



SWISS POST

SAP® SOFTWARE DELIVERS SUPPORT FOR REAL ESTATE MANAGEMENT

QUICK FACTS

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Heinz Ryter, Head of IT, Swiss Post Real Estate

Company

- Name: Swiss Post
- Location: Bern, Switzerland
- Industry: Travel and logistics services
- Products and services: Postal, shipment, and courier services; plus real estate and infrastructure management
- Revenue: SFr 8.2 billion (€5.5 billion)
- Employees: 55,000
- Web site: www.swisspost.ch/en
- Implementation partners: Multiple consulting organizations

Challenges and Opportunities

- Help ensure efficient and straightforward management of more than 3,000 properties across Switzerland
- Minimize number of redundant processes and manual tasks
- Enable the development and adaptation of tailored services and products as and when required

Objectives

- Streamline and consolidate all real estate activities, from cleaning to lease administration, by implementing the latest release of the SAP® Real Estate Management application
- Establish a flexible service-oriented architecture (SOA)

Implementation Highlights

- Participated in 3 separate projects to introduce new and improved software prior to general release
- Provided Web-based training for users

SAP Solutions and Services

- SAP Real Estate Management application
- SAP Ramp-Up program
- SAP ERP application
- SAP enhancement package for SAP ERP
- SAP NetWeaver® technology platform
- SAP NetWeaver Process Integration technology
- SAP NetWeaver Portal component

Why SAP

- Support for real estate development, construction, and operations
- Tight integration with existing enterprise resource planning software

Benefits

- Achieved significant improvements in quality of real estate processes
- Reduced number of redundant processes and administrative overhead
- Connected real estate software to geographic information system to visualize properties and enable better analysis
- Created a firm basis for an enterprise-wide SOA

Existing Environment

Heterogeneous solution landscape comprising SAP and non-SAP software

Third-Party Integration

- Database: Oracle
- Hardware: Hewlett-Packard
- Operating system: Microsoft Windows



Millions of people rely on Swiss Post to ensure their letters, cards, and packages are delivered to the right location. On top of that, the company's real estate division is responsible for around 2.6 million square meters of leased real estate across Switzerland. Managing these properties is no easy task – particularly since, until recently, Swiss Post Real Estate had to contend with fragmented and manual processes. To harmonize and streamline its workflows, it decided to introduce the latest release of the SAP® Real Estate Management application – enhancing the quality of all its property-related activities. And to do this, it took part in the SAP Ramp-Up program on three separate occasions – benefiting from expert support and coaching.

Headquartered in Bern, Switzerland, Swiss Post provides postal, payment, and passenger-transport services to private and business customers across the country. In addition, Swiss Post Real Estate is one of the largest providers of property services in Switzerland, managing 1,346 of its own holdings and 1,577 rented properties. With 55,000 staff members, Swiss Post is the country's second largest employer. In fiscal 2007 the company generated revenue of SFr 8.2 billion (€5.5 billion).

An Innovation Leader

Swiss Post Real Estate has a long track record of deploying innovative technology. It is committed to implementing the very latest functionality to help it manage more than 3,000 properties throughout Switzerland. Heinz Ryter, head of IT at Swiss Post Real Estate, explains, "We realized it was time for a change three years ago. We had a very heterogeneous

environment, and our existing software was no longer supported. So we decided to rebuild our entire IT landscape on the basis of SAP software – partly because we were already running the SAP ERP application."

Swiss Post Real Estate needed to streamline all its tasks, from purchasing to cleaning. As Ryter explains, lease administration was particularly high on its list: "Beforehand, we managed leases across multiple systems. And staff had to generate agreements manually in Microsoft Word." To reduce redundant processes and minimize manual tasks, Swiss Post Real Estate needed to consolidate its lease administration using a single solution.

Laying the Foundation for a Service-Oriented Future

That's why Swiss Post Real Estate decided to take part in SAP Ramp-Up

for the latest release of SAP Real Estate Management. This cutting-edge application offers comprehensive support for real estate development, construction, and operation – and offered tight integration with Swiss Post Real Estate's existing enterprise resource planning software. What's more, by participating in SAP Ramp-Up, the company would be among the first to benefit from new and improved functionality for flexible lease administration. This unique product-introduction program allows companies to become first movers in their industry – and delivers expert support and coaching for implementation.

But that's not all. Swiss Post Real Estate also wanted to ensure its new-look IT landscape was as process driven as possible. And that meant implementing a flexible service-oriented architecture (SOA), where solutions and tools can be developed, adapted, and reused using enterprise services. These are a series of Web services combined with business logic that can be accessed and used repeatedly to support business processes. "There are a number of external companies hooked up to our software," explains Ryter. "In the past, if we stopped working with a certain company and started working with another, we would have to make a number of changes. Our lives would be much easier if we could modify the system in one central location." Swiss Post Real Estate did not have to look far for an answer. By leveraging the SAP NetWeaver® technology platform, it could compose new enterprise services – and adapt or rearrange existing ones – as and when required.



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Brand New Functionality Fits the Bill

The project kicked off in 2005 and saw experts from Swiss Post Real Estate work closely with a number of consulting organizations. First, they set about implementing the latest release of SAP Real Estate Management. Activities included redefining core processes, services, and reports. “We had to make sure our processes were up to scratch before restructuring the IT landscape,” explains Ryter. “Only then could we pinpoint the functionality we required.” Throughout the initiative, Swiss Post Real Estate and its partners provided Web-based training for users to ensure they were familiar with the new software.

When remodeling its business processes, Swiss Post Real Estate had to take into account country-specific requirements – such as the five-centime rule.

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Heinz Ryter, Head of IT, Swiss Post Real Estate

Under Swiss law, all invoiced amounts smaller than five centimes must be rounded up or down to the nearest ten cents. To meet this specification, SAP delivered the SAP enhancement package

for SAP ERP – which wasn't yet available on general release. The result? Swiss Post Real Estate embarked on its second project. “Delivery of the enhancement package was very smooth,” says Ryter. “Thanks to the expertise and support delivered via the SAP Ramp-Up program, we were able to wrap up all the implementations in good time.”

Integration Across the Board

As the introduction of SAP Real Estate Management neared its end, the project hit a hurdle. To avoid downtime while going live, a vast volume of data had to be transferred to the new real estate software within a single night. The task was simply too huge for Swiss Post Real Estate's existing SAP solution for integration. “We had a choice,” says Ryter. “We could either configure our existing software and cross our fingers that it would work, or we could opt for

the latest offering from SAP.” Swiss Post Real Estate went with the second option – and took part in SAP Ramp-Up for SAP NetWeaver Process Integration (SAP NetWeaver PI) technology.

Time was of the essence. But thanks to cutting-edge tools and excellent teamwork, the move to SAP NetWeaver PI was completed smoothly and on schedule – and without disrupting users. Ryter underlines the significance of this achievement: “Process integration is very important to Swiss Post Real Estate. We have to make large amounts of data available to external companies such as cleaning organizations. Now, third parties have access to the information they need via the SAP NetWeaver Portal component.”

In-Depth Information at the Click of a Mouse

SAP NetWeaver and enterprise services have opened the door to a whole host of opportunities for Swiss Post Real Estate. As well as providing third parties with fast and efficient access to real estate data via SAP NetWeaver Portal, the division has successfully hooked up SAP Real Estate Management to its geographic information system – to visualize specific property features. This will enable Swiss Post Real Estate to drill down to individual buildings and analyze property performance.

Ryter explains how it works: “The addresses and coordinates of our real estate are linked to a map of Switzerland. By clicking on a specific property, users can view all related information – including plans, photos, and measurements. This adds a great deal of value for our logistics department.”

Streamlined, More Straightforward Processes

Swiss Post Real Estate is very satisfied with the results of the projects. "We are really pleased with the new functionality," says Ryter. "Our processes are now more straightforward and efficient, helping us reduce redundancies and administrative overhead – and making life much easier for our staff. Generating a lease agreement used to involve nine separate processes in almost as many systems. Now, everything is dealt with via a single interface. Employees can produce an agreement and convert it to PDF in no time at all."

"We achieved our aim of significantly improving process quality," continues Ryter. "With SAP Real Estate Management, we now have a single solution for all our property-related activities. Of course, this would not have been possible without SAP Ramp-Up. We benefited from the latest tried-and-tested software from SAP before it went on general release. Not to mention excellent support during implementation."

Paving the Way for Expansion

So what does the future hold for Swiss Post Real Estate? "We are still in a consolidation phase at the moment – with so much new functionality, there's a lot for staff to get used to," says Ryter. "Ultimately we want to incorporate portfolio management into our real estate software, giving us quick and easy access to information on property owners."

What's more, Swiss Post is committed to developing an SOA across the entire company. It is currently looking at introducing the Enterprise Services Repository for all units and departments. This would enable employees, developers, and customers to search for enterprise services. And if the specific service is not yet available, it can be designed, developed, and built using defined guidelines and best practices. The possibilities are endless.

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