Top 6 Technology Challenges in BioTech - **Solved**

A Vision33 eBook

A Complex Set of Challenges

Events in recent years—like the COVID-19 pandemic and its resulting supply chain disruptions—had long-lasting effects on the biotechnology (BioTech), pharmaceutical, and life sciences industries, changing how they strategize to stay ahead of sudden market shifts.

Although it's been years since the pandemic, the demand for BioTech and pharma products remains high, driving businesses to create new platforms and treatments more quickly than ever. To meet demand, companies have had to increase efficiency and pivot their strategies. By recognizing the current market's needs, many businesses have altered their production strategies, helping them thrive in turbulent times.

Areas like inventory management and traceability have never been more critical. Business owners need more visibility into their inventory and across their supply chains. They must produce efficiently, know their lead times, manage order fulfillment, closely monitor product lifecycle stages, and navigate supply chain disruption.

No matter which industry you're in, it's time to understand your customers better and find creative ways to get your products in their hands.

The highly regulated nature of biotechnology and pharmaceuticals also creates a unique set of growth challenges, including constant product innovation, changing regulatory requirements, and supply chain management. Continued success requires companies to develop a solid financial and operational foundation to overcome challenges.

In this eBook, you'll learn how cloud enterprise resource planning (ERP) solutions like SAP Business One, SAP Business ByDesign, and SAP S/4HANA Cloud, public edition help small to midsized enterprises (SMEs) and large enterprise subsidiaries manage their operations with a single solution that streamlines business processes, provides real-time information, and boosts overall business performance.

![Vision33 logo]

The top 6 challenges in the industry are:

1. **Scaling operations with manual processes**

2. **Forecasting demand and effectively managing inventory**

3. **Gaining operational visibility and measuring success**

4. **Adapting to strict government and other regulations**

5. **Maintaining the highest level of quality control and customer service**

6. **Managing shorter product lifecycles**

Overcoming Business Growth Challenges With SAP Solutions

Challenge 1:
Scaling Operations With Manual Processes

Many small companies run basic accounting packages—but as the companies grow, their simple solutions become inefficient due to manual data entry and user limitations. Businesses need a reliable, integrated system that provides complete operational visibility and optimizes business processes.

Companies can meet these needs with ERP's automation tools, including setting up replenishment alerts for essential materials, creating approval procedures, and tracking workflows to define processes. SAP cloud ERP technology also allows custom configurations and improves lot traceability so businesses always meet strict industry regulations. With the right software, planning, strategic decision-making, and adjusting to market challenges are easier and faster.

Challenge 2:

Forecasting Demand and Effectively Managing Inventory

Most companies in BioTech and pharmaceuticals rely on just-in-time (JIT) inventory management, ordering and manufacturing only what they need when they need it to reduce inventory carrying costs.

The material requirements planning (MRP) functions in SAP cloud ERP solutions improve forecasting and inventory management and make it easy for employees to monitor supply and demand. In our current economic environment, sophisticated forecasting tools are necessary for executives to ensure their companies are in the best position to satisfy customers.

Businesses also need improved systems to locate and move inventory. ERP technology offers warehouse bin management and cycle counting to further simplify inventory control.

Challenge 3:
Gaining Operational Visibility and Measuring Success

Web-based technologies and self-service have made distributing data faster than ever, and these innovations bring an expectation that businesses have real-time access to their mission-critical data anytime, anywhere.

This is one of ERP's specialties, offering access to countless real-time reports from any device with a web browser and internet access. Executives can set up dashboards with critical business data and create customized reports they can access from mobile devices for complete operational visibility on the go.

This data enhances decision-making and streamlines business operations because accurate information is available company-wide and can be shared with customers and vendors.

ERP technology is helping BioTech, pharmaceutical, and life sciences businesses build new strategic business models to cope with economic downturns.

Challenge 4:

Adapting to Strict Government and Other Regulations

The Food and Drug Administration (FDA) and the Medicines and Healthcare Products Regulatory Agency (MHRA) are the regulatory authorities in the United States and the United Kingdom, respectively. These agencies are responsible for the authorizations, renewals, and suspensions related to life sciences, pharmaceutical, and medical device products.

Because standards are high and government regulations are strict in these industries, companies need a practical, flexible tool with quality tracking functionality. SAP ERP solutions like SAP Business One, SAP Business ByDesign, and SAP S/4HANA Cloud, public edition allow companies to create user-defined fields (UDFs) to ensure they're gathering the correct information and maintaining compliance.

In addition, several industry-specific extensions and validation protocols improve quality tracking. For example, life sciences companies can create UDFs on goods receipts for better quality control. If companies receive an item and an employee doesn't fill out the required line items, an error message pops up, requiring additional information to continue. This feature allows more accurate and complete reporting.

Challenge 5:

Maintaining the Highest Level of Quality Control and Customer Service

Biotechnology, life sciences, and pharmaceutical companies need software that helps them adhere to strict guidelines and process controls. A limited supply of skilled workers can make it challenging for SMEs with small teams to meet guidelines, but because SAP cloud ERP technology matches tasks to people with complementary skills, businesses can maximize their resources.

An ERP solution also safeguards against production issues. Storing data in a centralized location provides access to real-time company data, optimizes quality control, and effectively manages the supply chain; automation streamlines inventory management and other critical processes.

Challenge 6:
Managing Shorter Product Lifecycles

While the cost of developing new treatments and products is skyrocketing, research funding is trending in the opposite direction. Companies in these industries are feeling the pressure of declining product lifecycles that decrease company revenue and increase the need to replace products more frequently. SAP cloud solutions ease the burden by accurately forecasting demand and helping companies tightly control their supply chains when bringing new products to market.

Advanced forecasting also makes it easier for BioTech and pharmaceutical companies to manage short product lifecycles and optimize replenishment strategies so the right products are available at the right time.

Time-to-market becomes more critical with shorter product lifecycles. SAP technologies help businesses monitor products as they proceed through the lifecycle and match them to the most effective supply chain strategy.

ERP solutions also increase supply chain visibility, giving companies greater perspective, better control, and the tools to offset shortening lifecycles.

Conclusion

SAP solutions adapt to meet BioTech, life sciences, and pharmaceutical companies' needs. When partnering with a value-added reseller (VAR) such as Vision33, companies get a customized solution that's easily extensible and offers things like UDFs to improve inventory control and enhance vendor relations and custom alerts to ensure data requirements and industry regulations are met.

Ready to learn more?

Talk to us about taking the first step.
As a multi-award-winning SAP partner, Vision33 has helped hundreds of manufacturing and distribution businesses achieve their growth and transformation goals.

Vision33

Your Dedicated ERP Partner, Vision33

Vision33 transforms business processes and results for customers by delivering value through the promise of technology and its benefits for growing businesses. For over 30 years, Vision33 has helped companies integrate and automate their processes and applications to better serve their customers, employees, and stakeholders. The technologies may have changed drastically in 30 years, but Vision33's mission has never wavered.

With over 1,000 customers worldwide, Vision33 helps organizations outperform their competition and lead their industries with successful technology investments. Vision33's nearly 500 employees offer product expertise, business experience, and innovative technology leadership. Whether it's a global company with 100 subsidiaries or a small business, Vision33 works alongside every customer to meet their goals.

Vision33 also has formal partnerships to resell, implement, and support leading ERP applications, is a leader in cloud deployment, and has developed exclusive products, including The Saltbox Platform (saltbox.io) and iDocuments (idocuments.io).

For more information about SAP cloud solutions visit us at vision33.com.

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