



# THE ENTERPRISE MODEL

BOARD OF TRUSTEES Q4 MEETING | MAY 12, 2017



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# THE ENTERPRISE MODEL

## TIMELINE

**JUNE 10, 2016** – Board endorses “A new approach to distance education”

**AUGUST 9, 2016** – Board endorses “Enterprise Outline”

**AUGUST 24, 2016** – President presents Enterprise Model at Professional Development

**JANUARY, 2017** – Unity College engages Grant Thornton

**APRIL 11, 2017** – President presents “Unity Works: Enterprise Model”

**MAY 12, 2017** – Board considers enterprise structure and bylaw changes for endorsement



# THE ENTERPRISE MODEL

## 1) PHASE 1: Determine Organizational Structure

- 1) Review documentation **COMPLETE**
- 2) Structural / tax consultation **COMPLETE**
- 3) Design overall Enterprise / SEBU structure **COMPLETE**
- 4) Establish Enterprise / SEBU functional assignments **COMPLETE**

## 2) PHASE 2: Establish SEBUs

- 1) Define high-level executive positions, org charts, roles and responsibilities **COMPLETE**
- 2) Define common functions across SEBUs **COMPLETE**
- 3) Adapt existing policies & governance documents **PENDING**

## 3) PHASE 3: Create Protocols **NEAR FUTURE**

- 1) Create organizational structure
- 2) Create guidance documents to establish new SEBUs (employee handbooks, policies, etc.)
- 3) Create monitoring and accountability protocols and performance metrics
- 4) Define reporting requirements for SEBUs
- 5) Establish compensation structures and hiring processes
- 6) Design and document appropriate policies and procedures for Enterprise / shared services and SEBUs



# Enterprise Administration and SEBUs

## *Empowered decentralization*



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| Enterprise Administration  | SEBUS  |
|--|--|
| <ul style="list-style-type: none"><li>• Single "Brand" identify</li><li>• Institutional strategy (particularly components to start, nurture or end)</li><li>• Central "bank" (cross-subsidies, revenue and expense allocation rules)</li><li>• Shared Services to achieve consistent service levels and efficiency</li></ul> | <ul style="list-style-type: none"><li>• Individual<ul style="list-style-type: none"><li>• Markets served</li><li>• Credentials offered</li><li>• Modes of delivery</li><li>• Faculty governance</li><li>• Budget</li></ul></li></ul> |

"As old as Harvard,  
as new as SNHU"



# Overall Governance

## *Primary responsibilities*



It is very important for the success of the institution that roles and responsibilities are segregated and adhered to. The division of primary responsibilities enables the alignment of skill set and rank with strategic decision making and management, although other roles can be consulted as appropriate.

| Board   | Administration   | Faculties per SEBU   |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Mission</li> <li>• Strategy</li> <li>• Financial health</li> <li>• Appoint CEO</li> <li>• Support for philanthropy</li> <li>• General educational policy</li> <li>• Governance system</li> </ul> | <ul style="list-style-type: none"> <li>• Propose &amp; manage strategy</li> <li>• Propose &amp; manage budgets</li> <li>• Appoint administrative staff</li> <li>• Appoint faculty</li> </ul> | <ul style="list-style-type: none"> <li>• Recommend within its own SEBU               <ul style="list-style-type: none"> <li>– Curriculum</li> <li>– Methods of instruction</li> <li>– Faculty status</li> </ul> </li> <li>• Voice in planning &amp; budgets within its own SEBU</li> </ul> |

AGB Statement on Board Responsibility for Institutional Governance (2010)

AAUP Statement on Government of Colleges and Universities (1990, orig. 1966)

# Definitions



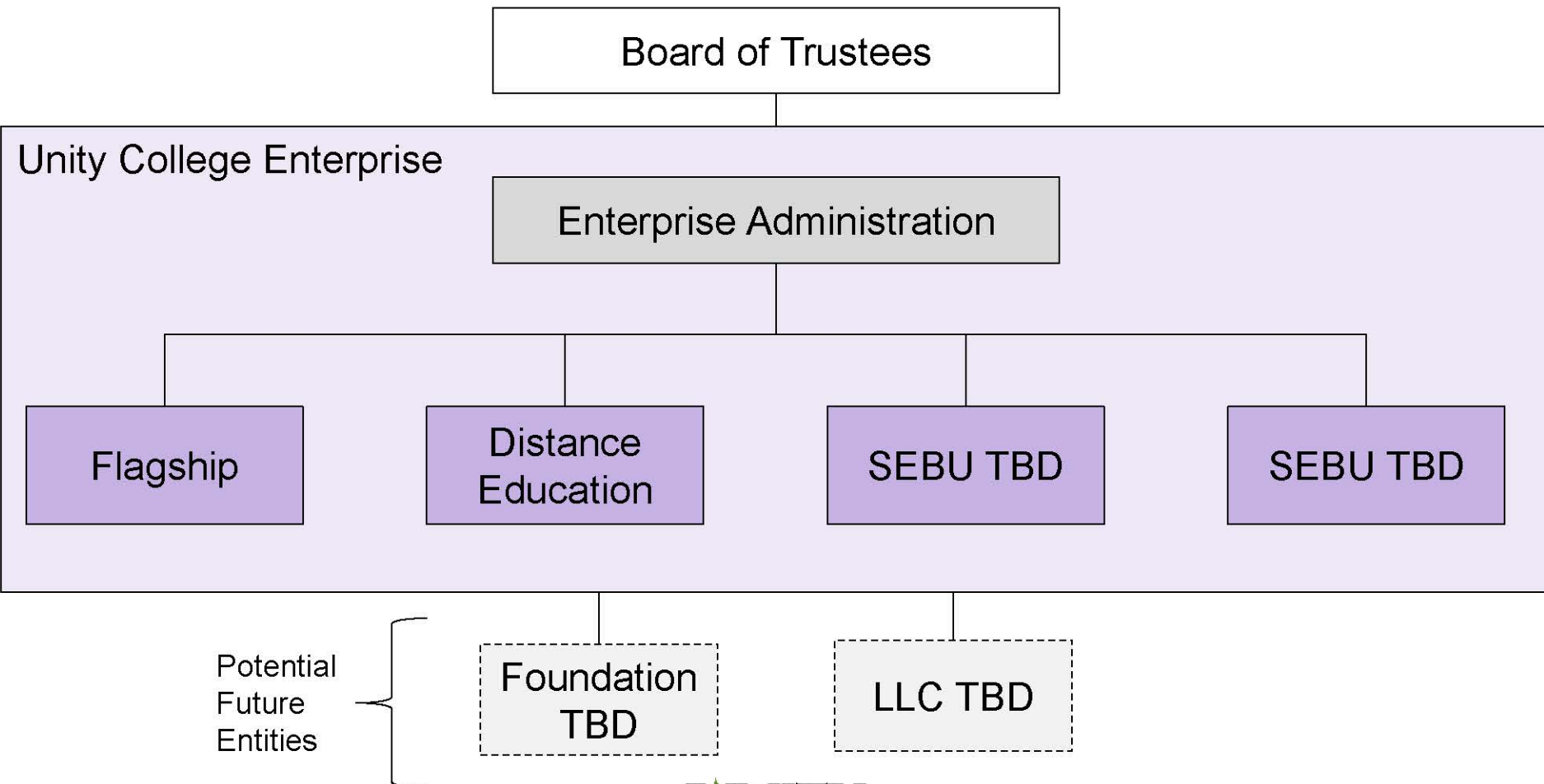
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**Unity College (UC)** will refer to the institution and encompassing legal unit of Unity College.

**Unity College Enterprise (UCE)** or enterprise-wide will refer to the highest level administrative unit of Unity College which includes the Unity College President, her/his executive team, and any units or departments that provide oversight and/or services for the entire Unity College institution (UCE and SEBUs) as the primary purpose or function.

**Strategic Education Business Unit (SEBU)** will refer to one of several discrete organizational units within the institution that serve as a component of Unity College in support of its mission and institutional goals.

# Overall Governance Structure



# REGARDING BOARD STRUCTURE



During February 24 Board of Trustees Meeting, Board of Trustees Chair Newlin and Board of Trustees Member Chuck Johnson were asked to make recommendations about board structure.

During Q3 Grant Thornton reviewed Unity College governance documents and provided insight regarding board committee structure along with the other considerations in this presentation.

Recommendations were reviewed by Newlin and Johnson.

Grant Thornton recommendations are reflected in Board Committee Structure Proposal discussion (Agenda Item XI)



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# Enterprise Administration and SEBUs

## *Enterprise vs. SEBU*

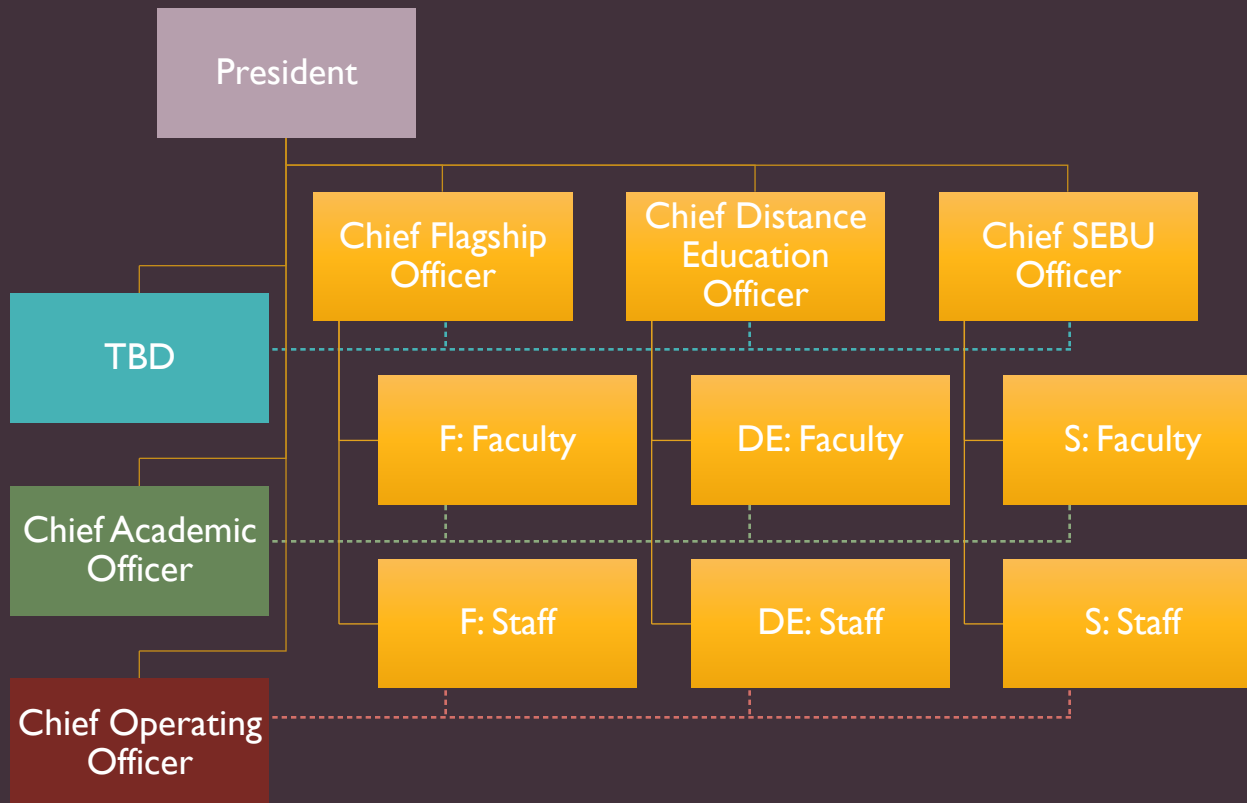


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|                   | Function alignment criteria  | Functions may include  |
|-------------------|--|--|
| <b>Enterprise</b> | <ul style="list-style-type: none"> <li>• Implement organization-wide strategy</li> <li>• Leverage economies of scale</li> <li>• Minimize duplicative activities</li> <li>• Mitigate risks across the organization</li> <li>• Reduce number of transactional activities within SEBUs to allow greater strategic thinking</li> </ul>   | <ul style="list-style-type: none"> <li>• Human Resources</li> <li>• Information Technology</li> <li>• Sustainability</li> <li>• Diversity and Inclusion</li> <li>• Business</li> <li>• Facilities</li> <li>• Operations</li> <li>• Institutional Research</li> </ul> |
| <b>SEBU</b>       | <ul style="list-style-type: none"> <li>• Enable financial and academic nimbleness and innovation</li> <li>• Facilitate detailed awareness of SEBU operations</li> <li>• Develop strong SEBU-centered leadership</li> <li>• Respond to SEBU constituent needs</li> <li>• Deliver personal interaction with constituents</li> <li>• Provide academic governance appropriate to unit's purpose</li> </ul> | <ul style="list-style-type: none"> <li>• Fundraising</li> <li>• Marketing</li> <li>• Recruitment</li> <li>• Student Success and Retention</li> <li>• Academics (governance)</li> <li>• Academics (teaching)</li> </ul>   |

*Note: Although certain functions have been potentially located within an SEBU, Enterprise Administration will have appropriate oversight to provide consistency and leverage economies of scale where possible. For example, Marketing and Fundraising are functions where appropriate Enterprise Administration oversight is critical to ensure efficient and effective operations.*

# COLLEGE STRUCTURE SAMPLE



# Enterprise Administration and SEBUs

## *New SEBU maturity curve*



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### Incubator Period

- Proposal is created to outline goals, required investment (people and dollars), break-even timing, target market, delivery mode, customer acquisition methodology, etc.
- Leverages Enterprise Administration support and people
- May have an advisory committee associated with it, but will not have independent governance

### Start up SEBU

- Once an SEBU has achieved break-even, it will separate from the incubator stage and stand on its own, with its own oversight and governance
- It will exist on a trial basis with the expectation of increasing profitability year over year
- Start ups are under consistent surveillance and are annually considered for sunseting if not meeting expectations

### Established SEBU

- Individual
  - Markets served
  - Credentials offered
  - Modes of delivery
  - Faculty governance
  - Budget
  - Governance
- Annual budget process managed by SEBU Budget Officer
- Receives direct revenue earned and pays for shared Enterprise Administration costs as defined by Enterprise budget guidelines



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