



Building the Business

Online Collaboration Tools Are Helping Skanska USA Building Respond More Effectively to Sales Opportunities

by Scott Barton

SKANSKA

Parsippany, New Jersey-based Skanska USA Building is the third largest construction company in the United States, with approximately 4,100 employees.

Nisan Gertz's first major sale in his new job was the construction management deal for a major medical center, worth more than U.S.\$100 million to Skanska USA Building. Not only did Gertz take the business away from the competition, but he did so after entering the contest late and winning the job in just two weeks—much less than the instead of the eight to ten weeks that it usually takes to win a project. His advantage: the ability to collaborate effortlessly with other Skanska employees across the country, regardless of geographic or organizational boundaries.

In Gertz's business, where many qualified companies compete for each building project, deals traditionally are won more often because of relationships than because of information technology, which often remains in the back office. However, those times are changing. Gertz recently won several large deals because of his ability to use the Internet as a collaboration and sales tool.

"As a construction management company, we're information brokers above all else," says Gertz. "The ability to control that information instead of letting it control us is a big competitive differentiator."

Is Gertz a former software developer who ended up in the sales department? Not quite. Although he personally maintains a Web site for each sales opportunity, Gertz knows nothing about Web development. Instead, his ability to find, share, and publish information on the Web is standard among Skanska sales employees—delivered through the company's Web portal as part of a companywide strategy to empower each salesperson and thus maximize his or her contribution to the bottom line.



If Gertz's experience is an indicator, the Skanska strategy for empowering employees is proving successful. In the past two years, Gertz has increased Skanska's healthcare-related business in his territory from \$35 million in 2004 to more than \$650 million in 2006.

The Sales Process

Gertz, an architect by training, joined Skanska in 2004 after a decade specializing in healthcare-related projects at a nationwide firm. He works in Skanska's New York and New Jersey sales offices where, as Senior Director of Business Development, he splits his time between business strategy and key sales opportunities in the New York, New Jersey, and Connecticut area.

In his sales role, Gertz must both identify key opportunities and work to win those deals. His industry contacts help him stay well informed of new building projects, with the challenge being in how well he can respond to those opportunities.

"Skanska is a national company and the people I need to work with are scattered all over the country," says Gertz. "For each opportunity, I need to quickly assemble a team, bring them up to speed, and manage the sales process. The window of opportunity can be as short as a few weeks, so we need to be able to work together like we're all in the same office."

For most opportunities, the sales process typically begins when the client sends out a Request for Proposal, or RFP, which

may go to several companies. Gertz must respond with a proposal that can be hundreds of pages long, the creation of which requires the effort of project managers, construction superintendents, and technical writers, as well as people with specialized medical expertise.

In the past, coordinating the efforts of so many people in different locations took a good deal of time and energy, typically requiring the dissemination of large volumes of paper as input was collected and drafts of the proposal were distributed for review. Whenever changes were made, the resulting delay was a few additional days as the numerous pages of each proposal were printed, bound, and shipped via overnight delivery.

Gertz had witnessed this problem at his previous job. "It was really hard to pull together people from all over the country to work with the same focus," he recalls.

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“People would sit for hours waiting for new information, while the clock kept ticking closer to the deadline. Back then, I wasn’t a direct part of the process. This time, though, those same challenges were a direct threat to my own success and the success of the company.”

An Empowered Work Force

Fortunately for Gertz, others at Skanska had already solved his problem. Skanska’s Enterprise Portal enables employees, partners, and clients to easily share information throughout all phases of the construction life cycle. By enabling people to collaborate in an impromptu manner regardless of location, the portal is helping Gertz respond better to new opportunities and build Skanska’s healthcare-related business in his region.

At Skanska, the portal is not an isolated example of a successful technology initiative. Rather, it is part of a pervasive focus on operating as a single, integrated business at all levels of the organization. But it wasn’t always that way.

The story dates back to 2003, when Skanska USA Building merged its dozens of wholly owned subsidiaries across the United States into a single business. After the merger, the company had more than 100 business applications, with people in different geographies using different systems for the same tasks.

“A few years ago, we had just about one of everything,” says Allen Emerick, Director of Applications and Integration

for Skanska USA Building. “None of those systems could talk to each other, which made it difficult to standardize business processes and measure business performance consistently across the organization.”

Over the next year, Skanska USA Building consolidated to just over a dozen common business applications, standardizing on Microsoft® software as a common technology platform. The 10-month project reduced annual IT costs by more than 40 percent, but the company’s IT group still needed a way to make the new business applications accessible to the highly distributed work force, 75 percent of whom reside at job locations that may not always have Internet access.

“We have up to 2,000 active job sites at any one time, 30 of which move each day,” says Emerick. “Not only did we need connected business applications, but we also needed a way to make those applications useful to people when connectivity isn’t readily available.”

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The answer to that challenge came in the form of Microsoft SharePoint® Products and Technologies, which Skanska is using as a standard entry point to its business systems. Today, people across the company use a SharePoint-based portal to access and manage information—from executives who use graphical scorecards to monitor business performance to construction supervisors who use mobile Tablet PCs to download blueprints and upload safety reports.

Once they were accustomed to using the portal, people began to adopt its built-in collaboration tools. Among the early adopters were members of the company's sales force, who found the portal an ideal way to share information and collaborate on proposals, presentations, and other components of the sales process.

"Through primarily grass-roots adoption, Microsoft SharePoint technology has rapidly become the standard for collaboration, especially for the sales team," says Emerick. "It streamlines information sharing and has allowed us to move on new business opportunities more efficiently. We can attribute several large wins to our ability to collaborate more effectively and respond faster."

The Right Tool for the Job

Gertz's initial exposure to one of the collaborative Web sites came after a few months on the job, when he needed an RFP for a project that was being man-

aged by staffers at another office. "When I called to ask them to send me the file on a disk, their reply was 'just go to our SharePoint site and download it,'" recalls Gertz. "At the time, I never knew we had that kind of capability."

As soon as he began using the portal, Gertz recognized that it was what he needed for his own efforts. A day after asking Skanska IT to create a site for him, it was ready, and he began to upload all of the data that he had been collecting for his current sales effort.

"I had been gathering all kinds of information for months—everything from satellite photos to an MP3 file of a radio talk-show presentation on the project," says Gertz. "I uploaded it all to the portal in a few hours, after which it was immediately available to people across the country."

The portal site became Gertz's virtual war room over the next two months, helping him produce what many at Skanska consider one of the best proposals to come out of the company.

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“It was amazing how people all over the country came together and worked as one,” says Gertz. “Even though we never met in person to work on this project, everyone was on the same page when the time came to deliver our proposal to the client.”

The Start of a Winning Trend

Although Gertz didn’t win that first deal, things began to change when he received a tip from a contact about another multimillion-dollar hospital renovation project in Connecticut. Gertz managed to get on to a shortlist of four potential companies. The odds, however, were stacked against him.

“We were up against three other firms, two of which were more connected to the client,” says Gertz. “At the time, our healthcare-related experience in Connecticut was minimal.”

Fortunately for Gertz, one of the hospital’s biggest concerns was finding a way to share information among its construction partners in real time. “They had a great relationship with an architectural firm in Texas and didn’t want to be penalized by the distance,” says Gertz. “When we showed them our portal, they asked us back for a second interview just to talk about our technology. Later that day, they told us we had won the project due to our ability to help them manage information.”

The Connecticut hospital project is now in the construction phase, with several companies using the same portal site to manage and share information.

Continued Momentum

Most recently, the ability to share information and collaborate in real time helped Gertz win the construction management deal for medical center in New Jersey, a project valued at more than \$100 million.

“We entered the bidding late and had two weeks to come up with a proposal,” says Gertz. “We had received hundreds of drawings from the architect and would have lost days had we tried to distribute them by more traditional means.”

Instead, Gertz uploaded the drawings to the portal and introduced everyone to the opportunity the same day. Two weeks later, he had a finished proposal and was ready for the interview.

“In the interview, we told the client ‘we already have your drawings online and can make them available to the entire project team immediately,’” recalls Gertz. “We were awarded the project two weeks ago, since which time we’ve made an additional five to six weeks’ worth of progress.”

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Although the ability to easily share information is helping Gertz be more effective, it is Skanska's ability to cost-effectively scale that benefit across the company that's making a real contribution to the bottom line. More than 7,500 Skanska employees, clients, and partners enjoy the same capabilities—delivered through more than 1,200 individual collaboration Web sites hosted on the company's main portal.

For many employees, the portal is benefiting their personal lives as well as their job performance. "One of the reasons I left my last job was all the travel," says Gertz. "Today, I can stay in New Jersey and still work across other offices, and can spend nights at home with my family instead of in a hotel room. My work life today is made easier because of access to a virtual network of people and information, and the technology at my disposal helps me to be more successful. It's that simple."

Learn more about Skanska USA Building at:

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