

REALIGNING BUSINESS AND IT FOR INNOVATION AT A LEADING HIGH-TECH MANUFACTURER

Capgemini Invent supported a leading high-tech manufacturer's CIO with an in-depth IT strategy assessment and identified optimization potentials as well as immediate action needs. As a key result, the realigned IT was enabled to proactively advise business on new innovative technologies, to reduce time to delivery and to increase IT outcome.

Innovation Leadership – a family-owned High-Tech Manufacturer with a Global Footprint

As a leading high-tech manufacturer, our client had an extensive track record in pioneering new and innovative technologies. For almost 100 years, industrial manufacturing companies have worked with this organization to gain best-in-class machine tools. Today, the manufacturer combines renowned excellence in mechanical and software engineering with its traditional portfolio to provide smart factory and Industry 4.0 solutions.

The company is family-owned, based in Germany, and has an impressive growth trajectory as well as a global footprint. 12,000 employees generate more than 3 billion euros in revenue, growing at a double digit rate. The business is organized into two business units with more than 70 global subsidiaries.

Managing Global IT in Alignment with Business' Innovation Needs

Like all corporate functions, the client's central IT organization is part of the German headquarter. A variety of regional and local IT teams supplemented the global IT delivery. However, these teams worked with a great deal of autonomy and were managed by the local subsidiaries. As a result, global IT capabilities were not fully leveraged to support the business.

While the business units were satisfied with the quality of IT, they expressed a need for faster delivery. Due to the existence of numerous strategically important projects, the manufacturer had a strong need for a higher overall output from its IT team. Business demand and IT supply needed to be aligned and managed globally. Moreover, IT capacity was largely focused on foundational topics (e.g. data center and application management). While there were some innovative ideas within the IT team (e.g. data analytics), the business required more proactive and focused support for important strategic innovation areas (Industry 4.0, smart factory).

In order to better align the IT team with the needs of the business, the organization partnered with Capgemini Invent to receive advise for addressing these challenges.

Overview

Customer: Leading High Tech Manufacturer

Industry: High Tech Manufacturing

Location: Germany

Client Challenges / Business Need:

Business is satisfied with IT quality, but wanted faster project delivery and higher overall outcome. While IT is mostly focused on foundational topics, key innovation areas are not addressed sufficiently. Overall, global IT transparency is limited.

Solution-at-a-glance:

Fact-based assessment of the IT, design of a realigned IT operating model, as well as planning of subsequent IT-transformation.

Results (Benefits):

- Improved business support through proactive IT account / demand management and aligned project portfolio process
- Increased IT delivery capacity and scalability through professionalization of IT and leveraging of strategic partners
- IT established as business partner that proactively develops IT-driven innovations for the business
- Improved collaboration between central, regional and local IT units

“Business and IT are realigned to support our growth and innovation ambitions – Our IT is now well-prepared to drive Industry 4.0 topics for our business.”

CIO,
Leading High-Tech
Manufacturer

Fact-based Digital IT Assessment

To support the client, Capgemini Invent used its innovative approach for digital IT strategy assessment and development, which involves proven methodology that takes into account quantitative facts as well as the IT expert insights to form the basis for a targeted IT strategy design.

To establish global IT transparency, Capgemini Invent conducted a fact-based assessment that included industry benchmarking and covered IT organization, applications, costs, projects and IT business support. This enabled Capgemini to identify the elements of the IT function with the highest potential for improvement based on interviews with business and key IT stakeholders and an analysis of the client's strategic requirements. The assessment highlighted beside IT delivery bottlenecks and missing IT innovation capabilities also opportunities to strengthen the IT partner ecosystem.

Based on the assessment's findings, a target picture for a realigned IT operating model was designed. This introduced IT account management roles for improved IT business support, established innovative IT capability teams and realigned the IT partner concept. To realize these designs, Capgemini Invent established a roadmap with concrete measures for transforming the client's IT organization and aligned the roadmap with all relevant stakeholders.

Results Count – Business and IT aligned

With Capgemini Invent's support, the client achieved:

- Improved business support through proactive IT account / demand management and aligned project portfolio process
- Increased IT delivery capacity and scalability through professionalization of IT and leveraging of an IT partner ecosystem
- Establishment of IT as a business innovation partner, providing the technology platform for Industry 4.0 and smart factory services
- Global collaboration model between central, regional, and local IT units

About Capgemini Invent

As the digital innovation, consulting and transformation brand of the Capgemini Group, Capgemini Invent helps CxOs envision and build what's next for their organizations. Located in more than 30 offices and 22 creative studios around the world, its 6,000+ strong team combines strategy, technology, data science and creative design with deep industry expertise and insights, to develop new digital solutions and business models of the future.

Capgemini Invent is an integral part of Capgemini, a global leader in consulting, technology services and digital transformation. The Group is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of 200,000 team members in over 40 countries. The Group reported 2017 global revenues of EUR 12.8 billion. People matter, results count.

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