

◆ 2019 INDUSTRY REPORT

Empowering People and Departments

Unleashing the Full Potential of Modern Higher Education ERP

UNIT4

 EDUCATION DIVE

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Administering Higher Education: Responding to Shrinking Budgets and Rising Expectations

Despite the fact that higher education institutions today sink billions of dollars into technology every year,¹ a quick peek into the back office of most major universities might leave one wondering what decade it is. For example, it's still too common to witness admissions staff processing 10-page paper applications and procurement officers updating and emailing painstakingly detailed spreadsheets.

As it turns out, the higher education space is increasingly high-tech, especially in academic and learning spaces, with ubiquitous access to tablet and mobile technology, and learning management systems software. But digital transformation on campuses has not yet reached its full potential because core behind-the-scenes administrative solutions like enterprise resource planning (ERP) and student information systems (SIS) are lagging behind the curve.

“For a long time, there hasn’t been a perceived need for agility in higher education,” says Vaughn Ravenscroft, Vice President Strategy and CIO at Bow Valley College. “But there’s so much cost pressure on institutions these days that you’ve got to start thinking about things differently and looking outside the higher education sector for practices and approaches that can drive more value for dollars spent.”

To meet rising student and employee expectations for seamless technology experiences, colleges and universities are turning to private sector best practices, including modern ERP solutions, and are often capturing 15-20% savings on non-instructional costs.² But few have been able to deploy these

solutions to their full potential because the inertia of tried-and-true manual processes is too strong to resist. Despite access to potentially process-enhancing hardware and software, administrative departments continue to rely on error-prone business process workarounds that slow the collection and transfer of information and create time-consuming workflow bottlenecks. As a result, today's higher education institution isn't able to adapt to the shifting demands of the student body or institutional workforce, triggering a ripple effect of consequences in every department within the institution.

“Many institutions don't get the full benefit of an ERP system, whether that's because their system is too antiquated and brittle to support upgrades and business change, or because they are stuck with silos of data that can't effectively work together,” says Austin Laird, Higher Education Product Strategy at Unit4. “Ultimately, this puts you at risk for poor organizational visibility on compliance and financial issues, which frustrates your staff and makes it difficult to make sound decisions that will positively impact student success.”

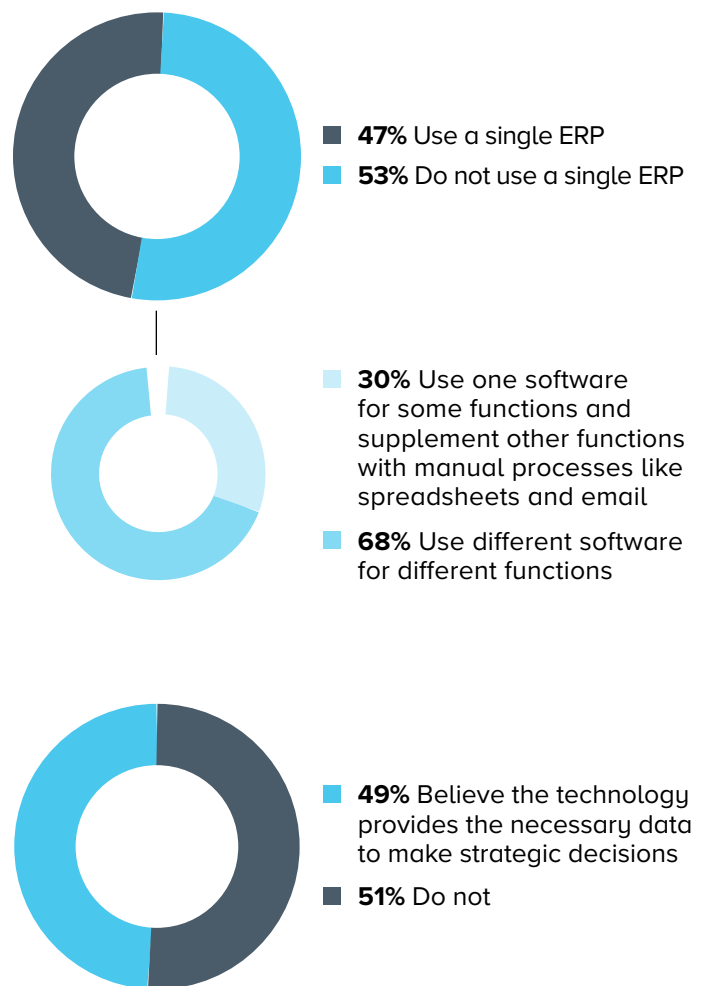
In this joint industry report from Unit4 and Education Dive's Brand Studio, we explore the state of administrative technology in higher education and consider what factors prevent higher education institutions from making the most of their existing ERP solutions. We also look at how institutions can revitalize their back office technology to reap the much-needed benefits of streamlined workflows, updated data management practices and improved student support services.

The State of Administrative Technology in Higher Education:

Few Feel Their Administrative Technology Delivers on Its Potential, or “ERP? Meh...”

To provide real-time context for this report, an industry survey was deployed by Education Dive’s Brand Studio to gauge the current perceptions of enterprise resource planning of 88 higher-ed staff members in the Financial, IT, HR and Student Services departments. The results show that respondents are split between using a single administrative system to manage back office functions (47%) and not using a single administrative system (53%). Of those that do not currently use a single administrative system, 68% use different business software products for different functions, and 30% use one business software for some functions and supplement other functions with manual processes like spreadsheets and email.

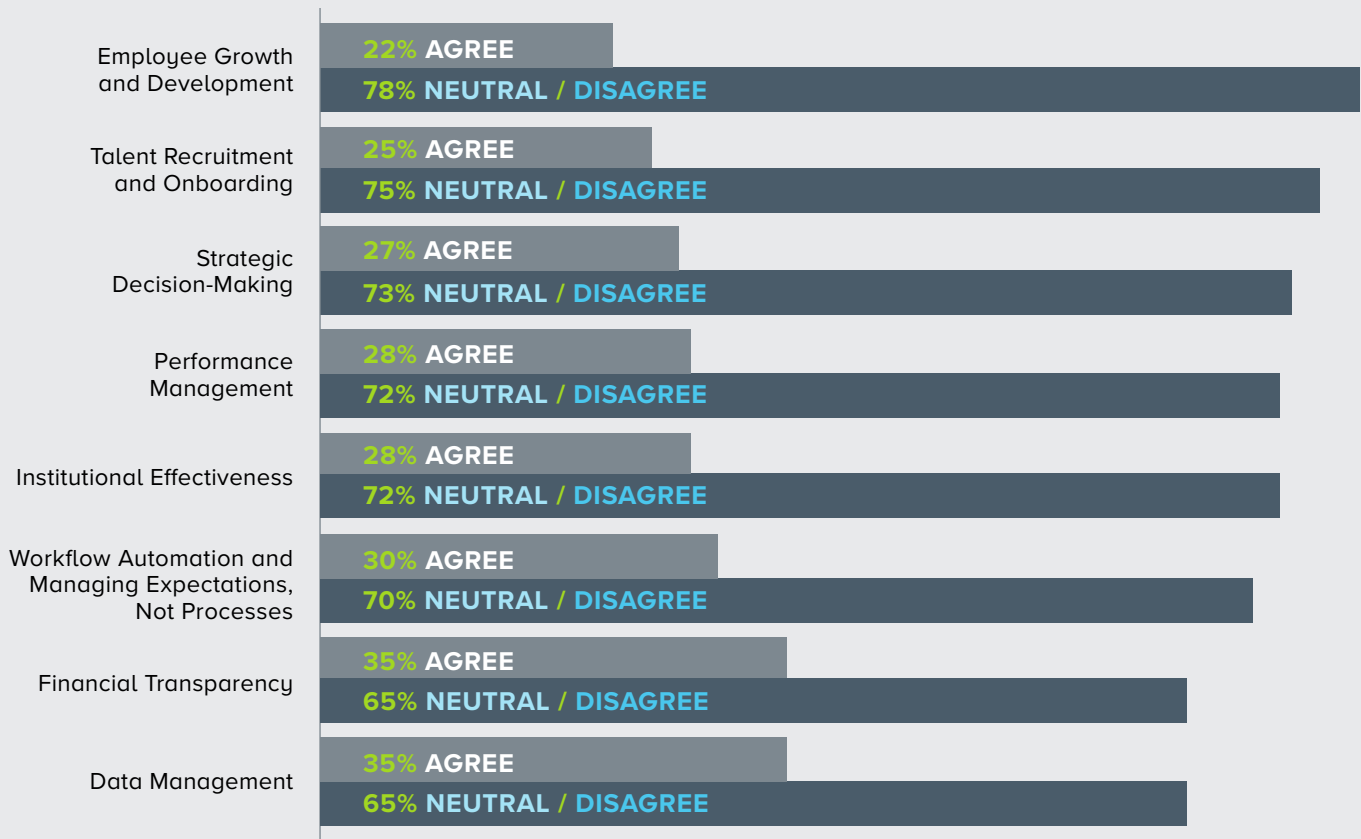
However, despite the fact that an overwhelming number of respondents use at least one piece of administrative technology for at least one process (98%), respondents are split between those who believe the technology provides the necessary data to allow them to make strategic decisions (49%) and those who believe it does not (51%). Respondents are also split between whether or not the technology streamlines important business processes and removes inefficiencies, with 54% indicating it does and 46% indicating it does not.



*Education Dive’s Brand Studio 2019 Survey:
The State of ERP Usage in Higher-Ed*

Of the 88 total responses — regardless if they use a single administrative system or not — the majority of respondents (57%) do not believe the current way their institution manages back office functions is effective. They also do not think that the current way

their institution manages and reports on back office functions, such as finance, procurement and HR and talent management, allows their institution to achieve its full potential when it comes to any of the following institutional goals:



Education Dive's Brand Studio 2019 Survey: The State of ERP Usage in Higher-Ed

In addition to believing their institution could be more effective, respondents also struggle with the following institutional challenges:

- 1 Identifying and eliminating inefficiencies**
- 2 Creating space for employees to do work more central to their core mission/job responsibilities**
- 3 Accessing and sharing institutional data**

- 4 Identifying a “single source of truth” for institutional data**
- 5 Making strategic decisions for the future**

The rising pressure for administrative departments to meet and exceed the expectations of the students, faculty, and staff members they interact with shines a spotlight on the fact that even though institutions have access to ERP technology, it rarely enables institutional and operational success the way it should.

Higher Education ERPs Doing Just Enough to Get By

The Cost of Not Deploying the Full Potential of Administrative Technology

Higher education institutions that settle for “good enough” ERPs and processes pay a high price in today’s competitive education sector. The risk is that within the institution, employees become fatigued with tools and processes that make their jobs harder and more complex, not easier. They then run the risk of passing that experience on to the students they support, delivering a less-than-impressive advising, billing, tuition and payment experience. In an environment in which students and employees alike have high digital expectations for the way they experience their campus lives, this disconnect has four serious consequences for today’s institutions:

1 Subpar student experiences

The average American adult spends 11 hours per day interacting with digital media.³ This exposure combined with advancements in consumer technology and customer service from ubiquitous brands like Amazon, Apple and Google gives today’s student high expectations for the full experience at their higher education institution.⁴ Universities and colleges that don’t tap the full potential of their ERP to deliver a seamless student-first experience will miss a critical opportunity to engage and support their students.⁵

2 Lower levels of staff engagement and retention

Students aren’t the only stakeholders in higher education with high digital expectations; faculty and administrative staff have similar expectations for the technology they use day to day. If they don’t have the social, mobile and personalized technology and processes they need to reduce tedious, repetitive administrative tasks and track important data, it can lead to disengagement, disappointment and turnover.⁶



3 Ineffective data management

Disparate, piecemealed legacy technology makes it more difficult and costly to integrate data or report on it for funding or compliance purposes. This inevitably leads to data and decision-making silos, making it nearly impossible to get a full picture of an institution's stability. On top of that, forcing constituents to learn so many different applications without a view across key systems can cause them to struggle to remember where to go to do what. This leads to a higher total cost of ownership for IT maintenance and slower decision-making processes that make it difficult to react quickly to market demands.

4 Lack of flexibility and innovation

When staff are disengaged and overwhelmed with managing repetitive day-to-day tasks, they don't have room in their day for flexibility or proactive innovation. Staff members aren't working on the problems that would benefit the institution most, which leaves an institution's most pressing and strategic challenges on the back burner.

“The technology you use behind the scenes of your university simply has to work—there needs to be a degree of seamlessness to it,” says Mark Mikelat, Strategy Consultant and former Admissions and Business Systems Manager at Long Beach City College. “Because some of these processes are already complex and burdensome, and if you add to that the need to figure out a maze of an ERP system, you’ll leave your users overwhelmed and frustrated.”

Back office operations, such as finance, procurement, project management, HR, talent management and retention and financial transparency, are the backbone of an institution's operation. Ignoring the technology that supports those systems and processes will leave an institution at the mercy of countless inefficiencies that, over time, will prevent it from innovating, progressing, and being as competitive as it could be.



Visualizing the Full Potential of Administrative Technology

Meeting the Needs of Students, Staff and Strategy

No institution willingly settles for back office processes that deliver subpar student experiences, damage staff morale and retention, undermine data collection and limit innovation. But for institutions that have not yet realized the potential for improving their workflows and processes through better technology, it's all they've ever known. In order to make a change, an institution must visualize the full potential of administrative technology to meet and exceed the needs of students, staff and strategy.

"Institutions that deploy modern ERP to its full potential see their efficiency and productivity grow exponentially," says Mikelat. "Because it's entirely possible your team is taking 20 steps to do something that could be done in 10. If that process is applied to 10,000 students every semester, you've just regained a full-time employee, if not more than one. And if you take that efficient business process and add an ERP with automation capabilities, you've just exponentially improved again."

Here are a few of the most critical benefits universities can realize when they deploy a fully functional, modern ERP:

1 More effective use of employee time

When an ERP is fully integrated into an institution's back office, staff can make more efficient use of its resources. Employees will spend less time on repetitive tasks and more time performing important functions and adding value to the institution.

"Effective use of employee time means obstacles are an exception to the process, not the rule," says Mikelat.

"If you can automate your processes and free up resources now, you have greater ability to address the exception. Your team members have more time and flexibility to manage the outliers and solve the problems that truly need one-on-one attention."

[Read about](#) how Vancouver Island University modernized its administrative systems to allow staff to work as an integrated team across departments.

2 Improved department engagement and productivity

As individual employees make more effective use of their time, the benefits compound within the entire department and across campus. Consistent communication and predictable, efficient work flows create engaged and productive units of staff members that function better within the entire institution.

"When institutions can move away from 'tribal knowledge' and toward standardized business processes that anyone can quickly learn, they are able to mature the way they collaborate and better set expectations between departments," says Laird. "A shared system that gives everyone the same visibility into the status of any given process dissolves workflow bottlenecks to everyone's benefit. Communications that once waited on paper trails and phone calls are now instantly available in the shared system, which improves productivity for the staff and improves the experience for all constituents."

3 Higher quality student support services

When staff aren't stuck managing the process, their time is freed up to provide one-on-one support. This directly improves the student experience because students get the hands-on support they need to navigate complex, one-off situations.

"Back office systems that create seamless and painless digital interactions have a profound impact on student experience," says Laird. "Think about registering for a class. When students can access the course schedule on their own time, with whatever device they want, they're doing it on their own terms and taking ownership over their educational experience. And if they prefer to work with an institutional employee in person, that staff member has the time to give them the attention and support they need."

[Read about](#) how Selkirk College transformed student success with a full-suite cloud solution.

4 More strategic, data-driven decision-making

When every stakeholder updates the same system and has access to the same data, it transforms an institution's ability to make strategic decisions. It decreases data entry errors and the time necessary to produce reports and improves the accuracy of those reports.⁷ It also allows institutions to better predict outcomes, especially when it comes to decisions involving institutional strategy such as new economic models, nontraditional course offerings and term structures.

"The primary stakeholder of any institution of higher learning is the student," says Mikelat. "If you could more accurately predict what topics or courses will be more popular, you can manage your human capital more efficiently and meet the needs of your students with more accuracy. You can predict and forecast trends instead of reacting to them, which is an enormous competitive advantage."

[Read about](#) how institutions are deploying corporate performance management tools to achieve more reliable business planning and analysis.

5 Enhanced ability to meet the student needs of the future

A back office that struggles to meet the student needs of today will certainly struggle to meet the student needs of the future. Institutions that focus on streamlining and modernizing their workflows now will have an enhanced ability to meet the student needs of the future.

"When an institution's current technology and software can support the unknown student needs of tomorrow, we call that 'future-proofing,'" says Laird. "No one can predict everything that will be needed in five or 10 years, but you can ensure the software you have is extensible, flexible and configurable enough to support new and changing business models."

[Read about](#) how Medicine Hat College unified and modernized its student and staff experience.

Success Story: Bow Valley College

Serving a Growing Student Body on a Shrinking Budget

When Vaughn Ravenscroft, Vice President Strategy and CIO at Bow Valley College, wanted to update Bow Valley's 20-year-old business software solution, he went through a year-long request for information (RFI) process before going to the request for proposals (RFP) stage. It wasn't just a matter of updating the technology to something more current – it was also important to consider how Bow Valley College had changed since 1999.

“When we implemented the older product, we were much smaller and less sophisticated,” says Ravenscroft. “As we grew over the years, we glued bits and pieces onto that system until it reached a point where it wasn't doing what we needed it to do. Our institution has been growing between 5% and 7% a year, and we needed to be able to scale our systems and administrating structures to meet the growing enrollment without growing our administrative costs.”

What attracted Ravenscroft to Unit4 is that the software is learner- and student-focused. As he started to look at where learners were coming from and what devices they were using to access different systems, he saw learners were increasingly mobile. While older systems focused on serving the institution and the registrar's office, Unit4 was student-first and student-centric.

“Unit4 is a truly modern system conceived out-of-the-box as a cloud-only software-as-a-service,” says Ravenscroft. “It's mobile-friendly and recognizes how the learner wants to be interacted with—it's a system that makes it easy for people to come to our institution. Using Unit4, we've been able to focus

on student experience in a more sustainable way because we're dealing with a system that's built using contemporary architecture. It lets us start doing things for the first time, like using chatbots to drive some of the registration process and interact with the learner in the way they want to be interacted with. If they want to be texted, we text. That's built into the system.”

“As a result, we're able to look at, think about, and manage the enrollment process much more effectively because it's easier to report on the data,” says Ravenscroft. “It makes asking questions and seeing the stories it tells much easier. And because of the very tight integration with our LMS, it's going to make it a lot easier to identify at-risk learners and take action early.”

“I've been a part of implementations where the vendor isn't in it for the long haul. What stands out about the process we're following with Unit4 is how they really want to create a solution for the institution together. It's being done in the spirit of a partnership, and when you're implementing a system that is brand new for all parties, that is absolutely critical.”



In Pursuit of Institutional Effectiveness

Giving Your Back Office a Backbone

With a clear vision of how a fully-deployed ERP optimizes crucial back office functions, it's time to turn to what institutions can do to bring their back office to life. Here are three ways higher education institutions can tap into the full potential of modern ERP and better steward their resources:

1 Align your ERP with real needs

A piecemealed back office setup often begins as a temporary bandaid to solve a problem. This leaves critical processes at the mercy of unintentional, unplanned solutions. It also leads to a lack of alignment between what's important to your institution and what your staff are spending time on.

To align your ERP and workflow processes with your institutional priorities, start with data collection. Go to the drawing board for roundtable and group discussions with departmental leaders, and consider bringing your vendor in to figure out where your gaps are so you can address them directly. Engage in an open, genuine conversation with stakeholders from different levels within your institution to identify the most significant problems to solve and the best ways to address them. This will allow you to identify the process inefficiencies and disconnects that are holding your institution back and create space for your staff to discover and innovate on challenges directly related to student success.

“Aligning our ERP with our institutional needs in a planning phase forced us to take a step back and reexamine business processes and workflows and what we’re doing,” says Ravenscroft. “The simple act of implementing the system is making us rethink how we do things for the better. Our staff is responding positively, saying, ‘Oh, now we can do these things we weren’t able to do before!’ We’re discovering better ways to do things than the way we’re doing them today.”

“At the end of the day, this is not a technology question; this is a leadership question,” says Mark Mikelat, strategy consultant and former Admissions and Business Systems Manager at Long Beach City College. “You can’t just buy a better tool to get the job done better – you have to first do the work of identifying your goals as an institution and building processes that support them. Only then can you look at the technology.”



2 Automate the most essential business processes

By exploring your institution's most pressing workflow challenges through focus groups, you will identify the key business processes ripe for automation. Moving forward will allow you to recapture precious time and resources from manual processes that caused student service delays and inaccurate record-keeping.

"Look for key day-to-day operational roadblocks that an ERP can help with," says Mikelat. "For example, a lot of people might not understand the complexity of a common task like room management, but it can be a juggling match to determine where and when a course can take place. Multiply this process by 12,000 students, a professor's schedule and the technology requirements for a course and suddenly you're facing a multi-dimensional problem. An ERP can streamline this challenge into a simple inventory management process."

3 Bring data management to the forefront

Declare an end to shadow systems and siloed data hubs by utilizing systems that make data science accessible and meaningful to everyone at your institution. Consider looking, for example, outside your usual recruitment sources to find data professionals who understand analytic technologies like cloud computing and data science⁸ and make it a priority to capture data in a way that allows your institution to collect, organize, retrieve and share it meaningfully with everyone at your institution. In addition to leading to more accurate and timely reporting, prioritizing data management and organization will have the added value of making it easier to action and demonstrate improvement within your institution.

"In our industry, we've done a great job of collecting information over the past few decades about our students, our programs, our completion rates, and more," says Laird. "But what do we do with all that data? To bring data management to the forefront is to actively seek ways to learn from and take action on the data we have collected."



Losing the Legacy of Higher Education Technology

Fully Embracing Technology to Carve a Sustainable Path Forward




More strategic management of employee costs and productivity will give higher education institutions the edge they need to meet rising student and employee expectations, and overcome falling staff and technology budgets. But for most higher education institutions, administrative technology still represents a compromise between the way things have always been done and the way they could be done. Unfortunately, that means that too many institutions are missing out on the full potential of the technology at their disposal, leaving critical back office functions, like finance, HR, talent management, performance management and data management, moving at a pace far too slow to stay competitive.

For institutions navigating an increasingly commercial market, this simply isn't a sustainable path forward. If you want your institution to engage and inspire its student body and attract and retain top talent, it's time to take another look at your institutional ERP and work to achieve fully-integrated processes that provide a seamless experience for students and staff members alike.



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