

# Commission Briefing: Enterprise Applications Strategy ERP Strategy

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# Enterprise Application Strategy Briefing



## INTRODUCTION:

- The average lifecycle for business systems is 10-12 years
- Mitchel Humphrey FMS software was utilized by the Port of Tacoma for Financial Management and Billing for many years prior to 2008:
  - FMS Billing continued to be utilized after 2008, but is in the process of being replaced
- Microsoft Dynamics GP was implemented for Accounting in 2008:
  - Dynamics GP is hard to maintain and support long term
  - Dynamics GP has now become outdated, and Microsoft will eventually stop support
- Port Staff recently developed a new Enterprise Application Strategy to provide direction for the next generation of Port financial systems
- The Port of Tacoma and NWSA Executive IT Steering Committee believes it is responsible to proactively migrate to Microsoft Dynamics 365

# Enterprise Application Strategy Briefing



- Historically the Port has employed a ‘Best of Breed’ software strategy
- While serving business needs, this strategy has led to a large systems portfolio which is costly and hard to manage effectively
- The Information Technology Steering Committee approved a new Enterprise Application strategy in 2020
- Core elements of the Enterprise Application Strategy include:
  1. All new Applications will be Cloud Based to provide business agility
  2. Prioritizing investments in Microsoft software platforms as the cost-effective industry leader, using Washington State Department of Enterprise Services Master Contract
  3. Define and invest in five standardized industry leading Strategic Enterprise Platforms on which most future business software needs will be based

## Standardized industry leading Strategic Enterprise Platforms:

	Strategic Enterprise Platform	Description
1	Microsoft Dynamics 365	Cloud Enterprise Resource Planning (ERP) Platform for Accounting, Financial Planning, Contracts & Purchasing
2	Microsoft 365	Cloud Productivity and Collaboration Platform for All Staff
3	Microsoft Azure	Cloud Services Platform for Servers, Services, Storage, Data Management
4	IBM Maximo	Enterprise Asset Management Platform for Maintenance
5	Esri ArcGIS	Geospatial Platform for location tracking used by multiple staff teams

# Enterprise Application Strategy Briefing



## ERP Strategy:

	Strategic Enterprise Platform	Description
1	Microsoft Dynamics 365	Cloud Enterprise Resource Planning (ERP) Platform for Accounting, Financial Planning, Contracts & Purchasing

- As a component of the Enterprise Application Strategy, Port staff intend to replace the current core financial application, Microsoft Dynamics GP, with Microsoft Dynamics 365 ERP platform:
  - Separate applications are currently used for Accounting, Financial Planning, and Contracts & Purchasing. Replacing these applications with one integrated software platform will improve efficiency.
  - The Port has over 90 large and small individual business applications. Implementing an Enterprise Resource Planning (ERP) platform will lower IT support and licensing costs.
  - The Dynamics 365 project has been included in the CIP for 2023 and 2024 since approval by the IT Steering Committee in 2020.

## **ERP System Project – Activities to Date:**

- Capabilities required in a new ERP Platform for Accounting, Financial Planning, and Procurement departments defined
- Request for Information (RFI) issued in November 2021
- Responses to RFI indicated:
  - Microsoft Dynamics 365 can meet the Ports ERP system needs
  - Initial Implementation cost estimate \$1.5M-\$2.0M
  - Initial implementation schedule estimate 15-18 Months (Planning through Go-Live)

## **ERP System Project – Current Activities and Next Steps:**

- Information Technology Steering Committee approved proceeding with Planning and Design Phase
- Competitive Request for Proposal (RFP) for an Implementation Partner advertised - July 2022
- Port staff will return to Commission for implementation services contract approval - Q4 2022