

Tesmec's template for a connected company

A global Dynamics 365
transformation journey





Call for change

Constructing unity from growth

When you join a new team, it can take time to adjust to unique communication and project processes. The same thing often happens after acquisitions—on a larger, business-to-business scale. Without a way to quickly harmonize processes, organizations with a portfolio of acquisitions run the risk of losing synergy and harboring unusable data. That’s why Tesmec, a worldwide manufacturing leader in the mining diagnostics industry and a technology solutions provider for stringing and railway equipment, knew standardization was critical for sustaining its acquisition growth.

Though headquartered in Milan, Tesmec’s core mission is to use its solutions and innovation to fill infrastructural gaps in every country—driving growth and modernization worldwide. True to this strategy, Tesmec has undergone an impressive global expansion with consistent growth. The company has production plants in Italy, the US and France, and more distant outposts in places like Australia, Qatar and Côte d'Ivoire.

This dispersed, global portfolio is central to Tesmec’s growth goals, but the multitude of processes unique to each company posed a significant standardization challenge. Tesmec’s legacy, on-premises application landscape could no longer support its growing footprint and output. For example, preparing global reports and collecting data across the organization was a complex and time-consuming endeavor.

Tesmec needed a standardization solution that would uphold its high security and compliance standards, streamline applications across countries and languages with a common business process model and easily scale across the organization as it grows.

But overhauling the technology that manages day-to-day business activities is a mammoth undertaking—enterprise resource planning (ERP) software affects most employees and functions, from HR to procurement. A project of this magnitude would require significant time, focus and a strategic view on how to use data.

When tech meets human ingenuity

A core template for global synergy

Together with a joint team of Accenture, Avanade and Microsoft, Tesmec initiated the largest Dynamics 365 (Microsoft's intelligent ERP platform) project for a manufacturer in Italy to date. The project kicked off at Accenture's Modena Industry X Innovation Center. The center challenges companies to go beyond traditional thinking and solutions to reimagine manufacturing.

At the center, Tesmec had a hands-on environment to test innovation and project possibilities. The company ran through real-life scenarios and studied examples of what other leaders in the space have done on their own transformation journeys.

Following this exploration, the team entered the blueprint phase, where they presented processes and defined the transformation approach and targets. They blueprinted a Dynamics 365 ERP transformation with the following capabilities:

- Standardized processes across countries and business units
- Centralized procurement so vendors are country-agnostic
- An easily replicable core global template to streamline and scale acquisitions
- Built-in Microsoft security and compliance with user-level permissions
- Web browser accessibility for all users



When tech meets human ingenuity

After three months of blueprinting, the team began implementation, starting at the main parent company. This business had the most comprehensive process structure, meaning that everything it does is also done by other companies within the Tesmec group, from marketing and operations to manufacturing. Therefore, testing would cover all possibilities of how people across the company would use the ERP enabling the team to construct a global template that would, ideally, make a full rollout easier.

The team worked side-by-side with key users and process owners to design the end-to-end flows within Dynamics 365, support data migration and user training, monitor system adoption and fine-tune processes. Accenture also configured the system—creating the companies, modules and processes within the ERP.

During this first implementation, the team focused on testing and fitting the solution to any gaps. The goal was to ensure the template would require minimal personalization once rolled out, rather than have unique modules or processes for each business unit or country.

Once the solution was stable at the parent company, the full organizational rollout began. Ongoing monitoring and analysis ensured that the global template was fitting local processes. If the team identified any gaps, they took time to decide if the gap was something unique to the locality or a good upgrade for the global template. Because this project started at the onset of the COVID-19 pandemic, work on this phase was completed remotely with Microsoft Teams chat channels used to facilitate feedback from users.



Carving out a coefficient future

The new ERP system completely streamlines Tesmec's operations—from inventory to customer management and communications.

The system is already adding value, harmonizing processes to enable the following:

- More efficient, reduced sales cycles
- Enhanced customer service experiences
- Greater data transparency and security
- Maximum integration with legacy systems
- Increased supply chain productivity

With the new system, Tesmec can more efficiently share information globally across seven companies in Italy, the US and France. Now, regardless of location, over 500 users have access to reports and production details from across these geographies.

Providing its people with standardized and seamless processes allows Tesmec to take a major step towards its goals. While operating as one, unified group, the company can move forward with this technological foundation to grow wherever the market takes it.

“Tesmec strongly believes in continuous innovation, and the new ERP implementation, in line with Industry 4.0 developments, represented a big and challenging renewal project which led all company activities to significant digital improvements. Throughout the entire program, the Accenture and Avanade joint team supported Tesmec not only as a system integration provider but acted mainly as strategic partners in identifying new solutions to increase value for business.”

AMBROGIO CACCIA DOMINIONI
Chairman at TESMEC

