



CASE STUDY

INTEGRATED FINANCIAL MANAGEMENT SYSTEM FOR LOCAL GOVERNMENTS IN UGANDA

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CUSTOMER PROFILE

As of 2007, Uganda has expanded service delivery by increasing administrative units in form of local governments. The number of Local Governments is around 130. The local governments collect local revenue from a variety of sources including markets, properties, parking space, and exercise control over issuance of business licenses and other related activities in the Districts, Municipal and Town Councils

BUSINESS SITUATION

The project conceptualizes an Integrated Financial Management Information System (IFMS) for ICSI. The system aims to consolidate various reports and information that is provided by different regional chapters. ICSI, which is the responsible body for certifying and ensuring compliances of government policies and taking it to the corporate companies across India adapted a significant IT program in automation of its core processes.

The business objectives include:

- To increase the ability to undertake **central control and monitoring of expenditure** and receipts in the Local Governments;
- To increase the ability to **access information on financial**, economic and operational performance.
- To **increase internal control** to prevent and detect potential and actual fraud.
- To **provide the ability to understand** the costs of groups of activities and tasks.
- To **increase the ability to demonstrate accountability** to the public and development partners.

There are over 130 Local Governments including Districts, Local Councils, Municipal Councils, District Administrations and Town Councils in Uganda. So far 59 local governments have been implemented which include mix of Districts, Municipal Councils and Town Councils.

World Bank funded the implementation of the IFMS system across 43 local governments and balance was funded by Government of Uganda.

Customer

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Industry

Public Sector

Modules Implemented

1. Budgeting
2. General Ledger
3. Payments & Accounts Payable
4. Cash Management
5. Purchase & Commitment Accounting
6. Fund & Grant Management
7. Revenue Receipting
9. Inventory Management
10. Fixed Assets
8. Payroll Processing

"The Uganda Local Government Revenue Management project is not only one of the most successful projects in Africa but one of the most successful project in the world, that the World Bank has been involved in."

Parminder Brar
World Bank Lead Financial Management Specialist, EA



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SOLUTION

Techno Brain delivered a comprehensive solution which included Budgeting, Finance, Procurement, Payables, Revenue Management, Cash Management Inventory and Fixed Assets Management, providing an end to end solution for addressing all the issues arising from a decentralized system. The solution helped the Local Government to streamline their revenue management and improve their budgeting based on the information available from various local governments. The solution enhanced management's visibility on the activities being executed at the local government level and automated the whole accounting process, thus eliminating the overhead of compiling the information received from various sources and reentering the financial information in the payable system at the headquarters

APPROACH

The implementation was a turnkey implementation which involves site preparation and application preparation which entailed:

1. Site Visit and Site drawings to determine locations of key installations i.e. Generator house, server room, pool room
2. Electrical wiring of the buildings and connecting to the generator
3. Laying the local Area network
4. Refurbishing the server room
5. Installation and configuration of the servers and computers, Air conditioning units, Access control, fire extinguishers etc
6. Configuration, customization.

ROLES OF GOVERNMENT

Each of the members had distinct roles

1. Provide GOVT Project Manager and focal point of contact
2. Convene the Project Launch meeting and invite the other stakeholders
3. Convene the steering committee meetings
4. Convene the weekly project meetings
5. Facilitate the site visits
6. Validate and approve the site drawings
7. Provide documentation on GOVT processes
8. Provide clarification during development of the Software specifications document
9. Participate in end user testing
10. Convene and supervise the Training
11. Provide and validate master data before data migration
12. Commission and hand over the equipment
13. Go-live Testing & User acceptance
14. Post go live support

Resources Deployed:

The Consortium deployed the following resources:

1. Project Manager
2. Business Analyst
3. Systems Architect
4. IFMIS Functional Consultants
5. Technical Consultants
6. Civil Works Team
7. Hardware Technicians
8. Change Management Experts
9. Quality Testing & Assurance team

Scope of Work:

- Install, customize, configure IFMIS system
- Install Fire Extinguishers, Access control systems at the Data Centre.
- Supply, Install and Commission 30 KVA generator set for prime or backup power supply
- Train 20 staff per site on the application, maintenance of equipment, troubleshooting issues.
- Carry out Change Management session for quick adoption of new system.
- Interface IFMIS application with Central Government IFMIS system.
- Install Fire Extinguishers, Access control systems at the Data Centre.
- Supply, Install and Commission 30 KVA generator set for prime or backup power supply
- Provide 3 years of Warranty support to each site with servicing of all equipment, preventive maintenance and re-training teams where needed.

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15. Convene refresher training
16. Run central help desk

PROJECT MANAGEMENT

A hybrid Project Management team was setup that comprised of Key Project Head who managed Project Leads for different components - Application, Hardware & Networking, Civil Works and Electrical. A strong project management practice was put in place to ensure all activities are conducted on time with quality. The Project Management team was further advised by a team of IFMIS Advisors of Techno Brain who have an experience of over 20 years in implementing IFMIS processes across the world working with different donors and development partners. To monitor the progress of the implementation a Steering Committee was also setup which included team of experts from Client organization, Project Manager from client and suppliers. The Steering committee was held every month.

The project was managed jointly by the Consortium Project manager and the Client Project manager who were tasked with the following activities:

1. Review SRS
2. Conduct Site Visit
3. Validate the Site drawings
4. Conduct one site supervisory visit during civil works
5. Conduct another Site supervisory visit at the end of the civil works and also after deployment and installation of equipment at the site
6. Manage the end user training
7. Conduct application testing and Go Live procedures.
8. Conduct commissioning and hand over of equipment

CHANGE MANAGEMENT

Change Management is a continuous process and we managed it in the following ways.

1. Project Launch, during which we invited Select users from the various sites to brief them what IFMS was all about and what to expect during the project implementation
2. Training of the users and making them comfortable with the application
3. Change management session during commissioning and hand over of equipment
4. Post go-live change management session held in a central location

SUPPORT

Techno Brain provides 3 years post-go live warranty and support structured in the following way

1. An application and a technical lead to visit each site for preventive maintenance every 6 months.
2. Provides 5 consultants stationed at Clients HQ to provide Remote Support and train client help desk team.

Benefits

Since its successful implementation of the IFMIS system it has brought with it a number of benefits to the Government fiscal management process. Among them are:

- Improved efficiency in the payment processes
- Increased productivity of service providers arising from shortened process time for payments,
- Increased transparency and accountability
- More accurate records and improved financial reporting
- Improved decision making due to easier availability of financial information
- Improved revenue collections against budget.
- Improved compliance and discipline in execution of PFM processes.
- Improved control on budgets and expenditures
- Improved citizen service delivery across the local governments.

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3. Provides site visit application health check twice a year where the consultants travel to each location and interact with the users to understand and address their problems. Carry out retraining where necessary.
4. Consortium carries out preventive maintenance on Computer and server equipments Quarterly,
5. Consortium Services the generators, Air conditioners, Fire extinguishing system periodically.

ROLL OUT SKILLS

The Role out was carried out by Consultants who are certified in the application and the following activities were carried out

1. Data Migration
2. Configuration of secured environment both at Central Data Centre and Server rooms at each site
3. Sound project Management knowledge
4. Technical and Functional Consultants with knowledge on PFM processes
5. Understanding of PFM processes with business rules for Treasury Single Account, government payroll processing.
6. Setting up the workflows and approval hierarchies
7. Setting up Budget rules, allocations and approvals.

TRAIN THE TRAINER APPROACH

The Training Approach used for the implementation was Modular wise whereby the application was broken down into modules and each module assigned to a user per location. The training was carried out in a centralized location and was practical. We simulated a typical location set-up user would log-in with their credentials and were taken through what they would do when they went back to their respective locations. We trained super-users who would be the first line of support

“Techno Brain did a very good job because we were able to work closely to make sure they deliver what we want. It has been one of the best contracts that we have managed”

*Samuel Amule
Commissioner in Charge of District Inspection
Local Government of Uganda*



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59
TOTAL NUMBER
OF SITES



1200
NUMBER OF
USERS



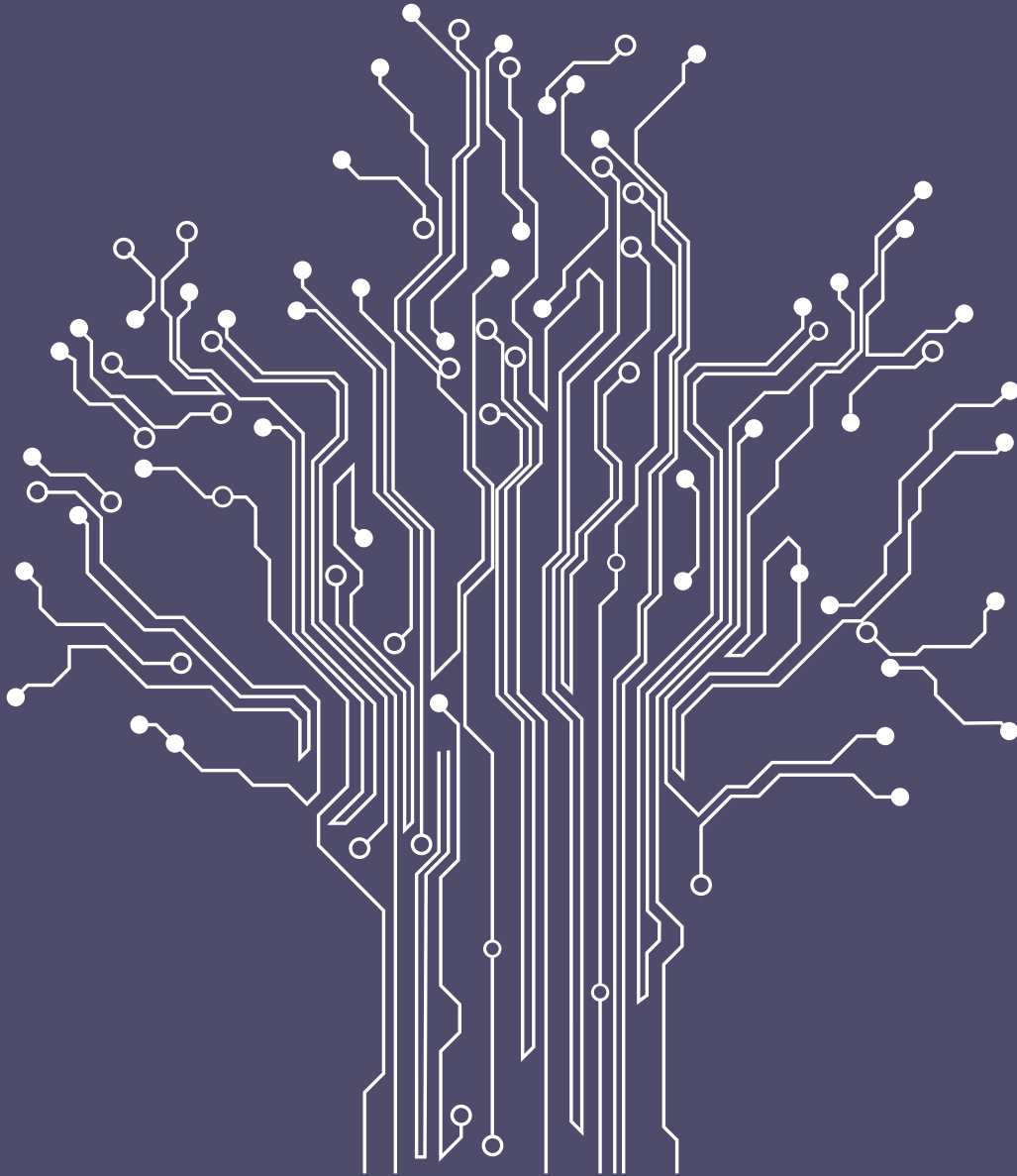
1400
TOTAL NO. OF
STAFF TRAINED



4 YRS
IMPLEMENTATION
PERIOD



31
TOTAL NO. OF PROJECT
TEAM MEMBERS



GLOBAL PRESENCE

Botswana | Burundi | Ethiopia | Ghana | India | Kenya | Lesotho | Malawi | Mauritius | Mozambique |
Namibia | Nigeria | Rwanda | Saudi Arabia | South Africa | South Sudan | Swaziland | Tanzania | UAE |
Uganda | UK | USA | Zambia | Zimbabwe

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