

Transformation @ GDF Suez Hungary

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The logo for GDF Suez, featuring the company name in a white, sans-serif font with a horizontal line underneath.

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

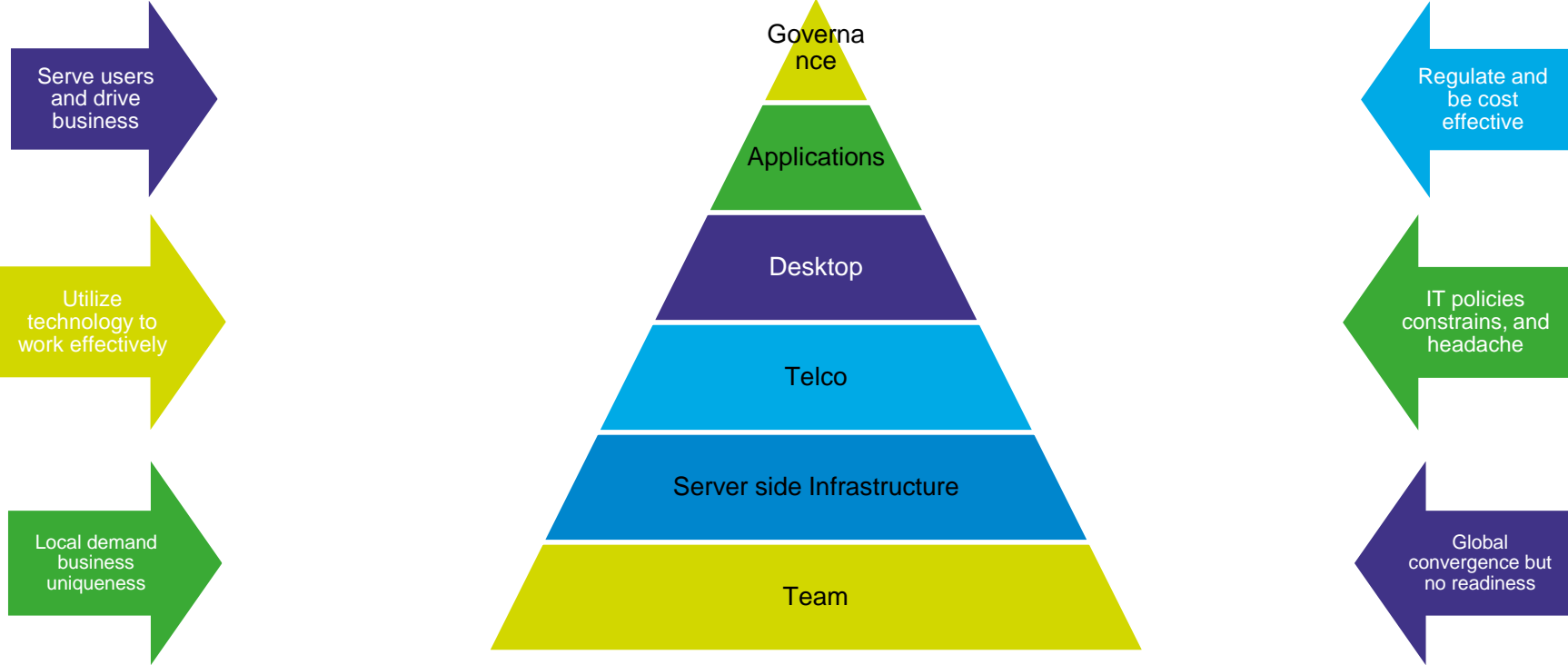
- 635 MW
- 200 user



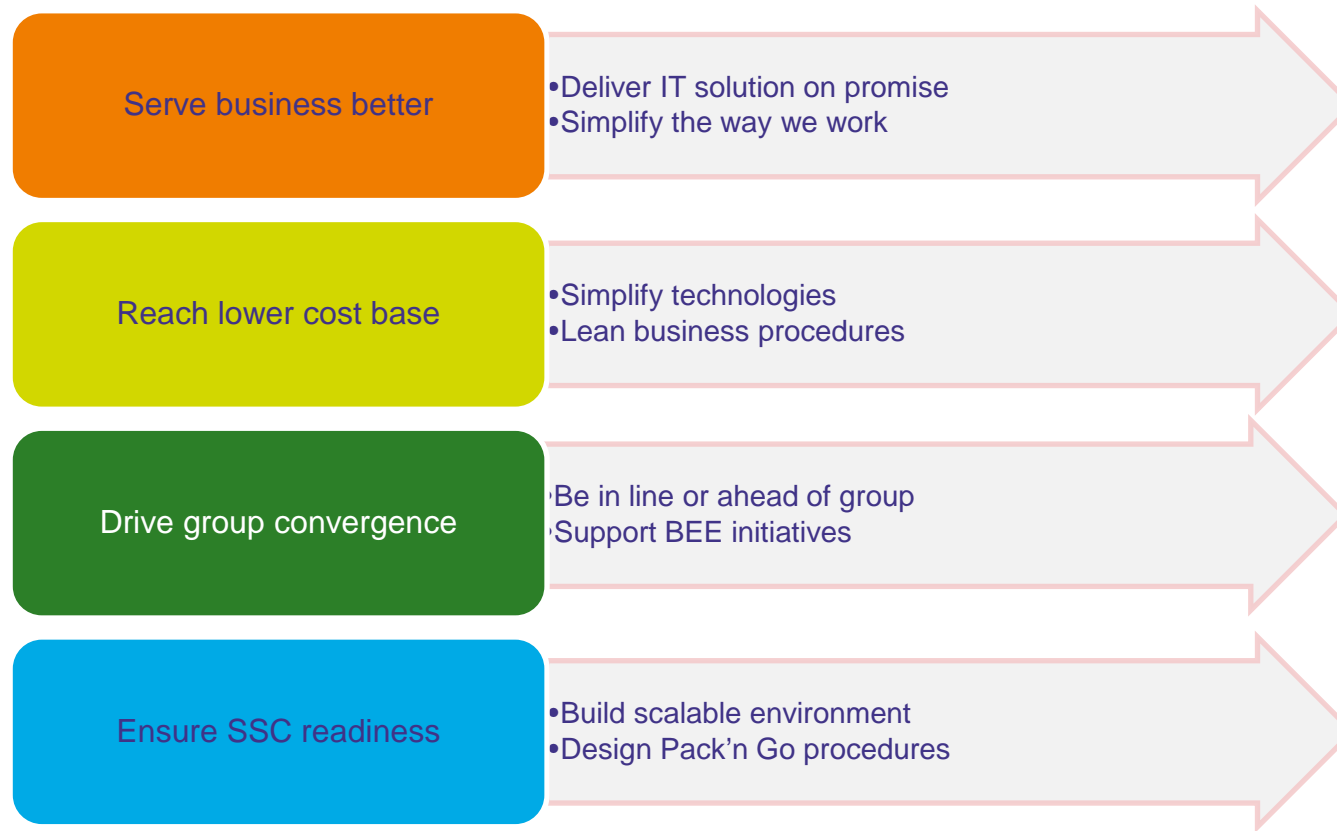
Key IT Dimensions

- 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



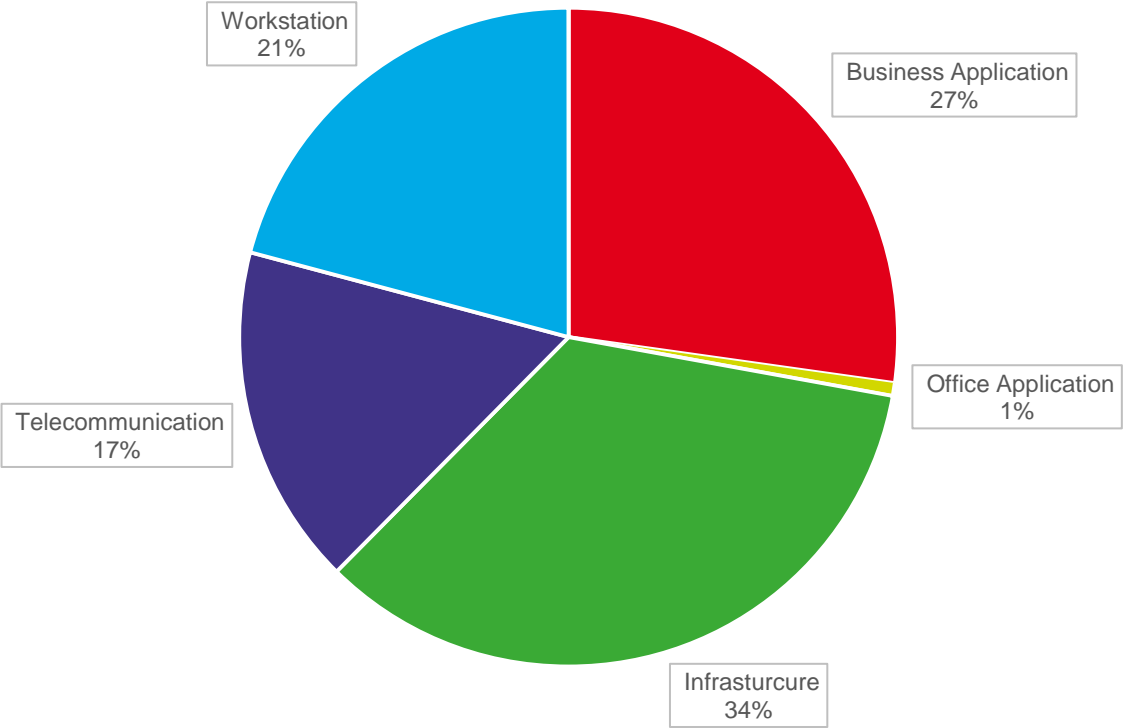
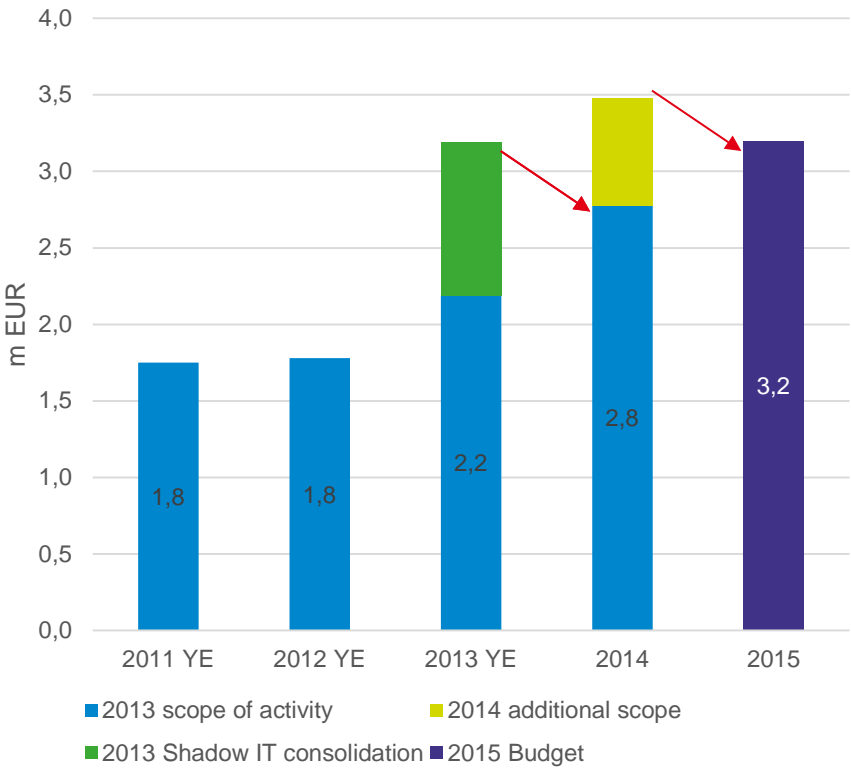
New budget structure

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%
 IT OPCO terv-tény 2012v3 parancsik onja link			

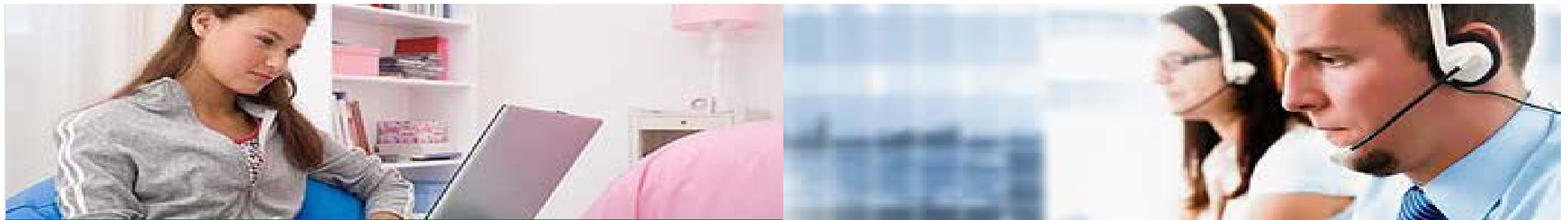
Score card	Rational	Task / Proposal / Decision
	<ul style="list-style-type: none"> • Assignable responsibility in IT Team • No transformation needed in Group reporting • Easy to understand and communicate 	<ul style="list-style-type: none"> • Agree with accounting and controlling • Implement within the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

Cost structure of running IT services

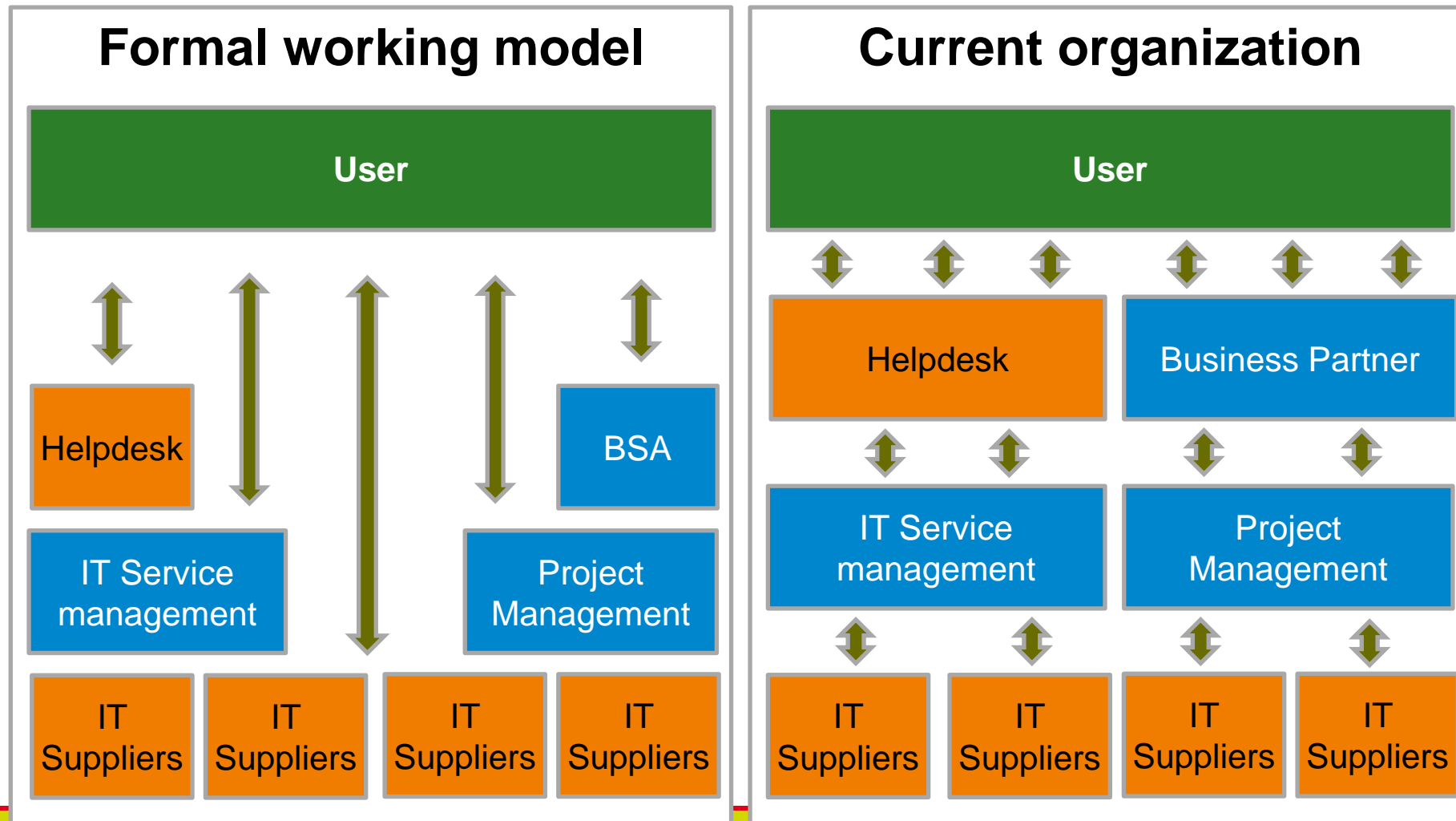
Result of trasformation brings 10% saving on same scope



IT Team

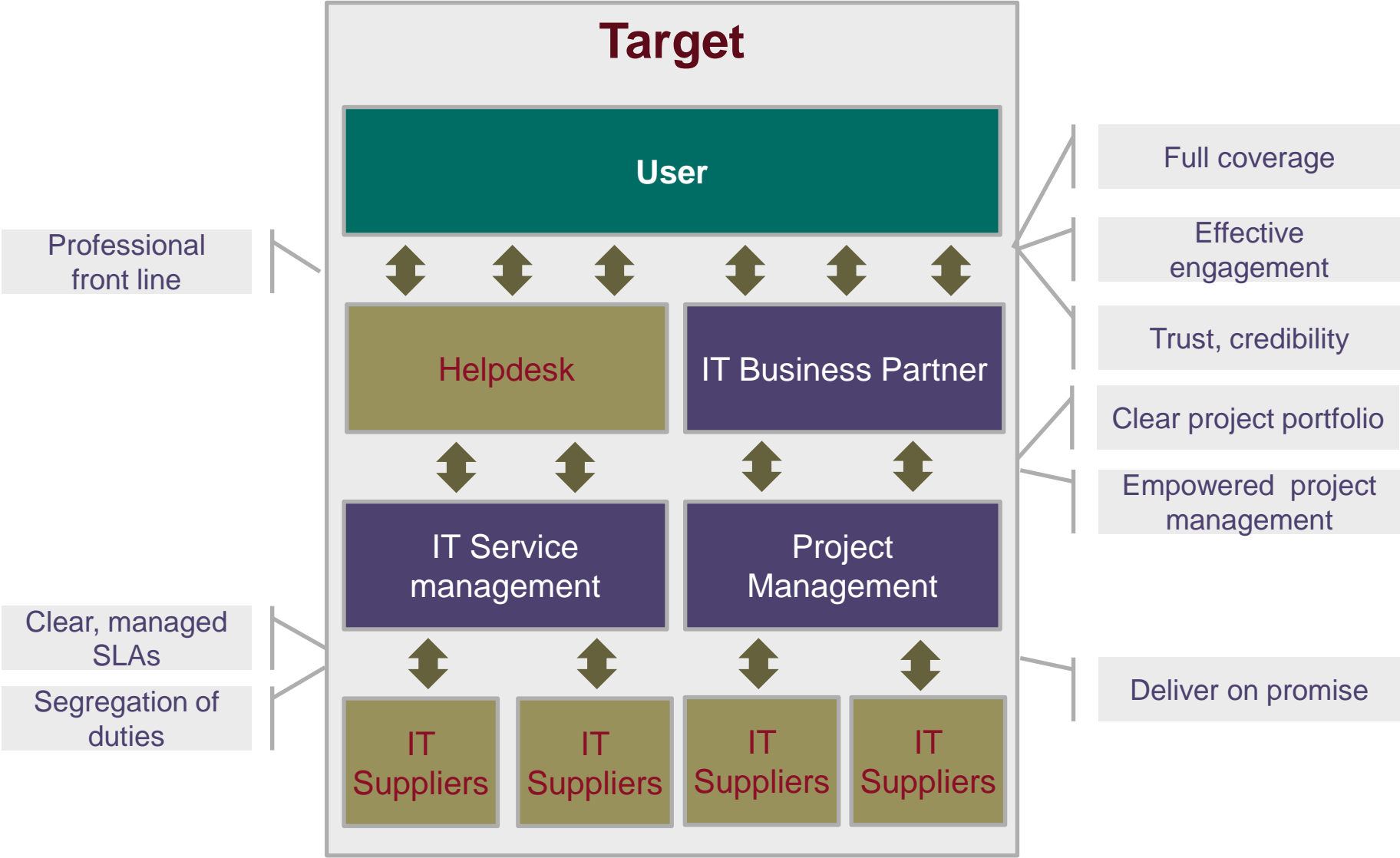


Close the gap and serves the business better



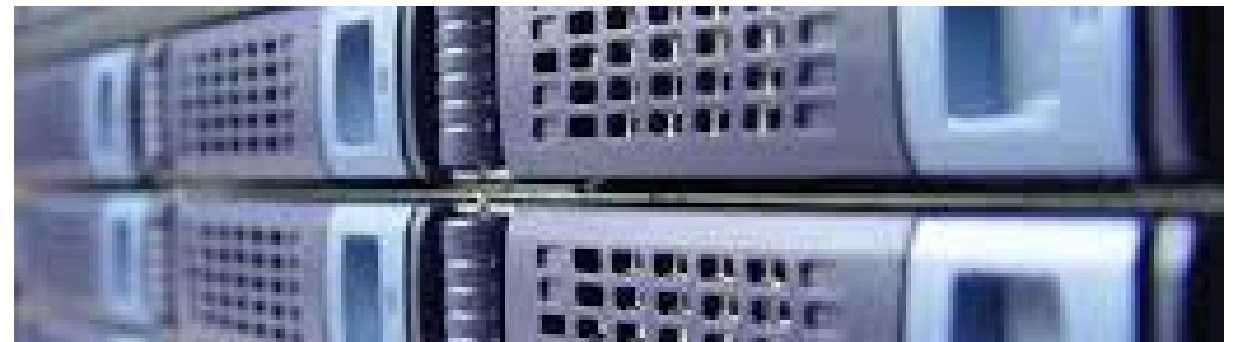
How we are going to work

SKILLED TEAM

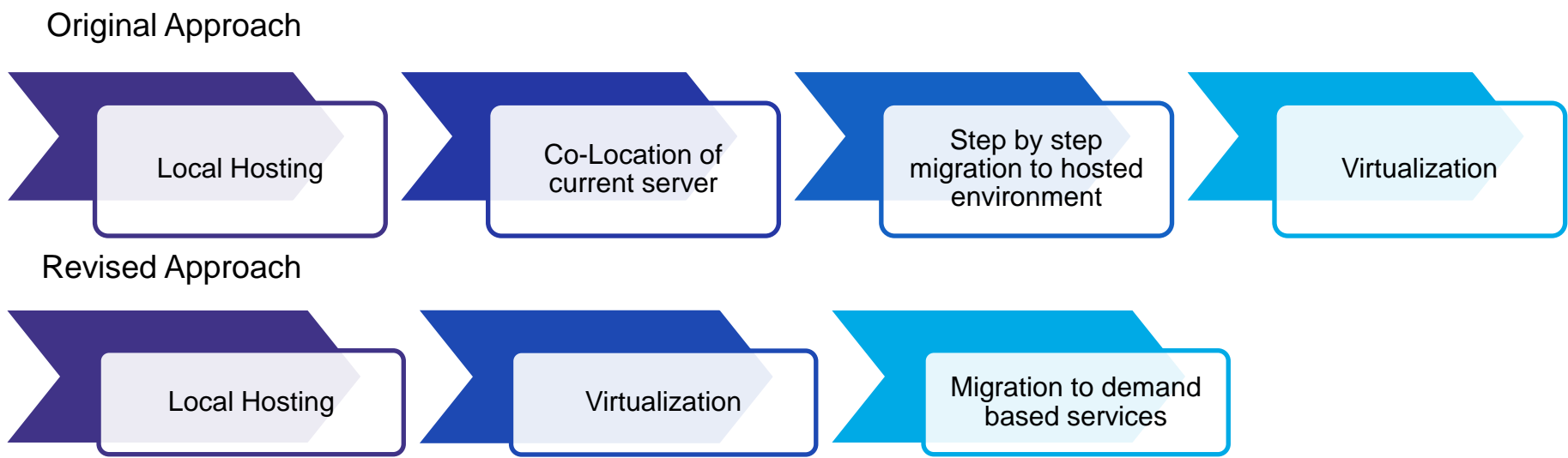


IT infrastructure report

Server side infrastructure



Server Hosting procedure



Rethink Server hosting		
Score card	Rational	Task / Proposal / Decision
<div> <div>Serve business better</div> <div>Reach lower cost base</div> <div>Drive group convergence</div> <div>Ensure SSC readiness</div> </div>	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Review tender technical specification Run further round with new parameter Avoid risk until migration by creating provision for incident handling

Szeged Server Room



F SVEZ

Szeged Server Room - From 2:00PM

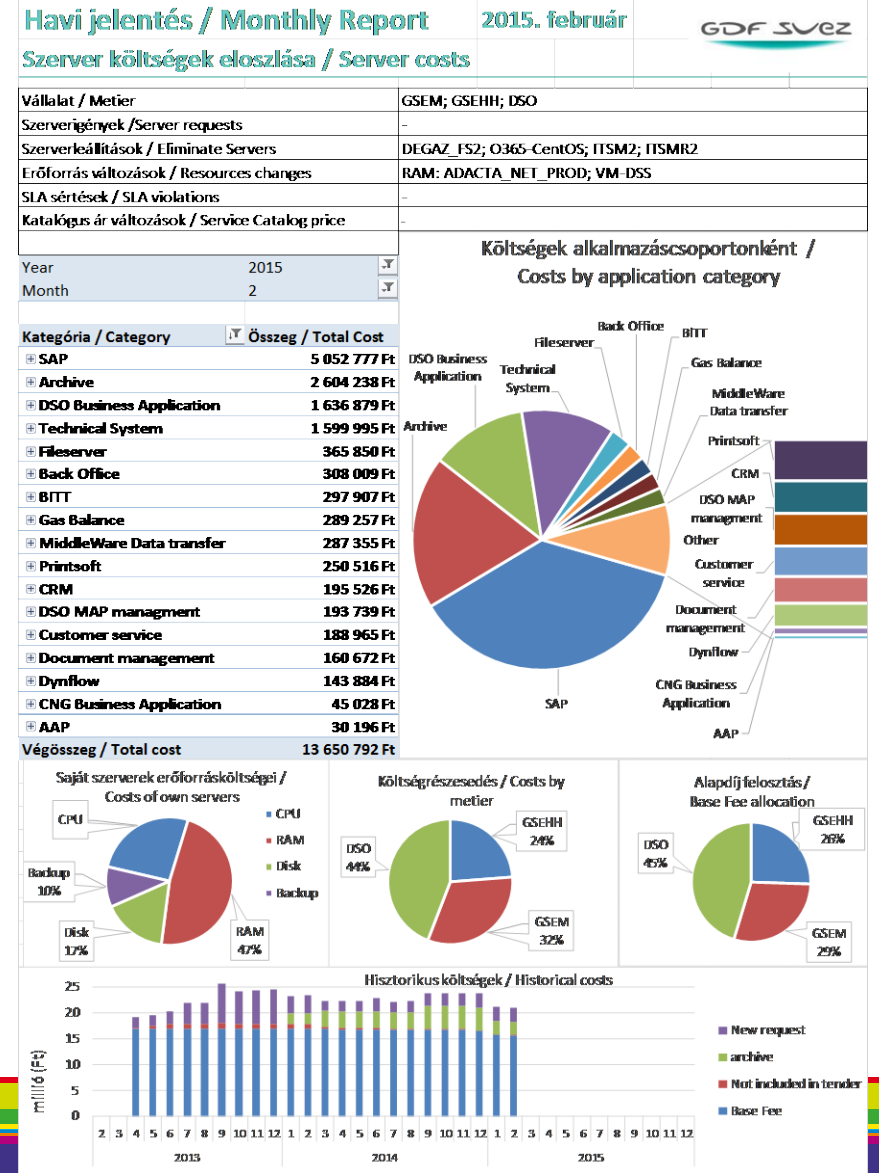
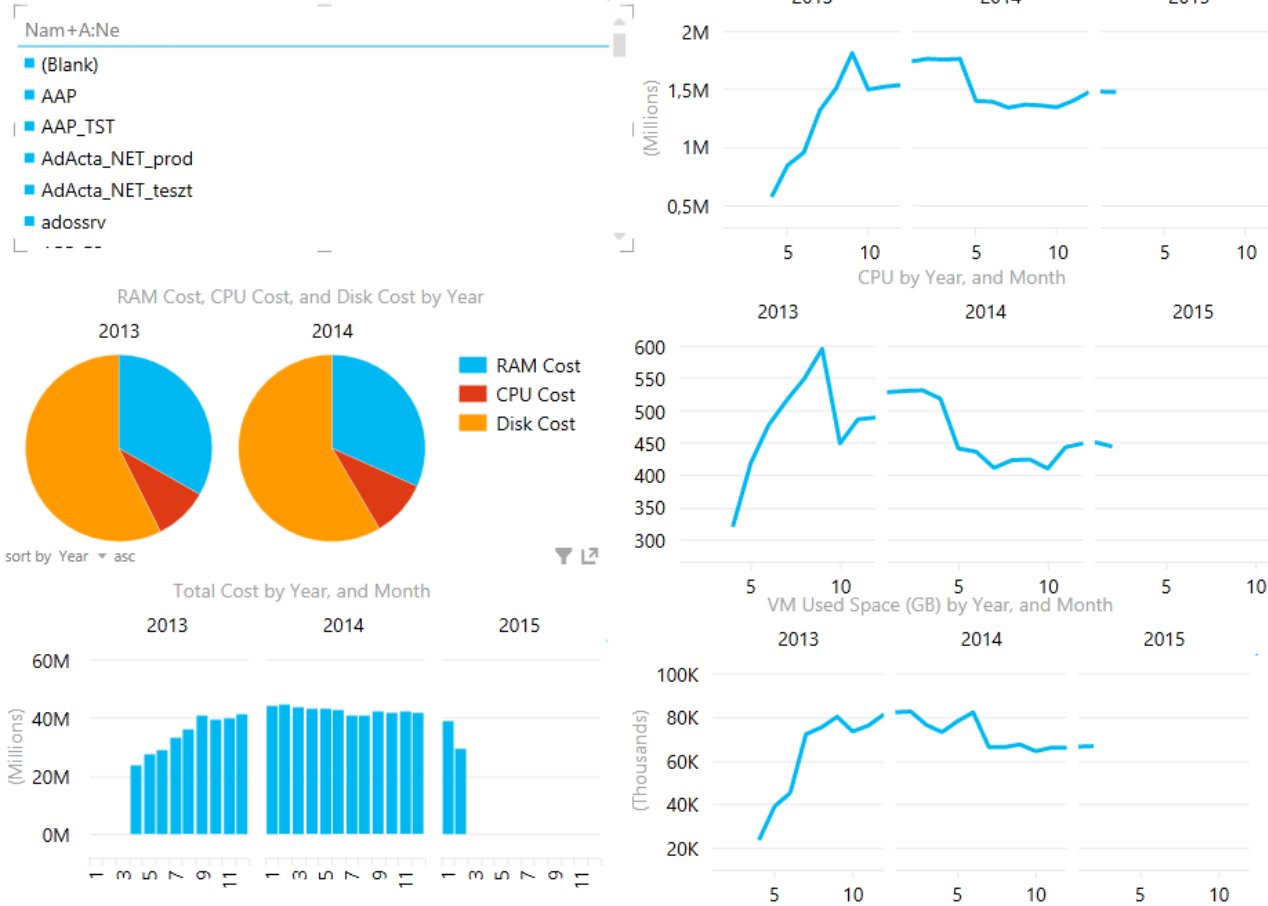


New server Room - to 5:00AM on the other day



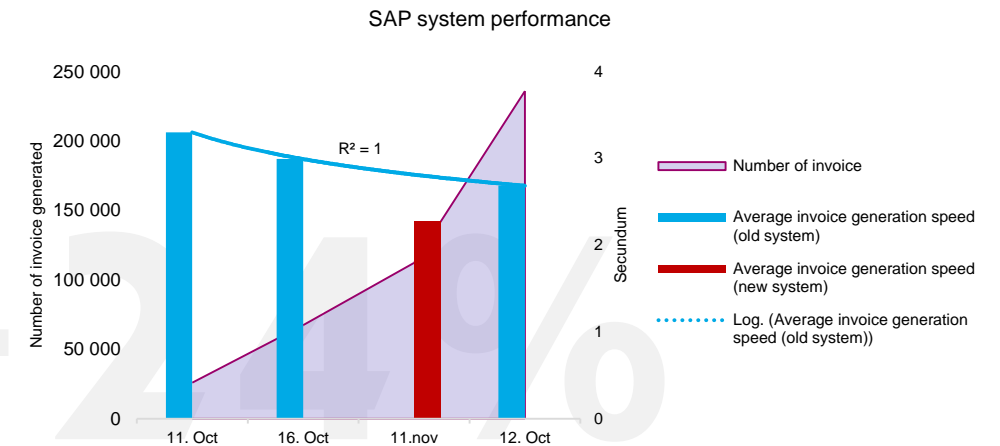
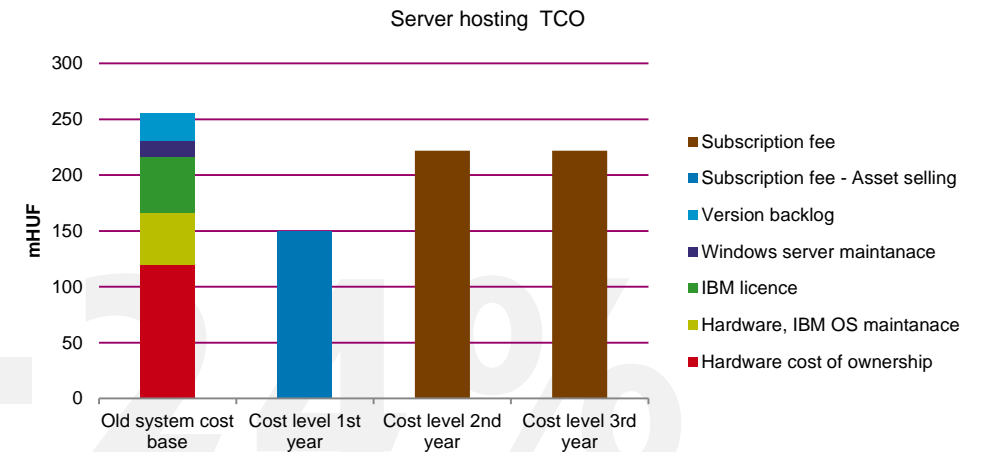
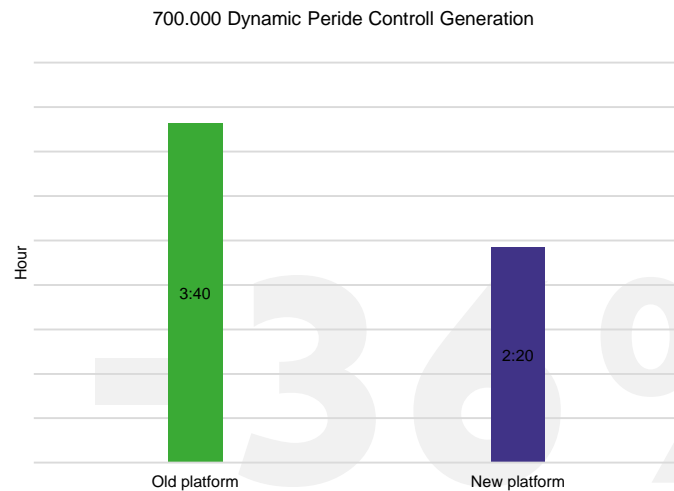
Changes in Server infrastructure

Server Cost Dashboard



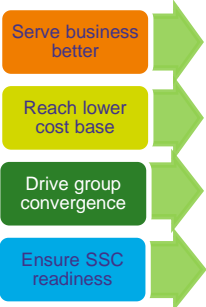
9+3 SAP running on new platform 147 windows server in private cloud

- 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



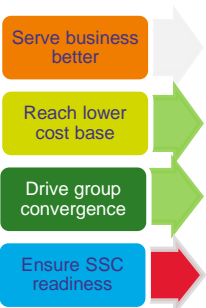
Revise server side infrastructure

Review access rights (IDM readiness)

Score card	Rational	Task / Proposal / Decision
	<ul style="list-style-type: none">• Ensure segregation• Ensure data security• Be prepared for audits• Be prepared for seamless Helpdesk procedures	<ul style="list-style-type: none">• 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	Task / Proposal / Decision
	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Review legal requirement of archive• Set new policy of data archivation• Free unnecessary resources

Simplifying IT landscape

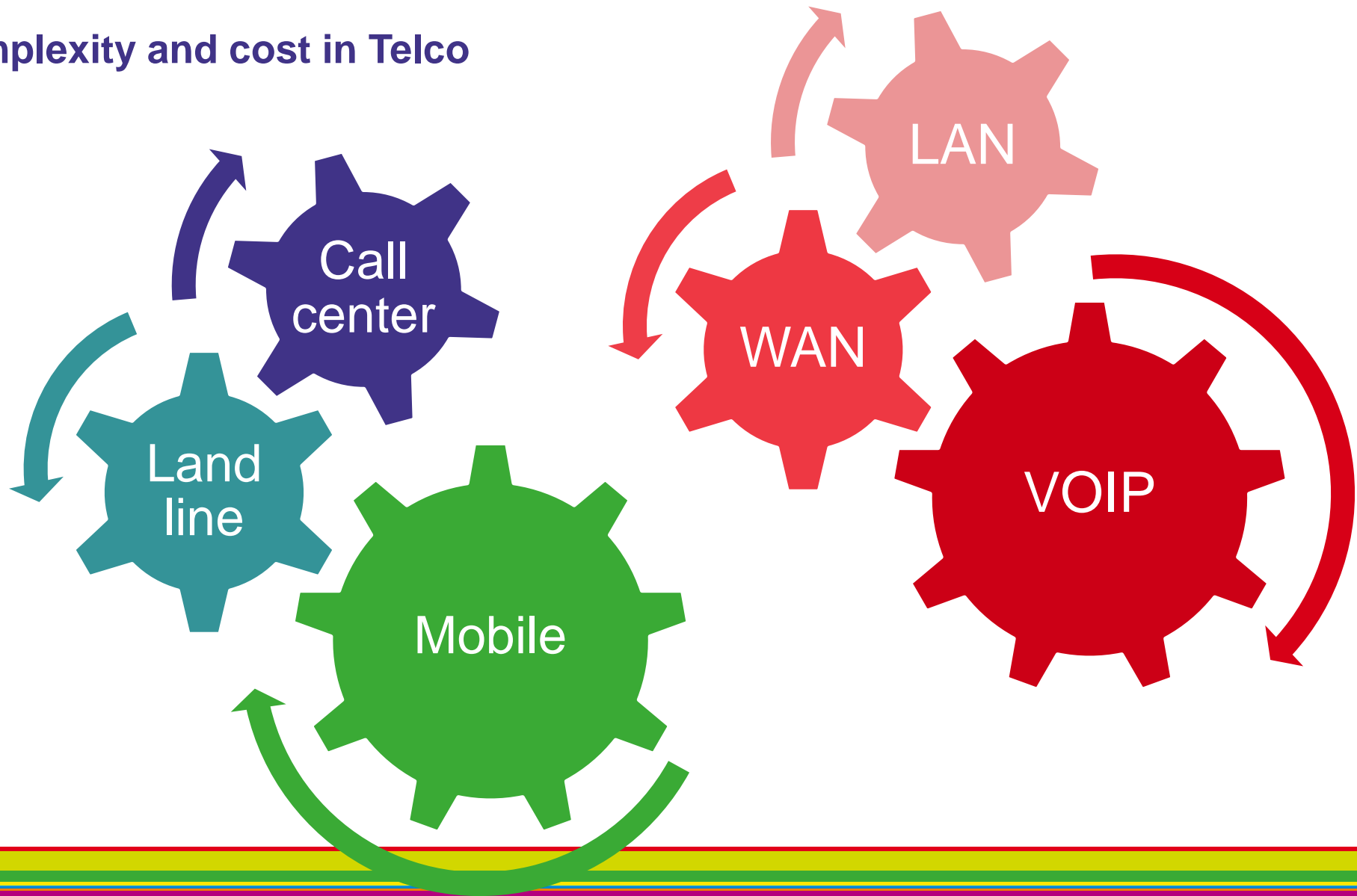


IT infrastructure report

TELCO



Reduce complexity and cost in 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



Rational

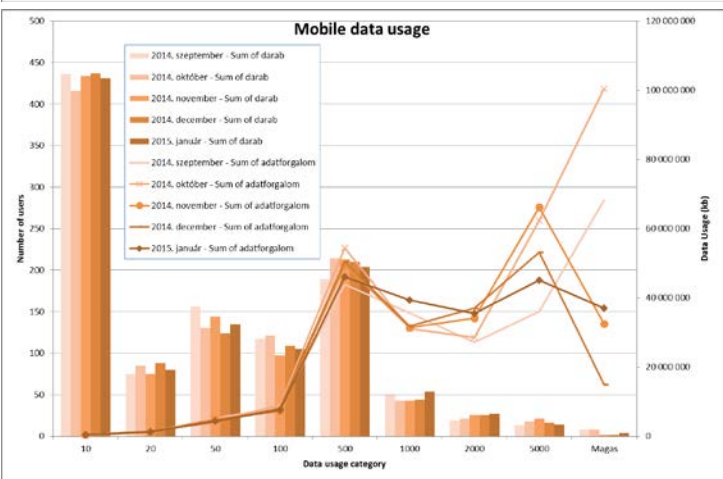
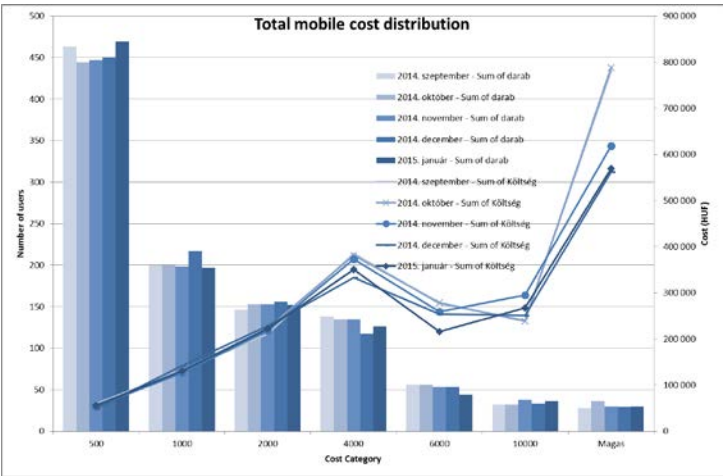
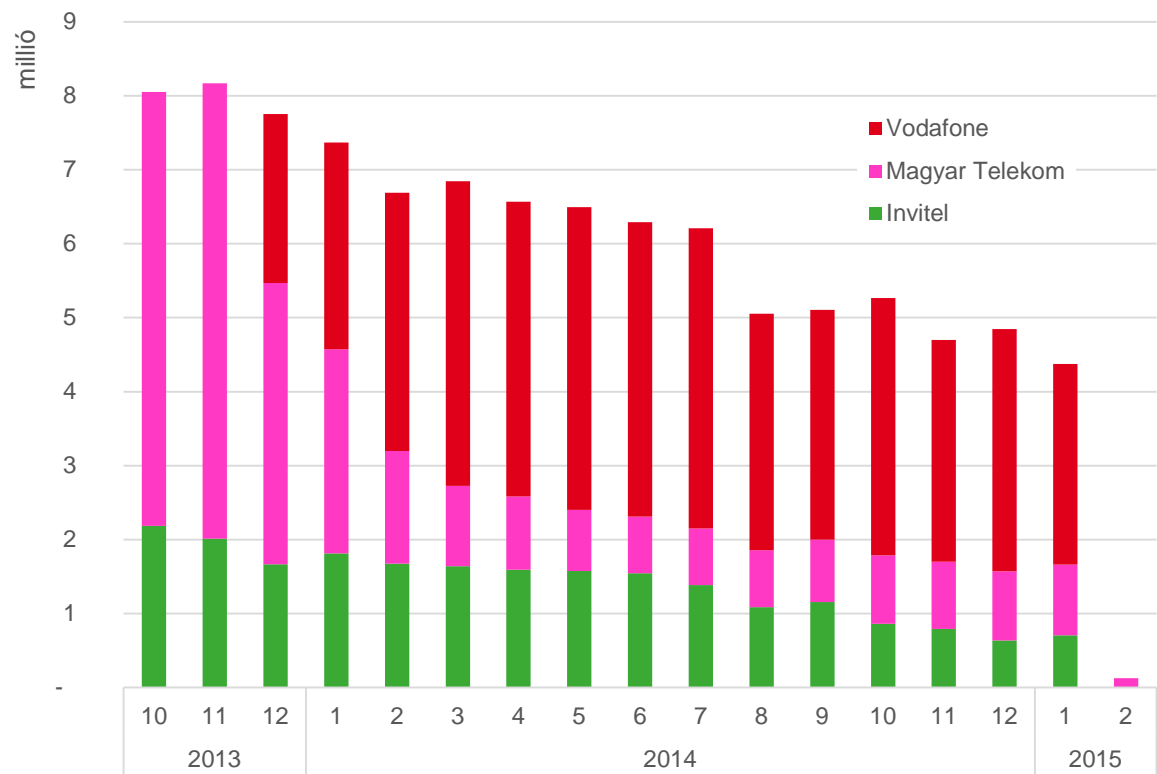
- Current cost level comes from
 - great degree of duplication
 - heterogenic tariff plans
 - lack of appropriate policies
 - uncoordinated device management

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

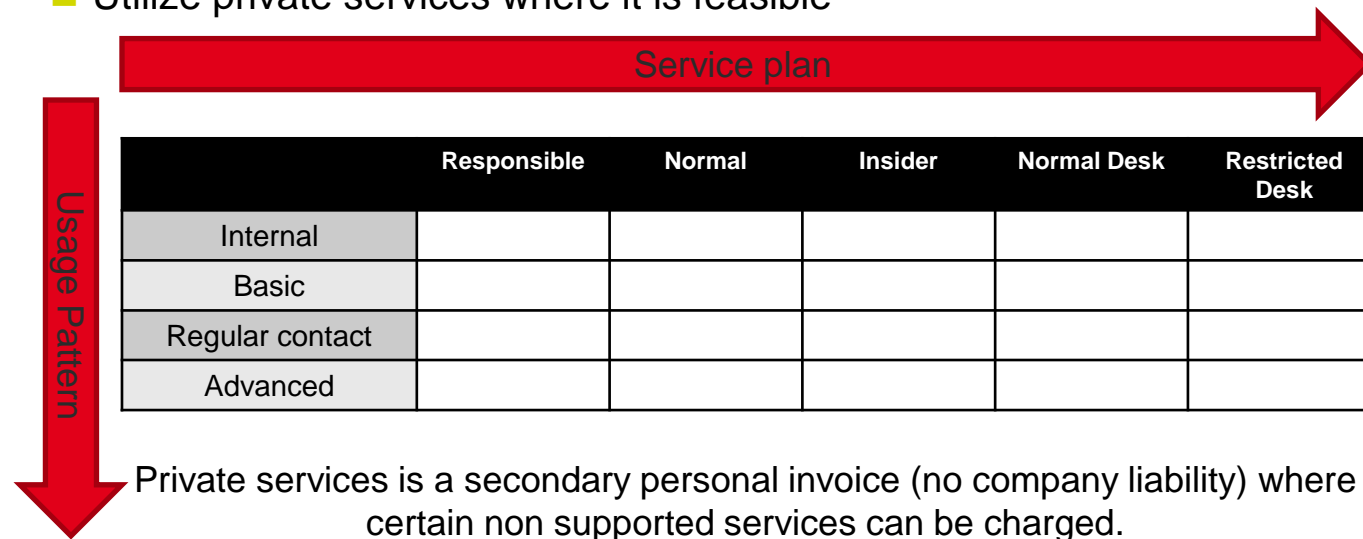
Voice and mobile costs

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

Serve business better

Reach lower cost base

Drive group convergence

Ensure SSC readiness

Rational

- Lower cost base can be reached
- More flexible solution can be used for small offices
- Mobile data cost can be dramatically reduced by turning 3G to WiFi in remote usage

Task / Proposal / Decision

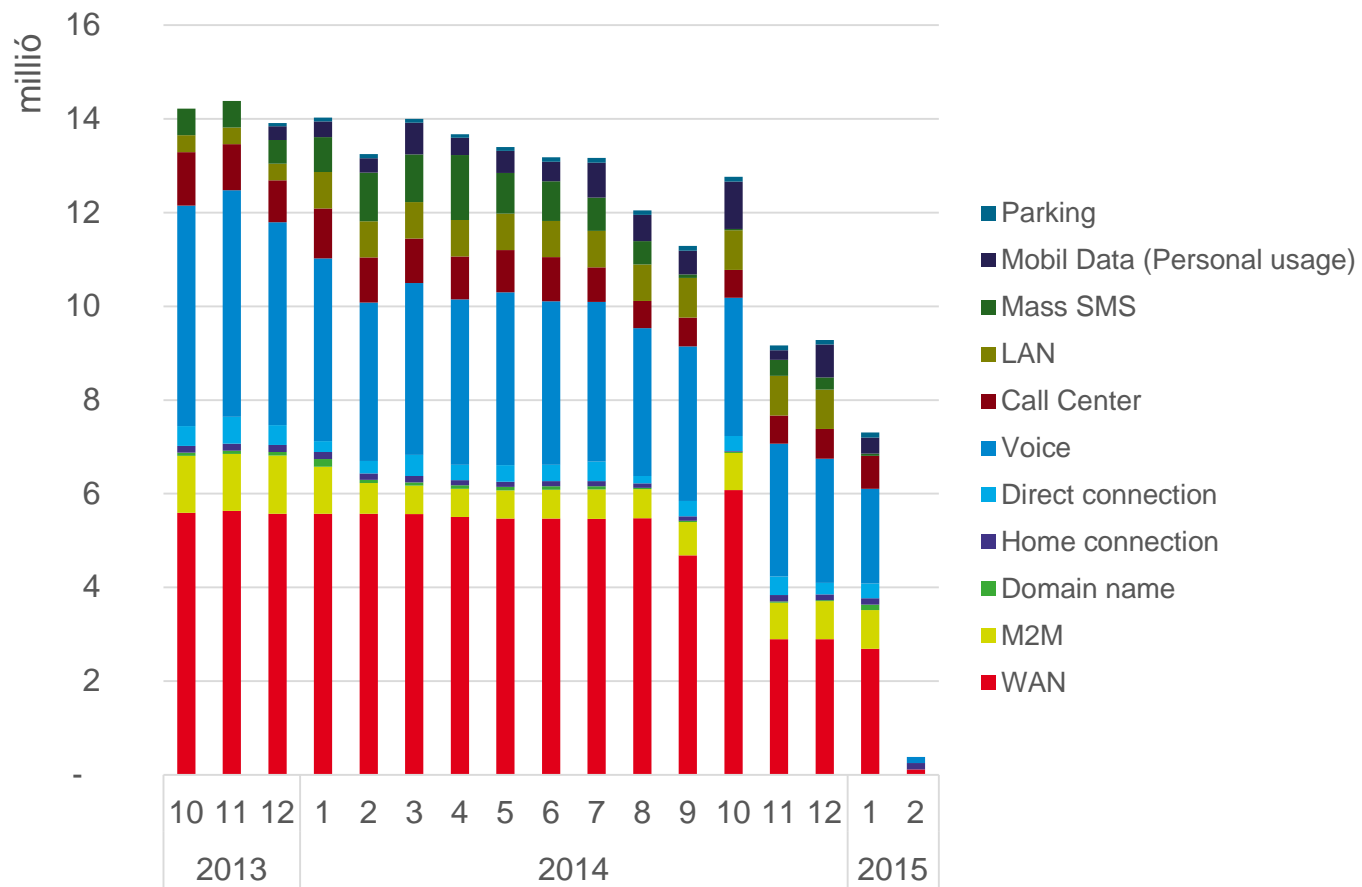
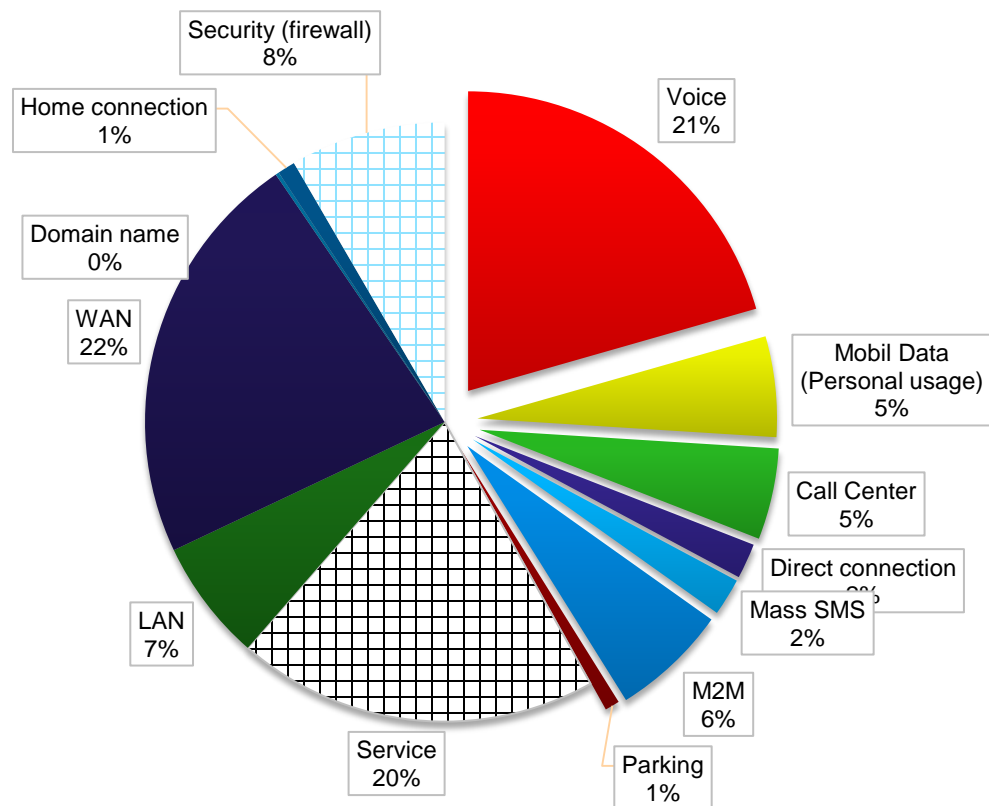
- Build business case and test case for different infrastructure components (small offices, remote usage, firewall etc)
- Rationalize remote work and review remote internet access rights

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, wlans
- 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



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**Business requirements
need flexibility**



Where we are now?



Word



Excel



PowerPoint



OneNote



Access



Publisher



Outlook



Lync



InfoPath

Windows 8.1
Enterprise

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

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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

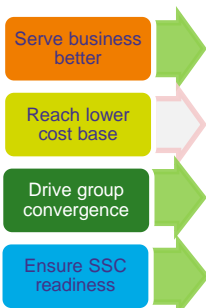
DESKTOP

Desktop lifecycle management

WORKPLACE POLICY
COMPLIANT

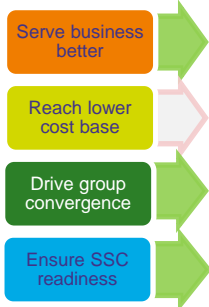

Score card	Rational	Result
	<ul style="list-style-type: none"> • Simplifies procurement procedure • Batch buy leads to better prices • Dramatically reduces administration and workload 	<ul style="list-style-type: none"> • Move all IT assets into one legal entity to keep stock small • Sell all user side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

Outsource to Professional Helpdesk

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

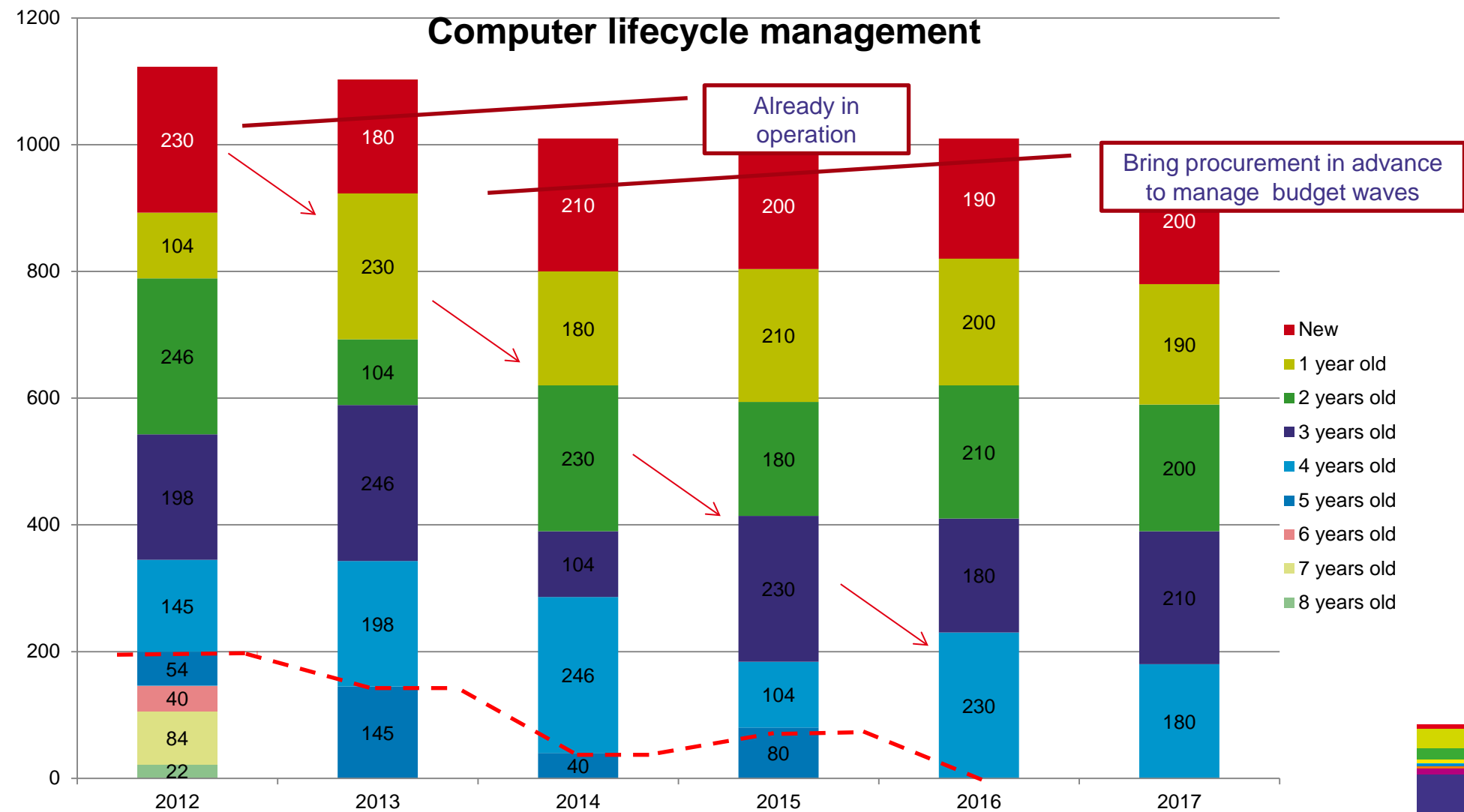
suez

Running PC at front of user on agreed service level

Outsource PC support		
Score card	Rational	Task / Proposal / Decision
 <p>Serve business better</p> <p>Reach lower cost base</p> <p>Drive group convergence</p> <p>Ensure SSC readiness</p>	<ul style="list-style-type: none">Professional PC supportMeasurable servicesEasier asset control (no SAP transaction on IT asset movement)Transparent coverage across all offices	<ul style="list-style-type: none">SCCM: 100% packed application install, with version controlApplockerBitlockerDirect Access
Standard, remote managed desktops		
Score card	Rational	Result
 <p>Serve business better</p> <p>Reach lower cost base</p> <p>Drive group convergence</p> <p>Ensure SSC readiness</p>	<ul style="list-style-type: none">Delete all illegal softwareWithdraw local admin access rightsDistribute standard application packages for easier control and policy based managementPrepare infrastructure for careless delivery	<ul style="list-style-type: none">Up to date inventoryHigher security levelMore stable and faster devices

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%**

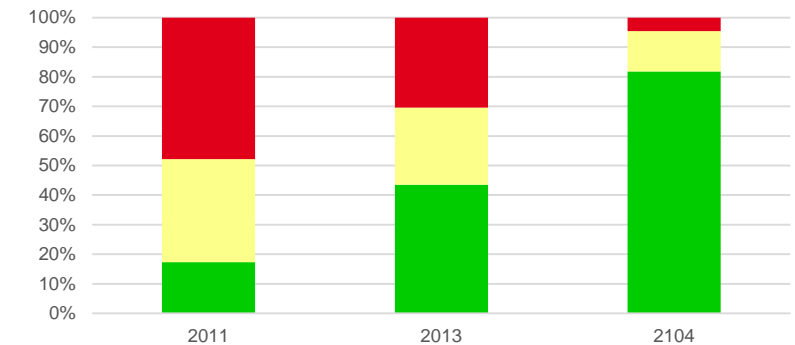
■ 2014BEEHU004 Follow-up Security of Cloud Computing & Related risks

- 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



Old computers limit changes in other areas

Nuner of Computers in different performance and age categories													
Memory category GB	Age in years												
	0	1	2	3	4	5	6	7	8	9	10	Sum	
Desktop PC	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	
Pentium	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	
Core 2	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	
i Type	196	72	2	3	2							275	
2	192	47	2	3	2							246	
3	4	25										29	
Notebook	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	
Pentium	1	3	48	1		1	2				1	57	
-											1	1	
1							2					2	
3	1	3	48	1		1						54	
Core 2			20	26	17	22	1					86	
1					2	13						15	
2				5	15	6	1					27	
3			20	21		3						44	
i Type	14	12	3	59	42							130	
2			2	59	42							103	
3	13	12	1									26	
4	1											1	
Sum	230	104	246	198	145	54	40	84	22	17	20	1160	

■ 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

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