Project Title:	Atlas Enhancements Project
Implementing Units:	Bureau of Management (BoM)
Beneficiary:	UNDP Offices and Staff

Brief Description

The Atlas Enhancements Project aims at transforming Atlas from a transactional system to a strategic management tool, by improving internal Atlas governance, business processes, and gaining efficiency, essentially supporting Project 6 (Driving Effectiveness, Internal Efficiencies and Realigning Incentives) of the UNDP Action Plan.

Specifically, the project aims to enhance the following business processes: 1) procurement integration; 2) Project Management; 3) administration of staff, including service contracts; 4) budgeting; 5) travel; 6) closing procedures, advance management, and adjustments; 7) Atlas framework; and 8) Corporate Strategic Reporting.

A combination of business process enhancements and establishment of parameters around the definition and maintenance of system data, controls, and security, will improve the accuracy and reliability of data used in corporate reporting and results monitoring.

These improvements will be implemented in a phased approach thru 2011-2012.

Atlas Award ID: 61128	Total resources required:	US$ 2,205,000
Atlas Project ID: 77311		
	Total allocated resources:	US$ 1,715,000
Planned start date: 01 January 2011	• Regular:	US$ 0
Planned end date: 31December 2012	• Other:	US$ 1,715,000
	Unfunded budget:	US$ 490,000

Agreed by:

Shirin Hamid, Chief Technology Officer, Director of OIST/BoM
(Technical Sponsor)

Ali Al-Za'tari, Deputy Assistant Administrator and Deputy Director, BoM
(Functional Sponsor)

5/4/11

Akiko Yuge, Assistant Administrator and Director, BoM

5 April 2011

I. Business Need and Strategy

Atlas was implemented in 2004 as UNDP's enterprise resource planning system (ERP), with the intention of structuring and standardizing UNDP's operations for enhanced operational efficiency. In comparing its pre- and post-Atlas experience, UNDP has seen a significant enhancement to the availability of data, and an increased ability to track and monitor its decentralized operations at 160+ country offices. Every single financial and human capital transaction is recorded in Atlas, with user and approver information. Seven (7) years of accumulated information should now offer the organization business intelligence to drive further efficiency and effectiveness.

Despite progress made and a wealth of information captured in the system after the Wave I rollout in 2004, and the Wave II stabilization from 2005-2008, feedback from users and functional sponsors, as well as results from evaluations and studies, have indicated that a need remains to enhance Atlas, to ensure that business processes are efficient and optimized, data is captured and reported accurately, and the overall user experience is enhanced. Business processes implemented initially intended to capture a comprehensive set of enterprise information necessary to run the organization, including:

- Basic project information, including substantive results, risks, and project locations
- Procurement information such as lead time, parties involved, exceptions to authorized limits, conflict of interests among parties involved, and items purchased
- Personnel information particularly related to jobs and benefits with a possibility to extend for competencies and skills
- Revenue and budget information, including projection to the future
- Financial information to generate UNDP's financial statements, as well as reports for its governance bodies, donors, and other audiences.

Today, we find that certain Atlas processes and datasets are incomplete, with some data being captured outside the system, and, with linkages between "Atlas transactions" and "non-Atlas transactions" remaining weak. For example, despite its capability to generate the above information, Atlas today can only reliably generate data on staff members (excluding Individual Contractors and Service Contract holders), and budgetary and financial data pertaining to current and previous years. Data related to procurement, non staff, basic project information, and future financials are out of date, incomplete, or inaccurate for analytic purposes.

In order for UNDP to leverage its financial investment in Atlas, and harvest the wealth of information captured in the system, it must improve the totality of the data captured, and align its information requirements with organizational needs. Such alignment can be achieved by increasing rigor in the execution of transactions leading to improved data quality, and ease of data retrieval and analysis. With such enhancements, Atlas can be transformed from its current state to a strategic decision making tool.

At present, the Bureau of Management (BoM) is in the process of implementing IPSAS, which is expected to introduce additional rigor in processing business transactions in the areas of employee benefits, expense recognition, asset management, and revenue management, leading to improved financial data quality. Within the scope of the IPSAS implementation, an enhancement of the financial reporting architecture is planned to provide UNDP with a much needed Business Intelligence tool to improve its data analysis capability.

To complement the improvements in areas covered by the IPSAS project, BoM will undertake the Atlas Enhancements Project to enhance the other operational areas of UNDP's business, to enhance the value

of Atlas as an enabler for "Driving Effectiveness, Internal Efficiencies and Realigning Incentives" and "Measuring and Managing by Results."

The various BoM units have collectively analyzed Atlas' current weaknesses and found them to be as follows:

- Governance and Structure
  - Despite detailed guidelines in the POPP, consistency in applying business processes and definition of user roles can be enhanced.
  - Master data management can be strengthened, particularly clarity in ownership of non-financial data.
  - Errors in data entry, access control, and weak exceptions tracking were identified in previous audit reports.

- Business Processes: While the Atlas implementation created the ability to instantaneously generate corporate information from data entered by every UNDP office worldwide, 7 years of implementation revealed the following weaknesses:
  - Lack of discipline in the budgeting process coupled with complex budgetary controls resulted in unreliable project budget information particularly for future years.
  - Delays in updating data and lack of attention to non-staff members led to an inability to produce a complete listing from Atlas, as experienced during the Haiti disaster.
  - Non-integrated procurement processes from planning to contracting, resulted in reporting difficulties and non-enforcement of procurement decisions in financial transactions.
  - Use of Purchase Orders for country office travel created an inability to report travel information corporate wide.
  - Complexity and manual nature of transactions created numerous unfinished transactions impacting data analysis and transactional efficiency.
  - In capturing project data, cumbersome data entry screens, terminology/structural mismatches, and lack of balance between financial and substantive increased user burden and data quality.

To correct the weaknesses identified above, the following objectives are proposed for the Atlas Enhancements Project:

- Ensure that UNDP, as an organization, collectively knows what it needs to know and how to run its business
- Adopt a proactive approach in instituting system controls and compliance measures against corporate risks
- By 2012, improve resource planning by having reliable budgets in place for current and future years
- By 2012, enable UNDP to know who among its staff and non staff are where
- By 2012, enable UNDP to know what and how compliant purchase decisions were made
- By 2012, enable UNDP to have reliable travel information

- By 2012, achieve a significant reduction in manual data entry errors and unfinished transactions
- By 2012, reduce the burden associated with capturing project information and increase the quality and consistency of data.

To meet those objectives, enhancements in various functional areas will be introduced. To ensure that the enhancements are aligned with the overall business process, Atlas' internal governance structure and framework will be strengthened, and the accuracy and reliability of corporate strategic reports will be improved allowing Atlas to deliver as a management decision making tool.

The proposed improvements will be delivered within the 2011-2012 timeframe.

II.   Results Framework

As stated above, enhancing the value of Atlas to become a strategic decision making tool calls for holistically addressing its identified weaknesses. The following illustrates how the various outputs of the Atlas Enhancements Project aim to achieve this.
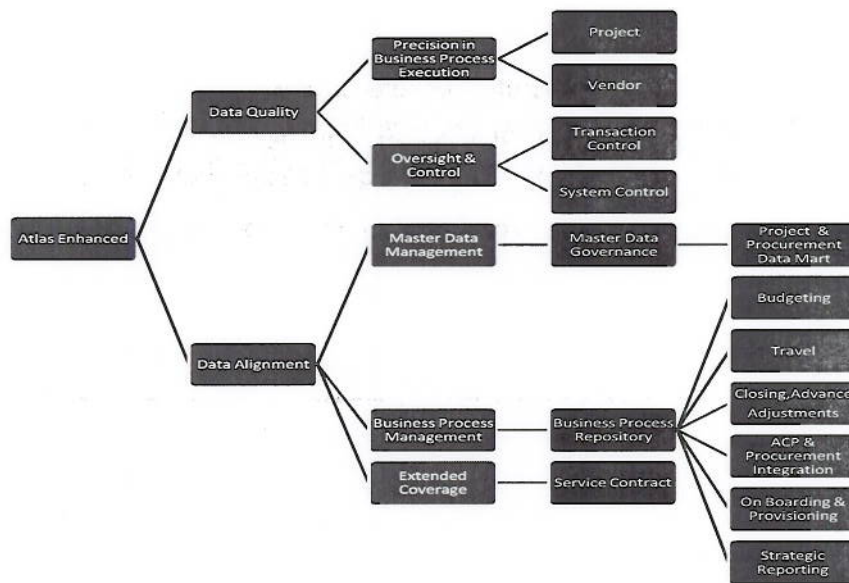
The following describes the outputs in more detail.

1. *Procurement Integration*

The end to end processes from procurement planning to payment will be integrated in order to capture and generate reliable procurement data for analysis and decision making. Proposed enhancements include:

- Enhancement of online ACP system and integration with Atlas purchasing module

- Vendor cleanup and management, including preventative controls for compliance to UN sanctions
- Strategic sourcing implementation
- Automated email advice of payment to vendors
- Management of Individual Contractors (formerly SSAs)

2. *Project Management*

Atlas' Project Management functionality has to be improved to better support Results Management and align the system closer to programmatic reality. **This is in line with the deliverables of the Programme and Project Management Task Force, set up drawing on an OG discussion of 13 October 2010.**

The Project Management processes and user interface will be streamlined to:

- be consistent with UNDP programming instruments and terminologies and correspond to new operating realities
- Reflect plans and detailed with annexes uploaded (Procurement Plan – Recruitment Plan and Monitoring and Evaluation plan)
- standardize the definition of a project and simplify budget and overall data entry
- capture the original approved budget amount and subsequent revisions to facilitate multi-year project budget management
- Provide simplified budget revision tool for calculation of amounts that need to be 're-phased' from one year to the next; and introduction of budget ledger reports that integrate current and future year budgets with prior year(s)' actuals
- capture supporting documents required for project approval
- improve budget cover page and progress report for monitoring
- better capture programme substantive and results data
- improve management of pipeline data and related pipeline budget reports, and
- improve overall user experience

3. *Administration of Staff, including Service Contracts*

Enhancements in this area will focus on improving UNDP's ability to manage both staff and non staff data including:

- Finalize migration of Service Contracts (SCs) to HR module.
- Develop enhanced reports that show all pay-roll commitments for multiple years.
- Payroll expenditures reports for Project Managers
- Enhance the efficiency of the payroll process
- Position management, funding, and reporting
- Identity and security management
- Automate position inactivation functionality
- Develop position management reports that fit with UNDP's matrixed management approach

4. *Budgeting*

This area will look at simplifying the budgeting process, particularly the following:

- Implementing the Purchase Order (PO) rollover process automatically moving the balance of un-liquidated obligations from one year to the next
- Implementing a budget roll over process to move unutilized budget balances from one year to the next
- Budgeting at component (Staff, GOE) level instead of account level
- Restricting access to budget override functionality; develop budget override monitoring reports.
- Eliminate project budget ledger check on NEX advances.
- Automate cash-controlled opening balances and eliminate need to 'annualize' AX1 ledger balances

5. *Travel*

Proposed improvements in this area include:

- Tightening of asset management related roles and controls
- Review of the Travel and Expense to increase efficiency and effectiveness, and better facilitate travel management, as a pre-requisite to assessing the suitability of the module for roll-out to country offices
- F10 automation

6. *Closing, Advance Management, and Adjustments*

Proposed improvements in this area include:

- Optimizing the closing processes through greater automation, the provision of tools to support the closing process and improvements to associated business processes
- Enhancing the automation of inter-module reconciliation and greater inter-module integrity
- Simplifying cost recovery
- Develop new and more user-friendly atlas process for charging and distributing GMS income.
- Tightening access to the General Ledger Journal Entry (GLJE) and adjustment procedures coupled with reducing timeframe of getting data posted to the GL
- Revisiting current method of recording advances and prepayments

7. *Atlas Governance and Framework*

Strengthening the Atlas framework calls for establishing a governance structure to make decisions on the following:

- Definition and maintenance of master or configuration data – e.g., business unit, institution, etc.
- Business processes
- System controls
- User roles and access
- External Access – NIM and non Atlas UN agencies
- Maintenance and sustainability of UNEX

8. *Corporate Strategic Reporting*

Currently, corporate reporting and results monitoring are being addressed by various online tools (Executive Snapshot, RBM Platform, and Balanced Score Card) which sometimes leads to inconsistent or less than up to date data being reported on each platform. The underlying technical infrastructure, data marts, and data transformation processes have to be improved to:

- Increase the accuracy, reliability, and consistency of data across corporate reporting tools
- Introduce new views for improved resource management to include Static Quarterly Resource Management Reviews and CO scan reports; enhanced position management reports (Hosting unit; financial implications of workforce changes; vacancy management reports, etc.); introduction of new fund rollups (in line with new cost classifications approved by Executive Board); and outstanding receivables information (including the revaluation of outstanding non-$ receivables); and
- Eliminate redundant and/or extraneous reports and queries
- Incorporate standardized exception reporting

III. Annual Work Plan

The work plan will be refined after detailed plans are set up for each output/work stream.

Work Stream	Output	2011	2012	Total
1. Procurement integration	• ACP Online and Procurement integration • Improved Vendor Management	155,000 45,000		155,000 45,000
2. Project Management	• Improved user interface aligned with programme data structure and terminology **A deliverable of the OG approved Programme and Project Management Task Force**	154,000		154,000
3. Administration of staff, including service contracts	• Payroll and Position Mgt Reporting • Migration of Service Contracts • Identity Management	312,000		312,000
4. Corporate Strategic Reporting	• Snapshot quick fixes • Snapshot replacement and enhanced strategic	120,000		120,000

		2011	2012	Total
	reports (IWP, BSC, CO scans)			
5. Budgeting	• Simplified budgeting process	150,000		150,000
	• Commitment Control Security	60,000		60,000
6. Closing, advance management, and adjustments	• Advance and closing process optimization	120,000		120,000
	• Inter-module reconciliation	120,000		120,000
7. Atlas governance and framework	• Master data defined and business processes repository created	60,000		60,000
	• External Access and UNEX	69,000		69,000
	• Transactions Monitoring	150,000	310,000	460,000
	• Enhanced quality assurance	200,000		200,000
8. Travel	• F10 from Atlas		180,000	180,000
	• T&E to country offices			
Total		**1,715,000**	**490,000**	**2,205,000**

Funding sources:	2011	2012	Total
2011 allocation to date (from TF resources managed by BoM DIR)			
From Fund 54010	35,701		
From Fund 54020	121,026		
From Fund 54030 (Atlas Enhanced 442K + Talent Mgt 252K)	694,000		
From Fund 11000	864,273		
Total Funded	**1,715,000**		**1,715,000**
Total Required			**2,205,000**
Estimated funding gap			**490,000**

IV.   Project Risks

The following risks were identified as potentially affecting the project implementation:

1. Unforeseen issues from simultaneous initiatives such as infrastructure stabilization, application of patches and bundles, etc., may impact the development of the application enhancements.
   • Likelihood: Moderate

- Impact: High
- Mitigation: Proper planning and enhanced quality assurance process should be ensured to avoid this risk. Re-phasing of the proposed work plan to mitigate the risks.

2. Changing business requirements will impact the development timeline.
   - Likelihood: Moderate
   - Impact: Moderate
   - Mitigation: Ensure adequate understanding of requirements and proper sign off of business specifications by authoritative representatives from sponsoring functional units.

3. The introduction of tighter system controls to streamline business processes and improve data accuracy may be viewed as adding burden to the work of Atlas users, particularly country offices.
   - Likelihood: High
   - Impact: Moderate
   - Mitigation: Ensure timely communication to country offices and regional bureaus about upcoming system changes and their benefits, and include them in quality assurance process. Seek clear opportunities to increase automation wherever practicable, and thus reduce additional effort.

4. Application enhancements may impact functionalities and/or system configuration common to Atlas partner agencies.

   - Likelihood: Moderate
   - Impact: Moderate
   - Mitigation: Communicate planned changes in inter-agency forum and coordinate implementation schedules to avoid unnecessary impact or overlap.

5. Project implementation timeline is at risk if human resources are diverted from assigned tasks in the project plan.

   - Likelihood: High
   - Impact: High
   - Mitigation: Get agreement from respective supervisors to allow staff to work on project tasks as scheduled. Phase the tasks to fit within achievable work plans.
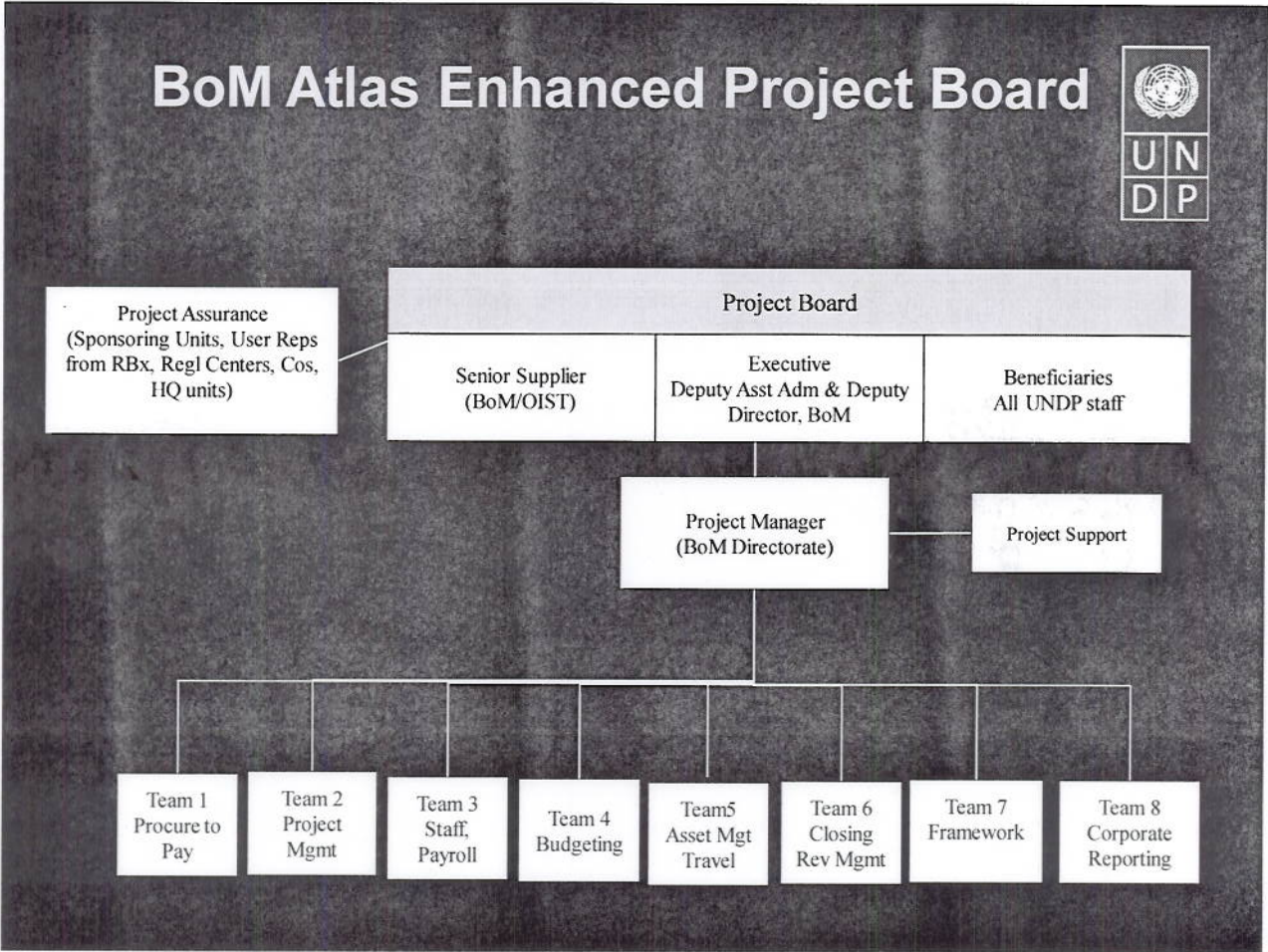

V.   Project Management and Oversight

The Project will be managed within the framework of the Atlas Roadmap and in accordance with Prince2 methodology. A BoM Atlas Enhancements Project Board will be set up to oversee the project implementation, monitor progress, and determine necessary adjustments to the project plan.

The Project Board will be led by the Deputy Assistant Administrator and Deputy Director of BoM, who will be the Executive and functional sponsor of the project, supported by the Director of the Office of Information Systems and Technology (BoM/OIST) as Senior Supplier and technical sponsor.
Day to day management of the project will be performed by the BoM Directorate. The Project Manager will monitor progress and provide progress reports to the Project Board, highlighting exceptions to the Project Plan.

Given the corporate nature of the project, project assurance will include representatives from sponsoring functional units, as well as Regional Bureaus, Regional Centers, country offices, and other central units.

System change control will be managed through the established Atlas inter agency Change Control Board (CCB) to maintain system alignment with the existing interagency technical platform. The Atlas Inter Agency Governing Group (IAGG) will be informed periodically on the project progress to update Atlas partner agencies.

BoM Atlas Enhanced Project Board

Project Assurance (Sponsoring Units, User Reps from RBx, Regl Centers, Cos, HQ units)

Project Board

Senior Supplier (BoM/OIST)	Executive Deputy Asst Adm & Deputy Director, BoM	Beneficiaries All UNDP staff

Project Manager (BoM Directorate)

Project Support

Team 1 Procure to Pay	Team 2 Project Mgmt	Team 3 Staff, Payroll	Team 4 Budgeting	Team5 Asset Mgt Travel	Team 6 Closing Rev Mgmt	Team 7 Framework	Team 8 Corporate Reporting

ANNEX 1
Project Work Streams

Work stream	Lead
Procurement integration	Functional: PSO Technical:
Project Management	Functional: BOM Directorate Technical:
Staff Administration	Functional: HR and OPB Technical:
Budgeting	Functional: OPB Technical:
Travel	Functional: ASD Technical:
Closure, Advance Mgt, Adjustments	Functional: OPB (co-lead) Technical:
Atlas Governance and Framework	Functional: BOM Directorate Technical:
Corporate Strategic Reporting	Functional: OPB, BOM Directorate Technical: