



# Texas Chooses Cloud to Deliver Statewide ERP System

Cloud applications running on a cloud infrastructure with managed services reduces costs, improves system performance and allows for easier access.

The rollout of a big IT system seems fitting for a state as big as Texas. But for the Texas Comptroller of Public Accounts, it also meant a big effort, big decisions and a big challenge.

That challenge began in 2007, when the Texas Legislature charged the Comptroller's office with implementing a standard enterprise resource planning (ERP) system for all state agencies. To meet this mandate, the Comptroller's ProjectONE team (a group formed to focus on implementing the new ERP system) created a solution called the Centralized Accounting and Payroll/Personnel System (CAPPS), which is built on Oracle PeopleSoft financial, human resources and payroll applications.

The CAPPS deployment has evolved in two major ways since its launch. This evolution offers insights for other governments considering adoption of cloud applications and infrastructure for large, critical systems.

## From In-House to the Cloud

The ProjectONE team initially implemented CAPPS on an internal infrastructure managed by an in-house team with support from external vendors. But with plans to eventually add more than 100 state agencies to the system, it became

clear that moving the infrastructure to an external managed services provider (MSP) was a better approach.

"It was difficult for our agency to keep up with the demands of a statewide ERP solution, including retaining qualified staff to keep the system running 24/7," says Sandra Woodruff, deputy director of Fiscal Management for the Texas Comptroller of Public Accounts. "We made the decision that we would be better served by going to a managed services provider that could support all of the applications and infrastructure."

After a competitive contracting process, Texas selected Accenture to provide managed services for the PeopleSoft applications and the

underlying infrastructure, with hosting in the Accenture Private Cloud. Although this met the state's objectives for using managed services, it became clear that a private cloud solution wouldn't be sustainable as the CAPPS deployment expanded to serve all state agencies.

As the next evolutionary step, the ProjectONE team began discussions with Accenture about moving the CAPPS application workloads and infrastructure to Oracle Cloud, with Accenture continuing to provide managed services. After joint work among teams from the Comptroller's office, Oracle and Accenture to define the new cloud architecture, the decision was made to move the CAPPS system again.

## Minimizing the Risks of Change

As a core, mission-critical system, any change to CAPPS must be done in a way that minimizes risk of disruption or impact on users. Planning for a smooth transition to Oracle Cloud was a seven-month effort that involved extensive coordination among representatives — including executives — of the Comptroller's office, Oracle and Accenture.

The planning effort led to a successful go-live the last weekend in March 2019,

### CAPPS Solution Elements

- Oracle Cloud Infrastructure hosting workloads for Oracle PeopleSoft 9.2 financial and HR applications
- Oracle Exadata Database Machine to improve database performance
- Accenture managed services for more than 90 distinct Oracle environments running on more than 50 virtual servers

when the switch was made from the Accenture cloud to the applications and infrastructure that had been prepared in Oracle Cloud. On the following Monday morning, more than 12,000 users simply entered a new URL to access CAPPs, then began their work with the same familiar system experience.

"The transition needed to be as painless for the users and the agencies as possible, and it was," says Woodruff.

### Expected Benefits

Leaders at the Texas Comptroller of Public Accounts identified four key objectives for the move to Oracle Cloud Infrastructure:

- Projected 50 percent cost savings
- Improved system performance
- A system design that supports high application availability
- The ability to add agencies without a major installation effort or architecture change

Although definitive results for these objectives won't be known until 2020, early data is positive.

With the new cloud infrastructure in place, the ProjectONE team plans to expand the CAPPs offering. Addition of the mobile-optimized PeopleSoft Mobile Expenses module, which will eliminate paper forms and accelerate processing of employee reimbursement, is underway. The team is also exploring cloud-based chatbots to automate answers for common employee

inquiries and reduce support calls within the agencies. Future plans are guided in part by monthly user group meetings where the ProjectONE team receives input on agency needs.

### Steps for Success

Woodruff recommends three important strategies for other states considering cloud migration for a key enterprise system:

**Planning and communication.** Create in-depth plans through a partnership with the cloud and application vendors, especially at the executive level.

"Having both Accenture and Oracle at the table was critical to their understanding of our needs and to the project's success," says Woodruff.

Throughout the project, regular communication among the multiple project teams is also essential.

**Assessing cloud capabilities.** The ProjectONE team evaluated cloud capabilities to meet requirements such as load balancing, agency connectivity and high availability.

"Work with the vendor to create an architecture that meets your needs, although it may be a different design than what you initially expect," says Woodruff.

**Testing.** The ProjectONE team worked with Accenture to test applications and identify how to take advantage of Oracle Exadata capabilities.

"The proof-of-concept testing gave us more confidence that the change to Oracle Cloud would be successful

### Snapshot: Statewide ERP in Texas

By the end of the 2022 biennium, CAPPs will support accounting, personnel and payroll applications for:

+ More than **100 state agencies**

+ **156,000** full-time equivalent employees

+ Nearly **\$99 billion** in State of Texas spending

and that it could handle our large and complex back office environment," says Woodruff.

### Positioning for the Future

By combining the right applications with cloud infrastructure capabilities and managed services, Texas gains benefits now and over the long term. CAPPs meets the legislative mandate for a single ERP system that reduces costs and streamlines work for all state agencies. And the cloud deployment of CAPPs with managed services positions the Comptroller's office — and the agencies it serves — for continued savings and efficiencies.

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