

Proactive management shapes up IT applications

“The project portfolio associated with Fujitsu’s application management service helps us develop our IT projects with persistence and consistency.”

Jyrki Paappa – Chief Financial Officer, Raisio



Challenge

The main products of the Raisio Group include foods and functional food ingredients as well as feeds and malts. The company employs nearly 1,100 people in nine countries. The company has production in seven locations in three countries. Turnover of the group for 2007 amounted to 421.9 million euros. Raisio’s shares are listed on the OMX Nordic Exchange Helsinki.

In 2004, Raisio divested its chemical business, which previously constituted almost half of the company’s turnover. At this point, the remaining business units decided to examine whether SAP would be an option worth considering for an appropriate and uniform ERP system. The idea was based on the fact that SAP is widely used in the European food industry.

Fujitsu had previously been involved in conducting ICT architecture surveys for Raisio. So, it was quite an easy decision for Raisio to opt for Fujitsu and SAP, and the project was kicked off without further delay in August 2004. The new ERP solution was deployed in the domestic animal feed industry in May of the following year, in the Food unit at the beginning of 2006 and a year later in the Ingredients unit.

As the SAP implementation progressed, Raisio mulled over different options for application management.

“It didn’t take too long before we started to become inclined towards outsourcing when we were convinced that it is possible to actually make it work,” says Jyrki Paappa, Chief Financial Officer, Raisio.

“In pondering over the concept of outsourcing we tried to come up with a model where IT development would be business-driven, instead of the previous IT management-driven approach. When initiatives are brought up by the business units, who will also have to provide the resources to implement them, the IT development projects get the weight they deserve.”

Jyrki Paappa continues, *“Fujitsu had recently supplied the SAP system for us, so it was the most sensible choice to go for Fujitsu’s application management service, called Sohva in Finland, as well.”*

Solution

In addition to ERP, Raisio’s SAP system incorporates finances, procurement, warehouse management, sales and distribution as well as sales forecasting. Later on the system

SUMMARY OF KEY FACTS

Organisation

Raisio

Services delivered

Implementation of a corporate SAP system and the provision of an outsourced application management service

Key metrics

- 600 SAP users
- Management of 70 applications with 800 users

Benefits

- Fujitsu has scalable resources and an abundance of competence to meet the customer’s needs
- A specified method for advancing IT development projects
- Business driven IT development
- Cost efficiency
- Improved cost awareness

was complemented with capital assets accounting. The system is deployed by all units in Finland. The plant in Poland is in the middle of a deployment specification phase.

The application management agreement was signed at the end of 2006.

“Handing over the responsibility for our applications to Fujitsu was actually a surprisingly smooth process,” says Merja Liikanen, Partnership Manager, Raisio. In the process, ten specialists from Raisio’s IT management transferred to Fujitsu.

Based on the main responsibility supplier model, Fujitsu has assumed overall responsibility in some projects even when there have been other suppliers involved as well.

The SAP solution replaced some of the more than a hundred applications that Raisio uses. In addition, the application management service covers the day-to-day maintenance of around 70 other applications, end user support and development activities. The service requests of Raisio employees are categorised in order for Fujitsu to be able to accentuate appropriate areas in application training for Raisio personnel.

According to Jyrki Paappa, the best aspect of the application management service is the project portfolio that steers the priority of IT development programs. It also provides a tool for analysing how delays in one project affect the other projects.

“The project portfolio helps us stick to the path and not get led astray. We decide on development projects in collaboration with our business units. Previously, in many cases, the projects were conducted in an isolated and uncoordinated manner. With the project portfolio at hand, we implement projects that particularly serve one purpose: developing our business,” comments Merja Liikanen.

Raisio’s application management service was awarded with an IT services management certificate in the summer 2008. The ISO20000 certificate Fujitsu received was the first of its kind in Finland.

In the certification process, an external auditor measures the supplier’s services against the required standard. Merja Liikanen confirms, *“The certificate is a guarantee to our customers that our processes are thoroughly and extensively thought out, and that our services and their development are consistent and systematic.”*

Benefits

By using Fujitsu’s application management service:

- Different constituents of SAP can be developed under the wings of Fujitsu’s expertise
- The project portfolio steers allocation of resources
- Fujitsu’s resources are scalable both up and downwards

- Application costs have tangibly reduced
- Business units get project budgets in advance to support them in decision making. Without the application management service this would be difficult.

“Thanks to Fujitsu’s application management service we have a larger pool of experienced specialists at our disposal. The competence of our own personnel was not sufficient in realising the requirements of our new environment,” confirm Jyrki Paappa and Merja Liikanen in unison.

According to Merja Liikanen, Fujitsu has been flexible despite the ever changing needs of Raisio’s business and what’s more, it has been able to keep tight reins on the projects.

Approach

Under its application management operating model Fujitsu assumes comprehensive responsibility for the customer’s applications, covering the entire application lifecycle from development and management to support.

The proactive management and ongoing enhancement of the application portfolio guarantees a consistent and agreed level of application availability that evolves in line with the needs of the organisation. The service also includes the development of new application solutions that are tailored to meet specific customer needs and the provision of application support services to assist users who are experiencing problems and offer guidance on everyday issues.

The overall aim of the application management service is to enable organisations to save time, resources and money by increasing the efficiency and cost-effectiveness of application management, without a long-term commitment. By providing flexible access to Fujitsu’s extensive technical, industry and customer knowledge it also frees up valuable internal resources from routine development and daily IT management activities.

Expertise

With over 40 years experience of supporting the needs of customers, Fujitsu has a proven track record in providing complex systems integration and management services that reduce costs, improve productivity and customer services and deliver a compelling return on investment.

“Our partnership with Fujitsu is transparent and open. We talk about everything, even the negative things,” says Merja Liikanen. *“We also appreciate Fujitsu’s willingness to develop, which is also manifested by the ISO20000 certificate.”*

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Contact us on +44 (0) 870 242 7998 or
askfujitsu@uk.fujitsu.com or visit uk.fujitsu.com