

Dear President Cunningham,

As requested, I have conducted a review to determine the cause of difficulty in processing student financial aid packages resulting from the implementation of the new Oracle enterprise information systems.

As we discussed, the intent of the review was not to be an exhaustive study, but to identify the issues to a sufficient level of detail to determine with a reasonable level of certainty:

What was the underlying cause of the problem(s)?

How do we assure we do not have these problems again in the future?

My review consisted of interviews with Judith Cardenas (Dean - Student & Academic Support), Glenn Cerny (CIO), and Evan Montague (IT Project Lead for Financial Aid). In addition, I reviewed the project materials which were provided to me.

Approach used for the Review

The success of an application implementation project of this magnitude, requires that certain activities are accomplished during the project life cycle (project milestones), and that a management review and signoff occur at key milestones signifying that both parties (Information technology staff & “end-users”) are in agreement as to project status and have assessed the likelihood of the success of the project. In my investigation, I was looking for several key pieces of project documentation that Oracle’s Application Implementation Methodology (AIM), and most other IT project methodologies recommend:

- Scope, Objectives, and Approach documentation – In brief, this documentation clearly defines the objective of the project, business processes included in the scope, the approach for implementation, and key measures for determining success.
- Evidence of operational meetings occurring at regular intervals to address the specifics of the systems design and build and identify and track any issues within the project, with significant participation by both Information Technology team members, as well as representative business process “owners”.
- Evidence of current test scripts demonstrating that the new business processes on the new Oracle system were used or reviewed in detail by the business process owners, with signoff of the business processes by the business process “owners” or manual “work-arounds” defined for use in the initial go-live.

What was the underlying cause of the problem(s)?

In my investigation, I was unable to find evidence that adequate controls existed for the financial aid implementation project. While elements of this data existed, it was either not “close at hand” (implying not really used), not current, or not complete with both party sign-offs as a commitment to being ready before the go-live date.

In my questioning to determine who had overall responsibility for assuring all business processes necessary were addressed and working was answered with a vague or inconsistent response. On a positive note – there was not any finger pointing, both Information Technology and Student Services management were willing to “take the blame” for the outcome. The financial aid project lacked a clear “champion” to take charge, an operationally competent leader who understood all the business processes and how they would be conducted in the “new” system; thus when problems were identified during the implementation process, they were not elevated to a level where the college’s management team could comprehend the magnitude of the problem and develop an understanding of the ramifications it would have on operations. Simply put, it fell into a void despite the teams best intentions.

Based upon my discussions it became apparent that significant contributors to the financial aid system issues upon going live were as follows:

- The Financial Aid Project Implementation lacked the controls typically found in a large scale IT project. Prior successes in overcoming obstacles in the financial implementation using simplified project techniques and additional support staff, probably led to a false sense of comfort to continue with what had worked in the past.
- The initial team assigned to the Oracle project were either not significantly qualified, or not “fully engaged”, or committed to the implementation plan of this project. Specifically [REDACTED] who was assigned to the project was preparing to retire and did so, just prior to the go-live date. From my conversations it did not appear as though [REDACTED] had much interaction with Student Services management regarding the project. Subsequent to his departure, there was not another financial aid staff member completely familiar with the Oracle systems.
- Student services staff assigned were predominantly administrative types with – no operational leadership or initiative to take charge or actively volunteer to take responsibility.
- During this critical time, there was not a Director of Financial Aid.
- There was not a routine operational forum for specific departmental issues to be tracked, monitored and escalated as needed.
- Formal project management techniques and procedures for client (business leader) signoff at each stage were not followed. This would have escalated visibility to the risks earlier in the project.
- Lansing Community College is a BETA site for Oracle software, therefore fundamental business operating functions may not be operational in the software application.

Review of planning, timelines, training, communication:

I did not conduct an exhaustive study reviewing these detail elements, nor do I feel it would be prudent to spend college funds to conduct a more detailed review since without the controls mentioned above in place, the value of assessing more of the details is without significant benefit in correcting the situation going forward.

How do we assure we do not have these problems again in the future?

To assure that these problems do not continue, it is recommended that the following actions occur for the financial aid project, and all other significant IT projects going forward.

Implement and follow a Project Lifecycle Methodology intended for large scale application implementation and assures that proper controls are identified and a formal signoff process of the specifics is in place. At a minimum, the methodology should provide the following elements which should be reviewed by the college's executive staff and approved for completeness and consistency with the college's stated objectives and mission statement.

- Produce a clearly defined document of the project scope, objectives, and approach. Obtain signoff by the business side owner (client) and/or the executive team. Clearly define what the system: Must have, Should have, Could have, and Won't have.
- Produce a complete Business Requirements document with college signoff. The college is therefore responsible for gathering constituent approvals where necessary. Example: sample students to approve look and feel of self service, administrative staff to approve approach to updates and reporting etc., third party agencies for acceptability of reports and electronic format of data etc.
- Identify all business processes to be supported by system
 - ID those that can be performed manually if necessary.
 - ID those that represent significant risk to the ongoing operations of the college or it's stakeholders.
- Identify control points in process and verify data integrity and security. (establish an internal audit of these controls)
- Jointly develop Oracle Application workflow for all required business processes. Identify all open issues, customizations required, manual work arounds & prioritize these as necessary to support operations.
- Develop a test plan

- Conduct Test Scripts
- Use case scenarios to demonstrate work flow. Try to break it during use cases by using specific data to trigger risk events.
- Schedule a walkthrough with key business owners... form consensus of risk to determine preparedness to go live and user readiness to assume responsibility for the systems.

A “Business Owner” assigned to represent financial aid on this project. This individual should have the appropriate authority and acumen to assure the financial aid process is adequate for ongoing business operations and meets the intended objectives for students and administrative needs.

Conduct a Healthcheck and Risk Assessment for Financial Aid Processing. I have included a representative copy of each with my assessment of where the project would fall today. The college needs to assess the implied risks, have the team identify what they intend to do to mitigate this risk to the satisfaction of the management team.

Conduct a data integrity audit of the production data. Identify key data elements and relationships – conduct statistical analysis to assess reasonableness of accuracy in master data. Possibly implement a procedure like cycle count to constantly monitor data integrity. This should be incorporated into internal audit processes.

Immediate Need

A business plan needs to be put in place for next semester processing based on the assumption that no new development will take place within the next few weeks. This needs to be accomplished before the project is re-started since it will likely consume all available resources.

Observation

Due to the significant changes which have taken place with the enterprise wide implementation of the Oracle applications in such a short period of time, many business processes were likely hastened into production and not optimized. There are probably opportunities to improve operations using these new robust tools. A routine meeting should be established within the executive community with an operational focus on improvements. In addition, this same theme should be imbedded in all departmental meetings on a daily / weekly basis. It is important that a feeling of ownership for these systems transition from IT to the operational department heads. This group needs to be focused on the ongoing / day-to-day business of running the college. What are the key

objectives – how will you measure success...monitor, maintain and control the routine operations. Operational meetings should be short and concise, assignments are delegated and tracked.