Information & Technology and Value Management

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2023/24 General Rate Application

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Overview

- **Information & Technology (IT)**
  - IT Strategy
  - IT Organization Structure
  - IT Benchmarking

- **Value Management**
  - Key Projects
  - IT Transformation

Information Technology

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IT Strategy

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Mission Statement / Guiding Principles

Mission Statement

To enable our workforce with the right skills, tooling, supports, and efficient processes, while nurturing an environment of trust, continuous learning and improvement, allowing for the delivery of secure, highly reliable technology that supports the business needs and is delivered in a predictable and timely cadence.

Guiding Principles

- Deeply understand the business problem

- Technology as catalyst for business value & change

- Customer centricity through digital experience

- Cloud-ready. Cloud-first

- Cybersecure by design

- Data driven. Data discipline at the core. Flexible at the edge

- Repeatable process then intelligent automation

- "Right-sized" process and governance.

- Lean operations, transparent reporting and financial prudence

- Committed to each other's success

Business Objectives

Operational Imperatives	Deliver on financial goals, customer metrics and regulatory or market requirements.
Nova & IT	Deliver on Nova milestones and Technology transformation plans.
Customer Centricity & Operational Excellence	Define our desired CX and EX based on needs and embed these into our transformation plans. Deliver E2E customer journeys, streamline and automate mass processes where relevant. Assign clear business, process, data and risk ownership across MPI. Continue to establish and mature our Business Architecture and SAFe practices.
Finance, Actuarial, Risk and Investments	Continue to evolve actuarial practices, financial forecasting, risk, investment/ALM, and ensure IFRS readiness.
People, Culture, Change Management and Communications	Evolve People and Culture practices and processes to enable and empower our people to achieve the 5-Year Ambition. Further mature Operational Readiness, Change Management, and Employee and Corporation Communications practices to support our ambitions and goals. Articulate and tell our transformation story

Information & Technology Objectives

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Support for Nova	Build and adopt necessary tools, processes, and industry best practices needed to ensure success for NOVA and MPI 2.0.
	Accelerate and safeguard Nova functionality add-ons and software selection for MPI 2.0.
Cloud adoption	Transition to a cloud first technology organization,
	Avoid lock in scenarios with infrastructure providers.
	Accelerate the elimination of technical debt
	Cost optimization of IT infrastructure
	Shift from large capital expenses to predictable operational expenses
Cybersecurity	Advance threat detection and response capabilities
	Minimize exposures through advancing security by design principles
Data Intelligence	Build Data and Analytics cloud capabilities for MPI 2.0.
	Deliver a modern data management and analytics platform
Automation	Enable automation and artificial intelligence capabilities for MPI 2.0.
	Establish Center of Excellence

IT Organization Structure

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IT Division Structure Update
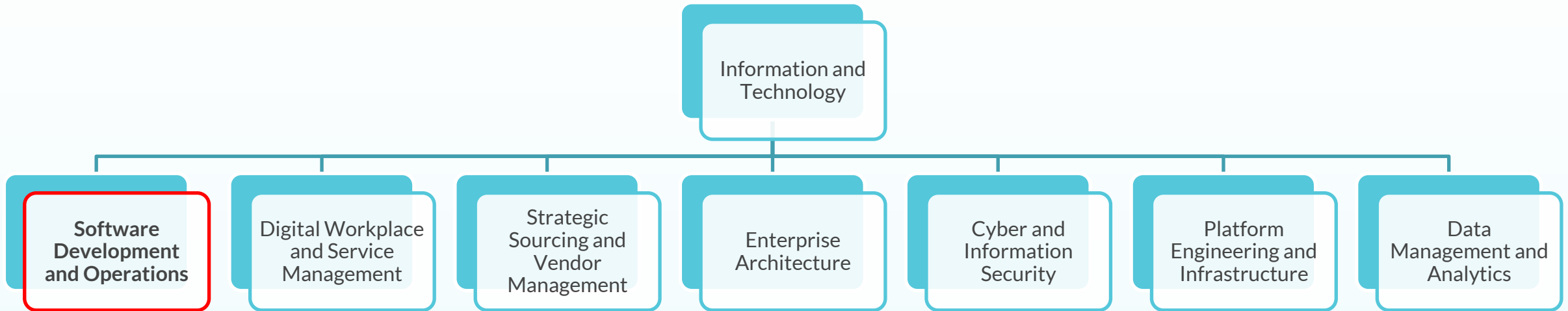
Contingent Labour Strategy

Contingent Workforce Strategy

- MPI completed the transition of 36 long term consultants to FTEs with savings of $4.5 M

- Savings from Legacy DXC Rate Card continue to provide cost avoidance of $493k (over 16 roles) and negotiated rate reductions

- As of March 31, 2022 the trend has increased to 64 active consultants for IT and additional 44 consultants to fulfill the requirements for NOVA.

- To address the capability and capacity gap, IT is engaging external consultants to address the short-term skills gap. Proactively we are also ensuring that MPI staff is being trained and educated to remove any reliance on external contractors in the long run.

IT Benchmarking

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IT Benchmarking

Results comparable to peers, no general concerns

- MPI concluded the benchmarking of the 2020/21 financial data

Summary of Gartner's assessment

- MPI is investing significantly in digital transformation, resulting in an overall level of IT spending 3.1 % higher, and staffing levels that are 6.2% higher than peers when project NOVA costs are included

- Excluding project NOVA investments, MPI's IT spending levels and staffing levels are within a normal range

- Gartner reported that all previous recommendations on MPI's implementation roadmap are all on-track

- MPI has begun the 2021/22 maturity and financial benchmarking to include in GRA 2024

Value Management

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Value Management – Key Projects

Value Management continues to actively review all IT investments, including:

- Whether investment is achieving forecasted or anticipated:
  - o ongoing costs
  - o ongoing benefits, including non-financial benefits
- Examples include: HSDE, Total Loss Strategy and Salvage Management System

Highlights of 2023 GRA Value Management Chapter Summary included review of prior year projects with a focus on:

- Validated project costs, including analysis on the source of variance
- Achievement of project objectives and deliverables as outlined in the approved Business Case.
- Compliance to project governance policies
- Example project: IBM Network Hardware Vitality

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Value Management – Key Projects

Value Management continues to evolve its role in the adoption of Agile practices that includes:

- Focusing on applying due diligence in the vetting of all Epics submitted via the LPM Intake Process

- Assisting the Agile Project Management Office (APMO) in creation of the Lean Portfolio Management governance process including ongoing review

- Review and refinement of the Lean Business Case (LBC) inclusive of Financial Analysis to be submitted to LPM Committee for approval

Value Management will continue to review and refine processes related to the validation of post-project outcomes based on the SAFe Agile framework.

Value Management - IT Transformation On Track and On Budget

IT Transformation (Business Case) filed in 2022 GRA
- Restructuring of Information Technology and Business Transformation Division completed in May 2021
- The Business Transformation directorate was transferred to the Digital & Transformation Division
- Change to IT Division, restructuring completed in May 2021

IT Division hiring continues
- 20 identified positions (19 hired, 1 in the hiring process to be filled this FY)

Initiatives active and on track to deliver in 2022/23 FY at proposed budget
- Logical Data Warehouse and Network Operations Center as a Service (NOCaaS)

Expenses inline with the original business case, delivery completed in FY21/22
- Data and Analytics capability assessment and development

Value Management will continue to report on cost levels, financial/non-financial benefits in GRA 2024