Strategic Enterprises
Fiscal Year 2016 Budget Presentation
Strategic Enterprises
Role and Mission

- Grow auxiliary revenues (SP Goal 3)
  - Another leg of the revenue stool: state support, UG & G tuition, research, philanthropy, net proceeds from auxiliaries in continuing and professional education

- Leverage the reputation and intellectual assets of Mines to enter new and off-campus marketplaces, manifested through professional education, special programs, and university and research development partnerships in emerging economies, and realized through revenue contracts to Mines.

- Propagate the Mines brand
Strategic Enterprises
Principal Activities

**Special Programs and Continuing Education (SPACE)**

- Broker the delivery of professional offerings by merging market opportunity with instructional resources, and manage all associated transactional details (registrations, materials, venue, hospitality, AV, cash-flow and accounting …)

- Short courses; Conferences; K-12 teacher enhancement; CMI outreach

- Approx. 125 SC & C delivery days per year

- 5 Admin Faculty FTE; 2 Classified FTE; 0.5 ‘soft money’ FTE (CMI)

**International University Partnerships**

- Exploit Mines uniqueness in E-E-E space, together with outstanding international reputation, to synthesize new university and research center developments in emerging (resource rich) economies

- 1 FTE plus soft money faculty buyouts; 0.625 FTE exec admin asst
Goal 1 Grow revenue generating professional education

Reference data: Revenues FY15 $4.13MM; FY14 $3.1MM; FY13 $2.90MM; FY12 $2.50MM

Key strategies

1. Focus on hi-margin offerings; strive for 20% p.a. growth @30% margin
2. Diversify program disciplines and audiences (int’l, rising exec, alumni)
3. Modernize and expand delivery modes and options
4. Leverage successes (re-deploy previously developed content)
5. Set, rather than take, price-points
6. Remedy inefficiencies and burdensome procedures; promote agility
7. Grow roster of instructors (on and off campus)
8. Foster enthusiasm and participation
Goal 1 *Grow revenue generating professional education*

**Tactical actions**

- Engage Colleges more effectively; address alignment and inclusion of professional education goals in College plans
- Define modes of faculty engagement in professional education; reconcile faculty incentives, disincentives and duties within goals of SP; provide faculty development program for professional education; import the DNA of Business Schools
- Introduce credit-delivery programs in professional education
- Tool-up for (and execute) on-line delivery
- Separate legacy program deals (grandfathering) from new deals with more favorable revenue terms for Mines
- Unburden contracting issues with international clients; unify international support
- Leverage partnerships; strength in orthogonality; dual branding
- Resolve instructional space congestion for on-campus professional program delivery
- Assess merits of lo-margin (breakeven) programs and reorganize accordingly
Distribution of faculty research activity

Courtesy: John Poate & Lisa Kinzel (2014?)
Goal 1 *Grow revenue generating professional education*

- **Key Hires/Reorganization/Realignment**
  - Reorg lo-margin programs: K-12 (current form); conference services; EMFI
    - BUT, THESE ARE STRONG BRAND-BUILDING PROGRAMS

- **Capital needs**
  - Full IT integration with CCIT
  - On-campus headquarters
  - Professional delivery space

- **Measurable Outcomes**
  - Revenue and margins: aspire to 20% growth @ 30% margin
    - Peers indicate prof ed fraction of gross budget at 8%
  - Multiple secondary effects: industry connections; research; students
Goal 2 Steward and develop major international university partnerships

Key strategies

1. Realign opportunities for joint research partnerships with Petroleum Institute in Abu Dhabi
   - Termination of Master Agreement December 2015 (cumulative $32MM)
   - Research funding tapering: CY 2014 $1.38MM; 2013 $1.69MM; 2012 $2.01MM
   - Explore future contractual relationship with new PI leadership

2. Establish and begin execution of Phase 2 Agreement for development of academic and research programs at Nazarbayev University, Astana, Kazakhstan

3. Facilitate related initiatives, eg. Kuwait International Petroleum Research Center

4. Assess and develop new opportunities – as appropriate
Goal 2  Steward and develop major international university partnerships

Tactical actions

▲ Petroleum Institute
- Leverage track record of joint PI-CSM research projects and represent opportunities to principal research funding entity (ADNOC Oil & Gas Cte)
- Target areas: Energy Efficiency and Environment; Facilities Integrity; Gas Processing and Sweetening; Enhanced Oil and Gas Recovery; Reservoir Characterization and Modeling; Advanced Geophysical Technologies in Carbonates; Flow Assurance; and Well Drilling and Completion

▲ Nazarbayev University
- Finalize SOW for Phase 2; correlate project pricing to SOW; structure contract with guidance of external legal advisor; negotiate; sign; execute
  - Phase 1: $730K; Phase 2: license fee; royalty fees; directs + o/h; research fund
- Set up CSM Center as HQ for NU partnership
- Deploy activities through funded engagement of CSM faculty experts

▲ Others
- Kuwait IPRC (Fleckenstein)
- Morocco? (King Mohammed VI University)
Goal 2 Steward and develop major international university partnerships

- Key Hires/Reorganization/Realignment
  - Faculty buyouts
  - Project funded admin staffing for CSM-NU Center

- Major Capital needs
  - CSM-NU center HQ / shingle

- Measurable Outcomes
  - Research project awards via PI
  - Mobilization on NU Phase 2
  - KIPRC research collaboration
Going forward

- **Strategic task force on SP Goal 3 / Auxiliary Revenues**
  - Office of Academic Affairs
  - College of ERSE
  - Division of Economics & Business
  - Office of F&A
  - Office of Institutional Advancement
  - Office of Research
  - Office of Strategic Enterprises

- **Campus and programmatic presence a-la Research**