

TOP TO BOTTOM

we know

they know

END TO END

Chandra Asri refines a cost-effective strategy for SAP applications with IBM hosting

Overview

■ The Challenge

Chandra Asri's existing business management systems were unable to match the company's ambitions, and offered only limited reporting functionality. With a relatively small IT department, Chandra Asri wanted to introduce systems that could grow with the company, providing enterprise-wide reporting and cost control.

■ The Solution

IBM Global Technology Services deployed an IT infrastructure for SAP ERP 6.0 in a fully managed hosted environment provided by IBM Global Technology Services. The solution includes an integrated range of IBM technologies, including IBM Power Systems servers, IBM System Storage hardware and IBM Tivoli software. Legacy applications and data continue to run on an IBM BladeCenter platform, allowing historic data to be included in current business modeling.

■ The Benefits

New SAP applications and infrastructure have been deployed and brought into production rapidly and cost-effectively. Fixed monthly fees facilitate budget planning. IBM takes responsibility for meeting response and performance targets, reducing IT department workload. IBM manages all IT infrastructure, ensuring scalability to meet Chandra Asri's business objectives.

■ Key Solution Components

Industry: Chemicals and Petroleum
Applications: SAP® ERP 6.0, including materials management, sales and distribution, financials, controlling and plant maintenance and quality management
Hardware: IBM® Power Systems™ servers (model p5-520 Express), IBM System Storage® DS4700 Express, IBM System Storage TS3200 Tape Library Express, IBM BladeCenter®
Software: IBM AIX®, IBM PowerHA™, IBM Tivoli® Storage Manager
Services: IBM Global Technology Services

Based in Indonesia, Chandra Asri aims to be the leading petrochemical company in Indonesia. Aging business reporting and cost-control systems were not able to keep up with the pace of change.

Chandra Asri selected the SAP ERP 6.0 application, including materials management, sales and distribution, financials, controlling and plant maintenance and quality management functionalities. The new applications offer integrated reporting throughout this diverse business, and – crucially – are able to grow with the company, too.

Cracking the business challenge

Chandra Asri employs almost 800 people. The company cracks raw petroleum and produces refined ethylene, propylene, and polyethylene – all essential feedstocks in the worldwide plastics, gases and petrochemicals business. This complex business includes its own electricity generation capacity, as well as water desalination and treatment systems.

“We even include data storage, backup and disaster recovery in the same deal – a really good deal, I might add. IBM hosting gives us a simple life.”

Adhi Rachman, Head of Corporate IT,
Chandra Asri

Originally, Chandra Asri had been using older, extensively customized, ERP software, which was no longer supported or being developed by the vendor. In effect, Chandra Asri was compelled to select a new ERP solution.

The company operates with only eight full-time IT personnel, and it was important to find a solution that would be easy to implement, with a low administrative workload. The hardware infrastructure needed to be reliable, cost-effective and highly scalable, able to support Chandra Asri’s international expansion plans.

Working with IBM

Working with IBM Global Technology Services and an SAP consultant, Chandra Asri implemented the SAP ERP application. With limited in-house IT resources, Chandra Asri chose a fully managed solution, hosted by IBM Global Technology Services, which also handled the system migration.

Adhi Rachman, Head of Corporate IT at Chandra Asri, comments, “Our requirement was for a much more sophisticated system than the existing solution. The older system had not been upgraded for some years, and migrating to and subsequently maintaining the SAP applications would have been beyond our means.

“It was simply a better business choice to ask the IBM team to migrate the data and host and maintain the applications. We set up the contract with specific service levels, leaving us with more time to work within the business.

“We are a process manufacturing company. The IT services are only a supporting function, and it makes sense to give the administration and maintenance of systems and infrastructure to people that are more expert than us. That way, we can use our people for value-added tasks related to the business, rather than managing the infrastructure.”

Hosting SAP applications

The IBM Global Technology Services team provided Chandra Asri with a new server and storage infrastructure, including IBM Power Systems servers (model p5-520 Express) running the IBM AIX 5L V5.3 operating system and utilizing IBM PowerHA technology. Chandra Asri uses IBM System Storage DS4700 Express and IBM System Storage TS3200 tape systems.

IBM Global Technology Services has deployed the SAP applications on the two p5-520 servers, and PowerHA



provides near-continuous availability. Each of the SAP applications runs in a separate logical partition (LPAR), which may be dynamically adjusted as the workload varies to ensure optimum response times.

IBM Power Systems servers are able to run multiple operating systems and offer advanced server virtualization capabilities. Combined with near-linear scalability and industry-proven clustering technologies, IBM Power Systems servers deliver a flexible, reliable and high-performance platform for business computing needs.

Data is stored on the DS4700, and IBM Tivoli Storage Manager handles archive, backup and restore, linked to an IBM System Storage TS3200 Tape Library Express server. The Tivoli software enables the company to perform incremental backups for the SAP application environment – so only new and edited data needs to be copied during the nightly backup slot. This helps to dramatically reduce the required backup window, minimizing downtime for the SAP applications and enabling rapid point-in-time restores.

For non-SAP and legacy applications, IBM Global Technology Services has implemented an IBM BladeCenter with IBM HS20 blade server.

IBM Global Technology Services is fully responsible for application and infrastructure maintenance, and works to predefined service level agreements for system reliability, performance, disaster recovery and

similar business-related targets.

The IBM Global Technology Services team also delivered management services for Chandra Asri's entire IT infrastructure, including replacing legacy Hewlett-Packard servers with two IBM HS20 blade servers running the Microsoft Windows operating system, and updating legacy network switches and the company's desktop environment. Additionally, the IBM team helped to develop new IT procedures using the Information Technology Infrastructure Library (ITIL) framework, implemented coDesk software to provide help-desk tools, and helped Chandra Asri to develop an IT disaster recovery plan.

"Previously, we did not have standardization of either hardware or software. As each vendor came with their particular solution, we ended up with a heterogeneous infrastructure that was difficult to maintain," says Adhi Rachman.

"Now, we only deal with IBM, a much easier and more cost-effective proposition. We say 'Is this application running according to agreed response times?' We no longer have to care about what type of storage is being used."

Chandra Asri pays an agreed monthly fee for the IBM hosting service, based on numbers of users, total system usage and storage requirements.

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Focusing on business success

With the SAP applications in place, hosted and maintained by IBM, Adhi Rachman and his team are able to focus on serving the business. Scalability is no longer a problem – specifically, it is no longer his problem – and the SAP applications provide company-wide information exactly as planned.

"Before we engaged IBM, we looked for a partner that could support our IT organization, our internal department and our business needs," explains Adhi Rachman. "IBM Global Technology Services meets our criteria and brings additional skills into our company, making IT run smoothly for Chandra Asri."



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