

# Transformation @ GDF Suez Hungary

Balázs Ruttkay CIO



GDF SUEZ

BY PEOPLE FOR PEOPLE

# Market situation

- Strong governmental intention to renationalize utility sector
- From 2014 phased regulated tariff decrease
- Great degree of business uncertainty



## DSO

- 668 community served countrywide
- 23 Kkm pipe
- 400 employee, field force



## Regulated market

- 800.000 household served
- Customer service offices in 50 city
- 400 User



## Free market

- 5000 POD
- 100 User



## Generation Plant

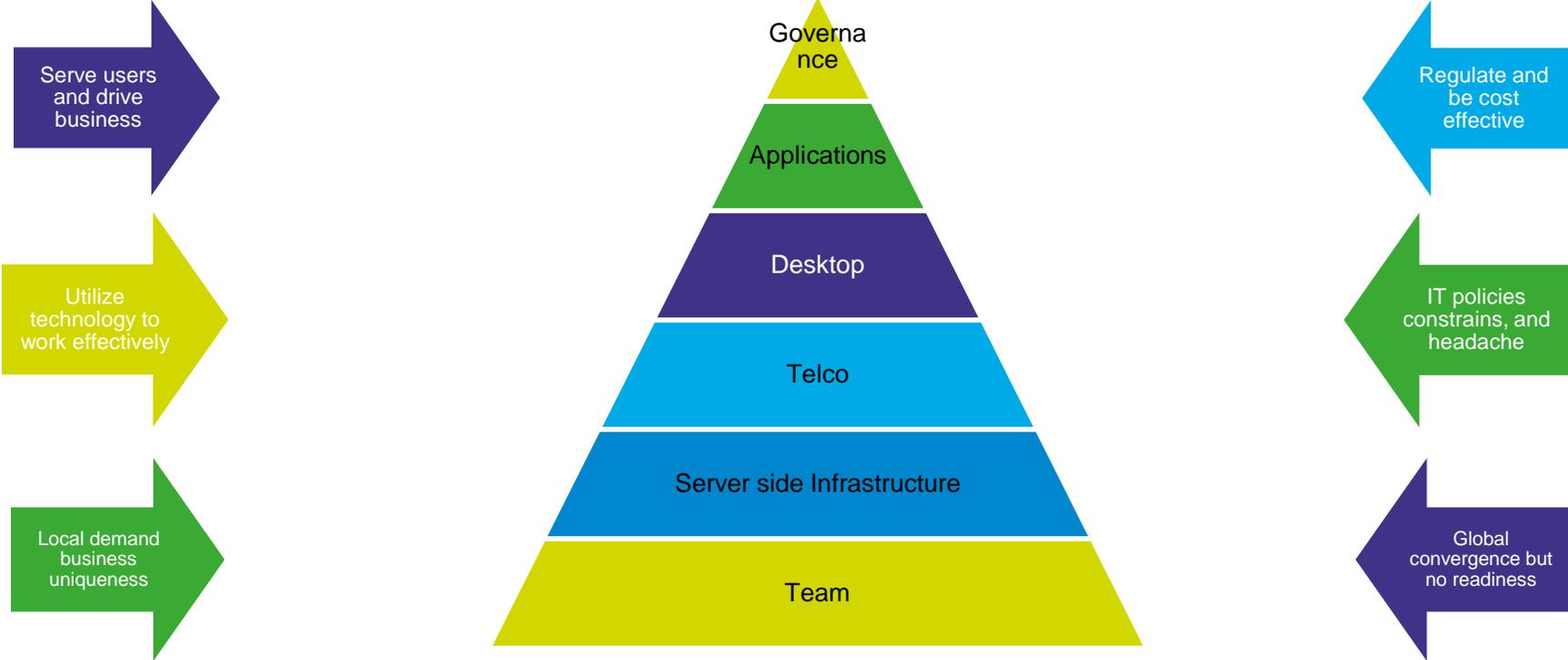
- 635 MW
- 200 user



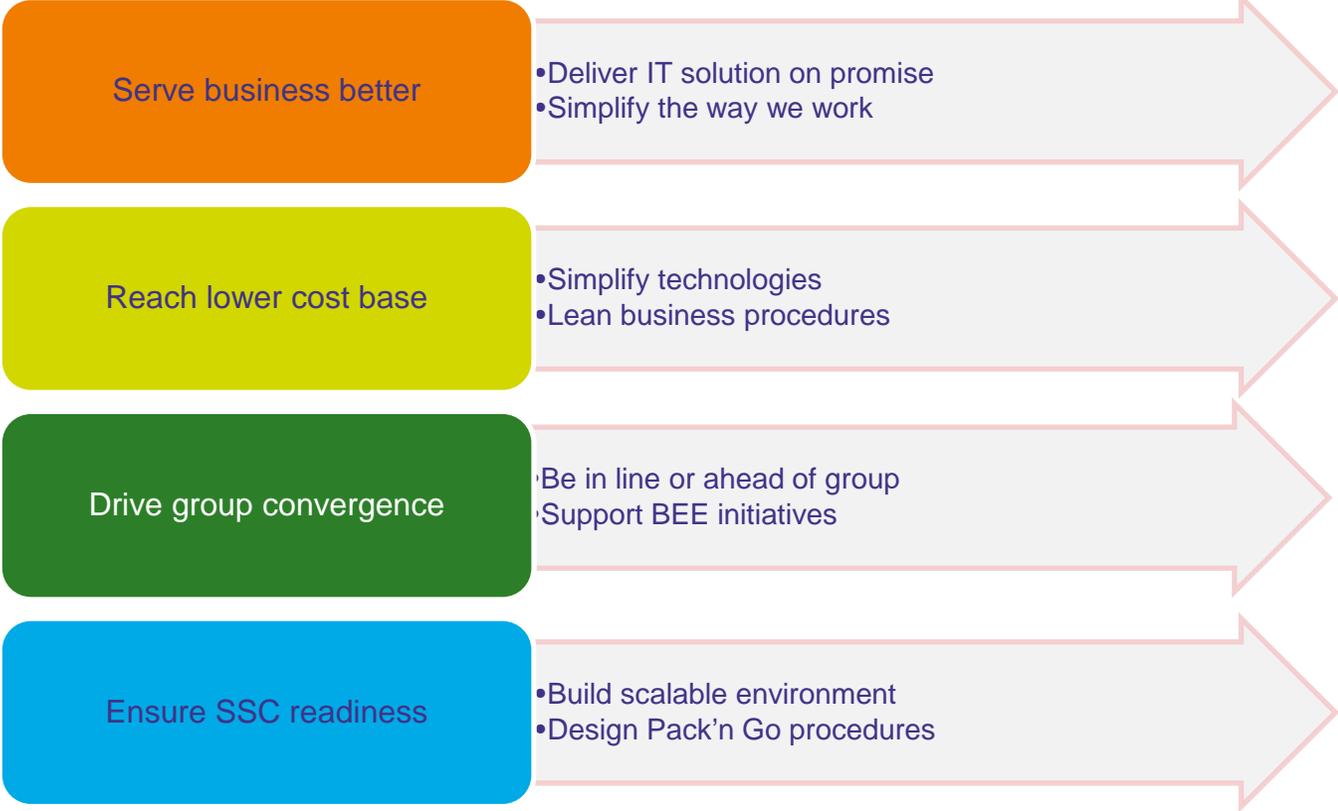
## Key IT Dimensions

- 800 Desktop
- 250 Handheld
- 1006 Mobile, no stick
- Over 120 server, 451 Core, 66 TB Disk
- 120 Printer
- 20 IT internal staff
- Capex 3m to 1 m EUR – only for application development
- Opex 3,2 m EUR
- 172 application

# End to end transformation in 2 years



# Success Factors of transformation



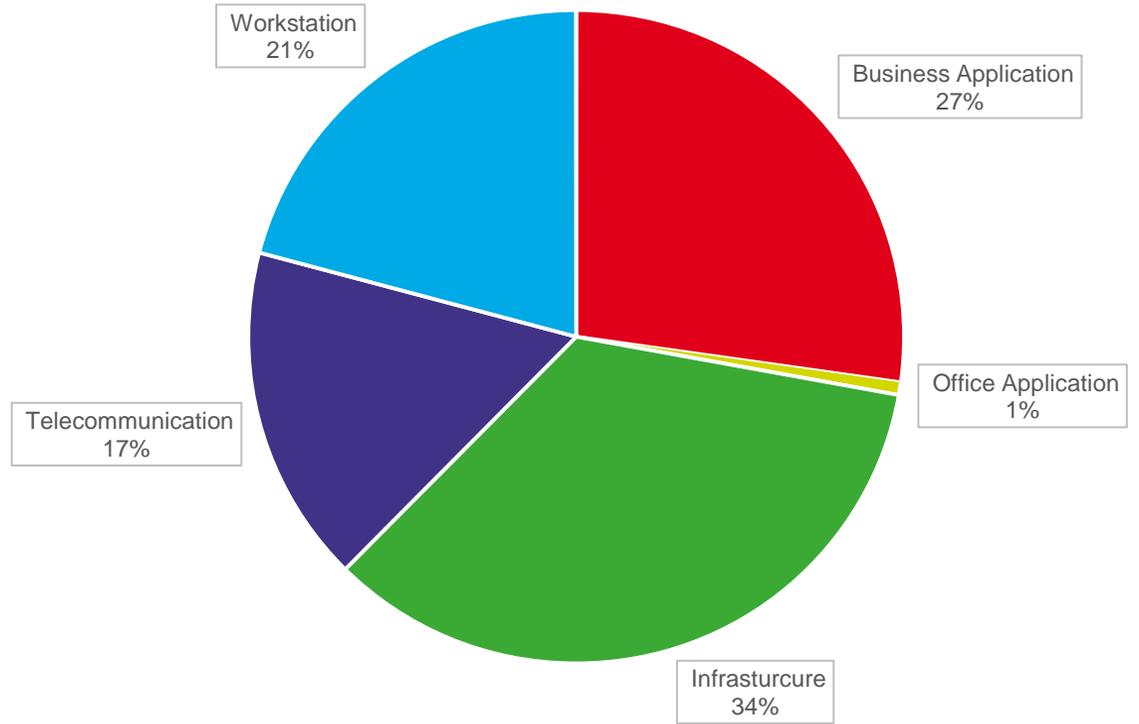
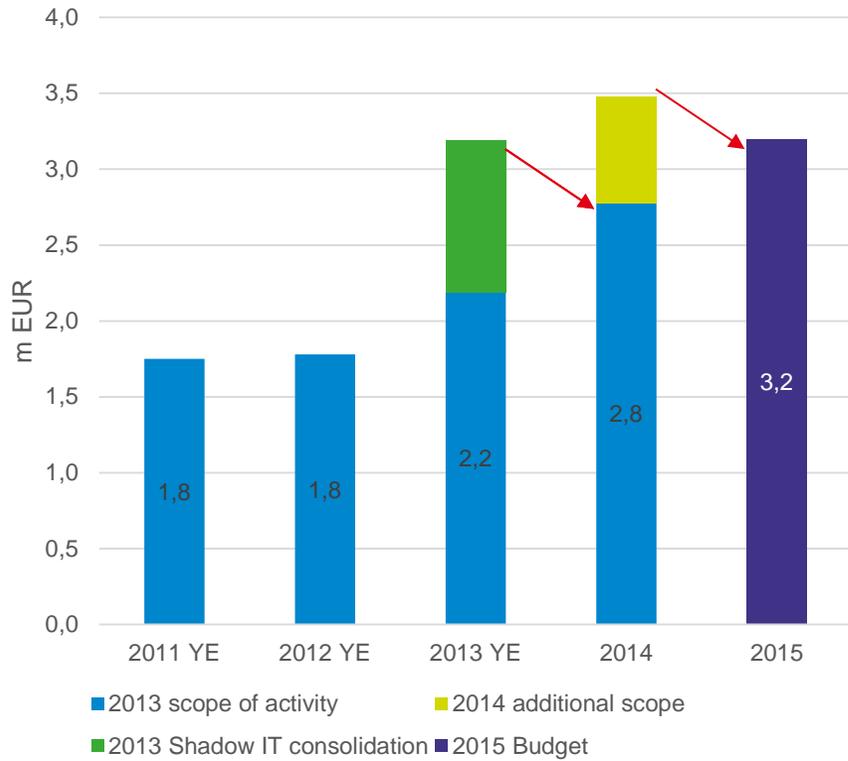
# New budget structure

Category (Running costs)	Easy to use	Budget 2012v3	Budget 2013
Office Applications	Because we are a company	10%	14%
Business Applications	Because we are a Utility company	27%	21%
Desktop	This side of the line	15%	22%
Telco	The line	31%	26%
Infrastructure	Other side of the line	17%	17%
 <small>IT OPCO ter- téný 2012v3 parancsik onja.lnk</small>			

Score card	Rational	Task / Proposal / Decision
	<ul style="list-style-type: none"> <li>• Assignable responsibility in IT Team</li> <li>• No transformation needed in Group reporting</li> <li>• Easy to understand and communicate</li> </ul>	<ul style="list-style-type: none"> <li>• Agree with accounting and controlling</li> <li>• Implement within the team</li> </ul>

# Cost structure of running IT services

Result of transformation brings 10% saving on same scope

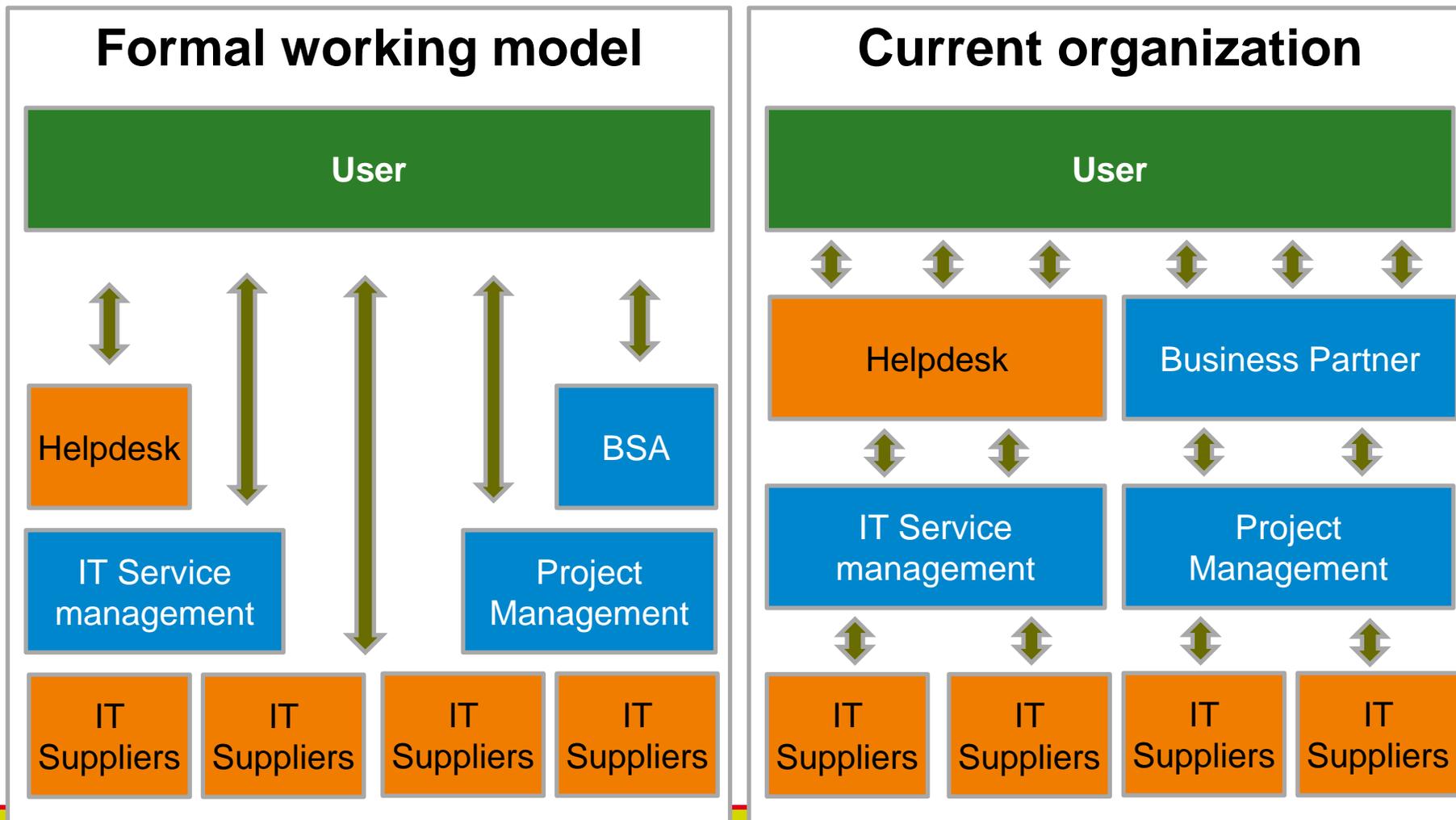


# IT Team



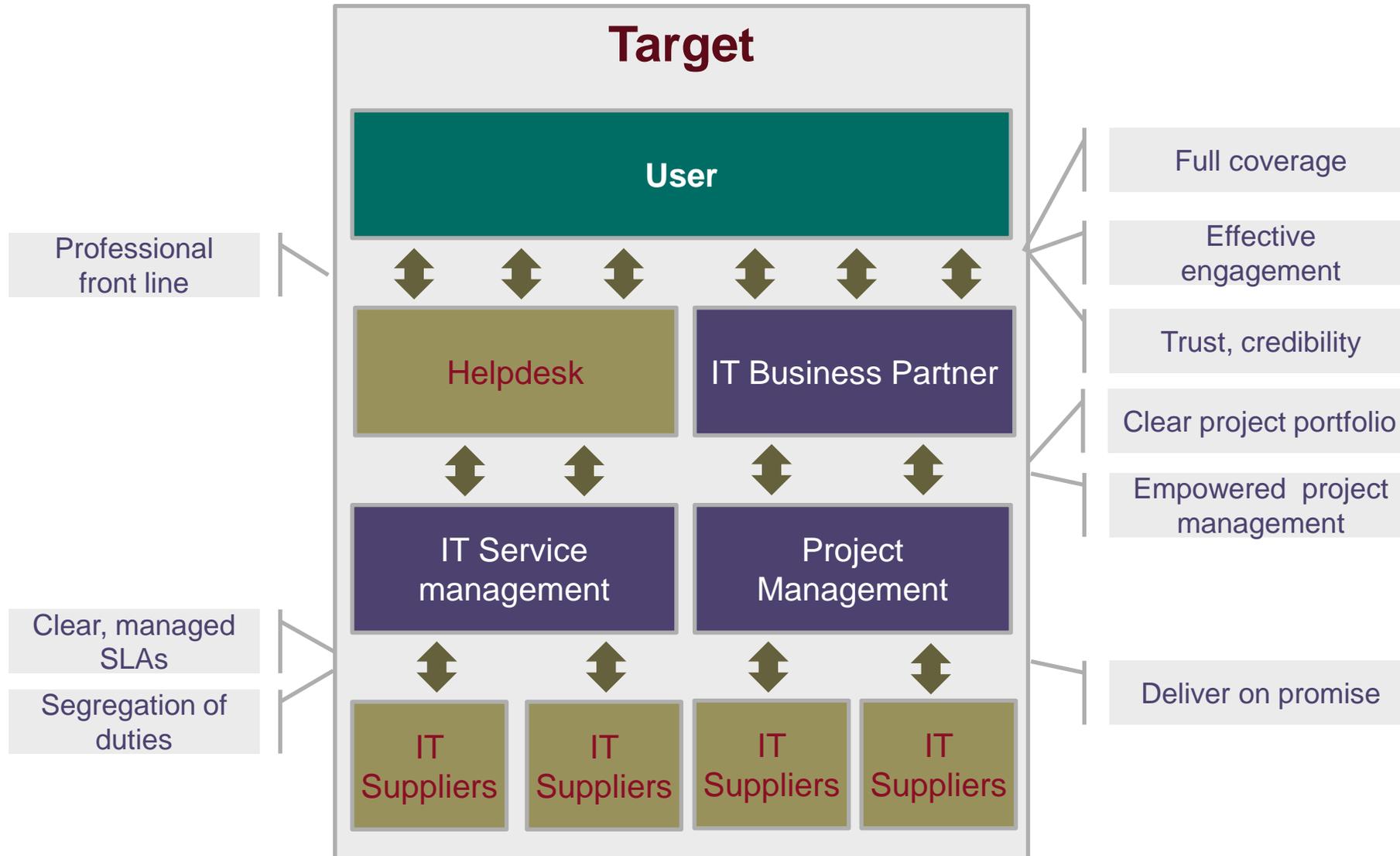
# Close the gap and serves the business better

SKILLED TEAM



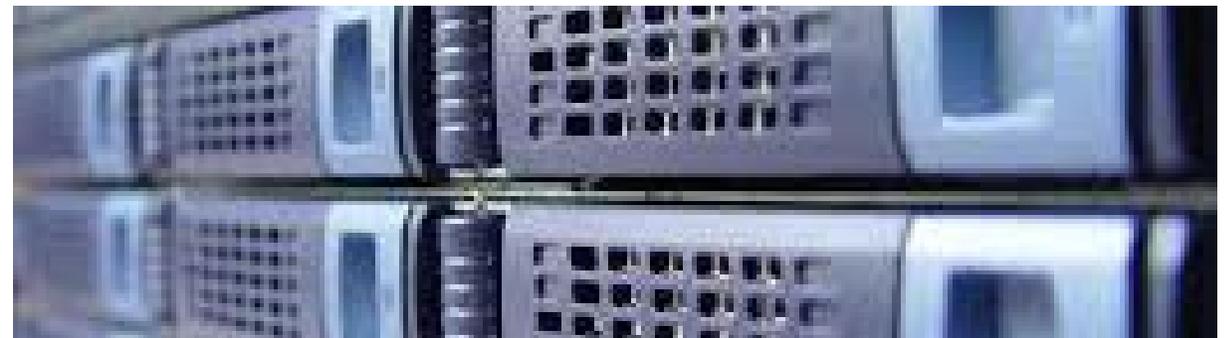
# How we are going to work

SKILLED TEAM



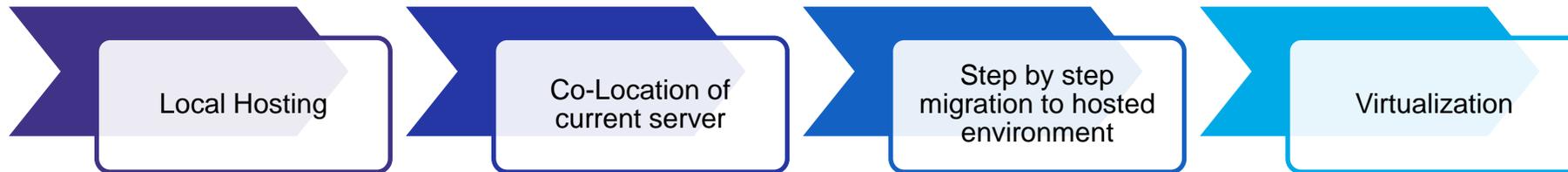
# IT infrastructure report

## Server side infrastructure

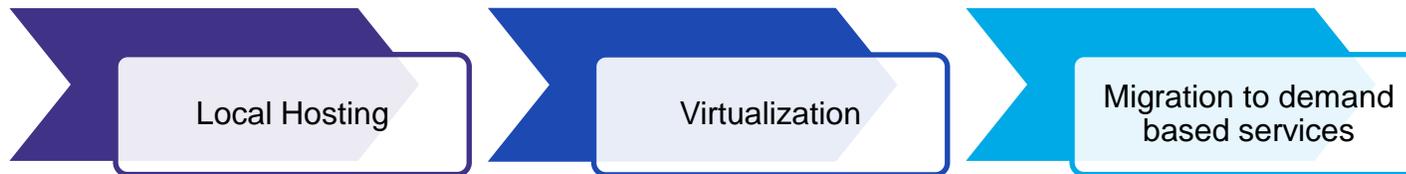


# Server Hosting procedure

## Original Approach



## Revised Approach



## Rethink Server hosting

### Score card

- Serve business better
- Reach lower cost base
- Drive group convergence
- Ensure SSC readiness

### Rational

- Lower risk of moving virtual server than physical ones
- Homogenised infrastructure
- Overcome heritage in one step
- Gives more flexibility to partner which lower the cost

### Task / Proposal / Decision

- Review tender technical specification
- Run further round with new parameter
- Avoid risk until migration by creating provision for incident handling

# Szeged Server Room



SERVER HOSTING

F SVEZ

# Szeged Server Room - From 2:00PM



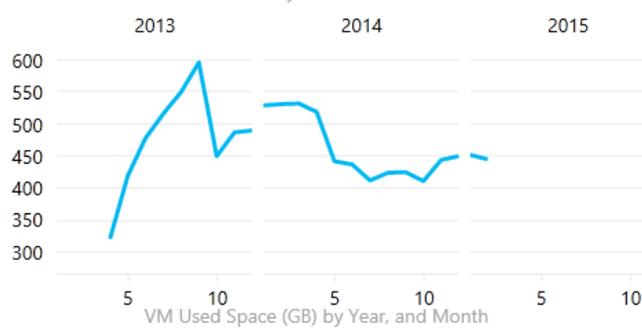
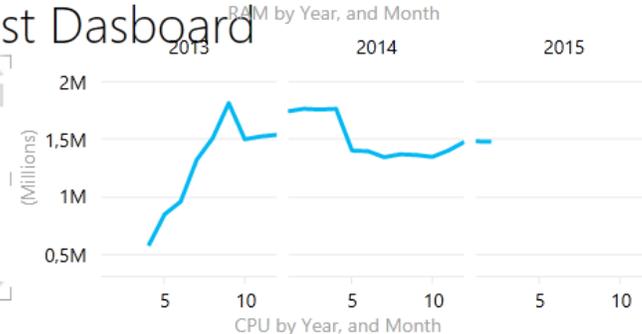
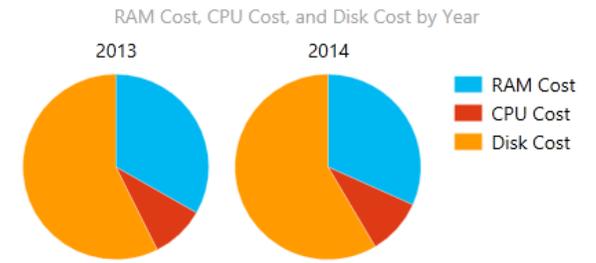
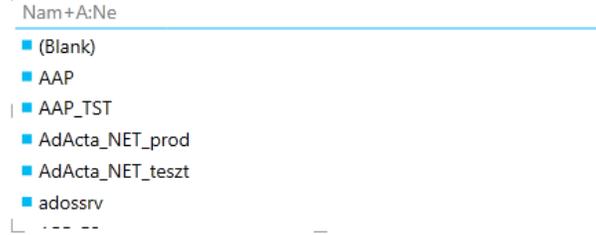
# New server Room - to 5:00AM on the other day

SERVER SIDE INFRASTRUCTURE



# Changes in Server infrastructure

## Server Cost Dashboard



Filters

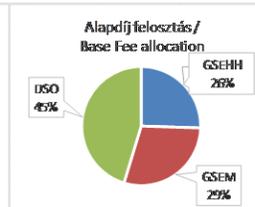
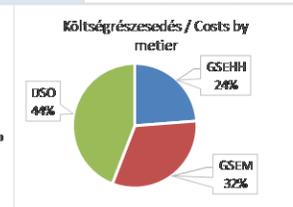
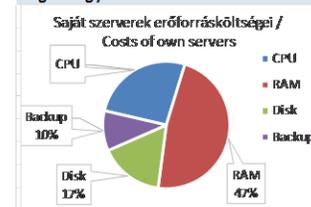
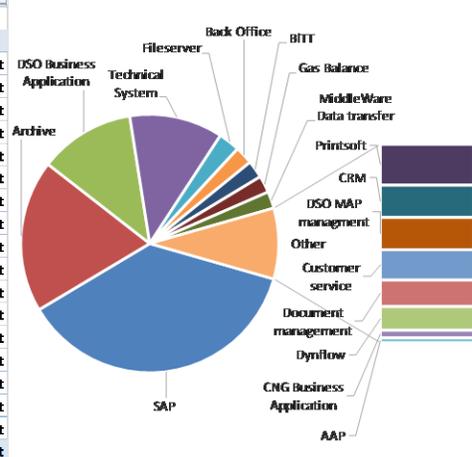


Vállalat / Metier	GSEM; GSEHH; DSO
Szerverigények / Server requests	-
Szerverleállítások / Eliminate Servers	DEGAZ_FS2; O365-CentOS; ITSM2; ITSMR2
Erőforrás változások / Resources changes	RAM: ADACTA_NET_PROD; VM-DSS
SLA sértések / SLA violations	-
Katalógus ár változások / Service Catalog price	-

Year	2015
Month	2

Kategória / Category	Összeg / Total Cost
SAP	5 052 777 Ft
Archive	2 604 238 Ft
DSO Business Application	1 636 879 Ft
Technical System	1 599 995 Ft
Fileserver	365 850 Ft
Back Office	308 009 Ft
BITT	297 907 Ft
Gas Balance	289 257 Ft
MiddleWare Data transfer	287 355 Ft
Printsoft	250 516 Ft
CRM	195 526 Ft
DSO MAP managment	193 739 Ft
Customer service	188 965 Ft
Document management	160 672 Ft
Dynflow	143 884 Ft
CNG Business Application	45 028 Ft
AAP	30 196 Ft
<b>Végösszeg / Total cost</b>	<b>13 650 792 Ft</b>

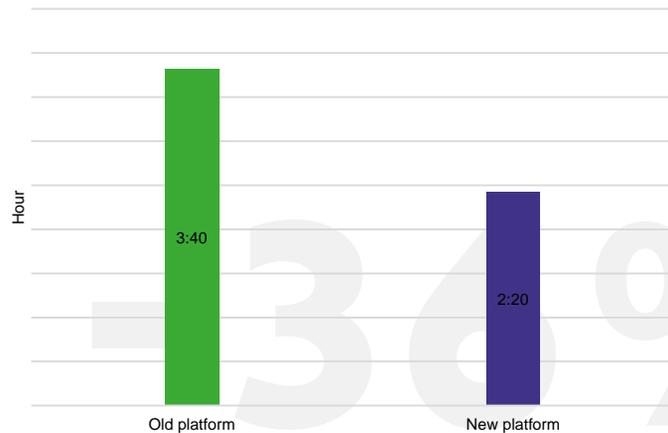
### Költségek alkalmazáscsoportonként / Costs by application category



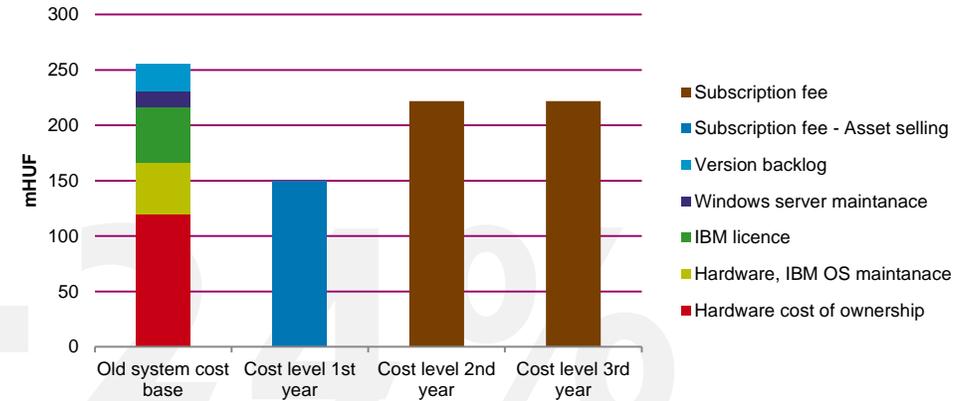
# 9+3 SAP running on new platform 147 windows server in private cloud

- First time in Hungary we have escaped our SAP from the prison of IBM and moved to a more common platform
- 568 CPU 1.553 GB RAM 87 TB data moved
- This leads to lower TCO (-24%), higher performance (+24%) and more flexibility

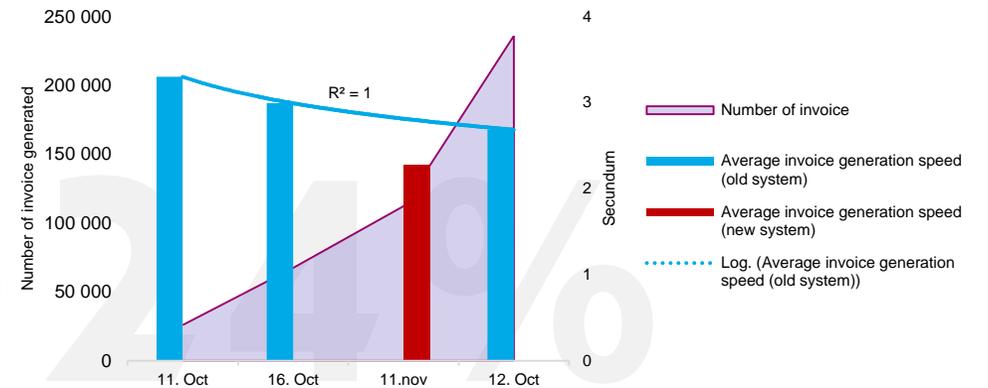
700.000 Dynamic Peride Controll Generation



Server hosting TCO



SAP system performance



## Revise server side infrastructure

### Review access rights (IDM readiness)

#### Score card



#### Rational

- Ensure segregation
- Ensure data security
- Be prepared for audits
- Be prepared for seamless Helpdesk procedures

#### Task / Proposal / Decision

- Map current access rights and mitigate key risks
- Design role based access policy
- Migrate current user and data to access structure

### Archive for eternity?

19

#### Score card



#### Rational

- Ensure good enough archive procedure (Voice records and Systems)
- Save 100s of TB hosting cost
- Lean process in IT and serve business on agreed conditions

#### Task / Proposal / Decision

- Review legal requirement of archive
- Set new policy of data archivation
- Free unnecessary resources

# Simplifying IT landscape



# IT infrastructure report

## TELCO





# Reduce complexity and cost in voice

- Eliminate duplicate infrastructure where it is possible (land line vs. mobile vs. voip)
- Analyse phone habits in details and run new tenders accordingly
- Issue simple transparent and controllable policy

**WORKPLACE POLICY COMPLIANT**

## Rethink Voice and mobil data

### Score card

- Serve business better
- Reach lower cost base
- Drive group convergence
- Ensure SSC readiness

### Rational

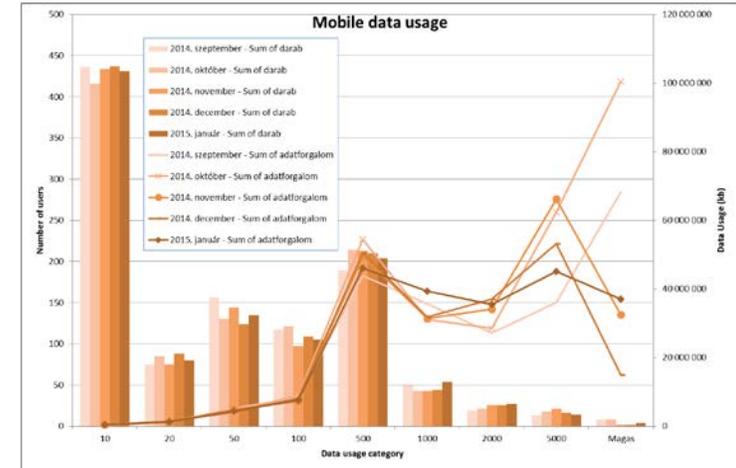
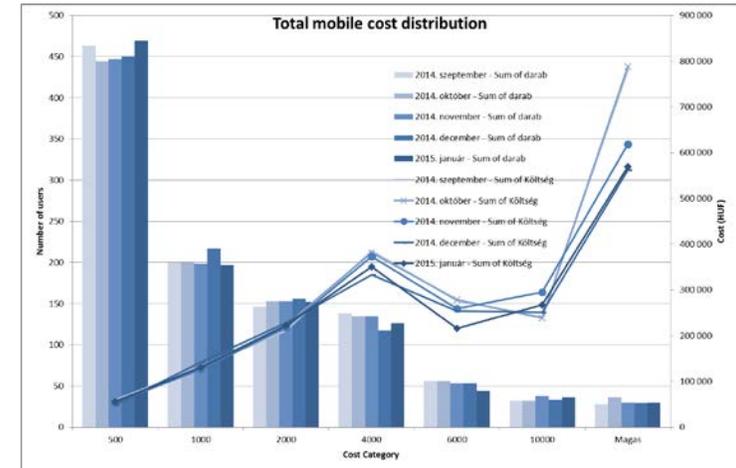
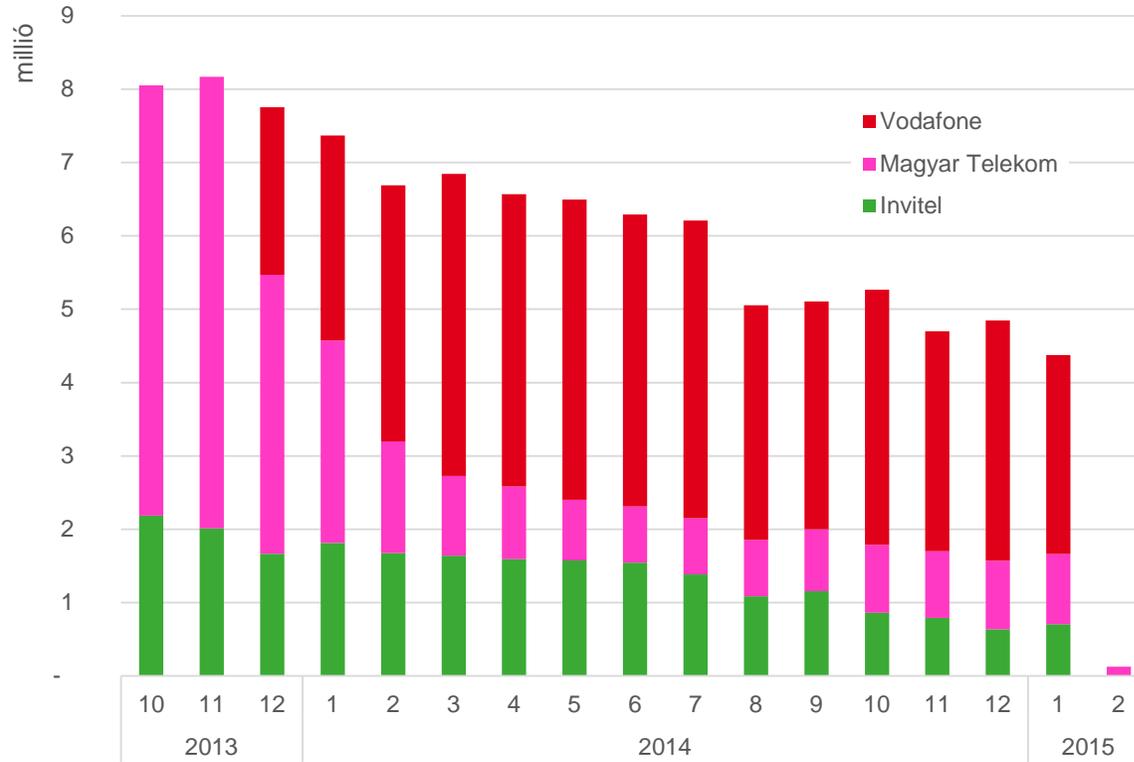
- Current cost level comes from
  - great degree of duplication
  - heterogenic tariff plans
  - lack of appropriate policies
  - uncoordinated device management

### Task / Proposal / Decision

- Short term review of international usage and Nr of SIM
- Start in deep analysis of call habits (external help required)
- Plan to eliminate duplication
- Run a tender when it is feasible
- Issue simple, controllable policy

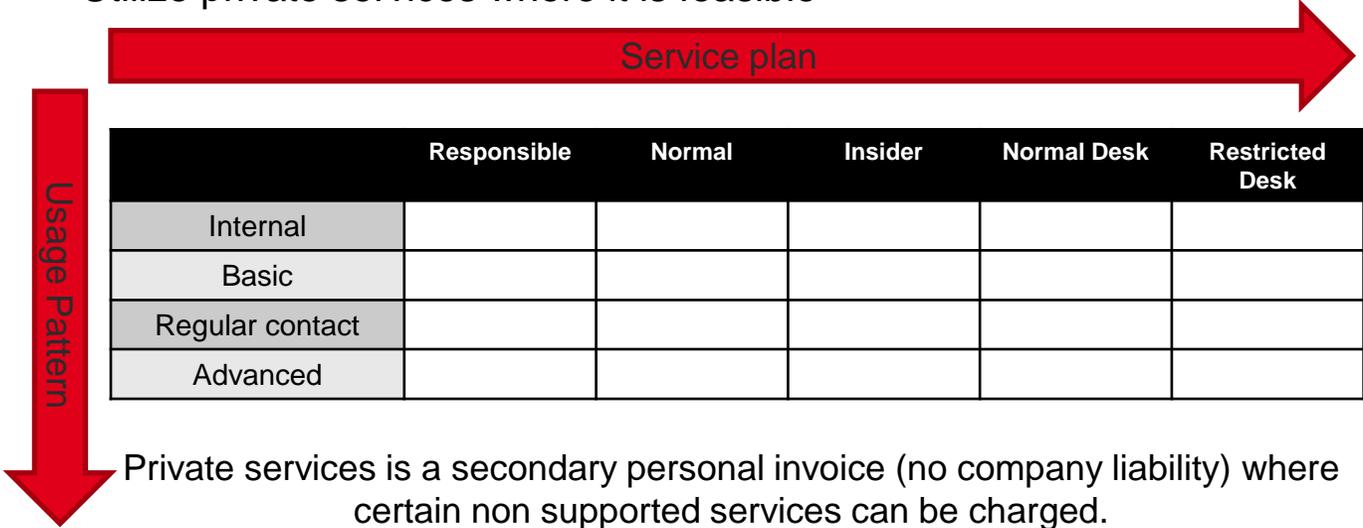
# Voice and mobile costs

Voice and Mobile related cost



# Tariff plan and control system

- Cost control based on 3 dimension
- Service plan: assign the appropriate service plan to users
- Usage pattern: assign appropriate financial limit to the users
- Utilize private services where it is feasible



# Reduce complexity and cost in data network – WAN LAN

- Internet is cheaper than Leased line or 3G
- Internet gives more flexibility
- Internet might give lower technical service level

**WORKPLACE POLICY COMPLIANT**

## Change approach and network infrastructure and remote working

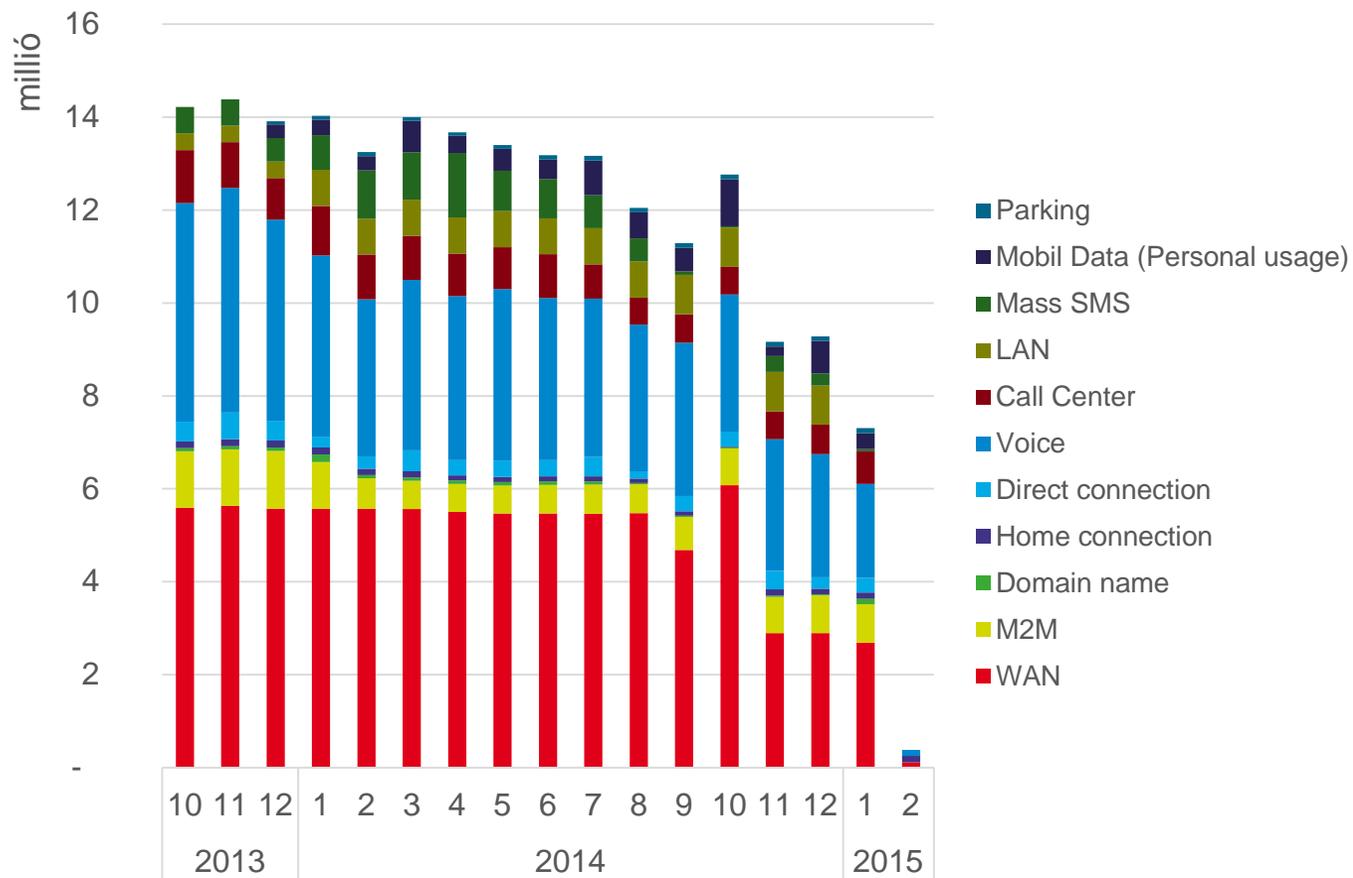
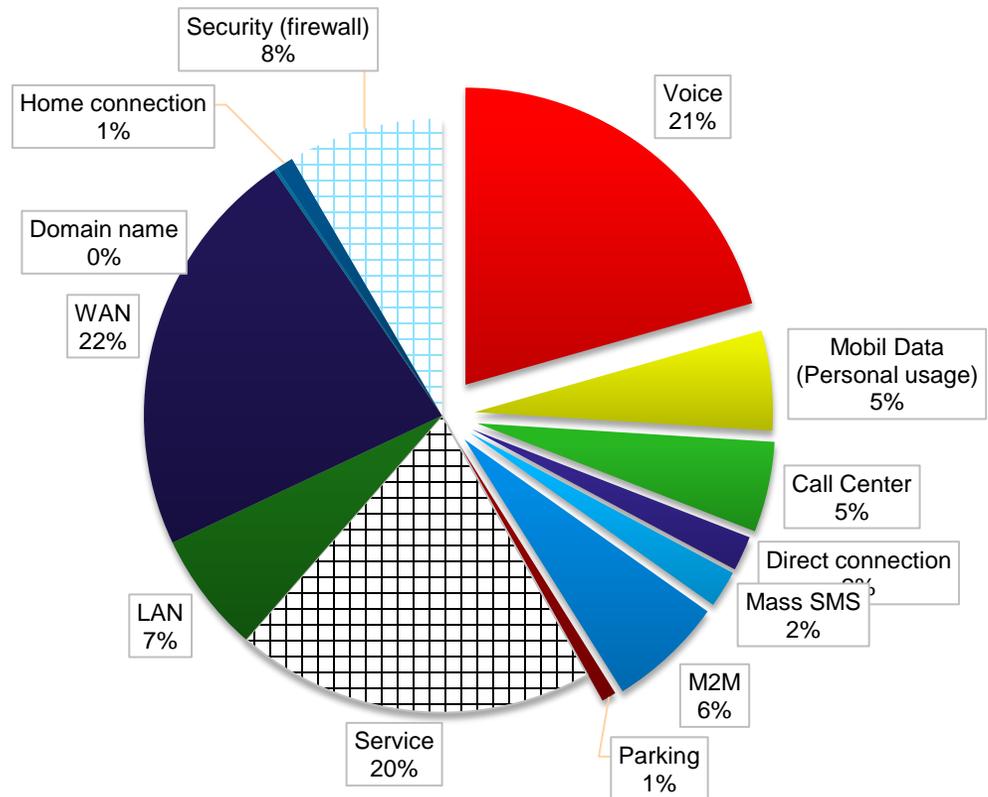
Score card	Rational	Task / Proposal / Decision
 <ul style="list-style-type: none"> <li>Serve business better</li> <li>Reach lower cost base</li> <li>Drive group convergence</li> <li>Ensure SSC readiness</li> </ul>	<ul style="list-style-type: none"> <li>• Lower cost base can be reached</li> <li>• More flexible solution can be used for small offices</li> <li>• Mobile data cost can be dramatically reduced by turning 3G to WiFi in remote usage</li> </ul>	<ul style="list-style-type: none"> <li>• Build business case and test case for different infrastructure components (small offices, remote usage, firewall etc)</li> <li>• Rationalize remote work and review remote internet access rights</li> </ul>

## Network Restructuring - Prerequisite

- Domain (from 3 to 1) and DC consolidation (From +50 to 3)
- File Service consolidation (From +50 to 1 [2])
- Role Based authentication
- Flexible server environment
- Local file service migration
- Print service consolidation
- DHCP consolidation
- Firewall consolidation from (3 to 1)
- Network reorganization routing, vlans
- Desktop reinstallation (eliminate fix IP)
- Go to Mobile -> one device per user
- Behavioral measurement
- New policy, regular measurement
- In details....

# Communication cost (without service, and security)

## Monthly Communication Cost Split



# Office 365 and More



GDF SUEZ

BY PEOPLE FOR PEOPLE

**Business requirements  
need flexibility**



# Where we are now?



Word



Excel



PowerPoint



OneNote



Access



Publisher



Outlook



Lync



InfoPath



## O365 - Background



- 1300 user in 2 domains
- One uses Lotus Notes the other uses Exchange 2003 without common address book, transparent scheduling information, cross site resource reservation
- Significant assistant contribution required to organize a simple meeting
- 4 big site and 20 customer offices on the countryside
- Outdated technology supports only plain text messaging
- Integration with mobile devices is very limited and functionality highly compromised
- Internal collaboration suffered from technology bottlenecks

# Running PC at front of user on agreed service level

DESKTOP

## Desktop lifecycle management

- Buy in batch once a year
- Manage small stock
- Move all assets to a single legal entity for easy rotation
- Write off and sell used asset once a year

## Standard remote managed desktop

- Predefined standard HW categories
- 100% release managed remote application deployment
- Withdraw local user rights for software installation
- Currier delivery to small offices
- Direct Access based remote access

## Outsource to professional Helpdesk

- 5X12 hour SLA based operation
- Simple call contact
- High rate first line remote solution

## Outsource PC support

- Asset movement based on HD request
- Stock management responsibility
- Cover batch installation, PC replacement with addition resources

GDF SUEZ

# Success Criteria

- Different project had different success criteria, but...
- ... as a final target: **On the fly replaceable devices**
- **No personal data stored exclusively on computer**
- No Mail, PST, etc
- No Documents
- No manually installed programs
- Connect remotely without user interruption



# Running PC at front of user on agreed service level

DESKTOP

**WORKPLACE POLICY COMPLIANT**

Desktop lifecycle management		
Score card	Rational	Result
	<ul style="list-style-type: none"> <li>Simplifies procurement procedure</li> <li>Batch buy leads to better prices</li> <li>Dramatically reduces administration and workload</li> </ul>	<ul style="list-style-type: none"> <li><del>Move all IT assets into one legal entity to keep stock small</del></li> <li>Sell all user side IT asset and lease back from a 3<sup>rd</sup> party to simplify logistic and admin</li> <li>Pay per use construction (monthly cost/device)</li> </ul>

Outsource to Professional Helpdesk		
Score card	Rational	Result
	<ul style="list-style-type: none"> <li>Serves user through an easiest touch point: Just a simple call</li> <li>Skilled agent for direct remote help</li> <li>Transfer current headcount to the partners</li> <li>SLA based, workload flexible</li> </ul>	<ul style="list-style-type: none"> <li>Helpdesk took over L0 services</li> <li>7x24x365 support</li> <li>Remote management</li> <li>Higher end user satisfaction</li> <li>Measurable SLAs</li> </ul>



# Running PC at front of user on agreed service level

## Outsource PC support

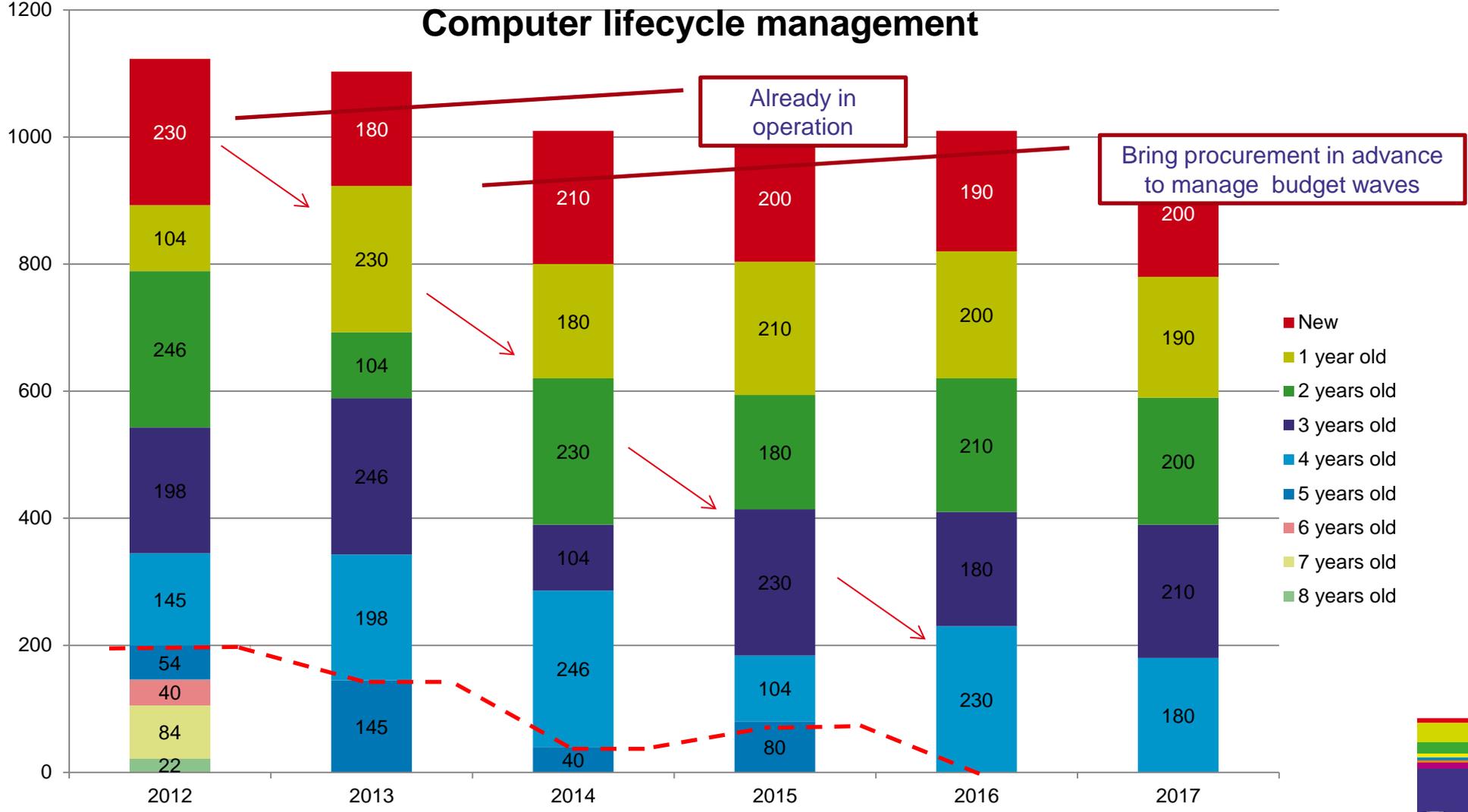
Score card	Rational	Task / Proposal / Decision
	<ul style="list-style-type: none"> <li>Professional PC support</li> <li>Measurable services</li> <li>Easier asset control (no SAP transaction on IT asset movement)</li> <li>Transparent coverage across all offices</li> </ul>	<ul style="list-style-type: none"> <li>SCCM: 100% packed application install, with version control</li> <li>Applocker</li> <li>Bitlocker</li> <li>Direct Access</li> </ul>

## Standard, remote managed desktops

Score card	Rational	Result
	<ul style="list-style-type: none"> <li>Delete all illegal software</li> <li>Withdraw local admin access rights</li> <li>Distribute standard application packages for easier control and policy based management</li> <li>Prepare infrastructure for careless delivery</li> </ul>	<ul style="list-style-type: none"> <li>Up to date inventory</li> <li>Higher security level</li> <li>More stable and faster devices</li> </ul>

**WORKPLACE POLICY COMPLIANT**

# Current distribution of computer fleet



# Transformation leads to outstanding security compliance

## Income Self-Assessment 2014

— All controls are in 3 and 4 level, **No critical action plan**, control process in Hungary

## 2013BEEHU009 - 2nd Follow up- IT Access and Security Mgmt

— assessment of the strengths and weaknesses of IT security and the identity and access management processes

— Finding resolution rate: progress: 2012: 35%, 2013: 57%, **2014: 89%**

## 2014BEEHU004 Follow-up Security of Cloud Computing & Related risks

— to provide an initial overview of the management of risks and opportunities associated with Cloud Computing implementations

— Finding **resolution rate: 92%**

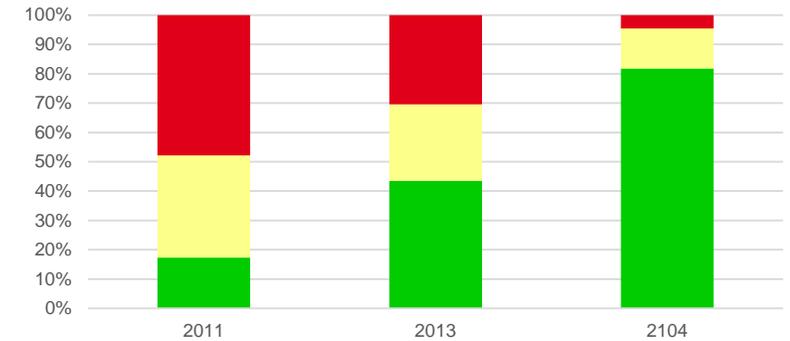
## HUNG-T-ZART-035/n-2015 - Billing Systems Certificate

— **guarantee the closeness of the system** and maintaining an acceptable level of risks originating from IT security threats

— complies with the requirements listed in the administrative security 1, physical security 2 and logical security classes in Annexes 3 and 4 of the Decree No. 77/2013. (XII.19.) of the Ministry of National Development

— Considered document about methodology: NIST Special Publication 800-53A Revision 4 Assessing Security and Privacy Controls in Federal Information Systems and Organizations

Audit result IT security and access management



GDF SUEZ



# Old computers limit changes in other areas

Nuner of Computers in different performance and age categories												
Memory category GB	Age in years											Sum
	0	1	2	3	4	5	6	7	8	9	10	
<b>Desktop PC</b>	215	88	167	88	80	29	34	79	22	16	18	836
Celeron			1				16	75	15	3	1	111
-			1					4	3	2		10
1							16	71	12	1	1	101
<b>Pentium</b>	1		1	1	71	8	9	4	7	13	17	132
-										2	5	7
1					2	4	5	1	7	9	12	40
2			1	1	69	4	4	3		2		84
3	1											1
<b>Core 2</b>	18	16	163	84	7	21	9					318
1					3	10						13
2	1	5	86	83	4	11	9					199
3	17	11	77	1								106
<b>i Type</b>	196	72	2	3	2							275
2	192	47	2	3	2							246
3	4	25										29
<b>Notebook</b>	15	16	79	110	65	25	6	5		1	2	324
Celeron		1	8	24	6	2	3	5		1	1	51
-								3		1		4
1				5	4	2	3	2			1	17
2		1	8	19	2							30
<b>Pentium</b>	1	3	48	1		1	2				1	57
-											1	1
1							2					2
3	1	3	48	1		1						54
<b>Core 2</b>			20	26	17	22	1					86
1					2	13						15
2				5	15	6	1					27
3			20	21		3						44
<b>i Type</b>	14	12	3	59	42							130
2			2	59	42							103
3	13	12	1									26
4	1											1
<b>Sum</b>	<b>230</b>	<b>104</b>	<b>246</b>	<b>198</b>	<b>145</b>	<b>54</b>	<b>40</b>	<b>84</b>	<b>22</b>	<b>17</b>	<b>20</b>	<b>1160</b>

- Windows 7 ready
- Outdated
- inadequate for windows 7
- inadequate for MS outlook & Windows7

- One by one purchasing creates significant administration
- Windows XP not available any more on the market (from oct. 2010)
- Computers – from technology point of view – are weak to run certain software
- Batch buy should lead to lower unit price