

# Business Drivers and Key Considerations for Adopting SAP Business Network for Supply Chain

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**GYANSYS**

Chicago

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**SAP**insider



## In This Session

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Learn more about key considerations and benefits of adopting SAP Business Network For Supply Chain, as well as potential roadmaps, challenges, and lessons learned from real world customer adoption of SCC to expedite your SCC adoption roadmap.

### Key Takeaways:

- Why Supply Chain Collaboration
- Key considerations of adopting Supply Chain Collaboration
- Tips and Tricks for Successful Implementation

# What We'll Cover

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1. Introductions
2. Business Network for Supply Chain Collaboration for an Automotive Supplier
3. Challenges & Lessons Learned
4. Key Considerations for Your Business Network Roadmap
5. Wrap Up

# Introductions

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## **Prabhat Sapre**

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# GyanSys is a Global System Integrator and a Provider of Digital Transformation, Data & Analytics, and Managed Service Solutions.

Founded  
**2005**

 **2,000+**  
Employees

*Big Enough to Deliver. Small Enough to Care.*

End-to-End SAP Services including S/4, ISBN (Ariba), BTP, IBP, APO, AATP, EWM, TM, MII/MES, PP/DS, EAM, PLM/PPM, AGV Integrations, Advanced VC, Batch Traceability, Yard Logistics, and others

Professionals Worldwide	
North America (US & Canada)	550+
Asia (India, Philippines, Singapore, Vietnam)	1,300+
Europe (Germany, Switzerland, UK)	50+
South America (Argentina, Brazil, Chile, Colombia, Mexico)	150+

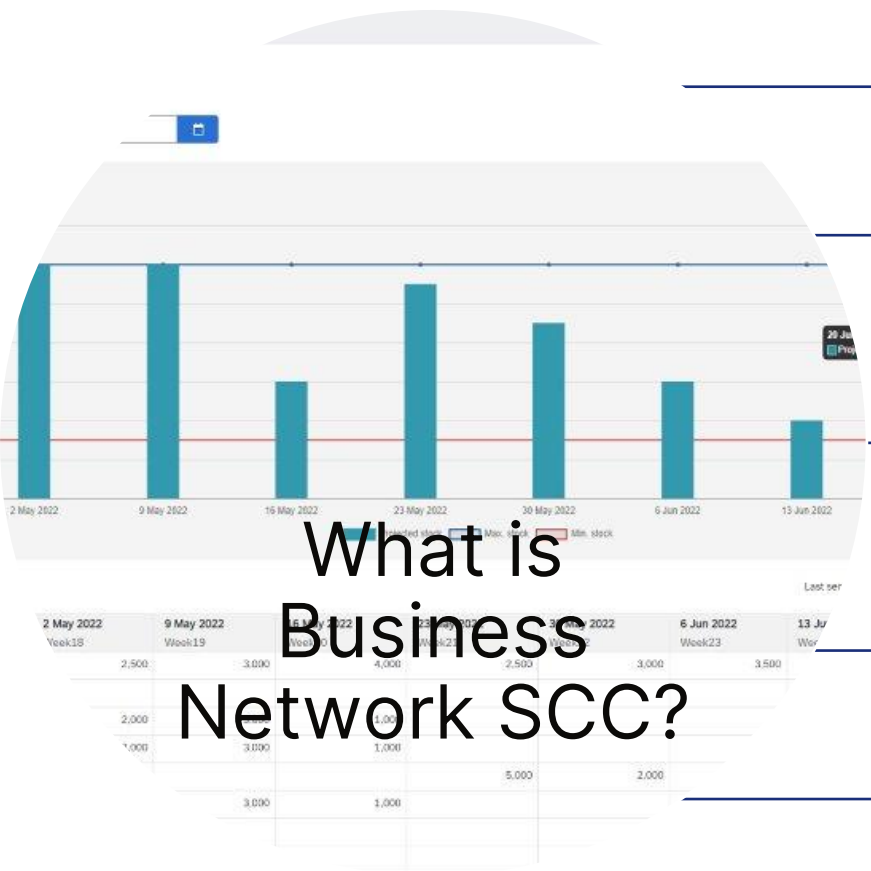
SAP Practice Details	
SAP Practice Team Size	1,500+
S/4 Projects Delivered (incl. S/4HANA Private & Public Clouds)	50+

Service Type	Advisory & Projects	60%
	Managed Services & Support	40%



Gartner mentioned GyanSys as an honorable mention as an **SAP S/4HANA Application Services, Worldwide**, provider in their “***Magic Quadrant for SAP S/4HANA Application Services, Worldwide***” report.

# Business Network Supply Chain Collaboration



? Where does it fit in?

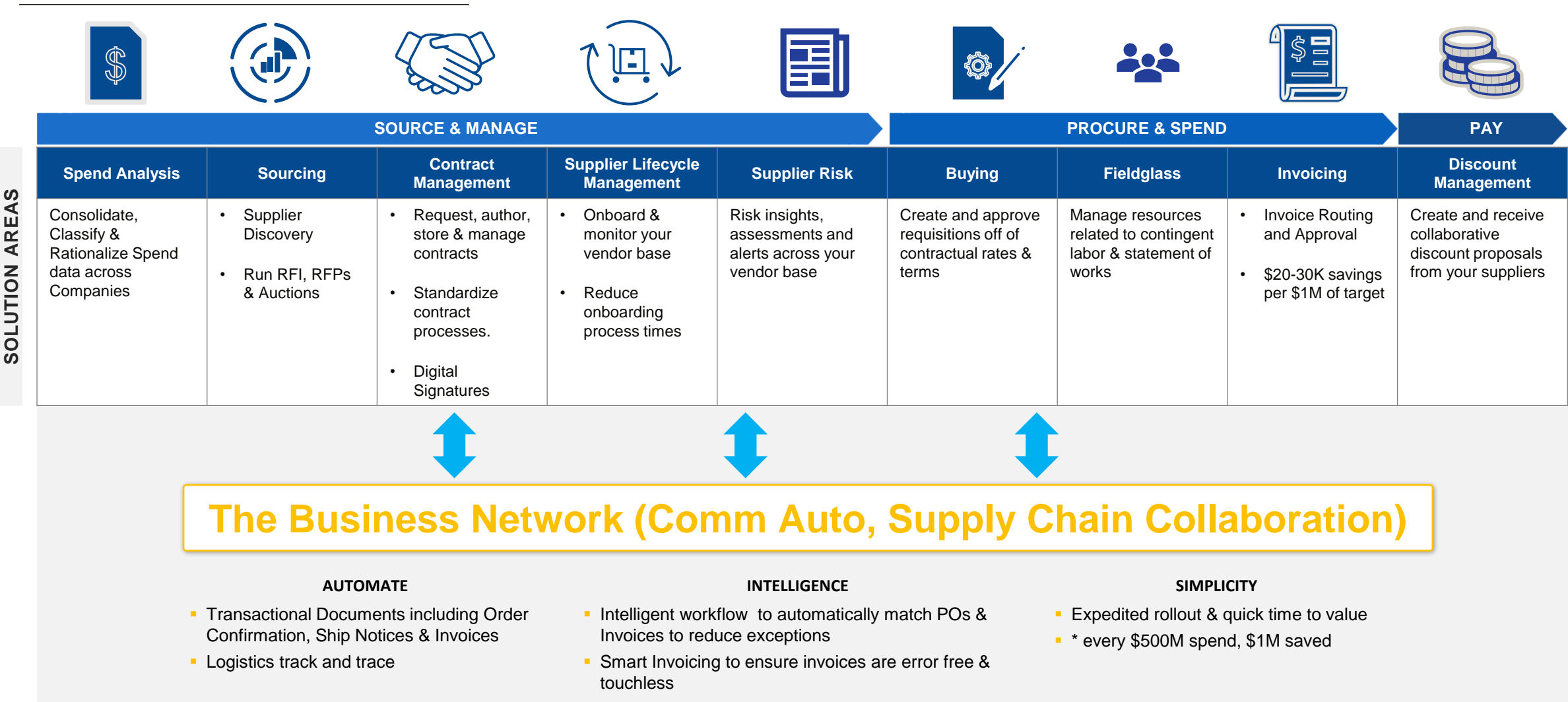
? How should I use it?

? Why should I use it?

? How SCC improves collaboration with suppliers?

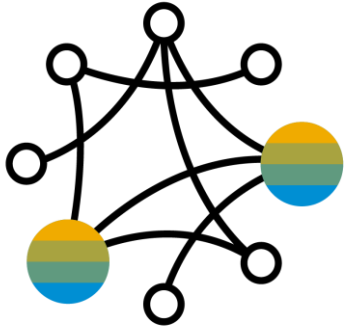
? Real-time transaction visibility?

# SAP Spend Management Portfolio



# SAP Business Network for Supply Chain Licensing / Subscriptions

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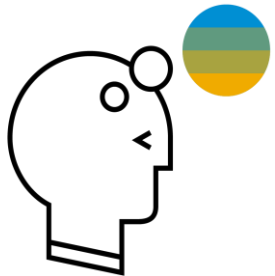


- PO Collaboration
- Scheduling Agreement Release Collaboration
- Consignment
- Contract Manufacturing Collaboration
- Multi-tier Order Collaboration
- Returns
- Barcode Shipping Labels

(Subcontracting)

## Base Solution

## Add-Ons



### Forecast

- Forecast Collaboration
- Contract Mfg. Visibility Collaboration



### Quality Collaboration

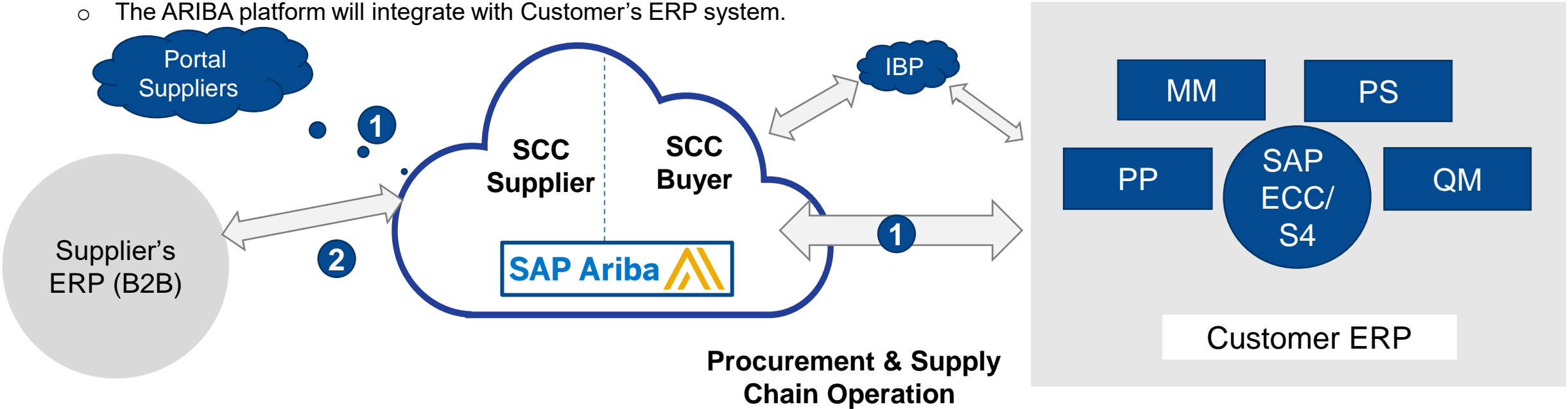
- Quality Notification
- Quality Inspection
- Quality Review



### Seller Managed Inventory

# SAP Business Network Overview

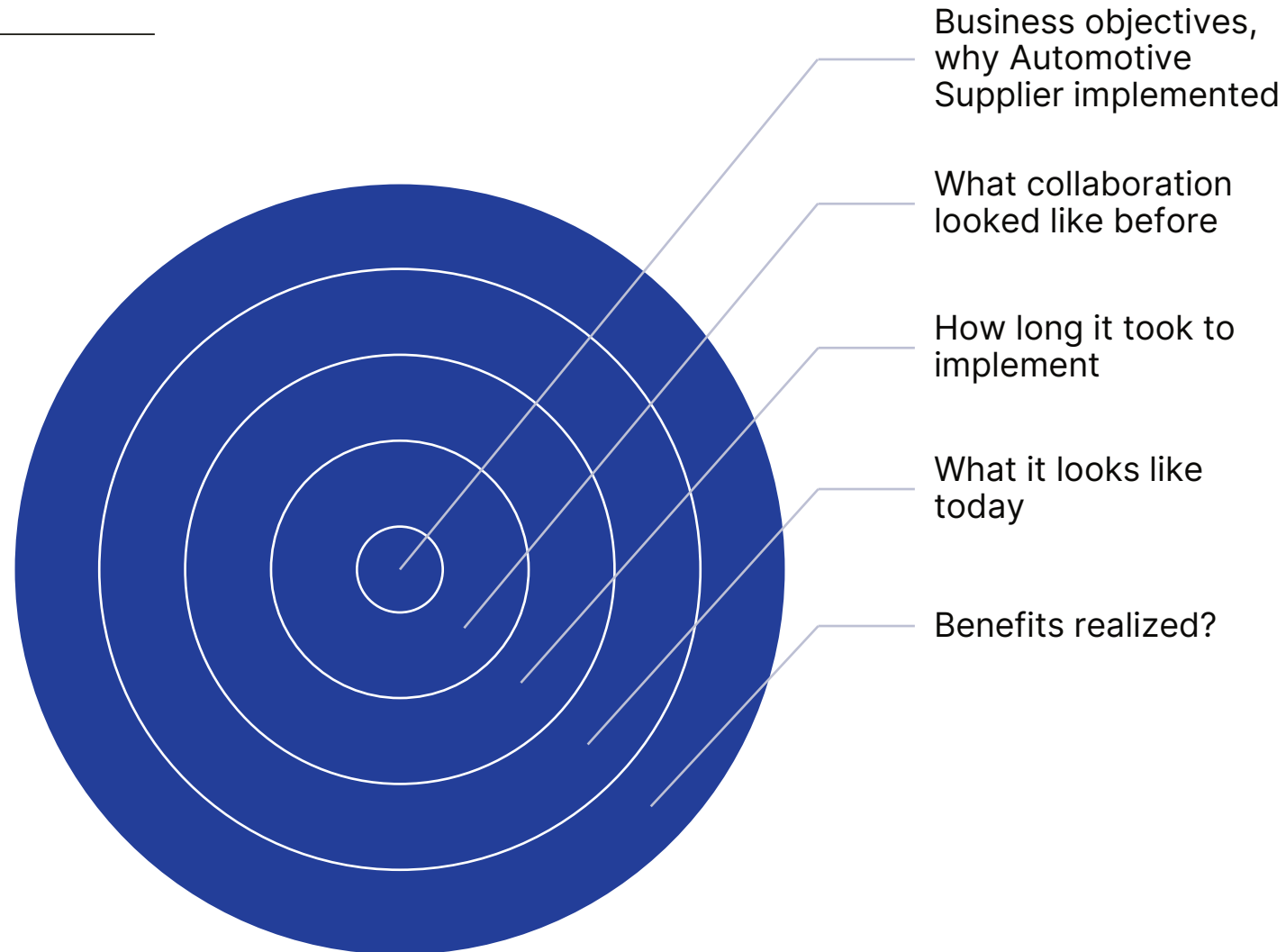
- SAP Business Network for Supply Chain for Direct Procurement business process optimization.
- The ARIBA platform will integrate with Customer's ERP system.



Area	Description
1	Baseline Scope
2	Optional Supplier Side Integration with Supplier ERP – B2B
	Optional End to End Supplier onboarding and enablement support

# Automotive Supplier

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# Background & Context

<b>About the Customer</b>	An Automotive Customer in North America, they are an industry-leading global supplier to Automotive Original Equipment Manufacturers (OEMs) for infotainment systems and advanced connected car solutions. Clients include Ford, GM, Chrysler, Daimler, Fiat, Tesla, Honda, Toyota, Nissan and many others.
<b>Project Summary</b>	<ul style="list-style-type: none"><li>• Forecast Collaboration - Provide Forecast and allow Forecast commit</li><li>• Scheduling Agreement Release collaboration and Firm schedule confirmations</li><li>• Multi -Tier / Vendor Consignment Collaboration to reduce data inconsistencies across 3 parties Customer Vendor and 3PL</li><li>• Enable Scheduling Agreement for all vendors.</li><li>• Reduce incorrect data flow in ECC due to incorrect ASN or confirmations</li><li>• Supplier Performance metrics / reporting - Timeliness / Accuracy</li><li>• Eliminate Buyer manual data entry by allowing Vendor to collaborate on ASN, Invoices and confirmations</li></ul>
<b>Business Drivers</b>	<ul style="list-style-type: none"><li>• Cross functional (Direct Purchasing, Engineering, Indirect Purchasing, Quality) value chain collaboration was highly manual process reliant upon emails between groups and to vendors focusing on all parts instead of the high-risk parts.</li><li>• Enable better tools for Purchasing to be able to focus on exceptions and allow vendors to collaborate more effectively.</li></ul>

# Business KPI & Benefits Using Ariba SCC

Business Drivers	
1	Improve productivity
2	Increase purchasing process automation and Supplier collaboration
3	Improve transaction visibility
4	Reduce inventory & Lower working capital costs.
5	Online, one place for collaboration with direct vendors to communicate confirmation of shipments
6	One stop repository for communication
7	Buyer dashboards to focus priorities
8	Collaboration with IBP Supply and Response
9	Similar dash-board for Buyer and Supplier, Both see the same data

# Lessons Learned: Top Post Go-Live Challenges

Area	Project Challenges	Lessons Learned
<b>Supplier Collaboration and Forecast</b>	<ul style="list-style-type: none"> <li>Email base communication which is time consuming and inefficient.</li> <li>Custom process for supplier onboarding</li> <li>No one platform for supplier collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Digital document exchange which provides real time visibility and eliminates manual process.</li> <li>Online &amp; easy supplier onboarding &amp; enablement</li> <li>All supplier onboarded to one common platform</li> </ul>
	<ul style="list-style-type: none"> <li>Forecast spreadsheet sent over email.</li> <li>Supplier sends forecast commit by email .</li> <li>Forecast was a manual process.</li> </ul>	<ul style="list-style-type: none"> <li>In Network, Buyer can share demand forecast with supplier in real time.</li> <li>Supplier can commit forecast in Network and will be available to Buyer in real time.</li> <li>Demand Forecast can be automated in Buyer SAP to trigger to AN, no manual process required.</li> </ul>
<b>PO Processing</b>	<ul style="list-style-type: none"> <li>PO is sent as an attachment in email.</li> <li>Physical copy of PO to supplier via mail.</li> <li>PO processing is a manual process.</li> </ul>	<ul style="list-style-type: none"> <li>PO processing is a real time communication between buyer and .supplier</li> <li>PO processing can be automated in buyer SAP to trigger to AN, no manual process is required.</li> </ul>
<b>Order Confirmation</b>	<ul style="list-style-type: none"> <li>Email based PO confirmation about price and qty by supplier.</li> <li>OC doesn't update PO, as it's a manual process</li> </ul>	<ul style="list-style-type: none"> <li>Supplier can do OC in Network.</li> <li>There are two options - Portal or Integrated</li> <li>Real time automatic update of OC in PO in SAP.</li> </ul>
<b>Ship Notice</b>	<ul style="list-style-type: none"> <li>Shipping document received in email or along with shipment.</li> <li>PO does not gets updated with ship notice.</li> </ul>	<ul style="list-style-type: none"> <li>Supplier can create ship notice in Network.</li> <li>There are two options – portal and integrated.</li> <li>ASN gets updated in PO in real time and Inbound delivery gets created for receiving.</li> </ul>
<b>Shipping label with Bar Code</b>	<ul style="list-style-type: none"> <li>Shipping label received as part of shipping paper work.</li> <li>No scanning capability today.</li> </ul>	<ul style="list-style-type: none"> <li>Label creation functionality is available in Network.</li> <li>Supplier has an option to generate label from Network and send with shipment.</li> <li>Label can be scanned to post goods movement.</li> <li>Inbound delivery created for goods receipt.</li> </ul>

# Lessons Learned: Top Post Go-Live Challenges

Area	Project Challenges	Lessons Learned
<b>HU's in ASN</b>	<ul style="list-style-type: none"> <li>Currently this functionality was not used, customer wanted to implement it.</li> </ul>	<ul style="list-style-type: none"> <li>Handling Unit functionality is available in ASN.</li> <li>HU's gets updated in real time in SAP.</li> </ul>
<b>Goods Receipt</b>	<ul style="list-style-type: none"> <li>GR Info was not shared with supplier.</li> </ul>	<ul style="list-style-type: none"> <li>As soon as GR is done against "Inbound Delivery", it is sent to Network, Supplier will have visibility about GR at buyer end</li> </ul>
<b>Invoice</b>	<ul style="list-style-type: none"> <li>NA – Invoice is sent via email by supplier and then it is scanned in Esker and sent to SAP via interface.</li> <li>EMEA - Supplier sends invoice via email and AP team checks for data accuracy and post the invoice in SAP</li> </ul>	<ul style="list-style-type: none"> <li>Easy invoice creation by PO flip on Network or integrated supplier can send invoice directly from their ERP to Network.</li> <li>Real time invoice posting in Buyer SAP.</li> <li>Touchless invoice approval and real time integration to SA</li> </ul>
<b>Remittance</b>	<ul style="list-style-type: none"> <li>Remittance information is not sent to supplier</li> </ul>	<ul style="list-style-type: none"> <li>When payment is processed in SAP, remittance info is sent to supplier on Network in real time.</li> </ul>
<b>Attachments and Comments in PO</b>	<ul style="list-style-type: none"> <li>Attachment is sent separately in an email and not attached to PO.</li> <li>PO Comments not sent today.</li> </ul>	<ul style="list-style-type: none"> <li>Attachments and comments are sent in PO as part of std. functionality.</li> </ul>

# Lessons Learned: Top Post Go-Live Challenges

Area	Project Challenges	Lessons Learned
<b>Consignment &amp; Multi Tear</b>	<ul style="list-style-type: none"> <li>No Interface with 3PL logistic provider</li> <li>Customer were sending copy of PO using email.</li> <li>360-degree view was missing with all info at one place.</li> </ul>	<ul style="list-style-type: none"> <li>Functionality of sending Carbon copy of PO to 3PL vendor and Main vendor</li> <li>Provides Buyers and Suppliers with end-to-end visibility of movements related to consignment inventory</li> <li>Comprehensive Consignment report an overview of the consignment quantities, which are sent &amp; invoiced</li> </ul>
<b>Scheduling Agreement Release</b>	<ul style="list-style-type: none"> <li>Cumbersome EDI process in case to onboard new supplier</li> <li>Limited Scale up capacity</li> <li>Confirmation of Release was missing</li> </ul>	<ul style="list-style-type: none"> <li>Easy to Scale up with quick supplier onboarding and enablement</li> <li>Batter collaboration</li> <li>No Custom EDI need to build for release confirmation</li> </ul>
<b>STO</b>	<ul style="list-style-type: none"> <li>transaction within sister company was lacking stock visibility</li> <li>Consignment material need from 3 PL using STO</li> <li>SLOC to SLOC stock transfer</li> </ul>	<ul style="list-style-type: none"> <li>STO Integration to Business Network provides visibility about the stock of type In-transit and the stock that is available at plant (Unrestricted) to the trading partners on SAP Business Network.</li> </ul>
<b>Country of Origin and Batch ID</b>	<ul style="list-style-type: none"> <li>Customer, it's there for few commodities, but process is not streamlined.</li> </ul>	<ul style="list-style-type: none"> <li>These options are available in ASN in Network.</li> <li>Supplier can enforce supplier to provide these details, if material is batch managed.</li> </ul>

# Wrap Up

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# Where to Find More Information

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- <https://help.sap.com/docs/business-network-for-supply-chain/business-network-for-supply-chain-integration-and-configuration/sap-business-network-for-supply-chain>
- <https://support.sap.com/en/product/onboarding-resource-center/sap-customer-onboarding-webinars/sap-intelligent-spend-and-business-network-onboarding-webinars.html>
- <https://help.sap.com/docs/business-network-for-procurement/business-network-supply-chain-integration-configuration/sap-business-network-for-supply-chain-integration-and-configuration-guide>
- <https://help.sap.com/learning-journeys/5008399d7a261014b6128d50b9197b37>

# Key Points to Take Home

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- You know your suppliers better than anyone: have your own strategy & do not completely rely on others.
- Uniqueness of your business should be brought up early
- Develop a strategy to handle non-network suppliers and PDF invoices
- Onboard Pilot supplier(s) early
- Allocate key business user(s) to the project who has a strong idea about your day-to-day transactions
- If you want to bring any innovation during the project, strategize and plan before process design sign-off.
- No one wants to change: As part of your change/onboarding strategy, encourage your suppliers to onboard on Business network, clearly articulate the benefits
- Make sure you have a clear definition of your direct and indirect spend
- Plan for error handling, monitoring, and notification.
- Suggested to onboard AMS team early in the project for easy transition to steady state
- Dedicate more business users during user acceptance testing (UAT)

# Thank you! Any Questions?

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Please remember to  
complete your session  
evaluation.

# SAPinsider



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