

Nilfisk-Advance, Brøndby, Denmark

GETTING SAP[®] CONSULTING SERVICES AT GLOBALIZED PRICES



Our initial experiences with the transition to using Application Management Services, including the use of Malaysian resources, have been positive. They deliver fast quality service.

Steen Mogensen, IT Manager, Nilfisk-Advance



Challenges

- Lack of internal SAP resources at Nilfisk-Advance to handle peak loads in connection with the Group's global development
- A very diverse system landscape due to many acquired companies
- A need for ongoing development and roll-out projects in new companies



Solution

- Application Management Services Agreement



Benefits

- Deep local competencies combined with globalized prices
- Guaranteed decreasing prices as the offshore resources solve more issues



Why NTT DATA Business Solutions?

- A good, cultural match with a direct and concrete working method
- No bureaucracy or management speak



Company: Nilfisk-Advanced

Industry: Consumer

Products: Vacuum cleaners, Floor cleaners, Sweeping machines, Floor treatment machines, Carpet cleaners and Polishing machines

Number of employees: + 4,700 (2018)

Headquarters: Brøndby, Denmark

Website: www.nilfisk.com

NTT DATA Business Solutions



NTT DATA
Trusted Global Innovator

5 Major Service Centers Worldwide



The Application Management Services agreement gives Nilfisk-Advance access to global resources

“Our Management is acquiring companies faster than we can integrate them into our IT landscape. As a result, we need additional outside resources, which we are happy to do if they are an integrated part of a Danish delivery. With regard to SAP, we use offshore resources with extra assurance because we let NTT DATA Business Solutions handle the involvement and quality assurance of our Malaysian colleagues. Our advantage is that we’re getting our services delivered at globalized prices”, says IT Manager Steen Mogensen from Nilfisk-Advance’s Danish headquarters.

The group’s IT department is too small for it to set up a SAP center in India, Vietnam or Malaysia by itself, with the result that Nilfisk-Advance is instead working together with NTT DATA Business Solutions, which from its Danish organization involves Malaysian colleagues. A SAP Competence Center at Group headquarters in Denmark, has twenty-one employees who draw on consulting services from NTT DATA Business Solutions as needed for ongoing development work and roll-out projects in new companies.

Deep Competencies at Good Prices

“We could also have outsourced to a global provider like NTT DATA Business Solutions all in one big bang, but that would have brought our development work to a standstill and we would hardly have had a smooth-running SAP organization during the transition phase. Now we’re getting the best of both worlds. Namely, deep local competence with globalized prices. The AMS agreement gives us a guarantee of decreasing prices as the offshore resources solve more and more issues. It works!”, says Mogensen.

“We draw on NTT DATA Business Solutions for the peak situations if we don’t have the resources to handle a job ourselves. On the other hand, we guarantee that we will

need a minimum number of hours every year”, explains the IT Manager.

A Cultural Match

Along with NTT DATA Business Solutions, Nilfisk-Advance handles its own organization and draws on the historical knowledge of the same NTT DATA Business Solutions consultants who helped Nilfisk-Advance with its first go-live in 2007. “We have chosen to collaborate with NTT DATA Business Solutions on the basis of a good cultural match. We like using a direct and concrete working method, where delivery doesn’t involve too many powerpoint presentations, bureaucracy or management speak. We’re delighted with the choice and with the continuity we’ve achieved. Some of the NTT DATA Business Solutions people have been with us since this journey started”, says Mogensen.

The choice to use Malaysian resources was made by NTT DATA Business Solutions, which now has a large international support base that could also help Nilfisk-Advance on a global scale in the future. English is the official language in Malaysia, which minimizes the risk of communication problems that sometimes occurs in offshore collaborations. However, collectively the consultants constitute a single resource pool. “There is a difference in the hourly rate for the Danish and the Malaysian resources, but our agreement offers both NTT DATA Business Solutions and Nilfisk-Advance incentives to use Malaysian resources. The agreement sets a cap on the average hourly rate for the hours from NTT DATA Business Solutions’s AMS center. If we insist on using some of the Danish consultants who also helped us get up and running, then we pay the applicable rates for Danish consultants. This can easily become a habit and the AMS agreement is a break from this “attachement”. We would rather use the AMS agreement and have the delivery carried out at globalized prices”, Mogensen concludes.

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