

Integrating Enterprise Asset Management to get OMV on the Move



Global oil and gas giant OMV needed integrated procurement, inventory and asset management; and asked their New Zealand exploration and production division to have a pilot implementation up and running within three months.

Customer Overview

OMV New Zealand Ltd is part of the international OMV Aktiengesellschaft group, the leading oil and gas organisation in Central Europe, and the largest listed industrial company in its homeland of Austria. OMV's global mission is to 'get people on the move' – discovering and extracting oil and natural gas on five continents; with the goal of providing warmth, light, mobility and energy (as well as everyday products and services) to customers in 22 countries globally.

OMV New Zealand, whose motto is "Black Gold Down Under", has been exploring and producing oil and gas in New Zealand since 1999. In that time, the company has developed interests in both the Maui and Pohokura gas fields, and the Maari oil field (potentially our country's largest undeveloped oil field) in the Taranaki Basin. The company has also already begun exploring the Great South Basin off the Southern Coast of the South Island.

The Challenge

The exploration and production functions of an oil and gas organisation require fairly specialised, often very expensive, equipment. And, as any organisation that uses heavy industrial machinery will know, obtaining and operating such equipment is far more than a matter of simply paying for machinery then sitting back and waiting for next day delivery.

Richard Maurd, OMV's Procurement Executive, explains that lead time for obtaining parts alone can be in excess of twelve months. This means OMV must know at all times exactly what they have, where, and in what condition; because ordering and replacing critical parts on the fly is simply not an option. Inventory management and procurement functions need to work hand in hand – but on a scale like OMV's, keeping track of such information manually is near impossible.

OMV realised they needed the support of proven integrated procurement, inventory and asset management software – and OMV New Zealand's need for procurement control measures following their expansion into the Maari field at the time made them the perfect trial candidate. But the pressure was on: the need to meet key financial dates required the finished solution to be up and running within three months.

The Solution

When OMV New Zealand were initially asked to pilot an integrated system, remembers Maurd, they immediately contacted IT partner, Olympic. "We wanted to work with a trusted New Zealand-based supplier, and Olympic had been a partner since we started in this country." Olympic arranged a three-way web-conference with Infor; whose financial management system, SunSystems 4.26a, OMV already used; to discuss options.

The net result was a firm decision to run with Infor's Enterprise Asset Management (EAM), integrated directly with an upgraded version of OMV's existing financials system for maximum efficiency. This would require a three-part project that comprised upgrading SunSystems to the latest version (5.2); implementing EAM; and finally, using Olympic's integration software, i-builder connect (then known as AXE) to integrate the two.

Implementation

Because of both the tight timeframe, and OMV New Zealand's size (although the OMV worldwide has a workforce in excess of 30,000, the New Zealand office employs just over 50); Olympic and Infor worked together jointly on the project: with Infor managing the EAM implementation, while Olympic upgraded SunSystems and developed the integrations.

Olympic also acted as a bridge between OMV and the overseas-based Infor, significantly shortening the EAM implementation time. "We didn't need to go through several of the usual discovery processes with Infor," explains Maurd, "because Olympic already knew us inside out and had the information at their fingertips." On top of this, Maurd estimates Olympic's i-builder connect server (a critical element of the integrations) cut the project implementation time by "at least half".

The Results

The innovative implementation and integration techniques meant that OMV's EAM system met its project deadlines; and eight months after going live, OMV New Zealand couldn't be happier with the results. "We've increased our procurement options and streamlined our procedures – and the integration has cut our requisition process time by over 60%," enthuses Maurd. "Plus, we now have the accountability of an auditing tool, and a solid base for inventory and asset management that will keep on meeting our needs well into the future."

And it's not just the New Zealand arm of OMV who are impressed - planning is underway to roll EAM out to other Exploration and Production (E&P) offices across the globe. "Worldwide, OMV currently considers this one of the company's most successful implementations," Maurd states. "And we're not shy about saying, that's largely due to Olympic."

Highlights

- OMV New Zealand (part of the global OMV group) wanted an integrated procurement, inventory and asset management solution that would help them manage complex inventory logistics and integrate with their financial software.
- They approached IT partners, Olympic, and decided to use i-builder connect to integrate an upgraded version of their existing Infor SunSystems financials with EAM (Enterprise Asset Management).
- Key financial deadlines required a Go Live timeframe of three months for the entire upgrade, installation and integration.
- The solution increased procurement options, offered auditing accountability, streamlined procedures and reduced requisition process time by over 60%.
- OMV are delighted with results, calling it 'one of the most successful implementations the company has run', and are in the process of rolling the system out to other offices worldwide.

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