

From Old to New Software, Quickly

Fujitsu migrates a major automobile manufacturer from SAP® and other legacy systems to the Oracle® EBusiness Suite.



Who: Major global manufacturer/supplier of interior and exterior automotive components

Location: Headquartered in Japan, with 28 manufacturing locations in the United States, Canada, South and Central America

Business Challenge Summary: Reorganizations, joint ventures and acquisitions resulted in multiple systems and platforms. In order to handle their rapid growth and gain efficiencies, the Company needed to standardize on a common platform and utilize common business processes across all sites.

Solution: Fujitsu was selected to implement a multi-phased, company-wide migration from SAP and other legacy systems to Oracle E-Business Suite R12. Phase 1 included R12 Oracle HR, Payroll and Oracle Advanced Benefits (OAB), while Phase 2 included Oracle Financials Procurement, Supply Chain Management and Projects.

Benefit: Cut costs, simplify management and create more efficient and standardized business processes.

Business Challenges

After a number of acquisitions and joint ventures, a large automotive components manufacturer wanted to integrate Human Capital Management (HCM), Payroll, Financials, Procurement, Supply Chain and Project accounting systems. The manufacturer, headquartered in Japan with 28 manufacturing locations throughout North, South and Central America, employs more than 30,000 people worldwide. The overhead, personnel and administrative costs needed to manage all these systems led the manufacturer to seek a new solution that would cut costs, streamline and standardize business processes company-wide and consolidate various HCM and eBusiness systems into one. The manufacturer chose Oracle's E-Business Suite R12 and selected Oracle preferred partner Fujitsu to take on the multi-year, multi-million dollar program. From the start, the manufacturer stressed the importance of its main goals: consolidating HRIS systems into a single system, boost efficiency, streamline financial processes, track project costs, and better monitor and improve procurement and standardize business processes using the Oracle E-Business Suite across the company, its wholly owned subsidiaries, and joint venture companies by minimizing customizations and taking advantage of standard Oracle functionality.

Business Solution

The project started in June 2008 with a global design effort to establish an overall architecture for the solution, and then develop a plan and schedule for a multi-phase implementation. During the planning stages, Fujitsu worked on-site with Oracle to demonstrate their extensive solution knowledge and capabilities.

Fujitsu kicked off the first phase of the Oracle implementation project aiming to streamline and standardize the client's HCM business processes and achieve process improvements by implementing Core HR, Payroll and OAB for eight select pilot locations in the United States. Fujitsu recommended a schedule that would see the client's HCM systems fully migrated to Oracle on January 1, 2009.

Based largely on the success of the HCM project, the client gained confidence in Fujitsu expertise and continued to implement a broad range of Oracle EBS R12 modules across all of the client's business units in North and South America. The client had a complex financial requirement for JIT accounting and specific designs needed to ensure that the financial reporting structure met the client's requirements. The second phase of the project involved rolling out Oracle Financials, Procurement, Supply Chain Management and Project Accounting for the manufacturer's headquarters and a U.S.-based design facility that was completed in June 2009. Throughout the year, Fujitsu worked closely with the client to define best practices, ensure that the solutions met business requirements and standardize process flows company-wide.

Business Results

The client's legacy ADP HR/Payroll system, used in their wholly owned subsidiaries, and PeopleSoft HR/Payroll system, used in joint ventures, were successfully migrated at carefully chosen pilot locations to Oracle HR/Payroll ahead of schedule and under budget--well before the first paycheck of 2009.

OAB implementation also streamlined HR and employee benefits administration by bringing much of that functionality under one roof, reducing overall costs and providing efficient service center support through access to a single benefits and employee data repository. Though the solution spanned the manufacturers' global operations, administration remained local, making it easier and faster to access and manage data, and policy automation. This further reduced costs and dramatically cut down on human error.

Along with improving benefits and HR functionality, Fujitsu was able to help the manufacturer create efficiencies and cut costs in payroll administration. Standardizing and automating payroll processes resulted in better accuracy in payroll reconciliation as well as reduced costs and faster payroll cycles.

After the successful rollout of Oracle Financials and Project Accounting in June 2009, the manufacturer saw increased efficiency and streamlined financial processes. They also achieved greater insight into project timelines and costs, which further reduced costs.

The Next Phase

Fujitsu is currently working on Phase 3 of the project. The third phase of the rollout, which is scheduled for production in January 2010, includes the implementation of all the Oracle EBS modules to the manufacturer's Canadian facilities, with the addition of Oracle Warehouse Management System (WMS) and interfaces to various plant level Manufacturing Execution System (MES) solutions. In addition to the plant level rollouts, Oracle iSupplier and Sourcing modules will be deployed in the manufacturers' corporate operations, also with a January 2010 go-live date.

About Fujitsu America

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Fujitsu America, Inc.

1250 East Arques Avenue
Sunnyvale, CA 94085-3470, U.S.A.
Telephone: 800 831 3183 or 408 746 6000
Fax: 408 764 5060
Web: us.fujitsu.com/solutions
Email: solutions@us.fujitsu.com

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