

SUCCESS STORY



Manufacturing Industry | SAP IBP | HYDAC INTERNATIONAL GmbH



SAP IBP: HYDAC implements functions for logistics planning in the cloud

With the SAP Integrated Business Planning (SAP IBP) cloud solution, the HYDAC group of companies is creating the prerequisites for standardizing its preliminary logistics planning and creating a consensus demand plan. In addition, with this application, the hydraulics specialist can now use an up-to-date planning front-end, real-time alerting, statistical forecasts or „what-if“ simulations and much more. For the implementation, HYDAC relied on the know-how of its long-standing IT and consulting partner ORBIS from Saarbrücken.



SAP IBP: HYDAC implements functions for logistics planning in the cloud

The HYDAC group of companies founded in 1963 from the Sulzbach in the Saarland is one of the world's leading Suppliers of hydraulics, fluid technology and electronics. The product portfolio ranges from components to sub-systems up to complex controlled and regulated hydraulic drive systems, which are stationary as well as mobile.

HYDAC products are used in almost all branches of industry used, whether with car manufacturers and automotive suppliers, in mechanical and process engineering, in power engineering, in the air and shipping or in environmental technology. With over 9,500 employees, 50 foreign subsidiaries and over 500 sales and service partners, HYDAC is a worldwide reliable partner for all aspects of fluid technology. Around five percent of the annual turnover is invested in research and development, especially for innovative products and products and for the optimization of production technologies.

HYDAC INTERNATIONAL GmbH

Headquarter: Sulzbach

Industry sector: Hydraulics, fluid technology and electronics

Employees: over 9,500 employees worldwide

<https://www.hydac.com/de-en/start.html>

HYDAC has always secured its leading position with the development and sale of innovative products as well as the continuous optimization of production technologies. An equally important role for success is played by also the efficiency of operational processes in all areas. Here the company has relied for years on the integrated Software SAP ERP.

Preliminary logistics planning to improve operational performance

The logistical preliminary planning for the individual products is carried out by HYDAC at various levels. These Function is one of the business critical processes. Planning determines the requirement for material, the the production for the manufacture of the assemblies and end products are required to be delivered to the suppliers at an early to be able to order. The planning is done on a weekly basis, rolling over a period of twelve months, which allows a realistic assessment of the demand, and is currently supported by five plants in Germany were created independently.

For preliminary logistics planning, HYDAC now uses the SAP Integrated Business Planning cloud solution (SAP IBP). Currently, functions of the SAP IBP modules „Sales and Operations“, „Response and Supply“ as well as „Demand“ in use. This allows the departments, planning is uniform, consistent and based on the desired aggregation level (customer, plant, vendor, material).

Conveniently create consensus demand

„That, and the fact that the various individual plans with little effort to a single one, coordinated and procurement-relevant preliminary planning, the Demand Plan, is a real added value. This is not possible in the SAP-ERP standard“, explains Peter Baus, Head of Business Process Optimization at HYDAC. The demand plan is directly transferred to the SAP Back End at HYDAC and replicated there as planned independent requirements illustrated.

Conversely, the ERP application is used to generate the data required for data directly into the cloud computing environment Software loaded. This bidirectional data exchange is possible by linking SAP IBP and SAP ERP via SAP Cloud Platform Data Services (CPI-DS). This eliminates the need for the time-consuming manual copying back and forth between different IT systems. In the future, it is planned to use the Consensus Demand Plan also to suppliers via the integrated Web interface to provide the plan can then confirm online.

Forecasts, simulations and Co.

The automatic and flexibly adjustable alert management is, in Peter Baus' view, another big plus of SAP IBP. The warning messages can be individually defined and signalize everything that has a fall below or exceeds the specified threshold value: deviations, errors, bottlenecks. The user can then react immediately and adjust the planning values.

Promises multiple benefits with regard to preliminary planning HYDAC also distances itself from statistical forecasting methods, „what if“ simulations and analyses provided by the SAP application. Through predictions based on the planning data of the last twelve months, the quality of planning can be improved, different scenarios can be simulated and evaluated and detailed analyses determine the best way to achieve this Planning model. *„We are testing these options currently intensive and intend to continue to do so in the future. consistently,“* clarifies Peter Baus.



Convincingly simple operation

The cloud-based planning application is convincing furthermore through their simple operation. Thanks to an Excel add-in, users can do their work like in an Excel interface as usual. The intuitive Web front-end visualized on the basis of SAP Fiori key figures and analysis reports clearly arranged in dashboards, which can be called up anytime and anywhere – on Desktop PC in the office or mobile via Smartphone or Tablet. However, you can also store plan data on the SAP Fiorisurface can be recorded and edited.

„The fact that employees use the cloud solution that do not have access to SAP ERP is another great advantage“, says Peter Baus.

Benefits for end-users and internal IT

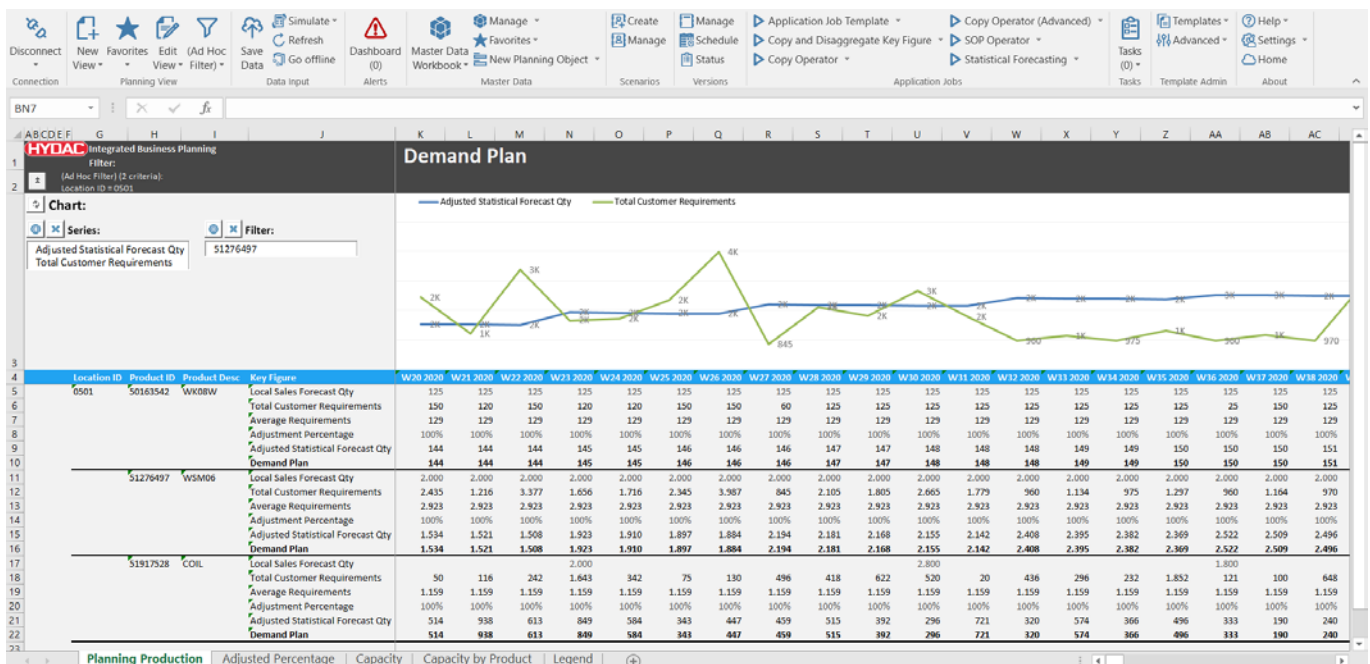
The introduction of SAP IBP was also supported by Future and investment security, because the cloud-based Planning solution also works with SAP S/4HANA smoothly together.

The advantages of SAP IBP with regard to planning are currently coming to the end users in the production control for the benefit of the people. In a next step the application to further user groups like the technical sales and key account management rolled out. The IT department also benefits because operation, maintenance, updates, release changes and further development the cloud solution from SAP will be.

All challenges mastered

With the introduction of SAP IBP, ORBIS AG was Saarbrücken, with which HYDAC has been working for years. The software and business consulting company has been working with the hydraulics specialist already carried out several projects in the SAP environment and is very familiar with the business processes.

Thanks to the excellent cooperation and the ORBIS know-how, SAP IBP was able to implement SAP IBP under strict timetable and budget compliance implemented and went into operation as planned in June 2019. One challenge was the configuration and the Programming the CPI-DS interface for integration of SAP IBP and SAP ERP, which the experts of ORBIS have convincingly mastered this challenge.



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