

# Information Technology

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October 2019



# Agenda

## 1. Information Technology

- › Strategy, Staffing, Scorecard
- › Agile Delivery

## 2. Value Management

- › Phases, Maturity, Capital Initiatives

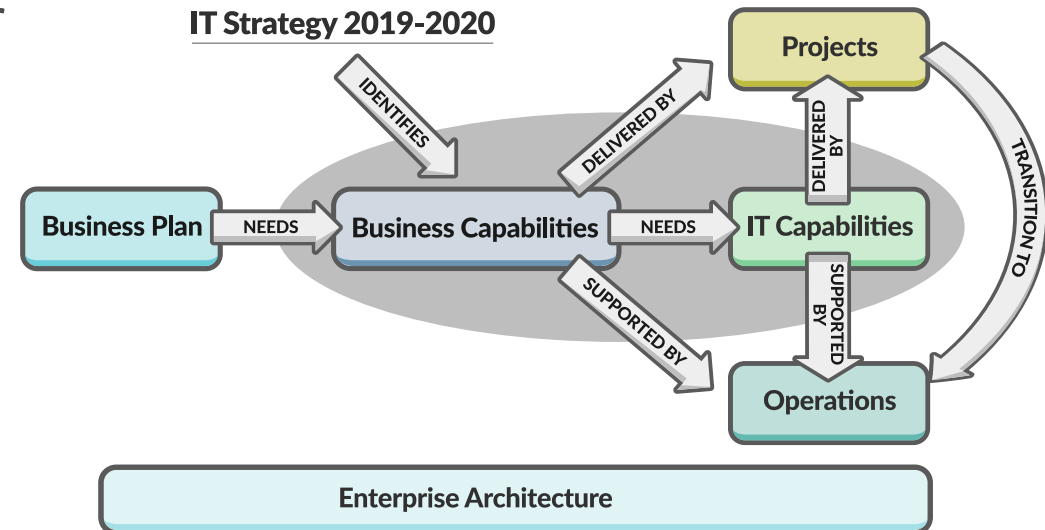
## 3. Project NOVA

- › Why, Scope, Delivery, Governance



# Information Technology Strategy Overview

- The IT strategy was created in Q1 – 2018/19 and updated in Q1 – 2019/2020 leveraging the business plan, and guidance from the Board of Directors
- The IT strategy focuses on the 2019/20 fiscal year, and provides guidance for future years. The IT strategy will continue to be updated annually.
- The 2019/20 IT strategy integrates / aligns major projects and processes including: Legacy Systems Modernization (Project NOVA)



# Implementing Technology at MPI

- Adopt Proven Mainstream Technology
- Identify key risks prior to project initiation
- Project sponsor is the Operational Business Champion
- Align MPI's process to industry best practices – software alignment
- Value Management discipline – MPI culture – project lifecycle and beyond
- IT capabilities created to support Business capabilities in pursuit of Business Objectives

# IT Staffing Update

**Objective: More effective use of in-house vs. external contractors for IT**

- Consultant Conversion Strategy - Target/Actual:
  - Positions: 27 between 2016/17 and 2019/20 – actual 27
  - Savings: \$2.4 million in annual savings – actual \$3 - \$3.5M
- Actions in Progress:
  - Review of additional opportunities (case by case basis)
  - New Request for Service (30 providers for external labour) with an estimated annual savings of \$1.5M - \$2.0M
- Resourcing – next several years
  - Project Nova dependencies



# IT Scorecard

- What is the IT Scorecard?
  - This an independent assessment of MPI's IT progress and peer comparison. This is a service is currently provided by Gartner Group.
- How MPI Uses the IT Scorecard.
  - MPI uses results to continuously improve.
  - Targets for action and progress to plan is provided annually.

# IT Scorecard (continued)

- MPI Performance, Improving Overtime and Aligned to peer group
  - MPI's IT spend as a % of Operating Expenses is 5.37%, and below peer average of 5.42%
  - MPI's IT process maturity is consistent at 3.1 (5 point scale) as compared to peer average at 2.9 (5 point scale)
- What will MPI provide going forward?
  - MPI is tendering this service in Q3-2019/20, and will have an updated IT Scorecard for the 2021 GRA.
  - The tender is for a 3 year term and includes benchmarking of both costs and process maturity.

# Agile Delivery

## MPI is moving towards Agile delivery processes

### Why:

- Closer alignment with Business stakeholders
- Earlier realization of business value
- Reduce waste and rework due to changing or unknown requirements
- Aligns to industry best practice
- Prepares MPI for new partnerships with software vendors and system integrators

### How:

- Initial pilots to build lessons learned
- Working group to provide oversight
- Gradual roll out to additional teams based on building success



# Value Management Process Phases

The Value Management Process encompasses the following phases:



- Ensures initiatives are supported by a formal cost/benefit analysis, detailed assumptions and measurable objectives and benefits
- All changes to scope/costs/benefits are formally re-assessed against the original business case prior to approval.
- Cost/benefit validation is performed at project completion and again in future periods to measure ongoing costs and benefits. Lessons Learned are applied to future projects.

# Value Management: Maturity

- Business case workshop conducted at September 2018 Corporate Managers meeting.
- Vetted all business cases submitted for the 2019-20 Corporate Budget process and currently vetting proposed initiatives for the 2020-21 budget
- Performed an integral role in the preparation of the Legacy Systems/Nova project business case and financial model. Currently incorporating new and revised assumptions into the Business Case.
- Tracking progress of active projects and assessing impact of assumption changes on costs, benefits and deliverables in anticipation of conducting post implementation reviews



# Value Management: Capital Project Business Cases

## Multi-Year Projects 2018-19 and 2019-20

- Legacy Modernization Assessment (LMA) & Legacy Systems Modernization (Nova)
- Technology Risk Management (TRM)
- High School Driver Education Phase 3 & 4 (HSDE)
- Customer Self-Service Phase 1, 2 & 3 (CSS)
- Credit Card Strategy (CCS)
- Finance Re-Engineering (dEPM)
- BI3/Fineos Upgrade 2020



# Value Management: Capital Project Business Cases (continued)

## New Projects 2019-20

- Information Security Maturity Program
- Total Loss Strategy



transforming customer experience

### SHARED OBJECTIVES

360 VIEW OF CUSTOMERS  
 ONLINE SUPPORTED SERVICES  
 DIRECT CUSTOMER FEEDBACK (POS, Kiosk, Online)

### LSM BUSINESS OBJECTIVES

AGILITY  
 STABILITY  
 COST SAVINGS & EFFICIENCIES  
 AVAILABILITY & PORTABILITY  
 AUTOMATION OF SRE  
 INFORMATION SECURITY



### CX STRATEGY

VISION—CUSTOMER JOURNEY STORIES  
 CX GOVERNANCE  
 CUSTOMER INSIGHTS & MEASUREMENT  
 COMMUNICATIONS , UX & DESIGN  
 EMPLOYEE CULTURE (Brand Ambassadors)  
 FRONT LINE TRAINING & SUPPORT  
 CHANGE MANAGEMENT

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# Case for Change: Why modernize legacy systems?

The Legacy Systems Modernization (NOVA) program is the result of assessments performed for MPI by two independent consulting firms (Deloitte and Avasant) who produced recommendations for a “Case for Change” to modernize MPI’s Legacy systems – to address the following key areas:



## Technology Risk

Manage Technology Risks via upgrading core technology platforms to modern COTS solutions



## Information Security

Secured customer information through enhanced confidentiality, integrity and availability controls.



## Customer Self-Service

Enhance Customer Experience by introducing Services to customers via online Customer self- Service channel



## Future Business Agility

Allow MPI to become faster / Agile in offering Services to Customers via digital channels and to quickly respond to legislative and regulatory changes



## Cost Savings & Efficiency

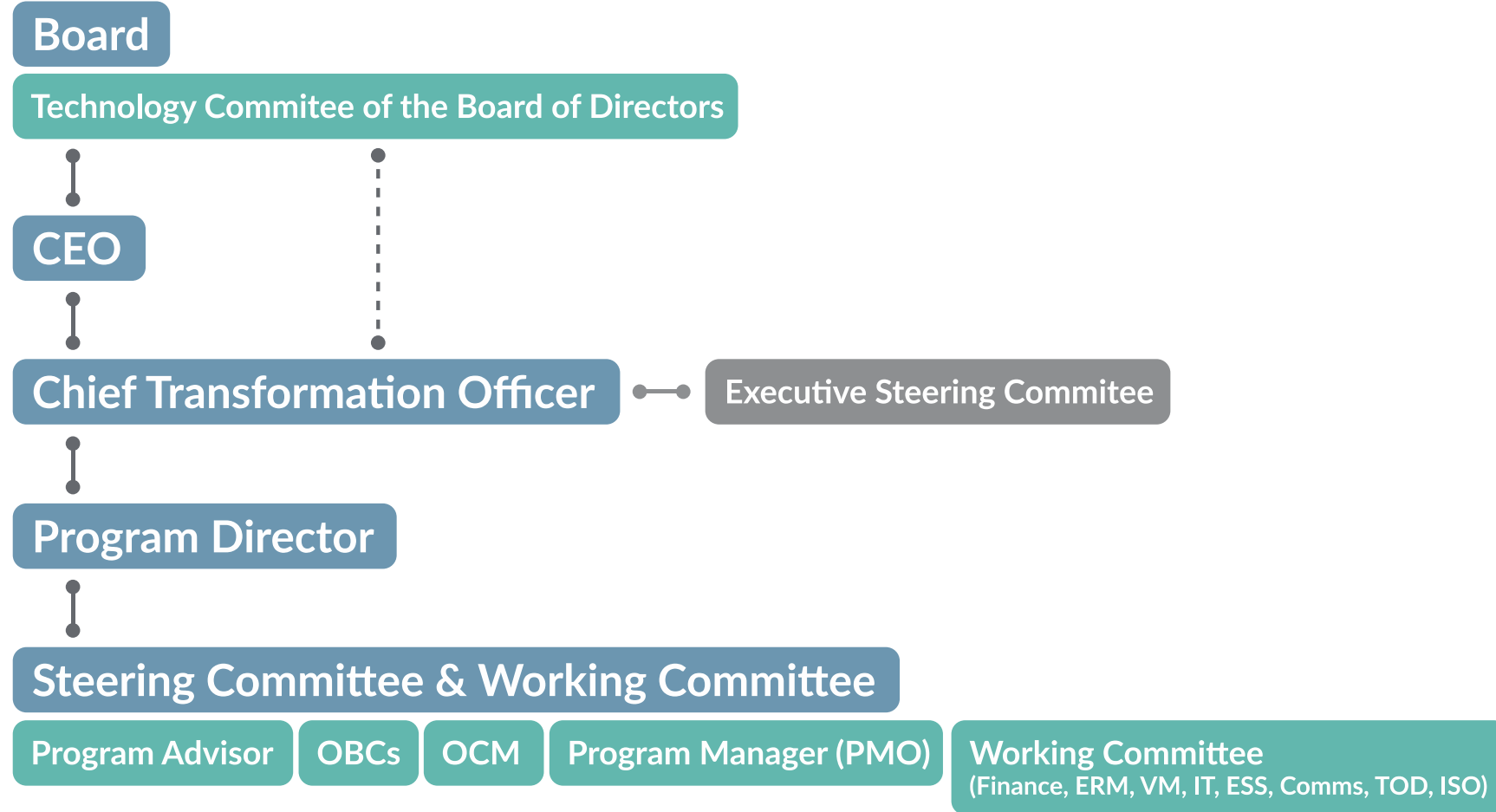
Replace aging technology, reducing applications life-cycle costs, Support Costs and Operational Efficiencies



# Scope

- Technology/Process/Services impacted
  - Personal Insurance
  - Commercial Insurance
  - Driver and Vehicle Administration
  - Physical Damage Claims

# Nova Governance





# Nova Program Delivery

- Current progress: 9 months into a 4 year journey
- The end state is a complex solution with multiple products involved (Property and Casualty, Driver Vehicle Licensing and Administration, High Productivity Platform)
- New partnerships required to be successful, including solution vendors, a vendor to assist in the oversight of the program (governance) and vendors to aid in deploying and connecting the solutions (integrators).
- MPI is focused on leveraging an “internal first” approach to resources on all project activities to optimize budget and ensure knowledge transfer and long term internal capability.



# Summary

- Updated IT Strategy is aligned with our corporate mission, vision, and business plan
- Performance on IT is comparable to our peers
- Our external labour strategy continues to find savings / efficiency
- We are implementing changes, learning from past mistakes
- Our Value Management process is operational and continues to provide an industry standard approach and results
- Nova program is underway, our digital optimization has begun



# Questions?

