# Briefing Paper
## Integrated Solutions Project Update

November 9, 2011

## Summary

The Integrated Solutions Project recently transitioned to new project management staff and implementation approach. The fresh perspective brought by the new team demonstrated that shifting to a more detailed implementation plan and a two phased implementation approach will enhance the end result and overall project value and success. This briefing paper summarizes accomplishments, defines reasons for the revised approach, and outlines a new timeline. The remaining board-approved project budget will carry the project through 2012 and completion of phase one, representing the majority of the effort. Additional funding will be needed in 2013 to complete phase two.

## Background

During the quarterly project update provided to the board of directors in July, staff reported that we were within our approved project budget and that the project timeline was being extended from November 2011 to February 2012. This extension was necessary because of project timeline delays overlapping with the November office move date and usual busy fourth quarter activity levels.

The initial schedule for the integrated solutions project was based on Epicor's assessment that their typical implementation approach would work at Energy Trust. This estimate proved to be both optimistic and unrealistic. In reality, Epicor consulting has been challenged by blending their common implementation approach and methodology with the unique nature of the Energy Trust business model and processes. This has required more time and engagement between Energy Trust and Epicor to understand and address necessary modifications and changes before implementation can be fully completed.

This set of observations and changes led to several outcomes:

1. More of the project management responsibility and ownership was shifted from Epicor to Energy Trust.
2. Energy Trust had the ability to absorb some and not all of the additional project management and implementation responsibilities required for full project implementation.
3. To optimize performance and more effectively implement the project, additional clarification and separation of duties, roles and responsibilities proved necessary between Energy Trust and Epicor and among Energy Trust project team members.

Since July 2011 with the new IT Director in place, Energy Trust identified additional and complementary work needed to better understand the value of the project and its benefit to business processes and systems. This additional work includes documenting existing and future processes, ensuring desired system flexibility, and preserving options to enhance the IT system in the future. Since July, a significant number of accomplishments have been

completed along with project management staffing transitions and other improvements. These are detailed below.

## Project Accomplishments to Date

With new project management leadership now in place, the project team comprised of staff from all areas of the organization has built a solid foundation for an integrated solutions implementation, including the following accomplishments:

- The project started the process with the review and modeling of the fundamental data architecture at Energy Trust, the goal being to strengthen that architecture as the foundation required for data quality, integrity, and accessibility.

- The project team has engaged in a detailed discovery process, defining how to transition to a large and comprehensive new system and how to document critical Energy Trust business processes, enabling them to be translated into the system design.

- Team members are now using online learning and applying the Epicor software solution, working through design solutions for system architecture customization with key Epicor consultants.

- Epicor has successfully built and demonstrated a potential design through a prototype working model representative of typical Energy Trust processes and transactions performed using the current FastTrack project tracking system and financial system functions.

- Energy Trust executives and project management leadership are regularly engaged with Epicor executives and consultants, committing the time and resources necessary to effectively work together on system implementation. This has resulted in clearly defined roles, responsibilities and expectations, improved communication and responsiveness and led to a stronger understanding and link between business objectives and the project.

## Solutions to Project Challenges

The challenges described above resulted in project schedule delays. The departure of the Energy Trust IT Director in late June caused a delay until Scott Clark was hired as the new IT Director in late July. A change in the project manager was also made in August, requiring transition time.

Scott's prior experience with large system implementations prompted him to undertake a thorough analysis and assessment of the project. Through this process, challenges and corresponding needs and solutions were identified, enabling the project to proceed under a different timetable and more comprehensive and systematic approach. The following steps are now being taken:

1. Strengthen and link business objectives to success metrics for the project and to the implementation scope:
    - Those project objectives which will deliver the greatest benefit will be prioritized and implemented during the first phase of the project, expected to be completed in Q3 2012.

- The remaining business objectives will be implemented in a second phase to be completed by Q2 2013.
- For each objective, project team members will complete process mapping and determine how best to achieve the objective.
- This broader approach utilizes process and organizational changes and improvements combined with Epicor software functionality, customizations and functionality.

2. Assess desired level of Epicor customizations:
    - As team members gain more experience with and understanding of standard Epicor functionality, Energy Trust may change and improve its processes in a manner that eliminates the need for customizations.
    - Customizations will remain one of the potential tools to address a business objective only where necessary.

3. Further collaborate with Epicor consulting group to adapt and address the unique aspects of Energy Trust's business model and systems implementation:
    - Project management and project team members will continue to invest in effective working relationships, communications and planning with both Epicor executives and consultants.

4. Create greater opportunities for team member engagement and ownership:
    - A new project structure now in place includes well-defined team member roles, engagement in defining the overall approach and preparation of detailed plans and accountabilities in each of team member area.

5. Match project team skills to fill resource gaps:
    - New project manager, Craig Johanson from Hitachi Consulting, began in August. Having worked with Energy Trust on the business process and structure work in support of the ISI project, Craig's background includes broad experience in large systems implementations and familiarity with Epicor software.
    - The new project structure identified a need for additional resources in the Customer Relationship Management (CRM) area and for an experienced systems design lead. Project leadership intends to fill these roles with outside resources.

6. Complete a revised and detailed implementation plan to guide ongoing project execution:
    - Project leadership will implement a new project management approach and timeline created to guide and execute a detailed project plan.
    - Individual area approaches and plans owned by team members will provide the basis for the detailed project plan.
    - The plan will include clear accountabilities and defined milestones.

7. Implement more frequent and detailed project status reporting, scrutiny and problem-solving:
    - A weekly project status report prepared with team member input is now issued every Monday.
    - The IT Director and Executive Director meet weekly on the project status.

- The project steering committee meets regularly to track project progress, re-prioritize work and resolve issues necessary to keep the project moving on schedule and within budget.

## Revised Timeline

A new project timeline includes established interim milestones for phase one of the implementation, ensuring progress towards goals. The highest priority major business objectives will be completed by the end of Q3 2012. Additional major business objectives will be included in the second phase of the implementation to be completed in Q2 2013. Interim milestones for this work will be established based on the revised scope.

Beyond 2013, any continued implementation of additional functionality will be based on business needs prioritized through the IT Steering Committee.

The Board will continue to receive quarterly progress reports.

## Budget

The project delays resulted in slower implementation progress and corresponding budget impact. Through October 2011, the project expended $1.7 million of the authorized budget of $3.6 million. The project is re-budgeting the remaining $1.9 million of the board approved budget authorization to complete the first phase of implementation in 2012. Staff believes that the majority of the original project scope will be completed in Phase 1.

The second project phase will be implemented in 2013 and will require additional funding. Project management will develop the 2013 funding request based on a complete understanding of any outstanding implementation priorities remaining after Phase 1 is completed. This request will be included as part of the 2013 budget process.