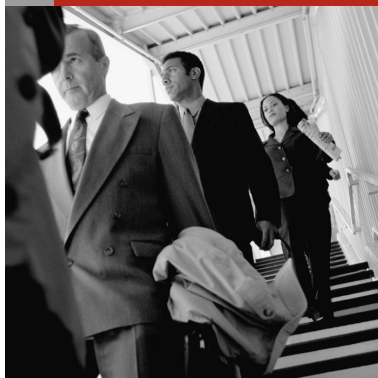


SAP Customer Success Story

“We had to find new solutions in order to make public administration more efficient and economically viable. SAP software played an important role in this.”

Alfred Kunze, Area Manager, Technology/Logistics Center,
Brandenburg Police Force



AT A GLANCE

Organization

Brandenburg Police Force
Germany
www.polizei.brandenburg.de

Industry

Defense and security

Key Challenges

- High procurement costs
- Long delivery times and excessive warehouse stock
- Inaccurate records

Implementation Partner

SAP® Consulting

Solution and Services

mySAP™ Supplier Relationship Management (mySAP SRM) solution, including SAP Enterprise Buyer (SAP EB) component

Existing Environment

SAP R/3®, now available in the mySAP ERP solution

Implementation Highlight

Rapid, five-month implementation

Key Benefits

- Integrated, streamlined processes – from purchase order to delivery
- Ability to ensure optimum stock levels
- Increased productivity
- Reduced costs
- Ability to use personnel for more value-added activities

Hardware

SAP Enterprise Buyer, catalog, and SAP ITS

Operating System

Microsoft Windows 2000/
Oracle 8.1.7, catalog requisite running on Microsoft Windows 2000/Oracle

BRANDENBURG POLICE FORCE

mySAP™ SUPPLIER RELATIONSHIP MANAGEMENT (mySAP SRM) HELPS POLICE FORCE OPTIMIZE DISTRIBUTION OF UNIFORMS – AND SUBSTANTIALLY REDUCE COSTS

SUPPORTED BY STATE-OF-THE-ART TECHNOLOGY

Today, some 8,000 policemen and policewomen ensure security around the clock throughout Brandenburg, Germany. However, in the late 1990s, in order to adjust to a changing sociopolitical environment, the police force began to make some diverse reforms to its internal operations so its staff could continue to perform their jobs effectively – well into the future.

“We had to find new solutions in order to make public administration more efficient and economically viable,” explains Alfred Kunze, area manager of the technology/logistics center at Brandenburg’s regional police force. “SAP software played an important role in this.”

For the police headquarters based in Wünsdorf, these reforms led to the complete reorganization of processes involving the distribution of uniforms using the mySAP™ Supplier Relationship Management (mySAP SRM) solution as the foundation for a catalog-based e-procurement system. An expert team of SAP consultants helped realize the ambitious project goals – including subsequent enhancements.

SELF-SERVICE E-PROCUREMENT

Today, some 6,500 employees order their uniforms through the intranet. Downstream distribution processes, which used to cause extra work for personnel, can now be dealt with quickly and economically through the logistics center at police headquarters. mySAP SRM – in conjunction with its core

“With mySAP SRM we have successfully created a powerful purchasing system. The result is reduced costs and enhanced productivity.”

Alfred Kunze, Area Manager, Technology/Logistics Center,
Brandenburg Police Force

component, SAP® Enterprise Buyer (SAP EB) – enables integrated data flow, speed, and transparency. Integration with SAP enterprise resource planning (ERP) software for account management, materials management (inventory management and goods issue), sales and distribution, and logistics execution (picking, packaging, and distribution with express delivery cockpit) ensures a tight process chain.

In addition to adopting a new IT system, the police force also had to make changes to its physical infrastructure. “We converted the logistics center into a modern high-rack storage area and shipping warehouse,” reports Christian Gladenick, subarea logistics manager and project manager at Brandenburg police force.

AUTOMATED PROCESSES – FROM PURCHASE ORDER THROUGH TO DELIVERY

The implementation of mySAP SRM opened up a new era of e-procurement for the Brandenburg police force. The process now goes like this: First, the user logs on to the electronic warehouse using his or her personnel number and selects the desired

item – as per the allocated amount per employee – from the e-catalog. All employee-related budgets are mapped as project-structure-planning (PSP) elements in the SAP back-end software. When an employee logs on to the mySAP SRM-based procurement system, a PSP element is generated in the police force’s ERP software for each purchaser, and the available budget is displayed.

Once the shopping cart is filled with the chosen articles, the user simply clicks the mouse to transmit the order to the SAP software for ERP where it is posted as a stock transport order. This creates a purchase order, which is posted with the goods issue in the actual costs. The employee receives the goods within 2 to 10 days via an integrated packaging service provider. Employees can return goods using the enclosed return ticket for immediate credit.

NO MORE ARCHAIC PROCEDURES

“The outdated procedures we had in place before incurred high costs,” says Gladenick in regards to the shortfalls of the old system. Prior to implementing mySAP SRM, there were six uniform delivery offices, each with its own warehouse and delivery vehicles. A card or a Microsoft Excel spreadsheet had to be filled in manually for every employee and for each item disbursed. This resulted in protracted delivery times and excessive warehouse stock, which made it difficult to keep accurate records. This in turn made efficient purchase order handling and delivery almost impossible. Valuable personnel resources were wasted on organizing deliveries that, with the support of information technology, could have been put to much better use.

SIGNIFICANT COST REDUCTIONS

Inefficient processes in uniform supply logistics are a thing of the past for the Brandenburg police force. “Now we are in a position to provide the ordered goods quickly and efficiently,” says Gladenick. “Plus, having a better, more accurate overview of stock requirements means that we can work more efficiently with our suppliers to ensure optimum stock levels.”

But there is more. Concentrating all activities in one central unit uncovered huge potential for savings. Closing the six external warehouses allowed employees to take on more important police-related tasks. And members of the police force no longer waste valuable time traveling to the uniform centers and waiting in line. Renovating the uniform centers was also no longer an issue – all of which saved the police force money.

EXPANDING mySAP SRM FUNCTIONALITY

The improvements made during this first phase of the project were just the beginning for the Brandenburg police force. It next plans to introduce consumption-based planning using mySAP SRM. This will allow the force to determine future requirements more accurately and place orders accordingly with selected

“Our company has realized many benefits from SAP, which incorporates innovative solutions and comprehensive advice.”

Christian Gladenick, Subarea Logistics Manager and Project Manager, Brandenburg Police Force

suppliers. “We also plan to integrate standard articles that are required daily, such as office supplies, weapons, and technical equipment into the e-procurement system. In addition, we want to extend the use of our procurement system to other authorities,” explains Gladenick.

QUICK AND SMOOTH IMPLEMENTATION, THANKS TO SAP CONSULTING

Time was short for the preparation and implementation of the SAP solution. This meant that the area manager, Kunze, and project manager, Gladenick, had high expectations of their consulting partner. After careful consideration, they opted for SAP Consulting.

This turned out to be the right choice. The mySAP SRM-based electronic warehouse was up and running after only five months, thanks to expert guidance from SAP consultants and additional input from external logistic experts.

Gladenick attributes the success of the project to structured planning and the clear distribution of tasks. “The SAP Consulting team was trustworthy and reliable. Our workers learned from them and improved their know-how.”

The integrated solution remains very stable and fulfills all technical requirements.

MORE REFORMS IN BRANDENBURG

In November 2003, the Brandenburg finance ministry announced that it had begun using financial accounting software from the SAP for Public Sector set of solutions to ensure efficient administration, cost transparency, and cost reductions. The four pilot project areas included the office of the federal prime minister, the police force, road engineering, and the federal laboratories.

After tackling the ambitious e-procurement project, Gladenick next focused on integrating the Brandenburg police force’s logistics and accounting systems, as well as an upgrade to the SAP enterprise resource planning system. He aptly sums up his experience with SAP: “Our company has realized many benefits from SAP, which incorporates innovative solutions and comprehensive advice.”

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