



## Better drive in SCM for automotive suppliers

### **SAP add-on for optimizing material requirements planning and inventory controlling**

**To be able to manage global value chains and different business units in such a way that loss-makers can be identified quickly and investments can be made in the right place at the right time, internationally established companies need efficient and transparent processes. With this in mind, ZF Friedrichshafen AG is calculating and optimizing its logistics processes in SAP using a SAP-certified supply chain solution. The software modules are used to support the company in its demands and inventory-optimized controlling processes and aid them in achieving optimum modulation of the entire company through cross-national and cross-plant transparency.**

ZF is a global technology company supplying systems for passenger cars, commercial vehicles and industrial technology. ZF allows vehicles to see, think and act: In the four technology domains of Vehicle Motion Control, Integrated Safety, Automated Driving and Electric Mobility, ZF offers comprehensive product and software solutions for established vehicle manufacturers as well as for emerging transport and mobility service providers. ZF electrifies a wide range of vehicle types and contributes with its products to reducing emissions, protecting the climate and enhancing safe mobility.

With some 165,00 employees worldwide, ZF reported sales of 43.8 billion in fiscal 2022. The company operates 168 production locations in 32 countries.

### **Improving functionality and performance**

The product portfolio covers technologies for improving drive efficiency, vehicle safety and reliability, and automated driving. Against this backdrop, it is only logical that the technology leader is also focusing internally on efficient, secure and automated processes. A few years ago, Udo Wessbecher, Head of IT Supply Management Inbound ZF Friedrichshafen, became aware of the SAP-based software from ifm (formerly GIB). By using the so-called "GIB Suite", numerous national and international companies have already improved their process management and controlling sustainably and effectively. As they sought to initiate implementing their own improvement and optimization goals, ZF showed interest in the software. By this stage, the software programs used by ZF were already running up against their capability limits. Various self-written analysis tools were struggling with performance problems.



“The GIB Suite was the optimal solution. We planned to implement the analysis software globally. Due to a lack of functionality, this would not have been possible with the in-house developed solution”, recalls Udo Wessbecher. Meanwhile, the automotive supplier uses the GIB Suite modules Operations, Controlling and Planning.

### **Efficiency advantages through uniform group standard**

In 2011, the Operations module was first introduced in one plant and then successively rolled out in numerous plants and country locations. “We aimed to get an overview of all relevant materials planning information by using Operations and to take advantage of the new-found transparency to make day-to-day work easier and to control it in a targeted way”, explains Wessbecher. “That is precisely what happened.” Modern, intuitive user interfaces that enable fast and clear navigation were also important to the automotive supplier. To enable a quick and smooth use of the two GIB Suite modules Operations and Controlling, the users learned in training sessions how they can ideally apply the software to their workflows.

The Controlling module is used worldwide at ZF today. After an intensive performance audit and a comparative analysis involving six other solutions, it was gradually rolled out in 150 plants across the globe. “Particular aspects such as functional scope, flexibility and cost of the solution as well as the provider’s expertise were crucial factors in our decision-making process,” says Wessbecher. “Compared with the solutions from other providers, ifm and its Controlling software performed best.” The Controlling module ensures inventory-optimised purchase orders and a significant increase in delivery readiness through group-wide transparency. “With the tool, we have managed to create a uniform Group standard,” says Rainer Grimm, IT Supply Management Inbound ZF Friedrichshafen. “That way we can guarantee the same controlling methodology worldwide.”

### **Communication on equal footing**

At the technology group, a similarly positive outlook can also be reported from investment and procurement. From a corporate perspective these have brought crucial benefits, in particular by enabling standardised controlling processes and, at the same time, by introducing intuitive user interfaces. The ZF implementing team emphasizes that the delivery of the software solutions also accompanies a transfer of expertise.



"During the communication between the solution provider and the professionals from materials planning, controlling and supply chain management, it became clear: experts are talking to experts here," says Wessbecher. "The practical relevance of the ifm employees has also helped to ensure that the implementations that have long since been completed today have been successful and that a similar outcome can be expected for upcoming projects."