



What can a 130+ year old engineering company teach you about the future of work?

The digital transformation of **FLSMIDTH**

Welcome to the era of:

# Game Changers



## FLSmidth IT Leader: A Game Changer Focused on Streamlining Operations, Creating a 'New Way of Working'

**Throughout its 136-year history, FLSmidth has made dozens of acquisitions, growing into one of the world's largest providers of engineering, equipment, and services solutions to the global minerals and cement industries. These units joined the company over time, but kept their former names and ran their own back-end technology systems.**

Several years ago, FLSmidth unveiled a plan to unify its far-flung operations. Along with rebranding the units under the FLSmidth name, the "One Company/One Name/One Source" initiative called for an overhaul of IT resources, business processes, and modes of work.

"The key goal has been to become one company working in united ways," said Jacob Gammelgaard, VP and Head of Solution Design and Onsite IT at FLSmidth. "We've bought a lot of companies with the main goal of adding new products and expanding into new markets. But we didn't pay much attention to the impact the addition of all these new companies and IT systems would have on our

IT landscape and the business overall. Now, we're on a mission to integrate all these pieces from an IT perspective and a process perspective."

It's a complicated process that takes time. The IT initiative started shortly after Gammelgaard joined the company in 2010 with launching of a global CRM platform and unified email infrastructure, followed by share ERP and PLM platforms. He estimates that his team still has three more years of work before all entities are enrolled in the new systems. In parallel, his teams are also working on moving from on-premises to cloud to embrace the new technology and innovation available in the market today.

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## Simplification Is the Name of the Game

The biggest IT overhaul has involved shrinking the company's use of ERP platforms from more than 30 down to a 2-tier strategy based on Oracle and Epico and over 50 Product Data management system into one, based on Enova.

Working on common ERP and PDM systems has helped, deploy global changes faster as well as increasing the transparency and data availability towards faster and better decisions across the value chain.

The company's transformation is also streamlining a long list of business functions—everything from human resources (HR) to product engineering and customer services. Gammelgaard said the long-term plan is to move each of these functions to the cloud.

"By moving to the cloud, we will eliminate a lot of issues," he said. "It means we don't have to go through a long requirement phase and coding for six months or more. We will apply industry best practices processes directly from the cloud and by doing so, we can get access to new features and enhancements directly from the providers, several times per year. The changes can be applied to our entire group in only a matter of days. The new technology will ensure that our business applications reflect the newest and smartest way of working. Today many companies struggle with heavy customized applications, which can't be upgraded, and in many cases prevent them from reacting on new market trends which are moving fast due to the global agenda on digitalization."

## Preparing for the Future

One cloud-based system that is in the process of being rolled out is Fuze's communications platform. The platform replaces dozens of older PBX-based phone systems with cloud-based communications and adds other features like conferencing, messaging, and call-forwarding to mobile phones. The move to Fuze has eliminated the need for desk phones, with its access to a softphone on desktop computers. About 4,500 of FLSmidth's 11,000 workers use the system, and plans call for an additional 4,500 to come on line throughout 2018.

"The new platform will help employees work even more seamlessly from outside of the office, collaborating with internal teams, customers, and suppliers," he said. "As an IT function, we have to enable people to work efficiently wherever they are."

Overall, Gammelgaard said, his IT group has used the transformation plan to up-level its own role in the operation.

"Part of IT is fixing stuff and taking care that the lights are on," he said. "That's still a top priority. What I'm working with is to embrace the future and design a future way of working. That involves close collaboration together with the business. Based on that, we're trying to envision what our business will look like in five years, 10 years, and then design our IT platforms and technologies around that. That's where we always need to focus to be relevant."



**NAME:**

Jacob Gammelgaard

**COMPANY:**

FLSmidth

**TITLE:**

VP and Head of Solution Design and Onsite IT

**PREVIOUS GIGS:**

Line of Business solution manager, and manager of corporate planning and analysis at Coloplast

**INDUSTRY:**

Global cement and minerals industries

**EMPLOYEE COUNT:**

11,700

**HOW HE CHANGED THE GAME:**

Crushed the challenges of integrating a newly-acquired global workforce by leveraging cloud-based solutions to drive communication and collaboration.

Visionary leaders are changing the game for the modern workforce.

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