Ovum

Cloud momentum builds for Oracle in higher education

Ovum view

Summary

The past several years have seen not only Oracle's development of cloud solutions for its higher education customers, but also the vendor's own mission to transition from a software provider to a services provider. Fittingly, the key themes of Oracle's Higher Education Analyst Summit (held at its Redwood City HQ, California, in November 2019) could be summed up as a renewed focus on transparency and customer-centricity.

Oracle enhances Student Cloud

Over the past four years, Oracle's cloud momentum has accelerated markedly, growing from a handful to over 400 US institutions having adopted Oracle software-as-a-service (SaaS) solutions, with a "deep bench" using Oracle Cloud Infrastructure (OCI) to support both Oracle and competitor on-premises solutions. The majority of these SaaS customers are enterprise resource planning (ERP) and/or human capital management (HCM); and many schools are now selecting both solutions in order to leverage the full power of Oracle's unified SaaS platform. Student Cloud's momentum has not yet reached an inflection point, primarily as its first modules were released just two years ago, but there are now 12 institutions live or implementing it.

The practical reality remains that while the use cases for ERP and HCM systems are essentially standardized across the higher education industry, student systems have historically been homegrown or heavily customized to serve the differentiating functions of their institution. With that knowledge in mind, Oracle is deliberately taking a cautious, strategic approach with the overall roll out of its student system (for example, focusing solely on the North American market for the time being). Its product updates – which include enhancements to the Academic Planner and increased self-service capabilities for students and parents for Student Financial Planning – show Oracle's commitment to deliver on its promise: the creation of a student system that is flexible and intelligent enough to grow alongside an institution, rather than simply support the institution in its current administrative needs.

Oracle has had several significant recent wins on the Student Cloud front, including Juilliard and Rutgers. Juilliard will be adopting the entire Oracle Cloud platform (HCM, ERP, and Student) for its New York and Tianjin campuses, which will be used to support a variety of programming (e.g., pre-college, undergraduate, and graduate curricula) and languages. Rutgers, which will be another full Oracle Cloud customer (currently live on ERP and implementing HCM Cloud), is the first complex, research-intensive (R1) institution to announce it will be deploying Oracle Student Cloud to replace its two current student information systems (SIS): a critical opportunity for the vendor. Joining Butler University, which is already live on the Student Financial Planning module of Student Cloud, is Penn State University which started on its Practical Path to Student Cloud from Campus Solutions by having launched its implementation of Student Financial Planning. The success of such early adopters' implementations will have a high impact on Oracle's own success within the higher education community, particularly given that the deployment of a competitor's student system for an R1 school has had a significant setback.

Oracle partners with its higher education community

In addition to the Higher Ed User Group and Cloud Customer Connect (Oracle's community portal for customer engagement), Oracle supports its institutional user base in a variety of ways. The Higher Education team recently established a Student Cloud CIO Council, bringing together CIOs from Rutgers, UCSD, Vanderbilt, Rice, and UMBC to share their own institutional challenges and provide advice on Oracle's product direction and prioritization. They also created a variety of focus groups for Student Cloud, incorporating 10–20 global customers for each of its major modules such as Student Advising, Financial Aid, and Institutional Research.

Furthermore, Oracle Consulting Services (OCS) launched Soar, an automated cloud migration program intended to help enterprise customers upgrade from their on-premises Oracle systems (such as E-Business Suite and PeopleSoft) to Oracle ERP and HCM cloud solutions. Soar is a comprehensive offering that includes leveraging a set of automated tools (e.g., for data migration and configuration) and proven methodologies that will help customers simplify and shorten their own journey to the cloud.

Soar, which was launched in June 2018, is a global program; over 80 enterprise customers have adopted the approach, and over 20 have completed their on-premises to cloud journey. The Soar program is an option worth considering by institutions as they assess their own cloud journey; one higher education customer in New York has already leveraged the Data Migration Dashboard in their Oracle HCM Cloud upgrade. OCS plans to eventually offer similar support for Campus Solutions customers, but will need to wait until Student Cloud is a more mature product.

Appendix

Further reading

"Oracle aligns its product strategy to support true institutional transformation," ENV006-000067 (October 2019)

"Oracle's practical path offers a roadmap for student and institutional success," ENV006-000041 (November 2018)

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We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Ovum's consulting team may be able to help you. For more information about Ovum's consulting capabilities, please contact us directly at consulting@ovum.com.

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