How NORMA Group Uncovered Significant Rationalization Potential in its Global Application Portfolio

LeanIX

Industry: Manufacturing

Headquarters: Maintal, Germany

Revenues: €895 M.

Results

- Identified significant savings in IT
- Defined global standard applications
- Developed common global IT management language
- Enabled trackable roadmap for application harmonization
- Created consistent, high-quality global IT application inventory

The Challenge

NORMA Group is a recognized leader in engineered joining technology solutions, with more than 60 years of manufacturing and product development experience. NORMA Group employs around 7,400 employees which support its global network of 29 manufacturing facilities and numerous sales and distribution sites across Europe, the Americas, and Asia-Pacific.

Over the years, NORMA Group has acquired more than 13 companies, with no standard IT integration plan for an IT landscape. Applications became unaligned and redundant. In 2014, the management board of NORMA Group decided to harmonize business and technology on a global scale, to prepare for further growth.

The Solution

Application rationalization was the key ingredient to implement this strategy. LeanIX was selected as the single source of truth to gain clear visibility and control of NORMA Group's IT landscape.

Information Stocktake
Previously, NORMA Group loosely monitored their complex application landscape with spreadsheets, which simply fell short of supervising the full spectrum of their extensive IT landscape. A small, central team quickly loaded existing Excel sheets into LeanIX's platform.

Within a few days, NORMA Group's management could see the first 350 applications currently in use around the globe. The resulting LeanIX Application Matrix Report displayed applications that supported specific business capabilities by its users (e.g. regions and legal entities). The Application Matrix Report provided the basis to begin discussing an integrated target application landscape.

In contrast to the big tools that require a large team of architects to invest half a year before you see any results, our small team could start in a few days with LeanIX. It's super intuitive, super easy to push in data and to slice and dice it.

Maik Schulz, Director Application Management

Definition of global standards

Once the initial transparency was established, the EA team agreed on standard applications for certain business capabilities (e.g. HR operations) with the respective global process owners. NORMA Group subsequently tagged applications with the labels: Tolerate, Obsolete, Outdated, and Target on their LeanIX Application Fact Sheets. Based on this information, the EA team can generate Live Reports, detailing information about which applications are widely used, which applications are unnecessary duplicates, and which applications will be selected as the global standard application for a specific capability.

The resulting target Application Landscape report has become such a well-understood baseline that decorates headquarter offices as a large printout.

Implementation

Six months after the initial stocktake, assessment, and target landscape process was completed, NORMA Group had the tools and information required to formulate a clear roadmap to decommission non-standard applications and began rolling out the target solutions on a global scale. LeanIX supports the tracking of progress toward the target landscape with roadmaps, lifecycle views, and project Fact Sheets.

The Success

At the time of this writing, the implementation of the application portfolio harmonization is still in full progress. However, the business case calculated that moving to a standardized global portfolio has uncovered a saving potential of millions of euros. One of the big levers to drive the savings is expected to come from reduced level one and level two support by consolidating ERP solutions. NORMA Group credits their quick results to the ease of implementation and use of LeanIX.

LeanIX

www.leanix.net