

CASE STUDY

SKANSKA ESTIMATES 30% SAVINGS AFTER SWITCHING FROM SUN TO RED HAT

Founded in 1887, Skanska operates in nine markets around the world and is a leader in the building, development, and maintenance of constructions integral for every modern society—schools, hospitals, roads, industrial and commercial premises, bridges, and houses.

Skanska's goal is to distinguish themselves from the competition by keeping the quality high, the costs low, and customer experience at the world-class level. With this goal comes the challenge of finding new and better ways to conduct business. For Skanska, this applies not only to the physical act of construction, but to every process in the company, with an emphasis on technology.

UPGRADE OR MIGRATE?

Skanska IT initially deployed Oracle E-Business Suite on Sun Solaris in the late 1990's, but when the decision was made in 2005 to upgrade to Oracle11i, they realized that they would also need to make changes to the underlying operating platform and hardware in order to maximize the performance and benefits of this upgrade.

Simply upgrading the existing Solaris-based servers would have been too costly, so Skanska looked for a cost-effective alternative that would allow them to offer customers not only higher quality, but also lower prices.

THE SOLUTION: RED HAT ENTERPRISE LINUX WITH ORACLE ON DELL

Linux was a clear option, given the many examples of companies successfully migrating to the platform from Unix. And with Skanska IT's Unix experience, they would require only little training. Given their Solaris install-base, Skanska IT was considering a proposal from Sun along with a recommendation from Oracle: Red Hat® Enterprise Linux® on Dell hardware.

"We had already successfully tested Intel Xeon-based Dell servers internally using Oracle RAC and a solution from Red Hat two years earlier," said Sara Lewerentz, operations manager for Skanska. To increase efficiency in their finance department, Skanska IT had deployed an Oracle Business Application system with Oracle RAC on Red Hat Enterprise Linux Linux as a parallel database. "We soon realised that [Linux] was a very good option which could be used for our entire business application system so as to obtain improvements in both performance and cost reduction," Lewerentz continued.

FAST FACTS

Industry: Construction

Geography: Sweden

Goal: Reduce hardware costs and improve performance

Solution:

Platform: Red Hat Enterprise Linux, version 3

Hardware: Dell PowerEdge servers, including 6650s

Applications: Oracle E-Business Suite 11i, Oracle10g RAC

Benefits: Estimated 30% cost reduction. Noticeable performance increase.

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Skanska IT's confidence in Red Hat was supported by the open source market leader's vast experience and its good reputation among large enterprises who had already completed a migration from UNIX to Red Hat Enterprise Linux. Therefore, the combination of Red Hat Enterprise Linux, Oracle11i, and Dell was an easy choice that allowed Skanska to increase performance and cost-effectiveness in large-scale production. Veritas Storage Foundation and Veritas NetBackup provide vital security measures.

HASSLE-FREE MIGRATION

The biggest migration challenge Skanska IT faced wasn't a problem with the technology; rather, the toughest part was to align the support matrices of the various vendors present in their solution stack. They had to be 100 per cent certain that each supplier and each version was compatible with everything else and that all Service Level Agreements could be met.

The actual migration of Skanska's Oracle E-Business Suite from UNIX to Red Hat Enterprise Linux was planned for Easter weekend. Everything went according to plan. Users returned to work after the holiday without encountering any problem. In fact, the only difference they noticed was that tasks like tidying up databases, performing calculations, and filing material suddenly completed much more quickly.

Moving forward, Skanska plans to standardize all modules on this new system in order to reduce the risk of system conflicts and unanticipated expenses. They believe that this will result in further performance and security increases and cost savings.

SKANSKA DELIVERS 30% COST SAVINGS

Along with the noticeable increase in performance, Skanska estimates that this migration will reduce operating costs by 30 per cent, a saving they will be able to pass on to their customers. “Our greatest prize is cost reduction. Every krona saved is a krona earned, as long as we continue to provide complete assurance to our customers with regards to quality,” explains Lewerentz.

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