



THE QUALITY OF ANALYSIS

FINANCIAL MANAGEMENT WITHIN THE ACADEMIC ENVIRONMENT

Managing the accounts of the University of Fribourg is no easy task. Not only are there a large number of funds to administer, but the state-sponsored institution does not have total control over all of its resources and expenditures. By the mid-1990s the university's IT solution, which had been enhanced many times to meet changing requirements, was no longer making the grade.

erated a large volume of work. The old tool had not been designed to handle administrative tasks of this nature. A variety of applications had also been developed on a PC and Macintosh, each one gradually becoming an individual management system. Apart from the inefficiency caused by multiple entry and the lack of consistency, this situation made it impossible to get a global view. Moreover, the system did not allow the electronic transfer of data to financial establishments, nor was it user friendly.

Project takes shape

For all these reasons the implementation of a new system had been on the cards for a few years by January 1995, when a working group got down to the job. The masterminds behind the project were Gérard Python, head of the finance department, and Jean-Pierre Gauch, who was in charge of administrative IT. An initial invitation to bid and visits to potential vendors enabled them to get an idea of the solutions on offer and to draw up a budget, which was given the green light in May.

From the beginning, everyone affected by the new software was involved in the analysis and decision-making process. "It was essential that each user appreciated the importance of this project and felt part of it. Imposing a solution which the users had not chosen themselves would have been out of the question," says Jean-Pierre Gauch.

During the second semester of 1995 a detailed analysis of information flow was carried out to establish the service specifications for potential vendors. From the beginning the situation was clear: "We were ready for a complete overhaul, to start from scratch and organize our work differently," says Python. Scenarios were devised to make product demonstrations more realistic and the vendors were requested to fill out detailed questionnaires to help evaluate their offerings.

Standardizing platforms

Some general criteria contained in the specifications were: client/server architecture, graphical user interface, DOS client and Macintosh, multilingualism, product life cycle, ease of interfacing, and decentralized printing. The system had to meet the specific needs of an administrative department. It had to allow data to be analyzed in depth and transferred to a spreadsheet, for example. It also had to permit interest to be calculated on all the accounts.

Lists of similar criteria were drawn up for all areas: A/P, A/R, invoicing, inventory management, and so on. The list of potential vendors rapidly shrank from six to two, and in June 1996 the university decided to purchase the SAP R/3 System. All this analysis and selection work was done by staff in the university's administrative departments, without any external assistance. An external consultant was needed to implement

the application, and Saphir Consulting, a local services company specializing in SAP, was chosen. Its director, Roger Fragnière, quickly became the third driving force behind the project, and this synergy of three strong and complementary personalities was certainly the main factor behind the success of the implementation.

High-speed implementation

When the decision was taken, there were only about six months left to get the system up and running – no small feat given the size of the project. The servers were not installed until October 1996, but it was essential for the system to go live at the beginning of 1997. It would have been unthinkable to put the schedule back by a whole year or to go over to a new system when the fiscal year was already under way. It was also out of the question to write a single line of code: It is through customizing that the R/3 product accommodates users' specifications. "It's quite an experience managing a project of this scale and creating tools to fulfill users' requirements," comments Jean-Pierre Gauch.

Gérard Python states, "For an accountant, it's an experience not to be missed. It gave me a better understanding of everything involved, the input and output of the financial sector." However, not everything went entirely smoothly. For reasons beyond the project team's control, the computer connection to the SAP support service could not be set up in time.

However, on January 27, 1997, with the 1996 fiscal year already closed, the Financial Accounting (FI), Sales and Distribution (SD), Materials Management (MM), Treasury (TR) and Funds Management (FM) modules went into production.

New invoices well received

Scarcely three months later, the new system had already become a feature of everyday life and was operating without any significant problems. The bursar responsible for the distribution of equipment and consumables saw his efficiency soar. In this department invoicing used to take weeks, but now it only takes a matter of hours. Even customers commented favorably on the new invoices.

In the financial department, the workload increased initially after implementation, due mainly to user training requirements. R/3 changed the working practices of the department's staff. From the beginning it became much easier for them to monitor loans and budgets. All the information is now stored in a single location and is immediately accessible. Double entry is a thing of the past and security has improved appreciably.

Now the system has to be made available to other institutions that will then be able to check their accounts themselves. Another task to be carried out is integration of the accounting areas jointly managed with the state.

Referring to the challenges associated with implementing R/3, Jean-Pierre Gauch says, "If you know where you're going, you won't have a problem – but you mustn't be afraid of changing the way you work." Gérard Python has this advice to offer: "You have to limit yourself. If you eliminate everything you don't really need, implementation becomes simple. It's primarily the quality of the analysis that determines the success of such a project."

Profile

The University of Fribourg has found fame beyond Switzerland's borders, particularly for its theology, law, and science teaching and research. It is also characterized by its French-German bilingualism – a good example of cultural coexistence in the heart of Europe. In 1996 the university had approximately 8,600 students (16% of whom were foreign), 160 professors and 350 lecturers. Its five faculties run more than 200 projects sponsored by Switzerland's national fund for scientific research and by third parties. It has signed thirty international conventions and takes part in all major European university programs.