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SAP Value Management Services
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SAP Value Management Services Overview

KPI SCAN® for SAP provides a current and objective set of your system's Key Performance Indicators (KPIs). The set of calculated metrics include KPIs for:

- **Costs**
- **Performance**
- **Productivity**
- **Quality**

KPI SCAN® is a "tool-supported", systematic and detailed As-Is-Analysis based on a KPI Model. Highlights of the model include:

- **Potential for cost savings and optimization**
- **Recommendations to exploit identified potential**
- **Cost / benefit analysis for recommendations and implementation strategies**
- **Benchmarks against comparable installations and Best Practice**

KPI SCAN® for SAP is an essential prerequisite for :

- **Improved project scoping & costing**
- **Realistic budgeting**
- **Reduction of maintenance costs & project costs**
- **Optimization of business processes**
- **Increased efficiency of the SAP-Landscape**
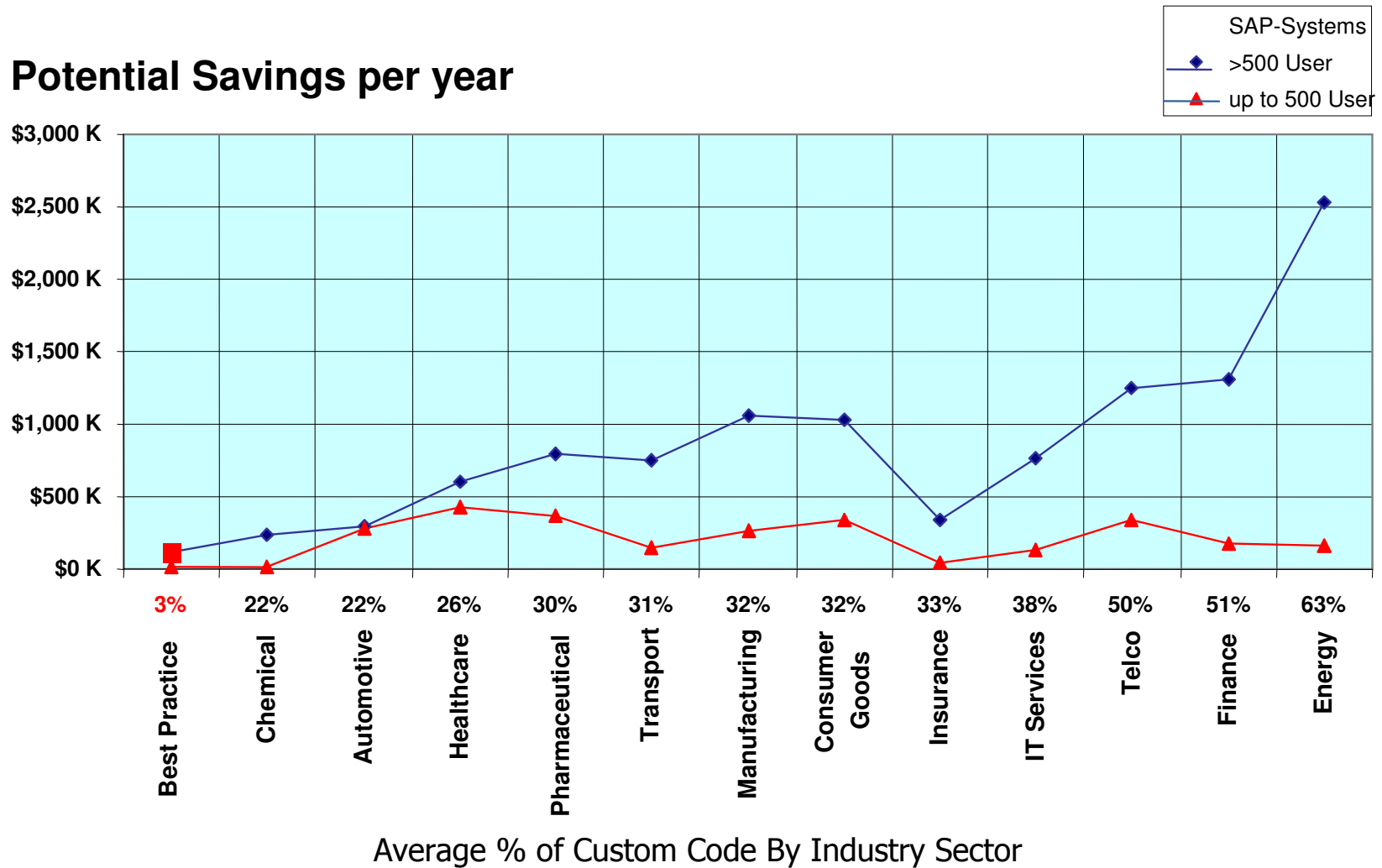- **Continuous quality assurance**

KPI SCAN® for SAP establishes the As-Is Situation and maps the route to the Ideal!

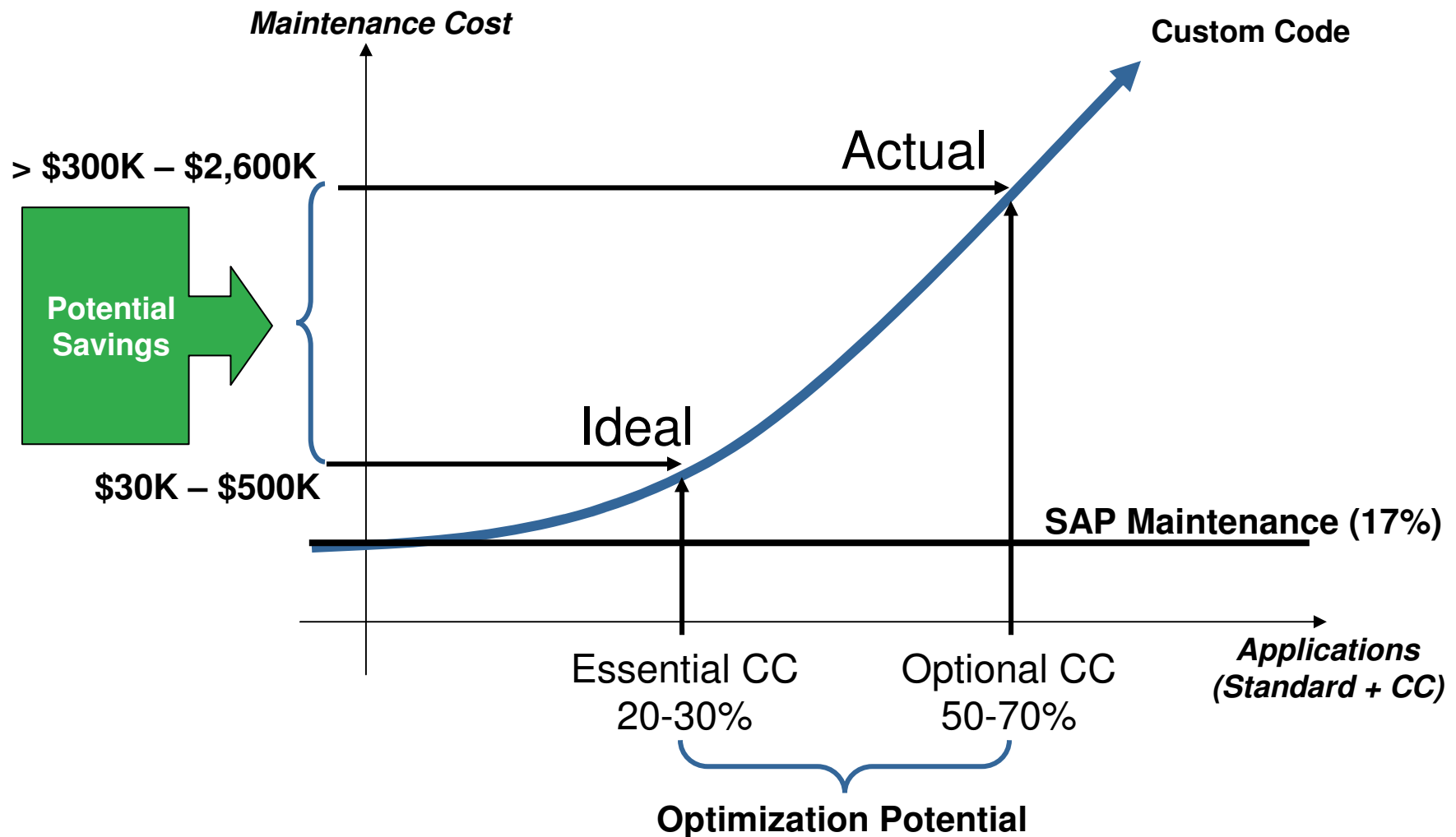*ITPMG*

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SAP Value Measurement –
KPIs Measured

Cost	Productivity	Performance	Quality
Custom Code Programs	Degree of Standardization	Performance Custom Code Programs	Background Jobs
Unused Custom Programs	Unused Standard Potential	Performance Standard Transactions	Documentation
Potential Savings	Supported Enterprise Areas		Usage Frequency of create/change Objects
Maintenance costs	Supported Core Business Processes		Name Spaces
User Exits			Usage Frequency Custom Code

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SAP Value Measurement - *Savings by Industry Segment*

Potential Savings per year

Legend — SAP-Systems:
- >500 User
- up to 500 User

Y-axis (Potential Savings per year): $0 K, $500 K, $1,000 K, $1,500 K, $2,000 K, $2,500 K, $3,000 K

X-axis (Average % of Custom Code By Industry Sector):

Industry	%
Best Practice	3%
Chemical	22%
Automotive	22%
Healthcare	26%
Pharmaceutical	30%
Transport	31%
Manufacturing	32%
Consumer Goods	32%
Insurance	33%
IT Services	38%
Telco	50%
Finance	51%
Energy	63%

Average % of Custom Code By Industry Sector

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SAP Value Measurement - *Savings – Maintenance Costs*

- **Maintenance Cost** (y-axis)
- **Applications (Standard + CC)** (x-axis)
- **Custom Code**
- **> $300K – $2,600K**
- **Potential Savings**
- **$30K – $500K**
- **Actual**
- **Ideal**
- **SAP Maintenance (17%)**
- Essential CC 20-30%
- Optional CC 50-70%
- **Optimization Potential**

SAP Value Measurement -
Benefits in Using KPI SCAN®

- Potential savings of **$2 Million** annually for larger SAP systems

- Even for small systems annual **savings of $500,000** are the average

- Often time there is a missing link between the developed, used and maintained functionality of the SAP system over the application life.

  - Many customized programs were developed and are maintained but with no monitoring or tacking of their utilization

  - Standard functionality becomes available in SAP without transparency which flags the custom program which has now become redundant

  - The cost of maintaining redundant and unused programs can be avoided and performance can be enhanced

  - Companies are missing the necessary resources, tools, experience, and benchmark comparisons to identify these costs and improve performance improvement opportunities

- **KPI SCAN®** for SAP quickly provides management with the strategic and operational facts required for making the right decisions in order to improve the SAP application such that it is the key application backbone with the right levels of efficiency, effectiveness, and meeting regulatory compliance.

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KPI SCAN® Issues Revealed

> Which business functions/processes are actually supported by the SAP software, which are not? Why not?

> Which standard functions are used, which are not? Why not?

> Which standard functions are unknown to the company or not transparent enough? How can this be changed?

> Where is an increased usage of custom development occurring in the company? Is it really necessary?

> How much custom development actually resides on the system, causing excessive operational and project cost? How do you identify this? How can you reduce the usage/related costs long-term?

> Is consistent support provided for business processes?

> Where are media breaches in the processes? Can they be avoided?

> Where are industry-specific differences in usage? Are there reasons for this?

KPI SCAN® Identifies Opportunities

KPI SCAN® analysis provides answers to many of these questions; KPI SCAN® not only reveals deficiencies, but also identifies actionable alternatives.
SAP systems must be used and maintained according to the intended purpose, i.e., as standard software, to generate real value for the company and achieve the expected ROI.

KPI SCAN®

To receive additional information on KPI SCAN® analysis and benefits or to schedule an KPI Scan analysis of your SAP system, contact ITPMG:

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