



Chemical Company Actively Manages Project Resources and Costs for R&D

Overview

Country or Region: Finland

Industry: Manufacturing—Chemical

Customer Profile

Kemira is a global chemical company with a new focus on water chemistry. Based in Helsinki, Finland, it has almost 5,000 employees. Its 2010 revenues were €2.1 billion (U.S.\$3.1 billion).

Business Situation

With hundreds of R&D projects to support its new mission, Kemira needed standard project management processes and an easy-to-use enterprise project management solution to help provide control.

Solution

Kemira developed project management processes and, with the help of Microsoft Gold Certified Partners Tietotalo and TPG The Project Group, implemented Microsoft Project Server 2010 with a link to SAP.

Benefits

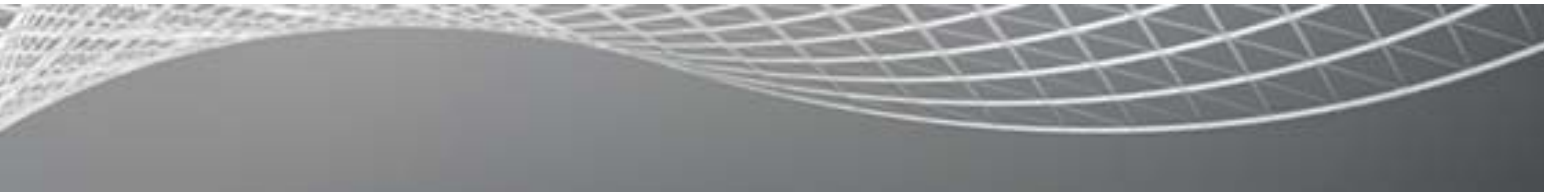
- Reporting enriches relationships
- Data improves resource management
- Data improves cost control
- Users save up to two hours per month

“Efficient reporting is absolutely the biggest benefit of Project Server 2010.... We know that the project numbers—including financials from SAP—are timely, reliable, and consistent.”

Jani Saarinen, Senior Manager in Research & Development, Kemira

Kemira, a global chemical company, is initiating hundreds of projects to fulfill its new mission to help customers efficiently use and reuse water. To safeguard its investment, Kemira needed new project management processes and software. Kemira deployed Microsoft Project Server 2010, assisted by two Microsoft Gold Certified Partners: Tietotalo, which developed workflows to automate its new processes, and TPG The Project Group, which developed a link to its SAP enterprise resource planning solution. Kemira is using the rich reporting features of Project Server 2010 to improve decision making and its relationships with funding sources. By linking Project Server 2010 and SAP, Kemira can manage resources and costs by comparing budgets with actual performance. With Project Server 2010, Kemira saves users time in entering timesheet information and saves managers time in collecting project data.





Situation

Kemira is a global chemical company headquartered in Helsinki, Finland. With roots that date back to state ownership in the 1920s, Kemira, now publicly traded, has almost 5,000 employees working at 100 sites in 40 countries. Its 2010 revenues were €2.1 billion (U.S.\$3.1 billion).

Kemira recently announced a new vision statement: to become the world's leading water chemistry company by offering customers water quality and quantity management that improves their energy, water, and raw material efficiency. Current Kemira customers include paper manufacturers, oil and mining firms, and municipal wastewater treatment plants. The company wants to expand its offerings by pursuing new products and markets related to water. In March 2010, Kemira committed €120 million (U.S.\$180 million) over four years to a research and development (R&D) effort called the Center for Water Efficiency Excellence. The effort, which represents one of the biggest environmental technology investments in history, is backed in part by Tekes, the Finnish government funding agency for technology and innovation.

The new strategy requires many new projects, including about 100 new product development projects, which are multiyear initiatives budgeted between €1 million and €5 million (U.S.\$1.5–7.4 million) apiece. Other projects, including about 100 in technical support, are much shorter in duration and smaller in budget, often involving quick-turnaround analysis of a customer-submitted sample.

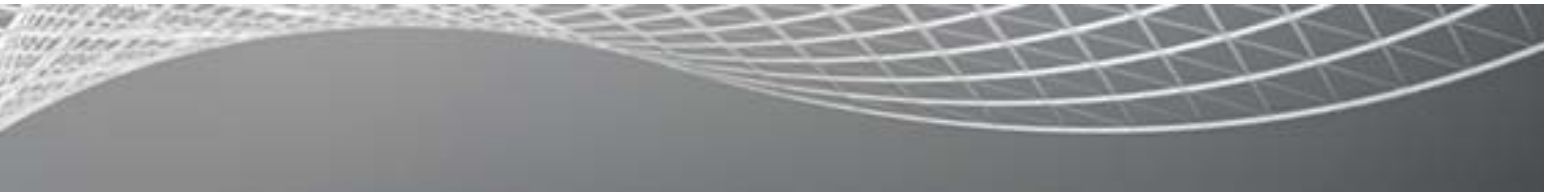
Previously, project managers had managed projects with many different approaches. Although most used Microsoft Office Excel 2007 spreadsheet software, they had no common processes. "Each project manager had his or her own way of managing

projects," says Jani Saarinen, Senior Manager and Head of Processes and External Relations in Research & Development at Kemira. "Reporting was horrible. We had no possibilities of getting comprehensive or comparable reports on projects. We had no budgeting or resource planning. And we had no controlling mechanism for projects, no control over resources or budgets, and no punishment for projects that were failing or lagging."

Furthermore, time-tracking in the R&D department was inconsistent and cumbersome. In Finland, employees would fill out an Office Excel 2007 spreadsheet, which was automatically uploaded to the financial component of the company's enterprise resource planning solution, SAP. Employees would then have to double-check in SAP that their timesheets were correct. "It was a difficult and time-consuming process," Saarinen says, noting that its complexity sometimes yielded inaccurate results. "And it was only done in Finland; our other global R&D centers used different methods."

Yet many R&D projects involve mixed teams spanning multiple countries. Kemira wanted to track both timesheets and costs for these projects. The company wanted to transfer actual hours from its enterprise project management solution to SAP and transfer financial data from SAP to the project management solution.

With the heavy investment in new R&D projects that were designed to transform the company and fulfill its new strategy, Kemira needed new project management processes and software to support them. The company wanted the new solution to save employees time while providing useful data to both decision makers and funders at Tekes, which has very strict reporting requirements.



Solution

In March 2010, Kemira gathered the project managers of its biggest R&D projects to develop a common methodology. "After 10 days of intensive training, we achieved a common template for project management, including the main elements and key tasks," Saarinen says. "We also created a written project management guide based on these sessions."

Meanwhile, the company was evaluating technology providers. "It was a very long process involving a considerable list of project management software solutions," Saarinen says. "In our selection process, the biggest driver was ease of use. I continually emphasized that the solution had to be easy to use." Primarily for that reason, in May 2010 Kemira decided on Microsoft Project Server 2010. It also liked the solution's scalability and ease of interoperation with other Kemira software solutions.

Implementation began the following month, aided by Tietotalo, a Microsoft Gold Certified Partner based in Helsinki, Finland, that provides project and portfolio management and digital communication software solutions. Kemira had reviewed solution providers by having them respond to a set of scenarios and selected Tietotalo based on its execution during the review. "The whole project was delivered on time, on budget, and in scope, with not a single missed milestone in the project," says Ville Vakkilainen, Director of the Project Business Unit at Tietotalo. "And credit for that goes to the people at Kemira—their management support, their willingness to learn, and the way they helped us help them."


At Kemira, Project Server 2010 data is stored in Microsoft SQL Server 2008 R2 Enterprise data management software.

Project Server 2010 also interoperates with Microsoft SharePoint Server 2010. In March 2011, Kemira unveiled a new company intranet built on SharePoint Server 2010 (an upgrade from Microsoft Office SharePoint Portal Server 2003), including project workspaces that provide employees with easy access to all relevant project material.

Around the globe, more than 350 Kemira R&D users enter timesheet information in the Project Server 2010 web client, Microsoft Project Web App. About 50 managers of large projects perform their duties—such as building teams, assigning people to tasks, managing schedules, budgeting, and making short-term cost estimates—using the full Microsoft Project Professional 2010 client application. Because both client applications have direct links to the project workspaces, employees can easily collaborate on projects.

With the help of Tietotalo, Kemira set up workflows in Project Server 2010 that reflect its newly standardized project management processes. For new product development projects, the workflows include five stage gates to help ensure that each project follows the appropriate decision-making model and that appropriate data is gathered at the right stage of the project. A different set of workflows governs the technical support projects. "What's important to a successful implementation is not only the Project Server 2010 settings and definitions, but also the business processes that set up how the company uses the software," Vakkilainen says. "Kemira handled these very well, especially given that they were starting from almost ground zero."

To engineer a link to the financial component of SAP, Kemira and Tietotalo enlisted the help of TPG The Project Group, a Microsoft Gold Certified Partner and



“For the first time ever, with Project Server 2010 we can really measure where we are, how our resources are spent, and what people are really doing.”

Jani Saarinen, Senior Manager in Research & Development, Kemira

Premium Project Partner based in Munich, Germany. TPG PSLink is an SAP-certified product for integrating Project Server 2010 with SAP. With the link, SAP can show data entered in Project Server 2010 (such as timesheets), and Project Server 2010 can show data from SAP (such as actual costs). “The main challenge at Kemira was the fact that actual time captured in Project Server 2010 had to be transferred to the correct company code in SAP, to reflect a resource working in Finland, the United States, or China,” says Stavros Georgantzis, Managing Director of TPG. “For this purpose, PSLink maintains country-specific internal orders that are linked to the EPM projects.”

Kemira thus gets reports for all of its R&D projects on actual versus estimated hours as well as actual costs from SAP versus costs that were forecast from Project Server 2010. The company developed several reports in Project Server 2010, including one that summarizes many different types of information about all active projects, and that easily exports to Microsoft Word 2010. Kemira is also developing dashboards using PerformancePoint Services in Microsoft SharePoint Server 2010 to provide executives with key project data. By the end of 2011, Kemira R&D plans to start using project portfolio planning features of Project Server 2010 to prioritize projects, in part by comparing their projected costs with their strategic fit.

Kemira also plans to expand use of Project Server 2010 to other departments, after R&D demonstrates its value. “We’re a pilot project,” says Saarinen. “If everything goes well in R&D, other segments and functions in the company have expressed interest in using Project Server 2010 themselves. So far I am very optimistic, because from my point of view it has been a nice success story.”

Benefits

With Project Server 2010, Kemira is using efficient reporting and SAP synchronization to enrich relationships and accomplish better resource management and cost control. Kemira is also taking advantage of the ease of use of Project Server 2010 to save time for users and project managers.

Reporting Enriches Relationships


Kemira uses the many types of reports in Project Server 2010 to provide valuable information to managers and users alike. Saarinen says, “Efficient reporting is absolutely the biggest benefit of Project Server 2010.”

Furthermore, with information always available in Project Server 2010 and on the SharePoint Server 2010 project sites, employees have visibility into projects at any time. “Project Server 2010 promotes visibility and openness, so that we have overviews of all the projects in our portfolio,” Saarinen says.

The reporting enhances the relationship between Kemira and its government-backed funding source, Tekes. “Using Project Server 2010 to generate reports for Tekes, we know that the project numbers—including financials from SAP—are timely, reliable, and consistent from one month to another,” Saarinen says. “Tekes really appreciates that—and thus indirectly, I believe this reporting improves our chances of getting more funding in the future.”

Data Improves Resource Management

Kemira uses the data in Project Server 2010 to better understand how people are spending their time. “For the first time ever, with Project Server 2010 we can really measure where we are, how our resources are spent, and what people are really doing,” Saarinen says.



“It was a big, messy table, and preparing it manually took several days four times a year. Now with Project Server 2010, I can get it at any time just by clicking one button.”

Jani Saarinen, Senior Manager in Research & Development, Kemira

Managers use this data to work smarter “For example, we can adjust where people need to work by comparing actual and budgeted figures,” Saarinen says. “We are definitely making better decisions because we have more comprehensive and reliable information available through Project Server 2010.”

Data Improves Cost Control

Kemira uses the data in Project Server 2010 to better control costs. “We can use Project Server 2010 to follow up on projects and see how they are performing compared with the budget,” Saarinen says. “That’s really a big, big improvement for us.”

The link to SAP is especially valuable for these cost-control efforts. “From the first time we tested it, the link from Project Server 2010 to SAP worked perfectly,” Saarinen says. “With Project Server 2010 linked to SAP, we can gauge the financial success of projects, comparing actual with budgeted figures, and provide management with the ability to exert meaningful control.”

Users Save up to Two Hours per Month

Kemira R&D employees appreciate the ease of use of Project Server 2010. “I’m able to use Project Server 2010, even though my background is in economic history, not IT,” says Saarinen. “If I find it easy to use, most of our scientists do too.”

Employees no longer have to use the cumbersome dual process of entering time in a spreadsheet and then double-checking it in SAP. “They have a timesheet and a list of projects in Project Web App,” Saarinen says. “It’s really easy and simple, and it goes quickly.” The resulting data is more reliable than under the previous system, and he estimates that employees save up to two hours per month with the streamlined process.

Managers Save One Day per Month

Kemira project managers also find the solution easy to use. It helps standardize and regulate their new project management processes, and they especially appreciate having a single source for all project data. “It’s really easy when we can get many different types of numbers from a single place in Project Server 2010,” says Saarinen. “This is a great value.” He estimates that project managers save one day per month not having to track down data in various sources.

For example, Saarinen used to prepare a quarterly management report listing many parameters of projects across multiple segments of the department. “It was a big, messy table, and preparing it manually took several days four times a year,” he says. “Now with Project Server 2010, I can get it at any time just by clicking one button.”

For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers in the United States and Canada who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to:

www.microsoft.com

For more information about Tietotalo, call (358) (0) 207 535 535 or visit the website at:

www.tietotalo.fi/en

For more information about TPG The Project Group, call (49) (89) 61559330 or visit the website at:

www.theprojectgroup.com/en/home.html

For more information about Kemira, call (358) 10 8611 or visit the website at:

www.kemira.com

Microsoft Project Server 2010

Microsoft Project Server 2010 brings together the business collaboration platform services of Microsoft SharePoint Server 2010 with structured execution capabilities to provide flexible work management solutions. Project Server 2010 unifies project and portfolio management to help organizations align resources and investments with business priorities, gain control across all types of work, and visualize performance through powerful dashboards.

For more information about Microsoft Project Server 2010, go to:

www.microsoft.com/project/2010

Software and Services

- Microsoft Server Product Portfolio
 - Microsoft Project Server 2010
 - Microsoft SharePoint Server 2010
 - Microsoft SQL Server 2008 R2 Enterprise
- Microsoft Project Professional 2010
- Technologies
 - Microsoft Project Web App
 - PerformancePoint Services in Microsoft SharePoint Server 2010

Partners

- Tietotalo
- TPG The Project Group