



A nice cool... implementation



From left to right: Robin Hoytema van Konijnenburg (group finance director), Judith van Paassen (partner Zanders), Niels van Popta (group treasurer), Laura Koekkoek (manager Zanders) en George Fruitman (SAP program management).

Beer giant Heineken is centralising its worldwide treasury processes more and more. To support this, Heineken decided to implement SAP Treasury at its head office in Amsterdam. And presented Zanders with the challenge of installing SAP Treasury in compliance with Heineken's requirements in the space of nine months. Heineken was very satisfied, the implementation went exactly according to plan and also stayed within the budget.

Heineken needs little introduction. The multinational is one of the four largest beer brewers in the world. In 2005, Heineken's 115 breweries in 65 countries brewed more than 118.6 million hectolitres of beer. And in the same year the company realised a net profit of 840 million euros. While presenting these figures in early 2006, the company announced it wanted to focus on improving the efficiency and effectiveness of its worldwide operations. In doing this, Heineken expects to save 200 million euros a year.

One activity that can help to achieve this aim is the centralisation of a number of key processes. "Our country organisations have always enjoyed a great deal of autonomy," says Heineken's Group Finance Director Robin Hoytema van Konijnenburg. "It brings them close to the market and also close to their customers. We'd really like to keep it that way. But there are certain processes for which it's much more logical to implement them centrally. Purchasing, for example. But also Finance processes such as Treasury."

For the head office administration, Heineken decided on an upgrade from SAP ERP 4.6c to SAP ERP2004. Group Treasurer Niels van Popta: "We're pursuing a SAP unless policy. That's not to say that we didn't look at any other suppliers/products, but MySAP ERP2004 really tied in with what we wanted. For example, we wanted to be able to set up a European cash pool and realise process improvements using straight through processing. And besides that, our old systems were getting bogged down with IFRS hedge accounting. We wanted to be able to overcome

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all these problems with standard solutions. So no customisation. And all that is possible with SAP.”

Heineken began searching for a company that could implement the treasury part. “We were looking for a party that not only knows all about ERP and SAP, but also has content-related process knowledge in the treasury field,” says George Fruitman, who is responsible for SAP Programme Management at Heineken Corporate. “SAP Nederland recommended Zanders. After extensive talks with other potential implementation partners, Zanders was our definitive choice.”

“We put a lot of energy into the preparations,” says Fruitman. “Activities such as defining tasks and roles. Communication, formulating a good project plan and compiling all the documents. This preparatory work is tremendously important.” Hoytema van Konijnenburg endorses that. “A system like SAP forces you to reconsider the separation of functions and roles in your organisation. That was a very useful exercise.”

Setting up a system is all about making choices. Many choices. In the blueprint phase Heineken had to decide on more than forty “decision forms”. Van Popta: “We were forced to really think about all kinds of procedures. Sometimes there were things that seemed very basic at first, such as the question of how you define a loan. However, when defining a loan in SAP however, there are several important aspects that you have to jointly agree on.”

DIFFERENT BANK

During that period, Heineken also switched to a new house bank for its cash management activities “That made it extra complicated,” says Van Popta. “Zanders had to build a system that would communicate with a bank system that wasn’t yet in use at Heineken, at least in the beginning. And then we had tests with account numbers that we didn’t yet know. Zanders dealt very well with that situation. To a large extent, they communicated one on one with BNP Paribas, the bank we had selected.”

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The preparatory work was followed by the realisation phase. Now the consultants from Zanders could start setting up the system. At the same time, the key users at Heineken got to work writing manuals and drawing up test scenarios. “Writing manuals isn’t very exciting work,” says Van Popta. “But it’s extremely useful because you’re forced to really find out everything about the system.”

FOUR WEEKS OF TESTING

Four weeks were reserved for testing the new system. On 31 May 2006, Heineken used the new system for the first time, alongside the old system, to execute the monthly closure. Van Popta: “There were still a few small discrepancies in the results, but those weren’t very serious. For the closure of June, we had complete confidence in SAP. Now we’ve been working with the system for a while and it’s operating very well. We already knew the basic functionalities, of course, but now our people are discovering more and more things they can do with the new system.” After the system went on the air, a Zanders consultant still travelled one day a week to Amsterdam to provide support and solve any problems that cropped up.

THE ZANDERS APPROACH

Looking back, the thing that strikes you most is the tight and structured project management. Van Popta: “Deadlines are really deadlines. If you have a task that’s eighty percent finished, many people are happy enough to accept that. Not Zanders. They score very high when it comes to the pursuit of perfection.” >>



The Zanders approach consists of a combination of structured project management (Prince2) and SAP's step by step implementation method ASAP (Accelerated SAP). Among other things, that approach is characterised by a thorough preparatory phase, clear deliverables and templates to facilitate the process. Heineken made a separate project room available in the main building in Amsterdam where the people from Zanders and Heineken were able to work together in a very pleasant atmosphere. Hoytema van Konijnenburg: "To be honest, I'm not a great fan of consultants. They often don't understand our

business and most of the time you hear the same old stories they tell everyone. Thankfully, Zanders is different. In no time, the people from Zanders felt like normal colleagues. That's always what you hope for, of course, but this time it really turned out that way." Fruitman echoes that sentiment. "We worked together very well on every level of the project. What I really liked was the way Zanders understood our business. That synergy is really important for the process." Hoytema van Konijnenburg: "Everything went really well. As agreed and in line with the budget! That might sound very normal, but believe me, it's not."



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