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CASE STUDY   SUPPLY CHAIN | OPERATIONS

Discover how Bayer observed a 95% reduction in AHT through process transformation

BUSINESS OBJECTIVE

Bayer, one of the world's largest pharmaceutical companies, has an annual revenue of ~$40B and over 110,000 employees worldwide. Prior to investing in automation technology, the company faced two crucial problems. First, as their business continued to grow, they needed a way to scale the impact of their existing teams. This required increasing output volumes without increasing the workforce. Second, as market and customer needs changed, they needed to shift their teams' focus from manual, repetitive tasks to value-add activities, such as finding ways to improve product offerings. To overcome these problems, improve efficiency, and reduce overall operating costs, Bayer decided to leverage technology to transform its processes.

The Product Supply business unit was identified as a key area that could benefit from process improvement. The day-to-day activities of this unit are vital pieces in ensuring an efficient production cycle that can help Bayer stay competitive in the business landscape. Therefore, ensuring that this team works as seamlessly as possible is instrumental to the company's overall success.

CHALLENGE

Two teams within the Product Supply unit are Supply Chain Management and Logistics. The work of these two teams was distributed over a number of highly disparate processes. As these critical processes weren't managed via an integrated system, over time, the workflow had grown to become a complex series of handoffs between functions, jobs, and inventory systems. The fragmented nature of the processes also meant that they had no visibility into how work got done within the two teams. To understand where their automation potential resided, they turned to process discovery.

The Product Supply team started their process discovery with brainstorming sessions only to quickly realize that this approach was not sustainable.

The results were slow to realize and did not offer the speed necessary to automate processes quickly. As the processes were spread across teams, it was extremely difficult to focus on the end-to-end workflow, as opposed to individual tasks. Those same processes were only evaluated based on their design, not how the teams actually performed them day-to-day. Finally, there was an obvious gap where things were unknown. If the interviewed team members did not know of a process or of key pieces to the process, they would remain undocumented and unknown.

In addition to the visibility problem, some of the most critical processes revolved around packing lists and certificates of analysis - for which the formats differed from supplier to supplier and came in different European languages. The variations led to each document being processed manually. The processing was extremely time-intensive and error-prone. Due to the lack of visibility and the inefficiencies of a manual process discovery approach, the team was unable to identify which business processes they should standardize, automate, or eliminate. Additionally, getting business buy-in on which processes provided the best opportunities for improvement was challenging. They had no single way of building a business case, even if opportunities were identified.

SOLUTION

Bayer partnered with Soroco to gather data and accelerate process transformation across the Product Supply unit. They deployed Soroco's Scout across the Supply Chain Management and Logistics teams for 12 weeks. During this time, Scout analyzed the teams' work graph and collected over 9000 hours of click-by-click process data and identified 18 unique processes across the two teams.

The data collected by Scout from the work graph guided a number of different operational actions:
- High degrees of variations were identified in 13 processes. Scout's recommendation was to standardize them prior to automation.
- Two of the processes relied heavily on outdated technology for report creation, despite having new dashboard functionalities which could auto-generate reports. The recommendation was to re-train the teams on how to use the new functionalities.
- Five of the processes could be combined into one. The new cross-functional process, known now as the pick-and-pack process, could be almost entirely automated.

Prior to considering Soroco for automation, Bayer consulted with their preferred RPA vendor to design a solution. They proposed multiple bots to tackle the end-to-end process.

Due to the complexities of the input documents and the complete accuracy that was required for processing, the vendor proposed two additional technologies for document reading and a dashboard for accuracy checks. Seeing that the maintenance of all these systems would clearly become an issue, Bayer challenged Soroco to automate the new process.

The pick-and-pack process, which previously took the team over 100 steps and 12 transition points to complete, was reduced to just 5 steps and 2 transition points after automation. The Automation platform's built-in document ingestion technology extracts relevant information from the complex packing lists and certificates of analysis, taking into account the formatting and language differences. Extracted with over 95% accuracy, this data is then displayed in a custom dashboard for approval. Once a user validates the information in the dashboard, it is submitted and the automation system continues processing through the end. The average handling time (AHT) was reduced from 15 minutes to less than one minute per transaction.

Impressed by the process improvement they were able to witness with Soroco's technology, Bayer is now looking to implement the same solution in their other critical business units.

IMPACT

95%
reduction in AHT
from automation

10,000+
hours of repetitive
manual activity identified

ABOUT SOROCO

Soroco's AI-driven process analytics and automation solutions are enabling enterprises to achieve ambitious cost savings, customer experience, and employee engagement objectives. Soroco's solutions are commercially proven, built to scale, and deployed across eight industry verticals at global F500 leaders.

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