

# WIPO



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**WORLD INTELLECTUAL PROPERTY ORGANIZATION**

GENEVA

## **STANDING COMMITTEE ON INFORMATION TECHNOLOGIES**

### **PLENARY**

#### **Fifth Session**

**Geneva, July 10 to 14, 2000**

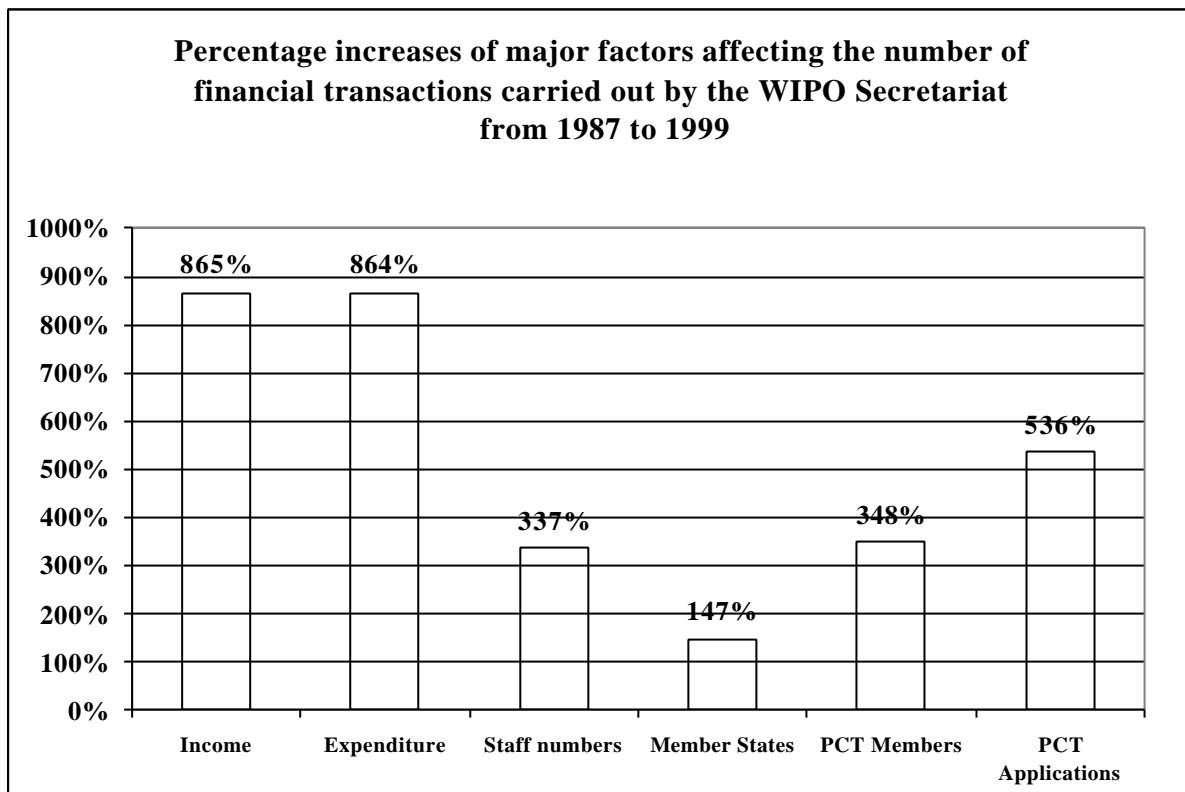
#### **ADMINISTRATION INTEGRATED MANAGEMENT SYSTEM PROJECT**

*Document prepared by the Secretariat*

1. WIPO is an organization in transition where many roles, tasks, processes and procedures are undergoing change driven by several major factors. Most notably, the Director General's emphasis on reform through increased transparency and accountability has led to a revision of the way the Organization manages and presents its financial and management data. This has, in turn, led to the need for an up-to-date IT infrastructure to support the changing work environment. The FINAUT 2000 ERP Project, identified in the IT Strategic Implementation Plan, arose from the recognition that the Secretariat's finance system needed an urgent upgrade. However, a simple replacement of the current system is no longer enough to meet the Organization's evolving needs as they extend beyond finance to every aspect of WIPO's daily working practices. It is for this reason that a decision has been taken to relaunch the Project as AIMS (Admistration Integrated Management System).

#### **PROBLEM DEFINITION**

2. The Finance Division's legacy system (FINAUT) has, for several years, been one of WIPO's three main computerized systems, the others being Madrid and the Patent Cooperation Treaty (PCT). Since its implementation in the mid-1980s, its core has remained largely unchanged with only minor peripheral improvements being able to be made. However, over this period there have been major increases in areas that directly impact the numbers of financial transactions being performed by the Secretariat.



3. The new Program and Budget needs a system that is capable of serving senior management and program managers in monitoring expenditures and revenues based on cost centers and, therefore, needs to be integrated with and capable of extracting information from the financial system. A growth in program activities, coupled with a requirement to demonstrate expenditure against objectives, has identified a further need for tools that provide for project/activity budget and costing, cost monitoring and project management support. Modern information technology has only recently been introduced into the Organization, and users at all levels have started to develop an awareness of the potential for improvements that it can provide. Users realize that many of their routine tasks can be automated allowing them to focus more on program substance rather than process. Despite best efforts, many systems were developed as stand-alone, so that users are often forced to manually record data that is held in mainframe systems and then process it with the available, limited spreadsheet and database tools. This lack of system integration, requiring redundant data capture, clearly results in a waste of resources, and users must be given the means to identify, retrieve and manipulate the data they require without specialist IT intervention.

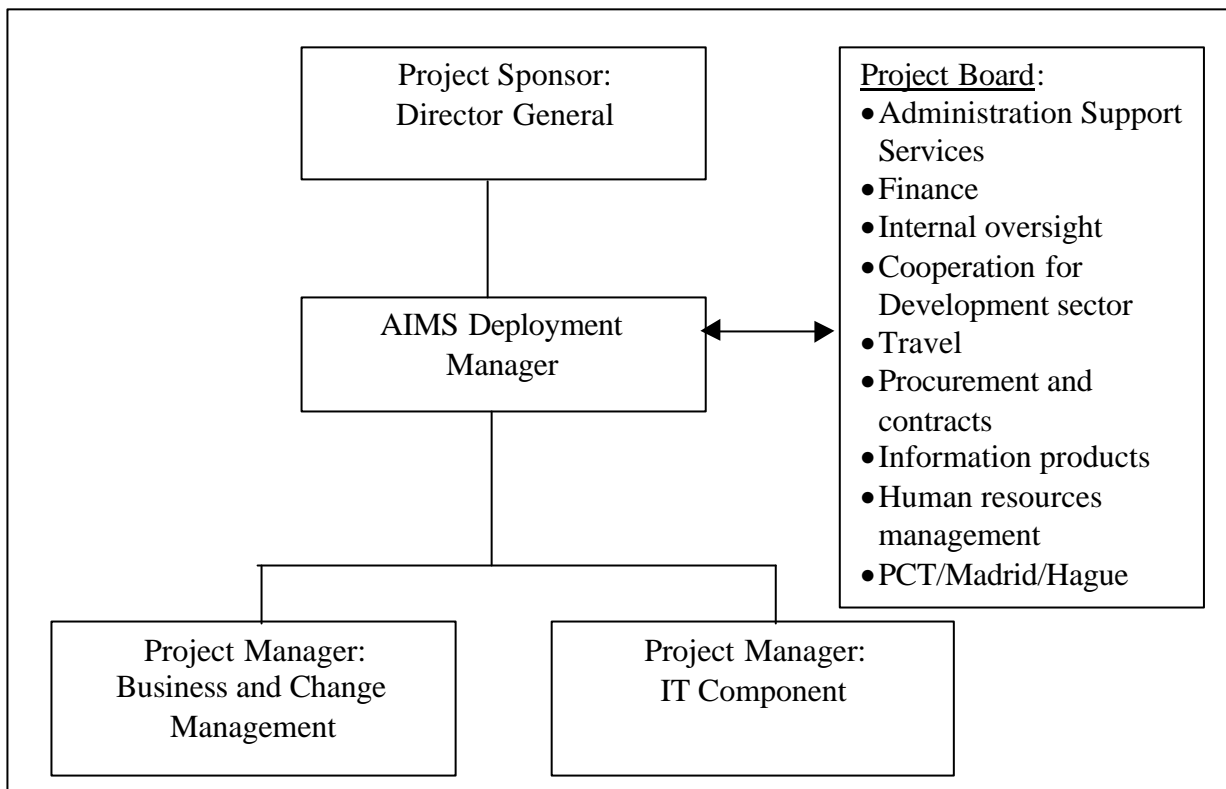
4. The scope of system integration is now expected to extend beyond the boundaries of WIPO's own internal systems, to its partner organizations such as the intellectual property Offices of Member States and the Trilateral Offices, private sector users of WIPO's Global Protection Services, and support agents, for example, banks and travel agents. All of these provide or request information, often several times a day, from the Organization. The deployment of modern systems will enable the electronic, rather than paper, data and authority transfer. For example, a new secure system could be used for payments to and by WIPO by credit card.

THE PROPOSED SOLUTION

5. The funds allocated to the FINAUT 2000 ERP Project (1.5 million Swiss francs in the current biennial budget) are being used by the Secretariat to develop project requirements and to evaluate the means of meeting these. The solution proposed by the Secretariat would be the implementation of an Enterprise Resource Planning system (ERP). ERPs are integrated, proven software packages that enable organizations to plan and manage key resources in an efficient manner. In doing so they apply industry-standard solutions using state-of-the-art technologies that are well maintained and continuously upgraded. It is worth noting that other United Nations bodies have already adopted this approach. In particular, the International Labour Organization (ILO), a UN Specialized Agency based in Geneva, gained the approval of its Member States in March this year to fund a similar project for the upgrade of its financial systems. That proposal entails the one-time payment of a sum of US\$25 million from the ILO's 1998-1999 biennium surplus into the newly created "Information Technology Systems Fund", whose primary objective will be to meet the US\$20 million cost of the above-mentioned finance project.

6. It is a commonly recognized fact that a major part of any ERP solution is a controlled, structured organizational change during which work processes are mapped, reviewed and, where necessary, streamlined. Indeed the automation phase is almost the last step in the process and is only one component of a much larger project scope. It is for this reason that the Secretariat recognizes that the AIMS Project must be managed outside the IT area, at a senior level. With this in mind, a tentative project management structure has been drawn-up using project management methodology roles and responsibilities, such as those of project sponsor, stakeholders and project board.

**Suggested AIMS Project Management Structure**



7. A phased approach could be considered for the execution of the AIMS Project:

(a) Phase 1: implementation of a central financial accounting and budgetary control system along with the provision of integrated solutions for most of the expenditure-related processes. This will address the need for a rapid replacement of the existing, finance systems and will provide support to areas where the lack of IT facilities is becoming problematic. Most importantly, it will provide program managers with the information they need and will allow the implementation of new budgetary control procedures.

(b) Phase 2: provision of an integrated, modern solution for the sale of information products, and an extension of the Human Resources Management system.

(c) Phase 3: will address and complete the replacement of the Finance Division's legacy systems, including interfaces with the PCT, Madrid and Hague systems, publications sales and arbitration. During this phase the mechanisms for payments under these various systems will be automated.

8. A preliminary budget estimate indicates a figure for the AIMS Project in the order of 15 million Swiss francs over 4 years. In order to substantiate this estimate, the Secretariat published a Request for Information (RFI) in April 2000. The replies to the RFI continue to be analyzed and a Request for Quotation (RFQ) has been sent to a pre-qualified list of vendors. The deadline for replies to the RFQ has been set for the end of June. Based on these, a refined and comprehensive project proposal, with details of project phasing, timing and costs, will be provided to Member States in due course.

9. In projects such as this it is of primary importance that the necessary resources are committed, during the initiation phase, for the lifetime of the project. Member States will recall that this concern was raised at the time of creation of the PCT IMPACT Project, and it was for this reason that funding was appropriated for the life and scope of that Project and not tied to any particular biennium. For the Secretariat to embark on an undertaking of the magnitude of the AIMS Project, it is of paramount importance that the necessary funds are committed before any substantive work begins.

10. In parallel with the preparatory work being undertaken on the AIMS Project, and the production of its detailed project plan and budget, the Secretariat intends to utilize the balance of the funds allocated to the FINAUT 2000 ERP Project to implement a complementary system in a stand-alone area of the Organization. The installation would take advantage of ERP bolt-on packages and would not prejudice the selection of the final system. The Travel and Mission Support Unit, which presently has very little IT support, would benefit greatly from the installation of a computerized package, which would result in the streamlining of processes in an area that serves the needs of the Secretariat and the Member States. It will also provide the Secretariat with invaluable experience in implementing an ERP module prior to beginning work on the main system.

*11. The SCIT Plenary is invited to approve in principle the AIMS Project proposal as contained in this document.*

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