protiviti®

Face the Future with Confidence

Protiviti advances modernization of business systems for client operating in a far-flung locale

Keys to Success

Change Requested
Assess fragmented and unaligned business systems that hindered the ability to produce accurate and timely financial reports.

Change Envisioned
Identify root causes of challenges in financial reporting processes, and design and recommend a business systems architecture and solution for the long term.

Change Delivered
Improved the financial system, reduced time to close monthly financials, and established business intelligence and enterprise integration platforms.

Protiviti's commitment to go to the ends of the earth for clients was borne out recently when we provided services to an organization in the remote Canadian wilderness. The client was a few years into a 10-year contract with the Canadian government under the country's government-owned, contractor-operated (GOCO) model, which appoints private businesses to operate critical government facilities. The Canadian government had made significant investments in top-tier IT systems at the facility, and it wanted the contractor to utilize those technologies to modernize operations.

Yet the contractor realized that these new business systems, including project operations, project accounting, project costing, finance, inventory management and human resources, did not share common definitions. That misalignment and other design-related functional problems prevented the contractor from producing reports that provided a timely and accurate financial picture of the facility's operations to the Canadian government. More troubling, the government based the periodic release of funding for the contractor on achievements reflected in the reports, and the contractor was under pressure to illustrate value.

The operator had also forecast that it could modernize the facility's IT business systems in roughly five years, and it was bumping up against the deadline. Against that backdrop, the contractor's CFO, who was familiar with Protiviti's business applications strategy and solution design expertise, asked Protiviti to assess the financial processes and supporting IT applications.

Many of the issues were undergirded by long-ingrained employee habits. An outdated IT applications and financial operating strategy had become second nature to some 4,000 employees who remained after the transition of the company to a GOCO model, and the analytical capacity to harness the new systems and effect the desired change was absent. Consequently, stakeholder statements reflecting underperformance were not uncommon.

Approach and Strategy

A small Protiviti team of business systems architects and solution designers initiated "phase zero," a deep dive into the history of the facility's systems to determine the root and nature of the problems. Protiviti began with a preliminary survey with the extended management team, including representatives of the Canadian government. On site a few months later, we pursued the following approach over three months:

- **Discovery —** This step involved workshops with stakeholders from key functions to understand processes, applications and challenges.

- **Analysis and validation —** In this step, we performed an analysis of the challenges and their root causes, defined preliminary recommendations and drafted recommended architecture for future business systems. We validated these results with stakeholders.

- **Recommendations and road map —** We defined projects required to achieve the refined recommendations and outlined an approach and a road map based on priorities and project dependencies.

Challenges Identified

The review of the systems revealed a host of challenges, including continuous organizational and process changes, manually defined data hierarchies without consistent governance, and a lack of process and solution design and automation components, to name just a few.

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With the contractor's approval, Protiviti moved forward with a two-phase plan to revamp the environment in 12 to 14 months. We partnered with the company to build a holistic solution across all processes to provide timely and accurate financial information, improve processes and data systems, and provide clarity and accuracy to operational governance structures.

The contractor played a key role in the successful completion of the project by helping to overcome potential stumbling blocks. Executives effectively oversaw change management, project owner-ship, IT and other roles. Leadership was also quick to adopt new ideas, and together we attended monthly gover-nance council meetings, which included government representatives, to illustrate a united front.

Design and Implementation

We created a governance council to foster consensus on the design of solutions among business units that had previously operated in silos. The governance council was overseen by the CFO and included the appropriate top and line managers. Among other decisions, the council reviewed and selected vendors to provide business intelligence and enterprise data integration platforms — IBM Cognos and Dell Boomi, respectively. The council also determined how monthly financial closings should proceed, how information should flow across projects, and how hierarchies of data should be organized across various functions. The design phase took about five months.

In the implementation phase, we worked with the contractor's IT personnel to implement the solution, and tapped Robert Half's managed technology solutions (MTS) program, a service that provides customized consulting for enterprise-level projects, to bring 11 implementation consultants on board. Over the course of seven months, we focused on three main tasks:

- Enhancing the existing accounting solution (Oracle Finance) to support the cash accounting standard in addition to the usual deferred accounting method that would satisfy required reporting on funds accounting;

- Reducing the time to close monthly financials from 17 days to six days by efficiently collecting and processing data across all major functions and projects; and

- Implementing IBM Cognos and Dell Boomi to provide a modern environment to thousands of business users, allowing them to perform various multi-dimensional analyses without having dependency on IT resources.

Keys to Success

In early 2019, the project was widely recognized as a success, inspiring a government official to remark that it represented a great step in modernizing an important Canadian scientific organization. Still, this unique and technical assignment was not without challenges, the biggest of which were facilitating a team approach among the 10 to 15 Protiviti and Robert Half consultants and roughly 50 associates of the contractor, and targeting an adoption of the new solution, in several waves, to thousands of users.

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Just as happens in mergers between private companies, initiatives that privatize government operations frequently underestimate the extent to which outdated operating procedures and strategies remain ingrained in the new entity's culture and could hamper progress, regardless of how advanced the IT systems may be. In those circumstances, a partner with the ability to assess the environment from the outside as well as offer and implement a solution may be the best way to clear the underbrush and open the way for modernization and efficient utilization of investment.

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