

Royal Herkel, Zeewolde, the Netherlands

A STRUCTURED AND VALIDATED IMPLEMENTATION OF SAP S/4HANA



As a manufacturer, you have to be able to look ahead to avoid any problems in your supply chain. Thanks to the structured implementation of SAP S/4HANA by NTT DATA Business Solutions, we have better insight into the future of our business.

Wietze Dijkma, Business Improvement Manager & Supply Chain Planning Lead, Royal Herkel



Challenges

- Significant increase in demand for nutritional supplements and medical aids due to COVID-19
- Outdated ERP system that only a limited number of people have knowledge of
- Strict GMP requirements in a validated environment
- Working with a functionally broad scope



Solutions

- SAP S/4HANA
- SAP Production Planning & Detailed Scheduling
- SAP Analytics Cloud
- Integration with MediusFlow and EDI messages



Benefits

- The integration of multiple modules in one system, which makes for a single source of truth, and better run business processes
- Transparent insight in the entire supply chain with user-friendly dashboards, which enables better forecasting and additional flexibility when there's sudden changes in the market
- A validated system that supports GMP processes



Why NTT DATA Business Solutions?

- Experience with validated implementations for pharmaceutical manufacturers
- Extensive industry-specific experience in the Life Sciences
- A dedicated team that works efficiently based on proven best practices



Industry: Pharmaceutical industry

Products: Nutritional supplements, medical aids, pharmaceutical and cosmetic products

Employees: 200

Revenue: 40 miljoen in 2020

Website: www.royalherkel.com

NTT DATA Business Solutions



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More insight into customer demands

Royal Herkel produces nutritional supplements, medical aids and pharmaceutical and cosmetic products. To gain more insight into future demands and in order to become more flexible, Royal Herkel implemented SAP S/4HANA in 2019. "Since the outbreak of COVID-19, the demand for the various products we produce has exploded," says Wietze Dijkma, Business Improvement Manager & Supply Chain Planning Lead at Herkel. "The demand for vitamin C and vitamin D products and zinc tablets has increased significantly. It fits with the broader trend of a rising demand for products that promote a healthy lifestyle." As a result, the company saw the turnover of their products grow by more than twenty percent in 2020.

A validated system you can rely on

The implementation of SAP S/4HANA guarantees that orders are produced and delivered at the right time, even when demand fluctuates. "You need insight in your supply chain and in your inventory levels, and you need to be able to predict when you reach your maximum production capacity in order to anticipate", says Dijkma.

Martin Siebert, Chief Financial Officer at Herkel, explains: "Our former ERP system was outdated. We had limited insight in our business and only a small number of people knew how to work with this system. Another important reason to switch to SAP S/4HANA was to maintain the Good Manufacturing Practices we have. Our systems need to be validated in order to deliver proven safe products. To prevent errors and eliminate risks during production, your system needs to adhere to thousands of requirements. The system that NTT DATA Business Solutions delivered does just that."

Implementing the entire ERP SAP scope

NTT DATA Business Solutions was able to take care of the implementation of the new integrated SAP S/4HANA system with a validated approach and proven best practices. Gerben Donken, Principal Project Manager at NTT DATA Business Solutions, explains: "It was mainly the functionally broad scope that made the implementation complex. It involved the implementation of SAP's entire ERP scope in Herkel's core processes, used by around 200 users. This also includes the implementation of SAP Production Planning & Detailed Scheduling and SAP Analytics Cloud. On top of that, the system was integrated with the purchasing application MediusFlow and EDI (Electronic Data Interchange) messages to customers." Additionally, the large volumes of production orders and data made the implementation challenging, according to Donken. Dijkma adds: "We also had to move to a new way of working, and remodel our stone-cut processes. The change component was just as big as the technical component."

Being in charge with SAP S/4HANA

Dijkma looks back on a 'long journey with ups and downs'. "But it is a journey we've embarked on together, with the entire organization. With the efforts of the entire team, including NTT DATA Business Solutions, we achieved great success."

Siebert: "The validated approach of NTT DATA Business Solutions has provided structure and helped us to complete this project on time." The hard work has been worth it, according to Herkel's CFO. "We can now access data much more easily and, for example, make our inventory levels visible in real time in user-friendly dashboards." Dijkma agrees. "With one click, we can see where we stand and where we can expect problems, so that we can anticipate them. Now that we can look ahead, we have moved from a reactive mode to a proactive mode. We know what's happening, and know exactly what it takes to get things organized. We are in charge."

Want to know more?
Do not hesitate to contact us:

www.nttdata-solutions.com/bnl/

Since April 1, 2021 intelligence is operating as NTT DATA Business Solutions

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