



# 4 Higher Ed Financial Technology Trends for 2021 and Beyond

*Insights and Strategies to Keep Your Institution on Track*



## Phil Chick

VP, Financial Administration and Chief Business Officer, Xavier University

- More than 11 years in higher education financial leadership roles
- Previous position was Asst. VP and Treasurer at University of Dayton
- Entire career spent focused on Finance



## Logan Anderson

Senior Solutions Engineer, Syntellis

- Twelve years in higher education
- Previously worked at the University of Notre Dame in the Central Budgeting Office
- Led the implementation of Axiom at dozens of universities across the U.S.

# AGENDA

1

**2021 Technology Trends**

2

**Action-Oriented**

Make informed, data-informed decisions

3

**Agility Needed**

Respond to impacts of COVID-19 by being nimble

4

**Planning Efficiencies**

Streamline budgeting & forecasting processes

5

**Advanced Modeling**

Leverage scenario modeling to prepare for uncertainty

6

**Looking Ahead**

7

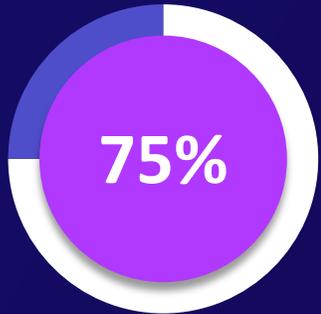
**Questions**

# 2021 Technology Trends

## Moody's 2021 Projections



Higher education revenue will decline



Public institutions won't generate cash flow margins above 10%



Private institutions won't generate cash flow margins above 10%

Source: [Outlook for US higher education sector remains negative in 2021 as pandemic effects curtail revenue](#). Moody's, Dec. 8, 2020.

# Four Technology Trends for 2021 and Beyond

*How Can Institutions Keep Pace with the Rate of Change?*

1

**Action-oriented:** Make informed, data-informed decisions

2

**Agility:** Respond to impacts of COVID-19 by being nimble

3

**Efficiency:** Streamline budgeting & forecasting processes

4

**Advanced modeling:** Leverage scenario modeling to prepare for uncertainty



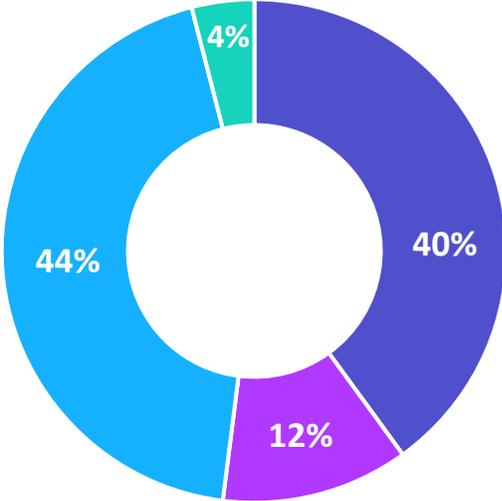
# Syntellis' 2021 Financial Technology Trends Survey

Who Responded?

→ 100 Higher Education finance professionals

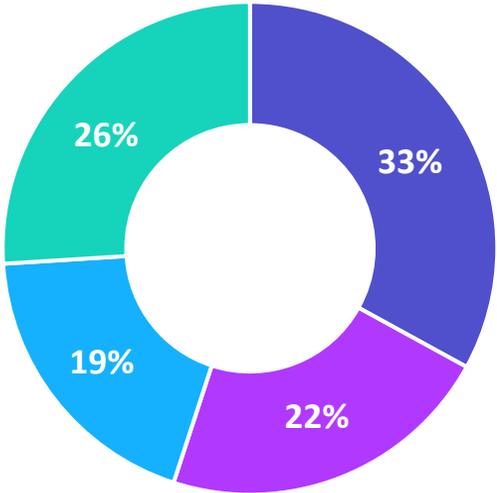
→ Survey conducted September through November 2020

### Institution Type



- Four-year public college or university
- Two-year non-profit college (community college)
- Four-year non-profit private college or university
- For profit college or university

### Full-time student enrollment

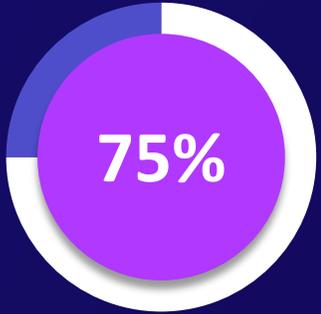


- Less than 5,000
- 5,001-10,000
- 10,001-20,000
- Greater than 20,000

# Action-oriented

Make informed, data-driven decisions

# Institutions



Believe they should do more to leverage financial and operational data to inform strategy



Don't have the right tools to respond quickly to budgeting and financial planning changes



# How Can Your Institution Make Timely, Data-Informed Decisions?



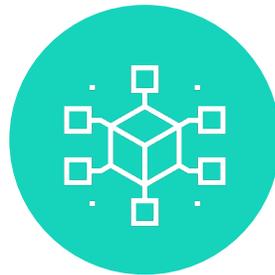
Integrate data for quick access



Utilize tools to report & analyze



Leverage cloud accessibility



Institute data governance practices



Create culture to support

# Agility Needed

Institutions need to be nimble

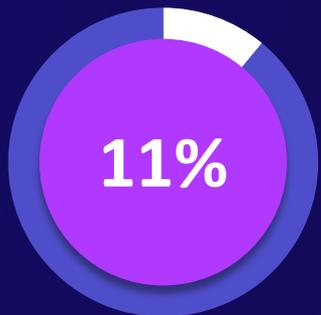
## Institutions Admittedly Unprepared in 2020



Were very prepared with budgeting, financial planning, and reporting technology



Were very prepared for communication to faculty, staff, and students

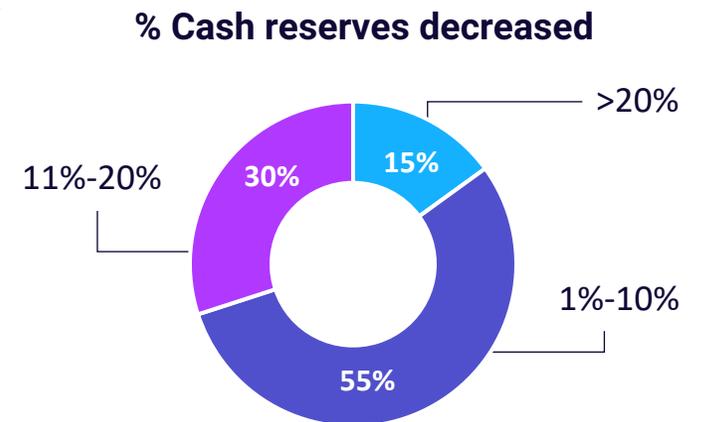
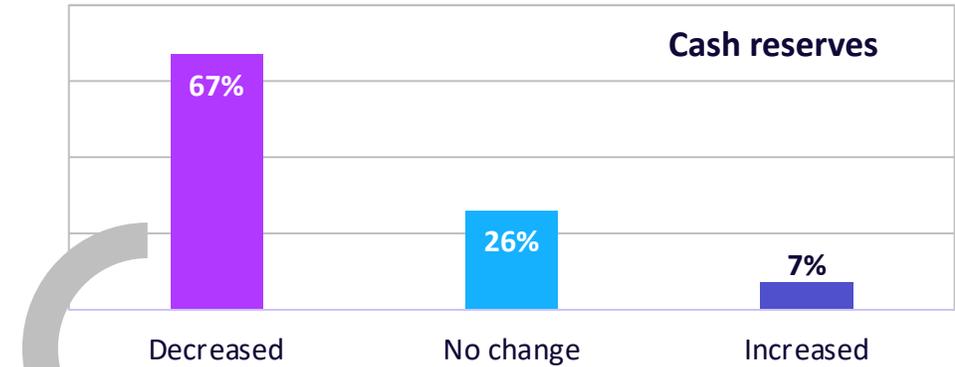
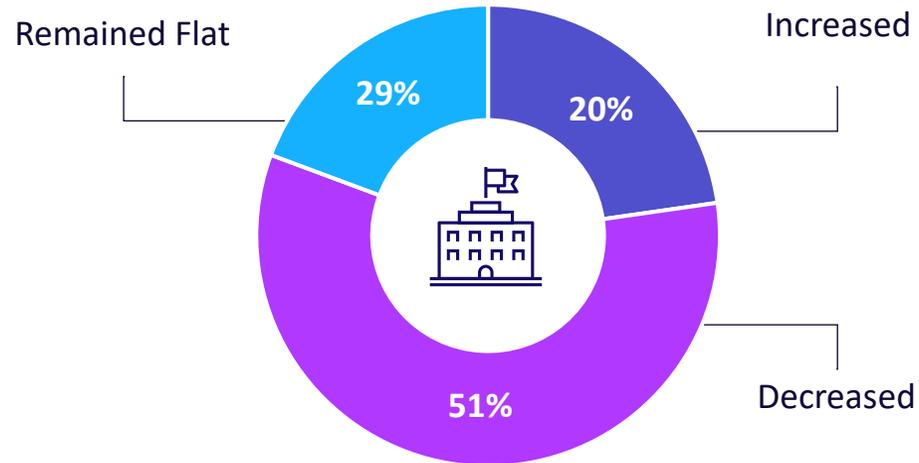


Were very prepared with technology to deliver online learning

# Enrollment Impact on Cash Reserves

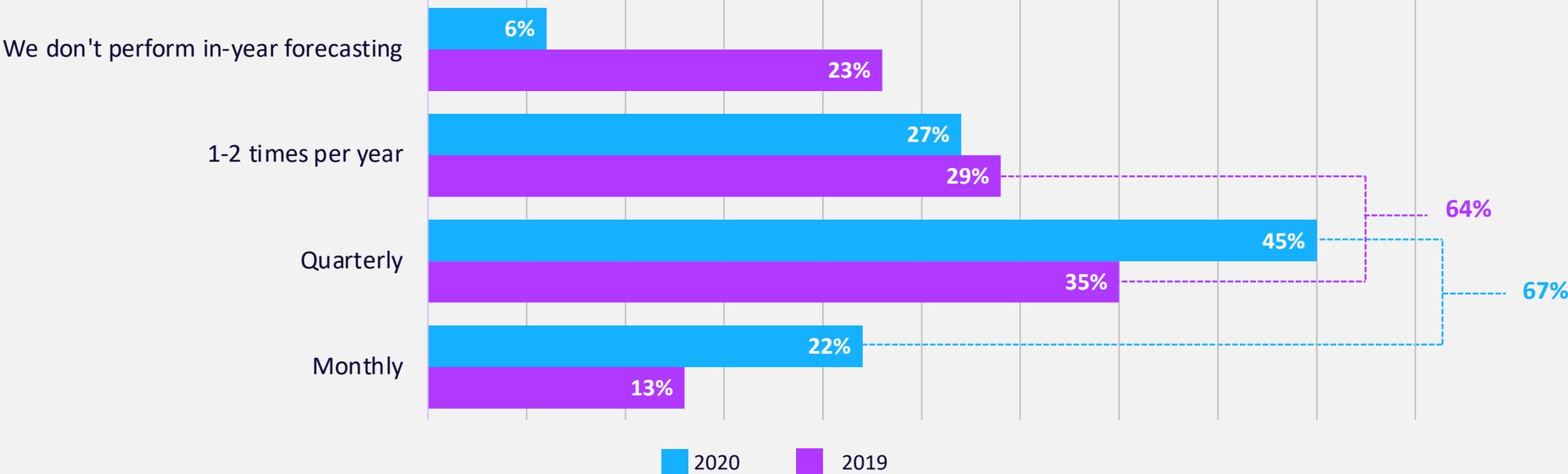
Decreases in Cash Reserves and Enrollment Will Likely Contribute to the Slow Return to Normal

Compared to the 2019-2020 academic year, 2020-2021 enrollment:



# In-Year Forecasts Ease Budget Pressures

### How frequently does your institution perform in-year forecasting?



# How Can Your Institution Become More Agile?

## Agility can come in multiple forms

- Process
  - Shift resources from focusing on the budget to the in-year forecast
  - Facilitate leadership discussions on resource allocation
  - Increase transparency with leadership across the institution
- Technology
  - Need flexibility to reforecast at any time interval
  - Better access to disparate data support quicker decision-making
  - Ad hoc reporting allows administrators to quickly dive into data and respond to leadership needs

## In-year forecasting

# Planning Efficiencies

Streamlined budgeting & forecasting processes bring quicker action

# Going the Extra Mile

*Updating Systems and Processes Drives Quicker, Better Decisions*

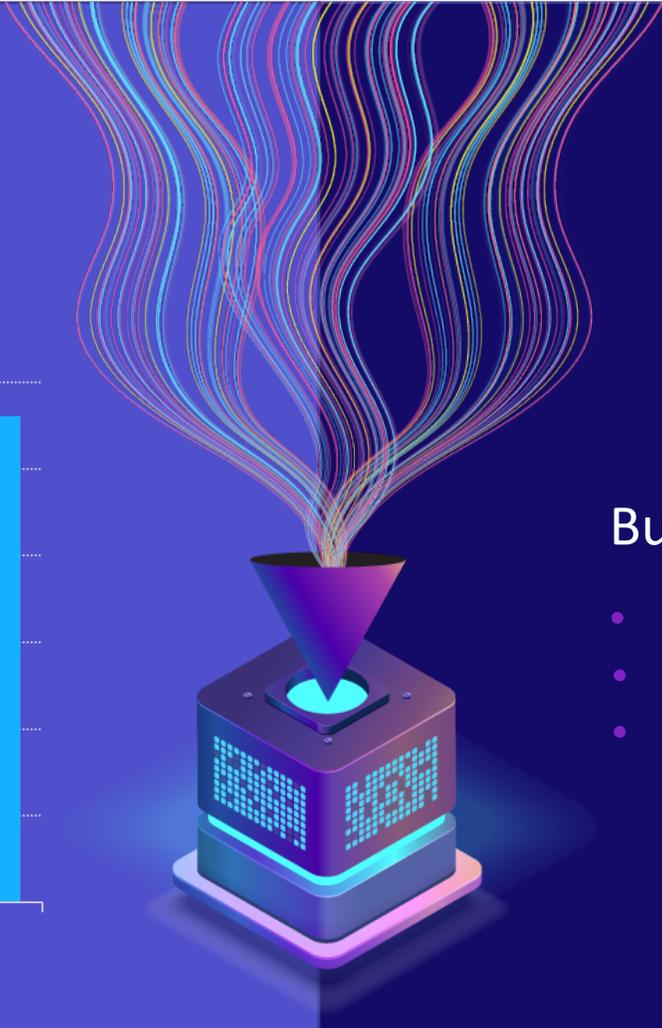
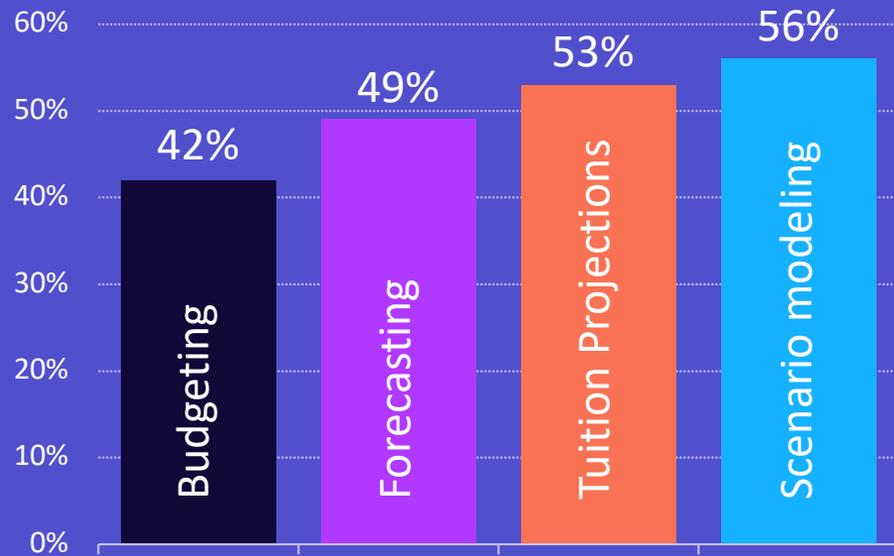
55%

say higher education lags other industries in terms of adopting modern budgeting and financial planning tools



# Institutions Struggle with Planning Process Efficiencies

Still, **spreadsheets** are the most commonly used tool for:

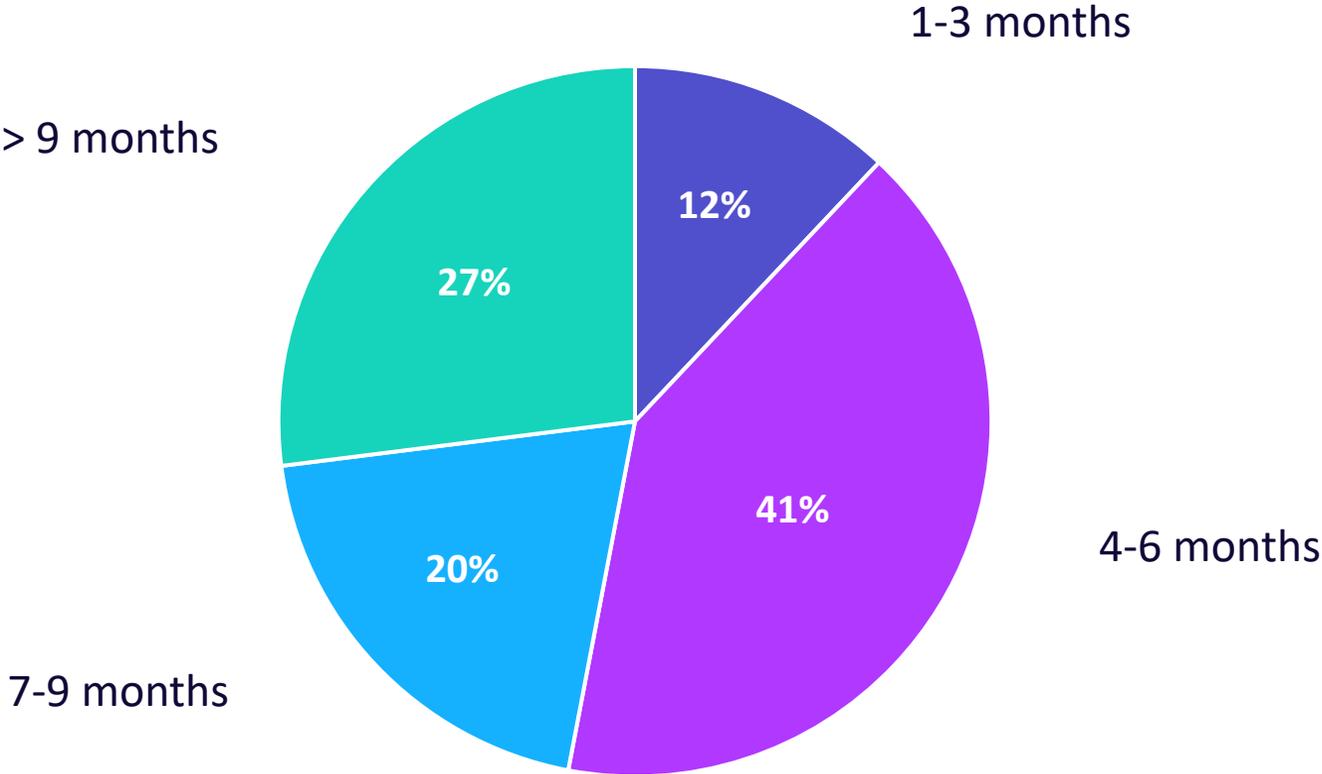


But collecting and combining data is:

- Cumbersome
- Manual
- Time-consuming

# Long Budget Cycles Result in Outdated Budgets

From initial roll out to board presentation, how long is your budgeting cycle?



## How Can Your Institution Become More Efficient in Planning?

- Integrated budget process with labor, funding requests and student data
- Reduce reliance on manually intensive processes for:
  - Seeding
  - Distributing
  - Consolidating
  - Approving
  - Validating
- Workflow and notifications reduce/identify bottlenecks in process often lost in emails

# Advanced Modeling

Leverage scenario modeling to prepare for uncertainty

# Advanced Modeling Can Prepare You for Uncertainty

Scenario Modeling Tools Can Make Modeling of Complex Scenarios Simple



**53%** plan to use scenario analysis in 2021 to mix and match assumptions

- Analysis
- Alignment to strategic plans
- C-suite consideration

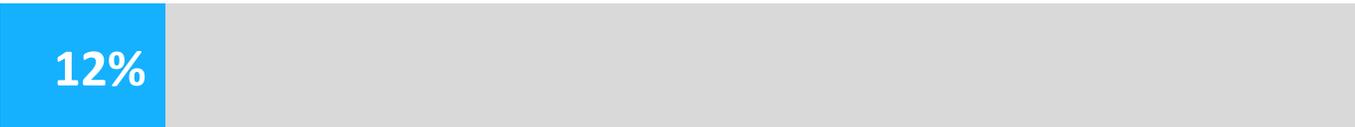
# Scenario Analysis Helps Answer “What-If” Questions

How will you leverage the scenario analyses? (select all that apply)

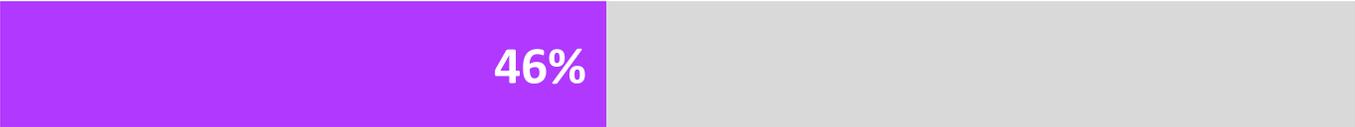
Model the impact of internal and external drivers in 1-5 years



Model the impact of internal and external drivers in 6-10 years



Evaluate strategic initiatives to make go/no-go decisions



## How Can Your Institution Adopt Advanced Scenario Modeling?

- Leverage technology to reduce time to create and compare scenarios
- Incorporate dependencies in your models
- Identify which levers are available
- Build out base-case/status quo scenario
- Inform driver projections with historical trends
- Identify outputs leadership is looking for
- Don't get caught up in the minutiae

# Looking Ahead

## Institutions Hopeful, But Realistic



After one of the most tumultuous years in U.S. higher education history:

62%

Of Finance leaders believe their institutions will be financially stable for the **next 5+ years**

49%

Think operations will return to nearly normal in the next **12-18 months**

# Office of Finance at Forefront of Continued Recovery

- More pressure than ever on Finance team
- Role is expanding to drive more cross-functional alignment
- Need to respond quicker to business demands



# Our Recommendations

*Syntellis Point of View*



## Single Source of Truth

Access reliable data aggregated from disparate systems to create a single source of financial truth



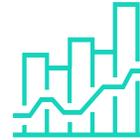
## Dynamic Tools

Increase agility and quickly respond to market changes



## In-Year Forecasting

Supplement the annual budgeting process with in-year forecasting, which updates projections based on latest data



## Holistic Planning Perspective

Gain a complete budgeting picture by considering all funds, including grants, endowments, and gifts



## Gauge Long-Term Impacts

Gauge the longer-range impacts of financial and operational decisions



## Scenario Modeling

Model scenarios based on different drivers to bring insight and context into decision-making

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## Q&A



**Phillip Chick**  
VP, Financial Administration and  
Chief Business Officer  
Xavier University



**Logan Anderson**  
Senior Solutions Engineer  
Syntellis

Have a question for our presenters? Submit it through the [Q&A](#) at the right.

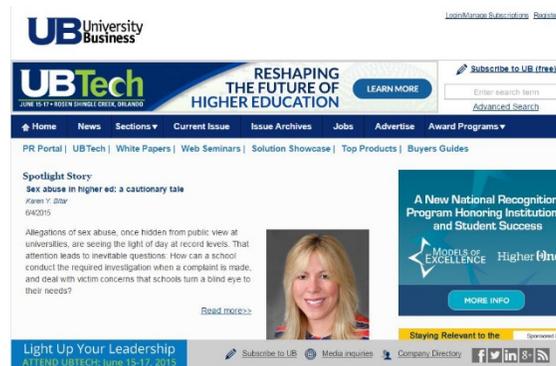


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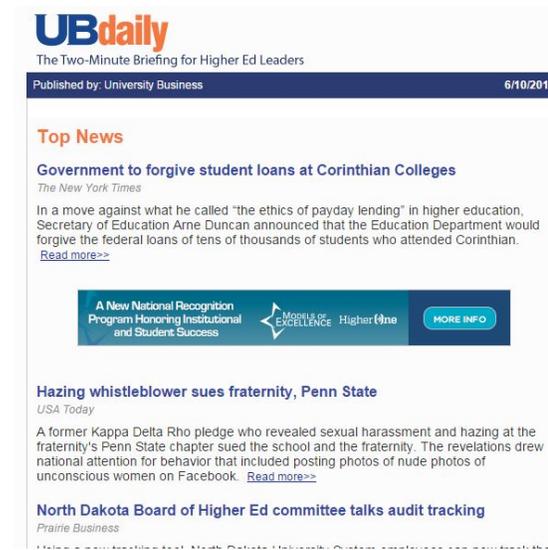
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