

CASE STUDY: mySAP ERP upgrade for federal government



A UXC COMPANY



“Partnering with Oxygen helped us achieve a very successful upgrade project. Their team of consultants provided upgrade experience and support through the functional review and testing phases.”

Robert Heggie, DEWR, IT Director and Upgrade Project Manager

## OXYGEN COMPLETES COMPLEX UPGRADE OF GOVERNMENT DEPARTMENT'S SAP SYSTEMS

One of the first successful upgrades to mySAP ERP for the Australian Federal Government, by Oxygen Business Solutions, has allowed the Department of Employment and Workplace Relations (DEWR) in Canberra to lay the foundation for the future implementation of human resource applications, and improve its budgeting and reporting processes.

The department chose Oxygen as its implementation partner to upgrade its existing SAP R/3 4.6C and BW 3.1 environments to ECC 6.0 and BI 7 respectively. DEWR has an extensive IT network, supporting itself and a number of other federal agencies across Australia. Responsible for providing labour market assistance, DEWR distributes around \$5 billion annually in funding and employs around 4,300 staff, over half of which are located in Canberra.

DEWR runs financial accounting and human resource applications and the upgrade involved changes to every aspect of its SAP technical architecture. Oxygen was charged with delivering the system upgrade successfully with minimal risk, cost and impact to the ongoing running of the department.

The upgrade involved a significant amount of functional verification and Oxygen partnered with DEWR to re-implement and re-test its entire system including all interfaces.

A key success factor of the upgrade was the collaborative nature of the Oxygen and DEWR partnership, with Oxygen providing upgrade experience and support throughout the functional review and testing phases.

Oxygen's SAP ERP upgrade engagement model was designed to lower risk and minimise disruption for DEWR, and as a result, this four-month project was finished on time and on budget. The upgrade also delivered better month-end financial reporting, and enhancements to its business intelligence application have allowed the department to improve the effectiveness of its budgeting cycle.

“We have transitioned smoothly and effectively to the most up-to-date SAP platform and are well positioned to implement new SAP applications to enhance management control and reporting in the future.”

Robert Heggie, DEWR, IT Director and Upgrade Project Manager

## THE BUSINESS CHALLENGE

- Upgrade existing SAP R/3 4.6C and BW 3.1 environments to ECC 6.0 and BI 7 respectively with minimal risk, cost and impact to the department
- Test all business processes and interfaces to achieve a robust technical platform from which to implement future applications and launch new business strategies

## THE OXYGEN SOLUTION

- Create collaborative partnership model in order to implement and test system upgrade successfully with minimal disruption to existing business processes
- Technical upgrade to ten financial accounting modules and enhancements to standard industry solutions, including improvements to BI 7 workbench navigation
- Undertake thorough testing regime from planning and communication through to go-live verification and ongoing performance monitoring
- Provision of local project management and quality assurance resources to manage and reduce upgrade risk and complexity

## RETURN ON INVESTMENT

- Smooth, low risk transition to the SAP ECC 6.0 to enable the department to drive business innovation and growth strategies
- Upgraded financial accounting modules have enhanced month end reporting and improvements to business intelligence application have streamlined critical budgeting processes – including improving three-way budget facilitation
- Improved infrastructure allows for future deployment of integrated Governance, Risk and Compliance strategies and SAP HR portal

## CUSTOMER PROFILE

ANNUAL FUNDING RESPONSIBILITY:  
A\$5 billion

BUSINESS PROFILE: Department of Employment and Workplace Relations (DEWR) has over 4,300 employees, over half of which are located in Canberra. The department has an extensive IT network supporting its own staff and a number of other agencies across Australia.

DEWR's remit is to provide the Australian government with high quality advice, programmes and services in order to increase workforce participation, create high productivity and higher pay workplaces, and to encourage efficient labour market assistance.