



## Mercury Engineering: Paving the Way for Global Expansion by Standardizing Operations with SAP® ERP HCM

Picture Credit | Mercury Engineering, Dublin, Ireland. Used with permission

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## Company

Mercury Engineering

## Industry

Engineering, construction, and operations

## Products and Services

Engineering, procurement, and construction services for infrastructure projects

## Web Site

[www.mercuryeng.com](http://www.mercuryeng.com)

## SAP® Solution

SAP® ERP Human Capital Management (SAP ERP HCM) solution



When Mercury Engineering – an engineering, procurement, and construction services company – needed to unify operations and enable expansion, they turned to the SAP® ERP HCM solution. With support for personnel administration, organizational management, payroll, training and event management, and personnel development, they can manage processes, projects, and people more efficiently and have the transparency to head off project-related problems early for **safer operations and higher profitability**.

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# A company focused on quality, service, and global growth

Mercury Engineering, a world-class solutions provider within the construction industry, provides management contracting and building services. A privately owned company based in Dublin, Ireland, its revenues exceed €500 million annually. Widely recognized for its superb quality and consistent delivery of projects on time and within budget, it has become a contractor of choice for more than 35 years.

Despite the global economic recession, the company has expanded geographically over the past few years. “We now have offices in the United Kingdom, central and Eastern Europe, the Middle East, North Africa, Canada, and Russia – and we’re poised for continued growth,” states Philip Adams, business applications manager at Mercury Engineering. “We’ve successfully completed many large-scale projects because we have the best people, combined with the tools and processes to efficiently manage our resources and projects.”



**2,000**  
Employees



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# Tackling problems caused by fragmented processes and data

Mercury Engineering decided it needed a comprehensive enterprise resource planning (ERP) solution that could prepare the company operationally to support its growth strategy, notes Adams. “For years, we’d relied on a basic HR and finance system, a stand-alone payroll system, and lots of manual processes, spreadsheets, and Microsoft Access databases. But everything was disconnected; processes were inconsistent and couldn’t scale to support the global expansion we envisioned beyond Ireland and Poland.”

For example, the company’s HR processes and systems weren’t designed to support global operations. “Hiring and managing people in other countries – for example, in the Middle East – without country-

language-, and currency-specific application functionality to streamline hiring, time management, training and certification management, payroll, and more would be challenging without a centralized system to support these activities,” adds Adams.

In addition, because there was no integration between the finance system and project costing, management had to depend on manually generated spreadsheets to control projects involving millions of parts, thousands of work hours, and hundreds of employees and contractors. Numbers provided by project managers were keyed manually into the finance system, but because they didn’t come from a transactional software solution, there was always concern about the potential for human error.

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“We needed a dedicated, integrated, and comprehensive solution for managing the business.”

Philip Adams, Business Applications Manager, Mercury Engineering



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# SAP ERP HCM offers integrated, complete, and global solution

Prior to selecting a software solution, Mercury Engineering did its homework. “We first performed a complete business analysis and process redesign so that we could define the requirements for the solution,” explains Adams. “But as we evaluated actual products, it was quite eye-opening. We saw what was possible with a powerful, truly integrated solution – for example, the ability to link the company’s organization structure to project-related processes such as labor coordination and cost control as well as to people-related processes such as employee and manager self-services.”

The company’s evaluation culminated in the selection of SAP software. States Adams: “We chose this solution because it supported all of the processes and

business areas we needed, including sales, job management and costing, procurement, finance, payroll, and HR. Everything was logically linked and preintegrated in one system – which was exactly what we were looking for.” Equally important, SAP offered a multinational solution with country-specific versions – complete with support for multiple languages and currencies – that would help ensure the company met local compliance requirements quickly and efficiently.

“We also liked the fact that SAP offered a strong solution road map,” notes Adams. “We knew that implementing an ERP and HCM solution would require a significant amount of time and investment, so it was critical that we choose a partner who could offer a long-term solution.”

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“With SAP ERP HCM, everything is already logically linked and preintegrated in one solution – which was exactly what we were looking for.”

Philip Adams, Business Applications Manager, Mercury Engineering



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## Putting the “big rocks” in first

Given that moving to an ERP and HCM solution would be such a change for the company and its employees, Mercury Engineering decided to do a big-bang implementation, but with selected functionality. “We prioritized sales and distribution, job management, job costing, materials management, finance, plant maintenance, payroll, HR, and project systems functionality that would support detailed work breakdown structures,” says Adams. After the initial implementation in Ireland, the solution was rolled out to the United Kingdom, the Middle East, and Poland.

Because estimating is such a specialized activity for large infrastructure projects, the company chose to integrate a third-party, industry-standard estimating tool with SAP ERP, notes Adams.

Given that source data quality was an issue, the company invested significant time identifying the specific data elements required by the software and then aggregating and validating that data before it was loaded into the system. In the area of HR, the company deployed SAP ERP HCM functionality for personnel administration, organizational management, payroll, time tracking, and employee and manager self-services. To support these areas, data had to be collected from multiple spreadsheets and databases, cleansed, and then loaded into the solution.



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# Investing in a more transparent, efficient way of working

With SAP software, Mercury Engineering has a sound foundation on which to compete and win in the global marketplace. As much as possible, they use standard functionality to support the company's essential functions, processes, and operations efficiently – and in a way that's optimized for the engineering, construction, and operations industry.

HR operations have truly been transformed with SAP ERP HCM. Accurate, reliable data is at everyone's fingertips, and processes have been automated. In the past, personnel administration was managed via spreadsheets, and sometimes the names of line managers for new hires weren't even recorded. Job assignments were managed locally at job sites, also using spreadsheets. But with SAP ERP HCM, personnel administration is centralized and systematized

so that management has a great deal of information on employees and contractors, including their manager; skills, certifications, and level of expertise; costs per job site; and more. "We also know when they are moving from one stage to the next – for example, if apprentices are ready to go to college to boost their skills – something we need to know to plan resources properly," notes Adams.

Similarly, in the past, the payroll system recorded only total hours worked per person. "There was no granularity in the data," explains Adams. "But with SAP ERP HCM, we automatically document the line managers of each employee; job sites and assignments; hours worked per day and at each job site, including travel time; time off for illness, vacation, and training; and more."



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# A sound foundation for competing in the global marketplace

Mercury Engineering secured its first overseas contract in the Middle East during the deployment of SAP ERP HCM, and since then, the company has had the global operational support needed to continue to expand the business there and beyond. “As project managers move to different countries, they can be productive from day one because we’re all using the same processes and data,” states Adams.

With instant access to up-to-date, trusted data, management always knows what’s happening across the business. States Adams: “For example, leveraging detailed payroll data, we can determine actual labor costs for people, enabling faster, more accurate job estimates. We can also track the labor costs across the full work breakdown structure of a job, facilitating the ability to optimize the labor mix and increase efficiency.”

In addition, HR can proactively manage training and certifications of each worker so that the company can stay in compliance as well as make timely, strategic investments in education. “We’ve also empowered our people with employee self-services that allow them to create expense reports, submit leave requests, and view their certifications and paystubs,” notes Adams. “Managers can view reports, approve leave time, and more. All this has lightened workloads for HR staff and improved HR service levels.” Management can also track incidents more effectively and see incident trends by job and company-wide. “Armed with this insight, we can see where we need to make work processes safer or invest in more training,” adds Adams.

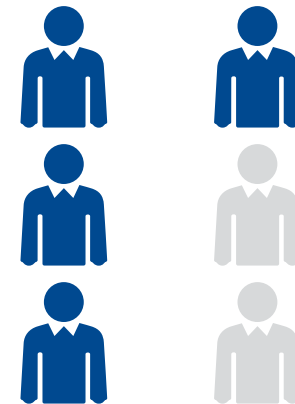




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# The next step: improving analytics and reporting

With prioritized functionality now deployed, Mercury Engineering is planning its next software investment, which is likely to include SAP BusinessObjects™ business intelligence solutions. “We’ve laid the foundation with the SAP NetWeaver Business Warehouse component, and for the next six months we’ll be increasing our use of it to generate new reports,” concludes Adams. “At that point, we’ll start adding on new tools to support dashboards and more sophisticated reporting that help people visualize information for faster decision making.”



**600**  
Current users  
of SAP ERP

