The background image shows a marshy landscape with tall green reeds and white, fluffy seed heads in the foreground. In the middle ground, a large industrial wellhead structure is visible, supported by metal legs. The sky is a mix of blue and light orange, suggesting a sunset or sunrise. A body of water is visible in the lower right, reflecting the light.

# Centrica: SAP® Ramp-Up and Competitive Differentiation in the Oil and Gas Industry

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### Company

Centrica plc

### Industry

Oil and gas

### Products and Services

Energy sourcing, generation, and delivery

### Web Site

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

### SAP® Solutions

SAP® Ramp-Up program

SAP enhancement package for the SAP ERP application



Centrica plc likes to innovate – and its human resources group is no different. To support an employee and management self-service initiative, this group wanted to upgrade to the most recent enhancement package for the SAP® ERP application. To do this as early as possible, it participated in the SAP Ramp-Up program, which offers **early access to production-ready SAP software** before general release. Now the company has the functionality it needs to serve its employees better and stay out ahead of the competition.

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# The energy to innovate

To succeed in the energy business you need lots of energy – the kind customers use to heat homes and run businesses, and the kind it takes to constantly innovate. Centrica plc has both in abundance.

Formed in 1997, Centrica is an integrated energy company operating predominately in the United Kingdom and North America but also in other parts of the world. Working on both the upstream and downstream sides of the business, Centrica offers a distinctive range of energy solutions and low-carbon products and services. On the upstream side, it sources, generates, processes, trades, and stores energy – working with oil, gas, electric, nuclear, and sustainable energy sources. On the downstream side, it supplies gas and electricity to millions of homes and businesses.

One of Centrica's stated goals is to become the leading integrated energy company for every market it enters. But as one of the top 30 companies on the Financial Times Stock Exchange, it fully understands market pressures and the need to maintain a competitive advantage. This is why the company is constantly on the lookout for ways to improve service delivery and increase value through innovation.



## € 13 billion

Revenue in 2011

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# Cutting-edge HR and corporate integration

Centrica's ethos of innovation permeates all divisions, departments, and lines of business. The company's corporate center – which manages all human resources duties for the global organization – is no exception.

“We aim to employ the best people available,” says Wayne Johncock, head of the Customer Center of Expertise location at Centrica. “To do this, we drive best working practices using leading HR marketplace initiatives.”

As part of this drive, the corporate center wanted to introduce employee and management self-service. “We operate in many places around the world,” Johncock explains. “The more we can make the workplace more efficient and drive proper use of tools, the more we can help increase satisfaction and improve operations overall.”

In addition, Centrica wanted to bring many of the groups performing core oil and gas industry activities onto the same instance of the SAP ERP application that the corporate center used. Those activities include the sourcing, extraction, and delivery of energy. Using a single instance of SAP ERP would help bring the entire organization together, facilitating greater collaboration across key lines of business and helping the corporate center serve the company as a whole more effectively.

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## Enhancement now

To launch its employee and management self-service project with software from SAP, Centrica needed to upgrade to the most recent SAP enhancement package for the SAP ERP application. At the time, this enhancement package was not yet available for general release. To get the most up-to-date version, Centrica participated in the SAP Ramp-Up program. This program grants early adopter status to participants, who can implement new SAP software ahead of the market with high levels of support from SAP to help ensure success.

According to Grant Smith, senior project manager at Centrica, some stakeholders initially objected that software from a ramp-up program amounted to untested beta software. “We pointed to several previously successful SAP Ramp-Up program implementations at Centrica,” says Smith. “We also made it clear that the software was not a beta version but exactly the same as the general release software.”

The enhancement package that Centrica implemented enables a simplified visual interface for the employee and management self-service software on which Centrica had set its sights. “We leveraged our relationship with SAP to gain early insight into the new functionality through the SAP Ramp-Up program,” says Johncock.

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“We drove the SAP team hard, but we have a vision to be the best at what we do.”

Wayne Johncock, Head of Customer Center of Expertise, Centrica plc

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## Getting technical

The project was designed as a technical upgrade. Rather than implementing new functionality, such projects put in place the technology that underpins enhanced functionality across a wide range of SAP software.

To limit business disruptions, Centrica elected to roll the upgrade into its annual patching cycle – where the company applies updates to its core enterprise software. Throughout the project, Centrica worked with an SAP Ramp-Up coach who facilitated communication with developers at SAP and helped keep all efforts on track.

“SAP [team members] were responsive, and we highlighted several areas that SAP needed to pay attention to in the process,” says Johncock. “They really saw the benefit of a strong working relationship.”

In the end, Centrica and the SAP Ramp-Up organization completed the implementation with a minimum of technical issues. “One way of evaluating the success of a technical upgrade is this: the fewer people who know about it, the better,” says Smith. “By this measure, we most certainly achieved our objectives.”

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“With SAP Ramp-Up, we avoided problems that otherwise might have disrupted business. I call that a success.”

Grant Smith, Senior Project Manager, Centrica plc

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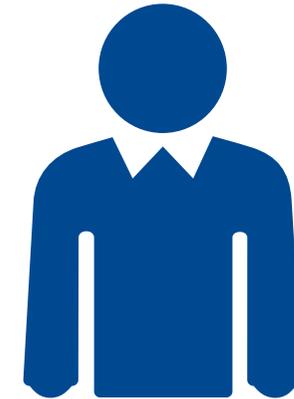
Benefits

## Vision realized

Today, the Centrica corporate center has in place the technical foundation to help realize its vision of improved HR services and integrated operations across key lines of business.

At the technical level, the new enhancement package – made possible by Centrica’s participation in SAP Ramp-Up – simplifies the management of the SAP NetWeaver® Portal component. This is important for the corporate center’s technical people because employees and managers will access the self-service functionality via the portal. “It just makes our job easier,” says Smith, “which makes us more efficient as an organization.”

At the end-user level, the enhancement package supports a newer interface that enables an improved user experience. Employees and managers will be able to find the information they need and interact with the software to perform a number of activities. These range from looking up colleagues within the organizational structure and researching benefits to managing the hiring process and approving leave requests.



**40,000**  
employees

The project also set the technical groundwork for consolidating oil and gas activities onto the same instance of SAP ERP used by the corporate center. With key lines of business on the same instance, Centrica has achieved new levels of operational integration. And the corporate center has been able to extend its reach to better meet the various needs of the global enterprise.

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## On the ramp to competitive advantage

Centrica considers its participation in SAP Ramp-Up a success for two main reasons: early availability of mission-critical software and the virtual absence of risk.

The early availability helps keep the Centrica corporate center out in front of the rest of the market so that it can maintain its advantage with respect to other human resources organizations in the energy industry. “We like being first,” says Smith. “It gives us a leg up on the competition.”

On the basis of this experience, Centrica has already registered for another ramp-up project – one focused on components of the SAP NetWeaver technology platform. Johncock and Smith expect the same levels of support from SAP that helped mitigate risk for the first project.

“Working with SAP Ramp-Up is actually less risky than a standard implementation,” Smith says. “Not only do you get the software ahead of general release, but you also have SAP focused on your success and fully invested in positive outcomes.”

Mobility is at the center of Centrica’s plans moving forward, and the company is looking to support devices on a centralized platform. Says Johncock, “Given our collaboration, SAP can be a trusted partner in that [mobility] program as well.”

