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The Top 6 Questions Supply Chain Managers Ask About SMART WAREHOUSING

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Supply chain and warehouse managers are under constant pressure to meet both business and customers' expectations. With the SAP Extended Warehouse Management (EWM) solution, next generation warehousing is available for warehouse managers, but questions remain about scalability, implementation and costs, especially for small and medium-sized warehouse operations. That's why Deloitte introduced SMART WAREHOUSING. You will find below the questions that are most frequently raised by your peers as well as our answers.

What is SMARTWAREHOUSING?

SMART WAREHOUSING is a turnkey solution designed and built specifically to provide a platform for lean warehouse processes, aiming to **facilitate the introduction of SAP EWM**.

It includes **14 processes** and is tailored to the **low- and mid-complexity warehouses**, where it has the potential of being a **fully functioning off-the-shelve Warehouse Management System.**

With its **open and flexible setup**, SMART WAREHOUSING is also the ideal solution for businesses that are looking for a more generic warehousing platform to jumpstart their project, before targeting a broader and more complex scope.

Whether you are a company just starting your journey on SAP, or are moving from an older SAP platform, **SMART WAREHOUSING will be a solid asset to help you throughout your transformation.**

What are the 14 processes that we can implement with SMART WAREHOUSING?

The **14 warehouse processes** are pre-built scenarios which cover most of your standard inbound, storage, and outbound flows.

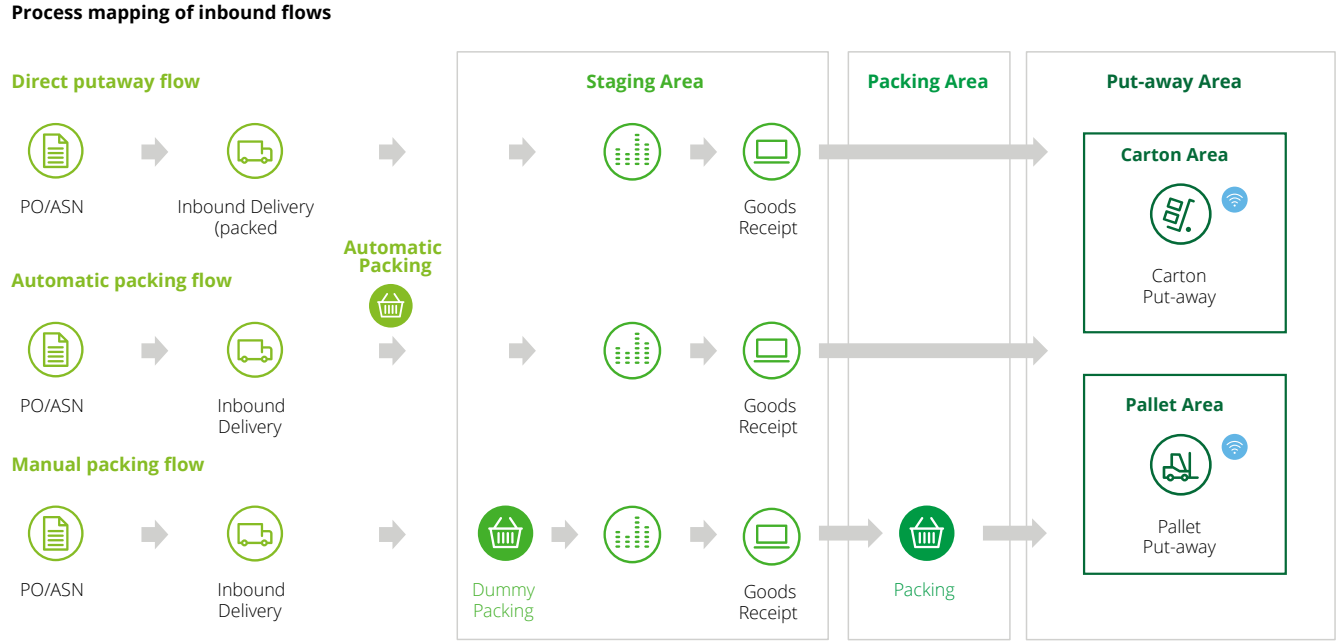
An overview of the existing SMART WAREHOUSING processes:

	Inbound	Internal	Outbound
Logistics	• Direct putaway flow • Automatic packing flow • Manual packing flow • Inbound with Deconsolidation • Inbound with basic quality management	• Physical inventory • Planned replenishment • Order based replenishment	• Full Pallet picking • Multi-orders picking flow • Single order picking flow
Production		• Single prod. order staging manual consumption flow • Cross prod. order staging manual consumption flow • Goods receipt from production	

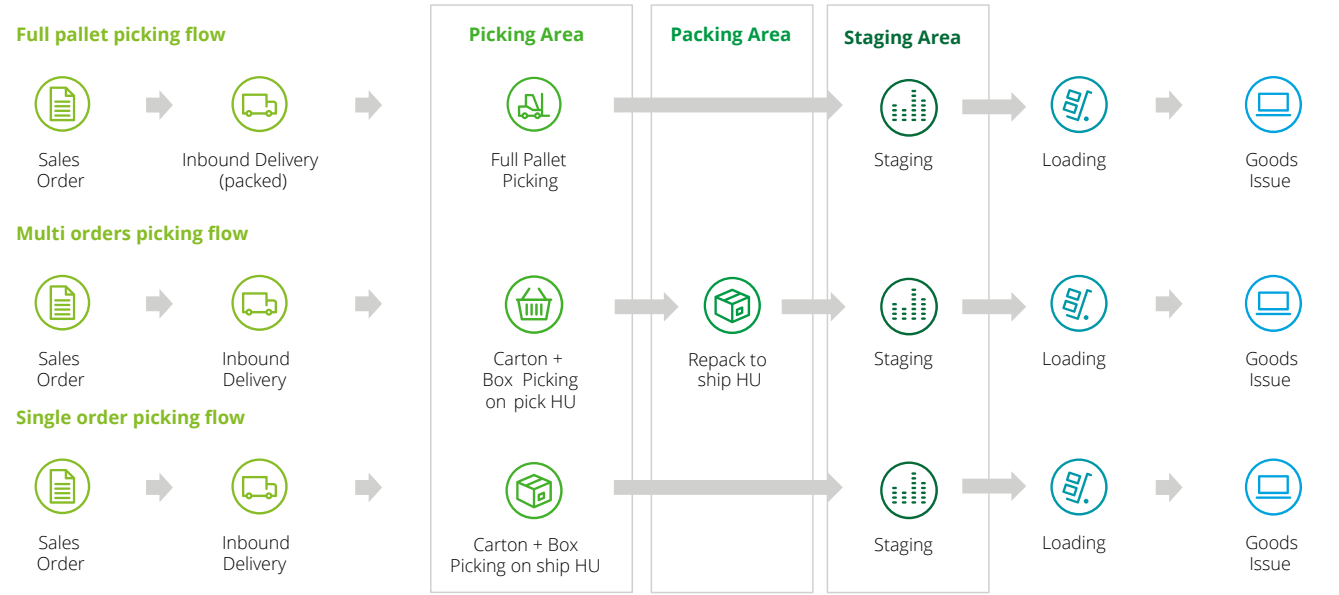
They were carefully selected to be compatible with SAP S/4HANA, and more specifically its Basic Embedded EWM license version, as well as with any of the other existing SAP EWM deployment options existing today.

Below a selection of some of SMART WAREHOUSING processes:

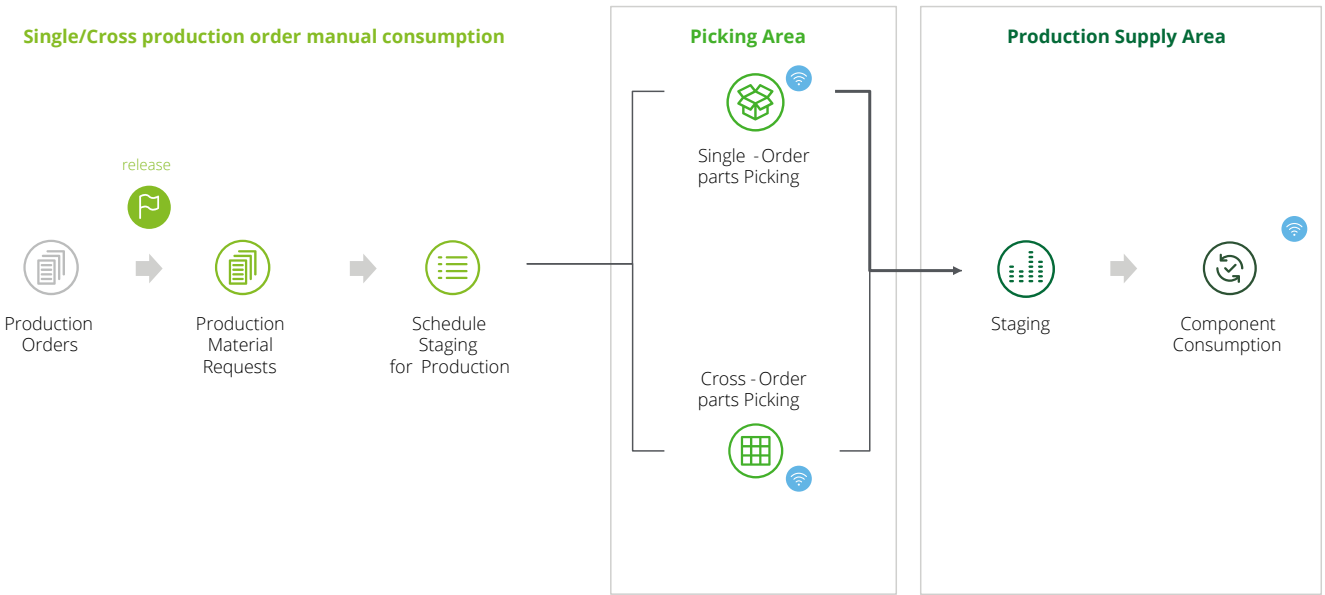
Process mapping of inbound flows



Process mapping of outbound flows



Process mapping of production integration



Is SMART WAREHOUSING scalable and future-proof?

During the development of SMART WAREHOUSING, our experts made sure that the solution architecture was **not compromising future functional expansion**, in order to **enable potential growth** of those warehouses.

Moreover, SMART WAREHOUSING is built on the S/4HANA suite, which serves as the **ideal future-proof platform** for the following reasons:

- S/4HANA with its window to SAP Leonardo is the perfect platform to enable future enhanced functionalities. This includes new features in the areas of UX (Fiori), Analytics, and integration with new technologies such as IOT.
- S/4HANA Embedded EWM will be the new target architecture for standalone/decentral SAP EWM systems in the near future (2019).

How can we deploy SMART WAREHOUSING in our environment and how long does it take?

SMART WAREHOUSING is encapsulated in **Business Configuration (BC) Sets as a proven and standardized deployment technique.**

This approach not only allows to **set up SMART WAREHOUSING in a greenfield scenario**, it also **permits the installation on existing SAP EWM environments** with active warehouses.

Rolling out the solution to your SAP EWM is thus made **quick and painless**.

We estimate that SMART WAREHOUSING, if it is adopted as it is, with some minor master data adaptation, could be made **available and running** in your internal system **within a period of 1 month**.

How much does SMART WAREHOUSING cost and what does the price include?

The cost of SMART WAREHOUSING is intended to be accessible to all.

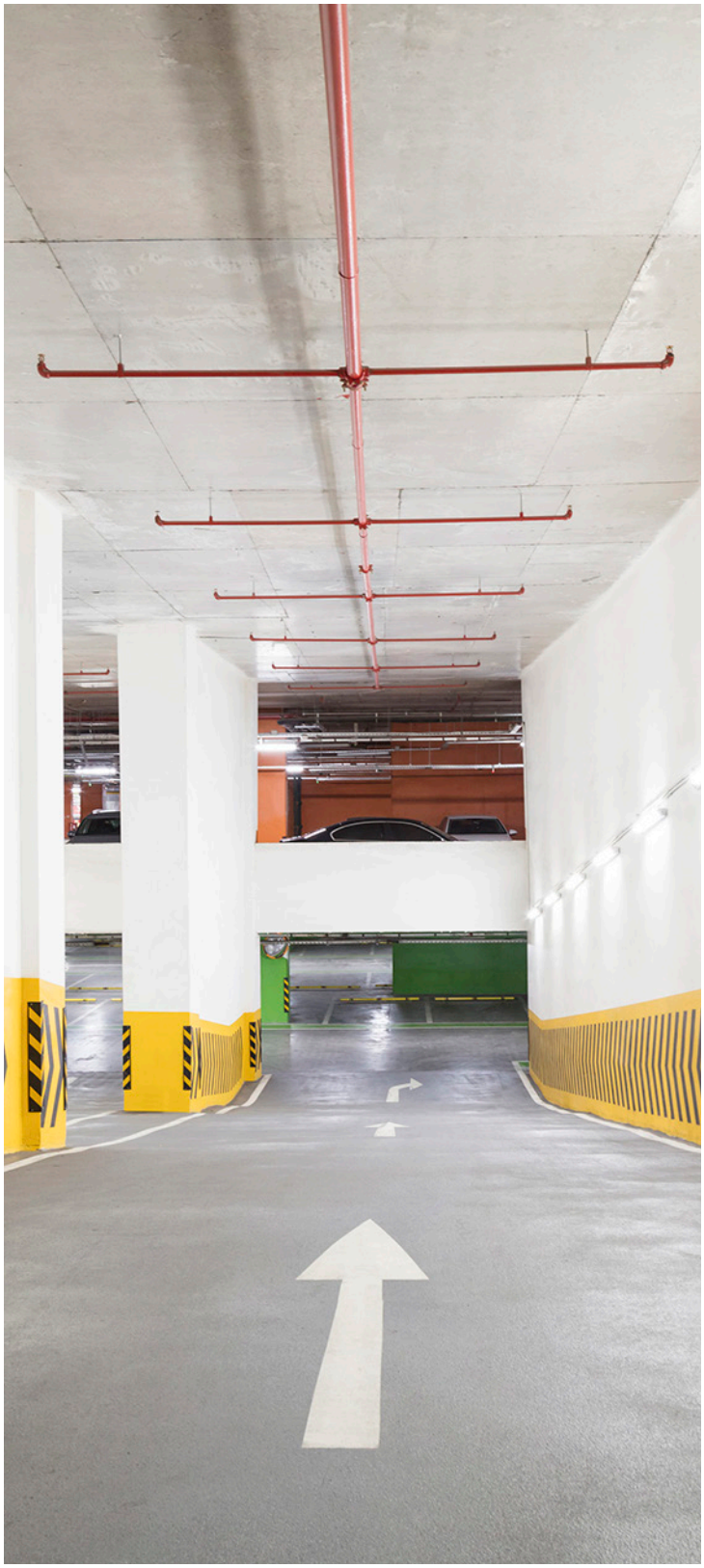
For **100.000 Euros**, you can have the **totality of the 14 processes** installed and running in one environment of your choice (e.g. Development, Quality, etc.).

Our **team of SMART WAREHOUSING experts** will ensure the deployment of the solution in your system and demonstrate the flows are working as expected.

The package also includes a full set of solution documentation consisting of:

- Business process design document
- Configuration document
- Master data documentation
- Installation prerequisites

The SAP EWM certified experts invested 500 man-days in creating the **SMART WAREHOUSING Package** and are made **immediately available** to you for the price of 100.000 Euros.



What initiated the need for SMART WAREHOUSING?

The last couple of years have seen **drastic changes taking place in the SAP warehousing landscape**, mainly triggered by the inception of S/4HANA in 2015.

A year later, a mini-revolution saw the day with the release of **S/4HANA 1610** (October 2016). This version contained the first embedded Extended Warehouse Management (EWM) system, along with EWM architectural and functional deployment possibilities.

Furthermore, SAP has announced that their Warehouse Management (WM) solution will cease to exist as of 2025.

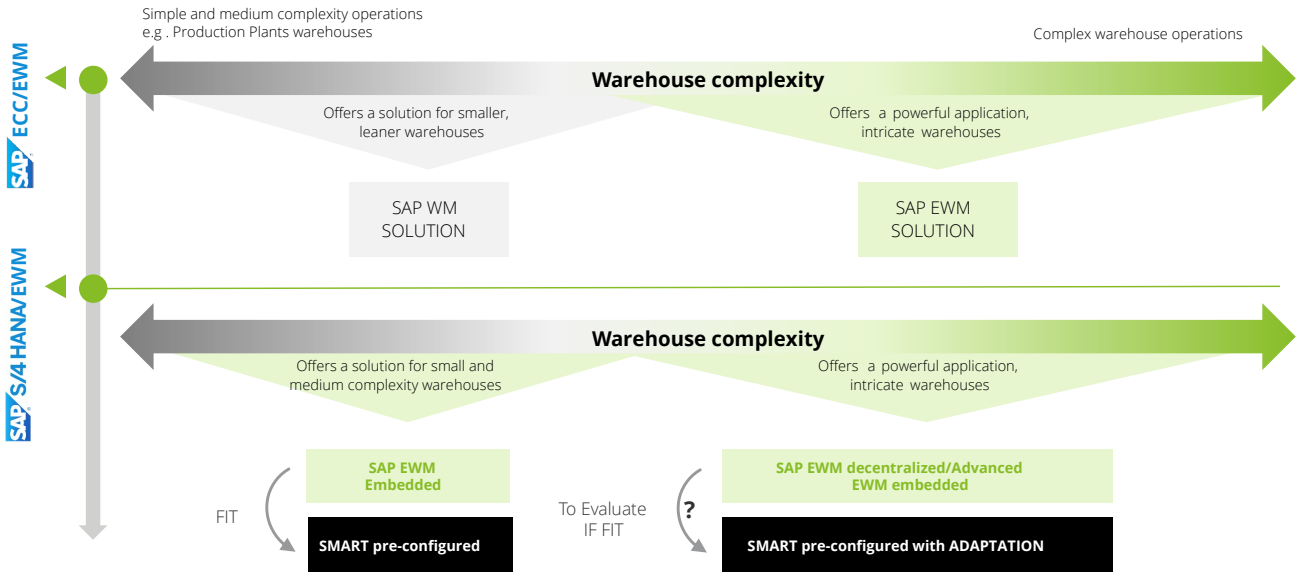
With these changes, SAP shows clearly that it will focus its future development power towards one warehousing solution, EWM, thus **urging new and existing customers to move forward.**

Because the value created by such a system is undeniable, SAP wanted to **make EWM accessible to small and medium-size companies** too. It did so by offering **two license alternatives:**

- Full functionality EWM license that could be considered in a decentralized or an embedded deployment.
- Basic EWM license that could be considered only in the case of an embedded EWM deployment.

By developing **SMART WAREHOUSING**, the experts of the Deloitte EWM Center of Excellence have further **eased the transition of companies to EWM**.

When can you consider SMART for your warehouse ?



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Contacts

If you want to know more about SMART WAREHOUSING and see how it applies to your specific needs, feel free to contact us.

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Visit **www.deloitte.com/be/smartwarehousing** to get updates on events and new content in warehouse, supply chain, and transportation management.

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