genpact
Transformation
Happens Here

CASE STUDY

Accelerating the SAP S/4HANA journey

How a pharmaceutical company made a smooth transition to a single global ERP by integrating regional business requirements

WHO WE WORKED WITH

A top-20 global pharmaceutical company

WHAT THE COMPANY NEEDED

- To deliver standardized finance processes on a single integrated IT platform and design an EMEA (Europe, the Middle East and Africa) template for SAP S/4HANA

HOW WE HELPED

- Identified legal, statutory, tax, and regulatory (LSTR) requirements impacting global template design
- Accelerated global SAP S/4HANA implementation by localizing a global template to meet regional and business-specific nuances
- Designed user access roles, and standardized and harmonized SAP transaction codes

WHAT THE COMPANY GOT

- Localization of the global template for 28 EMEA countries
- 84% reduction in unique SAP transaction codes from streamlined processes and transactions
- 74% reduction in role-related conflicts from improved role redesign through segregation of duties (SoD)

Standardizing business processes, moving to a single instance of SAP S/4HANA

Mergers and organic growth propelled this company to become one of the world's leading life-sciences companies. But periods of growth also need to be guided by a unifying vision to avoid inefficiencies that drag down performance and operational excellence.

The company recognized this danger. In 2017, it committed to a five-year global program to standardize processes, which called for a move to a single global instance of SAP S/4HANA within three years. And there were additional time pressures because support for existing versions of the ERP were due to end.

The company's systems integrator created a global template for SAP S/4HANA implementation, but the nuances involving legal, statutory, taxation, and regulatory requirements across several countries in EMEA are complex and intricate. Addressing these gaps on a case-by-case basis for the company's 41 affiliates in 28 EMEA countries would have been too expensive and time-consuming. But to not address the issue could have put future work on the five-year program at risk.

Staying on track with regional regulatory knowledge

Genpact is the company's finance and procurement transformation partner for EMEA operations. With extensive experience in delivering managed services to more than 150 other EMEA organizations, we had an objective view of both the regulatory landscape and the company's operating requirements.

With that in mind, the company selected us over its incumbent systems integration partner to design and localize SAP S/4HANA in this region. We repaid this trust by working

quickly and diving deep. We found instances in which the company had applied internal process controls unevenly. In other cases, processes were governed by rules that were difficult to define or standardize. These gaps became opportunities to standardize the company's operations and ERP platform.

Without this work, the pharmaceutical company would have remained saddled with complicated operations that could have slowed its global transformation.

In just 20 weeks, our teams:

- Identified more than 100 key design decisions to guide customization and development
- Localized the global template for all 28 EMEA countries
- Compiled more than 1,000 LSTR design components
- Surfaced major gaps in the company's existing rulebook, including 47 SoD conflicts, 600 standard transactions, and 500 custom transactions, all of which were undefined
- Designed ERP user access roles to reflect SAP S/4HANA best practices
- Created 120 business-process-design maps to act as a baseline for future project phases
- Ensured end-user preparedness through training workshops, support for user-acceptance and system-integration testing, up-to-date and version-controlled standard operating processes, and change management

We worked with stakeholders in each of the company's 41 EMEA affiliates to understand their business processes and related LSTR variances. We also spoke with the company's design authority board, which was responsible for its key design decisions.

Close coordination across these affiliates, the system-integration partner, and Genpact helped the pharmaceutical company:

- Define all business processes after migrating to SAP S/4HANA
- Clarify roles across processes
- Define process KPIs and operational controls
- Manage change for the global transformation

Faster deployment, clearer roles, standardized processes

The collaboration to deliver a localized, region-specific template ready to be imported into SAP S/4HANA meant faster, more effective deployment.

With our experience and knowledge, we helped the global pharmaceutical company:

- Accelerate the deployment and implementation of SAP S/4HANA by 20%

- Reduce 74% of role-related conflicts through role redesign

- Bring down SAP transaction codes (T-codes) by 84% to simplify processing

- Standardize 70% of the month-end financial close calendar

- Give time back to employees by taking on heavy implementation responsibilities

- Ensure business preparedness and implementation support

Looking ahead

Our work doesn't end here. The next steps in the company's transformation roadmap include implementing new preventive controls and operational metrics, enhancing user training, and identifying new ways of working as soon as SAP S/4HANA has been implemented. And we'll be working alongside the pharmaceutical firm to boost value and meet the business' long-term goals.

About Genpact

Genpact (NYSE: G) is a global professional services firm that makes business transformation real. We drive digital-led innovation and digitally-enabled intelligent operations for our clients, guided by our experience running thousands of processes primarily for Global Fortune 500 companies. We think with design, dream in digital, and solve problems with data and analytics. Combining our expertise in end-to-end operations and our AI-based platform, Genpact Cora, we focus on the details – all 90,000+ of us. From New York to New Delhi and more than 25 countries in between, we connect every dot, reimagine every process, and reinvent companies' ways of working. We know that reimagining each step from start to finish creates better business outcomes. Whatever it is, we'll be there with you – accelerating digital transformation to create bold, lasting results – because transformation happens here, at Genpact.com.

For additional information visit https://www.genpact.com/finance-accounting

Get to know us at Genpact.com and on LinkedIn, Twitter, YouTube, and Facebook.

223746_CS_AcceleratingTheSAPS_US_121319