

Wisconsin Housing and Economic Development Authority (WHEDA®) Management Innovation/Technology: “Software Application Scorecard”

Overview

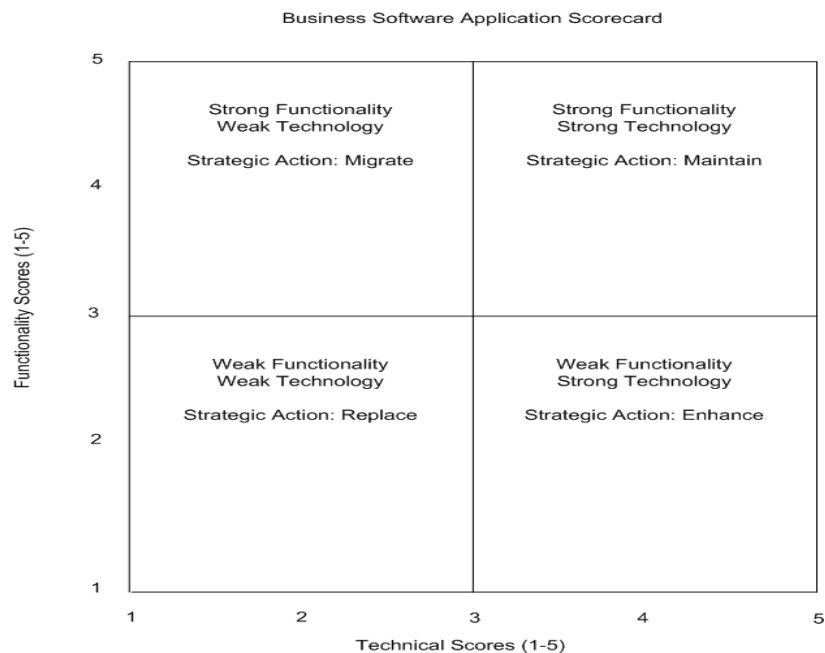
In 2004, as part of WHEDA’s Information Technology strategic planning process, we managed to identify the strategic need to upgrade our line of business software application portfolio. In the three subsequent years, we have allocated significant financial and staff resources to this initiative with impressive results.

Methodology

Through the administration of a survey, staff from our business unit was asked to evaluate various software applications on how well they supported their business operations. A score of “5” indicated total satisfaction with the functionality and ease-of-use, while a score of “1” indicated a level of discontent with the applications.

The survey also was administered to our IT staff, who was asked to evaluate the technology of these same software applications. A score of “5” indicated the applications used WHEDA’s standard and preferred technologies, and the applications had low support and administrative costs. A score of “1” indicated the technology was outdated, non-standard, and extremely difficult to support.

Using these two scores gathered from the survey, the applications were then plotted onto an x-y graph featuring four quadrants. This graph was entitled the “Business Software Application Scorecard,” as seen below.



**Wisconsin Housing and Economic Development Authority (WHEDA®)
Management Innovation/Technology: “Software Application Scorecard”**

The results of the analysis indicated that too many our applications fell into one of the three less than desirable quadrants, which required a strategic action to migrate, replace, or enhance the functionality and/or technology of a various business software application.

Here are a few observations regarding the methodology, for those who wish to perform the process:

- There is never enough time or money within a given organization to have all software applications in the upper right quadrant.
- This process leads to and/or requires in depth conversations regarding priority and value.
- Migrating applications from the upper left quadrant to the upper right quadrant is perhaps the toughest in terms of garnering support from your business units. Improvements to underlying technology can be invisible to the operations side of the business; fortunately, we were able to provide a solid business case for these particular projects.
- There are many moving targets when working with technology.

Results

During the fiscal years of 2006 through 2008, WHEDA replaced several, critical line of business applications including:

- Single Family servicing
- Single Family underwriting
- Tax credit allocation
- Tax credit monitoring
- Economic Development underwriting and tracking

Our IT team successfully migrated its primary multifamily and human resources information systems into new versions utilizing WHEDA preferred and standard technologies.

They also retired an archaic, niche software application that supported a Single Family property tax deferral loan product. The applications for this loan product are now processed with WHEDA’s core underwriting and servicing systems.

These upgrade and replacement projects also helped to achieve an important consolidation objective. WHEDA was able to move from supporting three major

**Wisconsin Housing and Economic Development Authority (WHEDA®)
Management Innovation/Technology: “Software Application Scorecard”**

database management systems to one, and from supporting two major operating systems to one.

In early 2008, the same survey was conducted with stunning results. See the table below to compare the results.

Quadrant	2004	2008
Upper right	8	21
Lower left	5	1
Upper left	9	6
Lower right	1	2

An astonishing 21 applications were found in the desirable quadrant of the Business Software Application Scorecard, which was an increase of 13 applications compared to 2004. The increase in the number of applications in the upper right quadrant and the subsequent decrease in the lower left quadrant is proof positive of the satisfaction associated with WHEDA’s replacement and upgrade projects.

Note: The totals for the table differ significantly for two reasons: (1) WHEDA added more software applications than it retired, and (2) more applications were rated in the 2008 survey.

Perhaps even more impressive are WHEDA’s financial results. From FY 2004 through 2008, **WHEDA experienced three consecutive years of decreased IT spending.** Expenses incurred in FY 2008 were just over 10 percent less than in 2004.

We feel this project continues to be successful on a number of fronts, whether it’s an effective use of staff time, overall usefulness to WHEDA, or size of budget necessary to complete it. The surveys are easy to distribute, and gather both accurate and useful information that helps our IT department gauge its business software applications by making informed, accurate decisions.