



IBM Business Consulting Services Pitney Bowes: Equipped for growth with IBM and Siebel Systems

Supporting business requirements with a flexible service infrastructure

Pitney Bowes, based in Stamford, Connecticut, opened for business more than 80 years ago. Today, the company deploys its leading-edge

technology and its expertise in business processes to customers worldwide, providing a wide range of integrated mail, messaging and document management solutions. With annual revenues of US\$4.6 billion, and nearly 33,000 employees, Pitney Bowes serves more than two million customers across many industries.

Like most businesses today facing the burgeoning pervasiveness of electronic-based communications, Pitney Bowes found that it was relying on decades-old legacy custom technology. The company wanted to move away from its legacy platform, which was impeding its ability to support certain business requirements—including flexible contracts, third-party support, more efficient dispatching of representatives, improved customer retention, and better first-call resolution and inventory management.

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Mark Davis, Vice President of Customer Service, Pitney Bowes

Overview

Challenge:

Enable a flexible CRM service infrastructure upon which to grow new business and revenue opportunities; effectively deploy a nationwide wireless field solution to improve speed, consistency and predictability of response time to service requests; increase rate of first-call resolutions; enhance customer service

Solution:

- Wireless dispatch with store-and-forward
- IBM Business Consulting Services
- IBM MQSeries®
- Siebel Field Service
- Siebel Analytics
- Tivoli Storage Management
- IBM Business Continuity Services
- SAP and Broadvision integration

Benefits:

- Anticipate saving approximately US\$8 million in the first year as well as saving US\$100 million over 10 years
- Expect to improve productivity by six percent based on better first-call resolution, call avoidance and parts management
- Offer more flexible maintenance agreements
- Increased service-level responsiveness and customer satisfaction



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Paul Weston, Vice President of CRM Applications,

Pitney Bowes

Perhaps more importantly, however, Pitney Bowes lacked the business flexibility and resources to take full advantage of new growth and revenue opportunities. The company needed a more flexible infrastructure to enhance revenue streams with new acquisitions, meet ever-changing business requirements and optimize both product and service offerings across its entire service value chain.

IBM and Siebel: CRM meets a forward-thinking business strategy

As a result, Pitney Bowes chose an IBM and Siebel Systems customer relationship management (CRM) solution for the Customer Service organization within its Global Mailing Systems (GMS) division, from which nearly 1,500 mobile field service employees serve the distributed enterprise. The solution would align perfectly with the company’s CRM business strategy – creating a world-class, customer-centric CRM environment – and equip Pitney Bowes with the foundation to support corporate growth and customer retention.

Pitney Bowes has used Siebel Call Center since 1999, principally for inbound customer billing, collection, inside sales and retention. Much of its salesforce also uses Siebel applications for pre-call planning work. In addition, Pitney Bowes has an extensive history with IBM, involving enterprise systems and business transformation initiatives and supporting its data center operations. This project, however, is the company’s first large-scale Siebel implementation with IBM Business Consulting Services.

“Siebel applications have been the core CRM toolset at Pitney Bowes and it’s been a very robust platform – with breadth of functionality and scalability,” says Paul Weston, Vice President of CRM Applications, Pitney Bowes. “IBM offers a broad range of services around that and the widest resource capability of any integrator. Its breadth and depth of services is difficult to find elsewhere.”

He continues, “Between them, IBM and Siebel brought all the necessary resources and skills to help ensure the success of this initiative. IBM is also Siebel’s biggest customer, which gives us some added value.”

The project unfolds

IBM Business Consulting Services developed a multichannel solution for Pitney Bowes, including the implementation of a fully integrated nationwide wireless solution (dispatch with store-and-forward), as well as the implementation of customer and field representative interactive voice recognition (IVR) solutions into the company’s call centers. This solution enables wireless devices to send and receive information from the organization’s Siebel, SAP, Broadvision and legacy systems in realtime, no matter where they are located. The team also deployed Siebel Field Service (7.5), Siebel Service Analytics and IBM MQSeries.

Beginning in the summer of 2002, the project was completed within 24 months, involving planning, project preparation, requirements definition, design, construction, testing and change management, among other tasks. Did the engagement live up to time and cost projections? “Absolutely,” says Weston. “We certainly met the allocated project budget, coming in just under budget, and almost exactly to the timeline we expected. The quality of implementation was as good as we ever could have hoped for.”

Enhancing processes and earning stellar reviews

The IBM and Siebel solution has allowed Pitney Bowes to:

- Save approximately US\$8M annually and an estimated US\$100M over 10 years
- Enable more calls per representative
- Achieve better inventory management
- Anticipate improving productivity by six percent within the field organization—a number that adds up quickly with hundreds of thousands of calls—based on better first-call resolution, call avoidance and parts management
- Sell more flexible maintenance agreements
- Enhance customer service by providing service engineers with a comprehensive, 360-degree view of customer information
- Create organizational capacity to drive new sources of revenue—and add new products and services quickly
- Standardize field service technicians (approximately 1,500 in total), Call Center representatives (approximately 750 users who receive calls and perform dispatch activities) and customers onto the same technology platform, allowing for easier realtime access to service call information for all system constituents

Says Mark Davis, Vice President of Customer Service, Pitney Bowes, “Inside Pitney Bowes, this project has earned stellar reviews. This has been the best installation and integration that I’ve ever been involved in, and it’s being cited as one of the benchmarks for Pitney Bowes as well. We obtained immediate positive feedback, both internally and from the external press.”

Collaborating for a smooth implementation

An issue that could have posed some real challenges—the not infrequent disconnect between IT and business—was proactively circumnavigated. Says Weston, “The project manager and team from IBM did a tremendous job of bringing the business and technical teams together and keeping them there; it made this project run orders of magnitude smoother than it could have run. That role was critical.”

The project’s success was heavily dependent on the wireless solution deployed in the field, notes Weston. “We worked with a supplier [Antenna Software, which provides Siebel-validated wireless messaging software] to integrate its technology into the Siebel solution. We were the first implementation for Siebel Field Service. I would have bet money against it going as smoothly as it had gone. It was a credit to the software and IBM that it went off without a hitch.”

Discussing the advantages of working with IBM and Siebel, Davis notes that, “The challenge that we had, which is why we’re getting so many kudos, is that the old service system had more connections to other legacy systems than any other application within Pitney Bowes. That was probably our biggest hurdle; we had to integrate not only the new systems, but also to legacy systems that we were retiring in the future.”

Continues Davis, “I think the collaboration between IBM, Siebel and Pitney Bowes was phenomenal. Neither of the first two knew our environment nearly as well as we did, and in a relatively short period of time, we were able to get over those hurdles.”

Future plans: Short- and long-term goals

In the next phase of the project, Pitney Bowes plans to add several hundred additional customer service users in Canada and approximately 500 in Europe. Within two years, Pitney Bowes also has plans to deploy new applications to the remainder of the salesforce—outfitting them with Siebel software for opportunity management and salesforce automation capabilities. Over the long term, Pitney Bowes plans on moving its field sales and service organizations off the company’s legacy systems completely.

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Pitney Bowes*

IBM is currently involved in a project transfer and handover phase, which should be completed by the end of 2004. In addition, IBM is supporting the company's offshore service providers who will be performing application maintenance and ongoing enhancements. As future phases are defined, Pitney Bowes expects to involve IBM in the planning and execution.

Reflecting on the project, Weston notes how the company was initially concerned about the size of IBM interfering with the deployment of the solution. "The concern we had with using IBM is that it's so large we could potentially lose control to them. But IBM has been very good at taking care of that without pressure from anyone in IT at Pitney Bowes. They've really taken the high ground in terms of making their own assessment of whether they met their standards. They exceeded my expectations and continue to do so."

For more information

To learn more about putting the IBM and Siebel Systems alliance to work for you, visit:

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