



The mySAP™ Supply Chain Management solution provides built-in business intelligence and analytics that allow companies to better adapt to rapid shifts in the marketplace and changing customer demand. The solution, with its powerful design and analytic capabilities, provides visibility across the entire supply chain, facilitating both tactical and strategic business planning and promoting customer satisfaction.

## **SUPPLY CHAIN DESIGN AND ANALYTICS**

### **Network-Wide Visibility, Collaboration, and Analytics**

Today's supply chain networks are complex, multifaceted, and difficult to manage. We face more demanding customers, increasing numbers of SKUs, and compliance reporting issues in a world where you need to make informed, profitable decisions at an ever faster rate. For supply chains to function effectively, you must monitor multiple activities across a network that can span a complicated mix of partners and suppliers across geographical and cultural boundaries.

This complexity can lead to a lack of visibility into the flow of materials and inventory status both within and beyond the company's four walls. You may also lack current information about the processes and suppliers in your multitiered supply chain. Delayed feedback from trading partners has a direct impact on customer service and fulfillment, while inadequate synchronization of supply chain processes leads to excess inventory and wasted resources. Poor supply chain visibility can prevent you from evaluating overall supply chain performance and continuously improving processes – and impedes compliance with government regulations such as the U.S. Sarbanes-Oxley Act or the European Commission Directive on Waste from Electrical and Electronic Equipment.

Somehow you must monitor the countless interdependent activities that make up your supply chain, analyze the results, and use the information to make sure all the partners and suppliers in the network are moving toward a common goal.

## Meeting the Challenge

The powerful design and analytic capabilities of the mySAP™ Supply Chain Management (mySAP SCM) solution can help you meet these challenges and turn your supply chain into a strategic asset. mySAP SCM is the only complete supply chain management solution that empowers companies to adapt their supply chain processes to an ever-changing competitive environment.

mySAP SCM transforms traditional supply chains from linear, sequential processes into an adaptive supply chain network in which communities of customer-centric, demand-driven companies share knowledge, intelligently adapt to changing market conditions, and proactively respond to shorter, less predictable life cycles. You can use network-wide visibility across the extended supply chain to perform strategic as well as day-to-day planning.

## Supply Chain Design and Analytics

With this level of visibility, planners and key decision makers can test scenarios to determine how the network can best address changes in the market, the business, or customer demand. They can define, select, and monitor key performance indicators (KPIs) to get an integrated, comprehensive view of performance, using predefined KPIs based on the supply chain operations reference model, which includes sourcing, planning, production, distribution, and returns processes.

A 360° view of the business lets you analyze forecast accuracy, monitor the satisfaction of key customers, take snapshots of the global capacity and inventory status for a specific product group, or compare the performance of the top 10 suppliers. mySAP SCM uses powerful Web-based customer and supplier tools that allow you to expose internal processes without deploying a costly infrastructure. That gives you and your suppliers and partners the visibility needed to effectively monitor supply chain activities, identify critical events, and take the actions necessary to keep your entire supply chain process flowing smoothly. You can give customers faster and better responses to inquiries regarding

product availability and order and fulfillment status. With critical decision support, you and your partners can quickly adapt to customer demand on an ongoing basis, resulting in shorter cash-to-cash cycle times and a more responsive supply network that helps keeps customers satisfied.

## How an Adaptive Supply Chain Network Benefits Your Company

Traditional SCM systems are designed to manage internal operations under predictable and controlled conditions – a state of affairs that no longer exists in today’s interconnected, collaborative business world. mySAP SCM goes beyond these static systems and provides an adaptive solution that supports an outward-looking approach and coordinates processes that extend across a network of external partners.

The SAP approach allows you to accomplish the following:

- **Plan and execute** – You can execute more accurate plans, using a single planning and execution data model. You plan for capacity and execute for demand.
- **Sense and respond** – You can create deep connections with your customers and partners and develop unparalleled visibility into the business. You can practice distributed control and exception management.
- **Learn and adapt** – Comprehensive analytic capabilities allow you and your partners to identify changing customer demand and shifts in the marketplace, adjust existing processes, and quickly introduce new processes and products.

## Analyze and Anticipate

mySAP SCM design and analytics are key capabilities that make the SAP® solution the cornerstone of your adaptive supply chain network. By performing “what if” analyses of global inventory based on total quantities, total dollar value, and terms of coverage range (days of supply), for example, you can anticipate inventory shortages. You can also analyze inventory levels and trends by location and product group.

You enjoy improved customer service, greater access to inventory across the network, and the ability to reallocate and divert shipments in transit. For new orders, you can obtain a global capacity status for a product group within the supply chain at the push of a button. You can analyze global capacity utilization and compare utilization of different plants and lines across time periods.

### **Improve Visibility**

How are suppliers performing? You can set the system to trigger alerts when a PO is received for less quantity than ordered, or if an “out of stock” situation is projected. You can analyze vendor performance by products, late deliveries, undershipments, and many more KPIs.

You also have a window into warehouse operations. You can obtain a snapshot of key SKUs, analyze the top 10 slow-moving or fast-moving materials for a chosen warehouse, or analyze the top 10 obsolete parts by value in both a graphical and a more detailed report format.

Are carriers meeting their obligations? With mySAP SCM design and analytics you can not only see which carrier is meeting expectations, but also where carrier changes should occur due to an excessive rate of load-tendering rejections.

The SAP solution provides visibility into forecast accuracy for one, three, or six months ahead that can be viewed as a combination of categories, country, products, and key accounts. You also have improved visibility into your current order situation, and can track invoiced sales quantity, sales target, and existing orders. You can navigate by key account, product, and country. mySAP SCM enables a comparison of sales target versus existing orders by country or key account and identifies areas where the sales target might not be reached. The distribution of existing orders by country or key account enables you to compare the current status against overall company targets.

You can also synchronize supply with demand. mySAP SCM provides visibility into sales quantities by product groups, and allows you to match demand with inventory as well as with production. You can analyze historical production lead times to fulfill demand as well as current and historical inventory levels.

### **Leverage Your Investment**

With mySAP SCM design and analytics, you can leverage your IT investments in supply chain management through real-time information on supply chain events that impact plans and schedules, as well as benchmark and performance indicators that help drive improvements. You can adjust plans, schedules, and transactions automatically and quickly through the tight linkage of event management solutions to planning and execution systems.

You can more effectively manage inventory across the network through an integrated view across businesses and disparate software environments. Synchronization of the entire supply chain network helps eliminate excess inventory and unnecessary capital commitment.

mySAP SCM allows you to successfully outsource non-core processes through effective, real-time monitoring of supply chain processes. You can track operating trends against performance indicators to see where breakdowns occur or improvements can be made. You will spend less time firefighting by anticipating and managing potential breakdowns in plans and schedules before they disrupt operations. And you have access to all the information you need to ensure compliance with government mandates.

### **Making the Most of Your Supply Chain Operations**

Drawing on more than 30 years of experience across a wide range of industries, SAP has created an adaptive, cost-effective supply chain solution that can scale as your company grows and evolves. The design and analytic capabilities of mySAP SCM are a key component of your adaptive supply chain network, allowing you to access and understand enterprise data sources for effective planning and execution. When you deploy mySAP SCM, you have a system in place that results in rapid ROI, lower total cost of ownership, a more satisfied customer base, and adaptability to a rapidly changing business world.

### **Find Out More**

For more information on how mySAP SCM can improve the efficiency and performance of your supply chain network, please visit [www.sap.com/solutions/scm](http://www.sap.com/solutions/scm) or call the SAP sales office nearest you.

### **Powered by SAP NetWeaver®**

mySAP SCM and its design and analytic capabilities are powered by the SAP NetWeaver® platform, the open integration and application platform that enables change. SAP NetWeaver helps companies align IT with their business. It allows companies to obtain more business value from existing IT investments and to deploy a service-oriented architecture. SAP NetWeaver reduces total cost of ownership and complexity across the entire IT landscape.

SAP NetWeaver powers mySAP Business Suite solutions, SAP xApps™ packaged composite applications, and partner solutions. It provides the best way to integrate all systems running SAP or non-SAP software. SAP NetWeaver unifies integration technologies into a single platform and is preintegrated with business applications, reducing the need for custom integration.