

Success Story: Introducing SAP NetWeaver BI Vibracoustic Has an Eye for Essentials



Vibracoustic is a specialist supplier of vibration technology for cars and trucks. The company, founded in 2001 in a joint venture with Phoenix AG, is wholly owned by the Freudenberg Group since the beginning of 2005. Thanks to consistent customer orientation, global structures, and superb industry expertise, Vibracoustic has an excellent reputation as the founding developer of technical vibration modules and components for the international automotive industry. Vibracoustic currently operates from 24 locations worldwide and supplies its products to all leading automobile manufacturers. The company employs 2,060 people in Europe and generated a turnover of €449 million in the 2005 financial year.

German automotive technology sets the standard for the entire world. Being one of the most innovative industries, prompt access to key company data is vital to maintain this ability to innovate.

Global innovation management gives Vibracoustic a considerable competitive advantage, improving the utilization of global development resources and increasing the pace of innovation. Transparent corporate management processes, efficient controlling, and internal benchmarking of all sites across the entire business are a matter of course at Vibracoustics. Their goal was to establish a better and more rapid flow of information and ensure that the right data are available in the right place at the right time. The company decided to implement an efficient reporting platform based on SAP Net Weaver Business Intelligence (SAP NetWeaver BI) to achieve these aims. This solution was introduced as part of their long-term IT strategy, using a standardized company-wide system environment based on SAP solutions.

Working Capital Management

Vibracoustic focused on working capital management in the course of the introductory project. "We need to be in a position to generate a breakdown of the relevant balance sheet positions, right down to the smallest business activities. It's important that this happens promptly, so we're able to apply the information gleaned from the-

se figures in our business operations," says Christof Wörner, in Controlling at Vibracoustic and Project Manager responsible for the introduction of SAP NetWeaver BI. A second key focus was to create a standardized reporting system for use throughout the company. The data from the various departments—for example controlling, accounts, sales, or logistics—of the ten local and overseas sites already existed within the standardized SAP system, but they needed to be extracted and transferred into the separate SAP Business Information Warehouse (SAP BW) before they could be used efficiently for reporting purposes. "This enables us to standardize our reporting systems, at the same time making them more flexible. In the past, finance and logistics figures, for example, were stored in different 'corners' of the SAP systems. We had to build and maintain a separate info system for every SAP module," says the project manager.

Rapid Data and Evaluation

Central access at Vibracoustic means that procurement, consolidation, and evaluation of information will occur considerably more rapidly in the future, not least as a result of the better structures used for storing the data. For example, hierarchies were defined in controlling that map the organization structure according to profit centers. The company can use these for both product and customer profitability analyses. In addition, inventories can be evaluated

based on responsibilities and key figures such as inventory value, turnover rates, and throughput times. To reduce outstanding accounts by improving management of receivables, SAP NetWeaver BI accesses the data from SAP Dispute Management, that is, the processing and administration of customer returns, outstanding invoices, and partial payments.

Consistent IT Strategy Implementation

Introducing SAP NetWeaver BI also allowed Vibracoustic to meet the departmental requirements for an extended reporting system. The first step was taken by the controlling department, which also initiated the project. "Our introduction of SAP NetWeaver BI is part of our consistent IT strategy implementation. With mySAP ERP, we have a standardized one-client system which we use across Europe. This paved the way for integrating SAP NetWeaver BI into our mySAP ERP system. There was no need to create new interfaces or undertake new ABAP developments," says Wörner. A ROI analysis carried out prior to implementation reached the same conclusion.

„Step by Step“-Projekt

The ROI analysis was completed in December 2004 and the project officially launched at the beginning of 2005. The standardized mySAP ERP system meant SAP NetWeaver BI could be centrally implemented. The mySAP ERP expertise of the IT consultants was a deciding factor in the project's success. This system serves as source system from which the data is extracted into the SAP NetWeaver system and on which the so-called infocubes are modeled. In May 2005, Vibracoustic went live with the first infocube for profit center accounting. Implementation took place in stages across all sectors—including the launch of the individual infocubes and the various queries as well as the individual sites. The finalized implementation of cost center accounting marked the completion of the project in November 2005.

F-IT won the contract for the project for a number of reasons. Vibracoustic takes advantage of the full range of services offered by the IT service provider—from consulting and development through to the operation of the SAP systems in place. In addition to their experience with a wide variety of business intelligence projects, F-IT

is known for their expertise with mySAP ERP systems and hosting of this standardized SAP system. "F-IT use both the mySAP ERP and SAP NetWeaver BI systems in their own data center, which means we'll be able to realize synergies," says Christof Wörner about the partnership with the IT service provider.

Integration into the Company Portal

The next stages will see SAP NetWeaver BI integrated into the company's portal, based on the SAP NetWeaver portal. Data access will thus be extended from 50 key users to around 150 employees, allowing them to access the necessary data faster and with more autonomy. Also, they will be able to receive the data in structured form tailored to their needs. The portal will be used as a frontend for SAP NetWeaver BI. Integration into the SAP NetWeaver Portal will introduce improvements, such as an easy-to-use graphic user interface and single sign-on. In the future, the system will also be able to map turnover planning and forecasts via the SAP BPS (Business Planning and Simulation). The information broadcasting functions will automatically be distributed as information to the portal or sent per email for alert monitoring purposes.

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