Case Study: Manufacturing, Logistics, Energy & Utilities and Digital Operations

Business Simplification for Greater Profitability

How we redesigned business processes and technology operations for a fast-growing global company, reducing costs while improving performance.

A large, global water technology company had a period of strong growth, acquiring five companies in under two years. But as the company expanded, it inherited numerous business processes and more than 80 enterprise resource planning (ERP) systems in more than 20 countries. None of the new systems or processes were integrated or standardized, and as a result, operating costs were high while key business outcomes declined.

The company engaged us to evaluate its technology operations and processes and to design a solution. One option was to build a single, integrated ERP system. However, we recognized that this would be an extremely costly and time-consuming process. Instead, we built an "orchestrated operating model," that pulled together and synchronized the existing ERP systems of each acquired company.

At a Glance

A global water solutions company needed to integrate dozens of ERP systems and business processes, aiming to improve technology and operating performance and reduce costs. Our solution was faster and far less costly than a conventional ERP integration, and it standardized business processes at a best-in-class level.

Outcomes

- 50% reduction in total cost of operations.
- $25 million in savings for business outcomes such as day's sales outstanding.
- 25% productivity improvement.

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This orchestrated approach has delivered transformational benefits for the entire organization. At the basic level, it made sure all ERP systems were integrated together to process transactions across the company. Second, it improved compliance and governance by harmonizing all business processes to one global standard. Third, it made insights possible by bringing all data together in one dashboard, providing managers and leaders a clear, reliable view of how the business is performing. Fourth, ongoing operating costs will be reduced by more than 50% because of the enhanced productivity that our solution provides.

Process Redesign Enables Technology Transformation

The work with the client highlights how integrated process redesign and technology transformation can complement each other, providing holistic service coverage and better results.

Starting with an assessment of the company's processes and the multiple technologies that supported these processes, we were able to compare the company's current state to best-in-class benchmarks for each process. This yielded the data needed to close those gaps.

Next, through a series of workshops, the client and our team designed a roadmap for "what good

Outcomes

- 500+ employees connected in real time across 5 business units.
- Stronger financial and operational controls.
- Single sign-on view of key business metrics.

looks like". This included a list of the technologies and processes they would need to achieve this "future state." Out of the workshop, we tackled a global design for the processes first, then identified the systems we needed. We also helped find opportunities for automation. Then we began building out the design across the client organization. During this part, we found even more ways to improve outcomes, such as replacing manual process with robotic process automation (RPA).

The project was completed in six months, about 18 months faster than a conventional ERP integration would take, at approximately 25% of the cost.

About Cognizant MLEU

Cognizant's Manufacturing and Logistics business unit operates as a trusted partner to global manufacturing leaders, helping them accelerate business performance in the digital world. The unit is recognized for its forward-looking approach by industry gurus, such as IDC MarketScape, which bestowed on it a "Leader" rating for service lifecycle management. Our business consulting professionals ensure that manufac¬turing and logistics clients receive exceptional business results from their technology investments and sourcing programs. Our domain solutions leverage digital technologies to build smart products, connect with digital consumers, provide real-time visibility into manufacturing operations, and automate knowledge work with cognitive computing. Learn more at www.cognizant.com/manufacturing.

About Cognizant Digital Operations

Cognizant Digital Operations helps clients re-engineer, digitize, manage and operate their most essential business processes, lowering operating costs, improving user experiences, and delivering better outcomes and topline growth. Across the practice, we are creating automated, data-driven platforms and industry utilities. We help clients run better by applying traditional optimization levers, and we help them run differently by creating competitive advantage through making their processes digital-ready, which often leads to more effective operating models and corresponding topline revenue growth. For more information, please visit cognizant.com/cognizant-digital-operations.

About Cognizant

Cognizant (Nasdaq-100: CTSH) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 195 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at **www.cognizant.com** or follow us @Cognizant.

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