

Sap america

Business



The case is about a company named SAP America, which is the abbreviation for Systems, Applications and Programs in Data Processing, which in three short years had gone from a smaller company to the heavy hitter within the corporate computing world. Wealth this case there were many details brought to light on the ambition of the founding members, and the eventual additions to the SAP team.

The case details how this firm took their RIB product, which was a real-time, integrated applications software, and changed the game of product market infiltration.

In 1972 SAP was founded by four young software engineers who had come up with a concept for an integrated software package, and their current employer turned it down. This initial idea sparked their first major enterprise information systems product. This took their company public, and after five years SAP's market capitalization was \$1.5 billion. The expansion that occurred began in Walldorf, Germany where SAP was founded and spread to the America Group. This began in the late 1980s and was crucial to the SAP's growth.

Once their overseas group took off, there were many elements of their business that needed to be altered and improved to account for their growth. Although they began as a product based company it was very clear to everyone involved that taking care of the client, through implementation and support was crucial to differentiating themselves from competitors within the market, and a key to their survival. The development of an industry strategy was another crucial action that paralleled the growth and support of SAP.

This vertical industry strategy was to be delivered through industry centers of expertise (Ciscos), which to serve as a bridge teens RE customers and the product development organization. This partnering was the key to SAP's consistent growth, by using the manpower of outside and inside consultants.

At the beginning of its cross seas venture, there was infrastructure and administrative problems. To solve these, more planning, budgeting, and Human resource Involvement would be implemented.

The organization of infrastructure was a crucial step taken by SAP, providing its salesman, consultants, and support with more clear guidelines on how to better operate and fulfill customer expectations. The new and improved structure that emerged from the alterations and evolutions of the processes began in a meeting in 1996. The two objectives were for SAP America to act more as one company, and to better leverage its size and skills.

At that point in the market, SAP was the breadwinner, they had the product, knowledge, and fulfillment that trumped its competition.

SAP was out performing its competition by 300%-800%, with results like that, they only had one piece of the puzzle remaining, granted it was a pretty large piece, but working as a single entity was the issue being dealt with. The new organization of lines of business became the big three; sales, consulting, and training. This was put in place to ensure the quality of its vertical organizational roles. Sales was subdivided by size of account, and by emerging markets.

Changes with the Ciscoes were a little more complicated, and were altered by bringing consistency and standardization to ICE practices, and developing an Integrated approach to marketing within the company by the distribution of knowledge. With needed to be changed, and took steps to correct them. SAP GAG was founded in 1972 y four software engineers. The key points within the case are, In Just three years, SAP America went from a small firm to being the phenomenon of the corporate computing world.

SAP GAG, which is the parent company of SAP America, was the world's fifth largest software firm and the leading producer of real-time, integrated applications software for client-server computing. SAP's pinnacle product R/3 helped them dominate the enterprise information systems segment of the client-server market.

All of this was under the Company and Industry background section. The ease then shifted to Strategic Focus, and discussed SAP's move to their America Group.

Which also contained Canada, Mexico, Latin America, and Australia. Once the focus was set they needed to chart a course of action involving commissioning a sales force to sell their product, and target customers. The key point of regional organization discussed these challenges.

The next key point discussed was Resounding Explosive growth. Once the product hit the market, it was a wild fire. With such high quality of implementation, fulfillment and results, companies were chomping at the bit to integrate the software.

A vertical industry strategy was devised to penetrate markets and build the installed base, rethink and vastly expand their partnership strategy, and dramatically ramp up their service and support capabilities. Managing relationships and gaining cooperation was a crucial element within this point. Professional Services was the next key point in this case study.

These were those activities provided to customers for a fee; support activities on the other hand had no fee. Consultation was the core of professional services, along with training.

Within insulating SAP worked to provide its customers with the best service as possible when utilizing their product. Training was absolutely essential for all consultants or professional partners of SAP. The next key point within the case study was Support and Infrastructure. During this time of growth there was very little attention given to the licensing and contracts.

Through administrative and human resource initiatives both elements were given their proper attention and improved. Also during this time the issues of organizational, systems, and infrastructure were addressed, and through several initiatives were corrected.

The next key point within the case study was the Sales and Implementation Process. This point involved the discussion of Presale's and Sales, and how in the beginning there was little cohesiveness throughout the company, yet that changed through time. This point also discussed implementation, in which mostly outside partners like Andersen and Price Waterholes usually took the lead role in R/3 project management and implementation.

The next key point was organizational challenges in a shifting market. This point wowed challenges with internal and strategic shifts and opportunities.

And the final key point was Reorganization, which involved the new structure. This also discussed the key point of challenges in professional services, both within professionalism, and with customer alternatives and involvement. Through this report on SAP America, I was able to learn more in depth about topics we have Standards, which weren't difficult to understand, but the report on SAP helped put it into perspective by applying it to a real life situation. Reducing consumer confusion s considered one of the benefits of Standards.

SAP relates to these because part of their strategy to sell and build relationships was to offer demonstrations, test, and help out with setting up after selling to help the customer understand the product better. We've talked about making strategic alliances work during class, and SAP definitely puts in a lot of effort to make their partner relationships work. Through the report on SAP America, I definitely learned the importance of strong alliances and making it a goal to keep a good structure and relationship with any partner.

I learned how important globalization for a company can be. Not only does a company have the opportunity to become more successful by branching out and starting up in new locations, but they can gain global alliance partners. The decision to spread SAP to America in the sass's was crucial to their growth.

It helped SAP realize their business strategies need to be altered in order to improve their growth. From the case study, I learned a lot about changing strategy to fix current problems within the company that may be happening from many different reasons.

It seemed that SAP was instantly changing their strategy to better their growth and to fix problems inside and out. They had to do a lot of reorganizing and figure out where it was most important to focus on. I learned that even though a strategy may be working well, it is still okay to change your direction to help maximize growth and fix problems that may exist within a different part of the company.

I found this study on SAP to be very understandable and easy to follow. It definitely helped out understanding some topics we have been going over in class and put them into a real world situation.