



# **ABN AMRO Lease: Equipped for Growth with SAP® Leasing**

When ABN AMRO Lease embarked on fulfilling its objectives for growth and internationalization, it was constrained by its functionally limited and fragmented legacy systems. With the help of the SAP® Leasing application, the company has gained **agility and efficiency** and become more customer-centric. The goal is higher customer retention and lower sales and servicing costs.

Company ABN AMRO Lease

Headquarters Utrecht, the Netherlands

Industry Banking

**Products and Services** Asset finance and leasing

**Employees** 150

Web Site

www.abnamrolease.com

**Partner** 

**IBM Business Consulting** 

#### BUSINESS TRANSFORMATION

#### The company's top objectives

- Enhance functionality to allow internationalization
- Enable clear auditing and support for new regulation regimes
- Increase automation and simplify complex, fragmented, and outdated systems
- Speed up product change and introduction

#### The resolution

- Engaged IBM Business Consulting for implementation
- Split implementation into two phases
- Freed key users to develop expertise
- Actively involved users in managing change

#### The key benefits

- Single future-ready platform that streamlined workflow, electronic invoicing, and e-leasing
- Improved visibility, more automation, and better data quality
- Enhanced ability to collaborate with customers and partners
- Transfer of process ownership and expertise from IT to business users

#### TOP BENEFITS ACHIEVED

60%-70%

Faster time to market for product changes

Faster time to close

Less effort to create reports

See more metrics

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"SAP Leasing is crucial to helping us achieve our strategic objectives. And its flexibility allows us to meet the wishes of our clients much faster."



Maurice Koot, CEO, ABN AMRO Lease

#### **Company objectives**

Resolution

Business transformation

Future plans

## Aiming for growth and internationalization

Headquartered in Utrecht, the Netherlands, ABN AMRO Lease is the equipment leasing subsidiary of ABN AMRO Group. It produces and administers volume equipment leases for small and midsize businesses that need limited financing. It also provides tailor-made solutions for large corporations in the Netherlands, Belgium, Germany, and the United Kingdom.

When ABN AMRO Lease embarked on fulfilling its strategy for growth and internationalization, its IBM AS/400-based legacy lease system impeded progress. The system lacked crucial

internationalization functionality, didn't support multiple currencies, and was based on outdated technology. There were no clear audit trails or support for new regulation regimes. There was a need to increase automation, but successive modifications and a multitude of batch interfaces between different applications limited flexibility and posed a risk to business continuity.



Company objectives

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### Keeping it simple and standard

In a rigorous process to select a replacement, the company chose the SAP Leasing application over six competitors for its superior functionality and open and modular architecture. As Rob Arends, ABN AMRO Lease's program manager, puts it, "We wanted to focus on migrating the back office first, integrating our existing front office. SAP had the only modular and open solution that allowed this, as well as a service-oriented architecture to extend the solution to the front office later." To assist in the implementation, ABN AMRO Lease selected IBM Business Consulting for the wealth of knowledge and experience in IBM's European leasing competence center.

With the strong support of CFO Maurice Koot, the initial implementation scope was strictly limited to "keep it simple." All processes were implemented without modifying the standard SAP solution – using the flexible "user exits" embedded in SAP's solution. SAP Consulting helped ensure that the implementation was consistent with SAP's maintenance and upgrade strategy.

However, ABN AMRO Lease did not underestimate the challenge of changing ways of working that were ingrained over 20 years. Management made a conscious decision to free up key users to involve them more actively in the transformation. And a two-phase migration allowed users to gain insight and experience with the SAP solution during the initial migration of volume products, which then helped in the more challenging second phase for more complex tailor-made lease products. André van Geemen, the company's project manager, sees a further benefit of the approach: "Key users now fully understand their business processes, and it is much easier to solve issues and make changes."



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### Achieving visibility and agility

After a smooth cutover to the new system, ABN AMRO Lease is reaping the benefits. Changes to products can be executed in weeks rather than months without programming, so the development and maintenance team has been eliminated. Users no longer need IT to produce reports, which require 85% less effort. Integrated reporting and explicit audit trails have greatly increased visibility into the business portfolio and the ability to ensure compliance. Productivity has increased due to greater automation of administrative and financial processes, as well as reduced reconciliation needs.

ABN AMRO Lease is now running a multicountry, multicurrency business on a single platform. Visibility and customer and partner collaboration has improved through consistent, timely, and accessible information, and data quality has improved. The company has a future-ready platform for greater use of workflow, electronic invoicing, and e-leasing.

#### **KEY BENEFITS**

60%-70%

Faster time to market for product changes

60%

Faster time to close

**85**%

Less effort to create reports

**100**%

Increase in reports created by business users

**25**%

Reduction in size of IT organization



Company objectives

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**Future plans** 

## **Becoming more** client-centric

Moving forward, ABN AMRO Lease's strategy is to become more client-centric and leverage the software to increase client retention and gain new business. Arends notes, "We need to manage the equipment lifecycle to retain the client when the lease contract expires or equipment needs upgrading. Our improved ability to share information will help us provide easier access to our lease products and lower the cost of selling and servicing."

Tangible results of this strategy are already evident. In 2009 ABN AMRO Lease was judged to be Europe's best lease company for small and midsize enterprises at the Asset Finance Conference in Berlin in recognition of its outstanding service to clients.



