

Information Technology Strategic Planning: Creating the Pathway to Sustainable Business Success A Case Study from MWRD – Greater Chicago

NACWA Conference – February 2008

Richard Lanyon – General Superintendent, MWRDGC

Keith Smith – CIO, MWRDGC

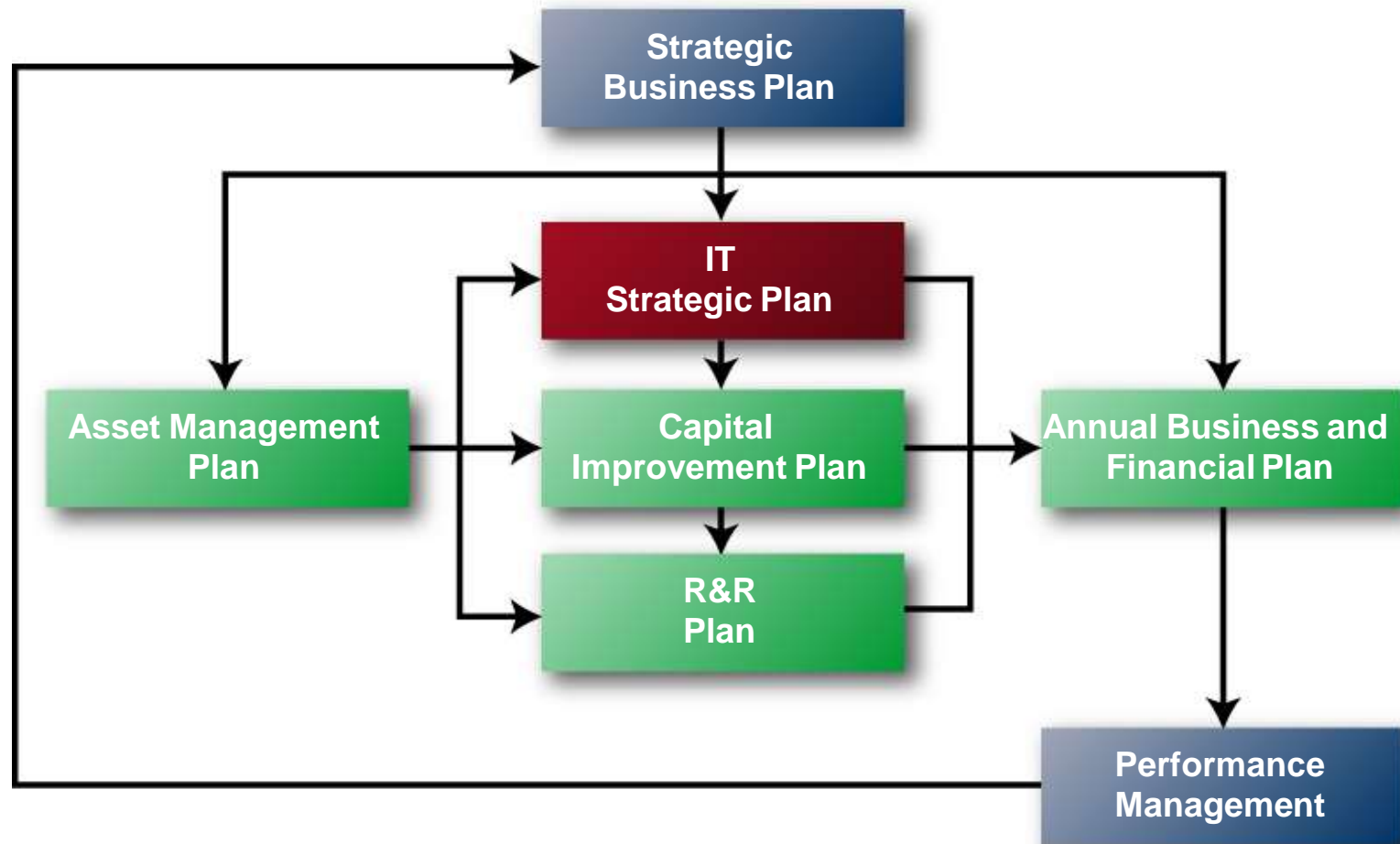
Doug Harp – CEO, Westin

Rod van Buskirk – Principal IT Planner, Westin

Objective of Presentation:

- Share MWRDGC's IT Strategic Planning experience and promote discussion on the role of IT Planning in Utilities
- Topics:
 - The Value of IT Strategic Planning
 - Enterprise Solutions for Large Utilities
 - IT Governance and Service Delivery

IT Strategic Planning: The Position and Importance within an Integrated Planning Environment



IT Strategic Planning: The Value and The Purpose

- Establishes **IT vision and strategies**
- Develops executive-level **sponsorship and commitment**
- Defines **management systems** – people, process, technology
- Initiates **consensus building** among staff
- Defines **guiding principles and road map** for IT initiatives
- Improves **budgeting** process and business case justification
- Addresses **governance model** for IT

MWRDGC Case Study: Who Is MWRDGC?

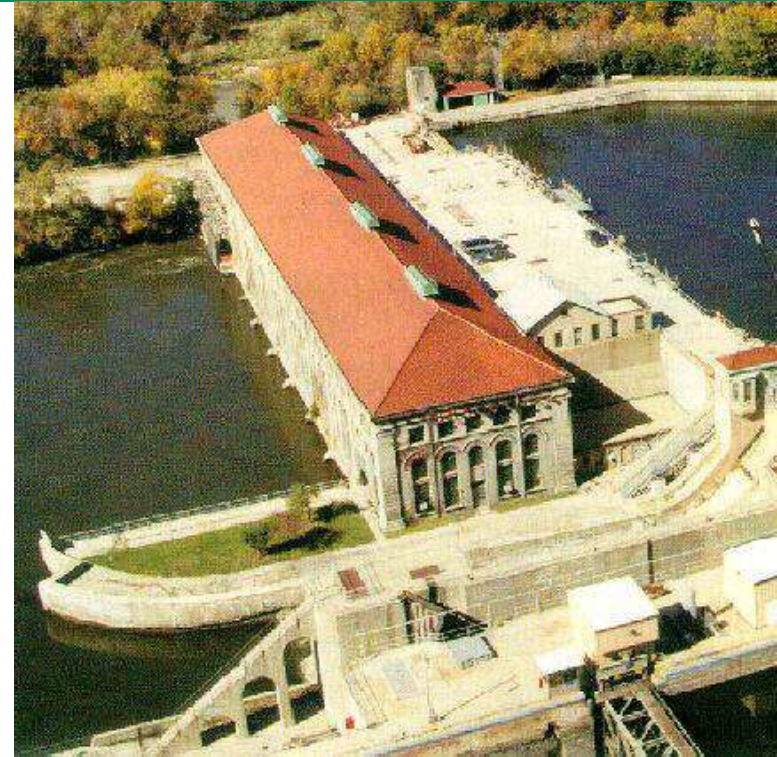
Mission:

Protect the health and safety of the public, protect the quality of the water supply source (Lake Michigan), improve the quality of water in watercourses, protect businesses and homes from flood damages and manage water as a vital resource.

- Special District of the State of Illinois since 1889
- Wastewater, Water Reclamation, and Stormwater
- 2007 Budget \$1.0B
- CIP \$2.0B
- 10 million people served
- 1.5 BGD of wastewater treated
- ~ 2,080 staff

MWRDGC Case Study: Challenges and Business Initiatives require Effective Management Systems

- Organizational silos
- Aging wastewater system infrastructure
- Large CIP and CSO Program
- Changing and aging work force
- New Services – Stormwater Management
- Energy – cost and greenhouse gas reductions
- Increasing community expectations
- Future budget constraints



MWRDGC Case Study: Strategic Business Objectives provide Foundation for IT Strategies

- Provide high quality, responsive services
- Manage assets using life-cycle strategies
- Meet and exceed regulatory requirements for:
 - Water quality, capacity planning, management effectiveness, operational reliability, and maintenance efficiency.
- Expand employee knowledge-base:
 - Improve productivity and decision making
 - Support management succession efforts
- Integrate inter-departmental processes



MWRDGC Case Study: IT Strategic Plan Goal and Objectives provides focus for Planning Team

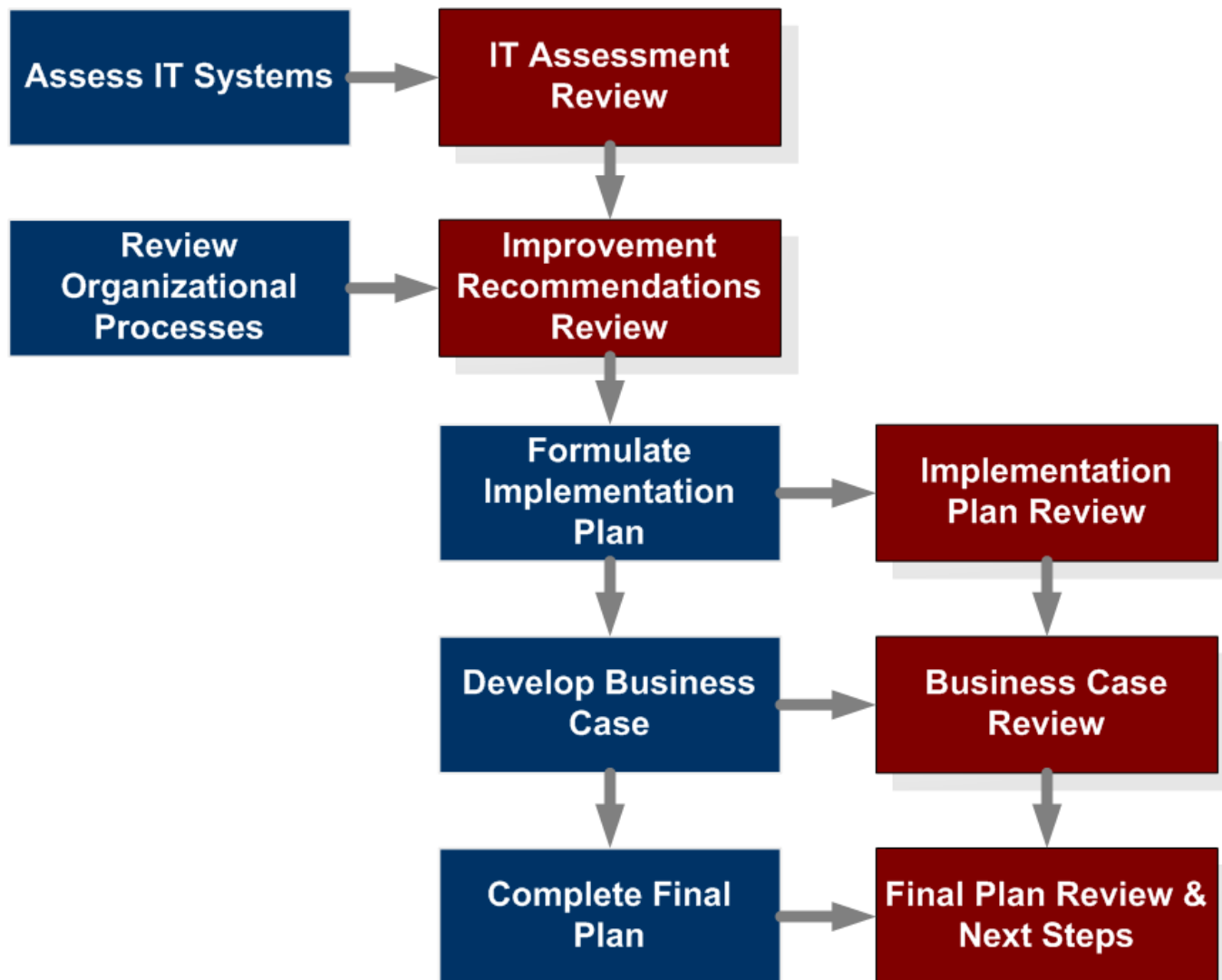
Goal:

Ensure District's information technology systems enable effective operations and best business practices in support of the District's Strategic Plan.

Objectives:

- Integrated, Enterprise IT Strategy
- IT Project Portfolio Prioritization and Justification
- Governance Model to Manage IT Initiatives

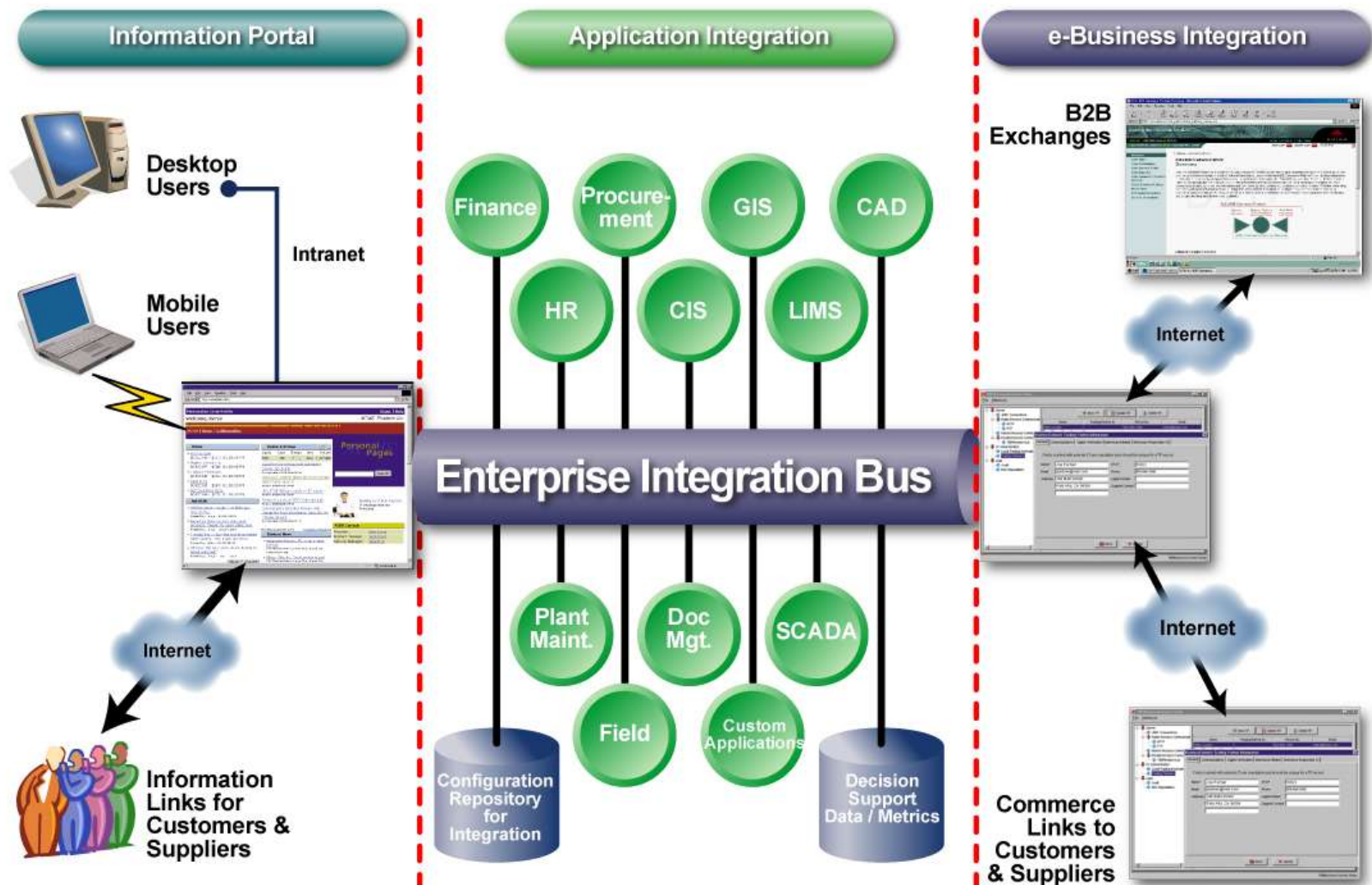
MWRDGC Case Study: IT Strategic Planning Process Builds Consensus through Staff Involvement



MWRDGC Case Study: Enterprise IT Strategies Support Business Sustainability

- BUSINESS PROCESS IMPROVEMENT STRATEGIES
 - Strategy: Standard Approach to Business Process Improvement
 - Strategy: Establish Enterprise Performance Management
 - Strategy: Implement Enterprise Work and Asset Management
 - Strategy: Adopt Enterprise Project Management
- DATA MANAGEMENT STRATEGIES
 - Strategy: Implement Enterprise-Class Business Intelligence Systems
 - Strategy: Implement Enterprise Content Management
 - Strategy: Implement a District-wide, Enterprise-Class Geodatabase
- TECHNOLOGY STRATEGIES
 - Strategy: Expand Utilization of Mobile Computing Solutions
 - Strategy: Maximize the Utilization of the SAP ERP and SAP Netweaver Technologies

MWRDGC Case Study: Enterprise IT Architecture sets Vision of Future



MWRDGC Case Study: Commitment to SAP Enterprise Technology Stack provides Platform for Organization and Process Integration

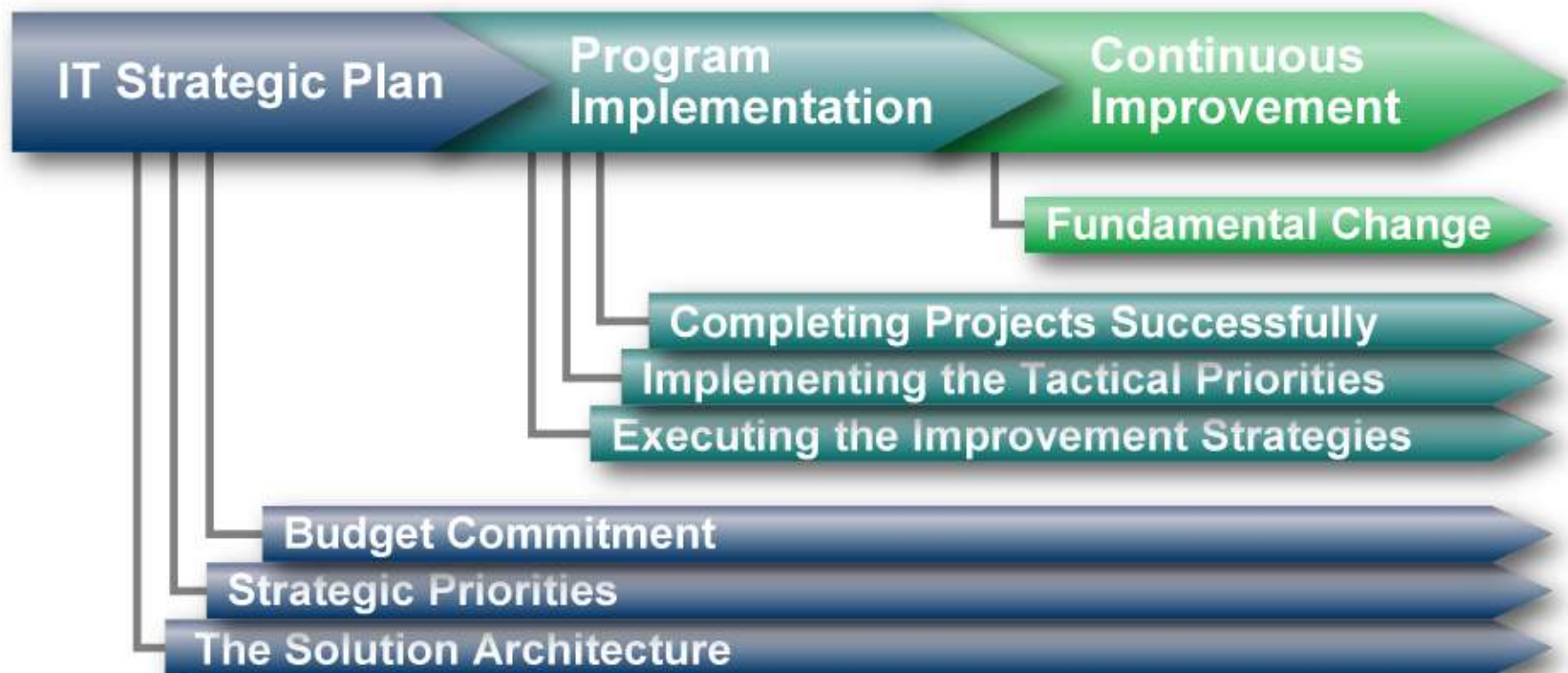


MWRDGC Case Study: Enterprise IT Initiatives sets course for Enterprise Process Improvement and Integration

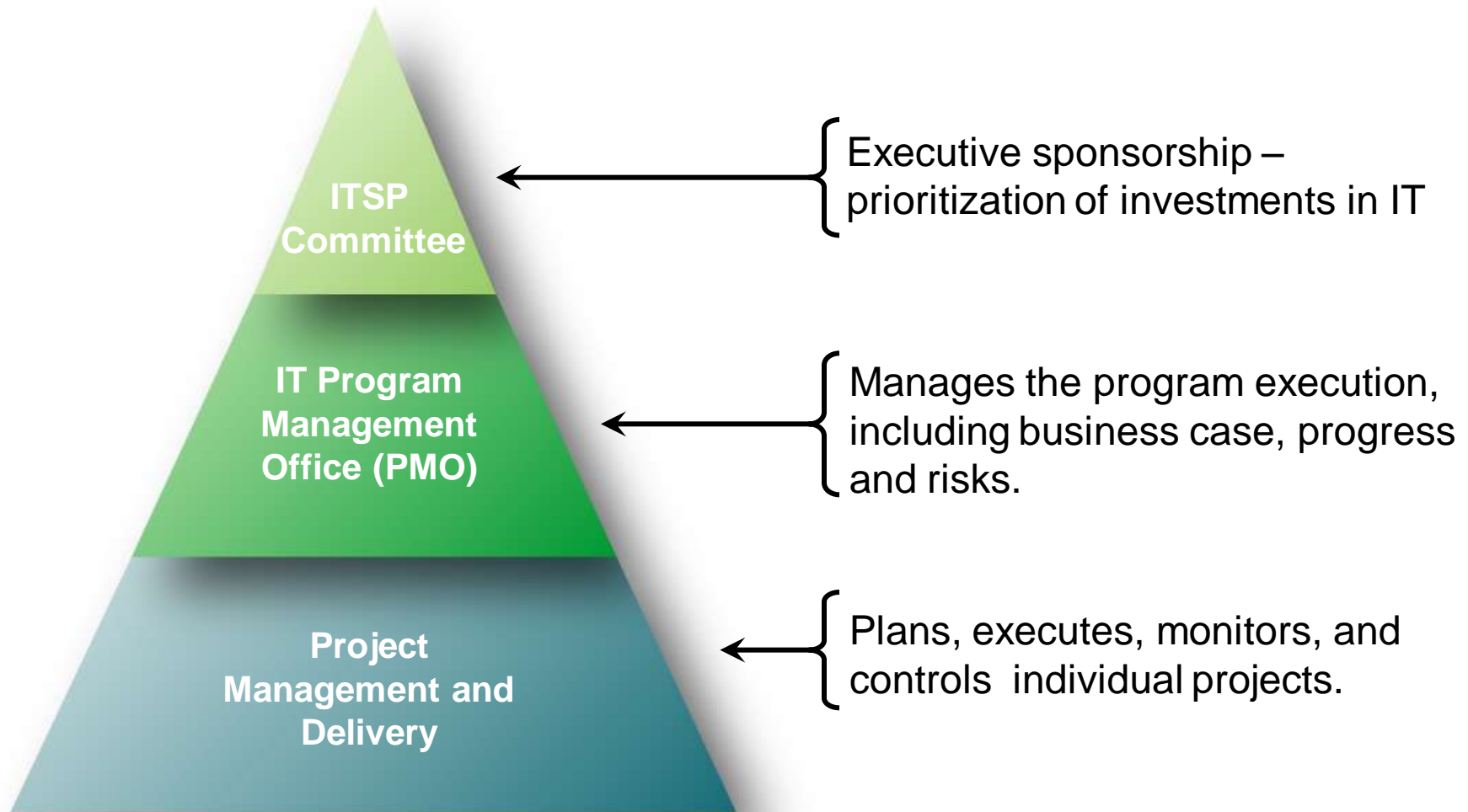


MWRDGC Case Study: ITSP positions Organization to Execute the Plan

IT Roadmap: 4 Year, Approx. \$50M IT Program sets IT Portfolio Priorities and Justification



MWRDGC Case Study: IT Program Management Office Supports ITSP Implementation



MWRDGC Case Study: Outcomes of IT Strategic Plan lays foundation for Business Sustainability

- IT Vision and Enterprise Strategies
 - Program for streamlining and integrating business processes
 - Commit to enterprise-level solutions, SAP ERP with Web Services to support integration
- IT Governance and Management Model
 - Established a Program for executing the ITSP
 - Activated an ITSP Steering Committee
 - Identified means of realizing benefits from IT investments
- IT Roadmap
 - Identified the implementation projects, budgets, and master schedule
 - Acquired Board approval and funding

MWRDGC Case Study: Lessons Learned from IT Strategic Planning Project

- Top executive must be the plan sponsor
- Keep managers involved in the strategies and plan
- Look at the enterprise first
- Be prepared for the barriers and roadblocks of detractors
- Adopt a Programmatic approach to plan implementation
- Adopt a life-cycle, continuous approach to IT planning
- Utilize specialists to advise on technical and business improvements

Questions

Considerations for the panel discussion:

- What is the value of IT and IT Planning?
- How do Enterprise Systems fit in Utilities?
- What Governance Model works in Public Utilities?
- What have you done, what has worked and what are your top-of-mind issues in IT?

Thank You

Feel free to email questions to:

- **Richard Lanyon** – General Superintendent, MWRDGC, richard.lanyon@mwrdd.org
- **Keith Smith** – CIO, MWRDGC, keith.smith@mwrdd.org
- **Doug Harp** – CEO, Westin, doug.harp@we-inc.com
- **Rod van Buskirk** – Principal IT Planner, Westin, rod.van.buskirk@we-inc.com