CONSUMER GOODS/ HEALTHCARE/PHARMA

SUCCESS STORY

Johnson and Johnson goes back to basics and streamlined their Supply Chain

Johnsons and Johnson created a better, more mobile SAP user experience while streamlining costs to save over $1.12 million year over year

Company Snapshot

Johnson & Johnson is the largest and most broadly based healthcare company in the world. J&J is an American multinational corporation founded in 1886 that develops medical devices, pharmaceuticals, and consumer packaged goods. With a team of 134,000 people at 260 companies in more than 60 countries across the world they redefine what it means to be a big company in today's world.

Industry Focus	**Consumer Goods**	Timeline	**On-going, started in 2017**
System Version	**SAP WM, SAP PM**	Function Scope	**Mobile and Desktop, online and offline**
Number of Users	**130,000 Users**	Devices	**iPhone 7**

Consumer Goods/ Healthcare

Challenges
- 90% of Supply Chain operations flowed through SAP
- When project started Fiori apps weren't available
- When Fiori app became available the time it took to develop them was much too slow to scale at speed

Solutions
- Neptune DXP simplifies the development and the IT environment
- iPhone 7 devices that met D1B1 compliance
- Easily scalable across users and locations

Benefits
- Takes 40 percent less time to manage the high-volume supply chain process
- $1.12MM in savings per year across 16 sites by eliminating paper
- Apps that are easy to use with a UX end-users love

The Success Story

Challenge: Streamlining SAP, enhancing UX, reducing costs

Managing the supply chain for one of the world's largest consumer goods companies – more than 134,000 employees across 60 countries – is a monumental effort, to say the least.

That's why Johnson and Johnson **set out to simplify its SAP environment, which included 30 platforms, 550 instances, and 2,000 services**. The goal of the company's "Back to Basics" program was to reconcile its large SAP instances into one platform while ensuring the solutions aligned with business unit requirements.

"Ninety percent of our supply chain operations flow through SAP. It's the backbone of our business," said Aravinda Boyapati, Supply Chain Manager at Johnson and Johnson. "We needed to streamline our SAP infrastructure so we could reduce costs within our consumer goods, pharmaceuticals, and medical device divisions."

Since mobility and a strong user experience (UX) were also important, the team set out to rebuild its SAP portal. **Because the effort pre-dated the advent of SAP Fiori, the team began creating mobile apps from scratch; over time, they integrated Fiori-based applications into their platform, to good success.** Still, the team needed to accelerate the pace of app delivery across the organization.

"As a UX architect, I'm constantly challenged to build things cheaper and faster. Once we realized we also needed to scale our effort across all of the manufacturing floors and warehouses for our warehouse management and plant maintenance solutions, we knew we needed to speed our process and run at a lower cost," Boyapati continued.

Solution: Scaling mobility projects to global teams

Enter Neptune Software, a rapid, low-code SAP-certified app development platform.

"It was clear that Neptune was a good choice for our custom Fiori apps, in part because it doesn't require any additional hardware or middleware. It truly simplifies the development and the IT environment, while delivering a better UX, which is exactly our Back to Basics program is about," said Boyapati. "Developer training was included in our contract, making an easy learning curve for ABAP and UX developers alike."

The company began with a proof of concept (POC) to mobilize inventory management. **The effort included switching from existing equipment to iPhone 7 devices to meet facility requirements for electronic shock-sensitive equipment, meeting D1B1 compliance,** and employing Siri-based voice commands to enhance the user experience.

Switching from a 4-digit to a 6-digit PIN proved puzzling. "Fortunately, Neptune Software experts were there to provide content and development insight on demand so our project stayed on track," said Boyapati.

The pilot project was then rolled out to a small group of users within one plant. **Business units were engaged and enthusiastic,** providing good feedback and working back and forth with the development team to identify the functionality they need to be productive. **Once employees were happy with the solution and it passed their rigorous testing process, developers were able to scale it across users and locations.**

◯ Neptune Software

A chance meeting with European developers for the company led to the expansion of plant maintenance projects using Neptune DXP. **"At a business partner conference, I presented a simple POC showing Neptune capabilities, and our European coworkers quickly realized a project they had spent six months on could be created faster and cheaper using our approach,"** said Boyapati.

A bar code scanning project for inventory and warehouse management was also much simpler using Neptune DXP. Developers were able to create a single plug-in to meet the company standards for days sales of inventory (DSI), keyback, and code-128, among other requirements.

Results: Forty percent less time for Supply Chain Process, and now users want more

Efforts have paid off as solutions are implemented one plant at a time. **It now takes 40 percent less time to manage the high-volume supply chain process**, which includes picking, transfers, and shipping and takes more than 2,000 scans per day.

"We've also been able to achieve a cost savings of $70,000 (USD) by eliminating the need to print documents," mentioned Boyapati. **"That's an annual saving of 1.12MM (USD) we expect to realize across each of our 16 sites as we continue to roll out the Neptune solution."**

Users are impressed by how quickly the team can release a working solution. They also appreciate how easy it is to use the new apps and how fast they run. **Users are so happy that they're requesting the same great UX in non-SAP workflow and solutions, too.**

The work continues. The team has already completed seven projects and has three more underway. **Individual projects can be developed and implemented in just five weeks.**

With continued success, these apps and more were implemented across all 16 sites in 2018, giving users the easy, mobile functionality they need to work efficiently while delivering a more streamlined, less costly SAP environment overall. And that's the way to get "Back to Basics."

"We've also been able to achieve a cost savings of $70,000 (USD) by eliminating the need to print documents," mentioned Boyapati. "That's an annual saving of 1.12MM (USD) we expect to realize across each of our 16 sites as we continue to roll out the Neptune solution."

- Aravinda Boyapati, Supply Chain Manager at Johnson and Johnson

About Neptune Software
Neptune Software is a rapid application development platform vendor with more than 660 enterprise customers and over 3.5 million licensed end users globally that empowers IT departments to deliver tangible business outcomes. Neptune Software offers with its Neptune DXP, a leading low-code, SAP-centric, enterprise app development platform to digitize and optimize business processes and user interfaces – at scale and with ease. Neptune DXP provides a fast and cost-effective way to industrialize the development of custom applications - saving companies time and money on development, integration, and operations. More info at: www.neptune-software.com

Neptune Software