



ERP Anxiety?

Part I: You Are Not Alone.

Top 10 Concerns of Institutions Preparing to Implement an ERP Project

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An Enterprise Resource Planning (ERP) project will likely be the most complex business transformation and technology endeavor ever undertaken by a higher education institution.

If you are planning to implement an ERP at your institution, you have probably had some unease and concern about the project and its impact. Often this anxiety results from the fear of both the known and unknown.

In this two part series we will first outline for you the top concerns voiced by stakeholders at institutions about to implement an ERP then we will equip you with the keys to help ease the anxiety on campus.

Understand the Anxiety

In this article we report data collected from hundreds of stakeholders in fourteen higher education institutions¹ about to implement an ERP solution on their campus. We have rank ordered the most often voiced concerns on the mind of institutional stakeholders—those persons involved in the project. These concerns range from the very personal such as “Will I lose my job?” to a more global view including “How will our students be impacted by these changes?”



Our top ten list can help you relate to and understand the anxiety and mindset of your campus as you approach your own implementation.

¹ A description of these institutions as well as description of our data collection method is given in the Post Script to this article.
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Top Ten Concerns

While each institution's top ten list will vary, we have identified a typical list of concerns from institutions about to implement an ERP system.

Table 1 below outlines this list in rank order from the most frequently heard to the least frequently heard concerns. We have also indicated the percentage of institutions reporting each concern in their top ten.

Top 10 Concerns		
Rank	Concern	% of Institutions Reporting this as a Top 10 Concern
1	Staffing / Backfill / Workload	100%
2	Training	93%
3	Communication	79%
4	Functionality	64%
5	Data Conversion / Access / Security	50%
6	Project Management	57%
7	Resistance to Change	57%
8	Funding / Budget	43%
9	Involving Stakeholders	43%
10	Leadership	43%

Common Concerns

Although each institution has a unique list of Concerns, there are commonalities. For example, we typically see the greatest concentration of responses in the first three concerns: Staffing / Backfill / Workload; Communication; and Training. In fact, 86% of our sample institutions ranked one or more of these concerns in their top three.

To help further understand the nature of these concerns, we list below some typical questions and comments we gathered in our interviews.

Rank	Concern	Typical Questions & Responses
1	Staffing / Backfill / Workload	<ul style="list-style-type: none"> ▪ Can we manage our regular duties and maintain service levels while working on the implementation? ▪ Will we need to hire extra people? What about current staffing levels and unfilled vacancies? ▪ Will staff have to take work home and work weekends? We are worried about burnout. ▪ Will we be able to retain our newly trained staff?
2	Training	<ul style="list-style-type: none"> ▪ How will we get the right training to the right people at the right time? ▪ Will the training be sufficient to run the new system? ▪ Many people need to develop new skills. ▪ We need a plan for continued training after implementation.
3	Communication	<ul style="list-style-type: none"> ▪ We need communication on project status, how and when the implementation will take place and how it will impact faculty, staff and students. ▪ We are concerned the campus won't be informed about key events, changes, or inconveniences ahead of time. ▪ The institution will lack an understanding of the expectations for the project and will underestimate the size and complexity of the project. ▪ Only the people "in the know" or directly involved will know anything about the project.
4	Functionality	<ul style="list-style-type: none"> ▪ Will the system have the flexibility and the capability that we need? ▪ Will the functionality be better than our current system? ▪ We probably will not utilize all of the available functionality. ▪ What if the new system won't fit our current processes?
5	Data Conversion / Access / Security	<ul style="list-style-type: none"> ▪ Who will make the decisions about access to data? ▪ What if we lose historical data during conversion? ▪ Will the system security be adequate enough to protect our data? ▪ How will we maintain two systems with data during the implementation?
6	Project Management	<ul style="list-style-type: none"> ▪ Who is accountable for project success? ▪ We probably won't plan enough or use project management skills and tools to do the project right. ▪ How will we meet project deadlines and milestones? ▪ We've experienced poor management of previous major implementations at the institution (scope creep; staying on schedule).

Rank	Concern	Typical Questions & Responses
7	Resistance to Change	<ul style="list-style-type: none"> Some employees may not understand the long term benefit of such a project. General unwillingness of staff to streamline and change policies and procedures exists. Current jobs will change dramatically after the new system implementation and overall campus culture will have to change to make a new system implementation successful. Some key people may want to just retire and not deal with the system changeover.
8	Funding / Budget	<ul style="list-style-type: none"> The project will be driven by what we can afford, not by what we need as an institution. Are we financially ready to support this system now and into the future? Some or all of the funding that could be better spent on academic programs will be spent on a back-office software system. Do we know the true costs of this project?
9	Involving Stakeholders	<ul style="list-style-type: none"> What if a particular group or department is overlooked or if they are not represented on the implementation team? Decisions that impact everyone will be made in a vacuum by small groups. The project will have a lack of participation. We need to find a way to get the faculty to get onboard and buy-in.
10	Leadership	<ul style="list-style-type: none"> Are the project leaders' goals aligned with campus goals? Institution lacks confidence that leadership is committed to the project as a top priority. General issues ranged from team leadership to senior management awareness. Do we have the right people running this project?

Knowing the possible ERP project concerns within your institution is the first step down the road to a successful implementation. Once you understand what may cause your stakeholders the most anxiety, you can take the next step and begin to address those concerns. In part two, we will equip you with five key ways to manage ERP anxiety:

A POST SCRIPT

Where We Collected Our Data

Our research includes a sampling of 14 diverse higher education institutions planning to implement an ERP software solution. The sample represents a mixture of different types of institutions. Eight schools offer PhD programs, twelve schools offer graduate degrees, thirteen are four-year colleges, and one school is a two year college. In terms of size, nine schools have enrollments of 10,000 or less, two schools had enrollments of 10,000 to 20,000, and three schools had enrollments of greater than 20000.

Ten schools were located in the South. One school was located in the Midwest. Two schools were located in the Mid-Atlantic States, and one was in the West.

This sample is dominated by public universities. Only two were private schools. Despite the diversities among these institutions, they all had one thing in common: facing the unknowns of an ERP implementation.

How We Collected Our Data

We used two primary methods for data collection: personal interviews with campus stakeholders and online surveys distributed via email. Both methods are tailored to the individual participant's role at the institution: technical, functional or executive, and academic.

On average we conducted sixty interviews at each institution, varying by size and complexity. Approximately 60% of interviews were conducted with functional or executive staff, 30% with technical staff, and 10% with academic staff. Typically a much larger number of stakeholders were invited to participate in an online survey to maximize flexibility and time efficiencies. On average we received 100 completed online surveys at each institution.

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