



## DIMENSION DATA

# CONSOLIDATING A HETEROGENEOUS IT ENVIRONMENT INCREASES EFFICIENCY

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Laurent Leclercq, Group CIO,  
Dimension Data Holdings plc

### QUICK FACTS

#### Company

- Name: Dimension Data Holdings plc
- Location: Johannesburg, South Africa
- Industry: Professional services
- Products and services: Application development and IT infrastructure services
- Revenue: US\$3.8 billion
- Employees: 10,600
- Web site: [www.dimensiondata.com](http://www.dimensiondata.com)

#### Challenges and Opportunities

- Manage growth from acquisitions, which had created a heterogeneous IT environment that was costly and hard to control
- Improve compatibility of enterprise resource planning (ERP) systems among subsidiary organizations
- Manage global processes more efficiently and effectively

#### Objectives

- Standardize on a single global operating environment
- Consolidate on a single global ERP platform

#### SAP® Solutions and Services

- SAP® ERP application
- SAP ERP Human Capital Management solution

#### Third-Party Integration

- Database: Microsoft SQL Server 2005
- Hardware: Hewlett-Packard ProLiant servers
- Operating system: Microsoft Windows Server 2003 Enterprise Edition

#### Implementation Highlights

- Deployed in just 6 months
- Required minimal customization
- Comprised 1,650+ recognized SAP software users worldwide
- Managed global SAP ERP/Microsoft SQL Server infrastructure with only 20 people

#### Why SAP/Microsoft

- Global solutions for a global company
- Ease of supporting a single consistent operating environment
- Access to internal resources to support solution

#### Benefits

- Single solution to facilitate global enterprise management and reporting
- Solution to support rapid growth
- Lower cost to manage and maintain global infrastructure

#### Existing Environment

Multiple incompatible applications, operating systems, and database environments



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During the late 1990s, Johannesburg, South Africa-based Dimension Data Holdings plc had grown rapidly, primarily by acquiring smaller companies in key regions around the world. While that growth strategy had proven to be brilliant from a business perspective – revenues for the IT services company topped US\$3.8 billion in 2007 – it also fueled the growth of an increasingly complex and hard-to-manage global IT infrastructure. Within a few years, there were many different enterprise resource planning (ERP) systems in use in different geographic regions, different operating systems in different data centers and server farms, and different database systems supporting key applications throughout the enterprise. Not only was this environment impossible to manage efficiently, but increasingly it was also hindering the company's ability to operate efficiently. With incompatible ERP systems supporting the different geographies, it took weeks to close the company books each quarter.

Dimension Data IT executives conferred with the line-of-business counterparts and agreed that something had to be done: the company would migrate towards a single set of core enterprise applications, running on a consistent platform. That approach would enable IT to support the organization effectively and increase the efficiencies with which the company could operate – which in turn would make it easier for the business groups to support new business initiatives.

“The work we do is global,” says Laurent Leclercq, group CIO for Dimension Data, “so our infrastructure needed to be global. We needed standardized processes to support our customers, so we standardized on SAP ERP for our ERP needs. To support that, we

chose to standardize on Microsoft Windows Server and Microsoft SQL Server.”

### Reducing Financial Systems Complexity

With some 10,600 employees, the company has major subsidiaries in Africa, North America, Australia, Europe, and Asia. Until 2002, when it began its drive towards a single consistent enterprise architecture, it had different applications in almost every geographic region – and sometimes multiple incompatible applications within a single region. The financial systems that came with a company acquired in Germany differed from the financial systems that came with a company acquired in France, for example. And

both those systems might differ from the systems running in London that were supposed to be rolling up the activities for the entire European subsidiary.

Developing a road map that would enable all the different countries and regions to consolidate on the SAP® ERP application would make it much easier for Dimension Data to manage its key ERP activities. The flexibility of SAP ERP would enable each geographic entity to manage its financial activities in its local currency, but the software could consolidate all the regional transactions and roll up the activities in a single distinct currency for compatibility with other regions in the organization. Indeed, Dimension Data reports its corporate revenues in terms of U.S. dollars, even though its corporate headquarters is in South Africa.

Today, Dimension Data runs one instance of SAP ERP in London to support the 11 countries in its European subsidiary and another instance of SAP ERP in South Africa to support its operations in Africa and the Middle East. Both instances of SAP ERP rely on a single global template and utilize transport management functionality in the software to keep the two instances synchronized. The company operates a third instance of SAP ERP in Australia, and a fourth instance runs at Datacraft Asia Ltd., the Asian company in which Dimension Data has 53% ownership. Across these four regions, more than 1,600 people use the software on a regular basis.



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Leclercq and his team are now putting together a road map to bring the Australian instance of SAP ERP on to the same global template that is currently in use in Africa and Europe; plans are in development to migrate the North America ERP system to SAP ERP and the same global template in two years. Because it has only a partial ownership interest in Datacraft Asia, Dimension Data has no road map in place to migrate the Asian instance of SAP ERP to the same global template.

### Consolidating Employee Records

In addition to the move to consolidate the majority of the company’s SAP ERP deployments on this single global template, Dimension Data is also consolidating its myriad human resources

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Michèle Kruger, Application Portfolio Manager, Dimension Data Holdings plc

applications on the SAP ERP Human Capital Management (SAP ERP HCM) solution. Africa and the Middle East will be the first to go live on SAP ERP HCM, with Europe to follow shortly thereafter. The other regions are on the road map to go live over the next two years.

“Right now, we have around 20 different HR systems running around the globe,” says Michèle Kruger, application portfolio manager at Dimension

Data. “The idea of standardizing on a single system and having a single employee record no matter where you are in the world is very appealing to us.”

### Reducing Costs

Dimension Data has been named Cisco System’s Partner of the Year for two years in a row, and it is both a Microsoft Gold Certified Partner and a Microsoft Alliance Partner. These accolades speak to the depth of expertise that exists within Dimension Data, and the depth of expertise with Microsoft products in particular was one of the reasons that Dimension Data decided to standardize on Microsoft Windows Server and SQL Server. It already had the resources it would require to support Microsoft SQL Server deployed

in support of enterprise applications. Dimension Data did have a limited number of people who were skilled Oracle database administrators – after all, there were Oracle databases already in place in the complex landscape that had evolved at Dimension Data – but company officials calculated that it would be far more costly to support an SAP ERP application on Oracle than it would be with SQL Server. “Oracle had changed its licensing model to one that was based on the number of

CPUs,” says Leclercq, “which was going to make it very expensive for us. When we factored in the skills we had and the licensing costs associated with standardizing on SQL Server, the decision was a no-brainer.”

Initially, Dimension Data supported its SAP ERP deployment with SQL Server 2000. But after participating in one of the early adaptor programs supporting the launch of Microsoft SQL Server 2005, Dimension Data officials were convinced that upgrading to SQL Server 2005 would provide even greater benefits for the company.

### Enabling Access to Up-to-Date Information

“Two of the big drivers to move to SQL Server 2005 were its online maintenance enhancements and its online indexing functions,” says Leclercq. “The business groups within Dimension Data were always uneasy about our having to take SQL Server 2000 offline to do any maintenance – but all that’s changed in SQL Server 2005. A lot of the tasks that you have to perform on SQL Server 2005 you can do online, with no impact on business. That’s one of most appealing features of SQL Server 2005 to me.”

Leclercq’s enthusiasm is not surprising. Dimension Data’s European database takes up nearly 600 gigabytes (GB) of disk space; its South African database takes up more than 330 GB. And both continue to grow rapidly. In a given month, the European database typically handles close to 2 million transactions and the South African database typically

handles between 3 and 4 million transactions, with subsecond response times across the board. Both databases are growing by as much as 10 GB per month – so keeping the databases on-line as much as possible is a business imperative.

Another appealing feature of Microsoft SQL Server 2005 is its ability to create database snapshots quickly and to run reports on data captured in the snapshot. “One of the requirements from the business groups was that they be able to run reports whenever they wanted and to have those reports reflect up-to-the-minute information,” says Leclercq. “SQL Server 2005 snapshots make that happen, so that was a big win for IT.”

### Preparing for Continued Growth

For Dimension Data, consolidation is necessary for the company’s continued growth and success. By building an enterprise infrastructure around a limited number of broadly used platform components – including SAP ERP and Microsoft SQL Server – the company can evolve and expand more quickly and easily as business opportunities present themselves.

“It’s not possible to look at SAP ERP and Microsoft SQL Server in isolation when we’re talking about supporting the business,” says Leclercq. “For us, it’s all about integration. We have a list of five to six applications or systems that are globally accepted and that we’re rolling out around the world. By building out an integrated IT strategy around those core building blocks, we position ourselves to meet the evolving needs of the company.”

“There’s sometimes a tension between the business and technology sides of any organization,” Leclercq acknowledges. “Sometimes it’s better to let the business processes drive the technology decisions, but sometimes it’s more expedient to let technology shape the business processes. We’ve been on this path since 2002, and to date we’ve found no business or technology issues that we cannot resolve, so we’ve had no real reason to doubt that Dimension Data is on the right path with SAP ERP and Microsoft SQL Server.”

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