

APSOLUT IS STEERING THE FAR-REACHING PROCUREMENT TRANSFORMATION AT MAHLE



Company:
MAHLE GmbH

Industry:
Automotive

Products:
The product portfolio covers all key areas along the drive train and air-conditioning technology for the drive triad of the future: electric motor, fuel cell and use of non-fossil fuels such as hydrogen.

Number of employees:
>72.000

Turnover:
9,8 bn. euros

Headquarters:
Stuttgart, Germany

Website:
www.mahle.com

CHALLENGES

- Heterogeneous system landscape with distributed responsibilities
- Complete process redesign based on best practices
- Early roll-out and integration with indirect purchasing, with the aim of quickly achieving synergy effects

SOLUTIONS

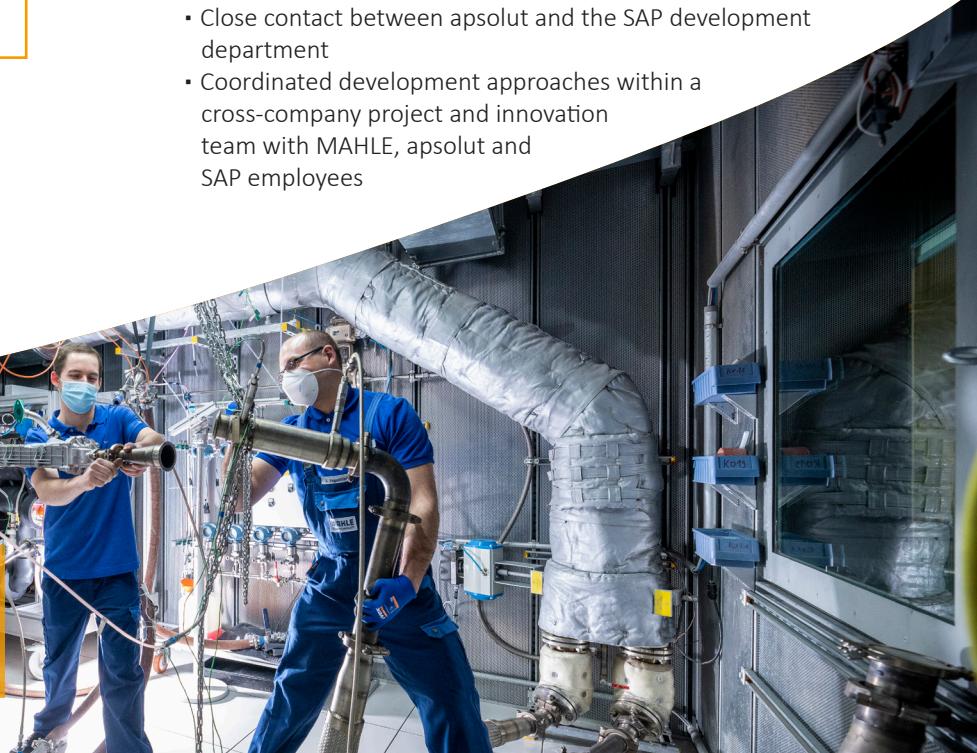
- New architecture with SAP S/4HANA Central Procurement
 - with SAP S/4HANA
 - Integration of 4 Legacy-ERP-systems
 - Integration of the new on-premise system "SAP S/4HANA MORE CORE"
 - Integration of Ariba Guided Buying as the central entry point for requesters in the indirect procurement process
- SAP Ariba Strategic Sourcing Suite
 - SAP Ariba Supplier Lifecycle and Performance
 - SAP Ariba Sourcing
- SAP Ariba Commerce Automation
- SAP Ariba Supply Chain Collaboration

ADVANTAGES

- Early implementation of process-related optimisations through the integration of legacy ERP systems via S/4HANA Central Procurement
- Significantly accelerated synergy effects through centralisation and early deployment projects in the legacy ERP systems
- Reduced operating and licensing costs through early deactivation of non-SAP tools and systems
- Improved transparency along the supply chain
- Electronic document exchange from the order to the Invoice via SAP Business Network (formerly Ariba Network)

WHY APSOLUT?

- Trust in absolut's technical expertise
- Close contact between absolut and the SAP development department
- Coordinated development approaches within a cross-company project and innovation team with MAHLE, absolut and SAP employees





ONE OF THE WORLD'S FIRST SAP S/4HANA CENTRAL PROCUREMENT SUITES

MAHLE is one of the world's top 25 suppliers and the fourth largest automotive supplier in its home market of Germany. Every second car contains MAHLE components, which are manufactured at around 160 production locations in more than 30 countries. In 12 research and development centres worldwide, the Group is working on new products and processes for the mobility of the future.

MAHLE's procurement transformation is part of the MORE programme (MAHLE OPTIMIZED REAL-TIME ENTERPRISE), the most far-reaching IT transformation in the history of the company. Within the scope of the programme, existing processes and systems are being migrated across all business units into a uniform SAP S/4HANA on-premise solution. A key part of this new architecture is SAP S/4HANA Central Procurement, or S/4HANA CP for short. In S/4HANA CP, the procurement processes of all SAP ERP and non-SAP ERP systems of a company converge. MAHLE is therefore one of the first companies in the world to use S/4HANA CP productively with the support of **apsolut**.

Within the MORE programme, the NPM Ariba sub-project plays a special role, as its roll-out in indirect purchasing was brought forward. This early roll-out was made possible by the use of S/4HANA CP, which serves as the integration layer between the existing legacy systems and the new MORE system architecture. The new processes within S/4HANA CP could therefore be mapped in indirect purchasing independently of the connected systems. Since only a few master data are stored directly in the system and the majority are read from the respective target system at runtime, no complex master data harmonisations were necessary.

The first immediate advantage for MAHLE is the simplified user guidance by means of Ariba Guided Buying. In addition, SAP Ariba Commerce automation has created an electronic exchange of documents from the connected backend systems, and SAP Ariba Supply Chain Collaboration creates complete transparency along the supply chain. Due to the short deployment phase and the very early roll-out, MAHLE can also dismantle most of its existing legacy architecture in indirect purchasing at an early stage. This applies in particular to the SAP SRM and the catalogue system of a third-party supplier. The resulting savings in licensing and operating costs mean that part of the project expenditure for the NPM Ariba sub-project is already amortised during the project phase.

The roll-out in Europe, North America and Asia was completed at the end of 2021. At the same time, integration with the overall MORE project will take place to achieve a seamless system world.

*"Together with **apsolut**, we started as a pioneer in Central Procurement and we are very pleased that we were able to reap the first fruits of this pioneering work so early on",*

says Stefan Ehrhardt, Head of SAP Governance Purchasing.

IMPLEMENTED TOOLS



SAP S/4HANA Central Procurement



Ariba Guided Buying



SAP Ariba Strategic Sourcing Suite



SAP Ariba Supply Chain Collaboration



SAP Ariba Commerce Automation