

CGC

#### SAP Transformation Excellence Summit

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Edison

# A Tango of Transformation: CGC's Orchestrated SAP S/4HANA Implementation

Bruno Digiovani – IT Architecture Manager – CGC (Compañía General de Combustibles)

### Agenda

### **01** Intro CGC - Our company

### 02 Business needs Pain points & challenges

### 03

**A new vision** A blueprint for change 04

# **Transformation Tango**

And that's where the Tango started...

# 05

The journey Ready, Set, Go!

### 06

**A success quartet** A rhythmic journey of continuous improvement

# 01-Our company





### 01- Our company



- Our business has evolved over the nearly **100 years** that we have been operating, beginning as a fuel transportation and commercialization company.
- We are now a leading independent oil and gas exploration and production company operating primarily in Argentina.
- In less than 10 years (2013-2023) we went from the 40th place to becoming the **6th largest operator in Argentina**.



 We drilled 24 wells during 1H24, two of which were exploratory, with a total success rate of 92%

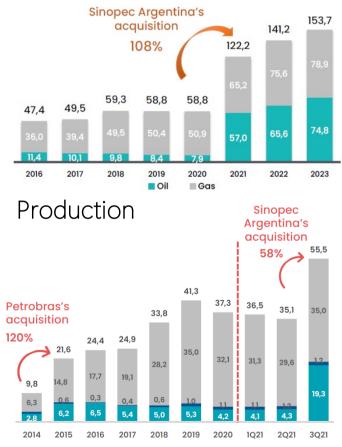


# 02-Business needs Pain points & challenges



### 02-Business needs / Pain points

### Reserves



- We acquired the operation in Argentina of a major oil and gas company: **SINOPEC** from China (and previously some operations of **Petrobras** from Brazil).
- With the acquisition, the IT landscape gained on complexity, and particularly the ERP landscape. CGC operated in **Oracle R11** and SINOPEC on **Oracle R12**, and both companies with customized components for them.
- Additionally, there was a complex integration architecture with the ERP with **duplicated applications in many critical areas**. The **integration** relied on automated, semi-automated, and manual processes.
- The inventory of applications and the corresponding process map were not well-defined and documented.



### 02-Business needs / Pain points



- Non-homogeneous organizational culture
- Until 2023, these acquired companies operated practically independently.
- For instance, at the process level, a unified procurement team was established, but they executed tasks using different software and followed distinct processes depending on the company they were purchasing for.
- The former Chinese company's operations were significantly more controlled and bureaucratic compared to the Argentine company, which lacked a culture of documented processes and had a "doers" mentality with focus on flexibility.





### 02- Business needs / Challenges



- Support a **rapid** business growth
- Simplify business complexity
- Promote an organizational culture change
- Have normalized single **processes** across group companies
- Have a unique **source of truth** for process and applications
- Rationalize and simplify the IT Landscape





# 03-A new vision A blueprint for change



### 03- A new vision / A blueprint for change



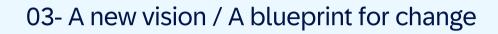


# IT Architecture

- Build a solid and dynamic source of truth of IT landscape
- Select a unified Enterprise Solution
- Integrate Systems with API-Driven Integrations
- Embrace Standardization and Clean Core

### **Business Processes**

- Streamline and standardize business processes
- Adopt Oil & Gas Industry Best Practices
- Transform work practices to adopt new methodologies
- Track and improve based on User Experience



Despite neither of the companies used SAP, and most of the users were unfamiliar with SAP, the decision was made...

- Streamline operations by moving to SAP S4/HANA
- Unify our activities using industry best practices
- •Fit-to-standard approach.
- •Use SAP's value accelerators for processes and people



"Much like volcanic magma reshapes the earth, our 'Magma' project is transforming the landscape of our company"



### 03- A new vision / A blueprint for change





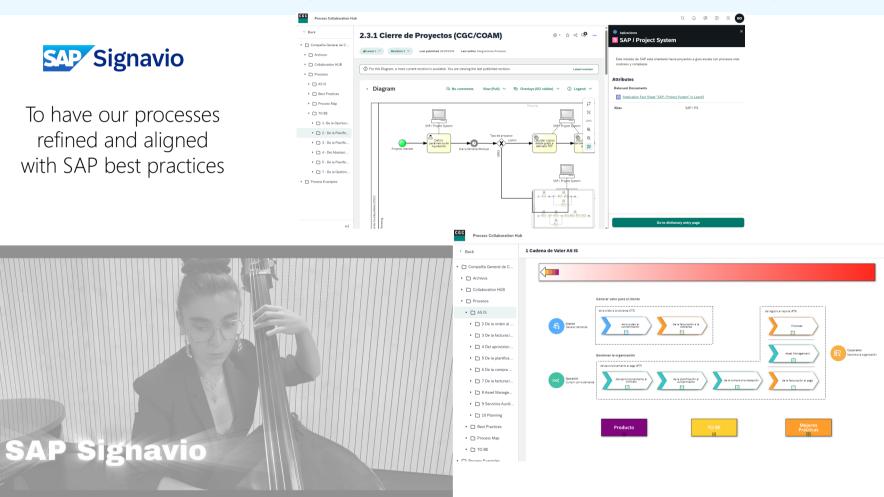
# 04-Transformation Tango And that's where the Tango started...



- We knew this change would deeply transform our company.
- Upon investigation, we realized that <u>having a skilled SAP implementation partner</u> <u>wouldn't be enough</u>.
- The challenge required **significant upfront effort**. No implementation team could fully understand our situation unless we, (as an organization), had a complete awareness of it ourselves.
- At that point, we partnered with **Edison**, a consulting firm specialized in enterprise architecture, process management and adoption, to explore the tools that would support us in this context.

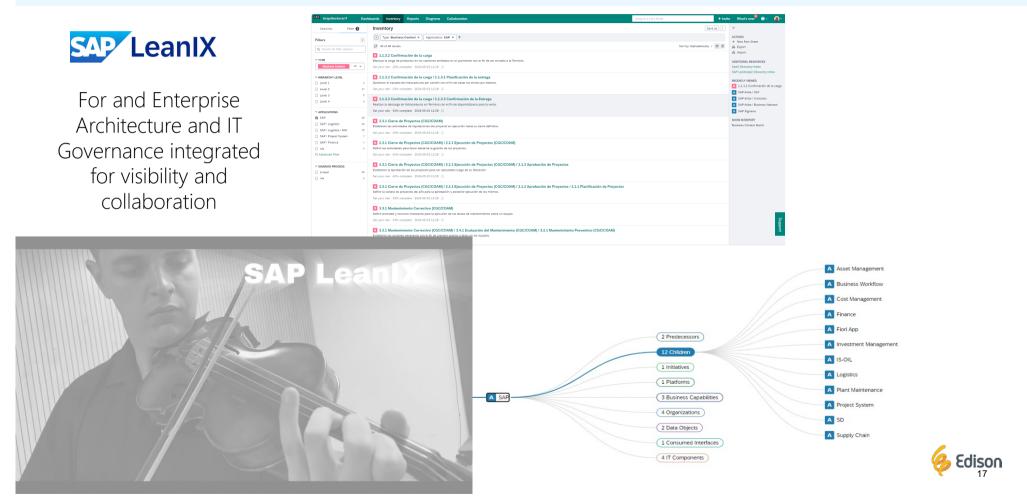
## It takes two to tango... and sometimes even more











Applications

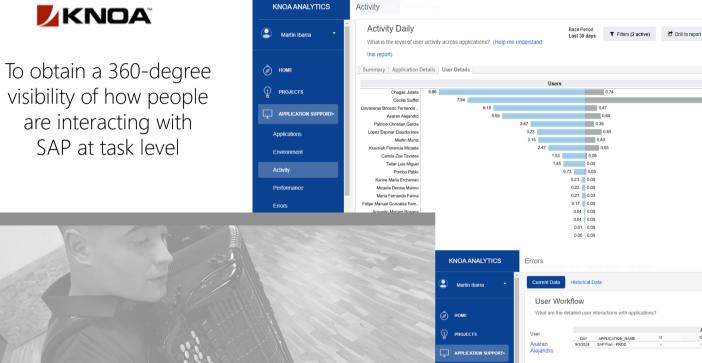
Environmer

Performance

R AUTOMATIO

Activity

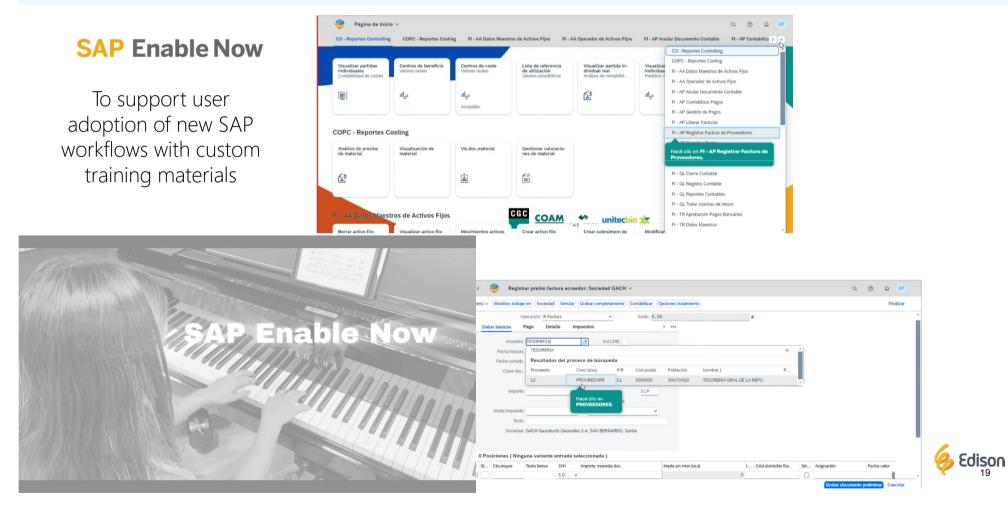
Errors



KNOA

Base Period Last 30 days Sack More -13 Dav 9/3/2024 Activity Details (AJI) APPLICATION SESSION ID DAY EVENT TIME APPLICATION NA Action 9/3/2024 16:14:56 1934 SAR Fiori - PROD Action le. Completed Ope SAP Fiori - PROD ssage Edison Module Star Screen Start Screen Start 16:15:37 SAP Fiori - PROD User Erro 1934 Mostrar avuda para entra 16:15:39 SAP Fiori - PROD Check Boy

More 🔻



# 05-The journey Ready, Set, Go!



### SAP LeanIX

#### Implemented SAP LeanIX

Conducted a comprehensive and granular assessment of the current state Enterprise Architecture.

# Ready

### SAP Signavio

#### **Implemented SAP Signavio**

Performed a meticulous mapping and documentation of +100 as-is processes, including process flows, decision points, system integrations, utilizing the full capabilities of SAP Signavio.

### SAP LeanIX

#### **Integration landscape**

Built integration architecture map (using SAP LeanIX) as source of truth for ERP migration strategic planning.





Selection of SAP Implementation Partner

### SAP LeanIX

Design an optimal future state architecture leveraging SAP LeanIX, aligned with the organization's strategic goals.

### SAP Signavio

Develop robust TO-BE processes grounded in SAP best practices in SAP Signavio, linked with the Business Architecture.

Set

A team of 9 consultants was formed over 18 months (considering the need to foster a process-oriented culture).  $\Rightarrow$ 

Pre-Project / Assessment / Implementation Strategy using the deployed Business Processes and Business Architecture



### SAP Signavio

Establish a process-driven governance model with the mission of achieving FIT TO STANDARD with ZERO CUSTOMIZATION. The best practices already defined in SAP Signavio were adapted and translated.





Define and document patterns for integrations and security. Teach technical teams how to document new interfaces on LeanIX.

#### KNOA

Deployment of SAP UEM by KNOA. Monitored closely the testing

Define Implementation waves according to the Closing dates of each fiscal year of main companies

### CGC

- 4 Waves / 4 companies
- From Jun 2024 to Jan 2025

### SAP Signavio SAP Enable Now

Set

Edison

Create engaging and effective end-user training materials using SAP Enable Now, integrated with SAP Signavio. 300 training courses defined for instructor-led training and self-paced learning.

# Go!

#### 

Went live Wave 1 and monitored Hypercare with KNOA

### SAP Enable Now

#### 

Utilized SAP Enable Now and SAP UEM by KNOA report capabilities to establish a robust control tower and adjust on the fly.

SAP Signavio

a) SAP Signavio Process Insights and

b) SAP Signavio Process Intelligence

Will leverage:

**CGC** The global model will provide a foundation for integration into future CGC company acquisitions

#### This platform will enable continuous monitoring of adoption rates, identify process optimization opportunities, and drive process

excellence

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### SAP LeanIX

Leverage information from project transformation to model future architecture.



"The success quartet: A rhythmic journey of continuous improvement"

