



## Restoring client confidence with Safran

Pål Ingard Dahl, Per Eivind Steen and Reidar Bergem

Fabricom

**In October 2001, Fabricom's Norwegian business commenced a major reengineering of its project control system. With several stakeholders involved and large and complex projects to be served, the reengineering process proved to be complex and comprehensive. As a result, Safran is now implemented as a key element of Fabricom's project control model and toolbox.**

From its base office in Stavanger, the oil capital of Norway, Fabricom is as a major provider of topsides engineering, modification, maintenance and installation services for the offshore oil and gas industry. In addition, Fabricom performs fabrication work, construction services and maintenance for traditional onshore industries. In 2003, Fabricom's revenues for its Norwegian operations amounted to US \$160 million. The company has a strong balance sheet and employed approximately 800 permanent staff at year-end 2004. One of the first activities of the reengineering process that began in 2001, was to evaluate the existing project management software package and to survey the functionality required. The scope of this reengineering

included a fully detailed review of all aspects related to project management execution, including software portfolio, procedures, competence, support functions etc.

The planning system is a hub for the project management information flow and is project management's major tool for planning, monitoring and reporting project performance, status, decision making and the management of the project in general. This places a considerable demand on the planning software.

**Moving forward with Safran.** The decisive point in the reengineering process came when Fabricom was awarded a large EPCI (Engineering, Procurement, Construction and Installation) contract. For this project, a new and updated version of the existing planning system was implemented. "After a trial period of a few months, it became evident that the software we were using was not sophisticated enough to handle such a project, nor did it provide the flexibility and reporting features required," says Per Eivind Steen, Fabricom's department manager for project control. "The size and complex nature of these projects requires the use of a highly specific methodology for managing projects and a sophisticated and flexible project management solution supporting this business environment." Consequently Fabricom decided to acquire a new

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planning system. Primarily, they were looking for a tool that could be easily integrated with other systems and which included improved reporting functionalities.

“When we turned to Safran Software Solutions at the beginning of 2002, we had a problem to solve. We simply had to do something,” says Pål Ingar Dahl, project control manager for the EPCI project. The results from all our efforts to implement the latest software release of our existing software package were far from satisfying. We were struggling to transfer data across the various systems and to issue the weekly reports on time. Our client’s confidence was diminishing, and most importantly, we were about to lose control.” Fabricom purchased Safran in February 2002, and within one week, 3,000 activities were transferred into Safran. Both planning systems ran parallel for a two week period. Thereafter, in mid March, Safran was running smoothly on its own. “Implementing Safran proved to be a stunning success, and was completed extremely fast,” says Pål Ingar Dahl. “We swiftly moved from a situation that was getting out of control to a status of reliable planning, improved control, backed by first-class reporting capabilities, and more importantly, client confidence was restored. We were pleased with the control provided through Safran.”

**The preferred planning tool.** Implementation of Safran was performed in close co-operation with Safran Software Solutions. As Fabricom was short of internal resources, they decided to hire a planning specialist from Safran on a long-term basis to ensure the best possible utilization and training. This, in addition to Pål Ingar Dahl’s previous Safran experience, was crucial for making this a success. Safran is now the corporate standard for all planning and project control work, and is used to manage the work from tender through all the phases of project execution. The Safran project management software is a key part of the Fabricom standard toolbox for project management.

As a result of this, Safran Details has also been implemented for job card scheduling, and is set up to interface with the material management system. In addition, Fabricom is currently engaged in a pilot project using the cost control software system Promino Cost, which is integrated with Safran Project and shares the same technology.

Fabricom puts a large effort into the continuous development of its project management system in co-operation with major software suppliers. In this regard the co-operation with Safran Software Solutions has been rewarding. Fabricom has engaged both consultants and trainees from Safran for ongoing projects. Their presence and support has equipped the people from Safran with a thorough insight into and understanding of the requirements of Fabricom and Fabricom’s customers.

**Investment paid off.** Now, three years after the reengineering process began, Fabricom is regarded as one of the most reliable companies in its market sector when it comes to project management execution. Time and again, their Safran software has proved to be reliable and well suited for planning, monitoring and managing projects. The system is flexible and can be customized to meet any requirements for management of EPCI, M&M (Maintenance & Modification) and fabrication projects, however complex.

“We have every reason to be proud of our project management system,” says Per Eivind Steen. “The key elements of our project management system, or, if you prefer, our project execution model, comprises a tailor-made integrated portfolio of software, work process oriented procedures, description of inter-disciplinary interfaces, work instruction and control check lists, project phases



Fabricom Management System - Front Page - Microsoft Internet Explorer provided by Fabricom AS

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**FABRICOM** Quality Management System  
Purpose Policy Goals&Objectives Business Processes Organisation Compliance Standards Performance

### Project Controls

Managing Project Controls

Bid → Project Start-up → Project Execution → Project Close-out

Project Control Discipline Processes

- Planning & Scheduling
- Risk Management
- Cost Control
- Contract Administration
- Project Controls Administration
- Time keeping
- Estimating

Project Controls Resources, Systems and Tools

- Project Controls Job Descriptions
- Project Controls Handbooks and Procedures
- Project Control Processes Overview
- Project Controls Detailed Work Processes
- Project Controls System Overview
- Project Controls Management M&M Contract Overview

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The figure shows a page from Fabricom's Quality Management System and demonstrates how integrated their project management system is in their total QMS.

and milestone descriptions and finally – highly qualified personnel.” The model has been developed based on both best practice and our vast experience from executing projects for the oil and gas industry in Norway since 1992.

Having mapped how projects are executed in phases, the project execution model provides a systematic approach to planning and project execution. “We are able to track and measure performance of activities through each phase to ensure that all milestones are successfully achieved,” says Per Eivind Steen.

“Good planning is a key to project control from start to finish. We believe that submitting a high quality, detailed bid forms a sound basis for successful project execution. Therefore we put a major effort into the early phase of a project. Detailed planning with clearly defined milestones and phases provide predictability. Good planning and tight project control builds trust and ensures good relationships with our customers. A state-of-the-art planning and project control system such as Safran is a must.”

**The way ahead.** User acceptance and satisfaction is high among Fabricom’s team of planners and project control specialists. Fabricom’s project management team is equally satisfied with the planning deliverables that result from the new system. This contributes to more focus and ownership of planning and project management in general throughout the project organization.

Previously, the department manager for project management regularly received complaints from projects related to planning. Nowadays this is very rare. “I now get only good feedback. Occasionally the planners still get the blame for poor progress – but Stairway to heaven is only a song...,” says Per Eivind Steen.

“To us it is an advantage to work closely with a software supplier that puts a lot of effort into product development. Safran has proved capable of delivering enhancements and new features at a steady pace, helping us improve our overall project management capabilities. It is a great bonus that the people at Safran are experienced project people understanding our business and

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jargon,” says Reidar Bergem, Lead Planner and Safran System Administrator. Safran continuously enhance and develop their project management software to meet the demands from exacting customers. “We are excited about new releases and can hardly wait to take advantage of new capabilities.”

Finally, Per Eivind Steen concludes: “We believe that Safran has contributed to very significant improvements to the project execution methods at Fabricom.”

**8 major Contracts** From its headquarters in Stavanger, Fabricom is currently engaged in 8 important contracts. 4 contracts have been signed with Statoil, 1 with BP, 2 with ConocoPhillips and the 8th contract has been signed with Marathon. ♦

#### Facts

Fabricom is a European group of companies operating in 16 countries employing 46,000 people at 750 sites. In 2004, Fabricom booked revenues amounting to € 5.7 billion (USD 7.4 billion). In Norway, Fabricom’s permanent staff totals 800 people.

Fabricom is a subsidiary of Suez, the French multinational industrial enterprise. Suez employs a total of 160,000 people throughout the world with a turnover of €40,7 billion (USD 53 billion) in 2004 revenues. 80% of the revenue is generated in Europe.