TMG Consultants

SPECIALIST TOPIC

TMG IMPULSE

Reducing costs through process transparency

Data-driven process analysis as the basis for transformation processes

Business Processes in the Spotlight

Influencing factors and the role of business process management

TMG Consultants

External and internal challenges in many companies

Trends & Disruptions

- Inflation & fiscal policy
- New business models

Business-Challenges

- Changing markets
- Competition from more agile & faster market participants

Socio-economic challenges

- Skills shortage & demographic change
- Supply chain problems
- Geopolitical changes

How efficient are our current processes and where is there potential for optimization?

To what extent do our processes support the achievement of our corporate goals?

What measures do we take to continuously improve our processes?

Established and practiced business process management in a company is a central building block for mastering complexity, reducing costs and successfully countering short-term influencing factors.

Where is Your Company Today?

Difference between classic and data-driven process management

TMG Consultants

Focus of this impulse

Traditional process management

- Processes are documented in “static” documents, unsuitable formats or outdated visualization tools
- Existing process documentation is not synchronized or linked with each other
- Further development of processes is unstructured and driven by individual initiatives
- Higher risk of errors and inconsistencies in business process management activities
- Process KPIs are analyzed sporadically and only as a “snapshot”

Typical methods

Subjectively driven process improvement (e.g. expert interviews)

Manual analysis of unstructured files and process documents

One-off & static analysis of ERP data as an indication for improvements

Data-driven process management

- Processes are documented & synchronized in high-performance process management software
- Workflow and automation tools are used sensibly and specifically as support
- Data supports the documentation, monitoring and optimization of processes
- Automated evaluations increase efficiency in the continuous further development of processes
- Errors and dependencies associated with manual evaluations are avoided

Typical methods

Hierarchical linking and synchronization of company processes

Tool-supported analysis of processes through process and data mining

Standardization & CIP using dashboards for process key figures

Your benefits - e.g:

Faster results for transformation initiatives (e.g. S4/HANA)

Fewer resources required for process & data analysis

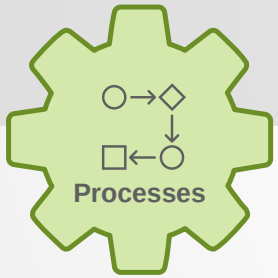
Transparency about the process performance of your organization

Reality Often Reveals Silo-like Structures...

Typical challenges in many companies

Processes

- Lack of a consistent process landscape across different company divisions and hierarchy levels
- Documented processes are “not lived”
- Lack of central BPM responsibility, “silo-like” documentation by the respective departments
- Lack of process monitoring with real-time data



Lack of process orientation makes it difficult to adapt to external influencing factors

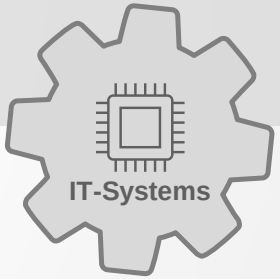
Data

- Incomplete, inconsistent or outdated data affecting decision making and process accuracy
- Relevance of data not recognized, lack of ability to capture & evaluate data
- Merging data from different sources and systems is complex and error-prone

Data chaos slows down strategic decisions and blocks progress

IT systems

- Isolated system developments lead to a large number of unused process variants
- Lack of standardization makes integration more difficult and increases maintenance costs
- Individual solutions increase complexity and hinder collaboration between departments
- Lack of IT resources to meet the needs & requirements of the organization

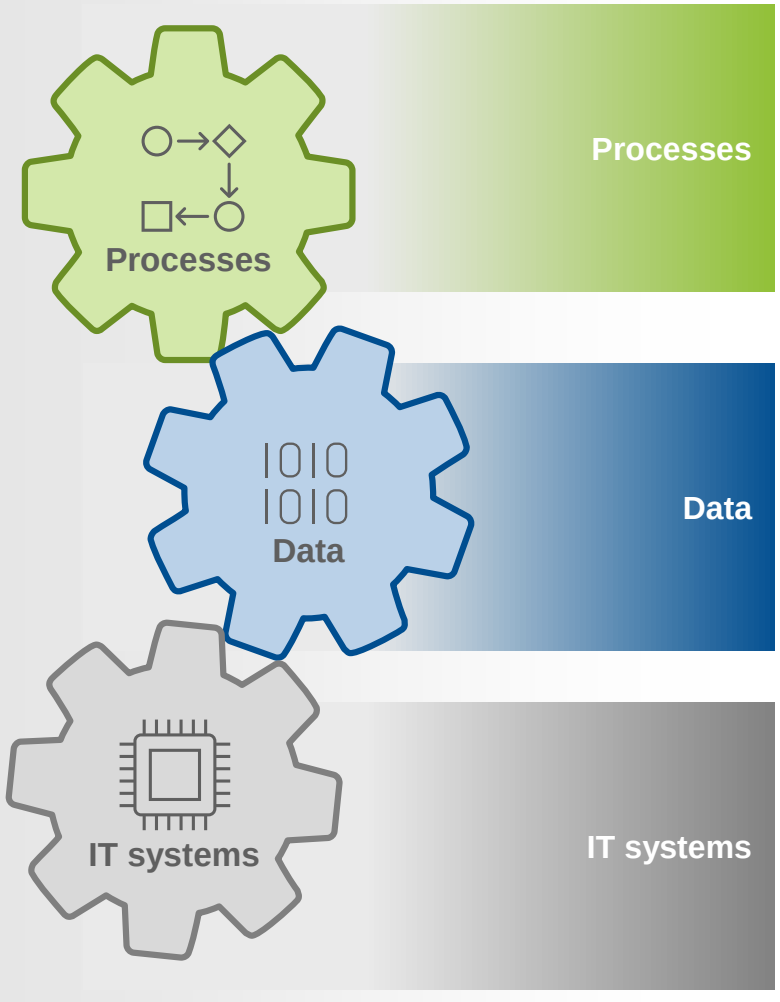


Individual system developments create silos and hinder effective processes

...and uncoordinated activities that hinder important transformation processes in companies.

Ideally, One Gear Wheel Engages with the Other...

The role of data-driven process management



Data-driven process management as an important link

- **Transparency:** There is a hierarchical process landscape that is known within the company and covers all business-critical processes
- **Flexibility:** Processes are flexible & scalable to accommodate a wide range of external influences
- **Automation:** Repetitive & simple processes are largely automated

- **Completeness:** (master) data is complete and consistent
- **Quality:** (master) data is available in the right quality to support processes & decisions
- **Security:** Business-critical data is protected against unauthorized access or loss

- **Performance:** Efficient use of standardized processes maximizes performance
- **Scalability:** Uniform standards enable flexible adaptation to growing requirements
- **Seamless:** Integrated solutions promote collaboration between departments and guarantee a smooth flow of information

Data-driven process management as a ...

...accelerator for...

ERP transformation: S4/HANA transformation benefits from data-driven process alignment & SAP best practices

...lever for...

Business process management: business process management can be intensified and supported in a resource-efficient manner in the long term

...enabler for...

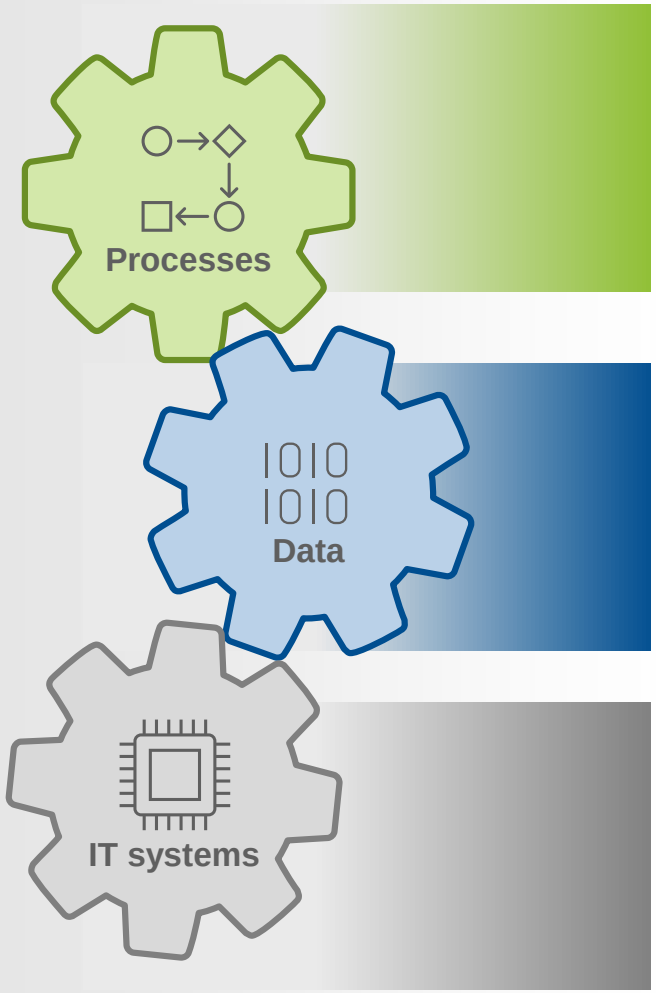
Business transformation: Standardized and best-practice processes create transparency and facilitate the introduction of new systems

...and enables the more efficient implementation of resource-intensive and business-critical initiatives.

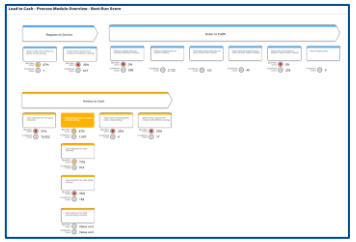
Data-driven Process Management as a Tool...

Insight in the tool & key questions to be answered

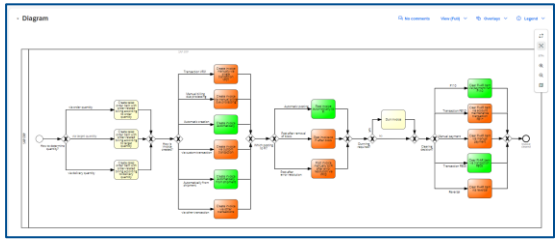
TMG Consultants



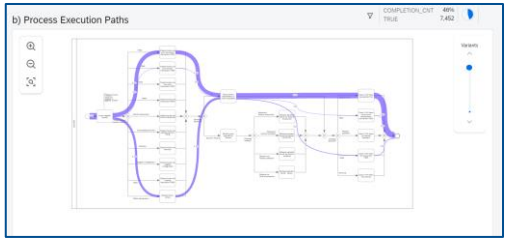
Core Processes



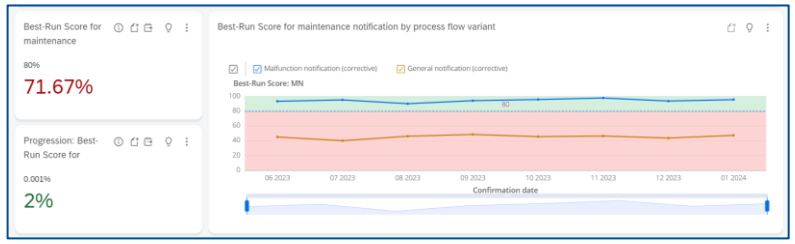
Process Modules



Process Models



Process Execution



KPIs & Best Run Scores

Source: SAP Signavio

Key questions for the analysis

- Which core processes define our business?
- How is the performance of the individual processes?
- How high is the process discipline in adhering to defined procedures?
- In which areas is there potential in a cross-industry comparison?
- Which processes require revision?
- To what extent are SAP standards used and how widespread is their application?
- Which individual developments are actually, used in practice?

...to ask the right questions - the process & key figure analyses provide the important answers.

A Structured Approach Ensures Your Success

TMG Approach

Data-supported process analysis as the key to success

Connect

- Clarification of technical system requirements & scope of analysis
- Connection to the existing SAP ERP system by TMG's technology partner (SAP Signavio)
- Summary of relevant parameters & process information

Analyze

- Carrying out process analyses using process exploration, mining & simulation
- Recording of relevant process key figures, comparison with best practices from the industry
- Comparison with SAP core processes and other standards

Optimize

- Definition of focus areas for process optimization & deep dives
- Derivation of improvement measures based on key figures
- Implementation of measures through process adaptation or automation

TMGs role as expert for

Business Process Management

- Cross-industry know-how & best practice for identifying efficiency potentials
- Driving force for the introduction & development of business process management

Transformation projects

- Evaluation of the current situation and development of a clear transformation plan
- Selection and implementation of suitable technologies to support the transformation

Future Viability Through Process Orientation

Design fields and optimization goals

TMG Consultants

Exemplary use cases for your company

Automation:
Redesign of workflows, automation and real-time monitoring of processes

Process modification:
Standardization and optimization of processes according to SAP Best Practices

Cost reduction:
Reduction of manual or redundant process steps by streamlining processes

Warehouse management: Identification of slow-moving materials & products or checking stock levels in consignment warehouses

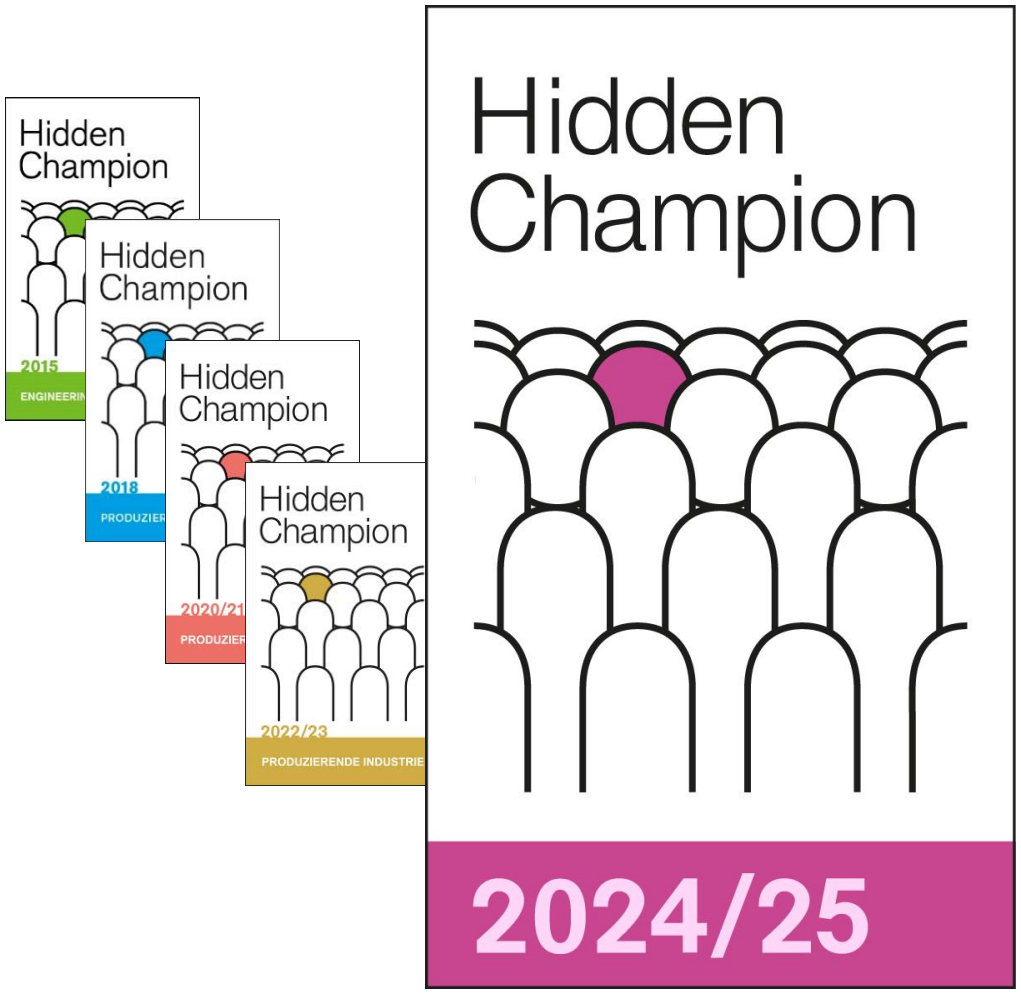
Procurement: Degree of automation in the conversion of purchase requisitions into purchase orders

Sales & Supply Chain: Quantification & optimization of throughput times from receipt to fulfillment of customer orders

Finance & Controlling: Analysis of open items (number & value) and process efficiency in accounts receivable accounting

TMG's support ensures the success of your project and the sustainable further development of your processes.

Why TMG Consultants



- The first consulting address for the manufacturing industry
- Leading provider of consultancy services for innovation, efficiency and execution
- More than 3,000 successful projects in the manufacturing industry
- Advanced level of seniority and experience
- In-depth industry expertise
- Speaking our customer's language – across all levels
- High level of technical expertise and methodological competence
- Consulting services along the entire value chain
- Awarded several times as Top Consultant and Hidden Champion

Strong as a group

Other companies in the TMG Group

TMG Consultants

ERPvisors
Excellence in IT
a TMG Consultants company

ERPvisors for your SAP project

SAP Partner

As a licensed SAP partner, ERPvisors focuses on the S/4HANA transformation of companies. As a trusted partner in the context of consulting and implementation of SAP systems, our focus is on the implementation of S/4HANA cloud systems.

We think and advise in a process-oriented way, and we implement solutions at an excellent level. Our in-depth knowledge of industry-specific business processes is an important prerequisite for providing our customers with optimal support. Our knowledge is based on years of experience in advising manufacturing and globally active industrial companies.

As an independent consultancy, we support you in the realization of your plans at the critical points in the project.

www.erpvisors.com

PRIOOR

Turn your logistics into an advantage.

As a young, agile company, Prioor specializes in optimizing logistics for medium-sized companies. Our innovative Logistics-as-a-Service concept has proven itself in practice and enables our customers to optimize their logistics. With our support, companies can not only significantly reduce their costs, but also gain a decisive competitive advantage.

Our services are divided into three core areas: 4PL Managed Services, Freight Procurement Excellence and Forwarding & Warehousing. With this tried-and-tested offering, we ensure that our customers receive the ideal setup for efficient and effective logistics. At Prioor, we focus on individual solutions to meet the specific requirements of each customer.

www.prioor.com

Contact

Dr.-Ing. Rainer Heger

Director und Partner

E-Mail: rainer.heger@tmg.com
Mobil: +49 172 9498501

www.tmg.com

TMG Consultants GmbH
Schrempfstraße 9 | 70597 Stuttgart | Deutschland
+49 711 769676-0

TMG Consultants GmbH
Kesselstraße 3 | 40221 Düsseldorf | Deutschland
+49 211 8797577-0

TMG Consultants Eastern Europe SRL
150 Uranus Street “The Ark” | 050825 Bukarest | Rumänien
+40 724 863 999