SAPinsider

This article will appear in the Oct ▪ Nov ▪ Dec 2011 issue of *SAPinsider* (http://sapinsider.wispubs.com) and appears here with permission from the publisher, WIS Publishing.

WIS PUBLISHING

Boost Profitability with More Efficient Resource Scheduling

Better Manage Your Service Resources and Improve the Bottom Line with SAP Multiresource Scheduling

by Joerg Brosowski, SAP

Most companies know that their service organization is important, but some may not understand just how crucial it is to the company's bottom line. In fact, for many companies, the service organization is the most profitable part of the business.

According to a long-term study of manufacturing businesses by Deloitte, "the average profitability of the service operations we benchmarked is more than 75% higher than overall business unit profitability… Across the manufacturing companies that we studied, service revenues average more than a quarter of total revenues but deliver 46% of the profits. At many producers, there would be little or no profitability without the service business."[1]

Clearly, an efficient service organization brings more than just favorable customer satisfaction surveys — it brings profits. And the key to a successful service organization is getting the right resources — whether they are human resources or equipment — to the right place at the right time.

SAP customers have a unique opportunity to dramatically improve their service operations and overall profitability with a single application: **SAP Multiresource Scheduling**.

SAP Multiresource Scheduling 101

SAP Multiresource Scheduling is a resource management application that lets companies in service-dependent industries put their resources in the right place for the right purpose. While SAP Multiresource Scheduling can function as a standalone application, its true potential is attained when it is used in an integrated SAP environment where it can leverage data from other applications, like the plant maintenance functionality in SAP ERP, SAP Customer Relationship Management (SAP CRM), and, most notably, SAP ERP Human Capital Management (SAP ERP HCM).

For example, if an order comes in for a manufacturer's service representative to make a repair, a scheduler can use SAP Multiresource Scheduling and its integration with SAP ERP HCM to ensure that a service team member with the required qualifications and skills is scheduled for an appointment at an available time. If a spare part is required to complete that service call, the solution offers a material availability check before confirming the the service visit.

But manufacturing, maintenance, and field services are not the only service-focused industries that can benefit from this application. Professional services firms, including consulting organizations, can use SAP Multiresource Scheduling too. Matching consultants with the right skill set and experience to a customer request is an important factor in the success of a consulting engagement. SAP Multiresource Scheduling's integration with SAP Portfolio and Project Management and SAP ERP HCM lets resource analysts or project managers retrieve the project information and match the consultant's skills and schedule with the requested project roles.

In addition, alerts can be set in SAP Multiresource Scheduling so that if a conflict arises

[1] Deloitte, "The Service Revolution: Manufacturing's Missing Crown Jewel" (originally in Deloitte Review, September 2007; updated January 2011).

Joerg Brosowski (joerg.brosowski@sap.com) is Development Manager and Director for Project and Resource Management at SAP. Joerg has been dedicated to software engineering and product management for more than 20 years. He holds masters degrees in Computer Science and Economics.

SAP Multiresource Scheduling is a resource management application that lets companies in service-dependent industries put their resources in the right place for the right purpose.

between the availability and assignment of a resource, the scheduler is notified and can resolve the issue by moving the assignment or by finding another resource to fill it. If the resource for a specific job is not available locally, companies with large service organizations can use the application's broadcast function to find the right resource within the broader service organization.

Analytics Improve Visibility

SAP BusinessObjects functionality has been integrated into the SAP Multiresource Scheduling application, enabling companies to create cockpits to visualize historical and forecasted data from the scheduling solution.

A set of predefined key performance indicators (KPIs), such as staff utilization and capacity, request processing time, and revenue generation, now lets users track both the performance of the resource management organization as well as its impact (and profitability) on the business. For example, analytics can help users understand how long it takes them to move from receiving a request for a resource to assigning a resource, or track how they are performing against specific service level agreements.

Dashboards can also help users analyze where their resource demand originates. Understanding if certain types of consultants tend to be in higher demand in a given region, for example, can help the service organization position its resources more efficiently to meet that demand. The dashboards also allow users to see potential and missed revenue opportunities in the form of demand that an organization was unable to fulfill. From there, they can analyze why that demand was not satisfied, and regain that revenue in the future.

SAP Multiresource Scheduling is highly scalable. Companies with service teams of as many as 80,000 members — or as few as a couple hundred — can use the application.

The Latest Enhancements

A new version of the application — SAP Multiresource Scheduling 8.0 — was released for general availability in July 2011 and includes a variety of new features that will help new and existing users further streamline their resource management operations and improve the profitability of the service organization. For example:

- Work center scheduling allows for mass dispatching and changes to orders.
- The optimization algorithm is enhanced with date-dependent logic and includes weather conditions.
- Appointment booking enables users to reserve resource capacity.
- Introduction of services areas allows for better service and location matching.
- Material logistics check capabilities allow schedulers to verify the availability of parts in stock or service vehicles.
- Contractor assignments have been incorporated.
- A web-based planning board with a Gantt chart improves the user experience.

A Natural Fit for Mobility

Since many service-based organizations are mobile, it makes sense that SAP Multiresource Scheduling be extended to mobile devices. For example, field service technicians can use the application to receive service requests and pertinent information on a mobile device. They can then confirm that the work has been completed without having to return to the office. In the professional services area, a client engagement manager can enter a resource request on his or her BlackBerry for a specific type of consultant, without having to log on to a computer system.

And that's just the beginning. SAP Multiresource Scheduling users will continue to see more mobile enhancements in the future.

The Bottom Line

With SAP Multiresource Scheduling, service organizations can manage and allocate their human and material resources more effectively and accurately, thereby boosting the bottom line. ■

5 Business Benefits of SAP Multiresource Scheduling

The application enables companies to:

- Streamline resource allocation and improve customer satisfaction
- Increase the profitability of a service organization by boosting efficiency
- Optimize the use of resources so highly paid consultants or very expensive materials are not sitting idle
- Increase adherence to service level agreements
- Increase transparency to resources and available skills

Subscribe today. Visit sapinsider.wispubs.com.