

Managing Your Customers

Pathway to best practice January 2012

This briefing is for senior management team and heads of external relations, marketing, enterprise, alumni relations, student recruitment, admissions and services.

“Whether the diverse range of parties benefiting from institutional activities are customers, members or partners ... one thing they should not be is merely passive recipients, since they are critical to the institutions sustainability. So the concept of service quality must be intrinsic to these activities.”

Simon Whittemore,
Programme
Manager, Business
and Community
Engagement, JISC

“CRM implementation within HE institutions is still underdeveloped, typified by ‘islands’ of CRM with little interaction.”

‘Study of CRM issues in UK Higher Education Institutions’, KSA Partnership (2007)

The Context

Customer Relationship Management (CRM) and Service Design are still in their infancy in the education sector. Student and employer interactions are increasingly important to colleges and universities, due to the ‘students as customers’ dynamic, competition, lifelong learning commitments, and making the most of collaborative opportunities with external partners.

Teaching and research are more service-oriented now.

External engagement is also becoming a focus for institutions looking at their overall business strategy. If universities and colleges are to meet student expectations and take advantage of external opportunities such as continuing professional development and workforce development, then there is a need for more customer-focused systems and processes.

The Rewards

- » Student attraction and retention
- » Alumni can be ambassadors for their university, helping student recruitment and acting as links with the community and business of which they are a part
- » Stronger links with the community can raise the institution’s profile
- » Links with businesses may provide funding, sponsorship and training opportunities, and lifelong learning customers
- » Opportunities for research collaboration
- » Process efficiency: using CRM technology to record and manage interactions coherently

- » Strategic aid: coherently recorded interactions contribute to Business Intelligence data and inform strategy.

What We Know Already

The value of CRM

The size of many organisations and the range and quantity of their customers means that good customer relationships need to be managed if they are to be successful.

CRM is a management strategy (with associated technology) that enables you to derive mutual business value from customers and partners. It unites, and makes easily accessible, information about customers, communication data, marketing effectiveness, sales levels and market trends. Bringing this information together makes it easier to get the benefit from your customer relationships as well as improving your service to those customers.

CRM and strategy

A strategic approach to relationship management is important. It’s about relating the ‘business philosophy’ of CRM – the overall strategy for your customer relationships and associated new ways of working – to your overall institutional strategy.

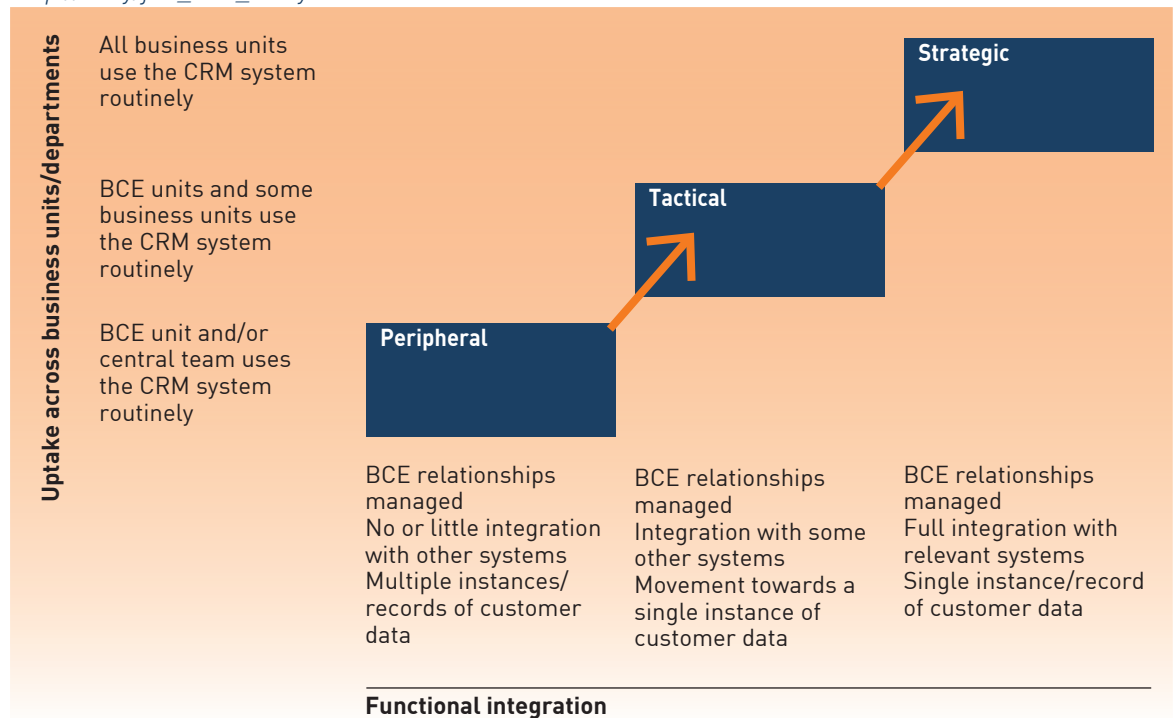
Many colleges and universities use CRM to lesser or greater extents. Its reach and importance in your organisation relative to your overall strategy can be defined as a level of ‘maturity’ – whether your use of CRM is peripheral, tactical or strategic.

“Information streams will need to be joined up in order to provide customers (students/business/community) with a higher level of service. This means improving current processes and ensuring that staff share in their institution’s vision of relationship management.

“Don’t make the process or the people fit the technology if you’re buying a CRM system. Ensure you know how your processes work and make any improvements. Make sure staff understand why CRM is important and what benefits it can bring them to ensure their buy-in.”

Sharon Perry, learning technology advisor at JISC CETIS

CRM maturity levels after Martin Haywood et al, KSA Partnership CRM Study for JISC, 2007
http://bit.ly/jisc_crm_study



What does CRM involve?

CRM is not just about technology, but also about people, culture and processes. Understanding how these components interact takes time, and you should not rush technical implementation until you understand how these relate and how CRM technology can support them. There are two key parts to benefiting from CRM:

- 1 adopting the ‘business philosophy’ of CRM – the overall strategy for your customer relationships, new ways of working, and turning intangible assets (contacts etc) into tangible results, eg donations or collaborative contracts
- 2 implementing CRM software itself.

Who are my customers?

In education there are two foci for CRM – students (past, present and future) and the wider community, including businesses. Students form the main focus, due to the student lifecycle – they can be prospective or current students, and eventually alumni, who may then be joining businesses and other parts of the wider community. Demographics and overlapping agendas around student employability, employer and alumni engagement mean the two foci will increasingly converge, so relationship management processes uniting both is a sound strategy for the future.

JISC Another guide in this series, ‘Business and community engagement: maximising the impact of your partnerships’, focuses in more detail on relationships with business and the wider community.

Alumni engagement

A good student experience will create the foundation for more mutually beneficial alumni engagement. Alumni have an increasingly influential role in HE/FE institutions; they can be active and influential in a number of roles/potential roles (sometimes simultaneously): former student, institutional ambassador, mentor and coach, paying customer (repaying fees), business partner, governor, community representative.

CRM at Teesside University

Teesside University is striving to be the ‘leading University for working with business’ and in 2008 applied for the Customer First national quality standard. After that, the strategic decision to implement a CRM system was the logical next step.

‘You would never expect to see a business with a turnover similar to a university or college without a CRM. Universities are in the business of building long-term relationships with key customers for mutual benefit.’

Karen Race, Deputy Director of the Department of Academic Enterprise

“They now become the chief funding agent of most English universities in direct replacement of that state interest, through their decades-long repayment of state-provided loans. The alumni also have the greatest, life-long stake in the institution’s reputation and its protection.” Malcolm Gillies, ‘University Governance: Questions for a New Era’, HEPI, 2011

The old ‘cash cow’ model of alumni engagement is no longer sufficient; institutions need to look to more mutually beneficial ways to engage alumni. JISC work is designed to support institutions in this new coherent engagement of alumni using innovative web technologies.

Aston University: Astonconnect

Aston is taking the current engagement process between students, alumni, and the business community, and transforming it using web technology into a global knowledge community called AstonConnect+. The innovation of AstonConnect+ will support a mentoring programme and a number of networking initiatives aimed at sharing best practice and disseminating knowledge to alumni. AstonConnect+ brings together diverse stakeholders with different needs and expertise and encourages the sharing of ideas and knowledge exchange to the benefit of all participants.

<http://bit.ly/vjKhUn>

Student lifecycle relationship management (SLRM)

The student lifecycle will be the major focus of CRM for colleges and universities. Increasing competition means that many colleges and universities are trying to differentiate themselves by providing a better quality and more efficient service, one that extends beyond providing good teaching to all the interactions between student and institution.

A study commissioned by JISC (Chambers and Paull 2008) found that the level to which SLRM is implemented in colleges and universities varies greatly, from a piecemeal approach to a joined up, holistic system, and both proprietary software and software developed in-house was being used. The report’s key recommendations for successful SLRM are:

- » Make it holistic; improve communication across departments and functions for real benefits

Alumni network at Glasgow

At The University of Glasgow, the Development and Alumni Office, Careers Service, and Recruitment and International Office are working together to create Alumni Student Ambassadors and an Alumni Careers Network.

Using the recent integration of University services contact databases as a source of accessible, coherent data, the project aims to maximise the involvement of the University’s alumni network in support of key strands of University strategy: student recruitment/ conversion, the development of graduate attributes, and career progression.

The Sustainable Alumni Volunteer Engagement (SAVE) project:

<http://bit.ly/tjQyZr>

- » Make it strategic and not just a reaction to increasing pressure or need for efficiency
- » Mass communication using CRM tools works but the personal touch is important too
- » Make communication of consistently good quality
- » Make communication timely
- » Ensure online information and facilities are easy to access
- » Make the best use of available functionality when implementing a system. Plan ahead to what you might need in future.

Service design

Focusing more on the service dynamic makes it possible to get more out of relationships with your customers, as well as improving the experience for them.

SLRM and the associated technology can play a large part in improving student experience and its implementation could include a service design exercise.

Service design is one technique to manage relationships. It’s about making a service process from start to finish more efficient and effective. It is an important tool for reviewing the way you do things, in order to improve your customers’ experience when dealing with you.

The approach to service design and improvement is to identify and model all the processes and systems that make up service delivery. This is known as service ‘blueprinting’.

“I attended one of the Service Design workshops, and worked on the initial Blueprint for our enrolment process. It was really enlightening to place myself as the student and imagine the experience from their standpoint, rather than putting process first, which we do too often. After seeing the outcomes broken down into a service design plan with such tangible elements I can really see where I can apply this to other processes that my team work on.”

Beverley Matthews, programme advisory service co-ordinator, University of Derby, speaking about the project to review their business interfaces

<http://bit.ly/v2sn67>

The five key stages of any service design or improvement initiative are:

- 1 Mapping the student (customer) journey through a service process to identify the key steps or 'touchpoints'
- 2 Describing in detail each step of the student journey (what processes and systems relate to each step, including what technology is used, which departments/staff are involved and physical environments in which the service takes place)
- 3 Identification of points of failure and areas of excessive wait. Failure to meet student expectations of a service and excessive waiting will create a negative view of service quality for the student. Direct student feedback, surveys and operational data are ways in which problems can be identified.
- 4 Prioritising the points of failure and areas of excessive wait. This means identifying the points where the greatest positive impact on the student experience can be made, in order to focus improvements on these first.
- 5 Planning for process improvement or redesign; implementing and monitoring.

At all stages of the process, you will need input from the participants - staff, students and experts in any aspect of the service delivery process.

JISC JISC has published 'Service Design in Higher & Further Education', a general guide to service design techniques as well as a specific account of the technique in use.

Getting Started

Think about using a service design methodology to focus on your customers and map processes: read 'Service Design in Higher and Further Education'. This short paper is about the student experience but the methods can be applied in all contexts.

Read through the 'Relationship Management: Good Practice, Process Mapping and the CRM Self Analysis Framework'. It introduces you to:

- » The concepts behind CRM
- » What your needs might be when implementing CRM: support, assessing benefits and problems and measuring progress
- » Identifying your customers and their needs
- » Identifying the position you are in now and your readiness for change
- » What the technology does and how to choose what you need.

Get buy-in. Depending on the culture of your organisation, be prepared for resistance to change. To get the most benefit, it is important to embed a SLRM-focused strategy across your organisation; your marketing, student services functions, alumni and business relations departments should all be involved. It is often the adoption of the new strategy and way of working required by a newly-designed process that is the most difficult part, rather than the implementation of new software, especially if it breaks down barriers between previously 'siloes' processes or departments.

"As Universities strive to enhance the student experience in the face of budgetary pressures, Service Design as a technique has proved effective in redesigning for the better services provided to students across the student lifecycle within as little as 12 months making a significant impact on student and staff satisfaction"

Myles Danson,
Programme Manager,
JISC

Further Information and Resources

'Relationship Management: Good Practice, Process Mapping and the CRM Self Analysis Framework'. This is still being developed and improved but is very useful as a guide.

<http://bit.ly/AAb2fK>

A JISC-funded project on good practice in CRM will produce a CRM Online Handbook in 2012, and will build on the CRM Self Analysis Framework.

<http://jisc.cetis.ac.uk/crm-tools/>

Baranova, P. Morrison, S. and Mutton, J. (2010) 'Service Design in Higher and Further Education: A Briefing Paper'. JISC CETIS

<http://bit.ly/b3ixPq>

Chambers, D. and Paull, A. (2008) 'Landscape Study of Student Lifecycle Relationship Management'. JISC

<http://bit.ly/9T9YCK>

For more examples of projects using the concept of relationship management in the educational sector, visit JISC's Relationship Management programme:

<http://bit.ly/rIDYUd>

See also in this series

Business Intelligence: Monitoring Performance and Planning Improvement

Business and Community Engagement: Maximising the Impact of Your Partnerships.

This briefing paper has been produced for JISC.

Alternative formats of this paper can be found at:
www.jisc.ac.uk/publications