

TERUMO EUROPE: A FLAWLESS TRANSITION FROM ECC TO S/4HANA



CUSTOMER PROFILE

Medical technology

WEBSITE

www.terumo-europe.com

LOCATION

Europe

NEED

- Fast S/4HANA upgrade
- Cost-effective use of available resources
- Regulatory compliance
- End user engagement
- Visibility across testing processes

THE IMPACT

- Massive migration in 9 months
- Over 40,000 lines of code fixed
- 4,050 issues corrected automatically
- Every test action documented
- Real-time tracking of testing progress
- Internationally coordinated testing
- Risk-based analysis revealed 8,000 vulnerabilities

ABOUT TERUMO EUROPE

Terumo Europe provides best-in-class quality products and services for the EMEA healthcare market. With 22 locations and five business units, the company employs over 1,500 people across EMEA. Terumo Europe's headquarters are in Leuven, Belgium, and it has manufacturing facilities in Leuven, Liverpool (UK) and Deventer (Netherlands), as well as a European distribution center in Genk, Belgium.

Terumo Europe is a subsidiary of the Japan-based Terumo Corporation, a global leader in the development, manufacture and marketing of medical devices and pharmaceutical products. The conglomerate has 104 subsidiaries, 32 global production facilities, and a total of 26,482 employees.

THE CHALLENGE

Terumo Europe has been a SAP customer since 2012, with a fairly large portfolio of SAP solutions. With the advent of SAP S/4HANA, the company looked into upgrading from SAP ECC for the business process enhancement and cutting-edge digital technologies. In addition, Terumo Europe wanted to align with other Terumo entities using S/4HANA, in order to promote global business process standardization, consistent accuracy, and agility in business KPI visualizations.

Every upgrade of that scale, of course, has the challenge of balancing time and resources for delivery on time and within budget. A key reason for the company seeking to upgrade in the shortest amount of time possible and with the least effort needed was the potential disruption the process causes to the business. In order to make it as painless as possible for those using SAP solutions, Terumo Europe wanted as much information as possible regarding what to expect from the planned changes considering the complexity of their system. Further adding to the burden is the fact that the medical device industry is highly regulated, with very little room for error. Maximum visibility, known as traceability, is therefore vital in all change management. Finally, the IT team had to decide how to carry out their upgrade – greenfield or brownfield – and why.



THE SOLUTION

Panaya was there from the beginning, providing Terumo Europe the analysis needed to make the right decision regarding the S/4HANA upgrade, providing advance knowledge of the impact of adopting different versions of the SAP package. With that information, the company decided to build upon a hard-earned solid foundation and migrate from ECC to S/4HANA (rather than a greenfield implementation).

Pieter Tombeur, an IT Manager for Terumo Europe, said, “We can breathe easier once the new system is in place and everything is stable. We’ll have the time to support more disruptive changes without all the technical hassle.”

Terumo Europe then used Panaya Test Dynamix for test management during migration, as well as S/4Convert for additional impact analysis and project execution.

A decentralized sandbox

The project started off with execution of required conversion tasks, with follow-up analysis and testing as recommended by Panaya. Unit testing and a full end-to-end trial run were executed in a sandbox environment after code corrections were made, ensuring all expectations were met. The conversion was then repeated in the development environment, before moving on to production.

One of the key success factors was the UAT phase. Over 170 of Terumo Europe’s key business users carried out multiple tests. They needed to be coordinated simultaneously, internationally and, due to pandemic restrictions, completely remotely.

“Panaya played a crucial role in making sure we could support such a decentralized testing effort,” Pieter explained. “And you don’t have to spend a lot of time onboarding people. Without Panaya, the deadline would never have been achieved.”

End-to-end impact

The conversion from ECC to S/4HANA was completed in just nine months, within budget and in accordance with a challenging timeline. As Pieter put it, “Panaya is a huge accelerator that removes a lot of the burden.”

- Balanced needs, time and resources thanks to automated test documentation, focused risk-based testing, and testing coordination.
- Regulatory compliance is ensured with Panaya’s built-in recording functionality.
- Impact analysis and activities scoping provided results that were far more intuitive than SAP standard alternatives. Almost 8,000 impacted entry points were identified and relevant unit tests were automatically recommended.
- A rich Panaya test repository was vital for the rapid success of the project.
- Automatic code correction capabilities reduced effort on the development side.
- Project managers loved Panaya’s real-time visibility and its rich dashboard, displaying effort, progress, defects, risk, best practices, and drill-down into the code for each change.
- A broad range of users, from the least technically savvy to the most, benefit from Panaya reporting and guidance.

Quality is evident

“The quality shows,” Pieter noted. “We’ve gone live with a month of hypercare and there have been zero major disruptions.”

Having seen that success, Terumo Europe is moving on to its innovation stage. This includes adding Fiori and business intelligence Apps, as well as incorporating new SAP functionalities and onboarding business from a sister company in Europe. They will continue using Panaya solutions for managing all these changes, analyzing their impact and testing the results.