

GLOBAL HYDROPOWER COMPANY

STATKRAFT, USES UNITED VARs

ALLIANCE TO ROLLOUT SAP ECC6

IN ITS LATIN AMERICAN SUBSIDIARIES

pearl

Pearl Consulting is a member of United VARs, which is an SAP Platinum Partner.



HOW STATKRAFT IS MEETING THE DEMAND FOR RENEWABLE ENERGY

Statkraft AS Group is a leading player in global hydropower and is Europe's largest producer of renewable energy. Headquartered in Oslo, Norway, Statkraft has 3,800 employees in over 20 countries.

The way the world produces and consumes energy is changing fast. Statkraft's strategy is to meet the growing demand for cheaper, cleaner energy by building scale and increasing efficiency in the market units it operates in - Europe, India and South America.

As part of their growth strategy, Statkraft had acquired companies in Brazil, Chile and Peru. The Group wanted to implement SAP ECC6 in these new offices and in its existing South American subsidiaries.

IMPROVING SUBSIDIARIES' PROCESSES AND REPORTING WITH SAP ECC6

Many of the local offices were using inefficient manual processes, could not run accurate, timely financial reports and were not fully compliant with changing local legislation.

Statkraft's aim with the SAP ECC6 rollout was to get their subsidiaries to:

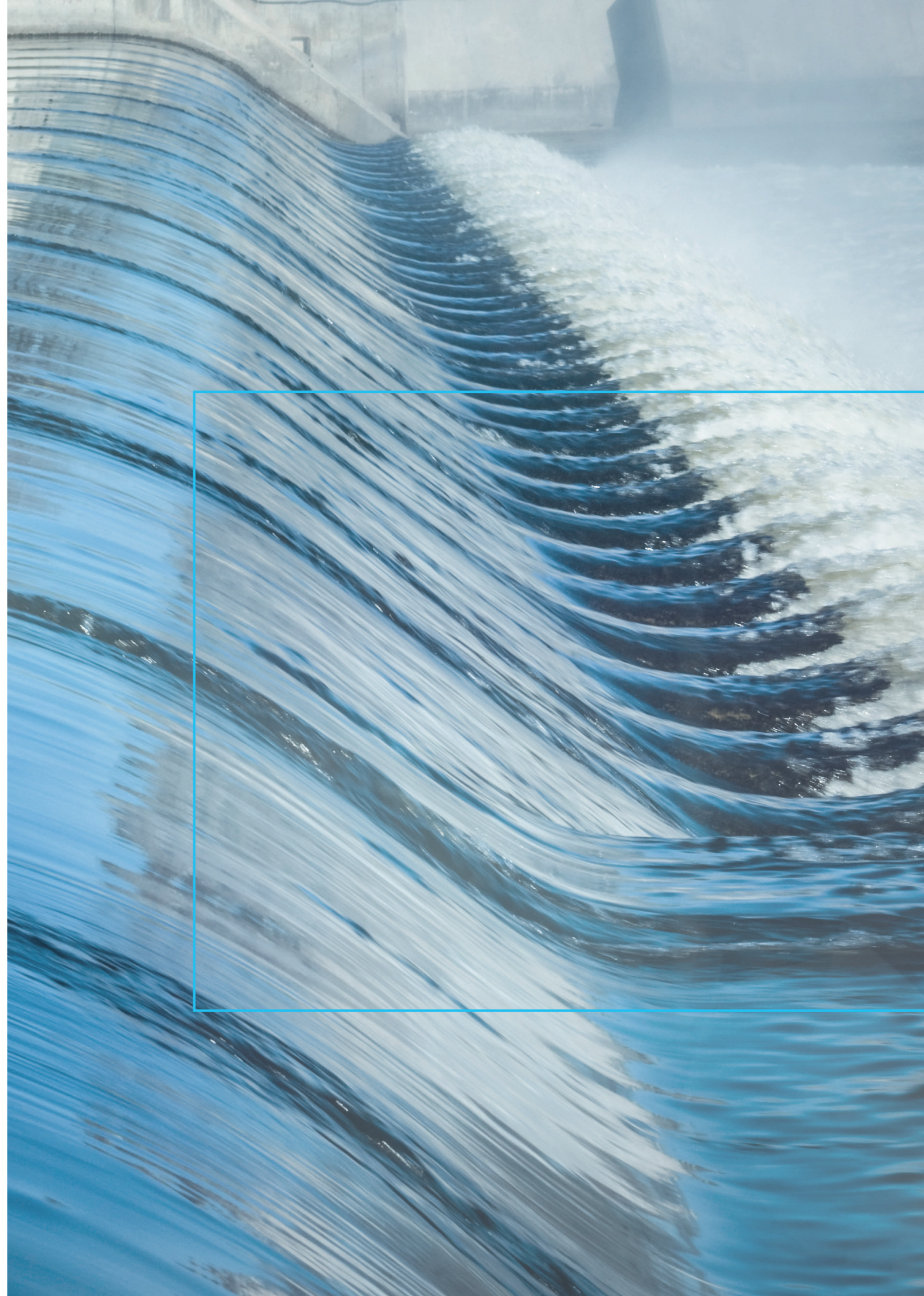
- Upgrade from outdated legacy systems and manual processes to use the same business processes and systems as the rest of the Group.
- Achieve a high standard of accurate financial reporting in a faster timeframe.
- Become compliant with both country-specific regulations and Group legal requirements.

As with any international project, there were going to be various challenges due to the differences in language, culture and time zones. Statkraft needed to work with an organisation which had in-depth local knowledge, especially concerning the different legal and fiscal requirements in each market unit. Brazil has complex reporting requirements so Statkraft's processes would need a lot of localisation there.

UNITED VARs PROVIDING LOCAL EXPERIENCE FOR GLOBAL SAP PROJECTS

Statkraft chose to work with a United VARs alliance of Pearl Consulting, SAP's 2017 Nordic Innovation Partner, with which it already had a strong working relationship and Seidor which has an extensive network of offices and over 900 customers throughout South America. United VARs provides local experience for global SAP projects through its members, providing over 10,000 SAP consultants in 90 countries. United VARs members are set up to work together on global SAP rollouts and ERP optimisation projects. Every member has many years of experience in implementing SAP projects for mid-sized companies and in working with SAP industry templates. Statkraft could feel confident with their choice because all United VARs members are SAP Gold partners specially selected for their experience, in-depth knowledge of local and legal requirements and recognised as leading experts in their country. Many have developed specific add-ons to help with localisation. They adhere to the same processes and are set up to work collaboratively with each other across multiple countries. Magnus Ollfors, Senior Consultant at Pearl Consulting, says, "We have been working with United VARs members for

a very long time and I regularly see the benefits of this alliance. United VARs gives you a level of security in choosing an SAP partner to work with in the countries you need resources in. It brings faraway regions closer to you through the partnership because you know there's going to be a high level of quality in all the United VARs members".



KEY FACTORS IN THE PROJECT'S SUCCESS

Roy Eidset, Program Manager at Statkraft, says, „It was a very successful implementation of SAP at our locations in South America. The project was delivered to time and cost thanks to good cooperation between departments and geographical areas“. On a project of this scale and complexity that's quite an achievement. The Norwegian United VARs member, Pearl Consulting, was the global project lead responsible for managing the rollout and ensuring the milestones and results were achieved. They provided a project manager and solution architect to coordinate between the local Seidor resources and Statkraft's centralised IT department.

Key factors in the project's success was Seidor's in-depth knowledge of country-specific legislation affecting tax, payroll and wages, and the excellent collaboration between Statkraft's internal SAP specialists, Seidor and Pearl.

HOW THE UNITED VARS MEMBERS COLLABORATED WITH STATKRAFT FOR A SUCCESSFUL IMPLEMENTATION

The project started with the Norwegian teams from both Statkraft and Pearl travelling down to Brazil for two weeks of workshops together with Seidor and the key people from the local Statkraft subsidiaries. They validated the different requirements and then Pearl created a blueprint document covering the standardised processes, localisation aspects for reporting and any additional integration points they would need to address. Most of the project was coordinated re-

motely and the experts at Pearl travelled to South America for the critical milestones every six weeks. They used agile methodology to keep tasks on track and to ensure that everyone could meet the different delivery requirements throughout. Pearl led Skype meetings three times a week with the relevant local Statkraft employees and Seidor consultants to coordinate resources, discuss what they were working on and follow up the different deliveries for each sprint.

Brazil was the first focus country for rollout as it is a key market unit for Statkraft and is the most complex of the three countries. Magnus says, "Rolling out in Brazil is not something that you can do with just a good knowledge of SAP. The country requirements are so complex and specific that it really is a separate skillset. Having an experienced local partner was essential to work with a GRC in regards to the Nota Fiscal requirements and integration with the SEFAZ (Brazilian tax authorities). Peru is similar, it's also quite complex and you really need a local partner".

"Requirements in Chile were not so different from a European implementation. However, it was still very useful to have local partner, Seidor, working in the same time zone and helping to navigate the language and cultural challenges".

THE BENEFITS SO FAR AND REDUCING REPORTING FROM TEN DAYS TO THREE

Roy Eidset, Program Manager at Statkraft, says, "The three countries have now integrated processes related to maintenance, HSEHR, HSE, procurement, ac-

counting / reporting and integration into office support systems at Statkraft. That everyone is now on the same business platform gives increased openness and opportunity for better interaction and efficiency in day-to-day work".

"We are now looking forward to more digitisation processes. This project has also given us a common platform in South America, which provides the basis for further improvement in the coming years." Implementing ECC and integrating with the wider Statkraft processes has enabled the subsidiaries to standardise their purchasing, reduce the number of key vendors they use and to get better prices. They spend far less time on administration as the processes - from requisitioning through to placing the order and receiving goods and service - are streamlined and many are automated.

One of the main business benefits to the Latin American companies, and to the wider Statkraft Group, is the increase in accuracy and the reduction in time to meet group consolidation reporting requirements. It now takes the subsidiaries three days after period close instead of ten to submit their reports.

This frees up a lot of staff time, as before they had to prepare the data in different spreadsheets and manually check everything multiple times. Statkraft's head office is now confident that the data that comes into the group reporting system is accurate and compliant and has been generated in line with auditor-approved processes.

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IN TOTAL, OVER 200 PEOPLE HAVE BEEN INVOLVED IN THE PROJECT, FROM PEARL, SEIDOR, AND THE INTERNAL RESOURCES IN STATKRAFT. THERE WERE ONLY THREE CHANGE ORDERS AND NO UNFORESEEN EXPENSES.

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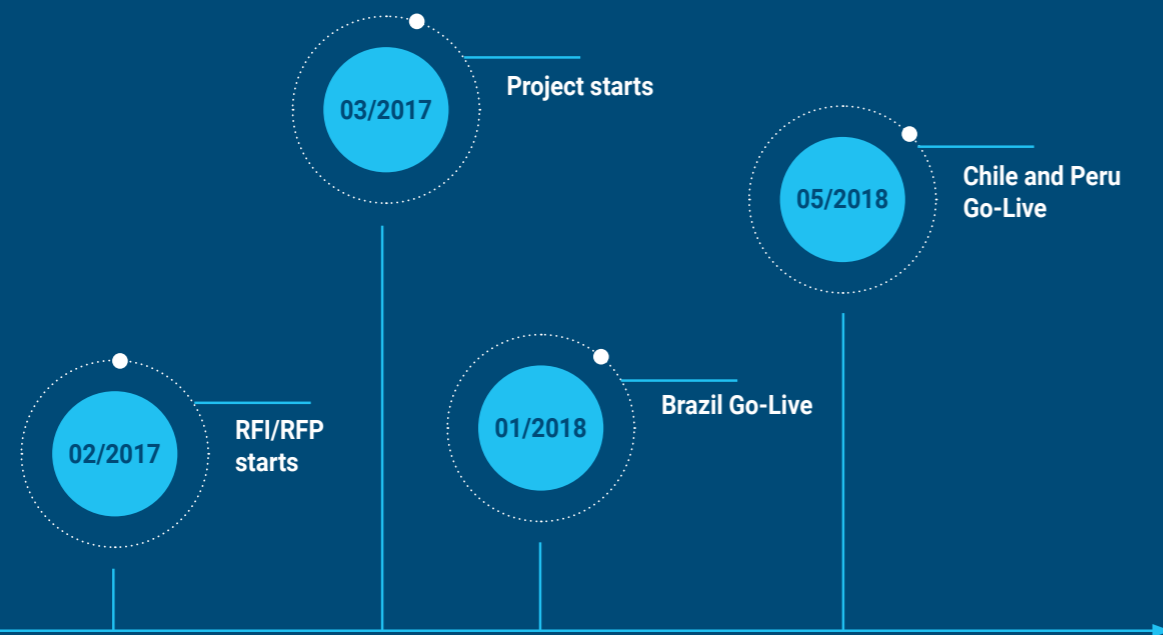
Roy Eidset
Program Manager at Statkraft

WHAT IS NEXT FOR STATKRAFT?

Statkraft has recently asked Pearl to manage the rollout of ECC6 to India. They are doing this in collaboration with Answerthink, a United VARs member based in India. Pearl is running the project remotely with sprints and scrum meetings to keep things moving. The project is running very smoothly and the new collaboration between Statkraft, Pearl and Answerthink is working well.

Statkraft is likely to roll out to its other subsidiaries, using United VARs members, following the successful completion of the project in India.

FURTHER INFORMATION



PROJECT MILESTONES

COMPANY OVERVIEWS



STATKRAFT

Statkraft is a leading company in international hydropower and energy market operations. The Group produces hydropower, wind power, solar power, gas-fired power and supplies district heating. Statkraft has 3500 employees in 17 countries.

<https://www.statkraft.com>

PEARL



Pearl Consulting is an SAP Gold partner that delivers business solutions based on SAP and SAP Hybris to midsize and large companies in the Nordics and Baltic. Pearl was established in 2006 and employs 100+ highly skilled consultants.

<http://www.pearlgroup.no>



UNITED VARs

United VARs is the world's largest alliance of 45+ SAP solution providers in over 90 countries and has SAP Platinum Partner status. Each member is the leader within their sector and is equipped to work with other members to accomplish complex international projects. United VARs members have collaborated on over 300 international SAP implementation projects and 8,000+ joint projects in the mid-market.

<http://www.united-vars.com>

SEIDOR





Seidor is a Spanish multinational that provides services and solutions in the field of software and computer consultancy. Seidor is an SAP Platinum Partner and the founding member of United VARs, with over 20 years of experience, a team of 1,700 SAP consultants and more than 3,000 clients.

<http://www.seidor.com>

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More questions?
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