

# County of Yolo's Path Ahead

INVESTING IN IMPROVEMENT CAPABILITY TO ACHIEVE OUR GOALS

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# County of Yolo Value Assessment

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# Executive summary



## Background

**We conducted 5 workshops with 20+ team members to understand their challenges and the resulting impact to business operations**

- County of Yolo is plagued with silos and inefficiencies due to its decentralized model
- Interviewees consistently expressed the need to move to a more modern business platform that leverages current automation and reporting capabilities
- Powered by hard working & dedicated professionals, the current system works, but is overwhelmingly manual and burdensome



## Solution

The proposed digital transformation solution is based upon **Infor CloudSuite Public Sector**

**The CSPS suite** includes a set of core capabilities, business collaboration and Infor OS and will support a centralized operating model for County of Yolo.

Infor **Birst Analytics** puts business value first by removing data silos & focuses on the metrics that matter to the current and future operational concerns



## Value

For County of Yolo, the economic value unlocked by adopting the Infor suite of products is estimated to be:

- **Total 5-year benefits: \$8.8 M**
- **Total 5-year costs: \$5.9 M**
- **Payback period of 2.2 years**

The benefits are based on a 11-month implementation & benefits phased in after implementation is complete.

Annual benefits are estimated to be 15%, 85%, 100%, 100% and 100%, (Years 1-5) while the one-time benefits are equally apportioned over years 2-5.

# Summary of key benefits

## Operational efficiency

County of Yolo integrated & synchronized across all operational areas to provide maximize resources and growth potential



### Centralized operating model

CloudSuite platform provides capability for centralized model

Improve visibility across departments

Leverage synergies to optimize county operations



### Workforce productivity

Increase productivity by reducing the complexity, time & effort to accomplish tasks

“Paperless office”, automation of manual processes



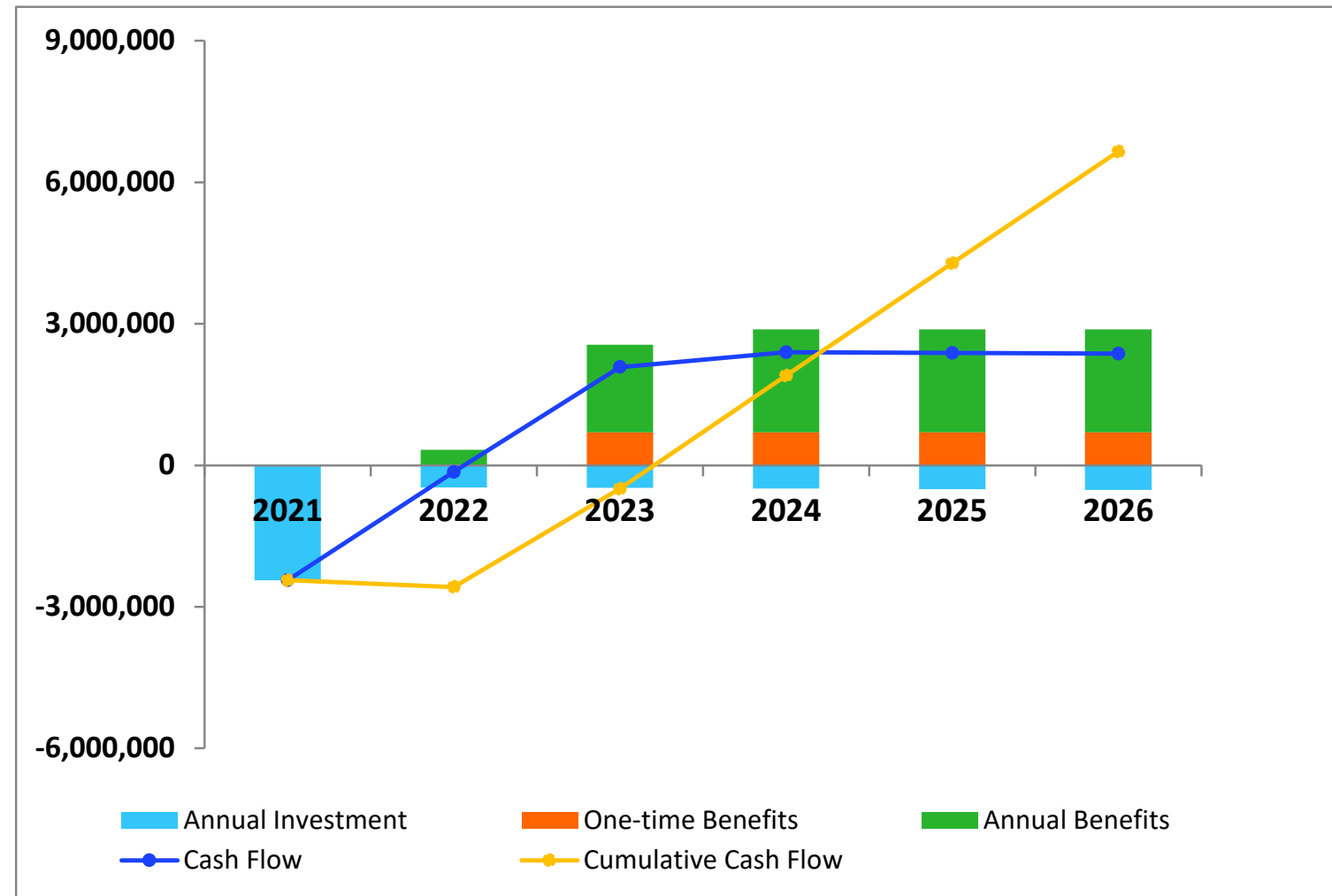
### Financial & data transparency

Reduce risk due to lack of visibility into siloed data

Provide better insights into internal operational metrics through unified data store

# Project Infor cost-benefit analysis

Metric	Impact
Total 5-year benefit	\$8,868,361
Total 5-year investment	\$5,861,605
Net present value	\$5,057,927
Internal rate of return	49%
WACC	5%
<b>Payback period (w/ 11 months implementation)</b>	<b>2.2 years</b>



# Value Assessment Findings

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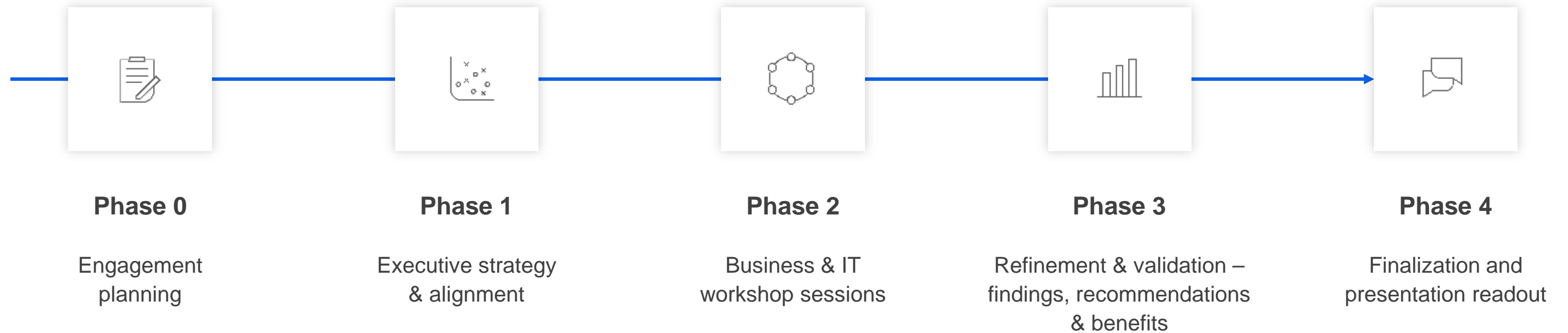
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# Our assessment process

Functional / business segment threads can be executed separately or combined either in parallel or serially. Overall success requires client business executive sponsorship, participation, and collaboration efforts of Infor and customer resources.



# What we heard

## Analytics

- We feel like we have all of the information that we need. The problem is finding it in a lot of different areas and cross-referencing it.
- Why do I have to dump data out of an ERP system to get what I need?
- We spend hours and hours on a simple information request.
- There has to be something better than Spreadsheet Designer.
- There's not much flexibility when we run reports today

## Efficiency

- The County is plagued with silos and inefficiencies due to our decentralized model.
- There's heavy reliance on manual processes and paper forms and copies.
- Process automation and document storage is limited.
- We have complex and inflexible workflows.
- Vendor self-service would be great – it would save so much time!

## Risk Exposure

- There's an auditing risk with contracts
- A/R processes are prone to errors and loss of revenue due to inability to track aging and process unpaid accounts appropriately.
- Lack of automation for internal billing results in increased workload, one-sided transactions, and incorrect financial reporting
- We have inconsistent and uncontrolled vendor entry methods...makes management and reporting almost impossible

## Electronic Records

- Currently we have no electronic personnel files.
- It would be ideal for us to have the [imaging] process be automated.
- Sometimes images are missing when it comes time for invoice approval.

## Usability

- The ability to have supporting documentation throughout the system is a big issue.
- Our systems don't look like one another, and this creates user confusion.
- Training people on asset accounting is a difficult task.

# Key transformation enablers for County of Yolo



## Moving toward a “paperless” office

Centralized, automated document storage for all organizational data; avoid duplication & version control issues; eliminate handling of physical copies; reduce *audit risk*



## Unified organization with department-level control

Centralized operating model provides visibility into and process control over departmental activities; leverage synergies to improve county operations



## Advanced Visibility

Combined siloed data sources to provide *better insights* into near real-time operational metrics; *self-service BI*; executive *dashboards* & mobile access



## Employee empowerment

Provide employees with the “*right data* in the *right place* at the *right time*” needed to make informed decisions, *automation* of manual processes, in-context training materials



## Modern Business Platform

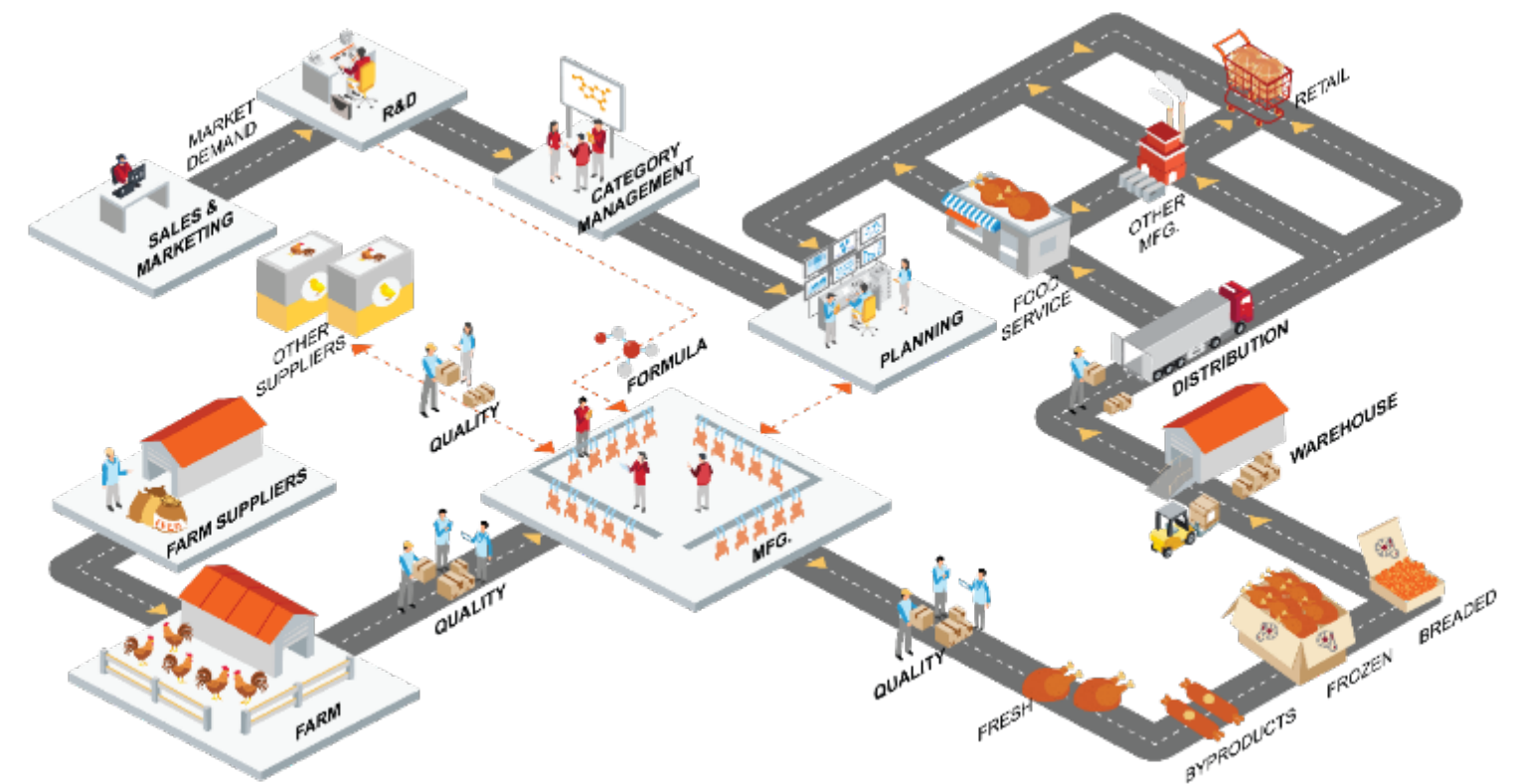
Future-proof your business with a scalable, flexible infrastructure to address both current and future needs; 3<sup>rd</sup> party application & data integration hub

# Focus on operational efficiency

*Doing things better and faster*

## Infor CloudSuite enablers

- Remove unnecessary **manual steps** involved in everyday operations
  - Automate data collection and processes wherever possible
  - Develop workflows to support complicated sub-processes
- Reduce **training** requirement for new employees:
  - Single financial system eliminates need to switch between multiple applications
  - modern, user role- and context-sensitive application interface minimizes screen navigation steps and multiple touches and shortens learning curve
- Central document repository, EDI, automatic PO generation, etc. all support “**paperless office**” concept



“

In the new world, it is not the big fish which eats the small fish,  
it's the fast fish which eats the slow fish.”

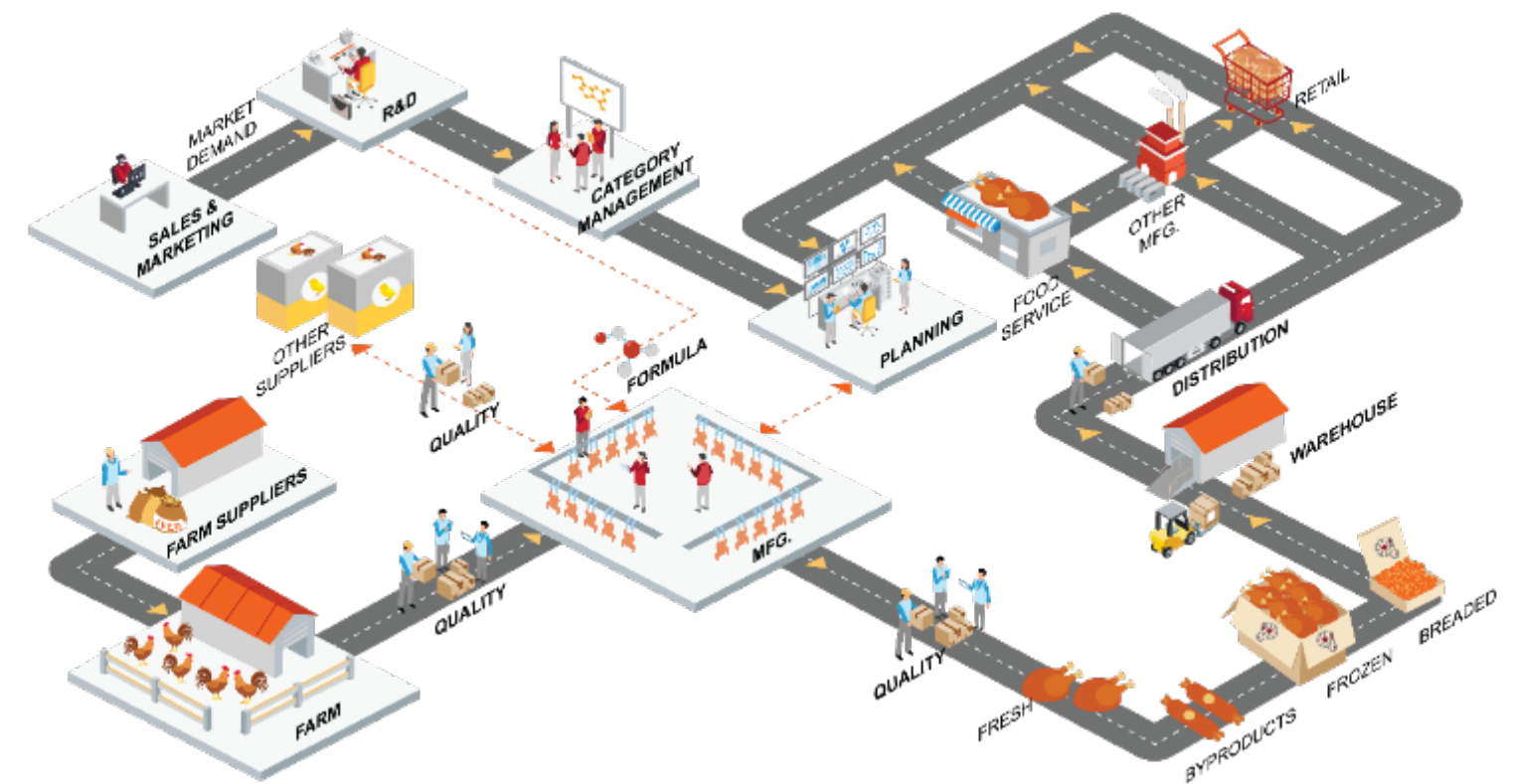
Source: Klaus Schwab, Founder & Executive Chairman, World Economic Forum, Nov. 2015

# Focus on operational effectiveness

## Doing the right things

### Infor CloudSuite enablers

- Optimize realization of employees' true value
  - Step 1: reduce amount of low-level, manual tasks via efficiency improvements
  - Step 2: dedicate time freed up to more strategic tasks based on skill set
- Shift extra IT resource capacity from infrastructure management to strategic business enablement
- On-demand reporting delivers current information where and when it is needed, enhancing the value of this data
- Mobile device support maximizes both efficiency & effectiveness of remote workers

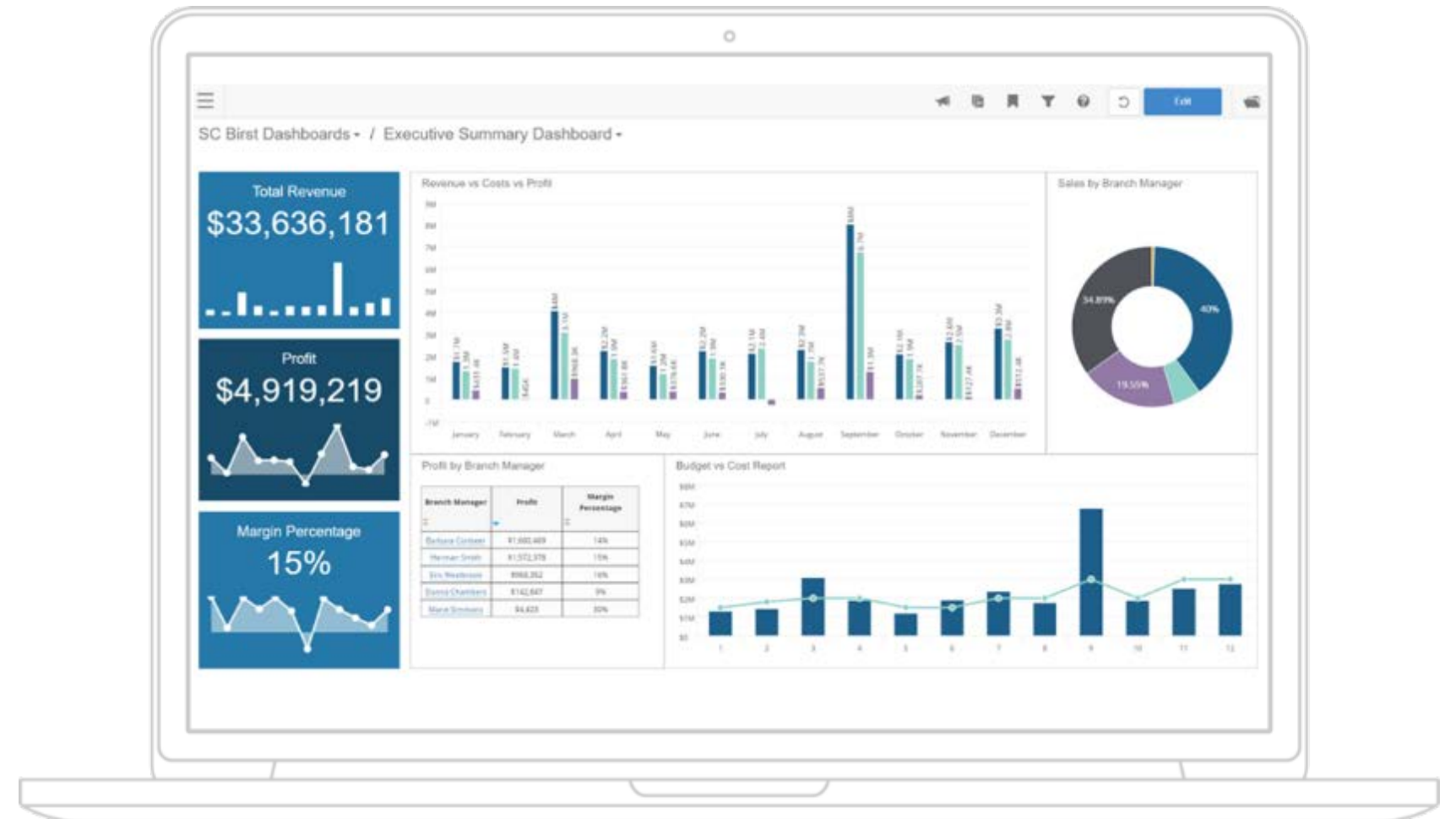


# One organization with department-level insight

County-wide visibility into departmental budget data; ability to provide flexible, visual, **exception-based reporting** with minimal effort

## Infor CloudSuite enablers

- **Eliminate data silos and centralize all** of County of Yolo's "big data" to allow decision makers at all levels to **make intelligent financial decisions**
- Combine internal financial data with **non-financial or external data** to generate innovative insights into budgets and forecasts, market trends, customer buying patterns, etc.
- Deliver KPI and performance **dashboards** to executives, as well as department levels on desktop or mobile devices



# A Platform for the Future

Flexible, easily expandable application deployment framework, leveraging world-class service provisioning by Amazon Web Services (AWS), and creating a digital backbone for transformation

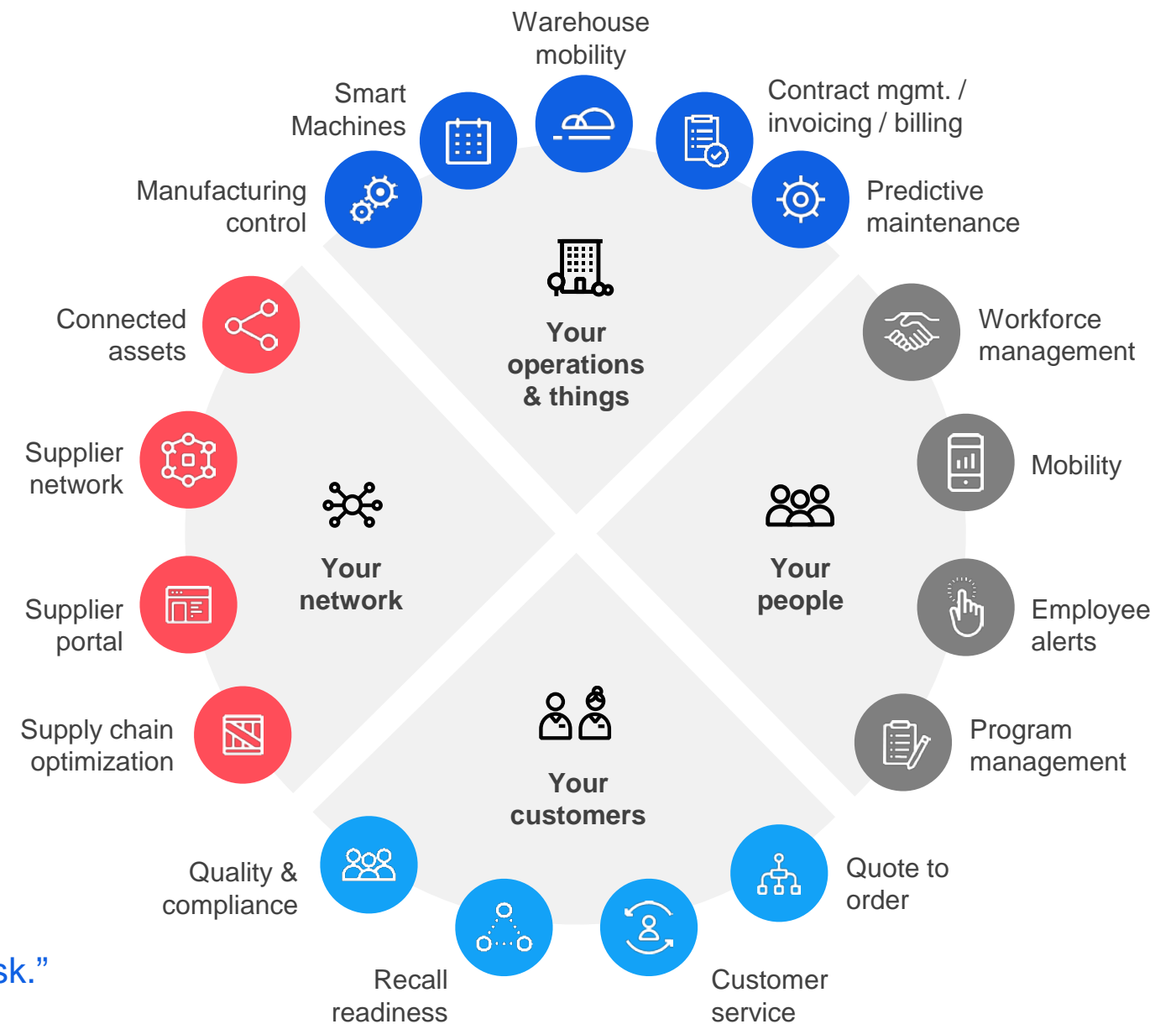
## Infor CloudSuite enablers

- A single platform for **application integration** that provides a modern & consistent user experience, process workflows, and analytics that **simplify business and IT processes** and enable digital transformation
- **Performance & Scalability** to meet seasonal and peak driven demands
- **Security & Compliance** allows County of Yolo to focus on core competencies
- **Innovation platform** – leverage latest machine learning technologies to formulate and deploy optimal, most **profitable** strategies



“Companies that adopt the cloud well bring new capabilities to market more quickly, innovate more easily, and scale more efficiently – while also reducing technology risk.”

Source: “How CIOs and CTOs Can Accelerate Digital Transformation Through Cloud Platforms”, McKinsey Digital, Sept. 2020



# County of Yolo Benefits Estimates

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# Annual benefit summary

Functional Area	Conservative Estimate	Likely Estimate
Advanced Analytics	603,636	889,446
Finance	313,762	424,298
HCM	582,250	770,831
Procurement	303,592	448,884
Technology	386,478	453,826
<b>TOTAL</b>	<b>\$2,189,718</b>	<b>\$2,987,285</b>



# Thank you

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# County of Yolo Value Assessment Details

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# Annual benefit details (1 of 5)

Advanced Analytics		
<i>(All summary figures are in USD Single Units)</i>	Conservative Estimate	Likely Estimate
<b>Total Projected Benefits (Annual)</b>	603,636	889,446
<b>Total Projected Benefits (One Time)</b>	1,423,470	1,987,553
<b>Networked Business Analytics</b>		
Reduced FTE cost to run/maintain the tool	0,000	0
Faster time to value because of ease of implementation (One-Time)	79,577	106,103
<b>Embedded BI</b>		
Improved decision making ability	67,203	117,605
Improved reporting	26,250	33,750
<b>Sales Analytics</b>		
Increased order value due to cross-selling and up-selling	100,805	168,008
Improved customer service resource productivity	227,160	302,880
<b>Marketing Analytics</b>		
Margin earned through faster time to market	20,161	40,322
<b>Supply Chain Analytics</b>		
Reduction in maverick/unmanaged spend	0,000	0,000
PLAN: Reduction in inventory levels (One-Time)	1,343,893	1,881,450
PLAN: Reduction in inventory holding costs (Annual)	162,058	226,881

# Annual benefit details (2 of 5)

Finance		
<i>(All summary figures are in USD Single Units)</i>	Conservative Estimate	Likely Estimate
<b>Total Projected Benefits (Annual)</b>	<b>313,762</b>	<b>424,298</b>
<b>Total Projected Benefits (One-Time)</b>	<b>1,364,137</b>	<b>1,798,212</b>
Reduction in receivables (One-time)	1,116,479	1,488,638
Reduction in receivables (Annual)	55,824	74,432
Reduction in ongoing bad debt write-offs	74,432	111,648
Improvement in productivity of FTEs who perform the process "Cost accounting and control and perform cost management"	17,324	21,654
Improvement in productivity of FTEs who perform the process group "Perform general accounting and reporting"	60,912	70,049
Improvement in productivity of FTEs who perform the process "Process accounts payable"	26,824	44,706
Increase in trade payables (One-Time)	247,659	309,573
Improvement in trade payables (Annual)	12,383	15,479
Reduced borrowing costs through improved cash management	15,000	22,500
Increased efficiency of fixed asset cost accounting	6,065	7,581
Early payment discounts	45,000	56,250

# Annual benefit details (3 of 5)

HCM		
<i>(All summary figures are in USD Single Units)</i>	Conservative Estimate	Likely Estimate
<b>Total Projected Benefits (Annual)</b>	<b>582,250</b>	<b>770,831</b>
<b>Recruit</b>	<b>97,416</b>	<b>127,402</b>
Improvement in hiring manager's productivity	61,440	73,728
Improvement in recruitment productivity	7,896	12,634
Reduction in bad hires costs	28,080	41,040
<b>Manage</b>	<b>144,748</b>	<b>195,035</b>
Improvement in HR productivity	80,896	111,232
Improvement in manager self-service	15,552	20,736
Improvement in employee self-service	16,320	21,760
Reduction in employee training costs	31,980	41,307
<b>Retain</b>	<b>208,095</b>	<b>256,094</b>
Reduction in lost productivity	197,461	236,953
Reduction in employee onboarding costs	10,634	19,141
<b>Payroll</b>	<b>131,991</b>	<b>192,300</b>
Reduction in cost of payroll non-compliance	97,869	146,803
Improvement in payroll productivity	34,122	45,496
<b>Workforce</b>	<b>0</b>	<b>0</b>
Improvement in sales performance	0	0

# Annual benefit details (4 of 5)

Procurement		
<i>(All summary figures are in USD Single Units)</i>	Conservative Estimate	Likely Estimate
<b>Total Projected Benefits (Annual)</b>	<b>303,592</b>	<b>448,884</b>
Improvement in developing sourcing strategy productivity	53,809	61,496
Reduction in maverick spend	103,680	174,960
Improvement in selecting suppliers and maintaining contracts productivity	90,870	116,833
Reduction in ordering material and services cost	29,741	44,612
Improvement in supplier management productivity	25,491	50,982

# Annual benefit details (5 of 5)

Technology		
<i>(All summary figures are in USD Single Units)</i>	Conservative Estimate	Likely Estimate
<b>Total Projected Benefits</b>	<b>386,478</b>	<b>453,828</b>
Reduction in cost of running and maintaining enterprise system	42,441	56,588
Reducing the cost of IT support	92,665	100,387
Reduction in application development cost	84,882	95,493
Reduction in training costs of IT employees	1,677	1,887
Reduction in cost of IT compliance	24,757	28,294
Reduction in integration Cost	140,056	171,179