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ENGELHARD

Pharmaceutical specialist Engelhard relies on software for efficient, company-wide Contract Management

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One step closer to a paperless office

The desire for digital contract management that offers clarity, transparency, and auditing security when dealing with contract documents prompted the internationally successful pharmaceutical company, Engelhard Arzneimittel, to use modern software in its corporate organization. Today, valantic's contract management, which is integrated into the SAP environment, has completely replaced paper-based contract record management and relieves the more than 450 employees at the German company headquarters with digital record management, a deadline management, and extensive workflows.

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Information about the project

- Branch: Pharmaceutical industry
- Solution: Contract Management
- Software: cuContract from valantic
- User: Germany-wide in all business areas, a total of around 100 users

Challenges

Contract management creates adherence to deadlines, central and audit-compliant data storage and an overview of all agreements and records.

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Manage contracts centrally, clearly, and digitally!

With more than 450 employees, Engelhard Arzneimittel is one of the leading brand manufacturers of OTC medicines (over-the-counter) and is the manufacturer of popular brands such as Prospan® and isla®. As a modern company, it was important to keep adapting all processes and procedures to digital change. "We wanted a centralized, digital management of the contracts in the company, while at the same time creating and self-managing in the areas and departments," says Michael Brauers, IT Business Partner at Engelhard Arzneimittel.

There were also other requirements for a suitable solution, which is why a detailed catalog of requirements was created first. For Engelhard Arzneimittel, the must-haves included the central administration of the contract documents in digital records so that all employees can access them at any time according to their authorization, as well as the legally and audit-proof archiving of all documents. One of the employees' particular concerns was to be able to keep an eye on contractual deadlines and dates more easily, for example, in order to renegotiate contracts in good time and thus avoid additional costs due to

compliance with notice periods. In addition, there was a desire for a user-friendly software design with a web interface that could be seamlessly integrated into the company's existing SAP environment.

Cross-divisional contract management

At Engelhard Arzneimittel, contract management was a cross-divisional issue from the start. "With cuContract, a system is now in use that is fully integrated into the existing SAP environment and can support or interact with the various SAP modules in the individual departments," says Brauers.

The contract management system works with contract-relevant data from the respective SAP modules - be it master data (e.g. customer or supplier data), authorizations, terms, or storage requirements. These can also be displayed from cuContract and the relevant data in the respective SAP modules.

Since contract data is usually sensitive, Engelhard Arzneimittel placed particular value on graduated access restrictions and precisely adjustable access

criteria. All entries and changes to a process are logged in an audit-proof manner.

Appointments and deadlines under control

For improved workflow and more planning security, Engelhard required automatic date and deadline management. According to the project managers, this also represents one of the key added values that the system offers.

Since contracts usually also result in financial obligations, it is all the more important to keep an eye on all the conditions. This includes the agreed service and consideration as well as dates and deadlines that define the services in terms of time. That is why the contract management system cuContract contains detailed functions to remind you of due dates and payment obligations. There is also the option of storing invoice and payment plans and checking them against invoices. What would have to be laboriously programmed in a document management system is standard in the valantic solution.

Today, those responsible receive timely e-mail notifications when contract or retention periods expire or a notice period is pending. "The implementation of the solution has noticeably accelerated the processes and created the transparency that we had hoped for," summarizes Dr. Markus Schäfermeyer, Director Information Technology.

From kickoff to productive use of the contract management

After the first catalog of requirements that Engelhard had put together, experts from valantic and the drug manufacturer came together to determine the detailed needs of the company in dealing with contracts. It was also about the creation of an authorization concept, the breakdown of individual company-typical contract types, and the numbering of the contracts in the respective departments. All in all, the introduction of the solution to go-live took just under half a year, a speedy process considering the size of the project. "We received consistently competent support and inquiries were always responded to quickly. Overall, valantic distinguished itself through a high level of implementation competence," recalls Dr. Markus Schäfermeyer.

Alleviation in administration

As with any change in familiar processes, some processes had to be adjusted during and after the implementation of cuContract. Internal change management at Engelhard helped implement the changed process flows. "Some of the

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employees were justifiably skeptical because of the additional effort involved in entering the contract at first, but we quickly noticed how much relief the new system brings to the administration and monitoring of contracts," says

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Alexander Schumann, who is responsible for contract management in the legal department at Engelhard Arzneimittel.
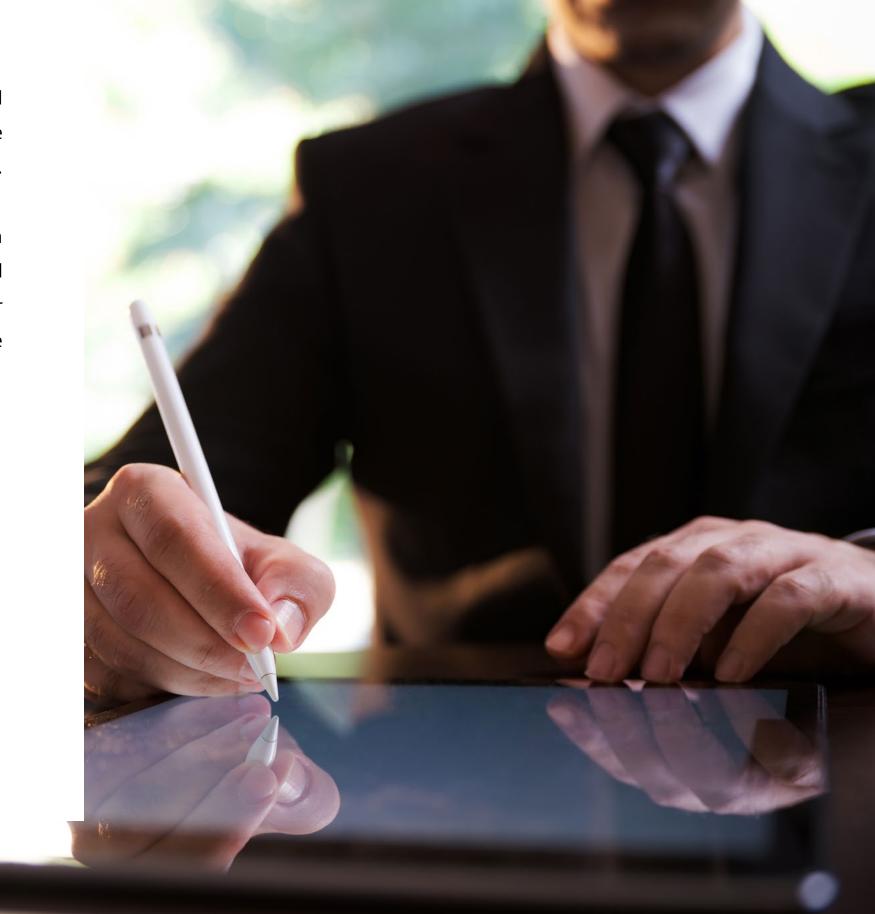
While in the past many contracts were only available in paper form and it was difficult to keep track of deadlines, users now save a lot of time: A uniform folder structure ensures an optimal overview and appointments and deadlines are easily surveyed and adhered to. This also applies to the archiving periods and requirements of the GDPR, everything can be specified for the individual contract in the system. The legal department currently manages more than 1,000 contracts.

Optimized processes around contracts

Driven by the desire for more efficient processes in the company organization, Engelhard relied on modern software. Instead of using paper-based records and decentralized Excel lists, the more than 450 employees at the German company headquarters now manage all contracts digitally. "We now have a complete overview of the company's contractual situation and can meet all deadlines," says Marc Braun, Head of Legal at Engelhard.

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Contracts with regular payment obligations that were no longer required could be terminated or updated. Cumbersome searches for contracts in extensive paper records, as well as long search and waiting times are a thing of the past.

Encouraged by the good implementation and the positive response from employees with regards to the new contract management system, Engelhard plans to implement automated document creation in the future. With this, for example, contracts, standard correspondence, and designed e-mails can be generated independently and in a time-saving manner.

About Engelhard Arzneimittel

Engelhard Arzneimittel GmbH & Co. KG, based in Niederdorfelden just outside Frankfurt am Main, is one of the leading brand manufacturers of OTC medicines (over-the-counter). Respiratory tract therapeutics and drugs for skin diseases for self-medication are the core competencies of the company. The proven brands such as Prospan® and isla® are highly effective and at the same time well tolerated and are therefore suitable for the entire family - infants as well as older patients. What began as a pharmacy in 1872 is now - more than 140 years later - an international company with more than 450 employees in Germany and partners in over 100 countries worldwide.

www.engelhard.de/en

About valantic

valantic is N°1 for digital transformation and is one of the fastest growing digital solutions, consulting, and software companies on the market. valantic combines technological competence with industry knowledge and humanity. More than 500 blue chip customers already put their trust in valantic - 28 of them out of 40 DAX companies and just as many of the leading Swiss and Austrian companies. With more than 2,000 specialized solutions, consultants, and developers and a turnover of around 250 million euros in 2021, valantic is represented in Germany, Austria and Switzerland at 24 locations and internationally at a further 8 locations. valantic is organized in a unique structure of competence centers and teams of experts - always precisely tailored to the digitization needs of companies. From strategy to tangible implementation. The range of services includes the areas of Digital Strategy & Analytics, Customer Experience (CX), SAP Services, and Supply Chain Excellence, as well as Financial Services Automation.

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