

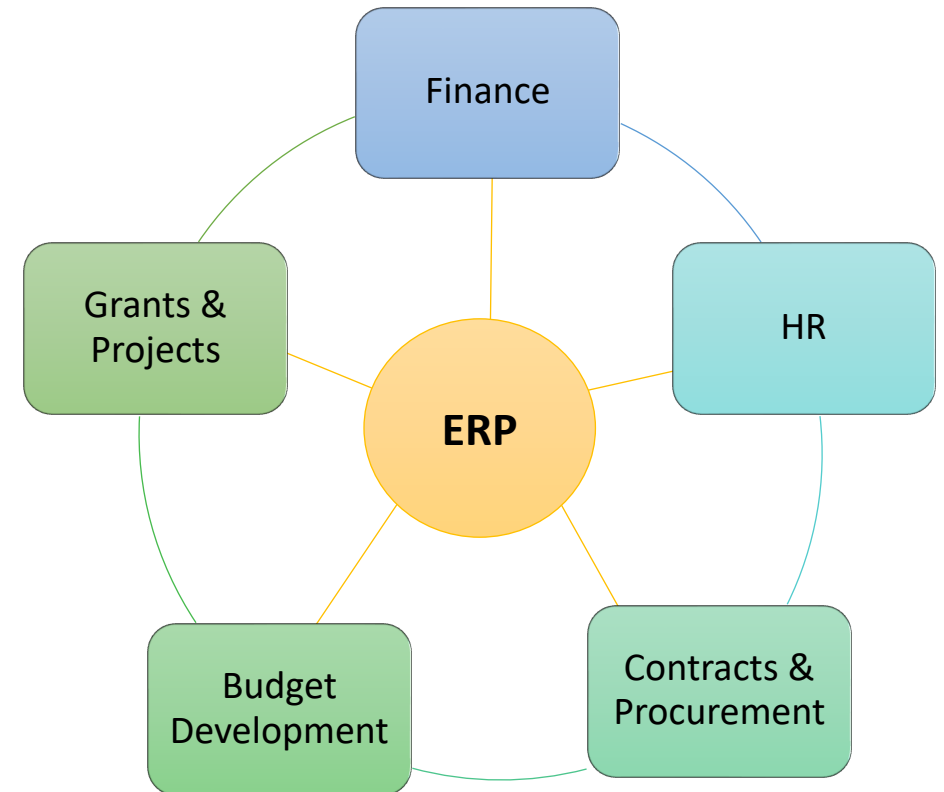
ERP Program Update

Metropolitan Transportation Commission
June 26, 2024



What is an ERP?

- Enterprise Resource Planning (ERP) System: a software platform that integrates various business functions (such as finance, HR, contracts, projects, grants) into one complete system
- Central feature is a **shared database**
 - Employees in different sections can rely on the same information



ERP Implementation: Approach

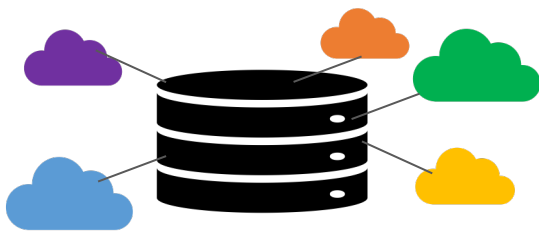
Where we're going

Current: Siloed applications



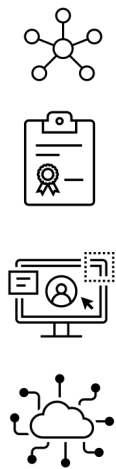
- Poor user experience
- Manual processes
- Productivity gaps

Future: Enterprise Resource Planning System



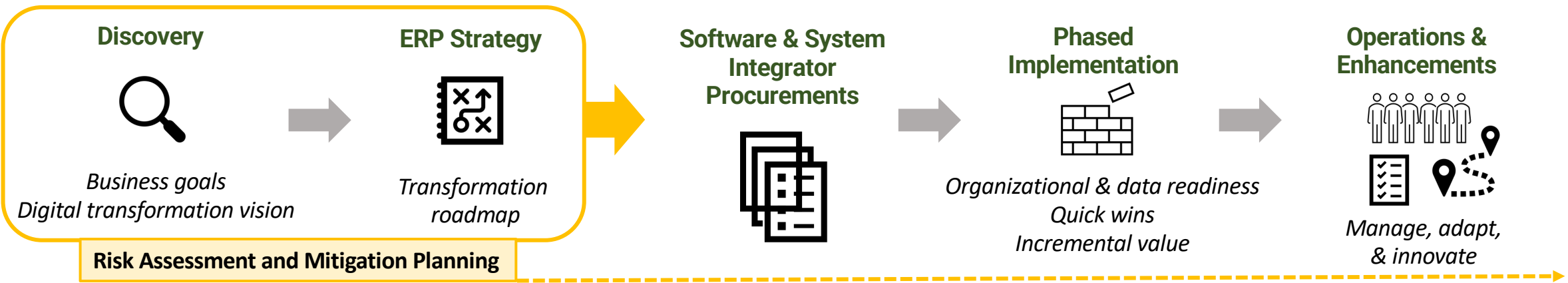
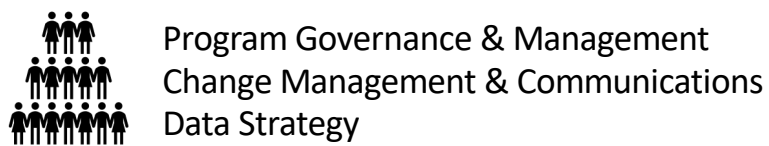
- Centralized and automated system
- Consistency and transparency in data
- Streamlined processes & agencywide focus

Program Objectives



- Single source of truth
- Increased control, transparency, & accountability = decreased risk
- Cross-functional collaboration and decision-making
- Adaptable to changing needs

How we get there



ERP Vision & Strategy

WHY?

Purpose of the ERP/ Desired Business Outcomes

- Transparency
- Collaboration
- Adaptability
- Trust
- Usability
- Actionable

WHAT?

Future State

- Centralized and automated ERP System
- Consistency and transparency in data, real-time reporting, and a holistic approach
- Streamlined and optimized processes
- Flexible, scalable systems that change along with MTC
- Cross-collaboration and mutual understanding across teams
- Agencywide-focused

HOW?

Governance

- Formal governance structure
- Project phasing & gates
- Organizational readiness
- Risk assessment & mitigation

Lifecycle Management

- Diversified project team
- Upskilling of staff

Business Process Change

- Process mapping & modernization
- Data strategy & reconciliation
- Cultural change management

Governed by Leadership, Guided by Staff



Executive Sponsors – Nick Roethel, COO, & Derek Hansel, CFO



ERP Steering Committee – 10 Representative Section Directors



ERP Program Team – Experienced Technology Project Managers + Subject Matter Experts



50 Functional Leads & Subject Matter Experts – Users, Program Leads, and Business Managers



Technology-centric approaches to ERP that ignore stakeholder engagement cause ERP initiatives to fail to meet business expectations.

What IT Leaders Must Do to Avoid Disappointing ERP Initiatives
Gartner, Inc, May 2024

Planning for MTC's Needs – *before the project starts*



MTC Needs Discovery

1476 software requirements validated

30+* business processes mapped

14* user personas developed

*Ongoing. Represents work complete as of 6/18/2024.



Technology Assessment

Existing MTC tools inventoried & evaluated

Core ERP vs composability assessed

Top three Gartner 'Magic Quadrant' ERP platforms evaluated

46 use cases demonstrated across seven agency sections



Expert Advice & Stakeholder Input

> 50 cross-section procurement advisors and evaluators

Internal information website, communications channels, and engagement forums established

Ten references checked, including key lessons learned

Governance & Steering Committee implemented

Risk Assessment & Mitigation

Identified Risks & Common Pitfalls

Mitigation & Safeguards

Lack of centralized project governance structure	Implemented governance structure & Steering Committee
Lack of a centralized data structure and governance	Data Strategist onboarded to address gaps
Lack of consistently documented current state processes	Launched business process mapping, documented 30+ processes to date
Misalignment with broad business needs	Launched functional leads and SMEs network to inform requirement, workflows, and Oracle design
Stakeholder change resistance or change fatigue	Dedicated change management team in place; strategy, communications and stakeholder engagement
Lack of available resources and/or skills	Plan for resource gaps and backfilling of staff; training and upskilling
Beholden to a single provider	Checks and balances via a multiple vendor model
Unfriendly user interface and experience	Extensive evaluation of UI/UX by dedicated team
Stagnant, inflexible for future business needs	Cloud-based, industry top 3 system, industry-standard process modernization, and limit on customizations

Partnership – Behind the Build

Strategy & Program Management

Program Lead/Owner: MTC

- Project oversight & delivery
- User/business needs
- Organizational readiness
- Ongoing operations

Strategic Advisor: Slalom

- Governance & strategy
- Change management and communications
- ERP best practices



System Partners

Oracle Cloud ERP

- Software platform that integrates various business functions into one complete system
- Escalated customer support

+

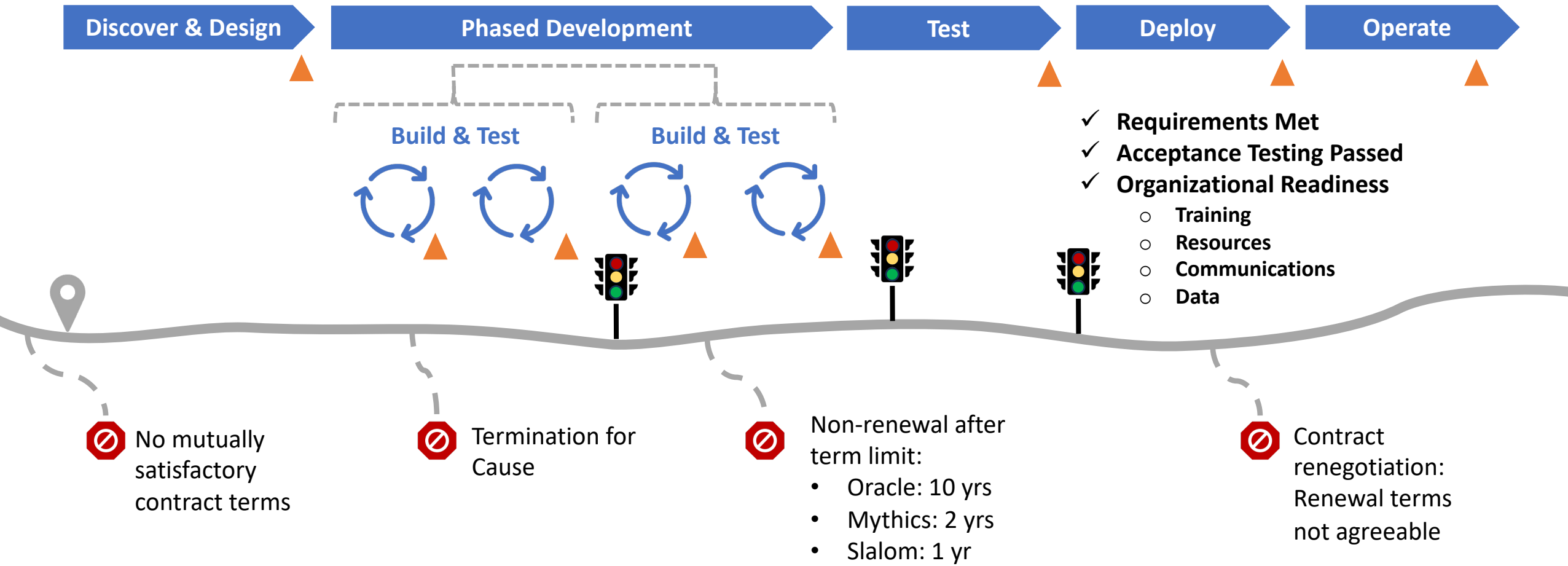
Add-on, Integrated Solutions

- Business-specific needs
- Innovation opportunities
- Productivity & collaboration

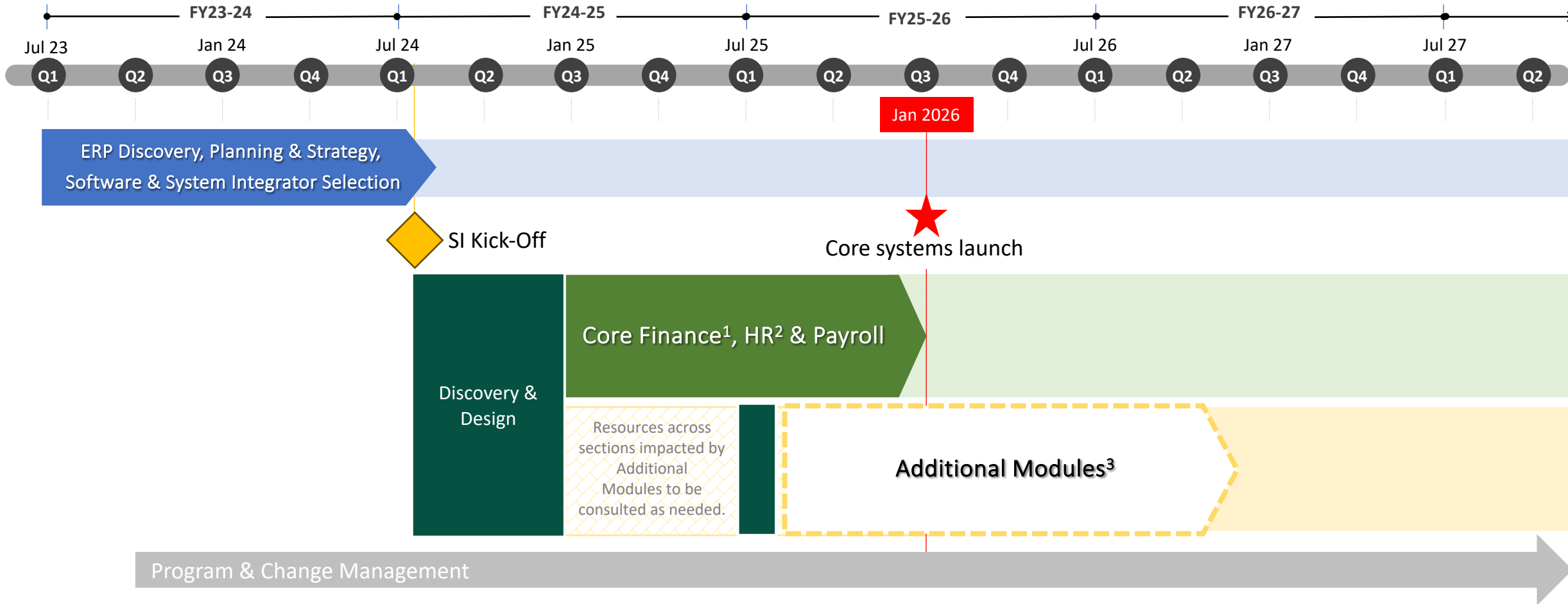
System Integrator: Mythics

- Future state definition & process modernization
- Oracle experience design
- Oracle implementation
- Data & system readiness

Iterative Development & Deployment, with Exits



Preliminary Multi-year Roadmap



- 1. Core Finance:** General Ledger, Fixed Assets, Budget, Purchase Order, Accounts Payable, Accounts Receivable, and Cash Receipts and Cash Management (bank reconciliation)
- 2. Core HR:** Human Resources, Payroll, Time & Attendance and Benefits
- 3. Additional Modules:** Budget Preparation, Contracts & Procurement, Grants & Projects, and Non-Core HR (e.g., Learning and Development, Performance Evaluation and Talent Acquisition)

Proposed ERP Capital Budget

FY 2024-25 & FY 2025-26

(in thousands)

Description	CURRENT FY 2023-24	Preliminary Draft March 2024	Proposed Budget June 2024	\$ Change
Capital Costs				
Strategy and Change Management	\$2,000	\$5,132	\$5,132	\$0
ERP Software and System Integrator	--	\$8,866	\$9,002	\$136
MTC Staff	\$183	\$3,376	\$9,520	\$6,144
Total Capital Costs	\$2,183	\$17,374	\$23,654	\$6,280

Contract Actions

- Purchase Order - Oracle Cloud Subscription Services: Mythics, LLC dba, Mythics VIII LLC (\$2,600,000);
- Contract - Oracle System Integrator Services: Mythics, LLC dba, Mythics VIII LLC (\$8,500,000)
- Purchase Order Amendment - Enterprise Resource Planning (ERP) Strategic Advisory Services and Implementation Support: Slalom, Inc. (\$2,500,000)

Thank you.

Questions?