SAP Innovation And Optimization Pathfinder
for SAP ERP

Customer Name: Sample Inc.
Customer Number: 12345
Date of analysis: 15 Nov, 2018
System ID: PRD
Current Release: SAP ERP - EHP7
Database: Oracle
Country: Germany

Oil and Gas Industry

SAMPLE REPORT
Customer-specific improvement and innovation opportunities based on your current core SAP ERP system usage and business performance

Industry benchmarks and best-practice recommendations as guidance from other SAP customers on how to optimize your business areas

Interactive report navigates business decision makers to relevant information, services and tools
Manufacturing in the Digital Economy

Constraint-Based Planning – Enabling Live MRP
- Enable constraint-based planning (capacity and resource) with SAP S/4HANA, using various heuristics and optimizers to generate precise production plans
- Schedule your production plan quickly using SAP Fiori mobile as a graphical scheduling tool

Manufacturing Execution – Enabling a Lot Size of One
- Visualize, control and execute shop floor processes, and manage Bill Of Materials (BOM) better with enhancements to SAP S/4HANA
- Deliver individualized customer requirements through real-time "lot size of one" production in high-volume production scenarios by leveraging the integrated SAP Manufacturing Execution application

Manufacturing Network
- Empower manufacturing leadership with intuitive and preconfigured analytics to analyze global and plant level manufacturing performance and associated causes
- Connect to manufacturing service providers in the manufacturing network using SAP Distributed Manufacturing
- Collaborate with suppliers on inventory planning, just-in-time deliveries and get visibility across multi-tier supplier network using SAP Ariba Collaborative Supply Chain

Quality Management
- Enable integrated, simplified, and real-time quality management capabilities with easy-to-use user experience (UX)
- Perform quality inspections, providing inspection results through SAP Fiori apps

Environment, Health, and Safety
- Identify and control EHS risks pro-actively to reduce likelihood and severity of incidents
- Detect and resolve safety issues and learn from incidents
- Leverage native integration of incident management, health and safety management, and environment management as part of SAP S/4HANA digital core

Read the whitepaper »
Selected End-to-End Business Scenarios in Manufacturing

**DEMAND TO PRODUCTION PLAN**

Demand to Production Plan’ is an end-to-end manufacturing planning scenario where an optimal and executable production plan and schedule is generated based on multiple constraints (demand, capacity, inventory, etc.) and preferences (cost, quality, priority, etc.).

**ORDER TO PRODUCTION**

‘Personalized Order to Production (Industry 4.0)’ is an end-to-end manufacturing execution scenario where personalized “lot size of one” orders are produced with minimal human intervention.

**GLOBAL MANUFACTURING NETWORK**

‘Global Manufacturing Network – Insights to Action’ is an end-to-end scenario for analysis and improvement of manufacturing processes.
SAP Innovation and Optimization Pathfinder for SAP ERP
Provides tailored, scenario-specific recommendations for Manufacturing

1. BUSINESS PROCESS IMPROVEMENT:
   - Proactively control and improve your business processes with SAP Support tools and services

2. INNOVATION RECOMMENDATIONS:
   - Personalized innovation recommendations based on your current SAP data:
     - **OPTIMIZE**
       - Benefit from functional enhancements for SAP ERP and an improved user experience with SAP Fiori
     - **EXTEND**
       - Grow your SAP ERP footprint and leverage SAP Leonardo and SAP Cloud
     - **MOVE**
       - Move your SAP ERP to the most advanced real-time business processes in SAP S/4HANA
## Executive Summary

### Demand to Production Plan

<table>
<thead>
<tr>
<th>Business Key Figures</th>
<th>Your Value</th>
<th>You vs. Industry Benchmark</th>
<th>Improvement Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unfirmed planned orders (PE) in the past</td>
<td>150,236</td>
<td></td>
<td>Improve customer satisfaction</td>
</tr>
<tr>
<td>Failed cost postings during production order confirmation</td>
<td>11,834</td>
<td></td>
<td>Increase productivity</td>
</tr>
<tr>
<td>Planned orders with opening date in the past - production</td>
<td>705,201</td>
<td></td>
<td>Reduce un-planned downtime or outages</td>
</tr>
</tbody>
</table>

### Order to Production

- No business key figures related to this scenario are available in SAP EarlyWatch Alert.
- SAP EarlyWatch Alert gives a preview of capabilities available in SAP Solution Manager: With SAP Solution Manager, you can analyze and monitor 1000+ business key figures.
- Consider potential value for your business from the recommended SAP innovations available for Order to Production

### Global Manufacturing Network

<table>
<thead>
<tr>
<th>Business Key Figures</th>
<th>Your Value</th>
<th>You vs. Industry Benchmark</th>
<th>Improvement Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failed goods movements in repetitive manufact. (cumul.rec.)</td>
<td>631</td>
<td></td>
<td>Reduce scrap and rework costs related to engineering changes</td>
</tr>
</tbody>
</table>

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### Demand to Production Plan

#### Business Key Figures

<table>
<thead>
<tr>
<th>Key Figure</th>
<th>Your Value</th>
<th>Industry Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unfirmed planned orders (PE) in the past</strong></td>
<td>150,236 orders</td>
<td>Bottom 25%: 5,952</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Median: 516</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Top 25%: 154</td>
</tr>
<tr>
<td><strong>Failed cost postings during production order</strong></td>
<td>11,834 orders</td>
<td>Bottom 25%: 1,678</td>
</tr>
<tr>
<td>confirmation</td>
<td></td>
<td>Median: 225</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Top 25%: 19</td>
</tr>
<tr>
<td><strong>Planned orders with opening date in the past</strong></td>
<td>705,201 orders</td>
<td>Bottom 25%: 125,859</td>
</tr>
<tr>
<td>- production</td>
<td></td>
<td>Median: 21,936</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Top 25%: 9,994</td>
</tr>
<tr>
<td><strong>Production orders overdue for deletion flag</strong></td>
<td>871,249 orders</td>
<td>Bottom 25%: 332,444</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Median: 111,887</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Top 25%: 8,223</td>
</tr>
<tr>
<td><strong>Production orders released w/o first confirmation</strong></td>
<td>7,341 orders</td>
<td>Bottom 25%: 3,173</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Median: 1,056</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Top 25%: 140</td>
</tr>
</tbody>
</table>

What’s next

1. Business Process Improvement for Demand to Production Plan
2. Innovation Recommendations for Demand to Production Plan
## Demand to Production Plan

### Business Key Figures

<table>
<thead>
<tr>
<th>Description</th>
<th>Your Value</th>
<th>Industry Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firmed planned orders (PE) in the past</td>
<td>1,654 orders</td>
<td>Bottom 25%: 1,110</td>
</tr>
<tr>
<td>Production orders overdue for delivery completed</td>
<td>2,559 orders</td>
<td>Bottom 25%: 1,204</td>
</tr>
<tr>
<td>Production orders overdue for release</td>
<td>272 orders</td>
<td>Bottom 25%: 434</td>
</tr>
</tbody>
</table>

### What's next

1. **Business Process Improvement for Demand to Production Plan**
2. **Innovation Recommendations for Demand to Production Plan**
Demand to Production Plan

Findings
What we measured

150,236
Unfirmed planned orders (PE) in the past

<table>
<thead>
<tr>
<th>0-3 months old</th>
<th>4-11 months old</th>
<th>12+ months old</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>20,393</td>
<td>129,831</td>
</tr>
<tr>
<td>0%</td>
<td>14%</td>
<td>86%</td>
</tr>
</tbody>
</table>

Implication
Understand the problem

- Measures the backlog of planned orders of type PE for which the firming indicator is not active
- The planned order finish date is more than 30 days in the past

Possible Approaches
Improve or innovate

- Determine which of the planned orders are still necessary
- Delete any planned orders that are no longer necessary.

What's next

1. Business Process Improvement for Demand to Production Plan
2. Innovation Recommendations for Demand to Production Plan
Demand to Production Plan

Findings
What we measured

11.834
Failed cost postings during production order confirmation

<table>
<thead>
<tr>
<th></th>
<th>0-3 months old</th>
<th>4-11 months old</th>
<th>12+ months old</th>
</tr>
</thead>
<tbody>
<tr>
<td>1%</td>
<td>128</td>
<td>2.685</td>
<td>9.021</td>
</tr>
</tbody>
</table>

Implication
Understand the problem

• During production order confirmation the calculation of production costs failed and therefore the production order is not debited with actual production costs.
• The correct production costs are not shown in the production orders

Possible Approaches
Improve or innovate

• Evaluate and resolve the different error situations
• Repost the failed goods movements on a regular basis.

What's next
1. Business Process Improvement for Demand to Production Plan
2. Innovation Recommendations for Demand to Production Plan
### Demand to Production Plan

#### Findings

**What we measured**

Planned orders with opening date in the past - production

<table>
<thead>
<tr>
<th>0-3 months old</th>
<th>4-11 months old</th>
<th>12+ months old</th>
</tr>
</thead>
<tbody>
<tr>
<td>54</td>
<td>354.113</td>
<td>351.034</td>
</tr>
<tr>
<td>0%</td>
<td>50%</td>
<td>50%</td>
</tr>
</tbody>
</table>

#### Implication

**Understand the problem**

- Planned orders (external procurement) for which the opening date is already in the past and have not yet been converted into a purchase requisition
- Indication of current delays in the purchasing process
- Indication of (old) supplying elements that are considered in current available to promise planning (ATP) and material requirement planning (MRP)

#### Possible Approaches

**Improve or innovate**

- Determine whether obsolete planned orders still need to be converted to purchase requisitions.
- If not, check whether the planned orders are still needed. Otherwise, delete the obsolete planned orders.

---

**What's next**

1. Business Process Improvement for Demand to Production Plan
2. Innovation Recommendations for Demand to Production Plan
**BUSINESS KEY FIGURES**

**Demand to Production Plan**

**Findings**
What we measured

871.249
Production orders overdue for deletion flag

<table>
<thead>
<tr>
<th>Status</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-3 months old</td>
<td>33,619</td>
<td>4%</td>
</tr>
<tr>
<td>4-11 months old</td>
<td>100,946</td>
<td>12%</td>
</tr>
<tr>
<td>12+ months old</td>
<td>736,684</td>
<td>85%</td>
</tr>
</tbody>
</table>

**Implication**
Understand the problem

- Production orders overdue for deletion flag measures the backlog for which the basic end date (GLTRP) lies 30 days or more in the past with not flagging for deletion
- Possible performance problems in period-end closing transactions of cost object controlling due to a high number of production orders

**Possible Approaches**
Improve or innovate

- Check whether the production orders that are selected as a backlog with this key figure can be marked for deletion

What’s next

1. Business Process Improvement for Demand to Production Plan
2. Innovation Recommendations for Demand to Production Plan
Findings
What we measured

7.341
Production orders released w/o first confirmation

<table>
<thead>
<tr>
<th></th>
<th>0-3 months old</th>
<th>4-11 months old</th>
<th>12+ months old</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>350</td>
<td>5.724</td>
<td>1.267</td>
</tr>
<tr>
<td></td>
<td>5%</td>
<td>78%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Implication
Understand the problem

• Measures the backlog of production orders that have been released but are not yet confirmed
• The production orders are overdue by 3 days
• If the production orders are released and not confirmed after a certain time, the finish date may not be met

Possible Approaches
Improve or innovate

• Check why the released production orders are not confirmed yet.
Demand to Production Plan

Findings
What we measured

1,654
Firmed planned orders (PE) in the past

<table>
<thead>
<tr>
<th>0-3 months old</th>
<th>4-11 months old</th>
<th>12+ months old</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>537</td>
<td>1,109</td>
</tr>
<tr>
<td>0%</td>
<td>32%</td>
<td>67%</td>
</tr>
</tbody>
</table>

Implication
Understand the problem

- Measures the backlog of planned orders for which the firming indicator is active
- The planned order finish date is more than 30 days in the past
- Planned orders that are firmed cannot be planned or changed by the material requirement planning (MRP) run.
- No new planned orders will be created by the MRP run

Possible Approaches
Improve or innovate

- Determine whether the planned orders are still necessary
- If yes, they should be rescheduled
- If no, they can be deleted.

What's next
1. Business Process Improvement for Demand to Production Plan
2. Innovation Recommendations for Demand to Production Plan
Findings
What we measured

2.559
Production orders overdue for delivery completed

<table>
<thead>
<tr>
<th></th>
<th>0-3 months old</th>
<th>4-11 months old</th>
<th>12+ months old</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%</td>
<td>3%</td>
<td>26%</td>
<td>71%</td>
</tr>
</tbody>
</table>

Implication
Understand the problem

- For these kind of production orders the scheduled finish date is already overdue and the final delivery indicator is not set.
- Indication of current delays in the manufacturing process.
- Indication of (old) supplying elements that are considered in current available to promise planning (ATP) and material requirement planning (MRP).

Possible Approaches
Improve or innovate

- Check why the production orders are overdue for delivery completed.
Findings
What we measured

272
Production orders overdue for release

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-3 months old</td>
<td>0%</td>
</tr>
<tr>
<td>4-11 months old</td>
<td>22%</td>
</tr>
<tr>
<td>12+ months old</td>
<td>78%</td>
</tr>
</tbody>
</table>

Implication
Understand the problem

- Production and process orders for which the scheduled release date is already overdue and that are not yet released
- Indication of current delays in the manufacturing process
- Indication of (old) supplying elements that are considered in current available to promise planning (ATP) and material requirement planning (MRP)

Possible Approaches
Improve or innovate

- Determine whether production orders still have to be released since the scheduled start date may be in the future.
- If not, assess whether you can set the deletion indicator
- Also evaluate whether the obsolete production orders can be archived
1. Identify root-causes and proactively control and improve your business processes

With tools and services included with SAP Support*

Optimization in Manufacturing indicates a sequence of activities to run accurate and consistent manufacturing process steps.

Transparency about the various activities is important which should be planned and controlled to reach the planned situation.

The earlier the related KPIs are tracked and cleaned up the better is the quality and time frame with impact on costs.

With SAP Solution Manager such a KPI tree can be defined and tracked.

* All these functions are already included in your SAP Enterprise Support agreement with no additional costs.
2. Monitor progress: Track the impact of your improvement projects and compare to baselines and defined thresholds
From a single source on your desktop or tablet. No manual data collection anymore.

Track your progress along defined business goals: Actual values, thresholds, progress and remaining gaps

Quick and powerful overview about the current status and progress of Business KPIs in real-time:

- Always up-to-date without additional effort
- Accessible on desktops and mobile devices
- Illustration of KPI dependencies
- Tracking along organizational structures
- Restricted access based on authorization
- Drill-down to the individual documents

* All these functions are already included in your SAP Enterprise Support agreement with no additional costs.
Optimize your ERP
Functional enhancements for SAP ERP and an improved user experience with SAP Fiori

Top enhancements:
- Optimizations in Production
- Alternative document handling in audit management
- Integration with SAP 3D Visual Enterprise

Modern user experience for:
- Production Planner
- Supply Planner
- BOM Engineer

Many enhancements and SAP Fiori apps for the SAP Business Suite are included with your underlying SAP software license and maintenance agreement*

Details »

Extend your current solution
Explore SAP Leonardo & cloud solutions

Top SAP Leonardo recommendations:
- Asset Strategy and Performance
- Asset Prediction and Optimization
- Asset Network and Collaboration

Details »

Move to SAP S/4HANA
Build an intelligent enterprise with SAP S/4HANA and SAP Model Company

Top business scenarios:
- Available to Promise
- Production BOM Management
- Constraint Based Production Planning

Details »

SAP Model Company

Top business scenarios:

- SAP S/4HANA is the “digital core” natively supports the Internet of Things, Big Data, real-time analytics, mobile, business networks, and more

Details »

* Details can be found in SAP Note 152246 and http://news.sap.com/sapphire-now-sap-fiori-user-experience/
## Latest enhancements for your SAP ERP system

**Top enhancements:**

<table>
<thead>
<tr>
<th>Enhancement Name</th>
<th>Industry Usage</th>
<th>Relevant Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Optimizations in Production</td>
<td>★★★</td>
<td>4</td>
</tr>
<tr>
<td>Alternative document handling in audit management</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Integration with SAP 3D Visual Enterprise</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Shift Factors for Multiple Counter Plans</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Product structure and assembly management</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Enh. for Splitting of Production Order</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Visual enterprise manufacturing planner</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Product structure and assembly management</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>SAP Geographical Enablement Framework</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Synchronization of EBOM with MBOM</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
</tbody>
</table>

* *Recommendations based on best practices, since we could not find any usage of standard SAP-transactions in your data to support a usage-based recommendation.*

## Increase the productivity of your end users

**Modern user experience for:**

- **Production Planner**
  - Industry Usage: ★★★
  - Relevant SAP Fiori Apps: Recommended*

- **Supply Planner**
  - Industry Usage: ★★★
  - Recommended*

- **BOM Engineer**
  - Industry Usage: ★★★
  - Recommended*
Extend your solution with SAP Leonardo

Integrate all your data – IoT, supply chain, product, and more

- Analyze critical performance of assets and optimize maintenance strategies »
- Eliminate unplanned asset downtime with predictive maintenance and optimized service »
- Enable secure asset information collaboration across your business network »
### Demand to Production Plan

**Demand to Production Plan** is an end-to-end manufacturing planning scenario where an optimal and executable production plan and schedule is generated.

- Multiple constraints (demand, capacity, inventory, etc.) and preferences (cost, quality, priority, etc.) need to be observed and supported as automated, adaptive and reliable as possible.

### Business Key Figures

<table>
<thead>
<tr>
<th>Business Scenario Name</th>
<th>Industry Usage</th>
<th>Relevant Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available to Promise</td>
<td>★★★</td>
<td>65</td>
</tr>
<tr>
<td>Production BOM Management</td>
<td>★★★</td>
<td>10</td>
</tr>
<tr>
<td>Constraint Based Production Planning</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Demand-Driven Replenishment</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Production Scheduling</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Variant Configuration</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Subcontracting</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>External Processing</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
</tbody>
</table>

* Recommendations based on best practices, since we could not find any usage of standard SAP-transactions in your data to support a usage-based recommendation.

### SAP Model Company: State of the art digital foundation

Realize your digital vision quickly based on proven best-practices:

- Predictable results through state-of-the-art architecture and best practices, proven end-to-end solutions and business and implementation guides.
- Faster adoption through reduced complexity, ready-to-run appliances, and deployments of reference solutions.

**More information »**
**SAP Innovation and Optimization Pathfinder for Manufacturing**

Sample Inc. | System: PRD
Oil and Gas Industry

INTRODUCTION EXECUTIVE SUMMARY DEMAND TO PRODUCTION PLAN ORDER TO PRODUCTION GLOBAL MANUFACTURING NETWORK NEXT STEPS

BUSINESS KEY FIGURES

**OVERVIEW**

Traditional SAP ERP
- Manage master data in SAP ERP
- Run MRP in SAP ERP for noncritical components
- Manage conflicts in SAP ERP

New World with SAP
- Manage master data in SAP APO
- Run finite planning in SAP APO production planning
- Manage conflicts in SAP APO
- Monitor capacity in SAP APO
- Run MRP in SAP ERP for noncritical components
- Manage conflicts in SAP ERP
- List scheduled planned orders for release

**B/RUSSIAN IMPROVEMENT**

**INNOVATION RECOMMENDATIONS**

- Harmonized master data and one process for finite and infinite material planning
- More than smarter and faster . . . a reimagined process

**OPTIMIZE**

- Optimize user productivity and efficiency by harmonized master data and one process for finite and infinite material planning
- Increase order-to-delivery and production cycle times
- Reduce inventory and planning cost

**EXTEND**

- Maximized capacity utilization
- Optimally scheduled planned orders
- Real-time inventory management
- Appropriate purchase orders created

**MOVE**

- SAP Fiori launchpad for material flow and capacity

Read the whitepaper »
**Order to Production**

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Optimize your ERP
Functional enhancements for SAP ERP and an improved user experience with SAP Fiori

Top enhancements:
- Approval automation in the engineering record of the SAP Product Lifecycle Management application
- Integration with SAP 3D Visual Enterprise
- Kanban Enhancements for Lean Manufacturing

Modern user experience for:
- Production Planner

Extend your current solution
Explore SAP Leonardo & cloud solutions

Top SAP Leonardo recommendations:
- Production Warehouse
- Digital Manufacturing Insights
- Connecting and Monitoring Business Assets

Move to SAP S/4HANA
Build an intelligent enterprise with SAP S/4HANA and SAP Model Company

Top business scenarios:
- Production Execution
- Recipe/Routing Management
- Project-Driven Manufacturing, Procurement, and Assembly

SAP Model Company

Details »

Details »

Details »

* Details can be found in SAP Note 152246 and http://news.sap.com/sapphire-now-sap-fiori-user-experience/
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<th>Industry Usage</th>
<th>Relevant SAP Fiori Apps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval automation in the engineering record of the SAP Product Lifecycle Management application</td>
<td>★★★</td>
<td>Recommended*</td>
<td>★★★</td>
<td>13</td>
</tr>
<tr>
<td>Integration with SAP 3D Visual Enterprise</td>
<td>★★★</td>
<td>Recommended*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kanban Enhancements for Lean Manufacturing</td>
<td>★★★</td>
<td>Recommended*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outsourced Manufacturing in ERP Operations</td>
<td>★★★</td>
<td>Recommended*</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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---

### Increase the productivity of your end users

**Modern user experience for:**

<table>
<thead>
<tr>
<th>Role Name</th>
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<tbody>
<tr>
<td>Production Planner</td>
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</tr>
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</table>

© 2018 SAP SE or an SAP affiliate company. All rights reserved.
Extend your solution with SAP Leonardo

Integrate all your data – IoT, supply chain, product, and more

- Improve your enterprise productivity with efficient production and process material flow »
- Ensure the value of process improvements through shared situational awareness »
- Connect, monitor, and control customer facing products »
### Transform your core
Next-Generation digital business with SAP S/4HANA:

<table>
<thead>
<tr>
<th>Business Scenario Name</th>
<th>Industry Usage</th>
<th>Relevant Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production Execution</td>
<td>★★★</td>
<td>37</td>
</tr>
<tr>
<td>Recipe/Routing Management</td>
<td>★★★</td>
<td>10</td>
</tr>
<tr>
<td>Project-Driven Manufacturing, Procurement, and Assembly</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Extended Production Operations</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Manufacturing Engineering</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Just-in-Time Outbound Processing</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
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<td>Just-in-Time Inbound Processing</td>
<td>★★★</td>
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<td>Kanban</td>
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<td>Recommended*</td>
</tr>
<tr>
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### SAP Model Company: State of the art digital foundation
Realize your digital vision quickly based on proven best-practices:

- ‘Personalized Order to Production (Industry 4.0)’ is an end-to-end manufacturing execution scenario where personalized “lot-size-one” orders are produced with minimum human intervention.

- Predictable results through state-of-the-art architecture and best practices, proven end-to-end solutions and business and implementation guides

- Faster adoption through reduced complexity, ready-to-run appliances, and deployments of reference solutions

More information »
SAP Innovation and Optimization Pathfinder for Manufacturing

**Business Key Figures**

**Overview**
- Traditional SAP ERP
  - Customer can select only from defined product variants
- New World with SAP
  - Personalized order from customer through e-commerce; real-time feedback on feasibility

**Business Process Improvement**

**Optimize**
- Additional personalization requires engineering effort. It is delivered with high cost, long lead time, and varying quality

**Extend**
- Significant investment of labor and resources to fulfill the order

**Move**
- Low customer satisfaction and inability to scale personalized offerings

**Innovation Recommendations**

- Upgrade to seamless manufacturing of **personalized products** from defined variants
- Fulfillment of personalized order with short lead time, low cost and high customer satisfaction

**Read the whitepaper**

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### Global Manufacturing Network

#### Business Key Figures

<table>
<thead>
<tr>
<th>Failed goods movements in repetitive manufact. (cumul.rec.)</th>
<th>Your Value</th>
<th>Industry Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>631 movements</td>
<td>Bottom 25%: 312</td>
</tr>
</tbody>
</table>

### What's next

1. **Business Process Improvement for Global Manufacturing Network**
2. **Innovation Recommendations for Global Manufacturing Network**
Failed goods movements in repetitive manufact. (cumul.rec.)

- During production order confirmation the automated goods movement postings failed cumulated records
- Inconsistency between the real world stock information and the book inventory since the components were physically already consumed in production
- Correction of these errors is a legal requirement for period-end closing

Evaluate and resolve the different error situations and repost the failed goods movements on a regular basis.
1. Identify root-causes and proactively control and improve your business processes
   With tools and services included with SAP Support*

Optimization in Manufacturing indicates a sequence of activities to run accurate and consistent manufacturing process steps.

Transparency about the various activities is important which should be planned and controlled to reach the planned situation.

The earlier the related KPIs are tracked and cleaned up the better is the quality and time frame with impact on costs.

With SAP Solution Manager such a KPI tree can be defined and tracked.

* All these functions are already included in your SAP Enterprise Support agreement with no additional costs.
2. Monitor progress: Track the impact of your improvement projects and compare to baselines and defined thresholds

From a single source on your desktop or tablet. No manual data collection anymore.

Track your progress along defined business goals: Actual values, thresholds, progress and remaining gaps

Quick and powerful overview about the current status and progress of Business KPIs in real-time:

- Always up-to-date without additional effort
- Accessible on desktops and mobile devices
- Illustration of KPI dependencies
- Tracking along organizational structures
- Restricted access based on authorization
- Drill-down to the individual documents

* All these functions are already included in your SAP Enterprise Support agreement with no additional costs.
**Optimize your ERP**

Functional enhancements for SAP ERP and an improved user experience with SAP Fiori

- **Top enhancements:**
  - Operation Account Assignment
  - Integration of Production Orders with an MES
  - Archiving of PI Sheets and Work Instructions

- **Modern user experience for:**
  - Production Planner

*Many enhancements and SAP Fiori apps for the SAP Business Suite are included with your underlying SAP software license and maintenance agreement*

**Extend your current solution**

Explore SAP Leonardo & cloud solutions

- **Top SAP Leonardo recommendations:**
  - Enterprise Performance Management
  - Sense and Respond to Supply Insights
  - Distributed Manufacturing

**Move to SAP S/4HANA**

Build an intelligent enterprise with SAP S/4HANA and SAP Model Company

- **Top business scenarios:**
  - Quality Inspection
  - Quality Improvement
  - Quality Engineering

- **SAP Model Company**

- **Top business scenarios:**
  - Quality Inspection
  - Quality Improvement
  - Quality Engineering

Latest enhancements for your SAP ERP system

Top enhancements:

<table>
<thead>
<tr>
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<tr>
<td>Operation Account Assignment</td>
<td>★★☆☆☆</td>
<td>3</td>
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<tr>
<td>Integration of Production Orders with an MES</td>
<td>★★☆☆☆</td>
<td>2</td>
</tr>
<tr>
<td>Archiving of PI Sheets and Work Instructions</td>
<td>★★★☆☆</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Business Package for Production Supervisor</td>
<td>★★★☆☆</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Cross-Plant &amp; Multi-Language XStep Repository</td>
<td>★★★☆☆</td>
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</tr>
<tr>
<td>EAM: Worker Safety</td>
<td>★★★☆☆</td>
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<tr>
<td>Enhanced integration with SAP EWM</td>
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<tr>
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<tr>
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SAP Fiori

Next Steps »
## Extend your solution with SAP Leonardo

Integrate all your data – IoT, supply chain, product, and more

- Enable continuous improvement with integrated, accurate operational performance data »
- Monitor, measure, and respond to your supply chain with full visibility and exception management »
- Increase local and central operational visibility and production flexibility »
**Transform your core**
Next-Generation digital business with SAP S/4HANA:

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<tr>
<td>Quality Inspection</td>
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</tr>
<tr>
<td>Quality Improvement</td>
<td>★★★</td>
<td>3</td>
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<tr>
<td>Quality Engineering</td>
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<tr>
<td>Manufacturing Analytics</td>
<td>★★★</td>
<td>Recommended*</td>
</tr>
<tr>
<td>Production Control</td>
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**SAP Model Company: State of the art digital foundation**
Realize your digital vision quickly based on proven best-practices:

- ‘Global Manufacturing Network – Insights to Action’ is an end-to-end scenario for analysis and improvement of manufacturing processes.

- Predictable results through state-of-the-art architecture and best practices, proven end-to-end solutions and business and implementation guides
- Faster adoption through reduced complexity, ready-to-run appliances, and deployments of reference solutions

More information »
New World with SAP

and global view of manufacturing operations

Global head of production/plant head

Digital collaboration with manufacturing service providers on material, design, quality, and cost

Digital collaboration with external contractors and suppliers

Collect data rather than assess and make decisions in meetings

Outdated data collated in Microsoft Excel makes it difficult to drill into root cause of issues

Unable to identify and drive global best practices

Unable to refine alignment with suppliers and contractors

Network unable to generate external and internal synergies

Decision making and tracking on OEE, quality, and so on.

View standardized and live manufacturing metrics

Analyze and act on production operations data

Real-time insights to actions

One single point of entry

Optimized network and aligned processes

Traditional SAP ERP

Global head of production/plant head

No single view of global manufacturing

Collect data rather than assess and make decisions in meetings

Outdated data collated in Microsoft Excel makes it difficult to drill into root cause of issues

Unable to identify and drive global best practices

Unable to refine alignment with suppliers and contractors

Network unable to generate external and internal synergies

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The Intelligent Enterprise is on and we hope you found the recommendations relevant for discovering possibilities to improve your business.

The next steps below will provide some guidance on HOW you can move forward to further assess the different options and related business outcomes:

- **Review the business KPIs provided to understand potential business impact and current practice**
- **Get a better understanding of backlogs and improvement potential with “drill down” into the numbers using SAP Solution Manager**
- **Assess the different opportunities to improve your business processes: enhancing your current ERP solution, extending your current ERP solution, or moving to the next SAP Digital core**
- **Review in the next slides, for each option, which services are already included in your maintenance agreement or available to you from SAP DBS to provide guidance, and safeguard your digital transformation journey**
LEARN MORE ABOUT:

Watch this video to better understand how the Business Process Improvement capabilities from SAP Solution Manager can provide your business stakeholders with relevant information on the current health of core processes and monitor their progress with quantifiable KPIs.

Watch the video »

ALREADY INCLUDED IN SAP ENTERPRISE SUPPORT:

Business Process Improvements Value Map

Leverage SAP Enterprise Support services to control template adherence to given standardized business processes and increase process efficiency. Furthermore you can reduce process costs, achieve faster period-end closing, improve working capital, ensure process compliance, improve the supply chain planning, improve data accuracy, increase technical performance, increase integration and process automation.

ADDITIONAL OFFERINGS FOR BUSINESS PROCESS IMPROVEMENTS*:

Premium Engagement Service for Business Process Improvement for SAP Solutions

• Initial process health check and mapping of Business Process Analytics key figures to customer business goals (e.g. perfect order fulfillment)
• Best practice implementation of Business Process Analytics and management tools for status and progress tracking in customer SAP Solution Manager

*SAP DBS Service offering, contract your SAP Services sales representative for more information
LEARN MORE ABOUT:
Get a quick introduction on what SAP Fiori apps are and how they can improve your business processes leveraging an enhanced business users experience.

Watch the video »

ALREADY INCLUDED IN SAP ENTERPRISE SUPPORT:

**Digital Innovation Value Map**
Leverage SAP Enterprise Support to simplify the SAP Fiori adoption journey. Rapidly design, build, and deploy SAP Fiori apps for browsers and mobile devices and easily extend or build customized SAP Fiori apps with SAP developer tools and technology, give your users the best SAP user experience via SAP Fiori Cloud.

ADDITIONAL OFFERINGS*:

**UX Design Services**
Build role-based, custom solutions to bring your business monetary and human value and enhance user efficiency and effectiveness.

**Mobile Engagement and Messaging Services**
Extend your reach, innovate services, engage consumers, and speed decision-making with intelligent, interconnected services.

*SAP DBS Service offering, contract your SAP Services sales representative for more information

**Watch this video to learn about SAP Enterprise Support Value Map**
LEARN MORE ABOUT:

Watch this video to better understand how new Intelligent Enterprise powered by SAP Leonardo will help your business to improve and transform your business.

Watch the video »

ALREADY INCLUDED IN SAP ENTERPRISE SUPPORT:

Digital Innovation Value Map

Leverage SAP Enterprise Support services to discover and enable IoT business applications in the cloud. Securely integrate your cloud applications into your business landscape and empower your organization to build and scale a simple, personalized, and responsive user experience and discover Blockchain and Machine Learning technologies of SAP Leonardo.

ADDITIONAL OFFERINGS*:

SAP Leonardo

Unlock breakthrough innovation to resolve business challenges. Explore, prototype, and build market-ready solutions quickly.

Cloud Professional services

Use flexible, value-driven expertise to craft a road map, execute migration, and manage your hybrid or cloud infrastructure securely.

Consulting Services for the Internet of Things

Create and execute a successful Internet of Things or machine-to-machine (M2M) communication strategy, road map, and ..

*SAP DBS Service offering, contract your SAP Services sales representative for more information  **Watch this video to learn about SAP Enterprise Support Value Map
LEARN MORE ABOUT:

Watch this video to better understand how the Digital core of the new Intelligent Enterprise SAP S/4HANA will help your business to improve and transform your business.

Watch the video »

ALREADY INCLUDED IN SAP ENTERPRISE SUPPORT:

SAP S/4HANA on premise Value Map

Leverage SAP Enterprise Support services to learn how to create your own product map and build your own business case based on your own system data. Plan your own digital transformation journey with SAP tools, products and services, discover the business value of SAP HANA and SAP S/4HANA and learn about new innovations, understand how to leverage SAP Activate framework and Best Practices to implement a successful SAP S/4HANA Project.

ADDITIONAL OFFERINGS*:

SAP Model Company

Kick-start your digital transformation with prepackaged solutions of tailored, ready-to-use functionality delivered as a service.

SAP Advanced Deployment

SAP Advanced Deployment provides customers with support throughout the entire deployment lifecycle of SAP S/4HANA.

Value Assurance

Follow a systematic approach to quickly implement SAP S/4HANA or SAP Business Warehouse with minimal risk and at a lower cost.

*SAP DBS Service offering, contact your SAP Services sales representative for more information

**Watch this video to learn about SAP Enterprise Support Value Map