Volvo Group – decommissioning of legacy systems

Volvo needed a digital transformation to keep up with the market changes. To modernise its IT landscape, Volvo started the NorthStar decommissioning program together with Nexer, saving 65 million SEK during the first 18 months.

BACKGROUND

The Volvo Group is committed to shaping the future landscape of sustainable transport and infrastructure solutions. Customers use the products and services daily to transport, deliver, build, and ferry goods, objects, and people worldwide.

Things are changing quickly in society, especially regarding transportation; electromobility, hydrogen as energy, IoT, and AI are accelerating the digital transformation. Considering these changes and the environmental impact, it became evident that Volvo Group needed a digital transformation to satisfy the market needs more quickly and to achieve a modernised and sustainable IT landscape.

THE CHALLENGE

The existing IT environment was complex and required many human resources to be kept running. Occasionally, the Volvo Group even had to request retired personnel to come back as consultants to help with the old legacy systems, as the current staff needed to learn about them. The IT landscape became vulnerable in several aspects, and the budget increased yearly. A change was inevitable.

THE SOLUTION

Volvo Group and Nexer successfully initiated the NorthStar program together, focusing on deco-mmissioning applications to simplify and rationalise their IT landscape. This approach allowed them to reduce redundant systems significantly and led to efficient operations, easier troubleshooting, and reduced complexity.

NEXER

OUR WAY OF WORK

Nexer and Volvo started to identify and list applications through initial analysis and surveys. The applications were then evaluated in several aspects, including a risk analysis.

The next step was to prioritise which applications and systems to decommission. The project investigated areas of migration, data compliance, and archiving when prioritising the work moving forward and creating the roadmaps.

Nexer supported in establishing new working processes to support and manage the critical stakeholder network. With such a complex and decentralised IT landscape, communication and stakeholder management were vital to getting the buy-in. Today, six project managers work the same way in a core team.

WAY OF WORKING

1 **Discovery & Analysis:** Identify and analyse the infrastructure, its applications and devices, using cutting-edge technology

2 **Assessment:** Understand and evaluate dependencies, usage and carbon emissions of your applications

3 **Planning:** Get on top of your strategies, to unlock the hidden potential of a structured approach

4 **Decommissioning:** Break free from the legacy systems – saving money and lowering your carbon footprint

5 **Modernising the IT landscape:** Transform your IT landscape, opening for an easier and more sustainable way of working

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When the decommissioning is done in 2025, we will have avoided hundreds of millions SEK in cost."

– Decommission leader and Chapter Lead, Volvo Group IT.

THE RESULT – decreased cost and a more sustainable IT landscape

In 18 months, over 300 applications were decommissioned without impacting the business and avoiding costs over 65 million SEK.

Decommissioning legacy systems will also streamline Volvo's IT infrastructure and enhance the overall performance and stability of the IT environment. Old systems are often more vulnerable to security threats due to outdated software and lack of vendor support. Decommissioning such systems improves the organisation's overall security posture and helps ensure data protection and privacy regulations compliance. Data management allowed Volvo to consolidate data repositories, making data management more efficient and improving data quality and security.

NEXER

Modernising the IT environment meant enhanced agility, making it easier to adapt to changing business requirements. This paves the way for adopting modern, scalable solutions that better align with the organisation's current and future needs. It will also lead to faster decision-making processes as employees can access more user-friendly applications and interfaces that align with Volvo Group's strategic business goals.

Lastly, removing systems and infrastructure through responsible decommissioning practices contributes to decreasing Volvo Group's carbon footprint. Older hardware is often less energy-efficient, so removing outdated equipment saves energy and supports sustainability objectives.

SUMMARY

The outcome of this initiative offers a range of benefits, from immediate cost savings to long-term improvements in IT performance, security, and sustainability. It allows Volvo Group to adapt to changing technology landscapes, reduce risks, and strategically allocate resources to support their business objectives. That is why The NorthStar Decommissioning program will continue until 2025.

CONTACT

You are welcome to contact us to book a one-on-one meeting to learn more about how we can help your organization avoid costs and contribute to a brighter, greener future.
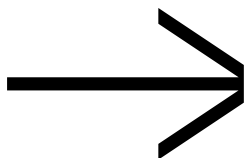
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