

Digital Transformation in Higher Education

The Path to the Cloud





Moving to the Cloud is no Longer an Option

Cloud technology is changing the way society uses technology. Millennials' expectations, rising computing costs and finding qualified IT personnel are driving the shift to cloud technology.

With a mobile-centric lifestyle, today's students expect and demand access to technology in all aspects of their life including from higher education institutions. Millennials created this expectation and the generations that follow will likely rely on technology in ways we haven't yet imagined.

The higher ed industry faces an uphill struggle to keep pace with the rapid technology evolution and the shifting expectations of younger generations. Competitive pressures are growing, and it is more difficult for institutions of all sizes, but especially for small colleges that don't have the resources of larger institutions, to attract and retain students.

Digital transformation is imperative for long-term survival. It is no longer an option or something that can be delayed or designated as a future project. Your ability to compete depends on it.

Moving to the cloud is just the first step to developing a strong digital foundation. It provides a host of benefits. Financial benefits are just the beginning. The cloud helps you become agile in a dynamic, fast-changing, and unpredictable market as well as become more engaged and responsive to students.

Let's get started.



Driving Forces of Change

Higher education is at an inflection point and is facing serious challenges to stay relevant. Here are several industry trends affecting higher education.

More Competition for Less Students – Institutions are competing for less students and are not meeting enrollment and retention goals. With spiraling costs and increasing student debt, potential students are reconsidering their options. Paths include starting out at community college to reduce overall debt or opting to delay or forgo a college degree. The non-traditional student category is now the fastest growing demographic.

Spiraling Costs and Student Debt – With the cost of attendance surpassing <u>\$50K per year</u> at many private intuitions, it is no wonder that students are borrowing to help make ends meet. Student loan debt is surpassing \$1.5 trillion and is the second highest consumer debt category behind mortgage debt. Without student loans, college would only be accessible to people on scholarship and the wealthy. Student loan borrowers now graduate with an average of <u>\$37,172</u> in student loan debt. Job Market in Flux – A new report released by McKinsey & Company claims that automation and artificial intelligence will increase productivity and economic growth but as many as 800 million workers worldwide may need to learn new skills and find new work by 2030.

Pace of Innovation is Accelerating – The pace of innovation and technology disruption is accelerating. It is widening the gap between early adopter institutions and those struggling to keep up.

Consolidation has Begun – During the past couple of years we have seen colleges close, prominent full time <u>MBA</u> and <u>law programs</u> shut down, and a significant shift to online learning. Experts believe this is just the beginning and more changes are yet to come.



According to the Bill and Melinda Gates Foundation, only half of today's college students fit into the traditional 17-21 year old demographic. Many students work part-time, full time and/or have families. Many are caregivers to parents or grandparents. There is no longer one-size-fits-all path through higher education. Students are looking for a more personalized and connected experience.

Paths are unique to each individual and defined by each individual.

The new student is now in charge of their educational experience and expects learning institutions to provide the following:

Flexible education program – There is a shift in the way students consume education. They want the flexibility to choose how and when they will learn.

Connected experience – Students are more mobile than ever and they expect to interact with you with their mobile devices in the same ways they interact with their peers.

24/7 information – The new student wants online access to everything.



Easy and seamless administration – Students expect admissions to be seamless and administration to be easy-to-use and responsive to their needs.

Access to new innovation – Technology is now a foundational element in our society and students want access to new innovation as soon as it is available.

Student success – Students want to succeed and search for a clear path to success.

Institutions now need to take a student-centered approach to support this emerging new student. This begins with digital transformation.

The Digital Foundation

Taking a student-centered approach requires a solid digital foundation. What does a robust digital foundation look like?

According to McKinsey and Company's <u>Perpetual Evolution™</u> <u>approach</u>, business processes and digital systems must be designed with an outward view focused on the customer experience online and offline—rather than on an inward view of a company's operations. In the case of higher education, businesses and systems need to be designed to service the new student.

Priorities have changed. While the student used to be an element in an institution-centered process, today getting a college education is just one stop on a broader student journey.

That, in turn, means grouping processes and systems into two categories: digital business capabilities that differentiate the student experience and those that are supporting back-office transactional capabilities. These capabilities become the digital foundation and the basis on which higher education institutions are able to compete in a technology-driven world.

Smartphones and tablets are now cloud-integrated devices. Cloud computing enables mobile devices to offload complex operations of mobile applications, which are not feasible running on mobile devices. Cloud-based computing is the only way you will be able to communicate, collaborate, and provide services to the new mobile-centric student.

Cloud is the digital foundation of today and for the future.



Cloud Computing is Here Today, and Here to Stay

Cloud computing is the on-demand delivery of compute power, database storage, and applications via the internet with pay-as-you-go or subscription-based pricing. Cloud computing means that instead of the computer hardware, software, and data that you are using sitting somewhere on your campus, it's provided and managed for you as a service by another company and you access it over the internet.

Software-as-a-Service (SaaS) is a subscription-based distribution model where the software application that is not located on your premises. The software is hosted on a cloud such as Microsoft Azure or Amazon Web Services (AWS) and customers access the software using the internet using a standard web browser. The global cloud computing in education market is expected to grow from USD 8.13 billion in 2016 to USD 25.36 billion by 2021, at a Compound Annual Growth Rate (CAGR) of 25.6%.

Source: Market and Markets

In addition to all of the functional benefits Jenzabar One provides, there are additional benefits derived from being hosted in the cloud. These benefits fall into three distinct categories:

1. Cost

both in capital and operational savings.

2. Agility

the ability to adapt, change quickly, and succeed in a rapidly changing environment.

3. Engagement

the ability to connect and respond quickly with students.





Colleges and universities are finding that using cloud services is actually less expensive than on premises hosting.

How is that?

In some cases moving to the cloud can increase operating expenditures (OPEX), but it almost always lowers capital expenditures (CAPEX). In short, this means that OPEX increases are more than offset by reductions in capex. Let's take a closer look.

No Upfront Investment – Moving to cloud involves no upfront capital investments as all the IT infrastructure needs will be taken care by the cloud service provider for a fixed cost.

Scale as Needed – As your applications grow, you can easily add storage and capacity as needed. This means you can buy "just enough" and scale as the application demands grow.

Reduction in operational costs, maintenance, and upgrade expenses – Cloud-based applications are automatically backed-up and updated, eliminating the need for an IT department to perform a manual organization-wide update. Software upgrades are seamless. **Reduction in IT operations personnel** – Cloud computing frees up IT resources so they can be redeployed on strategic initiatives instead of daily operations.

Eases budgeting with predictability – Cloud computing is typically provided on a monthly pay-as-you-go basis. You only purchase the computing resources that you actually use. You no longer have to purchase extra capacity in advance in anticipation of new business, customers or applications. Prevents over-purchasing through scalability.

More Secure – Cloud service provider's full-time job is to continually monitor security, which is significantly more efficient than an on-premise system, where an organization must divide its efforts between a myriad of IT concerns, with security being only one of them.



Why are higher ed CIOs moving to the cloud? It used to be for disaster recovery and business continuity. Nowadays the primary consideration is agility—the thought that you can gain access to more, better, faster computing resources with a faster, easier, lower cost method. But agility goes beyond just computing resources.

In higher ed, the fast pace of change in the digital world is driving the need for institutions to become more agile so that they are able to meet the needs of the new student as well as respond the dynamic nature of an increasingly competitive market. For an organization to be agile, it requires an alignment of technology, operations, and organization so that it can be flexible and adaptable. Agile transformation requires adoption of practices that foster communication, engagement, and collaboration across both IT and business practices. These practices must permeate organizational culture to be truly successful.



AGILE The ability to rapidly respond to change

The foundation that enables communication, engagement, and collaboration is based on technology – more specifically cloud computing. Cloud computing impacts the ability for organizations to be agile in all three areas.

Technology – Cloud computing was designed to be agile. Its versatile platform allows your institution to scale computing resources and application functionality up and down when needed. With SaaS-delivered solutions, you can easily add new functionality and technology such as AI-based predictive analytics as it becomes available. If you are not on the cloud, you will not be able to adopt technical innovation as quickly as your competitors that have digitally transformed.

Operations – Cloud computing helps organizations become more operationally efficient. It facilitates integration and helps removes functional data siloes, which streamlines processes. Streamlined processes reduces bureaucracy allowing for greater organization adaptability.

Organization – Cloud computing enables connection–with both students and team members. It makes collaboration a simple process. Team members can view and share information easily and securely across a cloud-based platform from anywhere, using any device.



The key to student success, as well as institutional success is to be connected and engaged with students from the first point of contact during recruitment, throughout their higher education journey, and well into their careers. The ability to be responsive and engage seamlessly establishes a positive relationship from the very first point of contact.

Mobile-Ready – Cloud simplifies mobile communication. Students are able to easily access administration and educational resources from the device of their choice. Institutions are able to proactively engage with students to guide them to success.

Reduced Bureaucracy – Bureaucratic issues negatively affect the student's educational experience. Cloud-based applications like Jenzabar One break down functional siloes and create a single data set. These streamlined processes reduce cumbersome bureaucracy, reducing overhead costs and creating a more positive experience for students.

Speedy Disaster Recovery – Stuff happens. It could be a hardware failure or a major weather event such as a hurricane or tornado that wipes out your data center. Cloud services have redundancy built in to its service with duplicates of your data stored in multiple physical locations.

Access to New Innovation – Cloud computing is the technology foundation for the digital economy. New technologies such as artificial intelligence require fast computation and scalable storage and will likely be delivered via the cloud.





Experience Makes the Difference

As you develop your own cloud strategy, think about the issues you're trying to face—what is it that you're trying to solve? Do you have functional, financial, practical and other needs? Are you looking for high availability? Are you faced with restricted capital funds?

Are there other things that are impacting your ability? And what other enhancements can you bring to your users that they are clamoring for, that they are demanding to gain, that the cloud transition can help solve for you?

Does this seem overwhelming? You are not alone. Many organizations are overwhelmed by rapidly changing business demands and the ability to retain proper IT talent.

Keeping an IT environment running smoothly requires constant attention and the availability of a highly skilled staff. Using a managed services organization frees you from necessary, time-consuming IT tasks like patching, monitoring and management of your IT infrastructure.

Collaborating with an experienced managed services organization, like Jenzabar, will make your cloud transition go smoothly. Since they work with hundreds of organizations, they have the experience you need to help you develop your cloud transition strategy as well as implement and support it. They can also support your legacy system if needed.



About Jenzabar Managed Services

Jenzabar Managed Services is highly effective option for improving constituent service, enhancing efficiency, controlling costs, and mitigating risk. As an industry-leading information management expert, Jenzabar offers a comprehensive range of personalized support, from daily IT services to full-scale software implementation.

Cloud Services lets you run all your Jenzabar applications in a scalable, on-demand, and affordable way. Whether you are to leverage the cloud for operational efficiency, cost savings, or business continuity, Jenzabar has a solution to ensure their success.





Moving to cloud-based services for both student success and institutional success is a win-win for everyone. Cloud enables the digital business capabilities that help you differentiate the student experience as well as those that are supporting the back-office. It provides a solid foundation for your digital transformation strategy as well as sets the stage for the adoption of future innovation.

Getting a college education is now just an element in the student's broader journey. Many students work part-time or even full-time and are caring for families. There is no longer one-size-fits-all path through higher education. Paths are unique to each individual and defined by each individual. All want a connected, engaged, and seamless experience.

The new student needs to be the heartbeat of your organization. This begins by laying the digital foundation in the cloud. Jenzabar One gets you there.

Jenzabar One gives you the tools to be more engaged, responsive, and connected to students. It gives you the competitive edge you need to meet your enrollment and retention goals and helps your organization becomes more agile in a dynamic, fast-changing, and unpredictable market.

Are you ready to see Jenzabar One in action? Schedule a Demo Today Click Here



About Jenzabar

Created out of a passion for education and a vision for technology, Jenzabar offers disruptive, innovative software solutions and services that empower student's success and helps higher education institutions meet the demands of the modern student. Over 1,350 higher educational campuses harness Jenzabar solutions for improved performance across campus and a more personalized and connected experience for the student.

For further information, please visit <u>www.jenzabar.com</u> or on twitter @Jenzabar or LinkedIn.

jenzabar ONE

About Jenzabar One

A flexible, cloud-ready platform exclusive to higher education. Our powerful suite of technology products and services provides your campus with mobile-friendly solutions for both student and institutional success.

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