Rittal Optimizes Digital Procurement RFQ Process with JAGGAER ONE

Vertical
Manufacturing

**Featured
Product Family**
Supplier Intelligence

JAGGAER One
Platform

Location
Herborn, Germany

About Rittal

Rittal is a world-leading system provider for switchboards, current distribution, air conditioning, IT infrastructure, and software & service based in Herborn, Germany. System solutions from Rittal are used in all branches of industry, such as in engineering, and in the information and communication technology sector.

The company's wide range of services includes complete solutions for modular and energy-efficient data centers, from the innovative security concept to the physical data and system security of the IT infrastructure. Rittal was founded in 1961, and now has 11 production locations, more than subsidiaries, 40 representatives, and a total of 10,000 employees worldwide.

Business Challenge

In the last ten years in particular, the demand for a perfect purchasing and supplier relationship management system has increased exponentially. The ideas were already there, but the right tool to cover all of Rittal's needs had been missing until now: data and process standards for all locations, transparency for previous and current requests, and the subsequent reduction of processing and purchasing costs.

When Rittal discovered that JAGGAER could meet their needs with the all-in-one supply collaboration platform, the company conducted an in-depth study

"Today, we can cover everything with the all-in-one supply collaboration platform: from the RFQ to purchasing, plus data management with our suppliers. This supports our commitment to fast and excellent service."

Nicolai Dortmann, Vicepresidente de Logística Global, Rittal GmbH & Co. KG

Why JAGGAER

JAGGAER One is an intelligent source-to-pay and supplier collaboration platform, and the catalyst for enhancing human decision-making to accelerate business outcomes. Rittal leveraged JAGGAER's Supplier Intelligence, a comprehensive view of supplier performance and risks that enhances relationships, seizes innovation opportunities, and proactively addresses risks with intuitive insights.

and analysis of their locations in order to determine exactly what they would need from an IT tool.

The main focus was on how information was handled and shared because even within the company there were several different systems and methods that were being used for dealing with data related to suppliers. This valuable information about their suppliers should be collected in a central location.

Previously, the company used separate solutions for quality management (QM), data management, a contract database, and many other additional

processes – and this number was multiplied further when the 64 subsidiaries were taken into account

Solution

A global 360° view of all the suppliers makes it easier to guarantee internationally standardized procurement processes. From the development phase to manufacturing, and finally to quality management, suppliers can now be grouped and updated. More attractive buying conditions can be achieved depending on the purchasing profile, uniform supplier evaluations, improve risk management, and standardized calls for bids and framework contracts lead to savings.

JAGGAER

The active involvement of the suppliers in the purchasing process means less work for the purchasers, allowing them to use their resources for more strategic projects. Manual processes for RFQs and purchase orders are a thing of the past.

JAGGAER was able to connect to the existing SAP landscape without any difficulty. Rittal works with four SAP systems for which the finishing touches had to be made. Processes were created jointly through cooperation with key users, which later increased the convenience and the acceptance of the solution once it was introduced. They received a specially tailored system to meet their needs.

Rittal can now make very specific demands that can be viewed directly in the supply base portal In addition to classic information, such as price, quantity, and delivery date, the supplier may be asked to indicate the country of origin for a material or to provide their ISO certification by uploading it to the platform.

This means that each RFQ can be precisely tailored for individual commodities or demands, and the supplier can then submit their offer on the platform, which will then be transferred to SAP if it is accepted. which later increased the convenience and the acceptance of the solution once it was introduced. They received a specially tailored system to meet their needs.

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Individual Catalog for Special Parts

Within the framework of the Rittal project, JAGGAER created a solution for new client demands, namely the option to catalog individual custom-made parts in order to calculate prices more quickly in the case of similar customer requests.

As a systems manufacturer, Rittal works with serial parts, as well as custom-made devices and special parts. These are now cataloged internally. If a request with similar or the same requirements comes up at a later date, the vendor does not need to conduct a technical analysis and then involve Purchasing.

In order to consolidate the supplier data for all of the company's locations, rules for the consistent naming of a supplier was created first, and was then applied to each individual supplier within the 64 subsidiaries.

This system guarantees that users will know what wording to use to find relevant data when conducting a search. Today, the vendor can easily locate the price for

a special part in the client's catalog. The short response time for requests provides and important competitive advantage, and corresponds to the company's motto: faster – better – everywhere.

Special attention to detail was necessary in order to ensure that the customized IT solution actually fit. In order to consolidate the supplier data for all of the company's locations, rules for the consistent naming of a supplier was created first, and was then applied to each individual supplier within the 64 subsidiaries. This system guarantees that users will know what wording to use to find relevant data when conducting a search.

Rittal is satisfied and pleased with the unification of their system landscapes, and the feedback that they have received from their vendors has been positive. As a first step, Central Purchasing for producing entities will implement the solution in Germany, and the global rollout will follow afterwards.

Goals Reached with JAGGAER

- Immediate access to all supplier information in the 360° view
- Central access to complete supplier database
- Avoid duplicate entries by consolidating data Full ERP integration
- Data and process standards for all departments and locations
- Improved risk management with standardized supplier evaluations
- Great deal of time saved thanks to individual catalog for special parts

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