



Ferrovial lays the tracks for rapid international expansion with SAP and IBM

Headquartered in Madrid, Spain, Ferrovial is one of the world's leading infrastructure operators. The firm manages four key business lines: offering urban and environmental services, operating motorways, constructing civil engineering and industrial structures, and building airports. In total, the company employs approximately 69,000 people and operates in more than 25 countries.

Ambitious plans for global expansion

Ferrovial is keen to grow its construction business internationally to boost revenues, pursue new commercial opportunities and sharpen its competitive advantage.

However, the company found that expanding into new geographies presented a fresh set of challenges.

To grow its business internationally, Ferrovial must be able to adjust rapidly

to the different requirements – whether they be legal, fiscal or environmental – as well as consider the cultural and linguistic diversity of each country in which it operates. The previous solutions that the company used to manage its business processes were inflexible and very function-specific, which made it very difficult to modify processes to suit all environments in which Ferrovial works.

The company lacked online integration, centralization, a shared and corporate-wide view of business information and the capability to adjust to challenging requirements coming from multiple locations. People in different business functions used to work in a very independent fashion, without sharing information on sales, planning and forecasting across the company. Employees performed manual calculations that were slow and error-prone, and did not offer an accurate view of the business. This

Overview

Challenge

How could Ferrovial expand its construction business globally when its aging systems were not flexible enough to accommodate the ever-changing requirements of operating in multiple geographies?

Solution

Ferrovial teamed up with IBM Global Business Services to implement inSite, a bespoke global and integrated business process management solution based on SAP software.

Key benefits

Reduces time-to-market for international applications from four weeks to two days – a 93 percent acceleration. Simplifies global business growth.

Business Challenge

Pursuing successful global growth means being able to adapt quickly to the complex, ever-changing and demanding requirements of operating in multiple geographies, legal frameworks, languages and cultures.

With inflexible, non-scalable and highly customized systems, Ferrovial was struggling to transform its ambitions of international expansion into reality.

decentralized way of working and the use of obsolete technology prevented Ferrovial from growing faster and joining forces with suppliers and subsidiaries when embarking on international construction projects.

Ferrovial realized that in order to build a truly global and competitive business, it needed to completely revolutionize the way its business processes were managed, to promote greater harmonization, agility and scalability.

Teaming up with best-in-class solution providers

Ferrovial examined proposals from a range of vendors, and decided to join forces with IBM® Global Business Services®.

Armando Cernuda, Construction Purchase Director at Ferrovial, comments: “We decided to partner with IBM because their offering appeared to be the most complete, viable and cost-effective, and featured a higher degree of usability. We had previously managed several successful projects with support from IBM Global Business Services, so we knew that they would be able to deliver on their promises.”

In partnership with IBM Global

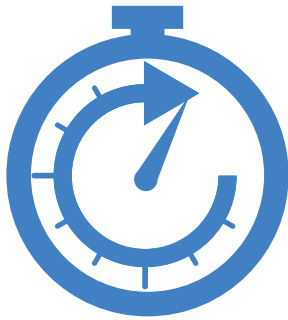
“The inSite platform, based on SAP ERP and developed with help from IBM Global Business Services, has truly revolutionized our business processes and workflows, and our overall philosophy.”

Armando Cernuda

Construction Purchase Director
Ferrovial

Business Services, Ferrovial embarked on an ambitious business process transformation program based on inSite, a bespoke, integrated, user-friendly, flexible and scalable platform for simplified business process management.

Armando Cernuda adds: “During the several different phases of the project, we successfully combined our own project management methodologies with best practices provided by IBM Global Business Services in a synergy that became more like a



93 percent faster
time-to-market

partnership than a mere client-vendor relationship. The collaboration was so successful that the project was awarded an SAP Quality Award – Gold in the Iberian region and Silver in EMEA.”

Skilled teams from the business consulting and application innovation areas of IBM Global Business Services utilized the IBM Ascendant SAP Methodology and SAP Best Practices to support Ferrovial’s DGSI Methodological Framework in the development, implementation and testing of inSite.

The new solution is based almost entirely on SAP® ERP software – with modules for sales and distribution, material management, financial accounting and controlling, project

system, human resources, and SAP NetWeaver® technology. It allows approximately 1,300 users at Ferrovial – including high-profile executives – to manage a complex and diversified landscape of operations, from finance and human resources to procurement, budgeting and planning.

The IBM project teams also used SAP Web Dynpro technology to develop the front end of the inSite solution, which needed to be flexible and user-friendly in order for site managers to be able to easily leverage the system.

Reaping the benefits of integration and scalability

With the inSite solution in place, Ferrovial is now fully ready to become a global player in the construction sector.

IBM and SAP provided Ferrovial with an agile, modular and scalable technological platform which offers great usability, online integration, scalability and cost-efficiency.

By providing a standardized foundation for business process management, the inSite solution makes it easy for Ferrovial to develop and implement new applications to be used across multiple geographies, and adjust them in a

ferrovial

Solution

Ferrovial joined forces with IBM Global Business Services to implement inSite, a bespoke, highly innovative business process management solution based on SAP applications.

Supported by the new solution, Ferrovial is switching to integrated and unified business processes that ease and accelerate global expansion.

Key Solution Components

Industry

Construction / Architecture / Engineering

Applications

SAP® ERP, SAP NetWeaver®, SAP Enterprise Portal, SAP Web Dynpro

Services

IBM® Global Business Services® – Business Consulting Services, IBM Global Business Services – Application Innovation Services

highly agile manner to suit each legal, financial, cultural and linguistic context.

Armando Cernuda comments, “Previously, it took us at least four weeks to configure applications for a new international subsidiary due to the complexity of operating in particular countries and the limitations of our previous systems.

“Now, thanks to the agility of the IBM and SAP solution, it only takes us a couple of days at most, and it all happens very smoothly. This is roughly a 93 percent acceleration of our time-to-market, and directly translates in increased productivity and competitiveness on a global scale.”

The solution supports approximately 140 harmonized business processes, helping to promote efficiency and consistency wherever in the world Ferrovial is operating.

In addition, the high usability of the solution helps ensure rapid acceptance by global users from multiple different backgrounds.

With inSite acting as a centralized solution for harmonized business process management, Ferrovial’s employees have now adopted a

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much more agile and collaborative way of working, can share information across the business and enable senior management to gain a more unified and trusted view of global operations.

Because all employees use the same system, and can easily share information regardless of where they are and the type of construction project on which they are working, Ferrovial has a clear view of its entire global business.

Looking at a future full of opportunities

Ferrovial is already planning further projects, including the development of a business analytics platform and the full deployment of a mobile solution for accessing inSite.

inSite provides the company with a central hub in which all enterprise data is collected. To really put this data to work for the business, Ferrovial plans to implement sophisticated analytical tools, and is confident that this initiative will enable it to make smarter strategic decisions to benefit its business.

In addition, Ferrovial looks forward to completing the deployment of its newly launched mobile solution with SAP Mobile Platform, which is currently only in use on one of its construction projects.

Harnessing the power of mobile will help the company to keep innovating, work much more productively and share crucial information at the touch of a button.

For example, if a worker on a construction site accepts a supplier delivery, he or she can log it right away in the system using a mobile device rather than having to do it from

the office later on – increasing agility, saving time and reducing the chance of process errors.

Armando Cernuda concludes, “The inSite platform, based on SAP ERP and developed with help from IBM Global Business Services, has truly revolutionized our business processes and workflows, and our overall philosophy. Deploying such an integrated, agile and robust system that can keep growing in line with our business needs provides huge competitive advantage.”

Business Benefits

- **Reduces time-to-market for international applications from four weeks to two days – a 93 percent acceleration.**
 - **Simplifies global business growth, sharpening the company's competitive advantage.**
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