

# Approaches to Enterprise System Implementation in the New SaaS Environment

**Dawn Rhodes**, Chief Business and Finance Officer and Vice President,  
University of Maryland, Baltimore

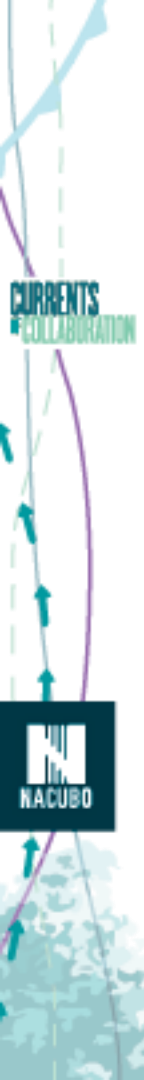
**Peter Murray**, Chief Information Officer/Vice President, University of  
Maryland, Baltimore

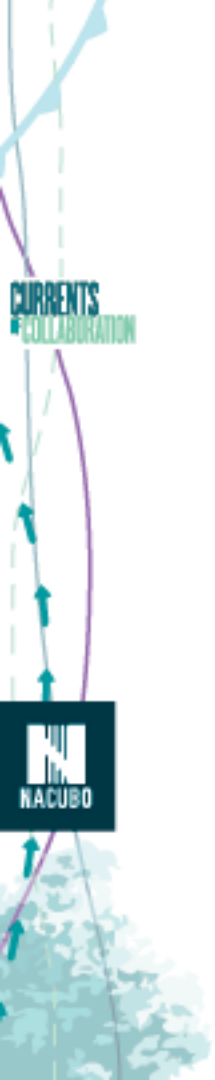
**David Hemingson**, Partner, ISG

August 1, 2017 1:45 – 3 p.m.

# Learning Objectives

- Economics, timing, and institution-vendor(s) balance of control change with enterprise Cloud solutions
- Enterprise implementation can be redefined to shorten project duration, reduce project risk, and potential reduce overall cost
- Advantages UMB achieved as it prepares for enterprise Cloud solution implementation





# INTRODUCTIONS



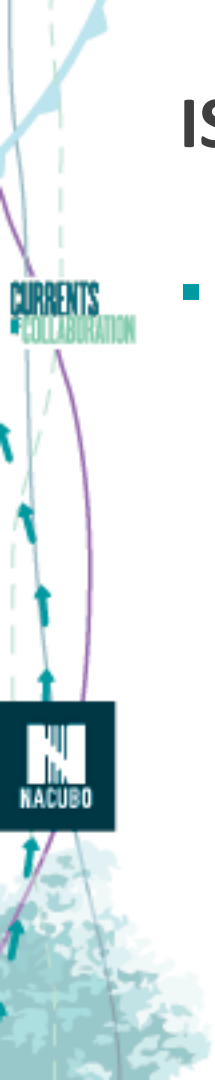
Peter Murray, Chief Information Officer and Vice President, UMB

# University of Maryland, Baltimore

- The Founding Campus
  - Founded in 1807
  - Mission: “To Improve the Human Condition”
  - 6 nationally ranked professional schools + interdisciplinary Grad School
  - 6,500 students
  - 6,400 faculty and staff
  - \$500 million research funding
  - \$1.1 billion all funds budget

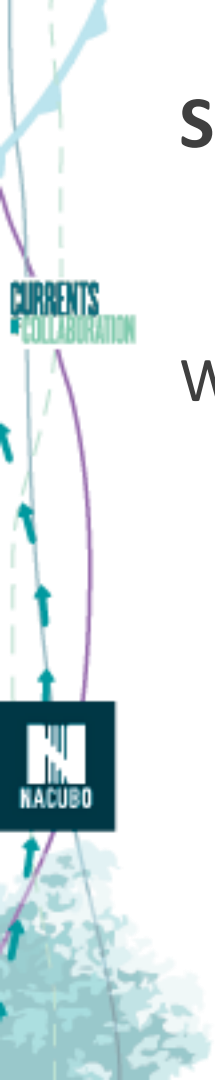
# ISG

- ISG ([www.isg-one.com](http://www.isg-one.com))
  - Global Research and Advisory Services Firm of 1,300 in 30 countries
  - Our Business: Guiding Clients in Achieving Operational Excellence
  - US-based Higher Education and Academic Medical Center Practice
  - Trusted Partner of 700 Clients Pursuing Digital Transformation
    - Automation, Sourcing Advisory, Technology Strategy and Operations Design, Change Management



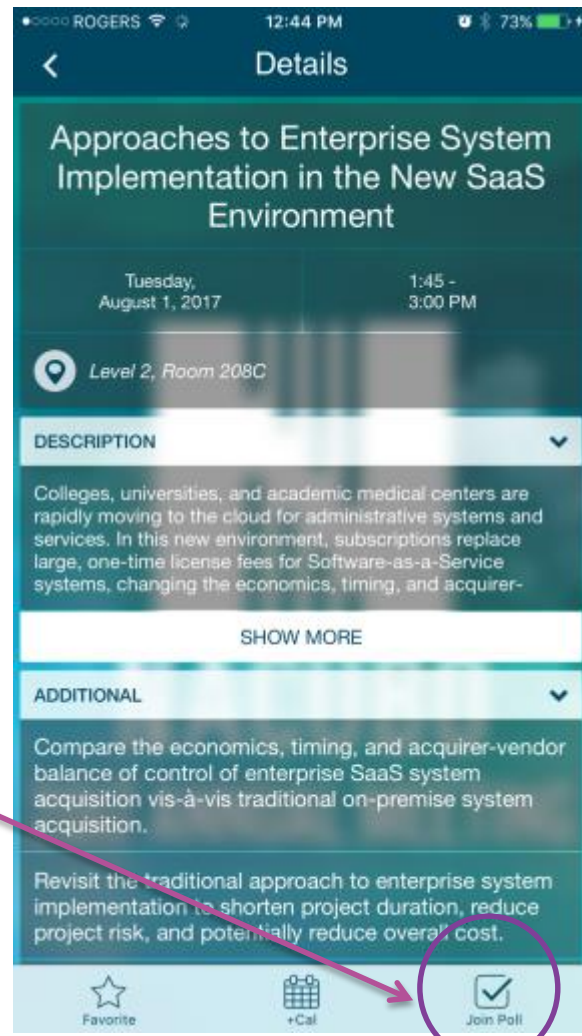
# Session Participants

What Do You Hope to Gain from This Session?



# Audience Poll

- Open your NACUBO 2016 App
- Tap “**Sessions**” and navigate to the **Approaches to Enterprise System Implementation in the New SaaS Environment**
- Tap the “**Join Poll**” icon along the bottom of the screen.
- Select your answer to the question on the next screen.



# When Did Your Institution Last Implement a New Enterprise System?

POLL OPEN



CURRENTS  
COLLABORATION





# Is Your Institution Considering Cloud Enterprise Applications?

POLL OPEN

1 Yes, Within The Next Year



2 Yes, 1-2 Years



3 Yes, 3-5 Years



4 No



5 I'm a NACUBO Business Partner

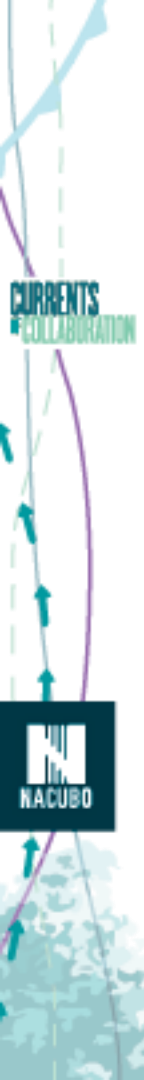


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# Higher Education Market Moving to Cloud Solutions

- After a Period of Relative Stability and Consistency in Functionality and Technology, Institutions are Revisiting Their Enterprise Software Investments
  - Cloud Solutions are Gaining Acceptance (e.g., Google Drive, Dropbox)
  - Institutions are Acquiring and Implementing Enterprise Systems (commonly referred to as “enterprise resource planning” or ERP systems)
    - ERP: Financials, Procurement, Human Resources, Payroll, Grants, Student
    - Cloud ERP Solutions Acquired: >100 Institutions
    - Cloud ERP Solutions in Production: Scores of Institutions



# Higher Education Market Moving to Cloud Solutions

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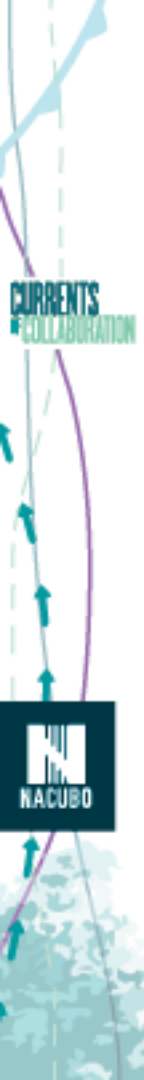
- Adoption of Cloud-based Systems is Expected to Accelerate
  - 300 – 400 Projects Over the Next Three Years, or More, per Software Vendor Estimates
- Software Vendors are Focusing Development Dollars on Cloud Solutions, Eventually Leading to “Cloud-only” Offering Availability in the Market

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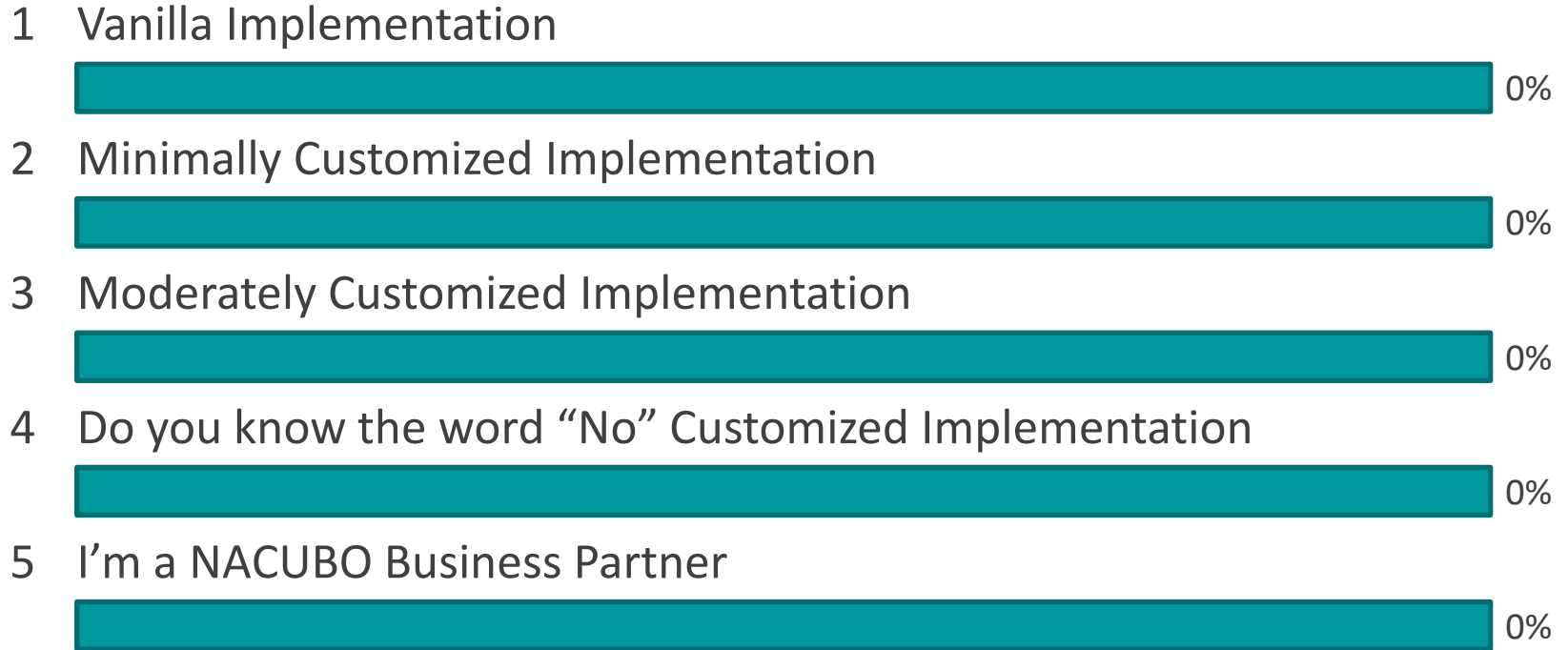


# What is an Enterprise Cloud Solution?

- Solution Providers Operate and Maintain the Enterprise Cloud Solution
  - Infrastructure (e.g., Hardware) Costs Borne by Solution Provider
  - Substantial Security Responsibilities Shift to the Solution Provider
  - Solution Development Expectations of the Solution Provider Increase
- Solution Providers Offer Variations of Cloud Solutions
  - Software-as-a-Service (SaaS)
  - Platform-as-a-Service (PaaS)/Hosted Solution
- Service Level Agreements Establish Performance Standards



# Was Your Current Financial System a:

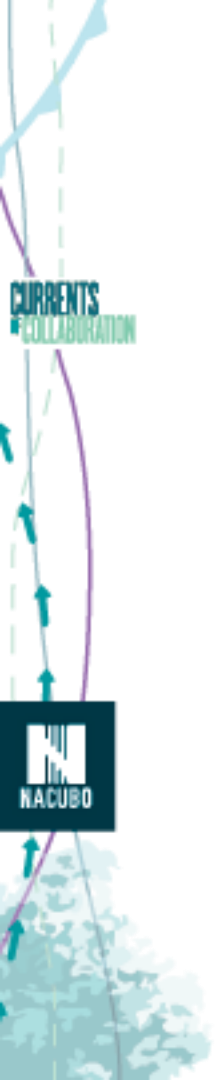


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# What is an Enterprise Cloud Solution?

- SaaS Software Solution – Configurable but Cannot Be Customized
  - Standard Solution for All Users
  - Solution Advances More Quickly
- SaaS and PaaS Providers Apply Maintenance More Frequently
  - Institution Avoids Stress of Applying Annual Release
  - For SaaS, Institution Retains Ability to Time Activation



# On-Premise vs Cloud

Cost Factors	On-Prem	Cloud
Annual application support	↑	↑
Hardware (i.e., servers)	↑	↓
Hardware maintenance	↑	↓
Data storage equipment	↑	↓
Security	↑	↓
IT labor	↑	↓
Implementation/upgrade	↑	—

## Cloud Differences

### *Implementation Duration*

- Cloud implementation timing can be shorter

### *Institution-Vendor Balance*

- Pre-implementation planning shifts balance in institution's favor with positive ROI

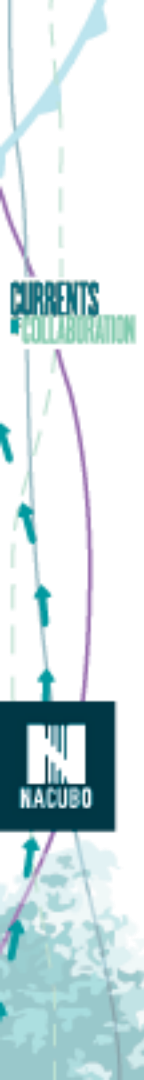


# Cloud Solutions Necessitate Preparation in Advance of Implementation Why?

- Rapid Implementation of Cloud Solutions; Pace is Faster
- Cannot Customize; Some Processes Will Have to Change
- Delayed Decision Making Cost Money; Your Money

Pace, Process Change, Faster Decision Making Lead to Greater Implementation Risk

- Vendor Neutral



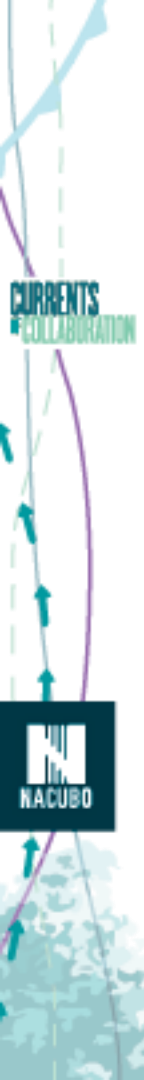


# Benefits of Preparation in Advance of Implementation

- Pre-Implementation Planning Allows:
  - Time for Well-Considered Decisions
  - Opportunity to Measure the Pace of an Institution's Decision-making
  - Opportunity to Adjust Governance, Decision-making Focus, Protocols, Staffing
  - More Precision in Specifying Implementation Partner Requirements
- Pre-Implementation Planning is Consistent with Some Implementation Service Providers' Expectations
- Pre-Implementation Allows More Effective Use of Implementation Resources

# Many/Most Decisions Are Independent of Solution

- Decisions Often Await a New Solution but Few Are Dependent on It
  - Information Needed for Decisions
    - Current Practices/Processes (for use in change management)
    - Management/Approval Structures (for use in establishing workflow)
    - Inventories (e.g., reports, data sources)
  - Scope and Strategy Decisions
    - Organizational Scope
    - Reporting Strategy
    - Integration Strategy
    - Data Conversion/Archiving Strategy
    - Process Standardization Strategy



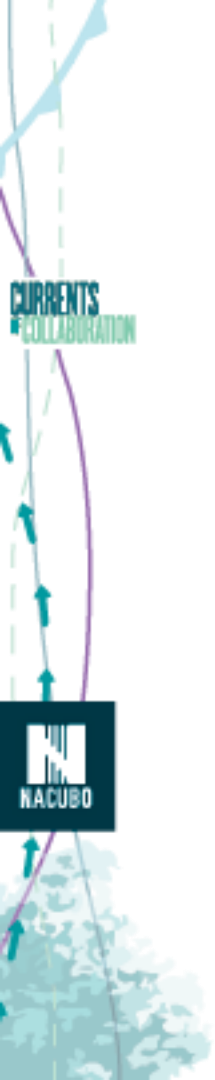
# Many/Most Decisions Are Independent of Solution

- Decisions Often Await a New Solution but Few Are Dependent on It
  - Configuration Decisions
    - Institution-wide Impact (e.g., security level, approval protocol, classifications and hierarchies/matrices for reporting)
    - Cross-functional Impact (e.g., position management, vendor file clean up)
    - Functional Area (e.g., purchase order/invoice tolerances)
  - Integrations – Integrate or Not; Integration Configuration
    - Specialized Applications, Particularly When ERP Solutions Have “Weaknesses”

# Pre-Implementation Activities are Strategic

- Set Direction
- Create Alignment
- Prepare Community for Change – Things Will Be Different
- Prepare Institution for Partnership
- Shift Balance in Institution's Favor
- Inform Systems Implementer/Integrator Requirements





# PRE-IMPLEMENTATION ACTIVITY CHECK LIST

# Pre-Implementation Activities

- Establish Governance and Management
- Determine Scope of the Project
- Establish Project Management Office
- Deploy Organizational Change Management Strategy
- Decide Reporting & Analytics Strategy
- Conduct Current State Assessment/Inventory



# Establish Project Governance & Management

- Identify Executive Sponsor(s)
- Determine Structure & Meeting Frequency
- Set Decision Protocol
- Establish Vision – Planning Assumptions
- Establish Conflicting Priority Resolution Process
- Begin Team Building
- Confirmation Roles – Collaboration, Communications

Allows Pre-Implementation Test of Abilities – Decision-making, in particular

Allows Pre-Implementation Test of Collaboration and Compatibility



# Determine Scope of Project

- Determine Deadlines and What May Impact Them
- Review Chart of Account; Determine the Degree of Change
- Assess Overlapping Functionality; Determine Use System or Interface
- Assess New Functionality; Determine How Far to Go
- Determine Gap in Delivered Functionality; Decide Third Party or Wait for Future Release
- Decide Reporting & Analytics Strategy
- Determine What Interfaces/Integrations will be Needed





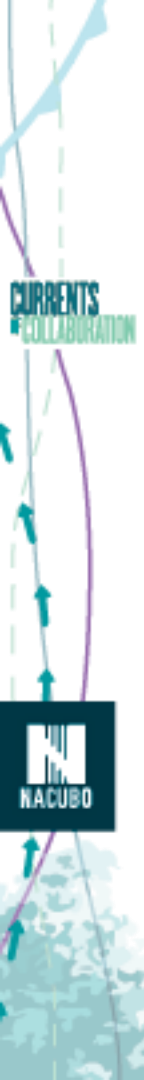
# Establish Project Management Office

- Project Manager(s) & Project Team Members
- Roles, Responsibilities, & Reporting Structure
- Location, Infrastructure Needs, Furniture
- Decision Protocol
- Issue Management
- Decision Journal
- Status Reporting
- Backfill Position
- Retention Strategies



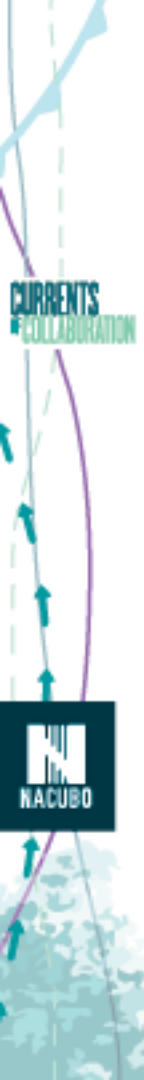
# Deploy Organization Change Management Strategy

- Start As Early as Possible, never too early but can be too late
- Dedicate Change Management Team Lead(s) and project members
- Change Management Training for Team Lead(s)
- Assess Institutional Change Readiness for System Switch
- Structure Change Management Approach
- Build Communications Infrastructure
- Establish Departmental Engagement (outside central units in particular)
- Build Training Infrastructure



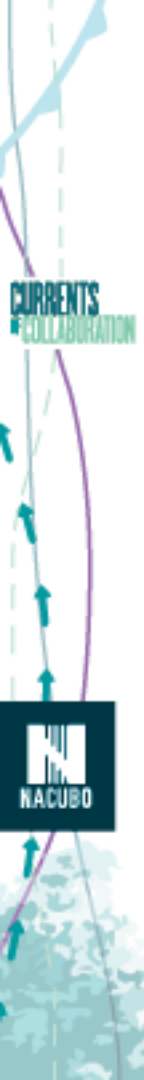
# Decide Reporting and Analytics Strategy

- Reporting Philosophy - central vs decentralized vs hybrid
- Scope to be Delivered Go Live
- What is Needed for Better Decision Making
- What is Needed to Eliminate Shadow Systems
- Short Term and Long Term Vision
- Possible Reporting Tools
- Data Health & Clean UP
- Data Definitions
- Data to be Converted
- Team Lead & project team members



# Conduct Current State Assessment/Inventory

- Do Current Process Mapping
- Do Desired Future State Mapping (Key Processes)
- Assess Data Health - Clean Up
- Determine Interfaces/Integrations to be created
- Assess Skills of Team Members
- Determine if the Management Structure is in Place to Optimize the System
- What Users Should be Involved and How



# Thank You for Participating

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