



3

**WAYS GROWTH-FOCUSED
INSTITUTIONS ARE MODERNIZING
FINANCIAL AID TO BOOST
STUDENT SUCCESS**



AN **EDUCATION DIVE** PLAYBOOK

DIVE BRAND
STUDIO



In today's higher education environment, institutions are under pressure to expand enrollment and grow revenue while meeting the increasingly consumerized demands of a diverse student base. Add to that the monumental decreases in state and federal funding, and it's easy to see why most higher education leadership teams are racing to uncover any competitive edge they can find.

In the midst of all this pressure, financial aid departments are often fighting their own battles: not only must department members support increasingly complex financial aid services for nontraditional enrollment models, in addition to traditional ones, but they must do so often with a shrinking budget, complicated and constantly-changing federal regulations, and antiquated legacy software systems that were built decades ago.

What does your financial aid department have to do with your institution's student success goals for enrollment, retention and the student experience? You may be surprised to learn that the connection runs deeper than you think. Read on to find out why upgrading to modern financial aid solutions is an indispensable part of staying competitive.





FINANCIAL AID IS YOUR INSTITUTION'S BIGGEST UNLEVERAGED ASSET

Financial aid departments have comfortably navigated behind the scenes for years. After all, once an institution's reputation and marketing efforts convince a student to enroll, the financial aid team only needs to process the paperwork and send them on their way. Or do they?

New research shows that financial aid deeply influences three important institutional student success goals for enrollment, retention and the student experience.



ENROLLMENT

According to the New America [College Decisions Survey](#), four of the nine top considerations for students who are deciding on a specific higher education institution relate to how that institution manages the financial aid process -- from availability of financial aid, to the average amount of money students borrow, to default rates.

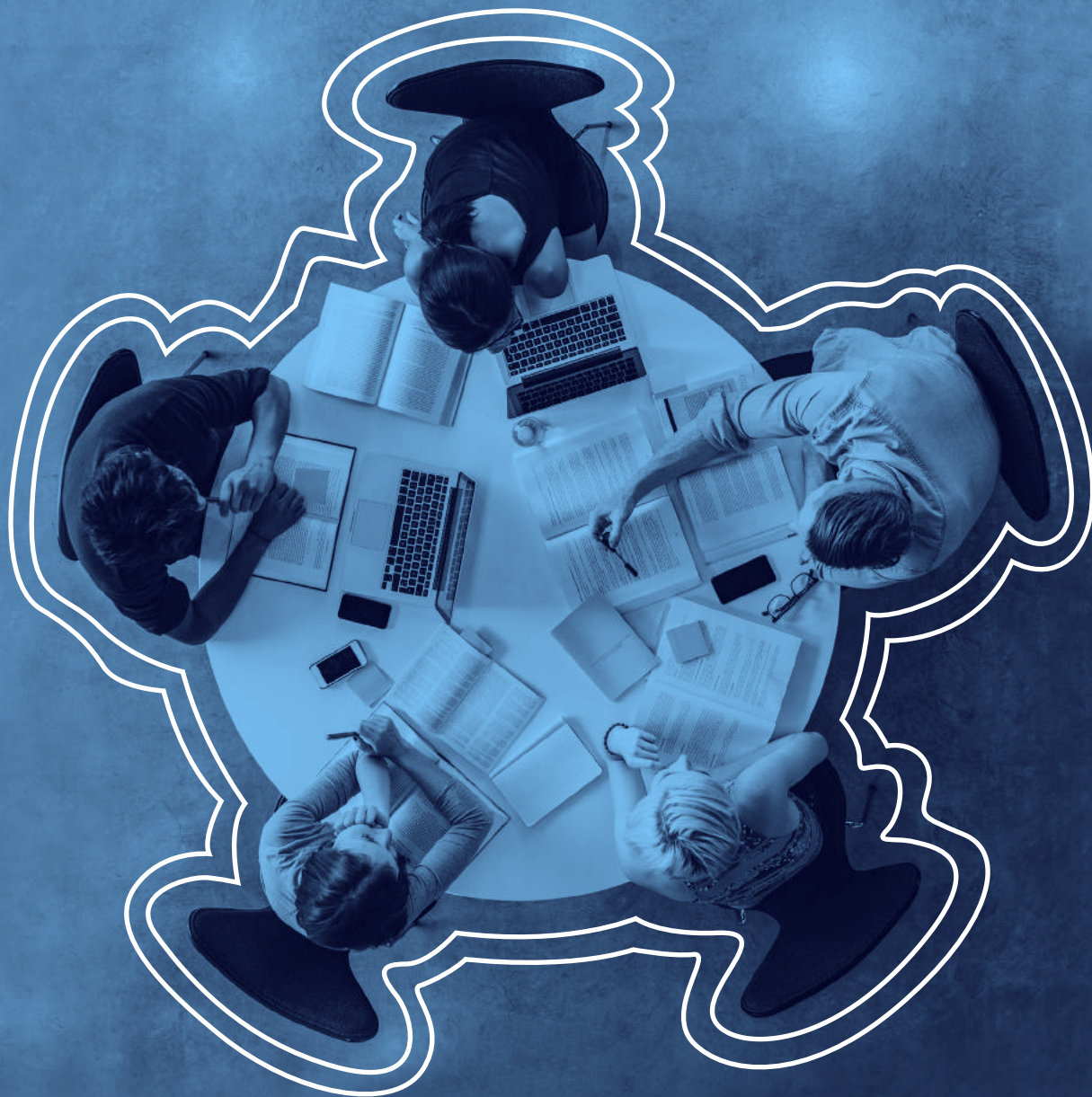
However, financial aid teams relying on antiquated software solutions often find that they don't have the necessary capacity to meet these student needs in terms of speed of processing aid packages, financial aid literacy and the ability to support alternative enrollment models.

RETENTION

If students are unclear about how they'll pay for their education, their finances will be a barrier to persisting after the first year. In fact, according to The Public Agenda's study, [*Their Whole Lives Ahead of Them*](#), the majority of students leave school after the first year because of the stress of trying to work and go to school at the same time.¹ Accessible financial aid teams that help students plan and pay for their degrees bolster retention rates and enable students to remain at the institution through to completion.

But counseling students takes time, insight and an understanding of the individual student. Too many financial aid teams lack easy, real-time access to the information necessary to counsel students. These teams are also spending a significant number of hours on backend, manual processes. The result? They don't have time to personally help students navigate the details and implications of their financial aid decisions. Without a lot of face-to-face time, students may decide to pursue a better-advertised or better-supported program at another institution, or they may drop out completely.






STUDENT EXPERIENCE

Far too many financial aid teams find themselves overwhelmed at the beginning of the year and during other heavy enrollment periods, forcing students to wait in line – sometimes for hours – to know the future of their financial aid package.

In a day where students approach their education with the same high expectations they bring to other purchases, this student financial aid experience must improve for the institution to stay competitive. Financial aid departments stand at the frontlines of the student experience, and they must be empowered with the correct technology to do their jobs. Better student service leads to a better student experience, which will net a more positive educational experience.



The powerful bottom line is this: your financial aid team is uniquely positioned to meet your institution's enrollment and retention goals while also improving the student experience, but it's being held back by outdated legacy financial aid software solutions. Let's explore three ways higher education institutions are strategically using financial aid software to achieve these goals.

"Upgrading our financial aid software has allowed us to do more with fewer people at a lower cost," says Dr. Gloria McCall, Vice President of Kentucky Community and Technical College System. "For example, we are now able to easily retrieve crucial data from the software; specifically, we are able to identify students who completed the financial aid process, but did not complete the enrollment/admission process. We use this data to aggressively engage with these students, thus increasing student access and retention."

OPPORTUNITY #1:

Modern financial aid software solutions create efficiencies that afford a greater focus on higher-value tasks

"70 percent of our 80,000 students across 16 colleges depend on financial aid, so coordinating the financial aid processing can be a real challenge," says Doug Cleary, System Director of Financial Aid at Kentucky Community and Technical College System. "And as we prepare for the possibility of further, deep state budget cuts, we are facing having to do far more with far less."

Few financial aid departments can claim that they have enough time to do everything they need to do. Especially during heavy enrollment seasons at the start of fall, winter and summer semesters, financial aid teams often find themselves inundated with manual data entry tasks that put off more strategic work until the enrollment season ends – or indefinitely. This isn't an efficient use of a team's expertise. Instead, they should be doing what can't be automated: spending time with students and helping them understand their financial options.

Increased automation found in modern financial aid management solutions can cut the average award notification time in half – or more – for both standard and alternative enrollment terms. Reducing the time between a student submitting an application and

receiving a complete financial aid package allows students to make faster enrollment decisions and lowers the risk of losing the student to another institution with a more efficient process. This is not only an important factor in improving the student's perception of an institution's financial aid services, but it also opens up more time for the financial aid team to spend with students face-to-face.

"Historically, we did not provide award letters until after the spring semester," says Cleary. "Our competitors were communicating with our potential students much earlier in the process. With improved financial aid software and new operational standards, our Centralized Processing Center was able to generate over 56,000 early estimated award letters. Students now have the ability to make

"Our competitors were communicating with our potential students much earlier in the process. With improved financial aid software and new operational standards, our Centralized Processing Center was able to generate over 56,000 early estimated award letters."

Doug Cleary, System Director of Financial Aid at Kentucky Community and Technical College System.

financial aid decisions early in the enrollment cycle. Combined with a ready-to-go student workflow process that allows students to upload documents from home or the library, it was evident that our financial aid software made us far more efficient."

In the case of Brandman University, using a modern financial aid software allowed their financial aid team of 13 to disburse financial aid to more than 7,000 recipients in the 2016-2017 academic year for both Competency-Based Education (CBE) and Standard Academic Year (SAY) enrollments within one week from the start of the term. This kind of responsive financial aid award eliminates the risk that students will lose interest or decide to go with another institution.





“There’s a tremendous amount of complexity involved in the process of working with a diverse student body,” explains Denis Khazan, Chief Technical Officer at Regent Education. “It’s crucial that Financial Aid Departments educate their students on what they need to do and when they need to do it in order to position them for success. Technology can create an effective medium for this counseling and service to take place between the institution and the student.”

OPPORTUNITY #2:

Modern financial aid software solutions automate all enrollment models in support of growing enrollments.

“For a long time, degrees were the best way to gain the skills and knowledge that you need to achieve a successful employment outcome,” says Seth Johnson, Director of Learner Services & Operations at Capella University. “But traditional models are not always the right fit for adult learners. Depending on where you are in your career, and depending on the skills you need, alternative enrollment models might be a better fit for students than a traditional program.”

Between 1999 and 2013, enrollment of adult students ages 25-34 grew 41 percent and adult students ages 35 and over grew 25 percent.² By 2025, enrollment in both adult age ranges is projected to grow another 17 percent and 10 percent, respectively. And in the 2011-2012 academic year, 74% of students had at least one nontraditional characteristic including, but not limited to, being a part-time student, having a full-time job, having dependents, or being a single parent.³ To meet the unique needs of this changing student body, alternative enrollment models like self-paced programs and CBE are becoming more popular, and they’ll continue to grow so long as prospective students continue to evaluate higher education institutions like mature,

contemporary consumers and demand flexible and affordable programs.

Trying to manage financial aid for these emerging enrollment models manually is extremely difficult and time-consuming, and the results may not be compliant with federal laws. Using financial aid software to support nontraditional enrollment models allows an institution to meet these student needs in an innovative way that is both automated and compliant while growing a new revenue stream.

For example, working with a financial aid management solution designed to seamlessly accommodate alternative and standard enrollment models, Capella University grew

its FlexPath™ program to over 4,000 CBE enrollments within four years. This is just one way you can use financial aid software to support nontraditional enrollment models to meet these student needs.

“The average student’s educational goals are more fluid now,” reports Steve England, Vice President of Client Solutions at Regent Education. “Students will switch programs and back again without realizing how it complicates their financial aid funding. If they have access to a capable and responsive partner in the financial aid department, they’re able to be counseled through the complexities involved and keep their funding in place and aligned with their academic goals.”

“Traditional models are not always the right fit for adult learners. Depending on where you are in your career, and depending on the skills you need, alternative enrollment models might be a better fit for students than a traditional program.”

Seth Johnson, Director of Learner Services & Operations at Capella University

OPPORTUNITY #3:

Financial aid software dramatically enhances the student experience.

"A lot of students – especially first term– are unsure of what to expect from the financial aid department," says Ken Jackson, Director of Financial Aid and Scholarship at Brigham Young University - Idaho. "The complexities of financial aid can be overwhelming, so one of our biggest challenges is finding the time to educate students individually on their financial options."

In many institutions, there's an alarming difference between a student's high-tech enrollment experience and outdated financial aid experience. That difference can be disorienting, especially when it's coupled with a financial aid team with low capacity for personalized counseling sessions.





The combination of less manual work, more powerful workflows and easier access to student data allows a financial aid team more time for strategic work-like educating and counseling students on finances, career choices and expected earnings. Arming the team with the resources and information it needs to meet a student's high expectations will empower incoming students with a true and complete understanding of the comprehensive costs of their entire academic program, as well as how any changes would impact their aid packages. This proactive approach to student needs clearly connects the financial aid office to activities that get students in the door and enable them to persist in their studies.

"Reducing manual processes affords us time to develop creative solutions to individually help students," explains Jackson. "We recently received approval to start a financial literacy program and a financial aid help center where students can receive individual help with financial aid questions and learn how to budget and be wise with their money. If we hadn't found a way to lessen the high demand on our staff to process all financial aid packages manually, these new, innovative initiatives would not be possible."

EMPOWERING THE FUTURE WITH STRATEGIC FINANCIAL AID SOFTWARE INVESTMENTS

If you expect students to commit to your institution and invest their time and money in your educational programs, then you need to provide a financial aid experience that quickly gives them access to the people and technical resources they need to make an informed decision about their education.

Higher education leadership teams who want to increase enrollment, retention and improve overall student experience must consider the paramount role of financial aid in achieving those goals. A modern and automated financial aid experience benefits both students and learning institutions, paving the way for the development of even more strategic and creative services that engage prospective students, grow enrollments and enhance the financial performance of your institution.



ABOUT REGENT



Regent Education, a leading provider of financial aid solutions and services, simplifies the financial aid process for higher education institutions offering traditional and nontraditional enrollment models. Regent offers a suite of solutions encompassing the automation of financial aid management, verification process, student financial planning, and application for state financial aid.

Regent Education's financial aid management solution, Regent 8, is the only solution that provides seamless, end-to-end automation for nonterm, non-standard term, and standard term academic years. Regent's cloud-based solutions help institutions increase enrollment, improve retention, speed student processing, and mitigate compliance risks.

For more information please visit www.regenteducation.com, email marketing@regenteducation.com or call (301)662-5592.

LEARN MORE

SOURCES

- 1 "With Their Whole Lives Before Them," Public Agenda, <https://www.publicagenda.org/files/theirwholelifesaheadofthem.pdf>
- 2 "Projections of Education Statistics to 2025," U.S. Department of Education, <https://nces.ed.gov/pubs2016/2016013.pdf>
- 3 "Demographic and Enrollment Characteristics of Nontraditional Undergraduates," <https://nces.ed.gov/pubs2015/2015025.pdf>