



OPTIMAL SOLUTIONS INTEGRATION

MIDMARKET FIRM TAPS PRIVATE EQUITY AND SAP® BUSINESS ALL-IN-ONE FOR GROWTH

“We know SAP software, and we know there is no better solution out there. SAP Business All-in-One was the right choice for us, based on our midmarket footprint and plans for the future.”

Sam Sliman, President,
Optimal Solutions Integration Inc.

QUICK FACTS

Company

- Name: Optimal Solutions Integration Inc.
- Headquarters: Dallas
- Industry: Professional services
- Products and services: Enterprise IT services for SAP® software implementations
- Revenue: Under US\$100 million
- Employees: 500
- Web site: www.optimalsol.com

Challenges and Opportunities

- Gain real-time view of operations
- Lay groundwork for global expansion
- Scale revenue without a proportionate increase in overhead

Objectives

- Install single solution tailored for professional services that will never be outgrown
- Automate and streamline manually intensive processes
- Build platform to enable analysis of key performance indicators

SAP Solutions and Services

SAP Business All-in-One solution

Implementation Highlights

Implementation time of 16 weeks from start to finish

Why SAP

- Scalable functionality
- Preconfigured for midsize professional services companies
- Optimal Solution's experience and expertise with SAP software

Benefits

- Greater visibility into comprehensive financial information
- Increased reliability of financial data
- Automated versus manual processes
- Faster financial closings
- Ability to scale solution for growth

Existing Environment

Microsoft Excel spreadsheets

Third-Party Integration

- Database: Microsoft SQL Server
- Hardware: HP
- Operating system: Microsoft Windows

A private equity investment often acts as a catalyst, sharpening a company's focus on internal efficiency, financial reporting, and external growth. Optimal Solutions Integration Inc. was growing rapidly as a provider of enterprise IT services when New York-based Tailwind Capital invested in the business. That's when the company turned to an SAP® Business All-in-One solution to get a more rigorous, real-time view of operations and lay the groundwork for continued expansion.

"We took the investment to accelerate growth through acquisition and expand our footprint across North America," says Sam Sliman, president of Optimal Solutions, which is dedicated to enabling the "real-time enterprise" through the implementation of SAP software. "We agreed with our board and private equity investor that we needed a more scalable infrastructure before we could do an acquisition. We were operating entirely with Microsoft Excel and had outsourced accounting to a third party. It was taking us six weeks to reconcile the spreadsheets and close our books. Our investor did not find that acceptable; we as managers did not find that acceptable. In our industry, you can't take action based on data that's six weeks old."

SAP Business All-in-One solutions are business management applications for midsize companies. The preconfigured best practices-based solutions support functions like sales, financials, purchasing, HR, and customer relationship management (CRM). They also provide a unified view of operations.

That's exactly what the company got. "A primary benefit of SAP Business All-in-One is the availability of comprehensive and timely financial information," says Mark Patterson, chief financial officer of Optimal Solutions. "We never had it; now we can track information and report it. There's greater reliability in the numbers. Our previous processes were manual; now they're automated. The ability to close our books in a fraction of the time is another important benefit. Solution scalability is also a huge advantage."

That's because Optimal Solutions not only wants to grow; it wants to do so profitably. With SAP Business All-in-One, the company will be able to grow without having to add overhead proportionate to revenue. Sliman says, "It's what we call operating leverage. It's not uncommon to grow at the expense of margin, or to increase margins at the expense of growth. SAP Business All-in-One lets us have the best of both worlds. This means that our revenue, margins, and profitability will all increase. Operating leverage equals exponential growth and profitability."

Dallas-based Optimal Solutions has a top-line number in mind. "Our goal is to get to US\$200 million in revenue," Sliman says. "We're at less than half of that right now, so we're going to more than double revenue in the next three years. That means we're going to increase headcount and operational complexity. You can't do that without the proper tools or the proper foundation. With SAP Business All-in-One, we have everything we need."

Twelve-Week Planning Phase, Rapid Implementation

Optimal Solutions is a professional services company that provides a comprehensive range of SAP solutions and services, a proven methodology for accelerated delivery, deep industry expertise, and a flexible on-site and off-shore delivery model. When considering a new platform, the company chose the SAP solution without a selection process. Sliman says, "We know SAP software, and we know there is no better solution out there. SAP Business All-in-One was the right choice for us, based on our midmarket footprint and plans for the future."

Optimal Solutions implemented its own variant of SAP Business All-in-One called Optimize ServicesOne. "The customized solution has many of the processes required by a professional services company, including revenue recognition from license sales and contract management," Patterson says.



“A primary benefit of SAP Business All-in-One is the availability of comprehensive and timely financial information. . . The ability to close our books in a fraction of the time is another important benefit. Solution scalability is also a huge advantage.”

Mark Patterson, Chief Financial Officer, Optimal Solutions Integration Inc.

Optimal Solutions began the project and finished it in under 16 weeks. The rapid “speed to value” meant it got results right away. “We were able to generate financial statements after the first 30 days,” says Patterson. Adds the formerly beleaguered CFO, “This was like water to a man in the desert.”

Established Best Practices for Accelerated Rollout

Sliman credits preconfigured best practices for fast project completion. “This is because you are adopting best practices established over thousands of rollouts,” he says. “You don’t have to figure out the best way to do something; it’s been done for you. What you can spend your time doing is deciding how

don’t think about reporting when they’re setting up business processes. A huge benefit of SAP Business All-in-One is that the best practices are structured in such a way that reporting the data is much easier and more efficient.”

The reporting is flexible, says Elliott Garofalo, senior vice president at Optimal Solutions. “We were able to augment the many standard reports with special reports required by our board and private equity investor,” he says.

The company appreciates the solution’s flexibility around business processes as well. Says Sliman, “There are some processes within every company that are absolutely unique. With SAP Business All-in-One, you always have the option

projects are the most profitable and which are the least. “When we develop a proposal, we have to understand costs at a detailed level,” Sliman says. “If we understand what drives project delivery costs better than our competitors, we can price more competitively.”

As a professional services company, Optimal Solutions relies on hundreds of consultants worldwide to serve its clients. Collecting their time and expense reports is critical to generating revenue and understanding costs. Before SAP Business All-in-One, time and expense reports came in by fax, e-mail, and over the phone. “There was no uniformity in reporting,” Patterson says. “We were managing huge amounts of documents. The process was entirely manual, error prone, and took a lot of time.”

“We will never outgrow SAP Business All-in-One. We take comfort in the fact that we won’t ever have to switch platforms or go through another implementation, because we deployed the best product that there is available.”

Sam Sliman, President, Optimal Solutions Integration Inc.

to change the business so it’s more scalable, more reliable, and organized in a way that will most efficiently produce information for senior management.”

Optimal Solutions thinks of best practices not only in terms of business processes but also data. “SAP Business All-in-One best practices take into account, up front, what you’re going to do with the data after you execute the business process,” Sliman says. “People often

to configure processes according to your specific needs; you don’t have to adopt the way others in your industry do it.”

Analyzing Revenue Stream for Cost and Profitability

Optimal Solutions uses SAP Business All-in-One to track costs, resources, employee hours, budgets, and variances. It can now apply cost against revenue and determine which customers and

Optimal Solutions created a standardized template utilizing the SAP Interactive Forms software by Adobe to capture consultant data remotely. “This has dramatically reduced the data input and collection process, and it enables scalability,” Patterson says. “If we made an acquisition and doubled the number of consultants, we could handle it without breaking stride.”

Poised for Global Growth

That’s a big issue for a company with worldwide resources – in addition to the United States, Optimal Solutions has offices in Bangalore, India; Munich, Germany; and Toronto. “The way we deliver our services has become more global and more complex,” Sliman says.

"We went through a strategic shift when we began to focus on midmarket customers. We needed to be more cost competitive, as our workforce and delivery model is spread across the globe. That also means we have to deal with multiple languages and currencies to determine costs and intercountry transfer pricing. Multilanguage, multi-currency capability is another strength of SAP Business All-in-One."

Optimal Solutions next plans to expand its use of SAP Business All-in-One by implementing the solutions' project management functionality. It will use the software's HR capabilities for employee and performance management, employee and manager self-service, and e-recruiting

and e-learning. It then wants to use the CRM functionality to introduce automation into sales and opportunity management and to establish a call center. It also plans to use the SAP BusinessObjects™ portfolio of solutions to provide executives with dashboards for monitoring and assessing key performance indicators.

The company is pleased it has the infrastructure to accomplish these and other initiatives. "We will never outgrow SAP Business All-in-One," Sliman says. "We take comfort in the fact that we won't ever have to switch platforms or go through another implementation, because we deployed the best product that there is available."

50 098 483 (10/02)

©2010 SAP AG. All rights reserved.

SAP, R/3, SAP NetWeaver, Duet, PartnerEdge, ByDesign, Clear Enterprise, SAP BusinessObjects Explorer, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and other countries.

Business Objects and the Business Objects logo, BusinessObjects, Crystal Reports, Crystal Decisions, Web Intelligence, Xcelsius, and other Business Objects products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP France in the United States and in other countries.

All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.