

NTT Data

ASIAN HEAVY INDUSTRY COMPANY UNDERTAKES DIGITAL CLOUD TRANSFORMATION

CASE STUDY



SAP LEAP
Large Enterprise Acceleration Program

THE CLIENT

The client is a heavy-industry sector company based in Asia. As one of the world leaders in heavy industry, the client has over 10 decades of market leadership and has developed a wide range of superior products and services. A deep knowledge base combined with extensive experience means that the client is interested in dynamic growth and is constantly looking to expand their solutions.



THE CHALLENGE

The customer wanted to assess the feasibility of SAP S/4HANA Cloud as the ERP solution for its affiliated companies. To understand if SAP S/4HANA Cloud was a suitable solution, the customer wanted to clarify fits and gaps based on a hands-on experience.

The task was complex: with approximately 50 affiliated companies, all overseas, none of which were connected to the private network at the client's headquarters, a Proof of Concept would be needed to demonstrate the feasibility of the project.

Any gaps that would remain in the system once the transformation project had been undertaken would need to be identified ahead of time, so the client could understand the implications of an enterprise resource planning (ERP) process change of this scale. The client would then have a well-defined image of the project roadmap ahead, better enabling them to make any necessary operational adjustments during the transition.

NTT DATA puts the client first, gaining a deep understanding of the challenges faced to provide an outcome-based approach.



THE SOLUTION

Completion of Proof of Concept required careful planning. This involved selecting the main business scenarios of financing and purchasing with the customer, then picking up the scope items related to the selected business scenario. Following this, a demonstration was carried out for the client in a test environment, and concluded with a report which addressed items needed for the implementation of the SAP S/4HANA Cloud solution.

A series of workshops with the client was carried out in order to complete the Proof of Concept. A comprehensive understanding of the client's business strategy and objectives was essential to guide the process and ensure the solution was

appropriately tailored to their needs. The workshops were also important so that NTT DATA could discuss the 'as-is' and 'to-be' solution architecture from a process point of view, offering the client flexibility and choice on the ultimate outcome.

Brainstorming was undertaken to consider any current and future SAP S/4HANA-related programs and projects that could impact the transformation to the client's benefit. Finally, any architectural constraints and guidelines were examined and validated with the aim of giving the client visibility on the actual working of the solution and how to leverage the transformation to maximise positive outcomes.

NTT DATA is a global leader in SAP S/4HANA transformations, bringing clients into the digital future.



THE RESULT

The workshops proved extremely effective. Working in close collaboration with the client, it was determined that, notwithstanding the difficulties presented by such geographical and systemic variety within the client's sphere of operations, they would benefit considerably from the proposed solution.

The Proof of Concept provided a clear definition of both the solution architecture and the scale of the project. In total, six major gaps were detected, each of which would have to be addressed in order to move onto the next stage of the process successfully. These gaps can be split into two categories: common and business. Among the common gaps was the detection of the requirement of an input assist function when registering multiple items. This includes API usage policies, among others.

The next gap identified was that workflow approval and slip-registration functions are required from both a governance and compliance perspective. The absence of a currency rate conversion function, a requirement for successful deployment, was also identified. This would need to be developed. The final common gap identified was the need to examine the master operation using master data management (MDM).

From a business perspective, clarification was needed on whether the S/4HANA Cloud standard functions cover the client's finance operations using the SAP S/4HANA Internal Order. The final gap gives rise to the question of considering whether the client should use a work breakdown structure (WBS) function instead of the current network/activity in the product planning area.

Proof of Concept development is not done to steer the client toward a simple, 'off the shelf' solution. At every stage, the client's needs were foremost in considering where gaps may occur, how best to address them, and the benefits they would accrue from a solution architecture tailored to their operational and financial best interests. A future implementation can now more easily address those needs.



WHY NTT DATA

There were a number of reasons why NTT DATA was the clear choice for this SAP S/4HANA transformation. NTT DATA has an alliance agreement with the client, dating back to 2017. This established long-term relationship meant there was a level of trust between NTT DATA and the client, as well as a deep knowledge of the client's operations. This agreement covered the implemented structural reform of the client's IT system subsidiary, strengthening their IT strategy functions.

As well as having an already-established relationship, NTT DATA is renowned for its knowledge and extensive experience when it comes to SAP S/4HANA Cloud transformations. NTT DATA produces bespoke architecture for each project to meet the specific needs of the client, rather than encouraging wholesale operational changes to fit an off-the-shelf solution.

With such an extensive Proof of Concept undertaken, and a clear demonstration of the solution laid out for them, this particular client had a clear vision not just of NTT DATA's reliability and capability when it comes to leading SAP S/4HANA transformation projects, but the measurable benefits it would accrue for their own business model.



WHAT'S NEXT

The Proof of Concept resulted in NTT DATA taking the first step in implementing a SAP S/4HANA solution for the client. This implementation will lead to having integrated financial data, which will allow the client to enable management decisions in a timely manner, as well as governance for all affiliated companies. Based on the Proof of Concept results, planning of the implementation can be done, taking into account possible major risks.

The project moves on to comprehensive discussions with each of the affiliated companies, with the Proof of Concept being shared with the group's HQ to reach agreement for the total scope of the project.



NTT DATA

