



ESTIMATED ROI OF € 2.8 MILLION IN LESS THAN 3 YEARS THANKS TO IDS SCHEER CONSULTING

Challenge

In recent years CSM has grown significantly as a result of several acquisitions. In order to create synergy between these sites, CSM decided to create a European buyer community for its purchasing activities. As many sites have their own processes and ERP applications, it was difficult for CSM to gain insight in actual purchasing data. In addition, it lacked uniform master data of vendors and stock. IDS Scheer Consulting supported CSM in setting up a purchasing platform, based on SAP® SRM and SAP® MDM.

Solution

In order to create more synergy between its European sites, CSM set up a European buyer community for Product Related (PR) and Non-Product Related (NPR) purchasing. SAP SRM and SAP MDM were selected to provide the basis for a Pan-European procurement transactional system. This system helps CSM to gain more insight in its European procurement process. IDS Scheer Consulting was selected to take the lead in the blueprinting phase of these solutions and an international project team took care of the realization phase.

Benefits

- Proactive spend management, including expenditure control, more efficient contract management and better forecasting
- Estimated ROI of € 2.8 million in less than 3 years



CSM is the largest supplier of bakery products worldwide and is global market leader in lactic acid and lactic acid derivatives. CSM produces and distributes an extensive range of bakery products and ingredients for artisan and industrial bakeries and for in-store as well as out-of-home markets. It also produces a variety of lactic acid applications for the food, chemical and pharmaceutical industries. CSM operates in business-to-business markets throughout Europe, North America, South America, and Asia. The company is listed on Euronext Amsterdam.

Get There Faster.™

“By optimizing our European purchasing organization we estimate an ROI of € 2.8 million less than 3 years.”

Klaas Buist | Project Manager ERP Competence Center | CSM

Business Challenges

Since its inception in 1919, CSM has grown into a multinational company, providing bakery supplies and lactic acid to a wide variety of customers. CSM has operations in almost all European countries. To create more synergy and economy of scale, it has created a European buyer community for Product Related (PR) and Non-Product Related Products (NPR). Sourcing and contract negotiation are established centrally. “After setting up this community, we were faced with the issue of various systems in various European countries,” said Stephan Mahler, Business Process Manager Supply Chain at CSM. “Some countries use SAP, others use Microsoft Navision and some deploy other systems. To keep track of actual purchasing data, contract information and vendor data a lot of personal communication and manual work was necessary. It was obvious we needed a system on top of local systems to reduce these inefficiencies and create true synergy.”

Solution

CSM started to look for a software solution to build a Pan-European transactional platform. “Initially we looked at automated procurement solutions,” said Klaas Buist, Project Manager ERP Competence Center at CSM. “But it was obvious we also needed a tool for better managing master data. Countries would for example use different article numbers for the same raw material. Also, suppliers’ data were not consistent.” After a thorough selection process, CSM selected SAP SRM for purchasing and SAP MDM for Master Data Management. “The main reason for selecting SAP SRM was its capability to support both product-related and non-product related purchasing in an equal way,” said Buist. “MDM proved to be the best solution for unifying vendor and product data.” Both modules interface seamlessly with existing SAP® systems. For interfaces to other ERP environments, SAP® Process Integrator is deployed.” After selecting these tools, CSM needed to find a partner to assist in implementing them. “As business processes play a crucial role in

this project, we looked for a partner with extensive knowledge in this area,” said Stephan Mahler. “IDS Scheer Consulting is well-known for its business process management expertise and proved to be the right partner. It had the competence to make it happen and was able to source special expertise. Therefore, the expertise of IDS Scheer Consulting in BPM proved to be very useful.”

IDS Scheer Consulting formed a combined team of Dutch and German specialists to prepare the implementation of the two SAP modules. A project organization was established with four major teams: an NPR project team, a PR project team, an MDM team and a Technology team. The project teams used the ARIS Platform as the central basis in the blueprinting phase. In this phase, various European and local stakeholders gave input for drafting the future processes. “Involving all these key stakeholders from the business has been critical to the success of the project,” said Buist. After the blueprint phase, the project groups started with the realization phase.

The phased roll-out includes Germany, Belgium, France, Italy, UK, Ibérica and the Netherlands, which are CSM’s main European countries.

Customer Benefits

With the new platform, CSM expects to move away from a reactive towards a proactive spend management. The new platform enables the company to better control expenditure and manage contracts more efficiently. It can also improve forecasting and provide better budget support to the buying community. Stephan Mahler: “The platform also enables us to work on future developments, including automated invoicing. In addition, we are better able to measure our activities, based on clearly defined KPIs. Ultimately, we will be able to create more efficiency in our business processes by providing our buyers more insight in their purchasing activities. This project was a good team effort of

IDS Scheer Consulting and CSM and has progressed half-way within budget and on time. In addition, the SAP solutions are ‘SOA ready’, making the Pan-European buying platform really future-proof.”

KEY COMPONENTS

IDS Scheer Consulting provided excellent business process management expertise and implementation competence.

Take the next step to get there - faster.

About SOFTWARE AG

Software AG is the global leader in Business Process Excellence. Our 40 years of innovation include the invention of the first high-performance transactional database, Adabas; the first business process analysis platform, ARIS; and the first B2B server and SOA-based integration platform, webMethods. We offer our customers end-to-end Business Process Management (BPM) solutions delivering low Total-Cost-of-Ownership and high ease of use. Our industry-leading brands, ARIS, webMethods, Adabas, Natural, CentraSite and IDS Scheer Consulting, represent a unique portfolio encompassing: process strategy, design, integration and control; SOA-based integration and data management; process-driven SAP implementation; and strategic process consulting and services.

ABOUT IDS SCHEER CONSULTING

IDS Scheer Consulting, a Software AG brand, has been helping its customers to create more efficient business processes for over 25 years. As the market leader in Business Process Management (BPM), we cultivate a trustful partnership with our customers and support them on their way to sustainable business success. Our consultants support companies in their strategic decision-making – as the driver for cost effectiveness and efficiency and thus for business success. IDS Scheer Consulting is committed to delivering industry process excellence for its customers through a combination of industry expertise, process orientation and IT know-how.

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