SUBJECT	**CUSTOMER RELATIONSHIP MANAGEMENT (CRM) SYSTEM FOR DOMESTIC AND INTERNATIONAL UNDERGRADUATE STUDENT RECRUITMENT**
MEETING DATE	**APRIL 14, 2016**
APPROVED FOR SUBMISSION	Forwarded to the Board of Governors on the Recommendation of the President *[signature]* Martha C. Piper, Interim President and Vice-Chancellor
DECISION REQUESTED	**IT IS HEREBY REQUESTED that** *the Finance Committee recommend that the Board of Governors grant BOARD 2 approval for a Customer Relationship Management (CRM) system for domestic and international undergraduate student recruitment, authorization for selection of a vendor solution, and a funding release of $265,000 to complete the RFP phase.*

Capital Budget Envelope		$3,500,000
Funding Release		**$265,000**

Information

Expenses to date	$200,000
Funding released to date	$250,000

Report Date	March 15, 2016
Presented By	Angela Redish, Provost and Vice-President Academic *pro tem* Cynthia Mathieson, Provost and Vice-Principal Academic, Okanagan Andrew Simpson, Vice-President Finance Kate Ross, Associate Vice President, Enrolment Services & Registrar Jennifer Burns, Chief Information Officer

EXECUTIVE SUMMARY

Context

The use of a **recruitment Customer Relationship Management (CRM)** system is crucial for UBC to maintain a competitive advantage to safeguard enrolment targets and to fulfil its commitment to diversity in the student body. UBC is seeking to replace the current low-end and dated CRM (ezRecruit) used by its international and domestic undergraduate recruitment and admission offices with a more robust solution. ezRecruit has limited functionality and is hampering the University's ability to attract and engage high-calibre prospective students who seek to enrol in a university of UBC's world-class standing and reputation. The climate for student recruitment is increasingly competitive with public post-secondary institutions, both domestically and internationally, facing budget pressures and changing student demographics and expectations. UBC is competing for students who are technologically savvy and who expect best-in-class recruitment activities and communications. To effectively engage the attention of outstanding prospective students from Canada and around the world requires a high level of technological sophistication. A new CRM will capture relevant information systematically, which will help the University to better respond to the changing needs of prospective students and to strategically market UBC's academic programs to a discerning student.

ezRecruit, implemented in 2007, has limited functionality and exposes the University to the potential risks of failing to meet enrolment targets (and attendant revenue goals), eroding the yield of excellent students, and losing out to competitor institutions across Canada and within the USA and other jurisdictions, many of which utilize robust systems. A vendor CRM solution will enable UBC to take advantage of an established technology while meeting the current and anticipated needs of students and staff. Because the capabilities of the current system have been exhausted we propose to replace ezRecruit with a more advanced commercial-off-the-shelf solution that will transition our recruitment application from a basic operational tool to an innovative, analytical CRM system combined with streamlined processes and enhanced engagement strategies.

Vision

The vision is to create highly effective, personalized interactions for prospective students that will introduce them to UBC's wide range of academic opportunities and enhance their engagement and affinity with UBC through the entire recruitment and admission process, and to use analytic capacity that will enable UBC's recruitment teams to mobilize their limited resources to maximum effect.

Progress to Date

In February 2015, the International Student Initiative (ISI) secured funding from the Provost's Office to commence an exploratory project and issue a Request for Information (RFI) to identify vendors and products suitable for a higher-education student recruitment CRM. The RFI process provided important information that led to refinement of the requirements needed to properly evaluate competitive products and provided a basis for a preliminary budget envelope. The Request for Information (RFI) Phase was closed without the selection of a vendor because the costs were more than anticipated and there was no clear winner. Several vendors did not respond to the RFI, perhaps because of the FIPPA 30.1 requirement that public bodies store and access personal information in Canada. A full, competitive, properly constructed RFP is needed to ensure that we have the full range of options to evaluate.

The RFI showed that technology and licensing is only one component. To achieve the desired outcomes, we need to ensure that our business practices are well understood and that we allow time to develop new processes and provide training. Adoption, sustainment, process reengineering and change management are the other critical components of this initiative. We anticipate this area to be a significant portion of the overall costs.

In September 2015, a second phase of the project was launched to continue refining the CRM requirements and scope to ensure that the preferred CRM solution will meet the University's needs. This work included a more detailed evaluation of requirements, which involved workshops for 10 main process areas and 39 sub-processes. The outcomes from this phase provide the necessary understanding to refine a request for proposal (RFP) for a CRM software product and integration partner. Expenses incurred to date are $200,000. The anticipated cost for the RFP phase is estimated to be a further $315,000, for a total anticipated cost of $515,000 prior to Board 3 approval, which will ideally be sought in December 2016. Assuming that about eight months are required for the completion of a staged RFP process, and eight months for implementation, the earliest that a new CRM would be available for a full admission cycle is 2018/19.

Since February 2016, when Board 1 approval was obtained, the CRM project team completed the deliverables required for Board 2 approvals (**refer to Appendix**) and consulted with Procurement Services and the Student Academic System Initiative (SASI) team to confirm a procurement strategy and plan for a staged RFP.

INSTITUTIONAL STRATEGIC PRIORITIES SUPPORTED

    ✔ **Learning**   ☐ **Research**   ✔ **Innovation**   ✔ **Engagement**   ✔ **International**

                                                              (Internal / External)

or ✔ **Operational**

DESCRIPTION & RATIONALE	UBC has ambitious targets to recruit (and support) outstanding domestic and international students from diverse backgrounds, in an increasingly competitive education arena. We need to adapt our practices and processes and invest in technologies to support these goals.

A Customer Relationship Management (CRM) system is a necessary component to manage UBC's interactions with prospective students and the people involved in their enrolment decisions (e.g., parents, counselors, government and other agency sponsors, third-party educational agents). The technology would provide: (a) the ability to "segment" prospective students so that our communications can be tailored or personalized to meet the needs of the wide ranging diversity of our applicants, whether they are an international or Aboriginal student, whether a student from here in BC or from another province in Canada, (b) analysis and reporting capability to evaluate the effectiveness of our marketing and recruitment efforts, and (c) the capacity to organize events (e.g., campus tours, high school visits, and other hosted events).

Our current CRM (ezRecruit from Edge Interactive) was implemented more than eight years ago and has not kept up with advances in CRM technology. It is hampering our ability to attract and engage excellent prospective students at home and abroad. The climate for student recruitment is increasingly competitive. Domestic students may consider UBC among 5 to 8 other institutions. International students may consider UBC among 15 or more institutions in multiple countries. These prospective students are technologically savvy, and expect "best-in-class" communications and activities (*e.g.*, instant, on-demand, and mobile-friendly communications).

Why replace ezRecruit now? The program has limited functionality, the Canadian higher education domestic student population is declining, and UBC's peer institutions are investing in systems that support greater capabilities. The competition for international students is increasing and our competitors are using more advanced CRM systems. The 10 main functional process areas for a new CRM include: Account Management, Event Management, Case Management, Content Management, Campaign Management, Agent Management, Inventory Management, Awards Management, Institution Management, and Reporting. ezRecruit is limited in all areas and is not capable of providing Case Management, Award Management, Agent Management, and required Reporting. Cumbersome processes, duplication of efforts, and the risks of error with significant reputational consequences result from the need to use multiple tools to manage recruitment processes:

- Excel – reporting, awards tracking, agent administration
- Confluence Wiki – trip planning purposes
- Crystal Reports – SISC applicant data
- Fluid Surveys – survey creation and reporting
- JIRA – shipment task scheduling and tracking
- Outlook – enquiry management
- Request Tracker - enquiry case management
- Trello – shipment task scheduling

With data residing in disparate systems, it is not possible to understand all the touchpoints a student has with the University and to measure the efficacy of recruitment and prospective student engagement activities. The manual processes and workarounds in place draw on staff resources that could be better utilized in connecting directly with students and those who influence their post-secondary choices. The existing user base for ezRecruit includes:

Roles	Count
Admissions	40
Agents	2
Awards	6
Campus Tours	4
Client Services	2
CRM Manager	1
ESP Non-Recruiter	35
Faculty Advisors	15
Logistics	3
Recruitment Marketing	7
Recruiter	48
Senior Leadership Reports	14
Student Ambassadors	45
Student Ambassador and Office Assistant (SRA)	8
Student Office Assistants (ISI)	6
UBC IT	5
TOTAL	**241**

The opportunities that a new CRM could provide include:

- Focusing recruitment activities for specific targeted segments, which would reduce the amount of time staff put into broad activities that may not yield as highly. University budgets everywhere are becoming more constrained. With the costs of direct recruitment hovering around $1.2M to recruit in BC and across Canada, the US, Asia, Europe, the Middle East and Africa, to meet faculty enrolment targets and the University's diversity goals, more effective technological tools are imperative to drive efficiencies and contain costs.

- Having a better indication of student engagement, which would provide a more strategic focus for recruitment efforts in the fall. For example, by being able to identify best-fit students for UBC Okanagan, engagement strategies could focus on specific students in the fall to increase application numbers, rather than waiting for January, when applications are received, to take action.

- Having a better understanding of key student populations and the students who are most likely to accept an offer of admission. This group could then be prioritized during the evaluation process. Students who have demonstrated less engagement with UBC could be handled with relatively lower priority. We know that students strategically choose "safety" or "back-up" universities – these are not their first choice but are selected in case their preferred choices do not offer admission – and thus do not have a real intention of attending. Less engagement may indicate limited interest in UBC.

- Predicting and optimizing the impact of awards offered to top calibre students. Early targeting of strong candidates would aid in the development of personalized relationships that could improve yield of some of the best students from Canada and abroad. In the aggregate, the ability to predict award acceptance rates would result in more precise award budget allocation and more strategic use of available funds.

- Ensuring that UBC keeps up with technological advances, such as mobility and cloud-based solutions, thus demonstrating an innovative culture.

- Allowing re-engineering of business processes related to recruitment for all stakeholder units: the International Student Initiative, Enrolment Services, and the Faculties with direct-entry undergraduate programs.

BENEFITS
Learning, Research, Financial, Sustainability & Reputational

Overall, a new CRM will enable UBC to build on a "customer-centric" approach by understanding and anticipating the needs of prospective students, and by recognizing that strong relationships are essential to solidifying the enrolment of a diverse body of outstanding students from across Canada and around the world.

The expected strategic outcomes are:

1. Deliver on domestic and international student enrolment targets and achieve University revenue goals. Faculty and University central budgets are dependent on the revenues generated by student tuition fees. In the case of domestic students, revenue includes the provincial grant. In 2016-17, a self-funded international undergraduate student will pay between $30,359 (for the first year of an Arts program) to $36,519 (for the first year of an engineering program). Multiply that amount by four years, together with incremental annual increases of 3-5%, and the tuition revenue from just one international student exceeds $150,000.

2. An effective CRM tool is critical in ensuring that we meet our enrolment objectives in terms of both the quantity, the quality, and the diversity of our students. A CRM with more precise segmenting capabilities will allow the recruitment offices to better target prospective student populations to ensure the achievement of campus- and Faculty-specific enrolment goals. Although most UBC programs have no problem filling their seats, for less competitive programs, effective relationship management with applicants can mean the difference between achieving enrolment targets and having empty seats. And, there is a desire to yield the very best students for all programs.

3. Achieve diversity among the UBC student population. Diversity must characterize the applicant pool or it will not appear in the student body. A CRM with robust segmentation, case management, and customized email communication capabilities will allow the recruitment offices to more effectively engage prospective students from diverse geographical regions across BC, Canada and internationally. International students come to UBC from more than 150 countries and from a range of cultural, linguistic and socio-economic backgrounds. While diversity presents differently in the Canadian context there are nonetheless key differences in the needs of students from rural versus urban communities, students who are first generation learners, students from immigrant families, students with disabilities, mature students, and most critically, Aboriginal students, who need and deserve a more personalized approach to recruitment and communication to engage with UBC.

4. In alignment with the University's priority to establish a student-centred and transformative approach to learning, a new model for the recruitment CRM places the interest of the student at the core of the system. In adopting a personalized approach to student recruitment, students will have value-added interactions with UBC. The interactions themselves will occur via multiple channels of communication (i.e., social media, you.ubc.ca, online chat, in-person, campus tours). These repeated, meaningful experiences will strengthen the bonds to UBC. The eventual yield of a student is the result of multiple interactions that occur through a process of engagement. A CRM with additional capabilities can ensure that all the touch points and channels of engagement will be better tracked, measured and understood. Improving the prospective student experience will mitigate the risk of competitor institutions attracting students away from UBC.

Functionally, this initiative aims to streamline the current set of processes used for international and domestic recruitment. Technologically, the project represents a full system replacement of the current system; ezRecruit will be decommissioned once the new CRM system is fully implemented.

RISKS

Financial, Operational & Reputational

Financial
- Loss of tuition revenue
- Enrolment yield rate and student quality risk

Reputational
- Poor prospective student experience can impact UBC's reputation as a top tier university in Canada and internationally
- Falling behind our key competitors

Operational
- Inability for ezRecruit to meet UBC's current and future requirements
- ezRecruit lacks functionality to improve recruitment outcomes

COSTS

Tertiary Estimates – Capital & Lifecycle Operating

The RFI process completed in 2015 provided cost information for several competitive CRM products. The initial cost estimates for the implementation of a CRM ranged between $2.4m and $3.4m. These estimates included vendor software and professional services, UBC IT implementation resources, licensing and support. The pricing is likely subject to currency fluctuation.

The one-time implementation costs determined through "best and final offers" from two of the finalists of the RFI process were very close in nature. The technology cost was estimated to be approximately $250,000 and the professional services will be close to $2,000,000. A breakdown of the preliminary costs is shown in the table below:

Type of Cost	Vendor A	Vendor B
Vendor Product Licensing	$205K	$213K
Vendor Annual Maintenance	0	$42K
Vendor Professional Services	$2.12M	$1.83M
Sub-Total	$2.32M (+/- 20%) $1.84M – $2.76M	$2.09M (+/-20%) $1.67M – $2.51M
UBC Project Resources	$500K – 600K	$500K – 600K
Hosting Cost	0	$220K
Total	**$2.34M – $3.36M**	**$2.39M – $3.33M**

The professional services costs for implementation are significant. This is an area where we need to obtain pricing from more vendors and consider sourcing some of the components internally (e.g., change management and training). It is expected that a well-constructed, full procurement process should surface additional options and more competitive pricing.

Annual operating costs, following implementation, include software maintenance and support, licensing and hosting fees, and UBC IT support. The estimate ranges from $420K to $490K.

A fiscal year breakdown of the one-time project costs based on the average RFI "best and final offers" is shown in the table on the next page.

Project Phase	FY 15/16	FY16/17	FY17/18	Total Costs
Assess & Initiate	$130,000	$0	$0	$130,000
Mobilization	$70,000	$315,000 (RFP)	$0	$385,000
Implementation	$0	$688,750	$2,066,250	$2,755,000
Transition/ Closure	$0	$0	$100,000	$100,000
Total	$200,000 (actual Costs)	$1,003,750 + contingency	$2,166,250 + contingency	$3,370,000 + contingency

A contingency of 30% is advisable.

Estimated costs include additional consultant resources (negotiator, facilitator) for the staged RFP.

FINANCIAL
Funding Sources, Impact on Liquidity

At Board 1, $3.5M was approved for the project budget envelope and $250K was released to complete the deliverables required for Board 2. Costs incurred to date are $200K and the anticipated spend for the RFP phase are estimated to be a further $315K, for a total anticipated cost of $515K prior to Board 3 approval to implement.

We are requesting the release of $265K to fund the RFP phase.

Funding is currently available through existing operational budgets from an initial $1.6M for the project, available as of 2015-16, which funded the initial stages of the project. We anticipate that any additional costs for the CRM implementation are capital and would be financed through a schedule of internal loans. The operational expenses will be funded through the annual budgeting process (VPA). A request has been included in the 2016/17 budget process. If the budget is not approved, the project will not proceed.

Upon completion of the RFP Phase, a complete schedule will be prepared per fiscal year in conjunction with UBC Finance and Treasury, which would align with the CRM implementation plan. The schedule will clearly identify operational expenses, loans, capitalization, repayments and total accounting impact.

SCHEDULE

The forecast of reviews and approval decisions for the CRM Initiative is outlined as follows:

Program Milestone	Date
Executive Approval (#1, #2, and #3)	November, 2015
Board 1 – Approach & Funding Envelope	February, 2016
ITAC Review	March 2016
Board 2 – Approval to Complete Vendor Evaluation	**April, 2016**
Board 3 – Approval to Implement	December, 2016
CRM Implementation Start	January, 2017
Board 4 – Project Completion Report	TBD

PROCUREMENT

The plan is to execute a multi-stage, leading-edge, competitive procurement process to select a CRM solution that best meets UBC's needs. The flexible, multi-stage procurement option will allow UBC the ability to have collaborative conversations and learn more about the vendors before formal RFP responses are submitted. The number of stages are optional, at the discretion of UBC, with no obligation to advise vendors of how many stages there will be or what comprises the stages. The process would begin with a proponent information session, followed by pre-qualification, collaborative meetings and demonstrations prior to the issuance of a directed RFP to a small group of shortlisted vendors. This process will provide UBC with flexibility and the opportunity to establish relationships with vendors prior to the selection of a solution. It is anticipated that the RFP phase could take up to eight months, but this is dependent on the number of stages and the duration of each stage. Stages can be adjusted as the process unfolds. It is noteworthy that SASI is also planning a staged RFP approach with an estimated timeline of 12 months.

The RFP preparation stage includes:

- Receive confirmation from project leadership team of functional scope
- Obtain approval of procurement strategy from leadership team and sponsors
- Create procurement plan; obtain approval from leadership team and sponsors
- Onboard external advisors and experts
- Select RFP evaluation committee
- Generate a vendor invitation list
- Prepare pre-qualification RFP document

GOVERNANCE AND STAKEHOLDER ENGAGEMENT

The CRM Governance structure follows the SASI Governance Model to ensure that the CRM system is an entranceway to the current and future student information system. The SASI Governance Model was designed to formalize the program's commitment to working collaboratively to achieve the program's vision. Basing the CRM Governance structure on the SASI model ensures strong alignment for the CRM project with the overall SASI program objectives even though management of the CRM project is independent of the SASI project.

The CRM Governance structure includes decision-making and advisory bodies with representation from University stakeholder groups who work with prospective undergraduate students. The members of these bodies range both in terms of their functional role (e.g., recruiters, client services, logistics and inventory management, Directors, and Associate Deans) and the units within UBC that they represent (e.g., International Student Initiative, Student Recruitment and Advising, Admissions, Enrolment Services Professional, Faculty, IT).

Governance Body	Role
CRM Project Sponsors ~ Vice-Provost – UBC Vancouver campus, Provost – UBC Okanagan campus, ISI Executive Director, AVP, Enrolment Services & Registrar, and CIO	The role of the CRM Project Sponsors is to provide strategic oversight and approval. The Project Sponsors will ensure institutional support is provided for the overall goals and objectives.
ITAC ~ External Advisors, BoG representative, Deans, VP Finance, Provost,	The Information Technology Advisory Council (ITAC) is responsible for providing strategic direction and oversight with respect to UBC IT governance, investments, practices, and initiatives in the context of broad industry best practices. ITAC provides recommendations to the UBC Executive on technology matters.
CRM Project Leadership Team ~ ISI Executive Director, Registrar, Associate Deans, Directors, Project Manager	The role of the CRM Project Leadership Team is to act as the steering body for the CRM Project to provide overall strategic direction, guidance and support to ensure the successful realization of the project.
CRM Project Delivery Team ~ Project Manager, ISI CRM Manager, Enterprise Architect, Business Analyst	The CRM Project Delivery Team works with input from the CRM Project Advisory Committee and in collaboration with the CRM Project Leadership Team to achieve the successful execution of deliverables to successfully meet the project's goals and objectives.
CRM Project Advisory Team ~ ISI CRM Manager, Business Analyst, Recruiters, Admissions, Enrolment Services Professional, Faculty Academic Advisors	The role of the CRM Project Advisory Committee is to advise and inform the project to ensure that the needs of the key stakeholder groups are realized and the goals and objectives of the project are met. The CRM Project Advisory Committee works in collaboration with the CRM Project Delivery Team.

Previous Report Date	January 28, 2016
Decision	Board 1 approval for the CRM concept with a budget envelope of $3.5M and a funding release of $250,000 to prepare the requirements and plan the RFP.