KPMG

Student services in the age of the customer

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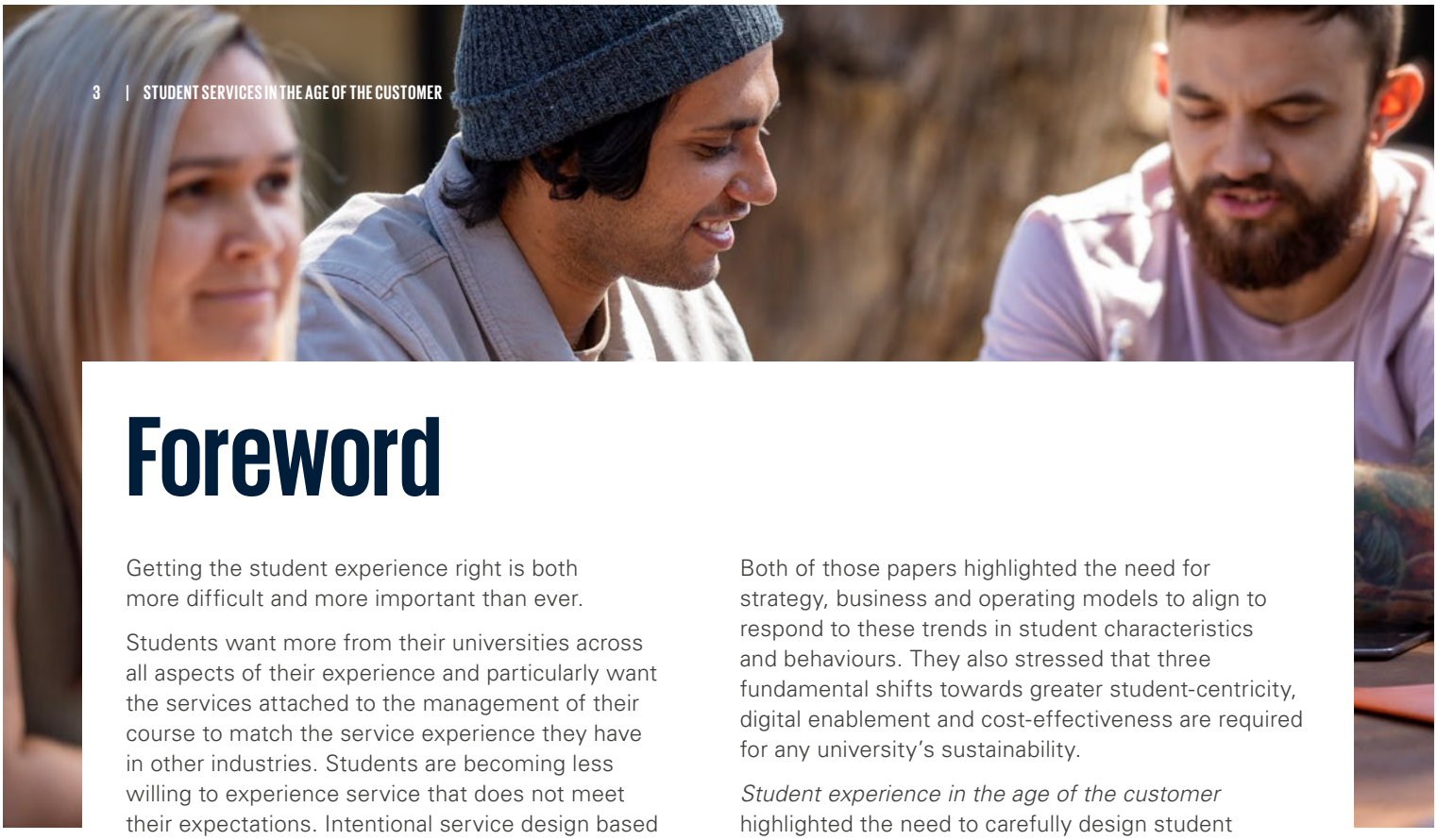

Foreword

Getting the student experience right is both more difficult and more important than ever.

Students want more from their universities across all aspects of their experience and particularly want the services attached to the management of their course to match the service experience they have in other industries. Students are becoming less willing to experience service that does not meet their expectations. Intentional service design based on robust customer experience practice is the norm everywhere else in their lives, and their experience at university is often lagging. This domain of university operations is volatile, uncertain, complex and ambiguous (VUCA), changing at increasing speeds and gaining more attention in the funding and authorising environment.

Now is the time to be intentional, ambitious and bold. As the pace of change across higher education continues to ramp up, merely doing more of the same will not address the key student services challenges that Australia's students and universities are experiencing.

As the *Universities Accord Final Report* has called out, 'students are Australia's hope' and it is time to put their needs front and centre to address the declining public trust in Australia's higher education system.[1]

As we explored in *The future of higher education in a disruptive world*[2] in 2020, there are increasing pressures on Australian universities arising from the disruptive megatrends impacting higher education. The golden age of growing revenues and esteem is now behind us. These pressures are creating supply side challenges and putting traditional university business models under threat.

In 2021, we examined the major changes occurring on the demand side of the higher education equation in *Student experience in the age of the customer*.[3] The report revealed that students want more from their institutions but want to pay less for it. We identified the five key dimensions of today's students. Over this decade they will become ever more diverse, digital, discerning, demanding and debt-averse.

Both of those papers highlighted the need for strategy, business and operating models to align to respond to these trends in student characteristics and behaviours. They also stressed that three fundamental shifts towards greater student-centricity, digital enablement and cost-effectiveness are required for any university's sustainability.

Student experience in the age of the customer highlighted the need to carefully design student experiences. We argued that student experience (SX) is constituted by distinctive but overlapping relationships between universities and students as learners, people and customers and that successful SX strategy takes into account learner experience (LX) personal experience (PX) and customer experience (CX).

This paper concentrates on the CX aspects of SX, while also showing how students' CX can impact both PX and LX.

The sector is all too familiar with the concept of the 'valley of death' in research commercialisation: the place where innovation goes to die because universities and industry cannot collaborate effectively. We know that this challenge has come about through a multitude of structural, financial and capability deficits. We know too that with the right levels of investment and attention, real change is possible.[4] This is also visible in the creation of learning designers as occupying a 'third space' between academic and professional staff, opening up new ways of thinking and working.

In this paper, we argue that there is a similar 'valley of death' between students and universities. On one side there are universities that are not sufficiently invested in students' CX and often do not understand how students actually perceive their experiences.

On the other side are confused and grumpy students who wish their SX could be easier and more aligned with what they experience elsewhere. University staff are also often caught up in this unpassable divide, forced to use outdated technology and stuck in process dead ends. We argue too that with some creative thinking and investment, students' CX can be uplifted in support of their PX and LX and ultimate success and retention.

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Students' CX is primarily generated in what the sector often calls 'student administration'. A major hint in what we found is in that very title. According to the Oxford English Dictionary,[5] administration is a term that first appeared in Middle English with the earliest known use in 1350. It is defined as 'the action of carrying out or overseeing the tasks necessary to run an organisation'. For many of us, the term conjures an image of form filling and paper shuffling, and evokes the emotional states of dread, fear and disbelief.

Nothing in this definition puts the students or their needs at the centre of the sector's thinking and activity. It is an 'inside-out' view that considers the needs of the organisation first, rather than an 'outside-in' view that considers the needs of customers first and creates optimal experiences.

This can only be done by intentional design aligned with institutional strategy and operational orchestration. While many institutions have adopted newer titles for these functions – capturing ideas of service, connection and experience – it turns out that throwing off the shackles of a faculty-specific, supplier-convenience and compliance-driven approach is harder than it looks.

At the time of writing, the *Universities Accord Final Report*[6] has just been published with significant emphasis on student access, experience, success and outcomes. The Commonwealth's expectations for improved student support have already been legislated,[7] and an independent National Student Ombudsman role has just been announced to provide students an escalation pathway for their complaints about universities and student accommodation providers.[8]

We are seeing increasing investment in Australia's universities in experience and service design projects coupled with the modernisation of underpinning technologies. However, students are still struggling through the service experience in areas such as enrolment, student finance, timetabling, course progression and graduations, experiencing service provision well below the standard they receive in other aspects of their lives.

Where and why are our institutions getting stuck?

To answer this question, we spoke to university leaders seeking to improve SX across approximately half of Australia's universities, including: Registrars; Heads of Student Administration, Services or Experience; Chief Information and/or Data Officers; as well as responsible Deputy Vice-Chancellors and Vice-Chancellors.

We also talked to observers of and service providers to the sector, and leveraged our learnings from deep work with students in relevant projects over recent years.

These conversations were enlightening, wide-ranging and thought-provoking. They were conducted under the Chatham House Rule, with comments not attributable to individuals. Subsequent permission was sought for all attributions.

Our deep appreciation goes to all those who contributed their time, perspectives and insights.

We have never claimed to have all the answers and certainly do not claim to in this paper. Instead, we seek to prompt further thinking and debate through a robust analysis of the current state and the urgent case for a future focus and uplift.

We propose clear nomenclature throughout this paper – moving away from 'student administration' to 'student management' and 'student service'. The intent here is to underscore that only a managed and service-led approach will create excellent CX. We also offer an organising metaphor – that of a 'golden thread' of tools and activities that ultimately puts students at the centre of their service experience. The definition of a golden thread is 'an idea or feature that is present in all parts of something, holds it together and gives it value'.[9] In this case, that idea is enacting the activities and leveraging the tools to deliver great CX to students. To uplift universities' capacity to do this, we offer insight on how to spin the golden thread and weave it through the fabric of the university, linking SX, service and technology design and implementation to student satisfaction and success.

So many of the conversations we had in preparation for this paper concentrated on the constraints that get in the way of modernising student services – largely money and technology. While these constraints are indeed prevalent and important, there are still others that are not being paid sufficient strategic attention. We argue that a deeper understanding of the full suite of constraints is needed to overcome them.

We offer this paper to help the sector move beyond the known constraints and a sense of their intractability to a deeper strategic view that also identifies the levers that will generate sustainable transformation.

As one of our interviewees put it, substantive improvement depends on a sense of optimism. There is great work to be done in delivering easier, simpler and faster CX and services to students. Getting this right will underpin the learning and personal transformation that brings students to higher education in the first place.

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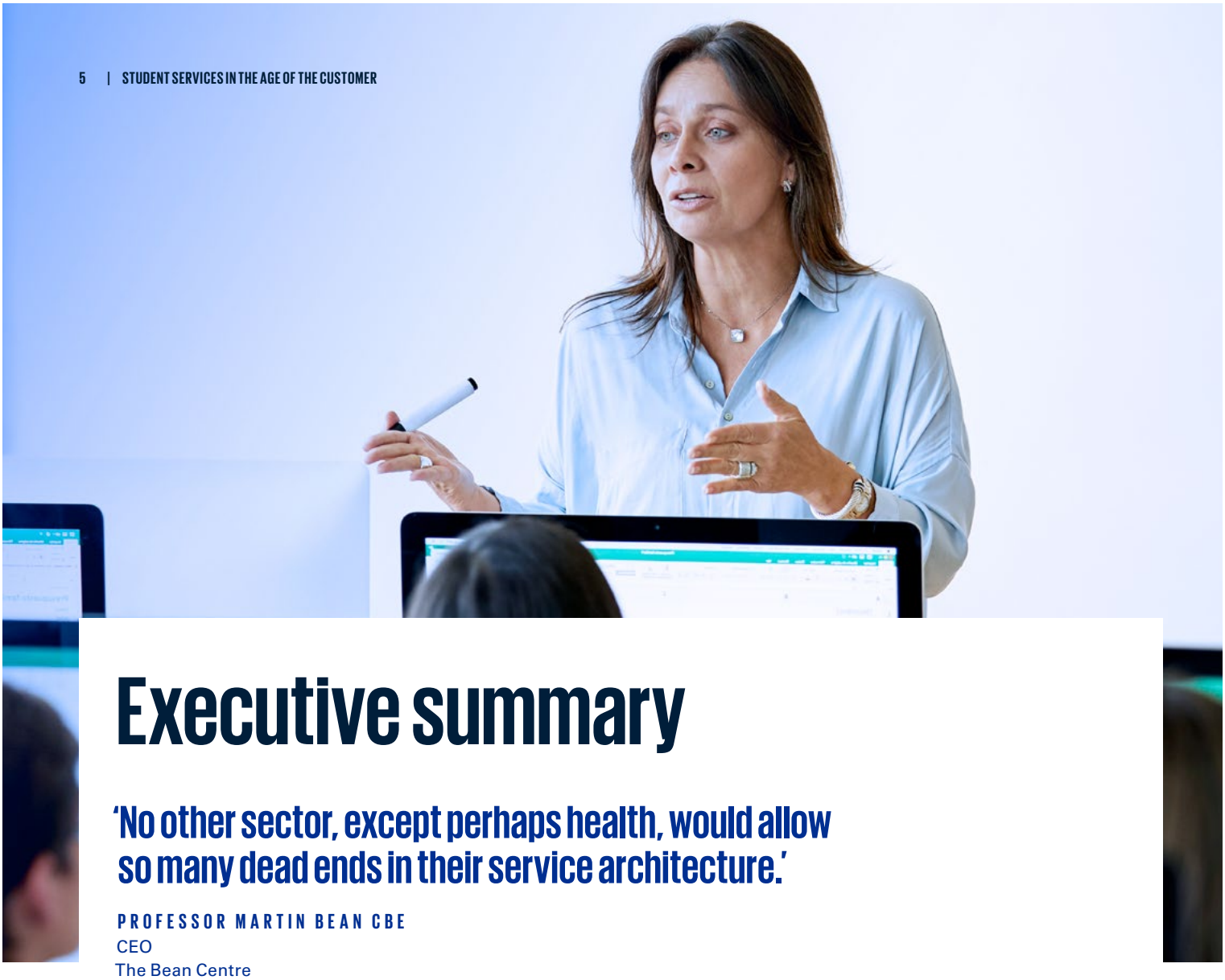

Executive summary

'No other sector, except perhaps health, would allow so many dead ends in their service architecture.'

PROFESSOR MARTIN BEAN CBE
CEO
The Bean Centre

All universities are deeply interested in SX. This was absolutely apparent in every conversation we had in support of this report; most elegantly put by **Professor Arshad Omari** at Edith Cowan University, saying,

'Students are our most important focus.'

This paper concentrates on the CX components for universities' current student populations managed by the functions that are variously called student administration, academic services, student services or similar. These tend to be delivered through student facing service / contact centres supported by significant administrative infrastructure behind the scenes. Of course many other functions of the university also contribute to successful CX for students, including academic strategy and leadership, the everyday operations of learning and teaching, student support, and corporate functions such as IT.

The interviews that informed this report focused on the experience of students from admission to graduation.

However, many of the insights and tools herein apply equally to the management of curriculum and academic calendars, the acquisition of prospective students and the maintenance of lifelong relationships with alumni.

Two key ideas underpin improvement in this domain: management and service. We propose the term 'student service' as the catch-all phrase for these functions; it underscores the need for service mindsets and service-led operations to manage a university's relationships with students and deliver student experiences and services that match students' needs and expectations.

As we observed in *Student experience in the age of the customer*, SX is not just a carbon copy of CX applied to education. The relationship between students and universities is unique and multifaceted. If universities want to deliver great SX, they must design for the needs of the whole student – as a learner, as a person and as a customer. This is broader and more complex than CX alone.

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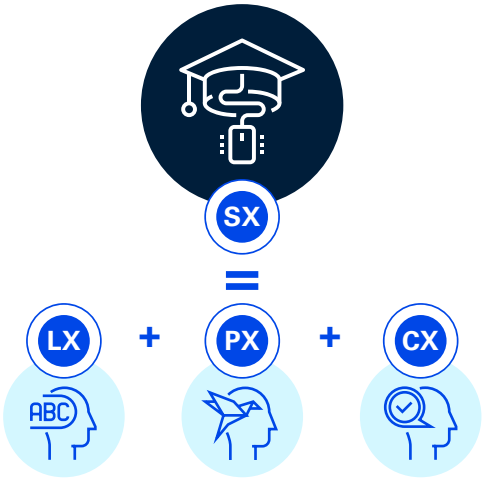
'Academic Registrars can feel at times like they are on a runaway train. The daily operations stretch from enrolment to graduations, and include increasing complexity like widely diverse student needs, TEQSA compliance, outdated technology, government policy changes, contract cheating, more onerous reporting requirements, with less resources and increasing staff turnover. The job is to ensure that everyone is keeping up, balancing all these needs and ensuring positive experiences for students, staff and the institution.'

TERESA TJIA
CEO
Victorian Tertiary Admissions Centre

SX = LX + PX + CX



LX

LX entails meeting the needs of each learner, taking into account the curricula and co-curricula activities that develop the required skills underpinning students' academic and employment outcomes. This is the core of the student/university relationship, from which students are expecting to derive value and a return on investment.

PX

PX entails meeting the needs of each person, taking into account their individual characteristics in every engagement with the institution. The relevant characteristics include students' academic, professional, linguistic and cultural formation. Additionally, each student's personal circumstances in terms of work, caring and cultural obligations must inform a personalised program for engagement.

CX

CX entails meeting students' needs as customers. CX principles and standards developed in other sectors must be translated to education. This translation is easiest and most simple in relation to the services universities provide as students travel through their (hopefully lifelong) journey with the institution. The key principles of personal attention, trustworthiness, meeting and managing expectations, resolving poor experiences, minimising customer friction and exercising deep understanding of the customer are key to delivering great CX.

See *Student experience in the age of the customer*[10] for advice on how best to successfully deliver to all three aspects of SX.

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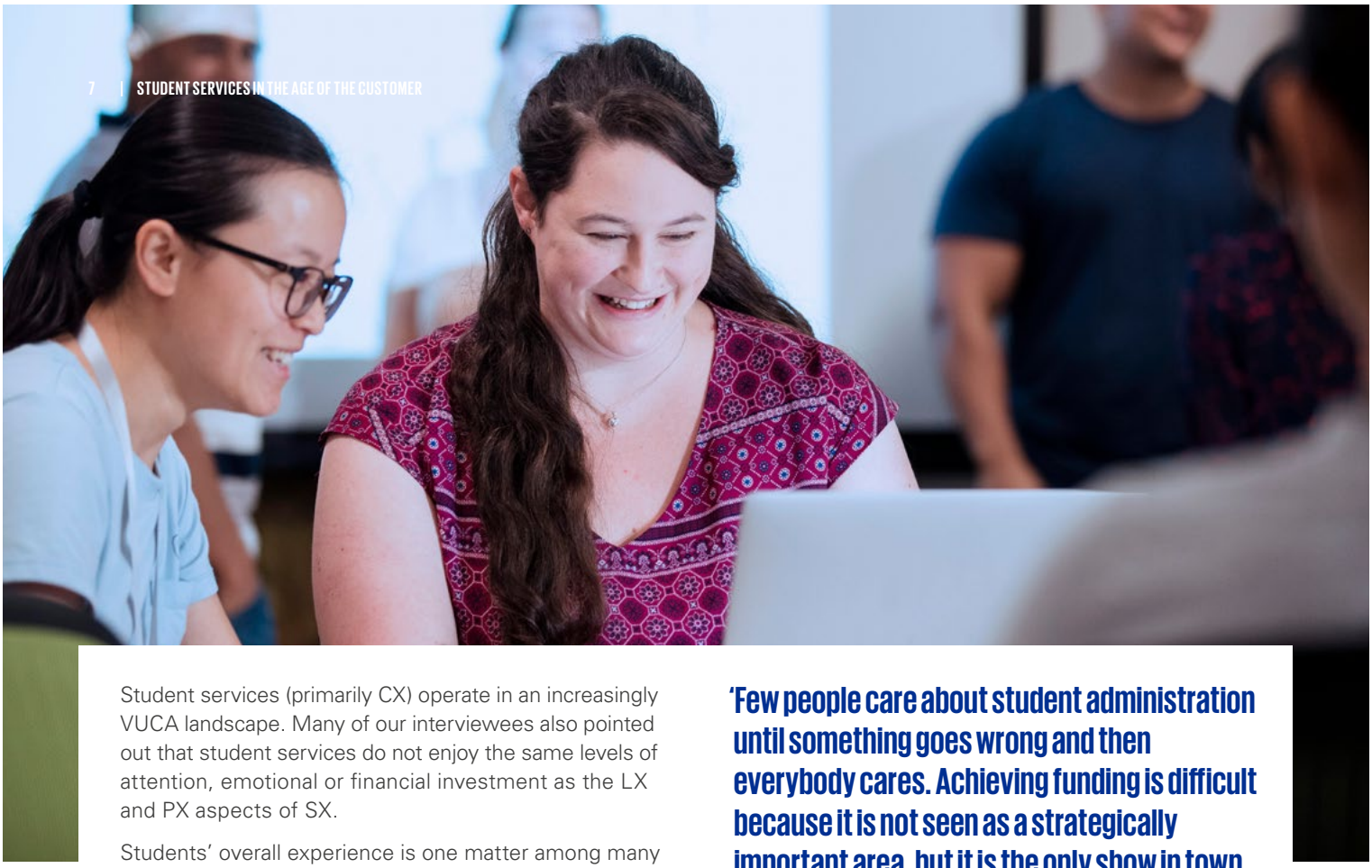

Student services (primarily CX) operate in an increasingly VUCA landscape. Many of our interviewees also pointed out that student services do not enjoy the same levels of attention, emotional or financial investment as the LX and PX aspects of SX.

Students' overall experience is one matter among many in the daily operations of an institution, with research and teaching performance often taking precedence.

Historical underinvestment, paired with ever-rising student needs and expectations, make an urgent case to bring new thinking to the CX space.

Our key observations are:

- While SX is increasingly important to university executives, there is widely held acknowledgement that it is getting harder to meet the needs and expectations of today's students.
- Delivery of student services is deeply complex and overloaded with significant compliance requirements arising from regulators, professions and institutional policy. This complexity creates challenges in generating successful reform.
- The CX aspects of SX have not been paid sufficient attention or investment. The sector is therefore severely lacking in the modern experiences that students expect and the impacts of poor CX on LX and PX (and therefore overall SX) are not well understood.
- Every institution we spoke to is planning or executing significant digital transformation to address this, but few expressed the confidence, capability and commitment needed to drive sustainable change over the long haul.

'Few people care about student administration until something goes wrong and then everybody cares. Achieving funding is difficult because it is not seen as a strategically important area, but it is the only show in town when something stops working. Student administration is so complex and detailed, so it probably doesn't get the interest it should because people don't understand it. Work needs to be done around explaining its functions in a way that resonates with executives. Cost is often in the strategic spotlight, whereas in actual fact, what gets delivered should ultimately be in focus.'

DR KATHRYN BLYTH
Director Academic Services Division and Academic Registrar
The University of Queensland

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No longer can universities only look to inside the sector to understand the best practice benchmark for delivering service to students. The standard is being set elsewhere and the gap is widening between the service experience students receive in all other parts of their lives and the standard of CX in the university context. Students come to university often having experienced better service in the secondary school environment, and certainly with other digital environments such at Uber and Netflix. As more mature sectors accelerate their use of artificial intelligence (AI) in CX, the gap is set to widen even further.[11]

Our key observation for Australia's universities is that in the absence of intentional service and technology design, the gravitational pull of the status quo is too strong to deliver sustainable change. In these circumstances universities will continue to:

- Deliver inconsistently across service and academic functions.
- Create ad hoc and often contradictory change.
- Rely on best efforts of staff to work around poor process and systems.
- Forever be constrained by the real and perceived limits generated by the compliance agenda and complexity in the legacy technology landscape.
- Spend more money than is necessary.

The six big shifts

Six big shifts are needed to overcome these challenges to create modern student services.

	FROM	TO
01	Compliance-driven	**Student-centric**
02	Supplier-led	**Service-led**
03	Disconnected	**Digitally-connected**
04	Insight-poor	**Insight-rich**
05	Fragmented	**Partnered**
06	High-cost	**High-value**

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01 Compliance-driven → Student-centric

The myriad of oft-changing compliance requirements arising from regulators, the professions, academic disciplines and institutions' own policy settings make it difficult for student service functions to deliver in a student-centric manner. This results in a mismatch between institutional service delivery and student expectations, especially in the time and effort dimensions of CX. Adoption of CX tools based on human-centred design can make a big difference in how students experience services whilst also ensuring that compliance is protected.

02 Supplier-led → Service-led

Organisations in every sector find it hard to recognise when they are operating from a starting point of supplier convenience, and the same is true in higher education. To create an operating model that truly puts students at the centre of how things are done, the disciplines of customer-centricity must be matched with the disciplines of service design and management. These disciplines help universities build the infrastructure to change the organisational mindset from one of constraint to one of possibility.

03 Disconnected → Digitally-connected

The sector witnessed a building boom across the early part of this century, which for many universities left insufficient room for investment in digital service provision. During the pandemic significant investment was needed to transition to online education at scale. The speed and cost of these reforms left little room for the establishment of new technologies or capabilities in student services. Additionally, many institutions have become stuck on the challenge of how best to modernise in their systems of student record given that there has been very little movement in this technology landscape in the Australian market since the turn of the century. The critical shift now is for universities to jointly architect their systems of engagement, record and insight to create a genuine, 360-degree view of student need and service.

04 Insight-poor → Insight-rich

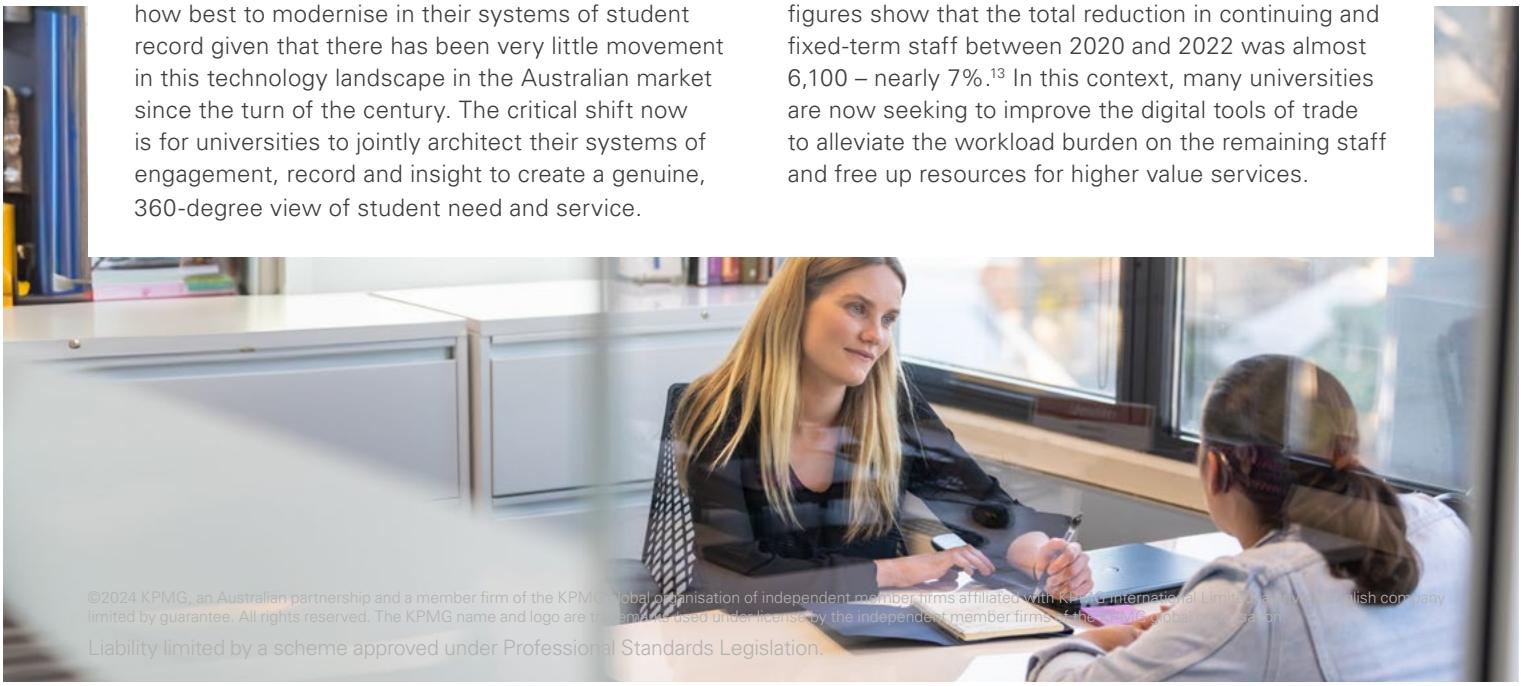
Student service functions are awash with data but often have very little insight into the key drivers of student behaviour, motivation and satisfaction. It is also the case that overall SX measurement in institutions puts little emphasis on the CX component. The development of robust service metrics and targets is crucial to understand student service experience and satisfaction, the cost to serve and to drive continuous improvement. Mature practice would also make visible the ways in which CX impacts students' LX and PX, allowing institutions to achieve overall SX uplift.

05 Fragmented → Partnered

Effective partnering is crucial to the modernisation of student services. Students are, of course, the primary partner. While the very useful Students as Partners model is gaining traction in the sector, it is less prevalent in the provision of student services.[12] Operational partnering across professional and academic divisions is a crucial underpinning to student-centric and efficient practice. Additionally, robust partnering with external partners, suppliers and vendors is necessary to ensure the whole service ecosystem is operating well in service of the student. Many colleagues also observed that there is a case to consider better partnering across the sector towards shared services models.

06 High-cost → High-value

During the difficult years of the pandemic, many of Australia's universities reduced staffing levels in student management (alongside other professional and academic staff groupings). 2021 sector-wide figures show that the total reduction in continuing and fixed-term staff between 2020 and 2022 was almost 6,100 – nearly 7%.[13] In this context, many universities are now seeking to improve the digital tools of trade to alleviate the workload burden on the remaining staff and free up resources for higher value services.



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The golden thread

The institutions that can weave a **golden thread of SX, service and technology** into the fabric of their strategy and operations will gain significant competitive advantage and become more future-proofed. If linked well to an overall SX strategy, the resultant CX uplift will ultimately contribute to overall student satisfaction and success.

STUDENT SATISFACTION AND SUCCESS

Student success is a function of students' academic, cultural and linguistic fit for a selected course, a reflection of their sense of belonging and engagement, as well as the cumulative quality and fit of the experiences and services delivered to the institution's student cohorts.

SX STRATEGY

A robust SX strategy optimises institutional capacity to deliver to students' expectations as learners, people and customers. Aligned to university-wide strategy, it considers courseware, teaching and learning, the target student population, understanding and serving students' needs, student support and management, and lifelong relationship building throughout the student and alumni lifecycle.

STUDENT SERVICES

Best practice in student service is intentional and aligned to institutional SX strategy. It delivers excellent CX to students that enhances learning and personal experiences. It is **student-centric, service-led and digitally-connected by practice that is insight-rich, partnered and high-value.**

This comes about by:

- Strategic and coordinated investment that is based on deep understandings of students' CX needs in the context of their LX and PX needs.
- Collaborative capability building across all of the academic and professional touchpoints for student service.
- The creation of a modern student service ecosystem to underpin the university's CX offerings through harmonising governance, service delivery, people, process, technology and data.

DESIGN PRINCIPLES

Student-centric	**Service-led**	**Digitally-connected**	**Insight-rich**	**Partnered**	**High-value**

DELIVERY PILLARS

Experience Design and Implementation	**Service Design and Implementation**	**Technology Design and Implementation**

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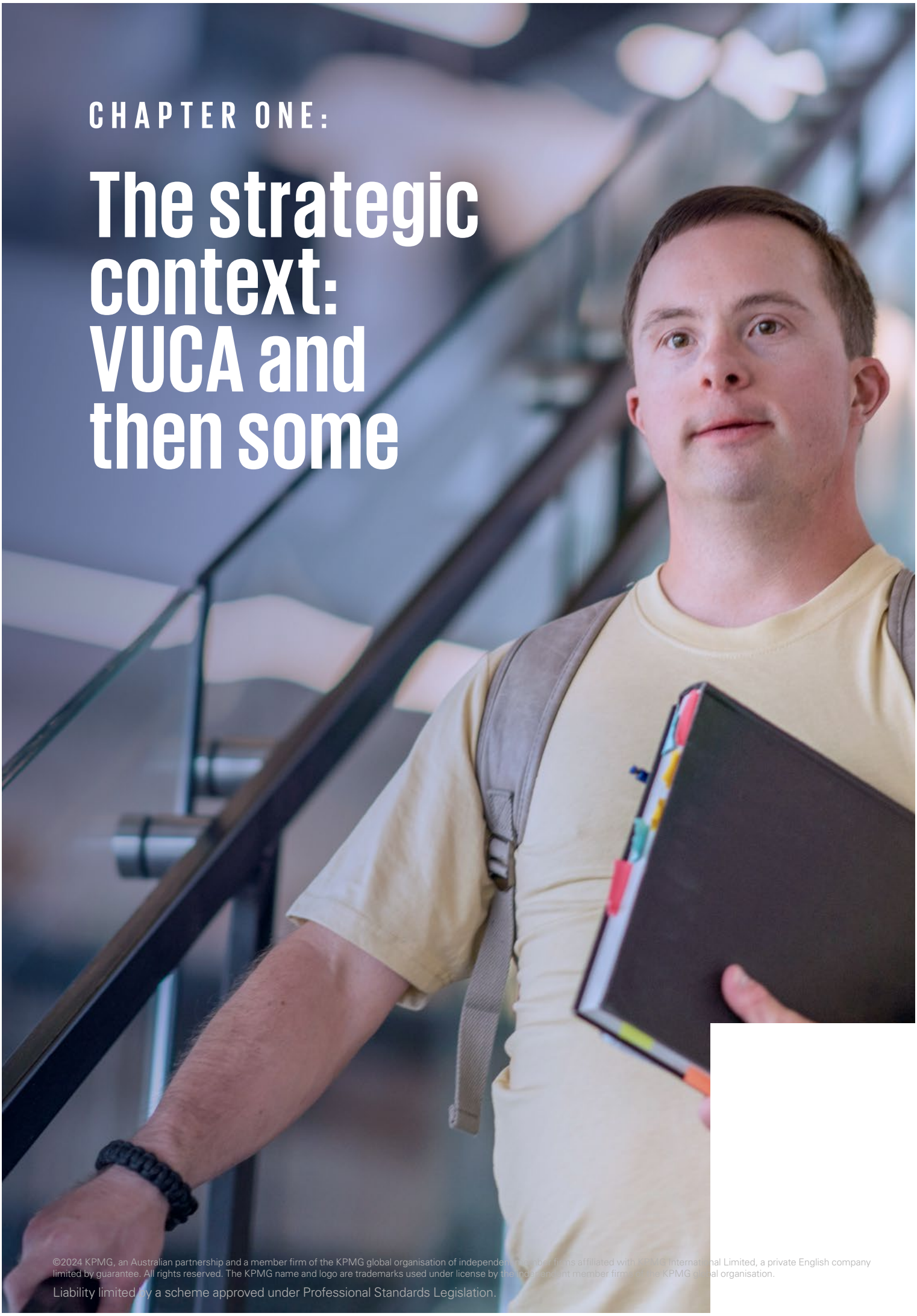

CHAPTER ONE:

The strategic context: VUCA and then some

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At the time of writing, a sense of excitement is bubbling across Australia's universities. Approximately 1.5 million students are back on campus and online and are eager to learn.[14] They have arrived and returned to university in all their diversity, seeking to forge a career and life of meaning.

But will they be happy with their CX? It seems not. They will be studying in an environment where our universities continue to struggle financially post-Covid, are seeing historically low domestic demand, and are buffeted by Commonwealth policy changes impacting international student numbers and adding compliance obligations. The environment is VUCA and then some. It is a context in which achieving real change is both enormously difficult and important in equal measure. As we outlined in *The future of higher education in a disruptive world* and *Student experience in the age of the customer*, no business, universities included, can afford to ignore CX. The significant competitive pressures from alternative providers and qualifications, employers and entrepreneurial pathways, faced by universities add to the need to build maturity in CX.

Low student service satisfaction

In 2022, both undergraduate and postgraduate coursework students were less satisfied with the availability and helpfulness of administrative staff and systems than they were pre-Covid. Starting from a low base, there were notable drops over 2019–2022 (both dimensions sitting at less than 60% in 2022 for both undergraduates and postgraduate coursework students). Furthermore, only 56% of undergraduate later-year students found administrative staff or systems to be readily available, and only 56.3% found them to be helpful. Numbers were similar for postgraduate respondents (56.5% and 57.2%, respectively). In response to the relevance of the support services offered, students say that our universities are not hitting the mark. In 2022, only 51.9% of undergraduates responded positively, with less than 50% of later-year undergraduates doing so. Numbers were slightly higher for postgraduate coursework students at 54.9% and 54.3%, respectively.[15]

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A volatile short-term financial landscape

Many Australian universities continue to struggle financially coming out of Covid. The most recent data show weak aggregate domestic demand matched with increasingly volatile Commonwealth policy settings, especially in relation to international students and student support. Student satisfaction is not trending in the direction universities would prefer. Ever-growing demand for Australian higher education is not guaranteed over the long term and it is unclear whether Australia's universities are ready to meet the needs of a student population that is increasingly diverse, digital, discerning, demanding and debt-averse.

It has been justly observed that the financial outcomes for Australia's universities have been on a rollercoaster in recent years.[16] Since Covid, we have seen everything from a $1 billion surplus to unprecedented numbers of universities posting losses (70% of Australia's 39 public comprehensive universities in 2022 – the most recent publicly available dataset at the time of writing). 2022 losses amounted to $1.75 billion, with 10 universities posting substantial deficits in the $70 million to $300 million+ range.[17]

2022 sector-wide figures show that the total reduction in continuing and fixed-term staff between 2020 and 2022 was almost 6,100 – nearly 7%.[18] For many institutions, this has created an urgent need to streamline business processes and invest in digitisation and automation to reduce the workloads on remaining staff.

Student numbers remain highly volatile post-Covid. 2022 saw a 3.2% decline in total student numbers from the equivalent figure in 2021. This was driven by a significant drop in commencing domestic students (down 10.4%) and overall domestic students (down 5.1%). Overseas student numbers increased by nearly 2% from 2021 to 2022, but this still represented a 14% decline from the pre-Covid levels in 2019.[19]

International student numbers are not recovering in the fashion the sector would prefer. We have previously observed the challenges Australian universities face in the current international geopolitical environment.[20] Domestically, recent concerns around inflation, immigration and housing have impacted public sentiment in relation to international students.[21] Just as our universities were recovering their international student numbers, the Commonwealth has committed to an overall reduction in immigration. In light of this, the Commonwealth has slowed down visa allocations, pushing 16 universities to publicly anticipate a $310 million financial impact.[22]

Cuts in post-study work rights, especially at postgraduate level, have also been identified as detrimental to Australia's position in the global competition for talent.[23]

An uncertain medium-term strategic and financial landscape

Over the medium term, the sector is facing years of immediate disruption in light of the yet-to-be-announced at the time of writing Commonwealth response to the *Universities Accord*.[24] Shifts may include:

- The creation of greater linkages across tertiary education and to the national skills agenda, with greater common purpose and collaboration between higher education and Vocational Education and Training (VET), and increased participation and attainment targets across tertiary education.
- New funding mechanisms for Commonwealth supported places, equity students, work integrated learning, physical and digital infrastructure (through a Higher Education Future Fund with co-contributions from institutions and the Commonwealth) and student income support.
- A Tertiary Education Commission to oversee policy coordination across higher education and research, system planning, university compact negotiation, pricing, funding, accountability, quality and performance.

Whatever the outcomes – a generational shift in higher education policy and funding, or a piecemeal set of reforms – the resultant volatility will impact the sector for many years.

In the long term, there is no guarantee that these matters will improve or that higher education will return to its golden age – the period between mid-last century and early this century that saw higher education in the Western world grow faster than population and real GDP.[25] Predictions of an ever-increasing economic need for higher education attainment and a consistently growing international student market do not pay sufficient attention to a number of factors that will impact the demand:

- Poor graduate premiums in Australia (ranked 38th on this measure in the OECD in 2021).[26]
- Rising cost-of-living factors particularly impacting young people, making the debt required to undertake higher education more difficult to take on and service for many. The Grattan Institute has a significant body of work pointing to the debt inequities experienced by young people in our economy, and has recently published useful analysis on how inflation is disproportionately impacting young people.[27]
- The disruption faced by the professions due to the Fourth Industrial Revolution and AI in particular, which is highly likely to fundamentally change the graduate profile needed in the Australian economy.[28]

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- The inherent difficulty in accurately predicting the economy's demand for higher education attainment over the long haul, with a sense among many that the 55% attainment rate called for in the *Universities Accord* is inflated.[29]
- The drive to improve participation and attainment for underrepresented cohorts, whilst desirable, does not attract sufficient funding to cover the costs of adequately supporting students with lesser academic, linguistic and cultural formation for university, as has been clearly articulated by various universities in their *Accord* submissions.[30]
- Refreshed recognition of the importance of VET in addressing Australia's skills shortfalls, as well as significant funding injections through the National Skills Agreement.[31] Recent data highlighted the critical importance of the VET sector in growing our economy, with the 2023 September quarter data showing 60% of jobs growth linked to VET pathways.[32]
- There is compelling evidence that demand for VET qualifications will continue to rise and be critical in the futureproofing of our economy.
- The rise of alternative pathways into employment in response to 'degree inflation' and the correlated 'paper ceiling' adversely impacting workers, employers and national productivity alike.[33] This language is more present in the US public conversation than it is in Australia, but it is seeing global employers move to direct provision of education and training that bypasses the need for a degree. Google is the most widely known example, with the company announcing Google Career Certificates in partnership with Coursera that are treated as four-year degree-equivalents by Google's hiring managers.[34] Concurrently, notable US corporations are significantly reducing the proportion of roles that require degrees.
- International student market conditions, especially where the attractiveness of Australia as a destination is diminished by the changes in immigration settings impacting students at the point of entry for study and for post-study work rights.

Students' complex and volatile needs

These aspects of volatility come on top of the underlying dynamics in the student population that we described in detail in *Student experience in the age of the customer*. In that paper, we examined the key characteristics of today's student population that will amplify in the future, creating the need for institutions to think differently about how best to meet student needs.

DIVERSE

Students will be drawn from a much more diverse set of educational and professional backgrounds and will be engaging with education in more diverse ways while seeking a greater variety of outcomes.

Most institutions' student mix will change significantly and the successful institutions will be those that can create personalisation at scale across their diverse and changing cohorts.

DIGITAL

The acceleration of digital work and education due to Covid has been rapid and shown what will be possible with more time and planning. The new reality will not see a full return to the previous balance of face-to-face and online working or learning modalities, now that working and studying from home have proven feasible, and for some at least, preferable.

Every institution's student population will demand a rich digital learning, engagement and service platform, whatever else they will demand. Those institutions that can deliver to this expectation will thrive.

DISCERNING

Learners will be better informed, more aware of employment prospects, more instrumental and more deliberate in their choices, whether these choices are driven by passion or purpose or a combination. At the same time, a resurgence of idealism that is growing in individual, social and corporate life is likely to shape how and what learners study and what they expect of their tertiary institutions.

The institutions that can truly partner with the individual student to co-create an educational experience targeted at that student's values and desired outcomes will do best.

DEMANDING

We are living in what has been called the 'the Age of the Customer'. CX has risen to become a key concern for organisations everywhere. Education is not immune. SX will become an increasingly important concern as students exercise greater freedom in their choice of providers.

The institutions that seek to understand and serve students' preferences will gain significant competitive advantage and those that do not may not survive.

DEBT-AVERSE

Prospective students will increasingly make decisions as self-interested, rational economic actors. Domestic and international students will make different choices about where, when and what to study based on price. New competitors will offer attractive and cost-effective options.

The institutions that can deliver high-quality educational outcomes and excellent student experiences and qualifications that are well recognised by employers at a competitive cost, will gain significant competitive advantage.

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CHAPTER TWO:

The six big shifts

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'Universities typically don't understand how the service experience impacts student satisfaction in almost every aspect of student life. Students rightly get cranky when they can't get a timely or straight answer or use mobile devices to access services. Timetables for example impact earning potential, caring responsibilities and commuting options. Students also need to be able to predict the total length and cost of their course, understand their graduation pathway and their compliance with professional accreditation. The collisions that students experience in the service architecture occur frequently and the consequences can be enormous. Far too often, universities just shrug their shoulders and leave the student to deal with the unintended consequences of their decisions and actions.'

PROFESSOR MARTIN BEAN CBE
CEO
The Bean Centre

Every conversation we had in the preparation of this report underscored the increasing importance of SX in the organisational strategies of Australia's universities. However, it also became apparent that student services and the CX components of SX are the poor cousins in the minds of senior university colleagues. The learner experience is, of course, primary. The weight placed on PX has rightly grown in recent years because of the rise in students' wellbeing support needs. Students' physical and mental wellbeing and safety have become increasingly central considerations in the light of the pandemic, rising rates of mental illness in the community and renewed focus on sexual violence.

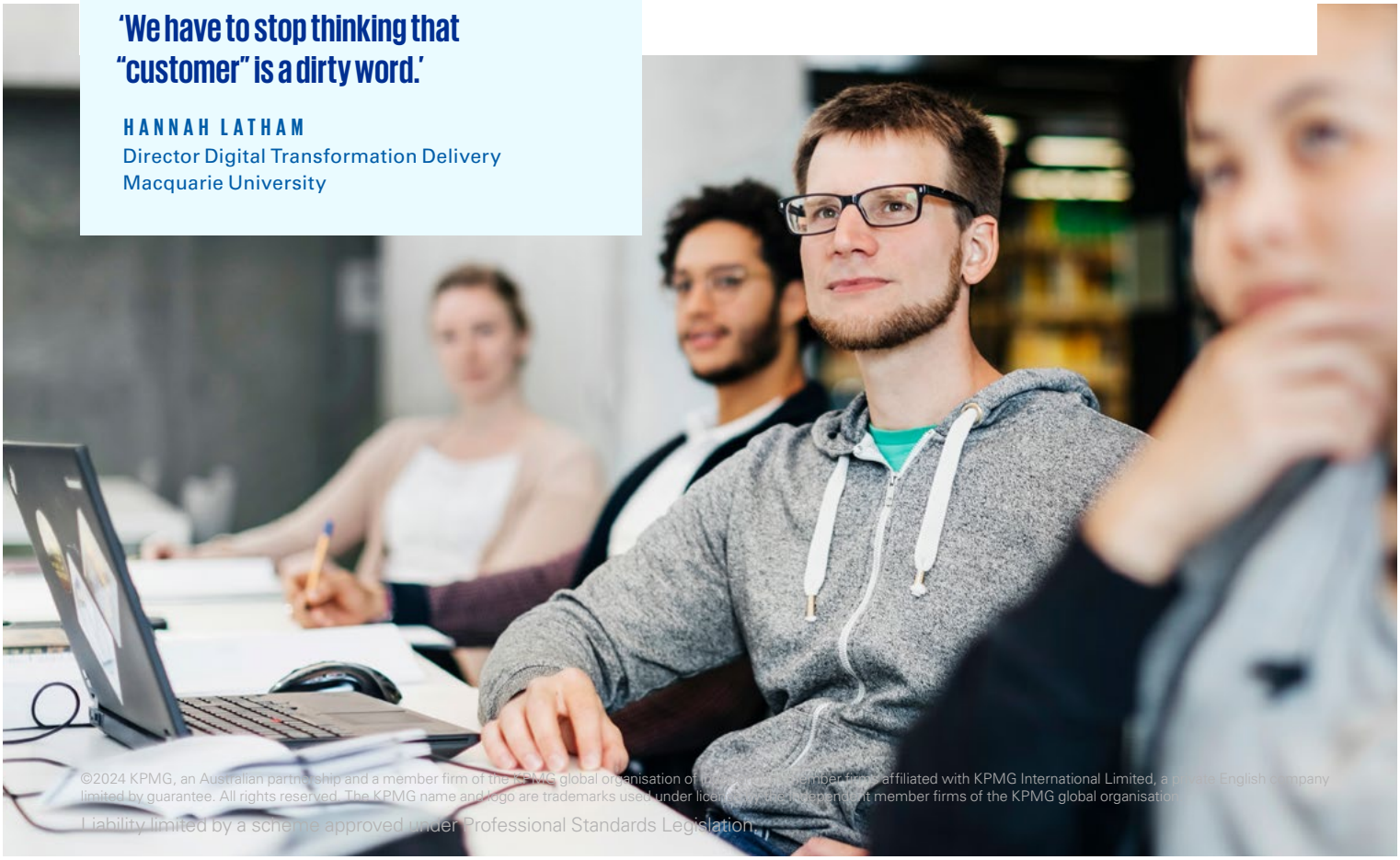
But for students, collisions are occurring all the time between their LX, PX and CX, causing them course completion delays, cost blowouts, visa issues and mental health impacts, ultimately affecting their overall satisfaction. Recent KPMG research shows that a primary driver of customers' perceptions of value is their perception of service and support regardless of the sector, product or service.[35]

It is time for universities to recognise the critical role student services play in the overall achievement of student success.

There are a number of big shifts needed to ensure that universities can deliver to the contemporary needs and expectations of students in line with what is already on offer at alternative providers.

'We have to stop thinking that "customer" is a dirty word.'

HANNAH LATHAM
Director Digital Transformation Delivery
Macquarie University



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'When we launched our online education arm we had the opportunity to build the offering, service model and student experience from the ground up to suit the needs and preferences of our target cohort. It's important for universities to continue to evolve to meet current and future student expectations, and not be held back by legacy processes, practices and systems.'

TOM STEER

Chief Academic Services Officer
University of South Australia

KPMG's higher education team encounters a regular pattern of challenges faced by Australia's universities in improving the CX of student services.

The conversations with university leaders in preparation for this report underscored that these challenges are not universally recognised. We see six big shifts that need to occur to modernise student service ecosystems in Australia's universities.

The six big shifts to deliver intentional and well-orchestrated student services.

	FROM	TO
01	Compliance-driven	**Student-centric**
02	Supplier-led	**Service-led**
03	Disconnected	**Digitally-connected**
04	Insight-poor	**Insight-rich**
05	Fragmented	**Partnered**
06	High-cost	**High-value**

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01 Compliance-driven **Student-centric**

'You could spend lots of time focusing on compliance, which I think stifles innovation. We have to be compliant, but also have to think beyond compliance.'

PROFESSOR KYLIE READMAN
Deputy Vice-Chancellor and Vice-President (Education and Students)
University of Technology Sydney

Approaches to student services have built up organically over many decades, with a strong and necessary emphasis on compliance within ever-changing regulatory requirements. In this model, business processes become bloated over time with complexity and multiple layers of authorisation. In a student-centric model, students experience a modern service culture that matches their experiences elsewhere. Processes are clear, continuously reviewed and simplified. They are easy to complete with fast turnaround times and first contact resolution because authority is delegated to the staff member closest to the student interaction.

So, how can you speed up the process of becoming more student-centric in your delivery of student service? There are five key steps:

- Anchor your CX ambitions in your broader SX strategy.
- Understand the principles of CX excellence.
- Understand your students and staff deeply, leveraging persona-building and archetype-building tools.
- Understand the university-wide capabilities you need to grow.
- Map your future-state journeys and understand what it will take to achieve them.

Contemporary best practice: SX strategy

Great SX does not just happen. It can only be by strategic, university-wide design, asking the right questions and leveraging proven tools. In setting the institution's SX ambitions, key underlying questions should be addressed.

- What **types** of students do we wish to attract and serve based on their LX, PX and CX needs and the **alignment** of these factors with our institutional strengths and strategy?
- How do we best **understand** the motivations, talents, engagement preferences, learning styles, assessment preferences, as well as the biographic, demographic and psychographic characteristics of our target student population to ensure that we can not only attract them but also serve their needs at a high level of quality?
- How do we best **partner** with students to co-create their experience, so as to promote their success and lifelong engagement with the institution?
- How can we **deliver** experiences that develop the skills of lifelong learning, and engender lifelong engagement with our institution?
- Who are our traditional and emerging **competitors** globally and what are their differentiating courseware and SX features?
- What can we **learn** from other service sectors?
- What should our **target** discipline and course student numbers be?
- What **price points** will achieve those targets and promote institutional sustainability?
- What are our **capability** gaps today to realise this strategy (within service delivery, people, process, technology, data, and governance)?
- What **investment and capability uplift** is needed to bring our SX ambitions to life and what will be the return on that investment for students, the institution and the communities we serve?

And of course, within the broader context of SX, great CX does not just happen. It too can only be by design, asking the right questions and leveraging proven tools.

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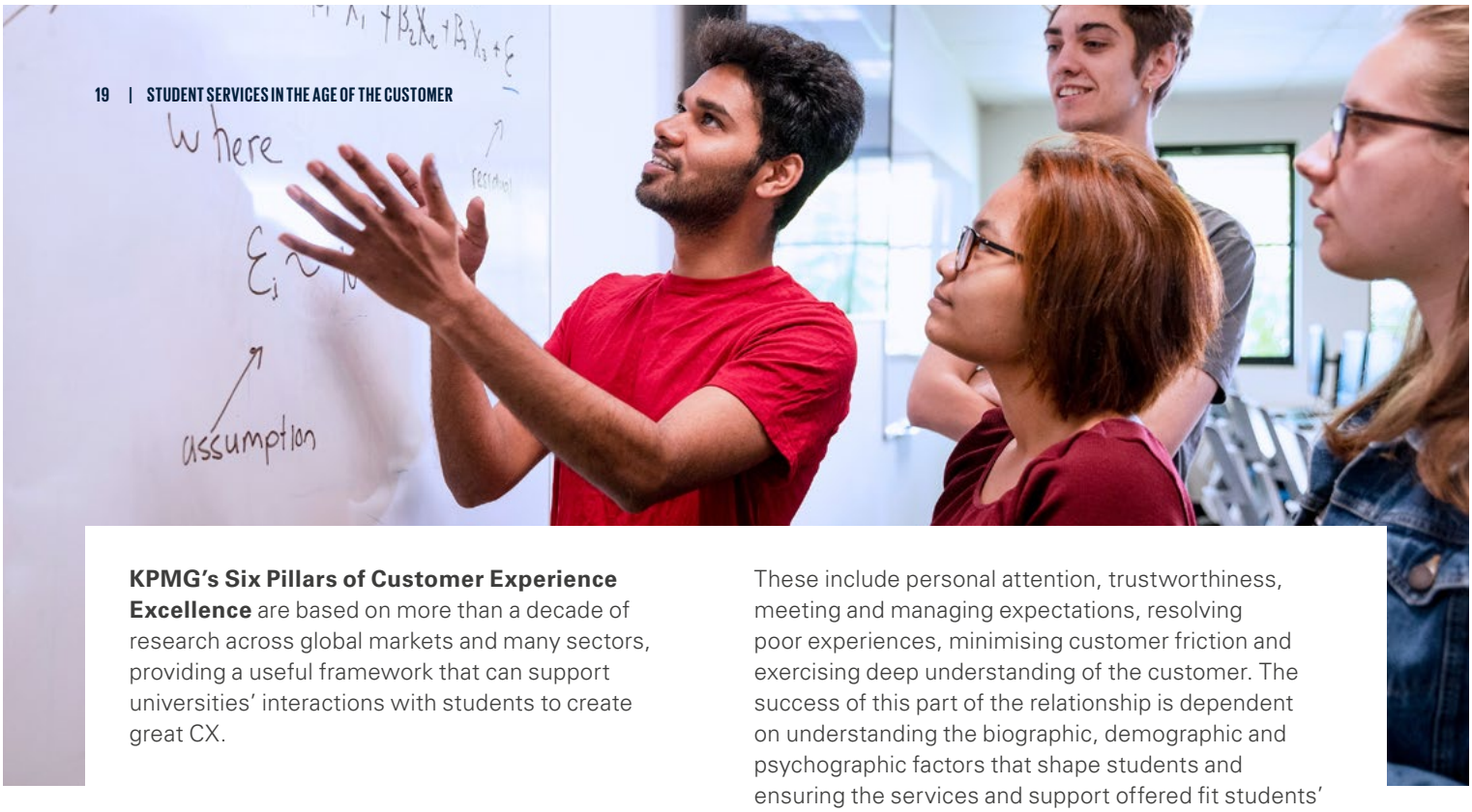

KPMG's Six Pillars of Customer Experience Excellence are based on more than a decade of research across global markets and many sectors, providing a useful framework that can support universities' interactions with students to create great CX.

These include personal attention, trustworthiness, meeting and managing expectations, resolving poor experiences, minimising customer friction and exercising deep understanding of the customer. The success of this part of the relationship is dependent on understanding the biographic, demographic and psychographic factors that shape students and ensuring the services and support offered fit students' preferences for engaging and seeking support.

PERSONALISATION

Using individualised attention to drive an emotional connection

- Greet me
- Show me you know me
- Recognise our history together
- Make me competent
- Surprise me with something relevant

Knowing your students is crucial in driving personalisation. A powerful way to **personalise** CX is to dynamically display to students only the information that applies to their course, demographics and personal circumstances, reducing the confusion and information overload that occurs when trying to wade through information applicable to all students. This would ease student frustration and reduce queries to contact centres and academic schools.

INTEGRITY

Being trustworthy and engendering trust

- Stand for something more than profit
- Demonstrably act in my best interest
- Show concern for me as a person
- Do what you say you will
- Keep me informed

Integrity is supported by investment in the things that underpin the university's capacity to operate in students' best interests. A key example of this is ensuring students can see the progress of their query. Queries would be resolved in sufficient time to preclude adverse consequences (such as providing special consideration application responses in a timely fashion so that the student is aware of the outcome before the assessment is due).

EXPECTATIONS

Managing, meeting and exceeding customer expectations

- Set my expectations accurately
- Agree timings with me
- Respond more quickly than I anticipate
- Use plain English – no jargon
- Fulfil or exceed your promises

Students' **expectations** are best managed by the creation of clear service level standards that apply to all service touchpoints across the university. Students should easily be able to understand how long any particular query will take to resolve, alleviating the friction in the service experience and reducing follow-up enquiries.

RESOLUTION

Turning a poor experience into a great one

- Assume my innocence – see my point of view
- Provide a warm and sincere apology
- Own the resolution – fix with urgency
- Surprise me in how well you fix my issue
- Go the extra mile if required

Resolution best practice requires clear service tiering that sees investment in the service channels students prefer, especially digital self-service for high volume enquiries.

TIME AND EFFORT

Minimising customer effort and creating intentional processes

- Make my time investment pleasurable
- Give me simple and clear instructions
- Require a maximum of three steps to my objective
- Make my waiting time no longer than two minutes
- Provide the answers I need when I contact you

Students' **time and effort** can be significantly reduced by investment in educative practices that help new students understand their degree structure and rules early on. This will save them from unconsciously making unit choices that add time and expense to course completion.

EMPATHY

Achieving an understanding of the customer to drive deep rapport

- Invest time to listen to me
- Provide the right emotional response
- Share your similar experiences
- Treat me as your priority
- Take ownership of my issue

Empathy is crucial to students' overall CX experience. This is particularly the case for new undergraduates who are likely to be independently negotiating a bureaucracy (or indeed a new country) for the first time in their lives. A clear and consistent customer service model that underpins empathetic and culturally safe interactions is critical in supporting service staff to provide empathetic responses.

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'Just because you can add someone's name to an email does not mean it is personalised. We have gone on a journey of understanding students' needs by looking at and beyond data and through deepening our understanding of diversity. We are more curious about students. We are asking more questions of both our students and our staff. One of the things it has made us realise is that we actually need to get student administration out of the back room – so we're moving quickly from a mindset of student administration to one of student service.'

SANDRA SHARPHAM
Executive Director Student Experience
Charles Sturt University

Contemporary best practice: SX design tools

Personas and Archetypes

Human centred design has generated a suite of tools to bring customers and employees to the centre of an organisation's thinking in relation to its products and services. Personas and Archetypes help organisations to understand the behaviours, motivations and preferences of their specific customers and employees through ethnographic dimensions. They are highly effective data-driven tools to humanise customers and employees. Both tools are based on the similar data sets and insights, with Personas representing these through a single human character, whereas Archetypes abstract the insights into a category rather than showing a name and a face.

Contemporary best practice in higher education sees students' characteristics and people, learners and customers explored through demographic, psychographic, engagement style, learning style, motivation dimensions and assessment preferences and then represented as either Personas or Archetypes.

Employees' characteristics can be mapped across their role type, skills, influence and impact, drive, working and thinking styles, trust in the institution, motivation and readiness for change and again be represented through either format.

These tools can be used in service design or review and are particularly helpful in the business process design or redesign, when determining the optimal way to help a student enrol, change course or graduate for example.

Journey Maps

Journey Maps help organisations to understand how a customers and employees engage with specific products or services. Customers' and employees' experiences through the lifecycle of a product or service are understood in light of their needs and preferences leveraging Personas, Archetypes, and in best practice, actual impacted customers and employees.

Universities are increasingly using Journey Maps to design and visualise SX and Employee Experience (EmpX) together within the core functions of student service:

- Calendar and curriculum management
- Student recruitment
- Admissions
- Enrolments
- Scholarships and prizes
- Student records management
- Student finances
- Timetabling and class registration
- Assessments, results and progression
- Award completion and graduations
- Regulatory reporting

Contemporary best practice sees Journey Maps then shape co-ordinated uplift across governance, service delivery, people, process, technology and data within the student services functions.

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02 Supplier-led → **Service-led**

'As a sector and as an institution, we have historically separated student experience from student services. We began to bring these together about three years ago, to really think about it from an end-to-end perspective.'

PROFESSOR JESSICA VANDERLELIE
Deputy Vice-Chancellor (Academic)
La Trobe University

The trap of supplier convenience is very easy to fall into, and all too often organisations are not even aware that this has occurred. In the absence of intentional experience and service design, it is in fact the default outcome with heavy emphasis on process and little emphasis on student outcomes or satisfaction. In Australian universities, this manifests in the everyday constraints and decisions that impact student service delivery.

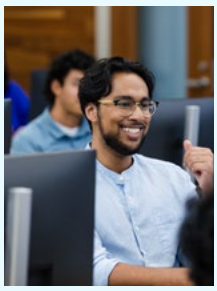
Most common among these are the inherent (and often growing) complexity of courseware and technology matched with a cost constrained and compliance-heavy environment.

There is a false economy in supplier convenience. It stifles innovation and can ultimately cost more, as effort is duplicated, students are dissatisfied and investments fail to realise the intended outcomes. Universities often do not have detailed visibility of the total cost of student service provision. This is frequently related to the absence of a coherent operating model.

The optimal way to cut through these challenges is to leverage CX design into a service-led operating model. A service-led model brings together the governance, service delivery, people, process, technology and data requirements to deliver student services as intended, harmonising the efforts of professional and academic workforces in delivering student services.

Contemporary best practice: operating models

How do the layers of a student services operating model act together to create optimal service provision?



DATA

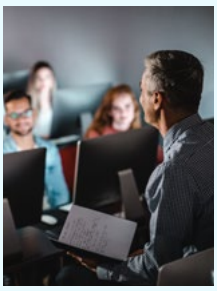
Data and analytics capability investments enable improved speed, efficiency, and quality of information and knowledge sharing across service touchpoints and directly with students. Insight across student service interactions support tailored and personalised experiences and drive continuous service improvement.

TECHNOLOGY

Designed well, technology enables digital self-service for effective and efficient interactions that meet students' expectations. Integration across systems of engagement, record and insight is critical to facilitate a coherent and adaptable service ecosystem.

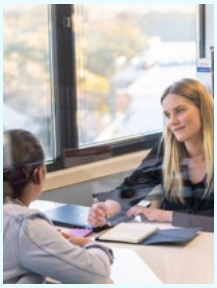
PROCESS

Lean, standardised and clear processes that limit decision handoffs serve students best, creating greater speed to resolution. Developing structured approaches to building and maintaining business logic and continual process improvement will enable iterative service efficiency improvements and automation over time.



GOVERNANCE

Effective service governance through the establishment/uplift of design principles, policies and frameworks to support each service will underpin successful service execution aligned to student expectations. The effectiveness of service is continuously managed through insightful reporting that fosters an empowered, collaborative and accountable environment.



SERVICE DELIVERY

Services should be defined and operated through a service management framework that brings together an understanding of student expectations with the service strategy, design and enablement needed to deliver to students across their preferred channels. Equally, the framework should support operational excellence and continuous improvement underpinned by service metrics and targets.

PEOPLE

Enabling service leadership and delivery skills and mindsets creates a workforce that can operate with autonomy, mastery and purpose, driving greater engagement, motivation and innovation.[36] This in turn will release bandwidth for improved provision of high-touch and high-value services.

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A service-led model offers a number of benefits because it actively emphasises putting the needs of the customer at the heart of service design. It focuses on continuous improvement by enabling built-in mechanisms to continually adjust to evolving service user needs. By placing the needs and experiences of students and staff at the centre, services are more likely to meet actual demands and improve student and staff satisfaction through an enhanced user experience. Similarly, by embedding continuous improvement mechanisms, the service-led model is more agile, allowing for quick pivots as the needs of students evolve or as the technology landscape changes.

Detailed service design is central to the shift from process to service. A service is not merely a business process, nor is it a reflection of organisational design. It is a defined set of activities that meet the needs of a customer, taking into account the contributions across all relevant professional and academic divisions throughout the layers of the operating model. A service-led operating model brings together colleagues across organisational silos to deliver outcomes for students. The disciplines of service management make doing so much easier than it would otherwise be and also help to build an evidence base to allow a university to see where it is and is not meeting student need.

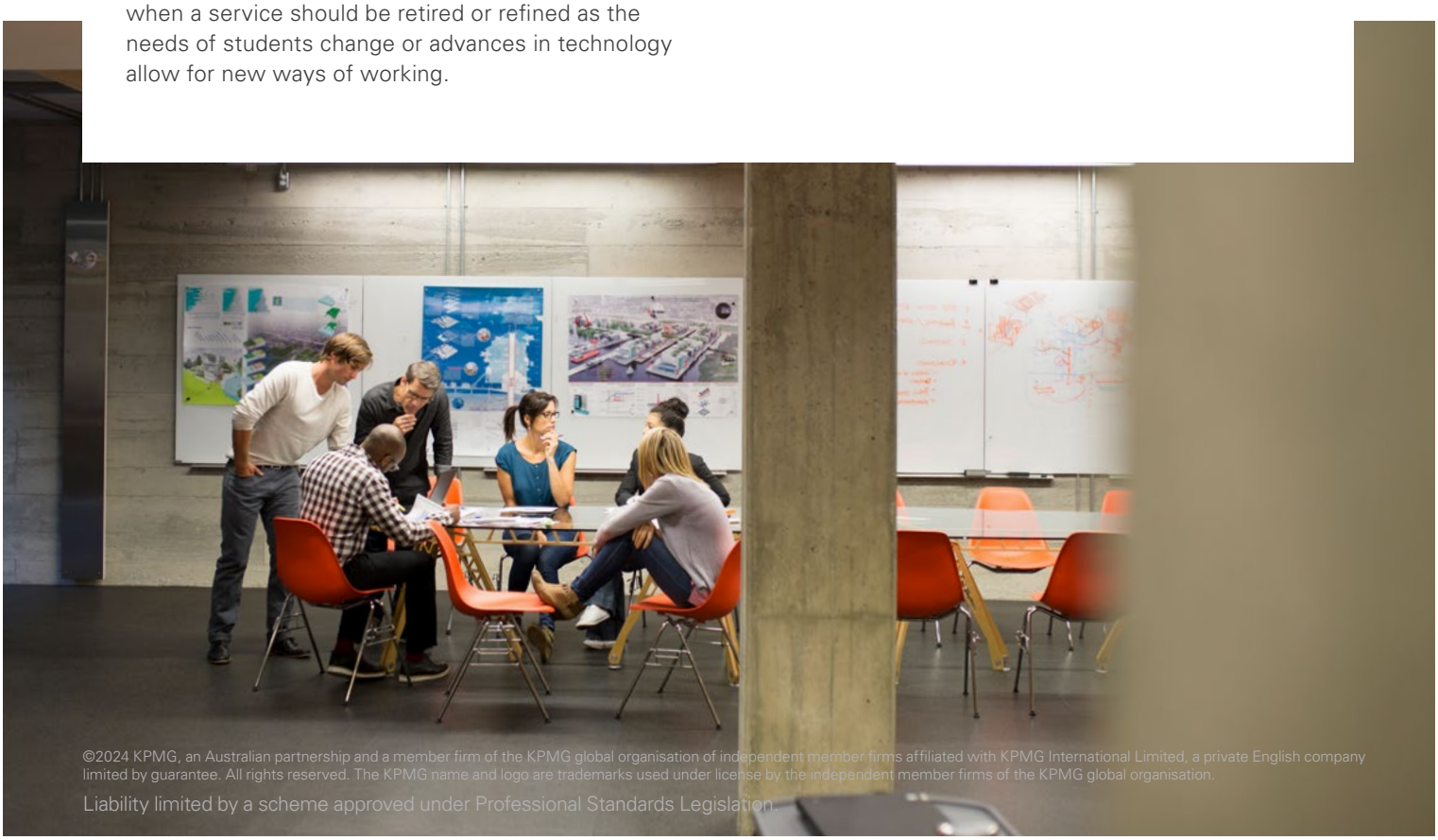
Service review and continuous improvement are core components of a fully fledged service-led model. These two elements facilitate the capacity to see when a service should be retired or refined as the needs of students change or advances in technology allow for new ways of working.

Contemporary best practice: service management

The establishment of a robust service management framework is necessary to complete the journey to becoming service led, but some early key steps are sufficient to get started. These include the creation of a service catalogue, service triaging principles, service tiering, channel strategy and service level standards. This allows universities to deliver defined value and experiences with emphasis on a consistent front door, transparent communications and handoffs, and clear accountability in delivery.

Successful service management depends on professionalised, coherent and consistent university-wide practice across:

- **Service strategy and policy**
- **Service design**
- **Service enablement**
- **Operational excellence**
- **Continuous improvement**



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03 Disconnected → **Digitally-connected**

'The power of thinking differently is key. If you are not digitally literate, you will struggle to play. Future service provision, if it's not already, will be all about data and platforms.'

NEVILLE HISCOX
Chief Student Services Officer
Curtin University

Students and staff alike expect rich digital platforms that match those available to them in other aspects of their lives. Intuitive, intelligent and easy-to-use platforms allow them to simply get their jobs done. They want to be able to interact anywhere, anytime and on any device. This will increasingly be the case as universities diversify their business models and deliver more education asynchronously in multiple modes and across multiple time zones. Creating this environment is much easier said than done in student management and services.

A modern student service ecosystem is both more dependent on, and more challenged by, technology than ever before.

In the interviews for this paper, technology was the constraint called out most often, followed closely by the difficulty of planning and funding technology investments. Untangling the spaghetti diagram of systems that support student management and services was identified as a major blocker to progress.

Many participants held that the investment in student management technology has been underdone thus far this century: concurrent demands on capital investment have won out, especially investment in campus revitalisation, which to many became an arms race over the first two decades of the 2000s.

'Technology must support students' lifestyle and choices. This must ramp up significantly.'

PROFESSOR ANDREW PARFITT
Vice-Chancellor and President
University of Technology Sydney

While Covid generated a burning platform for investment and rapid decision-making across universities' technology stacks, this did not necessarily convert to lasting change in core systems and processes.

On top of this are the complex processes supported by student management technologies for a variety of matters; admissions, student records, curriculum management, placements, timetabling, class registration, progression and graduation, across even more teaching periods and course types. Additionally, every regulatory change in student management must be dealt with within systems, causing significant operational workloads.

The technology landscape itself is both uneven and volatile. It displays inconsistent rates of change across systems of engagement, record and insight, unable to keep pace with institutional and students' needs. Significant investment is also called upon to move to the cloud, often at the behest of vendors rather than necessarily to meet the immediate needs of the institution. And of course, the operational imperatives of cyber security are becoming more resource-hungry every day as heads turn towards the seemingly endless opportunities and risks posed by AI.

'We are talking about how to radicalise the technology; I think we need to look at what services we want to offer in the service model first, to be truly customer-centric, and then how to differentiate with technology.'

STUART HILDYARD
Chief Digital Officer and Executive Director Campus Services
Victoria University

It is little wonder that the technology landscape has been difficult to traverse. To varying degrees, there is significant legacy technology still in play and a backlog of systems, processes and data in severe need of attention across Australia's universities.

Institutions cut through the VUCA inherent in the technology landscape by:

- Developing coherent architectural design across systems of engagement, record and insight, making it clear what functionality is served out of each of them in line with the institution's architectural design principles.
- Driving the collaboration necessary to build long-sighted digital transformation strategies and roadmaps.

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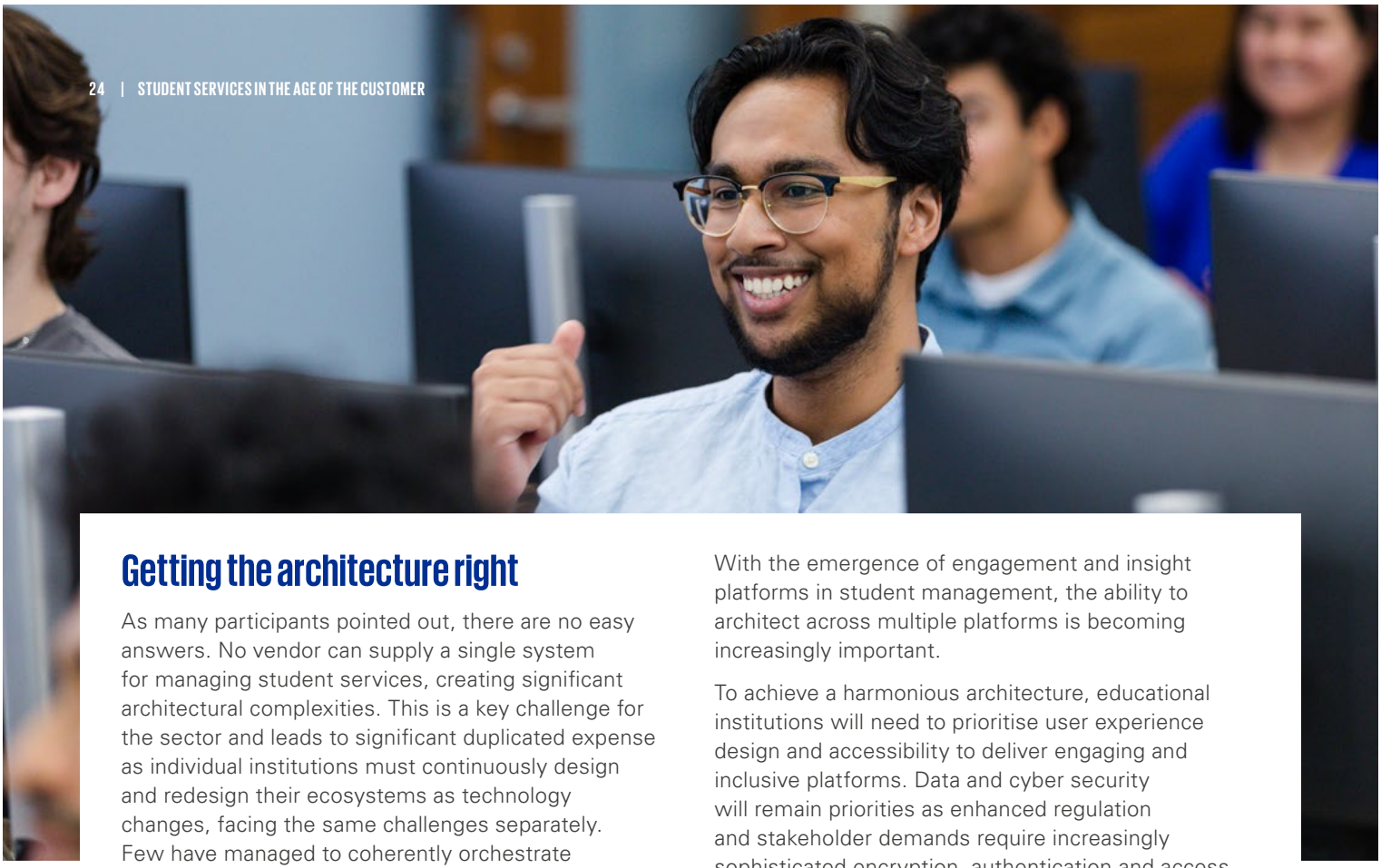

Getting the architecture right

As many participants pointed out, there are no easy answers. No vendor can supply a single system for managing student services, creating significant architectural complexities. This is a key challenge for the sector and leads to significant duplicated expense as individual institutions must continuously design and redesign their ecosystems as technology changes, facing the same challenges separately. Few have managed to coherently orchestrate interoperability across their systems of engagement, record and insight to create a genuine 360-degree view of student needs and services.

Many institutions are torn between the ever-increasing array of diverse applications and digital tools available, as opposed to the desire to retire point solutions and simplify via a platform approach that minimises the number of products and vendors to be managed. The key trade-off is between total cost of ownership where best of breed is used for every purpose, and platform minimisation that helps to drive standardisation across the institution, especially where 'out-of-the-box' implementation is prioritised, saving significant expense in implementation and ongoing platform management.

The success of any student management architecture is dependent on seamless integration and data exchange. By adhering to common standards and protocols, the ecosystem can be constituted by real-time interactions across systems, ensuring that student data remains consistent, accurate and actionable in the appropriate platform.

This interoperability not only enhances administrative efficiency, but also gives educators insight into student progress and performance in more connected ways than ever before.

Institutions need to develop digital architectures across the student and staff experience beyond just one system. They must develop key principles and defined standards for systems of truth for core university data.

With the emergence of engagement and insight platforms in student management, the ability to architect across multiple platforms is becoming increasingly important.

To achieve a harmonious architecture, educational institutions will need to prioritise user experience design and accessibility to deliver engaging and inclusive platforms. Data and cyber security will remain priorities as enhanced regulation and stakeholder demands require increasingly sophisticated encryption, authentication and access controls. This will safeguard sensitive student information from unauthorised access or disclosure.

The effective and safe operation of the student service or management ecosystem will rely on institutions and a suite of technology vendors working in concert across systems of engagement, record and insight. Good architecture brings together an institution's desired SX, risk appetite, cost considerations, robust definitions of the right system for the right job (for engagement, record and insight) and underlying data model. This is absolutely crucial to the delivery of effective student service today and readiness for greater automation and use of AI tomorrow.

'The biggest obstacle to moving forward is the integration of systems. This is an endless problem. Each product has its own reporting, but then they never work together and we cannot get the holistic reporting we need. Not having a solid data platform will make it more difficult for organisations to implement AI. We need to understand what sectors that have really clear digital and customer experience strategy do.'

PROFESSOR ARSHAD OMARI
Senior Deputy Vice-Chancellor
Edith Cowan University

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Systems of engagement

Systems of engagement refer to the applications and platforms that students and staff interact with daily to navigate their enrolment, enquiries, fees, academic progress, learning and broader participation in the university community. The two largest elements in this part of a university's ecosystem are a Customer Relationship Management (CRM) platform and a student portal/mobile application/digital assistant. To foster students' engagement, institutions are ultimately seeking to create a nirvana of a single digital platform and digital assistant for students to engage and self-serve in all aspects of their LX, PX and CX without the creation of significant new technical debt.

These systems should foster a dynamic and inclusive learning environment that promotes student success, personal growth and academic achievement by connecting students, academic and professional staff in meaningful ways, ideally in a one-stop shop.

The best digital self-service is mediated through a single platform where students can engage with any aspect of student services in real time or near time. It gives students a 360-degree view of their interactions with the university, and likewise, promotes the university's 360-degree view of its students.

The rapid pace of development on these platforms coupled with the emergence of AI pushes the traditional digital engagement experience and service design thinking.

Systems of record

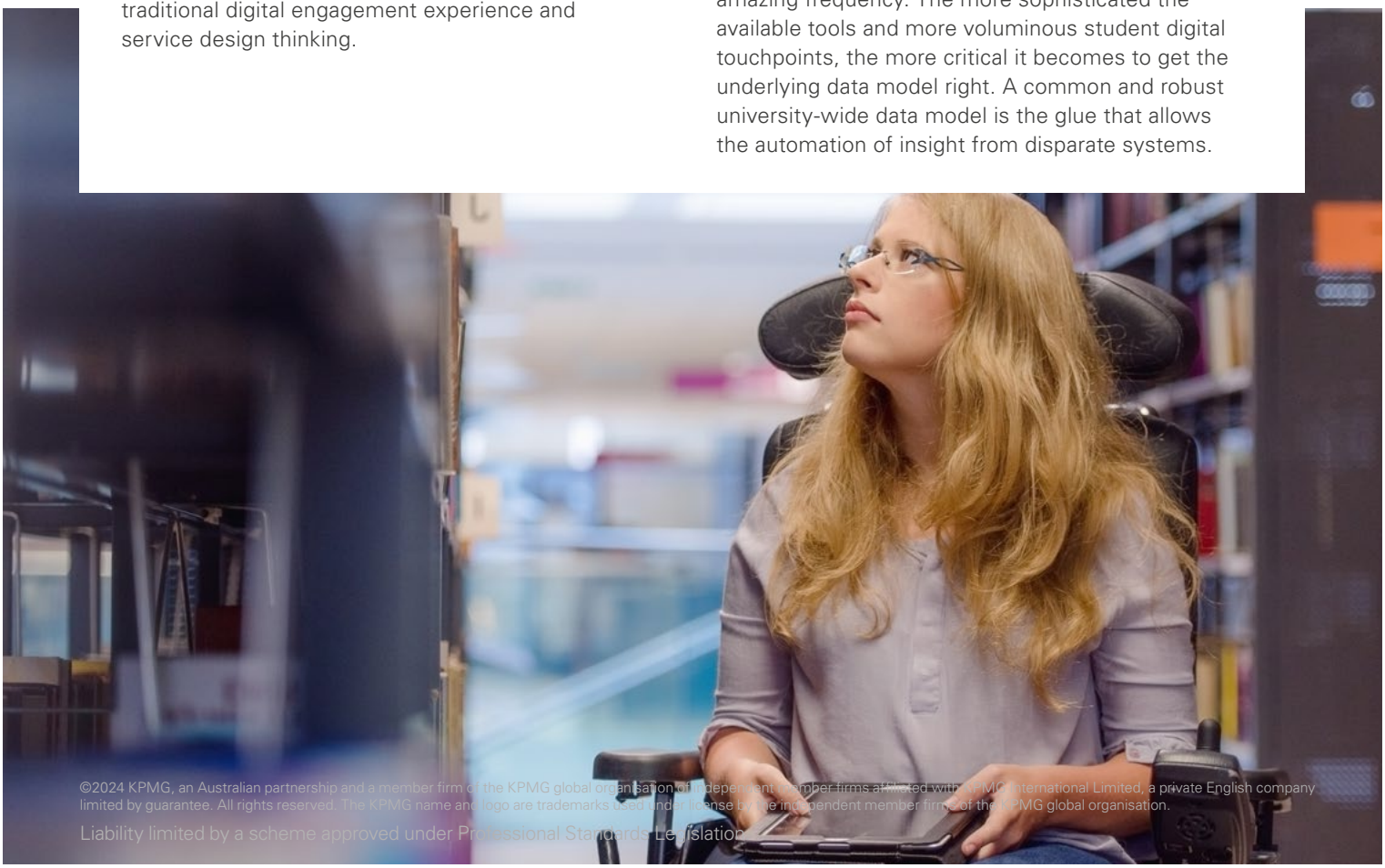
A university's core systems of student record are among the most important enterprise systems. They both house and drive the management of curriculum, students' course progression and study plans, fees and regulatory reporting. Significant proportions of any university's business is therefore reliant on its Student Management Systems (SMSs).

The role of SMSs is evolving. With the emergence of engagement and insight platforms, the future of SMS will be characterised by real-time interoperability with other platforms.

Cloud computing offers unparalleled scalability, accessibility and security, making it an ideal solution for managing vast amounts of student information. By migrating student management to the cloud, universities can eliminate the need for on-premises hardware and infrastructure, reducing costs and enhancing flexibility. Moreover, cloud-based student management platforms preclude the custom and bespoke development that has traditionally taken place in on-premises systems, thereby driving out support and maintenance costs.

Systems of insight

The market for systems of insight is rapidly becoming more sophisticated. New platforms and approaches, often powered by AI, are becoming available with amazing frequency. The more sophisticated the available tools and more voluminous student digital touchpoints, the more critical it becomes to get the underlying data model right. A common and robust university-wide data model is the glue that allows the automation of insight from disparate systems.



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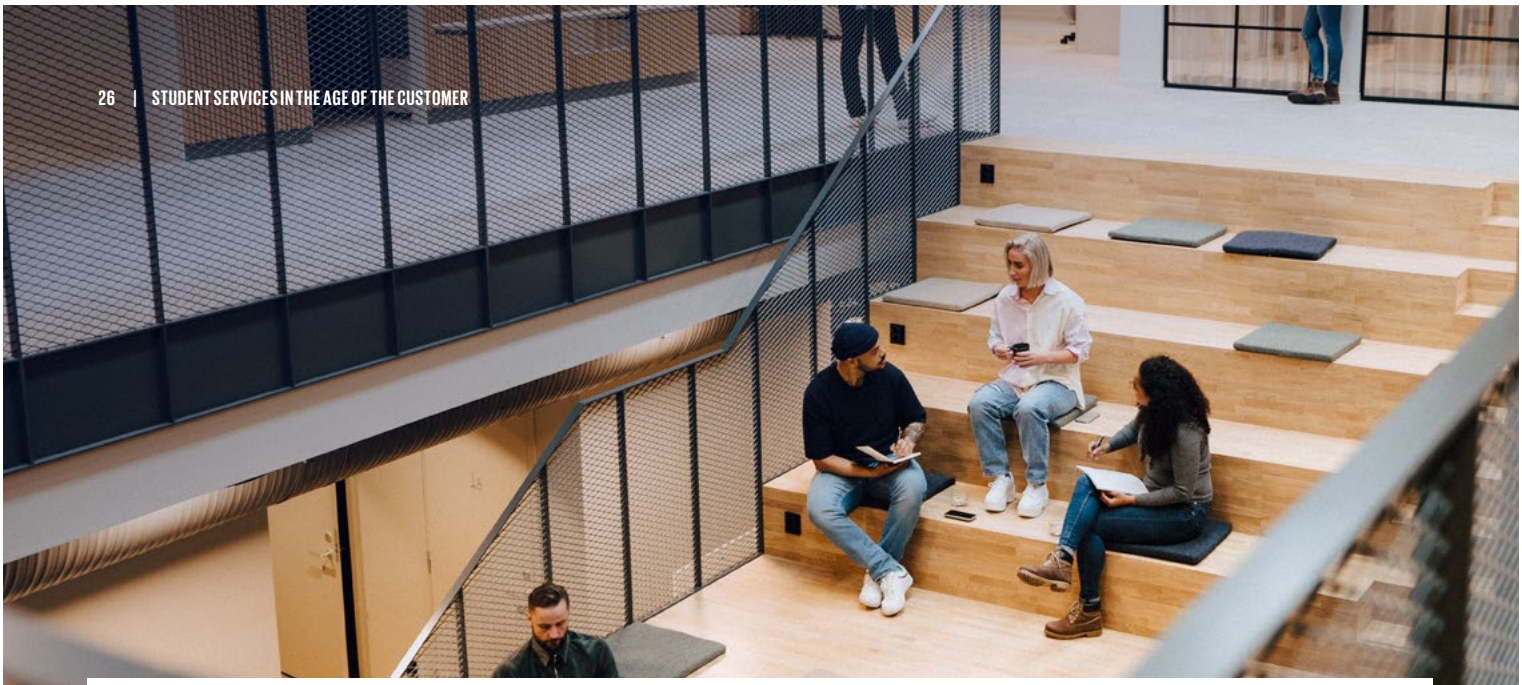

04 Insight-poor **Insight-rich**

'We now have more data on student behaviour than we've ever had before via students' digital footprint, but higher education has never achieved a true and dynamic 360-degree view of students to underpin student-centric decision-making. In the future I want to see greater digital convergence to gather insights across systems and a seamless digital-human interface to ensure human interaction is maintained in the right places.'

DR OMER YEZDANI
Chief Data Officer
University of the Sunshine Coast

Governments', university executives' and students' appetite for greater insight is seemingly insatiable. While institutions and governments are increasingly interested in how well students are supported, students themselves are seeking to understand their options and pathways at deeper levels. This can only be achieved through intentional design and operational orchestration that creates trusted data.

Many interviewees expressed significant blind spots on how students' service experience is impacting their overall SX and satisfaction.

Data interoperability is needed alongside systems interoperability to inform decisions across the student lifecycle in ways that drive better understandings of students' LX, PX and CX, how they are related and impact each other. The inability to link internal real-time and near-time data, that should be at least partially predictive of lagging satisfaction measures such as QILT, was cited as a perennial challenge. As universities' business models become more complex with more extensive delivery partnerships (via arrangements such as transnational education, joint ventures, and Online Program Management (OPM) providers), visibility into students' CX becomes more and more opaque.

While many interviewees were able to articulate their views on the CX wants and needs of student cohorts, these statements were expressed at such aggregate levels as to be almost meaningless with reference to any individual student.

Students' appetite for data and insight is also significant and growing all the time. One of the most common pain points we hear from students is the lack of directive course advice that helps them make more informed decisions about which units to take and how particular unit combinations help or hinder on-time completion and job prospects. The university that can get the right data to students at the right time across student recruitment and retention will see significant strategic advantage. Today's students are baffled by the complexity of their course rules and cannot see why their university does not provide 'you may also like' recommendations across courseware in the same way Netflix does.

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‘I worry about how we capture the changing dynamics that students experience. The way in which students are engaged with university (across campuses, other students, systems, etc.) is changing. There has been so much pivoting in student experience that we have not been entirely able to keep up or understand the new trend line. It is a sector-wide challenge. The new normal is still emerging.

We need better predictive capabilities. I want us to take a bolder step in that direction, where every interaction between the student and the university is a data touchpoint. We should bring these data points together and use them to improve our decision-making.’

PROFESSOR ZLATKO SKRBIS
Vice-Chancellor and President
Australian Catholic University

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'We need better data to understand how well our course design in particular disciplines is working for students, depending on their equity status or caring responsibilities, for example. I want to better understand how their support needs and administrative experience interact. I want an end-to-end view of the student.'

PROFESSOR JESSICA VANDERLELIE
Deputy Vice-Chancellor (Academic)
La Trobe University

Institutions that have robust student advising models report that data insights are absolutely crucial to the success of those models.[37] Leveraging student success predictive analytics will become increasingly important; universities will be required to provide more effective support to growing cohorts of equity students as we seek to further widen participation in years to come.

As one interviewee put it, student services and SMSs can be so much more than administrative. They can drive more than income and reporting. They should be used to provide deeper insights into and improvement of SX across the whole student lifecycle – from recruitment and students' first tertiary course through to supporting success in all subsequent tertiary courses over students' lifetimes. The shift to this mindset is substantial and necessitates more effective partnering not only with students, but also across institutions and with vendors and service providers.

Contemporary best practice: data management

Modern CX is impossible to achieve without deep insight and the willingness to take action. Trusted data is at the heart of insight creation. The critical elements that must be in play include:

- A data strategy that articulates what is needed to ensure institutional data can be trusted, and captures the value and uses of data across the university.
- An investment roadmap that links data enhancements to the sequenced investments in other parts of the operating model to achieve any necessary uplifts.
- Data governance that provides oversight to the collection, management and use of data across its whole lifecycle and enables trusted data through the allocation of data ownership accountabilities.
- Clear universal data models that create consistent definitions and meaning across the data ontology.
- Fit-for-purpose technical infrastructure to enable cost-effective data management (including warehouses, lakes and master data management tools sized to organisational need).
- Widespread data literacy that facilitates broad use of data in decision-making.
- Easily accessible data visualisation tools to drive the creation of insights.
- A culture of evidence-based decision-making.

Working together, these elements create a virtuous cycle of insight and action and create the platform for the effective use of AI.

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05 Fragmented → **Partnered**

Effective orchestration across any operating model cannot occur without highly effective partnering. In the case of student services, partnering uplift is needed with students, across institutions and with external service and technology providers. Many interviewees also felt the need for greater partnering between institutions in various aspects of student service.

Partnering with students

While a formalised Students as Partners model is now established in many institutions, it has not yet penetrated the design and delivery of student CX to any significant degree. Student service functions have a range of mechanisms to engage students (from occasional focus groups, using students in new technology user acceptance testing, to employing them as service agents). However, there is a strong case to build this further, leveraging the strengths of the Students as Partners model to ensure that the complex interplay between students' disciplines, course types, personal circumstances, learning styles and wellbeing can be adequately managed. In such a model, students should actively participate in service design and quality assurance, expediting the institution's understanding of where to point its improvement efforts. Students will readily be able to articulate whether a digital credential on their phone to access all university services and infrastructure is more or less important than shortened queues in the service centre or better quality course advice.

Partnering across the institution

'You can have the best technology in the world, but if you don't have wrap arounds to support students, the experience will not be great. You need both for students to have a good experience. The collective culture of student success is important. Academic and professional staff need to work together to achieve this.'

ANNIKA DANIELSSON
Senior Director Student Experience and Management
Flinders University

The single most common student complaint we see in student CX projects is inconsistent service. This can manifest as unpredictable response times or even contradictory responses to the same request.

The shift to a service-led model depends on a university-wide commitment to a consistent service culture and the build of key skill sets. This often requires new ways of working across the whole institution and judicious investment in the development of staff to grow organisational alignment to the skills and mindsets of a service culture.

This is not a small shift, and it will not occur without executive focus, but it may well be the most critical lever to pull in the creation of modern student services. In service-oriented models, organisational structures are likely to be flatter with greater flexibility in role design and operational deployment. Decisions are made at the lowest possible point in the organisation at the location closest to the customer; the professional workforce of student services operates as one, regardless of the organisational design from which the particular institution works.

A service-led model also depends on an uplift in various skill sets. It should be anchored in a strong employee value proposition of a culture of energy and innovation, where colleagues grow their skills and have real impact on students and each other.

Based on human centred design which seeks to put the student in the middle of the institution's thinking, it includes the ability to weave the golden thread between experience, service and technology design, and implementation. It relies heavily on strong people capability, business process and service performance analysis and design, as well as technology architecture and implementation. The enduring human capabilities of leadership, communication, collaboration, critical thinking, curiosity and creativity are crucial to help teams build and adapt service-oriented ways of working. Organisations must understand the relative current state maturity of their capabilities in key functional domains compared with the gap to their desired future state. This understanding is the key to building effective partnering across those domains as it gives colleagues across the institution a similar developmental frame of reference. All of this adds up to an adaptive model that can change alongside the needs and expectations of students and the institution as a whole.

'Capability and talent development in student services are challenges across the sector.'

TERESA TJIA
CEO
Victorian Tertiary Admissions Centre

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Partnering beyond the institution

TECHNOLOGY VENDORS

Universities are becoming increasingly porous places, with the demands of research translation, work-integrated learning and community engagement requiring more mature management of external relationships. The student service ecosystem also requires great partnering beyond the university gate, especially as more and more external entities contribute to the operations of the ecosystem. Technology vendors are critical partners, with whom relationships are both expanding (as more digital tools become available) and becoming deeper (as cloud computing increases and vendors become more active in daily operations). Successful partnerships are built on trust and mutual creation of value.

Many institutions rate their relationships with major student management technology vendors as weak. Where this is the case, there is a strong incentive to consider vendor management best practices to determine how best to ensure mutual value is maximised. This includes considering alternative commercial models that see co-investment in innovation. As an institution considers big shifts in its technology stack, creative go-to-market strategies could be used to incentivise multiple major vendors to work together. In particular, there is a strong case to ask vendors across SMS, CRM and broader systems of engagement and insight to provide the institution with a sense of how they can work together to create a seamless ecosystem.

COLLECTIVE ACTION

'Our greatest strength is that we all face the same challenges. Our greatest weakness is that we are not prepared to solve them collectively.'

NEVILLE HISCOX
Chief Student Services Officer
Curtin University

'Shared services – by the sector for the sector – could help to free up financial resources, take the pressure off both professional and academic staff, and create the means to grow people resources.'

TERESA TJIA
CEO
Victorian Tertiary Admissions Centre

The case for greater innovation in student services is clear and was universally nominated as a real challenge for the sector by interviewees. Many of the conversations leading to this paper also underscored that just doing more of the same will not create the conditions needed to drive that innovation – the constraints are too great. The most obvious of these is cost. Many institutions just will not be able to get there on their own.

Many interviewees called out the obvious case for solving the challenges in student services, collectively arguing that the combined power of multiple institutions could create both more effective and efficient offerings. Historically, the sector has experienced success in doing so, in the creation of Callista and My eQuals, for example. There are many aspects of the student service ecosystem that could be jointly constructed and managed. A key criterion for consideration of joint action is, of course, an absence of competitive advantage in individual action.

Almost all of those who raised the obvious case for shared services also articulated numerous reasons as to why it could not possibly happen. Sector-wide collaboration is not easy, and investment of time, effort and money would be needed to get shared services operating effectively. The obvious advantage would be the opportunity to build modern service provision from scratch, unencumbered by legacy technologies and ways of working. A greenfields approach would allow for optimal and harmonised choices to be made across governance, service delivery, people, process, technology and data. The most golden of threads could be spun by delivering distinctly better experiences for students and staff at less overall cost.

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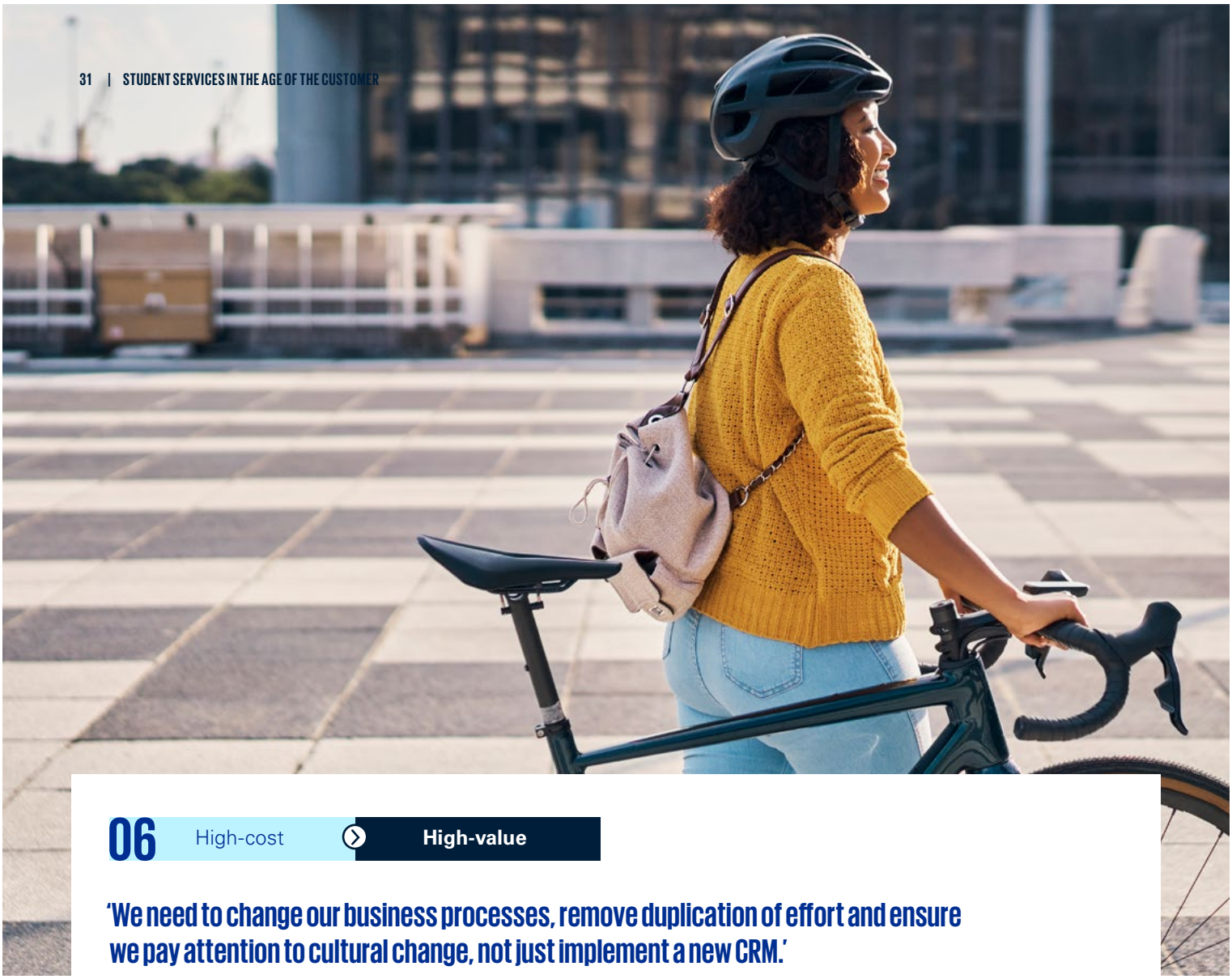

06 High-cost **High-value**

'We need to change our business processes, remove duplication of effort and ensure we pay attention to cultural change, not just implement a new CRM.'

PROFESSOR GRADY VENVILLE
Deputy Vice-Chancellor (Academic)
The Australian National University

In an environment that is VUCA and cost-constrained, it is often difficult to secure the investment needed to drive out cost and create capacity for higher-value services. Yet, as we discovered in the interviews for this paper, there's a very compelling case to do so.

Substantial improvement does not only depend on big bang investment. It also depends on a coherent multi-year plan and roadmap.

Investment made on the basis of a well thought-out and agreed-upon vision, business case and roadmap is crucial to the creation of great student CX. The design must be intentional and orchestrated. Best practice business cases and roadmaps are visionary and pragmatic. They are forward-looking, shaping coherent, consistent investment over many years, mediated through agreed-upon, stable design principles and managed via robust governance as a portfolio of activities.

The constituent programs or projects are business-led and incorporate harmonised reform across governance, service delivery, people, process, technology and data. They also calibrate ambition to a realistic understanding of what the university can deliver within an individual program's time frame or budget. The single most important aspect of program planning is a clearly defined scope that defines the extent of business and technology transformation that's either delivered by the program or enabled by it downstream.

Achieving this is not easy. The diversity of opinion among university stakeholders is legendary, and much of the work that is needed in student service is neither visible nor generating immediate return on investment. Significant collaboration and persistence are needed to build a stable roadmap that makes best use of the resources available.

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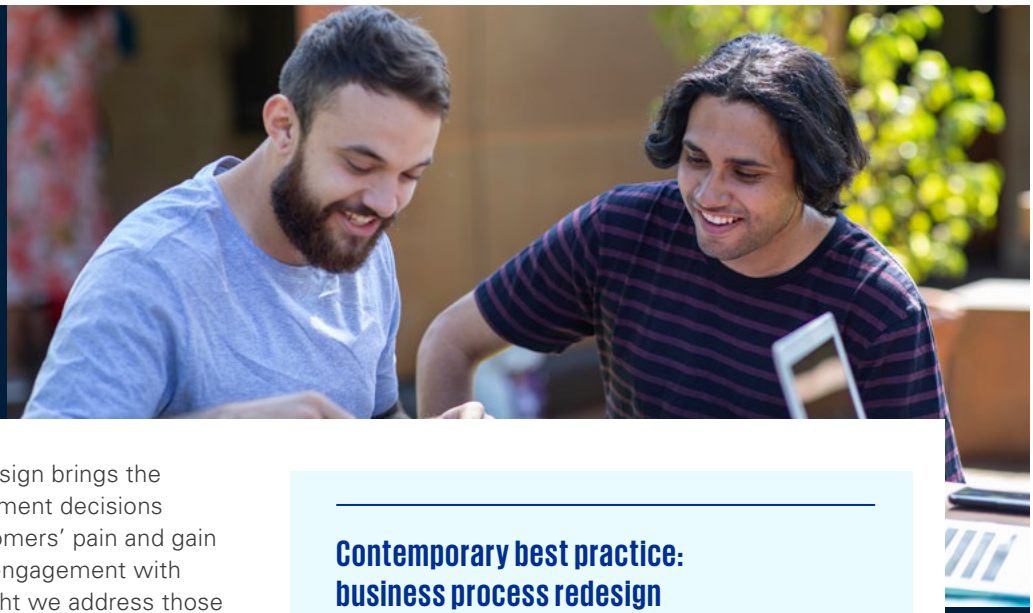

The power of human-centred design brings the customer to the centre of investment decisions through deeply listening to customers' pain and gain points. It involves collaborative engagement with the powerful question: How might we address those customer needs? Once the full suite of potential initiatives is determined, scoping and prioritisation is needed to build an affordable and practical roadmap. This work is best supported by the application of the human-centered design principles of desirable, feasible and viable.

- The pillars of the institution's SX strategy, SX and EmpX future state design that recognise the needs of increasingly diverse, digital, discerning, demanding and debt-averse students as well as the VUCA environment in which employees and the university operate can be used to test the relative desirability of each initiative.
- Intentional future state service design that takes into account the six big shifts alongside a programmatic understanding of the university's capacity and capability for reform can be used to frame the relative feasibility of each initiative.
- A realistic understanding of the availability of, and return on, required investment can be used to test the relative viability of each initiative and thereby create a roadmap that sets an achievable pace of reform. Being pragmatic is key in achieving the transformation that will make the golden thread visible throughout your student service strategic initiatives and operations.

'We need to avail ourselves of more AI to get better at automating routine tasks in our processes. All universities are actively engaged in this space. Many of us have used AI to sift through international student applications to find the not-genuine entrants. The sector is being forced to innovate.'

PROFESSOR ZLATKO SKRBIS
Vice-Chancellor and President
Australian Catholic University

Contemporary best practice: business process redesign

Business process standardisation and simplification is an excellent mechanism for reducing complexity in student services. Business process redesign allows the institution to ask if the particular process could be:

- Simplified and codified to enable more student self-service and automation.
- Streamlined with less steps and decision points.
- Standardised to drive better consistency.
- Consolidated to facilitate faster and more cost-effective resolution.

The perfect case of business process reform opportunity is Special Consideration. All too often students seeking Special Consideration across multiple units due to the same illness have to make multiple applications and receive different outcomes on different timelines, sometimes after the piece of assessment was due.

The most effective business process redesign will cut through complexity by creating a business rules engine that supports the automation of outcomes for standard cases. The work in doing so is reaching agreement across the institution on what can be standardised. For Special Consideration this would require the codification of assessment types and accommodations against students' consideration cases. It would also require a willingness among discipline areas to agree to that codification and to let go of the decision. Alongside a robust exceptions process, a reimagined Special Consideration process could save significant time, effort and expense across institutions, and significant stress could be alleviated for students. High levels of partnership and trust across the institution are required to drive such process redesign.

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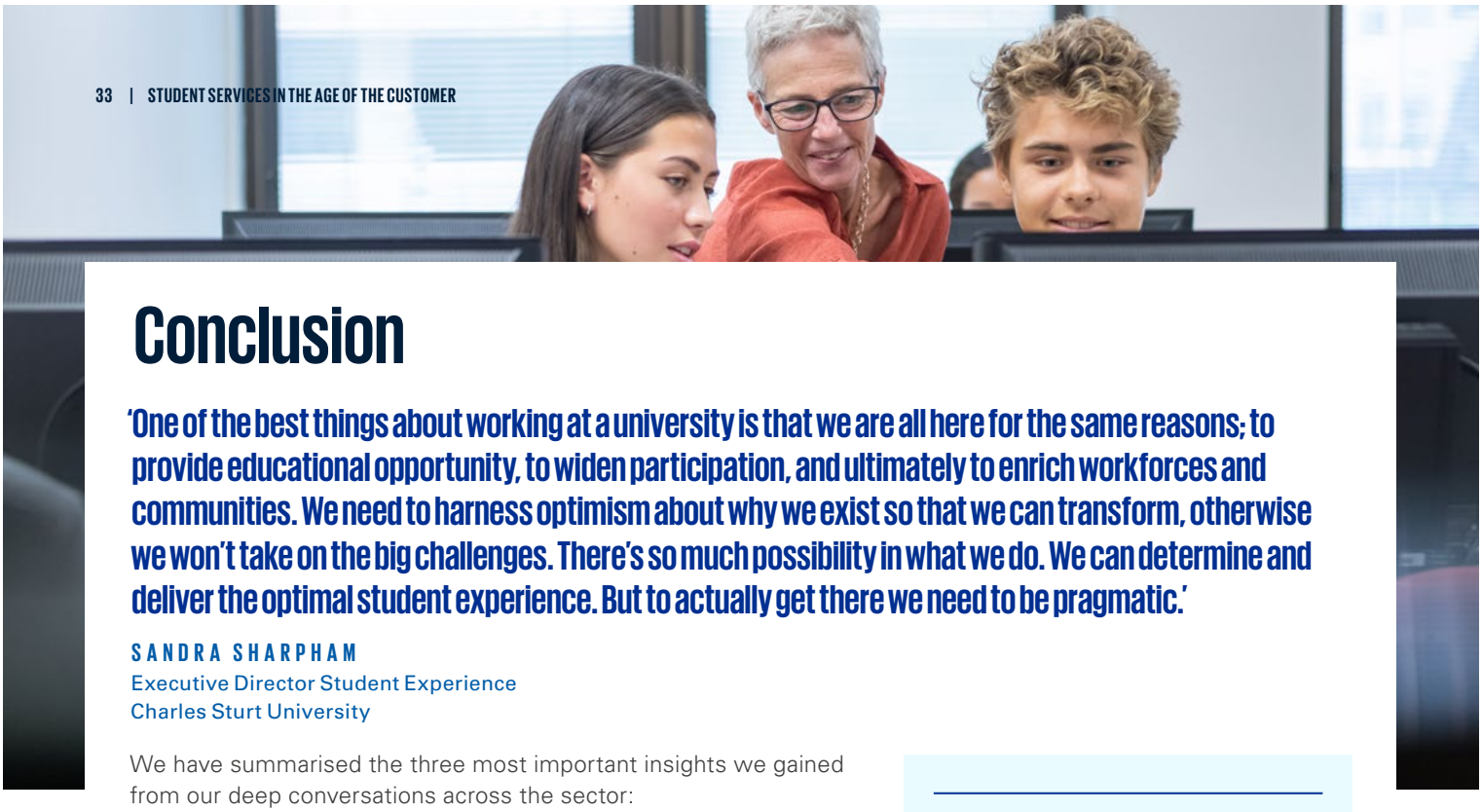

Conclusion

'One of the best things about working at a university is that we are all here for the same reasons; to provide educational opportunity, to widen participation, and ultimately to enrich workforces and communities. We need to harness optimism about why we exist so that we can transform, otherwise we won't take on the big challenges. There's so much possibility in what we do. We can determine and deliver the optimal student experience. But to actually get there we need to be pragmatic.'

SANDRA SHARPHAM
Executive Director Student Experience
Charles Sturt University

We have summarised the three most important insights we gained from our deep conversations across the sector:

01 There's much to be done to modernise student services. We identified six big shifts necessary to drive the reform that will meet students' evolving needs.

02 There's a highly compelling and increasingly urgent strategic, academic and business case to do so.

- Students and their expectations are changing faster than ever.
- The sector cannot afford to keep admiring this problem without taking action, both institutionally, and collectively.
- The time for action is now, before the disruptive and competitive pressures impacting universities undermine their business models.

03 It is time for universities to get unstuck and stop telling themselves that the reform needed to deliver better student service is beyond their wit. It is not. Strategic alignment and attention to these challenges is all that is needed to make a substantial difference.

There are also significant reasons to be optimistic that the sector is ready to take on the necessary change:

- A body of dedicated leaders who recognise the challenge and have a strong sense of what needs to shift.
- The availability of contemporary best practice tools and approaches to accelerate the journey to modernised student services.

THE GOLDEN THREAD

The uplift of student services depends on weaving a golden thread through experience, service and technology design and implementation to ultimately drive student satisfaction and success.

How can institutions accelerate their journey in doing so?

1. Understand your students as learners, people and customers.
2. Develop a SX strategy that meets students' needs.
3. Design your target SX and EmpX to deliver to that strategy.
4. Create a service-led operating model, with clear design principles to enact your target experiences.
5. Build the strategic, academic and business case and roadmap for appropriate investment.
6. Build the necessary infrastructure to successfully execute a coherent program of reform.

HOW CAN WE HELP

KPMG's higher education practice is deeply invested in student success and we believe that modernised student services are crucial for the long-term health of the sector. We produced this paper in collaboration with sector leaders to open up the conversation about how best to drive reform.

We have also invested in the creation of a suite of bespoke modernised student service accelerators based on contemporary best practice. We can help you to design your SX strategy, as well as the target experiences, services and technologies to realise that strategy.

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Many colleagues have contributed to the creation of this paper. Our warmest thanks goes to those who participated in interviews and shared their insights.

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