Lemongrass

McKesson: Migrating the Biggest SAP System in the World

McKesson Corporation is a diversified healthcare services leader dedicated to advancing health outcomes for patients everywhere. Its teams partner with biopharma companies, care providers, pharmacies, manufacturers, governments and others to deliver insights, products and services to help make quality care more accessible and affordable. As a prominent figure on the Fortune 500 list, McKesson ranks as the ninth largest company by revenue in the United States, distributing one-third of all pharmaceutical medications across North America.

In late 2023, in response to the critical nature of McKesson's operations and the imperative to future-proof its mission-critical systems, McKesson sought to modernize its SAP implementation, one of the largest globally, involving more than 150 unique SAP applications running on over 1,000 servers.

The project would transition McKesson's SAP deployments from legacy data center solutions to cutting-edge technologies such as cloud computing, automation, and Artificial Intelligence (AI). Driven by several factors and the vital services McKesson provides to the healthcare industry, the company aimed to complete this modernization within a tight 10-month timeline, migrating its vast SAP landscape to the cloud with minimal disruption and risk to business operations.

McKesson selected Lemongrass for their migration expertise in SAP to execute what many viewed as an "impossible project." The success criteria were clear:

- The project had to be completed within 10 months to allow McKesson to transition away from its legacy data center services.

- The cutover windows needed to be under 48 hours, even for the largest SAP instance (over 200TB).

- There had to be complete confidence from McKesson's business and leadership teams.

Under McKesson's leadership of internal and partner resources, the team tackled these challenges by fostering a tightly integrated, collaborative culture to execute a comprehensive plan. The technical strategy centered on Lemongrass's near-zero downtime solution, LCP Migrate, which McKesson had previously utilized successfully. Alongside McKesson's superb program management, business engagement, and highly mature and automated testing processes, the project's success was further enabled by Lemongrass's automated capabilities to rapidly configure and build the SAP landscapes on Azure.

"McKesson successfully delivered what many considered 'impossible,' completing the project within a tight 10-month timeline. Lemongrass's technical expertise and capabilities in complex SAP migrations were key enablers in this best-in-class migration of SAP to the cloud."

Francisco Fraga
Executive Vice President, Chief Information Officer and Chief Technology Officer

McKESSON

This move to the cloud was not merely about migrating workloads—it was about modernizing business processes, reducing technical debt and optimizing operations to ensure McKesson remains a leader in global healthcare. By migrating its SAP landscapes to the cloud, McKesson has established a robust foundation for ongoing technological transformation across the business.

Key outcomes of the migration include:

- The environment was migrated within the planned timeframe and now operates on more modern architectures, with operating systems and key databases optimized, reducing resource consumption by up to 72%. McKesson has experienced significant performance improvements in several key systems and business processes.

- Migrations were completed within the planned downtime windows, including an instance over 200TB, which required less than 20 hours of technical downtime.

- Operating on a more agile cloud platform enables McKesson to accelerate its technology transformation further, unlock advanced data and AI capabilities and optimize its operational model.

This collaboration between McKesson, Lemongrass, and other partners underscores the strength of working together to propel change. The success goes beyond the technical migration— it's about empowering McKesson to harness new possibilities with modern IT, support daily operations and fuel future growth. With this transition, McKesson has set a new standard for healthcare IT transformation.