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City of Redmond

City meets the future with accountability and efficiency by deploying powerful ERP system

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The City of Redmond is proud of its responsiveness and the wide range of services it offers to constituents. Aiming to take the city into the future, mayor and leadership developed a visionary strategic technology plan. Redmond sought to make its business processes more efficient and transparent, replacing an ERP system that was unable to fit public-sector needs and could not accommodate the way the city's departments and employees work.

> With Microsoft Dynamics AX 2012 we can realize our vision of a full-service city. Not only will it make our jobs a lot easier, but it will also make jobs in other cities across the nation much easier.

John Marchione
City of Redmond
Mayor

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Engaging with Microsoft Gold Certified Partner Tyler Technologies, the City of Redmond implemented Microsoft Dynamics AX 2012 for public-sector organizations together with other software tools. Now, with streamlined operations and employees empowered with meaningful data, Redmond can provide citizens greater service quality and more effective communications. The city's work culture is transforming for optimal transparency and accountability.

Situation

The City of Redmond, Washington, serves a diverse population of close to 54,000 citizens with a staff of approximately 650 people. Redmond, unlike many smaller cities, provides a full range of services, including public safety, human services, business development services, and traffic and transportation services. The city's overall budget for 2011/2012 was just over U.S.$523 million. Redmond is home to the corporate headquarters of Microsoft, many Microsoft partner companies, and thousands of people who work in these organizations.

Strategic plan to bring the city into the future

Mayor John Marchione started his four-year term in early 2008. "When I became mayor, I wanted to bring Redmond into the future," he says. "With Microsoft right in our city, it made good sense to explore the possibilities in our relationship with the company. When I visited Microsoft, I heard about the home and the office of the future. And then, I started a conversation about technology supporting the public sector of the future." Marchione began working with the city council and administrative leadership to establish a strategic technology plan for Redmond. One of the key components of the plan was updating the city's financial management software tools.

Inefficient processes and systems

At the time, the city used a JD Edwards enterprise resource planning (ERP) system to manage its finances, resources, and projects. Mike Bailey, Director of Finance and Information Services at the City of Redmond, had recently joined the city's administration, where his role included responsibility for the IT department and technologies in addition to the finance department. "The city had implemented the JD Edwards system not all that long ago, but it really wasn't working well for what city employees needed to accomplish," he explains. "Access was also limited; only a few people in the finance management group were able to use the system. Our customers —the departments we serve and which need information to provide public services—were asking for better tools." Malisa Files, Financial Planning Manager for the City of Redmond, adds, "When other departments needed

Solution Overview

Product and Services
Microsoft Dynamics AX
Microsoft Exchange Server
Microsoft SharePoint Server
Windows Server

Industry
Government

Organization Size
Medium (50 - 999 employees)

Country
United States

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financial information, they called us for assistance. Not only was this inefficient, but it also caused a workload issue in the finance group."

For most city department managers, real-time budget information was critical in planning and managing projects, but obtaining such information required somebody else to run a report. This also made it difficult to answer questions that the mayor and council members asked. Tracking the finances involved in capital and grant-funded projects also posed difficulties. Managers, having obtained financial details from the finance group, designed their own processes to project expenses, support operations, and pay invoices, most often by using Microsoft Excel spreadsheets. Says Bailey, "We looked for leadership and best efficiency in serving constituents, but our technology tools were unable to support our efforts effectively. For that reason, developing and maintaining a culture of accountability was also challenging."

The city's financial reporting also lacked the desired effectiveness. Sheila Colyer, Accounting Services Manager for the City of Redmond, says, "In my job, I oversee the city's accounting and payroll systems and am responsible for reporting and continuing disclosure for auditors and financial regulators in relation to the city's bonds, revenue, and financial performance. We could only review individual accounts and were unable to perform reliable, meaningful data analysis."

Broad, innovative perspective

Redmond's implementation of the JD Edwards system took place shortly before PeopleSoft purchased JD Edwards, followed soon thereafter by Oracle acquiring PeopleSoft. The city's IT managers became concerned about the continuing support and enhancements for the system, and reimplementing or upgrading JD Edwards did not look promising to them. Says Bailey, "We wanted to provide the system's resources, in terms of functionality, workflows, and information, to the entire city administration. It became clear that doing so required new technology tools."

Solution

When Bailey participated in a CIO summit at Microsoft, he learned about Microsoft Dynamics AX, the company's ERP system for larger companies and organizations with complex challenges to meet. After some deliberations, the City of Redmond decided to participate in the Microsoft Technology Adoption Program for Microsoft Dynamics AX 2012 within the context of its technology strategy. "Microsoft was looking for a public-sector organization that would provide thorough feedback on the new version of the product, and we wanted to find an ERP system that would help us manage the city's business in the most effective way," says Bailey. "Joining in this effort with Microsoft made sense for everybody involved, and we were excited to have a voice in ensuring that the solution met the needs of public-sector entities." City leadership felt that exploring the partnership with Microsoft and incorporating the strengths of a proven ERP solution was a promising strategy.

Engaging with a highly experienced software and service partner

The city engaged with Tyler Technologies, a Microsoft Gold Certified Partner and one of the largest technology vendors in the United States dedicated to serving the public sector. Leadership, business owners, and project managers from Redmond worked closely with public-sector and technology experts from Microsoft and Tyler Technologies to assess the city's requirements for the new ERP system and translate them into solution capabilities. Tyler team members, expertise, and technologies played a multifaceted role in the project. Technologists from Tyler engaged with the city's IT department to implement Microsoft Dynamics AX 2012 and provide the needed data migration and user training. Working with Microsoft, the company's developers also co-created the solution's functionality for public-sector entities, frequently incorporating ideas and requests from Redmond's stakeholders and collaborating closely with the Microsoft product team. In addition, for Redmond, Tyler deployed and integrated its own software tools with Microsoft Dynamics AX 2012, including Eden payroll functionality and cashiering capabilities. Within the implementation project, Tyler provided some additional integrations to the city; for example, Microsoft Dynamics AX 2012 connects with the American Express system to make expense management easier.

Building a manageable, dependable infrastructure

In addition to a new ERP system, Redmond's strategic technology plan called for a number of other technology projects to enhance the city's service capabilities and to gain the best value from Microsoft Dynamics AX 2012 after its implementation. Early in 2011, the city relaunched its website after refreshing content and adding practical functionality for citizens. Newly available on the site, for example, are crime and incident statistics based on data from geographical information systems. The city also streamlined its workflow for business licenses, added new service management and fleet maintenance systems, and automated the process of developing and maintaining the city council agenda.

To build a versatile, dependable infrastructure and support productive communication and collaboration around the new ERP system, the city implemented a number of other Microsoft products. At the server level, these included Windows Server 2008 R2 with Hyper-V, Microsoft SharePoint Server 2010, and Microsoft Exchange Server 2010. Updates to employees' computers included Windows 7 and Microsoft Office 2010. Linda Hermanson, CIO at the City of Redmond, says, "We needed to bring our technology infrastructure up to current standards, but we also used the opportunity to make it more efficient and dependable. Server virtualization lets us deploy our hardware and data-center resources more economically and with greater flexibility. With Microsoft Dynamics AX 2012 and the other Microsoft technologies, we have a unified, consistent infrastructure that creates a minimal administrative workload for the IT group."

Creating optimal technology tools for the public sector

During the development of Microsoft Dynamics AX 2012 for public-sector organizations, more than 700 requests and suggestions by Redmond employees turned into functionality that is part of the solution. Discussing one typical example of this collaboration, Files says, "Public-sector organizations typically need project-accounting capabilities that can accommodate grants and grant management. The project-accounting modules in ERP systems are typically tailored for construction and other projects, which tend to be much larger than most projects funded by grants. The solution needed some adjustments for project accounting with grants or it would have been too restrictive. Microsoft and Tyler were wonderful in listening to our ideas and developing them into product features." However, once it came to the implementation of Microsoft Dynamics AX 2012, the city required very few customizations. "We wanted to deploy the solution as closely as possible to the standard version," says Hermanson. "That will make it much easier to manage and upgrade than highly customized technology."

As city project leaders realized what the new ERP system and other technologies would help employees accomplish, they took advantage of opportunities to revise business processes for greater efficiency and simplicity. Those included a new chart of accounts, workflows and approvals for spending and invoices, budgeting, and other tasks.

With the imminent availability of Microsoft Dynamics AX 2012 for all of the city's business groups, leadership introduced the new technology to many employees during a kick-off event at city hall. Project stakeholders from the city, Microsoft, and Tyler demonstrated such solution capabilities as project accounting, budgeting, employee self-service, and human resources management to people who were seeing the solution for the first time. Attendees included many workers from the city's finance and administrative departments; members of the police force, firefighters, and emergency service providers also took time to learn.

Benefits

By implementing a new ERP system, the City of Redmond has taken a large step forward in its strategic technology plan and is already garnering visibility from municipal and regional governments across the country. "With Microsoft Dynamics AX 2012, we can realize our vision of a full-service city," says Marchione. "Not only will it make our jobs a lot easier, but it will also make jobs in other cities across the nation much easier." Adds Bailey, "We are developing a new mindset and accomplishing a fundamental change in using technology to help us be better at what we do. That is an important, high-level win resulting from a lot of projects, among which the implementation of Microsoft Dynamics AX 2012 is the most prominent."

Employees empowered to take care of city business

During the kick-off event, many city employees experienced the Role Centers in Microsoft Dynamics AX 2012 and saw how they could simplify their lives with this new user experience. Says Files, "I'm very enthusiastic about the Role Centers because they are such a contrast to what we had before. The interface presents the most important financial details we need to be aware of and eliminate a lot of distraction from information that isn't relevant to our jobs."

Instead of calling the finance group to ask for information, employees throughout the city can access their Role Centers and easily find what they need. "We want to expose a lot more information to a much broader audience, including elected officials and constituents," states Bailey. "The familiar look of the product will immediately remove barriers that some people might experience when it comes to financial information."

By using Microsoft Dynamics AX 2012, the finance group will benefit from more manageable workloads, allowing team members to refocus some of their tasks. "Directors and employees will no longer depend on us to run and provide reports," Colyer comments. "We automate the report generation in the ERP system and make them available on the Role Centers, where people can access them as needed. For me and my colleagues, this means we can play a different, more valuable support role as we help departments and decision makers consider the data in the right way and take the right analytical steps."

Gains in efficiency, accountability, and transparency

From eliminating duplicate data entry to replacing disparate tasks with streamlined workflows, Redmond is generating efficiencies by using the financial management capabilities in the new ERP system. "We can now decentralize many functions and assign resources to more important functions or, in some cases, actually reduce the level of full-time employees dedicated to certain tasks," says Marchione.

Explaining how new workflows impact the city's operations, Files says, "We can easily build and adjust workflows to include all the right people and steps. For example, we can generate a requisition, turn it into a purchase order, acquire the goods and services, and pay vendors all within one consistent sequence of activities, including all necessary electronic approvals and checks. It's similar when it comes to budgeting and financial planning. We no longer have to keep separate spreadsheets, which were often hard to access, and we stopped generating reams of paperwork and sending it to people."

As Bailey points out, the remarkable efficiency gains also help to change the way city employees work and think. "By using Microsoft Dynamics AX 2012, we've become more effective facilitators of public benefit," he says.

Greater strategic value of financial management

Redmond's finance department uses Microsoft Dynamics AX 2012 for important tasks such as reviewing budgets and accounts in real time, performing efficient fund accounting, and ensuring grant compliance. Finance team members, who found many of their ideas and requests developed into functionalities in the new ERP system, also

gained extensive analytical capabilities. Says Files, "We're especially thrilled about the data cubes and Microsoft Office Add-In technology. For my team of financial analysts, who perform budgeting and forecasting, it will become a lot easier to obtain meaningful information and report on it in any way they like." Colyer adds, "With the new self-service functions available to employees in all departments, we will no longer be the clearing house for financial information. Instead, we can become more valuable and strategic in moving the city forward."

Increased responsiveness to elected officials and citizens

Redmond expects to improve its responsiveness to elected officials and citizens with the help of the new ERP system and other technologies. Says Marchione, "The government of the future is always looking to better connect with the community and provide improved and more efficient services. Microsoft Dynamics AX 2012 is one great tool that will help us get there."

Drawing on financial information from the ERP system, city employees will be able to provide answers to council members faster. The information itself will be current and comprehensive, which was a challenge in the past. "One result of our new productivity and efficiency is that we work with a much greater level of accountability and transparency within the organization and to the citizens and elected officials," explains Bailey. "With Microsoft Dynamics AX 2012, our improved processes will directly impact how well we serve the community and enable people to interact with the city. It will also present new opportunities for service improvements. It's very exciting to see that our new ERP system can reflect the vision of our elected officials who represent our constituents."

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