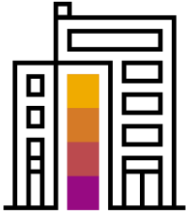




SAP® Innovation Awards 2020 Entry Pitch Deck

Going Innovative with Digital Transformation

Taiwan Farglory Land Development Co. Ltd



Company Information

Headquarters	Taipei, Taiwan
Industry	Real Estate
Web site	https://www.farglory.com.tw/

Farglory Group has been in business for 50 years since its establishment in 1969 and is the largest real estate development and construction company in Taiwan. It has been ranked No. 1 in the real estate industry for five consecutive years by Taiwan's "Business Week". With its international concept and diligent & solid construction experience, it has achieved an internationally renowned brand in the construction industry. Its development and construction business spans Taiwan, Mainland of China, the United States, France, the Middle East and other places, with total assets of more than 600 billion NTD. Farglory provides one-stop services from land development, designing & planning, build and construction, housing sales, and after-sales service to agency rental and sales.

Key business challenges including but not limited to:

- How to get the complete real operation data from different types of sub-companies and departments when one project kick-off, especially we will have more than 20 projects at different locations at the same time
- How to get real customers feedback after every stage for the long-term cycle real estate project?

Going Innovative with Digital Transformation

Taiwan Farglory Land Development Co. Ltd



“Real estate development lifecycle management for SAP S/4HANA product and solution built up by all these very professional and experienced SAP experts incorporate a best run real estate state-of-the-art user experience to help Farglory build up digital innovation business management platform for next ten years and lead managers to move to high level strategic goal and upgrade overall business competitiveness.”

--CIO

Challenge

Farglory, the top 1 real estate company in Taiwan, is facing many challenges to better meet customer/market requirements and become a sustainable, intelligent and people-oriented company, e.g. 1) Low business visibility; 2) Low cross-business collaborations; 3) Bad data quality & inefficient legacy data usage; 4) Underdeveloped IT systems; 5) Heavy manual activities for data input & reporting; 6) slow decision-making lacking data support etc.

Solution

By joining hands with SAP, Farglory fully started the digital transformation journey by taking real estate development lifecycle management for SAP S/4HANA as the digital core and combining SAP BWBO with Lumira, PO, Ariba, FSM and so on, supported by the other IT systems, like BPM, Azure, GIS@HANA and so on to improve business and promote innovations.

Outcome

With the establishment of a single digital platform based on SAP software and seamlessly integrated business process, Farglory now can run and manage its whole business with higher efficiency, higher visibility, lower cost, better control, better collaboration and more accurate forecasting. Except that it has promoted many business process and management innovations, it has laid a solid foundation for further innovations as well.



<10%

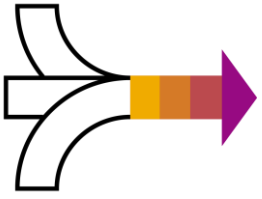
Whole Operating
Delay Rate of
Each Project

5 days

Shortened
Month-end
Closure

5+%

Channel ROI
Increased



Business Challenges and Objectives

Farglory has been facing many critical challenges after 50 years' continuous expansion:

- With the continuous expansion of business scale, the digitalization demand has been keeping increasing.
- In face of massively accumulated data, Farglory need to break the data barn as early as possible, and promotes the digital integration of various information
- Farglory has to optimize the operating process and improve corporate efficiency & collaboration ASAP
- Adhering to the corporate philosophy of customer first, Farglory needs to make good use of data to drive decision-making, strengthen the introduction of products and services that better meet customer expectations, and lay out a good real estate ecosystem that accurately meets customer needs from land development, construction, engineering to consignment, so as to become a sustainable, intelligent and people-oriented company.

By joining hands with SAP, taking real estate development lifecycle management for SAP S/4HANA as the digital core, Farglory expected to realize:

- To build up a single digital platform based on real estate development lifecycle management for SAP S/4HANA for enabling business innovations;
- To create E2E integrated business processes crossing land development, project construction, real estate sales, real estate leasing, property management and so on to improve collaborations and synergy;
- To break the information barriers between companies and improve data circulation and business transparency to strengthen group management and control;
- Better process standardization, simplification, automation and visibility
- Better cost planning, forecasting, monitoring and management; Better cash management and forecasting;
- Fully mining the historical data assets, to support the better running of the present business, and to enable agile decision-making and instantly responding to market demands and industry dynamics



Project or Use Case Details

Farglory project was kicked off officially on Oct. 11 2018, and Farglory project team comprises SAP IBSO and DBS experts providing excellence in consulting and custom development. And all project team members made outstanding contributions and did great work to bring the project going live successfully on Nov. 11th 2019.

we made many innovations successfully in the project including but not limited to:

- Business Process Innovation: To build up the most completely integrated process from Land development, project construction, real estate sales, real estate leasing and property management, to financial accounting; to integrate the whole business running seamlessly with cash management and forecasting by month;
- Management Innovation: to adopt and practice the full-cost concept; to adopt an advanced methodology of from cost target, contract planning, product value reporting, applying for payment, to payment; to design and implement industry first IRR with rolling forecast by month, by project and by house; to build up customer-centric and house-centric 360 degree views; to enable wholly outsourcing project construction and real estate sales business to external vendors via the SAP system;
- Product/Industry Solution Innovation:
 - real estate development lifecycle management for SAP S/4HANA is a real-estate industry solution totally developed by IBSO China. Before this project, there was only ERP version available. And requested by the customer Farglory, we totally re-innovated the
 - real estate development lifecycle management for SAP S/4HANA product based on SAP S/4HANA.
- Implementation Methodology Innovation: SAP Activate + Custom Development Agile Methodology + IBSO FTTHv

It has the following basic facts:

- First customer application of real estate development lifecycle management for SAP S/4HANA product in Taiwan region
- First SAP solution supporting real-time IRR analysis (by project, by house) with rolling forecast by month and cash management & forecasting for RE industry
- First integrated SAP solution supporting all kinds of purchasing / bidding activities and supplier appraisal in RE industry
- First complete solution cross the whole lifecycle RE business including land development, project construction, housing sales, aftersales service, flexible real estate management etc.
- First SAP E-Invoice solution for RE industry



Benefits and Outcomes

Business or Social

- The whole operating delay rate of each project has been improved to within 10%;
- The month-end closure timeline has been shortened around 5 days;
- The channel ROI has increased more than 5%;
- 80,000 NTD service fee each year for e-invoice uploading and reporting has been saved;
- 360 customer view enabling better product and service and more precise marketing
- Real-time IRR and cash management with rolling forecast by month, by project and by house

IT

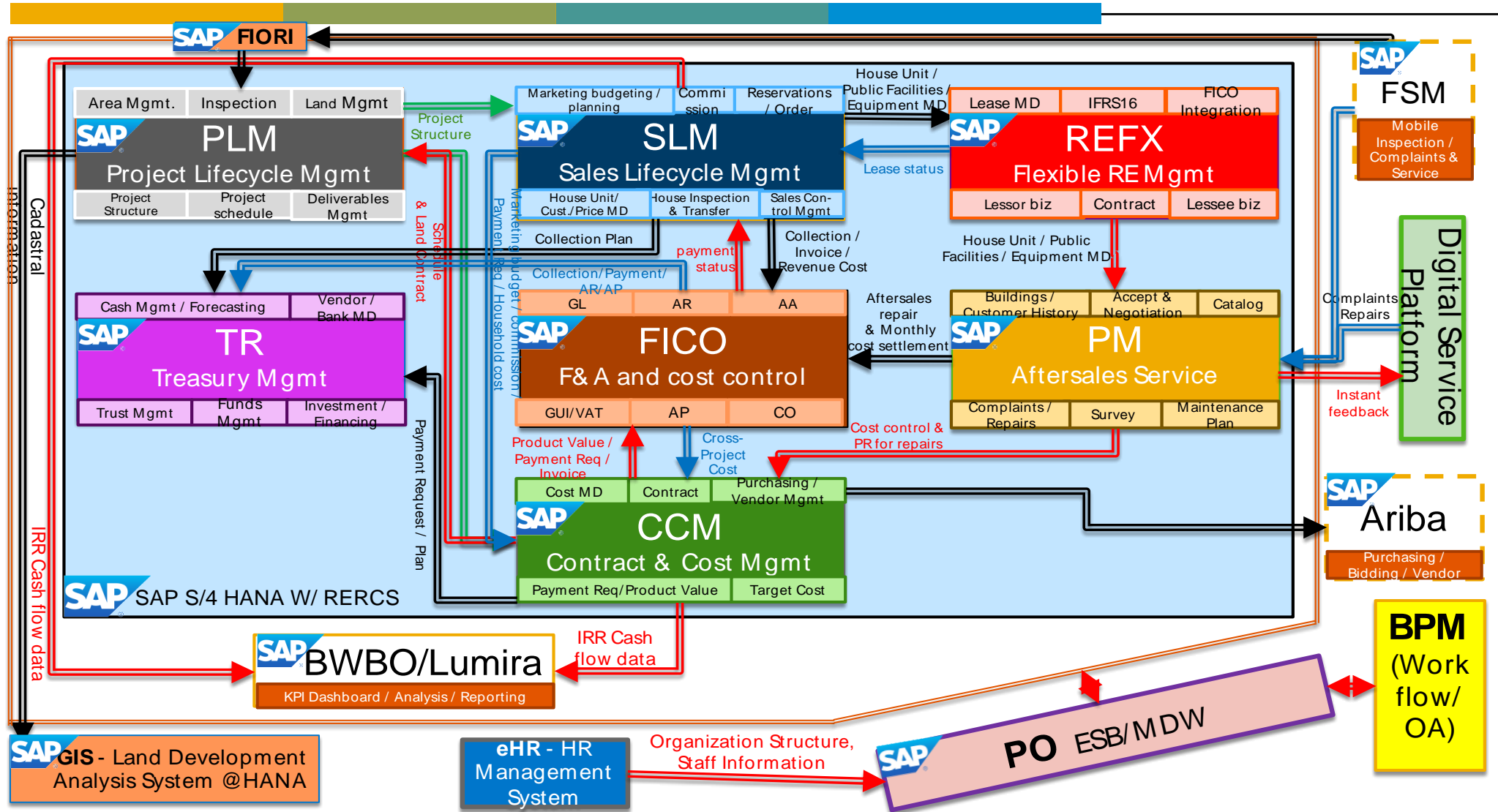
- Enriched knowledge in SAP Platform and SAP HANA development, building up strong confidence in more innovation projects with SAP platform
- Enhanced IT importance in driving business value to support company success
- Reduced IT costs by replacing the outdated legacy systems and deploying onto the Cloud
- Better IT efficiencies, empowering IT staff to do more

Human Empowerment

- Able to release manpower from time consuming manual processes and bad data quality
- Well improved workforce efficiency and productivity
- Greatly enabled labor cost saving for other more important activities
- Highly improved communications and collaborations
- Clearly defined roles and responsibilities, and well designed authorizations



Architecture





Deployment

Deployment status

Live

Date

Nov. 11, 2019

Number of users

300

SAP technologies used:

SAP product

Deployment status

(live or proof of concept [POC])

Contribution to project

1	SAP S/4HANA	Live	As the customer digital core platform including FICO, TR, REFX and PM etc.
2	real estate development lifecycle management for SAP S/4HANA	Live	As the key industry solution helping the customer to transform to a digital and intelligent RE enterprise including PLM, CCM and SLM etc.
3	SAP Fiori	Live	Support the quality and maintenance engineers to do mobile check and progress tracking of the construction quality and problems
4	SAP Field Service Management	POC	Integrated with PM and PLM to provide easy and intelligent service
5	SAP Ariba	POC	Integrated with CCM to enable better purchasing and vendor management

If you have used one of the services or support offerings from SAP Digital Business Services during the implementation or deployment phase, please select with ☒ one or more of the following offerings:

☐

SAP MaxAttention™

☐

SAP ActiveAttention™

☐

SAP Advanced Deployment

☐

SAP Value Assurance

☐

SAP Model Company

☐

Others:

☐

SAP Innovation Services

☒

SAP Innovative Business Solutions



Advanced Technologies



The following **advanced technologies** were part of the project.

	Technology or use case	Yes or No	Contribution to project
1	3D printing		
2	Blockchain		
3	Internet of Things (IoT)		
4	Machine learning or AI		
5	Conversational AI		
6	Robotic process automation		
7	Data anonymization		
8	Augmented analytics		