

## Lessons Learned in Integrated Tax System Implementations



Steve Wilson, Idaho

Margaret Kauska, Montana

Catherine Forsch, North Dakota

Loretta Silva, New Mexico

FTA Technology Conference 2007, August 5-9, Kansas City, MO

## Getting Started

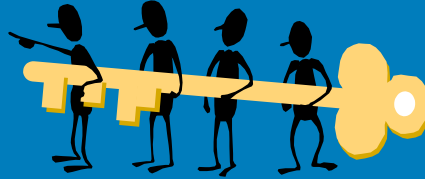
- Project Management & Organization
  - Name your project
  - Project manager
  - Project organization
  - Expedited decision-making



# Getting Started

## ➤ Project Team

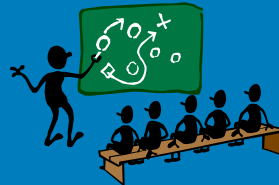
- Makeup
- Selection
- Business unit commitment
- IT commitment
- Work location



# Getting Started

## ➤ Planning

- Strategic plan
- Architecture/infrastructure plan
- Communications plan
- Change Management plan
- Project work plans
  - Implementation analysis
  - Detailed statements of work by module/tax type



## Business Impact

- Project Buy-In
  - Internal and external stakeholders
  - Impact of previous system failure
- Adapting to a COTS product
  - Defining requirements
  - Rethink how you do business
  - Reconsider organizational structure



## Business Impact

- How much do you customize?
  - Certain amount may be unavoidable
  - Rely on vendor experiences with other states
  - Vendor may consider adding new modules to their core product
  - Be cautious!



# Implementation



## ➤ Change Management

- People resist change
- Communicate, communicate, communicate
- Repetitive “rollouts” rather than one “big bang”
- Testing Methodology
- Training Methodology
- Business Outcome focus
- Difference in change management for IT and tax administration staff

# Implementation

## ➤ Configuration vs. Site Specific

- Define site specific as:
  - Letters
  - Reports
  - Data cubes
  - Interfaces
- The law trumps everything. Do not do site specific unless there is a law.
- Message must come from the top of the organization



# Implementation

- Rapid Change of the project
  - ND completed about 20 taxes in two years
  - Knowledge transfer for IT staff
  - Documentation is difficult to maintain
  - Difficult to change business processes
  - Heavy workload with overtime requirements
  - Entire agency becomes stretched thin



# Implementation

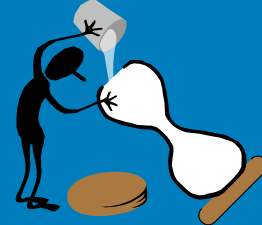
- Productivity Impacts
  - Learning Curve
  - Change happens more frequently
  - Change sometimes driven by the Vendor or community of users
  - Implementing best practices
  - Developing buy-in



# Post Implementation

## ➤ Balancing concurrent production support and new development

- Success results in more work
  - Solution Requests
  - Enhancements
  - Legislative Mandates
  - New Projects
- Competing demands on resources (people, time, \$)
- Prioritize and balance work loads
- Help Desk provides central point of contact and documentation



# Post Implementation

## ➤ Maintenance vs. On-site Production Support

- Maintenance – allows continued use of the software with version upgrades and patches
- On-Site Production Support – Vendor staff on-site to assist with software support
  - Proprietary code restrictions
  - Version upgrades
  - Liaison to Development Center
- Both may be necessary with COTS products



## Post Implementation



- Document your successes
  - Track costs from the beginning (both internal and external)
  - Business cases provide historical perspective and starting point for new projects
  - Document lessons learned discussions
  - Celebrate your successes
  - Communicate regularly to management, users, IT staff, and external stakeholders

## Post Implementation

- Surviving administration changes
  - Don't assume anything
  - Recognize that the players will change
  - Be prepared to defend a successful project
  - Executive Sponsor is crucial to success
    - Interim Executive Sponsor helps with the transition
  - Don't take it personal



## Contact Information

Name / Title	E-mail	Phone
<b>Steve Wilson</b> IS Manager, Idaho State Tax Commission	<a href="mailto:SWilson@tax.idaho.gov">SWilson@tax.idaho.gov</a>	208-334-7853
<b>Margaret Kauska</b> IT and Processing Administrator, Montana Department of Revenue	<a href="mailto:MKauska@mt.gov">MKauska@mt.gov</a>	406-444-9535
<b>Catherine Forsch</b> Director – Operations, North Dakota Office of State Tax Commissioner	<a href="mailto:CForsch@nd.gov">CForsch@nd.gov</a>	701-328-2783
<b>Loretta Silva</b> IT Manager, New Mexico Taxation and Revenue Department	<a href="mailto:Loretta.Silva@state.nm.us">Loretta.Silva@state.nm.us</a>	505-827-2289