



Report on benchmarking project at a global electronics group

SAP costs and processes investigated

The management of the light systems division at an electronics group was not satisfied with its SAP costs and decided to analyse its internal processes.

The surprising thing was that one of the supposed strengths of the global electronics company, namely its decentralised organisation, proved to be a weakness in the benchmark project. Within their own boundaries the various business units had very good cost structures, but on an overall basis the costs were nevertheless well above those of the peer group. Depending on the concrete requirements of the internal customers, the system environments of the various business units differ both in terms of the complexity of the processes and also in terms of the maturity of the application. The benchmark project was therefore concerned with working out which processes could be standardised and integrated at the user level taking these complexity parameters into account. Within just eight weeks Maturity analysed all the relevant operative and cross-over processes and identified the weaknesses in the process organisation.

Finding the right balance between centralisation and decentralisation was the order of the day. One of the core points in this context was to identify the business units in which standards are set and also to find which standards can be transferred from one business unit to others. Step by step the team analysed which departments used the various processes most econom-

ically, what the reasons for this were and what costs were incurred. On this basis it was then a question of consolidating several processes.

A joint training centre for all users was set up by the central IT department so that key users from the various business units are now trained together. The company also introduced a standard knowledge management and reporting system for all the units and now conducts negotiations with service providers on a joint basis. Maturity also suggested the introduction of a championship organisation whereby staff with the greatest competence in various sections act as advisers and also take responsibility between departments for certain processes or procedures such as ITIL.

The joint use of individual platforms means that the light systems division can save around 20 percent of its previous costs. In addition the improved interfaces to the computer centre service provider ensures that the staff's work is now also more efficient. Today there is a considerably lower number of staff charged with the coordination of the provider than was the case prior to the project – the others are now strengthening the planning department. Finally, the combined approach to suppliers also means a better negotiating position. ■

Profile



Company

Light systems division at a global electronics group

Benchmark project

Analysis of process organisation in the SAP environment

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