



ALLEGHENY ENERGY, INC.

STRENGTHENING INTERNAL CONTROLS AND ACCESS PROVISIONING

QUICK FACTS

Industry

Utilities

Revenue

US\$3.3 billion

Employees

More than 4,000

Headquarters

Greensburg, Pennsylvania

Web Site

www.allegHENYenergy.com

SAP® Solutions and Services

SAP® BusinessObjects™ governance, risk, and compliance solutions

Implementation Partner

Deloitte Consulting LLP

Approximately 1.6 million customers throughout Pennsylvania, West Virginia, Maryland, and Virginia depend on low-cost, reliable electric service from their utility company – investor-owned Allegheny Energy, Inc. To best serve its customers, Allegheny Energy, Inc. needed to have strong controls in place for internal system access and authorizations. To make sure they did, the company implemented access risk management functionality of SAP® BusinessObjects™ governance, risk, and compliance solutions.

Key Challenges

- Provide timely security provisioning to the SAP® ERP application
- Eliminate software access problems that prevent users from doing their job
- Transition from manual to automated user provisioning
- Empower business, not IT, to take ownership of roles through self-service provisioning
- Eliminate backlog of user requests

Implementation Best Practices

- Received executive buy-in of solution for requirements and design phases
- Conducted user-acceptance testing prior to going live
- Formalized the previously informal access-approval and role-owner workflow
- Implemented process changes, including integration of onboarding and offboarding processes with human resources

Financial and Strategic Benefits

- Improved IT staff productivity by changing focus from provisioning to risk management
- Lowered missed-opportunity costs by securing access to software users needed for their job
- Improved security environment by empowering users to make their own access requests
- Enabled IT security staff to work on the company's strategic security design
- Reduced number of segregation-of-duties (SoD) requests by automating the SoD process
- Reduced "hallway noise" about access security from nonstop to nonexistent

Why SAP Was Selected

- Integrate with SAP ERP
- Build on core functionality of SAP BusinessObjects™ governance, risk, and compliance (GRC) solutions
- Use complementary GRC software to resolve ongoing access management issues
- Provide self-service function to manage user requests and access authorizations

Low Total Cost of Ownership

- Reduced IT costs by eliminating the backlog of user requests
- Lowered personnel costs due to decrease in headcount of IT administration staff
- Improved efficiency of provisioning requests by enabling the business via self-service
- Reduced the cost of resolving errors through improvements in the security environment

Operational Benefits

Key Performance Indicator	Impact
Annual provisioning-request completion	+50%
Administrative staff headcount	-20%
User-provisioning throughput	+80%
Risk of human error	-90%

“With SAP BusinessObjects GRC solutions, the ‘hallway noise’ about security has gone from nonstop negative comments to nonexistent.”

James Bowman, Manager, IT Security, Allegheny Energy, Inc.

www.sap.com/contactsap

Resolving Access Risk Management Following Implementation Best Practices for Access Control

With thousands of system users, Allegheny Energy, Inc. takes user provisioning and authorizations seriously. Support for integrated access security was one reason the company implemented core functionality of the SAP® ERP application in January 2007. The implementation, which included SAP BusinessObjects™ governance, risk, and compliance (GRC) solutions, helped the company solve almost all of its issues around risk management – except one.

At the time SAP BusinessObjects GRC solutions were implemented by the company, access provisioning functionality was not available. “Without that functionality, we were not able to equip users to make access requests in a timely manner,” says James Bowman, manager of IT security at Allegheny Energy, Inc. “And without access to the software, users were sitting around unable to perform their jobs.”

User provisioning was inefficient, requiring a manual process that resulted in a backlog of as many as 200 requests. Functionality to control access could replace manual processing with automated, self-service provisioning, ending the backlog of requests. It would take user provisioning from IT and put role ownership directly into the hands of business users. “We couldn’t implement access provisioning functionality until six months after the core implementation,” says Bowman.

Although the core implementation of SAP BusinessObjects GRC solutions included a tool for determining compliance, called the “compliance calibrator,” this tool alone did not alleviate all of the access management challenges faced by the company. With implementation partner Deloitte Consulting LLP, Allegheny Energy, Inc. closed the gap on these challenges by following best practices that led to a successful implementation.

The implementation project team conducted complete requirements, design, and buy-in phases, followed by user-acceptance testing prior to going live. “We formalized our approval- and role-owner networks – the people who approve access,” says Bowman. “It was an informal process prior to the implementation of SAP BusinessObjects GRC solutions.” Most importantly, IT passed role ownership from IT staff to business users. “In the past, IT not only executed user provisions,” says Michael Robinson, senior IT security analyst at Allegheny Energy, Inc., “but we effectively owned these roles.” In addition to role ownership, IT gave business users the software tools they needed to enable self-service provisioning. “After that,” says Robinson, “IT became more or less custodians of the roles.”

Accessing the Benefits of SAP BusinessObjects GRC solutions

In terms of low total cost of ownership, Bowman notes, “The biggest benefit now is that we do not have a backlog of user requests.” With timely approval of their access requests, users no longer have to wait to gain access to the software they need to do their work. Furthermore, the solution has reduced the number of segregation-of-duties (SoD) requests by automating the SoD process. It has also decreased administrative headcount by 20% and increased user-provisioning throughput by 80% through the use of self-service provisioning. Access to employee and organizational data in SAP ERP integrates onboarding and offboarding processes with access risk and role management.

With eyes on the future, Bowman says, “We’re getting value from SAP BusinessObjects GRC solutions, and it’s on our wish list to upgrade [to the next release] and also to implement GRC role-expert functionality.” Overall, the attention to access security at Allegheny Energy, Inc. is helping the company enforce its vision of being a top-performing utility focused on the long-term value of service to its customers.

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