

SBN Finance Day: SAP Analytics Cloud Planning at Utilities Industry

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Agenda

1. Get to know Thames Water
2. Get to know Cognizant
3. Premise & Scope
4. Legacy Panorama
5. Project
6. Retrospective
7. What's next for Thames Water?

1. Get to know Thames Water

**“Biggest water company in the UK,
we look after over 15 million
customers in the South East of
England.”**

Thames Water Annual Performance Report 2020/2021

Who we are...

Known as a water and wastewater services company. However, moving towards becoming a water and renewable energy company, processing waste into energy to support energy transition in the UK. Waste can be put to good use to create value for our customers, communities and the environment. And that's what we're doing.

Where we operate...

Our patch follows the River Thames and stretches from Gloucestershire to Essex covering countryside, villages, towns and our capital city.



Translated into numbers...

We have over

7,100

employees and work with many others through our supply chain

We supply

2.6 billion litres

of water every day

We process

4,7 billion litres

of wastewater every day

We create

311 gigawatt hours

of renewable electricity per year to power our operations

We have

97

water treatment works and

354

sewage treatment works

2. Get to know Cognizant

Cognizant Global and Local in Norway

We have over

330k

employees globally

and generated

\$18.5B

in 2021

We are

113

FORTUNE World's most admired companies

327

Forbes worlds best employers

63

Forbes Top 100 digital companies



Office

Located in Oslo, Stavanger, Stord & Kristiansand

Since 2005

Market Presence

1600+

Associates, supporting Norwegian clients in a distributed model

Capabilities

Digital Business and Technology
Digital Business Operations
Consulting

Industries

Energy & Utilities
Retail, Consumer Goods, Travel & Hospitality
Banking & Financial Services
Insurance
Manufacturing & Logistics
Communications & Technology

Analytics Capabilities

2,650+ (300+ in EU,
1200+ extended team in
offshore)

Trained and Certified, Cross-
Skilled Consultants in SAP BI
Technologies

150+ (80+ EU)

Active Customers including
several Fortune 500 companies

100+

Assets (Platforms, Solutions,
Tools and Frameworks)

EU Locations:

Germany, UK, Benelux,
Switzerland, France, Spain, Italy,
Norway, Denmark, Sweden,
Finland

WAREHOUSING & BIG DATA PLANNING & CONSOLIDATION

- Consulting
- Implementation
- Planning & Budgeting
- Financial Consolidation

PLATFORM MODERNIZATION

- Upgrade
- Migration
- On-Premise to Cloud

ADVANCED VISUALIZATION

- Predictive
- Enterprise BI
- Self-Service
- Digital Boardroom

ENTERPRISE DATA MANAGEMENT

- Data Integration
- Data Orchestration
- Data Governance Quality

3. Premise & Scope

Platform Modernisation Program

Strategic review of all applications including those for the Business Intelligence and Analytics area.
Moving from many to key applications.

Scope Overview

Implement planning and reporting processes in **SAP Analytics Cloud**... and enhance **BW/4HANA** to ensure integration and standardization.



Financial Planning

Costing

- Provides the **Total Cost** to deliver a Service
- Broken down by Direct, Indirect and Overheads
- Yearly planning cycle
- Driver dimension for planning: Service, Contractors Rate, Department
- **Outputs:** Data Input, automation calculations, several Reports to provide insights and in-depth analysis of the planning, Master Data Management, Standardized look & feel

Pricing

- Dependent on the outputs of the Costing process
- Provides the **Price** for each Service
- Yearly planning cycle
- Driver dimension for planning: Service
- **Outputs:** Tarif Input, Pricing Comparison and Variation, Master Data Management, Standardized look & feel

Finance

- **Costs** allocation based on previous year Actuals
- Answer the Regulatory Reporting demands
- Monthly planning cycle
- Driver dimension for planning: Account, Cost Center, Price Controls
- **Outputs:** Data Input, automation of calculations, several Reports for controlling and analysis, workflow approval process, Standardized look & feel

Scope Overview

Implement planning and reporting processes in **SAP Analytics Cloud...** and enhance **BW/4HANA** to ensure integration and standardization.



Reporting

Procurement

- Reporting of Demand Forecasting details
- Provide insights and analysis on **Project related data**
- **Outputs:** Several reports to provide high-level and low-level insights on Projects



Services

BW/4HANA

- **Data integration** for Planning and Reporting requirements
- **Uniformization** of Data Model
- **Creation and enhancement** of Extractions (SAP/non-SAP)
- **Development** of queries to support SAC model requirements

4. Legacy Panorama

What did we find...

1

Different Tools

Anaplan for Planning, Power BI for Reporting

2

Planning Activities

Heavily dependent on manual and offline tasks

3

Planning Monitoring

Relying exclusively on e-mail communication

4

Automation

Lack of automated processes to load and update data at the front-end

5

Reporting

Based on manual download/upload of files to the specific tool

6

System Integration

Data Warehouse not leveraged to provide a single source of truth

5. Project

Way of Working

Philosophy

How to manage
the project

Agile with SCRUM methodology

Definition

Structure and
artifacts

3-week sprints defined in Sprint Planning and reviewed during Sprint
Review/Demo and Retrospective
+ Show & Tell and Weekly Governance sessions

Enabling

What is achieved
with this
approach



Plan is
clear and
flexible



Own your
topics



Share your
ideas



Work as
one



Collaborate
and
support



Prioritize
and align
goals

New process flow enabled by SAC

Ownership: Process Owners

Preliminary tasks for the upcoming planning cycle:

- Version Management
- Validation of Actuals
- Master Data maintenance (creation/update/delete)
- Validation of Business Rules
- Setup of Calendar feature

Provide accurate decision making:
Actuals and Plan data comparison and analysis
Covering aggregated but also allowing drill-downs
on the data

Ownership: CFO, Directors, Managers, Process Owners, Planners

Ownership: Process Owners & Planners

During the Planning cycle:

Streamlined via the SAC Calendar feature
Based on Planners responsibilities by enabling SAC
Data Access Control
Automated via the execution of Data Actions
Manual data entry and adjustment (Input Stories)
Analysis of aggregated values (Stories)
Submitting Workflow for Review

Post-Submission:

Streamlined via the SAC Calendar feature
Analysis on aggregated and detailed level (Stories)
Possibility to adjust Top-Down (Input Stories)
Review of the submitted numbers
Closing of a Final Plan

Ownership: Managers, Process Owners



Home Page of Costing Planning process

Non-Primary Tariff Costing | Home Page



Stories

SUMMARY

METERING

TOTAL OTHERS

VOLUMES & IMPACT

SERVICE ID DETAILS

Input Stories

USER INPUT

Data Maintenance

SERVICE

CONTRACTOR

DATA ACTION

19

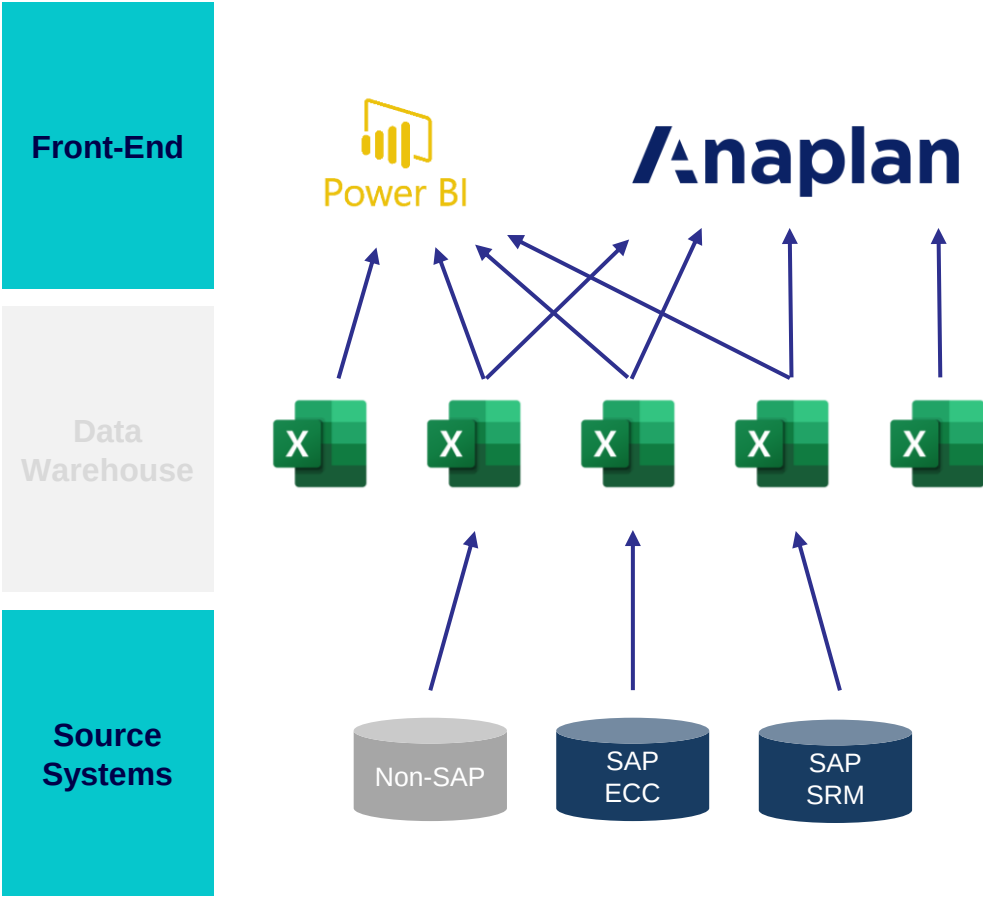
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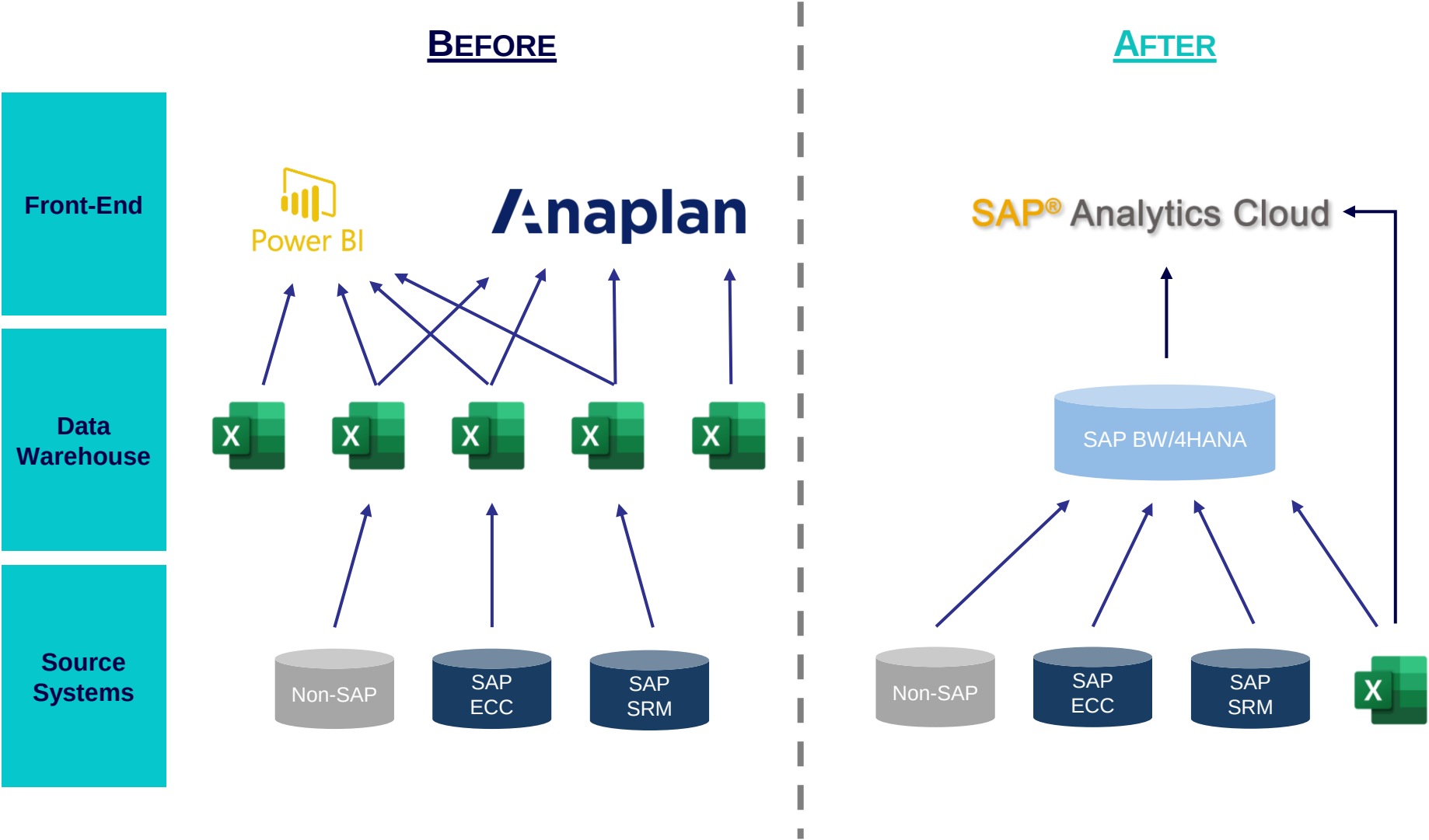


Architecture Overview

BEFORE



Architecture Overview



What did we achieve...

1

Replaced redundant applications

SAP Analytics Cloud is the key strategic application for Planning and Reporting

2

Improved Planning activities

Introduced, where possible, automatisms and validations

3

Improved Workflow

Introduced SAC Calendar functionality to streamline submission/review processes

4

Connected SAC with BW/4HANA

Enabled SAC native capabilities with Source System and automated the data transfer

5

Introduced Live Reporting

Procurement process totally shifted to live reporting with

6

System Integration

Centralized Transactional and Master Data – our single source of truth

+4

SAC planning and analytics models

+10

SAC features incorporated

+80

Input Forms and Reports created

+100

Thames Water users impacted

7 months

From Kick-Off to Roll-Out

6. Retrospective

Retrospective



Learnings

Involvement of Business Users as early as possible to accelerate adoption

SAC functionalities need to be showcased

Provide training sessions to Business Users before Go-Live (not only to understand the tool, but also the new process in SAC)



Challenges

Resistance to change and moving away from the Status Quo

Change Management process readiness for Agile methodologies

Process adjustment from Anaplan to SAC based on specific Anaplan characteristics and logic



Opportunities

Project approach contributed to Thames Water redefinition of the Change Management process towards;

- fast-changing tools,
- reducing lead time
- increasing number of releases

7. What's next for Thames Water?

Roadmap



Thank you!

Q&A time

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