
INFORMATION PAPER

**INVESTIGATION INTO OPTIMISING
ENTERPRISE RESOURCE PLANNING SYSTEMS
ACROSS THE PUBLIC SERVICE**

SEPTEMBER 2013

Introduction

1. This information paper (**the Paper**) outlines the Department of Finance and Deregulation's (**Finance**) indicative strategy for the investigation into optimising Enterprise Resource Planning (**ERP**) systems across the public service (**the Project**).
2. This Paper has been released for the purpose of providing industry with an opportunity to consider Finance's approach to the Project.
3. In a fiscally constrained environment, government investment must be smarter, and more innovative. This Project is an opportunity to undertake a whole-of-government analysis of ERP systems, to determine a strategic approach for the medium to long term.
4. Industry is encouraged to engage with the Project and work with Finance, to provide an industry perspective on ERP systems.

Background

1. Finance is undertaking a Project to investigate the most efficient approach to providing ERP systems across the public service over the medium to longer term. Finance will provide advice to Government through a report in 2015.
2. This Project will involve analysing public service business functions, including financial, administrative and operational processes and systems. The analysis will consider core roles and responsibilities with a view to identifying opportunities to improve efficiency.
3. The devolved nature of the public service has resulted in Commonwealth entities, over time, implementing various, often customised ERP systems or systems for key functions. This has afforded Commonwealth entities the opportunity to pursue systems and processes that best meet their needs. However the fragmented approach may also have reduced the overall efficiency and effectiveness of government operations.
4. Finance recognises the complexities, specialities, and constraints of Commonwealth entity requirements for ERP operations. However, Finance sees the Project as an opportunity for the public service, to establish a transformational, progressive approach to government business architecture.

Approach

5. The aim of this Project is to contribute to improving the productivity, efficiency and effectiveness of the public service by examining the scope for improvement in ERP services. The Project will:
 - include an ERP environmental scan;
 - focus on business processes, noting IT capabilities;
 - investigate how ERP systems can support common business processes of Commonwealth entities, to achieve greater productivity, efficiency and effectiveness; and
 - explore options to achieve efficiencies and where appropriate provide a road map that outlines key steps to achieve the most efficient approach to providing ERP services over the medium to long term.
6. The Project will not include the procurement of ERP solutions.

7. Finance encourages industry to consider options for ERP solutions that:
- represent the Commonwealth’s interest;
 - reflect innovation;
 - improve business processes of Commonwealth entities;
 - establish an appropriate allocation of risk between vendors and the Commonwealth;
 - support the budget management needs of Commonwealth entities; and
 - drive efficiencies to support a reduction in the net cost of ERP solutions to the Commonwealth.

Proposed Timing

8. An indicative (***Guide Only***) timetable is below:

Milestone	Indicative Date
Environmental scan and research, including industry consultation	August – December 2013
Research and analysis	January – July 2014
Develop road map / implementation options	July – December 2014
Report to Government	January – June 2015

Communication

9. Enquiries relating to the Project, can be directed to:

erp@finance.gov.au

10. Finance welcomes any relevant feedback to the Project.

Next Steps

11. Organisations are not required to take any action in relation to this Paper. The Paper has been released for the purpose of providing industry with information about the Project, and an opportunity to engage with the Project. Finance may hold an industry briefing and / or issue further information such as FAQs.
12. Check AusTender (www.tenders.gov.au) regularly for updates.

Notes

13. Finance reserves the right, in its absolute discretion, to change any aspect of this strategy at any time.
14. Organisations should approach Finance (rather than individual agencies) in relation to the Project.
15. Finance makes no representations or warranties that the information in the Paper is accurate, current or complete. Organisations should seek their own advice when considering this Paper. Finance is not liable for any costs, expenses or losses incurred by organisations in connection with the consideration of this Paper or the Project, or as a result of any act or omission by organisations in reliance on this Paper.
16. Information contained in future documentation will supersede information contained in this Paper. Finance reserves the right to remove this Paper from AusTender and/or issuing further updates by uploading this to AusTender.
17. The Project may not result in an approach to market in any form for ERP services.