



NORSK HYDRO

SMOOTH UPGRADE TO SAP® ERP WITH HELP FROM SAP CONSULTING

QUICK FACTS

Company

- Name: Norsk Hydro ASA
- Location: Oslo, Norway
- Industry: Mill products
- Products and services: Aluminum and aluminum products
- Revenue: ~US\$34.9 million
- Employees: 25,000
- Web site: www.hydro.com
- Implementation partner: SAP® Consulting

Challenges and Opportunities

- Take advantage of functionality available in the current release of SAP enterprise resource planning (ERP) software
- Ensure supportability in the future

Objectives

- Upgrade to the SAP ERP application
- Minimize implementation time and avoid business disruption
- Obtain reliable upgrade schedule estimates in advance
- Ensure easy resolution of issues
- Minimize overall risk

SAP Solution and Services

- SAP ERP
- SAP Quick Upgrade Evaluation service
- SAP Upgrade Coaching service

Implementation Highlights

- Implemented software in 3 months, on schedule, substantially under budget
- Realized a smooth, painless upgrade, with a 15-hour cutover and no disruption to the business

Why SAP

- Norsk Hydro's long history of success with SAP applications
- SAP's proven upgrade technology
- The SAP consultants' up-to-date knowledge of SAP software

Benefits

- Confidence that schedule and budget would be met and that issues would be handled expeditiously
- Implementation time savings
- Enhanced functionality
- Assurance of long-term support

Existing Environment

Earlier version of SAP software

“The quick upgrade evaluation service and the upgrade coach helped us save time and ensure the project ran smoothly. But the biggest value was up front, providing management with the security of knowing that the project would be successful.”

Ole Reiersen, Project Leader, Norsk Hydro ASA



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To assure a smooth upgrade to the SAP® ERP application, Norsk Hydro ASA (Hydro) sought help from the company that knows the software best – SAP. SAP Consulting provided its SAP Quick Upgrade Evaluation and SAP Upgrade Coaching services, which gave Hydro confidence that its IT staff would be able to complete the upgrade quickly, on schedule, within budget, and without surprises. Hydro's trust in SAP was reinforced when the team finished the project in just three months with no disruption to the business. Hydro now enjoys enhanced functionality and the assurance of long-term support from SAP.

Functionality and Supportability Drive Upgrade

Norsk Hydro is a Fortune Global 500 supplier of aluminum and aluminum products. Based in Olso, Norway, the firm employs 25,000 people in more than 30 countries. Hydro has run its business with SAP applications since 1994 and has a rich history of success with the software.

The initial impetus for the upgrade project occurred when users in the company's finance department told IT they needed general ledger functionality that was available only in the newer SAP enterprise software. IT knew that an upgrade would be necessary sooner or later to assure continued support from SAP, so it agreed to fulfill finance's request by upgrading to the current version.

Hydro had most of the necessary resources in its IT department, which began by drawing up a preliminary plan and schedule for the upgrade. But the firm's executives wanted to be sure the

plan was sound, that the schedule and budget were achievable, and that any unexpected issues would be dealt with expeditiously.

SAP Consulting Provides Plan Evaluation and On-Site Coaching

"To gain the assurance we needed, we called in the obvious source of SAP software expertise, SAP Consulting, and asked how it could help reduce our risk," says Ole Reiersen, project leader at Norsk Hydro. "SAP explained that its SAP Quick Upgrade Evaluation and SAP Upgrade Coaching services were designed precisely to provide the peace of mind we needed."

A consultant from SAP joined the team to provide the two services and remained on-site for the duration of the project. He began the SAP Quick Upgrade Evaluation service by performing a detailed quality control check of the plan and making adjustments as necessary. He reviewed the schedule in detail – which called for completion in just three months – and reported that it was indeed achievable.

As IT launched the project, the consultant initiated the SAP Upgrade Coaching service – working closely with his teammates from Hydro for the duration, answering any questions, and providing help and advice. Several issues arose unexpectedly over the course of the project, most of which the consultant resolved personally. On a few occasions he had to contact developers at SAP, who quickly provided answers. "Our consultant was very competent," reports Reiersen. "He was knowledgeable and up-to-date on SAP software and had excellent contacts within SAP development."

IT Team Exceeds Expectations

As completion drew near, the team prepared for cutover by blocking out a 28-hour period over a weekend. However, everything went so smoothly that only about 15 hours were actually

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required, including verification. When the software's 2,200 users returned to their desks, they proceeded with their work with no loss of time or productivity. "Not only did we complete the plan on schedule, but we wound up well under budget," says Reiersen. "Management was very pleased."

As a result of the successful upgrade, Norsk Hydro is not only in position to employ the enhanced functionality that SAP ERP provides in general ledger and many other areas – it is also confident that its business-critical software will be supportable far into the future.

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would be successful,” adds Reiersen in closing. “I definitely recommend SAP Quick Upgrade Evaluation and SAP Upgrade Coaching services to other companies who are planning to upgrade to SAP ERP using their own resources.”

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