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# Toronto Hydro's Digital Transformation

Anshul Srivastava, Director IT&S Governance & Business Solutions

Mike Walker, General Manager, IT&S

Session ID # ASUG84114



# About the Speakers

## Anshul Srivastava

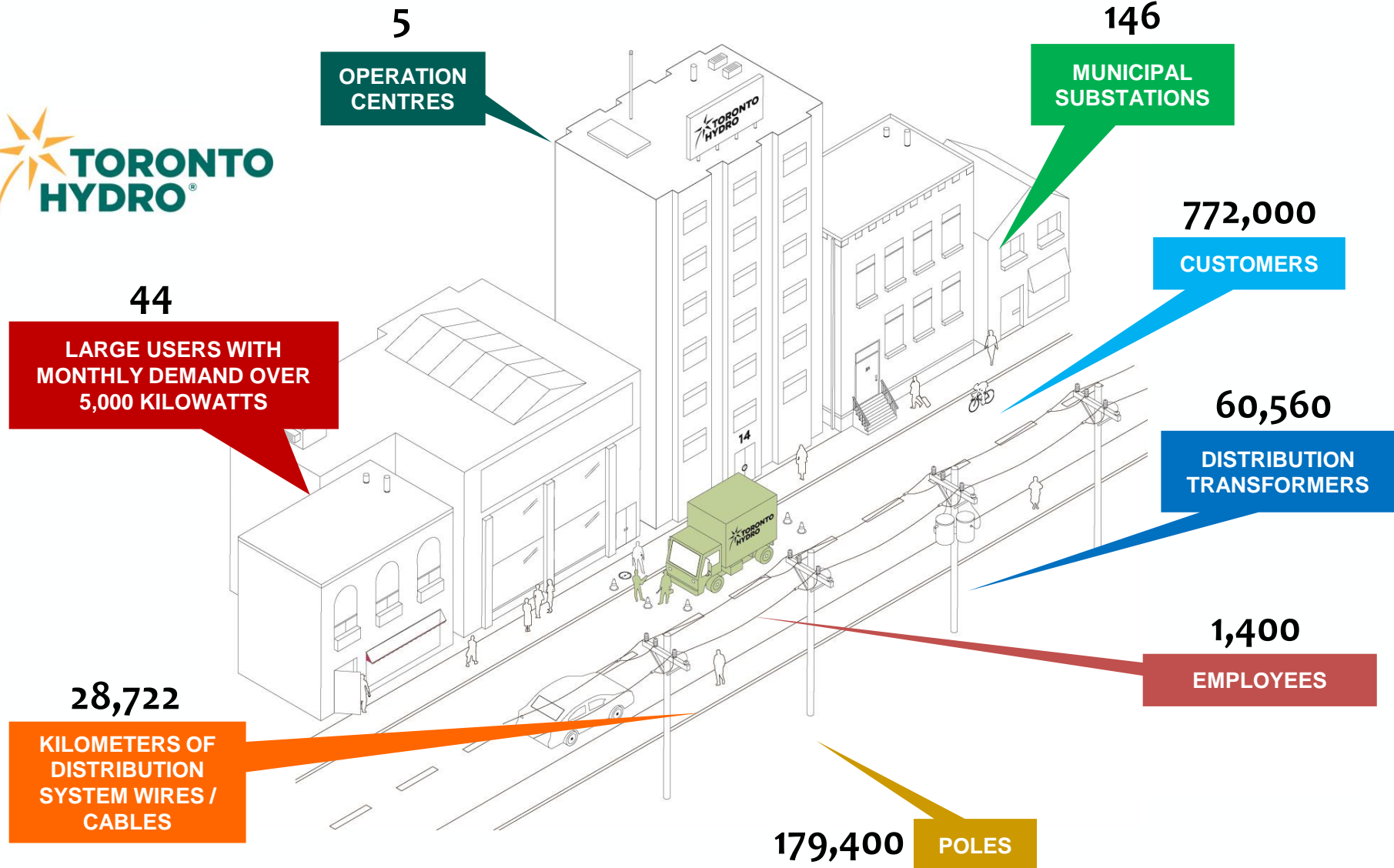
- Director, IT&S Governance & Business Solutions, Toronto Hydro
- 16+ years experience in various roles in utilities industry

## Mike Walker

- General Manager, IT&S
- Program Director on Project
- 31+ years experience at Toronto Hydro in various roles



# About Toronto Hydro



Established in 1911

Owns and operates the **electricity distribution** system for Canada's largest city

City of Toronto - population over **2.9 million**

Peak Load: **4,609 MW** (July 2018)

Record Peak: **5,018 MW** (July 2006)

**\$4.4 billion** of Capital Assets

**\$3.8 Billion** in Revenue (2017)



# Key Outcomes/Objectives

1. Roadmap for Successful Green Field Implementation of SAP Suite (ECC 6.0, SuccessFactors & Ariba).
2. Tips and trick for Project Governance.
3. Key to Successful Adoption.



# Agenda

- Project Facts
- Roadmap
- Project Phases & Governance
- Change Management





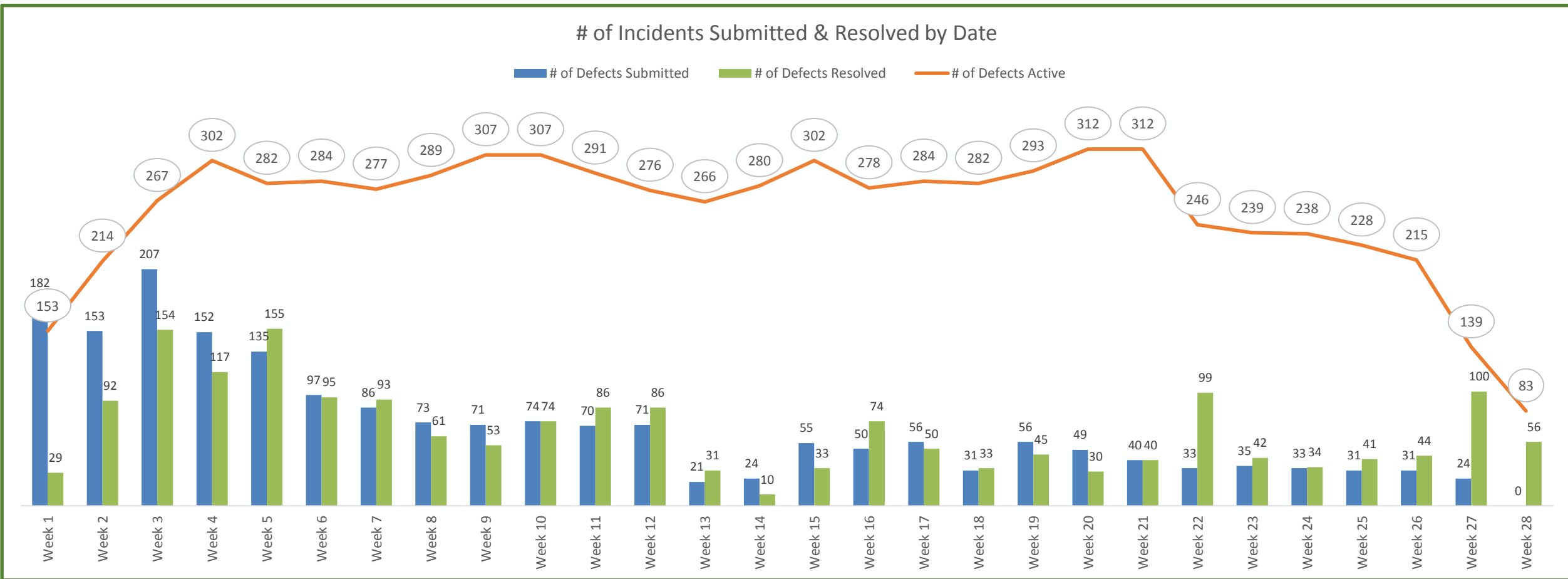
# Project Facts

- 21 month implementation
- Scope: SAP ECC 6.0, SuccessFactors, Ariba, Mobility (“SAP Suite”)
- Team of 200+ (including internal, SI local and offshore resources)
- Project went live October 1, 2018
  - On-time, on scope, within approved budget

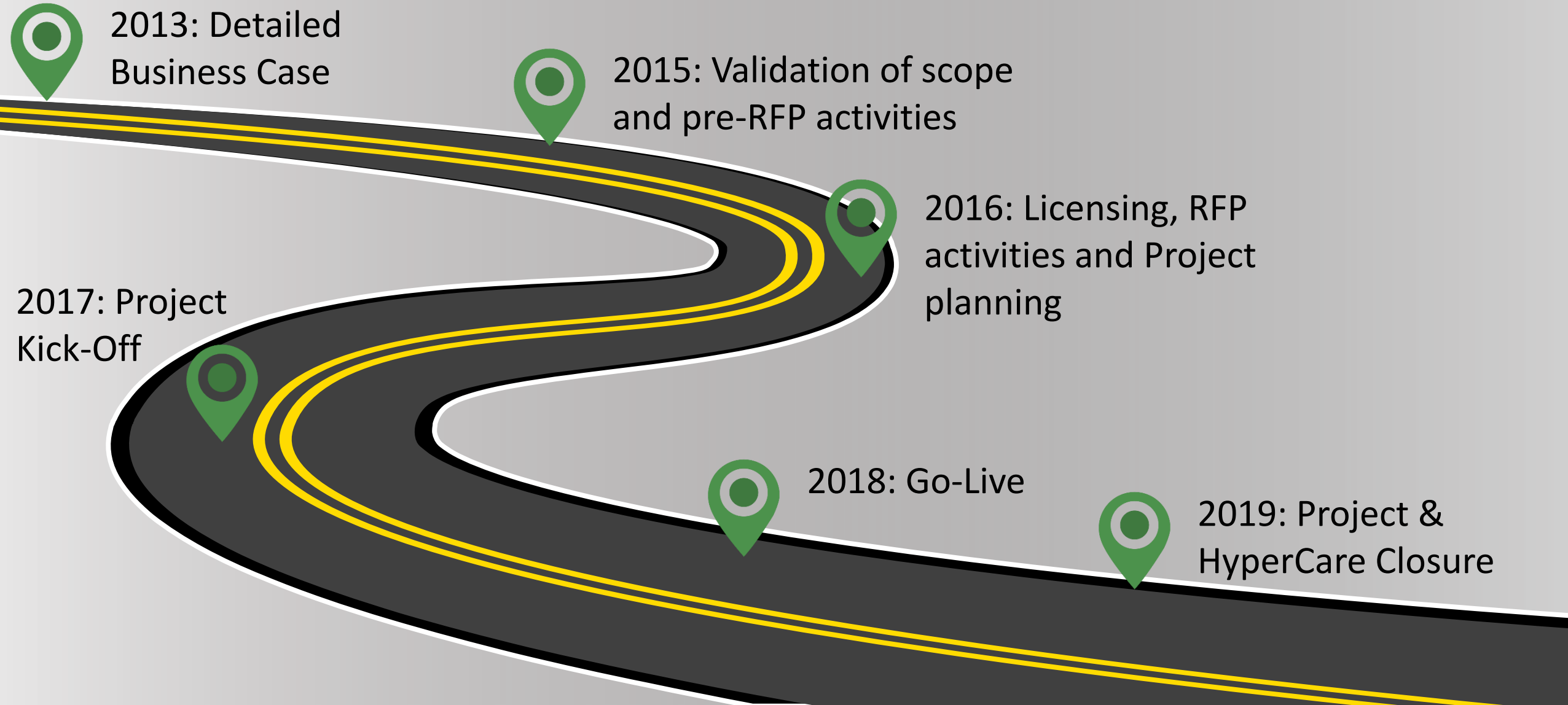


# Solution Stability

- Low number of defects post-Go-Live
  - Zero Critical, 33 High, 686 Medium, 1,221 Low Severity

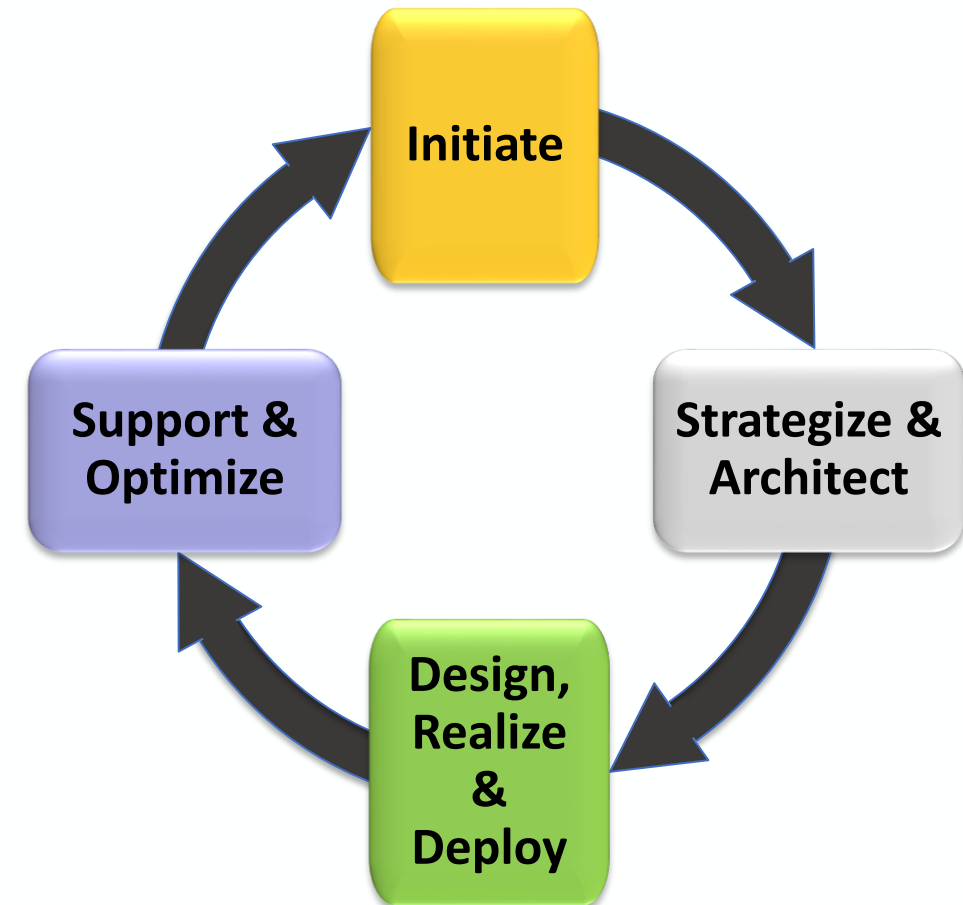
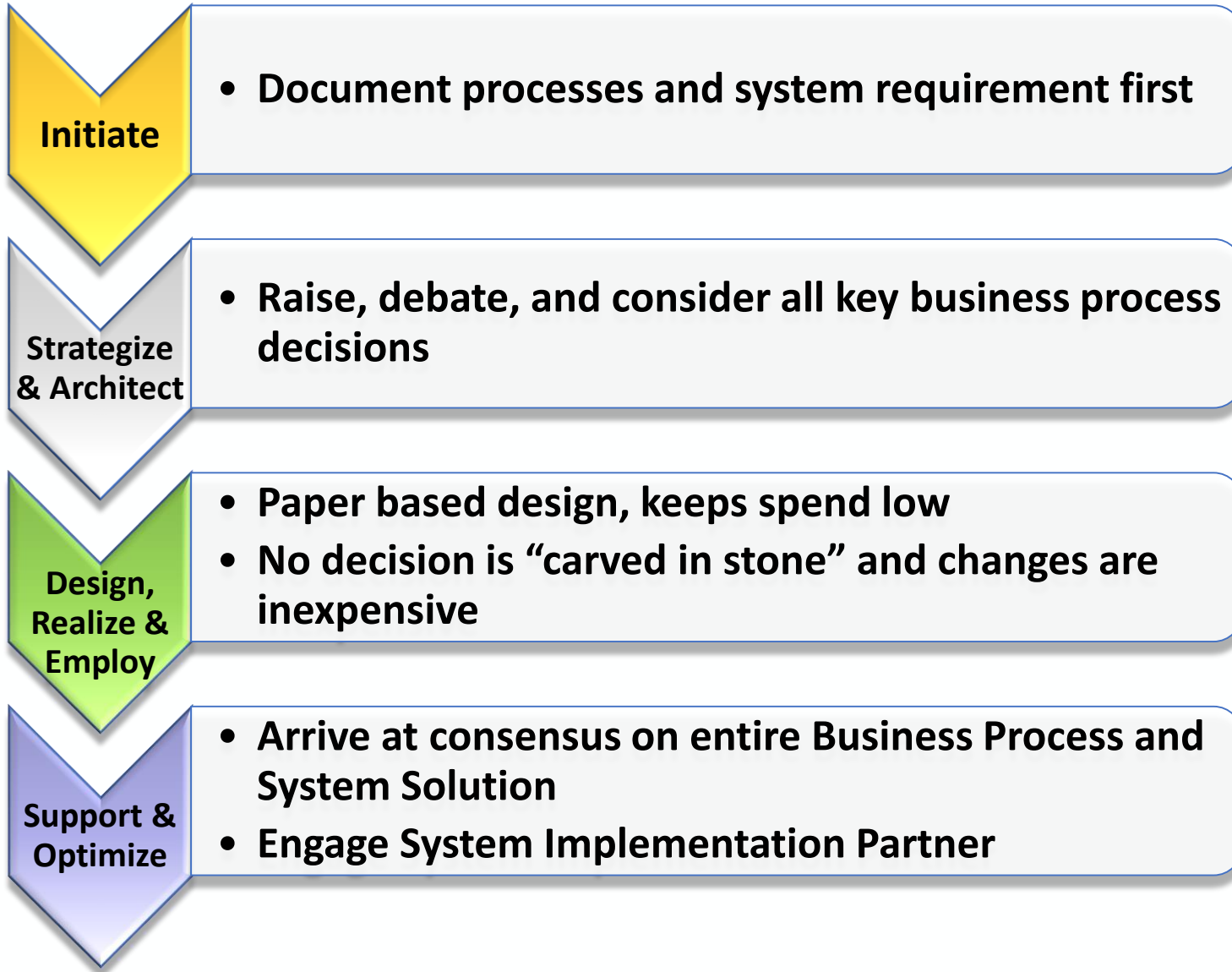


# Program Roadmap





# Implementation Approach



# ERP Best Practices

## Understand the Initiative's significance

- Entering a long-term relationship with the software vendor
- Adopting vendor supported “Vanilla” processes is the key to On-Time, On-Budget delivery and ongoing sustainment

## Plan for the End State

- Consider how the system will be supported in the long term
- Build internal expertise to provide support after integration
- Plan for structured improvement phases after implementation

## Provide the Right Resources

- Team members must have the knowledge about the business process and be capable of challenging the status quo
- Team members should be empowered by stakeholders to take decisions

## Understanding the Complexity & Quality of legacy data

- The amount of effort to transform and load legacy data is often under-estimated
- Convert only what you need to support go-forward operations

## Manage Change Effectively

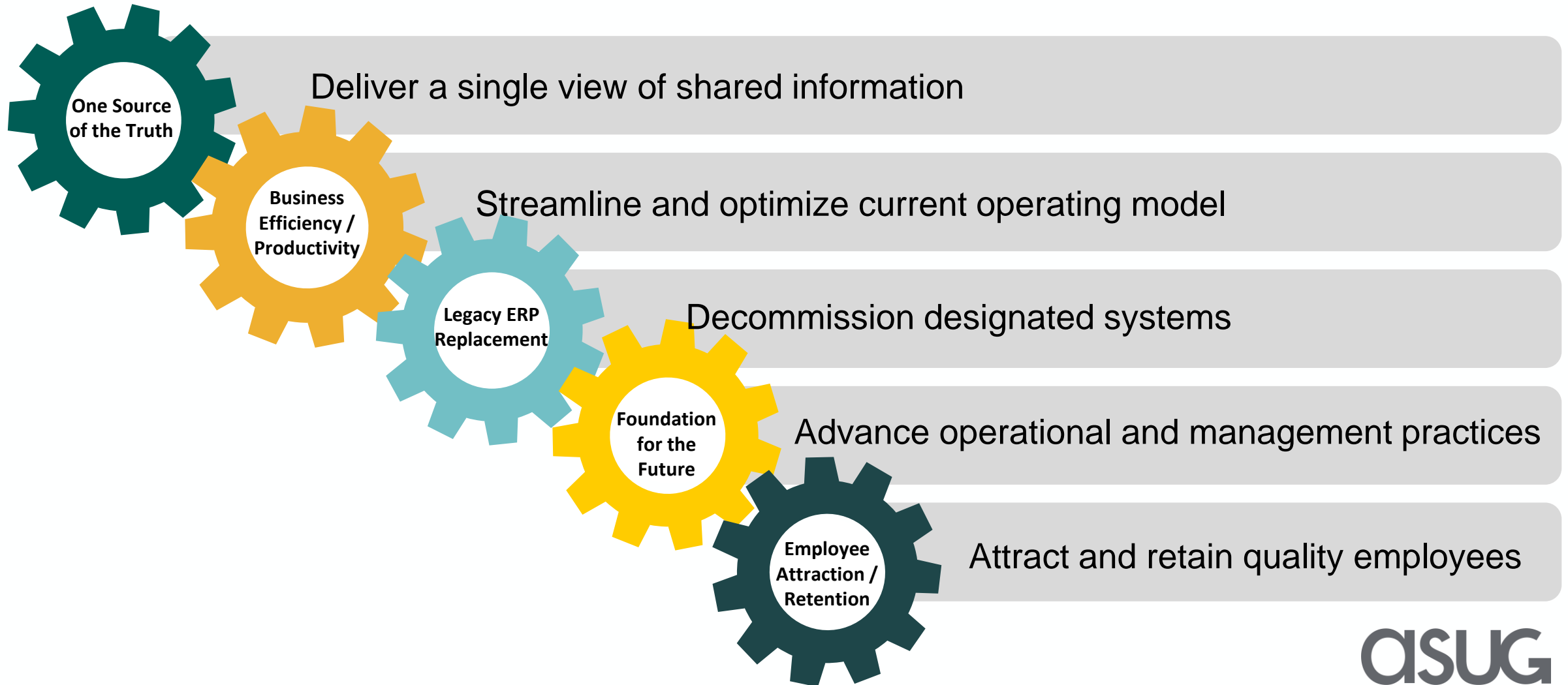
- ERP is NOT an IT initiative. It is an Enterprise Business Solution
- Managing change effectively is one of the keys to rapid, sustained adoption of new processes and tools

## Manage Costs & Benefits

- Focus on upfront planning prior to system configuration
- Restrict customization of business processes
- Manage scope implications related to business benefits

# Vision

Replace legacy ERP with SAP Suite, creating one source of the truth and the foundation for our future to improve our efficiency and productivity, and to attract and retain quality employees



# Guiding Principles

We will apply the following guiding principles throughout the project

## ✓ Simplify

- Streamline our operations

## ✓ Standardize

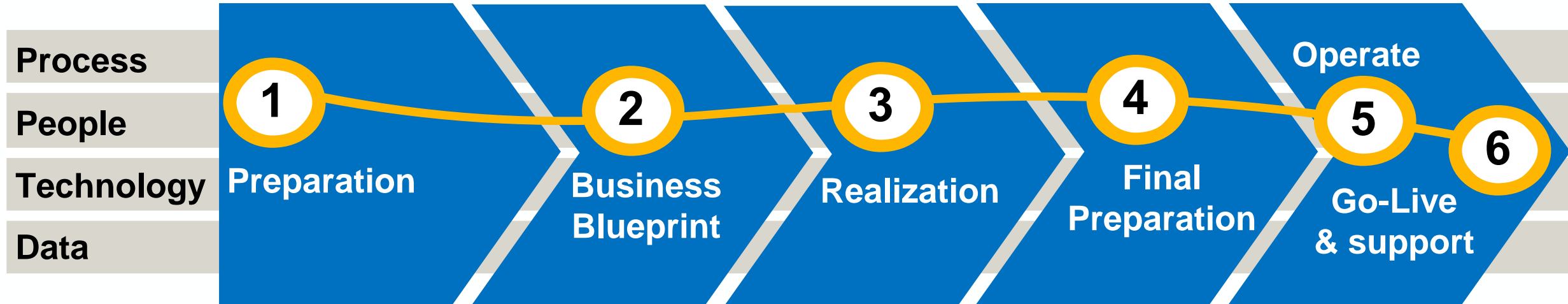
- Select standard SAP functionality wherever possible

## ✓ Adopt Leading Practices

- Align our future state requirements with industry leading processes

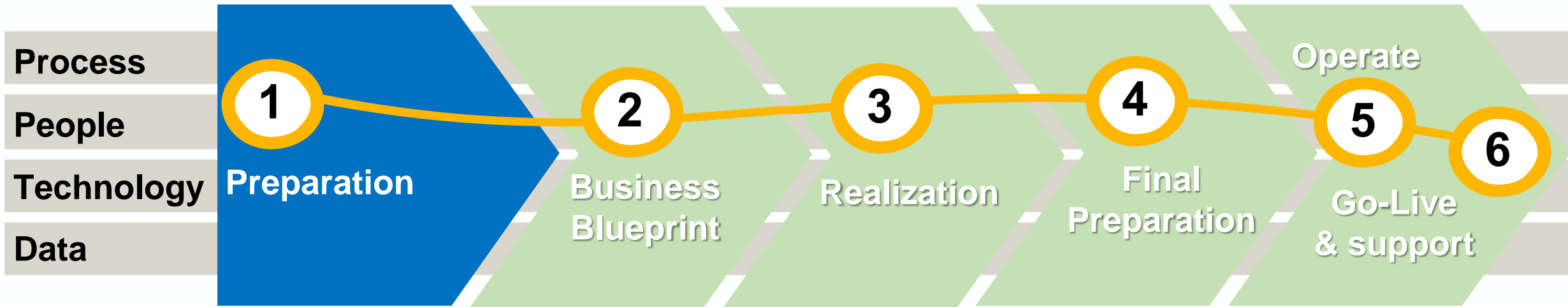


# Project Phases



- SAP industry recognized methodology for delivering implementation projects
- Holistic, phased approach across multiple project domains
- Typically treated as a framework that is tailored by each project based on scope, deployment strategies and other unique requirements
- Scope of Project Aurora includes SAP ECC, SuccessFactors, Ariba and SAP's mobility solution

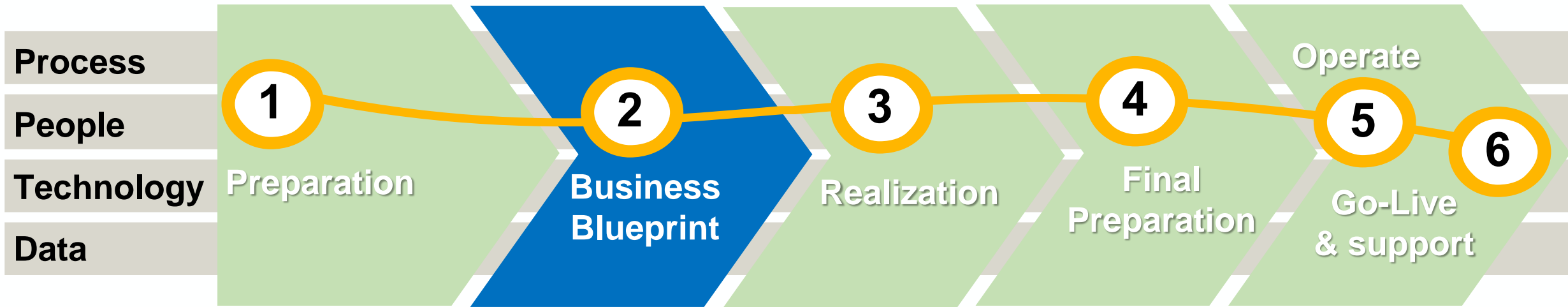
# Phased approach - Preparation



- **Objective:** Define the overall schedule and implementation sequence, mobilize the project team and establish the governance structure.
- **Key Activities:** Establish project governance structure, roles and responsibilities, schedules, finalize team participants and roles, Project kickoff, define standards
- **Outputs:** Project charter, Scope definition, project team org structure, initial communications framework, PM standards, high-level project plan, Blueprint workshop schedule

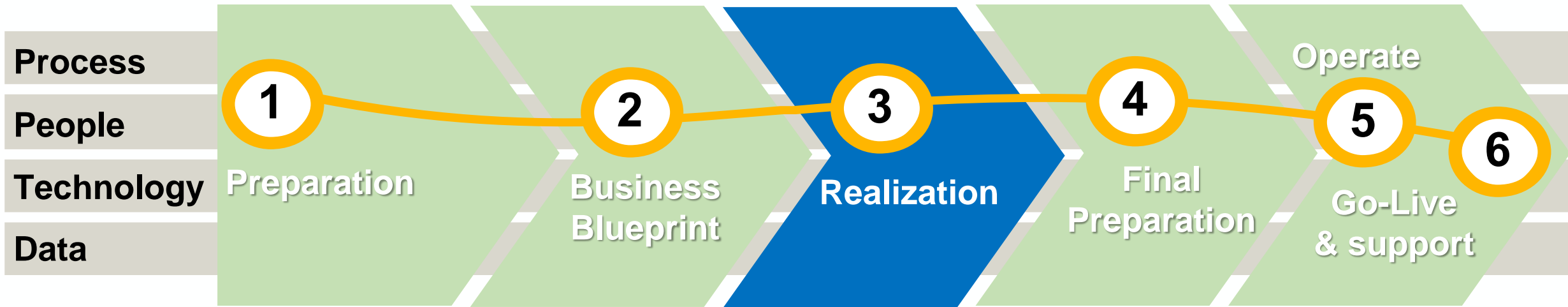


# Phased approach - Blueprint



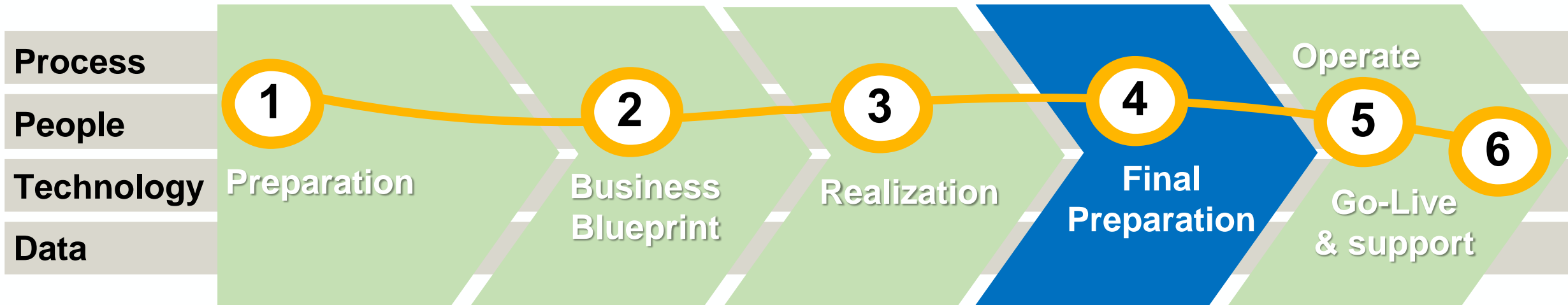
- **Objective:** Create the detailed description of the business process and configuration requirements
- **Key Activities:** Conduct business process workshops, gap analysis, identify organizational impacts, develop field mapping and cleansing plan, finalize development environments, confirm module scope, revisit build estimates
- **Outputs:** Business blueprint, data strategy, change management strategy, data mapping rules, RICEFW inventory, updated requirements list, technical strategies

# Phased approach - Realization



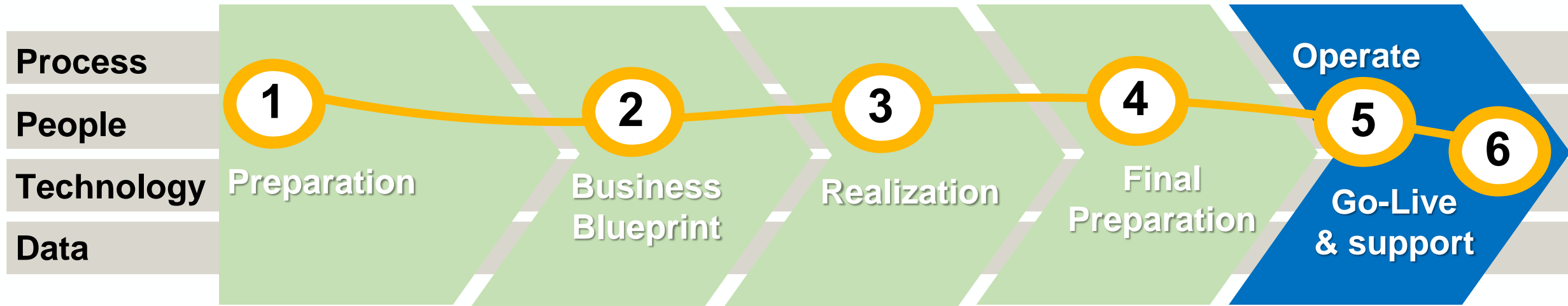
- **Objective:** Configure system to meet business and process requirements identified in the blueprint. Confirm readiness through a series of test and data validation cycles.
- **Key Activities:** System configuration, data migration and test, develop cutover plan, RICEFW build and test, refine and execute communication plan, develop end user training curriculum, execute unit test and create integration test scenarios
- **Outputs:** Fully configured system, functional and technical specifications, business process procedures, test scenarios, security role definition, end user training materials

# Phased approach – Final Preparation



- **Objective:** Complete preparation for the go live
- **Key Activities:** Integration, payroll and user acceptance testing, mock data cutovers, create production support procedures, create user accounts with security mapping, deliver end user training, finalize cutover plan
- **Outputs:** Trained users, system ready, production documentation, accounts distributed

# Phased approach – Go-Live & Support

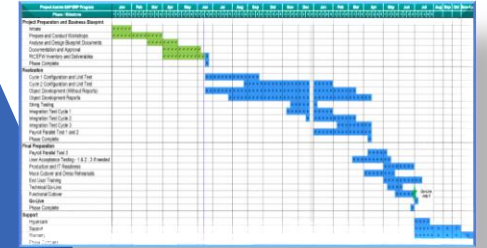


- **Objective:** Execute the cutover plan to take the system to a productive status. Transition to the sustainment organization.
- **Key Activities:** Execute cutover plan, support Hypercare activities, correct significant defects, consolidate plans for future enhancements, collect end user feedback, execute month-end activities, conduct additional training
- **Outputs:** Production documentation including technical specifications, changes to operating procedures, project closure report

# Project Schedule Hierarchy

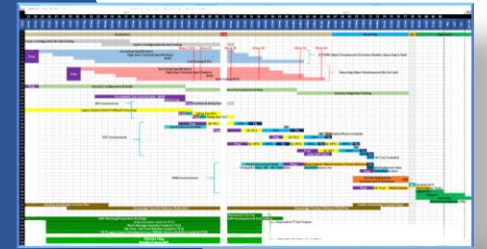
## Level 1 – High-Level Timelines

- High-level view for project stakeholders
- Summary / 1 page maximum
- Show weeks within a month for more visual granularity
- Updated with 'today' vertical bar and status to use ongoing



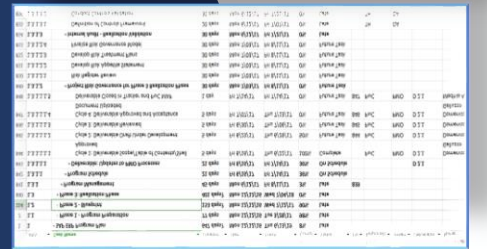
## Level 2 – Milestone / Critical Path + Deliverables

- Temporary view before MS Project Schedule is updated
- Demonstrates Critical Path at Milestone level
- Structure Milestones/Phases used with Level 3



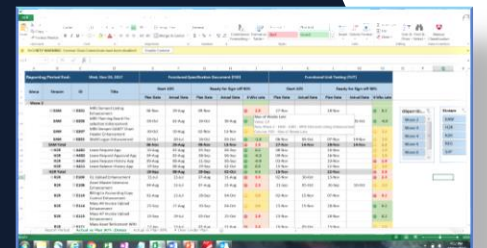
## Level 3 – MS Project Schedule

- Detailed tasks within Phases & Milestones
- Track Project Deliverables
- 4-5k tasks maximum for entire Project
- Recursive approach; immediate focus on Realization



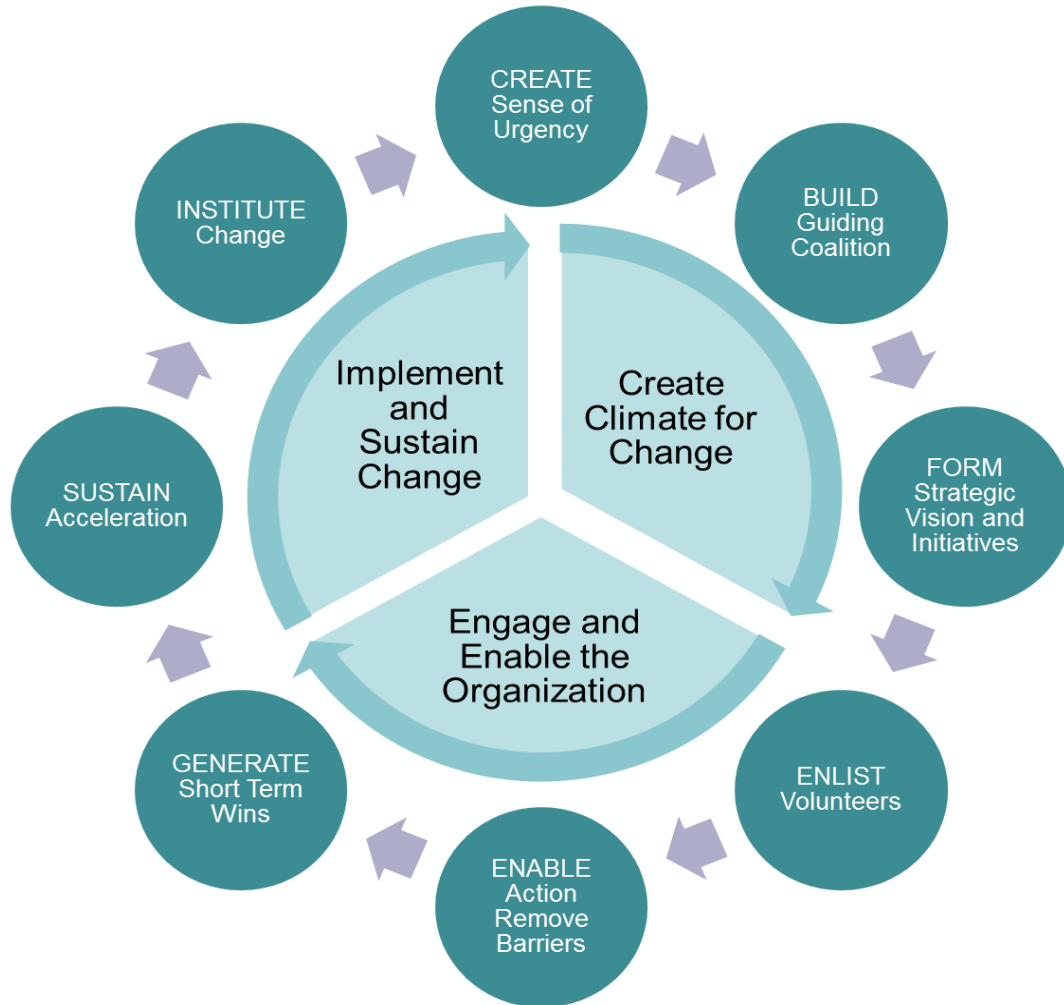
## Level 4/5 – Stream / Operational Schedule

- Examples: Test cycle script tracking, object development tracking, training delivery, communications plan, cutover
- Milestones linked to Level 1, 2 and Level 3
- Designation of Level 4 or 5 depends on the level of detail in that Schedule



# People – Change Management Strategy

We have developed a change strategy that is aligned with **John Kotter's Model for Leading Change**.



## 1. Create Climate for Change

- Create Sense of Urgency
- Build Guiding Coalition
- Form Strategic Vision and Initiatives

## 2. Engage and Enable the Organization

- Enlist Volunteers
- Enable Action Remove Barriers
- Generate Short-Term Wins

## 3. Implement and Sustain Change

- Sustain Acceleration
- Institute Change



# People – Change Management Strategy

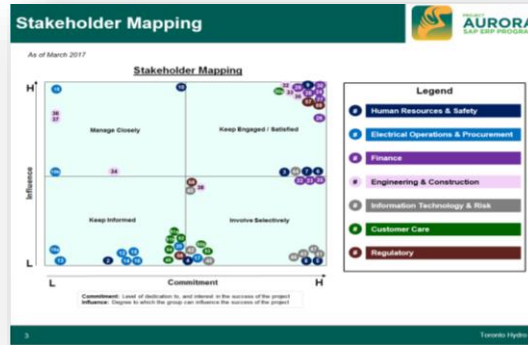
Communication & Engagement Strategy & Plans

TORONTO HYDRO PROJECT AURORA COMMUNICATIONS PLAN						
Reference Information		Communications Description				Review Info
Ref #	Ref ID	Author	Accountable Party	Topic / Situation	Purpose, activity & key messages	Approver
<b>Message Plans (Jan 2017 - Jun 2017)</b>						
10	4	JF	George/Hedra	Arshul	Follow Up Workshop Schedule	Mila Vrblar
12	4	JF	Arshul	Mila Vrblar	Risk Appetite Statement	Mila Vrblar
12	5	JF	Arshul	Mila Vrblar	Risk Appetite Statement	Mila Vrblar
12	1	JF	Arshul	Mila Vrblar	Risk Appetite Statement	Mila Vrblar
10	4	JF	Sarah/Agnes/Gal	Arshul	Team engagement activity announcement	Mila Vrblar
11	4	PHD	Arshul	Rib Viny	Design Principles	Dave Clark & Mila Vrblar
11	5	PHD	Arshul	Mila Vrblar	Mission Statement announcement	Mila Vrblar
11	5	PHD	Arshul	Rib Viny	Mission Statement announcement	Dave Clark & Mila Vrblar

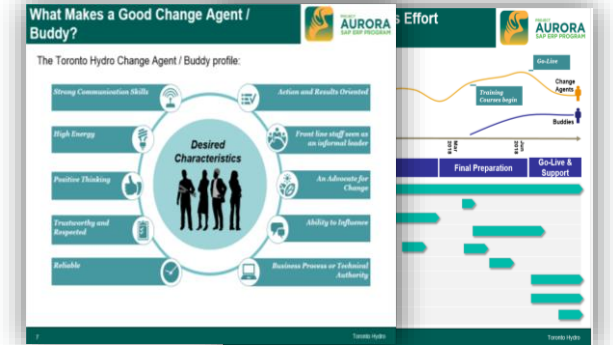
Change Management Strategy and Plan

The image shows the cover and several pages of the 'Project AURORA Change Management Strategy & Plan'. The cover features the AURORA logo and the title. The content pages include a table of contents, a 'Change Management Strategy' section, and a 'Change Management Plan' section with a circular diagram illustrating the change management process.

Stakeholder Analysis



Change Agent Network Plan



Change Readiness Assessment

Area	Change Readiness	Readiness Score	Sub-Category	Change Readiness	Readiness Score	Sub-Category
Human Resources & Safety	High	4.5	Human Resources & Safety	High	4.5	Human Resources & Safety
Electrical Operations & Procurement	Medium	3.5	Electrical Operations & Procurement	Medium	3.5	Electrical Operations & Procurement
Finance	Low	2.5	Finance	Low	2.5	Finance
Engineering & Construction	High	4.5	Engineering & Construction	High	4.5	Engineering & Construction
Information Technology & Risk	Medium	3.5	Information Technology & Risk	Medium	3.5	Information Technology & Risk
Customer Care	Low	2.5	Customer Care	Low	2.5	Customer Care
Regulatory	Medium	3.5	Regulatory	Medium	3.5	Regulatory

Change Impact Analysis

Area	Change Impact	Impact Score	Sub-Category	Change Impact	Impact Score	Sub-Category
Human Resources & Safety	High	4.5	Human Resources & Safety	High	4.5	Human Resources & Safety
Electrical Operations & Procurement	Medium	3.5	Electrical Operations & Procurement	Medium	3.5	Electrical Operations & Procurement
Finance	Low	2.5	Finance	Low	2.5	Finance
Engineering & Construction	High	4.5	Engineering & Construction	High	4.5	Engineering & Construction
Information Technology & Risk	Medium	3.5	Information Technology & Risk	Medium	3.5	Information Technology & Risk
Customer Care	Low	2.5	Customer Care	Low	2.5	Customer Care
Regulatory	Medium	3.5	Regulatory	Medium	3.5	Regulatory

# Ongoing Communication

These business unit specific engagements were complemented by a wide range of communications targeting all employees

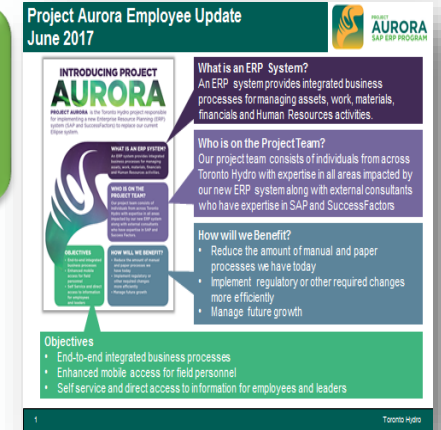
Intranet Site



Posters



Employee Update



Roadshow



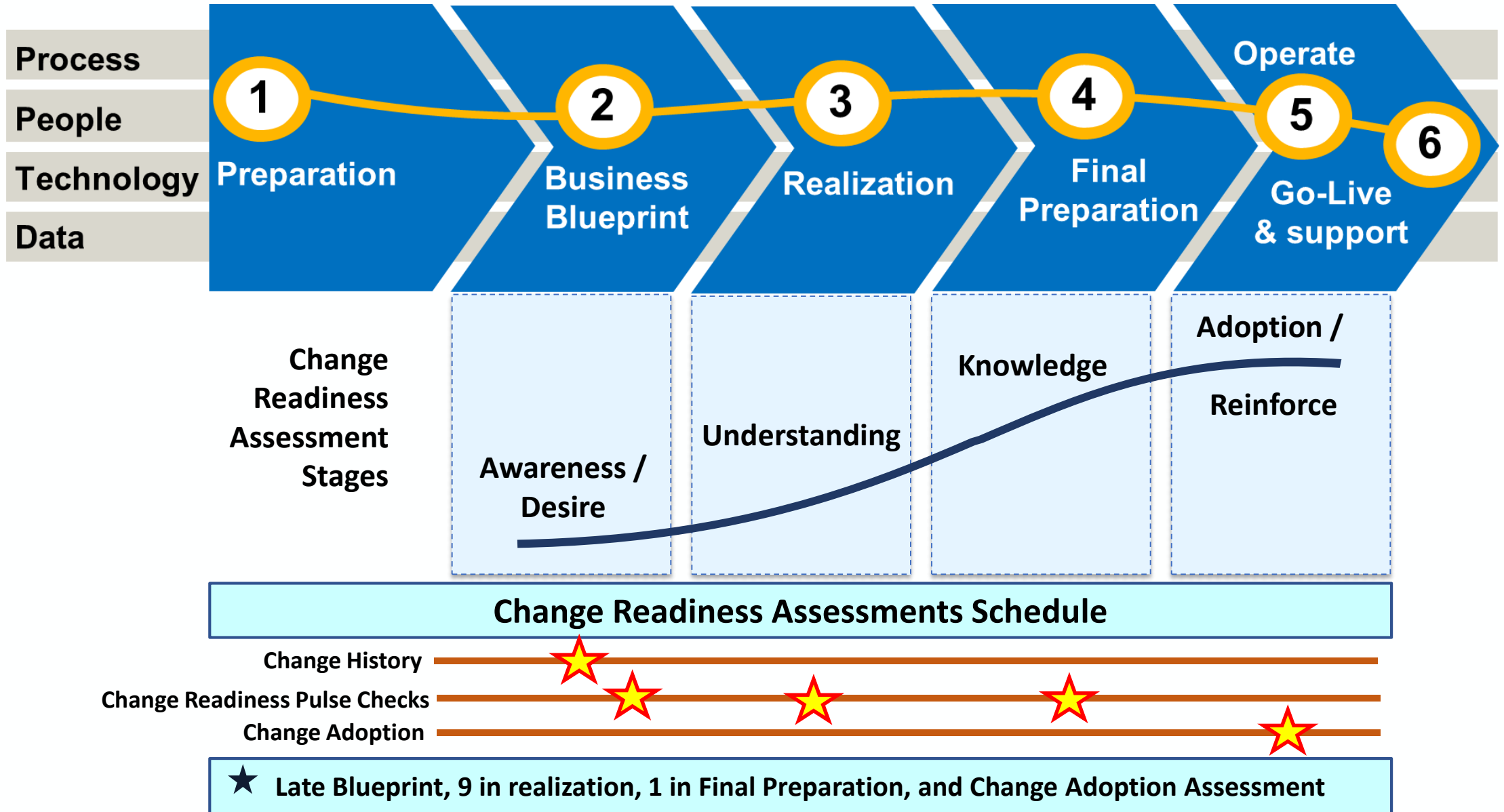
Monthly Newsletter



Quarterly Magazine



# Change Readiness Cycle & Schedule



# Managing Change

## Change History Assessment

To align change management strategy to unique attributes of company's culture, stakeholders and environment.

### Approach:

- Questions framed around an individual's past experience in projects
- Each response ranked according to 1-4 Change Readiness rating
- Additional details documented to support ratings, and the development of action plans

## Change Readiness Pulse Checks

Used to understand change readiness of different groups in organization; conducted monthly

### Approach:

- Questions pre-determined and aligned with change management stages of project
- **Audiences** selected from every level of the organization
- **Results** communicated at beginning of next month

## Change Adoption Assessment

Measures alignment of change from organizational and people dimensions.

### Approach:

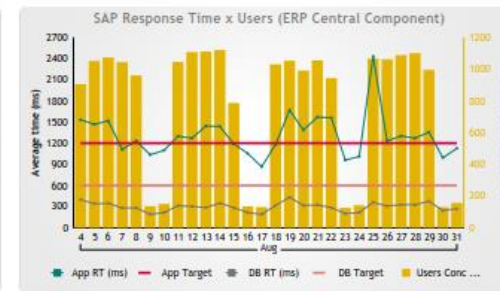
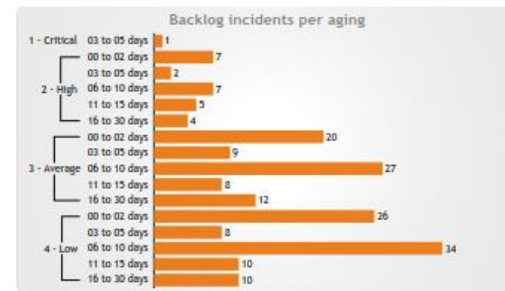
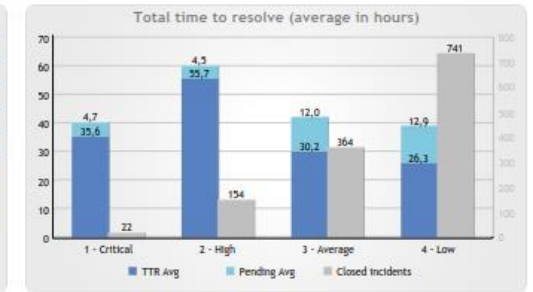
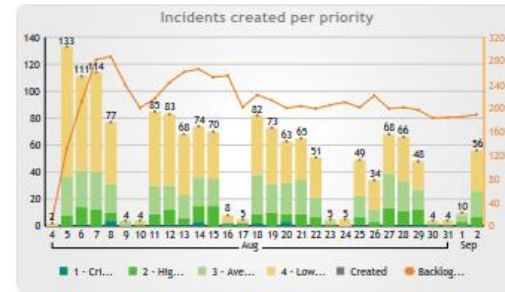
- Designed to measure and validate employees' adoption of the system, business processes and support mechanisms implemented by project
- Adoption assessment performed throughout HyperCare Period



# Post Go-Live Adoption and Stability

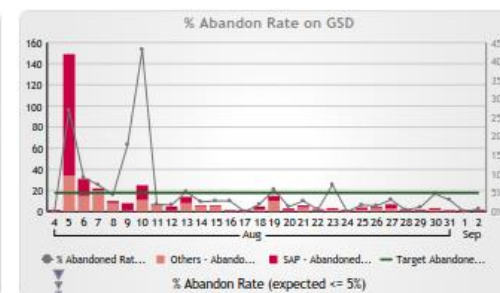
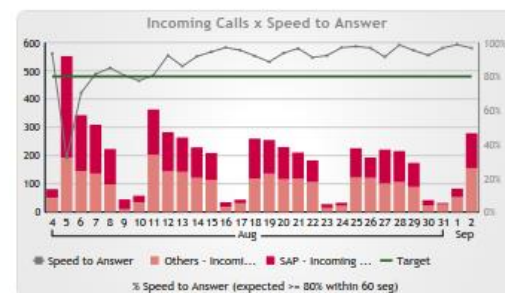
- Series of KPIs and monitoring reports to help confirm stability and process adherence
- Metrics should address the following questions:
  - Are we using the process as designed?
  - Is the system working as intended?
  - Is the support mechanism working?

## Incident Reports



Top 10 affected - SAP tickets on GSD

Item	Total tickets
function or feature	873
login failure	353
function or feature not working	322
authorization error	154
other	154
how to	144
error message	73
performance degradation	50
configuration	21
status	15



# Post Go-Live Support Phases

## Hypercare



- Process Validation
- Defect / Bug Fixes
- Month / Quarter / Year-end Financials

## Stabilize

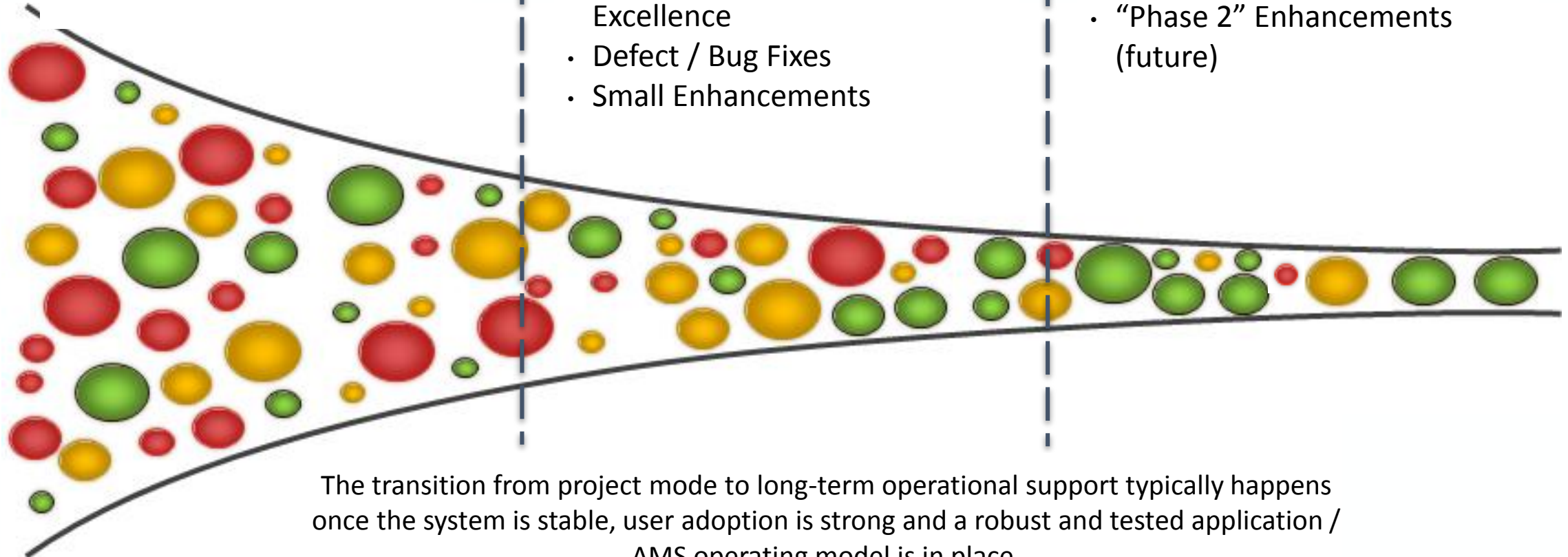


- System Stabilization
- Onboarding of / Knowledge Transfer to AMS
- Establishment of Centre of Excellence
- Defect / Bug Fixes
- Small Enhancements

## Operationalize

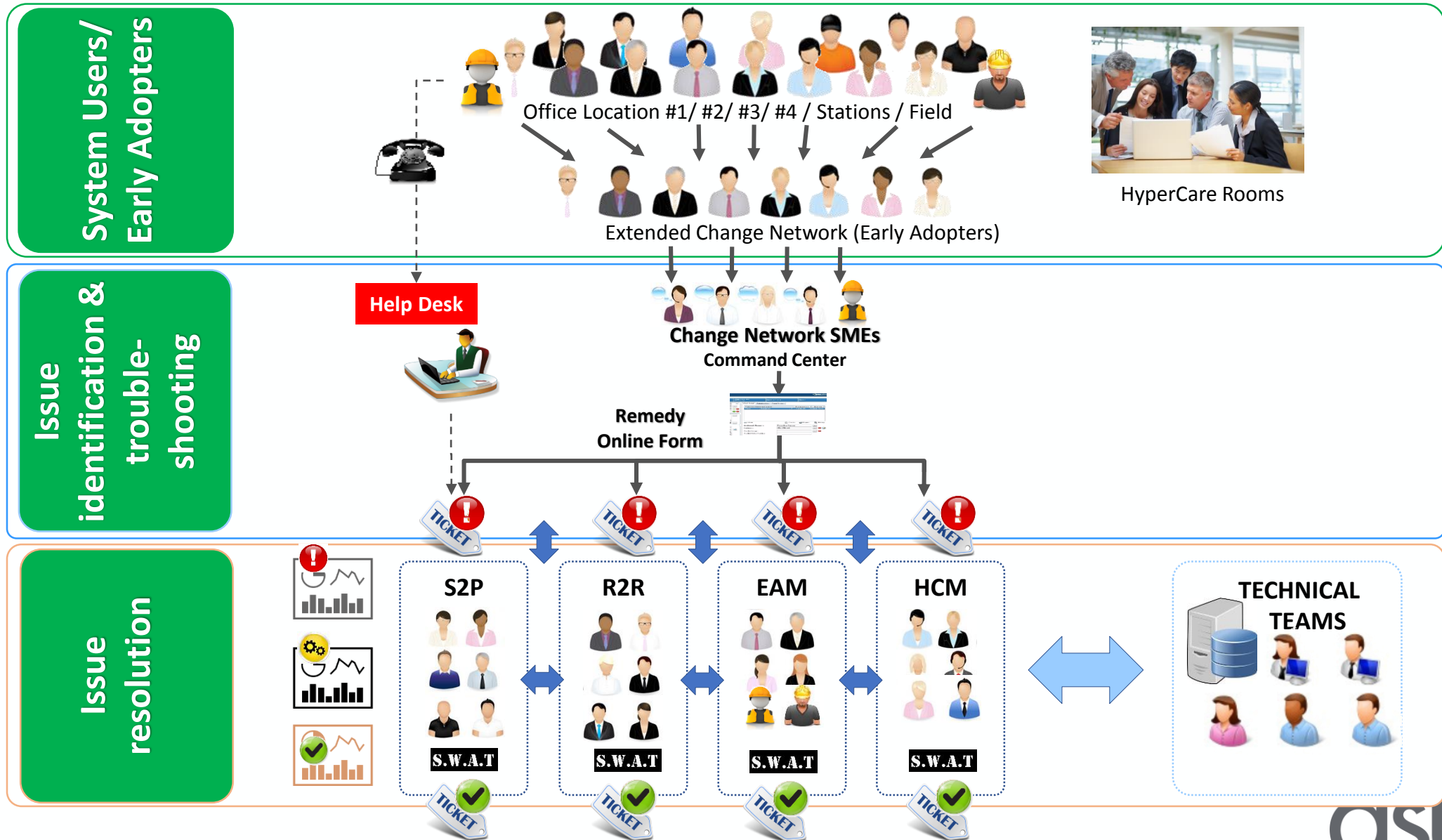


- Long-term Support via AMS
- Management of SAP ERP Solution via Centre of Excellence
- “Phase 2” Enhancements (future)





# HyperCare Structure



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# Presentation Materials

Access the slides from 2019 ASUG Annual Conference here:

<http://info.asug.com/2019-ac-slides>

# Q&A

For questions after this session, contact us at [ASrivastava@torontohydro.com](mailto:ASrivastava@torontohydro.com)  
and [MWalker@torontohydro.com](mailto:MWalker@torontohydro.com)

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