

Case Study: Private Mid-Atlantic University

Financial, Human Resources & Leadership Stabilization

THE SITUATION

A private university in the Mid-Atlantic region was facing a critical financial and operational emergency that compromised its long-term viability. Over the past decade, the institution had experienced an enrollment decline of nearly 15%, made worse by the COVID-19 pandemic, leading to revenue losses that were further exacerbated by an inattention to rising operational expenses. By the end of the fiscal 2023 school year, the university incurred operational deficits over the past three fiscal years. To its credit, the university's administration and board of trustees recognized a need to stabilize its financial position.

To address its deficit spending trend, the university proactively reduced operating costs including the closure of 12 undergraduate and five graduate programs, the reduction of the number of vice presidents from nine to five, and a significant reduction in staff and faculty positions. While these changes were necessary to secure the institution's future, they had a destabilizing effect across multiple departments, particularly in finance and human resources (HR).

After additional departures in finance and HR, the university leadership engaged Fahrenheit Advisors to provide immediate support, guide its organizational restructuring, and conduct an executive search for a permanent Vice President of Finance and Administration. Fahrenheit was tasked with ensuring the institution could not only recover from its immediate crisis but also build a sustainable future.

OUR APPROACH

Fahrenheit Advisors deployed a multi-disciplinary team to address the institution's financial, operational, and HR challenges holistically. The engagement focused on stabilizing the finance function, realigning HR operations, and recruiting a new finance leader to drive long-term success.

Financial Stabilization and Compliance

To address the financial crisis, Fahrenheit placed an interim Head of Finance consultant to provide immediate capable leadership to stabilize the finance department. The Fahrenheit consultant brought an organized approach to working with the finance department staff and the external audit firm so that the audit engagement could be successfully completed under tight deadlines, ensuring the university met its bond requirements and avoided penalties. To create a sustainable financial structure, the financial department stabilized cash flow and authored a comprehensive financial policies and procedures manual for the Fahrenheit personnel to reference for use in performing their respective accounting tasks. The consultant established department level budgets and instituted approval procedures to eliminate unbudgeted expenditures. These steps helped the university navigate its financial challenges while ensuring compliance with industry best practices.

"Thank you so much for your work in our VP of Finance search. The process was so professionally executed. Your work and leadership were key."

-Board of Trustees
Member

HR Realignment and Leadership Support

The university's reduction in workforce (RIF) left the HR department struggling with limited leadership, outdated systems, daily employee relations issues, and critical deadlines. Fahrenheit provided interim HR leadership to help restructure the department and meet urgent deadlines such as Open Enrollment and an overdue retirement plan audit.

As part of the turnaround effort, Fahrenheit gained alignment on reimplementing an existing Human Resource Information System (HRIS) that wasn't being fully utilized in order to improve efficiency and compliance. The HR team realigned job classifications, streamlined operations, and ensured that the institution could effectively support the remaining faculty and staff. Fahrenheit also played a key role in transitioning a permanent HR leader and recruited two additional staff to restore stability and ensure long-term continuity.

Executive Search for a Key Leadership Role

The Executive Search & Recruiting Team at Fahrenheit quickly launched a national search for a Vice President of Finance and Administration, ensuring that the university secured the right expertise to lead its financial recovery. The search prioritized candidates with both private sector and non-profit experience, ensuring they could handle the complexities of higher education finance.

Within 90 days, Fahrenheit successfully placed a highly qualified VP of Finance, who relocated to accept the position. This appointment marked a critical turning point in the institution's turnaround, providing long-term leadership in financial management and strategic planning.

THE RESULTS

Fahrenheit Advisors delivered measurable improvements that positioned the university for financial stability, operational efficiency, and long-term success.

- › The completion of the external audit ensured that the institution met its bond requirements, avoiding penalties and reinforcing financial credibility. The immediate stabilization of financial operations, combined with improved budgeting and forecasting models, gave leadership and greater visibility into financial health and sustainability.
- › HR operations were successfully realigned and modernized with streamlining compliance, payroll, employee relations, and the revitalization of its HRIS system.
- › Supported the transition of a permanent HR leader and the recruitment of two new hires in recruiting helped to restore stability and improve internal processes.
- › Within 60 days, Fahrenheit was able to complete a successful Open Enrollment process for 500+ employees which included rate research, funding approval, and payroll changes for the new plan year.
- › Completed a retirement plan audit.
- › Consolidated over 500 unique job titles to under 100 by streamlining the job classification system across all departments.
- › The successful placement of the VP of Finance within 90 days ensured that the university had strong financial leadership to guide its recovery. The recruited candidate's willingness to relocate for the role underscored the effectiveness of Fahrenheit's national search strategy and capabilities.

By addressing financial instability, HR challenges, and leadership gaps, Fahrenheit Advisors became the university's trusted partner, guiding it through crisis management, structural improvements, and long-term stabilization. The engagement not only prevented further financial deterioration but also positioned the institution for sustainable growth and operational excellence.