Role of modern CRM practices in enhancing Industry-Institute Interaction Programme: An exhaustive study of B-Schools of Pune with reference to Alumni and Industry as Customers.

Dr. Om Prakash Gupta

Director- Bharati Vidyapeeth Deemed University

Y. M. Institute of Management Karad – 415 539. (M.S.)

And

Prof. Shantilal. M. Jadhav

Director in Charge - Mandke Institute of Management and Research, Pune

Near Paud Phata Flyover Bride, Paud road, Kothrud

Pune - 411038.

Abstract

Industry-Institute Interaction Programme acts as a strong linkage and bridge between the educational institutions, especially B-Schools and business houses. It is a well established fact that former students, known as Alumni, play a vital role in developing and strengthening the relationship and bondage between the Industry and Institute.

In order to study the significance, role and importance of the alumni for the development of an institute, the researchers have decided to conduct an exhaustive study for applying modern Customer Relationship Practices to have perpetual and hormonal relationship with the passed out students of B-Schools.

The paper highlights the common modern practices of CRM and its applications to maintain the relationship with the passed out students and business houses. The objectives of the paper are -

➢ To give an overview of CRM practices in modern era of our complex business world.

➢ To highlight the effective application methods to implement CRM Practices to maintain strong relationship with students as customers.

➢ To apply CRM practices with the industrial houses who extend consultancy projects to B-Schools.

➢ To describe the problems, challenges and obstacles faced by B-Schools in involving, developing and maintaining CRM practices with alumni, business houses, other related organizations and enterprises.

Marketing Management

➢ To suggest measures for enhancing CRM Practices by B-Schools.

In short, it can be stated that the presented Research Paper is a capsule description of CRM Practices applied by the business school to enhance its quality of education and maintaining creativity at the rate of obsolescence.

Key Words-

CRM Practices, Alumni, Consultancy, Industry-Institute Interaction, B-Schools

Introduction

The Management degree, perpetually a certain credential for progression is losing some of its luster. The reduced prospects of management courses result partly from the proliferation of management institutes in India, particularly in the State of Maharashtra. In recent years, since many management graduates have been unable to find suitable jobs, their interest in the management degree and enrollments have begun to decline.

There are entrance examinations conducted by various bodies for getting admissions in AICTE approved Institutions for MBA courses. The Directorate of Technical Education, Maharashtra, conducts MAH- MBA/ MMS-CET every year for admission to first year of the two-year full time MBA/MMS/PGDBM/PGDM Course. Generally all seats are filled after the 4th round of admission. But in year 2010 there were vacant seats. DTE decided to conduct a 5th round for admissions. Later on, they removed barrier of entrance test. In spite of these efforts, forty percent of the seats remained vacant. This was an alarming situation for management institutions.

These are challenging times for B-Schools and to compete successfully it is important to adopt best practices that can enable them to consistently interact with their diverse stakeholders in a highly personalized and professional manner. For B-schools, students and Industry are their customers. Even though CRM usage is widespread in the corporate sector, B-Schools are far behind with CRM implementation.

However these problems can be resolved by maintaining a good network of alumni who are actually messengers of B-schools to the outer world. Alumni are important catalysts for brand building of their institute. Currently, in the Indian context, very few institutes have strong alumni network. The use of technology for interaction and communication is missing. After completion of the course, the institute fails to keep in touch with alumni due to lack of proper channels and mechanism of interaction. This research investigates the new ways of networking alumni and their effective use in brand building of B-schools. It is not only students but also former employees, former members, industry delegates and other stakeholders of the institution can be considered as Alumni.

Alumni: As change agent for enhancing quality of Education, development and employment of B-Schools.

Alumnus and alumna both come from Latin. Alumnus is a masculine noun with plural alumni and alumna is a feminine noun with plural alumnae. Educational institutions usually use alumni for graduates of both sexes. The term is also given to an individual who takes pride in his/her alma mater by influencing in various programs that will enhance the development of his/her B-School. Many Management Institutions have extended this definition to include friends of B-Schools. These are individuals who offer consultancy projects and arrange campus interviews for B-School students. Aggressive creation of dynamic partnerships across the institutions wherever there is alumni involvement could be beneficial to the institutions.

Pre Alumni

Pre-alumni are current students who are tomorrow's alumni. It means to acknowledge the potential of those students who can later serve as the ambassadors of the institutions to the external world. It is critical for the B-School to have pre-alumni awareness. It is responsibility of the B-School to cultivate an interest in the alumni

relations while they are within reach of the B-Schools. During the period of two years of the course, the institute can demonstrate contributions made by the alumni. This will encourage pre-alumni to contribute after their management degree.

Benefits to Alumni

Good alumni relations will benefit the alumni, the institutions and society at large. After getting the management degree, the former students have a number of options including

- Seeking employment
- Starting business
- Further studies

Regardless of the path taken by the student, there is always opportunity to interact with the institutions where they have learnt.

- For job seekers, the institutions can provide their industry contacts for employment. Some organizations need only experienced employees. From the well maintained and updated database, the institutions can provide such experienced employees benefiting both alumni and industry.

- Alumni can also seek recommendation from faculties while facing problems during their jobs.

- Those who want to start their own business, institutions can help them by providing Human resources.

- For further studies is where there are often most interactions. The alumni may go to the same institutions where they went through for further studies, seek advice on opportunities, recommendations to enable them enter programmes of studies in other institutions or endorsement of their documents.

Further alumni have sustained contact with B-schools through letters, emails, and publications. They can trace old friends and fellow alumni.

Benefits to the Institutions

The alumni often have indoctrination regarding Institutions from their study experiences. They can therefore

- Act as B-School ambassadors.
- Provide feedback to the institutions on their programmes and therefore assist in the improvement of such programmes.
- Share knowledge and experience with pre-alumni.
- Serves as guest of honor and speakers at various student functions.
- Assist with job seeking of fresh graduates.
- Institutions can get greater student enrolments through promotional activities undertaken by alumni.
- The Institutions will be able to develop more relevant programmes through the involvement of the alumni in curriculum development and review.
- The institutions can get Turnkey Projects from alumni.

The society at large

The students spend only two years at management institutions, but they will spend the rest of their life contributing

to the society. Good alumni relations can act as social control through peer pressure and role modeling. They can contribute to more effective human resources base to support societal development by provision of good facilities for training,

Current Practices of Alumni Management in B-Schools

Before advent of cellular phones and the internet, B-schools were finding it difficult to have interaction with their alumni. The alumni management program was restricted to annual social gathering of the institution. Alumni, who have recently passed out from institutions, show an interest for couple of years. There was hardly any help taken from the alumni. Today, Alumni Management is assigned to a faculty member, who apart from his regular duties, handle alumni database. Some enthusiastic alumni form an Alumni club, but again it is limited to dinner and is not well organized. An alumnus who has current knowledge of market is de-motivated by faculties as they are not in touch with current scenario. Faculty is busy in telling others about alumni, how he was mischievous during his tenure in the institutions. This discourages alumni in participation of alumni networking. There is inferiority complex among alumni and faculty members of the institutions. This is not good for the health of the institutions. In fact alumni could be used as competitive edge over others with effective CRM practices.

Industry-Institute Interaction to Public-Private Partnership: A Journey to excellence

Due to globalization and opening up of Indian economy to the outside has created cut-throat competition among industries. Industry wants employees who can work right from day one in their core businesses. To solve their problems they are looking at management Institutions. Similarly, there is an urgent need to prepare management students for jobs in MNCs by exposing them to newer methods of management. These objectives can only be achieved well by bridging the gap between industry and the Management institute.

Management education is often criticized by

- B-Schools do little to produce future managers who are able to meet the challenges of the dynamic global business environment.

- MBAs are generally ill-prepared to cope with an increasingly diverse work force.

- Faculty members lack appropriate business experience, and is worried about syllabus of the University and not bothered to teach students what is applicable in real world environment.

- Students are examination oriented to get mere degree of MBA and not interested in acquisition of various skill-set required to perform a job.

- Considering the above situation, there is need of better interaction between institutions and industry. This will have great impact on the management education Curriculum, exposure of industrial atmosphere to management students and subsequent placement of young budding managers in industry across the country.

- To promote Industry- Institute Interaction following programs depicted below should be undertaken

- They should establish Industry- Institute partnership / interaction cell.

- Invite alumni or various dignitaries working in corporate sector as well as self employed professional to share their experiences.

- Placement is not job of placement department but it is job of every faculty and non faculty member. Management Institute must adopt holistic approach.

- Arrange visits of all faculty members to various industries and implement immediate changes

Industry- Institute Interaction program can be taken in various forms like problem solving, curriculum development, study visits, scholarship, apprenticeship training, and incubation center, faculty and staff exchange, short term training programs, onsite educational program etc. Such interaction is mutually beneficial.

Implementation of CRM practices for perpetual relationship in B-Schools, alumni as well client Industry.

Alumni Networking

Alumni networking means connecting with former students, former employees, former members and industry professionals to build professional relationships and gather information. According to a survey conducted by Crispin, G. & Mehler, M. (Feb 2009) 70 to 90% jobs are not posted and survey of 45 large organizations suggests that most positions are filled internally by referral source. This indicates an importance of alumni management. There is an urgent need of establishing a network of alumni; it need not be expensive and the return on your investment can be considerable.

Alumni associations may take various forms. In most cases, Institutions leave these alumni issues entirely on voluntary associations with minimal involvement. But this type of association fails as they are run by voluntary leaders who is employed elsewhere and may not be able to run it effectively. There is need of support from institutions to manage these associations. Effective alumni networking may help institutions in

- Watching career pathways of their former students and can demonstrate to pre-alumni. This will attract new potential students with increasing enrollment ratio.

- Track latest trends in their professional sphere and requirements of corporate sector.

- Continuous communication may be useful in getting corporate assignments.

- Institutions can make immediate changes in curriculum and get competitive advantage over others.

Alumni development

Manage database of Alumni	→	Communicate with Your Alumni	→	Alumni Networking	→	Manage Alumni Events
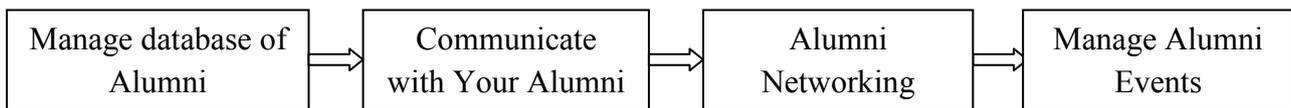
1. **Manage Database of Alumni**- Upload list of all alumni with all necessary details like Name, qualification, Email, contact number, Industry, and type of help he can provide to junior students or Institution etc. This data can be collected by phone, email, in person or through and web browser form. Allow alumni to create, register and update their own profile and records online. Then integrate and create custom fields as needed to meet your specific data requirement. Data integrity should be preserved and grant individual and or role based system access with granular permission settings for viewing or updating selected sets of records. The report should be generated and queries in real time.

2. **Communicate with Alumni**- First stage of communication with alumni is to determine the long term and short term goals. Then identify profile of target audience and what are their media habits. Then concentrate on message which should be closely tied with your goals and audience. The message should be relevant, showing importance, urgency or magnitude of goals. Personalize your messages using individual merge fields from your alumni records. Then track open rates, bounce rates, and click rates on email campaigns.

3. **Alumni networking**- Develop alumni network with the help of electronic media. As young generation is comfortable in responding emails, SMSs, use their habits judiciously. An alumni

newsletter is not the only way to communicate with alumni. Ask them for visiting lectures to share their experiences with pre-alumni. This will motivate them to be in contact with institutions. The current popularity of Facebook is remarkable. Engage alumni using Facebook.

4. **Manage Alumni Events**- Regular alumni events, whether big or small, must be arranged so the alumni also interact with each other and help the institute to achieve its goals. Also, the alumni can help the institute with their practical suggestions so that the alumni event is a success.

Recommendations-

*   Establish separate cell in the institute to handle Institute- Industry Interaction program, Alumni Management along with the Placement cell. In fact all these three activities can be integrated in one department or cell.

*   Communicate the role and purpose of new department of the institute to all alumni, faculty, staff members and other stakeholders.

*   Implement new systems and processes for alumni networking and Industry- Institute Interaction program.

*   Introduce additional activities apart from traditional activities. Also use various methods of communications.

*   Identify areas for review in alumni relations provisions.

*   Maintain high and measurable level of productivity and responsiveness.

*   Invest more in its long term relations with alumni and pre-alumni.

Conclusion

Good dynamic relations with alumni, pre-alumni, Industry and other stakeholders may help management institutions in satisfying there students . CRM practises can be implemented effectively in B-Schools. CRM is not for teaching but also using it to enhance the quality of education and serving society at large. The activities like alumni management, Industry- Institute interaction program, and Placement cell if integrated in one Department can be useful and meaningful to the institutions. The quality of curriculum, employability ratio, and increase in enrollment is beneficial to the management institutions with the help of modern CRM practices.

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