

Software Performance Systems, Inc.

Case Study: ERP Financials Implementation



Case Facts

Sector:

Federal Government

Organization:

Smithsonian Institution (SI)

Customer Profile:

14 museums and research facilities. Receives funding from both federal and trust sources.

Business Problem:

Existing core financial management system was outdated. Data entry was manually intensive and prone to errors leading to difficult reconciliation efforts.

Solution:

Implemented an effective ERP core financial management solution, which allowed reengineering of business processes, elimination of cuff systems, and development of accurate, user-friendly reports.

Smithsonian Institution: People Soft V8.4 Financials Enterprise Resource Planning (ERP) Implementation

Business Problem

Smithsonian Institution's financial systems and applications were unable to meet the needs of the distributed users located throughout the Institution or those of the Office of Comptroller (OC). Museum staff was unable to work solely within the existing system or rely upon data generated in the various reports. To facilitate functional operations, staff utilized a system of cuff records and manual reconciliations. OC staff relied on a variety of manual manipulations in conjunction with ad hoc processes to produce the necessary reports and information needed by both internal and external (i.e. auditors, Treasury, and OMB) customers. Not all information requested was available and extensive amounts of time were expended throughout the Institution to reconcile the cuff and official systems. In addition, common business practices, such as closing open purchase orders for which final payment had been made, authorizing payments, and moving funds between accounts, were problematic due to the current system limitations.

Furthermore, the absence of real-time information about financial activities limits the ability of the Smithsonian to develop a complete picture to support sound business decisions. Its primary financial system, the Smithsonian Financial System (SFS), was based on a technologically obsolete, commercial financial management software product that could no longer be supported by its vendor. Costly and difficult to maintain, SFS could not take advantage of advances in technology or be adapted to serve the needs of Institutional Units.

Solution Implemented

In June 2001, SPS won a competitive contract with the SI to perform a comprehensive and full implementation of the PeopleSoft V7.5 General Ledger (GL), Purchasing (PO), and Accounts Payable (AP) modules. Originally slated for PeopleSoft V7.5, the implementation team performed complete configuration of the hardware architecture, database environments, and application fit-gap analysis in accordance with V7.5. In April 2002, when PeopleSoft released V8.4, the SPS team shifted its development effort to incorporate the enhanced capabilities of the web-based architecture or V8.4.

Processes and Tools:

A major key to ERP implementation success is conducting effective and well-prepared fit/gap sessions.

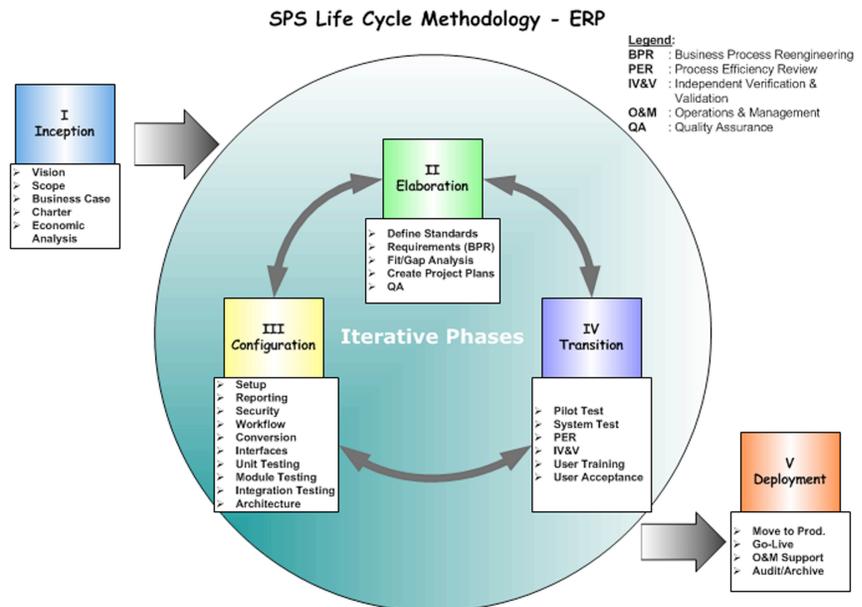
Our preferred project life cycle tool is the Rational Tool Suite, an IBM product. As an IBM partner, we successfully use the Rational tools for business modeling, requirements management, configuration management, and defect tracking and reporting on the majority of our projects. In particular for the SI ERP project, we used the Rational tools: ReqPro (Requirements Management), ClearCase (Configuration Management), and ClearQuest (Defect Tracking/Reporting).

End User Communication:

“Out Reach” Sessions
Pilot Testing
CFO Bulletins
Quick Reference Guides
Desktop Procedures

Accomplishments

The SPS implementation team successfully performed the planning, development, training, and testing to complete the migration to V8.4 in time to meet the scheduled deployment of the GL, PO, and AP modules in October 2002. This deployment’s success, under a severely compressed schedule, was validated with the recent “unqualified” audit opinion the SI received for its FY03 accounting year. Only through customer and SPS staff dedication and the inherent teamwork therein was it possible for this success to be realized.



Top 5 Success Factors

1. Leadership coupled with timely decision making
2. Dedicated agency staff for full time project support
3. Stay current with vendor releases
4. Comprehensive and well-communicated Data Conversion Plan
5. Test external interfaces early and often

Outcome

Following up on the success of Phase I, the SPS team is scheduled to implement additional financial modules (Asset Management, Accounts Receivable, Projects, Billing, Inventory, Budget, and Grants/Contracts) throughout FY05 and FY 06.

About SPS

Software Performance Systems, Inc. (SPS) is a small business specializing in providing superior information technology services to government and commercial clients. Reflecting the SPS commitment to quality, SPS systems have received several national awards, including an Excellence.Gov grand prize, awarded by the Federal CIO Council; the Excellence in IT, awarded by Government Computer News; and the Pioneer Award, awarded by the eGov organization.