



STATE OF MAINE  
DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES  
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COMMISSIONER

September 21, 2022

To: Senator Nate Libby, Chair  
Representative Holly Stover, Chair  
Members of the Committee on Government Oversight

From: Kirsten LC Figueroa, Commissioner  
Department of Administrative and Financial Services

Re: Human Resources Management System Update

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Senator Libby, Representative Stover, and Honorable Members of the Government Oversight Committee, I am Kirsten Figueroa, the Commissioner of the Department of Administrative and Financial Services.

Thank you for inviting DAFS here today to provide the State's progress on its replacement Human Resources Management System (HRMS). The timing of this update is perfect, actually, as we have just signed the contract with our new system implementation partner, Accenture.

As you are aware, the State of Maine needs to update, replace, and modernize its Human Resources Management System. Our current HRMS is significantly out of date and its replacement is long overdue.

A modern HRMS integrates all information used by human resources – as well as managers and supervisors across all facets of an organization – for decision making and offers benefits that lead to improved HR function and an ability to act more strategically instead of being bogged down in multiple systems. Maine's HRMS effort, unlike most other states' efforts, spans all three branches of government, meaning it will integrate various HR policies and more than 13,000 employees from more than 140 different entities, five labor unions and eight bargaining units within the executive branch, one labor union and four bargaining units in the judicial branch, and two labor unions and two bargaining units within the legislative branch – not to mention: hundreds of salary schedules; various stipends; and dozens of nuanced special pay types.

There is resounding agreement that we must move State government into the modern technology world... for efficiency, for accuracy, for security, for less paper, and to get the payroll processing off a system that was past its prime more than 10 years ago. However, the complexity, nuance, needing to update in a constantly changing HR environment, funding and other challenges has meant that the project, through its various iterations, has experienced its share of fits and starts.

Regardless, the benefits of a modern HRMS are necessary and vast and it is a privilege to be at DAFS at this time, and to be the leader of the team that is on the verge of – and will make – a modern HRMS a reality for State government.

We've learned tremendously from our experience to date, and we've deployed a three-pronged approach to ensure a successful, timely and efficient implementation of our new HRMS.

1. Address deficiencies noted in the independent assessment and improve processes to ensure continued compliance;
2. Use external professional services, selected through a diligent process, to supplement critical decision making; and,
3. Ensure continuous independent review of the project.

Now, to update you on specific significant efforts.

- DAFS engaged Gartner Inc, a world leader in evaluating large scale software solutions, to help us develop an RFP that would allow us to select the best qualified new System Implementor (SI) with the highest likelihood of success, and to assist us with our contract negotiations. With Gartner, we developed our SI RFP documents utilizing the information from an independent consultant hired to evaluate the gaps and issues of our existing implementation.
- We have continued to support our staff. Most of our staff and project team members are not able to work on this effort full time. We don't have that kind of funding. Or the capacity to backfill the knowledge of these subject matter experts to others. We have filled some vacant positions and we are in the process of adding additional project positions. We are also utilizing contract support when possible.
- The State of Maine and Workday, Inc. have resolved the contract dispute related to the implementation of the state's Human Resources Management System. Workday Professional Services is no longer the SI. The Workday software and related license agreements remain in place.
- We used this time to correct issues the independent assessment identified as needing state attention, specifically:
  - **Formal documentation of requirements and business processes.** We facilitated intensive business process mapping sessions, involving staff from every Executive Branch office, Constitutional offices, and the Judicial and Legislative branches. Mapping the linear sequence of activities that make up a business process provides clarity of the current state of processes; helps to identify bottlenecks or unnecessary steps in the process; makes the process more visible across the organization; improves communication and understanding of the process amongst departments; and, it identifies opportunities for automation, efficiency, and process improvement. The result is a roadmap of what needs to be configured in a new system, and what functionality we need to test to confirm the implementation will meet the State's needs. This information will be critical to the next implementation phase.

- **Improved quality and reduced errors in legacy data.** We have scrutinized the data in our legacy systems and have corrected thousands of records; we have analyzed where there are high incidences of errors and have provided staff training to prevent and mitigate these errors in the future; and we continue to monitor data and make corrections as required.
- **Created a comprehensive, authoritative electronic source defining our organizational / supervisory structure.** We instituted an electronic audit process that automatically emails every Executive Branch supervisor monthly, in which the supervisor must certify their list of direct reports and make corrections if needed. Initially, this audit process occurred bi-weekly and updates were necessary for more than 20% of data. This has since leveled-off and monthly update rates are now 2-3%, consistent with normal personnel changes.
- A new implementation partner, Accenture, has been identified and the contract was finalized and signed effective August 31, 2022. Accenture will lead us to our end goal of decommissioning our old systems and having our employees use the new one. Accenture has experience with paused implementations in the public sector and has successfully implemented Workday SaaS for dozens of government entities, including 13 other public sector entities with over 10,000 employees. In the first phase, utilizing our experience and their expertise, Accenture will review the comprehensive work we have already done. And they will make recommendations on how to move forward and how to meet our complex HR requirements – whether that is within the Workday software or with additional solutions. As part of this first phase, there will be a more complete project calendar and a re-engagement kick off.
- DAFS requested and received funding from the Legislature for the HRMS replacement project and its ongoing maintenance and licensing support. We also received funding for maintenance, hosting and patching of our existing outdated legacy systems that we will utilize until transitioning to our new HRMS. Obviously, this was a critical step for our ability to move forward, and we thank you. At this time, knowing what we currently know, we believe we have appropriate funding for HRMS implementation consistent with the functionality of our existing MFASIS system, especially through fiscal year 2023. We will know more about that after the initial phase of the Accenture effort.
- We have conditionally awarded an independent verification and validation vendor that will actively participate in the project, review the work of Accenture and the State's HRMS project team, assess risk, recommend mitigation strategies, and perform testing to verify that the implementation is meeting the State's requirements as the project progresses. This is a critical aspect to our overall project management efforts. This vendor will operate separately from the implementation team and will report observations directly to senior DAFS leadership. RFP #202204050 was published in April 2022 and closed May 18, 2022. Bids were evaluated in June, and a conditional award was made in July to Guidehouse, Inc. Contract negotiations are underway.

All of the above is impressive and critical to our next steps to relaunch, re-engage, and re-energize the project and to the final implementation of this system.

We've commented on the length, scope, hurdles, and curves of this project – not to mention the impact of an unprecedented once-in-a-lifetime (we hope) pandemic – in various forms and venues throughout our tenure. Each of these starts, stops, and redirections have impacted the health and welfare of the project and each individual project team member. Do we wish things had been different? Yes. But, we've also learned tremendously from our experience and know we are on the final track to a better system for the state of Maine.

We are moving forward. And we are doing so confidently with an experienced implementation partner, independent verification professionals, and a project team that is ready to see this project to its successful conclusion. We remain incredibly appreciative of every member of our staff and project team for their herculean participation and dedication to modernizing the state's HRMS.

Thank you, again, for the opportunity to be here today. I'll do my best to respond to any questions you might have at this time. Thank you.