



With choices plentiful and easily accessible from outside your campus, your students no longer are automatic customers. Here are the keys to winning their business.

Can Your Auxiliary Services Compete?



HOW OFTEN DO YOU THINK ABOUT HOW WELL YOUR AUXILIARY SERVICE UNITS ARE PERFORMING? No doubt you give them some thought when addressing the latest faculty parking complaint, when talking with students upset by dining hall food, or when calming a parent angry about the price of her daughter's textbooks. Then, having resolved the issue, you get back to the business of running the institution and hope you don't have another brush with auxiliaries anytime soon.

Auxiliary services require and merit significantly more attention. In today's competitive environment, they no longer serve a captive customer base. They operate in an increasingly diverse marketplace in which books, supplies, and computers can be purchased on the Internet, student housing can be obtained from private companies, and dinner and a movie can be hand-delivered to student rooms.

Leaders of the most effective auxiliary divisions realize that they must compete for campus business by providing excellent service with an academic twist. They are changing their operations from a source of complaints to a competitive advantage in building a living and learning community. They also know the characteristics of a successful operation: a strong leadership team with a clear mission, exemplary customer service, topnotch facilities, student-centered programs, and solid financial performance.

Assessing your operation with these five characteristics in mind will ensure that your auxiliary units are performing at their competitive best.

BY HAL IRVIN AND ROSALIND MEYERS

If your facilities fall behind the marketplace, custo

Strong Leadership

Strong leaders have a vision, a desire to excel, the ability to inspire staff, and extensive marketplace experience. In the context of auxiliary operations, campus bookstore managers, for example, must be familiar with the latest merchandising techniques, trends in the industry, and the performance of benchmark college bookstores. Because they compete with off-campus bookstores and online textbook vendors, managers must know the latest technology for tracking and ordering inventory, communicating with customers, selling over the Internet, and registering a sale. The managers also must be able to help staff understand what it takes to win campus business.

Ideally, the managers of all your services will have experience in a university environment, interest in learning about your campus culture, and knowledge of your community. The division head of auxiliary services should be engaged in institutional planning processes and develop related strategic plans for auxiliary units to make sure the division is fully integrated with the institution's mission, goals, and directions. Managers of contract operations should be included on the leadership team. They should be evaluated by the auxiliary division leader, attend all management meetings, and assist in developing and implementing the strategic plan. All personnel in charge of auxiliary units must be campus savvy, market-driven, and mission-driven.

Exemplary Customer Service

With almost every auxiliary service, customers have a choice. Students and staff need not eat lunch on campus, buy their books in the college store, or live in campus housing. Often the choice comes down to the best level of customer service.

We've all heard at least one speaker expound on the notion of exceeding customer expectations. Those lectures focus almost entirely on the interaction between a frontline person and the customer. But exemplary customer service starts before the customer ever reaches the service counter, the cashier, or the complaint desk. The friendliness and ability of the frontline person starts with management's commitment to providing that frontline person with the tools, information, and authority to answer questions, solve problems, and serve customer needs.

Look at your auxiliary services. Do you have long lines at the bookstore at the beginning of the semester because the cashiers are slow and don't care? Or are your cashiers overwhelmed because you weren't willing to hire more help? Is your parking office unable to provide information on space availability because the customer service clerks are rude or because your parking management software system is out of date?

There's no doubt that training frontline personnel on the basics of treating customers well has value. In addition to providing this training, put yourself in your customers' shoes. Walk through the process that your customers follow in obtaining service. Every step of the way, ask: What can management provide, in terms of organizational structure, guidance, systems, process improvements, and resources to enhance customer service?

To better understand our Georgia Tech customers, we conduct an annual online customer service survey. To get beyond the survey numbers, we provide room for comments. Consider conducting a coordinated customer survey assessment. And ask yourself a fundamental question: Based on what you know about the service of your auxiliary units, would you be proud to have a college-age family member served by your operations?

Topnotch Facilities

To attract and retain good researchers, you have to provide them with first-class labs. Likewise, if you want good auxiliary services, you need topnotch facilities. Look at your residence halls, dining rooms, and other facilities. Are they well maintained? Is the equipment in good condition?

What plans do you have to upgrade, replace, and create new facilities? Auxiliary services on most campuses constitute a good percentage of the physical space. Yet, few campuses have plans to renew auxiliary services as they wear out and to create new spaces and services as the student population grows. Every auxiliary service—housing, parking, transportation, printing and copying, dining, bookstores, and so forth—should have a rolling 10-year capital plan and a funding strategy. A typical 10-year plan takes into account current physical and programmatic conditions, enrollment projections, the campus master plan, market conditions, departmental missions, goals and priorities,



Hal Irvin

mers will take their business elsewhere.



financial performance, borrowing capacity, and relationships with contractors.

A long-term plan assists in setting rates and prices, assessing financial performance, and budgeting, as well as creating and maintaining facilities that achieve service goals. The businesses with which your auxiliary units compete are upgrading their facilities. If your facilities fall behind the marketplace, customers will take their business elsewhere.

Student-Centered Programs

Should auxiliary programs directly support the institution's academic mission? Absolutely. When our leadership team gathered for a retreat six years ago, Georgia Tech's auxiliary services function had recently reorganized. We knew a number of units that joined us didn't feel they belonged because "they weren't about making money." Most notably, the housing organization had moved from student affairs to auxiliary services, and several housing managers feared that residence life programs would be sacrificed to the bottom line.

The retreat helped people realize that profitability and student programming are completely compatible. Strong student programming keeps students on campus and keeps the residence halls full. Students who stay on campus spend more money there—as long as they receive a quality product.

We wrote a mission statement at that retreat that has guided our efforts since. The first line states, "Auxiliary Services facilitates the creation of community, extends the learning environment beyond the classroom, and enhances the quality of campus life through the delivery of quality goods and services." All of our employees in auxiliary services recognize that we remain profitable by enhancing the quality of campus life. Rather than cutting residence life programs, we added housing programs that enhance student life because they helped our bottom line.

We support the academic success of our students by providing tutoring in the dorms. We were integrally involved in the planning and execution of a new program requiring freshman to own computers. We provide computer support and cable and Internet access in dormitory rooms. We continued and expanded the Freshman

Experience program, which helps students adjust to college life through mentoring and peer group support. These initiatives are investments that pay great returns.

How seamlessly do your auxiliary units work together to support the living and learning experience of your students? Are they silos of activity reporting to a variety of organizations, or are they partnered with your academic leadership in a coordinated fashion? Do your auxiliary units make a difference in addressing retention and student success?



Rosalind Meyers

Solid Financial Performance

In times of tight budgets, some leaders look at auxiliary services as cash cows—generators of net revenues to flow into the general fund to support academic programs. This strategy, while tempting, is ultimately self-defeating because auxiliary reserves soon become tapped out. With no funds to implement a long or short-term capital plan, facilities become old and worn.

When auxiliary services become the cash cows, there is no funding to build new facilities as the student population grows, and operating budgets get tighter and tighter to provide more money for the general fund, thus decreasing service and quality. State or institutional funds are not available to build new auxiliary facilities or upgrade technology. As the facilities age, the quality of the services declines, and prices must be lowered to maintain value. Customers and net revenue decline, accelerating the cycle. One day, someone realizes that the cash cow has been milked dry and there is no money to replace her.

We disagree with this approach. An auxiliary operation that provides a valuable service to its customers and exercises good business principles will satisfy students and generate a profit that can be used to maintain and renew facilities. Profitable operations enhance the quality of campus life. With auxiliary services it's clear that what's best for the students is best for the bottom line.

Author Bios Hal Irvin is executive director of organizational development, and Rosalind Meyers is associate vice president for auxiliary services, at the Georgia Institute of Technology, Atlanta.

E-mail hal.irvin@success.gatech.edu;
rosalind.meyers@aux.gatech.edu