Financial Sustainability: A New Mindset

2019 PLC Report on Institutional Sustainability

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"Worth and genius would thus have been sought out from every condition of life, and completely prepared by education for defeating the competition of wealth and birth for public trusts." Thomas Jefferson.

1. Introduction

In the consideration of financial sustainability for institutions of higher education, countless factors and variables influence the level of financial stability and success. Southern Oregon University's Strategic Direction V of its 2018 Strategic Plan focuses on SOU's institutional sustainability, achieving financial vitality, and SOU's ability to continue serving its geographic region for decades to come. The 2019 Professional Learning Committee (PLC) charged with exploring this topic was to consider, "What size student body should we plan for on campus in 2025?" and "What percentage of credit-hours do we want from online instruction versus in-person instruction?" The PLC considers these questions (and departs from them!) to explore several important factors that may impact the financial sustainability of SOU.

New models of generating revenue beyond enrollment must be considered for institutions to not only thrive, but simply to survive. This is especially true for public institutions, whose funding sources have traditionally included a significant state allocation; however, as states continue their disinvestment in higher education, students have been paying increasing shares of the cost of higher education through tuition and fees (Figure 2). As the cost of providing a quality education rises, so does the trajectory of tuition-increases, which is unsustainable. This paper explores audacious concepts such as: reducing expenses by switching from the quarter system to the semester system; building a retirement center to enhance lifelong learning. It also explores re-tooling or augmenting existing efforts and programs.

It is important to note that some of the ideas presented herein may be exciting for SOU, while other ideas may be unpopular among SOU constituents, forcing some difficult conversations if they are ever to be considered more seriously. However, this PLC attempted to take an open-minded look at the state of higher education as well as SOU's environment, which produced many ideas and conclusions that became the contents of this paper.

2. Approach

This Professional Learning Community (PLC) began its work by examining the current state of higher education nationally, within the State of Oregon, within SOU's geographic region, and at SOU itself. The PLC also discussed innovations in higher education, along with revenue-generating ideas that it felt had merit and were worthy of exploring or researching. Members of the PLC presented numerous ideas, deliberated through rigorous debate, and eventually identified those that would be assigned to individuals to research and develop further.

One of the principal sources used to lay the groundwork for this PLC's effort was a Spring 2019 Chronicle of Higher Education report by Scott Carlson, entitled "Sustaining the College Business Model." Throughout the report, Carlson presents four key solutions for "shoring up the institution." Carlson asserts that universities must 1) grow tuition revenue; 2) streamline operations; 3) collaborate and consolidate; and 4) reinvent themselves. Using Carlson's assertions as a framework, this PLC identified recommendations relating to the four areas that have the strongest potential to impact SOU's institutional sustainability starting now, in 2025, and beyond.

This PLC's ideas are presented as a compendium. At times, the concepts will overlap, while other times directly conflict with each other. Yet, the central themes from each of the writings are related and can be tied back to Carlson's four elements for sustaining the college business model—more specifically, sustaining SOU.

3. Research and Suggestions

3.1. Grow Tuition Revenue

In 2012, Southern Oregon University completed a significant capacity study in response to challenging financial circumstances facing the university at that time. The recommendation most relevant to this PLC by Klein et al. suggested making the programs at both the Ashland and Medford campuses distinctive from each other, and offering classes throughout the day and evening at both locations. The second recommendation by Klein et al. was to centralize classroom scheduling into one system that can consider access, proximity, physical considerations, along with utilization/ demand rates. To date, SOU has not fully adopted this recommendation.

Since the 2012 report, the building footprint of the campus has changed significantly, by adding capacity in classroom space, modifying student recreational space, and increasing non-classroom educational and performance spaces. The university has renovated the Science Building, added a new Theater-Jefferson Public Radio Building, and completed two new residence halls and a new dining hall in 2012. Since 2012, student headcount has decreased slightly over the past six years from 6,477 students in 2012 to 6,114 in 2018. The average headcount during this period was approximately 6,137.

The matter of Full-Time Enrolled (FTE) students at SOU directly relates to student-to-faculty ratio, which is a factor to the enrollment capacity question. In a 2012 SOU report, Klein et al. report that the deficit per in-state and WUHE student at the time was approximately $3100 and $2,000, respectively (Klein, 2012, pg. 5). Thus, it could be argued that adding students via traditional means without factoring in the appropriate areas that need to also grow in concordance with FTE student increases could exacerbate the problems affecting SOU's success with long-term sustainability.

One well-known and effective method of increasing enrollment and tuition revenue is the use of institutional aid or tuition remissions to increase affordability for students. This has the potential to

improve recruitment of new students and also provide ongoing financial support to existing students to help increase overall retention rates. Data shows that students retain better when they have multiple forms of financial support <NEED CITATION; WHAT DATA?>. In an increasingly more competitive environment of attracting students, a significant jump in overall discount-rates will help stabilize enrollment numbers. Too often, community college (CC) pricing-options present challenges to recruit strong freshman classes <for whom?>. Promotion of the Oregon Promise, and subsequent high school students' awareness of it, drives more college-bound individuals to consider CC enrollment for two-years before transferring to a four-year institution, such as SOU. This keeps their overall expenses as low as possible in their pursuit of a bachelor's degree. Recent white papers and research are showing that bachelor degree attainment at prestigious and/or private universities has little effect on a graduates earning potential.

To encourage students to enroll, SOU-discounts can be designed to incentivize academic success, such as an "Attend and Engage Discount" that targets those students that actively engage in clubs & co-curricular organizations, (e.g. ASSOU, intramural activities, mentor program, university committees, community-based activities/learning, survey completion, PEAK jobs, etc.) Another potential discount that could be introduced is an "Academic Success Discount," that incentivizes academic progress by providing for students that maintain a specified-level GPA, meets with advisors, etc. A "Class Progression Discount" might be applied to students who maintain enrollment continuity or reasonable progress from one class-year to the next. Another discount idea could be a "Quantity Pricing Discount," which is similar to business-models that reduce price-points based on the number of products purchased. This would resemble the tuition-plateaus from years ago, whereby a student enrolled between 15-20 hours through their college-career would pay the same tuition rate in which they started, thereby incentivizing them to stay on track to complete their degree in the advertised four years.

The Western Undergraduate Exchange program (WUE) might be co-opted and rebranded as a National Undergraduate Exchange (NUE) that would target out-of-state students east of the Mississippi. The newly-branded program would be offered at a similar rate to WUE students, allowing SOU to potentially tap into markets not traditionally part of its recruitment territories.

3.2. "Get 'em While They're Young"

SOU Pre-College Youth Programs has offered enriching and dynamic educational programs to K-12th grade students in southern Oregon and the surrounding area for nearly 40 years. Its summer classes and workshops, residential programs, regional academic competitions, and early college credit programs for high school students build a pipeline of youth who are excited about college life and who demonstrate an affinity for SOU.

For many of these students, SOU is the first college/university campus that they visit, and the experience leaves a lasting impression on them. They have exciting academic experiences on SOU's campus, and they can begin to picture themselves back at SOU as a college student.

Recognizing that a significant element of institutional sustainability is future enrollment, SOU needs to draw as many promising students as possible into the pre-college pipeline and ensuring that they have a positive experience on campus. In addition, SOU should nurture and grow this relationship with those students as they age and begin the college application process. Although the payoff is not immediate, the benefit is clear. In some of these programs, the eventual matriculation rate into SOU is as high as 25-35% (SOU Youth Programs, 2019), and looking at the matriculation rates at other universities, it can improve from here.

Access

In order to keep this pipeline full, SOU needs to do everything possible to make the prices for its tuition-based programs affordable. SOU competes with many other local and regional programs for qualified students. As a self-support arm of the University, Youth Programs has to pass these costs to

its students. Youth programs relies on grant funding and donations to offset scholarship costs, but the need always surpasses what is able to be awarded. As with most all SOU's operations, the internal costs for program expenses like room and board are increasing at a higher rate than the revenue the programs generate or that the market can bear. Raising tuition rates to match increased expenses has resulted in pricing out a large number of our potential students. The ability to offer more competitive pricing by reducing internal costs would be a long-term investment in getting qualified students in the door.

SOU as a whole needs to ensure that there are spaces on campus available in which to host Pre-College programs. Currently the demand exceeds available capacity. Pre-College Youth Programs is limiting the number of programs offered and participants accepted due to a lack of classrooms or large group spaces. While there are many competing needs for space throughout the year, and priority must be given to programming for enrolled SOU students, providing access to classroom spaces for pipeline programs is crucial to ensuring that SOU has the potential to grow enrollment in the future.

Experience

While students are attending or visiting SOU, it is important that they see and experience the many amenities on SOU's campus to envision the full range of possibilities for their future here. **Prioritizing access to the best places on campus, including dormitories, classrooms, and facilities, will help Youth Programs present SOU as a University of choice.**

Relationship

An opportunity exists for SOU to build a stronger and deeper communications between Youth Programs and Admissions. This should include developing systems to more closely share data on who has participated in Youth Programs and intentional planning for how to continue cultivating the participants' relationship with SOU, ensuring that students in the pre-college pipeline have a "warm

handoff" to the Admissions office. During their middle- school years, many of these students identify SOU as their first choice college. Tighter integration between Youth Programs and Admissions could better maintain that affinity and improve the matriculation rate from the pre-college pipeline.

Early College Credit

Youth Programs also has a significant pool of high school students already connected to SOU who are actively accumulating and paying for SOU credit. Currently, this includes approximately 1,800 high school students in Oregon and California. These students participate in the state accredited dual-credit program, Advanced Southern Credit (ASC). In 2018, 629 graduating high school seniors from these two groups earned between 8 and 68 SOU credits while in high school. These students demonstrate an early understanding of the value of higher education and should not be overlooked as potential full-time SOU students. Enhanced coordination and collaboration between Admissions, Pre-College Youth Programs, and academic departments could further elevate SOU as a school of choice for these students through targeted outreach and specially tailored events such as a Preview Day designed for ASC students.

3.3. Attracting Rural and/or Conservative Students

While Southern Oregon University's diversity, equity, and inclusion statement includes a message that everyone is welcome, it is of the utmost importance to plan for a future that embraces a "You're Home" culture (SOU Statement on Diversity, Equity, and Inclusion). In Southern Oregon, the town of Ashland has traditionally voted for Democratic candidates and is seen as 'liberal,' while surrounded by townships/counties that have traditionally voted Republican and are seen as 'overall conservative.' Enrollment data confirms the majority of students attending SOU come from counties primarily from Southern Oregon and Northern California (2018 SOU Enrollment Factbook). Many of these students come from rural areas that are also culturally homogenous and/or politically conservative and where the positions held in the workforce are likely to be blue-collar or in the trade

industries (Davis et al, 2018). Professions from retail, healthcare, manufacturing, and construction dominate the workforce in the Southern Oregon region (Oregon Regional Economic Analysis Report).

Rural adolescents may face both family and community pressures to remain in their communities and maintain their rural identities, regardless of post-secondary aspirations (Agger et al, 2018). Rural first-generation students may face a situation where parents may not value their child's pursuit of education, and rather, expect them to pull themselves up from their bootstraps and become self-made (Rural Poverty Research Center, 2004). It has been stated that some conservatives see a liberal arts education as elitist that does not teach tangible skills that are valuable in the workforce (Arnett et al, 2017).

Family values and aspirations help shape whether a child continues their education after high school. Even with these expectations, many parents value post-secondary education, and currently, around 26% of rural adolescents will enroll in a four-year post-secondary program (Agger et al, 2018). **As SOU attempts to increase enrollment, it must find ways to more effectively recruit these rural/ conservative students, and once here, have the resources to support and retain them.** Part of the equation is changing the mind-frame surrounding a liberal arts degree, and what value that degree will bring to prospective students and the communities that they are likely to return to and support after graduation (Pascarella et al, 2005).

Student Support Services programs around the nation have focused resources on minority groups and underserved populations to provide them with support to help them thrive in their higher education environments (Council of Graduate Schools, 2019). It has been clearly documented that support systems within the campus community greatly impact a student's ability to succeed, and many campuses pride themselves on creating those communities within their campus environment.

The country is currently in a politically divisive time that has impacted Higher Education. Protests, rallies, and even physical altercations have erupted across campuses pinning groups against each other (Stein et al, 2017). In a time when the liberal arts are seen as elitist, too liberal, and dominated by liberal professors pushing their agenda (Sullivan et al, 2017), it is the time to challenge that mindset and define how a liberal arts education is well-rounded, tangible, relevant, and meaningful today. In the spirit of making sure all current and future Raiders feel valued and know that they are indeed "Home," SOU should consider the resources and community life opportunities it is providing to all students spanning the political and cultural spectrums, and determine how to increase their support so they know they belong and are successful.

3.4. Streamlining Operations: Semesters vs. Quarters

Many in the SOU community believe the current academic-quarter model is not working as effectively as it needs to. Start-up overhead for each term takes considerable effort and resource. Thus, this PLC discussed and explored how the transition to the more common semester system may help to reduce the start-up overhead. The primary hypothesis was that by joining the calendar-standard most American universities use (Figure 1), Oregon universities would find efficiencies and best practices utilized at over 90% of our nation's' colleges and universities. However based on recent research, it was discovered that making the conversion to a semester-based calendar would not be a worthwhile endeavor.

Recent History

Switching SOU to a semester systems was proposed nearly a decade ago when a Memorandum of Understanding agreement was made between the Oregon University System (OUS) and Southern Oregon University to conduct a detailed cost analysis for a three-year conversion to a semester-based academic calendar. This cost analysis was to include the entire campus and sought to provide details about the financial cost and savings surrounding: admissions, registration, IT, financial aid,

business-services, athletics, housing, curriculum revision, and administration. Furthermore, estimates of potential short- or long-term savings and/or efficiencies gained were to be included for consideration by the OUS committee.

At the time of the report's release, SOUPresident Dr. Mary Cullinan stated, "…SOU enthusiastically embraces the possibility of such a change." She went on to give several anecdotal examples from faculty and staff, such as "The semester system is more 'user-friendly' than the quarter system…one less registration period, one less set of classes, one less dorm assignment, and one less tuition and fees payment." Members of this PLC also suggested that one less break might give students one less opportunity to leave before completing.

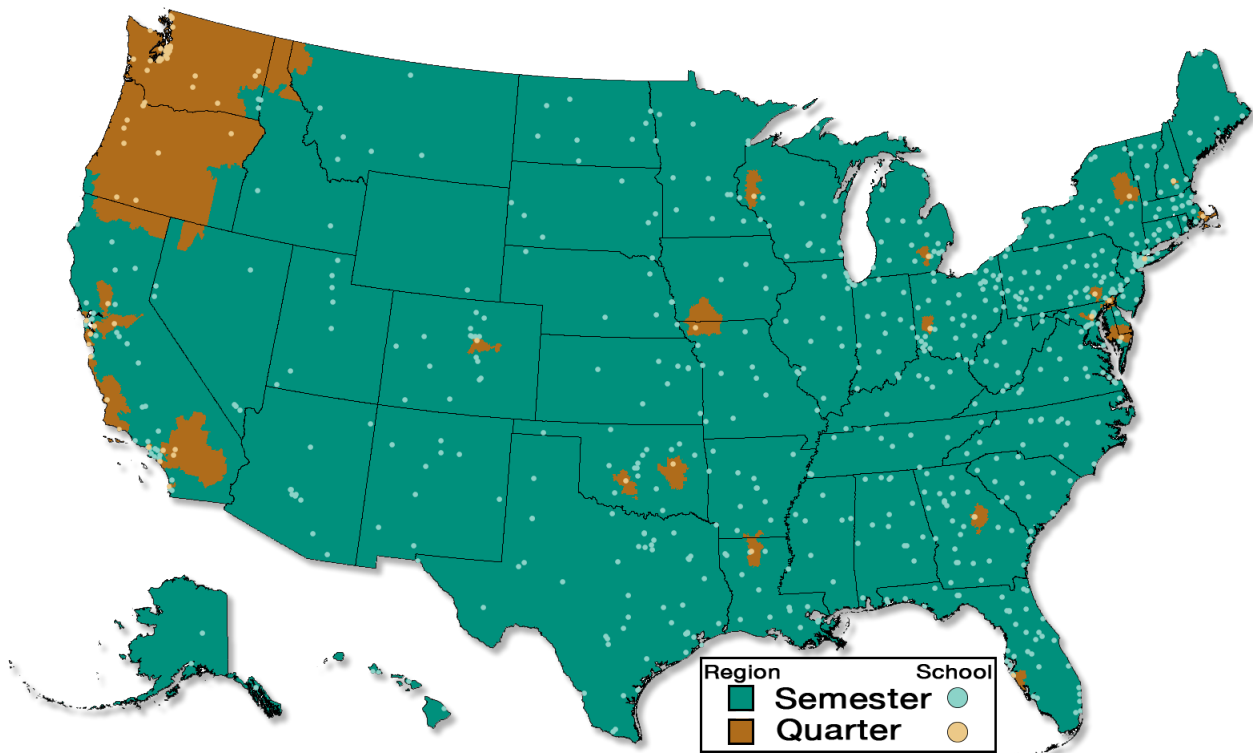*FIGURE 1.US PUBLIC UNIVERSITY FOOTPRINT OF SEMESTER VS. QUARTER HOUR SYSTEM FOR ACADEMIC TERMS WITH POPULATION OVERLAP. IPEDS 2016 PUBLIC INSTITUTIONS OFFERING BACHELOR'S DEGREE OR MORE. RETRIEVED FROM METRICMAPS.ORG.*

It is good to first examine some of the reasoning behind a conversion to a semester-calendar in an effort to understand the benefits of the switch. Many conversions happened nationally in the late

1990's, and as recently as 2012, the Ohio State University system converted to a semester calendar. In addition, many schools in the California State University system are presently planning to undergo a change to semesters (Gordon, 2016). As illustrated above, over 90 percent of four-year public universities in the US operate on a semester calendar.

Proposals for a switch to semesters have been entertained before and even acknowledged some likely benefits. The 2010 report produced by SOU identified both direct and indirect costs and their associated savings and assigned dollar values to each. Additionally, the report attempted to classify intangible effects and delineate these as a result of direct outcomes from the conversion, and assign financial impacts to each where feasible. These intangible consequences are considerable and include (Stanek, 2010):

Intangible Benefits for Students

- Eliminates 1/3 of students' administrative and academic responsibilities. (Registering for classes, clearing holds, advising, paying bills, buying textbooks, taking finals, etc.)
- Reduced textbook expenses for students by as much as 20% (~ $150-$200 per year).
- ~15-20% more used textbooks available for students once fewer are in quarter circulation.
- Graduates gain earlier entry into the summer job markets.
- Better opportunities for study abroad experiences.
- Stronger relationships amongst students and between students and faculty develop.

Intangible Benefits for Faculty and Teaching

- More time to offer both breadth and depth of studies.
- Better interface with textbook curriculums.
- Semester calendars positively impact faculty research.
- Faculty recruitment and collaboration between universities improves.
- Affords the opportunity to review, revise, and update curriculum to maintain currency.

Intangible Benefits for Administrative Functions

- 1/3 less "wind up" for delivering services like reg, advising, transcripts, fin aid, billing, etc.
- Better utilization of facilities given the tight meshing of courses offered on Mon/Wed/Fri coupled with Tue/Thu offerings.

Due to these and other reasons which appear intuitive at first glance, finding a negative outcome from switching calendar systems was unexpected. Higher graduation rates are often cited as the primary reason behind making a calendar shift (Burns, 2013). However, this is in stark contrast to recent research, indicating that a switch can be quite costly to students and furthermore reduces on-time graduation by 2.9 percentage points (Bostwick, 2018).

When it comes down to it, the quarter-system's advantages are much more important for students and faculty, notwithstanding any administrative efficiency gains or intangible benefits discussed earlier. Our nontraditional quarter-calendar system affords students the opportunity to try out different courses and fields that interest them. **On average, quarter-system students take six more classes than semester-system students in their undergraduate careers** (Ramzanali, 2010).

Pathways to student success are a major factor in the quarter system:

"Due to the longer term associated with semesters, switching majors is also more costly. To highlight the added cost, consider a full-time student on a semester calendar who starts out as a pre-medicine major and who enrolls in the first prerequisite courses in the fall semester of her first year – i.e. General Chemistry, Biology, Calculus, and two other general education courses, such as English 101 and History 101. At the start of the spring semester, she decides to switch to a business major where she must start over with the prerequisites for that major, but she has already spent 1/8th of her four years in college taking prerequisites that no longer count toward her new major. Had she been on a quarter schedule, she would have only given up 1/12th of her total time. Since approximately half of students cite switching majors at least once during their undergraduate education, this is one channel through which time to graduation may increase by switching to a semester system." (Sklar, 2015).

"There are a few other drawbacks to taking fewer total courses and having longer terms, as is the case with semesters, that could negatively impact student achievement. If a student performs

poorly in a course, it is harder for her to improve her grade point average going forward because each term carries a larger weight compared with quarter terms. Also, students have to spend more weeks with a professor that they might not like or a class that is not desirable to them. Finally, semester calendars have longer breaks during the school year (i.e. winter and spring breaks), which may make it harder to stay focused or to recall prerequisite material"(Bostwick, 2018).

For faculty, the quarter-system enables professors to teach their specialities instead of just curriculum requirements. This is directly related to the quarter-system scheduling because it is much easier to teach one quarter of a speciality class than one semester when other teaching requirements, like teaching intro classes, takes precedent.

There are other downsides, as well. In a 2018 study, the authors reported:

"A large downside of semesters for faculty, however, is they are less conducive to shorter-term sabbaticals and maternity/paternity leave, as taking off one semester-term is one-half of the year versus a third of the year in a quarter system. Similarly, it is much harder for faculty to stack all of their teaching responsibilities into a single semester-term; a common practice among faculty who teach on a quarter-system to free-up large blocks of research time." (Bostwick, 2018).

Finally, there is the actual financial cost to making the change. Switching calendars is often a multi-year endeavor (around 3-to-4 years) and involves hundreds of thousands-- possibly millions-- of dollars of administrative costs in converting course credits, curriculum redesign, student advising, scheduling, and technology acquisitions to help aid the process. In an environment where enrollment is negatively trending, state resources are dwindling, and labor costs are rising, it is difficult to objectively recommend a calendar switch (Stanek, 2010).

The initial hypothesis was that switching to a semester-based calendar would provide SOU with many benefits and potential cost-savings. It was believed that SOU could learn from its national peers and adopt best practices for operating in a semester system. However, the research indicates that: the switch would not be beneficial to SOU students or faculty; it would be extremely cost-

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prohibitive; it would cause difficulties operating in a state where the entire public university and community-college system is quarter-based. Therefore, contrary to initial assumptions, this PLC has determined that a semester system would not be advantageous to SOU's sustainability.

3.5. Collaborate and Consolidate

Another Professional Learning Community will produce their research and recommendations on the matter of institutional collaborations, so that topic is not explored herein. Instead, this PLC explored financial sustainability, as it relates to the ever-more-common occurrence of consolidation.

In a 2016 article in the Washington Post, Jeff Selingo discusses the coming era of consolidations among colleges and universities. There are now countless examples of universities that have foregone their independence and affiliated with a single or with a group of other like-sized institutions, or have been absorbed altogether by a larger institution. For example, the University System of Georgia (USG) consolidated within itself to remain viable. "In October 2011, then-Chancellor Hank Huckaby recommended the initial four consolidations among eight USG institutions. Additional consolidations have since been recommended and approved" (University System of Georgia, par. 1). In this case, the purpose of campus consolidation was to increase the system's overall effectiveness in creating a more educated state.

Exploring the viability of this option is a difficult prospect without first understanding the SOU community and whether it is willing to let go of its independence and, possibly its current identity. If the SOU-community is not willing to relinquish its independence, the focus of future efforts for a sustainable financial future is more limited than it otherwise would be.

3.6. Reinvention – Is Higher Education a Business?

The next section explores the idea of whether Higher Education a business delivering a product to consumers, or if it is a nonprofit organization delivering a service to a targeted population. Last

year, it was stated by a previous PLC that "Higher Education is NOT a business." While it is true that Higher Education is (and should be) a mission-based venture, at the point in time when the dependency on tuition revenues superseded the appropriations from state government, Higher Education and SOU became businesses. Publicly-funded Higher Education institutions are responsible for fulfilling their mission, and they are now also responsible for generating more revenue than their state allocations. This "crossing of the lines" occurred at SOU in 1998-99. Since that period in time, SOU has been responsible for generating more of its revenue from tuition, fees, and other means. Since 2011-12, this responsibility has risen to approximately 70% of SOU's revenues. In addition, the amount of SOU's effort dedicated to revenue generation and other pure business-related functions and detracting from its mission has had to increase.

Ethical Dilemma

Taking the position that Higher education is exclusively a business creates an ethical dilemma. One of the most important challenges Higher Education faces in its quest to operate as a successful business is to prove that the product it offers (a degree or education) is worth the cost based solely on the returns of those offerings (e.g. employment percentages of graduates, marketability of degrees for alumni, etc.). This would require analyzing any "product" (e.g. course, program, degree, etc.) to understand the costs associated with offering it to each student that chooses and/or participates in it, producing a 'cost-per-student' measurement for the product. In addition, this "loss-measure" would be weighed against the number of students participating and the amount of revenue they produce. In a pure business model, products or offerings with greater loss-measure than others creating more revenue would be considered for alteration or elimination.

The ethical dilemma of this approach is that it runs contrary to not only the mission of many public Higher Education institutions, but perhaps more importantly, it does not take into

consideration what type of education and experiences will produce the best population for the sustainability of our community, state, and country.

For example, if a school is reactive and eliminates a financially-struggling program (such as philosophy because enrollment is low), it is possibly perpetuating the problem of not offering a true liberal-arts education by reducing the quality of its 'product.' Our country is enduring a period where the rhetoric about the value of the liberal-arts education is quite negative. As the public listens and reacts to this rhetoric, enrollment in these areas has decreased. (NEED SOURCE) Therefore, eliminating any program (such as the above-mentioned cutting of Philosophy example) would create a reality where Higher Education only produces students with educations that conform with the ideological stances of those in our society currently producing the rhetoric against a true liberal-arts education. Perhaps, this result is the effect that the opposing group desires. The philosophical dilemma this PLC wrestled with is whether eliminating programs that are affected by the opposition movement actually assists the movement, further weakening the value of a liberal-arts education in the eyes of the public.

Diversify to Increase Revenue - The Social Enterprise

A solution to this dilemma can be realized by diversifying the sources of revenue and using this revenue to help fuel the traditional educational objective. Any of the operations that have the potential for generating revenue in excess of their own operating costs with a purpose of contributing the excess revenue (profit) are by definition businesses. In some ways, the larger university becomes the holding company for these subsidiaries.

Currently, SOU is depending on tuition increases and hoping for significant swings in the political climate, which is not controllable or sustainable. In essence, it could be argued that in the current climate, a purely mission-based model is not realistic or sustainable. This is a controversial position, but recently, there has been a considerable amount of literature and media coverage

discussing declining national collegiate enrollments, the endangered financial health of many Higher Education institutions, and the closure rate of many colleges and universities.

Some of the ideas discussed in this paper suggest approaches that would diversify the revenue sources for SOU. Imbedded retirement communities, university-run hotels, leveraging the new Student Recreation Center and the new Theatre Arts complex, or even for-sale art studios are examples of business ventures that could provide alternate revenue streams.

Alternate ventures would need to generate profit that could be used to support SOU's ultimate objective: providing a quality and affordable education to regional students. They would need to run as for-profit businesses under the "holding" of SOU (Figure 2).

This idea for creating a mission-based but profit-funded organization is not a novel one. The concept is known as a 'social enterprise.' A great example of a successful mission-based organization is Homeboy Industries in Los Angeles. Homeboy Industries has been operating using this model since 1988, to become the most successful re-entry program in the world. "Homeboy Industries is a 501(c)3 nonprofit organization which utilizes a combination of donations and revenue from various social enterprise businesses to fund its innovative model of therapeutic wrap-around services and job training."

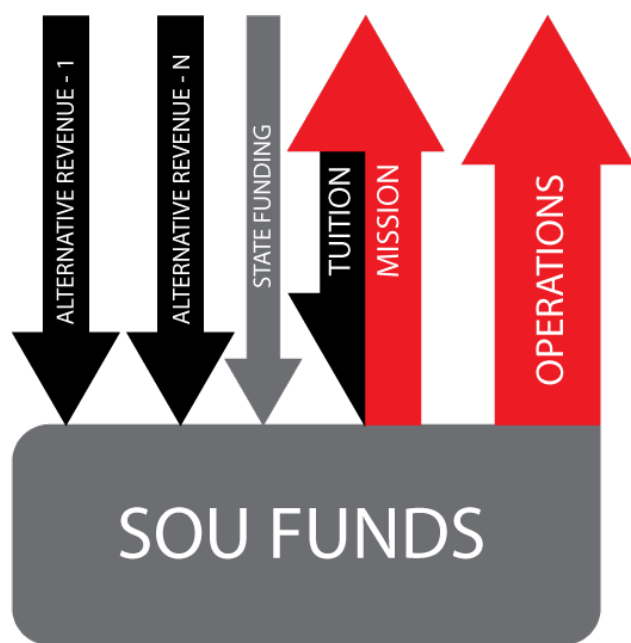FIGURE 2. THIS DIAGRAM ILLUSTRATES SOU EXPENDITURES (RED) FOR OPERATIONS AND FOR EXECUTING ITS MISSION. IT SHOWS NON-STATE REVENUE (BLACK) GENERATED BY TUITION AND ANY PROPOSED PROFITABLE VENTURES. IT SHOWS STATE FUNDING CONTRIBUTIONS (GRAY) LEADING INTO THE OVERALL COLLECTION OF SOU FUNDS.

The Impact of Technology

It is apparent in our global landscape that technology has radically changed the

business-model and existence of almost any industry in any sector-- private, public, or nonprofit. This is quite apparent in highly visible areas, such as retail, travel, news/journalism, books/publishing, music/video production, and distribution, among many others. Technology has threatened these sectors, because it has disrupted them and made their older approaches obsolete. Technology has significantly altered their fundamental existence in ways that has made significant portions of them irrelevant.

In Higher Education, technology has only begun to disrupt and not on the same scale. For all of its investments in technology, technology has not delivered fiscally-sustainable financial budgets, nor has it made education more affordable. Through online course offerings, it certainly has made it easier to deliver course material to larger audiences. However, due to the conception of online program management firms (OPMs), the revenue created by using technology is not delivering the return on investment (ROI) that it has in other industries like retail sales or the delivery of multimedia.

Technological advances in the past have been used to create a competitive advantage. Electricity, the telegraph, and the railroad were all new technologies that propelled the early adopters ahead of their competition. Technology has yet to deliver this type of strategic or competitive advantage to Higher Education.

3.7. The Role of Fundraising

It cannot be overlooked that philanthropy will play an evermore important role in the long-term viability of Southern Oregon University (SOU). With a grim public-funding outlook, private donor investment from individuals and corporations can assist the institution in building programs that may attract and retain more students, resulting in a positive fund-balance at the end of each fiscal year. This should ultimately provide a healthy future for SOU.

Most donors are not typically interested in assisting with funding the general university operation, as normally their financial support directly ties into projects that enhance academic and student programs for which the donor has a feeling of ownership, pride, or partnership. Though the donated funds are then earmarked for a specific program or department, this potentially enables general operating-funds to be used elsewhere. Donors are also interested in directly supporting students through scholarships and awards, helping to offset inevitable tuition increases, and making education more affordable and accessible. **The key is identifying what donors individually connect with and presenting them with personalized opportunities to make a difference.**

While core motivations for giving have not changed dramatically—donors still give for primarily social, emotional, and personal reasons—donor expectations and giving preferences have evolved. We live in an age of unprecedented personal expression and transparency.

To truly connect with donors and inspire them to support the programs that are most meaningful to them, communications need to speak directly to them—and then let them talk back. This means getting extremely clear on the message you are trying to send and personalizing the experience to make it incredibly compelling and relevant to the individual. **Now more than ever, the key to more effective communication is relevancy.**

However, these private contributions won't materialize on their own, and the creation of a philanthropic environment where supporters are engaged and expectations are met doesn't naturally evolve itself into existence. It requires a focused investment in advancement infrastructure, in the form of alumni relations and fundraisers, alongside a cohesive university-wide communication plan. It requires taking bold steps to engage with alumni in the places and ways they want to be engaged, rather than in the traditional ways that our current systems and structure supports.

Ultimately, these investments will enable SOU to better connect with alumni and donors amid the changing landscape of expectations, and provide a compelling case for financially supporting the university for many years to come.

3.8. P3 Partnerships: Bold & Audacious

A common revenue stream for universities is the public-private partnership, or P3. In P3 arrangements, public or nonprofit entities enter into a contractual relationship with private-sector companies that offer capital, expertise, experience, and a willingness to take on project risk for an eventual profitable ROI. The arrangements usually are structured where a long-term revenue model is designed to provide financial support to the public/nonprofit entity, and would eventually repay the initial investment funding with interest. Nationally, student residential housing has been the most frequent on-campus department to engage in a public-private partnerships for the past few decades. Not coincidentally, Southern Oregon University's own Housing department participates in a P3.

When considering the best P3 arrangement for a particular campus and how to structure it, the public/nonprofit organization must first determine its objectives. The partnership should do more than generate revenue; ideally, it would also meet a need (such as building new residential housing) or otherwise support the university's mission.

Many university leaders realize they must seek new solutions to funding shortages. With an abundance of alternative funding-sources available, some officials say that when a large project is approved and before debt is incurred, there should be a study to determine whether a public-private engagement is appropriate. If so, collaboration with experienced partners and the use of private-sector capital is compelling.

When one considers that the "Baby-Boomer generation is retiring in record numbers, such as "10,000 baby boomers turn 65 every day, and this is expected to continue into the 2030's and Boomer's represent nearly 20% of American population" (Forbes's magazine June 21, 2018 issue). These statistics appear to come from the Pew Research Center's 2010 study, that actually states, "18% of the population in 2030 will be Boomers," and at the time of the report in 2010, only 13% of population were Boomers. Even more interestingly, the typical Boomer believes that 'old age' does

not begin until age 72, according to a 2009 Pew Research survey. Moreover, while about half of all adults say they 'feel younger than their actual age,' 61% of Boomers are feeling younger than their age would imply. In fact, the typical Boomer feels nine years younger than their chronological age.

Retirees are a fast-growing segment of the local population; while at the same time, the concept of retirement for many has shifted in recent years. Fewer people are drawn to planned retirement communities in the south and southwest. Once developers sought out locations on mountainsides or near golf courses; however, real estate within walking distance of a college campus is now considered a prime location. There is also a growing interest in active learning in retirement with recent evidence showing that the brain can be helped to keep young with lifelong learning programs. Retirees have been flocking to college towns nationwide, and waiting lists for entry in nearby communities is the new norm.

University-Based Retirement Communities

The term "university-based retirement community," or UBRC, was coined in 2006 by Andrew Carle, founder of George Mason University's program in Senior Housing Administration. However, UBRC retirement communities are obviously much more than just run-of-the-mill senior living centers, and you cannot simply define them as any senior community affiliated with or located near a university. In fact, a person would be hard-pressed to find two UBRCs that are exactly the same, but Carle lists five criteria that, in his experience, contribute to a successful UBRC from the perspective of residents, the university, and the senior-housing provider:

1. Proximity to the campus itself.
2. Formalized programming between the university and the community, encouraging intergenerational diversity and a range of activities.
3. Full senior-housing services offering a continuum of care, from independent to assisted-living.
4. A strong alumni base, with at least 10% of the community being alumni, former faculty, or former employees of the university.
5. Sound financial planning, with a documented financial relationship between the senior-housing provider and the university.

The first of this type of retirement communities began prior to 2000 (at Duke University in 1994), and the concept was being considered as early as 1993, when citizens in Davis, California, spearheaded the effort to bring a continuing-care retirement community (now referred to as a Life Plan Community) to their town. They formed a nonprofit organization, called the Davis Senior Housing and Care Continuum (DSHCC), whose purpose was to enlist both the public and private sectors to finance and construct a CCRC, with an emphasis on lifelong learning, personal growth, health, and well-being. Working with the newly-formed Board of Directors of University Retirement Community, DSHCC selected Pacific Retirement Services (PRS) as its affiliate to oversee the planning, design, construction, and management of this new senior-living community. The first of nearly 400 residents began moving into the new community on February 21, 2000. Today, URC and PRS have exceeded all of the original expectations. PRS is currently developing a UBRC at the University of Arizona in Tempe. On the East Coast, the University of Florida has partnered in a master-affiliation agreement with Praxeis for their own UBRC's on two of their campuses.

It is estimated that there were approximately 100 UBRCs in 2014, but as the Baby Boomer generation retires and starts looking for more variety in their senior housing, the number of these specialized retirement communities was expected to grow. Retired seniors are looking for something different, as opposed to their leisure-seeking, golf-playing predecessors, as many of the newly-retired want active lives, intellectually stimulating environments, and intergenerational retirement communities (CITATION)

As stated above, a local organization, Pacific Retirement Services, has been a leader nationwide in retirement services, including 'niche' communities based at Universities. These UBRCs range in size from 200 to 400 residents, with a mix of floor plans and living options, ranging from studio-apartments to stand-alone three-bedroom cottages. Some life-continuum facilities require a substantial buy-in, which may or may not be partially refundable, plus a monthly rent. Partially

refundable buy-in costs tend to be more money upfront, but refundable amounts can be used for transitioning to advanced-care options.

3.9. Higher Education as a Public Good

Many argue that higher education will never return to the "good old days" of significant state financing. The best that can be hoped for is to postpone the eventual complete defunding of higher education by the state. According to the American Council on Education, "Based on the trends since 1980, average state fiscal support for higher education will reach zero by 2059, although it could happen much sooner in some states and later in others" (Mortenson, 2012). However, these arguments are valid if, and only if, we continue to talk about higher education in the terms its opponents have defined: that higher education is private good. In economic theory, private goods are excludable and rival in consumption. In other words, people can be prevented from using private goods, and one person's use of a private good reduces other people's ability to use it (Mankiw, 2012, 218).

Preston Cooper claims:

"But higher education is unambiguously not a public good. It is excludable, since universities can force students to pay tuition before receiving an education. It may be non-rivalrous at the margin, since one or two additional students in a lecture hall don't make much of a difference. But at scale, the number of students in a class has a significant impact on the quality of education (at least at traditional brick-and-mortar colleges)."

But Cooper confuses individual colleges and universities with higher education. To use his example of Harvard, a Harvard degree is to some degree excludable (though it does not charge all students tuition), and is rivalrous (Cooper, 2017). But Harvard and higher education are not the same thing. One of the fundamental purposes of at least public higher education is to make it as non-excludable as possible. The availability of student loans and other financial aid help make tuition less

of a barrier to entry. Less selective institutions, especially smaller colleges and universities are desperately seeking students. Higher education is therefore non-rivalrous in the sense that every student could find someplace to pursue their degree without impacting educational quality.

By defining higher education as a private good, opponents of public funding are claiming that its benefits accrue mainly, if not entirely to individual students. If that is the case, why should public money be spent on what is a private good? In this context, the 33% increase in tuition at public four-year institutions between 2007 and 2014 seems if not reasonable, at least justifiable (Mitchell et al, 2016). After all, shouldn't students, who accrue all the benefits of a college education, be the ones to pay for it?

Rejection of the notion that higher education is a public good may be contributing to the public's increasingly skeptical view of higher education. According to a Pew Research Center survey conducted in 2017, only 55% of respondents have a positive view of higher education. Republicans, who the authors would argue are more likely to view higher education as a private good, have an even dimmer view, with 58% saying it does not have a positive effect. Democrats, who are more likely to view higher education as a public good, are considerably more supportive, with 72% saying it has positive effects (Pew Research Center, 2017, 1)

Jason Owen-Smith argues that understanding higher education as a private good is mistaken: "the language we are currently using–a rhetoric that emphasizes market responsiveness, productive efficiency, and individual returns on investment for students–is profoundly unsuited to accurately explaining the true public value of research universities and their need for ongoing public support" (Owen-Smith, 2018, 2).

So what are the public benefits of higher education? The College Board regularly publishes a report on the public and private benefits of higher education. Among their findings (all from 2012 data except as noted):

People with four-year degrees are less likely to rely on public services:

- The poverty rate of high school graduates is almost three times higher than that of college graduates.
- Only 2% of college graduates lived in households that rely on SNAP, compared to 12% of high school graduates (2011)
- Only 11% of college graduates are on Medicaid, compared to 24% of high school graduates
- Only 2% of college graduates have children on free and reduced lunch, compared to 11% of high school graduates.
- 65% of college graduates have an employer-sponsored pension plan, compared to 52% of high school graduates (2011)

People with four-year degrees are healthier:

- There is a 17 point gap in smoking rates between college and high-school graduates, a gap that has increased from 2 points in 1962.
- Among 55- to 64-year olds, college graduates are 38% more likely to exercise than high school graduates.

People with four-year degrees are more civic minded

- 42% of college graduates volunteer, compared to 17% of high school graduates
- 59% of high school graduates voted in the 2012 election, compared to 80% of college graduates.

Even what can be seen as a private benefit can have very positive public effects. For example, over a lifetime, college graduates make 84% more money than those who have only a high school degree. That translates to a $2.8 million lifetime earnings gap (Carnavale et al, ND, 1). However, it's important to remember that those additional earnings are taxed. The median total tax payments of college graduates is three times that of high school graduates. People with a 4-year degree pay 78% more in taxes each year than high school graduates (Baum et al, 2016, 10-11).

Higher education has important positive impacts on local and regional economies as well.

According to the Brookings Institution:

- Over his or her lifetime a college graduate contributes $278,000 more in direct spending to local economies.
- Over his or her lifetime, a college graduate contributes and additional $44,000 in state and local taxes.
- 42% of college graduates remain the the area they attended college (Rothwell, 2015)

- 91% of SOU's expenditures were spent in Jackson or Josephine counties
- SOU generates $2.5 million in rental income and property taxes for the city of Ashland
- Using a multiplier of 2.05, SOU expenditures result in $195.4 million in regional economic output
- Using a multiplier of 2.34, SOU expenditures created 1013 jobs in the region
- A year after graduating from SOU, almost 60% of SOU graduates live and work in Oregon. Two-thirds of those graduates live and work in Jackson or Josephine County.

Though SOU can and should independently identify and communicate the positive economic and social effects it has on the Rogue Valley, it should also partner with other Oregon publics. The newly established Southern Oregon Higher Education Consortium would be an ideal vehicle to share the public value of higher education in the region, and could become a model for statewide efforts.

There is precedent for this; it's called the Wisconsin Idea. Lawrence Barish defines the Wisconsin Idea "as the University's direct contributions to the state: to the government in the forms of service in office, offering advice about public policy, providing information and exercising technical skill, and to the citizens in the forms of doing research directed at solving problems" (1996, 102). For many years, the University of Wisconsin embraced and marketed the Wisconsin idea, combatting the view of the university as a remote and irrelevant institution and promoting the view of the university that positively impacts everyone in the state.

Jon Nixon argues that we are in a unique moment to reclaim the university as a public good:

"What was lost in the three decades prior to the global crisis was the old and hard-won idea of a public good: a good that, being more than the aggregate of individual interests, denotes a common commitment to social justice and equality. If the collapse of the global markets has done nothing else, it has at least brought back onto the agenda the need to re-imagine the public good, to gather the resources to rebuild a common commitment to the public good, and to define the conditions necessary for that imaginative task of reconstruction. Higher education is central to that task, not

only because it is a public good in itself, but because it exists to ask what constitutes the public good."

It is time for SOU and all of public higher education to take full advantage of this opportunity.

4. Conclusion & Discussion: A Philosophical Shift

The PLC for Institutional Financial Sustainability discussed whether SOU is capable of changing, and quickly determined that the SOU community was ready and eager for a change in direction. Because if the answer was SOU was not ready, the efforts of this PLC, the examination of this topic, and the pursuit of institutional sustainability were futile. Understanding the SOU culture and the campus-community's openness to change is a key starting-point for determining the forthcoming pathways the institution must take to remain financially sustainable. The demand to fund public Higher Education is diminishing, and efforts to obtain more state-monies has not seen much success. Therefore, the traditional tax-based funding model has stopped working as well as it once did. For many institutions, the drastically-reduced state funds are just a slow decline into financial ruin. In fact, it is the perfect example of an unsustainable financial model. During the 20th century, through measures such as the G.I. Bill, the Higher Education industry saw its enrollment increase by incredible numbers. A college degree was the ticket to the middle-class, and large public universities grew from a few thousand students to tens of thousands of students (Carlson, 2019).

Today, higher education is losing its reputation as the best mode to prosperity, and even as a 'knowledge accelerator.' This is taking place in a landscape that is evolving rapidly as society no longer perceives the enduring value of Higher Education versus the ephemeral benefits of immediately joining the workforce, or as a member of the workforce, foregoing up-skilling with a bachelor's degree.

Undoubtedly, transformation on any university campus will involve difficult and audacious decisions by its leadership, and it will challenge its employees at all levels of the institution with

tough compromises. Even if only for a limited time, it may also require a blurring of traditionally-assigned responsibilities by creating nebulous job-roles, requiring all employees to function as a team that is focused on a shared objective: financial sustainability.

As explored earlier, we explored cost-reductions and cuts at every level, and there may be significant savings to be had. It is highly debatable whether these potential cuts would move the needle enough to put SOU back on the right track financially.

"Higher education has thrived not because it is exclusive and elite, but because we've worked hard to be less so. Our moments of growth and transformation come when we embrace a changing landscape — when land-grant institutions reinvent teaching and research, when the GI Bill redraws our image of the American college student, when states see their public universities as long-range assets rather than near-term burdens." (, 2019)

If Higher Education is not viewed as the long-term asset we know it is, then it is up to all of us -- faculty, administrative staff, and students -- to adjust our expectations and identify the levels of change we are comfortable with. From that, we can work toward solutions that will ultimately achieve the greatest success and financial viability.

5. Recommendations

Because there is no crystal-ball that can accurately predict the future of Higher Education in the country or the State of Oregon, the first recommendation is that the work of this PLC only serve as a genesis for the conversations ahead and the change to come. It became obvious to the members that defining and parameterizing the sustainability problem is an arduous task all by itself, and that just offering solutions to the problem that came from such a small group of SOU campus-members is not allowing the community to weigh in and brainstorm. Also, the recommendations were all fraught with pitfalls and challenges, where none of the ideas was seen as a "silver bullet." Determining the course was seen as extremely challenging by every member of this PLC.

5.1. The Continuum: Research and Data Analysis

While attempting to determine the "right size" for SOU or the proportion of online versus on-site students, it became apparent that retrieving meaningful and useful data is difficult. Two official SOU reports were used, but both were from completely different years. The 2012 Klein report was useful, as it had a large amount of information. Unfortunately, it is also outdated. The Enrollment Trends report of 2018 was also used. However, trying to make assumptions and projections based on data coming from two reports that were six years apart could be potentially misleading. Thus, the second recommendation by this PLC is to define a standard annual reporting mechanism that can be accessed where capacity, enrollment, cost-per-student, funding-per-student, and other key data is aggregated and easily found.

5.2. Decide for What SOU Should Be Known

While attempting to determine the student capacity for SOU, one key-but-simple question arose: "What does SOU want its student-to-faculty ratio to be?" This question became relevant when looking at the loss-numbers per student and the tendency for adding sections over increasing class density in the Klein report. If SOU wants to be known for small class-sizes, then that decision will affect capacity, as the cost per student will remain higher.

SOU is a liberal-arts school. It has been suggested by some that the liberal-arts are in decreasing demand. However, this PLC presented several accounts where large public university presidents are making a strong push to reinvest in the liberal-arts at their own schools. Regardless, SOU needs to commit to its identity. If it is able to generate revenue through other means, as suggested throughout this paper, then it may not be forced to eliminate programs that are seen as unpopular or cost-prohibitive to offer. This PLC recommends that SOU make a commitment to an identity that it can uphold and preserve well into this century.

5.3. Online Expansion

Although this PLC was not able to determine the best ratio of online versus on-site courses, it is apparent that the demand for online delivery is not going to diminish. In addition, a study performed by Georgia Tech revealed the estimated cost of actually providing an online Master's to be $6,600 per student. As such, this is what Georgia Tech is charging students to complete this program. Comparing $6,600 to even the 2012 data from the Klein report, and it is clear that the cost for providing online educations is significantly lower. Thus, it may serve as a solvent, and potentially even a "profitable" platform, if SOU can find a way to separate itself from its online program management (OPM) firm.

Finally, to truly understand the merits of SOU expanding its online presence, one needs to understand the State of Oregon's Student Success and Completion Model (SCCM). The SCCM is a complicated method for determining the amount of state funding to be given to Oregon's public institutions. It comprises three funds: 1) mission-differentiation funding, 2) activity-based funding, and 3) outcome-based funding. Based on retention and completion (along with other contributors, such as the actual program a student registers for), funds are appropriated to SOU and the other Oregon public universities on a per-student credit-hour basis.

Therefore, to accurately predict capacity and the distribution between online and onsite programs, this PLC recommends that in conjunction with the comprehensive annual report suggested above, a parameterized and automated modeler be built that can run scenarios to make predictions, which not quite a crystal-ball, would be a better glance into the future for budget projections and planning. This would be one important way that technology could provide a strategic advantage for SOU.

5.4. Explore Social Enterprise Opportunities

As discussed in this paper, growing alternate sources of revenue could serve as a key solution to the long-term viability of SOU. This PLC made some brief explorations into ideas that could diversify SOU's revenue sources. And although it would require many of these ventures to basically operate as for-profit ventures, any of these ventures could potentially be combined with an academic program. SOU does offer a Hospitality & Tourism Management program, which is similar to many that are offered across the country. However, Ashland is a fantastic tourist destination, surrounded by world-famous wineries and the Oregon Shakespeare Festival. Annually, SOU Conferences host hundreds of groups on-campus every year. If SOU invested in a new on-campus conference center & hotel, SOU Conferences could partner with the Hospitality & Tourism Management program to provide real-world experience while growing this already existing revenue stream. SOU could also leverage its location in the Rogue Valley to operate an on-campus retirement center that integrates with lifelong learning, as Ashland is already seen as a spectacular place to retire and OLLI already provides amazing educational programs for lifelong learners. This PLC recommends that SOU explore a variety of social-enterprise opportunities to identify various a ventures that can help fuel its mission-based objectives.

5.5. Cultivate, Nurture and Invest in Pre-College Relationships

All businesses make some effort to build connections with people before ever doing business with them. Market analysis and marketing efforts are ever present in the daily lives of most Americans. It is not coincidence that corporations such as Apple, Google, Adobe, IBM, and others go out of their way to make their products the ones that students from kindergarten through college will use and feel the most comfortable with as they enter the workforce. This is a huge investment into priming the pipeline. It has been working in business and marketing for decades. This PLC recommends analyzing the market and finding ways to expand its dual-enrollment and pre-college &

youth programs. SOU should prioritize building lifelong relationships with its students starting well-before they attend SOU. This is the type of relationship that will attract students to SOU and keep them close enough to give back to SOU in a variety of ways, long after graduation.

5.6. Winning the Debate

One key topic that this PLC explored was the greater good that an education provides. Recognition of the greater good has been recently lost in our country as stated by the president of Metropolitan State University of Denver. Our society once went to college to gain knowledge and to gain a better understanding of the world we live in. In the 1980s, this began to shift to a more egocentric and immediately self-serving _____. Higher-education has become about jobs, and more specifically, about the job a student gets immediately after earning her/his degree.

Many who work in the higher education industry have attempted to convince the masses that it's still about more that the students' first job after graduation. It's an argument that is not working. This PLC discussed returning the conversation back to being about the good that higher education and its institutions provide to our society as whole as opposed to just the individual.

5.7. The Value of a Liberal Arts Degree

Appealing to the "State of Jefferson" and its constituents as a liberal-arts-focused school has been an increasingly hard sell. As stated, some conservative people in our region see a liberal-arts education as elitist and do not teach tangible skills that are valuable in the workforce. In March of this year, the retiring president from the University of Colorado, oil magnate Bruce Benson, wrote to alumni espousing the value of the liberal arts, and declaring that although STEM is still important and should remain a major focus, "Graduates with the human skills a liberal arts education fosters – communication, problem solving, leadership – should have a leg up." Mr. Benson continued, "A few years back, we surveyed the leadership of Colorado's top 25 public companies. Of those, half earned

undergraduate degrees in liberal arts fields. Three-quarters earned advanced degrees. All were extremely successful in leading their companies. It highlights the statistic that 40 percent of liberal arts graduates go on to graduate or professional schools, where they specialize." Mr. Benson closes his letter to alumni by stating, "It's important for liberal arts graduates to translate their skills into needs in the job market. But one of the hallmarks of the liberal arts is being able to adapt." (Benson, 2019)

In addition to the University of Colorado's president's statements, Metropolitan State University of Denver recently published a cover-story for its quarterly magazine titled, "Oh, the Humanities." Metro's president, Janine Davidson, Ph.D. compares the results from a 2018 Gallup-Strada report to the Gallup reports of the 1950s and 1960s. Dr. Davidson shares that when asking students about their motivation for attending college, the difference between the two eras is stark. In 2018, 58% of students indicated that getting a good job is their primary motivation, with 23% claiming that their motivation was learn and gain knowledge. However in the 1950s and 1960s, the Gallup reports' top response was "to gain a more meaningful understanding of life." (Watson, 2019)

More highly educated people are less violent. They are more likely to volunteer and become donors to causes (Reno, Marcus, Leary & Chaiken, 1997). Colleges and universities provide jobs and generate revenue for cities and towns all over the country. This PLC recommends that SOU develop a message that includes employability, but also emphasizes the long-term and global impact that an educated populace will provide.

5.8. Psychographics

Universities, like many other nonprofits and for-profit businesses, focus on demographics. Analysis is performed on race, gender, age, political ideology, and beyond. Algorithms are constructed and run to try and determine what age, gender, race, et cetera is the most likely to

become a consumer, or is a demographic that is yet to be sold to. This is where the PLC explored psychographics.

Psychographics is the method by which the marketing industry is beginning to analyze who the person is and what they think. After all, it is possible that a Hispanic man and an Asian woman were attracted to the same college for the same reason. Psychographics is the marketer's way of studying and understanding this intrinsic drive. This PLC recommends that SOU partner with a marketing firm that has a background in understanding psychographics to develop a strategy for marketing to both prospective regional and national students. SOU should be able to understand who it is marketing to and why, as well as what else the prospective applicants would want to know about SOU, their education and how it will positively impact their lives. Personalized, intimate messages will likely resonate with them and ultimately inspire them to matriculate.

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Schwartz (2003)

Shearer (2006)

Sklar (2015)

Southern Oregon University Youth Programs (2019)

Stein (2017)

Steinitz (2003)