

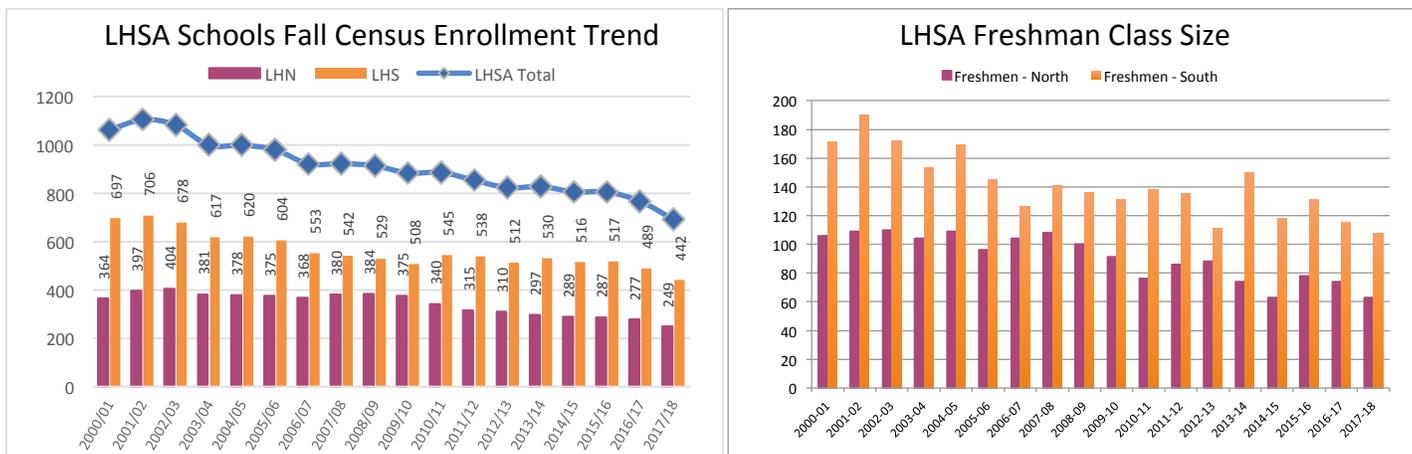
# Applied Project: IMPLEMENTING STRATEGIC ENROLLMENT MANAGEMENT

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### The Problem

Enrollments and new admits have been dropping off steadily at both of our high schools since peaking around 2001. Retention has remained relatively stable and strong for our type of schools (mid 90% range). Thus, it is the admission results that have resulted in the steady declines.



This alarming trend drove me to establish reversing this as a key priority in my first year. During this year our Trustees adopted a new strategic plan that establishes the long-term priority of creating a high performing enrollment management function for our schools:

*STRATEGIC PRIORITY FOUR - Integrated, highly relational, best practice enrollment management processes that sustain desired capacity levels at each school of students with a strong institutional fit and passion for our mission and ministry and that drives increasing demand.*

The other strategic priorities address supporting issues impacting our school brands and enrollment but the restoration of stable and viable levels of enrollment is the overarching immediate need.

In prior years, our admission work was organizationally tied to each school. In the 1990's and earlier this fell mostly on the shoulders of the school administration, meaning the Principal and often the assignment of admission responsibility to an Assistant Principal. The schools had transitioned to a dedicated Admissions Director position reporting to the school Principal and in recent years part-time administrative support was provided. In the last decade, the central school office identified and addressed the need for dedicated internal marketing support, resulting in a director level position and additional part-time supporting positions being added. In the 2012-13

school year, GraceWorks ministries was engaged to work with our schools to address declining enrollments and the internal Director of Marketing was assigned increased responsibilities to help support and drive enrollments. An aggressive drive for an international student boarding program began at the same time, somewhat slowing the decline in total enrollment before crashing in 2016.

### **The Solution**

Assessment of the situation demonstrated that several responses were needed to begin to turn around admissions at each school: organizational, processes, financial assistance. This project sought to address each of these in meaningful ways to have immediate impact and then chart a course of steady improvements to reach our desired goals.

**Organizational Changes:** A new enrollment management organization was established this year within our main school administrative office to provide increased coordination, training, oversight and professional expertise in support of enrollment planning and activities. A seasoned professional now leads this organization as Director of Enrollment Management with the Admissions Director from each school and the Coordinator over our international student recruitment and program reporting directly to this new position. A second position was created within this organization to centrally administer our financial assistance programs.

The principal of each school is still a critical player in supporting the admissions and enrollment processes. They oversee the appeal process related to admissions for students that fail to satisfy any of the admissions criteria. They continue to offer an educational consultation with every prospective family and also direct school resources to support activities and events related to admissions. They provide leadership for establishing any specific admissions needs or goals such as diversity, program interest or other variables that help shape the recruitment efforts of the admissions group.

**Process Improvements:** It was clear that we needed to improve our process flow, align the two school processes, and provide tools for tracking candidates through this process that support goal setting and management at more granular levels such as by week, type, source and other variables. This was done by fully developing and implementing the process flow checklist tool that is available in the onCampus (offered by Blackbaud) information system just adopted the year prior.

This work helped us standardize the admission process into a series of milestones and critical decision points between the schools and allowed greatly improved monitoring of the admission process through the onCampus system.

This new process flow now included a clear decision point for offering admission. Previously, we didn't have a clear set of admission criteria established so these were largely qualitative decisions at the school level. We developed a three dimensional matrix scoring rubric that combined 6<sup>th</sup> through 8<sup>th</sup> grade cumulative adjusted gpa, standardized assessment test scores (currently including Missouri-MAP, Iowa Basic Skills, Stanford-10 and the High School Placement Test), and a qualitative/observational measure of 21st century learning skills, self-directedness, and "grit" based in part on Dr. Duckworth's definitions and grit assessment. Within these three dimensions we established a score from 0 to 100 assigned to each cell in what ended up an 11 (assessment test results) x 13 (gpa) x 5 ("grit" score) matrix. Cutoff scores were then set for the standard admissions criteria, the lower bound of a new probationary admit status and the five levels of merit that were to be used in the new comprehensive financial assistance model, described in the next section.

An admissions funnel report was created that collected current, cumulative, goal and prior year data for each of the major steps in our process. Numeric and graphical data from the checklist process was made available live in the onCampus system but the Funnel report was produced and distributed weekly to monitor our process and the associated conversion rates between each critical milestone against established targets.

Finally, we needed training for our staff on how we market, recruit and work through the admission process. Jim McKenzie, from The Rock School in Florida, was brought in to provide this training and to give an assessment of our current process and practices for each school.

**Financial Assistance Program Improvements:** We transitioned to a new comprehensive process to award all forms of financial assistance to better focus these resources as a strategic recruitment tool. Previously, the awarding was done at different times by different offices and was thus uncoordinated. In the new process, the allocating of awards is done as a single coordinated

process based upon a net-tuition approach that seeks to manage the filling of available seats (without overfilling) in balance with generating the most net tuition revenue to fund our budgets.

This change was perhaps the most difficult part of our enrollment management enhancement projects. There are three significant mental transitions that were required in this transition. First, seats are a resource to maximize, recognizing that there is an upper limit but enrollments alone are not the ultimate goal. A school can succeed or fail to fund its budget with the same enrollment level. Second, financial assistance (through need-based aid, scholarships and grants/discounts) are a strategic resource to drive and shape enrollment. Third, the net tuition generated is the only variable that ultimately matters since that figure funds over 90% of our budget. This model focuses completely on meeting target net tuition revenue goals and filling seats up to our target goal (or capacity that won't require significant changes in resources, e.g. new rooms or faculty). The following are “truths” we came to recognize in this new model:

- There is no longer a set budget for financial aid. Financial aid is no longer a limited budget resource to be managed like a budget or fund account.
- The variable costs to each seat are minimal up to the limit where additional capital or human resources are needed to service the added student(s). That limit is currently set as our goal so that we can extend our ministry to the most students without radically impacting our costs.
- Every seat has the capacity to generate revenue; an empty seat generates no revenue. Some seats will generate more net tuition than others; we can't afford to fill our seats while not covering our needed revenue if we turn away students that could have filled seats at a higher per-seat revenue.
- Every student is unique but each one can be assigned to a cell based on merit/aptitude and need. Each cell will tend to have normal traits, which allows us to target certain types of students in a consistent way and shape enrollment through using the amount awarded strategically.

The reality of managing this model in a rolling admissions process is a tricky art. Both variables of available seats and net tuition need monitored in a dynamic, on-going process.

We evaluated our available grants and discounts in this transition as well. With the exception of the member discount specified in our By-laws, which is covered through congregational support from the Association member churches, all grant awards were accommodated within our new aid matrix and each had to serve a specific strategic marketing purpose. As a result, the multi-child discount was eliminated while other grant programs were modified. The faculty/staff discount is

stipulated in policy and so will be kept for the time being, but we also opened need-based financial awards to faculty and staff for the first time granting the higher of the two awards. Our goal is to phase out the standard discount as we increase our levels of need-based support over time.

The matrix model that we created divides academic merit/aptitude into five groups along one access and divides need into seven groups along the second axis. The merit distinctions accommodated the automatic application of our merit-based scholarship awards. Through data modeling, we then assigned target percentage of need to each cell in the matrix. A new assistance awarding workbook was created that applied the member discount or any eligible grants, automatic merit scholarships, and the applied need-based awards until the target percentage was reached, which included any available funded scholarships available.

### **Take-away Learning**

I have had experience transitioning my previous schools to net-tuition and matrix based aid strategies. However, each school is unique and doing this required deep knowledge of its practices, the trends and results based on prior data and the beliefs or philosophy about what the ideal student body would look like and why. Thus, through this process I was able to lead our school leaders to discovering these things for themselves and doing so for me in a way that might have otherwise taken several years to reach the same richness of understanding.

At its core, this project was a change management effort. I can already trace back most of the issues that we faced in the implementation of this project to failures in addressing the aspects of change management within the staff. Change management is an art and this experience has helped hone my own abilities to help manage people through significant change.

### **Results**

The financial aid model will remain a work in progress and will be adjusted annually based upon the data gathered from each new class, our changing needs, and the goals established for admissions. However, the initial model that was developed provided a framework that was easier to implement and clearly has been more equitable and uniform than the prior system. The goal for the first year was to grow enrollment while at least maintaining the same net tuition as prior years. It is

too early to state our results on this outcome but current data shows that we are close to this goal.

Our two schools responded differently to the new organization, the new centralized financial assistance model, and admission process changes. At our North school, which is smaller and has been struggling financially, there were fewer issues during the transition. North is currently experiencing the strongest new student admissions year of the past decade, nearly reaching its current freshman capacity and strategic goal for new students. South, on the other hand, has resisted the changes and refused to adopt the new strategies needed to support enrollment growth.

Unfortunately, it is currently experiencing what could likely be the worst new student admission in the history of the school. These issues were a large factor in the departure of the principal in February and then the releasing of the Admissions Director at the start of the summer.

Despite these mixed initial results, the benefits of these new strategies, processes and policies are clear. Improvements in the models will be made in the early fall based on evaluation of the data results and review of the processes. Additional training on recruitment, the process and team development will also be done before the next process begins in late September.