

## CASE STUDY

# How Bringing Application Managed Services Closer to Home Delivers Ongoing Best Practices and Continuous Innovation for A.O. Smith

**A.O. Smith partners with Syntax to move from a farshore support model to a nearshore model and fine tune the service for the best blend of dedicated and shared resources.**

## CHALLENGE

A.O. Smith wanted an Application Management Service (AMS) partner that was mature in its capabilities as well and able to cover more SAP Modules - to replace the incumbents dedicated overseas AMS model, with a nearshore partner.

## OUTCOME

Syntax's comprehensive and coordinated approach to managed services support, ranging from Level 1 Service Desk to on-site technical (OST) support to AMS and beyond, and implemented a better approach for A. O. Smith's managed services needs to demonstrate a next-level caliber of problem-solving, flexibility and partnering made their proposal both differentiated and compelling as a long-term partner.



## About A. O. Smith Corporation

A. O. Smith Corporation (A. O. Smith) is a world-leading manufacturer of residential and commercial water heaters and boilers, offering a comprehensive product line featuring the best-known brands in North America, China, and India. The company has 24 locations worldwide, including five manufacturing facilities in North America, and plants in India, China, and, The Netherlands. A. O. Smith and its employees pride themselves on applying innovative technology and energy-efficient solutions to products marketed worldwide. The company's goal is to be a leading global water technology company, innovating through new product development, global expansion, strategic acquisitions, and partnerships. For more information, visit <https://www.aosmith.com>.



## SAP Technology Footprint

- Advanced Business Application Programming (ABAP)
- BSI Tax Factory
- Business Planning Consolidation (BPC)
- Employee Self-Service Portal
- Finances and Controlling (FICO)
- Governance, Risk, and Compliance (GRC)
- Human Capital Management (HCM)
- Material Management/Warehouse Management (MM/MM)
- Plant Maintenance/Quality Management (PM/QM)
- Process Integration (PI)
- Product Life Cycle Management (PLM)
- Production Planning (PP)
- Sales and Distribution (OTC SD)
- Success Factors
- Transportation Management (TM)
- User Administration
- Vertex
- Vistex

## Syntax Products and Services Implemented

- Syntax SAP Application Managed Services
- Syntax Service Desk
- Syntax On-Site Tech (OST) Support



## A. O. Smith Seeks High Quality, Better Value AMS Experience

A global leader in water heating and treatment, A. O. Smith demonstrates an ongoing commitment to innovation, developing state-of-the-art solutions, and pushing new boundaries in the industry. As an SAP industrial manufacturer, A. O. Smith is always looking to maximize the value it receives from its SAP environment.

As A. O. Smith has grown through acquisitions, operating and acting as one company has become a top priority, and that includes establishing a shared

services IT model for the business. With the IT function maturing, A.O. Smith wanted an Application Management Services (AMS) partner that was mature in its capabilities as well and able to cover more SAP modules. To replace the incumbent's dedicated overseas AMS model, having a nearshore partner was of paramount importance. "Having a team that is live in the same time zone is quite valuable when you think about it," explained Melissa Scheppele, CIO and Global SVP of Information Technology at A. O. Smith.

"If you have a 'priority one,' you don't have to get your people up at all hours of the night to work with India. And you have someone who could get on a plane and sit with you, especially if you're onboarding a new SAP module."

Looking ahead, the ideal managed services partner would need to deliver high value and flexibility at the same cost, offer transparency and visibility into the process, and share best practices to advance the quality of service to business users.

# Proven Customer Service Center Model and Innovative Thinking Differentiate Syntax

As part of the AMS RFP process, the global managed services provider and SAP Gold Partner Syntax performed a ticket extraction from A. O. Smith's IT Service Management (ITSM) tool. A close review revealed several tickets being handled by the incumbent's AMS level of support that was fairly remedial, such as password resets. Syntax pointed out that such tickets could be handled more efficiently and at a lower cost structure by a Level 1 Service Desk. This observation blossomed into a proposal for Syntax to also manage the Level 1 Service Desk, leveraging the synergy between AMS and Service Desk support. With the nearshore Syntax Customer Service Center (CSC) offering a common entryway for A.O. Smith users, Syntax would efficiently triage and rapidly address support issues across all levels of support.

Among the most important factors that drove AO Smith's choice of the managed services provider was Syntax's comprehensive and coordinated approach to managed services support, ranging from Level 1 Service Desk to on-site technical (OST) support to AMS and beyond. The fact that Syntax observed and proposed a better approach for A. O. Smith's managed services needs to demonstrate a next-level caliber of problem-solving, flexibility and partnering made their proposal both differentiated and compelling as a long-term partner.



*"We had a huge backlog of requests and incidents.  
By partnering with Syntax, we wanted to service our business  
users in the quickest, most efficient manner possible."*

**Kim Bailey**

SAP Integration Lead

# Expertise and Adaptability Transition to Ongoing Best Practices and Continuous Innovation

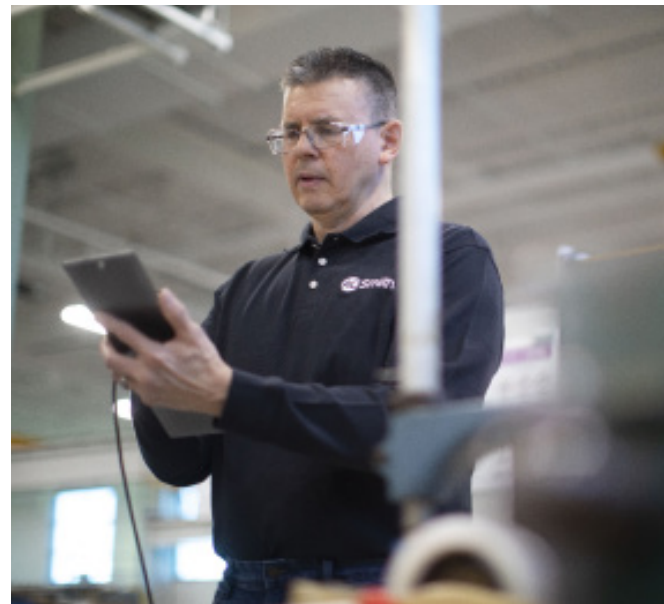
There was a good deal of internal angst around the prior service management tool and how it had been implemented. Furthermore, the tool did not provide a global, scalable solution. ServiceNow, Syntax's service management tool of choice, would provide a scalable solution that could also grow without geographic limits as A.O. Smith continued to grow globally, with full visibility of requests and incidents in the system.

By moving to Syntax, A. O. Smith left behind an incumbent AMS farshore support model of 16 dedicated but high-turnover junior resources and began reaping the benefits of a nearshore model of 6 shared higher-level problem solvers with extremely low turnover, working in the same time zone as the customer. "Syntax has been flexible to work with us to fine-tune the service model for the best blend of dedicated and shared resources," explained Kim Bailey, SAP Integration Lead. "While the Help Desk is fully dedicated, Application Support is semi-dedicated. With AMS support, we're taking a very purposeful approach team by team."

During the transition to Syntax Managed Services, the Syntax project team dug deep to understand the customer's environment and ensure a smooth knowledge transfer. At the time, A. O. Smith was in the middle of a very large SAP rollout to another division of the company, which would consume the same human resources needed in the knowledge transfer for AMS and the Service Desk. To accommodate the

customer, Syntax dynamically adjusted the knowledge transfer process to be done in phases, so that both important IT initiatives could move forward.

"This knowledge sharing led Syntax to implement several significant root-cause solutions—to problems that the incumbent had lived with and fixed manually week after week—moving these solutions into production," explained Allen Abell, VP of Application Management at Syntax. The result was saving A. O. Smith monthly support hours that could be better spent on higher value-add work.



*"We're not tying up a full-time person on Finance when we need them the last week of the month and the first couple of days of the next month. And with an element of flexibility in the model, if we do an upgrade and there are bugs, we can scale up quickly, deal with that high demand, then scale back down and release the resources to help someone else. I call that 'financial flexibility.'"*

**Melissa Scheppele**

CIO and Global SVP of Information  
Technology

*“Syntax is positively pushing us. Their folks have integrity and are eager to help. And I think that attitude is exactly what we need.”*

**Kim Bailey**

SAP Integration Lead

As an extension of the Service Desk, Syntax placed on-site technical (OST) support as well. “With a seasoned OST retiring from A. O. Smith and amid COVID-19 pandemic restrictions,” recalled Lucas Witt, Syntax CSC Director, “Syntax remotely conducted critical knowledge transfer with the outgoing OST and established the necessary documentation.” Syntax was then able to onboard the new on-site agent for a seamless transition.

Recognizing the Syntax team as forward-thinking and proactive, A. O. Smith formalized best practices and continuous innovation as an ongoing component of the relationship, turning to Syntax to nominate ideas for both tactical improvements and IT enhancements to advance the business for a strong future.

*“Now, the teams are tighter, the volume numbers have gone up, things are getting closed quicker, and the team in Puebla are getting positive feedback from their A. O. Smith counterparts. I can’t think of many other things that drive job satisfaction more than that.”*

**Melissa Scheppele**

CIO and Global SVP of Information  
Technology



# Successful Partnership Delivers Key Advantages

**Syntax delivered a winning one-two punch with AMS and Service Desk, meeting A. O. Smith's objectives for cost-effective, transparent, and high-quality IT support services for internal users. Among the most notable achievements and benefits:**

- ✓ A shared, nearshore AMS and Service Desk model that is cost-effective and delivers high quality, same time zone support.
- ✓ Actual in-region global availability, with locations in Europe, North America, and China to accommodate global expansion.
- ✓ A CSC through which AMS, Service Desk, and OST tickets are logged and appropriately supported following a shift-left philosophy – shifting problem-solving as close to the internal customer as possible to avoid unnecessary escalation.
- ✓ Current and thorough documentation right out of the gate, with an established rigor to consistently maintain and update documentation from now on.
- ✓ Transparency and metrics behind the managed services, showing precisely what is being done and how Syntax is getting there.
- ✓ Responsiveness and open dialogue that strengthens a true partnership, with Syntax CSC resources and leadership at the ready to receive feedback and pivot where needed to advance continuous improvement.

*"As we expand our solutions globally and need resources in another market, it's nice to know we have options based on Syntax's global footprint."*

## Melissa Scheppele

CIO and Global SVP of Information Technology



## Why Syntax

Syntax provides comprehensive technology solutions and trusted professional, advisory, and application management services to power businesses' mission-critical applications in the cloud.

With 50 years of experience, 700+ customers, and 1,900 employees around the world, Syntax has deep expertise in implementing and managing multi-ERP deployments in secure private, public, or hybrid environments.

Syntax partners with SAP, Oracle, AWS, Microsoft, and other global technology leaders to ensure customers' applications are seamless, secure, and at the forefront of enterprise technology innovation. Learn more about Syntax at [syntax.com](https://syntax.com).



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