To support its growth strategy, Mondelez International Inc. deployed its proven transformation methodology to conduct two significant and highly complex global SAP® software conversion initiatives. As a result of their success, the company has far more flexibility to conduct business operations across two of its major regions of the world.
Improving Flexibility, Agility, and Business Acumen by Reengineering Export Processes

**Mondelēz International Inc.**  
Deerfield, Illinois  
[www.mondelez.com](http://www.mondelez.com)

**Industry**  
Consumer products

**Products and Services**  
Food and beverages

**Employees**  
90,000

**Revenue**  
US$26 billion

**SAP® Solutions**  
SAP® ERP, SAP Business Warehouse, and SAP Supply Chain Management applications, and SAP MaxAttention™ services

**Before: Challenges and Opportunities**
- Accelerate growth in developing markets
- Implement the ability to change, report, plan, and forecast across regions
- Under Project Ambition, build an SAP software platform for scale, speed, and simplicity
- Under Project VAN, set up a global supply chain principal company business model in the Asia, Middle East, and Africa (AMEA) region; establish export flow management processes; and automate cross-instance customer invoicing

**Why SAP**
History of success using Mondelēz International’s SAP software–based transformation methodology

**After: Value-Driven Results**
- Met all requirements while minimizing customization
- Improved flexibility, agility, and business acumen with new export processes
- Eliminated differences between the SAP software systems of the AMEA and Model European Union regions
- Retained infrastructure of SAP and non-SAP systems

“With VAN and Ambition, we have built our base toward new technologies and innovations from SAP.”

Matthias Herzog, Senior Director, Global Technology Project Delivery, Mondelēz International Inc.
Mondelēz International is one of the world’s largest snacks companies, providing a range of name-brand food and beverage products to consumers in 165 countries around the globe. Mondelēz is a long-standing user of SAP® software, including the SAP ERP, SAP Business Warehouse, and SAP Supply Chain Management applications, in each of its three regions: the Americas; Asia, Middle East, and Africa (AMEA); and Model European Union (MEU). SAP has bestowed several awards and commendations on Mondelēz for its use of SAP software in running its global business.

To support its Mondelēz International Growth Strategy, the company recently executed a pair of projects that together allow it to change export flows between its AMEA and MEU regions and to report, plan, and forecast across them.

Project Ambition was for building an SAP software platform to improve scalability, speed, and simplicity. Meanwhile, Project VAN was to set up a global supply chain principal (GSCP) company business model in AMEA, establish an export flow management process, and automate cross-instance customer invoicing.

To avoid business disruption, it was important not to change the two SAP software instances underlying the company’s proven transformation approach, one each for the SAP ERP and SAP Business Warehouse applications. It was equally important not to impact the supply chain by making significant business-process changes. There was one change, however, that was important to make: all differences in the software used by the two regions had to be eliminated.
The projects were fraught with challenges. Mondelēz needed to support not only new GSCP company structures but also a new operational currency in Singapore. It had to align the global product hierarchy across AMEA. Plus, it needed to automate sales processes including finance and controlling, and availability to promise. And it had to establish new connections between the two mature instances of SAP software to support more than 650 complex food export processes.

The projects had to be completed in just one year in parallel with other initiatives, including an implementation of SAP S/4HANA that was underway, all the while maintaining normal business operations.

Mondelēz worked with the Data Management & Landscape Transformation team from the SAP Digital Business Services organization and chose DXC Technology Company as its other primary project partner based on its proven ability to provide best-in-industry SAP solutions.

The cross-functional Mondelēz International team and these partners designed an integrated solution to meet all requirements, starting by identifying the need for very diverse activities to support business innovation. It was quickly evident that new cross-instance process flows would be more beneficial for the company than heavy SAP software structural maintenance and significant data manipulation.

The setup of the GSCP company in AMEA and the currency change in Singapore were essential prerequisites for the subsequent cross-instance business-process automation. The regional readjustments required the team to change all master data and transactional data processes. The company structured export processes into 32 logical lanes to ensure end-to-end automation across the two regional SAP software systems.
Proving the Value of the Transformation Methodology

The team kept customization of SAP software to a bare minimum. It implemented a change governance process that was both rigorous and flexible enough to allow the incorporation of vital system and process improvements, such as automated cross-instance invoicing. The team also developed a billing document analysis tool for Project VAN that reduced workloads for business experts and was used as a basis for quality assurance.

Throughout the projects, Mondelēz used the proven transformation methodology it had developed on earlier projects. It stipulated that there be only one project management office, one cross-functional project team, and one go-live plan. A single communication channel kept more than 170 team members and stakeholders well informed from Ireland to New Zealand. The team conducted regular, structured meetings and surveys and published newsletters in alignment with SAP’s global software release management schedule.

Clear cutover planning gave all involved parties the opportunity to achieve visibility and to track against key project milestones using formal phase gates. Test cutovers fully simulated the final production go-live, requiring the team to be accurate and inclusive at all times with minimal deviation from the critical path.

The projects progressed through three cycles of iterative systems integration: testing, business-user-acceptance testing, and methodical data validations. A global test management team monitored testing performance closely. The company assigned technical and supportive teams for security, change management, and other purposes to the projects until the end of the hypercare phase.

Read more
Obtaining Sanction with SAP MaxAttention™ Services

The team availed of SAP MaxAttention™ services to examine the project delivery during the technical integration check review and ensure that the most technically refined solution and processes had been implemented. The availability and participation of Mondelēz senior management and experts from SAP contributed to the major success achieved in both Ambition and VAN.

The team carried out meticulous contingency, backup, and recovery planning during the projects. This was essential in minimizing planned system downtime and potential risks to ongoing business operations.

The business stabilization phase following the Ambition and VAN go-live finished with very few defects and clear solution plans for impacted processes. The foremost project risks identified and managed involved synchronizing cross-instance process information mitigated with traditional database tables and intermediate document monitoring.

One key lesson learned was to stay focused on big, meaningful, common goals even though the world is constantly changing and new technologies are promoted daily. Other success factors included the personal dedication of all team members, retained partner knowledge, and the ability to combine innovative thinking with a flexible and agile delivery while still holding on to a stable project methodology.

“We met all our challenging goals with no business disruption and minimal customization.”

Ursula Kostal, Project Manager, Mondelēz International Inc.
Changing, Reporting, Planning, and Forecasting Across Regions

Mondelēz now runs business functions in two parallel GSCP companies that interconnect using automated business-process flows. The company can change export flows between the new AMEA and MEU “super-regions” flexibly and can report, plan, and forecast across them. For this, SAP awarded Mondelēz its silver medal quality award at the SAP Quality Awards for Switzerland.

Both of the regional instances maintained during Ambition and VAN showed stable behavior during and after go-live. Standardized reporting for changed regional structures continued to run effectively, as did planning, forecasting, and supply-chain-goods flows. Master data accuracy and other KPIs also showed excellent results.

The success of Ambition and VAN demonstrates that the global Mondelēz International Growth Strategy and the transformation methodology can be used to progress with cross-regional business-process innovations using new technologies. Next in line are the SAP Master Data Governance application and the SAP Information Lifecycle Management component. The company will reuse the project’s billing document tool for further cross-regional sales analysis or regional restructuring for these and other technologies.

Following its practice of empowering growth with nondisruptive technology, Mondelēz is under way with a proof of concept for using the SAP Leonardo methodology together with the SAP Predictive Maintenance and Service solution and machine learning technologies. This eight-week project, which began with an innovation discovery workshop, is being delivered in Brazil.

“A truly global, dedicated, and focused expert team was key to the success of these initiatives.”
Ross Pearce, Program Director, Mondelēz International Inc.
Implementing and Planning Many More Improvements

Under the CloudNext initiative, Mondelēz is now migrating all its applications running on SAP software to Microsoft Azure. The company will migrate all environments not running on the SAP HANA® business data platform to Microsoft SQL on Microsoft Azure. It will also migrate SAP ERP in AMEA and MEU using operating system and database migration tools from SAP. Mondelēz is planning to use SAP MaxAttention services for technical architecture, sizing, downtime minimization, and migration planning.

The implementation of SAP S/4HANA is progressing well, with its treasury application scheduled to go live soon. The SAP Master Data Governance and SAP Product Lifecycle Management applications on Microsoft Azure will follow closely behind. Mondelēz expects SAP S/4HANA, in conjunction with SAP Model Company services, to speed up implementation time.

Mondelēz is also planning various software-as-a-service initiatives to support e-commerce and other business platform innovations.