

# The ROI of CEMEX Shift



**CEMEX White Paper**

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### **CEMEX Shift Gains Broad Adoption Connect. Share. Live.**

When CEMEX introduced its collaboration platform Shift in 2010, the driving force behind deploying it companywide was to meet the needs of a new kind of workforce, one that is mobile, global, and empowered. The ultimate vision was to make the company more efficient and agile by letting employees or groups of employees with similar objectives share opinions, thoughts, information, experience, knowledge and best practices.

Considering the positive feedback of Shift and the steadily growing adoption rate, that vision has become a reality. This should be no surprise to CEMEX, a company quick to explore and adopt new business processes and technology innovations.

Shift combines some of the best elements from popular social networking platforms, but it has proven to be far more. By design, collaboration platforms offer a set of software components and software services that enable individuals to find each other and the information they need and to be able to communicate and work together to achieve common business goals.

Since Shift debuted in early 2010, employees have embraced it in growing numbers. In February, which was the first full month of deployment, there were 1003 unique visitors. That number climbed to 3283 in March, 5365 in April, 7998 in May, and 10327 in June. That's a compounded monthly growth rate of nearly 80%, a success by any measure.

## A Revolution in Real-Time

Social networking, which until recently was largely used outside the company walls at CEMEX, has moved to the center with the introduction of Shift, bringing with it wikis, blogs, discussion boards, virtual project teams, content management and much more. Today's work environment throughout much of CEMEX is changed, according to employee feedback.

What's behind the revolution at CEMEX? What does Shift's growing popularity tell us about the company? The answer is that Shift has demonstrated that collaboration can be a managed process, one that has real, tangible and measurable ROI for customers, colleagues and partners.

Shift also represents a change in business communication. The old approach was to mandate from above. The new approach is to enable the enterprise to collaborate where and when it needs to, with a wide array of tools, resources and guidance. Shift is the collaboration platform, the place and the process where this happens at CEMEX.

## Changing Landscape

The business environment has changed in recent years, opening the doors to collaboration platforms such as Shift. Reports from the company's global workforce since Shift's debut indicate that collaboration is becoming a business imperative.

Employees identified four trends:

- Global financial pressures are forcing customers to scrutinize the value propositions of their partners and vendors in greater detail
- Growing interest in sustainability is leading to a 'think global, build local' approach
- Technology advances raise the expectation for real-time response
- Being a global company means communications should be shared, interactive and meaningful

## Success Stories

Shift has led to new initiatives at CEMEX. Executives around the world have created several new communities to mobilize their teams and networks towards a series of common goals. These executives have recognized the potential that global collaboration represents in increasing value and improving the company's competitive edge. By learning more, encouraging use, and creating communities, they are expanding the Shift network, and making full use of the functionality it offers. But beyond that, they are now helping their teams coordinate and interact more effectively to generate value.

Communities have sprung up in CEMEX offices around the globe. The office in Germany is using Shift because it represents a huge potential for improving business in the region. The team in Mexico is talking with the global network on Innovation initiatives to leverage the advantages they can create. Executives in France, Spain and Hungary are already participating in the collaboration platform for numerous customer projects, and teams in Europe and Asia have adopted Shift to coordinate the members of the Strategic Planning team and to facilitate the Continuous Improvement initiatives.

The evidence is clear: CEMEX has succeeded in designing Shift as a social network with a business focus. Perhaps the best way to get to know Shift is to hear directly from teams that used it to address business challenges through better collaboration. These include the Commercial: Valuable Propositions for all markets, Construction for the XXIst Century, Clinker Factor Reduction, Infrastructure Projects: New Market Segments, and Mexico, South America & Caribbean Cement Operations Security.

## **CASE: Commercial: Valuable Propositions for all markets**

In the Commercial Case, Shift has enabled 150 people in 20 countries to successfully share Value Propositions, which is a critical component in CEMEX's corporate strategic development. So far, 184 ideas have been posted and 132 have been selected for adoption. So far, the countries participating in this initiative have shown particular interest in Value Propositions that include Services and Solutions. They have also found that the most useful tools for collaboration and Knowledge Transfer are webcasts and blogs. Adoption is highest when there is active management with facilitators and clear milestones to generate participation and commitment.

Each country can easily access all Value Propositions posted at Shift and they can in turn prioritize them in terms of feasibility and potential value.

## **CASE: Construction for the XXIst Century**

The construction industries impact on the environment prompted one community at CEMEX to address the issue head on. They determined that customer demands have evolved towards a more sustainable approach, while governments have strengthened regulations and standards in construction, in response to society's concern for the environment and their evolving demands.

Shift served a vital purpose in bringing together experts from different knowledge areas across CEMEX, such as Commercial & Marketing, Sustainability & Public Affairs, Planning & Strategy, Technology, and Environment & Regulation. In all, 53 members have been invited to join this Network.

Because different markets have different needs, the experts analyzed variations in environmental regulations, CO2 trading and product foot-printing, demand for energy efficiency in buildings, urbanization rates and changes in construction methods, needs for accessible housing solutions, and developing infrastructure needs. The challenge is to address all of these different needs with building solutions that are customized to the country or region, while maintaining a standard of quality and cost effectiveness.

Activities include posting a weekly progress report, visible to everyone in the group, and participating with contributions in the posted activities. In fact this is the network whose members have posted the highest number of personal profiles to the site. This means that through Shift, members of this network can now more easily interact among themselves, share information, ideas, and plans, seamlessly, regardless of time zone or location.

Another significant way that the network interacts virtually is through an upcoming CEMEX Jam exercise. This is a process to where colleagues can gather ideas from each other, vote on the best ones, and evaluate them to implement the most feasible ones. Although this application has been used at CEMEX in the past, the Construction for the XXIst Century Network will be the first of the Innovation Networks to use it. In this exercise, the team will focus on finding original ideas that solve common construction and sustainability problems.

## **CASE: Clinker Factor Reduction: Global Collaboration For Local Solutions**

Shift serves as a network for 320 members in 23 countries who are leading the Clinker Factor initiative. They seek to reduce the use of cementitious clinker factor and replace it with non-cement clinker materials (NCCM) for both cost and sustainability reasons. To reach this goal they are using Shift to interact with colleagues around the world and together find the best solutions for each market or country.

The availability of NCCM is limited, making it hard to source. It presents the additional challenge of local market and country variations in terms of availability, sourcing and regulations, which leads to a high degree of complexity in the interactions that are required to process it. In response, CEMEX developed a strategy and the challenge for this team is to enable it and customize it to the particular needs of each locality.

They are encouraging the members of their team to work towards making the collaboration platform the preferred forum to share experiences and store knowledge, find experts and solve local problems globally, as well as to communicate the progress of the initiative to all its members. The use of Shift has helped change the way this team interacted, from a hierarchical structure, to one where anyone can reach any colleague, both in and outside the network and tap into their knowledge and expertise.

The team's response has been clear in showing a growing tendency in four main areas: platform adoption, initiation of blogs, wikis, and discussion forums, reader activity, and comments. The leaders of this initiative have encouraged their networks to take full advantage of this tool, and their teams have started to see the benefits this can bring by making their work easier and bringing them closer to their goals.

The team is working closely with each market and country to fine-tune their local clinker reduction strategy, while setting up teams to work on common challenges such as standards to ease the use of blended products, product improvement, government regulation and commercial practices. They will also produce a comprehensive paper on the CEMEX Low Carbon Sustainable strategy and roadmap.

They will continue to make the platform a central part of their interaction to customize CEMEX strategy to local needs, and that they will be successful in reaching their goals.

## **CASE: Infrastructure Projects**

### **Initiative: New Market Segments**

One of the major trends in the realm of construction in recent years is the development of infrastructure projects by governments and international agencies. CEMEX's group tasked with this sector – the Infrastructure Projects Global Innovation Initiative -- is committed to positioning the company as a reliable partner to governments and project sponsors for delivering high quality consulting and advisory services that bring a full understanding of the project.

This new initiative seeks to create the flexibility to better manage the sources of project profitability by integrating an offer with construction services and materials. The participants of this network come from departments ranging from Finance, Legal, Technical and Operations. Since this topic has already made some headway in Mexico, members of such team will join those from other countries and regions to combine efforts and leverage the contributions that together they can make.

By creating this new initiative, CEMEX is emerging as a pioneer among its competitors in entering this market segment, and doing it with a dynamic business model that is not easily replicable. The company expects this initiative to support its goal for increased profits and diminished pressure on the price of cement and other materials.

## **CASE: Mexico, South America & Caribbean Cement Operations Security**

The Mexico, South America & Caribbean Cement Operations Security community is made up of 865 members. They are using Shift to open access to information and enable collaboration all across the region.

They are sharing information through wikis, blogs, documents, and discussion forums, and posting Security Bulletins, Health and Security Guidelines, Security Index Reports, and Safe Operating Procedures.

The group has made it easy to find the community by creating a series of tags related to the information found in the space. Words such as “safety, hazardous materials, health, production, and prevention” lead users to this community where lessons learned and best practices regarding operations security are shared among colleagues.

Blogs help members open a topic of conversation and share information through comments that are added by community members. This group is currently sharing their thoughts on topics regarding the prevention of accidents in the workplace and managing the change in security culture. The discussion forum is another space where conversations can take place, where a member of the community can open a question for other members to share their thoughts on.

The wiki space holds a series of guidelines, where members of the community can add information that they consider relevant and make them more robust. Topics covered include wastewater treatment, furnace security practices, and inspection of electric stations. By using a wiki functionality, the team can ensure that the information available in this space is constantly updated and revised to the satisfaction of the group. Furthermore, the file storage space provides access for all members to important documents, such as security and operations reports.

In this way, throughout the community it is easy to find any kind of information regarding operations security in the Mexico, South America & Caribbean region. The use of all of the different functionalities that Shift offers its members makes it easy to open communications channels and find answers to their most pressing questions. The space has 875 members, high traffic and a fast-growing number of contributions and comments.

## **CASE: Improvements to the User Interface**

As a collaborative platform, Shift has responded to user needs by updating its look, feel and functionality. CEMEX has made it easier for users to find links to different tools such as wikis and blogs and put key content areas within better reach such as success stories and new pilot programs. This makes the home page the hub of information from which users can navigate the community.

The suggestions gathered from employees are now listed in the Ideas Bucket, with a progress and status report on each of them. Interesting links to other communities, blogs, or wikis are available, as well as external links that may be of interest to the visitors of the community.

Also added are a series of practical guides that help users take specific action, such as inviting more people to join, leveraging the platform, and improving practices. Adoption 101 is a useful wiki to guide those who want to encourage others to join Shift. Another wiki that was added is called "Collaboration Practices," where visitors can find ideas on how to use Shift to address their particular needs. Peer reviews on how to best leverage the platform are available through the blog called "How to make the most out of Shift."

The newest section, called The Kiln, is used to announce additions to the collaboration platform, including current and future product tests and trials. An Innovation Discussion Board is now available for members of the community to freely exchange experiences and concerns among themselves and with the Innovation team. A series of shared files on Innovation are available for members of the community to consult and share.

Now that the changes have been made, CEMEX has a community that has evolved from a space to follow-up projects for the Innovation area, towards a community that is focused on sharing information and content that is of interest to our users. CEMEX hopes that it will enable those who visit the space to navigate more easily, find new ways of making their work easier, and access valuable information to improve their projects.

## The New Workplace

Around the globe, Shift is making a difference for CEMEX. It is clear that individuals and teams are finding new ways to communicate and move forward using social media that is given a true business focus. The endgame for CEMEX and others that embrace collaboration platforms is to create a new kind of workplace for a workforce that is increasingly mobile, global and empowered.

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