

**Cleveland State University**

**OR/FS Consolidated Analysis and Findings**

**May 2024**

**Executive Summary**

# Executive summary (1 of 3)

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## CSU positioning

- ▶ CSU is a **regional public university** based in Northeast Ohio with a modest research footprint which includes many **collaborations with Cleveland-area companies and institutions**
- ▶ The University serves a **regional student base**, with ~75% of students coming from within a 25-mile catchment radius
- ▶ CSU provides an **affordable** education to a **diverse population** of students. Of its student base, ~20% are underrepresented minorities and ~40% are Pell-eligible
- ▶ Outcomes at CSU are **slightly below 4-year university peers**, with a 70% retention rate and 51% graduation rate
- ▶ Community members and regional employers perceive CSU as an **anchor institution in Northeast Ohio** that plays a key role in educating students and **driving social mobility**

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## Market context

- ▶ Higher education enrollments in Northeast Ohio have **declined at an annual rate of 2.6%** over the past five years, and are projected to **continue to decline over the next decade** due to demographic shifts and learning loss
- ▶ CSU is experiencing a **less drastic enrollment decline** than some of its peers, but net enrollment growth is unlikely under the current market conditions. Growth is planned for within specific program areas and in online offerings

## Executive summary (2 of 3)

### What CSU can do differently

- ▶ CSU can focus on the role it plays in serving the Northeast Ohio community and **play this role with excellence**
- ▶ Based on analyses of student outcomes, workforce alignment, and employer feedback, CSU has substantial room to improve **how it supports students and employers in Northeast Ohio**:
  - Retention and graduation rates are below the peer average of Ohio 4-year public universities
  - CSU completions aligned to in-demand occupational areas in NEO are modest
  - Employers suggest that quality of student preparation is mixed, and that accessing CSU's top talent is challenging
- ▶ CSU can improve outcomes through an unwavering focus on **launching students onto attractive career paths** and **fulfilling the talent needs of the local employer ecosystem**

### Key pillars to drive the vision

- ▶ The key pillars to drive impact are the **advisory model, employer engagement approach, and curriculum design**
- ▶ Through changes to organizational structure, program and service delivery, and use of data, CSU can:
  - **Pair each student with a single advisor** for all 4 years of their CSU experience. A single, primary point of support creates a student-focused environment and proactively connects students to other resources as appropriate. Additionally, CSU can employ predictive analytics to support proactive interventions and prioritize resources
  - **Develop an account management structure** for employers that connects and matrixes to its academic programs and departments. CSU can **better track placements** and post-graduate career outcomes to inform students of their options and codify these pathways within the curriculum and the first-year student experience
  - **Future-proof the curriculum** by updating the core curriculum around durable skills and streamlining degree requirements to enable on-time completion. Furthermore, CSU can grant credit for internships and prior work experience to more effectively serve a broader student base (e.g., adult learners)

## Executive summary (3 of 3)

### Critical enablers

- ▶ **Modernized technology** and **strong partnerships** are critical enablers needed to support CSU's work
- ▶ Technology upgrades can be sequenced to prioritize user experience improvements in **student-facing functions** and enable **more dynamic degree-planning**
- ▶ CSU has existing relationships with **local community colleges, employers, and constituents of Northeast Ohio** that can be strengthened and focused on CSU's dual goals of driving lifelong outcomes for students and being NEO's talent partner of choice

### Role of cost reduction

- ▶ **Without any action** to correct the budget, CSU is on track to **deplete its base of reserves within 5 years**
- ▶ **Revenue growth alone is not likely able to address the annual deficit**, given overall enrollment trends in the state of Ohio and increasing competition for students
- ▶ The Strategic Assessment Steering Committee has identified opportunities to gain incremental revenue and strategically reduce costs to **improve CSU's operating position by ~\$40m by FY29**. This will preserve reserves and put CSU on a stable financial footing going forward

### Role of M&A

- ▶ With a stronger foundation, CSU can better position itself to **critically assess potential merger and acquisition opportunities** as they arise in this challenging landscape, with an eye towards accelerating its long-term vision
- ▶ Potential combinations can be assessed in terms of the sources of value created, the costs to achieve the integration, and the associated risks