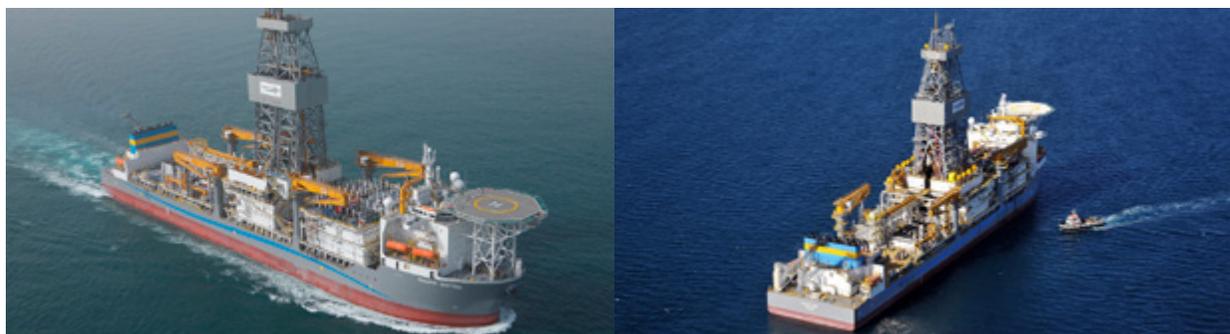




## Going deeper

# Pacific Drilling positions itself for even greater business growth by implementing SAP® Business Suite powered by SAP HANA™



### Abstract

Since its founding in 2008, Houston-based Pacific Drilling has become a premier ultra-deepwater drilling contractor in the oil and natural gas industry, growing aggressively to about 1,200 employees. It also owns four technologically advanced drillships (with another four being built) that operate in some of the most remote locations in the world. However, the company wasn't able to track performance at the desired level, and its SAP ERP system was overdue for an upgrade. The combination of these two factors pointed in one direction: toward SAP HANA™. HANA's in-memory computing capabilities could help Pacific Drilling achieve its aggressive goals for performance tracking and management. And timing the move to HANA with an overall SAP ERP upgrade could help provide that efficient approach. With Deloitte's assistance, the company did both—implemented HANA and upgraded its ERP system—within an aggressive timeline.

### Keeping the pace

In a short time span, offshore oil driller Pacific Drilling grew from a dozen employees to nearly 1,200. An SAP ERP system was implemented early on, providing a number of essential services such as payroll, procurement, supply chain, finance, and maintenance on a SQL database. But this system provided only the most basic reporting capabilities and couldn't perform advanced business analytics. Based on one of the CEO's key strategic objectives, the company needed a way to help measure performance, keep pace with expansion, and help gain an edge on competitors.

In 2012, the company's IT executives (with management support) initially chose to implement HANA as a "sidecar" accelerator—a stand-alone project that could start delivering benefits quickly. It could provide real-time reporting and the necessary business insight without a lengthy implementation. The project was planned for the following year. But in early 2013, the executives learned they could merge their ERP back-end system—which needed to be upgraded anyway—with HANA. While considered a riskier project by some, it could provide even greater business functionality and flexibility.

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Photos courtesy of Pacific Drilling

But if the company waited for the new SAP® Business Suite with SAP HANA to be released, its project timetable would be pushed back. Taking advantage of their new advanced analytics capability would be delayed. So, as an alternative, Pacific Drilling became an SAP “ramp-up” customer, allowing the drilling company to implement the Suite on HANA technology before its general release.

### A dynamic approach

Pacific Drilling already had a strong relationship with Deloitte, which provided SAP application management services. The company decided to tap Deloitte for assistance in migration and program management. From the outset, the Deloitte team took time to clearly understand all aspects of the project such as determining the hardware and software versions that were needed, establishing testing requirements, identifying the stakeholders, and knowing the processes. This helped keep the project on a smooth track with minimal disruptions.

Although working under a tight timeline, Pacific Drilling still wanted a proof of concept to demonstrate that HANA could provide the capabilities the company needed. This was completed one-and-a-half months after the HANA license was acquired. With Deloitte’s help, the project then gained full steam with the upgrade of Development and Quality instances and the final production upgrade/migration to SAP ERP 6.0/EHP6 on HANA (the version required for HANA).

After installing the HANA appliance, the project team exported the data from the old system into the new database. The team validated that the database was functioning as expected and the data was intact. Deloitte then helped conduct rigorous testing—functional and technical—on the HANA database.

At the same time, Deloitte helped provide program management services to coordinate the team and keep the project on time and on budget. Because most members of the project team were located across the U.S., India, Europe, and Mexico, Deloitte held calls every morning to address any issues. For example, because HANA is a new product, the team had to stay on top of several new patches and releases coming out weekly.

The project ran more smoothly than most expected. In fact, one SAP team member said, “I’ve never been involved in a more collaborative environment where multiple vendors worked so well together to complete a project.”

### The results

On July 29, Pacific Drilling went live with the new SAP ERP system and HANA appliance. Since the company works in many remote locations, the SAP system can help facilitate effective maintenance, procurement, logistics, human resource, and finance functionality so its operations continue running smoothly.

But one of the main benefits for Pacific Drilling will be using the capabilities of SAP HANA to perform reporting and transactional activity on one system and in real time. With this system, company leaders will be able to develop and perform analyses and queries much faster. It also allows IT to eliminate data load times, shrink storage needs, and streamline infrastructure and architecture.

With the new systems, Pacific Drilling executives will be able to better measure performance and processes across the enterprise. Plus, managers will be able to access relevant information on costs, revenue, turnover, and materials to help them do a better job. By achieving one of the CEO’s critical objectives, the company is in a better position to expand its business and better compete in the industry.

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