



County Council

SAP Program Overview

County Administration Building, Council Hearing Room

March 31, 2015

Operate • Improve • Transform

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SAP Program Objectives

- Improve effectiveness and efficiency of County's key business processes
- Improve decision making through timely, accurate and easily available reports and dashboards
- Improve the quality and timeliness of customer service for all County stakeholders
- Enhance accountability of personnel and integrity of processes and information
- Improve County's key performance indicators and advancement of a business-focused organization
- Maximize integration between County agencies, processes and data
- Improve County's agility as an enterprise – one that can quickly respond to changing internal needs, external conditions and emerging innovations

SAP Program by Wave

Wave	Module	Capabilities	Timeline
Wave 1 •Budget \$8.6M •Projected \$ 11.9M •Variance \$3.3M	•Core Financials	•Financial Accounting and Reporting; Asset and Inventory Management; Grant and Project Management; and Funds Management	July 2013 – Aug. 2014
	•Purchasing	•Supplier Relationship Management (SRM) Operational Procurement	
	•Organizational Management	•Skeletal Framework of Organizational Structure for Role Assignments and Authorizations	
Wave 2 •Budget \$6.7M •Projected \$6.5M •Variance \$200K	•Supplier Life-Cycle Management	•SRM Strategic Procurement	Jan. 2014 – Aug. 2015
	•Human Capital Management	•Personnel and Benefits Administration; Employee and Manager Self-Service; Travel Management	
	•Payroll	•Pay Active Employees	
Wave 3A •Budget \$1.5M •Projected \$1.8M •Variance \$300K	•Pension Administration	•Pension Administration; Pension Payroll; Member Portal – Active Employees and Retirees	July 2014 – Dec. 2015

SAP Program by Wave - continued

Wave	Module	Capabilities	Timeline
Wave 3 •Budget \$4.9M	<ul style="list-style-type: none"> •Treasury Risk Management •Liquidity Planner 	<ul style="list-style-type: none"> •Investment and Debt Management •Liquidity Forecasting 	Feb. 2015 – Mar. 2016
	<ul style="list-style-type: none"> •Plant Maintenance •Business Warehousing (BW) Reporting for Inventory Management & Plant Maintenance 	<ul style="list-style-type: none"> •Work Order Management •Business Warehousing 	
	<ul style="list-style-type: none"> •Public Budget Formulation •BW Reporting content for Public Budget Formulation •Portal Content for Public Budget Formulation 	<ul style="list-style-type: none"> •Budget Preparation •Business Warehouse Reporting 	
	<ul style="list-style-type: none"> •Talent Management 	<ul style="list-style-type: none"> •Career and Succession Planning •Online Performance Appraisals 	
	<ul style="list-style-type: none"> •Learning Solution Management 	<ul style="list-style-type: none"> •Training Administration and Course Management 	
Wave 4 •Budget \$12.0M	<ul style="list-style-type: none"> •Treasury/Tax Management 	<ul style="list-style-type: none"> •Tax and Revenue Management 	TBD

SAP Program Cost Summary

Line Item	Budget	Projected	Variance
Grand Total	\$ 53,275,000	\$ 60,636,000	\$ (7,361,000)
Consulting Services	33,700,000	37,100,000	(3,400,000)
Program Management	6,000,000	9,800,000	(3,800,000)
Software	4,700,000	4,900,000	(200,000)
Hosting	2,500,000	3,600,000	(1,100,000)
Hardware	75,000	136,000	(61,000)
Other	6,300,000	5,100,000	1,200,000

Variance explanations:

- Required additional functionality & improvements;
- Additional hardware;
- Staff augmentation necessary to deliver Wave 2;
- Systems quality & UAT testing; and,
- Training program enhancements

SAP Operations Summary

Challenge Areas			
Process	Issue	Solution	Status
Purchase to Pay	<ul style="list-style-type: none"> •Data setup •Training •User adoption •Bugs •Purchase order processing & related workflows 	<ul style="list-style-type: none"> •On-going data maintenance •Enhanced training & retrofit SAP code •Process standardization 	In-Progress Anticipated dates <ul style="list-style-type: none"> •Data – July 2015 •Bugs & Purchase Orders– April 2015 •Workflows – May 2015
User Support	<ul style="list-style-type: none"> •Response and resolution 	<ul style="list-style-type: none"> •New ticketing system •Senior SAP resources 	Completed

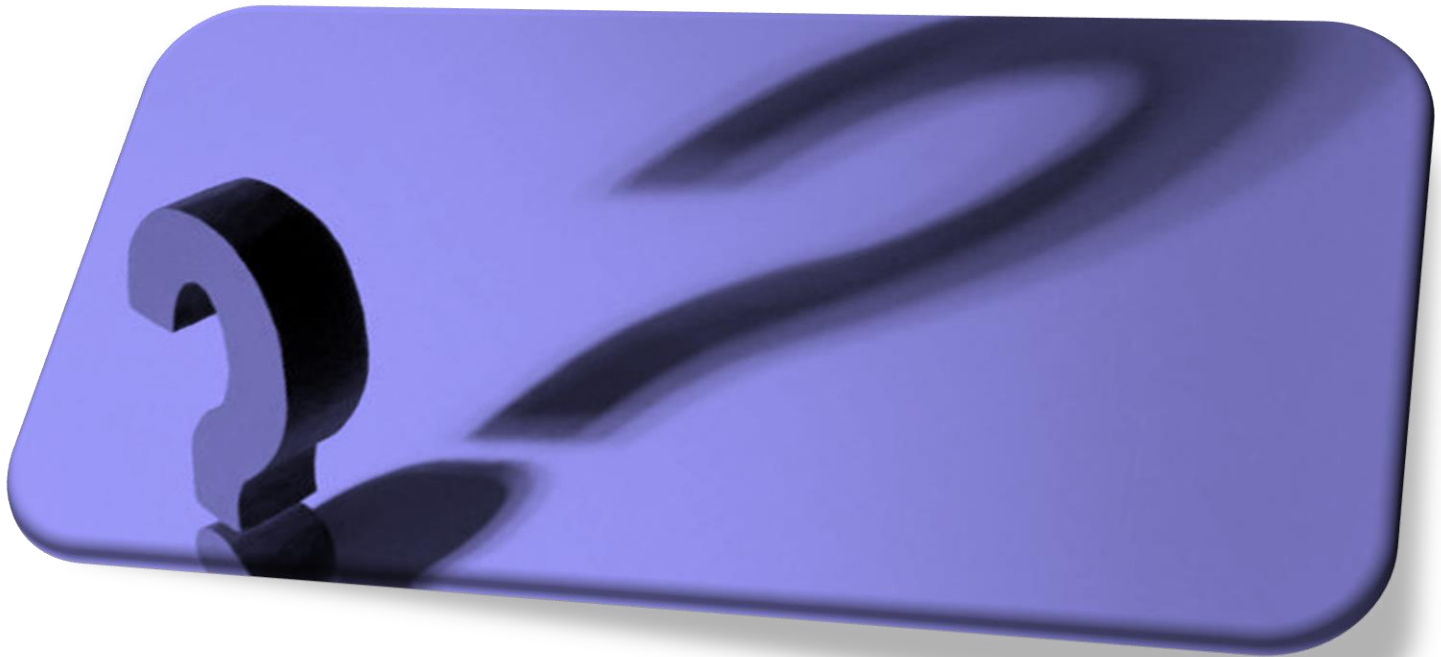
SAP Remediation Actions

Issues	Problem	Solutions	Action Taken
Process Knowledge deficits	<ul style="list-style-type: none"> • End-to-end processes not understood/followed 	<ul style="list-style-type: none"> • Additional training • Business process re-engineering 	<ul style="list-style-type: none"> • Retrofit of Wave 1 training materials • On-going training activities
Buying Activities Inhibited	<ul style="list-style-type: none"> • Technical glitches preventing shopping cart creation • Catalog items missing 	<ul style="list-style-type: none"> • Program code fixes • Maintain commodity codes 	<ul style="list-style-type: none"> • Increase Shopper training (SAP training resources) • Create routine maintenance process for catalog maintenance
Vendor Payments	<ul style="list-style-type: none"> • Contracts not created • Purchase orders not paid • Retainage 	<ul style="list-style-type: none"> • Maintain executed contracts • Workflow approval management • Correct purchase ‘type’ 	<ul style="list-style-type: none"> • Contract clean-up and maintenance program activated • Creation of workflow administrator • Additional process training

Conclusion

- An ERP implementation is a challenging and complex endeavor, especially in a time of fiscal constraints.
- Although there will be ups and downs during the implementation, the long-term benefits of a successful project will far outweigh the short-term issues that will inevitably occur in the project.
- The Entire ERP Team is committed to ensuring a successful implementation through the remaining waves through efficient project management, collaboration and teamwork, timely resolution of issues, and excellent communication with our stakeholders.

Questions



Thank You!