MODERNISING ERP SYSTEM

Implementing Oracle HR and Finance without Customisations

CHALLENGES

- **Legacy System Limitations:** The existing HR and Finance systems were disconnected and heavily customized, leading to inefficiencies and unreliable data for management reporting.

- **Resistance to Change:** Implementing a standard "adopt, not adapt" ethos across 31 government agencies, many of which were accustomed to bespoke workflows.

- **Resource Constraints:** Delays in securing skilled resources and challenges in stakeholder readiness resulted in milestone slippage, necessitating robust programme governance to manage risks effectively.

OVERVIEW

The Scottish Government faced significant operational challenges with outdated and disconnected HR and Finance systems. After 20 years of incremental customisations and evolving processes, the legacy on-premises solution was costly to maintain, lacked modern functionality, and could not deliver critical management information needed for strategic decision-making. The goal was to replace it with a modern, integrated ERP solution capable of supporting a shared services model and delivering a single source of truth across the organization.

SOLUTION

The Scottish Government selected Oracle Fusion for its HR and Finance functions, leveraging Oracle's reputation in the public sector. The implementation used the ADKAR change management model and a Scaled Agile framework, with a central PMO overseeing workstreams in HR, Finance, Procurement, Business Change, Data Migration, and Technology.

Colin Turnbull, pivotal to this project during his time with the Scottish Government, is now a Vice President and Senior Consultant at Higher Digital. His expertise in ERP implementations is invaluable in delivering successful outcomes for our clients.

Key elements of the solution included:

- **Vanilla Oracle Processes:** The ERP was implemented using Oracle's standard processes, avoiding customisations to ensure consistency and alignment with global design principles.

- **Stakeholder Engagement:** A robust change management strategy was employed, involving stakeholders at every stage—design, build, testing, and implementation—to encourage adoption and mitigate resistance.

RESULTS

The project successfully delivered a modern ERP system across the Scottish Government and its external agencies, supporting over 21,000 users. Implemented through a big bang launch, the transition ensured minimal disruption and continuity of business operations from day one. The new system has achieved:

- **Standardized Processes:** All government departments and agencies use standardised processes on a unified ERP platform, improving efficiency and data accuracy.

- **Enhanced Reporting and Control:** The centralised system provides real-time, Scotland-wide operational and financial reporting, increasing management oversight and decision-making capabilities.

- **Successful Change Adoption:** Despite initial resistance, consistent engagement strategies by the business change team led to smoother transitions, with external agencies adapting quickly to the new processes.

LESSONS LEARNED

- **Stakeholder Engagement is Critical:** Early and ongoing stakeholder engagement is essential to overcoming resistance and ensuring alignment with strategic objectives.

- **Resource Planning Requires Improvement:** Delays in resource allocation underscored the need for better planning and faster onboarding of skilled personnel.

- **Governance Must Be Strengthened:** Robust programme governance and risk management practices will be vital in future phases to avoid milestone slippage.

FUTURE PLANS

The ERP implementation represents Phase 1 of the Scottish Government's broader Shared Services strategy.

Upcoming phases will expand the system's functionality and onboard additional agencies, with the Scottish Fire and Rescue Service already planned to join the platform.

The long-term vision is to create a world-class shared service model that other public sector organisations can adopt, enhancing efficiency and service delivery across Scotland.

WORD CLOUD FEEDBACK
re: Change leader, Colin Turnbull