

# Value Engineering for ECM Solutions with SAP® VLM



## From value discovery to a completely calculated business case with SAP Value Lifecycle Management

The greater the pressure for cost reduction the more thoroughly you need to justify the cost-effectiveness of your investments in IT innovation. But how do you know for sure which projects really pay off? Who provides you with a substantiated and revisable groundwork for your decision?

Value Engineering with the SAP Value Lifecycle Management tool provides an answer.

### What is Value Engineering?

Successful organizations combine their approach for process optimization with IT innovation, thus generating additional value. The goal of value engineering is to develop business cases derived from a value-driven strategy which is based on the priorities of the corporation.

The following key questions are addressed:

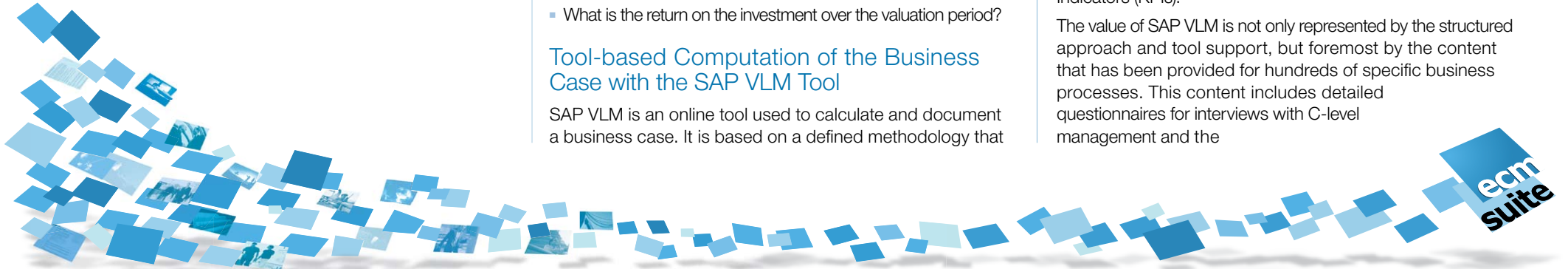
- What are your requirements for maximum value creation?
- Which processes offer potential to increase value?
- What is this potential and how can the benefit be quantified?
- Which initiatives will unlock the potential value?
- What is the return on the investment over the valuation period?

### Tool-based Computation of the Business Case with the SAP VLM Tool

SAP VLM is an online tool used to calculate and document a business case. It is based on a defined methodology that

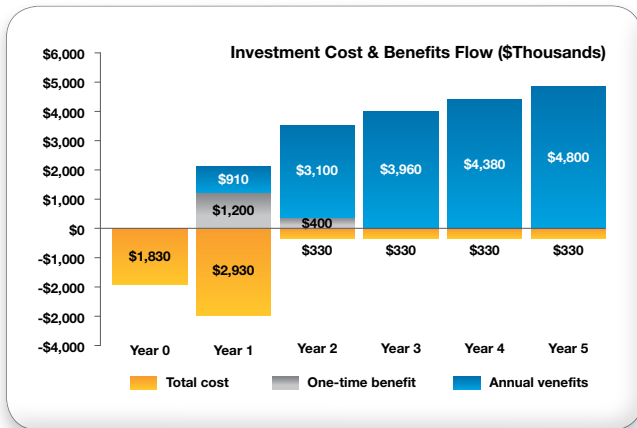
promotes a disciplined approach to thoroughly document each step, data input, and calculation and make it revisable. This results in a completely transparent business case, which can be compared using key performance indicators such as Return on Investment (ROI), Net Present Value (NPV), Internal Rate of Return (IRR), and company-specific Key Performance Indicators (KPIs).

The value of SAP VLM is not only represented by the structured approach and tool support, but foremost by the content that has been provided for hundreds of specific business processes. This content includes detailed questionnaires for interviews with C-level management and the



respective business departments as starting point; comprehensive lists of process specific pain points and suggested proven best practices for improvement; and, at the end, pre-defined formulas for the calculation of the relevant benefit and KPIs.

Open Text has supplemented the SAP-specific content in VLM with a set of Enterprise Content Management (ECM) value scenarios as supported by the Open Text solutions. This content includes, for example, vendor invoice management with automated OCR recognition, supplier management, data archiving, legacy decommissioning, employee file management or also more general content enriched business processes.



With SAP VLM you also plan the complete project cost as well as the benefit timing and receive as a result a cost benefit evaluation over the valuation period. The calculated performance indicators such as ROI, payback period, cash flow, NPV, or IRR enable you to assess and validate the business case and provide you with important criteria for your decision. VLM also provides a real time sensitivity analysis (Move-The-Needle) for illustrating best and worst case scenarios, testing your assumptions and fine tuning the most likely case.

As a final step, SAP VLM generates comprehensive reports for documenting and presenting the business case.

### How Open Text can support your business case development

Open Text supports you with the evaluation of your SAP related ECM scenarios with regards to their optimization potential. Together, we identify business processes as possible candidates and the appropriate contact persons in the organization for interviews and data collection. We use the SAP VLM tool to create the business case and prepare a presentation for the decision makers in your organization.

If you are interested in exploring the business process optimization potential in your organization with Open Text and SAP VLM, please contact your SAP or Open Text account executive or contact one of the Open Text Value Engineers listed below.

[www.opentext.com/SAP](http://www.opentext.com/SAP)

#### Value Engineering Contacts

**Americas:** Kris Inapurapu  
kinapura@opentext.com

**EMEA:** Adrian Butcher  
abutcher@opentext.com

[www.opentext.com](http://www.opentext.com)

*Together, we are The Content Experts™*