



Government Enterprise
Resource Planning
Assessment Tool
for Achieving
High Performance

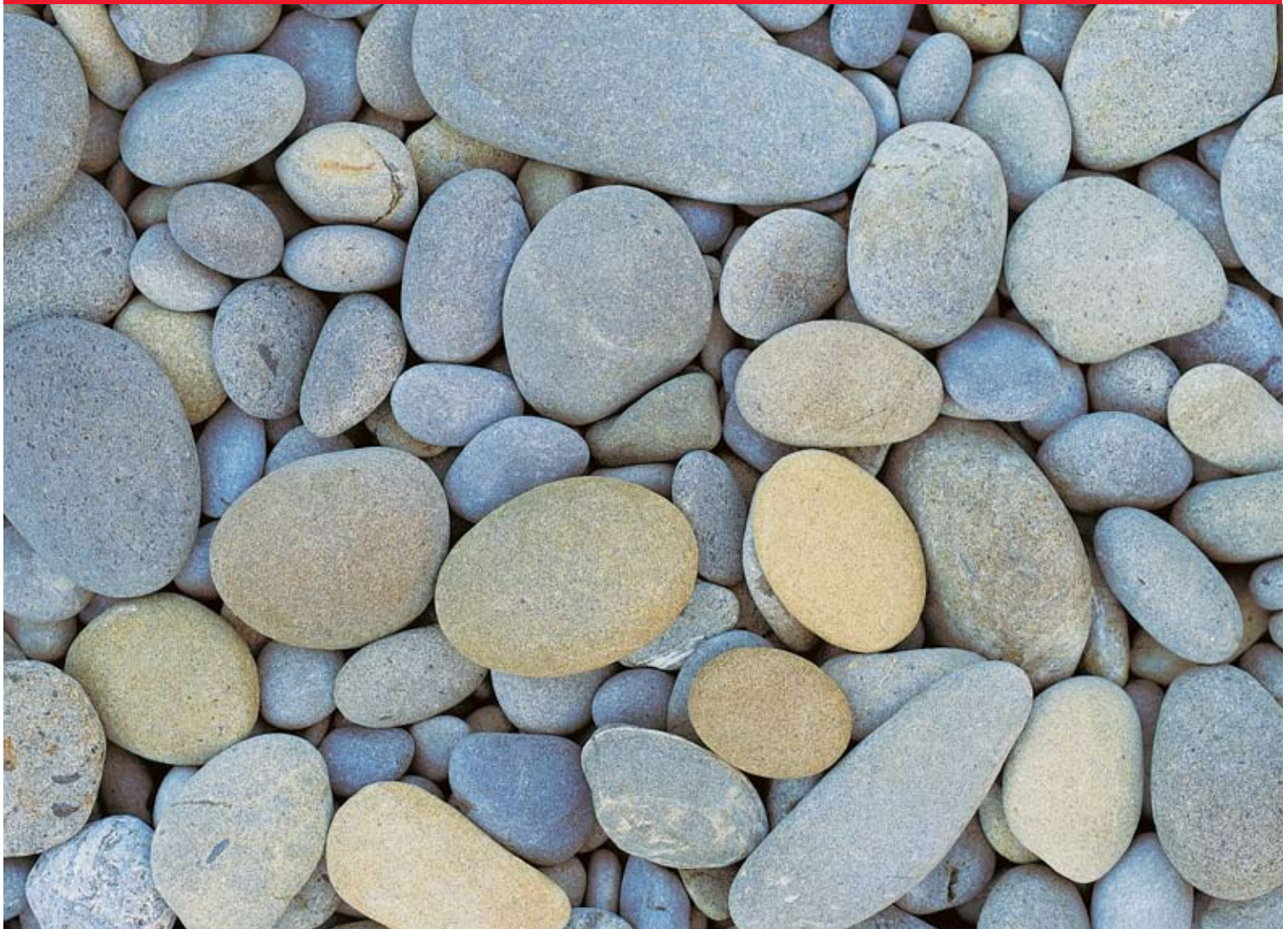
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Although the public sector has invested heavily in enterprise systems, assessing the payback on these investments is often difficult. Benchmarking data may be impossible to retrieve post-implementation, and the methods used to measure success are idiosyncratic, so that meaningful comparisons among organizations and across time are hard to make.

In response, Accenture has developed the Government Enterprise Resource Planning (ERP) Assessment Tool, a simple way to gain an overview of the success of an installed enterprise system and to better target future investments. The tool can be used to make comparisons among organizations, departments, vendors and stakeholder groups.



Government Enterprise Resource Planning Assessment Tool for Achieving High Performance

Deploy the
Accenture ERP
Assessment Tool
across an entire
organization
using a simple,
Web-administered
survey.

What is the Government ERP Assessment Tool?

The Accenture Government ERP Assessment Tool is a simple and cost-effective way to assess the value of an installed enterprise system. Based on a Web-administered, 27-question survey, the tool enables organizations to both monitor performance over time and establish benchmarks for comparison across organizations, departments, vendors and even stakeholder groups. Results from the tool enable organizations to focus scarce resources and attention on those aspects most in need in the enterprise system as well as achieve high performance in the organization overall.

The Government ERP Assessment Tool can thus directly address the perceived lack of pay-off from many large-scale enterprise systems. This tool is particularly useful in the public sector, where there is both a lack of in-depth analysis and a need to view success from multiple stakeholder perspectives. It provides an in-depth analysis of the impact of the enterprise system, employing both tangible

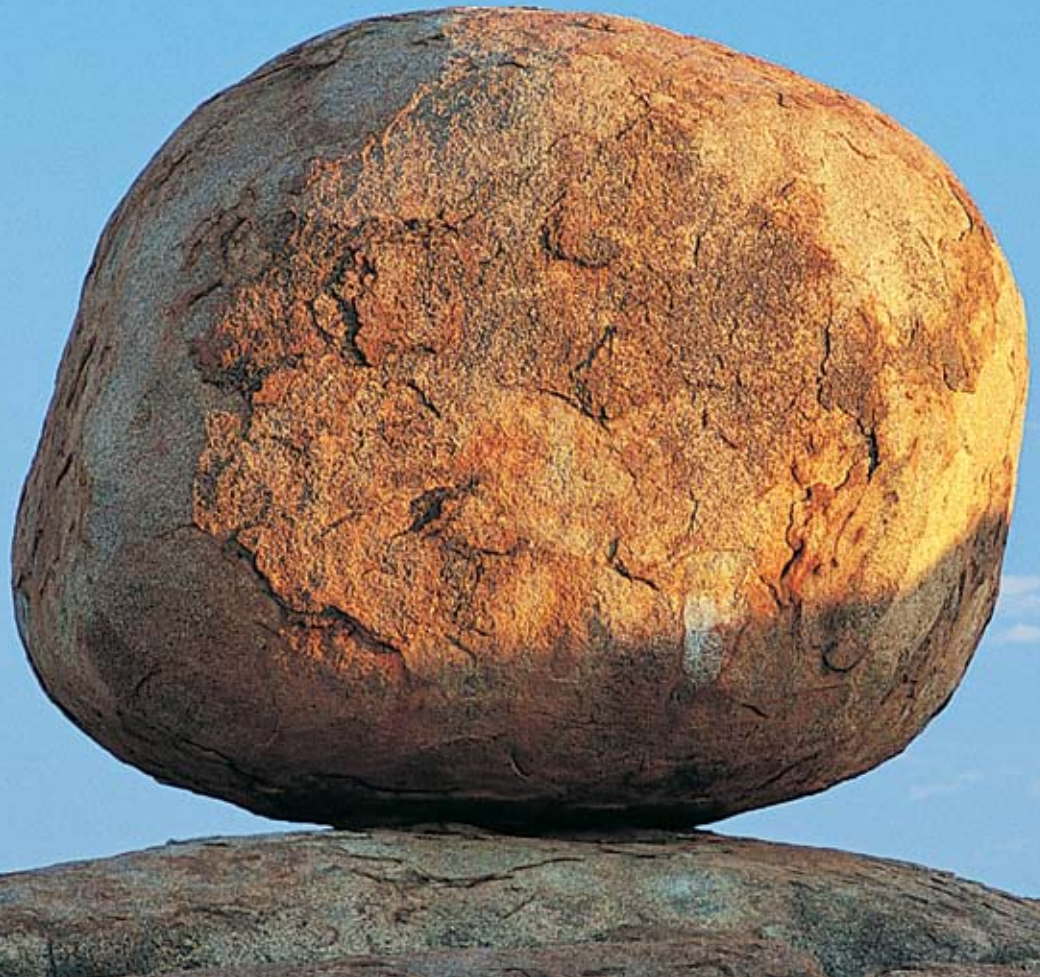
and intangible measures of success, which can be fine-tuned to unique organizational circumstances.

How did we develop the Government ERP Assessment Tool?

The Government ERP Assessment Tool—a strategic investment for Accenture—is destined to become the standard by which enterprise systems are evaluated. It was developed through collaboration between researchers at Accenture and the Queensland University of Technology.

The underlying model has been extensively validated through statistical analysis using data from numerous public sector organizations and the higher education sector. This is the most complete and comprehensive study of enterprise system measurement that has been carried out to date and the tool is the first validated instrument to have been published in the academic literature on information systems.

Many studies seek only the views of top management, but research suggests enterprise systems often succeed or fail at the operational level.



What is involved in using the Government ERP Assessment Tool?

Because the tool is a Web-administered survey, deploying across an organization is simple. While the Web version offers maximum accessibility to staff, it also can be distributed by e-mail or hard copy where appropriate. The questions in the survey are easy to understand and to answer; the data analysis is straightforward; and the results are intuitive.

Who should be involved in responding to the Government ERP Assessment Tool?

To yield a 360-degree view, the Government ERP Assessment Tool can and should be answered by all staff affected by the enterprise system in an organization—management, users and technical staff. Many studies seek only the views of top management, but research suggests enterprise systems often succeed or fail at the operational level. Therefore, analyzing the overall success of enterprise systems at all levels of the organization and from multiple perspectives is important. The Government ERP Assessment Tool

has been designed explicitly for this purpose. These multiple perspectives can then be compared and contrasted with each other, as well as provide an overall view on the success of the system.

Accenture research has in fact shown different stakeholders can hold widely varying views on the success of enterprise systems, highlighting the need for an easy to use tool that can be used by multiple stakeholder groups. Stakeholder groups of different specialties tend to be better informed about, and more influenced by, particular success dimensions. For example, strategic (high-level executive) respondents place more emphasis on organizational impacts, while technical respondents are more concerned with system quality.

What are the results?

What do they look like?

The Government ERP Assessment Tool captures the complex nature of enterprise systems by measuring success in four dimensions: individual impacts, organizational impacts, information

quality and system quality, as reflected in the two-by-two matrix in Figure 1.

Individual impacts address how the enterprise system has influenced the performance of individuals to complete their tasks efficiently and effectively, e.g., interpret information accurately, better understand information and work-related activities in their area, make more effective decisions and generally be more productive.

Organizational impacts refer to impacts of the enterprise system at a broader level: improved outcomes, changes in costs and resources required, applications replaced or introduced, and changes in business processes, resulting from the introduction of the system.

Information quality assesses the relevance, timeliness and accuracy of information generated by the enterprise system.

System quality captures how the system performs from a technical and design perspective. This covers commonly cited quality measures (such as consistency of the user interface, ease of use and

The Four Dimensions of Measuring Success

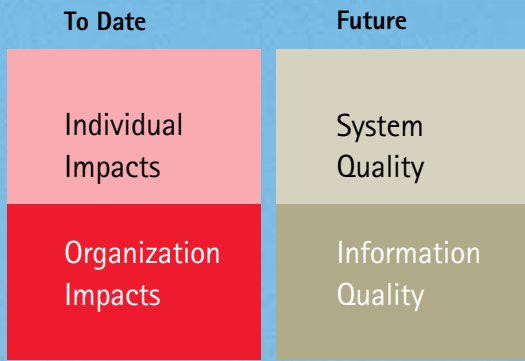


Figure 1

Moving to High Performance

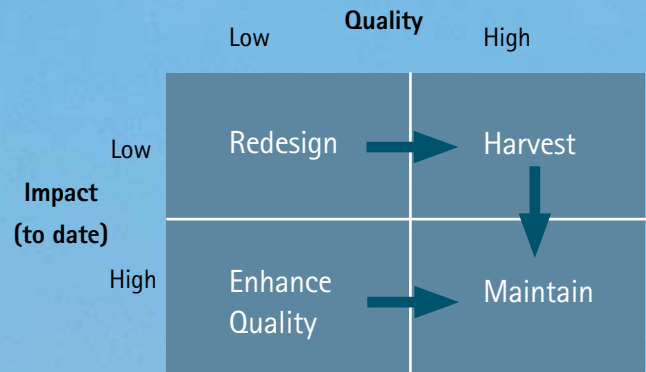


Figure 2

learning, quality of documentation and program code) as well as functional quality and sophistication.

Using these four dimensions, the Government ERP Assessment Tool takes a snapshot of the organization's experience of its enterprise system at a point in time. The impact dimensions represent the benefits derived (or not) from the system, while the quality dimensions reflect its future potential.

Together, the four dimensions yield an over-arching measure of the enterprise system's performance. Measuring one or more of these dimensions outside the others can be very misleading. A system can be of high quality, but still not justify its cost. Similarly an inflexible (low-quality) enterprise system may well have achieved substantial early impacts, but now leave the organization stuck in inflexible "e-cement", with little or no potential for future benefits.

What will the results enable me to do?

Knowing where you are with your enterprise system in terms of both quality and impact can provide valuable guidance on what strategic-level actions to take to gain maximum value from the system. This is shown in Figure 2 above. Organizations can then prioritize various projects to improve their experience with the enterprise system.

- Low-quality/low-impact is cause for serious concern, and probably a major re-think of the system is needed.
- Low-impact/high-quality suggests future potential for harvesting substantial benefits. A need to ensure greater value is gained from the quality already achieved.
- High-impact/low-quality may have been strategic in the short-term, but investments are required to raise system quality if future gains are to be realized.
- High-quality/high-impact is the ultimate goal, the objective being to achieve high performance and to continue reaping improved performance from the enterprise system.

Success also needs to be evaluated relative to stakeholders. As noted above, different groups may well evaluate the success of the system quite differently. Organizations can and should therefore fine-tune the measure of enterprise system performance based on their own unique situation and requirements. Differential weighing can be used to place relatively greater emphasis on stakeholder groups based on their proximity to a particular success dimension—for example, technical staff scores of system quality or strategic staff scores of organizational impact.

It may also be appropriate to weigh the four dimensions differently to take into account both specific organizational objectives for the system, and/or what point the system has reached in its life cycle. Organizations experience varying levels of enterprise system performance over time—for example, a dip in organizational performance post go-live thereafter followed by steady improvement is typical. Recognizing these shifts in performance levels can

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aid organizations to better manage expectations of new implementations and upgrades. For example, it may be appropriate to place relatively greater emphasis on the quality dimensions early in the life cycle when it is too soon for impacts to have been realized.

Segmenting the survey response in a variety of ways can yield valuable insights. Is there, for example, consensus across the organization, or do subgroups hold differing views on success? Are particular modules performing better or worse? Segmenting the sample in this way can facilitate comparisons both within and across organizations.

We will customize the Government ERP Assessment Tool to meet your particular interests. The questions in the tool cannot be changed, but we can modify the weightings of the responses. Those modifications can come from particular issues you want to emphasize, for example, where you are in the development life cycle or other issues. We are able to customize the analysis to suit your particular needs.

Conclusions

The Government ERP Assessment Tool and approach will help public sector organizations:

- Evaluate the performance of their enterprise system using an easy-to-understand survey instrument.
- Gauge the success of enterprise systems from multiple stakeholder perspectives.
- Measure the performance of the enterprise system using tangible as well as less tangible indicators.
- Identify and understand trends in enterprise system performance over time.
- Establish an enterprise system performance benchmark for multiple comparisons across versions/upgrades, organizations, departments, enterprise system types and modules or other demographic segments.
- Better evaluate and justify the enterprise system subsequent to implementation.
- Focus scarce resources and attention on those aspects of the enterprise system and the organization that are most in need.

- And ultimately, achieve high performance government through greater efficiencies and operation of enterprise systems throughout the organization.

Enterprise systems have far-reaching and varying effects on different groups in your organization. The Government ERP Assessment Tool is a simple, economical and robust way to identify those effects and act upon them. It will help you identify where things are working and where they are not. It will help you figure out why they are not working. From these results, you will be able to plan actions (reengineer processes, implement new hardware, configure the software a bit differently, etc.) to help your organization operate most efficiently and effectively, thereby realizing the full value of your significant investment in the system.

About Accenture

Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process experience, broad global resources and a proven track record, Accenture can mobilize the right people, skills, and technologies to help clients improve their performance. With more than 129,000 people in 48 countries, the company generated net revenues of US \$15.55 billion for the fiscal year ended Aug. 31, 2005. Its home page is www.accenture.com.

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