

FINANCIAL SYSTEM MIGRATION

Success Has Many Parents

SPEAKERS



Tracy Franklin

Manager, Financial Systems
Perkins Coie LLP



Daniel Pratt

IT Business Relationship Manager
Holland & Knight LLP



Steve Santurri

Director of Enterprise Applications
Cleary Gottlieb Steen & Hamilton LLP

POLL QUESTION: Where is your firm at in the Financial System migration process:

- a) Just beginning
- b) Mid-evaluation
- c) Decided and about to start implementing
- d) Mid-implementation
- e) About to or just went live
- f) None of the above

SESSION OBJECTIVES:

- Learn the key strategies, tactics, and pitfalls when converting to a new financial management system
- Lessons learned from the firms who have implemented new financial management solutions
- Sample documentation for an ERP Replacement Schedule, a Test Plan, a Communication Plan, a Training Plan and a Conversion Run Sheet

PHASE 1: PREPARATION

PHASE 2: DEMOS, SYSTEM EVALUATIONS, AND SELECTION

PHASE 3: PROCESS REVIEW & PLAN FOR IMPLEMENTATION

PHASE 4: IMPLEMENTATION, TEST CONVERSIONS & QA

PHASE 5: GO LIVE, REMEDIATION, AND FUTURE ENHANCEMENTS

FISHBOWL

PHASE 1: Preparation

- Define high-level goals
 - What trade-offs are you willing to make?
- Define stakeholders
 - How will you manage stakeholder engagement?
- Consider budget and staffing
 - Think about internal staff and need to backfill during project
- Assemble the decision-making team
- Governance – how will you involve the partnership?
- What modules are you looking for?
- What third-party products can you eliminate?
- What unique or unusual requirements will require special attention?

PHASE 2:

DEMOS, SYSTEM EVALUATIONS, AND SELECTION

- FUNCTIONAL CHECKLIST
 - Main functional categories (Billing, International Accounting, Time Entry, Security, etc.) with detailed item list
 - Evaluate how well each system satisfies requirements, particularly for anything where you have needs you think are not common
 - Focus on the things that really matter

PHASE 2:

DEMOS, SYSTEM EVALUATIONS, AND SELECTION

- COMPARISON CHECKLIST
 - Side by side comparison of major components where the vendors have a significant difference
 - For each one, specify remedy/mitigation if you were to pick the less suitable vendor
 - Consider person-hours for manual workarounds, costs for 3rd-party products, etc.

PHASE 2:

DEMOS, SYSTEM EVALUATIONS, AND SELECTION

- VENDOR DEMOS
 - Work with vendors to plan scheduling for demos
 - Try for concurrent sessions on different topics to maximize value while vendor is on site
 - Ask to see critical features for your firm demoed live
 - Don't hesitate to ask for the resources you need to make your decision

PHASE 2:

DEMOS, SYSTEM EVALUATIONS, AND SELECTION

- MAKING THE CHOICE
 - Weigh what you've learned against your specific firm objectives
 - Do in-depth reference calls – talk to both senior staff and people who use the system every day
 - The implementation partner and its project plan is equally important

**PHASE 3: PROCESS REVIEW &
PLAN FOR IMPLEMENTATION**

PLANNING THE PROJECT

- Allow lots of time for business analysis
- Expect to reengineer processes, in some cases considerably
- Divide into work streams and appoint functional leads
- Ensure broad representation across firm, especially for financial topics with local impact (e.g., VAT)
- Establish high-level project principles; use them to drive decision-making

SUB-PROJECTS

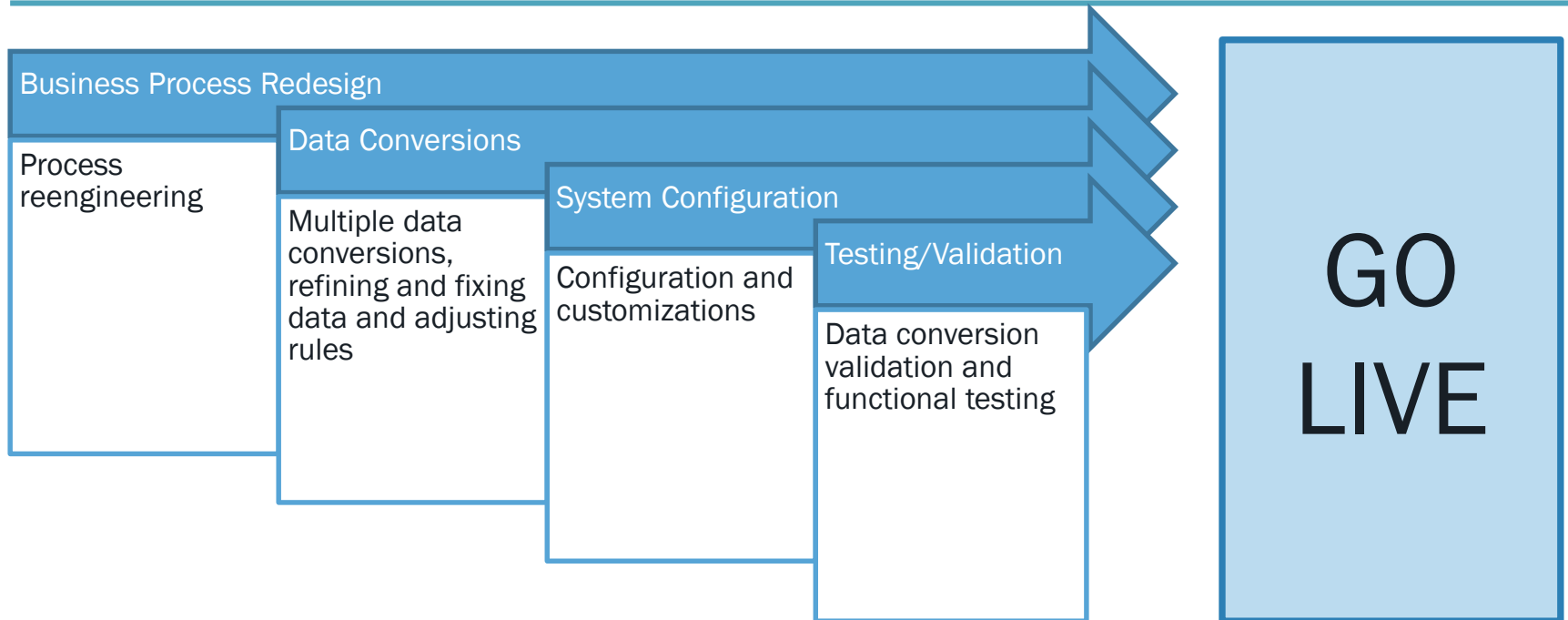
- Understand what initiatives may be sub-projects that need to be managed separately
 - Creating a new chart of accounts
 - New business intake
- Make sure timelines are aligned and external stakeholders are aware of dependencies

DATA CLEAN-UP

- Understand vendor's best practices for data integrity
- Do not underestimate the time and resources required
- Bake data clean-up into your business processes so it is always ongoing

**PHASE 4: IMPLEMENTATION, TEST
CONVERSIONS & QUALITY ASSURANCE**

IMPLEMENTATION CYCLES



INTEGRATIONS

- Role of a Master Data Repository (Clients, Matters, Timekeepers, etc.)
- Almost every system integrates with the firm's Financial System
- Master Data Replicate key tables to other consuming systems
- Data warehouse for reporting

TEST CONVERSIONS → TESTING

- Build testing plans into the project from the beginning:
 - Data conversion validation
 - Functional testing
 - End to end testing
 - Performance testing
 - Load testing

TESTING: KEY THINGS TO KEEP IN MIND

- Don't wait until late in the project to do load testing
- Expect performance problems; diagnose and fix before you go live
- Develop a good regression script; keep it updated; don't worry about every edge case
- Define a method for issue reporting, triage, and tracking

MANAGING SCOPE CREEP

- Employ a governance strategy for scope decision-making
- Assess true Day 1 requirements vs. what can be pushed to a later phase

**PHASE 5: GO LIVE, REMEDIATION &
FUTURE ENHANCEMENTS**

GO LIVE READINESS

- Setting your go-live date
- All hands available for go-live period (IT/Finance)
- Intake/triage process for issues
- Separating issues from feature requests

LESSONS LEARNED

- One of the defining characteristics of a successful project is when finance, operations and IT are aligned before, during and after the project commences.
- Maintaining consistent personnel throughout the project is ideal
- Consider long-term impact of project decisions

LESSONS LEARNED

- Engaged executive sponsorship is vital
- Define the right roles early
- Performance and load testing is critical
- Pay attention to communications: audience, frequency, substance

A FINANCIAL SYSTEM MIGRATION IS LIKE.....

.....preparing for a "Big Game" - you practice, you coach, you train, you work hard and you strategize! When it is done.... you celebrate your Victory!

QUESTIONS?

- Tracy Franklin <tfranklin@perkinscoie.com>
- Daniel Pratt <daniel.pratt@hklaw.com>
- Steve Santurri <:ssanturri@cgsh.com>

ADDITIONAL MATERIALS

- Additional materials available for download:
 - Conversion Run Sheet Sample
 - ERP Replacement Scheduling Sample
 - Example Communications and Training Plans