

Cost Management – Anticipated Questions and Answers Sept. 5, 2019

Why was this decision made?

- Higher education is facing a period of sustained turbulence and uncertainty. Our *Beyond Boundaries* strategic investments and long-range planning have helped to offset some financial and demographic realities, but Marquette is not immune to industry challenges.
- While Marquette is currently on solid financial footing, we must change both now and in the coming years to navigate continued turbulence in the higher education industry.
- During the past month, the ELT collaborated with leaders in the colleges and divisions to thoughtfully review the cost management proposals. These decisions were made with great care and discernment.
- I understand this is difficult news to hear, particularly as Marquette is a place where we really do feel a strong connection to our colleagues.

How are we making sure affected employees are treated with dignity and respect?

- Just as our mission is animated throughout the hiring process, we are also taking great care to ensure it is present when we part ways with our colleagues.
- Every eligible colleague is being offered:
 - A severance package that includes extended pay and benefits
 - Career transition and outplacement services
 - Employee assistance program services
 - Spiritual support through the Office of Mission and Ministry
 - Those with a child currently utilizing Marquette's tuition assistance or FACHEX tuition exchange programs can continue to do so until the conclusion of those in-process degrees

What areas are affected?

- This was a comprehensive effort to increase cost efficiencies. Departments across the administrative, academic operations and athletics areas of the university are not filling vacant lines in an effort to increase efficiencies and reduce costs.

Will there be other reductions?

- Moving forward, we are not instituting a hiring freeze and we do not anticipate additional near-term university-wide reductions.
- However, just like any strong institution, we must remain vigilant about responding to changing market conditions and challenges in our industry.
- All new positions will undergo a cross-disciplinary review process, with priority given to roles that serve our students and support growing academic programs or strategic areas of focus.

Will there be other cost management steps taken?

- Just like any strong institution, we must remain vigilant about responding to changing market conditions and challenges in our industry.
- Several organizational changes are being made as part of our cost management process:
 - The Division of Student Affairs has formed a new Office of Engagement and Inclusion, which combines the Center for Engagement and Inclusion (the former CIE), the LGBTQ+

Resource Center and Student Involvement, Activities and Greek Life into one integrated office.

- The College of Education's structure is being evaluated through an inclusive process aimed at achieving new efficiencies. Graduate degree programs in high-demand areas will also be explored.
- The Marquette University Police Department has reorganized into two functional areas to remove role ambiguity and better serve the campus community.
- The Graduate School and Graduate School of Management will centralize enrollment management functions to more efficiently deliver services for graduate students.
- Additional steps related to cost management, space and operating efficiencies will be discussed, but no decisions have been made.

Will we continue to invest in new capital projects?

- Yes. Just as any healthy business does, we need to undertake cost management efforts while also continuing to be responsive to market demands and investing in new programs.

How do we manage operations with a reduced team?

- All of us are impacted by today's news in some way.
- We talk a lot about *cura personalis* – care for the whole person. The other side of that coin is *cura apostolic*, care for the work and the enterprise. This is a difficult balance, and one that requires constant assessment and adaptation.

What are the challenges facing higher education?

- Higher education is facing a period of sustained turbulence and uncertainty, including:
 - Increasingly competitive marketplace
 - Rising student debt
 - Growing questions about the value of higher education
 - More competitive admissions practices
 - Predicted declines in enrollment following the “birth dearth” brought on by the Great Recession of 2008
 - Industry downgraded by Moody's credit agency

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