



ENTERPRISE MANAGEMENT AND SUPPORT IN THE POSTAL SERVICES INDUSTRY

The Postal Services Industry

Postal enterprises around the world are facing unprecedented challenges from a range of competitors. For example, use of “classic mail” services is decreasing due to the widespread use of e-mail, and the growth of private parcel delivery operators has resulted in diminished revenues for parcel services; in fact, postal services now hold only a quarter of the domestic market for parcel delivery. In addition, a range of factors such as privatization and deregulation are significantly affecting the ways that postal services operate.

To respond to these changes, postal services are transforming into adaptive high-tech enterprises with a range of offerings including logistics and financial services as well as letter and parcel delivery. To succeed in this new environment, businesses in the postal services industry will benefit from information technology solutions that enable them to do the following:

- Integrate multiple heterogeneous systems, such as postal delivery, real-estate management, postal banking, and others
- Improve service margins by reducing costs, increasing on-time revenue collection, and enhancing organizational effectiveness
- Improve enterprise-wide planning and monitoring of all resources, including physical assets, personnel, and budgets
- Enhance customer service by sensing and responding to changing customer expectations
- Gain greater visibility and control of internal and external operations
- Address complex regulatory and financial reporting requirements

With more than three decades of experience serving the needs of businesses in the postal services industry, SAP leads the global market in delivering software solutions to both large-scale and small-scale postal services. SAP offers proven, flexible solutions that are designed specifically for the industry and that incorporate best practices and meet global standards. mySAP™ ERP is a key element of SAP® solutions for the postal services industry, providing support for complex business processes including postal delivery, postal real-estate management, and postal banking as well as financials, operations (including supply chain management), human capital management, and corporate services.

Enterprise Management and Support in the Postal Services Industry

mySAP ERP offers capabilities that help businesses in the postal services industry remain price-competitive by reducing costs while increasing efficiency, reliability, and service levels. In addition, mySAP ERP is easily adapted to meet the needs of both public and private postal enterprises.

Strategic Enterprise Management

Strategic enterprise management enables businesses in the postal services industry to implement strategies quickly and successfully, as well as manage business performance throughout the entire organization. Strategic enterprise management capabilities within

mySAP ERP span the entire performance management cycle, including integrated business planning, performance monitoring, business consolidation, and stakeholder communication. With mySAP ERP, employees can make business strategy a part of their daily activities and perform essential functions such as business planning and simulation, performance measurement, strategy management, accounting consolidation, risk management, and stakeholder relationship management.

Workforce Analytics

mySAP ERP offers comprehensive workforce analytics capabilities designed to help businesses ensure that personnel activities are fully aligned with enterprise-wide strategic goals. Predefined workforce scorecards that support metrics, targets, milestones, and other indicators can easily be integrated with individual and department-wide management-by-objective (MBO) documents, while modeling capabilities for organizational development help managers simulate and analyze the possible effects of potential organizational changes. Reporting features help businesses recognize and monitor critical success factors by tracking key performance indicators, while integrated benchmarking enables the identification of cause-and-effect chains to support enterprise-wide process optimization. And workforce cost planning and simulation tools help executives develop effective strategies, with decision-support features including multiple planning scenarios and analysis of the financial impact of headcount changes.

Employee and Manager Self-Services

Empowering employees to focus on strategic tasks instead of administrative paperwork is crucial for increasing productivity as well as job satisfaction. Support for employee self-services within mySAP ERP makes it easier to administer and deliver routine human resources (HR) services in ways that reduce the burden for personnel throughout the organization, including HR staff. mySAP ERP offers a comprehensive set of employee self-service capabilities, including time and expense management, business travel planning, benefits selection, personal information updates, and purchasing that can easily be accessed through the Web. Optional support for mobile access makes it even easier for employees to enter and access HR information in a timely manner. Overall, employee self-services make it possible to eliminate duplicate data entry, increase data accuracy, minimize printing and postage costs, reduce inquiries to HR staff, and speed cycle times.

Order-to-Cash Management

mySAP ERP equips businesses in the postal services industry with best business practices to help manage the complete order-to-cash life cycle. Sales quotes, sales orders, and billing documents are tightly integrated with all other necessary production, accounting, and retail services. Invoice details are passed to the accounts receivable subledger, where customer and vendor payments are also processed. As inventory, invoices, and cash payments are processed, other elements involved in the order-to-cash management process, such as general ledger accounts and cost and profits centers, are validated and updated in real time.

Financial Management

mySAP ERP provides a complete, world-class financials solution with foundational controls for reporting, security, and document flow, as well as a rich set of capabilities to support auditing, risk management, consolidations, and performance management. mySAP ERP enables collaboration within enterprises and their business networks by using defined business policies and shared electronic services to automate financial processes associated

with customers as well as the supply chain. In addition, mySAP ERP includes a full set of financial accounting capabilities such as general ledger, accounts receivable, accounts payable, financial consolidation, project accounting, and profitability accounting as well as public-sector accounting features for government-owned postal services. And in conjunction with the SAP Grants Management application, mySAP ERP makes it easier for postal services to administer grants and ensure compliance.

mySAP ERP also includes comprehensive capabilities for financial analytics that help postal services analyze and optimize customer payment behavior, credit risks for new contracts, cash flow and liquidity, financial portfolios, and market risk. In addition, the solution helps manage business performance by enabling business planning and forecasting, cost and profitability management, working capital management, and fixed assets management across the enterprise.

International Service Settlement

As members of the international postal services community, businesses in this industry need efficient ways to settle services such as mail, cargo, and transport services. mySAP ERP includes comprehensive capabilities for international service settlement that address the needs of a global operating environment. Key sales and financials functions support the implementation of international service settlement processes for any country without restrictions, and the verification of notes processing. In addition, mySAP ERP supports the requirements for terminal dues payments.

Enterprise Asset Management

The postal services industry is asset-intensive, with buildings, sorting centers, fleets, and many other assets to manage and control. mySAP ERP provides comprehensive enterprise asset management capabilities that enable companies to reduce operating costs, improve capital expenditures management, and increase plant utilization. Functions supporting asset life-cycle management assist managers and maintenance engineers with all types of assets and objects – from the investment idea and the start and end of operations to asset replacement. The solution addresses all components of a fully integrated, computerized maintenance management system and a system for enterprise asset management, including e-procurement, inventory management, and project-based maintenance processing. In addition, in conjunction with the SAP Mobile Asset Management application, mySAP ERP supports all types of communication necessary for successful asset management, including standard Internet services, pagers, mobile devices, and handheld devices.

Real-Estate Management

mySAP ERP provides postal services businesses with complete real-estate management capabilities for all stages of the real-estate portfolio life cycle, including functions supporting property acquisition and disposal, property portfolio management, commercial management, and technical management (including all processes related to building operations). The solution delivers integrated tools that enable more effective management of liquidity, investment portfolios, and risk, and helps businesses make better use of resources by providing transparency of costs and revenues, streamlining business processes, and increasing responsiveness. Postal services companies will benefit from more efficient, cost-effective monitoring of property-related projects and outsourcing services that contribute to the organization's overall success.

With these real-estate management capabilities, postal services companies can effectively manage all information and processes – from the creation of real-estate infrastructures and contract management handling to rent adjustment, service-charge settlement processes, and real-estate controlling. Businesses benefit from optimized maintenance planning and control, lower overhead costs, flexible real-estate management, and the freedom to focus on more strategic business goals.

New and Enhanced Capabilities for the Postal Services Industry

mySAP ERP offers several enhanced capabilities designed to improve operations for businesses in the postal services industry.

Corporate Governance and Regulatory Compliance

For businesses in the postal services industry, effective corporate governance and regulatory compliance require accurate, detailed tracking of billing and revenues. Support for “whistle blowing” includes a comprehensive complaints form that can be configured according to a company’s particular requirements, such as addressing specific federal laws and internal policies.

Available support for compliance and governance within mySAP ERP also includes management of internal controls capabilities, which centralize the documentation of internal controls as well as assessments of control design, efficiency, effectiveness, and management reporting. Scheduling features and workflow-supported issue remediation ensure timely disclosures and reduce the costs of compliance-related internal communications and administration. Predefined customizable reporting templates provide an overview of the business’s internal controls to corporate management as well as to internal and external auditors.

In addition, an audit information system (AIS) supports internal and external auditors with online controls as well as supporting the export of data to specialized auditing software. The AIS is enhanced to offer comprehensive business audit functionality, with an expanded scope that includes financial elements such as asset accounting, cost accounting, cash journal, consolidation, real estate, and treasury, as well as operational activities such as procurement.

Employee Life-Cycle Management

mySAP ERP supports all phases of the employee life cycle, including attracting, hiring, deploying, developing, and retaining workers. And to help meet the requirements of government-owned postal services, mySAP ERP enables position plan management, improves accountability with support for auditing all personnel-related activities, and helps ensure regulatory compliance for workforce issues.

mySAP ERP offers a sophisticated talent relationship management system that supports worldwide recruiting, applicant tracking, and reporting. Integration with third-party service providers such as job boards and resume processing services is supported. To ensure that employees have access to training resources that will improve performance and increase job satisfaction, mySAP ERP offers a comprehensive enterprise-wide learning platform designed to manage and integrate business and learning processes.

Performance management within mySAP ERP helps motivate employees to achieve corporate goals, standardizes employee reviews and appraisals, and simplifies the performance-oriented compensation process. A flexible framework makes it easy to integrate corporate goals and strategies with team and individual goals. mySAP ERP also enables the implementation of innovative reward strategies to help retain and motivate valuable employees. In addition, firms can perform comparative compensation package analysis based on internal and external salary data to ensure competitiveness in the marketplace.

Flexible General Ledger

mySAP ERP offers a new general ledger that improves financial reporting transparency, reduces reconciliation and internal communication expenses, and leaves more time for analysis by supporting legal, segment, and management reporting. The general ledger uses one consistent, multidimensional database and supports the requirements of multiple countries. As a result, finance departments can meet regulatory and compliance rules and adapt accounting practices according to industry requirements.

New and enhanced functions include support for parallel ledgers and data structure standardization, which reduces redundant data management and streamlines analysis. The general ledger also allows organizations to simplify the generation of financial statements and reports on segments or dimensions that are unique to the postal services industry. Documents are automatically balanced online by any chosen dimension, supporting transparency and fast closing. And real-time integration of financial and management accounting in mySAP ERP ensures that postings from management accounting (such as cost center allocations) are automatically reflected in the general ledger at the appropriate level of detail.

Why mySAP ERP in the Postal Services Industry?

The success of today's postal services businesses depends on efficient operations, improved customer service, and the ability to identify and respond to new opportunities. As a market leader in enterprise applications for the postal services industry, SAP offers solutions that help businesses achieve their strategic goals. mySAP ERP helps postal services organizations streamline business processes and respond rapidly to customers' and employees' business and support requirements. By maximizing the value of existing assets and customer relationships and more tightly managing financials, operations, human capital, and corporate services, mySAP ERP can help postal services companies reduce costs and realize new revenues.

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