

MANAGEMENT OF BUSINESS PROCESSES AND ENTERPRISE GROWTH



GRTgaz Facts & Figures

- **Workforce:**
2,600 employees
- **2005 Revenues:**
1,350 million euros
- **Fixed Assets:**
4,720 million euros
- **Investments:**
3,200 million euros from 2006 to 2015

To maximize customer satisfaction, GRTgaz deploys an ambitious 10-year network development program. To do so, it needs to simultaneously manage several large work sites - construction of new gas pipelines, construction of new compression stations - while continuing to perform necessary maintenance along the network: replacement of obsolete equipment, upgrade of existing facilities, abreast staying of new standards in terms of security and environmental protection...

For GRTgaz, to encourage competition means to develop the network and to permit all suppliers to sell their gas inside France, regardless of their supply strategy.

MEGA maps and harmonizes business processes at GRTgaz

Every company must increase the level of control of its operations. Realizing that processes are more stable than organizations, GRTgaz calls upon MEGA's tool and expertise to harmonize its processes and communicate to employees information that is simple, consistent and effective.

The mission of GRTgaz is to transport natural gas and sell gas transport services. GRTgaz is a wholly owned subsidiary of Gaz de France. It was founded on January 1, 2005, to comply with the law enacted on August 9, 2004 as a follow-up to European guidelines on liberalization of the gas market. This law imposed a legal separation between suppliers and transporters of gas. GRTgaz develops and maintains 19,635 miles of gas pipelines, the longest gas transportation network in Europe, as well as 27 compression stations and 4,300 delivery outlets.

Natural gas flows in pipelines from Norway, the Netherlands and Russia, and from tanker terminals in the Mediterranean Sea and the Atlantic Ocean. The capacity of the latter two locations is being increased to encourage competition.

"We have two types of customers: the consumer and the shipper, and between these there are three types of contractual relationships: connection contract, transportation contract and supply contract," explains Denis Roy, Director of the Management System Mission at GRTgaz.

Between August 9, 2004, and January 1, 2005, there remained very little time to prepare and break in the new organization, which had, among other things, a goal of obtaining ISO 9001 Certification by January 1, 2006. GRTgaz decided to implement process management. *"Even before startup, we already knew which processes it would be, but we had to finalize them very quickly,"* adds Denis Roy. Therefore, the processes were described on paper, and after a few months of testing, the process management was subjected to a diagnostic evaluation. *"In August of 2005 we reviewed the strong and weak points of this course of action,"* Denis Roy says. In terms of advantages, the processes are a point of reference for the staff because they remain stable when the organization changes; they allow harmonization of practices, e.g. maintenance processes throughout France. But there are also some disadvantages: process-level management is not a panacea. It does not replace hierarchical management and it does not help to produce a medium or long term strategy or vision. Moreover, project lead noticed some problems with communication: *"The differences between the notions of organization, process and activity are sometimes unclear".*



Denis Roy
Director of Management System Mission,
GRTgaz

“ A proven modeling method that applies to numerous situations, offering a consistent approach that forces people to ask good questions, and a rapid immersion into customer problem solving. ”

The “Topmodel” Project

Hence, the desire to improve process management with the software MEGA. Three pilot processes were selected to launch the IT modeling: network, operation and projects. The expected outcome from this modeling project includes strict adherence to interfaces - which is essential for a quality specialist - and user friendliness. The project, which was named “Topmodel” (“top” because the description begins at the top, and “model” as a reference to modeling), has three ambitions: share a common views of the enterprise, i.e. its processes, functions, organization and information system; encourage new work modes that are more rigorous and transversal; capitalize more and more on a GRTgaz data repository that is easily accessible.

This reinforces the need to describe the process repository and the information system at GRTgaz in a form that is consistent, organized and usable. This mapping must be communicated in a simple, uniform and efficient manner. The Topmodel Project also aims to identify and standardize the exchange of information between processes and to clarify the organization’s contribution to the processes.

The mapping relies on a model that has three levels: process, sub-process and activities (the latter are designated by “procedure” within the MEGA tool). 500 activities are modeled in this way. *“The organization of processes by sub-process within MEGA makes it easy to navigate and work. As for the activities, they correspond to a deliverable, either a product, a document or a maintenance action”* comments Denis Roy. Once this modeling is completed, the links between process and organization are established and also setup within the MEGA data repository. The latter is comprised of two levels: units and teams, a unit consisting of approximately 20 teams, with the link between activities and team serving as the function. *“Each activity is performed by one or more persons and the link with the organization is described inside an organizational matrix”* says Denis Roy.

The project lasted 6 months and assembled, under the supervision of the Project Manager, a team comprised of a MEGA consultant, several process managers, and the Delegate Project Manager who has an overall perspective of both project requirements and GRTgaz; this is the role of Denis Roy. MEGA Process is valuable as a tool for rigorous modeling of the enterprise, its flexibility of use, the ease with which it can be shared within a team and its capacity for saving time (a half day of work to reconfigure two processes with MEGA, instead of several months of discussion). As for the MEGA team, Denis Roy recognizes -in addition to its understanding of the MEGA Process tool-, *“a proven modeling method that applies to numerous situations, offering a consistent approach that forces people to ask good questions, and a rapid immersion into customer problem solving”*.



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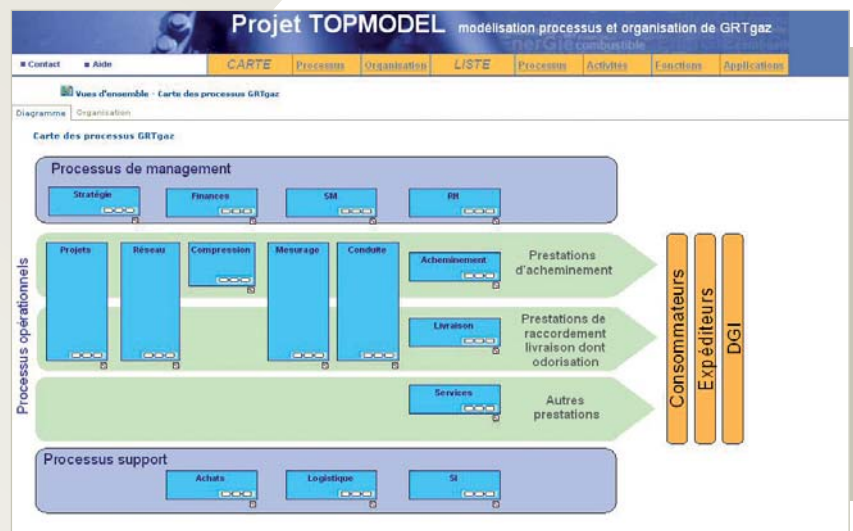
MEGA's offer:

MEGA works with its clients to model their business processes and, if required, the underlying IT systems and data. Various design scenarios are evaluated against project objectives resulting in the recommendation for new, improved processes. Decision making is fact-based because it is supported with powerful analysis tools and a business repository.

MEGA consultants provide you with extensive experience in business modeling, which is combined with the leading modeling tool MEGA Process and its embedded methodology, while ensuring the production of effective supports for active communication within the organization. Based on process descriptions, MEGA Simulation engine provides all necessary features to simulate and improve your business processes from a fact-oriented perspective.

Useful and Timely Information

“The results meet or exceed our objectives” the manager says. In particular, the results in terms of improved quality and knowledge of mapping, in terms of a global, detailed and consistent vision of units and processes, and in terms of how information systems contribute to activities/processes/organization were beyond expectations. One of these results is the creation of the Intranet site at GRTgaz. “Each employee gets useful information when he/she needs it, which gives us a competitive advantage,” says Denis Roy. The Intranet offers, in a very user-friendly form, all modeling levels with cross-referencing between the organization and its processes, along with a multitude of navigation methods. “Processes improve continually in terms of their quality: the consistency and the interfaces between processes make us ask questions that we had never asked ourselves before,” affirms Denis Roy. Finally, GRTgaz currently has a model of its processes that could apply permanently even if the organization was to move. Topmodel can facilitate the overhaul of the management chart, creation of document links, development of operational modes and other organizational studies.



GRTgaz Intranet site