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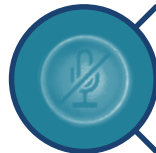
Canada



Engagement Week Digital Comptrollership Program

Business Authority & Design Authority session
November 17, 2020

MS Teams Meeting Protocols



Please mute your audio when you are not speaking



When you have a question, please use the raise hand button or add a comment



When asking a question, please say your name, role and agency or department

Digital Comptrollership Program (DCP) Vision

DCP is creating a future in which “digital controllership” can harness innovation and technology to reimagine capabilities, business processes and policies, fundamentally transform its role, and provide more and more insightful and strategic support to the organization.

DCP Program will modernize the Business Model across the Government of Canada. Key objectives:

- Provide more timely access to reliable, consistent GC-wide information
- Ensure that FM services better enable the delivery of programs for Canadians and remain cost effective and sustainable
- Design and deliver standard, streamlined processes and common data structures
- Build modernized common systems to replace departmental platforms



DCP - Strategic Priorities

Strategic priorities and relevance to GC's Digital Comptrollership Program (DCP)

Strategic priority

Description

Suggested evolution



Put the citizen at the center

Build engaging experiences: Radically simplify complicated processes for citizens and provide personalized, self-managed online services for guiding them, thus enabling governments to be more responsive, efficient and accountable to their citizens. Citizen-centric governments will catalyze civic participation, public innovation and social inclusion.

Primary FMT focus



Leverage data as an asset

Become a data-driven government: Integrate real time financial and operational data and other knowledge source across departments to turn data into actionable insights for analytics-based, transparent and timely decisions. Data-driven governments will anticipate needs and become more pro-active in allocating funds and resources cost-effectively for higher performance levels.

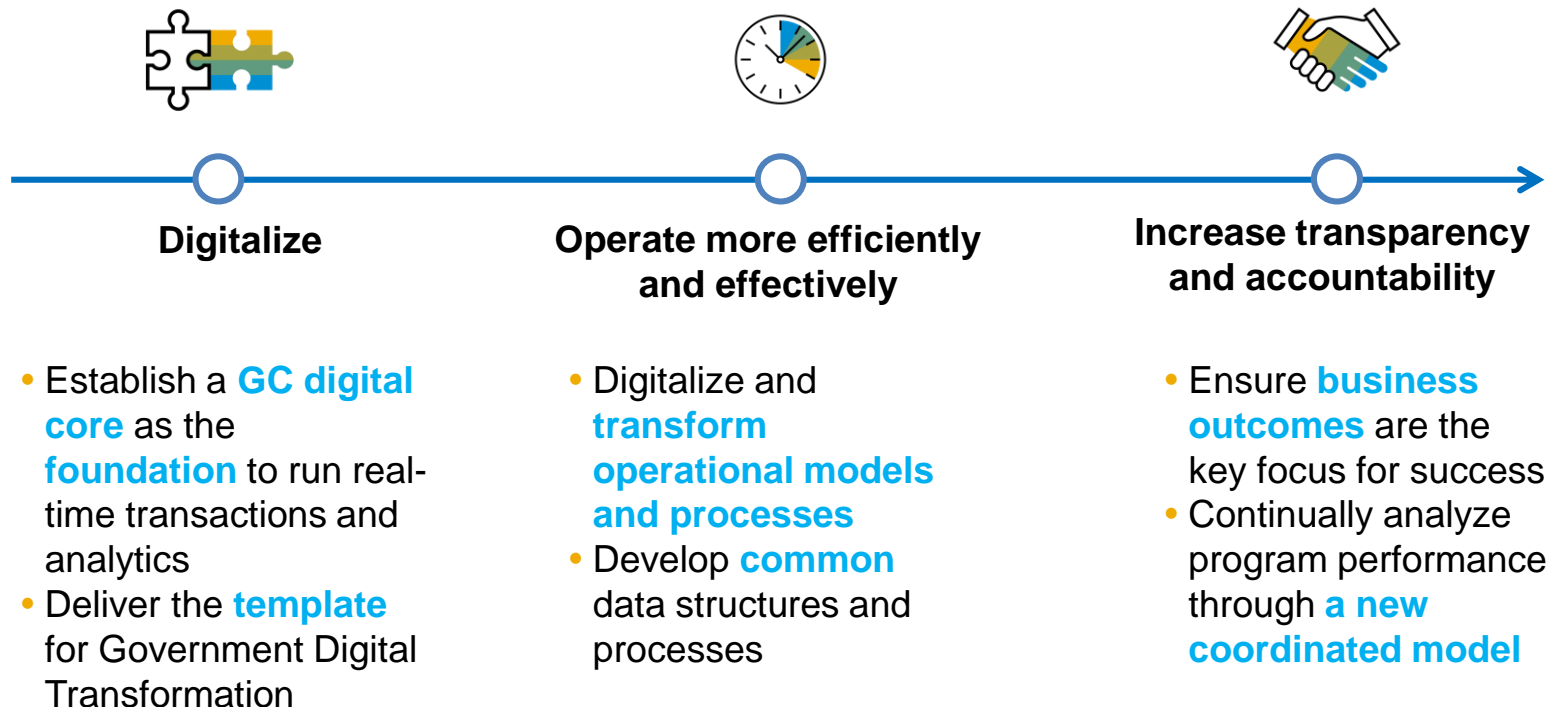


Reimagine work, processes and operating models

Improve efficiency and focus on higher-value outcomes : Reimagine core processes (tax, social, security, HR, finance, procurement, services) and operating models through a modern, government-wide digital core connected to networks. Governments' workforce will benefit from embedded analytics, standard tasks automation and intelligent technologies to focus their work on exceptions and specific cases that require their expertise.

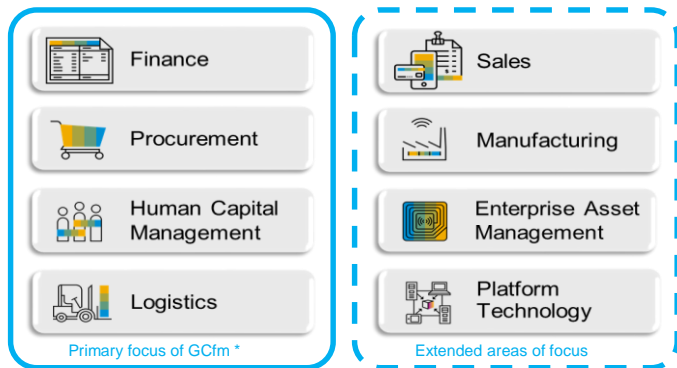
DCP - Execution Focus

The Digital Comptrollership Program will deliver a modern business model to bring Digital Transformation across the GC built on SAP's next generation SAP S/4HANA achieving digitalization, improving operational effectiveness and efficiency and increasing transparency and accountability.



DCP - Background & Approach

In 2019 to support the DCP roadmap, the Program conducted a series of collaborative workshops to engage the GC departments over eight key focus areas



To support the DCP Strategy and target architecture, the Program and SAP conducted additional workshops and meetings with key line of business stakeholders.

The key activities of the engagement were as follows:

- Understand GC departments' pain points, priorities and pre-requisites
- Create a heatmap of current state capabilities
- Identify gaps and potential opportunities to support the DCP vision
- Prioritize the gaps to identify early wins and benefits for the departments
- Develop an instance strategy and deployment roadmap
- Develop an optimal target solution architecture and development roadmap for the GC Digital Core
- Identify program risks, recommend an operational model to position the program for success

Financial Management Transformation Roadmap – Final Report 2019

https://www.gcpeia.gc.ca/wiki/File:FinancialManagementTransformation_Roadmap_FinalReport_25082019.pdf

DCP - Prioritize Transformation

Departments depends on applications to run and support their Business. The GC will maximize and leverage the latest developments in technology to **unlock new capabilities and innovation**. Tackle common pain points across the departments and improve operational efficiency and effectiveness.

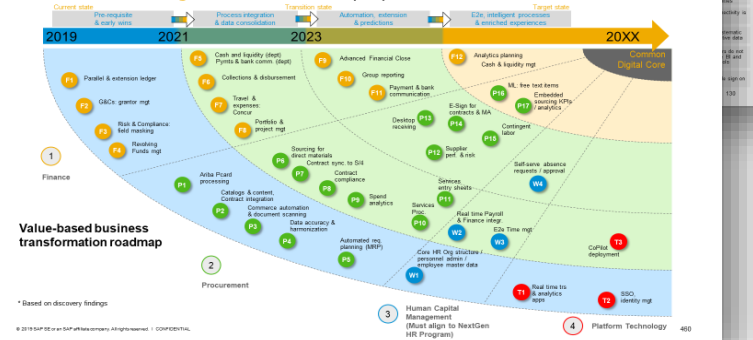
Prioritize the transformation Roadmap to drive transformation toward a data driven and digital Government.

Designing and implementing the **value realization dashboard(s)**, defining and baselining the **key performance indicators**.

Common pain points observed across departments

Finance	Procurement	Human Capital Management	Logistics	Sales	Enterprise Asset Mgt	Manufacturing	Platform Technology
<ul style="list-style-type: none"> Use of spreads for asset needs & HC work involves step of manual transfer Tight string includes manual transfer in each system Complicated manual updates, often GC manual updates & local All and collection not properly tied to automated dashboard Fragmented GCs present, difficult to track 	<ul style="list-style-type: none"> Manual maintenance of supplier in separate systems No visibility of contract, subcontracting with a supplier, no track of supplier performance Complexity of working with GC is a challenge for most projects Buying spend time in too many separate tools 	<ul style="list-style-type: none"> Difficult to track HC in separate systems Double or triple data entry in HR systems Challenging to keep security controls updated due to frequent changes of personnel Increased manual work, difficult to integrate with GCs No integrated ability for behavioral assessment and 	<ul style="list-style-type: none"> No complete visibility of inventory and location data Finance and Logistics silos not fully integrated Manual intervention in most business processes No ability to track freight costs Returns not tracked in the 	<ul style="list-style-type: none"> Go to cash process not integrated Manual operations, sometimes data entry, manual data entry Lack visibility on actual for cost recovery Disconnected processes between sales, Distribution and Fulfillment systems No complete visibility of all customer master data 	<ul style="list-style-type: none"> Asset management and accounting processes are highly manual No integration between asset management and financial systems Lack visibility of asset lifecycle data, inability to track costs for each asset Missing asset performance & intelligence dashboard Systems not capable of customer master data 	<ul style="list-style-type: none"> Manual production scheduling Lack of ERP visibility Inspection process and results managed manually No manufacturing insights and IoT Manual tracking of labor hours and material bill for cost 	<ul style="list-style-type: none"> Dependency on IT for reporting and analytics Few analytical capabilities and dashboards available Lack tools for simulation, predictive, machine learning Miss a systematic data governance, no clear data Miss strategy for data archiving

Recommended* digital core evolution (1/2)



Increase operational efficiency

- Enable real time decision making
- Leverage data as a strategic tool across the entirety of the GC

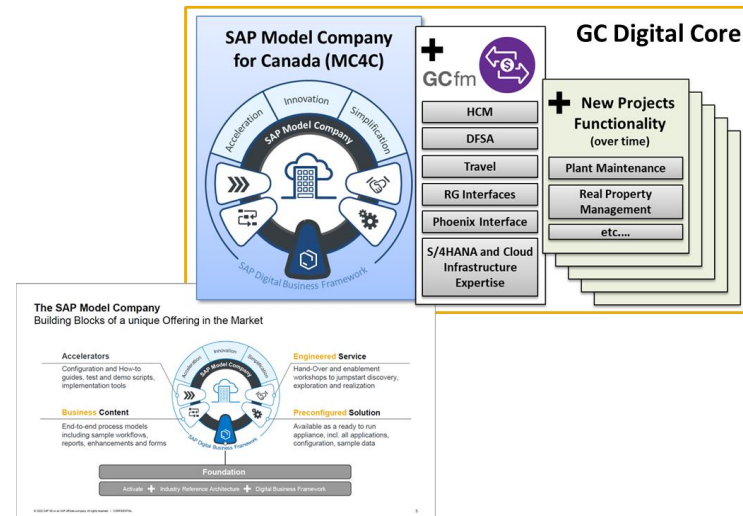
Digital Government

- Change operational models connecting across traditional silos in real time
- Use insight to identify, predict, and address issues to improve effectiveness and efficiency for all

DCP - GC Digital Core (Accelerator)

Establish a **GC Digital Core template** as the foundation and accelerator to run real time transactions and analytics, increase business process standardizing and common data structures and increase Innovation to **support Digital transformation.**

To accelerate the Digital Transformation and lower the overall cost of ownership, the GC will implement a **Coordinated Model that will support a collaborative model** for maintenance and change management across the GC.



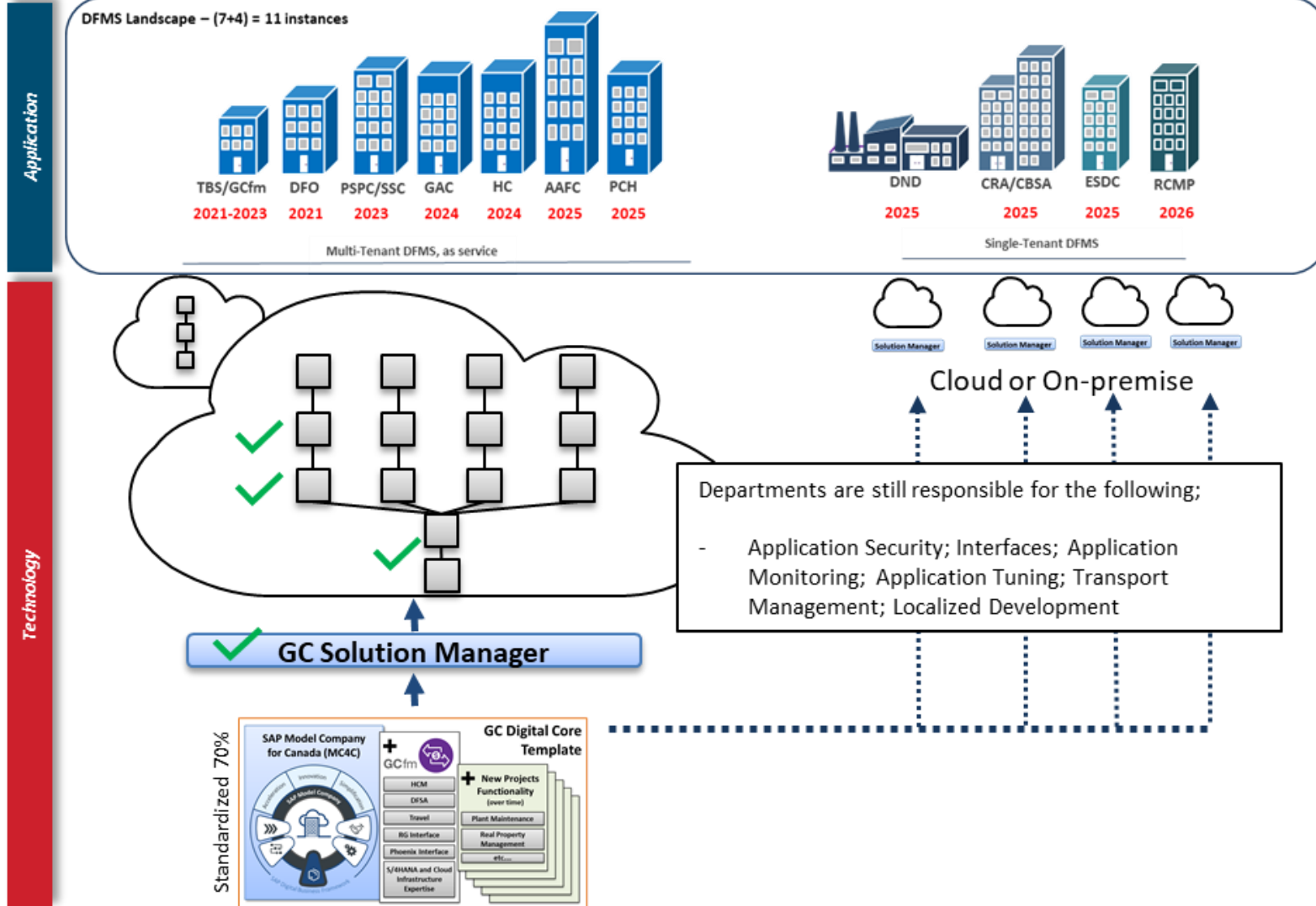
Faster time to value

- A **centralised program for transformation** allows for the reuse of key resources and skills to increase implementation efficiency
- Increase implementation time using the template with preconfigured, end-to-end business processes fully documented and tested.

Lower total cost of ownership

- Deliver a **template to accelerate** the transition to S/4HANA and simplify maintenance and operations
- Transition to less instances through coordinated support and maintenance

Departmental Financial Management Systems Landscape

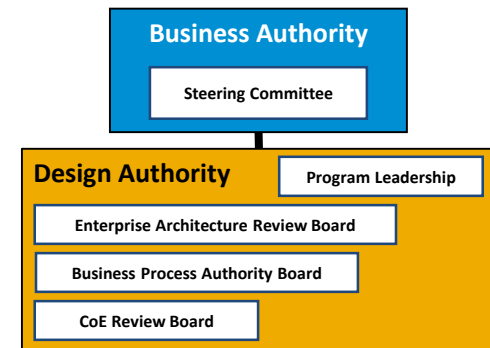




Overview of the Business Authority & Design Authority within the DCP Coordinated Model

DCP's Coordinated Model Structure

- Overall structure to support the Transition to S/4HANA and Deliver Transformation across the GC
 - Central Design Authority, reports to the Business Authority



ARCHITECTURE REVIEW BOARD

Team of Architects who will define and maintain the target architecture and overall roadmap

Review board with 2 representatives from each cluster to finalise all proposals from the arb and COE to the business authority



BUSINESS PROCESS AUTHORITY BOARD

Team of business and functional experts per line of business with Business Process Owners as

Co-Leads, endorsing decisions DCFOs

Business Process Owners' role is to maintain process integrity, review and validate business requirements and master data per line of business



CENTER OF EXCELLENCE

Team of Application Lifecycle Management Experts who will define and maintain the co-ordinated operating model. The group will manage the global release plan across the clusters for major releases



PROGRAM MANAGEMENT OFFICE

Focused on managing the schedules, costing and plans for the program

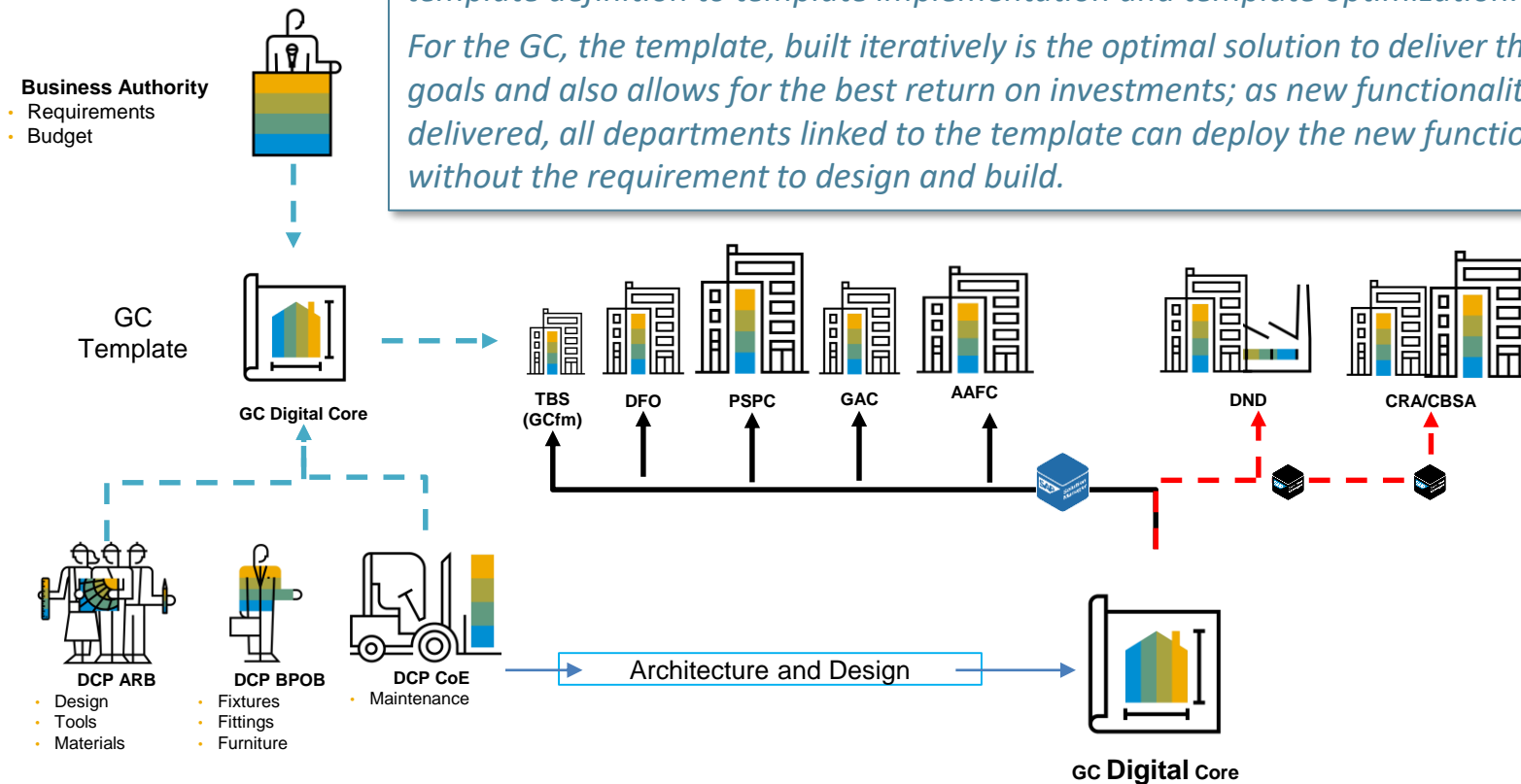
Project managers to support cluster onboarding and aligning deployments with the program

DCP Governance

GC Digital Core Template

The GC Digital Core template management approach allows multi-site SAP installations to efficiently manage the GC's business processes across deployments – from initial template definition to template implementation and template optimization.

For the GC, the template, built iteratively is the optimal solution to deliver the Program goals and also allows for the best return on investments; as new functionality is delivered, all departments linked to the template can deploy the new functionality without the requirement to design and build.



DCP Business Authority - Terms of Reference

Purpose

The Digital Comptrollership Program Business Authority, as per the coordinated governance and support model, and sets direction for transformation of financial and materiel management (FM) across government, represents the FM business, and sets the business agenda.

Objective

The main function of the governance will be to oversee the incremental development of the Government of Canada (GC) Digital Core. The Digital Core's concept is based on a common understanding that "some" activities or functions are, or should be, standardized across the GC. The first version of the GC Digital Core will address basic financial management activities (e.g., accounting, procurement, budgeting and forecasting), however, it will rely on other government departments (OGD's) and the functional community to assist in the development of any additional functionality (e.g., extended asset management, real property), moving forward.

Responsibilities

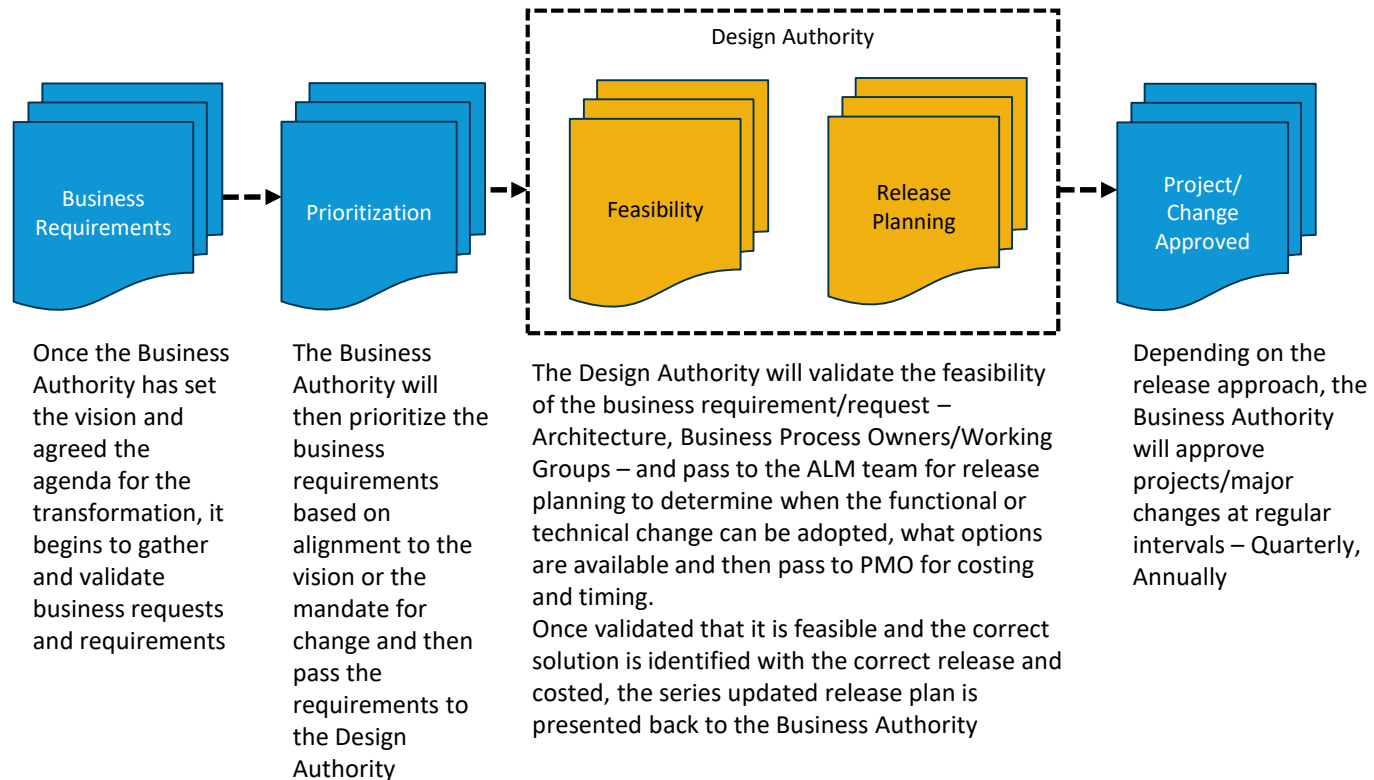
The FMT Program Steering Committee provides leadership and advice on:

- Vision for FM across government
- Prioritizing business requirements regarding functionality to be included in future releases
- Oversight of projects that make up the DCP Program
- Transformation strategies, implementation roadmap and priorities
- Desired outcomes and benefits
- Implementation resourcing and funding

The Business Authority directs and empowers the Design Authority.

The Role of the Business Authority - Process

- The Business Authority sets the business agenda
- It provides the vision and strategy for business transformation and directly empowers the design authority
- The Business Authority is ultimately responsible for the planning of new solutions, functionality and changes across the DCP Program



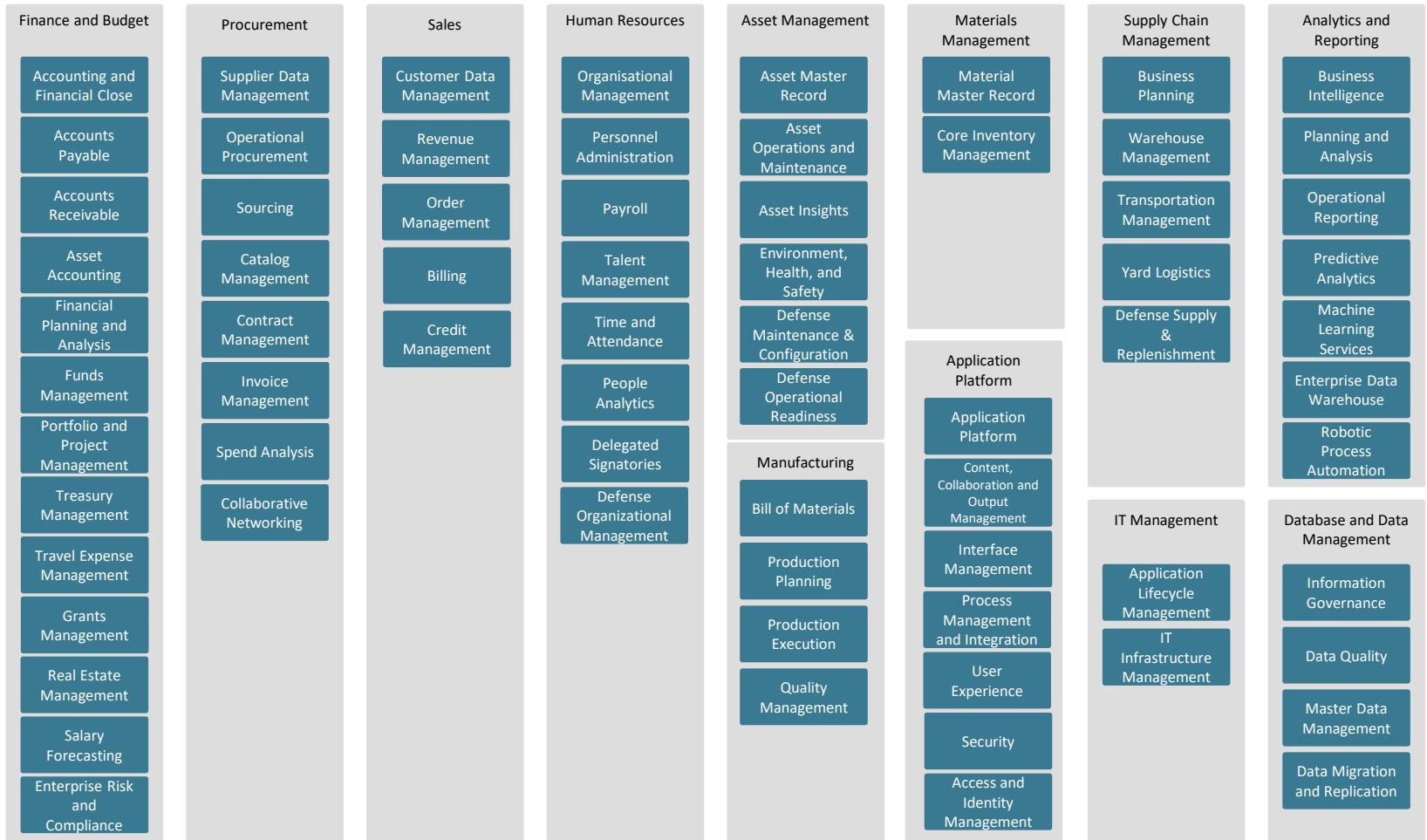


DCP – Business Capability Model

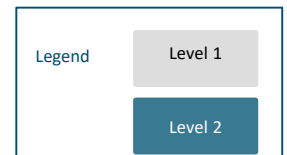
Understanding what a business capability model delivers

- A Business Capability Model facilitates strategic discussion on identifying key capabilities required by a business or an organization
- The key value of a Business Capability Model (BCM) is aligning in a language that everyone can understand
- The BCM decomposes the functional areas of an enterprise and describes the primary business functions. It helps to describe, discuss, understand and optimize WHAT an enterprise does
- Business capabilities are different from business processes, business capabilities are required to executive business process – for example: Sales vs Selling (ability v activity)
- The key reason we need to utilize a BCM are:
 - To provide us with a model to quickly identify the business areas where SAP can deliver the capabilities with the most value
 - To bring together the business and IT discussion to quickly achieve a joint level of understanding
 - Aid with a coherent and comprehensive view of business motivation, capabilities, processes, data and resources

FM Business Capability Model (BCM)



Note: Some working groups mapped to Level 1, some to Level 2 BCM



Digital Transformational Leadership Partners

Leadership starting to take shape

Working Groups	Co-Lead	Co-Lead
Finance and Budget	Monique Arnold, PSPC	Sophie Bainbridge, GAC
Financial Planning and Analysis	Michelle Baron, ISED	Shirley Carruthers, GAC
Project and Portfolio Management	Johanne Diotte, NRC	TBC - Dwayne Ross, RCMP
Travel and Expense Management	Hongchao Wang, HC	Nathalie Proulx, IRCC
Real Estate Management	Denis Lemieux, PSPC	Elizabeth Tough, GAC
Grants Management	Paula Hadden-Jokiel, ISC	
Procurement, Materials Management	Karine Paré, ISED	Jimmy Fecteau, CBSA
Sales	Johanne Diotte, NRC	
Asset Management		
Human Resources		
Receiver General	Jeffrey Lay, PSPC RG Treasury	



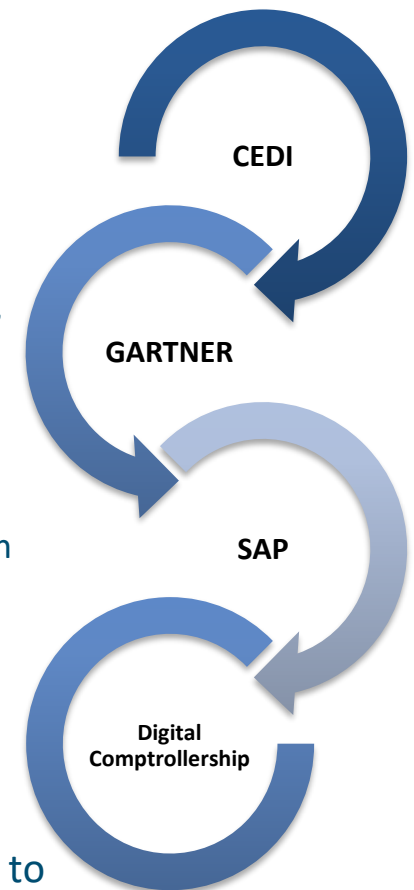
DCP - Data Strategy and Governance Update

FM Data Strategy

- In 2017, FMT contracted Gartner to develop a maturity benchmark assessment and identify the key FM master data domains
- During this engagement, they conducted 17 interviews with over 40 representatives across departments, agencies, and central agencies
- This engagement produced:
 - **Master Data Management (MDM) Program Vision**
 - **MDM Strategic Goals**
 - **Executive Recommendations**
 - Refine and Socialize MDM Vision, Strategy and Metrics
 - Establish authority, mandate and project
 - Establish MDM Data Domain priorities
 - Define business requirements for MDM
 - Establish an Information Governance for MDM
 - Establish a MDM Program for Financial Management
 - Define data quality, data integration and master data life cycle
 - Support FMT MDM planning and blueprint for the GCFM solution

FM Data Strategy cont'd...

- In 2019, SAP delivered its “Point of View” document, identifying the development of a program-wide Master Data Management Strategy as one of the key recommendations.
- Workshops with departments identified inconsistent and poor quality of master data as a key pain point
- Currently, DCP is advancing SAP’s and Gartner’s initial recommendations, while also aligning to OCIO’s existing data and digital mandate
- Current focus:
 - Defining a Master Data Management and Governance strategy and actionable roadmap for SAP master data, supporting the SAP-driven business transformation projects, EPS and S/4HANA; as well as, Real Property and G&Cs
 - Defining Data Ownership & Stewardship including a data governance operating model, organizational structure, roles and responsibilities
 - Explore and assess if policy changes would be required
- Next steps:
Finalize contracting; and determine whether policy changes are required to support new governance/operating model





Our Approach to Deliver Value

GC's Digital Transformation Approach



Transition to a **central business and Design Authority** integrated across the departments into **one programmatic approach to transformation**



Tactical

Strategic

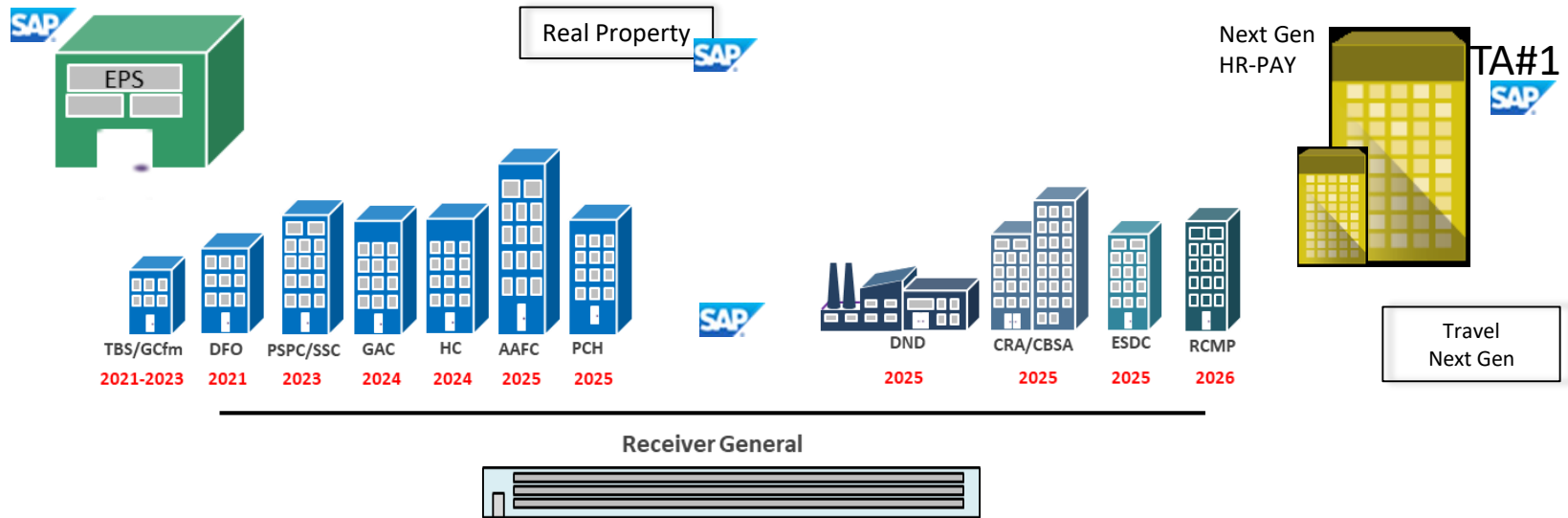
Holistic

Deliver and **maintain the GC Digital Core as part of a template**, managed centrally and deployed to multiple clustered deployments

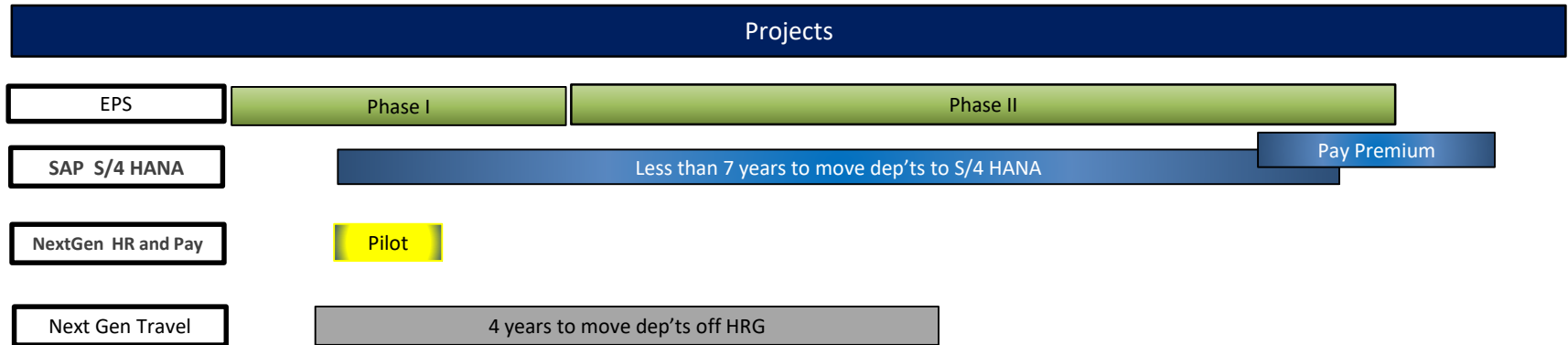


Common processes and data structures utilised across many departments under a **single co-ordinated operational model**

Enterprise Solution Back Office City Map

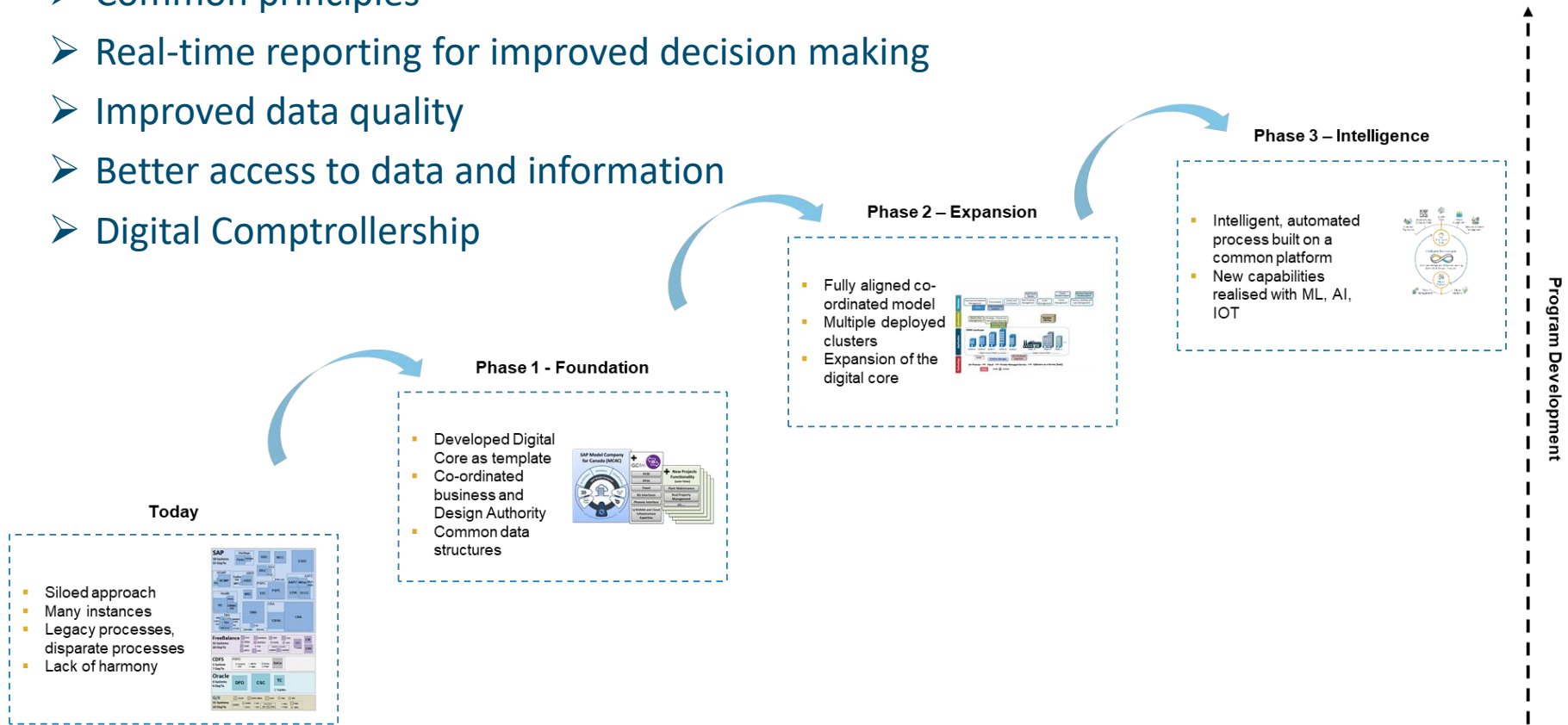


Receiver General



Focus and Evolution Path

- Template delivered GC Digital Core
- Common platforms
- Common data structures
- Common principles
- Real-time reporting for improved decision making
- Improved data quality
- Better access to data and information
- Digital Comptrollership



Any Questions?

