

# GXS Managed Services for SAP

## Today's Business Environment

The ability to maintain a competitive edge in today's marketplace is often driven by a company's ability to match IT capabilities with business strategy and processes. Many companies have implemented SAP to automate internal business processes in order to achieve business goals. However, in today's global economy, business-to-business (B2B) integration with a global trading community is just as critical to success as internal application integration.

GXS has a unique combination of experience, resources and technologies to maximize your SAP investment, enhance your B2B execution, and close the gap between business strategy and IT capabilities.

## SAP/B2B Integration Challenges

Due to the demands placed on a company's IT resources during an SAP-related project, enlisting a partner to manage the B2B integration infrastructure for an SAP system can bring significant operational and financial benefits to a company. B2B Managed Services offers companies a way of acquiring the necessary SAP to B2B integration skills on a short-term or project-by-project basis. Skills such as mapping, trading partner on-boarding and SAP integration can all be acquired through a Managed Services approach. In many cases GXS functions as an extension to a company's own IT department.

In a recent study by AMR Research, 43% of respondents said that their B2B integration staff was engaged in SAP-related implementation projects. If your internal resources are immersed in ensuring that an important SAP project is launched on time, how will you manage the ongoing requirements of your B2B infrastructure?

**A number of key drivers cause companies to integrate their SAP and B2B systems:**

**SAP Data is Sourced Both Internally and Externally**—SAP systems use information from a variety of sources such as customers, suppliers, distributors, logistics providers and financial services institutions. External data from advanced shipping notices, commercial invoices, customs declaration forms and bank statements need to be highly available to keep the SAP platform running efficiently.

**Poor Data Quality Compromises the Value of an SAP System**—As SAP systems receive information from a variety of external sources, the likelihood increases that unchecked, in-accurate data could enter an SAP system. Quite often, information from external sources is not clean enough to be processed correctly by the SAP system. Expensive manual efforts are required to cleanse the data. Bad data which does pass through SAP could spread into other business systems corrupting data across the extended enterprise.



### A RECENT GXS-SPONSORED ERP B2B INTEGRATION STUDY CONDUCTED BY AMR RESEARCH FOUND THAT:

- 48 percent of respondents said they had lost B2B connectivity
- 34 percent of respondents said B2B integration staff was supporting ERP related projects
- 34 percent of the data feeding ERP systems is generated externally
- 29 percent of respondents said that they had to prematurely terminate B2B testing programs relating to external trading partners
- 79 percent of respondents have exceptions or problems on more than one percent of inbound B2B transactions
- 80 percent of respondents plan to move to highly consolidated ERP environments

A simple mismatch of part numbers or incorrect unit of measure could lead to inaccurate order fulfilment or delayed payments to suppliers.

**Poor B2B Integration Limits Visibility**—A fully integrated SAP and B2B environment needs straight-through processing from various internal and external sources. Business decisions, especially in tough economic times, need to be made in real time. Rapid decision making cannot be achieved if data has to be re-worked and re-entered into the system. Without data about demand, inventory, logistics and payments flowing real-time into SAP, executives are challenged to gauge the true pulse of how a company is operating. It is very difficult to take any corrective action once the impact of data quality issues has already begun.

**High Availability in B2B is Critical**—For many companies, ensuring that B2B platforms are available 24/7 is crucial to their operations. B2B platforms ensure that information from outside the organization can be used efficiently by SAP systems. For example, many manufacturers insist that their B2B infrastructure not go down near the end of a quarter so as not to affect the processing of sales-related information. Another example is a car manufacturer that doesn't receive an advanced shipping notice from a supplier that parts are on the way to a factory. This could have downstream implications such as shutting down a production line. Many companies need to make business-critical decisions in near real-time; therefore, ensuring that transactions from external business partners get through to an SAP system without delay or interruption is extremely important.

## How GXS Managed Services Helps to Keep SAP Projects on Schedule

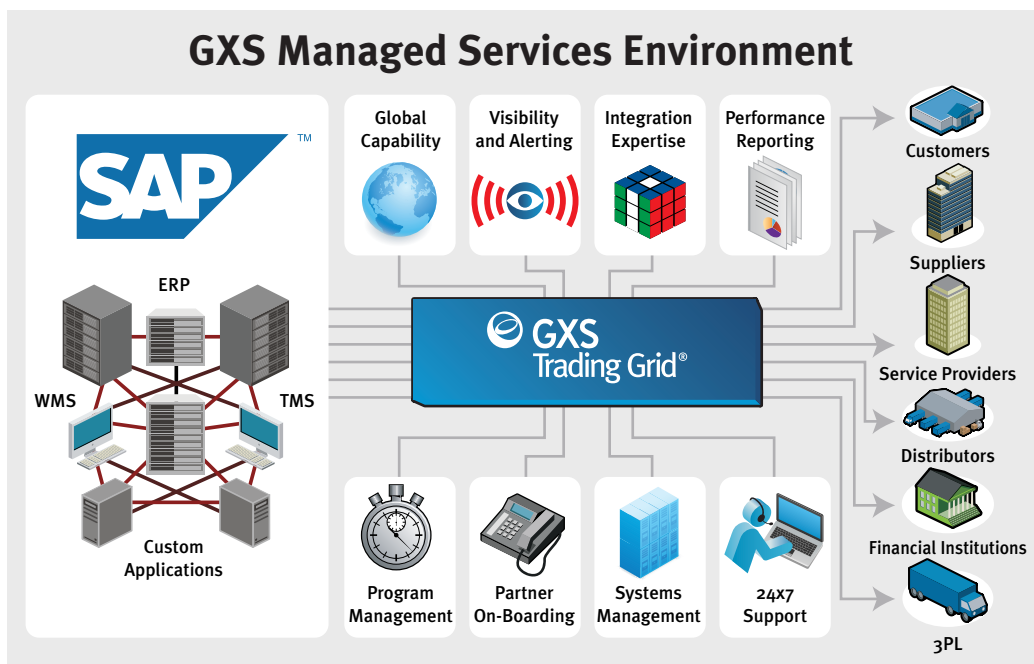
GXS has more than two decades of experience working across many SAP-related B2B integration projects—both single instance and multiple instance—to support global business operations. Multi-National companies in industries such as high tech, automotive, consumer goods, manufacturing and financial services utilize GXS Managed Services to maximize their SAP investment. GXS provides a cloud-based B2B service that integrates with a variety of SAP modules, including Supply Chain Management and Supplier Relationship Management.

GXS Managed Services can help companies better manage their SAP/B2B integration projects in a number of different ways:

**Implementing Document Maps**—Document mapping is one of the most complex tasks to undertake during an SAP to B2B integration project. Mapping experts must understand the relationships between data structures used by external trading partners and the information needed in SAP. For example, a mapping expert may need to extract shipping information from an advanced shipping notice to populate the appropriate SHPMNT01 IDOC document. With the possibility of having to create hundreds of maps, ensuring that maps can be created on schedule is one of the most important aspects of an integration project. Creating these maps internally is not a very efficient use of expensive IT resources. Delegating the mapping process to a third-party vendor would be beneficial for any company undertaking such an integration project.

“As management teams focus on the need for systems and processes to support an integrated global business, the importance of the relationship between ERP and B2B becomes critical.”

—AMR RESEARCH 2009



GXS maintains a Mapping Center of Excellence with over 175 mapping professionals and has extensive experience mapping into and out of SAP IDOCs. GXS enables the integration of B2B messaging across multiple instances of SAP and with trading partners around the world.

Some of the more common IDOCs that GXS has put into production:

Message Type	IDOC Type
Motor Carrier Shipment Information	SHPMNT03
Transportation Carrier Shipment Status Message	TRXSTA01
Invoice	INVOIC01
Remittance Advice	PEXR2001, PEXR2002
Lockbox or Bank Statement	FINSTA01
Price Catalog	PRICAT01
Purchase Order	ORDERS01 to ORDERS04
Stock and Sale Data	PROACT01
Transport and Shipping Notification (Advanced Shipping Notice – ASN)	SHPMNT01 to SHPMNT03; DELVRY01 and DELVRY02

GXS mapping services support over 200 different document types in production today. We have experience across a broad range of B2B formats and protocols: EDI standards such as EDIFACT, ANSI.X12 and Tradacoms; and XML-based standards that include SWIFT, RosettaNet, CIDX and PIDX. GXS can also map file formats to and from any third-party vendor application or proprietary file format. Our business analysts and map developers quickly and effectively deliver high quality maps.

**Status Reporting**—GXS provides business process visibility and exception-based monitoring for both you and your customers. Visibility is delivered through a simple web-based interface that provides tools such as related document queries, role-based views and proactive monitoring/alerting capabilities. For example, upon completion of the translation process, GXS Managed Services will automatically generate a STATUS IDOC (Status = 5

or 6) back to the client's SAP environment to indicate whether the IDOC translation failed or succeeded. Exceptions are indicated in the web-based interface and trigger an automated email alert to the GXS Managed Services Production Control team and to the customer concerned. Additionally, a "time out" capability allows GXS Managed Services to set negative triggers for non-events. For example, a customer may require a Status 14 (interchange acknowledgement) triggered if a trading partner has not extracted a file within 30 minutes. GXS Managed Services can set a timer that triggers the Status 14 as required.

**Monitoring Data Quality**—One of the major issues with SAP systems is that much of the information entering SAP actually comes from outside the organization. This information will have been created in different systems, using different standards. Many companies don't see the importance of cleaning this data before it enters an SAP system. Millions of dollars can be spent implementing an SAP system; but it provides ROI only if it is fed with clean and accurate information.

GXS utilizes a robust business rules engine based on more than 150 of the most common supply chain-related SAP business rules. GXS ensures data is accurate before entering back office systems. This eliminates the need for investigating data mismatches, reprocessing inaccurate data, or calling trading partners to resolve data quality issues.

This pre-processing of externally sourced information effectively places a "firewall" around your SAP applications. The aim of the firewall is to protect your SAP system from poor quality data sent by customers, suppliers, distributors, logistics providers or financial institutions. Automated data quality enforcement helps to lower your cost of operations. The firewall will also ensure that any mapping processes can run without interruption. More importantly it will ensure that any downstream systems that are fed by the SAP system receive clean and accurate information.

**SAP Connectivity**—B2B integration platforms must be connected to the numerous different instances of SAP running at local manufacturing plants, retail stores, shared service centers and headquarters locations. GXS supports a broad range of communications protocols to connect with SAP including ALE, AS2 and FTP. A combination of communication technologies can be used to meet all trading partner needs.

The most popular option for exchanging IDOCs is the native SAP Application Link Enabling (ALE) technology. For those companies deploying SAP PI (Process Integration) based environments, GXS provides communications support for both AS2 and FTP based communications.

**High Availability**—In an integrated SAP B2B environment, it is critical to ensure highly available connections to trading partners. If external connectivity is lost for any reason, the flow of information going into your SAP environment—and any downstream business systems—will be interrupted.

GXS Managed Services environment runs on a highly available (99.95%) infrastructure across two primary data centers located in North America and Europe. The two data

centers are connected via high speed OC12 connections and each center uses the latest network routers, server and storage devices from leading hardware manufacturers. Data is replicated between both data centers on a regular basis, and in the event of a catastrophic failure in one data center, the infrastructure will fail across to the other data center thus maintaining availability of your B2B environment.

**Managing Trading Partner Communities**—Most SAP upgrades are not purely technical in nature. Functionality upgrades are usually the justification for investment. With new modules or expanded user-communities comes the need to connect to a broader range of supply chain partners. With larger companies having globalized their operations, the on-boarding and integration of trading partners across different time zones can be difficult to manage. In many cases, companies simply do not have the resources to manage the on-boarding of trading partners in different geographical regions.

GXS Managed Services provides a comprehensive on-boarding service to both recruit and enable your trading partners. GXS offers a range of options for trading partners to connect to our Managed Services platform including web forms, Microsoft Excel adapters, VAN interconnects and ERP adapters.

**Program Management**—SAP projects require an immense amount of coordination across the extended enterprise. B2B integration managers must ensure that maps are created correctly, trading partners are connected properly and data validation rules are reflected within the B2B system. The project management challenge becomes even more complex for companies looking to introduce further SAP functionality, such as implementing a transport management system.

GXS Managed Services allows a company to leverage highly experienced project managers to manage the implementation process. GXS will provide a dedicated program manager who undertakes a number of roles to ensure that SAP to B2B integration projects go smoothly. The project manager oversees the day-to-day communication with the community of trading partners and ensures that trading partners can support new transaction types, data quality rules or KPIs to measure performance. Finally, the manager offers support for testing and manages the overall release and deployment of the newly integrated platform with the customer.

**Providing Global Support**—Many companies have globalized their operations and have manufacturing plants and trading partners around the world. All users of an SAP B2B integration platform, regardless of where they are located, must have access to a global support infrastructure so that any problems that arise can be resolved as quickly as possible.

GXS Managed Services provides 24/7, multi-lingual support coverage. This helps users across an extended enterprise receive the help they need, in any language or any time zone around the world. With many companies establishing manufacturing operations in low cost countries such as China, India, Eastern Europe and Latin America, it is becoming increasingly important to be able to support trading partners within these particular regions of the world.

Delays to ERP projects in terms of both B2B planning and integration can potentially cost companies in excess of \$45K a day or \$1 million per month.

## GXS Managed Services

GXS has worked with many companies around the world to manage their SAP and B2B integration projects. Whether it is helping companies integrate to multiple global instances of an SAP platform or providing integration to a newly installed instance of SAP, GXS has a wealth of experience with managing such projects.

GXS Managed Services is a comprehensive B2B outsourcing solution that provides companies with the people, processes and technologies necessary to maintain complex B2B e-commerce programs. GXS Managed Services operates on a fully hosted integration platform and includes mapping, trading partner on-boarding, data quality and connectivity services. With B2B outsourcing from GXS, companies can build and grow B2B networks without making additional investment in hardware, software or human resources.

GXS has more than 40 years of experience in B2B e-commerce as well as 20 years of experience supporting full-service B2B outsourcing programs. GXS Managed Services customers represent a variety of industries including consumer products, financial services, high tech, manufacturing and retail. More than 260 companies around the world currently use GXS Managed Services including BB&T, Henkel, Jaguar Land Rover, Miller Brewing Company, Shinhan Bank and WHSmith. GXS provides customers with world-class B2B program management including trading community management, mapping development, global supply chain visibility, transaction management, data translation, systems administration and supplier performance reporting.

## About GXS

GXS is a leading provider of B2B e-commerce solutions and operates the world's largest and most expansive network of integrated business communities. The company's software and services simplify and enhance businesses process integration and collaboration among networks of trading partners. Organizations worldwide, including more than 75 percent of the Fortune 500, use GXS solutions to extend their supply chain networks, optimize product launches, automate warehouse receiving, manage electronic payments and gain supply chain visibility. Based in Gaithersburg, Maryland, GXS has operations and offices around the world. For more information, see <http://www.gxs.com>, <http://blogs.gxs.com> and <http://twitter.com/gxs>.



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