



SAP User Groups: **SAP S/4HANA** Webinar Series

SAP S/4HANA – The Intelligent ERP

Why Now, What, Who, How and Why S/4HANA?


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CUSTOMER




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 [LINK](#)

Join the **SAP S/4HANA Movement**

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Agenda

- ▶ Why Now?
- ▶ What is New?
- ▶ Who? - Customer Momentum
- ▶ How to Implement?
- ▶ Top 10 Reasons Why S/4HANA



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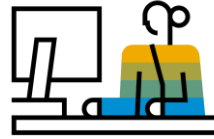
Future Direction of the Enterprise

The Digital Era is evolving into The Intelligence Era



Mainframe & PCs

1960s – 1980s



Client Server & Internet

1990s - 2000s



Cloud, Mobile & Big Data

2000s - 2010s



Intelligent Technologies

2010s - 2020s

ENABLING TECHNOLOGIES

- Transistors & silicon revolution
- Large scale Mainframe Computing adoption
- Emergence of PC's
- Plant floor automation

- Widespread PC adoption
- Broadband Internet
- ERP and business process technologies

- Mobile & Smartphone ubiquity
- Cloud Computing
- Social Networks
- Big Data

- Machine learning (ML) and Artificial Intelligence (AI)
- Internet of things (IoT) and distributed (edge) computing
- Blockchain

ENTERPRISE VALUE CREATION

**Industrial
Automation**

**Business
Process
Automation**

**Digital
Transformation**

**Intelligent
Enterprise**

The age of intelligence holds promise but you have to act now.

Compared to the emerging competition, you *might be running in slow motion*

What if you could, quickly and with low risk...

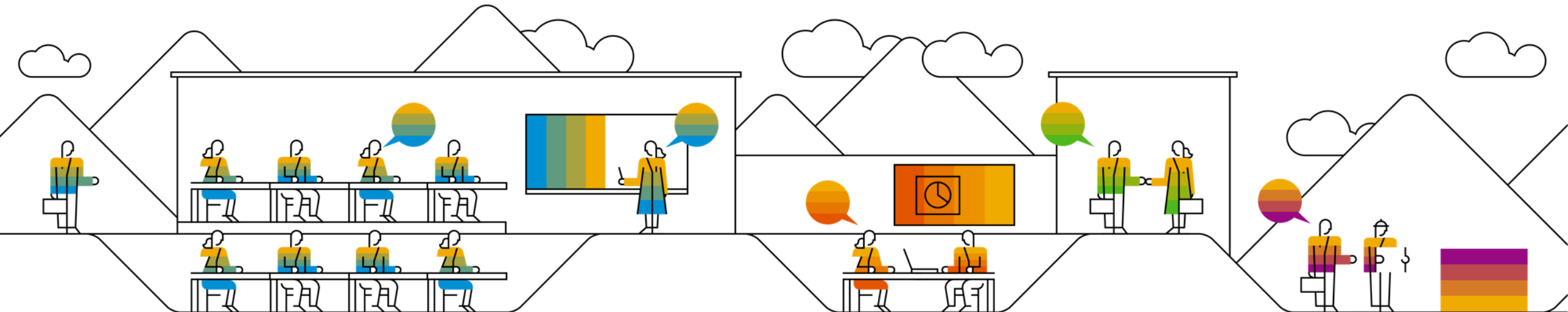
Eliminate technology hurdles that
create business challenges

Deploy the power of AI
to differentiate your business model

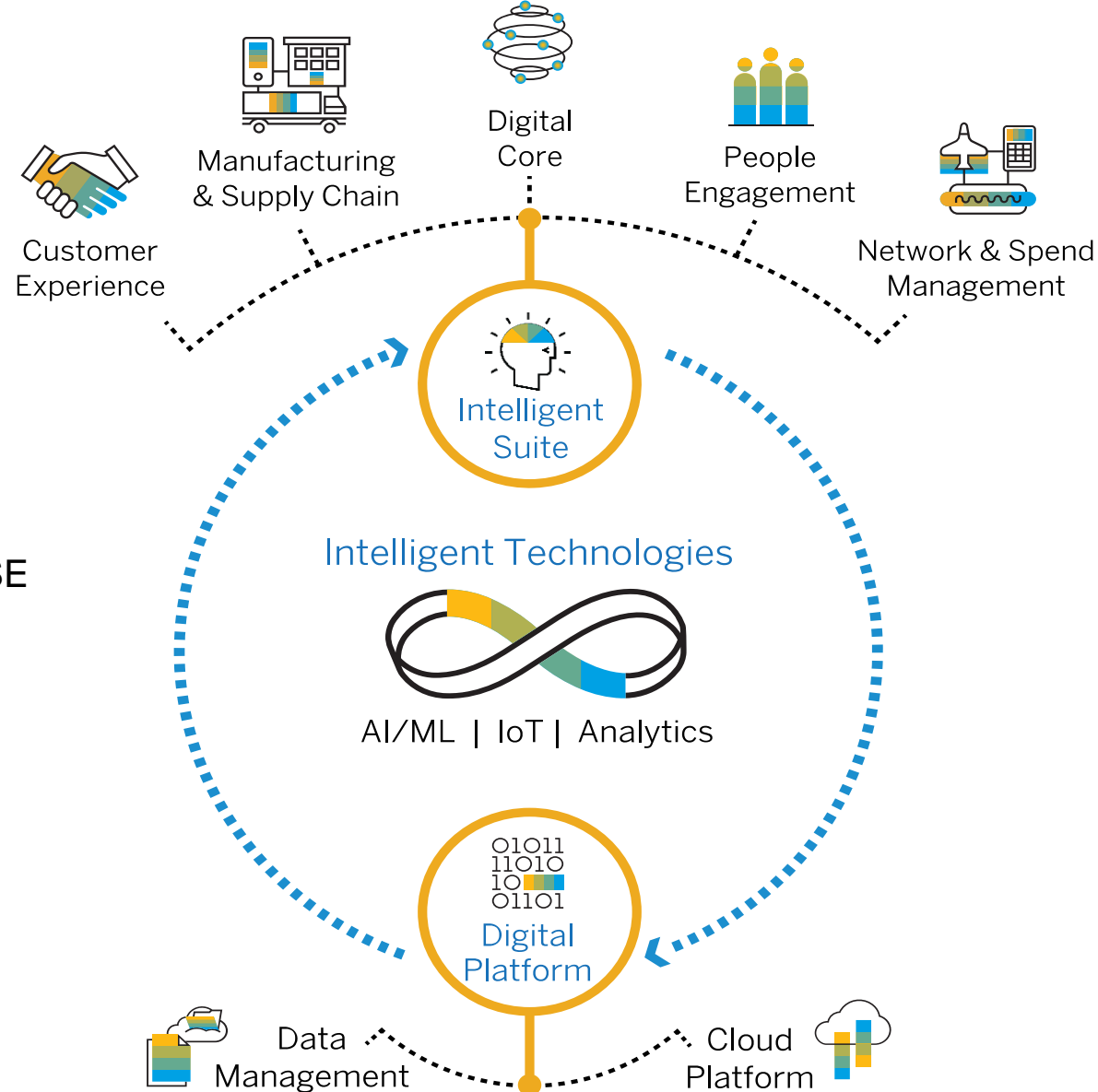
Empower every employee to
make faster, better decisions

Redeploy limited resources
towards customer value

Drastically reduce IT cost



SAP Strategy – Deliver the Intelligent Enterprise



1

Intelligent Suite

2

Intelligent Technologies

3

Digital Platform

THE INTELLIGENT ENTERPRISE
features **3 KEY COMPONENTS**:

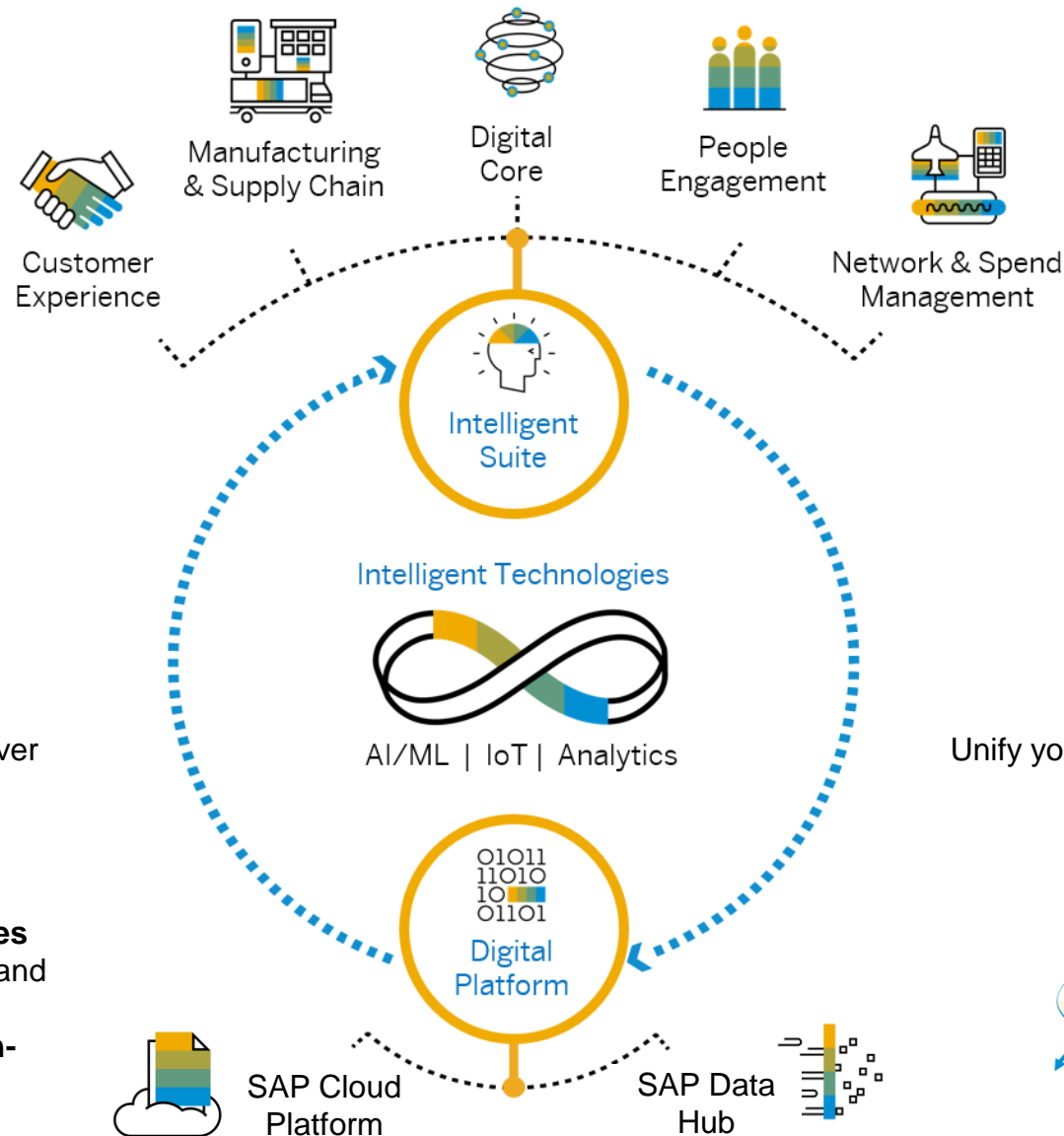
SAP Strategy – Deliver the Intelligent Enterprise

Intelligent Suite

- **Core Applications** running with high in-memory **performance**
- Superior **UX**
- Empowered by **Intelligent Technologies**
- High **Standardization for scale**
- **Standard API or Best Practice Integration**

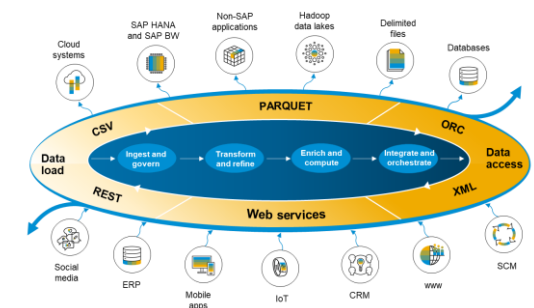
SAP Cloud Platform

- **Integrate SAP & other applications** that deliver **intelligence within core business process**
- **Universal analytics and digital boardroom** connecting the enterprise for the CXO
- Leverage a toolbox of **Intelligent Technologies like AI, ML, IoT**, together with microservices, and data management tools
- **Use innovation services to combine design-thinking and industry accelerators**

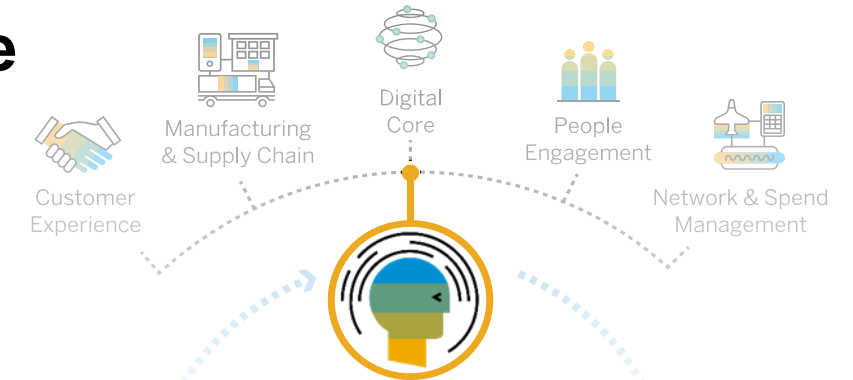


SAP Data Hub

Unify your data to achieve scalable visibility and control over variety of inputs:



The Intelligent Enterprise starts at the Digital Core



		Intelligent ERP	Legacy ERP
1	Digital age UX	●	◐
2	Automation	●	◐
3	Next-generation processes	●	◐

The Intelligent ERP Difference

- Intelligent digital assistance and instant insights deliver value-adding experiences
- Machine learning, AI and predictive analytics for increased automation and efficiency
- Reinvent and redefine processes with applied best practices built on the latest innovations

Start with SAP S/4HANA to create end-to-end processes (core to LoB cloud), take the next leap in automation of key functions, and move first with machine learning investments by SAP

SAP HANA Is The **Key** To Intelligent ERP

Providing New Capabilities Unavailable on Legacy Databases



SAP S/4HANA – the Next Generation Intelligent ERP

Traditional ERP

Record Data



Process Data



Report Results



Intelligent ERP

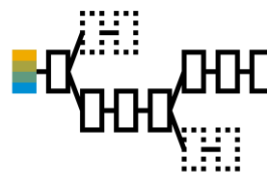
Ease, Automate & Scale

- ✓ Customer centric, easy entry
 - ✓ Integrate Data via IoT
- ✓ Leverage Business Networks
- ✓ Integrate via SAP Cloud Platform



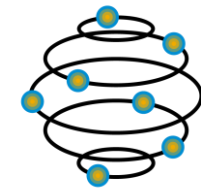
Automated Processing

- ✓ Exception based control
- ✓ Automate & streamline business
- ✓ From rules to Machine Learning...
- ✓ Connect with Digital Assistance



Realtime & Prediction

- ✓ Real-time KPI's > all key users
 - ✓ Insight-2-Action
 - ✓ Digital Boardroom
- ✓ Predict, Simulate, What if...



The User Experience for the digital age

Automation fosters insights based interaction



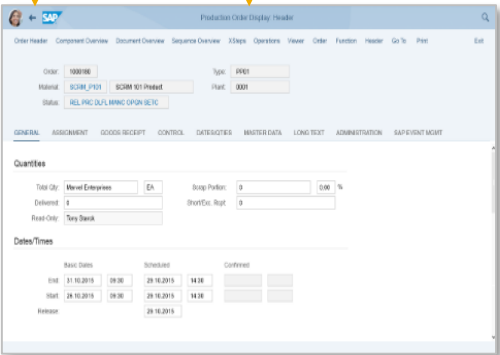
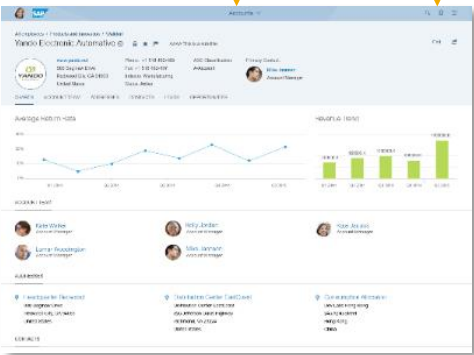
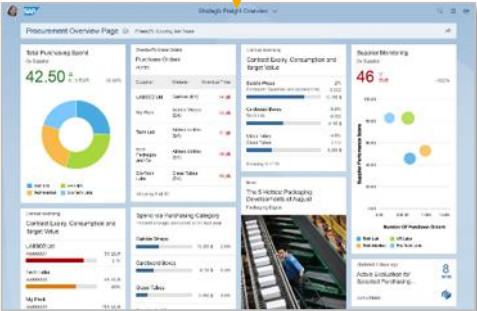
Single entry point via SAP Fiori launchpad





Domain specific infos and actions



Enter details and explore in depth



Re-designed UI – across industries



< Industry

Search by Industry

Filtered by: Product Suite (SAP S/4HANA)

Aerospace and Defense1100 >

Airlines (Travel and Transportation)1036 >

Automotive1134 >

Banking661 >

Chemicals1143 >

Construction and Operations1118 >

Consumer Products1142 >

Cross Industry1153 >

Defense and Security988 >

Engineering1118 >

Entertainment1029 >

Healthcare921 >

High Tech6 >

Higher Education and Research942 >

Hospitality (Travel and Transportation)1022 >

Industrial Machinery and Components1100 >

Insurance724 >

Life Sciences1143 >

Liner Shipping (Travel and Transportation)1024 >


Media867 >

Mill Products1100 >


Minna1056 >

Welcome to the SAP Fiori apps reference library!


Explore, plan and implement SAP Fiori, the latest user experience from SAP including all relevant content for the SAP Fiori launchpad.



Watch this video and find out how to get the most out of SAP Fiori apps reference library.



Find out how you can take advantage of SAP Fiori with our SAP Fiori lighthouse scenarios designed to deliver immediate business benefit to SAP S/4HANA customers.



You can learn more about SAP Fiori at our website or see SAP Fiori in action with a free trial.

Read More about the SAP Fiori apps reference library.

Monitor Purchase Order Items

Standard

PO Items by Delivery Status in K

PO Items by Delivery Schedule Dates in K

PO Items by Order Status in K

Material Group

Trading Materials (2,812)

Computer Software (109,409)

Service/Related Goods (2,000)

Details Drill Down

Monitor Purchase Order Items

Purchase Order Items (8,965)

for Purchaser

Item	Material	Supplier	Next Scheduled Delivery Date	Quantity	PO
4300004185	10	T011	09/20/2017	1,000,000.000 H	100,000,000.0
4300004175	10	T011	09/20/2017	100,000,000.000 H	17,000,000.0
4300004429	10	T001	09/21/2017	10,000,000.000 H	2,200,000.0
4300004954	10	T001	06/14/2017	10,000,000.000 H	2,200,000.0
					196,467,583.1

14 of 15

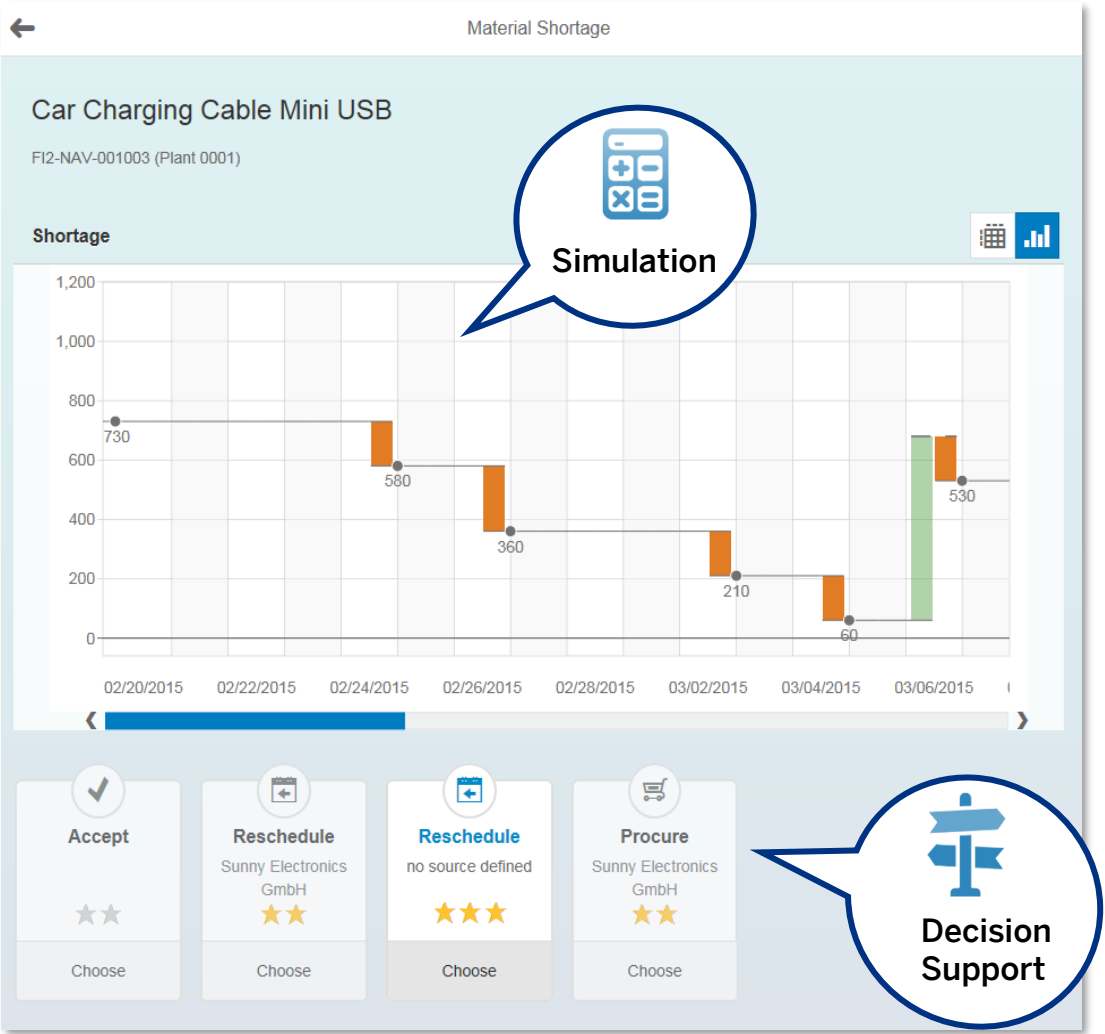
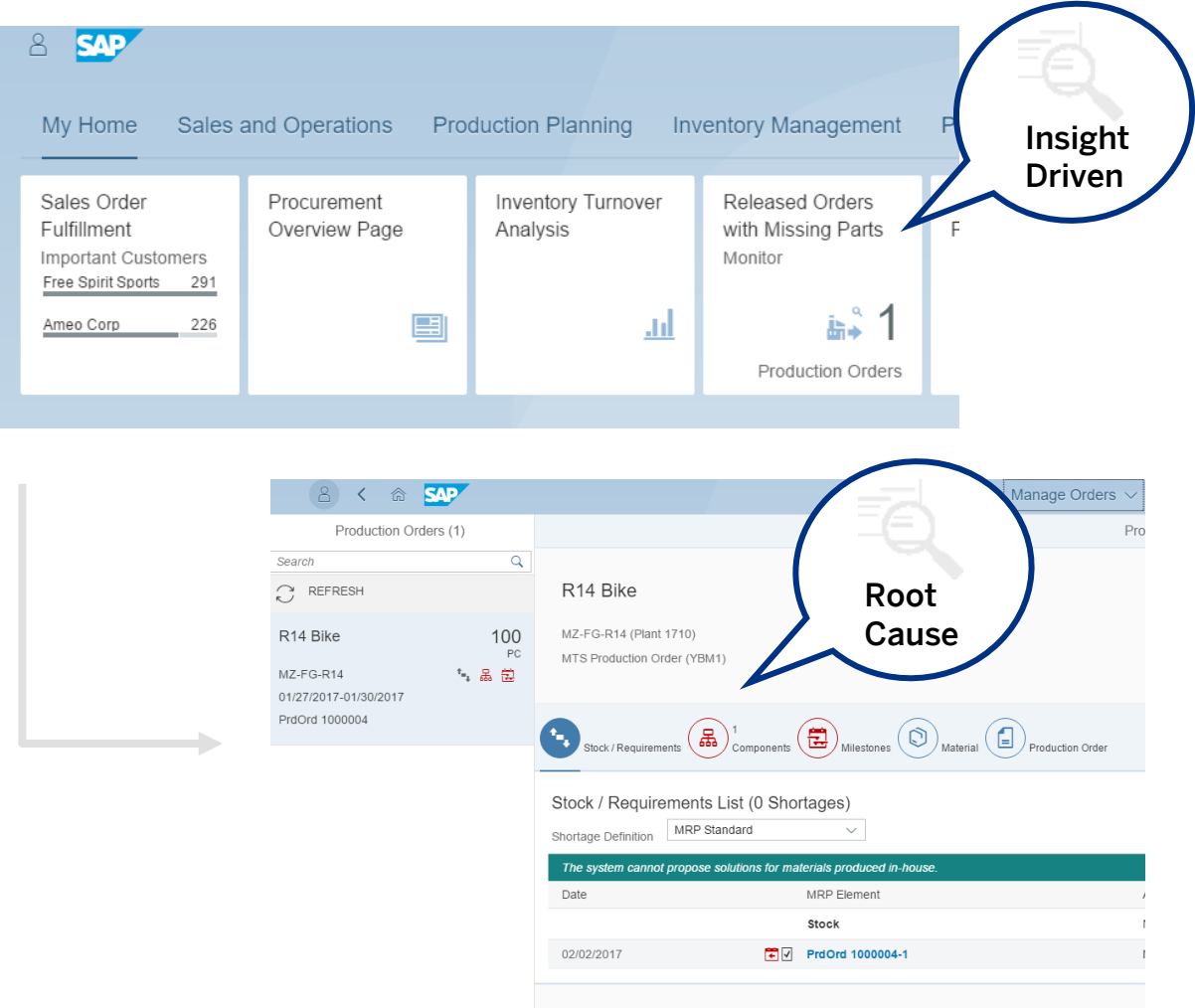
SAP Fiori Apps Library

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The Digital Core: Insight to Action

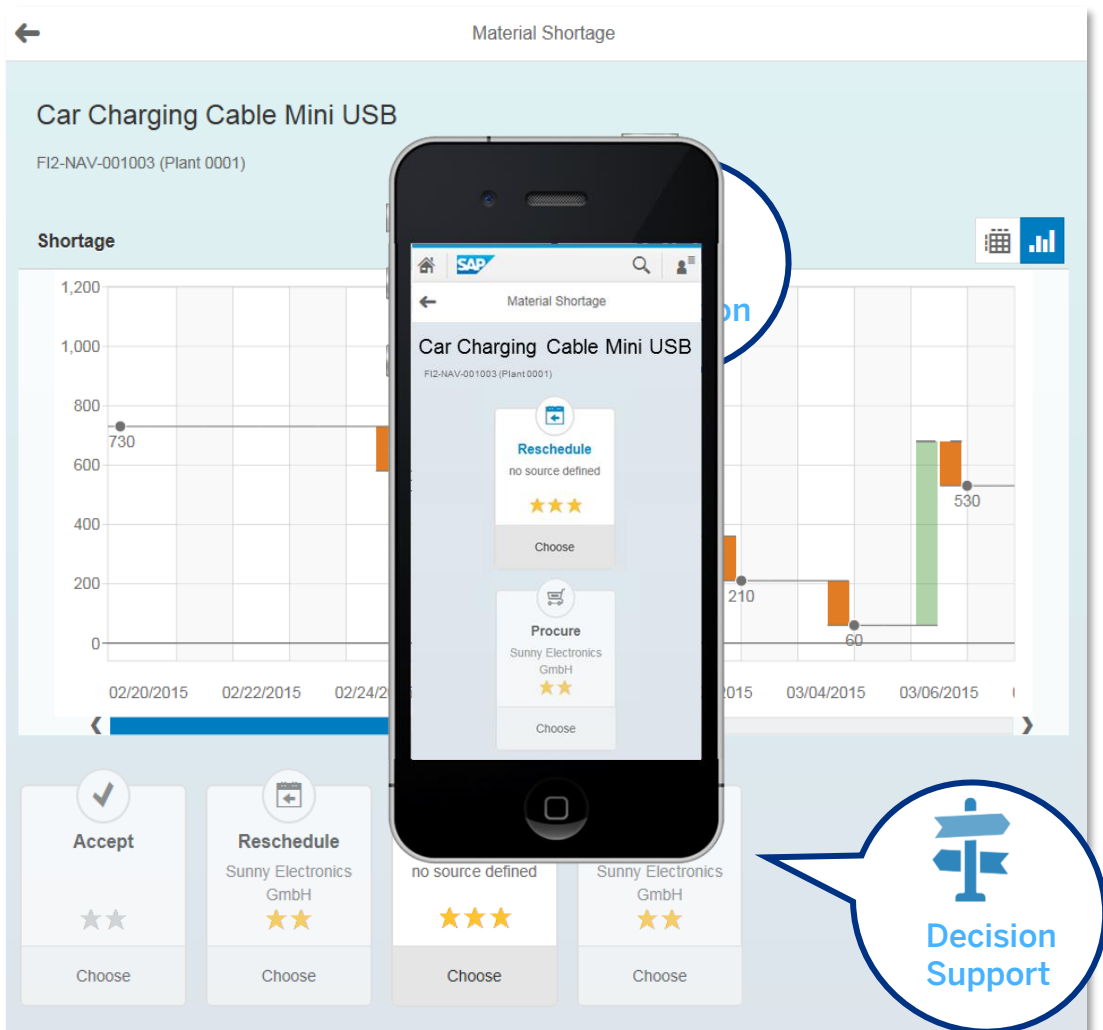
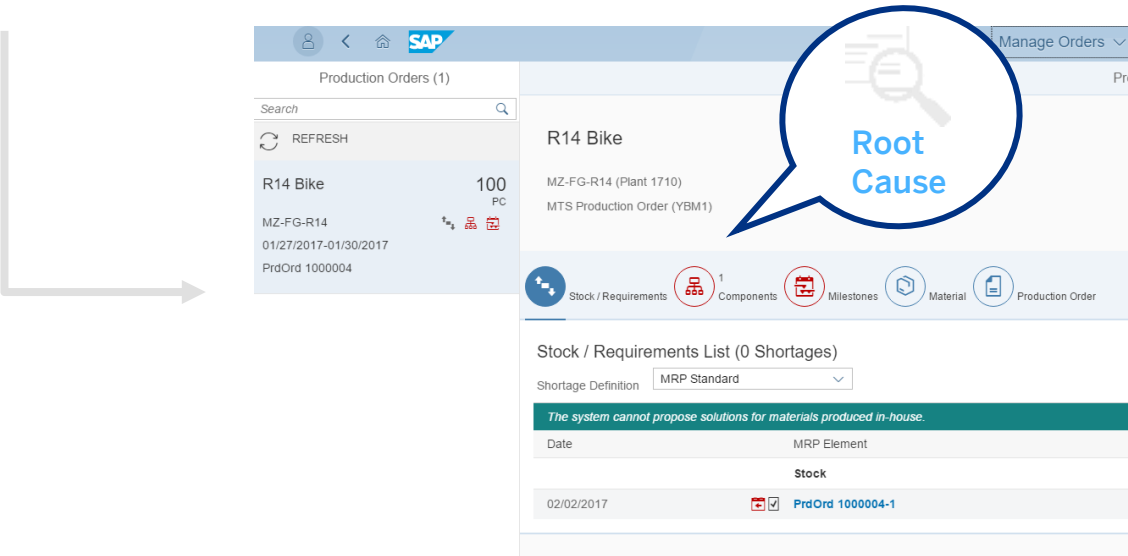
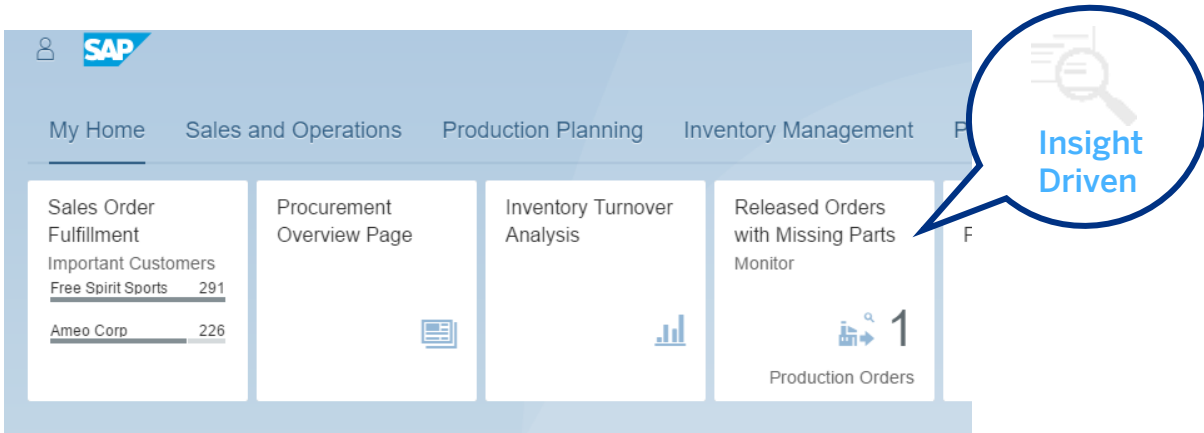
Exception-based Handling to Domesticate the Digital Dragon



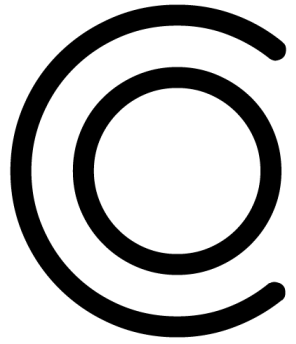
Example: Material shortage

The Digital Core: Insight to Action

Exception-based Handling to Domesticate the Digital Dragon

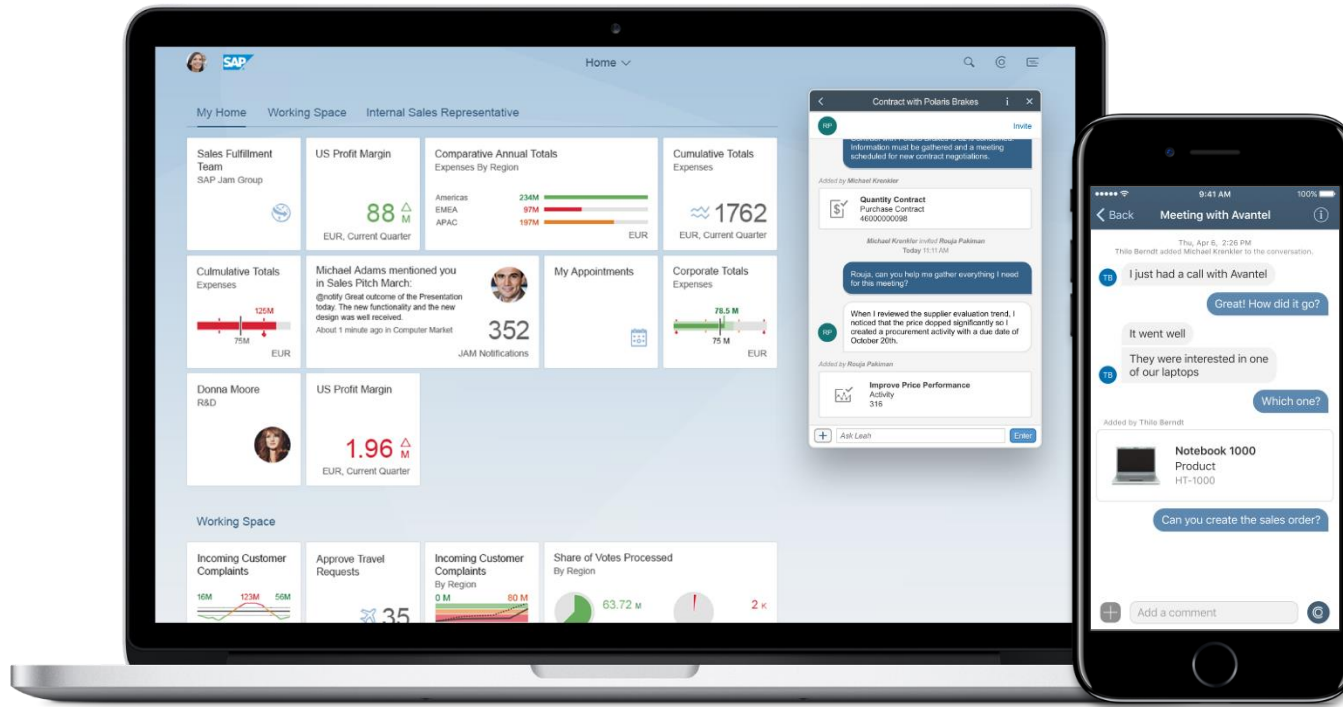


Lean architecture of a digital core



SAP CoPilot

The Digital Assistant for the Enterprise



Business context awareness

Conversational (multi-modal) UI

Continuity across devices

Functional extensibility

https://video.sap.com/media/t/1_q1tt93fw



Home ▾

Supplier Evaluation

Employee Self Services

Procurement-Related Activities

Purchasing Tasks

Evaluate Suppliers



Employee Self Services

Create Purchase
Requisition



My Purchase
Requisitions



Confirm Receipt of
Goods



Upload Supplier
Information



Procurement-Related Activities

Process Tasks
Procurement



0

Open Tasks



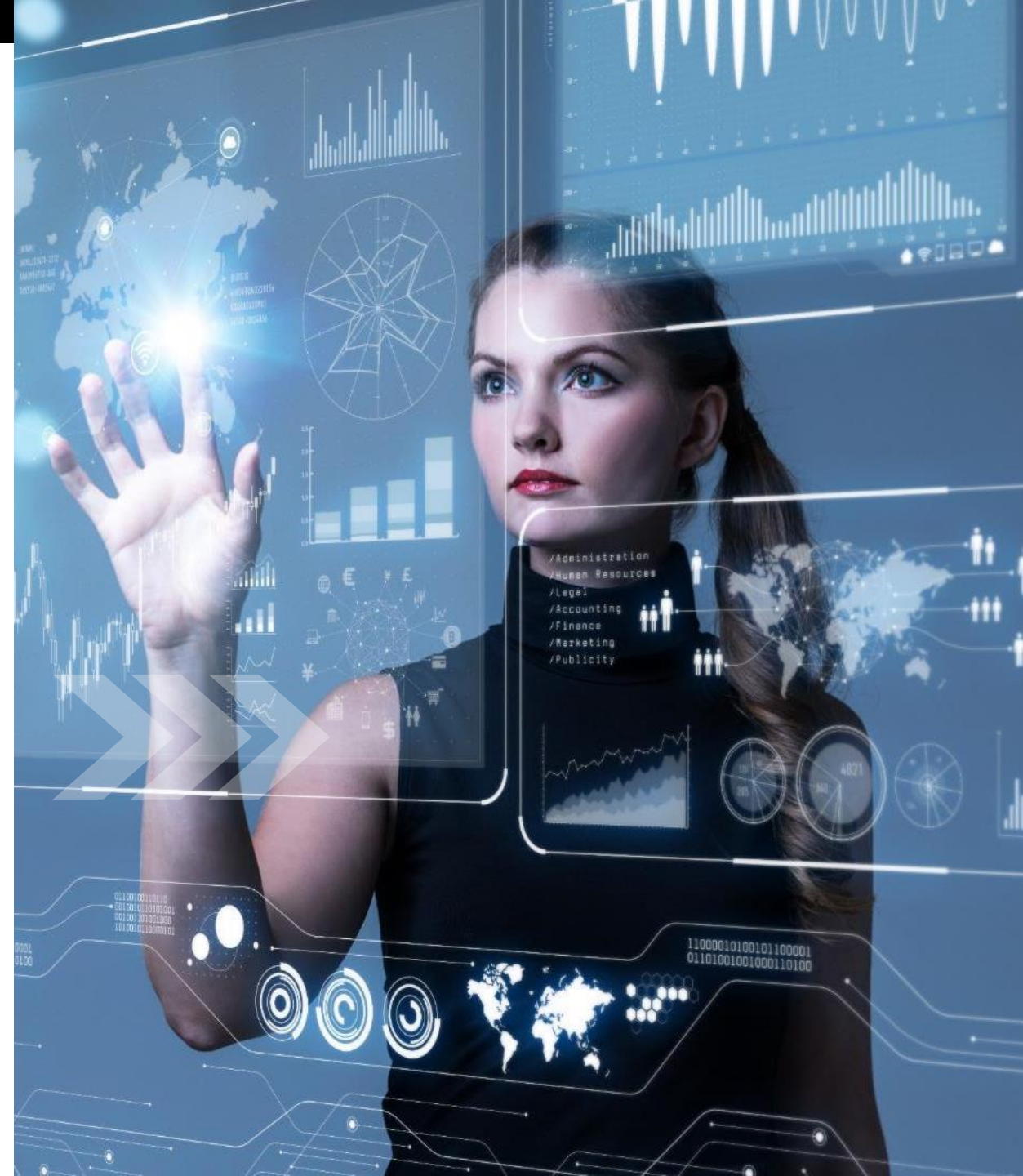
Hello Thomas,
What can I help you with today?



Ask CoPilot...

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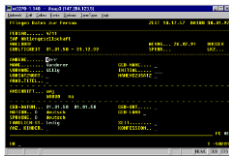


We've come a long way together

Innovate
Standardize
Scale
Trust

- ✓ **46 years** of innovation across all industries
- ✓ **390,000** customers in **193** countries
- ✓ **74%** of the world's transaction revenue touches an SAP system
- ✓ **Always** providing multiple ways of innovation adoption

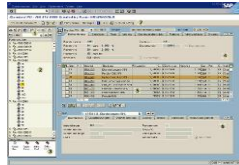
SAP R/2
Mainframe



SAP R/3
Client/Server



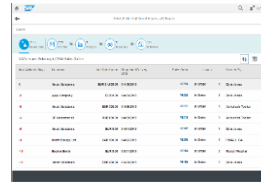
SAP ERP
mysap.com



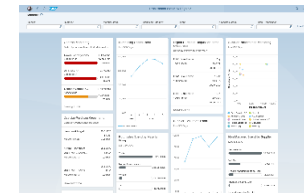
SAP Hana
In Memory



Suite on HANA
ERP on Hana
with Fiori UX



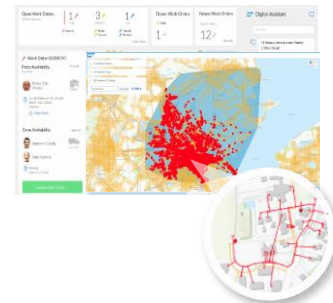
SAP S/4HANA
Digital Core



SAP S/4HANA
Intelligent ERP
SAP Cloud Platform



"X"/4HANA
Intelligent Suite



What are the **New SAP S/4HANA innovations** and what is the value?

New innovations

1

Re-imagined business models

- Products + Services -> as subscriptions
- Additive manufacturing
- Lot size of one
- IoT/sensor based managements of assets

2

Re-imagined business processes

- Embedded business functions (WM, TM, MDG, aATP,..)
- New MRP, dynamic inventory, constrained based planning
- Intelligence through machine learning applications
- Industry solutions in the core

3

Insight to action

- New UX – Fiori – Any Device
- In the moment, embedded analytics
- Self-service, multi-dimensional reporting

4

Simplifications

- Streamlined data models & landscape simplification
- Better performance and scalability
- Flexible deployment options

Business outcomes

Business Benefits

- Predictable revenue and improved customer sat.
- Reduction of inventory, improved mfg. throughput
- Improved operational efficiencies at lower cost
- Improved uptime and asset utilization

Business Benefits

- Improved customer satisfaction (10%-20%)
- Reduced inventory levels (25%-30%)
- Reduced logistics costs (10%-20%)
- Reduction in days to close books (40%-50%)

Business Benefits

- Reduction in AP errors (5%-6%)
- Improvement in sales productivity (10%-15%)
- Reduction in reporting costs (5%-10%)

IT Benefits

- Reduced data footprint (~50%)
- Lower cost of ownership (~75%)
- Reduced FTEs to manage landscape (~40%)

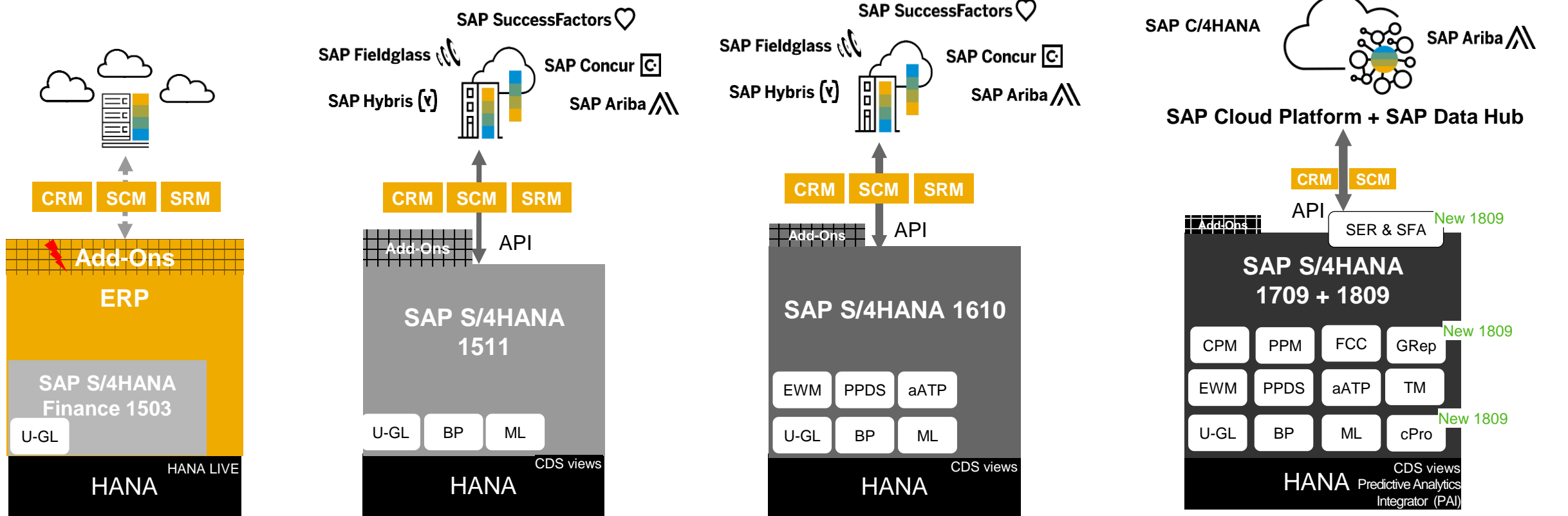
Customers



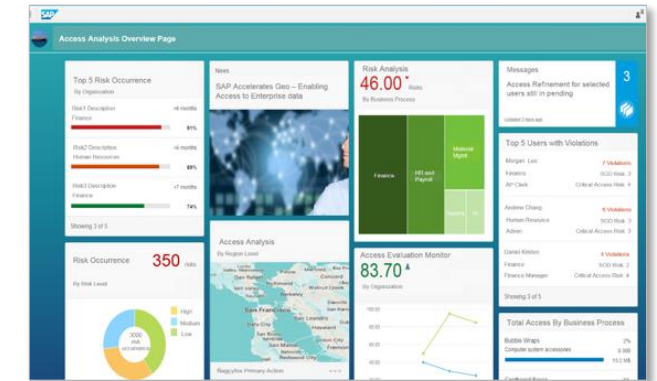
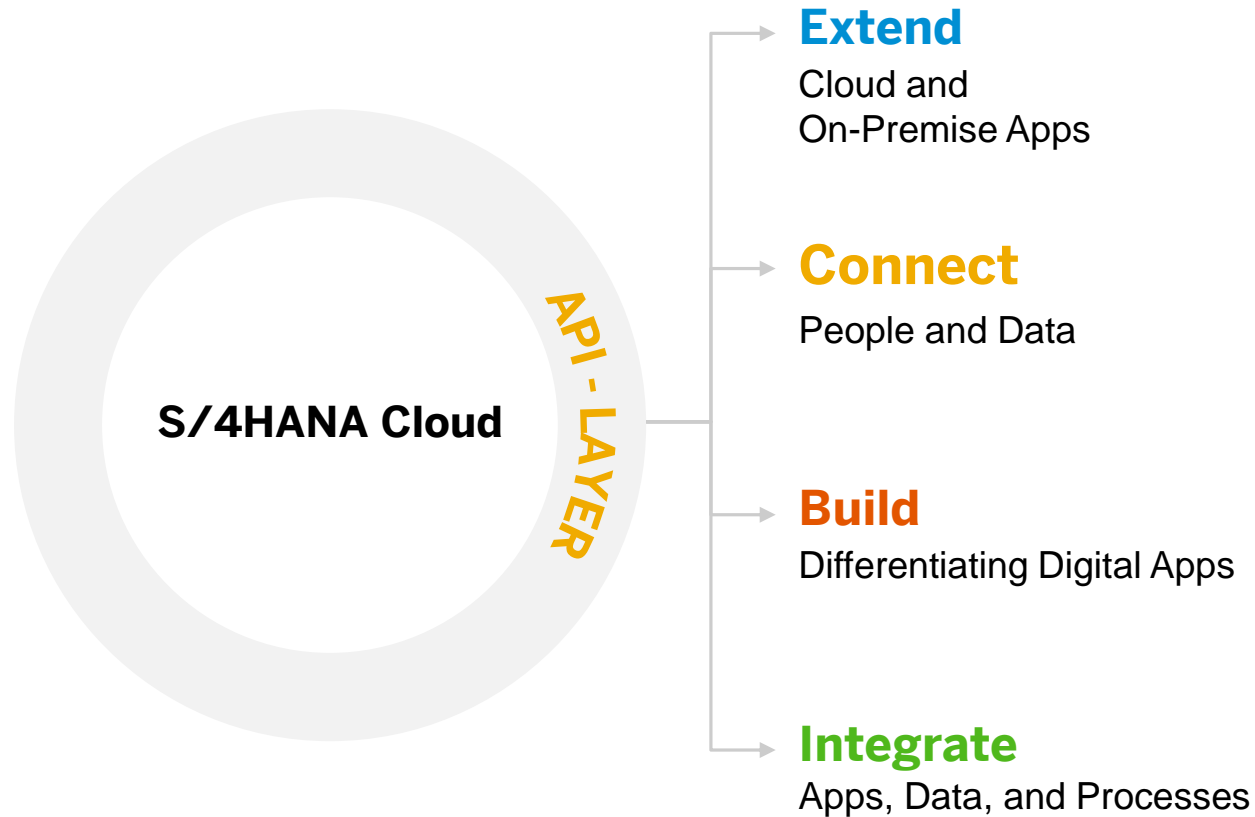
Mercedes-Benz



The evolution of SAP S/4HANA: Architecture

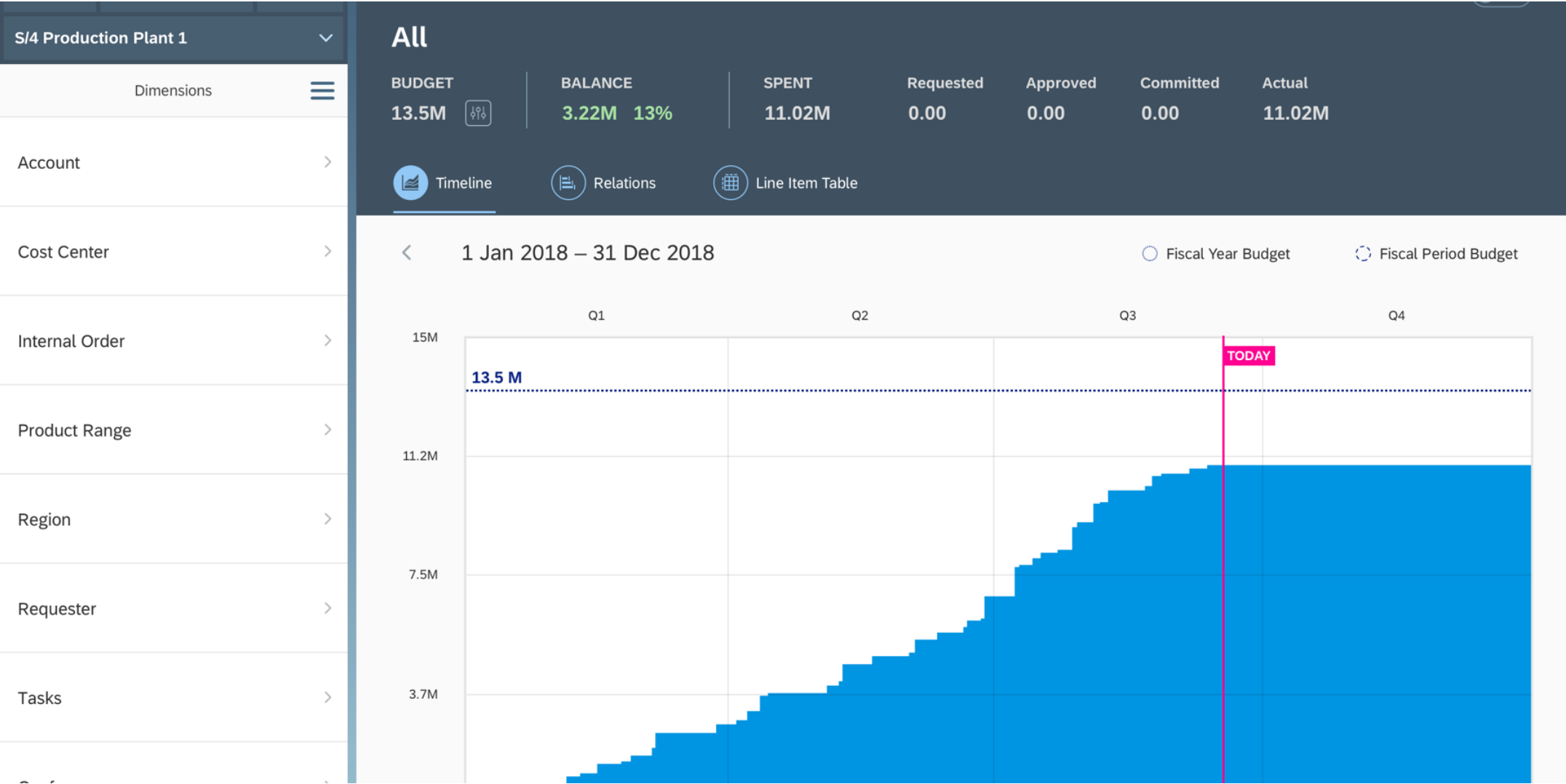


Tailor Your SAP S/4HANA Environment with SAP Cloud Platform



EXTEND: SAP RealSpend Management (SCP Application)

Demonstration



New Capabilities
only with SAP S/4HANA

End of Period Financial Closing

Imagine

- Food products co. rejuvenating through acquisitions
 - Lacking insights for strategic decisions
 - Enables soft-close, leveraging machine learning
 - On-the-fly insights supporting real-time decision-making
-

What's Possible

- Event-driven action based on real-time profit/loss
 - Elimination of reconciliation process
 - Real-time consolidation
-

The Impact

- 20% to 40% reduction in audit cost
- 40% to 50% reduction in days to close annual books
- 20% to 40% reduction in G/L and financial closing costs
- 5% to 10% reduction in business and operations analysis

Explore your value: <http://impact.s4value.com>



Order to Cash Process

Imagine

- Electric motorcycle company, growing fast
 - Accounts receivables are maxed out
 - Enabled frictionless order processing, leveraging machine learning
 - Big reduction in costs; big productivity improvement
-

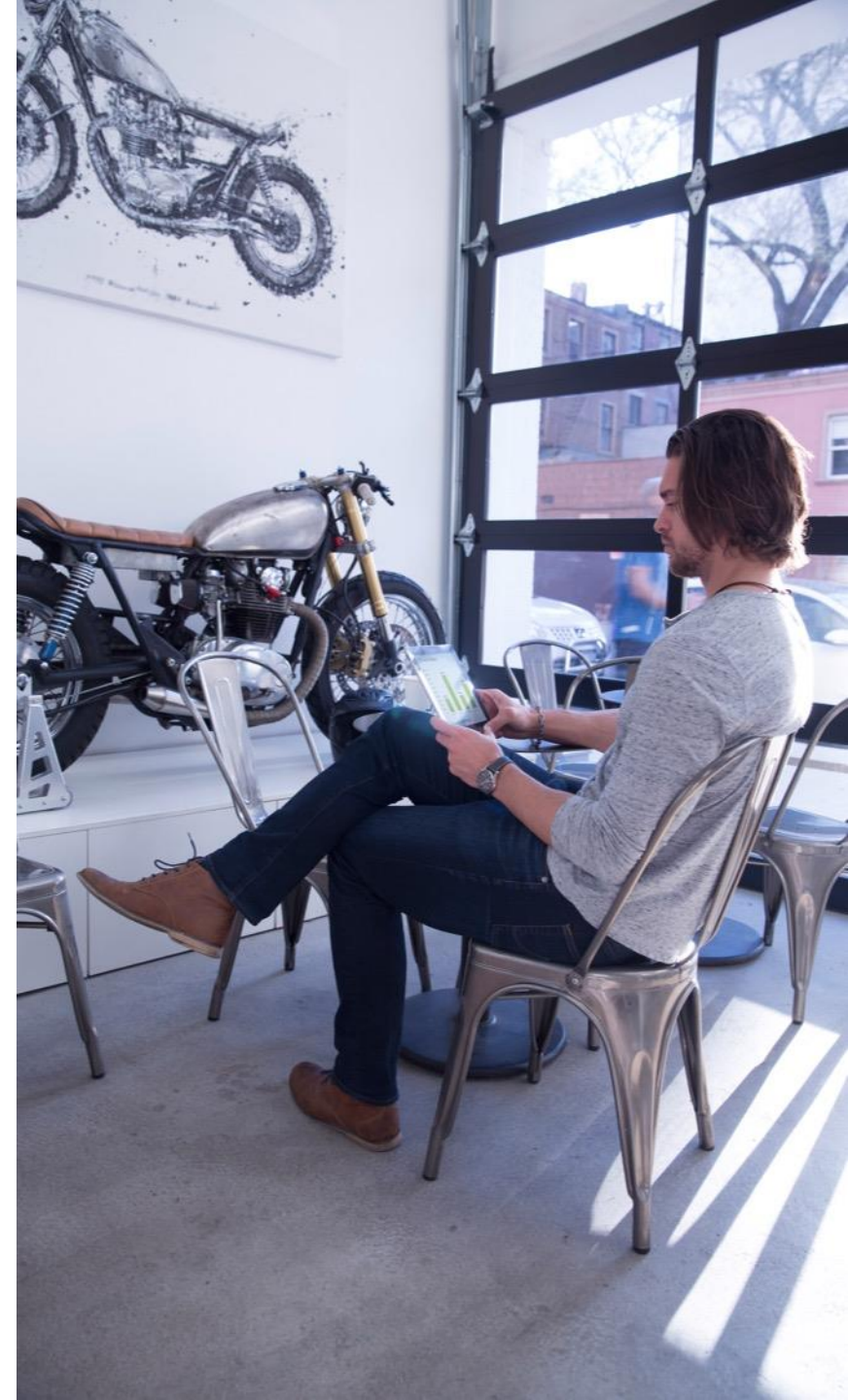
What's Possible

- Event-driven, full automation of creditworthiness
 - Centralized repository to analyze disputes, customer status
 - Intelligent invoice-matching
-

The Impact

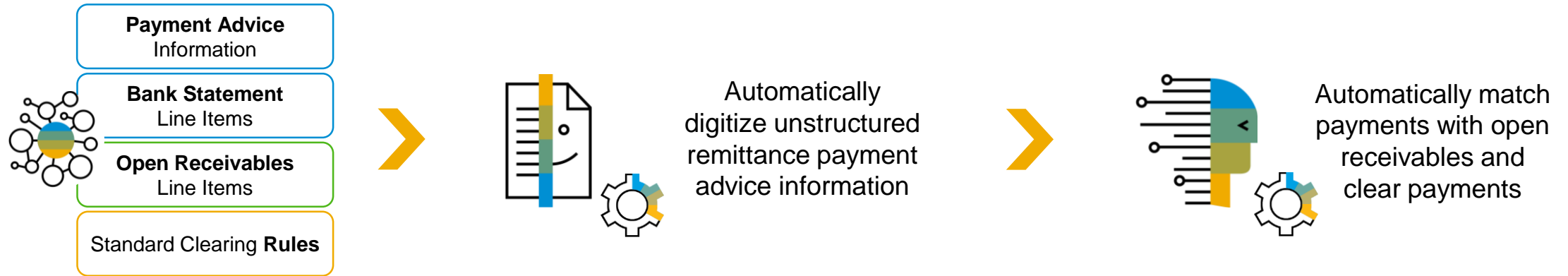
- 5% to 10% reduction in days sales outstanding
- 5% to 25% reduction in bad-debt write-offs
- 25% to 40% reduction in Account Receivables costs
- 10% to 40% improvement in invoice processing productivity

Explore your value: <http://impact.s4value.com>



SAP Cash Application

Receivables Line Item Matching with Payment Advice Information Extraction



Drastically reduce manual efforts by automatically extracting payment advice information from unstructured sources



Reduce costs for shared services



Reduce A/R management costs



Increase invoice processing productivity



Improve day sales outstanding

Driving Supply Chain Speed and Agility

Imagine

- A car manufacturer produces multiple models requiring 3,500 materials
 - Daily production of 500 cars
 - Processing of over 10 million material postings per day.
 - Technology limitations prevent Just-In-Time (JIT) deliveries
-

What's Possible

- Real time insights and automated synchronization of analytical and transactional data
 - Get instant visibility into demand, supply, movements and manufacturing at any time
 - Respond more accurately and quickly to issues
 - Shared analytical and transactional data
-

The Impact

- Increase material posting throughput by ~18%
- Reduce Manufacturing costs by ~3%
- Reduce Manufacturing Cycle Time by ~7%
- Reduce Scrap Value by ~ 25%
- Up to 30x faster material postings, high Speed MRP Run, up to 10x faster, 5x less storage

Explore your value: <http://impact.s4value.com>



SAP S/4HANA 1809: The Intelligent ERP

Procurement



- Propose mat. group, contracts & cat items*
- Cash discount at risk*
- Predictive Contracts
- Central Procurement*
- Overview & Analytics

Sales



- Delivery Performance*
- Predictive Q2Order*
- One Single Invoice
- International Trade
- Sales Force Support*
- Sales Order Fulfillment

Supply Chain



- Predictive Stock in Transit*
- Advanced ATP
- Embedded EWM
- Embedded TM
- Realtime Inventory

Manufacturing



- Prod Engineering & Ops
- DDMRP*
- Capacity Planning*
- Det. Scheduling PPDS
- QM Overview & Analytics
- MRP live

R&D



- Digital Content Process.*
- Recipe Management
- Multilevel Variant Configuration & Simul.*
- Project & Portfolio Mgmt.
- Commercial Projects

SAP S/4HANA

- Realtime & Prediction*
- Closing Cockpit
- Group Reporting*
- Compliance Framework
- Cash App
- Proposed Accruals*
- GR/IR Monitor*
- SAP Concur**

Finance

- New Customer Mgmt., Service Core Option
- Multi-Channel Interaction Center
- Quotation with Product Bundles*



Service

- Maintenance Planning Overview*
- New Geographical Enablement
- Report & Repair Malfunction
- Asset Mgmt. for resource scheduling



Asset Mgmt.

- Legal Content Mgmt.
- GDPR Tools
- Responsibility Mgmt.*
- Co-Pilot as Digital Assistant



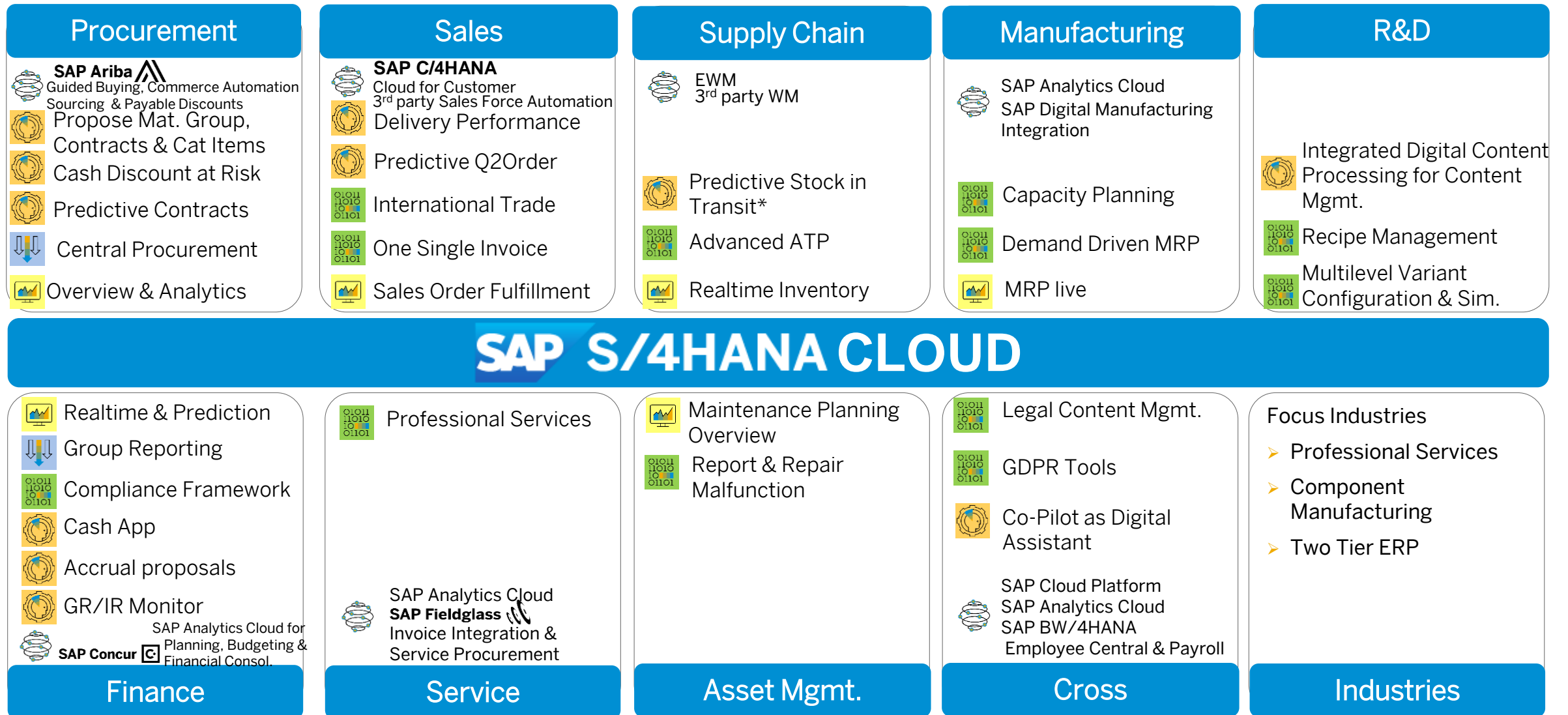
Cross

- Key Industry function embedded inside (e.g. Automotive, Consumer, Retail*, Mill...)
 - Re-architecture & improved functions (e.g. Chemicals, A&D, Oil Gas, Utilities*...)
- Details & restrictions...*

Industries



SAP S/4HANA Cloud: The Intelligent Cloud ERP - as available today



Business value with SAP S/4HANA Supply Chain

GOODS ISSUE &
GOODS RECEIPT

INVENTORY
ANALYTICS

RETURNABLE
PACKAGING
LOGISTICS

WAREHOUSE
MANAGEMENT

SHIPPING

AVAILABLE TO
PROMISE

Category

Innovation

Benefits

1

Re-imagined business models

- Support for **lot of size of one** concepts
- Adapt easily to **market opportunities** and develop **new channels**

2

Re-imagined business processes

- Leverage **embedded EWM** to perform standardized inbound & outbound processing with internal movements and physical inventory & reporting in **one system** (master data, customizing & UX).
- Track alternative quantities with integrated **catch weight management**
- Leverage **embedded TM** to handle freight agreements and delivery based charges as well as basic bookings, plan and execute your transports, use functionality for basic agency billing and subcontracting as well as dangerous goods management.
- **Track shipping and receiving** of returnable packaging materials to and from business partners.
- Gain visibility in **materials distribution** and reduce overall volume of materials by integrating logistics information into a **single version of the truth**
- Available to promise: **new ATP algorithm based** on HANA embedded in mass component check in production.
- Reduce days in inventory with live inventory management and **demand driven MRP**

- Reduction in days in inventory **(12% - 15%)**
- Reduction in revenue loss due to stock-outs **(10% - 15%)**
- Reduction in total logistics cost **(10% - 15%)**
- Reduction in supply chain planning cost **(5% - 10%)**

3

Insight to action

- Experience the power of simplification by using state-of-the-art **analytical apps**
- Optimize inventory and material flows based on **real-time information**
- Leverage **just-in-time scenarios** for inbound and outbound

- **Increased throughput in inventory transactions**
- **Reduction in order fulfillment lead time**
- **Faster user adoption**
- **Increased transparency and visibility into inventory**
- **Improved inventory accuracy**

4

Simplifications

- Leverage **simplified data model** for material master and material documents.
- **Long material number** (40 chars) that meets discrete industry requirements in some industries
- Benefit from **locking elimination** and **material ledger** based inventory valuation
- Use **simplified new apps** for GR from PO & Initial entry
- Reduce TCO through **landscape simplification** with **embedded** solutions (WM, TM)

SAP S/4HANA Supply Chain

Business Areas:

INVENTORY

WAREHOUSING

SHIPPING AND
TRANSPORTATION

ORDER
PROMISING

Business Capabilities:

GOODS
MOVEMENT

INVENTORY
ANALYTICS AND
CONTROL

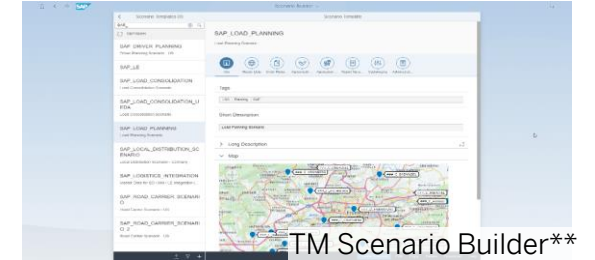
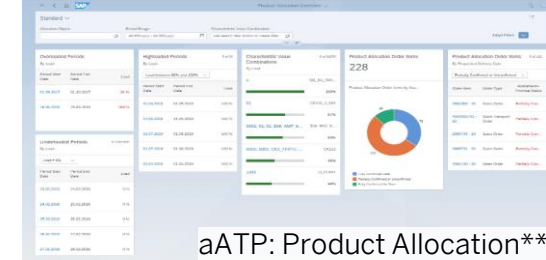
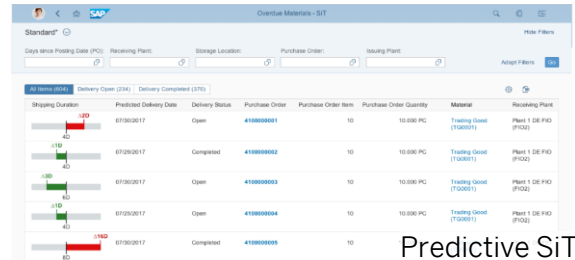
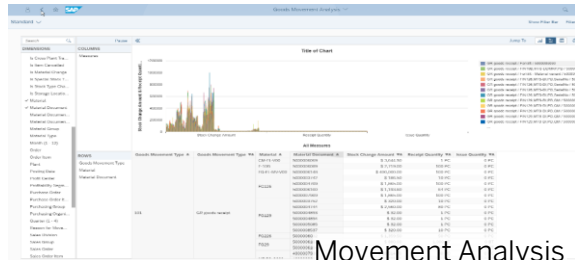
RETURNABLE
PACKAGING
LOGISTICS

WAREHOUSE
MANAGEMENT

SHIPPING

TRANS-
PORTATION
MGMT

AVAILABLE TO
PROMISE



High Throughput for Material Postings

Inventory Turnover/ Dead Stock Analysis

Prediction of Stock in Transit

New aATP**

Realtime Inventory

Advanced Track & Trace Pharma**

Embedded EWM**

Embedded TM**

aATP: alternative BOP & det. Best Plant**

Unique plant IDs for Batches

EWM: New Fioris & Unplanned Returns**

TM: Scenario builder & mixed Pallet building**

IBP***

Roadmap*

EWM: Material Flow systems with Robotic Integrations (2019)

AATP: alternative cross plant confirmations & substitutions

EWM: Optimization capabilities (2019)

Overview pages shipping (2019) and receiving (2020)

TM Migration tools (2019)

Fiori UX for Kanban (2019)

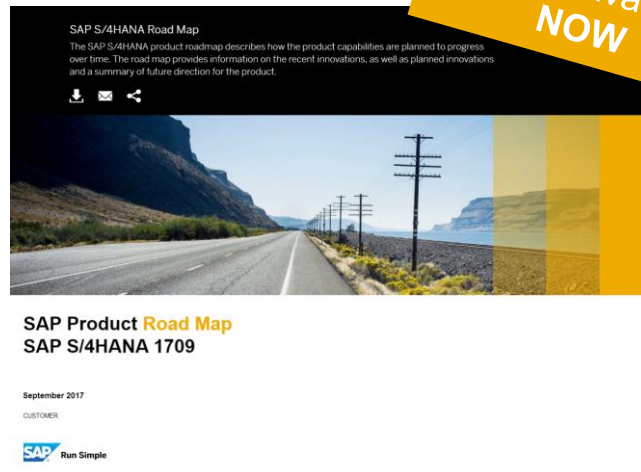
ML/ Prediction of Dead stock / slow moving (2019)

TM: Blockchain based ocean shipping (2019)

SAP S/4HANA Roadmaps

SAP S/4HANA

Two 3YR roadmap updates per year:
Current Release “S/4HANA 1809”



Update available
NOW

SAP S/4HANA Cloud

Four 4RQ roadmap updates per year:
With every new release, current version
“S/4HANA Cloud 1808”



Agenda

- ▶ Why Now?
- ▶ What is New?
- ▶ **Who?** - Customer Momentum
- ▶ How to Implement?
- ▶ Top 10 Reasons Why S/4HANA



SAP S/4HANA customer momentum is strong

as of Oct 2018



9,500+

Licensed Customers



2,200+

Live Customers

(1st thousand in 2 years 7 months,
2nd thousand in 10 months)



4,500+

Deployment Projects



Organizations

up to 200,000 users, databases
up to 66TB



25

Industry solutions



Cloud (SaaS)

IaaS, on-premise



160

Available in 160 countries



38

languages available

IT and Business Benefits

IT: simpler landscape reduces costs, increases responsiveness to the business



75%

Reduction in servers; 17% IT support cost savings; **from 80 subsidiary ECC instances to 1 S/4HANA system**



50%

Reduction in hardware costs with a smaller system size



"Removing the constraints of a highly customized system enables us to better respond to fast changing business models"

- Jennifer Buko, Director of Business Transformation



LOB: increased visibility and intelligence enables efficiency and new opportunities



40%

Reduction in waste



30%

Reduction in inventory levels



Business Impact

9-month payback – thanks to reduced costs + new revenue opportunities

FORRESTER®

Colgate-Palmolive Company

Accelerating innovation across the enterprise as they roll out S/4HANA

Consumer products giant Colgate-Palmolive Company partners with SAP for technology innovation. The companies work hand in hand, leveraging SAP research and development resources to innovate rapidly, transform operations for greater efficiency, and stay ahead of the pack.

Before: Challenges and Opportunities

- Intensifying global competition
- Need to free up more time and resources to identify – and execute on – new ways to drive growth
- Quest for rapid, cutting-edge, technology-enabled business innovation

Why SAP

- Trusted, industry-leading technology company with the right technology strategy
- Dedication to open platforms, integrated solutions, and user-friendly interfaces
- Willingness to partner closely

After: Value-Driven Results

- All of Colgate revenue is managed using integrated SAP solutions
- Successful co-innovation of multiple new solutions that simplify and accelerate business planning, empower executives to analyze the state of the business in real time, and result in new solutions for SAP to bring to market
- Fast path to adopt the latest SAP platforms, including **SAP S/4HANA** and SAP Cloud Platform, for faster innovation and execution across the enterprise

Industry
Consumer Products

Revenue
US \$15 billion


Employees
36,700

Headquarters
NYC, NY

**SAP Solutions
and Services**
SAP S/4HANA
SAP Digital Boardroom
SAP Cloud Platform

THE BEST RUN 



 **TESTIMONIAL VIDEO**
[Colgate-Palmolive Company: Partnering with SAP to Deliver Continuous Innovation](#)

“ We’re excited about **SAP’s strategy** and how it is extending its capabilities with a development platform that will enable us to drive innovation going forward.”

Mike Crowe, Chief Information Officer,
Colgate-Palmolive Company

Hoerbiger Group

Challenges

- Support planned growth and transition to public company
- Broad geographic deployment to more than 100 locations

SAP S/4HANA Innovations

- Reimagined business models with standard processes to maximize efficiency
- Established foundation for digital growth with SAP S/4HANA for IoT apps

Benefits

- Better service quality, machine availability, operational visibility,
- Improved business planning, billing accuracy and customer satisfaction



Industry

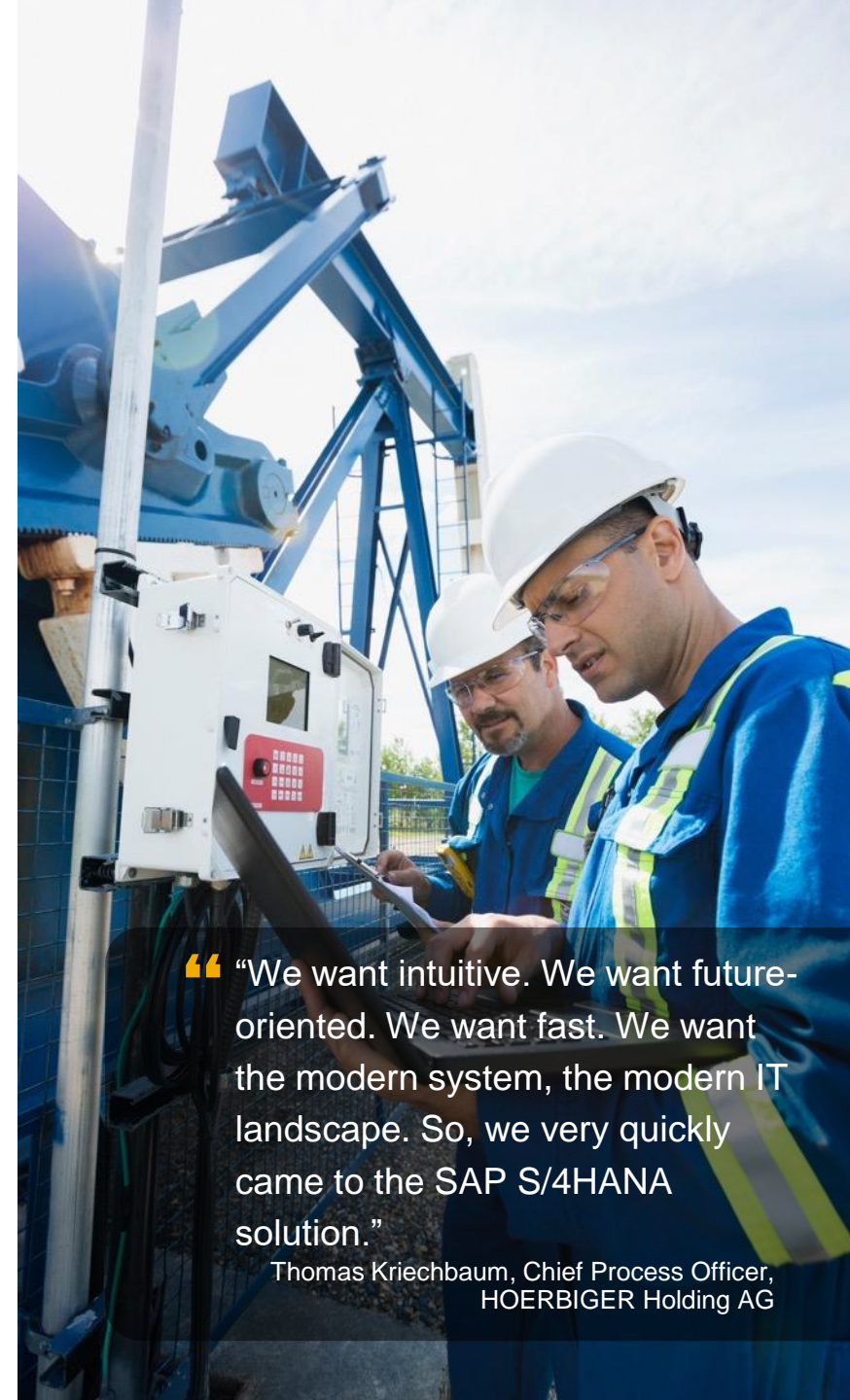
Industrial Machinery
& Components

Employees

6,800

Region

MEE, Austria



“We want intuitive. We want future-oriented. We want fast. We want the modern system, the modern IT landscape. So, we very quickly came to the SAP S/4HANA solution.”

Thomas Kriechbaum, Chief Process Officer,
HOERBIGER Holding AG



Challenges

- Distributed ERP supporting 484 companies
- Inefficient reporting tools
- Lack of transparency

SAP S/4HANA Innovations

- Reimagined business processes with Central Finance solution
- Ability to harmonize data from different systems

Benefits

- Real-time data analysis allowing instant visibility
- 1 source system down from 19
- Reduced closing process from 16 days to 5



Industry
Utilities

Revenue
€70 billion (2016)

Employees
62,500

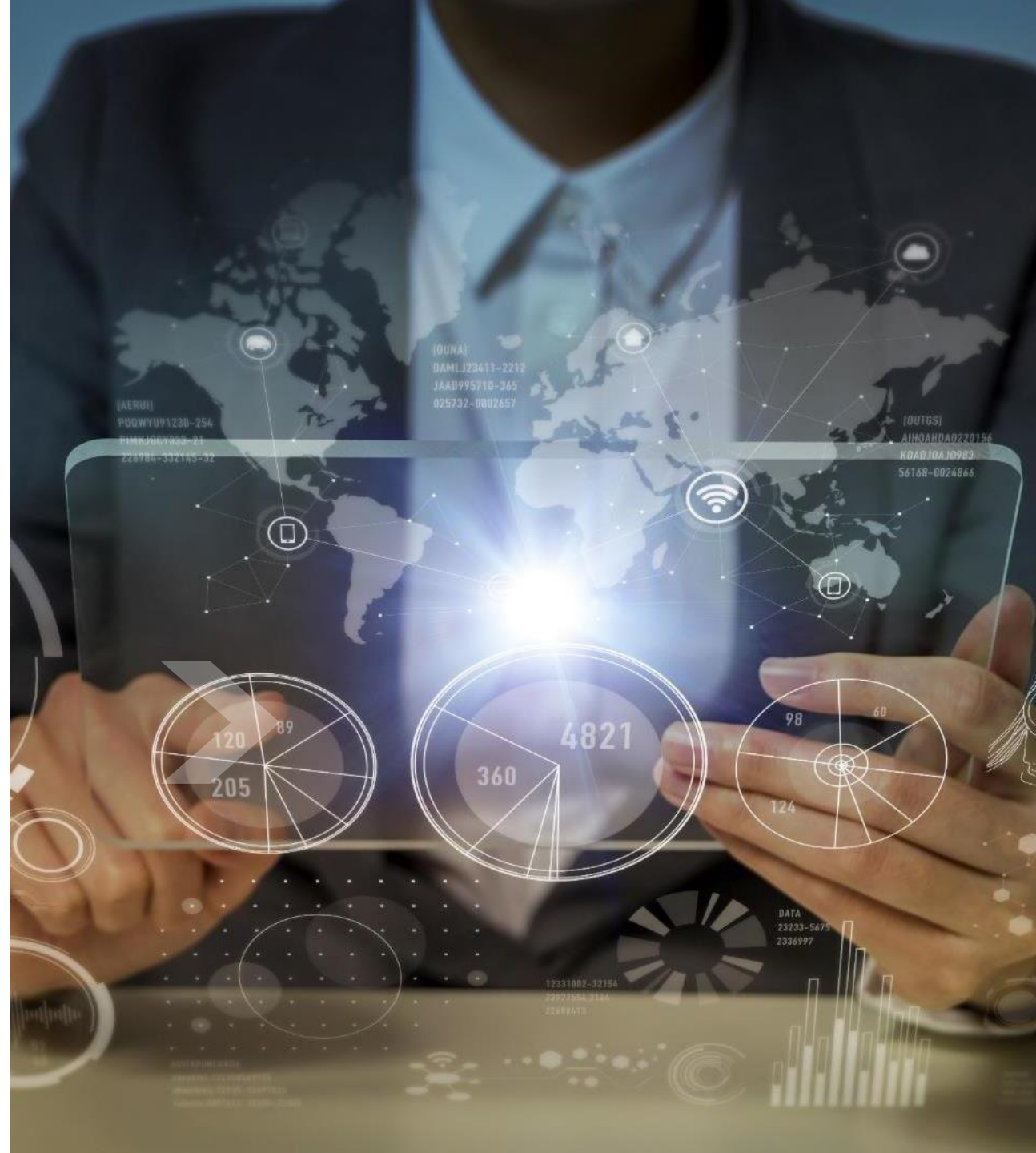
Region
EMEA, Italy

“ In this fast-changing world, you have to innovate and digitalize or you can't survive. We needed to do that for our closing process and reporting model, and that's why we chose SAP S/4HANA for central finance foundation.”

Pasquale de Pascalis, Global Central Finance Project Manager, Enel SpA

Agenda

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- ▶ Customer Momentum
- ▶ **How** to Implement?
- ▶ Top 10 Reasons Why S/4HANA



Make the case

Three free tools, personalized guidance for IT and the line-of-business

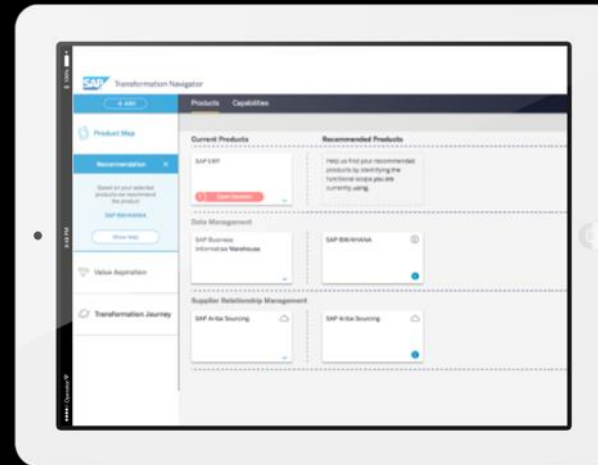
S/4HANA Business Scenario Recommendations



Identify the **business processes** you can improve and discover new business capabilities.

Customers new to SAP can use Business Value Advisor: <http://impact.s4value.com>

SAP Transformation Navigator



See the **S/4HANA roadmap** for each component in your current landscape.

Based on current SAP product usage or capabilities your organization wants.

SAP Readiness Check

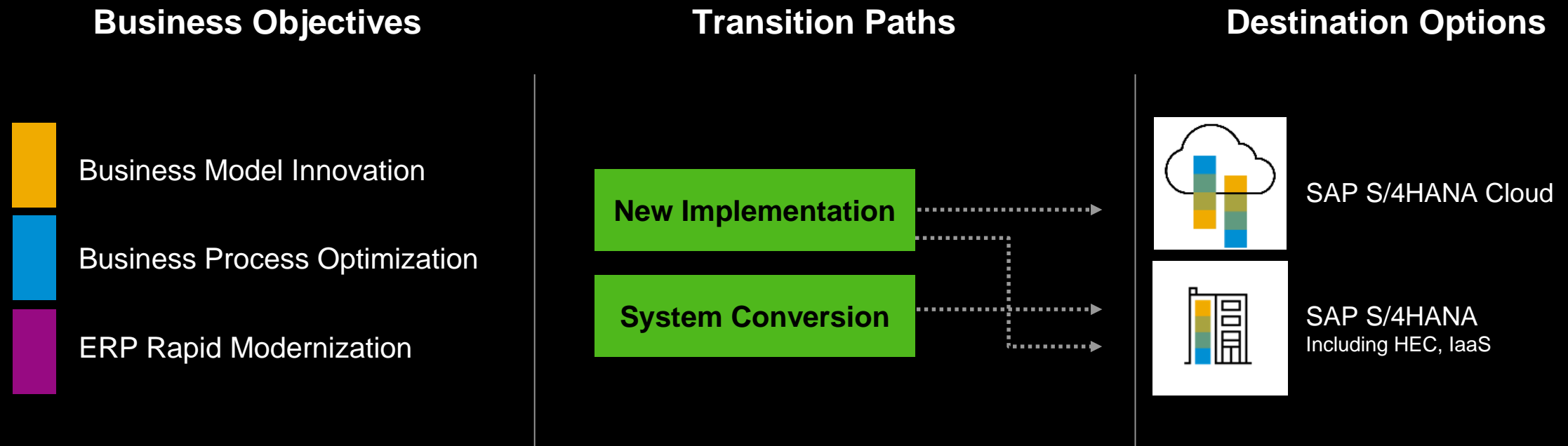


Learn the **technical requirements and actions** for a system conversion to S/4HANA.

Based on configuration and usage data for customers already on SAP ECC 6.x.

Consider your path, strategic choices

Match your business objectives to possible transition paths and destinations



SAP S/4HANA Adoption Starter Engagement (Coming Soon!)

Empowers You Across the Planning Process

Your Transformation Plan 1.0 – Organized, Sequenced, and Action-Ready



Business Evaluation – Why?

Innovation Case & Efficiency Case

- Industry innovation trends
- Relevant innovation scenarios
- Relevant value drivers and aspirations
- Future capabilities
- Baseline results and tracking approach
- Effort estimate



Technical Evaluation – What?

Target Products & Target Instances

- Midterm target architecture
- Scope-based product recommendations
- Definition of digital core
- Instance consolidation plan
- Technical preparation needs such as custom code and simplification



Transformation Evaluation – How?

Approach & Sequencing of Project Plans

- Conversion vs. greenfield
- Single step vs. multistep
- Alignment with business requirements such as downtime reduction
- Sequencing of product transitions
- Sequencing of instance transitions

Business Case and Road Map Tools

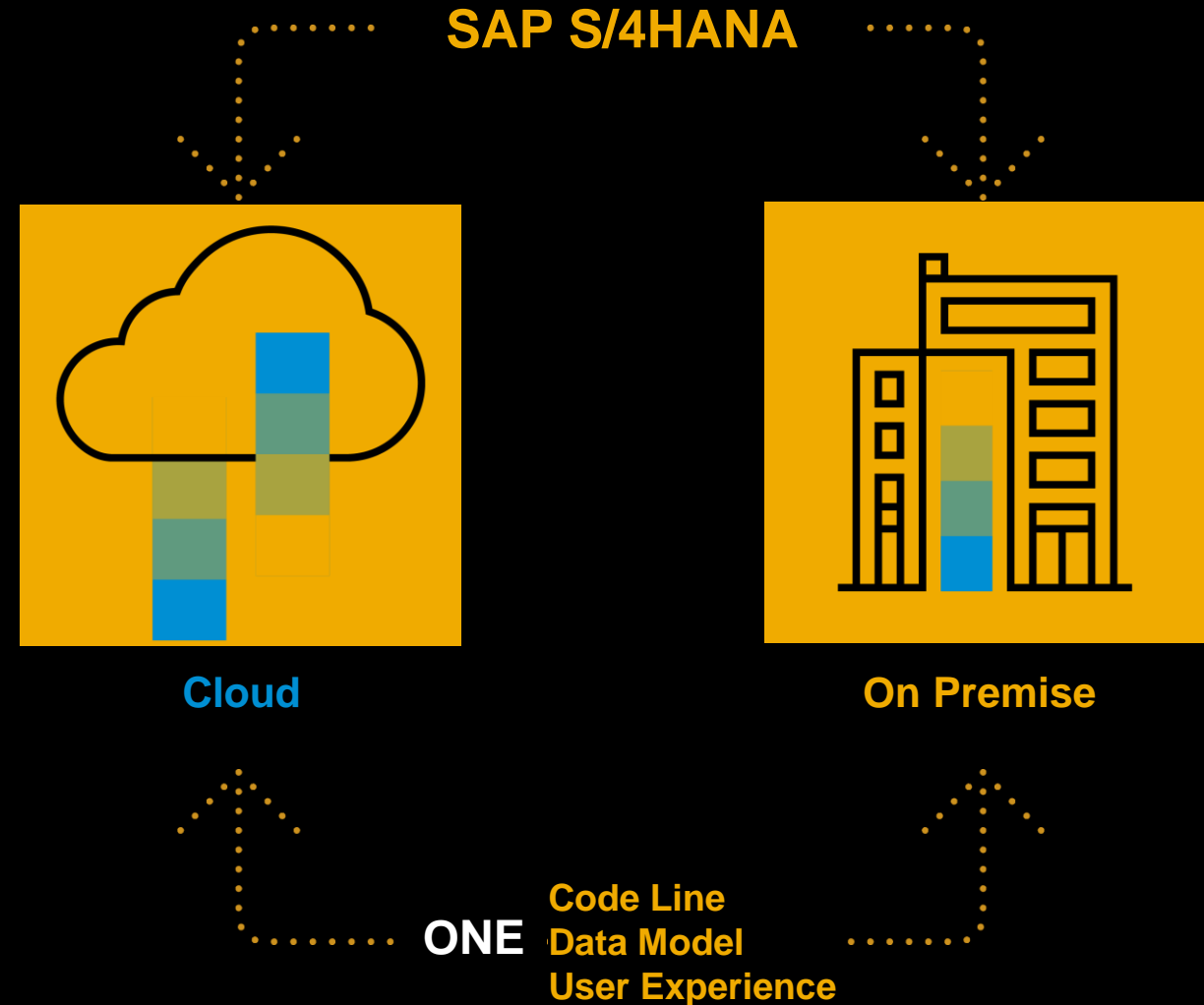
Expert Advice and Guidance

You have complete choice

SAP S/4HANA & S/4HANA Cloud's code line, simplified data model, and modern user experience are consistent across both environments.

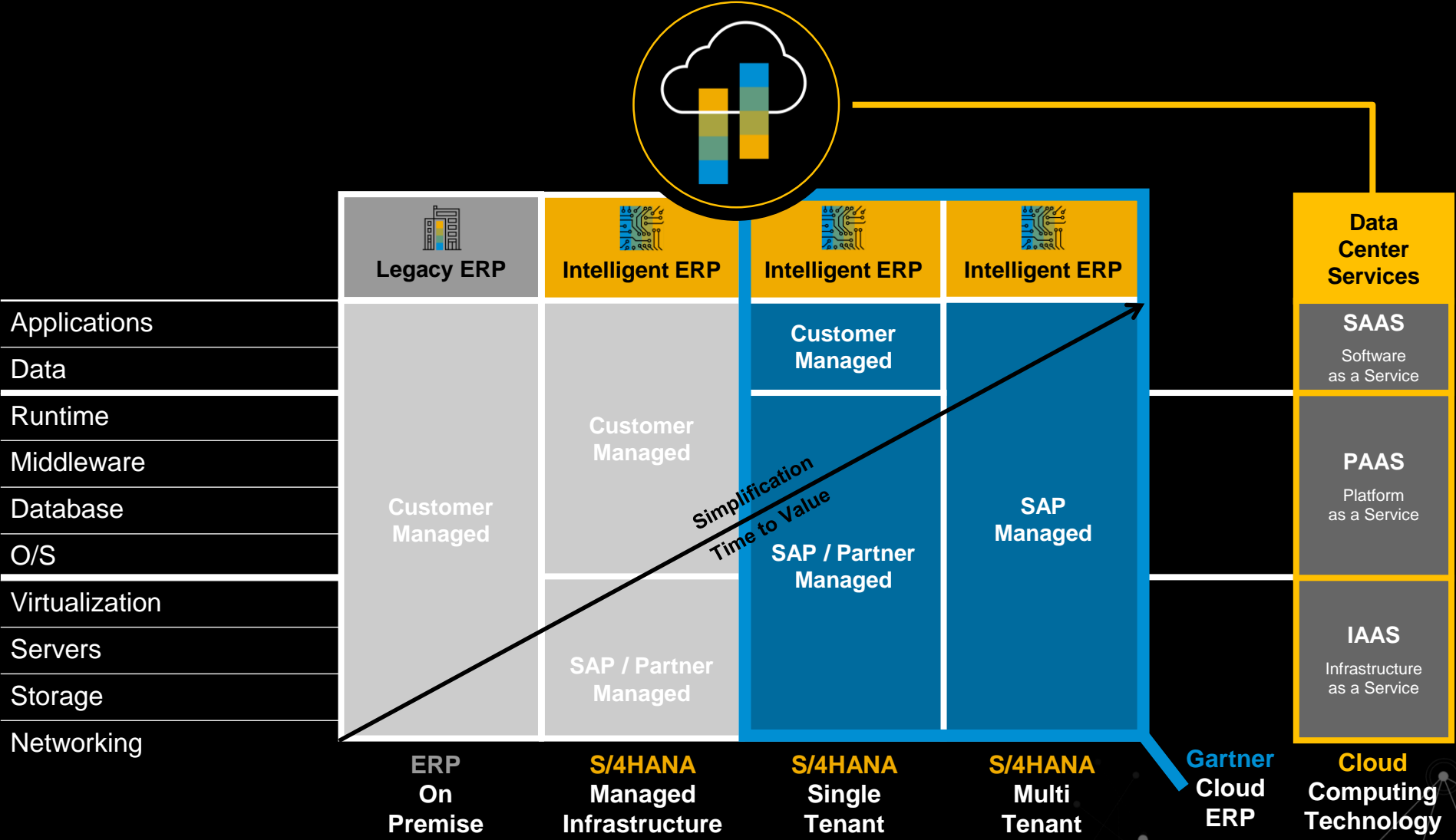
Considerations for selecting the right SAP S/4HANA solution:

- Business functionality
- Regulatory, industry, and regional requirements
- Individualization options
- IT Strategy
- Innovation cycles
- Adoption/upgrade efforts
- TCO
- Commercial models



SAP S/4HANA




Intelligent ERP with different deployment options



SAP S/4HANA

The right option for your specific business or process need



Qualification and comparison criteria	 Intelligent ERP	 Intelligent ERP	 Intelligent ERP	Public Cloud key characteristics
Functional Scope	Full	Full	Pre-determined	Essential digital business processes using best practices
Greenfield System Delivery	Conversion of existing installation	Data migration and configuration	Data migration cockpit	Access via public internet
Industry Focus	All	All	Extend per release	Professional Services and Component Manufacturing
Geographical Reach	All	All	Extend per release	35 countries; 18 languages
Process Configuration and Extensions	Full	Full	Guided	Defined Self-Service Configuration available
Flexibility and Governance	Customer schedule	At least once a year	Quarterly	Four upgrades per year
Modifications	Allowed	Not allowed	Not allowed	Defined extensibility options and extensions via SCP
Business continuity and security	Customer selection	Customer selection	SAP selection	Public cloud infrastructure
IT Infrastructure	Private Landscape	Privat Landscape	Shared Landscape	Lowest TCO and fastest time to value
	S/4HANA Managed Infrastructure	S/4HANA Single Tenant	S/4HANA Multi Tenant	

New Implementation and Conversion Demystified



What is a **new implementation (greenfield)** project?

Usually in parallel *with significant process redesign* on SAP best practices or model company

New SAP system to realize new business models and re-imagined processes based on latest innovations

- Create new operating models (optimize value or cost)
- Tailor IT landscape to such operating model
- Control risk of significant transformation
- Value grows over time with data



”The biggest reason for greenfield is because with S/4HANA we have the opportunity to redefine our business processes.”

In the early S/4HANA history, **most preferred** way to implement it

Adopt **SAP Best Practices**

While conversion works for only existing SAP (ECC) customers, greenfield works **both for existing ECC customers** and organizations moving to S/4HANA **from a non-SAP solution**

*Sanjeev Jatain, Director, Enterprise Architecture
Smithfield Foods*

What is a **conversion (brownfield)** project?

Can be, but doesn't have to be, used in parallel with **focused** best practice/process redesign

In-place complete technical conversion of an existing SAP Business Suite ERP system to SAP S/4HANA [Conversion Guide Link](#)

- On average, fastest path to S/4HANA
- Low to moderate business process changes
- Test cycle-based methodology
- Organizational requirements for historical data (e.g., regulated industries, audit, ...)



"Be transparent with the business: we are going through a change. Things will happen...have a back up plan." [Link](#)

70% of New Implementation duration

59 simplifications for average 1709 customer

2/3 effort is estimated to testing-related

Cost effective historical data archive

Kim Perry, CFO and CIO, Alacer Gold

Selected customer project deployment decisions...

4

months



Conversion to S/4HANA

Canadian gold mining company with operations in Turkey.

\$209M in revenue

Leading low-cost gold producer.

5

months



New Implementation S/4HANA MTE

Privately owned with 150 years experience taking sugarcane from Farm to the Table

5,000 employees worldwide.

Growth via M&A. S/4HANA MTE implemented in Belize.

5

months



Conversion to S/4HANA Central Finance

Multinational manufacturer and distributor of electricity and gas.

\$87B in revenue, 70,000 employees in 34 countries.

Growth via emission free renewable electricity generation.

6

months

Large Specialty Materials Company

New Implementation S/4HANA MTE

Global manufacturer with over 70 manufacturing facilities.

\$10.5B in revenue, 45,000 employees.

Growth via technology innovation and customer partnership.

8

months



Conversion to S/4HANA

State-owned electric utility supplying 95% of South Africa's electricity serving 5.2 million customers.

\$11.4B in revenue, 48,000 employees in 653 South African locations.

Performed 100,380 household electrification (2017)

10

months

Large Aerospace & Defense Company

New Implementation Central Finance

Global aerospace and defense company.

\$51B in revenue, 100,000 employees in 53 countries.

Growth via technology innovation and international expansion.

10

months



Conversion to S/4HANA with IaaS

Global manufacturer of agricultural equipment and services.

\$29.7B in revenue, 60,000 employees in 30 countries.

Growth via technology innovation and M&A.

12

months

New implementation S/4HANA

Global manufacturer of window coverings and architectural ceiling products.

\$3.2B in revenue, 22,750 employees in 100 countries.

Growth via technology innovation and M&A.

12

months



New implementation Central Finance

Global manufacturer of tire and rubber related chemicals.

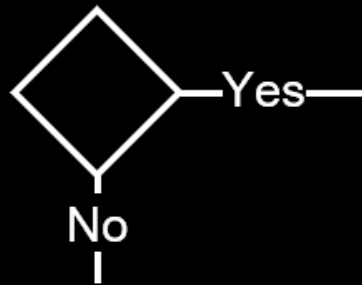
\$15.3B in revenue, 64,000 employees in 22 countries.

Growth via technology innovation.

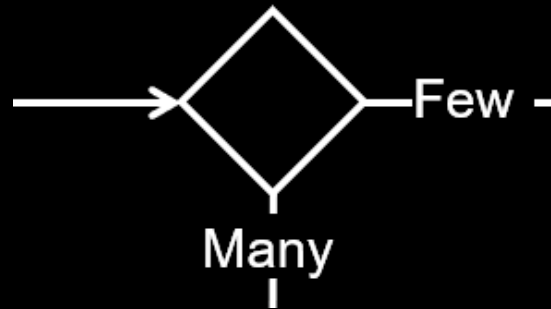
Key questions and their observed influence on S/4HANA migration...

Common theme: degree of process transformation

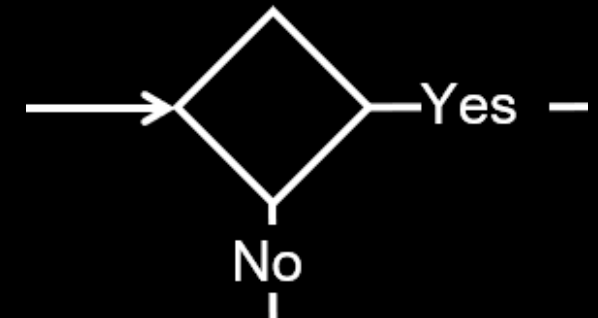
Current processes
enable long-term
strategy?



Re-imagined
processes?



1-step
migration?



Starting point ...

- Can the company's strategic goals be realized with the current processes?
- If no, then a **new implementation** is the likely direction

Degree of process fit to strategic goals...

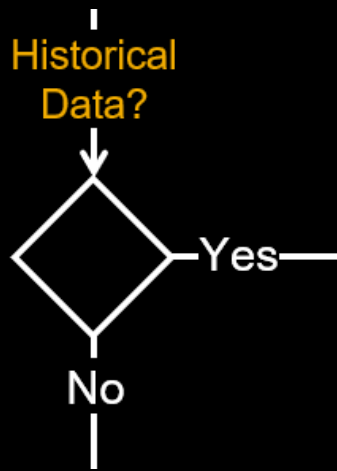
- How many end-to-end processes should be re-imagined?
- Can re-imagined processes drive significant new value?

Number of re-imagined processes?

- If few, are the technical prerequisites for a **1-step conversion** project met?
- Will lower costs improve the investment case?

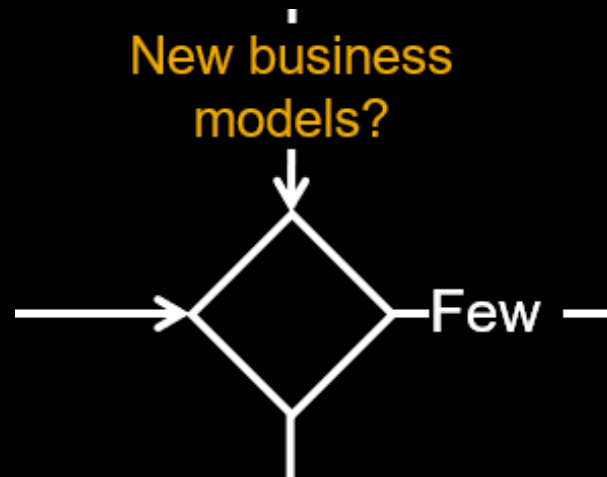
Key questions and their observed influence on S/4HANA migration...

Common theme: data, business model, readiness for change



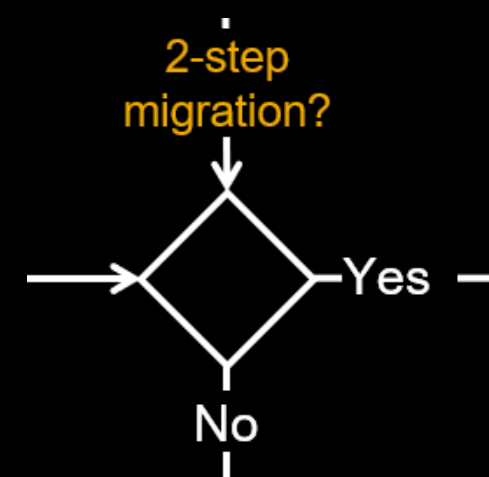
Regulatory or audit requirements for historical data

- If no, then a **new implementation** is the likely direction



New business models with re-imagined processes

- If yes, historical data requirements met within New Implementation with scope inclusion of SAP SLT solution






Few re-imagined processes or business models

- Unicode, OS, DB, HW, or ERP version technical pre-requisites not met
- Investment case favors **2-step conversion** project





Top 10 factors that influence a customer's S/4HANA decision...

Influencing Factors	Conversion	New Implementation
Executive Sponsor	CIO	CEO or Board
Business transformation scope	Line of business	Enterprise
Business value	Incremental to strategic	New business models and processes
Duration (months)	4-12 with 8 month average	6-14 with 11 month average
Staffing	Testing emphasis	Design emphasis
Risks	Big Bang	Project management
Skills	Technical	Re-imagine business processes
Historical data requirement	Address natively	Additional effort
Downtime requirements	Duration proportional to data volume	Significantly shorter downtime
No. of in-scope systems	Single ECC with inter-operability	Multiple ERP and associated systems



Top 10 factors that influence a customer's S/4HANA decision...

Influencing Factors	Conversion	New Implementation
Business transformation scope	Line of business	Enterprise
The number of end-to-end processes in scope	 JOHN DEERE	 
Benefits realized from changes within LOB versus benefits realized from cross LOB changes	<p>Complex landscape with multiple ERP systems</p> <p>Conversion project strategy for the master data system</p> <p>The conversion project is related to a LOB with few additional project stakeholders</p>	<p>Implemented S/4HANA multi-tenant (public cloud) cloud for their Belize production facility</p> <p>The scope spanned multiple end-to-end processes and included the entire country operation</p> <p>The new implementation was part of an overall enterprise strategy</p>

Top 10 factors that influence a customer's S/4HANA decision...

Influencing Factors	Conversion	New Implementation
Skills	Technical and Testing	Re-imagine business processes
<p>The degree of skill and its emphasis varies based on S/4HANA edition</p> <p>Cloud deployments prioritize change management and testing skills with senior leadership to drive adoption</p> <p>On-premise and IaaS-based deployments require greater depth and breadth of technical and business skills</p>	<div>   </div> <p>Early test cycles required mainly technical resources to perform the activities and document the approach</p> <p>Functional resources provided requirements and design where processes and customer code were simplified</p> <p>The most important LOB skills were testing, conversion validation, and organizational change management</p>	<p>Re-imagine business processes requires greater skill and management seniority than testing</p> <p>Multiple design decisions across end-to-end processes and reporting design...</p> <div>   </div>

Top 10 factors that influence a customer's S/4HANA decision...

Influencing Factors	Conversion	New Implementation
Historical data requirement	Addressed natively	Additional effort
<p>Many industries have regulatory or legal requirements to maintain historical data for defined periods</p> <p>There are multiple solutions to meet these requirements</p> <ul style="list-style-type: none"> On-line storage Archive-based storage Separate solutions for lifecycle management 	<p> Eskom ECC Oracle database was 7 TB with more than 1 Billion financial documents</p> <p>The conversion downtime and HW memory sizing is proportional to the size of the database</p> <p>The creation of new ACDOCA and AA records required 12+ hours</p> <p>All existing ECC records converted and the <u>historical data retained</u></p>	<p> Wave 1 (completed)</p> <p>S/4HANA Central Finance live in 12 mos connecting 7 SAP Source systems with:</p> <ul style="list-style-type: none"> 8 Chart of Accounts (CoA) → 1 Corporate CoA 31 Controlling Areas → 1 Global Controlling Areas 586 Company Codes, 46,200 cost centers and 4537 profit centers harmonized and transformed 11 million line items postings on a monthly base – with historical data 4 billion line items <p>No changes to regional systems</p>

“How long does it take?”

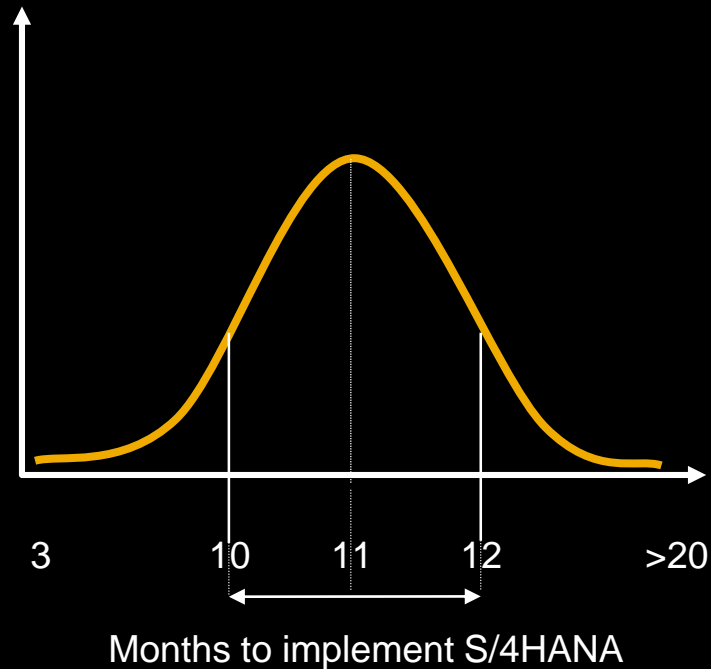


How long does S/4HANA migration take?

Live customers analysis

Vast majority of S/4HANA customers went live in 10-12 months

Q1 '18 Analysis customers = 1145



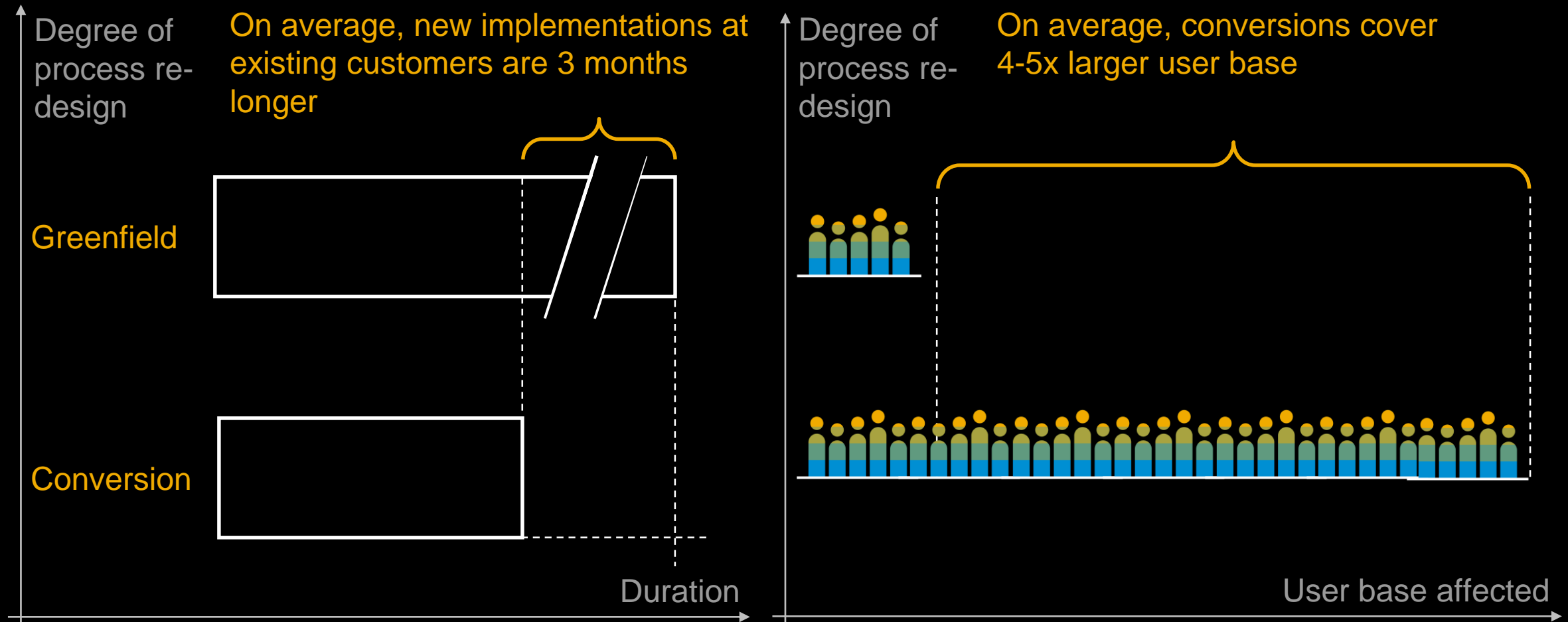
Duration of projects is largely determined by customer complexity (degree of change) and implementing partner preferences / tools / methodologies

	As short as	As long as	Average
Typical S/4HANA system conversion	4 months	12 months	8 months
Typical S/4HANA (full suite) new implementation	6 months	14 months	11 months
Complex S/4HANA (full suite) implementations at the largest customers	10 months	36 months	18 months

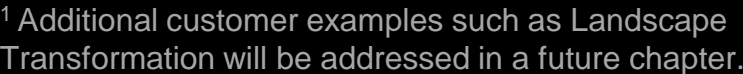
How long does S/4HANA migration take?

New implementation vs. conversion analysis

Q3 '18 customer analysis = 3240

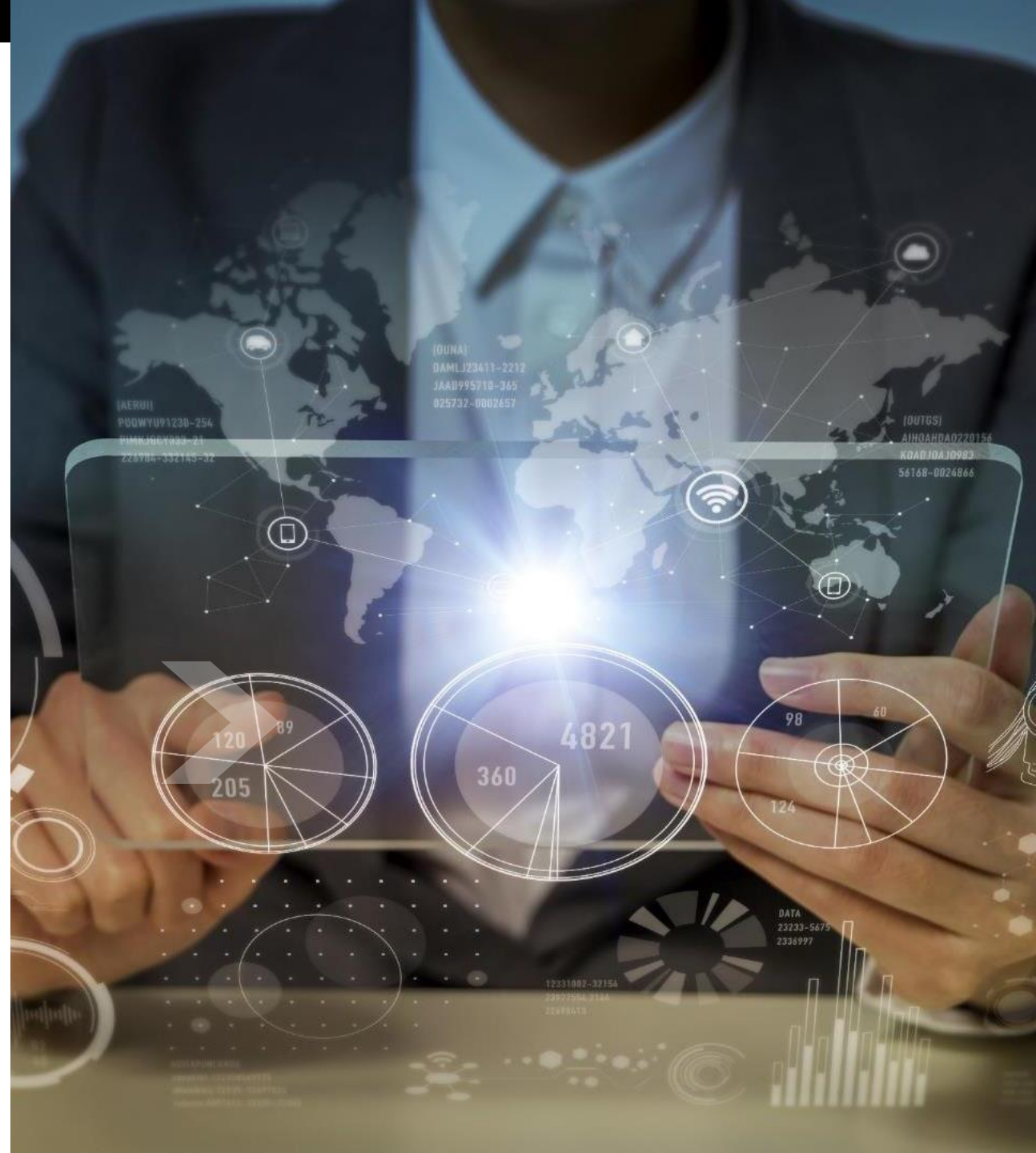


Age Group	Percentage
18-24	100%
25-34	90%
35-44	80%
45-54	70%
55-64	60%
65-74	50%
75-84	40%
85+	30%



Agenda

- ▶ Why Now?
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- ▶ How to Implement?
- ▶ Top 10 Reasons -
Why SAP S/4HANA



Top 10 Differentiators for SAP S/4HANA Cloud

- 1 The world's first hands-free, mobile, ERP
- 2 Artificial Intelligence powers Intelligent ERP
- 3 Next-generation best practice business processes
- 4 Leading In-Memory Data Management with SAP HANA
- 5 Extensibility powered by the SAP Cloud Platform
- 6 Predictive analytics across both planning and execution
- 7 Unmatched industry capabilities
- 8 Broadest globalization strategy
- 9 Supports Hybrid model – Right deployment option for business segment or process
- 10 Rapid and successful deployments with SAP Activate



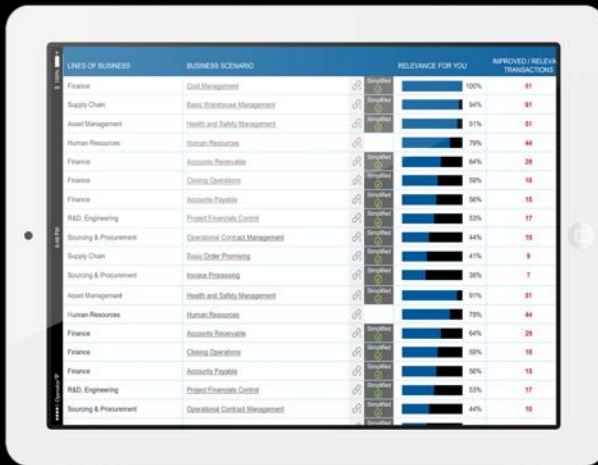
All within a vibrant, innovation-focused ecosystem

Join the **SAP S/4HANA Movement**

Make the case

Three free tools, personalized guidance for IT and the line-of-business

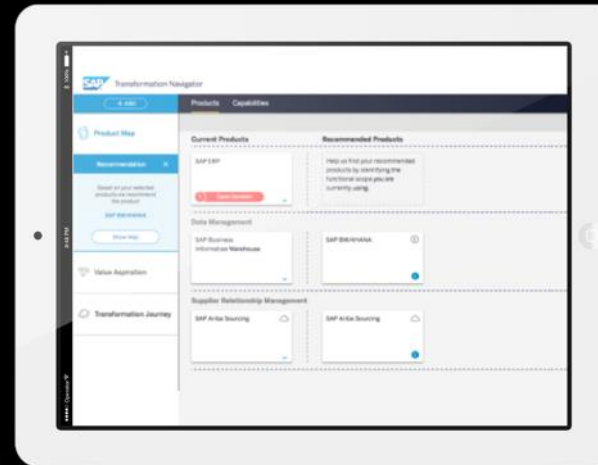
S/4HANA Business Scenario Recommendations



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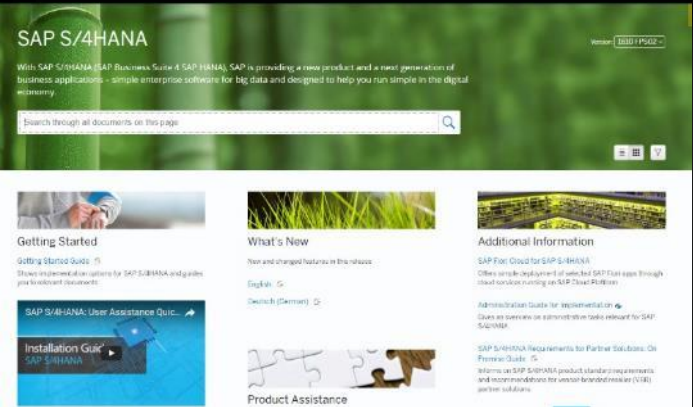


Learn the **technical requirements and actions** for a system conversion to S/4HANA.

Based on configuration and usage data for customers already on SAP ECC 6.x.

Further information ...

Discover SAP S/4HANA Help Portal



Discover S/4HANA



SAP S/4HANA Trial



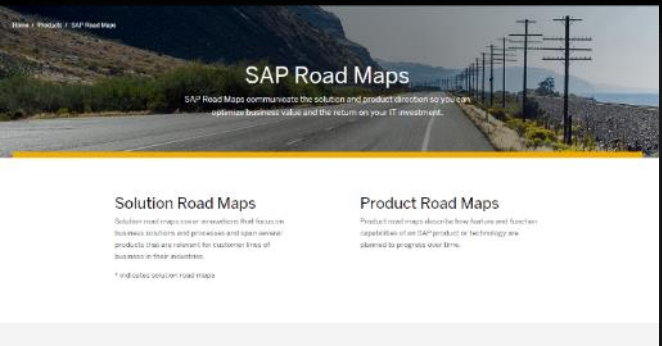
Discover SAP HANA Cloud Platform



Digital Journey with SAP S/4HANA



SAP S/4HANA Roadmap



Searching for SAP notes

always helpful to know how to search for SAP notes: <https://go.support.sap.com/xsearch/>

SAP xSearch

My Solution Basket 63

Search in: SAP Notes

SAP Notes	530
SAP Knowledge Base Articles	304
Customer Incidents & Info Docs	685
Internal Incidents	1020
SAP Community	106
SAP Support Portal	7
SAP Help Portal	*
Guided Answer	28
ByD/C4C Incidents	0

Filter By

Component

<input type="checkbox"/> XX-SER-REL (Business Suite Re...	31
<input type="checkbox"/> CA-LT* (Landscape Transformati...	18

530 documents found

Search Pattern: Sort By:

Results filtered by status. [Click here to remove all filters.](#)

<input type="checkbox"/>	SAP Component	Number	Title	Status	Changed On	Responsible
<input type="checkbox"/>	XX-SER-REL	2659710	SAP S/4HANA 1809: Restriction Note	Released for Customer	04.10.2018	Deepa Sampath
<input type="checkbox"/>	XX-SER-REL	2625407	SAP S/4HANA 1809: Release Information Note	Released for Customer	04.10.2018	Stephanie Port
<input type="checkbox"/>	XX-SER-REL	2667191	SAP FIORI FOR SAP S/4HANA 1809: Release Information Note	Released for Customer	21.09.2018	Stephanie Port
<input type="checkbox"/>	XX-SER-REL	2669982	SAP S/4HANA 1809 - application specific notes in system conversion / upgrade preparation phase	Released for Customer	25.09.2018	Roland Hamm
<input type="checkbox"/>	XX-SER-REL	2657067	SAP S/4HANA 1809: Process Integration with SAP on-premise Solutions	Released for Customer	20.09.2018	Sebastian Steininger-Pulkowski
<input type="checkbox"/>	XX-SER-REL	2669901	SAP S/4HANA 1809 - application specific notes in system conversion / upgrade follow-on phase	Released for Customer	25.09.2018	Roland Hamm
<input type="checkbox"/>	XX-SER-REL	2659828	SAP S/4HANA 1809 Feature Package Stack 00: Additional Release Information	Released for Customer	08.10.2018	Stephanie Port
<input type="checkbox"/>	XX-SER-REL	2696359	SAP S/4HANA 1809: Release Information Note for Finance	Released for Customer	21.09.2018	Markus Bachmann
<input type="checkbox"/>	XX-SER-REL	2667104	SAP S/4HANA 1809, Defense & Security: Restriction Note	Released for Customer	21.09.2018	Reinhard Starke
<input type="checkbox"/>	BC-DWB-CEX	2659194	Check variant for SAP S/4HANA 1809 custom code checks	Released for Customer	30.09.2018	Michael Schneider
<input type="checkbox"/>	XX-SER-REL	2696716	SAP S/4HANA 1809: Performance Restrictions	Released for Customer	21.09.2018	Manjari Sharma

HOW CAN I LEARN MORE?

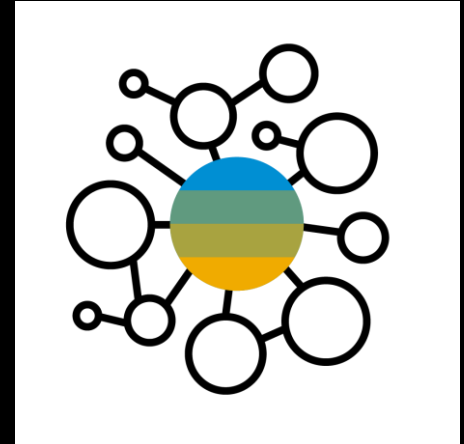
WWW.SAP.COM/JOINTHEMOVEMENT

Thank you!

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Questions?



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