

Mölnlycke Health Care Unlocks Key to 24-hour IT Services Worldwide

Capgemini's Rightshore™ allows Mölnlycke Health Care to offer year round support services to users

The Situation

Mölnlycke Health Care is a leading manufacturer and supplier of single-use surgical and wound care products, with production sites located world-wide.

SAP R/3 is used as the global ERP system within the group and includes areas such as finance and controlling, sales and distribution and supply chain. To increase efficiency and enhance customer support, Mölnlycke Health Care wanted to secure 24-hour year round support to end-users.

The Solution

After global roll-out of an ERP solution based on SAP by Capgemini, existing Applications Management services were transformed into a world-wide support center based on Capgemini's Rightshore™ concept. Comprising a back-office of SAP expertise from

Capgemini India and a client facing front-office in Sweden, this facilitates 24x7 support services dedicated to the Group.

The Result

With Capgemini's distributed delivery approach in place, Mölnlycke Health Care has access to SAP expertise as needed so that end-users can focus on adding value to customers. The Group enjoys a reliable and flexible delivery operation for its business support world-wide, as well as attractive cost levels for IT support.

How Mölnlycke Health Care and Capgemini Work Together

Mölnlycke Health Care has a strong global presence and is one of

“ We have found that Capgemini's 'Rightshore' concept gives us a very good balance between high front-office competence and qualified, cost efficient back-office resources. A strategic mix which we intend to utilize further. ”

**Stefan Fransson CIO
Mölnlycke Health Care**



the world's leading manufacturers and suppliers of single-use surgical products such as drapes, sets, gowns and other apparel. In the wound care segment, Europe is an important market with the advanced product assortment areas also showing strong growth in North America.

The Group had a partnership with Capgemini to pilot, build and implement a new ERP system and WAN, establish help-desk services and deploy a data centre. At the time, despite 11 factories, many sub-contractors and a strong European market position, Mölnlycke Health Care was suffering from low capacity utilization and facing losses. There was an urgent need to consolidate operations. Following three years of restructure, Mölnlycke Health Care doubled its size almost overnight via acquisition of a single-use surgical product line from Johnson & Johnson. This, and subsequent mergers prompted the Group to implement SAP as a single, corporate system to support areas such as CRM and logistics.

Building on mutual trust and deep knowledge between the parties, the Group invited Capgemini to run the first SAP design project and lay foundations for a corporate SAP-based system using most of the major SAP R/3 modules. The first pilot was followed by a Capgemini-led roll-out in 20 countries across Europe, USA and Asia. In order to secure support to the Mölnlycke Health Care end-users, Capgemini established an SAP Applications Management Service Center dedicated to support Mölnlycke Health Care.

The global organization model prompted the Group to seek further consolidation and cost rationalization so that operational resources could be transferred to more project-oriented tasks. The goal was 24x7 support services to SAP end-users using innovative ways to counter the effect of holidays and time differences.

Capgemini proposed its Rightshore™ concept to distribute delivery including SAP expertise in India to provide year-round services.

Mölnlycke Health Care sought optimal 24x7 support and access to extensive SAP competency at lower costs. With the partners sharing the same vision, a new SAP Application Management contract was set-up with a jointly defined risk/reward model.

A four month transition phase towards a Rightshore™ distributed delivery model started with Capgemini as prime contractor. A due diligence phase to tune service levels was followed by implementation and “go-live.” Procedures were optimized for maximum support to Mölnlycke Health Care.

Capgemini supports the basic SAP package. Capgemini India mobilized a team in the back-office in Mumbai dedicated to Mölnlycke Health Care

with the front-office remaining in Sweden. This allows close collaboration with key subject matter experts at Mölnlycke Health Care to specify work requests, allocate priorities and define where it would be done. More specific requests for change are handled from Sweden in order to retain intimacy. The delivery model also handles project-related work in close co-operation between Mölnlycke Health Care and Capgemini in Sweden and India.

Rightshore™ ensures 24-hour, year round access to SAP expertise. The time of arrival of a request dictates where it will be managed—in Sweden or from India. Mölnlycke Health Care benefits from flexible delivery of business support world-wide at an attractive cost. Key to success in the operation is the way that Mölnlycke Health Care and Capgemini work together to share risks and challenges, steering a successful partnership in harmony.



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Backed by over three decades of industry and service experience, the Collaborative Business Experience is designed to help our clients achieve better, faster, more sustainable results through seamless access to our network of world-leading technology partners and

collaboration-focused methods and tools. Through commitment to mutual success and the achievement of tangible value, we help businesses implement growth strategies, leverage technology, and thrive through the power of collaboration.

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