Department of Health and Human Services (DHHS)

The Challenge

The agency had to make $100 million in savings and decentralise by establishing three regional statutory authorities called Tasmanian Health Organisations (THOs) as part of the National Health Reform.

Each THO requires its own Australian Business Number (ABN) and has to apply for funding from the Commonwealth based on its activities, necessitating a major financial system re-write.

Other DHHS issues included expensive external printing costs, no centralised system for grants resulting in documents sitting in drawers and on desks, and an outdated system handling $1.8 billion worth of assets in Housing Tasmania's portfolio.

The Solution

Through a Business Requirements Specification (BRS) process, the DHHS mapped out its needs and identified potential savings. It discovered it could adapt by purchasing additional modules and reconfiguring existing TechnologyOne software in-house.

The agency is a long term user of TechnologyOne and now has an enterprise licence across a range of solutions including Financials, Customer Relationship Management (CRM), Asset Management, Contracts and Grants Management.

The Outcome

The DHHS has saved hundreds of thousands of dollars while undergoing a major restructure and now has integrated systems and one version of the truth.

The upgrade means it can process 13,000 payslips in-house and simply email them out, saving $100,000 per year, and create a contracts repository that is expected to save $50,000 to $100,000 per year.

The DHHS's new grants solution tracks all funding for non-government community service providers electronically in a full and auditable process, and offers online access.

Its new asset management solution makes life easier for mobile workers with enhanced asset code structures, maintenance tracking and good workflow approval processes across 14,000 dwellings.

Department of Health and Human Services (DHHS) at a glance

11,500 employees

manages **$3** billion in assets

provides **1.5** million occasions of service

oversees **300** facilities & **14,000** dwellings

The Department of Health and Human Services (DHHS) is Tasmania's largest Government agency and delivers thousands of services through more than 300 facilities covering hospitals, mental health centres, dentists, aged-care and housing.

Solution

TechnologyOne Financials, TechnologyOne Asset Management, TechnologyOne Customer Relationship Management, TechnologyOne Contracts and TechnologyOne Grants Management.

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> "TechnologyOne's simple and flexible software has saved us a lot of money. We left no area of the system untouched and changed everything from staffing levels to procurement when looking for savings." Jim Waugh, Manager Business Systems

Integrated systems deliver cost savings

Tasmania's Department of Health and Human Services (DHHS) needed to save hundreds of thousands of dollars while undergoing a major restructure involving the creation of decentralised Tasmanian Health Organisations (THOs) in line with the National Health Reform.

The DHHS reconfigured existing TechnologyOne systems in-house and purchased additional Asset Management, CRM and Contracts modules. It also saved money by using TechnologyOne software to handle work that was previously outsourced.

One example was upgrading TechnologyOne Financials so the DHHS could import payroll data, format it into PDFs and email payslips out rather than using an external supplier to print and post them. It cost DHHS nothing but time and saved $100,000 a year.

DHHS also used TechnologyOne software to create a contracts repository, which is expected to save a further $50,000 to $100,000 per year, and a grants solution to manage the funds DHHS gives to non-government organisations that provide services to the Tasmanian community.

Another area of focus was Housing Tasmania, which moved all assets in its $1.8 billion social housing portfolio into TechnologyOne Asset Management software. In addition to replacing an old system that was not flexible enough to meet the diverse needs of residential and special needs facilities and contained unacceptable risks, the modern software has helped streamline all processes, making life easier for mobile workers and vastly improving reporting.

In terms of establishing the new THO statutory authorities, the DHHS took months to plan the transition but only a few weeks to upgrade and rewrite large areas of the financial system.

The change required multiple new ledgers and charts to facilitate Activity Based Funding (ABF) requirements, daily reconciliation and transfers between different bank accounts. All the stationery generated by the system had to be updated, multiple interfaces were altered and purchasing redesigned.

The seven-strong internal business systems team managed this complicated transition at their busiest time of year with the help of just one external consultant from TechnologyOne, who was brought in for 20 days.

By saving bits of money here and there and taking things as far as possible in-house before hiring consultants, doing its own development and installing upgrades, the DHHS managed to meet its savings targets.

Jim Waugh, Manager Business Systems at DHHS, said when the agency started using TechnologyOne products, they realised how much scope there was to push the boundaries.

"TechnologyOne's simple and flexible software has saved us a lot of money. We left no area of the system untouched and changed everything from staffing levels to procurement when looking for savings," Mr Waugh said.

"With TechnologyOne we will introduce more modules, including the ETL tool to extract information from external systems so we can start warehousing data and documents, free up time and improve compliance and reporting.

"Every Tasmanian Government agency uses TechnologyOne, so we can share knowledge, and because the company is Australian with a local presence, we have fortnightly meetings with the State Manager to talk through plans and find out what others are doing. It is invaluable."

CS038-11-12

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Australia | New Zealand | South Pacific | Asia | United Kingdom
Freecall 1800 671 978 (within Australia) | +617 3167 7300 (outside Australia)

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