5 Ways Student Expectations and Cloud Technologies are Reshaping Higher Education

Consumer expectations are shaping the university of the future: instant gratification, same-day service and personalized solutions, to name a few.

Companies from A to Z (Amazon to Zappos) have raised the bar by creating end-to-end experiences that are grounded in user-centered design principles — and in cloud technology. "Anytime, anywhere" and autonomous access have become the daily norm. Hence, the consumer-cum-prospective student wonders why colleges and universities can't provide the same experience.

Institutions are indeed beginning to take note of the corporate playbook, rethinkingthe strategies and approaches that will yield new service models in higher education. Faced with increased competition and shrinking budgets, administrative leaders are forced to meet these evolving stakeholder expectations and identify new revenue streams, using fewer resources. In response, they are turning to cloud services and corporate best practices for solutions to these converging pressures.

At the EDUCAUSE 2016 Annual Conference, leaders in Huron's Higher Education Practice spoke with more than 110 higher education IT decision makers to learn more about how institutions are moving to the cloud, as well as the perceived benefits and obstacles. This brief highlights key findings from this survey, and explores how tech-savvy learners with a consumer mindset are organically redesigning the collegiate experience.

1. Stakeholder Expectations are Fueling Innovations in Both Technology and Curriculum

Survey respondents agreed: It's no longer enough to simply provide "a quality education." In the past, the attainment of a degree was sufficient compensation for the administrative hurdles students had to endure. But for 85 percent of today's higher education market — those post-traditional learners who are pursuing an education while balancing work and life responsibilities — the means to the end is equally important.[1]

These students are increasingly adopting a consumer-minded approach to education. They're "shopping" for a college that enables them to acquire the skills and knowledge they need, accommodates their lifestyles, and promises career opportunities at the end. In response, universities are reexamining the criteria for conferring degrees, reconciling the skill set expectations of prospective employers with more "millennial" ways of authenticating knowledge (such as through digital badging).

Yet fewer technical resources are available to meet the increasingly high expectations of stakeholders, from administrative staff to faculty and students. IT personnel are stretched too thin to address the myriad support issues arising from disparate, legacy systems while at the same time, trying to provide constituents with quick resolutions. Day-to-day support is a Herculean effort, leaving little, if any, time for strategic planning.

At the same time, it has never been easier for students to express discontent using social media — potentially jeopardizing an institution's reputation with a shrinking candidate pool. As such, it's no surprise that the learner experience is driving technology decisions.

Survey Finding: Greatest Student Benefits of the Cloud

- Easier access to courses, learning materials and other university applications via the cloud

- More efficient administrative processes (such as financial aid, enrollment, etc.)

- More opportunities for online classes and the ability to reach diverse populations

- Improves the reputation of the institution, positioning it as innovative

- Easier to identify at-risk students with real-time data

2. Learners and Faculty are Filling the Gap with Rogue Apps

Ubiquitous access to do-it-yourself mobile apps and websites has empowered enterprising learners and instructors to fill the educational gaps, creating homegrown applications that quickly become adopted by their peers.

Apps such as Power Planner, which helps students keep track of their schedules and GPAs, and iHomework,

designed to track student assignments and projects, replicate services that could have been part of a university's cloud solution. And while these student created workarounds seemingly address learners' short-term needs, they also pose a risk to colleges and universities trying to build holistic, long-term strategies for their institutions.

Once created, the apps then go viral on social media, accelerating adoption. Already overburdened IT teams must work to keep tabs on these shadow systems while at the same time identifying an integrated, university-sanctioned replacement that will meet the expectations of all stakeholders.

3. New Educational Revenue Streams are Developing as a Result of the Cloud

Education leaders are taking note of corporations' strategic ability to adapt to shifts in the marketplace. Amazon.com, for example, was originally established as an online bookseller, the company has since diversified to become the world's largest internet marketplace, even expanding into entertainment with the production of its own shows.

Universities too must get creative, and "think outside of the campus." Modeling the innovative practices of companies like Amazon, higher education institutions are beginning to explore new revenue sources via the cloud. Lifelong learner programs, research funding and a global applicant pool present opportunities for colleges to reinvent themselves — or, at the very least, supplement and complement core programs. Cloud technology enables colleges to expand their reach to new populations and develop sustainable sources of income in the new educational paradigm.

The time to rethink the future is now, with reductions in private and government funding placing pressure on students and institutions alike: More students are competing for a shrinking allotment of financial aid and grants, and institutions are competing for a shrinking pool of applicants. Student expectations

for programs that fit their lifestyles and promise jobs upon graduation manifest as fierce competition among institutions, putting traditional revenue streams at risk.

44% of individuals over the age of 16 participate in adult education courses, representing a significant new revenue opportunity for forward-thinking colleges.[2]

4. Cloud Services are Driving Measurable Operational Efficiencies

"It takes longer for a student to register for a course than it does to actually complete it." (Or so the saying goes.)

Truth be told, the pain is felt on both sides. Students are frustrated by bureaucratic processes and wasted time, while staff report feeling overworked and underappreciated. It's no wonder that hiring and retaining staff ranked as the number one challenge facing IT departments today.

But there's a bright spot behind (or rather, within) the cloud. Tech leaders view solutions from cloud software developers such as Oracle, Workday and Salesforce, as viable answers to this conundrum. From enterprise resource planning (ERP) to customer relationship management (CRM), cloud services offer the ability to automate and integrate the formerly isolated workflows of core departments, including finance, enrollment and student services — and to quantifiable, sustainable effect.

Institutions are reporting significant (and quantifiable) reductions in payroll processing times using a leading provider's ERP solution. Not only are resources better utilized, but data integrity is improved as well by reducing the chances for manual error.

Even under optimal conditions — administrative support, ample budget and a vision — IT leaders report that their departments lack the level of expertise required to execute a large-scale overhaul. Given that nearly 73 percent of those surveyed stated

that they have already started transitioning to the cloud, finding the right resources with the right level of expertise will be tantamount to long-term success. Choosing the right cloud solution is only part of the equation. Finding the right resources to implement it is equally critical, perhaps even more so.

73% of institutions surveyed have already begun transitioning to the cloud.

5. The Cloud is Driving Data Privacy and Security Improvements

WikiLeaks, the international, journalistic organization dedicated to publishing secret or classified information, regularly exposes the vulnerabilities of "secure data." With several prominent WikiLeaks cases top of mind, university leaders are concerned with the possibility of having their own institutions' sensitive materials hacked by a third party as well.

Yet, in actuality, it's the on-site systems that are most at risk. Often relying on older technology and managed by over-burdened staff, these systems are more likely to be targeted by knowing hackers. Even in light of reported hackings at peer institutions over the years, survey participants were apprehensive about having confidential files (i.e., financial aid documents, student applications, employee data) hosted in the cloud as well, and cited data privacy and security as the biggest barriers to moving to it.

Third-party cloud solutions remain the safer option despite several high-profile stories of compromised consumer data (e.g., Target and Citigroup). Providers such as Oracle, Workday and Salesforce possess the vast resources and technical expertise required to safeguard data in ways that most institutions cannot — and are leading the charge in replacing antiquated student information systems (SIS). Workday Student, for example, is gaining industry momentum with promises of not just data security, but seamless integration across the campus with its human capital, financial and grants management solutions.

It's a compelling value proposition from these providers: secure, seamless and student-sanctioned.

Still, IT professionals express a level of attachment to familiar systems, reluctant to abandon years, if not decades, of resources and budget invested in tailored solutions. They share a concern that cloud-based applications won't provide the level of flexibility they've grown accustomed to when, in fact, cloud solutions offer a clear advantage. Third-party app providers are constantly adapting their technology to meet the market's evolving demands, providing colleges with both the benefit of persistent innovation and continuous updates.

The good news is that institutions have options, including institutional business transformation, strategic migrations and piecemeal updates. There's no "onesize- fits-all," and colleges have the flexibility to choose which services to transition to the cloud, and when. Regardless of the scale, on one point, all survey respondents agreed: The cloud, in one form or another, will indeed play an integral role in the path forward.

Conclusion

While any investment in technology has its risks, Huron's survey results show that higher education institutions are starting to embrace cloud services to create efficiencies, reduce costs and ultimately improve the student (and staff) experience. Still, schools are cautioned against viewing the migration as a "one and done" solution. Institutional stakeholders should agree upon guiding principles that will inform the technology decisions to be made and enforce a disciplined approach to software updates that will keep all systems current.

Concerns about data security and a general lack of skill sets and staffing pose the biggest barriers to large-scale transformation. While there are clear corporate-driven best practices that may be applied to higher education to address these obstacles, the nuances of the educational ecosystem add complexity.

Success lies in a thoughtful, well-constructed plan, executed by a team of experts who understand the inner workings of higher education. These experts include internal departmental sponsors (HR, Finance, etc.), administrative and academic leaders, technology providers and trusted partners who can objectively guide the process and incorporate best practices implemented by leading institutions.

For universities and colleges that still have one or more legacy on-premises systems in place, bringing technology up to scale across all parts of the institution can be a gargantuan undertaking. Higher education leaders should solicit input from students and staff before making investment decisions — transparency and inclusion will be critical to uniting all stakeholders, establishing clear metrics and rallying around a shared vision of the future.

It's, therefore, imperative that schools construct clear goals and guiding principles to inform every step of the way. Institutions should choose a partner who possesses expertise in both higher education and technology to ensure a seamless transition and the achievement of sustainable results. Cloud services, when implemented effectively, ensure that the university of the future exceeds student expectations while also protecting its bottom line.

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The Huron Difference

At Huron, we understand the unique challenges and opportunities confronting the higher education industry better than any other firm, and we offer the highestquality professionals to help capitalize on them. Leveraging our more than a decade of higher education experience and our highly collaborative and outcomefocused approach, we help clients align and optimize resources to advance their institution today and better prepare for the future.

Having worked with more than 500 higher education institutions — includingall top 100 research universities — we stand as the leading consultancy in the higher education industry. Our team is differentiated from other vendors through our deep understanding of the complex conditions facing universities, colleges and affiliated entities today, such as cultural challenges, specialized business processes and varying administrative service models.

Our specialized work spans across our clients' entire enterprise. From strategy to implementation, we enable you to identify and capitalize on opportunities across all functions with our leading technology partners (Oracle, Workday and Salesforce), including human resources, finance and accounting, student lifecycle support, and research. Together, we partner with our clients to change the status quo, and empower them to think more deeply about the future and how to best effect change across the enterprise.

1. National Center for Higher Education Management Systems and the Association of American Colleges and Universities.

2. U.S. Department of Education, National Center for Education Statistics. (2007). The Condition of Education 2007 (NCES 2007-064), Indicator 10.

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