

# STRATEGIC ASSET VALUE ANALYSIS

Nationwide, universities are realizing the important role that student centers play in enhancing campus life and the overall student experience. On many campuses, student centers are used as strategic assets that enhance educational opportunities, enrollment management goals, and satisfaction among the student, faculty, and staff by developing a comprehensive campus community. The Strategic Asset Value Analysis is intended to identify strategic objectives that influence facility development and utilization.

B&D coordinated a "Strategic Asset Value Analysis" (SAV) session with the Project Executive Committee on February 19, 2008. The information gathered from this the meeting allowed the Project Team to develop some initial project assumptions that is in line with the University's mission. It also provides a means through which program elements will be prioritized and a filter through which judgment calls can be made. The "Strategic Asset Value Analysis" worksheet is provided on the following pages.

## Methodology

A "Destination Value" approach to facility development is used to respond to the constant challenge of assuring that the "quality of life" improvements respond to the University's strategic objectives in the most economical manner possible. More specifically, B&D proceeds with the understanding that:

"All of the project objectives must be expressed in specific terms that demonstrate their relevance to furthering the school's mission, reinforcing campus values, responding to institutional commitments and responsibilities and improving the school's competitive position in the market."



SAV Session

Fundamental to this approach is a focus on collaborating with the University to develop a detailed understanding of both the institution's and the University Center's mission, its relevant stakeholders and customer groups, and the strategic project objectives which best serve that mission. The outcome of the work session was a deeper understanding of the project objectives; this assisted the project team with the development of facility concepts and recommendations.

## Summary of Findings

### Priority Order of Program Elements / Project Concept

#### First Priority

The UC Underground lacks visibility and limits the exposure of student groups' efforts to maximize student involvement. Most student leadership development opportunities and resources for students to get involved on campus are currently located in the UC Underground. The UC Underground location is a barrier to reaching the student body and campus community. This space is typically used by students already involved in SGA, Greek Life, and various other extracurricular activities who are familiar with navigating the existing space. Re-locating these areas to improve visibility and access will physically demonstrate the University's commitment to leadership development.

This strategy can also enhance the overall out-of-classroom experience as greater involvement leads to more activities and events created by students for students. However, additional funding will be needed to support any increase in student leadership participation and a greater variety of meeting / event spaces will be needed to accommodate the planning and implementation of these programs.

Students are drawn to leisure activity spaces that function as "see and be seen" places where they can expect to find their peers on a regular basis. Centralized social spaces, food service, and a variety of informal activity areas make up the core student center facilities providing both residential and commuter students with opportunities to relax and socialize on campus. The UC "cafeteria" dining space serves as a primary lounge space, but can be crowded and loud at peak meal times, then deserted and "out of the way" at other times given the physical separation from the building's circulation.

A contemporary UC would enhance the University's recruitment efforts by providing highly visible social spaces that draw students together and create a "wow" factor that encourages prospective students to attend the University. When compared to some of the newer or recently-renovated

campus facilities - the Welcome Center, Campus Recreation and Wellness Center, UC Satellite, Anderson Library - the existing UC leaves an unfavorable first impression as the central student life facility. UH's commitment to student retention can be strengthened by improving the visibility and accessibility of services like the Bookstore as well as from enhanced activity spaces. This may help not only to retain students while enrolled, but can also increase the potential they will become contributing alumni.

The UC facilities appear designed and scaled to meet student, faculty and staff demand as a basic service center and major event center, but with little accommodation for encouraging student, faculty and staff interaction and the casual but meaningful learning that can result from time spent together. Currently, comfortable informal / formal lounge spaces are severely limited at the University Center and gathering places that do exist are hidden above and below the Main Level.

#### Second Priority

The UC lacks comfortable study spaces and does not provide contemporary computer lounge/lab space, group study space, or 24-hour access. The recently renovated Library has become a social / study center as a result of the recent renovation. While the UC need not duplicate the Library's features, some spaces in a renovated University Center should support academic activities so that the facility is truly integrated into students' educational experience.

While the University Center as a department currently focuses on making student employment experiences both motivating and developmental, this approach is not uniform across all units housed in the UC facilities. Because the Houston metro area offers students such a vast array of job opportunities and very competitive wages, on campus employment has not been emphasized as a significant element of the UH experience. Providing meaningful opportunities for students to learn as well as earn at UH will continue to be important as a means of ensuring affordability, but not as a larger driver for this project.

Improving the function of the UC as the campus community center and central gathering place is an anticipated outcome of any renovation project.

ect. At present, the UC serves as a thoroughfare more than destination for many students, faculty and staff. Consideration must be given to both interior and exterior features and amenities that create a welcoming environment encouraging all stakeholders to interact and congregate on a daily basis.

The growth in the number of students living on campus, especially freshmen and sophomores, will increase demand and need for interactive entertainment programming occurring in a safe environment. Although the University will always be primarily a commuter institution, additional student housing will create a critical mass on campus that will expect and require late night / weekend programming of all kinds. As this more traditional concept of campus life develops, the opportunity to even draw off-campus, commuter, and / or older students to participate will likely arise.

Enhancing alumni support through development efforts is a high priority for the University. There is no tradition for alumni contributions directly to the UC, but the facility does have a 40-year history of campus service. This may create the potential for some donor support of any project to improve the University Center. Reciprocally, future students who utilize the enhanced programs and services of a renovated UC while on campus will likely feel that they have "gotten the most for their money." As alumni, these students may then stay more connected to UH as contributing and actively engaged alumni.

The University has made the development of sustainably designed and operated facilities a priority. Any renovation of the UC should meet or exceed the requirements outlined in the Campus Facility Design Guidelines.

### Third Priority

The UC currently generates approximately 30% of its operating budget from non-fee revenue; it is unlikely that substantially more non-fee income can be generated but every possibility should be explored. UC facilities should be developed to maximize both revenue generation and cost savings, but not at the expense of service quality such as extended operating hours to match contemporary student lifestyles.

Legend: X Existing Conditions O Targeted Aspiration	Targeted Strategic Value											Notes	UH Committee Comments	
	Low					High								
	0	1	2	3	4	5	6	7	8	9	10			
<b>I. Educational Outcomes</b>														
<b>a. Leadership Development</b>						X						O	<p>0 = Leadership programming is not supported with either physical or financial resources. Opportunities to participate in student organizations and other leadership roles is not considered an important part of the campus experience.</p> <p>10 = Participation in student organizations and other leadership opportunities is an integral part of the campus experience. Appropriate spaces for student organization offices, meetings, programs, and advertising/recruiting are valued and rewarded (credit, recognition).</p>	The leadership development program should be housed in the UC, but not in the underground as it limits visibility and access. The underground side of the UC is adjacent to the developing Engineering and Business facilities. So if visibility and access could be improved in the current location, it might effectively support leadership programs. Beyond location and the quality of space, the leadership program is under funded relative to its perceived importance.
<b>b. Student Employment</b>						X						O	<p>0 = Student employees are viewed simply as a source of low cost labor. Students employees are hired into "filler" positions in which job standards and expectations are lower.</p> <p>10 = Student employment is viewed as an opportunity to provide high quality learning experiences. Time is taken to train students not only about their tasks, but about the nature of the enterprise that they support. Performance standards and expectations are kept high. Staff should focus on maximizing the learning experience of student employees.</p>	While the UC provides a variety of developmentally based student employment opportunities, UH students has access to a variety of well paid and career focused employment opportunities in the Houston Metro area.
<b>c. Leisure Activities</b>						X						O	<p>0 = Student extra-curricular or leisure activities are not considered an important aspect of the student experience. Students find their own leisure activities, perhaps even off-campus.</p> <p>10 = Leisure activity spaces such as game rooms, theatres and places to "see and be seen" (spaces students can expect to find their peers on a regular basis) are incorporated into the building program as a means for students to casually congregate.</p>	The cafeteria style dining areas in the UC serves as the primary lounge space. It, like other public-use areas in the UC, is dated and does not provide the "see and be seen" factor. There is little "Hip" or "Cool" space in the UC; the success of the UC Satellite can be largely attributed to its more contemporary public spaces.
<b>d. Out-of-Classroom Experience</b>				X								O	<p>0 = Academic learning and student development are recognized as two distinct processes. There is little institutional support for co-curricular activities (i.e., faculty reward for advising, physical / financial resources or staff support for the out-of-classroom learning experience.)</p> <p>10 = Student activities are a key component of the student experience and integrate academic learning and student development programs. Appropriate meeting spaces for student co-curricular events, including a variety of room sizes and types, are important to accommodate various campus learning activities.</p>	UH has strong college/ departmental focus, which limits students' interest in campus wide involvement. The UC & UC Satellite provides a variety of support spaces and services for student organizations; however, the lack of visibility and accessibility in the underground limit awareness/ usage.
<b>e. Academic Activities</b>		X										O	<p>0 = Academic programming and support is heavily focused on the academic areas/colleges. Other campus programs and facilities are not designed to support student's academic needs.</p> <p>10 = A high emphasis on this asset would include physical, human and financial resources to support a student's academic life: multiple study spaces, academic advising, 24-hour study opportunities at mid-term and finals periods, on-line access through computers or computer ports to library and research resources, and provision of space.</p>	The recently renovated Library has become a social/ study center as a result of its comfortable furnishings creating a variety of informal study spaces. Dining seating in both the UC & UC Satellite provides the only functional study space.



Strategic Asset Value Analysis

Legend: X Existing Conditions O Targeted Aspiration	Targeted Strategic Value											Notes	UH Committee Comments	
	Low						High							
	0	1	2	3	4	5	6	7	8	9	10			
<b>II. Enrollment Management</b>														
a. Recruitment				X									0 = Students should be motivated to attend the university based on the quality of its programs only and not on the basis of campus life facilities. 10 = Architectural quality is key to a student union facility's ability to serve as effective recruiting collateral. In particular, a sense of openness, quality finishes, and highly visible social space are of interest to incoming students and creating a "wow" factor.	Since the UC facilities are incongruent with the quality of the new Welcome Center, relatively new Campus Recreation Center, and the renovated Library, potential students may be concerned that the dated facilities reflect an incomplete campus life experience. Orientation, which is hosted primarily in or around the UC, typically is the initial exposure to campus life for incoming students and their parents. Existing UC conditions do not provide a suitable venue for creating the best first
b. Retention						X							0 = A high quality student service experience is not integral to student success. Basic facilities with overcrowded conditions, inconsistent facility schedules and the presence of other priority users contribute to student frustrations. 10 = It is important for students to effectively integrate student activity programs into their schedules. Patron capacity is of the highest priority. Service quality and breadth of programs is also important.	Although the UC provides a broad ranges of services & amenities (retail, bookstore, food, etc...), the current configuration limits visibility and the lack of contemporary conditions detract from users expectations. If you visit the facility, it is difficult to access the programs and services due to lack of visibility. Despite the services you may not even visit the facility because its facade looks out dated and neglected. The current design functions more as a thoroughfare opposed inviting users to stay and utilize the facility. Due to the concealment of some
<b>III. Campus Community</b>														
a. Central Gathering Place						X							0 = The student union is not considered the central community building space. Adequate community spaces likely exist in other campus facilities (i.e., recreational center, student housing, etc.) 10 = Campus community is viewed as a high priority and the student union is viewed as the primary asset for allowing students to be exposed to people from diverse backgrounds. Student union space is seen as belonging to the entire student body and multiple satellite facilities are not considered.	Not sure we can or should have one or two commons on campus. With the size of the campus that will continue to be largely commuter, concept of gathering places must be thought of as more decentralized. However features such as the bookstore and retail food services as well as student organizational support spaces can make the UC a common destination for a variety of populations.
b. Faculty / Staff / Student Interaction			X										0 = Student union facilities and programs are viewed and operated with students as the primary audience. Faculty and staff are accommodated with separate facilities and services. 10 = Facilities are scaled to accommodate peak demand to avoid overcrowded conditions that discourage faculty and staff users. Programs and activities should be developed to maximize the interactions between students and staff.	UC is used by faculty and staff for a service base only. They do not meet with students in the UC. Although faculty student interaction at US is generally confined to the classroom/ office, larger more common -food service dining- could create , increasing the accessibility and quality of particularly spaces - dining could increase.
c. Alcohol-Free Social Opportunities									X				0 = There are other venues on campus that provide alcohol free activities and events. 10 = Late night, socially oriented programs and events would provide students with alternatives to parties and bars.	The UC will need to be a higher priority as the number of on campus student residence grows.
d. Late Night/Weekend Programming				X									0 = Student union facilities and programs are not intended to support late night or weekend programs. Other facilities on campus serve this purpose. 10 = Creative night-time and weekend programming respects students' peak hours and may facilitate a more balanced lifestyle for students.	Despite the number of commuters, there is a need for late night and weekend programming particularly as the number of on campus residence grows. The physical layout of the building makes it difficult to program zones in the facility without opening the entire facility.
e. Student Life "Master Plan" Integration							X						0 = Physical and programmatic relationships among student housing, student union, food service and campus recreation facilities and services are not considered or nurtured. 10 = Creating physical and programmatic relationships among quality of life facilities is sufficiently important that the goal will be a campus master plan level priority with respect to land-use allocations.	Although most student life units are located in or in close proximity to the UC, most programming is developed independently and often competes with other programs. More collaboratively developed and presented programming is needed.

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IV. Financial Performance														
a. Revenue Generation (other than student tuition/fees)							X					O	<p>0 = A high value is placed on providing quality service with students not being "nickel and dimed" by extra charges. Rentals and outside membership programs are not pursued.</p> <p>10 = Maximizing revenue involves not only an entrepreneurial management approach, but a critical mass of food and retail operations, anchor activities and appropriate merchandising opportunities at entrances and core circulation areas.</p>	The UC is currently generating approximately 30% of its operating budget through non-student fee sources. Although additional revenue generation should be explored, it is unlikely that substantially more non-fee income can be generated.
b. Expense Management								X				O	<p>0 = The need to control or minimize operating expenses impacts the achievable level of service, operating hours and the scope and range of non-revenue supporting services and spaces that can be offered. Operating expenses should be kept as low as possible even if that results in limited services and restricted hours of use.</p> <p>10 = The highest quality of service and professional standards should be pursued even if high fees and charges must be passed on to the students and other patrons.</p>	The UC facilities should be developed to maximize any potential savings, but not at the expense of service quality such as extended operating hours to match contemporary student lifestyles.
c. Alumni Development				X								O	<p>0 = Alumni are not actively engaged in campus activities and do not give to the university on a regular basis.</p> <p>10 = A strong / active alumni base is the foundation of a successful annual giving program. Studies have shown that students actively engaged in campus activities become alumni with a higher capacity and greater predisposition to giving.</p>	Historically UH Alumni have not contributed funds directly to the UC facilities. Redevelopment plans for the new UC should not only involve donor opportunities, but create facilities that enhance the student life experience, while creating spaces that encourage Alumni giving.
d. Balance Sheet Utilization												X	<p>0 = Alternative financing is regularly used and the student union has a higher debt coverage ratio. Any financing would be very conservatively underwritten.</p> <p>10 = Any financing would be aggressively underwritten with the general obligation of the institution being pledged. The university is comfortable with low or negative debt coverage ratios.</p>	In relation to the amount of new construction on campus, UH has less debt capacity. Facility improvements to the UC should be scaled accordingly.
e. Sustainable Design & Operations								X				O	<p>0 = Sustainable design with no capital cost implications.</p> <p>10 = Sustainable design initiatives should be developed to be progressive, capital cost may exceed operations savings. Design features intended to be a teaching tool and a model for the Institution.</p>	The UC facilities should be developed to meet or exceed the campus Facility Design Guidelines outlined in the Section 7 of the campus design guidelines.

### Project Concept / Functional Relationships

- Major renovation and possible addition to existing UC
- Significantly increase interior circulation/lounge space by enclosing / building over "Arbor" to bring traffic through UC
- Make student activities/organization offices a feature by raising out of the Underground

### Prioritized Program Components / Services and Functions

- Re-organize interior relationships to open up/connect to UC perimeter rather than oriented to courtyard / arbor
- Retain Bookstore and retail but not as signature feature
- Relocate/enlarge Ballroom and increase variety of meeting rooms
- Consolidate administrative offices, but minimize "office building" feel
- Integrate food units into more cohesive, true "marketplace" layout connecting to seating

### Architectural Image and Construction Quality

- Significantly increase glazing
- Create entrances from all 4 sides
- Minimize formality of interior finishes
- Enhance facility by eliminating worn /weathered appearance.

### Campus Location / External Adjacencies

- Celebrate centrality to Library, Business, Housing, Welcome Center and Recreation Center
- Significantly improve the north elevation and entry
- Create exterior program/social spaces that are more engaging and capable of supporting events

### Operating Paradigm

- Develop late-night, possibly 24-hour, operations of lounge/study space
- Bring social activity and traffic front and center of main level with meeting/event and 8am-5pm spaces on lower and upper levels
- Develop business model that ensures services and programs are available on student schedules