

Project Name: Human Resources Legacy Systems Replacement
OCIO Project #:
Department: Department of Motor Vehicles
Revision Date: 6/30/2009

Concept Statement

Description

Brief description of the proposed project:

Replace the DMV's internal Human Resources (HR) Legacy systems and independent divisional IT systems with a fully activated HR module in an integrateable Enterprise Resource Planning (ERP) system. The HR module will then become integrated with a single authoritative source of HR data, provide a secure web-based IT infrastructure/environment, and enable HR data to be captured once, validated, transported, stored, and trusted from that point on.

Need Statement

High Level Capabilities Needed:

Implement an Oracle Human Resource Management System (HRMS) that utilizes ERP technology, addresses current HR needs, and allows for opportunities in long range planning and integration. Once the HR module in a DMV ERP system is fully configured, the technology would serve as a front-end data entry and retrieval point to capture and maintain HR data and records for interfacing and integrating with future Statewide HR Systems.

What is Driving This Need?

A HR business processes analysis concluded that the DMV is clearly entering a time of transition and the automation of outdated paper-based processes and system integration is overdue. The analysis also demonstrates the necessity of replacing our legacy HR systems which is further supported by the requirements of mitigating our current, serious risks and liabilities for data security, data accuracy, fraud and timeliness in processing HR transactions.

Risk to the Organization if This Work is Not Done:

Legacy systems critical to DMV's HR processes are reaching obsolescence and in a deteriorating state with support skills no longer available to maintain them. As problems compound, HR systems will eventually fail, increasing significant reliability, accuracy and security issues of storing and maintaining confidential employee data. As the result, risks of litigation and cash settlements will increase due to processing and managing HR transactions with inefficient and inaccurate DMV HR IT systems.

Project Name: Human Resources Legacy Systems Replacement
OCIO Project #:
Department: Department of Motor Vehicles
Revision Date: 6/30/2009

Concept Statement

Benefit Statement

Intangible Benefits

Process Improvements (describe the nature of the process improvement):
Overall benefits will result from the elimination of maintenance of multiple DMV systems, HR end-to-end processes being streamlined, and faster transactions with reduced errors. A single source of secured confidential data will be managed and stored through secure web-based portal application. Implementing a secure ERP system will also enable the DMV to extend the automation of HR processes to business units throughout the organization, creating further efficiencies.

Other Intangible Benefits:
Once the HR module in an Oracle ERP system is fully configured, it would serve as a front-end data entry and retrieval point to capture and maintain HR data and records for interfacing and integrating with future Statewide HR Systems. This will dramatically reduce risks and costs to the department when it becomes necessary to implement a statewide system. It will also provide the flexibility to add (future) secure, role-based access for manager self-service or employee self-service of personnel data to DMV staff when DMV determines the time is appropriate for implementation.

Tangible Benefits

Revenue Generation (describe how revenue will be generated):
None

Cost Savings (describe how cost will be reduced):
Costs associated with legal resources and cash settlements relating to inaccurate data and lack of timely processing will be significantly reduced. Savings will result from the implementation of best practices by improving the skills of our workforce, reducing training costs, and using ERP technology more effectively.

Project Name: Human Resources Legacy Systems Replacement

OCIO Project #:

Department: Department of Motor Vehicles

Revision Date: 6/30/2009

Concept Statement

Cost Avoidance (describe the cost and how avoided):
 Implementing a HR ERP system will provide for consistent HR processes that will reduce training costs, eliminate duplicative work, and reduce the amount of transaction errors. These improvements will allow for better utilizing of the workforce, or requiring the use of additional staff to clean up back logs of work, exception processing, or correcting errors. This will ultimately save on overtime or the unnecessary use of labor hours for the department.

Risk Avoidance (describe the risk and how avoided):
 Using a system owned, maintained, and managed by DMV allows implementation of a HR solution, leveraging existing ERP infrastructure and significantly reducing risk of project failure. Implementation risks are minimized since DMV is familiar with implementing, maintaining, and managing DMV's current Oracle ERP. This strategy avoids typical system development risks associated with an ERP by capitalizing on the current ownership of DMV's Oracle ERP licenses, hardware, and infrastructure with core products placed into immediate action to benefit and resolve HR issues and risks.

Improved Services:
 Services for internal HR customers (employees) are greatly improved with accuracy and reduced response time.
 Services to external customers (other agencies such as SCO, etc.) are improved with accurate data and reliable connectivity and export.

Consistency

"No" Responses 		Rationale	Action Required
Enterprise Architecture	Yes	Consistent with EA	
Business Plan	Yes	Consistent with DMV's Business Plan	
Strategic Plan	Yes	Consistent with Strategic Plan	

Impact to Other Agencies

Project Name: Human Resources Legacy Systems Replacement

OCIO Project #: [Redacted]

Department: Department of Motor Vehicles

Revision Date: 6/30/2009

Concept Statement

Nature of Impact to Other Agencies

Agency: : State Controller's Office
<i>Describe the nature of the impact:</i>
Data provided to SCO will have minimal errors. DMV will be prepared to effectively and successfully integrate with SCO planned enhancement projects. Without replacing DMV legacy systems, DMV will be unable to effectively meet the requirements of SCO planned projects.

Agency:
<i>Describe the nature of the impact:</i>

Agency:
<i>Describe the nature of the impact:</i>

Agency:
<i>Describe the nature of the impact:</i>

Project Name: Human Resources Legacy Systems Replacement
OCIO Project #:
Department: Department of Motor Vehicles
Revision Date: 6/30/2009

Concept Statement

Solution Alternatives

Alternative 1:

Replace the DMV's internal HR Legacy systems and independent divisional IT systems with a fully activated HR module in an integratable ERP system. The HR module will then be integrated with a single authoritative source of HR data and will provide a secure web-based IT infrastructure/environment.

Technical Considerations for Alternative 1:

As it stands, the DMV has implemented and is currently using an Oracle ERP system with modules implemented for procurement, inventory, and accounting. Additionally, a new time and labor module is scheduled for implementation Jul-Dec 2009. Expanding an existing ERP system for HR process improvements will result from the reduced resources needed for IT system development and system implementation. This consideration will also capitalize on using the DMV's existing infrastructure with trained staff that is currently available to support it.

ROM Cost:	\$12,000,000	to	\$13,000,000	Note: high end of range must not exceed 200% of low end of range
-----------	--------------	----	--------------	---

Alternative 2:

Wait to implement, and solely rely upon a SCO Statewide HR System.

Technical Considerations for Alternative 2:

Technical specifications are unknown, but it is highly unlikely that the configuration of a statewide system will be capable of meeting DMV's current business needs, or allow the flexibility to position the DMV to manage the increasing levels of data or business requirements necessary for the many remote DMV offices located throughout the state. This solution could require highly customized ancillary systems with custom interfaces and duplicative processes to support the statewide system.

ROM Cost:	\$14,000,000	to	\$15,000,000	Note: high end of range must not exceed 200% of low end of range
-----------	--------------	----	--------------	---

Project Name: Human Resources Legacy Systems Replacement
OCIO Project #: _____
Department: Department of Motor Vehicles
Revision Date: 6/30/2009

Concept Statement

Alternative 3:

Improve and enhance existing systems. The possibility of improving our existing legacy systems and HR processes were analyzed and evaluated. Attempting to enhance and integrate our existing systems is not feasible, sensible, nor cost effective.

Technical Considerations for Alternative 3:

The antiquated design and outdated technology of our existing legacy systems limit the scalability, availability, supportability, recoverability, and security from being enhanced to the degree for addressing our current HR problems and future needs. Another problem is that the architecture of the DMV's legacy systems is not compatible with developing standards and does not align with State of California information technology integration initiatives.

ROM Cost: \$24,000,000 to \$27,000,000 **Note: high end of range must not exceed 200% of low end of range**

Recommendation

Comparison:

Alternative 1	ROM Cost	Risk
	\$12,000,000 - \$13,000,000	
Alternative 2	ROM Cost	Risk
	\$14,000,000 - \$15,000,000	
Alternative 3	ROM Cost	Risk
	\$24,000,000 - \$27,000,000	

Conclusions:

1	The As-Is analysis concludes DMV is clearly entering a time of transition and the automation of outdated paper-based processes is overdue
2	Replacement supports mitigating serious risks and liabilities for data security, data accuracy, timely processing, and fraud
3	Attempting to enhance or interface our existing HR systems is not feasible, sensible nor cost effective.
4	The architecture of the DMV's legacy systems is not compatible with developing standards and does not align with State of California information

Project Name: Human Resources Legacy Systems Replacement

OCIO Project #: _____

Department: Department of Motor Vehicles

Revision Date: 6/30/2009

Concept Statement

Recommendation:

The optimum recommendation is to replace the DMV's internal HR Legacy systems and independent divisional IT systems with a fully activated HR module in the DMV's existing integratable ERP system. This will then become integrated with a single authoritative source of HR data, provide a secure web-based IT infrastructure/environment, and enable HR data to be captured once, validated, transported, stored, and trusted from that point on. This recommendation will also fully integrate with statewide HR solutions and significantly reduce the risk of statewide project failure at DMV.

Project Approach (if known)

System Complexity:		System Business Hours: (e.g., 24x7, 9am-5pm) :	
Architecture	<input type="checkbox"/> Mainframe <input type="checkbox"/> Client Server <input checked="" type="checkbox"/> Web Based	Num. of New Databases:	0
Technology	<input type="checkbox"/> New <input checked="" type="checkbox"/> New to Staff <input type="checkbox"/> In-House Experience	Interfaces:	External
Implementation	<input checked="" type="checkbox"/> Central Site <input checked="" type="checkbox"/> Phased Roll-out	Num. of Sites:	All
M & O Support	<input checked="" type="checkbox"/> Contractor <input type="checkbox"/> Data Center <input checked="" type="checkbox"/> Project <input checked="" type="checkbox"/> In House		
Procurement Approach: <i>(consult with OSI Procurement Center)</i>			Number of Procurements:
Open Procurement?		Delegated Procurement?	
Scope of Contract	<input checked="" type="checkbox"/> Development <input checked="" type="checkbox"/> Implementation <input checked="" type="checkbox"/> M & O <input type="checkbox"/> Other:		
Anticipated Length of Contract:		Years /	extensions for years