



The best student experience around.

KY's strategy 2018-2022

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1. Introduction

This is a continuous five-year strategy for KY. The strategy will be reviewed each year by the KY Representative Council and updated where necessary. Everything at KY is based on this strategy, at both the association and the KY Foundation. The Action Plan and budget are created each year based on the strategy, and the Office Programme is in turn created based on the Action Plan.

The strategy focuses on **building the best student experience through our community**. Our four strategic initiatives are structured around our new premises. The strategy has more emphasis on strategic budgeting, gathering data and using KPI's to measure success.

2. Why We Exist

KY culture spans over one hundred years. Business students make up one sixth of all Aalto University students. While a unified Aalto University provides real benefits for all involved, we business students have a rich culture, numerous independent clubs and many traditions that make up the core of who we are. It is imperative this heritage remains a foundation for our members also in the future.

Business students need advocacy. There are many instances where we business students have distinct needs for advocacy, ranging from academic affairs at our own school to student politics at the Aalto level and to education policy at the ministry level. At the same time, Aalto University School of Business needs help in maintaining close working relations with its students to ensure the best study environment and learning outcomes.

Our brand has a direct impact on our futures. The way society views students and graduates of Aalto University School of Business influences the kind of jobs, partnerships and opportunities we are offered and how well we can negotiate our salaries, fees and terms. Throughout our existence KY members have had an active role in building Finnish society, from Amer to Finnfocus, from Tesvisio to Ecomen Group.

This is where KY comes in. Our job is to uphold Kylteri culture at Aalto, to advocate for Aalto University business students and to build a strong brand for our members in Finnish society. We are firm believers in thinking differently and challenging the status quo. We believe the best ideas are created together and the most important skills don't always come from books. Our vision is to create the best student experience in the world.

3. Values

Our core values are **progress** and **community**. More specific value choices that guide our actions are outlined in the 'KY's strategic Roles' section of this strategy.

4. Changes In Operational Environment

The amount of students coming straight from upper secondary school is expected to rise because of the changes in the entrance requirements in 2017. The decision to restrict study times in 2005, changes to study grants in 2014 and the student loan compensation have resulted in an ambition to graduate inside the official target time. The structure of students at our school is changing, as there are fewer new students starting at Bachelor's level and more students starting at master's level. More and more master's level students come from outside of Aalto University School of Business, and the relative amount of students coming from other fields, schools and countries has risen.

The amount of international degree students at the master's level has risen drastically, from 8 % in 2009 to 18 % in 2016. If exchange students are taken into account, the amount of international students is 18 % of all School of Business students. Since Aalto has introduced tuition fees for people coming from outside of EU, the composition of international degree students is expected to shift more towards European students, but the amount will probably not decrease.

Master's students are expected to move to the new School of Business building in Otaniemi in February 2019. From this time forwards all Aalto University students will be situated at the same campus, with the exception of Mikkeli students. However, Aalto will still have a presence in Helsinki for the foreseeable future. More and more interdisciplinary courses are being offered, there are plans to integrate interdisciplinary studies to degree studies, taking courses from other schools is being made easier and some actions to unify study structures are underway.

5. KY's Strategic Roles

5.1 KY as a community

We aim to create the best student experience in the world through our community. We act as a platform for KY's clubs to operate on. KY members are given support for starting and running their own clubs or trying new event concepts, as long as they are open to a large audience. Active KY members are our most important resource and we make sure to thank these awesome people and include them in discussion and decision-making at KY. As an organization, KY aims towards organizing core KY culture and large-scale high-quality events, while KY's clubs are given support to create a variety of activities and events.

We include all of our members in our community and offer chances to influence and be a part of decision-making at the highest levels. This is why both our communications language and the working language of our Representative Council are English. We support our members on all campuses and offer an excellent student experience for both bachelor's and master's students. Probbá's work at the Mikkeli campus is supported. We are an active participant in building the Aalto community and making interdisciplinary encounters happen. KY membership is restricted to students and alumni of Aalto University School of Business.

KY is a safe environment to grow and learn in. We encourage a proactive, participatory and problem-solving mindset. We foster an entrepreneurial culture, where you can try and fail. KY doesn't demean its members and has no tolerance for bullying, harassment or violence of any kind. Our task is to give individual KY members experiences that are hard to come by elsewhere and to build outstanding members of society.

5.2 KY as an advocate

We are the main sparring partner for the Aalto University School of Business. We give voice to all Aalto business students, make sure students' best interests are taken into account and convey information to both directions. We work closely with the school in academic affairs, tutoring, communications, alumni relations and campaigning for new students. In an environment riddled with competition and performance-centricity, KY has a central role as the provider of alternative learning experiences, wellbeing and diverse freetime.

KY has a strong presence in student advocacy at the university level and at the national level. We take part in the AYY Representative Council, SYL and forums where Finnish business students come together. We aim to be a leader among the business school student associations in Finland and a forerunner among Nordic business school associations, which are our main benchmarks.

5.3 KY as a provider of different career paths

We split our career functions into two parts. The main focus of our corporate relations is to contribute to financing our operations. In this sector our goal is to be the best in the field of corporate relations among Finnish business student organizations. The main focus of our work & career function is the promotion of different career paths to our members through events and alumni relations.

6. Key Strategic Initiatives

Key Strategic Initiatives are multi-year projects that make up the core of our current strategy. These are the most important endeavors that KY has undertaken at this time and will have a lasting impact on the whole community. Each Key Strategic Initiative is supervised by a Task Force. The goals and tasks of the Task Forces are outlined in the Task Force Ordinance set by the KY Representative Council.

6.1 New Premises

Building a new home for our members in Otaniemi is the single biggest task facing KY in the following years, whether it be the Student Center or KY's own building. New premises act as a culmination point for all of our Key Strategic Initiatives as well. The main goal for the KY building is for it to remain in KY's ownership and create student housing once again. KY is also ready to sell the premises if it is deemed practical.

6.2 Digital KY

The goal of the Digital KY Strategic Initiative is to digitalize our services. Areas where this will manifest are member services (for example KY van, spaces and services for clubs) and the new premises (for example shared services). Data analytics is introduced to the KY organization and

decisions are made based on data, facts and statistics, instead of opinions and assumptions. Key performance indicators are created to measure key metrics in all areas of KY's activities, including other strategic initiatives, such as societal impact. Strategic and operational decisions will be based on the results and direction of these KPI's.

6.3 Societal Impact

KY positions itself as an opinion leader in Finland when it comes to educational policy regarding business studies and has an opinion on the future of work, society and business. We are a fearless straight-talker, who is seen and heard. We are the most sought-after business students in Finland. Active participation at KY is seen as a merit in the job market.

We track our brand's performance and partner with the Aalto University School of Business, experts and companies like aTalent to make this happen. We use communications agencies as needed to create and maintain our brand. We have strong ties to business media in Finland and feature frequently in the news. We are seen as future business leaders and professionals, who want to give to society and make Finland succeed.

6.4 Organizational development

The goal of the Lean Organization Strategic Initiative is to structure our organization in a cost-efficient and strategically sound way. The main focus is finding cost saving regarding our biggest expense, which is personnel costs, while making sure enough funds are allocated to strategic initiatives and KY associations' subsidies. Actions to decrease the cost structure of KY regarding personnel costs will be carried out in a timespan of several years, with the goal of having a strategically and financially sound organization when the new premises are completed.

7. Budgeting

KY's budget is viewed as a whole. The budget allocations for both the KY association and KY Foundation are decided based on this strategy. Each Key Strategic Initiative and each item in the Action Plan will receive sufficient funding in the budget. As a part of the shift towards building the best student experience through community, individual funding for international exchange will cease by 2020, with 2019 being the last year to apply for funding. Funding for KY's clubs will in turn be gradually increased. The investment in Corporate Relations is expected to start manifesting from 2018 onwards and revenue is expected to rise gradually until 2021.

The profit target for assets at KY Foundation is 3,5 %, measured in the real rate of return. The target cost structure, for a permanent and stable yearly basis, is 3 % of the Foundation's net asset value (NAV). Student Center costs are allocated in 2018. All operations will be accommodated to target cost structure by the end of 2019, though operating expenses will be moderately higher until 2020 due to dual offices. Partial exit from KY building will be achieved in 2020, as Student Center nears completion. When Student Center is ready and fully operational, all main operations will be transferred there. Student Center is estimated to be fully ready and operational at the start of 2021, and all operations will be transferred to Otaniemi. Progressive expansion of KY's associations subsidies can be achieved as cost reductions occur.

KY FOUNDATION	2018	2019	2020	2021	2022
	k€	k€	k€	k€	k€
Operating Expenses	240,3	247,5	240,9	230,8	232,6
KY Building	70,1	70,1	35,6	0	0
Otaniemi Premises	284,8	289,1	293,4	225	212,5
Kylteri Magazine	20,7	21	21,3	21,6	21,5
Operations Total	615,9	627,7	591,2	477,4	466,6
Exchange Grants	200	200			
Scholarships and Other	13	1	1	1	1
Grants Total	213	201	1	1	1
Subsidies for Associations	114	114	124	149	169
Subsidy for KY ry	415	415	415	415	415
Subsidies Total	529	529	539	564	584
New Otaniemi Premises	6500				
Total Expenses	1357,8	1358,7	1131,2	1042,4	1051,6
Profit/Deficit (+/-)	-223,4	-218,4	8,3	100,9	100,4
Percentage of NAV	3,59 %	3,57 %	2,98 %	2,74 %	2,74 %

Table 1. Target Budget for KY Foundation 2018-2022. Numbers reflect the situation as of end of 2017 and will be updated yearly in conjunction with budgeting.

KY RY	2018	2019	2020	2021	2022
	k€	k€	k€	k€	k€
Digital KY	20	20	20	21	21
Societal Impact	20	20	20	21	21
Lean Organization	-3,5	-22	-22	-50	-50
Strategic Initiatives Total	36,5	18	18	-8	-8
Board and Officials	116	117	118	119	120
Activities and Events	90,5	100	110	130	130
Office Expenses	54,5	55	56	57	58
Personnel	208	213	216	218	219
Operations Total	469	485	500	524	527
KY Foundation Subsidy	-415	-415	-415	-415	-415
Corporate Relations	-55	-70	-85	-90	-90
Investments	-17	-8,5	-8,5	-8,5	-8,5
Revenue Total	-487	-493,5	-508,5	-513,5	-513,5
Profit/Deficit (+/-)	-18,5	-9,5	-9,5	-2,5	-5,5

Table 2. Target Budget for KY ry 2018-2022. Numbers reflect the situation as of end of 2017 and will be updated yearly in conjunction with budgeting. To show the impact of cost savings from personnel costs, savings from the Lean Organization Strategic Initiative are displayed on the third row, and are deducted from personnel costs to reach the profit/deficit. Numbers on the Personnel row do not include any savings.