

TOP TO BOTTOM

we know

they know

FROM THE BEGINNING TO THE END

## Integ gains enterprise impact with IBM Distribution Express for SAP.

### A successful jump into autonomy.

Integ Communication Solutions is reaping the benefits of an enterprise-level financial management system that suits the midsize business and remains within the budget. Founded two years ago from the management buyout of Alcatel Australia's 25-year-old enterprise division, Integ is a leading Australian integrator of voice, data and business communication solutions for government and business. Integ is now a subsidiary of UXC Limited, an ASX-listed company. Supporting more than 1,000 customer sites, Integ employs 93 people at five offices across Australia. The company operates four distinct lines of business: voice, data networking/infrastructure, cabling, and applications. Integ designs, integrates and supports communication networks, structured cabling, data networks and wireless, high speed Internet access, contact centers, CRM, mobility and messaging solutions. It also operates a 24-hour, seven-day national customer support centre. Integ works with a range of private and public sector enterprise organizations, including Tower Insurance, Sales Force, Hilton, Rydges, and Accor as well as State and Federal government departments.

### Requirements and high expectations.

In the early stages, Integ continued to use Alcatel's enterprise-wide financial system, SAP R/3®, which gave it detailed reports on the costs and performance of its product and service offerings. However, Integ needed a financial system that more accurately reflected its new business model, with an acceptable total cost of ownership. Integ Finance Director Theo Belekas said the company needed a solution that could deliver the comprehensive reporting it required within an affordable budget. The management expertise and business processes that Integ was used to created high expectations for the capabilities of a replacement system. The new system also required scalability in order to be able to handle Integ's growth, which is driven by organic means as well as by acquisition. Integ grew more than 30% during its first two years as a separate company and almost doubled the size of its workforce.

### Overview

#### ■ The Challenge

When Integ became a separate enterprise, it needed to deploy its own financial management system to match the power, performance and productivity of the enterprise-wide system used by its parent company, Alcatel.

#### ■ The Solution

*Industry:* Communications

*Application:* IBM Distribution Express, a solution for midsize businesses

*Hardware:* IBM @server® xSeries®

*Services:* IBM Business Consulting Services (BCS)

#### ■ The Benefits

A blue chip financial management system that fits its business model and processes, providing a platform that can grow with its business – on an affordable budget. This enabled Integ to gain immediate results and rapid return on investment from the SAP solution with a minimum of training. Additionally, the IBM @server® xSeries platform has an attractive price point and proven reliability.



## **IBM Distribution Express: economical solution with maximum benefit.**

After examining a range of options, Integ selected IBM Distribution Express, a pre-configured version of the standard SAP R/3 4.6C software for midsize businesses. Integ chose IBM Distribution Express because it fitted in with the company's existing and future business requirements. IBM Distribution Express gave Integ SAP R/3 functionality at a cost to benefit its business. It contains the key elements for the distribution business. The logistics module is a fully integrated suite of functions that supports purchase to payment, sales to cash and stock with advanced supply chain capabilities to efficiently manage the supply chain. The financials module takes a business process approach to manage the internal and external financial activities of a corporate entity. Mr. Belekas said key factors in the decision included comfort with the system and its ability to meet Integ's needs. "We wanted flexibility, we wanted scalability and we knew the reports we wanted," he said. "The system is able to provide comprehensive reports that accurately track Integ's performance, which allows us to understand what's happening in the business every day. IBM Distribution Express provides us with the same comprehensive details received from the Alcatel SAP system, but better fit our business model. It also gives us a scalable, integrated platform that can grow with Integ's business."

## **Attractive one-stop-shop partnership: IBM and SAP.**

SAP recommended Business Consulting Services as its keystone Business Partner within the midsize businesses to implement the software. IBM deployed the SAP solution on an IBM @server xSeries server, providing Integ with an Intel® Microsoft® Windows® platform that Integ was able to manage with its own in-house skills.

Integ was attracted by the one-stop-shop partnership between IBM and SAP that provided the total solution, including the IBM @server xSeries 235, a server with an attractive price point and proven reliability – ideal for midsize businesses. The SAP project started in August 2002 and was completed by the end of March 2003. Utilizing components of the solution accelerator tool kit, the implementation was completed with a small business and implementation team of 5 people, within a period of only 6 months. This meant minimal disruption to the business by utilizing key staff. Mr. Belekas said IBM's implementation of IBM Distribution Express proceeded smoothly. "The IBM consultants engaged fully with us," he said. "What we expected of them was laid out on the table at the beginning, so everyone understood it. IBM was able to show us the power of the system that fit with our business. The IBM consultants were professional. It was a good partnership. That's why we've engaged IBM with the ongoing support contract."

## **Payback in only one year!**

IBM Distribution Express has integrated the core benefits from Integ's former enterprise financial system into a more cost-effective solution for the business. Integ saved significant costs on training staff because they were familiar with SAP. It meant that they could utilize data from their previous system without the need for re-keying. Mr. Belekas said Integ had made substantial improvements and cost savings from implementing SAP. "We calculated payback in a year which was very attractive." Mr. Belekas said Integ had retained the full functionality of an enterprise system in a solution that was tailored for mid-sized organizations. "There's no trade-off, not a single function seems to be missing," he said. "The software is powerful because it allows us to report in any way we want in order to reflect our business

performance. We can analyze sales and costs by state, by sales executive, by functional group and by line of business. It also gives us scalability that enables us to merge new companies into our SAP system as we buy them."

## **Further Information:**

To learn more about how IBM and SAP alliance can help your business, please visit: [ibm-sap.com](http://ibm-sap.com)



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