

Implementing Successful PeopleSoft Projects

By Kathy Martucci, PMP

Introduction

This white paper discusses the lifecycle of a PeopleSoft implementation from determining whether this popular suite of software is right for your organization to planning for the implementation to conducting a post mortem after the project is over. Over the last 15 years, Kathy has managed several PeopleSoft projects in the public and higher education sectors. Learn how to successfully handling these complex projects.

PeopleSoft: Is It Right For Your Organization?

I have been involved in PeopleSoft implementations for the past 15 years – before the product was web-enabled, in fact. Overall, the product is extremely robust and offers literally thousands of functional threads to its customers. Some of the business areas addressed by PeopleSoft applications include:

- Financials
- Human Capital Management (read Human Resources)
- Payroll
- Customer Relationship Management
- Campus Solutions

Each of these major areas are comprised of several sub-modules (e.g., Financials = General Ledger, Budget, Accounts Payable, Accounts Receivable, etc.) that are so complex that sales reps, sales support associates, and implementers generally specialize in one sub-module.

Herein lies one of the biggest challenges of selecting this software. It can be so overwhelming as to render mere sales calls and demos practically useless since these discussions barely scrape the surface of what is really happening within the software. Given that fact, it can be difficult to determine the real effort behind an implementation and the impact on your company's business processes and employees.

Having said that, how does an organization know if PeopleSoft is right for their corporation and their culture? What are the key factors and business drivers leading an organization to the purchase and implementation of one of the most powerful software suites in the world?

For simplicity's sake, consider a mid-size company that is going to replace its backend financials system with one suite. The old system was "home-grown" and has evolved over the last 25 years. There are no labor unions and the corporate culture is reasonably agile.

Some of the questions to answer include:

1. Is there a strategic plan for the company? If so, and if the plan necessitates new systems to support the future initiatives, are the projects prioritized and budgeted? Is there an Enterprise Technical Architecture Plan? How do the two relate? Technology for technology's sake alone is rarely the right path to follow.
2. What is the maturity level of project resources, especially project management, in the organization? Even if the company is capable of paying substantial sums for an outsourced project team, there is no success factor more critical than having an in-house project manager (and, preferably, team) who know the business and can successfully support the project throughout its life cycle.
3. What technical resources does the organization already have? Is there a robust network, experienced database administrators (preferably familiar with Oracle), programmers, and skilled business analysts?
4. Can the organization afford to allow the most knowledgeable staff (who know the business processes and the current systems) to work on what is sure to be a multi-year project (in spite of what the Oracle sales team is telling you)?
5. What business sector does the organization inhabit: public, private, not-for profit? Once upon a time, PeopleSoft offered a public sector product and a commercial sector product. Over the years, these two products have morphed together. Many public sector organizations conduct their accounting on a cash basis (PeopleSoft doesn't) and fund accounting (with a lot of attention paid to configuring the General Ledger, or GL, this can be done).

6. Does the chart of accounts need to be re-defined? This is a major undertaking even before any technical consideration can be given to the GL. However, even though project team members may understand the business' accounting and financials, they also need to have a deep understanding of PeopleSoft General Ledger and Commitment Control (budgeting) or most attempts to define a new chart of accounts and properly define budgets takes several months up to years.
7. What is the status of the current data in the financial system? Does it need substantial clean up before conversion can be defined? If so, this is a parallel, separate project that will absorb project resources.
8. What is the company's readiness quotient to re-engineer business processes? It surely doesn't pay to undergo what could be a \$20-50M project just to offer a web-enabled version of the existing financial system.

The above represent a tiny fraction of the questions that organizations should be asking themselves as they contemplate a PeopleSoft implementation. Frank, open answers to the questions and a realistic approach can only be advantages going forward.

In addition to formal due diligence, one of the best ways for an organization to thoroughly understand the road map ahead is to connect with similar organizations that have completed an implementation. Oracle may not be the best place to get candid conversation; however, there are several active user groups and Oracle hosts a convention every fall where users congregate and are only too happy to relate their stories, good and bad. It is absolutely essential to mine these resources for lessons learned.

Initial Considerations of a PeopleSoft Project

Your organization just purchased over \$1 million worth of PeopleSoft software licenses and, even if it's never implemented, contractually owes Oracle for hundreds of thousands of dollars in maintenance fees annually.

At this point, how should you proceed?

As previously mentioned, any single suite of PeopleSoft (two examples are Supplier Chain Management or Human Capital Management) is a monstrous challenge to implement. Implementation of more than one suite is the definition of an extremely complex project. To replace all your current systems at one time with PeopleSoft is an insurmountable task.

There are important decisions to consider before removing the shrink wrap on the software and diving in:

1. Hardware infrastructure and software architecture

- How many servers of what size(s) does the organization require to offer the type of performance necessary?
- How many end-users will there be, how many batch processes, how many and what type of transactions?
- What about redundancy? Need 100% uptime? Automatic failover? Disaster recovery plans?

Fortunately, Oracle has an entire department dedicated to assisting organizations in sizing their hardware systems for optimum performance. Take advantage of them. Do not underestimate the need for an extremely large and robust infrastructure.

2. Project model

What type of resources and how many are required for the project? It's a safe bet that, even if your organization has several competent Oracle database administrators and an overabundance of programmers, the organization doesn't already employ experienced PeopleSoft implementers. That means a competitive bid for outside systems integrators if you're in the public sector and some heavy duty due diligence about who to hire even if you're not. Some of the categories of resources necessary are as follows. And this is just the beginning.

- Systems engineers
- PeopleSoft functional implementers
- PeopleSoft programmers
- PeopleSoft security experts
- PeopleSoft integrators
- Business analysts
- Organizational subject matter experts for each functional area to be implemented
- Testing experts
- Project managers
- Training and communication staff

3. Project Methodology

All the PeopleSoft implementers use the same fundamental project life cycle methodology – they just give it their own special brand name in order to differentiate them from their competitors. The organization should thoroughly understand the project life cycle and the inputs, strategies and outputs of each and every step along the way. Then the organization will be in charge of the project and its processes and not the contractor. If the project management maturity of the organization is relatively low, the very best strategy is to hire a seasoned project manager early in the process.

These are only three out of dozens of potential challenges and questions to be considered. Make sure that you have enlisted the assistance of an experienced project manager to make sure you have evaluated all the infrastructure and project needs.

Planning for Your Organization's PeopleSoft Implementation

It's no accident that there are two processes in Project Initiation and twenty in Project Planning according to the Project Management Institute (PMI®). Many organizations make the costly mistake of diving right in because there is "no time to plan". On the contrary, most projects fail in the beginning as planning efforts are sacrificed for "action".

In spite of the organization's impatience, it's your responsibility as the Project Manager to educate senior management in the advantages of compiling a thoughtful and reasonable plan before jumping into project execution.

What are the key points to consider when planning a PeopleSoft implementation? Here are some factors to consider:

1. **Scope Definition:** Even if the organization compiled the world's best Request for Proposal for a suite of software, the process of reviewing and verifying those requirements (and discovering new ones in the process) is absolutely essential for the proper scope definition of a PeopleSoft project. Especially when implementing more than one module, requirements must be considered in light of a tightly integrated system. For example, configuration of the Budget and General Ledger modules can have a substantial and often irreversible impact on the sub-modules of Accounts Payable and Accounts Receivable. It may be worth dedicated PeopleSoft training for the project team and subject matter experts to increase their understanding of the system in order to articulate those requirements more definitively.

2. **Work Breakdown Structure (WBS):** Once the requirements are fully understood and gaps between what is and what should be are clearly identified by your seasoned PeopleSoft integrator, the WBS can be crafted with a solid foundation. However, software configuration and modifications to bridge gaps are only two out of potentially hundreds of other work packages including the elements of communications, stakeholder management, quality, risk management, hardware procurement and set up, testing, and training.
3. **Project Schedule:** Once scope is fully defined and a solid WBS is in place, employ the best possible experts to define, sequence and estimate required resources and time for each work package. When you develop it to your satisfaction and present it to management, resist the temptation to meet their often unrealistic expectations to implement such a game-changing system within their timeframes. If the timeframe doesn't meet with their approval, define at a scope that will. Even though the notion of the Triple Constraint Model (Time, Scope and Cost) is losing favor to an expanded view of constraints according to PMI®, it is still true in concept. All three cannot be treated as highest priority.

If the above considerations aren't daunting in and of themselves, that's not all. There are seventeen additional processes (according to PMI®, that is) that the PM should at least consider before Execution begins in earnest. Again, it is your duty to lead your organization through these processes even while senior management is questioning what your team is doing all this time.

The PeopleSoft Project Post Mortem

Finally, the project is coming to a close and the team is conducting the lessons learned sessions. With any project, especially one as complex as implementing a suite from the PeopleSoft cadre of products, learning from someone else's mistakes may be the difference between a successful implementation and a disaster. Let's take a look.

All through the project, you take a "silo" approach allowing accountants (or worse yet, the implementers) to configure the General Ledger and Accounts Payable staff to configure Accounts Payables. Neither group knows what the other has done and why.

Lesson Learned: *Never underestimate the effects and the power behind configuration. Take the time to learn how configuration settings "ripple" through PeopleSoft functionality. Force your integrator to explain these ramifications to you, repeatedly if necessary. Never stop thinking about tightly integrated modules.*

Way-back-when it was too great an operational sacrifice to pull more than one person from a functional area to lend business savvy, re-engineer business processes, test the system, develop functional manuals and train others. Now there are a grand total of four subject matter experts to train and support 500 end users.

Lesson Learned: *Cultivate multiple subject matter experts from the start of the project. No matter how much it hurts, plan a deeper bench from the very beginning. Do what it takes to make this happen. If you don't make this sacrifice early, more work and pressure is heaped on a single pair of shoulders. As the project progresses, a single point starts to become a bottleneck that the organization cannot afford. In the last few weeks before Go-Live, there is no time to bring new people up to speed to relieve that pressure.*

All through the project, functional users have the expectation that any requirement spoken aloud translates to system functionality even if the requirement causes a costly software modification. When the system is delivered, their satisfaction level is directly proportional to the number of their requirements that have NOT been delivered.

Lesson Learned: *Establish, communicate and religiously follow a process for requirements management and the software development life cycle. In it, clarify that all requirements are discussed and verified with the functional team and, once accepted as a project necessity, they are documented and reviewed with the technical team who respond with a technical solution and a time frame for delivery.*

It is too much work to keep the regional offices involved, so once a month they get a status update at a general meeting which includes several other agenda items. As testing and training begin, none of the end users in the regions can participate nor do they understand how to do their jobs when the new system is implemented.

Lesson Learned: *Over-communicate to and involve every stakeholder. A Communications Management Plan (which includes stakeholder identification and management), carefully considered and actively implemented, is essential to ensure people-readiness as the organization implements its new system.*

Some team members have been attending status meetings and receive most project communications, but the lion's share of the work is done by a handful of people (generally those four subject matter experts mentioned previously). Now these less involved members must serve during crunch time, but they protest to the point where their management allows them to avoid the work necessary to reach Go-Live.

Lesson Learned: *Ensure team members understand and embrace their roles and responsibilities from the very start of the project. Before the Kick-off meeting, document these roles and responsibilities and establish them as unbreakable ground rules. Communicate them verbally*

and in writing to the team and monitor the team's involvement during the project so that members who are not actively participating may be considered for removal from the project.

Conclusion

These ideas are shared so that you can maximize the success of your PeopleSoft implementation. It is certainly a daunting task, but with the correct combination of preparation, planning and focused execution, your implementation can be relatively hassle free and show benefits sooner rather than later. The challenge for readers is to turn these valuable lessons over to the other project managers in your organization. Keep the tradition alive to contribute to project success.

About the Author

Vicki Wrona, PMP, is the founder and President of Forward Momentum, LLC. She has over 20 years of leadership and project management experience, more than 15 years public speaking, and more than 15 years training and development experience. She has trained thousands of people, has mentored individuals and organizations and has authored multiple white papers and blogs. She was selected to serve on PMI's committee to write and review the PMBOK® Guide 4th edition and co-developed the program that won PMI's Professional Development Product of the Year award in 2007. She has served on the Board of Directors for the Texas Soaring Association. Her passion is equipping individuals and organizations with practical knowledge and tools so that results – and bottom-line impact – are consistently achieved.

About Forward Momentum, LLC

Forward Momentum, LLC is a woman-owned small business (WOSB) specializing in project management training/consulting, instructional design services, and custom learning solutions for commercial, government, and non-profit organizations. Since 2000, Forward Momentum has grown to develop, manage, and deliver award-winning Instructor-Led Training (ILT), virtual Instructor-Led Training (vILT), eLearning, and blended learning programs physically on five (5) continents and virtually to all seven (7) continents. Our eLearning is rigorously tested by DHS Certified Trusted Testers for Accessibility and is Section 508 compliant.

To date, we have trained over 40,000 people, including over 6,000 on the Project Management Professional (PMP®) certification exam preparation. We co-developed the innovative blended learning PMP® exam preparation program that earned PMI's Professional Development Product of the Year award in 2007. We are a PM Training Alliance® (PMTA) Certified Training Provider (CTP), and Project Management Institute® (PMI) Global Registered Education Provider (REP).

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