Treasury Board of Canada Secretariat

Secrétariat du Conseil du Trésor du Canada

Canada

# Presentation to FMI

## Financial Management Transformation – A Path Forward

## Treasury Board of Canada Secretariat (TBS)

## November 24, 2022

Last Updated  2022-11-21

# Overview

About the Financial Management Transformation (FMT) Sector

Progress on Transformation

Planning to 2030

Annex

# About the FMT Sector: Our Directorates

## Policy & Data
### Senior Director, Marc-Andre Audette

- Leads vision and strategy work for FMT
- Develops policy instruments and compliance measures
- Provides advice and guidance on proposed FMS investments and develops recommendations for ACG endorsement
- Collaborates and develops key community stakeholder partnerships
- Develops costing methodologies and database to track FMS investments and benefits realized
- New and evolving solutions
- Develops common data standards

## Digital Comptrollership Program
### Executive Director, Lynn Gibault

- Develops and maintains SAP implementation strategy & roadmap
- Coordinates the transition for departments moving to SAP S/4HANA
- Works with SSC/PSPC/OCIO to standardize infrastructure
- Provides governance and program management
- Manages $1B GC-Wide SAP Contract & vendor
- Develops, manages and maintains the GC Digital Core Template (SAP S/4HANA) as well as the current core footprint (SAP ECC6) & Manages the release schedule
- Advisory and coordination role

## Corporate Administrative Systems (IRIS)
### Director, David Jannsen

- Cluster host
- Program and application management for TBS and 21 other departments and agencies
- Currently onboarding 3 departments for 2023
- Provides governance, community engagement, training, support & change management
- Develops implementation strategy and plan for transitioning the departments to SAP S/4HANA
- Work to maintain a very standardized solution with a mature onboarding process

**Work closely with OCG, OCIO, OCHRO, TBS, PSPC, SSC, the Finance Community & External Partners**

**Total 2022-23 Budget :** $52M    **Total Human Resources:** 110 FTEs

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# About the FMT Sector:  Our Impact

**FMT Sector helps position the Government of Canada to:**

- Ensure strong financial management and internal controls of public resources are in place

- Contribute to better decision-making (within each department and government-wide), greater efficiency and improved service delivery to Canadians

- Report or measure results at an enterprise level in a timely, responsive, and agile way with reduced effort

- Implement policies and governance to ensure alignment of financial systems and investments with government direction

- Reduce the number of vendors and system installations, interfaces and customizations to mitigate government risk and better manage maintenance costs

- Modernize systems and keep pace with technological change and new ways of working

- Improve interoperability and business flows by standardizing processes, data, practices and technologies

# Progress on Transformation

**The Financial Management Strategy & Digital Comptrollership Program (DCP) approved in 2019**

**Since then:**

- DCP SAP Model company for Canada, GC Digital Core solution Release 2
- Consolidated SAP contract and support activities now under DCP
- Stabilized DCP funding to 2030

- Reduced the number of systems, new pilots
- Directive on Stewardship of Financial Management Systems
- Data standards developed
- IRIS cluster growth

- Other governments are implementing similar transformations; Nova Scotia, France, UK, New Zealand, Australia
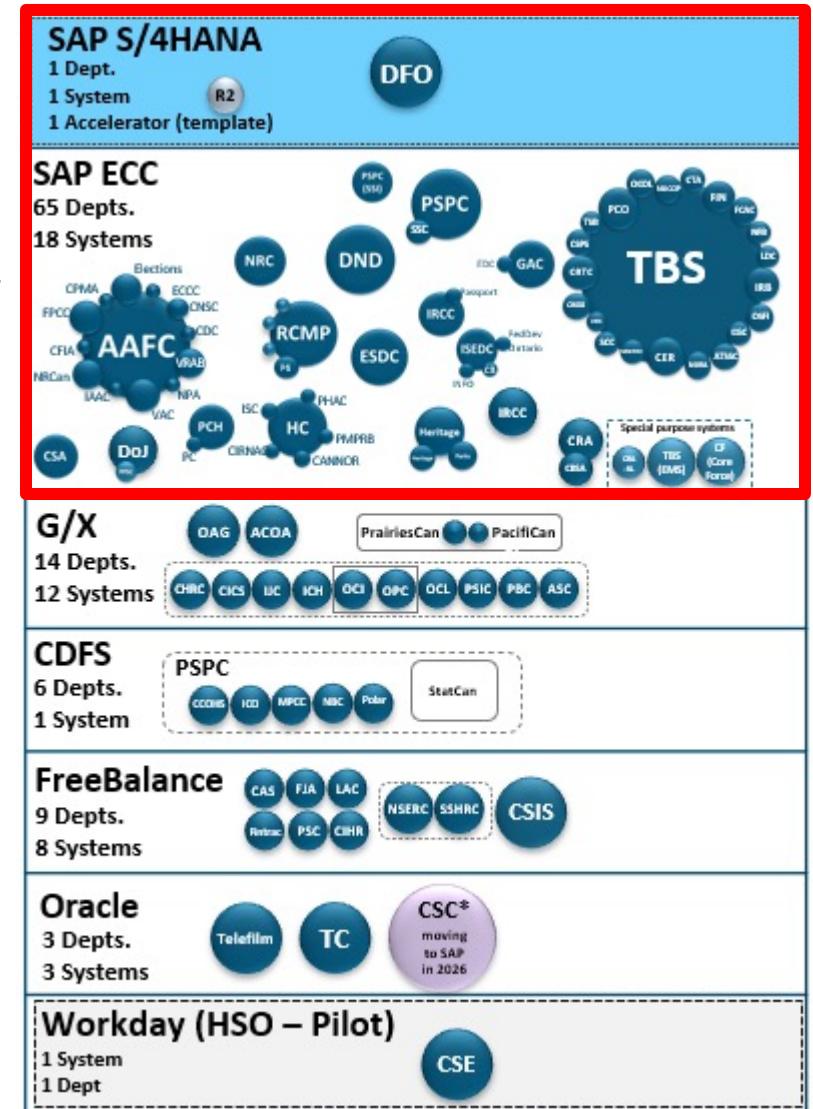
# Planning to 2030

**Since 2020 many external factors have impacted the program :**

- COVID

- New Interim Standard on Enterprise Resource Planning Solutions with direction to move to more than one ERP vendor

- Cloud Strategy

- Industry & SAP moving to cloud-based Software as a Service

- Capacity

**Impact:**

- Many departments reviewing the way forward & implementation dates now closer to 2030

# Planning to 2030

- Update the FMT Strategy & Road Map – by March 31, 2023
  - Determining our vision for the Future of Finance – Destination 2030
  - Reconfirm outcomes
  - Working on costing & analysis to build business case
  - External perspective

- Enhance governance and capacity to support multiple vendor solutions & other initiatives

- Communicate value of transformation to departments and the GoC

- Continue work on DCP Release 3, IRIS way forward, Next-Gen travel, pilots, data

- Work on contractual vehicles to support the future

# Destination 2030 Framework – Four Key Pillars for the Future of Finance

Our 2030 destination for …

| **Accounting and Transaction Processing** | **Resource Management** | **Performance and Results** | **Talent and Delivery Model** |
|---|---|---|---|
| *In 2030 how will transaction processing be conducted? How much of Finance's time will be spent processing invoices, managing commitments, etc.? How will the way in which we manage controls be different?* | *In 2030 how will budget and spend management be different? How will financial management decisions be made? How will finance enhance investment planning?* | *How will Finance engage in departmental performance management, and supporting the achievement of priority outcomes? How will Finance support sustainability?* | *In 2030 what will be the Finance "hot skills"? How will Finance be working differently?* |

Agility

Innovation

Transparency

Purpose Driven

# Questions

# Annex

# What is the Digital Comptrollership Program?

Tasked with providing direction and guidance to the FM community as it begins to reassess its finance and materiel management capabilities in the context of a digital environment. Coordinate the transition of departments on SAP new version S/4HANA.

The Program will harness innovation and technology by *reimagining* its workforce (future of work), business processes and policies to:

- Provide more timely access to reliable, consistent **GC-wide information**, both internally and externally
- Ensure that **Financial Management** services better enable the delivery of programs for Canadians and remain cost effective and sustainable
- Design and deliver standard, **streamlined processes** and common data structures
- Build modernized common systems to replace **departmental platforms**

People

Manual efforts executed by skilled individuals

EFFORT

Effective workflows & clear accountabilities

Process        Technology

Automated workflows and comprehensive data

Ideal future state        Current state