



# Kick Off Your Move to SAP S/4HANA with **Next-Generation SAP Business Scenario Recommendations**

Christian Oehler  
Customer Value Experience, SAP Digital Business Services  
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# Agenda

## Introduction and Overview

- Customer Challenges
- Solution
- How to Read the Report

Example: Next-generation SAP Business Scenario Recommendations

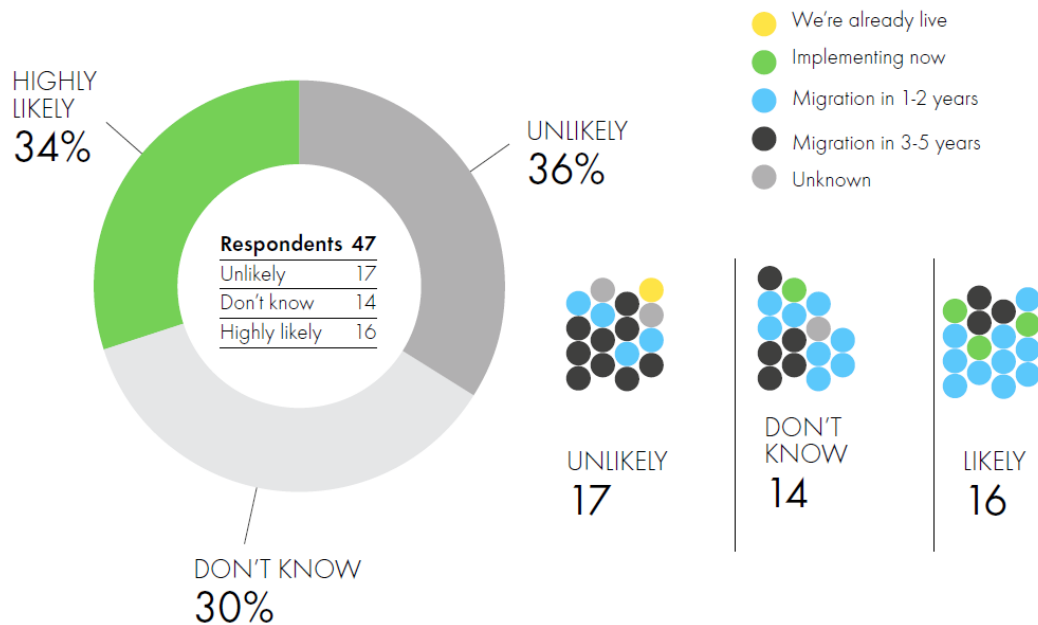
How to Request Your Own Report

Summary



# The Challenge: Business buy-in is mandatory for successfully moving to SAP S/4HANA, but most projects lack executive commitment to change.

What's the likelihood your CEO or CFO would sign off an S/4 business case now?



“It is all too true that securing executive sign-off is one of the biggest challenges facing potential future S/4 projects. [...]

Clever companies build a business case based on strategic enablement [...].

To do this, you need to know what new functionality and benefits S/4 offers for each area of your business.

**Dr Derek Prior**  
Former Gartner Research Director,  
Non-Executive Director Resulting IT

Source: “Don’t migrate to S/4HANA unless you have read this research”, Resulting IT and Dr Derek Prior, 2018

# Discover business improvements enabled by SAP innovations: SAP Business Scenario Recommendations for SAP S/4HANA

## Why SAP S/4HANA?

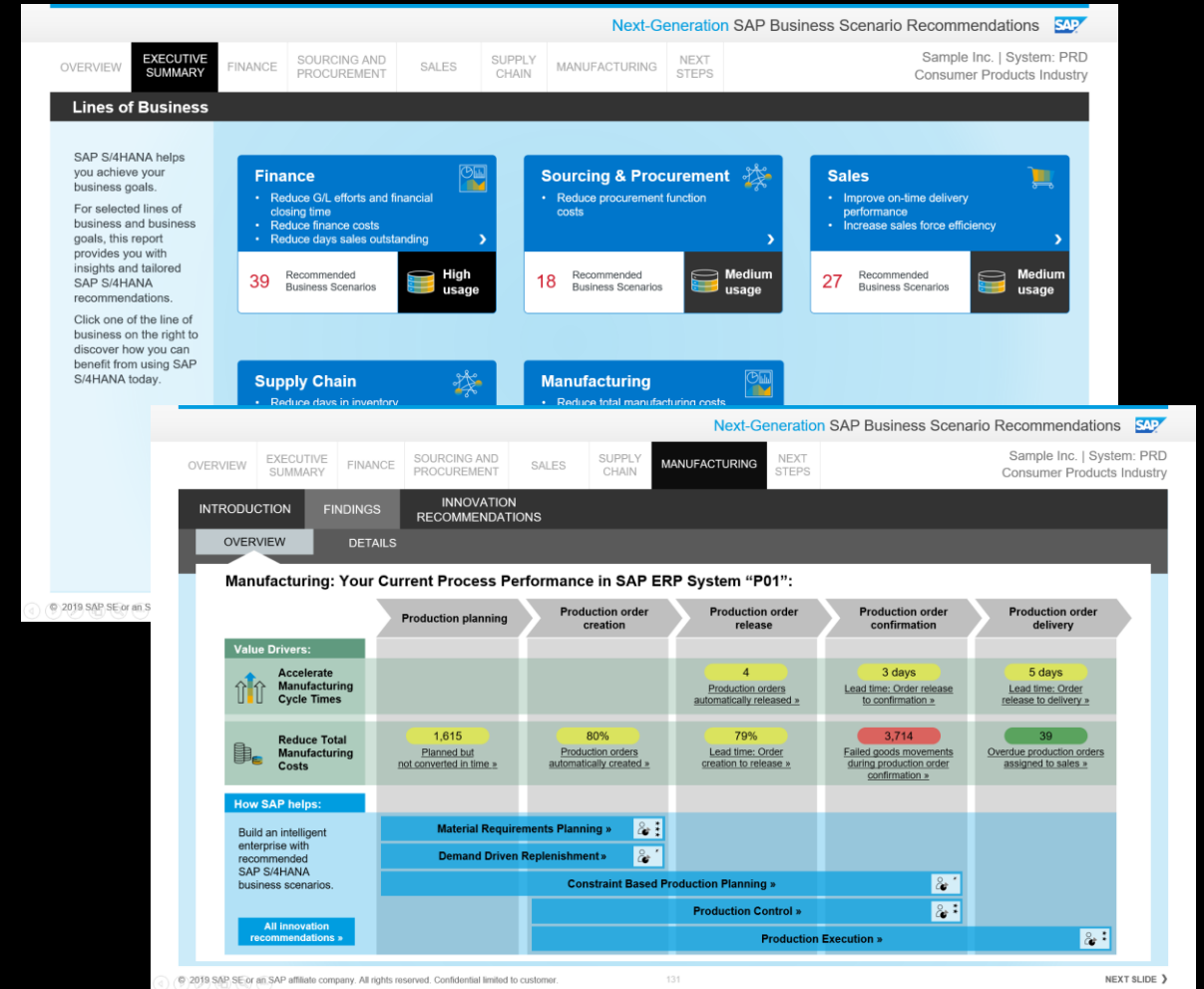
- **Why move** from SAP ERP to SAP S/4HANA?
- What are the **benefits for your lines of business**?

## How to secure business buy-in?

- **Tailored business performance insights**
- **Most valuable SAP S/4HANA business scenarios** for your key business processes

## What are the benefits?

- Know where **to start your journey**
- Get **tailored recommendations by line of business**
- Take advantage of the offer **free of charge** (for customers with a maintenance contract with SAP)



# Storyline example for the **head of manufacturing**

“Understand how to achieve your business goals with SAP innovations.”

## Business goal

“What does my CEO want me to achieve?”



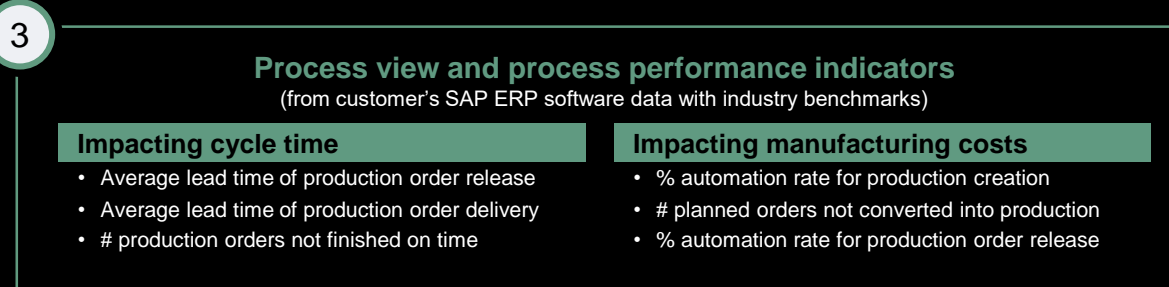
## Value drivers

“What should we improve?”



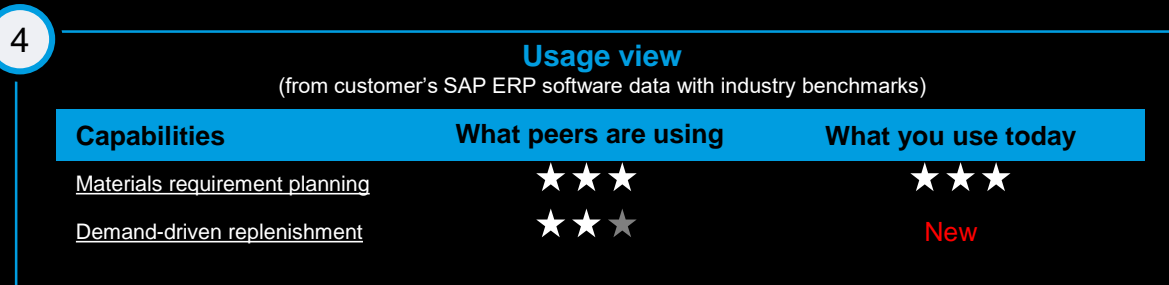
## Deep dive into performance

“Where are issues in today's processes?”



## Deep dive into usage

“How are we working today?”



5

**How SAP helps**  
(SAP S/4HANA, SAP Leonardo technologies) and what's different?



### Constraint-based production planning

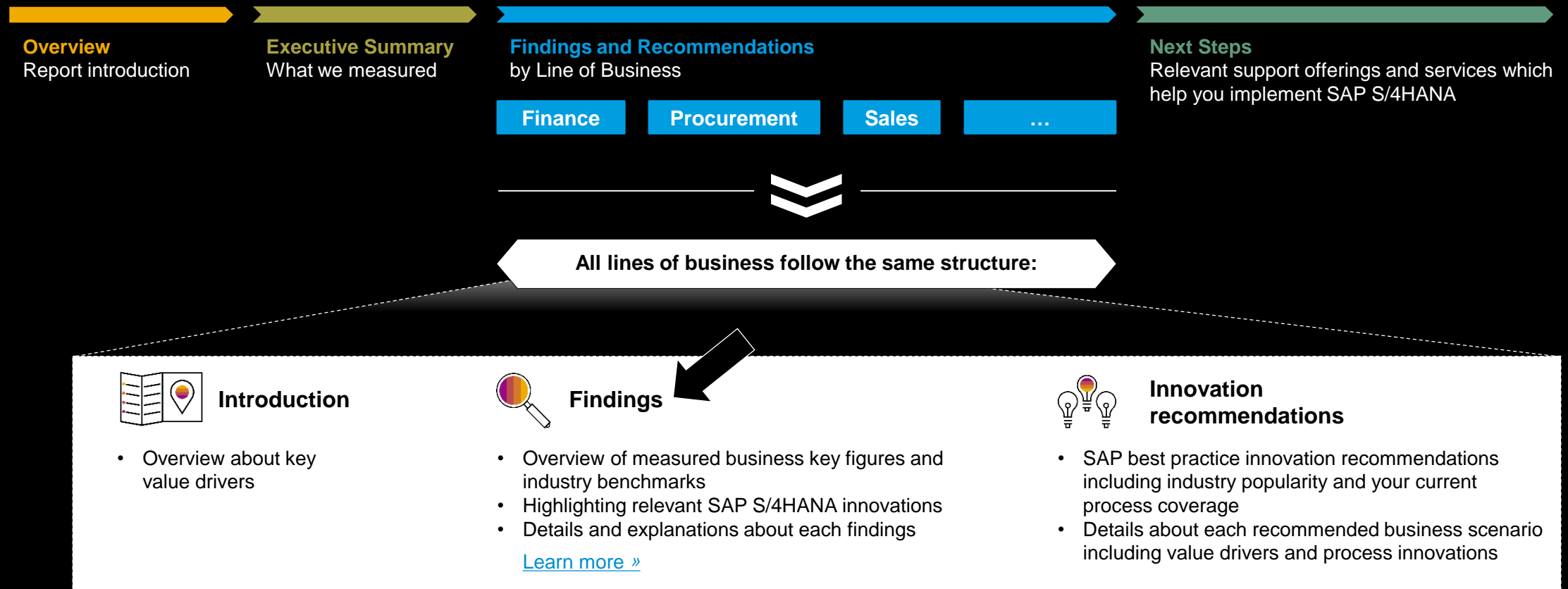
Transitioning from infinite to finite planning and instantly identifying production bottlenecks »



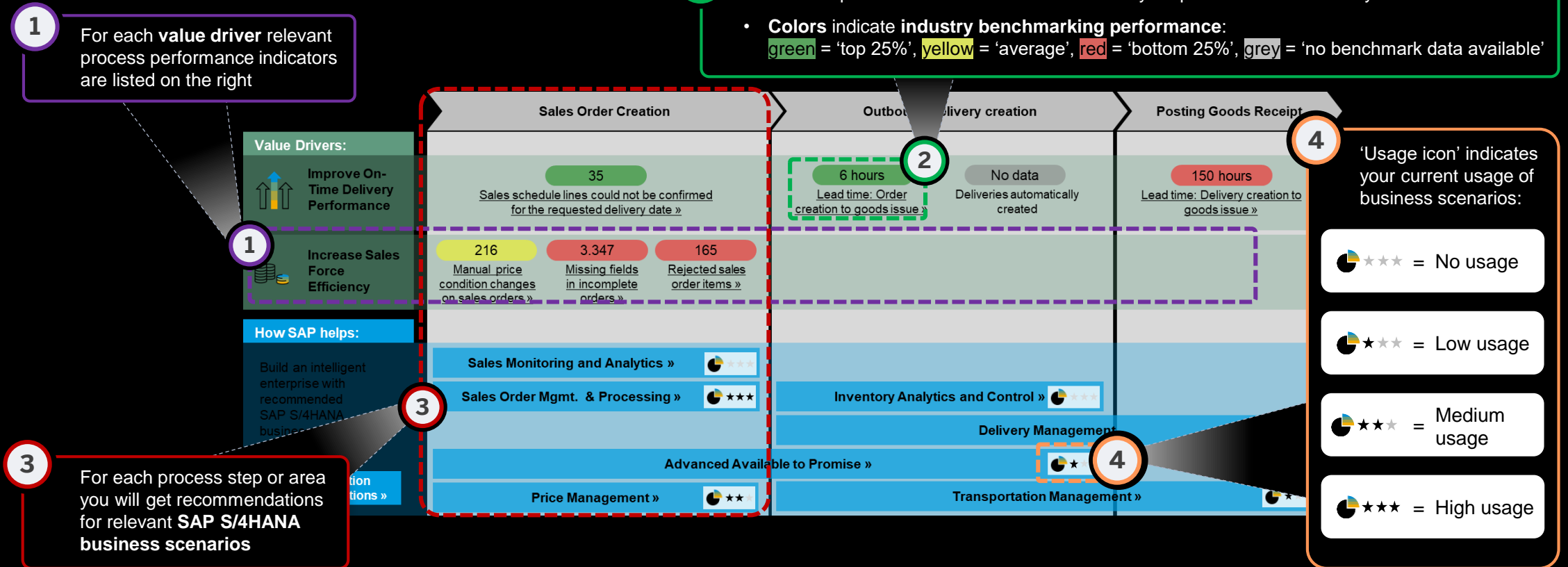
### Production execution

Automating production processes and eliminating time-consuming, paper-based tracking systems »

# Structure of the Next-Generation SAP Business Scenario Recommendations



# How to Read the Findings Summary



# EXAMPLE

Next-Generation **SAP Business Scenario Recommendations for SAP S/4HANA**



**Pilot Version**



**Next-Generation**

# SAP Business Scenario Recommendations for SAP S/4HANA

**Customer Name:** Sample Inc.

**Customer Number:** 12345

**Date of analysis:** 26 Jul, 2019

**Country:** Germany

**Industry:** Consumer Products Industry

**System ID:** PRD

**Current Release:** SAP ERP - EHP4

**Database:** Oracle

**SAP Digital Business Services**

**Interactive Sample Report – View in “Full Screen Mode”**

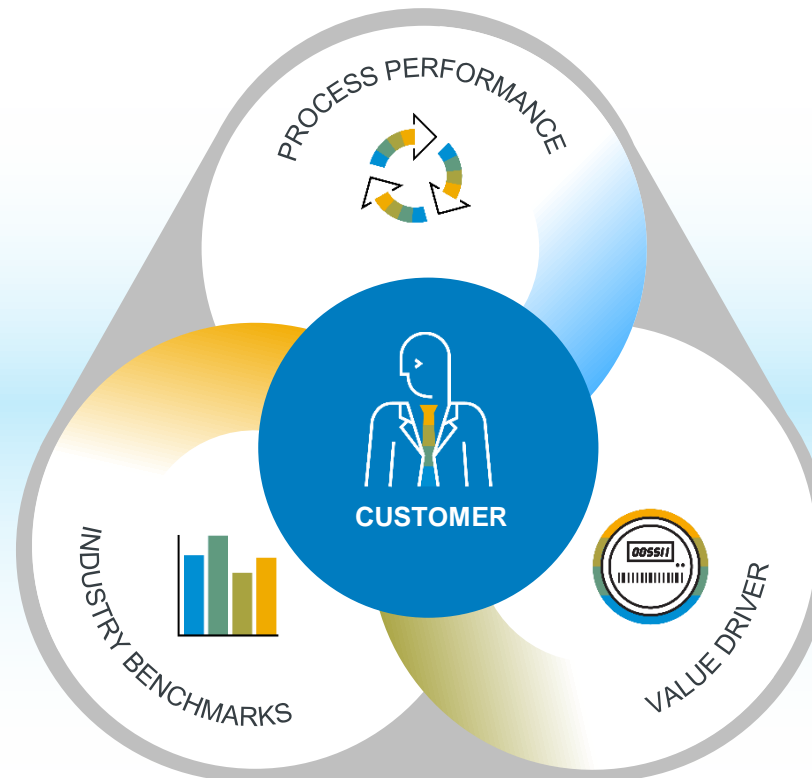


**GET STARTED >**

## What's in it for you:

This report will help you to receive:

- Insights on your current SAP ERP system and industry trends
- Relevant SAP S/4HANA innovations by line of business
- Tailored guidance and recommendations to realize the value from SAP S/4HANA



What we know about Sample Inc.:

- We analyzed business process performance and usage data provided from your SAP ERP system PRD
- 5 lines of business use PRD, including Finance, Sales, Sourcing and Procurement, Supply Chain & Manufacturing

**Business Opportunities with SAP S/4HANA**

## Trends in Consumer Products Industry:



### Key Challenges within your industry

#### Empowered consumers

- Consumers are informed, empowered and always on
- They can shop and buy from anywhere and make choices about where and how they would like to take

#### Expanding ecosystems

- Deliver the supply chain transparency that today's shoppers demand
- Reach consumers across channels directly in moments of need

#### Extraordinary innovators

New "born digital" companies are:

- Building innovative business models
- Redefining customers expectations and gaining market shares



### Key Trends within your industry

#### Enabling new business models

Find new ways to earn revenue and maximize profits, such as:

- Monetizing content or data
- Pursuing innovative partnerships

#### Delivering personalized outcomes

- Build enduring customer and consumer relationships
- By delivering on a set of outcomes, often service driven, that go well beyond traditional product focus

#### Competing as an ecosystem

- Expand the boundaries of consumer products
- By teaming with non-traditional ecosystem partners
- To deliver higher value at no or low incremental cost



### Key Value Drivers within your industry

#### Reimagine order to delivery

- Improve customer service
- Reduce inventory carrying costs
- Reduce logistics costs

#### Reimagine personalized products

- Increase revenue from new products
- Increase revenue growth
- Reduce R&D expense

#### Reimagine operational procurement

- Reduce procurement function costs
- Improve compliance on supplier and price policies, taxation, and regulations
- Improve cash flow with faster payments

## Accelerators for your value and innovation discussion in the **Consumer Products Industry**:

1



### Understand the **Industry Strategy**

- Get a business overview on what moves your industry
- Understand SAP's approach and products to drive industry innovation

[Read the industry whitepaper »](#)

2



### Leverage **Intelligent Technologies**

- Point of view of SAP towards technological impacts
- Understand how these intelligent technologies improve everyday business

[See SAP's point of view »](#)

3



### See target architecture with **SAP Industry Digital Transformation**

- Explore a full proposed architecture in the industry poster
- Choose from this full set and focus on processes and options relevant for you

[Get the poster »](#)

4



### Plan with **SAP capabilities**

- Understand industry related abilities and offerings with SAP value maps
- Plan your innovation program mid-term with SAP road maps

[SAP capabilities overview »](#)
[Get the SAP road map »](#)

5



### Implement smoothly with **SAP Model Companies**

- SAP Model Company contain ready-to-use, preconfigured processes to accelerate your deployment.
- Choose the SAP Model Company for your industry and lines of business

[SAP Model Company  
for your industry »](#)
[SAP Model Company Overview »](#)

## Lines of Business

SAP S/4HANA helps you achieve your business goals.

For selected lines of business and business goals, this report provides you with insights and tailored SAP S/4HANA recommendations.

Click one of the line of business on the right to discover how you can benefit from using SAP S/4HANA today.

**Sample  
Report**

### Finance



- Reduce G/L efforts and financial closing time
- Reduce finance costs
- Reduce days sales outstanding


**11**

Customer-specific  
Recommendations



**High**  
usage

### Sourcing & Procurement



- Reduce procurement function costs


**5**

Customer-specific  
Recommendations



**Low**  
usage

### Sales



- Improve on-time delivery performance
- Increase sales force efficiency


**11**

Customer-specific  
Recommendations



**High**  
usage

### Supply Chain



- Reduce days in inventory


**5**

Customer-specific  
Recommendations



**Low**  
usage

### Manufacturing



- Reduce total manufacturing costs
- Accelerate manufacturing cycle time


**6**

Customer-specific  
Recommendations



**Medium**  
usage

**Sample Report**

## OPTIMIZE FINANCE:



### Reduce G/L Efforts And Financial Closing Time

- Reduction of G/L efforts is related to simplification of processes within G/L and increased automation
- Reduce financial closing time is about the reduction of Days to Close Annual books and complete the annual hard close on entity and corporate level, and including the time for regulatory disclosures such as a 10-K report in the United States or similar financial statements in other countries



### Reduce Finance Costs

- Finance Costs includes all finance function related costs such as cost of finance staff (headcount costs), external spend, technology spend and all other finance function related spend

[Go to Findings »](#)



### Reduce Days Sales Outstanding

- Days Sales Outstanding is a measure of the average number of days that a company takes to collect revenue after a sale has been made
- A low DSO number means that it takes a company fewer days to collect its accounts receivable
- A high DSO number shows that a company is selling its product to customers on credit and taking longer to collect money
- DSO Calculation:  $[\text{Accounts Receivables} / \text{Total Credit Sales}] \times \text{Number of Days}$

[Go to Findings »](#)

INTRODUCTION	FINDINGS	INNOVATION RECOMMENDATIONS
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## REDUCE FINANCE COSTS &amp; CLOSING TIME

## REDUCE DAYS SALES OUTSTANDING

## DETAILS

Sample Report

## Finance: Your Current Process Performance in SAP ERP System "PRD"

	Accounts Receivables	Accounts Payables	General Ledger Accounting	Product Cost Controlling
<b>Value Drivers:</b>				
 <b>Reduce G/L Efforts And Financial Closing Time</b>	59.763 <u>Overdue &amp; open finance AR items »</u>	18.742 <u>Overdue &amp; open finance AP items »</u>	943.842 <u>Open items on finance general ledger accounts »</u>	3.714 <u>Failed component consumptions during prod. order confirmation »</u>
 <b>Reduce Finance Costs</b>	71% <u>Customer payments autom. cleared »</u>	88% <u>Vendor payments autom. cleared »</u>	61.360 <u>Open items on goods receipt/invoice receipt clearing accounts »</u>	6.763 <u>Errors during production order settlement »</u>
<b>How SAP helps:</b>				
Build an intelligent enterprise with recommended SAP S/4HANA business scenarios.  All innovation recommendations »	Cash Management » 			
	Payments and Bank Communications » 			
	Financial Shared Services Management » 			
	Financial Accounting » 			Product Costing » 
	Entity Close »			

OVERVIEW	EXECUTIVE SUMMARY	FINANCE	SOURCING AND PROCUREMENT	SALES	SUPPLY CHAIN	MANUFACTURING	NEXT STEPS	
INTRODUCTION	FINDINGS	INNOVATION RECOMMENDATIONS						
REDUCE FINANCE COSTS & CLOSING TIME			REDUCE DAYS SALES OUTSTANDING			DETAILS		

**Sample Report**

## Finance: Your Current Process Performance in SAP ERP System “PRD”

	Sales Order Creation	Outbound Delivery Creation	Posting Goods Issue	Invoice Creation	Incoming Payment
<div>Value Driver:</div> <div><div><div></div><div></div><div></div><div></div><div></div></div><div>Reduce Days Sales Outstanding</div></div>	<div>46</div> <div>Sales order items overdue for invoicing »</div>		<div>2.638</div> <div>Delivery items shipped and not billed »</div>	<div>41 days</div> <div>Lead time: Invoice creation to clearing »</div> <div>59.763</div> <div>Overdue &amp; open finance AR items »</div>	<div>71%</div> <div>Customer payments autom. cleared »</div> <div>3.467</div> <div>Bank statements not compl. posted »</div>
<div>How SAP helps:</div> <div>Build an intelligent enterprise with recommended SAP S/4HANA business scenarios.</div> <div>All innovation recommendations »</div>	Sales Billing »			<div><div></div><div>★★★</div></div>	<div>Payments and Bank Communications »</div> <div><div></div><div>★★★★</div></div>
				Accounts Receivables »	<div><div></div><div>★★★</div></div>
	Sales Order Management and Processing »				<div><div></div><div>★★★★</div></div>
	Delivery Management »		<div><div></div><div>★★★</div></div>	Collections Management »	

Overdue & open finance AR items

**Findings and Benchmark**  
What we measured

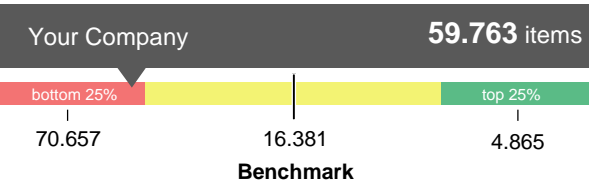
59.763 items

Overdue & open finance AR items

Absolute number of open FI-AR items, which are not cleared yet and the net due date is already in the past.

[Learn more »](#)

Consumer Products Industry Benchmark:



**Details**  
What we measured

Aging distribution:

0-3 months old	3-6 months old	6-12 months old	1-3 years old	3+ years old
8.964	7.769	15.538	14.941	12.550
15%	13%	26%	25%	21%

Top 5 Company Codes:

Company Code	Items	Percentage
Germany Subsidiary (011)	9.512	16%
France Subsidiary (032)	8.691	15%
Italy Subsidiary (021)	8.312	14%
Sweden Subsidiary (030)	5.999	11%
Portugal Subsidiary (036)	693	2%

**Implication**  
Understand the problem

Possible Root Causes:

- Delayed incoming payments
- Incoming payments could not be matched against open items in finance AR
- No dunning procedures in place

Possible Business Impact:

- Working capital: Delayed incoming cash
- Inaccurate cash & liquidity planning data
- Unnecessary high manual workload
- Higher finance process operations costs

## Customer payments automatically cleared

### Findings and Benchmark

What we measured

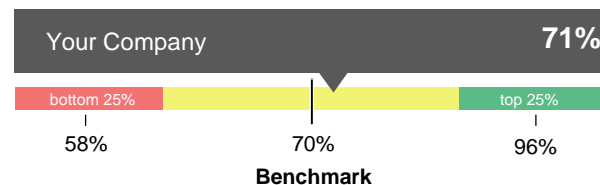
71%

Customer payments automatically cleared

Share of FI-AR customer items cleared last week by system/communication users or processed via batch input or via F110.

[Learn more »](#)

### Consumer Products Industry Benchmark:



### Implication

Understand the problem

#### Possible Root Causes:

- Missing or inaccurate master data
- Missing or inaccurate invoice matching
- Missing or wrong configuration of automation capabilities
- Automation capabilities are not or not correctly enabled in all organizational units

#### Possible Business Impact:























- Unnecessary high manual workload
- Higher finance process operations costs

[Back to Overview](#)  
[,Reduce Finance Cost' »](#)

[Back to Overview](#)  
[,Reduce DSO' »](#)





























Recommended SAP S/4HANA Business Scenarios – Based on Your Current SAP Usage

The table below shows SAP S/4HANA business scenarios that are enhancing process areas which you are already running on SAP.

SAP S/4HANA BUSINESS SCENARIO	YOUR CURRENT USAGE INTENSITY	BASED ON USAGE OF TRANSACTIONS	INDUSTRY POPULARITY	DETAILS	SAP FIORI APPS
<a href="#">Financial Accounting</a>	★★★	117	★★★		
<a href="#">Sales Order Management and Processing</a>	★★★	29	★★★		
<a href="#">Accounts Payable</a>	★★★	12	★★★		
<a href="#">Sales Billing</a>	★★★	11	★★★		
<a href="#">Cash and Liquidity Management</a>	★★★	11	★☆☆		
<a href="#">Profitability Analysis</a>	★★★	18	★★★		
<a href="#">Accounts Receivable</a>	★★★	15	★★★		
<a href="#">Delivery Management</a>	★★★	6	★★★		
<a href="#">Financial Reporting</a>	★★★	3	★★★		
<a href="#">Overhead Cost Management</a>	★★★	2	★★★		
<a href="#">Entity Close</a>	★★★	1	★★★		

Additional SAP S/4HANA Business Scenarios\*

The table below shows additional SAP S/4HANA business scenarios you could benefit from.

SAP S/4HANA BUSINESS SCENARIO	INDUSTRY POPULARITY	DETAILS	SAP FIORI APPS
<a href="#">Product Costing</a>	★★★		
<a href="#">Advanced Compliance Reporting</a>	★★★		
<a href="#">Cash Management</a>	★★★		
<a href="#">Collections Management</a>	★★★		
<a href="#">Commodity Sales</a>	★★★		
<a href="#">Convergent Invoicing</a>	★★★		
<a href="#">Corporate Close</a>	★★★		
<a href="#">Credit and Collection Management</a>	★★★		
<a href="#">Credit Evaluation and Management</a>	★★★		
<a href="#">Debt and Investment Management</a>	★★★		
<a href="#">Dispute Resolution</a>	★★★		
<a href="#">Financial Risk Management</a>	★★★		
<a href="#">Financial Shared Services Management</a>	★★★		
<a href="#">Payments and Bank Communications</a>	★★★		

\* = No SAP standard usage detected in your SAP ERP system. Business scenario runs possibly outside of SAP ERP system or custom developed solution.

OVERVIEW	EXECUTIVE SUMMARY	FINANCE	SOURCING AND PROCUREMENT	SALES	SUPPLY CHAIN	MANUFACTURING	NEXT STEPS	
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CUSTOMER-SPECIFIC RECOMMENDATIONS	ADDITIONAL BUSINESS SCENARIOS	DETAILS 1/25	EXAMPLE	CUSTOMER REFERENCE				

**Sample Report**

## Financial Accounting

### Business Scenario Description

Provide a single source of truth for general ledger and subledger applications and real-time integration to logistics with a full audit trail.  
Enable self-service analytics directly from highly granular operational data.

★ ★ ★  
Your Usage Intensity

★ ★ ★  
Industry Popularity

### Value Drivers

- **Reduce G/L & financial closing costs**  
Support fast, peer-to-peer intercompany reconciliation, single source of truth and automating closing tasks
- **Reduce audit cost**  
Enable standardization and automation within audit management processes
- **Reduce days to close annual books**  
Support fast, peer-to-peer intercompany reconciliation; automating closing tasks; and increasing user efficiency

### Process Innovation

- **Universal ledger**  
SAP S/4HANA provides a single, universal ledger that simplifies all accounting processes.
- **Simplified and streamlined process**  
Massive efficiencies are enabled by removing redundant steps and streamlining integration.
- **Built-in innovations**  
Built-in innovations such as Co-Pilot and Machine Learning apps further increase the release of tremendous value by freeing up scarce human capital to focus on producing real business insight rather than mere data manipulation.

### Further Information

Your Current SAP ERP usage:

**117** Used transactions »

SAP S/4HANA Recommendation Details:



Business Scenario  
Details »



See Related  
SAP Fiori Apps »

[Back to Innovation Overview »](#)

OVERVIEW	EXECUTIVE SUMMARY	FINANCE	SOURCING AND PROCUREMENT	SALES	SUPPLY CHAIN	MANUFACTURING	NEXT STEPS	
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CUSTOMER-SPECIFIC RECOMMENDATIONS	ADDITIONAL BUSINESS SCENARIOS	DETAILS 25/25	EXAMPLE	CUSTOMER REFERENCE				

**Sample Report**

## Payments and Bank Communications

### Business Scenario Description

Increase compliance and lower fees with better payments and bank communications. Increase transparency based on end-to-end monitoring for bank statements and outgoing payment messages.



Industry Popularity

### Value Drivers

- **Reduce Treasury & Cash Management Costs**  
Provide integrated bank account management capabilities that are linked to payment approvals and rule-based workflows
- **Reduce uncollectible accounts receivable write offs**  
Provide cash-flow information in real time, integrating with banks, and monitoring end-to-end status

### Process Innovation

- **SAP Bank Communication Management and SAP Cash Management**  
Combination of capabilities in the SAP Bank Communication Management and SAP Cash Management applications.
- **Bank account management capabilities**  
Enhanced integrated bank account management capabilities in the area of authorized approvers per bank group or account.
- **Simplified corporation-to-bank communications**  
Simplified corporation-to-bank communications using the SAP Multi-Bank Connectivity solution to connect to the SWIFT network or directly to banks.

### Further Information

SAP S/4HANA Recommendation Details:



Business Scenario  
Details »



See Related  
SAP Fiori Apps »

[Back to Innovation Overview »](#)

OVERVIEW	EXECUTIVE SUMMARY	FINANCE	SOURCING AND PROCUREMENT	SALES	SUPPLY CHAIN	MANUFACTURING	NEXT STEPS	
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CUSTOMER-SPECIFIC RECOMMENDATIONS	ADDITIONAL BUSINESS SCENARIOS	DETAILS	EXAMPLE	CUSTOMER REFERENCE				

Sample Report

## Reimagine Record to Report | Reimagine Order to Cash

### Traditional Scenario:

- **Inconsistency** of interactions with customers across business
- **Manual**, time-consuming and effort-intensive processes
- Highly technical custom efforts for **building and maintaining interfaces** to external agencies
- **Manual**, costly, and time consuming billing processes
- Increased rate of accounting and settlement errors
- **Disjointed manual** handling, which drives up DSO and puts customer relationships at risk
- **Inconsistent account prioritization**; labor-intensive and long cycles; high costs of collection; increased bad debt risk
- Significant **manual and error-prone** effort required to process payments and handle exceptions
- Rule-based approaches **decline in effectiveness** over time



### The New World With SAP:

- **Multichannel, role-based** access to accurate, real-time information on products, pricing, customers, and contracts
- **Event-triggered** execution and full automation of creditworthiness assessment
- Seamless integration to external credit agencies to incorporate **external credit rating information**
- Empowered customers with a **payment portal and e-billing**
- **Real time access** to all transactional details
- **High processing speed** for digital businesses
- Standardized processes that **scale** according to business needs
- **Centralized** information repository for root cause analysis of disputes
- Immediate **visibility** of customer account and status across the company
- **Smarter automation and collaboration** for cash collection
- **Next-generation intelligent invoice-matching powered by machine learning**
- Ability to capture much **richer** detail of customer- and country-specific behavior without the costs of manually defining detailed rules.

[Read the whitepaper »](#)

OVERVIEW	EXECUTIVE SUMMARY	FINANCE	SOURCING AND PROCUREMENT	SALES	SUPPLY CHAIN	MANUFACTURING	NEXT STEPS	
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CUSTOMER-SPECIFIC RECOMMENDATIONS	ADDITIONAL BUSINESS SCENARIOS	DETAILS	EXAMPLE	CUSTOMER REFERENCE				

**Sample Report**

### Company

Woowa Brothers Corp

### Headquarters

Seoul, South Korea

### Industry

Professional services – food tech

### Products and Services

Mobile apps

### Employees

343

### Revenue

US\$43.8 million (2015)

### Web Site

www.woowahan.com

### Partner

LG CNS

www.lgcns.com

### Objectives

- Reliable financial data to drive business decisions
- Ease and consistency of business tasks with systems that are user friendly
- More-efficient management through standardized information
- System configuration and standard processes that can scale with a growing business

### Why SAP

- Proven success of SAP® solutions globally, locally, and among industry peers
- SAP S/4HANA® to simplify the IT landscape, increase efficiency, and enable active planning, simulations, and decisions based on real-time data

### Resolution

Worked with SAP partner LG CNS to deploy SAP S/4HANA

### Benefits

- Strengthened claim and obligation management and automated settlement processing
- Accelerated the processing of expense accounting and improved efficiencies in electronic payments
- Provided a user-friendly personnel, time card, and compensation management system, increasing the efficiency of employees and managers
- Increased standardization across IT systems and secured operational stability through better monitoring

“In our business there is no room for error. When using our apps, vendors and customers need to be sure that their orders are processed correctly and payments are fast and accurate. With SAP S/4HANA, we can handle transactions automatically and securely – and we can continue to do so as the business grows.”

Hyunjun Yoon, COO, Woowa Brothers Corp

**6.3 million**

Transactions processed automatically in the first seven months

**7 days**

For account closing – down from 20 days

**0 errors**

In vendor receipts, thanks to automated reimbursements

**Real-time**

Fund balance through the daily-balance closure system

OVERVIEW

EXECUTIVE  
SUMMARY

FINANCE

SOURCING AND  
PROCUREMENT

SALES

SUPPLY  
CHAIN

MANUFACTURING

NEXT  
STEPSSample Inc. | System: PRD  
Consumer Products Industry

INTRODUCTION

FINDINGS

INNOVATION  
RECOMMENDATIONS**Sample  
Report**

## OPTIMIZE MANUFACTURING:



### Accelerate Manufacturing Cycle Time

- Manufacturing Cycle Time is the time of actual production from when a customer order is released to the plant floor for a particular product through to the completion of all manufacturing, assembly, and testing for that specific product (does not include front-end order-entry time or engineering time spent on customized configuration of nonstandard items, or time in finished goods inventory)



### Reduce Total Manufacturing Costs

- Total Manufacturing Cost is the sum of costs of all resources consumed in the process of making a product
- The manufacturing cost is classified into the following categories:
  - Direct materials cost
  - Direct labor cost
  - Manufacturing overhead
  - Manufacturing extraordinary costs
  - Outsourced manufacturing costs








[Go to Findings »](#)

INTRODUCTION FINDINGS **INNOVATION RECOMMENDATIONS**

OVERVIEW DETAILS

**Sample Report**

## Manufacturing: Your Current Process Performance in SAP ERP System "PRD"

	Production planning	Production order creation	Production order release	Production order confirmation	Production order delivery
<b>Value Drivers:</b>					
 <b>Accelerate Manufacturing Cycle Times</b>			<b>79%</b> <u>Production orders automatically released »</u>	<b>3 days</b> <u>Lead time: Prod. order release to confirmation »</u>	<b>5 days</b> <u>Lead time: Prod. order release to delivery »</u>
 <b>Reduce Total Manufacturing Costs</b>	<b>1.615</b> <u>Planned but not converted in time »</u>	<b>80%</b> <u>Production orders automatically created »</u>	<b>4 days</b> <u>Lead time: Prod. order creation to release »</u>	<b>3.714</b> <u>Failed component consumptions during prod. order confirmation »</u>	<b>39</b> <u>Overdue prod. orders assigned to sales »</u>
<b>How SAP helps:</b>					
Build an intelligent enterprise with recommended SAP S/4HANA business scenarios.  <b>All innovation recommendations »</b>	<b>Material Requirements Planning »</b> 				
	<b>Demand Driven Replenishment »</b> 				
	<b>Constraint Based Production Planning »</b> 				
	<b>Production Control »</b> 				
	<b>Production Execution »</b> 				

INTRODUCTION

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DETAILS 8/8

Sample Report

## Planned but not converted in time

## Findings and Benchmark

What we measured

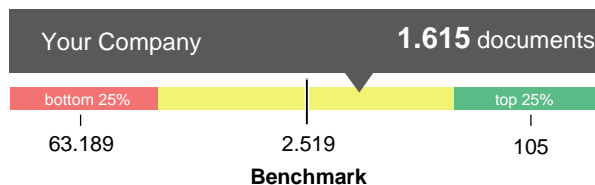
1.615 documents

Planned but not converted in time

*Absolute number of planned orders not converted into production orders, although the planned delivery date is already in the past.*

[Learn more »](#)

## Consumer Products Industry Benchmark:



## Details

What we measured

## Aging distribution:

0-3 months old	3-6 months old	6-12 months old	1-3 years old	3+ years old
452	404	258	194	307
28%	25%	16%	12%	19%

## Top 2 Plants:

Plant	Documents	Percentage
Plant 7	906	56%
Plant 2	128	8%

## Implication

Understand the problem

## Possible Root Causes:

- Low trust on system-based planning data
- Production without production planning or outside of SAP-system
- Poor housekeeping: Non-deleted documents from inactive plants and/materials

## Possible Business Impact:

- Inaccurate supply chain and replenishment
- Low production control (e.g. risk of double production)
- Higher workload for manual planning and production order entry

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Lead time: Order release to delivery



Findings and Benchmark

What we measured

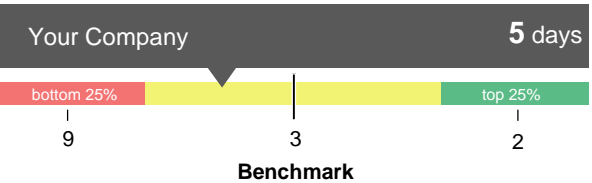
5 days

Lead time: Order release to delivery

Duration (in days) between production order release and delivery for orders that were delivered last week.

[Learn more »](#)

Consumer Products Industry Benchmark:



Implication

Understand the problem

Possible Root Causes:

- Missing or unavailable production resources (components, machine/labour capacities)













Possible Business Impact:

- Working capital: Higher safety stock for components
- Lower flexibility for production adjustments
- Production resources blocked unnecessarily
- Delays in production process

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Recommended SAP S/4HANA Business Scenarios – Based on Your Current SAP Usage

The table below shows SAP S/4HANA business scenarios that are enhancing process areas which you are already running on SAP.

SAP S/4HANA BUSINESS SCENARIO	YOUR CURRENT USAGE INTENSITY	BASED ON USAGE OF TRANSACTIONS	INDUSTRY POPULARITY	DETAILS	SAP FIORI APPS
<u>External Processing</u>	★★★	3	★★★		
<u>Subcontracting</u>	★★★	1	★★★		
<u>Production Execution</u>	★☆☆	3	★★★		
<u>Material Requirements Planning</u>	★☆☆	2	★★★		
<u>Production Control</u>	★☆☆	1	★★★		
<u>Demand-Driven Replenishment</u>	★☆☆	Usage of related application area	New		

Additional SAP S/4HANA Business Scenarios\*

The table below shows additional SAP S/4HANA business scenarios you could benefit from.

SAP S/4HANA BUSINESS SCENARIO	INDUSTRY POPULARITY	DETAILS	SAP FIORI APPS
<a href="#">Production Scheduling</a>	★ ★ ★		
<a href="#">Just-In-Time Processing</a>	★ ★ ★		
<a href="#">Manufacturing Analytics</a>	★ ★ ★		
<a href="#">Quality Improvement</a>	★ ★ ★		
<a href="#">Quality Inspection</a>	★ ★ ★		
<a href="#">Extended Production Operations</a>	★ ★ ★		
<a href="#">Production BOM Management</a>	★ ★ ★		
<a href="#">Quality Planning</a>	★ ★ ★		
<a href="#">Recipe/Routing Management</a>	★ ★ ★		
<a href="#">Repetitive Manufacturing</a>	★ ★ ★		
<a href="#">Constraint Based Production Planning</a>	New		
<a href="#">Kanban</a>	New		
<a href="#">Manufacturing Engineering</a>	New		

\* = No SAP standard usage detected in your SAP ERP system. Business scenario runs possibly outside of SAP ERP system or custom developed solution.

OVERVIEW	EXECUTIVE SUMMARY	FINANCE	SOURCING AND PROCUREMENT	SALES	SUPPLY CHAIN	MANUFACTURING	NEXT STEPS	
INTRODUCTION	FINDINGS	INNOVATION RECOMMENDATIONS						
CUSTOMER-SPECIFIC RECOMMENDATIONS	ADDITIONAL BUSINESS SCENARIOS	DETAILS 4/19	EXAMPLE	CUSTOMER REFERENCE				

**Sample Report**

## Material Requirements Planning

### Business Scenario Description

Use sophisticated material requirements planning balances to optimize services and cost reduction. Gain visibility across the supply chain to monitor stock-outs and automatically create procurement proposals.

★ ★ ★  
Your Usage Intensity

★ ★ ★  
Industry Popularity

### Value Drivers

- **Reduce days in inventory**  
Consider all inventory data, lead times, and procurement timing in calculations
- **Reduce revenue loss due to stock-outs**  
Monitor inventory and automating the creation of procurement proposals
- **Improve on-time delivery performance**  
Leverage MRP logic to ensure that materials are in stock and manufacturing is scheduled on time to meet delivery goals and order commitments.

### Process Innovation

- **New Material Requirements Planning (MRP) Cockpit**  
The whole MRP Cockpit has been renewed and redesigned.
- **Embedded PPDS**  
With S/4HANA the PPDS functionality, which was outside the ERP system in APO-PPDS is now Embedded PPDS in the core ERP.
- **New Demand Driven MRP**  
The Material Requirements Planning Run (MRP) has now been enhanced with Demand Driven MRP.


### Further Information

Your Current SAP ERP usage:

**2** Used transactions »

SAP S/4HANA Recommendation Details:

 **Business Scenario Details »**

 **See Related SAP Fiori Apps »**

**Back to Innovation Overview »**

OVERVIEW	EXECUTIVE SUMMARY	FINANCE	SOURCING AND PROCUREMENT	SALES	SUPPLY CHAIN	MANUFACTURING	NEXT STEPS	
INTRODUCTION	FINDINGS	INNOVATION RECOMMENDATIONS						
CUSTOMER-SPECIFIC RECOMMENDATIONS	ADDITIONAL BUSINESS SCENARIOS	DETAILS 3/19	EXAMPLE	CUSTOMER REFERENCE				

**Sample Report**

## Production Execution

### Business Scenario Description

Move quality products through production execution faster. Streamline production schedules based on real-time data  
Monitor released production and process orders efficiently.

★ ★ ★  
Your Usage Intensity

★ ★ ★  
Industry Popularity

### Value Drivers

- **Improve on-time delivery performance**  
Flexibly adjust capacity planning to demand
- **Reduce manufacturing cycle time**  
Ensure optimal resource commitments
- **Reduce total manufacturing costs**  
Integrate all required information to reduce buffer times

### Process Innovation

- **Dashboards for Manufacturing process**  
New Dashboards for Manufacturing process tracking.
- **Material Requirements Planning (MRP) Cockpit and embedded Production Planning and Scheduling (PPDS)**  
A fully new MRP cockpit is available, along with PPDS integrated into SAP S/4HANA, which was previously in a separate system.
- **Demand Driven MRP, New Production Engineering and Operations.**  
New Demand Driven MRP. New Production Engineering and Operations.

### Further Information

Your Current SAP ERP usage:

**3** Used transactions »

SAP S/4HANA Recommendation Details:



Business Scenario  
Details »



See Related  
SAP Fiori Apps »

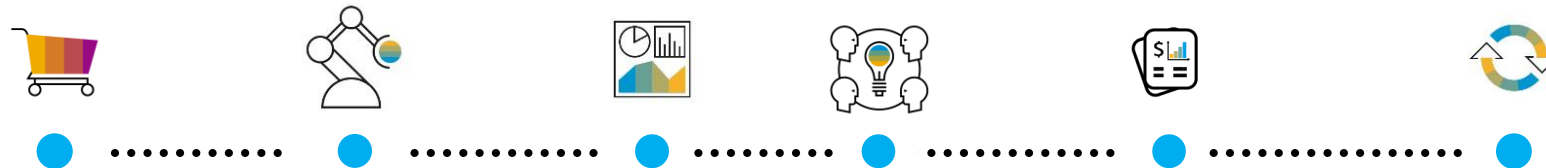
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**Sample Report**

## Reimagine Personalized Order to Production

### Traditional Scenario:

- Customer can select only from defined product variants
- Additional personalization requires engineering effort. It is delivered with high cost, long lead time, and varying quality
- Significant investment of labor and resources to fulfill the order
- Low customer satisfaction and inability to scale personalized offerings



### The New World With SAP:

- Personalized order from customer through e-commerce; **real-time feedback on feasibility**
- Confirmation of commitment and **lead time based on manufacturing/supplier network guidance**
- **Advanced variant configuration** enables real-time product and production engineering
- Scheduling production in a single system
- Traceability and serialization enabled by **integration of SAP Manufacturing Execution with digital core**
- Fulfilment of **personalized order** with short lead time, low cost and high customer satisfaction

[Read the whitepaper »](#)

OVERVIEW	EXECUTIVE SUMMARY	FINANCE	SOURCING AND PROCUREMENT	SALES	SUPPLY CHAIN	MANUFACTURING	NEXT STEPS	Sample Inc.   System: PRD Consumer Products Industry	
INTRODUCTION		FINDINGS		INNOVATION RECOMMENDATIONS					
CUSTOMER-SPECIFIC RECOMMENDATIONS			ADDITIONAL BUSINESS SCENARIOS		DETAILS		EXAMPLE		CUSTOMER REFERENCE
<p><b>Company</b> Isgec Hitachi Zosen Ltd. (IHZL)</p> <p><b>Headquarter</b> Gujarat, India</p> <p><b>Website</b> www.isgec.com /processequipment /ba-pe-hitachi.php</p> <p><b>Industry</b> Mill products</p> <p><b>Products and Services</b> Manufacture of critical equipment for refinery, fertilizer, and petrochemical industries</p> <p><b>Employees</b> 4,000</p> <p><b>Revenue</b> US\$450 million</p> <p><b>SAP® Solutions</b> SAP S/4HANA®, SAP Fiori® apps</p>			<p><b>Before: Challenges and Opportunities</b></p> <ul style="list-style-type: none"><li>• Accurately track the availability of material for made-to-order products</li><li>• Migrate from an Oracle-based PowerTerm solution for better insight into financial and procurement operations</li><li>• Gain better control over inventory using live tracking and valuation</li><li>• Reduce supply chain risk and the risk of procurement errors</li></ul> <p><b>Why SAP and KPIT Technologies</b></p> <ul style="list-style-type: none"><li>• SAP S/4HANA for a single source of data on inventory turnover, material flow, and stock transfers</li><li>• SAP Fiori apps for an any-device, mobile-first, role-based user experience that simplifies employee engagement and boosts productivity</li><li>• Faster project completion with expertise and best practices from KPIT Technologies</li></ul> <p><b>After: Value-Driven Results</b></p> <ul style="list-style-type: none"><li>• Optimized supply chain with real-time inventory visibility, from purchase requisition to goods receipt</li><li>• Faster production using touch-screen technology that allows workers to order consumables instantly</li><li>• Improved visibility of raw-material consumption and goods-in-transit stock</li><li>• Better non-destructive testing quality controls using automated monitoring and reporting</li></ul>			<p><b>50%</b> Reduction in manufacturing cycle time</p> <p><b>30%</b> Reduction in order lead time</p> <p><b>50%</b> Faster material requirements planning</p>			
<p>“Real-time intelligence helps us eliminate errors and reduce risk.” Harbir Singh, Head of Operations, Isgec Hitachi Zosen Ltd.</p>									

Sample Report

Studio SAP | 52037enUS (17/10) | This content is approved by the customer and may not be altered under any circumstances.

Sample Report

## Take the Next Steps and Start Your Transformation to SAP S/4HANA

### 1. Build your top-down business case

### 2. Plan your Project

#### Understand and Monitor your Processes



KPI-trees with real-time data and drill-down for root-cause analysis

**Business Process Improvement Suite on SAP Solution Manager**

[Learn more »](#)

#### Benchmark against Peers and Assess your Maturity



Benchmark business KPIs against peers and assess your opportunity to re-think your business processes

**Next Generation Benchmarking tool**

[Learn more »](#)

#### Evaluate your Project Complexity

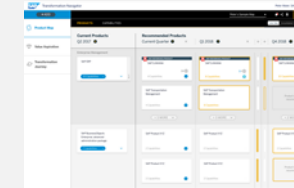


Assess the SAP S/4HANA project complexity according to your current ERP implementation

**SAP Readiness Check**

[Learn more »](#)

#### Build your Transformation Roadmap



Shape your future landscape and build your transformation roadmap

**SAP Transformation Navigator**

[Learn more »](#)

#### Plan and Start your Project



Understand most relevant services available to support your project

- **SAP Enterprise Support**
- **SAP Model Company**
- **SAP Value Assurance packages**

[Learn more »](#)

# Agenda

## Introduction and Overview

- Customer Challenges
- Solution
- How to Read the Report

Example: Next-generation SAP Business Scenario Recommendations

## How to Request Your Own Report

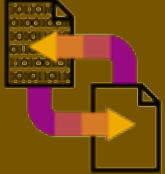
## Summary



# Next-Generation SAP Business Scenario Recommendations

## Request Process Overview

1



- Implement SAP Notes [2745851](#) and [2758146](#) in your productive SAP ERP system
- Run data extraction report and download ZIP file

2



- Initiate your request – go to: [www.sap.com/next-generation-bsr](http://www.sap.com/next-generation-bsr)
- Fill in the form, upload the extracted ZIP file and submit your request

3



- After submitting your request you will receive an e-mail to confirm your e-mail address
- SAP will start to generate the report after your confirmation

4



- SAP will send you the results report via e-mail

do for your enterprise?

Discover Business Improvements Enabled by SAP Innovations: SAP Business Scenario Recommendations for SAP S/4HANA (Next-Generation). Take just a few minutes to share your company information to receive your personalized, free report.

Order page:

[www.sap.com/next-generation-BSR](http://www.sap.com/next-generation-BSR)



## Next-Generation SAP Business Scenario Recommendations for SAP S/4HANA

The SAP Business Scenario Recommendations report provides you with tailor-made insights to build your case for SAP S/4HANA

### Why SAP S/4HANA?

- Why move from SAP ERP to SAP S/4HANA?
- What is the value for your lines of business?

### How to Secure Business Buy-in?

- Receive tailored business performance insights.
- Identify the most valuable SAP S/4HANA business scenarios.

### Benefits

- Benchmark your company against industry peers.
- Identify the potential value from SAP S/4HANA.
- Get tailored recommendations by line of business.
- Free-of-charge for customers on SAP maintenance



## Request your own report

With little effort you can request your own SAP Business Scenario recommendations for SAP S/4HANA. Please follow the instructions and apply on your productive system the SAP standard notes number: [2758146](#) and [2745851](#).

This will generate a ZIP file containing the files we will need to generate the report. Please review the content on the file and register below uploading this file.

### How to request your own report:

- [Follow the how-to-guide](#)

You will get your report by email in approximately 10 business days (during the pilot phase).

### Questions?

- [Presentation](#)
- [Sample report](#)
- [Contact our team](#)

Get started now

# Key Benefits of next-generation SAP Business Scenario Recommendations



- Identify the **most valuable SAP S/4HANA business scenarios** for your company



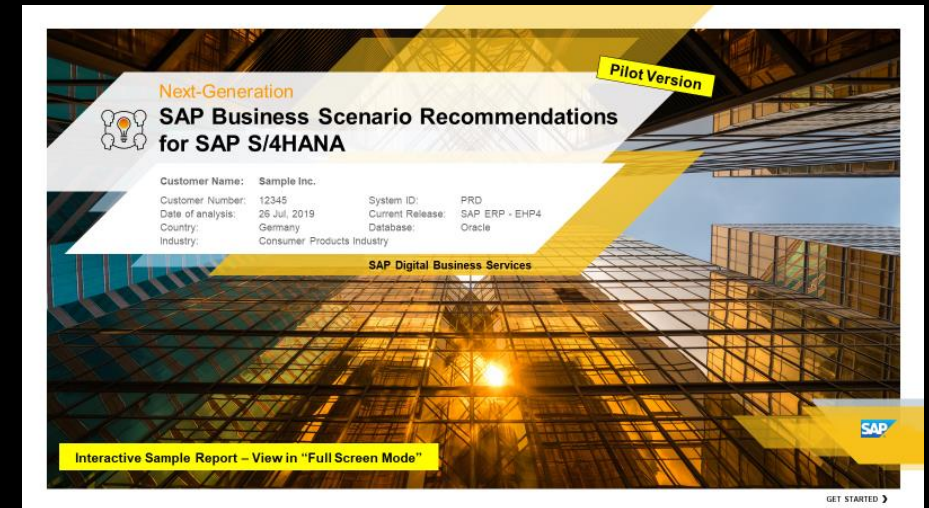
- Receive **tailor-made insights to build your case for SAP S/4HANA**



- Get unique **business performance insights** and tailored **recommendations by line of business** based on the actual usage of your SAP ERP system



- **Free-of-charge, personalized report** to all customers under SAP maintenance, independent of their support model



Order your free report: [www.sap.com/next-generation-BSR](https://www.sap.com/next-generation-BSR)

Find more information and sample reports, and order your own  
Next-Generation SAP Business Scenario Recommendations for SAP S/4HANA:  
[www.sap.com/next-generation-BSR](http://www.sap.com/next-generation-BSR)

**Thank you.**

Christian Oehler  
Digital Business Services  
Customer Value Experience  
SAP  
[Christian.Oehler@sap.com](mailto:Christian.Oehler@sap.com)

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