NACAS business partner aims to bring auxiliary departments out of the software dark age
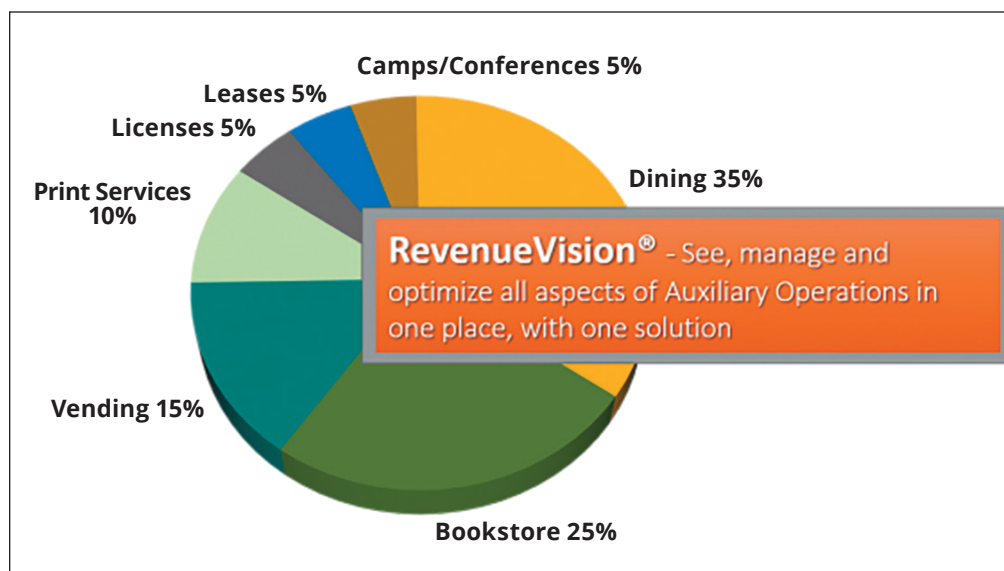
BY JERRY CLEMMER, CASP

Pie chart: Dining 35%, Bookstore 25%, Vending 15%, Print Services 10%, Licenses 5%, Leases 5%, Camps/Conferences 5%

RevenueVision® - See, manage and optimize all aspects of Auxiliary Operations in one place, with one solution

HIGHER EDUCATION STATUS QUO

It's no surprise that the financial picture of higher education is experiencing political, financial, and cultural pressure like never before. University public colleges have increased tuition 80 percent annually since 2000, and student loans have followed: the graduation class of 2015 borrowed an average of $30,000 while 23 percent of borrowers default within three years. The United States total student loan debt now totals $1.4 trillion and 1 in 10 public and private colleges is suffering "acute financial distress" because of falling revenues and weak operating performance.

Harvard Business School Professor, Clayton Christensen predicted, "In 15 years from now half of U.S. universities may be in bankruptcy." Universities are experiencing the need to perform well financially more than ever before to stay in business. While the current political climate demands more affordable higher education, university auxiliary professionals are hearing the call for a higher return back to their respective schools to fill the gaps of their budgetary shortfalls. Therefore, auxiliary leaders are searching to find better ways to manage their operations to provide these larger returns. Unfortunately, some leaders are challenged with not being able to make strategic decisions fast enough to take advantage of opportunities that may enhance revenue, or to swiftly stop the bleeding of expenses they may not realize is affecting their operation until it's too late.

OUTDATED TOOLS

Albert Einstein said insanity is doing the same thing over and over again and expecting different results. Historically, systems such as Enterprise Resource Planning (ERP) tools and Excel spreadsheets is what business finance divisions have to work with in their organizations. Keep in mind that Excel was created in 1987 and is technology that is nearly 40 years old. Unfortunately, ERPs require significant time and labor to gather information to enter the data in the system. "There is an opportunity cost for spending time and resources inefficiently on simply gathering data to fit in reports. The cost is the time wasted on menial tasks such as assembling data. Instead, you spend time making strategic decisions to proactively impact the bottom line," said Lori Pierce from the Solutions Design Group, a company that creates the Revenue Vision software.

REAL-TIME INTELLIGENCE TOOLS

Leading an auxiliary operation efficiently requires using business intelligent tools. These are software packages that integrate and merge multiple systems to provide real-time intelligence to make informed decisions. "When conditions change on the operation, one of the biggest challenges is there is a lack of data that tells an operator that there is a problem," Pierce said. "Key information can be hidden for an entire month and not realized until the monthly financials come out. Depending on the magnitude of the problem, it could be devastating if the loss is big enough. Having information about revenue changes, cost variations, and unexpected expenses is very helpful for an operator to become aware of the changes and nimble enough to make changes." With real-time-intelligence tools, business leaders have instant trending, forecasting, comparative, theoretical, or hypothetical reliability so decisions can be made using dashboards with key performance indicators instead of digging down inside a multilayered Excel workbook.

> **LEADING AN AUXILIARY OPERATION EFFICIENTLY REQUIRES USING BUSINESS INTELLIGENT TOOLS. THESE ARE SOFTWARE PACKAGES THAT INTEGRATE AND MERGE MULTIPLE SYSTEMS TO PROVIDE REAL-TIME INTELLIGENCE TO MAKE INFORMED DECISIONS.**
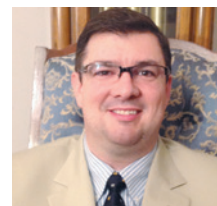
NACAS BUSINESS PARTNER'S SUPPORT

The Solutions Design Group is an IT company based in Orlando, Fla. that provides a software solution called Revenue Vision, which does what spreadsheets and decentralized systems cannot do. Their software solution enables higher education institutions to manage contracts and optimize business operations more effectively so that auxiliary departments are no longer exhausting their time, talent, and energy on data gathering. Instead, members are using their energy on utilizing the analytics tools, data visualization, and focused on key milestones that provide alerts on contract renewals and term changes for any action needed. Duke University and George Mason University use Revenue Vision on their campuses and are now providing testimonies about the software sharing their success stories.

NACAS has several business partners that provide various types of tools to assist an auxiliary manager and help provide innovation, time savings, maximize revenues, and reduce risk. When these partnerships produce these types of results, they are truly the connections that count. ■

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