



# HATCH

## GROWING GLOBAL OPERATIONS

### QUICK FACTS

#### Industries

Engineering, construction, and operations; professional services

#### Employees

8,000

#### Headquarters

Mississauga, Ontario, Canada

#### Web Site

www.hatch.ca

#### SAP® Solution and Services

SAP® ERP application

Hatch is a global consulting, engineering, and project and construction management company. Based in Ontario, Canada, Hatch provides solutions and services to industry sectors that include mining and metals, energy, and infrastructure. The company implemented the SAP® ERP application to support its goal of continued worldwide growth and to standardize business processes among 11 business units operating across 6 continents.

#### Key Challenges

- Implement a global enterprise resource planning solution offering real-time information
- Support business processes for core operations across worldwide enterprise
- Efficiently assimilate acquired companies
- Retire regional legacy systems
- Implement timely global financial reporting functionalities
- Consolidate multiple regional business processes
- Support global projects to allow participation of anyone anywhere in the world

#### Implementation Best Practices

- Tightly managed project scope
- Big-bang implementation of all core components
- International representation on implementation team to support single global instance
- Sandbox system to familiarize employees with software and accelerate business readiness

#### Financial and Strategic Benefits

- Scalable platform to achieve growth
- Seamless integration of acquired companies
- Minimal disruption to business operations despite doubling size of workforce
- Consolidation of customer data from worldwide client base on a single system
- Improvements in assessing and forecasting project status
- Reduction in receivables outstanding
- Elimination of financial data transfer between systems
- Seamless management of global projects
- Better understanding of global and regional operations

#### Why SAP Was Selected

- Software support for global growth objectives
- Open architecture that enables intercompany collaboration and merger of current systems
- Integration of core business processes such as project management and financials
- SAP's global presence and worldwide reputation for excellence

#### Low Total Cost of Ownership

- Single global instance
- 8-month implementation
- Minimal customization
- Retirement of legacy systems

#### Operational Benefits

| Key Performance Indicator                              | Impact |
|--|--------|
| Improvement in capturing global time sheet information | +50%   |
| Time required to create final global customer invoices | -50%   |
| Time required for month-end closing                    | -60%   |



“SAP has enabled us to confidently monitor our receivables at any time, which is critical to our success in managing more than US\$20 billion in ongoing programs and projects around the world.”

Glenn Sakaki, Managing Director, Execution Technology, Hatch

[www.sap.com/contactsap](http://www.sap.com/contactsap)

## Building Worldwide Operations

From oil sands in Canada to alumina refineries in Brazil, Hatch employees are on-site at major construction projects in every corner of the world. With more than 50 years of experience, the Canada-based company provides professional services ranging from engineering design and process customization and consulting to construction and project management. Hatch brings technical expertise and a philosophy of teamwork and long-term commitment to every client project.

With recent acquisitions and key strategic joint ventures, Hatch continues to grow its operations in some 80 countries. To run collaborative projects more efficiently, the company wanted one integrated data source worldwide and a single, more accurate view into its projects. The company recognized its need to support common business processes in 11 business units and to assimilate newly acquired operations. An enterprise resource planning (ERP) solution was the answer to building worldwide operations.

## Breaking Ground on an ERP Project

After evaluating solutions from over half a dozen vendors, Hatch selected the SAP® ERP application to replace its regional systems. Extensive out-of-the-box functionality, a highly scalable solution, and global support services from SAP helped seal the deal.

Hatch planned a very structured implementation that enabled go-live after eight months. To achieve a successful implementation, Hatch hired functional experts

to map the company's business processes. The implementation team was staffed with full-time representatives from different countries to ensure a single global instance. The company provided a “sandbox” system that employees could use to familiarize themselves with the software outside of formal training sessions. Employees validated master data and tested critical tasks, such as submitting time sheets from field sites.

## Setting Up a Single Platform from Australia to South Africa

Hatch's billion-dollar projects are typically massive and complex – with many consultants and partners working on thousands of individual activities at multiple locations. Today, Hatch manages all global operations with the project management functionality of SAP ERP. Team members throughout the world access and update a single source of project information in real time, which helps Hatch meet its quality standards for all projects worldwide. Hatch can scale SAP ERP easily to accommodate additional projects, personnel, and organizations.

Integrated business processes address a critical element of Hatch's operation: accurate time accounting. All employee project hours are billable directly to specific projects. Reported time flows seamlessly among project management, human resources, and customer billing. With improved access to labor-hour data, Hatch can better evaluate and forecast project status. Project teams can react quickly and make the necessary resource adjustments to keep projects on schedule and within budget.

The numbers confirm Hatch's success. Since implementing SAP ERP, the company has completed three acquisitions, with the number of employees growing from 4,300 to more than 8,000. For most companies experiencing rapid growth, just being able to maintain existing operating efficiencies would be considered a success. But with tighter integration among business processes, key performance indicators have also improved. For example, Hatch has streamlined capturing global time sheet information by 50%; final global customer invoices are prepared in half the time it took using regional systems. The time required to close month-end books has been reduced by 60%.

## Constructing the Future

Hatch is pleased with the results delivered by SAP ERP and plans to build on its success and its partnership with SAP. For example, the company is considering software solutions to further improve its efficiency in joint ventures and talent management. Both efforts should help Hatch tackle projects with even greater levels of teamwork. Such objectives are not surprising from a global enterprise for which technical and management credibility – and a company's reputation – are built on a solid foundation of quality performance and reliable, useful, and up-to-date data.

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