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STRATEGIC ENROLLMENT MANAGEMENT

Strengthening relationships in higher education

THE
POWER
TO KNOW.

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INTRODUCTION

People, relationships and information come together to create the best institutions in higher education. Institutions excel when students, alumni and donors are treated as individuals, and administrators and staff have the information they need to create a high-quality academic experience. For this to happen, colleges and universities must have easily accessible and accurate information. Higher education institutions often have massive amounts of information available, but if that information can't be used to personalize services, strengthen relationships or make decisions, its value is diminished.

HIGHER EDUCATION CHALLENGES

Although all campuses work hard to provide good services, there are opportunities for colleges and universities to strengthen relationships with recruitment prospects, students, alumni and donors.

For example, many times students interested in attending a college or university receive form letters in response to their requests for information. The admissions office has no means to distinguish between likely prospects and those less likely to enroll. As a result, the workload and costs are unmanageable, and complaints of impersonal communication are common. In addition, there is no good way to predict the size of the entering freshman class, almost guaranteeing a last-minute scramble for adjunct faculty and classrooms.

Many alumni relations departments have attempted to ramp up activities in anticipation of a major capital campaign only to receive an unenthusiastic response. Alumni in different life stages have different interests and different needs. Even though graduation dates are in the university's database, using that information to tailor events and invitations must be done manually, making it almost impossible to use, and other information (current occupation, known interests, location, etc.) is seldom leveraged in alumni campaigns and communications.

Many universities have attempted to solve problems by spending millions of dollars to install enterprise resource planning (ERP) systems to integrate information and provide reports to help make decisions. In many of these cases, the ERP system is in place, but the reports are either generic or nonexistent. And while there is value in the ERP system from a transactional or operational point of view, the system isn't bringing the decision-making value needed to meet goals. Neither academic affairs nor the office of student services can use current student information to predict student retention or target students for specific intervention strategies.

By leveraging data in existing systems and combining data sources, institutions can access, analyze and glean greater value from the data they gather. This paper describes how colleges and universities can use information and intelligence to improve relationships throughout the institution — an approach known as strategic enrollment management. Similar methodologies can be applied to prospective students, current students, alumni and donors. The enhanced relationships that result can increase enrollments, improve retention and graduation rates, and boost contributions.

THE ENROLLMENT MANAGEMENT LIFE CYCLE

Higher education engages individuals throughout a lifetime of relationships from cradle to grave. At each stage, information is important.

Recruitment   Enrollment   Graduation

Prospects → Students → Alumni & Donors

Cradle   Grave
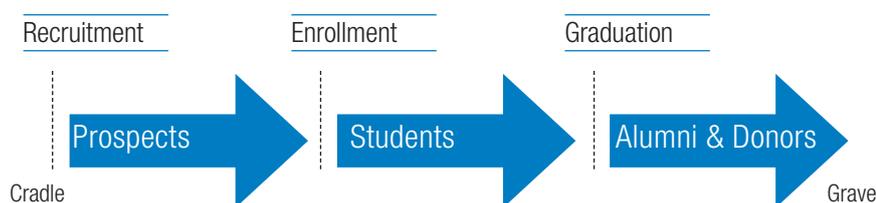
The earliest stages of an individual's relationship with the institution may be as a prospect — perhaps as a middle school student attending soccer camp or a high school junior visiting colleges and universities. Successfully recruited and enrolled prospects become matriculating students. The institution's goal is to ensure that these students graduate with the desired credentials.

Once individuals graduate, they become alumni — another step in their life cycle with the institution. In many cases, the life cycle comes full circle through alumni because their children and grandchildren often become prospects. Although donors may not be alumni, they also have a relationship with the institution — one that can often be strengthened and sustained over many years.

Information is important, not only for prospective or current students, but also for alumni and donors. Institutional advancement has become more important as institutions seek an increasing portion of funds from external sources. Beyond their fundraising potential, alumni and donors are important potential advocates for the institution with legislative groups or funding agencies as well as with prospective students and their parents.

Each of these groups — prospects, students, alumni and donors — has unique challenges and information needs. Increasingly, the key to institutional advantage is how to optimize each phase and ensure a long-term relationship.

RECRUITMENT

Competition for students has increased. Colleges and universities employ sophisticated practices to attract applicants and ensure they enroll. Techniques for data analysis and modeling help institutions address primary challenges, such as maintaining yield.[1] For example, at public colleges and universities, only 22 percent of prospects that inquire apply. Of those who apply, less than 50 percent enroll.[2]

Multiple opportunities and critical decision points exist for institutions to make a positive impression on prospects during recruitment. For example, are responses to prospects' inquiries prompt? Are they personalized? Will prospects get the same information when they call as when they search the Web or ask someone in person? Prospective students and parents look for timely answers to questions; they don't expect delays, inaccurate information or a "runaround." How well institutions handle inquiries, integrate information and personalize their approach has a significant impact on student applications.

Recruitment Applications in Higher Education. Recruitment is an ideal area in which to strengthen relationships because there are multiple opportunities and methods for interacting with students (e.g., phone, Web, e-mail and face-to-face). Strategic enrollment management provides a mechanism for integrating information from all these touch points to launch future contacts.

For example, if a student requests information about majoring in chemical engineering from the Web site, that information, along with the prospect's personal information, can be recorded in a database. A student recruiter in the engineering department might contact the student and record any additional information gained during the phone call in the database. An analysis of the student's information and a comparison to enrollment prediction models may show that the student is a strong prospect. As a result, the institution may send a letter from admissions inviting the prospect to visit campus and apply. At the same time, the prospect's parents may be contacted, ensuring they have appropriate information and a personal contact at the institution.

Moving a prospect to application is one step, but the institution must maintain contact to ensure that, once admitted, the student enrolls. This may involve pushing information to students, advising them of deadlines (e.g., application for financial aid and housing applications) or connecting them with individuals (e.g., an admissions counselor). Information about the student allows the institution to customize these interactions, ensuring a more personal approach.

Trends in Enrollment Management
[1] *Yield is the percentage of admitted students who enroll.*
[2] *Tracy L. Wolff and Peter S. Bryant. May 1999. Top Ten .*
   http://www.luminafoundation.org/Publications/pdfs/synopsis.pdf

Institutions can learn from the data they collect as well. Analyzing techniques, refining predictive models and tailoring programs enable colleges and universities to become more successful each year. For example, the Universities and Colleges Admissions Service (UCAS) in the United Kingdom combines its data with external sources to produce models, such as one that predicts the likelihood of an applicant accepting an offer from a particular institution and future trends in applications. Users can interactively explore variables, incorporate them into predictions and see what impact they have on recruitment. UCAS provides institutions with answers to questions like "What would be the impact of changes in student funding on the number of applications received?" and "How many applicants from underrepresented areas are likely to be accepted?"

RETENTION

Once students are enrolled, they begin the process of matriculation. According to a report from the Education Trust, barely six out of 10 first-time, full-time, degree-seeking college freshmen graduate in six years. Colleges and universities have become acutely aware that student retention is a significant issue. The highest attrition rates typically occur during the freshman year. In fact, many say the first six weeks of students' campus experiences have a significant impact on whether they remain enrolled. Many institutions lose one out of every four enrolled students in the freshmen year alone.

Throughout a student's matriculation, critical services and decision points can lead either to greater student satisfaction and retention or result in the individual leaving the institution. Retention studies are increasingly important because the factors that affect students vary by group (e.g., traditional vs. nontraditional students, female vs. male, single vs. single parent, etc.). Students often make important decisions about whether to stay at a college or university based on the ease or difficulty adjusting to the institution, the strength of faculty-student relationships, the compatibility and congruence between the student's expectations and the institution, the student's academic preparation, the availability of financial aid, and so on. As institutions learn more about the relationship between specific student profiles and retention, a variety of intervention strategies are being devised to ensure that more students are retained and fulfill successful academic careers.

Retention Applications in Higher Education. Thousands of times during a student's degree program, a student is "touched" — positively or negatively — by the institution. Applying intelligence to the matriculation process ensures that as many of those contacts as possible are positive.

The first six weeks on campus often determine whether a student remains enrolled. During this bonding period, it is particularly critical to provide students with personalized interaction, a positive experience and accurate information. Institutions can send students personalized e-mails or text messages based on their profiles, for example. Institutions can also contact and support specific student groups through those students' personalized portals.

Students who drop out often do so because they made poor choices; sometimes they made those choices because they lacked necessary information. Strategic enrollment management and the accompanying solutions allow institutions to provide information to students in a just-in-time fashion. Although students may receive printed handbooks at the start of the semester, remembering the information or knowing what is relevant is unlikely. Timely access to relevant information becomes easy with appropriate information and data integration.[3]

While institutions invest significantly in recruitment, it is unclear how much they consistently invest in retention activities. In business, it is often said that it costs five to 10 times more to attract a new customer than to hold on to an existing one. This concept also holds value for colleges and universities. Institutions have a strong incentive to avoid unnecessary expenditures on recruitment by providing accurate, timely and personalized information that encourages student retention and success.

INSTITUTIONAL ADVANCEMENT

More than ever, universities recognize the importance of continuing the university-student relationship beyond graduation. Colleges and universities work with alumni and donors across a set of institutional advancement activities. In fact, college and university presidents are spending an increasing amount of time on advancement as budgets tighten, endowments shrink and institutional needs expand. Competition for private funds is significant. Just as with prospects and students, collecting relevant information, tailoring communication and creating personal relationships are the keys to institutional advancement.

[3]*Diana Oblinger. January 2002. "From Connections to Community." Best Practices in Student Services Darlene Burnett and Diana Oblinger, Editors. Society of College and University Planners. Ann Arbor, MI.*

All phases of prospect management (identification, cultivation, solicitation and stewardship) benefit from timely, accurate information. For example, information on donors, friends, preferences and prior gifts may come from multiple sources. Records management and information integration are important because not having the correct information may imperil a major gift or cause the institution to lose track of scores of alumni.

Institutional Advancement Applications in Higher Education. Institutional advancement deals with establishing relationships with alumni and donors. Personal relationships encourage giving to the institution. However, it is difficult to develop thousands of personal relationships without technology. Maintaining contact with the individual is the first step. Many institutions provide alumni with e-mail accounts so they can remain in touch as alumni move and change jobs. The next step involves developing a relationship. The institution can use the information it gathered while the alumnus was a student to tailor a variety of contacts. Applying a strategic enrollment management methodology also allows institutions to track alumni preferences (e.g., only wants to hear about departmental events or most interested in sports). In addition, as institutions run campaigns, they can monitor their effectiveness for various groups and hone techniques for future campaigns.

MANAGING INFORMATION AND RELATIONSHIPS

Relationships are built on information, so it is essential for institutions to manage information well throughout each of the lifecycle phases. Prospects, students, alumni and donors want individual treatment, immediate responses and integrated information from the institution so they don't have to call one office after another.

For example, students with little information about an institution are unlikely to enroll. The more information prospects have about a campus — whether from the Web, visits or conversations with students — the more likely they are to enroll. In fact, the ease with which they find information may have an impact. For example, students who have difficulty finding the admissions office are less likely to submit an application than those who have no difficulty.[4]

For matriculating students, quality of advisement is important. When advisors have little information about an advisee, their ability to help is limited. But as the amount of information about an advisee's preferences, goals, attitudes and aptitudes increases, advisors can better support the student's short- and long-term goals.

[4]*Noel-Levitz Market Research Study. April 2002.*
   After 9/11: Campus Visit Expectations, Experiences and Impact on Enrollment.
   http://www.noellevitz.com/library/research/campus_visit/index.asp

Having enough information to track, contact and interact with alumni is a first step toward developing a stronger relationship. It is a challenge to keep up with new graduates as they begin careers and move to different locations. Knowing the interests of established alumni helps institutions create more productive interactions with them.

Each phase in the student enrollment management life cycle involves building or maintaining relationships and thus would benefit from a relationship management approach.

Phase	Relationship with	Intended outcome[5]
Recruitment	Potential students	Identify best students; enroll at institution
Retention	Enrolled students	Retain, matriculate and graduate
Institutional advancement	Alumni, donors	Fundraising; continued support

STRATEGIC ENROLLMENT MANAGEMENT

Strategic enrollment management is a way to optimize relationships within the institution. For example, leveraging existing data from several departments allows the institution to integrate information on a prospective student and track when the prospect has called, what information has been mailed, whether the individual has visited campus and what his or her major interests are. That same individual can be tracked through application and enrollment. When the student applies for a campus job, internship or scholarship, the information is integrated into the record. These records are updated with graduation and the individual's career history. Rather than isolating information in separate departments and databases, an integrated, 360-degree record is created for the individual. This record allows the institution to create personalized interactions before enrollment, during enrollment and after graduation.

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[5] *Diana Oblinger. January 2002.*
 "From Connections to Community."** **Best Practices in Student Services, *Darlene Burnett and Diana Oblinger, Editors. Society of College and University Planners. Ann Arbor, MI.*

Other institutional information (e.g., demographic information, historic trends and lifestyle information) can augment the data, allowing more tailored communications that may help broaden and deepen the sense of community among students, donors and alumni.

A university that adopts a strategic enrollment management approach will be:

- **Individual-centric**. The focus of the personalized relationship is on the individual, not the institution. The individual — whether prospect, student or alumnus — is at the center of the activity, and activities are tailored to individuals according to their needs, history and interests.

- **Adaptive**. An institution can continually understand more about an individual's needs and behaviors. As more information is gained, either about an individual or a group, profiles are updated and approaches tailored. Universities can also incorporate data mining, which allows the institution to find commonalities and predict behaviors that allow it to continually refine its services.

- **Integrated**. Relevant information can be integrated, rather than stored in silos, to make services more personal and effective. This integration occurs across the life cycle of a person — from childhood through retirement — and across the institution.

STRATEGIC ENROLLMENT MANAGEMENT'S VALUE

To recruitment. Institutions using this approach and the accompanying solutions may recruit more students. If the institution increases enrollment by 1 percent, the value may be significant. For example, if an institution has 15,000 students paying tuition of $5,000 per year, a 1 percent increase in enrollment results in $750,000 of increased revenue. In addition, targeting students most likely to enroll can save significant variable expenses.

To retention. An institution that identifies students less likely to return semester after semester can use various intervention strategies to enhance student persistence. For example, if freshmen attrition can be reduced from 40 percent to 20 percent (in a class of 5,000 with annual tuition of $5,000), the institution will save $5 million in one year. Retaining students not only ensures an ongoing revenue stream from tuition but also helps the institution avoid the cost of recruiting new students.

To advancement. Strategic enrollment management benefits alumni programs as well. In an institution with a pool of 75,000 alumni who donate $100 each year, a 1 percent increase in annual giving would result in increased revenue of $75,000. The increase could be even greater if the personalized attention and communications encourage more generous alumni contributions.

BEST PRACTICES OF STRATEGIC ENROLLMENT MANAGEMENT SOLUTIONS

INFORMATION MANAGEMENT, ANALYSIS AND COLLABORATION

After understanding the stages of the strategic enrollment management life cycle, the challenges institutions face during each stage, and the core issues involved in managing information and relationships, it is important to identify the most effective place to begin implementing a solution to solve enrollment management problems. Successfully identifying the most appropriate starting point involves the consideration of three crucial capabilities:

Information management. Managing information throughout the institution ensures a single, comprehensive view of relationships and data across departments, functions and institutional systems. Strategic enrollment management solutions must provide the ability to integrate seamlessly with analytics and business intelligence applications to create and deliver consistent, timely and reliable intelligence needed to ensure successful relationship management programs.

Analysis. Institutions need the ability to view and understand the context of information through advanced analytics and reporting. Using data mining techniques to profile groups and build predictive models, institutions can segment and target specific groups in the life cycle with appropriate information, services or campaigns. Furthermore, colleges and universities can target students likely to enroll, track retention profiles and identify candidates for development campaigns. In addition, institutions can develop and implement clear missions, strategies and performance objectives and report performance results to appropriate internal and external audiences.

Collaboration. Effective enrollment management requires that institutions manage integrated efforts across diverse organizational units and collaborate to communicate information. These knowledge management efforts can be realized through a portal that supports internal and external collaboration and data sharing among appropriate individuals and departments.

After considering the value of information, analysis and collaboration in finding a starting point for implementing a strategic enrollment management solution, the characteristics of successful solutions should also be evaluated.

ATTRIBUTES

As institutions look for solutions to incorporate into a strategic enrollment management approach, it is important to define its important attributes. The attributes below consistently bring value to colleges and universities.

Scalable. Institutions range from a few hundred students and faculty to several thousand. College and university systems can also face data and decision-making challenges that span multiple institutions. As Web-based recruitment, admission and alumni relations grow in popularity, the need for scalability will continue to increase. In addition, scalability should take into account the fact that many initiatives begin as pilot programs and are then expanded as funds and personnel allow.

Interactive. Making decisions and building relationships is a highly interactive process. Applications should enable people to interact with data (e.g., changing assumptions, creating new variables or visualizing a trend) and other decision makers. For example, an institution assessing its tuition rate may develop scenarios that project what might happen with a tuition increase, decrease or changes in financial aid policies.

Simple user interface. Users should be able to explore what-if scenarios or move data by simply dragging and dropping it with a point-and-click interface. Users should also be able to choose output formats (e.g., HTML or e-mail) and report styles and then customize the interface.

Customizable. No two institutions are the same; hence no two environments should be quite alike. While there will be common features, institutions need to be able to customize the environment, the reports and the data.

Secure. Any type of decision-support environment that deals with institutional, student, alumni and donor data must be secure. The environment must protect the privacy and integrity of student and alumni records, donor information, and financial data. Security must exist at the data, application and transaction levels. Another important aspect of security is to ensure that only those who have been authenticated and who are authorized have access to specific types of data, information and analyses.

Visual. The phrase "a picture is worth a thousand words" is particularly true when trying to understand complex models or present results. Those searching for data trends can often spot them more quickly from an image rather than from pages of numbers. A graphical scorecard gives presidents, provosts and vice presidents who are pressed for time a quick synthesis of the institution's progress toward its strategic goals.

Integrated. End-to-end capability is important. Although processes such as enrollment management comprise multiple steps, it is most efficient to integrate those processes so the information flows continuously from end to end. The time required to integrate and synchronize independent services can be enormous. And the opportunities for errors and delays increase with every hand-off.

SUMMARY

In some ways, incorporating a strategic enrollment management approach and its accompanying solutions is a next step after investment in enterprise resource planning. ERP systems automate internal business processes (e.g., finance, human resources and student information) and allow the institution to better manage its operations. ERP systems focus on internal operational tasks.

Strategic enrollment management solutions create intelligence needed for activities such as recruitment, admissions, retention, alumni relations or institutional advancement. However, just as information is needed for internal operational efficiencies, information is required to meet the needs of prospects, students, alumni and donors.

Adopting a strategic enrollment management approach is more than a way to automate transactions and it is more than a suite of software applications. It is a strategy that uses information to strengthen relationships and continually improve the services the institution provides. It allows institutions to simultaneously meet internal goals and satisfy the needs of their key constituents.

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