



Enexis

www.enexis.nl

Country **The Netherlands**

Industry Sector **Energy**

Key Statistics

- Maintains infrastructure for over 2.6 million customers
- 6,000 configuration items
- 4,500 users supported

Key Challenge

- Splitting Essent into 2 parts, by dividing their entire, complex IT infrastructure
- Getting control of application portfolio, costs related to hardware and software
- Create a control mechanism to manage the performance and cost of outsourcers

Key Strategy

- Gain control over the assets and software via the CMDB in order to split up the systems and reduce costs

Key Benefits/Results

- Achieved significant savings of over \$1,000,000 USD through managing the use of equipment and optimized application management
- Gained control over the performance and cost of outsourcers by creating a connection (interface) between the *assyst* CMDB and an external CMDB to ensure that both contain the same information, and are updated on a regular basis
- Improved business approach by enabling line managers to control the impact and costs of their actions
- A reporting environment was created for managers to benchmark their costs with similar departments and learn how to manage their costs better. Special workflows were established to empower line managers to install or cancel the use of applications in their department

Over \$1,000,000 USD saved annually through advanced Asset and Application Portfolio Management

Enexis, formerly Essent Network, achieve significant savings by implementing a robust CMDB and creating a unique reporting interface

Enexis, formerly known as Essent Network before 2009, has for more than 100 years, managed the energy network 24 hours a day throughout seven provinces in the North, East and South of The Netherlands. It takes care of the safe supply of gas and electricity from the energy provider to the customer. Enexis is responsible for the connections of approximately 2.6 million households, companies and governments. Continuously working on a better, smarter and more efficient network to prepare for the future, Enexis' energy network is one of the best in The Netherlands and employs around 4,500 people.

In 2008, Essent started the process of merging with the German energy provider RWE. In order to ensure that the network elements (the actual gas and electricity infrastructure) stayed in Dutch hands, Essent was required by the Dutch government to split the company, and thus the entire IT infrastructure, into 2 parts:

- Essent Network, B.V. was renamed Enexis, and is responsible for the infrastructure to distribute power and gas to customers
- Het, the commercial part, which actually produces and sells electricity and gas kept the name Essent

Challenge - Efficiently divide company's entire IT infrastructure

Enexis has no IT department as such, their entire infrastructure is outsourced. Instead, it uses the Department of Information Management with 130 employees, which operates as a coordination center between the different business units and outsourcers. This ensures that the business is adequately provisioned with the services required, and that the costs of these services are aligned to market conditions.

As a consequence of the organizational split, Essent decided to hand over responsibility of network management activities to the independent company, Enexis. One of the main challenges of 2008 and 2009 was thus to split up the IT systems of the former Essent into 2 companies, all within 18 months.

Another challenge was to gain control and divide the costs between the 2 companies: internal costs to support the infrastructure, as well as the external costs of the outsourcers. Technical infrastructure is mostly hosted at IBM.

In 2010, all technical support was handed over to Getronics (provider of information and communication technology solutions and service). There are also some smaller contractors for technical applications management, program work, etc. The challenge thus was to establish exactly which assets were serviced, by whom and when, and which of the 2 companies they actually belonged to.

Strategy - Create a CMDB, providing control over the IT infrastructure and ensure improved cost management

In order to unravel and understand the infrastructure spread around the different data centers, Enexis had to gain full control over their IT environment: hardware and software, the interdependencies between the Configuration Items (CIs), as well as linking them to the services provided to the business. In order to gain the control required for splitting up the systems, it was decided to use the Configuration Management Database (CMDB) provided by *assyst*, the IT Service Management (ITSM) solution by Axios Systems.

Frans Musters, Service Manager / Information Analyst at Enexis, has been using *assyst* since 2002. Over several years, the number of systems and applications has grown quickly. Around 500 applications are currently in use at Enexis.



Frans Musters explains: *"Of these applications, 33 are still shared with our former Head Office. There is also SAP HR, our purchasing system, business warehouse applications, etc. which all interface with each other. We had to split all of these systems up completely and assign the support costs to one of the 2 companies. That became some project indeed!"*

The first step was to gain control over the existing portfolio of applications. When one single source of information was created, it provided a sufficient backbone for the splitting up of the systems. For each application, information on the versions that were being used could be requested, and additional details, such as installation date, information on licenses, user details and interfaces it had with other applications.

Another important step was to ensure that the information on hardware received from the outsourcer who serviced it, matched that of Enexis. This was essential to split the service costs.

"What we do now is collect data from all information sources which have been integrated into a federated, regularly updated database", tells Musters. *"As an example: the information on users is imported on a daily basis from SAP HR into assyst. Additionally, we get daily reports on workplace administration from IBM, our outsourcer. Applications are run regularly on all the workstations software inventory and metering. This ensures that the manager gets an overview of PCs which are serviced in his department."*

Given the scale of the business, it was seen to be more effective to move away from the centralized management of equipment, and instead give control to line managers. *"The line manager simply needed the tools to know exactly which items were assigned to a particular name, which applications were in use by their staff, what the costs involved were and how frequently they were being used, etc."* The reports developed using assyst provide this information, enabling the decision-makers to carry out a fast scan of all applications which are not being used over a period of time. As a result the manager is then able to 'click away', and cancel the use of such applications directly from the report. *"The manager sees the impact his decision has on costs directly - a couple of days later he can run a report on costs and see that they have decreased."*

Benefits – Achieved savings on managing the use of equipment and optimized Application Management

By putting together a comprehensive CMDB, Enexis gained comprehensive visibility on all applications and equipment in use which, in combination with all the information that is held within the assyst CMDB, has allowed Enexis to achieve more than \$1,000,000 USD savings per year.

To illustrate, Musters makes a comparison between two regions that have exactly the same set of responsibilities: *"Now you can put two department managers in front of each other to discuss why they are using a different number of applications for exactly the same work. Thus, assyst prompts managers to think about the use of software in their departments and the costs associated with this."*

assyst also generates reports from application monitoring tools, which gives management an effective way to monitor the use of applications/licenses in their departments, and ensure that no applications are paid for but not in use.

"A manager can run a report with an overview of workplaces that have not been in use for 4 weeks or longer. Then they can analyze whether this is caused by sickness, or maternity leave, or if it is a PC that is no longer used."

Frans Musters
Service Manager / Information Analyst
Enexis

Through better management of equipment, Enexis was able to significantly reduce the number of PCs it used. Information about the users is imported from SAP HR to assyst where it is linked to the hardware.

If that is the case, specific workflows have been established within assyst to empower the manager to cancel the workplace by simply pushing one button. Subsequently the outsourcer is informed that this equipment no longer needs to be supported. The interface between the assyst CMDB and the outsourcers CMDB updates information on a regular basis and ensures that Enexis only pays for equipment that is actually being used. *"When the CMDB project was initiated, we discovered that there were 800 more PCs than employees in the company",* Frans Musters explains, *"This number has been reduced dramatically, which means we are achieving significant savings with service costs, applications, support, etc."*

Gained control over the performance and cost of the outsourcers

Another cost saving has been achieved through better management of outsourcers. *"When negotiating a contract, we need to establish how many applications the outsourcer will service per year. If the information on applications/licenses is not clear, the outsourcer will try to set the number as high as possible. It is hard to estimate how much money we were losing before we had full control over the number of applications, PCs and users, but now we are in a much stronger position when negotiating the contracts",* Musters explains.

Improved business approach by enabling line managers to control the impact and cost of their actions

Enexis now has the ability to run a report on different departments, to compare what is in use and what they should have according to the internally set standard; everything is measured in percentages. *"During the management meetings, the department managers are encouraged to check the use of equipment more closely. The business found this approach extremely useful,"* Musters explains.

When asked whether a change in behavior among middle-management was noticeable, Musters concluded that upper management was very enthusiastic about the new approach. *"The possibility to save on unnecessary costs was greatly appreciated. This has only been possible by gaining control over data, generating clear reports and enabling managers to cancel the redundant services. For this we needed a good system, such as assyst."*

Through this combination of solutions, Enexis is getting the maximum out of assyst's flexibility, namely through the import and reporting functionality. Both the CIO and the CFO of Enexis have shown great interest in this approach to manage costs of outsourced IT services.

Axios in Energy

Axios has been providing ITSM solutions to the energy industry for more than 20 years. assyst, is a fully integrated, out-of-the-box solution, available in on-premise and SaaS models, which helps organizations optimize IT infrastructure efficiency, reduce overheads and lower the total cost of IT ownership. Our focus on helping companies deliver top-line value has been well demonstrated in the energy sector with customers including MidAmerican Energy, Qatar Petroleum and TOTAL.