

Planning, Building, and Commissioning Assets: Optimizing the Asset Portfolio



Quick Facts

Summary

Solutions from SAP and our partners enable holistic asset planning, building, and commissioning through integrated portfolio management, project management, and asset information management. With our solutions, you can analyze your asset data to make informed decisions, assess opportunities and risks, prioritize capital projects, and facilitate excellence in execution and operational readiness.

Business Challenges

- Prioritize asset projects
- Improve project oversight and execution
- Avoid budget overruns and delayed start-ups
- Implement efficient operations and maintenance after asset deployment
- Align capital project portfolio with corporate goals

Key Features

- **Asset portfolio management** – Assess investment opportunities, priorities, and risks, and govern the execution of capital projects from idea to closure
- **Capital project management** – Plan and monitor costs, commitments, and actuals against plans; continuously monitor progress; track procurement and logistics; and collaborate with contractors
- **Asset information management** – Receive electronic handover of information from contractors, and collaborate with OEMs to collect and transform data

Business Benefits

- **Reduce risk** by setting the right priorities, planning and monitoring projects, collaborating closely with contractors, and reacting to issues earlier
- **Optimize portfolio performance** by managing projects more effectively and enforcing project governance enterprise-wide
- **Lower overall project cost** by making better use of critical resources and monitoring budgets versus actuals throughout the project
- **Lay the foundation for successful operations** by collecting and maintaining the best possible information

For More Information

Call your SAP representative today, or visit us at www.sap.com/eam.



During challenging economic periods, it's more important than ever to make informed asset-related decisions that keep your return on assets (ROA) high. With integrated solutions from SAP and our partners, you can reduce the cost of major capital projects and boost ROA. The solutions support [integrated portfolio, project, and asset information management](#). As a result, you can assess opportunities, prioritize projects, and optimize execution and operational readiness.

With the right tools and insights, you can plan, build, and commission assets. Despite the fluctuating market conditions and risks, you can set the right priorities and manage the complex interactions between the many players involved in capital projects. And you can prevent budget overruns; delayed start-ups; inefficient data handovers by contractors; and inefficient maintenance, repair, and operations management once assets have been commissioned.

Comprehensive SAP® and partner solutions combine business planning, portfolio prioritization and governance, capital project management, and asset information management functionality. Armed with these tools, visibility, and control, you can optimize ROA for your asset-intensive operation.

OPTIMIZING ASSET-RELATED DECISIONS, PROJECTS, AND HANDOVER

Integrated software and services from SAP and our partners work together to give you complete visibility into capital projects, as well as structured decision support, so you can optimize portfolio management and project governance. For example, you can:

- Structure realistic budgets and continually monitor purchase orders, costs, cash flows, and more to help ensure that they are aligned with budgets and plans

- Provide more effective project oversight to enable operational readiness by facilitating collaboration between the key players in asset deployments, such as engineering and construction partners, equipment suppliers, and parts suppliers
- Help ensure that all asset-related information is collected and prepared during the course of a project
- Have enterprise asset management (EAM) and production systems ready when a project is completed

Define Strategic Goals and Manage Your Asset Portfolio

One of the biggest challenges for asset-intensive companies is determining how to assess investment opportunities and orchestrate their capital project portfolios to gain the greatest business benefit – both short term and long term. For example, you need up-to-date information to make strategic capital spend decisions with confidence, to avoid dragging out decisions. And you need to have the governance processes in place to track and communicate decisions and prevent cost overruns.

SAP offers an integrated portfolio and project management solution that helps you develop clear business strategies, translate your strategies into a comprehensive asset portfolio, and govern the execution of capital projects. Key functions provide:

- Strategy management to help you define, communicate, and monitor business goals
- Portfolio management to help you align asset investments with your goals
- Evaluation, simulation, and scoring models to help you define and set priorities
- Structured risk evaluations and a gated approval process supported by workflow
- An integrated tool set for managing the full project lifecycle – from idea to completion
- Full visibility into progress across the portfolio
- Improved communication with internal and external participants
- A governance tool set, including dashboards and reporting, based on data gathered from heterogeneous enterprise resource planning (ERP) and non-ERP software systems
- Integrated contract lifecycle management

Once the software is deployed, you can align your asset portfolio with corporate goals – the first step in increasing ROA. You also benefit from reduced risk of project failure and lower total project costs because you gain the visibility and control to optimize project planning and resource utilization. You can track spend more carefully, which enables you to maintain better contract terms with contractors. And you gain real-time visibility into project portfolio performance so you can take proactive steps to boost ROA.

Optimize Capital Project Management

Successful capital asset deployments require that your projects remain on budget and on schedule and have a reliable audit trail and shared accountability. With the right collaborative tools and project visibility, you can effectively monitor progress of external engineering and construction partners, costs, and outgoing payments during the course of a project.

SAP and partner solutions enable you to develop detailed project plans and cost estimates, monitor financial information and project progress relative to these plans, roll up costs for cross-project visibility, and collaborate efficiently with contractors. Built for capital-intensive projects, the solutions are tightly integrated into the financial and logistical processes supported by the SAP ERP application. This gives you project-oriented procurement and detailed costing, as well as streamlined collaboration and real-time visibility. Key functions provide:

- Structured, traceable communications with external engineering and construction partners (including engineering document sharing via the Collaboration Folders application)
- Centralized project planning, management, and accounting based on work breakdown structures defined using the project system functionality within SAP ERP – so you can post planned costs, commitments, and actuals against project structures
- Tracking of the procurement of parts, equipment, and services related to the project structure (with the possibility of keeping track of stock by project)
- Continuous progress monitoring, status update reporting, and cash flow control of projects
- Management of accounts of assets under construction until final settlement

Leveraging this integrated functionality allows you to gain full visibility and control over the key elements of project suc-

cess – even for the most complex asset deployments. For example, you can compare budget plans, commitments, and actuals within a meaningful project structure and proactively address issues that could delay a project. Because you have complete visibility into cost categories and cash flow, you can eliminate unexpected overages. And finally, using sophisticated collaboration technologies, you can prevent loss of information and duplication of work during project execution.

Collect and Manage Asset Information

Once you put new assets into operation, you need to ensure that you have complete, accurate, and accessible information for successful, ongoing operations and maintenance. SAP and our partners help you address this issue by supporting:

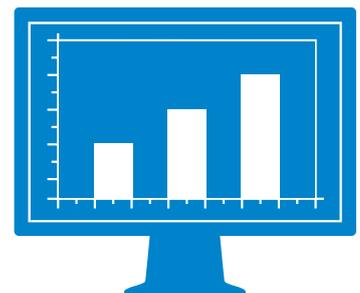
- Collaboration with original equipment manufacturers (OEMs) for continual electronic data handovers of maintenance information (including visual information and illustrated parts catalogs) during project execution
- Transformation and enrichment of data for maintenance purposes before you deploy to target systems
- Collaboration with engineering, procurement, and construction partners and OEMs to collect information that is relevant to operations and maintenance
- Synchronization of asset information into target ERP and document management systems

This integrated functionality enables you to collect and maintain the best possible information for operations, maintenance, and purchasing. Because maintenance staff can aggregate and prepare information during project execution, rather than at project completion, you can prevent start-up delays. The software also makes it possible to manipulate data and collaborate internally and externally, simplifying and accelerating data handovers. And finally, you have up-to-date asset information that can be used to plan more accurately for future projects.

SOFTWARE FOR PLANNING, BUILDING, AND COMMISSIONING ASSETS

Integrated software and services from SAP and our partners can provide you with the functionality needed to support comprehensive asset planning, building, and commissioning that maximizes ROA. To learn more about how integrated software from SAP can help your organization, call your SAP representative today or visit us on the Web at www.sap.com/eam.

Integrated software and services from SAP and our partners work together to give you complete visibility into capital projects, as well as structured decision support, so you can **optimize portfolio management and project governance**.





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