

Solution: **IT Infrastructure** Industry: **Computer Services**

DATEV eG

Datev + IBM Z: A partnership built on innovation to meet today's digital demands

Helping customers stay on the right side of the taxman

When the tax deadline is looming, you want to get everything sorted and submitted on time. So that its clients – specialist tax consultants, auditors and lawyers – can complete their customers' tax returns punctually, DATEV upgraded to the latest incarnation of the IBM® Z® platform, ensuring that service levels stay high even at times of peak demand.

Business challenge

As far as the taxman is concerned, there's no excuse for not submitting taxes on time. With systems beginning to show signs of strain during the year-end closing period, DATEV decided to upgrade.

Transformation

DATEV opted to invest in the latest generation of its trusted IBM Z platform, working with an experienced team from IBM to replace its existing mainframes with powerful new z14™ servers.

Results

Increase	12.5 million	Ensures
in processing power for faster peak-time processing	calculations a month on average run on the IBM Z platform	that customer service levels stay high year-round

Business challenge story

Meeting taxing demands

There are only two certainties in life, as the saying goes: death and taxes. To ensure that they get their customers' taxes completed and submitted on time, specialist tax consultants, auditors and lawyers across Europe turn to DATEV for support. The company's proven software solutions and IT services cover all major types of taxes, as well as bookkeeping and payroll accounting, helping its clients keep their customers in the taxman's good books.

Since its foundation in 1966, DATEV has offered innovative Software-as-a-Service (SaaS) solutions and

cloud-based services, in addition to local installations of its software. The rise in popularity of cloud services in recent years has seen demand for hosted services increase significantly, putting pressure on DATEV's existing infrastructure – particularly during busy periods, such as the end of the tax year.

Uwe Hammann, IT Infrastructure Manager at DATEV, begins: “Over the last few years, we have been pushed in terms of performance, repeatedly almost reaching peak capacity during the year-end closing period. To ensure that we always deliver the best possible service to our customers, we wanted a platform that offers extremely high performance levels year-round, that is secure and scalable, and that is very, very reliable.”

Jutta Roessner, CIO at DATEV and a member of DATEV's Executive Committee, adds: “Because there are strict penalties for failing to pay taxes or submit supporting documentation on time, and our clients depend on our services to complete those tasks for their customers, there is absolutely no room for downtime.”

“The IBM z14 has exceeded our expectations, delivering a significant performance improvement, so we're very happy with the upgrade.”

– Uwe Hammann, IT Infrastructure Manager, DATEV

Transformation story

Continuing to invest in IBM Z

For more than 50 years, DATEV has relied on the [IBM Z](#) platform to support customer services. “The

performance, availability and stability offered by IBM Z are second to none,” says Uwe Hammann. “We’ve only ever experienced great reliability from the platform, so we’ve never been tempted to move away.”

Eager to improve the performance of customer services during year-end closing, DATEV jumped at the chance to become an early adopter when the latest-generation [IBM z14](#) mainframe was announced.

Working closely with a team from IBM, DATEV replaced its existing z13 mainframes within two weeks in both of its data centers. The servers are clustered using [IBM GDPS®](#) for seamless recovery in the unlikely event of disaster at one site. The Z storage environment consists of latest IBM DS8000 technology at each data center, among other equipment. DATEV is exploiting the IBM DS8000 logical corruption protection solution to mitigate any risk from malicious programs or security threats.

Uwe Hammann recalls: “Support from IBM during the implementation and migration phases was excellent. They sent over a highly experienced team who worked well with our internal project team. As an early adopter, we were always going to experience a few teething problems. Whenever we encountered any issues, IBM was there for us to help us find solutions and workarounds.”

Jutta Roessner adds: “With help from IBM, we were able to get everything migrated over to the new z14 servers and running in production within a short timeframe – and during the year-end closing period. I had my reservations about the timing of the project at first, but everything went as planned so that we had the new IBM Z platform up and running on January 1st, ready for the new tax year.”

In addition to its “classic” mainframe development, DATEV also operates a software development environment based on the open source Cloud Foundry solutions.

“We’d like to have freedom of choice about where we develop and run new applications. Today we have chosen Cloud Foundry on x86, but we are considering Linux on Z for new applications requiring ultimate performance and stability,” says Uwe Hammann. “That’s why we are evaluating Linux for IBM Z as a production operating system. While most of our existing business applications are written in COBOL, Linux is our preferred platform and Java our preferred language for new software development. With Linux on Z, we won’t have to worry about rewriting code if we need to move applications from x86 to the mainframe, or vice versa.”

“Hosting our SaaS and cloud services on the IBM z14 gives us peace of mind that customer information is kept secure, in compliance with data protection regulations.”

— **Jutta Roessner, Executive Committee Member, DATEV**

Results story

Exceeding expectations

With the new IBM Z technology in place, DATEV has seen a significant boost in performance – ensuring that customer services run smoothly all year long, regardless of spikes in demand during year-end closing. The performance boost was achieved by consequently exploiting the performance benefits of IBM Z. DATEV

migrated from COBOL 4 to COBOL 6 to enjoy the improved z14 instruction set (for example, enhancements in **Single Instruction Multiple Data** processing) and optimization. DATEV's core business application, called "Lohn," uses mainly COBOL as its programming language.

Due to DATEV's usage of the IBM Z cryptographic function (CPACF), the company was able to achieve significant acceleration in many application programs. And last but not least, the **Simultaneous Multi-Threading** improvements for "ZIIP" Processors were significant.

"The IBM z14 has exceeded our expectations, delivering a significant performance improvement, so we're very happy with the upgrade," says Uwe Hammann.

Jutta Roessner notes: "On average, we run around 12.5 million tax and payroll calculations a month. The significant increase in performance allows us to process these calculations faster and more efficiently. Not only does this mean we can deliver a better service to our customers, it means we are well equipped to handle sudden spikes in demand during year-end closing."

In addition to delivering a much-needed performance boost, the IBM z14 offers enhanced security capabilities. Features such as pervasive encryption will enable DATEV to secure its customers' highly sensitive financial information without impacting service levels.

Jutta Roessner comments: "Germany has some of the strictest data protection laws in the world. Hosting our SaaS and cloud services on the IBM z14 gives us peace of mind that customer information is kept secure, in compliance with data protection regulations."

The IBM z14 represents the latest stage in a long and successful relationship between DATEV and IBM

spanning five decades. With the latest generation of IBM mainframe in place, DATEV is confident that it can continue to meet growing demand for its services.

Uwe Hammann concludes: “The reasons we keep coming back to the IBM Z platform are simple: it offers superior performance, availability, stability and security – everything we need to deliver reliable services to our customers. We’re excited about harnessing Linux OS for IBM Z to potentially move new applications and workloads to the platform we trust so much.”



DATEV eG provides specialist software and IT services for tax consultants, auditors and lawyers, as well as their clients. Based in Nuremberg, Germany, DATEV serves over 40,000 customers across Europe, employs more than 7,000 people and reports annual revenues of EUR 928 million.

Solution components

Storage: IBM DS8000

IBM Z

COBOL Compilers

Take the next step

To learn more about IBM Z solutions, please contact your IBM representative or IBM Business Partner, or visit the following website: ibm.com/z

For more information on IBM GDPS, please visit: ibm.com/it-infrastructure/z/technologies/gdps

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