

UPTIME

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REAL TIME

PENNINGENGINEERING: POISED FOR THE FUTURE WITH PEOPLESOFT ENTERPRISEONE ON ISERIES

Challenge

Replace ERP system, which was degrading in performance and stability, experiencing database corruption and draining resources, with a cost-effective system that would enable more time to run batch jobs for a global organization

Solution

IBM and PeopleSoft EnterpriseOne ERP solution; IBM @server® iSeries™; PeopleSoft EnterpriseOne financial applications

Benefit

Improved processing time substantially; achieved fast ROI of US\$114,000 within one year; eliminated the need to rely on limited resources; enhanced visibility to performance with out-of-the-box navigator tools

MORE THAN 60 YEARS OF MANUFACTURING EXCELLENCE

Founded in 1942, PennEngineering is a leading specialty fastener manufacturer and distribution organization, that offers single-source solutions for hardware, equipment, technical services and support to satisfy assembly needs from design through production. The Danboro, Pennsylvania-headquartered company's solutions support diverse industries, including electronics, computer, telecom, medical, automotive, marine, aircraft and general manufacturing—from fourteen locations worldwide.

APPLICATION INSTABILITY AND SYSTEM MANAGEMENT ISSUES

In 2000, PennEngineering chose PeopleSoft EnterpriseOne for its distribution group from interviewing vendors and going on a worldwide requirements-gathering tour. To help reduce costs, the company also decided at that time to run on an Intel™ platform with Microsoft® clustering software—supporting 90 concurrent and 135 total users.

“We looked for players with staying power, that are reinvesting in R&D, and those who would meet our 400-plus documented requirements,” says Keith O'Brien, director of Application Architecture, PennEngineering.



“After narrowing it down to four, we had vendors demonstrate products based on scripts we had put together. We found that PeopleSoft offered functionality and ease of use and was designed with technology that fit our long term strategy.”

The company split the enterprise server—its PeopleSoft environment—into an application server running Microsoft Windows® 2000 and a database server running SQL 2000. PennEngineering ran the business for nearly two-and-a-half years on this platform, meeting with success early on. Over time, however, the company encountered several problems and its Intel-based servers’ performance and stability began to degrade, causing database corruption from the cluster software.

The unstable system was causing the company downtime of more than eight hours at a time—which impacted online business tremendously and diverted IT resources away from being able to handle business issues. The company realized that its PeopleSoft software was not running on the platform it deserved, and it needed more time to run batch jobs. At the same time, PennEngineering was noticing that its IBM @server iSeries system, which was handling another solution, was running smoothly and without problems.

“The relationship between IBM and PeopleSoft gives everyone a really good feeling going forward that we’re in the right game.”

—Keith O’Brien, director of Application Architecture, PennEngineering

“Since we already owned an iSeries, and relied on PeopleSoft EnterpriseOne functionality, we felt that migrating from Intel to iSeries would be the most cost-effective choice to run our PeopleSoft application,” says Adam Phillipps, director of Technical Architecture, PennEngineering.

IBM OFFERS MIGRATION EXPERTISE

PennEngineering worked with IBM Global Financing to upgrade to an iSeries and collapsed two servers into one—taking advantage of LPAR technologies. “Along with other gains we recouped expensive real estate in the data center because the footprint was unbelievably smaller,” says Phillipps.

Finding that it didn’t have all the in-house expertise it needed to migrate, PennEngineering turned to IBM Global Services in early 2004 to help make that conversion. The company needed to be up and running in only one month. IBM, in conjunction with the manufacturer, delivered as promised.

“We hit our targeted go live date,” says Phillipps. “What helped it go so smoothly was that not one line of code changed. It was all used as shipped by PeopleSoft and we didn’t have to worry about custom code delaying conversion. It was a ‘non-event’ in that we were up and running on Monday morning.”

AN ARRAY OF ACROSS-THE-BOARD BENEFITS

PennEngineering has already achieved a return on investment (ROI) with its new solution—saving the company US\$114,000 over one year. “We expect that this amount will only increase,” says O’Brien. And, from a performance standpoint, PennEngineering accomplished one of its objectives of reducing the time to run batch jobs.

“We realized huge gains in batch (nighttime) processing,” says O’Brien. “The previous system would take approximately five-plus hours processing in our California location. With the iSeries, it ran in just slightly over one hour. And in our UK location, it went from just over an hour to less than four minutes with the iSeries. It’s a fraction of what it once was.”

PennEngineering also worked with IBM on fine-tuning the interactive batch processing side and expects to reap similar performance gains. "It's been running for over seven months and we haven't touched the system," says Phillipps. "Coming from the Intel environment, this has been a complete culture change for us."

Previously, the company had to rely on its small staff to handle any downtime or issues in its off hours—sometimes in the middle of the night—putting undue strain on an already overburdened workforce. It's eliminated that predicament with the iSeries. "We have not had that situation since switching EnterpriseOne to the iSeries," says O'Brien.

Regarding iSeries training, says Phillipps, "We're finding that the navigator tools that are available to manage the iSeries far exceed what we had on the former platform. We now have a lot more visibility to performance with out-of-the-box tools." The company is hoping to tap into more power and features of the iSeries by sending staff to an IBM-based training class.

"We know that we can approach either IBM or PeopleSoft and get the same service as if we were contacting one company."

—Adam Phillipps, director of Technical Architecture, PennEngineering

IBM AND PEOPLESFT: ONE FACE, MANY ADVANTAGES

Says Phillipps, "When they're here working, there's a team approach between IBM Global Services, the IBM Business Partner [DSS, an IBM hardware reseller], and our people. They all work together as one unit seamlessly, as if they'd been working together for years."

PennEngineering can now take advantage of the linked support structure between IBM and PeopleSoft. "When we went live, we encountered a log file problem, and we called IBM and found they were completely up to speed on PeopleSoft EnterpriseOne," says Phillipps. "We know now that we can approach either IBM or PeopleSoft and get the same service as if we were contacting one company."

Speaking about the comfort level with IBM and PeopleSoft, O'Brien says, "We're extremely pleased to see the work that's being done by PeopleSoft with IBM, realizing that they are actually enhancing the functionality of the software.

"For instance, their portal and Web-facing products fit nicely into our long-term plan. The relationship between IBM and PeopleSoft gives everyone confidence in our long term strategy."

LONG-TERM PLANNING: A SOLID FOUNDATION FOR THE FUTURE

PennEngineering is now involved with rolling out its PeopleSoft EnterpriseOne distribution toolset to all its worldwide locations, including the manufacturing sites, which will involve PeopleSoft EnterpriseOne financials as well. The company plans on doubling users with this installation. Regarding the confidence in using the iSeries for this migration, O'Brien says, "I wouldn't have it any other way."

What's more, the iSeries fits perfectly within the company's vision for the future. "Knowing our company's long-term strategy, we chose the iSeries for its uptime and availability. From a development standpoint, we can now get people back on projects and away from managing Intel servers."

The company's previous environment of relying on separate ERP systems for its manufacturing and distribution divisions created a siloed approach. Over time, the manufacturer would receive requests for customer-centric applications such as self-service and additional EDI capabilities.

"When we decided to implement organizationwide with PeopleSoft," says O'Brien, "that's when we really started to see economic justification, where we don't have to come up with multiple solutions to solve the same problem, or go through multiple implementations of the same software."

The company was so pleased that it became a PeopleSoft enterprise products customer, enabling it to roll out solutions as they make sense. "We saw the cost savings, which justified signing the enterprise agreement without even having to look further down the road," says O'Brien.

PennEngineering is also looking at IBM *@server* xSeries® technology and how it can integrate IBM Director

on the iSeries to help monitor its xSeries systems. Beside its ERP implementations, the company's other major system is an engineering application, for which it plans on exploiting untapped features of the iSeries.

Says O'Brien, "We now have a level of confidence in the fact that, so far, the environment's been ahead of us. And, as we require additional capabilities, it's been there for us. We don't anticipate that changing."

FOR MORE INFORMATION

To find out more, please contact an IBM or PeopleSoft sales representative at 1 866 426-9989 or visit us at:

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