

An Overview of DCAPS

The Deloitte Consulting Aerospace & Defense
Preconfigured SAP Solution



DCAPS: An accelerated solution

Mid-sized aerospace and defense (A&D) companies have achieved significant growth while facing pressure by both commercial and government OEMs to become more efficient. As a result, many A&D manufacturers have found that their processes and information systems cannot support the additional business requirements and government contracting regulations.

Deloitte Consulting LLP (Deloitte Consulting) has leveraged knowledge gained from helping clients implement SAP at more than 25 A&D companies to create an affordable, practical alternative for mid-sized commercial and government organizations. That alternative is DCAPS, the Deloitte Consulting Aerospace and Defense Preconfigured Solution.

With DCAPS, we have created an 80 percent solution focused on the core business processes that are most critical for A&D companies, with the remaining 20 percent providing the flexibility necessary to address company-specific performance, customer and compliance requirements.

Organizations that are willing to adopt proven business processes can increase benefits, decrease total cost of ownership, and dramatically reduce implementation risk.

Why SAP and Deloitte Consulting?

With complementary capabilities and deep industry experience, Deloitte Consulting and SAP are uniquely positioned to help A&D companies in their efforts to attain profitable growth and supply chain integration. The two organizations, both of which are committed to supporting innovation and efficiency in the A&D industry, have joined forces to develop industry-leading software and deliver value-added solutions.

Why SAP software?

As the most widely deployed solution in the A&D industry, SAP provides an unparalleled platform for supplier-customer exchange. As a leading top-tier ERP vendor, SAP offers stability and a commitment to invest in its A&D solution for years to come. SAP's leadership includes:

- 21 out of the top 25 A&D companies run SAP
- 9 of the top 10 defense firms worldwide run SAP
- 59% market share in the enterprise software market
- \$1 billion reinvested back into applications annually

Why Deloitte Consulting?

Designated by SAP as a Global SAP Services Partner, Deloitte Consulting has been on the forefront of helping clients implement SAP for A&D companies around the world. Our experience and capabilities include:

- Knowledge gained from serving 9 of the top 10 A&D companies
- The first full-suite implementation of the SAP A&D solution in North America
- More live full-scope SAP A&D implementations than any other consultancy
- Deep bench-strength with dedicated senior A&D practitioners
- Access to more than 5,600 dedicated SAP practitioners in more than 35 countries
- Multidisciplinary capabilities in audit, tax, human capital, M&A, strategy, operations improvement, supply chain, and enterprise systems consulting services

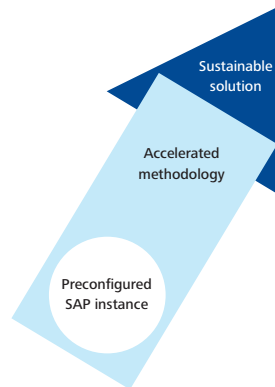
DCAPS focuses on the core A&D business processes

Contract Management	Program Management	Supply Chain	Operations	Financials	Human Resources	Aftermarket Services
SID	PS	MM, IM	PP	FI, CO	HR	PL
CS-010 Quotation and Contract Maintenance	PM-010 Plan and Schedule	SC-010 Procure Materials & Services	OP-010 Plan and Schedule Prod.	FI-010 Manager General Leader	HR-030 Manager New Hire Integration	PL-010 Perform Customer Repairs
CS-020 Billing	PM-020 Manage Program	SC-020 Receive Materials & Services	OP-020 Manufacture and Execute	FI-020 Manage Assets	HR-060 Perform Employee Data Admin	PL-020 Master Data
CS-030 Revenue Collection	PM-030 Manage Internal Projects	SC-030 Issue Materials	OP-030 Perform Quality Inspection	FI-030 Manager Labor	HR-070 Manage Compensation	PL-030 Contracts
CS-040 Customer Master Data	PM-040 Program Management Master Data	SC-040 Reconcile Inventory	OP-040 Engineering Change Management	FI-040 Perform Management Accounting	HR-080 Manage Organization and Positions	PL-040 WBS Structures
		SC-050 Deliver Shipment	OP-050 Operations Master Data	FI-050 Perform Closing	HR-130 Manage Employee Separation	PL-050 Costing
		SC-060 Process Payment		FI-070 Financial Master Data	HR-140 Open Enrollment Benefits Admin	PL-060 Billing
		SC-070 Supply Chain Master Data			HR-180 Process Payroll	PL-070 Sales Orders
					HR-190 Manage Time	PL-080 Warehouse & Materials Management

DCAPS: Lean, fit, and ready to deploy

Preconfigured SAP instance

- A&D business process model
 - Based on SAP’s Aerospace & Defence Solution Map
 - Enhanced with leading-practices, lean concepts, and lessons learned from Deloitte Consulting’s 25 A&D SAP implementations
- 80% solution with the most complex effort complete:
 - 477 business process procedures configured and unit-tested
 - 27 development objects
 - 46 custom reports/forms
 - 12 prebuilt interfaces (third party)
 - CATS Portal (timesheet)
 - Business intelligence (PS/SD)
- Facilities government contracting compliance
 - Cost Accounting Standards (CAS)
 - Federal Acquisition Regulations (FAR)
 - Defense Federal Acquisition Regulations (DFAR)
 - Material Management and Accounting Systems (MMAS)
 - Earned Value Management System (EVMS)
- Supports Sarbanes-Oxley compliance
 - Segregation of duties addressed through predefined security roles and profiles
 - Standard, documented processes reduce compliance risk and cost
- Preconfigured ECC 6.0 system
- Predefined hardware architectures



Accelerated methodology

- Uses a “Why Not DCAPS?” approach to minimize changes to the configuration
- Builds on the ASAP methodology for a preconfigured solution
- Key deliverables already completed
 - Kickoff documentation
 - 27 process-scoping questionnaires
 - Risk and issue management processes
 - 30 conversion maps and programs
 - 37 integration test scripts
 - Cutover plan
- Off-site/offshore resource strategies
 - ITAR-compliant off-site capabilities

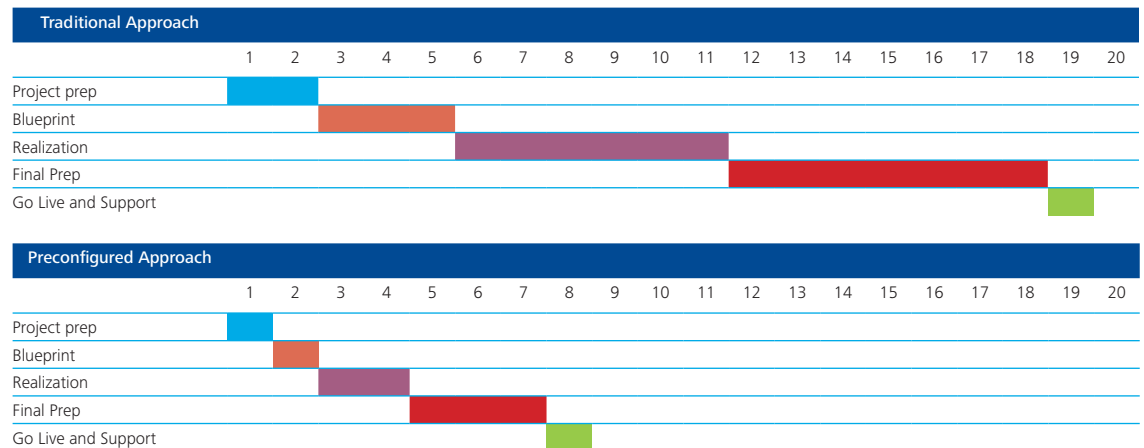
Sustainable solution

- Technical knowledge transfer
 - Core team training
 - More than 300 pages of documentation
- User-adoption strategies
 - Change management strategies and tools
 - 30 predefined end-user training courses
 - Online help
- Flexible post-implementation support model
- Applications hosting solutions

DCAPS value proposition

Helps reduce time to implementation

Implementation time can be reduced by modifying a proven solution, rather than implementing from paper-based process flows.



Reduces project risk

DCAPS was built upon efficient and/or lean processes that are being used at the world's leading A&D companies. Our time-tested and client-tested practices and content can increase the quality of your implementation and help reduce project risks, mainly because many of the critical design decisions that can delay an implementation have already been made.

Project risk	Our response
Schedule risk, and subsequent cost risk associated with requirements-based implementation approaches	A tightly scoped solution that can be implemented in less than nine months using a "Why Not DCAPS?" strategy
Quality of resulting business processes relative to leading practices and compliance requirements	Preconfigured solution built on proven industry practices
Business risk due to the need to dedicate key internal resources	Team tailors deliverables for company approval rather than designing processes
Ability to provide ongoing support	Third-party applications hosting and support or development of an internal Center of Excellence

Reduces cost

More than 20,000 hours of design, configuration, development, testing, and documentation have been completed so the team can focus its efforts on tailoring the solution to your company's sources of competitive advantage and unique business requirements. Sample savings include:

- 7,500 hrs. of Business Process Procedure (BPP) development time (40%)
- 5,200 hrs. of development time for enhancements (80%)
- 2,000 hrs. of development time for reports & forms (80%)
- 1,500 hrs. of integration test script development (80%)
- 1,000 hrs. of conversion development (33%)
- 9,000 hrs. of training material development (75%)

Contacts

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