**Requirement Specification**

**Relating to an**

**Integrated Financial Solution**

**Comprising**

**A Financial Suite and Data Warehouse,**

**including**

**Data Sharing, Implementation and**

**Project Management Services**

**Release 1**

Background

Client is a privately owned, Xxx based Xxx Company.

Client’s Head Office is in Xxx and the installation will be hosted there.

Client have a number of branches and franchises around Xxx as well as internationally. While the solution must be capable of being deployed in these offices as required this tender is ONLY for deployment in Xxx.

The current financial suite is based on Pastel Partner coupled to an existing in-house developed operational software suite which will be retained. The financial components of the solution are in large measure manual and based on Excel and will not support the business to achieve its strategic growth objectives. It has therefore been decided to procure a comprehensive suite of financial business information systems including General Ledger, Debtors, Creditors, Fixed Assets, Cash Book and Inventory. A Data Warehouse is also required. These systems will share data to the extent necessary with the existing operational systems developed by Client.

This Request for Proposal is being issued with a view to appointing a single prime contractor on a fixed price basis to supply all required system components and integrate these with one another and with the systems that are already in use within the company.

This document constitutes the Requirements Definition for this assembly of systems.

Critical Consideration – Trusted Professional Advisors

In interpreting this document and the RFP it is vital to understand that Client are seeking to appoint a single firm as trusted professional advisor for the entire project. This firm will be held fully accountable for delivering the required outcome on a fixed price, fixed outcome basis.

The Strategic Advisor to the CEO, Dr James Robertson, who has drafted these documents will provide quality assurance and contractual review advisory services to Client CEO but is NOT responsible for the outcome.

Bidders must fully satisfy themselves that they fully understand the requirement and are required to undertake comprehensive requirement definition workshops as part of the deliverable.

This document headlines the requirement at a strategic level in order to ensure that bidders understand the high level scope of work and therefore forms the conceptual foundation for the detailed design.

**Client CEO**

**Chief Executive**

Section 1
Strategic Business Systems Definition
The Essence of the Client Business Systems Requirement

The following points describe the headline elements that constitute the essence of the Client business requirement. These are the points which if overlooked or compromised in the design and implementation of the solution will DAMAGE the business and the factors which if ACCURATELY accommodated will support the business in its strategic (growth) goals.

Percentages at the end of headings indicate the relative importance of these factors in achieving the project goals. ALL components are required in order to achieve a viable business solution:

* 1. Business is growing rapidly -- Highly competitive business – xx%

Client is growing rapidly and systems are required to support that growth. Client operates in an environment competing with 4 other major xxx companies. The efficiency and effectiveness of its business systems is therefore of paramount importance.

* 1. Own complex system includes invoicing, installation xxx, commission payments, etc – xx%

Client sister company Client Sister Company has developed a suite of software for Client that takes account of customer billing, installation xxx, commission and royalty payments, etc.

The new financial suite must be able to share data with these systems using simple data interchange formats such as XML, CSV or similar.

* 1. Throughout Xxx, Xxx, the World – xx%

Client operates throughout Xxx with both branches and franchises. The system must be capable of being deployed affordably in both of these types of branch in time. Truck utilization – 16%

Client operates in the following countries in Xxx and expansion is expected. Some of these branches are wholly owned and others are franchises. The system chosen must be capable of being deployed in these countries as required on an affordable basis.

Client currently operates in … in the rest of the world, in some cases as wholly owned subsidiaries and in other cases as franchises. The system selected must be capable of being affordably deployed in these locations on an as required basis.

* 1. High volume low value debtors transactions and credit control is a critical requirement – xx%

The nature of Clients business is that customers are billed monthly, individual invoice amounts are relatively small, there are a large number of customers and missed payments and defaults are significant.

The solution that is adopted must be geared to managing this sort of debtor environment including xxx accounts that have been handed over for collection.

* 1. Xxx device inventory management – xx%

Xxx devices represent a substantial stock holding with items being moved from location to location and country to country on a daily basis. An inventory solution that can handle this effectively is required. The existing in-house systems track inventory during the installation process and will continue to do this. The inventory management solution is required to manage inventory up to the point at which it is handed over for installation.

* 1. Debit order processing – xx%

Client obtain most payments by debit order. The system is required to provide comprehensive facilities for managing debit orders based on a payment instruction that will be generated in the existing systems.

* 1. Single Prime Contractor – Integrator / Implementer -- fully accountable – xx%

A fundamental business requirement is to outsource as much risk as possible for the system procurement and implementation on a fixed price basis.

We are looking for a service provider who can guarantee a successful outcome in terms of the final integrated business technology solution.

It is anticipated that the final solution will comprise a portfolio of software elements which must all be integrated at the DATA level to accomplish seamless single point of entry operation.

1.8 Precision Configuration that models the real world

In developing the solution the entire solution must be configured with a high level of precision that accurately models the real world. This requirement informs ALL the above items.

Implementers must evidence that they have particular expertise in this area, particularly with regard to developing an enterprise Chart of Accounts that will support global consolidation in the Data Warehouse and is coupled to a robust management model.

Section 2
Headline Business Requirement

The following components define the headlines of the business requirement and will form the basis of adjudication

Percentages at the end of headings indicate the relative importance of these factors in achieving the project goals. ALL components are required in order to achieve a viable business solution:

* 1. Data sharing -- ability to integrate effectively with current systems

The current in-house developed systems are very comprehensive with regard to the core operations of the business and the new financial suite is required to share data with these systems on an agreed basis.

It has been agreed that this sharing of data will take place using simple and reliable methods such as the transfer of data files in, for example, XML or CSV format on a regular scheduled basis. The exact break point between the in-house system and the new financial suite will be established on the basis of what is technically optimum. The following items must be addressed in the offer.

**2.1.1 Low technology data file transfer in -- XML, CSV or similar**

 **2.1.2 Low technology data file transfer OUT -- XML, CSV or similar**

 **2.1.3 Track Record -- references -- software**

 **2.1.4 Track Record -- references -- implementer**

* 1. Finance functionality

There are a number of aspects of financial suite functionality that are critical to this project, these are listed below:

* + 1. **Robust enterprise Chart of Accounts that supports global consolidation**

It is vital that the bidders evidence experience and thought leadership with regard to the development of an enterprise Chart of Accounts that will accommodate the full complexity of the Client operation globally

**1.2.2 Moderately high volume of low value invoices from in-house developed systems**

The existing in-house developed systems will generate the invoices as at present but these must be handed over to the Debtors module for Debtor account management and debit order processing

 1.2.2 **Very flexible debit order processing**

This will include the processing of debit orders. The in-house system will raise the charges but the processing of debit orders must be managed by a module to be supplied as part of the financial suite solution. It is envisaged that this will probably take the form of a third party add-on module for the financial suite

**1.2.3 Credit Control including debtors dialer and synchronization of screens with in-house system**

Because of the debit order based billing and the nature of the business default on debit orders is a frequent occurrence. There is a need for a debtors dialer function that will assist with the follow-up of overdue amounts, lead operators through a prioritized list of calls and associate management screens in the Debtors module and the in-house system for credit control purposes through, for example, a common ODBC link.

 1.2.4 **Manage accounts handed over for collection**

The number of accounts handed over for collection at any time is considerable. There is a requirement for a component, probably an add-on module, that will synch with the collection agency so that Client have visibility of the state of collections

 1.2.5 **Bank reconciliation**

Because of the very large number of small payments there is a requirement for an automated bank reconciliation – ties in to the requirement for debit order processing

 1.2.6 **Standard Finance Functionality**

The following are routine finance suite applications; the requirement here is for comprehensive functionality that supports the way that Client does business. It is assumed that all mainstream financial suites will meet this requirement. Vendors are requested to highlight what they consider to be particular strengths of their offering insofar as these relate to Client

 1.2.6.1 **General Ledger**

 1.2.6.2 **Debtors**

 1.2.6.3 **Creditors**

 1.2.6.4 **Cash Book**

**1.2.6.5 Inventory**

 1.2.6.6 **Fixed Assets**

* 1. Data warehouse and business intelligence capability

Given the reliance that exists on the in-house developed suite of software a fully-fledged Data Warehouse is regarded as essential. This should comprise services and products relating to extract, transform and load as well as with regard to reporting and modelling (”business intelligence”). The reference document pack includes examples of the basic reports that are required. Provision must be made for more comprehensive and sophisticated models and reports.

Fully pre-mapped onto the financial suite

 **Easily mapped onto the existing Client databases**

 **Easy to use**

 **Track Record -- references -- software**

 **Track Record -- references -- implementer**

* 1. Compliance with overall tender requirements and project approach

Bids will also be adjudicated in terms of the following criteria:

 **Have accepted terms of the bid as presented in the RFP, etc**

 **Proven track record**

 **Reputation**

 **Team offered**

 **Footprint**

* 1. Satisfies other requirements

 **Under our control -- do it ourselves, host ourselves**

It is the culture of Client to do as much as possible themselves, the offer must recognize this and support this culture

 **Standard Financial Suite should suffice**

The following are routine financial suite applications, the requirement here is for comprehensive functionality that supports the way that Client does business. It is assumed that all mainstream financial suites will meet this requirement. Vendors are requested to highlight what they consider to be particular strengths of their offering insofar as these relate to Client

 **General Ledger**

 **Debtors**

 **Creditors**

 **Cash Book**

**Inventory**

 **Fixed Assets**

 **Suitable for a business the size and complexity of Client**

* 1. Global consolidation when required in the future -- in Data Warehouse

It must be possible to consolidate financial and other performance data in the Data Warehouse solution

 **Different countries**

 **Different currencies**

 **Track Record -- references -- software**

 **Track Record -- references -- implementer**

* 1. Global operation when required in the future

Must be able to be deployed in other countries on an “as required” basis with the understanding that in some countries, such as those with xxx based tax systems, xxx and others, that systems that are unique to those countries may be used in place of the standard financial suite. Ability to operate in those countries is a recommendation but NOT a requirement

**Global footprint and growth although only deploy Xxxn head office at present**

 **Different countries**

 **Different currencies**

**Different tax regimes**

 **Track Record -- references -- software**

 **Track Record -- references -- implementer**

 **Business is growing dramatically locally and globally, solution must be able to grow**

* 1. Additional modules offered by vendors (not specific to finance)

Vendors are requested to bring our attention to any other relevant modules or add-on components that they are able to offer

* 1. Hardware and network impacts are light and manageable

The solution should NOT place heavy demands on the network and hardware

The above factors are critical in understanding the requirement and specifying the solution. If the above factors are NOT fully catered for this will constitute a significant deficiency in the overall solution.

Conclusion

The above constitutes the headline requirement.

Bidders are required to assess the suitability of their software, assemble the required portfolio of software and satisfy themselves as to the scope of work in arriving at their bids.

**Client CEO**

**Chief Executive**