

Case study

Better drive in SCM for automotive suppliers

SAP add-on for optimizing material requirements planning and inventory controlling

To be able to manage global value chains and different business units in such a way that loss-makers can be identified quickly and investments can be made in the right place at the right time, internationally established companies need efficient and transparent processes. With this in mind ZF Friedrichshafen AG is calculating and optimizing its logistics processes in SAP using a certified SAP add-on. The relevant modules are used to support the company in its demands and inventory-optimized controlling processes, and to aid them in achieving optimum modularization of the entire company through cross-national and cross-plant transparency.

ZF Friedrichshafen AG is a global leader in driveline and chassis technology as well as active and passive safety technology. The company has a global workforce of around 137,000 with approximately 230 locations in some 40 countries. In 2016, ZF achieved sales of €35.2 billion.

ZF allows vehicles to see, think, and act. With its products, the company is striving for Vision Zero – a world of mobility without accidents and emissions. With its broad portfolio, ZF is advancing mobility and services in the automobile, truck, and industrial technology sectors.

Improving functionality and performance

The product portfolio covers technologies aimed at improving drive efficiency, vehicle safety and reliability, and automated driving. Against this backdrop, it is only logical that the technology leader would look toward efficient, safe, and automated processes inside the company, too. At the annual DSAG congress, Udo Wessbecher, Head of IT Supply Management Inbound at ZF Friedrichshafen, was first introduced to the Dispo-Cockpit, an SAP add-on from Siegen-based company GIB, which has been used by numerous national and international companies to improve their process management and controlling sustainably and effectively. As they sought to initiate implementing their own improvement and optimization objectives, ZF showed an interest in the software. By this stage, the software programs used by ZF were already running up against their limits of capability. Various self-written analysis tools were struggling with performance problems.

“The GIB Dispo-Cockpit was the optimum solution. We planned to implement the analysis software globally. But, owing to a lack of functionality,” recalls Udo Wessbecher, “this was

not possible with the solution developed in-house.” ZF opted to use the Dispo-Cockpit modules Operations, Controlling, and Planning.

Efficiency gains through uniform group standard

In 2011 Dispo-Cockpit Operations was the first module to be introduced in a plant. Eight further plants would soon follow suit, and in the near future the Dispo-Cockpit is set to be rolled out in Hungarian and Russian sites. *“Our goal was, through this new-found transparency, to get an overview of all the relevant materials planning information using this module and to facilitate day-to-day work and manage situations in a targeted way,”* explains Wessbecher. *“That is precisely what happened.”* In addition, it was also important to the car parts supplier to have modern and intuitive user interfaces that enabled rapid navigation. To enable the two Dispo-Cockpit modules – Operations and Controlling – to be implemented quickly and smoothly, the users took part in some initial training where they learned how to apply the software best to their individual work processes.

The Controlling module has even been implemented worldwide at ZF. After an intensive performance audit and a comparative analysis involving six other solutions, it was rolled out to 150 plants across the globe two years ago. *“Particular aspects such as functional scope, flexibility, cost of the solution, and the provider’s expertise were crucial factors in our decision-making process,”* says Wessbecher. *“GIB and the module they offered came out on top when compared with the solutions presented by the other providers.”* Thanks to the group-wide transparency, the Dispo-Cockpit module for Controlling now ensures inventory-optimized purchase orders and a clear increase in delivery readiness. *“The tool has allowed us to create a uniform group standard,”* says Rainer Grimm, IT Supply Management Inbound at ZF. *“We are now able to guarantee the same controlling methodology worldwide.”*

Communication on an equal footing

At the technology group, a similarly positive outlook can also be reported from investment and procurement. From a corporate perspective these have brought crucial benefits, in particular by enabling standardized controlling processes and, at the same time, by introducing intuitive user interfaces. The Planning module is currently being tested in the project phase at the Friedrichshafen site. The project team emphasizes that the delivery of the software solutions is also being accompanied by a transfer of expertise at the same time. *“During communications between solution providers and professionals from materials planning, controlling, and supply chain management,”* explains Wessbecher, *“one thing has become clear: here, experts are talking to experts. The practical relevance of the GIB*

employees has also helped to ensure that implementations already completed have been able to run successfully and that a similar outcome can be expected for upcoming projects.”