

## Business Processes in a change-driven era

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### “Customized e-business processing” at Siemens ICN EN S spare parts logistics

#### Project requirements

- Introduction of an end-to-end process
- Spare parts catalogue with multi-stage product search
- Shopping basket function with “SAP interfacing”
- Information service for shopping-basket orders from SAP
- Inventory information with “SAP interfacing”
- General information on the line of business concerned
- Introduction of sale stages
- Introduction of order priorities



#### Project duration

The concept for Internet processing and interfacing with the back-end system were the responsibility of OSCo GmbH. The Internet tool was created on the basis of db4web, while the back-end system is an SAP System. The project was implemented in 12 weeks.

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### Project content

The main focus was on integrating the Internet processes into the order and delivery processes of the ICN EN S spare parts service already implemented in SAP. The business-management project objective was to introduce an end-to-end process within the context of providing materials through a distributed nationwide warehouse structure. The thirty regional depots and one central warehouse are managed by a service provider in a central SAP back-end system. Invoicing is based on individual transactions; the number of orders entered and the number of deliveries with a lump-sum figure. Introduction of the end-to-end process has substantially reduced the order entry costs.

### Quantity structure:

- 100 Product structures
- 6500 Article master data records
- 3500 Service technicians
- 250 Direct customers (at home and abroad)
- 5 Internal users (administration)
- 6000 Shopping baskets in a month, with an average of 3 order items

The following processes were implemented:

#### In the Internet environment

- User registration
- Product selection from spare parts catalogue
- Online ordering and online inventory information with direct interfacing to SAP
- Delivery status for order with direct interfacing to SAP

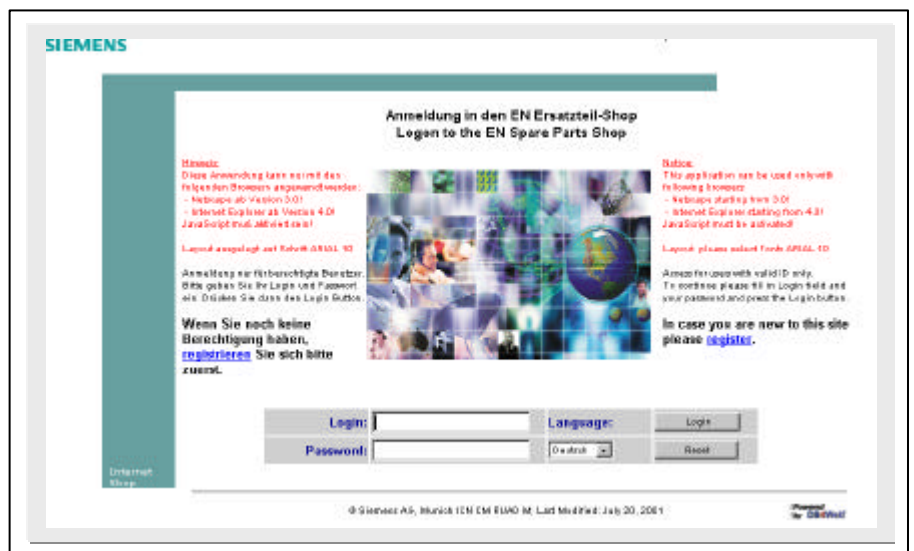
#### In the back-end environment:

- Product catalogue as master data (product creation process)
- Order priorities with appropriate pricing
- Label printing for transport logistics
- Escalation process over hotline for non-available orders
- Express procurement for order priorities =1 (2 - 4 hours delivery)

### Overview of functions

New users register online, and receive their entry password by e-mail. A user profile is filed for each user, and utilized for different functions in Internet processing, e.g. for pricing, different display sequence controls, etc.

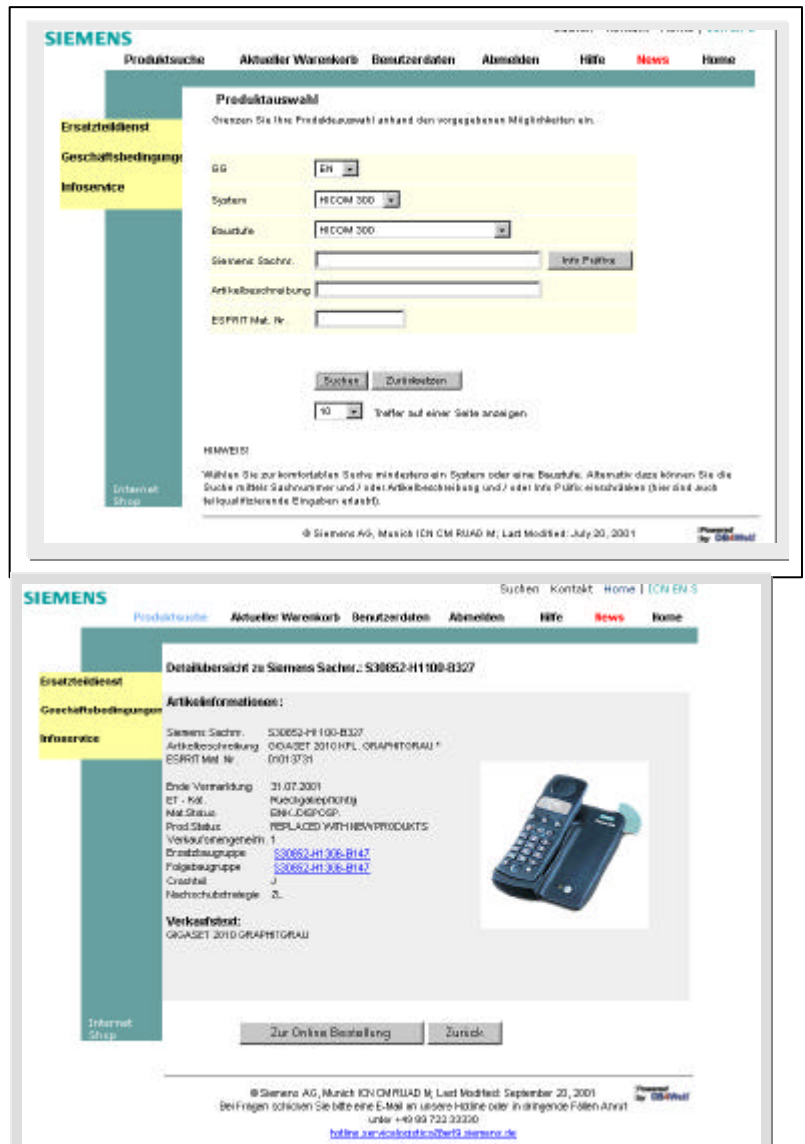
*Initial display: user identification, only registered users are admitted.*



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The use of a product structure which is adduced for finding spare parts in the catalogue not only speeds up the selection procedure but also leads the user to the desired assembly. This makes it simpler for users to find and select the assemblies they want, and avoids bothersome queries. Another improvement of the selection process is achieved by using sale stages on the assembly level. This information supports the search operation for multi-stage orderable, non-orderable or discontinued assemblies. The visual presentation (non-orderable assemblies without underscoring) and an additional button (resolution) enable users to identify the assembly in more detail. This symbolizes "further components for assembly exist". The user is systematically guided onwards.

As an additional information option, users are provided with a callable display mode.



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Choice of sale stages:

- Assembly cannot be ordered, components can be ordered
- Assembly cannot be ordered
- Assembly can be ordered, components can be ordered
- Assembly can be ordered
- Not a service product

Following purposeful selection of an assembly, users receive online in addition to explanations on the assembly concerned a listing of the current inventory situation from the back-end SAP system covering all storage locations. They can select the storage location and thus choose the shortest route to the delivery address desired. More than one item can be filed in a single shopping basket, which is then transferred directly to the back-end system.

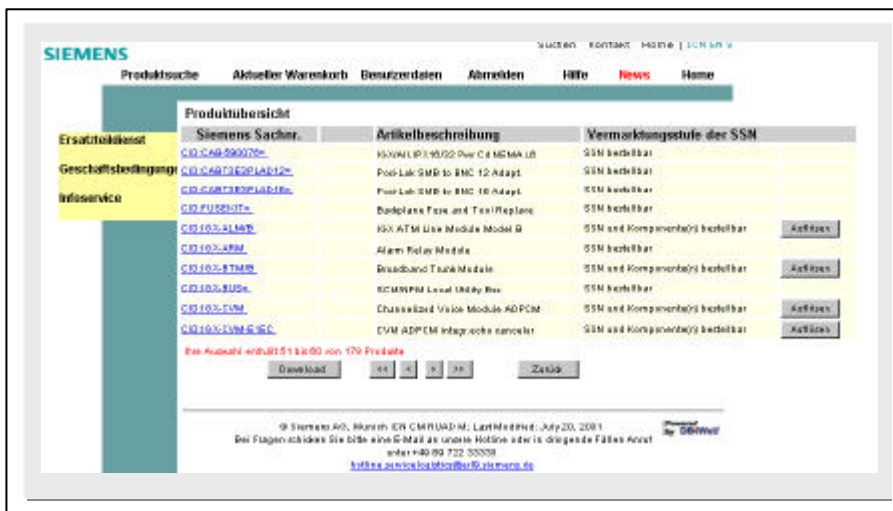
livery address to ensure arrival on time.

With the introduction of a “Delivery Instruction” field for completion over the Internet, users now have an option for filing information regarding the delivery process. This field is printed in the back-end system onto the delivery label for the forwarding agent, and thus utilized as a controlling variable.

### Outlook

Further functions planned for this Internet solution:

- Integration of service agreement data into customers
- Worldwide inventory controlling for hitherto non-controlled storage locations
- Planning tool based on contractual data for each national company serves as a foundation for control of the supra-regional storage locations



The user obtains additional information on the life-cycle of the assemblies selected, and during the ordering process can still opt for a different product. For example, information on the discontinuation of sale, note on a compatible replacement assembly, status designation, etc. are displayed in the shopping basket procedure as aids to decision-making.

Another step towards an end-to-end process is provided by the use of order priorities. This precaution plays a particularly important role when it comes to deliveries within 2 - 4 hours. In addition, for consignments with order priority 1 the hotline is integrated into the transaction via a workflow. The hotline's job is to dispatch this express consignment by taxi or another form of transport to the appropriate de-