AGENDA

> Call to Order
> HR/P Modernization Update
> UW-IT Investment Planning, HRPM Impacts and FY17
> Updated UW Policy on IT Projects and Acquisitions, APS 2.3
  —State policies, risk mitigation
  —Implementation discussion
> Wrap up
HR/Payroll Modernization Program Update

Aubrey Fulmer
Executive Program Director
HR/P Modernization Program
WHERE WE ARE TODAY

PROGRAM PROGRESS

> The Human Resources/Payroll Modernization program has made significant positive headway since its reset late in 2015.

> The program, which was evaluated extensively by outside experts over the last eight months, has undergone major changes – in leadership, in planning, and in its own organizational structure.

> While the June 2016 go-live date is unfeasible, the program has made great strides in:

  – Conducting a new design review
  – Designing an integrated service center (ISC)
  – Reaching a variety of other milestones
WHERE WE ARE TODAY

SIGNIFICANT PROGRAM MILESTONES

> Intensive work has produced new:
  — Foundational key concepts
  — Future state business process designs
  — Enterprise strategies for the system design

> The ISC team took nearly 1,500 comments from 625 campus representatives and business owners and produced an initial detailed design for the service center

> Testing defects were cut by half between late December and late March

> An organizational restructure in March expanded on the program’s successful use of internal teams/“pods” working in two-week “sprints” to take advantage of better methods of collaboration and information sharing; teams are operating in a truly agile way for the first time

> Team completed parallel payroll testing
PROGRAM NEXT STEPS

> Meet with all business owners to review and refine the ISC detailed design
> Continue to strengthen the Program Enablement Office (PEO)
> Complete Building a Cohesive Design phase *(see below)*:
  
  — Build program resiliency and support knowledge transfer
  
  — Improve design by ensuring stakeholders have a cross-functional understanding of how new technology and process will work together
PROGRAM NEXT STEPS

> The Foundations step (fourth week of April 2016):
  — Builds a common understanding of Workday concepts
  — Helps clarify how Workday will “work” at UW
  — Will communicate enterprise strategies within which the design must function

> The Design Integrity Validation (DIVe) step (summer 2016):
  — Brings together members of the program and subject matter experts (SMEs) to examine the design and resolve outstanding issues
  — Validates the future state process design against a comprehensive set of strategies for Reporting, Data, Integrations, Security, Records, User Experience (UX) and Job Aids
  — Building a Cohesive Design (BaCD) will conclude with Business Owner and Partner Validation of future state design
  — Once Business Owners and Key Partners validate the design, we will engage the entire University by resuming Step Two of the Seven Steps of Campus Engagement
    > Step Two involves engaging University readiness teams and subject matter experts in analyzing the future state design to identify their specific change impacts
SEVEN-STEPS FOR PEOPLE READINESS

Change teams will help academic and administrative units to prepare by engaging them in a seven-step process.

1. **Optimizing Our Processes and Work**
   - What could we do to optimize our new End-to-End Business Processes?
   - What have we learned about this first cycle? How can that inform and improve future efforts?

2. **Evaluating Our New Way of Working**
   - How well are our new End-to-End Business Processes working for us?
   - How well are leaders prepared for leading and managing continuous change?

3. **Working with Workday**
   - How does Workday fit into our End-to-End Business Processes?

4. **Preparing for New Processes**
   - What actions can we take to mitigate the change impacts?
   - Learning and using BPI

5. **Knowing Workday**
   - Time for training and knowledge transfer

6. **Seeing Workday**
   - Time to test Workday and other impacted systems, and to share demos

7. **Working in Workday**
   - What work happens in Workday and who does it?
ISC: OVERVIEW

Objective:

Deliver a high level of service to customers by collaborating effectively with stakeholders across campus and facilitating employees’ Human Resources (HR), Academic Personnel and Payroll inquiries and transactions in an efficient, accurate and compliant manner; ensure the system works horizontally across business processes

Scope of Services:

> HR, Benefits, Academic Personnel and Payroll support for faculty, staff and students

> Facilitation of both high-risk/high-exposure and routine transactional processes (e.g., accurately paying employees on time, ensuring proper benefits are offered, HCM Business Process approvals, reviews, corrections)

> Inquiry support for employees, managers and departmental specialists
(ISC) BENEFITS

Enhanced Customer Service

• Single point of contact, eliminate unnecessary hand-offs:
  • Does not preclude local support where available, but eliminates multiple points of contact when inquiries are addressed centrally
  • Unified approach to support, training, communication and ongoing updates
  • Development of comprehensive knowledge base
  • End-to-end process insight across the HR, Academic Personnel, Benefit, and Payroll domains
  • As a team, the ISC will be responsible for maintaining end-to-end insight across processes, but this does not imply that every individual on the team will possess such insight – Roles will be

Optimized Operations

• Ensure the right people/areas are engaged in right steps to improve operations and maintain compliance

Continuous Improvement

• Develop competencies to address existing and emerging requirements

Consistent Use of Technology

• Leverage UW Connect (ServiceNow) service and knowledge management capabilities
Changing the Framework

**Tier 1**
- High Volume Inquiries
- **Workday Inquiry Support**
  - Inquiry Triage
  - Basic System How To Instructions

**Tier 2**
- Escalated Workday Inquiries: **External Support**
  - Configuration
  - Security
  - Testing
  - Reporting
  - Training
  - Update Mgmt
  - Reports
  - Etc.

**Tier 3**
- WD Application Support
  - Policy & Procedure Clarification

**ORIGINAL MODEL**
- High Volume Inquiries
- Inquiries from Key Department Contacts
- BPs Initiated by Department Specialists

**ISC MODEL**
- High Volume Inquiries
- Inquiries from Key Department Contacts
- BPs Initiated by Department Specialists

**Process & Solution Inquiry Support**
- Inquiry Triage
- FAQ Responses
- Basic System How To Instructions

**Escalated Workday Inquiries: Internal Support**
- Escalated Inquiries
- Manage Designated BPs & Tasks
- Respond to Inquiries from Key Department
- Single POC

**WD Application Support**
- Advanced Domain Support
- A
- B
- Internal Model Support
- External Support
ISC: CRITERIA

Criteria for Department Initiation

> The Workday BP step (or task) in question is not at an advanced level of complexity and can be completed accurately by a department/unit resource with a reasonably high level of consistency

> Assigned department/unit resources will perform these activities on a frequent/routine basis

> Individuals in departments/units will be qualified to perform the WD roles assigned to them. Minimally, they should understand and be comfortable with the following:

  — Core HR processes and their related transactions in Workday (e.g., initiate hiring)
  — Key HR regulations, policies, and procedures associated with the transactions
  — Unique business requirements and practices for their college or department

> Individuals performing department/unit roles will participate in all required training and meet designated quality standards
Criteria for Incorporation into the ISC Scope of Services

> Traditionally centralized HR/P transactional activities
  - Higher volume transactional processes (e.g., benefit life events, dependent verifications, payroll on-cycle/off-cycle processing, etc.)
  - Rule-driven processes not requiring advanced policy interpretation on a case-by-case basis (e.g., benefit eligibility verifications, withholding orders, etc.)
  - Processes that yield better outcomes/customer service via close alignment with related transactional activities (e.g., troubleshooting pay results)

> Processes initiated in departments, but requiring additional control
  - Activities directly impacting system security (e.g., Organization Changes, Role Assignments, etc.)
  - Complex activities that are often experienced in lower volumes by department administrators and are generally challenging to explain/roll-out on a distributed basis (e.g., Switch Primary Job, Edit Service Dates, etc.)
  - Complex activities that make sense to initiate at the department/unit level, but require additional central validation to prevent unnecessary errors impacting benefits/pay (e.g., Compensation Changes within Conditional Thresholds, Hires, Add Additional Jobs, etc.)
# ISC: DESIGN INPUT

<table>
<thead>
<tr>
<th>Date</th>
<th>Input source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. – early Mar.</td>
<td>Campus TAP sessions – Approximately 450 participants, more than 1,100 input comments</td>
</tr>
<tr>
<td>Jan. 12-13</td>
<td>Central Business Owners – TAP effort high-level ISC framework overview</td>
</tr>
<tr>
<td>Jan. 25 – Apr. 1</td>
<td>Central Business program team members – various members provided input into ISC design</td>
</tr>
<tr>
<td>Feb. 1-5</td>
<td>Central Business Owners – 1:1 meetings with Aaron and Aubrey to discuss direction for design work</td>
</tr>
<tr>
<td>March 2016</td>
<td>Central Business Unit TAP sessions – Approximately 175 participants, almost 300 new input comments</td>
</tr>
<tr>
<td>Mar. 8-30</td>
<td>Central Business Owners and Units review current state processes</td>
</tr>
<tr>
<td>Apr. 4 – 16</td>
<td>Central Business Owners – Review and provide input on ISC detailed design</td>
</tr>
</tbody>
</table>
PROPOSED HRPM-PROGRAM TIMELINE

2016

- BUILDING A COHESIVE DESIGN
- REGRESSION TEST
- PAYROLL PARALLEL TESTING CYCLES

2017

- USER ACCEPTANCE TEST
- GO-LIVE ASSESSMENTS
- DEPLOY / GO-LIVE
- STABILIZATION
- INTEGRATED CHANGE MANAGEMENT STEPS 2-6
- INTEGRATED SERVICE CENTER

DESIGN | BUILD | DEPLOY

UNIVERSITY of WASHINGTON
QUESTIONS?
UW-IT Investment Planning, HRPM Impacts and FY17

Erik Lundberg
Assistant Vice President, IT Services and Strategic Sourcing, UW-IT
* Approximately 18 Approved Projects do not start in any given year, for a variety of reasons
Coming Year – Investment Planning for FY 2017

> Sixteen business cases submitted (52 previous year)

> Three major “enterprise” efforts
  > — Undergrad Admissions Modernization – Seattle paperless (cont.)
  > — Financial Aid Modernization – Process & Communication Redesign (cont.)
  > — Planning & Budgeting Database (PNBDB) Retirement (cont.)

> Smaller, internal efforts
  > — Three internal infrastructure projects
  > — Self-service portals
  > — Network protocols modernization (address space expansion)
  > — Three internal IT management projects
UW-IT Project Portfolio – Impacts Due to HR/P

**HR/P** - 5 NEW

**Teaching & Learning** - 4 delayed

**Research** - 0 delayed

**Administrative Business Systems** - 4 delayed

**Infrastructure** - 3 delayed

**Collaboration** - 2 delayed

**Enterprise Risk** - 0 delayed

**IT Management** - 5 delayed
New Projects Added

> HR/P Program (*management and oversight*)
> HR/P Workday (*functional*)
> HR/P-Intersections
> HR/P Integrated Service Center

**UW-IT unfunded contribution:**

—81,000 hours/65+ FTE/$8.5M (*to date, 20 months*)
—Two-thirds of total UW-IT project capacity
Projects Delayed

Teaching & Learning

> Undergraduate Admissions Modernization
> MyUW: UWEO Integration & Retire Legacy System
> MyPlan Academic Explorer
> Civitas: Student Retention Program
Projects Delayed (cont.)

Administrative Business Systems

> UW Profiles
> Data Analytics and Reporting
> Expansion of Enterprise Data Warehouse for Planning and Budgeting Database (PNBDB) Retirement
> Electronic Document Management System (EDMS)
> UW Finance Transformation: Discovery
> Master Data Management
Projects Delayed (cont.)

Infrastructure

> Telecommunications Refresh
> Student Web Services Re-architecture
> Large Scale Tape Ops Integration
Projects Delayed (cont.)

Collaboration

> Exchange Online General Availability
> UW Deskmail Retirement
Projects Delayed (cont.)

**IT Management**

> IT Service Management for Campus: Service Launch
> UW Connect Tuning
> Project Portfolio Management 2: Project Resource Planning
> Data and Account Lifecycle Management: Acad/Collab Apps
> Modernize Billing and Retire Fortune/Rome
Projects We Are Prioritizing

**Teaching & Learning**
- Undergraduate Admissions Modernization
- MyUW: UWEO Integration & Retire Legacy System
- MyPlan Academic Explorer
- Civitas: Student Retention Program

**Administrative Business Systems**
- UW Profiles
- Data Analytics and Reporting
- PNBDB Retirement

**Collaboration**
- Exchange Online General Availability
- UW Deskmail Retirement

**Enterprise Risk**
- Geographic Resiliency
Feedback on Priorities

> We worked with you to prioritize our investments, and your feedback and recommendations are still guiding us, even during this slowdown

> Is there anything you would change in that guidance at this point?
Discussion

Why are people proposing anything in FY17, when there is all this backlog and slowdowns?

> Need to make some progress toward all of our strategic goals
> Resources are not easily fungible
> We have pulled people with specific skills into HR/P
> Some projects are small, and can be done incrementally
> We encourage our service teams to be strategic and forward thinking
> We need to mitigate risk and meet the constantly emerging strategic needs
APPENDIX
Strategic Impact of Delays

Teaching & Learning

> Undergraduate Admissions Modernization
  – *We’ve had to postpone incorporation of admission pathways other than first-year (for example, international)*

> MyUW: UWEO Integration & Retire Legacy System
  – *Small, incremental progress due to reduced capacity*

> MyPlan Academic Explorer
  – *With Kuali Curriculum Management in place, we’re collecting program information in a structured way; registrar’s office will be taking over some of this data harvesting work since we were running out of capacity*

> Civitas: Student Retention Program
  – *This project is basically being pushed forward without a dedicated Program Manager; instead relying on sponsor to lead it*
Strategic Impact of Delays

Administrative Business Systems

> UW Profiles
  > The project to expand the institutional dashboards, UW Profiles, was reduced to one new subject area instead of the planned four areas

> Data Analytics and Reporting
  > Due to lack of capacity, no new data has been added to the Enterprise Data Warehouse for 15 months (since Jan 2014). This delay in planned delivery of new data in the warehouse is leading to an increase in departmental shadow systems for space data and financial data.

> PNBDB Retirement
  > The retirement of the Planning & Budgeting Database was delayed by six months when testing resources were redirected to support the HRP project.
Strategic Impact of Delays

**Collaboration**

> Exchange Online General Availability
>  — *Technical blockers have been the primary problem, now cleared. We are now need to develop the support plan, which is highly impacted by the Service Desk team’s contributions to HR/P (ISC).*

> UW Deskmail Retirement
>  — *Stalled by Exchange Online GA, requiring on-going support of this legacy on-campus email system.*
QUESTIONS
Updated UW Policy on IT Projects and Acquisitions, APS 2.3

Kelli Trosvig
Vice President, UW-IT and Chief Information Officer

Erik Lundberg
Assistant Vice President, IT Services and Strategic Sourcing, UW-IT
IT Project Oversight Discussion

> Governor’s Directive 16-01
> OCIO Policy 114
> Upcoming Internal Audits of UW-IT
> Update of APS 2.3 - IT Acquisitions & Investment Policy
> Oversight of large IT projects at UW - discussion
Governor’s Directive 16-01

> List of UW’s “Critical IT Systems” submitted to State CIO January 29, 2016

> Identified the Business Owner for each Critical IT System, responsible for the system meeting business needs and priorities

> Total of 50 systems reported

— UW-IT: 15 (8 Business Owners, all outside UW-IT)
— UWM: 11 (3 Business Owners)
— UWB: 10 (3 Business Owners)
— ICA: 5 (1 Business Owner)
— HFS: 3 (1 Business Owner)
— UWT: 2 (2 Business Owners)
— Misc: 4 (Global Affairs, HR, Facilities, Student Life)
State OCIO Policy 114


> Requires that business application/system have
  — Named business owner/steward
  — Named technical owner/steward
  — Formalized and documented governance process

> Agencies must have documented processes in place to support
  — Reporting, tracking and resolution of known system defects/enhancements
  — Prioritization of the reported system defects and enhancement requests
  — Identification and categorization of critical system issues that require priority or emergent attention
  — Escalation and communication of critical system issues
Internal Audits

> HR/P

> EDW, Business Continuity Plans, and Security Plans
Update of APS 2.3

Policy on IT, Telecommunications and Networking Projects and Acquisitions

> Previous update: July 2005
> Updated to describe the new IT Governance process
  — IT Strategy Board has oversight responsibilities for all major investments (HR/P and other major ERP projects)
  — IT Service Investment Board has oversight responsibilities for other significant UW-IT investments (academic, administrative business systems, etc.)
> Exemptions
> Also updating UW Investment Procedures/Guidelines document
Update of APS 2.3 -- Exemptions

> An "Academic Exemption" project or acquisition, which is only available to technology acquisitions, projects, or infrastructures that are primarily for conducting research, or other scholarly activities, or for instructional activities. However, proposed academic applications that are enterprise-wide in nature relative to the needs and interests of other State institutions of higher education must be disclosed by VP UW-IT to the State CIO.

> A “Health Care-related Exemption” for “Medical, clinical, or health care application including business and administrative applications” is exempt from State CIO approval and reporting, but is subject to institutional reviews, approvals, and oversight, and must be conducted in accordance with a memorandum of understanding between VP UW-IT and UW Medicine.

> A “Small Project Exemption” – from UW oversight
  — Level 1; and
  — Less than $1M project; and $2.5M 5-year life; and
  — Single department impact; and
  — no impact on central systems or resources
Oversight Levels - Criteria

Risk and Severity are each rated using four categories of criteria using a Risk/Severity Calculator.

<table>
<thead>
<tr>
<th>Severity</th>
<th>Impact on Clients</th>
<th>Visibility</th>
<th>Impact on State Operations</th>
<th>Failure or nil consequences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk - Probability</td>
<td>Functional Impact on Business Processes or Rules</td>
<td>Development Effort &amp; Resources</td>
<td>Technology</td>
<td>Capability &amp; Management</td>
</tr>
</tbody>
</table>
Oversight Levels - Ranking

The level of approval and oversight required on a given project is determined through the assessment of project risk and severity.

<table>
<thead>
<tr>
<th></th>
<th>High Severity</th>
<th>Medium Severity</th>
<th>Low Severity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Level</strong></td>
<td>Level 2</td>
<td>Level 1</td>
<td>Level 1</td>
</tr>
<tr>
<td><strong>Severity</strong></td>
<td>Low Risk</td>
<td>Medium Risk</td>
<td>High Risk</td>
</tr>
</tbody>
</table>

The highest level evaluation in a category determines the severity or risk level for that category.
Oversight Levels - Criteria

Risk and Severity are each rated using four categories of criteria using a Risk/Severity Calculator.

The highest level evaluation in a category determines the severity or risk level for that category.
### APS 2.3 Institutional Oversight Chart

<table>
<thead>
<tr>
<th>Sec.</th>
<th>Considerations &amp; Documents to prepare ***</th>
<th>Approvals required</th>
<th>Project Status Reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Stewardship</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>4, 5</td>
<td>Oversight Level</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>4, 5</td>
<td>Total Project Cost (Investment Cost &amp; System Life Cycle Cost)</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>10.A</td>
<td>Project Plan</td>
<td>--</td>
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</tbody>
</table>

#### Academic Exemption

<table>
<thead>
<tr>
<th>Level 1</th>
<th>Major Project (Level 2, 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Project**</td>
<td>Large Project</td>
</tr>
<tr>
<td>single dept multi-dept *</td>
<td>single dept multi-dept *</td>
</tr>
<tr>
<td>&lt;12 Mo</td>
<td>&gt;12 Mo</td>
</tr>
</tbody>
</table>

#### Medical Exemption

<table>
<thead>
<tr>
<th>Level 1</th>
<th>Major Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; $2M</td>
<td>&gt;2M</td>
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</tbody>
</table>

#### All Others (Non-Exempt)

<table>
<thead>
<tr>
<th>Level 1</th>
<th>Major Project (Level 2, 3)</th>
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</tr>
<tr>
<td>&lt;12 Mo</td>
<td>&gt;12 Mo</td>
</tr>
</tbody>
</table>

#### Approvals required

| 8.A | UW CIO Approval or Concurrence | -- | Q 5.A | Q 5.B | concur | concur | concur | -- | -- | X (A) | X | -- | X | X | X | X |
| 4 (Intro) | State CIO Approval | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | X |
| 4 | State Office of Financial Management (for Financial & Admin systems) | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | X |

#### Project Status Reporting

| 10.C | Ctrly Status Reports to UW CIO | -- | -- | -- | -- | Q 1 | -- | -- | X (B) | X | -- | -- | -- | X | X |
| 10.C | Ctrly Status Reports to UW IT Gov Board | -- | -- | -- | -- | -- | -- | -- | X (B) | X | -- | -- | -- | X | X |
| 10.B | Quality Assurance | -- | -- | -- | -- | -- | -- | -- | UWM | UWM | UWM | UWM | X (ext.) | -- | -- | X |
| 10.C | Status Reports to State CIO | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | X |
Oversight of Large IT Projects at UW

> Current large projects
  — HR/Payroll Modernization
  — Transportation System Improvement Project
  — Pharmacy Inventory Management System
Oversight of Large IT Projects at UW

> Local procedures – three areas
  — UW-IT projects – *established process*
  — UW Medicine – *established process*
  — Distributed acquisitions and projects – *A challenge: How do we manage for this sector?*

> Realms
  — administrative - *subject to all OCIO reporting & governance requirements*
  — academic (instructional & research) - *exempt from OCIO oversight*

> Drivers – *why we care*
  — expectations for central resources - *need to prioritize, fund, etc.*
  — security - *greater emphasis now, and growing rapidly*
  — accessibility - *increasing emphasis*
  — sustainability - *Climate Action Plan, energy efficiency, etc.*
  — avoiding duplicative services
  — strategic fit
  — accountability to OCIO for administrative systems
Oversight of Large IT Projects at UW

> How should we manage it?
  — Building some business processes
  — Communications (awareness)
  — Other?
QUESTIONS