

Ruukki specializes in steel and steel construction and they provide customers with energy efficient steel solutions for better living, working and moving. The company has around 9,000 employees and an extensive distribution and dealer network across some 30 countries, including the Nordic countries, Russia and elsewhere in Europe and the emerging markets, such as India, China and South America.

From opportunity to delivery, end-to-end process transparency for Ruukki

CUSTOMER CASE



Process mining provided Ruukki an x-ray vision to an end-to-end process from opportunity to delivery by combining data from two separate systems. The made discoveries, based on the process transparency, enabled the company to make the right decisions for optimizing process performance.



Processes are usually looked at and scrutinized one by one. But how about combining two processes to get an end-to-end view to really understand how things are running? This is the stance that Ruukki took when wanting to see the big picture, starting from opportunity and ending at delivery.

The process development team at Ruukki has extensive experience of modeling processes the traditional way. They spend time and put considerable efforts in conducting interviews and doing manual work for scoping the processes that drive the manufacturing, sales and delivery of construction material.



Manual process mapping at Ruukki

Proven concept

However, human interpretation usually gives its own flavor to such work. Therefore, Ruukki wanted to verify if the interview results were correct, if they matched with reality and with defined guidelines. Overall, the team looked to get fact-based answers.

Drawing from previous experience with QPR in getting a fact based view of their down payment process in Poland, Ruukki wanted to get to the same level of information for the opportunity-to-delivery process with the process mining method by using QPR ProcessAnalyzer. The software product provides the exact 'as-is' process flowchart from existing data for analysis and development of business processes.

The challenge – task for QPR

With the opportunity process logged in CRM-system (Salesforce) and delivery process in ERP-system (SAP), this

“With the process facts in front of you, there is no denying where you need to put your focus and efforts when developing a process. This is exactly what QPR Process Analyzer delivered.”

Director, IT and Business Process Development
Kristian Witting
Ruukki Construction

meant for QPR the combining of the relevant data from the two systems in order to visualize the end-to-end process.

As it is not a given that data in two separate systems, supporting separate processes, have a common nominator, QPR worked closely with Ruukki to validate the data and did find the needed link.

A siloed view at separate systems was not the objective but a complete 'as-is' process, enabling the discovery of the root causes for the possible issues and bottlenecks and to verify that the tasks and process steps are carried out as planned.

Analysis as a Service

As the analysis was done as a three week service project, the work was done in close cooperation with the customer's system and process owners to verify the relevant data for the process discovery. Data verification was at the forefront since needing to combine CRM and ERP information.

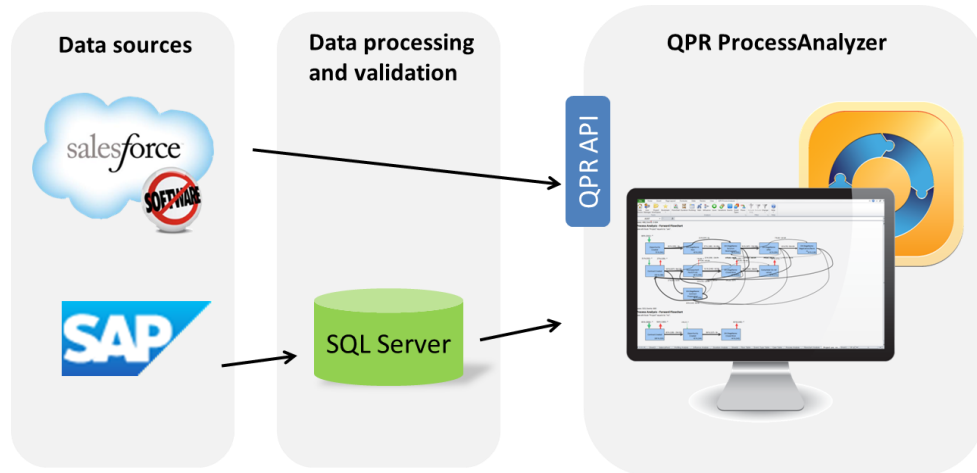
Following a structured project plan, Ruukki was able to see, step by step, how the results were unraveling and see the real status of the process.

In addition, the usage of the systems and how data is recorded was also uncovered. QPR consultants delivered process insight and analysis which gave Ruukki a starting point for process improvement initiatives.

Revealing process insight

What process mining, with QPR ProcessAnalyzer, showed was a surprise. The Process Owners were shown that the discovered process did not correspond to how Ruukki thought the Opportunity to Delivery process was running. Reality did not match the planned scenario.

The System Owners, on the other hand, received valuable information on how the systems were used in the



Visualization of end-to-end process from opportunity to delivery

process and if guidelines were followed.

Unwanted practices usually lead to a distorted image of how processes are running. As a consequence, the analysis showed that the usage of Salesforce did not follow the agreed process as cases were logged to the database randomly.

The results highlighted the importance of finding out how the process really works, the 'as-is' status and the need to focus on the quality of information that is logged in business support systems.

Actions for future

The insight gave a new angle and level of information for process development activities. It prompted Ruukki to start working on actions to enforce the guidelines for processes running within Opportunity to Delivery that will ensure the smooth running of the business in the long run.

With the positive results, Ruukki is looking to use the 'as-is' analysis as a base for all process development and unification of process practices

Benefits

Based on the findings from process mining, Ruukki was able to realize benefits serving the needs of both system management and business.

For System Owners:

Transparency to system usage and enabling more focused guideline enforcement and modifications.

For Business:

- Support for prioritisation of process improvement activities
- Highlighting the importance of transparent process management over functional siloes

More about Ruukki: www.ruukki.com



By improving the Order to Cash process, also the value of raw material stock was reduced