

SA WATER STREAMLINES EFFORT FOR REGULATORY PROPOSALS



Government of South Australia



Customer

Owned by the Government of South Australia, SA Water provides water and water services to more than 1.6 million customers, employs more than 1,400 people and manages \$14 billion in assets. The company mission is to deliver safe, sustainable and affordable water services for the community.

Industry
Utilities

Opportunity

- Bridge information silos and consolidate knowledge capital
- Facilitate planning for regulatory proposals
- Track capital expenditure planning activities
- Facilitate demand and portfolio analysis and prioritization

Solution Set

- Alfabet IT Planning and Portfolio Management
- Software AG Consulting

Key Benefits

- Single source for knowledge, demands, decisions and history
- Prioritize using value-based, outcome-centric perspective
- Create multi-year master plans
- Increase in CMMI maturity level from 1 to 3.5
- Faster, flexible analysis supports well-founded decisions and enables easier consensus
- Manage IT portfolio, business demands, initiatives and overlaps
- Effective and consistent communications
- Increased trust and confidence between business and IT

**20% TIME
SAVED**
FOR PLANNING AND
STRATEGY TEAM



**MITIGATE
RISK**
on critical assets



REGULATORY
PLANNING PROCESS
SIMPLER, FASTER
and more accurate

Enabling the future

As a provider of essential services, SA Water is a key enabler of the growth, prosperity and livability of South Australia. To continue to provide quality services and value to customers far into the future, SA Water has developed detailed strategic plans to address the challenges and opportunities most likely to influence the company over the next quarter century.

Information Services (IS) provides technology services and expertise to all SA Water's business groups. This also encompasses support for effecting SA Water's technology capital expenditure plan, which consists of roughly 40 business change and IT asset life-cycle initiatives, as well as the company's five-year Digital Strategy to address the changing expectations of customers.

"Alfabet gives us better ways of working. We've built a better relationship with the business."

— **Abhishek Singh** | Chief Technology Officer (CTO), SA Water

From silos to holistic

Preparing its first Regulatory Business Proposal (RBP), SA Water had a big challenge: how to effectively bridge information silos, aggregate knowledge capital dispersed throughout the company, identify and fill information gaps and be able to leverage it all collectively to create a holistic, multi-year plan. In conjunction with this effort, the IS forward plan of capabilities, initiatives and business demands had to be broadened from a yearly focused approach into a multi-year strategy to be in line with SA Water's RBP.

"We started with spreadsheets and pivot tables, but quickly found this method unmanageable on multiple levels," said Egon Kuster, Manager of IT Strategy and Architecture. "It cost us a lot of time and effort to bring the information together; it was hard to structure, update and prone to errors. We had to duplicate data to generate the different views needed and the spreadsheets were so large they frequently had memory and performance problems. It was also a real challenge to adjust our analysis for the various business perspectives, such as risk-focused, value-driven or cost-based."

Focused evolution

Early on in the RBP process, IS realized they needed an integrated, flexible planning tool that would increase visibility across SA Water's business domains, enable tracking of capital expenditure planning activities and facilitate demand prioritization and scenario analyses. At the same time, IS wanted an easier and more effective way to manage the IT portfolio, including the application catalog, architecture, connectivity and life cycles. One reason SA Water selected Alfabet for planning and portfolio management was because they could use the framework, core functionality, data model and best practices inherent in the solution with minimal customizations. "Although we could configure Alfabet to our needs, we've mainly chosen to change our internal processes instead," said Kuster. "This way we can fully leverage the built-in structure and thought leadership of Alfabet."

Implementing demand, portfolio and architecture management was one of the first projects planned as part of the RBP. To get started quickly, Software AG consulting worked

side-by-side with the IS team, providing guidance on the initial configuration, executing roll-out training and facilitating upgrades. The IS team employs a focused evolutionary development approach, where each evolution realizes a major benefit for SA Water, such as defining the application catalog and capital projects, and enables more in-depth analysis for costs, impact of changes and so on.

Do the job

Using Alfabet provides IS a great deal more flexibility with analysis and scenario planning; IS can now do multi-year capability planning and see the architecture and application baselines, as well as the status of IT continuity testing. "This wasn't about reducing costs; the real value is that everything is together and readily available," said Kuster. "It's being able to actually deliver the outcomes to the business, be able to produce the plan and understand the current landscape. Alfabet helps us do this."

When it came to preparing SA Water's second RBP, the process was notably simpler, faster and more accurate overall. "Between automation and using the tool to manage the data, our planning and strategy team realized up to 20 percent time savings," said Abhishek Singh, Chief Technology Officer (CTO). Data duplication and the most common issue from the first RBP, confusion about document versions, have been eliminated. Singh noted the improved quality, "If the data is right, then there is no human error."

Easier consensus

Now IS can manage business demands using a value-based approach and can bundle together capability implementations, upgrades, system enhancements and new features. Demand overlaps are easily identifiable—something that was impossible before. In addition, the single source of truth provides a focal point for productive discussions with the business. Here stakeholders across the enterprise can directly see their business area, applications they sponsor, and their portfolio of work and demands. With Alfabet as the core repository, the right data is captured and nothing is forgotten or lost. If the business wants to revisit a demand that has been previously prioritized out, the status, related information, decisions and history are all still there.

Portfolio prioritization with Alfabet is a feature that both Kuster and Singh describe as "quite useful." IS can evaluate the initiatives by varying the criteria in order to see what makes sense and what fits with the available funding. This also enables easier consensus, especially across business units when there are competing business interests, as decisions are based more on facts and less on emotions. Being able to consolidate and aggregate the different viewpoints helps bring everyone together, said Singh. "It moves the discussion from business unit-centric to outcome-centric."

In preparing for the second RBP, portfolio prioritization helped IS determine that the initial proposed capital investment was too high, so they could further evaluate and propose an alternate baseline. For those initiatives that weren't going to be funded as a result, business clearly understood why. "We were able to draw the baseline at various levels, and business could see that," said Singh. "And rather than spending many hours to draw that line, we could get the software to do it for us. We were highly efficient."

Increased confidence

The common theme across SA Water is an increased confidence in IS and the work they are doing; they've gained significant credibility and earned a great deal of trust. The business has more confidence in the planning process, especially that things will not be forgotten or dropped from the plan. The senior leadership team can see they are getting the right level of information for their decisions and that IS delivers the desired outcome, which is a solid, justifiable plan. "It's become part of our core capabilities," said Kuster.

Communications between business and IS are more consistent and effective, and the additional clarity helps the business understand the value of certain IT spend easier than before. The investment in the IT portfolio has increased as a result, with a corresponding improved mitigation of risk on critical business assets. A key measure of success is that increasingly more people across SA Water are using Alfabet and directly enriching the information. "Alfabet gives us better ways of working," summarized Singh. "We've built a better relationship with the business."

ABOUT SOFTWARE AG

Software AG offers the world's first Digital Business Platform. Recognized as a leader by the industry's top analyst firms, Software AG helps you combine existing systems on premises and in the cloud into a single platform to optimize your business and delight your customers. With Software AG, you can rapidly build and deploy digital business applications to exploit real-time market opportunities. Get maximum value from big data, make better decisions with streaming analytics, achieve more with the Internet of Things, and respond faster to shifting regulations and threats with intelligent governance, risk and compliance. The world's top brands trust Software AG to help them rapidly innovate, differentiate and win in the digital world. Learn more at www.SoftwareAG.com.

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