



INTO THE FUTURE WITH IFS

The Norwegian shipbuilding industry continues to command a leading position internationally, which Vard Group AS (formerly STX Europe) is clear evidence of. At six shipyards in Norway, the group is building some of the most modern offshore and specialized vessels in the world. Important success criteria include technology, design, and project management. And at the core of all this lies an updated, future-proof suite of enterprise applications from IFS.

Noralf Gamlem is Head of ICT Offshore & Specialized Vessels at Vard Group AS. He was one of the key people involved when the then Aker Brattvaag purchased IFS Applications in 1998. Most of the Norwegian shipbuilding industry today is consolidated under the ownership of South Korean STX, as are the corresponding activities in Romania, France, Finland, Brazil, Canada and Vietnam. IFS has been part of the journey since the very beginning, from what originally comprised about 300 employees in Norway to what is nowadays an international giant in shipbuilding with a headcount approaching 16,000, including shipyards in Finland and France.

WISE INVESTMENT

“In 1998 there were certainly those who shook their heads at the prospect of a major ERP investment,” Noralf recalls, “but that’s no longer the case. Looking back, everyone realizes that the decision was significant and correct. Many of our administrative procedures are better organized, and the solution has grown with us. This is especially true of project management. In operations such as ours so much stands or falls with our ability to implement our projects—and IFS Applications has contributed to strengthening us in this area.”

Vard Group AS builds specialized vessels, including different types of offshore vessels, LNG-powered ferries and coastguard vessels. Very few of the vessels are like any of the others. It is almost always a question of a unique, tailored design, with the price of the vessels in the 100-million-dollar class. In a situation like this, it is self-evident that efficient project management is crucial. Via IFS Applications we control the costs, revenue and progress of our projects, both from a historical perspective and in relation to expected completion. Another important element is risk management and the capability to proactively change course as a project is progressing.

WIDELY USED

“The positive experiences of using IFS are the main reason for our upgrading the solution to IFS Applications 7.5,” Noralf continues. “The upgrade took place almost 10 years to the day after we went live with the first version. From the

ABOUT VARD GROUP AS

Vard Group AS is an international shipbuilding group whose goal is to be the leading builder of cruise ships and offshore vessels. The group has strong position in terms of developing state-of-the-art concepts, technology, processes and products for customers worldwide. Vard Group AS consists of 15 shipyards in Finland, France, Norway, Romania, Brazil and Vietnam. Vard Group AS has approximately 16,000 employees.



beginning we opted for a standard solution and have continued along the same path, even if we've obviously had to implement certain customizations to fit our specific needs. Many of our previous customizations, especially in project management, have now become part of the standard version of IFS Applications. Naturally, this is very positive for us and means that we share our best practice with other project-based businesses. The applications from IFS are used currently used widely in Vard Group AS, but mostly within our Offshore & Specialized Vessels business areas. Here we have about 400 named users in Norway, Romania, Vietnam and Brazil."

"With IFS Applications 7.5 we have a solution in which all information is gathered and updated at all times," Noralf points out. "The quality of the data has become considerably better and all units are working on the same IT platform. It has become easier to get users to stick to defined processes. IFS Enterprise Explorer, the new web-based interface for IFS Applications, opens exciting new possibilities. We were pilot customers for IFS Enterprise Explorer, and feedback from our users has been positive. They are convinced that it has a future before it."

ENTERPRISE EXPLORER—A NEW EXPERIENCE

Vard Group AS was one of four companies that were given the opportunity to take part in the IFS Enterprise Explorer—Early Adopter Program. Enterprise Explorer is IFS' revolutionary new user interface, which in addition to new design offers new capabilities within navigation, communication and personalization. The purpose of the Early Adopter program was to collect feedback from users who used the interface in their daily work. Noralf stresses that participating in the program was both interesting and educational.

"In addition, I think we also contributed knowledge that was useful for the developers at IFS. Our collaboration with the R&D team was very positive. We met people there who listened and were genuinely interested and involved in our world," he says.

Experiences from using the new interface engender hope that the organization will become more automated—that even infrequent users of IFS Applications will be able to use the solution as easily as they use the Internet today. "With Enterprise Explorer the solution has become substantially easier to understand, you can work faster and with greater flexibility. Experienced users find the interface completely intuitive, and the working day has been greatly simplified even for infrequent users, where we have seen, among others things, less need for support," says Noralf.

COMPETITIVE ADVANTAGE

Noralf maintains that modern IT tools are crucial for attracting a qualified workforce. Young people today have been taught to work with the latest tools within computer technology, for instance in areas such as communication and administration. In that respect, Vard Group AS believes it has a competitive edge—and IFS Applications is an important part of that.

After 10 years with IFS Vard Group AS has considerable ERP competence internally. Most of the competence has been acquired as on-the-job training. And that is the way it will continue to be. Throughout the organization resource personnel who are well qualified to sharpen the company's competitive edge are working with IFS Applications 7.5. There are still a lot of benefits to be had from the solution, and Vard Group AS continues to expand its use of IFS Applications to harvest new administrative gains.

BENEFITS

- Better project management
- Standard industry-specific system
- A standardized system over national boundaries
- All information in one place and updated continuously



"Projects are the very life blood of our business. IFS Applications has contributed to giving us better control of our projects"

Noralf Gamlem, Head of ICT Offshore & Specialized Vessels, Vard Group AS

