

# Sap – scm software application



SAP's supply chain management is based on the SAP NetWeaver platform. This would help in providing all of the above discussed features that are needed in order to ensure that the SCM works in a stream lined way. In addition to this, the supply chain on SAP also supports a whole lot of visibility platforms. They allow you to create an SCM scoreboard that will help you in monitoring the changes that are happening in your supply chain system, 'from price quotation to product delivery' (IBM, 2007).

The number of orders that are outstanding, the financial commitment to these orders, the production that is going under a critical path because of any delays in the supply chain is all monitored using this software. Therefore, the entire supply chain is presented in a visual map by SAP SCM. This would help in realizing the best management tool that any manager might really be looking for. As declared by SAP in its leaflets, the entire process will help in providing the following features: 1.

Supply Chain planning and collaboration: this will help in bringing together the existing practices of the company and simulate the entire process in the supply chain. This would help the company in retaining the positive and strong factors of its own supply chain management while at the same time help in augmenting the entire job. This will be able to help you set your corporate goals in supply chain, monitor these goals and also ensure that they are achieved by providing close follow up options. In addition to these, this will also help in forecasting. 2.

Supply Chain execution part of the SAP - SCM module is directly derived from the supply chain planning and collaboration module that we saw earlier.

The information that is gathered and presented in the planning module and in collaboration with the other modules is brought up here during the execution phase. During the execution, the entire process is executed and is monitored all through. The supply chain is not only limited to the process of spotting the right vendor, but also involves logistics, transportation and connects the entire operation with the real-time planning process that is found in the other module.

In addition, this module also updates the production planning and control module in addition to the supply chain planning and collaboration modules. All these together make the execution part of the software a live control center for the supply chain managers. 3. Supply chain extended visibility module that exists in SAP makes it possible to link the company with the vendors' local databases. This would ensure that the company knows the local stock in every one of the vendors' locations.

This will aid in keeping the optimum stock and in planning production processes. On many occasions, order booking decisions and commitments on delivery schedules is done based on the capability to promise models. These models are easily realized using the extended visibility module. You can also fix a number of pre-defined key performance indicators (KPIs) to bring out the right status of the company to the fore. These modules integrate fully with the rest of the modules existing in SAP making one single seamless unit.

In order to realize the complete usability of these modules, the user needs to ensure that all his requirements are fully brought out even during the initial discussions so that the integration of these modules is complete. The

reports, the KPIs that are mentioned and brought out and all the other factors that are brought out using the various models available in the supply chain need to be clearly brought out. There are number of programming steps that needs to be done on SAP to ensure that all these features are made use of so that 'the business strategies of the company matches with the IT strategies' (SAP 2005, pp4).

The MySAP version does the same over the internet staying completely on the server. It again links up to the supply chain software that works either within SAP or as a third party tool. As a matter of fact, MySAP would take the supply chain to the vendor's machines. This way, there is an increased information flow on the status of the goods. For instance, an auto manufacturer would like to know his ancillary suppliers status at any given point in time. This will help him make his commitments more sincerely and authoritatively.

And integrating Supply chain management with SAP would provide just that capability to the managers and the users. If this is what it does to the Global Capability to promise, it also provides greater strength to the capability to produce. By providing the right information on the availability of goods and services at the right point in time, it helps the managers to draw conclusions and decisions more scientifically. This would help them reach the capability maturity level that would help them support the customers much more closely.

Third Party Supply Chain software There are number of supply chain management software that work seamlessly with SAP's other modules. These

software modules either work off the net or in some cases on line too. In either of the cases, they provide almost all the features that were discussed about SAP - Supply Chain Management module. They also talk of all the standard features as much as the SAP's own product does. However, there are also special features that off set the third party tools in contrast to the SAP's product as well as among themselves.

While some of them are specialists in Supply Chain and provide you a comprehensive logistics and transportation module, there are others, who are made to take care of the extended requirement that some of the companies have. One of the most common requirements in pursuance of reducing the stock levels is to combine the vendor stocks. The vendor stock position at various locations is normally sought by the company to know the position of specific products and the lead time that is to be planned. This would help the company to determine its capability to deliver or capability to promise to the customers.

Based on this, the company would be in a position to make clear plans to meet the current requirements as well as to plan for the future needs of any product. One of the other major divisions of the Supply chain is the distribution module. This involves sending across using appropriate transportation and logistics, the finished goods to various destinations in the country. It has been consistently found that planned and well calculated movement of goods over the distribution network has saved millions for companies.

That is the reason, why Supply chain is normally looked at as means to improve the bottom line of any company. This has been reflected by many of the companies when they plan for the implementation of the Supply chain module in their company. Most of the companies that provide third party supply chain solutions along with SAP - SCM bring the entire set of vendors' right across the company. The software provides an adaptive supply chain system that modifies to suit the needs of the company. Depending upon the practicing processes the software can adapt itself.

Change to suit the needs of the company. With many of the products going online, the working is more in line with the MySAP version that is seen on the SAP. The process starts with planning at the production side and covers all aspects of demand planning, supply network planning, supplier relationship management, production planning and scheduling, availability check and transportation planning, supply chain event management and also need to support dynamic supply chain cooperation between the vendors and the partners and the company involved in the activity.

All these are needed in order to set the entire operation going. Conclusion Whatever is the supply chain software that you employ in order to connect up the entire set of modules in the software system, it should be providing you with the required services, if you have planned for it. Most of the times, the implementations do not deliver the expected results because the targets are not set ahead. On other occasions, targets are changed continuously so much so that the targets become unreachable by the time the project closes.

That is the reason, why most of the modules after implementation, is felt as if they have not produced the results that are needed. SAP SCM is made for lean manufacturing; it is made to support Kaizen and JIT. Whatever be the model that is adopted by the company, it still is possible for the software to fit itself to the needs. Similarly, many of the companies that are using Supply chain modules and the companies that have made these modules are both subscribers to the latest trends in management practices and adapt to the models that are currently in vogue.

That is the reason why you would find that this software that are installed come with all the features and reports that are in line with these standards. Whether it is the ISO standards or six sigma norms or the CMMi specifications, whatever be the requirement that the company might have, the software seems to have the right kind of features for the purpose. Therefore, it may be concluded that the features on the software, both the SAP and the supply chain is more dependable on the way it has been implemented. It is also dependent on the practices that are in vogue in the company that is implementing them.

And the practices and processes that make up the company's supply chain has to be fully adapted in order to ensure that there is no lacuna in the performance of the software. This will also ensure that the company has no reason to change the way it is working. It continues to operate the way it is while at the same time, the new software would help the managers with additional information and data to carry forward the company with better bottom line. There are also cases where the financial supply chain management takes precedence over the rest of the working.

This is quite understandable since financial management becomes the core of management. The company and the board of directors might just be more interested in the ensuring that the finance of the company is under control. That is the reason, why SAP has integrated the financial supply chain along with the rest of other modules. All this in an integrated environment would be in a position to provide the Global ATP (SAP 2007, Presentation Slides) or available to promise capability. Once this is enabled in the company, the promise can be made by any one in the company from anywhere globally.

This is the capability that is envisaged by the implementation of the supply chain management system integrated with SAP. And by adapting the right kind of SAP best practices, pragmatic cost saving measures can also be implemented in the integration process.

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