

IFS Partner Case Study

Oil and gas contractor Apply increases efficiency with IFS



Oil and Gas contractor Apply identified new enterprise software as one of the key components to strengthen its competitive edge. The implementation of IFS was a strategic initiative to ensure improved project execution throughout the value chain. After replacing several systems with one, Apply can now manage increasingly complex projects with better control and higher efficiency, both on- and offshore.

The oil and gas industry is affected by operational and regulatory processes that are far more complex than in most other industries. A fluctuating oil price puts further pressure on infrastructure; a declining market requires streamlined work processes whereas a market on the rise calls for speedy scale-up possibilities. Apply, a Norwegian multidiscipline engineering and contracting company, prepared for both scenarios when choosing IFS Applications to restructure its business processes. Endre Røyneberg, project manager for the implementation of IFS at Apply, explains,

We have replaced several legacy systems with one.

Endre Røyneberg, Project Manager For the Implementation of IFS at Apply

About Apply

Headquartered in Stavanger, Norway, Apply has its background in multidiscipline engineering, offshore construction and contracting, focusing on upgrading the performance of on- and offshore oil and gas facilities. Apply engineering services range from early-phase studies to mature upstream project opportunities.

Apply is part of Apply AS, with some 1 600 employees. Apply is organized through a number of subsidiaries in three business areas: Upstream Facilities, Living Quarters & Helidecks, and Apply Rig & Modules.

APPLY[®]

“Our industry is going through a phase of low oil prices and cost efficiency measures among the oil companies, something that affects suppliers as well. IFS’s solution for EPCI Contractors will help us perform multiple projects of all sizes with increased efficiency and control.”

Outgrown IT solutions

As a company, Apply had grown substantially over the past years. Its array of stand-alone systems and tailor-made IT solutions had become far from ideal, with data silos, lack of visibility and poor information flow.

“As the degree of complexity and volume increased heavily, the existing systems failed to fulfill requirements from both our clients and ourselves,” said Røyneberg.

A strategic decision

To stay competitive, Apply made a strategic decision to invest in IFS for EPCI Contractors, industry-specific enterprise software from IFS. The standard, integrated solution supports the company’s entire value chain from early-phase engineering to commissioning.

The key processes in Apply’s value chain are project control, engineering, construction including job setting, supply chain management with support for equipment rental, finance, HR/ resource management, HSEQ and MC/Commissioning.

Apply’s aims with the new business solution were high; IFS should help them realize cost savings as well as increased productivity, predictability, and robustness to handle change. The company also wanted to operate larger projects more efficiently, with improved overview at all stages.

On-time project implementation

To achieve integrated, real-time control of processes, the IFS enterprise software would replace a large number of systems focused around Apply’s main project execution processes.

Following an efficient and on-time 13-month implementation project, IFS was deployed in June 2014 for about 900 on- and offshore users. Success factors, according to Endre Røyneberg, were a great project team, top down commitment within Apply’s organization and good cooperation with the IFS Oil & Gas consulting team, in which continuity was excellent.

Benefits

- More efficient working procedures with access to real-time data
- Better real-time business and project control
- Less duplication of information in various systems
- Enhanced data quality and standardization throughout the value chain
- Re-use of data and standardization of project set-ups
- Better access to information and collaboration across the company
- Improved resource planning
- Resolved challengers related to interfaces in current IS/IT infrastructure and reduces IT/IS costs



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Better work procedures

The implementation of the comprehensive business solution also required internal change management; because Apply wanted to avoid solution customizations, the company adapted its own processes instead. A broad spectrum of users—with different tasks, IT competences and languages—challenged the organization. An extensive training program was rolled out together with the establishment of a support network.

Investment pays off

After finishing the first and second implementation phases, Røyneberg says that the consolidation of the IT environment has started to pay off. Besides reduced overall IT complexity and cost, it has enabled several improvements such as access to real-time data, enhanced data quality, and more efficient project and risk management.

IFS enables us to continue to grow and deliver on-time projects with higher quality and increased efficiency.

Endre Røyneberg, Project Manager For the Implementation of IFS at Apply

“For example, we now have full integration between engineering and supply chain management, we have standardized structures, and all activities within supply chain management, such as warehousing, procurement, management tools, are located in the same system. The integrated solution also provides a complete overview of project and business performance in real time, enabling management to make faster and more fact-based decisions.”

Real-time project control

Among other things, IFS Applications has improved collaboration between the finance and project departments, resulting in better project control with respect to time and cost. Apply now continues to work on profit realization, both in terms of internal processes and fine-tuning of IFS Applications. Røyneberg is confident that the investment will help Apply to quickly adapt to new market scenarios. “When the market turns, we’re ready to grow while continuing to deliver projects safely, on time and on budget. As the organization is put under further pressure, we expect to enjoy even more benefits when it comes to process simplification and efficiency.”



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Further information, e-mail info@ifs.com, contact your local IFS office or visit our web site, ifs.com

