WHY SMALL AND MIDSIZE SCHOOLS SHOULD LOOK TO TRANSFORM WITH CLOUD

By Ted Simpson and Jessie Lum

It was more than a decade ago when cloud technology first emerged as a disruptor on the higher education landscape. As new generations of students and employees made their way onto campuses across the country, it became evident that higher education institutions' infrastructure needed to transform. This time, however, it wasn't merely another software upgrade but a once-in-a-generation business transformation that would put an end to communication silos, inaccurate data reporting, complex legacy systems and a framework that had long needed refreshing.

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As with any disruption of that scope, there were legitimate concerns and non-neglectable risks associated with taking the leap. Thankfully, some institutions who were early adopters of cloud technology have since helped establish ground rules, best practices and invaluable guidance for more risk-averse institutions preferring a certain degree of assurance in the implementation process before embracing cloud technology and the business transformation that accompanies it.

Some small and midsize institutions are among those who have been cautious in adopting cloud technology, mainly due to limited resources and high risk-reward yield. Yet, after more than a decade, further postponement of a business transformation that has now become vital to higher education's success is jeopardizing these colleges' chances of survival. Cloud technology has, indeed, become imperative in this era, enabling institutions to remain relevant and viable while serving their mission. Cloud is no longer a nicety for consideration.

Trusting the Tried, Tested and True

It is important to acknowledge that the cloud is now proven. The perceived risks that prevented many institutions from embracing the technology have since been eliminated or solved. The higher education industry must get rid of this outdated notion that small and midsize institutions are not ready for the cloud, or that they need to see more of the technology before they can properly assess the risks. The initial concerns have been worked through, and there are numerous case studies to show that the transition can be done successfully and scaled to fit institutions of any size.

While the issue of financial resources is the most prevalent concern preventing smaller institutions from moving forward, it is certainly not unique to them, and others have overcome it. The key is making the right investment; not avoiding it altogether. Turning a blind eye to an institution's future needs can, in fact, be more harmful, as the costs incurred in maintaining legacy systems can be much higher over time. Adoption of cloud technology, when done right, certainly requires a significant investment — of people, money and time — but it has become inevitable. Higher education institutions that have not yet progressed along that route need to thoroughly assess the risk of letting this technology debt accrue versus embracing strategic disruption.

Learning from Peers

Small and midsize institutions face the unique challenge of balancing cloud technology implementations with resource shortages in the form of budget and human capital, which can make shortcuts tempting. To avoid mistakes, consult the literature. There have been several case studies published on cloud implementations that highlight challenges faced by other universities and the approaches taken to resolve them. Institutions getting ready to embark on this journey should take the time to browse through these learnings to inform themselves of best practices and shine a light on potential pitfalls. Proven factors that can simplify cloud implementation and maximize its long-term impact for small and midsize institutions include:

1. **Thoughtful strategic planning.** One of the biggest mistakes made during a cloud transition is launching into an implementation without understanding an institution's organizational readiness, current business processes and ideal future state. Before selecting software or an implementation partner, institutional leaders need to take time assessing their current technology and how they'd like it to evolve; outlining a strategy and timeline; and identifying what resources will support it.

2. **Rethinking processes, not just technology.** Approaching this critical transition from a product perspective by focusing on the platform to implement, rather than the business process, can be costly. Moving to the cloud is a significant investment at any price point. Institutions that choose to partner with firms that will merely plug in the technology but provide no guidance around business process redesign, service delivery modeling, faculty engagement, governance and change management will ultimately see little to no return on investment and, in fact, invest additional dollars down the road.

3. **Realistic capacity commitments.** At small and midsize institutions, CIOs often manage both strategy and tactical execution. Similarly, the CIO's team is lean and multi-functional. One of the reasons many cloud projects fail is due to unrealistic expectations of what the institution will contribute to the project. Leaders should be upfront about their internal talent capacity and constraints when selecting an implementation partner.

4. **Industry expertise.** Another lesson that can be learned from the trailblazers is the importance of a partner with a deep understanding of higher education. The process of implementing

cloud technology varies across sectors. The same factors that make higher education complex and nuanced need to be carefully navigated by a team that knows the business of higher education during a cloud deployment.

Moving Forward

To remain sustainable and relevant while ensuring future growth, small and midsize higher education institutions need to act. Delaying cloud implementation any longer is becoming a risk very few institutions can tolerate in the long term.

But engagement and understanding are critical to the success of this endeavor. Institutions cannot neglect to see the vision that such a transformation sparks. Disruption of this magnitude usually only comes once every few decades, and it's time to seize the opportunity to act strategically and secure a sustainable model that will poise your institution to graduate successful students for decades to come.

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