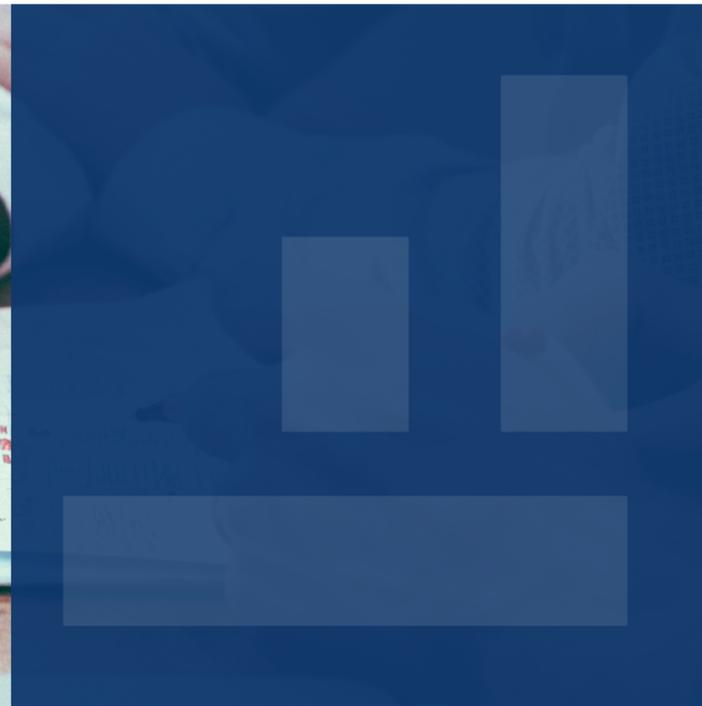
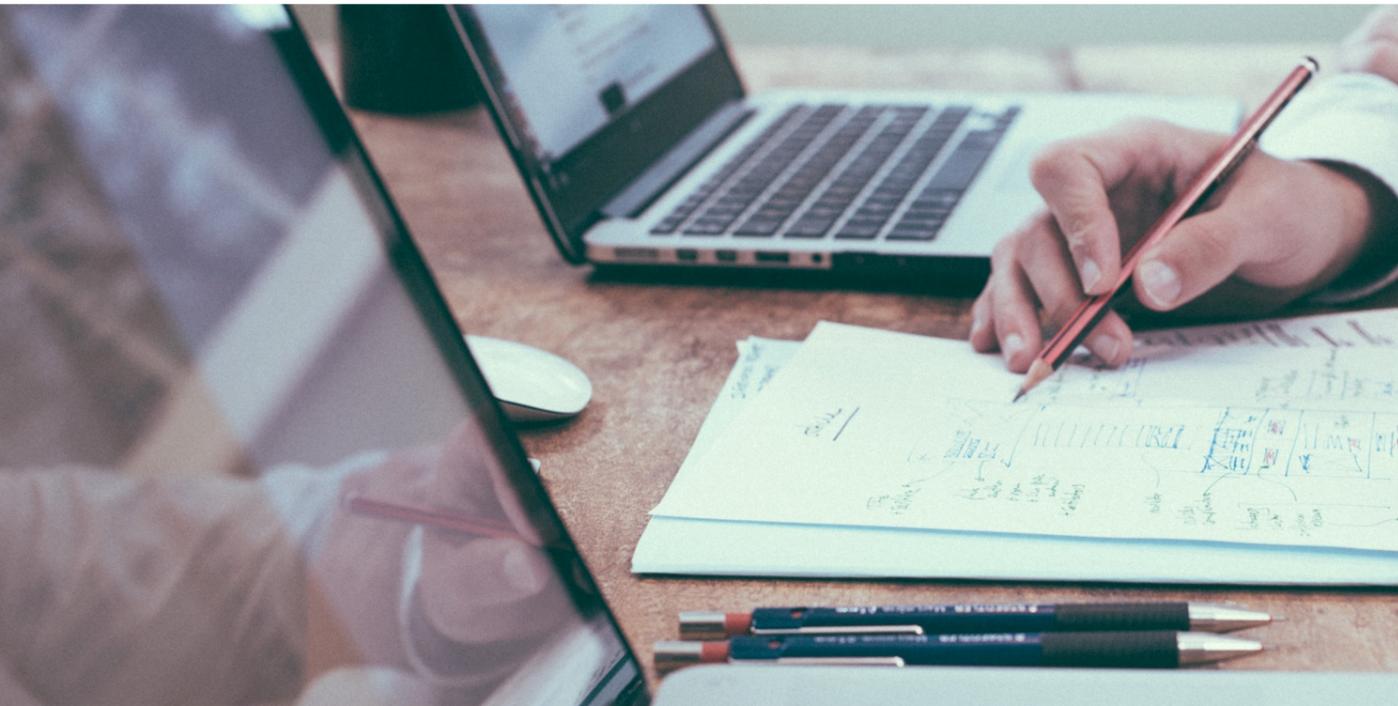




New Operating Model for an Automotive Company



Fortos supported one of the world's leading Automotive manufacturers throughout the journey to develop and implement a new operating model. With the new model in place, the business is geared up to improve profitability.

Customer Challenge

The customer is one of the world's leading manufacturers in the Automotive industry. During the past years, the company has launched several product renewals, worked with brand positioning and instituted a number of cost efficiency measures.

Then a **new strategic direction** was set focused on growing the group's profitability. One important component to support this strategy was the launch of a new operating model. The operating model enables greater customer focus, commercial ownership and entrepreneurial drive in the markets. It also improves the group's ability to capture potential in the parts and service business and provides a more streamlined way of working.

A decision was taken to develop the new operating model and to implement it fully in Europe within a quarter. This was a real challenge given the short time frame and the business complexity. Fortos was asked to support throughout this journey to develop and implement the new model.

Customer Solution

A project with several cross functional work streams was set-up to develop and implement the new operating model. The project organization was established at the group level and also in the brands in Europe to secure both holistic and brand specific solutions. Fortos consultants were part of the project both at headquarters and within the brands, a set-up which proved to be successful.

A project kick-off was organized with the group's CEO, Division heads, Sales Area heads, European markets' Managing Directors and project managers. This was to agree upon the reason for change, the end result, a common understanding of the new operating model and the way forward. This kick-off was key to get everyone on the same page and to secure speed and commitment throughout the project.





During six months the project team worked intensively to detail, develop and implement the different components of the operating model:

- **Governance:** Business principles, Responsibility split and Role descriptions, Governance structure & KPIs
- **Vehicle sales and Parts & Service Sales:** New ways of working and processes within each brand, as well as common ways of working to secure synergies between brands
- **Finance:** Financial model, Accounting flows and Business control
- **HR:** New organizational structures, Recruitment and Union negotiations
- **IT:** Necessary application changes
- **Change management and Communication:** Communication plan, Communication material, Change management & Communication activities with affected organizations

Customer Value

Fortos supported the customer to implement the new operating model on time. With the new model in place, the business is now geared to improve customer focus, enhance commercial ownership and entrepreneurial drive, capture potential in parts and services and work in a streamlined way. All these components lead to an improved profitability for the group.

In addition, **the focused change management & communication activities** helped to build commitment and buy-in throughout the organization for the new operating model. This was crucial to be able to truly realize the wanted profitability effects from the new model.

Customer & Fortos Collaboration

A success factor for the project was the people involved and the combination of the different customer and Fortos competencies. The customer employees have deep functional knowledge within areas of finance, sales, IT, HR and communication, which was crucial for analyzing, designing and detailing the different solutions. Fortos consultants held some key project management roles and could also take an active part in the development of the solutions, as they have deep knowledge about the industry and the specific company. In addition, Fortos consultants have substantial knowledge in operating model methodology and business transformation which helped to make the change happen and the project delivered on time.

Another success factor in the project was that the Fortos team was engaged at all levels in the project and played a key role in securing alignment.

In this project Fortos consultants supported the customer throughout all phases to secure project success: from establishing the project structure and objectives, to developing the different components of the operating model, and finally to implementing the solution and during the go-live. Fortos consultants also helped to monitor the first phase after go-live and close any issues that occurred. This is what Fortos consultants are known for – commitment to make the change happen and delivering true value to the customers.

Want to know more?

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About Fortos

Transformation is our heritage. Fortos has a long history as one of the most valuable advisors to leading multinational organizations in the Automotive industry. We support our customers to achieve successful transformations through our deep understanding of their business, our world-class transformation competence and long term commitment to deliver sustainable client value. Learn more about us at Fortos.se

