

Perreault, Heather

From: Christopher Curtis <christopher.curtis@workday.com>
Sent: Wednesday, February 17, 2021 11:07 AM
To: Perreault, Heather
Subject: Re: Workday update

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Hello Heather,

Workday respectfully disagrees with your assertion that the project pause contradicts any Workday obligation in the Professional Services Agreement or that we are in default. Workday maintains that it has met all of its contractual obligations under the Professional Services Agreement to date. The business decision to pause work is solely meant to avoid unproductive and unnecessary work based on a lack of clear direction from the State of Maine and the need to focus and address core underlying issues inhibiting project success. We welcome your active participation in the steps to re-engage that I've outlined below and look forward to hearing from the State of Maine after you have finished the ongoing discussions at the ESC level. In the meantime, we will continue to rework the draft of the change order once we align the format with Susan.

Best regards,
-Chris

From: "Perreault, Heather" <Heather.Perreault@maine.gov>
Date: Thursday, February 11, 2021 at 8:25 PM
To: Christopher Curtis <christopher.curtis@workday.com>
Subject: RE: Workday update

Good evening Chris –

I share the same concerns regarding the overall progress and status of the deployment project, however, for quite different reasons than you note. A number of the assertions you lodge are, quite frankly, incorrect and not an accurate representation of the events that have transpired over the duration of this project. To begin, I have not received any calls or voicemails from you in an attempt to discuss these issues; as a reminder my cell phone is 207-754-4364.

Furthermore, as I am doing so now, I have responded to your emails with regularity.

This email seems out of place as we planned to address your concerns during one of our regularly scheduled and on-going executive leadership meetings. In fact, there was one scheduled for yesterday, Wednesday 2/10, which was cancelled by your assistant at the last minute on Tuesday 2/9. We also have a regularly scheduled executive leadership meeting for tomorrow, Friday 2/12/21 at 2pm. As you know, the State is in the middle of a Legislative session and biennial budget negotiations and most of us are already working 12 – 18 hours per day. Nevertheless, we have made every effort to meet with you and respond to requests in a timely manner.

Although you state there is a lack of partnership and collaboration, the information I have received from SOM project management is that the relationship between SOM business leads and Workday consultants is good, with a couple of exceptions. Because of this partnership, I have been told that knowledge transfer has reached a level where SOM staff are placing less reliance on Workday consultants. This is a good thing and the intent of the project. It is also surprising to hear that Workday felt there was a lack of collaboration. On repeated occasions, Workday has declined to participate in regularly scheduled project management meetings, indicating that there were no agenda items. These meetings would have been a perfect opportunity to discuss any concerns and foster a stronger partnership. Although Workday has not

been invited to recent Executive Steering Committee meetings, the State has gone above and beyond in terms of making Workday an informed partner by keeping you up to date via the regularly scheduled executive leadership meetings.

Your email goes on to express a desire to “recalibrate the plan” and notes a number of items needed for “re-engagement”. As to the need to recalibrate, and as you are well aware, back in March of 2020 the State proposed performing a thorough business review. This idea was quickly shot down by Workday project management because they deemed it unnecessary. The Executive Steering Committee has met, and continues to do so regularly to discuss the assessment and evaluate recommendations, however, until we determine the best way forward it would not be prudent to recalibrate the project plan.

You also note areas of concern to discuss, which the State is happy to do, but you fail to include a number of the most pressing and significant problems plaguing this project. State of Maine requirements have remained consistent throughout the project, however, outstanding issues have resulted in a failure for the project to meet expectations and have necessitated significant additional work. Such issues include but are not limited to: shortfalls of the Labor Cost Distribution solution; a lack of documentation for business processes; and an inability to conduct ad-hoc reporting. We acknowledge there have been resource turnover challenges for both the State and Workday, however, Workday has not provided a resource management plan since early September despite several requests from the State for updated information.

The majority of the items you outline as critical to re-engagement have either already been confirmed, are under discussion, or are part of a continuous and on-going effort between the parties to resolve. There are two primary factors, in addition to all of the concerns I have noted so far, that have caused re-evaluation of business processes to determine if the configurations as they stand now meet the previously determined SOM requirements (which have not changed throughout the project). First is the lack of a Department Process Advisory Committee (DPAC) to provide input into business processes, which is a key component of the Workday methodology per Statement of Work, Appendix A #3.6 “General Assumptions”, “Project Management” section #18 (page 30 of executed agreement). Workday project management failed to inform the Executive Steering Committee that this was not in place until after the Committee decided to delay the 4/1/2020 go-live date. Per Statement of Work, Appendix A #2 “Deployment Approach” (page 8), this notification is required to be in writing. After March 2020, the State established a DPAC (internally referred to as a Stakeholder Advisory Group); WD project management has been invited to these meetings but has declined to attend.

The second contributing factor is a lack of business process documentation outside of the tenant as well as a requirements traceability matrix. The absence of these items has made it impossible to determine why certain configuration decisions were made and impossible to conduct testing to certify that requirements have been met. Workday’s ongoing assertion that the configuration that has been developed in the tenant provides this documentation goes directly against industry best practices. The State is considering additional items it would require for successful engagement and will provide those as they are solidified.

As we consider these issues, it is important to note that in the proposed change order Workday provided to the State on 12/31/20, Workday included a new “Re-Plan, Configure & Prototype Stage,” the need of which, alone, acknowledges that the project has not sufficiently met the requirements of this stage. The State disagrees with Workday’s assertion that all of the activities in this stage are complete. Among one of the outstanding issues is the “Design Recommendation Documentation & Meeting Participation.” Although flagged as complete in the draft change order you provided, the statements made in your email to me directly contradict the assertion that this item has been completed.

With regards to the format of the change order, we discussed this on 1/21/21 during a regularly scheduled executive leadership meeting. I have been very clear on what the State is looking for, and in an email from you on 2/2/21, you agreed with our approach and stated that you would begin revising the change order. To date no such draft has been received. SOM project leadership is in agreement on what we need. If John does not understand the requirements, please work with him to clarify that. Once the State receives a draft change order that reflects the agreed upon format and comports best practices, we will be happy to review it.

SOM executive and project leadership have made significant efforts to be transparent, as well as available and open to discussion and updates to the project. The fact that the Executive Steering Committee has not decided upon the ongoing direction of the project is not an indication of “tactics”. This project has failed on multiple levels and requires significant consideration to determine an appropriate path forward. We will share that information with you as soon as it has been decided upon. There are certainly relationship challenges that are growing worse, however, this is due to Workday project management frequently cancelling meetings as well as a pervasive course of conduct on the part of Workday acting in bad faith. Most recently and of great concern, the State came to learn that despite express instructions from SOM leadership for there to be no interference with the independent assessment process being conducted by IJA, Workday went behind the State’s back and pressured IJA to share information prior to its delivery to the Executive Steering Committee.

Lastly, you threaten to pause work on this project in contradiction to the requirements of the Professional Services Agreement. The State of Maine would consider such cessation of work an event of default and breach of said agreement.

We are open to discussing any of these items tomorrow at our regularly scheduled executive leadership meeting, or at another mutually convenient time.

Thank you,

Heather L’Hommedieu Perreault, CPA
Deputy Commissioner of Finance
Dept. of Administrative & Financial Services
State of Maine

From: Christopher Curtis <christopher.curtis@workday.com>
Sent: Thursday, February 11, 2021 9:35 AM
To: Perreault, Heather <Heather.Perreault@maine.gov>
Subject: Workday update

EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Heather,

I am growing increasingly concerned about the overall progress and status of the Workday deployment project, lack of visibility into what the State of Maine is thinking about how to move forward, and the overall relationship between Workday and the State of Maine. I am writing this email outlining my concerns, as my attempts to connect with you via calls and follow-up emails have not resulted in a response back from you.

Workday has effectively been relegated to a staff augmentation or ad-hoc consulting role where some of our SMEs may be included or consulted from time to time, but overall our teams are not partnering, or even collaborating to discuss the issues or path forward.

- No weekly status reports have been produced for weeks that we’ve seen
- There have been no executive steering committees since November (that Workday has been included in)
- Very little progress seems to have been made around testing in the recent weeks and any momentum seems to have halted
- We have been informed by Nicole and Phillip that E2E testing will not meet the April date and they consider they are back in the design stage for many areas, yet there is no willingness to engage to recalibrate the plan
- There has been no discussion around the major issues that have been hindering project success such as poor data quality, resource turnover challenges, and incomplete/changing requirements due to policy interpretation, amongst other issues.

- No progress on the Change Order which is already over 1 month delayed from the plan we agreed to in November, and we are also not aligned, based on feedback from Nicole to John, on what content will go in the change order to create the traceability back to the SOW that you are looking for.

In addition, attempts to engage with the State of Maine teams are often met with resistance, deflection, defensiveness or other tactics. I believe the relationship challenges between the teams are growing worse the longer this situation persists. All of this has led me to the decision that we need to pause our work effort on the project, effective EOD Friday, February 12th, until we can get better clarity on how to move forward and openly address some of the major issues and challenges with the project.

Here are a few items on the critical path to re-engage. I'd expect that the State of Maine will also have some items to add to this list:

1. Decision from the State of Maine on commitment to move forward
2. Decision from the State of Maine on commitment to move forward with Workday Services or another provider as the implementation partner
3. Formal reviews on steps that will be taken to address major issues/challenges that are preventing successful completion of the project, most of which were highlighted in the preliminary IJA assessment findings that the State of Maine shared with Workday. For example:
 - a. Data quality and conversion challenges
 - b. Resource turnover challenges / burnout / expertise
 - c. Confirmation of requirements due to policy interpretation, operating practices, and ownership for clear final decisions
4. Decision on any resource changes (on both sides) necessary to effectively reboot the relationship
5. Decision on scope of planned work effort and project milestone dates – Is the project going back to config stage for all or subset of areas? Is the testing going to need to be redone? Are we moving from July 2022?
6. Agreement on the format of the change order to achieve desired traceability to the SOW
7. Agreement/acceptance of the change order and financial ownership of the path to completion

I'd be happy to discuss this in more detail with you directly, or we can discuss during the scheduled Friday afternoon call this week with Mike and myself.

Regards,
-Chris

Christopher Curtis
SVP, Global Professional Services
christopher.curtis@workday.com