

Leveraging BPM to Realize Supply Chain Value

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Company Profile

- **Pfizer is headquartered in Manhattan, New York**
- **Global leader in;**
 - Prescription Pharmaceuticals
 - Non-prescription Consumer Health Care Products
 - Pharmaceuticals for Animal Health



Working together for a healthier world

“One Team, One Goal”

We share a common mission: apply science and our global resources to improve health and well-being at every stage of life.



Pfizer Pharmaceuticals
Improving Lives Worldwide



Agenda

- Getting Started
- BPM Vision
- Our Program
 - Approach
 - Governance
 - Leadership
- Closing Thoughts



Getting Started

ARIS Investment

- **Began BPM related activities in 2006**
 - Agreed to a Wyeth SAP Global Model
 - ARIS Purchased to design and manage Business Processes
 - Installed ARIS locally for BPM group
 - Defined Top-Down Process Design Method
 - Reference model adoption - SCOR
 - Process Consultants trained in process mapping principles
 - Successful test of synchronizing SAP Solution Manager to ARIS performed
- **Currently in 2010**
 - Using ARIS to drive:
 - 1) SAP Solution Confirmation for Pfizer SAP deployments
 - 2) SAP System Impact Analysis for Change Control



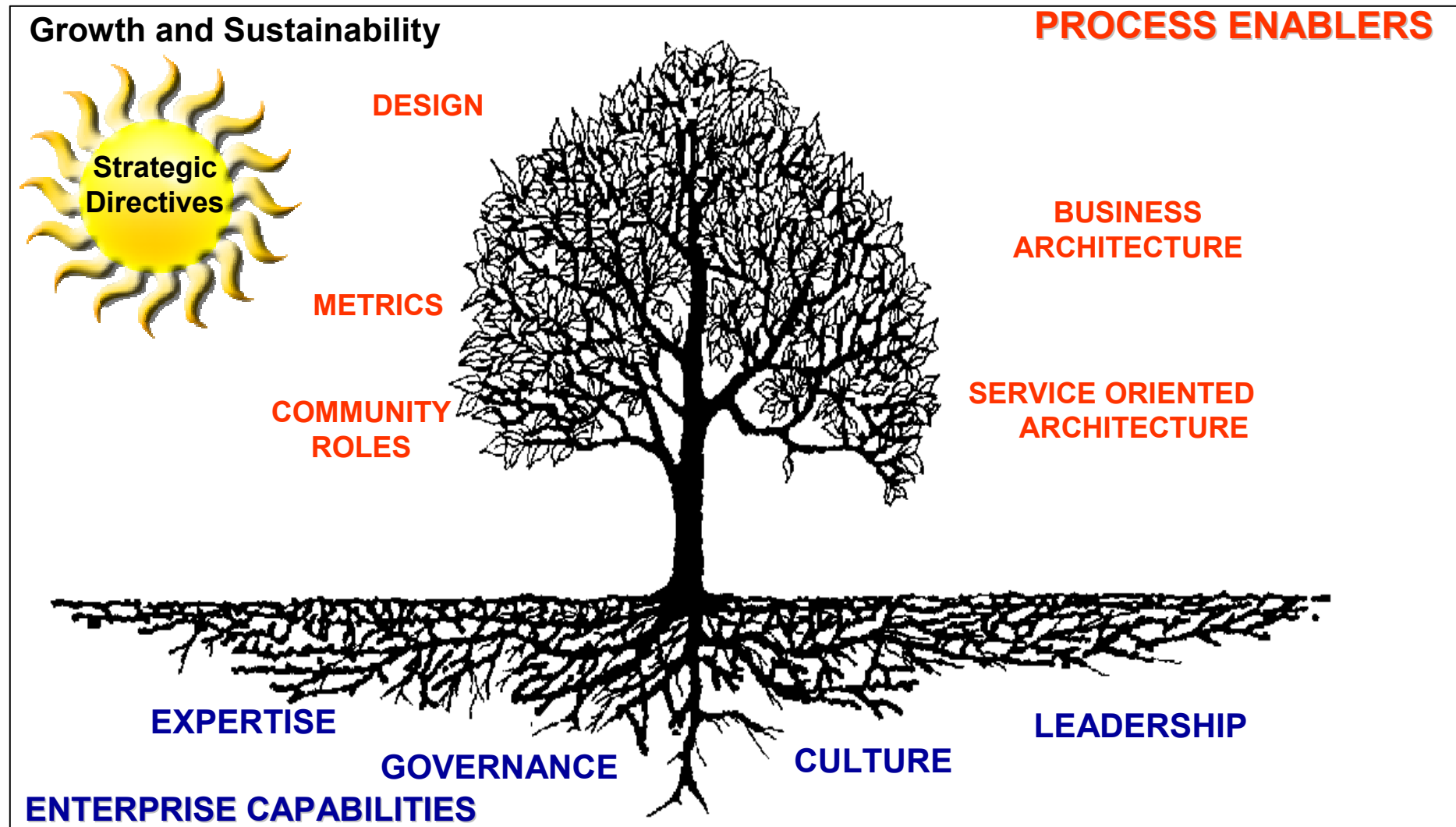
Why is Business Process Management Important?

- **Business IS a process. . . managing the Process is managing the Business**
 - Business processes are not just what we do for our client, but also what we do internally

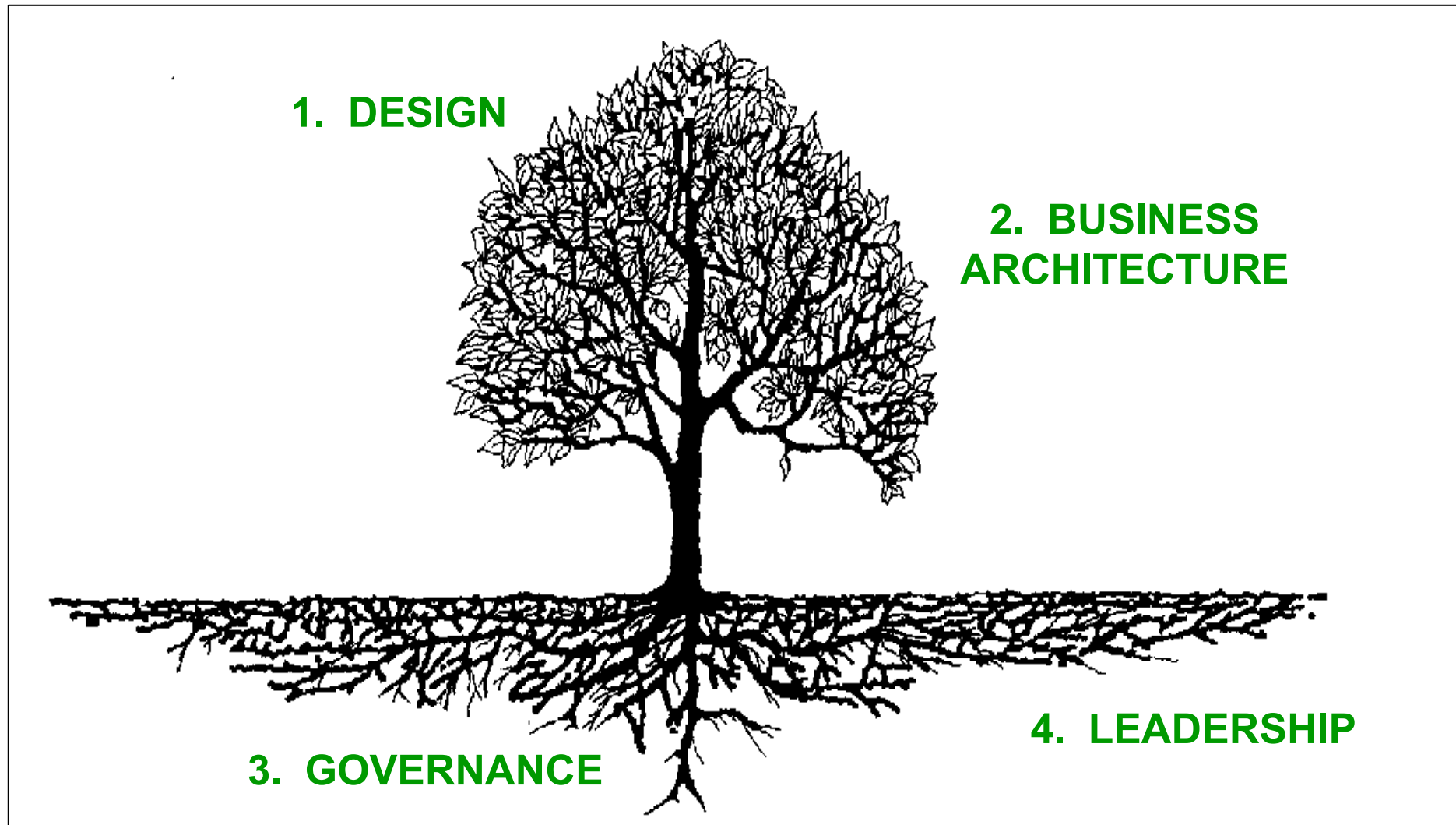
**Understanding business processes
means being able to understand your
specific contribution to the organization**



BPM Vision



BPM Vision



Getting Started with BPM DESIGN

Design your BPM Program

Charter BPM Program

- Define Program Purpose
- Agree Program Goals
- Define High-Level Milestones
- Solicit Executive Sponsorship

Develop a Collaboration Plan

- Working together: Business, BPM and IT



Charter BPM Program (Example)

Define Program Purpose

Leverage the power of every employee to deliver the line of thought every day in thousands of actions.

- **WHAT** each employee needs to know to take ownership of their actions and decisions within the end to end process of making medicines for patients.
- **HOW** each employee collaborates across boundaries to meet our ambitious goals aligned to company and patient priorities



Charter BPM Program (Example)

Agree Program Goals

- **Support Communication and Standardization of Global Business Processes for Existing Sites.**
- **Drive Understanding and User Adoption of Enterprise Computer Systems (SAP, MES, LIMS, SAP CAPA) for Deployment Sites.**
- **Enable Business and Information Systems (IS) Functional and Technical Impact Analysis in Computer System Change Control process.**



Charter BPM Program (Example)

Define High Level Milestones

Proposed High-Level Milestones - Timeline

Q1	Develop the process architecture strategy and gain alignment across TO&PS BSP Programs.
Q2	Train process architects in each program on the ARIS application and complete a pilot project (model a small process to exhibit competency). Educate all TO&PS BSP staff on the process architecture concepts, the ARIS application and role it plays in our work. Educate management team on how to manage their programs utilizing these tools.
Q3	Complete one end-to-end process in each program (examples to be confirmed: Supply Chain Network Planning, ELIS, LIMS, SAP CAPA) and gain approval from key business process drivers.
Q4	Develop project plan and resource model to expand process architecture work across all ECS processes in support of 2009 budget.



CONFIDENTIAL

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BPA Program Charter

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12. Business Architect Competency Requirements:
13. Business Architecture Organization
14. Glossary of Terms

Executive Summary

The purpose of this charter is to define the activities necessary for the development and sustainment of an enterprise Business Architecture.

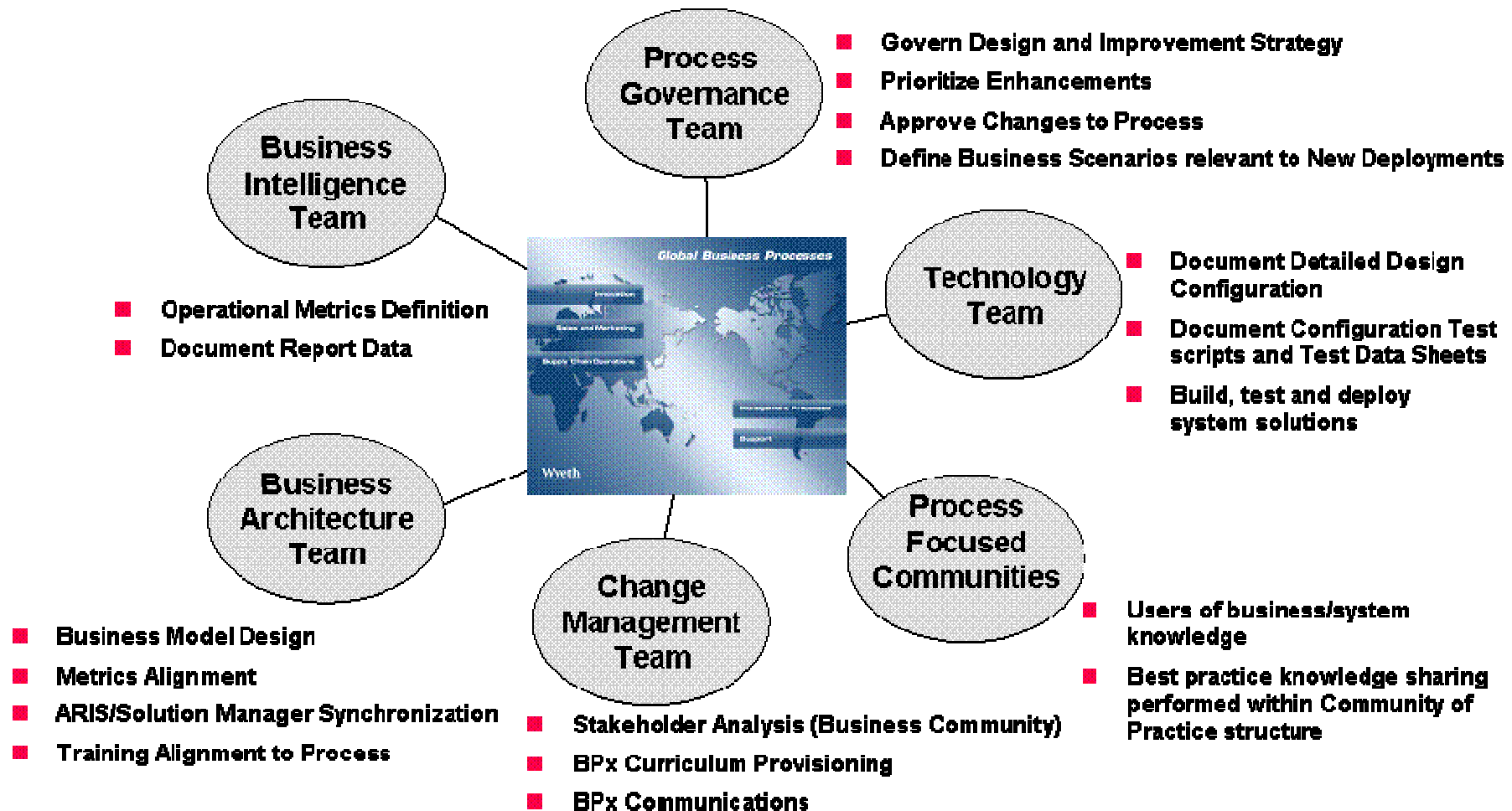
The Business Architecture is the strategic roadmap to the organization. It describes information about the enterprise “explicitly” in terms of what it does in order to ensure proper focus and effective operation. The mission of the Business Architecture program is to develop and implement an evolutionary, high-performance (flexible and responsive) structure, that is aligned with TO&PS program/business goals, and facilitates the use of knowledge assets by its stakeholders for leveraging competitive advantage and innovation potential.

The benefits to be gained as a result of developing the Business Architecture are;

- *Support communication of global standards:* The business architecture will provide a common repository for the sharing of business process related information throughout the Wyeth community. All process information will be documented in a consistent format that is compliant with Wyeth ARIS Methods and Conventions.
- *Evaluation of the impact of enhancement requests:* Integration of business architecture content will provide the means necessary for quickly assessing change impact across the enterprise. As a result, time required to perform analysis activities will be significantly reduced.
- *Identification of operational excellence opportunities:* Process maps residing in the Business Architecture repository will be easily accessible to the Wyeth community for leveraging performance improvement opportunities. As a result, process redundancies, process integration points, and



Collaborative Work Groups

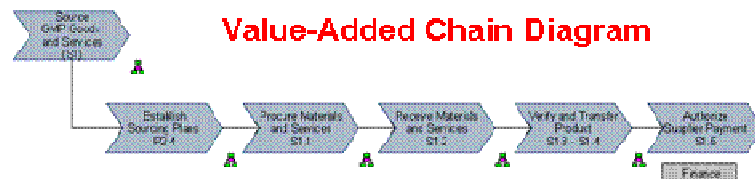


Getting Started with BPM

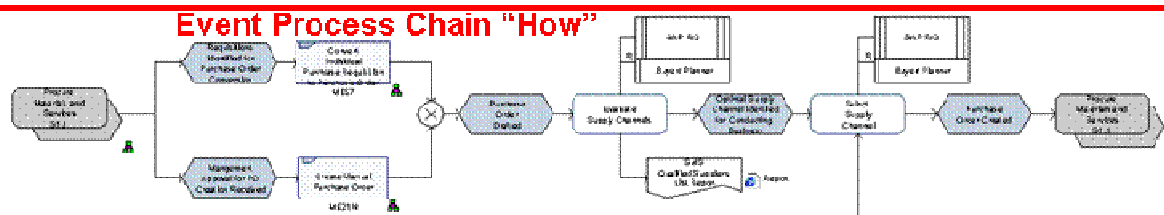
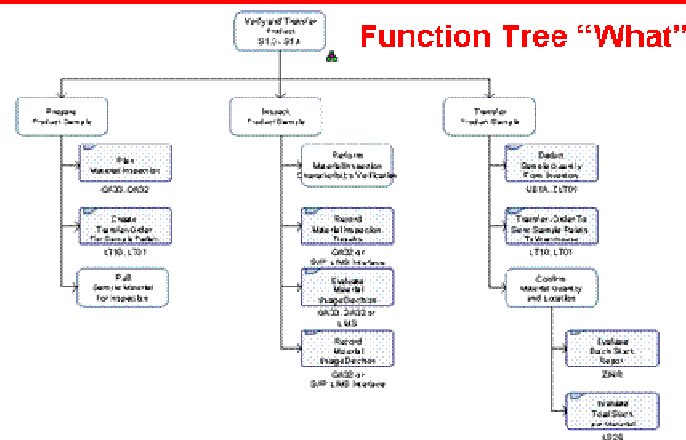
BUSINESS PROCESS ARCHITECTURE

Structured Top-Down Architecture

Our BPM journey began with the realization that a strong Business Process Foundation was required



[Link to Process Narrative](#)

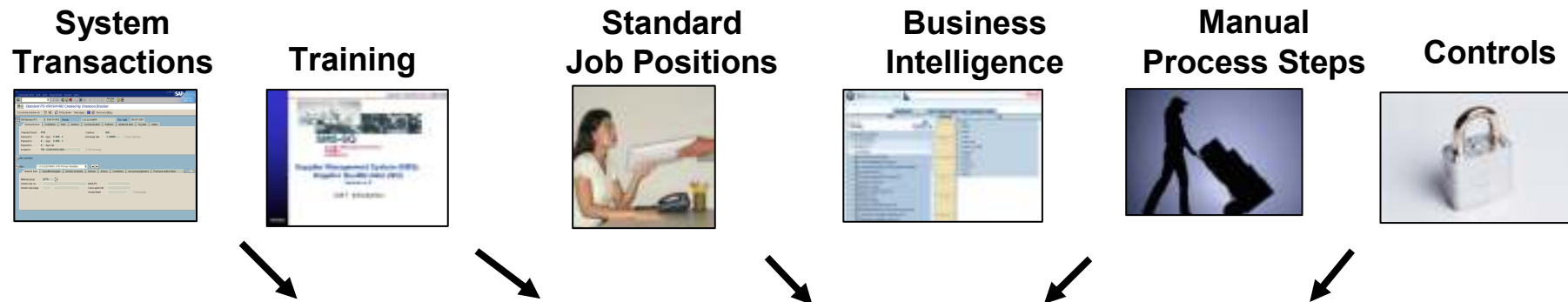


Structured Top-Down Design Method

The application of “plug and play” components requires a rigorous Business Modeling approach

- **Characteristics of this approach include:**
 - Enforced Life Cycle adherence when developing the Function Tree
 - Meaningful triggering and ending events for every activity on the Event Process Chain diagram
 - Mandated the linkage of roles, training, reports, metrics, process narratives, system support, system interfaces, and controls on each business model

ARIS: Master Process Repository that is the Hub for Efficiently Managing the Enterprise Global Model

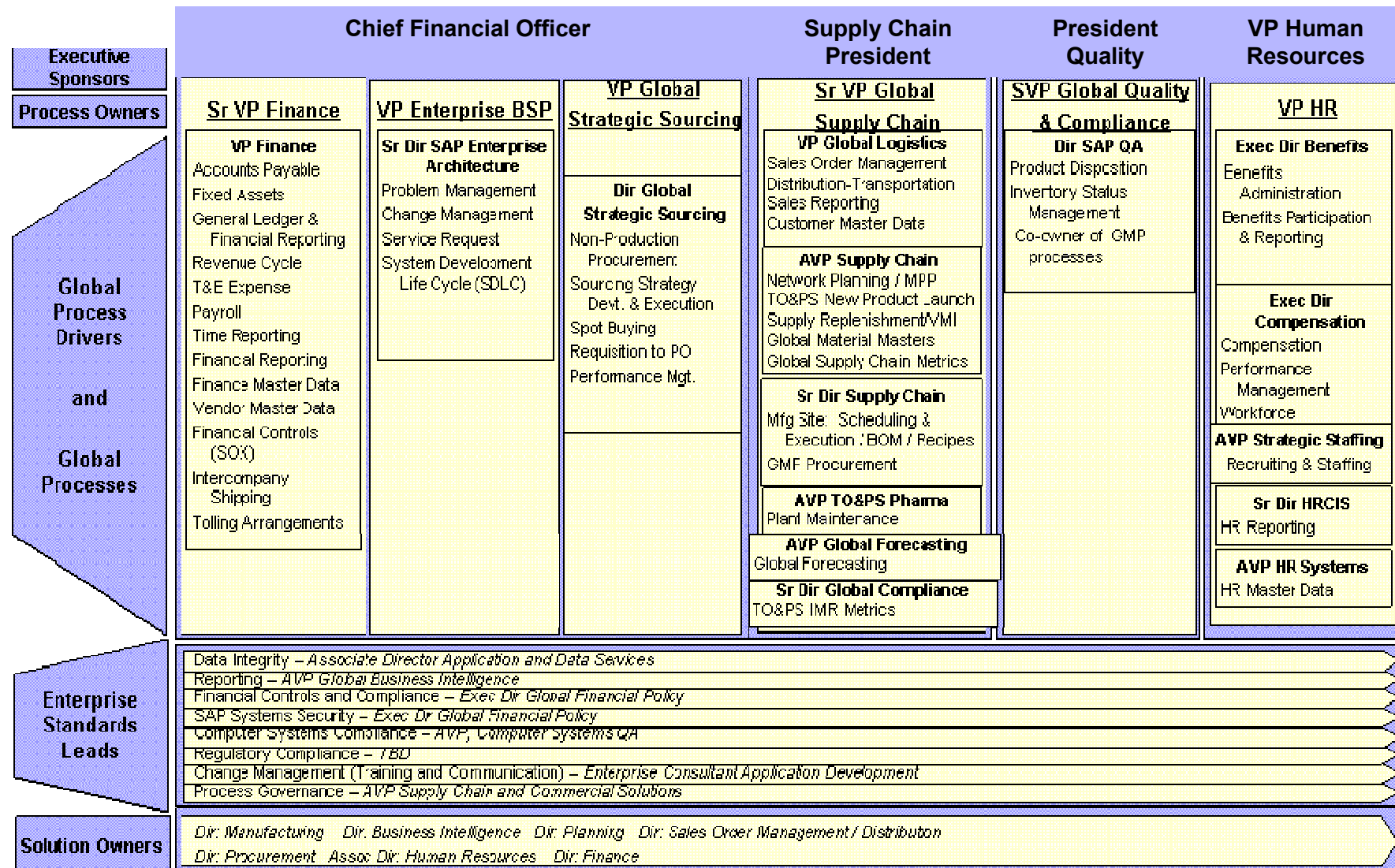


Global Processes:

- Allows every employee to understand & follow our business
- Drives consensus on process, boundaries, scope & responsibilities
- Enforces Standardization & Compliance
- Reference for performing impact analysis

Getting Started with BPM GOVERNANCE

Example Process Governance Organization



Process Governance: Roles and Responsibilities

	Role	Governance Responsibilities
Business	Executive Sponsor	<ul style="list-style-type: none"> Provide visible leadership to implement a process-focused company Drive process and data standardization Resolve issues raised between Process Owners Escalate critical issues to appropriate ELT members (as necessary)
	Process Owner	<ul style="list-style-type: none"> Implement and maintain standard global processes and data across Pfizer Ensure process design meets critical business requirements Make final determination for issues escalated by Driver
	Process Driver	<ul style="list-style-type: none"> Prioritize global model change requests and continuous improvement initiatives based on business value and cost Make determinations for overall process design, master data and change requests Escalate issues to Owner as needed
ERP	Solution Owner	<ul style="list-style-type: none"> Collaborate with Drivers and Owners to assess solution options to meet requirements Design, develop and deploy an integrated ERP solution (business process, data, system) Evaluate impact and cost of potential changes for evaluation with Driver/Owner
	Enterprise Standard Lead	<ul style="list-style-type: none"> Define and implement global standards for BT Services supporting the ERP solution (e.g. business intelligence, technical infrastructure, master data management approach)



Process Governance benefits Pfizer by...

Enabling business ownership of Pfizer business processes

- Process Driver is single point of contact for in-scope business process decision-making

Achieving control and balance of global business process standardization

- Enables transparency across Pfizer globally
- Consistency of data drives global reporting

Ensuring decisions are made in the best interest of Pfizer globally

- Fast
- Prioritized to meet the Business Timeline
- With Stakeholder input



Getting Started with BPM LEADERSHIP

Visible Leadership

- Executive Sponsors include BPM goals in G&Os
- Executive Sponsor speeches and videos
- Process Owners/ Drivers endorse BPM models
- Process Owners reward based on process performance
- IT Leaders/ Process Drivers record narratives
- IT Leaders value the BPM models in Deployments
- BPM Leadership drives transparency
- BPM Leadership celebrates success of the collective



Process Owner/ Driver Endorsement

Example Business Process Owner Endorsement Letter



ERP Global Model Endorsement

I endorse the ERP Global Model Baseline maps which are relevant to the Process Components listed below:

Process Component Name	Endorsed
Process Component A	<input type="checkbox"/>
Process Component B	<input type="checkbox"/>
Process Component C	<input type="checkbox"/>
Process Component D	<input type="checkbox"/>
Process Component E	<input type="checkbox"/>
Process Component F	<input type="checkbox"/>

Business Process Owner Endorsement:

This endorsement reflects the baseline maps effective on the date of my signature below.

Name

Title

Signature

Date



Example Executive Sponsor and Process Owner Endorsement at Summary Level (“What” Map)

Executive Sponsor:

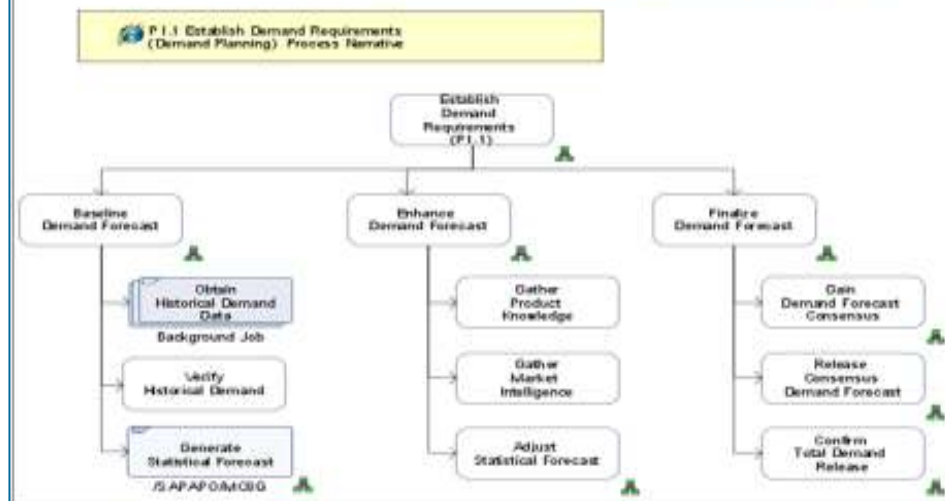
Business Process Owner:

Business Process Driver:

Version #: 1.0

Effective Date: June 22, 2010

WHAT: Establish Demand Requirements (P1.1)



BPM Transparency

Process Narrative Index
– Monthly Publication



ERP Global Model Process Maps

Supply Chain Operations

Time to Value

Plan to Fulfill (Internal Manufacturing)

[SAP Manufacturing Process Overview](#)

Plan Supply Chain (P1)

- [Establish Demand Requirements \(P1.1\)](#)
- [Determine Supply Chain Resource Availability \(P1.2\)](#)
- [Balance Demand & Supply \(P1.3\)](#)
- [Plan Source \(External - P2.4\)](#)
- [Plan Production \(P3.1 - P3.4\)](#)
- [Plan Distribution \(DRP\) \(P4.1-P4.4\)](#)

Source GMP Goods and Services (S1)

- [Procure Materials and Services \(S1.1\)](#)
- [Receive Materials and Services \(S1.2\)](#)
- [Verify and Transfer Products \(S1.3-S1.4\)](#)
- [Manage Accounts Payable](#)

Manufacture Product (M1)

- [Plan Production \(P3.1 – P3.4\)](#)
- [Schedule Production Activities \(M1.1\)](#)
- [Issue Material \(M1.2\)](#)
- [Produce and Test Manufactured Product \(M1.3\)](#)
- [Package Product \(M1.4\)](#)
- [Stage Product \(M1.5\)](#)
- [Disposition Product \(M1.6\)](#)

Perform Inter-Company Supply Chain Operations

- [Perform Single Stock Transport Order](#)
- [Perform Double Stock Transport Order](#)
- [Perform Tolling](#)

Closing Thoughts

Charter BPM program success measures that are important to your organization

Choose your Governance Team members carefully

- **Governance is 90% Consensus Building, 10% Decision Making.**
- **Governance requires people with courage who are supported by executive leadership and respected by their peers.**

Start small and build on success

- **Let your governance organization define your scope.**
- **Let your BPM team size and skill level define your pace.**

BPM Leaders know how to:

- **Balance Risk and Reward.**
- **Deliver On-time, every time.**
- **Make complex processes understandable to all levels of an organization.**
- **Work Hard, Have Fun.**



Thank You

