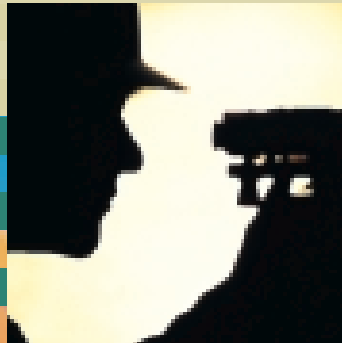


PROJECT

BaanERP



*Baan*ERP



# REDEFINING FLEXIBILITY IN ENTERPRISE PLANNING



TO KEEP PACE WITH RAPID CHANGE, PROJECT-DRIVEN BUSINESSES NEED AN INTEGRATED AND FLEXIBLE ENTERPRISE SYSTEM THAT SUPPORTS ALL ASPECTS OF THEIR BUSINESS WITH STATE-OF-THE-ART FUNCTIONALITY. AN INNOVATIVE SOLUTION THAT UPGRADES EFFORTLESSLY AND INTERFACES EASILY WITH THIRD-PARTY APPLICATIONS. SOFTWARE THAT IS ABLE TO INCORPORATE EXISTING SYSTEMS WHILE EXTENDING ITS REACH TO THE INTERNET AND ELECTRONIC COMMERCE.

THE BAAN ENTERPRISE SOLUTIONS COMPONENTS DELIVER ON THESE PROMISES AND GIVE BUSINESSES THE COMPETITIVE EDGE THEY NEED TO SUCCEED.

In today's global business environment, companies can count on rapid change, and the new opportunities and challenges that change is sure to bring. New competition pushes every business to achieve higher levels of service. At the same time, evolving technology compresses product life cycles and mandates that companies adopt new technologies - or risk losing market share. In this dynamic environment, effective project management is critical for optimizing your company's profits, return on investment and cashflow.



## CREATING ONGOING FUTURE-COMPATIBLE SOLUTIONS

With the Baan Enterprise Solutions, the Baan Company has created best-in-class components for extended enterprise applications that gives project-driven businesses the choice and flexibility they need to grow. Offering advanced business modeling, state-of-the-art functionality and the most open architecture available today, the Baan Enterprise Solutions go beyond conventional business systems. It delivers real-time information across the entire value chain -from front-office activities such as proposal generation, to manufacturing, distribution and financial reporting.

At the heart of the Baan Enterprise Solutions is BaanERP, the evolution of the Baan Company's powerful ERP software suite. BaanERP consists of 10 highly integrated year 2000 and Euro-compliant components. With BaanERP, managers have the tools they need to control and improve critical business processes, quickly and securely exchange information among business partners and greatly increase efficiency and productivity. BaanERP Project is seamlessly integrated with other Baan Enterprise Solutions software components to provide a complete business solution.

Many of the world's leading companies are customers of Baan Company and have used Baan Company's business applications for many years to support worldwide program management, manufacturing, and financial operations.

Now, the Baan Enterprise Solutions offer the next generation of information technology. With the Baan Enterprise Solutions, businesses can choose best-of-breed components, add functionality without complex and costly upgrades and integrate Baan Enterprise Solutions applications with existing and third-party applications. With the Baan Enterprise Solutions, businesses always have the flexibility to choose the best solutions, today and in the future.



## NEW ENTERPRISE STRUCTURES FOR A NEW ERA

Accelerating complexity is the driving force in today's marketplace. Today, jobs often include several different subsystems, which themselves are increasingly complex. Increasingly, businesses operate on a global scale, building industrial conglomerates that can engineer, install, and service complex jobs with ever greater speed and success. Enterprises are developing in which responsibility for product lifecycle management is quickly shifting to the contractor as customers look for turnkey solutions that include support and maintenance. In this new business climate, businesses enjoy the potential for greater revenue and profitability but also face greater risks. Careful planning, life cycle cost forecasting - beginning in the design and bidding phase - and visibility of cross-functional information are critical to success.



## RECOGNIZING THE NEED FOR A NEW SOLUTION

The changing nature of business creates a greater need for new and more flexible tools to solve increasingly complex planning problems and optimize both efficiency and productivity. When several companies must cooperate to achieve a particular goal, the main contractor must schedule and monitor the progress of all the participants, which includes controlling and monitoring the real-time status of the project as a whole. And, as businesses move into new geographical areas, they become subjected to a wider variety of national and international safety regulations, which requires them to evaluate and implement safety plans and procedures from the design phase through construction and maintenance.

New challenges - in addition to familiar ones like logistics, contract management, procurement strategy, equipment depreciation and financial management - require new solutions.

As project-driven companies change to adapt to the new environment, they focus on core competencies, extending their partnerships and competing for new market share in a global environment. To do this, they need solid information systems that support all aspects of their business with rich functionality, while remaining flexible. In other words, these companies require systems that can adapt to changing business practices and organizational structures as well as providing superior functionality for logistics and scheduling.

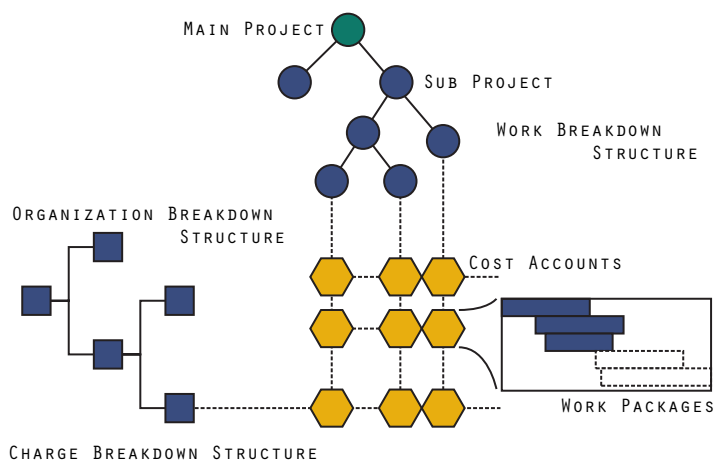
Success in today's marketplace mandates a solution that offers superior project management functionality with an ERP Backbone that gives your company cross-functional visibility and converts business decisions into synchronized activities across the supply chain. BaanERP Project offers the rich functionality your company needs to improve the bottom line now—and unmatched flexibility to adapt as your marketplace changes.

## TAKING CONTROL WITH BAANERP PROJECT

BaanERP Project manages all the aspects of projects and contracts— providing the control and visibility your company needs for profitable operations. From estimates and bids, through engineering, budgeting, planning, scheduling, and procurement, to transportation, production, site execution, billing, progress tracking, and maintenance, BaanERP delivers functionally-rich software that is tightly integrated and tailored for multiproject environments.

The seamless integration of Baan Enterprise Solutions means that all the relevant, cross-functional information about each project is at your fingertips for effective management of enterprise resources and supply chain components-across multiple resources and projects. For example, the impact of engineering schedule changes can be measured against the execution plan immediately, showing the effects on cashflow and internal, subcontracted, or purchased resources. With the new information, BaanERP can automatically resynchronize all the components of the supply chain. As a result, potential problems are identified early and timely measures can be taken to keep projects on track.

BaanERP Project gives your company full visibility of department performance across all projects, tracking cost and schedule variances through the complete life of the project. From feasibility studies to post-execution activities such as periodic planned maintenance, BaanERP provides comprehensive functionality that can manage the most complex projects. And, when the project is finished, your company has an extensive archive of historical information that can be used to develop and carry out new projects.



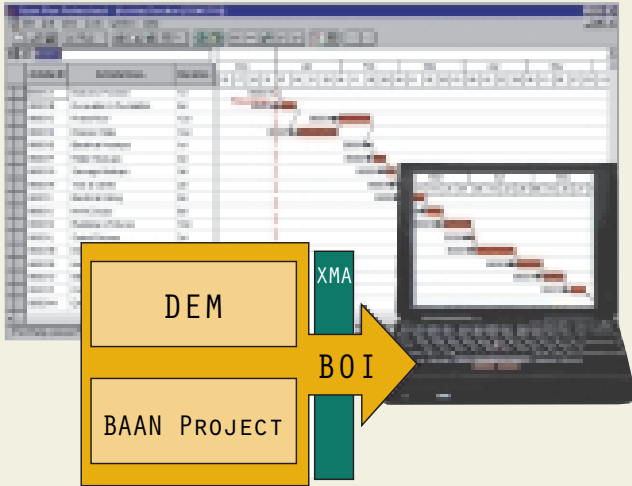
## COMPREHENSIVE INFORMATION FOR EFFICIENT PROJECT MANAGEMENT

Today's business environment translates into bigger, more complex contract arrangements and project structures. With BaanERP Project, your company can model the organizational, logistical, and contractual structures that are needed to manage a project from several different perspectives.

Contract data management describes contractual agreements at the required level of detail and tracks all contract changes. Product breakdown structures, work breakdown structures, and organizational breakdown structures are all available to define the deliverables, activities and responsibilities associated with a project. All aspects of a project - which includes scheduling, budgets, and cash flow - can be reported and analyzed based on these structures for effective cross-functional management. Project baselines and subsequent revisions to these structures are maintained in the project history, which provides extensive information for analysis.

BaanERP expanded the boundaries of the Project Data Management (PDM) module to include the configuration management, document management, and workflow management. For example, a wide variety of documents - from official contractual agreements to design blueprints - can be linked to any project component and made available online for review or modification.





## DEVELOPING A ROADMAP FOR SUCCESS

BaanERP Project supports an integrated planning and scheduling environment in which planners can define activity precedence networks, allocate resources, simulate the impact of different alternatives on the project's critical path and perform finite resource scheduling. Resources such as employees or equipment can be shared among different projects or defined as project-specific resources. Additionally, multiple projects and subprojects can be scheduled at the same time and be connected in a multiproject network. With BaanERP, your company can choose the best planning environment for your business: synchronized, centralized, or asynchronous and decentralized. To meet different needs, BaanERP provides seamlessly integrated, real-time project scheduling, as well as stand-alone PC-based scheduling. For example, field engineers can reschedule subprojects on-site using a laptop, updating the main project schedule overnight. The schedule change is automatically communicated across the supply chain and project performance indicators of the project are updated.

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## ESTABLISHING COMPLETE AND ACCURATE BUDGETS

For budgets that comply with management budget objectives while meeting project scope, quality, planning, and scheduling constraints, BaanERP Project supports both top-down and bottom-up budgeting. Top-down budgets are based on the definition of management reserves and the allocation of distributed budget to lower levels of the project structure. Bottom-up budgets provide detailed allocations based on planning and scheduling information. Budgets can be time-phased to forecast the expenditures and can be frozen into multiple baselines to calculate earned value and track cost and schedule variances. Multiple top-down and bottom-up budget versions can be created and compared for optimal planning.





# MANAGE PURCHASES BY PROJECT



## MANAGING THE PROJECT SUPPLY CHAIN

Accurate and achievable project material and capacity requirements plans are crucial for meeting scheduled delivery dates. By integrating project requirements with your company's overall logistical plans, BaanERP's integrated project and supply chain planning helps to ensure available supplies for each project.

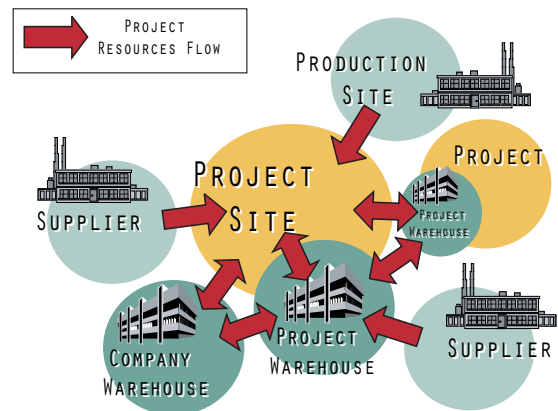
BaanERP supply chain planning can support today's complex logistical environment because it can manage material supplies across national borders, from centralized or decentralized procurement offices and manufacturing facilities, to the project site or a project-specific warehouse. And, BaanERP delivery schedules and Internet-enabled transactions support 'supplier direct' and JIT delivery to the project site.

To streamline procurement operations, BaanERP Project can manage purchases by project: converting engineering material requisitions into requests for proposal, comparing supplier responses, releasing orders and tracking deliveries. BaanERP workflow can automate the flow of paperwork between operations and activities can be monitored on a project basis. For example, when orders are released and goods received, commitment amounts are included in progress tracking and cash-flow forecasting.

## INTEGRATING MANUFACTURING OPERATIONS

Today, projects typically combine engineering, manufacturing, and installation. For successful projects, your company must coordinate schedules and resources for all these activities. Unlike typical enterprise resource planning systems, BaanERP integrates project management and manufacturing resource management into a single environment to provide visibility and timely consolidated reporting.

BaanERP offers real-time control of all aspects of project manufacturing, from project planning and end item master scheduling, through customer-specific bills of material and routings, to detailed shop-floor and assembly line scheduling. This exceptional visibility enables your company to control the effect of configuration and planning decisions on all project resources and evaluate their impact on schedule and project cashflow. It also ensures synchronization of manufacturing with non-manufacturing resources across the project supply chain.



## TRACKING COSTS AND PROGRESS

Timely, detailed project reporting is essential for effective project management. With BaanERP Project, your company gains extensive visibility over every aspect of a project: budgets and costs associated with each task, production and purchase orders and cash-flow forecasts.

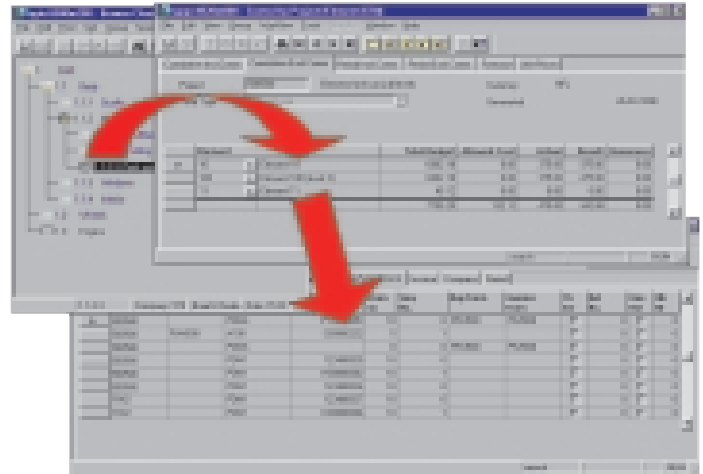
BaanERP Project integrates ERP with project accounting and earned value functionality to provide a project-specific view of detailed cost and activity information. BaanERP offers visibility of budgets and cash-flow forecasts, incurred costs and commitments, milestone completion and manufacturing operation progress. To help your organization evaluate its performance, this information can be displayed graphically and downloaded into spreadsheets. Multiple methods are available for calculating the earned value, and this information is available to project managers in a familiar format as well as for satisfying external reporting requirements.

BaanERP's integrated environment makes it easy to monitor progress and costs for timely action. For example, using the schedule variance report, a project manager can drill-down to the specific activity that is delaying completion of a major project subassembly. Using this information, managers can analyze the effect of the delay on subsequent activities, as well as on the project cashflow.

## MANAGING CASHFLOW

BaanERP Project invoicing is part of the BaanERP Financial Backbone and delivers proven feature-rich functionality for accounts receivable management, cost of goods sold, revenue recognition and cash-flow management. Because this functionality is integrated with project management, your company can streamline accounting processes and gain unmatched financial visibility across projects, departments and enterprise units.

BaanERP Project's invoicing functionality can support all the different contractual agreements found in project environments, providing the flexibility your company needs to accommodate customer requirements. Billing can be based on predefined invoicing schedules or customer change orders, triggered by project events, such as milestone completion or progress reporting, or simply linked to product delivery against customer sales orders. In addition, BaanERP can also manage



The screenshot displays a complex software interface with multiple data tables and navigation menus. Two prominent red arrows indicate a flow of information: one arrow points from a table in the upper section to a table in the lower section, and another arrow points from the lower table back to the upper one, suggesting a bidirectional relationship or data exchange between different parts of the system.

advance payments and holdbacks. Billing can be based on fixed amounts or on incurred costs, with application of defined costs, prices and overheads.



## ENTERPRISE KNOWLEDGE MANAGEMENT: ADAPTING TO DYNAMICALLY CHANGING BUSINESS

In a fast growing and rapidly changing business world, information systems must offer more than support for current procedures and solutions to existing problems. The software must be capable of adapting easily to a dynamic industrial environment and changing business processes. Information systems are an important tool for remaining flexible and responsive to the market. Companies can drastically reduce the complexity of their system and dynamically adapt their information technology as their business changes.

### DEM<sup>SE</sup>: DYNAMIC ENTERPRISE MODELING AND BEYOND

A central part of Enterprise Knowledge Management, Dynamic Enterprise Modeling-Strategy Execution (DEM<sup>SE</sup>) has been developed as an extension of Baan's innovative DEM business-modeling environment. DEM<sup>SE</sup> translates core business strategies into configuration, navigation, and process execution throughout the entire system. DEM<sup>SE</sup> allows companies to graphically model enterprise structures and business processes, gain a sophisticated high-level overview of their operations, and change their software components and processes at any time without disrupting operations.

By graphically connecting financial and logistic units across the entire supply chain to the ERP application, Order and Goods flows are easily planned, managed, and executed. Sophisticated Business Control Models define on a high conceptual level how the company manages its operations. Underneath, graphical process flows are connected to the underlying application, which allows complex application logic to be hidden from the end user.

### WORKFLOW MANAGEMENT

Baan's workflow management provides a mechanism to manage and control the flow of business processes by controlling and monitoring logistic aspects such as workload, capacity, throughput times, work-queue lengths, and processing times. Information-intensive business processes often show very long throughput times, although the actual processing time of tasks is relatively short. Baan's fully integrated workflow provides flexibility in planning and carrying out daily operations, which allows for smooth and efficient workflow in an enterprise.

### BUSINESS INTELLIGENCE SUITE

Business Intelligence Suite (BIS) is a strategic business information framework that opens your existing applications and information technology, to a new world of business analysis and Enterprise Knowledge Management. Designed for the long term strategy of your business and easy to implement. BIS is an open component suite and all the components are powerful separate products. Operating together in the whole scope of the suite. Whether you implement in one time or implement component by component, the Business Intelligence Suite brings you benefit from the beginning.

Many businesses are often based on three major pillars: Products, People and Processes. Baan build the three main components of the Business Intelligence Suite with that idea to answer the needs of the business. Central component of the BaanBIS is an open data warehouse environment. To link the data from different applications and transfer that into real information viewed as desired, and used by managers to make decisions. Powerful navigation through the data warehouse not only delivers fast answers to questions, but also navigation from a traditional OLAP environment into the real operational work environment saving a lot of time and money, and so easy to use. Baan has been building significant experience in different businesses. Together with our customers, we have built a business analytics library enabling rapid progress during an implementation.



## CORPORATE PROFILE

Founded in 1978, Baan Company (NASDAQ: BAANF; ASE: BAAN) is a global provider of enterprise business solutions. Baan Company offers a comprehensive portfolio of integrated services and best-in-class, component-based applications that span an organization's entire value chain including E-Business and Web Commerce, Customer Relationship Management, Enterprise Resource Planning, Supply Chain Management, and Corporate Knowledge Management. Deployed at more than 12,000 customer sites worldwide, Baan Company solutions enable organizations to drive strategic business growth, improve business processes, reduce operating complexity, and increase corporate flexibility.

Baan Company has dual headquarters in Barneveld, The Netherlands and Herndon, Virginia, USA and can be found on the World Wide Web at [www.baan.com](http://www.baan.com).

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