



PFM Systems an Overview – Different Approaches in the Caribbean and the World

The Bermuda Government Experience

Background

- Initial system installed: 1995
 - System: J D Edwards World

Experience – Lessons Learned

- The core feature set installed successfully - meeting key project objectives
 - Objectives of original ERP Project were to consolidate and modernize core financial operations and planning systems that were old, separate, custom built applications with limited feature and costly to maintain.
- The project did not maintain momentum to install full feature set
 - *Lesson Learned* – be prepared to maintain development approach for a number of years
- System maintenance was not maintained in later years of ownership
 - *Lesson Learned* - maintain commitment and resources to stay current with release upgrades
- Extensive customization to meet individual process requirements
 - *Lessons Learned* – customization should be avoided, they create maintenance load in the long run and differentiate your installation from vendor core solution
- Continued reliance on manual processes & satellite systems to compensate for functionality not installed
 - *Lesson Learned* – Large projects must be addressed in phased releases for practical and risk mitigation reasons, but resources and management “will” must be maintained to continue the development and rollout. Commitment to Continuous Improvement is Critical Success Factor.
 - *Lesson Learned* – Maintain a development team that is always driving the rollout of next phase/feature and/or release.
 - *Lesson Learned* – Ministry level management need to support and agree with corporate wide system approach.

Planning to Replace Current System - 2005 to 2007

- Analysis was conducted of the business processes and system requirements.



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- Due to the age of system and gap between the current and desired future state the decision was taken to upgrade and modernize.
- key business drivers:
 - Difficulty with consolidation and closing accts, out of date application, deficiencies in the current system, opportunity realize gains though full ERP deployment

RFP - 2007 to 2008:

- Request for Proposal (RFP) issued in June 2007, leading to an extensive analysis of a few shortlisted systems. This process included the following activities:
 - Review of business process and identification of opportunities for business process improvement
 - Prioritization of requirements
 - Drafting and issuing RFP
 - Scoring and evaluation of responses to RFP
 - High level internet demonstrations to validate that additional analysis was worthwhile
 - On-site demonstrations by vendors
 - Follow up demonstrations and documentation to address noted concerns
 - Reference calls with vendor's customers
 - Site visits to customers
 - Follow up calls with vendors to clarify and obtain additional information
 - Head Office visits to meet key persons and assess vendor strengths, vision and viability
 - Identification of risks associated with each vendor
 - Review of financial information with respect to implementation, software and support costs
- The vendor was selected based on following criteria.
 - Features and function met requirements

E1 Project - Jan 2009

- Main challenges/Risks:
 - Integration of and/or replacement of legacy satellite systems in use by departments
 - Buy in on a wide scale
 - Change management, as this project requires a change in thinking and not just doing
 - Want to install system as vanilla as possible using recommended best practice



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- Risk Mitigation Plan
 - Formed Steering Committee consisting of key stakeholders representing significant areas in government
 - Dedicated Project Team with team leaders for each functional area
 - Adopt best practices and redesign business processes to fit the system, as opposed to the other way around
 - Identify interfaces to incorporate most of the specialized systems
 - Identify management level and worker level resource in each department where integration/replacement is required
 - Communicate! Communicate! Communicate!
 - Working extensively with departments to secure buy in
 - meetings, presentations, demos, phone calls
 - News letter
 - Train! Train! Train!
 - Conducted training at start of project to facilitate planning, process design and testing
 - Extensive training of users as part of “Go Live” phase
 - SME’s will be available to offer continuous knowledge and skill transfer
 - Routine training will continue to refresh and upgrade existing staff and initiate new hires.