

State of Alaska boosts efficiency by migrating payroll application to DB2 software.

Overview

■ **Application**

Information management system to run payroll application

■ **Business Benefits**

Continued use of efficient payroll application, with cost avoidance of purchasing new solution; significant savings in programming time and cost; increased productivity due to enhanced query ability for financial analysts, better performance of user applications and faster transaction-processing times

■ **Software**

IBM DB2® Universal Database™ for z/OS®, Version 7; IBM DB2 Connect™ Enterprise Edition; IBM DB2 Utilities Suite for z/OS

■ **Hardware**

IBM @server® zSeries® 800

■ **Services**

Tesseract Corporation



With breath-taking scenery, rushing rivers, majestic mountains and abundant wildlife, Alaska is one of the most beautiful states in the country.

The State of Alaska's Division of Finance does not attract the thousands of tourists drawn to the natural beauty of the largest state in the U.S. But the agency is pivotal to the state's survival. Based in the capital city of Juneau, the agency serves Alaskans by preparing annual financial reports and ensuring the financial integrity of the state.

Alaska's Division of Finance also maintains the state payroll system—perhaps its most important responsibility—sending out biweekly

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—Sharon Baker, Database Specialist, Enterprise Technology Services, State of Alaska

and semi-monthly checks to 16,000 state employees. To ensure that employees get their paychecks on time, the State depends on Tesseract Payroll Manager from IBM Business Partner Tesseract Corporation to process its payroll.



State of Alaska financial analysts enjoy improved data access and query capabilities with an IBM-powered payroll system.

The Division of Finance was faced with a major dilemma when San Francisco, California-based Tesseract announced that it would no longer support the State's legacy Adabas database. The choices were: continue using the old Adabas system without vendor maintenance, implement an entirely new payroll application, or convert to a database supported by Tesseract. The agency had to make a decision quickly to avoid disrupting the thousands of employees who depend on it to get their paychecks on time.

To solve the problem, the State of Alaska decided to migrate its Tesseract application to an open standards-based relational database—one

that was highly secure and could provide efficient data access. After careful research, the State opted for IBM DB2 Universal Database for z/OS running on an IBM **@server** zSeries 800—a powerful combination designed to process high transaction volumes. In addition, the State uses IBM DB2 Connect Enterprise Edition, which allows users to query the database from desktop spreadsheet applications, and IBM DB2 Utilities Suite for z/OS, which enables higher data load performance.

Now, using DB2 software, the State can process paychecks faster and more efficiently than it previously could, with reduced transaction processing times. With DB2 Connect, financial analysts can easily access data directly from their spreadsheets. Having a more reliable system with autonomic capabilities such as self-optimization and self-healing has also lowered administrative costs and boosted employee productivity. As a result, the Division of Finance has seen significant cost and operational benefits.

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—Bill Diebels, Manager of Payroll Programming Staff, Division of Finance, State of Alaska

"With the legacy database, data retrieval was a complicated and labor intensive process," says Sharon Baker, database specialist, Enterprise Technology Services, State of Alaska. "With DB2 and DB2 Connect, our financial analysts can focus on analyzing our State's financial situation, while the payroll group can process paychecks without delay. Plus, DB2 Utilities Suite provides numerous database administration features that enhance user productivity."

Careful analysis for better results

Improving data access was an especially important consideration for the agency. Its financial analysts had been feeling particularly constrained by the limited access to data in the legacy database. "Users didn't have the ability to query our system," says Bill Diebels, manager of payroll programming staff, Division of Finance, State of Alaska. "Doing ad hoc queries was a pretty complicated affair. Mainframe programmers had to write the queries we needed. As you can imagine, the result often did not contain all the data that the users expected, and of course, it had to be converted to a usable format. So it was a very cumbersome and expensive way to get information."



IBM technology ensures that all state employees—including telecommunications specialists atop Heney Ridge—have reliable payroll processing.

The situation was particularly frustrating whenever the State was in the midst of labor contract negotiations—with as many as 12 unions at a time. "The ad hoc requests were unpredictable and voluminous, which really drove down our productivity," explains Baker.

The State was thorough in researching alternatives before making a decision on the new database management system. "As an agency that processes over 100,000 transactions a day and cannot afford the smallest delay in its operations, we went about the task of selecting a database very carefully," says Baker. "We wanted to consider all the factors that could impact

operations during a data migration effort. Above all, we wanted a system that could be reliably deployed with minimal resources so we could continue to get employee paychecks out on time."

The Division of Finance considered the possibility of using patchwork solutions to its problems. One option was using another hierarchical database in conjunction with access methods capable of sequential data processing as well as file management. The agency also contacted members of the Tesseract Users Group to find out which databases other organizations were using. "We found that more than half of the major users were already using DB2," says Diebels.

Diebels continues: "We asked about the person-hours, downtime and possibility of human error associated with the user group's data migration projects. The responses of the DB2 users were very encouraging. By and large, they experienced short, problem-free implementations and were very happy with the performance of DB2 software." In addition, Alaska's Department of Labor and Workforce Development, which uses DB2 to run unemployment insurance and employer tax applications, provided positive feedback about the database management system's performance and security capabilities.

Migrating to a high-performance environment

The State completed its migration to DB2 in just one weekend, causing no disruption to payroll operations. Since then, the database has been available 24x7 and has proven to be highly reliable to its 1,000 users, easily handling 200 concurrent users. DB2 has also generated significant savings in programming hours due to its ability to handle complex queries with fast response times.

"The ability of our financial analysts to generate direct queries from their Excel spreadsheets should translate into significant cost savings, and we also expect to benefit from lower system administration costs," notes Diebels. Adds Baker, "DB2 has delivered on its promise."

Moving forward, the State plans to implement several IBM DB2 Tools to maximize performance, including IBM DB2 Administration Tool for z/OS. With DB2 Administration Tool for z/OS, the State expects to enjoy improved efficiency in managing its database system. The tool will also help optimize the functionality of DB2, which will minimize operational costs.

"DB2 has the efficiency and responsiveness that older database management systems lack," says Baker. "And a side benefit of using such cutting-edge technology from IBM for our financial operations is that its credibility will probably help us recruit more employees to our team. That's useful in a city which has no roads leading into or outside its borders."

For more information

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For more information about the State of Alaska, visit:
www.state.ak.us

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01-04
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