



Kronos Harnesses Savvis' Global Capabilities to Deliver Software Solutions

Overview

Founded in 1977, Kronos — the company's name is derived from Chronus, the Greek word for "time" — created the world's first microprocessor-based time clock. As the computer industry matured, Kronos expanded its product portfolio to include software as well as hardware devices, and today is the leading global provider of workforce management software that includes human resources, payroll, scheduling, time and attendance, absence management, hiring and analytics solutions. Employing 3,200 workers worldwide, Kronos racked up in excess of \$740 million in fiscal 2010 revenue. More than half of the Fortune 1000 and 30 million people use Kronos solutions every day.

Business Opportunity

In June 2009, Kronos launched Kronos Managed Services, which offers application management and application hosting services to customers of its workforce management solutions. Kronos Managed Services is a strategic element in a larger Kronos corporate initiative to drive global revenues and provide customers with a range of payment, deployment and management options.

Over the first 12 months, Kronos Managed Services grew so rapidly the client was constantly expanding contracts for managed services from Savvis, which had provided outsourced infrastructure solutions to Kronos since 2005. Kronos Managed Services increased business is coming from both domestic and overseas organizations. As this mirrored Kronos' own international expansion, and as Kronos had many of the same IT infrastructure needs that its customers did, Andrew Manos, Director of Kronos Managed Services, sat down with Kronos' chief information officer (CIO) to discuss ways they could work together to achieve better synergies.

"We were both looking for ways to control IT infrastructure costs while accommodating line of business expansion," said Manos. "It made sense for us to combine objectives and find a single infrastructure outsourcing vendor to meet all our managed services needs as a company."

Kronos IT and Managed Services set up a cross-functional committee that included senior executives, procurement professionals, IT managers and

Company:

Kronos

Industry:

Technology (Software)

Line of Business:

Global workforce management software

Target Market:

Organizations ranging from small- and medium-sized businesses (SMBs) as well as large global enterprises

Location:

Chelmsford, Massachusetts

Summary:

By expanding its use of Savvis infrastructure outsourcing services from supporting its Software-as-a-Service (SaaS) and managed hosting offerings to powering IT operations throughout its global operations, Kronos has achieved unprecedented growth in a time of economic uncertainty.

members of the Kronos Managed Services staff. After gathering requirements, the committee issued a request for proposal (RFP) to the world's top infrastructure outsourcers. The RFP asked for bids for a full continuum of infrastructure services, from basic colocation to cloud-based virtual private data centers (VPDCs). "Our objective was to find a partner with a strong international presence who offered a broad range of service options at the most cost-effective prices," said Manos. "And it wasn't just about technology. We wanted a vendor that could wrap vision and management skills around all the boxes and wires."

Solution

Initially, the committee brought in nine vendors. After a rigorous evaluation process that included technology demos, executive briefings, onsite visits to vendor data centers and contract negotiations, Kronos IT and Managed Services chose — or, actually, re-chose — Savvis.

"Savvis already had an extraordinarily strong track record within our managed services business, so it made sense to expand our relationship to encompass key corporate IT operations as well," said Manos.

Since November, 2010, Savvis has been providing Kronos with colocation, managed hosting, and managed network services. These services help Kronos in three distinct ways. First, they support Kronos' data center and IT operations. Secondly, they allow Kronos to offer Software-as-a-Service (SaaS) versions of its on-premise applications. Finally, they form the basis of Kronos' KMS service portfolio.

Kronos offers businesses three options for deploying its software: implement it on their own premises; allow Kronos Managed Services to host it with a traditional license purchase; or subscribe to a Software-as-a-Service (SaaS) version of it. Kronos is finding that more businesses are choosing the application hosted or SaaS options, for financial and IT operational reasons — options that are built on Savvis solutions.

"Our perspective is that because we create the software, and implement and support customers, that we are able to build the best value option in the marketplace and the most efficient and cost-effective hosting platform and resources to help our customers achieve the most reliable and consistent user experience," said Manos.

Benefits

By consistently meeting its service level agreements (SLAs), Savvis has been instrumental in helping Kronos forge strong bonds with its customers, said Manos. "Because our actual uptime is much higher than our SLAs mandate, Savvis has allowed us to exceed our customers' expectations," he said.

However, Manos stresses that Savvis' greatest contribution is that it goes well beyond being just a technology provider. "With Savvis, we have a real go-to-market partner," he said. "Savvis understands what we do. The Savvis team has accompanied us on sales calls, organized 'lunch and learn' sessions for both our sales team and customers and welcomed site visits from potential customers. And when prospective customers see that the firm partners with Savvis, they are delighted to see that we partner with a top-tier infrastructure vendor."

Future

"With Savvis as our partner, we are confident we can make incremental moves into international markets and that Savvis will support us whatever direction we take," said Manos.

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"We are experiencing rapid growth, and Savvis is key to helping us accelerate this growth while minimizing risk to our business and customer base. We are very excited to be working with Savvis to scale our managed services business even faster, with well-managed risk, in the years to come."

**- Andrew Manos
Director of Kronos Managed Services**

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