Implementing an ERP
Real life experiences

Terhi Nyyssönen

Contents

- My profile
- Introduction to Ruukki United program and ROUTE project
- Ruukki concept and system architecture
- Project methodology overview
- Project organisation and governance model
- Lessons learned
- SAP Community in Finland
- SAP as a career..
- Discussion & Questions?

Profile - Terhi Nyyssönen

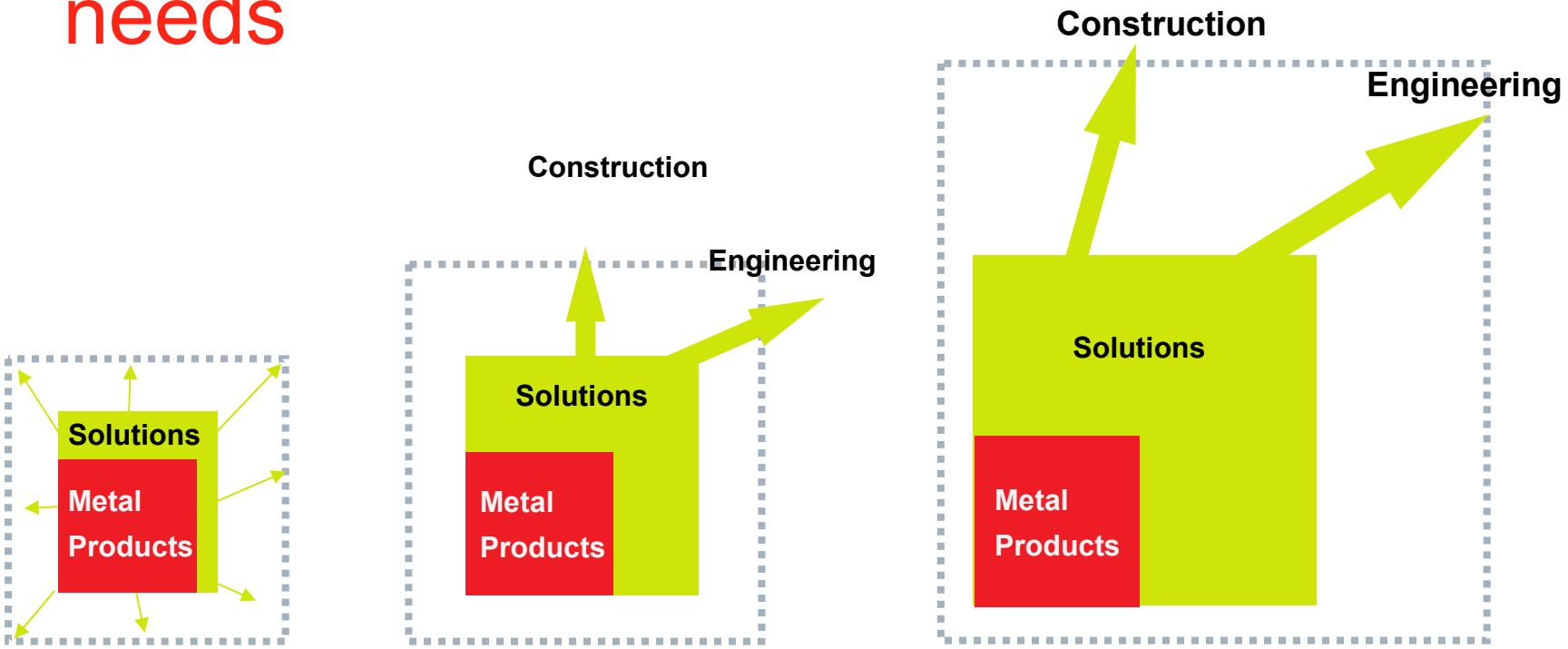
- Studies
  - Food economics at University of Helsinki 1999-2004
- Work experience
  - Rautaruukki Ltd
    - Application manager 2005-
      - SAP landscape manager, release manager, technical team leader
  - Valio Ltd
    - Project manager at Valio International Sales 2003-2005
      - Mid size SAP SD/MM/FICO/GTS project
    - System advisor at Valio Fresh Products 1998-2002
      - Key user support, training coordinator, SAP SD/MM configuration and testing, rollout manager
    - Project secretary at SAP project 1996-1998
      - Project work follow-up, end user training, rollout support
- SAP Finnish User Group (Finug) board member since 2001
- www.linkedin.com

Vision

CEO Sakari Tamminen's strategic statement:

"Our goal is to adopt **customer-oriented** way of working in everything we do. In order to achieve our goal, we have to **harmonise operational methods** in the entire Group and start thinking about the Group as a whole. Our objective is to transform Ruukki into a **single uniform company with a strong sense of unity.**"

Our vision: solutions for specific segments based on customer needs



2003
Reliable steel producer

2008-2010
The most desired solution supplier

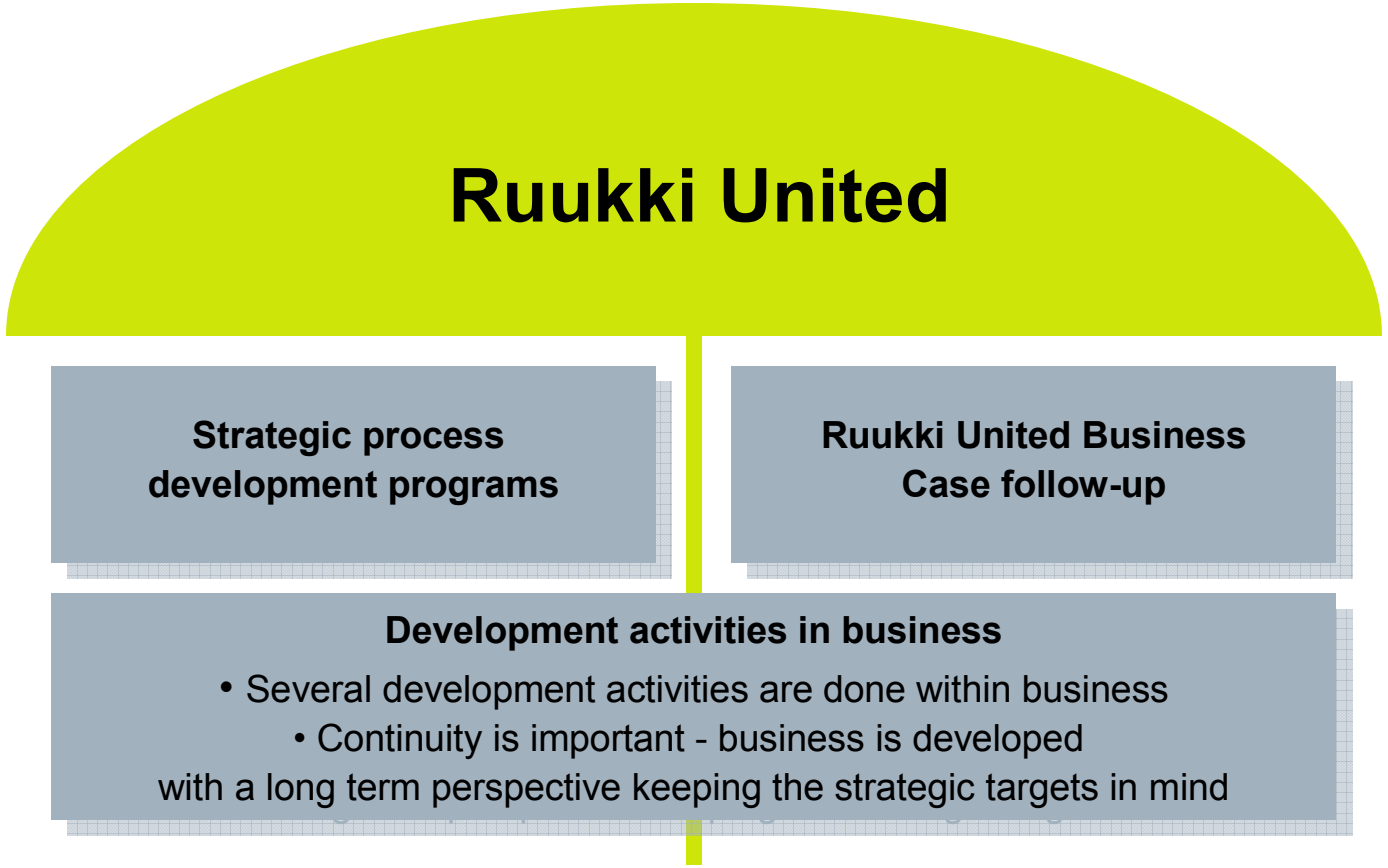
The starting point

From several independent juridical companies, with own identities, brands and ways to operate.

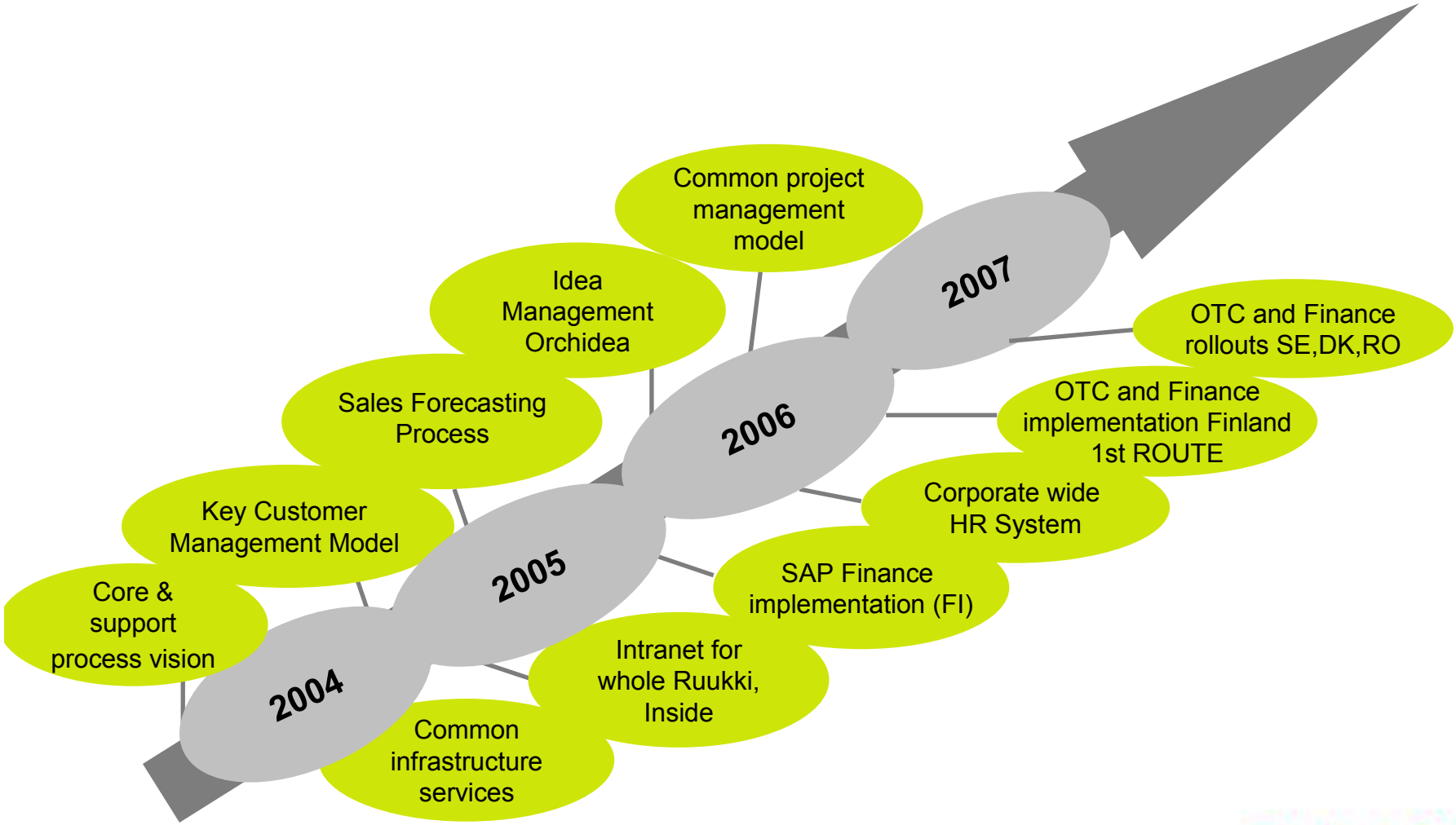
into one unified company

ruukki
more with metals

Ruukki United is an ‘Umbrella’ covering many development activities



Development milestones



Ruukki's process framework

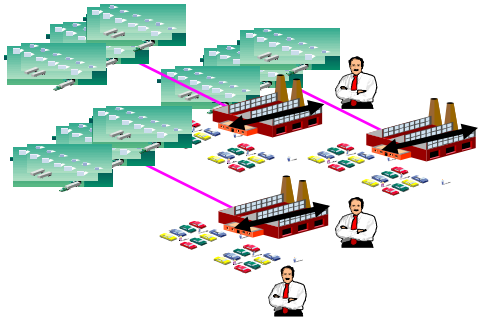
Ruukki aims at developing and harmonizing processes and working practices.

ROUTE Program develops and implements OTC and Finance processes and solutions.

The long-term goal of ROUTE

PAST

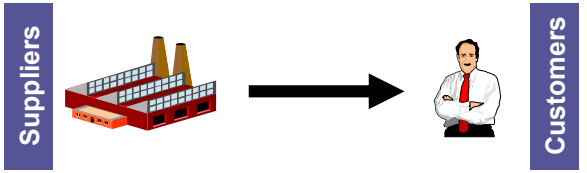
Parallel, disconnected, overlapping Supply Chains



Isolated sets of financial information, focus on the past

FUTURE

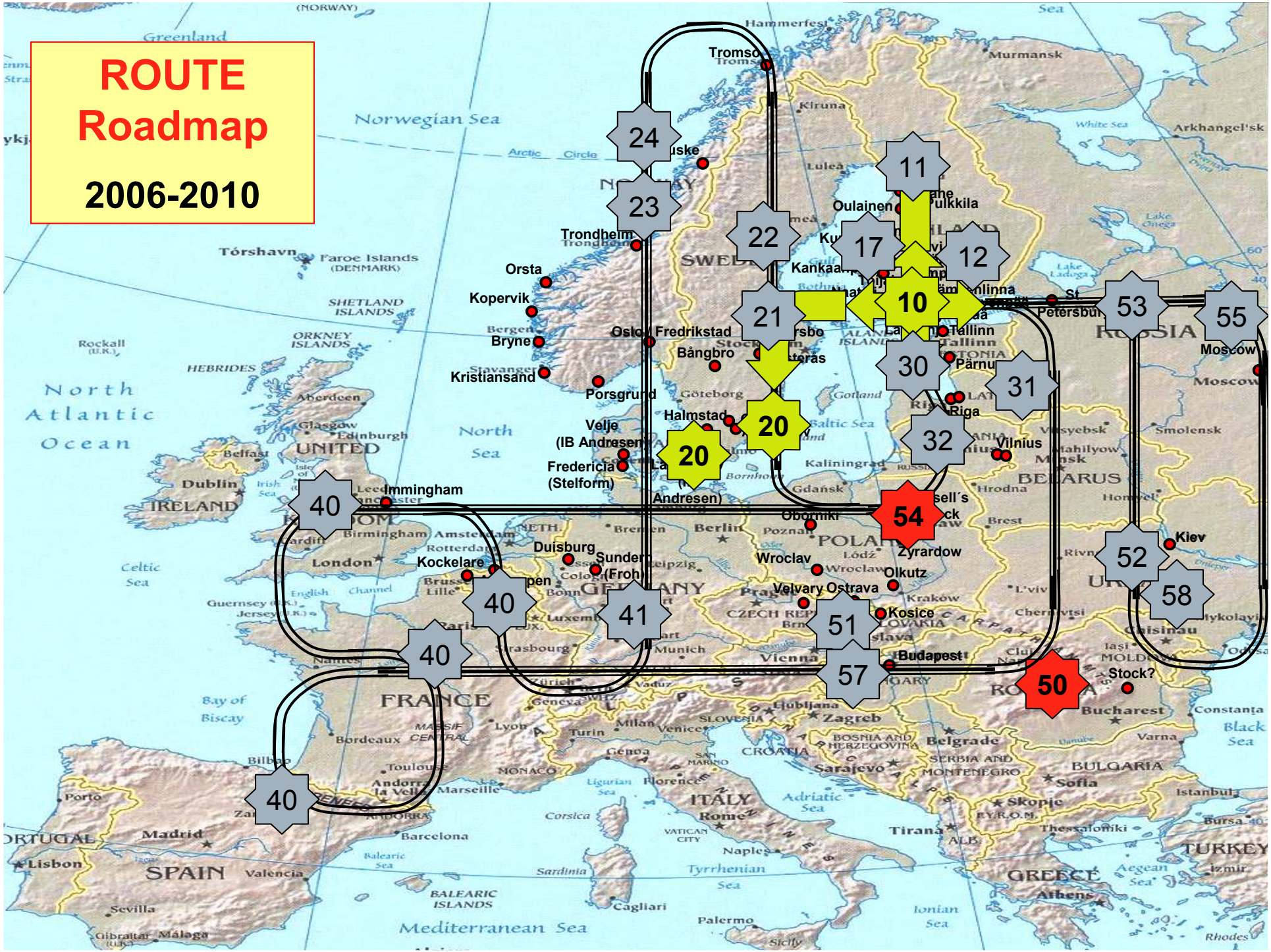
Unified Supply Chain



One set of transparent financial information, focus on the future

What is ROUTE?

- ROUTE program consists of several solution development projects and rollouts, focusing especially on developing and implementing unified working practices and supporting common systems to Ruukki's Order to Cash and Finance processes.
- ROUTE is an abbreviation of **R**uukki's **O**ne **U**nified **Te**mplate.
- Implementation of the template in the organization is carried out as a project. Implementation projects are called ROUTE rollouts.
- Template is a pre-defined set of concepts, working practises and supporting tools
- The goal is to improve Ruukki's ways of working and create cost savings
- ROUTE projects are scheduled until 2010, and they affect all Ruukki's units.


ROUTE
Roadmap
2006-2010
24
23
22
17
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32
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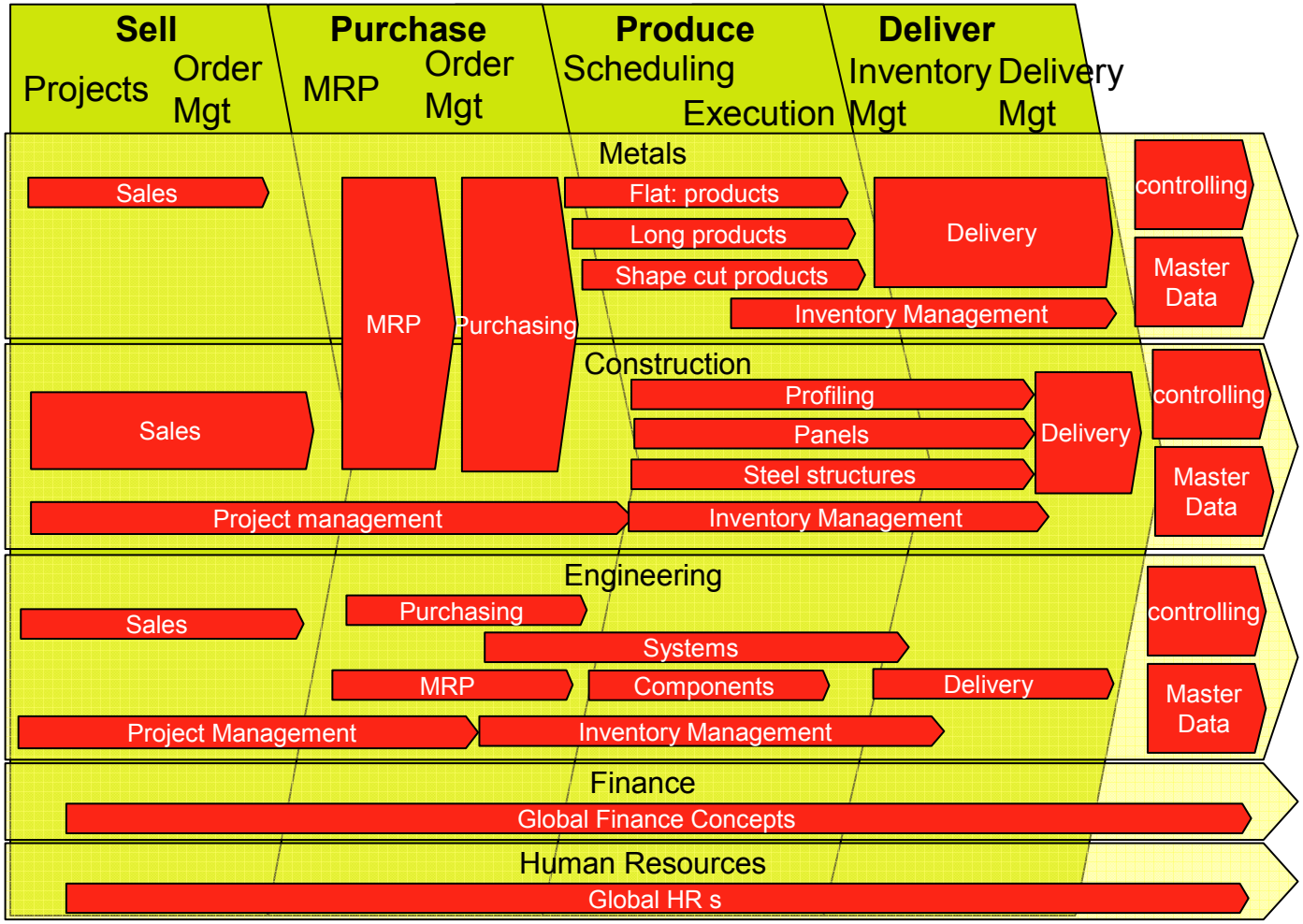
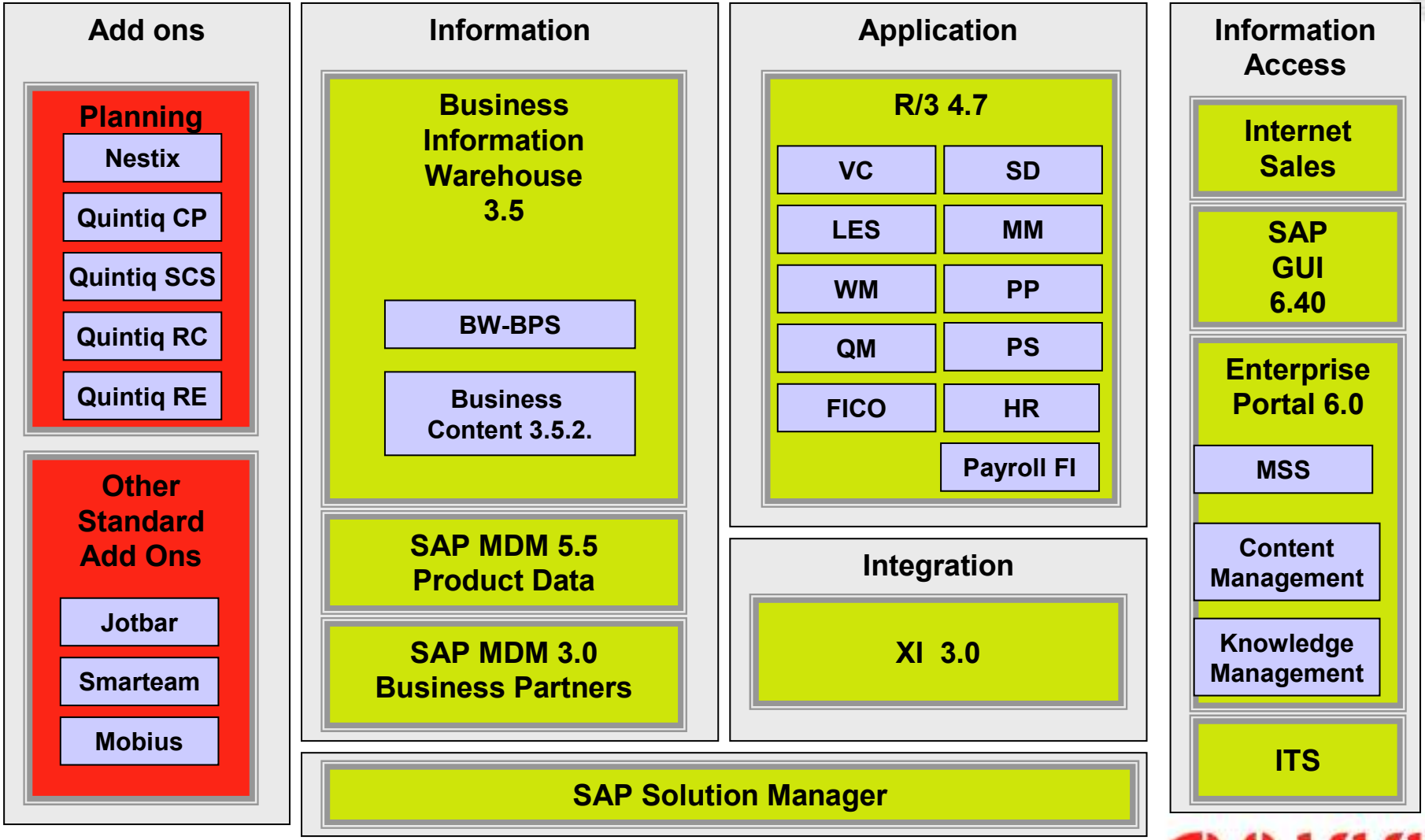
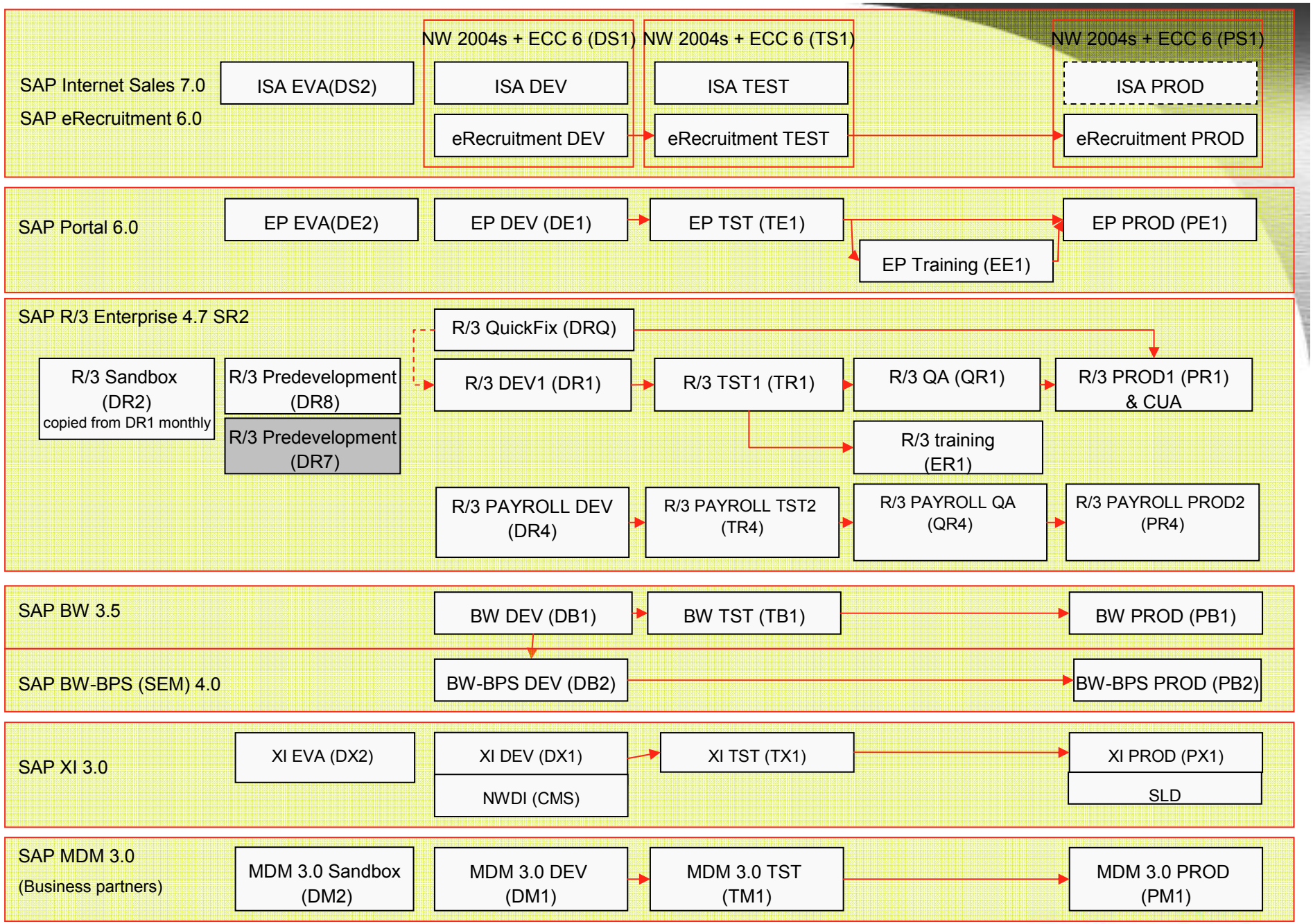
Tromso
Trondheim
Orsta
Kopervik
Bryne
Kristiansand
Porsgrund
Oslo
Fredrikstad
Bångbro
Halmstad
Velje
(IB Andresen)
Fredericia
(Stelform)
Andresen)
Immingham
Kockelare
Duisburg
Sunder
(Froh
Oborniki
Wroclav
Olkutz
Velvary
Ostrava
Kosice
Budapest
Zyrardow
Oulainen
Kankaa
Tallinn
Pärnu
Riga
Vilnius
Kaliningrad
Gdansk
Moscow
Kiev
Stock?
Faroe Islands
(DENMARK)
Tórshavn
Norwegian Sea
North Sea
North Atlantic Ocean
Mediterranean Sea
Baltic Sea
Celtic Sea
Bay of Biscay
Irish Sea
English Channel
Arctic Circle
SHETLAND ISLANDS
ORKNEY ISLANDS
HEBRIDES
IRELAND
UNITED
FRANCE
SPAIN
ITALY
GREECE
TURKEY
BELARUS
POLAND
CZECH REP.
SLOVAKIA
HUNGARY
CROATIA
SLOVENIA
BOSNIA AND HERZEGOVINA
SERBIA AND MONTENEGRO
BULGARIA
ROMANIA
GERMANY
SWEDEN
FINLAND
RUSSIA
Murmansk
Arkhangel'sk
Petersburg
Moscow
Smolensk
Minsk
Brest
Riga
Tallinn
Stockholm
Göteborg
Aberdeen
Glasgow
Edinburgh
Belfast
Dublin
London
Amsterdam
Rotterdam
Brussels
Lille
Paris
Berlin
Hamburg
Munich
Vienna
Prague
Warsaw
Kraków
Lódz
Poznan
Zagreb
Belgrade
Sarajevo
Sofia
Bucharest
Istanbul
Athens
Rome
Naples
Palermo
Cagliari
Barcelona
Madrid
Lisbon
Valencia
Sevilla
Málaga
Gibraltar
Marseille
Lyon
Milan
Venice
Turin
Genoa
Florence
Zurich
Geneva
Bordeaux
Toulouse
Nantes
Porto
Tirana
Thessaloniki
Izmir
Constanța
Varna
Odessa
Chisinau
Lviv
Rhodes
Sicily
Corsica
Sardinia
Balearic Sea
Tyrrhenian Sea
Adriatic Sea
Ionian Sea
Aegean Sea
Black Sea
Lake Ladoga
Lake Onega
White Sea
Gulf of Bothnia
Gulf of Finland

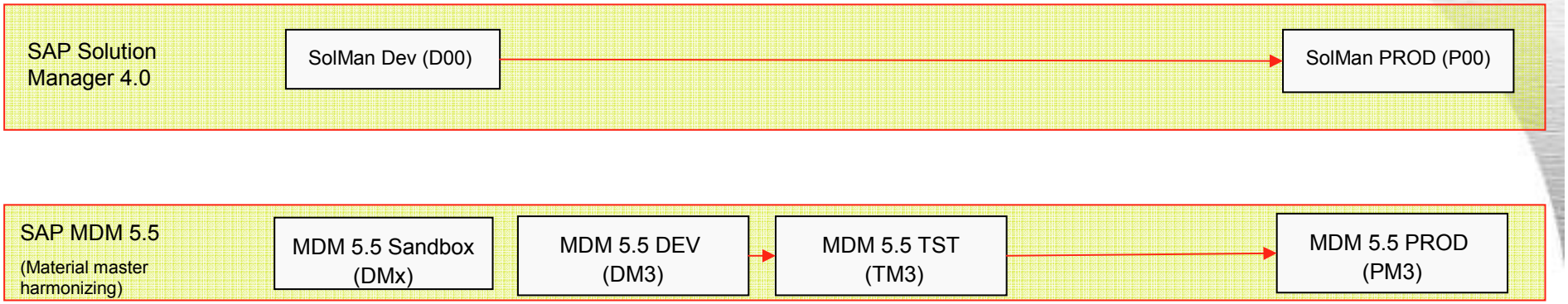
Ruukki's Concepts



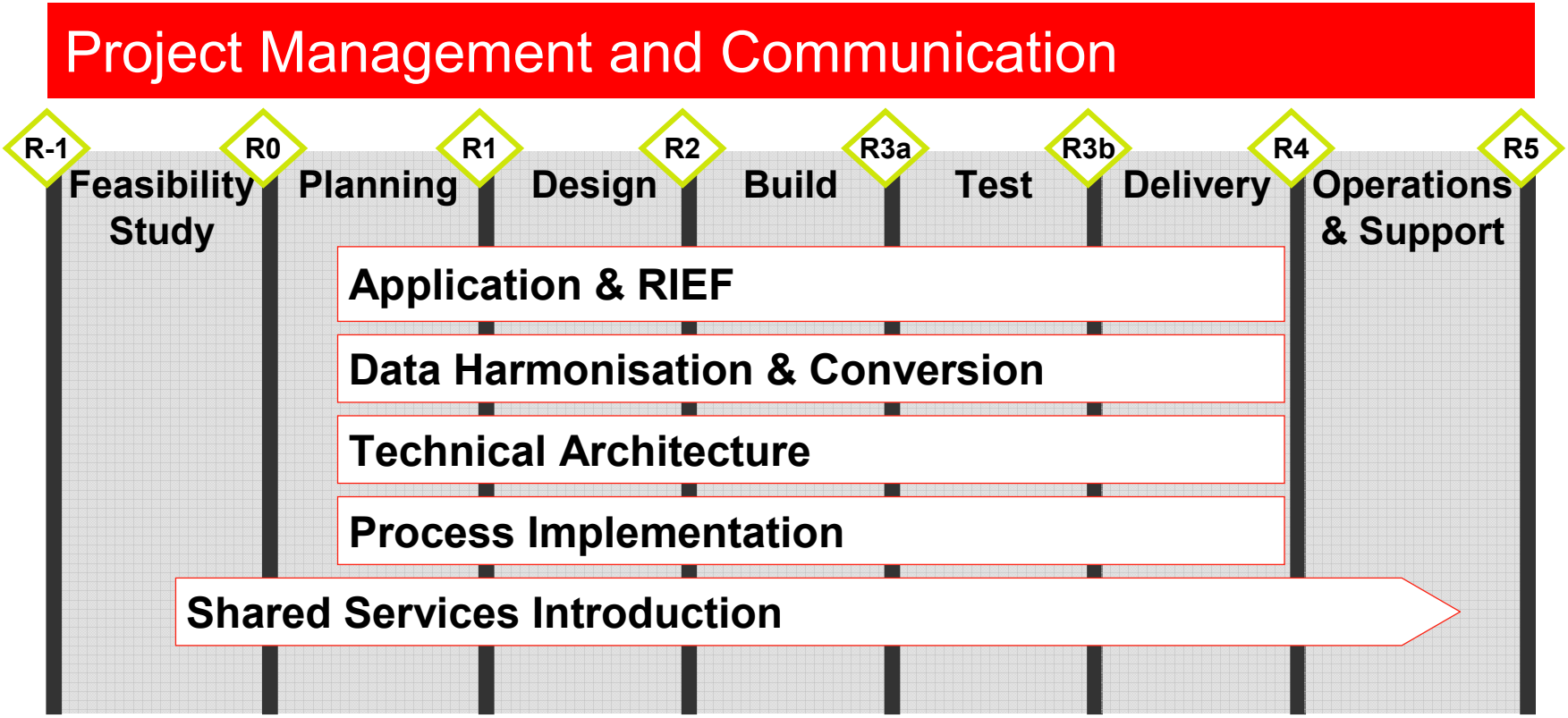
Route Solution Architecture



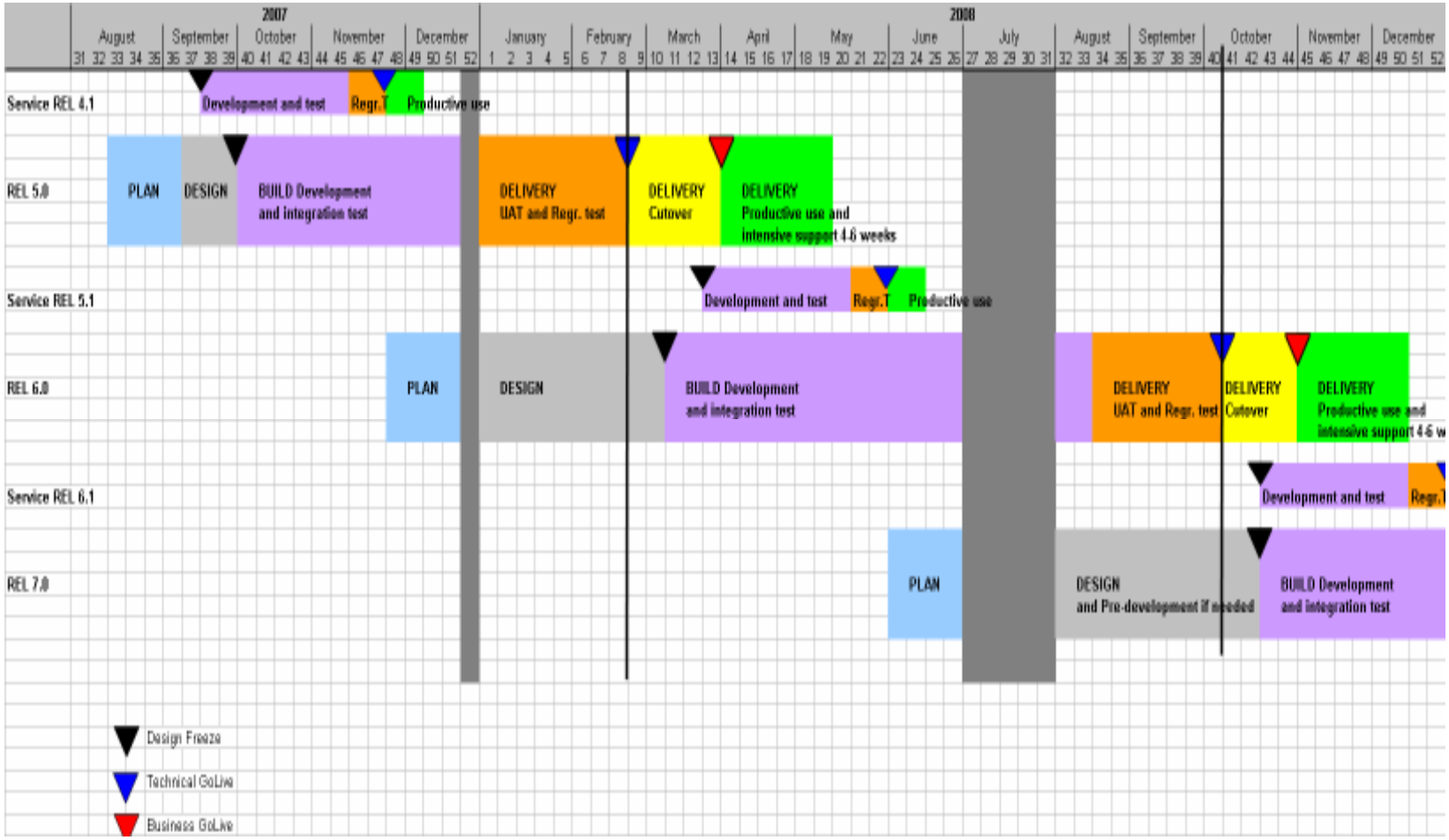

NW 2004s + ECC 6 (DS1)
NW 2004s + ECC 6 (TS1)
NW 2004s + ECC 6 (PS1)
SAP Internet Sales 7.0
SAP eRecruitment 6.0
ISA EVA(DS2)
ISA DEV
ISA TEST
ISA PROD
eRecruitment DEV
eRecruitment TEST
eRecruitment PROD
SAP Portal 6.0
EP EVA(DE2)
EP DEV (DE1)
EP TST (TE1)
EP PROD (PE1)
EP Training (EE1)
SAP R/3 Enterprise 4.7 SR2
R/3 QuickFix (DRQ)
R/3 Sandbox (DR2) copied from DR1 monthly
R/3 Predevelopment (DR8)
R/3 Predevelopment (DR7)
R/3 DEV1 (DR1)
R/3 TST1 (TR1)
R/3 QA (QR1)
R/3 PROD1 (PR1) & CUA
R/3 training (ER1)
R/3 PAYROLL DEV (DR4)
R/3 PAYROLL TST2 (TR4)
R/3 PAYROLL QA (QR4)
R/3 PAYROLL PROD2 (PR4)
SAP BW 3.5
BW DEV (DB1)
BW TST (TB1)
BW PROD (PB1)
SAP BW-BPS (SEM) 4.0
BW-BPS DEV (DB2)
BW-BPS PROD (PB2)
SAP XI 3.0
XI EVA (DX2)
XI DEV (DX1)
XI TST (TX1)
XI PROD (PX1)
NWDI (CMS)
SLD
SAP MDM 3.0
(Business partners)
MDM 3.0 Sandbox (DM2)
MDM 3.0 DEV (DM1)
MDM 3.0 TST (TM1)
MDM 3.0 PROD (PM1)


SAP Solution Manager 4.0
SolMan Dev (D00)
SolMan PROD (P00)
SAP MDM 5.5
(Material master harmonizing)
MDM 5.5 Sandbox (DMx)
MDM 5.5 DEV (DM3)
MDM 5.5 TST (TM3)
MDM 5.5 PROD (PM3)

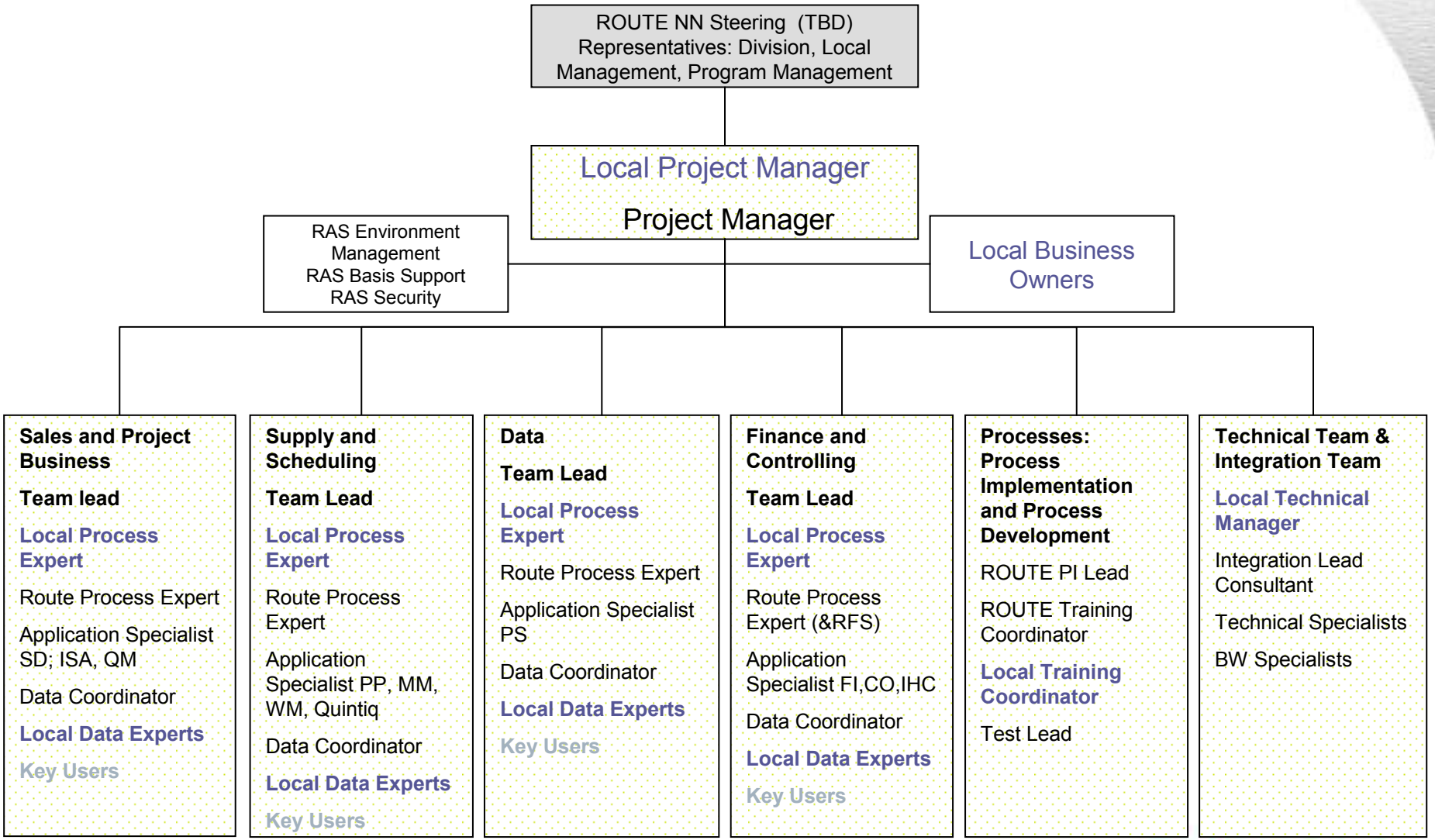
Project methodology overview



Ruukki release management model



ROUTE project organization model



Project governance

- Process development steering (monthly/bi-monthly)
  - Decides/prioritizes projects, approves budget
- Project steering (monthly)
  - Makes decisions on business related issues, approves design and CR's, approves project phases, approves go live
- Program management (weekly)
  - Makes decisions on resources. Solves issues within program, makes quality reviews for gates and makes recommendations to project steering
- Project manager (daily)
  - Makes decisions within the limits approved plan and budget
- Team meeting (weekly/daily)
  - Makes decision within the limits approved plan and budget (for team)
- Other parties:
  - Business management, concept owners, architects

Lessons learned

- Be realistic with implementation timetable.
- Business is The Customer but remember to ”teach” business general IT project restrictions and way of working.
- Prioritise business requirements immediately when they come up.
- Nominate and engage Key Users early in project phase.
- Prepare to run into a severe resistance for change.
- Plan user training and communications carefully.
- Follow design quality carefully.
- Avoid iteration: design – build – test – design – build – test.
- Avoid changing the standard (modifications) as much as possible.
- Don’t underestimate time needed for testing. And remember to test against design not against ”wishing well”.
- Manage application (configuration and own development) changes in releases (according ITIL).
- Set up change management process (according ITIL).
- Set up support services immediately after first GoLive.

ITIL, Information Technology Infrastructure Library

From Wikipedia, the free encyclopedia

- The Information Technology Infrastructure Library (ITIL) is a framework of best practice approaches intended to facilitate the delivery of high quality information technology (IT) services. ITIL outlines an extensive set of management procedures that are intended to support businesses in achieving both high financial quality and value in IT operations. These procedures are supplier-independent and have been developed to provide guidance across the breadth of IT infrastructure, development, and operations.
- ITIL is published in a series of books (hence the term *Library*), each of which covers a core area within IT Management. The names *ITIL* and *IT Infrastructure Library* are Registered Trade Marks of the United Kingdom's Office of Government Commerce (OGC).

SAP community in Finland

- Almost all big and midsize companies use SAP.
  - Many of the customers have not done the upgrade to SAP ERP2005/2007+NW2004s. The biggest change from old releases (4.6c) to new releases is the change in platform. Old BASIS technology platform is now NetWeaver business application platform.
  - Some companies have in recent years done renewal of their old SAP installations. First installation lifecycle in these cases was 6-8 years.
- SAP is currently focusing strongly on public sector and SMB.
- SAP consultancy business is AGAIN going through change.
  - Trend is to ”spin-off” from big companies and set up smaller companies or even one-man-companies and then work as sub-contractor in big projects.
- There is a shortage (hundreds) of SAP consultants in Finland.
  - SAPETTAAKO – recruitment campaign by Ciber at spring 2007.
  - Young professionals program at Ruukki to grow own application specialists.
- SAP Finnish User Group (www.sapfinug.fi)
  - Very active user group, also in european scale.

SAP as a career…

… Long hours and usually lots of travelling.

… Short holidays, last minute cancellations always possible.

… Quality requirement for work higher and higher.

… Timetable tighter and tighter.

… Flexibility and ability to accept change and unstable environment required.

… Ability to get excited about the same challenges again and again in different business environments.

… Not always so glamourous!!!

- Salaries at customer side approx. +10-20% compared to IT overall: http://www.tietoviikko.fi/palkkatutkimus.jsp
- Consultants can ”make more money”, if they have long and broad experience (usually 8-15 years) and suitable character…
  - Consultant pay cheque usually heavily bound to different bonus criteria such as work time billed from customers and work quality.

"Begin at the beginning" the King said, gravely, "and go on till you come to the end; then stop."
Alice's Adventures in Wonderland - Lewis Carroll

Discussion & Questions?