



PETROSERV

CASE STUDY

Industry:

Construction.

Petroserv currently work with large civil infrastructure and oil and gas projects for government clients.

Client:

One of the leading EPIC/traditional contractors in government construction projects in the State of Qatar.

Petroserv offers a diverse range of engineering and construction services in three (3) main areas:

- Building
- Oil and Gas
- Infrastructure.

It's an ISO 9001: 2015, ISO 14001: 2015 and OHSAS 18001: 2007 certified company. Employing over 2,000 employees and with \$100B market capitalisation, Petroserv's client base includes:

- ABB
- Tata
- Maersk
- Saipem
- QAFCO
- McDonalds
- Qatar airlines
- Larsen & Toubro
- Punji Lloyd group.

“

RIB CCS products have benefitted our company and will benefit other companies in the construction industry. With the risks and costs involved with deploying ERP systems, selecting the right people to partner with is as important as the right products - RIB CCS fulfilled both criteria. As such, we've been able to develop effective project cost control for construction projects that have not been possible with previous systems implemented.

Mubarik Hussain, Head of IT, Petroserv

”

The Challenge:

Petroserv is an EPIC contractor. As such, they're responsible for integrating all parts of a construction project from conception to production. There's an increasing industry-wide pressure to deliver construction projects with greater cost efficiencies. This is forcing contractors such as Petroserv to review their operation and technology processes.

Why they engaged RIB CCS

Petroserv knew that improved project cost control would boost their competitiveness within the construction industry. However, as an EPIC contractor, they manage vast amounts of data with numerous IT systems, from project concept through construction operations and accounts. As such, accurate cost management was complex. Our business consultants have in-depth industry knowledge. Petroserv chose RIB CCS as they knew we would put their business needs first, then identify the technology solution to best fit that need.

What they asked us to do

Petrosev engaged RIB CCS to:

- Audit the existing ERP system and business processes
- Better align its construction and technology processes for greater accuracy across projects
- Improve project monitoring to provide the construction management team with accurate data on money and time (actual versus allowable)
- Identify areas where efficiency could be improved to positively improve project outcomes
- Install two (2) new systems - Candy and BuildSmart - with minimal disruption to existing projects
- Quickly integrate the solution, with help from Petroserv employees

The Solution:

RIB CCS analysed the business need then implemented a real-time operational and cost management solution.

Findings

Costs and labour within the construction industry fluctuate significantly. As such, real time management of contract cost and allowable was essential for delivering effective cost management and improved data accuracy for Petroserv.

An initial consultation by RIB CCS consultants identified two (2) core areas for improvement:

1. Principle resource budgeting linked with project planning
2. Cost management - from site request and procurement to payments

Implementation

RIB CCS installed both the Candy and BuildSmart products to:

- Streamline business costs and allowable to activities
- Allow for greater accuracy in reporting throughout the project lifecycle

We implemented RIB CCS to meet the challenges of compiling project cost information across many different locations (and the associated variances). This included:

- Candy Estimating and Project Control
- BuildSmart Accounts
- BuildSmart Site costs

- BuildSmart Procurement
- BuildSmart Payroll wages and HR
- BuildSmart Equipment and asset management

The Results:

Improved project report accuracy

Analysing and using data to improve the accuracy of project reports allows Petroserv to identify risks and predict profitability.

Real time contract cost information held across the company

The BuildSmart ICMS system significantly reduces the time needed to produce cost reports. By requiring the project teams to work more closely to verify data, accuracy is improved.

Real time monitoring

Petroserv use Candy and BuildSmart to identify issues in real time. From cost estimate to live running, RIB CCS's integrated products monitor each stage of a project as well as looking at it holistically. This depth of accuracy gives deeper insights into project cost control. Petroserv can now pinpoint opportunities for cost-efficiencies far better than by using conventional ERP software and, where required, quickly rectify issues. Installing the Candy and BuildSmart programmes has had a significant positive impact on Petroserv's productivity and cost management projects. The company has:

- Reduced risk
- Increased profits
- Improved tender accuracy
- Improved their knowledge of project cost control
- Increased project visibility through enhanced data accuracy