Business case - cost awareness and simplify
with Oracle products for Data Warehousing and Business Intelligence in complex organisations that use ERP (SAP R/3) as transaction processing platform

The purpose of this document is to give an overview on how ERP systems (SAP R/3) fit in with your Enterprise Information Management and Reporting strategy. If you recognise and agree to what is written on the next page you might find the most cost effective solution for your requirements on the page after that!

This document is written by NewFrontiers Consultancy; specialists that are working on Data Warehousing solutions for major multinational companies like Shell, Epson, Unilever, Bridgestone Firestone and many more that use R/3 for transaction processing.
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Implementation of SAP R/3 (or any other ERP product) is not solving the issues related to the timely and cost effective delivery of Management Information.

- At this moment (early 2004) most of the major multinational enterprises have implemented ERP software;
- SAP R/3 is by far the most used software in Europe and a leading ERP software vendor in the rest of the world including North America;
- It has now been generally recognised - different than 5 years ago - that ERP is good at automating and structuring operational processes, but acts like a banksafe without a key when it comes to the delivery of Management Information. SAP AG has introduced own products like Business Warehouse (BW) and Strategic Enterprise Management (SEM) for this purpose. This means that even SAP R/3 has data integration requirement within its own application portfolio.

In many cases SAP’s own BI products do not deliver a satisfying Management Information solution. If organisations do not use SAP for all of their IT solutions, successrates for managerial information delivery through SAP-BW are low. Other vendors of reporting tools (like Cognos and BusinessObjects) rise to the occasion. BUT…

- Environments completely based on SAP, (that is for ERP, BI, CPM, Planning etc) do not exist;
- SAP BI products like SAP BW are complex which makes implementations very costly but also complex to maintain. The latter is certainly true if the SAP R/3 is system has been customised;
- SAP specialists are almost never experts in database design – for reporting – and the often lack the basis data warehousing and reporting knowledge, experience and even interest;
- The software of BI vendors like BusinessObjects and Cognos require yet another separate application infrastructure which needs to be implemented and supported by specially trained people at a cost.

Business Intelligence is about Human Intelligence and a properly performing and reliable infrastructure. A reliable infrastructure consists of:

- Tools to Extract, Transform data from the transaction source system(s) and Load those in the database (ETL);
- A database (to store the data in a proper and secure structure to process for analytical purposes);
- Analytical processing capabilities (querying and potentially multidimensional structures);
- Front end applications to allow the end user to analyse the information.

The requirements listed above are independent of the choice of BI software product. Even SAP BW requires a database, querying functions and a tool for the end users. The most obvious choice is to use the standard Oracle database plus tool set and the standard Windows desktop products like Excel.
New Frontiers has experience with many different products and recognizes that Oracle has a very compelling infrastructure that includes the following solutions:

- The most used database in enterprise environments for both ERP and DWH;
- A powerful query language of which the knowledge is common and wide spread;

and software / options to:

- Tools to Extract, Transform data from the transaction source system(s) (incl. SAP R/3) and Load those in the database (ETL);
- Multidimensional structures used for On-Line Analytical Processing (OLAP);
- Tools to build ad-hoc queries, standard reports and web based applications and combine these in an enterprise portal;

and:

- Due to its market leadership a relatively large number of people are skilled in administering the Oracle Databases (often even working on the support of the SAP systems);
- Oracle is a major software company that invests seriously in the development and improvement of its own products.
- Companies require less hardware (i.e. servers since most tools are part of the Database and don’t run as separate engines);

So most likely you can build and run your environment at considerably lower costs!!!!

NewFrontiers adds Human Intelligence to companies that use SAP products through a Quick Start and the “Closed Loop for R/3” component to optimise the integration between Oracle’s ETL tool Oracle Warehouse Builder and SAP R/3.

The Quick Start has been developed to guide the building of an Oracle based Data warehouse in SAP environments.

The Quick Start is:

- A data schema for the most used subject area (billing information) that is built on the basic data warehouse design principles;
- Simple to use and explain to the users from Financial and Sales perspective
- Designed to be extended (because start is not the finish);
- Forcing you to think about fundamental design choices (like CDC, key usages, OLAP etc) for which “the guide” has been designed;
- Coming with a whole series of – optional - basic training to accelerate your organisation;
- Contains fundamental knowledge about the SAP data model and experience in the building of Business Intelligence in these complex SAP environments.

The Closed Loop component has been developed to improve the way that SAP R/3 and OWB integrate and makes that the “generic” can do all product OWB includes the same features as issue focussed and very expensive ETL tools. The OWB Closed Loop for R/3 component is:

- A guideline that explains how SAP R/3 can be integrated with OWB;
- A Java adapter than can be integrated in OWB that integrates the SAP R/3 application and OWB and that makes that makes dependencies possible in the work flow. The so called “closed loop” advocated by SAP BW, Informatica, Ascential and BusinessObjects as one of the main advantages of their tools.
- Implementation guide available on our website together with the adapter and link to the required SAP connector (available at SAPnet).