



Presented by  
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SMART Business Systems Division  
March 12, 2009

# Welcome

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## Today's Agenda

- Introduce SMART Business Systems (Division and Project)
- Review the SMART Transformation Roadmap
- Review 10 Keys to Success: Process Mapping for Statewide Transformation
- Next Steps
- Q & A

# SMART Business Systems Division

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## A New Division to...

- Establish Standards and Guidelines
- Provide Service and Support
- Manage the SBS Project
- Provide Continuous Process Improvement

*A Current Initiative: SMART Business Systems Project*

# SMART Business Systems Project

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**A long-term, statewide initiative that will transform ...**

- Finance
- Personnel
- Procurement
- Payroll

*The State of Transformation*

# SBS Project Update

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## Work Completed

- Assigned State Subject Matter Experts (SMEs)
- “As-Is” Process Mapping Sessions
- “As-Is” Process Documentation (Maps and Narratives)

## Work in Progress

- “To-Be” Process Design & Development of Software Requirements
- Key Technology Frameworks and Strategies

## Next Steps

- Procure Software and Select Implementation Partner
- Complete Legal Negotiations
- Begin to Implement Process Improvements

# Transform

v. change form or condition

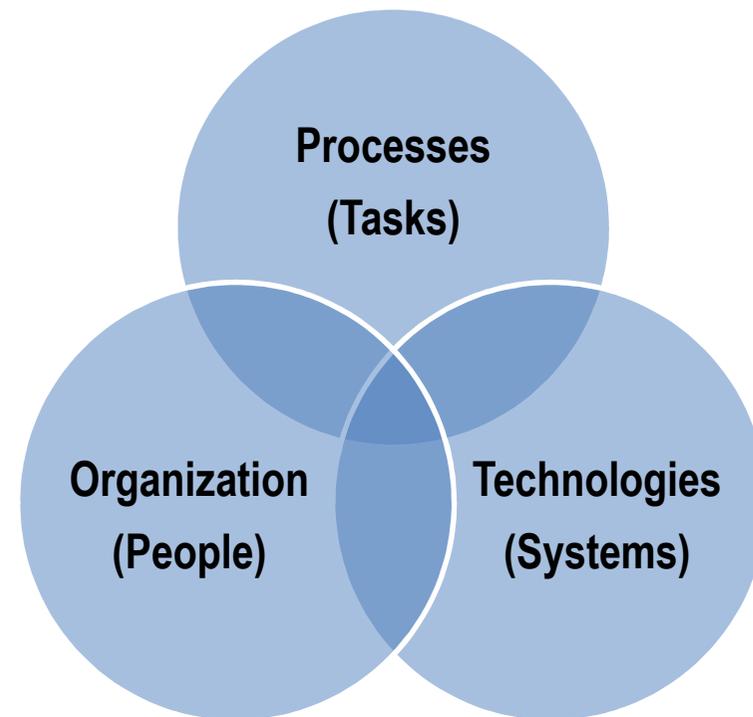


# SMART Business Transformation...

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- Is more than a Software Implementation.
- Includes the alignment of People, Processes and Technologies towards an improved end-state.
- Will leverage innovations in Best Practice and Technology.
- Is a long term initiative.
- Will result in better service to State Employees and all Entities Served by the State of Alabama.

## Business Transformation



# Expected Benefits

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## ***SMART Transformation will enable ...***

- One-State, One-Stop Approach
- Streamlined Data Flows
- Real-time Access to Data
- Enhanced Visibility of information
- Improved Supplier Performance
- Improved Customer Service
- Cost Reduction
- Information Integration
- Flexibility and Enterprise Agility
- Improved Data Accuracy
- Improved Decision Making Capabilities



# SMART Transformation Roadmap

## DEFINE

- Discovery
- Assess “As-Is”
- Define “To Be”
- Requirements and Procure



## DESIGN

- Processes
- Technologies
- Organization

## TRANSITION

- Align Software to Processes
- Align Technologies
- Prepare the Organization

## TRANSFORM

- Deliver
- Support
- Stabilize
- Improve

The SMARTS



Agency Involvement, Education and Support...Continuous Process Improvement

# 10 Keys to Process Mapping



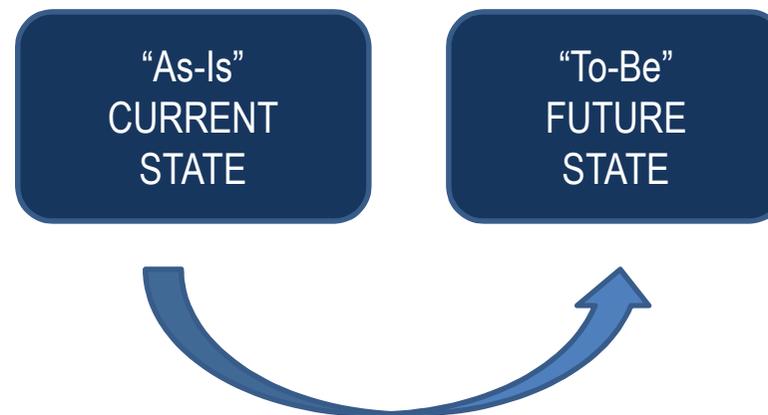
**PROCESS MAPPING FOR  
STATEWIDE TRANSFORMATION**



# Key # 1: Define Process Mapping Approach

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- Scope of Processes
- Who will Be Involved
- What's Your Timeline
- Goals and Objectives
- Create Templates
- Identify Participants
- Approval Process
- Archive & Distribution Strategy (In Progress)





## Key #2: Identify Processes to be Mapped

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### ***A Process...***

- Is a set of related steps, tasks and decisions required to accomplish an objective.
- Involves both people and systems.
- Results in the fulfillment of specific business needs.

### ***Criteria for Selection...***

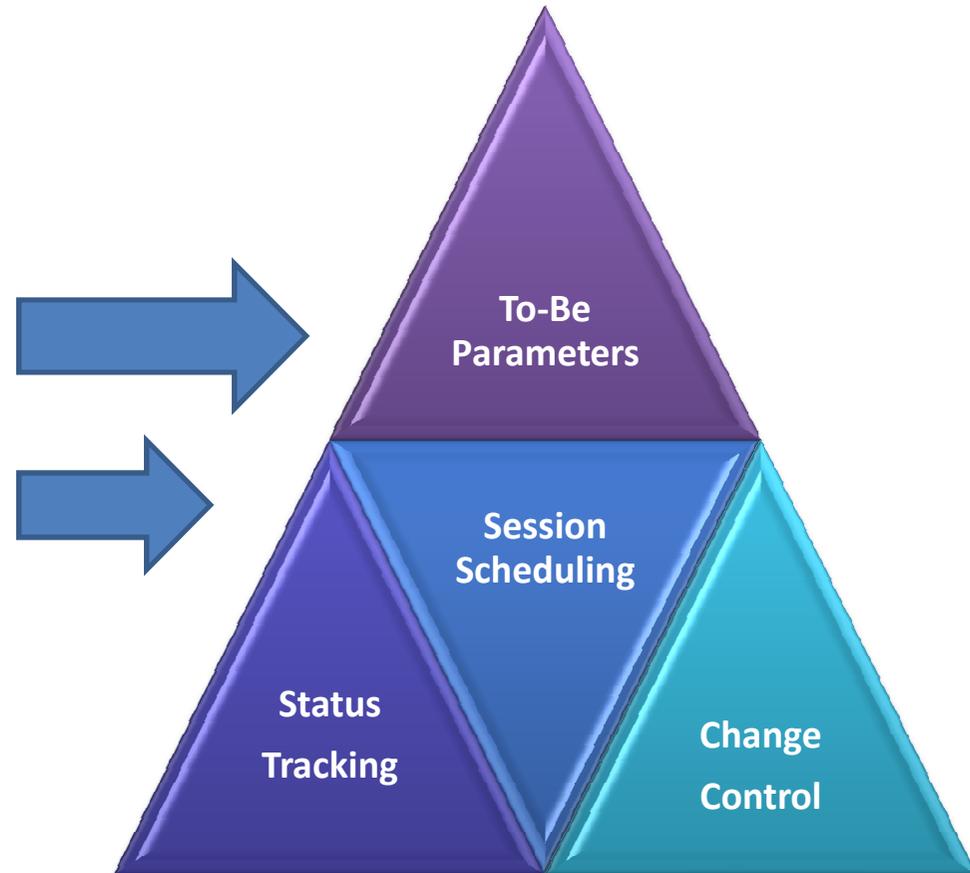
- Is it a Core Process? Heart at what needs to be done to support functional area.
- # of People Involved? # of Transactions Involved?
- Complexity of the Process?
- Is it a Known Problem Area?

*BONUS KEY: You can't map everything.*



# Key #3: Create Process Inventory

Process ID	Process Scope	Impact Area
1.01	Budget Request / Preparation	
1.01.01.01	SMART Plan (Summary Strategic Plan)	AC
1.01.02.01	SMART Budget Request	AC
1.01.04.01	EBO Budget Requests	AC
1.01.05.01	EBO Budget Requests - Postsecondary Institutions	AC
1.01.08.01	Revenue Estimation	AC
1.01.09.01	Governor's Executive Budget	C
1.01.10.01	Appropriation Bills	C
1.01.12.01	Budget Scenarios / "What-If" Modeling	AC





## Key #4: Schedule and Conduct Sessions

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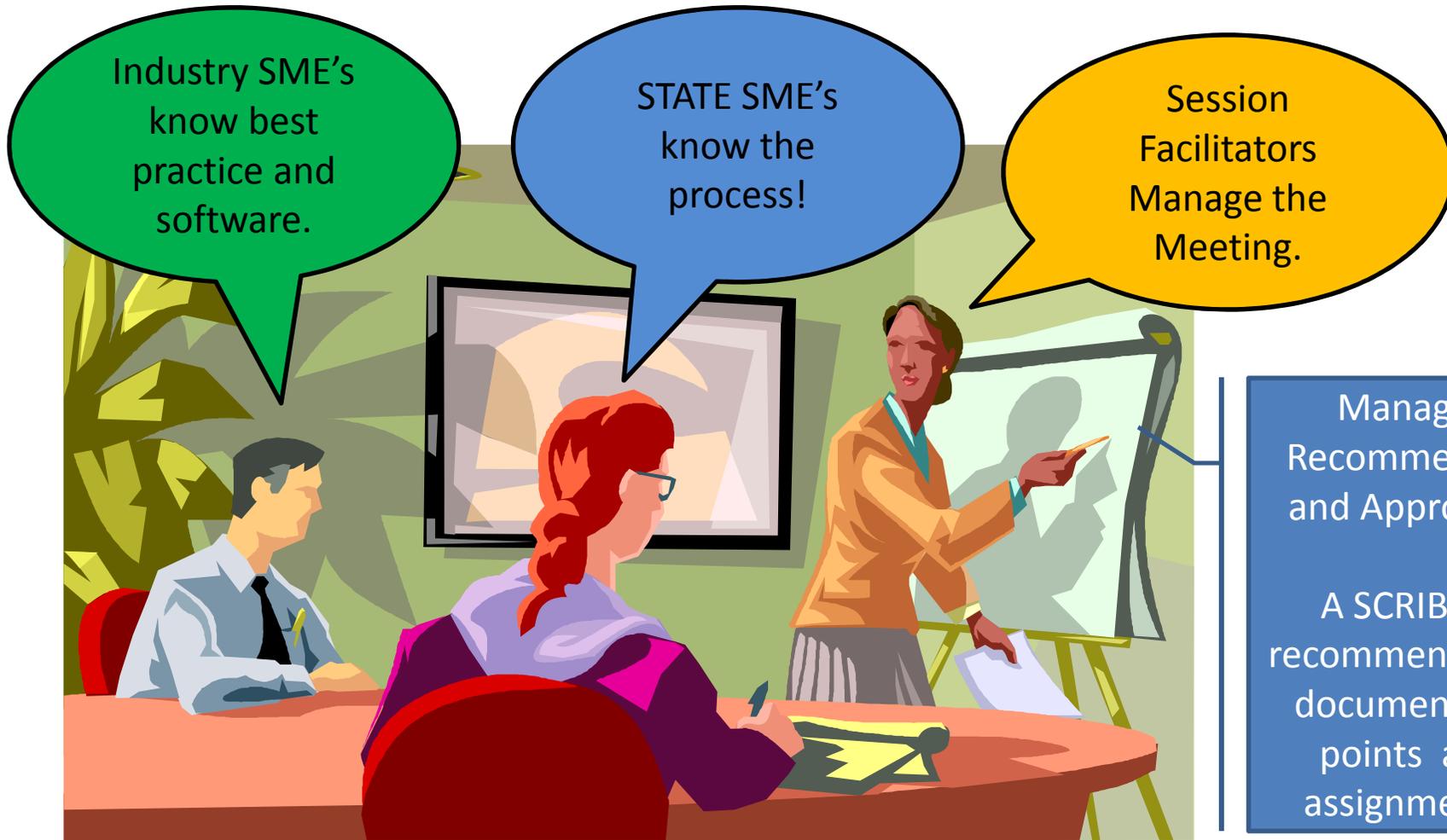


*Process Mapping Sessions provide an **interactive** venue to document current processes and identify opportunities for transformation.*

- Create Session Schedule Based on Process Inventory and Level of Complexity.
- Scheduling Logistics:
  - Secure Rooms
  - Send Invites (Attach Agenda and Pre-work)
  - Document Responses/RSVPs
- Notify Managers, Team Members and other Project Constituents of Session Schedule.
- Balance Structure and Flexibility for each Session.



# Key # 5: Include the Right People



Industry SME's know best practice and software.

STATE SME's know the process!

Session Facilitators Manage the Meeting.

Manager Recommended and Approved!

A SCRIBE is recommended to document key points and assignments.



## Key # 6: Ask the Right Questions

What Triggers the Process and What are the Steps?

What are the Legal Constraints?  
Approvals?  
Software Systems?



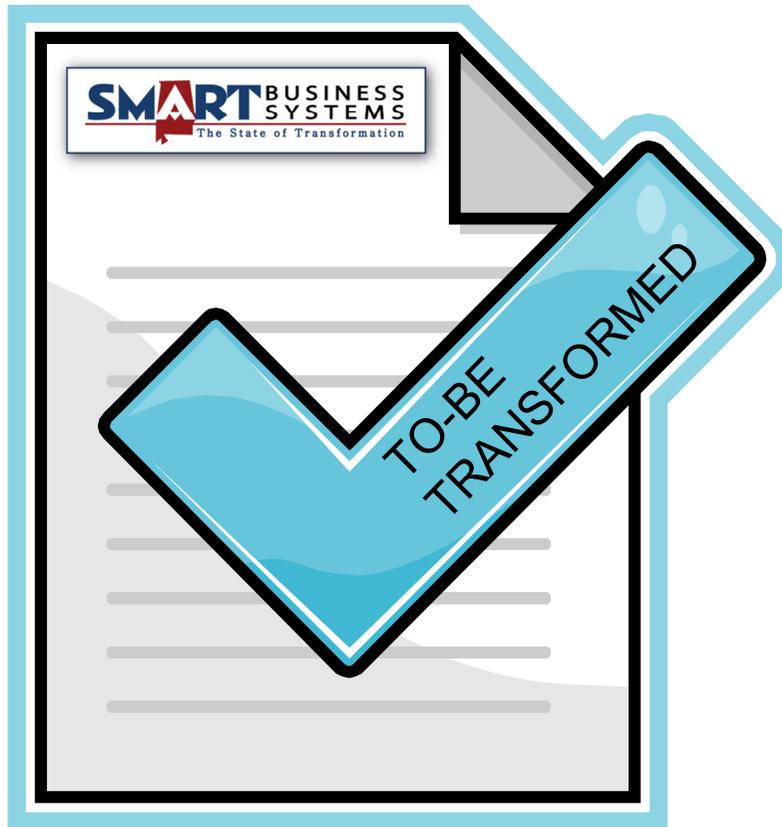
What Reports or Forms are Needed for or Created by the Process?

Redundancies?  
Pain Points?  
Opportunities to Improve?  
Overly Manual?  
Data Quality?

*Process Mapping Sessions provide a venue to identify disconnects, pain points, opportunities, direct/indirect costs, controls, cycle times, inputs, outputs and areas which require immediate improvement.*



# Key # 7: Create a Standard Deliverable



*"As-Is" Process Mapping resulted in the delivery of nearly 300 detailed process maps (diagrams) and narratives.*

## *Process Diagrams/Narratives*

- Steps
- Decision Points
- Approvals
- Cycle Times

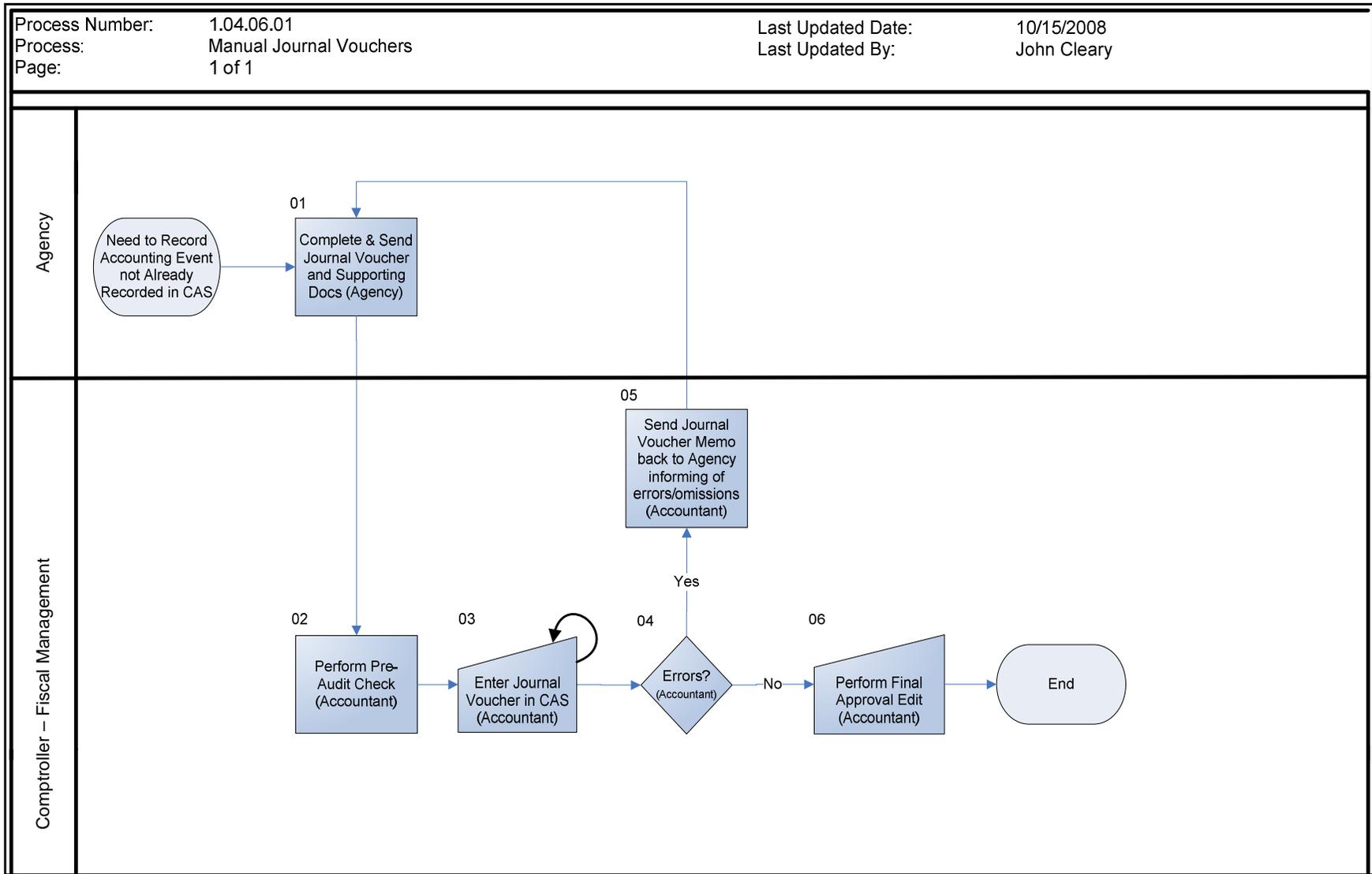
## *Inventories*

- Reports/Forms
- Systems/Tools
- Organization/Roles

## *Initial Requirements*

- Business Needs
- Legal Constraints
- Opportunities
- Wish List/Pain Points

# Sample Deliverable 1: Process Map



# Sample Deliverable 2: Process Narrative

<b>Process ID</b>	1.04.06.01
<b>Process Name</b>	Manual Journal Vouchers
<b>Process Narrative</b>	<p>Journal vouchers are used to record accounting events that are not recorded by other CAS transactions. In CAS, a journal voucher transaction (JV) is used to enter accounting journal entries to the state-level accounting system.</p> <p>Agencies that do not have an automated accounting system send the completed Journal Voucher form with supporting documentation to the Comptroller - Fiscal Management office for manual entry into CAS, approval, and processing.</p>
<b>Method</b>	Manual
<b>Trigger</b>	Need to Record Accounting Event not already recorded in CAS
<b>Volume</b>	25 Per Month
<b>Duration</b>	5 to 7 Days
<b>Frequency</b>	Daily

Step	Step Name	Description	Method	Who Does It?	FTEs	Control Point	Control Point Description	System
1	Complete & Send Journal Voucher and Supporting Docs	The Agency will type or write information on the Journal Voucher Form (FRMS-20). The paper form is then sent to the Comptroller - Fiscal Management office along with copies of supporting documentation, such as paper vouchers that have been paid and need corrections.	Manual	Agency		No		
2	Perform Pre-Audit Check	The accountant performs an overall verification of all JVs to ensure the reasonableness of the request. If the JV is to change fund numbers, the accountant will check to make sure object codes are the same. To change other items, the accountant will audit the original transaction to make sure there was a legitimate error. The accountant always ensures that Journal Voucher entries are taking place in the correct year & accounting period.	Manual	Accountant	1	Yes	Supporting documentation must be reviewed to confirm the adjusting accounting entry is valid.	
3	Enter Journal Voucher Data	The accountant keys the JV data directly into CAS.	Semi-Automated	Accountant	1	No		CAS



## Key # 8: Create a Library

SHHHHH.  
People are trying  
to Transform.



### The “AS-IS” Library will...

- Drive “To-Be” Definitions and Design.
- Uncover operational pain points to feed requirements, specifications and vendor selection.
- Enable cross-functional understanding of current environment.
- Develop clarity regarding what is working well and what needs transformation.
- Serve as point of reference for new vendor and throughout transformation.
- Serve as Foundation for Statewide Transformation.



## Key # 9: Establish “To Be” Goals

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- Ensure Process Driven as opposed to Software Driven Requirements.
- Pinpoint Areas of Improvement:
  - Reduce Redundancy
  - Streamline Operations
  - Improve Output Quality
  - Improve Data Access/Accuracy
- Leverage Best Practice Expertise.
- Leverage Technology Innovation.
- Provide Strategy for Statewide Transformation.



# Key # 10: Ensure Business Driven Future State



# SBS Next Steps

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- Confirm direction of high-level “To-Be” narratives with business leaders in Finance, Procurement, Payroll and Personnel
- Continue development of “To-Be” narratives with State subject matter experts (SMEs)
- Finalize functional requirements and RFP
- Create business scenarios for vendors to demonstrate software capability
- Conduct vendor Pre Qualification and Evaluation
- Select Vendor
- Continued detailed “To-Be’ process design to be enabled by selected software

# Questions?

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**Thank You!**