

## Rescuing failed ERP implementation for PE backed recruitment group

### THE CLIENT

PE backed, listed, market-leading Nordic staffing and recruitment Group, t/o £0.5bn, 10,000 Staff.

### THE CHALLENGE

This listed Professional Services Group with a turnover had invested in an ERP system five years earlier. The system had gone live the same year causing significant operational and financial (cash flow / invoicing) problems. The Board of Directors had weekly crisis meetings with CEO and the Board were facing a potential write off on par with the annual Group profit.

A main issue was that the system was developed for Anglo-Saxon markets and implemented in the Nordics with a completely different business model – e.g. 200 different variations of labour union agreements requiring specific system configurations or re-development. The system was purpose built as an enterprise suite assuming common processes across, whilst the client ran 3 different types of businesses in 4 markets with 15 different subsidiaries.

### THE SOLUTION

Appointed to manage and if possible turn around the £50m project for the group wide ERP implementation, to oversee all IT leadership functions and to define, anchor and execute a long-term IT strategy and digital roadmap enhancing external and internal customer efficiencies. After an initial assessment, a portfolio of initiatives and activities were initiated:

- Identified the main reasons for ERP system problems and negotiated new potential solutions.
- Improved key processes in IT (system owner management, change and configuration control and vendor management re. outsourced IT infrastructure)
- Established a communication function to support overall understanding and buy-in of roadmap.
- Introduced programme governance and control.
- Established rapport and trust with individual Board members and across the business.
- Board formed an IT committee (consisting of including Chairman, PE house, CEO and CIO) managing the programme in preparations for Board meetings
- Proposed and gained approval from the Board to define and implement a new IT strategy and future IT organisation and doubling the IT spend coming 3-5 years
- Gained Board approval for the mandate to re-negotiate the contract with the system vendors
- Re-negotiated the contract and could acquire the system source code

### RESULTS

- Avoided a £20m write off by negotiating to buy the rights for the source code and re-developing the ERP system securing full strategic flexibility going forward
- Enhanced the Group digital platform to enable faster and more accurate invoicing by implementing a responsive web and app solution based on an open architecture
- Saved £500k with outsourced IT Operations Vendor on the provision of Hosting and NW services
- Reduced operational risk by carrying out a full audit of the IT performance, implementing new processes to secure a stable delivery and ensuring that SLAs were being adhered to

### TESTIMONIAL

Managing Director

*Bjorn Ovar is a very talented IT Executive, truly focused on quality and performance and with a sharp mind for IT. He has a strategic, analytical and structured approach to vendor management. He is highly professional and respectful in his communication, with a strong leadership, but always open to others' opinions. An engagement with him will result in overall control and significant improvements. I can recommend him strongly. Managing Director, Nordic Consultancy*