

CASE STUDY: University Foundation Strategic Plan

Situation

The Foundation for Indiana University of Pennsylvania is an independent, nonprofit, charitable 501(c)(3) corporation organized in 1967 to promote and support the educational purposes of Indiana University of Pennsylvania. The Foundation manages nearly \$300 million in assets, approximately \$50 million in endowed funds and \$250 million in real estate. Foundation for Indiana University of Pennsylvania engaged The Hill Group to facilitate its strategic planning process from 2016 to 2017 with ongoing advice and counsel through 2018.

Solution

The Hill Group facilitated a planning process with the Foundation to develop a strategic plan focused on growth of assets and developing a new culture of philanthropy, stewardship of resources, impact through transformative investments in the University, and enhancement of organizational capacity and infrastructure. With guidance from The Hill Group, the Foundation also used the planning process as a change management tool, helping to bolster a positive relationship with University administration.

CLIENT

FOUNDATION FOR INDIANA UNIVERSITY OF PENNSYLVANIA

INDUSTRY

HIGHER EDUCATION
NONPROFIT
FOUNDATION

PROJECT

STRATEGIC PLANNING
PROJECT COORDINATION

COMMUNICATION OF STRATEGIC FORMULATION

CHANGE MANAGEMENT

STRATEGIC INTERVIEWS

SURVEY DESIGN & ADMINISTRATION

FOUNDATION FOR IUP
2017-2021 Strategic Plan

Mission: To secure and responsibly manage private support for the benefit of Indiana University of Pennsylvania.
Vision: As a result of our ability to raise, grow and steward assets, we will enable an affordable, world-class education, grounded on scholarship and respect in the world.
Values: Entrepreneurship and willingness to pursue new and innovative methods to secure and steward support for the university.
Excellence and high expectations of ourselves and the University to drive continuous improvement. Honesty, transparency and integrity towards the University.
Partnership with the University and our stakeholders to collaboratively achieve our common goals. Fiduciary responsibility to our donors and the institution whose assets we manage and steward.

Strategic Initiatives and Goals

- Growth:** Further with the University to significantly accelerate fundraising.
- Stewardship:** Secure and optimize the portfolio of the Foundation to foster donor confidence and trust.
- Impact:** Make transformative investments to advance world-class teaching, research, and service.
- Capacity:** Optimize external operations to achieve strategic goals.

1. In partnership with University Advancement, create a culture of philanthropy and encourage that system donor engagement.
2. Create the Fund for IUP to align the University's fundraising with University Advancement to meet the most immediate needs.
3. Create major gifts in partnership with University Advancement.
4. Develop a strategic plan for infrastructure in partnership with University Advancement.
5. Develop fundraising processes and protocols to grow and sustain giving from all donors.
6. Investigate alternative sources of revenue to encourage entrepreneurship.

2.1 Conduct an annual comprehensive assessment of the Foundation's portfolio.
2.2 Effectively and responsibly manage student housing assets in a way that optimizes risk and reward.
2.3 Consolidate Foundation and University investments to lower scale and portfolio leverage.
2.4 Execute relevant investments in the Student Managed Investment Portfolio.

3.1 Develop a revenue process to understand (identify) priorities and fund (identify) priorities that will drive strategic targets.
3.2 Invest in strategic investment management.
3.3 Increase the expense value and return on investment of student scholarships.
3.4 Invest in branding, marketing, and communication.
3.5 Invest in faculty to enhance capacity for teaching, research, and service.
3.6 Invest in capital improvements that support the mission of the University.
3.7 Invest in academic initiatives that enhance the rigor and relevance of courses and on-campus experiences.

4.1 Reorganize the structure and composition of the Foundation staff to align with the major initiatives of the Strategic Plan.
4.2 Develop an internal, financial, and strategic partnership with University Advancement.
4.3 Equip the Foundation and the University with the technology and infrastructure needed to implement the Strategic Plan.
4.4 Develop and sustain an engaged performance-focused staff for the Foundation.

Detailed objectives and action items follow for each goal.

Indiana University of Pennsylvania can provide a world-class education. Doing so will require significant technology growth to create world-class infrastructure. The Foundation, as an affiliate and university subsidiary of the university, sponsored this plan to demonstrate its willingness to invest in creating the University of the Future.

Table 5: IUP Feeder County Eight-year Population Change (2006-2014)*

Year	2006		2007		2008		2009		2010		2011		2012		2013		2014		
	Pop.	Chg.	Pop.	Chg.	Pop.	Chg.	Pop.	Chg.	Pop.	Chg.	Pop.	Chg.	Pop.	Chg.	Pop.	Chg.	Pop.	Chg.	
2006	1,191,411	7,244	1,200,000	8,589	1,209,000	8,985	8,985	8,985	8,985	8,985	8,985	8,985	8,985	8,985	8,985	8,985	8,985	8,985	8,985
2007	1,200,000	8,589	1,209,000	8,985	1,218,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
2008	1,209,000	8,985	1,218,000	9,000	1,227,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
2009	1,218,000	9,000	1,227,000	9,000	1,236,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
2010	1,227,000	9,000	1,236,000	9,000	1,245,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
2011	1,236,000	9,000	1,245,000	9,000	1,254,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
2012	1,245,000	9,000	1,254,000	9,000	1,263,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
2013	1,254,000	9,000	1,263,000	9,000	1,272,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
2014	1,263,000	9,000	1,272,000	9,000	1,281,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
8 Year	41,100	4.2%	41,100	4.2%	41,100	4.2%	41,100	4.2%	41,100	4.2%	41,100	4.2%	41,100	4.2%	41,100	4.2%	41,100	4.2%	41,100

* = Positive change from 2006 to 2014
- = Negative change from 2006 to 2014

Table 5 estimates eight-year population trends from IUP's seven feeder counties from 2006 to 2014. In general, the eight-year population trends support the four-year trends illustrated in Table 3. From 2006 to 2014, the aggregate population declined by more than 6,500. Despite adding over 7,500 residents, Allegheny County experienced a decline in population share for all cohort populations. All cohort population shares declined on aggregate, and the share of high school-aged students declined in each of the seven counties. All counties but Allegheny County experienced an increase in the median age, and in most counties, median age increased by more than two years. The data suggest counties supporting new university undergraduates are aging while producing relatively fewer college-aged students.

Results

- Engaged stakeholders in strategic interviews and university-wide surveys to test and validate findings
- Conduct SWOT analysis meetings with the board, foundation staff, and University leadership
- Conducted benchmarking analyses of university foundations
- Facilitated the development of new vision, mission, and values statements
- Directed strategic planning committee in identifying four major priorities from growth and stewardship to the identification of specific areas of strategic University impact and investments in capacity

Behind the Scenes

This strategic planning process was essential to the University's growth. The Foundation's strategic planning process engaged University leadership and stakeholders to identify critical success factors, and the Foundation's plan was used as a blueprint and catalyst to influence transformational change throughout the University.

About The Hill Group, Inc.

Founded in 1953, The Hill Group, Inc. is a premier provider of management counsel, specializing in strategy, execution, and measurement. Our team of consultants has deep experience across several industries, enabling our team to draw on best practices from a variety of sectors to help our clients grow, innovate, and achieve maximum potential.

Strategy – *Envisioning an organization's future, capitalizing on its opportunities, identifying strategic priorities, and implementing positive change.*

- Strategy Development
- Decision Support and Analysis
- Strategic Planning and Management
- Business Planning and Feasibility Assessments
- Mergers, Acquisitions, and Strategic Alliance Planning
- Market Research and Analysis

Execution – *Ensuring that an organization is efficiently and effectively utilizing its resources to its full potential.*

- Process Improvement and Innovation
- Business Model Development and Resource Allocation
- Financial Assessment and Management
- Turnaround, Business Transformation, and Change Management
- Governance Assessment and Development

Measurement – *Increasing an organization's performance through measurement and continuous improvement.*

- Measurement
- Business Analytics and Intelligence
- Economic Impact Assessment
- Employee Opinion, 360-Degree Feedback, and Service Quality Surveys
- Industry Benchmarking Surveys

Contact Us Today

 info@hillgroupinc.com

 412-722-1111

 www.hillgroupinc.com

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