software AG

Ayaydın-Miroglio Group

Processes coming into fashion. ARIS inspires a contemporary retailer

Customer reference story

IPEKYOL   MACHKA   TWIST

"Everyone was a bit skeptical at first. Would modeling our processes in ARIS really get us the changes we needed? The answer is a definitive 'yes.' And now the rapid stream of improvements has also won over our workforce. Our employees even joke about using ARIS to model and solve our cafeteria and elevator traffic issues!"

– **Murat Barslan,** Strategic Planning Manager, Ayaydın-Miroglio Group

Customer Profile

The Ayaydın-Miroglio Group is a fashion retailer that designs, produces and distributes women's apparel, footwear and accessories under its three brand labels: Ipekyol, Twist and Machka. Its founding company merged with the Italian global textile and garment group Miroglio in 2008. The group's 2,000 employees operate more than 230 stores. Franchise operations add another 36 stores in seven countries: Saudi Arabia, Cyprus, Iraq, Azerbaijan, Bahreyn, Qatar, United Arab Emirates, Kazakhstan and Kuwait.

New challenges

- Sustaining high growth in new sales channels
- Adopting new franchise model for international expansion
- Keeping up with changing customer preferences
- Creating operational efficiencies
- Improving workforce morale & reducing turnover

Software AG solutions

- ARIS

Key benefits

- Developed 250+ improvement suggestions including short-term quick wins
- Completely redesigned non-merchandise procurement process
- Simplified operational processes
- Streamlined and improved workforce performance
- Boosted workforce morale

To sustain phenomenal growth

The Ayaydın-Miroglio Group has transformed itself into a multinational fashion powerhouse serving hundreds of thousands of women. Its three unique brands speak to the desires and needs of women spanning generations. Located in premier retail locations and with its unique Turkish-Italian corporate culture, the Group is all about growth. The metrics speak for themselves: 20% average growth and 20 new stores year-on-year for decades.

But growth can come at the expense of efficiency. And hidden internal costs were mounting. Critical operational processes weren't keeping up, especially with the added complexity of an ambitious international expansion plan. Now more than ever, the Group needed an engaged and enabled workforce to serve constantly evolving customer habits, preferences and expectations.

Seeking solutions

Ayaydın-Miroglio engaged leading Turkish consultancy Consulta in late 2017. They were tasked to figure out how to become more operationally efficient, customer centric and future ready.

Consulta, the local partner of Software AG in Turkey suggested to begin by using ARIS from Software AG to model existing processes. Consulta had started using ARIS some 10 years earlier and saw that ARIS was the best solution for their customers.

ARIS makes modeling and analyzing processes easy. Its reports clarify responsibility and get everyone on the same page and collaborating. And customers like that every employee can access processes online.

The gift of insight

One year later, Consulta had modeled the Group's end-to-end processes, analyzed them and prepared a roadmap. For the first time, Ayaydın-Miroglio could see all existing processes. "Until you have ARIS in place, you only have a general idea of the processes in place and lack details. You end up having to assume how work is actually performed," explains Sinan Aydoğuş, Strategy and Operations Manager from Consulta.

ARIS showed that teams and individuals had their own way of doing things. Departments were working in silos and not efficiently communicating with each other. Documentation of procedures was very low, and there was a lack of organizational memory. All this was fueling HQ personnel frustration and turnover was high.

"With processes modeled and shared using ARIS, departments and teams had shared visibility and understanding," tells Aydoğuş. "They started thinking and working together towards a common goal."

With information now at their fingertips in the form of process blueprints, the project team came up with 250+ improvement suggestions. "We used ARIS to not only show our 'as-is', but also our 'should-be', imparts Murat Barslan, Strategic Planning Manager at Ayaydın-Miroglio.

ARIS-powered improvements

Ayaydın-Miroglio has already implemented the first wave of Consulta's ARIS-powered recommendations. While the benefits of most changes are hard to calculate, there have been some quantifiable benefits: one improvement alone saved more than 3,000 work hours per month. Another cut five full days of personnel in a retail store.

Using to-be modeled processes, Ayaydın-Miroglio also completely redesigned its non-merchandise procurement system and other departments have followed. And IT is concentrating its efforts on making smarter investments in business-critical technologies.

Process blueprints have also helped the Human Resources (HR) department update and streamline job descriptions and roles across the complex organization. They are also helping departments reorganize and optimize their headcounts. HR recruitment no longer has to chase down descriptions for job postings. They just download them from ARIS.

Cultivating an ARIS culture

The biggest challenge ahead for Ayaydin-Miroglio is proliferation now. This sees process adoption, collaboration and improvement becoming an essential part of their corporate culture.

To accomplish this, the Group is making ARIS an everyday and everyone tool: Each Ayaydın-Miroglio Group HQ worker has been given a personal review of their position in ARIS. 20% of them have completed in-person ARIS training. And there is an online course conveniently available anytime. More and more HQ workers are using ARIS to access processes and recommend improvements. They're noticing that upper management is discussing and implementing their suggestions. And morale is improving.

Looking ahead

Aydoğuş is confident this project will succeed thanks to three key success factors: upper management support, a collaborative approach to process improvement and continuous communication. And of course, the best-in-breed capabilities that you get with ARIS.

Next up is implementing recommended improvements and a new project management. Identified shortages in operational data for performance KPIs will also be targeted. And the Group will use ARIS to prepare a standardized documentation system. There appears no end to this process-focused efficiency drive. And with backend operations and culture working as one, everyone is ready to support this fashion empire's growth for decades to come.

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– **Sinan Aydoğuş,** Strategy and Operations Manager | Consulta

2020_05_RS_ARIS_Ayaydın-Miroglio_EN

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