# Orkla transforms to a single SAP S/4HANA platform on Azure

A new SAP S/4HANA platform helps Orkla achieve higher levels of scalability, agility and business efficiency and unlock public cloud benefits.

## The challenge

Orkla ASA is a Norwegian conglomerate operating in the Nordic region, Eastern Europe, Asia and the US. Established in 1654, the company has been active in industries as diverse as metals, pulp/paper and chemicals. Since 2011, Orkla has focused on consumer goods, including food and drink products, personal care offerings and home equipment. The company employs approximately 18,500 people worldwide.

### Reimagining a legacy infrastructure

Orkla Foods, the largest business unit within the company, accounts for almost 50 percent of sales, hundreds of brands and close to 50 production facilities. The business unit was struggling with a complex infrastructure built around a legacy SAP ERP system that lacked centralized control, and mainstream maintenance of SAP ERP that is expected to end by 2027. The aging ERP system could not use the latest intelligent technologies or cloud opportunities that today's competitive businesses require, and maintenance demands and unplanned outages caused issues for its on-premises data centers.

As an added pressure, Orkla faced the unprecedented rise in the adoption of SAP on public cloud in the consumer goods industry driven by the sector's need for greater agility. The company also wanted to shift from a CapEx to an OpEx cost model to free up valuable resources spent managing onsite infrastructure and make future spending more predictable.

## At a glance

**Industry**
Consumer goods

**Location**
Nordics

**Challenge**
Transform a complex, outdated and resource-heavy infrastructure into a single, unified intelligence platform on Microsoft Azure.

**Products and Services**
- Cognizant SAP Cloud Assessment and Transformation
- SAP S/4HANA
- Cognizant Managed Platform as a Service (mPaaS)
- Microsoft Azure

**Success Highlights**
- Transitioned to a single, unified intelligence platform based on SAP S/4HANA and Microsoft Azure
- Achieved 99.9% availability of services with 100% SLA adherence
- Improved stability and agility by provisioning SAP project systems on demand
- Strengthened data protection and business continuity with multi-site backup and disaster recovery

### Ready to transform

As part of a global IT modernization initiative, Orkla wanted to transition its legacy ERP systems to SAP S/4HANA—not only across multiple business units but across partners, acquisitions and respective legacy systems. It was time for a unified, flexible, data-driven intelligence platform, and Orkla needed a skilled partner for the project. The company also wanted to address challenges due to the end of life of older SAP HANA appliances.

## The approach

Orkla chose Cognizant for its digital transformation journey due to our strong technology leadership conveyed in our workshops and tools demos, strong delivery capability, and experience with Microsoft and SUSE. Orkla worked with Cognizant previously in a successful engagement to consolidate and migrate five data centers located across multiple regions into one data center.

SUSE General Manager for SAP Jochen Glaser says, "Deploying business-critical systems such as SAP S/4HANA requires a well-defined, robust architecture and Cognizant, Microsoft and SUSE collaborated to build an agile, highly resilient and future-proof architecture using SUSE Linux Enterprise Server on Azure Platform."

The SAP S/4HANA transformation, named Project ONE, was built on requirements from all business units. It was developed around creating a unified solution for Orkla-branded consumer goods deployed on a modernized hyperscale platform. Project ONE was a crucial step in establishing the Orkla vision, called Orkla ONE. The phased rollout was used as reference for subsequent landscape builds and major business rollouts.

Cognizant evaluated several technology solutions for Orkla, matching key sourcing principles of the program, and proposed the idea of hosting and managing the SAP landscape on Microsoft Azure.

The project centered around the design and implementation of SAP S/4HANA on Microsoft Azure as a cloud platform that leverages a digital core. The distributed SAP and ERP application infrastructure within Orkla was transformed into a highly reliable, secure and scalable single instance on SAP. By enabling this transformation, Cognizant simplified SAP technical operations and increased utilization and efficiency.

Microsoft Account Executive for Orkla Hans-Fredrik Pedersen says, "The Orkla transformation project achieves solid business outcomes and a stable platform. SAP S/4HANA certified VMs on Microsoft Azure and other Azure services enables Cognizant and the Orkla project team to rapidly deploy SAP systems as and when needed. Orkla also benefits from Microsoft's world-class datacenters, security, SAP certified infrastructure and the added assurance of Azure Site Recovery for Business Continuity and DR."

### Applying a unique four-phased approach

Cognizant applied its unique, accelerated, four-phase approach to cloud migration that uses the Cognizant SAP Cloud Assessment and Transformation (cCAT) Framework for SAP cloud enablement. Our accelerators reduce the manual efforts of cloud design. cCAT is built from the ground up and leverages the substantial amount of experience we have accumulated in executing SAP transformation projects on public cloud.

The cCAT framework's library contains templates, guided procedures and best practices that help increase the quality and productivity of SAP migration and deployments to public cloud. Because one of Orkla's key goals was to reduce cost and complexity using best practices, this was a natural fit.

### A DR component and more

Cognizant's "architecture of systems on cloud" caters to application availability with near-zero data loss in case of disaster, which was applied to improve Orkla's disaster recovery program (DR). We also proposed and implemented integration architecture with SaaS solutions, and our mPaaS offering with a consumption-based pricing model for SAP and cloud infrastructure support services for steady state support.

"This is the biggest ERP go-live in Orkla history, and I assume one of the biggest go-lives on S/4HANA in northern Europe ever. We appreciate Cognizant's and all the partners' efforts, consistency, competency, endurance and initiative, which has been key to this successful delivery."

Frode Jensen, Orkla SAP platform manager

This offering played a role in the end-to-end technology solution.

The special expertise that Cognizant brought to the project focused on business needs, and cloud optimization exercises with continuous assessment and enhancement in line with the latest Microsoft releases, and highly available systems with robust DR.

Working with Orkla IT, Cognizant also developed a future roadmap for SAP applications and enabled regular SAP S/4HANA upgrades.

## Operating continuously without failing

Cognizant collaborated with Orkla and Microsoft to architect the SAP S/4HANA solution on Azure, considering best practices and recommendations for the project. This gave Orkla the ability to automatically switch to a reliable second node with minimum business disruption. Additionally, DR the best-suited product and solution ensure business continuity, with a less than four-hour switch over to a new site and less than one minute of data loss in the process of switch over.

## mPaaS Automations

Cognizant deployed its mPaaS automation use cases, including DR failover, scheduled start/stop and maintenance automations, resulting in an error-free, reliable and cost-effective implementation and operation. As a result of the SAP S/4HANA optimization exercise, Orkla ultimately saved over $99K+ in year one by periodically analyzing cloud capacity utilization.

## Business outcomes

With Cognizant, Orkla was able to modernize the ERP platform for Orkla-branded consumer goods with SAP S/4HANA deployed on Azure.

This transformation made the company the first Nordic company to perform digital transformation of legacy ERP applications across multiple business units to SAP S/4HAHA platform on Azure.

The following results were realized:

- Transitioned to a single, unified intelligence platform based on SAP S/4HANA and Microsoft Azure
- Achieved 99.9% availability of services with 100% SLA adherence
- Improved stability and agility by provisioning SAP project systems on demand
- Strengthened data protection and business continuity with multi-site backup and DR

Cognizant provided a smooth, high-quality execution of the new SAP S/4 HANA solution to boost efficiency, agility and business efficiency, while optimizing operating costs and capital investments. The upgraded architecture for SAP S/HANA enables Orkla to quickly adapt to business changes in computed demand. This high degree of process implementation has increased Orkla's operational efficiency, repeatability and scalability.

## About Orkla

Orkla is a leading supplier of branded consumer goods and concept solutions to the consumer, out-of-home and bakery markets in the Nordics, Baltics and selected markets in Central Europe and India. Orkla is listed on the Oslo Stock Exchange and its headquarters is in Oslo. In 2018, the Group had a turnover of NOK 41 billion, and approximately 18,500 employees as of 31 December 2018. For more information, visit www.orkla.com.