IF you have money to continuously upgrade technology, AND you have sufficient staff to research and implement new technologies, AND your IT customers proffer glowing accolades attesting to your staff’s technological prowess, THEN you don’t need this presentation, ELSE this may help you.

Clarion University recently faced a dilemma: wire seven residence halls for data, voice and video with no money or additional support personnel. A unique solution evolved in which we combined all of our telecommunications services into one package and sought a consortium of vendors to wire our residence halls and use future royalties from the sale of services to pay for it.

As a result, ALLTEL Communications, Inc. headed a consortium that wired our residence halls (in 3 months!) and now supplies our students with cable television, Internet access, local exchange and long distance telephone service, cellular telephone and paging services, and student help desk support for the next ten years. Additionally, the consortium offers special pricing to off-campus students and affinity groups such as employees, donors and alumni. Royalties from the future sale of these services will be used to pay $1.5m toward the wiring costs. Add in a new PBX and ten years of management for the PBX, the student data network and the cable television system and you’ve got the full range of products and services we are receiving under this project. This is how the University completely overhauled its telecommunications systems and services with no additional personnel and for just a small increase in annual telecom costs and student fees.
Need Help with IT?
Build an Alliance with Private Industry

Two years ago Clarion University found itself in the rather unenviable but certainly not unique position of needing to upgrade technology but having no money to do so. The main focus in this instance was our residence halls. We were in the process of installing a fiber optic ATM network in the academic and administrative buildings; however, the residence halls were not included in that project for a number of reasons. It was recognized that for enrollment management purposes we had to provide Internet access to the residence hall rooms. The big question was, “How?”

A unique solution evolved in which we bundled all of our telecommunications services into one large project; offered our students, employees, affinity groups and the University as potential customers; and sought a consortium of vendors to supply those services. The major requirement of this solution was that the consortium had to cover the cost of the residence hall network and be willing to take the risk of recouping its costs through future royalties on the sale of the telecommunication services it supplied.

The University

A little more background will help to put the project in perspective. Clarion University is one of the fourteen member institutions of the State System of Higher Education (SSHE) of the Commonwealth of Pennsylvania. We have approximately six thousand students, two thousand of which are residential. We employ roughly seven hundred fifty faculty and staff on two campuses that we own in Clarion and Oil City, PA, and one site in West Penn Hospital in Pittsburgh. The seven residence halls that are the focus of this project are located on the Clarion campus.

We were in the process of installing CNet, our university-wide fiber optic ATM network to all buildings when we started this project. Our telecommunications systems consisted of a Centrex telephone system; a state network, PAnet, for administrative long distance; and a private company for student long distance service and billing. The local cable company was providing cable television service to the students over a coaxial cable plant that they installed and continued to own.

In the area of support personnel, the twenty-one members of the Center for Computing Services support networking, computing, telephony and help desk services. We also provide instructional technology support and training as well as the technical support for our interactive video network for distance education classes.

The Series of No’s

We began this project not knowing if it was a viable concept. There were a number of points of failure. We didn’t know if the consortium idea would work, if the bundling of services would work and most of all if the business case would work. At the beginning of this project the naysayers were in abundance. If one was prone to pessimism, a good argument could have been made that the best adjective to describe our situation two years ago was “No.”

No Allure - Clarion’s location in rural Western Pennsylvania is approximately two hours from Pittsburgh, two and one-half hours from Cleveland and three hours from Erie. While we are proud of our institution and its locale, our area is known mostly as a vacation wonderland with nearby Cook Forest and the Allegheny National Forest attracting a good-sized tourist industry. It is hardly an urban Mecca with a large customer base to attract private industry.

No Internet Access - As part of our CNet installation we ran fiber to each residence hall and connected a small lab in each hall to CNet. In this way students were able to access the Internet through the University’s connection without having to walk across campus to a lab. However, if they
wanted Internet access for their own desktop systems, they had to sign up with a local Internet service provider for modem access because CNet did not extend to the rooms.

**No Money** - Residence Life had their plate full with a multi-year schedule of major repairs for the residence halls including bathroom renovations, new windows, structural repairs and electrical upgrades. All discretionary funds, and more, were tied up in these necessary facilities renovations and for the foreseeable future there was no money to pay for the installation of a network.

**No Student Fees** - As an auxiliary service of the University, the only way Residence Life could raise money to pay for a network would be to charge the students. However, the students had just voted for a new fee to pay for the construction of a Recreation Center. Understandably, the University did not want to increase fees yet again in a such short period of time and it was questionable as to whether our Council of Trustees would have approved the fee had we opted for that route.

**No New Personnel** - Adding a student network brings on a host of new support issues. Here we were contemplating expanding our existing network by up to two thousand additional users. How could the already over stretched Computing Services staff adequately support all of these new users and continue to support the existing customer base?

As we all know these are tough times in academia. Public funding is not keeping pace with costs, technology departments often have a revolving door through which their personnel flow as they get better paying jobs in private industry, and technology is seen as the way to increase efficiency and reduce personnel costs, not increase personnel. Even if we could overcome the hurdle of getting additional personnel, there were other issues.

The biggest support issues are based on the fact that these users are different from our typical University network users. Students don’t go home at 5:00 p.m. like employees. Who was going to fix a network problem or answer a Microsoft Word question at midnight, which is when many students are working on that assignment due the next day? Students come back to campus all at once, during the weekend before the semester starts. How was the University going to hook up hundreds of desktop systems to the network within one weekend so the students could e-mail Mom and Dad that they’ve arrived safely on campus? Additionally, students own their desktop systems, not the University, so now we have a liability issue. What happens if a student says one of our technicians destroyed his/her system while connecting it to the network?

**No Applicable Procurement Process** - The existing procurement and construction rules and regulations with which we had to abide as a member of the SSHE could have done us in as well. The Governor and the Chancellor were encouraging the universities to enter into public-private partnerships; however, the existing rules and regulations made that option almost impossible.

The traditional RFP process was a bad fit for this project from the beginning and we knew it. For those unfamiliar with the process, if you want to build a network or a telephone system using an RFP you need to have it designed ahead of time. Then all vendors must respond to that set of detailed specifications with minimal deviation, if any, and the choice is pretty much made based on price. This means you are using one engineer or consultant’s view of how the systems should be designed.

If a vendor submits a proposal with a different design or a new technology, you either have to disallow that response (even if it is preferable) or start from the beginning and re-issue the RFP with the new specifications, a costly and time consuming prospect. So you can see that you need to have a very good idea of what you want before you release the RFP to the vendors. We didn’t.

**No Time** - Since we were winding up the installation of CNet at that time, we knew how long it would take to get the residence halls done if we had to go through the normal Pennsylvania and SSHE procedures. By the time we went through the RFP process for an engineer to design the network; through another RFP process to hire a wiring installer; and then a third for the network equipment, it
would be two to three years before the network was complete. Our President gave us a mandate to have the residence halls wired by fall 1999, which was only one and one-half years away.

**The Series of Yes’s**

Things look bleak indeed, as it seemed the naysayers had the upper hand. However, as they say, “If you think you can’t, you’re right!” so we put on our rose colored glasses for another look. When we looked deeper we found there were some positives in our favor.

**Yes, we had CNet** - At the time we started this telecommunications alliance project, we had already designed CNet and were in the process of hiring a wiring installer while simultaneously working on the final design of the ATM network equipment. This knowledge and experience proved timely and invaluable. We were able to formulate in our minds how we wanted the residence hall network to look, work and interface with CNet. With this knowledge we were able to do some redesign of the proposals to bring the costs down considerably.

Additionally, by the time wiring began on the alliance project the fiber runs to each residence hall were in place. The fact that we only needed to do intra-building wiring rather than inter-building wiring saved a lot of time and money.

CNet had been designed with three category 5 cables to each faceplate, which were terminated to the nearest network closet. The idea was that in the future a new telephone system could utilize the same network closets and the category 5 wiring could be used interchangeably for either telephone or data dependent on the needs of the room. As a result, the only intra-building wiring necessary in the alliance project, aside from the residence halls, was the telephone trunking between network closets.

**Yes, we had improved our organization** - In the fall of 1997 the responsibility for the telephone system was transferred to Computing Services. As a result of the high visibility of CNet as a combined voice, video and data network project, it became more apparent to management that the telephony and data technologies were merging onto the same network. It was recognized that we could get synergistic results by putting the responsibility for those two areas in the same department. Consequently, Computing Services had the ability to include a new PBX, long distance and local exchange service, voice mail, etc., in the mix of services, which made the alliance project much more attractive to telecommunications vendors.

**Yes, our contracts were expiring** – The University also had the good fortune to have a number of our service contracts expire within the same two to three year period. Our student long distance contract expired in August of 1998 and we entered into a two-year contract with a vendor to carry us until the alliance services were in place. That contract was terminated after only one year because the new long distance service was available by fall 1999.

The University’s Centrex contract expired in August of 1999 and was extended for one year until the PBX was in place.

The cable TV contract expired in May of 1999 at the end of the spring semester. Since the alliance cable TV service would not be available until the fall semester, a few individual satellite dishes for the residence directors and one or two residence hall lounges for the children in the summer camps carried us through the summer.

**Yes, we had a new procurement process** – As I said earlier, the standard construction and procurement processes were not suited to building an alliance so our President approached the Chancellor’s Office and offered to be the guinea pig in trying to forge an alliance with private industry. The agreement was that we would identify the roadblocks and speed bumps in our path and they would work with us to remove them.
However, one of the greatest boons came very early in the project and directly from the Governor’s Office of Information Technology. Shortly after we got underway they released the first Request for Qualified Contractor (RFQC) and it happened to be for telecommunications services for the Commonwealth. This was a whole new procurement process that could be used in place of the more rigid RFP and it was a perfect fit for this project.

We were able to supply the vendors with general guidelines, let them know how we envisioned the end result and then give them the freedom to tell us how they were going to get there. We wanted them to be creative and include other services based on their areas of expertise and strategic goals. The RFQC process let us achieve our goal of brainstorming with each vendor and getting them to tell us how their products, designs, solutions, etc. could meet our needs.

The other wrinkle with this project was that it is a long-term business arrangement not just a straight procurement or a “design and build” project. The vendors had to build the business case based on the stipulations that the University would not pay for the residence hall wiring and it would not guarantee a minimum amount of royalties.

The flexibility of the RFQC process allowed us to do all of the above. We released an initial RFQC document, (see www.clarion.edu/rfqc), which contained general information about what we wanted and described the RFQC process. After approving five consortia we released Addendum One, which contained more detailed specifications. We then met with the four remaining consortia (we lost one along the way) to discuss their proposals, fine tune the services and negotiate changes. This allowed us to see how and what could be accomplished and how the University could fit into the strategic plans of the various vendors.

After these meetings we released Addendum Two, which clarified the issues and changes brought up in the meetings. The strength of the RFQC process is in these multiple steps giving the University the flexibility to change the face and scope of the project by incorporating new ideas and dropping others that didn’t work. Once the Best and Final RFQC was released, it was a distillation of all of the proposals and ideas of the vendors and contained what the University thought was the best solution for our students. By this time the vendors had a much more thorough understanding of the University’s thinking. The University also had a more thorough understanding of the capabilities and limitations of the vendors, what they were proposing and why.

This strength is also its weakness in that it takes an immense amount of time to work through all of these steps. It also entails a lot of writing as you are releasing multiple documents rather than a single RFP. Unless you have plenty of spare time on your hands your best bet is to get assistance with this process and that is what we did. We were very fortunate to find an excellent consulting firm that understood what we were trying to do and believed not only in the process, but also in the viability of the result. However, even with a consulting firm steering the project and writing the documents, a lot of University time was invested in this project especially since we were limited by such a short due date.

Yes, the times they were a changin’ - The rapid changes in the telecommunications industry also worked to our benefit. Cable television companies are vying with telephone companies for a piece of the Internet market; data and voice traffic are merging on the same network; telephone companies are beginning to compete for local exchange service as well as long distance services and new fiber is being strung throughout the country. Although Clarion is in a rural area, some companies found ways to incorporate our market into their strategic plans for expanding their existing services and their market base.

Evolution of the Solution.

The pluses seemed at least equivalent to the minuses so we continued down the road. The approach we took slowly evolved over a period of months. As I said we began this project not knowing if it would work but quite frankly, we had no other options and nothing to lose by trying.
However, the telecommunications gods were smiling upon us because things fell into place and the project was successful although we went through a number of anxious, nail-biting periods. In hindsight there were four key elements necessary for the success of this project:

1. The support of the University’s upper administration
2. The support of the Chancellor’s Office and Legal Counsel for the modification of the procurement rules to foster the ability to build an alliance with private industry
3. The development of the flexible RFQC process by the Governor’s Office of Information Technology
4. The hiring of the right consultants to assist us with the process

What we finally formulated was a five to ten year relationship with a consortium of vendors to be headed by a prime vendor. The University would only enter into one contract with the prime for all services. Consequently, the prime needed to develop contractual relationships with its subcontractors. The University had to approve all primes and subcontractors.

The business case was the most important piece and the most difficult to sell to the primes. The University would not pay for the wiring of the residence halls. Instead it would assist the prime in selling its services to the students, employees and affinity groups of the University for a period of five to ten years. Royalty estimates based on anticipated revenues were developed and incorporated into the contract through the negotiation or “fine tuning” periods of the RFQC process.

One key component of this business case was that the University would not guarantee a minimum payment if the prime did not reach the anticipated revenues. Therefore, if the prime did not sell enough services to meet those minimum annual royalty amounts, it lost money. We insisted on this so the prime assumed enough risk to continue to actively market and provide the services. Quite often when one enters into a long-term contract with guaranteed revenues additional effort isn’t necessary and service tends to diminish over time. We were determined to avoid that situation.

However, if the prime generates more than the minimum annual royalties, then the University shares in those additional royalties on a sliding scale. So aside from the obvious enrollment management reasons, it is to the benefit of the University to assist the prime with the marketing and improvement of their services.

Additionally an annual “refresher” clause was written into the contract in which we re-address the technologies, the charges and the royalties. One of the ancillary goals of the project was to assure that the University stays at the front of the curve on new technologies. This annual look at the new technologies and how we may be able to incorporate them into the mix helps us do that. It also allows us to re-configure services and costs so neither partner is caught in a losing situation for a long period of time.

Another key component of the business case was that the University owned all of the equipment and wiring upon installation and acceptance. We had gotten into a situation with our previous cable vendor where they owned the coaxial cable plant that they installed in our residence halls and we didn’t want to be in that situation again. In this way, if we decide to buy out this contract for whatever reason, we have the ability to continue supplying the services.

**Scope of the solution**

After intense negotiations with the four responding consortia, the consortium with ALLTEL Communications, Inc. as the prime was chosen.

The services included in the final agreement are:

| Residence Hall Wiring | Student Help Desk |
On-Campus Computer Store       Wireless Services (cell phone/paging)
Internet Access             Cable Television
A New PBX                          Student Long Distance Service
Student Data Network Support (10 yrs.)   University’s Local Exchange Service
PBX Management (10 yrs.)          University’s Long Distance Service
Management of Cable TV (10 yrs.) Reduced Rate on Computer Repairs

Once the selection of the prime was made, things moved quickly! The impact of the project can be
described in the context of the series of no’s enumerated earlier.

No Allure – Some of the consultants we interviewed insisted this concept couldn’t work and felt they
would be doing us a disservice if they didn’t recommend we break the project up into separate RFP’s
and somehow come up with the money to pay for everything. There were those on our own campus
who felt the same way. We were told our geography was against us, we were too small and too rural.
However, you never know how you’ll fit into someone’s plans until you let them know what yours are
and give them an opportunity to merge the two.

As it turned out, our location worked in our favor with ALLTEL. Clarion’s local telephone company
is Bell Atlantic; however, the surrounding area is served by ALLTEL. Because our campus is only a
mile away from the ALLTEL central office in Strattanville we fit into ALLTEL’s plans to become a
competitive local exchange carrier (CLEC) in Pennsylvania. They filed for CLEC status in the
beginning of 1999 and were approved in August. By October the fiber between Strattanville and our
new demarc was strung.

No Internet Access - Beginning with the fall 1999 semester all residence hall students had the option
to sign up for Internet access through a high-speed network connection. A local Internet Service
Provider (ISP), through a microwave dish installed on the top of one of the residence halls with line of
sight to the provider’s POP, supplies the service as a subcontractor to ALLTEL.

Off-campus students, faculty and staff are also eligible to sign up for modem access through this
provider at a special, reduced Clarion University rate. Shortly this special rate will be available to
affinity groups such as retirees, alumni and donors. A royalty for each account is applied towards the
cost of the residence halls wiring.

No Money - During negotiations the University and ALLTEL estimated that the Alliance could
generate roughly $200,000 annually in royalties over a ten-year period. Based on that assumption,
ALLTEL agreed to pay $1.5m of up front costs for the residence hall network. Unfortunately, there
weren’t enough royalties to cover the full cost and the University had to pick up some of the costs
including the long-term management costs. The University also paid directly for the PBX.

No Student Fees - Although we wanted to avoid any students fees, unfortunately, the royalties were
not sufficient to cover all costs and we found the best we could do was minimize the fee. If traditional
financing was used to install the residence hall network, we projected a total two-year increase of $144
consisting of a $96 increase in year one to pay for the data network and an additional $48 in year two
when the data network maintenance payments began. With the alliance we just needed the $48 fee in
year two for maintenance costs. However, the students not only saved on the fee, they received
additional services such as a student help desk, a computer store, cheaper cable television and long
distance service and discounts on computer sales and service.

No New Personnel - We realized one of the greatest benefits in this area. As part of the project
ALLTEL is supplying one full time person in the computer store and they will be managing the PBX
remotely with some additional on-site support. Their subcontractors are providing a part time to full
time person in the computer store (depending on need) and a part time on-site data network manager
and full time remote data network management. Both the PBX and the data network will be monitored
24 hours a day. Other areas of support include telephone help desk support for Internet and application
software until 1:00 a.m., seven days a week, management of the cable TV system, and management of
all sign up, billing and provisioning processes. As a result, the University has realized savings of approximately $225,100 annually in personnel, marketing, billing and collection costs.

One of our biggest concerns was the beginning of the semester crunch. We needed lot of temporary help when the students came back to campus. Approximately thirty-five employees of the consortia were on campus on Saturday and Sunday of our Super Weekend in August when the students came back. Procedures were set up using our residence assistants as runners and most of the students’ services were provisioned the same day they signed up for them. The University could not have accomplished this without the additional support. The planning and training alone would have taken more time than we had available.

No time - Within a three-month period beginning in mid-May and ending in mid-August the campus was crawling with ALLTEL consortium employees. The following major components of the project were finished by the time the fall semester started:

- All seven residence halls’ rooms were completely wired for data (two category 5E outlets), voice (two category 3 outlets) and video (one coaxial cable outlet). Public areas were wired as well;
- Installation of the data electronics to activate one-half of the ports in the halls;
- New long distance telephone service for all residence hall students;
- A satellite dish farm and head end for a new cable television system;
- An on-campus computer store to sell computers, computer supplies, computer repairs, cell phones, pagers and Internet service. The store also acts as the one-stop shopping location for help desk services covering application software and any support issues concerning telephone, data, computer or cable television services. Most of these services are available to on-campus and off-campus students as well as parents of students and employees of the University. This store is open to the public as well.
- The marketing packet advertising services and pricing mailed to all students and employees.
- All processes and procedures for customer sign up, provisioning the data network, cable TV and telephone services within twenty-four hours when the students came back to campus and the billing for those services.

The fall 1999 semester was spent working out bugs in the systems, fine tuning processes and procedures and installing the new PBX. With the cutover to the new PBX in January 2000, we were able to offer voice mail and caller ID to the students. The next steps include the activation of a second telephone line in the residence hall rooms so each student has a phone and the expansion of the customer base to the University’s affinity groups.

Lessons Learned

We’ve learned a few lessons along the way and needless to say, the educational process continues. I could do this again in a year and probably give you a whole new set of learned lessons dealing with the day to day aspects of an on-going partnership. However, since we are now only in the first year of a ten-year contract most of our experience has been with the procurement and implementation phases and this is where we’ve learned a few things.

Lesson #1 - Culture Clash – Be prepared for a culture clash. Academia and for-profit business have different ideologies and structures. We have found that while our corporate partners talk about customer service they don’t put as much emphasis on it as we do. They concentrate more on the bottom line and we concentrate more on enrollment management. Consequently, the University appears to be more concerned with how the alliance is viewed by the students. When problems arise (and they do) we have to push the alliance to be more proactive in making amends and addressing student concerns.

Two examples quickly come to mind. Due to timing issues the cable television did not become operational until a day or two before the semester started and the reception for the off-air (non-
satellite) television channels was poor and unacceptable. The University worked closely with the
prime and the cable television subcontractor pushing all the way for a quick resolution to the problem.
However, the problem was not resolved until after the fall semester.

Obviously, the students were unhappy with the service especially since the Steeler’s games were on
one of those channels. In September we strongly suggested that ALLTEL directly let the students
know that they were aware of the problem and that they were actively working towards a resolution.
After two months of constant pressure they finally issued a letter and got on the agenda of two student
meetings so the students could speak directly to an ALLTEL representative.

The second issue concerned a problem with some versions of Windows 95 and 98 connecting to the
network through the new DHCP server. The subcontractor discovered that they if backed down some
Windows files to the previous version level the problem was resolved. A short term solution at best.
Unfortunately, they then began charging the students an extra $10.00 to implement this short-term
solution to recover some of their personnel costs.

Consequently, the alliance was now charging $10.00 to fix a problem that was caused by their
network, not the student’s PC. To further add to the problem, the change negated the ability to connect
to an ISP through a modem so when the students went home for the summer and tried to dial-in to their
ISP, it wouldn’t work without completely reinstalling the operating system (which, in turn, meant the
system couldn’t connect to the network when they came back in the fall). Once the University discovered this was happening we worked with the prime to develop a plan to
resolve the network problem, restore the systems and return the $10.00. This wasn’t accomplished
until halfway through the semester.

Another difference in cultures concerns how we manage projects and services. In academia we use an
inclusive style of management. We have committees that represent various components of the
organization, we share information freely and we distribute the decision making process. In the
corporate world one manager may make a decision without consulting others and, depending on the
company, they may operate in “corporate silo’s” where one department is not aware of what another
does. It is not easy for either party to adjust to the corporate culture of the other.

Of course size also plays into the mix. Clarion is a mid-sized University and although we have three
campuses they are all geographically located in Western Pennsylvania. ALLTEL is a national
organization with its home office in Little Rock, Arkansas. They have many more layers of
management to work through especially since it seems most issues need to be run through corporate.

We had a real struggle creating the marketing packet to introduce the alliance and its services to all
students and employees. We began with the local representatives to whom we had awarded to
contract. They discovered down the road that they had to pull in their marketing department located on
the other side of the state. In turn, that department used the services of the corporate marketing
department in Little Rock.

When we approved the rough copy for content the regional marketing department thought that
corporate marketing would “clean up” poor grammar, misspelling, inconsistencies, etc. However,
when we got the first draft back all they had done was format it and create the design because that was
their area of expertise. They didn’t check content. As a result the University spent a lot of time editing
copy, eliminating the use of telephone jargon and making suggestions to gear the content towards the
student market.

One way to minimize getting into the above situations would be to request the names of responsible
individuals, departments, their location, and for what they will be responsible. Even if the prime
cannot supply an individual’s name this early in the process, this request will get them to research their
own company to discover what resources are available to them and begin to design how they will go
about implementing each project component. Unfortunately, we had to go through this investigatory
stage after the contract was signed while we were under very tight time constraints and the marketing
packets were not sent out until about two weeks before the semester started. Barely in time for the start of the semester and too late to get any appreciable amount of pre-sign ups to minimize the provisioning efforts during the first weekend the students were back.

**Lesson #2 – Make Sure They Have the Authority to Negotiate** - This is one of the first things they teach you in Business 101 and it certainly makes sense but making sure that’s true is more difficult. We went through some long negotiating sessions with an individual who was heading the consortium efforts for the prime and hammered out a number of issues only to find some of them second guessed and new issues brought to the table by his boss who did not attend the sessions. This almost killed the project on two occasions.

We also ran into problems when we reached the contract legal review stage prior to signing. We had kept our lawyer involved in the process and given her updates. Their lawyers were located in Little Rock and did not have this background knowledge about how these terms had been reached. It took months to get the contracts approved because of this.

My suggestion would be to request that all consortia describe the steps of the process necessary for contract approval, with timing estimates, in their initial proposal. I would also suggest a requirement that all internal corporate parties involved in process be given status reports on the project on a regular basis. Include a copy of your standard contract in the initial RFQC release and require that any objections to boilerplate language be included in the final proposal.

During the fine-tuning stages of the procurement process question the information given to you and press the importance of this contract review requirement. You will be able to get an idea from your discussions whether they have just thrown some stock answers in their responses or whether they have done the research necessary to truly know how their company works.

**Lesson #3 - Pre-Signed Subcontracts** – The University only entered in one contract with the prime for all of the services. This meant that the prime had to enter into a contract with each of its subcontractors. Due to the tight timeframe we were working under, we did not require that the subcontractors’ contracts be in place prior to signing a contract with the prime. Our attitude was that we shouldn’t be concerned about those contracts since the prime was assuming all responsibility for supplying all products and services.

However, this did become our problem when the prime and one subcontractor with whom they had never done business before ran into negotiation problems late in the implementation phase. We were one phone call away from switching to a new subcontractor only weeks before the semester started. The prime had already supplied the corporate information about their proposed substitution and requested the University’s approval, which we gave reluctantly. Switching at that point would have been disastrous for the implementation but we were fortunate in that the two parties were able to iron out their differences.

My suggestion would be to insist that all subcontracts be signed prior to the submission of the final proposal. You don’t need to see the contracts but a signed certification by the prime that the contracts are in place is necessary. One argument we heard against this pre-signing was that the primes didn’t want to put that much work into negotiations and didn’t want to be locked into a contract with a subcontractor if they didn’t win the bid. These are valid points however, the devil is in the details and they really don’t know what problems may arise until they get into final negotiations. They can also write into the contract that it is only in force if the consortium wins the bid.

**Lesson #4 - Beware of New Partnerships** – This is in line with the previous lesson. We found that the more experience a subcontractor had in working with the prime, the smoother the implementation of that service or product. Look for long term working relationships even if they have not been contractual in past. Of course, performing the work under an already existing contract is the best situation of all.
Since it may be impossible to take advantage of existing relationships for all of the services be prepared to pay more attention to any new partnerships, pushing harder in these instances for pre-signed contracts and preparing for glitches in the implementation of those services.

**Lesson #5 – Cable Television as Revenue Generator** – One point that became very apparent early in the project was that cable television was an important component. With the dropping prices of long distance service, cable television is one of the strongest sources of revenue from resident students and some companies were less interested in the project if cable television was not in the mix. Our figures are indicating that another large revenue generator is the Internet service.

**Lesson #6 – Leave Yourself Enough Time** – Time has been a major problem from the beginning of this project. The project’s very existence can be attributed partially to a lack of time and some corners were cut because of it. Unfortunately, some of that came back to bite us at implementation. Just six more months would have given us a better product.

With six more months the University would have had more time to introduce the alliance concept to prospective vendors and to use their feedback. The consortia would have had more time to investigate their options and resources, design their proposals, find partners and build working relationships. Most importantly, there would have been more time to install the products and services and fully test and debug them before the students began paying for them.

In conclusion, the alliance between the University and ALLTEL accomplished the main goal of the project; the President’s mandate to provide Internet access to the residence hall student rooms beginning with the fall 1999 semester. In addition, a total of fourteen different products and services were implemented resulting in improved computing, telephone and cable television services for the on-campus students and an improved telephone system for the University without increasing personnel and without significantly increasing the telecommunications budget. This was a huge undertaking and we are exhausted yet proud of what we’ve accomplished.

Did it go smoothly? No!

Did we encounter problems? Yes, but I have never heard of a project of this scope that didn’t encounter problems during implementation. This was a new way of doing business for everyone involved with no precedent to follow and as we all know, the devil is in the details.

Did we improve the services to our students? Absolutely, and for us academicians, that’s the bottom line.