

**12th SESSION OF THE SUBCOMMITTEE
ON PROGRAM, BUDGET, AND ADMINISTRATION
OF THE EXECUTIVE COMMITTEE**

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Provisional Agenda Item 5.5

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**STATUS OF THE PASB MANAGEMENT
INFORMATION SYSTEM (PMIS)**

Introduction

1. Pursuant to the instructions of the 50th Directing Council of the Pan American Health Organization (PAHO) in 2010, the Pan American Sanitary Bureau (PASB) launched a project to modernize the PASB Management Information System (PMIS). Subsequent progress has been reported to several Governing Bodies meetings.
2. This final report records the completion of the project and the institutionalization of PMIS within the PASB's full biennial administrative cycle.

Background

3. PASB launched the human resources and payroll components of PMIS in 2015 and the financial, procurement, and budget components in 2016. The system supports 180 business processes and provides reports and dashboards to present information for decision-making. The system is designed to accommodate continuous improvements. To manage the ongoing implementation of new features, PASB maintains an optimization roadmap, which is reviewed regularly through the PMIS governance process.
4. In 2017, PASB successfully planned, tested, and carried out the first biennial financial closure using PMIS.
5. The Annex provides a chronology of the project history from the 50th Directing Council up to the 160th Session of the Executive Committee.

Situation Analysis

6. New system features have been adopted and opportunities to streamline operations have been identified and implemented, resulting in processes that require less time and less manager intervention. Cross-functional teams for biennial closure, payroll, obligations, reports, and dashboards were created. These cross-functional teams have
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ensured that issues that impact several areas are addressed by all the departments involved. PASB staff technical expertise in PMIS systems has been strengthened through a structured learning program to reduce the dependency on external contractors. Structured data to support decision-making is being delivered to users through custom reports and dashboards that were developed for this purpose to continue to add value to technical cooperation activities.

Action by the Subcommittee on Program, Budget, and Administration

7. The Subcommittee is invited to take note of the completion of the implementation of the PMIS project and provide any comments that it may have.

Annex

Annex

Background Information on PASB Management Information System

1. The 50th Directing Council adopted Resolution CD50.R10 (2010), Modernization of the PASB Management Information System. This resolution included several key provisions: *a)* approval of the guiding principles for modernization; *b)* authorization to proceed with the adoption of Enterprise Resource Planning (ERP) software, which would be independent of WHO and with limited customization, while remaining aligned with WHO's GSM and responding to all its requirements; and *c)* approval of funding sources.
2. The scope of the modernization project included systems that support planning and budget, human resource management, payroll, financial management, and procurement services.
3. The overall budget for the project, as approved by the 50th Directing Council, was US\$ 20.3 million,¹ including \$10.0 million funded from the Holding Account.
4. On 19 February 2013, the PASB Director put the PMIS project under the Office of Administration and identified the Director of Information Technology Services (ITS) as the internal lead for the project. Consequently, the project's governance, management, and charter were revised.
5. On 25 April 2013, a formal Request for Proposal (RFP) was issued to identify a Tier II² ERP software package that would satisfy most of PAHO's business requirements. The project team identified the Workday ERP as the best fit overall as the ERP for the Organization.
6. PAHO signed the contract with Workday on 30 September 2013, just five months after the RFP was issued. The contract negotiations resulted in better contractual conditions for PAHO and savings, compared to the original quote, of an excess of \$900,000 over the duration of the contract.
7. On 30 October 2013, PAHO signed a contract with Tidemark to provide the planning and budgeting module which integrates closely with Workday.

¹ Unless otherwise indicated, all monetary figures in this report are expressed in United States dollars.

² Tier II ERP vendors sell ERP products and services designed specifically for Tier II (mid-market) companies with annual revenues ranging from \$50 million to \$1 billion. Tier II companies may have a single facility or multiple facilities. Tier II ERP products generally are of medium complexity: they address all the application needs of a larger company, but with less complex products. Tier II ERP products have a lower cost of ownership than Tier I ERP products, annual fees are lower, and they are easier to implement and support.

8. Between October and December 2013, PAHO finalized the scope of work of the system integrator, Collaborative Solutions. The contract with Collaborative Solutions was signed on 17 December 2013.
9. Between October and December 2013, PAHO also engaged in a competitive Request for Proposal for change management services. The winner of the RFP (Cutter Consortium) signed a contract with PAHO on 19 December 2013.
10. Following a competitive hiring process and an RFP for project management services, PAHO finalized the external project manager contract in early January 2014. The external project manager, who has experience with implementing the Workday ERP software, was hired as of 1 February 2014.
11. Effective 27 January 2014, the Interim Director of Administration appointed PAHO's Chief Accountant as the new PMIS internal project manager.
12. January 2014 represented the beginning of the implementation of the project. This implementation phase encompassed Human Resources System and Payroll (Phase 1), which was completed at the beginning of 2015. A second implementation of the finance portion of the system (Phase 2) started in mid-2014 and was completed in January 2016.
13. Phase 1 replaced many of the Human Resources legacy systems such as HR Express, HR Tracking, e-PPES (PAHO's Performance Planning and Evaluation System), and Leave Tracking. Phase 2 replaced the core legacy financial systems: AmpesOmis, AMS/FMS (Award Management System/Financial Management System), FAMIS (Financial Accounting Management Information System), ADPICS (Advance Purchasing Inventory Control System) and SOS (Simplified Online Search). A number of other existing systems will continue to operate outside the scope of PMIS, including taxes, pension, staff health insurance, and SharePoint.
14. During the preparation of the PMIS business case, a study of existing business processes identified potential efficiencies which would reduce the number of steps for processes by as much as 26%. These projected efficiencies included a 14% reduction in the number of approval steps currently required to complete the in-scope business processes. This study projected reduction in the number of days required to complete the in-scope business processes by as much as 40%. During the first semester of 2014, an overall assessment of the Organization's information technology identified a number of long-term IT investments required to ensure sustainability of PMIS. These include support for development and implementation of regular software updates of the PMIS modules, ongoing staff training, and continued optimization of business processes.
15. During January and February 2014, PAHO completed the "plan" phase of the implementation. The following activities characterized this phase of the project:
 - a) Identification of the PMIS implementation team;
 - b) Training of the team on Workday (4 weeks, ending 21 February 2014);

c) Finalization of the detailed work plan, training plan, and change management plan.

16. From 24 February to 28 March 2014 the Phase 1 design sessions were completed on schedule. Staff from human resources, payroll, and the PMIS team, along with PAHO stakeholders and business process owners, participated in these sessions, which were supported by consultants from Collaborative Solutions (PAHO's Implementation Partner).

17. During April and May 2014, the PMIS team continued working with the consultants from Collaborative Solutions on finalizing the design portion of Workday. In June, PAHO reviewed the solutions proposed by Collaborative Solutions. Throughout August and the beginning of September the testing of the Workday system was conducted.

18. Official training of the staff commenced in November 2014 at Headquarters, starting with training for country office Administrators. Staff training continued through December 2014 and January 2015.

19. During December 2014 and January 2015 the data and configuration for Phase 1 were loaded and validated in Workday. In early February 2015, the Phase 1 Human Resources and Payroll system was moved into live production.

20. Design sessions for Phase 2 began in September 2014. These sessions were completed by early February 2015. Staff from Financial Resources Management, General Services Operations, Human Resources Management, Information Technology Services, Procurement and Supply Management, and the PMIS team, along with PAHO stakeholders and business process owners participated in these sessions, which were supported by consultants from Collaborative Solutions.

21. Pre-Go Live Training of the staff for PMIS Phase 2 functionality commenced in September 2015 and continued through December 2015.

22. On 30 December 2015, PAHO took possession of the completed configured Workday system. On 4 January 2016, the Phase 2 financials portion of the system joined the Phase 1 human resources and payroll system as live in production.

23. In January 2016, a Post-Go-Live Center was established to provide intensive support to staff members, including the daily hosting of question-and-answer sessions by topic that were held for staff members.

24. In addition to the Post-Go-Live Center a new and better Help Desk Management system was deployed in January 2016 and continues to be used today. It allows users to enter system-related incidents, queries, issues, and change management aspects of the new system that are then routed to the business process experts to analyze and provide answers to the tickets. A comprehensive training plan was followed in 2016; it included

several training modalities targeted to specific audiences, including virtual courses, Web sessions, presentations, how-to videos, and face-to-face instructor-led training, both in Washington and in country offices.

25. During 2016, PASB dealt with many challenges related to the complexities of the project: fully operating in 4 languages, handling 24 currencies and 180 business processes, and being used by over 2,000 staff members in 30 locations throughout the Americas. These challenges had been anticipated based on project risk analysis, and the contingency budget provided resources to address them. In addition, PASB devoted significant staff time and resources, including staff time required for organization-wide training and change management, in order to stabilize the system.

26. The year also saw the completion of the non-Go-Live critical components that had not been addressed prior to Go Live in January 2016, in particular the annual financial closure and reporting processes.

27. PMIS governance was enhanced with the addition of the PMIS Advisory Committee and a working group to manage the prioritization of new features, additions, and fixes.

28. The PMIS Core Team completed its work, staff members who had served on the Team returned to permanent posts, and operational responsibilities for the system were transitioned to the Information Technology Services Department.

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