

# Northrop Grumman Syncs Worldwide Operations with Project Business Automation™



Aerospace &  
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## **NORTHROP GRUMMAN**

*Northrop Grumman Corporation (NYSE: NOC) is a global aerospace and defense technology company that delivers innovative solutions with applications that range from undersea to outer space and into cyberspace.*

## Executive Summary

Northrop Grumman (NG) needed to standardize and automate. It sought to streamline its project processes in its international subsidiaries while ensuring accurate and timely data flow to US management.

Key findings in this case study:

- Northrop Grumman deployed a two-tier ERP strategy with Adeaca PBA at its core
- Adeaca Project Business Automation with Microsoft Dynamics is easier to use and support than its primary SAP system
- Adeaca's PBA built-in project management processes are more robust than any other system on the market

## The Challenge

While NG has used SAP for its U.S. operations for years, the company's international subsidiaries in the United Kingdom, Australia, United Arab Emirates, Saudi Arabia, Japan, and Korea, always used a variety solutions for planning and managing their businesses – applications that had little or no integration to NG corporate.

The lack of standardization on a common platform made it difficult for NG to efficiently manage its operations. Without real-time visibility into the status of customer contract deliveries, NG operated with an increased overall risk to the company's profitability.

Northrop Grumman decided to deploy a two-tier ERP strategy, using their existing enterprise SAP backbone for U.S. operations combined with an easier-to-use and easier-to-support implementation of a secondary ERP system to manage the subsidiary operations.

**A two-tier ERP strategy works well for companies with different lines of business or divisions that operate independently.**

**Adeaca PBA offered more functionality from a project management standpoint than SAP.**

## The Solution

After an extensive search, NG decided Project Business Automation built on Microsoft Dynamics AX from Adeaca was the best choice to deploy this two-tier strategy. Adeaca PBA satisfies the business needs of the international operating entities of Northrop Grumman and can roll up financial and operational data into the SAP system. Also, it is also much less expensive to purchase and maintain.

“In SAP, we use the heck out of something called Project Systems, but still Project Systems doesn’t get us the full earned value management capability,” Smith says. “So we bolt on another solution to SAP. Well, Adeaca PBA offered more functionality from a project management standpoint than what the SAP solution does. And there aren’t too many competitors [that do that].”

“It was just easier to take our international operations and put them on Microsoft Dynamics AX and Adeaca,” Smith continued. “I have one hundred thirty-eight people managing the SAP world, and I have four people managing the Dynamics world.”

Adeaca PBA provides the lean solution required because it delivers a tightly integrated system that gives NG subsidiaries a common enterprise operations management framework with a much smaller IT support footprint than SAP.

## The Results

The first subsidiary to deploy Adeaca Project Business Automation was Northrop Grumman Information Systems UK. The division went live on the solution in six months, supporting more than 200 users. The UK organization selected Adeaca to support its key project portfolio management functions.

“The Adeaca solution is extremely powerful. The UK office has definitely realized tangible benefits from system.”

Adeaca has reduced the workload for the UK and US staff and provided real-time operational insight for management that is helping them deliver their projects on time and on budget. Additionally, the integration with NG corporate enables efficient information flows between the two operations, creating tighter strategic and tactical alignment.

“Before we had all kinds of different offices and they were doing everything on spreadsheets. Then they would feed that to the people in the United States, and the people in the United States uploaded it in SAP for them,” Smith says. “Now they have a shared service organization with Adeaca that transacts, procures, and does accounting for them.”

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