SAP Solution Brief
SAP BusinessObjects Enterprise Performance Management Solutions

SAP BusinessObjects Supply Chain Performance Management

Continuously Improve Supply Chain Effectiveness While Reducing Risk

Quick Facts

Summary
The SAP® BusinessObjects™ Supply Chain Performance Management application helps you track performance, diagnose bottlenecks, assess risks, and uncover new opportunities. In addition to gaining complete visibility into supply chain performance, you can use the application – which complies with leading industry standards such as the Supply Chain Operations Reference model – to define operational dependencies. You'll benefit from reduced costs, increased working capital, and greater customer loyalty.

Business Challenges
- Identify potential supply chain problems and risks
- Respond effectively to near- and long-term supply chain trends
- Create competitive advantage

Key Features
- **Single data repository** – Gain insight based on data in one complete repository
- **Root cause analysis** – Understand disruptions and make corrections based on impact analysis
- **Alerts** – Identify deviations based on trends, plan-versus-actual comparisons, and benchmarks
- **Support for key business scenarios** – Automate demand and supply planning, manufacturing network planning and execution, and logistics and fulfillment management
- **Preconfigured key performance indicators** – Gain total supply chain visibility
- **Intuitive user interface** – Accelerate learning curves and provide a positive user experience
- **Closed-loop collaboration** – Track and monitor progress on action plans
- **Integration with the SAP BusinessObjects Risk Management application** – Understand risks in the supply chain

Business Benefits
- **React faster to problems and risks** by understanding risks in the supply chain
- **Improve customer service** by eliminating supply chain bottlenecks
- **Reduce cycle times and accelerate problem resolution** through identification and resolution of problems
- **Mitigate supply chain risks** by monitoring and managing performance metrics

For More Information
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In a highly unpredictable global economy in which companies are focusing more on core competencies, finding ways to increase supply chain efficiency and mitigate risk are key competitive advantages. The SAP® BusinessObjects™ Supply Chain Performance Management application helps you track performance, diagnose bottlenecks, and uncover new opportunities.

The modern supply chain is incredibly complex. To maximize competitive advantage, managers must have comprehensive visibility into supply chain performance, as well as the flexibility to respond rapidly to disruptions and risks. At the same time, they need ways to identify and adapt to emerging supply chain trends. These demands underscore the importance of having the right software tools in place for managing risk and improving performance. Ideally, these tools help supply chain managers align their methodologies and processes with their company's key business strategies, as well as provide visibility into cause-and-effect relationships among operational metrics across supply chain processes.

SAP can help you address these needs with the SAP BusinessObjects Supply Chain Performance Management application, which enables you to track performance, find bottlenecks, uncover risks, and capitalize on new opportunities. By providing insights needed to improve supply chain performance, the software can reduce costs, increase working capital, and boost customer loyalty.

HARMONIZE, CONNECT, AND EXTEND YOUR SUPPLY CHAIN

Based on the Supply Chain Operations Reference (SCOR) model, SAP BusinessObjects Supply Chain Performance Management leverages cross-industry best practices for supply chain management to give you greater control over business outcomes. It integrates smoothly with the SAP Supply Chain Management application, the SAP BusinessObjects Risk Management application, and the SAP BusinessObjects Business Intelligence (BI) platform to give you:

- Full visibility into supply chain processes – from start to finish – through a hierarchy of key performance indicators (KPIs)
- Insight into how these metrics relate to each other
- A way to measure performance and risk at the same time
- Tools to plan for potential near-term disruptions and long-term supply chain trends, as well as to proactively respond to risks

Because metrics are clearly defined, documented, and associated with specific individuals in your supply chain network, you can foster a heightened level of accountability – a key requirement for strategy-aligned supply chain execution.

You can also combine SAP BusinessObjects Supply Chain Performance Management with other SAP software to support integrated business process scenarios. Examples include collaborative demand and supply planning; manufacturing network planning and execution; logistics and fulfillment management; procurement; and inventory management.

Track Performance Across the Enterprise

All too often, supply chain professionals focus on their individual areas of responsibility and can't see how their performance affects key metrics across the organization. Despite the importance of visibility to driving successful supply chain performance, supply chain data is often spread across multiple systems, forcing managers to track performance manually using spreadsheets.

SAP BusinessObjects Supply Chain Performance Management helps you address these challenges head on. The software delivers best-in-class technology, embedded data-integration functionality, a calculation engine, an intuitive user experience, and prebuilt integration to work effectively with your SAP software landscape. Built from a business perspective, the software contains data models and metadata based on leading industry standards. It can automate data collection from multiple sources, track over 350 KPIs, and proactively diagnose potential problems.

To give you even easier access to performance management data, SAP BusinessObjects Supply Chain Performance Management now integrates with the SAP BusinessObjects BI platform. This gives you the ability to combine supply chain KPI data and information from other corporate sources (such as finance) and view it side by side and on mobile devices, such as the Apple iPad. Additionally, you can leverage the software's unified semantic layer to allow consumption of supply chain data by a full suite of tools that support ad hoc queries, executive dashboards, and reporting, as well as advanced graphical analysis.

Identify and Integrate Risk

One of the challenges facing supply chain executives is how to identify and proactively

address hidden risks in their extended supply chain. Today, examples in the news abound regarding the serious business impacts of supply chain failures. SAP BusinessObjects Supply Chain Performance Management helps mitigate risk by aligning supply chain objectives with risks identified by SAP BusinessObjects Risk Management. The applications work in harmony so you can understand the risks of poor supply chain performance, and create and analyze supply chain performance metrics to mitigate risks using a scorecard. You can even use historic information captured in the application to launch a sourcing action and identify alternate suppliers.

Benchmark Performance

SAP BusinessObjects Supply Chain Performance Management provides full visibility into your supply chain, as well as operational and financial performance, through more than 350 KPIs. Together, these KPIs help you proactively identify supply chain patterns and likely trends. The application provides diagnostic functionalities, alerts, and contextual guidance to identify potential problems as quickly as possible. You also get complete KPI visibility – in near-real time – from a single repository that aggregates supply chain data across heterogeneous environments. These metrics are based on extensive industry knowledge, enabling you to stay informed about shipment reliability, perfect order fulfillment, supply chain costs, and more. The software also enables you to benchmark and compare your performance against peer companies.

Robust tools for root cause analysis help you discover the basis for potential disruptions and make needed corrections. Tools for impact analysis help you understand the relationships among various KPIs and how these metrics impact each other. You can also connect performance issues (such as increased transportation costs) to functional issues (such as increased fuel cost by certain carriers or express freights for certain regions). The software also helps you understand how underlying factors such as production cycle times, order backlogs, and warehouse costs affect each other.

Respond Effectively

If you have a significant and complex supply chain environment, your ability to respond to near-term disruptions and longer-term changes in your supply chains affects your business success. That's why SAP BusinessObjects Supply Chain Performance Management integrates with all your transactional software – both SAP and non-SAP. This, combined with start-to-finish process support, helps you proactively address a wide range of supply chain challenges. The application's intuitive user interface, ad hoc reporting functionality, and flexible KPI management tools enable you to collaborate both within your organization and along your extended supply chain. You can also adapt target metrics to meet changing market conditions for optimal performance and profitability. Because the data is based on reliable back-end transactional systems, you can be confident of its accuracy and relevance.

SAP BusinessObjects Supply Chain Performance Management leverages cross-industry best practices for supply chain management to give you greater control over business outcomes. It offers full visibility into supply chain processes through a hierarchy of KPIs.

Optimize Supply Chain Costs

The costs related to enterprise supply chains typically account for a very large part of total enterprise expenses – yet most companies find it difficult to reduce these costs. With SAP BusinessObjects Supply Chain Performance Management, you can significantly reduce supply chain costs and liberate working capital while increasing revenue. All this is possible at a fraction of the cost of custom-built solutions and with considerably less IT project risk.

The software performs automated data collection and analysis; for example, if the impact of fuel costs on transportation costs declines with the introduction of hybrid vehicles, the application will immediately reflect those changes. It also allows business users to define new metrics, adjust threshold values, and customize dashboard views – without the need for IT assistance. You can also change relationships and definitions for KPIs and immediately see the results of those changes, as well as change scorecard contexts as your supply chain strategy evolves (for example, if you move from a geographical orientation to a category orientation). And as business requirements and metrics architectures change, data structures built into the application help assure information integrity without expensive project rework.

Reap Multiple Business Benefits

With SAP BusinessObjects Supply Chain Performance Management, you get near-real-time visibility into the performance of your complete supply chain and a greater

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understanding of risks and the relationships between performance metrics. Because you can adjust those metrics across your organization, you can identify key supply chain trends and take appropriate, proactive action. The result is a flexible and chaos-tolerant supply chain that can:

- Maximize profitability
- Decrease order-cycle times
- Shorten the order-to-cash cycle
- Reduce excess inventory
- Improve customer service

Learn More

SAP BusinessObjects Supply Chain Performance Management can help your organization identify supply chain disruptions, respond effectively to new trends, and stand out from its peers. For more details, call your SAP representative or visit us on the Web at www.sap.com/scpm.

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