

## ARCELORMITTAL: THE DIGITAL TRANSFORMATION OF A STEEL MAKER

Over the years, I have had digital transformation conversations with many companies across multiple industries. Each journey is unique, but successful companies share common elements—a bold vision for the digital transformation journey, unwavering support from senior leadership and the right collaborative partner with industry expertise to help deliver change.

[ArcelorMittal](#), a leading steel and mining company, has embarked on a journey to digitally transform its European operations, an effort currently led by Geert Van Poelvoorde, CEO of ArcelorMittal Europe. This article charts the progress of that effort over the past two years as the company looks to disseminate learnings and synergies across the broader ArcelorMittal Group worldwide.

### A BOLD VISION FOR THE DIGITAL TRANSFORMATION JOURNEY

2019 was a challenging year for the steel industry, with negative market trends and price volatility in Europe. Following the coronavirus outbreak, the situation became even more unpredictable. With this as the backdrop, ArcelorMittal's leadership formulated a strategy to strengthen its core technologies, digitalize the business and reduce operating costs.

As a part of this strategy, ArcelorMittal launched a program to consolidate IT operations, transfer risk and service performance to a partner and leverage the partner's expertise to accelerate IT project execution. Additionally, the digitalization effort came with the mandate to deliver programs in a budget-neutral way.



Geert Van Poelvoorde, CEO of ArcelorMittal Europe  
*Source: ArcelorMittal Europe*

## UNWAVERING SUPPORT FROM SENIOR LEADERSHIP

Van Poelvoorde, formerly CEO of Flat Carbon Europe—the largest unit of ArcelorMittal—was appointed to his current post in February 2021. This made him responsible for the full scope of ArcelorMittal’s activities in Europe, including its digitalization and service delivery transformation initiative.

There were headwinds for ArcelorMittal in the form of a previous unsuccessful history of working with system integrators and partners, along with siloed ways of working. All of this added to the requirement for strong leadership from the top to drive change.

## THE RIGHT COLLABORATIVE PARTNER WITH INDUSTRY EXPERTISE

Infosys won a competitive RFP process based on its level of commitment, agility, delivery excellence and willingness to go the extra mile to ensure mutual success. “We wanted to take a future-forward approach with our digital transformation,” said Van Poelvoorde. “Our strategic collaboration with Infosys opened up a lot of possibilities for co-innovation. Together, we continue to push boundaries through the adoption of advanced digital technologies across our operations, because that’s what it takes to be the steel company of the future.”

The idea was to take out costs from IT and business process operations and reinvest those savings to digitalize specific business functions, such as supply chain and finance. Through the first wave of engagement, Infosys worked with ArcelorMittal, sharing best practices around next-generation application management services to optimize, stabilize and transform the steel maker’s IT landscape. The second wave of the transformation early in 2022 set out to transform and streamline information delivery that had previously been hampered by organizational silos. Infosys consolidated, harmonized and standardized processes and improved service governance.

Ongoing digital transformation of the supply chain required building a team that understood ArcelorMittal’s specific processes. Given the high complexity of both the industry and the company’s business demand, delivering high quality and faster time-to-market were both of paramount importance. Now, Infosys is also delivering agile product development and focusing on accelerated product delivery while addressing product quality through a testing center of excellence that carries out testing-as-a-service.

These initiatives have contributed to a digitally transformed supply chain, encompassing the entire spectrum of order management, production scheduling and logistics, now

fortified by agile development processes, accelerated feature delivery, increased automation and improvements to ArcelorMittal's technology architecture. For example, improved sales and order management processes use intelligent automation to extract information from contracts digitally for use in the downstream order management system.

"Digital core capabilities are indispensable to manufacturers who are navigating the next frontiers of tech-driven innovation," remarked Jasmeet Singh, executive vice president and global head of manufacturing for Infosys.

"Bringing together ArcelorMittal's industrial and manufacturing expertise with the digital capabilities of Infosys, we are delighted to help fortify their business operations and value chain, with technology at the core."



Jasmeet Singh, EVP and Global Head of Manufacturing, Infosys  
*Source: Infosys*

## REFRESHING CORE TECHNOLOGIES

ArcelorMittal's technology portfolio is diverse, including backend applications (primarily SAP), low-code applications, legacy mainframes, and legacy data warehouses, multiple data visualization tools (Tableau and SAC among them), frontend and backend programming tools such as .NET and Java and the latest programming stack, including Python and R for data science. Infosys maintains the entire SAP landscape and is working on migrations from a legacy SAP deployment to S/4HANA. Part of the effort involves clearing out expensive and hard-to-maintain customizations, thereby reducing technical debt.

Infosys also defined new operating models for IT service delivery in terms of development, maintenance, transformation and governance. That effort included transitioning applications into the new operating model in the middle of the pandemic—100% remotely, on time and within budget.

## TRANSFORMING ARCELORMITTAL INTO A LIVE ENTERPRISE

Infosys has also implemented a concept called [Live Enterprise](#), a collection of tools, frameworks and methodologies designed to accelerate the digital innovation journey. The initial focus was to achieve common ways of working across teams, which provides

visibility into gaps in business processes. Plugging those gaps means better service to business users.

As part of this journey, Infosys professionals are embedded as extended members of ArcelorMittal's central IT teams, where they can provide various application and consulting services, from standard application management to predictable catalog-



Rahul Kumar, group CIO and CISO, ArcelorMittal  
*Source: ArcelorMittal*

based services in development and testing. As an extension of the client organization, Infosys continues to invest proactively in building, piloting and scaling specific technology platforms relevant to ArcelorMittal for procurement digitalization, logistics transformation and manufacturing execution.

Rahul Kumar, group CIO and CISO at ArcelorMittal, adds, "We are excited to strengthen our partnership further by accelerating our digital transformation journey, leveraging Infosys' trusted capabilities and domain expertise. Infosys is a valued partner, and we will continue to co-innovate and maximize the value of IT to business by bringing in best practices from Infosys to deliver predictable outcomes."

## WRAPPING UP

Selecting a partner who can collaborate with full commitment throughout the digital transformation journey is vital. The partner must also understand the intricacies of your business, the best practices of your industry and the culture of your company.

I have covered many customer stories involving Infosys, but this is the first story I've encountered where Infosys was not a multi-decade incumbent provider. To me, this shows the ongoing relevance of Infosys' expertise in delivering both the technology and the process transformation needed to bring predictability and repeatability to a business as large and complex as ArcelorMittal's. All of that comes thanks to the know-how gained in doing this many times before—along with the staunch support from all levels within ArcelorMittal to translate strategy into reality.

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