HR Information System – **Gwynedd Council**

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The person who delivered the work was Paul Cunningham and Jeremy Evans.

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Gwynedd Council's in-house HR system is likely to meet the Council's needs, now and in the future, but whilst development risks are being managed, project management arrangements need strengthening.

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Background

1   Human Resource (HR) information systems are a fundamental part of modern HR service delivery and provide organisations with HR process support and critical business intelligence. Systems can, using workflow, support HR processes such as recruitment, absence management and staff appraisal. Business information includes sickness absence, workforce planning and staff performance data.

2   Traditionally these systems are available from large software development organisations. Common platforms, in use in local government in Wales, are Northgate Resource Link and Midland iTrent. Other systems are also available. Models of ownership vary from a bias to upfront costs, (licence purchase plus implementation consultancy with lower ongoing support costs) to one where the organisation leases the system monthly or yearly. Organisations also often opt for contracts to include software updates (system and legislative), and application support.

3   These off-the-shelf systems take organisation time for the initial implementation, and more time for implementing optional modules. Not all organisations will take all system modules, beyond a core set. System prices may include all options, whether used or not, or may be calculated on a module-by-module basis.

4   Because of the size and complexity of these applications, not many organisations carry out development of their own system. Not only does the system take significant resource to develop in the first place, it also takes time to continue to develop and support.

5   For organisations such as local government, attracting development staff and keeping them for the ongoing support and development is not easy.

6   In 2009, Gwynedd Council (the Council) started a dedicated project, with a project board, to buy an integrated payroll/HR solution. The Council visited many reference sites, and providers demonstrated their solutions. However, the Council decided to keep its existing payroll system and to build an in-house solution for HR, which would also become its hub for managing access to other systems.

Purpose of the review

7   In our 2016 review of Information Management, we reported the in-house development of the people management (Human Resources) system as a potential risk to the Council. This is because of its complexity, size and continuing nature of the dependency on development staff.

8   Our previous work on Information Technology[1], and Information Management[2] in Gwynedd indicated that the HR system does not currently have the functionality of others in use in councils in Wales. Particularly in its range of self-service functions and its information provision for managers (for example sickness absence and workforce planning data). However, it does meet the Council's Welsh language needs in a way that proprietary systems do not. The Council has an active development plan aimed at resolving the key function and information issues.

9   The purpose of this review is to look in more detail at the risks this system poses to the Council. The review involved document reviews, meeting observations and interviews with key staff within the Council. We sought to answer the question "Will the Council's in-house HR system meet the Council's needs, now and in the future, without posing significant development and support risk?"

Review findings and conclusions

10   We concluded that Gwynedd Council's in-house HR system is likely to meet the Council's needs, now and in the future, but whilst development risks are being managed, project management arrangements need strengthening. We came to this conclusion because:

   a.   the Council has mitigated the risks associated with development skills and resources

   b.   project management arrangements are in place, but these are not comprehensive or mature enough.

Proposals for improvement

11   The table below contains our proposals for ways in which the Council could improve the effectiveness of its in-house HR system development, to help the Council to meet current and future challenges.

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Proposals for improvement
P1   Review and strengthen project management arrangements:

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[1] 517A2016 Information Technology Review October 2016
[2] 399A2017 Information Management Update July 2017

Proposals for improvement
- Create a formal Project Initiation Document, based on the Project Board Terms of Reference, containing reference to all key project activities and documentation.   - Clarify the project timeline to avoid the risk of 'always developing – never getting there'.   - Review the layout of the project risk matrix to reduce the potential to mark all risks as medium.   - Establish a formal Communications Strategy or Plan and publish regular highlight reports. Involve the Council's Communications Team in identifying a suitable name or brand identity for SGG and the HR systems suite.   - Establish a formal benefit realisation programme so the aims of the development project can be properly evaluated
P2   Review technology options within the project   - Improve access to enable more staff (for example those remotely based) to engage with the system.   - Network with other councils to gather and share practice examples..   - Consider a cloud implementation.

Detailed report

Gwynedd Council's in-house HR system is likely to meet the Council's needs, now and in the future, but whilst development risks are being managed, project management arrangements need strengthening

13   Gwynedd Council (the Council) identified the need for a new HR system in 2005. Council officers received demonstrations from several suppliers, including Midland, Northgate and Cyborg, as well as visiting Wrexham to see the Agilsys in use. However, the Council decided that none of the off-the-shelf solutions were suitable. And developed a suite of business cases for and in-house development. The Council, in 2014, took the decision to fund the in-house suite of HR modules.

14   Issues they considered in this decision included:

        a. overall cost, including the cost for components of a standard solution the Council was not going to use much;

        b. ease of language integration using both English and Welsh; and

        c. Ffordd Gwynedd.

15   The developed solution, System Swyddi Gwynedd (SSG) is the central repository for the suite of HR systems and forms a hub for other applications in the suite as well as payroll. At its core, it is a database of all the established posts within the Council, linked by Active Directory to individual post holders. Records in SSG link to corresponding records in payroll and other systems. Several modules are already in place:

        a. staffing (SSG);

        b. sickness records;

        c. travel expenses;

        d. self-service post holder detail changing; and

        e. reporting.

And a number are under development:

        f. online time sheets;

        g. sickness self-service;

        h. Disclosure and Barring Service (DBS);

        i. staffing rotas (calendar based);

        j. self-service reporting tools; and

        k. occupational health.

The Council has mitigated the risks associated with development skills and resources

16   Concerned about the internal capacity to develop, support and review any new in-house system, the Council has chosen well-established and widely used software and tools. The Council uses these to implement the project and develop the various products it contains, including:

   a. Microsoft SQL

   b. Microsoft .NET framework

   c. Microsoft Active Directory

The Council uses the Agile Development Framework[3]. The Council adopted this approach in 2012.

17   Because of this framework, greater control over development costs is possible. There should also be little difficulty in recruiting staff to development and ongoing support roles, as the skills associated are common in the employment market. Currently the Council has 18 developers trained in this technology, which is used not only in this project but also in other developments in the Council.

18   One challenge, which remains, is the continued need to ensuring staff engage with the new systems. To this end, development teams are visiting departments to promote the benefits of the new software and the new way of working needed to gain most value from it.

19   Development and live versions of the HR Suite modules are hosted within the Council's own on-site servers. There are risks to availability, performance and resilience associated with self-hosted systems, the use of, for example, a cloud based solution, could mitigate this.

Project management arrangements are in place, but these are not comprehensive or mature enough

20   Council support for developing the HR Suite is evident; it has the backing of the Chief Executive and Cabinet. The Council has an established HR Strategy in place, its 'People Plan' (2016-2018) which includes the development strategy. The

[3] In contrast with a traditional project management approach, such as PRINCE 2, Agile Project Management allows work to begin in advance of a completed and finalised project plan. Planning continues during the delivery of the project, allowing a much greater level of flexibility and responsiveness. Agile project management is still subject to rigorous governance, evaluation and control, placing emphasis on delivery to agreed time and budget, whilst allowing scope of delivery to flex in order to meet these.

project board has a good structure, with key roles filled, including Project Manager, Senior User and Senior Supplier.

21   It is usual to develop a Project Initiation Document (PID) early in the lifetime of a project, whatever project management method is used. For Gwynedd's HR suite, no such PID exists. However, there is a Terms of Reference document for the Project Board. This document could easily be expanded and developed into a PID.

22   The Council is using Microsoft Project software to support the project management progress, helping keep track of resources needed and dependencies between the many strands of work. While the Gantt chart showing the project calendar is detailed, going down to individual tasks for developers in some cases, this is not uniform across all the development modules and it lacks some of the concrete delivery milestones for products. These need to be included to enable proper reviews of progress.

23   There is a risk register, which identifies and explains the nature of risks facing the project, including a record of mitigating actions with a likelihood vs impact matrix score. The risk register is new, and so may need time to bed in. The matrix is limited currently to 3 by 3, high-medium-low scores for each of likelihood and impact. Using even numbered axis for the risk matrix, such as a 4 by 4 gives a higher degree of resolution. It also avoids favouring the middle category in each axis, which then often results in all risks ending as medium.

24   The project team has created a communications log. This log is detailed, so it is difficult to identify priorities and assess whether they are being met. There is no overall communications strategy or plan. Council staff are aware that work is underway to develop a suite of HR software, evidenced by feedback from the various roadshow events the project team has carried out. However, there is no overall project identity or 'brand', which would provide focus and help awareness raising.

25   Although some benefits, such as easier access to information, have been noted, there is no overall benefits realisation approach. There would be value in developing a full list to ensure the development costs can be justified and the Council has a documented picture of what success looks like.

Wales Audit Office

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone.: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru

24 Heol y Gadeirlan

Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru