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ENROLLMENT MANAGER

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EXPANDED CHIEF ACADEMIC OFFICER ROLES REQUIRE NEW MODELS

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Higher education has become progressively more competitive, forcing ever more institutions to adopt and apply best business practices to thrive. For presidents, the "business" of higher education consumes increasing amounts of time.

Regardless of the size or location of an institution, most college presidents today tell us they are spending at least 60 percent of their time off-campus dealing with external stakeholders including friend raisers, fundraisers and chief financial and marketing officers. This new "business" model means that college presidents are functioning mainly as corporate CEOs, charged with developing an institutional vision and selling it to external constituents, leaving the day to day internal functions of the institution in the hands of the chief operating officer.

This new business approach has transformed the role of the chief academic officer, who on some campuses becomes the chief operating officer (COO) under this model. Perhaps Eric Erickson was talking about chief academic officers when he said, "I ain't what I ought to be. I ain't what I'm going to be, but I ain't what I was."

More often, the chief academic officer (CAO) is being afforded the title of executive vice president, provost or senior vice president. In the new corporate model, he or she is identified as the chief operating officer with responsibility for most internal functions of the institution. This model results in all academic and student life functions reporting to the CAO.

This new organizational model places more importance on the role of the CAO as a transformational leader. Many Washington, D.C.-based organizations now offer workshops and institutes to assist the CAO in responding to new institutional demographics. For example, The Council for the Advancement and Support of Education

(see Expanded CAO Roles p.3)

HOW INTERNATIONAL OFFERINGS CAN ENHANCE YOUR CURRICULUM

Dr. Wally Sanders
President
Vanguard Global Institute

Globalization is one of the most important factors in today's business environment. The success of Japan, the Asian Dragons (Hong Kong, Singapore, South Korea, and Taiwan) have been past reminders of a progressive global economy.

However, we now face an even greater challenge from Asia – China. The increasing competitiveness of the global environment has been well established and business edu-

(see International Offerings p.2)

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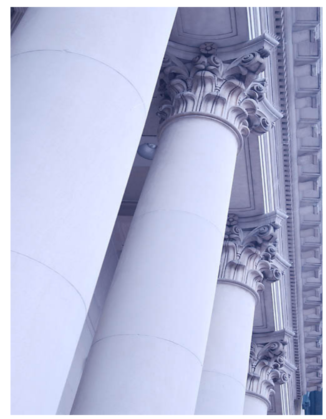

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INTERNATIONAL OFFERINGS CONTINUED:

cators have begun to focus on the need to internationalize the curricula. Many universities are currently adopting a global mind-set for the good of the institution and students.

Internationalization of the curriculum is not an option, but rather a strategic challenge that schools must embrace in order to prepare students for careers in the global environment.

Competing in the global knowledge economy has serious implications for business education in that the world is moving towards a global knowledge society where information, skills, and competence are progressively becoming a driving force of economic, political, and social development.

Businesses look to universities to prepare and train students to become successful in the global arena.

Colleges and universities now face a major challenge to develop curricula that will better educate students in the culture, politics, economics, and geography of different countries of the world.

The challenge for higher education in internationalizing the curriculum is often seen as a lack of desire on the part of faculty and students to think globally.

The enormous growth in international activities of multinational corporations has created opportunities and challenges for businesses as well as higher education. The challenge for multinational recruiters is hiring people who can function effectively across national borders. At the same time, this has created a need for colleges and universities to develop initiatives and strategies to supply graduates who are capable of handling international business functions.

Many who teach in the field of global business state that "you cannot ignore the world any longer." Further, "even if you don't conduct business internationally, your competitor is probably flourishing in the United States."

As businesses, especially those engaging in multinational enterprises around the world, confront the ever increasing challenges of globalization, the need for developing managers who can think globally and understand the demands of the global marketplace becomes a critical issue. Colleges and universities have a special role in developing a global mind-set and skill sets that will be appropriate when the job search begins.

Many business executives and prominent leaders of world renowned institutions concur that there is a serious need to adapt global thinking into the curriculum.

Andrews & Tyson (2004) of the London Business School, write a compelling article that sets forth valid arguments indicting the American educational system for its shortsightedness in not preparing MBA students for global thinking. The article states that given the employers' shift in focus, business schools should consider becoming more global. The corporate executives interviewed for this article state that the business schools must produce a more flexible and more adaptive manager, capable of being molded and developed into a global executive.

Providing students with a global education will increase their ability to succeed in a global market involving cultural diversity and rapid changes. Global education is a process that encompasses the knowledge and understanding of culture, language, geography, political, economic, social and technical perspectives that are ongoing developments within the competitive community.

A global education is one that teaches the student to become aware of social positioning in a global economy and teaches them how their interactions in the global environment can have adverse effects upon citizens of the world.

Educators must ponder questions such as "what are the necessary global competencies that will ready students for global assignments?" And, "How should educators and administrators determine the critical elements of a global plan to be adopted within the curricula?"

Institutions of higher learning must look seriously at adopting concentrations in the business curriculum as well as integrating global concepts throughout program disciplines. Further, schools must give serious consideration to study-abroad opportunities to incite the awareness of the global society in which we all function.

Finally, the 21st Century will belong to those who can adapt to the many changes and challenges that will be seen in the global marketplace, and to those who understand the importance of international cooperation.

WHERE SHOULD WE BE NOW?

John W. Dysart
President
The Dysart Group, Inc.

The beginning of April is upon us and there are a few benchmarks that can be reviewed by top administrators at private colleges and universities. The following do not apply to institutions that can consistently rely on the national reply date to secure their class of new students.

- **At least 70 percent of applicants for admission should either be accepted or rejected at this point.**

Percentages lower than the recommended amount might be a sign of poor admission counselor follow-up with admission applicants. Low folder completion rates can also be a sign of a weak applicant pool.

- **At least ten percent of inquiries should have applied for admission by now**.

Ten percent conversion from inquiry to application is about average for private schools. Conversion rates lower than ten percent might be an indication that the college plan for encouraging prospective students to apply for admission is inadequate.

- **At least 40 percent of your returning students should have applied for financial aid by now and been packaged.**

Encouraging returning students to apply for financial aid and packaging them early in the cycle is critical to support retention. You do not want your currently enrolled students going home for the summer break without knowing how they are going to afford to come back for the Fall term.

- **At least 40-45 percent of your admission applicants should have visited the campus by now.**

Campus visits are so important in converting applicants into enrolled students. You would generally expect approximately half of the admission applicants to have visited the campus by the end of the cycle. Lower visit rates may be an indication that the yield from applicant to enrollment may decline.

Top college and university administrators should be reviewing weekly admission and financial aid reports throughout the cycle. Don't be afraid to discuss benchmarks with your Admission Directors and Financial Aid Directors. Ask questions. Make a point of having your Directors explain the components on the weekly reports.

Admission and financial aid are data-driven enterprises. Consistent review of reports and benchmark comparisons can reduce the possibility of recruitment and expenditure surprises.

EXPANDED CAO ROLES CONTINUED:

(CASE), offers a program on fundraising for the chief academic officer.

In addition, a number of summer programs such as Harvard's Summer Institute and Carnegie Mellon's Program for Senior Administrators are being offered to better train CAOs in budgeting, executive team-building and strategic planning. This skill is critical, because often the CAO is left to chair the senior staff meetings and essentially run the institution while the president is off-campus cultivating resources.

Because CAOs need to interact more closely with board committees as well as with the full Board of Trustees, organizations such as the Association of Governing Boards (AGB) now report that they are conducting workshops and sessions on the CAO's role in dealing with volunteer leadership.

These increased expectations of CAOs have resulted in the need for more scrutiny during the search process; some presidents have even turned to the Registry of College and University Presidents for transitional assistance.

This business approach has guided Wesley College--and many other small liberal arts colleges--without jeopardizing its unique academic mission. In today's keenly competitive and volatile marketplace, higher education must be driven by a scrutiny of its mode of operation that is both urgent and impatient. By adopting this expanded CAO role—extending far beyond the traditional confines—small institutions with limited resources will help to ensure that external stakeholders receive the attention they deserve, while internal functions are well managed.

PROPER DATABASE MANAGEMENT CAN IMPROVE YIELDS

April Clark
CAS

It is very easy to overlook your in-house database when planning your annual budget. There are several processes that are imperative for successful communication. If the post office cannot find your students, then you cannot communicate with them!

Data hygiene is not an unmanageable mystery, you simply need to have a specific plan and choose a trusted partner to handle the process. Data hygiene can be cost-effective. In fact, it is less expensive to keep your lists clean, than pay the costs for wasted postage and wasted printed materials sent to inaccurate addresses.

Just about every database manager does the bare minimum – identifying Do Not Call (DNC) numbers and running an annual National Change of Address (NCOA) process. This is a start, but there is a lot more to be done if you are to effectively manage and maintain your student and prospect databases.

KNOW YOUR DATA.

When was your file last updated? Do you have a schedule set up for NCOA, or CASS certification (part of NCOA also)? Do you know which telephone numbers are DNC numbers? What else has been done to your file? You will need to know these things when you talk to your list hygiene vendor.

SET GOALS

What do you want to accomplish in the hygiene process? What problems have you noticed within your database? Are there specific areas that have errors? This will help you to judge your hygiene vendor—did they identify problems and did they solve them?

WORK OUT THE SCHEDULES

Talk with your vendor. Discuss important issues such as the level at which to eliminate duplicates—address level or individual level. This match logic will determine the end result for your data and is crucial in building your own data hygiene process.

BE SPECIFIC ABOUT FIELD DEFINITION

Discuss field-specific information such as what to do with

(*see Database Management p.5*)

DATABASE MANAGEMENT CONTINUED:

year of graduation, telephone numbers, dollar amount fields – do you round them or leave decimals? What about missing data?

DISCUSS THE HYGIENE SERVICES AVAILABLE, PRICING AND NEED

This step deals with postal qualification rules. If you miss this step, you end up paying more for postage, having more misdirected mail pieces, and increase mail production costs. Here are some of the possibilities:

-Address Standardization – conforms to USPS deliverability standards.

-CASS Certification – adds zip+4, delivery point barcodes, carrier route codes, identifies undeliverable addresses, and enables your mailings to receive the highest allowable postal discounts.

-NCOA Link – updates your database with the latest address updates reported to the USPS.

-DPV – contains the complete postal valid address file and compares your file to identify non-valid locations.

-LACS – identifies new street addresses given to rural routes for the purpose of 911 systems. This improves the deliverability of your mail to rural areas.

-Deceased Suppression – compares your database to the Social Security file of reported deaths to eliminate these names from your database.

-The FTC Do No Call phone database suppression – flags any DNC numbers that are in your database. This allows your telemarketers to make a decision on whether or not to call these households. As non-profits, you are likely not under this legislation, but now you can decide case-by-case whether to call.

DATABASE ENHANCEMENT

Be aware that you can enrich your database with additional elements of household information. You can add household income, ages, number of children (future students?), date of births, and many more pieces of information. This information allows you to analyze the households in your database, thus enabling you to know more about them. After enhancing your database, you can "find" more prospect households that "look" like your students. This "mining" of your database will help you to target particular segments of your market.

DATABASE PROFILING

If you don't have the capability in-house to analyze your database, the data hygiene vendor you choose will be able to do a database profile on your data. They typically will add 10 to 15 data elements to your file, run reports showing the results, and advise you on how best to use this information.

ADD PHONE NUMBERS TO YOUR PROSPECTS

Your data hygiene vendor will also offer the ability to add and verify phone numbers in your database. If you obtain prospective student lists, you may want to call them. The small cost of adding a telephone number can enhance your ability to realize recruitment goals.

Ask your marketing advisor for a referral to the recommended data hygiene vendor. Make sure the vendor is in sync with your data goals and understands what you want to do. Set a schedule for accomplishing your goals with the vendor, and then make sure you budget for ongoing updates of your file. You might as well take advantage of the gold in your database and utilize it to reach your recruiting goals.

A FEW THINGS TO CONSIDER ABOUT NEW FINANCIAL AID REGULATIONS

John W. Dysart
President
The Dysart Group, Inc.

While nothing is ever certain, it does seem we have some new things to consider about laws and regulations related to financial aid.

Federal Stafford Loan limits are going to be increased for undergraduate student beginning in 2007. Consider that these changes in eligibility could be positive for institutions, especially private institutions. Federal Stafford Loan eligibility will increase for freshmen from $2,625 per year to $3,500. Eligibility for sophomores will increase from $3,500 to $4,500. Increased borrowing eligibility levels will provide the opportunity for students to cover a greater portion of their costs through the federal programs. Colleges and universities may be able to spend a bit less of their

(see New Financial Aid Regulations p.6)

New Financial Aid Regulations Continued:

own financial aid resources as a result. The problem is that the government increased the annual limits but did not increase the aggregate limits. Students borrowing more during freshmen and sophomore years will have less funds available to them if they need more than four years to complete their degrees. The implications for degree completion rates and expenditure of institutional funds after the initial four years of enrollment are real.

There will be changes in interest rates. Interest rates for Stafford loans will change from variable to 6.8 percent. The interest rates for PLUS loans will increase from 7.9 percent to 8.5 percent. Institutional administrators should be aware that increased interest rates will make financial aid loans more difficult to sell to prospective students and their families.

Changes in the federal methodology to determine financial need might make the expected family contribution (the amount families are expected to pay) more realistic. Unfortunately, as the formula changes create more aggregate financial need, there are no increases in grant programs from the federal government to meet this newly created need.

We have a lot of good news for graduate students. Increases in the unsubsidized loan program for these students as well as a new opportunity to participate in the PLUS loan program may significantly reduce the need for private and alternative loans for many students. The down side is the increased emphasis on borrowing. Graduate students are going to continue to leave school with even greater indebtedness. This will impact their lives in ways they are unlikely to comprehend. Large monthly loan payments are going to influence everything from job selection and retirement planning to home purchasing decisions. The need for more effective debt counseling will increase at a time when financial aid officers are already over-burdened with other, equally important tasks.

The origination fees for Stafford loans will be systematically reduced and eventually eliminated by 2010. This will be good news for students and will moderately impact cash flow for schools as the amount of Stafford loan disbursements will increase slightly.

These changes are important for senior administrators and bring to mind a number of questions to ask of our professionals working in admission, financial aid and business:

- **How will the new loan amounts provide opportunities for changes in award policies for undergraduate students?**
- **How can we reduce institutional discount rates as a result of the changes in loan eligibility for freshmen and sophomore students?**
- **How must we prepare to finance fifth and sixth year undergraduates since increased annual loan limits have not changed aggregate loan limits?**
- **What are the best ways to address increases in student and parent loan interest rates? How do we adapt our marketing strategies for new and returning students to sell the new interest rates?**
- **How should we deal with the probability of increased demonstrated financial need without increased federal grant resources?**
- **How will the new loan opportunities and increased loan limits for graduate students impact future institutional decisions regarding pricing, recruitment and retention?**
- **How is the institution going to respond to improve debt counseling programs for graduate and undergraduate students given the likely increases in borrowing?**
- **The decrease and eventual elimination of Federal Stafford Loan origination fees will have implications for college and university business offices. How will the appropriate changes be made to billing and financial aid computer systems to account for the change?**

Chief administrators should begin thinking about and planning for these changes. The first step is gathering the folks involved in the trenches and asking the right questions. Early questions will mean earlier changes in process and procedure designed to effectively deal with regulatory changes in a manner that serves the institution and its students well.

Be Cautious With Regard to "No Closing Costs"

Michael Tapscott
Director, Multicultural Student Center
George Washington University

It is no secret that as higher education costs go up, inevitably, many students will be more dependent on financial aid. Recent federal legislation ensures that eligibility for higher loan amounts will grow while federal grant programs remain stagnant. Loan maximums for freshmen and sophomore students will increase but there will be no corresponding increases in federal grants.

Student loans will continue to play an important role in the recruitment and retention of our students. As our students take on increasing debt loads to attend our institutions, our responsibilities to educate them on the best value become more important. We are no longer in a position to provide a list of loan options for students and their families to consider. More often, these students and families are relying on professionals in the Financial Aid Office to provide financial planning services. They rely on our professionals to provide informed answers, not options.

Some students and families are immediately attracted to loans being offer with discounted or "no closing cost" up-front fees. While this seems initially attractive, the student fails to examine the total costs of the loan--that is, what is the actual cost over the life of the loan? I have reviewed cost comparisons from several lenders. A lender offering no fees up front can save a student from two to three percent initially. That translates to 60-80 dollars on a freshman loan. Other lenders, while charging an up-front fee, offer repayment incentives and other benefits that can reduce the costs for students by hundreds of dollars over the life of the loan. Incentives for good repayment are also positive reinforcements for building and maintaining good credit.

College and university administrators, as well as financial aid professionals, must help students and their families to make informed decisions. The best financial advice includes long-term repayment considerations as well as short-term discounts on initial disbursements.

While it seems an uphill battle to fight the immediate gratification of no closing costs, it is part of our educational role outside the classroom to discuss all aspects of student loans. We must provide information on both initial costs and the long-term costs of borrowing over the life of the loan. I would counsel a student not to get a free pizza or free Frisbee to get a 23% credit card….and I recommend to my students to examine the total cost of their student loan.

All readers are encouraged to submit articles to this newsletter on issues related to enrollment management.

Look for
John W. Dysart's
presentations
at the following
conferences:
VASFAA
May 7-10, 2006
Virginia Beach, Virginia
NASFAA
July 5-8, 2006
Seattle, Washington
NACUBO
July 8-11, 2006
Honolulu, Hawaii

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