

DOKA GROUP

doka

DIGITAL REPORT 2021

Delivering a Successful Procurement Transformation

IN ASSOCIATION WITH

**AMERICAN
EXPRESS**

02

Delivering a Successful Procurement Transformation



Doka's Thomas Zsulits and Mirko Loos discuss their company-wide procurement and material group management transformation

Dating back to 1868, Doka has over 150 years of heritage in the construction industry, providing its customers with reliable, experienced and trustworthy services, “listening intently” to understand the world through the eyes of its customers. Describing the company and the services it provides its customers, Thomas Zsulits Director Global Procurement at Doka says, “Doka is a market leader in many countries when it comes to formwork for public, private or commercial customers. We are also on a good path to becoming market leaders in scaffolding. Our most prestigious projects have been the Burj Khalifa in Dubai or the Kingdom Tower in Saudi Arabia. But also in infrastructure projects Doka is seen as the partner of choice for bridges, tunnels or cooling towers.”





“One of the biggest challenges, I believe, is the change from being in personal contact with our customers, partners, and supply partners to digital ones”

Thomas Zsulits,
Director Global Procurement, Doka

HOW DOKA TRANSFORMED ITS PROCUREMENT OPERATIONS

06 Doka is operating globally. It formed a global organisation three years ago and have just undertaken another step to become a more effective and modern organisation.

Mirko Loos, Head of Material Group Management at Doka, explains that “before Thomas started at Doka three years ago, purchasing departments had only been existent in larger countries or countries with a production operation, like Austria, Slovakia and Germany. Their main focus was on material disposition for production. Global agreements had been existent, but sourcing was mostly done locally or regionally, at max.

“A new procurement structure was introduced in 2018, and it was meant to secure an effective material disposition on the one side, responsible for managing the P2P process and providing support to local stakeholders on day-to-day operational issues. On the other side, a separate team was formed focusing on strategic work which otherwise would remain undone, like developing effective sourcing strategies, or delivering other typical





Doka upbeat construction – boosting productivity on site

CLICK TO WATCH | 1:00

value propositions to the organisation. The operational teams remained in the countries mentioned before. As of 2021, they will become part of support units responsible for operational procurement, invoice control and MDM and covering our regions Middle East/Asia Pacific, Americas and Europe. Our strategic teams have since undergone the largest transformation from a split in local, regional and global teams into category teams as part of our global Material Group Management (MGM) and on the other side Supply Business Partners (SBP). Our SBPs are now

forming the backbone of procurement to meet all imminent needs of our internal stakeholders. They are close to all internal customers and help MGM with their strategy implementations but will also be a source of information for

1868
Year founded

7,000
Number of employees



“Digital will be a challenge for us all in the future. We all need personal contact - especially in tough times [...] We have to think about a new way of cooperating”

Thomas Zsulits,
Director Global Procurement, Doka

other procurement colleagues when it comes to understanding our customer's pains and gains better."

In order to ensure a smooth transition for its procurement transformation, Loos adds that "from the very start, there was the idea to put SAP/MM in place and have a catalogue system to minimise the workload for

our operational procurement. And alongside a proper P2P process, we'd enhance our data with proper spend classifications and that way could improve our spend visibility over time – Crucial for effective strategic work.

"We've now introduced this solution in our headquarters in Austria. It has been a substantial project for us,

EXECUTIVE PROFILE:

Thomas Zsulits



Title: Director Global Procurement

Industry: Construction

Location: Austria

Thomas Zsulits has more than 20 years of experience in different functions along the supply chain process. He gained broad experience in global leading companies like Bosch and Mondi, as well as in mid-range organisations across the globe. Degrees in electronics and later a Bachelor in BA supported his strong implementation and process skills. With his charismatic leadership skills he is used to being successful also in turbulent times and has proven his leadership skills in turnarounds, M&As, restructuring programmes and more.

He lives close to Vienna in Austria with his family. Beside his passion for the job and family, he runs a diving school where he loves to give people an insight into his passion for diving.



Safely en route in payment transactions: in the past with stagecoaches, today digitally



We need somebody who knows how to manage challenging times safely. In more than 170 years of company history, there is a lot of reinvention: from a forwarding company with a stagecoach to a global company, American Express has always demonstrated “financial resilience”. Today, we ensure companies’ liquidity and flexibility with supply chain finance, virtual payments, corporate credit cards and travel agent accounts in over 140 countries—from business travelers through procurement to the finance department

Constant change

Lately, we have all experienced accelerated digitisation and thereby new demands on expense management. Managing corporate expenditures digitally, leanly and cost-consciously matters now more than ever. No matter whether it is about business travel expenses or other corporate costs. Virtual payment solutions, like American Express vPayment, help simplifying complex cash flows and optimising payment flows—while improving the control of expenditures.

Targeted cash flow management

Liquidity means freedom. Companies benefit from an extended payment term of 28 days after invoicing. Depending on the transaction timing, the actual liquidity advantage is even greater — up to 58 days. There is no obligation to tender the bank-independent payment solution for the optimisation of working capital. Using a silent procedure, no involvement of the creditors is necessary while cash discounts can be fully utilised.

Flexibility in liability and billing

With the American Express corporate card programme, billing methods are flexible:

regardless of whether the expenses of travelling employees should be paid via private accounts or debited to the company account. The liability options can be selected flexibly.

Simple cross-border payments

The high export share of European companies and the handling of international payments became crucial. Particularly important are simplicity in processing and hedging against exposure to currency risks. We offer a web-based payment solution for international transactions: for more than 80 currencies in more than 100 countries.

“Our customers experience how we respond to their requirements, develop innovative solutions and lead the way in the financial industry’s transformation. We aim to create concrete value for our customers — and for their customers and suppliers. Long-term reliability and experience of a global company rooted in Europe, combined with genuine innovative strength and openness,” explains Sonja Scott, Country Manager American Express Germany and Head of Global Commercial Services Germany, Austria, Netherlands and Nordics.



“The construction industry continues to grow worldwide, so the future will be very positive for Doka”

—
Thomas Zsulits,
Director Global Procurement, Doka

and we are grateful for the support of our partners.”

When it comes to effectively implementing a strategy like this, Zsulits

highlights the importance of having the right culture in an organisation. “It’s very important. In fact, it has been a major success factor for us. With our new structure, employees have to be proactive and understand our customers’ needs. At the same time, they have to lead our customers to get the best results in the interest of Doka. They have to be interested in the numbers they see as well as to be able to adapt to the variable requirements of our fast-evolving markets,

DOKA’S PARTNERSHIP WITH AMERICAN EXPRESS

American Express is our incumbent credit card provider in the US. In 2019, we conducted an assessment for a global credit card solution in support of our Global Travel concept. What we found was that American Express offer a truly global credit card solution. Other competitors are strong in certain regions, but American Express had the largest geographical reach.

We’re seeing benefits in strengthening our partnership with American

Express as Doka is operating in 60 different countries around the globe. We are currently thinking of a hybrid solution with a different partner for ‘walking cards’, but overall, I would say it’s a partnership for us that we see potential in, and we’re very much looking forward to continuing those conversations.

Mirko Loos, Head of Material Group Management at Doka

customers, partners and organisation. So there has definitely been a need for mindshifts here, and this is something we'll have to continue to work on. We believe this will be a key for the success of our procurement organisation moving forward."

Like many organisations around the world, Doka has been faced with challenges due to COVID-19. "One of

the biggest challenges I believe is the change from being in personal contact with our customers, partners, and supply partners to digital ones. The highest impact was probably on our risk management. The only tangible contact with suppliers was basically our incoming goods inspection, the rest had to be managed digitally or over the phone," comments Zsulits.

EXECUTIVE PROFILE:



Mirko Loos

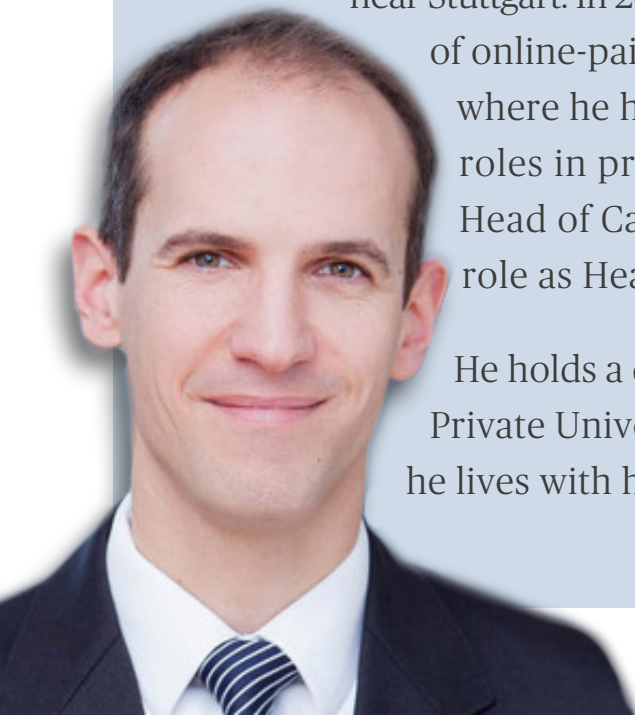
Title: Head of Material Group Management


Industry: Construction

Location: Germany

With 18 years of straight procurement expertise, Loos started his career in 2002 in the Strategic Supplier Management department at Mercedes-Benz near Stuttgart. In 2007 he moved on to join the anglo-dutch provider of online-paid content Reed Elsevier (later RELX Group), where he held different local, regional and later global roles in procurement. In 2018, Mirko joined Doka as Head of Category Indirect and has recently taken on the role as Head of Material Group Management.

He holds a degree in Business Administration from PFH - Private University of Applied Sciences in Goettingen, and he lives with his family near Dusseldorf in Germany.





“Leadership for me is typically the problem and the solution at the same time. The idea should be to work on oneself to reduce the number of mistakes that you typically do”

—
Mirko Loos,
Head of Material Group Management, Doka



“Globalisation is for us to have/run most important processes globally but be very flexible with our local ones”

—
Thomas Zsulits,
Director Global Procurement, Doka

To overcome these challenges Zsulits continues to explain that to address the lack of personal contact, Doka increased the frequency of communication with its partners, customers and employees. “We try to understand the situation they are in. In the past, discussions were more around technical topics – how are we solving this topic? How can we provide/improve this service? – and now it is more about circumstances, financial balance, and support. It’s important to understand

their fears because nobody knows what to do in this situation right now; we are all experiencing this for the first time. So if you know their fears and the situation they are in, you are then able to find a common way to help each other. So together we are trying to establish this new way of partnering, which I believe – looking to the future – will create a new way of cooperation when it comes to risk management.”

Further reflecting on the future for Doka and the construction industry,



15

both Zsulits and Loos agree that as populations grow so will the market's need for the construction industry. "The construction industry continues to grow worldwide, so I believe the future will be very positive for Doka because with this growth our services and products will be needed even more than they are needed today. So the question is, how will we participate in that growth? And I'm very convinced that with our products and our global structuring Doka will be able

to participate in this positive trend," comments Zsulits. Adding to Zsulits's comments, Loos concludes, "as the population grows, there will be a need for construction, both on the infrastructure side, as well as on the private housing side – and to echo what Thomas said – I think Doka is set up really well to emerge from the corona crisis with new opportunities."





doka

JOSEF UMDASCH PLATZ 1
AMSTETTEN / AUSTRIA
3300

T +43 7472 605 0
www.doka.com

POWERED BY

