

STUDENT RETENTION AND LEARNING OUTCOMES TOP PRIORITY LIST FOR UNIVERSITY LEADERSHIP

*Eduventures Study Shows Leaders Tapping Into More Technology and Data-Driven
Decision-Making*

(Boston, MA) December 5, 2006 - Facing a dauntingly competitive market for both recruiting and keeping high-caliber students, leaders of higher education institutions identified increasing rates of student retention and delivering the highest quality learning experience as their most critical strategic priorities. For most, an increased investment in technology is seen as the tool to drive both goals, and as they do, institutions will be empowered to leverage information for greater data-driven decision-making.

As reported in Higher Education Survey on Leadership, Innovation, and Technology 2006, recently released by Eduventures, the leading research and consulting firm for the education industry, in collaboration with its sponsors, Datatel, IBM, The rSmart Group, and SunGard Higher Education, institution presidents, chief academic officers, chief financial officers, and chief information officers surveyed identified their top five most critical strategic objectives as:

- * Improving retention rates
- * Improving student learning outcomes
- * Attracting/retaining faculty
- * Improving use of data for strategic decision support
- * Improving fund raising

"Revenue-related initiatives are shaping institutional strategy," said Noah Carp, Eduventures senior analyst and the report author. "That is why we are seeing strengthening relationships with students, faculty, alumni, the community, and other stakeholders, as well as increasing the use of information in institutional management, dominate the top 10 objectives for institutions today."

The Move to Data-driven Management

The survey respondents also indicated a strong commitment to move toward more quantitative-based management processes, highlighting the need to access and leverage core data as administrators seek to make data-driven decisions and provide superior service to students, faculty, and other stakeholders. Survey respondents indicated a desire on the part of their institutions to invest in innovative technology that would support such operational analytics as institutional growth metrics and student satisfaction ratings. They noted, however, that these key metrics are not currently readily available, citing the challenges their institutions face in defining the appropriate benchmarks and metrics, as well as collecting and analyzing the required data.

Academic Technology Remains a High Priority

Technology solutions are increasingly seen as the way to address many of the strategic priorities identified in the Higher Education Survey on Leadership, Innovation, and Technology 2006 report. Senior administrators report meaningful differences in anticipated growth across institutions' three technology budget categories - academic, administrative, and infrastructure. Almost all of the respondents expect their institutions' spending on academic technologies to increase in 2006 relative to 2005, and more than one-third are expecting greater than 5% budget growth. This compares favorably with the projected budget increases for administrative and infrastructure technologies, for which around one-quarter of respondents anticipate greater than a 5% increase in spending.

"This is good news for technology vendors, particularly those providing academic technology solutions. That said, as academic technologies continue to expand their presence on college and university campuses, solution providers need to ensure that postsecondary institutions are successfully implementing and benefiting from these investments," continued Carp.

Eduventures' report, Higher Education Survey on Leadership, Innovation, and Technology 2006 is designed to provide vendors serving the higher education market an understanding of the major strategic priorities, institutions' progress in achieving their objectives, and technology's role at these institutions. The report also identifies differing strategies, priorities, and assumptions by key categories, that is, type of senior administrator (president, CAO, CFO, CIO), and type of institution. By exploring market trends relative to prior years and projecting future marketplace dynamics, the report helps solution providers identify the greatest opportunities that align with institutional priorities and investments.

This report is available to Eduventures' members, as well as through the sponsors of the research - Datatel, IBM, The rSmart Group and SunGard Higher Education. For more information on this report or Eduventures, contact Adam Newman at 617-532-6023 or anewman@eduventures.com.

About Eduventures

For more than a decade, Eduventures has been the most trusted name in the education market for research, consulting services, and peer networking. Its clients include senior administrators and

executives from leading educational institutions and companies serving the K-12, higher education, and corporate learning markets, as well as decision-makers in government agencies and the investment community.