

# State of Illinois Case Study

## Brief Introduction

The Illinois Department of Central Management Services (CMS) manages the business of state government. CMS has created a knowledge management (KM) system that consolidates procurement resources from all agencies and other states into one central location which helps to eliminate redundant processes, retain knowledge, and save costs. The system is based on Microsoft® Office SharePoint® Portal Server 2003 and taps into the Microsoft Solutions Sharing Network (SSN) initiative to enable public sector organizations to share their IT solutions, best practices, and research with other governments. Developed in partnership with Microsoft and Salzer Technologies, the Illinois KM system facilitates collaboration among the Illinois State procurement community and information sharing across state borders. This is leading to more intelligent public procurement, saving millions of dollars for taxpayers.



## Business Situation

The inability to share information and retain knowledge resulted in redundant research and the costly duplication of work for almost all procurements

## Solution

CMS implemented a knowledge management (KM) system, based on the Microsoft® Solutions Sharing Network (SSN) program, that consolidates procurement resources from all agencies and other states into one central location.

## Benefits

- Inter-agency collaboration
- Cross-border communication
- Eliminates redundant work
- Enables vendor negotiations
- Leads to lower prices

## Customer Profile

The Illinois Department of Central Management Services (CMS) manages the business of state government. CMS leads the cost-effective administration of real estate, purchasing, information technology and telecommunications, personnel and benefits for all state employees and retirees, and internal audit and outside legal services for the state's executive agencies, and directs the state's employee and vendor diversity programs.

## Business Situation - Detail

The Illinois Department of Central Management Services (CMS) is the state's lead procurement organization, responsible for all aspects of the purchasing process—preparing bids, researching products, screening contractors, negotiating contracts, assessing performance, and so on.

Traditionally, information on these procurement tasks existed in random filing cabinets, on disparate databases, or simply in the minds of individual procurement staff. A purchasing officer might have dug up some financial details about a potential supplier, or obtained information from another state, but the information would have been held by the individual officer and never seen by his or her colleagues.

Communication between procurement officers was sporadic and they only ever reached out to another state if they had a contact there. As procurement professionals retired or left the government workforce,

valuable institutional knowledge left the building with them. With no uniform or consistent way to capture and maintain procurement information, and make it easily accessible to staff, the result was often redundant research, negotiation, and administration for almost all planned procurements.

if agencies are enabled to share samples of RFPs, contracts, market data, and so forth, there would be less duplication of work.

## Solution Description - Detail

With a mandate to revamp public procurement, CMS created a knowledge management (KM) system that consolidates procurement resources into one central location. It creates a community where, through a Web-based portal, procurement staff from all Illinois State agencies can access information and communicate with their peers. Staff can also submit research requests to a CMS KM research team, which assembles and returns benchmarking and industry data, product information, and best practices and analysis on particular purchasing issues.

The portal is a one-stop shop for procurement staff. It offers all the research, policies, procedures and information on contract proposals, negotiating strategies, industry trends, and procurement business cases. All that knowledge held by procurement staff from all agencies and even from other states has been pulled together and put in one place.

Launched in January 2006, the KM system was developed in partnership with Microsoft and Salzer Technologies. Through the project, CMS implemented and joined the Microsoft-based Solutions Sharing Network (SSN) program, a global initiative to provide an online, community-based capability to promote increased communication, deeper information exchange, and collaboration between public sector organizations. The SSN program was developed jointly by Microsoft and Salzer Technologies and works on top of Microsoft Windows Server™ 2003 and Microsoft Office SharePoint® Portal Server 2003.

## Software and Services

- Microsoft Office Sharepoint Portal Server 2003
- Microsoft SQL Server 2003
- Microsoft Windows Server 2003
- .Net 1.1

## Benefits - Detail

### Tool for Lowering Costs

The Illinois KM system has helped to eliminate redundant processes and improve efficiency across State agencies. Procurement officers in all agencies save time planning and preparing procurements by pulling up invitations to tender or RFPs issued previously by other agencies, or by other states.

Besides historical bid data, purchasers can access the KM system to obtain years' worth of financial data, price comparisons, performance analysis, and even court documents about a potential supplier. Armed with this kind of information, they are better prepared to enter negotiations with potential suppliers. This system enables to get a better deal on the contracts and helps to save cost.

### Knowledge Becomes an Asset

Procurement staff not only go to the KM portal to take out information but they also put their own knowledge back into the system, promoting the development of best practices. All procurement research reports are filed within the KM system for future reference, and the online library now contains a variety of content, including external benchmarking resources, bureau policies and procedures, and training resources, as well as the procurement calendar and cycle. The State is further adding an expert list of procurement professionals from other states and codifying procurement best practices nationwide.

Knowledge has become an important asset. This system have introduced a learning culture that isn't always prevalent in government, and that ability to manage and preserve the intellectual assets of the government workforce more than covers the technology investment.

## Crossing State Borders

The KM system facilitates the sharing of knowledge across state borders and ultimately CMS wants to see the creation of a nationwide procurement site to help all government procurement officials achieve greater savings, improve processes, and diminish the time and cost involved with reinventing the wheel.

If every state agency in every state in the country had access to a nationwide library and KM system for contracts, negotiating strategies, industry benchmarking, and real-time pricing information on everything state agencies need to buy, then there would be a revolution in pricing and delivery that would benefit taxpayers everywhere.

## About Salzer Technologies

Salzer Technologies is a global offshore outsourcing firm with offices in Chennai, India and in Northern Virginia in the U.S. The firm is a pioneer in providing knowledge management and business intelligence solutions to leading organizations. The Salzer methodology is driven by a Transparent Offshore Model™ (TOM) that is based on collaboration, communication and currency. Salzer Technologies approaches projects from the point of view of Information Worker Integration™ (IWI). They focus on developing solutions from the user's perspective, delivering information in the context of what information workers need to know—now. Salzer developers use a proprietary assembly-unit platform, called Solution Development Fabric™ (SDF), to create tailor-made business applications in a faster and less expensive way to meet business objectives. The Adaptive Product Development Lifecycle™ brings products to market in a personalized manner, helping companies offer services designed to meet individual needs. That's the Salzer way. Connecting resources through an optimal combination of people, tools, technology, methodology and process expertise - with the goal of satisfying client needs.

To learn more, please visit [www.salzertechnologies.com](http://www.salzertechnologies.com).