

**Southwest Michigan
School Business Officials
Annual Conference**

**Effective Management
The Knowns and Unknowns**

**Kalamazoo, Michigan
Thursday, March 10, 2022**

Agenda

- Context / Background / Introduction
- Definitions
- Potential Applications
- Compounding Factors
- Strategies

Context / Background

- Pre-Pandemic
 - Greater clarity
 - More “Knowns”
 - Fewer “Unknowns”
- Pandemic
 - Change the norm
 - Snow day – on steroids
 - Fewer “Knowns” – More “Unknowns”

Context / Background

- Financial Status
 - Fund Balance – Record level? – Misleading?
 - Sustainable?
 - Matching 1X \$\$ & 1X expenditures
- Inflation and Supply Chain Challenges
 - Transitory, temporary . . .
 - Impact
 - Construction
- Employees / Staffing

Context / Background

- Public
 - Media scrutiny => Less
 - Print – TV – Radio
 - Professional – Educated
 - Social media => More
 - Emotional
 - Accuracy of information
 - Parental involvement
 - Time commitment
 - Productive . . . Unproductive
 - Impact on quality/quantity – Board - Administration

My Background

- School Business Official – 36 years
- 6 districts
 - 1,300 students to 22,000 students
 - Rural – Urban – Suburban – ISD
 - Fiscal stress situations
 - Bond issues – hundreds of \$\$ millions
- 10 Superintendents
- Retired 2015
 - MSBO Business Manager Academy

Knowns

- Any fact or situation which is known
- Something that we know
 - And know that we know
- Can be analyzed and planned for

Unknowns

- Not known
- Unidentified
- How to prepare for something you aren't aware of

Known Unknowns

- Information exists regarding an issue or potential incident
- Awareness of potential
- But it doesn't presently exist

Managing the Known Unknowns

- Identify potential “known unknowns”
- Analyze variables
 - Break issue into component parts
- Start preparing for situations
 - Strategies
- Develop systems to respond
 - Process and Structure
 - As opposed to reactive

SWMSBO – March 5, 2020

Coronavirus

- Be Prepared – to the extent possible
- Awareness vs Expert
- Facts
 - What we know – What we don't know
- Assemble information – data
- Connect with resources
 - Health Department–CDC – Medical professionals
- Daily update system to stay current

Known Unknowns - Funding

- Enrollment
 - Trend and Forecast
- State Funding
 - Sustainable
- Federal Funding
 - Matching 1X restricted \$\$ with 1X expenditures

Known Unknowns – Employees / Staffing

- Supply and Demand
 - Attract and Retain
 - Cost impact
- Employee Costs - Other
 - Health Care
 - System challenges – Staffing supply & demand
 - Pension
 - Math

Known Unknowns - Operational

- Energy
 - Availability and price
- Weather
 - Operational impact
- Cyber
 - Ransomware - Phishing
- Public Health/Environmental
 - Next pandemic
 - Usual Suspects—Asbestos-water/air quality- mold

Known Unknowns

Public/Parent Involvement

- Engagement - proactively
- Transparency
 - Anticipatory
- Society
 - Books – Curriculum
- Social media
- Threats – Online and other

Compounding Factors Increasing Responsibilities

- Downsizing
 - Fewer staff to do work
 - Who assumes the work left
- Increasing work requirements
 - State/Federal reporting requirements
 - Federal, Industry (GASB) requirements

Compounding Factor Labor Market

- Supply of potential workers
 - Low unemployment
 - “Great retirement/resignation”
- Price of workers in the market
 - Competition within school industry
 - Competition with non-school industry
- Ability to retain workers
 - Pension, health care

Strategies

Sort Issues

- The Bucket System
 - Sorting issues into “buckets”
- Safety - Legal – Compliance Issues
 - Document – cite for record
- Business Practice
 - Good business practice
- Other
 - Personal interest/agenda - Political

Strategies

Decision Making/Thinking

- Safety – Legal
 - Firm – No/little flexibility
- Precedent
 - Willing – able – to continue practice
- Compromise - Meet half/part way
 - Short-term fix w/ Long-term solution (fix forward)
- Acquiesce (accept reluctantly w/o protest)
 - Can you get something for standing down?

Strategies

Structured Operating System

- Structure provides routine/repetition
 - Muscle memory develops
 - Confidence from successful repetition
- Establishes clear expectations
 - For everyone
 - Day to day business operation
 - Crisis management
- Efficient + Effective

Strategies Communication

- **Best Practices**
 - Focus - Task lists/To Do
 - Plan – Prepare – Execute
 - Data Driven Discipline
 - Network – Mentors – Connect
- **Communication**
 - All the time - Up and down
 - Anticipate – Pre-emptive
 - Document
- **Risk Factors - Identify**

Known Unknowns On Your Radar

- Long-term funding sustainability
- Employee challenges – attracting & retaining
- Employee costs
- Enrollment
- Insurance – Property/Casualty, Liability
- Public/Parent involvement impact
 - Employee quality long-term

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