



Surgutneftegas: Preparing for the Move to SAP HANA® with SAP® Landscape Transformation Software

As part of the strategy to prepare its IT landscape for future challenges, Surgutneftegas prepared to implement the SAP HANA® platform. The first step on its simplification journey to SAP HANA included the upgrade of SAP® R/3® Enterprise software to the latest release of the SAP ERP application, including Unicode conversion and adopting customization requirements.

Executive overview

Company

Open Joint Stock Company
Surgutneftegas

Headquarters

Surgut, Russia

Industry

Oil and gas

Products and Services

Energy production and
distribution

Employees

103,000 (2015)

Revenue

US\$24 billion (2014)

Web Site

www.surgutneftegas.ru

BUSINESS TRANSFORMATION

Objectives

- Build a solid system foundation to realize its growth strategy
- Establish simplified business processes
- Enable system consolidation to streamline the current system landscape
- Upgrade SAP® R/3® Enterprise software* to the latest release of the SAP ERP application and move to the SAP HANA® platform

Resolution

- Streamlined upgrade, Unicode conversion, and adoption of customization requirements
- Ensured update and program redesign for auditing and architecture
- Safeguarded the functional system merge for transitioning to SAP Business Suite software
- Applied near-zero downtime technology to meet downtime requirements

Benefits

- Minimized downtime of productive systems and performed a Unicode upgrade simultaneously
- Achieved a significant reduction in operating and maintenance costs
- Realized smooth, on-time delivery with the SAP MaxAttention™ offering

Read more ►

One-step

Approach – upgrade, Unicode conversion, and customization requirements

Two

Days of business downtime

Three

Test cycles



“Thanks to the System Landscape Optimization group, the project was implemented in nine months. With its support, we reduced the downtime to just one weekend – half the time initially planned.”

Alexander Shevchuk, Project Manager, Open Joint Stock Company Surgutneftegas

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Creating value through innovation

Oil and gas producer Open Joint Stock Company Surgutneftegas is one of Russia's largest companies in the industry. For many years, it has been leading the industry in terms of exploratory and development drilling, making products that drive modern transportation, power cities, lubricate industries, and provide petrochemical building blocks to empower the Russian economy.

The company was the first in Russia to develop a complete cycle of gas production and processing – gas-based power generation that covers the whole range of prospecting and reservoir management operations, construction of facilities, environmental safety, and process automation.

An important distinction of Surgutneftegas is its high degree of vertical integration. The company performs practically all steps in energy production and distribution itself – from building rigs and facilities to drilling and transportation. It even develops its own information systems. Furthermore, Surgutneftegas is dedicated to providing reliable and easy-to-use data through real-time reporting to accelerate management decisions and foster company growth.

To achieve these goals, Surgutneftegas is fully committed to moving its entire system landscape to the SAP HANA® platform by using SAP® Landscape Transformation software.

“After nine months of hard work focusing on software configuration, updates, and program redesign, we transitioned to the new SAP software system in close cooperation with the System Landscape Optimization group.”

Rinat Gimranov, CIO, Open Joint Stock Company Surgutneftegas



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Enhanced strategic expertise for future transformations

Moving 28 systems to 3 instances of SAP HANA called for much preparation, so Surgutneftegas invested in a one-step approach, including upgrade, Unicode conversion, and customization requirements. It turned to the System Landscape Optimization group at SAP to help ensure the smooth implementation of effective IT solutions and safeguard the functional system merge for transitioning to SAP Business Suite software.

The most important aspect of the project was to make full use of all necessary technological capabilities. Surgutneftegas was dedicated to providing a powerful and structured IT foundation for the future while using state-of-the-art functionality and providing program redesign for auditing and architecture. SAP Landscape Transformation, with its proven technology and structured methodology, helped the company achieve the first step of this challenging endeavor.

The data migration scenario was tackled through a client transfer with a near-zero downtime approach, which improves performance and helps extend the overall availability of SAP software. Surgutneftegas' 24x7 availability requirements demanded an incremental conversion procedure to keep business downtime to a minimum. Cost measurements, technical planning security, and enhanced business agility were the main reasons to put full trust in the incremental conversion.

"Thanks to the System Landscape Optimization group, the project was implemented in nine months, including three test cycles and one dress rehearsal prior to the production conversion," says Alexander Shevchuk, project manager. "With the group's support, we reduced the downtime to just one weekend, less than the initially planned two weekends."



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Ready for migration to SAP HANA

Surgutneftegas has partnered with SAP for more than 20 years. The professionalism of the System Landscape Optimization group convinced Surgutneftegas to perform the project using SAP Landscape Transformation. Vadim Shramin, IT solutions adoption manager, says, "Due to the professional level of the group, the work was done efficiently for both planning and execution. And the openness of Surgutneftegas specialists allowed better and easier coordination between the teams."

An SAP team from multiple regions handled the extremely complex system landscape architecture with great devotion and overall commitment, delivering on time and within budget. A great advantage and major benefit for Surgutneftegas was the continuous knowledge transfer and strategic

expertise provided by SAP, enabling Surgutneftegas experts to perform future transformations, guarantee business continuity, and minimize risk.

"The highly professional System Landscape Optimization group helped us clearly and properly plan and perform all operations for the transition to the new version of the SAP ERP application," says Larisa Laptun, program manager. "Collaboration between Surgutneftegas and the group allowed us to reduce downtime of the productive system by almost two days. We are planning to transfer 28 systems to the SAP HANA platform and will use the System Landscape Optimization group for similar projects. We will always choose the group because of its extensive knowledge and experience."

"Surgutneftegas is an innovative company. It is important not to delay modernization. Using the latest technologies opens new opportunities for development and brings considerable savings."

Veronika Bojarinova, Basis Team Lead, Open Joint Stock Company Surgutneftegas



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In-memory computing is the future now

Once Surgutneftegas has realized its future vision and moved all 28 systems to the 3 SAP HANA instances and is operating on an optimized IT architecture, it will profit from a simplified system landscape in which it is possible to implement both transactional and analytical functionality. Real-time responses from the system and effective analytics will support the company with decision making based on the latest information. The main advantage will be the reduction in time needed to obtain company operations results.

“Surgutneftegas is currently preparing the migration of a large number of systems to SAP HANA to offer faster access to management information and enhance decision making processes to enable business growth. We look forward to continuing our partnership and implementing our plans with the SAP team,” says Rinat Gimranov, CIO.



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