



AN ADVANCED IT GOVERNANCE MODEL ON A EUROPEAN SCALE



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Walter Manfredi, Director of Business Application Support of Whirlpool Europe.

The gigantic Whirlpool corporation was founded in 1911 and is today the largest electrical appliance manufacturer and distributor in the world. The company operates in 17 countries through its own factories and sells its products in over 170 countries, under brand names that include Whirlpool, KitchenAid, Roper, Estate, Bauknecht, Ignis, Polar, Laden, Inglis, Brastemp and Consul. Its European Operations Centre is in Italy and houses the central office of Global Information Systems (G.I.S.) which serves the entire continent. There are 10 operation centres, six of which are in Italy: three in Cassinetta (Varese) and the others in Trento, Siena and Naples, staffed by a total of 6,000 employees.

BUSINESS CHALLENGES

For a number of years now, Whirlpool has been concentrating on its core business, using outsourcing as a strategic option, delegating the maintenance and evolution of its applications entirely to Atos Origin. The goals to be reached were to optimize the use of internal resources and to reduce costs by shifting the emphasis from fixed to variable costs.

Walter Manfredi, Director of Business Application Support of Whirlpool Europe underlines: "In particular, we became aware of the importance of bringing our IT projects into line with the company's real business needs. We wanted a slim organization capable of responding quickly to the demands of different company departments but not too bulky for daily IT administration."

SOLUTIONS

"Our decision to work with Atos Origin has led to the efficient and effective reorganization of our IT processes—continues Walter Manfredi—which has in turn enabled us to set up a service capable of promptly handling both the corrective and evolutionary maintenance of ERP and Legacy systems, sharing service levels with Whirlpool's business. The outsourcing process saw an initial, transitional stage of over a year, during which 60% of Whirlpool resources were involved in an intense activity of sharing and transferring objectives and know-how to our new partner, while the current management of our business continuously involves just two members of our staff (service manager and interface manager). In fact, our case is an excellent example of the implementation of an advanced IT governance model on a European scale."

Twenty-five percent of current IT application expenditure is dedicated to the maintenance and modification of existing systems while the remaining 75% to the development of new ones. This shows our determination to create value both by controlling costs and maintaining our leadership in innovative management models.



In the past the percentages were quite the opposite. "We immediately saw the validity of Atos Origin's approach"—explains Mr. Manfredi. "Our partners were proposing a model that went well beyond the usual, pre-packed solutions, offering us one that was fully in line with our own goals in terms of structure and organization. Atos Origin was therefore chosen due to the great affinity which has seen us and continues to see us work together in all phases of the process, with each new decision discussed, assessed and agreed upon together."

BENEFITS

The collaboration between Whirlpool and Atos Origin began in 1999 and all the objectives set so far have been achieved. Whirlpool has seen a reduction in its overheads of about 40%, increased business unit responsibility in the budgeting of significant evolution projects and the setting up of teams with an average value that ensures faster estimates and lower costs. There has been a marked improvement in the time-to-market, especially as regards greater flexibility and ability to meet changing market needs. The resources chosen by Atos Origin have demonstrated their high technical competence, proving capable

of providing quick and effective solutions. Finally, as regards customer satisfaction, the levels of service agreed with the business according to needs guarantee the sharing of all aspects, including risks.

The whole process is managed by experts in the field who take great care to maintain the standards established. Whirlpool users may now call a centralized help desk that interacts with outsourcers, to solve minor, everyday problems. When a need for more complex changes arises, they can speak directly to the Business Process Advisors, in-house consultants capable of making detailed diagnoses having listened to the user's needs and estimated the budget necessary to undertaking a new project.

Atos Origin experts then give their support in developing and implementing the project. The new process therefore entails full sharing of the decision making process and technological investment with an information flow that moves through the entire organization and starts from a new technology laboratory, where both decisions and applications are evaluated. Today, only one person at Whirlpool interacts directly with Atos Origin. This is in itself indicative of the bond that has been created between the two companies and the complete trust that Whirlpool has in Atos Origin.

"It is as though Atos Origin were a division of Whirlpool" concludes Mr. Manfredi, "keeping the roles always clear, we involve Atos Origin's professionals in our contacts with customers and in the identification of development opportunities and we maintain the governance of quality and the control of costs within the company."

HOW WILL OUR BUSINESS DEVELOPMENT EVOLVE?

Whirlpool continues to adopt a strategy that consists of the globalized coordination of outsourcing activities, decentralizing operations and the implementation of global bundle solutions with regional deployment that represent the different local and markets features.



About Atos Origin

Atos Origin is an international information technology (IT) services company. Its business is turning client vision into results through the application of consulting, systems integration and managed operations. The company's annual revenues are more than EUR 5 billion and it employs 45,000 people in 50 countries. Atos Origin is the Worldwide Information Technology Partner for the Olympic Games and its clients include ABN AMRO, Akzo Nobel, Alstom, BNP Paribas, Ericsson, EDF, Euronext, Fiat, France Telecom, ING, KPN, Philips, Renault, Royal Bank of Scotland, Saudi Aramco, Schlumberger, Shell, Standard Chartered Bank, Telecom Italia, UK Department for Work and Pensions, Unilever, Vivendi Universal and Vodafone. For more information, please visit the company's web site at <http://www.atosorigin.com> Atos Origin is quoted on the Paris Euronext Premier Marché and trades as Atos Origin, Atos Consulting, AtosEuronext and Atos Worldline.