Kuali 2.0 Blog

Kuali is entering our second decade and we're innovating again. **Here are the details**.

Innovating for the future: A conversation with the Kuali community

Posted by: Brad Wheeler   August 22, 2014

Welcome, Kuali Community.

This is Brad Wheeler. I chair the Kuali Foundation Board of Directors. The other board members are here with me: Eric Denna, Bruce Alexander, Pat Steele, Pat Burns, Barry Walsh, and Jennifer Foutty.

Almost 10 years ago this month, some members of our community announced to the world that we were coming together to build an open source financial system. The *Chronicle of Higher Education* carried the story. Here's a quote from that article:

"Frustrated by the high cost of commercial financial-management software, Indiana University and the University of Hawaii are leading an effort to build a free, open-source alternative. The project's leaders say the effort could save colleges millions of dollars."
(**http://chronicle.com/article/Next-Up-for-Open-Source-/10153/**)

Millions of dollars? To date, we know that the efforts of this community collectively have saved well over $100M in implementation and recurring costs–likely much, much more. It started with the pioneering Kuali Financial System. We proved that large universities could forgo the $20, 30, 50M+ pricetag for software, maintenance, and implementations, and run a mission critical, open source administration system.

Next came Coeus, our Research Administration product. The community proved that we could do it again.

And now, 10 years later, we continue forward on our march to a full Administration suite. Today, 59 institutions are in production with various Kuali products, and another 100 use Kuali Ready, our business continuity product; and just this month, Lehigh University and the University of Chicago were the first to go live with the new Kuali Open Library Environment.

This community has produced some great products — products which are uniquely suited to us. And throughout this decade, our community has worked hard in service of our original purpose — to enable the mission of colleges and universities. Well over a thousand members of our community — both at institutions and commercial firms — have created successful outcomes through their ideas, passion, and hard work. Kuali Days last year reached almost 900 in attendance in the US and another 200 at Kuali Days South Africa and United Kingdom.

Yet, as we celebrate our innovative 2004 start and the progress of the last decade, we also know that we live in a world of change. Technology evolves. Economics evolve. Institutional needs evolve. We need to go faster. We need a path to a full suite of great products for institutions that want a suite. So it is quite natural that a 10-year-old software organization

consolidates its insights and adapts to the opportunities ahead.

Accelerating Kuali's Second Decade

Our call today is to share first with the community our plans to innovate again and to accelerate into Kuali's second decade in service of colleges and universities. This follows our two Kuali Community Strategy Sessions, where over 100 members contributed to a two-day session to look into our future. I shared the takeaways from those sessions in a message to the community on August 5th, and it posted on the Kuali 2 blog on the Kuali.org website.

The board heard from a passionate community that wants to drive four objectives:

- #1 Speed: Make Kuali outcomes happen faster
- #2 Suite: Clarify a path to a full, integrated suite of Kuali Applications
- #3 Sustainable: Shore up the sustainability model for Kuali Applications beyond their creation
- #4 Sweet: Make the software an amazing user experience

Since the second workshop ended on July 31st, your Foundation Board has been assessing the paths that we believe can best achieve these goals in renewed support of Kuali's original and continuing mission. Any path must also be entirely consistent with the important values of our community.

This week we have completed an extensive meeting of the Foundation Board that began with a joint session with all of the Kuali Project board chairs. It concludes after this call, and we want to immediately communicate with the Kuali community the unanimous endorsement for our next decade.

We are pleased to share with you that the Kuali Foundation is creating a Professional Open Source commercial entity to help achieve these goals. We expect that this company will engage with the community to prioritize investments in Kuali products, will hire full-time personnel, will mesh a "software startup" with our current culture, and will, over time, become self-sustaining. It enables an additional path for investment to accelerate existing and create new Kuali products.

We have recruited Joel Dehlin as founding CEO for the firm and are delighted that he has accepted. Joel is a highly seasoned software executive. He has very extensive experience in leading large-scale software development at a number of firms, including Microsoft and most recently the open source Canvas Learning Management System at Instructure. Specifically, he has deep experience in leading (not managing) development teams, creating great user experiences, and working with cloud-scale systems.

We have also spent a lot of time thinking about the kind of commercial entity that can bring

the benefits that a .com can provide without some of the abusive practices that have long plagued some vendor relationships in higher education. This is a very important part of why we are confident to move in this direction and to do so in a way that is consistent with our values. The commercial entity will not take Venture Capital money and will not have a Wall Street IPO. It will be funded by investors with patient values-based capital, who align with our mission, who aren't just in it for a quick exit.

Over time, we expect the work of the new company to enable a quicker path to hosted, off-premises Software as a Service offerings for institutions that wish to move in that direction. Some software development will focus on new, cloud-scale applications while other efforts work with the community to accelerate and improve existing applications. Kuali software will always be available for download and local, on-premises implementation via open source licenses.

It will take some time for definitive answers to take shape for every question, but we have crafted an FAQ with some of the questions and answers that may be of interest to the community. The FAQ is posted on the Kuali.org site on the Kuali2 blog.

The role of our Kuali Commercial Affiliates (KCAs) will undoubtedly evolve. We see the changes as a positive thing for them and for the community. We expect that customers — many more customers — will have more confidence in moving forward with Kuali products, knowing that a commercial entity is standing behind them. This will drive more adoption, which will increase the opportunity for KCAs who will continue to provide the lion's share of installation services. KCAs will also build software add-ons and plugins to Kuali and additional software contract labor. Over time, we think and hope that most of the hosting of Kuali software will be done by the new company.

Let me emphasize, Kuali software now and in the future will remain open source and available for download and local implementations. This remains part of the core value proposition for risk mitigation and software enhancement. The commercial entity is being created by the Kuali Foundation to ensure that it can serve the needs of present Kuali members and the many additional institutions of higher education.

This is an exciting time for the Kuali community. We have accomplished amazing things together during our first decade and are poised to do even more in the next decade. The most important thing we can say at this point is for ALL of us to keep moving forward. This board will keep the community informed as new insights become available. Information will be added to the Kuali2 blog as decisions are made during the coming weeks and months.

We are truly excited for the next decade of Kuali, and there has never been a more important time for institutions to keep our money in our mission as the economics of education evolve

this decade.

Thank you for your interest and support of what we started 10 years ago. Now, on to the next 10!