

SAP Customer Success Story Engineering, Construction, and Operations



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Pierluigi De Marinis, CIO, Italferr SpA

AT A GLANCE

Summary

Italferr SpA, the engineering company of Ferrovie dello Stato, has annual turnover of €190 million and 1,800 employees, making it Italy's leading engineering operation. With 50 project groups producing 800,000 documents a year, Italferr implemented the Collaboration Folders application to bring control, conformity, and collaboration to its project document management efforts.

Web Site

www.italferr.it

Key Challenges

- No central repository for 800,000 documents produced annually by 50 project groups
- Content of digital and paper documents not in sync

Project Objectives

- Develop an easy-to-use document management system accessible by both internal and external users
- Implement a centralized information system to house digitized technical documents
- Track and share all document versions

Solutions and Services

- Collaboration Folders application, a subset of the mySAP™ Product Lifecycle Management solution
- SAP NetWeaver® Portal component
- SAP NetWeaver Application Server component

Why SAP® Solutions

- Ease of integration with Italferr's existing SAP® software
- Powerful platform on which to develop a collaborative document management system

Implementation Highlights

- Process divided into 3 phases
- 573 internal users and 568 external users

Key Benefits

- Reduction in project times and increase in business throughput resulting from improved document processing
- Complete synchronization of digitized files and paper documents
- Elimination of document errors
- Full accessibility of documents to internal and external users with authorization constraints

Implementation Partner

Capgemini

Existing Environment

- SAP software for enterprise resource planning (functionality now found in the mySAP ERP solution)
- Departmental legacy systems

ITALFERR

mySAP™ Product Lifecycle Management Vastly Improves Collaboration and Document Management Processes

“Like engineering companies everywhere, we produce huge quantities of documents,” says Pierluigi De Marinis, CIO at Italferr SpA, the engineering company of Ferrovie dello Stato (Italian Railway). “In our case, we have 50 project groups producing about 800,000 documents a year. With no centralized repository, you could be working on one version of a document with no way of knowing if it was the approved version or if someone else was in the process of revising it at that moment. We really needed a systematic collaboration process.”

Italferr provides engineering services to both domestic and international markets in the fields of traditional, high-speed, and metropolitan transport systems. With annual turnover of €190 million, it is Italy's leading engineering operation. Its UNI EN ISO 9001:2000 certification puts the company in the exclusive club of those able to deliver high-level services to international standards and specifications. Italferr currently has over 1,800 employees and manages projects worth €4 billion.

Document Management Problems

In 2002 Italferr took a long, hard look at the deficiencies within its existing document management system. “We were having a hard time locating documents,” says De Marinis. “Documents were rarely stored centrally. Instead, they were usually found on somebody's PC. So document management was a serious problem.”

Italferr was also struggling with the problem of document tracking – making sure the correct version of each required

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document was in the exact place it needed to be. “Another critical problem was the lengthy processing time of documents, as long as two weeks,” says De Marinis.

There were problems associated with print versus electronic versions. “While the paper versions of documents were normally sent to Italferr for control and review,” says De Marinis, “the files were sent to Italferr at the end of the control and review process. Too frequently, the file and paper versions did not correspond.”

Document Management System Criteria

Italferr decided to develop an information system that could be used with equal ease by employees and external subcontractors alike. Management set four objectives to be accomplished by a new project document management (PDM) system:

- Digitize and store the file version of all technical documents
- Provide document access to Italferr employees and external subcontractors
- Track and share all document versions
- Ensure the concurrence of paper and file versions by requiring that all paper versions be printed only from the approved file saved on the information system

Having clarified the purpose of the system, the next step was to establish vendor-selection criteria. There were two: the system had to integrate with Italferr’s recently implemented enterprise resource planning (ERP) system, and it had to provide a robust platform on which to develop the collaborative PDM system.

After a comprehensive benchmark process, Italferr selected the Collaboration Folders (cFolders) application, a subset of the mySAP™ Product Lifecycle Management (mySAP PLM) solution. The company tapped Capgemini to be its implementation partner.

Since Italferr had been running SAP® software as its ERP system since 2001, integration would be no problem. And mySAP PLM met the second criterion elegantly as well.

A Business Solution for Collaborative Engineering

mySAP PLM provides a business solution for collaborative engineering, product development, and management of products, assets, and quality. The Web-based collaboration

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application within the solution, called Collaboration Folders, creates a virtual collaboration environment in which internal and external users can share, review, and exchange information, based on a sophisticated authorization concept for access control.

“We wanted to build a Web-like environment that was as user-friendly and self-explanatory as possible,” says De Marinis, “since we have external as well as internal users. We chose cFolders because it has a very simple graphical user interface.”

cFolders emphasizes support for collaborative product development in R & D and engineering. It promotes collaboration by replacing conventional communication over e-mail, phone, fax, and physical meetings with virtual collaborative work teams. Because mySAP PLM is powered by the SAP NetWeaver® platform, cFolders can seamlessly use the platform's portal and application server components.

Collaboration with Partners of All Sizes

External partners are included in the collaboration scheme. All they need is a Web browser and a user ID in the system running cFolders, making it easy for large organizations like Italferr to collaborate with partners of all sizes.

Integrated with Italferr's mySAP ERP solution, the PDM system provides Italferr's employees, development partners, and suppliers with quick, context-driven access to the information, applications, tools, and services they need to do their jobs. Internal and external users access the system over the same Web portal using the same graphical user interface. "With single sign-on, we can get to various cFolders and applications over SAP NetWeaver Portal," says De Marinis. "We have migrated every user to a single domain, and the portal automatically recognizes each user and assigns each one an appropriate level of authority within the system."

A year after go-live, Italferr has witnessed a major improvement in its document management capabilities across the board. Says De Marinis, "Before, certain drawings would take up to two weeks to be processed; now it's been reduced to a week. A lot of paperwork has been eliminated. Before, a single version would have to be reissued several times, whereas now we can go through the entire approval process with only one version."

Full Confidence in Document Conformity

The PDM system is managing all project documents, not just the technical ones. All documents are now digitized and easily accessible, with automatic assignment of document numbers based on the project hierarchy. Documents are printed and distributed centrally only after they have been saved and approved, assuring complete agreement between paper and digital information.

Italferr now has full confidence that all the documents managed on any given site correspond to the approved originals. Furthermore, at the end of the project, Italferr knows that the documents conform fully to the corresponding files the company delivers

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to its client. Document errors have been effectively eliminated. And the impact to users? The right documents are available instantly – where needed and when needed.

Increased Speed and Improved Control

"All the benefits that we have achieved from cFolders are very important to us," says De Marinis. "We have increased our speed of execution significantly. We have more control over what is being done and where. And we have streamlined our authorization and approval workflow."

Italferr has already begun implementing the next phase of its PDM process, which includes improving the management of alert conditions and warnings in the workflow and the handling of complex documents. The third phase – knowledge management – will commence in 2006.

All things considered, Italferr's collaboration project is already a success. Implementing mySAP PLM has resulted in more business completed in less time. "In general, we can say that document management processes have been streamlined, and document processing time has been reduced," says De Marinis. "This has helped us to reduce project and construction times. We know we've been successful, but since it's too soon to quantify our results, we just don't know by how much."

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