

SUSTAINABLE FUTURES BRIEFING:

RAPID IMPROVEMENT EVENT (RIE 3) – Billing of CPD and Modular Delivery to Students

Event Focus & Method:

- The Event focused on billing of CPD and modular delivery to students. The team focused on developing a new improved process which will enable accurate and timely billing, improve communication between all stakeholders and enhance the student experience of paying their fees
- A multi-level and multi-area team of 10 people operated as representatives of colleagues across the University involved in the billing process. Feedback was sought from over 250 staff and students across the University before and during the event.
- The team utilised Lean principles to examine the current process, focusing on the needs of the customer to identify which activities added value. The team concentrated on stripping out the non value add activities from the current process to achieve process improvements. The team gained feedback & acceptance, and developed an action plan. Implementation effort follows on directly.

Key Issues with current situation

- 65% of £1.2 million debt for CPD and modular billed programmes remains unpaid at year end
- Only 1% of invoices were paid within the agreed 30 days time limit, as detailed in the tuition fees policy
- Late or non payment of tuition related debt is costing the University up to £500,000 per annum
- Over 4000 invoices are currently open in the billing process with 46% of students yet to pay in the current financial year
- On average, there are 22 transactions processed per student, with 17 staff members involved in processing each student
- From a sample of students (n=373) who had their results withheld – 60% were due to the student not providing correct information, 25% due to University internal process error, and 15% due to lack of sponsor information
- Lack of clear and consistent information about fees for students and staff
- Payment process not clear to students or staff
- Student Module changes are not accurately reflected in the billing process leading to incorrect invoices, rework and delay in payment and customer complaints
- The fee structure, incl. fee setting, were identified as major issues of concern for many staff and students (out of scope for this RIE)

The figures are based on data collected in June 2009

OUTCOMES:

| Main Improvements | Key Benefits | £ ▼ | Time ▼ | Quality ▲ |
|---|--|--------|-----------|--------------|
| Student is able to add module selection to shopping cart and view associated costs | Consistent & transparent fee information; Cost of learning known up front; Increase payments up front; Reduce FTE's involved in transaction; Improved customer satisfaction. | ✓ | ✓ | ✓ |
| Student confirm final module options using the student portal and pay | Students empowered to validate own data; Reduce FTE's involved; Clear payment process; Accurate billing; Reduce late payments; Speed up income recovery; Increase in Bank Interest accrual | ✓ | ✓ | ✓ |
| Fee liability note is generated to confirm module cost and payment options | Reduce transactions; Reduce failure demand on number of incorrect invoices generated. | ✓ | ✓ | ✓ |
| Continuing students have the option to pay immediately, using online matriculation | Increase income recovery Decrease outstanding invoices Increase in Bank Interest accrual Clear payment process Right first time every time | ✓ | ✓ | |
| Student has up to 30 days to pay following acceptance of offer | Speed up income recovery; Reduce debt; Reduce number of FTE's in the debt cycle; Reduce rework; Decrease outstanding invoices | ✓ | ✓ | |
| Student has a 4 week time limit to change module options | Speed up income recovery; Reduce debt; Reduce withdrawals of services; Reduce results withheld | ✓ | ✓ | |
| Student requests module changes online via student portal – Automatic notification to Finance once changes authorised | Accurate billing Accurate Source of Funding Right First time every time Speed up income recovery | ✓ | ✓ | ✓ |
| Trigger reminders in billing system to prompt student to pay in Week 1, 2 & 3 | Proactive customer service; Speed up income recovery; Improved auditing and tracking of the process; Reduce withdrawals of services; Reduce results withheld | ✓ | ✓ | ✓ |
| Robust guidelines for the administration of the billing process | Stakeholders have clear & consistent understanding of billing process; Improved customer service; Reduced risk of error. | | ✓ | ✓ |
| Agreed points of Contact for Fee information in each faculty/school | Improved communication Improved customer satisfaction Clear and consistent advice | | ✓ | ✓ |

A pilot of the new process will be lead by Project Leader Laurie Boles in the following areas:-

- Nursing
- School of Engineering and Built Environment
- Business School

Considerable work is now ongoing to embed these changes, and your co-operation with this work where required will be much appreciated.

Regular progress checkpoints are planned, and updates on the improvements will be communicated in due course.

Dr. Keith Horton
Sustainable Futures,
July 2009