Houston Community College Transforms IT Systems to Improve Service and Efficiency

Houston Community College
Houston, TX
www.hccs.edu

Industry:
Education & Research

Annual Revenue:
US$255 million

Employees:
4,500

Oracle Products & Services:

PeopleSoft Enterprise
  Campus Solutions
  Human Capital Management
   Suite
    Self-Service Human
      Resources
    Time and Labor
    ePerformance
  Financial Management
Oracle Database
Oracle Financing

"When you consider where we were two or three years ago, the results are astounding. Oracle's PeopleSoft Enterprise applications have helped us significantly increase enrollment and improve operational efficiency. We are only beginning to take advantage of all the process automation we can put in place to reduce costs—and deliver higher quality service to our students." – William Carter, Vice Chancellor of Information Technology, Houston Community College

Community colleges are often more affected by market forces than other higher education institutions. Even as their budgets shrink, enrollments and constituent demands rise. This is especially true in today's economic climate, where layoffs have contributed to surging enrollments at community colleges nationwide as many workers go back to school to gain new skills. In Texas, already 60% of students attend community colleges, and that number is expected to rise significantly this year.

Three years ago, long before the current economic downturn, leaders at Houston Community College (HCC), the third largest community college district in the United States, realized that they needed to take a leading role in transforming how the district serves the needs of its growing community. Led by Chancellor Dr. Mary Spangler, HCC developed a vision for growth through improved delivery of learning and services.

"Our vision is for Houston Community College to be the most relevant community college in the country and the 'opportunity institution' for every student. This is how we will play an essential role in our community's success," Spangler said.

At the same time, HCC's leadership knew they would need to develop more efficient processes to drive down costs, appeal to and connect with a growing and diverse student population, and meet higher expectations for accessibility and convenience.

These goals led to a comprehensive IT transformation project designed to support the college system's growth with technology. HCC partnered with several vendors, including Oracle, on various aspects of the project.

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Key Benefits:

- Saved a total of more than US$3.4 million per year by moving administrative tasks online

- Contributed to a 31% enrollment increase over two years

- Provided online payment options that resulted in 98% of students paying online and on time

- Migrated to electronic timesheets and direct deposit for most accounts payable

- Improved the employee review process with online tools and achieved a 90% completion rate for annual reviews

Part of the project included a modernization of the college system's enterprise applications. In about two years, HCC deployed and upgraded a series of Oracle applications and technology, including PeopleSoft Enterprise applications for human resources, financial management, and a student system. The new applications resulted in numerous process efficiencies, reduced paper use campus-wide, and improved constituent service. Overall, HCC has tracked more than $3.4 million in annual savings due to the elimination of paper-based processes, not to mention the many results that are not measurable.

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Overall, the transformation project has started HCC on a path to meet its goals and has positioned it well to succeed despite the current reality of significant enrollment growth juxtaposed with budget cuts.

Streamlining Student Services to Support Growth

In 2008, HCC rolled out PeopleSoft Enterprise Campus Solutions 9.0 to improve service to students and prospective students. With the comprehensive student administration system, HCC has been able to streamline student services to meet double-digit enrollment growth.

While deploying the new student system, HCC also upgraded its Web site to unify a Web presence that had become disjointed due to unique online presences of the college system's six colleges. The new Web site unites HCC's identity under one brand, while preserving college identity.

With PeopleSoft Enterprise Campus Solutions as its backbone, HCC's Web site now offers easy to use "1-2-3" processes for application, enrollment, registration, advisement, financial aid, and many other vital student processes. The online processes feed directly into the back-office system, where the staff benefits from streamlined processes and reduced administrative effort that allow

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them to support more students without sacrificing quality of service.

Due to the new Web site's intuitive, consistent interface, students, prospective students, parents, staff, and alumni can more easily and quickly find the information they need. This has resulted in a significant increase in Web site visitors. And, with 70% of visitors finding the information they need in just two clicks, the new Web site has reduced helpdesk calls.

But that is only the beginning of the positive results. Today HCC students can easily log on to access academic data including grades, course schedules, and advising tools, or to complete transactions such as making an online payment. By bringing these previously manual, paper-based processes online, HCC has realized numerous efficiencies and cost savings.

For example, the easy online payment option made possible via integration between PeopleSoft and a CASHNet payment processing system is a significant improvement, enabling students to pay when they enroll instead of after classes start. Not only is this more efficient, but it helps students make a commitment by paying up front, which stabilizes enrollments and helps HCC better predict class sizes. Online payments have also helped reduce the loan default rate, with 98% of students paying HCC tuition and fees on time.

"The online payment option improves efficiency, but perhaps more importantly, it improves fiscal stability and increases revenue," Carter said.

Further, online student services have resulted in significant cost savings. For example, by eliminating printing of student transcripts, HCC estimates annual savings of US$30,000. In addition, by taking paper out of the student application process, it saves US$560,000 per year.

Carter said, "We no longer send students bills or grades. Everything is available through PeopleSoft, which makes it easier and less expensive from an administrative perspective, as well as more convenient for students who may have jobs or families and don't want to spend time waiting in a line on campus to register or pay a bill."

After implementing the new Web presence and self-service features, HCC realized a 10% increase in student enrollment.

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With the automation and self-service tools available through PeopleSoft Enterprise Campus Solutions, HCC is well positioned to support that enrollment growth and deliver a consistent, high quality student experience.

Attracting Students with Convenience and Service

As a community college serving a large metropolitan area, HCC needs to meet the unique needs of its diverse student population. HCC's students vary drastically in age and situation. Some may be full-time students, while many others work full- or part-time. Some are recent high school graduates, while others have been out of school for a number of years and may have children at home.

To ensure that it offers the right courses at the right time to meet all students' needs, HCC leverages PeopleSoft Enterprise Campus Solutions to improve reporting and analysis and enable it to determine the best approaches for scheduling. By tightening course schedules, HCC has been able increase average class size from 18.6 in Fall 2007 to 19.4 Fall 2008 and to 21.1 for Fall 2009, which will generate an additional US$4.2 million in revenue per year, according to Houston Community College's deputy chancellor/chief operating officer Dr. Art Tyler.

HCC is also dedicated to retaining students and ensuring their success, and PeopleSoft applications are valuable in this respect as well. For example, HCC has deployed customized functionality based on PeopleSoft Enterprise Campus Solutions to identify repeat students—those who are unsuccessful and have to repeat classes over and over—and then design personalized communications and interventions, such as tutoring in English and math, to help them get to the next level.

Supporting Distance Learning

In addition, HCC has significantly grown its distance learning programs to meet the needs of working adults. Most notably, an initiative called "Ready When You Are" provides online courses for degree or certificate programs on a more customer-friendly schedule. By offering students the convenience of online programs, HCC can quickly grow enrollments, and ensure that these students have access to the same services as students who are on campus each day. PeopleSoft Enterprise Campus Solutions is helpful in this area because it integrates with other campus

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systems—library systems, course management, content management, and collaboration tools—to bring a complete experience to the distance education student.

In addition, PeopleSoft supports HCC's online tutoring program, which is another successful program that has helped HCC retain distance education students and make them successful. The distance education program has grown 600% over the past 11 years with 12,000 student enrolled. All students have online access to counselors who are specialists in distance education. These counselors also have access to student information in the PeopleSoft system so they can assess a full picture of each student's experience. Improving the online counselor-student experience has been very successful. Results show that student GPAs have increased the more they use this site, with increases of one letter grade in some cases.

Streamlining Human Resources Processes

Students and prospective students aren't the only ones to benefit from HCC's implementation of PeopleSoft Enterprise applications. The college system's approximately 4,500 employees have benefitted greatly from HCC's use of PeopleSoft Enterprise Human Capital Management. A long-time PeopleSoft enterprise resource planning (ERP) customer, HCC will be upgrading to the latest version of the human resources (HR) application in the next calendar year in order to take advantage of more self-service features, which are especially useful because its employees are widely spread out at six different campuses over a 660 square mile area.

HCC has centralized and automated HR processes for all six campuses to improve efficiency and reduce costs. It has rolled out numerous self-service tools for staff, including moving all paychecks online and eliminating the mailing of paychecks, which has, of course, reduced paper and postage costs.

To better manage its diverse employees, HCC implemented PeopleSoft Enterprise ePerformance to leverage online tools for increased efficiency and collaboration in the employee review process. The automated process improved the efficacy of reviews, while also reducing paper use and, subsequently, HR storage requirements.

"In the last review period, we had the highest rate of reviews ever completed, at 90%. Not only that, but the e-performance

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application has really opened up communication about employee performance so that managers and employees are having these conversations throughout the year. The online process is more efficient and easier for all participants—truly a win-win," Carter said.

The PeopleSoft application also enables HCC to manage and track faculty and staff training and performance management, which significantly reduces the administrative burden and ensures faculty are rewarded in a timely manner.

In addition, HCC recently migrated to electronic timesheets via PeopleSoft Enterprise Time and Labor, which "will reduce paperwork by 80% and increase payroll accuracy substantially," Dr. Tyler said; further, it will amount to an annual savings of US$1.65 million. The electronic payroll system also allows administrators to better manage, track, and report employee time, which had previously been a time-consuming manual process. HCC has also deployed customized position management functionality in conjunction with the electronic timesheet implementation that electronically interfaces employee position data between the PeopleSoft financials and HR systems.

Improving Efficiency of Financial Processes

HCC has also realized numerous efficiencies with PeopleSoft Enterprise Financial Management.

For example, the college system has implemented an online purchase requisition approval process and workflow, which has resulted in average annual cost savings of US$30,000 due to reduced paper and copying needs. The online purchase requisition approval workflow streamlines the requisition approval process by eliminating the need to generate printed requisitions and manually route for required sign-offs. This significantly reduces the time-consuming process of transferring printed requisitions from one desk in-box to the next. Cost savings are realized as a result of the coordinated efforts of multiple users, the reduction of processing delays due to missing or delayed data, enforcement of business rules, improved data integrity, and of course the reduced costs resulting from the paperless process. Further, by moving to direct deposit for all payroll and accounts payable checks, the college system can anticipate savings of US$800,000 annually.

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Lastly, with the future deployment of online procurement and billing processing, the college system will be able to automate transactions with vendors, ensuring payments are made on time and online.

Identifying More Ways to Save

To uncover even more ways to optimize the college system's investment in Oracle, Chancellor Spangler established a suggestion box for faculty and staff to propose ways HCC could be more efficient.

"We wanted to identify waste and opportunities for making improvements to administration and education," Spangler said.

HCC used a custom-built survey tool to quickly compile data and results, provide feedback to the staff, establish actions and process improvements, and calculate savings.

For example, one of the suggestions was to reduce the number of personal printers and paper usage by putting all attendance and grade records online. HCC was able to do that with PeopleSoft Enterprise Campus Solutions.

Overall, HCC saved US$1.5 million in 2008 by implementing employee recommendations. It then used the savings to fund personnel raises, which helped with retention by rewarding high performers—something that is usually very difficult for community colleges to do with tight budgets.

Leveraging Smart Financing to Reduce Costs

Another way HCC has saved is due to its partnership with Oracle. Because the system needed to upgrade much of its software at the same time, as well as purchase new applications, Oracle suggested a campus-wide license agreement that would bundle all the necessary products into one purchase, rather than require the system to purchase in piecemeal.

With financing provided through Oracle Financing, HCC was able to quickly close the deal and get started on its upgrades. In addition, the financing options allowed HCC to make payments over time, which relieved upfront costs and helped it spread the purchases into multiple budget years.

Why Oracle?

A long-time PeopleSoft ERP user, HCC has re-committed itself to optimizing its investment in Oracle due to the inherent

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integrations possible with the applications. When it came time to upgrade its student information system, HCC evaluated other vendors but felt that PeopleSoft Enterprise Campus Solutions 9.0 offered the robustness and new features it was looking for in an application.

"We felt Version 9.0 was the best option for dealing with our enrollment management issues. Because we are so large and cover such a large area, we have to serve very different segments of the population. For example, some of our colleges deal mainly with financial aid because 70% of the students may be on financial aid. Others are in more affluent areas, so that may not be as big a concern. Similarly, some of our schools may have five or six languages spoken on campus. We felt PeopleSoft Enterprise Campus Solutions 9.0 was the best tool to enable us to look at our entire enrollments and manage them from a central point," Carter said.

Implementation Process

HCC has leveraged PeopleSoft Enterprise ERP applications since 1998, but has significantly increased its use in the last three years under Vice Chancellor Bill Carter.

"When I came onboard, the biggest IT problem was integration. There had been a number of departments using shadow systems, and I was hired to bring those shadow systems underneath the PeopleSoft platform and take better advantage of the product itself," Carter said.

Now when HCC needs a new application it looks to Oracle first to see how it can take advantage of the existing investment by selecting an Oracle application or a third-party application that will integrate easily. For example, this contributed to HCC's selection of PeopleSoft Enterprise Time and Labor.

HCC upgraded to PeopleSoft Enterprise Campus Solutions 9.0 in 2008 and concurrently embarked on the Web site redesign, which it completed in less than one year.

HCC has also undergone a transformation in its IT department to improve service to constituents and support institutional growth. The transformation has resulted in a 100% increase in user satisfaction.

HCC continues to work to identify ways to improve efficiency and service. In the near future, it plans to leverage Oracle data warehouse and business intelligence technology to further improve data management, reporting, and analytics capabilities.

Houston Community College (HCC), the third largest singly accredited community college in the country, is an urban community college system that encompasses 660 square miles of Harris County, Texas. The system is comprised of six colleges and a total of 22 campuses, offering undergraduate and continuing education courses. Each year, HCC serves approximately 70,000 students.

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