LINQ

2023 LINQ ERP Survey

Top 5 Tech Takeaways from LINQ's Latest Market Report

Today's Agenda

- The top technologies across different roles in the district business office
- Which technologies are making the grade
- The technology purchases that are a district priority in 2023
- Critical opportunities for process improvement
- How to apply these learnings to take your district's technology to the next level

Overview

K-12 business professionals and technology in use

Technology Attitudes and Values

Accuracy, efficiency, and compliance are reported as the most critical, followed by integration. Almost half of the respondents report shortages affect their ability to adopt/integrate technology.

| Technology Values
% Strongly/Somewhat Agree	
Keeping up with the pace of technology is critical to the **accuracy and efficiency of our district's business operations.**	79%
Keeping up with the pace of technology is critical to **meeting state and federal compliance requirements.**	76%
Technology is **transforming my district's business processes** for the better.	72%
Better integration of our back-office systems and processes is **critical to the accuracy and efficiency** of our district's business operations.	68%
Better integration of our back-office systems and processes is **critical to meeting state and federal compliance requirements.**	64%

| Pain Points
% Strongly/Somewhat Agree	
Staffing shortages have hurt our back—office's ability to adopt and integrate the technology we need.	47%
I am worried that after ESSER funds are no longer available, our district will not have the budget to support the technology our back-office needs.*	35%
Not keeping up with the pack of technology is holding my district back.*	33%
Our district does not have the budget to support the technology our back office needs.	33%

*Higher among Superintendents and General Admin Finance/Biz more likely to feel technology is holding them back than Superintendents. Laggards feel technology is holding them back (+20 vs. early adopters)

Integration is more important to those in large teams but also more critical to those who self-identify as laggards (+13).
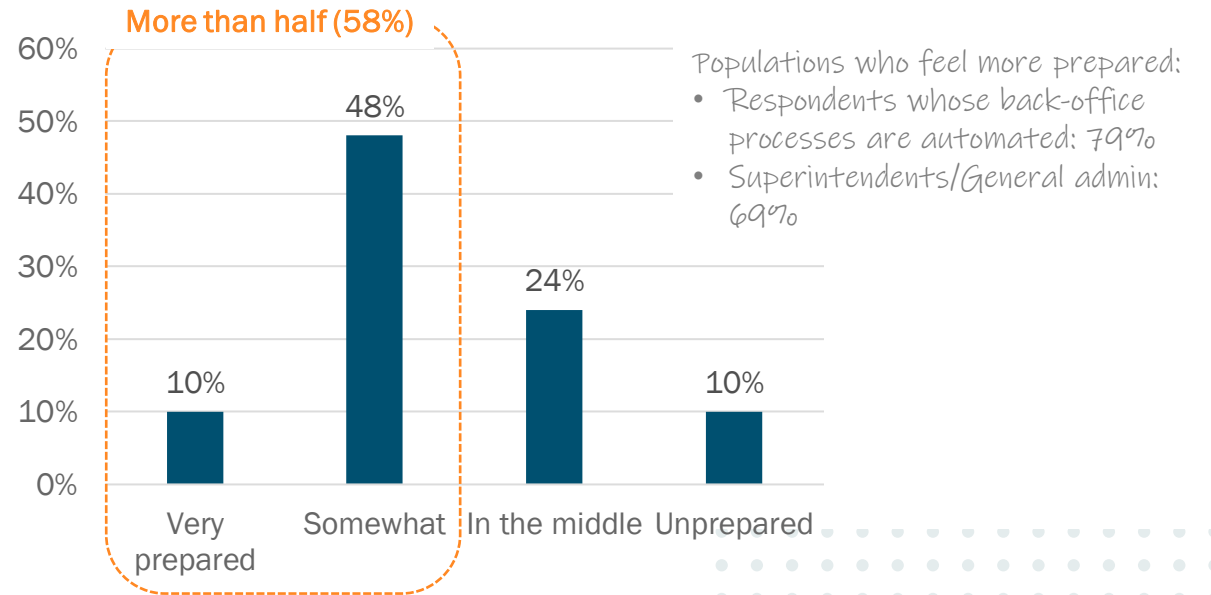
Tech Adoption

While few say they are early adopters or very prepared for the future, most report feeling "ok."

District Technology Adoption	
Early Adopters	12%
Ahead of the Curve	38%
Average	34%
Laggards	14%

Superintendent/general admin were more likely to self-identify as early adopters (40%), while Finance/accounting were more likely to self-identify as technology laggards (53%).

When it comes to technology, how prepared do you feel your district back-office is for the future?

More than half (58%)

Very prepared 10%
Somewhat 48%
In the middle 24%
Unprepared 10%

Populations who feel more prepared:
- Respondents whose back-office processes are automated: 79%
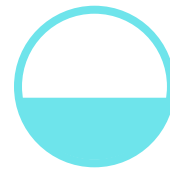- Superintendents/General admin: 69%
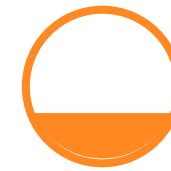
Tech Integration and Automation

14%
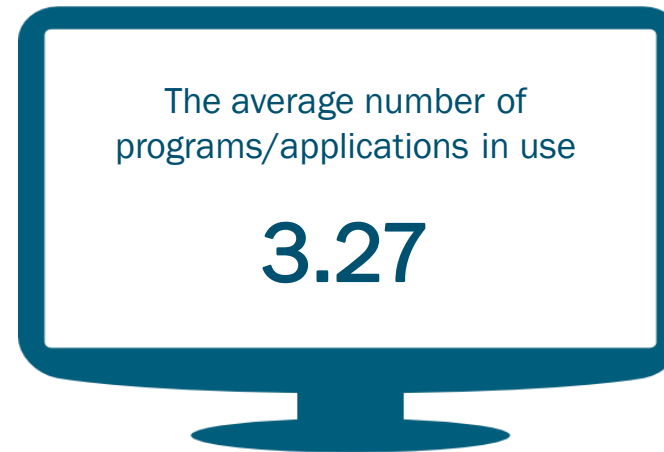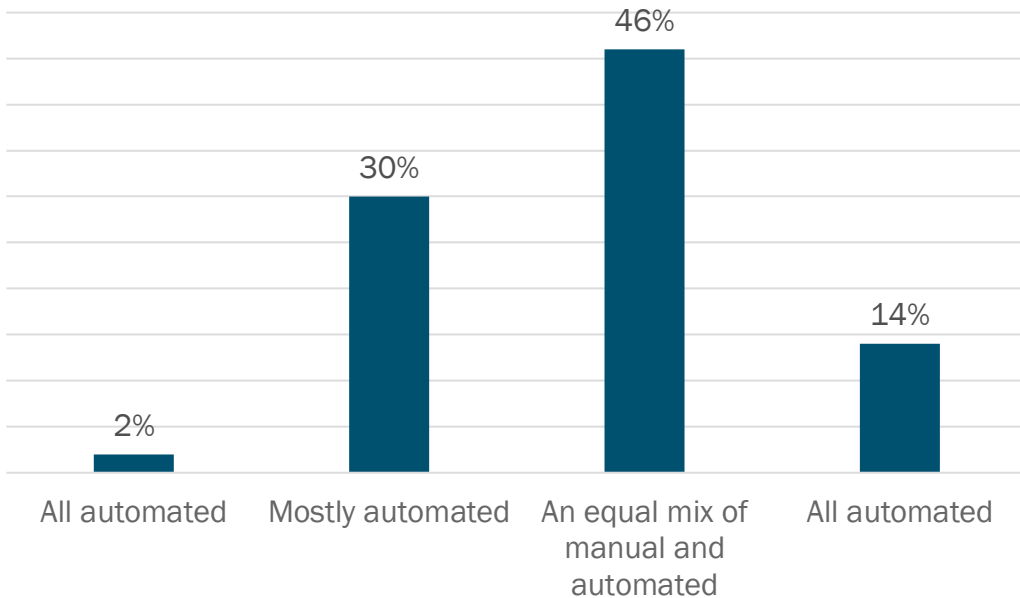Technology is integrated *within* some departments but not all.
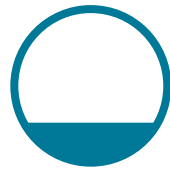
17%
Technology is integrated *within* all departments but

43%
Technology is integrated *across* some departments but not all

20%
Technology is integrated *across* all departments

Bar chart:
- All automated: 2%
- Mostly automated: 30%
- An equal mix of manual and automated: 46%
- All automated: 14%

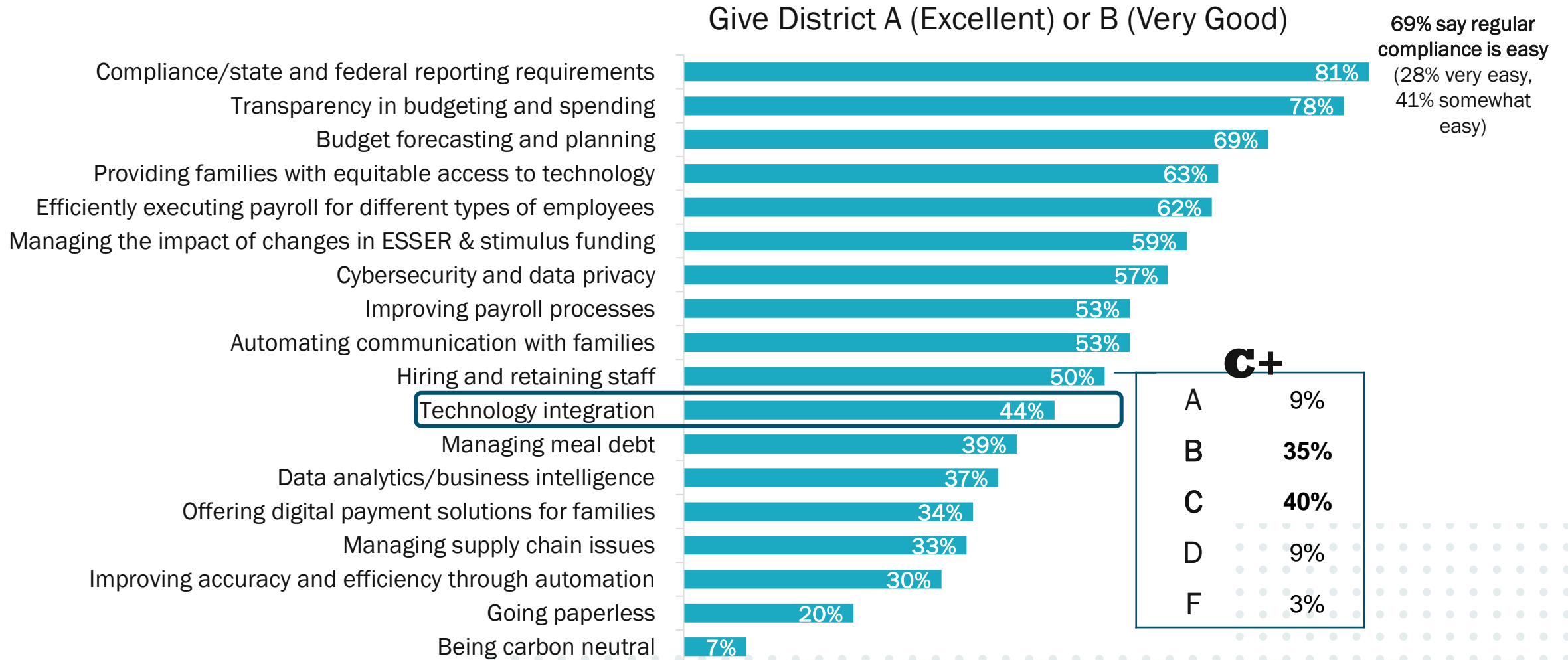The average number of programs/applications in use

3.27

Significantly lower than EdWeek data which suggests 70% of districts have >26 applications.

Laggards are 6x more likely than early adopters to report 10+ applications in their tech stack but are still more likely to report feeling very/somewhat unprepared for the future (53%).

Making the Grade

What's working for K-12 business professionals today?

Back-office Evaluations: While Majorities Give Their Office Strong Scores in Many Key Areas, Tech Integration Is Not One of Them
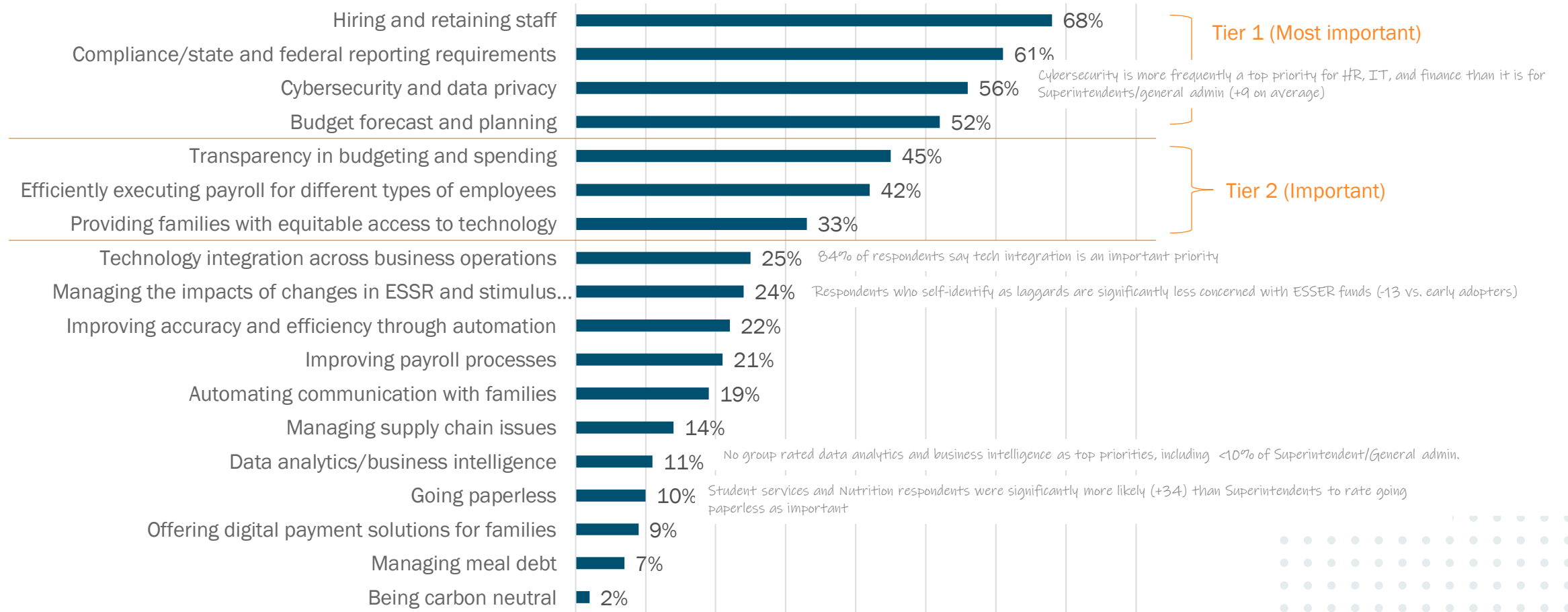
Give District A (Excellent) or B (Very Good)

Category	Percentage
Compliance/state and federal reporting requirements	81%
Transparency in budgeting and spending	78%
Budget forecasting and planning	69%
Providing families with equitable access to technology	63%
Efficiently executing payroll for different types of employees	62%
Managing the impact of changes in ESSER & stimulus funding	59%
Cybersecurity and data privacy	57%
Improving payroll processes	53%
Automating communication with families	53%
Hiring and retaining staff	50%
Technology integration	44%
Managing meal debt	39%
Data analytics/business intelligence	37%
Offering digital payment solutions for families	34%
Managing supply chain issues	33%
Improving accuracy and efficiency through automation	30%
Going paperless	20%
Being carbon neutral	7%

69% say regular compliance is easy (28% very easy, 41% somewhat easy)

C+

Grade	Percentage
A	9%
B	**35%**
C	**40%**
D	9%
F	3%

Purchase Priorities

What's top of mind with K-12 business professionals?

Back-office: Top Priorities

Priority	%
Hiring and retaining staff	68%
Compliance/state and federal reporting requirements	61%
Cybersecurity and data privacy	56%
Budget forecast and planning	52%
Transparency in budgeting and spending	45%
Efficiently executing payroll for different types of employees	42%
Providing families with equitable access to technology	33%
Technology integration across business operations	25%
Managing the impacts of changes in ESSR and stimulus...	24%
Improving accuracy and efficiency through automation	22%
Improving payroll processes	21%
Automating communication with families	19%
Managing supply chain issues	14%
Data analytics/business intelligence	11%
Going paperless	10%
Offering digital payment solutions for families	9%
Managing meal debt	7%
Being carbon neutral	2%

Tier 1 (Most important)

Cybersecurity is more frequently a top priority for HR, IT, and finance than it is for Superintendents/general admin (+9 on average)

Tier 2 (Important)

84% of respondents say tech integration is an important priority

Respondents who self-identify as laggards are significantly less concerned with ESSER funds (-13 vs. early adopters)

No group rated data analytics and business intelligence as top priorities, including <10% of Superintendent/General admin.

Student services and Nutrition respondents were significantly more likely (+34) than Superintendents to rate going paperless as important

Process Opportunities

Mapping priorities to strengths

Priorities vs. Perceived Strength

Respondents' Perceived Strength

- Compliance/state and federal reporting requirements (~80%)
- Transparency in budgeting and spending (~78%)
- Budget forecasting and planning (~69%)
- Providing families with equitable access to technology (~63%)
- Efficiently executing payroll for different types of employees (e.g., salaried vs. hourly, union vs. non-union, full-time vs. substitute teachers) (~62%)
- Managing the impact of changes in ESSER and stimulus-related funding (~59%)
- Cybersecurity and data privacy (~57%)
- Automating communication with families (~52%)
- Improving payroll processes (~52%)
- Hiring and retaining staff (~50%)
- Technology integration across business systems/processes/departments (~44%)
- Managing meal debt (~39%)
- Data analytics/business intelligence (~37%)
- Offering digital payment solutions for families (~34%)
- Managing supply chain issues (~33%)
- Improving accuracy and efficiency through automation (~30%)
- Going paperless (~20%)
- Being carbon neutral (~7%)

High priority among all respondents; only half rating themselves as very good/excellent

Districts report they aren't doing these things well but aren't prioritizing investment either.

Prioritized Areas of Investment

5 Takeaways

Key Insights

Technology can support hiring and retention

- 2/3 identify as a top priority and more than 1/3 plan to increase in this area

- 47% report lack of staff is making operations harder

- Creating a great employee experience is essential

Modernizing through automation is easy – and essential

- Simple tools can make a big difference

- "Work about work" remains a persistent threat, with roughly 23 hours of the 40-hour workweek lost to menial, repetitive task

Integration brings it all together and should be prioritized.

- 43% of K-12 business professionals report that the technology they rely on is integrated across some departments, but not all

- Technology can improve functionality, efficiency and make it easier to collect, analyze and use data

5 Takeaways

2 Opportunities

The time to think beyond ESSER is now

- Only 24% of respondents prioritize managing the impact of ESSER spending

- Districts using ESSER for recurring financial commitments via budget backfilling, new hires, or permanent raises

- By balancing long-term and short-term planning, districts can balance the need for immediate results with sustainable success. Short-term planning enables districts to respond quickly to environmental changes and stay agile.

Leverage real-time data for actionable insights.

- Only 11% of respondents report that data analytics/business intelligence is a top priority.

- Paper-based data collection systems can be slow, administratively burdensome, and prone to human error.

- To achieve real-time data insights, districts need the necessary technology and connected systems to share data and ensure insights are delivered to the right people at the right time.

Wrap Up

Now available!
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LINQ

2023 ERP
Survey Report

Insights into District Leaders'
K-12 Priorities

Appendix

Analysis and Observations by Trend

Audience Profile

	%	N Size
Superintendent/Asst Superintendent/General Admin	33%	45
HR/Payroll/Benefits	25%	34
IT/Cybersecurity	1%	2
Finance/Accounting/Business Office	43%	58
Purchasing/Procurement	7%	9
Student Services	3%	4
Nutrition/Food Services	6%	8
Communications/Marketing/Community Outreach	1%	1
Safety Security	1%	2

Respondents self-identified their roles within the district and may have selected multiple roles.

Respondent Tenure

7% · 26% · 13% · 25% · 13% · 16%
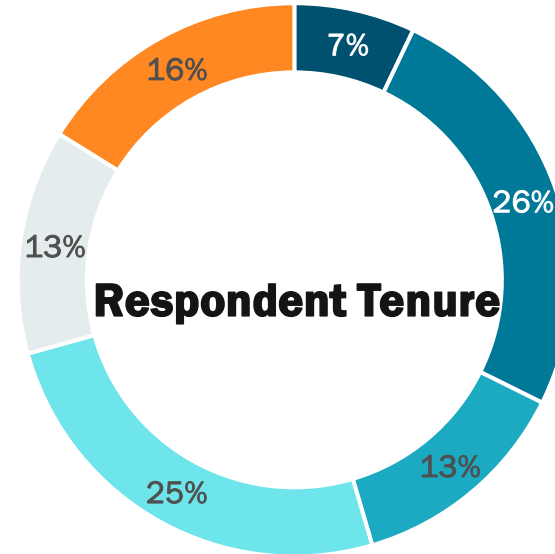
- <1 year
- 1-2 years
- 3-5 years
- 6-10 years
- 11-20 years
- 20< years

- Superintendents/general admin represent the audience newest to their role, with 47% working within their current district for less than 2 years
- 54% of Finance/Business Office professionals have been with their districts for more than 6 years
- HR and finance roles were almost as likely to come from a corporate job (30%) as from elsewhere in K-12 (35-36%)

Additional Notes
- Survey fielded 2/13 – 3/2
- Strong participation from target personas
- More than half of the participants (54%) have been with their district for 6+ years. Consistent with Broad Center research.
- The median number of district students = 1350
- Responses received from 37 states

Preliminary Findings

First view of the data

Observations

What the data tells us

Initial Observations

1. Key Takeaways for LINQ
2. Personas and audience attributes
3. Alignment around key priorities
4. Platform opportunities
5. Payments

Key Takeaways for LINQ

Districts Need Help with Staffing Shortages

- Right now, this audience's top priority and biggest pain points are recruiting, hiring, onboarding, and retaining staff.

- Few give their district positive ratings in this area, and about half say this hurts their back-office's ability to adopt and integrate technology.

- Only a quarter say that systems related to this are automated. This is the #1 area where districts say they will invest more in the future (35%).

Connecting Technology Integration to Other Priorities

- Districts are also focused on compliance, cybersecurity, and budgeting,

- The majority feel their district is doing a **good enough** job today.

- Technology integration is NOT a top priority in its own right.

- Few districts say technology is fully integrated, though a majority say there is integration within or across some departments.

- **Connecting the dots on how technology integration helps with other priorities will be key in convincing districts to get on board.**

Motivating to Improve the Status Quo

- Few describe their district as an early-tech adopter or ahead of the curve, and just 1-in-10 say their district is technologically very prepared for the future. Yet most say technology is transforming their business processes for the better.

- Respondents give themselves strong ratings on many back-office processes, particularly those mostly/fully automated (few are cloud-based).

- There are not a lot of areas where districts plan to invest more in the next 12 months. **This all suggests that districts are taking a "if it ain't broke, don't fix it" mentality – an opportunity to message to and motivate districts to be more proactive.**

Additional Takeaways

Old dogs <u>can</u> learn new tricks. While K-12 professionals are often regarded for their lack of sophistication in technology – and more tenured staff especially – LINQ research respondents are challenging these perceptions.

Persona and audience attributes

- 45% of early adopters in LINQ's research have been with their districts for 11+ years

- GenX respondents are +20 percentage points more likely to be early adopters than Millennials.

- Populations who feel more prepared based on their understanding and adoption of technology:
    - Respondents whose back-office processes are automated: 79%
    - Superintendents/General admin: 69%
- HR and finance roles are almost as likely to come to their district from a commercial role as they are to come to their district from another K-12 job.

Additional Takeaways

Reaffirming trends that have been covered in other research, the LINQ data suggests hiring, recruiting and onboarding is a universally a top priority across all audience attributes, regardless of role, team size, and/or tenure.

Other identified priorities are more diversified and vary between roles.

Alignment Around Priorities

- ESSER funding is more of a priority with district leadership (Superintendents/General Admin) than with those in front-line roles.
  - Respondents who self-identify as Laggards are significantly less concerned with ESSER funds (-13 vs. Early Adopters).

- Finance/Biz Office respondents were more likely to feel technology were holding them back than Superintendents. Laggards are significantly more likely to feel technology is holding them back (+10 vs. Early Adopters).
  - Although 93% of central office administrators agree investing in back-office K-12 technology is a good use of taxpayer dollars, nearly a quarter (24%) said it's been more than three years since their district implemented or significantly upgraded back-office systems, and 5% said it's been at least seven years. ([Source](#))

- Cybersecurity was frequently cited as very important but is more frequently a top priority for HR, IT and Finance than it is for Superintendents (+9 on average).

- No group rated Data Analytics and Business Intelligence as top priorities, including <10% of Superintendents/General Administration.

- Student Services and Nutrition respondents were significantly more likely (+34) than Superintendents to rate going paperless as important.

Additional Takeaways

While LINQ survey respondents report far fewer applications in their tech stack than previously published EdWeek data, opportunities for consolidating and integrating systems remain important.

Platform Opportunities

- 84% of respondents to LINQ's survey report that integration is important but self-identified Laggards are more likely (+13) to rate integration as very important

- Laggards are 6x more likely than early adopters to report 10+ applications in their tech stack but are still more likely to report feeling very/somewhat unprepared for the future (53%).
  - Significantly lower than EdWeek data which suggests 70% of districts have >26 applications.

- Finance and nutrition respondents were the least likely to report real-time access to data via integrated systems (13%).

Additional Takeaways

As new generations of end users become parents, payment types also shift.

Payments

- Adoption of digital payments by LINQ survey respondents is strong overall, but significant discrepancies between payment types offered vs. those in use present additional opportunities for research and investigation.

- Per Pew Research:
  - 57% of US adults use PayPal, including 2/3 of adults 18-49
  - 38% of us adults use Venmo, including more than half of adults 18-49
  - 36% of US adults use Zelle, including almost half (48%) of adults 18-49

- Adoption of these providers is comparatively low across all respondents, including self-identified early adopters, only 13% of whom offer PayPay and 7% of whom offer Venmo.

Recruiting and Onboarding Staff

A key priority and pain point for districts; the area where the largest number (over a third) say they plan to increase investments.

Hiring and retaining staff: **68%** top priority

District Score

👍 **31%** Average task*: 60%

👎 **17%** Average task*: 13%

Automation

Manual 27%
Automated 25%
Equal mix 46%

Average*: 55%

Tech Investment Plans

Ample opportunity for coverage and thought leadership; should work to tie platform to successful hiring and retention where credible
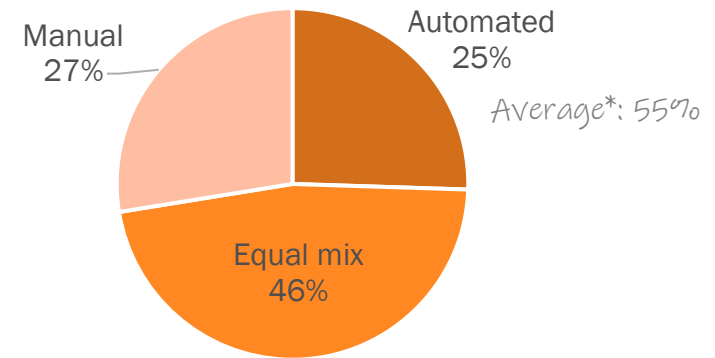
In Next 12 Months, Plan to Invest…

⬆ **35%** Average task*: 14%

Same amount **56%** Average task*: 75%

⬇ **2%** Average task*: 2%

Cloud-based

Yes, cloud-based
42% Average*: 41%

No, plan to move to cloud-based in next 12 months
10%

No, no plans to move to cloud-based
35%

Payroll
The system with highest ratings; two-thirds say payroll is all/mostly automated, and **slightly less than half say its cloud-based**

District Score

Tier 3 priority: **21%** say top priority, **54%** important but not top

👍 **75%** Average task*: 60%

👎 **7%** Average task*: 13%

Automation

Manual 7%

Equal mix 26%

Automated 67%
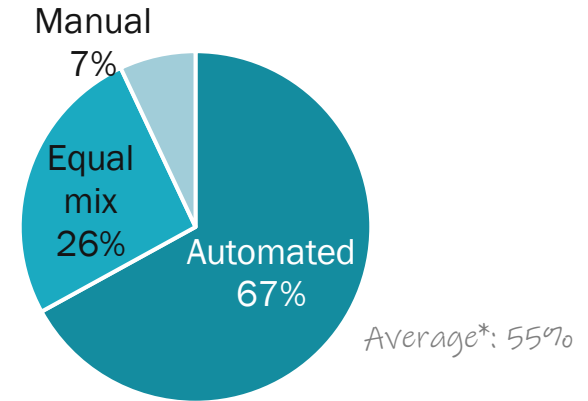
Average*: 55%

Tech Investment Plans

In Next 12 Months, Plan to Invest...

⬆ **12%** Average task*: 14%

Same amount **74%** Average task*: 75%

⬇ **3%** Average task*: 2%

Averages not including tasks with n<30

Cloud-based

Yes, cloud-based
46% Average*: 41%

No, plan to move to cloud-based in next 12 months
14%

No, no plans to move to cloud-based
28%

Student Information System (SIS)

Highly rated, with large numbers reporting, their systems are automated and cloud-based. Two-in-10 plan to invest more

District Score

👍 **73%** Average task*: 60%

👎 **7%** Average task*: 13%

Automation

Equal mix 7%

Manual 13%

Automated 77%
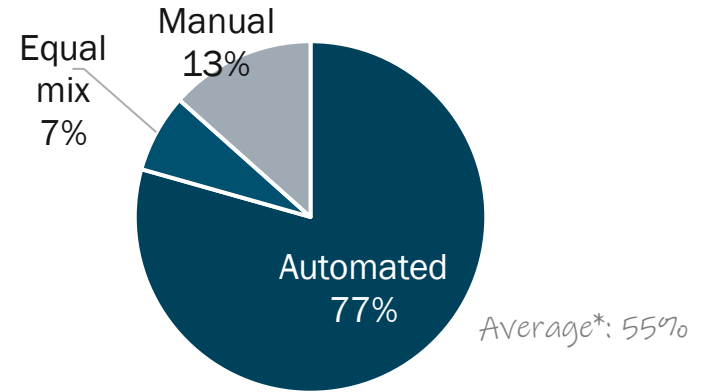
Average*: 55%

Tech Investment Plans

In Next 12 Months, Plan to Invest…

⬆ **20%** Average task*: 14%

Same amount **73%** Average task*: 75%

⬇ **0%** Average task*: 2%

Cloud-based

Yes, cloud-based
73% Average*: 41%

No, plan to move to cloud-based in next 12 months
3%

No, no plans to move to cloud-based
17%

*Averages not including tasks with n<30

Accounts Receivable

While higher-than-average positive ratings, only half are all/mostly automated, and under 1/3 are cloud-based. Few plan to invest in the next year

District Score

👍 **71%** Average task*: 60%

👎 **10%** Average task*: 13%

Automation

Manual 27%

Automated 50%

Equal mix 23%

Average*: 55%

Tech Investment Plans

Potential to frame A/R as part of a broader, cost-savings story via increased automation, cloud-based technologies
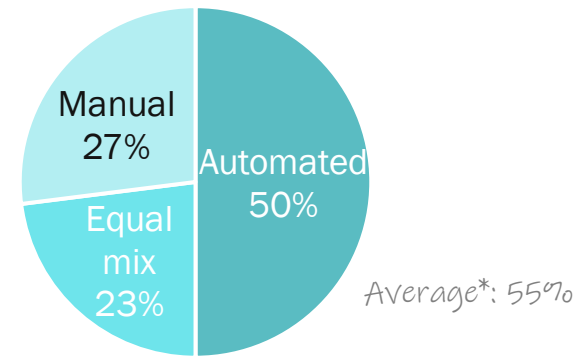
In Next 12 Months, Plan to Invest...

⬆ **8%** Average task*: 14%

Same amount **75%** Average task*: 75%

⬇ **4%** Average task*: 2%

*Averages not including tasks with n<30

Cloud-based

Yes, cloud-based
31% Average*: 41%

No, plan to move to cloud-based in next 12 months
17%

No, no plans to move to cloud-based
31%

Fund Accounting:

Is another highly rated area, with greater automation. Few say they will invest in this over the next 12 months

District Score

👍 **71%**   Average task*: 60%

👎 **6%**   Average task*: 13%

Automation

Manual 7%
Equal mix 21%
Automated 72%
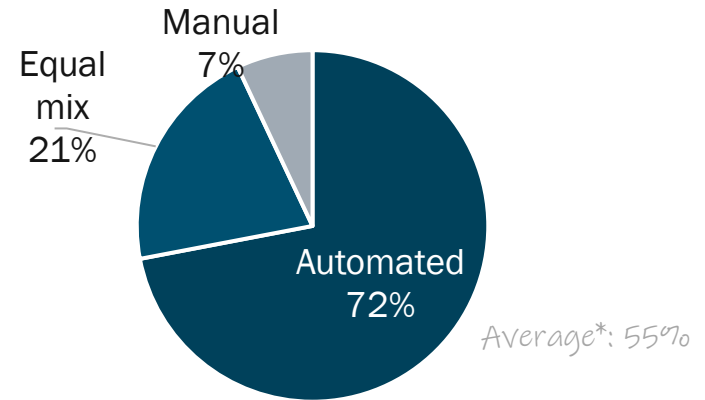
Average*: 55%

Tech Investment Plans

In Next 12 Months, Plan to Invest...

⬆ 7%   Average task*: 14%

Same amount **78%**   Average task*: 75%

⬇ 1%   Average task*: 2%

Cloud-based

Yes, cloud-based
47%   Average*: 41%

No, plan to move to cloud-based in next 12 months
18%

No, no plans to move to cloud-based
24%

Averages not including tasks with n<30

Purchase Orders

Also strong ratings. Two-thirds say processes are mostly automated, though only a third are cloud-based today

District Score

👍 **70%** Average task*: 60%

👎 **11%** Average task*: 13%

Automation

Manual 16%

Equal mix 21%

Automated 63%

Average*: 55%

Tech Investment Plans

Potential to frame purchase orders with A/R as part of a broader, cost-savings story via cloud-based technologies and more effective investment
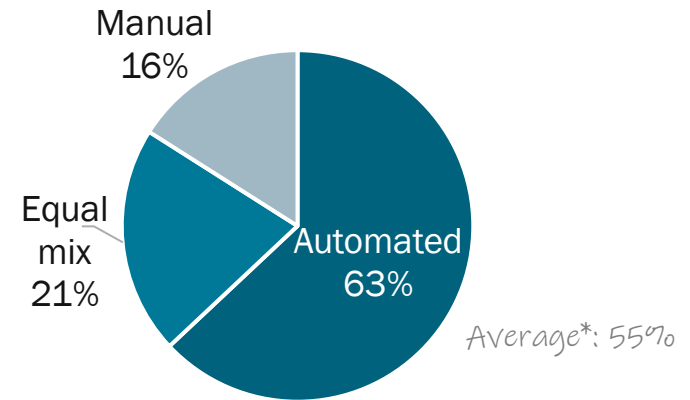
In Next 12 Months, Plan to Invest...

⬆ **11%** Average task*: 14%

Same amount **72%** Average task*: 75%

⬇ **4%** Average task*: 2%

*Averages not including tasks with n<30

Cloud-based

Yes, cloud-based
37% Average*: 41%

No, plan to move to cloud-based in next 12 months
21%

No, no plans to move to cloud-based
33%

General Ledger

Higher than average ratings may be due to more automation and cloud-based systems. This is not a key area for investment

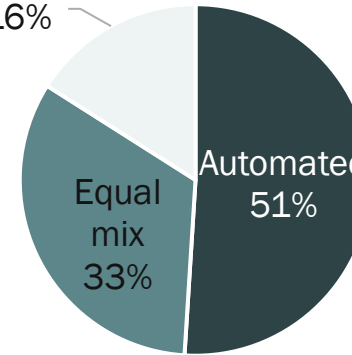## District Rating

👍 **68%** Average task*: 60%

👎 **9%** Average task*: 13%

Automation

Manual 9%

Equal mix 18%

Automated 72%
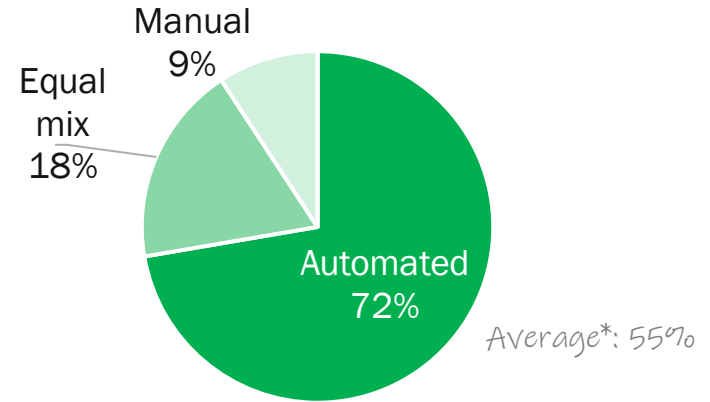
Average*: 55%

Tech Investment Plans

In Next 12 Months, Plan to Invest...

⬆ **11%** Average*: 14%

Same amount **77%** Average*: 75%

⬇ **3%** Average*: 2%

Cloud-based

Yes, cloud-based
46% Average*: 41%

No, plan to move to cloud-based in next 12 months
18%

No, no plans to move to cloud-based
25%

*Averages not including tasks with n<30

34

Salary Administration

Half say this is automated, just a third cloud based. Most say they will invest the same amount in this as they did last year

District Score

👍 **65%**   Average task*: 60%

👎 **4%**   Average task*: 13%

Automation

Manual 16%

Automated 51%

Equal mix 33%

Average*: 55%

Tech Investment Plans

In Next 12 Months, Plan to Invest…

⬆ **6%**   Average task*: 14%

Same amount **86%**   Average task*: 75%

⬇ **1%**   Average task*: 2%

Cloud-based

Yes, cloud-based

30%   Average*: 41%

No, plan to move to cloud-based in next 12 months

19%

No, no plans to move to cloud-based

35%

*Averages not including tasks with n<30

Benefits Administration

Over a quarter say they plan to move to a cloud-based system in the next year, the highest of the processes tested.
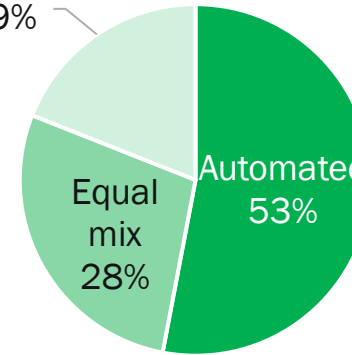
District Score

👍 **61%**   Average task*: 60%

👎 **12%**   Average task*: 13%

Automation

Manual 19%

Automated 53%

Equal mix 28%

Average*: 55%

Tech Investment Plans

Opportunity based on high-performing segment planning move to cloud; would suggest tying to staffing for greatest relevance

In Next 12 Months, Plan to Invest...

⬆ **18%**   Average task*: 14%

Same amount **72%**   Average task*: 75%

⬇ **4%**   Average task*: 2%

*Averages not including tasks with n<30

Cloud-based

Yes, cloud-based
39%   Average*: 41%

No, plan to move to cloud-based in next 12 months
28%   Average*: 17%

No, no plans to move to cloud-based
28%

Digital Payments:

Lower than average district scores, yet not a top priority. Over half say their systems are automated or cloud-based

District Score

Tier 3 priority: **9%** say digital payment solutions for families a top priority, **50%** say important but not top
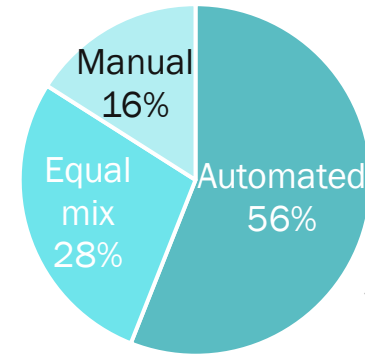
👍 53%   Average task*: 60%

👎 21%   Average task*: 13%

Automation

Manual 16%

Equal mix 28%

Automated 56%

Average*: 55%

Tech Investment Plans

In Next 12 Months, Plan to Invest...

⬆ 14%   Average task*: 14%

Same amount **74%**   Average task*: 75%

⬇ 2%   Average task*: 2%

*Averages not including tasks with n<30

Cloud-based

Yes, cloud-based
51%   Average*: 41%

No, plan to move to cloud-based in next 12 months
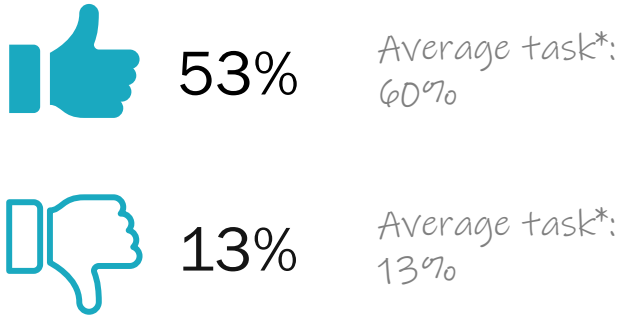14%
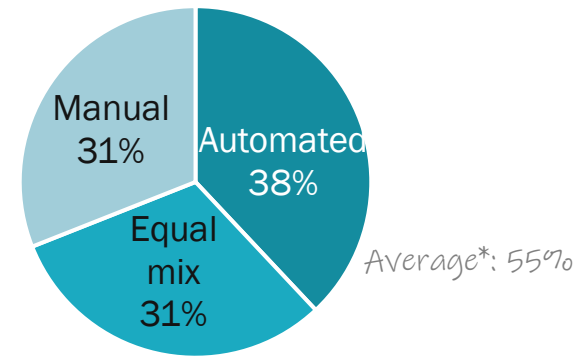
No, no plans to move to cloud-based
19%

Oversight and Management of Efficiency Across District

Processes are more manual than average, few are cloud based, and more districts have no plans to move to cloud-based technology
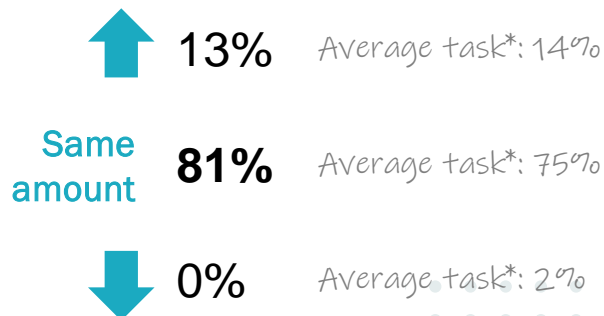
District Score

👍 53% *Average task*: 60%*

👎 13% *Average task*: 13%*

Automation

Manual 31%
Automated 38%
Equal mix 31%

Average*: 55%

Tech Investment Plans

In Next 12 Months, Plan to Invest...

⬆ 13% *Average task*: 14%*

Same amount **81%** *Average task*: 75%*
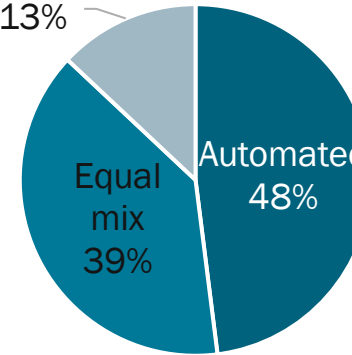
⬇ 0% *Average task*: 2%*

Cloud-based

Yes, cloud-based
19% *Average*: 41%*

No, plan to move to cloud-based in next 12 months
25%

No, no plans to move to cloud-based
38%

*Averages not including tasks with n<30

Analytics Tools

Not a priority for districts, but much lower district scores than average, and less likely to be automated

District Score

Tier 3 priority: **11%** say data analytics/ business intelligence top priority, **58%** say important but not top

👍 45%   *Average task*: 60%*

👎 23%   *Average task*: 13%*

Automation

Manual 13%

Automated 48%

Equal mix 39%

Average*: 55%

Tech Investment Plans

Interesting to me, given coverage in the market. Suggest analytics be tied to practical issues for the greatest impact

In Next 12 Months, Plan to Invest...

⬆ 13%   *Average task*: 14%*

Same amount **81%**   *Average task*: 75%*

⬇ 6%   *Average task*: 2%*

*Averages not including tasks with n<30

Cloud-based

Yes, cloud-based
39% *Average*: 41%*

No, plan to move to cloud-based in next 12 months
19%

No, no plans to move to cloud-based
29%

Fixed Asset Inventory

Low on all fronts (district score, level of automation, and cloud-based technology)
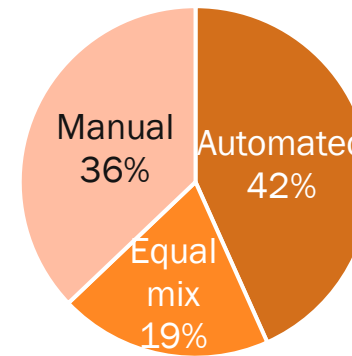
District Score

👍 **44%** — *Average task*: 60%*

👎 **31%** — *Average task*: 13%*

Automation

Manual 36%
Automated 42%
Equal mix 19%

Average*: 55%

Tech Investment Plans

In Next 12 Months, Plan to Invest...

⬆ **14%** — *Average task*: 14%*

Same amount **69%** — *Average task*: 75%*

⬇ **0%** — *Average task*: 2%*

Averages not including tasks with n<30

Cloud-based

Yes, cloud-based
28% *Average*: 41%*

No, plan to move to cloud-based in next 12 months
19%

No, no plans to move to cloud-based
47%