

Idaho State University ERP Implementation Project

Executive Summary

Idaho State University recently completed a three year effort to implement a new Enterprise Resource Planning (ERP) system. This 15.2 million dollar project was completed on schedule and within budget. One of the goals of the institution throughout the project has been to examine our business processes and discover better and more efficient means to meet needs of our constituents. That process began with the development of an RFP, as we asked each unit to tell not what they did today but how they wanted to do things in the future.

A dedicated and experienced project manager was brought to the university in the fall of 2006 to guide the development and implementation of the new system.

The responses to the RFP were carefully and completely evaluated by a team representing all the affected functional units, including faculty and students.

A detailed governance process was established, as well as a project charter. Seventeen teams were assembled to participate in the implementation, guided by the project manager and an executive steering committee. More than 150 dedicated state employees have been involved in the implementation project. None of them received release time for this work, and no backfill was available in their units.

A detailed budget was developed and funding was secured to not only implement the ERP but also to sustain it indefinitely.

Two guiding principles have facilitated the implementation of the Banner system:

- This is not just an IT project. It is an opportunity to examine our business processes to make them more effective and efficient.
- Banner will be implemented as delivered, with no customizations, incorporating the best practices developed at many other institutions.

The major functional modules included in the ERP system include (with go-live dates in parenthesis):

- Faculty/staff Portal (December, 2008)
- Human Resources/Payroll (January, 2009)
- Finance (July, 2009)
- Student Portal (October, 2009)
- Financial Aid (January, 2010)
- Student Information (October, 2009 and April, 2010)

An enterprise data warehouse was also implemented and expanded as each module was placed into production.

The portal and self service functions of each module have greatly improved and expanded the services available to all faculty, staff, and students. This has also significantly increased the efficiency of the functional units across campus. In addition, controls built into the new system significantly improve accountability. Consistent and accessible data improves the quality of data-driven decisions across campus.

While a full cost/benefit analysis is not yet possible, a preliminary analysis of the cost savings from just the introduction of web-based time entry for all employees shows an annual cost savings of \$160,000 per year. This savings alone will pay back the implementation cost of the entire HR/Payroll system in less than four years. Similar levels of savings are expected in all areas of the project.