

Agency Name	Western Washington University
Decision Package Name	Replace ERP System
Email	chuck.lanham@wwu.edu
A. Will this investment renew or procure a facial recognition service?	No
B. Does this investment provide for acquisition of, or enhancement to, an administrative or financial system as required by technology policy EA-122 - administrative and financial system investment approval?	Yes
C. If Yes to question B, has this decision package obtained WaTech and OFM Administrative and Financial System review approval?	Yes
Attach Approval Letter	https://www.formstack.com/admin/download/file/16875564927
D. For the Department of Children, Youth and Families, the Department of Health, the Department of Social and Health Services, the Health Care Authority and the Washington Health Benefit Exchange only: Has this project been screened for inclusion in the Health and Human Service (HHS) Coalition portfolio?	No
E. Does this decision package support the adoption of modern, cloud-based technologies?	Yes
A. Type of Investment - Identify the decision package investment classification from the following list (select only one):	System modernization
B. Does this decision package fund the acquisition, development, enhancement, or replacement of a new or existing software solution?	Yes
If Yes, where will the software solution be hosted?	External Cloud

C. Do you expect this solution to exchange information with the state financial system (AFRS) or the OneWA solution (Workday)?

Yes

D. Does this decision package fund the acquisition or expansion of hardware capacity?

No

E. Does this decision package fund the continuation of a project that is, or will be, under WaTech oversight? (See Technology policy PM-01 - IT Investments - Approval and Oversight Policy.)

Yes

If Yes, name the project:

This is a new project that will be under WaTech oversight -- Replace ERP System. It's not on the IT Dashboard yet.

Due diligence: Summarize the research, feasibility or due diligence work completed to support this decision package. Attach a copy of the feasibility study or other documentation of due diligence to the decision package.

In 2017, Western hired a new Chief Information Officer. Several strategic initiatives were implemented pre-COVID. To manage these initiatives, a new Project Management Office was created to supervise projects emphasizing collaboration and communication across campus. This collaborative approach helps prevent the creation of silos and duplication of systems. Additionally, significant efforts were made to eliminate long-standing technical debts by replacing old technical infrastructure with more modern cloud-based systems, such as MS365 Suite. MS Teams Voice was introduced during the COVID-19 pandemic, enabling all employees to work remotely. The implementation of multi-factor authentication further enhanced data and remote access. Several mission-critical systems, including Canvas - the Student Learning Management System (LMS) - have also been migrated to the cloud. From an IT administration perspective, an IT governance structure was established. With all these foundational efforts in place, it is time to focus on the campus' ERP system.

In 2022, the Information Technology Research Group was hired to conduct a business process and needs analysis with Banner system stakeholders. The goal was to identify pain points and reports currently lacking or not timely. Western stakeholders were divided into three key system areas - Finance, Human Resources, and Student. The analysis spanned over eight business days with multiple sessions each day. The final report from InfoTech in Appendix 1.

In 2023, the Business & Finance Affairs (BFA) division collaborated with consultant firm CampusWorks to conduct a comprehensive Business Process Analysis. The CampusWorks team interviewed division staff unit by unit, reviewed policies and procedures, and ultimately recommended over one hundred business or system changes and improvements, including opportunities to streamline, redesign, and optimize technology systems across Finance & Business Services as well as Human Resources.

In 2024, The Tambellini Group, a specialized firm focusing on higher education ERPs. Tambellini guided Western on industry trends, standards related to the ERP system, budget estimation, and best practices for implementation.

Governance and management: What governance processes will support this project? Examples of governance processes include: appropriately placed executive sponsor, representative steering committee, resourced vendor/contract management, change control, and incorporating stakeholder feedback into decision making processes. Provide examples of how your proposed budget includes adequate funding and planning for governance processes, if applicable.

In 2018, ITS created an IT governance framework representing IT's broad reach across the institution. At the core of the framework is the IT Advisory Committee, a representative group of faculty, staff, and student IT stakeholders. Subcommittees focused on administrative, academic, and student technologies, providing insights to the ITAC and the CIO on these areas. Together, these committees provide a strong foundation to facilitate enhancing and modifying the Campus' ERP system.

Planning and readiness: Describe how your agency will resource the implementation of this investment request. Will in-house resources be used, or will resources be acquired? How has organizational change management been factored into planning and approach? Does the investment require a project management approach to be used? Describe whether project and organizational change management resources are included in this request or will be provided by in-kind resources. Describe whether the proposed budget includes costs associated with independent quality assurance.

Western plans to use both internal and external resources for the project implementation. The intention is to adopt the agile project management methodology. The internal Project Management Office will have a significant role in the project. However, due to the project's size and impact, it is necessary to engage a specialized implementation firm to provide support for project management and change management throughout the implementation. This Decision Package request includes funding for hiring a specialized ERP system implementation partner. Western's functional and technical analysts will share their institutional knowledge with the external specialized implementation teams, which also have extensive knowledge of the new ERP system and industry best practices. Together, they will collaborate to ensure the success of the implementation.

Strategic alignment: Using specific examples, describe how this investment aligns with strategic and technical elements of the Enterprise IT Strategic Plan. Examples of strategic principles that tie back to tenets of the strategic plan include, but are not limited to: initiatives focused on improving government experiences and emphasizing service delivery, improving equitable outcomes across communities through technology, improving service delivery through data and insights, using data and insights to drive strategic decisions, deploying solutions emphasizing access, technology, or innovation to solve business problems, and advancing skillsets to instill an innovation culture. Decision packages should include references to the Pillars (Digital Trust, Shared Governance, Equitable Outcomes, Service Excellence) and Values (Human-centered, Inclusive ideas, Courageous innovation, Accessibility, Nimble, Community + connectivity) of the strategic plan.

In 1997, Western implemented the current ERP system, Banner, as a beta site. Despite enhancements from the vendor, the underlying technologies have remained similar or unchanged. Customized programs have been developed to meet business needs. Since 2017, the IT team at Western began replacing the outdated hardware structure and building a more modern and reliable infrastructure.

Meanwhile, Ellucian, a competitor in the ERP market, has actively developed its SaaS applications and significantly decreased the development and enhancement of its on-premises Banner version, which Western is still using. This change has magnified the challenges that Western faced, from resources needed to maintain the aging custom programs to the compatibility of the old programming languages that the newer operating systems and new infrastructure will not support anymore. Additionally, the current ERP system does not fully support Western's accessibility and diversity goals. For instance, Western is working on an initiative to customize the Banner to include and separate the Lived Name from the Legal Name. From our analysis, this customization will take approximately 14 months and cost over a million dollars to develop internally.

Since 2022, ITS has been actively strategizing and planning options to modernize the ERP system. The strategy focuses on strengthening the architecture of the hardware platform and utilizing standardized cloud-based systems like MS-365, including Teams and VOIP for communication. Software initiatives include an Integration Platform as a Service (iPass) to accelerate workflow and integration automation with other subsystems, moving the ERP system to the cloud, or completely migrating to a new ERP system.

Reuse and interoperability: Does the proposed solution support interoperability and/or interfaces of existing systems within the state? Does this proposal reuse an existing solution or existing components of a solution already in use elsewhere in the state, including an evaluation of services provided by WaTech? If the solution is a new proposal, will it allow for such principles in the future? Provide specific examples.

Western University has been actively researching various cloud-native ERP systems for its operations. The future solution aims to streamline the process of generating financial and human resources reports for state-related purposes, as integrating our operations with the same or similar platform used by the state is expected to facilitate reporting procedures greatly.

One of the possible solutions, Workday, is currently used by The State of Washington, University of Washington and Washington State University. Given the extensive assessment by these organizations, Western Washington University is interested in learning more about this and other cloud-native systems.

Business driven technology: What are the business problems to be addressed by the proposed investment? These business problems should provide the basis for the outcome discussion below. Describe how end users (internal and external) will be involved in governance and implementation activities.

The university's core business processes, from managing student information to financial operations, rely on our current system. Modernizing our IT systems and infrastructure will empower - rather than restrain - both academic and administrative programs, departments, and centers as they pursue their respective objectives under the University's strategic plan.

A move to a cloud-native Enterprise Resource Planning (ERP) system opens up various opportunities for alignment with business goals and practices including:

1. Scalability and Flexibility

Cloud-native ERPs allow universities to scale their IT resources up or down based on demand, which aligns with business goals of scalability and flexibility. As student enrollment, research activities, or administrative needs grow, the cloud ERP can be adjusted without the need for significant capital investments in hardware or software. This scalability can also align with the university's expansion goals or response to fluctuations in enrollment.

2. Cost Efficiency

Cloud-native ERPs typically operate on a subscription-based model, which can help universities shift from large, upfront capital expenditures to more manageable, operational expenses. This pay-as-you-go model can align with a business strategy focused on cost control and financial efficiency, enabling the university to invest more in its core educational mission rather than in IT infrastructure.

3. Enhanced Data Analytics and Decision-Making

Cloud-native ERPs often come with advanced data analytics tools that enable better data integration and real-time reporting. This capability aligns with the business need for data-driven decision-making. By harnessing comprehensive data analytics, university leaders can make more informed decisions regarding admissions, resource allocation, student services, and more, improving overall institutional effectiveness.

4. Improved Collaboration and Accessibility

A cloud-native ERP facilitates collaboration across departments by providing a unified platform accessible from anywhere. This aligns with business objectives of fostering collaboration and ensuring that all stakeholders-faculty, staff, students, and administrators-have access to the information they need when they need it. This can improve efficiency,

responsiveness, and satisfaction among the university community.

5. Enhanced Security and Compliance

Security and compliance are critical concerns for universities, especially with the handling of sensitive student data and financial information. Cloud-native ERPs are typically built with robust security features and regular updates to meet evolving compliance standards. This alignment with the university's business need for strong cybersecurity measures can protect the institution's reputation and ensure compliance with regulations such as FERPA, GDPR, or HIPAA.

These alignments ensure that the transition to a cloud-native ERP not only supports the university's operational needs but also strengthens its strategic business objectives.

Measurable business outcome:
Describe and quantify the specific performance outcomes you expect from this funding request. Provide specific examples of business outcomes in use within your agency, and how those outcomes will be improved as a result of this technology investment. What outcomes and results, either positive or negative will occur? Identify all Lean initiatives and their expected outcomes. Include incremental performance metrics.

The major benefits of ERP modernization encompassing our transformation goals include:

1. Create a Stable Operating Environment

Our current ERP system, Banner, was implemented 30 years ago. Over the years, Ellucian has made many technical changes, but they are slow to retire their older technology. Currently, Western must maintain different sets of technologies with varying operating systems, database versions, different programming languages, and countless specialized software, all of which require different hardware for support. Since Western has so many on-premises systems, scheduling backups for different systems has become challenging. Compounding this issue is the time needed to refresh multiple data warehouses requiring different ERP system data sets. Incremental and full backups also become difficult as there is not enough time to complete all these critical tasks.?

With full implementation of the new ERP system, Western expects that most of the hardware that currently supports Banner will be phased out. This move is expected to streamline operations, as many cloud-based vendors already have redundant servers and storage, which simplifies the process of backing up data. Additionally, Western will transition to an Integrated Platform as a Service (iPaaS) to centrally manage all integrations. This strategic shift will empower Western to handle integrations more efficiently and timely, leading to increased operational effectiveness.?

2. Automate Workflows

The current Banner system lacks a robust workflow model. Although various departments have made efforts to automate their processes, some of Western's business processes are still very labor-intensive. For example, the Accounts Payable Team manually enters each invoice into the Banner system. While the Procurement system automatically creates some purchase orders, most must be inputted manually. Other manual processes include time entry, invoice approval, and reimbursement processes. Implementing a more modern ERP system would help Western automate many routine processes, reducing the amount of manual work and allowing us to better utilize resources for advancing students' learning and education.?

3. Improve Systems Accessibility, Diversity, and Customer Service

The Banner system restricts our ability to implement University priorities advancing diversity and accessibility. Although the software vendor has

attempted to incorporate features to address these needs over the years, their efforts have never been completely sufficient. In the latest version, Banner 9, the Time Entry screen was not compatible with screen readers and could not be navigated using the keyboard. This flaw significantly hindered our students and staff who rely on these features to use our system. Additionally, Banner lacks the functionality to accommodate both lived names and legal names. Despite submitting an enhancement request to the vendor, they did not consider this a priority. Research indicates that newer and more modern ERP systems already have these features built in as part of their basic system. By transitioning to a modern ERP system, Western will be able to provide better service to its students, faculty, and staff.

4. Lower Operating Costs

A modern, cloud-based ERP system is easier to scale up or down based on demand than an on-premises system, where certain resources must always be maintained. This flexibility allows Western to manage costs more effectively. Additionally, a cloud-based system will shift the responsibility for maintaining hardware and software to the cloud service provider, reducing the need and cost for internal IT staff and resources. For example, once the student module is fully implemented, Western may be able to reduce staffing costs associated with a full-time internal Oracle Database Administrator and full-time developers.