



ONE WASHINGTON PROGRAM UPDATE

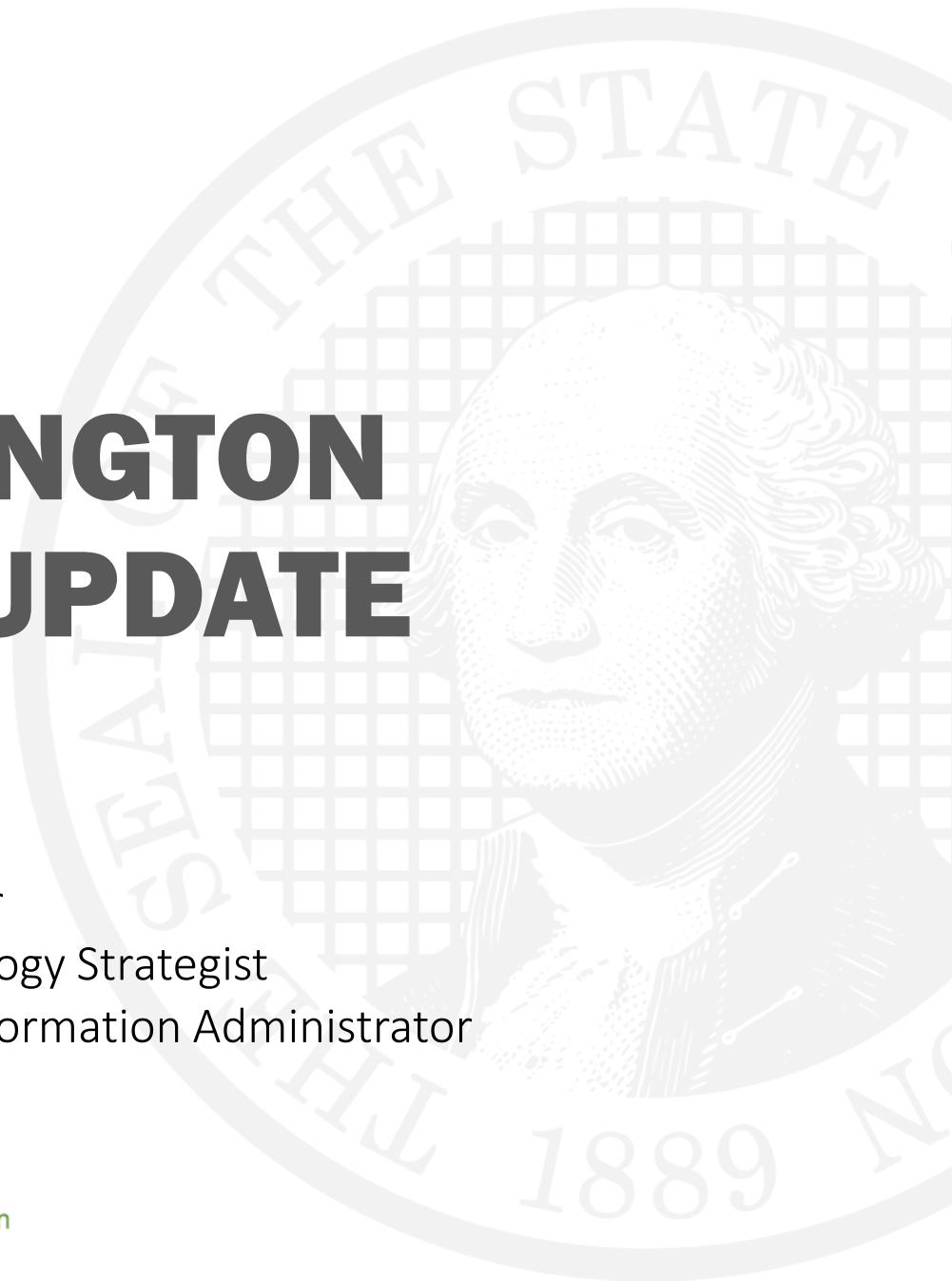
SUMMER 2018

SPEAKERS:

- Stacey Scott, Program Director
- Ben Guyer, Enterprise Technology Strategist
- John Wright, Enterprise Transformation Administrator



One Washington
A Business Transformation Program



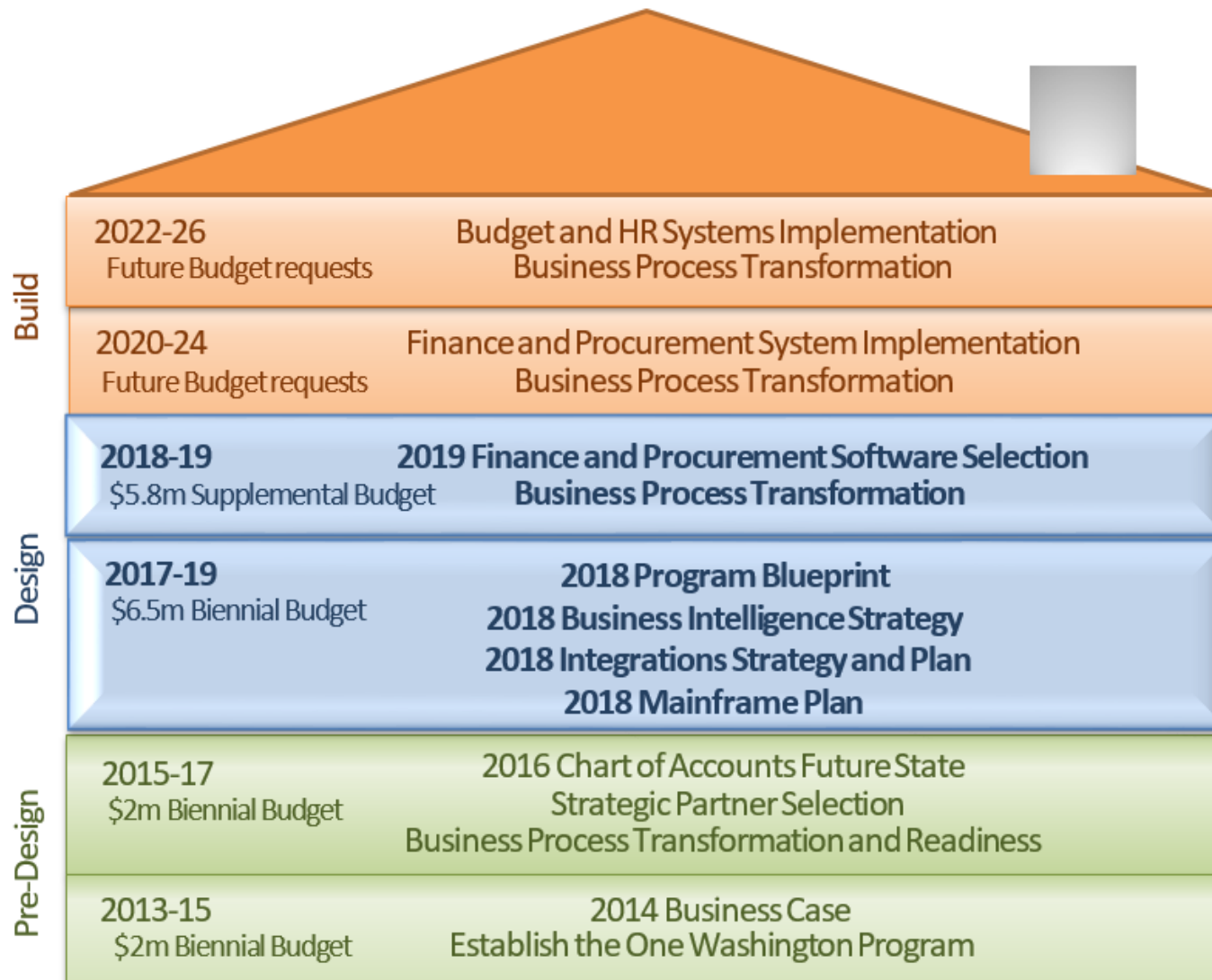
Program Overview

One Washington is a comprehensive, business transformation program to modernize and improve aging administrative systems and related business processes common across state government.

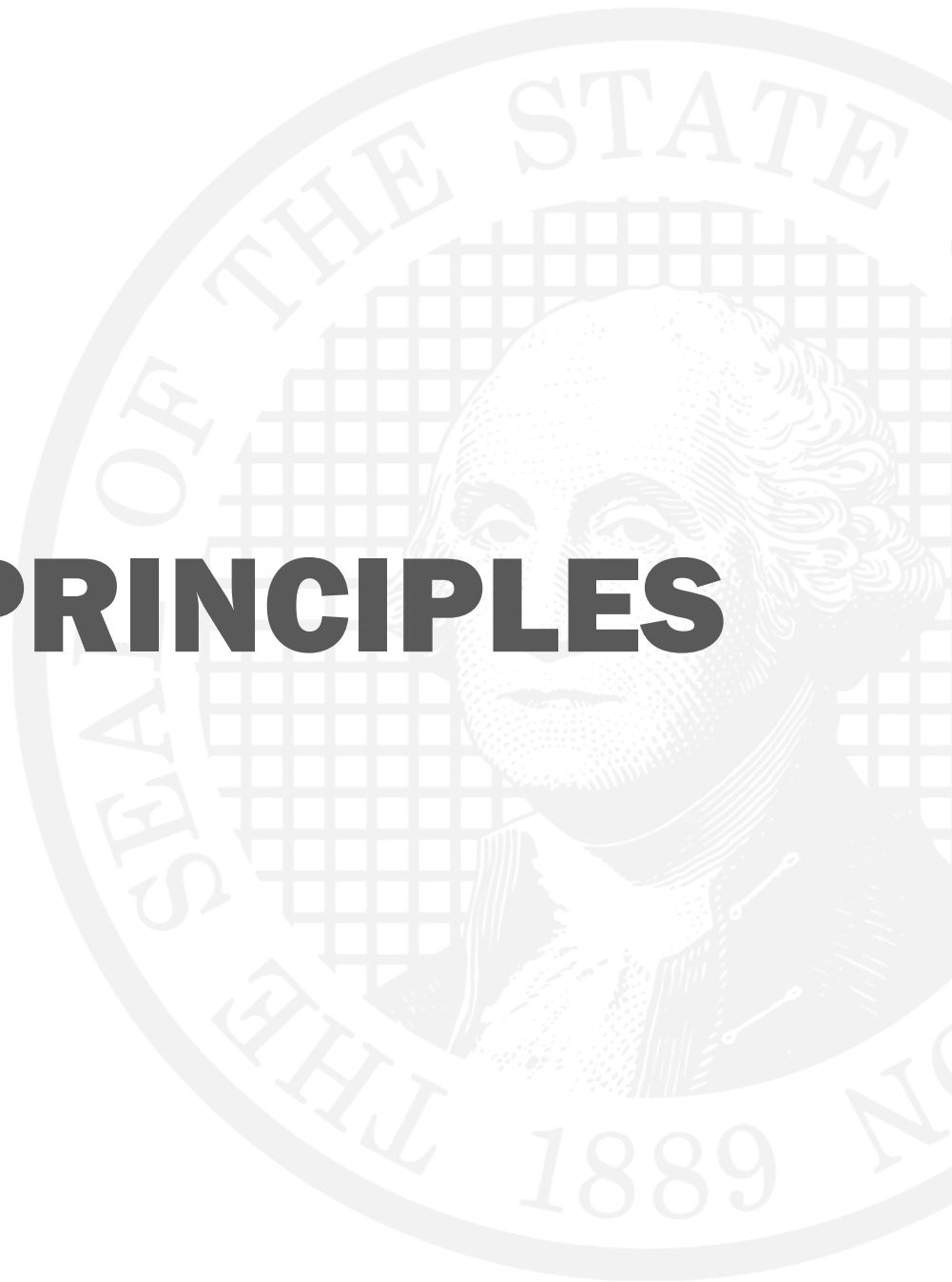
There are four key business areas with change management touching all areas:



Building the One Washington Program



GUIDING PRINCIPLES



Unified vs. Best-of-Breed

Unified Considerations	Best-of-Breed Considerations
An organization implements and supports a single instance of a suite of software modules for each functional area from a single vendor	An organization implements and supports a compilation of different vendors and products, each based on specific needs in specific functional areas
Provides functionality for common requirements across the various functional areas, with a common data model, data base, and user interface	Allows for very precise requirements in various functional areas
Integration is relatively less complex (all components in a single-vendor environment), with integration provided “out of the box” by the vendor	Integration is relatively more complex (typically multiple vendor environments are involved), requiring dedicated efforts on integrations, some of which may be delivered by the vendors
Relatively less change management to train end users on a common application	Relatively more change management to train end users on different applications
Relatively slower to implement because single-vendor integration means more comprehensive design required, but less complexity to future changes and upgrades as part of the same application	Relatively faster to implement because fit-for-purpose modules can be ‘plugged in’ to core system, but adds complexity to future changes and upgrades (e.g. testing)
Sample vendors include Oracle, Workday, SAP, CGI, Infor, etc.	Sample vendors include Salesforce, Round Corner (Grants Management), Periscope, Coupa, Amazon (eCatalog and Reverse Auctions), etc.

Unified vs. Best-of-Breed

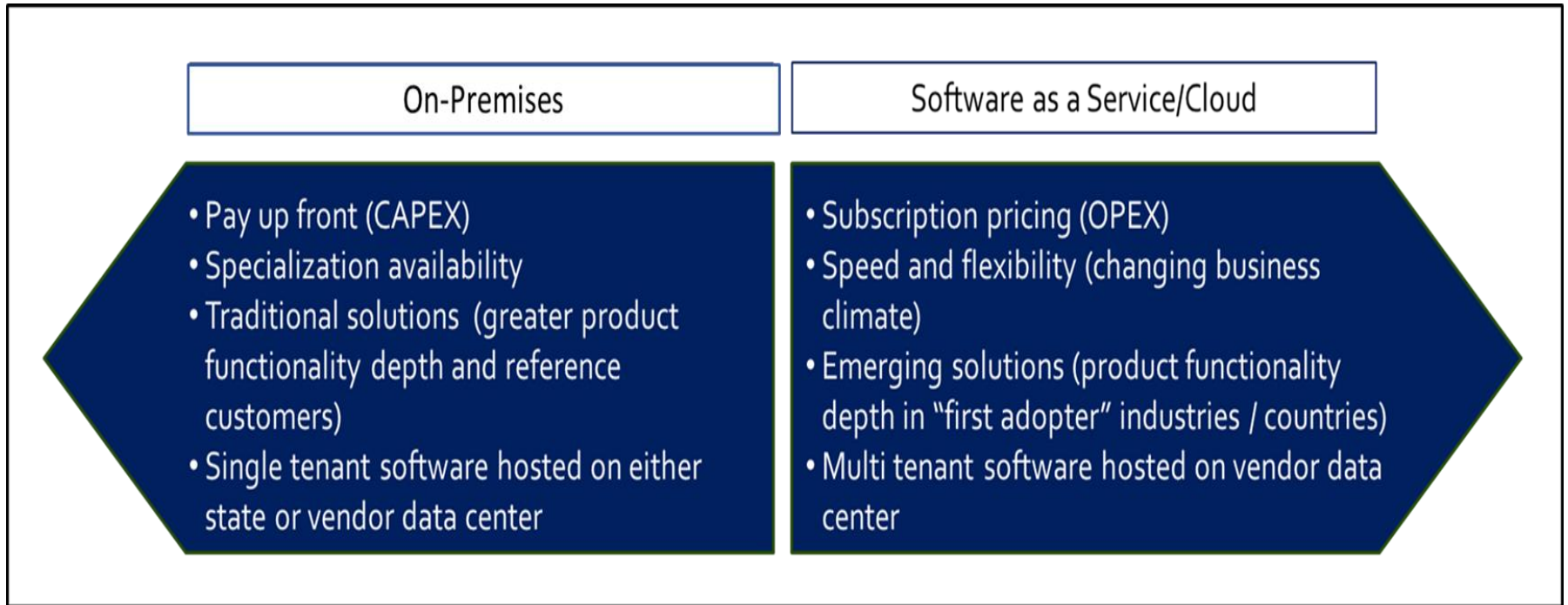
Guiding principles:

1. Consider a unified approach for selecting and implementing the initial functionality of the Finance and Procurement systems
2. Maintain the option of selecting best-of-breed for Finance and Procurement business capabilities not met by the enterprise software solution
3. Consider a unified approach for the functionality of the Budget and HR/Payroll systems
4. Consider the unified approach while maintaining options for selecting software from the same or different vendors for Budget and HR/Payroll functionality scheduled for FY23

Technology Deployment Model

A SaaS approach has been selected for the One Washington program.

Key distinctions between the two models:



Technology Deployment Model

On-Premises Considerations (Buy)	SaaS Considerations (Lease)
Allows significant organizational freedom to shape the software to business requirements	Software customization is limited to non-existent , but the solutions are generally highly configurable
This model allows for flexibility to perform technical hosting activities either internally or outsourced to a service provider	Software is not locally installed or owned ; it is accessed through the web or mobile applications
Fixed pricing model - customers pay a license fee and on-going maintenance charges	Variable pricing model - customers pay subscription fee per user and module
Enhancement patches and release upgrades must be done by the customer or a third party with specialized technical skills	The vendor releases patches, functionality enhancements, or full upgrades, so that the customer solution will be automatically updated
Requires dedicated staff with technical and business knowledge of the software	Requires dedicated staff with business knowledge to work with software vendor
Higher implementation cost , longer implementation cycle, longer cycle time between major functionality additions	Lower implementation cost , quicker implementation cycle, more frequent additions of new software functionality
Business requirements not satisfied by the software can be addressed via software customization (though not recommended), or business process redesign	Business requirements not satisfied by the software cannot be met with direct changes to vendor's baseline code , but can be addressed via Platform as a Service, on-premises middleware, or business process redesign

Technology Deployment Model

Guiding principles:

1. SaaS strategy will be used for the One Washington enterprise software solution.
2. For planning purposes, SaaS strategy is assumed for Finance, Procurement, Budget and HR/Payroll.

WHAT'S IN AND WHAT'S OUT?



Scope of Business Functions – Finance and Procurement

One Washington worked with stakeholders to establish scope for the Finance and Procurement business functions.

Finance – Initial Release Functionality	Procurement – Initial Release Functionality
General ledger accounting	Requisitions and purchase orders
Specialized accounting, e.g. project accounting, cost accounting, grantee accounting, federal highway accounting	Contract management
Budgetary control, e.g. encumbrances, commitment control	Receiving
Asset management and accounting	Sourcing, e.g. RFP, RFQ, RFX
Accounts payable	Supplier relationship management
Accounts receivable	Category management
Travel and expense	Catalog purchasing
Cash management, e.g. local banking and cash control	Master data, e.g. suppliers, commodities
Master data, e.g. chart of accounts, payees, suppliers	Reporting and Business Intelligence
Reporting and Business Intelligence	
Expanded Release Functionality	
Grantor Management	Inventory Management

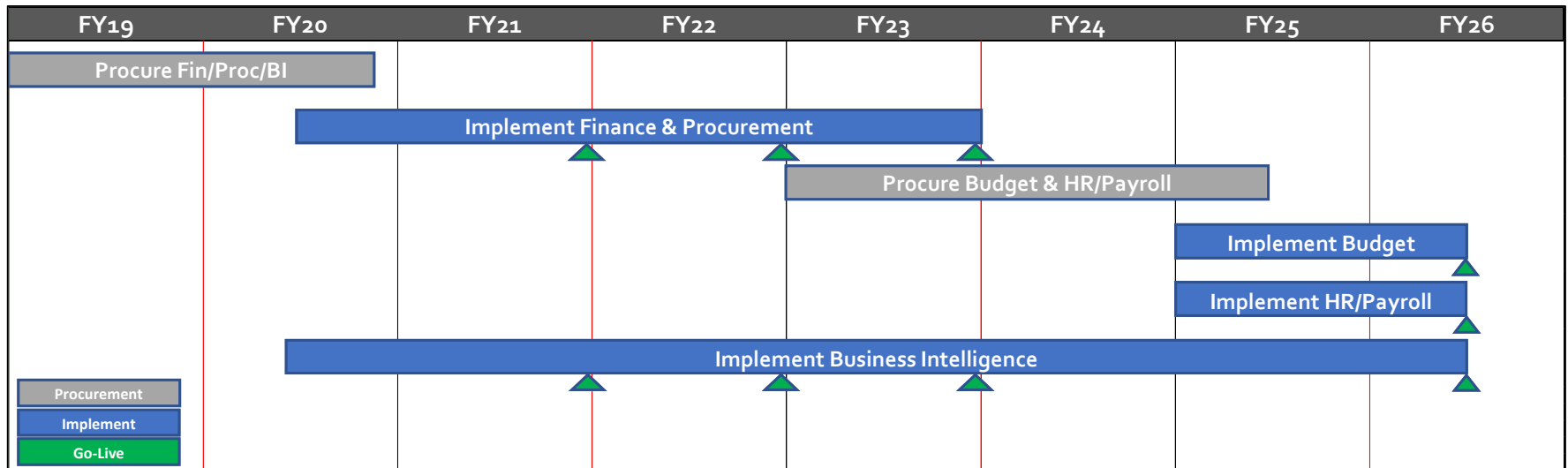
Scope of Business Functions – Budget and HR/Payroll

One Washington worked with stakeholders to establish the scope for the Budget and HR/Payroll business functions.

Budget – Initial Release Functionality	HR/Payroll – Initial Release Functionality
Operating, transportation, and capital budgets	Payroll
Revenues and expenses	Primary HR functions, e.g. hire, exit management, update employment data
Scenario planning and forecasting	Benefits administration (*Integration only)
Publishing the budget book	Position classification
Master data	Time and attendance
Allotments and spending plans	Compensation planning
Budgetary transfers	Recruitment
Linkage to performance measures	Development
Reporting and Business Intelligence	Labor relations
	Performance evaluation
	Health and safety
	Master data, e.g. positions, job descriptions
	Leave and absence management
	Employee/Manager self-service
	Competency management
	Reporting and Business Intelligence

Implementation/Phasing Approach

- Finance and Procurement will be deployed in three waves:
 - Wave 1: Initial roll-out
 - Wave 2: Remaining agencies
 - Wave 3: Reserved for agencies that require expanded functionality to meet their business needs
- Budget and HR/Payroll will be deployed in one release



Finance and Procurement Deployment Waves

Implementation Wave	Detail
Wave 1 Initial Release July FY22	<ul style="list-style-type: none">• Department of Corrections• Department of Enterprise Services (+ small agencies except for Payroll only)• Department of Health• Department of Services for the Blind• Office of Financial Management• Office of the Governor• Office of the State Treasurer• Utilities and Transportation Commission• University of Washington (Integration only)• Washington Technology Solutions
Wave 2 Initial Release July FY23	<ul style="list-style-type: none">• All other agencies
Wave 3 Expanded Release July FY24	<ul style="list-style-type: none">• Agencies that require expanded functionality

Implementation/Phasing Approach

Guiding principles:

1. Consider a phased agency/phased functionality approach for implementation of the Finance and Procurement integrated software.
2. Consider an all agency/full functionality approach for the Budget and HR/Payroll software implementation.
3. Provide a unified system of record for Finance, Procurement, Budget and HR/Payroll.


Software Selection Process for Budget and HR/Payroll

In FY23, One Washington will select the Budget and HR/Payroll software.

One Washington will:

- Evaluate whether to acquire software from the Finance and Procurement vendor based on:
 - Vendor performance
 - Fit to Budget and HR/Payroll business and technical capabilities
 - Cost
 - Experience of other states
- Conduct market research

If One Washington determines that it is in the best interest of the state to seek alternative solutions, a competitive procurement process may be conducted.



DATA INTEGRATION
MASTER DATA MANAGEMENT
BUSINESS INTELLIGENCE
SECURITY

Ben Guyer

One Washington Enterprise Technology Strategist

Integration Approach

- The strategy will leverage an integration layer to facilitate data exchange between legacy systems and enterprise software
- To prepare for implementation, One Washington:
 - Gathered agency system information
 - Identified standardized interfaces and conversions
 - Defined the activities that occur throughout the integration implementation lifecycle

Decommissioning Legacy Systems

One Washington worked with agencies to identify agency-level administrative systems that could be decommissioned as the enterprise system is deployed:

Agency Administrative Systems	
Retire	118
Keep	175
Solution Dependent	21
Total	314

Note: Numbers include Finance, Procurement, Budget and HR/Payroll functions

Interfaces

- One Washington collaborated with agencies to review their systems and identified 598 integration points with agency systems
- There are 142 unique interfaces within the integration points
- One Washington will consolidate and standardize interfaces:

Unique Interfaces	
Current state	142
Proposed future state	41

Note: Numbers include Finance, Procurement, Budget and HR/Payroll functions

Master Data Management

- Master Data is common data with agreed upon definitions for enterprise use
- The One Washington Master Data Management Strategy enables consistent and accurate information across enterprise business functions
- This strategy has several benefits:
 - Provides a single, authoritative version of the truth
 - Enables an integrated data source and information delivery to other applications
 - Creates operational efficiencies
 - Facilitates application interoperability
 - Enhances compliance

Master Data Management Governance

One Washington will establish an enterprise data governance structure for shared use across Finance, Procurement, Budget, HR/Payroll and Business Intelligence.

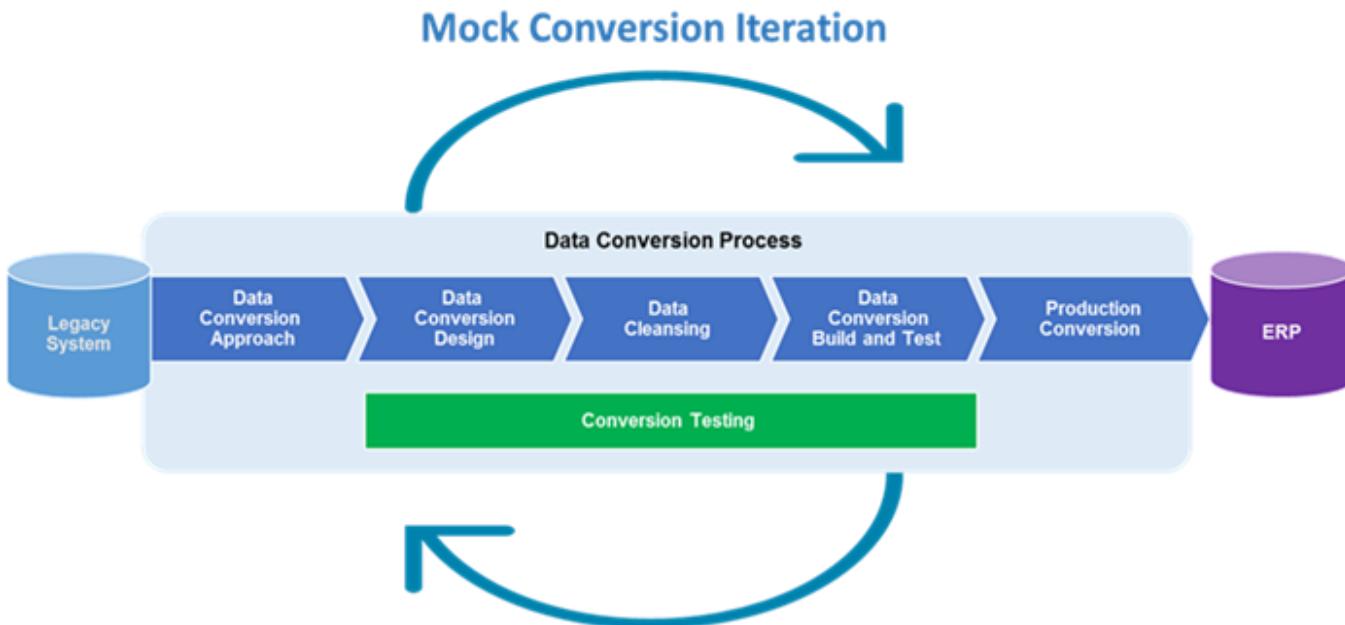
The governance process engages multiple stakeholders:



Data Conversion

The data conversion approach will leverage the integration layer to facilitate data transfer from agency systems that will be replaced by the enterprise software system.

- One Washington used the data gathered in the integration plan to define standardized data conversions
- One Washington will use the process below to convert, validate and deploy data from legacy systems to the enterprise software system



Reporting Capabilities

One Washington will employ the following approach:

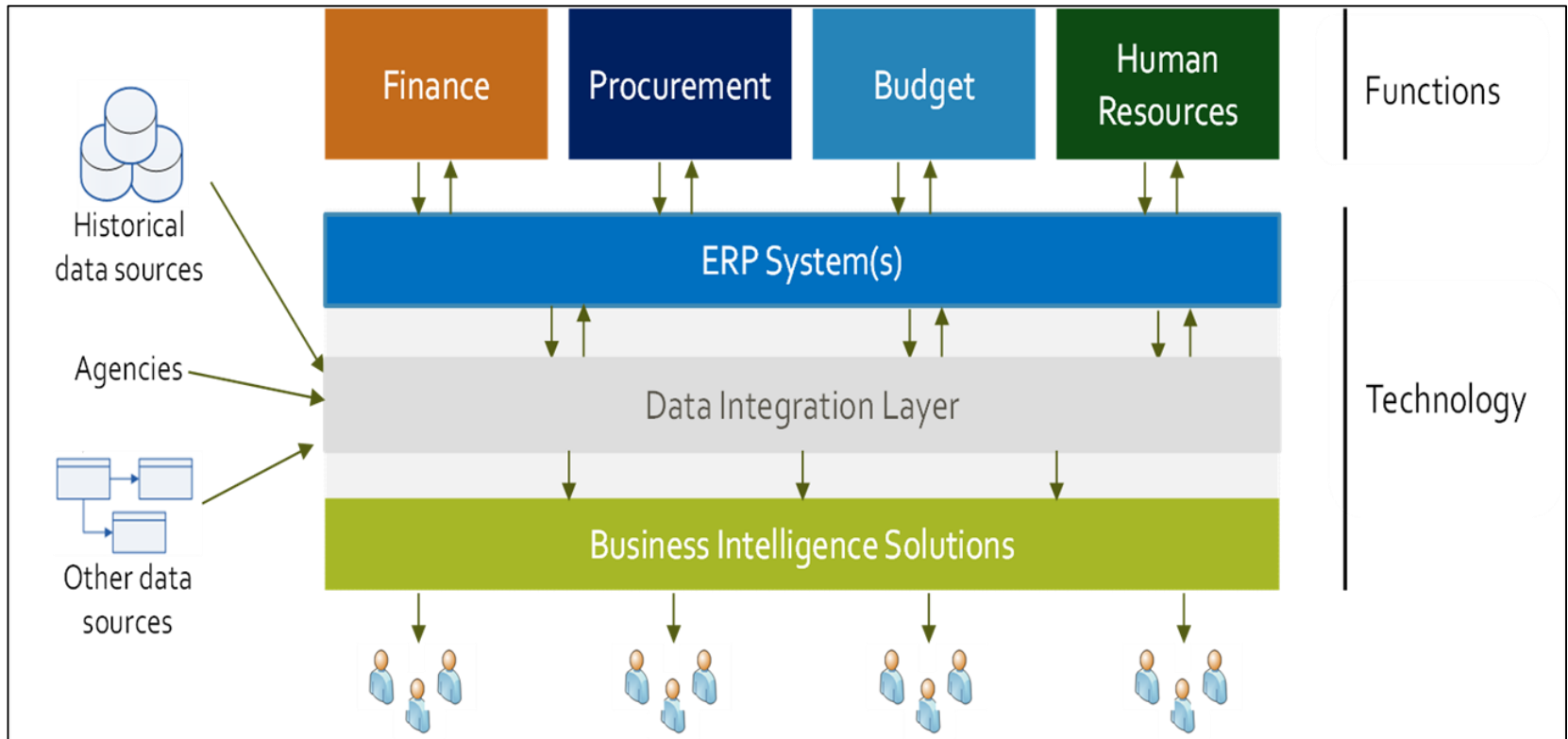
- Leverage the delivered reporting capabilities of the selected software solution
- Supplement the delivered reporting capabilities with custom reports
- Provide access for reporting on historical data in systems that are not converted or integrated into the enterprise system
- Use Business Intelligence reporting capabilities to perform descriptive and predictive analytics

Reporting Capabilities Illustrated



Business Intelligence

BI enhances the inherent reporting capabilities from the enterprise software solution with the ability to transform data into purposeful intelligence.



Security Approach

- The security approach for One Washington will align delivered enterprise software security with existing state security processes and policies
- The security implementation will focus on three areas:
 - Infrastructure Security – Includes connectivity, data and enterprise software platform
 - Data Security – Appropriate users have access to the appropriate data required for their role
 - Application Security – Users can only gain access through trusted authentication services

ORGANIZATIONAL CHANGE MANAGEMENT

John Wright

One Washington Transformation Administrator



Organizational Change Management Strategy

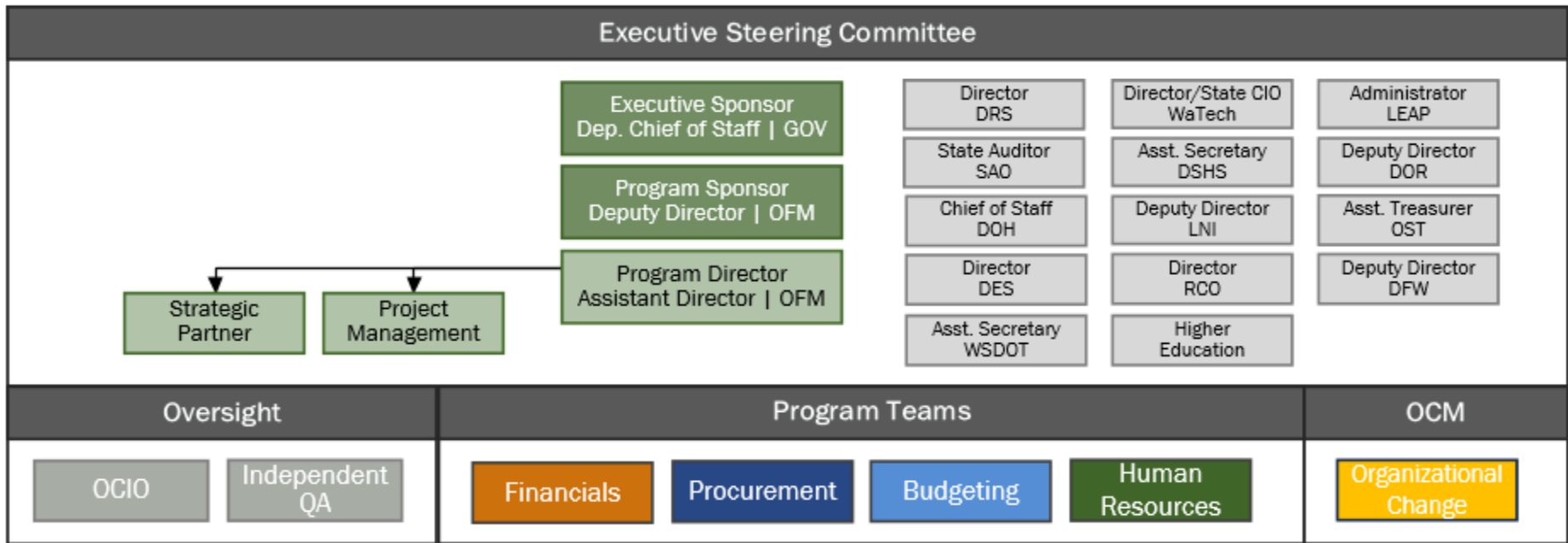
- One Washington is about business transformation
- Changing processes involves people

Change Strategy: Focus is on the individual employee

- Stakeholder identification and engagement
- Communications
- Training
- Business user engagement
and business readiness planning



Governance and Project Management



Advisory Committee Update



One Washington Advisory Groups

- One Washington will establish and implement the following advisory groups to support the Executive Steering Committee:
 - Finance
 - Procurement
 - Budget
 - HR/Payroll
 - Change
 - Technical Advisory
 - Data Governance
- These advisory groups will be kicked-off this summer



BUDGET

WORK STREAMS

BUSINESS CAPABILITIES

Stacey Scott
One Washington Program Director

**One
Washington
Work
Streams**

**Fiscal Year
2019**

Business capabilities and software procurement

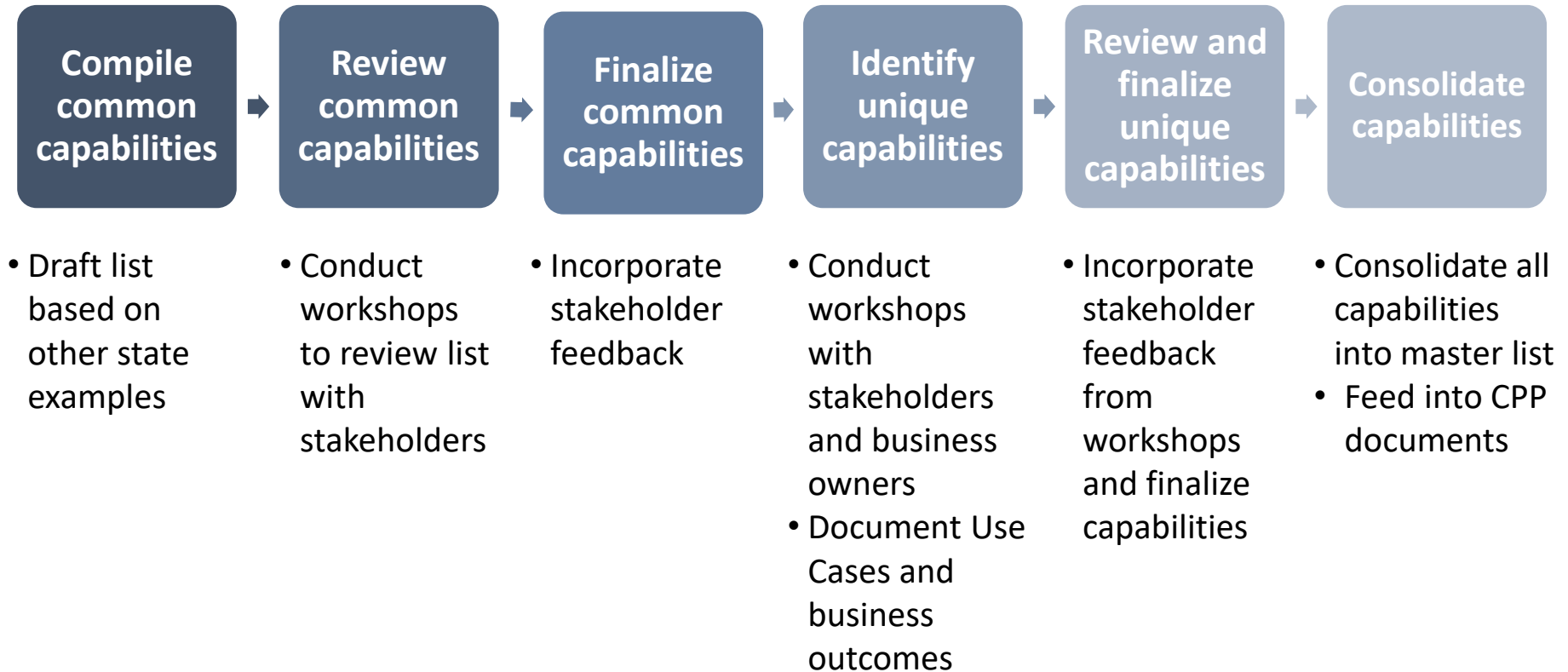
Assess Finance organizational strategy and readiness

Assess Procurement organizational strategy and readiness

Budget development

Organizational change management

Business Capabilities and Software Procurement



Assess Finance Organizational Strategy and Readiness

- Assess current business processes with finance organizational strategy
- Consolidate statewide master payee files
- Conduct a review of laws, regulations, and policies in readiness for a new financial system
- Review business processes that could be improved with existing technology
- Standardize accounting practices and data in preparation for a new system

Assess Procurement Organizational Strategy and Readiness

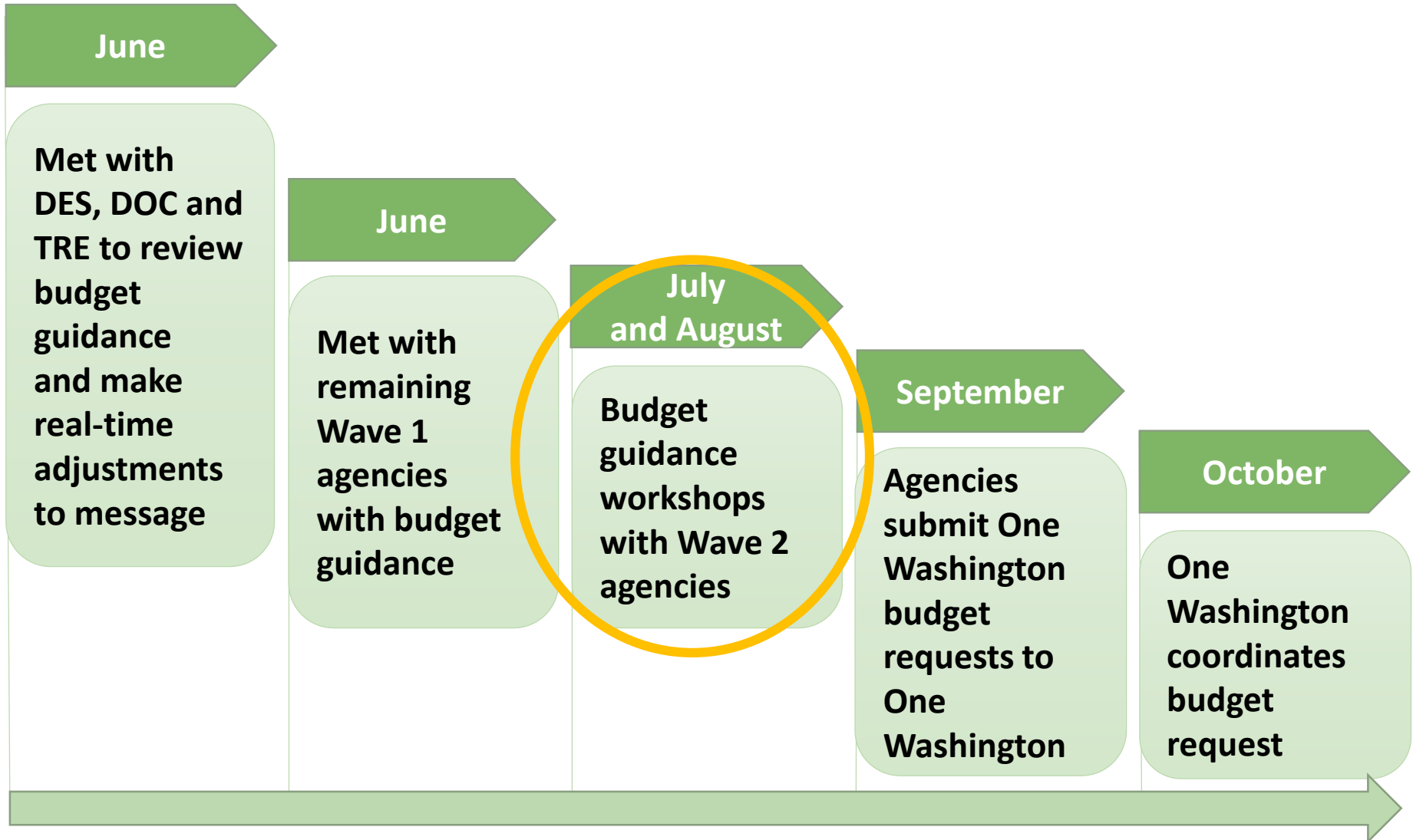
- Assess current business processes with procurement organizational strategy
- Conduct review of laws, regulations, and policies in readiness for a new procurement system
- Launch strategic sourcing assessment for a select group of categories

Program Blueprint Annual Summary

	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
2017 - 2018 Program Blueprint	\$5.3m	\$26.4m	\$51.9m	\$57.9m	\$33.8m	\$24.7m	\$54.0m	\$49.9m
	Software Selection / Finance	Implement - Finance				Software Selection / Budget	Implement - Budget	
	Software Selection / Procurement	Implement - Procurement				Software Selection / HR/Payroll	Implement - HR/Payroll	
		Implement Business Intelligence/Analytics						
Total One Washington Program Cost = \$303.9m								

Note: These estimated cost are for the One Washington program. Costs do not include agency costs or post-implementation maintenance and operations costs.

Budget Guidance Timeline



Biennial Budget Guidance

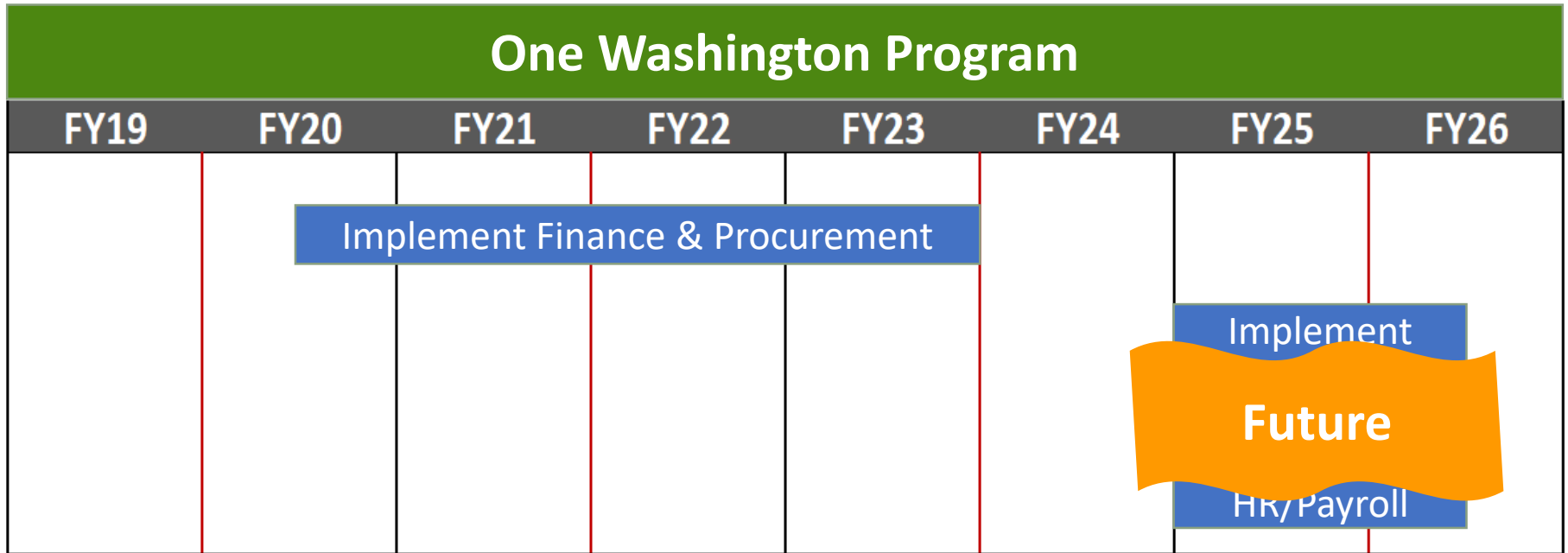
	2019-21 Biennium Funding		Post-Biennium Consideration
	Agency In-Kind	Will Consider for One Washington Budget Request	
Configuration	✓		
Integration		✓	
Master Data Management	✓		
Data Conversions/Cleanup	✓		✓
Reports/BI	✓		
Security	✓		
Testing		✓	✓
OCM*		✓	✓

*For Communications, Training, Engagement and Readiness

QUESTIONS?



Contestants...Ready! Set! Go!



Email contest entries to: onewa@ofm.wa.gov

Entries due by September 10th



TO LEARN MORE...

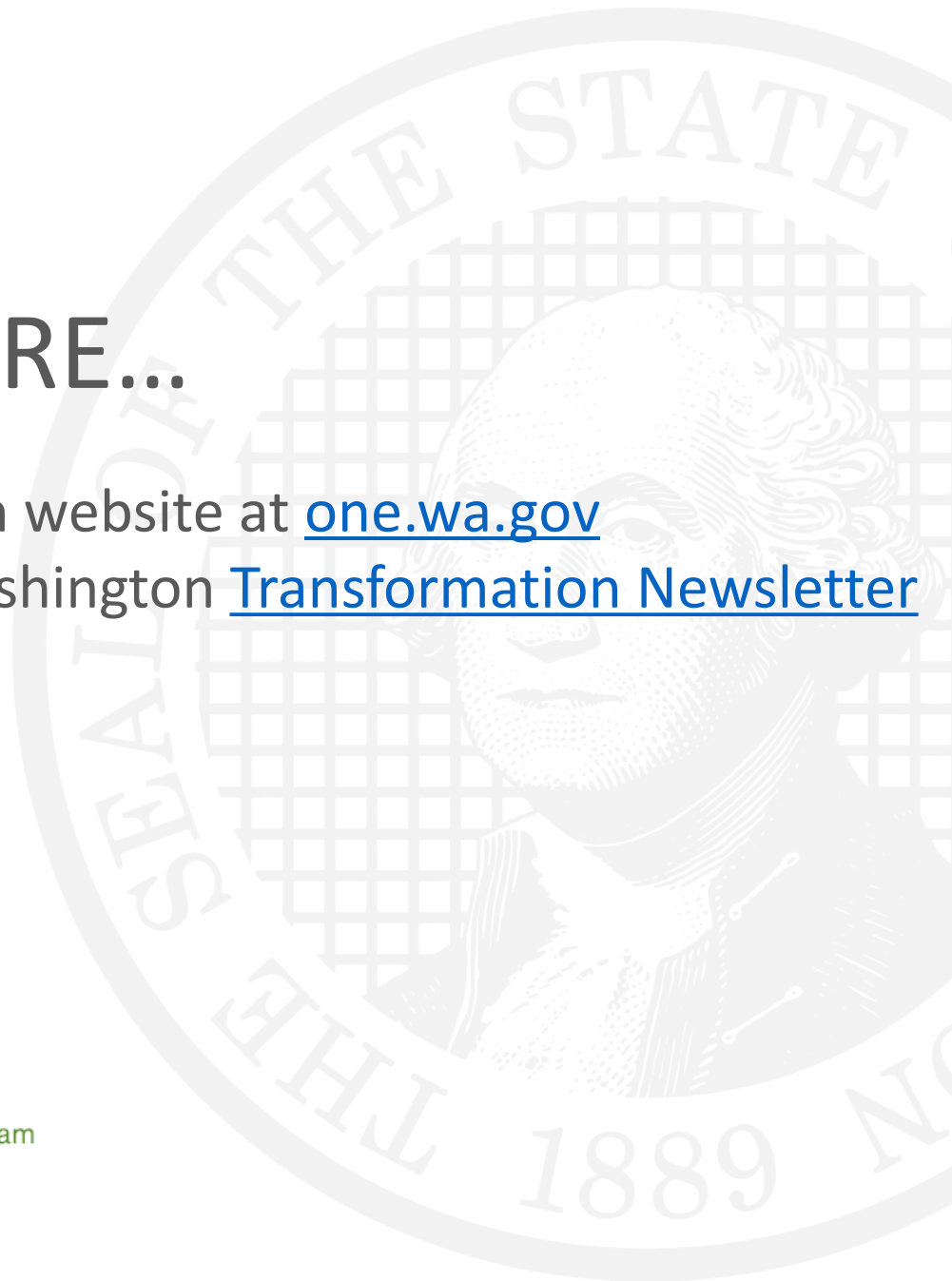
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TO PROVIDE FEEDBACK...

Contact us directly at onewa@ofm.wa.gov.
We welcome your feedback and are happy
to help answer questions!



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