

■ ■ ■ ■ The State of ERP in the States

Panelists:

PN Narayanan,
PMO Manager, Dept. of Technology & Information, State of Delaware

Martin Benison,
State Controller, Commonwealth of Massachusetts

Naomi Wyatt,
Secretary of Administration, Governor's Office of Administration,
Commonwealth of Pennsylvania

Moderator:
Edward Fraga,
Vice President, State & Local Govt., Gartner, Inc.

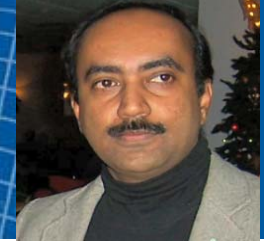
The State of ERP in the States

E =	Enterprise (<i>organization-wide</i>)
R =	Resource (<i>people, money and things</i>)
P =	Planning (<i>and control</i>)

- Engineering the rollout of an enterprise resource planning (ERP) system is a multifaceted and complicated process.
- An ERP system represents a major investment of time and tax-payers' money, and failure is not an option with these business-critical systems.
- What are the keys to achieving and maintaining support for implementation of ERPs over time?
- In this workshop, attendees will learn about establishing effective governance and support for ERP, and sustaining the project from concept, to implementation to ongoing operations.

Panelist from State of Delaware

PN Narayanan MBA, PMP



- Responsible for the management of the Delaware Department of Technology and Information's Program Management Office, and Application delivery teams.
- Responsible for many statewide projects such as Enterprise Resource Planning (ERP), e-Government, and the 800MHz public safety projects/programs
- Also manages DTI's ERP technical team which supports the state's PeopleSoft production environment (version 8.8) for the Human Capital Management (HCM) system (HR, Payroll, Benefits Administration, e-Benefits, Time and Labor).
- Previously, was a consultant for four years with the Delaware General Assembly, prior to that worked 17 years in private sector with multinationals.

Panelist from Commonwealth of Massachusetts

Martin Benison, State Controller

- Comptroller of the Commonwealth of Massachusetts since 1999
- Partnered with the CIO on numerous projects to improve the efficiency of Commonwealth operations including upgrading the enterprise financial management and HR payroll systems
- Currently co-chairs the Intergovernmental Partnership. The Partnership, under the sponsorship of the Association of Government Accountants, is an attempt to bring federal, state, and local government officials together to identify opportunities to improve efficiency and operation across the levels of government.
- Past President of the National Association of State Comptrollers (NASC)
- Treasurer of the National Association of State Auditors, Comptrollers and Treasurers (NASACT)

Panelist from Commonwealth of Pennsylvania

Naomi Wyatt, Secretary of Admin., Governor's Office of Admin.

- Secretary of Administration for the Commonwealth of Pennsylvania, appointed August 2, 2007
- Responsible for Information Technology, Human Resources, 800 MHz radio & infrastructure for all Commonwealth Agencies
 - CIO directly reports to Secretary
- Current IT priorities includes:
 - IT consolidation (organizations & infrastructure)
 - Increased shared services (telecommunication, server farm, data center)
 - Next generation ERP enhancements
- Worked as a litigation attorney prior to joining state government

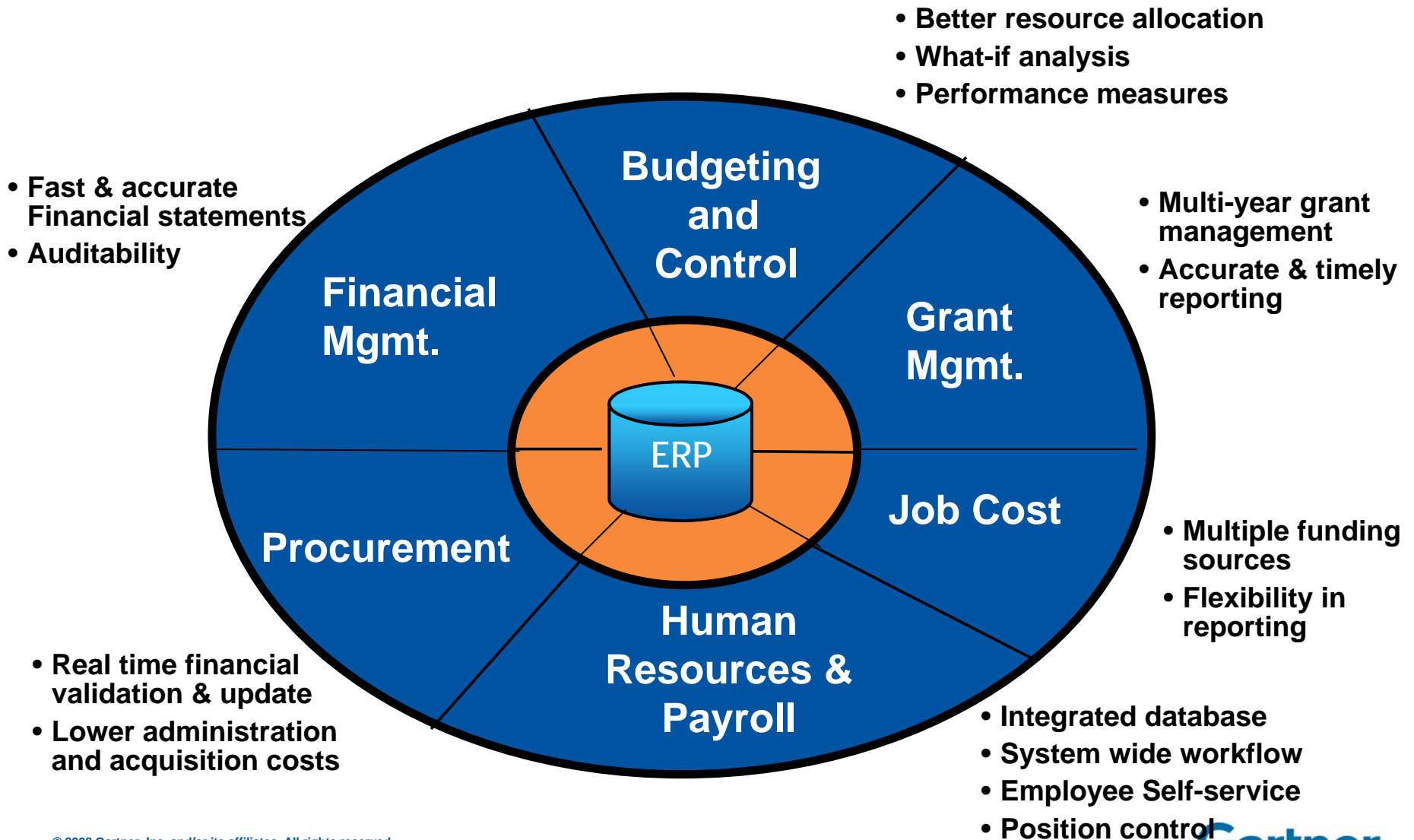
Moderator

Edward Fraga, Vice President, Gartner, MBA, MPA, PMP

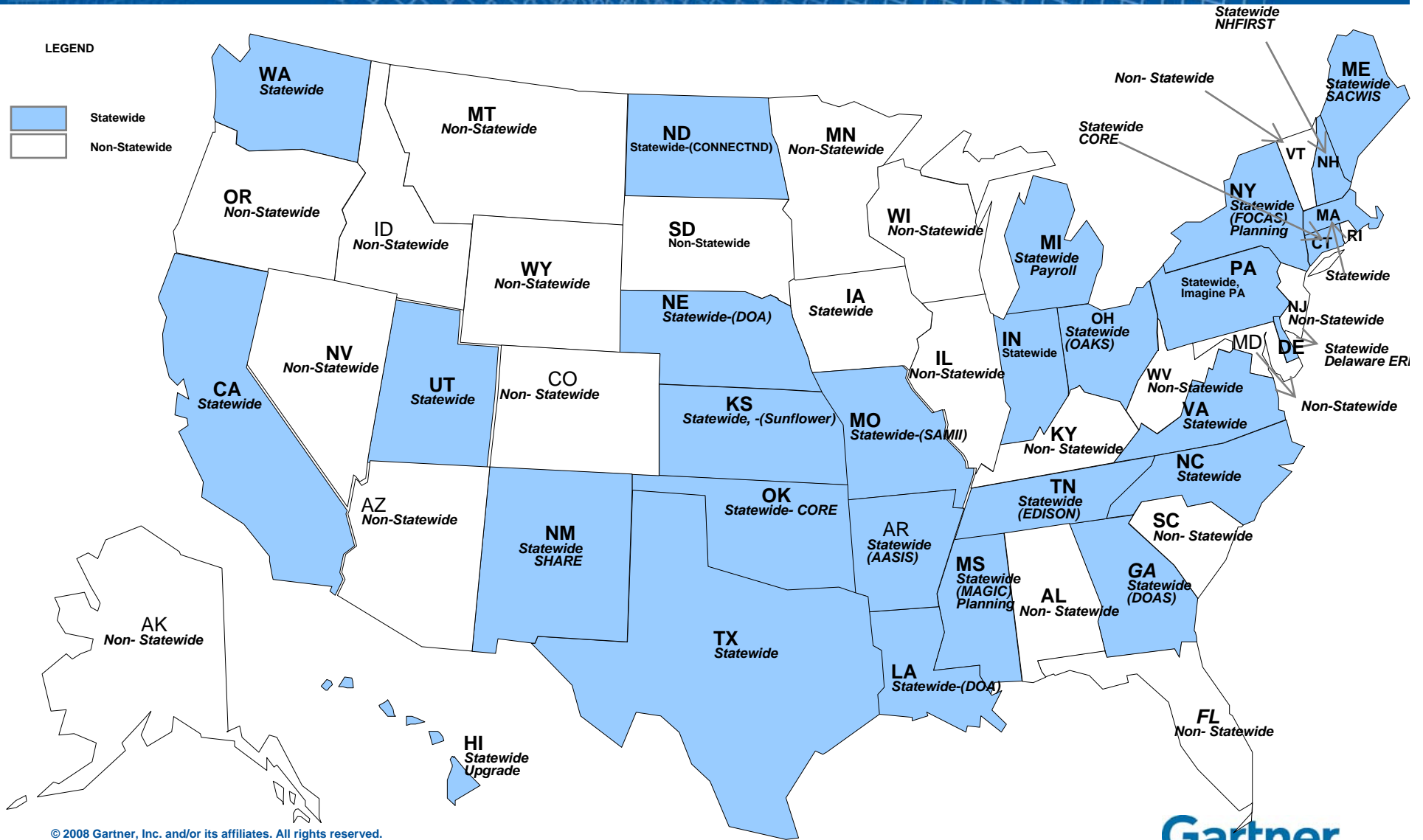


- Consultant with Gartner's State and Local Government Practice since 1999. (edward.fraga@gartner.com)
- Gartner is the leading IT research and consulting firm worldwide (www.gartner.com).
- Specialize in assistance to states and large local jurisdictions for system selections including:
 - Statewide ERP RFP for FI\$Cal (State of California)
 - Selection of State Tax Systems (Ohio, New Jersey, Massachusetts)
 - Selection of State Voting Systems (Arizona, New York, California)
 - Selection of Building Permits System (City of New York)
- Also provided assistance to numerous state and local governments in strategic planning, architecture, project oversight, and assessments.
- Currently leading assistance for the selection and implementation of new voting system (City of New York)

What Do Public Sector ERPs Offer?

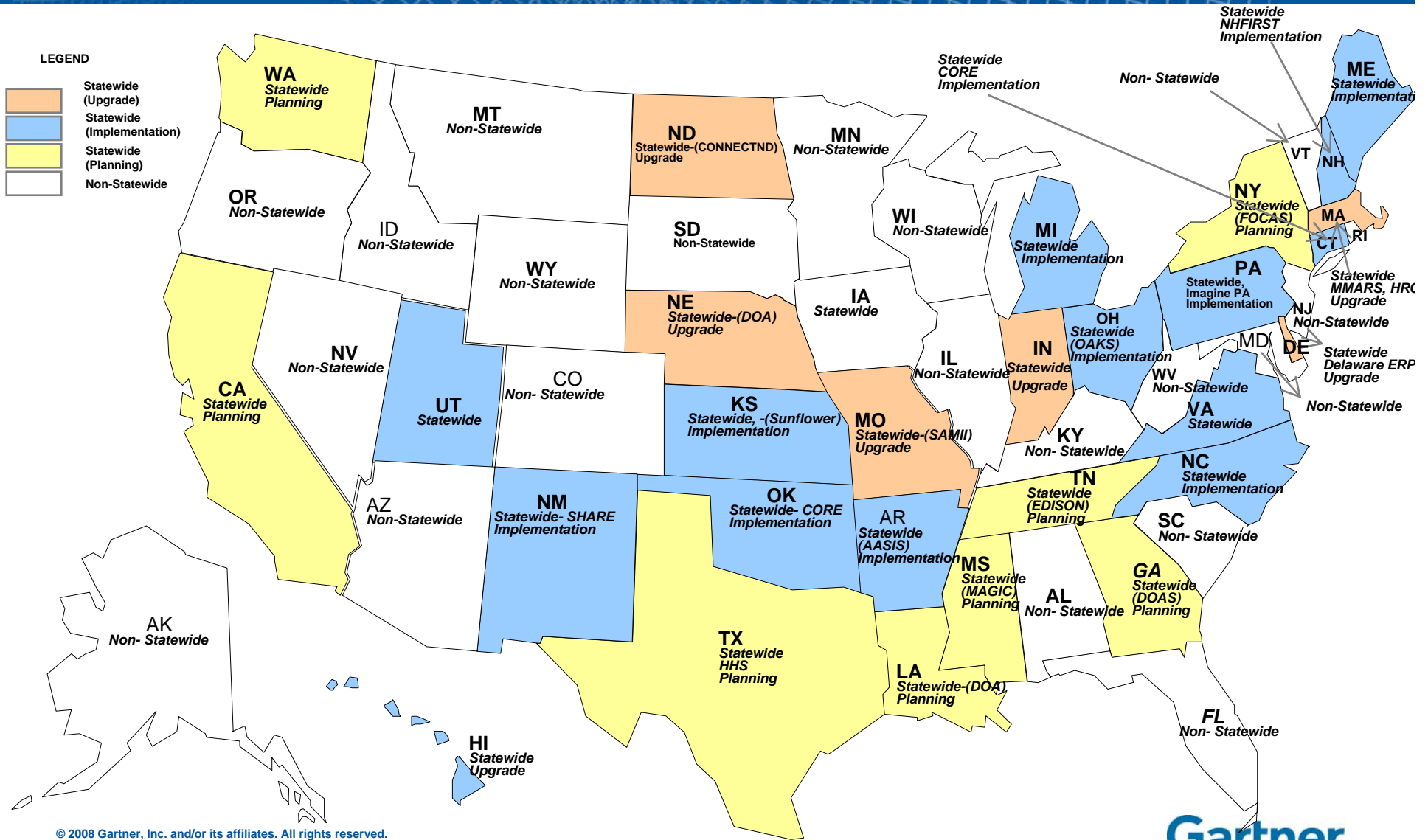


Recent Statewide ERP Projects



Recent Statewide ERP Projects

By Project Phase



Recent Statewide ERP Projects

Planning or Procurement Phase

State	ERP Software Vendor	ERP Software Function	System Integrator	Government Branch	Approximate Date
California	Planning	Financials, HR, Payroll, Procurement	N/A	Executive FISCAL	07/2008
Mississippi	CGI-AMS	Financials, HR, Payroll, Procurement	Unknown	Executive MAGIC	2004
Florida	PeopleSoft		Unknown	Executive	2008
Connecticut	Oracle/ PeopleSoft 8.9	Financials, HR, Payroll	Unknown	Executive CORE CT	09/2008
Louisiana	SAP	Budget, Financials, Procurement	Unknown	Executive DOA	04/2007
New York	Planning	Financials	N/A	Executive FOCAS Project	2008
Texas	Planning	Budget, Financials, HR, Payroll	N/A	Executive	2008

Recent Statewide ERP Projects

Implementation Phase

State	ERP Software Vendor	ERP Software Function	System Integrator	Government Branch	Approximate Date
Delaware	PeopleSoft 8.9	Financials, HR, Payroll	Maximus/State	Executive PHRST	10/2009
Iowa	CGI-AMS	HR	CGI?	Executive	04/2008
Kansas	PeopleSoft 8.9	Financials, HR, Payroll	Tyler Technologies	Executive (Sunflower)	05/2007
Maine	Oracle	Financials	KPMG	Executive (SACWIS)	09/2001
New Hampshire	Lawson	Financials, HR, Payroll, Procurement	CIBER	Executive	08/2006
New Mexico	PeopleSoft	Financials, HR, Payroll, Procurement	Maximus	Executive (SHARE)	2008
North Carolina	SAP	Financials, HR	Bearing Point, CIBER	Executive	09/2006
North Dakota	Oracle	Budget, Procurement	Maximus	Executive ITD	2004
Ohio	PeopleSoft	Financials, HCM	Accenture	Executive (OAKS)	2006
Oklahoma	PeopleSoft 8.8	Financials, HRS	Maximus	Executive (CORE)	2008
Tennessee	Oracle	Financials, HR	Maximus	Executive	2006
Utah	CGI-AMS	Financials, HR		Executive	2006
Virginia	CGI-AMS	Financials, HR		Executive	2006

Recent Statewide ERP Projects

Implemented or Upgrade Phase

State	ERP Software Vendor	ERP Software Function	System Integrator	Government Branch	Approximate Date
Alaska	Tesseract, Custom	Financials, Payroll	Unknown	Executive AKPAY	01/2006
Arkansas	SAP/R3	Financials, HR, Payroll	Deloitte	Executive AASIS	10/2005
Delaware	PeopleSoft HCM 8.8	HR, Payroll/ BA/e-Benefits	In-house	Executive (PHRST)	04/2004
Hawaii	PeopleSoft	Financial, HR	Unknown	Executive	2008
Massachusetts	CGI-AMS (AMS Advantage 3)	HR, Payroll, Timesheets	Unknown	Executive	2008
Missouri	CGI-AMS Advantage 3	Budget, Financials, HR, Payroll,	Unknown	Executive (SAMII)	11/2005
Nebraska	Oracle- JD Edwards	Financials, HR	Unknown	Executive DOA	03/2005
Pennsylvania	SAP R/3	Financials, HR	KPMG	Executive (Imagine PA) Project	2008

State of Delaware

ERP Project Status



- Oracle Peoplesoft HCM 8.8 in production (since 2004)
- Peoplesoft customer since version 6.0
- Implementing FSF 8.9 and upgrading HCM 8.9 - Target Dec 2009

Modules	Stakeholders
<p>HCM: HR, PR, BA, e-Benefits</p> <p>FSF: GL, AP, AR, Project costing, Asset Management, Portal, Purchasing, e-Procurement</p>	<ul style="list-style-type: none">• 35 State Agencies• 19 School Districts• 2 Higher education• 16 Charter Schools• 35,000 Employees

Commonwealth of Massachusetts

ERP Project Status

- 10th Largest State in Annual Financial Operations
- \$40.8 Billion in Spending and 71,000 employees
- Fortune 34
- Financial Management Systems for all Departments in all Branches of Government
 - Financials -CGI Advantage (2004)
 - HR/payroll –PeopleSoft (2000)
 - Data Warehouse Custom (1993)

Commonwealth of Pennsylvania

ERP Project Status

What We've Done:

- Implemented SAP 4.6C (Core 4.6C, BI-7.0, SRM 5.0)
 - SAP Finance
 - Budget
 - Procurement
 - Supplier Relationship Management
 - Plant Maintenance
 - Payroll
 - Human Resources
 - Employee Self Service
 - Supervisor Self Service
- 53 Agencies / 71,609 users
- Project Initiation – February 2001 (Imagine PA...Imagine Pain)
 - “Wave” Implementations in July 2002 & 2004
 - “Big Bang” Implementations for HR, Payroll in January 2004

Where We Are Going:

- Technical Upgrade to SAP ERP 6.0 (in progress)
- Financial Transformation Project – streamline, integrate & automate our budget process
- SAP Business Objects – enables enhanced reporting, data analysis & dashboards
- Adobe Interactive Forms – automates & provides work flow for manual forms & processes
- SAP Budget Control – streamlines data entry into SAP

Lessons Learned

Project Strategy – Delaware, Massachusetts, Pennsylvania

- Project Scope
 - Executive, High Education, Other
 - Departmental vs Statewide
- Procurement Approach
 - Bundled vs. unbundled (Software & SI)
 - Licensing
 - Hosting
- Implementation Approach
 - Big Bang vs Phases
 - Interfaces & Integration

Lessons Learned

Governance - Delaware , Massachusetts, Pennsylvania

- Project Structure
- Project Governance
- Stakeholder Management
- Vendor Management
 - Contract Management
 - License Management
- Project Measurement

Lessons Learned

Change Management - Delaware , Massachusetts, Pennsylvania

- Reengineering
- Change Management
- ERP Competency Center
- Training
- Knowledge Transfer
- Succession Planning
- Organizational Culture

Lessons Learned

Post Implementation - Delaware , Massachusetts, Pennsylvania

- Upgrades
- New Feature Implementations

Concluding Remarks

- Delaware
- Massachusetts
- Pennsylvania
- Gartner

Gartner Research - Denise Ganly (August 2008)

Key Factors for Successful ERP Implementations

Key Findings

- Between 20% and 35% of all ERP implementations fail, and up to 80% exceed time and budget estimates.
- ERP project success requires a focus on people and process, as well as the software. Ignoring these aspects will cause your project to fail.

Recommendations

- **Executive-level Buy-in** - Obtain and maintain executive-level buy-in, including business unit management where organizationally applicable. Set key performance indicators for stakeholders to drive appropriate behaviors to support the implementation.
- **Change Management** - Make change management a priority by ensuring that a robust change management program is in place at the project's initiation, and create a quality, ongoing training program that educates end users and IT staff.
- **Quality Resources** - Commit quality resources to the project team for the life of the project, and hire an experienced, professional project manager who has successfully implemented ERP in a similar environment.
- **Minimize Modifications** - Minimize modifications by developing firm guidelines for modification, and build a business case for each required modification.