



SAP FOR DEFENSE & SECURITY
SUPPORTING WARFIGHTERS – AT HOME
AND ABROAD

SAP Industry Overview
SAP for Defense and Security

THE BEST-RUN BUSINESSES RUN SAP™





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The SAP for Defense & Security solution portfolio helps defense organizations accomplish their missions at home and abroad. It enables defense organizations to plan for, build, support, and operate a mobile force using a flexible and deployable system architecture. By bringing together commercial, public sector, and military best practices, it integrates all vital processes with standard SAP functionality to support defense and security mission planning and execution.

THE CHALLENGE, THE SOLUTION

THE THREAT HAS CHANGED, SO YOUR DEFENSE ORGANIZATION MUST CHANGE



The threats to our national security are dynamic and ever-evolving. Many operations are now conducted in a multinational environment in which information is critical and winning the information battle is essential.

These realities have increased the importance of total asset visibility, compressed the decision-making cycle, and heightened the demand for robust information processing and management. The focus today is on planning for and supporting deployed forces in scenarios that demand intuitive, accessible, and timely information.

The SAP for Defense & Security solution portfolio helps you accomplish your mission at home and abroad. It provides specific functionality for planning, building, supporting, and operating a mobile force using a flexible and deployable system architecture. By bringing together commercial, public sector, and military best practices, it integrates all vital processes with standard SAP functionality to support defense and security mission planning and mission sustainment. In this way, SAP for Defense & Security helps the warfighter and those supporting the warfighter to:

- Accomplish their core missions with agility
- Take care of the force – be it personnel, equipment, or organizations
- Ensure the public's trust through resource stewardship and accountability

The solutions in the portfolio are powered by the SAP NetWeaver® technology platform, which helps organizations align IT with their requirements. It allows organizations to compose new solutions rapidly while obtaining more value from their existing investments. As the foundation for enterprise service-oriented architecture (enterprise SOA), SAP

NetWeaver helps organizations evolve their current IT landscapes into strategic environments that drive change.

SAP for Defense & Security provides additional solutions for preparing and sustaining missions through the features and functionality inherent in SAP's 26 vertical industry solutions. Many of these industry solutions – such as those for commercial aerospace and defense and engineering, construction, and operations – reflect more than 30 years of experience gained from working with our customers and have direct applicability to U.S. defense needs. These solutions can help defense organizations leverage the best business practices that have been incorporated into these solutions, as well as satisfy requirements unique to the U.S. Department of Defense.

A TIME FOR TRANSFORMATION

RUNNING DEPLOYED MISSIONS REQUIRES REAL-TIME, REAL-WORLD INFORMATION

Maintaining the defense of the United States is a dynamic challenge. Today, organizations that provide defense are undergoing a significant transformation to facilitate continued mission success.

Most defense organizations developed their business processes and information systems over decades, and these have served the organizations well. But many were designed to support conflicts and scenarios that are no longer relevant in fighting today's global war on terrorism and asymmetric warfare. In addition, these systems are becoming outdated and increasingly expensive to maintain.

Planning and sustaining combat operations are immense tasks that are difficult to perform while depending on outmoded, disparate, stovepiped legacy systems. Accessing important planning and support data from a variety of systems is time-consuming and produces information that is often outdated or inaccurate. It also produces data that does not reflect the enterprise perspective so critical to success.

For example, since different IT systems can't provide comprehensive, integrated personnel data, it's difficult for defense organizations to maximize workforce potential by managing employees through their entire life cycle from recruitment to retirement. This inefficiency can hamper uniformed personnel from having productive, fulfilling work experiences, which could curb reenlistments and long careers in the military.

In addition to being inefficient, large defense organizations aren't as agile as they must be to respond quickly to changing operational requirements. Today, this lack of agility increases procurement time and costs for materials management, which makes it difficult to efficiently equip and supply warfighters in the field.

Defense organizations are constantly seeking to resolve these weaknesses and provide better support for the warfighter. Whether it is by streamlining complex systems, complying more closely to regulations, or improving overall efficiency, agencies are striving to achieve operational excellence and improved financial performance.

Defense organizations share the same objectives as many private-sector corporations. They're both striving to:

- Lower costs by redesigning and integrating processes
- Increase management visibility into operations
- Eliminate the costly, disparate legacy systems that pervade their organizations

Defense organizations need new strategies that promise solid business results. But reengineering agencies to industry-leading levels of efficiency won't happen overnight. It requires a focus on changes in technology and operations.



Technology

For defense organizations to posture for and adapt to an ever-changing geopolitical environment, they must leverage solutions like those of the SAP for Defense & Security solutions to address their unique requirements.

SAP for Defense & Security enhances and streamlines processes for a broad range of tasks at home and abroad. It delivers specific functionality for planning, building, supporting, and operating a mobile force using a flexible system architecture. It improves management of the entire organization, including personnel, material, and finances. The solutions are flexible enough to support change, and a role-based portal simplifies user access. It integrates essential business processes for defense organizations – such as force planning, material acquisition, and maintenance – with standard, reliable SAP functionality for administration and logistics.



“With the integrated system and technology platform across the organization provided by SAP, we are able to respond quickly to changing product requirements, achieve greater visibility across the Army’s acquisition and logistics supply chain, and better manage our human, property, and financial assets.”

George Albinson, Chief Information Officer, U.S. Army ARDEC at Picatinny

Operations

It’s essential to have one common operating picture for an entire organization, with logistics being an important part of proactive decision making. SAP for Defense & Security enables complete horizontal integration of operations, which is similar to enterprise integration in private-sector organizations. It provides useful, integrated information that helps an organization make the best use of its resources. SAP® solutions support and revitalize the core operational functions in any defense organization for greater efficiency and effectiveness.

SAP for Defense & Security addresses the following process areas:

- Force planning
- Acquisition and materials management
- Maintenance, repair, and overhaul
- Personnel and organization
- Infrastructure management
- Governmental financial and cost accounting
- Planning and support of deployed operations

Our ongoing dialogue with defense industry leaders, combined with a robust R & D effort and our experience with customers worldwide, has led to the most comprehensive portfolio of solutions for defense. SAP for Defense & Security is based upon our proven solutions currently run by thousands of SAP customers and includes enhancements developed through projects with military customers.

Integrated Data, Enhanced Capabilities

SAP for Defense & Security facilitates transformation in defense organizations by enabling change in organizational structure, technology, and operations. SAP brings order and structure to transformation efforts by eliminating redundant systems and by establishing information-sharing solutions that work together. A core element of SAP for Defense & Security is the SAP ERP application, which delivers detailed, timely information all along the value chain. SAP ERP allows your organization to act fast and with maximum flexibility in response to changes in operational conditions, while increasing the quality and consistency of information and securely providing that information in a single view of the entire organization – and in real time.

You can expect the following benefits from SAP® solutions:

- Effective management of recruitment activities to attract and maintain the best uniformed personnel, as well as the ability to best match individual skills and desires with the needs of the military service
- Integrated data that supports all material and contracting processes, including planning, sourcing, procurement, inventory management, transportation, and distribution of material requirements
- Streamlined procurement and sourcing processes, which facilitates efficient collaboration with suppliers and supply chain efficiency
- Flexible, agile, and comprehensive planning functionality that increases productivity by providing total visibility of all resources, improved order fill rates, on-time deliveries, reduced inventory and carry costs, and improved forecast accuracy
- Through SAP composite applications, new functionality that improves the performance of particular tasks
- A truly collaborative planning environment that lets personnel all across an agency or unit work together effectively
- A single source for synchronized, integrated data that enables timely decision making and planning for logistics and the overall supply chain
- Total asset visibility, which helps reduce inventory, procurement, and warehousing costs and allows for focused allocation of limited resources
- Interoperability and horizontal integration that reinforce decision support
- Operations support that maximizes the effectiveness of deployed operations
- Solutions that help organizations increase the ratio of defense budgets allocated to the teeth (combat units) rather than to the tail (logistics and administration)

“By linking all our financial data together within an ERP framework, in the future we can look down at any time to see where the money is being spent, how it is being spent, and determine if that is the right thing for the Army.”

Cherie Smith, Project Director of General Fund Enterprise Business System (GFEBS), U.S. Army

VISUALIZING BUSINESS PROCESSES

A ROAD MAP TO SUPPORTED PROCESSES

The following solution map gives you a clear overview of the business processes and strategic operations relevant to the defense industry from an SAP perspective. Built using input from our customers, industry analysts, and SAP experience, solution maps are multilevel blueprints of processes defined by

industry. They help you visualize, plan, and implement a coherent, integrated, and comprehensive information technology solution and show how various processes are covered. With solution maps, you quickly understand business solutions and the business value they can bring.

SAP recognizes that the defense industry reflects a singularly complex entity in which logistics plays an important role in ensuring successful mission accomplishment. To that end, SAP has developed a separate defense logistics solution map that is depicted on the next page.

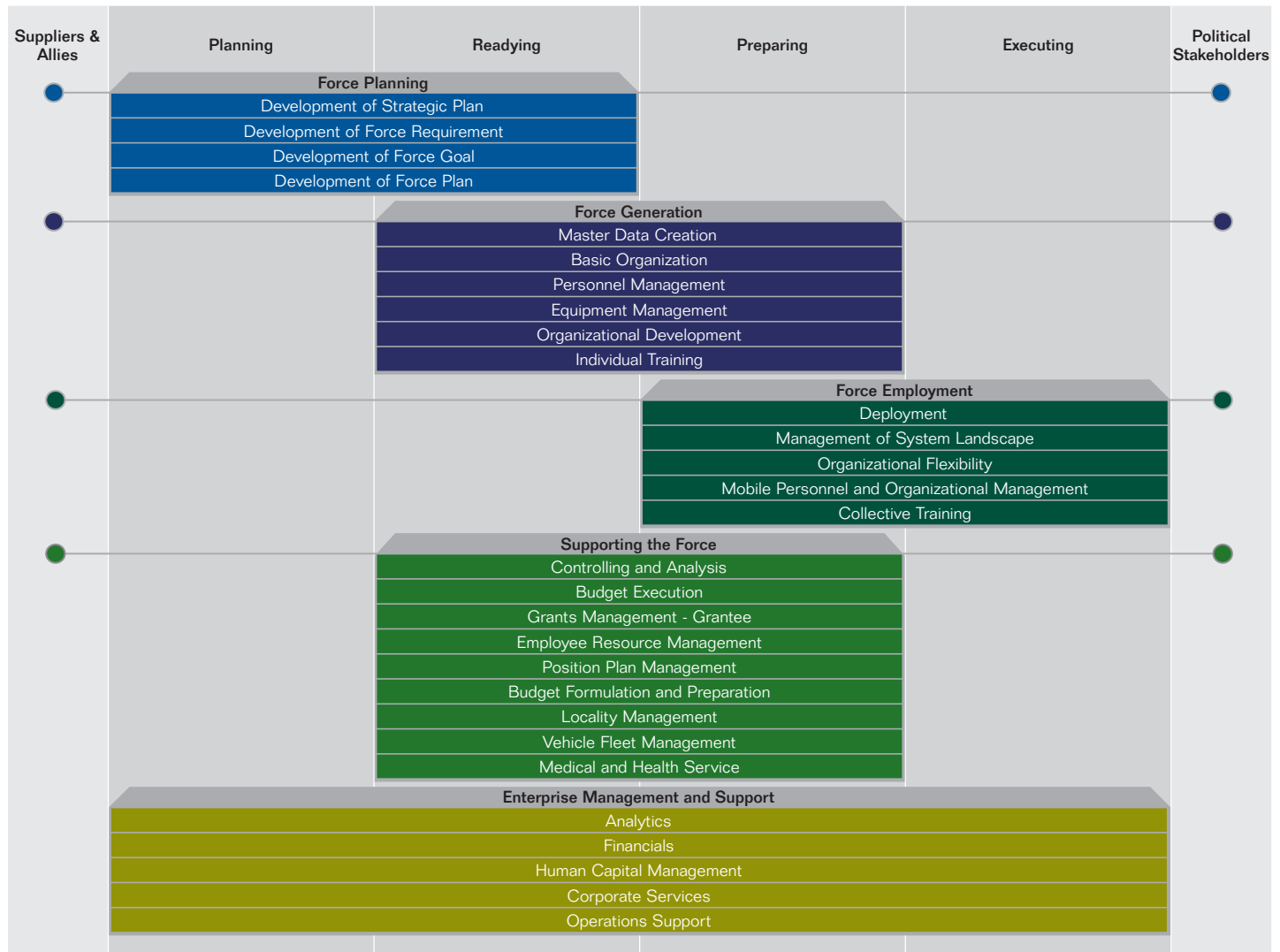


Figure 1: The SAP® Solution Map for Defense

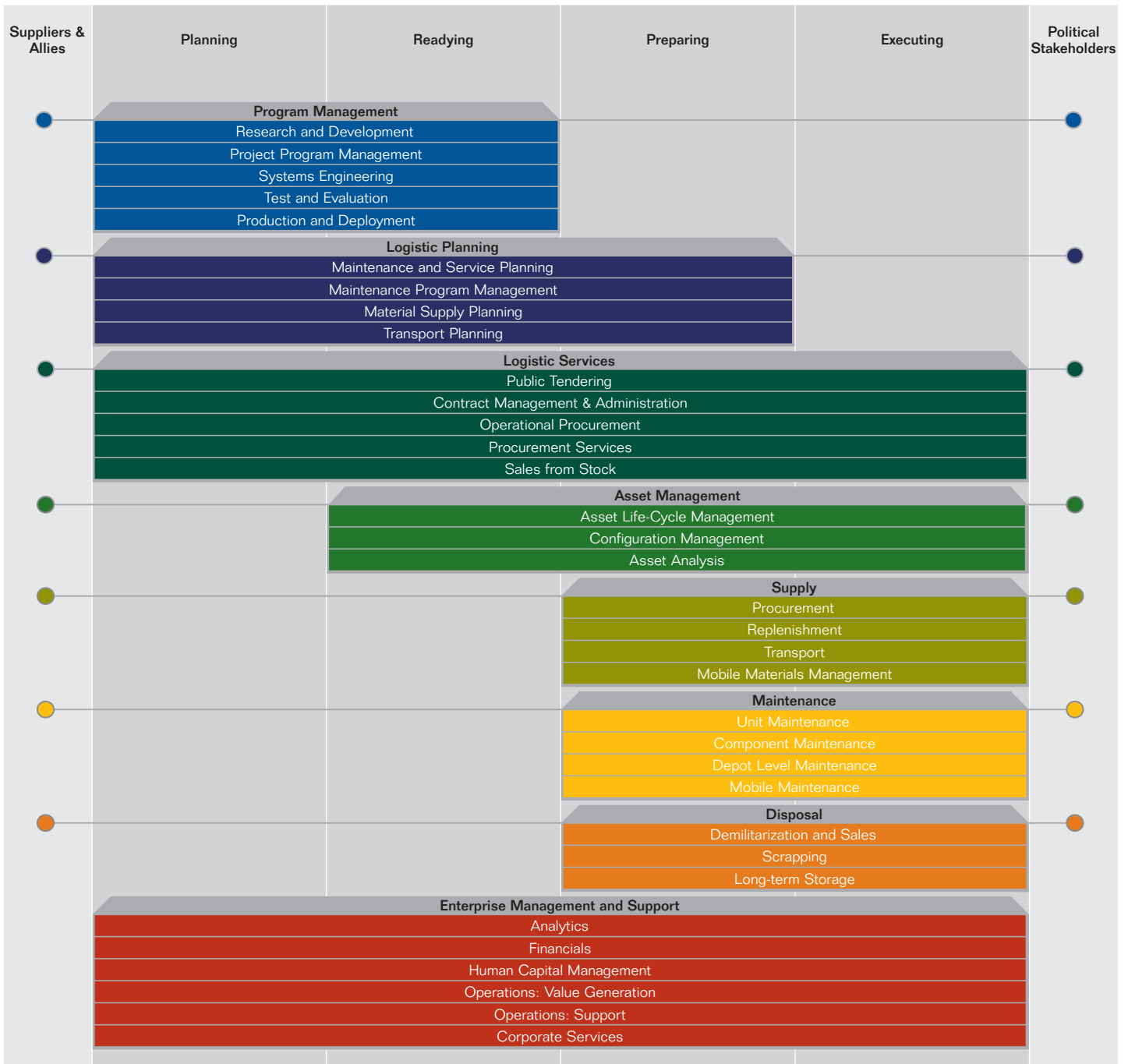


Figure 2: The SAP® Solution Map for Defense Logistics

GREATER EFFICIENCY, LOWER COSTS

SUPPORT FOR WARFIGHTERS ABROAD AND FINANCES AT HOME AND ABROAD



“Because of SAP, we now have a more agile, responsive, and effective Navy that is even better prepared to successfully complete its missions in support of the global war on terrorism.”

Ron Rosenthal, Program Manager Navy ERP, U.S. Navy

SAP solutions are a strategic asset to all leadership levels, offering the ability to command and control logistics and other warfighter-support operations. SAP solutions drive results and productivity, and they promote information sharing and knowledge flow.

SAP for Defense & Security provides these economic advantages:

- **Return on assets:** SAP solutions provide increased efficiency and effectiveness for business and logistical processes from factory to foxhole.
- **Return on investment:** SAP solutions enable organizations to perform a comprehensive evaluation of costs and activities for deployed operations. They also provide new options for cooperation and data exchange

among partners, such as government agencies, coalition members, and private industry.

- **Total cost of ownership:** SAP NetWeaver reduces total cost of ownership and complexity across the entire IT landscape. Because SAP NetWeaver unifies integration technologies in a single platform, it reduces the need for custom integration and ensures that mission-critical business processes are reliable, secure, and scalable.

COMPREHENSIVE BENEFITS

POWER TO SUPPORT YOUR REQUIREMENTS, FLEXIBILITY TO KEEP YOU AGILE

Features	Benefits
Human capital management	<ul style="list-style-type: none"> Effective management of all recruitment activities Improved decision making due to an on-demand, integrated picture of all recruitment prospects Effective interaction with recruits due to integration of personnel, processes, and technology
Integration	<ul style="list-style-type: none"> Comprehensive, integrated view of supply, inventory, and transportation data for sound decision making Shorter decision-making cycle Less expensive to maintain than multiple legacy systems
Flexible organizational structures	<ul style="list-style-type: none"> Ability to respond quickly to changing global conditions Collaborative planning environment so managers at all levels can work together effectively
Total supply chain management	<ul style="list-style-type: none"> Full support of all initial and follow-on supply processes Integration of all maintenance activities into the supply chain Handling of all vital supply data, such as NATO stock numbers, manufacturer part numbers, and equipment custody management information
Streamlined procurement and sourcing	<ul style="list-style-type: none"> Efficient collaboration with suppliers Enhanced supply chain efficiency Improved materials requirements planning, inventory management, transportation, and distribution management
Flexible planning	Increased productivity by providing total visibility of all resources, improved order-fill rates, more on-time deliveries, and reduced inventory and carry costs
Composite applications	Providing a way to rapidly implement new functions or combine existing functions in new ways to perform a particular task

With more than 30 years of experience, SAP delivers proven, cost-effective solutions that meet the complex needs of defense and security organizations. As a trusted advisor to many U.S. defense organizations and NATO member governments, SAP is uniquely qualified to enable agencies and organizations to successfully fulfill their missions, while saving time, money, and lives.

SAP solutions are currently used by many U.S. defense organizations, including:

- Armaments Research, Development, and Engineering Center (ARDEC) at Picatinny

- Global Combat Support System – Army (GCSS-Army)
- Army Logistics Modernization Program (LMP)
- Defense Logistics Agency (DLA) Business Systems Modernization (BSM)
- National Geospatial-Intelligence Agency (NGA)
- Naval Air Systems Command (NAVAIR)
- Naval Sea Systems Command (NAVSEA)
- Naval Supply Systems Command (NAVSUP)
- Navy Morale, Welfare, and Recreation Division (Navy MWR)

- Space and Naval Warfare Systems Center (SPAWAR)
- U.S. Army Medical Research & Materiel Command (USAMRMC)

To Learn More

To learn more about how the SAP for Defense & Security solution portfolio meets the needs of defense and security organizations, contact your SAP representative or visit us online at www.sap.com/defense.

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