

Case Study: Magna International Inc.

# "Solve Problems – Don't Manage Them"

Magna Exteriors & Interiors centralized their internal IT operations in the head office and the engineering divisions to achieve a higher level of user satisfaction and cost savings

During the financial crisis of 2009, many companies all over the world and across all industries suffered setbacks. In Germany, the banks who had caused the global crisis were affected most severely, followed by the automotive industry, which in turn, impacted the automotive suppliers. In this challenging time, a company which until then had not enjoyed a high degree of recognition received extensive media coverage: Magna. The company offered to invest in the ailing Opel group, an offer which was possible because Magna's management board felt capable of handling such project, both financially and structurally.

#### The Automotive Crisis As Innovation Driver

In the past, Magna's Exteriors & Interiors IT was managed by independent teams in the various locations. In the wake of the 2009 economic crisis corporate management wanted to reduce costs for IT services while maintaining or even improving the company's efficiency and performance. IT operations were centralized and a standardized strategy was developed. The IT team had to deal with a completely new situation: Fewer administrators had to manage additional new, internal customers without having any information about their hardware and software equipment.

For the IT department, it was an enormous challenge to service more customers with reduced resources. Joachim Koch, Director Service – Information Technology at Magna Exteriors & Interiors Management GmbH considered the introduction of a professional IT management tool that was able to support these efforts without compromising IT's customer intimacy. Also, the new software had to provide long-term support to the administrators without increasing administrative efforts. Together with his team, Koch defined requirements for the new tool, which clearly showed that Magna needed a solution with both service and systems management capabilities. Prior to conducting a complex market analysis, the business requirements of the various divisions were determined. "Our expectation was: The new solutions should have an attractive price and solve problems, rather than manage them", remembers Koch. Finally, Matrix42 convinced Magna with the diversity of its solutions and the perfect combination of service and systems management tasks.

## **MAGNA**

With 17 billion Euros and 92,000 employees in 245 manufacturing operations and 80 development and sales centers, Magna is among the leading automotive suppliers worldwide. The company's business units include Seating, Exteriors & Interiors, Mirrors & Closures, Cosma International, Steyr, and Powertrain. Magna also manufactures complete vehicles.

"Based on our history, Magna's ultimate principle is "Think global, act local". Together with Matrix42, we were able to also base our IT operations on this principle."

Joachim Koch, Director Server – Information Technology at Magna Exteriors & Interiors Management GmbH

No company – and Rhenus Group is no exception – can afford even minimal interruptions of its business-critical IT services, and so, one of the technical challenges consisted in integrating the Matrix42 products into the existing IT landscape, leveraging the valuable, extensive knowledge of the Matrix42 staff, in particular with respect to connectors and standard interfaces with directory services, ERP, financial, service and other systems. Such interfaces enable Rhenus to also integrate SAP, Active Directory and Lotus Notes without any problems. Every IT professional knows that interfaces are the key to a transparent, coherent information system with consistent, consolidated base data, and so, the project also included the creation of an additional interface to transfer ticket data from the HP Service Desk to the new Matrix42 Service Desk solution.

#### ▶ Challenge

Until 2009, Magna Exteriors & Interiors had independent teams for managing their IT operations at the various locations. Triggered by the economic crisis, the corporate management wanted to reduce IT costs, while maintaining or even improving corporate performance and efficiency.

### At Full Speed Into the Wall

Magna's activities in various automotive sectors also include the development of vehicle safety components. Car manufacturers request that prototypes be driven into the wall to be able to manufacture marketable and safe vehicles. Data determined in such crash tests are extremely important, and it is vital that nothing goes wrong because enormous costs are involved to develop of such prototypes.

"Magna, too, had to suffer from the serious crisis of the automotive industry and had to respond to slumps in production output, without affecting sensitive processes such as development and crash tests", says Koch. As he remembers, IT had functioned well before the economic downturn, but precarious situations occurred during the crisis. While, for instance, in the "good old times" the IT staff had a close and personal contact with the users and was able to resolve many issues locally, requirements had changed profoundly: Numerous new systems and customers were added, and the IT department was no longer able to ensure full control of the IT environment; it became clear that suitable tools were needed to provide adequate support.

## Learning by Doing

When the decision was made to purchase the Matrix42 solution, Magna had the idea to cooperate with consulting partner TAP to implement the Empirum System Management solution combined with Service Desk. Joint workshops were held to define requirements and milestones, as-is analyses were conducted and a project schedule was developed. "We wanted to participate in the project, since learning by doing within our own project is much more efficient than even the best of standard trainings", says Koch. From the very beginning, he and his team were closely involved in all of Matrix42's and TAP's activities. While this slowed down the overall project progress, it produced tangible effects: "Our partnership and cooperation with TAP and Matrix42 was a recipe for success."

## **High Expectations**

This was not the only challenge for Koch to master when he implemented the new service and systems management solution. He also faced internal resistance and had to address very individual requirements. He needed to integrate teams across locations as well as new supplier contacts and find ways to communicate the particularly high expectations from the automotive industry.



While numerous processes were to be automated and support tickets were to be handled via a service desk, certain critical support situations must still be resolved personally and locally by a member of the IT team. "After all, it makes no sense to e-mail an automatically generated ticket number in case of a plant standstill", Koch explains. He cooperated closely with Matrix42 and TAP to define such exceptions and related processes and has integrated them successfully into his IT management solution

#### **Bottom Line**

Magna has undertaken proactive steps to address changing conditions during the automotive crisis and was able to emerge even stronger from this situation. For IT, this involved a completely new structure, a high degree of automation and an increased service orientation. Today, a higher IT standard is ensured with fewer resources, achieving a higher degree of user satisfaction. This helped the IT department to hold its ground against attractive outsourcing projects and even insource various areas back into the internal IT department.

#### About TAP Desktop Solutions GmbH

TAP Desktop Solutions GmbH develops and implements concepts and solutions covering all client and user requirements. The company's focus is on efficiency and productivity gains. Based on the motto "the solution is always easy, you just have to find it, TAP's IT specialists create individual solution concepts that can be seamlessly integrated with their customers' business processes. More than ever, companies are under pressure to ensure the transparency of their corporate IT processes and reduce breaks in communications. With its strong focus on desktop and user solutions and processes, the company is the competent advisor, system integrator and service provider for desktop infrastructure, endpoint security, IT service & finance management and business process management (BPM) issues. TAP Desktop Solutions GmbH is headquartered in Straubing/Germany and has German offices in Karlsruhe and Berlin and an Austrian presence in Graz. Renowned companies such as Magna, IBC Solar, Software AG, Vorarlberger Illwerke AG and others rely on TAP's advice and recommendations. TAP is a Matrix42 partner and also maintains partnerships with Citrix, Cynapspro, Kaviza and Lumension.

Additional information can be found under: www.tap.de

#### ▶ Solution

Magna implemented the Matrix42 system and service management solution to enable reliable IT process management, even under changing requirements.

## About Matrix42

Matrix42 is the leading supplier for Workplace Management solutions. Matrix42 Workplace Management enables the seamless management of physical, virtual and mobile environments. It combines Client Lifecycle, Cloud, SaaS, Virtualization and Service Management into a holistic solution enabling users to have transparent access to their data and services everywhere, from any virtual or physical device at any time. Founded in 1992, Matrix42, with headquarters near Frankfurt Germany, has been established in the dynamic IT market for almost 20 years. Over 3 million clients are managed by Matrix42 software at more than 1,500 customers worldwide including market-leading enterprises such as Infineon, Magna, Lufthansa Systems and Puma and integrators like T-Systems, Raiffeisen IT, msg systems and Bechtle. In early 2008, Matrix42 became part of the Asseco Group. With over 8,000 employees and a market capitalization of around 1.2 billion Euros, Asseco is one of the largest European software companies.



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