



MONTECARLO CONSTRUCTION LIMITED

TRANSFORMING THE BUSINESS THROUGH PROCESS REENGINEERING

QUICK FACTS

Industry

Engineering, construction, and operations – infrastructure

Headquarters

Ahmedabad, India

Web Site

www.montecarloconstruction.com

SAP® Solution and Services

SAP® Business All-in-One solution for the engineering, construction, and operations (EC&O) industry

Implementation Partner

Highbar Technologies Limited, an HCC group company

Montecarlo Construction Limited, a major Indian large-scale construction firm, found growth impeded by legacy software. The firm deployed an SAP® Business All-in-One solution for the engineering, construction, and operations industry, reengineering its business processes. Montecarlo now has integrated business functions and a single source of reliable data, resulting in better-informed decisions, shorter period closings, and improved operations.

Key Challenges

- Provide all critical business information in real time from a single reliable source
- Strengthen and ruggedize the enterprise resource planning environment to support continued growth
- Integrate business functions to support cost-effective execution
- Reengineer business processes for efficiency and scalability

Implementation Best Practices

- Treated implementation as a business project, not an IT project
- Selected implementation partner with keen understanding of the industry and experience addressing its pain points
- Constantly challenged existing processes, resulting in business transformation
- Employed implementation templates based on industry best practices

Financial and Strategic Benefits

- Improved timeliness and accuracy of information, leading to faster and better-informed decisions
- Streamlined maintenance, project monitoring, procurement, and contract management
- Linked resource consumption, material production, and labor entailed in these processes – for better cost control
- Reduced costs and improved profitability
- Enabled use of historical data in planning
- Enabled cost targeting by milestone achieved, by day, or by other time periods

Why SAP Was Selected

- Integration and robustness
- Access to global industry best practices
- Scalability to support long-term growth
- Maturity of SAP and its software
- Industry and domain expertise available from partner Highbar Technologies

Low Total Cost of Ownership

- Completed implementation in 4 months, on schedule and within budget
- Reduced dependence on human resources for information retrieval
- Minimized training requirements through curriculum customization

Operational Benefits

Key Performance Indicator	Impact
Time required for financial closure of project	-60%
Time to close inventory and materials	-60%
Use of leftover materials for other projects	Greatly increased
Incidence of equipment breakdown	Reduced
Unnecessary procurement	Eliminated

“By reengineering our business processes to take optimal advantage of our SAP Business All-in-One solution for the infrastructure industry, we have transformed our business to provide a platform for growth without limits.”

Mrunal Patel, Joint Managing Director, Montecarlo Construction Limited

Montecarlo Construction Limited is one of India's largest and most respected construction companies. The firm specializes in large-scale civil construction projects across India including roads, buildings, mines, irrigation systems, canals, and dams.

Confronting Barriers to Growth

In the past, Montecarlo employed business software that stood in the way of growth. Reliable information was too hard to find, especially for estimating, bidding, and purchasing for new projects. Business processes were poorly integrated, impairing the firm's ability to execute projects quickly and cost-effectively. Year-end closing of financials and inventories took as long as six months because of all the manual processes involved.

Montecarlo knew that it needed to move to a rugged enterprise resource planning system and that SAP® software had the required scalability, maturity, and support for process integration. But the company also wanted its new software to address specific construction industry needs. Montecarlo found a way to get both – by choosing an SAP Business All-in-One solution for the infrastructure industry.

Reengineering Business Around a Precisely Tailored Solution

Highbar tailored the solution, especially its project management functionality, to Montecarlo's particular needs. Functionality was deployed to support scenarios

to accommodate many industry and country-specific requirements regarding insurance, taxes, and pollution control for its equipment and vehicles. Functionality also supported the implementation of a system of alerts so that when compliance issues are about to arise, appropriate individuals are notified seven days in advance. Another supported scenario covered the requirement of allocating the use of a piece of equipment to a maximum of four projects at a time, basing maintenance schedules on fuel type using Montecarlo's familiar nomenclature for its equipment.

Montecarlo regarded the implementation as much more than an IT project. On the contrary, the company totally transformed its business by redesigning its processes to follow the infrastructure industry's best practices, which are supported by SAP solutions and Highbar's industry expertise.

Despite the extent of the tailoring provided and the process reengineering performed, the team completed the project in just four months, on schedule and within budget.

Reaping Much-Deserved Profits

Montecarlo's transformation delivered profound improvements throughout the company. With accurate business data available at all times, management can finally make fully informed decisions. The time required for period closings is down from six months to two. The firm has ready access to historical data that makes it much easier to estimate and bid on new projects and to procure materials for

them. When resources are needed for a project, the firm now has visibility into their availability at other project sites, eliminating unnecessary procurement.

All project management processes are greatly streamlined. One project that had been divided into three logical units, for example, is now treated as one – boosting efficiency. Cost control is easier due to better monitoring of resources consumed, materials produced, and labor entailed in these processes.

In all these respects and more, Montecarlo is now reaping richly deserved rewards from its reengineering and has transformed itself into a more profitable, better-run company.

Implementation Partner

Highbar Technologies, an HCC group company, focuses exclusively on providing IT solutions for the infrastructure industry. Highbar combines industry domain knowledge and IT expertise to provide end-to-end solutions to infrastructure companies.

HIGHBAR
TECHNOLOGIES

50 104 574 (11/04)

©2011 SAP AG. All rights reserved.

SAP, R/3, SAP NetWeaver, Duet, PartnerEdge, ByDesign, SAP BusinessObjects Explorer, StreamWork, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and other countries.

Business Objects and the Business Objects logo, BusinessObjects, Crystal Reports, Crystal Decisions, Web Intelligence, Xcelsius, and other Business Objects products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of Business Objects Software Ltd. Business Objects is an SAP company.

Sybase and Adaptive Server, iAnywhere, Sybase 365, SQL Anywhere, and other Sybase products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of Sybase, Inc. Sybase is an SAP company.

All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.