ENROLLMENT MANAGEMENT AS COMPETITIVE STRATEGY IN PRIVATE COMMUNITY UNIVERSITIES

GESTÃO DE MATRICULAS COMO ESTRATÉGIA COMPETITIVA EM UNIVERSIDADES COMUNITÁRIAS PRIVADAS

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ABSTRACT

The purpose of this study is to analyze managerial practices of the Pontifical Catholic University of Paraná—PUCPR (Curitiba, Brazil)—to attract and retain students. The highly-successful model of enrollment management implemented by DePaul University (Chicago, USA) serves as reference and benchmark for comparison purposes. The highly-competitive environment experienced by both institutions provides the setting for the challenge to attract and retain students through effective managerial strategies. The study is comparative and descriptive in nature. The analysis focuses on strategic planning, educational marketing, and enrollment management—key elements of the model used by DePaul University. The results indicate that enrollment management practices in place at PUPR are characterized by the combination of professional and amateur, or unprofessional approaches. Results further indicate that adopting an integrated system would improve decision making especially vis-à-vis the competition, demand, and profile of targeted students; it would also increase student retention rates. The results show the need for enrollment management techniques to survive and flourish in the highly competitive market of student recruitment and retention.

Keywords: Enrollment management. Strategy. Private universities.

1 INTRODUCTION

Higher education is foundational for all nations because society places so much importance on education as the primary means of developing leaders, laying the foundation for a civil society, and creating and disseminating knowledge for future generations. Family wealth is still the best predictor of college attendance; the level of education is still the best predictor of wealth in modern societies. In short, education is the key to improving the standard of living in this world. Moreover, the emerging global education industry has now accelerated the delivery system which now makes education available to anyone, anytime, anywhere (Trends, 2010).

In the current context institutions of higher education must identify opportunities and strategies to react to market conditions which are increasingly fast-paced, interactive, and based on information systems that expand at frightening rates. Accurate decision-making based on rational models and processes do not always improve market advantage or reduce costs.
This study analyzes enrollment management and its importance as strategy for private universities serving local communities that compete for well-qualified students in a fast-paced, changing environment in order to survive in the business of education.

The study provides a comparative analysis of the successful model of enrollment management at DePaul University, a highly successful, private American university, with enrollment management practices at the Pontifical Catholic University of Parana, community Brazilian university (PUCPR).

Enrollment management systems have become powerful managerial strategies employed widely throughout most private universities in the United States. For thirty years DePaul University has pioneered many recruitment strategies now considered standard practice among US institutions of higher learning. In the middle 1990s, DePaul developed sophisticated statistical systems to track and analyze the student market as it matched up to DePaul’s mission and expertise as a high-quality provider of education to first-generation students. DePaul established itself as a highly-successful user of enrollment management science and practice—becoming something of a benchmark to which other enrollment managers could measure their institutions. In Brazil enrollment management is still rare in most universities. The potential payoffs for the private sector of Brazilian higher education using exemplary enrollment management strategies are extraordinary.

2 THE COMPETITIVE ENVIRONMENT FOR PRIVATE INSTITUTIONS

Higher education today is more and more appreciated as the key provider of knowledge and training for the workforce in all societies but especially in developing countries—in addition to building civil society. Governments, in turn, have adopted and promoted public policies that expand educational opportunities and promote student access and retention at all educational levels, but especially in higher education. Meanwhile, the higher education sector has become increasingly competitive, sometimes perhaps, mean-spirited.

According to data provided by Sinopse da Educação Superior (INEP, 2008), in 2008 the non-public institutions dominate the market—currently 89.5 percent—because of the competition within the sector and its inability or unwillingness to allow market adjustments between supply
and demand. All this is based on the student’s ability to pay and federal aid programs that have made competition among private institutions even sharper. Also 75 percent of total enrollment in higher education is concentrated in private institutions, including nonprofit and for-profit institutions (INEP, 2008).

Because of demographic, political, economic and social factors, Brazilian universities have sought new structures so as to differentiate and make high-quality educational programs more accessible. To accomplish this, they use not only traditional pedagogical methods but also innovations that take advantage of new technologies. Furthermore, the educational policies established by the federal government promote social inclusion with programs such as “Universidade Para Todos” (PROUNI, 2010) operating since 2005 along with the FIES (Financing Fund of Higher Education Students). Both programs have contributed to the expansion of enrollment in higher education. The goal of the Ministry of Education is to enroll 30 percent of members of the cohort of 18-24 year-olds in higher education by 2011 (PROUNI, 2010).

These policies have the effect of motivating students thereby providing opportunities for higher education—especially to economically and socially under-privileged groups. Since the beginning of the PROUNI program, it has provided scholarships to 600,000 students, 51 percent enrolled in nonprofit institutions while 49 percent enrolled in for-profit ones (PROUNI, 2010).

3 MANAGEMENT OF PRIVATE COMMUNITY UNIVERSITIES

Like all formal organizations, universities rely on professional management to achieve organizational goals and meet performance standards. As environments change, management needs to adapt, creating new strategies and practices to ensure organizational success and survival.

Competition has pressured private universities to professionalize academic management in the degrees and programs offered adjusting for market demand, variety, quality and price. Management actions that attract and retain students develop into strategies and practices that ensure the viability of the education enterprise.

Kotler and Fox (1994) suggest the task of recruiting students is central for schools. They remind readers that the practice of recruiting students is not new—itinerant teachers in ancient
Greece recruited students because they relied on student contributions for their livelihood. They suggest that without students, schools would lack tuition income and would forego the prestige and recognition derived from the contributions alumni make to the community.

The value of education is considered unassailable even though many of its benefits are difficult to measure. In higher education few reliable studies link cost with educational results for individuals and for society. Bowen (1980) was one who studied this issue in depth. He focused on individual and social benefits. He found individual benefits, based on the level of education, in cognitive, emotional, and moral fields. He also found that professional competence influenced economic productivity and family life. Social benefits, in turn, derive from learned people’s attitudes, values, behaviors, and their general contributions to social life. These benefits are represented by collective gains that contribute to knowledge development and cultural activities. As the standards of living increase, participation in political and social activities increase, thereby contributing better understanding and appreciation of life in society and for democracy itself.

Therefore, if viewed as an investment, the resources allocated to education generate economic and social benefits not only for individuals, but for society at large. These benefits, according to Bowen (1980), surpass their costs, by a wide margin. These benefits lead people to enter schools, investing time, energy and money for their educational development.

Considering the concept of value in education, the available literature is deficient. Terms like quality, value, benefits and utility are used, but as Veludo-de-Oliveira and Ikeda (2006) warn, they are terms with very subjective meanings. These authors propose studies of value based on chains of means-and-ends to characterize the cognitive inter-relations among attributes implicit in the educational product as well as the consequences derived from its use. This process builds on personal values.

Institutional reputation is the key factor in attracting students. As Brewer, Gates and Goldman (2002) emphasize, reputation is earned from competencies of the institution that appeal to its clients and their preferences. This key factor is explored by university administrations everywhere as the preeminent factor in attracting students, financial resources, and respected faculty. Together these characteristics provide the basis for setting price—tuition rates—based on value as perceived by students and their parents.
Because of environmental threats such as competition, job-market changes, technological innovations, changes in student profiles, the globalization of higher education globalization, and other factors, university leaders develop strategies to conciliate educational and social roles, integrate internal competencies and improve the viability of the enterprise in general. It is in this context that strategies center on internal and sustainable resources. As time passes, managers must meet these challenges or forever lose to tougher or quicker competitors. Nowhere in higher education strategy is this more apparent than in enrollment management. The formulation and implementation of strategies are critical for the survival of community universities.

Porter (1998) suggests that the essence of strategy is to deal with competition. He says that no matter the type of organizational effort, the strategic aim of the company is to find a position in the market where it can better defend itself from the forces affecting its environment, even using the same forces on its own behalf. Porter stresses that strategies within a particular competitive industry are shaped by forces like potential new entrants, the threat of substitute products, and the bargaining power of suppliers and customers.

Analyzing these forces will determine the strategic position of any organization. Barney (1991) proposes the “resource-based strategic model,” emphasizing the compatibility between developed strategies and existing internal resources. He notes that organizations, even those within the same sectors, are differentiated by their use of strategic resources—physical, organizational and human. According to him, for an organization to gain a sustainable competitive advantage, it is essential that these resources fulfill four conditions in relation to its competitors: they must be valuable, rare, difficult to imitate, and irreplaceable. So it becomes the task of management, then, to develop strategies reflecting the intelligent use of resources without running the risk of being copied—thereby assuring sustainability through strategies.

When Meyer, Jr., and Mugnol (2004) approached the competition between private education institutions they highlighted the importance of strategy—a set of policies, decisions, objectives, and actions that characterize the position of an institution in a certain context. The authors state that private institutions of higher education need to aggressively address the competition for students, or otherwise yield to the competition.

In the highly-competitive context of private universities, nothing is more crucial than establishing strategies focused on student recruitment and retention. Students are the consumers
of educational services; they pay the tuition. With their families they provide the principal source of income for private universities. Management, then, must substantially improve strategies to attract and retain students so as to generate sufficient tuition funds to balance budgets while achieving institutional goals and missions.

In examining the strategies of Catholic higher education institutions, Meyer, Jr., (2007) notes that management competes strongly for new students to bolster financial viability and advance institutional mission. He stresses the most relevant strategies specifying enrollment management—attracting and retaining students who have profile characteristics the institutions judge most likely to attend and graduate. He describes programs that are effective at designing academic programs to address market demand.

Tuition pricing is central to enrollment management strategy. In the US the cost of higher education is borne by students and their families but virtually all institutions offer discounts through internal and external scholarships, state and federal government grant and loan programs, and institutional funds. The discount rate—the total amount of financial aid students receive institution-wide as a percentage of total tuition charged—is what managers manage to balance their budgets. It is common for discount rates to reach 40 percent. The challenge for management is to recruit the desired number of students to generate the maximum amount of income at the lowest discount rate. Enrollment management programs use sophisticated computer programs to analyze each student as to institutional fit, academic preparedness, and ability to pay. Based on these calculations, admissions officers offer a package to students that customizes financial aid in the form of scholarships, grants, loans, student and family contributions, and even work-study programs (students working on campus). In Brazil private institutions of higher education set the tuition based on the cost of the academic program plus the level of tuition charged by competitors in the market. A Federal Loan Program - FIES is available providing loans with low interest for needy students. Also there is the PROUNI that provides scholarship to low income students coming from minority groups like blacks and Indians.

4 ENROLLMENT MANAGEMENT

The concept of enrollment management, according to Dolence, Miyahara, Grajeda and Rapp (1988) refers to a managerial system that integrates correlated functions with the aim of
optimizing student recruitment, retention and graduation. It is a managerial strategy aimed to improve academic quality of the institution.

For student recruitment and retention to actually materialize and produce the expected results, management must understand higher education as potential and enrolled students perceive it—from their own eyes and motivations.

Dolence, Miyahara, Grajeda and Rapp (1988) suggest that enrollment management systems contain four essential elements: institutional commitment, strategic planning, integration, and assessment. Institutional commitment refers to clear support from the highest level administration. Strategic planning is the insertion of the enrollment plan into the full institutional strategic plan by developing specific strategies, disseminating the enrollment management philosophy, and promoting participation broadly. Integration brings together institutional goals with student needs. Finally, assessment is key for success of enrollment management. The authors recommend that assessment criteria be developed at the time of strategy formulation and that they be measured by quantifiable objectives.

Enrollment management, then, includes planning, policies, programs, and practices that search the best mix of enrolled students. Kalsbeek (2003) proposes that the best mix of students is defined by mission and institutional planning—core elements of management. The integration of mission and planning gives purpose to typical functions of enrollment management such as marketing, recruitment, admission, and student support services.

According to Kotler and Fox (1994) managers accountable for enrollment at higher education institutions have the responsibility of coordinating enrollment planning efforts by a) supplying inputs; b) determining choices for recruitment and admission; c) evaluating the efficiency of retention and graduation efforts; d) establishing an integrated philosophy of management, strategic and tactical plans; and e) defining methodologies to attain expected enrollments goals.

Enrollment management is not a new. Kalsbeek (2003) notes the model was used during the 1970s at Boston College to devise ways its search for admissions results could become more intentional. During the 1980s in the US, the concept of enrollment management was further developed so that by the 1990s it had arrived as a professional and specialized activity at many higher education institutions.
Kalsbeek (2003) states enrollment management today prevails among university executives as strategies are focused on effective admission efforts that increase academic quality and ensure financial stability of the institutions.

Optimizing enrollment profiles involves planning the financial structure, institutional mission, academic vision, and strategy. For Kalsbeek (2003, p.125) “When enrollment goals combine with academic and institutional goals, enrollment management becomes a central activity in strategic planning rather than a peripheral activity.”

5 ENROLLMENT MANAGEMENT: THE DEPAUL UNIVERSITY MODEL

DePaul University is the largest Catholic university and the eighth largest private university in the United States. However, key to its success during the time period of the study is not size, but the rate of growth in the number of enrolled students, which distinguishes it in the American market. According to Kalsbeek (2003, p. 127) “In the past five years Catholic universities in the US increased, on average, 5 percent, while DePaul University increased 60 percent.” Over five years, while all Catholic universities experienced stagnation in terms of enrollment growth, DePaul grew exponentially because of its enrollment management strategies. DePaul endeavors to target only those potential candidates whose profile indicates a high probability of enrolling in the institution. This process, based on statistical analysis, divides the pool of candidates into cells —market segments—that predicts probabilities of enrollment and the successful completion of degree programs. Admissions officers and senior management carefully define the institutional mission and scrutinize the characteristics of past successful students including demographic data. Each potential student is then sorted into cells where they can be analyzed by computer for the best match to the educational that DePaul offers. Those students who match the criteria are aggressively pursued. All others are ignored. If some apply, admissions officers respond with politeness, but little effort and expense. They are welcome, but the admissions officers know that few will apply, even fewer will attend. They are just not worth the effort and expense to recruit.

So when candidates contact DePaul University requesting information, the institution assembles as much information about the candidate as possible. It looks for their academic interests, family background, career aspirations and how and when they have contacted the university. All these data are entered into a large database where statistical analysis identifies
patterns and characteristics of students who are most likely to enroll. By comparing the characteristics of current applicants with the characteristics of past successful students, admissions officers are able to offer admission only to those who fit the profile, and therefore, are likely to enroll.

The DePaul model, therefore, combines strategic planning, marketing and enrollment management, to understand the process of managing enrollment. The pyramid, below, illustrates the steps candidates take at DePaul University in their academic life from beginning to graduation. DePaul measures recruitment success by the rate of converting potential students to enrolled students.

On the base of the pyramid are potential candidates vying for the available seats in the first year cohort. They are finishing high school and interested in attending a university. The next level represents applicants who have applied at DePaul. The next level are candidates to whom DePaul has offered admission. The next level indicates candidates who enroll and become students at DePaul. The retention level indicates students making progress toward their degrees. At the top are students who graduate with a degree.

For enrollment managers, the key factor in performance evaluation and whether they meet their goals is the ratio of prospective students to enrolled students — answering the question, “Is DePaul attracting the right students, and if so, do they attend?” Performance procedures are essential for testing the efficiency and effectiveness of enrollment strategies. The search for a
larger market share and for increasing the number of students requires transforming the number of “interested” students into “effectively enrolled” students.

It is equally important to retain the students after they matriculate, especially beyond the first year of study. The process of managing enrollment continues, therefore, to graduation—ensuring that the students who are admitted are students who will graduate.

The enrollment management process begins with an analysis of the way the institution relates to students, its mission, and the programs it offers. When these things have been thought through—and agreed upon—the institution can create strategies to recruit students who will thrive in the institution. This makes happy and satisfied students, faculty and staff. These strategies then, become key means to build enrollments and retain them (Kalsbeek, 2003).

Perhaps an example will illustrate how DePaul implements its enrollment management strategy. Over more than 100 years, in every generation of college students, DePaul has attracted first-generation students—students who were first in their families to attend college. These were the sons and daughters of immigrants mostly—as waves of immigration from various countries flowed into Chicago. Enrollment managers identified this factor as a strength upon which they could attract new students—because they knew DePaul was successful with first-generation students in the past. DePaul faculty had been especially effective in teaching these new generations of college students because of their teaching skills, patience, and compassion for the newcomers to higher education. Management factored this characteristic into its statistical analysis as a favorable characteristic that helped identify potential, successful students.

The implementation of enrollment management at DePaul University occurred over time through distinctive phases. Initially the admission process was a small unit linked to the Department of Academic Affairs that gradually transformed itself, as its strategic importance was discovered, into the Department of Enrollment Management. It was responsible for coordinating all institutional actions including attracting and retaining students, assigning financial aid, marketing programs and conducting marketing research (Spittle, 2007).

6 METHODOLOGY
This study is characterized by its exploratory and descriptive nature. According to Isaac and Michael (1979) descriptive research has as a distinguishing element the systematic, accurate and factual description of features and of characteristics of a selected population or area of interest. It is a comparative analysis of enrollment management practices of the Pontifical Catholic University of Paraná (PUCPR), a respectable, private, communitarian Brazilian university, with a total enrollment of 31,000 students (in 2009), as compared to DePaul University, a leading Catholic, American university located in Chicago with a total enrollment of 25,000 students (in 2009). DePaul is recognized, among other things, for its enrollment management practices that improved its academic standings among its peers, garnered a larger share of the student market, and contributed to significant institutional development over the past 25 years.

As a comparative study, PUCPR was chosen because it shares many of the same characteristics of DePaul University in terms of size, location in a large metropolitan area, emphasis on undergraduate academic programs, its Catholicity and religious community sponsorship, and good reputation. Both institutions have adopted strategies for growth in volatile environments against strong competitors.

The study uses data from: a) research conducted by Zablonsky (2004), b) archival documents from both institutions including strategic planning and assessment reports, c) institutional reports on enrollment rates, student progress reports, infrastructure expansion project reports, and data on institutional enrollment capacity and actual enrollments. PUCPR, like any Brazilian university follows a Numerus Clausus policy whereby every academic program is assigned a limited number of student openings based on its physical and academic capacities. This policy produces useful data regarding program efficiency in terms of total enrollment compared with capacity offered or available.

The researchers used their own experiences as faculty members both at PUCPR and DePaul to understand the management practices of the institutions researched. Two of the researchers have taught at both institutions; two have been administrators at higher education institutions in each country, both responsible for strategy making. Two have served as consultants to managers and boards in higher education.

7 FINDINGS AND ANALYSIS
Analysis of data (Table 1) reveals that in its plan 1998-2006, DePaul University integrated enrollment management strategies deeply into the general master plan as Dolence, Miyara and Grajeda (1998) propose. In that plan, the enrollment growth goals were carefully specified through 2006. The plan included significant enrollment growth with concomitant growth strategies for faculty, physical plant, and revenue enhancement.

In the case of PUCPR, the strategic plan 2002-2006 (PUCPR, 2003) established greater institutional objectives and goals in a more inclusive and qualitative way without the specificity used by the American institution—particularly in terms of enrollment growth. One aspect deserving special attention was the importance of setting clear, quantitative goals as targets for expansion in student enrollment within the strategic plan. Quantitative enrollment goals provide targets and measures of success for admissions officers—and provide evaluation standards for institutions. In the case of DePaul University, enrollment goals are discussed by deans and vice presidents before adopting them in the master plan (Spittle, 2007). At PUCPR enrollment goals are discussed only among higher administrators and the mantenedora—the holding organization and governing body linked to the religious community that sponsors the institution—for inclusion later in the institutional master plan.

Both institutions employed expansion strategies by developing additional campuses. DePaul opened its first satellite campus near O’Hare Airport in the early 1970s and later expanded to four more campuses strategically located in suburbs in a semi-circle around the city of Chicago. DePaul’s strategy was to bring the classroom to the student rather than have students commute an hour or more to either of its two central campuses. This strategy made it easier for part-time students who lived and were employed in the suburbs, to choose DePaul for undergraduate degree completion programs or for professional, master degrees. At the same time, PUCPR expanded to campuses in Londrina, Toledo and Maringá. These moves flowed from strategic plans to increase market share and deepen penetration into new markets in the state of Parana as it built enrollments in the PUCPR system.

Because of its undergraduate growth of 60 percent from 1998-2003, DePaul attracted the attention and respect of the higher education community in the United States. According to Kalsbeek (2003), some of DePaul’s success can be ascribed to its highly-professional and pro-active enrollment management system centralized in a single department. PUCPR, in the same time period, experienced a growth rate of 17 percent (Relatório APC, 2004).
### Table 1. Components of Strategic Planning at PUCPR and DePaul.

<table>
<thead>
<tr>
<th>Items</th>
<th>PUCPR</th>
<th>DePaul University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth of student body</td>
<td>Non-specified goal</td>
<td>25,000 students (by 2006)</td>
</tr>
<tr>
<td>Strategies</td>
<td>Quality of Education</td>
<td>Diversity of the student body</td>
</tr>
<tr>
<td></td>
<td>Faculty qualification</td>
<td>Quality of Education</td>
</tr>
<tr>
<td></td>
<td>Institutional image</td>
<td>Institutional image</td>
</tr>
<tr>
<td>Financing</td>
<td>Depending on tuition</td>
<td>Diversification of income sources</td>
</tr>
<tr>
<td>Expansion</td>
<td>Three new campuses (inland)</td>
<td>Five new campuses (metropolitan area)</td>
</tr>
</tbody>
</table>


In terms of marketing strategies, DePaul employed a systematic and professional strategy to attract students through extensive market research, using predictive statistical models, as well as leveraging financial aid (Kalsbeek, 2003). At the same time, at PUCPR, marketing was dispersed and un-systematized, uncoupled from strategic planning. Enrollment goals were naive or absent.

Institutional prestige and reputation are strong characteristics pursued equally by both institutions. The two Universities enjoy rich and long histories as providers of educational services. DePaul competes in an environment with several significant universities, some with national and international reputations. PUCPR also faces a highly competitive environment but, perhaps, less intense in terms of academic prestige (Table 2).

Both institutions enjoy academic respect in their communities. DePaul University exploits its institutional reputation, mainly its brand, as means to attract students. The DePaul brand is identified with an institution offering high-quality education promoting community service, and building a strong institutional affinity. One central purpose of DePaul, illustrated by its mission and overall philosophy, is to offer educational opportunities for economically-underprivileged but
academically-competent students. Marketing strategies explore brand differentiation and attempts to reconcile student academic experiences with student expectations (Spittle, 2007).

At PUCPR, marketing strategies have only recently been adopted; consequently their effectiveness cannot yet be measured. The integration of marketing and enrollment management activities is loosely-coupled at best. In terms of expansion, PUCPR has created three new campuses in the state of Parana. In doing so the University has expanded its market and outreach to new communities thereby extending its educational mission. The new campuses in Maringa, Toledo, Londrina together with the Campuses in São José dos Pinhais and Curitiba have contributed to the growth of enrollment from 25,000 students in 2005 to 30,000 students in 2009 (Relatório APC 2010).

Table 2. Comparison of Institutional Marketing of PUCPR and DePaul.

<table>
<thead>
<tr>
<th>Items</th>
<th>PUCPR</th>
<th>DePaul University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attraction factors</td>
<td>Prestige and respect, facilities, qualified faculty, and diversity of programs</td>
<td>Prestige and respect, facilities, support to minorities, location, diversity of programs</td>
</tr>
<tr>
<td>Tuition value</td>
<td>Cost and mission</td>
<td>Cost, mission and competitor price.</td>
</tr>
<tr>
<td>Approaches</td>
<td>Thematic campaign in printed and electronic media, leaflets, site, billboards, lectures and advertising of academic programs</td>
<td>Contact through the web, telephone, and direct mail; market research; predictive models; partnerships with government, enterprises, alumni, and affluent people.</td>
</tr>
<tr>
<td>Image</td>
<td>Presence of the President at events of the community, academic and scientific publications, and news on the media.</td>
<td>Presence of the President at events of the community, especially at enterprises; academic and scientific publications; news on the media, and strong relationship with alumni.</td>
</tr>
</tbody>
</table>

Source: Kalsbeek (2003), Minogue (2003), and Zablonsky (2004).
When comparing the managerial practices of the universities, DePaul used a coordinated system of enrollment management resulting in significant enrollment growth. PUCPR, on the other hand, employed a traditional academic management structure found in most Brazilian institutions of higher education. Without a coordinated enrollment strategy, efforts were expended irrespective of the environment, changes in public policies, profiles of students, economic conditions and institutional mission.

PUCPR had not developed a database of student characteristics or conducted marketing research to be able to construct profiles of current or potential students—so as to target specific marketing efforts. The DePaul model, on the other hand, concentrated on its well-developed market-segmenting strategy to identify where potential students come from, as suggested by Dolence, Miyara and Grajeda (1998).

Both institutions are careful about setting tuition rates. Tuition pricing is established annually by PUCPR based on program costs, reputation of the institution, academic programs and faculty qualifications (Zablonsky, 2004). DePaul sets its tuition based on its costs, institutional mission and the pricing strategies used by its primary competitors.

At DePaul, the main work of enrollment management is centered in a single department where 50 professionals work together. At PUCPR enrollment management work is dispersed in several units throughout central administration where both sophisticated and simplistic practices co-exist (Table 3). The absence of an integrating model bringing together the several managerial units involved allows for the looseness in the system. More recently, however, PUCPR administrators introduced institutional marketing strategies at the senior management level.

Introducing managerial processes is usually carried out in stages; gradually they become successful. As strategic planning, marketing, and enrollment management become integrated, the results and benefits become more obvious.

As universities avail themselves of new technologies, managerial changes become possible even for such intricate strategies of enrollment management exemplified in the DePaul model. Key factors such as student quality, appropriateness of programs, income level of student families, institutional reputation, and branding are the building blocks of enrollment management strategy. It all begins with management perceptions, developed from marketing research, of the
competitive environment they find themselves in. The fight is over scarce resources—students who generate credit hours of tuition fees—the lifeblood of the university.

According to Spittle (2007), the decline of the demand for higher education in some regions of the United States during the 1980s caused several institutions to close. This increased the competition that led higher education institutions to search for ways to increase enrollment, strengthen marketing positions, and ensure institutional viability. Public policies supporting the expansion of educational opportunities for the masses also contributed to fiercer competition.

In this context, institutions like DePaul University introduced innovative measures and integrated systems of enrollment management, realigning administrative areas and functions. The highly-successful experience of DePaul enrollment management contributed, according to Spittle (2007), to a surprising increase in the number of students based on three integrated approaches: the prediction model, leveraging financial aid, and relationship marketing.

Finally, Spittle (2007) says, it is necessary to stress the purpose of enrollment management at DePaul goes beyond attracting and retaining students. It seeks also to advance the position of the institution in the marketplace and to strengthen the importance of the university to the community.

Table 3. Comparison of Enrollment Management at PUCPR and DePaul.

<table>
<thead>
<tr>
<th>Items</th>
<th>PUCPR</th>
<th>DePaul University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management of the system</td>
<td>Isolated and amateur actions</td>
<td>Integrated and professional actions</td>
</tr>
<tr>
<td>Profile of the (target) student</td>
<td>Students of high schools and Prep Schools that prepare for the entrance exam</td>
<td>Previous definition of the profile (predictive models)</td>
</tr>
<tr>
<td>Attraction and retention strategies</td>
<td>Brand, differentiated pedagogical project, flexibility in debt negotiation, quality of physical infrastructure, and institutional prestige.</td>
<td>Brand, market research (segmentation), monitoring performance of competing higher education institutions, student financial aid programs, environment, and institutional prestige.</td>
</tr>
</tbody>
</table>
Estratégia e Negócios, Florianópolis, v. 3, n. 1, jan./jun. 2010

8 CONCLUSION

Environmental forces, especially market forces, are challenging current management practices of Brazilian universities in their capacity to attract and retain students. In Brazilian no adequate model deals with these challenges. This condition constrains performance and threatens long-term viability of these institutions.

Enrollment management provides time-tested, valid approach accepted throughout higher education in the United States. The approach is founded on institutional mission and expertise, market and environmental analyses, statistical modeling, managerial competence, coordination and implementation throughout the institutional master plan, and the commitment of leadership.

In Brazil enrollment management is in its infancy—currently a dispersed and disintegrated practice with the potential for great success. Current environmental conditions and the heightened level of competition for students in a crowded market, varying levels of reputation and sophistication in institutions are conditions demanding change. DePaul University can serve as example and reference for managers of Brazilian private institutions compelled to improve performance. The introduction of enrollment management practices is imperative for these organizations.

This study shows that, in the case of PUCPR, enrollment management is a practice floundering in an area where professional and unprofessional actions are mixed—with equally mixed results. The enrollment management function is dispersed and distributed among several units of administration rather than centralized and integrated. Adopting an integrated system will provide cost savings and revenue enhancement, market penetration, clearer branding, and stronger institutional reputation. Enrollment management strategies focus the mission and help institutions achieve it. The success of a system with these characteristics depends on corporate decision making and sustainable strategies based on available resources (Barney, 1991).
The incorporation of an enrollment management system is not an easy task. It is a process of gradual change in a managerial system that integrates existing practices with new practices and technologies. The ultimate purpose is to strengthen the position of the institution in the market and to advance the institutional mission.

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