

A close-up photograph of a scientist wearing a blue lab coat, a white face mask, and safety glasses. The scientist is using a blue pipette to transfer a small amount of blue liquid into a clear glass test tube. The background is blurred, showing a laboratory setting.

## **AstraZeneca: with the deployment of SAP Ariba, the AstraZeneca procurement organization now holds a strategic role**

AstraZeneca, one of the world's leading pharmaceutical companies, initiated a global strategy to modernize their procurement processes. As part of that strategy, they deployed the SAP Ariba Procurement solution, and with this solution the Brazilian subsidiary achieved faster procurement processes and a more efficient and strategic procurement organization within their local operations.

# Executive summary

## Company name

AstraZeneca Brasil

## Location

Cotia-SP, Brasil

## Industry

Biopharmaceutical

## Products and services

Development, production and commercialization of prescription medicines

## Employees

1,000 (Brazil)

## (Global)

## Revenue

US\$ 23 billion

## Web Site

[www.astrazeneca.com.br](http://www.astrazeneca.com.br)

## Partner

Deloitte



## Business Transformation

### Objectives

- Optimize procurement processes and supplier negotiations
- Give greater autonomy to business departments
- Turn Procurement into a more strategical and less operational department
- Adjust processes to the company's global alignment

### Solution

- Deployment of SAP Ariba Procurement
- Minimum customization of the global solution
- Project carried out with the support of Deloitte

### Benefits

- Greater transparency in the procurement processes and negotiations
- Greater autonomy and agility to the business departments for daily or less complex procurement operations
- More value added to the Procurement Department, which can be more focused on strategic sourcing

# 93%

Of purchase orders completed in SAP Ariba

# Agility

For procurement processes

# 55%

Fewer approval steps

"Besides allowing the Procurement Department to focus more on strategic sourcing, adding more value to the business, this solution also ensures compliance and transparency to the procurement operations."

Monalisa Terra, Procurement Manager, AstraZeneca

Executive summary

## Company objectives

Solution

Business transformation

# Transforming Procurement

AstraZeneca, one of the world's leading pharmaceutical companies today, deployed a global strategy to modernize its procurement processes. The proposal was that the Procurement departments of all its units adopted unified and efficient practices, allowing them to be more strategical and less operational.

To put this strategy into practice, AstraZeneca needed a technological tool that could support and integrate the new processes and that could give procurement autonomy to the different business areas of the company.



"In Brazil, there was this challenge of adjusting our processes to take full advantage of AstraZeneca global movement".

Monalisa Terra, Procurement Manager, AstraZeneca

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Company objectives

**Solution**

Business transformation

# SAP Ariba Procurement streamlined and globally unified procurement processes

Because of its functionalities, cost-benefit relationship, worldwide support, and simple adjustment to specific markets, SAP Ariba Procurement was chosen in 2011 to be the solution that would support the global modernization and unification of the company's procurement processes.

In November 2011, AstraZeneca Brasil started deploying this tool in its local operations. The deployment was supported by Deloitte. "There was a procurement professional and an IT expert who were totally committed to the project. Besides them, one AstraZeneca employee from England visited Brazil every fortnight and Accenture supported us in our daily operations," described Monalisa. This project also included some hard work on communication and change management.

From the start, the Brazilian subsidiary had the challenge to customize as little as possible. "The tool was an opportunity to streamline our operations. Instead of adjusting it to our processes,

we adjusted the processes to take advantage of the best practices from the new solution." AstraZeneca Brasil made only the necessary customization to meet the particular tax collection and legal requirements of Brazil.

Now users gained more autonomy to purchase up to US\$ 10,000 directly, without involving the procurement department. The system uses suppliers brochures, determines the most qualified suppliers, and sends approvals to the responsible employees. Today, 6,497 items are directly purchased with SAP Ariba Procurement. Only 9% of the purchases were created in SAP ERP. "Anything can be purchased with the solution, except for fixed assets and items that are subject to stock control", revealed Monalisa.

## 350+

Active suppliers in  
SAP Ariba Procurement



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# Transparency, compliance, and the best negotiations

Adopting SAP Ariba was of paramount importance for AstraZeneca to allow its Procurement department to have a much more strategic approach, rather than just operational. This change was only possible because of the implementation of standardized, automated processes based on good procurement practices made available by the new solution. "The department's profile was to handle emergencies, take a long time with low-price purchases, and other tasks that were not strategic. Today, we control larger purchases that are strategic to the company and we can focus on relevant processes for the business," celebrated Monalisa.

Setting efficient procurement processes and policies has also ensured:

- Transparency and compliance in the procurement processes;
- Higher productivity;

- Fulfilling the first agreements that were set with suppliers;
- Access to updated information for decision making.

Monalisa highlighted that today users have more autonomy and that authorizations are sent directly to the responsible people who can approve them remotely. Purchase orders that used to take up to ten working days now take a maximum of two working days to be completed – from the time they are ordered to the checkout.

Besides, by sending purchases to preferred suppliers and automatically using the predefined agreements, AstraZeneca ensures the best negotiations and the certainty that all users will be able to purchase on the same basis.



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