

Profiting from the power of real-time information

How Leighton Contractors achieved meaningful business benefits

Problem

Lack of alignment of business processes with business priorities

Leighton Contractors was using a range of disparate systems to manage a range of projects across Australia. Processes were cumbersome, inefficient and costly to administer. Oakton was asked to join an alliance team to advise on the design and development of a fully integrated system.

Approach

An alliance delivery model to develop, support and implement the strategy

The construction industry's alliance model was adopted to develop and deliver the solution. The Alliance, consisting of Leighton Contractors, Oakton, Accenture and Presence of IT, shared risk and reward for the project delivery. The key issues addressed by the team included: the alignment of different stakeholders to one common IT vision; robust standards for back-office functions; the design and consolidation of HR and payroll data management practises; and the introduction and standardisation of procurement processes.

Recommendations

A new IT architecture and governance structure integrates and aligns business processes

Oracle E-Business Suite Release 12 was selected as the foundation system to deliver a new financial platform with common processes across all divisions and joint ventures.

Specialist project procurement extensions specific to the construction industry to manage the procurement process, high volume activity and daily costing of construction sites were designed. An integrated general ledger providing key operational data across divisions in real time reduced manual calculations by automating the processing of accruals: integrated project costing – enabling visibility of project activity; online catalogues to streamline parts ordering process, providing cost visibility and reducing order turnaround times; and replacement of multiple payroll systems with a consolidated single instance.

Oakton's offshore development model was adopted to supplement the local Oakton technical team enabling greater scope and flexibility for extensions, data conversions and reports.

Results

Real-time information: real efficiencies, real gains

The phased transition from disparate and multiple legacy systems to the integrated solution delivered immediate and substantial gains: all key performance metrics sharply improved, delivering tangible and long-lasting business value.

Leighton Contractors is one of Australia's leading construction, mining, infrastructure, industrial engineering, facility management, services and telecommunications groups, with over \$9 billion work in hand, employing more than 9,000 people across Australia and New Zealand.

We're an Australian consulting and technology firm founded in 1988. Our business is helping create lasting value by uniquely blending business insights and technology solutions to give our clients a significant advantage in today's rapidly changing world.

At Oakton, we think differently: instead of jumping in we step back and invest time and effort to improve our understanding of the problem you're trying to solve. We focus on examining the problem from different perspectives to master what we believe is the most important step, clearly defining the problem in the first place!

For a more in-depth look at our research and expertise with some of Australia's most successful companies, visit www.oakton.com.au