ONE WASHINGTON
A Business Transformation Program

Tran$formation
THE ONE WASHINGTON PROGRAM NEWSLETTER

Inside this issue

Welcome ...

The One Washington team is excited for the numerous activities planned in 2018 as we move closer to the modernization of our core administrative business processes. This edition of Tran$formation provides updates on our progress and achievements.

Recent events

Program Blueprint version 2 published

Supplemental Budget

Upcoming events

Stakeholder review of the Program Blueprint version 3

The ERP Experience – May 2018

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

Financials	Procurement	Budgeting	Human Resources	Organizational Change
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Program Blueprint update

The One Washington program successfully completed version 2 of the Program Blueprint. This version is a modification of version 1 and includes plans, schedules, and estimates to execute non-technical and technical initiatives for Finance, Procurement, Budget and HR/Payroll for the next eight years. It also outlines the strategy for Organizational Change Management as well as a timeline for the procurement and implementation of a business intelligence solution.

Next steps

The One Washington team continues to gather information and feedback by conducting comprehensive stakeholder interviews. This information will be used to understand business, technical, reporting and cultural needs in order to be ready for enterprise modernization and business process transformation.

The third and final version will incorporate all detailed components of the One Washington program, to include all budget estimates by component. The final version will serve as a key resource to guide implementation in the years to come. The Program Blueprint version 3 will be completed in June 2018.

As the One Washington team listens to our business, technical and leadership stakeholders, we confirm the challenges and difficulties that agencies endure in order to produce information for administrative business needs.

Challenges include spreadsheets, old databases and labor intensive efforts, and over 400 different systems within the scope of the One Washington program that will be retired or integrated into the modern ERP.

The One Washington team will carefully examine, analyze and determine which systems will be converted to the new solution and which systems will remain as an interface to the ERP.

To quote Department of Agriculture's Kevin Greene,
" We are currently using a half ton truck to do 18 wheeler work!"

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The ERP Experience

Since July 2017, One Washington has engaged state agencies in the participation of the creation of our Program Blueprint for the modernization of business processes in the Finance, Procurement, HR/Payroll and Budget functions. We have conducted numerous meetings to collect information about our current state of business functions in order to successfully plan for the implementation of new software and transformation of our business processes.

In May, One Washington will be hosting *The ERP Experience* which will consist of a series of modern business software demonstrations. There will be four major software vendors that provide solutions to the public sector and each will have two days to showcase their software.

The intent of these demonstrations is to learn about the current state of solutions available in the marketplace, which will inform our procurement activities scheduled to begin in fiscal year 2019 along with:

- Create awareness for Washington state leaders on what is possible in an ERP solution and what One Washington transformed business processes will be like.
- Allow for four of the top solution vendors in the public sector to showcase integrated, business functionalities and how they can support our vision.
- Identify key functionalities and specifications to include in our procurement process beginning July.

"The goal is to turn data into information, and information into insight." -Carly Fiorina, former CEO Hewlett Packard

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Business Intelligence

A common problem in Washington state government is disjointed systems, the lack of real-time data, and limited ability for functions like integrated dashboards, predictive analytics and key performance indicators.

Business Intelligence (BI) provides an organization the tools and metrics used to help monitor and measure an enterprise's business performance.

Currently, state agencies rely on manual processes that require staff to access multiple systems, spreadsheets and databases to create performance reports. Establishing a BI model would allow for the same performance report to be produced with minimal effort, and usually with simple queries, commands and filters. One Washington is currently assessing the state's BI capabilities and needs. The BI Strategy will be included in version 3 of the Program Blueprint.

Procurement Readiness

Washington State does not have an enterprise procurement system that helps agencies administer the procurement process and effectively manage a contract lifecycle. In 2017, the Procurement Readiness workgroup, comprised of procurement experts from 15 agencies, spent seven months to carefully examine, define and agree on common procurement processes, definitions and data elements.

The outcome from the workgroup's effort was subsequently reviewed by consultants from North Highland, a management consulting firm. The purpose of their evaluation was to identify gaps that need attention for the successful development of business capabilities and technical specifications for the new procurement system. The evaluation identifies areas where the state has strong procurement practices and areas with gaps that can be strengthened. The report identified six work streams for project efforts:

- eProcure to Pay Automation
- Catalog Establishment
- Supplier Enablement
- Sourcing Management
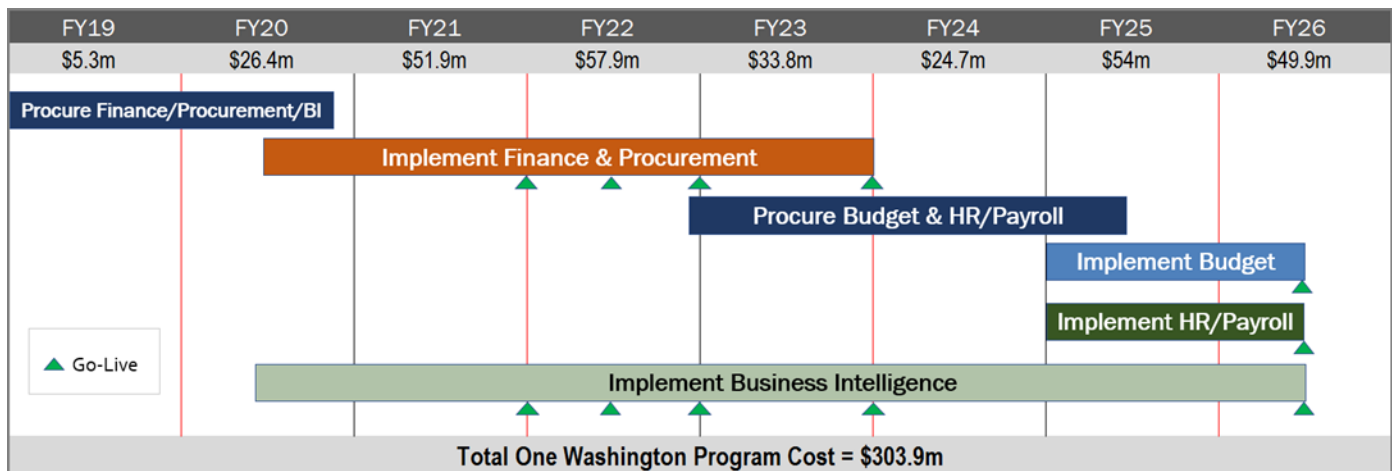- Contract Management
- Data Management

Each work stream provides key elements that are necessary for the selection of an enterprise procurement solution. The final report will be used to guide One Washington program efforts.

One Washington's 2018 Supplemental Budget

One Washington's 2018 supplemental budget of $5.3 million supports activities for the modernization of the state's finance and procurement business processes. These activities are critical to successfully prepare for implementation and include:

1. Creation of a procurement process to select the integrated finance and procurement system.
2. Development of the business capabilities and technical specifications for the system.
3. Readiness activities for finance and procurement.
4. Prepare for WSDOT integration.

The timeline below shows the total cost of modernization over an eight year period.

FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
$5.3m	$26.4m	$51.9m	$57.9m	$33.8m	$24.7m	$54m	$49.9m

Procure Finance/Procurement/BI

Implement Finance & Procurement

Procure Budget & HR/Payroll

Implement Budget

Implement HR/Payroll

▲ Go-Live

Implement Business Intelligence

Total One Washington Program Cost = $303.9m

Organizational Change Management

Organizational Change Management (OCM) ensures that the right resources and processes are in place so that an organization effectively transitions to the desired future state. The One Washington Change Management Strategy provides a strategic–level approach for each of its major phases. Since November 2017 One Washington has met with 35 agencies to learn about their recent change initiatives, change capabilities, leadership culture, communications and training strategies. This effort is building *awareness*, the first step in change management to create familiarity of the One Washington program. We continue the outreach to remaining agencies and building a knowledge base of stakeholder information that will help in the analysis of implementation readiness.

Next steps for OCM

A common theme from our stakeholders' interviews is the urgency and need to create a modern enterprise solution to meet 21st century business outcomes. Several activities are in process to align with the OCM strategy.

- Create a transformation advisory group, a transformation network group and a transformation communications council, which will support OCM efforts for the Program.
- Create a repository of frequently asked questions about the One Washington program.
- Facilitate the upcoming ERP Experience vendor demos of modern ERPs and allow for staff statewide to see what is possible in modern systems.

One Washington looks forward to continue our partnership with state agencies to plan the transformation and modernization of business processes.

Change Management Curve
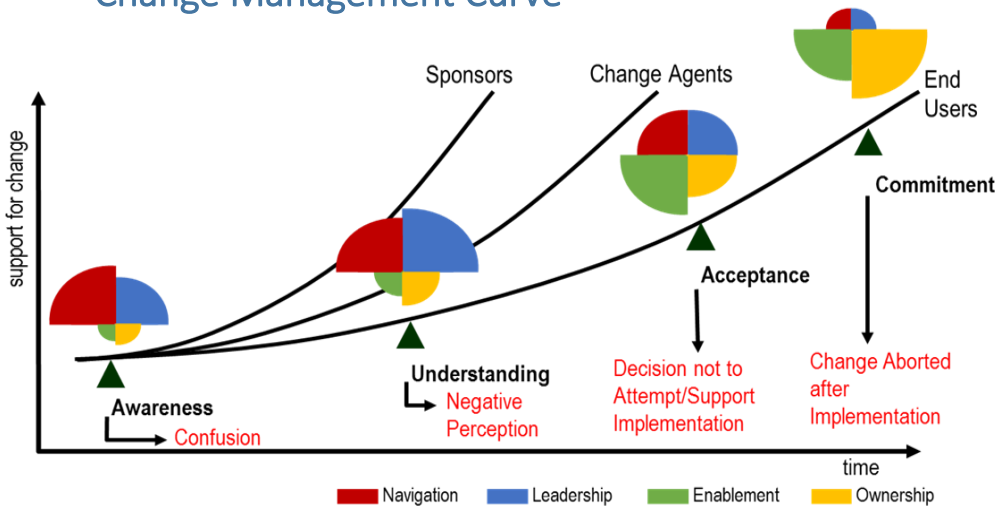
Any type of change is a process. The earlier change is communicated, the greater the chances of adoption and commitment by the organization. If change information is withheld or delayed, the adoption rate is diminished and the organization suffers confusion or resistance.

One Washington is currently in the awareness phase of our business transformation.

Quadrants	
Awareness	Has the knowledge of program scope, business case and need for change
Understanding	Comprehends role & expectations, specific impacts, program timeline and outcomes
Acceptance	Has the required knowledge and demonstrates support to achieve the goals of the program
Commitment	Turns ability into action and demonstrates new behaviors and performance