



**DRAFT**

SAP Business Transformation Study | Life Sciences | Arkopharma

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## Arkopharma: Reducing the Cost of Quality Testing by 20% with SAP® Solution Manager

How did a pharmaceuticals company use an IT application upgrade to enhance process and product quality? Arkopharma Pharmaceutical Laboratories SA deployed the SAP® Solution Manager application management solution to centralize the management of its IT landscape. By enhancing monitoring and testing, Arkopharma **reduced the cost and increased the efficiency** of quality testing.

# Executive overview

## Company

Arkopharma Pharmaceutical Laboratories SA

## Headquarters

Carros, France

## Industry

Life sciences – pharmaceuticals

## Products and Services

Phytotherapy-based medicines and dietary supplements

## Employees

1,340

## Revenue

€182 million

## Web Site

[www.arkopharma.com](http://www.arkopharma.com)



## BUSINESS TRANSFORMATION

### The company's top objectives

- Efficiently upgrade its SAP® ERP application with minimum disruption
- Map and document all IT processes within a single data repository
- Facilitate improved test management and track testing progress

### The resolution

- Centralized and streamlined process definition and documentation
- Built and updated test plans, executed tests, and conducted risk analyses
- Upgraded SAP ERP on time and within budget

### The key benefits

- Optimized total cost of ownership for testing and monitoring of IT processes
- Reduced project lifecycle costs
- Increased testing quality to enhance products and reduce corporate risk

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“SAP Solution Manager facilitates and accelerates change management in our IT processes, while meeting the strict policy requirements that help Arkopharma deliver unsurpassed product quality.”

Alain Giraud, CIO, Arkopharma Pharmaceutical Laboratories SA

## TOP BENEFITS ACHIEVED

**20%**

Cost reduction to deploy new IT projects

**15%**

Reduction in test acceptance workload

**15%**

Budget savings for test acceptance processes

See more metrics ►

Executive overview

**Company objectives**

Resolution

Business transformation

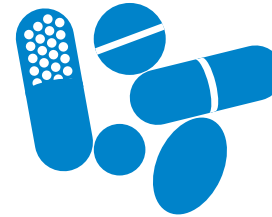
Future plans

# Planting the seeds for growth

Headquartered near Nice, France, Arkopharma Pharmaceutical Laboratories SA specializes in phytotherapy, leading the European market with products sold in more than 60 countries around the world. The firm is dedicated to helping consumers improve their health and well-being using natural medicines and dietary supplements. In pursuing new product formulas, Arkopharma has been awarded 1,621 product registrations and marketing authorizations (MAs). It also invests 4% of its revenues in research and development.

To support its product development, manufacturing, and distribution efforts, Arkopharma deployed the SAP® ERP application in 2003. Over the years, the company developed many new products and expanded its customer base with the help of the SAP software. These projects were conducted and documented by the company's SAP-certified center of expertise, using methodology supported by the ASAP methodology for upgrades.

To take advantage of new software functionality, Arkopharma management recently decided to upgrade its SAP ERP implementation. Because the

**1,621**

Product registrations and MAs

software is so integral to corporate operations, the company's upgrade had to be executed with minimal delay or disruption.

"To streamline the update process, we wanted to map and document our IT processes in a centralized location," explains Virginie Baesberg, information management director of Arkopharma. "Improving our test management and closely tracking our testing processes were also critical to a successful upgrade."



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# Formula for high-quality testing

In planning its SAP ERP upgrade, members of the Arkopharma center of expertise worked closely with experts from the SAP Active Global Support (SAP AGS) organization to determine best practices and next steps. The team decided to use SAP Solution Manager to support the company's upgrade.

"SAP Solution Manager helped us centralize and harmonize our process definitions for both SAP and non-SAP software," explains Alain Giraud, CIO of Arkopharma. "We documented those processes, which allowed us to better manage and share information. Any changes to the software can be identified accurately and quickly."

Arkopharma also used SAP Solution Manager to build and update test plans. Personnel monitored tests in real time and tracked open incidents. In addition, the tool helped the company identify

critical processes necessary to support quality regulations, such as Good Manufacturing Practice, Good Distribution Practice, ISO 22000 and 13485, and Ecocert. Using SAP Solution Manager, the firm conducted risk analyses and generated acceptance reports.

"SAP Solution Manager quickly became the cornerstone of our quality processes," says Giraud. "With enhanced visibility into the impact of changes made to the IT system, the upgrade was completed on time and within budget."

Arkopharma conducted the upgrade in phases, supported by consultants from SAP AGS. The strong support from center of expertise personnel, in addition to the team's mastery of company processes, helped the project succeed.

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"SAP Solution Manager enabled centralized monitoring of all tests, which increased test visibility for our project managers."

Alain Giraud, CIO, Arkopharma Pharmaceutical Laboratories SA



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# Healthy savings

Arkopharma realized significant benefits by using SAP Solution Manager. Automated, streamlined processes and an intuitive user interface helped reduce the total cost of testing and monitoring. And because there is no cost to use SAP Solution Manager, the company saved €150,000 to €200,000 by avoiding purchase of another management solution.

Using SAP Solution Manager also helped Arkopharma reduce project lifecycle costs by 20%, including savings on personnel, documentation, and

production. The firm also reduced the budget and personnel needed for test acceptance processes by 15%.

By increasing testing quality, Arkopharma also strengthened its IT processes, in turn enabling the company to better meet important industry quality measures. Higher quality helps the organization reduce corporate risk.

## KEY BENEFITS

# 20%

Cost reduction to deploy new IT projects

# 15%

Budget savings for test acceptance processes

# 15%

Reduction in test acceptance workload

# €200,000

Potential savings over purchasing other tool



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## Rx for the future

Arkopharma plans to continue using SAP Solution Manager to enhance the quality of its IT testing and monitoring. In the near future, the company expects to implement new features, such as support for managing change requests, automated testing, projects, and test quality.

“The advanced functionality of SAP Solution Manager will help us further reduce the time needed to precisely execute our process testing,” says Giraud. “We anticipate that may even help us decrease our time to market for new products.”



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