



## Agenda Item 1. Accountable Business Transformation – Update

**Background:** In January 2012 King County adopted a new business model that delivers efficiencies within the county and more effective services to county residents. This is the most significant internal technology and business process improvement in the county's history and now enables the county to operate as One King County.

ABT is comprised of five major projects; PeopleSoft Human Capital Management, Oracle Financials, PeopleSoft Payroll Time and Labor, Hyperion Budgeting and the Performance Management Pilot. The successful implementation of this large scale, countywide effort was a major milestone. It launched significant changes to business processes and technology and created a sound and sustainable business backbone for King County.

**PeopleSoft Human Capital Management System (HCM):** This was a countywide implementation of the PeopleSoft human resources and benefits administration functionality. This implementation occurred in March of 2010. At that point, PeopleSoft became the system of record for all human resource and benefits data. This moved data from a legacy mainframe based human resource and payroll system to PeopleSoft. Previously, the County had two Human Resource systems. This was a successful implementation and an important milestone for the County and ABT. This system introduced position management and numerous business process improvements.

**Oracle Financial System:** This was a countywide implementation of Oracle Financial system called Enterprise Business Suite (EBS). This implementation occurred in January of 2012. At that point, Oracle became the single financial system for the County. Previously, the County had two financial systems, one a forty-year-old mainframe system called ARMS, and the other an older version of Oracle, but with a limited footprint. The new Oracle Financial system includes general ledger, project cost accounting, grants, purchasing, accounts payables, inventory, cash management, accounts receivables, billing and more. This implementation included interfacing with approximately 60 agency side systems and many external agencies called Special Districts. The implementation includes numerous interfaces to and from the new PeopleSoft system to support labor distribution functionality. .

**PeopleSoft Payroll Time and Labor System:** This was a countywide implementation of the PeopleSoft time and labor and payroll components for all County agencies. This implementation occurred in January of 2012. At that point, PeopleSoft became the single payroll system for the entire County. Previously, the County had two payroll systems, one based on older MSA mainframe technology, and a smaller implementation of PeopleSoft. This implementation included automating many time and labor and payroll rules. The implementation includes numerous interfaces to and from the new Oracle Financial system to support labor distribution functionality.

**Hyperion Budget Development System:** This was a countywide implementation of the Hyperion Budget Development System. This implementation occurred in the Office of Performance, Strategy and Budget (PSB) during November of 2011 and is being implemented



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-Pre-Meeting Information-

in the County agencies between March and May of 2012. This is now the single system to be used for both operating and capital budget development and management in the County. This new system replaces a homegrown budget management system in the PSB, and also many separate and different budget development systems in the agencies. The Hyperion Budget system interfaces with both PeopleSoft HCM and Oracle Financials.

**Performance Management Project:** The final component of ABT is the implementation of performance management pilot. The Performance Management Project is focused on the development of a vision and a strategy and implementation plan for a new King County performance management system. The objectives of this pilot project include the transformation of existing county performance measurement and reporting systems to a much broader capability. The Performance Management Pilot will be implemented in the fall of 2012.

As Exhibit 1 attached is the Draft April 30 SAC Presentation covering the ABT status and next steps.

**Meeting Content:** At the meeting, the ABT Program Sponsor and the Program Manager will provide a status update on the stabilization period following the January roll-out. The SAC members will be invited to discuss and advise. The internal members are invited to provide comments related to ABT roll-out in their agencies. The external members are invited to provide their advisory discussion related to large ERP implementations and how the county's roll-out and stabilization period compares to similar efforts in other organizations.

### **Expected Meeting Outcome**

- For separately elected leadership and senior management:
  - 2012 is year of transition: after go-live there is a period of stabilization and continuous production improvement
  - Your organization's continued support and participation is a key to the County's successful transition to ABT

### **Exhibits:**

The following exhibit provides more detail information on the ABT program, the current status and the next steps.

- **Exhibit 1: Draft April 30 SAC Presentation**

# ABT - Exhibit 1: Draft April 30 SAC Presentation

**DRAFT**  
**Strategic Advisory Committee**  
**ABT Program Briefing**

**April 30, 2012**

**Presented by**  
Caroline Whalen, Mike Herrin

 King County

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## Briefing Overview

- Accountable Business Transformation Program (ABT) is the County's most significant technology improvement and the largest change in county's business services in history
- Major elements of the program – Finance & payroll activated January 3<sup>rd</sup>
- System is working
- County wide Budget rollout February thru May
- County now has an integrated business system on a technology platform that can grow, evolve, and serve the County and its citizens for many years

## ABT Program Objectives

Standardized business processes using:

- one core financial system (Oracle)
- one core human resources/payroll system (PeopleSoft)
- aligning human resources (HR) practices and procedures countywide; and
- standardizing accounting and financial policies and processes
- a new operating and capital budget system (Hyperion)

## ABT Program Benefits

- Automate and integrate the majority of its financial, budget, human resource, benefit and payroll business processes;
- Share common data and practices across the county;
- Eliminate redundant data entry, transcription and reconciliation;
- Reduce system maintenance and management costs; and
- Produce and access information in real-time for policymakers, managers and constituents.

## Achievements and Milestones

- ✓ First Payrolls: January, February, March
- ✓ Labor Distribution Performing well
- ✓ Month End Processing: January, February, March
- ✓ Budget rollout to agencies: February – April 2012
- ✓ 90 day post production support ended: March 31
- ✓ Performance Management Pilot: September 2012
- ✓ Established the Business Resource Center: April 2012

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## January 2012 ABT Implementation



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Adapted from Turner, Marilyn-Stages of Transition

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## Current Issues

- ✓ BRC monitoring and prioritizing all issues
- ✓ Overall, situation more difficult than expected (with financials, not payroll or budget)
- ✓ Many user access and security problems
- ✓ Numerous work flow approval issues
- ✓ **Many: "How do I do this?" situations**
- ✓ Some issues with purchase orders
- ✓ Some issues with vendor payments
- ✓ Some payroll adjustment issues
- ✓ Reporting issues
- ✓ Interface and data conversion problems

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## Support for Change

- Hundreds of meetings with agencies for two years: groups and individual sessions
- PeopleSoft, Oracle and Hyperion training (will continue)
- Designed and implemented production support operations
- Paycheck communications
- Help Desk and Hotlines
- Visits to agencies by ABT, FBOD, Payroll
- Production Labs
- Constant monitoring of problems and issues
- Transition Checks

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## Support for Change

- Established Incident Command Structure sessions to address issues
- Fixed over 400 defects / bugs in both PeopleSoft and Oracle
- Extending County ABT employees to provide support
- Extending Counting Contractors to provide support
- Extending CIBER and BTRG (integrators) for support
- Nearly doubling planned support staff for much of 2012
- Stabilization to continue through 2012
- Established governance to manage major changes

## Individual Users Trained

	10/17/11 - 12/31/11	10/17/11 - 1/25/12	10/17/11 - 3/7/12	10/17/11 - 3/30/12
<b>Finance</b>	1,069	1,222	1,528	1,675
<b>Budget</b>		61	61	87
<b>PTL</b>	352	352	352	352
<b>Total users trained</b>	<b>1,421</b>	<b>1,635</b>	<b>1,941</b>	<b>2,114</b>

## Critical Success Factors

- ✓ Committed county leadership
- ✓ Partnership with Unions
- ✓ Significant agency participation
- ✓ Disciplined project management approach by leadership, project team, and central business owners
- ✓ Experienced and dedicated project teams
- ✓ Knowledgeable Oversight and Advisory resources
- ✓ Activities to support agency readiness

## Questions