

SAP Customer Success Story Media – Textbooks and Educational Materials



“With the mySAP ERP application, the situation is fundamentally different. We are now able to handle the workload with ease.”

Yong Yu, Information Center Director, Higher Education Press

AT A GLANCE

Company

- Name: Higher Education Press
- Location: Beijing, China
- Industry: Media
- Products and services: Textbooks and educational materials
- Revenue: €140 million in 2005
- Employees: 1,500
- Web site: www.hep.com.cn
- Partners: IBM Global Business Services and SAP® Consulting

Challenges and Opportunities

- Support company vision to become a modern, world-class media group
- Cope efficiently with changes in business strategies

Objectives

- Bring best practices into enterprise management
- Improve business processes and process control
- Integrate existing software into a unified platform
- Reduce order-to-cash cycle to save costs and better serve customers

Solutions and Services

- SAP NetWeaver® Business Intelligence component
- mySAP™ ERP application

Implementation Highlights

- Smooth upgrade to mySAP ERP
- Excellent cooperation with IBM Global Business Services and SAP Consulting

Why SAP

- Proven success in the market
- Best-in-class solution
- Industry best practices part of solution
- High level of adaptability to support flexible business strategies

Benefits

- Streamlined 130 processes and further improved another 70 processes after upgrade – resulting in enhanced product quality and increased productivity
- Greatly improved production management and dramatically reduced delivery cycle via a fully controlled inventory
- Gained greater insight into operational performance through quick access to data

Existing Environment

SAP software

Third-Party Integration

- Database: Oracle
- Hardware: IBM
- Operating system: IBM AIX

HIGHER EDUCATION PRESS

mySAP™ ERP Enables Flexible Business Strategies and Improves Business Processes

Higher Education Press (HEP) is not just the largest publisher of educational books in China – its ambitions go much further. The publishing house, a national publisher affiliated directly with the Chinese Ministry of Education, set a vision for itself early in 2001: to expand into a modern, comprehensive, world-class educational media group within the next 10 years. To make this vision a reality required a transformation from a state-controlled organization to a customer-focused, market-driven enterprise.

A Move Forward with SAP® Software

A major step for HEP in achieving its vision was the introduction of SAP® software into its operations four years ago. “Choosing SAP was a matter of trust. We were fully convinced by the strength and expertise of SAP in enterprise management. We simply had stronger trust in SAP than in other vendors in addressing our specific needs,” says Yong Yu, information center director at HEP.

HEP recently upgraded to the mySAP™ ERP application to support its mission-critical processes – processes that range from research, development, inventory, and shipment control to financial management and accounting. The company is completely satisfied with how smoothly the upgrade progressed.



“One of the key success factors was the excellent cooperation with our implementation partners IBM consulting and SAP Consulting,” says Yu. “They brought in knowledge and resources and helped to put us on the fast track right from the beginning.”

mySAP ERP Brings HEP to New Level of Flexibility

One characteristic of the publishing business is that its business models are continually subject to change to reflect rapid changes in the market. For its initial SAP solution, HEP had been running enhancement projects almost every year. With the upgrade to mySAP ERP, HEP’s business processes acquired a much higher – and necessary – level of usability and flexibility. HEP is now able

“We implement business changes on an ongoing basis. The higher level of flexibility and adaptability offered by the latest version of mySAP ERP is exactly what we need to realize these changes.”

Yong Yu, Information Center Director, Higher Education Press

to more readily adjust its business models to keep pace with a fast-changing market. “We implement business changes on an ongoing basis,” says Yu. “The higher level of flexibility and adaptability offered by the latest version of mySAP ERP is exactly what we need to realize these changes. Also, mySAP ERP offers stronger integration capabilities to better support our efforts in integrating all systems into a unified platform.”

mySAP ERP Delivers Wealth of Business Benefits

HEP’s primary goals in implementing the SAP solution were to improve its business processes and support the order-to-cash cycle in an effective way. The benefits it reaped, especially after the recent upgrade to mySAP ERP, have far surpassed HEP’s initial requirements.

“Process control is at a very different level now at HEP. From research and development to sales to inventory management, we have streamlined 130 business processes and further improved 70 process flows after the upgrade. This has led to a quantum increase in product quality as well as in productivity,” says Yu.

Another major improvement is in production management, a key performance indicator of the SAP implementation for HEP. According to Yu, thousands of textbooks need to be published and tens of millions of copies need to be printed and delivered in peak seasons, such as the start of autumn and winter semesters.

With the upgrade to mySAP ERP, HEP acquired the necessary precision to maintain the inventory at the optimum level. This shortened the delivery cycle, which resulted in significant cost savings and increased customer satisfaction. “With mySAP ERP, the situation is fundamentally different,” says Yu. “We are now able to handle the workload with ease. We can produce and ship the products to our customers with accuracy and without any delay. We are happy to serve our customers better.”

mySAP ERP Improves Competitive Edge

In mentioning competition, Yu says that, although the publishing business is not as highly competitive as other industries in China, the competition will intensify in the coming years as many state-controlled publishing units become more market-driven. “But with mySAP ERP, we have laid a much more solid business foundation than our peers, and we are well-positioned to stay ahead of our competition in the future,” says Yu.

SAP NetWeaver® Business Intelligence Component Gives Immediate Access to Critical Data

There have been many cheerful faces in the HEP management team since the SAP NetWeaver® Business Intelligence component was implemented for its SAP solution. The functionality provides

“We admire the strength of innovation SAP has, and that’s why we put our trust in SAP.”

Yong Yu, Information Center Director, Higher Education Press

immediate access to critical data, giving managers real-time insight into their operation’s performance and enabling them to make faster, better-informed decisions.

In the future, HEP has plans to adopt additional SAP NetWeaver functionality, such as the SAP NetWeaver Portal component. Online shops will be linked to mySAP ERP to improve customer service.

Trust in SAP for Future Success

With many SAP projects in the pipeline, Yu is fully confident that HEP’s plans will be successful. “Looking at the road map from [SAP] R/3® [software] to mySAP ERP and enterprise service-oriented architecture, we are convinced that SAP is a company with a vision. Its offerings have evolved from ERP platforms to complete information management solutions,” says Yu. “We admire the strength of innovation SAP has, and that’s why we put our trust in SAP.”

www.sap.com/contactsap

THE BEST-RUN BUSINESSES RUN SAP™



50 081 909 (06/10)

© 2006 by SAP AG. All rights reserved. SAP, R/3, mySAP, mySAP.com, xApps, xApp, SAP NetWeaver, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and in several other countries all over the world. All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary. Printed on environmentally friendly paper.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.