



enwis)

Nehlsen reference report

Overview

Country: Germany

Industry: Waste management

Experience report regarding the implementation of enwis) into every site under the control of the Nehlsen Group.

The use of an ERP system is beneficial for any company. However, the software has to be introduced before the initial results can be seen. Normally, the talk afterwards is focussed on everything that has changed for the better since implementation. But what can a customer expect during the introduction process? How does it work? The tegos GmbH Dortmund surveyed its customer Nehlsen based in Bremen. In 2012 the customer decided to use the ERP software enwis), which is based on Microsoft Dynamics NAV. The corporate-wide introduction at every company site is not yet complete (as of June 2015). However, some branches are already working with enwis). It is time to review the introduction process. For that purpose, we met for a chat with Andreas Seebeck, Head of Data Processing Coordination and also the project lead at Nehlsen responsible for introducing enwis).

Mr Seebeck, between 2011 and 2012 you spent one year sounding out the software provider market to find the right product. Can you tell us what led you to choose tegos and the product enwis) at the time?

A. Seebeck: The decision was made to replace the software we had been using for more than 15 years. Its technological obsolescence was only a question of time and the concepts upon which the software was based were not flexible enough

to handle the new requirements of the market. Even though we had developed the software in-house, there were good reasons not to try to modernise the existing system. For one, we wanted the manufacturer to ensure the future utility of the software, so we could rule out having to change software again for purely technological necessity as much as we could. For another we intended to place the responsibility for further development of the software on as many shoulders, that is, as many companies using the software, as we could. For example, regulatory changes or new functions should be made available through regular updates from the manufacturer. Last but not least, the potential number of employees who could use the software simultaneously and the stability of the new software were deciding factors in the choice new suitable standard software. Taking all of that into consideration, enwis) very quickly stood out as a potential solution among the market of available software for recycling businesses. The functionality out of the box already covered more than 80% of our technical needs and the Microsoft Dynamics basis fit perfectly into our system landscape.

The base system was developed by tegos and introduced at the first Nehlsen sites between autumn 2012 and autumn 2014. What demands of the software did you already have beforehand?

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A. Seebeck: The preceding software encompassed all of the main functions for supporting the handling of orders in terms of recycling logistics – from customer management and order processing, the operation of weighbridges and systems, to recording operation data and invoicing. And it covered the extremely broadly diversified range of services within the Nehlsen Group. This set the benchmark for the new software very high, because the processes had become quite well integrated over the course of years of in-house development. Naturally, we wanted to ensure this was also the case with enwis).

That's understandable. In addition to optimising certain work areas, a company naturally wants a new ERP software to handle successfully running processes from the start. What approach was taken to meeting these demands?

A. Seebeck: As early as the pre-selection stage, it was clear that standard enwis) covered a great degree of our requirements. Therefore, the plan was to provide most of the functions necessary for daily order handling in the starting configuration as the base system. Using the rough concept created for product selection, we worked together with tegos to conduct an analysis of those places where standard enwis) deviated from our requirements. The results of the analysis were then incorporated into a detailed concept which served to estimate the time and costs needed. The adjustments we identified thereby were then implemented for the base system. We then conducted a user acceptance test with an interdepartmental testing team in-house to check whether the base system was ready for deployment. Once it was approved, we introduced enwis) at a pilot site. We chose

a pilot site whose operations would test all of the requirements of the base system on average. Another criterion for the pilot site was that it would only encompass a small volume of processes and users to keep the amount of fine-tuning manageable for the project team responsible for the introduction.

In other words, Nehlsen and tegos collaborated very closely from the start, whereby your team also took over a large role in direct system testing. How well did the collaboration between you and tegos work?

A. Seebeck: tegos mainly contributed to the analysis of our processes and by providing us with great ideas in terms of potential changes to our processes based on their in-depth knowledge of our industry. This allowed us to anchor our goal of staying as close to the standard as possible as early as our detailed concept. In addition, tegos proved to be a reliable partner in the first phase of the project, who gave us perfect support in our quite ambitious project plans - we're talking about 30 sites with 400 users in the final expansion phase, after all.

In early 2014 enwis) was introduced into the first site, Loxstedt. Afterwards, you decided to incorporate another small site instead of the Hüttenstraße site with more than 40 users, as you originally planned. Why was that change made? Were there complications in Loxstedt?

A. Seebeck: No major complications in the real sense. However, as could be expected, we had to fine-tune enwis) when we introduced it in Loxstedt. This meant taking ad hoc decisions with respect to how

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to depict relevant processes under pressure to avoid interrupting the operating business, so they were not always the best decisions. During the subsequent evaluation, the weaknesses in these decisions quickly became clear and we could correct them. However, this meant that we couldn't be certain that introducing the software into another site would go off without a hitch. To be sure of this, we decided against moving straight to a site with a lot of specialisation and very large volumes for the next enwis) introduction. Rather, we chose another smaller site comparable to the pilot site. You could say that we wanted another "dress rehearsal" before the first major introduction. The second introduction ran much more smoothly and gave us the confidence to take the "next step".

The "dress rehearsal" for the enwis) introduction took place in May 2014 at the Bookholzberg site. While doing so, processes were optimised in both the application and the introduction itself. The enormous complexity of the project made it necessary to undergo a consolidation phase in which the major topics were reconsidered. How did Nehlsen and tegos benefit from this consolidation phase?

A. Seebeck: The consolidation phase offered the project team the opportunity to review its working assumptions and concepts and to fine-tune them even in this quite early stage of the introduction. Working with tegos, we managed to advance the enwis) product by making various adjustments to the standard software.

Which aspects and areas of the project were reviewed and improved in particular?

A. Seebeck: By introducing and subsequently using enwis), the project team's understanding of the processes in the software grew significant-

ly. It became clear that the decisions made in the preparation phase with respect to the master data structure were far too complex to be usable in the operating business. We also discovered during practical use that the system was unable to replicate the efficient access to plausibility checks or the processing speeds we had become used to in the old software. Because of the great flexibility of enwis) partial tasks could only be processed with additional work. Here we were able to use so-called assistants to find quick remedies without influencing the standard software. Lastly, the consolidation phase allowed us to expand the scope of functionality of the base system further. Therefore, enwis) now had all relevant functions at its disposal for the upcoming roll out to all of the other sites.

After garnering the experience of the first two introductions, Nehlsen handled the enwis) introduction into the Bremerhaven and Verden sites on its own in early 2015. How much support did you receive from tegos? Both in advance and during the process?

A. Seebeck: Given the quantity of sites and the application support already in place for the old software, it was always the objective of our IT department to be able, as early as possible, to take a leading role in the roll out of enwis). We received excellent support from tegos to achieve this plan. The first thing they did was conduct comprehensive training courses for our responsible colleagues before the project began. Afterwards, we worked with them closely to introduce enwis) into the first two sites, so that we could look "over the shoulder" of the tegos staff and get to know the little tricks of the trade. Many specialised topics were then discussed during individual training

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either face-to-face or on the telephone. We were very impressed by the openness of the tegos staff and their willingness to share their knowledge. .

Tell us a little about the introductions in Bremerhaven and Verden. How did they go?

A. Seebeck: Armed with the experience gained during the initial enwis) introductions and the following consolidation phase, we were able to handle the switch to enwis) at the next two sites on our own. We had by then developed a very precise plan of what tasks were necessary to introduce the system and which activities we had to do to go live. Each introduction began with a process comparison in which the operating processes at the site were compared to the defined standard enwis) processes. Next we compared the master data in terms of its relevance to the sites. This ensured in advance that the existing business processes could be depicted in enwis), and determined which adjustments might be required. After that the actual work of setting up the system and updating the relevant contracts began. We were able to migrate the data from the old system with the help of RapidStart, which saved us a lot of time and effort in data transfer. As we set up the system we also provided the corresponding qualification measures, supported by detailed information, instructions and training courses for self-study on the Intranet. The project team was then on site to assist the sites as they took the first steps going live. At the end of the first month, we analysed the situation and it was clear how secure the colleagues felt with respect to handling the new software and how well the process integration had succeeded. And some corrective actions were taken where they were found to be needed.

In late summer 2015 enwis) should now be rolled out to Hüttenstraße, one of your largest sites with more than 40 users. What steps have you taken to ensure that the int-

roduction can go off smoothly?

A. Seebeck: Two things are mandatory for replacing the system in one of our largest sites: the switch itself and ensuring that operations can continue at the site. This includes the readiness of all users and the execution of orders at the customary speed. In the meantime it is clear in the four sites where the switch has already taken place that both the old scope of functionality and the execution speed are sufficient to meet the requirements. In addition, we started training the staff at an early stage, for one to ensure that they have time to acquire the know-how and for another to gain awareness through the questions they ask we may be under-prepared to answer. The intention here is to avoid time pressure so that the transfer runs as well as possible.

How would you describe the “feelings” about enwis) so far? How well is the product being accepted by its users? Have you already been able to identify improvements in operational processes?

A. Seebeck: The users are happy about working with a modern, powerful software, because it's the one tool which many of the users spend most of their time working with. It was very helpful in this respect to adjust the user interface, because we were able to customise the enormous scope of functionality to the needs of each workplace. We haven't yet had the chance to measure process speeds, because it doesn't make sense to run a comparison until the settling-in period is complete. However, the subjective impression is that the customary processing speeds were quickly achieved. In addition, the transparency and analysis options given by enwis) are extremely helpful for our day-to-day work. All in all, we're even more impressed by enwis) than we were at the time we chose it, because it's integra-

ted into our processes and system landscape to an extraordinary extent.

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A few closing remarks: How do you view tegos as a partner?

A. Seebeck: To put it simply, without the high performance and commitment of tegos, it would have been infeasible for us to accomplish such a project..

Mr Seebeck, thank you for taking the time to chat. We'd be happy to work together again in future and we wish you and your team every success for the remainder of the implementation!

This interview took place in May 2015.

