

Case Study



Nilfisk-Advance cuts cost and boosts teamwork with managed UC service

“Siemens Enterprise Communications’ project management proposals stood out from the competition. They had the capacity to handle the roll-out, provide value for money and the most credible project management strategy.”

Steen Andersen, IT director, Nilfisk-Advance

Summary

Nilfisk-Advance of Denmark is one of the pioneers of professional cleaning equipment for industry and contract cleaning. With operations in 43 highly competitive markets world-wide, the group has a strong ‘green’ commitment as a member of the Carbon Disclosure Project on carbon emissions reporting.

The task

Nilfisk-Advance wanted to drive corporate-level efficiencies, reducing travel and promoting smarter team working across its global operations, without being drawn into complex ICT/communications investment and service management commitments across many countries.

The solution

The company chose a unified communications (UC) platform from Siemens Enterprise Communications. This is delivering state-of-the-art communications for Nilfisk-Advance through a managed service agreement which, by its nature, provides central governance while ensuring that the group is not being drawn into heavy capital investment and the long-term integrations and maintenance issues associated with it.

The benefits

- State-of-the-art communications
- One voice numbers and greater team collaboration
- Faster global team working and simpler project development
- Cheaper calls between regional company locations
- Central governance and service operation handled through a managed service agreement: reduced operational complexity via a globally consistent SLA, reduced service costs and a single point of contact for multi-vendor management
- System transformation and the complete programme financed from operating not capital expenditure

About Nilfisk-Advance

Founded in 1906 in Denmark, Nilfisk-Advance (along with Hoover in the USA) is one of the pioneers of household cleaners. Today the company manufactures a portfolio of high quality cleaning solutions for industry and the professional cleaning sector. The portfolio includes a wide range of road sweepers, floor cleaning machines, vacuum cleaners and high pressure washers.

The task

After decades of growth, the company became part of engineering specialist NKT Group in 1989. Operating in 43 countries and a global workforce of 5,000, the company had maintained internal telecommunications systems. However, it wanted to enhance these capabilities while driving down operating costs.

Nilfisk-Advance's senior management and its ICT division, led by Steen Andersen, knew there was scope for strategic change. Built on acquisitions, Nilfisk-Advance's country teams had multiple and outdated telecommunications systems. As IT director Steen Andersen states: "We had a mix of different eras. There was no infrastructure until 2009."

As part of its strategic planning which incorporated reducing travel costs, Nilfisk-Advance decided to outsource its existing ICT and telephony to deliver an integrated state-of-the-art communications platform. Steen Andersen of Nilfisk-Advance explained: "We wanted a simpler and cheaper way to run things at global and local levels while reducing PBX and communication costs. Savings from the new telecommunications systems at HQ offices would pay for close to 50 per cent of global roll-out."

The company investigated outsourcing with managed telephony services as the springboard for longer term developments such as cross boundary team collaborations. After evaluating suppliers, Nilfisk-Advance's IT team was convinced that Siemens Enterprise Communications and its OpenScope UC platform provided the vital operational benefits they desired including gateways, call centre functionality, faster call handling, more flexible conferencing, virtual presentation options, and mobile integration.

Nilfisk-Advance wanted to drive a new communication strategy and system to meet the key corporate objective: reducing travel costs. In its 2009 annual report, the company had noted total travel expenses of 61 million DKK (Krone). It also stated its intention to

drive down these expenses while promoting smarter working practices.

Steen Andersen of Nilfisk-Advance explains the group stance: "Telephony wasn't our core competence, so we didn't want to make large scale infrastructure investments. We needed the right partner to design, manage and roll-out a new system in each country and then centralise things for us. We are a traditional industrial company – we operate on low margins."

Tailored solution

Siemens Enterprise Communications is meeting Nilfisk-Advance's needs through a managed service agreement for a fully centralised UC solution based on:

- OpenScope Voice for 2500 users
- OpenScope Unified Communications for 1500 seats
- OpenScope Mobile User 1500 users
- OpenScope Contact Centre at several locations including Denmark, USA, China, Germany, and UK

The agreement has three elements:

- An operating expenditure-based, phased transformation, including planned transformation that harnesses Siemens Enterprise Communications' global integration expertise
- Centralised governance around a consolidated service level agreement (SLA) and single point of contact
- Multi-vendor consolidation

Through the agreement, Nilfisk-Advance is able to concentrate on business priorities while Siemens Enterprise Communications' teams manage the transformation of Nilfisk-Advance's legacy networks to IP-based 'Open Communications'. Their experts assume responsibility for integrating Nilfisk-Advance's existing multi-vendor, multi-technology environments, including mixed (TDM and IP) technology infrastructures. Siemens Enterprise Communications can bring in expert partners to support financing of assets, ensuring that Nilfisk can control 'how much' moves from Capex to Opex – while aligning the programme to group accounting models.

Siemens Enterprise Communications is drawing on its track record in multi-vendor services – it has 2,000 certifications on other vendor equipment – to provide Nilfisk-Advance with a single SLA. This imposes centralised project governance including the management of Nilfisk-Advance's multi-vendor



environments world-wide. The single agreement also means that all remote centres within Siemens Enterprise Communications' global infrastructure operate to ITIL-based processes, ensuring consistent service levels, descriptions, enhanced escalations and faster resolution times.

Programme elements include gateways, PC soft phones with software integration and desk phones, contact centres, reception offices, mobile clients and project implementation and testing. Siemens Enterprise Communications also implemented HD video for the main centres outside of the core managed service agreement.

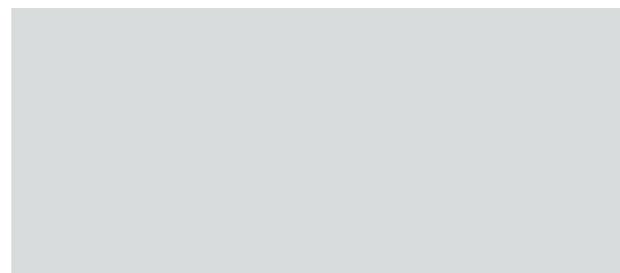
Phased programme

Siemens Enterprise Communications is delivering the solution in a phased programme which is scheduled for completion by Autumn 2011. Phase one – due to finish at the end of 2010 – has already covered the key Nilfisk-Advance manufacturing facilities – Denmark, USA, China, Italy and Hungary. Phase two in 2011 will bring 19 more sites into the new communications platform.

Central governance with local excellence

Nilfisk-Advance's new global telephony service is a corporate level solution - smarter working for reduced travel. To maintain the necessary controls, Nilfisk-Advance's corporate team based at the group's Brøndby headquarters, generates each local business case and specifications. The IT team then works with Siemens Enterprise Communications to match these needs to the local telephony systems and manage implementation.

Nilfisk-Advance ICT realises the management's vision through a project plan with seven strands. These include workforce training and on boarding for Nilfisk-Advance's country staff – a commitment often under-realised in communications programmes.



Programme elements:

- Communications plan – how Nilfisk-Advance teams will implement and use UC
- Network QoS (quality of service)
- WAN upgrade
- Training and education
- Site audit and preparation
- Technical plan: Siemens Enterprise Communications project
- Daily operations and procedures governing all work

Through regular reviews with Nilfisk-Advance's project teams, Siemens Enterprise Communications has been able to control and benchmark a complex, multi-location integration programme.

Implementation challenges

Any global telecommunications project poses challenges. Asset discovery is complex and there are always variations in information supplied by carriers. A recurring difficulty was the differences between national network standards. Siemens Enterprise Communications has skilfully evaluated each location's hardware and software assets. They also carefully assessed local networks to determine necessary equipment. Steen Andersen of Nilfisk-Advance comments: "Siemens Enterprise Communications provided all the seats, but they also took great trouble to assess local carriers' information. We had better information for each roll-out because of their involvement."

Managing the relationship

To set the operational parameters for managing the companies' partnership, Steen Andersen's IT team kicked off the programme by visiting Siemens Enterprise Communications' support centre in Sofia to present Nilfisk-Advance's objectives. Siemens Enterprise Communications has continued to invest resources in ensuring collaboration between its support and development centres.

Ongoing work is directed by Nilfisk-Advance through bi-monthly meetings of its project management board, and regular face to face meetings with the project manager and Siemens Enterprise Communications' service delivery team led by Heinz-Peter Machata. All these sessions are backed by weekly conference calls. Project management and escalation procedures have been refined over time. Steen Andersen says: "The implementation has generally gone well. It has been a smooth roll-out. The fact that the telephones do the job is the key to everything."

The benefits

Siemens Enterprise Communications' delivery of UC as a managed service to Nilfisk-Advance has resulted in cost and increasingly, collaboration benefits.

The new platform runs on a mixture of VPN lines and MPLS (Multiprotocol Label Switching) – the MPLS mainly provided for regional lines and for sites with high definition video conferencing. The complex technical challenges have led the integration team to develop a fixed concept for WAN and LAN upgrades as each new country is brought into the service.

Nilfisk-Advance country teams are enjoying 'one number' voice capabilities as well as integrated messaging and chat facilities. The group is also benefiting from cheaper voice calls and more reliable data communications between the Americas, Asia and Europe. These advances are making a daily contribution to the group target of a 12 per cent reduction in travel costs for 2009-2011, set by Nilfisk-Advance's CEO, Jørgen Jensen in the group's 2009 annual report.

Global operations are benefitting from smarter working too. Nilfisk-Advance now has 12 specially equipped video conferencing rooms at offices in several countries, including Denmark, USA, China, Italy and Hungary, which is reducing the need for senior executives and project teams to travel.

However, it is the new communications' boost to global team-working that has most impressed Steen Andersen: "The new centres have improved team collaboration, especially with the addition of the HD video at our main world-wide locations. We were surprised as the original main objective was to cut travel costs, but inter-region collaboration improved markedly. Our senior management has found that common projects now run much faster."

The future

The UC programme is progressing through Nilfisk-Advance's central control and Siemens Enterprise Communications' project management. Nilfisk-Advance is able to deal with one expert supplier and SLA so it has much more effective governance than having to deal with multi-technology, multi-vendor as well as TDM and IP environments.

Siemens Enterprise Communications and Nilfisk-Advance have invested effort and resources to build momentum for the UC

programme. Regular staff skills training and onboarding sessions, are guided by the implementation's communications strand. In addition, Nilfisk-Advance has brought out its own "How to use" internal guide for staff and invested in e-learning modules.

Steen Andersen explains: "We've found that different age groups in the workforce have different expectations. For Generation Y staff, the telephone is just another piece of unified communications software. However, we have to educate older users on system capabilities, such as encouraging them to use the web meeting or chat functions. The options are impressive."



"The real change comes when users understand what's really possible with unified communications. Different age groups in the workforce have different expectations."

Steen Andersen,
IT director,
Nilfisk-Advance



About Siemens Enterprise Communications

Siemens Enterprise Communications is a premier provider of end-to-end enterprise communications solutions that use open, standards-based architectures to unify communications and business applications for a seamless collaboration experience. This award-winning "Open Communications" approach enables organizations to improve productivity and reduce costs through easy-to-deploy solutions that work within existing IT environments, delivering operational efficiencies. It is the foundation for the company's OpenPath commitment that enables customers to mitigate risk and cost-effectively adopt unified communications. This promise is underwritten through our OpenScale service portfolio, which includes international, managed and outsource capability. Siemens Enterprise Communications is owned by a joint venture of The Gores Group and Siemens AG. The joint venture also encompasses Enterasys Networks, which provides network infrastructure and security systems, delivering a perfect basis for joint communications solutions.

For more information about Siemens Enterprise Communications or Enterasys, please visit www.siemens-enterprise.com or www.enterasys.com

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