ABT Program

Business Process Redesign Strategy and Plan

June, 2008

Revision History

Version	Prepared by	Date	Reviewed by	Approved by	Note
Original v.1	Sue Rankin	June 10, 2008	R. Bunkley	Manny Ovena	
V.2	Robin Bunkley	June 19, 2008	ABT Team	Manny Ovena, Keith Pace-Ciber	OCM and EAC requested changes, Phasing modification

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1.0 Executive Overview

The new implementation of Oracle E-Business Suite (EBS) and PeopleSoft HCM is designed to provide best practice business processes and system capabilities that will enable Finance and Human Resources to deliver enhanced services and reporting capabilities to employees and managers. The ABT implementation team will be dedicated to the development of countywide standard processes, supported by the selected applications / systems within each phase. However, it is recognized that in the event a county department / division has sound business reasons for maintaining their variations and these variations are consistent with ABT's Vision and Goals direction, these reasons will be documented and managed during implementation.

Overall objectives of the Business Process Redesign (BPR) effort include:

- Adapting existing county business processes to delivered software functionality;
- Utilizing technology to decrease or eliminate steps, rework, approvals, auditing and to increase department efficiencies;
- Leveraging employee and manager self service where possible;
- Shifting focus from transactional / administrative tasks to more strategic, value-added activities; and
- Increasing responsiveness to changing business needs.

The Business Process Redesign methodology used by the implementation team during the ABT project will follow a succinct step-by-step process that includes the following:

- Determine the approved high level processes as identified in the High Level Business Plan (HLBP), High Level Business Design (HLBD) and Detailed Implementation Plan (DIP);
- Determine the associated sub-processes;
- Document the high level processes and the sub-processes in the traceability matrix;
- Identify and document business requirements during Fit / Gap work sessions;
- Analyze business requirements and processes against standard functionality and practices;
- Determine gaps, assess options and chose best alternative;
- Document the redesigned business processes based upon the identified gaps, design decisions and modifications; and
- Refine redesigned business processes as necessary.

The following section includes a more detailed explanation of the methodology and the iterative process that will be used by the implementation team throughout the business process redesign effort. It is important to note that the Business Process Redesign Strategy and Plan proposed by CIBER and outlined in this document supports, and is supported by, other ABT strategy documents developed in the DIP.

2.0 BPR Methodology Overview

As a starting point, the business process redesign methodology will focus on the high-level business processes as identified in the ABT High Level Business Design documents. The list of approved high-level business processes for PeopleSoft HCM and Oracle EBS is included below:

Function	High Level Business Process
HCM	
	Recruit to Hire
	Leave Administration
	Performance Management
	Position Management / Succession Planning
	Time and Labor
	Training Administration
	System Access
	Payroll
	Benefits
Financials	
	Procure to Pay (AP, iExpenses, PO & iProcurement)
	Financial Accounting and Reporting (GL, FA, Inventory)
	Order to Cash (OM & AR)
	Cost Accounting (Projects / Grants and Labor Distribution)
	Capital Budget Development
	Operating Budget Development

Using the already identified high level business processes as a guide, the team will drill down to identify the sub processes that exist within each of the high level process groups. An example of a high level process and the associated sub processes and modules is shown in the table below:

High Level Process	Sub-Process	Module
Procure to Pay	Create an Online Requisition	iProcurement
	Approve an Online Requisition	iProcurement
	Auto-Create a Purchase Order	Purchasing
	Approve a Purchase Order	Purchasing
	Distribute a Purchase Order	Purchasing
	Receive Goods	Inventory / Purchasing
	Create a Voucher	Accounts Payable
	Match Purchase Order to Voucher	Accounts Payable
	Relieve Commitments	Accounts Payable

The implementation team will continue the process with a series of facilitated workshops designed to discover the requirements that support the business process. The workshops will also provide opportunities for process improvements in the existing functional areas such as Payroll Operations. In a collaborative manner, the team will review current business practices and explore opportunities for process innovations that could include process standardization, improved operational lag times and the elimination of unnecessary steps and approvals.

Business process redesign methodology will address the following:

- What the organization does
- How the organization does it
- Who in the organization does it
- Where it occurs including systems and interfaces
- The sequence in which it is done
- The rules that are followed
- Policies, regulations and legal requirements are identified and followed
- What business requirements must be considered
- Interdepartmental dependencies
- The results it obtains

Workshop participants will consist of cross-functional King County users, process owners, subject matter experts, technical staff and management from the various lines of business. Participants will attend work sessions designed to identify core county business and design requirements. The goal will be to establish a countywide foundation for business requirements, business processes and design. The team will confirm department / division specific requirements and manage exceptions during the implementation.

As the data is collected, the team continues to build out the process using a traceability matrix. As each step of the business process redesign effort is completed by the team, the results are documented in the matrix. The table below indicates the iterative data collection process and how the team begins to document each step using the appropriate columns in the matrix:

High Level Process	Sub-Process	Activity	Requirement Description
Procure to Pay	Create an Online Requisition	1. While logged into the iProcurement module, enter product and quantity and click the Add to Cart to place the item in your shopping cart. Continue selecting items as needed and click on Checkout when ready to submit requisition. 2. Enter the requisition description, need by date, requester if different than the default, deliver to location if different than the default and billing (projects/grants) information as needed and click on Edit Lines to verify the information and perform funds checking. 3. Verify that the first approver is appropriate (change if needed); add justification information and notes to buyer and click on Next to proceed. 4. Review the information; click on Submit to create the requisition and submit it for approval.	Ability to create an Online Requisition for Goods

Ultimately, the team will link the business process to specific training curriculum and to use / test cases that will be used to validate the business requirements in the new system(s).

A sample traceability matrix is included below and in Appendix A of this document:

Req ID	Process Group	Sub-Process	Activity	Module	Requirement Description	Priority (A,B,C)	Gap (Y/N)	Gap ID	Re-Design Process (Y/N)	Custom Development (Y/N)	Design/ Develop Ref #	Status	Test Case #	Training Curriculum Course #
1.1	Procure to Pay	Requisition to receipt	Enter requisitions	PO	Enter requisition	A								
1.11			Enter requisitions	iProc.	Enter requisition	B			Y		1.1	Open		
1.12				PO	Approve requisition	A								
1.13			Issue PO	PO	Issue purchase order	A								
1.14				PO	Authorize purchase order	C								
1.15				PO	Distribute paper purchase order to supplier	A								
1.16				PO	Distribute electronic purchase order to supplier	B	Y	1.1		Y	2.1	Open		
1.17			Receive	INV/PO	Receive material from supplier	A								
1.18				INV	Put-away or deliver to buyer	A								
1.2	Procure to Pay	Supplier invoice to payment	Manage supplier invoices	AP	Receive paper invoice	A								
1.21				AP	Receive electronic invoice	A	Y	1.2	Y		1.2	Open		
1.22				AP/PO	Match invoice to purchase order, validated and approved	A								
1.23				AP	Manage recurring invoices	B								
1.24				AP	Manage evaluated receipts	B								
1.25				AP	Approve supplier invoices	B								
1.26				AP	Resolve invoice holds	A								
1.27				AP	Process (apply) supplier credit memos for returns or overpayment	A								
1.28				AP	Process supplier prepayments	A								
1.29				AP	Modify existing invoice accounting distributions or allocations	B								
1.3				AP	Create invoice batch and issue paper checks	A								
1.31					Create invoice batch and issue wire transfers	B								
1.32					Create invoice batch and issue EFT	A	Y	1.3	Y		1.3	Open		
1.33			Xfer to FA	AP/FA	Transfer asset information to Fixed Assets	A								
1.34			Reconcile	AP/CE	Reconcile bank statement (requires custom bank statement interface)	A				Y	2.2	Open		
1.35			Post to GL	AP/GL	Post sub-ledger to General Ledger	A								

Explanations for column headers in the traceability matrix are included in the following table:

Column Header	Header Description
Req ID	Each business requirement is given a unique identifier for tracking purposes.
Process Group	The Process Group identifies the high-level business process group from the HLBP, HLBD and DIP.
Sub-Process	The Sub-Process identifies the decomposed processes that exist within the high-level process group.
Activity	The Activity Column will be used to document the necessary steps for completing a Sub-Process.
Module	This column identifies the module associated with the Activity.
Requirement Description	This column provides a description for each business requirement.
Priority	The implementation team will rank each requirement with a priority to indicate the importance of the requirement. Priorities include: A – must be included in the system B – nice to have C – include if possible
Gap	This column will be used to identify the business requirements that cannot be met with delivered functionality and will require a work-around or a modification to the system.
Gap ID	Each identified gap will be given a unique identifier for tracking purposes.
Redesign Process	Business processes that have been selected for redesign are identified in this column.
Custom Development	This column will be used to indicate which gaps will require a modification.
Design / Develop Ref #	Each modification will be assigned a unique design / development number for tracking purposes.
Status	The status column will be used to indicate the status of a business process redesign effort or a modification.
Test Case #	This column will be used to track the unique identifier assigned to a test case.
Training Curriculum Course #	Applicable business processes, such as new functionality, a customized process, etc., will be assigned a curriculum course # to ensure that the training requirements are met.

3.0 Impact Statements

A goal of organizational impact analysis is to identify and document impacts caused by business process and system changes. The result of this effort is a plan that addresses each impact with:

- Business process maps and narratives that define the future state;
- Communication to create awareness of the changes that the business process redesign effort will generate; and
- Training to develop the skills to perform the process.

The organizational impacts are collected by function (HR/Benefits, PR/Time Entry, Finance and Budget) and business process. The details collected for each impact typically include:

- Business Function
- To-Be Business Process including identified Roles
- Processing Schedule Change
- Job Function Impact
- Skill Requirements Change
- Labor Contract Impacts
- Policy Impacts
- New Data available online or in reports
- Unique Department/Division Organizational Impacts

Impact statements are covered in detail in the Organizational Change Management Strategy document. Please refer to that document for additional information regarding Impact Statements and how they are developed by the team.

4.0 Business Process Redesign Summary

Technology is an enabler, providing the opportunity for business change. Business process optimization and standardization can dramatically improve operating effectiveness as well as the strategic value of the new Oracle and PeopleSoft systems. As indicated in this document, improving business processes requires several facets of the organization to come together to make the improvements a reality and a normal part of business operations by continuing the commitment to utilizing delivered functionality and to the development of best practice business processes that will deliver enhanced capabilities to the county organization.

Appendix A: Sample Traceability Matrix

Req ID	Process Group	Sub-Process	Activity	Module	Requirement Description	Priority (A,B,C)	Gap (Y/N)	Gap ID	Re-Design Process (Y/N)	Custom Development (Y/N)	Design/ Develop Ref #	Status	Test Case #	Training Curriculum Course #
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