

**ICEF**

**Bringing Order to Chaos: How Institutions can  
move towards Evidence- and Performance-  
based Agent Management**

# DISCLAIMER

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# SESSION OVERVIEW

- **Education agents have become a staple of the international education landscape, operating from and in Australia to China to Sweden.**
- **Yet agents remain a controversial part of international student mobility, despite many agent quality assurance and evaluation efforts which have been instituted at national levels by governments, various associations, and transnational services such as ICEF.**
- **One reason for the lack of institutional agent acceptance is that education providers continue to struggle with rationally governing and managing their agent portfolios.**
- **This session discusses the continued challenges education providers from language schools to universities face with regard to managing their agents across three aspects.**
- **First, managing quality and compliance from an internal perspective (from contract management to admissions integrity).**
- **Second, managing agent performance relative to the quality of students recruited (a largely neglected area).**
- **Third, managing agents as part of a larger recruiting channel management approach (which means embedding agents in the overall institutional recruiting effort).**
- **The presentation component of this session will conclude with specific recommendations for institutions to institute an evidence- and performance-based agent management.**

# ATTENDEE SURVEY

- **Institutional background: University, college, language schools, K-12, government, association, agent.**
- **Experiences with agents: Extensive, a bit, none.**
- **Aware of recent discussions at NACAC, NAGAP, etc.?**
- **Member of AIRC or similar organization?**
- **Previous attendance of ICEF?**

# AGENDA

## Introduction to the 2013 International Education Landscape

**The State of Agent Management**

**Why still Chaos?**

**Responses: Managing Quality and Compliance**

**Responses: Managing Student Quality**

**Responses: Channel Management**

**Introducing Performance-Based Agent Management**

**Discussion**

# A FEW COMMENTS ON THE INTERNATIONAL EDUCATION LANDSCAPE

- **The total number of tertiary international education students has reached 4.3 million (2013e, ICG). There are many 100,000s more international language students (academic English, including, short-term) and few 100,000 international secondary school student (including short-term).**
- **Revenues from international higher education have reached USD 120-140 billion (testing, legal & application & tuition fees, cost of living, travel).**
- **Today's international student pool is fundamentally different relative to 20 years ago:**
  - **A fundamentally different composition of nationalities (shift to Asia)**
  - **Different socio-economic and socio-educational backgrounds**
  - **More distant educational backgrounds and/or less preparedness for quality western style education**
  - **A shift from educational enhancement to credential acquisition (and work/migration)**

**Agents are big part of this landscape**

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# THE STATE OF AGENT MANAGEMENT

- **A bit of history**
- **Governmental regulations (e.g. Australia, UK)**
- **Quality assurance bodies (e.g. AIRC)**
- **Associations (e.g. Languages Canada)**
- **Platforms/service providers (e.g. ICEF)**
- **Institutions**

**Shouldn't we have no problems whatsoever by now?**



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# WHY STILL CHAOS?

- **Explosive growth in self-paying students.**
- **Entrepreneurial behavior – all around.**
- **Economic incentives drive “pushing the boundary” behavior.**
- **No clear ownership at an institutional level. Who owns agent relationships – Recruiters, Registrar/Admissions, Academics?**
- **Institutional agent management policies, tools, and approaches often remain underdeveloped and un-integrated.**
- **Even institutions with 20 years of agent experience can be exposed to bad agent management practices:**
  - **100s of dysfunctional agent contracts**
  - **No differentiated compensation policies**
  - **Lacking enforcements**
  - **Interference with admissions integrity**
  - **...**

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- **Managing agent quality has been a long-standing topic.**
- **Many approaches exist:**
  - **Contractual relationships**
  - **Accreditation**
  - **National regulatory policies**
  - **Audits**
  - **Training & fam tours**
  - **Income targets**
  - **...**
- **Most approaches have been based on frameworks and front-loaded models – which have proven to be insufficient.**
- **The lack of outcome-based quality assurance has been a major shortcoming. Especially since feedback loops have been rarely utilized.**

**Lots of approaches, but little systematic, outcome-based integration**

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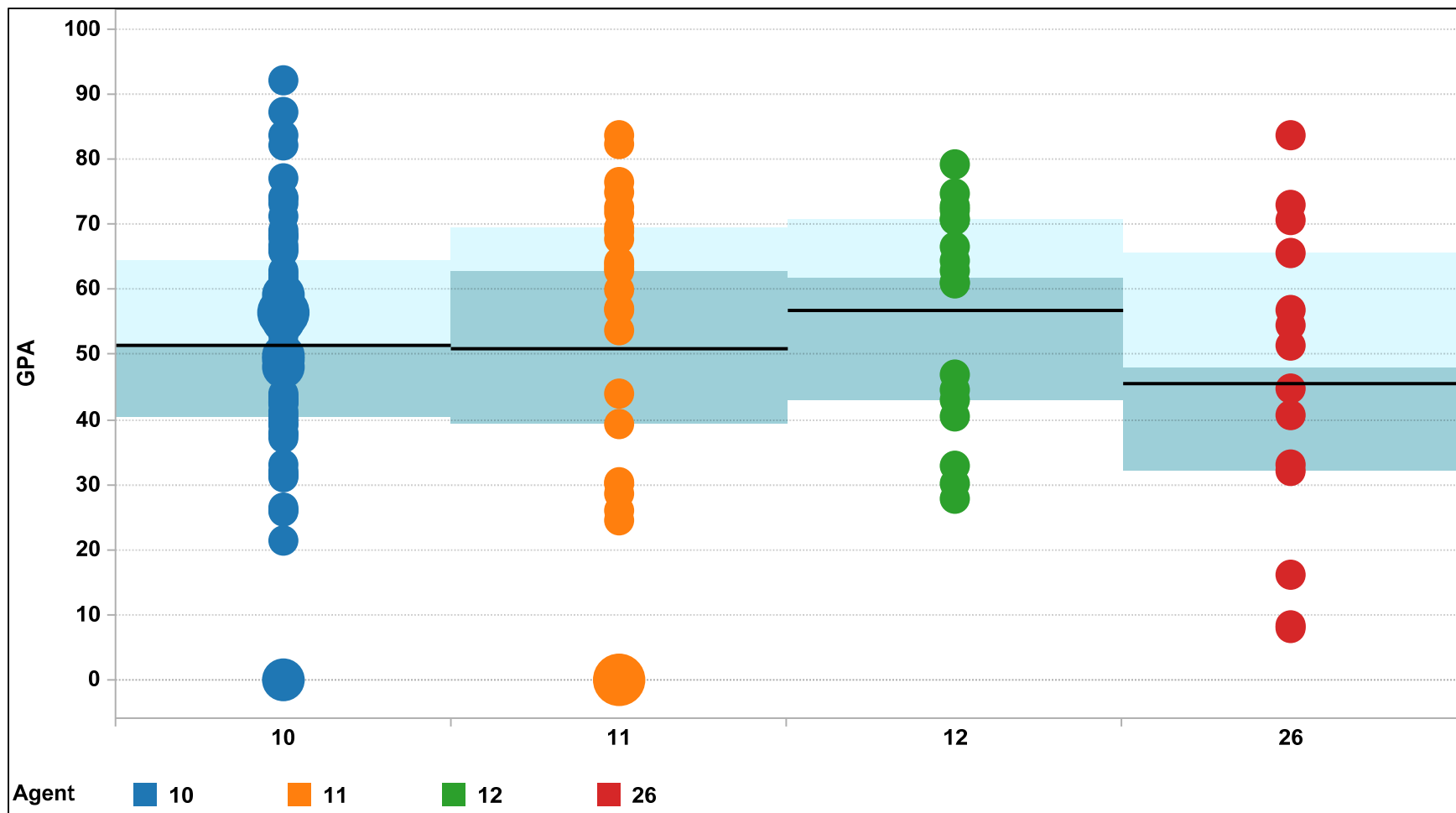
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# ACADEMIC STUDENT SUCCESS BY RECRUITING AGENT



**Agents are directly responsible for student success**

## RESPONSES: MANAGING STUDENT QUALITY

- **Agents retained by a given institution are directly responsible for the academic performance of their recruited students – they facilitate the selection, matching, and admissions preparation.**
- **At minimum, students should not fail out at rates higher than overall failure rates. Logic would dictate that the added scrutiny layer should produce students performing above respective peer cohorts.**
- **Measuring student academic performance at a granular, progression-based level has become imperative. This requires a more comprehensive, continuous, and in-depth analytical approach.**
- **Agents who reject the notion that their service to an institution is fundamentally based on recruiting students who can (and will) succeed are likely to not offer value to their client institution.**

**Theory and reality tend to diverge rather notably**

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## RESPONSES: CHANNEL MANAGEMENT

- **Agents are one of more than a dozen major recruiting channels (direct, feeder schools, alumni, social media, partner institutions, etc.).**
- **This means they need to be considered as part of a complex channel management landscape.**
- **Recruiting costs per agent (and student success) can be clearly attributed and thus make this channel – in theory – highly transparent.**
- **Managing agents typically well requires a high degree of transactional involvement and the willingness to differentiate between highly and lowly performing agents.**
- **The ultimate responsibility for agent contracts might be best placed with a unit which is not responsible for recruiting headcount targets in order to avoid conflicts of interest.**

**Many institutions continue to treat agents in a needlessly special manner**

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# INTRODUCING PERFORMANCE-BASED AGENT MANAGEMENT

- **Institutions have designed differentiated agent management models based on two paradigms:**
  - **Maintain/cancel contract**
  - **Differential commission fees (typically volume boni)**
- **This is too simplistic. Agent compensation should be pegged to outcome – to the point of not compensating agents for failing students, and raising compensation for agents recruiting students who perform well.**
- **Example: 20 – 10 – 0 instead of 15 – 15 – 15.**
- **Employing such a feedback-loop driven approach will incentivize agents to focus on student quality.**
- **Outcome-based agent performance management is a logical response to regulatory requirements and business improvement dynamics.**

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