Higher Ed Call Center Outsourcing?

Why do I need it?
What is it?
Does it matter?
How do I evaluate a Vendor?
What can outsourcing bring to my institution?
Why Outsource

There is a Service Dilemma in Higher Ed Today!

- Shrinking Resources – Budget/Space/Staff
- Growing Demand from Students
- Complexity – Federal/State Regulatory Compliance
- Technology and Student Social Media Distraction
Why Service Matters

Recent Higher Ed study * findings:

- 84% of ALL attrition tied to service reasons
- 30% of the time, primary reason = school’s perceived apathy
- 2nd major reason? Dissatisfaction with treatment by school:
  - “All they seemed to care about was me paying on time.”

* Neal A. Raisman, PhD, The 84% Solution, University Business, May 2012
Cost of Poor Service

- Brand/image damage = Declining admissions and Lower Retention
- Lower retention = Lower Revenue
- Replacing Students = Duplicating Cost
- Processing delays
- Poor staff utilization/morale
Are Phone Calls the Right Place to Start?

Don’t think of it as a phone issue!!

- Calls are the majority of attempted student contacts
- Calls are where the majority of problems are represented and can be identified
- Addressing call issues will illuminate areas that need the most attention and can lead to processing improvements
- Addressing calls can help multiple offices
- Identifying call reasons is the first step in pointing students to other communication modalities
You recognize the problem, what is the solution?

In House – DIY

Vs.

Outsourced
Outsourcing Decision Factors

– Financial
  • Cost to handle in-house vs. outsource?

– Human Resources
  • Do you have staffing and training resources?

– Technical Resources
  • Telephony and IT infrastructure?

– Physical Space
  • Is this really the best use of space?

– Service Quality
  • Can you really do it better?

– One or Multiple Departments
  • One-stop-shop? Can other departments benefit?
CMD - Best Practices in Outsourcing

How to evaluate call center vendors.
Things to consider in evaluating a Vendor

- Is having a call center the most important factor? No!
- Higher Ed Experience? What Type?: Verification, Loans, IT, Servicing, is not helpful
- Look for Specific References: They should match up very closely to what you are looking for, should be at least 5
- Schools are different, should have experience with different types, i.e. 4 yr., 2yr., Private, etc.
- Size and core business?
- What is their approach to working with a school, i.e., customer service, pricing, daily interaction with school, overall goals and success factors?
Other Basic Factors to Consider

Best Practice Considerations:

• Implementation Plan
• SIS Experience: Banner, PeopleSoft, etc.
  • Other Systems Experience: Bursar, CRM, etc.
• Service Level Excellence:
  • 90% Answer Rates
  • 90% First Call Resolution
• Quality Assurance and Training
• Knowledgebase
What will Define Success?

It’s not just answering calls!!!

• Service levels and student satisfaction go up
• Overall cost go down
• Clear understanding of what student issues are and the volume associated with them
• Alternative and cheaper methods of communicating with students
• A customer service infrastructure that provides ownership of the student across multiple offices
CMD Approach

• Partnership
• Best practice metrics of other schools
• Service level excellence
• A multi-departmental support structure that helps take ownership of the student experience
• A multi-channel structure
• Ultimate success of the project will result in a lower call volume and cost to the school
The Common Approach

- Walk ups
- Phone
- School Portal
The CMD Approach

Outbound Communications throughout the year

- Walk ups
- Phone
- Chat
- Video
- eMessaging
- Online Knowledgebase
- Student Portal
Communication Mix Will Impact Cost

Current Inquiry Distribution

- 100% Calls
- Cost: $250,000

Future Inquiry Distribution

- 75% Calls
- 5% outbound
- 15% Chat
- 5% Chat
- Cost: $220,000

2013 CASFAA Conference
Where Do You Start?

• You Have to Have the Data and Metrics to Identify and Address the Problems
• Call Reasons + Call Volume = Solutions
• Detailed Activity Documentation and Reporting are key!
Understanding and Documenting the Issues – Activity Tracking

Identify and Report on where student inquiries originate within the enrollment process.

- Admissions
- FAFSA
- Verification
- Awards
- Disbursement
- Billing
- Registrar
# Activity Tracking - FAFSA

## Call Category Report - Example Month

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<tr>
<th>FAFSA</th>
<th>Calls</th>
<th>Percentage</th>
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<td>FAFSA</td>
<td>45</td>
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<tr>
<td>FAFSA Errors</td>
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<td>Pin / Signature</td>
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<td>SAP</td>
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<td>Admissions status</td>
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<td>Pell LEU</td>
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<td>UEH</td>
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<tr>
<td>Loan Eligibility / Agg limits</td>
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<tr>
<td>Loan Discharge</td>
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<td>Over payment resolution</td>
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<td><strong>Totals</strong></td>
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## Activity Tracking – Verification

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<td>Verification documents</td>
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<td>Dependency Override</td>
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<td><strong>Totals</strong></td>
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<td>Awards</td>
<td>Calls</td>
<td>Percentage</td>
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<td>Disbursement</td>
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<td>MPN / EC / Loan application</td>
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<td><strong>Totals</strong></td>
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## Activity Tracking – Billing

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<td>Balance inquiries</td>
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<td>Payment options</td>
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<td>Tuition fees and housing</td>
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<td>Holds</td>
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<td>Collections</td>
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<td>Drop or withdrawal</td>
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<td><strong>Totals</strong></td>
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## Call Volume Tracking

**Sample University**

### Sample Day by Hour Auto-Email Report

#### Queue by Hour Daily Report

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<th>Total Calls Ans'd</th>
<th>Ans by 1st</th>
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<th>Ans by 3rd</th>
<th>Ans by 4th</th>
<th>TTA Avg Secs</th>
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</tbody>
</table>

*Real data but the client name has been removed in accordance with confidentiality requirements.*

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2013 CASFAA Conference

729 E. Pratt Street, Suite 700 Baltimore, MD 21202
Phone: 888-817-7575  Website: www.cmdosi.com
Shared Knowledgebase

• Stores all information related to supporting a particular department(s)
• Accessible by CMD & School staff
• School FAQ’s easily accessed on landing page
• Information structured to mirror processing
• Easy search functionality
• Hosts imbedded files (PDF) forms
• Links to expanded answers & Banner screen names
• School and vendor answer consistency
Example of Tax Transcript

- Definition
- Process
- Timing
- Calendar

CMDESC - Verification - Tax transcripts

Calendar: Fall Spring Summer

What is: Tax transcript

Tax return transcript shows most line items from your tax return (Form 1040, 1040A or 1040EZ) as it was originally filed, including any accompanying forms and schedules. A picture of what the transcript looks like is below. A tax transcript can only be obtained after an individual has completed filing taxes with the IRS.
How to CMD: Tax transcript

How does CMD identify if a tax transcript is needed?

Go to the "missing documents" (RRAAREQ) screen in Banner. The tax transcript will be listed as PIRSXX (Parent) or SIRSXX (Student).
How to Student: Tax transcript

• How does the student obtain a tax transcript?

Only after a student has filed taxes with the IRS can a transcript be obtained. Transcripts cannot be confirmed until the IRS has processed the information. The IRS should first be received by the student and then sent to the school. There are four ways to obtain a transcript, but a student should always first be directed to use the IRS DRT tool on FAFSA, to eliminate the need of the tax transcript. If a student does not qualify to use the IRS DRT, then they should request a tax transcript online or visit their local ITS office.

Online: Go to www.irs.gov. On the right hand side under tools choose “order a return or account transcript”. On the next screen under step three choose to order a transcript. Fill out the requested information. Tax transcripts can ONLY be MAILED! The address entered on the site is the address the tax transcript will be sent to.

Phone: Call 1-800-908-9946

Mail request: Complete form 4056T and mail it or fax it to: RAIVS Team Stop 6705 P-6 Kansas City, MO 64999

In person: visit your local IRS office.

Processing time: Tax transcripts

The IRS states it will 5-10 days to receive a tax transcript once ordered. Note this is to receive the transcript. The normal verification processing time is in addition to this.
Why Consider Outsourcing

• More Productive Investment
• Mitigate Staffing and Training Cost
• Accelerate Administrative Processing
• Improve Student Service/Retention
• Access Current Technology
• Transform Customer Service into an Asset
Contact Info:

David Cooper
SVP – Sales
CMD Outsourcing Solutions, Inc.
dcooper@cmdosi.com
888-817-7575 x254
www.cmdosi.com