

CASE STUDY

Improved Spare Parts Inventory by Optimising Bills of Materials Master Data in SAP

Holistic Asset Management (HolisticAM) partnered with a mining company to provide maintenance management services. The objective of this project was to review, assess and optimise the completeness of the site Bill of Material (BoM) master data within its SAP. As a result, the client was able to manage their spare parts inventory more cost-effectively.

HolisticAM mobilised a specialist SAP asset management consultant to offer professional maintenance support. This project not only reduced the client's cost of holding of stock inventory, but also saved the client's money because of the flexibility of our services.



Mining Sector

The Challenge

The client's BoM lists were incomplete due to the non-conversion of legacy Pronto data, poor completion of projects, and lack of resources available to collate the data required to build the BoM lists in SAP.

- BoM's from legacy system Pronto were not converted to SAP BoM's when the client consolidated information management systems in 2015.
- BoM's existed for 37% of active functional locations (2,233 of 6,030) functional locations.
- Many of the existing BoM's (76%) were originally created in bulk by building lists of materials used on work orders for each of the functional locations.

As a result, the client required a review of the completeness of the site BoM master data within its SAP.

The Solution

HolisticAM offered three primary maintenance services in this project: 1) [Work Management Process Design and Standards](#); 2) [Maintenance Master Data Design and Configuration](#); 3) [Maintenance Plan BoM's Development](#).

A specialist SAP asset management consultant reviewed and assessed the site asset master data within the client's SAP EAM, which then led to improvement work to ensure effective BOM master data was constructed in alignment with the client's Master Data Standards and providing the effective strategies to maintain the assets in a safe and reliable state.

Scope of execution work is described as below:

- Collect & Review current state Bill of Material Master Data;
- Review OEM manuals & spare part catalogues to build Bill of Materials;
- Submit proposed changes to stakeholders for review & approval;
- Creation of approved Master Data in SAP;
- Package completion review;
- Package sign-off.

More details about Maintenance Management:

<https://www.holisticam.com.au/services/maintenance-management/>

The Results

HolisticAM was able to successfully engage with key stakeholders across the maintenance and reliability teams. We provided a thorough review of the asset master data state and aligned with business needs.

Key deliverables included:

- Summary document outlining key findings of analysis;
- Upload of master data changes into SAP CMMS;
- Recommendations for further improvement across all areas of master data across site;
- Roadmap to deliver further improvement recommendations;
- Construction of master data that aligned with the standards.



ADDED VALUE

In this project, there was a significant cost saving for the client in two aspects:

Firstly, due to the completeness of BoM, the client was able to figure out the actual spare parts requirements, which reduced the cost of holding of stock inventory.

Secondly, the flexibility of our services also saved the client's money. Once the initial onsite review was completed, the consultant finished the remaining works of this project remotely from Melbourne. By using phone, email and video technology, our consultant worked closely with the client's maintenance team to ensure the project was delivered on time and within budget.

Our Asset Management and Reliability Specialists offer a powerful combination of industry expertise, subject matter mastery and dedication to delivering excellence for our clients, stakeholders and each other. Combine this with the application of the ReliaSoft software, (inclusive of sales, training and direct access to ReliaSoft's global resources) will ensure any project has the resources for success.

If your organization does not have sufficient time, expertise or objectivity in-house to accomplish specific reliability goals, turning to our reliability experts can prove to be the most effective and economical solution.