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POINT**

Education

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SPH Consulting Group: Facing the Enrollment Challenge in Higher Education

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Understanding the Need for Mergers

The landscape of higher education has experienced a surge in institutional closures, with more than half occurring in the past decade. And it is crucial to recognize that closures do not benefit anyone involved. In light of this, understanding the necessity for other options to closure, including mergers, acquisitions and strategic partnerships, becomes paramount, with the students' best interests at the forefront. Reframing the question as to whether it is better for institutions to merge or close reveals that merging is the superior option. This understanding is supported by various factors.

Enrollment change does not follow a linear pattern in relation to institutional size. Smaller colleges, with fewer than 1,000 students, face a precarious situation, while even average-sized institutions experience significant enrollment attrition. On the other hand, larger institutions, with enrollments exceeding 30,000, have managed to weather the storm more successfully.

Another significant factor is the substantial loss of students from smaller colleges. Over the past decade, approximately 2.5 million students have either chosen not to pursue higher education or have been absorbed by larger schools. This loss is equivalent to the entire enrollment of 60% of smaller schools. The lack of brand recognition and limited assets and resources contribute to this trend.

While institutional size is not the sole determinant of survival, it plays a crucial role. Rapid expansion poses significant

challenges, leaving leaders with few viable options. Hence, the consideration of mergers, acquisitions, and partnerships becomes imperative. Higher education leaders must adapt swiftly to the evolving external environment and proactively embrace strategic alternatives. By understanding these dynamics and exploring strategic options, such as mergers and acquisitions, institutions can position themselves for growth and survival in a rapidly changing higher education landscape. It is essential for leaders to remain proactive in their decision-making to ensure the long-term success of their institutions and, most importantly, the education and well-being of their students.



Ricardo Azziz

Strategic Partnerships in Higher Education (SPH) Consulting Group assists leaders in learning about, considering, analyzing, negotiating, and implementing mergers, acquisitions, corporate conversions, and other major strategic partnerships.

Services of SPH Consulting Group

Strategic Readiness and Feasibility Consideration

SPH Consulting Group understands the crucial need for timely consideration of strategic opportunities in the higher education sector and provides assistance to governing boards and executives in strategic planning, exploring potential options, assessing

institutional readiness, and offering individual guidance and coaching to institutional leaders.

Partner Identification, Decision-Making, And Negotiation

SPH Consulting Group recognizes the importance of identifying compatible partners and making prompt and informed decisions. Through thoughtful negotiation, the firm helps colleges and universities ensure successful growth strategies aligned with their goals.

Pre-Restructuring Communication and Preparation

When an institutional restructuring opportunity arises, effective communication and engagement with various stakeholders become vital. The firm aids institutional leaders in developing comprehensive communication plans, promoting transparency, and generating urgency.

Restructuring Execution and Implementation

With expertise in executing actions in various areas such as regulatory compliance, finance, academia, and athletics, SPH Consulting Group helps institutional leaders and teams navigate the complexities and ensure successful outcomes in a timely manner.

Post-Restructuring Assessment, Communication, And Management

SPH Consulting Group recognizes the significance of the post-restructuring period. It supports institutions in assessing the outcomes, managing communication, and overseeing the overall process. Its involvement aims to create a new identity, facilitate learning from acquired units, and leverage the transformation for the long-term success of the organization, its students, and the institutional community.

What Makes SPH Consulting Group Unique

Expertise and Experience

Consultants at SPH Consulting understand the sensitivity of the topic and approach it in a careful manner. Beyond providing expertise in higher education in various service areas, including strategic planning, enrollment management, program development, and fundraising, they also have unique 'on-the-ground' experience. All team members have served in leadership and administrative roles during mergers, acquisitions, or consolidations in higher education.

Objectivity and Perspective

During emotionally charged decision-making processes like a merger, impartiality and an external perspective are often in short supply. SPH consultants bring valuable objectivity to the table, providing unbiased analysis and due diligence that are crucial in making well-informed decisions.

Time and Focus

Leaders, no matter how experienced or exceptional, have limited bandwidth and attention spans. Engaging in in-depth analysis and decision-making for institutional restructuring requires significant time and attention, which leaders may struggle to allocate while managing their institutions effectively. By partnering with SPH consultants, leaders can "extend" their time and focus, benefiting from the consultants' careful analysis and due diligence. This allows them to have ready access to well-considered options and insights, supporting efficient decision-making processes.

Communication and Education

Communication and education are vital components of successful institutional restructuring. SPH Consulting Group excels in this area by leveraging its expertise and network of national experts. The team possesses the ability to effectively communicate with and educate important stakeholders, including boards, executive leaders, and key community members. SPH consultants understand that stakeholders may be more receptive to information and guidance from external experts, and they utilize their abundant resources to deliver impactful messaging that fosters understanding and buy-in.

Going the Extra Mile

SPH Consulting Group understands the needs and challenges of our client as they navigate these difficult decisions and offers guidance, education, strategic consulting, and tailored roadmaps. With a focus on identifying suitable partners and facilitating effective program management, SPH Consulting Group ensures successful execution of large-scale corporate change. As a national leader in the arena, SPH Consulting Group is committed to supporting the higher education sector, utilizing its in-depth knowledge and unique data to initiate discussions and guide leaders in strategic decision-making. Through its dedication, commitment, client focus and extensive expertise, SPH Consulting Group consistently goes the extra mile to provide exceptional support and drive success for its clients. **ET**

ABOUT EDUCATION TECHNOLOGY INSIGHTS

Education Technology Insights is an enterprise technology magazine which reaches out to over 45,000 qualified subscribers in the U.S. It is the go-to resource for HODs, VPs, senior-level Education industry experts, and decision-makers to learn and share their experiences with products/services, technologies and Education technology trends. We provide a knowledge platform to senior executives to share their experiences and learn from each other along with short but in-depth articles about top providers in the Education industry.