THE NEW BUSINESS OF

Connected
Higher
Learning

An exploration of the changing business needs of Australia's higher education sector and the technology and choices that can help chart the way forward. Includes a detailed look at the future of higher education through the eyes of digital transformation at UTS.

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Summary

The higher education sector is at a significant turning point in Australia. While the global pandemic forced universities to adapt and change the way they deliver learning, many of these changes were already planned and just had to be fast-tracked. What comes next is the unknown.

The decisions these institutions make now will determine if they are to thrive or stagnate in the years ahead. It has never been a more crucial time for Australia's higher education sector.

Loss of funding from international students, reduced support from government, and changing expectations of students and industry are forcing universities to rethink the way they offer higher learning.

The higher education system will need to find its own way forward to not only recover from the global pandemic but also to thrive in the years ahead.

Universities are seeking to diversify revenue by looking at new business models such as modular learning or offering upskill and reskill courses for professional workers.

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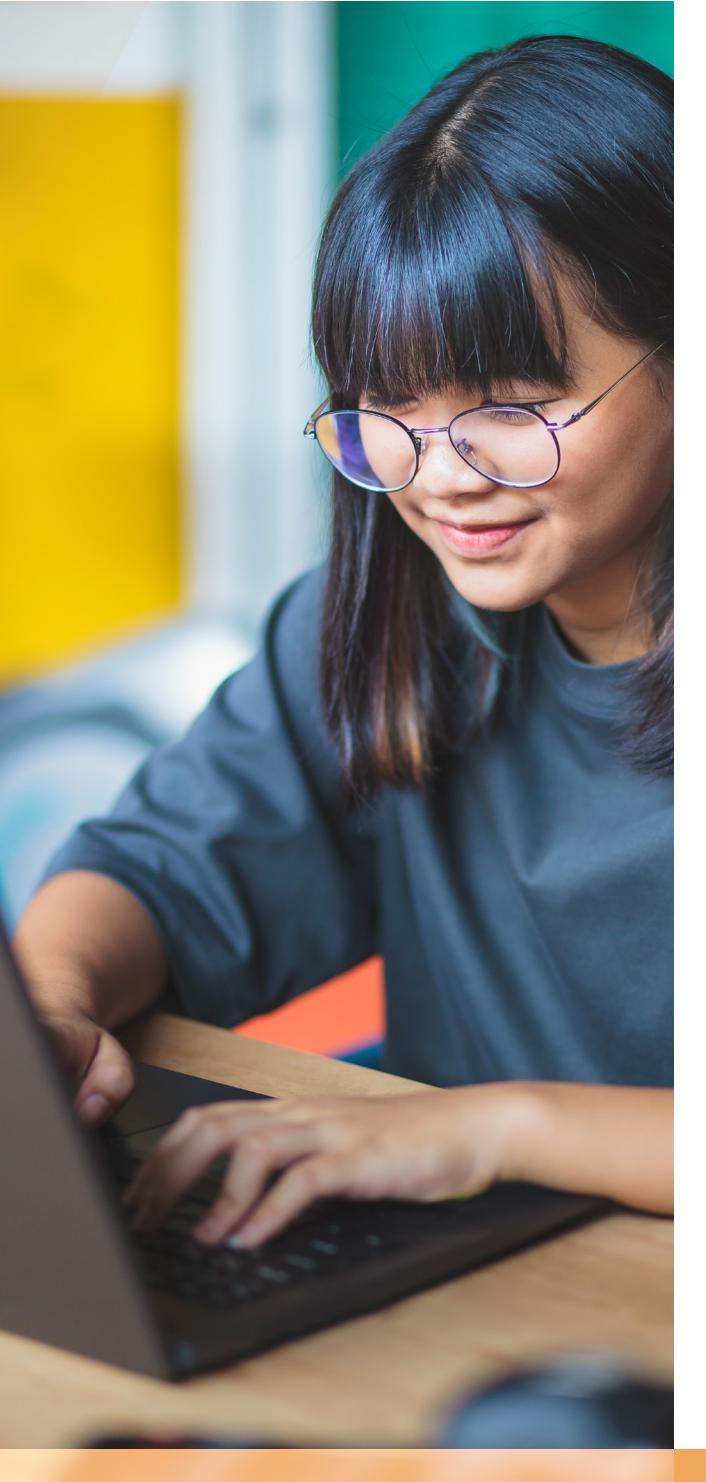
By rethinking of students as customers, academic institutions are enabling a cultural shift that can help them design programs that better meet student needs and drive loyalty across a lifetime of learning.

New ways to collaborate with industry and government will help vital partnerships to continue and possibly allow universities to resume some of their stalled capital works programs.

UTS is already well advanced with its digital transformation journey (p13). See how they view their students as customers and use CRM solutions to offer more robust experiences for students.

Technology enables effective digital transformation journeys when it aligns with the needs of institutions, students, staff, alumni and corporate partners. Simplus can help navigate the choices to find the right technology solutions for your university or college.

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The Evolution of Higher Education in Australia

Higher education in Australia has gone through significant changes over the past several decades. These changes help us understand the challenges currently facing the higher education sector and the choices in front of them to help chart a way forward.

Before and during the World Wars, higher education was predominantly seen as a training ground for the elite. Following the wars, government funding for education significantly increased as both political parties saw the growth and positive role it played in society.

This shift saw higher education move from the hands of the select few, to a broader mix of Australians from across various socio-economic backgrounds. Student fees were abolished, and it was only later when student contribution programs like HECS (Higher Education Contribution Scheme), were established to give more Australians access to a quality higher education that they paid for in part.

In the 1980s, the number of secondary school leavers attending university was around 10 per cent[1]. A decade later, that number had doubled, and by 2017, it was over 40 per cent[2]. The rising student numbers also brought increased costs to the universities and other higher education institutions, particularly from within the regulated domestic student market.

In response to the rising costs, universities began to build up their international student enrolment in the 1990s. While domestic student fees were highly regulated, international student fees were an open market. Australian universities turned to international fees to fuel their growth and counter the costs of a regulated domestic market.

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Before the global pandemic, Austrade ranked international education as one of Australia's largest exports. It contributed nearly AU$35 billion to the Australian economy in 2018[3]. Before 2020, Australia had the world's third highest number of international students, behind the UK and the US[4].

The trend of globalisation in higher education has helped to create a more equitable and accessible experience for learning around the world, but in doing so it has also brought new competitors online, methodologies, and fresh challenges.

The globalisation of education has also brought a focus on international rankings, subject performance and a greater awareness of academic talent on a global scale. While Australia's universities do feature well in the popular international rankings like QS or Times Higher Education, they are facing rising competition from universities in places like China and Russia.

The history and evolution of higher education in Australia is crucial to understand the full impact of the global pandemic and the changes facing the higher education sector.
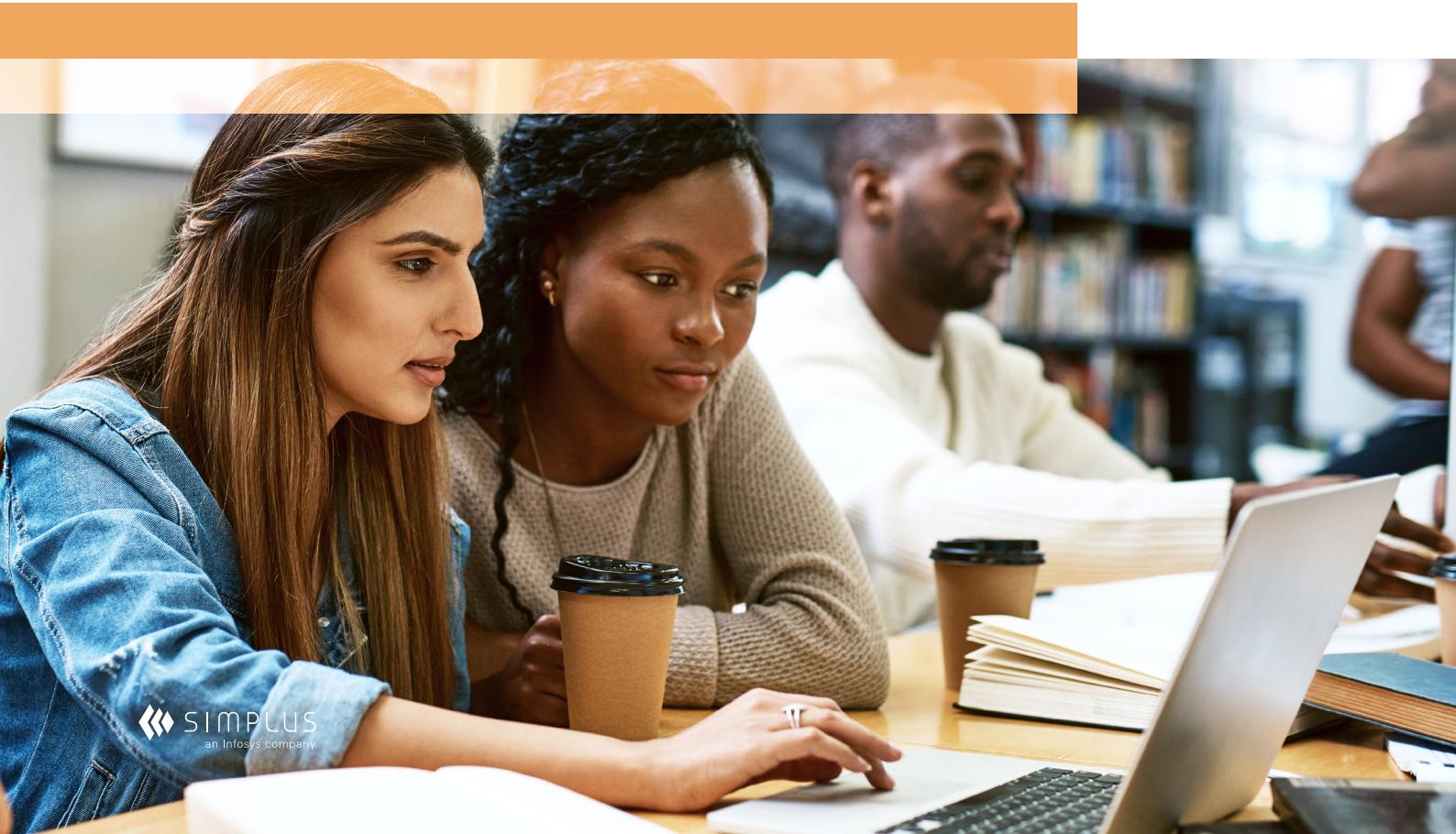
Storms of Change

Several industries in Australia were hit hard when the global COVID-19 pandemic changed everyone's plans for 2020. The airline, tourism, healthcare, education, hospitality and retail industries, in particular, faced significant challenges as entire revenue streams dried up and changes to the way they did business forced them to make further investments.

Some of the fundamental changes throughout 2020 for higher education were:

Learning from Anywhere

Most universities still had a heavy reliance on face-to-face learning before 2020. Technology investments were required to offer hybrid or blended modes of teaching and connect critical university systems online in a safe and secure environment.

A Shift of Power

Just as we have seen a shift from "let the buyer beware" to the "customer is always right" in commerce, we also saw a further shift of power towards students and away from the universities. For some institutions, this means they need to genuinely see their students as customers and redesign their learning experience based on the student perspective.

Increased Expectations

When lockdowns caused students to stay at their home or residence, many were quick to compare notes about the support they were receiving from their university using public student forums. With many industries progressing with their digital transformation during the pandemic, students now have a higher expectation from universities and expect support. They want to better see the ROI of their investment in education and have their experience recognised by industry.

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Diversifying Revenue Streams

International border closures meant that international student revenue was almost wiped out as well. For some institutions, this represented as much as 40 per cent of their total revenue. Many capital works, research partnerships or academic hires were put on hold to counter the impact of lost international student revenue.

The flow on effect of this lost revenue led to restructures and staffing cutbacks across most Australian universities. They also began to diversify and double down on providing short and modular courses aimed at the professional domestic sector, where the customer is both corporate organisations and the students themselves. However, the short-term sources of funding are still tightening.

One in four students want a **more personalised education experience** that better meets their needs

SALESFORCE CONNECTED STUDENT REPORT 2021

The number of international students arriving to Australia in February this year was down more than 99 per cent compared to the same time last year. Predictions are that past student numbers may not return until mid 2022.

There's not much support either coming from the government in this year's federal budget. While other struggling industries did receive a boost, education had further budget cuts.

The message to universities is clear – they must chart their own way out of this storm.

Charting a Way Forward

With increased funding pressures, the higher education sector must look to drive efficiencies across their structures, operations and methodologies. To also counter the impact of a revenue downturn, universities should look to innovate their 'product' offer and find new ways of working with industry and government.

With most industries taking a giant leap forward in digital transformation, there is a global focus on upskilling and reskilling. This represents a good opportunity for universities to diversify their offering if they can support the cultural shift that will be required across usually conservative institutions.

Transforming the way universities do business and provide learning experiences is crucial if they are to remain relevant.

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The areas below have been identified as some of the more lucrative opportunities for universities and higher education institutions to widen their revenue streams.

Modular and Life-long Learning

There is a growing trend among students and professional workers, where they look for shorter courses that are focused on the skills needed by industry for specific roles. No longer happy to invest three or four years in a traditional degree program, this group look for tangible skills that can be taught in a faster timeframe to help them jump ahead with their career.

To cater for this growing market, more short-term and modular programs are being designed by universities to help these students meet their needs. While a modular approach might mean a shorter engagement with the university for one program, the higher education sector is looking to source revenue across the longer term through higher levels of loyalty across their student, staff and alumni communities.

By focusing on strengthening the university brand through these ongoing interactions, they seek to foster the idea of life-long learning. The dream is to have students repeatedly return to the university for all the learning needs at the beginning and as they progress throughout their career no matter which life stage they are at.

Rethinking Students as Customers

Part of embracing life-long learning is shifting the mindset of one-off education or a single student experience. This means treating the student in the same way that many businesses take a long-term view of their customers.

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For academic institutions, which have their traditions, viewpoints and ways of talking about their student bodies, it is not always a simple cultural shift to think of students as customers. But it is an approach worth considering. There are many years of valuable learnings that the business community can share about attracting, serving and delivering customer experiences for higher retention.

If universities can begin to think of students as customers, it helps to reshape the entire student experience from recruitment, admissions, learning experiences to becoming alumni. Academic staff and student service teams design customer-focused products, services and interactions that meet student needs better.

Numerous technology platforms can be used to streamline the customer experience. Salesforce is the world's number one CRM platform now for more than seven years in a row. There are already many universities in Australia that use Salesforce in some capacity at their institution.

A global survey of university staff revealed that:
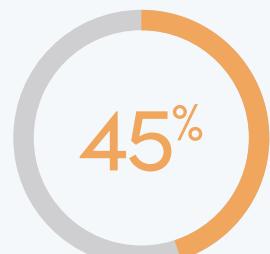
45% of universities are implementing **new business models because of the pandemic.**
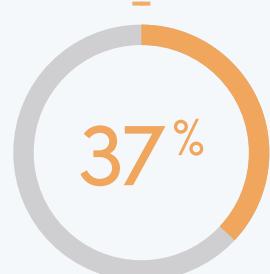
37% of universities are implementing **more adult learning programs.**
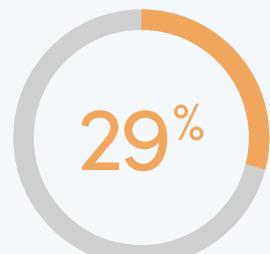
29% are implementing **more credential and micro credential options for students.**

SALESFORCE CONNECTED STUDENT REPORT 2021

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With the right consulting approach that considers the broader digital transformation journey, the platform can be an effective way to quickly scale and build services that deliver value back to students.

Hybrid Spaces

Most universities have now gone through a process to add the necessary technology to deliver classes face-to-face, online or a blend of the two. Now the higher education sector faces the choice of how best to offer their programs to students.

Some students do prefer face-to-face when it comes to social interaction and developing a sense of belonging or community. However, other students also prefer online, to help with flexibility for work, family or other commitments, and to allow them to learn from anywhere. Others again prefer hybrid courses, allowing for some flexibility as well as the 'campus experience'.

Universities need to consider their use of teaching methods and find the right options based on the student footprint for those programs. There will be a lot of trial and error over the next few years to establish what will be efficient and effective ways to learn. There is also much to consider in how universities can also bring that sense of community and the campus experience to their online cohort.

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Industry Innovation and Government Collaboration

With shrinking government funding for universities, new ways to work with government to drive commercial benefit can be considered. Likewise, industry can offer opportunities for universities to continue their investments in capital works and research partnerships.

With many companies already undergoing digital transformations of their own, industry innovation labs, co-location on campus and stronger links with industry can help universities to find new revenue streams.

Government and industry both have vital roles to play in helping enable powerful research partnerships. In our increasingly hyperconnected society, strong collaboration between industry, government and academia is essential for success.

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A Look into the Future of Higher Education

The digital transformation of UTS

UTS
UNIVERSITY
OF TECHNOLOGY
SYDNEY

The University of Technology Sydney (UTS) launched a nine-year strategy in 2018. It was a vision and a plan for how the university would evolve, differentiate and stay relevant in the changing landscape of higher education. A major digital transformation journey and roadmap was at the core of this strategy.

The main aspects behind the strategy were to become more customer-minded, better meet the needs of students, a transition towards a mindset of loyalty and life-long learning and to find the right technology to deliver the strategy efficiently.

Our Students Are Customers

According to John Chalmers, the Chief Marketing and Communications Officer at UTS, students and prospective students are not just students but customers of the university. In challenging the 'student' mindset, a new language and way to speak about students was needed to help tangibly reinforce the strategy. There were also many siloes to break down between various functions at the university.

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"As a student, you might be connected to us in multiple ways. You could be studying for a Masters degree while also being part of our alumni. The journey for a customer at UTS is not linear anymore, so we are really trying to get that helicopter view, knit it all together and offer a seamless customer experience," says Chalmers.

UTS ideally wanted to manage all students, regardless of their age, study level, work status, country or time zone. To achieve this, they undertook a significant customer experience transformation project. It began with a university-wide CRM and Marketing platform to provide a 360-degree view of all prospective and current students, covering all interactions across the entire student lifecycle.

Simplus And Salesforce Help Uts Deliver On Their Strategy

Salesforce was the perfect strategic choice for scalability and its breadth of capability to allow innovation for their use cases. Simplus, a Platinum Salesforce Partner was appointed as a higher education specialist to deliver the program.

It is almost two years since the implementation of the student CRM began. Despite having a global pandemic in between, UTS is now reaping the benefits of Salesforce. Management, IT and Business users have all embraced the single view of the customer and understand how the platform can enhance the student experience. Salesforce was critical to the University's responses throughout COVID-19. Solutions were developed at rapid speed and helped to manage any impact of outbreaks.

> We needed a platform that could bring all our elements together and allow us to grow and evolve moving forward. Salesforce provides all the different requirements we need as our business continues to evolve. Mainly because Salesforce has seen it before across other industries.

Alex Au,
HEAD OF IT FOR TEACHING AND LEARNING AT UTS

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One of the key outcomes of the Salesforce program has been the improvement of the postgraduate application through to offer and acceptance process. Through Salesforce, both students and staff members have complete visibility around the applications. Automation also helps speed up the process, and offers can now be made to the students faster than they ever have before.

Another primary outcome of the program was the unification of student data to create a single view. This allows for a more personalised and guided experience, allows for developing greater loyalty and enables Salesforce to become the critical application for a full range of student messaging and communications.

Studying Abroad From Home

Throughout the pandemic, universities have been trying to find the right balance between physical distancing, physical and virtual learning and maintaining an authentic social connection.

While initially, the shift from physical to virtual brought about unease, anxiety and nerves across students, all students are now more comfortable creating human connectivity online. While students still prefer one particular style of learning, many find the hybrid approach is becoming the best of both worlds.

For international students, the flexibility and freedom of the online lectures may have also helped solve some of the former disadvantages of face-to-face learning. Students have access to all the resources, all the time, and can even easily set up their own study groups at times that suit them to review a particular topic.

While UTS still has more to come with their overall strategy and plan, they already see returns from their investment early on.

With Salesforce and Simplus as partners, UTS can focus on its mission to teach students how to learn and help people pivot in or advance their career paths.

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Technology Choices to Support Your Institution

There are a range of digital tools that help to manage the student and customer relationship.

One of the main options is Salesforce **Education Cloud**. It is a CRM platform for higher education to help universities and colleges deliver efficient and effective life-long learning for students. With it, you can help turn students into loyal customers and advocates through a range of education technology solutions.

Maximize Your Impact with Education Cloud

*Insights from the **Total Economic Impact Study** by Forrester Consulting.

195%
ROI with a 7-month payback period

$2.4M
Total legacy cost savings

11%
Increase in enrollment

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You'll also be able to access the Salesforce community of higher education institutions that share each other's experiences in delivering tangible benefits to students, staff and to their own bottom line. There are solutions for recruitment and admissions, student experience, advancement, marketing and communications and the faculty and staff experience.

It is important with any digital transformation to have strong, secure and centralised data solutions. While not every arm of the business needs access to all the data, it is beneficial for a business to have an effective data strategy in place to make sure the data is accessible at the proper levels. Having access to accurate data at the right time is an essential foundation for any digital transformation project.

Simplus can help you to determine which technology option is the best for your university or college. There are a range of options to choose from, and the Simplus team can bring their years of experience to help you find the right solution for your needs.

The prospect of a digital transformation process can be a daunting one for any university or college. How do you know where to make a start?

A digital transformation partner can help advise on best practices, identify opportunities for quick wins and create a roadmap to transform an academic institution gradually while testing and iterating as time progresses.

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About Simplus

Simplus (an Infosys Company) is a Platinum Salesforce partner with offices across APAC, Europe and North America. We help Australian industries and businesses with their digital transformation journeys and help them maximise their value out of the Salesforce CRM platform. We've supported many of Australia's top universities to deliver outstanding experiences for their students, staff and corporate partners.

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