



## Advertising Giant Empowers Agencies with Global Rollout of ERP Solution

### Overview

**Country or Region:** United States

**Industry:** Media and entertainment—  
Advertising

### Customer Profile

Omnicom Group is a strategic holding company with a portfolio of hundreds of advertising, marketing, and public-relations agencies around the world and more than 50,000 employees.

### Business Situation

Omnicom wanted to offer a standardized financial-management system to its agencies that would help increase operational efficiency and reduce reporting burdens.

### Solution

Omnicom worked with Microsoft Services to set up a global project office that would assist local agencies in implementing Microsoft Dynamics AX.

### Benefits

- Foundation for continued growth
- Better insight into the business
- More efficient processes
- Stronger, faster reporting
- Reliable global partner

“With Microsoft Dynamics AX, our agencies have a financial system that can evolve and adapt to their ever-changing business needs.”

Randy Weisenburger, Global CFO, Omnicom

In the marketing and advertising industry, few companies match the scale of Omnicom Group, a U.S.\$11.7 billion holding company with roughly 1,500 agencies located throughout the world. Omnicom wanted to equip its agencies with a standard enterprise resource planning solution and chose Microsoft Dynamics AX based on its ease of use, global availability, project-accounting and financial-reporting capabilities, and ability to be customized for the marketing and advertising industry and Omnicom’s specific requirements. To help ensure a successful deployment, Omnicom worked with Microsoft Services to set up a global project office that helps manage local implementations, development, and a standard solution template. Omnicom has deployed Microsoft Dynamics AX for agencies around the world to improve their financial processes, gain business insight, and prepare themselves for future growth.



TBWA Worldwide headquarters  
on Madison Avenue in New York.



## Situation

Omnicom Group is a giant in the marketing and advertising world, with roughly 1,500 agencies located around the world. With the number of agencies in the group continuing to grow, Omnicom saw an opportunity to equip its agencies with a tool that would help them manage their individual businesses more effectively. Additionally, from the corporate perspective, Omnicom wanted to provide the agencies with a standard enterprise resource planning (ERP) solution to further enhance the already efficient corporate reporting processes of the agencies.

One Omnicom agency, MarketStar, maintained six different systems that handled various aspects of its financial accounting. Because these systems were minimally integrated, MarketStar spent an inordinate amount of time managing data consistency and gathering information about business performance. "We had roughly 1,500 employees we maintained in payroll, but that information had to be reentered into separate systems for human resources as well," explains Nicole Hennessey, Application Support Manager for MarketStar.

For TBWA Worldwide, a global marketing and advertising network that is part of Omnicom, different financial systems at its country operations in the EMEA region made responding to requests for consolidated information very challenging.

To address the needs of its agencies, Omnicom needed a flexible ERP solution and a consulting services partner to help the agencies coordinate development and implementation efforts around the world. This partner needed to have a strong development organization, excellent project management capabilities, and a

local presence in the hundreds of countries where Omnicom agencies are located.

## Solution

After an extensive software evaluation process, Omnicom selected Microsoft Dynamics AX as the ERP solution that it would promote to its agencies worldwide. The group chose Professional Services Automation (PSA) for Microsoft Dynamics AX based on the solution's superior technical flexibility, ease of use, and ability to accommodate the group's project-accounting, financial-reporting, and advertising and marketing services requirements.

"We needed to implement best-in-class ERP software that would allow our agencies to report in faster time frames and meet varying client demands for information," says Wayne Wilson, Global Program Manager for Omnicom. "Additionally, Microsoft Dynamics AX had the scalability and localization capabilities—both language and statutory—that we required as a global organization."

## Global Project Office

Omnicom tapped Microsoft Services as its global deployment partner. Together, Omnicom and Microsoft set up a global project office that provides project management and consulting assistance to local agencies implementing the new solution. Microsoft Services performs architecture, design, and performance reviews for each local implementation.

"Microsoft has proven to be a very reliable, very professional partner. They always lived up to expectations and, in fact, quite a few times exceeded them and helped us tremendously," says Peter Barannikov, Business Intelligence and Systems Director for BBDO Russia Group, an Omnicom agency that recently worked with the

“We are taking advantage of the collaboration and workflow capabilities of the solution so that we can act faster as an organization. Everyone shares the same system and same information.”

Joe Weiner, Vice President and Corporate Controller, Zimmerman Advertising

global project office on an implementation of Microsoft Dynamics AX.

Marc Damasse, International Controller at TBWA, is responsible for the rollout of Microsoft Dynamics AX in the EMEA region and has only good things to say about the centralized approach to global project management. So far, he has overseen implementations of Microsoft Dynamics AX at TBWA agencies in Dubai, Saudi Arabia, and Egypt, and is helping with a current deployment in Spain. TBWA Europe plans to have all its agencies running Microsoft Dynamics AX within three years. When complete, the rollout will cover 20 countries, 6 large markets, and 18 different tax regimes.

“Each project is transparent and organized, with weekly reports and single points of contact at Microsoft and Omnicom,” says Damasse. “The project methodology, based on the Microsoft Dynamics Sure Step methodology from Microsoft, facilitates communication and helps keep the project

on track. Using this methodology, we trust we will be able to manage several major implementations starting in 2011.”

Zimmerman Advertising, an Omnicom agency with nearly 1,000 employees, replaced an outdated accounting package with Microsoft Dynamics AX in 2008. “The Omnicom global project office assisted us with a detailed review of our processes and requirements,” says Joe Weiner, Vice President and Corporate Controller for Zimmerman. “Both Microsoft and Omnicom assisted us with their knowledge of the software and suggested best practices that helped us minimize customization.”

#### Centralized Development Resources

To maximize efficiencies in the global rollout, the global project office works with Microsoft Global Services India to provide development services as needed, including maintaining the standard software template and creating customizations for agencies. “Omnicom tailored the template for Microsoft Dynamics AX specifically to the needs of its agencies,” says Damasse. “The template simplifies deployments with calibrated settings for purchase orders, costs estimates, job management, and working-capital reporting, for example.”

MarketStar worked with the global project office to implement Microsoft Dynamics AX in 2009. “The Omnicom template gave us a head start in fitting the solution to our business,” says Hennessey. “For example, we appreciated the work the global project office did in the area of expense processing. And, knowing that Microsoft did the development gave us confidence; we know that we have reliable resources available now and in the future.”

#### Single, Integrated Solution

MarketStar replaced its six separate financial-accounting systems with Microsoft

Agency Details	
<b>LatinWorks</b> 	<b>Headquarters:</b> Austin, Texas <b>Number of employees:</b> 100 <b>Web site:</b> <a href="http://www.latinworks.com">www.latinworks.com</a>
<b>MarketStar</b> 	<b>Headquarters:</b> Ogden, Utah <b>Number of countries:</b> 23 <b>Number of employees:</b> 1,500 <b>Website:</b> <a href="http://www.marketstar.com">www.marketstar.com</a>
<b>TBWA Worldwide</b> 	<b>Headquarters:</b> New York City, New York <b>Number of countries:</b> 77 <b>Number of employees:</b> 12,000 <b>Website:</b> <a href="http://www.tbwa.com">www.tbwa.com</a>
<b>Zimmerman Advertising</b> 	<b>Headquarters:</b> Ft. Lauderdale, Florida <b>Number of employees:</b> 1,000 <b>Website:</b> <a href="http://www.zadv.com">www.zadv.com</a>

Dynamics AX in 2009. With a single, integrated system, time-sheet information that employees enter online automatically flows into the general ledger and payroll modules, eliminating the need for duplicate data entry. Similarly, when employees in the financial department deal with accounts receivable and billing, they can pull required information from a single source instead of compiling it in several Microsoft Excel spreadsheets.

Zimmerman integrated Microsoft Dynamics AX with its job management system and studio production applications to minimize duplicate work. The agency also uses Microsoft Dynamics AX to better align its financial department with operational groups within the company, especially when estimating projects and approving purchases. "We are taking advantage of the collaboration and workflow capabilities of the solution so that we can act faster as an organization," explains Weiner. "Everyone shares the same system and same information."

#### **Real-Time Information**

LatinWorks, a fast-growing Omnicom advertising agency based in Austin, Texas, which previously used QuickBooks Enterprise and the Enterprise Agency Suite from Harris, now uses Microsoft Dynamics AX with Enterprise Portal to provide managers with a real-time view into project financials. The agency is also continuing to learn how to take advantage of the collaboration and workflow features available in the solution to better connect financial accounting with operational aspects at the company.

For the TBWA agencies that have deployed Microsoft Dynamics AX, Damasse says the solution provides unprecedented insight into time spent on each client account. "Very often, a large client will request an

update on the time spent by TBWA agencies in 10 different countries across several brands," says Damasse. "We are often given very short notice, possibly a week, to compile and analyze financial data requested by our clients."

"We reconcile actual time spent versus budgeted to track profitability and prepare more accurate proposals in the future," he adds. "The time-sheet module in Microsoft Dynamics AX enables us to do this easily, and even drill down to see which employee did what kind of work on a specific project."

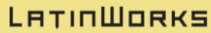
#### **Client and Group Reporting**

MarketStar, LatinWorks, TBWA, and Zimmerman all say the new solution helps with preparing reports by minimizing the need to gather information from separate systems and format it according to corporate reporting requirements. "For the TBWA Europe agencies that have deployed Microsoft Dynamics so far, having the standardized financial-management system enables them to respond to clients faster and in more detail," says Damasse. "The agencies that have adopted the solution can now produce standard corporate reports much more easily and faster than before. It removes a significant burden from the accounting departments at our agencies."

Damasse expects that the TBWA agency in Spain will see similar gains once it completes its implementation. "With the current focus on liquidity, there is an emphasis on credit risk management," he explains. "Our agency in Spain will immediately benefit from Microsoft Dynamics AX because they will be able to automatically publish treasury reports, such as working-capital reports and client-aging reports that are included in the Omnicom template. The controller at this agency won't have to compile this information and

## Key Benefits for Agencies

### LatinWorks



Implemented solution in just four months, on time and on budget, to support rapid growth.

### MarketStar



Streamlined processes by consolidating six separate financial-accounting systems into a single, integrated solution.

### TBWA Worldwide



Strengthened reporting capabilities at agencies in the EMEA region for faster and more detailed response to client inquiries.

### Zimmerman Advertising



Gained a flexible, integrated financial-management solution that works with job management and production systems and will enable international expansion.

and financial-accounting expertise to the solution, resulting in a world-class system for its marketing services and advertising companies," says Randy Weisenburger, Global CFO at Omnicom.

### Foundation for Continued Growth

As a strategic holding company, Omnicom seeks to grow small and midsize marketing and advertising agencies into successful larger companies. LatinWorks is a perfect example of this strategy in action. The agency implemented Microsoft Dynamics AX in June 2009, a year in which it nearly doubled in size to more than 100 employees.

will save at least one day each month. And, features like pay-when-paid will definitely help to optimize cash management."

At Zimmerman, Weiner says the flexibility of Microsoft Dynamics AX helps the financial department produce more useful reports. "One of the biggest difficulties we faced with our previous system was our inability to customize reports without expensive consulting help," says Weiner. "Now, we have tremendous reporting flexibility and plan on building on that further in the future with business intelligence and data mining."

### Benefits

Omnicom now offers its agencies a world-class ERP system tailored to their needs and a consulting and development partner that can assist with implementations around the world.

"With Microsoft Dynamics AX, our agencies have a financial system that can evolve and adapt to their ever-changing business needs. Omnicom added its own industry

"We were quickly outgrowing our QuickBooks Enterprise software," says Hector Silva, CFO at LatinWorks. "Deploying Microsoft Dynamics AX was a strategic priority because it provided us with a world-class accounting solution which would integrate with other necessary collaborative tools. Microsoft and Omnicom provided the advice and resources to help us complete the implementation in four months, on time and on budget, even in the midst of incredible business activity."

For Zimmerman, Microsoft Dynamics AX will help the agency expand internationally. "Microsoft Dynamics AX provides the foreign-currency conversion and localization capabilities we need to grow abroad," says Weiner. "And, we have a platform that we can build on, especially as we enhance our financial-planning model, add business intelligence, and continue to improve our operational processes."

MarketStar plans to use Microsoft Dynamics AX to help meet changing client requirements. "Previously, we could not easily adjust our processes according to client requests," says Hennessey. "Now,

“Microsoft and Omnicom provided the advice and resources to help us complete the implementation in four months, on time and on budget, even in the midst of incredible business activity.”

Hector Silva, CFO, LatinWorks

with Microsoft Dynamics AX, accommodating those changes will be much easier because we're dealing with a single system built on standard technology.”

#### **Better Insight into the Business**

Equipped with a single, integrated solution, Omnicom agencies have the real-time insight they need to make more accurate estimates and answer customer questions more promptly. “At TBWA Europe, we aim to use Microsoft Dynamics AX to make it easier to share information across agencies,” says Damasse. “We're creating a report library and instituting common policies for how to use system capabilities. All this is aimed at making information transparent and available, and helping CFOs at local agencies to understand what information the corporate office needs.”

Damasse also sees this common financial-management solution helping to serve international customers better. “Because we can easily track our costs and hours on previous projects, we can estimate new projects and make fee proposals more accurately, especially for large, international clients whose projects may span many countries,” he says. “Microsoft Dynamics AX helps TBWA Europe demonstrate to clients the work that we are doing and our diligence in responding to their questions.”

#### **More Efficient Processes**

Agencies that have deployed Microsoft Dynamics AX use the solution to eliminate time-consuming, error-prone manual processes. Zimmerman uses the solution to automatically process more than 700 invoices each month for its zTRAC advertising performance management service. Previously, this work required more than 60 hours each month from employees in the accounting department.

At MarketStar, new automation is helping to reduce the chance for error. “Our accounts receivable and billing processes now are much tighter because all costs associated with a project flow directly into the general ledger,” says Hennessey at MarketStar. “For example, the time-sheet information that our employees enter is now automatically recorded, whereas before, it was maintained in our end-user system as well as back-office spreadsheets. By eliminating those manual processes, we've reduced the opportunity for errors.”

#### **Stronger, Faster Reporting**

By using a modern financial-management solution, Omnicom agencies have made significant gains in the time it takes to prepare client and corporate reports. “We've seen a big change in the timeliness of reports from offices that have implemented Microsoft Dynamics AX,” says Damasse of TBWA Europe.

With Microsoft Dynamics AX, Zimmerman has shortened its month-end-closing process to just a few days. “At the end of each month, we have all the information we need,” says Weiner. “In general, our financial processes are faster. Online expense reporting and a multidimensional chart of accounts help us bill clients sooner, for example.”

#### **Reliable Global Partner**

Damasse, International Controller for TBWA, believes that Omnicom and Microsoft offer local agencies the strong project support that is essential to the success of a financial-management solution implementation. “Implementing financial systems is often more difficult than for production systems,” he explains. “I know large firms that implemented software from another vendor, and it was a terrible process. The Omnicom and Microsoft approach is a clear contrast, with

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[www.microsoft.com](http://www.microsoft.com)

For more information about Omnicom products and services, call (212) 415-3600 or visit the website at:

[www.omnicomgroup.com](http://www.omnicomgroup.com)

safeguards that help reduce risk and ensure timely completion of the project.”

After successfully implementing Microsoft Dynamics AX in Dubai and Egypt, Damasse and team members from Microsoft and Omnicom are applying best practices to the current implementation in Spain before starting new large projects across Europe in 2011. “We’re seeing improved efficiencies as we carry forward lessons learned,” he says. “Microsoft Consulting Services is based in the United States, Omnicom’s Microsoft Dynamics AX team is in New York and London, the Microsoft Global Services developers are in India, and my team is in Paris. But with the global project office and organized approach, these geographic issues are not a problem.”

## Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what’s most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to:

[www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)

### Software and Services

- Microsoft Dynamics
  - Microsoft Dynamics AX
- Microsoft Programs and Practices
  - Microsoft Dynamics Sure Step