

## About MGM Wireless

MGM Wireless is the leading provider of SMS Communication and productivity improvement solutions for Schools and Early Learning Centres in Australia. Over 1,150 schools and early learning centres and over 400,000 Parents use MGM systems every day to automate and deliver their school/childcare to parent communication needs.

An established, Australian Stock Exchange listed (ASX:MWR) Australian based company with over 10 years proven successful track record in SMS communication, MGM provides specialised systems only for schools and childcare centres. With school clients in all Australian States, the USA and NZ, MGM is the preferred supplier to the WA Government, NSW Education Department Sydney Region, New Zealand Ministry of Education and Parramatta Catholic Education Office (Sydney).

MGM Wireless is recognised in Australia as the pioneer, innovator, expert and market leader in the application of SMS-TEXT technology to improve productivity, reduce costs and more effectively communicate to parents.

## Submissions

### **SUBMISSION 1 | Encourage service providers to more actively reduce current high levels of unpaid and overdue childcare fees.**

In our experience, with the exception of some Early Learning Service Providers (ELSP's) located in high social economic areas, the majority of ELSP's have a significant (over 30%) percentage of parents that do not pay their Childcare Fees on time or not at all.

Current process of contacting overdue Parents by telephone individually to remind and request payment is unreliable, unpleasant for staff, a negative experience, and time consuming and very expensive from a time and communication cost point of view.

In many instances, ELSP staff simply refuse to carry out this unpleasant task of discussing overdue fees with Parents at all. As can be seen from the public available financial accounts of ELSP that are public companies or not for profit organisation, the amount of bad debts written off each year is considerable – running into the many tens of millions of dollars each year.

Other than the leakage of cost recovery by ELSP's, this also creates an inequitable situation, as ultimately those parents that pay fees are paying more than they need to as they effectively subsidising the cost of childcare for non-paying parents.

A small but growing number of Australian ELSP have very successfully implemented either manual or automated, 'Intelligent' technology to send a personalised SMS messages to Parents whose fees are in arrears to request payment. These automated systems monitor the overdue amounts in the ELSP

accounting software and intelligently and automatically determine and construct message wording according to length of time the account is overdue, personalise the SMS message including inserting amount(s) outstanding and provide a reply path for Parents to reply to SMS.

### **Submission**

Make ELSP's aware of the evidence based benefits of using SMS and other forms of messaging to automatically contact parents with overdue fees, improve collections, reduce operating costs, improve productivity and create a financially more equitable outcome for those parents that currently pay their child care fees.

### **Expected Outcomes**

Evidence collected from ELSP's that have implemented MGM SMS systems show a sustainable marked improvement in 3-5 weeks from implementation, with the level of overdue fees reducing by 50-70%. Furthermore, there are significant productivity savings for ELSP staff, as this manual task of contacting and speaking to parents requesting payment of fees no longer needs to be performed by staff.

## **SUBMISSION 2 | Improve Parent Engagement through better communication strategies**

Best performing ELSP have well informed and engaged parent communities. Children's learning and development outcomes are better when parents are informed and involved in their child's learning.

ELSP that use SMS, social media and other modern communication strategies to effectively and rapidly contact Parents for Event Reminders, Late Breaking News and Emergencies are able to build more engaged and supportive parent and caregiver communities which results in ELSP's operating more effectively and efficiently.

### **Submission**

Make ELSP's aware of the evidence based benefits of using SMS and other forms of messaging to build an informed and engaged parent community as well as to reduce operating costs, improve productivity and improve children's learning outcomes.