

Mergers and Affiliations

AGB

The business model for higher education is under severe stress. There is more capacity than student demand. Consumer behaviors have changed, technology demands are increasing, and deflationary forces are curtailing tuition revenues.

Today there are more than 1,200 institutions in trouble. Over the past few years, higher education has experienced a rate of 30 to 40 closures. This number will increase significantly in the new COVID-19 era.

Support for Boards and Leaders

Making decisions on long-term strategy—such as how and when to establish a build, buy, or affiliate strategy—is critical to mitigate risk and enhance competitiveness. AGB's Mergers and Affiliations practice area is exclusively focused on assisting our members for long-term prosperity and is the strategic M&A leader in higher education.

AGB EXPERTS ENABLE EFFECTIVE LEADERSHIP

AGB Consulting works with higher education board members and leaders (president, CEO, CFO, provost, etc.) who need to:

- Determine their institution's prosperity gap (quality of earnings)
- Develop buy-side and sell-side strategies
- Create plans and processes to become "affiliation ready"
- Align the appropriate merger vs. private affiliation
- Identify candidates for merger and/or affiliation

TAILORED TO YOUR INSTITUTION

This is NOT a one-size-fits-all service or curriculum. Both content and delivery options will be customized for your institution or foundation board. We match you with sitting and former board members, former presidents, board professionals, and subject matter experts who have experience relevant to your situation. We will work with you to identify the questions you need to answer, including topics such as:

- What is the process for ensuring our board and leadership are able to adequately explore all potential long-term strategic alternatives?
- How can we determine if we are in a position to merge, affiliate, consolidate, or remain independent?
- What are the best practices and strategies for exploring and making decisions about our long-term future?
- How do we communicate the need to engage in proactive strategic decision making among the board and throughout the institution?
- What milestones, timelines, and other factors must we consider as we look toward the future to ensure our sustainability?

 **1 in 6**

chief business officers (CBOs)

said their institutions had considered a merger. Nearly *all* believe more mergers will occur over the next several years.

Source: Inside Higher Ed's 2018 Survey of College and University Business Officers

More than
 **500**

institutions have Department of Education financial composite scores

that are considered to be *not* financially viable **and another 700** are trending toward that category.

Source: U.S. Department of Education

Schedule a complimentary call to learn more.

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