Styrolution and Accenture collaborate to implement one single, global SAP ERP platform in a remarkably short time period

Company profile
Founded in 2011 as a joint venture between two major chemical companies, Styrolution is the leading, global styrenics supplier with number one positions in styrene monomer, polystyrene and styrenic specialties, and the number three position in ABS Standard. With world-class production facilities and drawing on more than 80 years of experience, Styrolution helps its customers succeed by offering the best possible industry solutions.

Headquartered in Frankfurt, Germany, Styrolution employs approximately 3,200 people and operates 17 production sites in ten countries. The company’s 2013 sales totaled US$8 billion (5.8 billion euros) resulting in an EBITDA of US$600 million (442 million euros).

Business challenge
Styrolution’s heritage companies operated seven different enterprise resource planning (ERP) systems. These systems reflected different ways of operating (for example, in the areas of finance, cost accounting, supply chain, quality and procurement), different performance expectations and different business cultures. The newly founded business therefore faced an urgent challenge to decide upon and implement a solution that would allow for standardized IT functionality and reduced maintenance costs in the future.

Shortly after Styrolution’s launch, the company’s management board and key business process leaders conducted a series of global meetings to discuss and agree upon the required solution. They reviewed the legacy systems, as well as the key challenges that the new enterprise faced, including:

• A lack of standardized business processes across all regions and sites.
• No harmonization of global master data, impacting inter-company business and reporting.
• No overall reporting platform.
• Seven legacy ERP platforms, some of which had to be exited within two years due to organizational and contractual agreements.

Styrolution’s global review also established some key findings to help guide its next steps:

• The need to move away from the legacy platforms and commence operations with the new ERP. This would allow for a fresh start to define the new fit-for-purpose processes for Styrolution.
• The need for some physical production sites to accommodate extensive and fully automated integration with site service providers regarding production, logistics, plant maintenance and quality management.

Based on these findings, Styrolution set out to replace its existing seven legacy platforms with a single, global, integrated ERP platform. Styrolution’s operational and financial independence required it to rapidly set up its own, proprietary IT environment, leaving the systems of the parent companies in the process. Transitional Service Agreements (TSAs) for some of the ERP platforms provided by third parties put additional pressure on the timeline.

How Accenture helped
Accenture was asked to help the Styrolution team to achieve the goal of designing and installing a global, integrated ERP platform, and to shape a solution around the tight timeline.
Accenture was chosen for several reasons:

- The global footprint of Accenture and track record of similar implementations in the chemical industry.
- The significant value of the Accenture Advanced Enterprise Services (AAES) solution in helping to fast track the required Styrolution process template.
- Accenture’s ability to commit to Styrolution’s implementation plan and tight timeline.
- A cultural fit between Styrolution and Accenture—pragmatic, fast decision making and fit for purpose, with no over-engineering.
- A long track record of successfully working with one of Styrolution’s joint venture partners—delivering large, critical engagements on time and within budget.

The program involved a three-wave rollout across 25 countries (totaling 38 legal entities), covering Styrolution’s full value chain of procurement, production, quality management, sales, logistics & transportation, supply chain planning, plant maintenance, finance & controlling and compliance (trade, product, safety).

To facilitate the global rollout of the ERP platform, Styrolution selected a hub-based delivery model. A central team controlled project scope and functionality, and small local teams were organized in key deployment locations to help meet local requirements. The project was supported by an offshore delivery center that enabled efficient delivery of configuration, documentation, data conversions and the development of reports, interfaces, extensions and forms.

Data is key in any ERP implementation, and the Styrolution environment required the harmonization and loading of around 90 large data objects, including data pertaining to chemical materials, customers and assets. Because data is extremely interdependent (i.e. changing the key for one attribute leads to changes in other attributes), Styrolution and Accenture worked together closely to help confirm that more than a million data records remained consistent during the engagement.

Data conversion from the seven legacy systems was managed centrally, helping to ensure a high quality of data reconfiguration, and harmonizing the properties to conform with global data standards in all 38 legal entities in scope. In total, more than one million master data records were uploaded to the new ERP system and 350 development objects built and tested. More than 20 peripheral systems were established and connected to the ERP using SAP Process Integration.

An understanding of cost structures and having full transparency on costs and profitability was critical to diligent financial management for Styrolution, but inter-company and cross-regional operations made this difficult. As such, the Accenture team helped Styrolution to implement SAP Material Ledger and SAP Profitability Analysis to provide the required transparency, giving Styrolution full control over costs. This allowed the company to steer the business, confident in the data upon which decisions are based.

High performance delivered

Working together, Styrolution and Accenture achieved all of the set goals, implementing the SAP platform within the targeted 22-month timeframe. On January 1, 2014, Styrolution achieved full independence from all legacy systems. Styrolution now has a single ERP platform that brings together the operations, processes and performance measurements of 17 production sites in 10 countries.

Styrolution’s CFO, Chris de la Camp, said: "We transitioned from legacy systems in record time and our new integrated ERP system now enables us to work more efficiently and to gain greater transparency into key financial and performance data."

Through their close collaboration, Styrolution and Accenture have realized a state-of-the-art, well-documented process model and ERP solution, providing Styrolution with a reliable platform for future growth.

About Styrolution

Styrolution is the leading, global styrenics supplier with a focus on styrene monomer, polystyrene, ABS Standard and styrenic specialties. With world-class production facilities and more than 80 years of experience, Styrolution helps its customers succeed by offering the best possible solution, designed to give them a competitive edge in their markets. The company provides styrenic applications for many everyday products across a broad range of industries, including automotive, electronics, household, construction, healthcare, toys/sports/leisure, and packaging. In 2013, sales were at 5.8 billion euros, resulting in an EBITDA before special items of 442 million euros. Styrolution employs approximately 3,200 people and operates 17 production sites in ten countries.

For further information please visit www.styrolution.com.

About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with approximately 323,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$30.0 billion for the fiscal year ended Aug. 31, 2014. Its home page is www.accenture.com.