

# Orion Master Data Workflow Article

Unpublished Version – Not to be shared without ADSOTECH's permission

Translation from draft article that will be published in SAPSAnytt magazine Q1/2018

Based on interview with Orion's

Andreas Rämö

Elina Heinonen

Oscar Winberg

## Customer Information

Orion Oyj is a Finnish publicly listed public limited liability company in the pharmaceutical industry, founded in 1917.

Orion researches, develops, manufactures and markets medicines for humans and animals as well as active pharmaceutical ingredients. The pharmaceutical business accounts for approximately 95% of Orion's net sales. A significant part of the net sales consists of medicines derived from the company's own research.

Orion's pharmaceutical business consists of four business units:

- Original Products (Patented Prescription Drugs)
- Specialty Products (Non-Proprietary Medicine and Self-Proprietary Products)
- Veterinary Medicines (Pet and Pet Medicines)
- Fermion (Active Ingredients).

In total, Orion in 2016 had revenue of 1.085 billion EUR and had approx. 3500 employees globally. SAP has been in use since 2002. Today Orion uses following SAP modules: FI, CO, SD, PP-PI, MM, WM, QM, HCM, PM, EHS, PP/DS, DP, SNP and SRM.

## Introduction

When you read about Master Data you often read things such as:

*"Master Data is key business information that supports transactions ..."*

This view of transactional data as processes, and master data as simply a byproduct, is as common as it is wrong.

Even though we, like any other company, get our revenue through a (transactional) sales process, we are very aware that master data is not something that "already exists" but must be created and maintained.

The process of creating new products is at least as complex as selling products with the difference that ECC (and S/4HANA) has no appropriate support to handle these processes from a business workflow perspective. There are plenty of master data solutions in the market, but the challenge is that they are primarily designed to handle governance of central master data fields rather than supporting business processes to commercialize new products and create new product variants for new markets, customer groups, etc. something which is regarded as application master data

## Master Data Problem

As a pharma company, it is a time-consuming process to collect accurate product data and get it in SAP so that you can forecast, plan and importantly sell the products to the market. When we apply for patents for products, it is important that we can use as much of the time as possible before a patent expires. When someone else's patents expire, it's just as important to quickly get generic products on the market so we can establish our brands before competitors come out with their variants.

Even though Master Data processes are often seen as an area to minimize costs, for us it is an area to improve processes to earn more revenue, although, we also saved a lot of costs through our process improvement. Most of the savings were not found directly in the management of master data, but in streamlining our value chain downstream. By avoiding the many errors our previous

manual process gave rise to, we now avoid many costly mistakes in planning, purchasing, production and delivery.

Should you summarize the problem we had when we started the project to improve our process of creating material master data then it looked like this:

- Time consuming
  - On average, it took four weeks to create a new material in SAP.
- Poor Transparency
  - We thought it took four weeks on average, but it was an estimate based on sampling.
- Too many people involved
  - There could be up to 200 people involved, which meant that many of these were very sporadic participants in the process and thus did not always know what was expected.
- Ineffective
  - When looking for information or trying to find out where in the process a product got stuck, mass mail sent tens of emails that many users acted upon and wasted time. Nor was it always the one who had a task that responded.
- Error Prone
  - The data quality that came out of the process was too bad and cost too much downstream.
- Inflexible Process
  - Because we did not have data about why it took a long time and was wrong, the errors were also difficult to fix.

## Objectives for the new solution

Once the problems were identified, we reviewed the procedure for starting a project and getting budget approved. The problems listed above gave good reasons for making an investment and developing a plan to fix the problems. We assumed a few simple principles:

- Getting well defined roles and clear responsibilities:
  - Unclear roles were making it difficult to identify who was waiting for which task and too much time spent on communication.
- Create transparency in the process:
  - You cannot improve a process if you do not know what is not working. Therefore, we would like follow-up process where you can have clear goals and follow up on any deviations.
- Finding a more efficient way of executing the process:
  - The process took a long time and had many variations, largely since it was based on e-mail stuck in different people's inboxes. The mail was sent to many people and it was not always clear who would do what, and in what order, which contributed to delays. Here we needed to find a better way.

## Traditional solution or new technology?

We soon realized that we needed a new system and that was where Adsotech and Winshuttle became involved. Orion had previously purchased Winshuttle licenses from Adsotech to integrate SAP with Excel and therefore chose to evaluate Winshuttle together with best of breed BPM and

MDM tools as well as proprietary development. Finally, it was found that Winshuttle / Adsotech was the best option due to the following:

- The MDM tools contained too little to support a process for creating new products and it was estimated that it would require too many adjustments to get the complete process in place.
- BPM tools would result in a major effort to get integration into SAP, because the materials had to be created in several steps, and in addition validations were required in many process activities, this would result in a major integration effort.
- Self-development in SAP with SAP workflow had involved a major programming effort and posed a high risk as the estimates were uncertain.
- Winshuttle's solution also involved a relatively large consultation effort but was considered the best-cost option in relation to cost and risk.

A major advantage of Winshuttle was that the solution could also be used to automate other processes. After we made a POC where all those who evaluated the results of the POC responded that they thought Winshuttle was the right solution, we were comfortable with starting a project.

## Implementation

The implementation went well, and we went live according to schedule and on budget with unchanged scope! The first sub-project was developed by Adsotech based on Orion's specifications.

Subsequently, additional complementary workflow processes were developed, where Orion's own developer developed one of two sub-projects. The developer was a newly employed person who had neither SAP nor Winshuttle experience. After a short training period, the developer could relatively independently develop the workflow processes with Winshuttle Composer, which is a so-called Low Code tool with which it is developed with a graphic interface without traditional programming.

## Lessons learned

The lessons were that it was good to make a POC to get all the stakeholders to 'buy in'. It's good to be careful and spend time in areas where major changes are made and to go deeper into the process mappings to find as many of the exceptions as early as possible. Designing a high-level process is always easy, but 'the devil is in the details'.

## Results

Today, we have reduced the number of people involved from approx. 200 to about 30 where everyone has a clear responsibility.

Those who participate in the process have a web interface where it clearly shows what they should contribute and by automating a lot of information previously manually retrieved we save a lot of time.

We have been able to shorten process time from 4 weeks to 2 weeks and have much less variation. Now we also know what process time is, when deviations occur and where we should improve to shorten it further. We get our products on the market faster and have reduced the number of errors in product data to a fraction of what we had before. This avoids many problems in production on distribution of products.

Something that we look very positive is that we now have a solution that is so easy to get started with and use that, today we can make the most changes to the process itself without having to depend on consultants. Because the process is built outside of SAP, we also don't need to wait for quarterly releases or shipments to SAP when we want to make a change.

We want to get better at everything we do, and this is just the beginning of our digital journey. Now, we will evaluate other processes that we want to improve with Adsotech and Winshuttle. But in the case of master data, the first step is to improve the view of master data as a process and not as a simple byproduct of the process.

### About Winshuttle and Adsotech

*Workflows are nothing new, but Winshuttle delivers a tool that, with its low-code philosophy, lowers the threshold for which processes are profitable to automate. By developing the solution without traditional programming and making changes to processes without changing SAP, it is also possible to continually adapt processes in a changing world and continually make small improvements. Instead of getting cost increases in growth, you now do more with less. This will increase the company's competitiveness.*

*Adsotech is a Finnish ICT company that sells products in the Nordic and Baltic countries to improve the security and usability of SAP. Adsotech also provides consulting services in conjunction with the implementation and utilization of the products. Adsotech is the strategic partner for Winshuttle in the Nordic Market.*