SAP Extended Warehouse Management

Lessons Learned & Success Stories
SAP Transportation Management

Lessons Learned & Success Stories
Lessons Learned from SAP TM implementations (Talking Points) – How to run a successful Deployment

Technical Pre-Requisites

- SAP ECC release (Either SAP ECC 6.0 EHP5 or EH4 (SP9) for SAP TM 8.0, SAP ECC 6.0 EHP6 for SAP TM 9.0)
- User interface requirements (Understand SAP NetWeaver Business Client deployment model (desktop version versus browser-based version))
- Any portal policies in place at your company?
- PI implications (How will Business Partners be able to interact with TM?)

Phase the TM implementation

- Helps to define scope more accurately, allowing implementation team to understand the business requirements
- Better understand limitations of the solution
- Extract value faster and gain confidence in the solution
- Many options to phase a TMS implementation (By region, business unit, mode of transport, process (inbound vs. outbound), domestic/international)

Master Data Synchronization

- SAP provides a core interface that synchronizes master data between ECC and TM (materials, locations, business partners)
- However, it will not validate whether the necessary and correct master data is being synchronized
- Realization and testing phases often do not work with the full master data set that will be used after go-live

Project Management

- Freeze requirements as soon as possible (template-based approach helps to “see” the solution early)
- “SCRUM-up” your review meetings (mini demos keep the rest of your team involved)
- Grant Implementation Guide (IMG) access carefully
- Have ABAP resources available full time
- Involve whoever supports the solution after go-live early enough to allow for knowledge transfer (new technologies!)

Documentation

- Starts with the Basis team (When setting up new systems (from sandbox to production system), document every step and follow them later)
- Continues with the configuration team (Create configuration check lists)
- Ends with the testing cycle (Business users need to get used to TM terminology)
Lessons Learned from SAP TM implementations
(Talking Points) – How to extract the value out of TM...

User Acceptance improves with Proof-of-Concept approach

- The earlier you provide the users a hands-on experience with SAP TM the better the project experience will be
- with TM it is possible to create planning relevant data within a matter of days
- getting buy-in early from end users will reduce the Change Management effort tremendously

TM automates more than you think

- Successful projects think ‘Automation’ above everything else
- it starts with ERP order and delivery integration, continues in planning and ends with financial settlement and reporting
- Golden Rule: if a step is consistently repeatable by a user, TM can automate it

TM offers flexibility especially in terms of ECC integration

- TM has unique design capabilities to ‘detach’ from ECC orders
- it has been proven that TM planners can make decisions without having to ask for order changes
- where 3rd party TMS integration struggles, TM can extract a ton of value in ‘IT’

NetWeaver is a highly powerful basis with tools you get for ‘free’

- BRF+ is a very powerful rules engine that is a NetWeaver component
- Visual Business is a visualization tool accessible in all SCM applications
- BW and PI provide the auxiliary toolset to bring TM to life outside of the logistics area

The better you can articulate your savings potential the easier it is to achieve them

- TM is not a simulation tool (yet), it is a transactional toolset with powerful flexibility
- users should be prepared to articulate the goals of an implementation versus ‘expecting the ‘magic potion’
- Analytics in BW or BOBJ will certainly provide the dashboarding view, but it is work to deploy this environment
SAP Transportation Management in Automotive
Freight calculation and settlement

**Transportation & Logistics**

![Image](image1.png)

German car producer with global presence and with factories all over the world.

**Implementation Partner:** camelot-IDpro

**Business Challenges/Drivers:**
- Transportation charge calculation intransparent
- Settlement of costs inaccurate
- High, manual effort of invoice verification, change to credit management
- Old, hard to maintain legacy system
- Unification for all processes

**Project Scope:**
- Complete planning, purchasing, controlling and settlement process
- Implementation step by step from a process point of view
- Vehicles first, then material and spare parts planned

**Key characteristics**
- Only a view ‘users’ in the system but high batch processing
- Several interfaces due to current system architecture
- Intensive use of BOPF (Business Objects Process Framework)

**Key Highlights:**
- Live on SAP TM 8.1
- Implementation for material and spare parts in 2012 based on SAP TM 9.0

**Installations:**
- TM 8.1

**Implementation location**
Munich, Germany

**Future roll-out plans**
- Role out to further company products
Consumer Package Goods

Guenther is a leading foodservice manufacturer of country gravy, frozen biscuits, dumplings, pre-made biscuits and bakery items to both corporate chain accounts and independent foodservice distributors.

Headquarters: San Antonio, TX USA
Products and services: Flour & Mixes
Revenue:
Employees:
Web site: www.chg.com

Implementation location
Prosperity, SC & San Antonio, TX USA

Implementation Partner: SAP Consulting

Business Challenges/Drivers:
- Replacing legacy ERP System to handle future company growth
- Migrate from manual, database driven process to best in class, system-driven process
- TM to be seamlessly integrated with ERP

Project Scope:
- Domestic Outbound Transportation
  - TL, LTL, Parcel, Pool
- Domestic Inbound Transportation
  - TL, LTL

Key figures:
- 750 Freight Orders/Month

Key Highlights:
- Implement TM 8.0

Benefits realized:
- Advanced Load Optimization – improve load density, reduce cost, improve service
- Electronic load tendering to carriers with real time acceptance of loads
- Improved supply chain visibility both inbound and outbound
- Exception Management /Drive Better Decision Making
- Carrier Scorecards/Real Time Carrier Visibility = greater carrier accountability

Installations:
- ECC 6.0 EHP4, BI, BOBJ
- TM 8.0 SP03

Future roll-out plans
- Event Management & Analytics
SAP Transportation Management in Rail

**Transportation & Logistics**

One of the biggest North American railway companies. It owns approximately 14,000 route miles of track all across Canada and into the United States.

**Future roll-out plans**

- Roll out to all customers

**Implementation Partner:** SAP Consulting

**Business Challenges/Drivers:**

- Client wanted to simplify the application landscape and reduce work force support of legacy system
- Needed single system to support end-to-end Supply Chain Planning & Settlement

**Project Scope:**

- Order Integration and Order Management
- Multi-Modal Door-to-Door Transportation Planning and Carrier Selection
- Tendering
- Transportation Charge Calculation of Customer and Supplier Freight Orders

**Key figures:**

- Go Live December 2011
- 7 Customers involved in Pilot Program consisting of ~70% of Company Volume
- ~100 – 200 customer orders planned per day

**Key Highlights:**

- Single source of the truth with calculation of financials leading to higher accuracy
- Project was successful, such that program will be rolled out to other customers and business areas within company

**Benefits realized:**

- Reduction in manual work & increased productivity by client personnel.
- Planned retirement of legacy application
- Improved financial data accuracy

**Installations:**

- ECC6.0 EhP6
- TM8.0
Chinese Electric Power Company Runs better with SAP® Transportation Management

Company: Major Power Company in China
HQ: Chengdu, China
Industry: Electric Utilities
Products and Services: Electric Power generation
Employees: 1.00k
Revenue or Budget: CNY 596.37m

Objectives
- Integration between TM9.0 and proprietary GIS/GPS
- Forwarding Order Management
- Manual Planning and showing planning route in the Map
- Standard EM functionality

The resolution/Why SAP
- SAP TM has a clear road map in next 5 years and rich functionalities
- TM9.0 3rd party map integration capability
- SAP ERP customer base

Benefits
- Monitoring important/high value goods during the whole transportation process in real time with GPS and EM on the Map
- Ensure the transported goods can be delivered on time
- Integrated with ECC to minimize manual effort and mistake

First TM 9.0 Customer
Customer went live in only 2 months.

First TM Customer in China
First live TM customer of several TM projects running in China

First of 3 Subsidiaries to go live
Two more subsidiaries plan to implement TM in the near future.