TECHNOLOGY INSIGHT

Output Management Plays A Vital Role for SAP Customers

Why output management for SAP infrastructures is a critical piece of the digital transformation conversation

OUTPUT MANAGEMENT IS OFTEN OVERLOOKED, BUT IT BECOMES IMPORTANT WHEN YOU HAVE TO SOLVE A PROBLEM REALLY QUICKLY

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For organizations that rely on thousands of geographically dispersed printers and devices, effective output management helps ensure that essential documents, forms, certificates, and other paperwork reliably, securely, and accurately reach their intended destinations.

But when organizations need to make big changes in their SAP architecture, it is common for business and technical decision-makers to overlook output management, and the role digitization and automation can play in improving documentation processes, according to Leo Kaltenhauser, Director EMEA Central, LRS. "That is until problems arise," he says.

In this Technology Insight, SAPinsider's Vice President of Research Robert Holland talks with Kaltenhauser, who explains why output management should have a seat at the table in digital transformation conversations. According to Kaltenhauser, output management can help reduce complexity in SAP architectures, address business and technical pain points, and support digital-first agendas.

Reducing Complexity in SAP Architectures
While the underlying thread that enables successful output management is technology, leaders across business and technology functions must cooperate to understand and

address key pain points, reducing complexity in SAP architectures being first and foremost.

Organizations also need to understand that output management is relevant in today's increasingly digital world and a point of discussion in digital transformation conversations.

Kaltenhauser explains that for enterprises using SAP technology, with hundreds of SAP systems and thousands of printers in different parts of the world, a complex output management architecture can be costly and create problems.

For example, an organization running SAP ECC may have tens of thousands of different forms in its environment. Over time, as the SAP implementation grows, it adds thousands of printers of all types – label printers, multifunctional device printers, for example – all of which are handling SAP outputs.

What happens to all the printers and output devices when the organization undergoes a large-scale consolidation initiative or an SAP S/4HANA upgrade project?

According to Kaltenhauser, one of the most critical steps is to define what infrastructure will greatly reduce the entire effort.

"It's important to consider the complexity in managing business-critical outputs with SAP solutions such as SAP S/4HANA, especially in large organizations," says Kaltenhauser. "Output management should be more than an afterthought and brought forward to where digital transformation conversations are taking place."

Kaltenhauser notes that a standardized digital backbone for all output, scan, and print management can help reduce complexity in managing business-critical outputs, simplify global architectures around SAP output, and lower operational costs.

In a recent example, a global technology company with a large manufacturing footprint, with LRS's help, optimized its standard SAP printing, barcode printing, and SAP label printing processes. This helped the company achieve significant cost savings and eliminate output management complexity in its extensive SAP architecture.

Addressing Technical and Business Pain Points
As an organization builds a business case to upgrade to SAP S/4HANA or its SAP workloads to the cloud, it should also consider other pain points related to output management.

Each side will have different requirements. Technical decision-makers will want to understand all the functional and application details behind a solution.

"They know about the problems of the past and how difficult it is to run an architecture with thousands of printers and dozens of SAP systems worldwide," Kaltenhauser says.

On the other hand, making the business case for output management is especially important for manufacturers, technology companies, industrial and pharmaceutical firms, and other global organizations that need to distribute their products throughout different parts of the world.

Consider the agencies involved in international trading, each country with its own set of rules. Physical labels and authenticated documentation may be needed for recognizing and identifying ownership of shipped materials at various ports of entry, and in most cases, for meeting regulatory requirements. For example, certificates of origin printed on company letterhead are often required to comply with foreign customs requirements, according to the International Trade Administration.

For global organizations having to navigate the complexity of trade and shipping laws and regulations, failure to meet these requirements can result in costly delays. Kaltenhauser uses the example of a pharmaceutical company exporting goods to another country.

"The company needs to ensure that its documents are structured correctly, or else they can face fines, or worse, have their materials and products waiting in customs for months, generating revenue losses," he says.

A business leader is also interested in saving money.

For example, an organization refreshing their printer fleet may not have the time or resources to rebuild all the forms, or they may have to purchase expensive DIMM cards, a piece of hardware inserted in printers to facilitate printing of different characters or barcode types from different regions.

"If you want to print in different characters based on language, DIMM cards are a piece of hardware that can help you do that, but they are costly," he says.

By digitizing the primary function of DIMM cards – to enable printers to print in different characters – using a single, centralized platform for all printers, organizations can save on this cost and achieve more control, according to Kaltenhauser.

Another KPI when building a business case includes the elimination of print servers.

Global companies have hundreds of printers located in different regions of the world. Kaltenhauser explains that an output management solution with a centralized administration console can help organizations drastically reduce the number of print servers, simplifying output management, providing more control, and reducing the cost of maintaining hardware. A German multinational engineering and technology company, for example, was able to reduce 600 print servers down to three using these methods, according to Kaltenhauser.

Output Management in an Increasingly Digital World
Kaltenhauser points out that business processes are changing very quickly and that many organizations using SAP technology to run critical operations are thinking about running a paperless enterprise.

"A business may decide it doesn't want to produce paper in its process anymore," he says. "But printing devices are just one destination in an increasingly digital world."

SAP customers striving to limit paper use – whether to meet corporate sustainability goals or save costs – have all types of documents that need to arrive throughout different parts of the world. These companies can choose to deliver papers in digital form, including PDFs and email, or other documents explicitly formatted to fit SAP technology requirements.

He explains that modern output management solutions allow users to send data typically presented on paper to the document management system or an email server. Other options include sending paperwork and documents to a document management system instead of a printer or sending documents to an email server.

A modern output management solution automatically inserts the email address for the recipient or sends it into an archive and automatically gives a document a name, which is based on predetermined rules, Kaltenhauser explains.

Knowing what the right hand is doing

"While technical and business leaders approach their decision-making differently, they must work together to find a common solution," Kaltenhauser says.

Otherwise, chaos can ensue.

To explain, he uses a scenario where IT buys new, multifunction device printers for the organization. The brand of the printer changes, which means new drivers have to be installed.

"As soon as you install a new driver, tens and thousands of your SAP forms stop working because it impacts the layouts, and you get cryptic symbols on the documents because the printers work differently," he says.

Kaltenhauser explains that the output would always be the same by creating the print drivers for each customer independently and centralizing it, no matter what changes are made. This feature is available with LRS's solution, he notes.

But without this capability, "it's a complete mess," he says. "Tens of thousands of forms have to be corrected – shipping labels, hazmat declarations: whatever is being used in their SAP system."

In another example, a logical sequence in an organization's SAP system means that when print jobs are executed, they should appear in order as configured. But when an organization works with certain print servers, a smaller print job may overtake a larger print job, despite its order in the sequence.

Scenarios like this can cause production line interruptions, which impacts business revenue.

"Output management is often overlooked, but it becomes important when you have to solve a problem really quickly," Kaltenhauser concludes.

WHAT DOES THIS MEAN FOR SAPINSIDERS?

1. **Bring output management to the forefront.** When an organization undergoes a large-scale consolidation initiative or an SAP S/4HANA upgrade project, ensure output management is part of the digital transformation agenda to reduce complexity.

2. **Simplify and centralize to minimize cost.** The capabilities provided by printing hardware such as DIMM cards are necessary, but it can be costly to buy. In global organizations with thousands of printers, the cost can be enormous. A centralized tool with the data stream in place to perform the same task as a DIMM card can drive down printer costs.

3. **Maximize business-critical outputs with a digital backbone.** In a worst-case scenario, a document that does not reach a regulatory agency or customer can lead to fines or business losses. But even less serious cases, such as logical printing sequence in SAP systems, can result in downtime. Sequences help simplify architectures around SAP output to minimize financial losses and keep businesses up and running.

4. **Support digital-first and related objectives.** Printing infrastructure is a core focus of output management for many SAP customers, but modern tools can help organizations to reduce their paper output, helping meet digital and sustainability goals.