

## SAP Customer Success Story



**Bharat Petroleum**, the \$9.5 billion petroleum-refining and marketing company, was the first public-sector oil company in India to implement **SAP® R/3® cross-industry solutions, along with software from the SAP for Oil & Gas portfolio. The company chose SAP Solution Manager, which offers all the tools, content, and methodologies a company needs to implement and optimize its SAP solutions. With enhanced user knowledge, employees have become more efficient and professional – which has helped increase Bharat’s competitive edge.**



## **BHARAT PETROLEUM CORP. LTD.**

### **BHARAT PETROLEUM CHOOSES SAP® SOLUTION MANAGER TO ENHANCE KNOWLEDGE AND SUPPORT ITS CUSTOMER SUPPORT CENTER**

When India’s Bharat Petroleum Corp. Ltd. (BPCL) deployed the SAP® R/3® enterprise-wide resource planning solution – the infrastructure backbone of mySAP™ Business Suite – across 337 locations within 16 months, the \$9.5 billion petroleum-refining and marketing company needed a robust, integrated approach to support and enhance the expertise of its 3,000-plus SAP users.

Based in Mumbai, Bharat Petroleum was the first public-sector oil company in India to implement enterprise-wide resource-planning solutions, along with software from the SAP for Oil & Gas portfolio. What’s more, the implementation project claimed the further distinction of being the largest and most ambitious SAP project in India.

To deliver high-quality support and enhance its user knowledge base and business processes supported by the SAP solutions throughout the organization, BPCL established an SAP competency center (CC), which is far more than a back-end help desk. “BPCL recognized very early that the knowledge levels of users who were suddenly exposed to a process-based system needed to improve dramatically,” says Shrikant Gathoo, general manager for enterprise-wide transformation at Bharat. “We needed a supporting structure, process, and tool to make this happen.”

To address these issues, Bharat Petroleum implemented SAP Solution Manager – which functions as the technology backbone to integrate a company’s internal support organization, its users, and SAP services. “Knowledge development, and not just issue resolution, was the key driver for implementing SAP Solution Manager in BPCL,” says Gathoo.

### **CUSTOMER-FOCUSED REORGANIZATION**

As a leader in many of its markets, Bharat Petroleum faced price deregulation and stiff competition from several players, two of them being government-owned firms. Anticipating these developments well in advance, BPCL embarked on a restructuring

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program that culminated in the formation of a more customer-focused organization. “We realized that success can only come with a total reorientation and change in approach, with customers as the focal point,” says Gathoo. “Increasing globalization, new products and services, and innovative marketing have resulted in very market-savvy consumers. Bharat Petroleum has taken radical steps to keep itself attuned to the changing times, realizing that the future belongs to those who listen and adapt to their customers.” The change in strategy underscored the company’s need for a highly reliable, versatile, integrated solution. At that time, BPLC operated disparate legacy systems, which resulted in isolated islands of data. Simply put, the software could not keep pace with the company’s growth. “The transaction volumes have grown manifold from a few thousand in the early ’90s,” says Gathoo.

Once it had developed its strategic plan, the company began to evaluate enterprise business systems. After a cross-sectional team comprised of IT staff and company managers performed a critical analysis of several solutions, BPCL chose SAP. The team found that SAP provided the integration and flexibility Bharat Petroleum needed. SAP’s local presence in India, which was critical to BPCL, proved to be another influencing factor in its choice of software. At the time, Bharat Petroleum also decided to implement SAP Business Information Warehouse (SAP BW), a component of SAP Business Intelligence, a key offering within the SAP NetWeaver™ integration and application platform.

### **AGGRESSIVE IMPLEMENTATION PLAN**

With an aggressive implementation plan and tight deadlines, BPCL faced several challenges: for example, it needed to support and map complex business processes existing in geographically dispersed locations and develop an IT network for online transacting. The success of the implementation depended on effective user training and proper support for employees from the moment of go-live. Enter the SAP CC. The center not only helped BPLC achieve quick deployment and user acceptance and respond to emerging issues, it helped extend knowledge across the entire enterprise.

BPCL carefully planned and executed its rollout of the SAP solutions by establishing four regional teams, with the support of SAP Consulting as project leader. Due to the close cooperation of SAP Customer Services Network members, including account managers and employees from SAP Active Global Support and SAP Global Custom Development Services, BPCL met its requirements quickly and efficiently. The rollout team members assisted users at each location, spending some 20 days at each one. A central team located at BPCL’s Mumbai headquarters held responsibility for several prerollout tasks, including determining each site’s unique process requirements to ensure the appropriate system configuration, uploading master data, determining necessary resources following the rollout, and planning and executing user training. The team also handled cutover activities such as stock and cash uploads, and provided remote support following deployment.

Almost 20 locations at a time (the peak volume involved more than 30) went live every month after the initial rollout. The competency center played a critical role in supporting these locations after the rollout team members left.

### **FIVE AREAS OF FOCUS**

The competency center was comprised of five teams that focused on process, configuration and development, user authorization, master data exchange, and training and change management. As the single point of contact for the entire organization, the process team supported existing processes, dealt with changes, and identified and implemented process improvements and controls. The configuration and development team had overall control of the SAP system; it maintained existing developments and configurations, and handled changes and improvements, transport controls, hot-pack upgrades, SAP's online support follow-up service,

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performance tuning, optimization, and all product-related issues. The authorization team was responsible for creating authorization profiles for the various roles. The fourth team held responsibility for updating the various master data. This team worked on mutually negotiated (with the businesses) time lines for updating data. The training and change-management team became deeply involved in the maintenance of skills and competencies within the competency center as well as the user community within the organization. The change management team focused on building total reliability of the system.

BPCL chose to have an SAP expert in each location to help with any issues that might arise. One key user, called a location anchor (LA), was chosen at each rollout site and became highly conversant with the various business processes. The LAs helped resolve issues and functioned as key knowledge-transfer agents, remaining closely involved with both the CC and the 505 SAP Solution Manager users at 342 locations. “The knowledge capital developed through the SAP implementation was very valuable, not merely in terms of SAP product knowledge, but, most importantly, in supporting and providing end-to-end quality business solutions at the pace needed in the fast-changing business environment,” says Gathoo.

### **EMPOWERING KNOWLEDGE TRANSFER**

In order to deploy knowledge across the enterprise while supporting users, BPCL needed an efficient technology solution to help it address and document issues, deliver timely responses and satisfactory service, track business process performance, and provide early warning and exception reports. In-house solutions such as e-mail folders could not meet BPCL's requirements. That's where SAP Solution Manager came in. “We chose SAP Solution Manager based on the fact that it suited our working environment completely,” says Gathoo.

In April 2002, BPCL implemented SAP Solution Manager. Today, it integrates the content, solutions, and methods the company needs to implement, support, and operate its industry-specific and cross-industry software. As the technological backbone of the competency center, SAP Solution Manager helps BPCL detect critical issues in its core business processes before problems develop. Moreover, it provides user support, an internal solution database, and search capabilities through a link to SAP Service Marketplace and SAP remote support. An example: an LA enters a request by generating a notification from the SAP R/3 System, which automatically attaches relevant information such as screen data, transaction code, program reference, and so on. The problem request is then transferred to the production server, which logs the issue into SAP Solution Manager. A CC employee allocates the issue to the appropriate

support person, who responds within the agreed-upon timelines. The CC then closes the issue. However, the user can reopen the issue if the solution to the problem proves ineffective.

Overall, BPCL has experienced great success with SAP Solution Manager. And as a result, the company made plans to implement SAP Solution Manager at every BPCL unit by the end of 2002. Bharat Petroleum also reaped the benefits of the integrated system in many areas of its operations, for example, tracking customer receivables and monitoring credit and inventory management. And, aside from implementing upgrades of SAP Solution Manager, BPCL wants to use other features of the software. "Our objective is to enable the spread of knowledge using SAP Solution Manager as a self-service tool, so users can find solutions to repetitive or typical problems," says Gathoo.

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BPCL's unique approach earned the company recognition from SAP, which certified the petroleum company's standards. In fact, BPCL became the first oil and gas customer in the South Asia Pacific region to obtain this certification.

#### **LOOKING TO THE FUTURE**

SAP Solution Manager has brought a wealth of benefits to Bharat Petroleum. "It has certainly helped us become more competitive," says Gathoo. By enhancing the know-how of users and their use of the overall SAP e-business solution, employees have become more efficient and professional.

#### **AT A GLANCE**

<b>Software</b>	<ul style="list-style-type: none"><li>▪ SAP® Solution Manager</li><li>▪ SAP R/3®</li><li>▪ Software from SAP for Oil &amp; Gas portfolio</li><li>▪ SAP BW</li></ul>
<b>Hardware</b>	Hewlett-Packard; IBM Intel Server
<b>Operating system</b>	HP-UX, Windows NT, Linux
<b>Database</b>	Oracle
<b>Number of users</b>	3,100 (SAP R/3); 600 (SAP BW)
<b>Length of implementation</b>	7 months (SAP Solution Manager)
<b>Implementation partner</b>	SAP India Pvt. Ltd.

"Our multipronged efforts are designed to create competitive advantage by turning users into knowledge workers," Gathoo notes. For example, armed with more knowledge, employees at BPCL can now deliver better customer service, partly because the quality and completeness of transactions have improved substantially. And through the use of query tools and notes, employees can provide vital feedback to help improve activity planning, training, related processes, and so on. Plus, the elimination of many redundant tasks helps the company increase the strength of its field sales staff by enabling them to provide more personalized attention to customers – all of which leads to greater customer satisfaction. The company also expects to obtain a return on its \$18 million technology investment within three years.

According to Gathoo, the SAP experience has been nothing short of positive. "SAP is very professional in its approach and ensures timely response to its clients," says Gathoo. "Business scenarios and requirements change fast and the dependency on SAP support and product development is also increasing daily. We look forward to partnering with SAP to provide us with complete solutions for our industry."