

Rohm and Haas cuts travel with IBM Lotus Sametime solution.

Overview

■ **The Challenge**

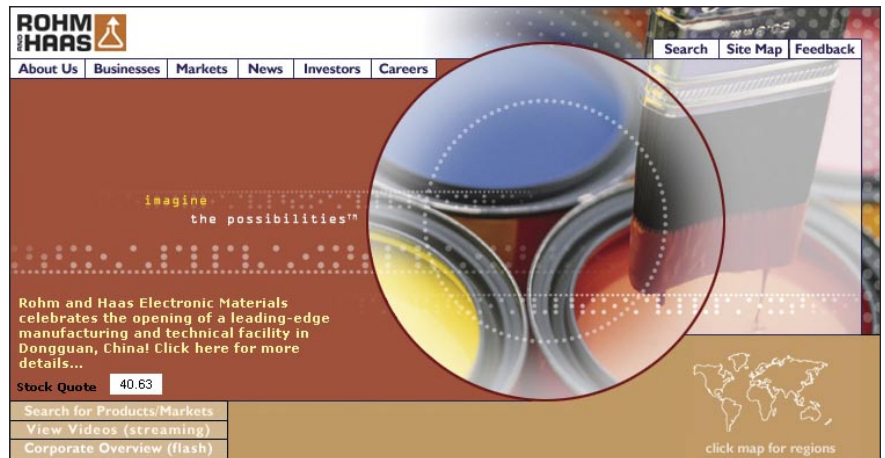
Reduce travel costs while maintaining collaborative relationships and continuing to grow the business

■ **The Solution**

A full suite of tools for online communication and collaboration, including IBM Lotus® Notes® and IBM Domino®, IBM Lotus Sametime®, and IBM Lotus QuickPlace® software

■ **The Benefits**

Met travel cost-reduction goals; enhanced collaboration among geographically dispersed teammates and with customers and partners; facilitated planning and coordination of an enterprise-wide SAP implementation



In 1907, when scientist Otto Rohm and businessman Otto Haas formed the Rohm and Haas company in Esslingen, Germany, they offered exactly one product: a revolutionary leather chemical for hide tanners. Two years following its successful introduction, Rohm and Haas journeyed to the United States to open an office in Philadelphia, Pennsylvania.

“Our organization is much more responsive and efficient because employees, customers, partners and suppliers can easily meet with one another in real time.”

—Joan Del Conte, global manager of messaging and collaborative infrastructure, Rohm and Haas

Now, nearly a century later, Rohm and Haas is one of the world's top specialty chemical companies. It counts sales of US\$5.7 billion annually, more than 100 manufacturing, customer service and research sites in 27 countries, and more than 17,000 employees worldwide. Rohm and Haas scientists and chemists have developed products that have become well-known brands—like Plexiglas® acrylic sheet—and are well known in industrial, pharmaceutical, automotive and electronics markets. Always on the lookout for new opportunities to grow its business, Rohm and Haas merged with Morton International, the familiar salt purveyor, in 1999. And against several considerable obstacles in uncertain economic times, the company has flourished by keeping its focus on the future.

Changing times create new opportunities

In a fluctuating economy, all companies must remain nimble and open to change. When Rohm and Haas was faced with slowing sales and increased raw material prices in 2002, company executives stood back to consider the challenges 2003 might bring. Rohm and Haas CEO Raj Gupta knew it was imperative that the business continue to run smoothly, but that it must cut costs. His challenge? To leverage existing technology more fully to drive down costs and help ensure the continuing health of the business.

Rohm and Haas' ingrained practice of communicating in person—both internally and externally—meant that its employees traveled extensively—to Europe, Asia, and across North and South America. Executives traveled to meet personally with staff; if they needed to speak to someone at a plant, they went there, regardless of its location. And travel expenses did not need to be preapproved. When Gupta analyzed those expenses, he realized they were increasing at an enormous rate. He decided to mandate a 50 percent reduction in travel. For a worldwide company that depended on personal interaction as a means of communication, this direction created an enormous challenge.

Technology advocates start grassroots movement

Joan Del Conte, global manager of messaging and collaborative infrastructure at Rohm and Haas, was an advocate of IBM Lotus solutions before the company handed down the cost-cutting mandate. In fact, the company had upgraded to IBM Lotus Notes and IBM Domino Release 6 software from Release 5 in 2004. Rohm and Haas also had IBM Lotus Sametime and Lotus QuickPlace software installed, but they were not being exploited to their full advantage. Gupta's decision proved pivotal to the increase in the use of these tools. "We knew we had these great tools. And we knew they could really make a difference in how people worked," says Del Conte. She and her staff had been searching for a way to promote more extensive use of the tools company wide, and the travel cost-reduction initiative proved to be the tipping point. "Nobody believed we could achieve the travel reduction goal," she remarks, "but they wanted to try."

Web conferencing solution brings success in travel cost reduction

Thanks to Lotus Sametime software, teams are now able to get their jobs done without jetting across the country—or the globe. In fact, Rohm and Haas met its goal of significantly cutting travel costs, thanks to a number of factors, including better use of its collaborative infrastructure. Instead of meeting face-to-face as in the past, constituents conduct Web conferences and use instant messaging to collaborate on everything from research and development to document composition. Teams are able to view and discuss research-related data in real time, expanding their collective knowledge base without leaving the office. Individuals can coauthor documents in Lotus QuickPlace without having to rely on e-mail, providing smoother version control and increased collaboration.

The internal support team was not surprised by this success. And neither was Gupta. But what they didn't anticipate was how integral instant messaging, Web conferencing and team workspaces would be to the success of a critical, company-wide initiative to implement an integrated SAP solution across all businesses and divisions.

The unexpected challenges and benefits

Del Conte says that Rohm and Haas' success and ongoing longevity depended on how well it could roll out the SAP system. Any such implementation can be complex from the start; this one was made more challenging by an external factor out of everyone's control—the SARS virus.

At a time when travel to Asia was restricted due to the dangers presented by the virus, the Rohm and Haas team was performing SAP integration testing in its Asia-Pacific offices. This testing took place 24 hours a day, seven days a week. And typically Rohm and Haas employees were onsite to address any problems or issues. But travel to the region was no longer possible, so the company called on Lotus Sametime and Lotus QuickPlace technology to help solve a seemingly insurmountable problem. The internal team got comfortable with these solutions immediately.

With Lotus Sametime technology, experts in Asia could collaborate in real time with experts in the U.S. and around the world by viewing the same shared screens or documents online while discussing them in a teleconference. With Lotus QuickPlace technology, they could post documents and discussion threads for study and reference. This visual sharing was especially important because not all team members spoke the same language with equal fluency. Lotus Sametime solution was used for immediate communications among members of the team. With the help of these team support tools, Rohm and Haas was able to roll out the SAP system successfully and on schedule.

Adoption across the enterprise leads to significantly increased efficiencies

Rohm and Haas employees are using IBM Lotus Sametime for most situations where, in the past, travel would have been required—including training for mobile salespeople and meetings among people in offices divided by distance. The legal department shares documents with external constituents by posting them in the Web-accessible Lotus QuickPlace environment when conducting negotiations or investigations. “Lotus QuickPlace makes it much easier for us to collaborate on those documents and get through a lot of critical business initiatives quickly,” says Del Conte. “You’re not just passing documents around—you’re truly sharing them.” In fact, the collaborative environment enabled Rohm and Haas to cut supplier negotiation times from weeks to just days.

As proof of the solution’s continued success, Del Conte points to numbers: in April 2003, 120 team workplaces had been created. Twelve months later, there were 700. Over the same period, the number of Web conferencing meetings jumped from 828 to 1,455, and regularly scheduled meetings grew from 180 to 352.

But one of the most surprising aspects of the solution, according to Del Conte, is that it enhances the quality of life of those who use it. Team members who formerly traveled frequently can now spend more time at home with their families or in the office. That extra time translates to greater productivity. “We’re always looking to reduce costs, but it’s more than that now,” says Del Conte. “We’re helping our employees to be more effective in their jobs. We’re helping to make them successful. And that’s our mission.” She adds, “We’re now being told, ‘I will never go back to the old way of doing business.’”

For more information

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