SNAPSHOT:
FORGE A PERSONAL CONNECTION

EMPLOY CRM IN HIGHER EDUCATION TO STREAMLINE AND SOLIDIFY STUDENT RECRUITING AND RETENTION.

INSIDE

DEPLOY AN INTEGRATED CRM SYSTEM

Along with choosing the right system, deploying an enterprise-level Constituent Relationship Management (CRM) system that works with other enterprise systems takes careful planning and foresight. While it may be a challenge, integrating the CRM system with the rest of the institution's technology portfolio is critical. The system has to follow students throughout their "lifecycle" with the institution—from initial touchpoints during recruitment to enrollment, and on through to graduation and their status as alumni.

In order to serve the needs of all the users who will access the system, it must be well-integrated with other complex and high-end systems. That includes the student information system, financial and accounting software, the learning management system, the university's e-mail application, and any other important components of an institution's technology framework.

The challenge is even greater in higher education. Colleges and universities have to wrestle with tight budgets and a big influx of new constituents each year. Perhaps the biggest challenge is meeting the needs of a wide variety of diverse departments.

Data from analyst firms such as Gartner consistently show that for every dollar spent on an application, several times that amount is often spent on integration. Since so much of the technology budget will be spent on rollout and integration, careful planning is essential.

CRM deployments can initially be on a campus-wide scale, which is rare. More commonly, new CRM platforms often target a few key departments at first, with the goal of later expansion. In any case, here are three key steps to planning for a smooth CRM deployment:

1. Remember CRM is a long-term commitment

The right CRM system for the long term, whether deployed departmentally or campus-wide, will be powerful and rich in features. In order to make the most of it, institutions must integrate the system with other software packages on campus. As with any large software installation, remember the basics: communicate the vision, get buy-in from stakeholders at every step of the way, get key leaders on board early, and include all affected departments. CRM is a long-term commitment that will pay off richly in return on investment, data-driven decisions, better and more focused recruitment decisions, enhanced alumni relations, and so on. However, it will require careful attention and long-term planning.

2. Make sure your vendor understands the unique needs of higher education

CRM has been a huge success in the business world, with education only recently beginning to see its value. Simply put, the needs of a college or university are significantly different from those of a business. Make sure your vendor understands those differences and the higher education space. Avoid products designed for business, then modified for education. This will force your IT team to do extensive coding and modifications. Ask for use cases that show it working with education. And don't be afraid to call colleagues at other institutions with questions about their CRM rollout.

3. Get buy-in from all campus departments, not just IT

When IT drives a project, the initial result may be faster with a solid choice of tools. That's where the success ends, though. Without buy-in from the business side, IT will be left encouraging colleagues to use a system few understand or require. IT leaders need to work closely with actual users from the beginning—from selecting the department or departments that will dive in first, determining requirements, laying out the deployment timeline, and getting endorsements every step of the way.

In short, you have to treat deploying a CRM system as you would any large, integrated, enterprise-wide platform. ●

WHAT'S BEHIND THE GROWING INTEREST IN CRM?

Although higher education has been slower to see the value of Constituent Relationship Management (CRM) platforms than the business world—where CRM is now ubiquitous—that is quickly changing. "Many more institutions are adopting CRM now than they were five years ago," says Dana Hamerschlag, Vice President of product management at Ellucian. "We are definitely seeing a growing trend as [institutions] see the value."

There are various reasons behind the upturn, but they fall into two general areas. The first is evolving expectations from students and parents regarding content personalization. "All of us now have expectations when we interact with any type of organization," says Hamerschlag.

There are many examples of institutions putting CRM technology to work today. One is a small four-year private school that faced the sort of staff limitations common on campuses everywhere. Using CRM software, the school was able to dramatically boost the number of times it reached out to prospective students and families. It used the software to generate personalized, situation-specific messages. "Without increasing staff in any way," says Hamerschlag, "they increased the number of touchpoints [from three or four] to 20."

The result was a 29 percent increase in orientation and scholarship events. This in turn led to enrollment increases. Interviews with families revealed comments

"The return on investment hits them right at the heart – their revenue." — *Dana Hamerschlag, Vice President of product management at Ellucian*

There are expectations that digital interactions will be personalized, useful, and in context. A "spam" e-mail that's clearly directed to a wide range of people—even if it includes useful information—simply isn't engaging.

Financial pressures are the second driver behind increasing interest in CRM, says Hamerschlag, and perhaps the more powerful of the two. As higher education institutions face increasing budget pressure—less state funding, more focus on performance-based funding, more competition for students—solutions that offer specific returns on investment draw significant interest.

With financial pressure mounting, institutions often turn to their recruitment and retention offices for help. Those are the two offices that appear to be adopting CRM most quickly, she says. Both those offices are revenue-focused. With strong business-oriented goals, they're naturally receptive to solutions with a strong ROI. "The return on investment hits them right at the heart – their revenue," says Hamerschlag.

such as, "You were so much more proactive in your communication than what we got from other institutions. It felt like you knew me."

Another area that can lead to clear savings in staffing costs is automating the recruitment process. "There's still plenty of data entry happening in higher ed," says Hamerschlag. She cites an institution that moved from entering thousands of applications by hand, each with hundreds of pieces of data.

With CRM software in place, "90 percent of those applications are completely automated. They go directly from the Web into the CRM system, and then into the student information system without a human touching it." That led to savings of thousands of hours of data entry, which in turn frees up recruitment staff to spend time on more valuable functions within the department.

"Before, they were just entering data," says Hamerschlag. "Now they can now engage with students and really make a different in students' experiences with the admissions process." ●

DEPARTMENTAL OR INSTITUTION-WIDE CRM?

There's an inherent tension between the benefits of an enterprise-wide "lifecycle" version of Constituent Relationship Management software (CRM), versus the practical reality of specific departments that need specific functionality. It's a given that institutions will have conflicting needs among the various colleges, departments and schools.

On the other hand, most institutions are best served in the long term to choose a single, enterprise-wide CRM platform. This will help the institution nurture a "lifecycle" relationship with its students. In fact, that's one of the most powerful reasons for using CRM software. An enterprise system will also cost less overall, simplify support since it's a single system, and offer an integrated user experience.

Despite those benefits, many institutions see vast challenges with enterprise-wide deployments. There's a key reason CRM adoption in higher education remains largely department-focused, says Dana Hamerschlag, Vice President of product management at Ellucian. "Everyone loves the idea of enterprise-wide CRM," she says, "but the pragmatic challenges are very real."

Those challenges include the fact that different departments will have different requirements and getting leaders one the same page can be difficult. "How do you get all those people to agree?" says Hamerschlag. "It can be a disaster."

Ideally, institutions should select CRM software they can initially deploy on a departmental level, but eventually scale out across the entire institution. As analyst firm Ovum points out ("The Value of Institution-wide CRM," Nicole Engelbert, June 2013), "regardless of deployment model, the end goal [of a CRM system] should be a high-quality and consistent constituent experience for students at every stage of the student lifecycle."

Many institutions begin with a limited approach to CRM software. They select a platform based on the unique needs of one or two departments—typically the recruiting and admissions office and the advancement office. However, licensing software for one department is costly. Institutions then have to re-invent the wheel as interest grows and needs expand to other departments. Most importantly, they can't share data across the institution. This alone significantly reduces the ability to manage relationships over the student lifecycle—one of the primary purposes of the software.

Planning ahead to progressively roll out the same CRM platform to additional departments over time addresses some of these issues. Institutions can leverage licensing and customization costs, but they must ensure they've selected a package that can scale. Also, the CRM software should be designed for higher education to minimize constant customizations from IT as it's extended to additional departments.

As challenging as selection and rollout may be, a centralized CRM system provides the best long-term solution for forward-thinking institutions. Addressing the unique requirements of various departments is more difficult. With the right platform and approach (see "Deploy an Integrated CRM System,") however, it's not impossible. With a lifecycle CRM system, institutions can support a coherent vision. A university can create and follow best practices for maintaining data, and there are clear economies of scale in licensing, customization and administration.

Perhaps the most critical benefit, however, is a properly integrated institution-wide system can truly establish and maintain relationships throughout the student lifecycle. It can connect with other relevant systems on campus, including recruiting, admissions, financial services and student aid, the student information system and learning management system.

With access to that data and the power of a campus-wide system, institutions can move beyond a focus on current students. In doing so, they can access the power of a true constituent relationship management platform to manage student relationships throughout the student lifecycle. ●

USING ANALYTICS FOR DATA-DRIVEN DECISIONS

Big data is a common term in the business world. Higher ed leaders are also realizing the value of using their data to better understand their institution. Presidents, CIOs and deans increasingly need to make quick, critical decisions about recruitment and retention, anticipate trends in course and degree popularity, predict class sizes and make hiring decisions, plan for future growth and development, manage alumni relations and fund-raising, and more.

To more effectively interpret student data, institutional leaders at all levels are turning to analytics for data-driven decision-making. Analytical tools help them drill down on data collected in their data warehouses or elsewhere. Using business intelligence processes and tools, they can better understand current trends and anticipate future ones.

Data-driven decision making results in fact-based decisions, instead of making decisions based on tradition or instinct. Recruiting office staff can decide to increase the number of personalized e-mails used in a recruiting drive, for example, based on data that clearly indicates doing so increases attendance by a given percentage at campus open houses. This in turn increases application rates.

In order for such decisions to be agreed upon by all stakeholders, institutions must make analytics tools available to all stakeholders, those tools must be easily understandable, and based around the same set of well-managed data—the proverbial "single version of the truth." Data might come from a range of campus systems, including the student information system, enrollment and financial software, and more.

Using analytics on a wide scale can be complex. Most institutions must overcome significant technical and political hurdles to access campus-wide data. Finding and hiring staff with the right technical skills is crucial.

Analytics itself has several levels of complexity, from the basic descriptive analytics, more complex predictive analytics and the deeper level prescriptive analytics:

Descriptive Analytics: At its most basic, this helps institutions tease out past behavior patterns. It can answer questions like, "What happened? When did it happen? How often? How much or how many?" Those questions are typically answered in report format. They can be useful in pointing out past patterns in recruiting drives, for example, or financial aid packages.

Predictive Analytics: This is somewhat more complex, moving to the next level and seeking future trends by asking questions such as, "Why is this happening? How long will it continue? How will it affect the institution?" It can help identify previous patterns and help predict when and where those patterns might repeat.

Prescriptive Analytics: This takes answers from descriptive and predictive analytics and helps business leaders make tough, data-driven decisions to address more complex questions such as, "What should we do next?" and "What is the best decision to address this issue?" Prescriptive analytics is a mature form of analytics used with sophisticated data management teams that are experienced in managing data and business intelligence tools. It demonstrates the possibilities inherent in data analytics. Higher education leaders will undoubtedly eventually use prescriptive analytics.

To fully embrace analytics and start making data-driven decisions, higher education CIOs must understand the power of using analytics on the vast troves of data many institutions have collected. By selecting enterprise tools that support advanced analytics and operate across the university's data, business leaders can help others see and understand the power of data-driven decisions. As budgets tighten and competition for students continues to mount, successful institutions will turn to analytics to remain competitive. ●

IMPROVE RETENTION RATES WITH INSTITUTION-WIDE CRM

Two of the more common areas to find a Constituent Relationship Management (CRM) system in place are the recruiting and retention office, and the advancement office. This makes sense because those offices are driven by numbers and business-focused. They're quicker to see the value in CRM software, which can yield an immediate, dramatic return on investment.

Using CRM, recruiting e-mails can be more precisely targeted and more personal. This results in better attendance at open house events, and higher enrollment rates without increasing any staff. (See "What's Behind the Growing Interest in CRM?")

May 2014, only 55 percent of students who entered college in the fall of 2008 had earned college degrees or certificates. That figure is down slightly from the rates reported for students who entered in 2007.

Seeing the problem, some states—and the federal government—are stepping up talk of performance-based funding. They're considering appropriations to public institutions tied to graduation rates. That level of focus on student success escalates the interest in finding ways to not only draw students into a particular college or university, but also keep them there until they graduate.

As the report points out, the vast amounts of data on

Collecting and analyzing student performance data is critical. That's an obvious use case for a CRM system.

To truly tap into the deepest power of a CRM system, however, means using the platform to manage relationships across the entire student lifecycle—from recruitment, to enrollment, to retention, and alumni relations. While that level of use may still be rare on campuses because of the steep challenges it poses in planning and integration, it is already helping institutions address deeper, more holistic institutional issues, such as improving retention and completion rates.

According to a 2015 report by Maguire Associates, Inc., entitled "Student Success: Building a Culture for Retention and Completion on Colleges Campuses," institutions are moving beyond their traditional focus on recruiting and admissions. They're also reconsidering the vast sums those offices spend.

They're starting to take a much harder look at retention rates, investigating why so many students leave college before graduating. According to the National Student Clearinghouse Research Center, by

student performance institutions now routinely gather makes retention an obvious focus. Early warning systems can highlight at-risk students, and intervention plans can be created to offer assistance.

What's most crucial, however, is software that can reach across salient enterprise-wide software platforms on campus, such as student information systems, learning management systems. Collecting and analyzing student performance data is critical. That's an obvious use case for a CRM system. The right system can offer extensive and sophisticated analytics tools.

Because an enterprise CRM system is designed to manage the student lifecycle—not just recruitment and admissions, but the student's tenure at the institution—it's an effective method of drilling down on performance data. Using analytics tools and building predictive models within the CRM platform, colleges can identify at-risk students earlier. That can lead to a better focus on student retention and success. ●

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