

Golden Concord Fuels Expansion Plans with New Enterprise Systems



Golden Concord Holdings Ltd
Hong Kong SAR
www.gcl-power.com

Industry:

Utilities

Employees:

4,000

Oracle Products & Services:

Oracle Database
Oracle Financials
Oracle Procurement
Oracle Inventory Management
Oracle Financial Analyzer
Oracle Project Costing
Oracle Enterprise Asset Management
Oracle Exchange Marketplace
Oracle Discoverer

Key Benefits:

- Quick identification of errors and improved planning management
- Real-time procurement and bidding and accurate monitoring of financial position
- Reduced duplication and inefficiency due to clearer definition of user responsibilities
- Lower management and operating costs

“Oracle has helped us set up an integrated financial business system and a management system that improves control and transparency of the group. The systems also adapt easily to changes in organizational structure and business.”

– Zhang Xinlin, Vice President, Golden Concord Holdings

Golden Concord Holdings Ltd is a holding company with environmentally friendly and renewable energies as its core businesses. The company combines advanced technologies with experienced management to drive growth.

Golden Concord Holdings has helped develop the Chinese economy by undertaking energy infrastructure construction and operational management projects at home and abroad. The group’s business encompasses gas-fired cogeneration, distributed energy sources, thermoelectricity joint production, waste power generation, biomass power generation, wind power generation and other renewable energies. Its core offerings are supplemented by coal and related energy sources. Headquartered in Hong Kong, the group’s mainland Chinese management center is based in Shanghai.

The growth of the world economy is not only increasing demand for environmentally friendly and renewable energies, but also promoting infrastructure construction and technological progress. After starting operations in 1996, Golden Concord Holdings has taken significant steps towards becoming an international environmentally friendly energy enterprise. It is using an Oracle solution to take the next step towards that goal.

The group has set up an integrated operational system spanning project development, investment and financial operations, electricity engineering design, technological R&D, logistics, power plant construction and manufacturing of electricity equipment. An Oracle Enterprise Resource Planning (ERP) system handles the operation and management of power plants as well as resource integration and support for management innovation.

Golden Concord not only implemented Oracle's E-Business Suite in only six months, but also completed the installation and configuration of Oracle Enterprise Asset Management (EAM) and Oracle Exchange Marketplace in synchronization.

Streamlined Implementation Yields Business Benefits

In just 10 years, Golden Concord Holdings has developed into a corporate group with assets of more than 15 billion yuan. The group has established subsidiaries or representative offices in the United States, Singapore, Vietnam and Indonesia. It has also set up a management center in Shanghai on the Chinese mainland and representative offices in Beijing, Nanjing, Hangzhou and Shenzhen.

However, the group was being held back by its aging and incomplete IT environment. Before Oracle, Golden Concord Holdings businesses managed all their operations except financials manually, with numbers crunched through a UFIDA Software financial system. Golden Concord Holdings decided it had to standardize its management processes and integrate them with its financial practices. The fastest and most effective solution was to establish stricter control and management mechanisms, change its people-oriented management to a more process and outcome-oriented style, and set up a complete information system that could be applied across the entire group.

Golden Concord Holdings gave great weight to international functionality when assessing competing solutions. Eventually, the group decided to adopt Oracle due to the vendor's strong experience with the Chinese power generation industry and its easily integrated product line up. Golden Concord Holdings kicked off the project in October 2005, and completed phase I installation and configuration in April 2006. After installing financial, equipment and supply chain systems in 10 pilot units, construction management and e-commerce systems, the group set up a centralized control and management system. As well as delivering operational benefits, completion of phase 1 is helping promote the ERP system across different subsidiaries in the group. Golden Concord Holdings immediately started the Phase 2 project and plans to have it in operation before the end of 2006.

Customization required for the Golden Concord Holdings project is relatively high due to the special demands of power plants. However, the group has completed the operation so far on time.

“Strict compliance to the timetable is the key factor to the successful installation of the system,” said Zhang Xinlin, the Golden Concord Holdings vice president in charge of the ERP project. “The more important factor is initiative. Only by communicating with each other actively and solving all the problems, and by making correct and rapid decisions based on professional knowledge, can we satisfy the quality and time demands for implementation of the project.”

Business Achieves Standardization and Integration

The Oracle implementation has helped Golden Concord Holdings establish a vertically integrated financial business system and three-level management system, which not only improves management control and transparency of the group, but also adapts to the changes in organization structure and business flows.

Successful implementation of the phase 1 project has delivered multiple benefits and laid a sound base for the following phases. Planning management becomes more dedicated while the sources of errors can be found accurately and quickly. All users can have clear responsibilities, powers and attributions when using the system, avoiding the vagueness that plagued Golden Concord Holdings’ manual operations.

The functionality of Oracle EAM received high praise from Golden Concord Holdings. Through integration with equipment management, corporate production management and financial systems, accurate analyses of targets can be provided, helping Golden Concord Holdings control costs and capital. Oracle’s Supply Chain Management system helps the group undertake real-time management based on procurement and bidding situations. The Oracle solution also facilitates real-time checks of bank accounts, putting an end to abnormal inflows and outflows of capital.

Golden Concord Holdings has also placed great value on the cost management capabilities of the solution. Oracle E-Business Suite and Oracle financial solutions such as Oracle Financial Analyzer allow the group to improve its management of businesses and financial affairs to optimize the resources of the group and to reduce management and operational costs.

“The demands of the Chinese power industry are increasing continuously,” said Zhang Xinlin.

“Many power generation groups have ongoing projects, which require more accurate cost calculation and management of engineering affairs. The information system set up with Oracle solutions helps us calculate construction costs in an accurate and timely fashion, as well as completing final accounts and account consolidation work. Therefore, it is the best tool for us to continue to improve competitive advantages and operational efficiency.”

Established in 1996, Golden Concord Holdings undertakes environmentally friendly power generation and associated infrastructure development. Headquartered in Hong Kong, the group operates in several locations in mainland China with offices also in the United States, Singapore, Vietnam and Indonesia. Its ambitions include expanding into other Asian markets.