Belron is one of the largest vehicle glass repair and replacement companies in the world. The company operates across 34 countries and 5 continents and employs more than 26,000 employees worldwide. Nick Burton, CIO of Belron, shares his view about the way his organization is successfully implementing and managing ERP solutions in environments where digitalization and cloud are becoming more and more important.

How to successfully manage ERP implementations in international organizations
Interview with Nick Burton

Interview: Mark Scheurwater, Armand Pennenburg and Arjan van Brummelen

Nick Burton has been working for Belron for 15 years. In his current role as CIO, he has been responsible for the global IT Function for almost 4 years. During that time he has been helping the Belron divisions in several countries with developing and executing their local IT strategies, making sure IT has the right capabilities for the future, and driving the digitalization of Belron that is critical in terms of the way they deliver IT.

Within Belron you are applying a dual ERP strategy with on the one hand Oracle and on the other hand Microsoft. Is that something which has grown or is it a deliberate choice?

As Belron is a federated organization, we took the decision 3.5 years ago to stop trying to centralize our IT systems. Instead, we have given full responsibility to each country for them to put in place the technology they need to support their business strategy. Because the business divisions within countries vary significantly in number and size and are facing different types of market dynamics, we came to the conclusion that Oracle was the best fit for

our largest countries.

For the other countries, in particular for our mid-size countries, we have found that the Microsoft AX and Dynamics CRM toolsets were a better fit for their size of business. This combination would produce less overhead from a process point of view and greater flexibility, since these are businesses that are still growing quite significantly in their markets.

What sort of implementation model do you apply in the various countries and does it differ between the various countries?

Within Belron, I tend to use the Pace layering model from Gartner to help countries think through where their different systems fit (is it a system of record, a system of differentiation or a system of innovation) and then use that to help think through what type of approach they need to be using for managing and evolving those applications.

This basic approach is very consistent across the countries. ERP

is our core business system and therefore crucial for supporting the core finance, supply chain and people-related processes very well. Ideally, we want to have a standardized core package combined with middleware to interface and expose ERP functionality and information. Our real focus is on getting as much flexibility as we can in the customer-facing parts within our processes; those will typically be more bespoke systems or hubs that make it easy for us to manage interaction with third parties without causing an impact on this core ERP system.

How do you support the countries with setting up strong project governance and making sure the right level of expertise is available?

We provide support on various levels. Firstly, we want to absolutely ensure that the local business has the ultimate ownership of the project. This is also a key prerequisite for successful change management within the project. To secure this ownership, we will not only

play an active role in the steering committee, but where possible, we will also provide support from a content point of view. Secondly, within my team, I have what Gartner calls "versatilists"; people who can support the project with their strong understanding of systems architecture together with process and business expertise. Alongside all of this, we also have the IT controls program, which is part of the Group Risk and Assurance (GRA) program. This program covers key risk topics including internal financial controls, IT controls, trust capital, quality and safety. Last but not least, in the early stages of the project, we organize 'lessons learned' sessions, based on our experience in other countries. For example, for our ongoing Oracle R12 program in Germany, we brought together some of the key project teams from the UK and French R12 implementation projects to walk through their approach and their lessons learned, so that Germany could benefit from their experiences.

What type of role do your ERP supplier and implementation partners play within the project governance of the ERP programs?

We are applying a pragmatic approach with respect to the involvement of our partners: "Who are the people who are really going to be able to bring something (extra) to help ensure the success of the project?" Clearly, the implementation partners we are working with should absolutely be part of the steering committee as 'senior suppliers'. When it concerns the application vendor, it depends on what they will bring. If it is a technology that we are already familiar with, we generally do not see the need for a prominent role. However, when we bring in new technology, the

application vendor will certainly have a prominent role in our project governance.

Transition to cloud services is one of your key objectives in the coming years. What will be the impact on the project governance within your ERP projects?

There will surely be an impact as the cloud is an area which is evolving very rapidly. A lot of our focus until now is on the cloud as a better solution for managing our infrastructure. Cloud services have great benefits, but the real value comes from using it as a platform. All of the different cloud services that you pull together and then orchestrate to support your work for your business processes – that is where you are able to really empower your developers to build solutions that are very flexible and where your time to market can be reduced.

At present, the cloud is really moving from something that the infrastructure teams have to worry about to something that will impact, in a positive manner, the people who are developing applications. As it is impossible to keep up that speed of innovation by yourself, you definitely need to partner. The partners can bring in that added value, and then they will certainly have a dominant role in our project governance.

What is your view on the cloud strategy of your main ERP suppliers Oracle and Microsoft?

I think Oracle's cloud strategy is becoming clear, Fusion is one part of it, but they have also announced their new IaaS offering and so are beginning to compete with AWS.

As a general direction over time, we will move towards cloud platforms for our core ERP. From what I see today, the breadth of functionally in the cloud platform solutions is

insufficient for the types of process that we need to execute, because we often need to customize, but we are convinced that over time the functional offering will be more mature.

Taking a look at Microsoft, they seem to do better in this space, although they still do not have a full AX cloud platform product; however, they do in the CRM space and it is quite a well-evolved product, which receives a lot of focus. Probably today, it also makes more sense to move directly to CRM as a platform, getting the flexibility that we need, able to change functionality without a need to worry about the supporting infrastructure.

Last but not least, what from your point of view and experience are the top three critical success factors of an ERP project?

Firstly, be really clear about your scope! Up front we need to be absolutely clear what the project is going to deliver, because when there is any uncertainty, ambiguity or if people think differently, it becomes very complicated to manage.

Secondly, take care of the details, particularly around data migration processes and cut-over (as most of the project focus will be on the functionality, evidently).

Thirdly, make sure your resourcing is very clear, that you have the right people dedicated to the project. It is often hard because the people you want as an expert or key user often have a demanding day job as well; but be bold about roles and make absolutely sure you have the best people.