

Top-Ten Global Automaker Uses Financial Acumen to Drive Innovation



Client Profile: Established in 1967 as Korea's first automaker, Hyundai Motor Company has since become the multinational conglomerate — Hyundai Motor Group — representing both the Hyundai Motors and Kia Motors brands. One of the world's top auto manufacturers, the company has an annual production capacity of 5.3 million vehicles and dealerships in 196 countries.

Industry: Manufacturing

Geography: Seoul, Korea

Employees: 120,000

Supported Products/Applications:

Oracle Database versions 9i to 12c

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Heegon Kim

head of department, Cloud Technology Team, Hyundai Motor Group

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At its founding in 1967, Hyundai Motors was a key pioneer in establishing Korea's automobile manufacturing industry. Today, Hyundai Motor Group is at the forefront of the coming revolution in transport, championing the industry's pursuit of next-generation, AI-powered vehicles.

Hyundai Motors is working to make its vision for universally safe modes of autonomous transportation a reality. The next wave of hydrogen-powered electric vehicles and artificial intelligence-based personal mobility solutions represents a major step forward for the entire automobile manufacturing industry. A key enabler in realizing these goals is ongoing investment in advancing the company's IT infrastructure and enhancing the accompanying skills of its support teams. This strategy continually empowers every aspect of the multinational manufacturer's diverse operations.

The Confidence to Explore Uncharted Territory

To avoid the need for an ever-increasing budget to fund additional technologies, the IT department methodically scrutinizes all its outgoings and expenditures. A notable outcome of the continual financial analysis was the identification of a significant cost reduction opportunity provided by sourcing maintenance for Oracle Database from an independent, third-party support provider rather than the application vendor.

Heegon Kim, head of department, Cloud Technology Team, recalled, "Budget optimization is a priority for every enterprise, especially for those of us that rely on Oracle. The Oracle Database maintenance cost took over 20% of the purchase cost and increased every year so budget optimization was concerning. However, the predominant consideration has always been ensuring maximum uptime of our Oracle environment."

"The tasks we run on Oracle Database are mission-critical to Hyundai Motors; preventing any level of business disruption is of paramount importance to the entire company."

Benefits

- **Enabled investment in new technologies directly aligned to company's business roadmap:**

Budget released from Oracle Database maintenance was reinvested in new technologies and skills.

- **Ensured uptime and availability of mission-critical ERP platform:**

Third-party maintenance for Oracle Database delivers ongoing business continuity that is further enhanced by coverage of system-specific issues that Oracle would not support.

- **Elevated quality of support:**

Both the speed and effectiveness of issue resolution improved after moving to an independent, third-party support provider.

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To learn more about Hyundai Motor Group or to read other client stories, visit www.riministreet.com/clients.

After researching options and conducting a competitive evaluation process, the IT team narrowed its choices: "Our final decision hinged on assessing the effectiveness of an independent provider at efficiently responding to a high volume of global service requests and its ability to match or surpass the level of technical support we received from Oracle," recollected Kim.

Rimini Street: Elevated Support at a Fraction of the Cost

Hyundai Motor Group selected Rimini Street to provide maintenance for Oracle Database — saving 50% of the annual costs of obtaining support directly from the software vendor. Kim enthused, "Rimini Street delivers better levels of service than Oracle and gives us the added benefit of resolving system-specific issues that the software vendor just wouldn't attempt. The guidance we receive has a high degree of accuracy, which always makes our database team extremely happy."

The company opted to trial the experience of partnering with an independent, third-party support provider by starting with a one-year contract. "Our first year working together demonstrated the quality of Rimini Street support. Any database-related issues we raise are resolved faster and more effectively than with Oracle, so we had absolutely no reservations in extending the original contract to a multi-year agreement," remarked Kim.

He added, "In addition to the Oracle database, we have further expanded the scope of the contract to include added coverage for even more group affiliates and overseas offices."

Several leading corporations in Korea have consulted with Hyundai Motor Group about the experience and advantages of partnering with Rimini Street. Kim disclosed, "We've been asked by many companies, and we are always very open in sharing our satisfaction with Rimini Street and the many benefits of switching away from Oracle support."

"Once executive management saw the savings we were able to generate, they approved many projects that were previously on hold because of budgetary constraints. Without increasing our overall IT budget, we were suddenly able to get all these things done."

The huge cost reductions we have achieved — with zero impact to our company-critical IT operations — have enabled us to invest in the technologies and expertise that will support future ground-breaking innovations."

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