

TECHNOLOGY SOLUTIONS CASE STUDY



The Green Mountain Higher Education Consortium Uses Oracle Fusion Cloud to Provide Member Colleges With Shared Services and Cloud Infrastructure

GREEN MOUNTAIN HIGHER EDUCATION CONSORTIUM

The Green Mountain Higher Education Consortium (GMHEC) was founded in 2013 by three private Vermont colleges: Champlain College, Middlebury College and Saint Michael's College. GMHEC's mission is to facilitate the collaboration in and sharing of cost-effective resources, technology and administrative services for GMHEC member institutions. GMHEC reports that benefits of the consortium include group purchasing at lower costs for each member, shorter implementation timelines for new systems, more efficient maintenance of its cloud technology infrastructure, and a collaborative culture that shares best practices in business processes.

INITIAL CHALLENGES AND SELECTION

In 2016, GMHEC's three founding members were leveraging legacy enterprise resource planning (ERP) systems that no longer met the colleges' requirements. The GMHEC jointly conducted a financial technology evaluation, comparing the costs and level of effort if each college purchased and implemented new financial management (finance) and human capital management (HCM) solutions individually versus together as a consortium. Each of the three colleges also did independent research and cost analysis alongside the consortium. The findings unanimously indicated that it would be more cost-effective and provide a shorter time to return on investment (ROI) for each college if they combined their efforts in procuring and implementing modern cloud finance and HCM solutions.

The consortium established that it needed to deploy not only modern, cloud-based ERP systems, but advancement systems as well. It branded this effort as Project Ensemble and gathered 250 stakeholders from the three consortium member colleges to participate in meetings, surveys, requirements-gathering sessions, and product demonstrations. The consortium agreed to sign a contract with Oracle to deploy the Oracle Fusion Cloud applications for finance, HCM, and eventually student. The consortium also contracted with Blackbaud to deploy Blackbaud Raiser's Edge NXT as its advancement information system.

IMPLEMENTATION

The Project Ensemble team consists of senior leaders and functional working groups with representatives from all three colleges across the offices of HCM, finance, student, advancement and information technology. The GMHEC team also has enlisted support from two outside partners: Hitachi Vantara to implement the Oracle Fusion Cloud applications and CampusWorks for project management.

The GMHEC executed an aggressive implementation timeline that today provides five shared core services to its member institutions, including procurement, accounts payable, payroll, benefits, and live support. Project Ensemble kicked off in early 2018 with the implementation of Blackbaud Raiser's Edge NXT in the advancement office and Oracle Fusion Cloud Financials in the finance office, both of which went live in the spring of 2019, followed by Oracle Fusion Cloud Enterprise Performance Management. Oracle Fusion Cloud Payroll and the core modules of HCM went live in the spring and summer of 2020. GMHEC delivered additional HCM functionality in 2021 and is now live with its entire human resources solution, including Core HCM, Benefits, Time and Labor, Absence Management, Payroll, Compensation, Learning, Recruiting, Career Development, Succession Planning, and Enterprise Performance Management. The GMHEC Oracle Fusion Cloud shared services support team consists of

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business analysts dedicated to finance and HCM who work with Hitachi Vantara to manage the Oracle Fusion Cloud platform, configuration, enhancements and upgrades.

In July 2019, GMHEC went live with Accounts Payable shared services. As part of Oracle system's design, end-users across member colleges now enter suppliers and invoices directly into Oracle Fusion Cloud Financials. Enabled workflows alert cost center managers to review and approve the invoices via email or in the system. GMHEC administrators then review and approve all suppliers that users submit into the system and process all payment runs for Automated Clearing House (ACH), checks, and wire payments. In addition, the team audits expense reports submitted via the Expense module of the Oracle system. In the upcoming months, when the GMHEC renews its contract with its purchasing card provider, it plans to implement virtual payments via Oracle Fusion Cloud, which will allow consortium members to pay for products and services seamlessly.

The GMHEC's Benefits shared service enables the consortium to centrally manage the benefits business processes across the three member colleges and recently supported open enrollment for more than 2,000 employees. The consortium handles all aspects of benefits administration that would traditionally be covered by a benefits department, including communications and enrollment campaigns. GMHEC administrators work with a broker/consultant to manage RFPs for medical providers, third-party benefits administrators, and all benefit plans and stop-loss insurance providers. The consortium administrators negotiate contracts for the three founding members and a few select contracts for Norwich University. GMHEC also recently added a service for absence management.

The GMHEC's Payroll shared service is comprised of a Payroll Shared Services Leader, Tax Specialist, Payroll Generalist, and Payroll Specialist. The Payroll shared service provides member institutions with increased compliance with various tax laws in each state. The team continues to optimize its shared service process by working with each school to combine best practices into a standard business process within the new Oracle system. The team is responsible for issuing more than 7,000 W-2s.

The GMHEC's Procurement shared service encompasses the centralized management of the procurement system and is responsible for contracts and renewals for consortium contracts.

This central shared service was implemented to bring together departments at the three colleges to purchase together to take advantage of volume discounts. When GMHEC began this service, none of three colleges had procurement offices.

LESSONS LEARNED

According to Corinna Noelke, the GMHEC Executive Director, institutions planning to move to a SaaS system should expect a transition period that requires additional skilled labor certified in the new system. Legacy system developers will be tied up managing the legacy system until the transition and full cut-over are complete. The support staff will need time and training to effectively support the new system(s) following the transition. GMHEC chose to hire offshore Oracle support from Hitachi Vantara.

Noelke also recommends that institutions will benefit from going live on a new payroll system at the start of a new calendar year. GMHEC went live with Oracle Fusion Cloud Payroll in March after the calendar year had begun. Migrating the balances was such an intensive process, the consortium decided to hire additional staff to pull extracts from the legacy system, map the payroll data to Oracle, and finally, load the data multiple times before production.

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According to Noelke, an institution can successfully go live with Oracle Fusion Cloud Payroll before deploying Oracle's other complementary HCM modules, such as Workforce Planning, Learning, Compensation, Career Development, Succession Planning, and Performance Management. Noelke reports that instead of deploying the entire Oracle HCM suite at one time, it would have been helpful for GMHEC to split the deployment into two phases, deploying the core modules first: Core HCM, Benefits, Payroll, Absence Management, and Time and Labor. Then, in phase two, the team could focus on deploying the other modules, which require strategic planning to ensure that the new functionality supports the intended business processes. For example, while GMHEC is live with the Oracle Talent Management module, its use is limited, as member colleges are still developing their talent management strategy and business processes. Colleges are also in the process of rolling out the Recruiting module as they evolve their strategies. GMHEC is leveraging the Learning module to onboard staff, but it will scale the module further after brainstorming use cases.

BEST PRACTICES

Transitioning to a shared services model is an ongoing and highly collaborative process between the three colleges and the GMHEC administrators. At the beginning of Project Ensemble, GMHEC interviewed staff within each functional area at the three colleges to create task lists. The functional staff and the GMHEC administrators analyzed the lists. They worked together to decide which tasks the colleges should continue managing and which tasks to transition to the central GMHEC administrators. After identifying tasks, each college's functional team shared its policies with GMHEC. As the central GMHEC administrators began taking over individual cases for the colleges, both parties continued to refine the business processes until they were ready to implement. Noelke describes the process as using the power of three to create the rule of one, or in other words agreeing on best practices that are now shared by all three colleges. GMHEC has also identified measurements within each functional area to track, which allows the central administration to provide the colleges with valuable metrics in quarterly reports. While the GMHEC has not yet deployed a shared service for advancement, a highly collaborative culture among advancement staff from across the three GMHEC colleges greatly benefits the advancement offices as they update their business processes and develop reporting practices based on new Blackbaud functionality.

PROJECT STATUS AND BENEFITS

Noelke reports that the benefits of the Oracle Fusion Cloud systems include their agility, strategic planning capabilities, and tremendous increase in regulatory compliance. Oracle provides quarterly updates, which typically include many functional and user experience enhancements. While GMHEC is not using Journeys yet, this functionality is on the consortium's roadmap. GMHEC staff are excited that Oracle Fusion Cloud supports integrating strategic planning into their business processes, such as succession planning and mapping employee competencies.

According to Noelke, GMHEC has also built a great relationship with its Hitachi Vantara support team, who have supported the institutions throughout the Oracle Fusion Cloud applications deployment. The Hitachi consultants have become part of the Project Ensemble team and are personally invested in the project. Some of the Hitachi Vantara consultants who have implemented the system are now supporting the system in production. Therefore, the

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consultants have acquired familiarity and knowledge of the colleges and their processes, which informs their work and contributions.

Deploying shared services across member institutions eliminates the duplication of effort and reduces administrative costs. Currently, the GMHEC is working to firmly establish and optimize its processes. Noelke reports that before the consortium adds additional members, it plans to refine its onboarding process and policies to ensure it can support new members without disruptions in serving the founding members.

REFERENCES

As part of this research, Tambellini briefed with Corinna Noelke, Executive Director at Green Mountain Higher Education Consortium. Tambellini also used publicly available information for this study.

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The purpose of this report is to provide higher education institutions with information about the objectives, solutions, and outcomes related to the utilization of technology in colleges and universities across the US.

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