ERP UPGRADE UNIFIES FINANCIAL MANAGEMENT ACROSS DIVISIONS

SMOOTH TRANSITION TO DYNAMICS AX 2012 HELPS GIBSONS CONSOLIDATE SYSTEMS AND STREAMLINE OPERATIONS

As a North American midstream energy company, Gibsons provides an integral link between the upstream and downstream sectors in the oil and gas industry. The company's complex financial management system handles all parts of the business, including the transportation, storage, blending, marketing, and distribution of crude oil, condensate, natural gas liquids, and refined products.

CONSOLIDATING OPERATIONS ONTO A SINGLE PLATFORM

As a result of numerous acquisitions, Gibsons had many redundant systems and line-of-business applications. When the costs of maintaining the disparate environment, which include multiple platforms, inherited systems, and duplicate applications supporting similar processes grew cumbersome, Gibsons' executive team sought to centralize management of IT and to consolidate as many applications as possible onto a single ERP platform.

The company was already using Microsoft Dynamics AX 4.0 for financial management, and determined that upgrading to Dynamics AX 2012 R3 would allow them to consolidate applications with minimal disruption to the business. "We wanted to make the transition as smooth as possible," says Richard Hannah, VP of Information Services at Gibsons. "So rather than looking at other ERPs on the market, we decided to migrate to the current version of Dynamics AX."

CHOOSING A PARTNER

Microsoft Gold Certified ERP Partner, Western Computer, responded to Gibsons' RFP and presented a well-crafted plan for redeploying Dynamics AX—while minimizing risk to the operation. "Western Computer had good depth of knowledge about Dynamics AX and how to do a proper upgrade/re-implementation," recalls Hannah. "The strategy they showed us in their RFP response and presentation demonstrated that they know how to do this right. Their knowledge and experience were impressive, far and away the best of everyone we considered."

Western Computer delivered on the high expectations set by their initial presentation. "They delivered on time, on budget, and there were no problems after the go-live date," says Hannah. "We were very happy with the results at the end of the day."

PROJECT GOALS

- Consolidate applications onto a single platform
- Minimize disruption to the business
- Increase visibility across the entire enterprise

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CUSTOMIZATION VS. CONFIGURATION

To reduce implementation costs and ensure that the new deployment is simple to maintain, Western Computer employed a strategy of configuration over customization. The original Dynamics AX 4.0 deployment included numerous customizations and custom code, which were costly to maintain and made it challenging to extend the system. In contrast, the availability of specific functional modules in Dynamics AX 2012 R3 obviated the need for much of the custom programming and enabled Gibsons to extend the deployment beyond the Finance department and into other areas of the enterprise.

Data now flows into Dynamics AX from more than 40 operational sources, orchestrated by Microsoft BizTalk. A rebuilt Chart of Accounts allows for efficient, real-time reporting and includes rules to minimize data entry/coding errors for enhanced data quality. Further, the new master data strategy supports company-wide reporting for the first time, enabling executives to query spend against a single vendor, or revenues against a single customer, for example. "We wanted an ERP for the entire company," says Hannah. "If we don't have to deploy separate applications for specialized functions like Asset Management and Rental Management, that's a big win for us."

IN ADDITION TO CONSOLIDATING APPLICATIONS, DYNAMICS AX 2012 ENABLED GIBSONS TO AUTOMATE MANY MANUAL PROCESSES

In addition to consolidating disparate applications, new functionality in Dynamics AX 2012 R3 also allowed Gibsons to automate processes that had previously been performed manually. For example, the Purchasing and Requisition modules in Dynamics AX 2012 R3 have replaced paper-based tasks and enabled end-to-end management of Gibsons' purchase processes.

MINIMIZING DEPLOYMENT COSTS AND RISK

In an effort to control project costs, Western Computer performed much of the upgrade process remotely, bringing consultants onsite when project needs required and to oversee the final "go-live" moments. The team from Western also managed user acceptance training, providing hands-on training to initial users of the new system and train-the-trainer sessions to facilitate peer-to-peer training.

PROJECT HIGHLIGHTS

- Reimplemented ERP system aggregates data from more than 40 operational sources

- Configuration and add-on modules reduced need for customizations and coding

- Remote deployment limited cost of onsite consulting

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WESTERN COMPUTER

CASE STUDY:
GIBSONS

INDUSTRY:
OIL & GAS

REGION:
NORTH AMERICA

"Western's approach to training and transitioning definitely minimized risk with our users," says Hannah. "The people most affected by the change were included and involved in the process from day one, so any uncertainty they had was addressed."

When the initial deployment was completed, Western provided Gibsons with a complete set of process and user acceptance testing scripts that can be used for future upgrades and to speed up onboarding new employees, maintain consistency of process, and reduce the number of basic support requests.

Since consolidating operational systems onto a single, unified platform, Gibsons has benefited from reduced IT maintenance and support costs, better business insight, tighter financial management and control, and streamlined operations.

"Working with consultants who understand our business and our products was paramount to the success of this project," says Hannah. "Western excels from both a technology and operational process standpoint—they had no issues managing a project of this size and complexity."

ABOUT GIBSONS

Gibsons is a leading North American midstream energy company with operations in some of the most hydrocarbon-rich basins in the world. For more than 60 years, Gibsons has delivered innovative and integrated market access solutions to customers in the oil and gas industry. Based in Calgary, Alberta, the company's operations include the transportation, storage, blending, processing, marketing, and distribution of crude oil, condensate, natural gas liquids, and refined products. The company also provides emulsion treating, water disposal, and oilfield waste management services. Gibsons is the second largest industrial propane distribution company in Canada under the Canwest Propane brand.

PROJECT RESULTS

- **Better business insight**
- **Reduced IT and maintenance costs**
- **Tighter financial controls**

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