

NTT Data

**NTT DATA CONDUCTS
HIGH-LEVEL ERP ANALYSIS
FOR TOP FACTORY
AUTOMATION SERVICES
PROVIDER
CASE STUDY**

- /Administration
- /Angly Resources
- /Legal
- /Accounting
- /Finance
- /Marketing
- /Publicity
- /Promotion
- /Research
- /Business
- /Development
- /Engineering
- /Manufacturing
- /Planning



SAP LEAP
Large Enterprise Acceleration Program

THE CLIENT

The client is a leading Japanese factory automation services provider. Through robotics, third-party tools and operations management software, as well as user support, the client's services effectively enable product line automation.

The client is also a world leader in the numerical control market. Also referred to as computer numerical control (CNC), this involves leveraging coded programmed instructions in order to automate tools involved in the production process, such as drills, lathes, mills and 3D printers, to name a few.

Through their activities, the client has established a presence in and contributed to the growth of manufacturing in their home country as well as overseas. While they have cultivated extensive local knowledge, they have also achieved global reach and international success with offices in more than 40 countries.

“With this project, we definitely created demand. We are the independent partner that helps the client to take a right decision.”



THE CHALLENGE

The client detected an internal need to update their existing ERP system in the European region, where the client works with over 20 subsidiaries. They decided to seek out an external advisor to support this process by helping to find the best system for their needs. As expert analysts with extensive experience in ERP systems and business processes, NTT DATA was brought in to conduct a high-level assessment of Oracle BS and SAP S/4HANA systems to evaluate the client's options and offer a recommendation. In addition, the client wanted a high-level transformation road map, complete with financial projections for any implementation project.

Before the analysis, NTT DATA needed to perform an evaluation to determine the client's specific requirements. The client presented six core requirements for the assessment to focus on: sales, supply chain, service, finance and controlling, procurement, and system business. These would form the basis of the criteria, which would then be used to guide a deep analysis of the two ERP systems.



THE SOLUTION

NTT DATA began the assessment with a workshop phase, where the client’s needs would be clearly articulated and outlined. This involved carrying out communications with select employees representing different levels of the company. Through this initial research phase, NTT DATA collected significant insights, which would serve as a foundation for the assessment.



The next phase of the assessment involved developing the evaluation criteria which would be used to test both ERP systems. The criteria were built using functional and technical client requirements identified in the workshop phase, as well as other factors included based on NTT DATA’s previous experience with similar cases.

The selected criteria included:

- Total cost of ownership, including account license fees, implementation or hosting costs, and any other costs incurred due to inefficiencies or risks resulting from resource provisioning.
- Usability, mobile capability and language support.
- Adherence to the client’s guiding principles.
- Compatibility with vendor and client ecosystems.
- Functional requirements for sales, supply chain, service processes, financial controlling and procurement.
- Technical requirements.
- Potential for extensibility and customisation in terms of reporting and analysis.

In the analysis phase, it was important to conduct a comprehensive assessment within the context of the client's ecosystem. In order to ensure an appropriate mixture of expertise, NTT DATA needed to utilise their cross-system knowledge of ERP. Accordingly, the team deployed for the project was formed of both SAP and Oracle experts.

For the analysis, a high-level business case was also required. The business case compiled experiences from similar cases, published studies, and relevant market data.

NTT DATA combines extensive industry experience with comprehensive assessments to provide clients with solutions suited to their needs.



THE RESULT

NTT DATA's evaluation resulted in a deep analysis of both SAP S/4HANA and Oracle EBS, measured against the client-specific criteria. Overall, the recommendation made by NTT DATA pointed to SAP S/4HANA as the best fit for the client at this point in their business evolution.

With regard to technological considerations, the analysis showed that the SAP S/4HANA database would better serve the client's requirements for reporting and analysis. Since it features an in-memory database with highly responsive data retrieval functionalities, the system could be utilised for several different types of reporting.

Overall, SAP S/4HANA also emerged as the more strategic option. Being more compatible with the ERP architecture of the client's European subsidiaries, it would facilitate any future integrations with business partners in the region. In addition, the client's current use of a SAP application for human capital management would be seamlessly integrated into a full SAP transformation, covering many requirements with a single tool. This fact was also reflected in financial projections for an ERP transformation, which showed SAP S/4HANA to be the economically advantageous solution for this phase of the client's growth.



WHY NTT DATA

The client found NTT DATA's clear, results-driven approach—as well as their strong market reputation in IT and Business Consultancy—to be an important asset for this first-time collaboration. What's more, NTT DATA's experience across Oracle and SAP systems meant that they were ideally placed to recommend the system best suited to the client's business.

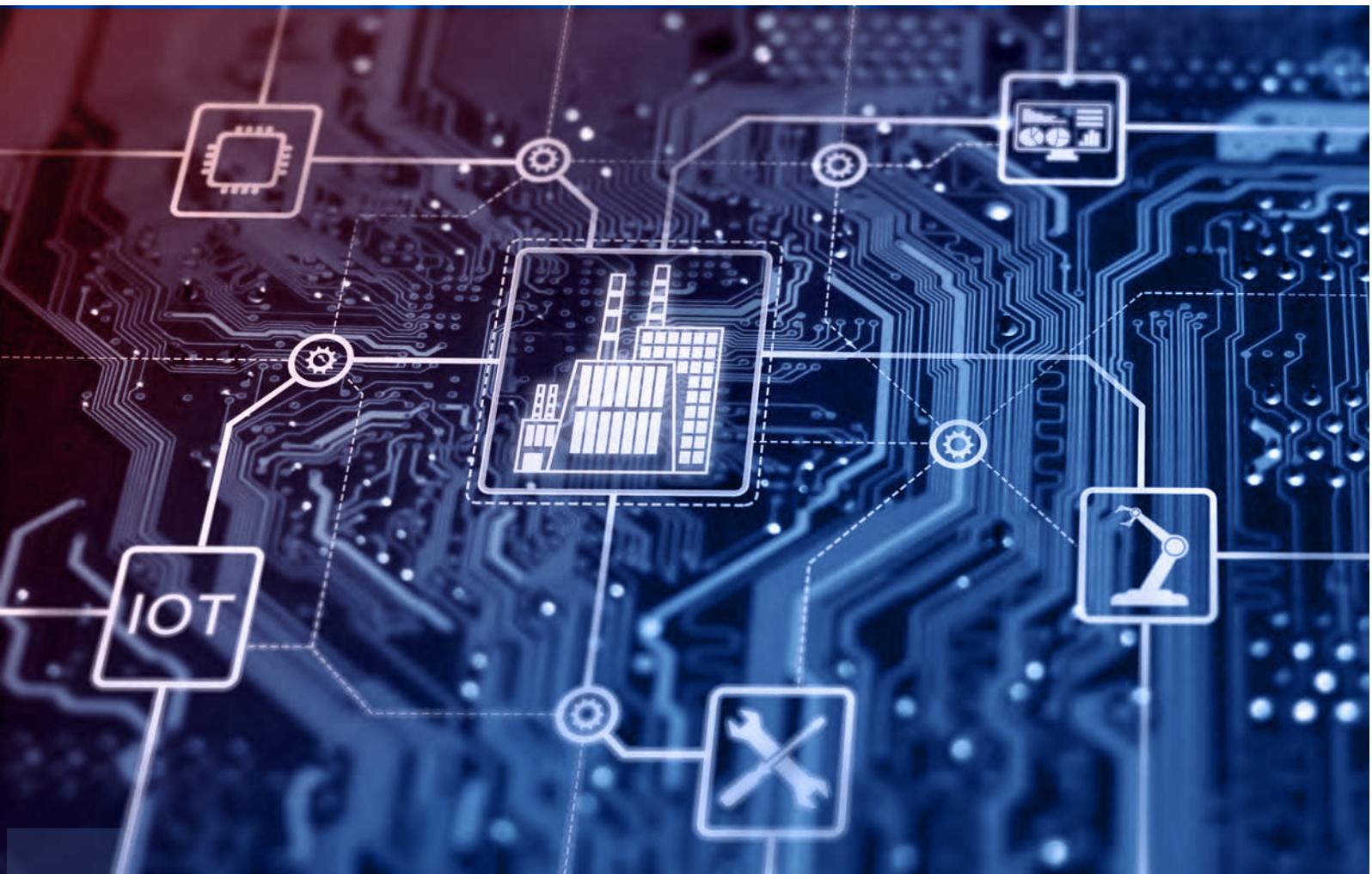
The client was also seeking a consultancy partner with knowledge of their home market and cross-cultural business expertise. Being headquartered in the same country as the client, NTT DATA went into the project experienced in specific reporting requirements and control mechanisms that are important within the national industry. As a result, NTT DATA was able to carry out and present their analysis in a way that acknowledged certain cultural factors.



WHAT'S NEXT

One of the outcomes of this project was an implementation roadmap including a multi-year plan based on agile practices. The roadmap offered a clearly defined Target Operating Model (TOM), a template and piloting strategy, and a deployment plan with parallel and sequential rollouts. What's more, technical implementation within the roadmap was built around a change management work stream, ensuring successful performance in terms of security and compliance, as well as master data or program governance.

The client is currently working to decide upon next steps. With NTT DATA's recommendation and continued support, the client is weighing different factors to explore the possibility of a future implementation project. Should the client request that NTT DATA participate in such an initiative, next steps would involve a design phase, delivery of a detailed ERP transformation roadmap, and master data harmonisation. Having developed a strong working knowledge of the client's needs, NTT DATA would be ideally positioned to assist in any implementation projects.



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