برنامج
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Programme
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World
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Programme

Programa
Mundial
de Alimentos

Executive Board
Second Regular Session

Rome, 27–30 October 2008

RESOURCE, FINANCIAL AND BUDGETARY MATTERS

Agenda item 5

For information*

UPDATE ON THE WINGS II PROJECT

* In accordance with the Executive Board's decisions on governance, approved at the Annual and Third Regular Sessions, 2000, items for information should not be discussed unless a Board member specifically requests it, well in advance of the meeting, and the Chair accepts the request on the grounds that it is a proper use of the Board's time.

NOTE TO THE EXECUTIVE BOARD

**This document is submitted to the Executive Board for information.**

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal point indicated below, preferably well in advance of the Board's meeting.

Director, WINGS II Project: Mr C. Nikoi   tel.: 066513-2518

Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact Ms C. Panlilio, Administrative Assistant, Conference Servicing Unit (tel.: 066513-2645).

DRAFT DECISION*
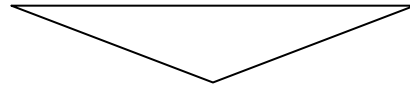
The Board takes note of "Update on the WINGS II Project" (WFP/EB.2/2008/5-D/1).

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* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations (document WFP/EB.2/2008/15) issued at the end of the session.

WFP

INTRODUCTION

1. This is the sixth progress report on the WFP Information Network and Global System II (WINGS II) Project submitted to the Board. It updates status report WFP/EB.A/2008/6-I/1, submitted in June 2008.[1]

WINGS II OBJECTIVES

2. On the recommendation of WFP's External Auditor (WFP/EB.A/2005/6-B/1/Rev.1), the Board approved a business-led upgrade of WFP's information systems and business processes in October 2005, as part of the 2006–2007 management plan. The upgrade project, WINGS II, aims to:

   ➢ introduce industry-standard information systems that are as free from customization as possible, enabling easier and cheaper future upgrades in response to WFP's evolving needs; and

   ➢ redesign WFP's business processes to permit: a) use of industry-standard information systems; and b) essential business reforms, such as the integration of supply-chain processes, the New Business Model and the adoption of International Public Sector Accounting Standards (IPSAS).

CURRENT STATUS OF WINGS II

3. Development and testing of the systems is proceeding. Detailed plans for changing over from the current WINGS system to WINGS II are being finalized. Dry runs of what data will be migrated, and how it will be migrated, are taking place. Training material and user-support procedures are being produced. Authorization profiles – what type of access rights to the system different user roles will have – are being developed and tested. A series of activities are planned for late 2008 to prepare all of WFP for the changes that WINGS II will introduce.

4. The timelines for the completion of all of the work necessary for "go-live" pose significant challenges. The Secretariat is reviewing the risks and challenges involved and its options for coping with them, and will inform the Board of the outcome of that review. The Secretariat remains committed to the goal of a WINGS II "go-live" in early January 2009.

Work Streams

   ⇒ *Configuration and development*

5. The configuration of the SAP software, which is the core of the WINGS II system, has been completed. Most of the critical software programmes have been completed: these are add-ons to SAP to enhance how it works, or interfaces with other applications to enable the automatic exchange of information. The remaining critical programmes are being

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[1]Previous updates to the Executive Board were WFP/EB.1/2008/6-E/1, WFP/EB.2/2007/5-G/1, WFP/EB.A/2007/6-J/1 and WFP/EB.2/2006/5-F/1.

developed and are planned to be tested before November 2008 for inclusion in the "go-live" release package.

6.   By mid-November WFP plans to "freeze" the WINGS II version that will be released in January 2009. Non-critical software programmes – mainly reports and forms – that have not been sufficiently tested by the production freeze date will continue to be tested and released as an additional package shortly after the "go-live" date.

⇒ *Testing*

7.   Scenarios that simulate the work that end-users will perform on the WINGS II are being used for integration testing, which ensures that the various parts of the system work together seamlessly and reliably.

8.   In the previous WINGS II update presented to the Board at its Annual Session, the plan was to carry out three cycles of integration testing. Due to the late delivery of some critical software programmes for the second integration test cycle, an additional integration test cycle had to be added. Final integration testing, originally planned for September, is now planned for October. The scenarios used for testing will be used to prepare self-learning materials.

9.   Two test runs of payroll have been conducted to compare payroll results from the WINGS II payroll system with those from the current payroll system. The results showed some small discrepancies; tools and procedures to correct the discrepancies are now in place. At least two further payroll test runs are planned to ensure full accuracy before "go-live".

⇒ *Data cleansing, migration and cut-over*

10.   Two incremental dry runs have been carried out to test the sequence and timing for transferring data from the current corporate information systems to the WINGS II system. Action is taken after each dry run to identify errors that occur during the mock transfers. Two further dry runs are planned before the actual data transfer.

11.   Migration of "live" data from the existing WINGS systems to WINGS II is planned to occur at the time of cut-over to the new system. The migration strategy entails transferring all open items in balance sheet accounts, all open commitments and all master data.

12.   To ensure that the transfer of data does not affect the timing of the 2008 Financial Statements or the 2008 Standard Project Reports, all 2008 financial closure transactions will be processed in the current WINGS I system. Historical data and transactions will be available through a read-only version of the current WINGS I.

⇒ *Training and support*

13.   Training and end-user support material is being prepared. The learning system is expected to be available to all WFP offices by the end of November 2008 through an online reference called the "e-guide". The e-guide will allow WFP employees to learn on their own how to record transactions in the WINGS II system. In developing the self-learning material, priority is being given to material for those processes and transactions used mainly in field offices.

14.   This is the first time that e-learning will be deployed on such a large scale within WFP. E-learning is more feasible and cost-effective than in-person training, allowing learners to choose how to structure their learning while ensuring that standard content and approaches are used throughout the Programme.

15.   Over 170 WFP staff members, most of them from field offices, have been selected to participate in intensive training on WINGS II for two weeks in November. These staff members will become "local process experts"; upon returning to their offices they will form a support network for other end-users who will rely primarily on the e-guide for WINGS II training.

⇒ *Organizational readiness*

16.   Several communication events have been planned to ensure that all WFP employees receive the appropriate information they require prior to "go-live". Senior management commitment and support to WINGS II is being demonstrated, including through communications directly from the Executive Director to managers and to all WFP staff. Information sessions are being organized at the division level by the business process owners to inform the staff about how WINGS II will affect their work. Sessions have also been held during regional meetings of field-based managers.

17.   All field-based managers receive monthly updates on the WINGS II project's status. The WFP Global Meeting was an opportunity to organize a one-day workshop on the WINGS II roll-out for all country directors and Regional Directors. The purpose of the workshop was to ensure that managers understood how WINGS II and IPSAS closure activities would affect their country operations and what role they would need to play in ensuring smooth change-over in their offices, and to discuss concerns.

SCOPE

18.   Since the June update there have been two important additions to the scope of the 2009 Edition of WINGS II. The fully integrated Project Planning Tool (PPT), which according to the February update (WFP/EB.1/2008/6-E/1) was to be deferred to a future release, has now been brought back into the 2009 Edition for gradual release to country offices.

19.   The Board's approval of the update to the Management Plan at its 2008 Annual Session (WFP/EB.A/2008/6-C/1) allowed for a standard payroll processing system[2] for WFP's service contract and special service agreement contract employees to be included in the scope of the 2009 Edition of WINGS II.

20.   Annex I shows the release approach for the scope of the 2009 Edition. This is an update to Annex II of the February 2008 update to the Board.

BUDGET STATUS

21.   At the end of September 2008, US$33 million of the allocated US$56.5 million had been spent; a further US$12 million of budget commitments had been made for contracts.

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[2] Personal Action System portal (PASport)

ANNEX I

SCOPE OF RELEASE 1 AND RELEASE APPROACH			
AREA	**IMPROVEMENTS**	**SCOPE AS OF FEBRUARY 2008**	**"GO-LIVE" SCOPE/RELEASE STRATEGY**
Contribution Management			
Mobilize resources	Resource Mobilization System replaced by integrated SAP solution for grants management	Retained	Release at "go-live"
	Contribution forecasting refined	Retained	Release at "go-live"
	Donor data maintenance and forecasting decentralized (pilot basis)	Deferred	Deferred
Operations			
Manage projects	Standardized WFP activities and beneficiary model	Retained	Gradual release after "go-live"
	Integrated application for project output monitoring	Retained	Gradual release after "go-live"
	Advance financing mechanism for all projects	Retained	Release at "go-live"
	Flexible management of associated costs – project cash account	Retained	Release at "go-live"
	Integrated project budget planning functionality	Deferred	Deferred
	Improved budget revision processes	Retained	Release at "go-live"
	Simplified and improved Project Planning Tool (PPT)	Retained as an interim solution	No longer required; scope has been extended to include fully integrated PPT
	Fully integrated PPT	Deferred	Gradual release after "go-live"
Manage the supply chain	Inventory stock accounting to meet IPSAS requirements: an interim, custom-developed solution combining SAP and COMPAS to determine inventory level and value	Retained	Release at "go-live"
	Replacement of COMPAS with SAP logistics execution system	Retained as a pilot to be tested in some countries following first release	Pilot to be tested in some countries after the interim solution has stabilized
	Integrated sales, procurement and warehouse management processes and tools for United Nations Humanitarian Response Depots (UNHRDs)	Retained	Release to UNHRD Brindisi at "go-live" Gradual release to other UNHRDs after "go-live"
	Introduction of e-tendering for applicable procurement processes and subsequent extension to some country offices	Deferred	Deferred

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SCOPE OF RELEASE 1 AND RELEASE APPROACH			
AREA	**IMPROVEMENTS**	**SCOPE AS OF FEBRUARY 2008**	**"GO-LIVE" SCOPE/RELEASE STRATEGY**
Human Resources Management			
Administer human resources	Adoption of payroll–non-profit organization solution (SAP "UN layer")	Retained	Release at "go-live"
	Processing of payments and advances in the same system as payroll	Retained	Release at "go-live"
	Introduction of master data for all categories of WFP employees into corporate system	Retained	Release at "go-live"
	New processes and tools for establishing and managing organizational units and positions	Retained	Release at "go-live"
	Introduction of self-service for managers	Retained	Release at "go-live"
	Introduction of self-service (as pilot) for selected staff members and subsequent extension to entire payroll population	Deferred	Deferred
	Use of a single travel management system for all employee categories in WFP	Retained	Release at "go-live"
	Introduction of a local payroll system for country offices (PASport)	Was not in scope	Already implemented in some countries; further roll-out after "go-live"
Finance and Administration Management (including accounting procedures)			
Manage finance and treasury	Improved financial accountability at office level: provide office managers with a clear view of assets and liabilities under their responsibility	Retained	Release at "go-live"
	Changes introduced to support IPSAS compliance	Retained	Release at "go-live"
	Management of financial master records centralized	Retained	Release at "go-live"
	Roles and responsibilities for financial processes streamlined	Retained	Release at "go-live"
	Improved tools for preparation of donor reports	Retained	Release at "go-live"
	Active contribution management in finance (billing and reminder procedures) introduced	Deferred	Deferred
	Use of electronic banking in field offices and Headquarters extended; subsequent roll-out to additional field offices	Deferred	Deferred
	Improved cash management tools	Deferred	Deferred
	Improved financial risk management	Deferred (procedural changes retained)	Deferred (procedural changes retained)

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SCOPE OF RELEASE 1 AND RELEASE APPROACH			
AREA	**IMPROVEMENTS**	**SCOPE AS OF FEBRUARY 2008**	**"GO-LIVE" SCOPE/RELEASE STRATEGY**
Manage budget and costs	Implemented SAP new budget control system	Retained	Release at "go-live"
	Implemented concept of responsibility centres	Retained	Release at "go-live"
	Improved management of staff cost budgeting	Retained	Release at "go-live"
	Common budget management process for special accounts	Retained	Release at "go-live"
	Extra-budgetary resource management	Retained	Release at "go-live"
	On-line detailed budget planning and reporting	Deferred	Deferred
Manage assets	Fixed asset accounting – IPSAS	Retained	Release at "go-live"
	Introduction of SAP asset module for asset accounting	Retained	Release at "go-live"
	Introduction of SAP asset module for asset tracking	Deferred	Deferred

ACRONYMS USED IN THE DOCUMENT

COMPAS   Commodity Movement Processing and Analysis System

IPSAS   International Public Sector Accounting Standards

PASport   Personal Action System portal

PPT   Project Planning Tool

UNHRD   United Nations Humanitarian Response Depot

WINGS II   WFP Information Network and Global System II

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