ACCENTURE UPSTREAM DIRECT
Powering the upstream oil and gas intelligent enterprise with SAP
Rapid growth, fluctuating commodity prices and aggressive portfolio management continue to create challenges for oil and gas exploration and production (E&P) companies to operate efficiently and cost-effectively. Upstream companies require agile decision-making and efficiency while managing larger portfolios and increasingly complex operations. This shift impacts how organizations access business-critical information, analyze operational data and manage compliance.

Accenture Upstream Direct is a field-tested solution that enables upstream companies to achieve high performance in the dynamic global energy market. This powerful solution on the SAP S/4HANA platform delivers insight into costs and revenues for better business decision-making, provides timely access to reliable data and extends field operations capability into back-office efficiency.

Effective business processes enabled by leading technology and skilled workforces are vital to improving profitability, optimizing costs and driving high performance. This is the reason Accenture teamed with SAP to create Accenture Upstream Direct.
The smart solution for companies swimming upstream

Accenture Upstream Direct is an SAP qualified S/4HANA Best Practice for Oil and Gas. It features the SAP S/4HANA platform and the Industry Solution for Oil & Gas (IS -OIL).

This leading platform includes Joint Venture Accounting, Production and Revenue Accounting, Financial Accounting, Supply Chain Management, Plant Maintenance, Production Management, and Human Resources, along with cutting-edge user experience, reporting and analytics.

Accenture Upstream Direct is designed to meet the foundational business requirements while maintaining easy future integration with the SAP product suite and other upstream applications.

The solution integrates business processes from production forecasting and allocation to month-end close, joint-interest billing and profitability analysis, enabling effective business and portfolio management for small and mid-sized companies. It scales to support companies with 100 or 100,000 assets.

Accenture Upstream Direct is fast to implement—as quickly as six to nine months—and includes a pre-configured solution, real-time reporting, integration with upstream ecosystem applications, and a full range for on-premise or private cloud implementations.

**Substantial benefits across the business**

Accenture Upstream Direct provides benefits to stakeholders across the production, supply chain, operations, finance and IT organizations.

**Production and maintenance benefits:**

- Provides comprehensive production insight into well-by-well forecasts, volumes and downtime that delivers opportunities to increase production, minimize deferment and decrease lease operating expenses.
- Improves preventative maintenance and integrated planning, which helps reduce the costs of maintenance labor, spare parts and materials.
- Delivers real-time ability to identify variances in production and take corrective action.
- Empowers operations and maintenance to “focus on the right wells” through well profitability and forecast analysis, thereby helping to optimize maintenance dollars and maximize production.
- Enables timely and accurate tracking of capital and expense project costs across the asset life cycle.

**Supply chain benefits:**

- Provides full spend visibility and drives standard procurement processes.
- Increases reliability of materials and services.
- Decreases spend and write-offs due to redundant/inaccurate purchases.
- Automates tracking and booking of project and maintenance costs.

**Finance benefits:**

- Simplifies accounting for companies expanding in the unconventional market or with complex legal entity structures.
- Centralizes and consolidates revenue accounting and operational data to provide a single “version of the truth.”
- Accelerates data processing for asset acquisitions and divestitures.
- Eases the complex burden of regulatory compliance through system-driven rules and pre-built reporting.
- Improves process standardization and auditability by reducing manual workarounds and offline calculations.

- Debottlenecks joint interest billing (JIB) processes, increases JIB accuracy and reduces prior period adjustments.
- Optimizes financial close timeline and processes, thereby reducing manual interventions and time to close.

**IT benefits:**

- Provides a flexible, efficient technology architecture that is integrated with the existing upstream ecosystem.
- Brings modern technology that is mobility-enabled, a fully scalable multi-purpose platform that can easily expand with future growth.
- Allows easy integration with existing applications, pre-built on the industry leading SAP S/4HANA platform that is scalable and pre-integrated with supply chain, logistics and maintenance.
- Leverages a lean support model to manage total cost of ownership.
**FIGURE 1.**
Upstream Oil & Gas Solution Map

**ACCENTURE UPSTREAM DIRECT**

**UPSTREAM OPERATIONS MANAGEMENT**
- Forecasting & Planning | Field Data Capture
- Production Allocations | Deferment Management
- Opportunity Management | Well Profitability
- Monitoring & Surveillance
- Facilities & Functional Locations

**FINANCIAL ACCOUNTING**
- General Ledger
- Company Codes
- Cost Centers
- A/P & A/R
- Asset Accounting
- Cash Management
- DD&A | Indirect Tax
- Auth. for Expenditure
- Time Writing

**REVENUE ACCOUNTING**
- Ownership (DOI)
- Contractual Allocations
- Transportation & Marketing
- Revenue Accounting
- Tax Reporting
- Regulatory Reporting
- Canada PRA

**SUPPLY CHAIN SAP ARIBA**
- Sourcing and Contracts
- Supplier Registration
- Inventory Management
- Warehouse Management
- Quality Management
- Commerce Automation
- Purchase to Pay
- Repairs & Refurbishments
- Remote Logistics Mgmt

**ERP Technical Operations**
- Application Support | Infrastructure Services | Service Management

**HANA | Analytics & Reporting**

**CORE UPSTREAM DIRECT PROCESSES**

**UPSTREAM APPLICATION INTEGRATION**
- EH & S /Management of Change
- Access Control
- Nakisa Lease Management
- TSW / Sles & Distribution
- Business Planning & Consol
- High Velocity HR

**ADDITIONAL FUNCTIONAL AREAS**
- LAND MANAGEMENT SYSTEM MARKETING SYSTEMS
- PRODUCTION SYSTEMS
- TAX & BANKING SYSTEMS
- GAS PLANT ACCOUNTING
- EH & S SYSTEMS
Accelerate your implementation and value realization

The solution is designed to be adopted as built yet provides flexibility for companies facing unique challenges. To help companies improve reliability and control implementation risk, Accenture Upstream Direct is more than a working system, it includes:

- Business processes, subprocesses and procedures.
- Technical design documents, configuration rationale and master data design.
- Interface and development object repository (1000+ items).
- Accenture Conversion Engine (ETL programs, data validation).
- End-user training, impact assessment, testing approach, sections and scripts; regression suite.
- Technical architecture for cloud and on-premise solutions.

Support and service options

In addition to implementation services, Accenture provides complete application management and can deliver the solution using hosted, cloud or on-premise architectures. A full range of business process outsourcing and services is also available to complement each company’s needs.

Application Management. Accenture has a full suite of outsourcing services to sustain SAP as the essential platform for upstream energy. Accenture Upstream Direct annual application management includes application maintenance, production support, incremental enhancements, service management, and release and configuration management.

Accenture Operations. Sustainable, efficient business services that can flex to meet the needs of each company are unique to Accenture Upstream Direct. Through Accenture Operations, Accenture Upstream Direct customers can leverage business process services and outsourcing for financial accounting, revenue accounting, production accounting, land administration master data management, accounts payable and more. Accenture has deep operational know-how to help energy companies extend customer reach and boost revenues. We are the leading service provider offering upstream energy skills in Argentina, India and North America, thereby enabling 24/7 management of the upstream back office worldwide.

Get on top of costs, revenue and performance

The Accenture Upstream Direct solution helps energy companies keep up with their growing and changing business.

Harnessing the latest technologies, including SAP S/4HANA, the solution provides a long-term platform for small and mid-market exploration and production companies to manage increasing well counts, expand into additional areas, handle lease activity and comply with complex regulations.

This predefined solution, built by two leading companies with extensive experience in upstream oil and gas, provides the template, processes and tools to accelerate implementation. As a result, exploration and production independents can speed the journey to an efficient upstream back office, boost returns on production assets and pursue high performance.

Continuing a history of innovation

Spanning four decades, including co-developing IS-Oil in the 1990s, the Accenture and SAP alliance enjoys more than 20 years of joint solution development.

In 2014, Accenture and SAP announced Upstream Production Operations by Accenture and SAP—a co-innovation program to expand industry-focused joint solutions to help oil and gas companies improve upstream operations. In 2016, we joined forces again in core and industry platform development and go-to-market for SAP® S/4HANA and SAP® Leonardo.

As one of SAP’s largest implementation partners, Accenture has more than 47,000 SAP resources throughout the world. Accenture has won 35 SAP Pinnacle Awards and the SAP Award for Excellence.

The solution is anchored in Accenture’s oil and gas industry knowledge and experience implementing enterprise resource planning systems. It is backed by comprehensive methodologies for SAP, along with an estimating capability, a supporting tool suite, processes and procedures, and SAP-specific criteria for production acceptance.
ABOUT ACCENTURE

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions—underpinned by the world’s largest delivery network—Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With approximately 435,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at www.accenture.com.

ABOUT SAP

As market leader in enterprise application software, SAP (NYSE: SAP) helps companies of all sizes and industries run better. From back office to boardroom, warehouse to storefront, desktop to mobile device – SAP empowers people and organizations to work together more efficiently and use business insight more effectively to stay ahead of the competition. SAP applications and services enable more than 378,000 business and public sector customers to operate profitably, adapt continuously and grow sustainably. For more information, visit www.sap.com.

ACCENTURE DISCLAIMER

This document is produced by Accenture as general information on the subject. It is not intended to provide advice on your specific circumstances. If you require advice or further details on any matters referred to, please contact your Accenture representative. Accenture, its logo, and High Performance Delivered are trademarks of Accenture. Any third-party names, trademarks or copyrights contained in this document are the property of their respective owners.

The information provided in this document is for informational purposes only and does not create a business or professional services relationship between you and Accenture. The information in this document is provided on an AS IS basis, with no warranty; it is subject to change without notice. Any use you make of the information in this document is at your own risk.

SAP DISCLAIMER

© 2018 SAP SE or an SAP affiliate company

All rights reserved. No part of this publication may be reproduced or transmitted in any form or for any purpose without the express permission of SAP SE or an SAP affiliate company.

SAP and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP SE (or an SAP affiliate company) in Germany and other countries.


Some software products marketed by SAP SE and its distributors contain proprietary software components of other software vendors.

National product specifications may vary.

These materials are provided by SAP SE or an SAP affiliate company for informational purposes only, without representation or warranty of any kind, and SAP SE or its affiliated companies shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP SE or SAP affiliate company products and services are those that are set forth in the express warranty statements accompanying such products and services, if any.

Nothing herein should be construed as constituting an additional warranty.

In particular, SAP SE or its affiliated companies have no obligation to pursue any course of business outlined in this document or any related presentation, or to develop or release any functionality mentioned therein, and SAP SE or its affiliated companies shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP SE or SAP affiliate company products and services are those that are set forth in the express warranty statements accompanying such products and services, if any.

Readers are cautioned not to place undue reliance on these forward looking statements, which speak only as of their dates, and they should not be relied upon in making purchasing decisions.