



Synchrone CASE:

Nilfisk

Supply Chain strategi

Crowned as Denmark's best: Nilfisk's award-winning Supply Chain Strategy is created in collaboration with Synchrone

The Danish Supply Chain Award was in June 2019 awarded to Nilfisk in recognition of the company's new supply chain strategy and the great results the company has achieved in a short timeframe.

Nilfisk's new supply chain strategy is derived from the company's corporate strategy, named Nilfisk Next.

A strategy that focusses on simplifying the business while developing new intelligent cleaning solutions that leverage the advantages of IoT, robot technologies and other digital innovations.

An important element of Nilfisk's strategy has been to simplify the supply chain by streamlining and centralizing a range of supply chain functions.

For example, Nilfisk is aiming at consolidating its 20 regional distribution centers into a handful before outsourcing these to a third-party vendor, who has already been named.

Furthermore, several supply chain functions, which today are separated in each country, are being centralized grounded in the philosophy: One Nilfisk.

"Nilfisk has so far grown internationally through local acquisitions and by establishing independent organizations in each country. Now we gather the supply chain functions centrally and create a coherent S&OP process across borders," said Søren Grubbe.

Søren Grubbe is Senior Vice President for Global Supply Chain at Nilfisk and is deeply involved in the big transformation project.



"Thanks to Synchrone's involvement in the strategy process, we were quickly able to establish a good overview and formulate a crystal-clear supply chain strategy. The consequences were a rapid initiation of the transformation; it was easier to get our projects financed; and the key messages of the strategy were easy to communicate and made employees feel safe."

Søren Grubbe, Senior Vice President for Global Supply Chain at Nilfisk.

For the benefit of the customers

Søren Grubbe predicts that the centralization will be a benefit for Nilfisk's customers:

"By gathering logistics centrally, we make it easier to schedule deliveries. At the same time, we will be able to easily differentiate our service level and price based on individual customer demands, knowing precisely what services we may offer and what they should cost," said Søren Grubbe.

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This is why Nilfisk's supply chain strategy was crowned the best

According to Søren Grubbe, the jury emphasized three key reasons when selecting Nilfisk as the winner of 'The Danish Supply Chain Award 2019':

1. Nilfisk's new supply chain strategy supports the new corporate strategy exceptionally well.
2. Based on the new strategy Nilfisk has significantly improved its operations including improved delivery performance, increased productivity and profitability, and has achieved a faster inventory turnover rate.
3. Several strategies are now in place to elevate Nilfisk further. Especially in terms of cost and efficiency, customer orientation and development of Nilfisk's value propositions.



Supply chain strategy developed jointly with Synchronic

Synchronic remained a core sparring partner during the entire development and planning of Nilfisk's new supply chain strategy.

In short, the process has been gathering input, analyze the business situation and identify the most important strategic priorities based on the following two questions:

What should supply chain focus on to support the new 'Nilfisk Next' corporate strategy?

Which battles are must-win-battles?

During the process, Nilfisk has in particular focused on these four strategic themes:

- **Reliability:** We want to be better at keeping our promises, e.g. delivery times.
- **Customer orientation:** We want to become more customer oriented – at lowest possible cost.
- **Holistic:** We want to take ownership of driving the process that helps us create one common plan.
- **Leading:** We want to be leading within industrial cleaning solutions, aftermarket as well as services.

In addition, Synchronic has helped Nilfisk develop and prepare a prioritized two year roadmap to secure successful fulfillment of the new strategy.