Deliver Business Value with SAP Enterprise Master Data Management

21 March 2012

Your Presenters for Today's Session

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Agenda

SAP Enterprise MDM

- Master data as DNA of value chains
- Optimizing business value with master data
- Portfolio overview

Customer Examples

Q&A

- Q&A
- Additional resources

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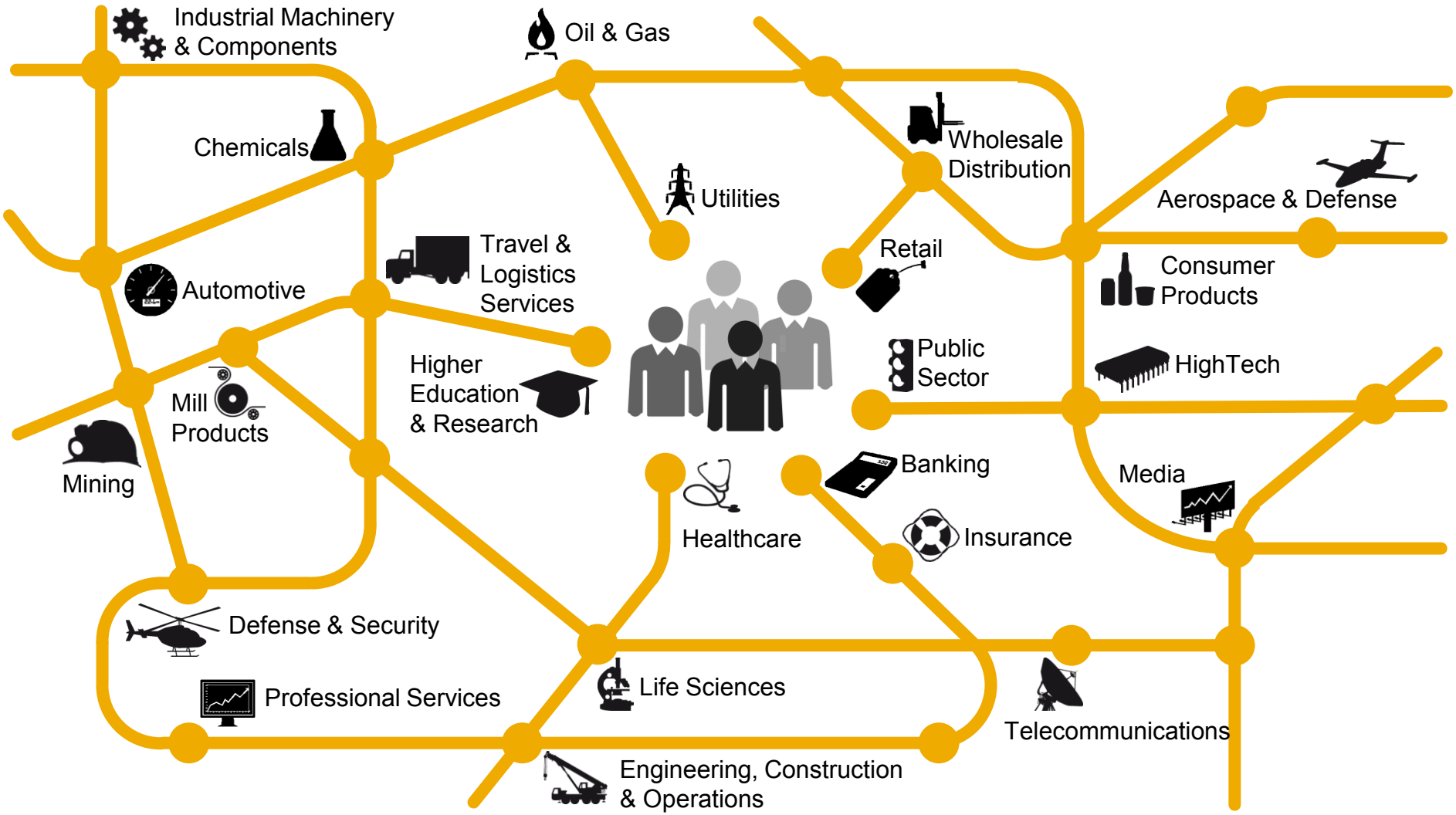
Evolving from industries to value chains

Focus on the end-consumer



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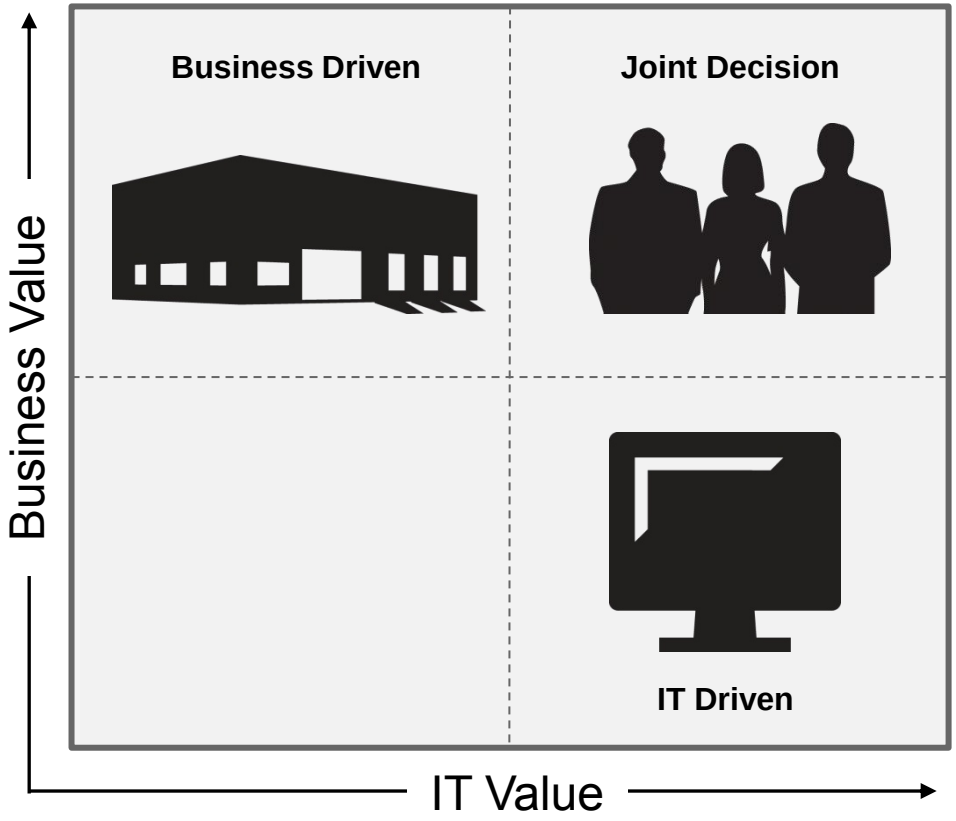
Business transformation requires business and IT alignment

Join Decision value for the Enterprise:

- Industry specific end-to-end processes and collaboration across business networks
- Confident decision making
- Trusted information through a single view of master data and continuous data quality



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Optimizing business value for the enterprise

Lines of Business

Procurement

- Generate sustainable savings by streamlining and centralizing procure-to-pay processes
- Minimize risk by enforcing comprehensive contract compliance
- Improve savings through greater visibility into supplier relationships and performance
- Increase spend visibility
- Achieve faster time to value

Manufacturing

- Coordinate global manufacturing fulfillment with local planning and execution
- Provide the context-sensitive, enterprise-wide visibility required to optimize distributed manufacturing assets, integrate outsourced operations, and drive lean manufacturing

PLM

- Deliver innovative products rapidly to meet demand
- Foster the development of new products
- Collaborate with partners to shorten the time required to realize profits and deliver safe products

SCM

- Respond appropriately to changing supply and demand dynamics in global networks
- Synchronize supply and demand
- Collaborate with partners in a global manufacturing network
- Integrate logistics and fulfillment
- Protect brands from counterfeits and operate at higher levels of efficiency and automation
- Responsively and effectively deal with supply chain events (e.g., recalls)

CRM

- Obtain insight from all customer interactions and leverage this insight to align marketing and sales
- Focus sales efforts on the most profitable customer opportunities
- Accelerate sales cycles and grow the bottom line with better pricing and demand planning and more accurate revenue forecasts
- Resolve customer problems quickly to increase customer satisfaction and loyalty
- Drive service revenue by cross-selling and up-selling to existing customers

Finance

- Streamline financial operations
- Perform efficient and compliant financial accounting and reporting
- Manage payables and receivables

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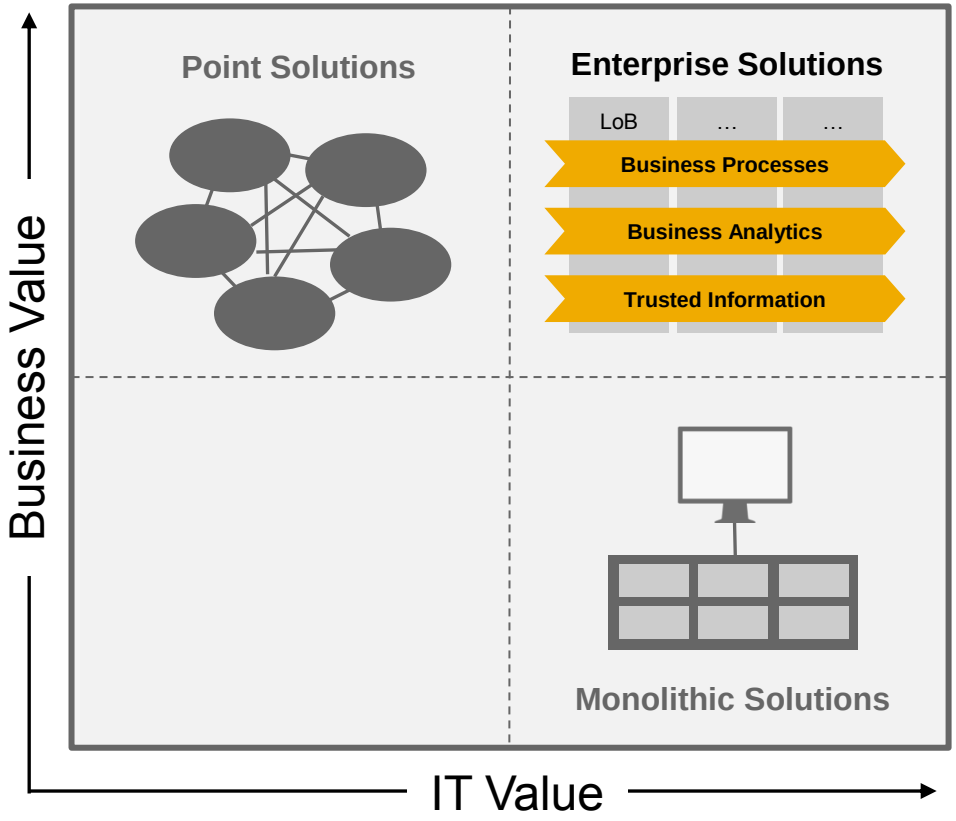
Aligning Business and IT to maximize enterprise value

Help run, grow and transform the business as it evolves into industry value chains

Join Decision value for the Enterprise:

- Industry specific end-to-end processes and collaboration across business networks
- Confident decision making
- Trusted information through a single view of master data and continuous data quality



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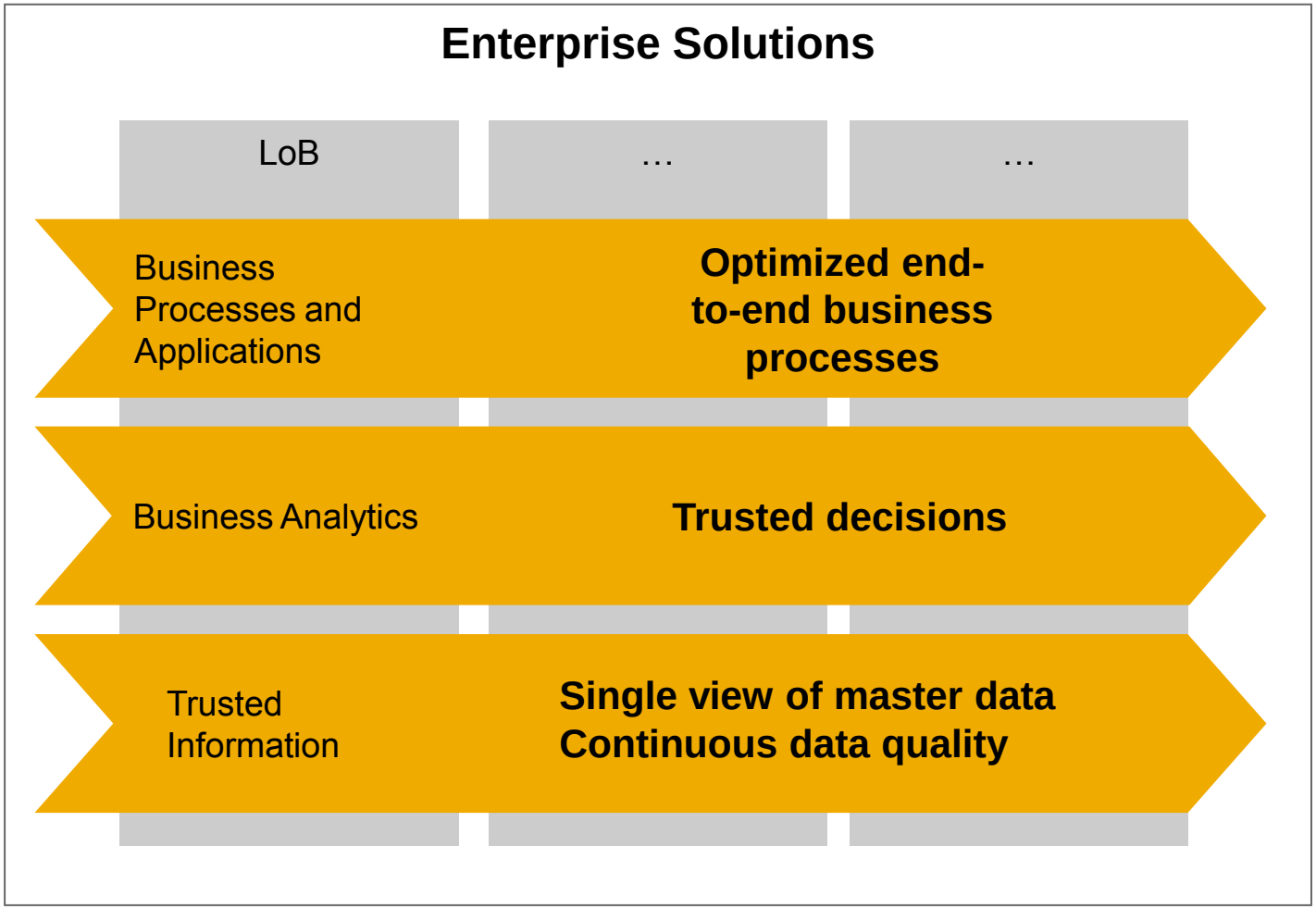
Trusted information drives business value across end-to-end business processes and decisions



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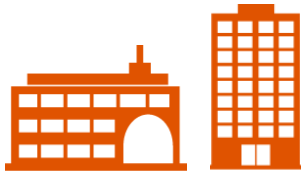
No single view of master data hinders business decisions, business processes, and business transformation



New systems
- Complexity to consolidate existing and new systems

Lines of business
- Inefficient business processes

Business Impact
- Diminished revenue and service
- Uncontrolled costs
- Lack of compliance

Cloud
- Complexity to bridge cloud and corporate master data

Reporting/analytics
- Lack of trusted decisions

Business partners
- Lack of business insight and collaboration

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Business impact from lack of single view of master data

Lines of Business

Procurement

- Inconsistent supplier and product data across procure-to-pay processes increase costs
- Difficulty to track contract compliance from fragmented supplier data increases risk
- Lack of visibility into supplier relationships hinders opportunity for savings and contract

Manufacturing

- No single view of product in enterprise planning and control processes impacts downstream plant-level operations and manufacturing execution
- Lack of seamless integration between engineering and manufacturing resulting in unstable product data for production quality and increased product costs

PLM

- Lack of seamless product data governance between engineering and manufacturing resulting in unstable product data and slower time to market and lower quality
- Difficulty to share product data with partners resulting in longer time to value

SCM

- Lack of transparency relating to suppliers and products makes it harder to detect and respond to changing supply and demand dynamics in global networks, as well as responsively and effectively deal with supply chain events (e.g., recalls)
- Difficulty to share up-to-date supplier and product data limits collaboration in a global manufacturing network

CRM

- Lack of insight from all customer interactions hinder marketing and sales activities and alignment
- Difficulty to identify most profitable customers and focus sales efforts
- Customer and product hierarchy inconsistencies in demand planning and revenue forecasts impact sales effectiveness and bottom line
- Lack of complete, consistent, and correct customer view hurts customer service experience and impacts customer satisfaction and loyalty
- Difficulty to cross-sell and up-sell to existing customers

Finance

- Lack of transparency and ability to streamline financial operations
- Manual efforts to reconcile financial accounts drive down efficiency (e.g., group close)
- Greater risk of non-compliance

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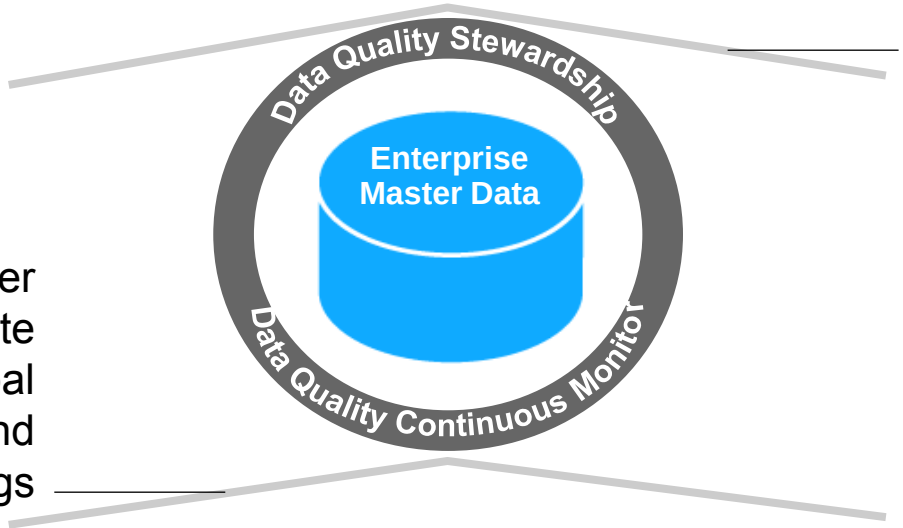
Capabilities needed to deliver trusted information across the enterprise

Centralized ownership

LoB Customer | LoB Procurement | LoB Finance | LoB Manufacturing | other LoB



Central Creation of master data up-front of business applications and business processes to improve efficiency and reduce costs

Consolidation of master data across disparate systems for global analytics, compliance, and catalogs

Decentralized Ownership

New Systems

Reporting / Analytics

Business Partners

Cloud

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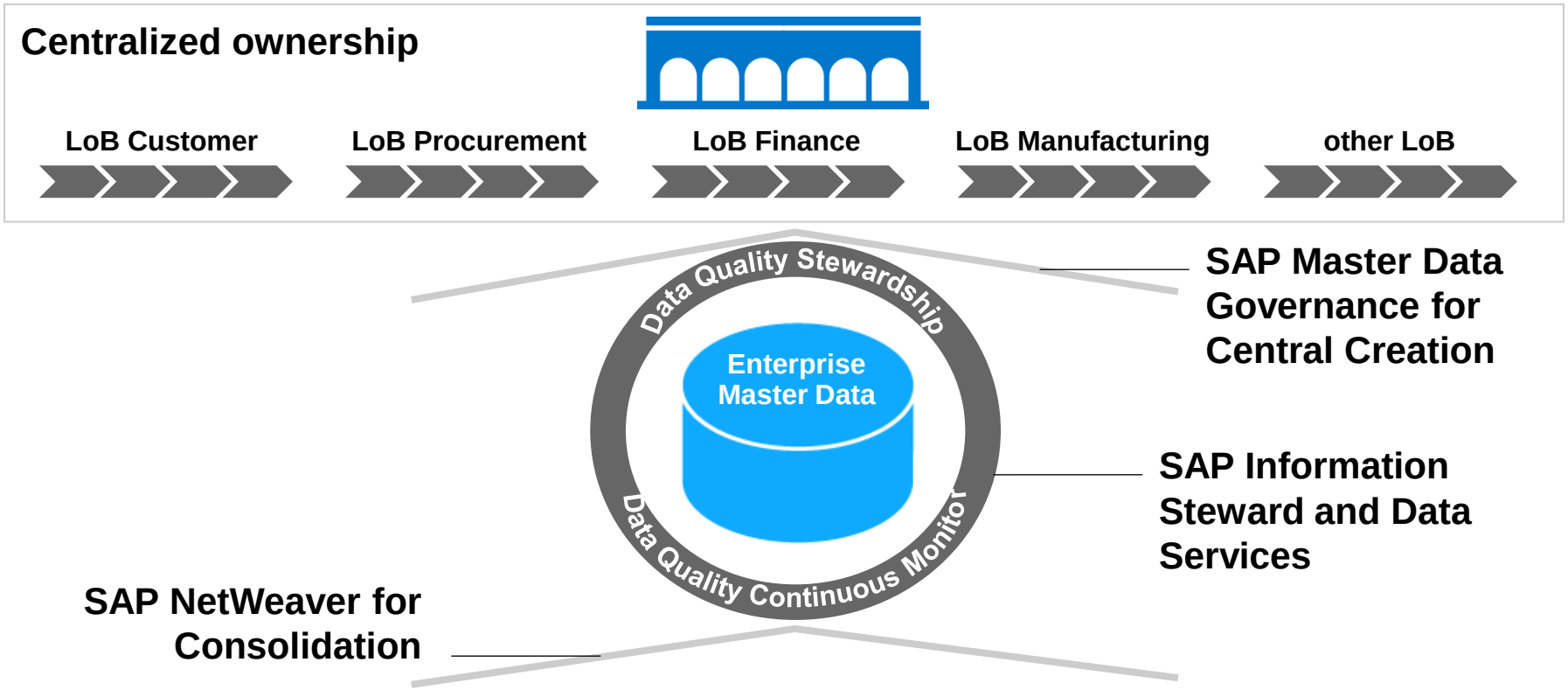
SAP Enterprise MDM



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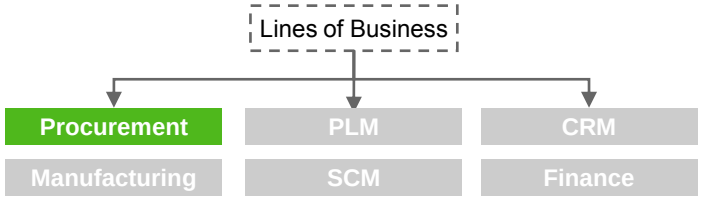
Value proposition – procurement



Value delivered

Generate sustainable savings by streamlining and centralizing procure-to-pay processes

Minimize risk by enforcing comprehensive contract compliance

Improve savings through greater visibility into supplier relationships and performance

Solutions

Single view of supplier and product data across procure-to-pay processes

Track single view of supplier across systems to ensure SLAs are met, simplify contract management, and mitigate risk

Consolidated view of supplier allows for global visibility of relationships and spend

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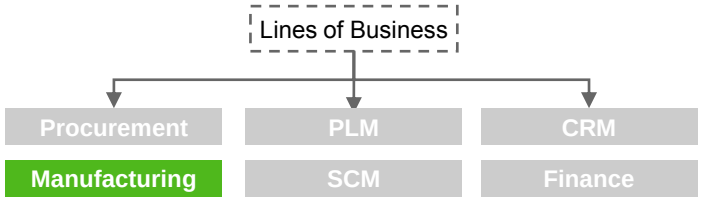
Value proposition – manufacturing



Value delivered

Coordinate global manufacturing fulfillment with local planning and execution

Provide the context-sensitive, enterprise-wide visibility required to optimize distributed manufacturing assets, integrate outsourced operations, and drive lean manufacturing

Solutions

Central creation of product as a governed process in enterprise planning and control processes flows through plant-level operations and manufacturing execution

Seamless integration and governance of product data from engineering to manufacturing resulting in stable and high quality product

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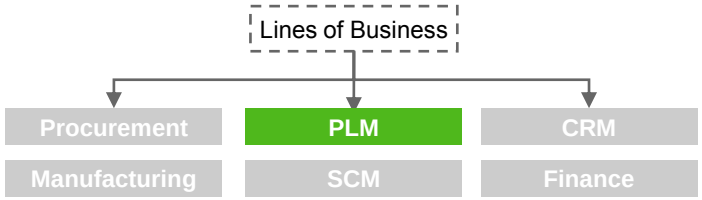
Value proposition – PLM



Value delivered

Deliver innovative products rapidly to meet demand

Collaborate with partners to shorten the time required to realize profits and deliver safe products

Solutions

Seamless integration and governance of product data from engineering to manufacturing resulting in stable and high quality product

Global integration of product data with partners across business networks

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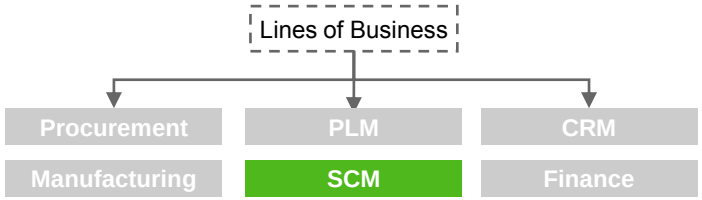
Value proposition – supply chain management



Value delivered

Respond appropriately to changing supply and demand dynamics in global networks, and responsively and effectively deal with supply chain events (e.g., recalls)

Collaborate with partners in a global manufacturing network

Solutions

Consolidated and harmonized supplier master data globally to enable sourcing and procurement strategies with transparency across the supply chain

Global integration of supplier and product catalogs across manufacturing network

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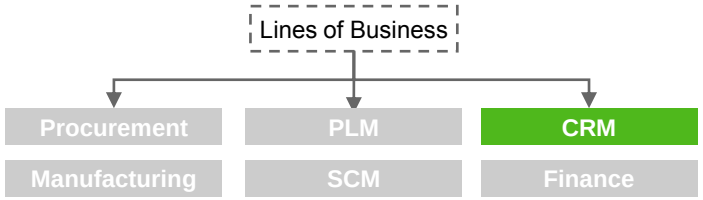
Value proposition – CRM



Value delivered	Solutions
Obtain insight from all customer interactions and leverage this insight to align marketing and sales and focus sales efforts on the most profitable customer opportunities	Integrated view of customer across internal and external sources enriched with insight from all customer interactions and value scores
Accelerate sales cycles and grow the bottom line with more accurate revenue forecasts	Harmonized customer and product hierarchy data for trusted analytics
Drive service revenue by cross-selling and up-selling to existing customers	Integrated view of customer with existing products
Resolve customer problems quickly to increase customer satisfaction and loyalty	Integrated view of customer across internal and external sources enriched with insight from all customer interactions and loyalty levels

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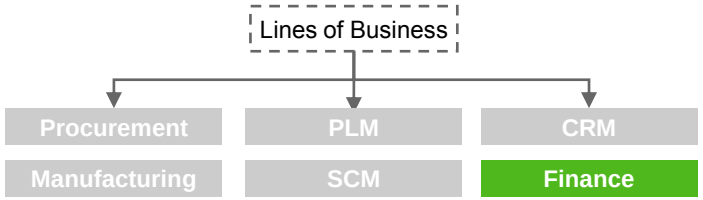
Value proposition – finance



Value delivered

Streamline financial operations

Perform efficient and compliant financial accounting and reporting

Solutions

Governance of financial account master data through financial processes with full transparency of changes

Automated governance process to create and maintain financial account master data integrated in financial close business process

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Lexmark International Becomes a Master of Master Data Management with SAP® Software

QUICK FACTS

Lexmark International Inc.

- Headquarters: Lexington, Kentucky
- Industry: High tech
- Products and services: Printers, multifunction devices, supplies, and services
- SAP® solutions and services: SAP NetWeaver® Master Data Management and SAP NetWeaver Portal components, SAP NetWeaver Process Integration offering, SAP BusinessObjects™ Data Services software, SAP ERP application
- Implementation partners: Wipro Technologies Inc., SAP Consulting

"Any project this massive in scale requires just the right tools, skills, and experience. The results we have achieved prove that our close partnership with SAP and Wipro is working well."

Julian Karpinski
Program Manager
Lexmark International Inc.

Challenges and Opportunities

- Make better decisions faster
- Standardize business processes and improve collaboration
- Meet strict compliance requirements
- Cut costs via process efficiency

Objectives

- Provide trustworthy master data
- Institute a strong governance structure for maintaining data quality

Implementation Highlights

- Integrated, cleansed, and consolidated data and provided governance to maintain data quality
- Deployed the SAP® ERP application and SAP NetWeaver® Master Data Management (SAP NetWeaver MDM) component simultaneously

Why SAP

- Ability to provide the full spectrum of functionality required
- Trusted partner
- Tight integration between SAP NetWeaver MDM and SAP ERP
- Partnership with Wipro Technologies Inc.

Benefits

- Support over 180,000 customers, 8,000 vendors, 4,000 products, and 29,000 materials with going live across Europe, the Middle East, and Africa
- Implement centralized framework for managing all master data, saving time and boosting agility
- Provide call center agents with trusted data from SAP ERP

LEXMARK™

RQ 5106 (10/04)

Asian Paints Manages Business Growth with SAP NetWeaver® MDM

QUICK FACTS

Asian Paints Ltd.

- Location: Mumbai, India
- Industry: Chemicals; consumer products
- Products and services: Industrial coatings, decorative paints
- Revenue: Rs 36 billion (US$851 million)
- Employees: 3,500
- Web site: www.asianpaints.com
- SAP® solutions and services: SAP NetWeaver® Master Data Management component
- Implementation partners: SAP Consulting, Bristlecone India Ltd

"To remain competitive, we need to constantly source new materials . . . so we can bring new products to market as quickly as possible. How we handle master data for materials is critical to this end. This is why we chose SAP NetWeaver MDM."

Manish Choksi
CIO
Asian Paints Ltd.

Challenges and Opportunities

- Effectively manage materials that represent 60% of the value chain
- Support double-digit growth, expanding the product portfolio and the number of dealers and facilities
- Improve efficiency through better master data management (MDM)

Objectives

- Centralize materials MDM across SAP® and non-SAP applications
- Replace maintenance-intensive legacy MDM solution

Implementation Highlights

- Achieved 8-month implementation
- Set up data dependencies to support a robust data model
- Enabled error-free creation of new master data that allows introduction of 3 to 4 new materials daily

Why SAP

- Powerful search and visualization functions to govern materials master data across SAP software and 3rd-party applications
- Support for multiple data types
- Support for enterprise service-oriented architecture
- Commitment to and strong product road map for MDM

Benefits

- Improved productivity due to faster new material introduction and more-efficient problem resolution
- Faster extension of master data into new facilities
- Reduced complexity and lower maintenance costs due to improved visibility and business-rule creation

asianpaints

Lincolnshire County Council Uses SAP® Software to Gain a Trusted Customer View

QUICK FACTS

Lincolnshire County Council

- Industry: Public sector
- Revenue: Around £400 million (€480 million)
- Employees: Approximately 7,000
- Web site: www.lincolnshire.gov.uk
- SAP® solutions and services: SAP Constituent Services for Public Sector package, SAP ERP and SAP Customer Relationship Management applications, SAP BusinessObjects™ business intelligence solutions, and the SAP NetWeaver® technology platform
- Implementation partner: Mouchel Group Plc

"The best thing about this project and what made it easier was that we had senior management buy-in. . . . This business transformation is something that we believe passionately in and that brings good value to our organization."

Claire Leach
Customer Access Manager
Lincolnshire County Council

Key Challenges

- Better understand customer needs
- Increase efficiency of service delivery across channels
- Improve decision making by creating one trusted view of customer data

Implementation Best Practices

- Alignment of program with strategy
- Senior management engagement and leadership
- Budget allocation and a solid business case

Financial and Strategic Benefits

- Reliable and less-redundant customer data
- Return of £2.3 million (€2.76 million) over 5 years after initial investment of under £1 million (€1.2 million)

Why SAP Was Selected

- Existing SAP® software platform
- Ability to create a customer data hub to consolidate data
- Adaptability to future growth needs

Low Total Cost of Ownership

- Lower future integration costs
- Reduction in duplicate handling of data
- High rate of user adoption
- Less training needed due to user-friendly SAP user interface

Operational Benefits

- Dependable management reporting
- Improved quality of customer data that supports more efficient service processes and interactions with customers

Lincolnshire COUNTY COUNCIL

RQ 8785 (10/09)

Global CPG Company Supports Information Governance Programs with SAP® Solutions

Company
Global CPG Company

Headquarters
USA

Products and Services
Household, grooming, and pet care products

Employees
39,000

Objectives

- Introduce an effective information governance program based on collaboration between business and IT
- Establish standards for master data, financial and material data
- Measure and control quality of information to make it a valuable asset for use throughout the enterprise

Why SAP

- Support from SAP® BusinessObjects™ Information Steward software to profile and measure data quality of planning master-data reports extracted from the SAP ERP application and the SAP Advanced Planning & Optimization (SAP APO) component
- Direct, native, high-performance access to data in SAP ERP and SAP APO through SAP BusinessObjects Data Services software

Benefits

- Significant improvement of production planning through data lineage and impact analysis capabilities
- Increased accuracy of data and reports through centralized maintenance of master data and ongoing data quality monitoring with faster financial close and improved efficiency in financial reporting

Increased
Data accuracy

Greater
Trust in business information

Better
Collaboration between business and IT

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Conclusion

Reason for Merck to choose SAP MDG-M

- Solution fits well to Merck requirements
- Tight integration to SAP ERP
- Build on reliable components
- Efficient implementation

Current Implementation Projects

- SAP MDG-M for Material Master Data
- SAP MDM 7.1 for non-validated objects

Future Enhancements

- SAP Information Steward to measure Data Quality
- Process Visibility to monitor overall process execution

Summary
SAP MDM – Deliver the present and innovate the future

SAP‘s Enterprise MDM solutions deliver end-to-end capabilities

SAP’s MDM solutions play a critical role in mission-critical operational, analytical and governance scenarios for our customers

SAP’s solutions for MDM are proven across multiple industries and use cases

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Thank you

Learn more at
http://www.sap.com/mdm

http://scn.sap.com/community/mdm

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