IBM Institute for Business Value Case Study





## AkzoNobel

Balancing IT efficiency with commercial agility

AkzoNobel is the world's largest paints and coatings company, and a major producer of specialty chemicals, with a presence in over 80 countries.<sup>1</sup> But it's got even bigger plans. It wants to boost its revenues from  $\in$ 14.6 billion to  $\in$ 20 billion (US\$20.4 billion to US\$28 billion) in the next few years.<sup>2</sup> The IT team has a key part to play in fulfilling that goal.

When Pieter Schoehuijs took over as CIO in 2009, he was tasked with strengthening the management and governance of IT, and aligning AkzoNobel's IT with its business drivers. The question was how to optimize the use of IT resources without compromising the flexibility of the business units. The paints, specialty chemicals and coatings business areas operate autonomously, which makes them very agile but precludes a completely shared infrastructure.

The IT department has focused on consolidating where possible to do so without restricting the business units. It created a shared telecommunications environment, data centers and business applications, supported by an electronic data interchange hub, intranet platform and corporate procurement system. It is also establishing shared standards and support desks, and integrating the back-office functions within the business units.

The number of ERP systems AkzoNobel uses has already been cut by over 30 percent. The paint businesses have shared management information systems, making it much easier to compare costs and revenues. And internal customer satisfaction has soared. But the IT department is not stopping there. It is, for example, implementing a tool to get real-time financial information via mobile devices, developing a set of best purchasing practices and actively making suggestions to the business units about how to use standard solutions and processes to save time and money.





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Notes and Sources

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