

**REPORT FOR INFORMATION****Strathcona County Business Transformation (SCBT) Project Conclusion****Report Purpose**

To provide Priorities Committee with an update on the completion of the Strathcona County Business Transformation (SCBT) project.

**Our Strategic Goals**

Goal 4 - Municipal Excellence

Goal 4 Priority - Optimal use of resources that meets the community's needs

**Report**

Following many years of discussion regarding priorities, the Strathcona County Business Transformation project was approved in the 2016 budget. After much debate, the scope was determined to be a combined transformational focus on people, processes, and technology. The County set off on a journey to modernize Finance (FIN), Supply Chain Management (SCM) and Human Capital Management (HCM).

During the first phase of the project, PricewaterhouseCoopers LLP (PwC) provided leadership and expertise to focus on people and processes. As a result, a number of structural changes were implemented within Human Resources, Procurement, and Corporate Finance (now Financial and Strategic Services). Business process mapping for future processes was complete for all areas and system requirements for the next phase were identified after a thorough engagement with subject matter experts and super users.

The next phase kicked off with a full year of procurement, where Deloitte was selected as the System Implementation partner with Oracle Fusion Cloud as the ERP plus Tempest for property tax and utility billing services. The implementation work kicked off March 22, 2021, with many key staff seconded to the project as Subject Matter Experts (SMEs). Despite challenges and delays, FIN and SCM Go Live occurred July 18, 2022, HCM Go Live followed on October 24, 2022, and Property Tax and Utility Billing Go Live in November 2023.

The project has been successfully completed. It was completed on budget and within scope. However, there were many time challenges at the various stages of the project including an additional two years for implementation. ERP implementation projects are known to often experience failure or limited success. Strathcona County's system is operational, without any negative incidents of significance. Although there's ongoing optimization work, the County has already reaped numerous benefits and looks forward to even more opportunities.

A core project team representing all the functional areas and project management was dedicated to the SCBT project since the journey began. Further staff were seconded into the project team to complete the implementation phase. In addition, other department staff were also engaged while they maintained the regular services. Plus, all staff have had to embrace training and change. It is without a doubt, through all this hard work and staff dedication that this project has been successful.

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As expected, SCBT has resulted in significant changes for the organization and individuals. Moving from a system implemented in 1993 that had minimal improvements after the turn of the century to a modern cloud system is a huge change. In the old green screen system, there were lots of customizations and minimal controls resulting in flexibility and freedom whereas the new systems have controls built in and the decision not to customize has been upheld.

It has been expected to take two to five years to stabilize the system and Strathcona County is well on its way. The system is working as it should in a consistent and predictable manner, complementary business processes are implemented, and staff know how to address challenges. The focus is now shifting to optimizing the use of Oracle and related business processes. In addition, the organization is still adapting to the significant changes and learning resulting in the need to work through ongoing challenges and improvements.

Although the SCBT project can now be considered complete, the journey has just begun. In the cloud environment, there are mandatory quarterly releases which will ensure the ERP remains current and maintains best practices. The expectation is for a culture of continuous improvement that looks for opportunities for enhancements and embraces ongoing improvements now and into the future.

### **Council and Committee History**

September 14, 2021	Council approved: THAT an amendment to the 2021 Operating Budget for the Business Transformation project in the amount of \$3,500,000 (from \$22,361,735 to \$25,861,735), to accommodate an extended timeline and to be funded from Municipal Reserves; and THAT the approved components of the Business Transformation project be consolidated into a single project for administrative and audit purposes, be approved.
June 22, 2021	The Priorities Committee was provided an update on the Business Transformation project.
February 2, 2021	Council approved: THAT an amendment to the 2016 Capital Budget to change the source of funding on the Business Transformation project from Municipal Sustainability Initiative grant to Municipal Reserves up to the amount of \$6,246,300; and THAT an amendment to the 2016 Capital Budget to reclassify expenses from capital to operating for the Business Transformation project in the amount of \$6,246,300, be approved.
October 29, 2020	Council approved: THAT the budget for the Strathcona County Business Transformation Project be increased in the amount of \$3,934,000 to be funded as follows: \$1,750,000 from the 2021 contingency reserve budget allocation and \$2,184,000 from project reserves.
June 18, 2019	The Priorities Committee was provided with an update on the Business Transformation Project.
May 23, 2017	Council approved: THAT the Integrated Core Systems project in the amount of \$4,521,000 to be funded from reserves (1.3773 and 1.3769); and THAT the Organizational Transformation project in the amount of \$2,393,000 to be funded from reserves (1.3773 and 1.3769), be approved.

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December 8, 2015 Council approved the 2016 Consolidated Operating and Capital Budgets for Municipal, Utility, Library and Pioneer Housing Foundation Operations.

### **Other Impacts**

**Policy:** Given the nature of the Business Transformation project, some policies have been or will continue to be changed to better support practices for the delivery of finance, supply chain management, and human capital management.

**Legislative/Legal:** n/a

**Interdepartmental:** All departments have been impacted.

**Master Plan/Framework:** n/a

### **Enclosure**

1 SCBT Project Conclusion presentation