

IN A DECIDEDLY LOW-TECH BUSINESS CEMEX HAS A SURPRISINGLY HIGH-TECH WORKFORCE

CUSTOMER VIEW

"CEMEX Plaza has become the most important means of communication between employees and the company. It is the gateway to all information."

—Gilberto Garcia, IT Planning Leader, CEMEX

Known for its innovative use of technology to streamline business operations and increase productivity, CEMEX turned an IT eye to its workforce. With a strategy of growth by acquisition, the company needed to unify newly-acquired workers as well as employees across multiple countries. The solution: CEMEX Plaza, an employee portal that's connecting people to information and improving customer service—and satisfaction.

BACKGROUND

Based in Monterrey, Mexico, [CEMEX](#) is the number three cement company in the world and—since its acquisition of Southdown in 2001—the number two cement maker in the U.S. Founded in 1906, the company today employs over 25,500 employees and has customers across four continents.

Since mixing its first batch of cement in 1906, the company has followed a philosophy of continuous innovation. CEMEX's stated mission is to serve the global building needs of customers and build value for stakeholders by becoming the world's most efficient and profitable cement company. It has kept that promise by aggressively applying Internet-enabled solutions across the enterprise.

CHALLENGE

Using technology, CEMEX had become the most efficient cement producer in the world. But the company also wanted to ensure it was delivering the best customer service to strengthen its position as the preferred provider and partner in the construction industry. That meant it needed a way to link employees to knowledge management databases to raise the standard of customer satisfaction.

"We wanted to create a way for people from different countries and newly-acquired companies to come closer together," says Gilberto Garcia, IT planning leader for CEMEX. "Our chairman defines it as building 'One CEMEX' and sharing a 'CEMEX Way' of doing things."

The vision was to establish a standard method to access contents, services, and applications needed to perform employee business functions. Critical success factors for the solution were that it be:

- Personalized
- Secure
- Valuable to the company, business processes, business units and employees
- Accessible from any computer with an Internet connection
- Scalable and flexible to support CEMEX growth

SOLUTION

Working with the [Internet Business Solutions Group](#) (IBSG) of [Cisco Systems®](#), CEMEX decided that it was time for a portal linking employees across the business.

To build employee interest and help encourage cultural change, CEMEX held a contest to name the new portal. “We had a lot of participation, a lot of great ideas for naming the portal, but the best one was ‘CEMEX Plaza’,” says Garcia. “It was to connote a sense of a place where people come together to share information and news, conduct business, and debate important topics.”

As a component of managing culture change, CEMEX launched [e-learning](#) as one of the first applications on the portal. And one of the first courses available was training on Internet capabilities.

In addition to e-learning and access to company databases, other applications that have come online include: a company-wide directory; E-Room, a tool for online collaboration; and E-Document for electronic document management.

RESULTS

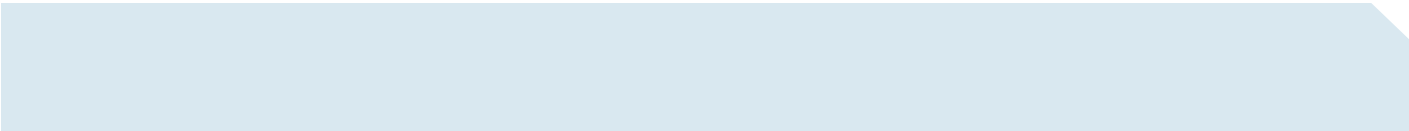
From its beginning, [CEMEX Plaza](#) has grown from 1,500 to 160,000 visits per month. To date, the company estimates it has saved US\$6.9 million in reduced costs and improved productivity on an investment of US\$3.6 million.

“CEMEX Plaza has become a very important tool because everything is there: company strategy, information about competitors, compensation information,” says Garcia. “It has become the most important channel of communication between employees and the company.”

As part of the portal strategy, CEMEX at first put global applications online. What the company realized is that there needed to be more local content to meet unique employee needs.

“We came up with the concept of communities of practice, which allows for creation of customized content,” Garcia says. “Because it’s very expensive to create a community from scratch, we developed a toolkit that is very easy to use and not costly.”

Another “lesson learned” according to Garcia is to establish a governance model early in the process. “In the beginning it was problematic,” he says. “Somebody needs to be empowered to make decisions about content and strategy. The Community model is working well for us, with local people creating and managing local content. If I were to do this again, I would involve the business units and all geographies from the beginning. We designed the governance when we were in the middle.”



Through all the expansion of capabilities, there has been no need to buy additional software. “Cisco defined a roadmap and IT foundation when we built the initial infrastructure and at that time they recommended what we would need to evolve our e-enablement efforts,” Garcia recalls. “Because of the excellent work of this team, we have no problems with technology.”

NEXT STEPS

CEMEX believes the portal can keep delivering a return ratio of 100 percent of its investment each year, mostly in [productivity improvements](#) and cost avoidance.

Always on the cutting edge, CEMEX plans to evolve CEMEX Plaza by adding new applications.

“We are not satisfied with where we are,” Garcia observes. “We’re always looking for improvements. For the next phase we’re looking to integrate more business intelligence capabilities into the portal.”

FOR MORE INFORMATION

For further information on Internet business solutions, visit:

<http://www.cisco.com/go/ibsg>

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