Future-proof production with SAP® ME

Managing supply processes
with focus and foresight

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higher performance

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Supply Chain Management

Many manufacturing enterprises now have international supply chains, and the majority of them are globally organized. This offers numerous advantages, but also harbors risks because the larger and more complex a system, the more vulnerable it is to disruption. This is why well thought-out, end-to-end solutions for reliable and resilient supply chain management are more important today than ever before.

Safeguarding supply chains with as much foresight as possible against the effects of global disruptive factors is a matter of unprecedented relevance. The smart integration of SAP® solutions can help reduce bottlenecks and negative impacts on business operations. 77 percent of manufacturers experience at least one disruption per year – and 37 percent of BME survey respondents had seen more than five in a 12-month period. The result: millions in revenue losses.

SAP® ME (Manufacturing Execution) and the Digital Manufacturing Cloud is T-Systems' reliable and scalable supply chain management solution. It adapts to the requirements of enterprises of different sizes and takes important Industry 4.0 KPIs into account.

Finding the needle in the haystack: disruptive factors in the supply chain

To ensure seamless production processes, the management has to be aware of potential causes of supply disruptions. Supply, production and distribution bottlenecks can happen for many different reasons. Companies such as automotive suppliers move about 16,000,000 parts per day – a volume that would be impossible to manage without digital support, scalable software solutions and automated processes. When disruptions occur, many questions arise simultaneously: Which suppliers, components or materials are affected? How many of those components or materials are in stock, which shortfalls can be compensated and for how long? Are there alternatives so that specific production processes can continue? Prompt ad-hoc reporting is also necessary to determine which assembly lines and production processes are affected by stoppages. This is essential so that the management has up-to-date and reliable information and figures as the basis for assessing impacts on sales, margin calculation and delivery capacity, and can initiate any necessary countermeasures.

Thorough risk analysis for robust supply chains

Suppliers in sectors such as the pharmaceutical industry represent a critical segment of the supply system and tend to have very robust supply chains – particularly since they also have to comply with regulatory requirements. A forward-looking risk analysis is therefore one of their top priorities when it comes to business continuity. Warehouse and emergency suppliers are another important element of a resilient supply chain strategy, which should always be based on detailed analyses of the supplier structure and inventories of production-relevant raw materials and components. A critical review of the IT infrastructure is also necessary to identify potential system bottlenecks and to be able to make unambiguous statements about the actual capacity of supply chains.

4-phase software selection and customization

Before introducing a manufacturing execution system such as SAP® ME, it is necessary to consider which processes have to be supported and how they can be optimally integrated. When an SAP® ME environment is implemented a 4-phase model is used to determine the essential processes in seamless supply chain management. The first step is a situation assessment. In phase 2, specific action recommendations are made which will take the company from the status quo to the target status. In the next step, (business) goals are defined and the overall strategy is determined. Finally, in phase 4, the priorities are set and a time schedule is defined in a comprehensive roadmap.

SAP® ME links assets to applications

SAP® ME unites diverse applications enabling the orchestration of all essential shop floor functions with a high degree of automation. The assets include machines and production lines as well as master data-managing applications. The consolidation of data from all relevant areas provides the basis for sound supply chain management decision-making. SAP® ME integrates third-party systems, machines, peripheral devices, and IoT devices. It enables connectivity between, for instance, a tool to identify machine park anomalies, or a maintenance app with other systems. The entire process is carried out via predefined interfaces provided by SAP® ME. The SAP® environment can also be connected to production and supply-relevant apps that have simple user interfaces and are based on modern IT architectures. It also offers the advantage of cost efficiency based on the pay-what-you-use principle. This means that the company only pays for the software capacities that it actually uses.

With SAP® ME and the SAP® Digital Manufacturing Suite, T-Systems delivers a comprehensive end-to-end solution that maps complete manufacturing cycles – from product design and planning to manufacturing and delivery. Such innovative digital applications ensure that the enterprises are optimally prepared for the unexpected and have the supply chain security to prevent production disruptions

About Wolfgang Weyand

As Senior Sales Consultant, Wolfgang Weyand is responsible for T-Systems Supply Chain Sales in Major Accounts and SMB Germany. In 2009 Wolfgang joined T-Systems and helped T-Systems' customer in different positions on their digital transformation before taking over again a sales responsibility for Supply Chain Management. A key area is enabling T-Systems' customers to automate shop floor processes, improve the connectivity between ERP and shop floor and digitize logistics processes. Before joining T-Systems he was four years responsible at Intel Solution Services for its Supply Chain Consulting Organization where he helped customers worldwide to adopt RFID Technology for reducing supply chain cost and increasing efficiency. Prior to that he was responsible at IBM introducing auto id solutions at its customers in EMEA (Europe Middle East Africa) to increase visibility and efficiency within supply chains.

About T-Systems

T-Systems is one of the world's leading digital service providers. It is based in Europe and offers integrated solutions for business customers. The company uses a global infrastructure of data centers and networks to operate information and communication technology. As a leading end-to-end service provider for SAP® solutions, it covers the entire value-added chain of the SAP® lifecycle. And it provides everything from a single source: from secure operation of existing systems and classic IT and telecommunications services to transformation to the cloud and SAP S/4HANA®, and from needs-based infrastructure, platforms, and software to new business models and innovation projects in the Internet of Things.

Further information is available at www.t-systems.com

More Information

T-Systems SAP S/4HANA® Readiness Scan
An experienced and responsible partner like T-Systems will accompany you on your path into the digital age with end-to-end expertise – and most importantly, at the speed that is right for you.
To achieve this, we offer a comprehensive end-to-end SAP® transformation package in which we have brought together our best modular solutions in the areas of design, transformation and operation.

More information

T-Systems SAP® Leonardo Initiation Package
Benefit from the advantages of an innovative and intelligent enterprise by enter a new dimension of digitization with regard to your SAP® system world. Find the optimum path for your company to discover new opportunities and possibilities regarding the Internet of Things, Blockchain, Machine Learning, Analytics, Big Data, and Data Intelligence.

More information

T-Systems Public Cloud for SAP®
With this platform, you can use SAP® applications flexibly at any time. All applications are available as fully functional appliances – complete setups instead of individual Lego bricks. The predefined services are provided in the familiar operating quality on the SAP-certified T-Systems Public Cloud.

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