

SAP Customer Success Story
Professional Services – IT Consulting



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Per Jensen, Director, AppliCon A/S

AT A GLANCE

Company

- Name: AppliCon A/S
- Location: Copenhagen, Denmark
- Industry: Professional services
- Products and services: IT consulting for SAP® solutions
- Revenue: €28 million
- Employees: 140
- Web site: www.applicon.dk
- Implementation partner: Internal project

Challenges and Opportunities

- Manage geographically dispersed talent supply chain
- Get real-time view into resource utilization and engagement status
- Generate meaningful analytics around engagement costs and client profitability
- Limit overhead for better margins
- Achieve market differentiation through well-managed engagements

Objective

Install solution to manage talent, customer life cycle, and service delivery

SAP Solutions and Services

- SAP for Professional Services solution portfolio
- SAP NetWeaver® Portal component

Implementation Highlight

1.5 month rollout

Why SAP

- Tailored for professional services
- Scalable for growth
- Strong resource and engagement management functionality
- Good analytics

Benefits

- Growth on revenue side without adding overhead, for higher profitability
- Market separation from competition
- Ability to attract, retain, and manage talent better
- Real-time view into resource utilization and engagement status
- Transparent view of metrics regarding cost and profitability
- Faster month-end closings
- Ability to give customers visibility into pricing, consultants, and project status

Existing Environment

Non-SAP billing and bookkeeping system

Third-Party Integration

- Database: Microsoft SQL Server
- Hardware: Dell
- Operating system: Microsoft Windows

APPLICON

Consultancy Uses SAP for Professional Services to Better Manage Talent and Deliver Client Value

AppliCon A/S is a small company with a big footprint, providing IT consulting services to 40% of the 200 largest companies in Denmark. AppliCon's 140 employees are rarely in the office, working at client locations as much as six months at a time. The company turned to the SAP for Professional Services solution portfolio to better manage its dispersed talent and their customer engagements.

The SAP® industry-specific software helps companies like the Copenhagen-based AppliCon manage their talent supply chain and customer life cycle and innovate around service delivery. The solution portfolio is tailored to accommodate the specific challenges and processes of the professional services industry, with functionality for client and opportunity management, project service delivery, resource and knowledge management, engagement management, and partner management. It also provides analysis and reporting tools to support decision making.

“With SAP for Professional Services, we now have complete visibility into what our consultants are doing and their utilization rates,” says Per Jensen, director at AppliCon. “Consultant utilization and pricing are our most important criteria. We must be able to understand current utilization and to estimate how long a consultant will be at an engagement. This allows us to know, in advance, when we need to find a new project for the resource. This is very important for our business.”

Retaining Top People by Challenging Them

It's very important for the consultants, too. Professional services is a talent-driven business, and attracting the right people and skills can be as daunting a challenge as business development on the client side. Managing the talent supply chain to retain skilled people once you find them is crucial.

"Because SAP for Professional Services gives us a clear view of all our engagements, we can find exciting projects that will build up our consultants' competencies," Jensen says. "Strengthening their skills also increases the value we can add for our customers and the prices we can charge. We spend a lot of time making sure our consultants are working on the right projects. In today's market, it is very difficult to find highly skilled people. We are attracting new consultants all the time, because they know we will keep them challenged and satisfied."

Keeping Talent by Reducing Administrative Tasks, Sharing Knowledge

Another thing that makes talent happy – and the firms they work for more profitable – is spending less time on mundane tasks and more time delivering value to clients. AppliCon consultants can sign on through the SAP NetWeaver® Portal component to quickly input time and expense information against customer contracts and project elements. AppliCon also emphasizes knowledge management to further simplify its consultants' efforts and support professional growth.

Says Jensen, "We want to share and reuse knowledge across consultants and countries. It could be something as simple as reusing sections of previous presentations in new proposals, to pooling the collective skills and experiences of our consultants over multiple engagements and competencies. With SAP for Professional Services, our resources can quickly access a central knowledge repository to find the documents and information they need."

Well-Managed Engagements, Meaningful Analytics

AppliCon picked SAP for Professional Services during a period of rapid expansion. "We needed software that could support growth," says Jacob Morck, director at AppliCon. "We were using a spread-

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Jacob Morck, Director, AppliCon A/S

sheet-based billing and bookkeeping system that was not scalable. When you have many different spreadsheets, you do not have integration, and you do not have control over your information."

Fast access to good information supports well-managed engagements and better service delivery. "It's critical when you work for a large client to have a system that can provide transparency across multiple contracts and projects, so you can bill the right person at the right price," Jensen says. "SAP for Professional Services also makes it easier for project managers to view the pipeline to schedule projects, attach roles, and forecast the consultants, skill sets, and partners we will need."

AppliCon is also getting better analytics. Says Jensen, “SAP for Professional Services integrates financial accounting and resource management. This not only speeds the month-end close; it allows us to view our costs and see which clients and engagements are the most profitable.”

More Revenue – More Profits

Clients appreciate the information transparency that comes with well-managed engagements. “All our client information is quickly and easily accessible in one system, and we have a central resource manager that our customers can call at any time,” Jensen says. “This is a key reason why customers prefer to do business with us; they can quickly get project status, pricing, and information about consultants – where they are, when they will become available. This helps differentiate us in the marketplace.”

That separation from the competition has meant more revenue – without adding to the back office. “We have grown substantially since we implemented SAP for Professional Services,” says Morck. “And every time we add new employees, it does not cost us any more on the administrative or system side. With SAP for Professional Services and its integrated, self-service, automated processes, it doesn’t make any difference to us how many consultants are reporting into the system. Margins are tight in professional services, so we have to control overhead. In SAP for Professional Services, we now have a solution that enables more profitable growth.”

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