



EDUCATION

*Helping Schools Streamline
Business Operations*



Microsoft Dynamics™

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EXECUTIVE SUMMARY

Schools everywhere are working to improve both the quality of the education experience they deliver, as well as their ability to run their operations more efficiently and effectively. Because resources are finite, a disciplined approach is required to determine how to meet the most important priorities in the most efficient manner.

School administrators are looking for systems that will help them manage student information and achievement data. These systems need to be cost effective, easy to use, and able to integrate with existing infrastructure. Tracking budgets, managing human resources and payroll, and automating financial reporting are key considerations for improving the “business” aspects of education.

Microsoft is working with educational organizations throughout the world to fully address the information sharing and financial management issues they face, by delivering the systems and solutions schools need to improve communications, reduce administrative overhead, and drive better-informed decision making throughout the organization.

The Business of Education

Every education system’s mandate is to empower its students to fully realize their potential in the global community. While this is clearly where the most attention needs to be focused, student activity is only the beginning. Behind that effort, school systems also need the systems to track and report progress, manage personnel, budget for expenses, manage facilities, and much more. In this way, a school system is much like any other business, and in order to function effectively, they need to manage their operations using many of the same concepts and tools used by any other business.

This white paper will help identify the issues and opportunities for taking a strategic approach to effectively managing operations. Key areas of improvement include eliminating operational inefficiencies, improving access to information to all stakeholders, reducing administrative overhead, and enhancing the quality of user experience for administrators and educators.

By implementing the systems needed to take an organized approach to managing the business of education, schools ultimately are serving their primary mission of helping students develop their full potential.

Operational Issues Facing Education

School systems of all sizes face a growing range of issues and opportunities, from enhancing the education experience to protecting student information, to managing bus routes and collecting funds for the latest field trip. And, because many school systems face budgetary constraints and may not have the operational overhead they would need to fully address these issues, taking a disciplined approach to determining how to meet the most important priorities in the most efficient manner. Some of the most pressing issues can be grouped into the following categories:

COMMUNICATION AND COLLABORATION

Teachers, students, parents, board members, administrators, and staff all have the ability to contribute to the overall effectiveness of the learning experience, but each has a different set of information they control, and different needs for information. Parents want to know if their children are in class, how they are performing, and if there are homework assignments to be completed. Students would like to be able to access study resources online, and be alerted to assignment deadlines, test dates, and other key events. Teachers want an organized way to share activity information with parents and students, as well as accessing procedural information and links to educational resources. And administrators and staff need an efficient way to enter and access the wide variety of information needed to perform their duties.

School systems face a variety of requests for information, and optimally may want to consider an integrated student information management system (SIMS). Controlling access to information is a key requirement. Adopting a standards-based solution will help to ensure the flexibility and longevity of the system. And implementing a system that is easy to access and use will increase adoption rates and strengthen the benefit schools seek to achieve.

Adopting a flexible knowledge management system enables teachers and administrators to share best practices and other institutional knowledge. By creating a centralized, easily accessible site for knowledge collaboration, schools will have the structure in place to increase the intelligence of the entire organization.

OPERATIONAL EFFICIENCY

Schools are being asked to devote as much of their resources to student education as possible. Major operational efficiencies can be achieved in the areas of administration, facilities management, transportation, and food services. Improved budgeting systems reduce paperwork and increase accountability. Paperless requisition and purchasing systems increase purchasing power and streamline the supply chain.

Because the specific operational requirements for each of these systems is fairly discrete and separate from the others, many school systems have found themselves in the position in which they have separate “point solutions” for each. Several difficulties arise from this approach. Each system has its own small window, viewing part of the overall picture, making it difficult to report on performance. Reporting in general becomes a difficult and time-consuming activity, and the data is sometimes questionable. Often, information from one system is needed to complete the data in another system, requiring complex data imports or tedious manual re-entry of data. From an IT perspective, multiple systems require a great deal of support resources, particularly if upgrades to technologies or related systems are needed. Training and support can also consume significant resources, especially when replacing staff.

Taking an integrated approach to managing operations offers significant opportunity for an increase in efficiency. A consistent technology platform can save significant resources by reducing IT complexity and lowering licensing obligations. A consistent and well-designed interface makes accessing applications easier, reduces training costs, speeds data entry and should result in more effective use of the applications. Because the main systems are integrated, information flows from “front office” to “back office,” reducing labor, increasing accuracy, and improving access to decision-driving data.

HIRING AND RETAINING QUALITY STAFF

The quality of the employees is routinely the most important variable in any business—and this is no less true in education. Committed administrators, motivated educators, and efficient and productive staff all directly impact the ability to deliver a quality educational experience.

Giving school administrators the information they need to run their programs is crucial to their ability to manage and guide overall activities. Office staff need systems that are simple to use and that allow them to perform their duties with a minimum of wasted effort. Improvements to internal processes can significantly improve job satisfaction for finance personnel and other support staff. And teachers are continually challenging themselves to deliver the best possible educational experience. With improved systems for sharing information between teachers and with students and partners, teaching staff will be given more tools to achieve their goals.

Implementing an effective human resource (HR) management system can also have a dramatic effect on a school’s ability to hire and retain staff. Developing an organized system for tracking and comparing applicants helps keep top candidates visible, which is especially important as new positions open. Tracking licensure and certifications in the HR system helps ensure teachers are on track, and are encouraged to continue improving their professional development.

Performance management is another key area for improvement. Having a centralized system that is easily accessed by administrators and that contains past performance reviews, certification history, position history, and pay raise history can reduce the burden on administrators and ensure a complete record of performance. Scheduling and completing performance reviews in a timely fashion helps schools stay in compliance with government and union requirements, in addition to the benefits delivered by offering timely feedback to teachers and staff.

Efficient payroll processing is important to any organization, and schools are no exception. With complex pay and benefit contracts, in addition to the variety of pay periods needed to satisfy both year-round and school-year employees, it is vital that the payroll system offers the flexibility and functionality needed to track and pay employees. The payroll system should allow calculation and management of complex payroll inputs, including flexible pay periods, contract periods, and variable compensation packages, and should allow calculation, tracking, and electronic filing of paycheck data, employee updates, and in-service credits, which may be required by teacher retirement agencies.

One issue many school systems report is that, while they may be reasonably satisfied with their HR system and their payroll system individually, the lack of integration between the two systems results in a great deal of extra effort. Entering data in two systems wastes time, and building the required reports can be extremely time consuming. An integrated HR and payroll system will allow staff to

spend less time recording data and building reports, and provide a better, more comprehensive picture of the employment situation whenever needed. This can be especially important when negotiating with unions, as it can provide a much clearer picture of how each proposed change will impact the school's budget. With better information, administrators will be able to negotiate from a position of knowledge.

And finally, offering employees browser-based access to their own payroll and personal information, common in many large organizations, is now becoming available to groups with smaller IT budgets. User-based online access to payslip, time-off, and benefit information reduces "just checking" calls to the HR department. The ability to submit online changes to one's own address, phone number, and other personal information reduces administration and increases data accuracy. Supervisors will be able to access relevant information about the individuals who report to them, including phone numbers, emergency contact information, start dates, last performance review dates, and other information which previously they may have had to keep in paper files or call administrative staff for. And because this data is accessible online, it can be accessed at home, away from office hours, whenever needed.

IMPROVING REPORTING EFFICIENCY AND QUALITY

Schools face high levels of accountability—and expectations continue to grow. Regulatory agencies, funding sources, school boards, and parent organizations all need different sets of information, and often require information to be formatted in a specific fashion, to allow comparisons between schools. Also student and operational performance data needs to be monitored closely and continuously.

Deploying an integrated solution that can bring together student information and operational information will help consistently and accurately pull needed data, without requiring the intense individual effort often needed to create these reports today. Having the ability to design reports that contain information in the format required by the consumers of these reports is crucial to delivering measurable results on a consistent basis. Integration with familiar applications staff already use, such as Microsoft Office Excel and Microsoft Office Word, can make it much easier to create reports that can be further analyzed and shared in a common format with others. The ability to e-mail reports to board members and others can help reduce distribution time and costs. Electronic distribution also makes it easy to post reports on internal Web sites, and to search for specific points of data in a report, versus having to page through printed reports by hand.

Eliminating or significantly reducing the amount of effort required to produce reports, increasing the accuracy and timeliness of information, and reducing distribution costs are all key benefits of implementing a well-designed, integrated information management system.

ACCESS TO AND RESULTS FROM FUNDING

Many schools are facing reductions in funding, even as the expectations on those schools continues to rise. Student achievement performance benchmarks must be achieved, and reported, to continue to secure funding. More and more, schools are expected to devote a higher percentage of their budgets to in-class activities, requiring greater efficiencies on the administrative side.

Some private schools have followed the lead of universities in establishing long-term relationships with alumni to fund capital improvements and special projects. And today, even public schools are taking advantage of unprecedented opportunities to partner with private enterprise to sponsor new schools, labs, vocational programs, and other activities.

Aggressively managing the acquisition of funds is a greater mandate for administrators than ever before. Taking an organized approach to tracking funding opportunities and applying for specific funds is now a necessity for school systems. Detailed financial and student information will help schools state their case for funding. And having an organized system for storing and accessing historical grant data will help schools develop grants more quickly and with more comprehensive detail.

Tracking the funds received is critical to demonstrate accountability, and to improve the likelihood for future funding. Each fund needs to be tracked separately, as well as being able to be rolled up by category, by site, by period, and so on. Efficiently recording expenses against each specific fund, across multiple periods, and even multiple fiscal years is essential, and keeping an eye on planned expenses, in addition to funds already spent, will help ensure each area stays on budget, or alerted when expenses will exceed allocations.

Another small but important funding management issue involves student fees, for field trips, sports, clubs, and other activities. While the individual contribution of each fee may be minimal, the tracking and recording of these fees can be unusually time consuming for

teachers and in-school staff. Deploying a flexible, easy-to-use system for collecting fees will help reduce the burden on staff, and integrating the data with financial management systems will enable schools to easily track funds and create reports.

Because funding has become such an important part of school administration, a thorough examination of fund acquisition, tracking, and reporting systems can reveal significant opportunities for increased efficiencies and improved operations.

Turning Operational Challenges into Opportunities with Microsoft Applications and Technologies

We have outlined several major operational issues facing school systems, and identified the key benefits of taking a strategic approach to information management. Significant opportunities for increased efficiency and improved management practices arise from reducing the number of disparate, non-integrated data management systems. Major systems should share a consistent technology platform to reduce IT overhead and allow for ease of data sharing between systems. Applications should be designed to meet the current needs of the school system, but should also have the flexibility to serve as a platform for further growth.

For several years, Microsoft has been working to take a “total picture” look at the business of education, to help provide the operational support solutions our school systems will need to run more efficiently and, ultimately, to improve their ability to deliver a high-quality educational experience to their students. By delivering a unified technology foundation for learning systems, communication and collaboration networks, and operational applications and information management systems, our goal is to help schools “do more with less” so they can concentrate as much of their efforts as possible on education-related strategies.

Key areas in which Microsoft and its education-focused partners can assist schools in improving operations include:

COMMUNICATION AND COLLABORATION

A framework for sharing and accessing information and tools, providing user-based access in an easy-to-learn environment. Each audience and each individual can be given access to the documents, reports, announcements, calendars, and Web services-based applications that will assist them to connect and contribute to their school in greater depth.

STUDENT INFORMATION MANAGEMENT SYSTEMS

A student information and management system supported by Microsoft partners provides a centralized data source for all student information, giving schools the ability to identify trends in data and immediately generate reports.

FINANCIAL MANAGEMENT

Applications designed to help schools better manage budgeting, accounting, fund management, purchasing, fixed assets and other core operations, with strong financial reporting and analysis tools to help meet the broad variety of regulatory and financial management information needs.

OPERATIONAL MANAGEMENT

Applications developed specifically for school systems to more efficiently manage transportation, food service, facilities management and other areas, which can be integrated to share relevant data with other systems, helping to increase efficiency and improve operational effectiveness.

HUMAN RESOURCES

Integrated HR and payroll applications with functionality designed specifically to meet the needs of school systems, including tracking certifications and licensure, pay and performance history, multiple pay period options, union-specific reporting, and user-based employee and administrator access to the HR and payroll information they need.

REPORTING EFFICIENCY AND EFFECTIVENESS

Flexible reporting tools that help schools to quickly and consistently fulfill reporting requests and deliver information to each group according to their needs, to help drive data-driven decision making.

FUNDING

Applications to help schools track funding sources, apply for grants, build relationships with funding organizations and individuals, and report on progress toward funded goals to improve opportunities for future funding.

Microsoft Dynamics: Business Solutions for Education

In addition to the Microsoft foundation platform of operating system, server, and database technologies, Microsoft also offers applications that school systems can use to help improve their operational effectiveness, reduce administrative overhead, and increase the value of information to make better-informed decisions.

FINANCIAL MANAGEMENT FOR EDUCATION

Microsoft Dynamics is a comprehensive, integrated financial and business management system that school systems can use to gain a clear picture of their finances, track budgets, manage human resources, and automate regulatory and financial reporting. Key areas of functionality include:

- **Financial Management**

General ledger, payables, receivables, fixed assets, and other core applications are all designed to work seamlessly to help capture, report, and analyze data needed to run school operations more effectively.

- **Human Resources/Payroll**

Integrated human resource management and payroll applications help schools manage all aspects of employment and pay, with comprehensive reporting capabilities to help administrators better run their schools.

- **Funding**

Fund accounting, grant management, and encumbered expense management help schools accurately track the source of funds and monitor current and expected expenses against those funds.

And relationship management applications can help schools track and manage contacts with parents, alumni, and other potential funding sources.

PARTNERS SERVING EDUCATION

To help schools get the most from their information technology investment, Microsoft is working together with a dedicated global network of partners and independent software vendors focused on the specific needs of education organizations. Certified Microsoft partners with special expertise in education can provide local, personalized service—from planning and implementation, to customization, to ongoing support and training. That means schools get world-class business solutions from professionals who understand their needs and will be there as the school's needs continue to grow and change. In addition, Microsoft's certified independent software development partners provide applications designed specifically for education, and which integrate with our products to help us deliver a comprehensive solution to school systems worldwide.

INNOVATIVE INTEGRATION WITH MICROSOFT OFFICE

Integration with Microsoft Office System Excel, Word, Outlook, and other applications makes it easier for users to quickly share, analyze, and communicate vital business data with board members, parents, and other constituents.

And all Microsoft Dynamics applications are designed to offer the same look and feel as the Microsoft Office System applications users are likely to be familiar with, which can help reduce training and support issues, and increase the value and usage of these systems to staff and administrators.

Microsoft Solutions for Schools

Microsoft is fully committed to helping educational institutions by delivering a full complement of services and solutions across the classroom and throughout the organization. Tailored to today's evolving needs, these tools help schools improve efficiency and obtain greater value from their IT investments. Examples of Microsoft's programs for educational institutions include:

- **Microsoft Learning Gateway**—provides a standard interface for addressing and sharing education applications and student data for more accurate, more secure, and more accessible information to support student achievement. The Learning Gateway Framework allows your school to quickly build and deploy a Web-based learning environment that supports mandated back office reporting. From curriculum resources to student records to classroom assignments and activities, this framework facilitates collaboration among all the constituents in your connected learning community. Plus, this framework provides integration with accounting and assessment solutions provided by Microsoft partners for accurate, timely reporting on student achievement.

- Microsoft Class Server—makes it easy for school districts to create, deliver, and grade standards-aligned tests and lessons over the Web—helping teachers track and improve student achievement against local curriculum standards, and meet the challenges of government-mandated reporting requirements.
- Mobile Learning Solutions for Schools—maximize your school's investment in information technology systems by giving teachers access to vital information when and where it's needed. At the same time, these accessible solutions allow students to participate in digital learning, no matter what their experience with computers may be.
- Fresh Start for Donated Computers Program—helps primary and secondary schools ensure its donated computers are properly licensed—so students and teachers can gain additional access to technology.
- Innovative Teachers program—become an active stakeholder in your profession, joining a community of teachers, receiving targeted help with using technology to transform teaching and learning, and gaining opportunities to be recognized for your innovations in the classroom.
- Microsoft Dynamics Academic Alliance—a program providing comprehensive, integrated business management systems for business school curricula where the school has the opportunity to receive a donation of software for the classroom, technical support from product experts, and access to on-line product training and education.
- Microsoft IT Academy Program—empowers member high schools and colleges to deliver training to help prepare credit and noncredit students for careers and certification in information technology. The program gives faculty and students access to training on current software and the latest Microsoft technologies.
- MSDN® Academic Alliance—an annual membership program for college and high school technical departments in the areas of computer science, engineering, and information systems. As members, departments receive a subscription that includes software and tools for Microsoft platforms, servers, and developer tools for instructional purposes.
- Partners in Learning Initiative—partnering with state governments, education leaders, and other key stakeholders to deliver curricula, tools, and resources for comprehensive Information and Communications Technologies skills training and curriculum leadership.

Helping Education, Helping Us All

The students of today represent our brightest hope and greatest obligation. They are the citizens, workers, artists, educators, and leaders of tomorrow. Education remains a top priority for most governments throughout the world, but we all are faced with increasing demands and opportunities, which often results in unfunded mandates, scarce budgets, and limited resources.

By taking a strategic, forward-looking approach to the systems that help us run our schools, and by making intelligent and informed investments in information and financial management systems, we can improve our ability to manage the business of education and serve our communities to the best of our ability.

Microsoft is committed to delivering the comprehensive, integrated solutions educators need to help improve operations, increase communications, secure appropriate funding, and make decisions based on accurate, actionable information. By serving education, we not only serve ourselves. We serve our future.

To learn more about Microsoft and its benefits for schools visit: www.microsoft.com/dynamics/education

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems your company already has implemented. By automating and streamlining financial, customer relationship and supply chain processes, Microsoft Dynamics brings together people, processes and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

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