning – but with strengthened relationships and collaborations with Continuing Education and PLA.

To move forward on this third 2020 Project that supports the priority of strengthening CSU's academic offering, the essential first step is to **recruit the senior leader for Continuing Education** that the Project Team recommends reside in the Provost's office. In turn, the 2020 Team views this as a clear and immediate need for Academic Year 2018.

3. Drive Recruitment Across all Student Segments

The third of the Tier I substantive Strategic Priorities calls for a continued and concerted University level effort to be a winner in the highly competitive battle to recruit new students to CSU. The underlying rationale for recruitment – together with its companion, Student Success reflected in retention and graduation – is compelling: to fulfill the University’s mission to provide a high quality, accessible education for the largest possible number of Northeast Ohio residents; to generate sufficient revenue to be financially viable in the face of restricted tuition growth and largely inevitable expense increases; to bring the University to scale in key academic programs; and to utilize CSU’s full physical capacity estimated several years ago to be roughly 19,000.

Recruitment has long been a strategic priority at Cleveland State, and demonstrates how performance can be sharply improved with top level attention and focused resources. For example, through a number of action programs and investments, the entering Freshman class has grown from 1,148 in 2010 to 1892 in 2016 – an increase of 65 percent. In parallel, the number of International Students has grown by some 50 percent to 1,494 in 2016.

Top level attention to recruitment was again underscored by the Strategic Enrollment Management Task Force chartered by President Berkman in summer 2014. The Task Force completed its work in July 2015. The group recommended that CSU adopt both overall guiding principles and specific enrollment objectives to serve as touchstones and a focus for these activities and individual contributors. These included a recommended overall objective of growing enrollment (and accompanying credit hours) from 17,345 in Fall 2014 to at least 18,000 by 2020 – a growth of about 4%.

The Task Force further recommended that CSU drive recruitment and retention through six student segments – more specifically that CSU build around four primary segments (Freshmen, Undergraduate Transfers, Graduate Students, and Summer Students), supplemented by two cross-cutting student segments, which are International and Veterans. The Task Force spelled out specific objectives, an overall strategic approach, and main actions for each segment – where appropriate, divided into recruitment and retention separately.

To ensure ongoing implementation, the Task Force urged the creation of a cross-organizational Strategic Enrollment Working Group chaired by the Vice President – Enrollment Services and meeting at least monthly. The new Group was to include those with senior operating responsibilities for Academic Planning, Academic Programs, Admissions, Budgeting, Financial Aid, Marketing, International, Registration, and Student Affairs.

The Path to 2020 Project was a follow on effort with the objectives of getting that Working Group up and running, and developing and begin executing a comprehensive implementation plan for the recruitment and retention of each of the six primary student segments identified in the original Task Force report. The Working Group was created, set to work, and completed those plans by late January 2016 – finalizing its planning effort with a comprehensive written document. The Group (now known as the SEMWG) continues regular meetings that focus on achieving current enrollment targets.

To execute CSU's new student segment strategies the Group has recommended a number of individual expense investments totaling roughly \$800,000 annually. The payback from those is rapid and substantial, reflected in the tuition generated by more enrolled students – and to date a significant portion of these investments have been approved.

Implementation plans also include a variety of steps to improve the impact of CSU's countless recruitment and retention efforts in each student segment, under the umbrella of effective cross-functional coordination for the first time in the University's history. If the targets for each segment are met, the University's enrollment efforts will generate significantly more students in a tough competitive environment, but with only modest additional expenses. As the 2020 Team sees it, sustaining these efforts are clearly one of CSU's top three strategic priorities over the next five years.

Tier II – Graduate Education, Research and Anchor Institution

Making up the remaining three Strategic Priorities are the urgent need to reenergize Graduate Education, to further strengthen Research, and to implement a comprehensive Anchor Institution Strategy.

4. Reenergize Graduate Education

Ten years ago in 2006, Graduate students numbered 5,617 and were roughly 37 percent of CSU's overall student population. The University was distinguished for the large number of Northeast Ohioans who furthered their education and careers. In Fall 2016 there were 4,135 graduate students, and the comparable percentage was about 24 percent. Student Credit Hours have generally mirrored this decline, with the accompanying significant loss of tuition revenue to the University.

In this context, the Strategic Enrollment Task Force's recommended objective for this highly significant student segment was to **slow the decline by increasing enrollment of new graduate students by about 100 in Fall 2016 and sustaining that number to 2020** resulting in a **graduate student plus Law enrollment in 2020 of 4900**. The Task Force noted that even with recruiting gains, this 5% decrease will occur because historical retention patterns demonstrate that graduate students who begin years earlier will be leaving CSU in greater numbers than new students will be entering.

The Strategic Enrollment Management Task Force further observed that meeting and sustaining the 100 student annual enrollment increase will require **aggressive recruitment, both domestic and international**. Although more than 7% of CSU's current graduate students are from the region, the University's graduate programs can compete – with proper strategies and resources – in state, national and international markets to reach thousands of potential students with a compelling primary value proposition combining a high quality and affordable graduate education, engaged learning and practice-oriented training, and opportunities to work and interact with leading researchers or highly successful business or government executives.

For domestic recruitment, the Task Force endorsed five main actions ranging from implementing a comprehensive team-based process through ramping up marketing support, and assessing the potential for recruiting students who work at employers providing tuition assistance. To follow through on these recommendations and to broadly consider ways to reenergize Graduation, the charge to the 2020 Graduate Education Project Team was to formulate a set of strategies to improve

enrollment and to strengthen the role and effectiveness of the Graduate School. In particular, the Project's charter had three principal objectives:

- Develop a comprehensive approach to increase graduate student recruitment and retention
- Identify programs and certificates with the potential for increasing enrollment and/or enhancing the University's mission
- Examine graduate student assistantship funding allocations

With the aid of reports from external consultants from the Council of Graduate Schools and a preliminary report from Noel-Levitz, the Team's report dated Spring 2016 contained over 50 specific recommendations to address these three objectives, and the College of Graduate Studies undertook implementation of a number of them while the work was in process. At the same time, the Team identified several investments required for full implementation and for meeting the CSU strategic priority of reenergizing Graduate Education and the goal of stabilizing enrollment at roughly 4,900 students by 2020. These totaled approximately \$500,000 in annually recurring costs, and the major investments were to:

- Engage outside resources to develop a **Graduate College Branding** program and a **comprehensive strategic marketing plan**
- Dedicate IT resources to Graduate program **website design and maintenance** within each College and the School of Nursing
- Procure an **outside vendor for graduate admissions applications** to gain efficiencies in enrollment management
- Increase **graduate student assistantship funding** specifically dedicated to external matching grant funds
- Add **two full time permanent positions** to the Graduate College's staff to assist with student recruitment and retention, particularly with the development of personalized communications plans

In the view of the Path to 2020 Team, these investments are well warranted for the strategic priority of reenergizing Graduate Education at CSU, with the consequent positive impact on both the University's Mission and its annual operating economics.

5. Sustain Steady Growth in Research Proposals

Cleveland State's Mission commits to "**Creating Knowledge** and its Vision is to be "a model public urban **research** university. Due to years of work to strengthen its research position, today CSU is one of 107 institutions in the United States classified as "R2: Doctoral Universities – Higher Research Activity" in the company of well-known institutions such as Auburn, Dartmouth, Lehigh, Rutgers, Wake Forrest, UNC, and Southern Methodist to name just several. (The country has 115 institutions classified as R1: Highest Research Activity).

Indeed, according to the Chronicle of Higher Education Almanac, CSU led all U.S. universities for increases in research spending in science and engineering between fiscal years 2004 and 2013. CSU was first in the nation for the greatest increase in total research spending, with a 298% increase; first in the nation for the greatest increase in federal research spending, with a 684% increase; and twelfth in the nation for the greatest increase in corporate research spending, with a 459% increase. As an urban research university, these rankings are just one of the ways to measure the effect of the continuous strengthening of the research culture at Cleveland State.

A clear Strategic Priority for the next five years is further build CSU's research capabilities, and the Path to 2020 Research Strategy Project developed a comprehensive blueprint to that end under the leadership of the Office of Research. That plan is captured in the Project's report dated Spring 2016, and included stretching three year **Strategic Performance Goals** to increase:

1. The **number of external funding proposal submissions** by 40%
2. The University's **research expenditures** by 20% to continue to enhance Cleveland State's national research ranking
3. **Private-sector funded sponsored program expenditures** by 20%

To achieve these performance goals, the Office of Research will itself pursue **three broad priorities**: directly supporting faculty research, fostering student engagement in research, and providing cross-cutting research support. In turn the five year Research plan calls for continued attention to **five main pathways**, each with a number of supporting actions and programs.

1. **Science, Technology, Engineering, Math, and Medicine (STEMM)**, reflecting that STEMM research is a national and state priority.
2. **Arts, Humanities, and Social Sciences**, recognizing that these disciplines are vital components of a diverse and thriving society.
3. **Industry Partnerships, Innovation, and Community Economic Development**, which are becoming increasingly critical for sponsored research funding.
4. **Student Engagement in Research**, with the commitment to student engagement as critical to research at CSU.
5. **Cross-Cutting Research Support**, responding to needs that cut across diverse areas and constituents.

The 2020 Research Report proposed two main **investments** to achieve its strategic performance goals and implement the strategic pathways just described. The first was an increase in the annual permanent research allocation from the current \$250,000, along with an incentive-based increase in ICR share from 30% to 35% for Fiscal Year 2017 and growing to 40% in Fiscal Year 2018, given certain conditions. The second was continued support from the Provost's Office of the Undergraduate Summer Research Award (**USRA**) Program and the Multi-College Interdisciplinary Research Program (**MIRP**), totaling \$400,000 annually.

6. Increase CSU's Importance as an Anchor Institution

Cleveland State's Mission includes "Empowering **Communities**" and our Vision asserts that "We will be an **anchor institution**". Making good on these is therefore a Strategic Priority: "Steadily increase the University's importance as an anchor institution for the Greater Cleveland area, with special emphasis on 5-10 high impact partnerships".

As CEOs for Cities has written, "anchor institutions" as a term was developed in 2002 by Harvard Professor Michael Porter, a leading economic development thinker. In a report for CEOs for Cities and the Initiative for a Competitive Inner City, he called on college and university leaders to create an explicit urban economic development strategy focused on surrounding communities.

To further their role in communities, he urged universities to deploy their leaders to serve on the boards of associations, community organizations and public sector bodies. Porter also urged cities to embrace anchor institutions, to incorporate them in their economic development strategies, "including their strategies for advancement of low income individuals" and form a "university-liaison office that continuously seeks partnership and collaboration opportunities." Further, he recommended that business leaders see colleges and universities "as consumers of goods and services and critical partners in developing real estate, commercializing research and improving local and regional quality of life", and that community leaders "identify ways in which they can support colleges and universities in implementing economic development efforts."

Many universities – including CSU – were doing a significant amount of this work before 2002. Indeed, a 2015 economic impact study by the College of Urban Affairs has documented that Cleveland State's annual impact on household income has grown to more than \$300 million, and the yearly contribution to the Cleveland Metropolitan area's GDP is now over \$460 million. However, in the intervening 15 years, the requirements and characteristics of an anchor institution have been the object of considerable practice and research, and have become more sharply defined. An "anchor institution strategy" has become widely accepted as defining the special role that institutions anchored by place – including hospitals and arts organizations as well as universities – can play in benefiting their communities.

Accordingly, a Path to 2020 Project on Anchor Institutions was designed and launched in late Fall of 2016 – with the overall objective of developing a comprehensive **Anchor Institution Strategy** for Cleveland State.

In its first months of work, the Project Team has identified many elements of an anchor institution role that CSU has underway across the Colleges, in the Division of Research, and in the Division of Engagement. For example, these include:

- Health partnerships as evidenced by CSU's ties with the Cleveland Clinic, MetroHealth, NeoMed, St. Vincent's and University Hospitals
- The College of Education's close relationship with the Cleveland Municipal School District, and particularly the International School

- Local capacity building through educational training, incubator space, and in kind resources provided by the College of Business and the Law School
- Community economic development, principally in the Campus District and Central neighborhoods
- Commercialization of research shown by the close working relationship with Parker Hannifin and other companies
- Contributions to public policy thinking and decision making as evidenced by the studies and projects curved out by the College of Urban Affairs
- Support of minority firms, now reaching 8 percent of CSU’s total purchases and close to 10 percent of construction expenditures
- Scholarly engagement through in service learnings, capstones, and research

In short, Anchor Institution – type activities are flowering in many places in the University. However, they are not harnessed and coordinated to have the maximum impact on Cleveland and Northeast Ohio – and to bring to CSU the regard and credit it deserves. Put another way, CSU has a distance to go in having a coherent overall strategy as defined below.

Anchor Strategy

To consciously and strategically apply the long-term, place-based economic power of the institution, in combination with its human and intellectual resources, to enhance the economic growth and opportunity of the communities in which it resides, and in particular low and moderate income neighborhoods.

In its first several meetings to develop an Anchor Institution strategy for the University, the Project Team has concluded that CSU will need an ongoing institutional mechanism to ensure that the strategy is implemented and continually updated. Other universities, for example, have established cross-organizational Anchor Strategy Councils. Further, the Team believes that such a body should be formed **now** at CSU, to be the client for – and a participant in – the remainder of the Team’s work.

Although the Team is not yet ready to recommend a specific design, the members feel that the mechanism should meet several main requirements, which are to:

- Act as the primary vehicle to embrace and implement the CSU President’s goals and project priorities for the University’s anchor institution works.
- Be Co-Chaired by two senior leaders appointed by the President on a rotating basis for a three year term.

- Have a close working linkage with the Division of Engagement and particularly its Vice President.
- Include the senior academic and research leaders of the University to ensure that anchor institution work is deeply embedded in CSU's curricula and research programs.

With such a mechanism in place, the Team's work plan calls for a completed report and recommended strategy in Fall 2017.

* * *

In summary, all six of the recommended Strategic Priorities for the five years ahead are consistent with those that the University has pursued – on balance with excellent results – in the years past, certainly since 2010. Explicitly or implicitly followed they have served CSU well, and the 2020 Team believes that staying the course will result in a yet stronger Cleveland State in the early 2020's.

IV. Organizational Capacity Building Requirements

As is well known, even the best of substantive strategies often fail for lack of execution. This is typically due to an institution's failure to put in place the elements of "organizational capacity" required to implement the strategic priorities which have consumed most of the time and energy of the strategic planning process. This capacity encompasses a number of interrelated elements including the right formal organization structure, clear roles and responsibilities, effective business processes, solid information technology support, skilled and motivated people, and a performance oriented culture.

In implementing strategy in most higher education institutions, all of these elements need attention and improvement. At Cleveland State, the Path to 2020 Team believes that four such areas stand out now as integral to the overall strategy we recommend.

1. Maintain a set of **University level forums and processes** that effectively integrate organizational entities and bring both collaboration and a CSU perspective to strategic and operational decision making and execution.
2. Migrate CSU's information technology platform to a **Cloud - based ERP**
3. Continue to improve **fundraising effectiveness and results**, grounded on the growing impact of a "culture of giving"
4. Maintain the University's current **physical infrastructure** in good condition and judiciously implement elements of the Master Plan as resources permit

This fourth chapter of our report discusses each one in turn.

1. Maintain Effective University Level Processes

Without exception, success in implementing the six recommended Strategic Priorities requires coordinated and collaborative action across Colleges and Administrative Divisions. Many important near term operational and financial decisions also either demand or benefit from an integrated cross-organizational approach. Accordingly, the 2020 Team recommends the establishment of the right University level entities and processes as a critical organizational capacity requirement.

The ingredients for success are well known: clarity of the objectives of the group, an explicit charter of responsibilities, strong meeting disciplines and supporting staff work, a spirit of collaboration, and effective leadership. The Strategic Enrollment Management Working Group established in the Fall of 2015 illustrates a number of these characteristics. As mentioned in Chapter III, the Group was a response to the following recommendations in the July 2015 report of the Strategic Enrollment Management Task Force.

Excerpt: July 2015 Report

“Create an Enrollment Management Working Group as soon as possible. This group would be an immediate successor to the Task Force and become an ongoing leadership body. Its primary responsibility would be to monitor results and adjust action plans accordingly, i.e. a short term operational focus. At appropriate points in the school year calendar, the Group could also sponsor and oversee new initiatives, help ensure collaboration across functions and departments, and advocate for sufficient resources. The Task Force recommends that the Working Group be governed by an explicit charter with clear objectives and disciplined management processes, and with defined reporting and communication relationships with the Executive Committee, the President’s Cabinet, and the Provost’s Office.

As the Task Force sees it, the Working Group should be chaired by the Vice-President of Enrollment Services and meet bi-weekly. Membership should include those with the senior leadership operating responsibilities for Academic Planning, Academic Programs, Admissions, Budgeting, Financial Aid, Marketing, Registration and Student Affairs. Associate Deans of the Colleges would likely be invited to joint selected sessions.”

As a Path to 2020 project, the Group (SEMWG) was chartered to develop detailed strategies for each of the six student segments that the Task Force recommended as the building blocks of CSU’s overall recruitment game plan. That work was completed and documented in a Path to 2020 report in January 2016. For each segment, the SEWG recommended recruitment and retention strategies, and the actions and supporting investments needed to implement them which were subsequently endorsed by the Executive Committee.

Although far from perfect, the SWEG has brought previously fragmented efforts across the University into a stronger and more forceful attack on CSU’s formidable enrollment challenges. The 2020 Team believes that ensuring the effectiveness of similar cross-cutting leadership bodies and their supporting processes should be an ongoing matter for senior leadership attention. In particular, we recommend the following entities and processes as top priorities.

- The two most senior groups reporting to the President: the Executive Committee and President’s Cabinet
- The Strategic Enrollment Working Group and its related body, the Retention Roundtable
- The Provost’s Council
- The Research Council
- The annual planning and budgeting process, under the leadership of the Office of Performance Management

2. Migrate to a Cloud-based ERP

Information technology permeates nearly every aspect of a university's administrative and academic operation, and is steadily increasing in its potential impact and importance. Cleveland State's legacy PeopleSoft IT platform is viewed by the entire University community as a steadily growing burden.

- Non-productive system maintenance and upgrades consume 75% of Information Technology's budget and people.
- CSU is facing an estimated 5-year requirement for \$4.5 million in legacy system upgrades, starting with at least \$1 million in Fiscal Year 2018.
- The hundreds of efficiency ideas generated during the 2020 Administrative/Institutional Support Cost Management Project documented the continuing drag of CSU's large proportion of paper-based business processes and called for IT-based solutions.
- The University struggles with inefficient, ineffective tools for key IT activities and functions – notably mobile enablement, business continuity, and data analytics.

The 2020 Team believes that migration to Cloud is an imperative for CSU, and the only question is when. Nearly all industries – including Higher Education – are moving away from on-premises hardware/software because of compelling benefits. Most important is productivity improvement and cost reduction from redesign and complete automation of business processes. Other benefits include lower long term IT costs, enhanced security, greater technology flexibility, and strengthened business continuity capability.

Moreover, software companies are therefore on the same aggressive path, and will make it very difficult for those organizations who stay with outmoded on-premises capabilities by imposing frequent expensive upgrades for legacy systems, such as PeopleSoft/Oracle. Within as few as five years, many industry experts believe these companies will refuse to support on-premises capabilities altogether.

The Team further believes that while the estimated \$15 million in required investment is considerable, it is manageable over a 4-5 year period and paybacks are potentially attractive. Such a payback depends on using implementation of the ERP as way to “force out” an annually recurring cost reduction through the process redesign and automation which is an integral and essential part of the migration. A target of an annually recurring savings of \$5 million would, for example, also represent the next wave of expense reduction noted later in Chapter V.

Stepping back, the 2020 Team recommends that this Organizational Capacity Requirements of CSU's overall strategy be implemented at the earliest possible opportunity.

3. Continue to Improve Fund Raising Effectives and Results

Until recent years, raising philanthropic funds was a relatively low priority for Cleveland State, in common with most public universities. This changed in 20__ which saw the launch of a major effort to build up the University's capabilities in the Advancement Division – both to raise annual giving and to launch and successfully complete a major fund raising campaign. For the latter, the result was the \$100 million ENGAGE Campaign publically announced at Radiance in May 2015 - with a rallying theme of significantly improving student access and success through both spendable and endowed scholarships.

ENGAGE has been a success in communicating the need for private sector support and expanding CSU's donor base. The \$100 million goal is in sight in Fiscal Year 2018 if not by the end of Fiscal Year 2017. From the outset, however, ENGAGED has been seen by University leaders and volunteers as only a first step in building a stronger infrastructure for engagement and fund raising that will result in substantially increased private sector support in the years ahead – based on a “culture of giving” to CSU.

As the Path to 2020 Team sees it, this fundraising capability is a critical Organizational Capacity Building Requirement for Cleveland State, and hence one of four such imperatives in the overall strategy for the University. For other public institutions who are further along that path, private sector support has been crucial to all of strengthened academic excellence, improved student access and success, and – by no means least – economic stability.

Assisted by external advisors, the Division of Advancement has developed a detailed three year plan to conclude the Campaign and sustain its momentum. More specifically, there are a number of action steps under each of three main initiatives.

- **Create and implement focused efforts at unit levels.** This entails tailored targets and initiatives at each of the eight Colleges, the Honors College, and Intercollegiate Athletics – as well as for cross-disciplinary partnerships such as NEOMED, the Cleveland Metropolitan School District, Playhouse Square, and Parker Hannifin. Among other requirements, these plans need the involvement and leadership of Deans and academic leaders.
- **Build upon the momentum surrounding private support for scholarships at the overall University level.** Given the need for ongoing and increased scholarship funding by the private sector, a number of steps should be taken to honor and celebrate the Campaign's successes in increasing scholarship support, and to fully recognize donors at various levels of contribution – as well as engaging them in the possibility of additional gifts.
- **Create a substantive agenda for private sector support surrounding student success and workplace preparedness in particular.** A plan for career and workforce preparedness and the related funding priorities could be an attractive focal point for the cultivation and solicitation of the many organizations that hire CSU graduates. As collaboration between Advancement and Student Services this would include steps such as establishing the equivalent of a visiting committee for Career Services with members drawn from prospective employers.

4. Enhance the University’s physical infrastructure

In the last ten years, Cleveland State has steadily improved its physical campus to the great benefit of all in the University community and to the appearance and vibrancy of the Campus District and the City of Cleveland. A critical fourth capacity building requirement is first to sustain this infrastructure through required ongoing maintenance and catch ups on deferred projects, and second to invest in further physical improvements as scarce resources permit. Underscoring the strategic importance of CSU’s Campus, President Berkman wrote in the University 2014 Master Plan, “Our physical campus is an expression and manifestation of our commitment to our students, our faculty and future generations. It reflects our aspirations as an institution of higher education to the academic mission of Cleveland State University and to our relationship with our city of Cleveland.”

The 2014 Master Plan provides a roadmap for those improvements. As President Berkman also wrote in the introduction to the extensive plan document: “Founded on our academic guiding principles and with extensive input from diverse stakeholders ranging from students, faculty, staff and community organizations, this Master Plan provides a road map to help guide our decisions on major renovations, new building locations, landscape and infrastructure development, signage, pedestrian, bicycle and vehicular circulation for the next decade or more.”

The Master Plan itself contains a chapter on Phasing and Implementation to help guide the University’s investments. The chapter documents initiatives in progress, and then recommends short term, mid-term and long range opportunities to address. These represent a framework in which to consider opportunities that present themselves, such as the Housing and Parking proposals that are currently in process.

* * *

To summarize, the four Organizational Capacity Building Requirements outlined in this chapter are an integral part of CSU’s strategic direction because they are essential underpinnings of the six substantive Strategic Priorities set out earlier. Hand-in-hand with these capabilities – and assumed for this document – is human capacity: a committed faculty, a skilled administrative staff, and engaged volunteers, all supported by a strong and effective University-level leadership team.

Proposed Baseline Budget for Project #1: 2020 Institutional Support/Administrative Cost Management Project

About \$114 Million

Operating Budget	Fiscal Year	2016 Budget (\$ Thousands)	
	Total	Included	Excluded
Academic Support (Faculty Affairs, Academic Programs, Academic Planning, Provost's Office, Graduate Studies, Sponsored Programs, VP Research)	\$36,434	\$17,010	\$ 19,424 (PSEOP, Tech Fee, Provost Faculty Fund, Grad Stipends)
University Support			
• President's Office	\$ 3,674	\$ 3,674	---
• Business Affairs & Finance	\$63,871	\$37,801	\$ 26,070 (Debt Service, Purchased Utilities, Technology Fee)
• Enrollment	\$16,768	\$ 9,634	\$ 7,134 (Scholarships)
• Student Affairs	\$ 4,706	\$ 4,706	---
• Engagement	\$ 1,516	\$ 1,516	---
• Advancement	\$ 4,254	\$ 4,254	---
• General University	\$ 9,416	\$ 2,649	\$ 6,761 (Contingencies)
Total Operating Budget	\$140,639	\$ 81,244	\$ 59,389
General Fee Budget (Athletics, Student Activities, Student Center, Recreation Ctr., etc.)	\$ 20,074	\$ 14,963	\$ 5,111 (Debt Service)
Auxiliary Services Budget	\$ 20,523	\$ 17,817	\$ 1,801 (Debt Service)
	\$181,236	\$114,025	\$ 66,301

Exhibit 6

V. Strong and Stable Financial Foundation

Due to an immediate response to cuts in State funding in Fiscal Year 2012 and continuing leadership attention thereafter, Cleveland State's economic performance has been strong over the last five years. More specifically, the University has achieved a balanced operating budget every year, has met State of Ohio and Higher Learning Commission balance sheet requirements, maintained a _____ bond rating, and as of December 2016 had \$59.5 million in Net University Reserves.

To risk stating the obvious, continued economic strength and stability is an absolute requirement for the well-being of Cleveland State going forward and indeed is the foundation of the other elements of this strategic plan. At the same time, the well-known array of enrollment challenges and State funding policies make financial soundness all the more difficult to achieve, which in turn demands a continuing high level focus on comprehensive performance management.

Operating Budget

As the major generator of CSU's economic strength, all aspects of the annual operating budget require constant and intense efforts. On the **revenue** side, success in executing three of CSU's highest strategic priorities outlined earlier – Student Success (#1), Recruitment (#3), and Graduate Education (#4) – will together result in the enrollment levels that largely determine the feasibility of balanced budgets for the next five years. At the same time, a “full court press” on not only containing but reducing **annual operating costs** is imperative, and has three main elements.

1. **Contain non-faculty costs.** The 2020 Project on Administrative/Institutional Support Costs Management addressed some \$114 million of CSU's some roughly \$181 million in 2016's budgeted non faculty costs. (**Exhibit 5**) To have the resources to invest in student support and academic quality, the University has no choice but to contain these costs through a number of interrelated actions. Four examples are:

- **Establish a five year cost ceiling** such as zero growth in constant dollars, with Fiscal Year 2017's actual costs as a basis. As a practical matter, this would mean annual cost reductions which overcome at least the rate of inflation – which at two percent of the \$181 million would be roughly \$3.6 million every year.
- **Manage down the current numbers of administrative and support employees over time.** Both the constraints on the University's revenue and data from comparable universities point directionally to an opportunity to lower the number of administrative and support employees at CSU. For example, a 2016 analysis of Ohio's 13 public universities by the Ohio Department of Higher Education showed these average 2013-2015 Administrative Employee Headcount/All Employee Headcount percentages:
 - CSU – 49.8%
 - State Average – 45.7%
 - Lowest Three
 - Akron – 39.7%
 - Miami – 37.9%
 - Toledo – 33.1%

Although these data are partially explained by Cleveland State's low number of full-time faculty, they point to a position reduction opportunity in the 40-60 range.

The 2020 Team believes that achieving such a reduction will be difficult but possible through a combination of determined efforts such as a disciplined annual budgeting process that includes the activity based budgeting disciplines of the 2020 Project; ongoing position control mechanisms; continued follow through on the Further Study ideas from the Project; and support for individuals such as a voluntary early retirement program.

A major opportunity to accelerate this effort will be in the comprehensive redesign of CSU's some 1,600 business processes that will be required as part of the University's inevitable shift to a cloud-based ERP in the next several years (Organizational Capacity Building Requirement #2). Today, a large proportion of CSU's processes are paper based, involve multiple steps, and require positions and people to support them. The shift to a cloud-based ERP could therefore enable a substantial opportunity to reduce positions and a number of universities currently in the process are using it as just that.

- **Keep the pressure on controllable non-personnel costs.** Today these costs are approximately \$78 million and 30 percent of CSU's operating budget. The University must maintain the full range of efforts to contain their growth, but better yet reduce them. These efforts include the use of group contracts with other Ohio universities (today, there are ____ of these); where possible, the consolidation of suppliers of CSU's goods and outside sources (today, we have ____ such contracts); and continuation of our successful efforts to reduce energy consumption, combined with creative supply contracts. Here again, the annual discipline of activity-based budget thinking can help with ongoing pressure on these individually small but collectively major expenditures.
- **Continue to draw on program rationalization as a source of funds for reinvestment in the academic enterprise.** While the focus of cost reduction should be on administrative and academic support costs, funds to contain growth in the expense of academic programs themselves can possibly come from faculty lines and operating expense savings from the ongoing program prioritization effort. For example, the realignment of CSU's General Education offering may provide helpful monies to that end over time.

Asset and Balance Sheet Management

Concurrently with tight management of the annual operating budget, a solid economic structure requires careful and disciplined management of the Cleveland State's substantial fixed and liquid assets.

- **Asset Monetization** has been one of the 16 Path to 2020 projects. The Project's objectives – as set out in its formal charter – are to (1) determine funding strategies for \$500 million of projects identified in the University's 2014 Master Plan, and (2) develop a road map showing how the University can initiate a multi-purpose P3 relationship with developers that integrates assets with opportunities. Since January 2016, we have been in the process of an in depth asset review, working with Jones, Lang, LaSalle chosen through a competitive bidding process as the consultant to the Asset Monetization Project Team. JLL is assisting the Team on issues relating to monetizing assets, enhancing revenue from leveraging of assets and Public Private Partnerships (P3), identifying non-essential assets, and analyzing alternative financing methods to reduce operating costs for assets, primarily buildings and facilities.

The Project has most recently focused on Student Housing and Parking monetization. An RFP is in process for three sites for the former, focusing on CSU's next wave of housing expansion in the range of 700 beds. An RFQ was launched in June, 2016 for Parking monetization. That in turn has led to an in depth analysis of monetization economics that is being carried out by JLL with a target completion date of Spring 2017. That will lead to a decision on whether to proceed to the RFP stage.

- **Disciplined Use of University Reserves** is a major component of CSU's financial soundness and also the subject of a Path to 2020 project. The charter for that Project addressed the central question of what amount of such reserves can be used to advance the mission of the University while preserving the financial health and liquidity of the institution. From the work came specific recommendations that define the Reserves portion of CSU's balance sheet strategy for the next five years. These recommendations include:
 1. Limiting the use of Unrestricted Reserves to no more than 50 percent of the difference between the reserves' book value and the market value of the managed investment portfolio. As of June 30, 2016 the resulting reserve availability was approximately \$15 million.
 2. Restricting and prioritizing the purpose and type of expenditures for which reserves are employed, including, but not limited to:
 - Capital projects that contain a donor match requirement
 - Capital or other projects included in the CSU 2014 Master Plan
 - One-time strategic investments with a longer-term operating impact and a payback period of two years or less
 - Projects that have an ROI of 5% or more
 - Operating expenditures where current funds from operations are insufficient to balance the annual operating budget.

The project also made recommendations on reserve designation, on guidelines for funding and approving individual projects, and for assessing the impact of reserve usage on the State of Ohio Senate Bill 6 financial ratios and the Higher Learning Commission's Corporate Financial Index (CFI)

* * *

The actions above are daunting, but essential for Cleveland State's success going forward. As underscored at the beginning of this chapter, all the other components of CSU's strategic direction depend on a strong and stable financial foundation.

ALIGNMENT OF STRATEGIC DIRECTION AND PATH TO 2020 PROJECTS

Alignment Of Strategic Direction And Path To 2020 Projects

Elements of Direction		Path to 2020 Program	
		Projects	Executive Sponsors
Mission, Vision, Values		<ul style="list-style-type: none"> Mission, Vision, Values 	
Strategic Priorities	1. Student Success	<ul style="list-style-type: none"> Strategic Enrollment Management Financial Management Athletics 	Cindy Skaruppa / Peter Meiksins Cindy Skaruppa / Berinthia Levine
	2. Academic Offering	<ul style="list-style-type: none"> General Education Program Prioritization Follow On Adult Learning/Continuing Education/ELearning Engaged Learning Definition & Certification 	Jianping Zhu
	3. Recruitment	<ul style="list-style-type: none"> Strategic Enrollment Management Summer Semester Strategy 	Cindy Skaruppa
	4. Graduate Education	<ul style="list-style-type: none"> Graduate Education 	Jianping Zhu
	5. Research	<ul style="list-style-type: none"> Research Strategy 	Jerry Sawicki / Jianping Zhu
	6. Anchor Institution	<ul style="list-style-type: none"> Anchor Institution Strategy 	Roland Anglin / Lee Fisher
Organizational Capacity Building Requirements	1. Forums and Processes	<ul style="list-style-type: none"> College Budget Building 	Tim Long / Jianping Zhu
	2. Cloud ERP	<ul style="list-style-type: none"> 	Stephanie McHenry
	3. Fundraising Effectiveness	<ul style="list-style-type: none"> 	Berinthia Levine
	4. Infrastructure	<ul style="list-style-type: none"> Asset Monetization 	Stephanie McHenry / Boyd Yarbrough
Financial Foundation		<ul style="list-style-type: none"> Administrative / Institutional Resources Policy Support Cost Management 	Tim Long Stephanie McHenry

Exhibit 7

VI. Strategy Implementation

With the writing of this document, the Path to 2020 as a temporary project-based organization will formally end. More specifically, on May 1, 2016 the oversight and support of ongoing implementation actions will become the responsibility of the Office of Performance Management – taking on this role on behalf of the President and the Executive Committee. As hopefully is apparent from prior chapters, this in itself will involve implementation of the strategic direction recommended in this document because many of the direction’s elements lie in ongoing 2020 Projects led by individual executive sponsors.

In this context, the 2020 Team recommends three broad actions to follow through on the implementation process.

1. Ensure that all elements of the proposed strategic direction have an executive sponsor and a plan for moving ahead.
2. Communicate to the organization that the President and the Executive Committee have overall responsibility for monitoring and resourcing the strategy’s individual elements.
3. Charge the Office of Performance Management with supporting both the President/Executive Committee and individual project sponsors.

1. Ensure Coverage of All Strategic Elements

The table on the facing page (**Exhibit 7**) shows 2020 Projects’ coverage of the main elements of the recommended direction. From this mapping, several conclusions emerge.

- **Mission Vision, and Values** was a 2020 Project, but has no follow on sponsor for “bringing them alive at Cleveland State” – suggesting that the Office of Performance Management should propose how this should occur.
- All six **Strategic Priorities** are covered with executive sponsors and action plans
- The four **Organizational Capacity Requirements** need additional clarity of responsibility. For example:
 1. “**Effective Processes**” should be the province of the Executive Committee with Office of Performance Management support.
 2. **Cloud-Based ERP** responsibility should lie with the Senior Vice President - Business Affairs & Finance

3. **Fund Raising Effectiveness** leadership lies clearly with the Vice President - Advancement
 4. **Physical Infrastructure** responsibility should – as does Cloud-Based ERP – lie with the Senior Vice President of Business Affairs & Finance
- The actions required for a **Strong and Stable Financial Foundation** are partially covered by 2020 Projects: Enrollment Management, Administrative/Institutional Support Cost Management, College Budgeting, Asset Monetization, and Reserve Policy. At the same time:
 - The combined Performance Management/Planning & Budgeting offices should maintain ongoing management of CSU operating finances
 - The Senior Vice President - Business Affairs & Finance has broader ongoing responsibilities for managing the University’s balance sheet structure

2. Communicate Overall Leadership of the President and Executive Committee

The Path to 2020 Program was understood by the organization to be an initiative of the President and senior leadership, approved by the Board of Trustees. In large part because of this, the 16 projects proceeded relatively smoothly and effectively, and hundreds of CSU people in the University community were involved—including administrative staff, faculty, and students.

Full implementation of the strategic direction recommended in this document will of course require the same high level of commitment and frequent involvement. An important initial step is for the President and Executive Committee to determine their level of concurrence with what the 2020 Team’s strategy synthesis (i.e. this report), and then either endorse it or ask the Office of Performance Management to make changes that will improve the end result.

After that, implementation will be helped greatly by a carefully designed communication plan that builds the support of the Board of Trustees and groups of stakeholders with differing interest and involvement in CSU’s strategic direction going forward.

3. Charge the Office of Performance Management with Implementation Support

When the Path to 2020 Program launched in August 2016, the Office of Performance Management was created as a virtual organization to house the Program and report directly to the President. The leadership of the Office maintained University-wide responsibility for Planning and Budgeting – as well as the 2020 Program.

Over the year, this distinctive combination of responsibilities proved to be an effective organizational mechanism. To quote CSU’s July 2016 Report to the Chancellor on the University’s response to the Governor’s Task Force on Efficiency and Affordability, “The Office was established in Summer 2015 on a trial basis and in particular to manage the 2020 Program. In the intervening year the temporary organization has proved its worth in maintaining an integrative perspective on a wide variety of multi-functional activities – cutting across organizational silos in so doing”. To capture those advantages going forward, a senior full time Director of Program Analysis & Assessment in the Office of Performance Management was added in August 2016, and in October the Office became a permanent organization.

In the view of the Path to 2020 team, the Office of Performance Management is uniquely positioned to support the President and Executive Committee on the ongoing implementation of 2020 Projects and on following through with the overall strategic direction for Cleveland State recommended in this document.

However, in common with most of these 2020 Projects, the Office will need additional resources to carry out this multi-faceted responsibility along with the continued leadership of operational planning and budgeting across the University. With the late April departure of the Director of the 2020 Program, the Office will go from four to three people. Were it financially feasible, an additional full time professional would bring the Office back to the staffing of the last 18 months, and a second such person deployed on rapid payback projects would be highly desirable – with a budget for outside resources as an alternative.

* * *

This completes the report of the Path to 2020 Team and the way forward we recommend for CSU. We hope that the work of the last 18 months – in which hundreds of our colleagues have participated – will provide lasting value in support of Cleveland State University’s enduring Mission and stretching Vision of accomplishment by the early 2020’s.