SAP optimization for master data management
EASY CUSTOMER AND VENDOR DATA MANAGEMENT AND QUALITY INCREASE

Customers
- Berthold Hermle AG machine factory
- Year of foundation: 1938
- Employees: 1,400
- Production of machining centers and automation solutions: More than 30,000 successfully installed machines worldwide

Challenge
- Customer master data available in insufficient quality
- Processes not standardized
- No central responsibilities, unrestricted data processing rights
- Synchronization problems between entry channels (CRM and ERP)

Solution
- SAP optimization FIS/mpm for efficient master data management
- Central user interface for processing master data
- Data transfer to live system only after validation and execution of check routines
- Permanent exchange with target systems

Benefits
- Standardized data records in high quality
- Standardized processes
- Defined processing rights
- Easy operability due to clear user interface

In the course of progressing digitization, data is the centerpiece of almost any corporate activity. Here, master data in particular plays a decisive role for efficient, transparent and customer-centered business processes. If the issue of master data management is neglected, digital transformation will be threatened with failure. The Berthold HERMLE AG machine factory has realized in good time how important structured master data management is. By implementing a specialized software, the enterprise has significantly increased the quality of its customer and vendor master data and can now initiate further digital projects.

As far as master data was concerned, standardized processes, central responsibilities, restricted processing rights and the synchronization of different entry channels were missing for years at

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Julian Hermle, HERMLE AG

HERMLE AG, which ranks among the world's leading manufacturers of machining centers and automation solutions. Especially due to the size of the machine factory - HERMLE AG employs 1,400 persons - a chaotic customer data master was developed.

"This backfired on us in the course of digitization," Julian Hermle, Project and Process Manager Digitization of Sales and Distribution at HERMLE AG recollects.

Deficiencies in data quality detected during form letter campaign

At the beginning of 2021, HERMLE AG started a form letter campaign and, in doing so, discovered that the quality of the customer master data has significant improvement potential. "To this day, we have very many returns," HERMLE points out. As a consequence, the "Customer Portal" project, which was to be started at about the same time, had to be postponed initially. HERMLE reports: "To us, it was clear that we first had to sort out the chaos in our master data before we could launch new projects for whose processes correct master data forms the basis. Therefore, the machine factory faced the major challenge of creating an as-is analysis. The aim was to put together a project team, define the processes and find the know-how carriers and persons responsible.

After the current status had been determined, the target processes for creating and changing customer and vendor master data had to be defined. The outcome of this was a precise requirements catalog that HERMLE AG used to find the appropriate software solution. By means of a classic market analysis, the project and process manager and his team found some providers, "but not many of them left a good impression." For one thing, FIS Informationssysteme und Consulting GmbH stood out positively with regard to the analysis and secondly, it was already known to HERMLE AG from other projects in other business areas. Due to these positive experiences and also because the

FIS/mpm software solution - an SAP optimization for master data management - was most convincing, a decision was made in favor of FIS as a partner for the master data project.

Excellent preparatory work and collaboration enabled fast implementation

The common project began with a kickoff in October 2022 and as early as in December, FIS started the implementation. "HERMLE AG's conceptional preparatory work was

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Consultant Enterprise Information Management, FIS

excellent and enabled us to quickly implement our software," Sandro Pfister, Consultant Enterprise Information Management at FIS points out. The outstanding collaboration between both enterprises also contributed to the project's fast implementation. Hermle and Pfister agree that "from a professional and human perspective, the two companies have always been a perfect match".

At the beginning of 2023, Pfister was responsible for user and Customizing training courses on site in the rural district of Tuttlingen, where HERMLE AG's headquarters are located; at the beginning of April, the new

business processes already went live. Since that time, the processes of creating and changing customer and vendor master data have been clearly defined and HERMLE AG has standardized data records in defined high quality. Synchronization problems due to different entry channels belong to the past. So far, master data could be created and processed in the ERP as well as in the CRM system. Now, the master data is consolidated in the central user interface of the new software and only transferred to the live system after successful validation and execution of check routines.

Intuitive operability and role-based views

"The creation of new customers and vendors is clear, and all responsible employees can process this themselves again," Hermle describes the new procedure. Before, the use of the "BP" (Business Partner) transaction was mandatory in the SAP ERP system. However, a certain expertise was required to create master data records by using this system. The SAP optimization by FIS bypasses this complex procedure and makes master data maintenance significantly easier for users due to intuitive operability, clear user interfaces and role-based views. At the same time, processing rights have been restricted as well, which means that it is not possible any longer for each user to process all tasks. This was exactly the point where the "stumbling blocks" of this master data project occurred. "Subsequently, we found out what employee had processed specific data records and to what extend," Hermle reports. As this is not possible any more now - and no longer desired by the enterprise either - a certain

change management was required. Hermle continues: "We started a dialog with all persons involved, explained the reasons for the new processes to them and, in this way, were able to win them over for this cause.

Now, HERMLE AG can finally tackle the "Customer Portal" project due to the increased master data quality. FIS is also involved in this project as the data generated or changed in the customer portal should not enter the system without being checked, but should be controlled by the implemented master data software. The go-live has already been scheduled for autumn this year.

Conclusion

In the course of progressing digitization, the insufficient quality of existing customer and vendor master data at HERMLE AG was revealed. In order to sort out the chaos in its master data, the enterprise made a decision to cooperate with FIS and to use the FIS/mpm master data tool. Now, HERMLE AG has standardized and complete datasets of high quality and uses a central software solution for managing master data. The master data management processes are standardized, central responsibilities have been clarified and processing rights of employees have been restricted. By means of the improved master data quality, HERMLE AG can now tackle the next digital project, i.e. the "Customer Portal".
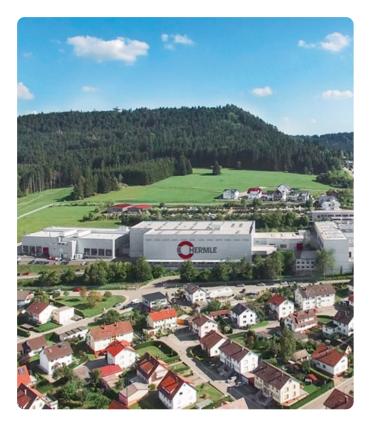
About HERMLE AG

The Berthold Hermle AG machine factory is one of the leading manufacturers of machining centers and automation solutions. The company was founded in 1938 and is headquartered in "Gosheim auf dem Großen Heuberg" in the rural district of Tuttlingen (Baden-Württemberg). The enterprise operates globally, employs 1,400 persons and has subsidiaries in Switzerland, Italy, France, Mexico, the Netherlands, Thailand and the USA. Hermle sites are located in Denmark, Austria, Poland and the Czech Republic.

Hermle AG has a widespread and close sales and service network and a worldwide presence with more than 30,000 successfully installed machines. Hermle's motto "Milling at its best" is permanently implemented by new ideas, precision in production, process consulting and profound project management. Hermle AG is a partner of many companies in key industries and has a wide range of products from medical technology to racing.

THE FIS-GROUP

FIS Informationssysteme und Consulting GmbH is an expanding, independent company and forms the umbrella of the FIS Group. Around 800 employees work within this group to make companies more modern, more economical and more competitive every day. FIS focuses on SAP projects and the development of efficient solutions that drive digitization in companies. As one of the leading SAP system houses in the D-A-CH region, FIS is the market leader in technical wholesale with its complete solution FIS/wws.

Together with its subsidiary Medienwerft, FIS covers the entire range of SAP topics for the customer experience (CX) sector. In the subsidiary FIS-ASP, more than 100 specialists operate and administer the SAP systems of customers in their own data centers in southern Germany.

Röthleiner Weg 1
D-97506 Grafenrheinfeld

Tel.: +49 97 23 / 91 88-0
Fax: +49 97 23 / 91 88-100

info@fis-gmbh.de
www.fis-gmbh.de/en