

# Mipu Predictive Hub: how a SME transforms threats into opportunities and positive impact

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## ABSTRACT

In this paper I present the case of Mipu Predictive Hub, an Italian SME based in Salò, which business deals with predictive maintenance, energy management and industrial artificial intelligence. During the pandemic, the board took a clever decision to invest part of Mipu's internal resources on two projects, organisational redesign and corporate social responsibility, which are fundamental for being more adaptive to market changing demand and for creating a positive impact on world and society through our business.

## INTRODUCTION

It's February 2020 and Mipu Predictive Hub just became a holding of three companies: Mipu, Mipu Machine Care and Mipu Energy Data. Days later, the pandemic started to spread all over the world: on March, 9th the Italian government proclaimed a very strict national lockdown and just some companies of specific sectors could carry on working in presence.

In this tough contest, the others had to reinvent their way to do business: smart working became the new normality, Google Meet and Zoom became the new meeting rooms. Mipu was already used to this methodology of work, because of the geographical dispersion of its workers. But there was a problem: the impossibility of working on customers' sites, which is quite fundamental especially for predictive maintenance techniques.

For this reason the board, in the person of Giulia Baccarin, decided to invest part of Mipu's internal resources on two projects: **organisational redesign**, which was the necessary step after the holding's establishment; **corporate social responsibility**, which is a topic not very present in SME's mentality, but which is cardinal for a company like Mipu focused on renewing industry and cities while respecting sustainability and social inclusion.

Thanks to this decision, not only every person in Mipu continued to work during lockdown, but new resources were hired and the group continued to steadily grow.

## ORGANISATIONAL REDESIGN

Before Mipu Predictive Hub became a group, there were three separate companies which worked together for some projects: I-Care, which was focused on predictive maintenance; The Energy Audit, which was focused on energy management; Mipu, which gave administrative support to both.

After the merger of the three firms Mipu Predictive Hub's board designed an organisation which was a hybrid between functional and divisional.

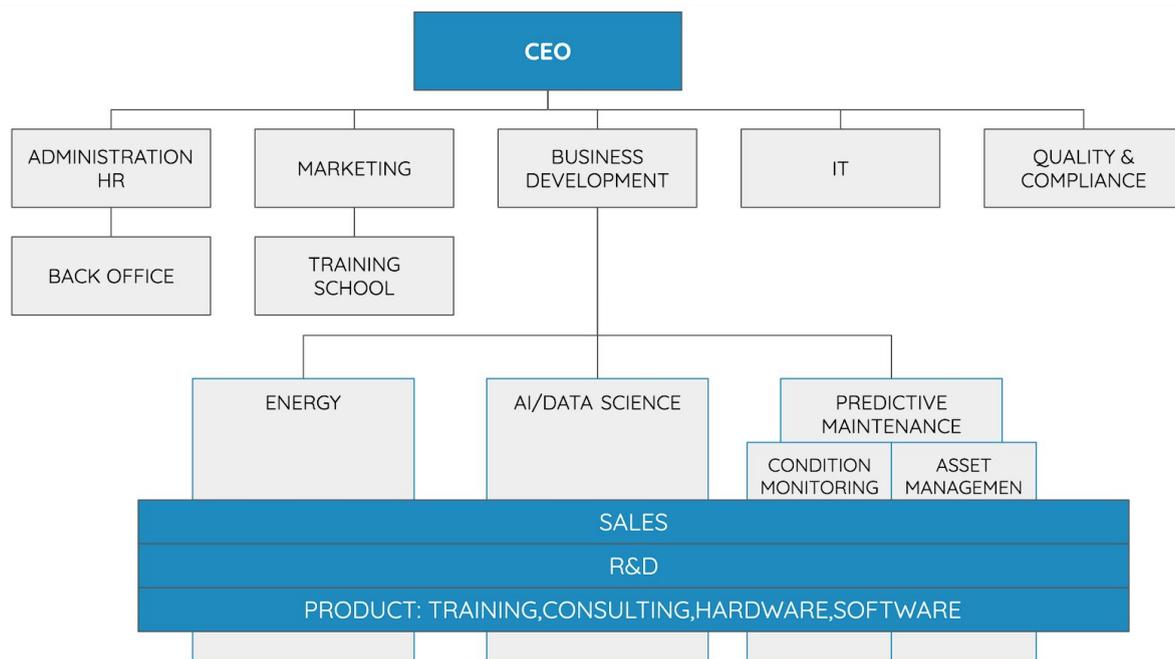


Fig.1: Organisation chart of Mipu Predictive Hub after the merger

This type of structure was in a certain way the mirror of the three firms: the functional part, in which were concentrated all the support roles, from HR, to Marketing, to Quality and Compliance, was directly linked to Mipu's activities; the divisional part instead was linked with I-Care for the predictive maintenance business unit, with The Energy Audit for energy and AI/data science business units.

The link between them was made up of the interdivisional functions: Sales, R&D, Product; with this type of structure it was difficult for people in Mipu Predictive Hub to feel and act like members of a unique organisation, because the separation between all the fields were quite clear.

Also from an efficiency point of view, in this organisation chart it was very difficult for people to understand their organisational positioning; the technical and the managerial path of growth were absent from the representation.

These were critical aspects in order to create a new culture in the organisation: from three different companies which worked separately to a single group. A crucial point in a process of organisational redesign, because teams create their routines, their internal routes, their procedures.

The board decided to organise some online meetings and a questionnaire in order to capture the feeling on how the merger was going: it emerged a need from all workers for more clearance in processes management, roles, responsibilities.

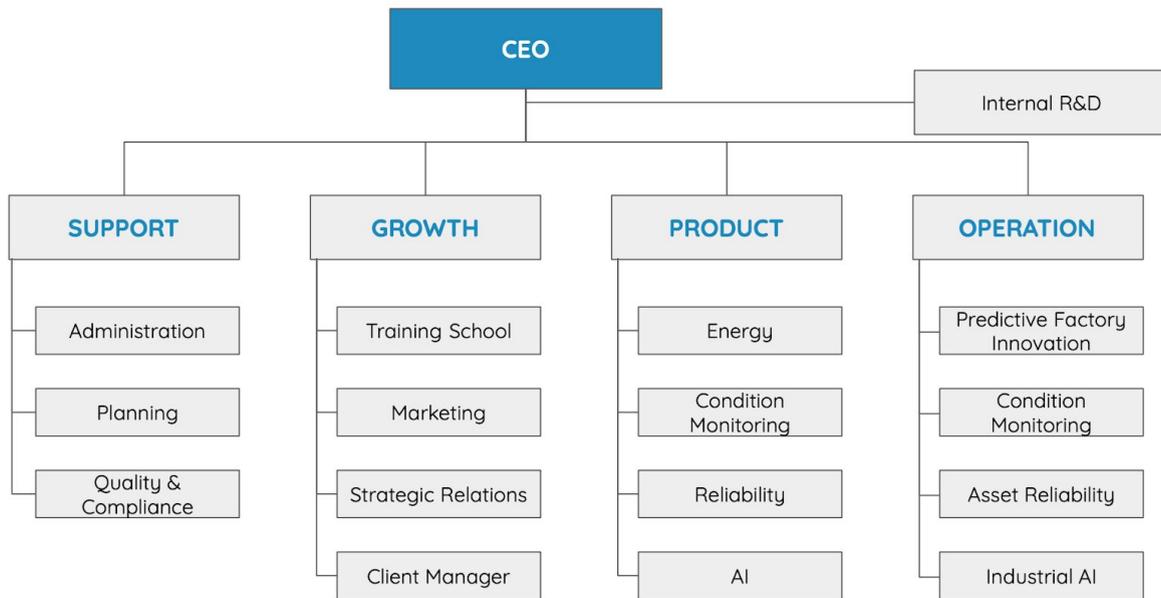
For this reason the quality team started a mapping of all processes, in order to understand how to optimize them and to monitorate them. Then with the board they decided to assign some people for the monitoring of processes: it was created the functional role of **process owner**.

A similar role was created for the monitoring of market's demand and market's needs, and for the maintenance of relations with products' suppliers(**product owner**). In this way the organisation started to auto-monitorate internal and external processes, in order to have management control, to solve issues promptly, to always have ideas for improvement.

This is fundamental for a company which bases its core business on innovation: the capacity to constantly measure the quality and the efficiency of its processes is the starting point for understanding where to enhance performances.

In the same time the organisation chart was renewed: the focus was on how to develop the processes through all the three companies, facilitating communicative flows and applying the same standards and procedures. So from the hybrid structure there was an evolution to a functional organisation, in which were recognised four key functions: Support, Growth, Product, Operation.

The difference with the previous structure was quite evident: the organisation was considered as a whole, there was more clearance in the specificity of the functions, but still there were some unclarities which caused some setbacks.



*Fig.2: the first phase of organisational redesign*

The main aspects were two: that roles and responsibilities were not unequivocally defined and that the technical and managerial growth paths were not explicit.

For this reason the board together with quality team studied a new type of organisation chart which was an evolution of the previous one: the first activity was a mapping of all the existent and new roles in Mipu and their responsibilities; then were set goals for the entire organization and specific for each role; at last a new concept was developed.

The organisation had to be found on three **pillars**, similar to the functions of the previous organisation chart: Support, Growth, Practice & Product. Rising from the pillars all the roles were represented, in order to have an automatic positioning on the organisation chart. This representation was useful in order to solve the first issue of roles' definition and also the second one: especially in Practice & Product, where both the technical and managerial growth paths were to be considered, were created boxes for each of the practices in which were presented three levels of specialization (analyst, specialist, expert), phases of the technical growth path.

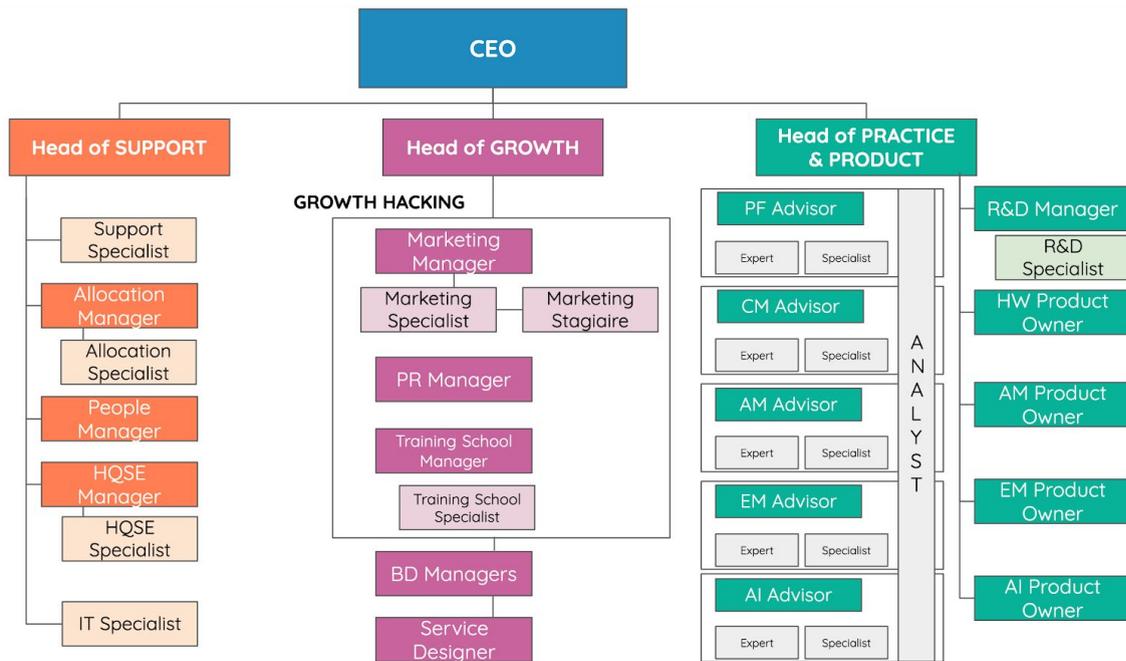


Fig.3: the second phase of the organisational redesign

An important aspect to be considered during all the development of this project was that the team worked constantly online, and so the difficulty to transmit to people the message of the significance of the work was something not risible.

For this reason a main aspect was the communication campaign developed by the board and the quality team, that created videos and graphics in order to spread in the best way the message of the organisational redesign.

## CORPORATE SOCIAL RESPONSIBILITY

Together with the organisational redesign the board decided that the merger was the right time to consider a very important issue for people, government and companies: the impact that business activities have on society and the environment.

This is a topic that more and more big corporations are facing, e.g., trying to reduce their carbon footprint, to create positive actions for communities who live around factories and plants, to use innovative technologies for managing electricity and heat consumptions.

Instead, SME are quite left behind this transition to a more sustainable way of doing business, because it is much more difficult for them to spend money in order to have access to new technologies or to communicate to their customers an increase in products' prices due to investments in policies and practices useful to create a positive impact on society and environment.

Mipu was already atypical compared to other SME because of its core business ( the mission is bringing prediction into factories and cities to reduce waste, costs and difficulties and to enhance the value of existing assets).

It was a natural evolution trying to move forward, putting together a team focused on understanding how to bring into company’s processes the concepts of sustainability and the logic behind the UN Sustainable Development Goals.



Fig.4: UN Sustainable Development Goals logo

In order to do so, the team started to understand what were the Sustainable Development Goals, if it was possible to take actions for all of them, or if it was better to create a plan of action for the Goals directly linked to Mipu’s activities.

The board and the team decided that the second strategy was the most effective one, and so it was created a matrix between Mipu’s key resources and activities and the SDGs.



Fig.5: SDGs impacted by Mipu’s business

Then the second phase was to understand how to set goals to be measured and monitored: for this task the team decided to take part in the platform “SDG Action Manager”, a web-based solution developed by B-Lab and UN Global Compact.



Fig.6: B Lab SDG Action Manager

SDG Action Manager is a very useful tool available for all companies around the world: it enables meaningful business actions through self-assessment, benchmarking and tracking of progress on the Global Goals.

Quoting from the website of B-Lab<sup>1</sup>, “the SDG Action Manager will allow businesses to:

- Find a starting point: Learn which SDGs matter most to your company based on its profile, and how to take action today.
- Understand and share impact: Get a clear view of how your company’s operations, supply chain, and business model create positive impact, and identify risk areas for each SDG.
- Set goals and track improvement: We have 10 years to achieve the SDGs. Stay motivated and visualize your company’s progress on the dashboard.
- Collaborate across your company: Invite colleagues to join the SDG Action Manager, contribute expertise, and see real-time progress and performance.
- Learn at every step: Determine high-impact action based on thought-provoking yet actionable assessment questions, benchmarks, and improvement guides.
- Trailblaze together: Join a global movement of companies working to build a better world for people and our planet by 2030.”

Using this methodology every company, also the ones that are not specialised in these topics have a very deligned roadmap of actions, practices, risks linked to corporate social responsibility and can build its own strategy to reach the SDGs.

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<sup>1</sup><https://bcorporation.net/news/faq-how-b-impact-assessment-and-sdg-action-manager-can-help-businesses-plan-and-measure>

Mipu decided to join this community for understanding more some topics related to its core business, also in order to add more value in its everyday work: e.g. installing an energy management system means to reduce electricity consumption, and this fact has a positive economic impact to the customer, but more importantly it has a positive impact on the energy system, reducing energy demand and consequently emission of pollutants in the atmosphere.

In this vision it becomes fundamental to communicate in an effective way to customers the inner value of innovative solutions like the ones developed by Mipu: Industry 4.0 is not only something that can improve productivity and efficiency, but can be a very useful tool for a transition through a responsible productive system.

The communication issue is directly linked to creating awareness about these topics in companies, and for this reason in Mipu the organisational redesign and the corporate social responsibility projects were conducted at the same time, in order to create roles with the function of **gatekeeper**. In this way it is easier to build a corporate strategy for reaching part of the SDGs, because specific people can transfer their knowledge about SDGs, can set goals and indicators for all the company, can monitorate the progress of positive actions during everyday business.

Mipu decided to set a very ambitious goal for a SME: to be certified as one the 3.500 B-Corps around the world, in order to promote a model of business sustainability with its customers, suppliers and also with competitors.

Another important aspect of Mipu's corporate social responsibility project is the renewal of its headquarter (called Mipu's House), following the principles of sustainable architecture and the company mission of enhancing the value of existing assets. This work will also have a positive impact on Salò's community, because it will be monitored by the department of "Fine Arts" of Salò municipality, that supervises all the restructuring projects which have visual impact on Salò landscape.

## **CONCLUSION**

This paper wanted to acknowledge actions and good practices in managing processes and corporate social responsibility which are part of everyday business in Mipu Predictive Hub. For the group, this is fundamental in order to spread effective methodologies developed during a very difficult period transformed in an opportunity of change and growth, that other firms can apply in their operative processes. This is the right approach for creating a positive impact on society and the environment using what we do everyday, business.