

SANOFI

GOING BIG WITH SAP

	CUSTOMER Sanofi
	LOCATION France
	INDUSTRY Healthcare and Life Sciences
	COMPANY SIZE 5,000 +

In January 2014, after completing an extensive 150+ person evaluation of competing solutions, Sanofi selected and began a plan to roll out Coupa's procurement solution across more than 70 countries running on seven instances of SAP. To manage the change, Sanofi chose to focus initially on three countries (US, Spain, and Portugal) running on two separate instances of SAP. Ten months later, they were live in all three countries, had a 95% user approval rating, were fully integrated to SAP, and found themselves wishing they had gone faster from the start. Here's how they got there.

"I WISH WE WOULD HAVE GONE BIGGER SOONER. THE LAUNCH OF THE PROJECT HAS BEEN A HUGE SUCCESS."

JEAN-PHILIPPE COLLIN, CPO

It starts with the users

Sanofi is a global diversified healthcare company that discovers, develops, and distributes therapeutic solutions focused on patients' needs. Before selecting Coupa to manage its global purchasing process, Sanofi had used global purchasing tools over more than 12 years, with an ever increasing level of customization and complexity. Although they achieved over 80% spend under management, their users were getting frustrated with the time and effort required to create requisitions and complete basic tasks. In response, Sanofi's executive leadership empowered the procurement team with a clear mandate: find a new system that was easier to use.

Put simply, the project team needed to deliver transactional efficiency and a consistent user experience, while maintaining a high level of PO compliance. Doing so required integration with multiple instances of SAP – while at the same time reducing customization by moving to the cloud. The need for simplicity, flexibility and user adoption were key factors driving Sanofi's choice of Coupa.



SANOFI

BY THE NUMBERS

- ▶ 7 SAP Instances
- ▶ 70+ Countries
- ▶ 50,000 Users
- ▶ 100,000 Suppliers
- ▶ 1 Executive Mandate

"Coupa's SaaS model proved helpful in harmonizing global business processes, as the project teams understood from the start that everything would be done using standard configuration options."

**THOMAS LANG,
SANOFI**

Agility through configuration, not customization

A key benefit of Coupa's model for Sanofi was the business agility achieved via configuration versus expensive IT-driven customization. According to Thomas Lang, IT Project Leader in Sanofi's IS organization, "during the implementation Coupa's software-as-a-service (SaaS) model proved helpful in harmonizing global business processes, as the project teams understood from the start that everything would be done using standard configuration options." Sanofi's requirements were met using Coupa's many configuration options versus writing custom code which would have been much more expensive and time consuming for IT. Rather than spending time on customization, IT resources were freed up to focus on supporting the launch of the projects.

Implementation and integration

The project to implement Sanofi's procurement processes requires integration with seven SAP systems plus a specialized procurement system used to place orders for laboratory chemicals. TIBCO middleware is being used to integrate Coupa's SaaS products with the Sanofi SAP environment.

The integration work stream started with data modeling workshops to map process flows across all relevant systems and to plan the way that master data is sent from SAP to Coupa. Sanofi corporate IT demonstrated their commitment to simplifying the environment by adopting new methods for securely exchanging data between systems inside the Sanofi corporate network and Coupa.

According to Alastair Bennett, the Integration Architect representing Coupa on the project, "Sanofi's end-to-end monitoring of the Coupa to SAP integration is best-in-class." The ability to monitor the integration in real time provides the team with complete confidence in the entire process.

Sanofi decided to send accounting data on a "deltas" basis to ensure high levels of performance across the integrated solution. The structure of the data stored in Coupa was configured to match the master data stored in SAP. This prevents data integration errors by ensuring that users cannot select invalid accounting combinations in Coupa.

In the rare instance that a PO created in Coupa is rejected by SAP, revisions are made in Coupa and the PO is automatically resent to SAP without IT involvement. This process reduces the support burden for the corporate IT team. "Errors are infrequent, but when they happen it is usually for a valid business reason such as the closing of a once valid accounting combination," said Thomas Lang. "In those cases, SAP appropriately rejects the PO. The business user is then notified and can easily make a PO revision.

Eight months to success

From the beginning of the architecture design to User Acceptance Testing prior to go-live required about eight months. Covering two of what will ultimately be seven SAP instances, the integrated system has shown itself to be quite robust. Coupa's REST-based API has made the integration more resilient to change than what Sanofi has seen in other ERP integration projects.

The user adoption, process consistency, and solution stability have given Sanofi a significant proof point in their adoption of Coupa and of integrated cloud solutions more generally. End-to-end transaction flows across all relevant systems were carefully designed from the beginning of the project and dashboards were implemented so that each flow could be monitored once the project went live. For Sanofi, this diligence in the planning and execution of systems integration has proven critical to project success.

The ultimate measure of that success? It goes back to the users, who gave Coupa a 95% approval rating during acceptance testing – and to the reduced complexity and maintenance burden for IT. Which left the executives with one additional mandate: **go faster**.