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# One Washington Business Process Assessment

May 2, 2014

  
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Strategy | Digital | Technology | Operations

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# Executive Summary

# Executive Summary | Summary Findings

Technology was a consistent challenge for agencies, even in situations where the overall process was done well.

|              | People | Process     | Strategy    | Technology | Total       |
|--------------|--------|-------------|-------------|------------|-------------|
| Finance      | Orange | Light Green | Light Green | Orange     | Yellow      |
| HR / Payroll | Green  | Light Green | Green       | Yellow     | Light Green |
| Procurement  | Orange | Orange      | Orange      | Red        | Orange      |
| Total        | Orange | Light Green | Green       | Red        | Yellow      |

Procurement processes were consistently lagging, and present tremendous opportunity for improvement.

Relative Performance Gap



Large Gap

Small Gap

- **Pervasive use of manual systems:** Staff have become accustomed to working in an environment with multiple systems and workarounds. When agencies have problems, they develop entrepreneurial solutions. As such, there is an absolute focus on fixing problems – but no holistic view of the statewide perspective or strategy.
- **Consensus around many of the pain points:**
  - Heavily manual Procure to Pay cycle
  - Lack of a single customer file; DES vendor file does not cover all payments (i.e., employees)
  - Constrained Chart of Accounts with Inconsistent use of optional fields
  - Difficulties with Vendor Management

# Executive Summary | Maturity by Process Area

|                     | Lagging                        | Basic                                                                      | Enhanced                                                                                                                                        | Leading                       | Insights                                                                                                                                                                                                                                                                      |
|---------------------|--------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Finance</b>      |                                | Accounts Payable<br>Accounting<br>Grants Management<br>Accounts Receivable | Risk Management<br>Strategy, Planning, and Budget Development<br>Data, Reporting, and Analytics<br>Organization Management*<br>Asset Management | Treasury<br>Budget Management | <ul style="list-style-type: none"> <li>Processes related to Budget Management are a leading practice</li> <li>Multiple agencies indicated that they were unable to report on basic vendor or expenditure data</li> <li>Limited electronic storage of documentation</li> </ul> |
| <b>HR / Payroll</b> |                                |                                                                            | Time and Payroll<br>Travel and Expense Management                                                                                               |                               | <ul style="list-style-type: none"> <li>HR is somewhat manual, but executed well.</li> <li>TLA project may address many HR challenges</li> </ul>                                                                                                                               |
| <b>Procurement</b>  | Data, Reporting, and Analytics | Procurement Strategies<br>Procure to Pay<br>Organization Management        | Fulfillment and Inventory<br>Vendor Management                                                                                                  |                               | <ul style="list-style-type: none"> <li>Procure to Pay cycle is a challenge</li> <li>Agency procurement data practices vary widely</li> <li>Inconsistent Procurement data causes challenges across most process areas</li> </ul>                                               |

## Executive Summary | Key Takeaways

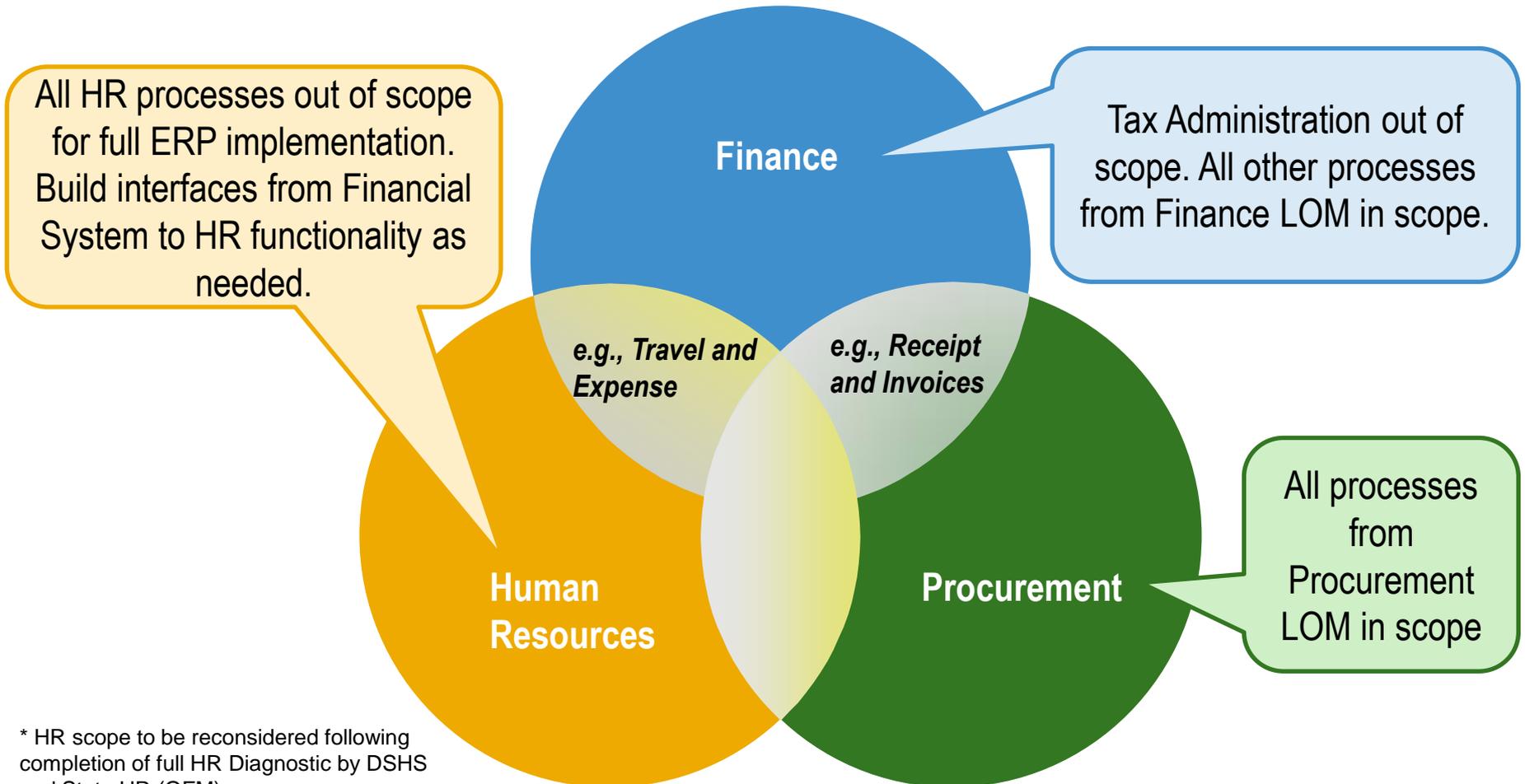
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Based on the insights learned from Agencies during Phase One, there are three main opportunities for Washington to move towards Leading Practice. Process Value Levers and Critical Success Factors will be further analyzed in the next phase to help Washington build a strong, business-driven ERP strategy.

- 1. Technology:** Implementation of a single, integrated Enterprise Resource Planning (ERP) solution would enable Washington to make major forward progress with its Finance, HR/Payroll, and Procurement operations. The current system does not meet agency needs for a financial system that will provide the insights needed for State leadership to operate at a high level of performance, with robust internal controls, and with the capabilities to meet the 21<sup>st</sup> century demands of Washington's legislature or its citizens for transparency and analysis.
- 2. Data and Analytics:** In addition to an integrated system, there are a series of actions the State could take to allow for a more robust analytics capability. Movement towards standard definitions and a single source for key enterprise data would be the first step in this process.
- 3. Targeted Process and Policy Improvements:** While staff have done a great job developing manual processes to get the job done, there are still some areas where targeted business process redesign would allow for significant improvement in process performance. Additionally, select policy and organizational changes could remove barriers and allow for more streamlined and effective processes as well as improved access to enterprise data..

# Executive Summary | Recommended Processes for ERP

Based on initial analysis, we would recommend the State include the following processes in scope for Phase Two ERP planning.



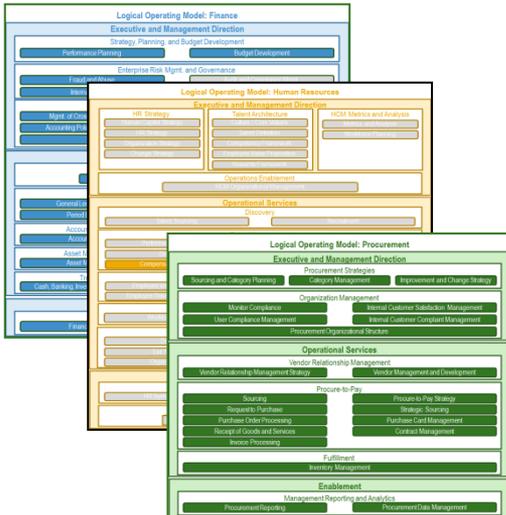
\* HR scope to be reconsidered following completion of full HR Diagnostic by DSHS and State HR (OFM).

# Business Process Assessment Overview

# Business Process Assessment | Process Overview

The Business Process Assessment Deliverable is intended to help the State determine what processes should be included in scope for ERP, as well as what processes might be candidates for Business Process Redesign activities in advance of any technology implementation.

Individual assessments for in scope aspects of Finance, Payroll/Travel and Expense, and Procurement completed by representative group of 15 agencies



Follow up interviews with each agency to discuss responses and validate scores



Analysis conducted to generate heat maps and detailed findings

| Row Labels                                  | People | Process | Strategy | Technology | Total |
|---------------------------------------------|--------|---------|----------|------------|-------|
| Budget operations                           |        |         |          |            |       |
| Budget operations                           |        |         |          |            |       |
| Cross organization governance               |        |         |          |            |       |
| Innovative funding                          |        |         |          |            |       |
| Management of cross agency initiatives      |        |         |          |            |       |
| Enterprise Risk management and governance   |        |         |          |            |       |
| Fraud and abuse                             |        |         |          |            |       |
| Internal controls                           |        |         |          |            |       |
| Finance operations management and support   |        |         |          |            |       |
| Finance organization management and support |        |         |          |            |       |
| Financial accounting                        |        |         |          |            |       |
| Accounts payable                            |        |         |          |            |       |
| Accounts receivable                         |        |         |          |            |       |
| Asset management                            |        |         |          |            |       |
| Cost accounting                             |        |         |          |            |       |
| General accounting                          |        |         |          |            |       |
| Grants management                           |        |         |          |            |       |
| Grants management / grant applicant         |        |         |          |            |       |
| Grants management / grant awardee           |        |         |          |            |       |
| Period end closing                          |        |         |          |            |       |
| Policy and governance                       |        |         |          |            |       |
| Project accounting                          |        |         |          |            |       |
| Financial statutory reporting               |        |         |          |            |       |
| Financial reporting                         |        |         |          |            |       |
| Management information and analytics        |        |         |          |            |       |
| Finance analytics                           |        |         |          |            |       |
| Strategic management and budgeting          |        |         |          |            |       |
| Budget development                          |        |         |          |            |       |
| Management of public authorities            |        |         |          |            |       |
| Performance planning                        |        |         |          |            |       |
| Grand Total                                 |        |         |          |            |       |

# Business Process Assessment | Key Terms

For purposes of this deliverable, please note the following terms.

**Considering the Maturity of a process enables insights regarding how a given process is performed relative to Leading practices within State Government.**

## **Maturity Levels include:**

- **Lagging:** Process is largely manual and paper based. Systems stand alone and require manual reconciliation and input to other systems. Process controls are largely manual and may introduce risk into the organization (WA example: P-Card Management).
- **Basic:** Processes are largely manual, but are executed effectively with some automation. Use of manual or limited automatic interfaces to link to other systems or reconcile (WA example: Procure to Pay cycle).
- **Enhanced:** Processes leverage automation to enable automatic links to other systems or add value to other business processes. Systems are part of a broader, seamless business process that crosses agencies and functions, such as procure-to-pay or record-to-report. Systems automatically stream data to planning and control tools for compliance and continuous improvement (WA example: Payroll).
- **Leading:** Processes meet or exceed requirements for Enhanced, and have added features that would result in the practice being considered “on the cutting edge” of state government and would be recommended to peers (WA example: Results Washington and Budget Management).

# Business Process Assessment | Key Terms

For purposes of this deliverable, please note the following terms.

Considering how a process is performing through Value Levers enables insight into the source of current performance.

## Value Levers include:

- **People:** Skills development, allocation of responsibility, business relationships, time dedicated to certain tasks, presence of supporting staff
- **Process:** Systems to deal with change, presence of formal schedules, formal analysis and reporting, policies and procedures
- **Strategy:** Planning, forecasting, presence of formal strategic plans
- **Technology:** Presence of applications and electronic transactions, task automation, system integration

Considering how a process is performing through Critical Success Factors enables insight into key enablers.

## Critical Success Factors include:

- **Business Rules and Methodologies:** Established guidelines to standardize business processes
- **Data Management:** Accuracy and integrity of data, seamless interfaces of data between systems, automation of data collection/sharing
- **Organization and Governance:** Definition of accountability and responsibility, support provided via centralized service centers
- **Performance Management and Reporting:** Informing business decisions through performance data, sharing information

## Business Process Assessment | Agencies Engaged

15 agencies were included in the Business Process Assessment. Selection was intended to provide a representative sample from across State Government.

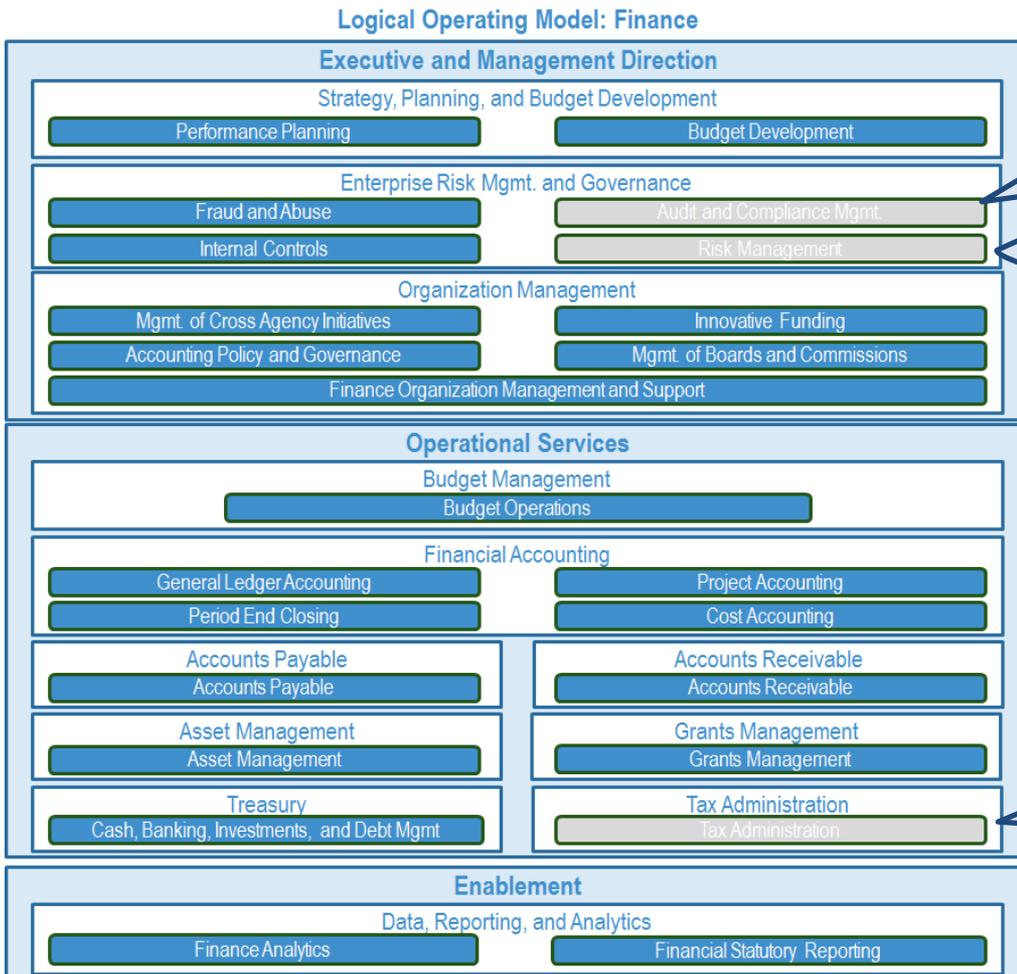
- Big agency
- Small agency
- Mainly state funded
- Mainly federally funded
- Few grants awarded to sub-recipients
- Many grants awarded to sub-recipients
- Transact on behalf of other agencies
- Central control or oversight
- Institutional agency
- High complexity, multi-purpose
- Single purpose

- Administrative Office of the Courts (AOC)
- Department of Enterprise Services (DES)
- Department of Fish and Wildlife (DFW)
- Department of Natural Resources (DNR)
- Department of Corrections (DOC)
- Department of Revenue (DOR)
- Department of Transportation (DOT)
- Department of Social & Health Services (DSHS)
- Department of Ecology (ECY)
- Employment Security Department (ESD)
- Health Care Authority (HCA)
- Department of Labor & Industries (LNI)
- Office of Financial Management (OFM)
- Office of the Insurance Commissioner (OIC)
- Office of the Treasurer (TRE)

# Finance Findings

# Finance | Scope

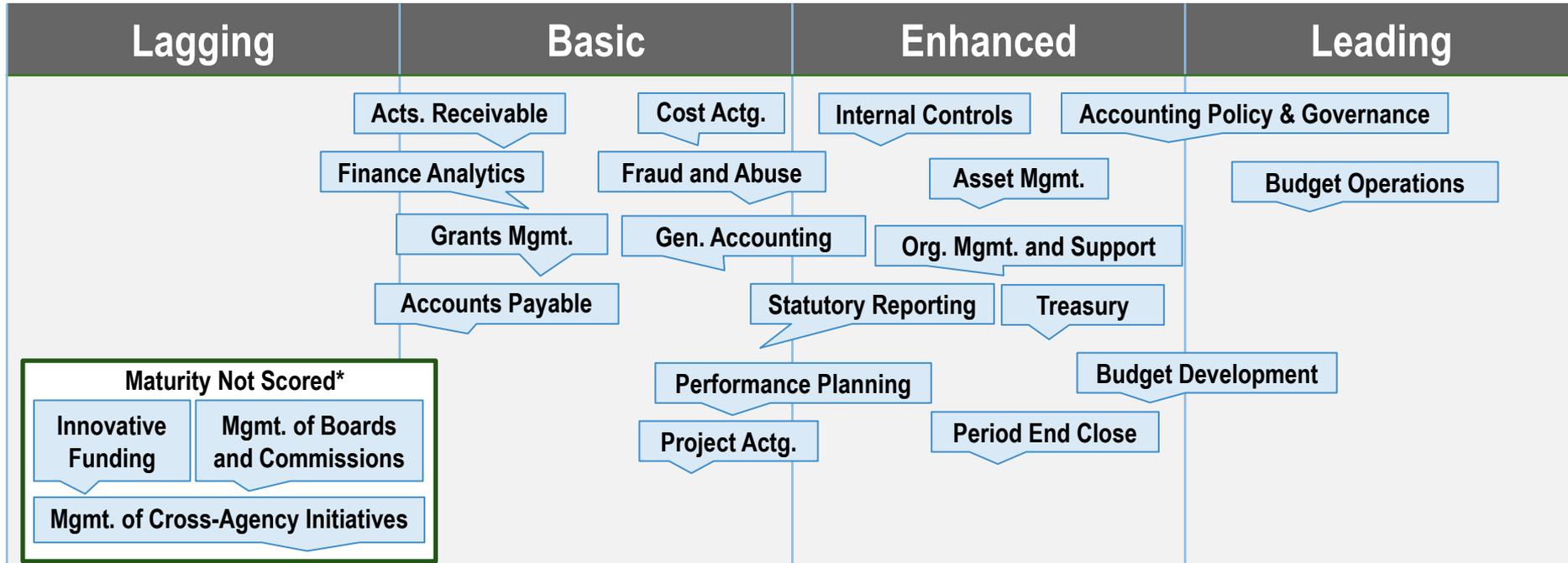
The Finance portion of the Business Process Assessment covered 170 questions across 20 process areas



Audit and Compliance Management and Risk Management out of scope as decided by Executive Sponsors.

Tax Administration out of scope given Washington's use of separate Tax Administration system.

# Finance | Summary



## Key Findings

- Multiple agencies indicated that they were unable to report on basic vendor data or expenditure data.
- Limited electronic storage of documentation.
- Budget Operations in Washington are a leading practice.

## Finance | Analysis of Least Mature Processes

Four processes stood out as the least mature for Finance. Further analysis was conducted to understand the key drivers of performance for these least mature processes.

| Process                    | Maturity | Drivers                                                                                                                                                                                                                                                                                       |
|----------------------------|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Accounts Payable</b>    | Basic    | <ul style="list-style-type: none"> <li>Decentralized purchasing and invoicing activities</li> <li>No electronic exchange of information – heavily manual invoicing process</li> <li>Paper invoices are not imaged and stored</li> <li>Limited connection to Procure-to-Pay process</li> </ul> |
| <b>Accounts Receivable</b> | Basic    | <ul style="list-style-type: none"> <li>Distributed responsibility for Accounts Receivable process, with limited use of data to manage</li> <li>Limited automation of financial exchanges</li> </ul>                                                                                           |
| <b>Finance Analytics</b>   | Basic    | <ul style="list-style-type: none"> <li>Limited incorporation of non-financial data in to reporting</li> <li>Inconsistent availability of data across agencies</li> </ul>                                                                                                                      |
| <b>Grants Management</b>   | Basic    | <ul style="list-style-type: none"> <li>Inconsistent ownership and accountability for grant activity (both grantee and grantor)</li> <li>Limited communication and understanding of both the grant application and grant award process</li> </ul>                                              |

## Finance | Analysis of Most Mature Processes

Four processes stood out as the most mature for Finance. Further analysis was conducted to understand the key drivers of performance for these most mature processes.

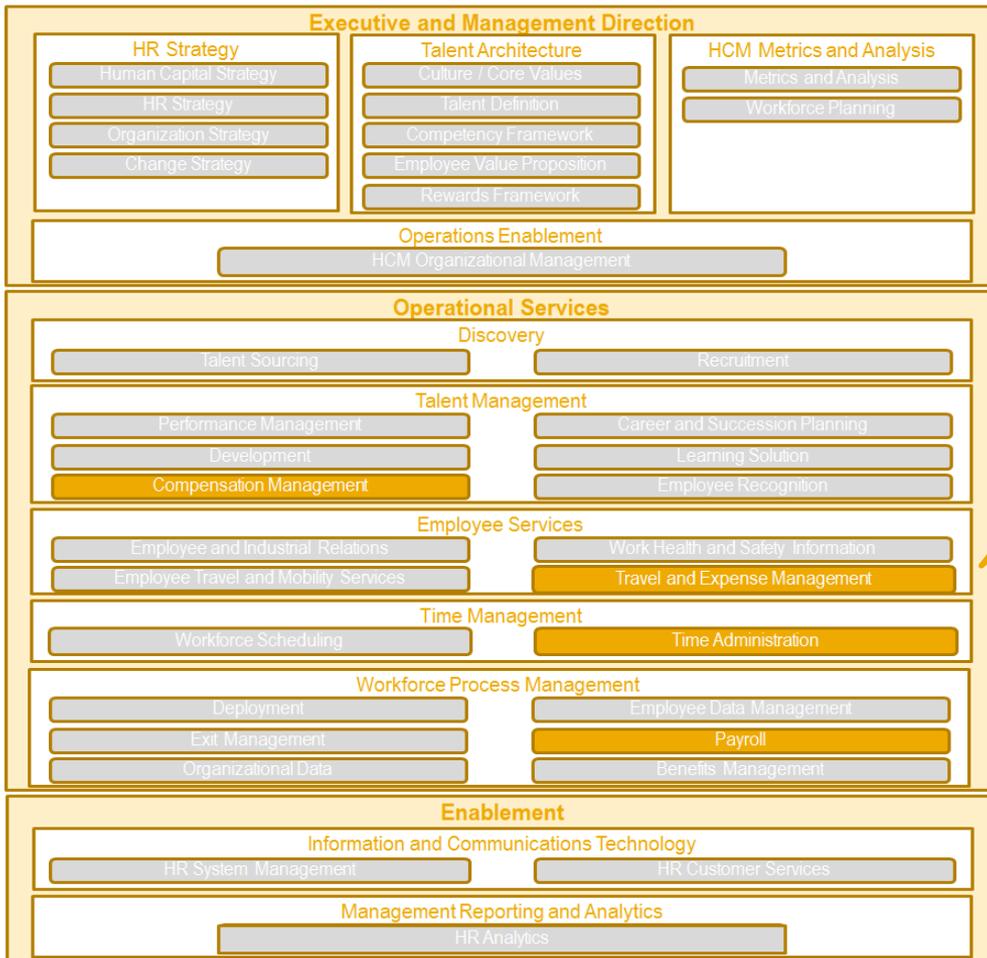
| Process                                 | Maturity | Key Drivers of Performance                                                                                                                                                                                                                                                                                       |
|-----------------------------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Budget Operations</b>                | Leading  | <ul style="list-style-type: none"> <li>• Clear lines of authority with single point of responsibility for budget management and adjustments</li> <li>• Use of a single system to record budget transactions</li> <li>• Processes in place to predict and prevent overruns</li> </ul>                             |
| <b>Accounting Policy and Governance</b> | Enhanced | <ul style="list-style-type: none"> <li>• Consistent across all agencies, driven by clear lines of accountability and responsibility for accounting policy</li> </ul>                                                                                                                                             |
| <b>Budget Development</b>               | Enhanced | <ul style="list-style-type: none"> <li>• Formalized process for budget development</li> <li>• Caseload Forecast Council is nationally recognized best practice</li> <li>• Forward looking payroll analysis used to inform budget</li> <li>• Agencies use multiple systems and have manual workarounds</li> </ul> |
| <b>Treasury</b>                         | Enhanced | <ul style="list-style-type: none"> <li>• Heavy use of automation to lower risk for Treasury processes, although automation is performed separately from financial system</li> <li>• Central accountability and responsibility</li> <li>• Timely reporting of cash balances</li> </ul>                            |

# Payroll / Travel and Expense Findings

# HR / Payroll | Scope

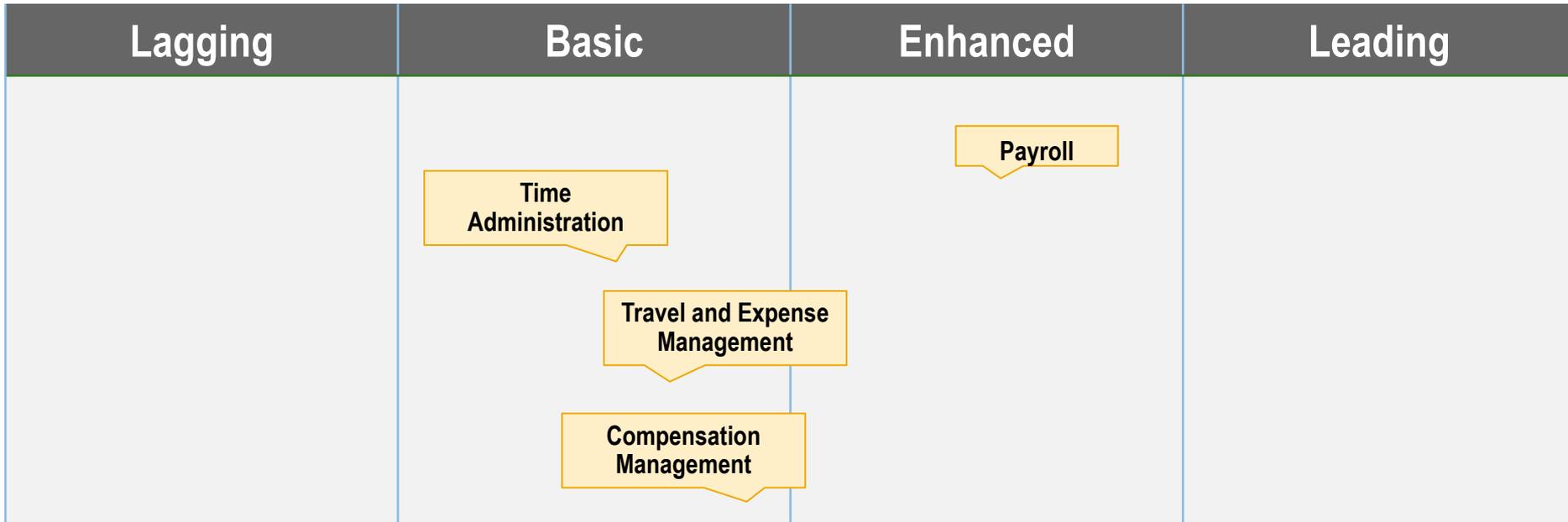
The HR/Payroll portion of the Business Process Assessment covered 71 questions across 4 process areas.

## Logical Operating Model: Human Resources



In scope processes for Human Resources included those areas that rely most heavily on AFRS

# HR / Payroll | Summary



## Key Findings

- Clearly defined standards and policies
- Generally centralized payroll function within agencies
- Limited use of analytics and metrics to evaluate performance
- Highly inconsistent and manual Time Administration process, though this may be solved by the Time, Labor, and Attendance project.

## HR/Payroll | Analysis of Processes

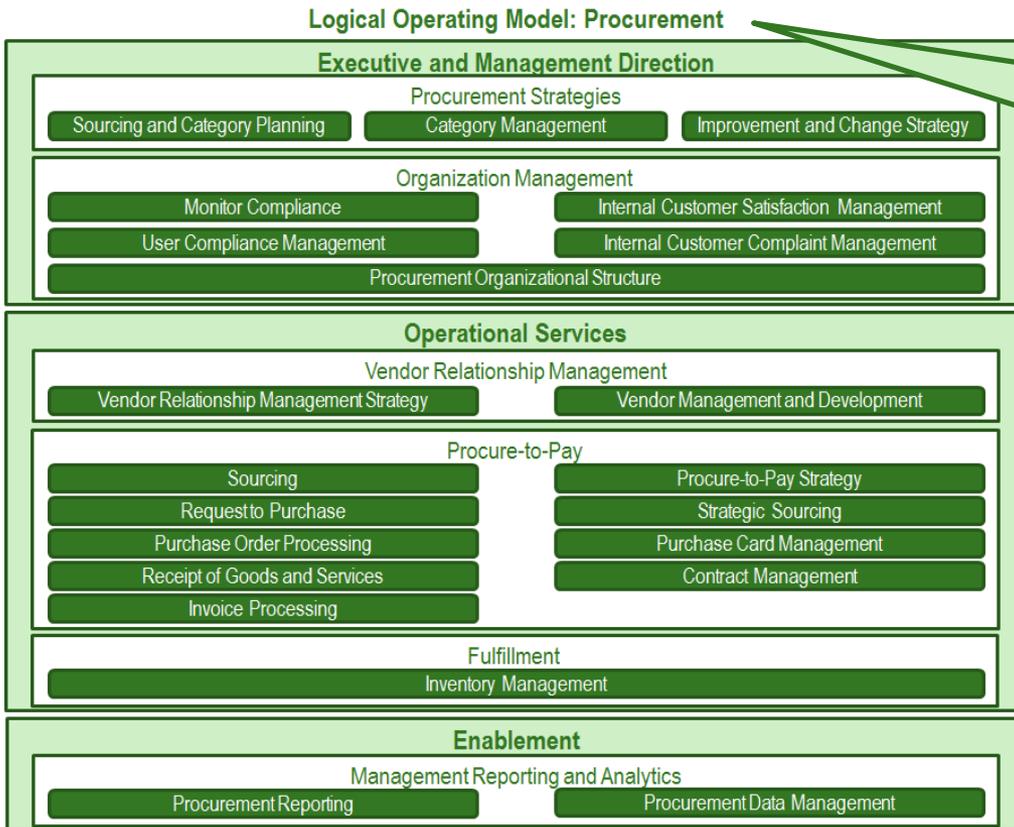
Further analysis was conducted to understand the drivers of performance for all four of the in scope HR/Payroll processes

| Process                              | Maturity | Drivers                                                                                                                                                                                                                                                   |
|--------------------------------------|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Payroll</b>                       | Enhanced | <ul style="list-style-type: none"> <li>Clearly defined Payroll policies + procedures that cover all employment circumstances</li> <li>Base pay rules built into core HR system</li> <li>Generally centralized Payroll function within Agencies</li> </ul> |
| <b>Compensation Management</b>       | Basic    | <ul style="list-style-type: none"> <li>Consistent use of standardized salary structures</li> <li>No self-service tools for compensation planning</li> <li>Limited use of analytics to support decision making</li> </ul>                                  |
| <b>Travel and Expense Management</b> | Basic    | <ul style="list-style-type: none"> <li>Inconsistent adoption of Travel and Expense tool</li> <li>No ability for electronic storage of documentation</li> <li>Limited access to or use of Travel and Expense metrics</li> </ul>                            |
| <b>Time Administration</b>           | Basic    | <ul style="list-style-type: none"> <li>Clearly defined standards for time entry with high level of compliance</li> <li>Highly inconsistent, decentralized, and often manual time collection process</li> </ul>                                            |

# Procurement Findings

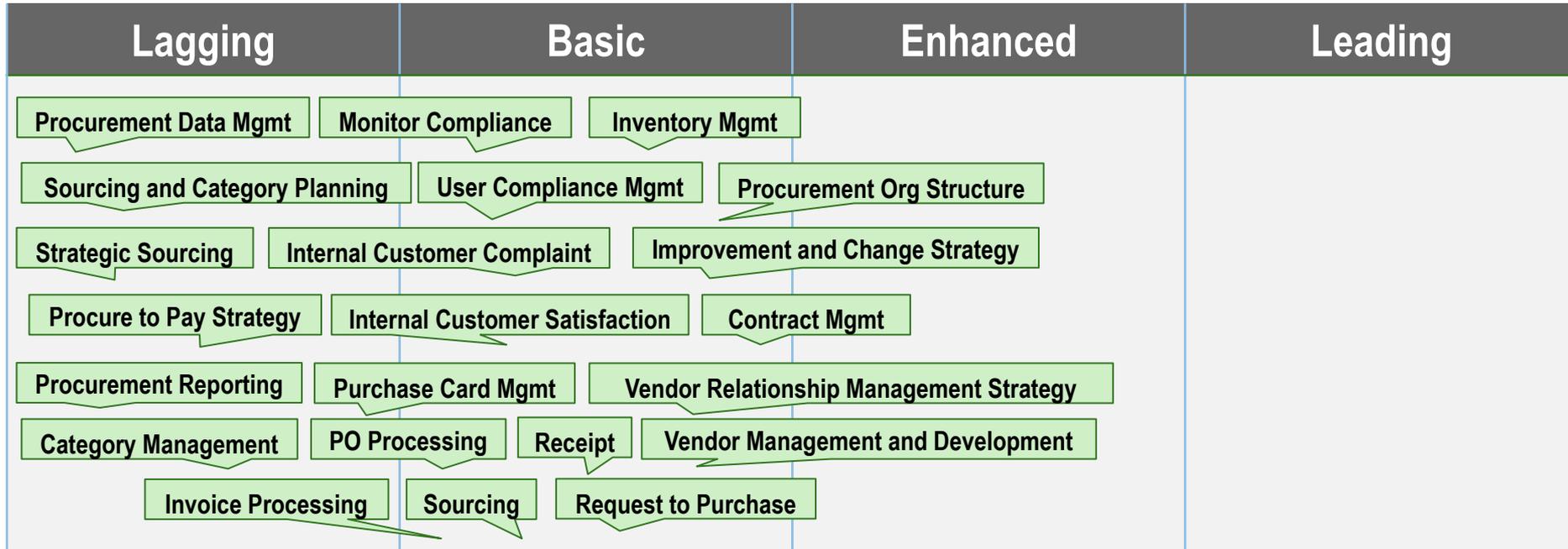
# Procurement | Scope

The Procurement portion of the Business Process Assessment covered 98 questions across 21 process areas.



All procurement process areas included in scope for Business Process Assessment

# Procurement | Summary



## Key Findings

- Significantly limited Procurement reporting capabilities across the State.
- Procure-to-pay cycle is fragmented and heavily manual, preventing Washington from deriving benefits from the strategic use of information to negotiate with suppliers, monitor vendor performance, and assure the State is getting the best possible value for its dollar.

## Procurement | Analysis of Least Mature Processes (1/2)

Seven processes stood out as the least mature for Procurement. Further analysis was conducted to understand the key drivers of performance for these least mature processes.

| Process                               | Maturity | Drivers                                                                                                                                                                                                                                                                                               |
|---------------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Procurement Data Management</b>    | Lagging  | <ul style="list-style-type: none"> <li>• Procurement Master Data is not used consistently throughout procurement process</li> <li>• No centralized process for controlling master data</li> </ul>                                                                                                     |
| <b>Procurement Reporting</b>          | Lagging  | <ul style="list-style-type: none"> <li>• Limited procurement reporting capabilities</li> <li>• No clear definition or tracking of the value created by the procurement process</li> <li>• No centralized system to pull reporting data</li> <li>• Limited tracking of supplier performance</li> </ul> |
| <b>Strategic Sourcing</b>             | Lagging  | <ul style="list-style-type: none"> <li>• Limited use of strategic sourcing across the state</li> <li>• Analytics not integrated with the sourcing process</li> </ul>                                                                                                                                  |
| <b>Sourcing and Category Planning</b> | Lagging  | <ul style="list-style-type: none"> <li>• No integrated technology solution to support procurement process</li> <li>• Generally, limited use of a holistic “make vs buy vs lease” strategy</li> </ul>                                                                                                  |

## Procurement | Analysis of Least Mature Processes (2/2)

Seven processes stood out as the least mature for Procurement. Further analysis was conducted to understand the key drivers of performance for these least mature processes.

| Process                         | Maturity | Drivers                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Procure to Pay Strategy</b>  | Lagging  | <ul style="list-style-type: none"> <li>No electronic interface between procurement and payment functions</li> <li>Limited alignment on the definition of success for procurement</li> </ul>                                                                                                                                              |
| <b>Category Management</b>      | Lagging  | <ul style="list-style-type: none"> <li>Very limited use of strategic plans for individual categories</li> <li>Limited engagement of business users to inform category planning</li> </ul>                                                                                                                                                |
| <b>Purchase Card Management</b> | Lagging  | <ul style="list-style-type: none"> <li>Mechanisms in place to ensure compliance and reconcile with general ledger, though these processes are highly manual</li> <li>Limited internal controls for P Cards – some shared across multiple divisions or individuals</li> <li>Some agencies actively discouraging use of P Cards</li> </ul> |

## Procurement | Analysis of Most Mature Processes

Three processes stood out as the most mature for Procurement. Further analysis was conducted to understand the key drivers of performance for these most mature processes.

| Process                                   | Maturity | Drivers                                                                                                                                                                                                                                                                                                               |
|-------------------------------------------|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Contract Management</b>                | Basic    | <ul style="list-style-type: none"> <li>• Contract management generally structured within agencies</li> <li>• Significant use of statewide master contracts, though still participation is not tracked by DES or individual agencies</li> <li>• Limited use of Value-based or Performance-based contracting</li> </ul> |
| <b>Procurement Organization Structure</b> | Basic    | <ul style="list-style-type: none"> <li>• Procurement generally centralized within agencies, though some agencies have significant decentralization</li> <li>• Procurement considered to be a partner by the business</li> </ul>                                                                                       |
| <b>Improvement and Change Strategy</b>    | Basic    | <ul style="list-style-type: none"> <li>• Procurement staff training and developmental program is in process of being rolled out by DES</li> <li>• Limited use of metrics to evaluate performance</li> </ul>                                                                                                           |

# Summary Takeaways

## Key Takeaways | Opportunities for Improvement

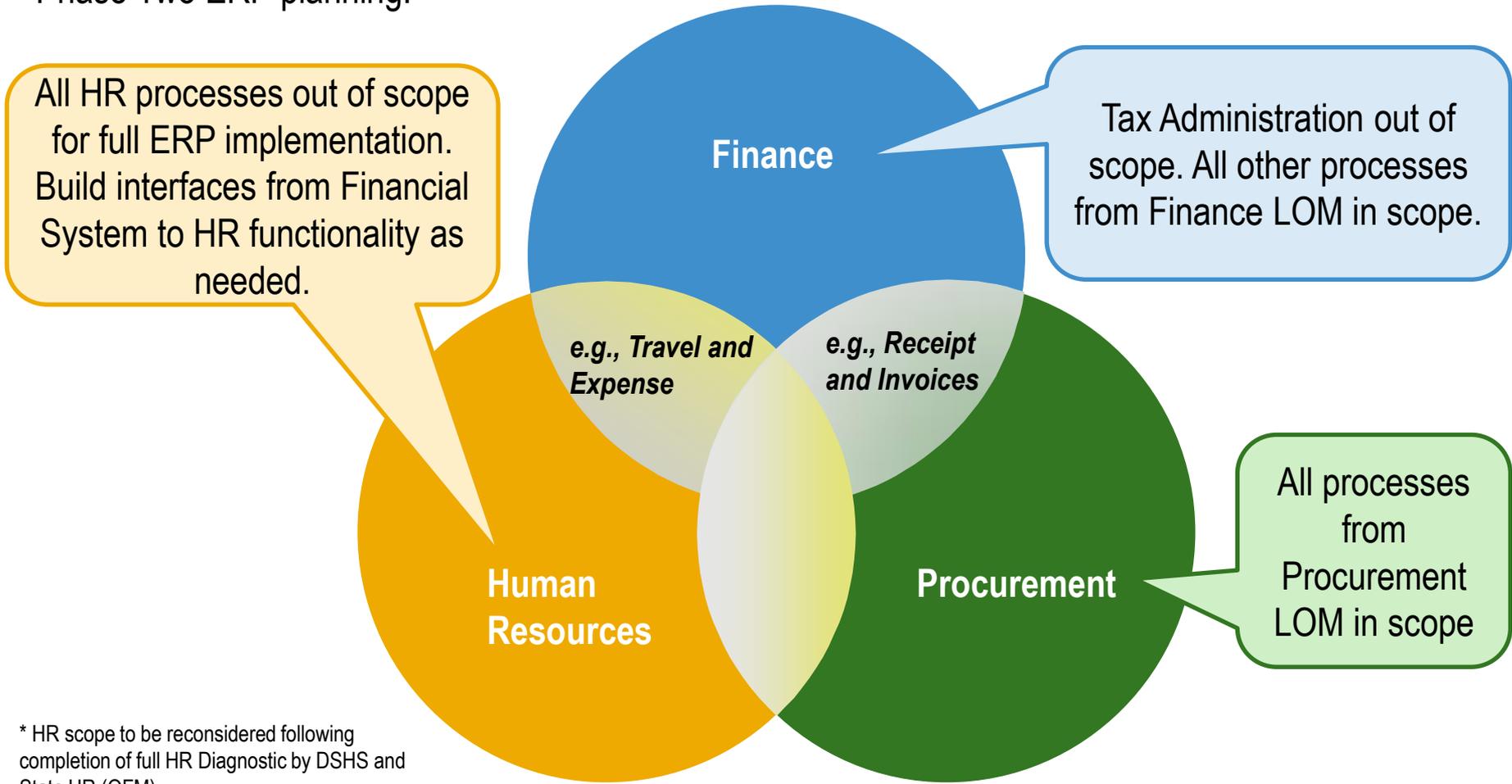
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- 1. Technology:** Implementation of a single, integrated Enterprise Resource Planning (ERP) solution would enable Washington to make major forward progress with its Finance, HR/Payroll, and Procurement operations. The current system does not meet agency needs for a financial system that will provide the insights needed for State leadership to operate at a high level of performance, with robust internal controls, and with the capabilities to meet the 21<sup>st</sup> century demands of Washington's legislature or its citizens for transparency and analysis.
- 2. Data and Analytics:** In addition to an integrated system, there are a series of actions the State could take to allow for a more robust analytics capability. Movement towards standard definitions and a single source for key enterprise data would be the first step in this process.
- 3. Targeted Process and Policy Improvements:** While staff have done a great job developing manual processes to get the job done, there are still some areas where targeted business process redesign would allow for significant improvement in process performance. Additionally, select policy and organizational changes could remove barriers and allow for more streamlined and effective processes as well as improved access to enterprise data..

# Key Takeaways | Recommended Processes for ERP

Based on initial analysis, we would recommend the State include the following processes in scope for Phase Two ERP planning.



\* HR scope to be reconsidered following completion of full HR Diagnostic by DSHS and State HR (OFM).

# Appendix

# Finance | Value Levers

| Value Levers                          | People | Process | Strategy | Technology | Total |
|---------------------------------------|--------|---------|----------|------------|-------|
| <b>Accounting</b>                     |        |         |          |            |       |
| Cost accounting                       |        |         |          |            |       |
| General accounting                    |        |         |          |            |       |
| Period end closing                    |        |         |          |            |       |
| Project accounting                    |        |         |          |            |       |
| <b>Accounts payable</b>               |        |         |          |            |       |
| Accounts payable                      |        |         |          |            |       |
| <b>Accounts receivable</b>            |        |         |          |            |       |
| Accounts receivable                   |        |         |          |            |       |
| <b>Asset Management</b>               |        |         |          |            |       |
| Asset management                      |        |         |          |            |       |
| <b>Budget Management</b>              |        |         |          |            |       |
| Budget operations                     |        |         |          |            |       |
| <b>Data, Reporting, and Analytics</b> |        |         |          |            |       |
| Finance analytics                     |        |         |          |            |       |
| Financial statutory reporting         |        |         |          |            |       |

Relative Performance Gap



Large Gap

Small Gap

\* Note: White cells indicate that questions related to that respective value lever were not included for a given business process.

# Finance | Value Levers

| Value Levers                                      | People | Process | Strategy | Technology | Total |
|---------------------------------------------------|--------|---------|----------|------------|-------|
| <b>Grants management</b>                          |        |         |          |            |       |
| Grants management                                 |        |         |          |            |       |
| <b>Organization Management</b>                    |        |         |          |            |       |
| Finance organization management and support       |        |         |          |            |       |
| Innovative funding                                |        |         |          |            |       |
| Management of cross agency initiatives            |        |         |          |            |       |
| Management of boards and authorities              |        |         |          |            |       |
| Policy and governance                             |        |         |          |            |       |
| <b>Risk Management</b>                            |        |         |          |            |       |
| Fraud and abuse                                   |        |         |          |            |       |
| Internal controls                                 |        |         |          |            |       |
| <b>Strategy, Planning, and Budget Development</b> |        |         |          |            |       |
| Budget development                                |        |         |          |            |       |
| Performance planning                              |        |         |          |            |       |
| <b>Treasury</b>                                   |        |         |          |            |       |
| Cash, banking, investments, debt management       |        |         |          |            |       |
| <b>Total</b>                                      |        |         |          |            |       |

Relative Performance Gap



Large Gap

Small Gap

\* Note: White cells indicate that questions related to that respective value lever were not included for a given business process.

# Finance | Critical Success Factors

| Critical Success Factors              | Business Rules and Methodologies | Data Management | Organization & Governance | Performance Management and Reporting | Total |
|---------------------------------------|----------------------------------|-----------------|---------------------------|--------------------------------------|-------|
| <b>Accounting</b>                     |                                  |                 |                           |                                      |       |
| Cost accounting                       |                                  |                 |                           |                                      |       |
| General accounting                    |                                  |                 |                           |                                      |       |
| Period end closing                    |                                  |                 |                           |                                      |       |
| Project accounting                    |                                  |                 |                           |                                      |       |
| <b>Accounts payable</b>               |                                  |                 |                           |                                      |       |
| Accounts payable                      |                                  |                 |                           |                                      |       |
| <b>Accounts receivable</b>            |                                  |                 |                           |                                      |       |
| Accounts receivable                   |                                  |                 |                           |                                      |       |
| <b>Asset Management</b>               |                                  |                 |                           |                                      |       |
| Asset management                      |                                  |                 |                           |                                      |       |
| <b>Budget Management</b>              |                                  |                 |                           |                                      |       |
| Budget operations                     |                                  |                 |                           |                                      |       |
| <b>Data, Reporting, and Analytics</b> |                                  |                 |                           |                                      |       |
| Finance analytics                     |                                  |                 |                           |                                      |       |
| Financial statutory reporting         |                                  |                 |                           |                                      |       |

Relative Performance Gap



\* Note: White cells indicate that questions related to that respective critical success factor were not included for a given business process.

# Finance | Critical Success Factors

| Critical Success Factors                  | Business Rules and Methodologies | Data Management | Organization & Governance | Performance Management and Reporting | Total |
|-------------------------------------------|----------------------------------|-----------------|---------------------------|--------------------------------------|-------|
| <b>Grants management</b>                  |                                  |                 |                           |                                      |       |
| Grants management                         |                                  |                 |                           |                                      |       |
| <b>Organization Management</b>            |                                  |                 |                           |                                      |       |
| Finance organization mgmt and support     |                                  |                 |                           |                                      |       |
| Innovative funding                        |                                  |                 |                           |                                      |       |
| Management of cross agency initiatives    |                                  |                 |                           |                                      |       |
| Management of boards and authorities      |                                  |                 |                           |                                      |       |
| Policy and governance                     |                                  |                 |                           |                                      |       |
| <b>Risk Management</b>                    |                                  |                 |                           |                                      |       |
| Fraud and abuse                           |                                  |                 |                           |                                      |       |
| Internal controls                         |                                  |                 |                           |                                      |       |
| <b>Strategy, Planning, Budget Dvlpmt.</b> |                                  |                 |                           |                                      |       |
| Budget development                        |                                  |                 |                           |                                      |       |
| Performance planning                      |                                  |                 |                           |                                      |       |
| <b>Treasury</b>                           |                                  |                 |                           |                                      |       |
| Cash, banking, investments, debt mgmt     |                                  |                 |                           |                                      |       |
| <b>Total</b>                              |                                  |                 |                           |                                      |       |

Relative Performance Gap



Large Gap

Small Gap

\* Note: White cells indicate that questions related to that respective critical success factor were not included for a given business process.

# Payroll & Time and Expense | Value Levers and Critical Success Factors

| Value Levers                         | People | Process | Strategy | Technology | Total |
|--------------------------------------|--------|---------|----------|------------|-------|
| <b>Time and Payroll</b>              |        |         |          |            |       |
| Compensation management              |        |         |          |            |       |
| Payroll                              |        |         |          |            |       |
| Time administration                  |        |         |          |            |       |
| <b>Travel and Expense Management</b> |        |         |          |            |       |
| Travel and expense management        |        |         |          |            |       |
| <b>Total</b>                         |        |         |          |            |       |

| Critical Success Factors           | Business Rules and methodologies | Data Management | Organization & Governance | Performance Management and Reporting | Competences, Culture and Education | Total |
|------------------------------------|----------------------------------|-----------------|---------------------------|--------------------------------------|------------------------------------|-------|
| <b>Time and Payroll</b>            |                                  |                 |                           |                                      |                                    |       |
| Compensation mgmt                  |                                  |                 |                           |                                      |                                    |       |
| Payroll                            |                                  |                 |                           |                                      |                                    |       |
| Time administration                |                                  |                 |                           |                                      |                                    |       |
| <b>Travel + Expense Management</b> |                                  |                 |                           |                                      |                                    |       |
| Travel + expense mgmt              |                                  |                 |                           |                                      |                                    |       |
| <b>Total</b>                       |                                  |                 |                           |                                      |                                    |       |

Relative Performance Gap



\* Note: White cells indicate that questions related to that respective value lever or critical success factor were not included for a given business process.



# Procurement | Value Levers

| Value Levers                            | People | Process | Strategy | Technology | Total |
|-----------------------------------------|--------|---------|----------|------------|-------|
| <b>Procure to Pay</b>                   |        |         |          |            |       |
| Strategic sourcing                      |        |         |          |            |       |
| Procure to pay strategy                 |        |         |          |            |       |
| Purchase card management                |        |         |          |            |       |
| Contract management                     |        |         |          |            |       |
| Sourcing                                |        |         |          |            |       |
| Request to purchase                     |        |         |          |            |       |
| Receipt                                 |        |         |          |            |       |
| PO processing                           |        |         |          |            |       |
| Invoice processing                      |        |         |          |            |       |
| <b>Procurement Strategies</b>           |        |         |          |            |       |
| Sourcing and category planning          |        |         |          |            |       |
| Category management                     |        |         |          |            |       |
| Improvement and change strategy         |        |         |          |            |       |
| <b>Vendor Management</b>                |        |         |          |            |       |
| Vendor relationship management strategy |        |         |          |            |       |
| Vendor management and development       |        |         |          |            |       |
| <b>Total</b>                            |        |         |          |            |       |

Relative Performance Gap



\* Note: White cells indicate that questions related to that respective value lever were not included for a given business process.



# Procurement | Critical Success Factors

| Critical Success Factors          | Business Rules and Methodologies | Data Management | Organization & governance | Performance Management and Reporting | Competences, Culture and Education | Total |
|-----------------------------------|----------------------------------|-----------------|---------------------------|--------------------------------------|------------------------------------|-------|
| <b>Procure to Pay</b>             |                                  |                 |                           |                                      |                                    |       |
| Strategic sourcing                |                                  |                 |                           |                                      |                                    |       |
| Procure to pay strategy           |                                  |                 |                           |                                      |                                    |       |
| Purchase card management          |                                  |                 |                           |                                      |                                    |       |
| Contract management               |                                  |                 |                           |                                      |                                    |       |
| Sourcing                          |                                  |                 |                           |                                      |                                    |       |
| Request to purchase               |                                  |                 |                           |                                      |                                    |       |
| Receipt                           |                                  |                 |                           |                                      |                                    |       |
| PO processing                     |                                  |                 |                           |                                      |                                    |       |
| Invoice processing                |                                  |                 |                           |                                      |                                    |       |
| <b>Procurement Strategies</b>     |                                  |                 |                           |                                      |                                    |       |
| Sourcing and category planning    |                                  |                 |                           |                                      |                                    |       |
| Category management               |                                  |                 |                           |                                      |                                    |       |
| Improvement and change strategy   |                                  |                 |                           |                                      |                                    |       |
| <b>Vendor Management</b>          |                                  |                 |                           |                                      |                                    |       |
| Vendor relationship mgmt strategy |                                  |                 |                           |                                      |                                    |       |
| Vendor mgmt and development       |                                  |                 |                           |                                      |                                    |       |
| <b>Total</b>                      |                                  |                 |                           |                                      |                                    |       |

Relative Performance Gap



Large Gap

Small Gap

\* Note: White cells indicate that questions related to that respective critical success factor were not included for a given business process.