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### The Customer

Northwood University is a multi-campus university with locations in Michigan, Florida and Texas. Northwood University is primarily a business school. It has a large adult program with three traditional undergraduate campuses. Northwood is 50 years old with 4,000 undergraduate and graduate students, including 1500 international students. The institution’s mission is to develop the future leaders of a global, free-enterprise society.

Cheryl Warner has celebrated her 34th year at Northwood. She proudly states “I am a Northwood product. I have both BS and MBA from Northwood. I started as an Accounts Receivable clerk. I have been the budget director for 20 years.” She is in charge of the accounting department and the budgeting function, and is an adjunct instructor at Northwood. Cheryl is also an active member of CACUBO, having served as the association’s Controller.

Cheryl’s philosophy at work is to keep things simple. She follows that philosophy when thinking about her departmental heads. “This is all about our users and their needs,” she says. “I like putting things in elementary terms where possible. Not everyone does budgeting for a living. Department heads are not part of the business function like we are. We are here to support them,” she adds.

### The Problem

Like many universities, the biggest challenge facing Northwood today is enrollment. Northwood University is a private school with no state funding, so proper budgeting is mission critical.

“This is a tough environment,” says Cheryl. “There is more scrutiny on the budget process than any other time

since I have been here. With a challenging environment we needed a new budget process and system to keep competitive.”

Coupled with the changing economic situation, the entire upper management at Northwood was in transition due to many retirements. Their new CFO from Sears Holdings wanted to make things more dynamic. He was accustomed to sophisticated tools like Cognos, but Northwood used Excel for budgeting.

Northwood University knew that it could not afford the big products and knew that an Enterprise Resource Planning system was an over-kill for their needs. They wanted a faster and smoother budget process with no programming required from either finance people or IT.

The old process took way too long. The institution had 110 budget managers; that meant 110 templates that needed to be compiled and consolidated into one. The old process was also fragile. Even adding a single line to a user’s budget template could break the system. And users always had reasons why they needed to change the templates.

Even after the data was consolidated, the organization needed to manually aggregate data for reporting. The process was so rigid that it could not do what-if scenarios at all. Finally, all the budget data needed to be imported into Datatel Colleague, the university’s general ledger system.

The new CFO was the biggest critic of the old budget process and he didn’t even use it. As for users, Cheryl adds “They didn’t know what they didn’t know.” The new CFO went through 1 or 2 cycles and said, “No more.” “We had this on our radar for a while and we had looked at virtually everything,” adds Cheryl.

## The Evaluation

“We got an email from X Lerant for a web demo.” says Cheryl “We watched a demo and that was it. While we had looked at other products over the years, we were not really in the market and then X Lerant came along and we said ‘I want that.’ We went right to contract stage. We don’t always make decisions quickly. This was different. We saw that this was going to live up to the promise.”

Cheryl adds “It was so simple yet sophisticated and the price was right. We had looked at the big boys in past and said ‘No Thanks.’ We considered our general ledger vendor, Datatel, but it was too cumbersome. I think about my users and the difficult time they have. I liken it to the analogy of Turbo-Tax. I use Turbo-Tax and it really resonated with me. Department heads don’t have to have a sophisticated financial brain to use this. Plus, we never want to sacrifice the practicality of the application for the purity of the architecture.”

Asked if she had any concerns about X Lerant, Cheryl responded; “Yes. It was a young company. But we were okay with that. We believed in the product and the vision. That was it.”

## The Implementation

Northwood’s IT department stress tested BudgetPak’s performance, arranging to have multiple users all work on the system simultaneously. BudgetPak passed the test with flying colors.

“The implementation went very well and was even better than we expected. We have 110 budget managers and got zero complaints. And we had minimal IT involvement. Our users amazed me in the way they solved problems. All of the ‘what-ifs’ and projects were all done on time. It was amazing. And we used the on line training videos as well. The reference manual provided my users all that they needed. Cheryl went on to explain, “We even got positive emails on the system. The CFO got positive comments about the new budget system and that made him feel good. Our users were really accepting and there was no pushback at all.”

“One of my colleagues became the back up person for BudgetPak; and learned everything they needed to know,

even though they never went through formal training. This was really great,” adds Cheryl. “X Lerant is responsive to any and all questions that we had. The support was fabulous.”

## The Solution

Northwood University produces several variations of their budget because they cannot be sure what final enrollments are going to be. BudgetPak’s “What-If” feature makes it easy to model different scenarios and keep the figures separate. Forecasting used to be done by just Cheryl, now her users are moving in the direction of managing their own monthly forecasts.

Cheryl adds, “Salary planning is great. I love that. We used to do salaries off-line. This is so much better. I was able to cut \$200k using salary planning.” Because the budget managers now have an annotation feature, she now understands the reasons for the numbers she sees and her budget managers are more accountable.

Northwood is taking steps toward using BudgetPak as its reporting tool. “Because of the way the account structure is set up, we get better and more flexible reporting. We will stop using Datatel for reporting because BudgetPak is much easier.” She adds “Don’t worry about which GL you use. The integration with BudgetPak is all seamless regardless of which transactional systems you use.”

Cheryl recommends talking to other customers early in the evaluation process. “We all have similar challenges and questions. When one of us goes through an evaluation and an implementation, we should all take advantage of that. Don’t wait until the end of the buying process to talk to other customers. Institutions can be much smarter if they take this step earlier in the evaluation process.”

Finally, Cheryl says “Don’t be reluctant to change. Think about your users. Look at this through a user lens, not just a finance lens. They complimented us on BudgetPak. That never happened before. “

