

Now Hiring: EVP for University Strategic Initiatives

By Dr. Michelle Marks and James Sparkman

As colleges and universities in the United States adapt to new financial and competitive challenges, partnerships with the private sector are playing an expanding role. A recent survey of college and university presidents, provosts, and CFOs by *The Chronicle of Higher Education* and P3•EDU found that 83 percent of respondents said partnerships between their institutions and private companies have increased (with virtually none of the respondents citing a decrease in such relationships).

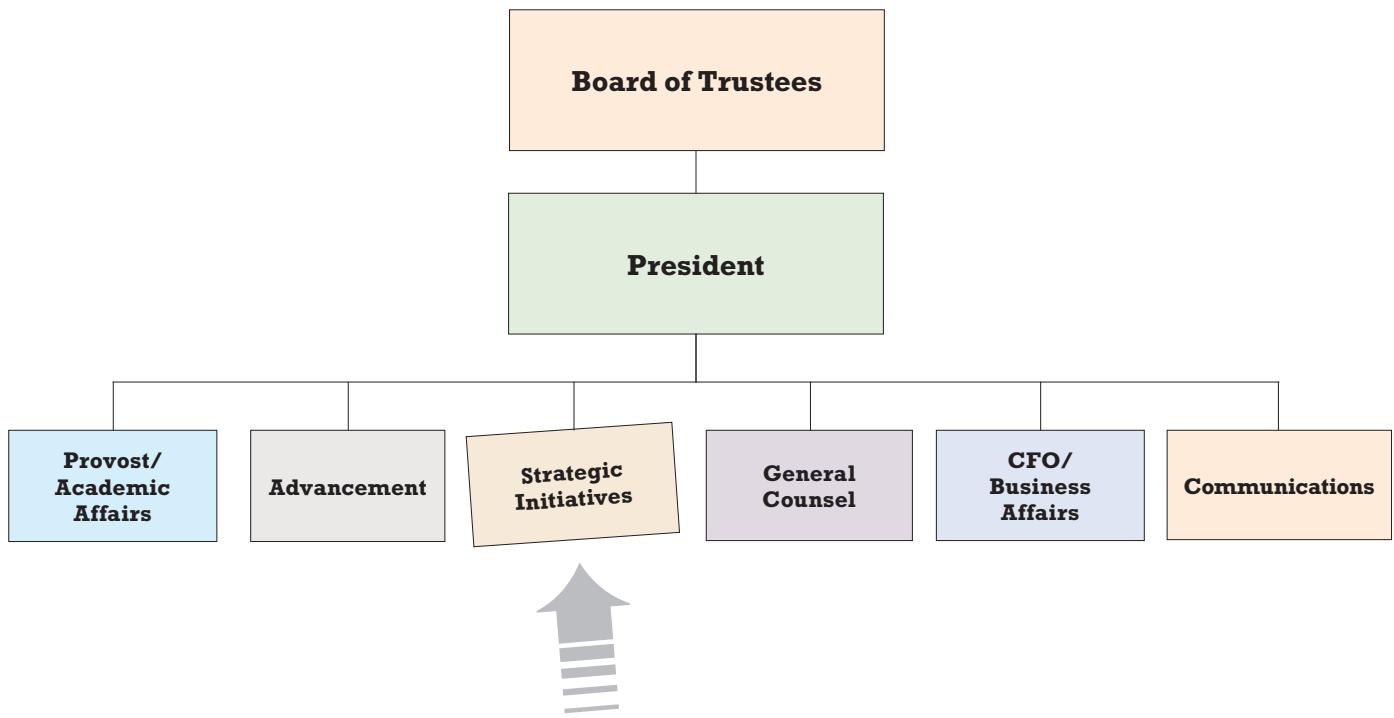
As we note in our article, "The New Era of Public-Private Partnership in Higher Education," (p. 66), P3s are growing in number and in type. Traditional P3s around student housing and building development continue, as do new ways to raise capital through the sale of long-term branding agreements and service rights around parking and energy. In addition to these traditional administrative partnerships, a whole new group of "academic" P3s are now in place to launch online programs, recruit international students, and improve student success. The same survey of public-private partnerships found, for example, that partnerships for "growing online programs"

was second only to partnerships for "development of campus infrastructure" as areas of the most interest on today's college campuses.

The expanded range of partnerships with the private sector comes with new opportunities, but also poses new challenges and risks. While the upside of these partnerships may be great – unique capabilities, new capital, speed to market – considerable financial and reputational stakes are at play.

Most colleges and universities do not have the dedicated resources to properly consider these transactions. More often than not, the exploration and execution of public-private partnerships are led by university leaders who already have full-time jobs at their institution. They can be led by treasurers, budget directors, housing directors, athletic directors, and equally by deans, associate provosts, online directors, and VPs for external affairs. And, not surprisingly, the skill sets of those leading these partnership efforts vary widely.

In the corporate world, where mergers and acquisitions and strategic partnerships are the norm, these efforts are typically consolidated into one dedicated strategic



office. Most often referred to as the office of Corporate Development, these are usually led by an EVP/SVP of Corporate Development whose team oversees strategic partnerships and acquisitions for the company. Teams in these roles typically have comprehensive transactional experience and oversee a range of services that includes strategic procurement, financial and operational due diligence, pro-forma modeling, contract review and negotiation, and post-transactional project implementation.

Higher education today needs a similar office. Though the title should probably change – we might call it the Office of Strategic Initiatives – the function and required skill sets would largely be the same. A key to this role would be not only to have the basic competencies to protect and advance their universities, but also the strong ability to work across the institution. The role must be strategic in nature, and must not be siloed to one specific area. We suggest structuring this role as a central resource for the institution, with a direct reporting line to the university president.

The concept of adding a new senior level office may sound far-fetched, but colleges and universities have adapted in the past to change and made needed

revisions to their organization chart. Consider the case of technology over the past ten years. As technology became more pervasive on campuses, the role of managing this function expanded considerably from small projects to a strategic imperative. Today, there is not a college campus without a Chief Information Officer whose office serves as a critical central resource across the institution.

As colleges and universities focus on their core competencies and engage in partnerships to help advance their institutional missions, they would be well served to have the expertise and focus to execute on these initiatives. It is time to recognize that a dedicated role may be required.

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