



Provance Solution Delivers Automated Request Management, Streamlined Business Processes, Financial Management and Comprehensive Asset Management to Canada Post

Provance's comprehensive IT Service and Asset Management solution is helping Canada Post realize significant IT cost savings by: synchronizing activities of multiple internal and external stakeholders; gaining full visibility into and control of IT and telecom assets; empowering front-line self-service; enabling effective line of business governance and financial management

"Alignment of IT costs with business objectives, improved cost management and accountability are key benefits"
Ray Simard, GM
Canada Post Corporation

The Benefits

- ❖ Inventory accuracy increased from less than 50% to 96%
- ❖ Overall reduction in Asset Management costs of \$1,500,000 annually
- ❖ Automated processing of over 3,000 service requests per month
- ❖ Automated chargeback to line of business managers provides full visibility to asset and related service costs being incurred by their employees and budget centers
- ❖ Reduced Manual effort has improved productivity and resource efficiency
- ❖ New policies and processes enforced through workflow and business rules
- ❖ Optimized asset purchasing and renewal

Project Participants
Canada Post Corporation,
Innovapost (a joint venture between Canada Post and CGI Group) and Accenture

The efficiency of Canada Post's business operations affects all Canadians. Canada's largest postal service provider delivers more than 10 billion items a year to more than 14 million addresses. Its 71,000 employees and 7,000 post offices make up the largest retail network in the country, serving 32 million Canadians and more than 1 million businesses. Including its subsidiaries and joint ventures, Canada Post ranks among the 50 largest Canadian businesses, with revenues of \$6.9 billion.

The Challenge

Accountability and Effective Management of IT Assets and Costs

Canada Post has a management emphasis on operational efficiency, both to support customer needs and to enable rapid response to market changes. With a focus on their substantial Information Technology (IT) and telecom expenditure, Canada Post determined that increased visibility and control were essential to manage the effective use of these assets and improved processes were required to account for the IT services provided.

Canada Post sought to gain efficiencies by better synchronizing the activities of multiple internal and external parties involved in various aspects of IT asset and services lifecycle management. Labor-intensive reconciliation of invoices from providers was making it difficult for Canada Post to align costs with actual services rendered. Furthermore, the company's 500 cost center owners could not easily make cost-effective ITAM decisions without accurate and consolidated asset and cost information.

The Strategy

Centralized Asset Management Supported by Effective Policies and Processes

The team's strategy was to re-define Asset Management policies, and to provide visibility and accountability of IT costs to the line of business managers. They explored options for an integrated IT service, asset and configuration management solution that could automate processes to ensure compliance to the new policies and allow the company to measure and manage IT costs by line of business.

To maximize existing partnerships and substantial prior investments in legacy systems, an integration strategy was developed to leverage core systems and refine the invoice reconciliation process with their providers. Centralization of information would further allow detailed reporting so Canada Post could track asset and service key performance indicators (KPIs), understand inventory trends and manage service level agreements (SLAs) with external providers.

Critical to the strategy and success was support and buy in from the Management Executive Committee and all stakeholders which was achieved through a conference room pilot as a first stage to the project.

The Solution

Service Request Management, Cost Transparency and Life Cycle Asset Management
New policies and processes for IT services and assets were defined and automated using the Provance solution - Capturing approvals and assessing budget capacity providing a full audit trail —essential steps in the asset Move, Add, Change, Disposal (MACD) process.

The Provance service catalog and request management was used to provide self-service access to all asset and service options and automate the request through fulfillment processes, interfacing with external providers and systems as required and providing visibility into the status of each request.

A significant element of the solution was the definition of service bundles using Provance's unique IT seat model to associate assets and service bundles to roles or positions in the organization. The utility billing capability of Provance automated the chargeback of monthly IT asset and service costs as well as one time charges to business managers, enabling each line of business to accurately capture all costs and make informed decisions based on their needs.



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"Inventory accuracy, which had been at less than 50% before Provance was deployed, is now at 96% - much higher than the 85% inventory accuracy originally targeted for the project"

André Belanger, Director, Asset Management

Provance's comprehensive IT service and asset life cycle management solution is helping Innovapost to better serve Canada Post and lower IT costs. Both Innovapost and Canada Post have visibility and control into IT and Telecom assets

The Provance solution enables business process automation, detailed and auditable tracking of all IT asset requests, and accurate chargeback of IT and Telecom usage fees to Line of Business Managers

Integrations Automate Data Updates

SAP HR

Provance imports cost center, user and organizational structures for asset management

SAP Chargeback

Provance sends billing and chargeback information to SAP

Novell ZenWorks

Provance maps discovered asset configuration information

InfoMan Service Desk

Provance creates tickets from request workflow

Cell Phone Charges

Provance allocates monthly cell phone charges from Telco providers to each user for chargeback

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Canada Post's IT asset inventory including PCs, PDAs, telephones, pagers were consolidated into Provance's repository along with their related service levels and costs. Updates to this repository are fully automated through the request to fulfillment process within Provance and Canada Post's users—the front line asset request managers—benefit from self service and complete visibility into all costs and status information. Incorporating Canada Post's business rules into the automated workflow ensures the enforcement of asset policies and provides accurate, up-to-date management of assets and service level information. Canada Post's 500 cost center owners automatically receive updated cost reports of assets and associated services and service levels consumed by their respective employees.

The Benefits

Improved Cost Management and Accountability of IT Assets and Services

The Provance solution has enabled Canada Post to significantly exceed its original objectives. Greatly improved asset visibility and control has enabled Canada Post to attain an overall reduction of asset management costs in excess of the planned \$1,500,000.

"Alignment of IT costs with business objectives, improved cost management and accountability and integration with corporate systems has provided Canada Post with the control, accountability and discipline necessary to support customer needs and respond to the changing demands of the market" states Ray Simard, GM and project sponsor.

Improved productivity has led to savings as well. Time invested in service and asset management by front-line personnel has been significantly reduced. Within six months of deployment, Provance was supporting 10,000 users of 35,000 assets distributed nationally. During that time the solution processed over 18,000 service requests, 50 percent more requests than originally expected. In addition, the Provance solution has facilitated greater help desk efficiency by providing it with timely and accurate access to asset data.

Centralization and lifecycle management of its assets has also had measurable benefit. *"Inventory accuracy, which had been at less than 50% before Provance was deployed, is now at 96% - much higher than the 85% inventory accuracy originally targeted for the project"* according to André Belanger, Director, Asset Management.

Improved accuracy has allowed Canada Post to take advantage of bulk purchasing rates offered by its providers, reduced inventory requirements and costs associated with warehousing.

Finally, visibility into process, asset and service information has allowed Canada Post and Innovapost to improve service delivery by identifying and eliminating fulfillment bottlenecks. Line of business managers now also have insight into the assets, services, usage, status and charge-back details they require for effective business governance and financial management of their cost centers.

Next Steps

With the rapid and substantial success of the Provance deployment, Canada Post is looking at opportunities to recognize further benefit by expanding the implementation across additional services, assets and processes in the organization, including the deployment of Provance in subsidiary or partner facilities.

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