



# **HR/PAYROLL MODERNIZATION PROGRAM**

## **Lessons Learned**

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Technology Services Board  
February 11, 2016

**HR/Payroll**

**MODERNIZATION**

**W**

# **PROGRAM BACKGROUND**



**HR/Payroll**

**MODERNIZATION**

# PROGRAM BACKGROUND

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- > The Human Resources/Payroll (HR/P) Modernization program is the largest administrative transformation effort ever undertaken at the University; highest administrative priority
- > Multi-year initiative to replace the University's 33-year-old legacy payroll system with Workday
- > The new system will transform HR and payroll operations
  - Improve compliance
  - Provide better access to data
  - Increase efficiencies
  - Improve service

# NEW APPROACH TO ADMINISTRATIVE TECHNOLOGIES

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- > First large-scale Software as a Service (SaaS) for administrative systems at the UW
  - SaaS cloud model = hosted, maintained, and continuously improved by a third-party
- > Back-end capacity dynamically adjusts to normal fluctuations in the business cycle
- > No software distribution effort required for maintenance and improvements
- > More cost effective, but customization is limited and functionality delivered over time
- > Requires standardization of business processes across the University
- > Go-live will start with core functionality; enhancements released every six months
- > Creates a framework for continuous improvement that will enable the University to successfully integrate new technology in the future

# WHERE WE ARE TODAY

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Over the past 4 months, program leadership developed a clear picture of work in-flight.

- > Lack of a cohesive design and key foundational strategies
- > Incomplete or missing documentation of future state design
- > End-to-End testing identified gaps and sections of the design that did not fit together
- > Early reviews from campus on some business processes indicated some aspects of the solution would not meet their needs
- > Could not complete Integrated Change Management activities across campus due to design issues
- > Lacked future state operating model that would support the new integrated system and associated processes

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# **PROGRAM CHALLENGES - LESSONS LEARNED**

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**HR/Payroll**

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# A TRANSFORMATIONAL PROJECT

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This is a major transition for the University to move from a disjointed and diffuse transactional system to an integrated and centrally-managed operational system.

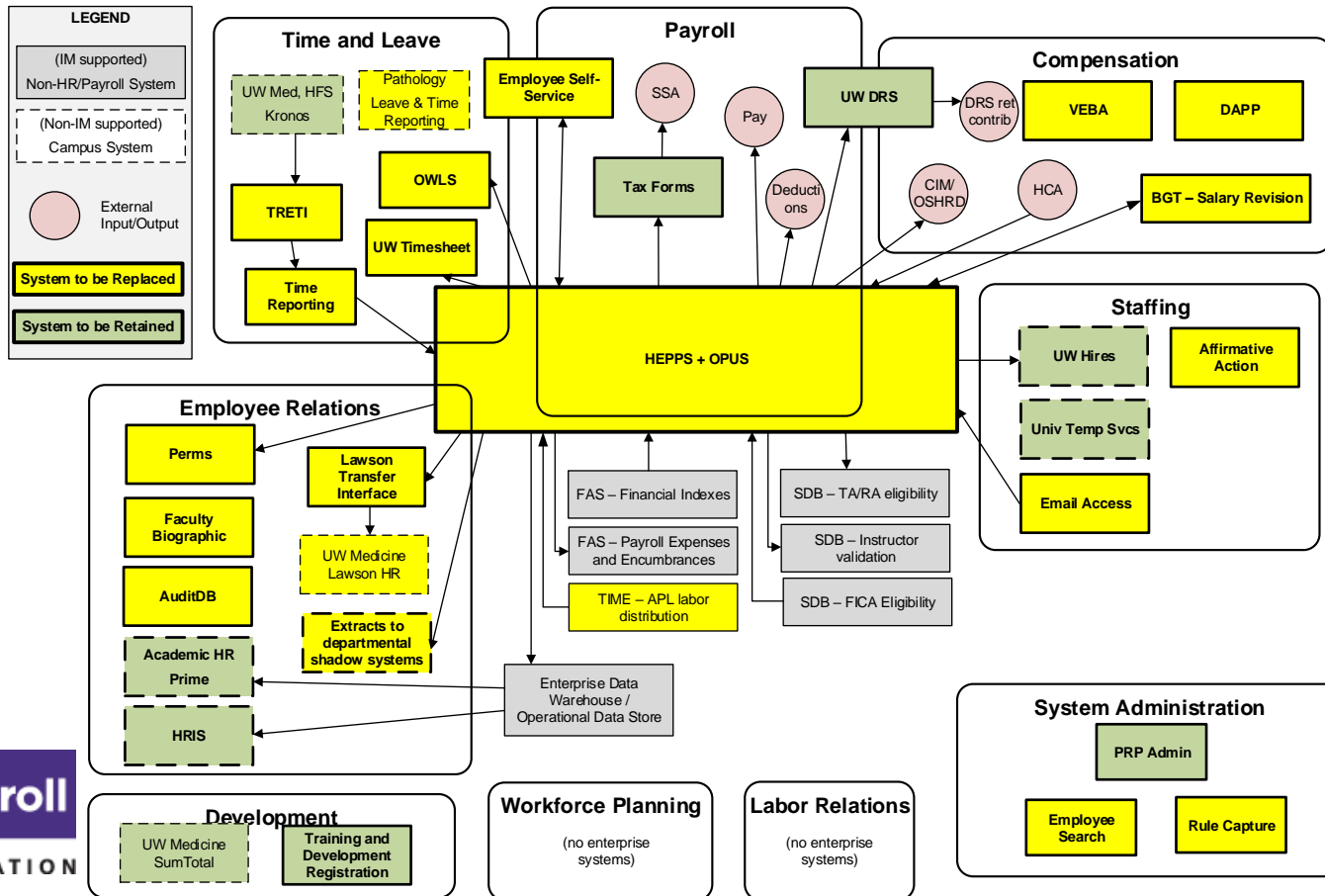
Need to prepare employees for transformation by reviewing:

- > Service delivery model
- > Organizational reporting structures
- > Customer support systems
- > Change impact analysis
- > Standardization of key concepts
- > End-to-End, client-focused business process

# CONVERSION OF PROGRAMS

UW is a tremendously complex environment with a multitude of side systems. Successfully converting these systems requires careful analysis, planning and communication.

UW HR/Payroll Enterprise Systems – Current State





# COMPLEXITIES

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Challenges around State requirements.

- > Integrating into legacy systems at the State level
  - Health Care Authority (HCA)
  - Department of Retirement Systems
  - Mapping a bi-weekly payroll (corporate best practices) into legacy State accrual rules; would have required the UW to maintain 60-years of data and calculations outside the new system

# BIG BANG IMPLEMENTATION

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Program designed to go-live at the same time across the University.

- > This strategy increases risk, and decreases ability to be flexible, and adapt timelines/methodology from early lessons learned
- > Focusing on Human Capital Management (HCM) and the concept of position management and benefit enrollment at the beginning of this process would have:
  - Allowed delivery of functionality sooner
  - Enabled the campus to become familiar earlier with some of the key differences and concepts of the new system
- > Currently assessing this approach

# TIMING

Timing of go-live is important; in higher education this is a challenge.

- > Implementation windows are limited in higher education, especially with a big bang approach impacting half of the academic year
- > Factors to consider include:
  - July/August - Biennium close
  - August/September - salary increases
  - September/October - start of academic year
  - November - open enrollment
  - Must be at a fiscal quarter for tax reporting



# OTHER FACTORS

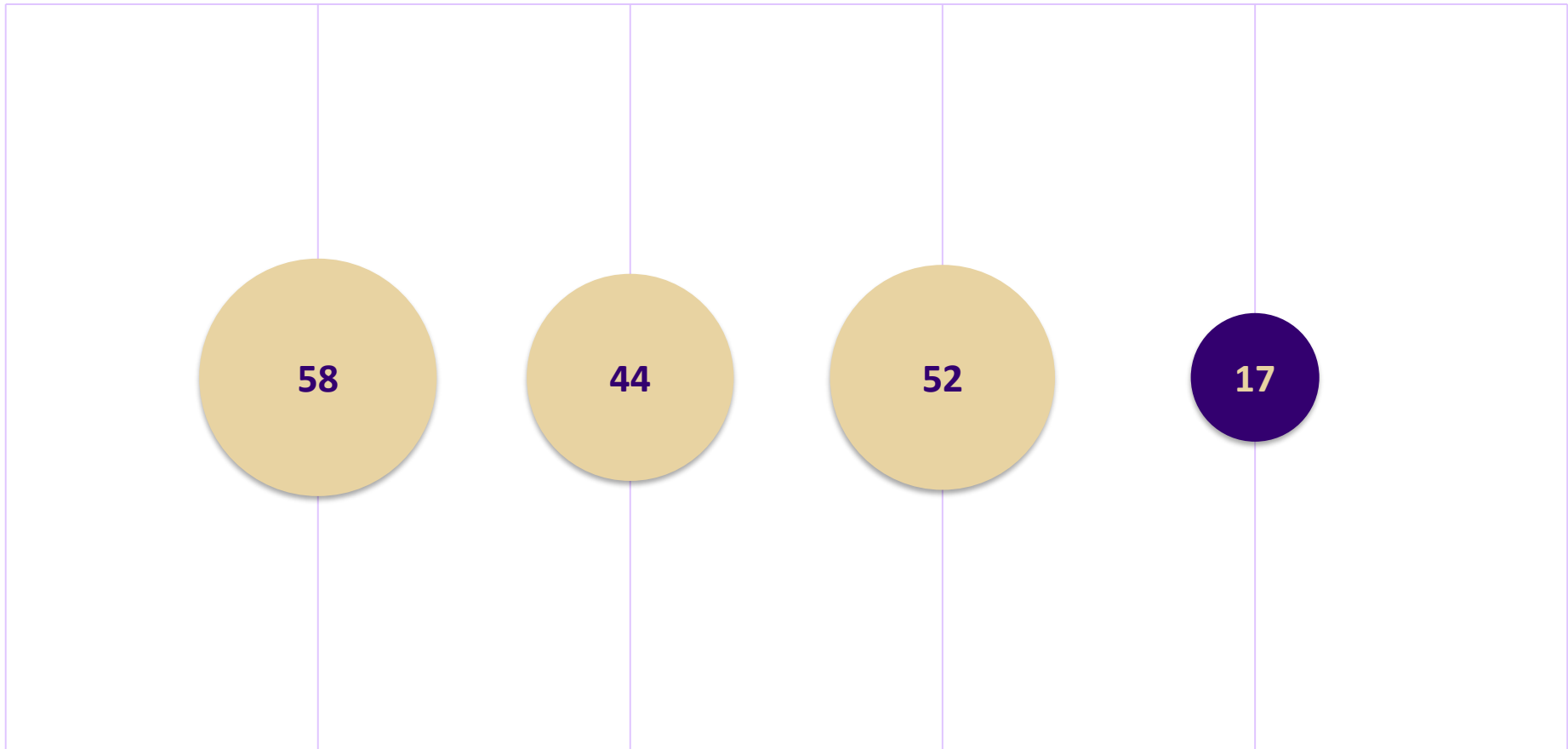
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This is a large, complex university with a number of factors that must be considered.

- > Timing of unionization/bargaining agreement
- > Two major academic medical centers with 24/7 operations
- > Top grant, federal-funded institution in the country, most in salaries and benefits; specific reporting requirements
- > Many other competing priorities after years of delayed investment in systems
- > New major “common application” process for freshman; needs to be live in the same timeframe, using some of the same resources

# UW-IT'S PROJECT CAPACITY

## UW-IT Project Portfolio - # of Proposed Major Projects



FY 14

FY 15

FY 16

FY 17

HR/P

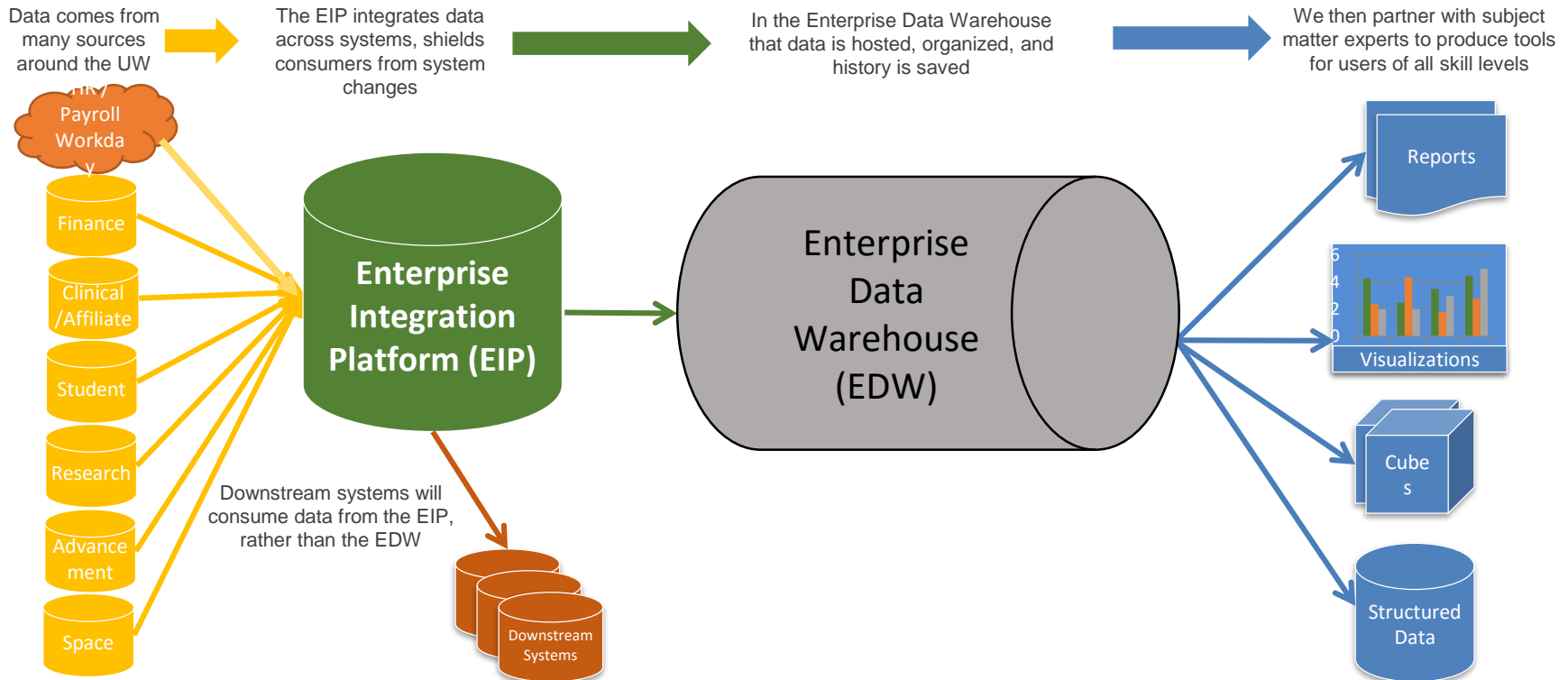
HR/Payroll

MODERNIZATION

Planning Cycle

# WORKDAY AND THE ENTERPRISE

## Future State Vision



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# QUESTIONS



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