Strategic Partner Meeting 2022

On
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Presentation

- History of the development of On

- BPM at the beginning

- Drivers for process management

- Insight into the implementation

- What are the benefits & levers this has created (scaling)

Interactive part

- Audience Survey

- Field reports

The On Story

On reinvents running through technology

Performance All Day zero-gravity cloud

Effortless Performance Apparel

Cyclon™ engineered for Circularity

Initial Public Offering at the NYSE

2010 — 2013 — 2014 — 2016 — 2016 — 2019 — 2021 — 2021 — 2022

Speedboard™ Flex Plate first introduced

Performance Outdoor and Trail MissionGrip™

Concealed CloudTec™ elements

Cloudboom Echo premiered at Tokyo Olympics

We have used various execution models to build a global presence

2011
1,384 shoes sold per 100K people

2013
1,449 shoes sold per 100K people

2010
5,769 shoes sold per 100K people

2018
9 shoes sold per 100K people

2013
116 shoes sold per 100K people

2018
34 shoes sold per 100K people

Numerous Growth Drivers to Pull Across Markets:

- New wholesale doors
- Net sales per door
- Continued e-commerce penetration
- New own stores
- Move from Distributor to Direct Market

Wholesale & DTC   Distributors & E-Commerce   Distributors Only   E-Commerce Only   Own Retail Store

Process management at On
- our journey

2010-2018	as of 2019

Process management from 2010-2018

- Actively controlled process management was non-existent

- Processes introduced on an ad-hoc basis, depending on current needs
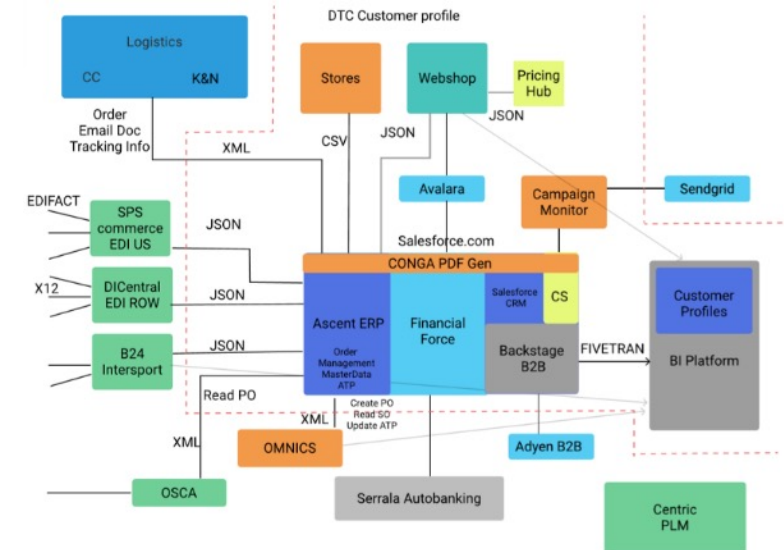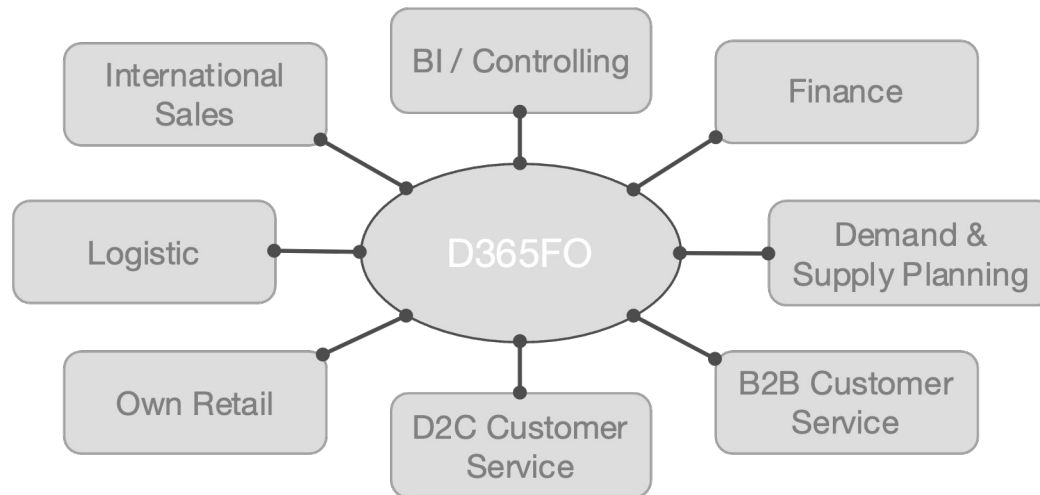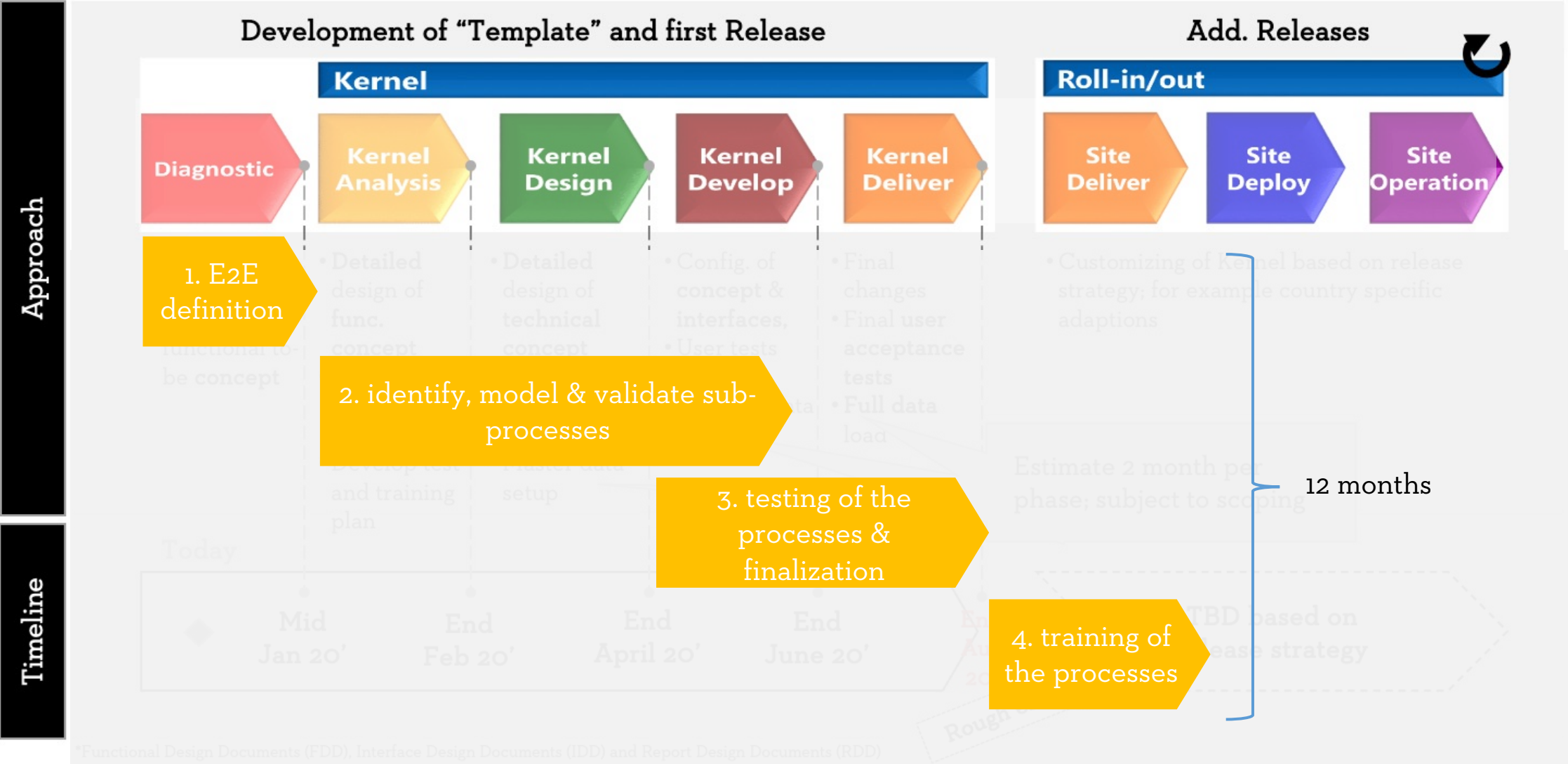

What triggered the need for BPM:

- Growth Customer Service & Complexity

- Global harmonization/coordination of customer service processes
  - Who does what, how & where
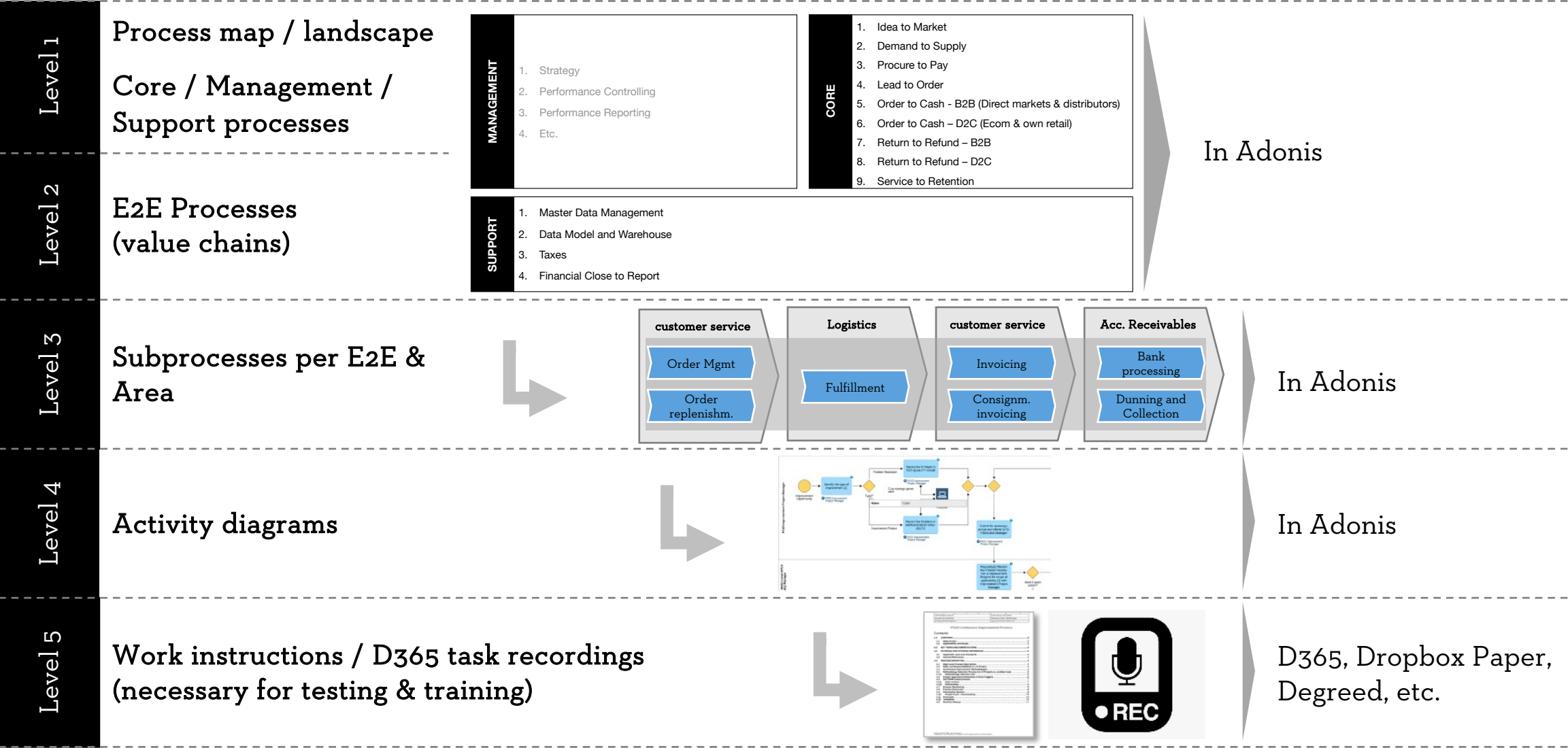- Use of synergies, increase in efficiency & Knowledge exchange

2020 - 2021

- **Introduction of a new ERP system**

- **Project scope; all departments and processes affected by the new system**

Level 1 — Process map / landscape

Core / Management / Support processes

MANAGEMENT
1. Strategy
2. Performance Controlling
3. Performance Reporting
4. Etc.

CORE
1. Idea to Market
2. Demand to Supply
3. Procure to Pay
4. Lead to Order
5. Order to Cash - B2B (Direct markets & distributors)
6. Order to Cash – D2C (Ecom & own retail)
7. Return to Refund – B2B
8. Return to Refund – D2C
9. Service to Retention

In Adonis

Level 2 — E2E Processes (value chains)

SUPPORT
1. Master Data Management
2. Data Model and Warehouse
3. Taxes
4. Financial Close to Report

Level 3 — Subprocesses per E2E & Area

customer service
- Order Mgmt
- Order replenishm.

Logistics
- Fulfillment

customer service
- Invoicing
- Consignm. invoicing

Acc. Receivables
- Bank processing
- Dunning and Collection

In Adonis

Level 4 — Activity diagrams

In Adonis

Level 5 — Work instructions / D365 task recordings (necessary for testing & training)

REC

D365, Dropbox Paper, Degreed, etc.

On AG Process Map

Management processes (level 1)

under construction

Core processes (level 1)

Idea-to-Market (ITM)

Prospect-to-Customer (PTC)

Demand-to-Supply-to-Pay (DSP)

Order-to-Cash (OTC) B2B

Order-to-Cash (OTC) D2C (Ecom/Retail)

Return-to-Refund (RTR) B2B

Return-to-Refund (RTR) D2C (Ecom & own Retail)

Service to Retention (STR) B2B+D2C

Support processes (level 1)

Financial Close to Reporting (FCR)

Master Data Management (MDM)

Hire-to-Retire (HTR)

Taxes & Customs (TAX)

Data Model and Warehouse (DWH)

work in progress...

Run on clouds.

WELCOME to On's global process repository!

This tool provides you with relevant information around our processes. Driven by the ERP project it reveals different process details through different layers. The goal is to outline what happens in each functional area; what input triggers a process (by whom; external/internal), what are the steps/tasks involved and what the expected output (to whom; external/internal).
You can click your way through using the links on the objects. Further more on the level 3 sub-processes you will find links to detailed work instructions in dropbox:

Process Hierarchy:
Level 1 = Process map that shows E2E Management, Core & Support processes
Level 2 = End-to-End process map per customer segmentation
Level 3 = Required sub-processes that create value
Level 4 = Process Diagram that describes necessary steps/activities in which system to generate output
Level 5 = Work instructions describing the process in detail

Please note that some areas and sub-processes are work in progress and will be published along the way.

Happy exploring.

Legend

Out of (ERP) Scope

End-to-End process (Level 2)

Useful docs / overviews

Link to overall process tracker
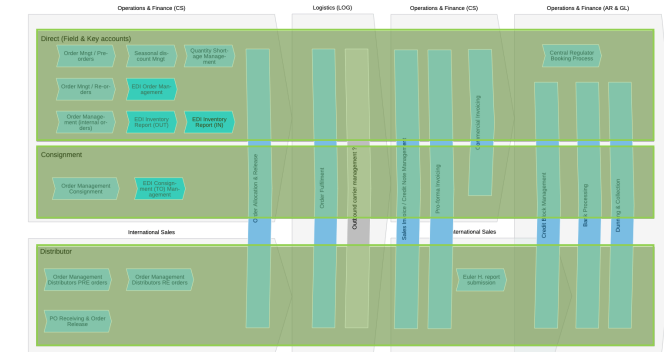
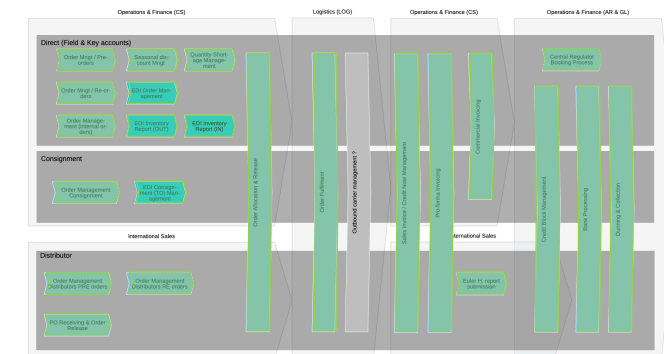Process diagram objects & symbols full overview (BPMN 2.0)

What level 2 contains:

- **Horizontal**

  - Grouping of sub-processes according to customer segment/sales market (dealers, consignment partners, distributors)
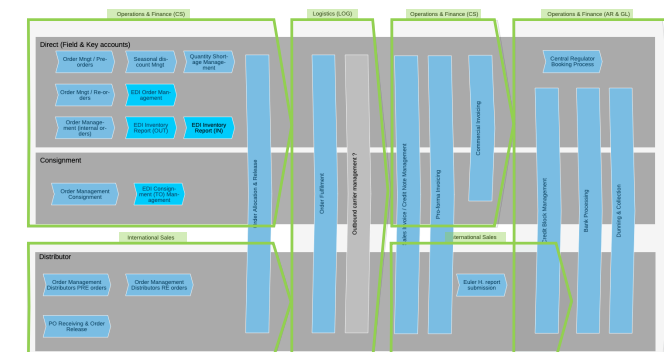

  - Sub-processes (Level 3) of the E2E value chain
  - Cross-cutting processes: valid for more than 1 customer segment or built in as a process variant
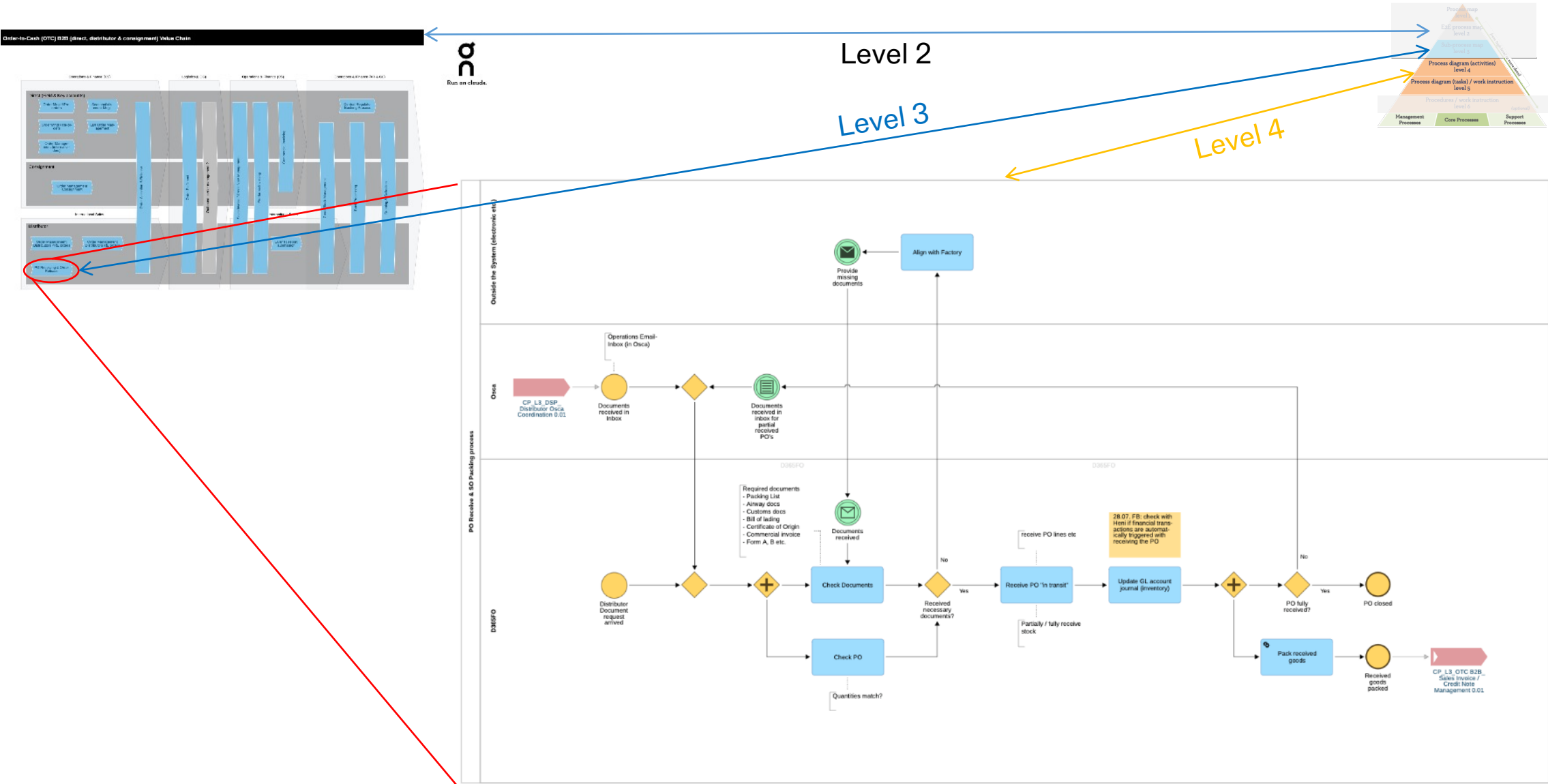

- **Vertical**

  - Which function is responsible for these (sub-) processes (co-responsibility possible)

What if physical meetings are not possible?

Is this "the end" for every process manager? No!

3. Test & finalize processes
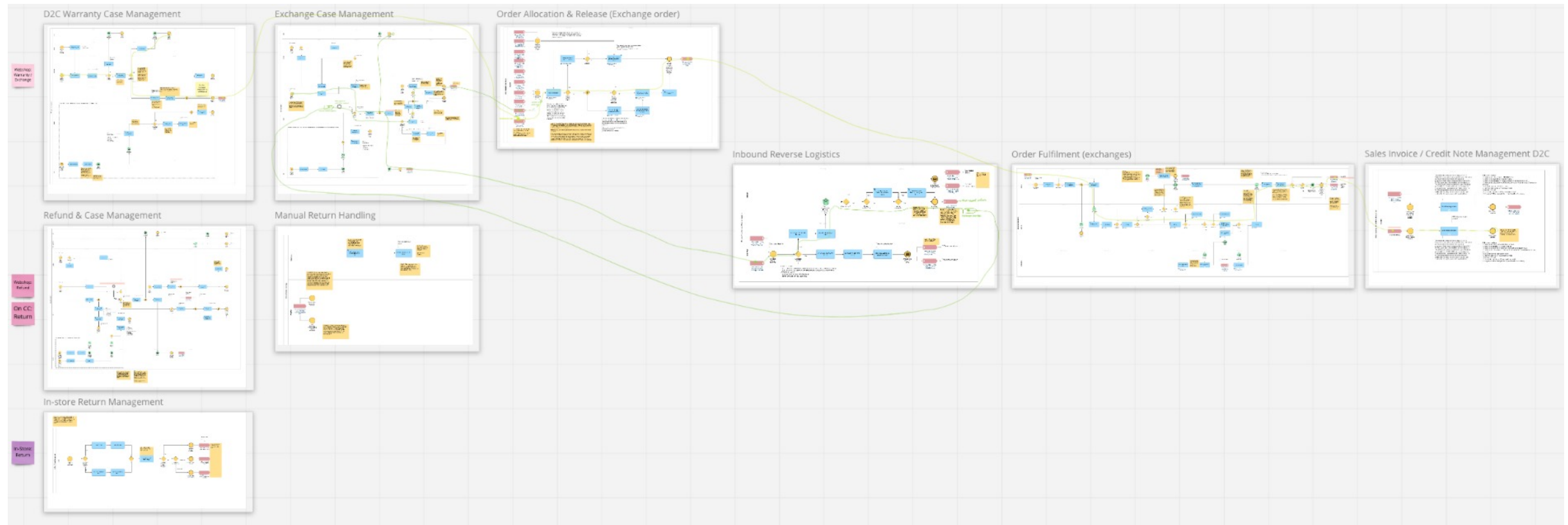
- An essential part is the testing of the modeled processes in the core and the surrounding systems.

- Recording of test cases and their results

- Feedback of deviating process steps, results, recipients etc.

   - Retrospective adjustment of the diagrams

- Process and training materials must be appropriate for the recipient

- No time to explain modelling notations in detail (can quickly become overwhelming)

- For training purposes, we have taken 2 approaches:

  - the processes strongly simplified (Miro) - aim: to explain the big picture
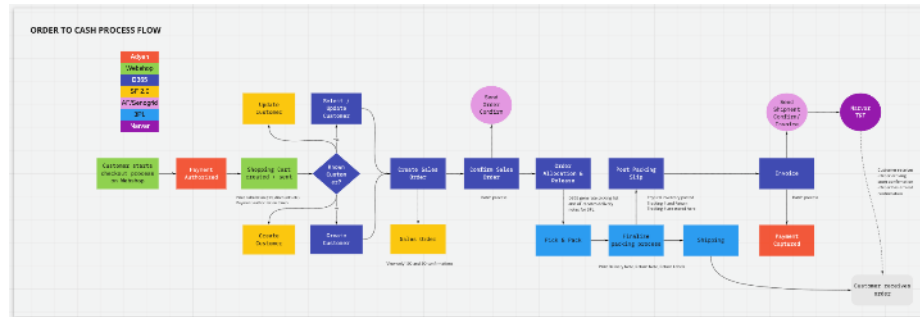
  - Step by step process explanation (Adonis) & linking work instructions (dropbox links)
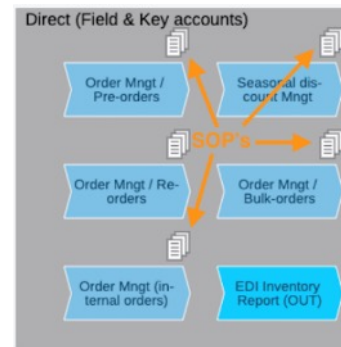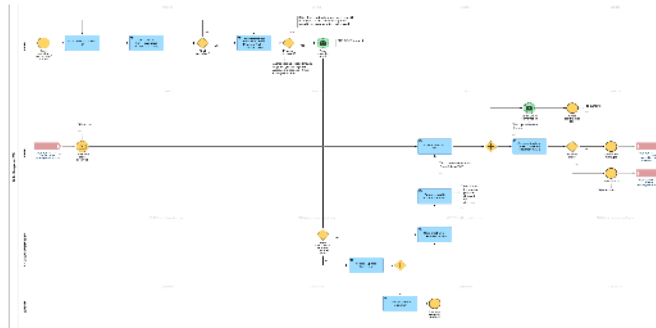
Advantages in the context of the ERP project

- Create common understanding & eliminate misunderstandings

- Ensure that existing services are maintained or improved

- Deriving test cases for the ERP (+ surrounding systems)

- Support end-user training

Opportunities for us as a company

- Enables more efficient on-boarding of new employees

- Global process transparency for all to see

- Basis for establishing an internal control system (ICS)

- Faster implementation of process automation projects (RPA @ On)

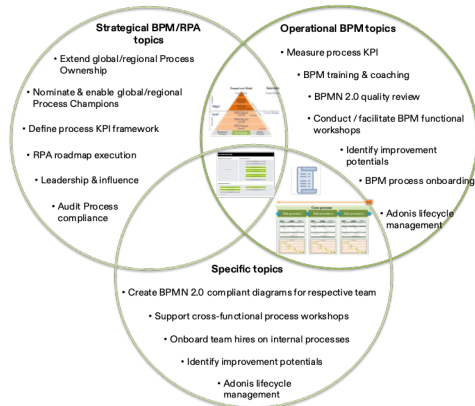**How process management helps us scale globally**

- Standardized sub-processes across sales channels

- Automation of highly transactional processes (backend)

- Cross-regional harmonisation potentials identified and standardised
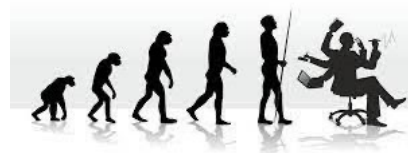
Key Initiatives:

Process organization
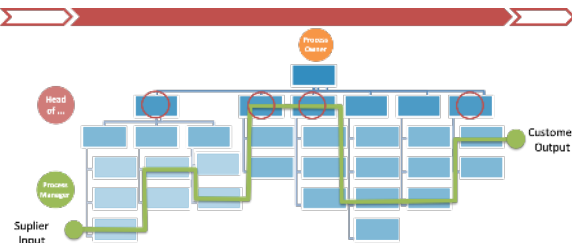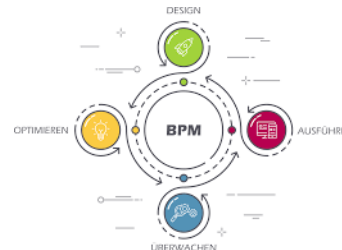

Competencies & Responsibilities

Knowledge & Empowerment

Define process KPI

Introduction BPM Life Cycle

Simplify & support:

- process orientation

- Anchor Process management

- More effective impact analysis for Changes

- Faster implementation of new business areas / models

Thank you very much for your attention and the lively participation!

I am looking forward to a personal exchange. If you like - feel free to contact me via LinkedIn

LinkedIn profile

Our mission:
To ignite the human spirit through movement.

Dream On.