NextGen ERP

Board of Trustees Retreat

Topics

- Project Objective & Overview
- Topics Presented to Date
- NextGen vs. Legacy Rewrite
- Revised Timeline
- Status Update / Upcoming Milestones
- Future State Regional Reviews
- Change Management Strategy and Plan
- Recap of Upcoming Activities

NextGen Overview

Project Objective: Provide an enhanced student experience and "future proof" our technology investment.

- Deliver tools to improve registration, degree planning, credit transfer, online advising, data analytics, recruitment and administrative processes

- Phase 1 – Design phase (2017 – 2019)
  Business process reviews, RFP development, platform refresh, data integration, project management and communication

- Phase 2 – Implementation phase (2020 – 2025)
  Implementation of all new functionality, new reporting and data analytics

MINNESOTA STATE
NextGen

Topics Presented To Date

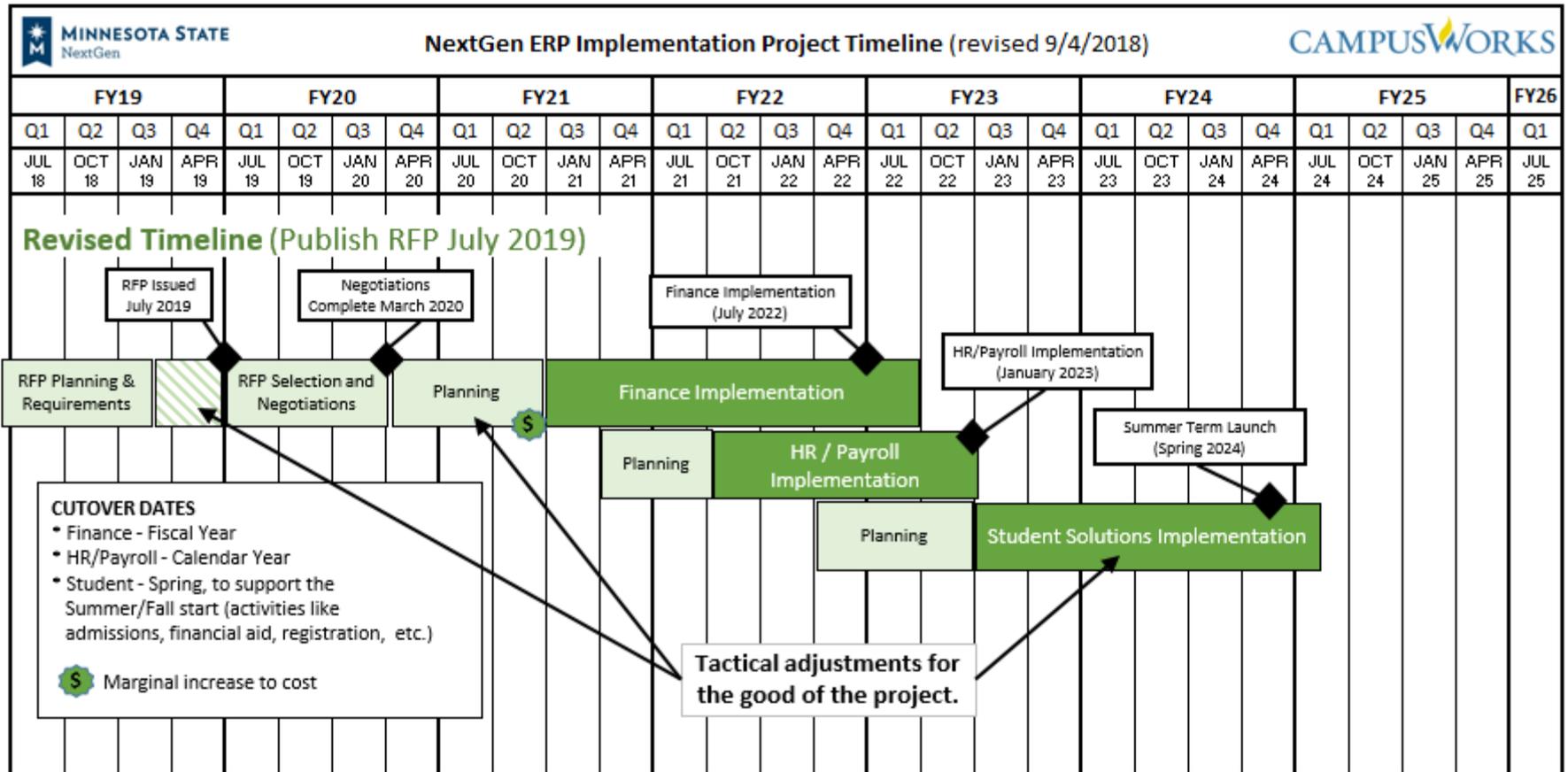| BOT SESSION	TOPICS PRESENTED	DECISIONS MADE
June 2014	• Topic introduced	
October 2015	• Student Experience (overview) • Update on listening sessions and business case development	
March 2016	Presentation of NextGen Business Case	Board supports.. • moving forward with planning • submitting FY2018 biennial legislative request
October 2016	Presented estimates timeline and budget	NextGen updates to be presented to Board biannually - in January and June
June 2017	• Received $8M from FY2018 legislative request - enough for team to kickoff Phase 1 (business process reviews, RFP, legacy technology preparation) • RISK! Failure to provide sufficient funding to enter into long term contracts for Phase 2 (implementation) will add significant and critical delays to the project.	Board supports... • moving forward with Phase 1 • submitting FY2018 supplemental funding request and FY2019 biennial legislative request
January 2018	• Introduction of ERP Steering Committee • Introduction of Phase 1 and vendor (CampusWorks)	Board supports... • Project overall design • Phase I timeline

MINNESOTA STATE
NextGen

Topics Presented To Date

BOT SESSION	TOPICS PRESENTED	DECISIONS MADE
March 2018	• Project organization structure • Reviewed program dashboard template • Communication Plan for BOT and Leadership Council Updates	Board supports… • Revised project team structure • Reporting format • Update cadence for BOT and LC
June 2018	• Communications Plan • Change Management Strategy	Board supports… • Communication vehicles and cycles • Change Management Strategy and looks forward to seeing the Change Management Plan during the September Board Meeting.

NextGen vs. Legacy Rewrite

NextGen Project	Typical Legacy Rewrite Project
Purchase of commercially available software.	Contractor/internal staff hired to rewrite in house/legacy code.
No customizations allowed – change business processes to match software.	Code is written to accommodate business practices. Emphasis on process standardization varies by project.
Business readiness and organizational change management is part of the software as a service acquisition process.	Process tends to focus on transferring legacy functionality to new software platform; may not start with effort to rethink how business is done.
Project governance, stakeholder engagement, board and audit oversight are integral to the project. There are many checkpoints for course correction.	Often seen as an IT project since the focus is on rewriting existing system.
Software is maintained and hosted by vendor.	Resulting software is "one of a kind" tailored to own environment.
Project design includes substantial user engagement in product selection and change management.	Project design may or may not include user engagement as code is written.

MINNESOTA STATE
NextGen

NextGen Timeline *Revised*

Minnesota State NextGen — NextGen ERP Implementation Project Timeline (revised 9/4/2018) — CAMPUSWORKS

FY19				FY20				FY21				FY22				FY23				FY24				FY25				FY26
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
JUL 18	OCT 18	JAN 19	APR 19	JUL 19	OCT 19	JAN 20	APR 20	JUL 20	OCT 20	JAN 21	APR 21	JUL 21	OCT 21	JAN 22	APR 22	JUL 22	OCT 22	JAN 23	APR 23	JUL 23	OCT 23	JAN 24	APR 24	JUL 24	OCT 24	JAN 25	APR 25	JUL 25

Revised Timeline (Publish RFP July 2019)

- RFP Issued July 2019
- Negotiations Complete March 2020
- Finance Implementation (July 2022)
- HR/Payroll Implementation (January 2023)
- Summer Term Launch (Spring 2024)

RFP Planning & Requirements · RFP Selection and Negotiations · Planning · Finance Implementation · Planning · HR / Payroll Implementation · Planning · Student Solutions Implementation

CUTOVER DATES
- Finance - Fiscal Year
- HR/Payroll - Calendar Year
- Student - Spring, to support the Summer/Fall start (activities like admissions, financial aid, registration, etc.)

$ Marginal increase to cost

Tactical adjustments for the good of the project.

All implementation dates are tentative – dates subject to change during implementation planning with ERP vendor.

MINNESOTA STATE NextGen

NEXT GEN ERP | **STATUS REPORT**

MINNESOTA STATE NextGen

OVERALL HEALTH STATUS

	OVERALL	SCOPE	SCHEDULE	BUDGET	RESOURCES
CURRENT STATUS	ON TRACK	ON TRACK	ON TRACK	ON TRACK	AT RISK
LAST STATUS	AT RISK	ON TRACK	AT RISK	ON TRACK	AT RISK

Phase 1 Budget *(FY18-FY19)*

Legislative Funds	$ 8,000,000.00	
Campus/System Office Contributions	$ 8,000,000.00	
Total Funding Sources		$ 16,000,000.00
Spent to Date		$ 1,649,757.96
Current Obligations		$ 3,525,670.37
REMAINING BUDGET		$ 10,824,571.67

HEALTH STATUS NOTES:

Overall project status has been updated from AT RISK to ON TRACK. Received Sponsor and Board approval to revise the project's RFP and Implementation schedule to mitigate newly identified risks: (1) Implementation planning schedule ran in parallel with vendor negotiations – limiting planning time with the selected vendor and devoted project managers. (2) Planning time was not sufficient for identifying and activating necessary campus and system office personnel to support phase 2 (implementation). (3) Implementation strategy of splitting the student implementation into two cohorts created more risk than benefits.

Resource status remains AT RISK until Communications Lead can be backfilled. This does not impact the deliverable dates of key milestones, but may impact the timeliness of project communications.

PHASE 1 TIMELINE

9/6/2018

NEXT GEN ERP | **STATUS REPORT**

MINNESOTA STATE
NextGen

....

MILESTONE STATUS

....

MILESTONES	START DATE	END DATE	LEADERSHIP COUNCIL REVIEW	BOARD OF TRUSTEES REVIEW	STATUS
Business Case w/ High-level Timeline for ERP Replacement	7/2015	3/2016	3/2016	3/2016	**COMPLETE**
Funding Strategy	1/2016	6/2017	6/2017	6/2017	**COMPLETE**
Project Charter	9/2017	9/2017		1/2018	**COMPLETE**
Risk Management Plan	1/2018	1/2018	--	--	**COMPLETE**
Communications Plan	1/29/18	4/03/18	5/2018	6/2018	**COMPLETE**
Change Management Plan	1/24/18	7/27/18	9/10/18	--	**COMPLETE**
PHASE 1					
Planning	1/23/18	4/04/18	--	3/2018	**COMPLETE**
Current State Process Reviews	2/12/18	6/29/18	--	--	**COMPLETE**
Future State Business Process Mapping	7/16/18	1/18/19	1/2019	1/2019	**ON TRACK**
Conduct ERP Request for Proposal (Draft, Post, Evaluation)	7/16/18	11/2019	--	--	Not Started
Finalize Phase 2 Funding Strategy	5/2019	5/2019	5/2019	5/2019	Not Started
Vendor Selection (Selection, Negotiations)	12/2019	3/2020	12/2019	12/2019	Not Started
Legacy Technology Updates	7/2016	3/2020	--	--	**ON TRACK**
PHASE 2					
Finance Planning & Implementation	4/2020*	9/2022*	TBD	TBD	Not Started
HR Planning & Implementation	4/2021*	12/2022*	TBD	TBD	Not Started
Student Planning & Implementation	4/2022*	8/2024*	TBD	TBD	Not Started

*Tentative – dates subject to change during implementation planning with ERP vendor.

....

Summary of Activities

....

ACCOMPLISHMENTS (since last update)
- ✓ BPR: Conducted Vendor Showcases
- ✓ BPR: Student, HR and Finance Teams finalized current state business processes
- ✓ BPR: Student, HR and Finance Teams began mapping future state
- ✓ BPR: Conducted Data Management Team and IT Team Kickoff
- ✓ BPR: Data Management and IT Teams began mapping current & future state
- ✓ CM: Finalize Change Management Plan
- ✓ RFP: Began RFP Planning

UPCOMING ACTIVITIES

August – September 2018
- ▪ BPR: Student, HR and Finance Teams map future state
- ▪ BPR: Data Management and IT Teams map current & future state
- ▪ BPR: Conduct IT Tech Talk with Minnesota State Community (to identify current state 3rd party integrations)
- ▪ CM: Conduct Readiness Assessment
- ▪ CM: Identify Change Management Resources
- ▪ RFP: Finalize RFP Timeline
- ▪ RFP: Identify RFP Team

October 2018
- ▪ BPR: Conduct Future State Regional Reviews
- ▪ CM: Conduct Readiness Assessment
- ▪ CM: Identify Change Management Resources
- ▪ RFP: Identify RFP Team

November 2018
- ▪ BPR: Finalize Future State Processes (all teams)
- ▪ CM: Publish Change Management Toolkits and Wave 1 Training
- ▪ RFP: RFP Team Kickoff

BPR – Business Process Review   CM – Change Management   RFP – Request for Proposal

Future State Regional Reviews

Future state process maps will be ready for review by students, faculty and staff during Future State Regional Reviews on October 8 – November 16.

Presidents were asked to invite their students, faculty, and staff to participate by:

- Forwarding the invitation sent on August 27;
- Discussing the regional review process at upcoming leadership meetings, student leadership meetings, and meetings with your local bargaining units. FAQs can be found on the NextGen site.

There will be 3 modalities for feedback on the future state process maps:

1. Online at the NextGen site;
2. Through a virtual Q/A session;
3. In person at a regional review site.

MINNESOTA STATE
NextGen

ORGANIZATIONAL CHANGE MANAGEMENT

Organizational change management (OCM) is a framework for **managing** the effect of new business processes, changes in **organizational** structure or cultural changes within an enterprise. Simply put, OCM addresses the people side of **change management**.

Organizational Change Management is referenced as "Change Management" in the following materials.

NextGen Change Management

- As discussed in the May Leadership Council Meeting and June Board Meeting, NextGen will change how Minnesota State faculty and staff support our students and administrative processes.

- Managing the human side of change is a key component and crucial for the success of NextGen. It will require support from the Minnesota State community throughout the project.

- A NextGen Change Management strategy and plan has been developed to help us accomplish this goal. This document provides a brief summary, full documents can be accessed below:
  - Change Management Strategy Link
  - Change Management Plan Link
  - Also available on the NextGen Site: https://mnscu.sharepoint.com/sites/NextGenERP/

MINNESOTA STATE
NextGen

Change Management Strategy

- ## Establish transition management teams

  Due to the size and scope of Minnesota State, the NextGen project will engage every institution for their assistance in complex set of activities and communications. Local teams of cross-functional leaders / subject matter experts will serve a critical function to connect each institution to NextGen.

- ## Create and deliver change management training

  The potential effects of the NextGen change on Minnesota State will increase as the project progresses through implementation of the new ERP. Fundamentally, organizational change occurs when individuals change. Training will be used to help smooth the transition to NextGen and will prepare individuals for implementation.

- ## Assess Readiness and Engagement

  This assessment will cover items such as culture and value system, capacity for change, leadership styles, residual effects of past changes, predisposition toward the change, and employee readiness. Information from the survey will be analyzed and used as part of the change management planning, specifically to draft an enterprise-wide Organizational Readiness Assessment. The goal will be to recognize the capacity for and resistance to change, and design mitigating strategies for implementation.

- ## Sustainability of Change Management

  Minnesota State has contracted with CampusWorks to provide change management leadership to the NextGen project, but also views change management as a long-term commitment. To provide the sustainability desired, additional change management resource requirements have been integrated to provide long-term change management oversight and support.

MINNESOTA STATE
NextGen

Leadership's Role in Change Management

BOARD OF TRUSTEES

Sponsor and enable the NextGen Change Management program by:

- ✓ sustained commitment to successful implementation
- ✓ promoting and supporting the defined change principles and project goals
- ✓ directing any individual wanting to provide feedback to the project team

CHANCELLOR

Sponsor and enable the NextGen Change Management program by:

- ✓ promoting the defined change principles
- ✓ channeling feedback received to the project team and steering committee
- ✓ sending specific communications, as needed
- ✓ holding direct reports and institution presidents accountable for project roles

PRESIDENTS

Sponsor and enable the NextGen Change Management program by:

- ✓ create and identify your local Transition Management Team
- ✓ champion institutional participation in change management training
- ✓ distribute and complete readiness assessment survey to campus constituents
- ✓ provide feedback throughout the NextGen project

MINNESOTA STATE
NextGen

Change Management Structure

The below NextGen change management organizational structure will help sustain change management activities for the long-term. It is an integrated part of the existing NextGen project structure.
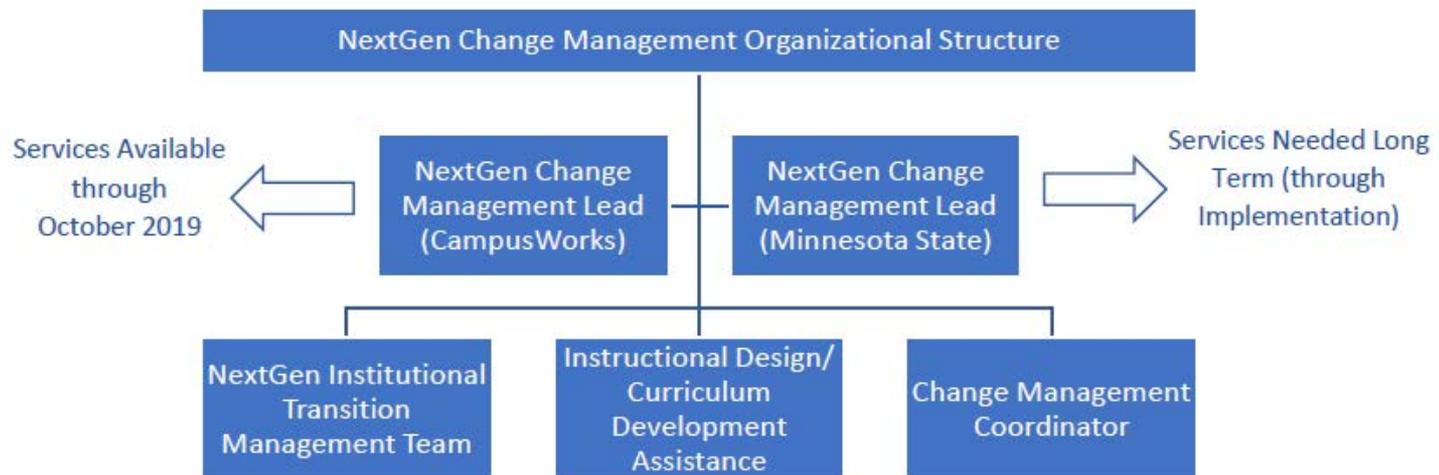
Objectives and Deliverables

STRATEGY OBJECTIVES

PLANNED DELIVERABLES

NextGen Change Transition Management
(on-going)

- Local transition management teams (In Progress, ETA Sept. 2018)
- Local NextGen activity coordination (ETA Oct. 2018 – on-going)
- Transition monitoring and reporting feedback (on-going)
- Issue mitigation and resolution (on-going)

NextGen Change Management Training
(Aug. 2018 – TBD*)

- Leadership equipped with NextGen Change Management tool kits (In Progress, ETA TBD*)
- Supervisors trained in NextGen Change Management (ETA TBD*)
- Curriculum development (LMS) for NextGen Change Management training modules (ETA TBD*)

NextGen Change Management Readiness & Engagement
(on-going)

- Engage Institutional Presidents and Vice Chancellors (on-going)
- Stakeholder Conference, forums, and meetings (on-going)
- Experience Workshops (Complete)
- Future State process development (In Progress, ETA Jan. 2019)
- Gather input through surveys and other vehicles (In Progress, ETA Oct. 2018)
- Institutional Readiness Assessment Plan (ETA Dec. 2018)

Change Management Sustainability
(Aug. 2018 – TBD*)

- Long-term Change Management structure (In Progress, ETA TBD*)
- Change Management strategy for ERP implementation (ETA TBD*)
- NextGen software training approach (ETA TBD*)

*Dates to be revised based on recent schedule change.

MINNESOTA STATE
NextGen

Recap of Upcoming Activities

August – September 2018

- BPR: Student, HR and Finance Teams map future state
- BPR: Data Management and IT Teams map current & future state
- BPR: Conduct IT Tech Talk with Minnesota State Community (to identify current state 3rd party integrations)
- CM: Conduct Readiness Assessment
- CM: Identify Change Management Resources
- RFP: Finalize RFP Timeline
- RFP: Identify RFP Team

October 2018

- BPR: Conduct Future State Regional Reviews
- CM: Conduct Readiness Assessment
- CM: Identify Change Management Resources
- RFP: Identify RFP Team

November 2018

- BPR: Finalize Future State Processes (all teams)
- CM: Publish Change Management Toolkits and Wave 1 Training
- RFP: RFP Team Kickoff

Next Board Update:
- In-person update at October and January Board Meeting
- Written update in November and December

BPR – Business Process Review; CM – Change Management; RFP – Request for Proposal

MINNESOTA STATE
NextGen