

# **‘The Impact of an Acquisition on the Planning Department of a Dairy Cooperative – A Case Study’**

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# Preface and Acknowledgement

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Many mergers and acquisitions, situations in which two businesses continue as one, take place in the current business environment. To date, much research has been done on mergers and acquisitions, their implementation, and their impact. However, there are still are questions left unanswered. The research topic and methodology in this report were chosen based on a combination of relevance and personal interest. A case study is used to show the applicability of this methodology and to provide a practical example of an acquisition and its impact. First, the introduction provides information about the following topics: the dairy sector and cooperative, mergers and acquisitions, trends and developments of mergers and acquisitions, enterprise resource planning (ERP), and planning and logistics. Followed by the methodology, results, discussion of results and the conclusion and recommendations.

Based on the research proposal and the first version of this thesis report, all feedback from the three assessors has been incorporated into this research.

I would like to thank everyone that helped me with my research, without your help I could not have done it. Thank you very much, the following persons in particular:

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In case I did not mention your name, even though you helped me perform my research, thank you! For everyone else, I hope that this report becomes a helpful example to analyze the impact of an acquisition on the planning department of a dairy cooperative. If you have any questions left after reading, please feel free to contact me and I will do my best to answer all questions you might have.

Hilde Tamminga, 2<sup>nd</sup> of August 2018

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# Summary

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Much research has been done on mergers and acquisitions, their implementation and impact. However, there still are questions to ask, especially when looking at specific industries or departments. For that reason, the objective of this report is to provide a methodology that helps planning departments of dairy cooperatives to analyze the impact of an acquisition on their department, so that they can better understand and prepare for the consequences. Topics dealt with in this study are the dairy sector and cooperatives, mergers and acquisitions, trends and developments of mergers and acquisitions, enterprise resource planning (ERP), and planning and logistics. The following research question has been developed:

*'In what ways does an acquisition affect the structure, processes, and systems of the planning department of a dairy cooperative with an ERP system?'*

- How are the strategy and shared values of a dairy cooperative with an ERP system affected by the acquisition?
- How is the organizational structure of a dairy cooperative with an ERP system affected by the acquisition?
- How are the processes used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?
- How are the systems used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?

These sub-questions are answered using the McKinsey 7S model, which analyses the strategy, shared values, structure, style, staff, skills, and systems of a company. Using this analysis before and after the acquisition, enables researchers to compare both situations. Questionnaires filled in by the planning department were used as a primary source, together with information published in company documents such as annual reports. A case study was used to show the applicability of this methodology and its results.

The main conclusion is that the structure, processes, and systems are affected differently. The structure changes, due to the transition from being independent to being a business unit. In practice, most daily activities and processes remain the same, however, more communication and collaboration with other business units is necessary. In the case study, the acquired business changed to the ERP system of the acquirer. In general, it is said that almost all ERP systems have a similar functionality, but with different details, for that reason, change management and time to adapt is required.

## **Developed short-term recommendations are:**

- Managers should analyze and watch changes in the organizational structure as it is highly influential for the rest of the organization, so a proper response can be developed when necessary.
- During the acquisition, there should be a focus on communication and information sharing to departments and staff that are not directly involved in the project, but who do have questions and uncertainties.
- The acquired business needs to have a good relationship with- and feel part of the acquirer, to make collaboration and communication easier, team building activities could help to develop a team feeling.
- Being part of a larger organization makes that communication with other departments and business units becomes more complex and time-consuming. It is important to create awareness about this and to improve and support the communication flows when possible.

## **Long-term recommendations are:**

- When implementing a new ERP system, ensure that there is enough time to be ready before the deadline.
- Continuous optimization of the new ERP system can help to optimally use the benefits and opportunities created through the implementation.
- Support initiatives that contribute to the communication and collaboration between business units.
- Additional research is recommended on the topics that are not fully covered by this analysis.

# 1. Introduction

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In the current global market, customer requirements are demanding and the risk of competition is high. Companies respond, by merging into one stronger business and by sourcing supplies from all over the world. So that customer demand can be met within the available budget and the competitive position of the company can be maintained (Engelbregt, Kalkoven, & Kruijer, 2008).

In business, supply chain management and logistics have been developed out of the need to have an optimally integrated stream of goods and information throughout the entire value chain (Engelbregt, Kalkoven, & Kruijer, 2008). There are several topics that are covered by supply chain management, including planning and logistics, the department this report will mainly focus on. Information about supply and demand comes together at this department, which is primarily focused on balancing out both product flows so that the actual production matches both supply and demand (Engelbregt, Kalkoven, & Kruijer, 2008). Through good communication and forecasts, trends can be discovered early and the planning can be adapted to the newly occurring trends. However, in the case of imperative changes, this will not be enough and the planning department will have to adapt its processes and systems (Engelbregt, Kalkoven, & Kruijer, 2008). So that the department always achieves its main goal, which is: 'Efficient production and efficient use of the available resources in the processing facility' (Engelbregt, Kalkoven, & Kruijer, 2008). An example of such a change is a merger or acquisition, which is also the situation in the case study in this report. Research has been done on mergers and acquisitions, their implementation and their impact. However, there are still questions to ask, especially when looking at specific departments or industries (Kansal & Chandani, 2014). Examples of questions are: why do researchers still conduct research on mergers and acquisitions, why are mergers and acquisitions still not a smooth process? Is there a difference in cooperatives compared to other companies and if so, what is the difference? And how do these changes, for instance, a new Enterprise Resource Planning (ERP) system affect the planning department directly and indirectly (Kansal & Chandani, 2014)?

It is important to find answers to these questions, not only for the planning department but for the entire company (Hill, 2015). The planning department uses and combines information from different parts of the company so that supply and demand meet in the end. For that reason, changes highly affect this department, since it is connected to almost every part of the company when the internal and external flows of information and products are managed (Engelbregt, Kalkoven, & Kruijer, 2008).

## **The Dairy Sector and Cooperatives**

Due to the ample information on mergers and acquisitions, this study is focussed on the dairy sector and cooperative constructions, as can be seen in the case study that will be described in the methodology. The dairy sector is a sector that has changed much over the past years (Berkhout, Silvis, & Terluin, 2014). Europe is one of the largest exporters of dairy products, such as cheese, butter, and milk powder, even when excluding trade within the European Union (Tacken, 2009). Nonetheless, when looking at the annual growth rate of dairy exports, New Zealand surpasses the EU, Australia and the United States. Over the past years, the European Union has quickly lost market share in the international dairy trade, due to more competition coming from Oceania and Asia. The European Union responds to this trend by focusing more on specialized products, such as cheeses, in order to maintain its current market share (Tacken, 2009).

This market structure is based on the assumption that, for some markets, it is cheaper or more efficient to import products, instead of domestically producing substitutes (Ossa, 2015). When this is the case, products are obtained through trade. Especially, in situations in which the buyer cannot produce a substitute, for instance, because it is protected with a Protected Geographic Indication label, that restricts the production of the food products (European Commission, 2017). For these reasons, a complex, global food system has been developed, in which the European Union and the United States already account for half the global GDP in bilateral agricultural trade in 2013 (Arita, Beckman, & Mitchell, 2016). Despite the fact that governments use trade policies to protect their domestic economy and agro-food sector for, for instance, large food price shocks. When a shock drives down the international food

prices, restrictions are opposed by exporters to protect their markets, while importers try to profit by winding down their protection (Giordani, Rocha, & Ruta, 2016).

International trade, with and without trade barriers, affects dairy cooperatives, a common business structure in the dairy sector (Berkhout, Silvis, & Terluin, 2014). In order to respond to the fluctuant global dairy market, more and more international collaboration occurs between dairy cooperatives and processing businesses (Berkhout, Silvis, & Terluin, 2014). These cooperatives are businesses owned by their members and connect these members to the global dairy market so that they receive the best possible return for their products (Zhong et al, 2018). Often these dairy cooperatives have their own dairy processing facilities, in order to create more value for the members of the cooperatives. Not all dairy processing facilities are owned by cooperatives, although they can also be investor-owned, what leads to a slight difference in operations. Research has shown that cooperatives have technology with an higher productivity, however, often investor-owned facilities are more efficient (Soboh, Lansink, & Dijk, 2014).

Cooperatives have a unique organizational structure since they represent an alternative to large-scale corporate farms and plantations as well as to independent small private farms (Altmann, 2015). Small farmers are often well-represented, while large farms often offer a competitive threat to these relatively small, independent farms. Cooperatives represent and maintain the independence of these small farms, through the collection of their products and by selling it combined. Thereby taking a more competitive position against the large-scale corporate farms and plantations in the market (Altmann, 2015).

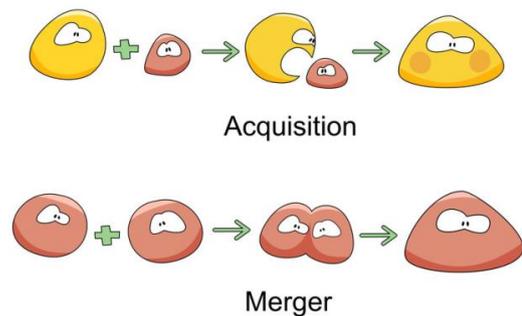


Figure 1: Difference Merger and Acquisition (BSE Institute, 2017)

## Mergers and Acquisitions

Often the words merger and acquisition are used interchangeably, however, both words have two different meanings. In the case of a merger, two similar businesses form one large business together. When talking about an acquisition, one business takes over the other, so that the acquired business becomes a business unit of the acquirer (Sarala, 2010). In figure 1, a comparison of this difference is provided. Furthermore, table 1 on the next page, shows the characteristics of both concepts, to show the differences between a merger and an acquisition (Piper & Schneider, 2015).

Each year mergers and acquisitions take place in different industries and countries, as can be seen in the graph in figure 2 (IMAA, 2018). With most mergers and acquisitions involving an expansionary motive (McCarthy & Dolfsma, 2013).

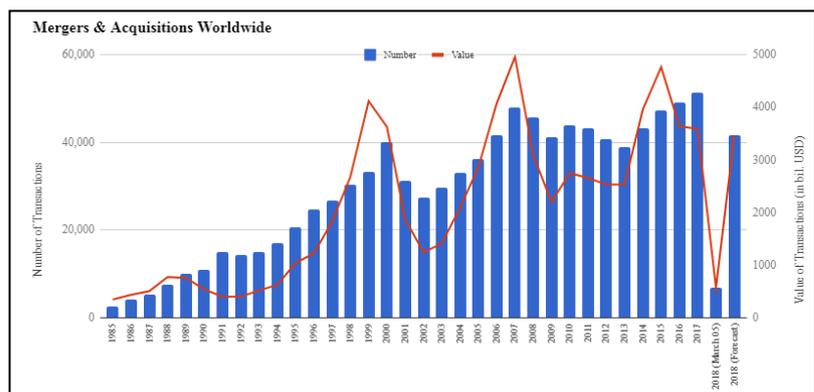


Figure 2: Number and Value of M&A Worldwide (IMAA, 2018)

The volume of cross-border mergers and acquisitions has surged over the last thirty years, accounting for a significant majority of foreign direct investment (UNCTAD, 2008). In these international mergers and acquisitions, an extra dimension is added, this dimension focusses on intercultural communication (Pikhart, 2014). It starts with mastering the language in which the business negotiations and transactions are made. Secondly, it is also necessary to understand the international context and non-verbal communication in that specific culture (Fernández-Souto, Gestal, & Pesqueira, 2014). It is important to respect the difference in cultures and the way it shapes the way people think, evaluate and respond to situations and challenges (Apetrei, Kureshi, & Horodnic, 2014). Also, in the case of an international merger or acquisition, there are differences in culture between both companies, which makes communication between both parties more complex (Feldberga & Grike, 2015).

Table 1: Characteristics Merger and Acquisition (Piper & Schneider, 2015) (Between, 2018)

|                   | Merger   | Acquisition   |
|-------------------|--|---|
| <b>Definition</b> | A merger is considered to be a process when two or more companies come together to expand their business operations                    | An acquisition occurs when one company or corporation takes control of another company and rules all its business operations  |
| <b>Shares</b>     | New shares are issued  | No new shares are issued  |
| <b>Companies</b>  | The companies of the same size join hands together   | The larger companies acquire smaller companies.   |
| <b>Power</b>      | Both the companies are treated as equal  | The company that is stronger gets the power   |
| <b>Challenges</b> | The two companies of the same size combine to increase their strength and financial gains, along with breaking trade barriers          | The two companies of different sizes come together to combat the challenges of the downturn                                   |
| <b>Agreement</b>  | A buyout agreement is known as a merger when both owners mutually decide to combine their business in the best interest of their firms | A buyout agreement is known as an acquisition when the agreement is hostile or when the target firm is unwilling to be bought |
| <b>Examples</b>   | Disney and Pixar merged together to collaborate easily and freely  | Google acquirer Android for \$50 million in August 2005   |

Next to cultural differences, there are additional problems that might occur during the transition towards a merger or acquisition. Many of these challenges are related to the poor handling of change management (Kansal & Chandani, 2014). It is important to keep all employees connected and interested in the merger or acquisition. Often employees are afraid of and against the changes that are caused by the merger or acquisition because they not fully understand the situation and are uncertain about the consequences (Lee, Mauer, & Xu, 2017). Therefore, communication and information sharing should have a high priority, to take away uncertainty and to create support and understanding. Employees can make or break the merger or acquisition since they are the once that have to deal with the changes on a daily base. Having their support will make the entire transition easier and better supported (Miller & Fernandes, 2009).

According to the Harvard Business Review report ‘The One Thing You Need to Get Right’ from 2017; between 70 and 90 percent of all mergers and acquisitions fail or do not have the expected boost in returns (Martin, 2016). One of the reasons is the lack of involvement from the middle management and not having fully analyzed the effects of the merger or acquisition on the different levels of operations of both businesses (Lakelet Capital, 2017). To be better prepared for these changes caused by the merger or acquisition, it is important for planners and project managers, to understand the potential consequences so that adaptations can be made that are necessary for a good transition (Lakelet Capital, 2017).

## Trends and Developments of Mergers and Acquisitions

When looking specifically at the dairy sector, trends show that the dairy sector tops the list of acquisitions in 2017 (Cornall, 2018). In 2017, a total of 727 acquisitions were recorded, the dairy sector counted for 10%, with a total of 72 acquisition in 2017, which is an increase of 24% compared to 2016 (Hall, 2018). This increase in acquisitions is a trend going on from 2013, since which the number of acquisitions has not only increased in the dairy sector but in all industries in general (Cornall, 2018). The acquisitions occurred all over the world, although Europe, Oceania, and North-America have a strong position in the global dairy market and therefore also experience most acquisitions (Bellamy & Battum, 2017). A North-American example is the acquisition of the assets of Scotsburn Cooperative Services Limited by the dairy cooperative Agropur in 2017, thereby expanding its presence in the ice cream and

novelties market. The agreement covers plants in Truro, Nova Scotia (Canada), and Lachute, Quebec (Canada) that manufacture more than 50 million liters of frozen dairy products per year, as well as the Scotsburn brand (Hall, 2018). The acquisition led in the reorganization of different existing and newly acquired plants in Atlantic Canada, resulting in the layoff of over 300 employees due to the restructuring of the merchandise and distribution processes (Pinsent, 2017).

When looking at Europe, an example can be the acquisition of the Mexican specialty cheese importer Mexideli 2000 by the Swiss dairy firm Emmi (R&F Foods, 2014). In 2014, the Swiss company acquired already 50% of Mexideli 2000, which already distributed several Emmi products successfully within Mexico (VCPost, 2014). The strategy of the Emmi is focused on the strengthening of its international presence, which can be partly achieved by the growth of emerging markets, such as Mexico. In 2017, Emmi increased its stake in Mexideli 2000 from 50% to 51%, resulting in greater security for Emmi. Furthermore, this acquisition underlines the commitment of Emmi to the Mexican market and Mexideli 2000, so a complete consolidation may be a possibility in the future, to further secure this market (Mike, 2017).

Table 2 shows that within the food sector, many mergers and acquisitions have occurred over the past years and that most of them involved large amounts of money (IMAA, 2018). When combining this information with figure 2, which displays the trend of mergers and acquisitions over the past years, the number of mergers and acquisitions have been and can be assumed to remain stable (IMAA, 2018). Furthermore, because of the stable trend, the assumption can be made that also in the future planning departments will have to deal with a merger or acquisition in their company, so this research remains relevant in the future (IMAA, 2018).

Table 2: Number and Value of M&A Worldwide (IMAA, 2018)

| Rank | Industry                            | Number | Value (bil. USD) | Value (bil. EUR) |
|------|-------------------------------------|--------|------------------|------------------|
| 1    | Metals & Mining                     | 48963  | 3060.03          | 2434.32          |
| 2    | Professional Services               | 46900  | 1094.98          | 914.86           |
| 3    | Other Financials                    | 35446  | 1388.22          | 1146.45          |
| 4    | Food and Beverage                   | 34577  | 2326.47          | 1966.13          |
| 5    | Software                            | 34362  | 1049.16          | 898.27           |
| 6    | Building/Construction & Engineering | 33208  | 758.01           | 629.42           |
| 7    | Oil & Gas                           | 32903  | 4891.34          | 4044.55          |
| 8    | Banks                               | 27932  | 5072.24          | 4298.55          |
| 9    | Transportation & Infrastructure     | 27577  | 1995.43          | 1652.94          |
| 10   | Machinery                           | 26093  | 891.06           | 752.26           |

## Planning and Logistics

Supply chain management plays a key role in the planning management of the products and information flows (Sel, Bilgen, & Bloemhof-Ruwaard, 2017). It is a function that can be defined as: 'A system of organizations, people, activities, information, and resources involved in moving a product or service from supplier to customer'. In short, it is involved in the transformation of the raw materials into the final product from 'farm to fork' (Türk, Özkan, & John, 2017).

Supply chain management can be divided into smaller planning and managing functions, such as production planning and inventory management (Engelbregt, Kalkoven, & Kruijer, 2008). The role of production planning is to determine a production plan with minimal cost or maximal possible profit. Given that demand must be satisfied when the capacity is available, it would be about planning the processing of the dairy (Aouam et al, 2017). Inventory management, on the other hand, is the part of supply chain management that plans, implements and controls the efficient, effective, forward, and reverse flow and storage of goods, services, and related information.

The supply chain management process is a supervision of supply, storage, and accessibility of items in order to ensure an adequate supply without excessive oversupply (Singh & Verma, 2017). The network of functions that are involved, of which production planning and inventory management are two examples, are connected through upstream and downstream linkages, for instance by using software such as Enterprise Resource Planning (ERP) systems. Thereby creating value in the form of efficient production and delivery of products and services towards the final consumer (Singh & Verma, 2017).

In the case of a merger or acquisition, similar departments from both parties are merged into one department, so two separate planning department would, for instance, be merged into one. Even though the company is going through large changes, the fewer supply chain disruptions there are for the company, the better it is for the company and its customers. For instance problems with planning causing inventory stock-up or lower quality result is need to be prevented, since they cost much money for the recently merged company (Malone, 2007). The planning department focusses on the efficiency of the company and the ability to respond to a changing environment, large organizational changes such as mergers or acquisition are a good opportunity to re-assess the department. When two planning departments are merged into one, opportunities for integration and optimization can be analyzed and applied to improve the overall efficiency. However, companies often have less attention for the assessment and integration of the planning processes and rush to the consolidation of the systems. Not fully understanding and using the opportunity provided by the merger or acquisition, to optimize the supply chain and planning processes (Singh, 2009).

### Structure and Strategy

Companies such as dairy cooperatives can have a complex structure. An example of an organizational chart is provided in figure 3 and shows the position of the planning department in relation to other departments (DOC Kaas, 2018). Where figure 3 shows the entire organizational structure, figure 4 is more detailed and only focused on the planning department. It shows the structure of the planning department of an independent dairy cooperative (DOC Kaas, 2018).

The organizational structure is the foundation of how the company operates, it determines how an organization controls and delegates tasks, how decisions are made and implemented and how the information flows (Gigli, 2018). Organizational structures often have a functional, divisional, network or matrix structure (Marcus, van Dam & Medhorst, 2015). Which type is the most suitable, depends on the needs of the company, which are often affected by the size organization (Gigli, 2018).

- **Functional Structure** - Seeks for coherence between the various tasks, so that groups within the business have a specialized set of roles and tasks. Take for instance a company that manufacturers furniture, tasks will be divided based on the tasks, there is a group responsible for purchasing of materials, a group for designing and so on (Marcus, van Dam & Medhorst, 2015). An advantage is that grouping employees by specializations ensures the specialization of the department, resulting in faster operational speed (Gleeson, 2018). On the other hand, having segregated departments with each of them their specialists in specific areas makes that they meet fewer people with other backgrounds or perspectives and the common bond weakens (Gleeson, 2018).

- **Divisional Structure** - Focuses more on the end results, so when applied to the example of the furniture manufacturer, one group builds chairs, another group tables and so forth (Marcus, van Dam & Medhorst, 2015) This structure works, because it allows a team to focus upon a single product or service. However, it may lead to competition between departments and allows office politics instead of sound strategic thinking, so that not the optimal use of resources is achieved (Gillikin, 2018).

- **Matrix Structure** - Combines both the functional and divisional structure, this is especially useful for large companies (Boddy, 2014). Meaning that in case of the example, the chair department has divided the tasks according to the functional structure, the table department as well and so on. Because matrix structures retain an organization's functional structure, they allow for the rapid creation of efficient large-scale, project structures that employ many members of the organization's functional structure but without disrupting or destroying the structure in the process (Gleeson, 2018). Nonetheless, this also creates the requirement for a high degree of cooperation between functional and project management. Which may result in conflicting management directives, leaving the project members caught in the middle (Gleeson, 2018).

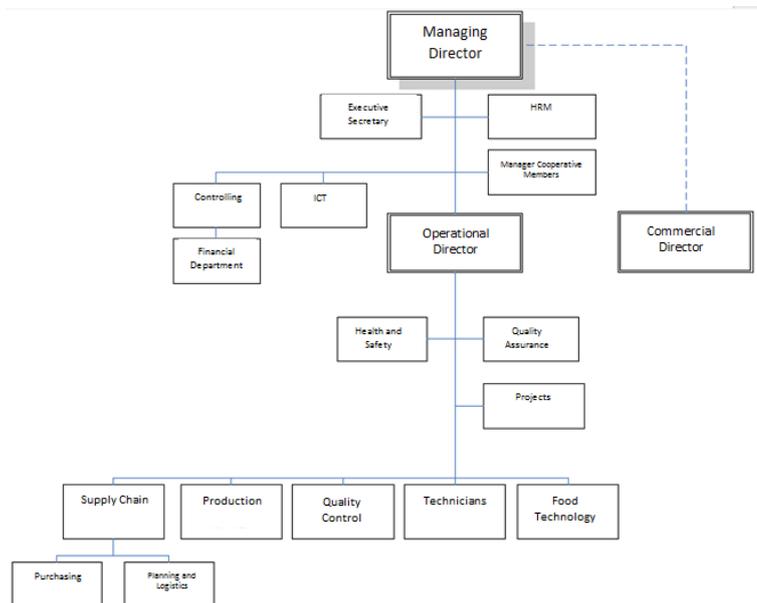


Figure 3: Example Organizational Structure Dairy Cooperative (DOC Kaas, 2018)

- **Network Structure** - Shares all the work amongst collaborating networks, with independent organizations, like a human resource agency, manufacturing companies and so on (Boddy, 2014). Proponents argue that the network structure is agiler compared to other structures, communication freely, possibly opening up more opportunities for innovation. On the other hand, this more fluid structure can lead to a more complex set of relationships in the organization (Lumen, 2018).

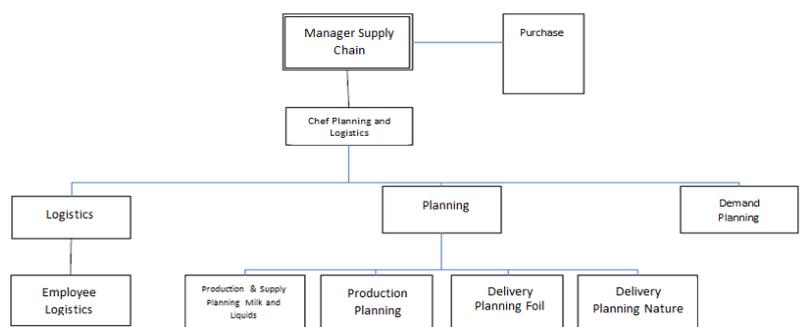


Figure 4: Example Structure Supply Chain Department Dairy Cooperative

When analyzing the structure of a business or department, important features are the following: ‘The chain of command, the span of control, formalization and the organization of the necessary functions (Bagautdinova & Validova, 2014)’. These factors can be analyzed for the entire business or a specific department.

- **The chain of command** – Describes how the power is divided within the company, regarding management levels and accountability. So whether the decisions are made from a centralized or decentralized management system.
- **The span of control** – Describes how far the power and authority of for instance a manager reaches and what it controls.
- **Formalization** – Describes which roles are structured in the organization and how the activities are governed by rules and procedures, so how formal or informal the work floor is.

- **Organizational structure** – It is important to understand how the functions and roles are divided, therefore organizational charts such as figure 3 and 4 are used. Furthermore, it is helpful to describe how the flows of information are running (Bagautdinova & Validova, 2014).

To understand what exactly has changed in the organizational structure, processes, and systems, an internal analysis can be applied. An example of such an analysis is the 7S model of McKinsey, which can be found in figure 5. It analyses the important factors of the internal environment of a company. This analysis is used so that the researcher knows how the organization is structured and organized (Creative Creation, 2018). As can be seen in figure 5, all the factors in the McKinsey 7S model are connected to each other, so when one changes, all other factors will be affected as well. That is also why 'shared values' is in the center of the model, it represents the mission, vision, and values of the organization; the core of the company. Shortly explained, each of the factors of the model describes the following:

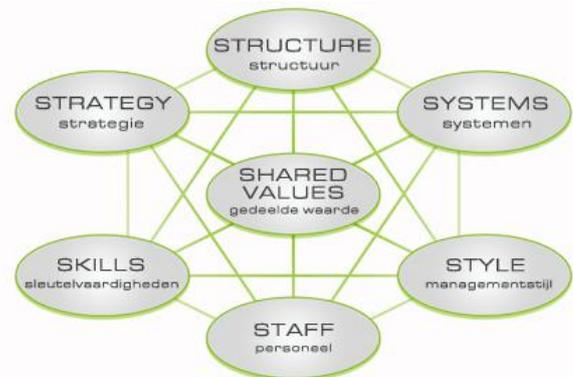


Figure 5: 7S Model (Creative Creation, 2018)

- **Strategy** – The strategy is the plan deployed by an organization in order to remain competitive in its industry and market. In this report, this strategy will be analyzed by looking at aspects such as the objectives of the organization, the competitive pressure, and sustainability (Jurevicius, 2013).
- **Shared Values** – Shared values are values that convey conceptions of the common good between people and are formed, expressed and assigned through social interaction (Kenter et al, 2016). In the McKinsey 7S model, especially the organizational core values are analyzed, together with the role they play in the organization (Marcus, van Dam & Medhorst, 2015).
- **Structure** – Represents the way business divisions and units are organized and includes the information about who is accountable to whom. This can be easily represented, using organizational charts (Jurevicius, 2013). Furthermore, the previously described aspects chain of command, the span of control and formalization are described (Bagautdinova & Validova, 2014).
- **Style** – Describes how the company's managers lead (Hendricks, 2018). For that reason, themes like the effectiveness, participation, and team functioning within the company are described (Marcus, van Dam & Medhorst, 2015).
- **Staff** – Staff refers to the personnel of the company, how large the workforce is, where their motivation resides, as well as how they are trained and prepared to accomplish the tasks set before them (Marcus, van Dam & Medhorst, 2015).
- **Skills** – Skills are the abilities that firm's employees perform very well. They also include capabilities and competencies. During organizational changes, the question often arises what skills the company really needs to reinforce its new strategy or new structure. Next to employee related skills, this factor also describes all other strong points and capabilities of the company that is being analyzed (Jurevicius, 2013).
- **Systems** - Systems are all the business processes that happen daily to make the business run (Hendricks, 2018). In this report, the system that will be focussed on will be ERP systems, which are described in this introduction previously.

## Enterprise Resource Planning (ERP)

In many mergers and acquisitions, part of the transition is the change towards new systems and processes (Kansal & Chandani, 2014). Not always because they are better than the old systems of the acquired company, but to have systems that are in line with the parent company. For instance, the change towards a new Enterprise Resource Planning (ERP) system, so that all business units have integrated systems that monitor the flow of information and goods. Often the implementation of this new ERP system is considered one of the main changes regarding processes, therefore it will also have an important role in this report (Sadrzadehrafiei et al, 2013).

An ERP system is a central system in which information can be entered and changed real-time (Investopedia, 2018). It provides the opportunity to have continuous interaction between all stakeholders and internal processes. One of the problems organizations often face regarding ERP systems, is the segregation of the business functions within the organization (Panorama, 2017). ERP systems help to maintain the connection between these separate business function, by providing an enterprise-wide package that integrates all business functions into a single system with a shared database. These software packages can be customized up to a certain limit, to meet the specific needs of each specific business (Sadrzadehrafiei et al, 2013). An example of an ERP package that is often used and that also plays a role in the case study is the system SAP.

Installing ERP systems is both expensive and risky. Research has shown that 30 percent of the companies implementing a new ERP system, evaluate the implementation as a failure or do not know yet whether it was a success or not. This percentage is an increase of 19 percent compared to the same research in 2016 (Panorama, 2017). Nonetheless, once installed, the operational processes are positively impacted by operational, managerial, and strategic benefits of the ERP system (Su & Yang, 2009). Since it allows the automation of activities within the company, making information available to users at the right time, and supporting their decision-making needs more accurately (Azevedo, Romão, & Rebelo, 2012).

In short, when focusing on the main points all ERP systems have in common, the characteristics of an ERP system can be described as follow. The systems are built with a modular design, meaning that it is a combination of separate modules for the different business units. Although these modules are entirely separate, they are still integrated, so that there is a flow of data between the different modules (Rajan & Baral, 2015). Also, all data of these separate modules is stored in a central database. The information is entered once, after which it is available for all business units (Mayeh, Ramayah, & Mishra, 2016). An ERP system has a flexible and open design, to enable the company to be flexible and transparent, to quickly respond to trends and opportunities in the market (Elragal & Haddara, 2012). Lastly, the ERP system is automatically generating information for the overall enhancement of business processes, for instance by offering reports and by performing processes without manual work (Hustad, Haddara, & Kalvenes, 2016) (Paine, 2017).

There are many companies that offer an ERP system, all of them different, even though they all meet the general characteristics. In order to make the decision which ERP system to choose, more clear for businesses, ERP consultants such as ERP Cloud offer similar checklists, customized for your specific business (Madapusi & D'Souza, 2011). In general, these checklists help to compare the five key areas that help to determine which system is the most suitable for your specific business situation (Ciecierski, 2017):

- **Productivity:** How will it increase your productivity?
- **Functionality:** What features does it offer?
- **Technology:** How does it leverage technology?
- **Value:** How does the product's lifetime cost compare to what you are getting?
- **Risk:** How does it minimize risk and facilitate security?

In the theoretical framework, the topics discussed are the dairy sector and cooperatives, mergers and acquisitions, trends and developments of mergers and acquisitions, planning and logistics and enterprise resource planning (ERP). To shortly summarize the information; already much research has been done on mergers and acquisitions, the agro-food sector and ERP systems. It shows that businesses that enter a merger or acquisition, are often driven by market-seeking motives or are looking for technical expertise, also in the food sector. Part of this sector is the dairy industry, an industry in which cooperatives play an important role in connecting independent farmers to the global market. Products made from their dairy are for instance powdered milk, cheeses or yogurt. In order to ensure that there are always products to meet the demand, the supply chain department has different planning tasks. Tools that are helpful to do this are ERP systems, which are enterprise-wide packages that integrate different business functions into one system. Separately, there is already a lot of information known, but there is almost no data on what the impact of a merger or acquisition will be on the planning department of a dairy cooperative with an ERP system. Even though this is would be useful to know for the department and project leaders, to be better able to manage

and prepare their product and information streams. For that reason, this research will focus on the impact of an acquisition on a dairy cooperative that uses an ERP system, to find an answer for the following research question:

*'In what ways does an acquisition affect the structure, processes, and systems of the planning department of a dairy cooperative with an ERP system?'*

- How are the strategy and shared values of a dairy cooperative with an ERP system affected by the acquisition?
- How is the organizational structure of a dairy cooperative with an ERP system affected by the acquisition?
- How are the processes used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?
- How are the systems used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?

A case study is used, to see firsthand how an acquisition influences the planning department of a dairy cooperative that is in the midst of an acquisition and a before and after analysis can be done in a relatively short time. Nonetheless, the methodology used in this study is developed in such a way that any other dairy cooperative can use this analysis, to analyze the impact of an acquisition on their own company. So that they have a methodology to help analyze and understand the consequences and are able to respond to them.

This report will achieve in professional practice, that planning departments from dairy cooperatives have access to a methodology that can help to analyze the impact of an acquisition on their department. Much information is available on acquisitions and their impact, this report will help companies to analyze whether this theory is applicable to their real-life situation. Based on this research, practical recommendations can be made to the planning department and project managers within the acquisition, about what impact they can expect and how they should respond to this.

In order to keep on track and to perform an analysis that is interesting and useful for the industry, project planning is used based on the methodology and published deadlines. This enables the researcher to collect the required information within the time frame so that all deadlines are being met. Furthermore, it is important that the analysis and answers are not vague or theoretical. The aim is that project managers and planners will have a method to better understand the impact of the acquisition on their planning department. Therefore, practical and clear information should be provided, so that it can be used in practice and will help the people involved to have a better transition within the acquisition.

## 2. Methodology

The chapter methodology combines the research question and topic with the available time and set deadlines so that all necessary information is collected and analyzed within the available timeframe (Baarda & Goede, 2001). In the case of this research, the timeframe was from March to June 2018, during which the data collection took place. This chapter will start with an overview of the case including a short overview of the involved businesses, followed by a description of the used materials and methods.

### 2.1. Case Description

Before the research methodology is described, the case description will be given of the situation in which this analysis is executed. A case study method enables a researcher to closely examine the data within a specific context. In most situations, a case study explores and investigates contemporary real-life phenomena through the detailed analysis of a limited number of events or conditions (Zainal, 2007). Case studies are complex because they generally involve multiple sources of data, may include multiple cases within a study and produce large amounts of data for analysis (Soy, 2006). Nonetheless, researchers from many disciplines use this method for their research, because of the following advantages: its applicability to real-life, contemporary, human situations, and its public accessibility through written reports. They relate directly to the everyday experiences of the common reader and facilitate an understanding of complex real-life situations (Soy, 2006). That is also why a case study is used for this research, to indicate the applicability and to make the research easier to understand for the readers (Soy, 2006).

Table 3: Facts DMK Group and DOC Kaas (European Commission, 2016)

|                                   | DMK Group      | DOC Kaas     |
|-----------------------------------|----------------|--------------|
| <b>Annual Turnover (bil.)</b>     | € 5.1          | € 0.56       |
| <b>Employees (est. FTE )</b>      | 7500           | 218          |
| <b>Members Cooperative (est.)</b> | 8300           | 1.200        |
| <b>Organizational Structure</b>   | Matrix         | Functional   |
| <b>Production Locations</b>       | 26             | 2            |
| <b>Raw Milk Processed (est.)</b>  | 4.6 billion kg | 1 billion kg |

The case studied for this study is the recent acquisition of the Dutch dairy cooperative DOC Kaas by the German dairy cooperative DMK Group. DOC Kaas is a Dutch cooperative and cheese producer that produces hard and semi-hard cheeses for business and retail customers. The company offers private labels, as well as a personal brand: Dutch Original Cheese, through which it sells cheeses to customers all over the world. The company is located in Hoozeveer, where it has built a modern and efficient processing plant in the industrial area. The old factory, however, is still used to keep the varieties of milk and cheese separated. There are Dutch milk, German milk and 'weidemelk' (pasture milk in which the cows have been outside in the meadow for at least 6 hours a day, for at least 120 days (Boerenbusiness, 2017)), which all must be collected and processed separately from each other. The Dutch milk and 'weidemelk' are processed into so-called 'nature cheeses' with a hard crust and that is often used for retail customers. All remaining milk is processed into foil cheeses, which do not have a crust but are packaged into plastic foil and often used for industrial customers. Both cheese varieties have to ripen, the length of time depends on the variety and recipe of the cheese (DOC Kaas, 2018).

The German dairy cooperative DMK Group produces a wide range of products, such as yogurts, cheeses, ice creams and more dairy-based products. Well-known brands are Milram, Osterland, and Oldenburger. These are just a few of the brands through which DMK Group sells a wide variety of dairy products in over 100 countries around the

world (DMK Group, 2017). According to the last published annual report, this has accounted for an annual turnover of 5.1 billion euro's, through the processing of 7.3 billion kilograms of milk (DMK Group, 2017). In the following figure, additional facts about both companies will be provided.

In January 2016, the European Commission received the official notification of the acquisition of DOC Kaas by DMK Group, in which DOC Kaas became a business unit of DMK Group (European Commission, 2016). The published reason for this acquisition was the following: 'To improve the competitive position of both businesses and not only to improve the German and Dutch dairy sector but to strengthen the position of the European Union on the world market (DOC Kaas, 2016)'. Seen from the perspective of DOC Kaas, this caused changes within the organization, since it lost its independence. New processes and systems were introduced and more external communication with the parent company became necessary. Also, the problem described in the introduction occurred in this acquisition: it was not clear what the effect of the acquisition would be on the planning department of DOC Kaas. Therefore, the company requested an analysis to better understand and respond to the changes.

## *2.2. Materials and Methods*

This paragraph describes the materials and methods used for this research report, broken down per sub-question. The research variables that are used and that are represented in the research question, are the variables structures, systems, and processes. In order to answer the main research question, the McKinsey 7S model has been used, with the factors being organized under the four sub-questions. This analysis then was performed two times, once before the acquisition and once afterward, so that both situations could be compared and an answer to the research question could be formulated.

The primary source of information were two similar questionnaires sent to the entire planning department of the acquired company. In this case study, this means that all seven planners working at DOC Kaas filled in the questionnaires. The functions fulfilled by these planners are the outbound planners for foil and nature cheese, the production planner, the milk and liquids planner, the demand planner and the team leader planning and logistics. Together, these planners plan the processes and activities at the DOC Kaas processing plants. These planners were asked to fill in the questionnaire since they have the best insight into the structure, processes, and systems at the planning department of DOC Kaas. Meaning that they will also be the first to notice changes caused by the acquisition with DMK Group, so this is the best suitable group to answer questions about the acquisition and the planning department of DOC Kaas.

Two important topics to discuss are the validity and reliability of the performed research. Validity discusses to which extent the methodology acquires the information it is supposed to measure. Reliability is about the transparency and consistency of the findings and the research method, to proof the independence and trustworthiness of the data collected and analyzed (Saunders, Lewis & Thornhill, 2007). To ensure that this methodology and the results are both valid and reliable, the questionnaires have been sent to the entire planning department, so that the data is collected first hand. However, it was ensured that only planners that worked at DOC Kaas before the acquisition and that remained working at the same function afterward, filled in the questionnaires. This was to ensure that the data was collected from the same people, who in real-life experienced the acquisition and the consequences. Furthermore, reliability is achieved by the detailed description of the methodology, so that it can easily be reused. And are a combination of sources used, so primary and secondary data, to see whether different information sources lead to the same information, what would prove the validity and reliability of the data.

The primary data was collected using a questionnaire, which was developed to collect data regarding the four sub-questions. In these sub-questions, the seven factors from the McKinsey 7S model have been analyzed and structured under the sub-questions. The secondary data was collected from documents published by the companies in the case study, documents such as handbooks, annual reports and organizational charts provided by the human resource department.

## **Change of Strategy and Shared Values**

*How are the strategy and shared values of a dairy cooperative with an ERP system affected by the acquisition?*

The first sub-question discusses the factors strategy and shared values from the McKinsey 7S model. Data from these two factors has been collected before and after the acquisition so that a comparison could be made between both situations.

### **Strategy**

The strategy is the plan the company wants to follow, in order to achieve its set goals and to remain competitive (Jurevicius, 2013). Each year, the strategy of DOC Kaas and DMK Group is published in the annual report of both organizations. These annual reports are also the main source for this subchapter, as the strategy is cited from the annual reports in this research.

### **Shared Values**

Information about the shared values has been collected the same way as for the factor strategy, documents published by both companies have been analyzed to collect data about the shared values of DOC Kaas and DMK Group. Shared values form the core of the organization and describe where the company stands for (Marcus, van Dam & Medhorst, 2015). So even when they are not officially summed up in the official documents, these values will be entwined in the published documents, operations and management of the company.

## **Impact on Organizational Structure**

*'How is the organizational structure of a dairy cooperative with an ERP system affected by the acquisition?'*

In the second sub-question, the factors structure and style from the McKinsey 7S model have been used, to collect the information required to answer this question. This data has been collected before and after the acquisition, to enable the researcher to compare and draw conclusions to answer the main research question.

### **Structure**

For the factor structure, organizational charts were provided by the HR department of the company in the case study. These charts represent the structure of the entire organizational structure, together with a more detailed version of the planning department. These organizational charts help to provide a graphical overview of the actual functions that exist within the company and how they stand in relation to each other. Furthermore, the other characteristics of the organizational structure have been described, which are: the chain of command, the span of control, formalization and the organizational structure (Bagautdinova & Validova, 2014).

### **Style**

To analyze the management style at the acquired business before and after the acquisition, question 13 has been developed. In this question, statements were provided about the management style within the company, the planners had to rate the statement from 1 to 10 (1= not agree 10= agree). After all data was collected, the data could be put into a table to get the overview and to be able to analyze the results. In the table, the range and the mean were given, no 'p-value' has been used since this is a measure of how much evidence there is for the null hypothesis since no hypothesis has been used in this research (Explorable, 2018). All this information and the comparison between the situation before and after the acquisition, provide information on the management style at the planning department and whether this is affected by the acquisition.

## **Impact on Internal Processes**

*'How are the processes used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?'*

The third sub-question focuses on the processes that take place in the planning department of a dairy cooperative, including the daily tasks and activities of the planners. In order to answer this sub-question the factors style and staff from the McKinsey 7S model are described, also a process flowchart is provided from the activities at the planning department. These process flow charts are created with the information about the planning activities, described by the planning department in question 2, 3, 4, 5 and 6 from the questionnaires. In these questions, the planners filled in what their daily activities were, which planners they have to collaborate and communicate with and how this has changed due to the acquisition. These questions provided more insight into the functions and information flows from the different planners at the planning department. Based on this information, a flowchart was created of the before and after situation and could then be compared on similarities and differences.

### **Staff**

In the second sub-question, the organizational structure has been discussed and presented in the organizational charts. This information in combination with the description of the functions in question 2, 3 and 4 in the questionnaire, enables the researcher to link the activities and processes to functions shown in the organizational charts from the second sub-question.

### **Skills**

Once the process flow chart and the factor staff from the McKinsey 7S model have been described, the required skills have to be linked to this information. To do this, question 4, 5 and 6 are used, which focus on the planning activities, so which also involve the required skills to perform these activities. By performing this analysis, the process flow charts and the factors staff and skills, before and after the acquisition, the processes and activities can be compared, to see whether these activities are affected by the acquisition.

## **Impact on Systems**

*'How are the systems used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?'*

### **Systems**

The last sub-question discusses the consequences of the acquisition on the systems of the planning department. Acquired businesses have to adapt to their acquirers, therefore often the business systems are changed as well, to have everything in line with the acquirer. The research question clearly focusses on ERP system, therefore this will also be the focus of this last sub-question about systems.

The primary source of information for this last sub-question was data collected with the two questionnaires sent to the planning department of the acquired business. The questions were developed based on the five characteristics that are described in the introduction, these characteristics compare the five key measures of ERP systems, which are: productivity, functionality, technology, value, and risk (Ciecierski, 2017). Not all of these measures were of the same importance for the analysis of this research, however, they were all kept in mind when the questionnaires were developed. As with the previous sub-questions, this analysis has been performed twice, once before and once after the acquisition. Exactly the same method has been used as well as the same questionnaire so that the main difference is the acquisition and both situations can be compared and an answer for the last sub-question could be formulated.

The questions used for this last sub-question can be found in part B of both questionnaires. The first question in this part, are questions 8, 9 and 10 that ask the planners what systems they use, with the main focus on the used ERP systems, and what the main advantages and disadvantages of these systems are. These questions help to determine the different systems that are used and how they stand in relation to the main ERP system of the company. Asking

about the advantages and disadvantages provides an overview of the strong and weak points of the systems, to enable a comparison between both systems. These questions were followed by a question consisting out of statements about the ERP system the planners were using. To see how they experienced working with the ERP system and to hear what they are looking for in an ERP system. To collect this information, the planners had to rate the statement from 1 to 10 (1= not agree 10= agree). This information then could be put into a table, to be able to compare the experience of the planners for both systems. At the end of part B, the planners filling in the questionnaires have the opportunity to write down any additional remarks about the ERP systems.

## 3. Results

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This chapter provides an overview of the data required to answer the main research question: 'In what ways does an acquisition affect the structure, processes, and systems of the planning department of a dairy cooperative with an ERP system?'. The information is structured using the four sub-questions that organize the seven factors from the McKinsey 7S model.

### 3.1. Change of Strategy and Shared Values

*'How are the strategy and shared values of a dairy cooperative with an ERP system affected by the acquisition?'*

#### Strategy

*Before the acquisition* - The strategy of DOC Kaas, of which the original can be found in Appendix D, was based on four pillars:

- **Control of the supply chain:** 'DOC Kaas wants to expand its control of the supply chain by taking over shares of other processing facilities. By means of working with these businesses and through close collaboration with partners, DOC Kaas is able to reduce costs and to optimize quality and efficiency, next to having more control over the cheese supply chain' (DOC Kaas, 2018).
- **Internationalization:** 'The agro-food sector is more and more globally oriented, therefore there is a strong connection between the first and second pillar of DOC Kaas. Again, through partnerships and with close collaboration with international importers and distributors, the company wants to strengthen its international position, as a base for further growth' (DOC Kaas, 2018).
- **Growth in market segments:** 'Since DOC Kaas only produces one product category, the company is quite sensitive for price fluctuation in the global market. Being active in more segments or markets helps to spread the risks of these price fluctuations. Therefore, the company starts to look for opportunities in various segments and markets, such as retail, industry and private label. Once again with a focus on quality and a personal approach towards partners and customers, so that the full advantage of the available opportunities can be obtained' (DOC Kaas, 2018).
- **Value creation why:** 'When producing cheese, the products cream and whey remain as a waste product. However, especially whey is a useful and valuable product, that is used in different industries, for different products. An example can be the use of whey as a base ingredient in the food industry. Through a joint venture and the availability of DVNutrition, a whey processing plant, of which DOC Kaas owns 50% of the shares, the whey of DOC Kaas can be turned into a product that can be sold to different markets. Also, both the cheese production and whey processing facility are located at the same location, so little transport is required and the value creation of whey is sustainable and efficient' (DOC Kaas, 2018).

*After the acquisition* - The ultimate goal of DMK Group and therefore also DOC Kaas after the acquisition is to become the most successful dairy company in Europe. So that the company is able to pay a good return to the members of the cooperative (DMK Group, 2017). This goal will be achieved through the focus on the following points:

- Focus on sustainable profit, before fast growth.
- Investing in the stability of DMK Group, innovation and the work environment within the company.
- Efficient use of the available dairy, through collaboration with the dairy farmers and employees (DMK Group, 2017).

DMK Group has set priority in the strategic development of the cheese sector, profit gained by A-brands, securing the market share, developing business unit ingredients, looking for new developments in ice cream, baby food and health products, increasing international activity within the EU, and growth markets such as Asia. This in combination

with the focus on stability and the efficient use of its capacities and market shares, will contribute to a good return for the farmers in the future (DMK Group, 2017).

### Shared Values

*Before the acquisition* - DOC Kaas had not formulated official values and published them in their annual reports or on their website. However, in the strategy and mission statement of the company, sustainability plays an important role.

*After the acquisition* - DMK Group is led by three core values (in this report called shared values), which can be found in Appendix E. These shared values are the following:

- **Entrepreneurship** – Producing high-quality food products out of valuable raw materials with an high efficiency, requires entrepreneurship in all areas and levels. Therefore, DMK Group trusts the sense of responsibility from its farmers and employees, promotes ideas and uses synergies (DMK Group, 2017).
- **Transparency** – Trust in collaboration and an open dialogue are important principles of the organizational culture. DMK Group’s success is based on the honest interaction with all stakeholders, the farmers, employees, suppliers, and customers. We are proud of the fact that transparency is part of our cooperative roots and that we show this core value in practice (DMK Group, 2017).
- **Innovation** – Innovation means continuous research and development in all divisions, to secure the future of DMK Group and its cooperative shareholders. We create tailored products for further processing, offer the end user the highest norms regarding safety and quality, develop new marketing ideas and production processes and enter and conquer new markets (DMK Group, 2017).

## 3.2. Impact on Organizational Structure

*‘How is the organizational structure of a dairy cooperative with an ERP system affected by the acquisition?’*

### Structure

*Before the acquisition* - The structure of DOC Kaas and the planning department before the acquisition can be found in figure 6 and 7. Additionally, the following information is important to mention, since it helps to further analyze the structure of an organization:

- **Chain of command** – Decisions are made from a decentralized management system, with multiple directors responsible for separate parts within the company. The responsibilities are further divided over managers and team leaders from the different departments.
- **The span of Control** – The power and authority of the different directors are mostly focussed on their part of the business. The authority goes until the managers or team leaders for the different departments, who further communicate decisions and information to the rest of the department.
- **Formalization** – In the questionnaire, the planning department of DOC Kaas rates the formality of the organizational structure before the acquisition with an average score of 4.9. This is explained more in detail in the McKinsey 7S factor style.
- **Organizational Structure** – The organizational charts can be found in figure 6 and 7 on the next page.

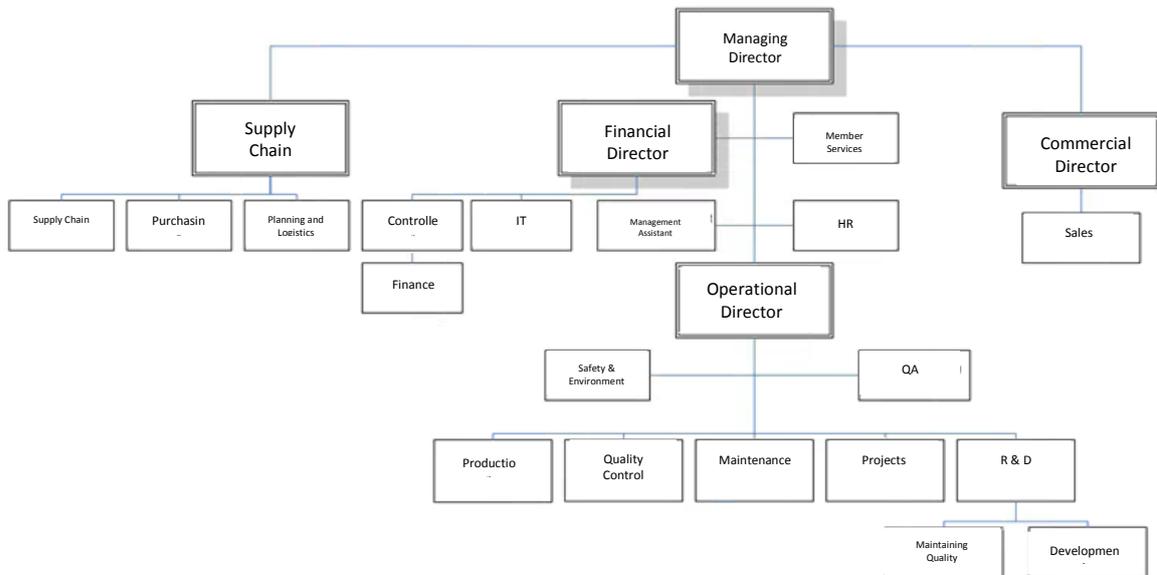


Figure 6: Organizational Structure Before Acquisition (DOC Kaas, 2015)

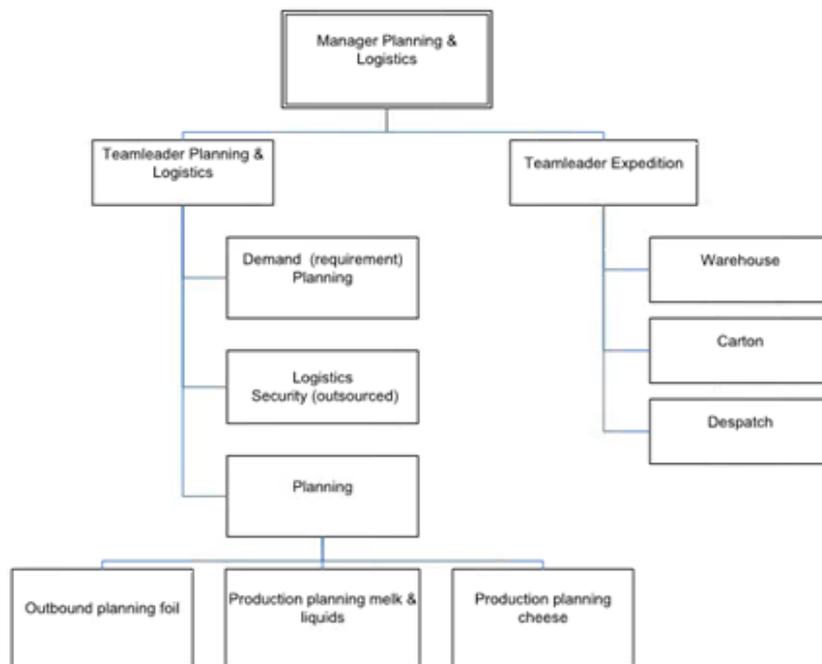


Figure 7: Structure Planning Department Before Acquisition (DOC Kaas, 2015)

*After the acquisition* - The structure of DOC Kaas and the planning department after the acquisition can be found in figure 8 and 9. Additionally, the following information is important to mention, since it helps to further analyze the structure of an organization:

- **Chain of command** – Decisions within DOC Kaas are made from a more centralized management system, with two directors that have divided the responsibilities. Additionally, DOC Kaas is part of a larger organization, so the top management of DMK Group has an influence on the management of DOC Kaas.
- **The span of Control** – The power and authority of the different directors are mostly focussed on their part of the business. The authority goes until the managers or team leaders for the different departments, who further communicate decisions and information to the rest of the department. Organization-wide decisions are made at the DMK Group head office and then communicated towards the different production plants and business units.
- **Formalization** – In the questionnaire, the planning department of DOC Kaas rates the formality of the organizational structure with an average score of 6 after the acquisition. This is explained more in detail in the McKinsey 7S factor style.
- **Organizational structure** – The organizational charts can be found in the following figures 8 and 9.

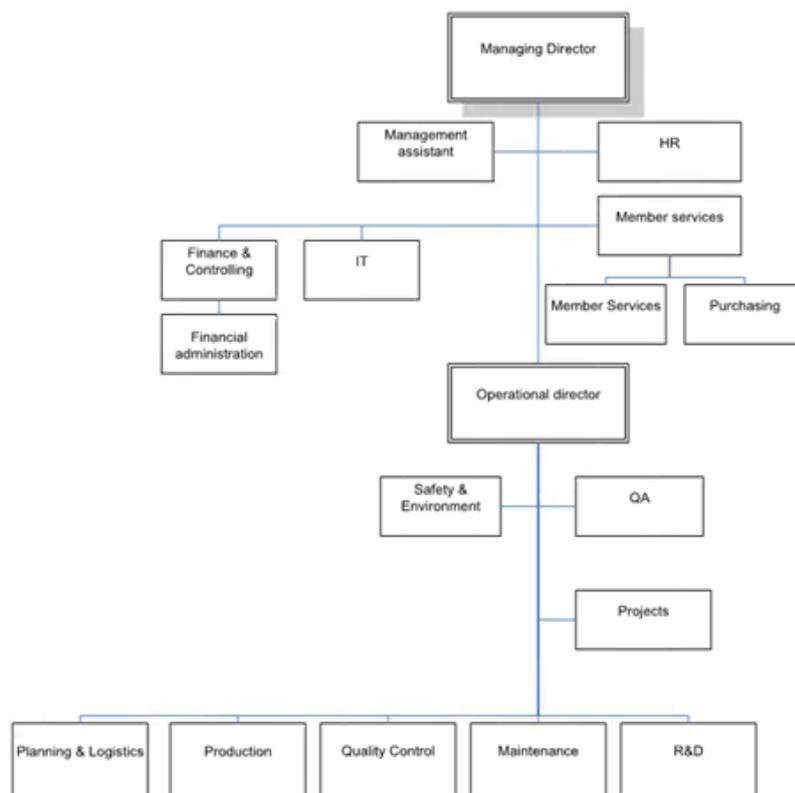


Figure 8: Organizational Structure After Acquisition (DOC Kaas, 2016)

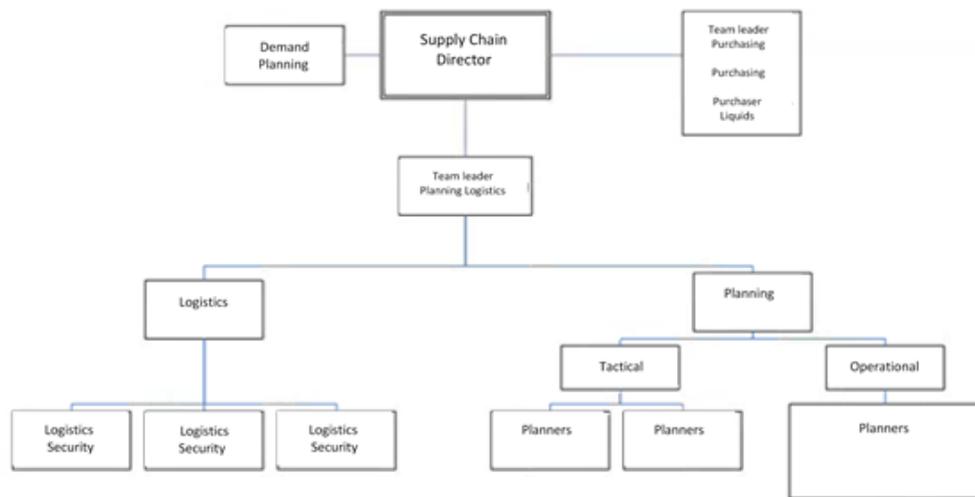


Figure 9: Structure Planning Department After Acquisition (DOC Kaas, 2016)

### Style

*Before the acquisition* – The planning department of DOC Kaas was managed by the supply chain director, who communicated to the planners through the team leader of the department. Everyone was located within walking distance in the same building, from the operators in production to the top management of DOC Kaas.

*After the acquisition* – DOC Kaas has become a business unit of an international organization, meaning that the top management of DOC Kaas is the management of a plant, not an entire company. The top management of DMK Group is located above the management of the different plants part of the company, so also a cultural aspect is included. As the top management is from a different country and culture, which is also woven into the more formal management style of most managers. This can also be seen in table 4 with the question about the formal environment, which scores higher after the acquisition by DMK Group.

In table 4 on the following page, the results from part C of both questionnaires are displayed. It shows how the planning department of DOC Kaas rated the same questions, before and after the acquisition, about the topic 'style'. In the table, the statements are listed, followed by the range and mean of the scores from the planning department of DOC Kaas, before and after the acquisition by DMK Group. The table shows that most aspects in the table have not changed much, for instance, the communication of the mission and vision went from 4.6 to 5. However, in general, the table shows that the scores have decreased by around 1 point after the acquisition. Except for the score of the formality of the work environment and the communication of the mission and vision, which score increased. The statement whose score decreased the most is about the efficiency of the decision-making process, which went from 4.9 to a 1.7. The other score that stands out is the decrease in the score that is given to the level of structure given to the functions.

Table 4: Results Questionnaire Part C: 'Style'

| Statement in Questionnaire  | N | Range Before | Mean Before | Range After | Mean After |
|---|---|--------------|-------------|-------------|------------|
| The norms and values of the organization are communicated on a regular base   | 7 | 1-7          | 4.9         | 3-7         | 4.9        |
| The mission and vision of the organization are communicated on a regular base | 7 | 1-7          | 4.6         | 3-7         | 5          |
| Communication towards and from the higher management occurs on a regular base | 7 | 3-8          | 5.3         | 3-7         | 4.4        |
| There is a lot of involvement from the higher management                      | 7 | 2-8          | 5.4         | 2-7         | 4.4        |
| There is a 'team' culture active within the P&L department                    | 7 | 3-10         | 6.3         | 2-8         | 5.8        |
| There is a 'team' culture within DOC Kaas/DMK Group                           | 7 | 3-7          | 5.1         | 1-8         | 4.3        |
| There is a formal environment within DOC Kaas/DMK Group                       | 7 | 3-8          | 4.9         | 4-8         | 6          |
| The decision-making process is efficient, fast and well communicated          | 7 | 2-8          | 4.9         | 1-7         | 1.7        |
| The decision-making process is centralized within DOC Kaas                    | 7 | 2-7          | 5.1         | 2-7         | 4.6        |
| My function and activities are structured with procedures and rules           | 7 | 5-10         | 7.1         | 2-9         | 5.6        |

### 3.3. Impact on Internal Processes

'How are the processes used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?'

#### Staff

*Before the acquisition* - The organizational charts in figures 6 to 9 map the different departments that existed within DOC Kaas, before and after the acquisition of DMK Group. The planning department is divided into two groups: logistics and planning. The group logistics focusses on aspects related to the tangible transport of the products, for instance, the transport towards the customers. The planning group is focused on the planning of internal processes, both tactical and customer-oriented planning activities. In figure 10, the activities described in part A from the questionnaire before the acquisition, are turned in a process flowchart that represents the information flow within the planning department.



Figure 10: Planning Process DOC Kaas Before Acquisition

*After the acquisition* – After the acquisition, the planning department performs and requires the same functions as before the acquisition. The main change compared to the situation before the acquisition is that not only internal information and communication are required after the acquisition also input from other DMK Group units are used. In figure 11, the activities described in part A from the questionnaire after the acquisition, are turned in a process flowchart that represents the information flow within the planning department.

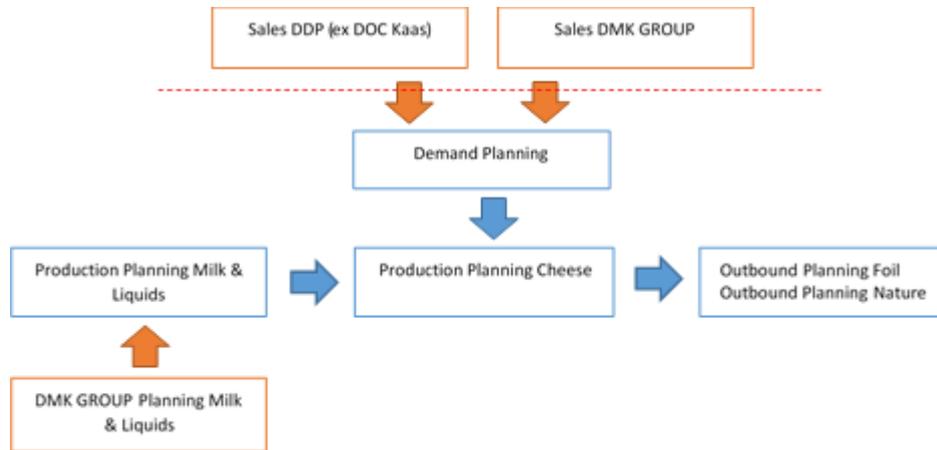


Figure 11: Planning Process DOC Kaas After Acquisition

### Skills

*Before the acquisition* – The skills required in the planning department are mainly organizational and planning skills, so that a practical and efficient planning is made. Together with communication skills, to communicate with all different people and departments involved.

*After the acquisition* - In the new situation, the same functions are fulfilled by the same employees, with the same skills as before the acquisition. The only addition to these skills is that the planning department has to learn to work with the new ERP system, SAP, which required some adaptation skills and flexibility.

### 3.4. Impact on Systems

*'How are the systems used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?'*

#### Systems

*Before the acquisition* - When looking at the planning and logistics department of DOC Kaas, there were four systems that played a key role. Although some specific functions require additional programs such as CheeseByte or RFgen, ERP system M3, Microsoft Excel, the reporting program COGNOS linked to M3 and the quality program QIS.

*After the acquisition* - All planners use SAP, with Excel to perform additional planning activities. This means that all planners use the same system and information to work with. Additionally, programs such as CheeseByte or Limo Pro are used in combination with SAP and Excel, to perform all daily planning activities.

In table 5, the results from part B of both questionnaires are displayed. It shows how the planning department of DOC Kaas rated the same questions, before and after the acquisition, about the topic 'systems. In the table, the statements are listed, followed by the range and mean of the scores from the planning department of DOC Kaas.

Table 5: Results Questionnaire Statements Regarding 'Systems'

| Statement in Questionnaire  | Range | Mean |
|---|-------|------|
| Thanks to SAP, I can be more productive than with M3                    | 1-8   | 3.4  |
| Thanks to SAP, I have necessary information I would not have without M3 | 1-9   | 5.3  |
| I can do my work better with SAP than with M3                           | 1-6   | 3.9  |
| Thanks to SAP, I am flexible to adapt the planning when necessary       | 1-5   | 3.3  |
| Working with SAP lowers the risks associated with my function           | 1-8   | 3.9  |
| It is easy and useful to work with SAP                                  | 1-6   | 4    |
| Without SAP, I would not be able to do my job                           | 1-10  | 4.7  |

In table 5, the first column provides an overview of the range of the answers given on the statements in the questionnaires. The opinions are divided, as the range is quite wide going from 1 (lowest possible score) to a 9 or 10 (highest score). When treating the mean as marks given in Dutch universities, all statements would rank as an insufficient, which is the case when the mark is under a 6 out of 10. The access to information scores the highest in the table, having an average score of 5.3 out of 10. The lowest scores belong to the statements regarding the productivity and flexibility thanks to SAP.

## 4. Discussion of Results

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The objective of this research was that in professional practice, an analysis is available to analyze the impact of an acquisition on the planning department of a dairy cooperative. In professional practice, this methodology will help project managers and planning departments to analyze the impact of an acquisition, so the necessary steps can be taken, and the planning department has to deal with fewer uncertainties. To be able to do this, the goal is to formulate practical and clear methodology and conclusion that the department can use. A case study was used, to show the applicability of this methodology.

In the previous chapter, the results of this research have been described, the next step is to mirror these results to the literature review in the introduction. This chapter is similarly structured to the previous chapter and to be able to draw a conclusion in the next chapter, the results are combined, compared and summarized in this chapter. Followed by an evaluation of the results in combination with the theory.

### 4.1. Analysis of Results

#### **Change of Strategy and Shared Values**

*'How are the strategy and shared values of a dairy cooperative with an ERP system affected by the acquisition?'*

##### Strategy

The strategy of DOC Kaas before the acquisition was based on four pillars: control of the supply chain, internationalization, growth in market segments, and value creation why. The strategy of DMK Group is focused on creating a sustainable profit through stability, innovation and a good work environment so that the available dairy can be used as efficiently as possible. Both companies want to create value, through the efficient use of the available resources, expanding to new national and international markets and innovation. This is in line with the theory described in the introduction because cooperatives are businesses owned by their members. They connect these members to the global dairy market, to create value and to be able to pay a good return to the dairy farmers that are members of the cooperative. Therefore it was not surprising to find that both DOC Kaas and DMK Group have this as their main objective since it should be their goal, being dairy cooperatives existing to create value for the dairy farmers.

Secondly, the literature review described that much international collaboration between dairy cooperatives occur to be able to respond to the fluctuating global dairy market. This was also the case in the situation of the acquisition of DOC Kaas by DMK Group. When independent, DOC Kaas only produced cheeses, so the company was sensitive to changes in the global market. DMK Group, on the other hand, has a wide portfolio of products, so it is easier to respond to trends and to have fewer price fluctuations towards the members of the cooperative. Next to that, DOC Kaas now also has easy access to other dairy products of DMK Group, so current customers now also have the opportunity to buy these products. For instance, a retailer, who is already buying cheeses from DOC Kaas, can be convinced to also buy other products from the wider portfolio, from the same company. And it is easier to spread risks and products, all dairy from the cooperatives have to be processed. Before the acquisition, the milk was only processed into cheese, now it is easier to bring the milk to another plant to turn it into another dairy product for a higher return. This means that from a strategic point of view, the acquisition of DOC Kaas by DMK Group was also beneficial for DOC Kaas. It enabled the company to have access to a wide variety of products, making it easier to respond to opportunities and market trends and therefore creating more value with the same resources.

##### Shared Values

Before the acquisition, DOC Kaas had no officially published values, however, the company did state that it valued sustainability. The employees that filled in the questionnaire focused more on the goal of DOC Kaas, which was to process and sell the cheese for the best possible price, to be able to pay a good return to the members of the cooperative. DMK Group has formulated organizational wide values, which are entrepreneurship, transparency, and

innovation. These values form the base for the corporate culture of DMK Group. When looking at what is described in the theoretical framework, two things can be said. In the first place, it is quite surprising that DOC Kaas did not have values before the acquisition since it is an important factor that forms the core of the organization and that binds together the employees. The remark that the goal of the organization was a binding force between departments, showed that other similarities were searched for and used as a way to connect with all different people. Secondly, the fact that DMK Group does use its values as the core of the corporate culture, is more in line with the theory described. Especially because DMK Group owns different plants, it is helpful to have shared values that connect all these different plants, located in different countries and regions.

## **Impact on Organizational Structure**

*'How is the organizational structure of a dairy cooperative with an ERP system affected by the acquisition?'*

### **Structure**

DOC Kaas was a centralized company, however, the representatives and members of the cooperative still had an influence on the company and on the large decisions. When looking at the organizational charts in figure 6 and 7, from DOC Kaas and the planning department before the acquisition, it shows that the company was led by the general director, which directed most departments to other directors. The department planning and logistics is part of the supply chain and was therefore managed by the supply chain director. Under the different directors, managers and team leaders were organized, through which all communication up- and downstream flowed. For the supply chain director, this was also the case, although purchasing and demand planning were directly connected to the supply chain director. The team leader coordinated the activities and communication from the top to the planners and other employees. This description matches the characteristics of a functional structure that were described in the introduction, functions are created by combining similar roles and tasks. There is, for instance, a purchasing department, supply chain, sales and so on, optimizing the operational speed of the entire organization.

DMK Group owns several plants in Germany and The Netherlands and therefore is quite a big company. For that reason, it is not surprising that the matrix structure is used by the company, combining the functional and divisional structure. This means that most plants have their own functional management, focusing on their specific product group. To provide an example, DOC Kaas would focus on the product group cheeses, but it would still have its own functional structure and the same would be the case for other plants. For that reason, for DOC Kaas, no large organizational changes occurred in practice, except for the fact that the commercial department had been separated from DOC Kaas and was put into a different business unit. Furthermore, the managing director was still at the top of DOC Kaas, but the rest of the organization was organized more vertically. The operational director still reports to the managing director and is responsible for all production related departments of the company, including supply chain and logistics. The planning and logistics department is still split into two parts, in planning and logistics and expedition, but then with the expedition part now incorporated. The team leader planning and logistics manages all activities and people under him, all planning related function. Team leader expedition manages the warehouse and the actual outbound logistics.

The decision-making process has changed as well, although the method of communication remained similar. The board of DOC Kaas still has influence, but all organizational wide decisions are made centrally at the head office of DMK Group in Bremen, Germany. This, together with the fact that more layers are added to the organizational structure results in a less personal and slower decision making process, as it was experienced by the planners that filled in the questionnaire. The decision-making process has changed as well, although the method of communication remained similar. The board of DOC Kaas still has influence, but all organizational wide decisions are made centrally at the head office of DMK Group in Bremen, Germany. This, together with the fact that more layers are added to the organizational structure results in a less personal and slower decision making process, as it was experienced by the planners that filled in the questionnaire. These findings match the theory described in the introduction, since one of the advantages of a matrix structure is that it allows for the rapid creation of efficient large-scale, project structures, disrupting or destroying the structure in the process. Nonetheless, it also creates the requirement for an high degree of cooperation between functional and project management, so the operational

management and top management in Bremen. It may result in conflicting management directives, leaving the employees caught in the middle, which might happen when directions from DOC Kaas and Bremen collide.

### Style

The organizational structure of DOC Kaas was vertically organized, meaning that there are several layers of management. This makes the interviewed planners feel as if there is a less efficient decision-making process or involvement from the top of the organization. Still, these planners experience a team culture within the company, in which everyone operates towards the shared goal of DOC Kaas. Due to the acquisition of DMK Group, additional layers of management are added to the organization and most of them are located in Germany. This results in a weaker connection between the interviewees and their managing board and it contributes towards the team feeling of DOC Kaas against the rest of DMK Group.

In the case of DOC Kaas and DMK Group, the acquisition was internationally oriented, as a German company took over a Dutch company. The theoretical framework states that these international aspects add another dimension to the acquisition since it now also involves international communication. Furthermore, problems might occur, going from an independent company to a business unit of another company, from another country. Many of these challenges can be tackled with good change management. As was described in the theoretical framework, it is important to keep all employees connected and updated and interested in the acquisition, because often employees are afraid of and against the changes, as they are not fully aware of what is going on and what consequences they will experience. Therefore it was the role of the project manager to keep all employees of DOC Kaas updated and in line with the project. In the questionnaires, the planners stated that they were updated on the progress by their team leader. As stated in the questionnaire by several planners, the biggest difficulty was related to the implementation of SAP. The general experience from this implementation was not very good since the planners experienced that they could have been updated more often and more detailed. As they were now unsure what the changes would mean for them and their function and employees quickly fear situations as the acquisition by Agropur, described in the introduction, where many employees lost their job due to the restructuring of the organization.

### Impact on Internal Processes

*'How are the processes used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?'*

### Staff

In the chapter results, the organizational charts in figure 6 to 9, provide an overview of the departments and functions within DOC Kaas and the planning department, before and after the acquisition. Also at the planning department, the same work needs to be done. The main difference after the acquisition is that the processes have become more complex because the planning department has to deal with more external communication and information. Not only the sales department connected to DOC Kaas creates demand, this is also created by other DMK Group sales departments. Furthermore, being part of DMK Group means that the available milk has to be spread over the different plants, so the supply of the main ingredients is also highly affected by the rest of DMK Group. This results in a more complex situation and more parties that need to be satisfied and dealt with, as be seen in the process flowchart in figures 10 and 11. This finding is not surprising when combining it with the change of the organizational structure. DOC Kaas has become a business unit of DMK Group and now fills in its position in the matrix structure. Where the functional structure from before the acquisition remains, but in combination with a more divisional, so product group-oriented, structure and approach and also communication with other plants in the product group is required.

### Skills

The planning department is responsible for the efficient and logical planning of production and logistics. Therefore organizational and planning skills are important, to be able to keep the overview and to put all pieces together into one plan. Without stress, caused by last-minute problems or changes in this planning. Furthermore, communication

skills are required, since the planning department is working with information from different departments within the company and to remain up to date, constant communication is necessary. Because the companies in the case study are working with ERP systems, it is important that the planners are able to work with these systems. Because, as was mentioned in the literature review, ERP systems can contribute to the integration of separated business functions, making it easier to maintain the overview and to make an efficient planning. The change towards another ERP system was experienced as a large change and the planning department needed to acquire the skills to work with SAP. However, as the theory mentions, the functionality of the old and new ERP system are quite similar, the differences can be found in the details. The processes remain the same, just the way of executing the daily activities connected to these processes will be different due to the new system, as will be discussed in the next factor of the McKinsey 7S model.

## **Impact on Systems**

*'How are the systems used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?'*

### **Systems**

Before the acquisition, DOC Kaas used a combination of four programs, of which M3 was the central ERP system. These systems enabled the planners to have insight into the inventory and production cycle of the production plant. Some used company-wide, while others are more specific for certain functions. All departments had access to the same, real-life information so that there is less risk of having different information and thus mistakes.

The Part B of both questionnaires focused on the three factors that help to analyze an ERP system, as was explained in the introduction. The analyzed factors are productivity, functionality and the general experience of working with M3. The overall experience of the planning department was that M3 was a system quite easy to work with, especially because of the report program COGNOS.

After the acquisition, the SAP program got implemented by the colleagues from DMK Group, who already had experience with implementing the SAP system at other plants. However, the DOC Kaas planners experienced that they had too little time for testing and practicing the new way of working before the go-live date. This was evaluated and discussed with the German colleagues, but it was decided that the go-live date would remain the same and that the colleagues from DMK Group would be available to solve any occurring problems. Furthermore, because of this tight time schedule, there also has been little time to fully optimize the system, so some tasks are going back to becoming manual tasks instead of automated. Therefore the same tasks take more time in the new system, however, the most planners experience that this will get better over time when upgrades are made and tricks are learned. In general, these remarks match with the theory described in the introduction, as it takes time to get used to new systems and ways of working. Especially when you have done your work in a certain way for years, it is understandable that the adaptation to a new system and a way of working requires time and patience.

The main advantages experiences are that SAP is a very broad program, with many opportunities that can be used for many goals. Furthermore, because not only in Hoogeveen but also other DMK Group locations are using the same data, the big picture will be easier to manage logistics and to have more insight into the entire business. And because everyone is working with the same system, less communication is necessary and it goes faster to communicate with the colleagues in Germany since they have access to the same data. Although not everyone has experienced or seen advantages yet.

## *4.2. General Evaluation Acquisition*

In the second questionnaire, there not only was a focus on the McKinsey 7S model after the acquisition, there also was a section about the general opinion of the interviewed planners about the acquisition. Because next to analyzing the several factors of the internal analysis, it is also important to know what the general feeling of the planning staff is. It is important that the planners feel listened to and appreciated, so they perform better since they feel like they play a role and have an influence on their department and company.

In the question asking about the general opinion about the acquisition, it became clear that all answers could be divided into two parts. First of all, the planners understand that it was unavoidable for DOC Kaas to not go into a merger or acquisition, even though they would have preferred independence. Being part of DMK Group means that the dairy can be processed into a wider portfolio of dairy products so that it is easier to respond to market trends. When the price of cheese is high more milk is processed into cheese, otherwise, it might be better to turn it into another dairy product. However, the practical side of the acquisition was not experienced that good and could have been better, project wise.

According to the planners, there will be advantages of the acquisition in the long term, especially for the dairy farmers of the cooperative. It is expected that over time, this strategy will help to spread to risk so that DOC Kaas is able to pay a more stable price to the farmers. These farmers are important, they own the company and provide us with our main ingredient: raw milk. Therefore the company took the time to inform and talk with the farmers and the rest of the project. Also, because there was also the availability of milk from the members of DMK Group, there was a more stable milk supply, so that the capacity of the processing plant could be optimally used and the milk collection could be organized more centrally between DOC Kaas and DMK Group dairy farmers. In general, being part of a large concern provides resources that help the processing plants to be more efficient and to improve aspects such as quality and general management.

The main issue the planners experienced was the overall project of the SAP implementation. The project could have been better planned and performed. Also, the organizational structure and involvement from the top down in practice works differently than it says on paper and has a different focus point on for instance long-term planning so that DOC Kaas has to adapt or change its processes and activities. Therefore also communication is very important, so that even ad hoc things can be arranged on time or that just changes and strategies are clearly communicated. There has been communication, also during the acquiring process. However, this was mostly in general meetings and through the manager of the department, who told about the last developments in the acquisition when this was formally published and agreed on by both DMK Group and DOC Kaas.

As mentioned by Martin (2016), between 70 and 90 percent of all mergers and acquisitions fail or do not have the expected boost in returns. Furthermore, research has shown that 30% of the companies implementing a new ERP system, evaluate the implementation as a failure or do not know yet whether it was a success or not. Both facts show that even when the entire merger or acquisition is analyzed and prepared, it still requires much work and preparation to make it successful. In case of the acquisition between DOC Kaas and DMK Group, it is too early to proof whether the acquisition was successful or not. The acquisition requires months of adaptation to the new way of working, in the future, it will be easier to say whether the acquisition helped DOC Kaas and DMK Group to the goals of DMK Group on the long term. Which is to become the most successful dairy company in Europe, by focusing on a sustainable profit before fast growth, to be able to pay a good return to the farmers.

The general opinion was that the planners understand the decision of the acquisition, although some believe other parties might have offered other advantages. The project SAP has affected the opinion about the acquisition since this project did not exactly go as the planners expected it to be, this in general set the tone about DMK Group and the acquisition. On the other hand, the relationship with the colleagues of DMK Group is good and also there hope for the long-term advantages of the acquisition.

### *4.3. Research Reflection*

The last step of this chapter is to reflect on the performed research, to evaluate how the results can be useful, what went well and what could do better next time. In the performed research, the goal was to provide an example of a methodology that helps to analyze the impact of an acquisition on the planning department of a dairy cooperative with an ERP system. The method used was the McKinsey 7S model, a model that analyzes the strategy, shared values, structure, style, staff, skills, and systems of a company. This analysis was performed two times, once before the acquisition and once afterward. In order to analyze these factors, two similar questionnaires were used as a primary source, company documents such as annual reports were used as a secondary source.

The methodology was applied to a case study, the acquisition of DOC Kaas by DMK Group. Questionnaires were sent to the same people from the planning department of DOC Kaas, which consisted out of 7 persons. In these questionnaires, the questions were divided into three parts: function description, system, and style; in the second questionnaire, additional questions were asked about the acquisition. The planning department of DOC Kaas existed out of 7 persons who all filled in the questionnaire. If the methodology is applied to another company this number might be higher or lower, depending on the number of planners working in that planning department. In this research, the 7 questionnaires were enough, since it provided insight into the processes and systems used by these planners. Also, there was no other option, since this group was the only group that could answer the questionnaires about the acquisition of DOC Kaas by DMK Group.

The questionnaire questions in both questionnaires covered the data required to answer the four sub-questions about the organizational structure, processes, and systems. The formulated questions, in combination with the secondary data from the annual reports and the organizational handbook, provided the information necessary. What could have been better is the timing of the questionnaires, which was not optimally planned due to the start of the research after the beginning of the acquisition and tight deadline to finish the report. The official notification of the acquisition was in April 2016, the research started two years afterward, meaning that the questionnaire about the situation before the acquisition was filled in during the transition. The transition of the systems was the first of July 2018, a few weeks later was the deadline for this report, therefore only the short-term results could be measured and analyzed. For that reason, the thing that could do better is to calculate more time for this analysis, so that questions about the situation before the acquisition are actually asked before the acquisition. And so that also next to the short-term consequences, there is more time to measure the impact on the long-term, for instance, 2 years after the acquisition. This would provide a more reliable and more detailed overview of all changes and all long- and short-term changes caused by the acquisition.

Nonetheless, the methodology did provide an overview of the impact of the acquisition on the organizational structure, processes, and systems of DOC Kaas. And as this discussion showed, the results found with the methodology are in line with the theoretical framework described in the introduction. However, this research still has provided useful insights, because different knowledge areas are combined into one research and show that when these topics are combined, still most theory is applicable. This shows that the acquisition of DOC Kaas by DMK Group was not unique compared to other acquisitions in the dairy sector. As the story from Agropur showed, employees need to know what is going on, so that they can prepare for the consequences. This methodology and case study of DOC Kaas help to define the changes caused by the acquisition. So that it is easier to understand the consequences and the fact that there are always things in the transition that could have gone better.

## 5. Conclusion and Recommendations

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Supply chain and logistics is an important topic and almost everyone has experienced a situation in relation to this topic. In business, supply chain management has been developed to have an optimally integrated value chain, with an efficient flow of goods and information. The department within the supply chain that this report focusses on, is planning and logistics. A department that balances supply and demand, so that all resources are used as efficiently as possible while responding to trends in the global market or other large changes. An example of such a change is a merger or acquisition, a change with an impact on the entire supply chain.

Much theory is available on mergers and acquisition, their impact and implementation. However, when looking specifically at their impact on the planning department, there still are questions to ask. To fill a part of this knowledge gap, the topic of this report is the impact of an acquisition on a dairy cooperative that uses an ERP system. In professional practice, this report enables planning departments to use the available theory and to analyze whether this is in line with the real-life situation the department faces because of the acquisition. So that the target group, project managers, and planning departments, have a better understanding of the consequences of the acquisition and will be able to prepare for the upcoming changes.

### 5.1. Conclusions

Based on the main findings from the literature review, results and the discussion of results, this last chapter will be focussed on answering the main research question. The sub-questions will be answered, after which the main research question can be concluded, based on information collected in the case study performed in this report. The McKinsey 7S model has been used, the seven factors are structured under the four sub-questions.

*Sub Question 1: 'How are the strategy and shared values of a dairy cooperative with an ERP system affected by the acquisition?'*

The first topic covered in this research is how the strategy and shared values of the company in the case study are affected by the acquisition. The primary source of information for this sub-question were the annual reports published by both DOC Kaas and DMK Group, before and after the acquisition. In these reports, the strategy and shared values of both companies are published and explained, so it was a suitable source to describe these two factors from the McKinsey 7S Model.

#### Strategy

So to answer the first sub-question, when a company is acquired by another business, it means that it loses its independence and becomes part of the acquirer. This means that also the strategy and values of the acquirer will be taken over as part of this company. When the two companies are relatively similar, this does not mean that large differences will occur. For instance, in the case of DOC Kaas and DMK Group, both companies share the goal to pay a good return to the members of the cooperative, so in this scenario, the way of achieving this goal will be the main difference. Furthermore, now the company is part of a larger organization, the strategy might not always be the best option for the acquired business, but organization-wide it will be the best way to achieve the shared goal. In such situations, it is important for the acquired business to realize that the best interest of the entire company, might not always be in the best interest of the acquired business.

#### Shared Values

Before the acquisition, DOC Kaas had no officially published values, however, the company did state that it valued sustainability. DMK Group, on the other hand, has formulated organizational wide values, which are entrepreneurship, transparency, and innovation. These values form the base for the corporate culture of DMK Group. Especially because DMK Group exists out of several production plants and business units, this corporate culture works as a binding factor between the different people and business units working at DMK Group. Because all together, these people work on the achievement of the shared goal of the company.

Thus, to answer the first sub-question, when a business is acquired by another business, it will also take over its strategy and values. In case of the acquisition of DOC Kaas by DMK Group, both companies had a similar objective, which is to create a good return for the members of the cooperative. This made it easier to shift towards the strategy of DMK Group since the goal remains the same, the only thing that has changed is how this goal is achieved. Regarding the shared values, DOC Kaas went from no core values to having three core values that are incorporated into the entire business culture. This shared business culture contributes to the team feeling between the different DMK Group plants in Germany and The Netherlands.

*Sub Question 2: 'How is the organizational structure of a dairy cooperative with an ERP system affected by the acquisition?'*

In the second sub-question, the organizational structure of the entire acquired company is analyzed, to see what has changed due to the acquisition. With the focus on the factors structure and style, from the McKinsey 7S model. The primary source of information was the organizational charts created by the company, additional information was collected from part C of the questionnaires sent to the planning department.

### Structure

When looking at the organizational structures of DOC Kaas before and after the acquisition, there are a few changes to be found. After the acquisition, DOC Kaas is organized more vertically, the different departments are now managed by two directors instead of more with each their separate part of the business. The managing director is responsible for the overseeing departments in DOC Kaas and the operational director for the departments connected to the cheese production. All commercial aspects have been separated from DOC Kaas and are turned into a separate business unit within DMK Group. The main change that has influenced the structure of DOC Kaas, is that it is turned from an independent business into a business unit. This means that on top of the management of DOC Kaas, the management of DMK Group can be found.

### Style

These extra layers of management have resulted in an experienced feeling of less efficient and personal decision-making because communication has to go through all these layers and that takes time. Together with the fact that decisions have to be made for more plants within DMK Group, so management looks at DMK Group in general and not directly at the specific plants. Next to this, top-down, the planning department also communicates with other departments within DOC Kaas. More extensional communication is required since the acquisition since it is now with all DMK Group plants and therefore take more time as when everyone is located in the same building.

Thus, the answer to this sub-question is, that the organizational structure of DOC Kaas is highly affected by the acquisition. Instead of being an independent company, DOC Kaas is split and put into two different business units within DMK Group now production and sales are separated. Being a business unit means that additional layers of management are added on top of the management of DOC Kaas since DMK Group also has management overseeing all DMK Group plants. Furthermore, communication not only top-down but also with other departments has become more complicated and time-consuming. Communication not only takes place within DOC Kaas but also happens with other plants from DMK Group in Germany.

*Sub Question 3: 'How are the processes used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?'*

The third subchapter of this report describes whether the processes in the planning department in the case study have changed, due to the acquisition. Through questionnaires, information was collected about the processes, daily tasks and information flow from and towards the planning department. A combination of this information was used to draw conclusions and to formulate an answer for this sub-question. Central were the factors skills and staff from the McKinsey 7S model.

## Staff

An important remark made in the questionnaires was that the planning department already had to deal with several changes over the past years. The changed supply chain system and projects that have taken place, in combination with a shortage of personnel, have resulted in a less motivated staff from the planning department.

## Skills

This staff still performs the same activities as it did before the acquisition since the products have to be produced and delivered as before. This can be done, because the necessary skills are available within the department, organizing and planning skills, in combination with communication and ERP skills. This way, the planning department is able to communicate with the different parties involved, the parties and information that are to be connected by the planning department.

So to answer the sub-question, the processes from the planning department in the case study are not much affected by the acquisition. The department is still responsible for the same activities, so the same processes and activities take place each day, by the same people. The main change is that these activities have to be done with another ERP system, which requires adaptation and problem-solving skills.

*Sub Question 4: 'How are the systems used by the planning department of a dairy cooperative with an ERP system affected by the acquisition?'*

## Systems

The last sub-question discusses the consequences of the acquisition on the systems of the planning department, with the main focus on the impact of the implementation of a new ERP system. Before the acquisition, DOC Kaas used the ERP system M3, but the company implemented SAP in order to be in line with the rest of the DMK Group. The official transition towards SAP took place the first of June, 2018, but the planning department mentioned that this was a tight schedule, so that not all functions could be tested or optimized properly, before going live. In general, when asking about the new system, the planning department mentioned that at the time of the questionnaire, they preferred the old system to work with, mainly because they were used to it and SAP is not yet fully optimized. Nonetheless, also advantages were experienced or thought of by the planning department. SAP is a very extended program, so the planning department has access to all the information it needs. Also, once the SAP integration in all DMK Group plants is finished, it will be easier to manage and combine the information from all plants. So that the resources from DMK Group, can be used and divided as efficiently as possible over the different plants and business unit.

So, the systems used by the company are affected, since an entirely new system was implemented after the acquisition of DMK Group. SAP is an ERP system and has the same functionality as others, the details make the difference. The main finding from the questionnaires was regarding the implementation of SAP, not SAP directly. Over time, the planning department will be able to further evaluate the functions of SAP compared to M3, since it will take time before the system is fully integrated and the planners are used to it.

*'In what ways does an acquisition affect the structure, processes, and systems of the planning department of a dairy cooperative with an ERP system?'*

The research question looked at the influence of an acquisition on the structure, processes, and systems of a dairy cooperative, using a case study to collect practical information. In the case study, the organizational structure of the company was highly affected by the acquisition, since an independent company was split into two separate business units. Being part of a larger company resulted in more layers of management and a more complex system of communication and information sharing between different production plants. For the planning department specifically, little changes occurred due to the acquisition. The department is still responsible for the same tasks and activities, so the same functions and skills remain after the acquisition. The only factor affecting the planning department is the change towards another ERP system, in order to be in line with the other plants. Most ERP systems

have a similar functionality, but the implementation and adaptation to this new system requires focused and integrated change management.

These findings are in line with the theory described in the theoretical framework of this report, or which information that can be found in business policies or books about mergers and acquisitions. This theory describes that an acquisition requires well-organized change management so that all parties involved understand the changes caused by the acquisition. This is important, especially because an extra level of difficulty is added to this acquisition, due to the international dimension. This requires an understanding of international communication and differences between cultures so that the collaboration remains strong between both parties.

The objective of this research was to provide an example of an analysis that can help to analyze the impact of an acquisition on the planning department of a dairy cooperative. In this report, this example is provided with the acquisition of DOC Kaas by DMK Group, but can easily be applied to any acquisition between two dairy cooperatives. This analysis helps to collect more information about the impact of the acquisition on the planning department of the acquired company. So that in practice, planning departments of dairy cooperatives are better able to analyze the impact of the acquisition a. So that in practice, planning departments of dairy cooperatives are better able to analyze the impact of the acquisition and it is also easier to understand and prepare for these changes.

Even though the findings did not lead to new findings regarding the topics that are combined in this research, so mergers and acquisitions, planning and logistics, dairy cooperatives and ERP systems. So, this research report still adds values, as it confirms the theory of these separate knowledge areas and shows that they also apply when combining these topics together. Furthermore, the conclusion of this research provides a practical example of how this research methodology should be applied and analyzed. So that other planning departments of a dairy cooperative with an ERP system can use this method as well to analyze the impact of an acquisition on their own company since they now know what to expect from this methodology.

## *5.2. Recommendations*

The last step of this report is to formulate practical recommendations for the target group of this report, so the planning department and project manager from dairy cooperatives in the middle of an acquisition. These recommendations are based on the discussion and conclusions of this report, which are based on the research question: 'In what ways does an acquisition affect the structure, processes, and systems of the planning department of a dairy cooperative with an ERP system?'

### **Short term recommendations**

- In the case study, the structure of the acquired companies turns from a functional structure into a matrix structure. This change in the organizational structure of the acquired business can occur in any acquisition and will have an impact on the entire company and its processes. For that reason, managers should carefully analyze and watch these structural changes, so that they can monitor whether this changed organizational structure has consequences that require a proper response.
- It is important to have support from the entire company, so when looking at the research question, also the planning department should be supportive regarding the acquisition. It is easier to implement changes when the people having to deal with the changes are supportive of instead of opposed because then the implementation often goes faster and easier. Therefore, there should be a focus on regular communication and information sharing with the entire department, not only the members of the project team. When people have fewer uncertainties and questions and they feel like they are heard, it easier to convince them of the advantages and the positive points of the change and the transition will be easier.
- After the acquisition, the acquired company is part of a larger corporation. Especially when the acquisition has been difficult, it is important to look at ways to improve the opinion about the acquisition and the acquirer. For instance, team building activities will help to improve the understanding and acceptance of the acquisition. When there is more understanding and a better relationship between the acquired company and acquirer, communication and collaboration will be easier and will in the long term improve

the performance of both parties. The employees of the acquired business have to accept the new situation, after that, the relationship between both parties can grow further.

- Another consequence of being part of a larger corporation and a more complex business structure is that there are long lines between departments and business units. This could result in processes that were once relatively simple and efficient, becoming more complex and less efficient. Due to this, these processes will become more time-consuming. So it is recommended for the planning department to understand that their daily activities, which often involve communication with other departments and business units, become more complex and time-consuming.

### **Long-term recommendations**

- An important aspect of the acquisition in the case study was the implementation of a new ERP system. Feedback from the questionnaire was that the system was not fully integrated and tested when the system got implemented. This, together with other external factors, led to resistance towards this new system, even though its implementation could lead to advantages in the future. So when a new system is implemented, make sure that there is enough time to be ready for the actual implementation date.
- In combination with the previous long-term recommendation, the following can be said. In the longer term, there should be a focus on the continuous optimization of the newly implemented system. Especially when there were some difficulties during the implementation, it is important that all necessary improvements are made, so that in the long term, all potential opportunities and advantages are used. This in combination with training in the use of the new systems, together with regular feedback sessions for the planning department, so that they are better informed and in detail.
- Even though there are differences between the acquirer and the acquired business, there also are similarities between both companies. For instance, when looking at the case study, the goal of both companies is to process and sell the dairy for the best price possible, so a good return can be paid to the members of the cooperative. Through integrated systems and collaboration, both parties can help each other in achieving this goal, so that in the end a better return can be paid to the farmers. For instance, with an integrated ERP system, all processes and supplies can be used as efficiently as possible, to save costs and optimize organizational wide profit. It is important to use the opportunities created by this acquisition so that in the end the shared goal is achieved. Therefore it is recommended that companies and also planning departments focus on collaboration and communication already during the acquiring process. This will create a better understanding between the different parties involved and will contribute to the acceptance of the fact that there are not only differences but also similarities.
- The conclusion and recommendations in this report are collected and analyzed shortly after the transition to SAP. In order to get the full view on the advantages and disadvantages of the acquisition, it would be useful to perform research based on the long-term results. This way not only the short-term results of the acquisition are understood, but also the long-term results once all employees, suppliers, and customers are used to the changed business structure.
- Further research would be useful on change management and the cultural aspects of an acquisition. This research was mostly focussed on measurable aspects from the internal environment of the acquired company, but it would be useful to also have more understanding of the impact of this acquisition on the employees and their psychology.

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# Appendices

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## *Appendix A – Questionnaire Before Acquisition*

Hello, first of all thank you for taking the time to fill in this questionnaire, it helps much to collect the required information for my thesis project. This project is centered around the research question: 'In what ways does an acquisition affect the structure, processes and systems of the planning department of a dairy cooperative with an ERP system?'. In order to collect data, I would like to ask some questions about your work before the acquisition and transition to DMK Group and SAP. Please fill in the questionnaire as detailed as possible, thank you!

### Part A

1. What is your function at the planning and logistics department (P&L)?
2. What are your 3 most important planning activities, please provide an overview.
3. Does the planning of other planners affect your planning activities? If yes, who and how?
4. Does your planning affect the planning activities of other planners? If yes, who and how?
5. Do your planning activities require information from other planners? If yes, what and from who?
6. Do the planning activities of other planners require information from you? If yes, what and from who?
7. Do you have other remarks about your planning activities, function and collaboration with other planners and colleagues within DOC Kaas, before the acquisition with DMK Group?

### Part B

8. Which systems do you require for your planning activities (e.g. M3, Excel etc.) and why?
9. For you, what are the main advantages of M3?
10. For you, what are the main disadvantages of M3?
11. Please rate the following statements about 'systems' (1=don't agree 10=agree)
  - Thanks to M3, I can be more productive than without ERP system
  - Thanks to M3, I have necessary information I would not have without ERP system
  - Thanks to M3, I am better able to do my job better than without ERP system
  - Thanks to M3, I am flexible to adapt the planning when necessary
  - Working with M3 lowers the risks associated with my function
  - It is easy and useful to work with M3
  - Without M3, I would not be able to do my job
12. Do you have other remarks about M3 and working with this system?

### Part C

13. Please rate the following statements about 'structure' (1=don't agree 10=agree)
  - The norms and values of the organization are communicated on a regular base
  - The mission and vision of the organization are communicated on a regular base
  - Communication towards and from the higher management occurs on a regular base
  - There is much involvement from the higher management
  - There is a 'team' culture active within the P&L department
  - There is a 'team' culture within DOC Kaas
  - There is a formal environment within DOC Kaas
  - The decision making processes is efficient, fast and well communicated
  - The decision making process is centralized within DOC Kaas
  - My function and activities are structures with procedures and rules.
14. Do you have other remarks about the P&L department, your daily work or DOC Kaas before the acquisition?

Thank you very much for filling in this questionnaire! In a few weeks, you will receive a similar questionnaire, so that the situation before and after the acquisition can be compared. Thanks again for filling in this questionnaire.

## Appendix B – Questionnaire After Acquisition

Hello, first of all thank for taking the time to fill in this questionnaire, it will help much collecting the required data for my thesis project. The project is centered around the research question: 'In what ways does an acquisition affect the structure, processes and systems of the planning department of a dairy cooperative with an ERP system?'. I would like to ask some questions about your work after the acquisition and transition to DMK Group and SAP. Please fill in the questionnaire as detailed as possible, thank you!

### Part A

1. What is your function at the planning and logistics department (P&L)?
2. What are your 3 most important planning activities, please provide an overview.
3. Do your planning activities require information from other planners? If yes, what and from who?
4. Do the planning activities of other planners require information from you? If yes, what and from who?
5. Has the acquisition with DMK Group led to changes, regarding your planning activities? If yes, what changes?
6. Do you have other remarks about your planning activities, function and collaboration with other planners and colleagues?

### Part B

7. Which systems do you use for your planning activities and why?
8. When using SAP, what are the main advantages of this system?
9. When using SAP, what are the main disadvantages of this system?
10. Please rate the following statements about 'systems' (1=don't agree 10=agree)
  - Thanks to SAP, I can be more productive than with M3
  - Thanks to SAP, I have necessary information I would not have without M3
  - I can do my work better with SAP than with M3
  - Thanks to SAP, I am flexible to adapt the planning when necessary
  - Working with SAP lowers the risks associated with my function
  - It is easy and useful to work with SAP
  - Without SAP, I would not be able to do my job
11. What do you experience as the main operational differences between M3 and SAP?
12. Do you have other remarks about M3 and working with this system?

### Part C

13. Please rate the following statements about 'structure' (1=don't agree 10=agree)
  - The norms and values of the organization are communicated on a regular base
  - The mission and vision of the organization are communicated on a regular base
  - Communication towards and from the higher management occurs on a regular base
  - There is much involvement from the higher management
  - There is a 'team' culture active within the P&L department
  - There is a 'team' culture within DOC Kaas/DMK Group
  - There is a formal environment within DOC Kaas/DMK Group
  - The decision making processes is efficient, fast and well communicated
  - The decision making process is centralized within DOC Kaas
  - My function and activities are structures with procedures and rules

### Part D

14. What is your opinion about the acquisition by DMK Group
15. During the negotiations with DMK Group, has there been communication about the progress towards you?
16. What went well during the acquisition process?
17. What could go better during the acquisition process?
18. Do you have other remarks about the P&L department, your daily work or DOC Kaas after the acquisition?

## Appendix C – Checklist McKinsey 7S Model

### **Strategy:**

- What is our strategy?
- How do we intend to achieve our objectives?
- How do we deal with competitive pressure?
- How are changes in customer demands dealt with?
- How is strategy adjusted for environmental issues (Marcus, van Dam & Medhorst, 2015)?

### **Structure:**

- How is the company/team divided?
- What is the hierarchy?
- How do the various departments coordinate activities?
- How do the team members organize and align themselves?
- Is decision making and controlling centralized or decentralized?
- Where are the lines of communication? Explicit and implicit (Marcus, van Dam & Medhorst, 2015)?

### **Systems:**

- What are the main systems that run the organization?
- Where are the controls and how are they monitored and evaluated?
- What internal rules and processes does the team use to keep on track (Marcus, van Dam & Medhorst, 2015)?

### **Shared Values:**

- What are the core values?
- What is the corporate/team culture?
- How strong are the values?
- What are the fundamental values that the company/team was built on (Marcus, van Dam & Medhorst, 2015)?

### **Style:**

- How participative is the management/leadership style?
- How effective is that leadership?
- Do employees/team members tend to be competitive or cooperative?
- Are there real teams functioning within the organization or are they just nominal Groups?

### **Staff:**

- What positions or specializations are represented within the team?
- What positions need to be filled?
- Are there gaps in required competencies (Marcus, van Dam & Medhorst, 2015)?

### **Skills:**

- What are the strongest skills represented within the company/team?
- Are there any skills gaps?
- What is the company/team known for doing well?
- Do the current employees/team members have the ability to do the job?
- How are skills monitored and assessed (Marcus, van Dam & Medhorst, 2015)?

## Appendix D – Strategy DOC Kaas (in Dutch)

Retrieved from the published annual reports of 2014, 2015 and 2016.

### Missie

DOC Kaas streeft naar een zo hoog mogelijke melkprijs voor onze eigenaren: de leden-melkveehouders. Dat doen wij door iedere dag goede Nederlandse kaas te maken en deze wereldwijd te vermarkten.

### Ambitie

DOC Kaas is een toonaangevende Nederlandse kaasproducent die foliekaas en natuurgerijpte kazen levert aan Retail, foodservice en industriële afnemers. Onze huidige posities in binnen- en buitenland zijn een stevige basis voor verdere groei. Het is onze ambitie om verder te groeien in een aantal geselecteerde internationale markten met regie over de hele keten. Uitgangspunt bij onze ambitie: een duurzame bedrijfsvoering, kwaliteit en flexibiliteit.

### Strategie

De strategie 2013 - 2017 van DOC Kaas is gebaseerd op vier strategische pijlers:

#### **Regie op alle schakels in de kaasketen**

DOC Kaas wil de keten van produceren, rijpen, versnijden en verpakken van kaas in eigen beheer hebben. Dit stelt de onderneming beter in staat om snel te reageren op wensen van de klant en ontwikkelingen in de markt. Bovendien leidt dit tot meer marge en een groter marktaandeel. De kaasmarkt kenmerkt zich door volatiele opbrengstprijzen. Om te kunnen concurreren, staan scherpe beheersing van kosten en kwaliteit in de hele keten centraal. Uitgangspunt bij productie en ketenintegratie is uitmuntende uitvoering. Iedere dag.

#### **Versneld internationaliseren**

DOC Kaas wil haar sterke positie in de Nederlandse en Duitse kaasmarkt handhaven en tegelijkertijd groeien in een aantal geselecteerde markten in en buiten Europa. Mede dankzij de toenemende welvaart en een groeiende wereldbevolking neemt de vraag naar kaas in Afrika, het Midden-Oosten en een aantal Aziatische landen toe. DOC Kaas wil haar aandeel in deze exportmarkten vergroten en werkt aan het verder uitbouwen en versterken van haar positie in deze regio's. Onder meer door partnerships en nauwe samenwerking met buitenlandse importeurs en distributeurs.

#### **Groeien in de verschillende marktsegmenten**

Naast de voor DOC Kaas van oudsher belangrijke business-to-business markt, richt de onderneming zich in toenemende mate op andere marktsegmenten. DOC Kaas produceert zowel foliekaas als natuurgerijpte kazen bestemd voor Retail, foodservice en industriële verwerking. Dit gebeurt onder het eigen Dutch Original Cheese handelsmerk, maar ook onder de private labels van klanten. De onderneming wil haar positie in deze marktsegmenten verder uitbouwen. Sleutelwoorden daarbij zijn kwaliteit en een persoonlijke benadering.

#### **Weivalorisatie**

Van de wei die ontstaat tijdens de productie van onze kaas, worden hoogwaardige ingrediënten gemaakt voor onder meer de voedingsindustrie. DOC Kaas heeft voor de verwaarding van de wei met Volac International een joint venture gesloten. DVNutrition verwerkt de kaaswei van DOC Kaas tot voedingsingrediënten voor diverse markten en producten. DVNutrition en DOC Kaas zijn beide gevestigd op het Zuivelpark in Hoogeveen. De aanvoer van melk, de productie van kaas en de verwerking van wei vindt dus plaats op één locatie hetgeen een duurzame en kostenefficiënte weivalorisatie borgt.

## Appendix E – Strategy DMK Group (in German)

Published at the website of DMK Group.

### Unser Leitbild

#### **Was verbirgt sich hinter dem DMK Group Leitbild?**

Ein Leitbild ist eine verbindliche Orientierungshilfe für Mitarbeiter und Führungskräfte gleichermaßen. Das DMK Group Leitbild wird unserer Unternehmensidentität ein klares Profil geben und nach innen wie auch nach außen beschreiben, nach welchen Kernwerten wir handeln, was unser gemeinsamer Auftrag ist und welches Ziel wir erreichen wollen.

#### **Unser Ziel:**

Unser Ziel ist es, Europas erfolgreichste Molkerei-Genossenschaft zu werden. Wir setzen nachhaltige Ertragskraft vor schnelles Wachstum und erwirtschaften ein wettbewerbsfähiges Milchgeld. Unsere Gewinne reinvestieren wir in die Stabilität unseres Unternehmens, in die Entwicklung von Innovationen und in attraktive Arbeitsumfelder, die wir für und mit den Mitarbeitern entwickeln.

#### **Unser Auftrag:**

Wir machen das Beste aus der Milch – für unsere Landwirte! Dies bedeutet für uns, einen optimalen und zukunftsorientierten Umgang mit der Ressource Milch, dem uns anvertrauten Kapital und der Leistungsfähigkeit unserer Mitarbeiter. In vertrauensvoller Zusammenarbeit mit den Landwirten, die dieses wertvolle Lebensmittel erzeugen, und unseren Mitarbeitern, die sie verarbeiten und vermarkten, erfüllen wir diesen Auftrag.

#### **Unsere Kernwerte: unternehmerisch, fair, innovativ.**

Aus wertvollen Rohstoffen mit großer Effizienz qualitativ hochwertige Lebensmittel herzustellen, erfordert eine unternehmerische Einstellung in allen Bereichen und auf allen Ebenen. Deshalb setzen wir auf die Eigenverantwortung unserer Landwirte und Mitarbeiter, fördern Ideen und nutzen Synergien.

### Wobei unterstützt mich unser Leitbild?

Unser DMK Group -Leitbild besteht aus

- Einem Ziel, das für die Unternehmensstrategien aller jetzigen und künftigen Unternehmensbereiche gültig ist.
- Einem klaren Auftrag, der die Basis unseres Handelns bildet.
- Drei Kernwerten, die unser Handeln bestimmen und wie Leitpfosten den Rahmen bilden, an denen sich unsere Mitarbeiter und Führungskräfte täglich orientieren.

#### **Unsere Kernwerte:**

**Unternehmerisch** - Aus wertvollen Rohstoffen mit großer Effizienz qualitativ hochwertige Lebensmittel herzustellen, erfordert eine unternehmerische Einstellung in allen Bereichen und auf allen Ebenen. Deshalb setzen wir auf die Eigenverantwortung unserer Landwirte und Mitarbeiter, fördern Ideen und nutzen Synergien.

**Fair** - Vertrauensvolles Miteinander und offener Dialog sind wichtige Prinzipien unserer Unternehmenskultur. Unser Erfolg basiert auf einem fairen Umgang miteinander – mit unseren Landwirten, unseren Mitarbeitern, unseren Lieferanten und Kunden. Wir sind stolz darauf, dass Fairness unseren genossenschaftlichen Wurzeln entspricht und bei uns gelebte Praxis ist.

**Innovativ** - Innovation bedeutet kontinuierliche Forschung und Entwicklung in allen Unternehmensbereichen, um unsere Zukunft und die unserer genossenschaftlichen Anteilseigner zu sichern. Wir kreieren maßgeschneiderte Produkte zur Weiterverarbeitung und für den Endverbraucher, bieten höchste Standards an Sicherheit und Qualität, entwickeln neue Vermarktungsideen sowie Herstellungsverfahren und erobern weitere Märkte.

Um die Ziele unseres Leitbildes zu erreichen, gibt es eine Strategie.

### Strategie von DMK Group

Eine konsequente unternehmerische Strategie macht die DMK Group noch stärker am Markt. Der Fusion der Humana Milchindustrie GmbH und der NORDMILCH GmbH ist eine langjährige, sehr erfolgreiche Zusammenarbeit vorausgegangen.

Unser vorrangiges Ziel ist es, einen attraktiven und langfristig stabilen Milchauszahlungspreis für die genossenschaftlichen Eigentümer beider Unternehmen zu erwirtschaften. Die DMK Group setzt dafür klare Schwerpunkte bei der strategischen Weiterentwicklung bestehender Geschäftsfelder:

- Strategischer Ausbau des Käsegeschäfts
- Profitables Wachstum des Markengeschäfts
- Sicherung des Mopro-Marktanteils
- Weiterentwicklung des Ingredients-Geschäfts
- Ausbau der Geschäftsfelder Eiscreme, Babynahrung und Gesundheitsprodukte.
- Ein zentraler Fokus wird außerdem auf dem Ausbau unseres internationalen Geschäfts innerhalb der EU sowie der verstärkten Teilnahme an internationalen Wachstumsmärkten wie Asien liegen.
- Wir nutzen unsere Kapazitäten und Marktanteile. Für stabile Milchpreise. Für eine herausragende Positionierung am Markt.

## Appendix F – Questionnaire Results Before Acquisition

All answers have been mixed and ordered differently, so that the feedback remains more anonymous.

### **Wat is uw functie op de afdeling Planning en Logistiek (P&L)?**

- Manager planning en logistiek
- Productie planner
- Planner
- Teamleider planning en logistiek
- Planner vloeibaar
- Demand planner
- Planner

### **Wat zijn uw 3 belangrijkste planning activiteiten, geef alstublieft een overzicht.**

- Per januari 2018 een combinatie; bezetting aan- en afwezigheid, aanvoer grondstof, afvoer kaas – overname functie na vertrek collega
- Aanvoer melk en vraag sales op elkaar afstemmen. Productie verdelen over ALT en ZPH. Zorgen dat binnen de capaciteiten en planningsvoorwaarden een productieplan ontstaat, waarbij er tevens een uitpekelplan ontstaat welke goed is verdeeld.
- Lange termijn planning, afstemming forecast kaas en melk huidige productieweek t/m 78 weken vooruit. Voorraadbeheer kaas sku3.
- Wekelijks planningsoverleg op donderdag; longterm budget gerelateerde planning maken/plannen; ad-hoc zaken
- Aanvoer melk plannen, controleren en aanpassen waar nodig.
- Dagelijks FIFO alloceren van kaar aan klantorders. Wekelijks inplannen van doos en europallet vrachten. Dagelijks de tijdstippen inplannen van de klant orders. Daarnaast alle werkzaamheden die bij de planningsfunctie hoort.
- Aanvoer van hoeveelheid melk per locatie. Maken van een wei plan. Forecasting.

### **Heeft de planning van andere planners invloed op uw planning werkzaamheden? Zo ja, welke planner(s) en welke invloed?**

- Ja, planning kaasmakerij. Hierop wordt aangegeven hoeveel kaas er gemaakt gaat worden dus moet ik n.a.v. deze planning de aanvoer melk afstemmen met de vervoerder.
- Alle planners genereren input voor planningsoverleg. Alle planners genereren input voor budget rondes. Algemeen, als alle planners geen problemen hebben, dan heb ik ze ook niet. Omgekeerd, bijzonderheden van alle planners komen uiteindelijk bij mij terecht.
- Nee, eigenlijk niet als je kijkt naar de langetermijnplanning. Wel als je kijkt naar de kortere termijnplanning.
- Nee
- Ja, ik ben afhankelijk van de kaasplanning (hoeveelheid en op welke locatie )
- Ja, met name de melkplanning en demand planning. Tevens kunnen projecten en werkzaamheden in de fabriek invloed hebben.
- Ja bijv. de afleverplanning natuurkaas wordt voor een groot deel gestuurd door de productieplanning. bij natuurkaas is het de uitdaging om op 15 daagse leeftijd af te leveren. Door diverse interne en externe factoren is dit meestal een heel puzzel.

### **Heeft uw planning invloed op de planning werkzaamheden van andere planners? Zo ja, welke planner(s) en welke invloed?**

- Bij de afleverplanning zit je aan het eind van het proces. Dit heeft geen direct effect op de werkzaamheden van andere planners. Kijkend naar optimalisatie kan er wel samen met de productieplanner worden gekeken naar ‘het juiste productiemoment’ wat weer gevolgen heeft voor de aflever planning.
- Ja, ik vermoed dat iedere planning binnen DOC Kaas wordt beïnvloed door mijn productieplan.

- Ja, planners DVN, planners DMK Group voor aanvoer melk en afvoer room en planner MTT voor hoeveelheid melk en op welke locatie
- Ja de mensen die de aanvoer van de melk regelen. Ik geef aan waar hun de melk moeten afleveren en wanneer.
- Budgetplanningen zijn de basis voor vele planningsprocessen. Het gaat dus wederom om alle.
- Ja, elke wijziging in de lange termijn planning (>1week) heeft invloed op de korte termijnplanning en uiteindelijk in het productieplan, de grondstof planning, opleg planning, verpak planning intern/extern en afvoer bijproducten als wei. Maar ook op de personeelsplanning in de fabriek, expeditie, onderhoud etc. dus op productplanner, afleverplanner natuur en folie, melkplanner, personeelsplanner fabriek, onderhoudsplanners, opleg planner en verpak planner.
- Ja op de planning voor expeditie en de personeelsplanner. Als mijn planning niet goed is of niet op tijd gereed is, dan kan de planning expeditie de personeel planner niet inlichten met de vraag hoeveel personeel er moet worden ingezet.

**Heeft u informatie van andere planners nodig om uw planning werkzaamheden uit te kunnen voeren? Zo ja, welke informatie en van wie?**

- Ja, kaasplanning, melkplanning (vanuit ledendienst) en planning DMK Group
- Niet van planners, maar wel van binnendienst en KC. Van de binnendienst klantinformatie die betrekking op de orders heft (Afstemmen laadtijden, kredietblokkade) van KC of de partijen geen blokkade hebben waardoor de kaas niet aan de orders kan worden gealloceerd.
- Ja, onderhoudsplan van onderhoudsplanner. Productiecapaciteiten van productieplanner. Melkaanleverplan van melkplanner. Opleg capaciteit vanuit oplegplanner, verpak capaciteit van verpakplanner.
- Informatie van operationele en tactische plannings zijn input voor mij.
- Ja, informatie van aart, want hij maakt de weekplanning voor de kaasmakerij.
- Ja, hoeveelheden aangevoerde vloeibare producten via de vloeibaar planner en orders via sales en opgave MTS artikelen via de demand planner.
- Ja, info komt uit M3 en betreft hoeveelheden, artikelen en productiedata. Deze komen mee vanaf de productie planning.

**Hebben andere planners informatie van u nodig, om hun planning werkzaamheden uit te kunnen voeren? Zo ja, welke informatie en wie?**

- Goedgekeurde budgetten zijn input voor alle planners. Grenzen van plannings worden ook via mij besproken.
- Als bij eerdere vraag beantwoord: iedere planner binnen DOC Kaas is afhankelijk van de productieplanning. Ik zal kort een paar benoemen, maar het is ondoenlijk om alles te noemen. Demand planner over wat ik werkelijk ga maken. Vloeibaar planner voor wat we werkelijk gaan maken, op welke productie en welke dag. Planner transport ALT naar ZPH voor wanneer welke kaas uit de pekel komt en wanneer verplaatst moet worden naar een andere opslag locatie. Personeel planner voor het inplannen van werkzaamheden en personeel. Productie voor plannen werkzaamheden productie en uitpekelen.
- Ja, op de planners van expeditie en de personeel planner. Als mijn planning niet goed is op tijd gereed is, kan de planning expeditie de personeel planner niet inlichten met de vraag hoeveel personeel er moet worden ingezet.
- Bij de afleverplanning zit je aan het eind van het proces. Dit heeft geen direct effect op de werkzaamheden van andere planners. Kijkend naar optimalisatie kan er wel samen met de productieplanner worden gekeken naar 'het juiste productiemoment' wat weer gevolgen heeft voor de aflever planning.
- Ja, de vervoerders en mensen die werkzaam zijn in de productie. Deze mensen moeten bijvoorbeeld weten wanneer ze wei op de toren moet doen om er poeder van te maken.
- Ja een weekplanning tot einde jaar welke kaas we gaan maken. Productieplanner, afleverplanner, melkplanner, oplegplanner en verpak planner.

- Ja, planners DVN, planners DMK Group voor aanvoer melk en afvoer room en planner MTT (hoeveelheid melk en op welke locatie)

**Hebt u verder nog opmerkingen over uw planning werkzaamheden of de samenwerking met andere planners en afdelingen binnen DOC Kaas, voor de overgang naar DMK Group?**

- Nee, interactie met collega's van planning zal niet heel anders zijn. Verschil komt door het werken met een nieuw ERP-systeem.
- Geen
- Voor de overgang naar DMK waren we in Nederland nog actief op de spotmarket voor melk. Indien het zo uitkwam kochten we melk bij. Dit ging dan in nauwe samenwerking met andere planners.
- Het is nog redelijk onzeker wat de impact op de afdeling exact wordt.
- Sneller zaken afstemmen tussen mijn planning en de binnendienst
- Geen
- Geen

**Welke systemen gebruikt u voor uw planning werkzaamheden (M3, Excel etc.) en waarom?**

- M3: allerlei productiedata, artikelen, partijnummers, locatie, productiedatum, partijreferentie. Deze data zit in M3 en is nodig om verladingsorders aan te maken in M3. Excel: het plannen zelf doe ik in Excel. Hiermee bedoel ik het inroosteren van welke vracht op welke dag en tijdstip. Cognos: rapportgenerator die data/verladingsorders vanuit M3 weer geeft in een overzicht welke ook gebruikt wordt om klanten en transporteurs te informeren.
- M3: langetermijnplanning via forecast module en MRP. Cognos: datawarehouse voor rapportage. Excel: interface tussen M3 en invoeren forecast.
- M3 voor het invoeren van zowel verkoop als inkoop orders. Excel gebruik ik voor het plannen.
- Cognos, Excel. Informatie vanuit Cognos. Excel voor verdere berekeningen.
- M3: in dit systeem worden alle stromen geboekt en bijgehouden. Verkooporders, productieorders, pick lijsten, CMR's, facturen etc. Excel: middels CheeseByte maak ik de productieplanning. CheeseByte heeft een koppeling met QIS en M3. QIS: het kwaliteitssysteem waarin we per bak registreren wanneer het is wordt gemaakt en hoe dit is gegaan.
- M3: hier staan de orders in. Excel: voor in- en externe communicatie. RFgen: hierin staat de afhaalplanning.
- M3, QIS, Cognos, Excel. Hier verwerk en haal ik gegevens uit.

**Wat zijn voor u de belangrijkste voordelen van het gebruik van M3?**

- Geïntegreerde forecast, order entry, MRP en capaciteiten m.b.v. Cognos
- Overzicht en historie
- Iedereen rekent met dezelfde getallen (stamdata). Behoeftes, capaciteiten en aanbod kunnen in de tijd op elkaar worden afgestemd. Alles staat in 1 systeem, waardoor er veel minder communicatie nodig is dan vroeger.
- Makkelijk in omgang en overzichtelijk.
- Veel informatie beschikbaar in verschillende weergaves door gebruik Cognos
- Gebruikersgemak
- Noodzakelijk om verladingsorders aan te maken, alle info inzichtelijk in M3.

**Wat zijn voor u de belangrijkste nadelen van het gebruik van M3?**

- Teveel schakelen tussen diverse tabbladen, geen overzicht in 1 tabblad.
- Geen
- Afhankelijk van collega's die bepaalde info of stamdata moeten verzorgen. Alle werkzaamheden kosten over het algemeen iets meer tijd. Soms zijn procedures erg omslachtig geworden, doordat dat in het systeem niet anders opgelost kon worden. De nadelen wegen echter niet op tegen de voordelen. Het is de zaak de nadelen zo goed als mogelijk weg te nemen en hier zo goed mogelijk over na te denken en hier voldoende tijd en personeel voor vrij te maken.

- Omdat we over gaan op SAP heb ik al geruime tijd geen mogelijkheid om het planningsproces in M3 te optimaliseren.
- Mogelijk snelheid, verder weinig nadelen.
- Geen
- Geen

**Wilt u de volgende uitspraken over het onderwerp 'systeem' beoordelen? (1=niet mee eens 10=mee eens)**

Dankzij M3 kan ik productiever werken dan zonder ERP systeem

- 9
- 6
- 10
- 10
- 8
- 10
- 1

Dankzij M3 heb ik inzicht in informatie die niet zou hebben zonder ERP systeem

- 9
- 9
- 7
- 8
- 7
- 10
- 10

Dankzij M3 kan ik beter mijn werk doen dan zonder ERP systeem

- 9
- 9
- 10
- 10
- 8
- 10
- 10

Dankzij M3 kan ik flexibel veranderingen aanbrengen in de planning

- 3
- 4
- 8
- 10
- 8
- 10
- 1

Het werken met M3 verkleint risico's gerelateerd aan mijn functie

- 9
- 5
- 8
- 9
- 8
- 10
- 6

Het is gemakkelijk en nuttig om met M3 te werken

- 9
- 6
- 9
- 8
- 8
- 10
- 5

Zonder M3 had ik niet mijn werk kunnen doen

- 3
- 4
- 6
- 8
- 7
- 10
- 1

**Hebt u nog andere opmerkingen over M3 en het werken met dit systeem?**

- Geen
- Geen
- Geen
- Als wij M3 niet hadden was er wel een ander systeem.
- Overzichtelijk en vriendelijk in gebruik
- M3 kan een erg nuttig systeem zijn, maar de voorbereiding en inrichting zijn essentieel. Er moet goed nagedacht worden over gewenste processen en di moten ingericht worden in nauwe samenwerking tussen gebruikers die weten hoe de processen werkelijk verlopen en mensen die kennis hebben van e mogelijkheden in het ERP systeem. Hier moet voldoende tijd voor ingeruimd worden. Dit verdiend zich later ruimschoots terug.
- Het systeem M3 is in principe qua gebruik niet anders dan andere ERP systemen. Als een ERP systeem goed is ingericht heb ik geen voorkeur. Een ERP is ontworpen op basis van hoe een supply chain proces in de praktijk werkt op basis van best practices en branchestandaarden en afspraken over processen.

**Wilt u de volgende uitspraken over het onderwerp 'structuur' beoordelen? (1=niet mee eens 10=me eens)**

De normen en waarden van het bedrijf worden regelmatig gecommuniceerd

- 5
- 7
- 4
- 3
- 7
- 1
- 7

De missie en visie van het bedrijf worden regelmatig gecommuniceerd

- 5
- 4
- 2
- 6
- 7
- 1

- 7

De communicatie van en naar het hoger management is goed georganiseerd

- 5
- 4
- 3
- 5
- 8
- 8
- 4

Er is veel betrokkenheid vanaf het hoger management

- 5
- 6
- 2
- 5
- 7
- 8
- 5

Er heerst een echte 'team' cultuur op de afdeling P&L

- 5
- 5
- 3
- 5
- 8
- 8
- 10

Er heerst een echte 'team' cultuur binnen DOC Kaas

- 5
- 5
- 3
- 4
- 7
- 7
- 5

Er heerst een formele cultuur binnen DOC Kaas

- 5
- 4
- 3
- 4
- 8
- 5
- 5

Beslissingen worden efficiënt en snel genomen en gecommuniceerd

- 5
- 5
- 2

- 5
- 7
- 8
- 2

Beslissingen binnen DOC Kaas worden gecentraliseerd genomen

- 5
- 5
- 2
- 5
- 7
- 7
- 5

Mijn functie en werkzaamheden zijn gestructureerd met procedures en regels

- 5
- 7
- 8
- 6
- 8
- 6
- 10

**Hebt u verder nog opmerkingen over de afdelingen P&L, uw werkzaamheden of over DOC Kaas, voor de fusie met DMK Group?**

- Het integratieproject m.b.t SAP i.p.v. M3 verloopt weinig gestructureerd, zowel van DMK Group kant als van DOC Kaas kant.
- Geen
- Geen
- Geen
- Geen
- Geen
- De afdeling P&L heeft de afgelopen jaren steeds ander leidinggevenden gehad. Al deze wisselingen hebben de afdeling geen goed gedaan. Daarbij hebben de managers die P&L onder zich hadden niet veel aandacht aan de afdeling geschonken, omdat productie en kwaliteit meer aandacht vroegen. P&L heeft zich in ie jaren prima staande gehouden doordat we allemaal ervaren planners aan boord hadden en processen niet veel veranderen. Na de komst van onze verkooporganisatie naar Hoogeveen en de uitbreiding van de Supply chain (met eigen opleg en aansturing van snijden en verpakken) zijn de organisatie en de processen niet goed ingericht, naar mijn mening. De bijbehorende projecten zijn weinig succesvol uitgevoerd en we zijn daardoor niet slagvaardiger en gemotiveerder geworden. Hiermee hadden we dus sowieso al geen goede start voor de fusie.

## Appendix G – Questionnaire Results After Acquisition

All answers have been mixed and differently ordered, so that the feedback remains more anonymous.

### **Wat is uw functie op de afdeling Planning en Logistiek (P&L)?**

- Foliekaasplanner
- Planner
- Planner
- Manager planning en logistiek
- Productie planner/ scheduler
- Lange termijn planning + sales en inventory planner
- Teamleider planning en logistiek

### **Wat zijn uw 3 belangrijkste planning activiteiten, geef alstublieft een overzicht.**

- Planning van half fabricaat + lange termijn planning melkaanvoer en kaasproductie + capaciteiten fabrieken
- Juiste partijen kaas vivo aan de verkooporders alloceren. Verkooporders klaar zetten voor transport. Transport/laadtijden afstemmen met klant/transporteur.
- Per januari 2018 een combinatie; bezetting aan- en afwezigheid, aanvoer grondstof, afvoer kaas – overname functie na vertrek collega
- Melkplanning afstemmen op werkelijke productie. Orders en wensen klanten vertalen naar productieplanning. Capaciteiten zo slim mogelijk benutten en zorgen dat alle geproduceerde kaas binnen gestelde normen uitgepekeld kunnen worden.
- Plannen aanvoer melk, afvoer room en wei; etc.
- Afstemming per dag, weekplan maken en forecasting
- Wekelijks planningsoverleg op donderdag; longterm budget gerelateerde planning maken/plannen; ad-hoc zaken

### **Heeft u informatie van andere planners nodig om uw planning werkzaamheden uit te kunnen voeren? Zo ja, welke informatie en van wie?**

- Melkaanvoer van DMK Group raw material planning + melk planner. Capaciteit van productieplanner. Productieorders van verpakt product en oplegkaas van andere business units.
- Van de productieplanner moet ik weten hoeveel kaas we gaan maken.
- Orders van customer service m.b.t. verkooporders natuurkaas. Orders supply chain ddp m.b.t. kaas bestemd voor opleg. Productiegegevens afkomstig van productieplanning/opboeking en afstemmingen met productieplanner. Voor de afdelingsplanning informatie m.b.t. melkaanvoer en capaciteiten.
- Klant informatie binnendienst. Productieorders van de productie planner.
- Ja, input bij afwijkingen. Overzichten over voorraden.
- Ja, ik ben afhankelijk van de kaasplanning.
- Ja. Melkplanning van ledendienst via de vloeibaar planner. Te produceren artikelen en hoeveelheden in afstemming met demand planning/productieplanner. Planning werkzaamheden TD

### **Hebben andere planners informatie van u nodig, om hun planning werkzaamheden uit te kunnen voeren? Zo ja, welke informatie en wie?**

- Personeelsplanner heeft de doos- en europallet planning nodig voor inplannen personeel.
- Ja, productieplanner voor de productieorders napekel. Demand planning voor de beschikbare capaciteiten.
- Ja de mensen in de fabriek. Die moeten weten hoeveel melk binnen gaat komen en hoeveel wei en room er weet uit gaat. Ook moeten ze weten wanneer dit gaat gebeuren.
- Expeditie/ personeelsplanning m.b.t. verlading natuurkaas: dagen + tijden verlading. Afdeling bijvoorbeeld m.b.t. informatie vanaf DMK Group.
- Ja, kaasplanning en planners DMK Group (Bremen)
- Ja, bijna alle planners, want de productieplanning is de basis voor alle logistieke bewegingen in de fabriek.

- Grote lijnen, jaaroverzichten

**Heeft de fusie met DMK Group geleid tot veranderingen wat betreft uw planning werkzaamheden? Zo ja, welke veranderingen?**

- Ja overgegaan op een ander systeem, SAP. Dit systeem is mij niet bekend en moet ik leren om mee te werken. Een aantal stappen zijn extra vergeleken met de vorige werkzaamheden.
- Ja, meer afstemming met meer partijen
- Ja, alles moet nu verwerkt worden in andere systemen.
- Meer werk in SAP dan in M3. Planning is hectischer door verstoringen in andere DMK Group fabriek, DOC Kaas wordt vaak als uitvlucht gezien. Besluitvorming in het algemeen neemt meer tijd in beslag.
- Ja, M3 is vervangen door SAP. Cognos rapportages bestaan niet meer. De benodigde info moet nu op een andere manier (als het kan uit SAP) vergaard worden. Naast SAP is er nu ook nog Limo Pro, wanneer er iets gewijzigd moet worden in de vrijgegeven orders, dan moet dit allemaal handmatig op de verschillende plaatsen gebeuren (QIS, SAP, Limo Pro)
- Geen grote veranderingen. Bepaalde jaaroverzichten en budgetplanningen moeten eerder aangeleverd worden voor de fusie.
- Ja, voorheen deed ik demand planning er ook bij. Nu ligt de focus meer op de lange termijn planning en operationele aansturing.

**Heeft u verder nog opmerkingen over uw planning werkzaamheden of de samenwerking met andere planners en afdelingen?**

- Werkzaamheden zijn omslachtiger en onoverzichtelijker geworden. Een aantal tools werken niet volledig.
- Geen
- Geen
- Samenwerking loopt goed
- Geen
- Geen
- Meer werkzaamheden in SAP dan voorheen in M3. Afstemming met andere planners/afdelingen blijft.

**Welke systemen gebruikt u voor uw planning werkzaamheden (SAP, Excel etc.) en waarom?**

- SAP is het basis systeem waarom orders worden onderhouden. Excel/CheeseByte is een hulpmiddel om orders uit SAP op te halen en hier een productieplanning van te maken voor de 2 productie locaties. Overzicht op de uit te pekelen deel charges en het hanteren van de productietijden zijn vooral belangrijk. Limo Pro wordt gebruikt om orders voor en na pekel in productie te boeken. SAP Dairy is een hulpmiddel voor SAP om met name forecasting te onderhouden. QIS is een kwaliteitsprogramma binnen DOC Kaas waarin normen, recepturen enz. worden bijgehouden. Per bak productie wordt in QIS als een 'event' aangemaakt.
- SAP voor het aanmaken van orders. Excel met planningsmodule
- SAP en Excel, de reden zal wel zijn dat wij niet vanuit één systeem kunnen werken.
- SAP voor het aanmaken van orders, leveringen en vrachten. Inzicht in de voorraad, hoeveelheden en status. Excel voor de scheduling.
- SAP, Excel voor overzichten, COGNOS voor actuele standen.
- Excel Cognos, input vanuit m3. In de nieuwe situatie SAP voor overzichten voorraden, productie, afzet.
- SAP, SAP Dairy, Excel, omdat DMK Group dit zo bepaald heeft.

**Wat zijn voor u de belangrijkste voordelen van het gebruik van SAP?**

- Persoonlijk nog niet ontdekt. Voor het bedrijf is het logisch dat alle vestigingen met hetzelfde systeem werken.
- Informatie vanuit heel DMK Group beschikbaar. Compleet overzicht van DOC Kaas en DDP informatie. De rest is nog moeilijk te overzien op dit moment.
- Het is een uitgebreid programma waar je meer mee kan dan bijvoorbeeld M3

- DMK Group breed werkt iedereen straks in het zelfde systeem met dezelfde gegevens. Dit moet grote voordelen kunnen gaan bieden om logistieke processen betere af te stemmen, scenario's uit te werken en beter overzicht te krijgen m.b.t. forecasting. Hier moet het systeem dan uiteraard wel goed voor ingericht zijn.
- Nog niet inzichtelijk, maar ik zie nog geen extra voordelen.
- Dat wij allen met hetzelfde systeem werken
- Communicatie met DMK Group collega's wordt makkelijker. Binnen de lange termijn planning heb ik meer mogelijkheden als in het huidige ERP systeem: makkelijker meerdere scenario's plannen; uiteindelijk betere integratie met de melkaanvoer kant; financiële forecast gaat via het ERP systeem i.p.v. via Excel en veel handwerk.

#### **Wat zijn voor u de belangrijkste nadelen van het gebruik van SAP?**

- T.o.v. M3 is SAP complexer (tot nu toe)
- Met een goede inrichting in principe geen, momenteel kan ik niet goed de nadelen aangeven, want het werkt nog niet correct.
- Het werken met SAP wordt belangrijker gevonden dan het goed inrichten. We zijn gestart met een systeem dat nog lang niet goed genoeg is ingericht en getest. Ik heb het gevoel dat we qua intelligente inrichting een forse stap terug gaan in de tijd. Vele zaken die we de afgelopen 10 jaar hebben ingericht in M3, worden eerst nog niet goed meegenomen in SAP. Wijzigingen in SAP zijn niet handig door te voeren. Dit moet allemaal handmatig.
- Nog geen ervaring mee en te onoverzichtelijk.
- Meer werk dan voorheen.
- Je hebt meer handelingen, dit zorgt voor vertraging.
- Nieuw programma, nieuwe werkwijze, dit vraagt om gewenning. Op verschillende punten moet nu op gelijke manier gewerkt worden als de DMK Group standaard, dit vraagt om gewenning. Op een aantal punten zullen systemen die nu geautomatiseerd of gekoppeld zijn in de nieuwe situatie om meer handwerk vragen.

#### **Wilt u de volgende uitspraken over het onderwerp 'systeem' beoordelen? (1=niet mee eens 10=me eens)**

Dankzij SAP kan ik productiever werken dan met M3 systeem

- 1
- 3
- 1
- 8
- 3
- 6
- 2

Met SAP heb ik inzicht in informatie die niet had bij M3

- 1
- 5
- 7
- 9
- 4
- 6
- 5

Met SAP kan ik beter mijn werk doen dan met M3

- 1
- 4
- 3

- 5
- 4
- 6
- 4

Dankzij SAP kan ik flexibel veranderingen aanbrengen in de planning

- 1
- 4
- 3
- 3
- 3
- 5
- 4

Het werken met SAP verkleint risico's gerelateerd aan mijn functie

- 1
- 3
- 3
- 8
- 4
- 5
- 3

Het is gemakkelijk en nuttig om met SAP te werken

- 1
- 4
- 3
- 3
- 6
- 6
- 5

Zonder SAP had ik niet mijn werk kunnen doen

- 10
- 6
- 1
- 3
- 2
- 6
- 5

**Wat ervaart u als de belangrijkste operationele verschillen tussen M3 en SAP?**

- M3 was voor een groot deel ingericht om te voldoen aan de eisen die specifiek voor DOC Kaas Hoogeveen waren. SAP is ingericht op de standaarden van DMK Group. Dit zorgt voor veranderingen en soms ook voor zaken die specifiek voor Hoogeveen mogelijk minder efficiënt zijn, maar concern breed DMK Group wel efficiënt zijn.
- M3 is gebruiksvriendelijker dan SAP met de ervaring die ik (niet) tot nu toe heb.
- In SAP moet m.b.t. een verladung van kaas meer gedaan worden. Niet alleen een levering aanmaken zoals in M3, maar ook een vrachtaanmaken. Geen ondersteuning doormiddel van bijvoorbeeld Cognos. Hiermee hadden w rapportages en queries die specifieke informatie leverden uit M3, dit is bij SAP niet het geval.
- Gegevens in M3 invoeren gaat veel sneller, omdat je minder handelingen moet doen.

- Gebruiksvriendelijkheid
- De opzet met SAP Dairy is iets anders, maar in principe is afgesproken dat de processen in M3 en SAP gelijk zullen zijn.
- M3 was integraal ingericht voor DOC Kaas. Van voor tot achter had ik overzicht over logistieke processen. SAP is voorlopig heel erg per afdeling (eiland cultuur) ingericht en getest. Hier zullen we nog veel tijd en energie in moeten steken om dit op hetzelfde niveau te krijgen. Het is dus vooral hoe we er mee gaan werken. Systeem technisch is Sap eenzelfde systeem als M3 en zouden hier niet veel verschillen in hoeven te zitten.

**Hebt u nog andere opmerkingen over SAP en het werken met dit systeem?**

- Geen
- Geen
- Geen
- Kennis van het systeem en een goede inrichting zijn heel belangrijk. Hier moeten de juiste mensen voor gefaciliteerd worden. Dit doe je niet even naast je gewone operationele werk. Daar schuilt naar mijn mening het probleem.
- Ik heb nog niet kunnen testen hoe ik mijn werkzaamheden moet uitvoeren.
- Project matig werken voor integratie SAP had beter gekund. Rest op dit moment nog moeilijk te beoordelen. Werken met SAP vraagt om wat gewenning maar loopt verder wel.
- Theoretisch kan de werkprocessen die ik M3 doe exact zo in SAP, alles valt en staat met een goede inrichting.

**Wilt u de volgende uitspraken over het onderwerp 'structuur' beoordelen? (1=niet mee eens 10=me eens)**

De normen en waarden van het bedrijf worden regelmatig gecommuniceerd

- 3
- 7
- 5
- 5
- 4
- 5
- 5

De missie en visie van het bedrijf worden regelmatig gecommuniceerd

- 3
- 7
- 5
- 5
- 4
- 6
- 5

De communicatie van en naar het hoger management is goed georganiseerd

- 3
- 7
- 3
- 5
- 4
- 4
- 5

Er is veel betrokkenheid vanaf het hoger management

- 2
- 7
- 3
- 5
- 5
- 5
- 4

Er heerst een echte 'team' cultuur op de afdeling P&L

- 2
- 8
- 7
- 5
- 5
- 7
- 5

Er heerst een echte 'team' cultuur binnen DOC Kaas/DMK Group

- 2
- 8
- 5
- 5
- 4
- 1
- 5

Er heerst een formele cultuur binnen DOC Kaas/ DMK Group

- 7
- 8
- 8
- 5
- 5
- 5
- 4

Beslissingen worden efficiënt en snel genomen en gecommuniceerd

- 1
- 7
- 3
- 5
- 5
- 1
- 4

Beslissingen worden gecentraliseerd genomen

- 2
- 7
- 3
- 5
- 5

- 6
- 4

Mijn functie en werkzaamheden zijn gestructureerd met procedures en regels

- 9
- 8
- 2
- 5
- 5
- 6
- 4

#### **Wat is uw mening over de fusie met DMK Group?**

- Geen
- Geen
- Het was een must voor DOC om te fuseren
- Op de toekomst gericht is het een goede keuze geweest. Zelfstandig was moeilijk voor DOC om competitief te zijn.
- DOC stond er niet goed voor en moest op zoek naar een andere strategie. Fuseren was een mogelijkheid, maar ik had uiteraard liever gehad dat DOC zelfstandig was gebleven, maar dan hadden we de 10 jaar hiervoor andere keuzes moeten maken. Fusie met RFC had ik liever gehad, omdat dat een sterke speler is in Nederland. DMK Group is een bedrijf dat het ook niet makkelijk heeft en daardoor blijven we achter met de melkprijs, dat werkt niet motiverend. Daarnaast zijn er veel organisatie wijzigingen, is er veel verloop van personeel en is er op het management niveau niet altijd genoeg kennis van de processen.
- Goede zet, slechte uitvoering.
- De fusie is begrijpelijk. DOC is niet langer zelfstandig, maar onderdeel van een groter concern met een breder portfolio.

#### **Is er tijdens het overleg met DMK Group ook communicatie naar u toe geweest?**

- De 1<sup>e</sup> overleggen tussen DOC en DMK Group zijn uiteraard in het geheim gevoerd. Dat ik daar niet bij aangesloten ben geweest begrijp ik heel goed. Nadat bekend was gemaakt dat er een voornemen tot fusie was, is er veel communicatie geweest. Nadat de boeren voor een fusie hadden gestemd is er ook communicatie gebleven.
- Tijdens fusietraject werkte ik op een andere afdeling waarbij er veel info over de fusie vanaf DMK Group gedeeld werd.
- Welk overleg? Tijdens de kantine bijeenkomsten wordt het personeel geïnformeerd.
- Nee, geen relevante info.
- Ja
- Ja, wij werden op de hoogte gehouden door ons toenmalig hoofd van de afdeling
- Ja, gedurende het fusie proces algemene informatie.

#### **Wat ging er goed in de fusie met DMK Group?**

- Goedkeuring van de EU, inrichting en aanstelling van het hoger management en directie.
- Voordeel voor DOC is de beschikbaarheid van de grondstof melk. Eigen melk is de laatste jaren fors terug gelopen, hiermee hebben we toch de mogelijkheid om de fabriek goed gevuld te krijgen. Afstemming met DMK Group bij grote kwalitatieve issues.
- Ik ben van mening dat het resultaat nog moet komen (uitbetalen van een goede melkprijs aan onze veehouders)
- De tijd die genomen is voor het gehele fusietraject. Communicatie met en voorlichting voor veehouders. Integratie commerciële activiteiten. Project chess.

- RMK transport in Duitsland werd efficiënter ingedeeld (DOC en DMK Group boeren). Productie van bepaalde artikelen gingen we van elkaar overnemen, dat dit efficiënter verwerkt kon worden. In tijden dat de kaas niet veel winst oplevert, kan de melk voor een deel in andere producten verwerkt worden in Duitsland.
- Geen
- Geen

**Wat kon beter tijdens de fusie met DMK Group?**

- Overdracht vanuit oorspronkelijk management, objectieve inrichting van de organisatie en betrokkenheid van de directie. Werk inhoudelijk was dit de slechte ervaring uit mijn loopbaan, verschrikkelijk! Vooral betrokkenheid en invloed van interim personeel heb ik als veel te groot ervaren. Erg slecht.
- Optimalisatie van productportfolio DMK Group en DOC Kaas. Project integratie SAP
- Communicatie in het algemeen
- Organisatie en communicatie. DMK Group had een organisatie op papier, maar werkte inde praktijk vaak nog op een andere manier. DMK Group kijkt veel minder ver vooruit dat wij gewend waren bij DOC. DMK Group kon en kan op vrijdag nog melden dat we dat weekend minder melk gaan krijgen, waardoor er ad hoc van alles gecancelled moet worden.
- SAP implementatie: zowel van DOC kant als van de DMK Group kant geen voorbeeld van projectmatig werken.
- Geen
- Geen

**Heeft u verder nog opmerkingen over de afdelingen P&L, uw werkzaamheden of over DOC Kaas, na de fusie met DMK Group?**

- Geen
- Geen
- Geen
- Geen
- Nee, ik ben tevreden en heb zeer goed contact met collega's uit Bremen.
- Ik mag hopen dat we bij een volgend project binnen onze afdeling betere faciliteiten geboden krijgen om hier aan mee te doen. Er moeten dan mensen met inhoudelijke kennis van de betreffende processen uitgepland worden. Ons management heeft daar de afgelopen jaren niet voldoende aandacht aan besteed.
- Ik heb hoop op een snelle afronding van het SAP project zodat ik me kan richten op vakinhoudelijke verbeteringen om de onderneming beter te maken. Deze liggen namelijk voor het oprapen. Ook hoop ik mezelf verder te kunnen ontwikkelen na de implementatie. Sinds de fusie ben ik vooral bezig met het 'niet gepland door (interim) management' opleiden, ondersteunen en overdracht van werkzaamheden.