

## ERICSSON BELGIUM

### Providing GSM systems turnkey

*Ericsson Belgium (EBR) is a strong player in the delivery of turnkey projects to provide GSM systems in Belgium and Luxembourg. From virtually no sales and no experience nor local competencies in mobile networks in 1997, EBR is now turning over more than 250 Million Euro in annual sales. It employs 200 full time employees and 100 contractors in the operators segment. The building up of the competencies and manpower required for rolling out networks took a lot of energy and management attention, and resulted in continuously changing organisation and processes. This accelerated growth also led to an inefficient EBR organisation. Furthermore major changes in the Ericsson European organisation were announced during 2000.*

*Ericsson Belgium was using a SAP-system for business support. That system was not Euro compliant and has not been implemented in an integrated way across the departments.*

*To solve both the organizational and IT-issues the program BE 2001 has been formed during the last quarter of 2000. The goal of this program was to review the EBR processes and the organisation, with the objective of efficiency improvement. The most important project within this program was the project to implement a new SAP-system.*

**Dominique Jodoin,  
Managing Director of  
Ericsson Belgium  
stated:**

“EBR has succeeded in generating savings corresponding to half of what the system would have cost otherwise, by adopting the system of the Netherlands. Most of the problems have been solved very fast. The project team and the *KWD project manager* have done an excellent job!”

### The assignment

KWD Resultaatmanagement was requested to provide a senior project manager with knowledge of SAP and the telecom-sector for the SAP project. His targets as set by EBR Management:

- Create economies of synergy by adapting as much as possible the processes and organisation of EBR towards the processes of Ericsson Netherlands;
- Migrate EBR to the business support system of Ericsson Netherlands. (This was a SAP release 4.5. Euro-converted system with relations to major Ericsson satellite-systems);
- Make this transition live during second quarter of 2001.

In March 2001 it became clear that the telecom landscape had changed dramatically. This forced EBR management team to announce organizational changes: redundancy of employees, outsourcing the warehouse function, creating a central purchasing

department and integrating the back-offices of four countries. So the project environment became very dynamic.

### The approach

The *KWD project manager* faced a mission impossible: the change of processes and a SAP-system in a changing environment. Besides the regular aspects of projects like scoping the results, phasing the activities, passing tollgates and defining deliverables, he took five key measures to achieve the required results:

- The process map and process design of Ericsson Netherlands acted as an anchor for the project. EBR's processes were fixed on these maps. No change requests (except for legal reasons) on the SAP-system have been accepted;
- A close communication was set up between the project team and the steering committee. The *KWD project manager* acted as the communication channel between project team and steering committee;
- A small kernel project team was formed and brought together in one office. The team members were selected based on their knowledge of business and SAP, their willingness and attitude to contribute to a risky project and their daring to be sponsor of this project towards the organization. The *KWD project manager* gained the dearly won permanent availability of these key players;
- Experienced key-users, process engineers and SAP consultants of Ericsson Netherlands transferred knowledge and assisted in preparing going-live and running after go-live;
- To support the end-users and process manager in the first shock after go-live an intensive after go-live program was set up. During the first days after go-live every day a team meeting was held, initiated and managed by the *KWD project manager*.

### The results

The efforts of the project team and the additional measures of the *KWD project manager* have led to remarkable results:

- The Euro-goal was achieved. The EBR administration and business support system were changed to Euro;
- Process alignment with Ericsson Netherlands was achieved in the areas of finance, service, warehousing and HR. Also but in a lower degree for legal reasons on purchasing, time reporting and project administration;
- Time. The original (in January defined) target of 1st May was changed to 5th June. This changed planning was "written with blood" and was met;
- The quality goal was not fully met. The data migration and after go-live issues reduced the quality-level at the moment of go-live. They are solved quickly afterward;
- The original budget was reduced by approx 35 %. This reduced budget has been met.

### Dominique Jodoin, Managing Director of Ericsson Belgium stated:

"EBR has succeeded in generating savings corresponding to half of what the system would have cost otherwise, by adopting the system of the Netherlands. With a project of this magnitude and in a very dynamic environment, there are always some problems that arise at the start. Most of the problems have been solved very fast. The project team and the *KWD project manager* have done an excellent job!"

*KWD levert het beoordelings- en realisatievermogen om complexe veranderingen succesvol te implementeren. KWD doet dat in de rol van Programma Manager, project manager en interim manager.*