SIEMENS

SIEMENS BUSINESS CASE

Complexity:

- 2 SRM (World Vs China), Dozens of SAPs (6 divisions)
- >11 Million PO lines /year (including > 1 Million Catalog PO lines/year, > 0.5 Million Free text PO lines/year)
- Material group (ESN): 1.700 categories over three levels. A new release of ESN is deployed every 2 years
- 19 languages (English, French, Italian, German, Spanish, Portuguese, Dutch, Danish, Chinese, Russian)

Issues:

- Errors in Material Group (ESN) related to:
  - Free text orders
  - Static catalog and punch out purchase requisitions
  - Material master data (SAP)
- Inefficient purchasing processes due to wrong ESN categorization
- Non reliable Reporting in Siemens BW (SCM CoRe)

Outcomes per area of impact:

Indirect Spend Data Quality (Worldwide)

- >90% accuracy certified on purchase requisitions **worldwide** including China
- Migration from Siemens OneSRM to the new Siemens MyMall WPS in 2020
- Unattended categorization of static catalog and attended categorization of free-text in the purchase requisition
- Active since 2018

Direct Materials and Spend Data Quality

- >90% accuracy certified
- Materials ESN categorization for **Siemens Energy Management** (400K items)
- Continuous categorization of Spend data for **Siemens Smart Infrastructure**
- Categorization automation embedded in SAP for **Siemens Energy Management** and the in-progress deployment to other divisions

Vendor Master Data Quality (Worldwide)

- Categorization of the new suppliers increased by 60% in the new centralized Siemens Vendor Portal called Pega.
- Worldwide roll-out started with **Siemens Smart Infrastructure** and **Siemens Energy**

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AI FOR THE SUPPLY CHAIN