Space Utilization: Why it Matters to Find Negotiation Space on Campus
Introduction

Finance and facility managers at most higher education institutions are used to hearing academic department heads, residence life leaders and even administrators clamor for more space. “We don’t have enough room” becomes a regular call for individuals who want greater control over the scheduling process. Adding modern facilities seems like a surefire way to attract new students for schools seeking to increase or even maintain enrollment. And as teaching pedagogy changes, faculty see outdated classrooms as “unusable”.

But adding new space for these reasons doesn’t fully recognize the massive financial impact of new construction. Outdated classrooms still require upkeep. Adding new space doesn’t only bring a large upfront cost, but also ongoing maintenance and operations costs. In addition, the demand for new space ignores the inefficiencies of a decentralized scheduling model. The reality is, the average U.S. classroom is occupied less than 60 percent of the available hours during a typically scheduled day.

A thorough utilization study of teaching spaces creates a strong foundation for making decisions about adding new space or renovating existing space and can provide surprising insight into spending waste. Whether enrollment is shrinking, growing, stable or variable, all institutions are candidates for a space utilization study.

Beginning a discussion around space utilization and finding “negotiation space” on campus has benefits for everyone involved:

- Institutions can respond strategically to changing enrollment.
- Faculty and students gain a voice in improving the learning environment.
- Finance administrators can realize potential financial gains through better utilization of existing space.
- Registrars receive data that supports scheduling efforts.
- Facilities managers gain a clear, actionable plan for classroom improvement and optimization.

So where do you begin?
5 Steps to Start the Discussion

Putting a plan and expectations in place can help lead a productive conversation about space management that recognizes needs and costs. Consider these tips:

1. **Start with the basics.** Having real-world, detailed utilization data is central to supporting this process.

2. **Gather the right people.** Engage key decision makers across all departments during project kick off. Everyone who wants additional space or will be impacted by the change needs to be part of this conversation. Acknowledge the conversation may be intense, but the payoff will be substantial because all needs and demands will be accounted for through this process.

3. **Get feedback.** Faculty, students and staff can provide critical insight into the space utilization patterns that emerge on campus. Use this insight to pinpoint lower-cost methods for increasing utilization, such as updating furniture, technology or acoustics.

4. **Get real.** Focus on data that clearly explains the operational and financial impacts of inefficient space utilization. Compare your utilization findings against national trends. This benchmarking can effectively support an argument for how space management can improve the institution's financial performance while remaining competitive.

5. **Negotiate.** Work together to develop common sense solutions. Make sure everyone understands upfront that this process will demand compromise, but the benefits of this cost avoidance effort will be reaped by all parties involved.
Methods to Improve Campus Space Utilization

Regardless of what region you’re in, changing enrollment dynamics are likely impacting the scheduling demands of your spaces. For example, schools that have added new space to account for booming enrollment during growth periods may now be left with the operational costs of severely underutilized space. Right-sizing is about using space utilization data to find the optimal amount of space required to operate campus at current and projected capacities.

Making even small improvements to campus space utilization can lead to tremendous cost savings. It’s a matter of finding the right strategy for your institution. Consider the following methods:

Change schedule practices

In more cases than you might imagine, classes are held in rooms much larger than class enrollment requires. Many institutions are working from historic scheduling practices, rather than dynamic data. Examining scheduled class sizes and matching this to appropriately sized classrooms is a simple yet effective way to improve space utilization.

For example, when the faculty at one small private college began applying pressure to add space, the CFO commissioned a space utilization study to see if the school could avoid the debt of a new building and the additional operating costs of maintaining the space. The study of existing space found many rooms were at 50 percent capacity due to rigid scheduling practices. Moreover, at the school’s current growth rate, it would take 10 years for the campus to grow enough until it truly needed to add new space. This two-pronged argument set off an initiative to improve scheduling to use the existing space more effectively.
Negotiate space ownership

When the registrar has accurate insight into how rooms are being used, the office can make more informed decisions on how to efficiently schedule classes. By reevaluating the ownership of space in a fair and unbiased way through discussions with all stakeholders involved, it may be possible to reach compromises on how space is used that better serve the needs of the institution.

For example, one Texas university's examination of space utilization found the school was maxed out at its current footprint, but only in certain areas. Rather than respond with calls for new space, they examined how their use of certain departmentally controlled spaces, classified using 20-year-old data about classroom sizes and not reported on by the departments, could be reimagined to meet new demands for more classroom space. By combining these rooms to double classroom size, updating seating arrangements and type and bringing technology up to date, those spaces could be reclassified, giving the registrar more control in effectively scheduling these updated spaces.

Take buildings offline

The decision to move buildings offline can be a tough one but is sometimes the most cost-effective option. Taking a building offline eliminates its impact in energy, water and materials usage. An institution may remove a building from its inventory for a number of reasons: the building may no longer meet programming needs; renovation may be far costlier than a complete replacement; or it may simply make sense to take the unneeded space offline to cut operational costs.²

Even when a clear cost case is made, securing campus-wide sponsorship can remain a challenge. In some cases, a third-party space utilization consultant can help overcome political disputes more effectively than a department at the center of these conversations.

Achieving Your ROI: Why Finding Negotiation Space Matters

The primary goal of any space utilization assessment should be to maximize the return on the investments that have already been made into teaching spaces. By identifying areas of opportunity and strength, a complete space utilization assessment will ensure institutional leaders know what they’re doing well, and what they could be doing better.

Utilization studies will first and foremost identify opportunities within the physical environment and scheduling processes. If both of these elements are being optimized it can throw into relief whether or not the institution's current funding model is sufficient to maintain existing assets. Having this big picture view can help financial and facility leadership improve risk management strategies and their long-term planning, even when facing uncertain economic conditions and enrollment trends.

The cost savings from more effective space management are tremendous, and they can potentially be used over time to drive high-priority investment projects. Consider:

Every additional percentage point of improved space utilization can engage millions of dollars’ worth of physical assets around campus.

Improving space usage not only avoids the costs of construction, but also the ongoing operational costs of new classroom buildings. And by identifying and addressing low-hanging fruit, institutional leaders can make improvements to space utilization without overspending. With data from a space utilization study, institutional leaders can develop a strategic list of necessary improvements so they can potentially bundle similar or co-located projects together and stretch each dollar further.

Through more effective asset management, college and university leaders can optimize their funding by filling spaces that are already cleaned, maintained and, most importantly, already built.
About Sightlines, a Gordian Company

Sightlines, a Gordian Company, is a leader in helping colleges and universities better manage their facilities operations and capital investments. Sightlines provides tools for strategic planning, analyzing and benchmarking that generate an independent, reliable comparison of campus performance in these areas against peer institutions.

Using its unique, proprietary Facilities Benchmarking & Analysis process, Sightlines visits each campus annually to collect more than 200 indicators of facilities and financial data and then identifies trends and provides useful analysis and benchmarks. With Sightlines, institutions receive the context and validation they need to make sound, clear, informed and financially credible decisions about campus facilities. As a result, campuses can optimize capital investments, address backlog of deferred maintenance projects, develop a strategy to steward physical assets, improve the effectiveness of facility operations, reduce energy consumption and better serve students, faculty, staff and visitors.