



Post-Acquisition Fit/Gap Analysis Provides Critical Guidance for ERP Implementation

OVERVIEW

Our client is a multinational health care company with more than 100,000 employees located worldwide.

The Challenge

After a recent acquisition, our client decided they wanted to streamline operations at the corporate level by migrating their acquired companies to SAP, the ERP solution that our client uses for most of its financial operations. Since migrating ERP platforms is a complicated endeavor, Ensunet was hired to determine the potential pitfalls, issues, and challenges that our client needed to consider before authorizing a lengthy and expensive transition project. We were also tasked with analyzing the feasibility of migrating to the global SAP Instance by our client's preferred "go-live" date.

The Strategy

Spearheaded meetings with multiple global business lines to conduct a Fit/Gap analysis of key business systems and processes.

Over the span of several weeks, our team met with representatives from every business line as well as the IT departments from both companies to discuss their operations in depth. The resulting Fit/Gap analysis identified:

- The resources that would be required to integrate the acquired company onto our client's ERP.
- Where organizational operations were closely aligned and so would integrate more easily.
- Specific recommendations for managing the integration of those areas where the business processes for the two companies were significantly different.

Identified obsolete systems and data.

Instead of transferring all the data contained within the legacy system of the acquired company, Ensunet met with managers from every business line to determine which data was obsolete and what data should be transferred to the global SAP Instance.



SAP DATA MIGRATION CASE STUDY

Scrubbed customer and vendor data to improve overall data quality. Ensunet conducted an in-depth validation of the master and transactional data contained within the acquired company's legacy system to improve data quality and ensure consistency with business rules.

The Results

Identified critical operational and data disparities between the two companies.

After meeting with representatives from both companies, we presented our findings to our client's Sr. IT Leadership. The Fit/Gap analysis we prepared identified the key systems and processes that could be integrated into a new SAP instance with little disruption as well as those functions and business lines that might be adversely impacted.

Determined where duplicate customer and vendor data might inhibit business efficiencies.

Both the parent and acquired organizations share a number of customers and vendors, however the information was captured differently in their respective ERPs. As such, flagging duplicates during a migration would likely prove challenging and require focused attention.

Established recommendations and guidelines for merging sales functions to enable sustainable growth.

The Fit/Gap report revealed measurable differences in how both companies approached their sales processes within Salesforce. Some functionality was not being used, or had not yet been activated, in the acquired company (and visa versa). Our recommendations referenced the need to accommodate:

- **Widely disparate product lines and sales cycles.** Our client's ERP configuration reflects a long sales cycle where 3 to 4 months can elapse from the time a customer places an order to the time their equipment is installed on site. The acquired company, on the other hand, sells low-cost disposables with a 24-hour turnaround time between initial order and delivery.
- **Divergent sales processes.** While the sales teams for both companies used Salesforce.com to track customer data, their respective deployments were different in terms of sales incentives and customer data.

Our analysis made a strong case for maintaining separate Sales force configurations to prevent the loss of critical data. Maintaining separate instances of Sales force will also allow our client to proceed with their migration plans without losing critical data that could harm their sales and customer relationships.



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