St1’s growth strategy is based on a strong station network in all countries in which it operates: Finland, Sweden and Norway. St1 was established in 1995 and has strongly developed its energy production and retail operations through organic growth, acquisition and innovative new business. St1 offers fuels, convenience products and car wash through 1,500 St1 and Shell service stations, and sells fossil and renewable liquid fuels to the businesses in the industrial, marine and transport sectors.

St1 business technology platform renewal with QPR

St1 faced inefficiency and complexity with multiple ways of managing business, running processes and using systems inherited and accumulated through the acquisitions of service station chains. Furthermore, there were problems with the availability and quality of business critical data from existing IT systems. To address these issues, St1’s board hired Marko Korhonen as CIO to drive a platform renewal initiative. ”Challenging the conventional in the energy business is our strategy and it was also leading our work in a platform renewal planning and implementation”, says Marko.

Marko chose QPR consulting to help with the predicament. A thorough analysis of strategic requirements and the ‘as-is’ state was started together, which later led to the analysis and selection of a suitable business technology platform. Based on the analysis, the goals of the platform renewal were set to be (1) harmonization of business operations, (2) elimination of overlapping systems and (3) creation of key competitive capabilities.

Scope of renewal: All St1 businesses

The ‘as-is’ analysis started by getting a good understanding of the company’s strategy and vision. This enabled identifying of the most important needs and development areas related to St1’s business models. This was followed by an analysis of the operating models and processes, as well as technology and application architecture.

One of the key outcomes of this phase was the crystallization and communication of business models. Business unit leaders were able to realize that the differences between businesses were smaller than initially perceived, which made the creation of a corporate
level transformation baseline for St1’s business technology possible. The analysis not only helped understand the complexity of processes but it also allowed to discover overlapping systems and identify operational risks. A strategy analysis with business units revealed the capabilities needed to achieve strategic goals. The capabilities were used to define detailed requirements for the new business platform. Together with QPR, St1 modeled a target state architecture with a benchmark comparison of different ERP and CRM platform functionalities. QPR’s enterprise architecture expertise was also used for consulting on vendor selection for the platforms.

Key criteria for choosing QPR consulting was the expertise in architectural analysis and design. By applying QPR’s EA-based Operational Development Methodology (ODM) in post-merger integration, and using QPR EnterpriseArchitect software in aligning and communicating plans and designs of the business platform, QPR helped implement a systematic project rollout plan throughout the St1 network. Change requirements were identified for optimal organizational alignment, and documented in ‘St1 Blueprints’ defining impact on people, processes and IT. As key outcomes, St1 was able to harmonize operations and get the platform renewal under way. The most valuable benefit was the ability to continue on the growth path, with new targets in sight.

Cooperation continued with successful acquisition integration in record time

In 2015, St1 Nordic acquired Shell’s service stations in Norway from the global Shell group. “QPR’s consulting and QPR EnterpriseArchitect tool enabled St1 to do requirement analysis, platform selection, roadmap selection and the first phase of the implementation so that St1 was in a good place for the post-merger integration of Shell Norway’s retail chain,” says Marko. Marko was appointed to manage the integration of the acquisition, and he chose to continue the successful cooperation with QPR. The integration was done using QPR’s help in taking responsibility of program management and architecture definition in all core capability areas from supply and logistics to retail.

About St1

St1 is a Finnish energy group implementing its vision to be the leading producer and seller of CO2-aware energy. The company researches and develops economically viable, environmentally sustainable energy solutions. St1’s energy services and products cover everything from wind power to high-concentration ethanol fuel RE85 produced from waste. St1 has bioethanol plants in Finland, an oil refinery in Gothenburg, Sweden, as well as St1 and Shell branded retail stations in Finland and Sweden and St1 branded retail stations in Norway.

About QPR Software

QPR Software Plc (Nasdaq Helsinki) provides solutions for strategy execution, performance and process management, process mining and enterprise architecture in over 50 countries. Users of QPR Software gain the insight they need for informed decisions that will make a difference. With 25 years of experience, 2,000 customers and over a million licenses sold, QPR’s products are highly regarded by industry analysts and customers alike. QPR Software: Dare to improve.

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"With the valuable help of QPR consulting and using QPR EnterpriseArchitect tool, St1 was able to complete the integration in record time of six months”

Marko Korhonen, CIO, St1