



Parsons Corporation

A SUCCESS STORY IN COLLABORATIVE
TECHNOLOGY SOLUTIONS

Using a new approach for a timeless industry,

in 1997, Parsons Corporation, one of the world's largest planning, engineering and construction companies, embarked on a new vision to become the premier worldwide provider for total project solutions.

Parsons is one of the world's largest full-service planning, engineering and construction firms, with more than 9,000 employees and 5,000 projects worldwide. Emphasizing program management and technology, Parsons is a leader in many diverse markets such as infrastructure, transportation, advanced technologies, telecommunications, aviation, commercial, environmental and industrial manufacturing, pharmaceuticals and homeland security.

The Challenge

Parsons set its sights on shifting their position from a multiple-market service provider to a leadership role in the global delivery of turnkey operations and total project solutions. They recognized early in the process that this evolution would require both the development of an integrated IT strategy, and an entirely new approach to the way projects were sold, operated and managed.

Years of acquisitions and rapid growth had resulted in information systems (IS) that were developed to meet specific, local or immediate needs. Platforms and tools from e-mail, to network, to financial systems needed integration and dependability, and the corporation needed to develop a company-wide approach to information technology. Parsons also recognized that its project managers and business units had to communicate with one another and share information around the globe, while maintaining control over technical requirements and costs.

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The Solution: A Team Approach to Outsourcing

Parsons asked Perot Systems Corporation to conduct an assessment of its existing IS environment and to document and develop strategic recommendations for enhancing Parsons' enterprise infrastructure, program management, collaborative engineering and business development capabilities.

Parsons decided to outsource its information systems support to Perot Systems, signing a comprehensive five-year agreement that included:

- Strategic Planning
- Systems Architecture
- Software Development
- Systems Integration
- Infrastructure Services
- Program Management
- Desktop Management and Support
- Support Center and Training
- Project Solutions and Support

Focus on Customer Collaboration

Perot Systems is committed to supporting strategic, financial and operations planning for Parsons through the technology solutions we provide. The outsourcing relationship is collaborative in nature — Perot Systems associates provide daily, direct input by developing high-impact, high-value technology solutions for the company and its clients.

"We're working with, not just for, Parsons to achieve critical business objectives of lower costs, managed risk, and increased competitive advantage," Doug Philbin, the Parsons CIO and Account Manager for Perot Systems said. "Our collaboration is so close that we think as one, always working toward a single goal — Parsons' success."

Building a Foundation For Success

To address the IS challenges, Perot Systems implemented a three-phased plan of attack to:

- 1) Lower and control costs while improving reliability and delivery,
- 2) Improve the effectiveness of key business processes by managing risks, and
- 3) Enhance business development and create a competitive advantage.

Fiscal Management Control


Key initiatives in phase one included centralizing all IS operations expenditures, staffing the IS department to standardize the infrastructure and stabilize hardware for system reliability with the goal to reduce and control costs, and establish global network connectivity.

Back to the Basics

In order to improve the IS infrastructure, a highly technical workforce with industry as well as technical expertise was needed. Perot Systems developed a comprehensive people-driven program that included recruiting, performance incentives, training and staff management planning. Blending Parsons' top IS employees with Perot Systems' talent, a team was created with domain and technical expertise second to none in the industry.

The IS workforce first tackled basic reliability issues related to the network infrastructure. Initial improvements to the infrastructure enabled Parsons to be more responsive to their clients, communicate better internally, meet proposal deadlines, and take advantage of corporate resources in remote project locations.

Perot Systems established a global network that not only improved internal and external communications, but also began a foundation for future Internet-based



"The more challenges we throw at Perot Systems, and the higher we raise the service level requirements, the better they perform! I sincerely appreciate all that Perot Systems has done to improve our IS/IT posture. The experience, capability and dedication of the staff have been instrumental in making Parsons a better company."

James F. McNulty
CEO, Parsons

SUCCESS

During the first year of the strategy implementation, Perot Systems enabled Parsons to develop a shared services model and combined purchasing capabilities. By centralizing the IS operations and staff, the IS budget remained the same despite double-digit corporate growth.

solutions. Communication is now corporate wide, even from remote client sites. By leveraging Perot Systems' purchasing power, initial network investment costs were recouped through lower operating costs.

Intranet Collaboration

With basic operations and cost controls in place, the Perot Systems IS team then turned its attention to standardizing Parsons' business processes and enhancing their project management tools by providing more streamlined capabilities. The goal was to enable Parsons to work smarter, faster, and more profitably. Perot Systems reengineered Parsons' intranet to support the integration of all key departments – project management, human resources, finance and accounting, business development, materials management, document management, engineering and construction, and project controls. Additionally, the company deployed innovative, enterprise-wide, Web-based solutions to help facilitate collaboration and knowledge sharing.

Innovative Solutions to Strategic Challenges

Parsons presented Perot Systems with a formidable challenge: deliver more innovation, but keep costs in check. Maintaining the balance between moving innovative ideas from concept to practice at an accelerated pace while maintaining and preserving high standards for conservative cost expenditures has become the cornerstone of the Parsons and Perot Systems relationship. The key focus is on helping Parsons achieve business objectives within budget.

While helping Parsons win new business is critical; so is executing flawlessly on existing work. Standards and centralization are important for support, yet flexibility and autonomy characterize each of Parsons' unique projects. The paradox – implement change without changing too much! The solution – innovative remote connectivity and Web-based productivity tools.

Remote Connectivity That is Flexible, Secure and Efficient

Whether the markets are regional, national, or global, companies like Parsons now gain a competitive advantage from remote connectivity that supports supplier relationships.

As mobility continues to be a common theme at the project, business, and enterprise levels, IS continually works to enhance the existing computing environment at Parsons. IS created a portfolio of emerging technologies that directly impacted Parsons' mobility challenges. Examples include personal virtual private networks, wireless e-mail, IP telephony, and satellite-based office communications services.

These effective remote connectivity solutions enable fast project startup, full client participation and streamlined work processes. Today, remote connectivity solutions at Parsons provide employees with flexible, secure, and efficient solutions to support projects on time, on spec, and on budget. For Parsons' clients, effective remote connectivity solutions provide real-time, low-cost access to essential and actionable information concerning their engineering and construction investments, enabling them to fully and efficiently participate in each phase of their projects.

Project Information, Plus

Essential project information should facilitate teamwork during project planning, launch, and delivery. But project information that cannot be easily saved, retrieved, and shared by project participants slows processes, adds cost, and delays delivery.

The Perot Systems IS professionals worked with Parsons to develop Web-based corporate-standard applications for storage, retrieval, and sharing of varied, detailed, and complex project information. This and various other Web-based productivity tools enable project-wide document management, information search and retrieval, team workflow management, and collaboration capabilities. The benefits to Parsons and its clients include:

- Smoother and faster project planning, launch, and implementation,
- Improved collaboration among project participants, including Parsons project managers, clients, suppliers, and partners; and
- Faster project delivery.

Parsons entrusted IS with the challenge of being expert interpreters of information technology; acknowledging that IS is only as good as the problems it can solve or the competitive edge it can provide.



Communication is now corporate wide, even from remote client sites.

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“ Outsourcing is nothing new to Parsons; it’s a key element of their corporate strategy,” according to Doug Philbin, the Parsons CIO and Account Manager for Perot Systems. “ Outsourcing represents a model of collaboration where with Perot Systems involvement, not only Parsons benefits, but Parsons clients as well.”

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IS as a Market Differentiator

While continuing to look for ways to enhance business processes and control costs, Perot Systems and Parsons recognized that IS capabilities could actually play a key role in winning and sustaining new business for Parsons.

The internal IS processes, technology solutions, and domain-experienced resources became valuable and dynamic competitive components as Parsons expanded its service offerings to include IS solutions to its clients, contributing to incremental revenue from leading organizations in telecommunications, government agencies, utilities, transportation, and more.

- Perot Systems developed and implemented a real estate system application for a leading telecommunications firm, generating revenue while expanding Parsons’ existing relationship with the telecommunications giant.
- Parsons won a 10-year project with a government agency that required the company to provide a comprehensive customer contracts database. Parsons’ industry knowledge and project management expertise coupled with Perot Systems IS solutions positioned the company ahead of its competitors, unseating the incumbent solution provider.
- Perot Systems developed an innovative project controls system that made Parsons a key competitor for critical on-time, on-budget, and on-spec project management solutions for one of the world’s largest energy companies. This tool provides rapid and accurate project data input, consolidation of financial reports across its worldwide sites, unified storage for all project information, automated importation of preferred supplier data, and the creation of a robust database to support the future export of information to its corporate accounting system.

Climbing the Leadership Ranks

The Parsons/Perot Systems IS team has undergone a remarkable and rapid transformation. Since the relationship started in 1997, both companies have grown together to build new business for Parsons and its clients. By making smart IS choices, together they have provided Parsons with cost-effective IT services, and with competitive marketing, they have produced new tools for new markets at competitive prices.

In 2002, Parsons was ranked #1 in the engineering and construction industry and #24 across all industries on the Information Week 500 list, which recognizes the largest and most innovative users of information technology. Today, Parsons is unique in its industry and well-positioned to be a premier worldwide provider of total project solutions.

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