

October 22, 2020

MPI Exhibit #33

Information Technology

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October 2020



Agenda

1. Information Technology

- › Strategy, Staffing, Scorecard
- › Agile Delivery
- › Information Security / Cyber Risk

2. Value Management

- › Phases, Maturity, Capital Initiatives



Information Technology Strategy: Overview

- Manitoba Public Insurance's Information Technology Strategy establishes the direction for Information Technology (IT) investments.
- The strategy guides the development of IT capabilities that will be needed to support the business capabilities required to achieve the Corporation's business objectives.
- Strategy is aligned to the key priorities, mission, vision, and values identified in the 2020/21 Annual Business plan and builds upon the 2019/20 strategy.



IT Strategy: 3 Key Focus Areas

- Project NOVA: will be the primary means for capability development over the next several years.
- Agile: MPI has made significant advances in its Agile delivery capability. This includes the creation of more dedicated product teams, the development of a roadmap, the use of an agile coach, and increasing the amount of business change using Agile.
- Information Security / Cyber Security: MPI continues to invest in this area to ensure that new and existing processes and technologies operate in ways which align to corporate policies and standards and within acceptable levels of risk.



IT Staffing Update

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

- Consultant Conversion Strategy – Actual / Target:
 - Positions: 27 of 27 between 2016/17 and 2019/20
 - Savings Realized: \$3.5M per year
 - Additional Positions: 7 of 9 between 2019/20 and 2021/22
 - Savings Anticipated: ~\$1.0M per year
- Contingent Workforce Savings – Actual (or Forecast)/ Target:
 - 2019/20 Fiscal Year: \$0.47M / \$0.50M
 - 2020/21 Fiscal Year: \$1.3M / \$1.3M
 - 2021/22 Fiscal Year: On track for \$2M - \$2.5M
- Resourcing – next several years
 - Project Nova will leverage contingent workforce agreements



IT Scorecard

- What is the IT Scorecard?
 - This an independent assessment of MPI's IT progress and peer comparison.
 - MPI tendered this service (for a 3 year term) in 2019/20 with Gartner Group as the successful bidder.
- How MPI Uses the IT Scorecard.
 - MPI uses results to continuously improve.
 - Targets for action and progress to plan is provided annually.



IT Scorecard: Key Findings

- Overall, MPI has demonstrated a trend of reducing IT spending as a proportion of total expenses while simultaneously improving IT service management maturity levels
- Maturity comes at a cost: MPI's higher investments in IT are commensurate with the higher levels of maturity achieved compared to peers
- IT investments have yielded highly mature IT service management processes, which positions MPI well to changing business demands. Further improvements could be made to improve certain functions as part of MPI's continuous improvement initiatives.



Agile Software Development Lifecycle (SDLC)

Objective

Manitoba Public Insurance is adopting Agile Delivery in order to enhance the common vision between the Business and IT to create effective value delivery

- Manitoba Public Insurance is executing on its roadmap to implement an Agile SDLC keeping this objective in site at all times
- System Integrators and commercial software vendors on Project Nova will bring additional Agile SDLC expertise and experience to Manitoba Public Insurance



Agile SDLC Transformation

Transformation efforts have focused on developing Agile Delivery Teams & establishing business ownership

Major accomplishments:

1. Formalized roles of the Business Owner, Product Manager and Product Owner
2. Scrum master role being formalized in the coming weeks
3. 6 Agile Teams formed, Approximately 60 Agile team members
4. Systems covered include: AOL, DLS, BI3, HRMS, Public Website
5. Delivery is occurring in a regular cadence (2-3 week sprints)
6. External Coach hired 9 months ago, providing expertise and guide rollout
7. Training provided to Executive, Senior Leader and team members
8. Role specific training provided to Architects and planned for Product Managers/Product Owners



Agile Delivery Success

Manitoba Public Insurance successes in Agile SDLC Delivery

- BI3 De-customization
- Non-Binary Gender
- Public Website rebranding
- Public Website new features
- Renewal document redesign
- Mandatory Entry Level Training (MELT)
- AOL Pub Release (2020)
- Class 5 Road Test Restrictions
- Certified Mail reductions
- New Specialty Plate
- Fiscal Year End Changes
- System Generated Letter updates
- COVID19 responses
- System maintenance/defect resolution



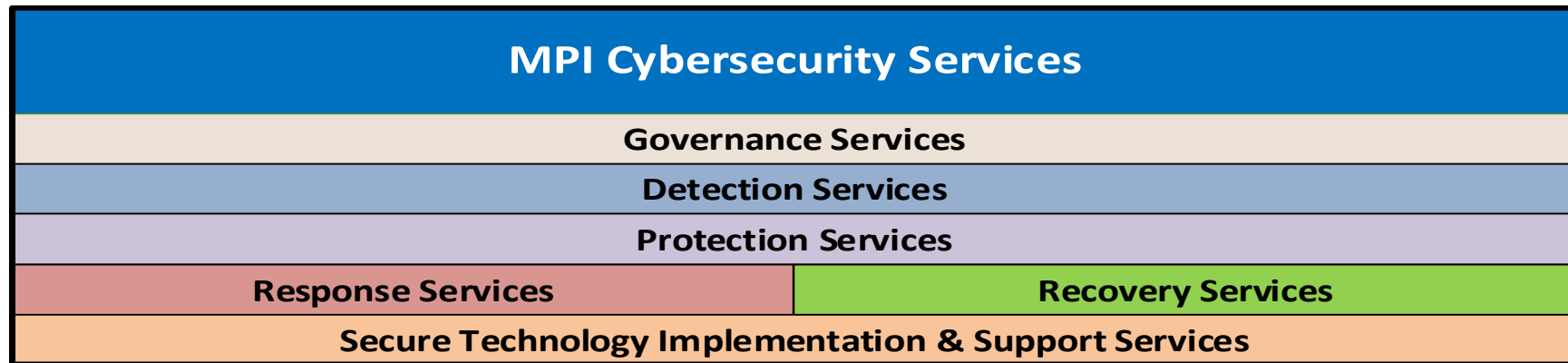
Risk Driven Approach to Cybersecurity

- With a rapidly changing threat landscape, the emergence of cyber-attacks, growing security expectations from various regulators and customers, and the emergence of e-commerce and digital economy have led MPI to proactively pursue higher maturity targets.
- The enhanced cyber security capabilities will position MPI to more effectively and efficiently mitigate risks associated with the emergence of:
 - *Soaring cybercrime profits driven by new cyber security vulnerabilities and exploits*
 - *Commoditization of Personal and Health information*
 - *Increased value of credit card and banking data*
 - *The changing relationship between MPI and it's customer base in support of moving additional services to a more digital delivery model*
 - *New cyber security baseline established by OSFI, and*
 - *New privacy disclosure requirements mandated by the federal office of the Privacy Commissioner.*



Cyber Resiliency through Information Security Services Model

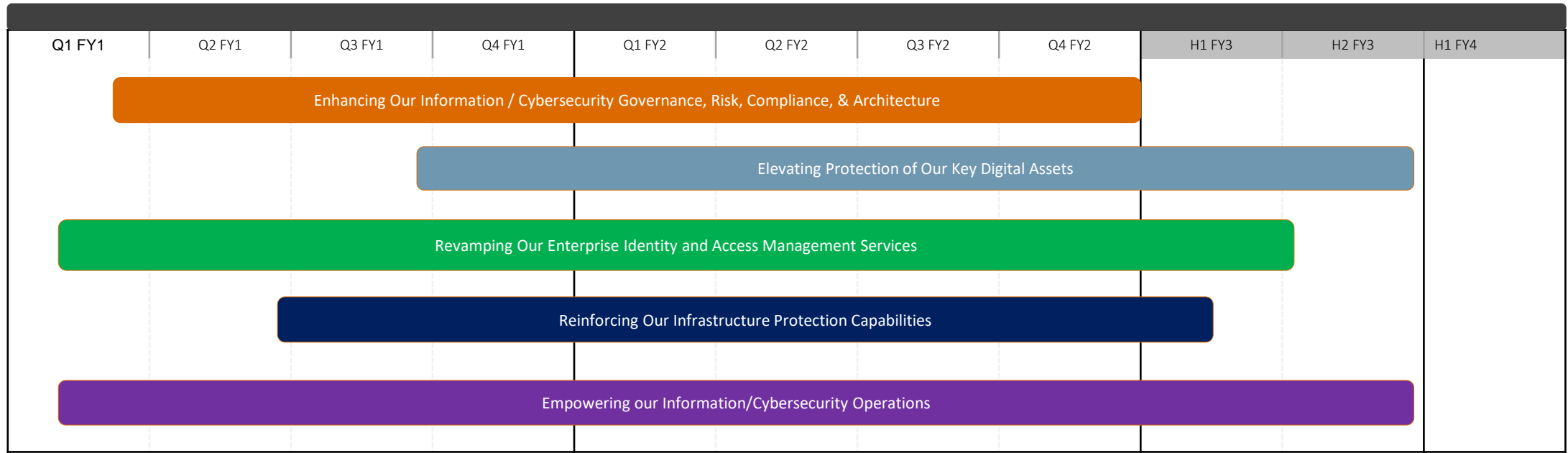
- The effective management of risks associated with cyber threats require multiple layers of protection to protect against threats by acquiring the latest and most advanced security technologies.
- Our security environment will be built like a complete system of security model leveraging security services. This ensures security is efficient and effective once matured.



Information Security Maturity Roadmap (Update)

Apr 2020

Oct 2020



- Year 1 is complete, with Governance Risk and Compliance tool being selected.
- Key Digital Asset work has started with Governance defining security classifications.
- Identity and Access Management roadmap was defined and a framework has been drafted to initiate the implementation phase.
- Infrastructure Protection is in progress with the implementation of a CASB tool, and the solution for Network Segmentation defined.
- Cyber Operations is in progress with Cryptographic services tooling being solutioned, and Configuration Management and Hardening work initiated.



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 Key Priorities

- Fully engage with Project NOVA with responsibilities that include:
 - Maintaining a repository of all assumptions impacting Project NOVA costs and the related ongoing costs and benefits. This includes assigning ownership to each assumption and ensuring adequate supporting documentation.
 - Developing and updating the financial model and performing scenario analysis and calculation of the related NPVs.
 - Meeting with Project Leadership and the Project Governance team to incorporate ongoing project changes to the business case.
 - Validate the financial assertions and reports provided to Project Leadership and the Board of Directors.
 - Ensure tracking mechanisms are in place to monitor cost and benefit realization.
- Perform ongoing reviews of all the projects listed in the GRA 2021 VM Chapter.
- Develop a work plan for the performance of Post Implementation Reviews in 2020/21



Value Management: Capital Project Business Cases

- Project NOVA (covered in NOVA panel)
- Technology Risk Management
- High School Drivers Education (Phase 3 & 4)
- Information Security Maturity Program
- Credit Card Strategy
- Customer Self Service
- Financial Re-Engineering (FRE)
- Total Loss Strategy
- BI3/Fineos Upgrade 2020
- HRMS Optimization Phase 1
- Salvage Management System
- CERP – Additional Product Changes
- City place Space Plan



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
- Improvements in Agile and Information Security align to industry best practices and continue to mature and develop
- We are implementing changes, learning from past mistakes
- Our Value Management process is operational and continues to evolve and mature



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Questions?

