

TE CONNECTIVITY LAUNCHES IT TRANSFORMATION TO FOCUS ON THE CUSTOMER EXPERIENCE

Partnering with Capgemini, TE Connectivity shifts to a managed services model to transform its digital infrastructure and improve the customer journey TE

Connectivity is the go-to engineering partner for today's innovation leaders and technology entrepreneurs, helping solve tomorrow's toughest challenges with advanced connectivity and sensor solutions. It has partnered with customers for more than 75 years to produce highly engineered connectivity and sensing products that make a connected world possible.

TE Connectivity solutions power electric vehicles, aircraft, digital factories, and smart homes, and its innovations enable life-saving medical care, sustainable communities, efficient utility networks, and the global communications infrastructure. Its unmatched range of products enables companies to turn ideas into technology that can transform how the world works and lives tomorrow.

Striving for a better experience

The TE Information Solutions (TEIS) team was transforming even before the pandemic hit. The company supports processes in various industries, so the IT team has to be flexible. Its automotive customers are moving towards electric cars, manufacturers are transitioning to more automation and robotics, and almost all are accelerating a transition to the cloud.

"We are transitioning more to the cloud, which is going to help us provide a more scalable infrastructure for our company and customers," says Nagesh Ramesh, Vice President, IT Applications, TE Connectivity. "And we are moving towards a more customer-centric ecommerce experience through our digital channels, and that is actually leading us to think very differently. It is no longer only serving large companies but also hundreds of smaller customers. And that transformation is happening faster than we thought. It means more of an ecommerce footprint with an Amazon-like experience."

Client: TE Connectivity

Region: North America

Sector: Electronics & Hi Tech

Client challenge:

TE Connectivity wanted to launch a digital transformation initiative that would improve the scalability of its infrastructure and improve both the employee and customer experience

Solution:

Partnering with Capgemini, TE Connectivity moved to a managed service model to better incorporate customer feedback, introduce SAP S/4HANA, and adapt to a world in which remote working has become increasingly important

Benefits:

- Enhanced customer and employee experience
- Improved scalability of digital infrastructure
- Greater flexibility to respond to unpredictable disruptions

Four years ago, TEIS chose Capgemini as its managed service partner. The resulting one-team approach brings TEIS and Capgemini employees together seamlessly in a model that is often compared to a pilot and co-pilot. It is a joint responsibility to ensure everyone flies and lands safely.

“A big reason why we chose to work with Capgemini was the talent they brought to the table,” says Ramesh. “We have done this long enough to know that talent makes the difference. The second was the process mindset, so we can be more productive and provide service more cost-effectively. Now we can more clearly see IT’s true cost to serve.”

Focused on the customer

TE Connectivity collects customer feedback in multiple ways. From large OEMs to leading technology companies to smaller manufacturers, TE Connectivity uses Net Promoter Score (NPS) and a dissatisfaction survey. NPS captures the mood of customers and whether they recommend the company to peers, and the dissatisfaction feedback identifies the pain points when working with TE.

“We see an amazing treasure trove of information coming from our dissatisfaction surveys,” says Ramesh. “Most survey respondents say TE resolved an issue, but it took multiple internal touchpoints to get that resolution. We tend to swarm problems to resolve them, but we want to move toward a more sustainable process. A big part of that puzzle is our heavily customized SAP system.”

Rather than having multiple touchpoints to address an issue, the goal was to reduce the internal touchpoints for customers and make the process simple for employees so they can respond faster.

“Before we moved to a managed service model, we were not always operating like a multi-billion-dollar company,” explains Ramesh. “Walking down the hall to talk to IT about solving a problem is not a sustainable model. We needed a process mindset that logged tickets and prioritized them.”

The process mindset also helps TE resolve issues more quickly. For example, root-cause analysis of issues to identify patterns and trends, so the IT team can proactively solve challenges.

“Everything we do – moving to the cloud, reducing the cost of IT, moving from ECC to SAP S/4HANA – is intended to provide our operations with a stable, high-performance platform that allows our employees to serve our customers faster and with fewer touchpoints,” says Ramesh. “By keeping the cost-to-serve manageable, we can reinvest some of the savings back into advancing our strategy.”

Modernizing SAP

TE first implemented SAP ECC in the 1990s. Over time the company found itself with many applications plugged into the SAP core system, which was customized to the extent that the only common element was the blue log-in screen.

“Acquisition and different local systems meant we built a huge ecosystem around SAP, combined with location applications that don’t necessarily fit within our SAP template,” explains Gerald Bahr, Global Application Solutions Operations Manager, TE Connectivity. “Over time, it became more challenging to support and have adequate resources to maintain it.”

“We started to realize that as we scale or go into a new region or explore new business models, our system was too outdated to support our ambitions,” says Ramesh. “This was a system that was built in the ‘90s before everyone had a cellphone, let alone a smartphone. It was creating headwinds, so now is the opportunity to move to SAP S/4HANA and adopt the best practices SAP has developed in collaboration with its customers. It is really the process of transformation, adapting to the best practices, and really driving the KPI metrics mindset within the organization.”

“SAP S/4HANA is very exciting for TE because we can achieve process transformation. It is also a huge opportunity for us to take advantage of the standard capabilities, such as extended warehouse management, transportation management, production planning, and detail scheduling. Right now, we use custom code on SAP warehouse management for our global logistics centers that do both customer fulfillment and supply manufacturing sites. Our goal is to start with the 250-plus S/4HANA best practices and simplify the landscape, so we can provide our operations with a very stable, high-performance system that helps better serve our customers.”



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Responding to the pandemic

When the potential implications of the global pandemic began to emerge, TEIS started exploring options. Working from home was not entirely new to the company. "We had a sizable number of employees who did a lot of their work from home," says Ramesh.

Anticipating a lockdown in local communities, TEIS leadership and managed services partner Capgemini developed a plan to create a functioning work-from-home environment. They proactively moved computers, laptops, monitors, and other equipment to employees' homes to create comfortable, productive workspaces.

"It is amazing, when you work together with a partner like Capgemini who really understands what was happening with the global crisis, how much you can accomplish," says Ramesh. "The transition happened really fast, and the entire team was mobilized in a couple of weeks."

While TE works through the assessment stage for S/4HANA, it completed five remote SAP deployments during the pandemic, performed virtually, including hypercare.

"If you had asked me before the global pandemic if an SAP project could go live without anyone onsite, I would have laughed," says Ramesh. "But the user base and business leadership quickly adapted to this new reality. We delivered on server upgrades, patching, and cybersecurity compliance. The combined efforts of TEIS and Capgemini employees willing to go the extra mile and show compassion for our users really made it work in this remote rollout world."

The TEIS applications team was recognized with an internal CIO award for the five remote SAP go-lives during the pandemic.

Capturing a continuous improvement mindset

The company's Lean program, designed to drive continuous improvement and dubbed TE Operation Advantage, identifies areas not achieving industry benchmarks and reviews how to improve.

"It is part of our cultural DNA to think with continuous improvement in mind," says Bahr. "It is the opportunity to make mistakes but then learn from the experience and find the opportunities to improve. So, this really means thinking about improvement every day. Without that mindset, we are not making progress."

TEIS' continuous improvement journey includes boosting stability and performance and operating a 24/7 platform. It means when support professionals resolve an incident, they should also ask what can be done to find the root cause and avoid the issue in the future. While the benefits may be saving costs and improving operations, it also challenges IT employees to find solutions and avoid repetitive tasks.

"Across industries, the pandemic has done to digital transformation what the CIOs could not," says Ramesh. "The pandemic really fast-tracked digital transformation by maybe five or 10 years. We are much smarter in 2020. Today, we are 100 percent working remotely, including go-lives. Not everyone can be a leader, but it should be clear now that adopting digital transformation is a key part of your business strategy. If you don't, you will only be able to react versus trying to take advantage of what is possible."

TE Connectivity was certainly not untouched by the pandemic, but good planning and the help of good partners meant that its customer-centricity revitalization proceeded as planned. Small remote deployments have now shown that a larger rollout could be done virtually, and customer experience is already benefiting from the drive to continuously improve.

About Capgemini

Capgemini is a global leader in partnering with companies to transform and manage their business by harnessing the power of technology. The Group is guided everyday by its purpose of unleashing human energy through technology for an inclusive and sustainable future. It is a responsible and diverse organization of over 325,000 team members more than 50 countries. With its strong 55-year heritage and deep industry expertise, Capgemini is trusted by its clients to address the entire breadth of their business needs, from strategy and design to operations, fueled by the fast evolving and innovative world of cloud, data, AI, connectivity, software, digital engineering and platforms. The Group reported in 2021 global revenues of €18 bill

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