

First Edition

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Getting More Students

Do it right this time...



Highlights of what most schools are doing wrong
and what to do to take charge of the current
school business market trend

SAMSON AKANET

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Introduction

The main purpose of a business is to make sales. Without sales, there is no business. It is no news that people and processes change with time. This can be due to economic or social reasons amongst many others. What matters most is how versatile you are to adapt to these changes. Using the same approach and expecting a different outcome is like planting rice and expecting a maize harvest.

In this booklet, I am going to let you in on some of the insights I've found during our day to day dealings with schools. Over the past two years, I have had the opportunity of attending a number of Parent-Teachers Association (PTA) meetings and also met with numerous school owners/directors. I have had discussions with teachers from different schools. I have put together a list of challenges and trends derived from different cases.

This booklet highlights what most schools are doing wrong and what to do to take charge of the current school business market trend. There are suggestions and step by step measures to take in order to establish or reform your Marketing strategy to continually attract new students. These strategies are not generic but rather well tailored to the current economic and social trend in Nigeria.

About the Author

Samson Akanet is a Software Systems Architect by profession and the Founder & CEO of **U3Tech Business Solutions Ltd.** He has degrees in **Bsc. Information Technology & Msc. Enterprise Computing**. With over 6 years of hands-on work experience, in England, engaging in software development and support, he has built and supported multiple software systems for different companies in various fields.

He is the master-mind behind U3Tech's main software product, **BlueRain School Management Software**. This is an easy-to-use software capable of functioning offline to collect student assessment related data records and generate report cards in a smart and efficient way. The software system itself is fast growing because it consistently incorporates solutions to the challenges faced by schools. Hence the reason why it is appealing to most small and mid-sized schools.

He has a passion for solving complex business problems using strategic processes aided by software solutions.

Findings

The below findings are based on research and first-hand information collected over time.

In Nigeria,

- The average earning parent's disposable income has declined between 2015 and 2018.
- Most average earning parents look for cheaper educational institutions as an alternative to meet their current income.
- Most average earning parents are now far more likely to take cheaper educational facilities.
- Most average earning parents are more sensitive to price increase on any school related fees.
- Most average earning parents are now devising new approaches to out-smart the school system to their advantage in order to save costs.
- Most schools are more focused on retaining students rather than getting new students.
- Less students means less school revenue leading to under paid staff and/or other delayed payments.
- Most teachers are now more motivated by the salaries as opposed to the passion of teaching making it easier for them to move to the "highest bidder".

The Right Approach

➤ Limit your scholarships

Are you giving out too many scholarships? Scholarships are good. It's a way of encouraging the bright students, helping the less fortunate and giving back to the community. However, when done in excess, this can have a negative effect on the school's cash flow. Scholarships, when not properly managed, can roll out of control. As such, you must implement a fixed termly/yearly quota and stick to it. This can be further reduced during economic down turns. Limiting your scholarship would mean more control over your profits, which means adequate available funds. This also means good school management which improves the school's image thereby making it attractive to both prospective staff and parents.

So, the question is, how many is too many? My recommended scholarship quota is between 5 – 10% of your total student count. For example, if you have 200 students, maximum number of students on scholarship should be at most 20.

➤ Strict 1-Month Grace Period

Grace periods gives parents a little breathing space to enable them make payments. However, one of the dangers of excessive grace periods is that it leads to piled up debts. Recourses are now stretched so as to meet up the shortage in school income. Procurements, salaries and bills are now delayed due to insufficient income. These all lowers the quality of the school and can lead to unhappy staff who are now more likely to leave.

As some parents are salary earners, it is only fair to stretch the grace periods towards the end of the current month of school resumption as most pay days are at the end of the month. However, you must be strict with your grace periods and also inform parents that there will be no extensions on the grace period. This will force the parents to work towards payments before the grace period expires. Part payments should be accepted only with a signed undertaking which should be tracked. You should also make the parents aware that the dates they have stated in the undertaking will be strictly adhered to and their child/children will not be allowed into the school upon failure to meet up.

Regardless of the current economic situation, parents, just like any other individuals, are capable of applying *opportunity costs* in desperate situations. This will only show how important their children's education is to them.

Another point to take note is that most average earning parents are now devising new approaches to out-smart the school system to their advantage in order to save costs. The new trend is to take advantage of the school's generous grace periods (and even ask for extensions), then once their debts reach a considerably high amount, they transfer their children to a different school and do the same. The circle continues. So in essence, a parent can successfully get away with up to 3 years' worth of school fees debt throughout their ward's school life using this technique.

It is expected that all schools ask incoming parents transferring their children to provide a *Transfer letter* which would indicate if they have pending debt with the school they are transferring from. However, as desperate as most schools are, they tend to ignore these and accept these students regardless. “It’s all business” – they say.

➤ **Focus on getting new Students**

It is true that customer retention is just as important as customer attraction. However, more attention should be given toward customer attraction. You should put in more effort in attracting more students than keeping existing ones. This is because, existing parents are more likely to keep their children when they see the school flourishing with new intakes. This gives a sense of growth and good quality. If however, the school neglects attracting new students by putting more effort in retaining old ones, the opposite could be the case. With little or no new students coming in, the school’s income reduces and the school is deemed low quality. Parents will be more likely to leave. You find yourself being too desperate, giving in to the demands of the parents because you don’t want them to leave. You will also find it difficult to impose new rules or change existing ones. On the other hand, if you have a healthy flow of new students, you wouldn’t be too bothered about the parents who decide to leave because you can replace them. And as mentioned, parents using the trend stated in the previous section will constantly be moving from schools to schools to circumvent paying their debts. So, why not be that school that parents transfer their children to, but only smarter?

You can prevent being out-smarted when you impose your strictly 1-month grace period. This means that at any point in time, there would be no student owing more than a term’s school fees. You will be surprised to know that there are a number of schools who have allowed parents with debts of over 3 terms’ worth of school fees. A typical example of trying to “retain students instead of focusing on getting new students”. I’m hoping you are not one of them. And if you are, it is time to try a different approach.

➤ **Show off your accomplishments**

What are your school’s “most priceless assets”? The football team? Excellent Spellers? Cultural Diversity? Historical Background?

I believe you have at least one. It is time to brag about it. Attend more competitions, make more wins, display your trophies, talk more about your achievements on the media. The more people hear good things about you, the more attractive you become. Invest in publicising your school events where possible e.g. inviting a local news crew to your Cultural Day event.

Keep track of your graduates. Invite them to make a speech in your events where possible. Set termly/yearly goals and targets and work towards achieving them to add to your Achievement list.

➤ **Effective Marketing strategies**

Sales! Sales! Sales!

Those are the pillars of a profit-making business. Without sales, there is no business. Just as you have an Accounts department, IT Department, Security Department, etc., there should also be a Marketing Department. Again, you will be surprised to know just how many schools do not have this department or even worse, think it is unimportant or unnecessary. I'm hoping you are not one of them. And if you are, it is time to make a change.

Create a Marketing department if you don't have one. Assign a few of your staff who have the appropriate skills. You can find out by creating a new job role opening or by asking for volunteers. Hire new staff or experts to the department if necessary. Create Marketing budgets using parts of the PTA funds and revenue from other sources. After all, PTA funds are for the development of the school. More incoming students, means more revenue and in turn, improved school quality. And lastly, have the department generate monthly, quarterly or yearly reports to enable you track your progress. This will provide insight on your marketing efforts to enable you decide if you need to invest more or less towards Marketing.

➤ **Organise your Marketing Department, Plans & Budgets**

Just like any of your school departments, the Marketing department should be organised. There should be a team and a team leader. They should conduct market research to provide insight on where to channel your marketing efforts.

Take advantage of the free marketing and promotions platforms like the social media. This is part of Digital marketing. This is the Internet age, therefore, it is expected of you to have at least one account on Facebook, Twitter, Google+, Instagram and even YouTube. You can hire a staff to frequently look after these profiles and update them regularly.

Most of the younger parents are internet savvy and own smart phones. Supposing a young family move to a neighbourhood where your school is. They are most likely going to search the internet for nearby schools around, sometimes even before asking friends or relatives around. This would be to your advantage if you have an online presence with all your contact details.

The other non-digital marketing options are still useful. These are via flyers, newspapers, posters, TV and radio adverts most of which are paid services.

Be sure to keep track of your marketing investments recording the type and outcome on each.