PIMA 1

Pima1 Update
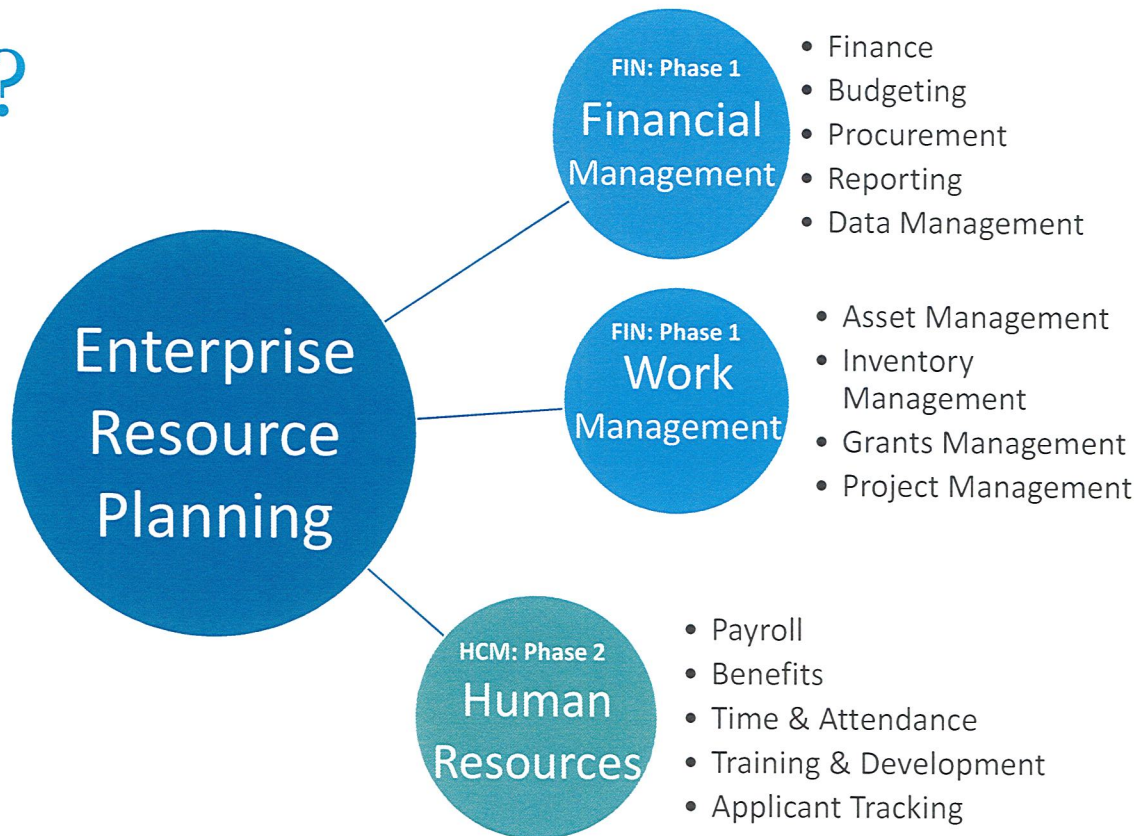
May 21, 2024

PIMA COUNTY

What is an ERP?

- An Enterprise Resource Planning System (ERP) is a software suite, that allows organizations to manage operational activities.

- Pima County relies on these software systems for every aspect of our business.

Enterprise Resource Planning

FIN: Phase 1
Financial Management
- Finance
- Budgeting
- Procurement
- Reporting
- Data Management

FIN: Phase 1
Work Management
- Asset Management
- Inventory Management
- Grants Management
- Project Management

HCM: Phase 2
Human Resources
- Payroll
- Benefits
- Time & Attendance
- Training & Development
- Applicant Tracking

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Enterprise: *at the organizational level, the entire organization*
Resource: *track and manage resources: People, Finances & Assets*
Planning: *the process of thinking regarding activities to achieve a goal*
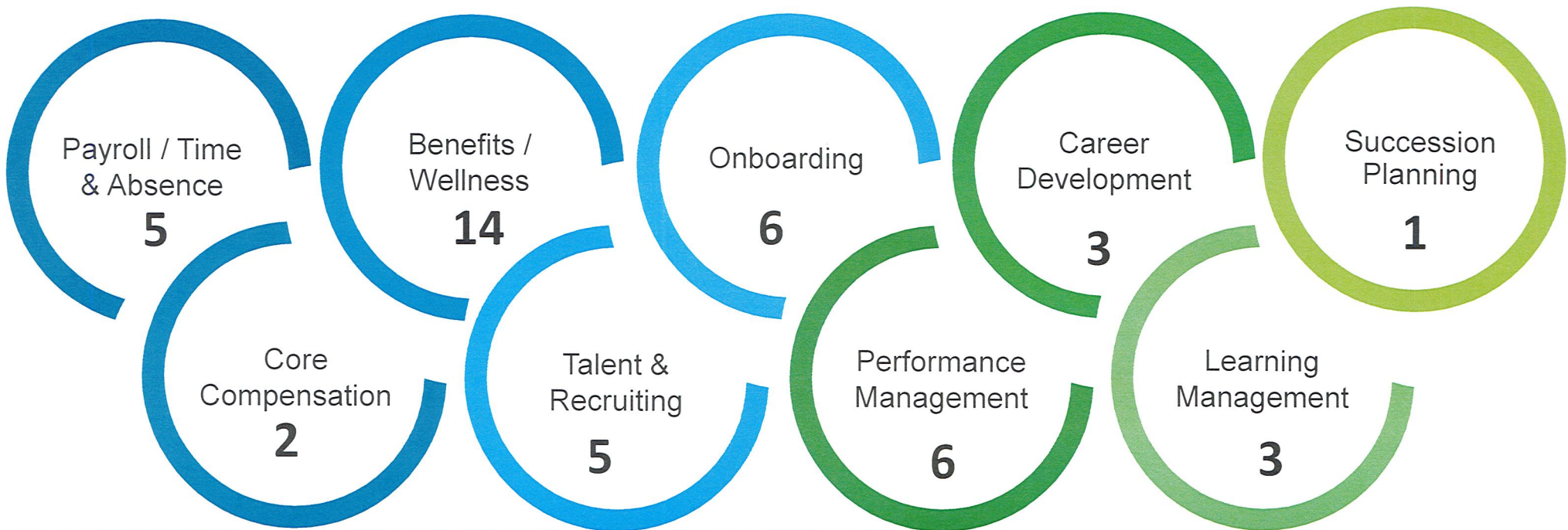
PIMA 1

2

Why do we need a new ERP?

Our current systems are reaching end of life, requiring a new upgrade and re-evaluation of processes. Opportunities include:

- Improve internal operations
- Increase transparency
- Adopt best practices
- Address lacking capabilities
- Increased security
- Modernized ERP infrastructure
- Increase functionality
- Better efficiencies

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Integrations and the ERP "Ecosystem"

Accounting
5

Procurement
7

Financial Planning
3

HR, Benefits & Payroll
19

Talent & Performance Management
8

Cash & Debt Management
3

Asset & Work Management
7

Reporting & Data Management
8

Grant & Project Management
7

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Financial & Work Management
~1000 Pima County Staff Users

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Integrations and the ERP "Ecosystem" cont.

Payroll / Time & Absence **5**

Core Compensation **2**

Benefits / Wellness **14**

Talent & Recruiting **5**

Onboarding **6**

Performance Management **6**

Career Development **3**

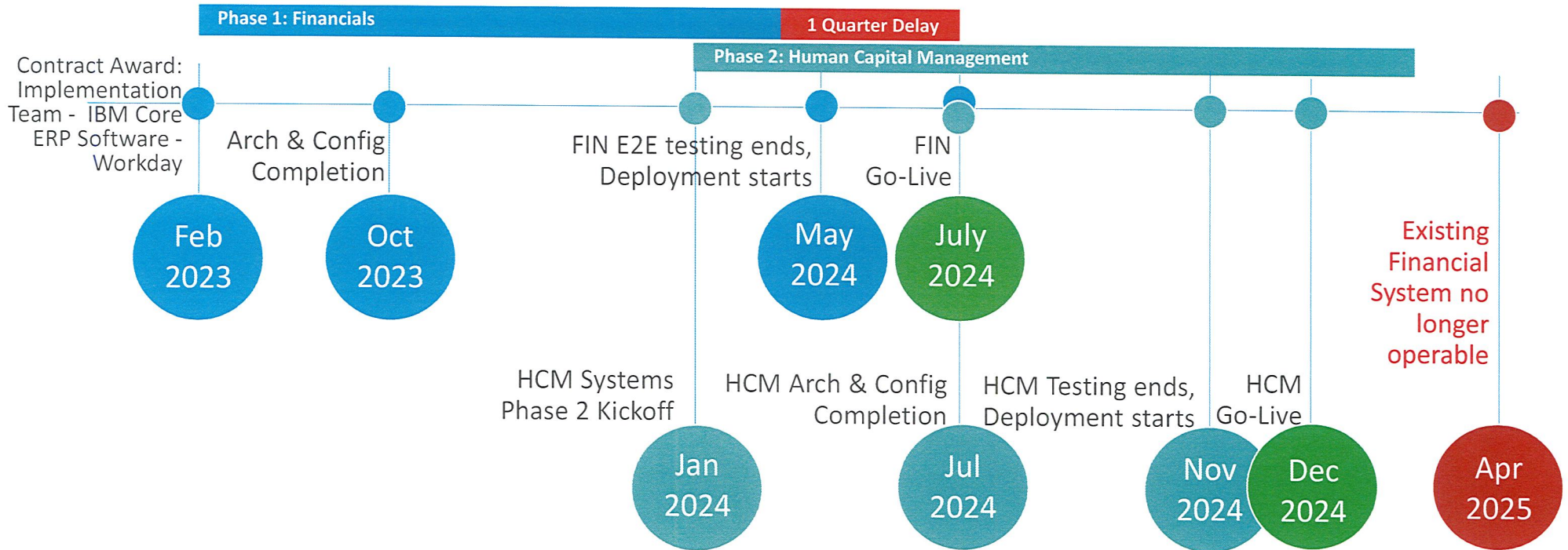Learning Management **3**

Succession Planning **1**

Employee-Focused Project Goals

Implement a County-wide user-friendly Software as a Service (SaaS) solution

Improve Transparency, Reporting, and Access to Data

Improve Integrations between Best of Class software systems to meet business needs

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Implementation Timeline: Pima1 -Revised

Phase 1: Financials

1 Quarter Delay

Phase 2: Human Capital Management

Contract Award: Implementation Team - IBM Core ERP Software - Workday

Feb 2023

Arch & Config Completion

Oct 2023

FIN E2E testing ends, Deployment starts

May 2024

FIN Go-Live

July 2024

Existing Financial System no longer operable

Apr 2025

HCM Systems Phase 2 Kickoff

Jan 2024

HCM Arch & Config Completion

Jul 2024

HCM Testing ends, Deployment starts

Nov 2024

HCM Go-Live

Dec 2024

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Cost Comparison – Managing Change

- IBM Workday implementation – 14.9% total increase, $2.6M
  - 5.3% increased costs are FIN integration related
  - 5.1% increased costs are HCM integration related
  - 2.5% related to adaptive increased scope for budgeting
  - 0.8% related to additional reporting support
  - 1.2% increased costs related to time – IBM Shared Responsibility

- IBM Maximo implementation – 22.7% total increase, $500K
  - 14.0% increased costs are integration related
  - 8.7% increased costs related to time – IBM Shared Responsibility

Cost Comparison – Yearly Costs

- Workday consolidates the number of systems and reduces annual cost of current functionality

- New functionality has been added at new annual cost.

- Overall costs remain even, removing On-Premises services and adding external ongoing support services

Licensing, Maintenance and Support Costs Only	Old System Annual	Future ERP Annual
Core ERP: HR, Benefits, Financial, Payroll, Procurement, Talent Management, Debt Management, Work Management	3,486,816*	2,960,690
Grant Lifecycle Management	-	126,500
e-Procurement, e-Solicitation		94,305
Project Management Software	-	159,000
Reporting and Data Management	516,891	812,520
IT Support and On-Premises Hardware Costs	676,924	-
IBM ongoing support services		497,000
Total	$4,680,631	$4,650,215

This number does not include escalation costs that would occur starting 2025 if the software in place were retained as is. Significant upgrade costs and yearly increases would have been likely.

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We **A.R.E.** Pima County

Thank You

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