



KMD – The IT Atlas behind the Danish public sector.

Danish IT service provider, KMD, is using SAP® R/3® running on IBM S/390 as database server and IBM Netfinity® as application servers, to renovate internal business processes as well as to extend its services to deliver data handling, payroll and staff administration to local authorities.

Based in Copenhagen, KMD has over 2,400 employees and is the largest provider of IT solutions for the public sector in Denmark. Turning over more than two billion Danish Kroner (269 million Euro) per annum, KMD is instrumental in improving Danish public administration and services through technology. KMD designs IT systems to facilitate and enhance workflow management, and develops and distributes a wide variety of systems and solutions to the public sector.

KMD needed a new system to deal with payroll and staff administration for local authority customers throughout Denmark. In addition, it was looking to implement an internal system to control its own financial and business processes. KMD

wanted to develop both systems by leveraging the company's existing technology, making the most efficient integration of new technology a major priority.

To meet its needs, KMD chose SAP R/3 running on its existing S/390 server with DB2 database. This solution not only provides support for the expert data handling application already developed by KMD, it also leverages KMD's specialized expertise and skill sets while meeting its criteria for scalability, reliability and an integrated ERP solution.

Thomas Falk Mogensen, Vice President of Process and Technology Development of KMD Mainframe IT Services says, "The overall objective for the operation of KMD's SAP R/3 system is to ensure high quality operations. KMD is confident that the best way to achieve this is using the IBM @server as technology platform."

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Thomas Falk Mogensen,
Vice President of Process and Technology
Development, KMD Mainframe IT Services

Industry	Public sector
Application	SAP R/3 HR, PM, SM, MM, PS, SD, FI/CO, SAP BW
Software	OS/390 Windows NT®
Hardware	S/390 Netfinity Server



Public sector efficiency

One of the primary functions of the new solution is to renew the payroll and staff administration system, which is used by local authorities. Thomas Falk Mogensen describes how the system will operate:

“The new system will be based on the multi-client facility of SAP R/3, which will be used to separate data from different customers. The solution will eventually execute in a centralized ASP operations environment and deliver services for 3,000 – 6,000 users for over 300 different customers: a load-handling capacity that is easily available thanks to the scalability of the S/390 system.”

Thomas Falk Mogensen continues, “The parameters governing the choice of re-using KMD’s existing S/390 platform for SAP R/3 were scalability and the ability to handle vast amounts of data. The S/390’s performance is very good on both counts.”

Growing from inside, out

Along with offering payroll and staff administration functionality to its customer databases, KMD is also implementing an SAP R/3 solution for internal purposes, leveraging the benefits of a truly integrated enterprise resource planning system. The internal system will hold data relating to internal business processes, administrative tasks and finance.

Thomas Falk Mogensen explains, “The SAP R/3 system based on IBM S/390 as database server with IBM Netfinity Servers 7600 as application servers will be used by KMD’s internal staff and will handle large volumes of data related to the company’s internal business processes. It will be accessed by 2,500 named users, of which we expect approximately 750 concurrent users. For this capacity, we need the reliability and scalability of the S/390.”

Solid foundation

As KMD’s technical and operational competence was already centred around the S/390 and NT® platforms, a large part of the company’s existing IT infrastructure was leveraged and integrated with new cutting-edge technology to save costs and time.

Thomas Falk Mogensen comments:
“In most cases, we have found reuse of

our existing competence and processes extremely beneficial. The fact that we have been able to use OS/390 with the SAP R/3 solution means that KMD’s existing OS/390 specialists have been able to implement the SAP R/3 technology on top of an existing platform using their previous OS/390 knowledge. This has made the implementation process more efficient and produced large cost savings.”

The SAP R/3 solution also reuses KMD’s existing DB2 expertise, which forms an integral part of the company’s existing IT infrastructure. Thomas Falk Mogensen remarks, “By using a technology database within our own field of competence, we have enjoyed gains in terms of both time and money.”

Jumping ahead

The SAP implementation for KMD is being carried out as part of the ‘JumpStart’ program, which assists IBM leading-edge customers with their adoption of new S/390 technologies. The JumpStart program provides technical assistance and advice on the best approach in implementing new S/390 technologies, and also offers assistance to ensure that every aspect of the solution is functioning at peak capacity. Thomas Falk Mogensen explains: “Large amounts of data must be handled in a secure and reliable way both during and after migration, so testing and taking the solution one step at a time is essential. Once our solution has been fully implemented, the payroll and staff administration system will be accessed by 1,500 concurrent users using a database of approximately 1.5 terabytes.”

KMD is currently working on a program which focuses on capacity planning, in which it is testing overall co-ordination and evaluation of data traffic on communication networks, NT application servers and OS/390 database servers.

Thomas Falk Mogensen says, “These are essential to the effective functionality of the final solution. As testing ends and implementation begins, KMD will add more and more capacity to the solution to provide the agreed service to its customers and internal users. Thanks to its efforts and the reliability of the S/390, KMD expects to be working at full capacity soon with their internal SAP R/3 system and take full advantage of the payroll solution within the next two years.”



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