



GRUPO MOTA-ENGIL

ENSURING THE SUCCESS OF A GLOBAL GROWTH STRATEGY

QUICK FACTS

Industry

Engineering, construction, and operation – environmental services, transport concessions

Revenue

€1.87 billion

Employees

18,000

Headquarters

Porto, Portugal

Web Site

www.mota-engil.pt

SAP® Solutions and Services

Enterprise-wide alignment with the SAP® BusinessObjects™ Strategy Management application, SAP Ramp-Up program

Implementation Partner

Telware (Telecomunicações e Software Lda)

Composed of more than 180 companies operating in 19 countries, Portugal's Grupo Mota-Engil is the nation's leader in civil construction and public works. The group implemented the SAP® BusinessObjects™ Strategy Management application to support a long-range plan for continued diversification and global growth. Mota-Engil now manages that strategy more effectively with balanced scorecards and consolidated information from across the enterprise.

Key Challenges

- Ensure the success of the group's "Ambition 2013" growth strategy
- Improve decision making with a broader set of performance measurements
- Communicate and manage business objectives across a global group of companies
- Consolidate information from across companies and business areas

Implementation Best Practices

- Had strong executive sponsorship
- Defined desired performance measurements at outset of project
- Leveraged SAP Ramp-Up program support and expertise of implementation partner
- Actively involved key personnel at each company
- Provided on-site and Web-based training

Financial and Strategic Benefits

- Improved visibility and control of Ambition 2013 strategy with balanced scorecards
- Helped ensure awareness of corporate strategy with cascading objectives across companies
- Reduced risk with greater ability to predict, identify, and correct potential problems
- Improved strategic alignment of budget, investment, and financing decisions
- Established a unique, reliable source of key data, critical for top management analysis and decision making
- Enhanced the quality, accuracy, and access speed of business data

Why SAP Was Selected

- Solution's excellent fit with group's requirements
- Intuitive user interface
- Ready access provided to trusted information
- Potential integration with the SAP® ERP application
- Existing relationship with SAP

Low Total Cost of Ownership

- Shared services delivery model
- Single blueprint for multiple locations
- Rapid implementations delivering quick results
- Fast user adoption and lower training costs
- Scalable to other companies in the group
- Low support costs

Operational Benefits

- Improved information collection process
- Reduced monthly reporting cycle for top management
- Established key performance indicators that encompass finance, operations, market, innovation, and learning factors
- Gained greater transparency of performance information across companies
- Enabled better comparison of data from different companies
- Enabled easier global assess to management tools with single sign-on functionality

“SAP software lets us cascade Mota-Engil’s strategic objectives across the many business units. This makes everyone in the organization aware of the group’s strategy and what it means to the specific area he or she works in.”

Tiago Cruz, Manager Corporate Planning and Controlling, Mota-Engil Shared Services

Drafting a Strategy

Dams, bridges, shopping malls, or water treatment plants – no job is too big for Portugal’s Grupo Mota-Engil. Today, Mota-Engil manages diverse construction projects in 19 countries around the world, and the group is rapidly building its presence throughout Europe, Africa, and the Americas.

In fact, Mota-Engil recently initiated “Ambition 2013,” a top-level strategy for continued diversification and global growth. But to ensure the success of their vision, Mota-Engil executives knew they needed a broader view of the enterprise’s performance and a way to effectively align strategy and execution across the 180 companies and business units that comprise the group.

Erecting the Framework

To get started, Mota-Engil first defined an expanded set of key performance indicators (KPIs) to monitor at the various business units. Then the group evaluated performance management solutions from SAP, Oracle, and Cognos. Mota-Engil decided that the SAP® BusinessObjects™ Strategy Management application with its balanced scorecard (BSC) methodology was the best choice. The software’s intuitive design was a key factor in the decision, as was its integration with Mota-Engil’s SAP ERP software landscape.

The group turned to its shared services organization to implement the solution. Working with implementation partner Telware (Telecomunicações e Software Lda) – and bolstered by SAP Ramp-Up program support – the shared services organization rolled out 13 scorecards that aggregate information from 120 of the group’s companies. Mota-Engil used a single blueprint for multiple locations and completed this first phase of the project in just three months.

Building Out the Benefits

Mota-Engil now manages its Ambition 2013 strategy with greater visibility and a full range of performance metrics. For example, executives use the BSC framework to monitor KPIs that encompass financial, operational, market, innovation, and company learning measurements. And with standardized definitions for these metrics across the enterprise, it is easier for decision makers to compare the results from different organizations. In addition, the scorecards are cascaded down the corporate hierarchy. This enables Mota-Engil to communicate objectives throughout the group and link individual business unit performance with top-level strategy.

As a result, Mota-Engil’s management has a more integrated view of the business and can focus on the most critical issues. “The BSC solution provides an early warning system,” explains Tiago Cruz, the manager of the corporate planning and

controlling department at Mota-Engil Shared Services. “It allows us to identify potential problems early on and take corrective actions.”

Mota-Engil saw the BSC implementation as an opportunity to completely reengineer its information collection processes. In the past, manual operations made it difficult to gather information from different sources. Today, however, managers have faster access to information that is automatically consolidated from the various companies. “The accuracy and quality of the data are also greatly improved,” adds Cruz.

Enabling a Vision

Forward-looking Mota-Engil is already taking its next steps. Rollouts of the BSC solution to the remaining companies in the group are scheduled, and a pilot project is using the BSC framework to help align performance evaluation and incentives at the employee level. Grupo Mota-Engil appears to be well on its way to realizing the goals of Ambition 2013.

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