

E-Awards 2002

Entry submission for Kalido Ltd

Category: 1. Work and Skills

This category is for organisations, projects and programmes, commercial and public, where the use of modern information and communication technologies (ICT) has contributed to the achievement of one or more of the following objectives.

- Improving skills and competencies: addressing the higher-level cognitive and social skills needed for effective participation in decentralised, self-managed, knowledge-based work; creating continuous and flexible learning opportunities to enable employees to upgrade their skills over their entire working life as new technologies emerge and as their tasks change.
- **Improving work structure and process: facilitating or enhancing work throughput (e.g. by supporting distributed "virtual" teams or augmenting the capabilities of co-located teams); improving decision-making approaches (e.g. via group decision support systems); making business processes more efficient (e.g. via workflow technologies); helping work groups capture and use what their community of practice has learned (e.g. via knowledge management systems).**
- Improving quality of working life: increasing employees' engagement in and responsibility for their tasks; enabling more flexible approaches to working times and places.

Title of Project

Shell UK Exploration and Production (EXPRO) deployment of Kalido Dynamic Information Warehouse

Description of Activity

Shell EXPRO, a division of Shell UK Ltd is one of the UK's largest offshore operators and produces 21% of the country's oil and 13% of its gas. EXPRO applies for funds from Shell by submitting hundreds of forecasting projects. EXPRO needs to predict the performance of potential projects for up to 50 years, which makes detailed long-term planning information a vital tool. The more detailed the information provided to Shell, the better EXPRO's chances of winning the necessary capital.

EXPRO had to access numerous sources of data from various programs to handle the different demands of planning and management information reporting. This inconsistent format made it difficult for senior management to obtain a coherent view of the business.

Furthermore, the manual processing of data resulted in EXPRO's information analysts spending more time preparing the data rather than using it. By the time analysts finished, the real situation it intended to reflect was no longer accurate.

EXPRO installed the KALIDO Dynamic Information Warehouse, which integrates disparate information and provides one view of management information. The solution has freed up approximately ten man-years of analyst resources, cut report generation time from fourteen to four days, and improved the transparency, consistency and detail of management information allowing EXPRO to predict revenue streams for up to fifty years".

Participants in the Activity

There were a total of six people involved in the project, from EXPRO and Kalido Ltd. including:

- Project manager
- Two developers
- Report writer
- One Kalido consultant on construction of the KALIDO Warehouse
- Administrator of the KALIDO Warehouse

Hundreds of users access the data generated from the KALIDO Warehouse. Expenditure reports are published on a monthly basis and used by hundreds of EXPRO business managers.

Target Groups

Senior Management of Shell EXPRO UK
Information analysts of Shell EXPRO UK

Objectives

- To minimise the time it takes to extract and process data for reporting so budget holders have fast access to accurate management information
- To enable analysts to spend their time using the data, rather than preparing it

- To construct faster and more detailed business planning models
- To save on costly staff resources
- To be able to predict revenue streams for up to fifty years
- To provide detailed information to Shell central finance in order to win necessary capital

Achievements

- The Kalido solution has freed up ten man years of analyst time, allowing them to spend more time using the data rather than preparing it
- It has reduced report production time from fourteen to four days giving senior management and budget holders faster access to management information
- It has enabled Shell EXPRO to predict revenue streams for up to fifty years to help with long term planning and gaining necessary capital from Shell UK central finance.

Detailed Description of Activity

About Shell EXPRO

The Royal Dutch/Shell Group of Companies has five core businesses, one of which is Exploration and Production (EXPRO). EXPRO operates a number of North Sea oil platforms and exploratory drilling sites in the UK. As one of the UK's largest offshore operators, EXPRO produces 21% of the country's oil and 13% of its gas.

Shell companies have been exploring for and producing hydrocarbons for over a century. Today, they have interests in exploration and production ventures in over 45 countries and employ around 30,000 staff. Exploration and production is the foundation of the petroleum industry.

EXPRO consistently strives to improve efficiency, developing innovative ways of boosting the productivity of existing oil and gas fields and of finding and developing new reserves. Maintaining its competitive edge and achieving the prime Shell objective of sustained growth in business requires constant effort from EXPRO.

Business Problem

Each year, EXPRO applies for funds from Shell central finance by submitting hundreds of forecasting projects. These are ranked according to a series of economic factors in a complex and rigorous process, and funds are allocated accordingly. EXPRO needs to predict the performance of potential projects for up to 50 years, which makes detailed long-term planning information a vital tool. EXPRO has a better chance of winning necessary capital from Shell if it provides the company with extremely detailed information.

IT Problem

EXPRO had to access numerous sources of data to handle the different demands of planning and management information reporting. EXPRO's management information was being generated as SAP reports, displaying the information in a variety of spreadsheets, and from other Oracle and Microsoft databases. This inconsistent format made it difficult for senior management to obtain a coherent view of the business, as asset groups were producing radically different presentations of similar data.

Furthermore, the manual processing of data to produce management information was occupying large amounts of costly staff resources. EXPRO needed its information analysts to spend their time actually using the data, rather than

preparing it. By the time analysts finished preparing the data, the real situation it intended to reflect was no longer accurate. EXPRO needed an independent data management tool that was designed to recognize disparate information such as geographical boundaries, various product categories and structures and was capable of providing information in a simple, accessible business format.

Solution

The KALIDO Dynamic Information Warehouse is an information integration solution providing corporate agility by liberating business information locked in operational systems. EXPRO has used the KALIDO Warehouse to integrate its SAP ERP system with financial planning and volumetric data from other sources, providing a single source of data for consistent planning and management information.

Managers needed seamless access to all corporate information in order to make informed decisions, but with data held in different systems, coherent planning and management information was difficult to obtain. The KALIDO Dynamic Information Warehouse provided EXPRO with the ability to manage data stored in disparate locations and inconsistent structures, allowing multiple viewpoints of business information to be generated.

The KALIDO Warehouse's unique Adaptive Data Architecture means it can readily adapt to business change, resulting in faster implementations at lower cost. Rapidly changing enterprises are implementing the KALIDO solution for faster reference data integration and federated data warehousing to improve business performance and enhance corporate agility.

Assessment of Impact

Winning solution

As EXPRO needs to predict the performance of potential projects for up to 50 years, the KALIDO solution makes it far easier and quicker for analysts to provide consistent data. By using KALIDO, EXPRO was able to win the necessary capital from Shell by providing accurate and detailed short-term and long-term management and planning information.

Solving Information Disconnect

As EXPRO is plagued with disparate information sources to handle different demands of planning and management information reporting, it needed a solution that was able to provide seamless access to all corporate information. The KALIDO Warehouse has allowed EXPRO to bridge the information disconnect by providing a coherent view of the otherwise isolated data.

Agility

Once installed, the KALIDO Warehouse only requires customization in order to integrate inconsistent data structures and generate data marts for specific areas of business. More importantly, KALIDO is adaptable to business change and does not require re-architecting of the data warehouse.

ROI

The KALIDO Warehouse has allowed EXPRO to cut report generation time from 14 days to just four days and has freed-up approximately ten man-years of analyst resources.

Innovative

KALIDO's unique approach to data integration has solved a significant problem that has plagued EXPRO's business operations for years. Originally implemented

at EXPRO to minimize the time it takes to extract and process data for reporting, the KALIDO Warehouse went above and beyond management expectations enabling actual versus estimated financial forecasts.

KALIDO manages data that is stored in disparate locations and inconsistent structures, allowing multiple viewpoints of business information to be dynamically generated. KALIDO's ability to manage organizational change over time, without the need for any software re-engineering is a truly innovative addition to data warehousing technology.

Quotes from Shell EXPRO

Darayus Wadia, Financial Controller

"The solution is a key element in our aim of freeing up approximately ten man-years of analyst resources by harmonising reporting approaches and cutting report generation time, and has already improved the transparency, consistency and accessibility of financial management information. The KALIDO Warehouse has also allowed faster and more detailed business planning models to be constructed."

"Management information reports are now produced automatically from data held in the KALIDO Warehouse. As well as ensuring that all users look at the same data in the same format, automation will contribute to saving around ten man-years of report preparation time per year, freeing up resources for projects that add higher value.

"Our management information is now consistent and transparent. The KALIDO Warehouse provides a single source for all information, allowing us to move towards a standardised approach to management information reporting, and getting the right information to the right people faster than before."

"The installation of the KALIDO Warehouse gave Finance tremendous credibility with our business users, who were impressed that we were giving them exactly the information they needed, in the format best suited to their needs. We send out an email with a hyperlink to their personal budget and cost information, which shows actual versus planned for the current month and year-to-date, and also the full year forecast."

Guy Janssens, Corporate Planning Manager

"With the new standards for capital allocation, we need to provide more data, and more accurate forecasts. We really couldn't have coped if we were still using the old system, which was not integrated across the different data elements, nor would it have been able to handle the amount of data with the analysis requirements we now have."

"The KALIDO solution also brings greater consistency to internal target setting and communication, because all the data used across the business comes from a single source. The added consistency makes it far easier to perform scenario analysis, by working out hypothetical production levels in different expenditure scenarios, and adjust long-term forecasts accordingly."

Links to websites

www.kalido.com

www.shell.co.uk