



**BUSINESS CASE FOR THE PURCHASE AND IMPLEMENTATION OF  
ORACLE PEOPLESOFT EPERFORMANCE SOFTWARE**

**HUMAN RESOURCES DEPARTMENT  
SEPTEMBER 2015**

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## EXECUTIVE SUMMARY

**Sponsoring Department(s):** Human Resources Department

**Date of Business Case Preparation:** September 15, 2015

**Contact Person Name/Phone:** *Ginger McIntosh* x1466  
*Sue Noce* x2927  
*Charlene Bane* x1197

- New Product/Service**  
If there is a draft or sample contract, please provide a copy (*Please see Appendix A*).
- Renewal of Existing Product/Service** – if checked, include background information.  
If there is a site license agreement, existing contract or new contract draft, please provide a copy.
- Change to a Business Process.**

### 1. Problem Definition

Currently the CWU Campus Community utilizes a clunky, manual, unreportable performance management system. This process is not in harmony with the 'Best Practices' followed by most successful organizations. In fact, most organizations have moved away from an annual review in favor of a more frequent goal-setting process. The current paper process needs to be automated in order to give supervisors the information needed to cultivate employee growth.

Additionally, an automated performance management system is necessary to attain the approval of Washington State to provide performance-based compensation.

### 2. Addressing Problem with CWU (existing tools, services and products (i.e. PeopleSoft))

It would take considerable time and technical resources to design, code, test, and de-bug a performance management system. CWU did not try to develop its own attendance tracking system, but purchased and implemented PeopleSoft's Time and Attendance module instead. Likewise with PeopleSoft Recruiting Solutions – the University recognized the wisdom in utilizing the best tools in the pursuit of its mission.

CWU has made a commitment to PeopleSoft as its enterprise system. The acquisition and implementation of ePerformance would be in harmony with this commitment.

### 3. Organizational Impact

PeopleSoft ePerformance will facilitate an interactive performance process that will allow CWU supervisors to identify, plan, observe, improve, and reward performance on an ongoing basis.

According to a Gallup poll of 50,000 employees working in 10 major industry sectors in 22 global companies, to be effective, a performance management system must begin with a thorough goal-setting process, followed by regular feedback and reviews.

The purchase and implementation of PeopleSoft ePerformance will benefit the CWU Campus Community in the following ways:

- Provide transparency and accessibility
- Allow the collection and utilization of performance metrics (that which can be measured, can be improved)
- CWU supervisors would have the straightforward performance management system necessary to enhance employee engagement which improves productivity and morale
- CWU employees would have clearly defined goals and roadmaps to reach their full potential resulting in improved employee performance at all levels
- Participation in a relevant performance management process would enrich the experience of CWU student employees, introducing them to a real-world performance feedback process
- The automated workflow of ePerformance will streamline the current, clunky paper process
- It would qualify CWU to pursue performance confirmation approval from Washington State

This project would require the participation of the following CWU departments:

Requirements	Contributor
Performance Development Plan (PDP) process definition	Human Resources
Vendor Liaison	Information Services and Purchasing
Implementation	Information Services and Human Resources
Launch/Announcement to Campus	Public Affairs and Human Resources
User Training	Human Resources (Central Learning Academy)
Ongoing Support	Human Resources (Central Learning Academy and HR Partners)

- **All Stakeholders**
  - Human Resources
  - Human Resources (Central Learning Academy)
  - Information Services
  - Purchasing
  - Public Affairs
  - CWU Supervisors
  - CWU Employees
  - CWU Student Employees
  
- **Potential Partners/Primary Users**
  - CWU Supervisors
  - CWU Employees
  - CWU Student Employees
  - Human Resources

- **RFP Requirements Contributors** (add lines as necessary) – This section may or may not be required

Department	Name
NA	NA

#### 4. CWU Benefits

The acquisition and implementation of PeopleSoft ePerformance will enable managers and employees to work collaboratively to set clearly defined individual performance goals that are in alignment with CWU’s mission.

Benefits may be realized in the following areas:

- **Business advantages:** Increased employee engagement
- **Costs benefits:** It is estimated that the ePerformance tool would reduce the process participation time by 40% thus resulting in significant savings

Labor Cost of Current PDP Process				
	Exempt	Civil Service	Student Employees	Supervisors
Quantity	300	600	250	268
Current time to complete each PDP	1 hour	1 hour	1 hour	1.5 hours
Average Hourly Wage	\$34.19	\$20.93	\$10.32 Work Study (150 students) \$20.00 Student Employees	\$37.93
Labor Cost for Current Process	300 hours * \$34.19	600 hours * \$20.93	150 hours * \$10.32 = <b>\$1,548</b> + 100 hours * \$20.00 = <b>\$2,000</b>	402 hours * \$37.68
Sub-Total Cost of Labor	<b>\$10,257</b>	<b>\$12,558</b>	<b>\$3,548</b>	<b>\$15,147.36</b>
Total Cost of Labor	<b>\$41,510.36</b>			
Savings with ePerformance	<b>\$41,510.36 * 40% = \$16,604.14 per year</b>			

- **Process benefits:** Will replace an inadequate paper process with a streamlined, automated one
- **Additional Process benefits:** Will constitute a long-term investment in our employees instead of an inadequate exercise
- **Resources benefits:** Will grant CWU the ability to evaluate, train, and reward employees more efficiently
- **Technical benefits:** Will allow Performance Development Plans to be filed electronically

## 5. Strategic Alignment

This effort supports the University's strategic plan in the following ways:

CWU Strategic Plan References	How this effort supports the plan
<p><b>Objective 5.1:</b> Maximize the financial resources to the university, and assure the efficient and effective operations of the University through financial stewardship.</p>	<p>Incorporating performance management into the PeopleSoft system will make the performance management process more efficient since it utilizes data that is already in the system. It provides for online creation and approval, eliminating the need for paper copies.</p>
<p><b>Objective 5.3:</b> Ensure the University has human resources necessary to accomplish all university objectives.</p>	<p>Having a well-developed and consistent performance evaluation process should result in having a highly capable workforce. Performance goals and targets may be established and aligned with organizational goals</p>

In addition, the project supports the 2015 Strategic Plan for the CWU Human Resources Department as follows:

2015 Strategic Plan for the CWU Human Resources Department references	How this effort supports the plan
<p><b>Mission Statement:</b> Everything we do will be measured by the success of our employees.</p>	<p>Accurate, consistent performance evaluation will contribute to the development and retention of successful employees.</p>
<p><b>Vision Statement excerpt:</b> HR aspires to...<b>Learn</b> and address our employees' needs.</p>	<p>A comprehensive performance evaluation system involves employee/manager communication about employee needs and professional development.</p>
<p><b>Priority III:</b> Focus on the entire life cycle of CWU employees.</p> <p><b>Engagement and Retention</b> includes career and performance management, reward and recognition, training and development, and the provision of advancement opportunities.</p>	<p>This effort will provide a consistent method of creating, tracking and managing employee performance data throughout the life cycle of the employee.</p>

## 6. Cost and Budget Projections

### Source of Funding (Speedkey) and Description of the Source of Funding

- Funding of \$150,000 has been approved verbally by President Gaudino
- Speedkey has not been identified

### Cost Breakdown

Acquisition and Implementation	Cost	Description
Oracle PeopleSoft <u>ePerformance</u>	\$126,000	First Year License Purchase
Oracle PeopleSoft <u>ePerformance</u>	\$27,720	Annual Fee for Software Maintenance
Cost to Implement	\$30,000	One Time Consultant Support

Please see Appendix A

## 7. Alternatives (add lines as necessary)

Alternative	Reasons For Not Selecting Alternative
Continue to use the paper Performance Development Plan form	<ul style="list-style-type: none"> <li>• Logistically impractical for historical comparison (must find physical file)</li> <li>• Below industry standard</li> </ul>
Design, code, test, and debug our own performance management system	<ul style="list-style-type: none"> <li>• Labor-intensive</li> <li>• Cost prohibitive</li> </ul>

**8. Timing / Schedule (add lines as necessary)**

<b>Task</b>	<b>Target Date</b>
Business Case Approval	Sep 21, 2015
Product Demonstration	Oct 14, 2015
Contract for purchase of software	Nov 2015
Project work started with HR/HRIS	Feb 2016
Planning Phase	Mar - Apr 2016
Design Phase	May - July 2016
Develop	Aug - Oct 2016
Test/Train	Sept - Oct 2016
Deploy	Nov - Dec 2016

**9. Technology Migration**

The legacy system is a paper system. A start date for the new ePerformance functionality will be established. At this time, it is not anticipated that previous performance assessments would be entered into the system. There are some dates currently being entered into the system. That data will need to be evaluated and a decision made about whether or not any action needs to be taken to modify it.

Training will include specific information about the timing and process for transitioning. It is anticipated that Human Resource staff would create and administer the training.

This project will require a prototype environment. One option may be to refresh and repurpose the prototype environment currently being used for the Recruiting Solutions implementation. Once the prototyping is completed, the project would migrate through the Development, Test and Quality Assurance environments before moving to the Production environment.

**10. Project Resource Identification/Ongoing Ownership of Product**

**Resource Identification Resource Loading Chart**

<b>Resource</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
Sue Noce		20	20	80	80	80	80	80	80	80	80	80
Charlene Bane		10	10	10	10	10	10	10	10	10	10	10
HR Partner		5	5	5	5	5	5	5	10	10	10	10
HRIS		20	20	40	40	40	40	40	60	60	40	40
HCM Consultant		40	40									
Security Services		2	2	2	2	2	2	4	5	5	4	4
PS Admin							20				20	20
HR Professional Dev/Training									20	40	40	20
<b>Total Hours</b>		<b>97</b>	<b>97</b>	<b>137</b>	<b>137</b>	<b>137</b>	<b>157</b>	<b>139</b>	<b>185</b>	<b>205</b>	<b>204</b>	<b>184</b>

**Ongoing Support/Ownership of the product**

<b>Upon Completion of the Project the following will apply:</b>	<b>Resource(s) Department</b>
Data Owner	Human Resources
Data Steward	Human Resources
Ongoing Costs (licensing, etc.)	Information Services (Enterprise Solution)
Administrator for the Product/Software (updates, maintenance, etc.)	Human Resources – Sue Noce

**11. Product Life/Application Sunsetting or Decommissioning**

PeopleSoft is the enterprise system for Central Washington University and at this time there are no plans to change that. The data is owned by Central and any change of systems would be controlled by Central.

**12. References**

<b>Institution</b>	<b>Contact</b>	<b>Comments</b>
University of Houston	Closette Davis – HR Partner	<p>They implemented ePerformance in 2013 for all staff. They used a consultant to assist with the implementation since they did not have the IS staff at that time. They did use focus groups to determine processes and found they had to make some slight adjustments however they had no major issues. They are particularly pleased with the quality control since they can control who can view and edit the data. They also mentioned the spell checker and affirmative action checker. The latter is a set of red flag words which require HR review and approval before the evaluation can be closed.</p> <p>Their evaluation year is January – December. They require managers to have all information by December and then deliver evaluations January – March. They made some accommodations to the format for their Facilities area since that group does not have the need for as much information.</p>
Arizona State University	Robin Gonzales – Director HR Systems, Strategy HR Analytics	Have spoken with another HR contact but awaiting a response from Robin Gonzales.

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### 13. Approvals

*This section should be left blank.*

- Business Case shared with Security Services for compliance and audit review information
- Business Case shared with IS Network and Operations
- Business Case shared with IS Enterprise Applications

The following actions have been taken by the appropriate Sub-Council (ATAC or BTAC) and Enterprise Information System Committee (EISC):

Date	Action	By

***Upon secured funding and approval by the Enterprise Information System Committee (EISC), Enterprise Facilities Committee, or one of the two Sub-Councils (Academic or Business) CWU procurement policies and procedures will be used to initiate a purchase.***

**Business Case Evaluation Rubric**

Name: \_\_\_\_\_

Date: \_\_\_\_\_

CRITERIA	RUBRIC VALUES 1, 4, 7, 10	Project Values
<b>Full Disclosure of Costs</b> Includes implementation and maintenance costs.	1: lots of unknown or hidden costs 4: some costs are known 7: many costs are known 10: all costs, direct & indirect, are known and tabulated	
<b>Strategic Alignment</b> Aligns with Strategic Plan	1: no alignment 4: low 7: medium 10: high	
<b>Value/Benefit to "Customer"</b> Customers are consumers or users of the product or service could be students, staff, faculty, other campuses, external partners and even other services	1: little value/benefit to the customer(s) 4: some value/benefit 7: a lot of value/benefit to customer 10: essential/critical to customer(s)	
<b>Importance to Risk Mitigation</b> Would the campus or customer be exposed to a risk or impact if the product or service is not offered?	1: little risk to campus or customer if not offered 4: some risk to campus or customer if not offered 7: much risk to campus or customer if not offered 10: high risk to the campus or customer if not offered	
<b>Leverage Potential</b> Multiplier effect: product or service can be leveraged for other users/customers on campus or within CWU system; and/or adds value for external partners	1: little leverage potential, isolated service 4: some leverage 7: much leverage 10: service could be leveraged by many	
<b>Client Service</b> Can this project be completed in the time frame requested? If yes, how much will additional resources be needed?	1: highly questionable 4: partial completion – substantial additional resources required 7: substantial completion – some additional resources required 10: complete – no additional resources required	
<b>Required System/Service</b> Legal compliance requirement. Potential impact to core University services. Other services/projects depend on it.	1: does not affect other services 4: other services/projects depend on it 7: other services/projects depend on it and potential impact to core University services 10: other services/projects depend on it, and/or potential impact to core University services, and/or legal compliance requirement.	
<b>Organizational Impact to Users/Customer Base</b>	1: low impact, low number of users 4: low impact, high number of users 7: high impact, low number of users 10: high impact, high number of users	
<b>NAME OF PROJECT:</b> _____		<b>RUBRIC TOTAL:</b> _____

# Appendix A



QUOTATION FOR ORACLE HR APPLICATIONS for CENTRAL WASHINGTON UNIVERSITY  
Monday, September 14, 2015



## Option 1: HCM Cloud Performance\*

Part Number	Description	Proposed Term (Months)	Qty	1st Year Annual Subscription	2nd Year Annual Subscription	3rd Year Annual Subscription	36-Month Contract Total
867298	Oracle Fusion Talent Management Base Cloud Service - Hosted Named User	36	3,000	\$18,000.00	\$18,000.00	\$18,000.00	\$54,000.00
867299	Oracle Transactional Business Intelligence Enterprise for Human Capital Management Cloud Service - Hosted Employee	36	3,000	\$18,000.00	\$18,000.00	\$18,000.00	\$54,000.00
867293	Oracle Fusion Performance Management Cloud Service - Hosted Named User	36	3,000	\$9,000.00	\$9,000.00	\$9,000.00	\$27,000.00
TOTALS:				\$45,000.00	\$45,000.00	\$45,000.00	\$135,000.00

## Option 2: Peoplesoft ePerformance

Part Number	Description	Qty	First Year License Purchase	Annual Support
LS2406	Peoplesoft Enterprise ePerformance - Employee Perpetual	3,000	\$126,000.00	\$27,720.00
TOTALS:			\$126,000.00	\$27,720.00

### NOTES:

- Pricing presupposes Central Washington University's purchase of the products listed at the subscription/license quantities shown.
- Pricing valid through November 30, 2015.
- Note: This transaction is eligible for Oracle's Customer to Cloud Program. If there are Peoplesoft HR applications that CWU is not using and/or if you are overlicensed on any Oracle HR applications, CWU can shelf them and receive a credit toward this transaction.
- Customer to Cloud shelving credit for support dollars of shelved applications will be applied to the ordering document. Value of Support Credit dependent on date ordering document signed.
- Implementation services not included.

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PRICING CONTINGENT ON FINAL ORACLE APPROVAL

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Eileen Ellis  
HCM Applications Sales Manager  
(415) 613-5808  
San Francisco, CA  
[eileen.ellis@oracle.com](mailto:eileen.ellis@oracle.com)