

Close-out of the Financial Planning Analysis and Reporting System (FPARS) Project

Date: April 14, 2021

To: General Government and Licensing Committee

From: Chief Financial Officer and Treasurer and Chief Technology Officer

Wards: All

SUMMARY

The purpose of this report is to "close out" the Financial Planning Analysis and Reporting System (FPARS) Project, as requested by Council and the Auditor General's recommendations.

The FPARS project was established in 2006 to introduce a new budgeting system to support a multi-year, performance and service-based budget. FPARS was a large, complex and transformational project, with multiple stakeholders and corporate partners. It also envisioned full automation through technology with change impacts on people, processes and ultimately, the culture at the City by enhancing accountability and transparency.

The FPARS project goal was to implement a multi-year, service-based, citizen-centric budgeting system. The project met some of the objectives by delivering the following:

- An off-the-shelf SAP module "Public Budget Formulation" (PBF), a budgeting tool that has been used for 8 budget cycles and is due to be replaced in two years;
- The development of a Service Inventory and inclusion of services in the City budgets;
- An inventory of initial performance measures was completed (including service levels);
- Some cost avoidance was achieved primarily in Salary and Benefits attributed to a change in budget process leveraging automation; and
- Foundational technology that has been leveraged for other large SAP projects such as Employee Self Service/Manager Self Service, Success Factors, Property Tax billing, utility billing, and e-time and divisional data marts.

Full implementation was not achieved and the following deliverables remain outstanding:

- Integration of People, Processes, Data and Technology to support Automated Reporting, Predictive Analytics and Agile Data Visualization
- A budget that links services to outcomes that support Council priorities and corporate objectives;
- A performance management process and automation

After initiating an internal review of the project performance and expected benefits in 2018, upon assessment of the results the Chief Financial Officer and Treasurer closed the FPARS project in 2019, thereby triggering the need to produce this close-out report.

From 2006 to 2019, a total of \$67.1 million was spent on the FPARS project out of a budget of \$69.9 million. The cost of FPARS has been fully amortized as the Public Budget Formulation SAP budgeting system has been used for 8 budget cycles and is due for replacement. The foundational technology brought in through the project has allowed for other systems and platforms to be introduced. Cost avoidance savings of \$22.2 million in salaries and benefits have been identified. However, it's important to note that a true understanding and validation of the savings and benefits of FPARS and its associated tools has not been completed at this time.

Lessons learned from the FPARS project will help guide future transformation initiatives at the City.

RECOMMENDATIONS

The Chief Financial Officer and Treasurer and Chief Technology Officer recommends that:

1. General Government and Licensing Committee receive this report for information.

FINANCIAL IMPACT

There are no financial impacts from the receipt of this report.

DECISION HISTORY

At its meeting of May 29, 2013, The Audit Committee considered a report from the Auditor General entitled, "Financial Planning Analysis and Reporting System (FPARS) – A Large Scale Business Transformation/Information Technology Project". The report contained nine recommendations. Management has implemented 8 recommendations, leaving one recommendation outstanding. This recommendation was to issue a final "close-out" report upon project completion:

Staff report for action on the FPARS Project Close-out

"City Council request the Deputy City Manager and Chief Financial Officer, the Director, Financial Planning and the Chief Information Officer to ensure that upon project completion, a final "close-out" report is submitted to City Council. Such reports should include comparisons of budget to actual timelines, costs, actual benefits achieved and where applicable, a description of anticipated benefits not realized":

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.AU11.4>

In June 2020, City Council upon consideration of AU5.11 Management Update on the Implementation Status of Outstanding Auditor General Recommendations," passed the following motion requesting staff to report back to General Government and Licensing Committee.

"City Council request the Chief Financial Officer and Treasurer and the Chief Technology Officer to report back to the October 5, 2020 meeting of the General Government and Licensing Committee with a final close-out report with lessons learned for both phases of the Financial Planning Analysis Reporting System project":

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.AU5.11>

COMMENTS

OVERVIEW OF THE PROJECT

The vision for FPARS was to build a service-based, performance-focused organization by improving how we plan, budget, and evaluate our services with clean financial, complement, and performance information organized by service.

The project evolved over time into three components:

1. Foundations (Custom Solution) (2006-2009):

Prior to the introduction of the FPARS project the corporate SAP/R3 (RealTime 3) Financial Information System (FIS) was designated as the formal budgeting system and database for the City. A key component of FPARS was to automate the manual budgeting process in use at the time. As an off-the-shelf budgeting system was not available in 2006, the decision was made to sole-source a team of external consultants to custom build an application for the City using pre-existing SAP products to go live in Q2 2009.

The plan was for the new budgeting tool to be configured to allow for a view of expenditures by service. In order to do this, a mapping of programs/services and activities was completed which included the identification of key performance indicators for each service.

Go live of the customized budgeting solution was never achieved because the City decided to reset the project and purchase and configure SAP's off-the-shelf Public Budget Formulation (PBF) application which became available in 2008.

Staff report for action on the FPARS Project Close-out

2. Public Sector Budget Formulation Tool (PBF, 2010-2014):

As a result of the change in technology, the project was reset, thus forming the PBF phase. This phase was intended to implement the PBF solution to automate the budget process which required business process changes to deliver a multi-year service view. Changes to the SAP coding block were needed to establish a financial information structure to support the service view. The introduction of a new functional code was established as the coding block at the time was configured by the City's organizational structure. The functional code enabled the classification of financial data by service. Also, this phase included the implementation of performance reporting for financial and non-financial or business-related information. An external contractor was utilized to implement and configure PBF to meet the budgeting cost centre and service view requirement and build in performance reporting. However, the contractor was unable to complete all deliverables and performance reporting was moved into the scope of the third phase (Enterprise Performance Management (EPM)).

3. Enterprise Performance Management (EPM, 2015 to 2019):

The last and final phase of the FPARS project was to deliver automated reporting of performance measures and service levels. It was also to provide the ability for predictive analytics and agile data visualizations to aid in decision making. Predictive analytics enables business leaders to use data, statistical algorithms and machine learning to forecast outcomes and performance to thereby allocate funds in a more informed way. These were to include different management dashboards, scorecards, key performance indicator reports, and a corporate open budget portal. The budget portal would allow citizens to view budget information in many formats to enable better understanding.

Through the project components, FPARS planned to enable the way that the City plans its activities, prepares its budgets, and collects and reports service-related information, helping to change the way the City thinks about service delivery. Each component would play a role in the implementation of the new planning and performance framework, as they are inter-connected. The deliverables for the EPM phase were not completed.

Figure 1: Integrated Planning and Performance Framework



PROJECT COSTS

In 2006, the project budget to develop a customized solution was \$7.99M and was slated to end in 2009/2010. In 2009, this increased by \$7.21M to \$15.2M after additional design and scoping work was completed resulting in the need to re-design complement data and other changes to the Enterprise Core Component (ECC). The ECC forms the SAP foundational system on which SAP modules such as Human Resources Management, Financial Accounting and Procurement can easily be integrated to work together.

When management decided to implement the off-the-shelf solution from SAP known as the "Public Budget Formulation" the project was reset. The FPARS project was identified as the catalyst for leveraging technology for future enterprise projects, which led to increased technology and configuration costs within the FPARS budget. At reset a total cost of ownership exercise was completed and the budget was increased to \$55M in 2010. The implementation of PBF was to be completed in 2013.

The entire FPARS budget totals \$69.9M which includes \$55M budgeted in 2010 plus the \$6.2M spent during the custom solution/foundation portion of the project, plus an additional \$8.9M in existing budget allocated to FPARS from the Technology Services (TS) SAP Landscape project. The total actual spend on the FPARS project was \$67.1M, as shown in Table 1 below.

Table 1: Summary of Budget vs. Actuals by Phase

Phase	Budget Commentary	Budget (\$M)	Actual (\$M)	Over Spent / -Underspent (\$M)
Pre-PBF (2006 - 2009)Adjusted** **Budget Restated when project changed to Off the Shelf	\$7.99 \$7.21 \$15.2	\$6.2	\$6.2	\$0
New Budget Assessment 2010	\$55M			
PBF (2010 - 2014)	\$40.7 plus \$8.9 Transfer from Technology Services	\$49.6	\$47.1	\$-2.5

Phase	Budget Commentary	Budget (\$M)	Actual (\$M)	Over Spent / -Underspent (\$M)
EPM		\$14.1	\$13.8	\$-.3
Total FPARS		\$69.9	\$67.1	\$-2.8

Although underspent, not all deliverables were achieved. However, certain other benefits have been achieved through the foundational work which supported the introduction of other technology in the organization.

In 2010, Technology Services (TS) undertook a separate project known as the SAP Landscape Upgrade project, which ran concurrently with FPARS. This TS project expanded the City's SAP landscape, as recommended by SAP, in order to support FPARS and other future SAP projects and included the installation of SAP and non-SAP products. The products required in order for SAP's PBF to function properly included the following SAP NetWeaver technologies:

- SAP enterprise portal
- SAP business warehouse
- SAP business objects enterprise server for business intelligence
- SAP Identity Management

The entire SAP Landscape Upgrade project cost the City \$22M, with \$8.9M of this amount allocated to the FPARS project as previously noted in project costs. Although a number of key SAP tools were identified and implemented during the SAP Landscape Upgrade project, the City has yet to develop a complete SAP financial roadmap that would optimize SAP financial applications to meet the City's current and future fiscal needs.

Deliverables, Benefits and Issues by Phase

Phase 1: Custom Solution/Foundations

Deliverables:

The Custom Solution/Foundation phase had the following deliverables:

- Completion of program/service and activity mapping and identification of key performance indicators, addressing:
 - Who provides services?
 - What services does the City provide?
 - Why does the City provide these services?
 - What service levels are provided and to whom?
- Service Planning process

- Completion of the SAP Business Planning and Simulation "fit-gap" analysis and proof of concept to determine if it meets the performance measurement reporting requirements for the City
- Implementation of the SAP Business Planning and Simulation module
- Implementation of an operating budget technology solution

Achievements:

The FPARS Project has created the City of Toronto's official service inventory. The project has identified 142 services that are offered by divisions and 10 agencies. The service inventory represents the manner in which the divisions and agencies have chosen to communicate their service business model to public; it answers the question of "What does the City do". Services are categorized as a "public service" which citizens directly interact with or an "internal service" which supports and enables the public services.

The program maps / service inventory, developed with each division and agency, consist of:

- Program Map, which is the visual representation of the services and subservices / activities and is used to reflect the current service business model;
- Service Profile, which is a detailed account of key service information and includes the following:
 - Service purpose statement to describe what the service is and what it tries to achieve,
 - Accountable unit to describe who provides the service / who is accountable for providing the service,
 - Client set, which demonstrates who the service is provided to,
 - Service output to outline what the client receives,
 - Service values statement to answer why the service is provided,
 - Service objective to describe the plan on how to contribute to the overall goals

The FPARS Project developed a Performance Measurement inventory based on best practices and established an inventory of approximately 2,300 measures, which includes approximately 1,200 active FPARS measures. These measures include both service levels and effectiveness and efficiency measures which are linked to services and certain are reported through the Budget process. The FPARS Project team worked with City divisions to identify and select performance measures for each of the services and activities in their programs, which allows comparison of results achieved against established targets. Performance measures are entered into PBF, monitored through Dashboards, and reported in the annual Budget Notes.

What was not achieved:

- Go live of the customized budgeting solution was never achieved because the City decided to purchase and configure SAP's off-the-shelf Public Budget Formulation (PBF) application which became available in 2008 as part of a project reset and to minimize financial risk.

- The Service View foundation was first piloted in 2008/2009, but service planning has not been achieved. To reach to the "True Program View" bundling of divisional services and accountability for the service and service delivery decisions will need to be made. Bundling of City services to a program view requires the financial presentation of services from an outcomes perspective.
- Linking services to outcomes that support Council priorities and corporate objectives
 - Service Inventory is from a divisional perspective
 - Performance Inventory is not aligned to outcomes

Benefits:

The service inventory assisted with the web redesign, Channel strategy, service reviews, information management, performance measurement as well as the annual planning and budget process.

By creating the services provided by each division, FPARS laid the solid foundation to move towards "true program view" which requires the grouping of the services in the current service inventory by outcome that link to Council priorities and corporate objectives.

Performance measures are currently being linked up to the outcomes through a new City-wide framework called Results-based Accountability (RBA).

Issues identified:

Program Maps Need Minor Refinement

Program maps for each division were developed that categorized services provided, with a further breakdown to specific activities and sub-activities by service to enable the ability to directly link cost and budget information to services. The individual program maps, as developed by the project team, are a hierarchical representation of the division's customer centric service model and are based on the Municipal Reference Model (MRM), Government of Canada Strategic Reference Model (GSRM) and the Ontario Public Service Reference Model (PSRM).

Some of the services outlined within the program maps do not meet the MRM definition of services, as some items categorized as services should instead have been identified as activities required to perform the service. The program maps were developed on a divisional basis and as a result, outline the services provided by the division, not services that lead to a measurable outcome. This may be due to project leadership, and their willingness to allow divisions to determine their own services to decrease sources of conflict.

To comply with the best practices established within the MRM to achieve a customer-centric service model, the divisional program maps need minor review and refinement to ensure divisional services are being identified at the appropriate level.

A budget that links services to outcomes that support Council priorities and corporate objectives has not been established.

The City's budget has not yet been presented as a service-based budget that links services to Council priorities or corporate objectives. Best practices in budgeting, as set out by the National Advisory Council on State and Local Budgeting of the Government Finance Officers Association (GFOA), states that municipal budgets should establish linkages to broad organizational goals or outcomes.

As previously discussed, the creation of program maps and identification of services by the project team have linked services to divisions not to outcomes that benefit the public. The GFOA explains that the service view should not link to a department (division), but to the vision of the community (outcome). No individual service can deliver an outcome; instead, it requires a combination of services. The individual services are “rolled up” to higher level services or programs, which are groupings of services that achieve similar outcomes and deliver on the municipality's vision, priorities or corporate objectives.

Thus, the creation of a service-based budget should not be an exercise of defining services under divisions, as was performed by the project team, but by categorizing or grouping services together that achieve similar outcomes or meet specific citizen needs.

Over the next few years, Budget Modernization will take a different approach to services. Instead of defining services from an inside-out or divisional perspective, we will adopt a customer-centric lens. The redefined resident and business focussed services will link to Council priorities and service outcomes (i.e. the difference we make in the lives of residents and businesses). Next to these will be streamlined and relevant key performance measures that clearly demonstrate our progress towards outcomes and service levels that enable it.

Phase 2: Public Budget Formulation Tool (PBF)

Deliverables:

There were five key deliverables of the PBF phase of the project:

- Develop a methodology and implement business process changes to deliver a service-based budget
- Implement a technology to automate the budget process and provide a multi-year outlook
- Upgrade the SAP Enterprise Resource Planning (ERP) Core Component (ECC) and Foundation
- Implement a new Complement Management Process
- Implement performance reporting for both financial and non-financial information

Achievements:

- The Public Budget Formulation (PBF) tool was implemented which enables divisions to develop and enter multi-year operating budgets.

- Upgrades were completed to the SAP Enterprise Core Component (ECC) and Foundation
- A new Complement Management Process was implemented with the utilization of the Personnel Expenditure Planning (PEP) tool.

What was not achieved:

- Full implementation of performance measures reporting, this deliverable was moved into the EPM phase.
- Use of PBF to full potential
 - Reduction in the number of systems used across the City to perform budget processes
 - SAP module Enterprise Core Competencies (actuals) alignment with PBF not achieved

Benefits:

Salaries and Benefits Savings

The project team identified cost avoidance of \$22.2M in annual salaries and benefit budgets.

The cost avoidance of \$22.2M is attributed to:

- Deletion of positions vacant for extended periods;
- Policy changes with respect to how to budget for vacant positions, with the majority of positions to be budgeted at mid-range as opposed to top of range; and
- Cumulative increases to position costs requested by divisions within the Personnel Expenditure Planning (PEP) form that were denied by the Financial Planning Division.

Full Savings and Benefits of FPARS Not Yet Ascertained

The full savings and benefits of the PBF phase of the FPARS project have yet to be analyzed and reported. The benefits that were outlined in the project charter are summarized as:

- Easy to use tools and meaningful reports
- Reduced manual effort
- Timely and improved/standardized information (clean data)
- Reduced number of and investment in shadow systems
- Improved transparency and accountability
- Maximized use of SAP as a management and operational tool

In 2017, a plan to determine the realization of value from PBF was prepared based on the above benefits. A pilot study was completed in six (6) divisions for nine (9) budget sub-processes. The study highlighted that there had been some reduction in the use of shadow budgeting and complement management systems, information was easier to access and some forms had increased manual effort. The actual dollar value tied to the

reduction of shadow systems, such as decreased technology costs for support and maintenance, was not determined in the pilot study, nor were time savings achieved as a result of automating the budgeting process, such as staff reductions or efficiencies. However, as part of value realization work continues with divisions and their processes to ensure shadow systems and the applicable processes are reduced where appropriate.

Unsubstantiated Capital Cost Savings

As part of the business case, in justification for budget approval, it was reported that there would be significant savings achieved as a result of the technology provided by the FPARS project. It was estimated that there could be total savings in excess of \$30 million from capital projects that could be eliminated, deferred or decreased in costs. Other than \$2.03 million in savings from the elimination of one finance system capital project the full actual capital cost savings have not yet been determined.

Improvements Achieved From PBF

PBF automated the budget process and has provided some value added features. It has embedded controls into the budgeting process, such as access controls, tracking of approvals and deadlines through workflows, and auditability. The application also enables users to forecast balances and create scenario projections to support the budget planning process based on the assumptions applied.

The PBF tool was implemented in 2013 and has been used for eight budget cycles (2014-2021). The software has passed its useful life and has been fully depreciated.

SAP Foundation Upgrade and ECC Improvements

The FPARS Project also delivered the following hardware and software to the City, which all divisions are currently utilizing and benefitting from:

- SAP enterprise portal – to support web front end
- SAP business warehouse – stores and consolidates data
- SAP business objects enterprise server for business intelligence (BI) – self-service analysis and reporting.
- SAP High Performance Analytic Appliance (HANA) – core SAP foundation platform integral to upgrading the Business Intelligence landscape and improve processing speed and integration with other software applications.
- SAP Lumira – powerful data visualization tool.

FPARS was to be the catalyst for leveraging technology for future enterprise projects and was the first project “out of the gate” to utilize the new SAP tools. Since, however, there have been several other large transformational projects and smaller systems that are dependent on the same suite of SAP tools:

- Property tax billing, collection and rebates
- Utility billing, collection and rebates

- Employee Self Service /Manager Self Service and E-Time which are web-enabled tools to update and manage HR-related data
- SAP Ariba for procurement and supply chain solutions
- SAP Success Factors/Cloud based Human Resources Information System (CHRIS) for cloud-based human capital management
- DataMart, a system used by Toronto Public Health, Solid Waste Management Services and Municipal Licensing & Standards

Improved Complement Management Process

The PEP tool, a standard function of the PBF system, allows the City to generate more accurate salaries and benefits budgets based on actual approved positions. The tool extracts data from human resources systems for all approved positions, The PEP tool then projects the future salary and benefit costs based on corporate assumptions, such as cost of living increases, benefit changes and salary progression.

As a result, the PEP projection allows for standardization and consistency across the City when estimating the cost of salaries and benefits and promotes the transparency and integrity of amounts. As salary and benefit costs at the City are a large portion of expenses, it is beneficial to have the improved complement data and ability to accurately project salaries and benefits.

Issues identified:

Business Process Re-Engineering and enabling Technology

The City engaged the services of IBM to configure and implement the PBF solution and provided an outline of 12 sub-processes required to support the budget process. These sub-processes generally followed the as-is budget process, with the exception of generating the budget in a service view and the ability to link to Council priorities or divisional initiatives.

A fundamental goal of automation is to create efficiencies, and in the City's case, to reduce reliance on shadow budgeting systems. As per the November 25, 2009 business case presentation, there were approximately 9 divisional and a total of 140 budget planning shadow systems in use across the City.

The PBF tool was intended to be the single authoritative source (system of record) for the operating budget information, however there still has not been full uptake on the utilization and functionality of PBF across the City and Agencies. There has been some reduction in the number of systems used across the City to perform budget processes, however divisions have maintained some systems that needed budget data to perform non-budget related processes. This has made the validation of time/effort savings hard to quantify. As part of value realization we continue to work with divisions and their processes to ensure shadow systems and the applicable processes are reduced where appropriate.

Phase 3: Enterprise Performance Management

Deliverables:

The goal of the EPM phase was to provide automated reporting of performance measures and service levels, which included the ability to track, evaluate and report on service performance and to demonstrate the extent to which objectives have been achieved.

This was to be achieved through:

- City Wide Extraction, Transformation, Loading and Reporting Tools (ETL) which play a key role in gathering data from multiple sources for consolidation
- Automated Performance Reporting
- Predictive Analytics
- Agile Data Visualizations

In addition, the value of EPM relied heavily upon data quality and reliability. At the time of the internal review in 2018-2019, the EPM phase of FPARS had not completed its four deliverables.

Achievements:

The SPIRIT Dashboard (launched in 2016) was the first Business Intelligence (BI) report to integrate financial, complement and performance measurement for all City divisions in both service and organizational view. It provides divisional management with a graphic overview of divisional actuals, budget and complement information through the service resource tab and performance information through the service measures tab.

A proof of concept for the automation of 89 measures from 5 divisions was in development but did not move to production.

What was not achieved:

A corporate-wide performance management process and automation was not completed.

Integration of People, Processes, Data and Technology to support Automated Reporting, Predictive Analytics and Agile Data Visualization was also not achieved.

Issues identified:

Data Quality and Reliability Improvements Still in Progress

For the FPARS project to be successful, clean and organized data was a minimum necessity. Therefore, a key requirement of the EPM phase was a data governance and business intelligence framework. Throughout the FPARS lifecycle, it was known that the

quality of data at the City required improvement. As a result, data as it stood may not have been reliable for use in measures, analytics and visualizations, as it could provide incorrect conclusions.

To improve the quality of data in terms of availability and reliability, TS created two projects aimed at establishing data governance across the City: the Enterprise Business Intelligence Framework (EBIF) and Implementation (EBII). These projects would deliver a data governance framework, as well as policies and procedures, to guide staff on data standards, quality, access and security.

LESSONS LEARNED

Business Process Re-engineering and Development of Future State in the Foundations Phase

At its inception, the FPARS project positioned technology as the main driver, where technology enables the business. A technology solution was being implemented and not enough was known about the entire end-to-end business process of financial reporting and budgeting.

Without a fully documented end-to-end process that incorporates all stakeholders, the continued implementation of the system introduced new issues at every turn. A more thorough analysis of processes at the inception may have revealed some of the issues discovered while the technology was being implemented. Although processes at a corporate level were being reviewed, there were too many distinct sub-processes at the divisional level that were not part of scope of the review; this made implementation at the divisional level very challenging and reflected in the PBF system's ultimate adoption and utilization rates. There is a need to document end to end processes both corporate and divisional and re-engineer them to ensure the alignment of all processes and that the most efficient and effective process is automated. The technology solution should be utilized to enable the re-engineered process.

Project Leadership and Alignment (All phases)

FPARS was a project that proposed a fundamental change to the way budgets would be developed corporately. There were many instances where building consensus was a challenge and divisional pushback was tolerated, resulting in differences in the way certain project requirements were implemented across the organization. Although highly impacted divisions included the Financial Planning, Accounting, People and Equity and Technology Services divisions, the magnitude of the change impacted several businesses in the organization. To enable benefits realization, the project leadership team could have included leaders from impacted divisions to validate the project as a corporate initiative; not something imposed by a single division or group of divisions. Sign off on responsibilities would encourage ownership and consequences for non-compliance will help minimize resistance.

Project Documentation (all phases)

From the start of the FPARS project there have been issues with the availability of all project documentation as reported in the 2013 Auditor General report. This project affected a corporate system therefore business process changes should be mapped and available for use during future projects. Business process documents set the new standard and are valuable to future project teams utilizing and shaping the corporate system. Documentation allows future teams to view the new as-is and determine what changes need to be built upon them. Without having these business process documents future projects will have to take the time to generate new as-is documents and duplicate efforts.

The FPARS project started in 2006, prior to the introduction of the Technology Services' gating process. To ensure that project documentation is available to enable monitoring of the projects progress and compliance with project management principles (PMP), Technology Services has implemented the applications to store all project documentation in one place. Also, the implementation of the gating process ensures that going forward projects create consistent project documents at the appropriate time. Project documentation should be available to leadership to ensure the health of the project and to future project leaders to understand the new system landscape.

Project Governance (all phases)

A project requires the proper governance to ensure that the project stays within scope, timelines and budget. The proper governance structure allows for issues and risks to be addressed by a group independent of the project management with the proper authority and accountability. Steering Committees need to have the appropriate level of staff from a broad range of areas for corporate-wide projects to enable decision making and to prevent a conflict of interest. The FPARS project was designated as a divisional project being managed by Financial Planning with the support of Technology Services. However, the project was a large, complex, high-risk, high-value corporate-wide project, which in today's standards would be considered a corporate, transformational project.

Project Resourcing (all phases)

To mitigate project delays and ensure consistent project management, a process is required to better manage and adequately resource large transformational projects. Contract staff need to be available when required, project management staff need to be consistent throughout the course of a large project and sustainment resources need to be considered at the start of the project.

The onboarding of technology contract resources significantly affected the timing of the FPARS project. There were many times where receipt of resources were delayed more than a year from request. Also, project management resources were replaced five times over the course of the project resulting in delays, inconsistent management, and project staff morale issues. It was also determined that for the EPM phase that sustainment resources were unavailable resulting in the inability to sustain automated measures or add new measures going forward.

Going forward, Project Management staff should be full-time internal staff resources for large complex projects that are expected to be ongoing for more than one year. The project gating process and documentation requirements provide project leadership the tools and templates to determine project resourcing requirements.

Change Management (all phases)

FPARS was a large complex project that affected every division across the City. Without a concerted effort towards change management there will be issues with adoption of the new processes in the future. This is something that affects all projects across the City. The City is aware of how valuable change management is and has taken considerable steps forward to try to improve this process. A Change Management Centre of Excellence was created that includes full time Change Management specialists to provide support, knowledge and expertise to projects across the City. Also, it has become a standard practice to employ a change management consultant as part of the project team for large complex projects.

Business Case Preparation (foundation)

A business case provides information such as costs, timelines, and benefits that allow management to justify the investment and determine whether to support a project. The business case also acts as a common understanding of the justification for the investment required, the organizational impacts, and the value expected to be received. Business cases should also include key performance indicators that outline how the value, savings and benefits will be evaluated.

Neither the CAPTOR business case nor the project charter outlined quantifiable benefits for FPARS. It did outline some qualitative efficiencies and benefits. Without such information it is difficult to determine whether a project is a viable investment.

Technology Services has subsequently implemented the Project Review Team (PRT), a City-wide project governance body, to ensure that all capital business technology projects are properly evaluated prior to investment, are compliant to standards, have benefits that are quantified and evaluated, and risks identified and addressed in a timely manner. Governance of the process to determine whether a project has quantifiable benefits and is a viable investment has since transitioned from the Project Review Team to the Technology Services Senior Management Team.

Data Governance (EPM)

Automation of performance measure failed as data from divisional systems needed to be cleaned prior to transfer to the Business Warehouse to generate accurate Business Intelligence (BI) reports. As a result, there were delays in an effort to work collaboratively with the Enterprise Business Intelligence Framework (EBIF) project to clean divisional system data. Building BI reports with "unclean" or "sub-optimal" data could result in ineffective decision making. The City will require proper governance standards around the collection and maintenance of data in order to build a performance based budgeting system and culture.

CONCLUSION

Large enterprise Business Technology projects are inherently complex, expensive and pose considerable risk as they involve long planning and development timelines. FPARS was no exception. It was the first enterprise-wide transformation for the Toronto Public Service that envisioned full automation and integration across financial and business systems to offer greater transparency and accountability. Having conducted an internal review to assess the status of project deliverables and to validate savings and benefits achieved, the project was closed prematurely.

In its duration of more than 13 years, the FPARS project introduced a new budget system PBF that supported eight budget cycles and laid a foundation and appreciation for the fundamentals of service and performance-based budgeting. As one of the first enterprise wide transformation projects its intentions to introduce greater transparency to make strategic decisions with timely business performance and financial data was most welcomed. In most complex initiatives such as FPARS, the challenge, however, almost always resides in how the transformation is implemented as it impacts people, processes and the technology that enables them. The duration of the FPARS project and documentation of savings reflect systemic issues that indicate a need to implement projects in a different manner; these are lessons learned for all enterprise transformations in the future.

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