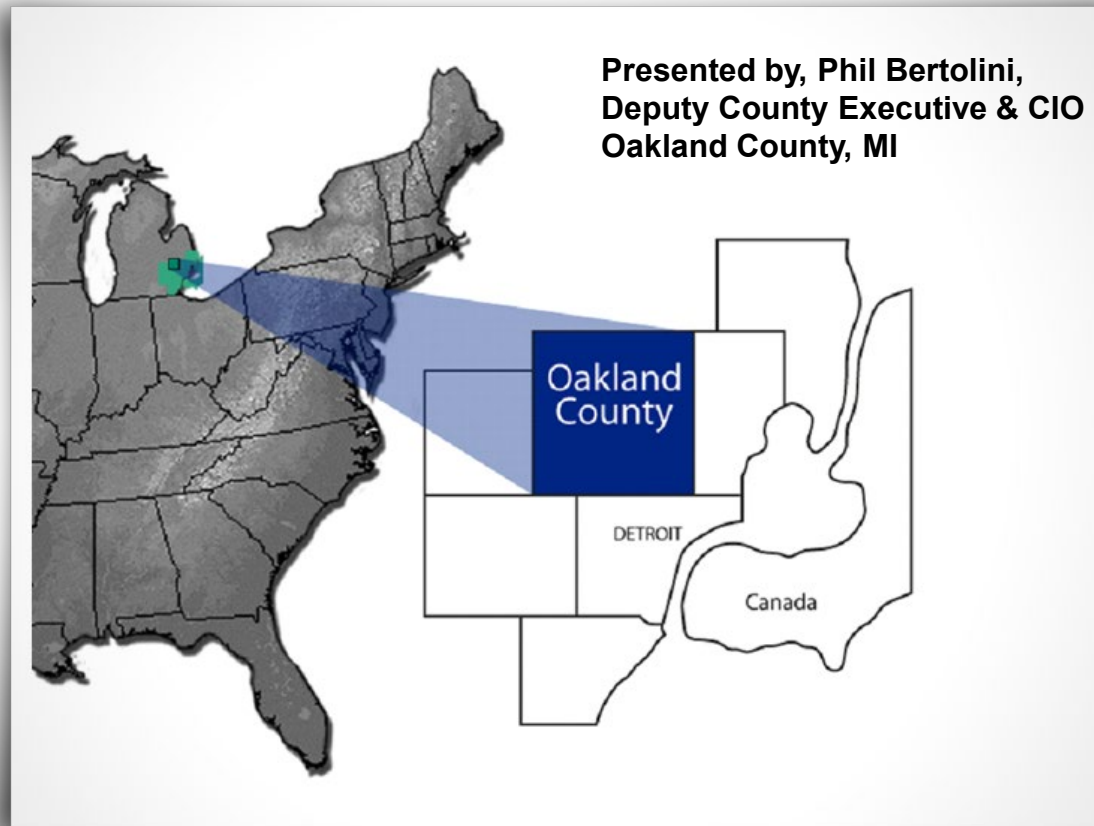


# Just When You Thought Your Summer Would be Fun!

*“What it Takes to be Successful at Implementing an Enterprise Resource Planning (ERP) System”*



2019

# Introduction/County Stats

- **Phil Bertolini, Deputy County Executive/CIO**
  - 31 years of government experience
  - Responsible for IT, Business Continuity and Facilities
  - Former Equalization Administrator/MMAO
- **Oakland County Stats**
  - 910 Square miles
  - 62 Cities, Villages and Townships
  - 1.2 million residents
  - 82 departments and divisions of county government
  - County Executive form of government with 21 Commissioners



**Your Summer and Technology!!!**

# Purpose

**This workshop will focus on the skills necessary to successfully implement a robust ERP platform.**

# Where Does a Project Start?

- Joint Decision Making
  - Work together with functional partners
- Involvement of Top Decision Makers
  - Involve the entire “c” suite
- Standard Evaluation Method
  - Shared understanding of how the project will be judged
- Screen for Technical Considerations

# Where Does a Project Start (cont.)

- Formal Business Case Made
  - Must understand the tangible and intangible benefits
- Partnership with Finance Office
  - Working together to understand the financial impact
- IT Strategic Plan
  - Multi-year plan for technology

# Strategic Plans

- Do you have an IT Strategic Plan?
- Define the mission of the entire organization
- Plan to develop enabling technologies that solve the problems
- 2 to 3 years in length
- Overarching document to guide IT forward
- It is a living document that takes care and feeding
- Ensure every project undertaken ties back to plan

# IT Business Cases

## The Essentials

- A Return on Investment Analysis (ROI)
- A Standard Set of Evaluation Criteria
- Alignment and Integration with Budgeting Process
- Intra-organizational Cooperation
- Accountability for Results



# Developing IT Business Cases

- Clearly Understand Vision and Goals
- Evaluate Existing Systems
- Identify Alternatives
- Run the Numbers
- Establish Performance Measures



**“Build it ONCE,  
pay for it ONCE  
&  
EVERYBODY  
benefits.”**

# IT Planning Process

Planning for technology projects is a “long distance” race and not a “sprint”

Careful planning and strong project management will help IT be successful

# IT Planning Process

- Must involve partners to ensure buy-in
- 2 year planning timeframe
- Develop committees/leadership groups consisting of partner community
- Develop strong processes and standards
- Led by Project Management Office (PMO)
- Develop mentorship and guidance

# Build versus Buy

- Build?
  - Strategic Direction
    - What resources exist
    - Do we want to build?
  - Costs
    - Software, Hardware, Licensing, Labor
    - Ongoing Maintenance
    - Total Cost of Ownership
- Buy?
  - Strategic Direction
    - Do package offerings exist?
    - Do we have the skills to implement?
  - Costs
    - Software, Hardware, Licensing, Labor
    - Ongoing Maintenance
    - Total Cost of Ownership

# Insource versus Outsource

- Insourcing & Outsourcing are potentially valuable tools for IT service delivery
  - Right sourcing will benefit the IT organization
  - Must rationally evaluate the outsourcing opportunities
    - Drive down costs
    - Effectively leverage human resources
- Sourcing can range from little or no effective policies to being an integral part of an organizations success
- Complete outsourcing is not recommended

# Systems Integrations

- Enterprise IT Systems touch numerous operational systems
- Integrations must be carefully thought out due to costs
  - Development Costs
  - Maintenance Costs
  - Versioning Costs
- Shadow Systems must be replaced or minimized
- What operational units NEED and not what they WANT
- Steering Committee must have final decision on integrations



# Software Licensing and Maintenance

- Licensing Models vary depending upon hosting model
- Terms and Conditions must be carefully negotiated
- Cloud Procurement Ts&Cs are identified in the Center for Digital Government's paper titled "Cloud and As-A-Service Procurements"
- Long Term support model may change over time

# Infrastructure Needs

- Infrastructure needs depend on hosting model
  - Internally Hosted
  - Externally Hosted
  - Cloud Hosted
- Buy for tomorrow and not just for today
  - Capacity Planning
  - Future Growth
- Disaster Recovery and Business Continuity  
Recovery planning important
- Engage third party experts

# On Premise versus Cloud

- Costs vary greatly for on premise versus the cloud
  - Up front startup costs
  - Ongoing maintenance costs
- Capital Expenses versus Operating Expenses
- Redundancy
  - On premise and secondary location
  - Cloud locations across nation
- Connectivity
  - Lack of speed kills

# Training

- Technical training should start early in the process
  - Technical and project management training
- Training of operational unit staff should commence shortly after initial purchase
  - National conferences
  - Onsite and offsite training
  - Ongoing refresher courses
- Training never stops
  - Technology and Business Processes change over time

# Existing Technology vs New Technology Decision Point

- Limitations to existing technology (aging)
- Risk (existing was unsupported)
- Cost of ownership rising with existing
- Change in accounting standard requirements
- Software adherence to best business practices

# Total Cost of Ownership

- GAP & ROI Analysis
- Define Anticipated Benefits & Measurements
- From Installation to Implementation

# From Installation to Implementation

- Support
- Training
- Knowledge base
- Enhancements
- Cost

# Communications Plan

**Goal:** Seek project approval and level-set expectations

## **Why?**

- Critical system for running County business
- Every financial transaction affected
- People-intensive process
- Significant risk



# Communications Plan

## **Channels:**

- Steering Committee
- Cross-functional project management team
- Stakeholders participation

## **Approval Process:**

- Stakeholders
- Executive Staff
- Legislative Branch
- Employees

# 3 Key Elements of Technology

1. Leverage technology dollars across entire enterprise
2. Focus on business re-engineering, not technology implementation
3. Business drives technology, technology does NOT drive business

**Technology is the easy part!**

# Take - *Aways*

# 1

What have I **learned**?

Many have no idea what  
an **ERP** is

# 2 What have I learned?

You will live with this  
decision for years to come

3 What have I learned?

Communication is  
everything!

# 4 What have I learned?

Educated Stakeholders will  
make or break the project

# 5 What have I learned?

Technology is the easy part



# 6 What have I learned?

The operational units will  
suffer during the change

# 7

What have I **learned**?

The scope of the **business changes** may be massive

# 8 What have I learned?

The ROI may not be in hard dollars

# 9 What have I learned?

There are no shortcuts to  
ERP success

10 What have I learned?

It is all about the PEOPLE!



# Surfing the TIDES of Change

# Thank You for Attending!

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