



**IDGC-1 implements first in Russia Solution for Process Intelligence and Performance Management based on ARIS PPM**

## Implementing Business Process Controlling with ARIS PPM

### Interregional Distribution Grid Company of Central Russia and Northern Caucasus (IDGC-1)

IDGC-1 was created in 2004 as a subsidiary of Unified Energy Systems of Russia during its unbundling. Company's purpose is operational management of regional distribution grid companies that transmit and distribute electric energy and provide technical connections to the grid to consumers in its area of coverage. The company is responsible for 21 subordinate regional distribution grid companies that operate on the combined territory of 1.17 million sq. kilometers with total population of 38.7 million.

▶ [www.mrsk-1.ru](http://www.mrsk-1.ru)

By implementing an ARIS PPM-based controlling solution, IDGC-1 has been able to achieve several goals. It provided itself with user-friendly means of business process monitoring, analysis and control, allowing for faster and more accurate managerial decisions, as well as business process optimization, benchmarking and reengineering opportunities. Also, it has now a complete business process management lifecycle in effect, from strategy to controlling, all carried out with ARIS, ensuring process integrity, uniformity and common workplace.

### Initial Situation

IDGC-1 has been using ARIS products from the very beginning, but so far only three of four components of the ARIS Platform have been fully utilized: Strategy, Design and Implementation. The company wanted to complete the cycle by implementing a controlling system that would enable monitoring, analysis and control over its business processes and be compatible with existing technological solutions and standards.

### Solution

Creation and implementation of a business process controlling solution based on ARIS Process Performance Manager.

### Customer Benefit

A transparent, easy and user-friendly way to monitor, analyze and control selected business processes.

### ARIS Platform Products

ARIS Process Performance Manager package as the primary solution plus ARIS Toolset for initial business process description and modeling.



*"Implementing ARIS PPM-based controlling solution has allowed us to closely monitor our business processes and determine their real efficiency."*

Eugeny Makarov, General Director of IDGC-1

## Initial Situation

IDGC-1 was created in 2004 with the primary purpose of managing regional distribution grid companies that transmit and distribute electric energy and provide technical connection of consumers to the grid over a very large territory. The company's management realized that in order to successfully manage over 20 different subsidiaries in various regions, enforcing business process uniformity was a must.

To achieve that, IDGC-1 has been using ARIS products from the very beginning for building a process-oriented management system. By 2006, it has completed three stages in the business process management cycle via ARIS platform. The company uses Strategy Platform's ARIS BSC for creating a full-scale framework of company's objectives and KPIs. It uses Design Platform's ARIS Toolset and ARIS Business Designer for detailed description of modeling. IDGC-1 also uses Implementation Platform's ARIS for SAP Netweaver for faster and easier SAP systems deployment. But what it has been lacking so far was a Controlling Platform tool to monitor and analyze its business processes.

## Solution

By 2006, IDGC-1's management realized that creation and implementation of a business process controlling solution was absolutely necessary at this stage of company's development. The company wanted to complete the business process management cycle by designing and implementing a controlling system that would enable analysis and control over its business processes and be compatible with other existing technological solutions and standards. At the same time, the company did not want to place extra work load on its personnel, so data sources for the solution had to be found and extracted from somewhere within the existing information systems. Since SAP is IDGC-1's corporate information technology standard, target solution needed to have high quality interaction possibilities with SAP.

After an extensive research and review, it became clear that IDS Scheer's ARIS Process Performance Manager offered exactly what IDGC-1 was looking for in a controlling solution. Several of the better automatized business processes (such as technical connection and project management) in IDGC-1 and its subsidiaries were chosen for the pilot project, which was to begin in December 2006. Russian consulting company Fainomika was selected as the primary contractor, with Russian branch of IDS Scheer as the main subcontractor. Since ARIS PPM hadn't been previously implemented in Russian Federation at that point and there was a lack of local specialists with practical PPM experience, participation of IDS Scheer CEE representatives that possessed the required expertise was also arranged for the project.

## ARIS Platform Products

The project started off with a diagnostic stage, at which the initial detailed description of the selected business processes in ARIS notation was obtained and specialists involved in those processes were interviewed in the form of workshops that included Fainomika and IDS Scheer's consultants, IDGC-1's management representatives and actual business process participants. Right after, potential data sources for the solution were analyzed and initial data extraction and analysis took place, utilizing IDS Scheer's Basic SAP Extractor and Process Mining components. For instance, the process of technical connection used SAP CRM, SD, PM and IS-U modules as data sources.

Based on the results of the first two steps, a theoretical controlling concept was designed and written by the consulting team, including detailed specification of measurement points, dimensions and key performance indicators, which became the groundwork for the solution's technical requirements documentation. Next, the actual hardware and software installation took place: ARIS PPM standard package, with Oracle database and Apache web server support. Further customization was performed with the help of PPM Customizing Toolkit (CTK).

Integrity and correctness of data extracted from SAP systems and analyzed in PPM was then reviewed and verified by SAP developers and business process participants. The final results are displayed for end users via GUI and ARIS Performance Cockpit.

## Customer Benefit

The most obvious benefit is the controlling system itself: a user-friendly way to monitor, analyze and control the company's business processes. By implementing ARIS PPM, IDGC-1 was able to substantially increase transparency and manageability of its business processes, while simultaneously providing itself with invaluable information about the quality and efficiency of them and creating opportunities for business process optimization, benchmarking and reengineering.

Also, the company has now completed the business process management lifecycle in ARIS Platform by successfully utilizing all four components: Strategy, Design, Implementation and Controlling. Having all of the company's business process management carried out via ARIS products ensures necessary uniformity of approaches and practices within the organization.

Another benefit for the company is related information technology. During the initial process modeling and data source analysis, a very clear understanding is formed on the current state of business process automatization. A number of "blind spots" within the processes have been indicated and described where important business functions are carried out with very little or without any means of automation at all. Such reports will be reviewed by correspondent IT specialists and might become the basis for system adjustments in the near future.