

CASE STUDY

Migration to Current Version of glovia.com Simplifies Customizations and Enhances Operational Visibility and Supply Chain Management



OIL STATES INDUSTRIES INC.

Who: Oil States Industries is a leading manufacturer and developer of technologically advanced products, services and integrated solutions for the greater oil and gas industry. In business for more than 60 years, Oil States operates in four market segments: Offshore Oil and Gas, Land Oil and Gas, Defense, and General Industry. These four markets are serviced by Oil States' three divisions: The Offshore Construction Group, the Elastomer Group and the Marine Pipelines Group.

www.oilstates.com

Location: Oil States is headquartered in Arlington, Texas, with locations in six countries and more than 1,500 employees worldwide.

Business Problem: As Oil States expands internationally, additional functionality not available in their older version was needed to continue effective support of their operations. The company needed to gain tighter control of their inventory and increase operational responsiveness to be able to maintain their competitive advantage.

Solution: To improve management of their continually growing operations, Oil States migrated to the current version of glovia.com to take advantage of the additional operational visibility and supply chain management functionality.

Benefit: Since going live on the current version of glovia.com, Oil States has benefited from the increased supply chain visibility, improved accounts receivable functions and expanded document printing and archiving functions.



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As one of our country’s most valued resources, oil is the cornerstone for gasoline production, which is used to power a variety of vehicles, including automobiles—the most widely used method of transportation. Being able to drill and transport oil are vital to securing this resource. One of the companies at the forefront of making this happen is Oil States Industries. Oil States is a leading manufacturer and developer of technologically advanced products, services and integrated solutions for the greater oil and gas industry.

The company manufactures downhole products for drilling and production as well as oil and gas pipeline products. Oil States uses hydraulic force to form immediate full-strength structural connections used to support offshore drilling platforms. A premier supplier to the defense industry since 1972, Oil States has supplied metal-elastomeric FlexJoints, incorporating steel, copper-nickel, and titanium for piping systems aboard surface ships and submarines.

Oil States continually researches and creates new technology and products to solve new problems as they arise and to provide the highest level of technologically advanced products for the oil and gas industry. The company also takes great measures to ensure all their products and technologies adhere to the strict environmental requirements of the oil and gas industry.

Working with Glovia

Oil States has been using Glovia’s extended ERP solution, glovia.com, for more than seven years. The company had been running the version that was initially installed and it was becoming cumbersome and difficult to effectively manage their operations as their business has grown steadily since the initial implementation. Currently, Oil States has 15 locations worldwide with nine located in the United States and close to 400 users with nearly 100 logging in to the system on a daily basis.



Across their multiple locations the company utilizes glovia.com to manage their supply chain, from the sales process to planning, and to handling inventory both internally and with their suppliers. The system is also used to manage their financials as well as post-sale service and support.

As the company continued to expand, their older version of glovia.com became very difficult and time intensive to navigate due to the tremendous number of customizations created during the initial implementation. Oil States needed to streamline their customizations and enhance the system to gain better control and visibility into their supply chain and keep up with the increasing demand for their technologies, products and support.

In addition, as their business expanded internationally, the need for having glovia.com in multiple currencies and languages was becoming apparent and the older version did not have these capabilities.

A senior Glovia consultant spent time with Oil States' management and key users, to understand, review and identify areas for improvement. He examined the business processes that could be streamlined, improved and/or redesigned with the newer version of the system. The consultant reviewed all the existing customizations to understand the role each played in the business and to see which ones could be standardized or removed with the newer version. Upon completing the review the consultant offered recommendations and proposed specific process improvements, including implementation procedures.

Once Oil States decided to move forward with the migration, their first step was to select team leaders for all aspects of the solution (manufacturing, financials etc.) at each of the locations the new system was being implemented. "This was a very important part of the upgrade process as these team leaders are the ones who train others on the system. The individuals were selected for their extensive knowledge and long time use of the Glovia system and they will remain the

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The Migration

"One of the most important steps we took in deciding how to proceed with adding additional functionality and streamlining our system, was to work with Glovia to perform a business optimization analysis (BOA)," comments Linda Corbin, Business Systems Analyst for Oil States. "This process enabled us to see exactly where and what we needed to upgrade as well as how to best go about it."

team leaders long term to help keep use of the system standardized as much as possible," continues Corbin.

Next, Oil States held orientations for team leaders on the functionality of the new version, and selecting the timeframe to migrate was the next step. "We obtained input from team leaders on when their specific operations would be least affected by the migration. We determined the middle of the month in the middle of the quarter would cause the least amount



of disruptions so we chose this time to begin the migration,” Corbin states.

This was followed by five months of comprehensive training and testing for both users and team leaders to make sure everyone was comfortable with the new system. “Allotting extra time not only for the migration itself but for extensive testing and preparation was one of the reasons we had a successful migration,” comments Corbin.

Before, during and after migration, Oil States set up procedures and kept very strict records to satisfy Sarbanes-Oxley’s extensive requirements. Oil States began their migration in March 2005 and went live just 5 months later.

Reaping the Benefits

One of the areas Oil States really focused on with the migration was improving the sometimes-cumbersome navigation of the system. “One of the areas we really wanted to address was the navigation of the system. Reducing the number of customizations has enabled us to move towards a more standardized system and

allows us to accomplish tasks faster, better collaborate with other users and have a much easier time training new users,” continues Corbin.

Since completing the migration, Oil States, as planned, has continued adding functionality on an as-needed basis. Glovia’s security functionality was one area addressed. The newly created Security enables system administrators to control all end-user access to glovia.com’s functionality. “We now have a flexible way to manage user access and are able to set user security to the finest degree to satisfy Sarbanes-Oxley requirements,” Corbin said.

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