Contract for Accenture HR and Talent Management System Implementation Services – Approval of Workday HR and Talent Management Software as a Service (SaaS) Subscription

Committee-of-the-Whole
June 8, 2021

Rosa Medina-Cristobal, MPA
Vice President, Human Resources

Brad J. Cummings, J.D.
Vice President, Procurement

Julius Smith, Ph.D.
Vice President, Chief Information Officer
Digital DART

Applications/Databases

Fiber

Wi-Fi

Network Infrastructure

End Users

Headquarters

ITS/IVC

Cloud

The Big Picture
Approval of a resolution authorizing the Interim President and Chief Executive Officer or his designee to award:

C-2061898-01  A 10-year contract to Precision Task Group Inc. for the provision of Workday HR and Talent management software as a service [Contract No. C-2061898-01]; for a total combined authorized amount not to exceed $5,679,923

C-2061928-01  A 4-year contract to Accenture LLP for implementation services relating to the Workday HR and Talent management software [Contract No. C-2061928-01]; for a total combined authorized amount not to exceed $3,403,877
Background
What Lawson Does vs DART Business process

- Human Resources Process
- Financial Process
- Procurement Process

- Personnel
- Benefits
- Payroll
- Activity Management
- Asset Management
- Accounts Payable
- Accounts Receivables
- General Ledger
- Grant Management
- Contract Management
- Procurement Punchout
- Inventory Control
- Order Entry
- Purchase Order
- Requisitions
- Supplier Order Management
- Strategic Sourcing
- Billing & Revenue Mgmt.
- Infor Lawson
- Procurement Process
- Financial Process
- Human Resources Process
Background

- Infor is not adding any new features to the Lawson ERP and planning to discontinue it in its current form.
- Replacement of this critical system started in 2019 by defining the strategy presented to DART Board in March of that year.
- It is estimated to complete the replacement of all modules between 2025 and 2026.
Background – Current Scope

• The new system will:
  – Replace INFOR Lawson HR and Talent Management System, InfoStation HR & Talent Management Workflows, home-grown applications and reports
  – Deliver an integrated platform capable of efficiently meeting DART needs, improving processes, facilitating data-driven decision-making and empowering employees to perform daily activities
  – Will provide a unified hub for HR services and information ultimately improving employee’s satisfaction
  – Enhance DART-wide communications, decision making, reporting, and regulatory compliance
Background

March 2019 Board Briefing:
Lawson ERP Replacement Strategy & Roadmap

FY 2020 President/Executive Director’s Goals and Performance Measures:
Meet Lawson ERP system replacement milestones by 09/30/2020
1 - Develop system requirements; and
2 - Initiate procurement process
DART Future ERP Environment

- HR
- Finance
- Procurement
Background: ERP Replacement
Core HR & Talent Management System

- As a result of fiscal constraints from the pandemic the project was rescoped
- Finance and Procurement were postponed
- HR & Talent Management prioritized
Workday HR & Talent Management
<table>
<thead>
<tr>
<th>Your Industry</th>
<th>Your Daily Life</th>
<th>Your State/Best in State</th>
</tr>
</thead>
<tbody>
<tr>
<td>RTD</td>
<td>Netflix</td>
<td>City of Dallas</td>
</tr>
<tr>
<td>Memphs</td>
<td>VISA</td>
<td></td>
</tr>
<tr>
<td>IAOWA DOT</td>
<td>Target</td>
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<tr>
<td>RATP GROUP</td>
<td>TripAdvisor</td>
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<tr>
<td>ONE RAIL AUSTRALIA</td>
<td>Facebook</td>
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<td>Stagecoach UK BUS</td>
<td>ACE Hardware</td>
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<td>UBER</td>
<td>Chipotle</td>
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<td>Adobe</td>
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<td>AT&amp;T</td>
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<td></td>
<td>USAA</td>
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</tbody>
</table>
Case Study: Denver Regional Transportation District

CUSTOMER

- RTD is a public agency dedicated to serving the public and providing transportation needs to 3.08 million people
- 2,800 employees

CHALLENGE

- Numerous manual and error prone HCM processes
- Inability to clearly understand fundamental metrics about their employees
- Account provisioning for new hires was a manual and lengthy process

WORKDAY IN ACTION

- Getting the data into the hands of the users that need it
- Improving understanding of all the metrics that make up the employee population
- Streamlining communications with all employees

REALIZING VALUE

- 99% reduction in time to create access and security profiles for new hires
- 93% increase in employee self service usage
- 20X - 30X faster rollout of IT related projects
- Detailed analysis of headcount analytics provides information in a matter of days vs a matter of months

“Having all the data in Workday has been super helpful for analyzing compensation, where employees sit in different supervisory orgs, how many folks we have in every department...furloughs, leave balances, etc.”

Rahul Sood, CTO, Denver RTD
Workday Government Customers Find Value Throughout The HCM Lifecycle

- **80%** Reduction in the time required to implement org changes
- **81%** Reduction in the time to onboard new employees
- **83%** Reduction in the amount of time in the recruit to hire process
- **80%** Decrease in the amount of paper being used in the County
- **90%** Automation of HR business processes
- **100%** Employee Self Service for all HR related requests
- **50%** Decrease in Open Enrollment Processing Times
- **80%** Increase in performance evaluation participation

Source: Workday Value Realization Studies with our Government Customers
Core HR & Talent Management System Implementation Program Scope

Core HR
- Benefits Administration
- Compensation Administration
- Core HR Records
- Organizational Structure
- Position Management

Strategic HR
- Compensation Planning
- Retiree Management
- Succession Planning
- Workforce Planning

Talent Management
- Engagement
- Off-Boarding
- On-Boarding
- Performance Management
- Rewards & Recognition
- Talent Acquisition

Workforce Management
- Disability Management
- Employee Relations
- Health & Safety
- Health & Wellness
Accenture Implementation Services
Accenture’s Workday Practice
at a glance

45 and counting
Workday Government Clients

20 and counting
Remote Go-Lives for Government since April 2020

300
Workday Certified Consultants focused on Government and Education

75+
Workday Go-Lives for Government

119
Workday Product Leads at Accenture

13 Years
Of Workday Partnership – since 2008

#1 In Execution and Innovation for the Workday HCM Services Market in HFS’s Top 10 for Workday Human Capital Management (HCM) Services 2021 report

2021 Winner
Of two Workday Partner Innovation Awards:
- Government
- Media and Technology
Accenture Public Sector Workday Success
Knowledge and Experience

- Accenture’s Workday Practice has over 68 customers in the Government and Education Sector- includes Cities, Counties, State entities and Special Districts

- Over 40 of those are live on Workday HR

- Accenture has experience migrating from Lawson at a Water District in Las Vegas as well as organizations in Texas

- Accenture has utility live on Workday HR in Texas, a City live in Texas and a City in Texas that is in process
Procurement Process
Procurement Process

- Texas Department of Information Resources (DIR)
  - Available to Texas state agencies, local governments, cities, public school districts, counties, municipalities
  - Contracts awarded through open competition
  - Completes verifications
  - Diversity goal of 26%
Procurement Process

• Proposal Evaluation Process:
  – In November 2020, DART staff requested scripted demonstrations from Infor, Oracle, and Workday
  – The scripts were identical requiring suppliers to demonstrate key functional and technical system processes in a set amount of time
  – Suppliers were requested to provide the same system functionalities in the same timeframe to ensure equal comparison

• Demonstration Scoring:

<table>
<thead>
<tr>
<th>Firm</th>
<th>Functional</th>
<th>Technical</th>
<th>Total</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workday</td>
<td>90.9</td>
<td>94.2</td>
<td>185.1</td>
<td>1</td>
</tr>
<tr>
<td>Oracle</td>
<td>87.7</td>
<td>83.3</td>
<td>171</td>
<td>2</td>
</tr>
<tr>
<td>Infor</td>
<td>90.4</td>
<td>73.9</td>
<td>164.3</td>
<td>3</td>
</tr>
</tbody>
</table>
Procurement Process

- Texas Department of Information Resources (DIR)
  - Precision Task Group (PTG) is the only approved re-seller of the Workday ERP solution
  - Scope and price were negotiated with PTG/Workday
  - A comparison to the Independent Cost Estimate (ICE) and a recently awarded contract to the City of Dallas for similar Workday modules determined price fair and reasonable
# Expenditure Justification

## Board-Approved Expenditure Justification

### New Enterprise Resource Planning System Replacement Contract

<table>
<thead>
<tr>
<th>PURPOSE OF CONTRACT/AGREEMENT</th>
<th>DOLLAR AMOUNT</th>
<th>CONTRACT TERM</th>
<th>TYPE OF PROCUREMENT</th>
<th>1. Is it necessary?</th>
<th>2. Does it need to happen now?</th>
<th>3. Can it be phased?</th>
<th>4. Can we reduce the amount?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Contract C-2061898-01</td>
<td>Not to exceed $5,679,923</td>
<td>Ten-year base</td>
<td>Texas DIR</td>
<td>Yes, Infor is not adding new features to Lawson ERP. It is planning to discontinue the system’s current form.</td>
<td>Yes, Infor is not adding new features to Lawson ERP and is planning to discontinue it in its current form.</td>
<td>Yes, the overall project has been structured with a phased implementation. The Financial and Procurement systems replacements were removed from the project. This phase addresses only the HR &amp; Talent management systems. Further phasing is not possible.</td>
<td>No, the overall project budget has been reduced by adopting a phased approach.</td>
</tr>
<tr>
<td>B. Contract C-2061928-01</td>
<td>Not to exceed $3,403,877</td>
<td>Four-year base</td>
<td>Texas DIR</td>
<td>Yes, Infor is not adding new features to Lawson ERP. It is planning to discontinue the system’s current form.</td>
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Benefits of a 10-year contract

- DART and most public sector agencies use enterprise resource systems for extended periods.
- The Agency has been using INFOR Lawson Enterprise Resource Planning since the nineteen eighties, over thirty years ago.
- The 10-year contract provides greater price protection and service protection
- DART proposes to use Workday for at least ten years or more
C-2061898-01 Contract Scope

To provide Workday Software as a Service (SaaS) Subscription to replace Lawson Enterprise Resource Planning system (ERP) Core HR & Talent Management System, InfoStation HR & Talent Management Workflows, home-grown applications and reports. Includes following modules:

- Core HCM, Cloud Connect for Benefits, Recruiting, Cloud Connect for Third Party Payroll and Prism Analytics
- Delivery Assurance, Training Credits, Training subscription and Adoption Kit

Contract total cost: NTE $5,479,923

Proposed Supplier:
- Precision Task Group, Inc.

Cost & Price considerations:
- Indefinite Delivery/Indefinite Quantity contract
- Price is determined fair and reasonable

Included in the Technology Capital budget for FY2021 and 20-year financial plan
C-2061928-01 Contract Scope

Contract term to provide Implementation and Integration Professional Services to replace the Lawson HR and Talent Management System, InfoStation HR & Talent Workflows, home-grown applications and reports:

Contract total cost NTE $3,403,877

Proposed Supplier:
  • Accenture LLP

Cost & Price considerations:
  • Price is fair and reasonable based on a comparison to the Independent Cost Estimate (ICE) and to the recent purchase of a Workday solution by the City of Dallas
  • Included in the Technology Capital budget for FY2021 and 20-year financial plan
Precision Task Group, Inc.

- **Location**: Located in Houston, Texas
- **Experience**: Over 30 years of experience
- **Clients**: Clients include Texas Department of Information Resources, GSA Advantage, State of California
- **Diversity**: 26% M/WBE
Approval of a resolution to:

Contract C-2061898-01
• Board approval of a resolution authorizing the Interim President & CEO or his designee to award a 10-year contract to Precision Task Group Inc. for a combined award amount not to exceed $5,679,923

Contract C-2061928-01
• Board approval of a resolution authorizing the Interim President & CEO or his designee to award a 4-year contract to Accenture LLP. for a combined award amount not to exceed $3,403,877

Approval of these contracts will support the achievement of DART Board Strategic Priority 4: Pursue excellence through employee engagement, diversity, development and well-being, and Priority 5: Enhance DART’s role as a recognized local, regional and national transportation leader
Thank you