February 1, 2020

Human Resources Management System – Summary

Workday is a comprehensive effort to replace a 30-year-old mainframe payroll-only system. The programming language for the current system has been out of use for decades. There is potential for failure of the payroll system because there are few programmers who understand or can use this programming language – the State currently employs two, both of whom are close to retirement. Replacing this outdated system was long overdue.

Workday will provide vastly increased functionality and information. In addition to time tracking and payroll, it will support many human resources functions that are currently done manually or in a variety of systems that either don't communicate with each other or are themselves outdated. These include: recruitment and hiring; employee onboarding; ability for employees to view and manage retirement and health benefits; ability for employees to view and manage vacation and leave balances, and electronically submit time off requests; self-service capabilities for employees to make address changes and changes to dependent information, electronic funds disbursement and withholding; ability for managers to view organization structures, personnel, and position information; ability for supervisors to manage their employee's schedules and time off requests as a team to ensure operational coverage; tracking employee licensing and certifications; and reporting. Workday is a fully integrated, Software as a Service product – going forward, we will always have an up to date, supported, modern system.

- 2015   RFP for new Human Resource Management System
- 2016
    - Awarded to INFOR June 2016
    - Total value of the contract was $24MM over 5 years.
- 2016 – 2017
    - The project team was comprised of roughly 50 State staff and contractors working on behalf of the State full and part time. INFOR had 2-5 project personnel in Augusta.
    - The project initially had envisioned a go-live date in January 2018 that had subsequently been revised to September of 2018.
- 2018
    - Independent I.V. & V. found significant lack of delivery; recommended State put INFOR "on probation"

- o INFOR CEO and senior leadership to Maine to define a strict milestone delivery schedule and timelines to get project back on track
- o Project continued to lose ground
- o Engaged Panorama Consulting to provide detailed assessment of the project, provide recommendations, and document issues
- o At June 2018 executive committee meeting, steering committee recommended termination of INFOR
- o Looked at several vendors including ADP, CGI (Advantage software) and Workday
- o Project leadership and team to various states and companies to look at Workday use and implementation progress/process
- o In September, Workday selected as replacement vendor, $15.3M over 5 years for implementation and licensing fees
- o Contracted through NASPO competitive agreement
- o Project began November 1, 2018
- o Initial go-live date was January 1, 2020
- 2019 – 2020
  - o Transition to new team as a result of Administration change and review expectations with Workday
  - o Quick determination that January 2020 go live date was not realistic
  - o Executive Steering Committee meets biweekly instead of monthly
  - o Communication from the Project Director and Project Manager becomes more frequent and transparent
  - o Evaluation by MaineIT Project Management Office, which shows a number of deficiencies including:
    - Moving out of one phase without successful completion and into the next phase
    - Time for User Acceptance Testing was truncated and testing was insufficient
    - Decisions were made in silos without cross functional consideration
    - Decisions on business requirements were made without documentation and without adequately consulting with agencies and Subject Matter Experts, causing significant re-work
    - Documentation is lacking throughout
  - o The State Controller and Director of BHR have taken an integral role in the project to assure that business requirements are being adequately evaluated
  - o A Stakeholder Advisory Group has been developed that includes representatives from the largest Departments and those that have the most complicated payroll situations
  - o Hired a contractor who is an expert in Workday implementations to provide an independent assessment of the project through review of processes and configurations

- o Quality data from legacy systems is crucial to project success; the team is working with a vendor to automate as much of the conversion process as possible
- o March 2020 – current; global pandemic has strained the personnel/resources on the project
- o An updated, more comprehensive project plan and timeline are being developed and a complete set of testing scenarios established
- o The project will not move from one phase into the next until testing standards are met
- o Current go-live is 2022, with a target of July 2022

The implementation has been challenged on several fronts, including the disruption caused by the COVID-19 pandemic. However, we continue to believe, with supporting evidence of the independent assessment, that the Workday software product is the correct solution to help Maine move from its antiquated human resources and payroll processes to a modern, efficient, accessible system.

Budget:

	Infor	Workday	Central Apps operations/ maintenance	Debt Service	Total
Initial Budgets	$24,000,000	$15,300,000			$39,300,000
FY16 - FY20 expended on implementation (including separation from first contractor)	$13,512,211	˄17,541,461			$31,053,672
FY21 year to date expended on Workday		2,412,923			2,412,923
FY21 Supplemental COP financing request		8,000,000			8,000,000
FY21 Supplemental budget request		4,695,000			4,695,000
FY22 Biennial budget request		2,065,848	3,352,830	630,099	6,048,777
FY23 Biennial budget request			1,105,445	1,311,838	2,417,283
New estimated total:	$13,512,211	$34,715,232	$4,458,275	$1,941,937	$54,627,655