



Higher Education ERP system change

Critical success factors for a successful ERP systems change in Higher Education institutions

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Our understanding of sector position

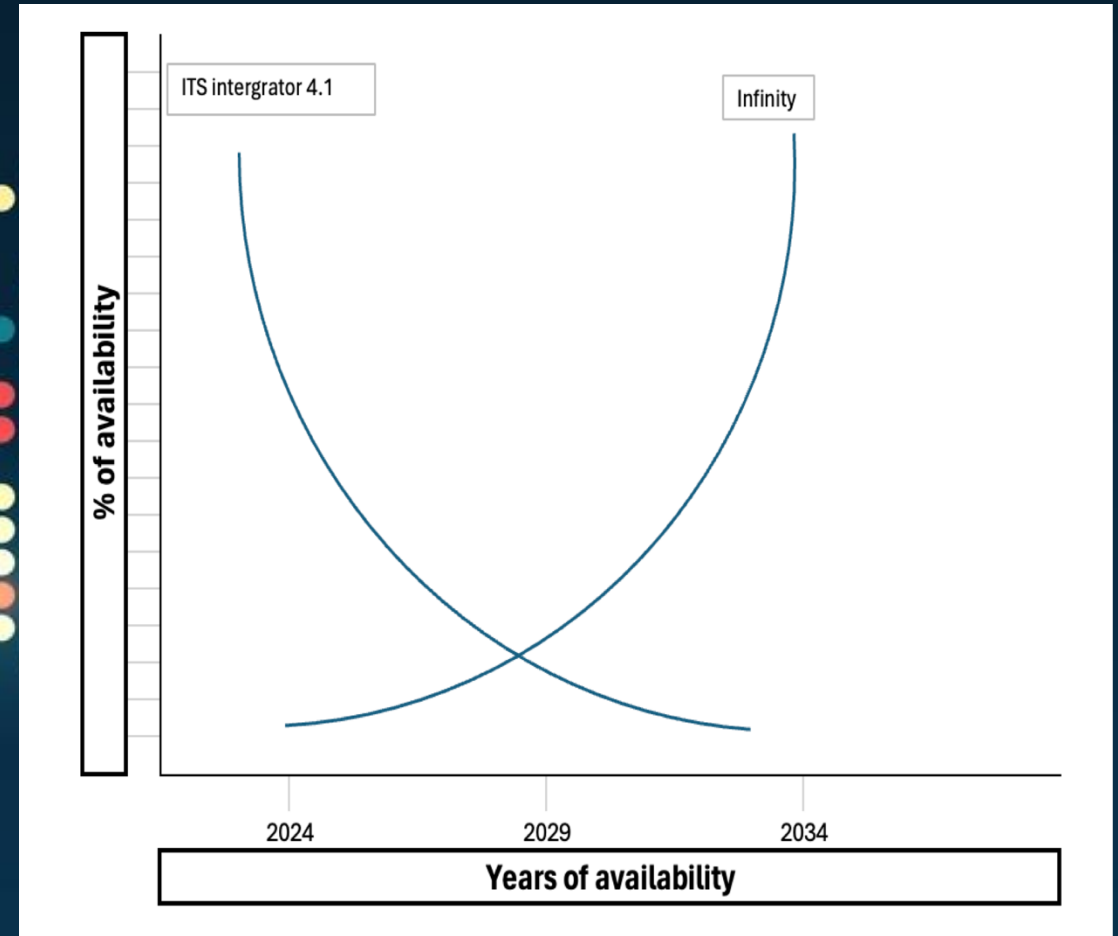
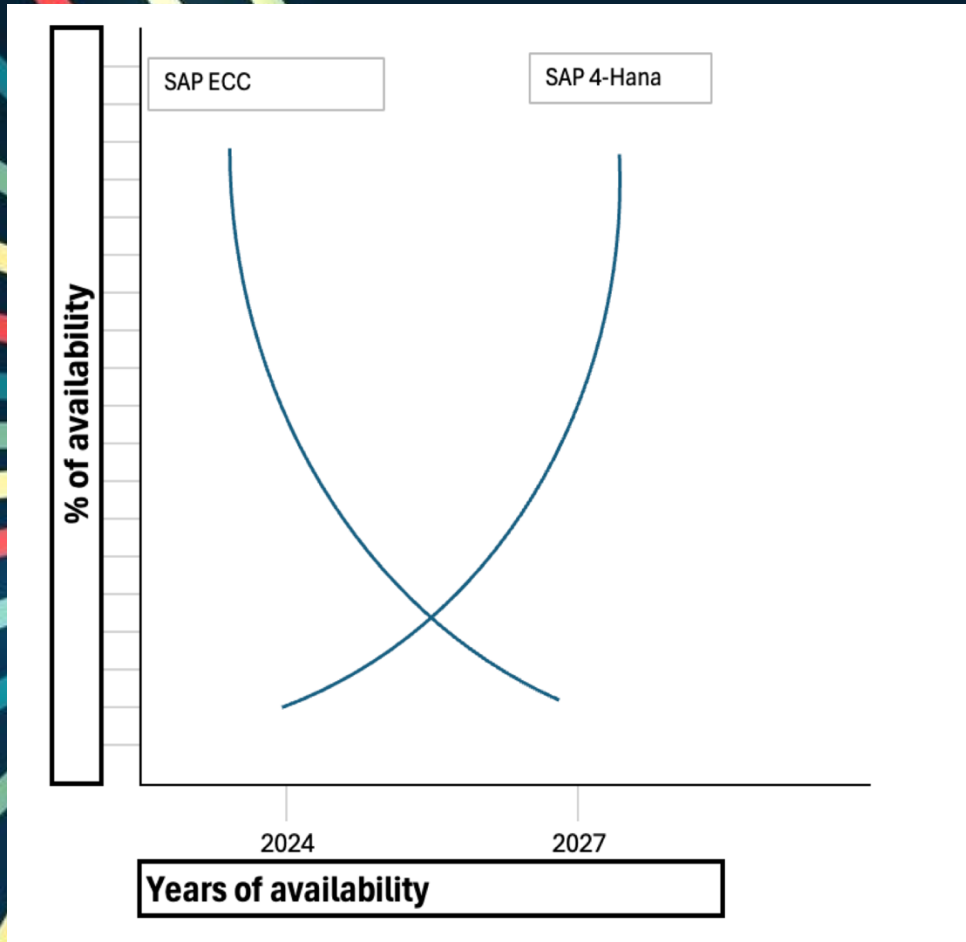
The higher education fraternity is speaking with one voice, to *utilize economies of scale to derive maximum value* from the vendors of ERP solutions for the sector.

When making a business case for an ERP system change, the institutions should consider, (amongst other considerations)

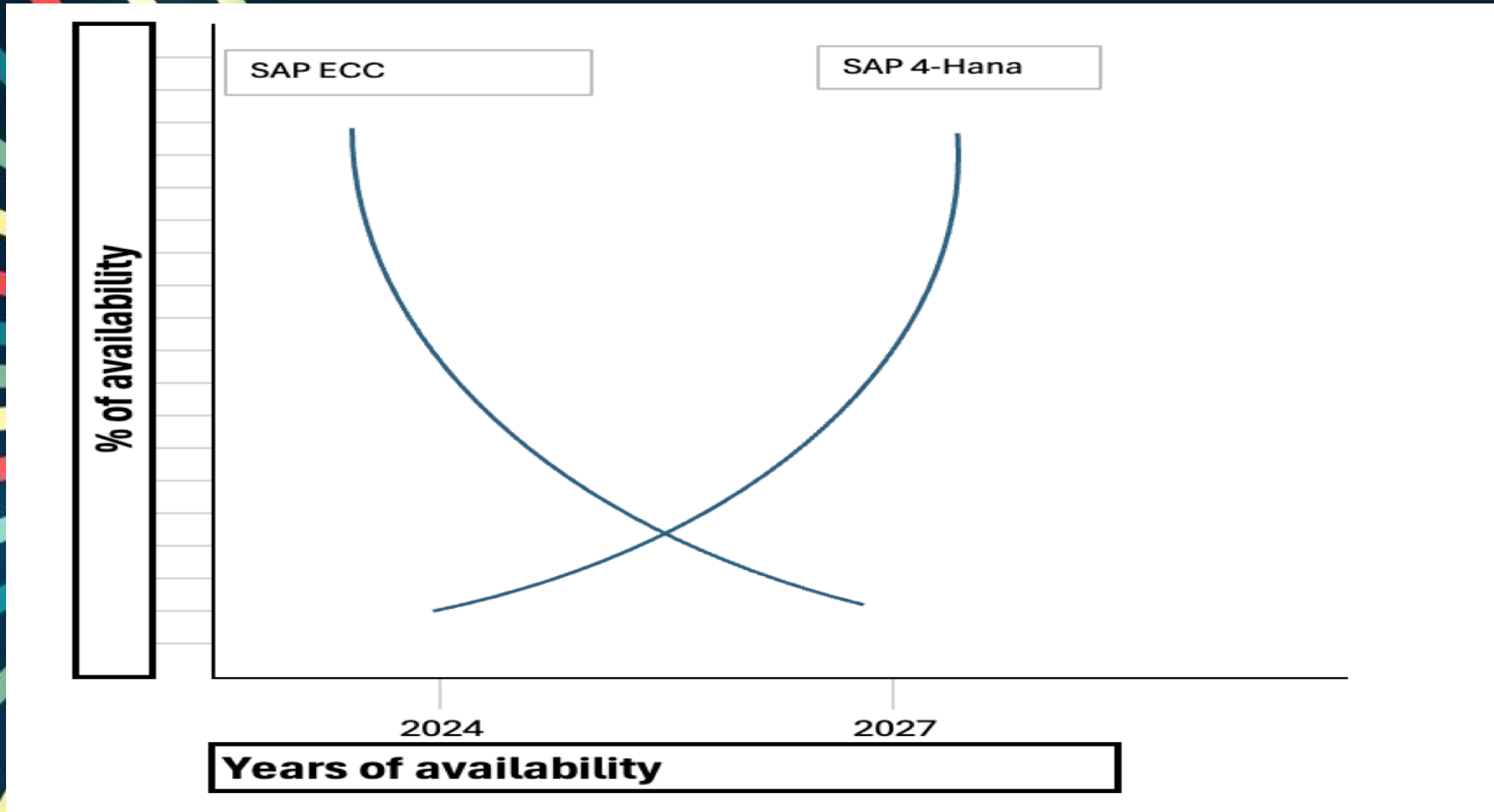
- The *latest technological advances* within the ERP landscape.
- Whether an *ERP is a fit-for-purpose* for the institution's requirements.
- The cost of the solution vs benefit to be derived .
- CRITICAL MASS

**Business
Case**

ERP system change trajectory – NEXT GEN



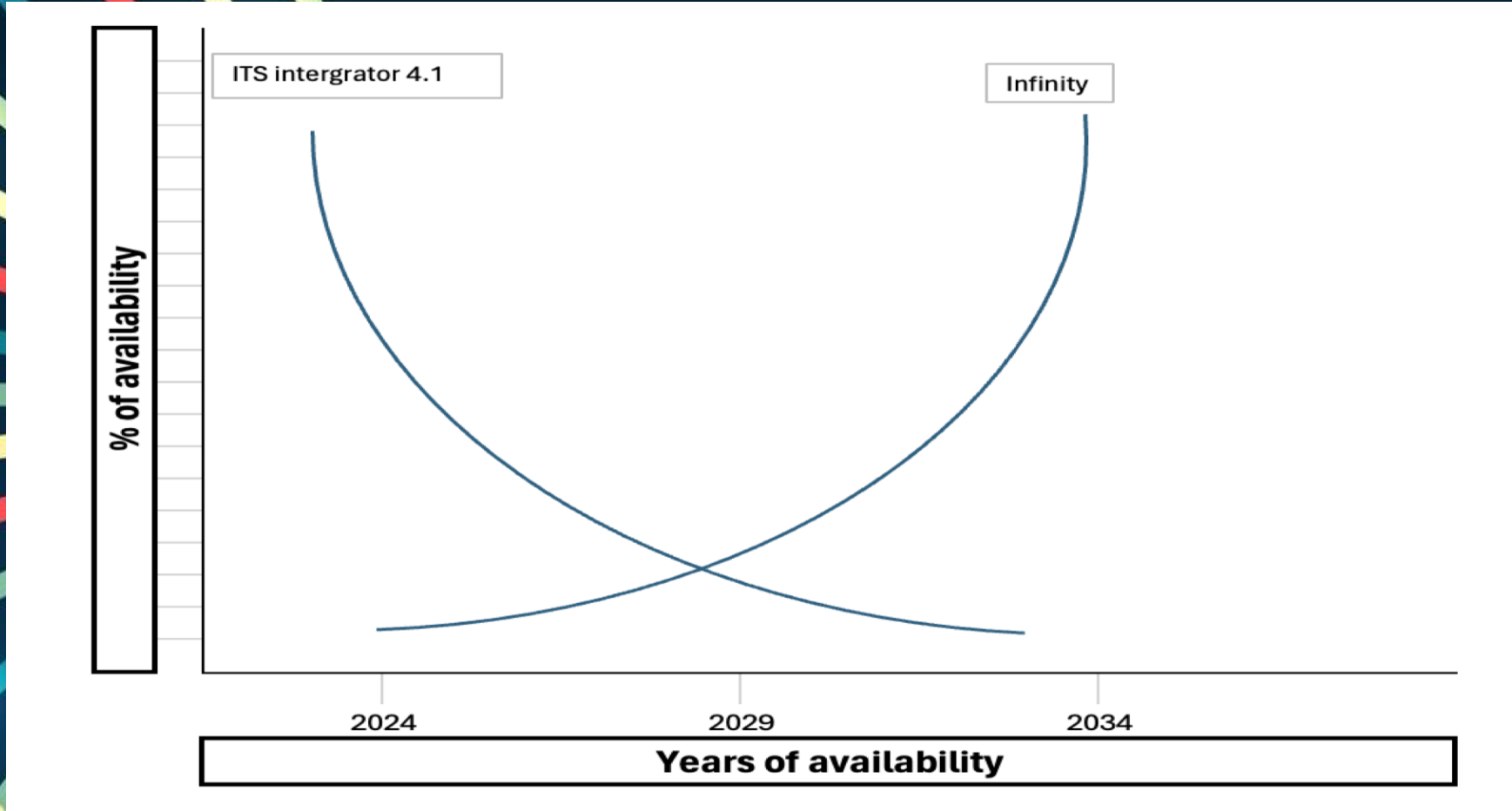
ERP system change trajectory –NEXT GEN



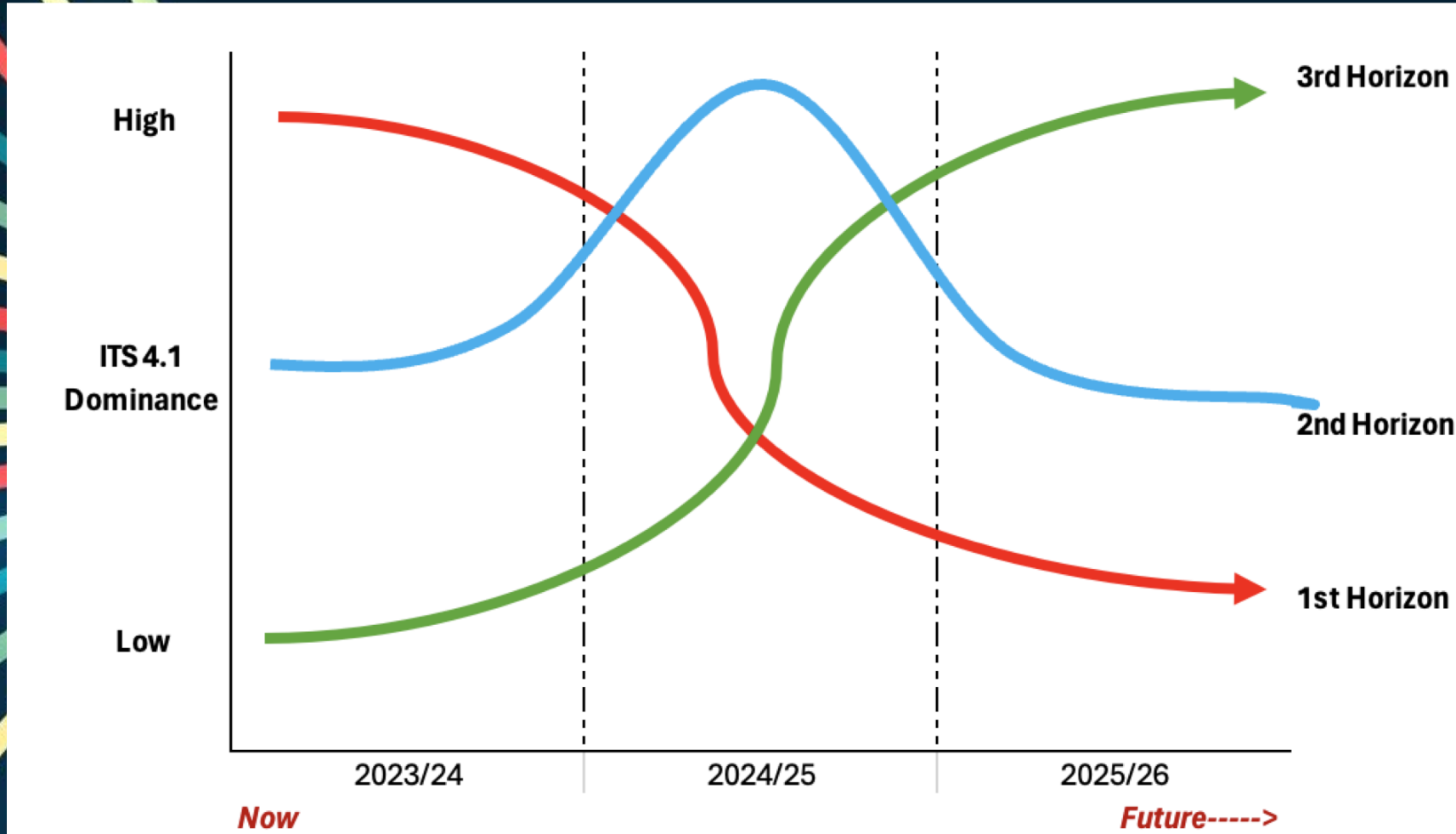
ERP system change trajectory –NEXT GEN

The screenshot shows a TechTarget article page. At the top, there is a navigation bar with links for News, Features, Tips, Webinars, 2023 IT Salary Survey Results, Sponsored Sites, and More. Below this is a search bar with the TechTarget logo and the text 'Search SAP'. The main content area features a breadcrumb trail: 'Data Management' > 'ERP Software' > 'HANA' > 'Infrastructure & Cloud'. The article title is 'SAP S/4HANA migration: A definitive guide', with a 'Tech Accelerator' icon to its left. Navigation arrows for 'PREV' and 'NEXT' are visible. A 'Download this guide' button with a download icon and a red '1' badge is located to the right of the title. The article's main heading is 'How to implement S/4HANA'. The first paragraph states: 'Whatever deployment method a company chooses, implementing S/4HANA is a complex, time-consuming and costly process. Most S/4HANA customers will replace existing SAP ECC systems, but a migration to S/4HANA is different from a standard version upgrade. Indeed, in many cases an S/4HANA migration is more like a new software implementation than an upgrade.' The second paragraph begins: 'Because S/4HANA has a simplified data model and includes many different functions than SAP ECC, it requires a company to rethink and redesign its business processes to take advantage of S/4HANA's advanced capabilities.'

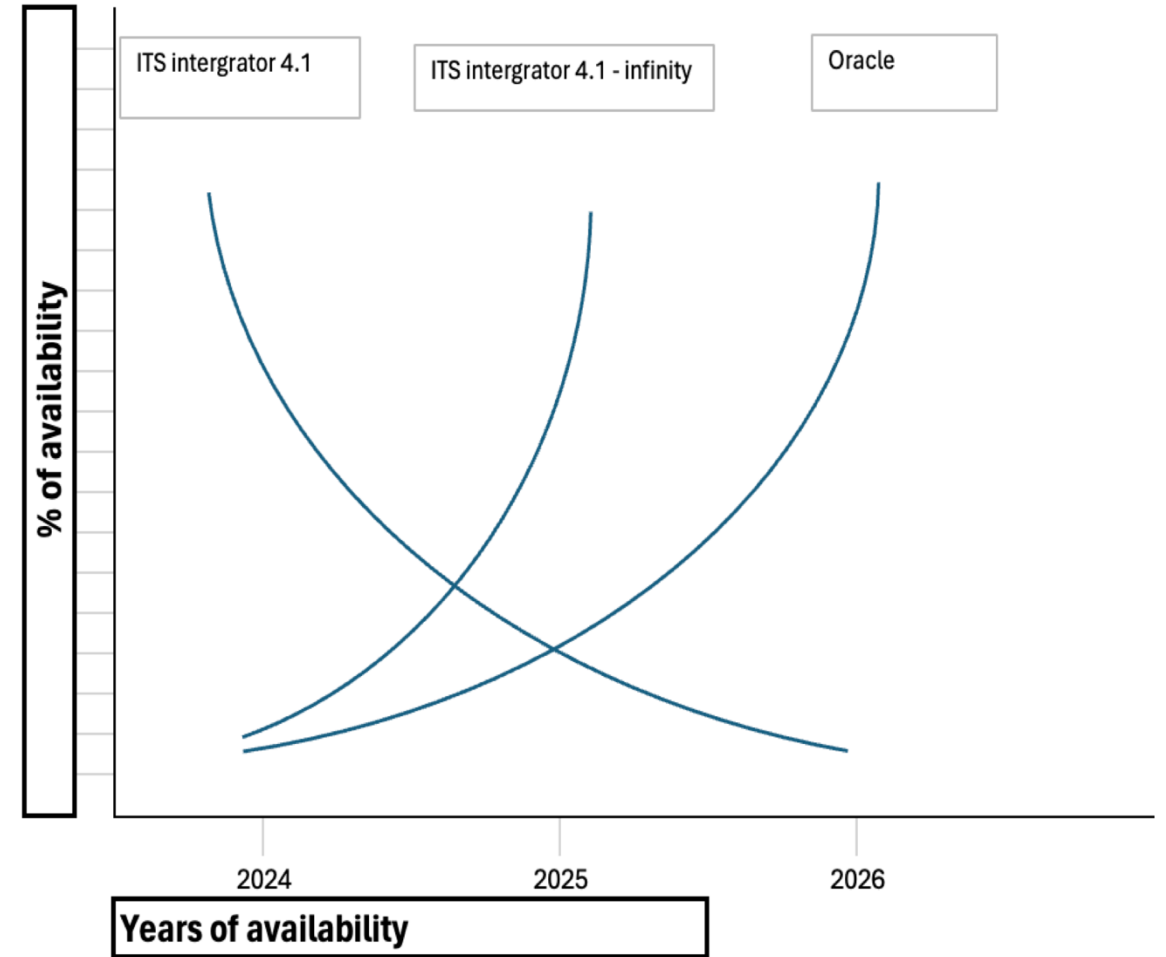
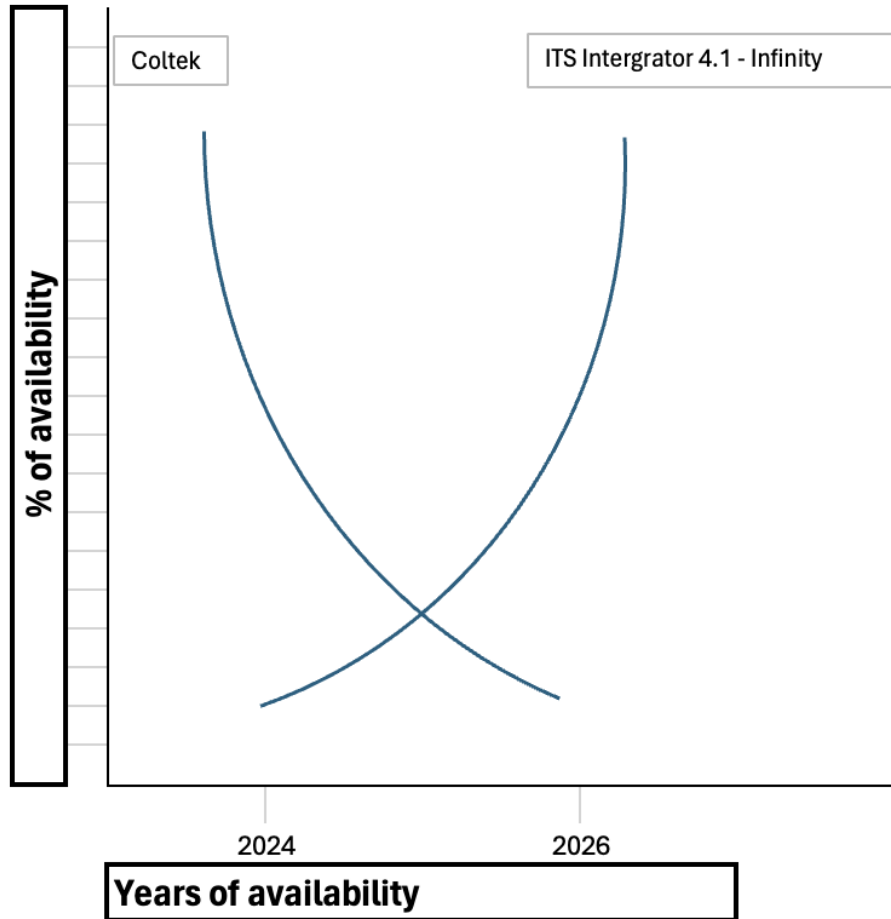
ERP system change trajectory –NEXT GEN



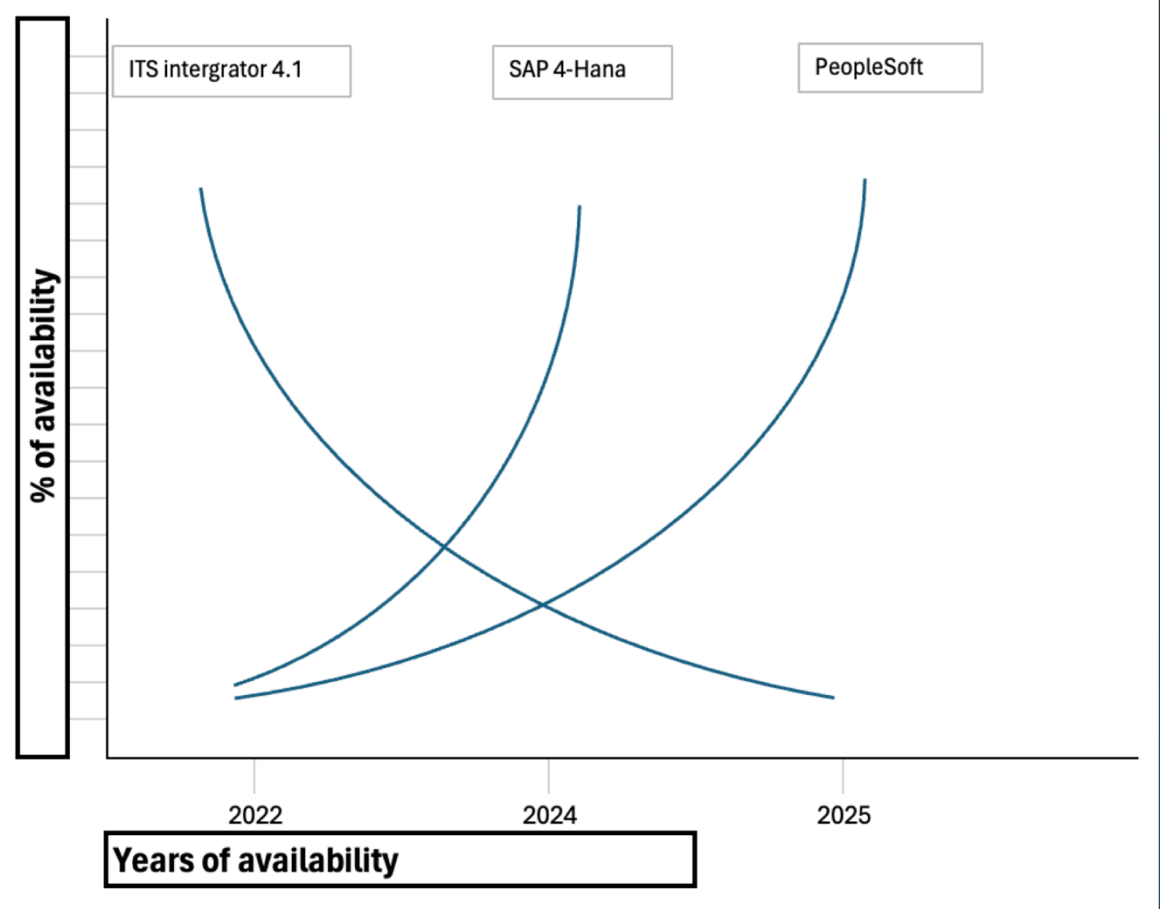
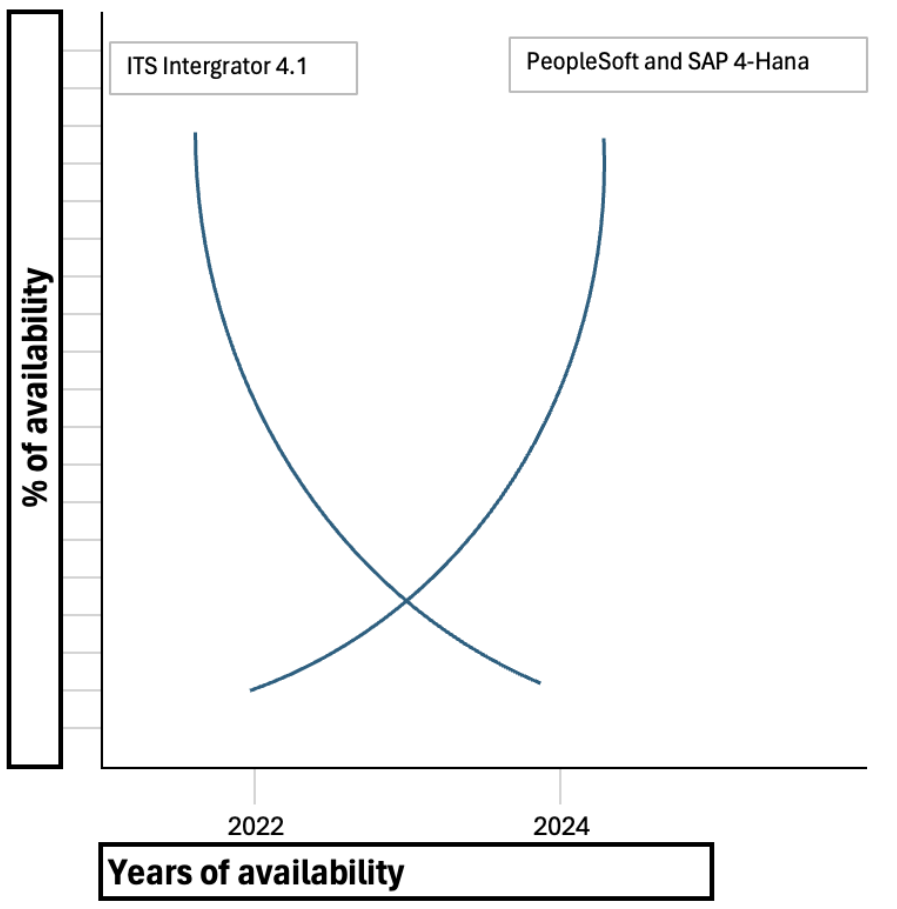
ERP system change trajectory –NEXT GEN



ERP system change trajectory – NEW ERP



ERP system change trajectory – NEW ERP



The Inherent Conflict

What the vendor is selling



Consultancy



High Quality Software



Maintenance and Support



The perfect System

What the client is buying

Management of ERP system change

ERP system change is never easy. The change needs to be managed to ensure maximum efficiency and economy from start to the end of the ERP system lifecycle.

Ultimately the vendor and the customer desire to have high quality software with effective business support services. But the business interests of the parties are inherently conflicted.

The vendor

The vendors offers products with the aim of making profits at implementation and over the life cycle of the system.

The vendors create generic products, to appeal to as wide a customer base as possible.

The customer

The customer is seeking a cost-effective, all-in-one solution ending at implementation.

Has specifically designed organizational structures and business processes that need to be supported and enhanced by the ERP solution.

- **The extent and appropriateness of the ERP solution needs to be carefully monitored at all stages of system change**
- **Minimize post-implementation reliance on the vendor in favor of institutional ownership of all system aspects**

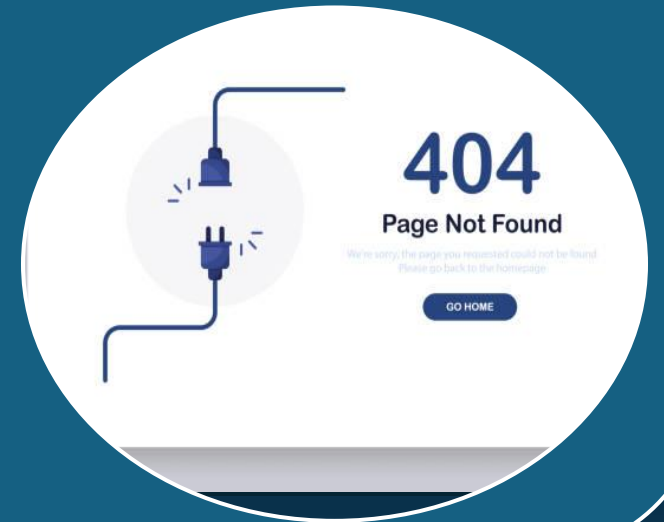
Feedback from institutions: the problem with current ERP system

Some of the commercially available ERP systems are not designed for the Higher Education environment and were not designed with an understanding of the industry's specific needs. However, their various technological offerings can provide value and efficiency when tailored correctly.

Therefore, a knowledgeable vendor and project management capability is required over the life-cycle of the system change. Some of the key problems in the existing ERPs are:

1) FOUNDATIONAL CODE STRUCTURES NOT SUPPORTIVE

- Cost center structures
- Chart of accounts
- Academic structure



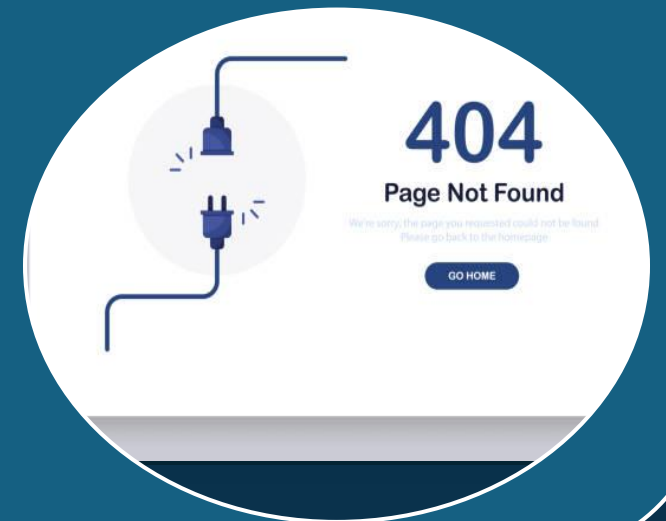
Feedback from institutions: the problem with current ERP system

2) *WRONG PROCESSING PROTOCOLS*

- Sub-system transactions processed in general ledger resulting incorrect reconciliations
- Suspense accounts not cleared to balance accounts

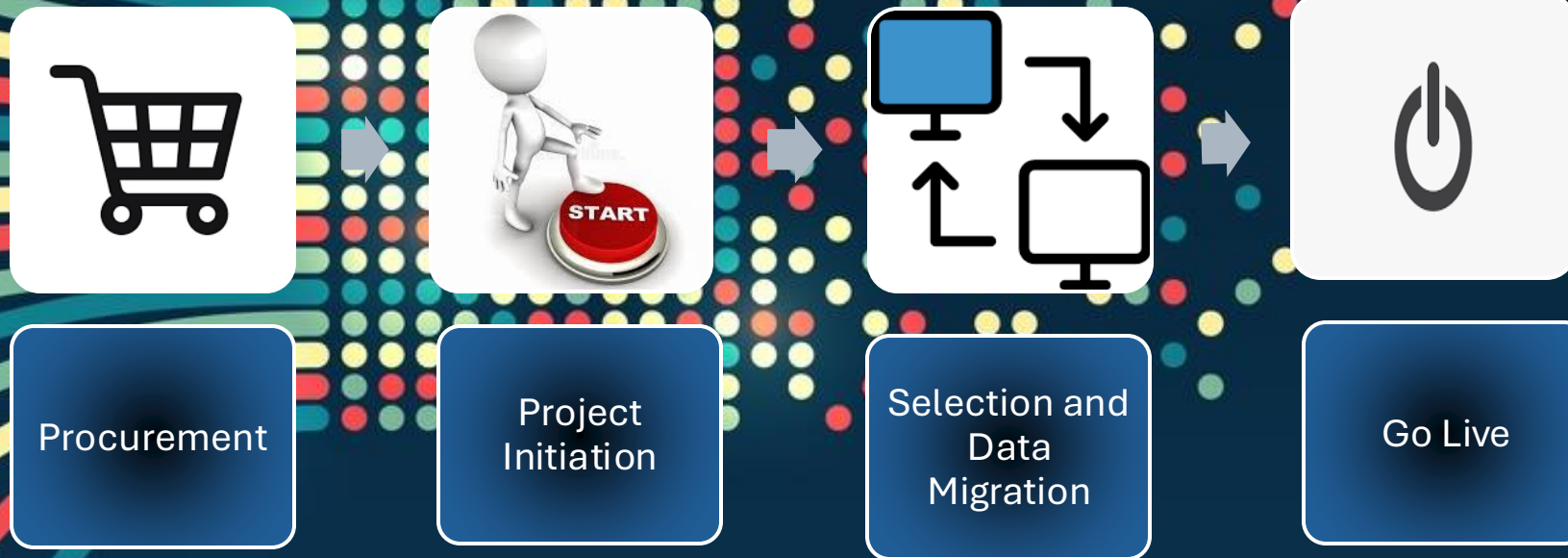
3) *INADEQUATE REPORTING FROM THE SYSTEM*

- Resulting in use of excel and outside reporting tools that have limitations of ensuring accuracy



Critical Success Factors

11 critical success factors identified over the course of rolling out ERP system change programs in the higher education sector. These will be explored in 4 broad categories.



Critical Success Factors



Procurement

1. SCOPING AND DEVELOPMENT OF SPECIFICATIONS OF THE NEW SYSTEMS

Define the desired IT architecture of the new ERP environment based on the current IT architecture and business processes and desired improvements.

UNIVERSITIES \neq GREENFIELDS ERPs ENVIRONMENTS

2. EVALUATION OF RESPONDING VENDORS

Benchmark the offerings of the vendor against defined specification in fine tooth comb detail in order to avoid scope changes after signing SLA.

3. DEFINING STATEMENT OF WORKS FOR INSITUATION AND FOR THE VENDOR

THE SLA \neq STATEMENT OF WORKS.

Critical Success Factors



Project
Initiation

4. UNDERSTANDING THE ENVIRONMENT AND BUSINESS PROCESSES (AS-IS)

Purchasing standard package vs limitation to customize institution environment.

5. DESIGN AND SELECTION AND /OR CONFIGURATION

Templates of the standard package vs existing standard operating procedures.

6. DEVELOPMENT OF EFFECTIVE DATA MIGRATION STRATEGY

Understand to institution data layout (manual vs systematic), defining the extraction of data through the Source To Target (STT) mapping files, develop pre, technical and post validation protocols.

Critical Success Factors

7. LINE OF SIGHT BY THE BUSINESS UNIT PRACTITIONERS ON SYSTEM INTERGARTION TESTING (SIT) PROCESS

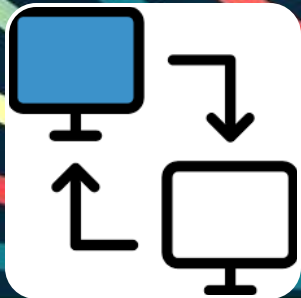
Otherwise serious selection / configuration errors become known at user acceptance testing (UAT) stage if no involvement of business unit practitioners.

8. USER ACCEPTANCE TESTING (UAT)

Institution must provide users with relevant know-how to validate the business processes selected and configured in the new ERP.

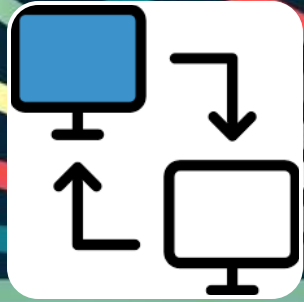
9. CUT OVER FROM OLD ERP TO NEW ERP

important activities are: Rehearsing via the mock cycles, staff readiness to take accountability of the data to be migrated (pre load validation) and data in the new ERP system (post load validation).



Selection /
Configuration
and Migration

Critical Success Factors



Selection /
Configuration
and Migration

10. INTERFACE OF THE NEW SYSTEM TO EXISTING APPLICATIONS

- Impact on infrastructure of both ERPs to create a right to fit-for-purpose interface (manual vs automated interface).
- Information touching points being at different levels – transaction types of existing ERP vs transaction codes of new ERP.
- Reconciliations of transferred data to ensure accuracy and completeness – error management during interface .

Critical Success Factors

11. MANAGEMENT OF GO-LIVE IMPLEMENTATION



Go Live

-Assessment of go-live readiness

- determine checkpoints
- Define assessment criteria
- Formulate go-live assessment checklist
- Observations and recommendations

Critical Success Factors

11. MANAGEMENT OF GO-LIVE IMPLEMENTATION



Go Live

- Prevent having inadequately trained users by deepening End User Training (is Training-The-Trainer an effective method in transferring skills to end users?)
- Errors in migrated data and wrong configurations and incomplete configuration setups negatively impact post go-live implementation.
- Unreconciled data during the cut over stage impact negatively on post go-live implementation.
- Availability of a consistent support during post go-live to manage frustrations of a new ERP.

Key Lessons Learnt for the client

Continue Doing

- Continue with **data purification** activities to improve the quality of data in the source systems but also involve broader SIS stakeholders in the activities.
- **Key decision** documentation in the RAID log.
- **Collaborative** way of working between the business units of the Registrar.
- Monthly engagement with nominated **Super Users and Change Agents**.
- Ensure that **project newsletters** include all relevant project updates and that all Stakeholders receive the Newsletter.
- Continue to ensure **Sponsor** communication and messaging.

Start Doing

- Establish data **reconciliation points** for each data object to ensure 100% data population is migrated.
- Availability of key **ICTS infrastructure personnel** to assist with key data migration activities *i.e.* database refreshes and **monitoring** of the ICTS systems availability.
- Full involvement of the ICTS **data analytics capability** in the data migration processes.
- Define clear **roles & responsibilities** for project activities required from the vendor, ICTS and Business Stakeholders.
- Detailed **review of planned project activities** and baseline against planned December 2024/January 2025 Go-Live date,
- **Develop a plan** for changes in current business processes because of activities **not performed by PeopleSoft**.
- Staff who have not completed training on TLZ should not be **granted system access**.

Stop Doing

- Non-adherence to **cut-off timelines**.
- **Constant changes in project approach and timelines** have a knock-on impact on the change management team's ability to deliver sound change initiatives for the project, often resulting in stakeholder change fatigue.



Thank you



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