

Key Learnings from a Successful Go-Live

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dubal
DUBAI ALUMINIUM

A shining example

Agenda

- Introduction.
- Key Challenges.
- Data Management
- Key Success Factors.
- Achievements.
- Q & A

Introduction

The DUBAL of 2006...

- One of the largest single site aluminium smelters in the world
- Production capacity of 861k metric tons per year
- Clients concentrated in Gulf, Europe, N America and Far East
- Workforce of 3,600 people
- Silo-ed business systems
- Multiple customised and bespoke information system platforms (including AS/400, HP UNIX, Oracle Financials etc.)



Introduction (Cont'd)

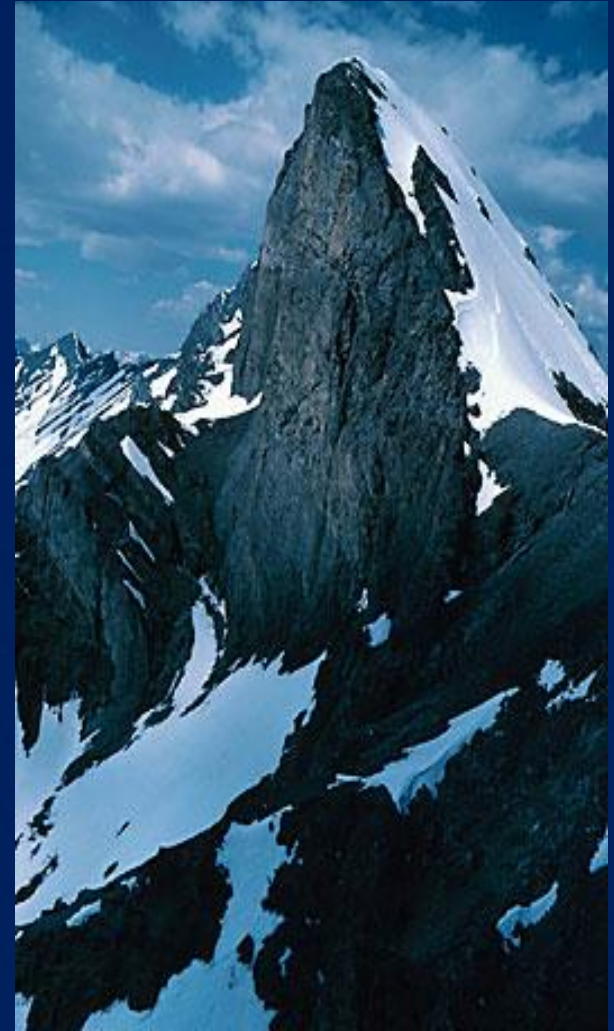
The vision for 2010 - 2015...

- Global presence
- Among the top 5 aluminium producers with capacity of 2,500k metric tons aluminium
- Investment in upstream (Alumina)
- Multiple production sites
- World class smelting technology
- Safe clean environment
- Lowest cost metal producer
- Integrated supply chain network
- Dramatic increase in workforce
- One integrated information system platform (SAP)



Key Challenges

- Legacy of Oracle implementation
- Resistance to change in some areas e.g. Finance
- Middle management tier not sold on the idea
- Staff turnover in some areas e.g. Sales
- Unrealistic expectations in some areas e.g. Maintenance
- Under-estimation of impact of integration on day-to-day business processes
- Resourcing project team (both Deloitte and DUBAL)
- Business case not clearly articulated at start
- Impact of multiple strategic growth initiatives on availability and attention of key staff and management e.g. joint venture to build another smelter in UAE
- Balancing day-to-day business activities of key stakeholders with the need to involve them in the design and testing of system
- Simplifying the message
- Fixed deadline for first go-live (June 1st 2007)
- Data Migration and Data Cleansing



Data Management – Data Cleansing

- **Materials Management**

- Cleansing / Enrichment / De-Duplication
- Physical Verification for enrichment

- **Plant Maintenance**

- Creation of Functional Locations
- Creation of Equipment list
- Creation of Preventive Maintenance Task Lists
- Creation of Bills of Materials (BOM)
- Creation of Maintenance Items & Plans

- **Vendor Master**

- Cleansing / Enrichment / De-Duplication

Materials Management

- **Duration: 16 Weeks**
- **Volume: 78,000 Material Master Items**
- **Data Transformation**
 - Data Standardization and cleansing
 - Data Enrichment
 - Data Dictionary Creation
 - 1,900 unique Noun-Modifier pairs created
- **Physical Verification**
 - 20,000 Items physically verified and enriched

Plant Maintenance

- **Duration: 22 Weeks**
- **Volume**
 - Functional Locations : 25,500
 - Equipments : 36,000
 - Bill of Materials : – 130,000 Line items reviewed, cleansed / enriched to 80,000 line items
 - Preventive Maintenance Task Lists : 2,200
 - Maintenance Items and Plans : 6,000
Maintenance plans with 8200 line items

Vendor Master

- **Duration: 4 Weeks**
- **Volume: 6,500 Vendor Master records**
- **Data Transformation Components**
 - Vendor Master Cleansing / Standardization
 - Vendor Master Enrichment
 - Direct contact with Vendors through phone, fax and email
 - Vendor Master De-Duplication

Data Management – Data Cleansing

- **Master Data.**
 - Extract data from AS400
 - Cleansing of data
 - Conversion to SAP related data like
 - ü Functional locations
 - ü Equipment
 - ü BOM
 - ü Task lists, Maintenance Items and Plans
- **Challenges faced.**
 - Verification of extracted data to present structures
 - Frequent Plant visits
 - Physical verification

Key Success Factors

- Discuss, agree, communicate and enact the basic principles.
- Establish a robust and inclusive governance structure.
- Define a unique project identify.....
- Manage scope rigorously.
- Allow sufficient time to test the solution thoroughly.
- Prepare the business from before Day 1.
- Prepare end-users for their new roles and get them into the training room.....
 - Leadership Engagement.
 - Minimising the Change Impact.
 - Stakeholder Enrolment.
 - Communication.

Achievements

- Successful go-live in 9 months for 1,650 users across all major process areas (financial and management accounting, procurement, sales, production, plant maintenance, human resources, payroll, reporting)
- Standardised, integrated processes with very limited changes to SAP functionality
- All relevant master data cleaned, converted and loaded.
- Working interfaces to underlying MES and external parties e.g. banks
- Completed 6,500 mandays of training in eight weeks with average training attendance of 99.8%
- Stable SAP working environment within eight weeks after go live
- On-site DUBAL SAP competence centre for ongoing support
- Tangible benefits expected especially in procurement, warehousing and financial management
- Awarded the ACN Arab Technology Award for the best manufacturing sector implementation of the year (September 2007)
- Laid a firm foundation to support DUBAL's transformation and enable achievement of its strategic vision

Lessons Learnt

- Gap between Wave-1 & Wave-2
- Do not underestimate Data Cleansing / Data Collection
- Insist on having the best resources
- Change Management Does not end after go live
- Bad news travels fast
- Resistance comes in different forms
- Training, Training, and more training
- Communication skills is needed at all levels

Q & A