

From Migration to Smooth Operation

Financial industry leader resolves merger complications and system redundancies with integrated SAP solution.

The problem

Mergers have often faced operational glitches that drive customers away. Most of these problems have been related to failures within the organization to effectively adopt new business processes.

In order to successfully navigate a systems integration initiative following a corporate merger, management requires a great deal of ingenuity, experience and technical expertise to resolve the significant organizational and technological challenges.

For our client, migrating the acquired processes - operating in PeopleSoft's ERP - posed a major challenge. At the core of the Funds Management System was an intricate Expense Allocation system that had no parallel in the SAP banking world.

Additionally, the fund management processes were entangled with the Accounts Payable, Vendor Management, and Assets systems, increasing the risk of technical problems while integrating the companies.

The solution

Utilizing its deep understanding of SAP intrinsic transaction models and experience resolving system migration challenges, Westernacher implemented a complete migration of all transactions and operations to the new SAP environment.

To secure a smooth transition, the Westernacher team listened to staff to best understand the processes as they had been conducted. Next, our team worked to translate business needs into technical requirements:

- Developed automated processes to handle all dependencies into the Accounts Payable and Vendor Management systems
- Built interfaces to periodically bridge General Ledger and Payroll information between the companies' systems
- Replicated the Expense Allocation functionality in a smooth and cost-effective manner
- Improved user interfaces, contributing to the successful adoption of the new process

Solution benefits

The integration of the Funds Management functionality as well as its connection to the Accounts Payable and Assets systems was completed in just four months and consumed only 50% of the planned budget, yielding strategic benefits:

- Minimal disruption in services to customers
- Enabled the client to exploit market economies and growth strategies

Overview

Mergers and acquisitions initiatives promise substantial economies of scale and growth in market competitiveness through extensions of product offerings. Nevertheless, these benefits typically take long to realize and are often outweighed by integration difficulties, both organizational and technological. When one of the largest financial organizations in the world acquired a mid-sized player in the investment banking arena, migrating its set of superior funds management products was of chief concern.

How could this financial institution capture the Fund Management business processes of the acquired company and effectively integrate them into its SAP Enterprise systems?