

## Monitor and Sigma3

### Successful implementation with Shell's Sigma3 system on and offshore

**Sigma3** was a joint venture by three companies to provide engineering and maintenance services for Shell Expro's Assets in the Northern North Sea.

The three partners in Sigma3 were AMEC, PSN and Wood Group.

Sigma3 was responsible for engineering, design, construction and commissioning projects, and also for performing maintenance and repair work.

#### THE CHALLENGES

Shell uses the ERP system SAP for financial and cost management purposes and required SAP to be updated with information on Sigma3's operations. In addition Sigma3 needed to ensure that staff payroll and other non labour costs were collected so they could invoice Shell monthly for all work performed. An important part of this invoice was to ensure that the correct rates were applied to the correct work performed by individuals, for both costing and billing purposes for all types of labour and circumstances - remote locations, overtime, shifts, work performed at a different grades etc.

Shell needed to be confident that the updates to SAP were accurate and that the invoice when received is a true reflection of the work performed and conform to the contractual terms with regard to labour charge rates. Shell also wanted to ensure that timely data relating to the total cost of ownership of items (Compressors etc.) was made available to budget holders.

#### THE REQUIREMENTS

- Ensuring maintenance work defined in Shell's SAP system was performed
- Ensuring engineering work defined in the planning system was progressed
- Correct allocation of time to maintenance, design and engineering / construction tasks
- Accurate and timely invoicing to Shell
- Production of management reports
- Payroll preparation

#### THE SOLUTION

Monitor's mpower system was identified as suitable and was subsequently deployed. The system has enabled Sigma3 to meet the challenges of the contract through:

- Interfacing with Shell's SAP system to collect information on maintenance work and to post information on hours worked on a daily basis
- Interfacing with Sigma3's planning system to make engineering booking codes available, and to post actual man hours back to SAP
- The use of electronic timesheets entered weekly for onshore staff and daily for offshore staff
- An HR system ensuring only agreed individuals write time to codes
- Interfacing with partner companies to provide details of hours worked for payroll
- Calculations to ensure that only appropriate recorded hours are billed to Shell
- Production of reports
- Proven algorithms catering for the billing of amounts due to retrospective changes in rates

#### IMPLEMENTATION

mpower was implemented to replace an earlier product, with Monitor providing consultancy and training to ensure a seamless transition. This was achieved by producing a workable plan which ensured adequate participation by all stakeholders.