

# ARCHITECTING A NEW ERP STRATEGY FOR A GLOBAL ORGANISATION

SAP End Of Life:  
An opportunity to streamline  
operations, reduce costs and adopt  
Lean ERP principles



**coeus**  
consulting

# Contents

Client Challenge	p3
Coeus' Approach	p4
Benefits:	
- Key Deliverables	p5
- Aligning Diverse Requirements	p6
- Collaborative Environment	p7
- Accelerated Process	p8
Why Coeus Consulting?	p9
Our Experts	p10



# Client Challenge

A radical business realignment and reorganisation was being undertaken by the management board of our global manufacturing client, with a challenge to the IT board to streamline operations.

An impending end-of-support for the existing ERP platform (SAP) created an imperative for upgrade/change. The client had invested heavily over the years in driving operating efficiencies through the implementation of a comprehensive suite of SAP software across its operations.

While analysing their options on the future of the landscape, the temptation was simply to move through the process of implementing HANA and S/4 as a logical progression to the existing investment.

However, there was pressure from both IT and the business to look at new ways of working, utilising both Lean ERP principles and leveraging emerging Cloud and SaaS technologies.

The existing ERP landscape did not fully support the business environment due to legacy system features and a fragmented landscape, caused by acquisition and mergers. Therefore the client wanted to introduce a Lean ERP core that not only combined with its legacy system, but also provided a flexible route to a future environment.

The client recognised it needed help assessing its existing ERP landscape in order to develop an upgrade-and-replace approach that took advantage of best-of-breed solutions.

# Coeus' Approach

- **Architecture analysis**
- **Technology trends**
- **Guiding through the core ERP selection process**
- **Advising on the selection of deployment & support partners for the future**

The client appreciated that Coeus could bring a deep understanding of the business and technology challenges, whilst also being independent of any of the major vendors or technologies.

The initial engagement was to perform an analysis of the architecture plans and possibilities for system consolidation, simplification and a move to the optimum mix of technologies and solutions, matched to the business plans.

The advantage of this approach was that it enabled Coeus to provide an evaluation of technology trends, test the market evolution by detailed analysis of comparable projects and develop a competitive environment for the selection process of all the solutions being examined.

Once the architectural analysis was complete, the client then asked Coeus to guide it through the core ERP selection process; maintaining a competitive environment whilst also providing broad cost estimations for the whole project - including future deployment, maintenance and support costs.



# Benefits

## KEY DELIVERABLES

By leading the client through the whole process, Coeus was able to bring an unbiased opinion to the negotiating table, ensuring a level playing field and delivering a series of contracts that enabled the client to:

- Set the platform for a modern, fit-for-purpose ERP and 'best-of-breed' SaaS landscape that not only meets today's needs but provides the flexibility to adapt to future business changes
- Raise the confidence level of the programme business case
- Secure cost-effective software and SaaS pricing to facilitate the use of the next generation of ERP solutions
- Leverage existing investments, both from a financial and people perspective
- Ensure a smooth transition without double licencing costs during migration
- Plan for a managed decommissioning of the legacy platforms

# Benefits

## ALIGNING DIVERSE REQUIREMENTS

Given the global nature of the client, and the complexity of meeting the various business demands, Coeus engaged all the key stakeholders to understand their needs and concerns.

By the development of common templates and governance models, Coeus was able to design and plan a roll-out that balanced divisional needs with the desire from IT to roll-out a shared ERP platform that enabled a transparent and complete corporate end-to-end view of the business.

Coeus was also able to critique and confirm the cost modelling developed by the client to assist with the investment decisions at each stage; developing an innovative 'phased' approach to both the deployment and investment decision process that balanced both the technical and financial drivers of the project.

Throughout the process, Coeus developed a detailed communication plan; engaging the customer at various levels from technical architects through expert committees to board level steering committees. By developing this broad communications framework, Coeus was able to ensure that it gathered and incorporated a wide range of perspectives and opinions. This enabled Coeus to facilitate a decision making process that brought everyone along with the project.

# Benefits

## COLLABORATIVE ENVIRONMENT

Over the course of the project, Coeus has fostered an open, collaborative relationship between the client and its key suppliers.

This was particularly critical in the early stages as it was important to maintain the impression that the client was serious about evaluating all the options available, and that the process was not simply a 'stalking horse' exercise by the client to obtain attractive commercial terms on a platform of choice.

By maintaining this open environment, Coeus was also able to ensure that the client had the ability to raise its functional requirements to the level where they were able to significantly influence the near-mid-term functionality development roadmap of the suppliers; something deemed critical by the client.



# Benefits

## ACCELERATED PROCESS

Bringing a fresh perspective to the programme allowed Coeus to deliver to the client's expectations. Coeus:

- Unblocked the architectural discussion and settled on a defined direction to move forward
- Brought forward the platform decision date by 8 months based on original plan
- Accelerated the RFP process for both Platform and System Integrator services to achieve first 'live' deployment 6 months earlier than planned
- Redirected efforts from trials towards requirements setting, saving over 2000 FTE days of effort within the scope of the whole project



# Why Coeus Consulting?

Coeus has worked with a number of clients on their ERP strategy and architectures across multiple industries.

- Key to the success of the engagements has been to help our clients cut through the vendor messaging and understand how the technology can benefit their business
- Provide structured key analysis and market insight and facilitated executive decision making to ensure approval and funding
- Identification of significant savings and reductions in programme timelines and costs
- Wider benefits have included architectural design outlining a reduction in number of ERP cores by a factor of 5 and identification of Cloud readiness and Lean ERP principles as they mapped to the client's Cloud strategy
- SaaS 'best of breed' design process to facilitate implementation of Lean ERP.

**Start planning now...5 years is a short time in the world of ERP.**



Request a copy of Coeus Consulting's ERP playbook, which provides independent advice around SAP End-of-Life:

- What it means for your business
- What the options are
- What others are doing
- How to make the business case work

**Please request a copy by sending an email to: [info@coeus.consulting](mailto:info@coeus.consulting)**

# Our Experts



## Ben Barry

Ben is a founder and Director of Coeus and has worked on numerous ERP projects across the whole lifecycle, from strategy and architecture, product selection and systems integrator sourcing, programme mobilisation and competency centre design through to execution and benefits delivery. Industry experience includes energy and utilities, consumer products, manufacturing, retail, transport and public services.



## James Cockroft

James is an IT Sourcing and Transformational professional and Director at Coeus. He has previously held senior positions in a number of leading European consultancies. James has successfully advised global organisations on complex ERP package selection, contract negotiations and renewals. He also provides support on S.I. selection & execution; including system consolidation to support acquisitions or cost savings, major technical upgrades, transition & divestments.



## Ian Foster

Ian specialises in IT Technology, Architecture and Strategy, including application development, commercial, technology and product architecture roles. He has extensive enterprise experience through active participation in industry advisory forums and key senior roles across multiple sectors, including Retail, Entertainment, Recruitment, Logistics, Broadcast, Mobile & Fixed Communications; including architecture and design roles for large programmes on both SAP/ERP and HANA platforms.



## Graeme Trevayne

Graeme's career has covered application development, global outsourcing deals, IT strategy and Professional Services. Based in the Coeus German office, he has previously worked as a senior consultant with global companies in the telecom, FMCG and technology industries, as well as running his own consulting business. He has supported a number of major companies in negotiations with major ERP vendors for global roll-outs.

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