



Crowley Maritime streamlines procurement with Self-Service Procurement Cloud

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Moscone West – Room 2022B Session ID: BUS3427



Safety/culture moment



Speakers



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Agenda



- 1 Company and project background
- 2 Pre-existing procurement challenges
- 3 Procurement team guiding principles
- 4 Project approach
- 5 Key takeaways

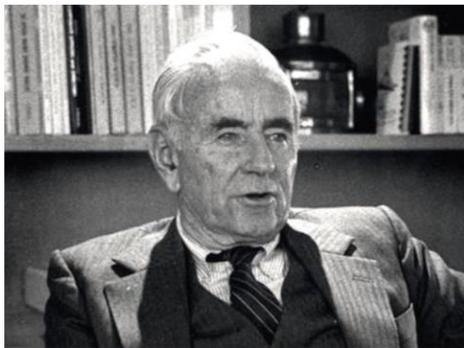
Company and project background



Crowley company overview

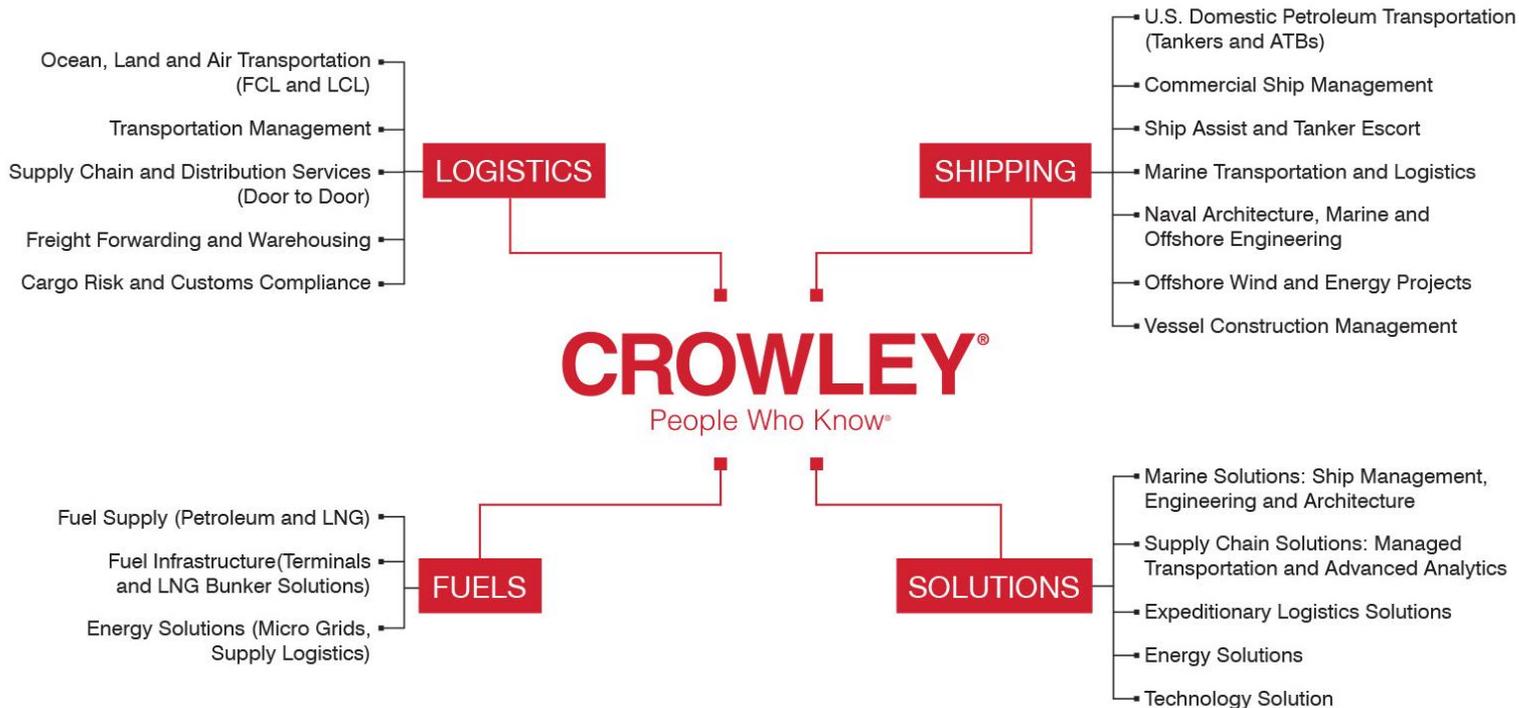
Crowley was founded in the San Francisco Bay area in 1892, by Thomas Crowley — grandfather of current chairman and CEO Thomas B. Crowley, Jr.

Today, Crowley operates under four business units: **Crowley Logistics**, a singular ocean liner and logistics supply chain division; **Crowley Shipping**, which encompasses ownership, operations and management of conventional and dual fuel (LNG) vessels, including tankers, container ships, multipurpose, tugboats and barges; engineering; project management; and naval architecture through its subsidiary Jensen Maritime; **Crowley Fuels**, a fuel transportation, distribution and sales division that also provides liquefied natural gas (LNG) and related services; and **Crowley Solutions**, which focuses on government services and program management, government ship management, expeditionary logistics and government-oriented freight transportation services, as well as marine salvage and emergency response through its 50 percent ownership in Ardent Global.



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Crowley business units



Crowley purpose and values

Enriching lives through innovative solutions done right

Our values

- Safety
- Integrity
- High performance

Safety

Safety begins and ends with each Crowley employee.

- We take responsibility for our own safety and for those around us
- We recognize and correct potential hazards
- We follow protocols and procedures
- We speak up and stop work if safety is compromised

Integrity

Great companies want to do business with other great companies.

- We act with honesty and fairness
- We treat all with dignity and respect
- We deal ethically in all transactions
- We speak up to ensure right behavior

High performance

High performance is not only valued, it is expected.

- We deliver on our commitments
- We embrace innovation and continuous process improvement
- We succeed as a team when everyone is accountable and contributes their knowledge, skills and best effort
- We cast a positive shadow to provide leadership at all levels of the organization

About Grant Thornton



Office locations
59 offices spread across 30 states and Washington D.C.



People
More than **8,500** professionals in the U.S.



Reach
Serve 36% of companies on the 2017 Fortune 500 list and 25% of companies on the Russell 2000 list



Partners
594 partners serving more than 8,000 clients in the nation



Our services
• Assurance • Tax • Advisory



Revenue
GT U.S. net revenue equals **\$1.74 billion**

Oracle Practice solutions focus



ERP and SCM

Cloud: ERP Cloud | SCM Cloud | NetSuite
On-premise: JD Edwards | PeopleSoft | E-Business Suite



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EPM Analytics

EPM Cloud: EBC | TRC | FCC | PCMC | ARC | EPBC
Analytics Cloud: Essbase Cloud | Data Visualization | BI Dashboards | Mobile



HCM

Global HR Cloud | Talent Management Cloud | Workforce Rewards Cloud
Workforce Management Cloud | Work Life Solutions Cloud | HCM Cloud for Midsize | SuitePeople

Data governance & cloud integration

PaaS

Solution delivery center (off-shore and on-shore)

Industries

Consumer &
Industrial Products

Construction

Real Estate,
Hospitality &
Gaming

Financial
Services

Healthcare & Life
Sciences

Not-for-Profit
organizations

Private Equity

Public Sector

Technology

10

Project background

Project highlights

- Multi-Pillar: Cloud ERP, SCM, HCM, EPM
- Transitioning from on-premise Lawson and PeopleSoft
- Planning on leveraging service center in Central America for high volume, low complexity transaction processing
- Go live date 7/1/2019 for ERP, SCM and EPM with HCM targeted 1/1/2020



9

countries across 5 time zones



6

ledger currencies



>2,000

end users impacted



25

interfaces (inbound and outbound)

Oracle footprint



SCM

- Self Service Procurement
- Purchasing
- Inventory
- Cost Management



HCM

- Payroll
- Core HR
- Self Service
- Absence
- Time and Labor
- Benefits
- Taleo Recruiting



ERP

- General Ledger
- Accounts Payable
- Accounts Receivable
- Cash Management
- Fixed Assets
- Projects**



EPM

- FCC (Close and Consolidations)

** Phase 2

Interfaces

- Inbound
- Outbound
- FBDI
- Web Services
- BI Publisher

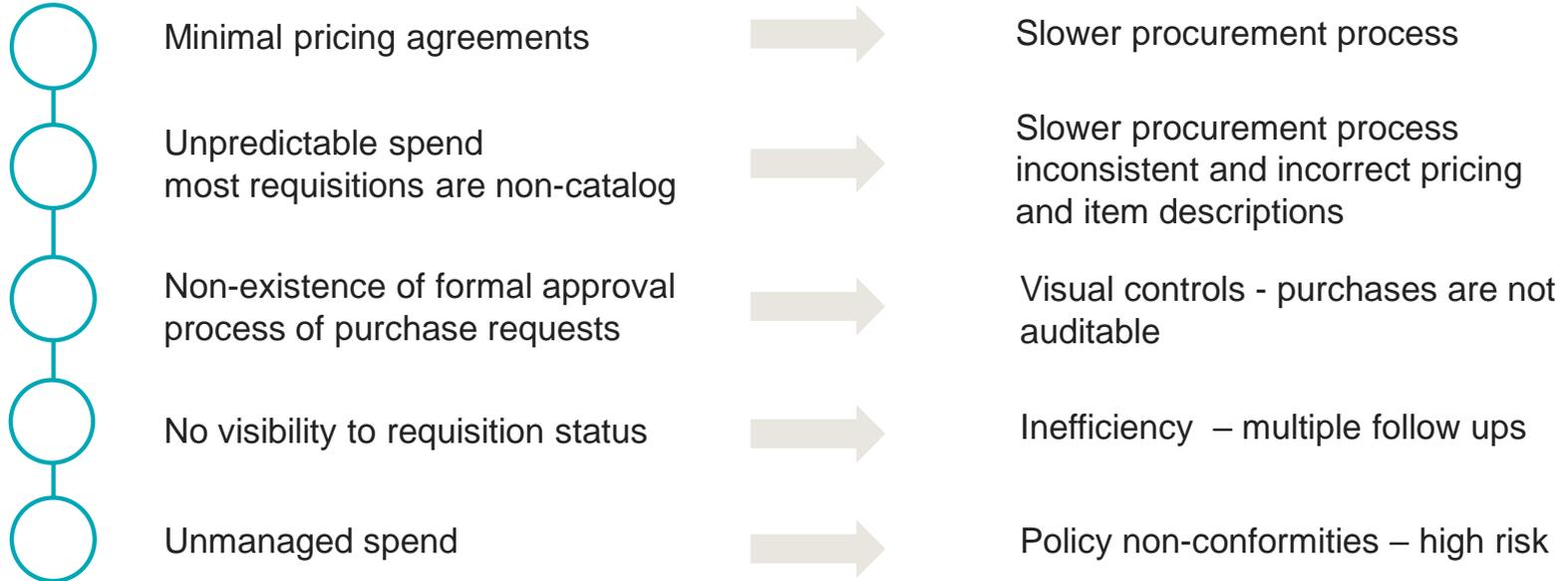
Pre-existing procurement challenges



Pre-existing challenges / impacts

Challenges

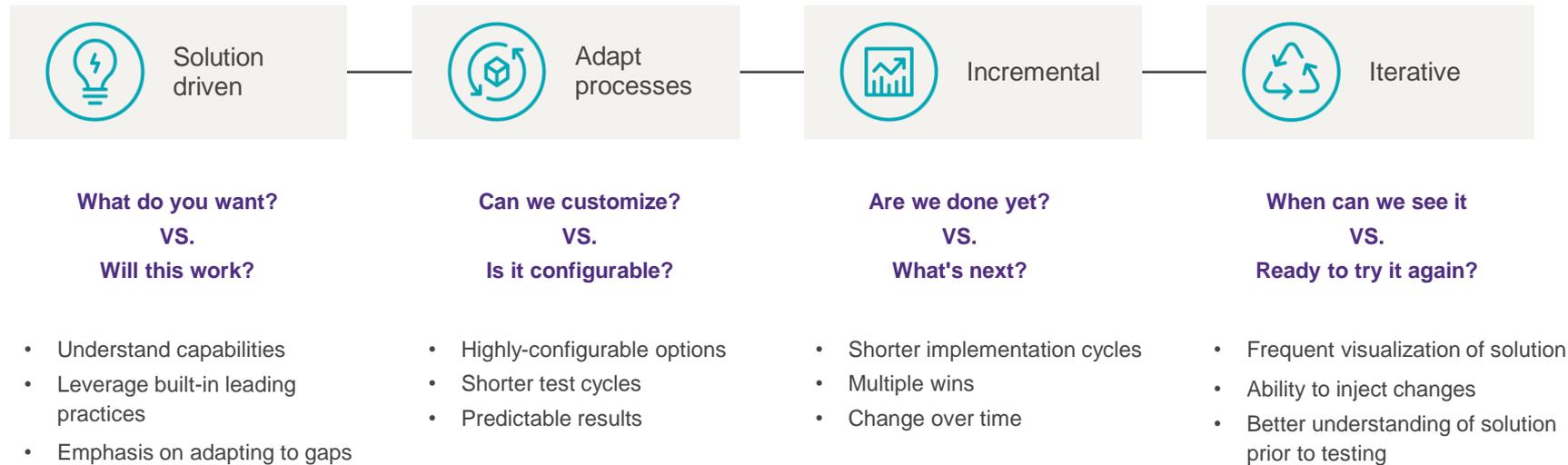
Impact



Procurement guiding principles



Oracle Cloud guiding principles



Procurement guiding principles



Company purchases start with requisitions

- Change corporate policy
- Focus on operational efficiencies

Use standard functionality

- Adjust business processes
- Strive for no customizations
- Maintain/Improve internal controls
- Optimize user experience

Crawl, walk, run

- Understand the basics
- Simplify financial coding structure

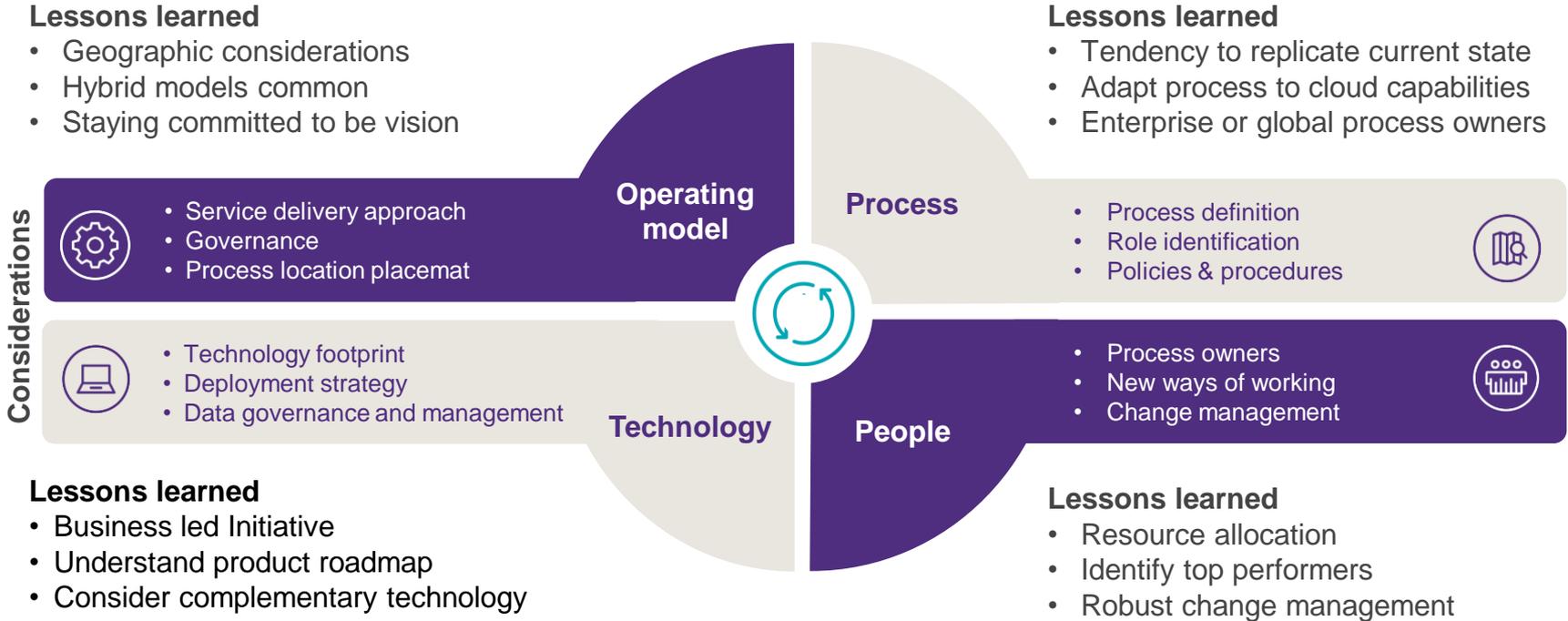
Ability to scale with future opportunities

- Continue to improve user experience
- Acquisitions
- Corporate re-organizations
- New functionality
- New business requirements

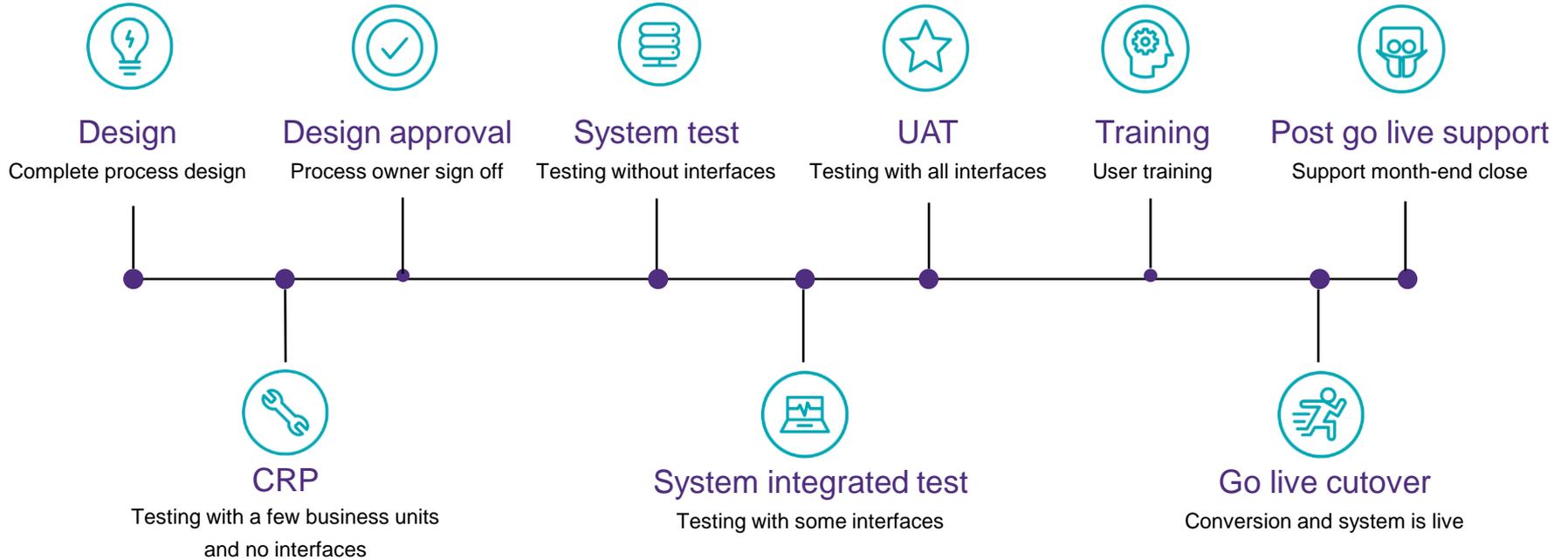
Project approach



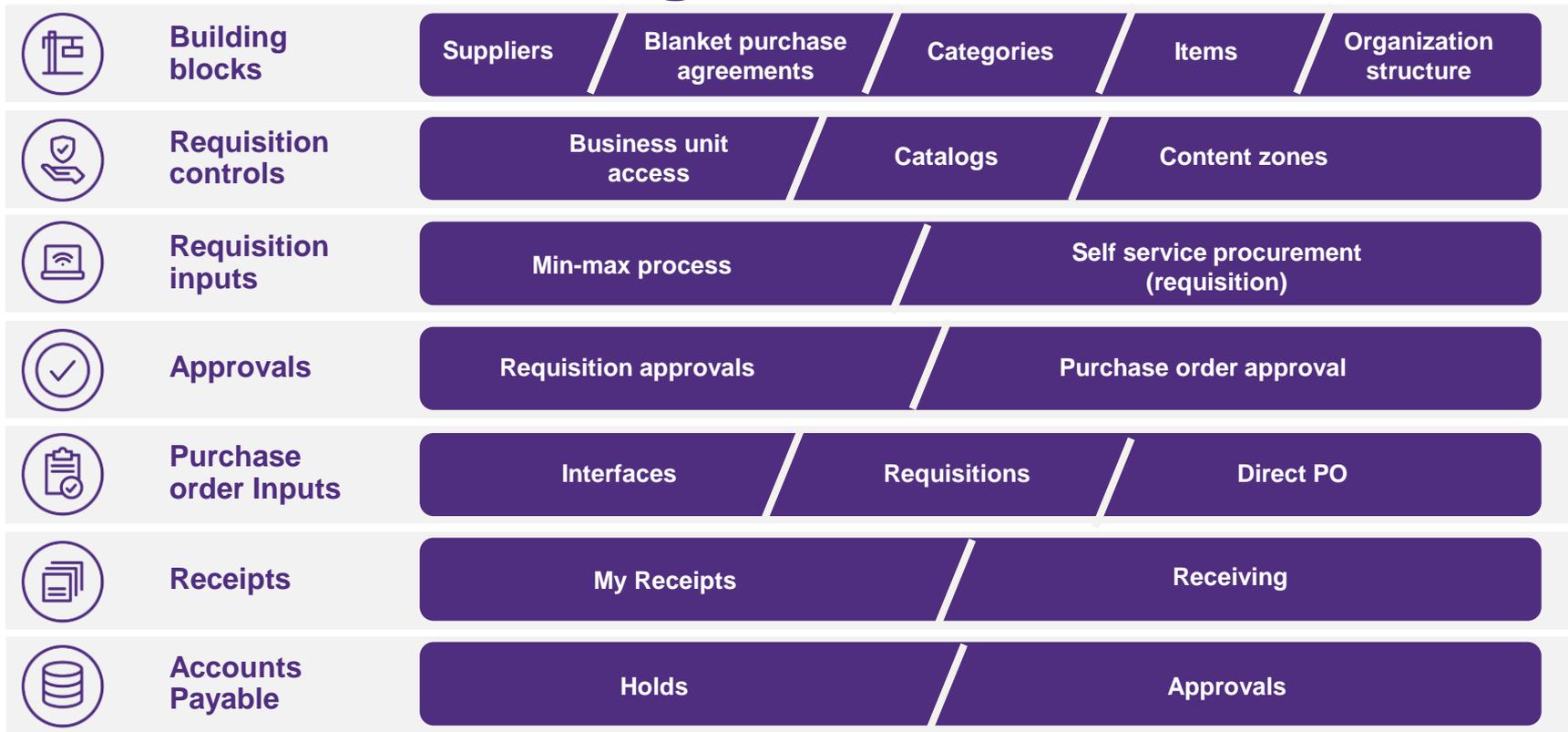
Holistic approach



Project timeline



Procurement design



Procurement design



Building blocks

Suppliers

Blanket purchase agreements

Categories

Items

Organization structure

- Suppliers – maintained by accounts payable
- Blanket purchase agreement – defined for key suppliers. Phase 1 will use these in lieu of punch outs. Used the negotiated and non-negotiated functionality to allow flexibility where appropriate
- Categories – defined to create default accounting and for spend reporting
- Items – inventory Items defined for each warehouse and added to BPA when applicable
- Organization structure – defined one-Procurement Business Unit, multiple-Requisition Business Units and Inventory Organizations

Procurement design



- Business unit access – users are assigned access to business units they have authority to view and procure against
- Catalogs – used the functionality of assigning BPAs and categories into specific groups
- Content Zones – assigned categories, business unit and user security. These assignments control what users can view on the Requisition Home Page

Procurement design



Requisition
inputs

Min-max process

Self service procurement
(requisition)

- Min-max process – standard functionality replenish inventory to required quantity levels
- Self service procurement – utilized standard requisition functionality and configuration options to enable users to own the start of the procurement process

Procurement design



Approvals

Requisition approvals

Purchase order approval

- Requisition approvals – operation and administrative hierarchies defined using the manage requisition approval setup and maintenance task
- Purchase order approvals – operation and administrative hierarchies defined using business process model (BPM) to streamline approval requirements
- Note: At this time there all blanket purchase agreements are auto-approval

Procurement design



Purchase
order Inputs

Interfaces

Requisitions

Direct PO

- Interfaces – 4 inbound purchase order interfaces and 1 inbound receipt interface. Both supported creation of new records as well as corrections via SOAP web service calls
- Requisitions – requisitions both directly create purchase order and require buyer involvement to create purchase orders based on BPA usage and definition
- Direct PO input – users with proper access enter purchase order without requisitions

Procurement design



Receipts

My Receipts

Receiving

- My receipts – users use this functionality to receive goods and services for purchase order lines where they are defined as requesters
- Receiving – used to receive goods related purchase order lines. Authority granted to limited number of users

Procurement design



Accounts payable

Holds

Approvals

- Holds – invoice validation price and quantity holds routed to PO buyers and receipt holds routed to PO requesters
- Approvals – utilize Invoice account coding workflow for non-PO related invoices through the use of the Invoice header requester field and for PO related invoices route to PO requesters

Key takeaways



Go-live results

Go-live highlights

- Defined go-live date of July 1, 2019, achieved
- Users adapted to the new functionality to ensure the day to day business continues
- Project go-live war room assisted in streamlining user reported issues



3,800

Requisitions lines entered first 2 months



2,630

Purchase orders entered in Oracle Fusion



15

States where Crowley is present in the U.S.



320

New requesters



210

Blanket purchase agreements

Go live quotes



“By using Oracle, we were able to align proper GL codes, the proposed total spends and estimate for multiple business lines in a cohesive, streamlined process. What was weeks of review and data validation took place in days. Oracle’s automation keyed the ability to ensure the right process moved forward from the beginning. The teamwork and support from finance to align cost centers on the front end, and then procurement, ensured Oracle functioned quickly and correctly to meet our needs.”

– *David, Manager, Corporate Communications*

“Based on my personal experience, the overall transition to the Oracle system went smoothly from the purchase order process to the invoice payment process. The smooth transition is attributed to the preparation and training efforts of our great Accounting, Procurement and Oracle Project Teams. I would like to express my appreciation for their hard work and continued support!”

– *Arlene, Manager, Facilities
Operation Services*

“Oracle has slowly but steadily improved over the last month. Employees are successfully coding, approving, creating requisitions, and converting Non-PO vendors to PO vendors. Checks are coming in fast and payments for our vendors are finally getting back on track. We are seeing less invoices coming physically through the mail making everything feel a little bit more organized and transparent.”

– *Frankie, Supervisor,
Accounting*

Success factors



- Top management **support and commitment**
- Acceptance of cloud applications – **adapt to capabilities**
- Clear definition of **scope**
- Redesign and alignment of **business processes** to support the new system
- Proper **allocation of resources** to support implementation lifecycle
- **User involvement** throughout the project to begin to create buy-in and support for the new system
- Understand and **integrate the cloud update cycle(s)** into your plans
- Structured **change management** process
- Detailed **implementation plan** – and manage to it
- Full-time project management including proper usage of **Oracle Implementation Success Manager**
- Develop and execute robust **testing plan**
- Ability to make **timely decisions** throughout the project

Future project considerations



- Need to **over communicate** to end users
- Don't forget the **end users** in design
- Integration specifications and testing are **critical**
- Spend **time developing** test scenarios
- **Test, test, test** and **test** more
- Incorporate day in the life processes **within** the testing
- Look for **inputs** and **outputs** to the business processes
- **Training, training, training**
- Follow up, reassure, reiterate – **consistent messaging**
- **Partner** with change management/leadership

Next steps



1

Projects

2

Supplier Portal

- Supplier qualification
- Supplier performance
- Sourcing
- Advanced shipping notices
- Master data management

3

Punch out catalogs

4

Contracts

Questions?



Speakers



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Experienced Manager
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Hear more from Grant Thornton

Monday, September 16



Crowley Maritime streamlines procurement with Self-Service Procurement Cloud

Bobby Smith, Grant Thornton and Osvaldo Medina, Crowley Maritime | 11:15 am – 12:00 pm | Moscone West - Room 2010



Modernizing the Cherokee Nation's technology footprint with Oracle Cloud

Jon Wakefield, Grant Thornton and Paula Starr, Cherokee Nation Businesses | 11:15 am – 12:00 pm | Moscone West - Room 2011A



A growing up year: FCC and TaylorMade

Pamela Stone, Grant Thornton, Lakshmi Devulapalli and Vanessa Koenig, TaylorMade | 11:15 am – 12:00 pm | Moscone West - Room 3020B

Wednesday, September 18



Onboard employees faster by connecting HCM with benefits, payroll and directories

Jon Wakefield, Grant Thornton, Paula Starr, Cherokee Nation Businesses and Jon Huang, Oracle | 9:00 – 9:45 am | Moscone South - Room 159A

Thursday, September 19



Becoming a maestro at orchestration – How to leverage the JDE Orchestrator

Seth Chaikin, Grant Thornton and Tim Randall, Granite Construction | 9:00 am – 9:45 am | Moscone West - Room 2022B



Digital transformation through JDE Voucher Match Automation and AP OCR

Seth Chaikin, Grant Thornton and Patrick Hammen, Renewable Energy Group | 10:00 – 10:45 am | Moscone West - Room 2009A



It's getting cloudy in here – Integrating cloud apps with JD Edwards

Seth Chaikin, Grant Thornton and Patrick Hammen, Renewable Energy Group | 12:15 – 1:00 pm | Moscone West - Room 2009A

Visit Grant Thornton at kiosk P1 in the ERP showcase for a chance to win a Ring security camera!