

Shared Services End-To-End eProcurement Project

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The Problem

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Procurement software in many agencies is outdated and fragmented

- Entire process — from purchase request to vendor payment — not automated
- Time consuming
- Errors inherent in manual processes

The Problem (cont.)

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- Reports produced manually, not consistent
- Management data not easily available in agencies and statewide
 - information about vendor performance
- Cannot leverage buying power

The Solution

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eProcurement shared system

- Automates entire process end-to-end
- Integrates with existing systems, e.g. SFMS, OMWESB
- Provides real-time, accurate data

The Concept

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Procurement software delivered as a shared service

- Incorporate best practices
- Obtain product that can be used by all agencies
 - Potential to become Enterprise solution
- 11 agencies have expressed interest in collaborating on a solution

The Concept (cont.)

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- Work together to create common requirements for new system
- Timeline
 - ODF implement 2015-17
 - Other agencies implement 2017-19 or later

Benefits to Collaborating Agencies

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- Shorter timeline for all agencies
- Strength in numbers
 - Leverage collective effort
 - Leverage collective expertise
 - Lower Cost - economies of scale; agency contributions of money and staff time leveraged

Benefits to Collaborating Agencies (cont.)

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- Complying with project oversight requirements easier because some approvals are obtained only once, rather than for each agency
- More efficient, predictable procurement process
- Better performance data and more accurate reporting

How Can Agencies Participate?

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A. Fully Involved as Collaborating Agency

- Contribute money and/or staff time
- Participate in
 - Definition of Common Requirements
 - Procurement
 - Product selection
 - Learn from ODF experience in real time as project moves forward
- Participate in and accept recommendations of project team
- Participate in vendor demos
- Use the eProcurement product that is selected

How Can Agencies Participate? (cont.)

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B. Monitor Progress Only

- Regular briefings about project progress to:
 - Designated Procurement Officers (DPO)
 - CFOs, Controllers, and Budget Officers (CCBO)
 - Chief Information Officer Council (CIO Council)
 - Enterprise IT Governance Steering Team (EITGST)
- Participate in vendor demos
- Use the eProcurement product that is selected

Risks

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- Agencies remain in their “silos”, not willing/able to compromise on common requirements and other issues
- Not enough agencies sign up to achieve economies of scale in startup costs, training costs, and license fees
- Agencies drop out mid-stream and continuation of collaborative effort no longer feasible
- Difficulties collaborating delays project and planned timeline cannot be met
- Best product is too expensive

Project Governance

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Executive Sponsors Committee

One high-level executive representing each fully collaborating agency

Steering Committee

Up to three representatives from each fully collaborating agency

Project Management Advisory Team

5-8 people who represent each of the three disciplines (procurement, finance, information technology) and the project manager

Project Team

Subject Matter Experts (SMEs) are active in the project when their discipline is needed