



# Defense ERP overview by country

A snapshot of defense ERP utilization and future developments around the world. This is not an exhaustive list but is simply a collection of known components provided for the purposes of illustrating the complexity of ERP systems.

## **Australia:** reducing cost and complexity and enhancing financial accountability

ERP solution	Defence business	Description
Military Integrated Logistics Information System (MILIS)	Logistics	<ul style="list-style-type: none"> <li>— 9,000+ users in 160 locations, managing demands, purchasing, warehousing, distribution and inventory maintenance</li> <li>— Tracking 650,000 types of equipment; over US\$9 billion, supporting operations in the Middle East, East Timor and the Solomon Islands</li> <li>— Integrated capability across 100+ logistic information systems</li> <li>— Based on military off-the-shelf Mincom Ellipse system. Core software complemented by interfaced applications including: Defence-built CENCAT (NATO cataloguing and codification), NAVALLOW (Navy allowance management), CVS (cargo visibility), and commercial systems: AIMS (inventory optimisation software) and SLIMS/AMPS (shipboard inventory management) and aviation maintenance Computer Aided Maintenance Management System (CAMM2)</li> <li>— Withdrawal of vendor support is driving wholesale rationalization of current environment</li> </ul>
SAP	Facilities management	<ul style="list-style-type: none"> <li>— Estate and facilities provided by a SAP environment</li> <li>— The ADF estate is a vast, geographically dispersed, absorbing large proportion of support and infrastructure costs.</li> </ul>
PeopleSoft	HR and Payroll	<ul style="list-style-type: none"> <li>— HR functionality currently being upgraded, with tech refresh and re-hosting away from mainframe</li> <li>— Later phases targeting business intelligence and payroll integration, removing aging, in-house legacy payroll application.</li> </ul>
SAP	Warehouse management	<ul style="list-style-type: none"> <li>— Wholesale inventory management contracted out to Australian Logistics and freight company Lynfox</li> <li>— Lynfox conducts warehouse management system (WMS) function on SAP software identical to its own</li> <li>— Application currently being interfaced to the greater MILIS environment</li> </ul>

## Australia: (continued)

ERP solution	Defence business	Description
SAP	Finance and reporting	<ul style="list-style-type: none"> <li>— SAP financial management system (ROMAN) includes 451 controls (105 critical)</li> <li>— Each control documented and will be updated for latest software releases</li> <li>— ROMAN based on SAP R/3 application, covers corporate accounting and reporting, used in Australia, Washington and London</li> <li>— Primary budgeting and financial reporting tool BORIS (based on SAP Strategic Enterprise Management and Business Warehousing applications) enables input of Group budget data and the development of consolidated Defense budgets</li> <li>— BORIS is spreadsheet-based for output, financial statement, monthly variance and expenditure aggregation</li> <li>— ROMAN interfaces with greater MILIS environment and other major applications.</li> </ul>

## Canada: reducing cost and complexity and integrating existing environments

ERP solution	Defence business	Description
Defence Resource Management Information System (DRMIS)	Logistics, Finance and Maintenance	<ul style="list-style-type: none"> <li>— Defence Resource Management Information System (DRMIS) used by Department of National Defence (DND) and contractors to support operations and training</li> <li>— Material and financial system of record; also reports performance</li> <li>— Supported via In Service Support (ISS) contract to augment Canadian Armed Forces (CAF) support teams, and expand DRMIS</li> <li>— CAF transitioning from separate environments to streamline processes, cost and complexity generated by legacy CFSS inventory system, MASIS maintenance and financial environments</li> <li>— DRMIS is complex SAP implementation, with 20,000+ users in Canada, on navy vessels, and abroad</li> <li>— Plans to further rollout DRMIS for property and maintenance management of additional fleets, and other expansion initiatives, ensuring continuity of support.</li> </ul>
Peoplesoft	HR	<ul style="list-style-type: none"> <li>— Utilized for HR functionality, integrated with legacy payroll system</li> <li>— Programs to upgrade and refresh entire HR and Payroll capability.</li> </ul>

## Denmark: producing sustainable, integrated solutions

ERP solution	Defence business	Description
DeMars (SAP) ERP	All branches (Navy, Army and Airforce)	<ul style="list-style-type: none"> <li>— Wall-to-wall ERP solution including purchase of assets and consumables; life cycle asset maintenance; all related logistics, organizational structures, personnel management, financial and cost accounting</li> <li>— Solution includes most of SAP modules: Funds Management (FM), Cost Controlling (CO), Asset Management (AM), Financial Accounting (FI), Human Resource Management (HR), Plant Maintenance (PM), Material Management (MM); Sales &amp; Distribution (SD)</li> <li>— Developed continuously but main elements in place since 2004.</li> </ul>
DeMars (SAP) BI	All branches (Navy, Army and Airforce)	<ul style="list-style-type: none"> <li>— Business intelligence solution based on SAP Business Information Warehouse technology</li> <li>— Data warehouse with data from most elements from DeMars ERP solution; reporting across all modules</li> <li>— Central reports maintained and governed centrally; needs to develop ad hoc reporting at end user level.</li> </ul>

**Bundeswehr:** developing new capabilities and modernizing the total logistics function, via a 10-year program to better meet Germany's military objectives

ERP solution	Defence business	Description
SAP	All Defense business areas including Finance, Logistics, Infrastructure and Reporting	<ul style="list-style-type: none"> <li>— HERKULES project involves Siemens and IBM</li> <li>— Data centers, software &amp; applications, PCs, telephones, voice &amp; data networks being modernized</li> <li>— Includes maintenance &amp; support of desktop software, SAP software as large-scale, back end, web-based applications belonging to intranet, and communication programs such as Lotus Notes</li> <li>— PKI (Public Key Infrastructure) will ensure documents sent electronically comply with signature and encryption regulations</li> <li>— Siemens will operate and modernize decentralized systems at more than 1,500 German locations, including 140,000 PCs, 7,000 servers, 300,000 fixed-network telephones and 15,000 mobile phones</li> <li>— Siemens also manage local and inter-regional data &amp; voice networks.</li> </ul>

**UK Ministry of Defence (UKMOD):** modernizing logistics, acquiring deployable architecture and reducing cost and complexity

ERP solution	Defence business	Description
Oracle	Inventory management	<ul style="list-style-type: none"> <li>— Logistics capabilities use Oracle applications and technology</li> <li>— Industry Systems integrator working through the modernization program.</li> </ul>
IFS	Maintenance	<ul style="list-style-type: none"> <li>— James program commissioned development of IFS based maintenance system</li> <li>— Land environment maintenance rolled out, with ongoing consideration for aviation maintenance.</li> </ul>
Oracle	HR	<ul style="list-style-type: none"> <li>— E-Business Suite (EBS) HR sits across much of HR, including the Atomic Weapons Establishment</li> </ul>
Oracle	Finance	<ul style="list-style-type: none"> <li>— EBS finance sits across much of finance and procurement organizations.</li> </ul>

**US Department of Defense (USDOD):** increasing capability, reducing cost and complexity, achieving deployable architectures and force readiness and enhanced security

ERP solution	Defence business	Description
SAP	US Navy (USN) Inventory and Maintenance	<ul style="list-style-type: none"> <li>— Logistics has extensive SAP environment across Naval Sea Systems Command (NAVSEA), Naval Supply Systems Command (NAVSUP) and Naval Air Systems Command (NAVAIR)</li> <li>— Extensive 3rd party applications in dockyards and maintenance depots; ongoing integration across the organization</li> <li>— Introduction of F-35 Joint Strike Fighter (JSF F-35) will see OEM vendor managed system (Autonomic Logistics Information System (ALIS)) for platform supply, logistics and reporting.</li> </ul>
Oracle	US Marine Corps (USMC) Inventory	<ul style="list-style-type: none"> <li>— Moved from ERP to a Global Combat Support System (GCSS), to run on its deployed tactical communications network</li> <li>— System incorporates technology disrupters, with data moved to middleware layer to allow store, forward and synchronize capabilities for disrupted/disconnected communications</li> <li>— Ongoing modernization and cloud adoption.</li> </ul>

## US Department of Defense (USDOD): (continued)

ERP solution	Defence business	Description
Oracle	US Air Force (USAF) Inventory	<ul style="list-style-type: none"> <li>— Aiming to modernize and align all logistics and maintenance operations Expeditionary Combat Support System (ESS) program broken into smaller components</li> <li>— First phase of new modernization program underway at commodity level</li> <li>— Air Force also introducing ALIS application for JSF F-35.</li> </ul>
SAP	USARMY	<ul style="list-style-type: none"> <li>— Many legacy applications within logistics and finance; operational core element is GCSS (SAP)</li> <li>— Force Readiness reporting and decision support improving under Army Force Generation (AFORGEN) program, with service-oriented architecture (SOA) for real-time data analysis and reporting across most applications.</li> </ul>
Oracle	Financial management across most DoD business entities	<ul style="list-style-type: none"> <li>— Oracle system draws all GLs together from multiple finance systems (SAP, Oracle, Peoplesoft, etc) to DoD level</li> <li>— Utilizes Oracle for the consolidation and analysis of all DoD financial management, payroll and reporting</li> <li>— Significant ongoing modernization and rationalization.</li> </ul>
Peoplesoft	HR Management across most DoD business entities	<ul style="list-style-type: none"> <li>— HR functionality, payroll, recruiting and Veteran Affairs functions executed within each of the Services, National Guard and US Coast Guard</li> <li>— Ongoing modernization involves rationalization of multiple systems.</li> </ul>
SAP	Defense Logistics Agency (DLA)	<ul style="list-style-type: none"> <li>— SAP core system with bespoke warehouse management and distribution system.</li> </ul>

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