

# REDUCING COST BY TRANSPARENT VENDOR DATA MANAGEMENT

For a Global Pharma major, Wipro delivered 25% reduction in Cost of Operations through a vendor master Data Lifecycle Solution enabling enterprise wide transparency into the data management process and master data visibility



## CLIENT BACKGROUND

The client is a pharma major with a diversified portfolio and an innovative approach to pharmaceuticals that helps improve the lives of people in over 100 countries where it operates.

## INDUSTRY LANDSCAPE

The need to manage product, customer and vendor, clinical and research data is extremely critical to the pharmaceutical industry. A top priority for the industry is to integrate and manage data with consistency across product and operational silos. This is proving to be a challenge, especially with the rising industry trend of rapid inorganic growth and swift acquisitions.

Many companies find themselves vulnerable to operational and reputational risk by ignoring the need for data standards backed by superior data management. Poor data management is also hurting them because it negatively impacts costs, service quality, efficiency and productivity.

## THE OPPORTUNITY

The client realized that inadequate vendor data management was negatively impacting productivity which in turn impeded growth and innovation. Additionally, there were inconsistencies leading to inaccurate or misleading business insight.

The key challenges faced by the client were:

- They had over 25 vendor masters for seven divisions across multiple locations which made data management immensely complex.
- The data was managed manually and was prone to errors and inconsistencies
- Substantial resources and time was being spent on duplication of data related activities
- There were no single data standards available across the enterprise

The opportunity was to create a Vendor Data Foundation program aimed at transforming the sourcing and procurement function. Once implemented, this program could drive operational efficiencies, improve decision-making, enhance productivity and re-ignite innovation while remaining compliant to the ever increasing rigor of industry regulations.

## BUSINESS IMPACT



**25%** reduction in new vendor record creation



**25%** reduction in Cost of Operations for organization wide vendor master



Enhanced compliance to SOX and financial control models

## SOLUTION

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Wipro developed a single scalable solution to manage end to end vendor master data lifecycle enabling enhanced enterprise wide master data visibility into the data management process. For the client, this program was central to achieving sustained long-term success. Their vision to transform the procurement function chiefly focused on setting up a centrally managed vendor master.

Wipro designed and implemented the Vendor Data Foundation program enabling:

- Application of consistent standards and consolidation of disparate Vendor master data across the enterprise
- Cross division visibility of vendor data
- Consistent SLA driven vendor master data management processes
- Integrated risk assessment and QA assessment process steps

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The Wipro solution comprised the following:

- **SAP Enterprise Portal + BPM for supplier on-boarding:** The portal includes a number of functions such as vendor search, vendor request, and risk indicator; duplicate check with global enrichment and local check with local enrichment. These are in addition to the centralized master data management processes and user interfaces that are built to optimize user experience.
- **SAP Vendor Master Data Management (VMDM):** SAP VMDM imports data from the client's ERP landscape across silos, consolidates, merges, de-duplicates and cleanses the data to create a golden copy before enriching it to create vendor hierarchies.

## BUSINESS IMPACT

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Optimizing vendor master data enabled the client to access early vendor risk indicators that are vital for compliance in Pharma. The benefits included:

- Enabled transparency and visibility into master data process – opened possibility of delivering 'Data Service'
- Proactive Risk exposure identification for business partner relationship
- Improved efficiency and productivity through standardized central and local processes
- Single scalable solution for vendor master data lifecycle

## ABOUT WIPRO LTD.

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