

## SPARK NEW ZEALAND – FROM ‘PROCESS ERP’ TO ‘INTELLIGENT ERP’

Last year I wrote an [article](#) about Spark, New Zealand’s largest telecommunications and digital services company, and the evolution from a traditional telco provider to a digital services provider.

Spark’s stated purpose is “To help all of New Zealand win big in a digital world,” a mantra that drives how Spark’s people approach their work. It was a treat to chat with Lisa Chapman, ERP Domain and Program Lead and Kallol Dutta, Tribe Lead for Data & Automation for Spark New Zealand and long-time partner Infosys, to understand chapter two in Spark’s exciting journey.



Spark New Zealand’s Lisa Chapman, ERP Domain and Program lead (L) and Kallol Dutta, Tribe Lead for Data & Automation.

### ENTERPRISE RESOURCE PLANNING (ERP) AT THE TIPPING POINT

Moving to a new ERP solution had been a topic of conversation at Spark for years. The tipping point happened when the existing ERP architecture could not meet the demands of an agile workplace. Indicators included delays in reporting, complex customer journeys, challenges caused by manual handoffs, and slow processes impacting the customer experience.

Spark had been using their existing ERP for around 25 years. The current system was end-of-life and complex to use with extensive customization. Spark had transitioned to an agile workplace, but the ERP system was not agile.

Once there is a lack of trust in data integrity based on information silos and business impacts due to an inability to react to change, the decision becomes clear. The last hurdle was whether the business culture was willing to address institutional and system challenges and overcome the challenge of a change this big.

## A BRIEF PRIMER ON MICROSOFT DYNAMICS

[Microsoft Dynamics 365](#) launched in 2016 as a suite of applications, including Dynamics AX, an ERP application, and Dynamics CRM application.

Microsoft uses a [Common Data Model](#) that allows integration with Microsoft applications and any other applications using a standard API. Dynamics 365 can connect people, processes, and data across many applications, including Office 365, LinkedIn, and Azure, and includes built-in analytics and guided action suggestions. Dynamics 365 has multiple modules like Customer Service, Field Service, Finance and Operations

Spark selected the core functions needed to migrate the legacy SAP system relevant to its business and implemented D365 Finance and Operations across finance, sourcing, human resources, supply chain and IT billing functions.

Spark made changes to the business processes along with the software transition. The business process leads were encouraged to re-envision the business process from how it worked today to what it could look like in the future. The team also had strong guidance to use simply the processes and structures as much as possible to minimize customization.

## THE SOLUTION

The Spark implementation is one of the largest and most complex implementations of Dynamics 365 in the telecommunications business. The launch went smoothly considering the scale of the implementation mainly due to the close partnership between Spark, Microsoft, and Infosys.

Spark took end-to-end design responsibility and provided the program governance under the sponsorship of the CXOs. Infosys led the Dynamics design with a detailed solution modeling phase with processes divided into eight functional tracks enabled by seven business owners, and eleven business process leads.

The program relied on a critical principle of aligning business processes to the “out of the box” best practice capability and business processes provided by Dynamics 365, limiting application customization wherever possible.

Data migration was a core element of the program requiring a dedicated data team. The legacy dataset was extracted and cleaned with iterative conversations with the business owners about what data gets transferred and what gets left behind, and how it maps into the Dynamic model. By the time the new system went live, there were nine iterations of the master and transactional data to ensure robust data quality reporting and reconciliation.

## ERP IS NOT ONLY ABOUT PROCESS SIMPLIFICATION; IT’S ABOUT THE DATA

The future benefit of ERP is not only about process simplification; although that is important, it’s about the data too. The emphasis is on the agility to process, analyze, and act on massive volumes of data in near real-time from an ERP system in the cloud.

One of the main reasons Spark selected Dynamics 365 was because of the consistent application platform and common data model on which to build solutions using Dynamics 365, Office 365, Power BI, Microsoft Flow, and Power Apps.

## WRAPPING UP

Gone are the days when ERP was purely an administrative engine for finance functions such as accounting, closing, and reporting. Adoption can spread far beyond the finance department to manufacturing, service, purchasing, HR, logistics, and sales for companies like Spark that have gotten rid of complex, custom legacy ERP systems.

Like any cloud-based ERP implementation, new Dynamics features are deployed as part of the regular product update cadence, embedding the capability in ways of working and the opportunity to continuously improve the user experience through automating manual tasks and driving user experience e.g. by providing intuitive employee experiences for expense management and time sheeting.

The future for Spark is an intelligent ERP (i-ERP) rather than only a process-driven ERP.

The i-ERP and intelligent applications can process and analyze the data generated from ERP to learn from exceptions and help augment business processes leading to more accurate and relevant reporting, and improved forecasting. The decision-making will give Spark the agility and flexibility to create business value and insights through intelligent models and analytics generated from ERP

ERP implementations over the years have earned a bad reputation for never delivering on time or for cost overruns – I have personally seen how ugly it can get. Spark did three things at once: conducted business process rationalization, moved from on-premises to Microsoft Azure, and switched vendors to Microsoft Dynamics. It is a testament to the company leadership, culture, and strong partnerships with Infosys and Microsoft.

I cannot wait to see what chapter three brings!

## IMPORTANT INFORMATION ABOUT THIS PAPER

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