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Defence ERP Program

Overview of Defence ERP for Industry

November 2024



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What is Defence ERP Program?

Defence is implementing SAP's S/4HANA Defence and Security as its ERP solution. The system has global adoption in Defence agencies, is a proven provider of easily adopted processes and is the dominant Australian Commonwealth solution.

Defence ERP will modernise, integrate and transform Defence's approach to managing its finances, human resources, logistics, engineering, maintenance and estate operations

Defence ERP is the foundation to enable the **One Defence Business Model**

Transforming Defence capability with the Defence ERP Solution



Better informed decisions when planning, preparing for and supporting operations



Improving information in disrupted communications environments



Improving interoperability with allied militaries and external agencies



Providing a real-time, integrated and accurate view of critical information



Providing a seamless transition to and from operations

What ERP aims to achieve

1

Transformed support to capability management and **resource planning**

2

A globally **deployable solution** consistent with the core ERP

3

A standardised **engineering system, process** and ways of working

4

A **standardised maintenance system, process** and ways of working

5

Integrated **Estate Management System**

6

Updated trustworthy **Financial operations**

7

Transformed support to simplify **Supply operations**

8

Transformed support to **planning and preparedness management**

9

Standardised and simplified **procurement system**

10

A standardised **human resource system, process** and ways of working

11

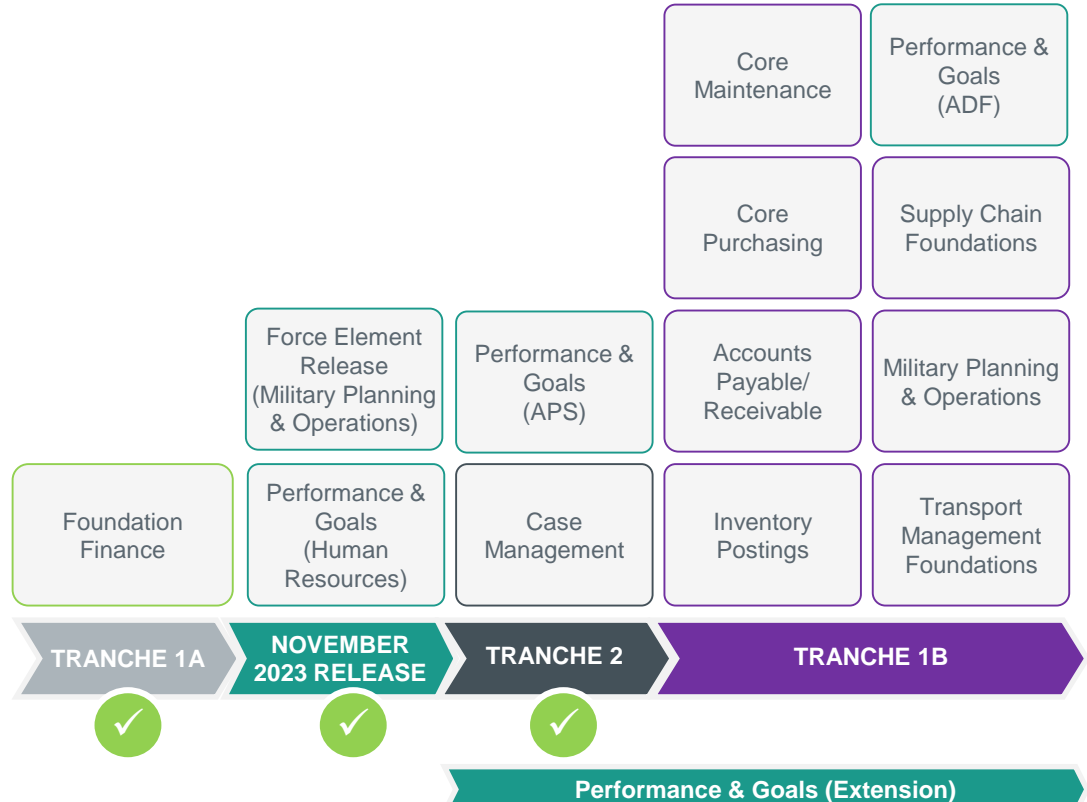
An integrated and standardised enterprise **case management capability**

12

A holistic ERP **Support System** including consistent **training products** and methods

2023/24 ERP Delivery Timeline

- Tranche 1A** delivered an early release of Finance foundations providing an enhanced reporting capability.
Delivered
- November Release** delivered the introduction of Force Element and Performance & Goals (P&G).
Delivered: November 2023
- Tranche 2** delivered a simplified, integrated and standardised case management system used for entering, tracking, resolving and reporting personnel related cases.
Delivered: 27 May 2024
- Tranche 3 R1B P&G (APS)** extended the user base for P&G to all non-SES APS, and their ADF supervisors.
Delivered: 27 May 2024
- Tranche 3 R1B P&G (ADF)** extended the user base for P&G to ADF members and their supervisors.
Delivered: 21 October 2024
- Tranche 1B** will provide an engineering, logistics and Defence material maintenance capability and establish the remaining foundations for the Defence ERP transformation.
Go Live: Q2, 2025





ERP Capability Roadmap

Finance	Supply chain	Procurement	Asset management	Project and portfolio management	Estate	Case management	Human resources	Force planning and preparedness	Other capability
Inventory postings	Supply chain foundation	Core purchasing	Core maintenance	Portfolio & project management	Real estate infrastructure & maintenance	Simple case management	Positions, people & qualifications	Initial force element inventory	Analytics and reporting
Chart of accounts	Bulk fuels	Services Procurement	Foundation engineering		Other estate capability	Complex case management	Core human resources	Capability reporting	Disconnected logistics (foundation)
Accounts payable & receivable	Health knowledge mgt support	Sourcing and contracting	Complex maintenance & engineering				Performance management	Enterprise wide force planning	Disconnected (extended)
General ledger & assets	Transportation management	Operational procurement & catalogues	Existing products				Succession & development	Support for flying operations	
Central payments	Dangerous goods & hazmat	Supplier mgt & spend analysis	Path finder products (Aviation/Maritime)				Learning	Op reporting & coalition interoperability	
Process controls	Explosive ordnance		Product / platform extension 1				Recruiting & on-boarding		
Budgeting & planning	Catering		Product / platform extension 2				Workforce planning		
Enterprise risk management	Integrated business planning		Product / platform extension 3				Workforce analytics		
Travel & expense management	Enhanced carrier collaboration		Product / platform extension 4				Environmental health & safety		
			Predicative maintenance						


- Tranche 1 – delivery Q2 2025
- T1 – partial delivery Q2 2025
- Delivered May 24
- Tranche 3 – ongoing from 2025
- Delivered Nov 23
- Partial delivery Nov 23, May and Oct 24

What will change for Defence Industry?


1  The **Defence ERP Solution** will replace a range of Defence systems used by industry partners today. In line with this, there will be new processes and ways of working.

2  A new **Enterprise Asset Management Framework** for Defence materiel will be implemented impacting industry partners supporting asset engineering and asset maintenance in Land based systems.

3  The delivery of an integrated **supply chain capability** will impact industry partners involved in Defence warehouse and inventory management.

4  The **SAP Business Network for Procurement** will be introduced offering Defence Industry new ways to transact with Defence.

5  There will be **new master data standards and governance** which industry will need to follow.

6  Impacted industry partners will need to **participate in ERP training** in the lead up to go live.

Positive outcomes

- The Defence ERP Program will use SAP S/4HANA Defence and Security software to drive alignment and standardisation across Defence, making it simpler for Defence Industry to engage with Defence and support capability across different areas.
- Defence ERP will replace ageing and disparate systems, which will simplify tools and processes used by both Defence and many of Defence's industry partners.
- The introduction of the SAP Business Network for Procurement will provide near real-time status updates – facilitating greater efficiency, visibility and transparency for materials management across the order cycle.
- Defence ERP will provide improved quality of real-time data within Defence, making it easier for Defence Industry to access the data they need to make better informed decisions and support Defence capability.

Preparing Defence Industry

- **ERP Training will ensure that impacted Defence Industry personnel are prepared to perform their duties efficiently and effectively using the new ERP solution.**
 - Guided by any contractual obligations, all contractors with baseline clearance and Defence login credentials, requiring access to the ERP solution to perform their work will be required to complete ERP training. Access to ERP will be dependent on the successful completion of training.
 - Training will be delivered through a combination of learning methods and according to the security profile for the allocated position. Training will include self paced eLearning, instructor led classroom & virtual sessions as well as refresher training.
 - Impacted contractors will need to participate in ERP training in the lead up to Go Live.
 - Prior to the T1B Main Go Live deferral, the initial Tranche 1B Main training window was held between June to October 2024.
 - With the revised T1B Main Go Live date (Q2 2025), contractors will still be required to complete assigned training to access ERP at Go Live. Personnel who have already completed their T1B Main training will have this training preserved and do not need to complete training again. Additional refresher materials and opportunities to retain and enhance ERP knowledge will be offered closer to the new Go Live date.
 - A Delta Role Mapping cycle is being conducted by the Groups and Services together with the ERP Program, and is being offered to ensure organisational mapping remains accurate in light of the revised Go Live date.
 - It will be key that your impacted individuals have a current ADELE (P) (online learning) account. This can be accessed via Defence credentials.
 - A number of resources are available to support contractors in understanding the impacts of ERP on their role and the associated training requirements, including Role Summaries and Learner Journeys are available now in ADELE (P). We encourage everyone to login regularly to review this information.



How can industry prepare for ERP?



Stay informed and understand impacts on your business



Engage with your existing Contract Managers about the changes and support requests about contractor positions



Opt in for the SAP Business Network for Procurement



Prepare for training

Defence ERP



Enabling Defence's
mission
in the Digital Age

Do More...

Freeing up capacity to
allow Defence to do
more, faster

Do Differently...

Ability to continually
transform Defence
through better informed
decision making

Do Consistently...

Greater access to more
information in near
real-time