How Ouro Verde went **from legacy challenges to harmonized operations**

An evolution from **diversification to specialization**

Ouro Verde is a top-four Brazilian company specializing in vehicle and heavy machinery fleet management and rental services, experiencing robust annual growth ranging from 15% to 30% over the past decade.

The roots of Ouro Verde trace back to its inception as Transportadora e Cerealista Ouro Verde in 1973, situated in Ponta Grossa, Paraná, Brazil. Originally serving major companies across various industries, the company diversified its services two years later by introducing vehicle rental offerings, a move catalyzed by the construction of the Itaipu Hydroelectric Power Plant.

By 1985, Ouro Verde had relocated its headquarters to Curitiba and expanded its business operations nationwide. The 1990s witnessed Ouro Verde's expansion into heavy machinery rentals, followed by the addition of industrial cargo rentals in 1994, prompting the establishment of an international subsidiary in Buenos Aires, Argentina.

In the early 2000s, Ouro Verde underwent significant investments to upgrade and expand its fleet of light vehicles and heavy machinery. Following a period of stability and substantial growth, Ouro Verde embraced a new corporate governance model, bringing modernization to the management structure. In 2011, the company strategically shifted its focus exclusively to vehicle and equipment rentals and service provision.

Addressing complexity with an
agile transition from legacy systems

The company embarked on a quest for a comprehensive, integrated end-to-end automotive solution to support its ambitious business plan, aiming to efficiently manage a fleet of 100,000 vehicles for rental and fleet management services. This initiative sought to unify ERP's procurement and finance processes into a singular platform, seamlessly integrating sales, operations, and billing processes. The overarching objective was to enhance operational efficiency and data reliability by phasing out all legacy systems.

Until 2011, Ouro Verde relied on a mix of internally developed custom systems and departmentalized market solutions.

This approach led to challenges such as poor data integrity, the need for frequent reworking, complex systems integration, and issues in IT management. Compounding the problem, some solutions lacked the robustness required to support the company's annual aggressive growth.

In 2013, Ouro Verde took a significant step forward by implementing Dynamics AX ERP for Procurement and Finance processes. However, despite this improvement, the core company processes related to customer service, cost control, and revenue sources—specifically, fleet Sales, Operations, and Billing processes—remained problematic due to the lingering effects of the previous system architecture.

Case study | Ouro Verde | **Challenge**

Adoption of Annata's **industry-specific solution for operational excellence**

Ouro Verde embarked on a quest for a business solution seamlessly integrated with their Microsoft ERP. After a thorough global evaluation, which included benchmarks, overseas case visits, and proofs of concepts, the company opted for the industry-leading technology and extensive functionality provided by Microsoft and Annata.

To execute this strategy, Ouro Verde adopted a centralized management approach involving Annata and service vendors from Chile and Brazil. The project was structured in two major phases: "Process Definitions" AS-IS and TO-BE, followed by "Project Implementation".

Taking a business-centric perspective rather than a purely technical one, Ouro Verde intentionally avoided "turn-key" go-live strategies to mitigate operational risks, recognizing the magnitude of the cultural and process transformation. Consequently, the Project Implementation phase was segmented into three separate go-lives.

Asset management transformation- Though employing a broad horizontal approach across various processes and departments specifically targeted back-office processes. This deliberate focus steered clear of alterations to customer-facing solutions, thereby limiting the scope and mitigating associated risks. This strategic decision facilitated the elimination of most legacy systems related to sales, procurement, and billing, paving the way for significant actions to enhance revenue.

Operations transformation- Following the successful adoption of the new solution by company users and IT teams in the previous stage, the focus shifted to customer-sensitive processes. This included addressing the most risky aspects, particularly crucial as Ouro Verde provides service SLAs for customer fleet maintenance and availability through a network of over 4,000 maintenance service providers nationwide. This comprehensive transformation involved not only changing legacy fleet and maintenance solutions but also encompassing the overhaul of call center operations and both B2B and B2C web portals. The initiative extended its reach to the headquarters and over 15 subsidiaries.

ERP upgrade for finance processes- In the final phase of the transformation, following the successful implementation of the new solution across the company, the focus shifted to upgrading the finance back-office solution. This involved the transition to the latest 2012 version of Dynamics AX ERP, thereby maximizing the advantages of having an end-to-end solution integrated seamlessly on a single platform.

Case study | Ouro Verde | **Challenge**

Agile and Sure Step fusion
for transformation success

To ensure the precision of configuration, customization, and integration requirements, Ouro Verde adopted a hybrid approach, blending the Microsoft Sure Step methodology with agile practices. This involved conducting live sessions with the solution and incremental cycles, allowing the IT team and users to continually learn and refine business requirements before making significant investments that could alter the project later on.

To steer this substantial transformation, Ouro Verde identified qualified key users, many of whom were company managers. These key users took on essential responsibilities, such as involving the most proficient team members and demonstrating a willingness to embrace change. The company's board, with the direct participation of the CEO in program management, served as sponsors. For over two years, vendors, the IT team, and key users collaborated as a unified project team, co-locating in the same physical space to enhance communication and decision-making. In preparation for critical go-lives, "war room" teams were assembled weeks before and after each implementation. This strategic measure aimed to swiftly address issues and minimize operational risks associated with the changes.

Accelerating growth through **cultural shifts and business benefits**

The technology transformation ushered in a profound cultural change within the company. The standardization of business processes and improved access and control of information not only positioned the company for growth but also yielded significant business benefits.

Top line:

› Implementation of sophisticated contract management rules and precise asset usage measurement results in a substantial revenue increase through enhanced fleet billing accuracy.

› Introduction of a new product offering—fleet management services for third-party customer fleets—enabled by the implemented solution.

› The new platform enhances market competitiveness, evidenced by an exceptional contract renewal rate in 2016, surpassing the segment average.

› Pricing assertiveness for fleet management and rental proposals, grounded in real asset total cost of ownership (TCO) considerations, is more effective to track and calculate due to the unified platform across different departments.

› Streamlined sales funnel management, coupled with versioning and reuse of information, leads to a shorter time-to-market for commercial proposals.

Bottom line:

› Integrated management of procurement, customization, and asset delivery to clients ensures timely and accurate fulfillment of commitments stated in signed proposals, preventing delivery errors.

› Reduced customer complaints and enhanced cash flow by addressing billing disputes, encompassing both service billing and vehicle delivery.

› Integration between CRM and contracts facilitates the transition of services to the web (B2B Portal and Mobile App), leading to improved customer satisfaction and reduced back-office costs.

› Substantial reduction in main back-office operations achieved through process standardization and task automation.

› Establishment of a robust foundation for aggressive growth, capable of managing hundreds of thousands of vehicles in the coming years without concerns about the technology platform.

Case study | Ouro Verde | **Result**