The University of Edinburgh

External Post Implementation Review of the People and Money Programme

December 2023

Contents

Executive Summary		3
1	**Background, context, objectives and principles**	7
2	**Lessons to be learned for future organisational and technology change programmes**	9
3	**Recommendations for the People and Money programme**	12
4	**Summary timeline of the programmes and key milestones**	15
5	**Summary of the challenges identified**	16

Appendices:

A	***Timeline of key events***	19
B	***Detailed challenges identified***	25
C	***Major issues related to People and Money***	34
D	***Positives and improvements***	37
E	***Glossary of terms***	40

Executive Summary: background, approach and impact

Background and approach to the External Post Implementation Review:

The University of Edinburgh has implemented new Finance and HR processes, supported by the introduction of an Oracle Fusion ERP system (referred to internally as People and Money or P&M). There have been many challenges with a period of significant disruption, particularly in relation to Purchase to Pay processes since the Phase 3 go-live in August 2022, with impacts upon staff and students and negative social media and press coverage. The challenges have included delays in paying some students and suppliers, issues with research finance management and reduced visibility of financial information and reporting. The significant impact upon staff and students across the organisation resulted in an open letter from University Senate to Court in November 2022 outlining a range of concerns.

In December 2022, University Court requested an External Review of the programme to help inform future decision-making and oversight for major change projects. PA Consulting (PA) were appointed to undertake this External Review with the focus on identifying and highlighting observations, recommendations, insights and lessons for future organisational and technology change programmes. The review was conducted from July to October 2023 and will be presented to University Court in December 2023. Over 70 stakeholders were interviewed across the University including from Court, Senate, the Senior Leadership Team (SLT), the programme team (including Change, HR, Finance and Information Services) and academics, staff and students from Colleges, Schools and other Departments. Extensive documentation was reviewed, including original business case papers, programme governance reports, management reports and other recent reviews and communications. This work was supported by our independent assessment based on experience of delivering and reviewing other similar change programmes.

The focus of the review was on the strategic insights and key lessons to be learned going forwards from the P&M programme rather than the specific current operational challenges with the P&M processes or systems, albeit some of the key operational issues faced have been summarised in Appendix C.

The impact of People and Money on the University:

ERP implementations are renowned for being difficult, with examples of programmes being cancelled before go-live and causing serious challenges and problems for many organisations, including in the HE sector. The difficulty is often exacerbated in research-intensive universities, which have a history of being highly devolved organisations with much more independence in their Schools than, say, a Post 92 institution. This means that change can be difficult so extra focus needs to be applied to managing change and 'bringing colleagues with you'. At the University of Edinburgh, the issues have been serious and substantial, with impacts on the wellbeing of impacted students as well as staff across all Budget Groups, especially at School level, in Departments / Directorates, in Finance and in the programme team itself.

There are many things that could and should have been done differently with important lessons to be learned for future programmes. The most notable differences between the challenges at the University of Edinburgh and those raised in other implementation reviews we have undertaken are:

- The division and lack of trust between many staff across Colleges, Schools and Departments and senior University management which has been exacerbated by People and Money.
- Significant organisational design changes, such as Finance business partnering and line management approvals, which were operationalised at the same time as the system implementation without the appropriate change management to support this.

Change programmes of this nature commonly face strategy, planning, resourcing, governance and technology challenges but these have been more severe and impactful than we have seen elsewhere, due to factors such as the highly devolved nature of the organisation and lack of an appropriately resourced and supported business change workstream; this is especially important given the complexity of changes being required at local level, and the perceived resistance to many of these. The combination of all of these challenges has culminated in the significant issues that have been faced by the programme and the University. The challenges identified are outlined on page 4.

Some elements of the early stages of the overall programme were generally well regarded, such as the planning and design workshops held during the early stages of the Service Excellence Programme (SEP), HR (HRTP) and Finance (FTP) Transformation programmes. There are other positive aspects of the programme that should be considered, and these are summarised in Appendix D. The challenges have been most prominent from 2019 to 2022. Whilst there is recognition from stakeholders of further improvements that have been made in 2023, such as in Purchase to Pay processes, there are still many operational issues and problems with People and Money and substantial outstanding and ongoing work to be done to resolve these.

Executive Summary: challenges identified from stakeholder interviews and documentation reviews

People challenges

Change management: engagement, training and communication

- Effective change management processes were not applied.
- Feedback loops to stakeholders, outlining decisions based on their input and feedback, were notably absent.
- The time available for training was compromised and the content was too narrow to be effective.

Organisational & process designs

- Notable and contentious design decisions were approved, such as line management approvals and Finance business partnering, which are-considered by some stakeholders to be sub-optimal or even detrimental, albeit some other stakeholders have a different view and noted both the pros and cons of different options.
- Many stakeholders stated they felt that the requirements of Schools and other operational areas have not been adequately considered.
- End-to-end process designs and ways of working were not fully developed alongside the system implementation.

Cultural division and lack of trust

- People and Money issues have contributed to a division and lack of trust between many staff across Colleges, Schools and Departments and senior University management (with staff who have felt disempowered with a lack of engagement).
- Many stakeholders feel that their input and feedback was not listened to.
- There have been concerning impacts on staff wellbeing and statements regarding the challenging environment of the programme.

Strategy & approach

- The focus changed from an organisational transformation to a system implementation on the shutdown of SEP, reducing the emphasis on change management and ways of working.
- The large and complex scope led to long timelines so the rationale for design decisions made early on was forgotten by many stakeholders by the time of implementation.
- Stakeholders within Schools and other budget areas felt that the programme has focused on delivering for central functions and not reflected the requirements of the whole University.

Operational and technical challenges

Planning

- Initial proposed timelines were not realistic leading to multiple replans. Key activities, such as user testing and training, were squeezed when preceding activities (phase 1 and phase 2) were delayed and a hard end date was imposed.
- The impact of the COVID pandemic on the programme was significant, with focus shifting from P&M to the move to online delivery and ‘’best endeavours’’ working.
- Go-live decisions were approved despite the identification of significant risks during readiness assessments.
- Extended phase 3 cutover led to additional effort in manual recording and subsequent input of additional transactions.

Resourcing

- The resourcing estimates were too conservative, consistently posing a capacity challenge for the programme.
- Given the scale of the programme and the change involved, external support from a transformation partner could have alleviated some of these challenges.

Governance

- Lack of understanding, complexity and changes in the governance structures led to a lack of clarity on roles and responsibilities, (including that of Executive Sponsor), without proper re-sets following changes.
- Relevant information was not always effectively shared across all of the various governance groups involved, with concerns, risks and issues not always consistently escalated or addressed. However, it should be emphasised the University Court, or its Committees was actively involved in approving all key funding and re-plan decisions throughout the programme.

System, data, integration and reporting

- A full technical dress rehearsal did not occur which increased the risk of issues arising at go-live.
- Data cleansing and migration took more time and effort than estimated due to poorer quality data than expected.
- Access to, and visibility of, management information and reports has been, and remains, a significant issue for the University.

Executive Summary: lessons learned for future change

Strategic lessons to be learned to support all future organisational and technology change programmes:

- Addressing the division and lack of trust: There is a division and lack of trust between many staff across Colleges, Schools and Departments and senior University management which has been exacerbated by People and Money. This was demonstrated by the strong, emotive views presented in many stakeholder interviews. The SLT need to develop an approach to address and mitigate this by building trust, developing collaborative ways of working and improving the principles and structures to enable better communication across the University, using independent support and recommendations where necessary. Across all of the interviews, this was recognised as an issue that needed to be fixed, with all areas keen to work together to make progress and improvements. Based on interviews (and the Principal's response letter to Senate), the SLT recognise the unacceptable issues that have been caused to the University and staff and understand the need to work better and more closely with all colleagues affected by change. It is fair to note that the majority of SLT members are relatively new in post and are well placed to support fresh approaches going forward.
- Developing and embedding a fit-for-purpose and consistent change management approach: An enhanced approach to change management should be agreed and rolled-out across the University's portfolio of strategic change programmes. This should build on the substantial recommendations made as part of the "Review of Strategic Change and Continuous Improvement Support" that was approved by the University Executive in November 2022. The recommendations include: develop and manage a complete strategic portfolio; plan and secure appropriate resource, skills and capability; use prioritisation and effectively assess timescales; and, enhance the approach to strategic objectives, risk assessment and benefits identification management.
  The approach should be led and supported by an enhanced and dedicated change management function, with local change management expertise and capacity through change leaders and representatives across the University's budget areas. The approach needs to recognise and factor in the cultural challenges of division and lack of trust (i.e. additional focus and effort required in these areas). The change management effort should be acknowledged appropriately in programme business cases through proper budgeting with enhanced scrutiny, and consultation required where any business change effort is reduced. It should outline approaches to change impact assessments, training needs analysis and delivery, engagement and communication.
  There should be mechanisms put in place to measure and assess the improvements made to change management arrangements e.g. using interim assessments which could include external challenge and assurance and improving staff survey scores (the 2023 staff engagement survey showed 13% for the question "the University manages change effectively" – the previous 2018 survey also scored poorly on this question). It is not enough for senior management to make decisions, they should also be clearer on their expectations of strategic change programmes, and be a very visible part of the business change effort to ensure their expectations are delivered.

Lessons to be learned to support individual change programmes include:

- Focusing on people and delivering change management: address the culture and requirements of the whole University, demonstrate the case for change for new ways of working (the "why") and deliver the change management required through engagement, communications and training.
- Outlining and maintaining a clear and deliverable change strategy: Consider the scale and complexity of change activities and maintain the focus on the organisation change as well as the system implementation.
- Embedding organisational and process designs: these need greater buy-in, clarity and understanding of the variety and complexity of different starting points across the University. End-to-end processes and ways of working need to be developed to make these work.
- Improved planning: more realistic timeframes, integrated plans and time taken to replan properly where there are changes.
- Sufficient resourcing: do not underestimate resourcing to meet budgetary constraints as this leads to poor delivery, over-burdening and additional un-budgeted future costs. Plan and manage internal secondments effectively and use external transformation support for significant change programmes where required.
- Effective governance: implement governance structures with clearly defined roles and responsibilities, including Executive Sponsorship and effective representation from relevant stakeholder groups. Consistent and thorough reporting and risk management approaches should be applied. Governance is also where the difficult resourcing decisions need to be made. For example, if appropriate change management cannot be afforded, then the proposed change might need to be de-scoped or reduced. However, this needs to be done with a clear view of the potential impact of that decision, and clear acknowledgement from senior management that they accept those impacts.

Executive Summary: recommendations for People and Money going forwards

The consequential issues and challenges with People and Money have been well documented and, despite some improvements during 2023, many challenges still exist with very strong reactions exhibited throughout stakeholder interviews.

A significant amount of work is still to be done to make sufficient improvements for users before there is better acceptance of People and Money. There is a need to outline how this will be delivered to give confidence to stakeholders across the University, many of whom remain sceptical. In interviews, stakeholders showed a willingness and drive to support the activities needed to deliver improvements.

Develop a plan and strategic direction for People and Money

There has been a focus in 2023 on stabilisation in priority areas including P2P, research finance and other core finance activity. There now needs to be more focus placed on, with dedicated effort and support, developing the current plan and strategic direction for People and Money going forwards including:

- Establishing where People and Money currently is and where it wants to get to (the vision, outcomes and benefits)
- Assessing key design decisions and ensuring that the organisational structures and processes are still accurate and fit-for-purpose
- Developing the roadmap and plan to achieve the vision, structures and processes and an effective and efficient People and Money service and system
- Outlining the approach to change management and how things will be different going forward
- Demonstrating how the roadmap will be achieved including governance, resourcing and budget.

This roadmap should build on the existing plan, proposed initiatives and backlogs. This then needs to be communicated across the organisation with stakeholder engagement to secure buy-in, highlighting key differences from previous approaches. Once agreed, it needs to be used regularly as a reference point to demonstrate progress and highlight where issues continue to cause delays. Activity to outline this 'work to do' has started and an update was presented to the University Executive in September 2023.

Recommendations based on the challenges identified

As part of this roadmap, there are recommendations in response to the challenges that should be planned for and actioned:

- Address the division and lack of trust between "the centre" and staff in the Colleges, Schools and other budget areas, acknowledging the challenges that have been faced
- Greater focus and emphasis on change management that acknowledges and embeds the new ways of working with appropriate training
- Outline a clear strategy to secure buy-in to the next phases of work related to People and Money processes and services
- Assess and validate the organisational and process designs and key design decisions.
- More realistic planning and resourcing activities, including the need for external support (where appropriate)
- Implement effective governance and reporting, including the appointment of an Executive Sponsor
- Deliver system improvements identified including access, reporting and research finance management.

By addressing the challenges, lessons learned and recommendations identified and responding through a major plan of work, it will be possible to make improvements to the People and Money processes and system and deliver a service which meets the needs of the University of Edinburgh. Our specific recommendations from this report have been summarised in a separate document (Management Response and Action Plan) which includes the proposed response and actions from the University Senior Leadership Team to address these.

1. Background and context

Overview of the People and Money Programme

The University of Edinburgh has implemented new Finance and HR processes, supported by the introduction of an Oracle Fusion ERP system (referred to internally as People and Money or P&M). This has been implemented as part of a significant multi-year organisational and technology transformation programme which has included three main implementation phases:

- Phase 1: Human Resources (HR) – launched in November 2020
- Phase 2: Payroll – launched in April 2022
- Phase 3: Finance, Procurement and Projects (including Research) – launched in August 2022.

The organisational and technology change programme has involved:

- An HR Transformation programme which involved restructuring of HR services, processes, reporting lines and the establishment of a new HR Operations team and HR Helpline service.
- A Finance Transformation programme which involved restructuring of Finance services, processes and reporting lines and the establishment of a new Finance Operations team and Procurement Operations team.
- The implementation of a new Cloud-based Oracle Fusion ERP system.

Challenges faced by the People and Money Programme

The People and Money Programme has been a major organisational and technology change for the University and many aspects of the programme have been challenging. A range of operational and implementation challenges arose following Phase 1 go-live in November 2020 and, in particular, the University has faced a period of significant disruption since the Phase 3 go-live in August 2022. This has included delays in paying some students (in Sept / Oct 2022) as well as delayed payment to some suppliers and issues related to the management of research finances. The change in system and processes has had a significant impact upon staff across the organisation and also resulted in an open letter from the University Senate to Court in November 2022 outlining a range of concerns.

External Review

In December 2022, the University Court requested an External Review of the programme to help inform future decision-making and oversight for major change projects and system procurement and implementation. More generally, it is recognised across the University that there is a need for significant improvement in the approach to managing and delivering major change programmes, and the benefits associated with them.

PA Consulting were appointed following a detailed procurement process to undertake this External Review with the focus on identifying and highlighting observations, recommendations, insights and lessons for future organisational and technology change programmes.

The review was conducted from July to October 2023 and the outputs will be presented to the University Court in December 2023.

1. Objectives and principles

Objectives

- Understand the history, timeline, approaches, decisions, outcomes and current status of the programme
- Outline the challenges faced during the programme including comparisons of approach and outcomes to similar implementation programmes and best-practice and key aspects which could or should have been done differently or more effectively, as well as things that have gone well
- Identify lessons learned to inform future decision-making and approaches as input to future organisational and technology change programmes
- Identify recommendations for the People and Money Programme that are more immediate or practical operational improvements
- Provide an opportunity for stakeholders who have been heavily impacted to share their views and opinions so that these can be taken into account for future change and any recommendations made.

Principles

- There is a great deal of sensitivity associated with this review given the challenges that the People and Money Programme has faced and the pressure that this has caused to staff, students and suppliers. Therefore, our engagement approach aimed to help stakeholders feel comfortable to share their views and experiences in the spirit of a learning exercise with the aim of identifying opportunities for improvement in the future.
- There was engagement with stakeholders across Court, Senate, the SLT, the programme team (including colleagues from Change, HR, Finance and Information Services) as well as academics, staff and students from across the University. This was done whilst also being conscious of staff's time focusing on their day-to-day roles on the programme and in the University and delivering the review in a timely manner.
- There have been other reviews of the People and Money Programme conducted internally and externally which clearly have useful information that has been collated, summarised and developed. We also understand that these reviews had different purposes so were not assessed by us until a substantial element of first-hand stakeholder engagement and original documentation reviews had been conducted to avoid leading our thinking.
- This review had latitude to consider any relevant aspect of the programme throughout its lifecycle and we applied our methodology and judgement to balance between depth, breadth, materiality and relevance.
- This review did not aim to identify or assess specific issues and challenges with the current processes and systems as this has been done in other reviews and feedback exercises, such as the 'People and Money System and Related Ways of Working' document developed by Schools and External Audit's Additional Assurance Report to the Audit and Risk Committee (July 2023). Other reviews have aimed to assess specific pain points and develop solutions to improve ways of working, system configuration and resolve defects across HR and Finance. Therefore, we did not want to duplicate effort. However, the output from these other reviews and exercises should be considered as part of the backlog of recommendations to be prioritised and delivered.

2.A. Strategic lessons to be learned for future organisational and technology change programmes

Based on the findings of this review, there are a number of lessons learned that need to be taken forward for any future organisational and technology change programmes to be successful. These are particularly important given significant programmes such as Curriculum Transformation that are already in-flight.

A. **Strategic lessons learned are required to support all future change programmes** by addressing the division and lack of trust across the organisation as well as developing and embedding an improved change management approach.

Then **within individual change programmes**:

B. there is a need for greater focus on **people** and delivering the **change management** approach and

C. **operational improvements** that can be made.

These (B and C) are further detailed on the following slides with all detailed recommendations provided in a separate document. All of these lessons learned need to be taken forward together for future successful change.

Strategic lessons to be learned to support all future organisational and technology change programmes:

Addressing the division and lack of trust:

There is a division and lack of trust between many staff across Colleges, Schools and Departments and senior University management which has been exacerbated by People and Money. This was demonstrated by the strong, emotive views presented in the stakeholder interviews. This needs to be addressed, mitigated and resolved by building trust, developing collaborative ways of working and improving the principles and structures in place to enable better communication between the SLT, the Colleges and other staff groups, using independent support and recommendations. Across all of the interviews, this was recognised as an issue that needed to be fixed with all areas keen to work together to make progress and improvements. Based on interviews, the SLT recognise the unacceptable issues that have been caused to the University and staff and understand the need to work better and more closely with Colleges and other staff groups.

Developing and embedding a fit-for-purpose and consistent change management approach:

The difficulty of managing change is often exacerbated in research-intensive universities, which have a history of being highly devolved organisations with much more independence in their Schools than, say, a Post 92 institution. This means that change can be difficult and so extra focus needs to be applied to managing change and 'bringing colleagues with you'. Therefore, comprehensive change management is required for any major transformation programme and is a necessary investment if the programme is to be a success. The existing change management approaches should be further developed and rolled-out across the University and applied to specific change programmes, including building on, designing and implementing the substantial recommendations made as part of the "Review of Strategic Change and Continuous Improvement Support" that has been approved by the University Executive. The recommendations include: develop and manage a complete strategic portfolio; plan and secure appropriate resource, skills and capability; use prioritisation and effectively assess timescales; and enhance the approach to strategic objectives, risk assessment and realistic benefits identification management.

This should be led and supported by an enhanced and dedicated central change management function with local change management expertise and capacity through change leaders and representatives across the University's budget areas. This needs to recognise and factor in the cultural challenges of division and lack of trust (e.g. additional focus and effort is required in these areas). This change management effort should be acknowledged appropriately in business cases through proper budgeting with enhanced scrutiny and consultation required where any business change effort is proposed to be reduced. It should outline approaches to change impact assessments, training needs analysis and delivery, engagement and communication.

There should be mechanisms put in place to measure and assess the improvements made e.g. using interim assessments which could include external challenge and assurance and / or improving staff survey scores (the 2023 staff engagement survey showed 13% for the question "the University manages change effectively" - the previous 2018 survey also scored poorly on this question).

2.B. People lessons to be learned for future organisational and technology change programmes

Focusing on people and delivering change management

Establish and maintain the 'why': For each change management programme, the University will need to develop a well-constructed focused case for change (with clear rationale and benefits) that is widely communicated to secure buy-in from staff and other key stakeholders. This needs to be clear and concise and regularly revisited to demonstrate progress, tracking against benefits, and remind users of the strategic direction and the reason for the change. Likely 'alternative views' should be identified early, and their proponents brought into the discussion so they can be properly represented in any solution design.

Leadership: Leadership, ownership and accountability of future change needs to be more prominent and responsive. This can start by recognising the challenges that have been faced, that the case for change needs to be better communicated and that change needs to be better managed for future programmes to be successful. (The Principal's / SLT Town Hall sessions focused on P&M have been well received and recognised by many). Once a decision has been discussed and taken, stick to it, and gain agreement on how it will be delivered, then monitor it and address any issues impacting its successful delivery.

Wellbeing: There needs to be greater consideration placed on the wellbeing of staff and the ability to deliver and accept further change based on sentiments in our interviews. Staff wellbeing surveys should be run more regularly within change programmes and there should be more support put in place to respond and react to issues appropriately.

Engagement: The University is a complex organisation with numerous stakeholder groups, often with different yet equally prominent viewpoints, who want to be involved in all decisions. This complicates change and so a streamlined and efficient approach to stakeholder engagement is required with appropriate representation. There needs to be clarity and acceptance by colleagues on the role and expectations to both communicate messages from and to their represented group (e.g. a Director of Professional Services from a School representing Professional Services for a College). Make sure that there are appropriate feedback loops to communicate the decisions made and why, outlining the benefits, and the gap analysis between outputs from earlier engagements in order to manage expectations. This requires engagement to be maintained throughout a change programme rather than front-loaded and helps to demonstrate how input and feedback has been captured, acted on and addressed.

Communication: Greater openness and transparency in communications has been requested by stakeholders to ensure that consistent messages are communicated from programme boards to both Court and staff and vice versa.

Training approach: Training needs to focus on broader ways of working including business scenarios and end-to-end processes. It needs to be given sufficient time and focus and supported by change champions and super / key users.

The importance of all of the above points needs to be recognised and planned for appropriately so that they are not impacted or minimised when there are other delays. There should also be sufficient resource, including change leaders and managers, to support this activity.

Outlining and maintaining a clear deliverable strategy

The focus upon organisational change needs to be maintained alongside system implementation to ensure there is enough consideration given to the organisational design, ways of working and processes that will actually impact users on a day to day basis. This can be done by keeping separate programmes and workstreams running up to and beyond go-live, and applying appropriate change management to deliver against a clear vision and aim for the programme.

The scale of the change needs to be carefully considered to only combine programmes where there are close dependencies. This avoids spreading resources too thin and over-impacting the same stakeholder groups. Limit the complexity and scale of the change by delivering quick win successes and change that can then be built on. Rather than long thin change programmes, ensure there is sufficient budget, resource and support to run activities quickly so that the initial case for change and design decisions are not forgotten by stakeholders.

Embedding organisational and process designs

Significant changes to designs and ways of working need greater buy-in from across the organisation to be successful. Greater clarity and acknowledgement is required on the established ways of working, complexities and variations across the organisation to provide a starting point to allow the right design decisions to be made and inform change impact assessments and training. This would help inform the change management required and support greater alignment to the agreed new ways of working

End to end processes, business scenarios and ways of working need to be further developed and iterated. These need to be built on Target Operating Model (TOM) designs alongside system implementations as design and configuration changes are made. These can then be used to support training and documentation in addition to the detailed system-focused designs.

2.C. Operational lessons to be learned for future organisational and technology change programmes

Improved planning

Plans and timelines for significant programmes of change should not be underestimated because:

- Even greater additional pressure is placed on colleagues
- Delays means that key activities such as change management are shortened or do not have the right information
- In trying to meet deadlines, scope and quality can be compromised
- Greater time and focus is spent on multiple re-plans rather than delivering the programme.

In saying that, it is also important to deliver change within a reasonable timeframe. If not, there is a risk that the momentum is hard to keep, design decisions are forgotten or become aged as the organisation and wider trends move on and the burden placed on resources (both the programme team and wider users) is huge. Therefore, opportunities for the change to be more achievable (e.g. limiting scope) and incremental should be assessed.

Detailed, integrated and full programme plans are needed that outline critical paths and highlight the impacts to other activities and milestones from any delays or changes.

Where there are significant changes, impacts and delays to programmes, ensure that appropriate time is taken to re-scope and plan, acknowledging and highlighting the changes required and agreeing the new way forward.

Sufficient resourcing

Resourcing is a key area not to be underestimated and needs to be planned for in plenty of time, from both internal and external perspectives, particularly given the challenges of the Edinburgh recruitment market. This needs to avoid constant requests for additional resources, the loss of key resources at critical times and the over-burdening of colleagues leading to broader programme challenges. This needs to account for programme resources, operational areas that will be disrupted and change management resource, both centrally and embedded within impacted areas e.g. Schools, and needs to be realistic from the outset.

- Internally: The use of secondments, where there is a combination of change management and university context, is often very impactful as leveraging existing relationships can be critical. To enhance their impact, clarify roles, extend their terms, and improve backfilling through early recruitment planning. Specific focus should be given to staff involved part-time on the programme, particularly where there might be single points of failure and bottlenecks where more resilience is needed, with appropriate backfill identified where necessary.
- Externally: Plan and start recruitment / contracting early for external resources and be cautious of short-term contracts. This includes planning for temporary resource over busy periods. Greater external support from a transformation partner should be considered for the most significant change programmes (where appropriate). They bring change management and delivery experience as well as understanding of the University context. This helps address capability and capacity challenges, maintains focus on business change, and reduces the risk of future issues.

Effective governance

- Governance structures need to be clear and simple, highlighting where decisions will be made. An Executive Sponsor(s) should be appointed and broader roles and responsibilities made clear. Communicate this, identifying feedback and input routes and update them as required.
- Reaching full consensus across a large complex organisation is difficult so communicate contentious decisions widely including where, when and how they were made and the rationale.
- College leadership of, and representation on, governance groups should enable greater support and buy-in, alongside broader change ownership and management.
- Initial budget, timeline and resource requests should not be underestimated, this impacts planning and delivery, increasing cost and time overall.
- Change control needs to be managed, particularly when there are significant changes to the programme scope, timelines etc. This includes assessing and documenting the impact on proposed benefits, deliverables and outcomes.
- Proactive and comprehensive risk management is needed supporting the identification, escalation and mitigation of risks which can be made visible to all relevant stakeholders, as well as consistent and standardised reporting.
- Go / No go decisions should show explicit consideration of project status, business unit sign offs and known risks or issues.
- Be prepared to pause or stop a programme when it encounters unexpected issues, such as COVID. Do not try to spread the team too thin when priorities change.

3.A. Recommendations for the People and Money Programme: Develop and communicate the strategic direction and roadmap

The issues and challenges which have arisen with the People and Money Programme have been well documented and many still remain, with very strong reactions exhibited through stakeholder interviews.

This means that there is a significant amount of work still required to make acceptable improvements before future enhancements can be considered. There is a need to outline if and how the future plan of improvements will be delivered to give confidence to the organisation and stakeholders, which was not yet apparent based on our interviews. This includes demonstrating the output from the reviews and planning that have occurred and stakeholders' time inputting into that.

Detailed recommendations are provided in a separate document.

There was a focus on firefighting major issues around supplier payments and student stipend payments during late 2022 and on the stabilisation of research finance, core finance processes and Purchase to Pay from early 2023 (key operational issues faced have been summarised in Appendix C). There are further, activities that need to be considered as part of a future roadmap for the improvement of the People and Money service and system including:

- short, medium and long-term plans;
- backlog items that were either de-scoped for implementation or as a result of post-go live issues;
- continuous improvement activity aligning with Oracle Fusion releases;
- process or system functionality improvements that are identified;
- recommendations from other reviews that are being incorporated or impact assessed.

These need to be brought together into a clear overall roadmap that builds confidence in the improvement that can be made, their timelines, and the financial commitments involved. This requires dedicated effort and support over an agreed timeframe. The roadmap would also look to answer a commonly raised query raised throughout the interviews, "is there light at the end of the tunnel and how long is the tunnel?" whilst also:

- Establishing where the People and Money Programme is and where it wants to get to (the vision, outcomes and benefits)
- Assessing key design decisions and ensuring that the TOM designs are still accurate and fit for purpose
- Developing the roadmap and plan to achieve the vision and Target Operating Models
- Outlining the approach to change management and how things will be different going forward
- Demonstrating how the roadmap will be achieved including governance, resourcing and budget.

This roadmap then needs to be communicated across the organisation with stakeholder engagement to secure buy-in and referenced and measured against the plan to demonstrate progress. Many stakeholders showed a willingness and drive for People and Money to make improvements and to be involved in making that happen.

It should be noted that stabilisation activity has made some improvements in key areas such as P2P and research finance. However, there is still a significant amount of work that needs to be done to respond to the concerns identified and to continue to make further improvements. Therefore, recognising and planning for this scale of change is important. Activity to outline the work required beyond the current priorities of 2023 has been started and was presented to the University Executive in September 2023.

As part of this roadmap, there are recommendations related to the themes of the challenges identified that should be incorporated into the roadmap and which are detailed on the following slides.

3.B. Recommendations for the People and Money Programme

There are specific recommendations based on the challenges identified that need to be incorporated into the roadmap going forwards:

Addressing the division and building trust

As suggested in the lessons learned section, the current division needs to be addressed with an approach to build trust, agree ways of working with the Colleges, Schools, Directorates and other staff groups and develop a more collaborative environment. This needs to account for the morale amongst stakeholders and wellbeing challenges that have been faced but there was willingness across all of the interviews to address this and make improvements.

The leadership response needs to continue to address responses (e.g. Senate letters) and the overall sentiment across the University, acknowledging the challenges that have occurred. This should build on positives such as updates at recent P&M focused Town Halls and College discussions which have been well received by many.

Greater focus and emphasis on change management

The greater focus applied to change management through stabilisation should continue and be further enhanced using input from the findings and recommendations in the 'Review of Strategic Change and Continuous Improvement Support'.

Engagement*:* Develop an approach to enable effective engagement with staff and users. Utilise representatives from Colleges, Schools and other staff groups and provide coaching for this role. Be clear that once a decision has been taken, it will be stuck to, and enacted, and make sure that any issues hindering that are addressed in an inclusive manner.

Training*:* Develop more intuitive and informative training material for users that cover end-to-end processes and scenarios as well as detailed system process steps. This should be delivered through dedicated sessions, accessible user guides and super users and build on recent improvements (e.g. in procurement) for key challenge areas and future improvements / changes.

Communication*:* In the short term, adopt a "you said, we did" approach to address feedback about People and Money to demonstrate it has been heard and share the decisions and actions in response. Use the vision and roadmap to regularly communicate progress and the plan going forwards, being open and transparent about what will improve, how and when. with a communications plan that sets out an approach to more regular and effective communication to stakeholders (especially at user / process level).

Validating organisational and process designs and embedding new ways of working

Where appropriate, the designs need to be reviewed and assessed in terms of how they have been delivered against so far, to determine whether they are still accurate, fit-for-purpose and to document any changes required.

Priority areas for resolution and improvement should be identified where the organisation can better adapt to the system and embed the new ways of working and where the process and system designs need to be updated. This should build on the positive work that has taken place in P2P and research finance, including creating a vision, refining and documenting the processes and engaging and training users.

There is a particular area of contention around approvals which needs resolving, with the approach and decision to be clearly communicated given the sensitivity:

- The proposed review of the Delegated Authority Schedule could impact approval routes.
- Enabling self-approval for certain tolerances (e.g. for POs) could greatly reduce the number of approval requests that certain staff receive, alleviating pressure (this is being actively progressed by management).
- The option of moving from line management approvals to an alternative model is being assessed.

A comprehensive exercise should be undertaken to review, assess and prioritise the forward organisational and process development workplan for People and Money, taking account of:

- Backlogs of items from Phase 1, 2 and 3 where issues and defects have been identified
- Priority areas identified for resolution and improvement
- Items that were de-scoped during implementation e.g. talent development, TRAC module development, reporting
- Other recommendations from other reviews e.g. regarding Chart of Accounts (CoA) and coding structures as well as approval processes (where practical).

Outlining a clear strategy and approach

There needs to be clarity around the next period of People and Money. There will need to be ongoing continuous improvement to manage future releases, deliver functionality and embed change to meet the needs of the organisation. There also needs to be a more concerted immediate period to address the remaining challenges. This needs to make progress and improvement quickly to build confidence in the plan, so securing sufficient budget and resource is critical.

This will need to be supported by a vision and roadmap for People and Money processes and services, outlining the desired outcomes and benefits for HR and Finance. This will set the strategic direction to inform and prioritise future work and decisions, outlining how this will be different from a strategy, approach, leadership, governance and resourcing perspective.

3.C. Recommendations for the People and Money Programme

Single integrated roadmap and plan to co-ordinate and prioritise

All of the different plans (e.g. stabilisation, short, medium, long), backlogs, continuous improvement activity and recommendations need to be brought together into a clear single roadmap and integrated plan. This needs to provide confidence to leadership, governance groups and the wider organisation around the focus and activities in place with clear milestones and deliverable dates. This will help inform and support securing the necessary budget and resource to deliver.

The plan should identify areas where substantial improvements can be made quickly to demonstrate progress and build further confidence in the change.

Given the significant amount of activity, there needs to be clear prioritisation and co-ordination. This should be flexible and agile, allowing the programme to adapt to changing priorities. However, it is important that this is assessed against the wider portfolio of change programmes and transformation to assess dependencies, budget and resource constraints and the capacity for change across the organisation.

Scope and secure sufficient resourcing

Based on the future roadmap for the People and Money Programme, the resourcing needs to be properly scoped in order to deliver successfully:

- Make sure that the right level of resource capacity is approved and planned for through recruitment, backfill and contracting to deliver
- Confirm and agree the additional support required from the systems implementation partner to deliver continuous improvement in addition to what has already been contracted for managed services and maintenance
- Scope and agree additional support required from external transformation and technology partners and contractors
- Ensure that programme resourcing remains ringfenced to the programme and appropriate backfill supplied where necessary.

In addition to resourcing levels, the set up of teams should look to build on successes identified in the use of focused groups who have been tasked with addressing specific challenges, using cross-functional teams (e.g. Programme, Finance or HR, ISG and College / School representatives). Individuals who have been identified as having a positive impact on People and Money should be supported and provided with appropriate leadership roles.

Clear and effective governance

Based on the strategy and direction for the programme, the governance to lead and support that needs to be decided and potentially re-set:

- The Enactment Group has been in place for go-lives and stabilisation and has made a positive impact. A version of this should look to continue into the next phase with similar Programme, SLT, College and other budget area representation with terms of reference that support the roadmap going forwards.
- There should be an Executive Sponsor(s) identified.
- Governance groups within Colleges and other budget areas should be established to support stakeholder engagement and communication, with the Enactment Group ensuring that their decisions and messaging are being cascaded down.
- The overall governance structure going forward needs to be clearly outlined with reporting lines and roles, highlighting where decisions are being made and how.
- Enhancing and standardising the approach to reporting and risk management. Increasing visibility of how risks are logged, impact assessed, escalated and mitigated and how this informs decision making.

System, integration, data and reporting

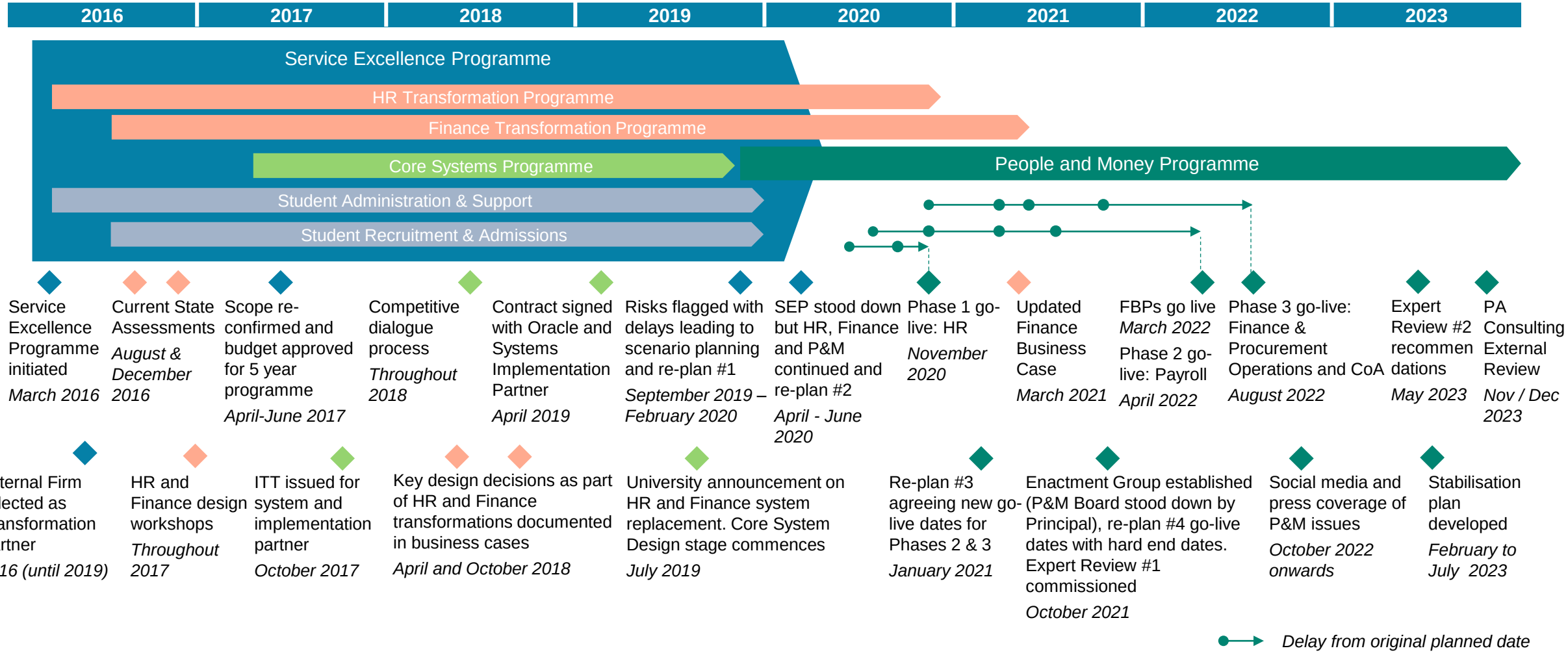
Separate more detailed reviews have taken place regarding the technical improvements and recommendations that should be taken forward (e.g. Research Finance and Estates interfaces and across Finance, HR and Payroll). Ensuring that these are fully coordinated, prioritised and scoped in to the roadmap going forwards is critical.

A key frustration that was repeated through stakeholder interviews was regarding the limited access and visibility in the system to data and reports which could be reviewed and potential resolution options assessed.

There are also key upcoming events that should be fed in to further recommendations for the People and Money Programme which include the financial year end external audit and the annual Uniforum survey.

4. Summary timeline of the programmes and key milestones

Whilst performing this review of the People and Money Programme, it was clear that the scope and timeline needed to acknowledge other relevant programmes of change within the Service Excellence Programme starting from 2016. The high-level timeline and key milestones below demonstrates the length and complexity of the programme and the changes of scope and direction that have been required due to a combination of factors, including COVID. This has been developed through stakeholder interviews and documentation reviews. Further detail is provided in Appendix A.



5.A. Introduction to the challenges identified

This section summarises the key challenges that have been identified based on stakeholder interviews and documentation reviews. Further detail on these challenges can be found in Appendix B. The list of stakeholders that have been interviewed includes over 70 individuals from across the University including Court, Senate, the SLT, the programme team (including colleagues from Change, HR, Finance and Information Services) as well as academics, staff and students from Colleges and Schools.

The aim in this section is to present what have been identified as the most important challenges that the People and Money Programme has faced and the root causes of the issues that have materialised. This applies our independent and critical judgement, whilst playing back the different viewpoints and opinions from across the organisation, acknowledging the prevalence and severity of how it was mentioned and validating where possible through documentation reviews. There may be points that are subjective and contested but balance has been applied across the complexity of the programme and the varying views, perspectives, recollections and experiences. There were also a lot of consistent messages that were the same and repeated and reinforced across all stakeholders.

The viewpoints have been categorised into the themes on the right-hand side to reflect the main areas that were noted. A number of the challenges that have been raised are very common across other organisational change and system implementation programmes where similar reviews have been performed. In that sense, the University of Edinburgh is not alone but the issues have been more acute and impactful than elsewhere which has been demonstrated through negative social media and press coverage.

These challenges impacted the delivery of the People and Money Programme and highlight areas for improvement and consideration for future organisational change and system implementation programmes.

It should be noted that all of the stakeholders involved in this review have been open and engaged with a shared objective to learn from the challenges and deliver improvements to the People and Money system and service and the delivery of organisational change more widely.

THEME CATEGORIES FOR THE CHALLENGES

PEOPLE	OPERATIONAL AND TECHNICAL
Change management: engagement, training and communication	Planning
Organisational and process designs	Resourcing
Culture: division and trust	Governance
Strategy and approach	System, data, integration and reporting

5.B. Summary of the challenges identified

ERP implementations are renowned for being difficult with examples of programmes being cancelled before go-live and causing serious problems for organisations. The issues that have impacted, and continue to impact, students, staff and the University have been serious and substantial, with impacts on the wellbeing of staff in Colleges, the programme team and other budget areas.

There are many things that could and should have been done differently with lessons to be learned for future programmes. The most notable differences between the challenges at the University of Edinburgh and other implementation reviews we have undertaken are:

- The division and lack of trust between many staff across Colleges, Schools and Departments and senior University management which has been exacerbated by People and Money.
- Significant organisational design changes, such as Finance business partnering and line management approvals, which were operationalised at the same time as the system implementation without the appropriate change management.

Strategy, planning, resourcing, governance and technology challenges are common across other programmes but are more acute and impactful than we have seen elsewhere. The combination of all of these challenges has culminated in the issues that have been faced by the programme and the University.

The initiation of the programme as Service Excellence and the HR and Finance Transformations particularly the early stage workshop engagements and TOM designs were generally well regarded and received. Although challenges with P&M continue and there is a lot more to be done, there was recognition of improvements that have been made since Phase 3 go-live.



Change management: engagement, training and communication

- For an organisation of the scale and complexity of the University of Edinburgh, change management will always be a significant task. This was not applied effectively, nor with sufficient resource or focus, including within budget areas, especially with the significant organisation design changes being applied in addition to the new system.
- There was a lack of feedback loops to stakeholders to outline the decisions that had been made based on their input and feedback in order to provide transparency and manage expectations.
- Timelines for training were squeezed and covered the system design but not wider ways of working. The right level of information was not provided to do change impact assessments successfully.
- Communication such as progress updates to Colleges and Schools have felt overly positive given the challenges faced.



Organisational & process designs

- There have been a number of significant and contentious design decisions approved which have not had full consensus and are thought by some stakeholders to have been sub-optimal or even detrimental to service such as Finance business partnering and line management approvals, albeit some other stakeholders have a different view and noted both the pros and cons of different options.
- There were many different and complex starting points across the University which were not fully acknowledged and many stakeholders feel that change has been led by the central functions rather than what is needed in the Schools and other budget areas, not reflecting how a university works or input and feedback provided.
- The end-to-end process designs and ways of working were not developed from the HR and Finance TOMs alongside the system implementation and design documents. As a result of these challenges with design and implementation, there is some divergence from the agreed ways of working (e.g. P2P).



Cultural division and lack of trust

- The People and Money issues have exacerbated the division and lack of trust between many staff across Colleges, Schools and Departments and senior University management, which has made it more difficult to deliver change successfully. Many of the wider staff body have felt disempowered with a lack of real engagement, manifesting in an adversarial environment that is cautious of future change with an unhelpful culture of blame and accusation.
- Many stakeholders feel that their input and feedback was not listened to and there is confusion as to where, how and why certain decisions were made.
- There have been concerning impacts on staff wellbeing and statements regarding the challenging environment in relation to the programme.

5.C. Summary of the challenges identified

Strategy & approach

- The programme changed in scope and focus from an organisational transformation, moving to new improved services as part of the Service Excellence Programme and the HR and Finance Transformations, to a system implementation, partly as a result of the COVID pandemic. This development reduced the focus on change management to embed the organisational designs and new ways of working as there was not a proper re-set when overarching or parallel programmes (e.g. Service Excellence Programme) stopped to confirm the new scope, plans and benefits.
- The scale, scope and ambition for the programme were arguably too large and complex, leading to long timelines and increased risk. Rationale for decisions made early on was forgotten by many stakeholders or changed and the design not iterated alongside the system implementation.
- Stakeholders within Schools felt that the programme focused on delivering centrally and did not adequately consider ways of working across the University, signifying a lack of trust. It should be noted that this view is not shared by the Programme team who felt that there was considerable focus on this – particularly during the early design workshops.

Planning

- The initial proposed timelines were too short and not realistic which led to a number of replans across the programme which took additional time and effort. Key activities such as testing and training were then squeezed in order to meet deadlines when preceding activities were delayed without an integrated plan. Go-live decisions were forced despite significant risks being highlighted through readiness assessments and presented to governance groups.
- Extended Phase 3 cutover led to additional effort in manual recording and input of additional transactions.
- It should be noted that COVID's impact meant that any original plan would have required amendment.

Resourcing

- The resourcing estimates were too low so it was always a challenge to secure enough capacity in the programme team as well as within Schools through recruitment, internal secondments, managing backfill and external contractors. This caused challenges with capability, continuity at key times and single points of failure. The impact of the programme in terms of stress and workload has anecdotally led to members of staff leaving the organisation. Resourcing was also significantly impacted more generally by the impact of the COVID pandemic from March/April 2020 onwards.
- Given the scale of the programme and the change, external support from an organisational transformation partner could have alleviated some of these challenges.

Governance

- University Court (and its sub-Committees) was involved in all key budgetary and programme approvals / decisions throughout the programme, albeit at a level removed from the detail behind these decisions
- However, below this there was a degree of confusion and complexity regarding the governance structures of the programme, including programme boards and relevant sub-groups, further driven by the changes over the length of the programme. This led to a lack of clarity in the roles and responsibilities and where decisions were being made.
- There was feedback that the same information was not always shared to different levels of governance and risks and concerns not escalated or addressed appropriately or fully considered in decision making. In particular, some stakeholders believe that the decision to go-live for Phase 3 did not account for the readiness assessments flagging a number of issues as 'red'.
- There was a lack of change control to map back to benefits and design decisions as well as multiple additional budget requests.
- The limitations and restrictions of the original budget estimates and allowances manifested in challenges around resources and impacted the quality of delivery.

System, data, integration and reporting

- Certain design decisions around approvals and access to information and reports enforced by the system have been operationally disruptive.
- User Acceptance Testing (UAT) and Dress Rehearsal overlapped which meant that it was not possible to complete a full technical dress rehearsal. The partial dress rehearsal identified the need for a longer cutover period which was implemented and was successful. Lack of full dress rehearsal did increase the risk of issues arising during cut-over which would then have to be resolved post go-live.
- Data cleansing and migration took more time and effort than expected because of poor as-is data quality and led to some of the Phase 3 issues. There have been further difficulties with integration issues and limited reporting available.
- Access to, and visibility of, management information and reports has been a consistent issue raised that needs to be fully addressed.

A

Timeline of key events

Timeline of key events: 2016-17

KEY

- Service Excellence Programme
- HR / Finance Transformation Programme
- Core Systems Programme
- People and Money Programme

Service Excellence Programme

2016

- The key starting point was that the HR system was approaching end of life, but it was agreed that a broader process-led organisational change transformation was required rather than purely a system replacement implementation.
- March 2016: The Service Excellence Programme (SEP) was initiated:
  - Discussion on outstanding issues on governance, incorporating relevant elements of Digital Transformation programme within the SEP.
  - The SEP Board was set up to identify parameters, approach and methodology.
  - The Student Administration & Support and HR Transformation sub-programmes were initiated by the SEP Board.
- The narrative and overarching aim was that this was a programme to modernise services and ways of working with a need to update organisational structures, designs, policies and processes that would be enabled by the technology to be implemented.
- External Firm selected as the HR and Finance transformation programme partner (2016-2019) to support with programme management, business case, current state assessment, organisation design, process design and change management.
- August 2016: HR Current State Assessment (CSA) report
- September 2016: The SEP Programme Board initiated two further sub-programmes: Finance Transformation and Student Recruitment & Admissions.
- November 2016: HR Outline Business Case (OBC) report
- December 2016: Finance Current State Assessment (CSA) report

2017

- April 2017: Finance Outline Business Case (OBC) report
- April 2017: The SEP Board approved a 5 year programme of work. Initially, 5 key areas were selected for transformation:
  - Student Administration & Support
  - Student Recruitment & Admissions
  - HR Transformation Programme
  - Finance Transformation Programme
  - Core System Programme (P&M Systems Programme)
- April 2017: The governance was considered and changed with the formal recognition of the core systems programme as a programme within the overall SEP and recognition of the establishment of the design authority within the PMO to help manage the key dependencies, conflicts and constraints across the programme.
- June 2017: The University Court approved the reconfirmed scope and budget for the Programme.
- June 2017: SEP approved the recommendation from the FTP Board to move into a detailed design following the completion of the TOM and OBC.
- September – December 2017: Multiple engagements with Finance stakeholders across the University.
- September 2017: The ITT was issued to the market for a Software as a Service (SaaS) based solution for the University's Finance (including Procurement) and HR (including Payroll) "Core Systems" and associated implementation and technology partner services. A competitive dialogue procurement process was chosen.
- September 2017: The first External Gateway review/ early stage assessment (strategic assessment & delivery strategy) gave an overall delivery confidence assessment of: 'Amber/Green': "Successful delivery appears probable. However, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery."

Timeline of key events: 2018-19

KEY

- Service Excellence Programme
- HR / Finance Transformation Programme
- Core Systems Programme
- People and Money Programme

Service Excellence Programme

2018

- Range of process and people workshops undertaken in 2018, including staff from Schools, Colleges, Support Groups, Finance, HR and ISG as well as change management training.

◆ April 2018: HR final business case approved.

- 2018: Procurement develop and iterate requirements, taking input from the HR and Finance Transformations and TOM designs (e.g. Chart of Accounts and hierarchy).
- April – July 2018: Three cycles of competitive dialogue.
- June 2018: HR Transformation detailed design documents produced and then implemented (policies, structures, processes) to put in place as much as possible before system implementation.
- June 2018: Chart of Accounts and Organisational Hierarchy closed.

Reporting lines for the three College Heads of HR changed from reporting to their College to the Director of HR.

◆ October 2018: Final finance transformation blueprint and business case approved.

- Original Finance reporting lines had a dual / mixed model reporting line for Finance colleagues at Budget Group level.
- A risk in the FTP business case with high probability appears not to have been sufficiently mitigated: “There is a risk that the leadership lacks appetite for a standardised finance policy compliance, resulting in the new model being ineffectively adopted by Colleges/Schools/Support groups.”

2019

- January 2019: Court approved the overall estimated core systems and project costs of £23.9m over the 9 years timeframe used for reporting.
- February 2019: Court confirmed approval of the agreed systems implementation partner, with Oracle Software as a Service solution.
- February – April 2019: Due diligence exercise (including review of TOM and process documentation and fit-gap assessment) was undertaken with the systems implementation partner and Oracle. This highlighted key risks/ complexities in areas of the HR and Finance designs, including: data migration, P2P process, student payments, approvals, user access and Line Manager responsibilities, hierarchy and Finance TOM. Deadlines were extended in the plan to mitigate many of the risks outlined.

◆ April 2019: Contract signed with the systems implementation partner and Oracle.

- June 2019: Core System design & implementation phase commences.
- June 2019: The second External Gateway Review strategic assessment provided the programme an overall delivery confidence on a 5-point scale of Amber: **“**Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun.”

◆ July 2019: University announces move to new Oracle Cloud HR and Finance with aim to “deliver smarter ways of working, take advantage of data driven insights to enhance decision-making and quickly and easily access new innovations in finance and HR.”

◆ September 2019: Risks escalated to the SEP Board regarding completion of Phase 1 and Phase 2 PDDs by agreed milestones and the data definition, cleansing and migration work not being sufficiently scoped.

- October 2019: Core Systems Board escalated an issue on the delay of the PDDs due to volume, complexity and staff absences to the SEP Board. This included an action plan and budget request to maintain the planned go-live dates (June, August and November 2020) and preserve the benefits set out in the core, HR and Finance business cases.
- November 2019: Core Systems Programme Board meeting approved actions for detailed scenario planning including the review of options to de-risk the plan.

Timeline of key events: 2020

KEY
- Service Excellence Programme
- HR / Finance Transformation Programme
- Core Systems Programme
- People and Money Programme

People and Money Programme

2020

- January 2020: Core Systems Programme becomes People and Money Programme, based on refined scope and focus on the Oracle Fusion implementation, and first People and Money Board meeting is held.
- January-February 2020: The People and Money Programme Board review 4 potential scenarios for the revised delivery of the programme and approve Scenario 4, which includes a financial contingency and Scenario 4+ which includes an additional time contingency of c.2 months.
- February 2020: Scenario 4 and an updated financial profile were approved by SEP Board. A sub-group of Court was established and met to consider the request of SEP board for additional costs for the implementation of P&M.
- March 2020: Design Authority presented a paper following a period of due diligence, which set out the approach that would be taken during the design phase to Chart of Accounts – Segment Security. The University has security requirements to restrict user access to certain values within the Chart of Accounts, referred to as Segment Security in Oracle. The Chart of Accounts was approved with 8 segments.
- March 2020: Court Sub-Group approval confirmed; Court approval for revised timelines and costs and Exception Committee approved additional costs for the Core IT Systems for HR & Finance programme.
- April 2020: Re-structure and re-plan given the impact of COVID on the University confirmed at April 2020 SEP Board meeting. The Service Excellence Programme and Board are terminated because of COVID, and Student Administration Support, Student Recruitment and Admissions programmes fed into and integrated with the student strand of Adaption and Renewal which was set up to respond to the COVID pandemic.
- The People and Money, HR Transformation and Finance Transformation Programmes continue with separate Boards, reporting on a consolidated basis to the University Executive on a monthly basis (albeit COVID was the principal Executive priority at this stage).
- April 2020: Design Authority approved the recommendation to create a 'School/department' administration system role (SDA) which would cover a number of HR initiation tasks included in the Line Manager system role. This would allow the administration system role to initiate HR tasks on behalf of Line Managers and would allow Line Managers to receive appropriate notifications.
- June 2020: Design Authority made decision to make P&M functionality for annual leave live and available for 2020/21. The Design Authority recognised that they were going live mid-year in 2020 but the recommendation to HRTP Board supported adoption and implementation.
- August 2020: First UAT for phase 1 (HR). Systems Integration testing due to start for Phase 2 (Payroll).
- September 2020: The University Executive agreed to a change in proposed line management reporting for Finance colleagues at Budget Group from the proposed dual reporting line to all Finance colleagues reporting to the Director of Finance (i.e. same model as HR).
- October 2020: The decision to change reporting lines was announced. Heads of School opposed this decision in writing to the Principal and a working group was set up to review this (chaired by Senior VP).
- October 2020: Technical cutover (HR) and business process freeze (16 – 28 October)
- October 2020: Original Core Systems Go-Live date set out in FTP business case. This was the earliest go live date based on an 18 month implementation.
- **November 2020: Phase 1 go-live:** HR; launched new HR processes, underpinned and enabled by the P&M system. Developments to payroll and finance functions were to follow in 2022. (Double keying for HR still required until Ph2 payroll go-live).
- November 2020: Final HR Transformation Board meeting
- November – December 2020: 3 payroll parallel runs to validate new payroll accurate and ready .
- December 2020: P&M Board notified that Phases 2 & 3 both running behind schedule. P&M Board requested a replan for Phase 2 & 3.

Timeline of key events: 2021

KEY
- Service Excellence Programme
- HR / Finance Transformation Programme
- Core Systems Programme
- People and Money Programme

People and Money Programme

2021

- January 2021: New phase 2 & 3 go-live dates proposed (May 2021 & August 2021 respectively). A 4-month extension.
- Original go-live dates for phase 2 and phase 3, February and April 2021.
- February 2021: Design Authority became aware that Line Managers were able to see requisitions and candidates for the whole of the University. The issue was investigated, a solution was identified, tested and applied to the production system on 26 February.
- Court Exception Committee approved revised cost and timelines following re-plan.
- March 2021: subsequent change to final finance transformation business case.
- March 2021: Approval at the University Executive of plans to form the Finance business partnering structure and approval of the decision of the VP working group for all Finance colleagues to report to Director of Finance (followed by an extended organisational restructuring and consultation process which ended in March 2022).
- April 2021: Finance Transformation Board final meeting. Subsequent structure became delivery teams.
- June 2021: P&M Board approved the recommendation from the programme team to launch the guaranteed hours module in P&M on 12 July 2021.
- July 2021: report to the Executive reported that phase 2 (summer 2021) and phase 3 (after August and before Christmas 2021) were both reporting red against their previously approved implementation windows.
- July 2021: review was underway to identify what options were available to deliver the remaining aspects of the programme and the impact of these. The review covered scope, review and recommendations from the Chief Operating Officer of the systems implementation partner on delivery and risk; revised implementation plans; and financial impact.
- July 2021 P&M Board meeting: confirmed that target window summer 2021 phase 2 go-live was ‘red’ status and would not be achieved. Phase 3 target window of post August 2021/ pre-Christmas 2021, also reported red overall. It was stated that timeline would not be met.
- August 2021: P&M Board meeting – Programme budget moved from Amber to Red. Confirmed that even with revisions it would not be possible to deliver the programme on budget and timescales,. There is significant variation from the re-plan presented in February 2021
- September 2021: revised hard launch dates for Phases 2 & 3 implementation: March 2022 and August 2022 respectively. The University Executive agreed with the recommendation to proceed with a revised plan for the implementation of P&M and to seek Court approval for the recommended re-plan and additional budget required.
- September/ October 2021: Enactment Group approves additional HR Operations resource to address required double-keying and workarounds / system issues.
- October 2021: Prioritisation of predominantly system enhancements post Phase 1 implementation agreed by the Enactment Group.
- October 2021: Issues relating to staff payment (late notification of starters / contract delays etc.) identified at meeting of 27 October and priority action agreed.
- October 2021: After feedback, consultation and assessment, Principal stands down P&M Board, replaced with Enactment Group (also noting concerns raised by Colleges to Court). New leadership and membership established to increase College representation and buy-in. As part of re-plan, governance, scope, budget and timelines changed. Re-plan included hard end dates for implementation put in place. Payroll - April 2022. Finance – August 2022.
- October 2021: Proposed structures designed for Finance business partnering.
- November 2021: All Staff Q&A call – concerns raised regarding payment, time-consuming processes and lack of training.
- November 2021: Expert Review #1 commissioned by Principal, provided guidance on what could be usefully adopted at the time to avoid further risk. Key points included: it not being too late to undertake a reset in some aspects of the programme management and direction, the complexity and subsequent management control requirements were seriously underestimated. There may have been some opportunity during replanning to stage the programmes more effectively and limit dependencies, the P&M Board which was disbanded October 2021 was not providing the challenge that was necessary/ not fit for purpose and an effort to re-establish clarity of programme structure was advised.

Timeline of key events: 2022-23

KEY

- Service Excellence Programme
- HR / Finance Transformation Programme
- Core Systems Programme
- People and Money Programme

People and Money Programme

2022

April 2022: Phase 2 go-live – Payroll

- April 2022: All staff Q&A session – warnings raised by staff regarding payment of student stipends.
- April 2022: Finance business partnering implemented.
- July 2022: Meeting with Internal Audit to raise concerns over the internal control environment of the new P&M system that was due to be implemented end of August 2022.

August 2022: Phase 3 go-live – Finance plus some additional HR elements (de-scoped to be more achievable); 22 July to 31 August shutdown / cutover (delayed from 15th August) – old system turned off and transition from old to new system.

- September 2022: challenges with stipend payment and non-payment of suppliers; backlog continued to grow.
- October 2022: further stipend payment issues although not related to P&M.
- October 2022: risks around stipend payments flagged in Court meeting.

October and November 2022: Stipend payments for c. 360 Postgraduate students for September/ October were not received by the students who relied on these to cover their living costs. The final phase 3 shut down further resulted in postgraduate students facing long waits for reimbursement of significant University business related expenses. These issues impacted students and resulted in negative social media and press coverage of the University in late October and November 2022.

- November 2022: Letter from Senate highlighting concerns about the ongoing academic impact/ consequences of the failed implementation on academic staff and students. Co-signed by wider University community.
- November 2022: SLT response letter to Senate
- Nov 2022: UEG approves paper on ‘Recommendations for Future Provision of Strategic Change’.
- December 2022: Court response letter to Senate
- December 2022: Senate write back asking for more clarity and answers to specific questions. The response is considered in the Senate letter to downplay the significant ongoing problems with the system and lack clear actions and timescales for resolving the issues.

2023

- February 2023: Created more capacity in finance operations through a managed service. c16 FTE staff focused on critical P2P processes.

February – July 2023: Development of detailed stabilisation plan up to the end of July 2023.

- February-March 2023: Survey distributed to co-signatories of Senate P&M open letter on 4th February. 368 responses were received before 3rd March deadline. 8 more responses were later included, all submitted by 14th March.
- March 2023: Further Senate letter requesting further responses to previous letter requests.
- March 2023: Future provision of Strategic Change and Continuous Improvement Support review commenced.

May 2023: Expert Review # 2 recommendations presented to University Executive including short, medium and long-term plans.

- June 2023: Review of Strategic Change and Continuous Improvement Support Phase 1 report.
- June 2023: Update to P&M System and Ways of Working outlining issues faced by Schools.
- June/July 2023: External Audit Additional Assurance Report (Report to the Audit and Risk Committee)

September 2023: Future ‘work to do’ presented to University Executive.

- December 2023: Court Meeting, PA Consulting present findings from review.

B

Detailed challenges identified

Challenges: Change management – engagement, training and communication

The University of Edinburgh is a large and complex organisation so stakeholder and user engagement will always be a significant undertaking, particularly on such a crucial programme. Even in undertaking this review, the number and variety of stakeholders that we needed to engage with demonstrated the additional time, effort and consideration that this requires. Given the challenges that have been faced with the People and Money Programme, it is clear that the change management has not been delivered as effectively as it could or should have been, and this was highlighted as a key challenge in most interviews. Effective change management has generally been the biggest challenge on other HR, Finance and system transformations that we have reviewed.

Whilst a lot of the right change management activities took place, these were done with insufficient detail, resource and too late to be effective (e.g. change impact assessments and training in the new ways of working). The University was relatively immature in terms of change management experience and professional expertise / resource and this was reflected in the relative priority afforded to the change management work stream and therefore its effectiveness. The programme team advised that there were central change management resources in place earlier in the programme but many of these left citing that the change was not being appropriately supported within Budget Areas.

Engagement:

There was recognition that there was a lot of engagement with stakeholders across the organisation through workshops to get input, particularly in the very early stages of the programme, but a number of challenges were also outlined in our interviews:

- It was not sufficiently outlined to the organisation that it would not be possible to deliver everything that users wanted due to consensus agreements, time and budget constraints and adopting a best-practice solution. There was not enough of a 'feedback loop' to explain what had happened with the input from users, what decisions had been made and why, such as the benefits that would be delivered. This meant that users felt disconnected and that they had not been listened to, leading to disappointment and frustration. Expectations were not managed in terms of having to adopt the system (off-the-shelf based on best-practice) and adapt ways of working rather than detailing a checklist of requirements. Users were given the opportunity to input but were then disappointed when requirements were not delivered (oversold). Based on this, many users stated they felt that key requirements were missed as part of the design, such as nuances in ways of working and the importance of these in day-to-day operations and performing necessary tasks.
- The scale of the people change was underestimated by the programme, particularly as the scope and focus changed in March 2020 after COVID, from the broader SEP programme to being focused solely on P&M and the system implementation and the associated change management approach was not sufficient. There could have been greater change management training to leadership and Line Managers, more change management resource to support Implementation Groups, and more change champions provided at a local level. This particularly needed to recognise the significant design changes being implemented, e.g. Line Manager approvals and Finance business partnering, that greatly changed staff responsibilities including for Academics and PIs.
- Users did not feel that there was a compelling case for change, outlining the 'why' to secure buy-in. This would have provided clarity on the drivers, expected benefits and how things would be different to develop a shared vision and direction. This could have included the need to replace out-of-date systems as well as improving services and end-to-end processes, better compliance and control and easier future upgrades as well as highlighting the changes to ways of working. There needed to be greater ownership and buy-in to the change at all levels of the organisation.
- User engagement primarily came early in the programme (i.e. during the Service Excellence Programme) but this required continued momentum and iteration alongside the P&M system implementation up until the Go-Lives. Instead there was a long period in between where those discussions might have been forgotten by stakeholders.
- The effectiveness of the engagement was questioned by stakeholders from Schools, such as whether the design workshops were structured appropriately and consistently with the right users to get the right input and output with sufficient detail (too high-level / theoretical).

Training:

There was clear recognition through all of the interviews that there was not sufficient or effective training provided as part of the programme:

- The time available for training was squeezed due to delays in preceding activities such as Process Design Documents, configuration, data migration and testing, particularly in Phase 3 and this was compounded by the imposition of the hard end deadline in October 2021. The system was not available to allow colleagues to train properly (configuration, testing etc.) and for users to familiarise themselves ahead of go-live. The training that was delivered was not enough and had low uptake. The programme went live knowing this risk and it led to users being unprepared using the new system. Lack of confidence in the system spread quickly when even key users were not able to use the system effectively.
- The change impact assessment was lacking sufficient detail, e.g. configuration designs, so the level and complexity of change and training required was underestimated for users to understand and embed new processes. This meant that the business readiness could not be effectively assessed.
- The training needed to cover not just the new system but the broader processes and ways of working to provide the 'why' and to cover different business scenarios. It was also not tailored to different user groups so a lot was not relevant, was found to be difficult to use (not intuitive) and there were not enough change champions or key users identified who could work with the system and provide confidence and answers to other local users.

Communication:

There was broad acknowledgement in interviews of the shortcomings in communication through certain periods of the programme. Feedback themes from the interviews were that:

- The overall direction and vision from leadership needed to be clearer to build confidence and buy-in to the programme.
- Communication was not always cascaded or escalated appropriately and there were limited feedback channels for staff and students. The University is a large, complex and devolved organisation and representatives need to be clear on their role, effective in performing it and trusted by those they are representing (e.g. there were College representatives in governance groups but decisions taken at those groups, and the reasons behind them were not always clearly communicated to and understood by the wider College and DoPS community, for example).
- Particularly when the issues and challenges with the programme were apparent, a number of stakeholders felt that the nature of information such as progress updates from the Programme Team to College Implementation Groups, the Enactment Group and Court have not always felt accurate, were overly positive or did not always include enough risk information or fully acknowledge the issues.

Challenges: Organisational and process designs

Significant organisational design changes:

There have been significant and fundamental design changes within HR and Finance implemented alongside and as part of the People and Money Programme. Several of these have been particularly controversial across the organisation and contributed to the challenges faced. Some changes were implemented ahead of the system go-live but their impact was only fully realised following go-live and in some cases the changes are viewed as not reflecting the requirements of users in Colleges, Schools and Departments.

There were strong differences of opinion on some of the key approved design changes and fundamental principles such as Line Manager approvals, reporting lines for Finance colleagues, Finance business partnering, research grant financial management and system visibility (more detail on these has been outlined in other reviews of the system). Our work indicates that these did not have full consensus or were not fully acknowledged across the organisation which means that their acceptance and adoption has been more difficult, with many users highlighting the impact on their ability to perform necessary tasks (see also p.33). Colleges and Schools believe that the designs have been made for the central functions and not reflecting their requirements and signifying a lack of trust, despite programme efforts to do this. In some cases the design decisions were made and approved a long time before they were introduced alongside the system implementation.

Generally, the design decisions were aimed to align to the off-the-shelf solution and best-practice HR and Finance designs for centralisation and standardisation, particularly given the scale of the University of Edinburgh. However, it is felt by many stakeholders that some of these decisions were made by the Programme team without enough consideration of other views and input provided and have been considered by some to have been subsequently sub-optimal or even detrimental in operation (e.g. challenges with approvals, POs, supplier payments, expenses, research management reporting), requiring additional effort and resource.

There was not sufficient buy-in from users across Colleges and Schools to some of the fundamental design decisions being implemented. The significant change management required was not delivered alongside the system implementation due to the focus being on the system, there being too much change at the same time and the designs not being updated and iterated alongside the implementation. The designs could have also been more effectively communicated, rolled-out and embedded. Many stakeholders felt that the design had already been agreed before their involvement and has not incorporated their input and feedback and where, how and why decisions were made not communicated.

Complex and differentiated starting points:

There was significant variation in ways of working and processes across the organisation before the Service Excellence Programme and People and Money Programme commenced (e.g. paying student stipends, how suppliers were recorded). These variations were not fully documented or understood as part of the current state assessments and were often manual, lacked control and visibility. This made the change and implementation more difficult and complex and caused significant issues.

Not fully understanding as-is ways of working meant that it was not possible to develop designs to account for these or accurately assess the impact of the proposed changes in order to appropriately plan for embedding the new ways of working, supported by the necessary change, engagement, communication and training.

The complexity of the designs (e.g. approval routing and Chart of Accounts) was also highlighted as a risk throughout the implementation and questioned whether the impact and decisions were fully assessed, particularly as these were revisited and greater complexity and challenge added (e.g. dual to single reporting lines). There were also last minute changes (e.g. Research salary allocation) which added greater complexity to cutover and business readiness activity.

Process mapping:

There was a lot of to-be business process mapping done upfront as part of the HR and Finance TOM designs and then system process mapping as part of the implementation. However, these were not combined sufficiently to consider broader ways of working and end-to-end processes, reflecting and considering the complexities and differences across the University (the focus was suggested to be on standardising in central teams but not across the organisation). Therefore there was a gap between the TOM and process designs and the system and this gap was not fully assessed through change control. The level of detail in terms of to-be ways of working to support the TOM were not fully defined alongside the technology implementation.

There are different views over the level of process design work (as-is and to-be) undertaken as part of the Service Excellence Programme. There was a significant amount of work put into this including engagement and documentation. It is not possible or worthwhile to map everything to a great level of detail before the system is being designed. However, it is important to consider the overarching ways of working, key requirements and variations and map back to these as part of the system implementation and to inform change impact assessments.

Divergence from the designs, policies, processes and system:

Some of the key process changes that were implemented with P&M, such as advance approval of purchases now with a strict enforcement of the no PO no Pay approach, are a major change for many users.External Audit's Report to the Audit and Risk Committee in July 2023 notes that old and inconsistent ways of working have continued in some areas such as P2P.

This represents a complex combination of new process designs, the new policies and processes not being appropriately embedded through the right change management (e.g. by communicating to and training the users, securing buy-in, training) and users getting used to the new approaches.

Challenges: Culture – division and trust

Given the difficulties that the People and Money Programme has faced, the culture would be expected to be severely tested. Findings from our interviews suggest that cultural challenges have arisen from the P&M programme which have exacerbated the division and lack of trust between many staff across Colleges, Schools and Departments and senior University management. Phase 3 in particular was going to have greater challenges following some of the concerns that had been raised in Phases 1 and 2 and the design changes (e.g. Finance reporting lines) that had already been made.

- **Wellbeing:** During our interviews, some concerning messages were highlighted regarding the effect the programme has had on staff's wellbeing and morale. This has been through the stress of the programme impacting both: those in the programme team trying to deliver successfully and resolve the significant issues and challenges being faced; and those across the organisation in Colleges, Schools and Professional Services Groups trying to work with the new system, new ways of working and policies. Anecdotally we have heard that this has led to staff leaving the programme, governance boards and the organisation (e.g. Professional Services within Schools). This has been on top of additional factors such as the COVID pandemic, war in Europe and cost of living crisis which have affected morale in all public sector organisations and society more broadly.
- **Behaviour:** There were some statements noted during fieldwork describing the culture around People & Money as adversarial and unprofessional at times with suggestions that users have been afraid to speak up, have honest conversations and unable to escalate questions or concerns. This was referenced as being in relation to the programme, governance groups and engagement with Schools. Where users do speak up, there is a sense that the loudest voice gets heard without clear prioritisation and escalation routes. It should be noted that this sentiment was not universal, and the statements made are a result of individual perceptions. This report is not seeking to label any individuals or groups as adversarial or unprofessional, but does need to report the statements made.
- **Division and lack of trust:** There are strong differences of opinions across the organisation with a sense of "us and them" between many staff across Colleges, Schools and Departments and senior University management, in part due to People and Money. This division was present before People and Money and has had other contributing factors, including industrial action. Many users interviewed do not feel that they have been listened to or appropriately engaged, with new processes and the system implemented that make parts of their roles and tasks more difficult. Certain design decisions, such as access to financial information and reporting, have suggested a lack of trust leading to a feeling of disempowerment amongst users as they have not reflected input and feedback. These differences suggest that the programme has been divisive and has led to further separation. This was demonstrated by the strong, emotive views presented in the stakeholder interviews but there was also recognition of this needing to be fixed with all stakeholder groups keen to work on making progress and improvements. However, there has not yet been an effective effort to reconcile the differences and this has left many employees worried, with limited confidence that the next change programme will not repeat the same mistakes.
- **Response:** There is a feeling and expectation from many stakeholders of the need for a better response from leadership which needs to be addressed. Stakeholders have requested greater recognition of what went wrong and the seriousness and scale of the impacts on the organisation in order to come together with a joint way forward that everyone can get behind. It should be noted that a full and apologetic response was provided by the Principal / SLT to the Senate acknowledging the challenges faced.
- **Silos:** The devolved nature of the University means that Schools in particular feel separate from the "centre", due to lack of information sharing and visibility, and differences in opinion are significant (e.g. on key design decisions such as approvals), despite senior P&M governance forums containing representation from the Colleges. Limited communication between Colleges (e.g. between the College Implementation Groups) was also cited, although as part of this review there was cross-College engagement and there has been co-ordination separately to provide feedback on P&M so this is not consistent.
- **Accusations:** Through the interviews, instances were mentioned of accusatory comments looking to finger-point and blame specific individuals for mistakes or raising concerns in both directions from SLT and Colleges / Schools. This behaviour from different areas across the organisation creates an adversarial environment and has been recognised as not helpful to the programme or the organisation moving forwards and should be avoided.
- **Visibility:** There was consistent and recurring feedback from Colleges and Schools that they felt that their views were dismissed and/or not appropriately shared.
- It was suggested that similar challenges have already been seen in other current change programmes at the University (e.g. Curriculum Transformation) and that lessons have not yet been learnt and remediating actions or plans not put in place.

The obvious division and lack of trust that has been exacerbated by People and Money represents the greatest risk to any future organisational or system change being successful . The organisation is fearful and wary of change given recent experiences and tension between senior management and many staff across Colleges, Schools and Departments. Therefore, it is a really important point to be addressed ahead of future change programmes to build confidence that the lessons of P&M will be learned and acted upon.

Challenges: Strategy and approach

Focus on system implementation rather than wider organisational transformation:

An important theme from the interviews was the sense that the programme changed in focus, initially starting out as an organisational transformation with new ways of working but ultimately narrowed into a focus on system implementation.

The Service Excellence Programme was clearly set up with an aim for wider transformation, albeit the initial driver had been the necessary replacement of the out-of-date HR system. The HR and Finance transformations provided 'as-is' and 'to-be' designs and made critical organisational and process design decisions that the system would be able to enable and support. This was helpful to make preparations for the system implementation with visions and designs to work towards. The Business Case and Target Operating Model documents flag risks regarding securing buy-in and changing processes, underlining the importance of change management.

It was felt by many stakeholders that the momentum, particularly of Finance Transformation, stopped after the TOM Business Cases in 2018 whilst waiting for the implementation. In April 2020, at the outset of COVID, the Service Excellence Programme was stopped to ensure focus was only on urgent and necessary programmes and to respond to the pandemic. The HR and Finance Transformation programmes finished in November 2020 and April 2021 respectively. This changed the overall focus from a service transformation to a system implementation with the emphasis on going live with the system within the project timelines, delivered by the People and Money Programme, rather than delivering new and improved services and ensuring sufficient change and engagement. The HR and Finance transformations were originally supposed to continue alongside the system implementation to ensure the TOM designs worked and were embedded with the system but this did not happen.

This change in focus was further exacerbated as the programme encountered challenges, delaying timelines and putting more pressure on the system timelines so that the organisational change aspects had even less time, attention and resource (e.g. shortening training timelines) which continued right up until Phase 3 go-live.

As part of the People and Money Programme, whilst there were the initial TOM designs and processes from SEP, these were not updated and further translated into organisation structures, policies and end-to-end processes alongside the designs and configurations to the system and its related processes. The designs and processes were not communicated back to the wider users as part of change management, business readiness assessments, adoption and training so users were less engaged.

Our interviews suggest that the focus of the implementation programme was on the system implementation rather than the organisational and process change. This focus has been evidenced by a number of the challenges arising which relate principally to process design, structure and change management aspects which were originally agreed as part of the HR and Finance Transformation programmes, rather than challenges specifically with the technical aspects of the system.

Overly large and complicated ambition, scope and scale and long timelines:

The Service Excellence Programme had five workstreams: Student Administration & Support, Student Recruitment & Admissions, HR Transformation Programme, Finance Transformation Programme & Core System Programme. The broad and extensive scope meant that focus from governance groups was stretched and the resourcing levels and availability were impacted. It was felt by many stakeholders that there was not a clear roadmap and vision outlining how the system would underpin and enable the transformations, bringing the different programmes together. Whilst there was a clear need for significant transformation and modernisation across the University, particularly given its size and complexity, the scope was too ambitious and should have been more focused to enable successful delivery.

The scale also meant that the timelines set out were long so design decisions made up front would be forgotten or changed by the time it got to implementation which is a concern referenced in many interviews.

A certain level of design is needed in order to guide the system procurement and implementation and this was done in the HR and Finance transformations. However, the initial designs were not further iterated and detailed alongside the system implementation to outline how processes would work in practice and support business change activity. There was a lot of time invested upfront but more was needed later on alongside the system implementation.

Whilst a degree of change is always needed to ways of working, designs, policies and processes in order to adopt an off-the-shelf solution, there were significant changes proposed in HR and Finance which meant that the level of change for the organisation and users was even more substantial – this was the most significant Finance system change in over 20 years. Some changes were made ahead of go-live but many decisions were dependent on the system to enable the changes so had to be done at the same time as go-live but should have had more preparation, consideration and buy-in (e.g. Line Manager approvals).

Not enough time to re-scope and re-plan following COVID, delays and timelines:

When the Service Excellence Programme was stopped in April 2020, at the outset of COVID, not enough time was spent to re-scope and re-plan the Core Systems Programme, which had by then become the People and Money Programme, including how, what and when it would deliver and how it would work with the HR and Finance Transformations with limited overarching Governance from the University Executive. This is evidenced by the need for the People and Money Programme Board to change to the Enactment Group given the delays and request for additional costs and resources. It also led to the lack of clarity on the scope of the programme in terms of organisational change with the HR and Finance transformations stopping and not being replaced. Additionally, when there were further delays and challenges, a lot of time was spent re-planning but often whilst trying to continue momentum with the ongoing programme. Therefore, this did not have enough focus or clarity that could have been provided by pausing for a full 'stock-take'.

Centralising control:

The view within Schools has been that the decisions made and designs implemented have been based on what will work best from a central Finance perspective and for delivering financial control. This is rather than considering how Professional Services can best support the delivery of teaching, learning and research and the wider organisation and was felt by some stakeholders to signify a lack of trust in Schools. This is despite efforts in the programme to consult and take multiple views within the constraint of not being able to design a bespoke system for everyone.

Challenges: Planning

Overly ambitious and changing timelines:

The initial timeline estimates were too short with 18 months to deliver in 3 phases too ambitious given the scale of organisational change, the complexity of the University and the limited external transformation support. There was a significantly revised plan required barely two months after the start of the implementation phase, when issues around delays were first highlighted, primarily due to delays in developing the Process Design Documents and data cleansing and migration, which suggests that the original plan was not feasible or realistic. The original plan should have accounted for the capacity of the University to deliver the programme alongside the systems implementation partner and the complexity of the designs and change required.

There were a number of further replans throughout the programme, due to unexpected complexity, difficulty and delays which pushed back go-live dates. There were questions raised over how well thought through the replans were as they were carried out whilst the programme continued and did not fundamentally change the overall plan or approach. The desire to keep momentum meant that there was not a full reset at any point. The delays and replans then impacted resourcing and support contracts which had deadlines.

The delays in early activities meant that certain activities such as testing and training timelines in particular were then squeezed because of other delays with fixed deadlines in place. In particular, a full technical dress rehearsal was not completed increasing the likelihood of issues during cutover and post go-live. The partial dress rehearsal identified the need for a longer cutover period which was implemented and was successful. Lack of full dress rehearsal did increase the risk to the programme of other issues not being identified in sufficient time to be dealt with prior to go live. When there were delays, the lack of a fully integrated detailed plan meant that understanding the critical path and the impact on interdependencies was more difficult.

Extended phase 3 cutover:

Phase 3 cutover was clearly a crucial and challenging part of the programme. The cutover period was originally planned for 3 weeks but was extended to 6 following the dress rehearsal which suggested that the data migration would take longer than expected. The old system was shut down on 16 July then go-live delayed to 31 August.

During this time, it was planned for all financial transactions to be processed off-system, tracked on a series of spreadsheets and then input into the new system retrospectively after go-live. The intention was that transaction volumes would be reduced over this period with the focus on exceptions and necessary purchases only. An approval process was put in place to validate and record all transactions which were reported during this period. There was upfront communication to all users to plan ahead and prioritise all orders and payments before the cutover period commenced and to suppliers regarding the new policy. However, the extended cutover period meant that the transaction volumes to be processed increased significantly. There were preparations, plans and communications in relation to this as well as communications with suppliers and requests to users to limit transactions over this period but these were not particularly effective in practice and volumes were greater than predicted.

Finance and procurement teams were quickly swamped following cutover and go-live as invoice payment, requisition and purchase order process issues arose and a significant backlog built up. This meant that the Finance team were on the backfoot and there was not sufficient resource to provide backfill or temporary support. As the process issues escalated, the backlog grew and quickly translated into delayed supplier payments with some suppliers putting the University on hold and operational issues escalating quickly thereafter.

Many stakeholder expressed the view that this aspect of the programme felt mis-managed and the cutover approach had not been thought through properly as the scale of transactions could have been better predicted. It was also at a difficult time with the financial year end and lots of purchasing over this period just before the start of the new semester. On balance, Finance colleagues also highlighted that there was planning and communication on this and a significant factor in the backlog build up related to older invoices and orders which had not been properly dealt with at a local level prior to the cutover period commencing.

Extended time between Phase 1, 2 and 3 go-lives:

The extended gap between the Phase 1 and 2 go-lives (originally planned as 2 months, but actually 16 months) meant that there was a longer period of re-keying between the HR and Payroll systems impacting operational performance and creating additional expense in populating 2 systems.

With Finance going third and last as part of Phase 3, it meant that delays to Phases 1 and 2 impacted Phase 3 timelines, with resources having to focus more time on those go-lives rather than preparing for Phase 3 and some key decisions for Phase 3 being made early without the design and implications being fully thought through and agreed. This also meant that there was a longer gap between the Finance TOM design being completed as part of the Finance Transformation Programme and the system implementation. This meant that momentum was lost and the focus changed to the system so key outputs were forgotten and more detailed ways of working were not developed.

Rigidity on timelines:

When the Enactment Group formed, there was greater rigidity placed on timelines (hard implementation dates), milestones and budget, with the aim of trying to rebuild control and credibility over the programme. The Enactment Group was tasked with the hard implementation date of August 2022 by the Court / PRC Sub-Group in October 2021. However, this meant that when further delays arose, the time available for later phases of work was squeezed, particularly testing, business change and training, adding risk to the programme in terms of go-live business readiness. For example, software build for Phase 2 was delayed so Phase 2 Systems Integration Testing (SIT) was delayed so Phase 3 software build was delayed etc.

This meant that the Phase 3 go-live decision was heavily pressured and focused more on timeline and budget than the risks that were highlighted (across technology and organisation impacts) to a successful implementation and adoption. Certain elements of the design had to be de-scoped (e.g. Finance reports and TRAC reporting) and it was felt by many that quality was sacrificed in order to meet the 31 August 2022 go-live date.

It does have to be acknowledged that extending timelines further, potentially to the next quarter or year-end, would have added additional cost and may not have resolved all of the challenges subsequently faced.

No clear way forward:

Through our interviews, it has been consistently highlighted that stakeholders have very limited visibility or understanding of what the plans are for People and Money going forward and how things will improve. This means that staff are unclear if and when things will be resolved causing further concern.

Challenges: Resourcing

The programme not having sufficient or appropriate resource was probably the most consistent theme throughout all of the interviews.

- Planning for and securing enough capacity was a challenge throughout the programme and was affected by several factors:
  - The level of resourcing was underestimated from the start which meant that plans for backfill, recruitment and external support were often felt to be too last minute and the level of resourcing had to increase significantly over time with a number of requests for additional resources.
  - COVID greatly diminished the availability of resource within the University as many colleagues were focused on other essential programmes or had other responsibilities such as caring duties at home.
  - Recruitment over the life of the programme was very difficult, again particularly during COVID and also for certain roles such as Project Managers, Business Analysts and trainers, possibly due to the number of other change initiatives going on across large organisations in Edinburgh as well as University recruitment freezes being in place.
  - Appropriate and sufficient backfill was not always provided so key personnel involved in the programme often struggled to deliver both BAU and programme work, particularly process leads and SMEs who were critical to designing and implementing end-to-end processes.
  - Internal secondments were not always managed appropriately to provide sufficient notice, clarity around the role and management. The estimated length of the secondments were often were too short.
  - External support (e.g. from the systems implementation partner and contractors) needed to be used at short notice increasing costs. Towards the later stages of the programme, re-plan #4 in October 2021 resulted in a significantly revised role and scope of work for the system implementation partner taking on responsibilities that previously the University had planned to resource.
- Single points of failure were identified as a key challenge to maintaining pace and progress on the programme. Due to the lack of resilience it meant that when certain individuals were unavailable due to BAU or other programme commitments, off sick or on leave, key activities stalled (e.g. a specific example related to payroll and pension calculations).
- There were certain cases where there was a lack of continuity. This was due to the use of external contractors and internal secondments who transitioned off or secured new positions at critical moments due to short-term contracts which were underestimated and impacted by delays to the timeline. There was also high turnover across the programme team due to the stress and wellbeing impacts that have been suggested from a challenging programme. This meant that there was a loss of organisation and programme knowledge, and a constant challenge to transfer knowledge and upskill.
- Certain interviews have suggested that there was a lack of sufficient and appropriate expertise and experience within the programme. A balance is needed between contracting or recruiting external experts versus using internal resource that understands the University and the processes. However, some stakeholders mentioned that some staff were put into programme roles that they did not want and did not align with their skillset. We have not undertaken any form of capability assessment of the programme team, so cannot comment on this in detail. It should be noted that the statements were not made in all interviews and are individuals' perceptions. We always recommend resourcing similar programme teams with appropriately skilled and experienced people.
- A particular area where additional resource was needed is in change management. Increased change management resource could and should have been spread across or embedded in Colleges and Schools to better communicate, support and roll-out the changes required. In practice, change management effort was also provided at the wrong time when they did not have the information and detail to be effective (e.g. new detailed ways of working were not available to inform change impact assessments).
- There was not sufficient planning for and resource at critical times in the programme as well, such as at cutover and immediately after go-live, where there was not enough temporary support to manage and work through the backlog which led to a number of the major issues continuing for longer.
- The impact has not just been on the programme. Albeit anecdotal, we have heard in several of our interviews that a number of colleagues have ended up leaving the organisation and been heavily affected. This has been suggested as due to the stresses placed on both the programme team and the wider organisation impacting staff wellbeing. These have included high performing and long-standing colleagues. Anecdotally, some stakeholders have also noted that this is also making it difficult to recruit new staff to the organisation.
- There was not enough external support from a transformation partner during the People and Money Programme, such as the role that had been played by the External Firm earlier during the HR and Finance Transformations (2016 – 2019). The systems implementation partner was principally engaged to support on the technology implementation rather than the wider organisational and process changes and new ways of working. A transformation partner could have helped manage both capacity and capability challenges across programme management, change management and functional expertise, albeit this would have required a dedicated budget.

Challenges: Governance

Governance structures:

Assessing the governance of the programme is complicated by the long history and different stages from the Service Excellence Programme to the People and Money Programme. The change and complexity in the different boards and programme titles that have existed over the timeline have resulted in a lack of clarity and understanding over governance and decision-making structures. This has contributed to a lack of ownership and clarity on roles and responsibilities and where decisions are being made, with governance structures that were not clear or well documented.

- When the Service Excellence Programme Board was stood down in April 2020, there were three separate boards across HR Transformation, Finance Transformation and People and Money, with no overarching board for a period of time to provide oversight and manage the interdependencies. Three separate boards meant that there was a lack of joined up decision making, co-ordination and ensuring sufficient organisational and process input into the system design and implementation.
- The Governance was not appropriately reset after the closure of the SEP programme in April 2020 to reflect the updated scope and position. Comments were made in interviews to suggest that there was not enough seniority, impartiality, organisation-wide and Professional Services representation or experience on the P&M board, with the focus too heavily on the system implementation rather than the wider transformation. The P&M board was considered by many stakeholders to be ineffective in overseeing the programme and change, not meeting often enough and was eventually stood down to be replaced by the Enactment Group. The Finance Transformation Board was stood down too early in April 2021 as it had lost momentum following the TOM business cases and was not appropriately replaced by People and Money Programme Board structures.
- The People and Money Programme Board also had lost its reporting line to the SEP Board and this was not appropriately replaced, with the University Executive Group and Court not able to provide a comparable level of detailed scrutiny, particularly given the focus on the response to the COVID pandemic.
- There was a lack of clarity around where various governance and decision-making groups sat in relation to each other and where decisions were being made across the Enactment Group, Design Authority, Rapid Decision Group, Flipped View Group etc. and whether these were transparent (e.g. it was felt that many stakeholders that decisions were being made outwith the P&M Board or Enactment Group). The accountability across different Programme Sponsors, Leads and Managers was unclear without a designated Executive Sponsor(s) responsible for presenting to Court and the wider University. There were sub boards and groups mentioned in interviews that were not clearly documented and other governance groups that not all stakeholders were aware of.
- Some stakeholders questioned whether the Enactment Group was provided with the right information and enabled to make effective decisions. The timeline and budget were often challenged but less so core design decisions and risks. This was suggested to be due to the detail and information provided but also the expertise available to effectively scrutinise.
- Some Enactment Group representatives and other senior stakeholders suggested that there was different information and discussions in Schools and College Implementation Groups compared to wider Programme Governance (e.g. Enactment Group) without a good two-way communication mechanism.

Information to support risk management and decision making

There was a continuous theme that risks and issues were highlighted early across the University, particularly within Schools, but did not seem to be communicated appropriately with the right information or taken into consideration in more senior governance groups. The risk management approach was suggested by many stakeholders not to be fit-for-purpose with the risk register not appropriately visible or updated with a number of 'red' risks but without full assessments, mitigation plans and approaches.

This then impacted decisions such as going live at Phase 1 when many risks and challenges were known and business readiness was flagged as 'red' as the processes were not mature enough and the organisation was not ready. For Phase 3 there was not certainty that all of the key risks and issues were appropriately flagged, acknowledged or mitigated, and the focus was too heavily on the system rather than ways of working, people and change. For Phase 3 go-live readiness, there was a lot of red status assessments regarding the readiness of areas to implement the new processes and ways of working. In addition, there were a number of risks and issues identified from the partial dress rehearsal including data reconciliation issues that were accepted. Some stakeholders felt that the Phase 3 readiness assessment was a tick-box exercise, identifying risks but not influencing the go-live decision which had already been made given the hard implementation dates and that there was not a developed no-go plan.

Therefore, it was viewed that decisions were not always based on full, complete and detailed impact assessments and were made to meet timeline and budget restrictions rather than delivering successfully with quality. It has also not always been clear where, how and why design decisions have been made which suggests that these were not sufficiently transparent, communicated and evidenced.

Additional governance points:

- Initial budget and timeline estimates were very low and needed to be significantly increased over time with requests to Court for additional budget and re-plans which extended the timelines. Some stakeholders felt that the benefits were over-estimated and cost savings lacked validation.
- Given the evolution of the programme, there is no clear baseline against which to assess success against proposed outcomes and benefits and this has not been attempted. Anticipated outcomes and benefits should ideally have been reset following significant changes to the scope and programme
- College Implementation Groups were seen as helpful but the wider current Implementation Group is seen as somewhat one-way and focused on information heavy 'broadcast output' rather than an opportunity for input and feedback.

Challenges: System, data, integration and reporting

System:

- Phase 1 (go-live Nov 2020) had a number of issues which caused challenges for users and in turn affected trust and confidence in future change, with processes taking longer and requiring more resources than before.
- The effectiveness of system and user acceptance testing has been questioned in terms of having the right users involved and if there were appropriate business scenarios and end-to-end process tests. Given the pressure on timelines and proximity to go-live, stakeholders involved felt these were forced through and compromised quality. Decisions were made to progress through SIT and UAT with partial completion of data reconciliation for data objects which was highlighted as a significant risk area.
- UAT and Dress Rehearsal were overlapped which meant that it was not possible to complete a full technical dress rehearsal. The partial dress rehearsal identified the need for a longer cutover period which was implemented and was successful.-Lack of full dress rehearsal did increase the risk of issues arising during cut-over that may then have had to be resolved post go-live.
- Overall, the principal challenges, particularly in Phase 3, were due to the design decisions and embedding the agreed ways of working rather than technical system defects or problems. However, research finance and grant management is an area highlighted by users where the system functionality was not able to effectively support users over the initial months of operation.
- Many users feel that access to financial data and information has been restricted which is impacting their ability to perform necessary tasks that are part of their jobs leaving colleagues heavily dependent on central resources such as Finance Business Partners.
- Service management design: users have found it difficult to find the right staff to help and get effective resolutions through the helpdesk, particularly in the initial periods after Phase 1 and Phase 3 go live. The TOM for service delivery post go-live was not clear including roles and responsibilities with the system implementation partner.
- Many users feel that approval processes, e.g. for purchasing and expenses, are overly complex and could be simplified and improved as it has led to substantial workloads and complex workarounds.
- It seems clear that there have been some poorly thought-through decisions about user access permissions. Specifically, the decision to restrict user access to financial information largely to Finance Business Partners has caused real problems and the Finance Business Partners have become bottlenecks (e.g. budget holders not able to see or manage their own budgets).

Data:

- The legacy data quality across the organisation was generally poor (e.g. approved suppliers) so it was a resource-intensive and costly exercise to gather, cleanse and migrate. There was insufficient work on data cleansing ahead of data migration, meaning that a number of issues had to be addressed once data was moved into the new system.
- Risks were escalated to the SEP Board in September 2019, shortly after the start of implementation, regarding completion of Phase 1 and Phase 2 PDDs by agreed milestones and the data definition, cleansing and migration work not being sufficiently scoped so was a challenge from early on which was never addressed and caused many subsequent problems.
- Data gathering and migration issues were a key cause of the problems at Phase 3 go-live. Incorrect decisions were made on which suppliers to migrate by excluding those with limited frequency / value over a certain period of time. This meant that many international suppliers, often with low cash flow, were not included and had to be ‘re-established’ as new suppliers which took time and resulted in payment delays. This reflected a lack of understanding of ‘as is’ ways of working.

Integration:

- There were key integration challenges with the student, research and Estates systems which contributed to the delays and issues identified with the People and Money Programme. For example, the Worktribe integration was delayed and not ready for SIT prior to Phase 3 go-live which has caused a range of challenges with research financial management and administration.

Reporting:

- There were delays in the creation and availability of standard Finance reports which meant that, following go-live, users only had minimal information needed to monitor budgets. Many users citing the lack of financial reports as a major factor in reducing their ability to manage their area.
- Users previously had more access and ability to amend localised and more sophisticated reports so feel there has been a step back e.g. not being able to provide strategic reporting to sponsors or for budget holders to run appropriate reports.
- This has particularly affected research funding reports affecting PIs and making it more difficult to manage budgets through forecasting, planning and reporting.

C

Major issues related to People and Money

Major issues related to the People and Money Programme (1/2)

The P&M programme has faced many challenges, caused by both organisational and process design changes as well as the system implementation. These have had a significant impact on staff, students and suppliers which led to negative social media and press coverage, impacting the University's reputation and staff morale. Highlighted below are the main issues that were identified most frequently as having a significant impact on stakeholders.

PGR student grants, payments, expenses and stipends

A key design decision was made to change the process for paying student stipends from being via the Payroll process to being via Accounts Payable. Across the Colleges and Schools, there were a number of different ways of making payments (e.g. single payments, multiple payments monthly, quarterly, in arrears, in advance etc.) and this complexity was not fully understood or mapped before go-live. So even though student stipends were manually processed initially, there were still issues with completeness and some payments were missed / paid late for c. 360 PGR students. Stipend payments required three forms to issue a one off/ initial payment creating significant workload for staff and causing substantial delays in students receiving their payments, and in some cases experiencing financial hardship, partly due to some monthly deadlines for stipend details also being missed. This was later resolved to only one form being used to issue one off lump sums and moved on to the system (with no recurrence of issues).

Following system implementation, PGR expenses were managed off system and required students to complete forms which had to be manually keyed in by School staff. It was unclear to many users why PGR students (set up as contingent workers) could not access the P&M expense module.

Supplier migration and payment

Many previous suppliers were not migrated to the new system as they fell outside thresholds of value or frequency, requiring additional work (from users and suppliers) to set them up as new suppliers. Notifications were not consistent in terms of when suppliers were being setup. This was combined with stricter enforcement of the "no PO, no payment" policy. This caused issues amongst suppliers and the University, with many suppliers being unhappy to resubmit paperwork, damaging relationships and the University's reputation. More seriously, some suppliers were not paid timeously and refused to supply further goods/ services as well as threatened to take legal action. Schools were handling multiple complaints from suppliers, with little guidance on what to tell them. Excessive levels of stress and workload were placed on staff who dealt with the complaints.

Financial Approvals – Line Managers v Budget Holders

The current process requires Line Managers to approve expenses and requisitions from their line reports. However, many Line Managers do not hold budget responsibilities, and academic staff taking on management roles report finding themselves burdened with approving low value transactions or approving leave for over 100 line reports. This was a known management risk well in advance of P&M and approved as part of the design and implemented for Phase 1 HR. The Line Manager approach is cited as having led to an added substantial workload, and concern over the potential impact upon budgetary control. Some Schools have implemented complex workarounds, and academic Line Managers often lack expertise due to rotating roles. The impact of the added workload has been stark on staff wellbeing, with some Colleges noting that there is a lack of time and capacity to apply effective scrutiny and control to approvals. In balance, the programme team noted that the budget holder approval approach would also have presented a range of design challenges and complexities with pros and cons for both options.

Research grant financial management

Research grants require PI approval for expenses and purchases over £10,000 (this is essentially a Budget Holder approval model). Previously handled by research support teams, funding bodies expect support for PIs. Some grants include finance managers or expert services. Expenses exceeding PI approval go to their Line Managers, who often have limited involvement and knowledge of the conditions or requirements of the grant. Allowing research support staff in Schools to take on Project Manager roles has helped in some Schools, but challenges arise due to complex administrative processes and high grant volumes in other Schools, such as in Biological Sciences with numerous large grants which stretch the small research administration team. The requirement for PIs to approve financial transactions reduces the time they have for research.

In addition, PIs do not have appropriate visibility, through direct data access or reporting, to effectively and properly manage their research grants and associated budgets such as tracking spending and forecasting staffing commitments.

Major issues related to the People and Money Programme (2/2)

Manual processes and records

A high volume of offline forms for completion and approval, before being submitted through Service Requests or Helplines, adds excessive workload and error risks. Extensive work done outside the system makes tracking progress and workflows challenging, and the new processes have been perceived by many users to increase workload instead of streamlining and promoting efficiency gains. Many users have adopted offline working due to the lack of visibility of crucial information from the system, instead relying on and keeping local manual records.

Access issues, visibility of data and unavailability of financial reports

The P&M implementation aimed to manage access in a bid to improve internal control across the organisation. However, the degree of restriction was commonly regarded as excessive, resulting in significant inconvenience to many staff members and limiting or hindering their ability to undertake their roles. Key examples included Research Finance Administrators being unable to perform core parts of their roles due to inadequate access to live data and reports. A similar issue was highlighted with respect to budget holders of non-research grants. Furthermore, Phase 3 go-live went ahead with the minimum available reports required to run the organisation. There were challenges with producing bespoke finance reports and subsequently this element of the implementation, looking at bespoke reporting, was de-scoped. Many users have expressed the challenges they have faced in their roles as the financial reports available are not deemed to be sufficient to operate in their roles. Moreover, many users claim they do not have access to reports that are pivotal to them operating effectively in their roles following the change in access rights post go-live, e.g. funders not getting the right information from the University, causing additional workload and stress on PIs and research administration teams.

Members of staff in Schools have had limited to no visibility of the status and progress of payments, invoices and expenses (particularly in the first half of 2022/23) which has resulted in queries being resolved slowly and subsequently manual offline records being kept.

Many of the decisions noted above were taken with financial control in mind. However, some stakeholders stated that their access to information has been restricted to such an extent that they can no longer do their jobs effectively. With more effective communication, cascaded more effectively, and a greater focus on change management activity in these areas, these negative impacts could potentially have been mitigated, or avoided altogether.

Backlog post phase 3 go-live (invoices)

The Phase 3 cutover period was a key period in the programme, where the extension of the cutover led to an unmanageable backlog for finance staff to deal with. The cutover period was extended from 3-6 weeks following the partial dress rehearsals which confirmed that deadlines would not be met. The absence of a full technical dress rehearsal before go-live did increase the risk of issues arising during cut-over that may then have had to be resolved post go-live.

Many stakeholders noted that the post go-live backlog was not planned for adequately, as staff faced the challenge of becoming accustomed to a new system while in parallel dealing with a large backlog. In balance, Finance colleagues also highlighted that a significant factor in the initial backlog build up related to older invoices and orders which had not been properly dealt with at a local level prior to the cutover period commencing.

Employee wellbeing

Many stakeholders have stated that the programme and its challenges have had a profound impact on staff wellbeing. The challenges of a large-scale transformation, together with a pandemic and resourcing difficulties created great volumes of workload for some staff. Many employees felt they were blamed along the way and their hard work was not recognised, with anecdotal reports of staff crying at their desk, and long-term employees of the University leaving the organisation. Some users, who tried to provide constructive input and feedback, felt that they were considered disruptive by leadership and not listened to. Moreover, the updates presented in meetings amongst senior leaders and the communications being issued to the wider organisation were perceived by many staff to be overly optimistic, not portraying the reality on the ground.

Additional effort and resource required to operate People and Money

Many College and School representatives highlighted the need for additional resource to perform the same tasks and activities with the new People and Money system. This is because of the processes and ways of working being more time consuming and resource-intensive. This means that additional staff have had to be hired at greater cost or other value-adding activities have had to be stopped.

D

Positives and improvements

Positives and improvements raised through stakeholder engagement: People

Whilst this review was requested because of the challenges faced by the People and Money Programme and issues caused across the organisation, it is important to acknowledge and understand the things that went well. The system was implemented across three go-lives and has been operating in some areas such as HR for nearly 3 years. During the programme, certain initiatives and actions were felt to have made a positive impact such as the Enactment Group. More recently, there is a theme from the stakeholder interviews that there have been some improvements and a potential turning point with better engagement and improvement to some of the major challenges.

Change management: engagement, training and communication

- There were a large number of stakeholders engaged early on during the HR and Finance transformations, as part of Service Excellence Programme but an opportunity was missed as this was not effectively built upon or continued into the People and Money Programme.
- There has been significant emphasis placed on communicating across the University including all staff calls, town halls and Strategy and Management Committees which have been well received by some stakeholders, but more could still be done.
- Process user guidance that has been developed since go-live in certain areas has improved the training material available by covering end-to-end processes and policies and explaining why things are done for the organisation in addition to how they are done in the system – this should be delivered across other areas of scope and rolled-out more widely to users.

Organisational and process design

- HR transformation delivered organisational change bringing a disparate service together with more consistent and new services, processes and policies
- Standardised and unified processes have been introduced which have improved control, particularly from the perspective of Finance and HR colleagues.
- University payroll arrangements have been simplified and rationalised with improved functionality in various areas (e.g. auto-calculation of final month salary).
- The new system and processes are more auditable with more robust in-built controls and improved reporting functionality. Whilst it has been challenging, the new P2P process is delivering benefits from increased reporting and compliance visibility and offers scope for further improvement in internal control going forward.
- There was broad acknowledgement that users are getting more used to the functionality of the system and learning the new ways of working and processes. Procurement in particular is refining its focus, ambition and processes and providing further training to explain and embed the ways of working to support further ongoing improvement.

Culture

- Despite the cultural challenges, there have been many instances of colleagues from across the University coming together and working well in teams to deliver on specific programme objectives.
- Many stakeholders recognised the hard work and effort which had been put into the programme by many colleagues and were keen to see improvements in the hope that P&M would ultimately be a success.

Strategy and approach

- The right decision was made up front to not just replace the HR system but consider wider organisational change.
- The initial workshop approach to defining the future design and TOM for HR and Finance in order to inform the system design and implementation was well regarded.
- The decision to refine the scope of the programme for Phase 3 to ensure greater deliverability was generally felt to have consensus along with sensible decisions made to extend timelines when the risk and status were highlighted as being too great.

Positives and improvements raised through stakeholder engagement: Operational and technical

Plan

- Phase 2 (Payroll) go-live generally went well – stakeholders felt that things had improved and Payroll has delivered, paying staff accurately and on time, with only relatively minor issues.
- The Enactment Group's focus on timelines and deadlines meant that the Phase 3 go-live happened to the revised timeline, although clearly this has also created a number of challenges.

Resourcing

- Clearly, a lot of staff have worked incredibly hard on this programme over a number of years
- There were some individuals who were singled out for praise in the interviews for their impact; this was suggested to be particularly where there was a combination of programme and change management expertise and experience along with wider University experience.
- Some colleagues had learnt a lot by being involved in the programme and it had a positive impact on their career development.
- Ad-hoc support from suppliers in key areas was recognised as being provided in a flexible manner
- The overall resourcing levels did improve over the programme and this is also improving in service as well.
- Instances of focused cross-functional delivery teams have been identified as particularly positive with examples of ways of working (e.g. recent procurement improvements).

Governance

- The Enactment Group was formed in light of significant challenges and made improvements, although challenges have still been identified. This was due to strong Chairs and members with a feeling of greater impartiality and better College and Budget Area representation from across the University with more effective meetings and decision making.
- University Court (and/or its sub Groups) were involved in all key budgetary and programme approvals / decisions (including re-plans) throughout the life of the programme.
- There was high-level reporting to governance groups (e.g. Court) on status and risks, although there was also feedback that these lacked detail including in relation to go-live impact assessments.

System, data, integration and reporting

- The system did go-live and was technically functional in most areas which are set up for standardisation and further improvement. There have been many high profile programme failures in other organisations where complex systems have not reached go-live.
- The system was generally implemented with limited customisation (excluding Guaranteed Hours and pension reports) which will enable more effective and streamlined future upgrades and development and simpler ongoing support and maintenance.
- The technical landscape in relation to HR and Finance systems has been simplified replacing multiple legacy systems, reducing and improving the integrations.
- Through the data cleansing and migration activity and better controls on data input and process through the system, in general, the completeness and quality of HR and Finance data quality has improved and will improve further as new accurate data is added to the system over time; there has also been a move towards a single "source of the truth" which will which will support better reporting, management decision-making, insights and forecasts.
- Ongoing activity through the Stabilisation Plan has supported ongoing improvements to key processes following the challenges being faced after go-live.

E

Glossary of terms

Glossary of terms

Acronym	Term	Acronym	Term
BAU	Business As Usual	**OBC**	Outline Business Case
CoA	Chart of Accounts	**PDD**	Process Design Documentation
CSA	Current State Assessment	**PGR**	Postgraduate Research
DoPS	Director of Professional Services	**PI**	Principal Investigators
ERP	Enterprise Resource Planning	**PO**	Purchase Order
FTE	Full Time Equivalent	**P&M**	People and Money
HoS	Head of School	**SEP**	Service Excellence Programme
FTP	Finance Transformation Programme	**SIT**	System Integration Testing
HRTP	HR Transformation Programme	**SLT**	Senior Leadership Team
ISG	Information Services Group	**SMEs**	Subject Matter Experts
ITT	Invitation to Tender	**TOM**	Target Operating Model
KPI	Key Performance Indicators	**UAT**	User Acceptance Testing