

challenge

Efficiency through business segment-oriented reorganisation, process-harmonisation and inventory optimisation

Definition of clear responsibilities, reduction of organizational complexity and reduction of inventory levels were achieved by reorganization of materials and warehouse management in line with newly defined business segments

- **Unclear roles and responsibilities:** Processes and responsibilities in materials management were insufficiently defined between the business units
- **Inventory build-up:** Continuous inventory build-up, resulting in high storage costs and capital commitment
- **Lack of harmonisation:** The inventory management strategies were not aligned with the planned phase-out phases of the affected plants, which led to a risk of high devaluations

approach

Business segment-oriented organisation:

- Introduction of a business field-orientated materials management system with clear responsibilities for efficient control and reduction of interfaces, as well as sharpening the roles of internal and external service providers for clear responsibilities

Inventory optimisation:

- Setting targets for reducing inventories and defining measures
- Harmonisation of inventory management with phase-out planning in order to minimise devaluation risks

Digitalisation and process optimisation:

- Digitalisation of processes and KPI measurement for better control and monitoring of material flows, including automation and central monitoring

result

- **Clear responsibilities and faster decision-making processes:** Introduction of the business area-oriented organisation has led to a reduction in complexity and a clear assignment of responsibilities
- **Reduction of inventory levels:** inventory optimisation measures have led to a reduction in inventories - tracking for further measures started
- **Increased efficiency through process harmonisation:** the business field-oriented organisation has reduced complexity and clearly assigned responsibilities