

Biggest transformation project in the history of Porsche and MHP was successfully completed in October 2024. (photo: Porsche AG)

PRESS RELEASE

Successful SAP migration at Porsche

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MHP steers Porsche's procurement and finance division towards a new future

- Major IT project at Porsche: MHP successfully completes SAP-S/4HANA migration for finance and procurement division in 2024
- One of MHP's most extensive SAP-S/4HANA projects has been implemented under the name PACF
- Success achieved thanks to customized model (framework) for Porsche combined with cooperative teamwork and consistent end-to-end approach

Ludwigsburg – The management and IT consultancy MHP completed one of its largest ever transformation projects in 2024. Under the name PACE (Procurement, Accounting and Controlling Excellence), MHP worked with Porsche and other partners to carry out SAP migration in Porsche's finance and procurement division. The transformation was also one of the sports car manufacturer's biggest projects in this area.

Markus Wambach, Group COO at MHP, said: "It was an exceptional team effort, like changing a tire on a moving vehicle. Excellence, persistence and resilience ultimately made the project a success."

The system changeover in Porsche AG's finance and procurement division (Golive) began at the start of 2023 during ongoing operation and was completed with a hypercare phase. With user feedback, the user interface was further optimized up to summer 2024, with some necessary tweaks and new features added in the AI environment.

Holger Kleck, project manager at Porsche, said: "Finance and procurement processes are our procedural backbone – everything converges here in a fully integrated way. This increased the pressure on us and the project immensely. At the same time, it gave us the opportunity

Press Contact

MHP Management- und IT-Beratung GmbH

Ann Holz

PR and Press +49 (0) 152 2260 5661 <u>Ann.Holz@mhp.com</u>



Rebecca Vlassakidis

PR and Press +49 (0) 152 5586 1049 Rebecca.Vlassakidis@mhp.com



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to boost efficiency, become more user-friendly and inclusive for around 13,000 users and thus ensure the sustainability and flexibility of our finance and procurement processes."

Agile and hybrid project methodology based on SAFe

To achieve this goal, the existing SAP ECC was replaced by a new system for finance and procurement. Of particular importance here was a central data source, not just for master data, which was designed to make it easier to enable new business model processes and scalability, as well as the standardization of processes and systems for faster market introduction. What sounds straightforward in theory presented various challenges in practice. For example, 250 interfaces had to be built and 35 different systems integrated. This was achieved mainly due to the hybrid project management methodology, which combined elements from traditional and agile approaches. MHP developed this specifically for the Porsche project based on the Scaled Agile Framework (SAFe).

"We carried out the conversion to SAP S/4HANA using an agile approach. Using this approach, it was possible to introduce S/4HANA in a customer-focused, standard-oriented way. This meant we were able to present testable software to users every quarter," said Dr. Eckhart von Hahn, project manager and Associated Partner at MHP.

Even though the project methodology frequently needed fine-tuning, it was possible to establish an agile project methodology that worked for a project of this size. All in all, these additional efforts of weekly project updates with a stable communication structure and the consistent requirement to treat sales-related processes as a priority helped to ensure success.

"There were no lengthy discussions about topics and tasks, we just got on with things. Everyone worked together to make the project a success for Porsche. An initiative to jointly earn the German Sports Badge, organized by MHP to promote team spirit, also helped here. That pulled the team together, which was particularly important for the intensive phases," recalled Kleck.

Recommended actions for SAP-S/4HANA migrations

In a major project like the switch to SAP S/4HANA, the following actions are therefore recommended:

- get everyone in the team involved early on with monthly delivery commitments,
- proactively maintain various communication structures and channels within the team and with stakeholders,
- promote team cohesion in good times so it can be built on in difficult situations,
- be able to scale flexibly with smooth onboarding so it is possible to integrate required industrial knowledge and technical expertise at short notice,
- continually express appreciation for good work performance.

At an early stage, it is important to implement comprehensive test and defect management for the project team, communicate a common technical and business architecture and establish effective custom development governance.

Procurement, finance and controlling are now at a new level and are securing the future viability of Porsche. A major milestone has been reached for Porsche and also for MHP. The task now is to implement more SAP transformation projects in other departments at Porsche. The modules that have already been set up centrally in PACE will be beneficial here.

"With PACE, I think we've created a lot of solid foundations for our SAP projects," Kleck sums up.

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About MHP

As a technology and business partner, MHP has been digitizing the processes and products of its around 300 mobility and manufacturing sector customers worldwide for 28 years and providing support for their IT transformations along the entire value chain. For the management and IT consultancy, one thing is certain: digitization is one of the biggest levers on the path to a better tomorrow. This is why MHP, a Porsche AG company, provides both operational and strategic consulting in areas such as customer experience and workforce transformation, supply chain and cloud solutions, platforms and ecosystems, big data and Al, as well as Industry 4.0 and intelligent products. Headquartered in Germany, the consultancy operates internationally with subsidiaries in the USA, Mexico, the UK, Romania, and China. More than 5,000 MHP employees are united by their pursuit of excellence and sustainable success. It is this aspiration that will continue to drive MHP – today and in the future.

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