

Customer Solution Case Study

ATKINS REDUCES LICENSING COSTS AND COMPLEXITY WITH CENTRALISED PROCUREMENT FRAMEWORK FOR 250 SOFTWARE VENDORS.

ATKINS

Customer:
Atkins

Web Site:
www.atkinsglobal.com

Customer Size:
17,700 Desktops and Laptops

Worldwide Offices:
300

Industry:
Engineering and Design Consultancies

Revenue:
£1.71 billion

Customer Profile:
Atkins is the UK's largest engineering design consultancy.

Customer Challenge

Atkins has a massive tail end software portfolio encompassing 500 products and 250 vendors. To simplify the procurement lifecycle, Atkins wanted to improve visibility and simplify management.

SoftwareONE Solution

The international design and engineering company has established a centralised framework agreement with SoftwareONE, which includes all tail end software assets and maintenance agreements. A real-time portal provides self-service access to key procurement data and in-depth reports.

Business Benefits

The procurement process has now been streamlined. Software licences can now be purchased in a shorter timeframe and for a lower cost. In the first year of the contract, SoftwareONE delivered savings against the contractual spend. Atkins has also been able to free up internal procurement resources, increase knowledge of licensing models and renewal contracts and leverage greater value from its tail end software assets through improved visibility of spend and accurate reporting.

THE CUSTOMER: ENABLING ENGINEERING EXCELLENCE

Atkins is one of the world's leading engineering, design and project management consultancies. Founded in 1938, the company offers the breadth and depth of expertise to plan, design and enable some of the world's most technically challenging and time critical infrastructure projects across the UK, North America, Middle East, Asia Pacific and Europe, with clients including national and local governments as well as a wide range of commercial organisations.

In addition to the expansive area of physical infrastructure, the company provides expertise in intellectual capital frameworks, for example management systems and business processes.

In the UK, Atkins is the largest design and engineering consultancy, operating in some 20 industry sectors, including aerospace, communications infrastructure, defence, environment, energy, rail, security, transport, urban master planning and water. Among its diverse client portfolio of public and private sector clients are Airbus, EDF, Home Office and Network Rail. Atkins was also the official design and engineering provider for the London 2012 Games, and was involved in the transformation of the site in East London from industrial wasteland to the Olympic Park, the creation of key temporary venues and developing an aviation strategy for the capital.

THE CHALLENGE: MANAGING THE 'TAIL END' OF SOFTWARE PROCUREMENT

Atkins relies on hundreds of software packages to plan, design and enable solutions for its customers. As Karen Chenery, Senior Commercial Manager at Atkins IS, explains: "Our work is incredibly diverse – from carbon management and civil engineering to urban planning and utility services. Staff working in these different disciplines need access to specialist applications as well as standard business software, such as project planning tools and PDF readers."

Procuring and maintaining such a large software estate was complex and time consuming – particularly at the 'tail end' of the company's portfolio, which encompasses any applications not deemed as strategic, key or business critical.

"Tail end implies small volumes but it accounts for 20 percent of our annual

software spend," comments Karen. "With more than 500 products and 250 vendors fitting into this category, the procurement workload was immense."

The renewal process both for licences and maintenance contracts were particularly resource-intensive involving protracted supplier engagement and lengthy email trails.

Although Atkins had taken steps to streamline tail end procurement processes, it felt there was still an opportunity to achieve better value, visibility and management.

"We had taken a framework approach for hardware, and decided to extend this to software," explains Karen. "We believed establishing a consolidated agreement with a single partner would remove more risk than it introduced."

THE SOLUTION: CENTRALISED SOURCING AND MANAGEMENT VIA REAL-TIME PORTAL

Atkins went out to tender in 2010, and shortlisted three companies including SoftwareONE. Karen comments: "SoftwareONE was not the cheapest but had the best solution to meet our needs. It has an in-depth understanding of the market and how to extract more business value from software assets."

At the end of 2010, SoftwareONE became responsible for sourcing and managing Atkins tail end software portfolio as well as associated maintenance renewals across the UK.

"SoftwareONE provides support at every stage of the procurement process

– from negotiating with vendors to recommending alternative products and providing real-time reports," comments Karen.

SoftwareONE's Software Lifecycle Portal is fundamental to enabling this real-time visibility. The portal provides Atkins with a centralised point for managing all 500-plus products and capturing important procurement information, such as:

- Pending and historical orders
- Vendor contracts and invoices
- Renewal dates
- Licence keys and entitlements
- Maintenance agreements

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"It is now much easier for us to track not only software purchases but also related information."

Karen Chenery,
Senior Commercial
Manager, Atkins IS

- Delivered financial savings beyond original contractual expectations
- Increased productivity of internal resources and their licensing knowledge
- Increased business agility
- Maximised value from software assets and maintenance contracts

"The portal has eliminated an enormous email trail," comments Karen. "It is now much easier for us to track not only software purchases but also related information, which was previously distributed across various spreadsheets and systems."

Karen continues, "A key feature within SoftwareONE's portal is the software catalogue. It populates our internal Purchase Order System with the most up to date multi-currency pricing. This streamlines the entire process and enables us to respond swiftly to user requests."

The portal also enables SoftwareONE to recognise procurement trends, determine spend by product, vendor or region, and take advantage of co-termination and aggregation strategies.

THE BENEFITS: HIGHER SERVICE LEVELS FOR A LOWER COST

By partnering with SoftwareONE, Atkins has been able to simplify the sourcing and management of its tail end software assets. This not only frees up internal resources for improvement initiatives but also enables the procurement team to fulfil business requests in a much shorter timeframe.

"SoftwareONE is very flexible and responsive," comments Karen. "For example, we had an urgent request from the business that needed to be fulfilled within 24 hours or an important project would have been impacted. SoftwareONE organised the licences within a few hours – it is unlikely this could have been achieved under the previous arrangement."

As well as accelerating the procurement cycle, SoftwareONE has also enabled:

- Better visibility of software spend
- Real-time and self-service access to procurement data
- Financial savings against contractual spend in the first 12 months

Doug Vincent-Townend, Software Portfolio Manager at SoftwareONE, comments: "With renewal timelines all captured in a single system, we can simplify the licensing lifecycle as well as optimise cost control by aligning dates to coincide with financial periods or grouping renewals together."

As part of the renewal process, SoftwareONE engages directly with vendors on behalf of Atkins helping to identify the most cost-effective licensing option and determine the business value of renewing both products and maintenance contracts.

"We wanted the service to be cost neutral, but SoftwareONE has delivered additional savings by enabling us to take advantage of volume discounts and currency optimisation," comments Karen.

The partnership has proved such a success that Atkins has extended SoftwareONE's remit to include some tier one vendors, and is now looking at expanding the centralised model across its international operations.

"Thanks to SoftwareONE, we can now extract better value from both our software assets and maintenance agreements," comments Karen. "We are also in a better position to cope with increased demand from our international business for software sourcing services."

"THANKS TO SOFTWAREONE, WE CAN EXTRACT BETTER VALUE FROM BOTH OUR SOFTWARE ASSETS AND MAINTENANCE AGREEMENTS."

Karen Chenery, Senior Commercial
Manager, Atkins IS