

79\_P-1774

# SAAQ ERP Project

## RFP Kickoff

2025-09-29



**lgs**  
une société IBM

# Agenda

- Introduction to SAAQ
  - Project Background
- RFP Process Overview
  - 3 Steps Approach
- RFP Response Team
- Key Dates

- Quebec Public Organization
- Department of Motor Vehicles (DMV)
  - Drivers Licence Management
  - Demerit Points Management
  - Car Registration
  - Road Transportation
- Drivers Insurance
  - Collision Insurance (Civil Liability)
  - Medical Coverage
  - Bodily Injury Insurance
  - Indemnification & Readaptation
  - Compensation

## Project Background

- SAAQ initiated a Market scan in 2014 to replace its financials applications by a ERP
  - Met 5 ERP Vendors (SAP, Oracle, Microsoft, MediSolution (Virtuo), Infor)
- SAAQ had started 2 other large projects to Modernize its Legacy applications, to counter anticipated obsolescence of IDMS [REDACTED] and [REDACTED]
  - 2012-05: Initiated modernization of its Insurance applications from IDMS [REDACTED] to Microsoft .NET
  - 2013-08: Initiated modernization of its DMV applications from IDMS [REDACTED] to CICS/DB2
    - Accès au réseau routier (ARR);
    - Services communs;
    - Contrôle routier (CR);
    - Support à la mission.
- In the last few months, scope of the Financials ERP project has been extended to include all Legacy applications (DMV plus Insurance portfolio)
- Karl Malenfant: New CIO appointed less than 2 years ago
  - New in Quebec Public Sector
  - Previous experience at Hydro Quebec (SAP project) and R3D Consulting firm
  - Strong confidence in SAP

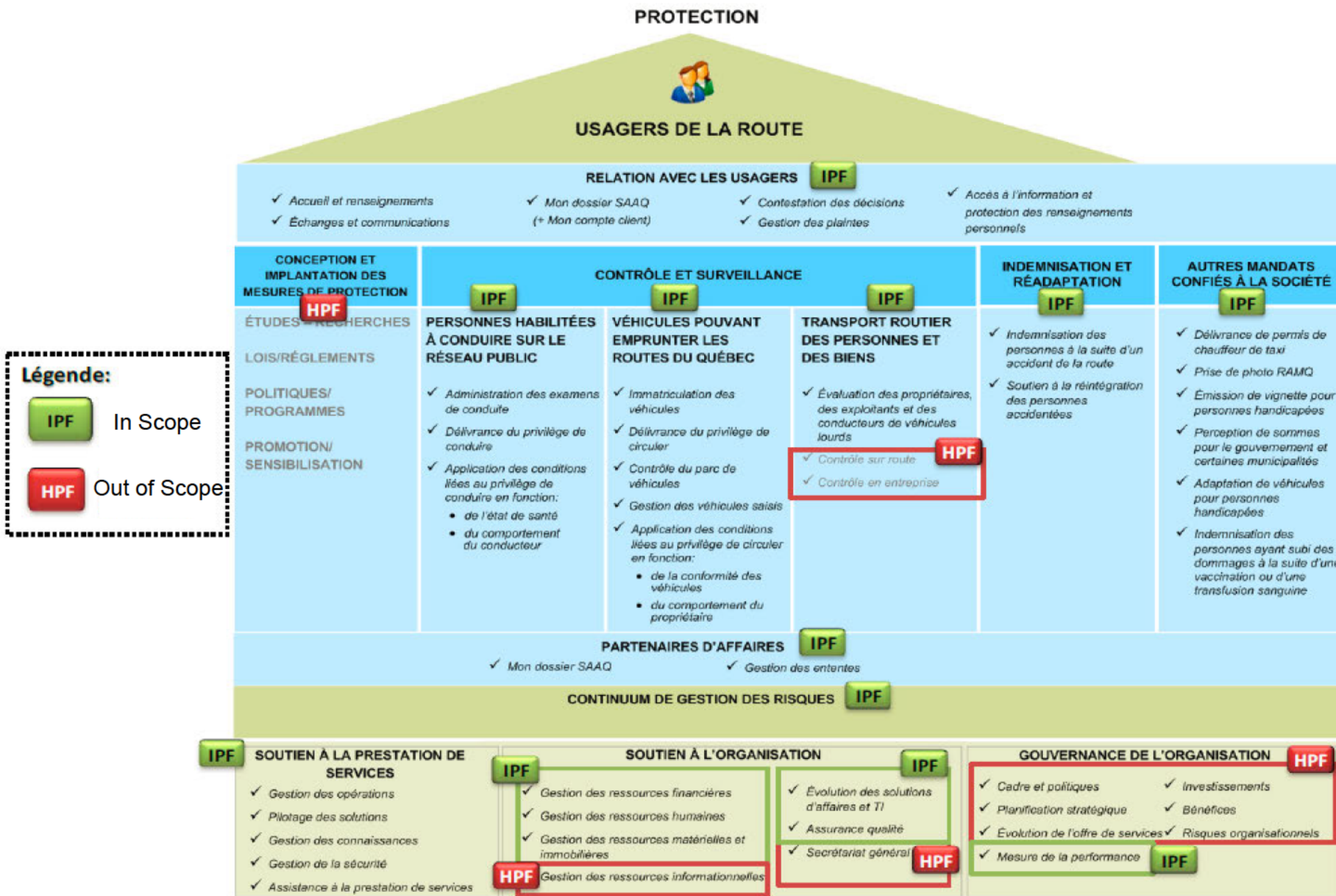
- **SAAQ initiated a market scan in 2014 to replace financial applications by a ERP**
- **Step #1 : Qualification of ERP solutions**
  - RFQ issued on May 5th
  - No \$ considerations, focus on Functional requirements & Customer references
  - Only SW vendors can respond
  - Only SAP and Oracle qualified
- **Step #2 : Qualification of Service integrators**
  - RFQ issued June 23rd, answered on August 14th
  - Each Integrator could qualify on Oracle and/or SAP
  - No \$ considerations, focus on vendor's proven capacity to implement the selected RFP

| Integrator | ERP Qualified                           |
|------------|-----------------------------------------|
| LGS/IBM    | SAP/Oracle                              |
| Deloitte   | SAP/Oracle                              |
| Accenture  | SAP                                     |
| CGI        | Oracle (SAP proposal did not qualified) |

- **Step #3 : RFP to select a priced proposal to provide ERP licences, Integration services, Technological infrastructure**
  - Open only to Qualified ERP Vendors and Service Integrators selected in steps 1 & 2
  - RFP expected to be released by October 15th

- General requirements regarding the ERP Suite:
  - Opening for 2 types of Suites
    - Engineered Suite, designed by Vendor
    - Synchronized Suite (integrated my synchronization mechanisms)
  - Vendor Branded or Best-of Breed Suites not acceptable
- Functional Scope:
  - Insurance Fund (FA)
  - Access to road network (ARR)
  - Control of road utilization (CR)
  - Organization Support Systems (e.g. financial, human, material, real estate and information ressources) and Common Services

Figure 8. Représentation de la portée fonctionnelle d'une suite de progiciels de gestion intégrés pour la Société



- CRM Solution
- Administrative Solution (ERP)
- Insurance Industry Solution (Claims Processing)
- Informational Solution (IA ou BI)
- Technological Infrastructure coveringt:
  - *Integrated Development Environment*
  - *Business Rules Management*
  - *Process Integration and Orchestration*
  - *Security and Identity Management*

- CRM Solution
- ECC
  - Finance, Materials Mgt, Real Estate
- Insurance Industry Solution (FSCM, FSCD, Fraud Mgt)
- Analytics
  - BW/BOBJ and EIM
- Human Resources
  - SuccessFactors
- Infrastructure
  - S/4 HANA
  - Workbench
  - Solution Manager
  - GRC
- Others
  - Fiori
  - Mobile
  - Open Text

- Based on the scope of the RFP, we have divided the team in the following streams:
  - Executive Team
  - Architecture and Cloud
  - Functional and Development
  - Tiger Team
  - VDP
  - Methods and Tools

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| Stream                         | Lead                                      | Team Members                                                        |
|--------------------------------|-------------------------------------------|---------------------------------------------------------------------|
| Response Team                  | Daniel Girard                             | Kathy Tremblay                                                      |
| Executive                      | Francois Dufresne<br>Pierre-David Marceau | Claude Guay, Dave McCann, Nabil Aboutanos, Dale Young, Gratien Cote |
| Architecture                   | Daniel Lacroix                            | Ket Muller, Christian Spitz, Claude Ross                            |
| Hardware & Cloud               | Louis-Andre Marceau                       | Louise Tremblay, Guy Tremblay, Charles Wardlaw                      |
| Functional<br>(simple Finance, |                                           | Tamar Alexanian, Adam McCann, Martine Gagne, Vince Robert, EY       |
| Development (SAP & Legacy)     |                                           | Daniel Lacroix, Beyond                                              |
| Org Change Management          | EY                                        |                                                                     |
| Tiger Team                     | Ramon Boulineau                           |                                                                     |
| VDP                            | Les Chapman                               |                                                                     |
| Methods & Tools                | Darryl Michael                            |                                                                     |
| Others: Fiori                  |                                           |                                                                     |



# Appendix – Vendor Selection



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## Why LGS/IBM qualified SAP and Oracle in Phase 2

- We were expecting more qualifications coming from Québec City local market from CGI and Fujitsu for both SAP and Oracle
  - *CGI qualified only with Oracle*
  - *Futjitsu did not qualified at all*
- CGI and Fujitsu are typically closer to Oracle and have stronger local practices compared to LGS in Quebec City
- Preferred to keep 2 options opened to bid in phase 3

- **Competition**

- CGI : local in Quebec City, will leverage local resources to provide better rates
  - *CGI has a strong knowledge pricing behaviors in Quebec Govt*
- Deloitte : remote from Montréal will need to include T&L
- Accenture : remote from Montréal will need to include T&L
  - *Deloitte or Accenture most likely to team with Fujitsu for local presence*

- **Technological infrastructure**

- Oracle most likely to push Oracle HW into packaged bundle to integrators
- LGS/IBM would prefer to provide IBM HW or Cloud services to customer
  - *Option : SAP Cloud hosted in IBM Data centers*

- **Customer Preference**

- VP IT of SAAQ, Karl Malenfant, has a strong background in SAP
  - *Leaded SAP project at Hydro-Quebec*
  - *Program Advisor on SAP project at RioTinto*

- **Resources in province of Quebec market**
  - Market tends to demonstrate more resources are available on SAP
    - *Large projects in recent years at Hydro-Quebec, RioTinto, Cascades, Resolute, ....*
  - IBM involvement in ERP projects in Quebec in last years
    - *SAP : Cascades, Resolute*
    - *Oracle : Udm, CAE*
- **IBM resources**
  - Identified in answer to phase 2 RFQ that we had more resources and projects in the IBM SAP practice worldwide.
  - Identified more SAP resources being local in province of Quebec or resources available to work in Quebec in French.
- **French documentation**
  - Customer to request French documentation of products and project
    - *Might be an issue for Oracle (was an issue at Revenu Quebec)*
    - *SAP ??*

- **Options**

- Provide 2 bids : Oracle and SAP
- Do we have the capacity to provide and prepare 2 bids?
  - *Amount of work and time limitation*
  - *Staff required and \$\$ to produce bids*
- What would be the message send to market and the customer ?
  - *LGS is not able to identify the right solution for SAAQ...*

- **Recommendation**

- Provide only one bid to SAAQ based on SAP