Examining the Total Cost of Ownership for Social Service Case Management Solutions

accenture > ORACLE

High performance. Delivered.

• Consulting • Technology • Outsourcing
Executive summary

In the past, the question of build versus buy was a theoretical versus a practical debate for the social services market because commercial off-the-shelf (COTS) software products were not available. As vendors are increasingly introducing commercial products to the social services market, agencies are now able to seriously consider the benefits of a COTS solutions approach for social services case management.

Public service agencies striving to achieve high performance have long debated whether to implement custom/transfer or COTS solutions to carry out mission-critical activities. Accenture has noticed a shift to COTS solutions for enterprise financials, human resources (HR), office automation and e-mail systems because the industry has recognized the relative maturity and subsequent savings from packaged offerings. In terms of social services case management systems, there has not been a consistent industry answer on whether to implement COTS or custom/transfer solutions.

Oracle Corporation and Accenture believe it is critical to analyze the total cost of ownership (TCO) of a social services solution, weighing both direct and indirect costs, to understand the best long-term solution. The following pages outline key TCO criteria to consider when evaluating COTS against custom/transfer offerings.
Direct Cost + Indirect Costs = Total Cost of Ownership
Evaluating total cost of ownership for a comprehensive view of solution costs

Accenture and Oracle believe that the total cost of ownership needs to be considered from the very beginning of the planning for a new information system. When evaluating vendor proposals, agencies should carefully analyze TCO, in addition to the typical budget analysis required to justify a new information system. Social service case management systems are long-term systems, yet solicitations frequently focus only on evaluating upfront design, deployment and testing costs while not fully considering the long-term training, maintenance and support costs.

Requirements found in most case management system solicitations focus on basic case management system functions. System integrators responding to government information system solicitations typically address these basic business and technical requirements at the lowest possible cost. The complete feature set available in COTS solutions is often not considered or scored in proposal evaluations. However, what happens if the organization wishes to significantly extend the capabilities of the core system at a later date? With most custom solutions, this is a very expensive proposition. For example, adding a mobile computing capability to a custom solution typically requires extensive coding. In contrast, to add this capability to a Siebel-based COTS solution would require a one-line edit to a configuration file.

The evaluation of total lifecycle costs of various solutions is unclear under traditional procurement approaches. Typically, vendors are asked to provide a rate table for maintenance and operations staff. Yet, how are the support team staffing levels and skill mix differences between COTS and custom/transfer solutions factored into the analysis? These differences can have a significant effect on the total lifecycle cost of each solution.

Accenture and Oracle recommend that agencies consider revising solicitations to evaluate system features, beyond basic functions, and consider total lifecycle costs. Additionally, procurement teams should be educated on the differences between COTS and custom/transfer solutions so that these factors can be taken into consideration in proposal evaluation and scoring.

Analyzing total cost of ownership

A total cost of ownership (TCO) analysis model enables an organization to consider resource commitments and identify support cost options while providing a context for examining the effect of license fees. A TCO model also exposes the long-term ramifications of decisions made today and provides the context for tactical decision making as well as strategic planning. TCO incorporates both direct and indirect savings. While direct savings are more easily quantifiable, it is often the indirect savings that can deliver the greatest long-term value to the organization.
Indirect costs
<table>
<thead>
<tr>
<th></th>
<th>System sustainability and flexibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Application architecture</td>
</tr>
<tr>
<td>3</td>
<td>Integration</td>
</tr>
</tbody>
</table>
01 System sustainability and flexibility

Just as an organization must be flexible and agile, so must its IT underpinnings. No matter which approach the agency takes (custom/transfer or COTS), it is critical that the system is properly designed to adapt as technology changes, and as the agency’s needs change.

Before deciding on an approach, it is important to understand the range of solutions available in the market. Evaluating the next generation of social services case management solutions requires agencies to move away from focusing on current system requirements and to educate the organization on the components of modern case management solutions.

It is often a bad decision to choose a custom approach for the sole purpose of taking advantage of a specific new technology. The technology motivation is often rooted in an emotional foundation coming from the technology advocates. Their true motivation, usually not recognized by them, is often the desire to move into a technology more personally interesting.\(^1\) Deciding on a path solely based on technology may result in an organization making decisions that affect its ability to adapt to change over the life of the system.

Rather than basing a purchase decision on the technology underpinning of the various options, consider the following questions:

- **Functionality.** How will the solution capture client information, manage case visibility and initiate workflows? A mature solution will address upwards of 80 percent of agency requirements.

- **Business process.** Rather than asking if the solution supports current processes, ask how the solution addresses processes? This nuance may uncover new approaches and governance models to support key processes.

- **Innovation.** Is the company or solution positioned to keep pace with trends such as multichannel support, mobility and Web 2.0? What is the company’s history of innovation? A partner must be prepared to take the agency forward as trends emerge.

- **Shared services.** What is the inventory of systems available across the agency and the broader organization? Reusing system components could diversify maintenance costs, through the use of shared services in such areas as intake, rules, financials and reporting.

- **Skill sets.** What skill sets are available to maintain the custom/transfer versus COTS offering? To keep the system up and running, agencies must be able to access these skill sets for 10, 15 and up to 25 years.

Information technology is changing at a rapid rate; it is critical that solution flexibility and sustainability are evaluated as part of the TCO. Failure to implement a solution that includes a roadmap to evolve as IT trends emerge may result in long-term costs that are difficult to quantify, but painful to the organization.

\(^1\) *Build Versus Buy—A Long Term Decision*, Olin Thompson, May 30, 2002, pg. 1
Accenture and Oracle insight

Custom/transfer transfer systems have evolved over long periods of time; as a result, underlying code bases and architectures can become overly complex and hinder long-term maintainability.
Oracle application integration architecture

Best industry processes

Outreach → Screening → Enroll → Manage case → And more...

Pre-built sustainable integrations

Grants management and reporting | Disbursement | Referral to requisition | Agreement to contract | Cost of case

Foundation packs

SOA reference architecture

SOA programming model

Enterprise business services

SOA governance

Industry leading

Oracle fusion middleware
02 Application architecture

An application’s architecture is probably the single most important factor in reducing an application’s TCO. Furthermore, the relative success of a system starts at the foundational architecture. An optimal architecture is structured to enable flexibility and scalability as business practices change and business rules are rewritten.

Custom solutions require vendors to create the architecture from scratch, or adopt an architecture only proven in a small number of implementations. In a COTS approach, vendors leverage an architecture proven by thousands of customers worldwide. While the relative TCO of application architecture cannot itself be measured, well-designed application architecture promotes hardware optimization and cost reduction while the flexibility and scalability of that architecture reduces overall maintenance and upgrade costs.

03 Integration

Social services case management systems are at the heart of an agency’s mission; as a result, there are multiple integration points to external systems. In poorly designed integration architectures, developers must be knowledgeable about each application and also trained on the interoperability tools required to complete the integration. This limits an organization ability to upgrade or modernize key systems due to the inherent integration risk.

Oracle and Accenture believe integration should no longer be the agency’s concern, but rather the concern of the software vendor. The two companies have joined forces to deliver pre-packaged integrations, built on open standards, to promote long-term sustainability.

In those areas where pre-built integrations are not yet available, COTS solutions are designed with wizards that business users can follow to expose Web services. This approach reduces system maintenance costs and promotes ease of data sharing between legacy systems. Using Web services as the integration approach reduces the number of point-to-point integrations across systems, making it easier to manage upgrades. While custom solutions can be architected to support integrations in a flexible environment, packaged software is a more proven and reliable approach in cases where integration with other systems and modules is a major requirement.²

Direct costs
Direct TCO costs are easier to quantify and compare in custom/transfer and COTS solutions. There are five areas to analyze in direct TCO:

01 Initial development and deployment
02 Training
03 License costs
04 Maintenance
05 Operational support
01 Initial development and deployment

Accenture understands the effort required to deploy statewide child welfare case management systems. Based on experience deploying statewide child welfare case management systems in New York, Texas, Georgia, Nebraska and Wyoming, Accenture conducted an in-depth analysis of the cost to deploy a COTS case management solution to support child welfare case management. Results of this analysis indicate that the cost to design, develop and deploy such a solution roughly correspond to the costs associated with deployment of a custom/transfer solution with similar functionality, however the operational and maintenance costs of a custom/transfer solution far exceed that of a COTS offering.

02 License costs

There is a license fee associated with both a COTS and custom/transfer solution. This license fee is payment to a private vendor for the millions of hours spent in research and development to deliver a best-in-class solution. Initial license fees will decrease the amount of design time required on the part of a systems integrator to deploy the solution. As a result, Oracle and Accenture believe most government agencies are able to achieve the benefits of a COTS solution for an initial cost comparable to custom deployment.

If COTS proposals do not decrease the systems integration implementation costs, the agency should question the application architecture used as the foundation of the solution. Robust application architecture will significantly reduce development and maintenance effort. Additionally, significant customization to the base COTS package could be another driver in systems integration costs. Accenture's evaluation of Oracle's Siebel Case Management out-of-the-box functionality indicates that the base COTS solution meets a significant number of the case management requirements for a child welfare case management system, without need for significant customization.
03 Training

Among the most commonly overlooked and underestimated application costs are those for end user training. Custom-built social services case management applications tend to have higher training costs than packaged applications, partly because they are often designed with the greatest focus on functionality versus usability. Developers are typically charged with developing a system that includes certain required functionality by an agreed-upon deadline. System usability is often viewed as of secondary importance.

Packaged applications provide two benefits over custom solutions in the area of training.

1. Packaged applications are designed to maximize usability because they must have appeal and market acceptance. Extensive user experience studies are leveraged during the design and enhancement process. One of the outcomes of the user experience studies at Oracle was the development of the Case Management Task Based User Interface. This unique user experience presents to the end users only those fields they need to complete a given task, for example, screening an intake, documenting a client contact or making a placement in a foster home. With this approach, users are guided through a business process in a step-by-step fashion and are presented with the option to pause a task at any given time.

The navigation and user benefits of a packaged solution enable organizations to more easily train users in less time, which directly benefits the organization’s training budget.

Annual recurring benefits associated with new worker training would be 25 percent of the above figures assuming 25 percent annual workforce attrition.
<table>
<thead>
<tr>
<th>Social service case management systems</th>
<th>Number of classroom training days to support statewide deployment</th>
<th>Staff time required to attend initial deployment training</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Custom/transfer</td>
<td>25,000</td>
<td>$6.8 million</td>
<td>Assumes five days of classroom training on average, per user, based on experience deploying custom/transfer child welfare case management systems. Five days of classroom training for 5,000 users with a loaded payroll rate of $60,000 per year = $6.8 million.</td>
</tr>
<tr>
<td>COTS</td>
<td>12,500</td>
<td>$3.4 million</td>
<td>Able to reduce classroom training time by half as a result of usability improvement associated with COTS software and availability of user performance support tools built into the system which provide point of need assistance for new users. Two and a half days of classroom training for 5,000 users with a loaded payroll rate of $60,000 per year = $3.4 million.</td>
</tr>
<tr>
<td>Number of consultants trained to develop and maintain a typical custom/transfersolution</td>
<td>Number of Accenture consultants trained to develop and maintain Siebel-based solutions</td>
<td>Comments</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>50–100</td>
<td>More than 6,000 Siebel CRM-skilled professionals</td>
<td>Accenture has a pool of thousands of Siebel-skilled professionals. Accenture has implemented more than 2,100 Siebel CRM-based solutions. In addition, more than 390,000 consultants in the general job marketplace have been trained to develop and maintain Siebel CRM-based solutions. Typical custom child welfare case management systems have a small number of implementations, resulting in a limited pool of resources knowledgeable in the underlying architectures supporting the custom solution.</td>
<td></td>
</tr>
</tbody>
</table>
2. Packaged solutions make available third-party training resources for developer training. COTS case management vendors with broad market presence provide standardized training to consulting firms, systems integrators, business users and IT staff. Through packaged training offerings, developers can leverage such tools as user productivity kits, Web-based training, train the trainer programs and in-class training at a very competitive rate, compared to custom-designed classes.

Over the course of 15 years, it is expected a 5,000-person organization could save more than $16 million in training through the adoption of a COTS approach.

As COTS application vendors gain wide market acceptance (such as Oracle, the basis of Accenture’s Case Management Solution for child welfare using Siebel Public Sector), the associated training is fine-tuned based on the feedback from a wide variety of stakeholders. Organizations thereby gain two benefits:

- Mature training courses meet the requirements of various stakeholders.
- Access to a broad pool of trained personnel on the application.

Organizations should consider the availability of training and the number of people who have attended training classes, as this will determine the market availability and associated cost when external resources are required to support the system.
04 Maintenance

Maintenance is an area where COTS solutions take a very different approach from custom offerings. The majority of ownership costs for any solution implementation are not incurred in the initial deployment phase, but rather over time. Through a COTS approach, agencies are asked to pay for these costs through a maintenance fee. Custom solutions do not charge a maintenance fee but, likewise, do not provide an upgrade path. Agencies are forced to essentially rewrite the system when significant modernizations are required.

Organizations are charged a percentage maintenance fee for a COTS solution. This maintenance fee provides the agency with well-tested, scalable architectures, optimized data models, upgrade tools and toolkits that significantly reduce the need for custom coding and reduce the effort required to implement enhancements over time.

Accenture chose to team with Oracle on the next-generation child welfare solution, in part because of developer productivity enabled through Siebel Tools. Siebel Tools is the primary tool used to configure the Case Management Solution to meet specific agency business requirements. This software features a graphical drag-and-drop user interface and is declarative in nature. Declarative configuration enables business objects to be created or modified simply by setting their properties, rather than modifying the underlying code. Authorized business users are able to play a significant role in the configuration and ongoing maintenance of the system, thereby reducing reliance on information technology staff for long-term system support.

Upgrades
Upgrades to custom solutions are typically very expensive. If the scope of the desired upgrade is significant, the custom solution may not be a viable platform, resulting in the need to re-procure the solution. Flexible and cost-effective upgrades are a significant benefit of COTS solutions. The Siebel declarative configuration model enables automated upgrading of client customizations. Siebel Tools includes the Siebel application upgrade feature, this is a fully automated tool that reduces the effort required to upgrade configuration changes to a few person months—a level of effort that is typically orders of magnitude less than custom solutions.

Agencies are frequently intimidated by upgrade costs. Many have the mistaken impression that upgrading a case management solution will cost tens of millions of dollars. While this may be true for a custom solution, a properly implemented COTS solution should never cost as much. It is not uncommon for customers who have deployed Siebel-based solutions to upgrade by dedicating just two to three full-time employees from the operations team to the upgrade effort for a total of two to three months. A similar custom approach would essentially equate to a significant system overhaul.

Annual maintenance fees also help ensure the long-term viability of a COTS case management system. Through maintenance fees, vendors are able to invest in research and development that helps yield long-term solution success. Government agencies should be skeptical about the long-term viability of any COTS solution that does not charge a maintenance fee.

A solution that is easy to modify and upgrade empowers the organization to take advantage of enhanced functionality as new releases, or new technologies, emerge over the lifecycle of the system.

---

Accenture and Oracle insight

Government organizations, challenged with tight budgets, are seeking opportunities to reduce reliance on contracted staff for support of systems, where possible. Business users desire greater control over maintenance of their core case management systems.
<table>
<thead>
<tr>
<th></th>
<th>Number of technical staff required to support system operations</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case Management Solution</td>
<td>4</td>
<td>Based on a review of operational support staffing required to support Accenture implementations of Siebel CRM applications</td>
</tr>
<tr>
<td>Custom/transfer solution</td>
<td>8</td>
<td>Based on a review of operational support staffing required to support Accenture custom child welfare applications</td>
</tr>
</tbody>
</table>
05 Operational support

While the ability to upgrade and modify the solution in the future is important, how the upgrades are implemented should also be a consideration. The traditional custom approach has been to hire a systems integrator to build a transfer solution, based on proprietary code, which only that vendor knows how to maintain. As a result, organizations are locked into a long-term relationship with a single vendor. Accenture and Oracle believe it is time for that relationship to change and for customers to control their support options.

Based on experience implementing the Siebel Case Management Solution, as compared to a custom approach, Accenture believes there are compelling reasons for a social service organization to seriously consider adopting a COTS-based approach. Productivity tools used by operational support staff, such as Siebel Tools, greatly simplify and streamline system support. Based on a review of current custom/transfer and COTS-based case management systems in production, Accenture and Oracle see a 50 percent reduction in effort to support COTS solutions in production compared to comparable custom/transfer solutions as noted in the figure below.
Findings
Oracle and Accenture believe the savings achieved through the deployment of a COTS social services case management solution are quantifiable in terms of cost, resources and sustainability. From a cost and resource perspective, Oracle and Accenture have identified the following total cost of ownership drivers in a typical 5,000 user installation.
# Findings

## Deployment cost analysis

<table>
<thead>
<tr>
<th>One-time costs</th>
<th>Accenture Case Management Solution</th>
<th>Custom/transfer system</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial software development and deployment efforts</td>
<td>25% less than Custom</td>
<td>25% more than COTS</td>
<td>Comparison of actual Accenture project results from Oracle versus custom solutions shows a 25% productivity gain with COTS for application development activities.</td>
</tr>
<tr>
<td>Initial license costs</td>
<td>5 times Custom</td>
<td>1/5 of COTS</td>
<td>Based on a review of actual project license costs of COTS versus custom/transfer systems.</td>
</tr>
<tr>
<td>Hardware</td>
<td>$1.5 million</td>
<td>$1.5 million</td>
<td>Hardware costs for COTS and custom/transfer solutions are generally comparable based on a review of recent projects.</td>
</tr>
<tr>
<td>Staff time to attend deployment training</td>
<td>$3.4 million</td>
<td>$6.4 million</td>
<td>As noted previously, able to reduce classroom training time by half as a result of COTS ease of use and performance support tools in COTS solution. Figure does not take into account additional savings through reduced instructor, material duplication, facility and travel costs.</td>
</tr>
<tr>
<td>Total deployment cost</td>
<td>Comparable with initial cost of Custom</td>
<td>Comparable with initial cost of COTS</td>
<td>Bottom-up estimates for design, build and deployment of COTS versus custom/transfer solutions shows initial costs are comparable.</td>
</tr>
</tbody>
</table>

---

4 Accenture/Oracle estimates based on current market understanding and previous implementation experience.
Recurring cost analysis

<table>
<thead>
<tr>
<th>Recurring annual maintenance and operations costs</th>
<th>Accenture Case Management Solution</th>
<th>Custom/transfer system</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations labor skill mix</td>
<td>0% in house 100% vendor supported</td>
<td>0% in house 100% vendor supported</td>
<td>Recommend maintaining a contractor team to support operations under both a COTS and custom/transfer solution.</td>
</tr>
<tr>
<td>Operations costs</td>
<td>$850,000 (4 vendor FTEs)</td>
<td>$1.9 million (8 vendor FTEs)</td>
<td>Based on a review of actual operations teams supporting Oracle-based solutions compared to custom/transfer solutions. Assumes rate of $125 per hour.</td>
</tr>
<tr>
<td>Maintenance labor skill mix</td>
<td>75% in house 25% vendor supported</td>
<td>0% in house 100% vendor supported</td>
<td>Due to ease of use, COTS enhancements able to be supported with 75% in house staffing versus custom/transfer solutions. Custom solutions typically require vendor resources to support solution due to intricacies in the system design and architecture.</td>
</tr>
<tr>
<td>Maintenance cost</td>
<td>$450,000 (4 FTEs: 1 vendor and 3 in house)</td>
<td>$1.7 million (7 vendor FTEs)</td>
<td>Fewer staff required to enhance COTS solution due to productivity gains through the use of configuration tools. Additionally, COTS skill mix enables use of lower cost resources ($35/hr for in house and $125/hr for vendor).</td>
</tr>
<tr>
<td>Annual new worker training costs</td>
<td>$850,000</td>
<td>$1.7 million</td>
<td>Assumes 25% attrition on a workforce base of 5,000 staff and an average loaded payroll cost of $60,000 per worker.</td>
</tr>
<tr>
<td>Annual software maintenance fees</td>
<td>$1.3 million</td>
<td>$300,000</td>
<td>Based on a review of actual COTS and custom/transfer systems supporting appx. 5,000 users.</td>
</tr>
<tr>
<td>Total annual cost</td>
<td>$3.5 million</td>
<td>$5.6 million</td>
<td>Net result is a $2 million annual savings of COTS over custom/transfer solutions</td>
</tr>
</tbody>
</table>
The number of resources dedicated to ongoing maintenance and enhancement of the system is a decision that the organization must make. The more resources dedicated to the maintenance effort, the greater the number of enhancements that can be made to the system. Over time, the staff dedicated to maintenance may shift up or down, depending on the desired number of enhancements to the system during a particular fiscal year. The above staffing levels are realistic, based on Accenture’s experience supporting child welfare case management solutions in multiple states.

Accenture and Oracle believe that a Siebel-based case management solution offers compelling value to social service organizations and provides these benefits:

- **Proven data model; scalable solution**—Able to grow and adapt to changing business processes and practices, including support of enterprise case management.
- **Upgradeable and maintainable**—Designed to support ease of maintenance and simplifies deployment of future product upgrades.
- **Based on best practices/business processes**—Out-of-the-box configuration incorporates Accenture’s experience deploying child welfare case management solutions for multiple social service agencies.
- **Dedicated software development organization**—Oracle makes significant investments in enhancing the capabilities of the product suite.
- **Strict quality assurance**—Robust Oracle quality assurance processes result in a stable and reliable suite of COTS products.
- **Product development amortized over large customer base**—Provides significant value over time as social service organizations are able to leverage product capabilities enabled through support of a large, diverse customer base.
- **Standardized training and documentation**—Reduced system support costs enabled through availability of vendor and third-party training courses and products.
- **Clear path to self-sufficiency**—Full-featured developer toolsets reduce reliance on vendor support staff and enable business users to play an increased role in the ongoing maintenance and enhancement of the system.
- **Certified professional/ecosystem**—More than 390,000 people have been trained to maintain Siebel CRM applications, providing social service organizations with a significant pool of resources from which to draw over the life of the system; a comprehensive Siebel-based certification program objectively confirms the skill level of key Siebel CRM resources.
- **Lower risk**—Siebel CRM applications have been deployed in more than 6,000 organizations and support more than six million users.
- **Innovation, Web 2.0, mobility, etc.**—Oracle continues to advance its COTS products to take advantage of innovative technologies.
Conclusion

Public service agencies striving to achieve high performance must examine both the indirect and direct advantages of a COTS approach to social services case management. From an indirect perspective, Accenture and Oracle have identified these key elements:

- **System Sustainability**—A COTS approach empowers an agency to adapt as organizations and policies change.
- **Application Architecture**—In a COTS approach, jurisdictions are leveraging an architecture proven by thousands of customers worldwide.
- **Integration**—Packaged software is a proven and reliable approach in those cases where integration with other systems and modules is a major requirement.

In addition, Oracle and Accenture compared a typical custom/transfer and COTS implementation in a 5,000-user install to identify the following savings:

- **License**—Custom solutions do not charge a license fee, but the tools used to develop and deploy a custom solution do charge license fees. The relative savings by adopting a mature COTS application architecture typically result in equivalent implementation savings offsetting the license fee.
- **Training**—The focus on usability can greatly reduce end user training costs, resulting in an initial projected savings of $3.4M and a recurring projected savings of $850,000 annually.
- **Maintenance**—A custom solution requires more full-time employees to maintain than a COTS solution, but a COTS solution charges a maintenance fee. Based on these comparisons, Accenture and Oracle believe it costs an average of $2 million to maintain a custom solution versus $1.7 million to maintain a COTS.
- **Upgrades**—Paying for maintenance provides an organization the ability to upgrade the system overtime, versus a custom approach that requires organizations to modernize a solution after approximately 15 years. Over the course of 15 years, agencies should anticipate paying approximately $2.2 million to continually upgrade a COTS solution versus the re-implementation costs associated with the custom approach.
- **Operational Support**—Operational support staff is cut in half through a COTS approach, resulting in potential savings of more than $1.5 million annually.

Over the course of 15 years agencies should anticipate saving over $47.8 million dollars in direct savings by adopting a COTS social services solution. From a sustainability perspective, Oracle and Accenture believe only a COTS case management solution, developed on an application architecture built to support configuration and upgrades, will provide agencies the ability to effectively adapt to business, organizational and technology changes through the lifecycle of the system—all at a reasonable total cost of ownership.

By approaching the planning of a social services case management solution through a TCO model, Accenture and Oracle believe social service agencies will begin to embrace the opportunities posed through a COTS solution. While the adoption of COTS will include initial license fees and ongoing maintenance fees, Oracle and Accenture believe these fees will be quickly offset through decreased training costs, decreased maintenance costs and the benefits of a sustainable solution for the long-term.

Total license, upgrade maintenance costs over life of 15 year system

![Graph showing total license and upgrade maintenance costs over 15 years for custom transfer and COTS solutions.](image-url)
About the author

Rick Thompson
patrick.w.thompson@accenture.com

Rick Thompson is a senior manager with Accenture Public Service industry group and has more than 21 years of experience in system implementation, change management and business transformation at the state and federal levels. He has filled key roles in statewide human service case management projects in the child protection, child support and public assistance areas. He is currently serving as Accenture’s Child Welfare Segment lead and is helping to shape Accenture’s next generation child protection suite of offerings.
About Accenture
Accenture is a global management consulting, technology services and outsourcing company. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. With approximately 177,000 people serving clients in more than 120 countries, the company generated net revenues of US$23.39 billion for the fiscal year ended August 31, 2008. Its home page is www.accenture.com.

About Oracle
Oracle’s business is information—how to manage it, use it, share it, protect it. For nearly three decades, Oracle (NASDAQ: ORCL), the world’s largest enterprise software company, has provided software and services that enable organizations to get the most accurate and up-to-date information from their business systems. Today, Oracle has over 320,000 customers—including 100 of the Fortune Global 100—in more than 145 countries.