

PERALTA COMMUNITY COLLEGE DISTRICT
Board of Trustees Agenda Report
For the Trustee Meeting Date of October 28, 2008

ITEM #6

ITEM TITLE: *(Please define the subject; e.g., change order – Berkeley City College)*

Consider approval for a contract extension for change management with RWD Technologies for the period from November 1, 2008 through February 28, 2009. (This item is being brought back to the Board, after being pulled from the consent calendar at the October 14, 2008 Board meeting.)

SPECIFIC BOARD ACTION REQUESTED:

The approval of a contract extension for continued change management and strategic planning consultants to assist Peralta with IT organizational optimization and project organizational change management with their strategic plan.

ITEM SUMMARY: *(PLEASE DISCUSS THIS ITEM)*

Peralta's administration has identified a need for change management support for concluding the implementation of PeopleSoft student administration. The contract and statement of work includes two components: 1) A sustainment strategy for the student administration system. This strategy and plan outlines the current state of the Passport system implementation and defines a strategy and timeline for ongoing process, staff and technology improvements to continue project success. 2) Change management for communications and training assistance for Peralta staff using the Business Intelligence solution, a project now underway. The total contract amount shall not exceed \$172,000.

BACKGROUND/ANALYSIS:

Based on the success of the Student Administration implementation thus far, Peralta is including additional change management in the continued rollout plan for additional PeopleSoft functionality and other projects.

ALTERNATIVES/OPTIONS:

EVALUATION AND RECOMMENDED ACTION: The Chancellor recommends approval.

SOURCE OF FUNDS (AND FISCAL/BUDGETARY IMPACT):

Measure A: "Classrooms and facilities to enhance the community outreach capabilities of the District among the numerous ethnic communities living in and served by the District."

OTHER DEPARTMENTS IMPACTED BY THIS ACTION (E.G. INFORMATION TECHNOLOGY):

YES X NO

COMMENTS:

This project is a joint effort between the Finance, Admissions and Records and Information Technology departments.

WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING?

Thomas Smith, Vice Chancellor for Finance and Administration

DID A BOARD STANDING COMMITTEE APPROVE THE ITEM? YES _____ NO X
IF "YES", PLEASE INCLUDE THAT INFORMATION IN YOUR SUMMARY.
PLEASE ACQUIRE SIGNATURES IN THIS ORDER:

DOCUMENT PREPARED BY:

Prepared by: Thomas Smith Date: 10.7.08
Thomas Smith, Vice Chancellor for Finance and Administration

DOCUMENT PRESENTED BY:

Prepared by: Thomas Smith Date: 10.7.08
Thomas Smith, Vice Chancellor for Finance and Administration

FINANCE DEPARTMENT REVIEW

Finance review required Finance review not required

If Finance review is required, determination is: Approved Not Approved

If not approved, please give reason: _____

Signature: Thomas Smith Date: 10.7.08
Thomas Smith, Vice Chancellor for Finance and Administration

GENERAL COUNSEL (Legality and Format/adherence to Education Codes):

Legal review required Legal review not required

If Legal review is required, determination is: Approved Not Approved

(Note: as continued rollout plan)

Signature: Thuy T. Nguyen Date: 10/7/08
Thuy T. Nguyen, General Counsel

CHANCELLOR'S OFFICE APPROVAL

Approved, and Place on Agenda Not Approved, but Place on Agenda

Signature: Elihu Harris Date: 10/6/08
Elihu Harris, Chancellor

SCHEDULE A**SOW NO. 11**

This SOW, No. 11, is issued under and shall be governed by the terms of the Master Consulting Services Agreement (no. 163270-000-000) dated June 14, 2007, (the "Agreement") between RWD Technologies, Inc. and Peralta Community College District ("Client" or "Peralta). This SOW shall be effective as of November 1, 2008 (the "Effective Date").

DESCRIPTION OF SERVICES - STATEMENT OF WORK:**PLACE OF PERFORMANCE, PROJECT DURATION, PHASES, AND PAYMENT**

Location where the services are to be performed: Oakland, CA

Project Duration: Term of Project:

Number of Weeks:
 Specific Period: From: November 1, 2008 To: February 28, 2009
 Other: _____

Project: The Project will be developed in accordance with the work schedule as specified below:

STATEMENT OF WORK:

RWD will provide senior-level Change Management consultants to assist Peralta to develop a Student Administration system sustainment strategy and project organizational change management.

This statement of work is divided into two components:

1. Student Administration system sustainment strategy

RWD will assist Peralta senior management in developing a sustainment strategy for the newly implemented Student Administration system. This strategy outlines the current state of the system and defines next steps for process, staff, and technology improvements to enhance the success of the implementation. The final deliverable includes a high-level timeline for implementing recommendations. The sustainment strategy addresses the following elements (see Appendix 1 for more detail).

- Business – benefits, decision-making, project management
- Process – standardization, management, and continuous improvement
- People – training, support, communication and organization
- Enabling Technology – service levels, help desk, data integrity and organization

RWD will develop the sustainment strategy through the following tasks:

- Document current state situation based on information already known, determine gaps in information and areas where further data is needed

- Gather related information from existing reports, meeting minutes and planning documents
- Interview leaders and others to develop greater understanding of current state and determine improvement opportunities
- Develop and implement questionnaire to gather information from the broader base of system users
- Synthesize all information and interview results
- Complete summary report and review with senior leadership
- Develop high level work plan or time line for ongoing improvement activities
- Develop and execute communication plan for the strategy and plan
- Complete final report and review with leadership

2. Change management for Business Intelligence Project

RWD will assist Peralta project leadership to develop and execute change management for the Business Intelligence project currently underway at Peralta. Change management actions and deliverables focus on the following areas (see Appendix 2 for more detail):

- Development of a Change Management Plan
- Leadership and Stakeholder Alignment
- Development of a Communications Plan, Content, and Coaching
- Key Stakeholder Management
- Business Readiness Teams and Process
- Organizational Alignment

PROJECT MANAGEMENT

Project Managers: The project managers for the Project are:

For Client: Tom Smith

For RWD: Steve Salisbury

COST AND PAYMENT TERMS

a. Compensation Arrangements:

- Compensation for work described in the SOW will be \$ 144,000 for labor on a time and materials basis, and \$28,000 for travel and expenses, resulting in a total of \$172,000. RWD must receive Client's approval prior to proceeding with any labor or travel that would result in exceeding the above.

Costs

The proposed project cost is based on the following labor rates for the required RWD personnel:

RWD Personnel Costs

Role	Daily/Hourly Rate
Senior Change Consultant resources	\$1,640 (\$205.00/hr)

Project Costs

Project	Effort	Cost
1. Student Administration system sustainment strategy and plan	7.5 Weeks	\$62,000
2. Change management for Business Intelligence Project	10 Weeks	\$82,000
Sub-Total Labor	17.5 Weeks	\$144,000
Travel estimated at 20% of Labor		\$28,000
Grand Total		\$172,000

b. Payment Terms.

RWD will submit invoices in accordance with this SOW. Client agrees to pay invoices within thirty (30) days of invoice date. If any invoices submitted under this SOW are past due, RWD has the right to cease work until all past due invoices are paid by Client.

ACCEPTANCE CRITERIA:

After RWD has delivered any Work Product, deliverables, or the other materials to Client, Client shall review the deliverable for acceptance in accordance with the criteria mutually agreed upon and set forth in the applicable project plan ("Acceptance Test Plan"). If the deliverable does not pass the Acceptance Test Plan, Client will advise RWD promptly and provide RWD with a written description of any defects and nonconformities. RWD will correct any defect or nonconformities within ten (10) days and resubmit deliverable to Client. If the deliverable still does not meet the Acceptance Test Plan, RWD will attempt to correct any remaining defects or nonconformities until the work complies with the agreed upon specifications.

ASSUMPTIONS:

To support this project schedule, RWD will need to work closely with key Client personnel. The effort estimates and pricing are based on the following assumptions:

- A. The estimated pricing is based on the assumption that the project duration (requiring coverage) in 4 months (November 2008 – February 2009).
- B. Peralta will provide the following to RWD at the project start:
- Change history within PCCD
 - Information about other stakeholders to the Student Administration organization (e.g. student and faculty population, geographies, current interfaces with Peralta systems, etc.)
 - Existing business case and documentation that supports this change effort
 - Access to representatives from the colleges and district office and other stakeholder for information gathering (survey and/or short interviews, as required)
 - A resource assigned the collateral role of internal change lead from Peralta available for knowledge transfer, introductions and contracts for change and training team, organizational insight and participation planning, facilitation and activity development
 - Access to the approved business case for the project initiative
 - Any communications to-date that justify changes to key stakeholders or constituents
 - Available impact analysis documents including process, role, or responsibility changes
 - Copies of any past change and/or training intervention materials
 - Organization and location maps
 - Project organization chart
 - Copies of, or relevant examples of, existing deployment plans
 - Documentation for all relevant policies/procedures
- C. RWD will have access to those individuals designated as project sponsors and subject matter experts for the purpose of data gathering, validation, assessment, and project leadership vision. This is particularly important in areas related to technology.
- D. The RWD change management consultant will participate as a key member of the PeopleSoft implementation project team.
- E. All project work will be completed in a timely manner. Once initiated, the work will proceed in an orderly fashion until all required work is completed. All parties will comply with the schedule outlined in the Change Management Plan.
- F. RWD will provide electronic files of all support materials. Client is responsible for the production and duplication of materials identified for training or reference. RWD
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can assist Client with developing a strategy for making the support materials easily available for end users.

- G. Client will provide the RWD training team with access to all buildings, personnel, information, and systems needed to validate the documentation and support needs, and to develop and deliver the materials.

Peralta recognizes that adherence to these Assumptions is critical to maintaining the budget outlined in this SOW. If any of the Assumptions in this SOW involving Peralta's obligations are not met materially during the course of this project, RWD will immediately bring the matter to the attention of Peralta and develop a budget and schedule impact document. The budget and schedule for this project may be impacted by a material lack of adherence to any of the Assumptions listed in this SOW by Peralta and a scope increase beyond what is set forth in this SOW may be required in order to complete the agreed upon deliverables for this project as a result. All budget or schedule related issues will be documented by RWD for Peralta and a corresponding agreement of resolution will be developed. In the event that RWD and Peralta agree on a scope increase as a result of a resolution agreement, a Change Order to this SOW will be issued and executed. Any delay or non-adherence to the Assumptions in this SOW will be measured to determine the potential impact to RWD's ability to complete a given deliverable, meet the project schedule, or maintain the budget. This determination will be made in conjunction with Peralta and scope impact agreement and resolution will be determined at that time.

This SOW shall become effective as of the date first written, subject to signature by authorized representatives of each party and may not be changed except as mutually agreed upon in writing by the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this SOW intending to be legally bound.

**PERALTA COMMUNITY COLLEGE
DISTRICT**

RWD TECHNOLOGIES, INC.

By: _____

By: _____

Name:

Name: Brian Laphorn

Title:

Title: Division Director

Date:

Date:

APPENDIX 1**Evaluating System Success in the Post Go-Live Environment****1) Business – benefits, decision-making, project management**

- a) We are receiving the business benefits expected
 - We have specific ROI expectations
 - We have metrics that tell us whether or not we are making progress
- b) We are able to use information from the system to make good business decisions
 - We are able to interpret and use the reports we have
 - We can generate the reports we need from the system
 - Our managers know how to use the system to manage their business functions
- c) We are adding capability and making changes based on strategic business needs
 - Our business leaders are engaged in decisions about the vision, goals and direction for the system
 - We have a management structure and processes in place for providing direction and making decisions
 - The management structure is represented by key leaders from across the business
 - System changes are not driven by local or department-level self-interest
- d) Our system-related projects are well-planned, delivered in time and stay within budget
 - We have an effective program management structure in place
 - Resources applied to system-related projects are adequate to meet business expectations

2) Process – standardization, management, and continuous improvement

- a) Our processes have become more standardized
 - People understand their fit within the business processes
 - Our business processes are documented and visible
 - People have adopted to the new business processes without developing work-arounds
- b) We have designated people who manage our processes across functions and locations
 - Process Owners are responsible for measuring process efficiency
 - Process Owners initiate and support process improvements
- c) We have succeeded in centralizing some key functions within the business
 - The system has enabled us to make organizational changes that have benefited the business, improved processes, and the helped the user community
 - We have managed the organizational changes effectively and to the benefit of all business stakeholders
- d) We have formal continuous improvement initiatives in place
 - We have groups who focus part of their time on continuous process improvement
 - We form ad hoc teams to address process performance issues as needed
 - We monitor and measure outcomes of our continuous improvement initiatives

3) People – training, support, communication and organization

- a) People are able to efficiently use the system to do their work
 - People's ability to use the systems efficiently continues to improve over time
 - Ongoing learning opportunities and performance support are available for our employees to improve their capabilities
 - Our new employees are trained thoroughly before they are expected to use the system and are supported as needed
 - When our people change jobs, learning/training materials and opportunities are available to help them understand their new processes and to execute the system functionality required for their new position
- b) Our system users get the performance support they need
 - Our Super Users have an established, on-going role, which includes work group-level performance support
 - Training materials, learning assets, reference documents, and on-line support materials are kept up to date
- c) People receive the system-related communications they need
 - Communication plans and resources ensure that people are aware of and understand any system changes made after go-live
 - People have a way to interact with, collaborate with and learn from others who execute the same transactions
- d) People are organized along business process lines to enable them to work together effectively
 - We have removed organizational barriers that prevent people from working well together
 - We are organized in a way that parallels the system and allows system users to work together most effectively

4) Enabling Technology – service levels, help desk, data integrity and organization

- a) We have an effective Center of Excellence or Sustainment Strategy established
 - We have service level agreements that meet internal customer needs
 - Our methods for applying upgrades or enhancements are not disruptive
 - We effectively communicate any changes or improvements to the user community
- b) Our Help Desk effectively serves internal customer needs
 - We consistently receive high customer ratings
 - Our internal customers understand and agree with our service level agreements
- c) We are able to maintain the integrity of our data
 - Master records are managed to avoid redundancy
 - Our master data management processes are easy to use
- d) PeopleSoft application support is integrated effectively with the rest of the IT community
- e) PeopleSoft application support is integrated effectively with the business

APPENDIX 2**Explanation of OCM Actions and Deliverables*****Change Management Plan***

RWD will create a change management plan and schedule to be reviewed and approved by Peralta. The plan will reflect the following:

- Review of current analysis, plans, and activities
- High-level organization and stakeholder assessment
- Recommended approach
- High-level change strategy incorporated into the implementation project plan to guide change activities

Leadership and Stakeholder Alignment

RWD will conduct activities, such as workshops, at the district and colleges to help identify, prepare, and coach leaders and stakeholder to be effective in their leadership and sponsorship role. Activities will focus on:

- The business case and governance of change
- Leading change and business readiness at PCCD

Communications Plan, Content, and Coaching

RWD will lead the effort to develop a communications plan and work directly with the Peralta management team to develop communication content and delivery approach.

Key Stakeholder Management

RWD will identify and engage stakeholders critical to the implementation. Through the use of stakeholder engagement plans, RWD will assist in delivering stakeholder interventions that advocates for the change, addresses resistance effectively, and sustains momentum toward improvement.

Business Readiness Process

It is critical to engage and prepare users from each of the colleges and district office in a more global implementation that crosses over each of the college's unique cultures. RWD will guide Peralta in developing business readiness teams that will modify, customize, and deploy the project change plan in a way that makes sense to their constituencies, and in a way that they are prepared to deploy.

Organization Alignment

As needed, RWD will engage members of the colleges and district office to review the business process maps for the new structure and help in aligning the different stakeholder groups affected.

The impact on the local organizations must be understood and the issues resulting from the changes must be resolved before the system goes into operation.

To: Board of Trustees
From: Thomas Smith, Vice Chancellor of Finance and Administration
Subject: The value RWD Technologies provided to the Passport Student Administration system implementation
Date: October 24, 2008

A system implementation the size and magnitude of our recent Passport Student Administration project is perhaps the largest single change we have implemented within Peralta. Other organizations who have implemented change this large find it to be disruptive. It takes several months, and as long as two years, to fully implement and adapt to a system change this large. This affects the day-to-day work of nearly all of our faculty and staff, and completely changes the way we "go to market" with our students. These changes impact our people and our processes, in addition to our technology.

The Peralta Community College District secured the services of RWD Technologies to support our organization as we implemented the new PeopleSoft Student Administration Software – commonly known as Passport. The services we contracted with RWD Technologies to provide include (more detail is in Appendix A):

- Change management to develop and implement a project organizational structure, configure and initiate business readiness teams, gain leadership alignment, plan and advise content for ongoing project communications, and develop recommendations for an on-going support organization.
- Document newly developed Student Administration, Accounts Payable, General Ledger, Payroll, HR, Benefits, Asset Management and Procurement processes and procedures.
- Develop test scripts and validate testing database records for Student Administration and Position Management.
- Develop and deliver instructor-led and web-based training for end users.
- Develop and maintain a performance support website and documentation repository.

Not only did RWD Technologies supply all of these activities and deliverables, they went well above their statement of work. Their can-do attitude, knowledge and experience all came to the forefront before, during and after the implementation. Some specific examples of where they made an enormous difference include:

- Three weeks before go-live when it was clear that we did not have a good approach to provide security, RWD Technologies stepped in and orchestrated a last-minute effort to ensure security was administered. This was outside of their scope.
- When Howard Perdue retired from Peralta, he left a gap that we were not able to fill for several weeks. RWD Technologies helped lead us through this difficult period by running some of our meetings and providing necessary communications with key leaders. The leadership excellence RWD brought was paramount to our success during this transition period.
- RWD Technologies provided much more support for training than we had initially asked for. Originally, RWD was to provide one set of materials and instructors for stand up training sessions. Ultimately, they helped with all of the logistics for training. This included training room set up, hundreds of sets of documentation, and communication and enrollment support for hundreds of people to enroll in Passport training.

There are many more examples where we can demonstrate that RWD's leadership and commitment made a significant difference in our ability to be successful with this project. In fact, it is quite clear that without RWD Technologies' involvement, the Passport project would have failed. Their actions to create alignment within the colleges through communications and business readiness teams, manage risk and issues, make project progress more visible to the entire Peralta community, and provide extensive end-user training and documentation made the difference between success and failure on this project.

It is critical that we retain the services of RWD Technologies as we continue our implementation. There is a proposed statement of work where they will help us develop a sustainment strategy for Passport as well as assist with the change management work for the Business Intelligence project. These deliverables are

outlined in their statement of work #11. The knowledge and experience RWD Technologies offer, as well as their understanding of our environment uniquely positions us to layout a plan for the future of Passport. As they have done from the beginning, they will provide needed insight and leadership at a time when we have no CIO and when others who are new in their role are transitioning into their jobs.

There are risks associated with not securing these resources.

- We will lose more time orienting another consultant to assist with this work.
- We risk reverting to our old ways of working and miss sustainment opportunities.
- Ultimately, without their consistent leadership and support, our enrollment is at risk as people are still working to understand all processes.

In summary, it is within the best interests of the Peralta Community College District to retain RWD Technologies for their services. Please approve the extension on October 28.

Appendix A
RWD Technologies – Detailed Deliverables

Organizational Change Management (OCM)

- OCM Strategy for Passport
- Business Readiness Team organization
- Communication plan, content and execution
- Training logistics plan and schedule
- Readiness assessments
- Cross functional process reviews to gain cross function and cross college understanding
- Go live support plan and process
- Post go-live assessments
- Long term organizational recommendations
- Project risk management
- Project scorecard to provide visibility of the entire project's status

Business readiness teams were established for the following stakeholder groups. These teams represented each of the colleges and were typically lead by one of the college vice presidents. Their purpose was to help individuals understand the changes brought on by the system, have input to business rules and process changes, and help with training and support in the new environment.

- A&R
- Scheduling and Course Catalog
- Self Service
- Student Finance
- Financial Aid
- Counselors
- Students
- Faculty
- Researchers
- Business Managers
- Deans and Department Chairs

Communications activities were a significant ingredient to the success of the project. RWD Technologies provided planning, content and execution leadership for the following activities:

- Bi-Weekly SMT Updates
- SMT Process reviews to help leaders understand the changes
- Project name, logo and promotional video to help communicate the purpose of the project
- College staff presentations
- Manager's college
- Tour de' Passport, a district wide communications event focused on the staff
- Go live communication plan
- Post go-live communication plan
- Project support web site that includes all relevant project communications and hundreds of pages of process documentation and end-user work instructions.
- Dozens of individual communications, presentations, meetings and more to communicate project scope, purpose, progress and performance

Beyond the initial implementation, RWD Technologies continued to provide leadership and guidance in the following areas:

- Command center structure and communication
- Communications during go-live period
- Coaching leaders on their role for implementation
- Ongoing support process
- New leader coaching
- Governance structure for new projects

- Business support organizational structure
- IT organizational structure
- Job description content
- Business performance metrics

RWD Technologies led the development and delivery of both an instructor lead and web-based training, and they delivered dozens of work instructions to help our people use the new technology. A detailed listing of all training and documentation is available upon request.

- Instructor led training – 19 different courses.
- Web based training – 11 different courses.
- Student administration documentation – 229 work instructions.
- Human resources – 35 current processes documented.
- Purchasing – 11 current processes documented.
- Finance and Accounting – 87 current processes documented.
- Position Management – 13 to-be processes documented.