

## SAP Customer Success Story



With some 1,700 customers, **Day & Zimmermann** delivers an array of reliable managed services ranging from maintenance and modification to staffing, engineering, construction, validation, government operations, and munitions. To help automate time and expense processing for one of its largest customers, the company implemented SAP® Enterprise Portal. It now has the capabilities to improve collaboration with customers and expand its business. SAP Hosting ensured high-quality system performance.



## DAY & ZIMMERMANN

### SAP® ENTERPRISE PORTAL: HELPING DAY & ZIMMERMANN BUILD ITS VIRTUAL ORGANIZATION

“We provide managed services on a very large, global scale, so we need to excel at sharing information with our partners and updating and distributing content quickly,” says Anthony Bosco, CIO for Philadelphia-based Day & Zimmermann, one of the world’s largest privately held companies.

In fact, Day & Zimmermann, founded in 1901, today boasts annual revenues of about \$1.3 billion. It employs 20,000 people, serving 1,700 customers – actually, 60% from Fortune 100 companies – at about 150 sites worldwide. But Day & Zimmermann doesn’t sell products or do product development. Instead, the company’s business is mainly geared toward managed services in areas ranging from staffing to maintenance and modification, from engineering, construction, and validation to security, and from government operations and logistics to munitions products.

“For us, collaboration and content distribution are key factors in meeting the expectations of our customers,” says Bosco. “Additionally, maximizing our employee productivity is critical to our business model.

“When we take on a staffing project, for instance, that might mean we have people in California and others in Utah or Canada that have to work together seamlessly. It could mean that we have a large number of people in different locations, all of whom need instant access to large content files. Further, with many of our customers, our performance is tracked against very aggressive service-level agreements (SLAs).

“We realized that we were relying on a variety of methods for communicating with our customers, as well as with our own staff, with no enterprise view of this world,” he says. “We were using e-mail, static and dynamic Web sites – sites that had been developed by our customers, as well as sites that we had put up – and there wasn’t much room for growth.”

At the time, Day & Zimmermann was processing time and expense records, and tracking approvals for one of its largest customers, a major entertainment and television network headquartered in New York City. To support a strict schedule for weekly billings, Day & Zimmermann entered into an ambitious SLA.

“This business deal gave us an immediate platform to proceed,” says Bosco. “We were intent on speeding up our time and expense reporting, and we knew we couldn’t do that with our current processes and systems.

“At the same time, we were looking at the business development implications,” he says. “To expand our services and our business, we had to consolidate our collaboration and communications methods into a single, uniform approach.”

### **AN INSTANT SUCCESS**

In the fall of 2002, Day & Zimmermann brought in SAP® Enterprise Portal, which is powered by the portal infrastructure, knowledge management, and collaboration capabilities of SAP NetWeaver™. SAP NetWeaver is the comprehensive integration and application

platform that helps reduce an enterprise’s total cost of ownership (TCO). For its first application, Day & Zimmermann moved the online services delivered by its staffing unit to the portal. At first, Day & Zimmermann put it to work for some internal human resources reporting.

Then, in July 2003, Day & Zimmermann went live externally by extending the reach of its online services – which include customer-driven content, and community and e-business tools

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such as time and expense reporting – to a major television network customer. Services from SAP Hosting ensured high-quality system performance.

“The portal was an instant success,” says Bosco. “In its first week of operation, it enabled us to beat our already ambitious SLA for the weekly billing. And within a month, we had quadrupled our time improvement.”

For the big picture, the enterprise portal now gives Day & Zimmermann a single, enterprise-wide window into a wide range of new services, both for itself and for its customers.

“This was one of the primary reasons that we went with SAP for the portal,” says Bosco. “We know there are other competitive products on the market and that they tend to leapfrog one an

other in terms of functionality. But, we know that SAP understands the enterprise infrastructure, and it gets the basic technology right, whether it's with ERP or a Web portal. The whole [SAP] NetWeaver concept shows that. We have confidence that SAP is going in the right direction, and we can depend on them to roll out the new features we need."

In fact, Day & Zimmermann uses services from SAP Hosting for all its SAP products. According to Bosco, "Outsourcing management of our application infrastructure frees up our internal IT resources to focus on activities that can produce greater value for Day & Zimmermann."

The next step in Day & Zimmermann's portal rollout is to add other customers to its online service offering and extend the service beyond basic time and expense accounting to include customer ordering and supply chain management. Over time, the portal will be the front end to the company's core implementation of SAP R/3® and mySAP™ Customer Relationship Management.

### **COLLABORATING WITH CUSTOMERS**

"The advantages of the portal go both ways," says Bosco. "Day & Zimmermann benefits from an enterprise-wide view of its staffing, project management, and other customer activities, and our customers receive the accounting controls they want over their projects with us." To accomplish this, Day & Zimmermann uses the iViews feature of the enterprise portal to enable its customers to see the work-breakdown structure and other details of all the people who are at work on their projects.

As a next step, Day & Zimmermann plans to put invoices onto the portal, so customers can see up-to-the-minute costs. The company will also use the portal to distribute relevant corporate collateral and other important content for customers.

"This is just the beginning, too," says Bosco. "We plan to extend the portal so our customers can requisition, qualify, and approve talent for their projects online. At that point, the collaboration

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benefits will grow. For instance, a customer might say, 'Hey, we need three C++ programmers.' We'll be able to provide resumes and reference information, even schedule interviews, online, through the portal."

Bosco also plans to use the portal's customization feature to eventually design role-based portal templates for Day & Zimmermann's corporate and customer-based staffers. This way, each type of job, whether an HR professional or an accounts-payable clerk, will have a specific portal template, so Day & Zimmermann workers will find it easier to comply with best-practices work techniques.

"Our goal there is to simplify the tools employees use in their jobs. This way, instead of getting bogged down in trying to figure out how to use the core system, they can use their time to focus on delivering services and on creative problem solving," says Bosco. "We hope to create a better, more productive work environment for our employees and ultimately increase their job satisfaction."

### CUTTING COSTS, ADDING REVENUES

In addition to helping Day & Zimmermann expand its business, the portal also pays dividends to the company's bottom line.

"We're involved in very competitive businesses," says Bosco. "So it's important that the portal delivers good return on investment. It does just that by helping us meet our SLAs – in fact, we anticipate full-dollar payback within three years.

On the plus side, the enterprise portal is helping Day & Zimmermann grow its online offering by rolling out new, portal-based services to an increasingly larger base of customers.

"The portal does more than just power our online services," says Bosco. "It creates value for us by shortening the invoicing and collection cycle. Once our first group of customers go live, our revenue collection over the Web will be about \$100 million a year. As the offering grows, we expect this to increase to nearly a quarter of a billion dollars annually."

### TOWARD THE VIRTUAL CORPORATION

Most importantly, SAP Enterprise Portal lets Day & Zimmermann get closer to its customers, and vice versa.

"Today, everyone wants the Amazon.com type of experience," he says. "Customers expect you to be open 24 hours a day, seven days a week. For a company like ours, that means having reams of information available and accessible to our clients all the time.

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### AT A GLANCE

<b>Software</b>	<ul style="list-style-type: none"><li>• SAP NetWeaver™ (with SAP® Enterprise Portal)</li><li>• mySAP™ CRM</li></ul>
<b>Hardware/operating system</b>	HP-UX, Dell
<b>Database</b>	Oracle, Windows
<b>Remote application operations</b>	SAP Hosting
<b>Number of users</b>	Approximately 2,200 external: 500 internal

### ABOUT SAP NETWEAVER

The SAP NetWeaver technology platform is the open integration and application platform that reduces total cost of ownership across the entire IT landscape. It is the technical foundation of the mySAP Business Suite family of solutions, SAP xApps™ composite applications, and other general-purpose and industry-specific applications from SAP. SAP NetWeaver also is the technical foundation for Enterprise Services Architecture, the SAP blueprint for solutions based on Web services.

SAP NetWeaver integrates and aligns people, information, and business processes across technologies and organizations. It gives companies the power to adapt quickly to change. It ensures that mission-critical business processes are reliable, secure, and scalable, and helps companies get more from their current software and systems. SAP NetWeaver unifies disparate integration technologies and provides preconfigured business content, reducing the need for custom integration. It is based on industry-standard technology and can be extended with commonly used development tools such as Java 2 Platform, Enterprise Edition (J2EE), Microsoft .NET, and IBM WebSphere.