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MEDIA RELEASE

Podravka successfully implemented administrative excellence project – "LeaNcO"

- **Total annual savings – HRK 24 million**

Podravka was successful at implementing the project "LeaNcO" (Lean Concept of administration excellence) – i.e. the development of "lean" concept of excellence in administration. LeanCo project started in March 2013, and its goal was to increase the effectiveness of three business processes – finance, administration and reporting processes.

LeaNcO project was managed in cooperation with the consulting company A.T.Kearney, and it consisted of 17 improvement measures, which were a separate, mutually connected projects, having their own project managers and implementation teams.

The teams consisted of 3 to 5 members from different departments, considering the majority of measures was cross-functional, and in order for them to get implemented modes had to be changed in several organizational units. For that reason more than fifty employees were directly involved in implementing the LeaNcO project.

Implementing the above mentioned 17 measures in the processes of finances, administration and reporting realized the planned annual saving, amounting to 24 million, due to more efficient use of resources and saving in various material costs.

Most of LeaNcO measures demanded introduction of new IT solutions, in order to speed up individual processes, for instance processes in e-form. Several new e-processes and new SAP functionalities were introduced in connection to this.

New organizational unit was also formed – e-writing room, for managing post, i.e. documentation which will from now on be kept in digital form.

Implementation of measures included canceling a large number of unnecessary reports and merging four companies with the Podravka Group (Lero d.o.o., Koti nekretnine d.o.o., Podravka Inženjering d.o.o. and Poni d.o.o.).



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Implementation of individual LeaNcO measures continues to other Podravka Group companies, which will surely bring new significant savings.