



DSM Sharing The Load

Case Study Chemicals

Creating a Shared Services & Competence Centre for 13 autonomous plants

Company Name: DSM

Location: The Netherlands

Sector: Chemicals

Function: Finance, Purchasing, HR, IT, Production

Business Challenges: Secure competitive advantage in a crowded, commoditised market by achieving operational excellence and allowing everyone to focus on their core activity.

Consulting Services: Strategic Operations, Performance Improvement, Change Management

Capabilities: Business Turnaround, Organisational Effectiveness, Asset Management, Energy Management

Client Quote:
"The good thing about Celerant is they usually make a lot of things (sometimes painfully) visible and measurable, but they subsequently REALLY enable you to achieve the goals set out at the start of a programme". Rob Reinartz, DSM Plant Manager

Situation

DSM develops and produces nutritional and pharma ingredients, performance materials and industrial chemicals. Managing a global portfolio of 175 brands requires company-wide cost effectiveness, so achieving Operational Excellence at its flagship Geleen site, housing 13 autonomous plants, was vital to its Vision 2010. An outside perspective was critical in turning the theory of improvement into a sustained benefit, so DSM brought in Celerant Consulting, its longstanding preferred partner, to help it create the DSM Manufacturing Centre (DMC).

Approach & Delivery

DSM and Celerant Consulting identified that Operations Support, Maintenance, Purchasing, Finance, Accounting, Business Information and HSE at the Geleen site could be centralised in a Shared Services & Competence Centre (DMC). DSM had already developed considerable IP around optimising operations, so the main issue was connecting these MANUFEX standardised processes to everyday reality so that the theoretical improvements would actually happen.

To demonstrate that the blueprint would deliver operational improvements, Celerant Consulting carried out an in-depth analysis. This first phase was also important for mobilising key workers. DSM-Celerant Plant Implementation Teams then dismantled the existing

arrangements and created a single DMC, with 450 newly recruited DSM staff trained for new roles in the Centre implementing the new interfaces.

Remaining fully operational throughout the transition was crucial, so channels that ensured the full alignment of each plant and its interfaces with the Shared Services Centre were installed and monitored.

Results

Geleen's cost base has been reduced by 30%, with output increased by on average 12% with no additional hardware investment.

IT systems have been reduced from around 400 separate systems and applications to fewer than 100.

There were zero safety incidents or accidents during implementation of DMC and ISO-9002 certification was gained for DMC and all 13 plants during the live change programme.

450 client personnel now successfully staff the DMC without further external consulting support.

Client Satisfaction

"The new organisation has achieved a new level of professionalism. The organisation is governed by business objectives, and demands operational discipline and excellence." Peter Groenen, Programme Director, DSM.