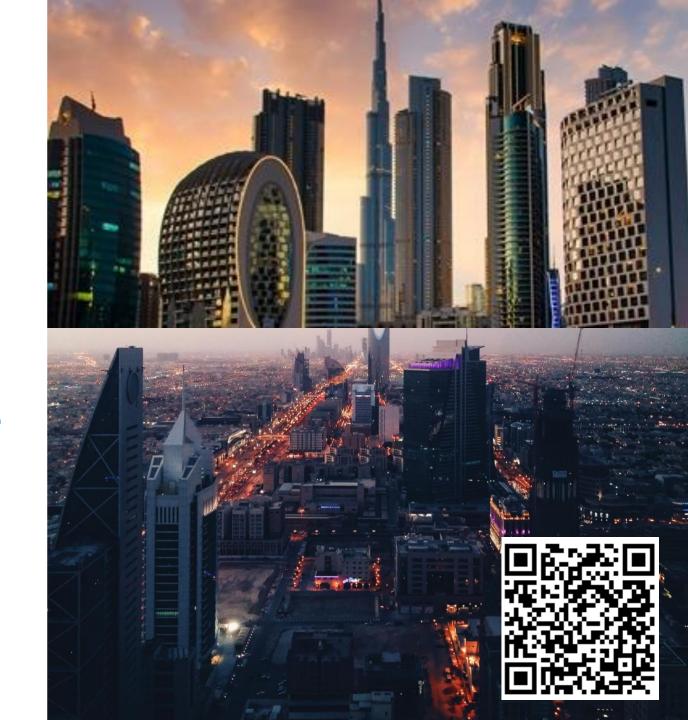


# SAP Exploration Workshop - Practicing Clean Core for SAP S/4HANA Cloud

Navigating the AI Era: Building new ERP Business Capabilities without the burden of technical debt

Tuesday July 16th in Riyadh and Thursday July 18th in Dubai

Confidential



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# SAP Exploration Workshop - Practicing Clean Core for SAP S/4HANA Cloud

Navigating the AI Era: Building new ERP
Business Capabilities without the burden of
technical debt

## WELCOME











Markus Albrecht

Senior Vice President Head of BTP Solution hub



**Kevin Elbers** 

Head of Data and Technology Services Integration Germany



Faisal Haneef

Senior Director Cloud Platform MENA



**Savatore De Caro** 

Director of Solution Advisory SAP Signavio, EMEA South



Fabian Sölker,

Senior Consultant BTP Extensability



Fabian Sölker,

Daniel Mesics, Senior Technology Consultant

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## Agenda

09:45 a.m.	How Generative Al is transforming how we develop and simplify Enterprise apps			
	Markus Albrecht, Senior Vice President Head of BTP Solution hub			
10:30 a.m.	How Can SAP help achieve Clean Core in your ERP transformation, its not just about ABAP Code!			
	Kevin Elbers, Head of Data and Technology Services Integration Germany Faisal Haneef, Senior Director Cloud Platform MENA			
11:15 p.m.	Prayer, Coffee, & Networking break ( Prayer at 11:58 AM)			
12:15 p.m.	Optimize ineffective or inconsistent Processes (Process dimension)  How to keep competitiveness while reducing complexity  Salvatore De Caro, Director of Solution Advisory SAP Signavio, EMEA South			
13:00 p.m.	Decouple your developments (Extensibility dimension):  How separating extensions from the core and understanding the pertinent development guideline will free your capacity to innovate Fabian Sölker, Senior Consultant			
13:45 p.m.	Control the Data according to latest standards (Data Dimension):			
	How deploying a holistic data strategy (master data, configuration data, transaction data, data volume and data sizes) will help built trust, reliability and insights with the business Daniel Mesics, Senior Technology Consultant			
14:30 p.m	Executive Panel and attendee Q&A			
	Next Steps & Closing Remarks			
15:00 p.m.	Lunch			

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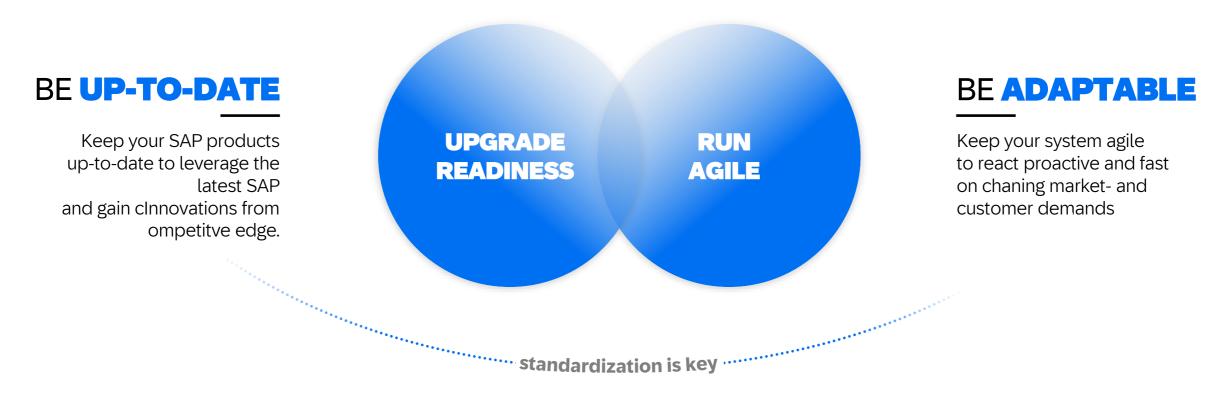


# How Generative AI is transforming how we develop and simplify Enterprise apps

#### Markus Albrecht

Senior Vice President Head of BTP Solution Hub

### How to be the Fast One





# "Code is not an asset, it is a liability"

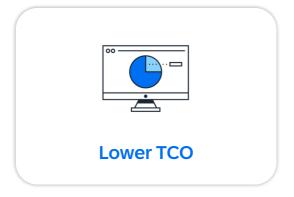
Titus Winters, Tom Manshreck, Hyrum Wright

Software Engineering at Google

## What are the other Benefits of having a Clean Core













## Clean Core: Customer Example

#### Accelerated SAP S/4HANA Cloud upgrade cycles | shortened project times | lowered costs



**@**Hitachi High-Tech Corporation

#### 94% fewer

SAP ERP add-ons decreased from over 9,000 to 520

#### 1 Month

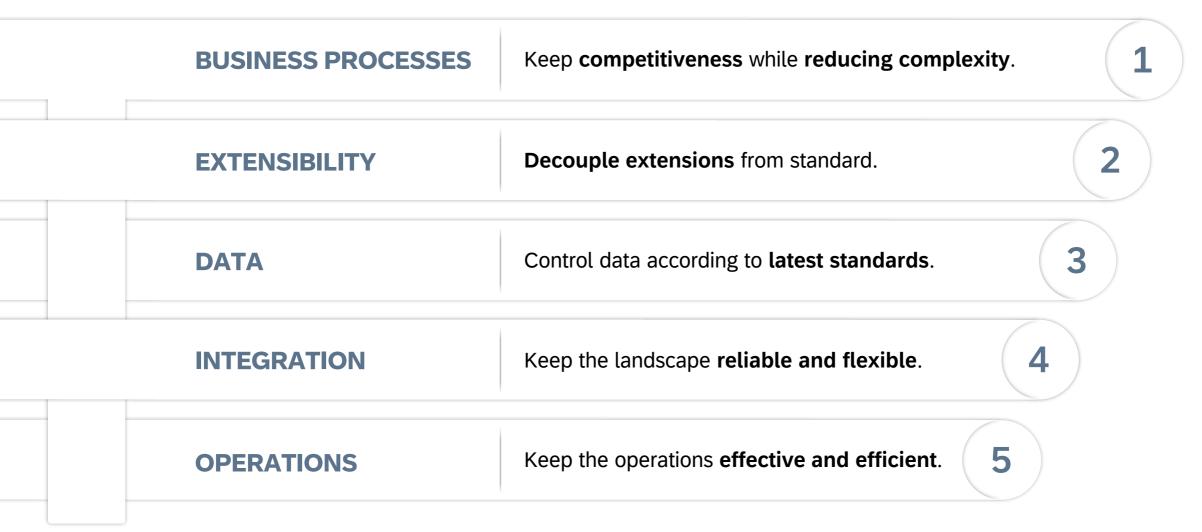
Time spent on upgrading ERP versions cut from one and a half years to approx one month

"We previously upgraded SAP ERP version every five years, taking about a year and a half from preparation to implementation," says Yuri Yasuda.

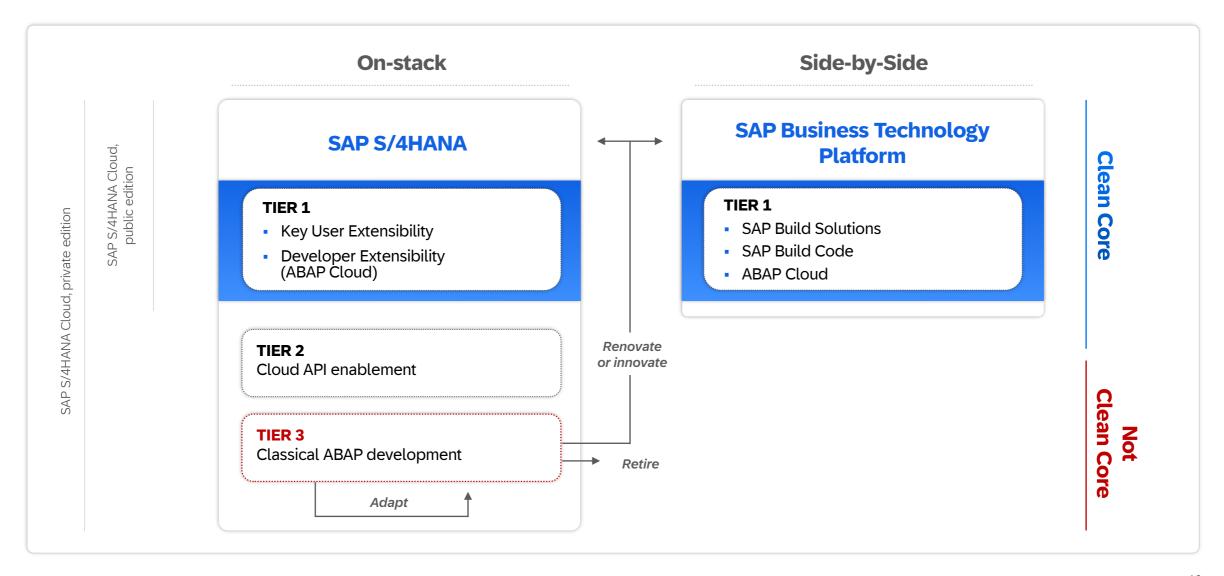
"However, we're now able to perform major upgrades of SAP S/4HANA Cloud for our domestic group yearly and minor **upgrades twice a year**. We've also cut the time from **preparation** to switchover to around **one month**."

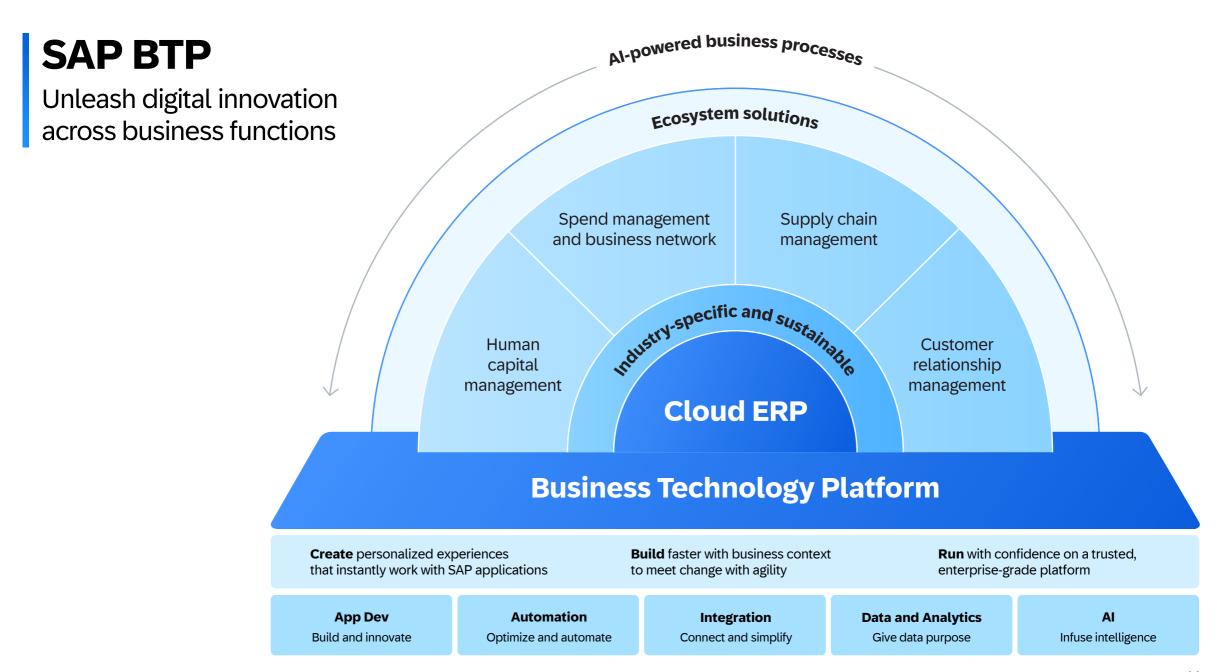
→ Read the full Customer Success Story

## Addressing clean core and the individual dimensions



## Extensibility Model for S/4HANA – Decoupling SAP and Custom Code is Key





## SAP BTP as THE Platform for SAP Landscapes



## Accelerate move to cloud

Benefit from SAP BTP's capabilities before, during and after your move to the cloud in disciplines like data and extension migration, integration or consolidation



## Keep the core clean

Create and operate highly integrated **side-by-side** solution **extensions** to individualize your business processes without harming the stable application core.



## Optimize & automate business processes

Automate manual tasks
as well as crossapplication
workflows, leveraging a
broad set of pre-defined
content



## **Drive decisions** based on data

Support your business users with the right information at hand or AI-based recommendations to improve decision speed and quality – leveraging any data sources

## **SAP BTP Cloud Capabilities**



Automation	Integration	Data and Analytics	Al
→ Workflow Management	→ Process integration	→ Analytics & planning	→ Pre-trained AI models
→ Robotic Process	→ API-led integration	→ Data management	→ Responsible AI
Automation	→ Event-driven		
→ Process monitoring & analytics	integration	→ Operational database	→ AI model lifecycle management
	→ B2B integration		
→ Automated document processing	→ Data integration	→ Data warehouse & data lake	→ Al-infused SAP Applications (incl. Generative AI)
	<ul> <li>→ Workflow Management</li> <li>→ Robotic Process Automation</li> <li>→ Process monitoring &amp; analytics</li> <li>→ Automated document</li> </ul>	<ul> <li>→ Workflow Management</li> <li>→ Process integration</li> <li>→ API-led integration</li> <li>→ Event-driven integration</li> <li>→ B2B integration</li> </ul>	<ul> <li>→ Workflow Management</li> <li>→ Process integration</li> <li>→ Analytics &amp; planning</li> <li>→ API-led integration</li> <li>→ Data management</li> <li>→ Description</li> <li>→ Operational database</li> <li>→ Data warehouse &amp; data</li> </ul>

## **Side-by-Side Extensibility Options**

#### **LOW-CODE**



#### SAP Build Apps

Create enterprise applications without writing code



#### SAP Build Process Automation

Automate
workflow
processes and
tasks with simple
drag-and-drop and
Al capabilities



#### SAP Build Work Zone

Design engaging business sites to get work done quickly across all your enterprise applications



#### **PRO-CODE**



## ABAP Environment

Leverage ABAP know-how to develop and run ABAP applications in the cloud



#### SAP Build Code

Boost **developer productivity** using IDE, tools, and frameworks optimized for Java, Java Script

# Not one-size fits all,

but rather the use of the entire spectrum of clean core extensibility options is necessary.

## When to use which extensibility option?

#### **SIDE-BY-SIDE EXTENSIBILITY ON SAP BTP**

ON-STACK
KEY USER OR DEVELOPER
EXTENSIBILITY

Part of a highly integrated business process of the SAP S/4HANA core (e.g., a custom process extension)

**Extends an existing SAP S/4HANA core app** (e.g., custom fields)

Depends on fast SQL access to SAP data, heavy data exchange to BTP would increase TCO / performance

**Strong consistency with SAP transactions** (e.g., updates in the same logical unit of work).

Is a **hub scenario** (i.e., integrates with SAP and Non-SAP solutions and services)

Is a multi-tenant partner SaaS (partner-led)

Can or should be decoupled (loosely coupled) from SAP S/4HANA core

Requires **Heavy mobile usage** or to be used in offline scenarios

Requires **process automation** for SAP S/4HANA proc. or across multiple systems

Intended by users without access to SAP S/4HANA system

Requires scalability/elasticity in peak load scenarios

Benefits from **frequent shipments and changes (CI/CD)** of the extension

Benefits from a broad spectrum of developers with different skill sets

## **Key Takeaway**



# "Code is not an asset, it is a liability"

- ... but oftentimes required
- To run an agile ERP system it needs to be upgrade-ready and adaptable
- The right balance of standardization and differentiation is key to compete today



# Be the **Fast One**

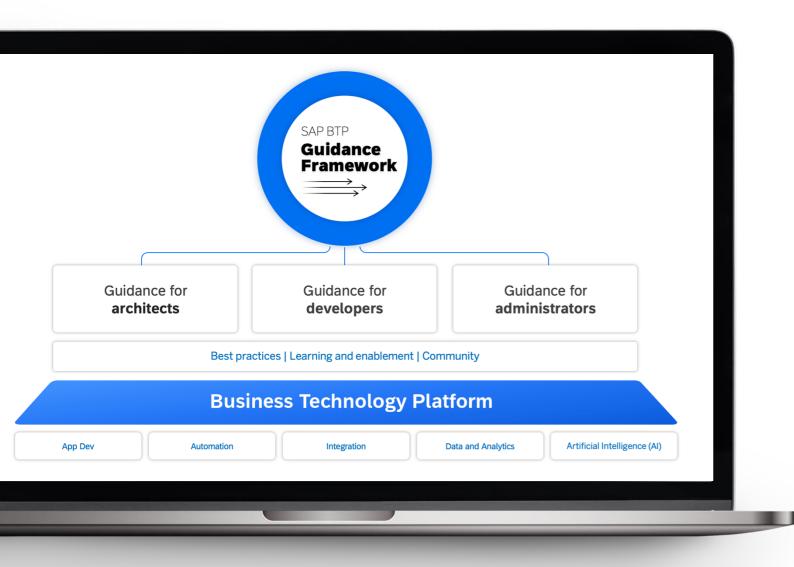
- **Clean Core** as future-proof approach to react proactively and fast on changing market- and customer demands
- Avoidance, Decoupling, and Governance are key pillars of a clean core strategy



# Leverage the full value of your SAP Solutions

- SAP S/4HANA and SAP BTP building a strong foundation for your next cloud transformation steps
- With on-stack to side-by-side extensibility, you can expand SAP S/4HANA in an effective, and cloud-compliant manner

## **SAP BTP Guidance Framework**



## **SAP BTP Guidance Framework**

Provides a central access point for architects, developers and administrators to build and run enterprise-grade solutions on SAP BTP.



## Extend SAP S/4HANA in the cloud and on-premise with ABAP based extensions

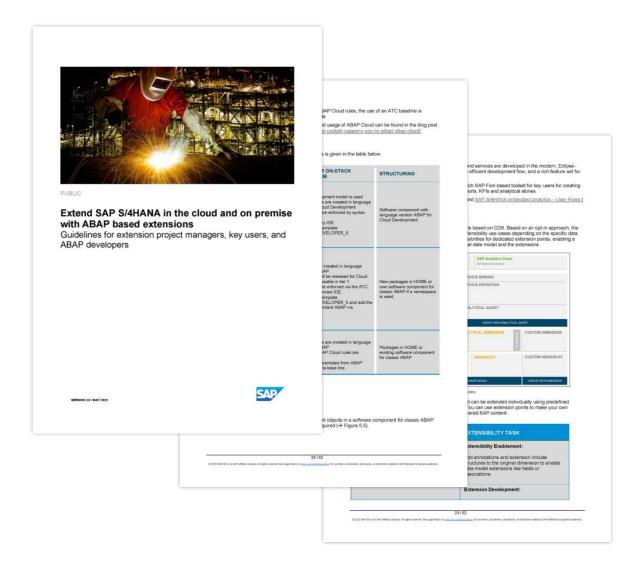
#### **SAP S/4HANA Extensions**

(cloud, private cloud, and on-premise)

- Guidelines for extension project managers, key users, and ABAP developers
- Learn how to choose, implement, and use the extensibility options correctly
- Move from classic custom ABAP extensions to an SAP S/4HANA extensibility model for future-proof extensions



To access scan this code or click <u>here</u>.



## SAP Application Extension Methodology



#### SAP Application Extension Methodology

The SAP Application Extension Methodology (AEM) helps you to define, document, and execute an enterprise extension strategy for your organization.



To access scan this code or click <u>here.</u>

# Thank You

#### Contact information:



#### **Markus Albrecht**

Senior Vice President, Head of BTP Solution Hub

**E:** markus.albrecht@sap.com









How Can SAP help achieve Clean Core in your ERP transformation, its not just about ABAP Code!

**Kevin Elbers** 

Head of Data and Technology Services Integration Germany Faisal Haneef

Senior Director Cloud Platform MENA Clean means up-to-date, documented, unmodified, consistent, efficient and cloud compliant.

Clean Core is relevant and applicable for SAP S/4HANA Cloud, private edition.

SAP S/4HANA Cloud, public edition is clean per definition.

Capabilities of the core depend on the implemented software-stack.

A clean core fosters agility and helps to compete in a fast-changing world.



## Benefits of having a Clean Core



Access to Innovation



**Upgrade Simplicity** 



**Lower TCO** 



**Enhanced Security** 



Improved Performance



**Data Simplification** 

## **Clean Core: Guiding Principles**



#### **Avoid**

- Avoid extensions where not necessary
- Stay as close as possible to SAP standard

#### **Be Aware**

- Know your technical debts and evaluate them on a regular basis
- Establish a binding governance framework

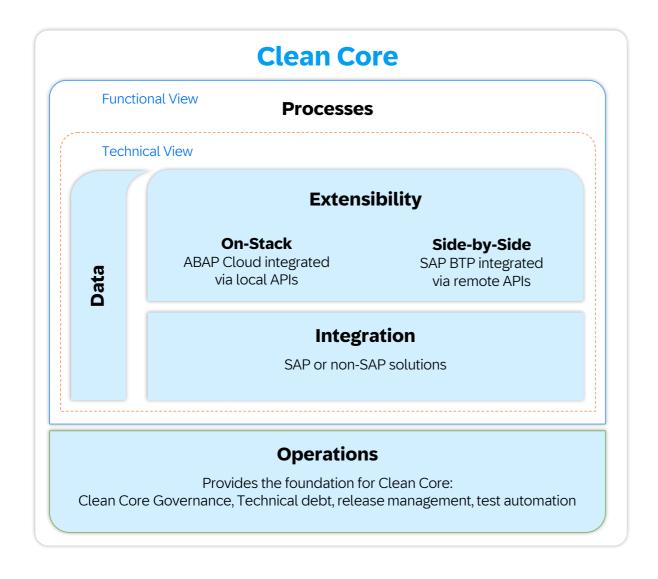
#### **Cloud Ready**

- Extend and Integrate in a stable and transparent manner
- Apply a zero-modification policy

#### **Decouple**

- Leverage BTP as a platform to innovate for additional differentiation
- Automate with standard APIs and Events

#### How do Clean Core Dimensions relate to each other?



- Clean Core reducing upgrade cost, complexity, risk and duration by using clean core-compliant Extensibility options and implementing Integrations via standard APIs
- Processes must be as close to standard as possible. If functionality is not available in standard, Processes are extended by using Clean Core-compliant Extensibilty and / or Integrations.
- **Operations** provides the organizational and technical governance for Clean Core
- Clean Core improves **Data** quality. Improved **Data** quality is prerequisite for adoption of innovation and the value of Clean Core
- Legacy deprecated non-Clean Core technology that does not impact upgrades

## Clean Core is a journey

#### Establish a strategy and governance model that fosters clean core principles.



#### Greenfield

- Unique opportunity
- Follow Clean Core principles right from the beginning.
- Establish strong governance



#### Brownfield

- Establish Clean Core principles for every NEW development.
- Plan your journey towards a clean core and follow an iterative approach.
- Clean Core does not happen over night.

#### Your Path to Clean

1

## Clean Core concept and definition

a) Introduction to
Clean Core concepts

→ PoV ERP Clean Core strategy

→ Clean Core – Overview

2

## Create customer specific Clean Core strategy

Application of Clean Core concepts to customer specific requirements

→ <u>Transformation with a</u> Clean Core – Overview

→ Extensibility options for Clean Core

→ <u>Practical Guide: Clean Core</u> extension strategy 3

## Analyze existing custom code

- a) Classify to clusters and prioritize
- b) Retire unused objects
- c) Create Re-design / Re-platform list

Intelligent Custom Code Management (iCCM)

→ ABAP test cockpit

→ ABAP Call Monitor – SCMON

4

# Adopt extension guidelines and methodologies

- a) Fit gap analysis resulting in Gap list (RICEFW)
- b) Fit to standard including validating gaps against future product roadmap
- c) Design clean extensions following Application Extension Methodology (AEM) and Integration Solution Advisory Methodology (ISAM)
- → SAP Signavio Fit-to-Standard Analysis
- → SAP BTP Guidance Framework
- → Extensibility Explorer
- → SAP Application Extension Methodology (AEM)
- → SAP Integration Solution Advisory Methodology (ISAM)

→ ABAP extensibility guide

5

#### Build Extensions

- a) Use the 3-Tier model (Extensibility guidelines)
- b) Adopt ABAP Development Tools (ADT) for development
- c) Use SAP Business Technology Platform (BTP) for re-platforming

6

## Clean Core operations

- a) Document technical debt
- b) Establish Clean Core governance
- c) Embed in Business Transformation Journey

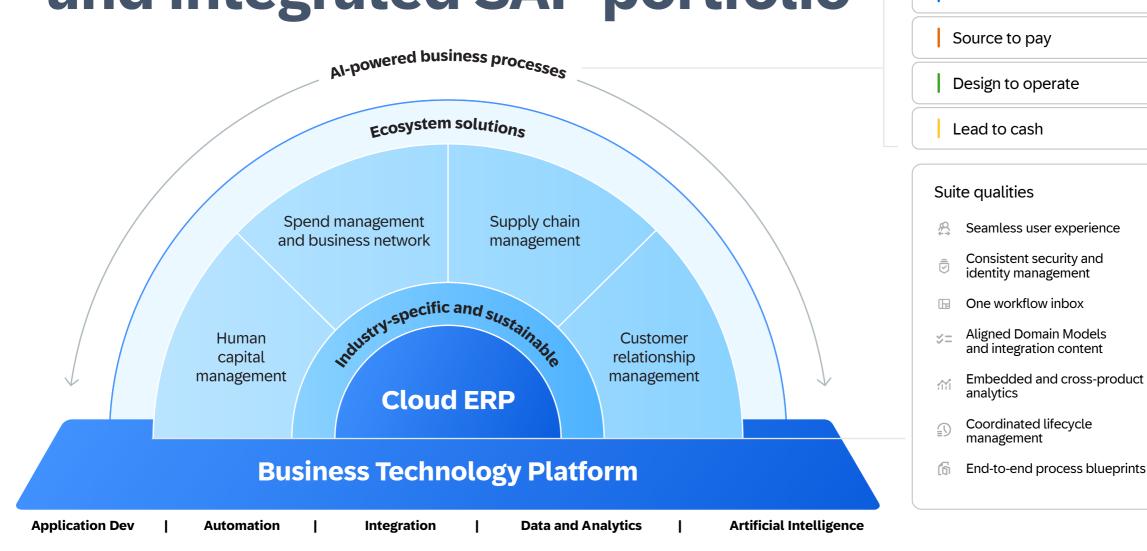
- → ABAP development tool
- → <u>Develop Clean Core</u> extensions
- → BTP Overview
- Discovery Center
- Developing Extensions reference guide
- → API reference guide
- → ABAP Cloud technical use cases reference guide

- → SAP4ME Clean Core dashboard
- → ABAP test cockpit
- BTP Overview
- → Cloud ALM
- → ERP Transformation using LeanIX

PATH TO CLEAN

SAP BTP is the foundation for a clean and integrated SAP portfolio

| Recruit to retire



## Leverage SAP BTP to drive stellar results



SAP



40% reduction

In TCO across integration landscapes

4-5 hours saved

For generating reports each month

40% cost savings

New business models unlock full business potential

>5x increase

Project speed and lower costs compared to former projects

80% data utilization

Up from 30% – to drive better business decisions

40%-50%

Less IT spend with SAP BTP

Source: SAP Performance Benchmarking

## Getting the most value from your investments with a clean core strategy

# Hewlett Packard Enterprise Less than 10% of digital capabilities are customized Take a look at how HPE kicked off a nextgeneration digital transformation program by creating the right architecture for an enterprisewide IT revolution.

Read the story here

#### **Customer Success**



Read the story here

## **AMORIM**

## 30% fewer reconciliations done manually

Find out how Amorium achieved the process visibility and standardization required to keep pace with rising demand by unifying operations and data enterprise-wide.

Read the story here

80%

less software customizations

70%

of core business processes are automated **50%** 

Reduction in database size

80%

of core business processes standardized

### Clean Core: Customer Example 1.5 years for major ERP Upgrades ...

#### HITACHI Inspire the Next

**@ Hitachi High-Tech Corporation** 

- We previously upgraded SAP ERP version **every five years**, taking about **a year and a half** from preparation to implementation.
- However, we're now able to perform major upgrades of SAP S/4HANA Cloud for our domestic group yearly and minor upgrades twice a year. We've also cut the time from preparation to switchover to around one month.





Explore **Hitachi High-Tech's**journey towards a Clean Core with SAP

- says Yuri Yasuda.

- Accelerated SAP S/4HANA Cloud upgrade cycles
- shortened project times
- lowered costs

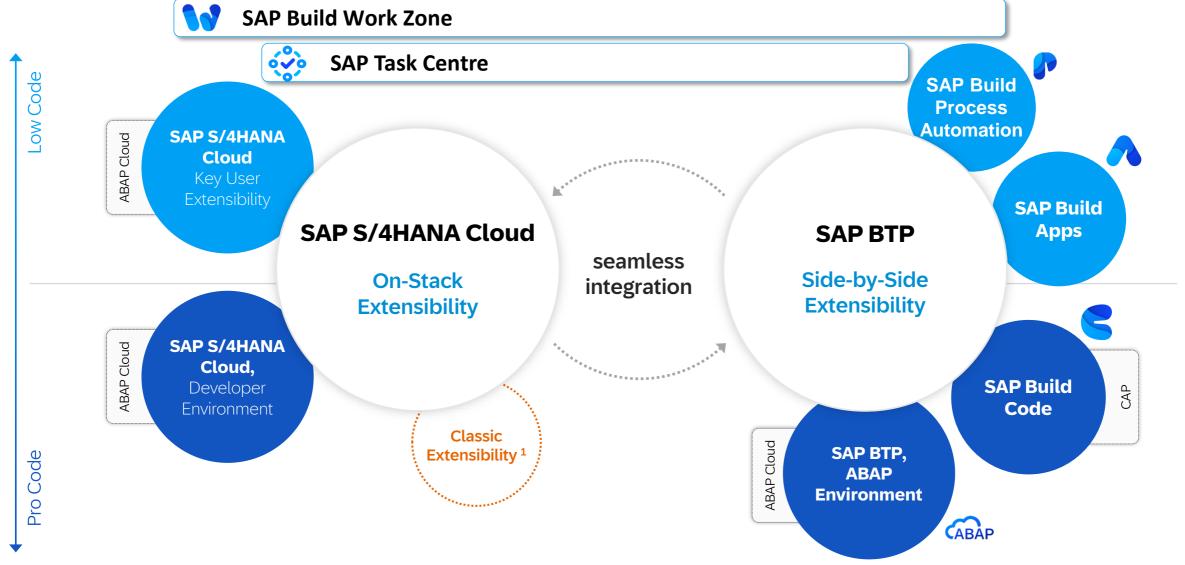
#### 94% fewer

SAP ERP add-ons decreased from over 9,000 to 520

#### 1 Month

Time spent on upgrading ERP versions cut from one and a half years to approx one month

## Extensibility Portfolio for SAP S/4HANA Cloud



<sup>&</sup>lt;sup>1</sup> SAP S/4HANA Cloud Private Edition and on premise only; **not** "clean core"

#### SAP Build Marketecture —

Fusion Team Development

#### **Apps & Extensions**

**Build Apps** 



#### **Workflows & Automations**

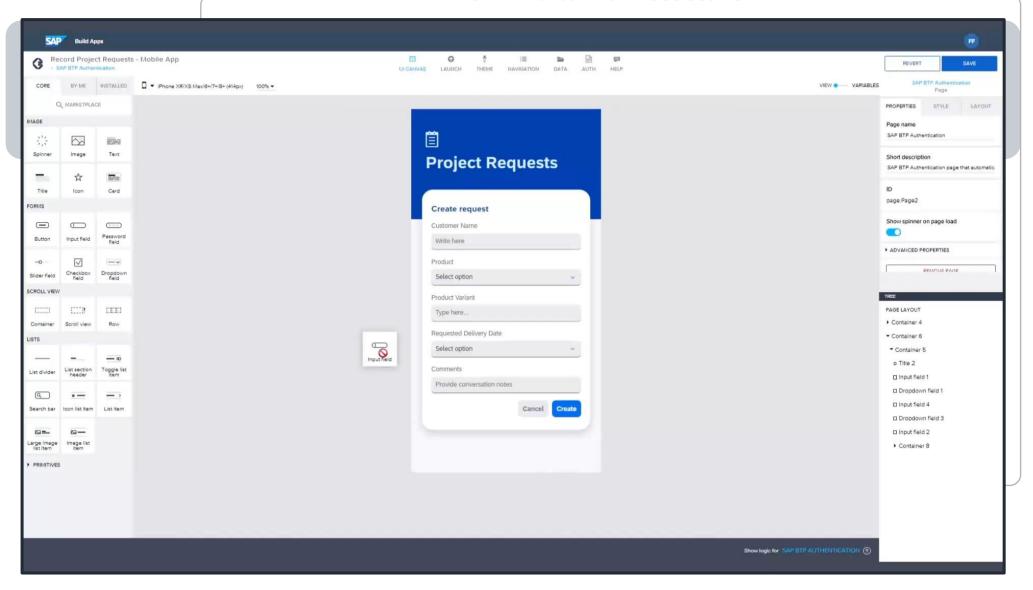


#### **Digital Workspaces**

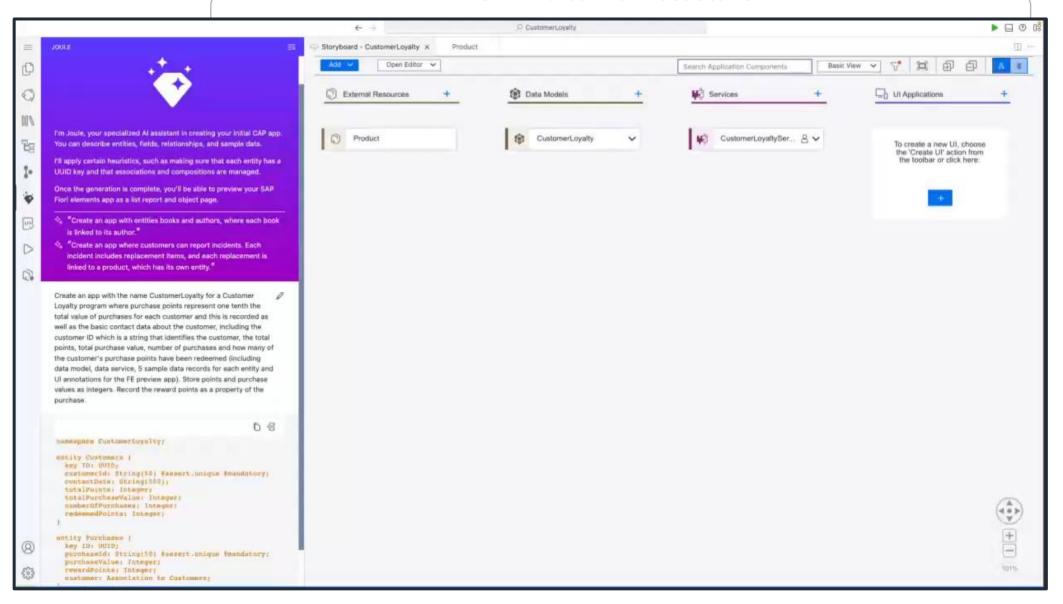


Centralized governance, security, and life cycle management

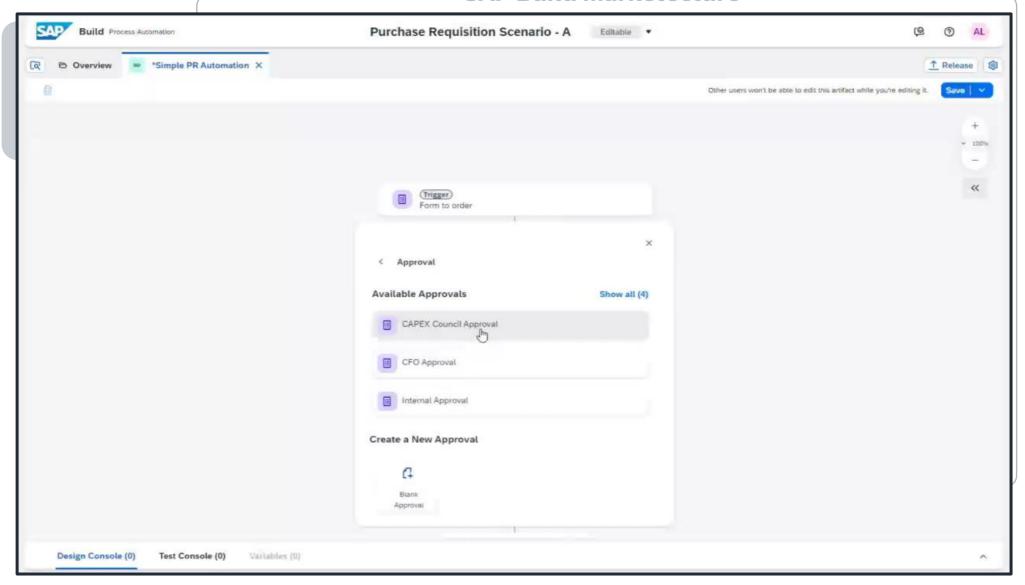
#### SAP Build Marketecture



#### **SAP Build Marketecture**



#### **SAP Build Marketecture**



#### **SAP Build Marketecture** ₹ U 🐌 < SAP All Search Home - Home V My Workspace Applications Workspaces > Tools ~ This dashboard refers to BestRun inc. Invoice Status Global Currency Orders Global Orders (US Dollars) Reversed invoice are almost 10% US dollar (USD) Euro (EUR) apanese yen (JPY) Pound sterling (GBP) Australian dollar (AUD) Others **EMEA** Asia Parked Reversed Correct 20 30 40 Americas **Purchasing Trends** Unacknowledged POs Revenue US Dollar Received At Status Purchase Order Amount Growth Deviation 487% 34.7% 5000010058 350K USD 29 Sep 2020 3 days ago Q4, 2020 5000010057 222K USD 29 Sep 2020 3 days ago 1,000,000 880,000 100K EUR 29 Sep 2020 3 days ago 5000010056 675,000 659,000.14 150K GBP 01 Oct 2020 1 day ago 5000010055 500,000 5000010054 50K USD 01 Oct 2020 1 day ago 391,000.17 294,000.3 1 day ago 5000010053 750K EUR 01 Oct 2020 231,000.22 150K USD 02 Oct 2020 8 hours ago 5000010052 Apr May June July Aug Sep Oct 1000K GPY 02 Oct 2020 8 hours ago 5000010051 4 hours ago 930K ILS 02 Oct 2020 5000010050

top 12

Your Purchase Contracts

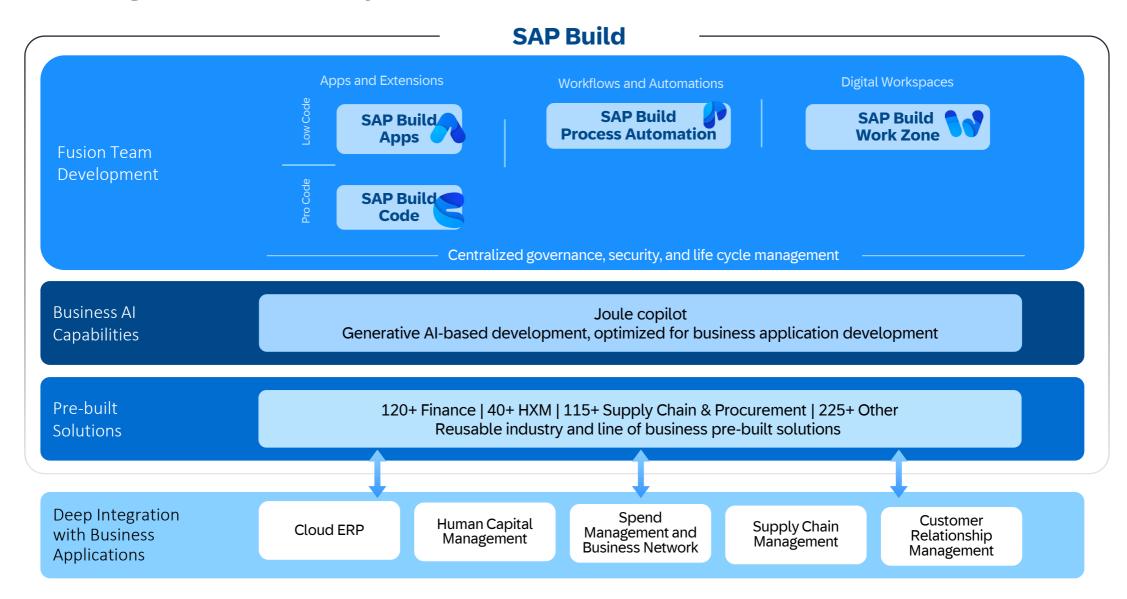
Consumption Percentage

5 of 27 \*\*\*

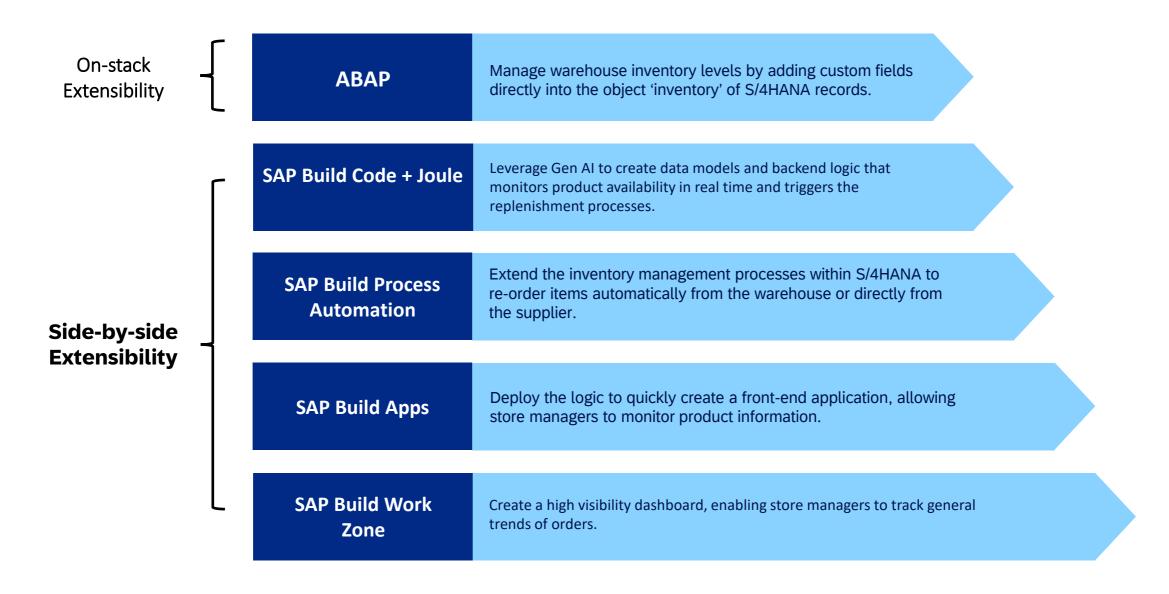
Unapproved Purchase Orders

You have Purchase Orders that need to be Approved!

### With the right tools for the job



### **Leveraging SAP Build End-to-End**



### Addressing clean core and the individual dimensions

A **clean core** describes a system or a landscape of systems that is as close to standard as possible, while running cloud-compliant extensions and integrations.

It allows you to adapt your system and system landscape to changing business requirements and in order to adopt new capabilities.

A **strong governance** is required for each technical dimension of clean core.







# Optimize ineffective or inconsistent Processes (Process dimension)

How to keep competitiveness while reducing complexity

**Savatore De Caro** 

Director of Solution Advisory SAP Signavio, EMEA South

### Agenda

01

**Overview on business transformation** 

02

Introduction to clean core

03

**Hurdles to maintain clean core** 

04

**Clean core solution overview** 

05

**Key takeaways** 

# Transforming towards agile, sustainable and resilient enterprise

Enable every organization and every industry to become a network of sustainable enterprises







# Transforming towards agile, sustainable and resilient enterprise

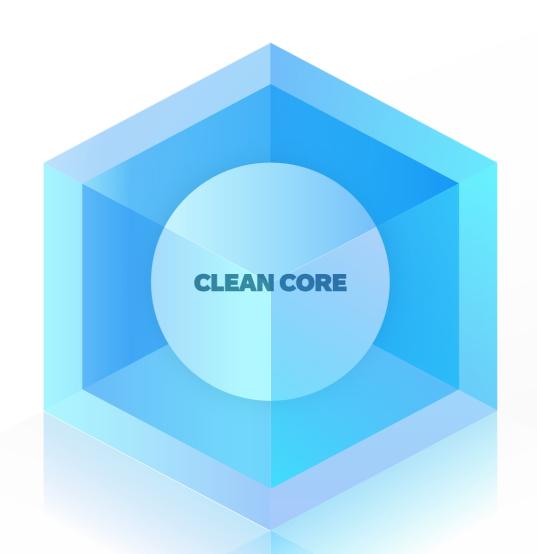
Enable every organization and every industry to become a network of sustainable enterprises



A clean core strategy is imperative for all organizations to implement before, during and after transformation for maintaining agility and driving continuous innovation

## What is clean core?

A system or a landscape of systems that is as close to standard possible, while running cloud-compliant extensions and integrations

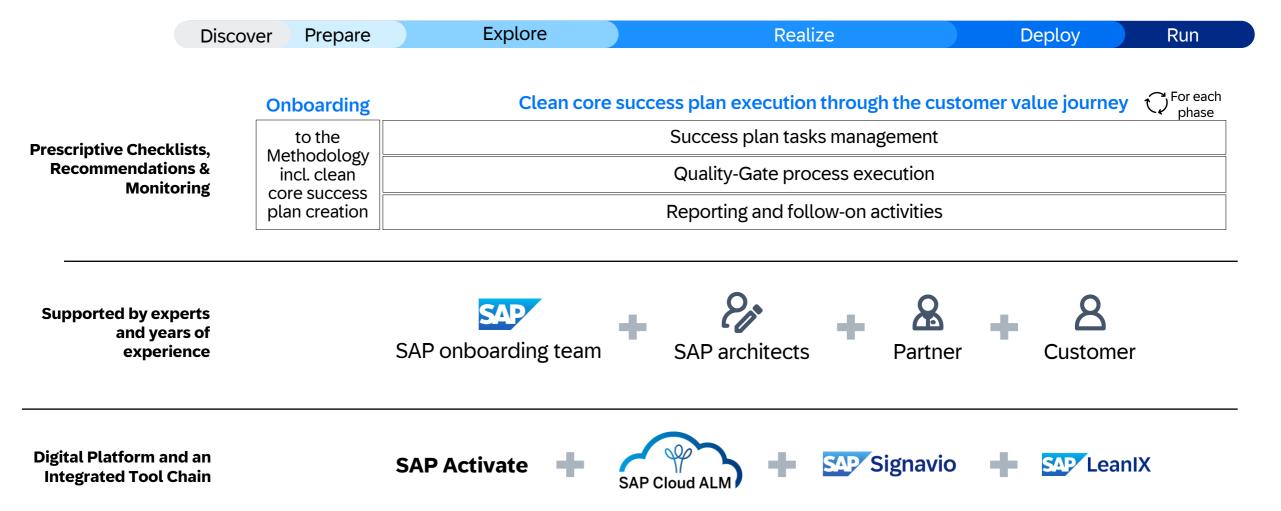


# Addressing clean core and the individual dimensions

Clean core does not only mean cleaning your custom codes but also...



### RISE with SAP Methodology | How (People, Process, Toolchains & Platform)



# SAP Signavio & SAP LeanIX support your entire clean core journey

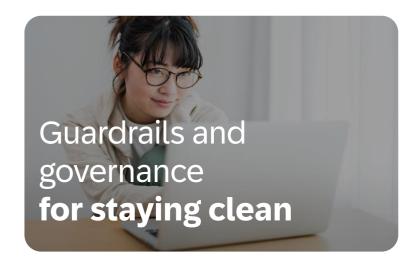
Uncover IT
standardization and
process standardization
and improvement
opportunities

Plan and map your clean core journey and track transformation progress Continuously monitor process adoption and maintain clean technology standards

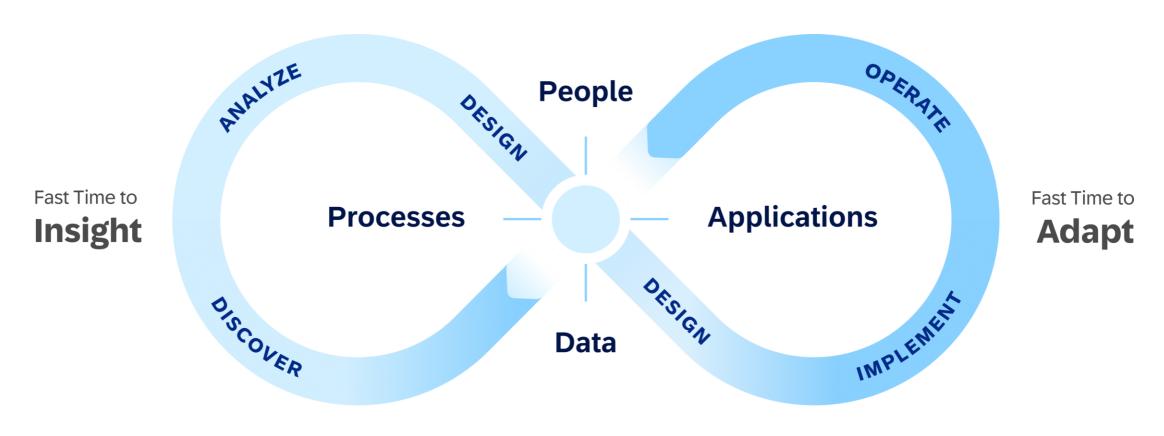
#### Hurdles to overcome for clean core







# Clean core transformation: From strategy to execution



Methodology | Best Practices | Automation | Integration

**Business AI** 

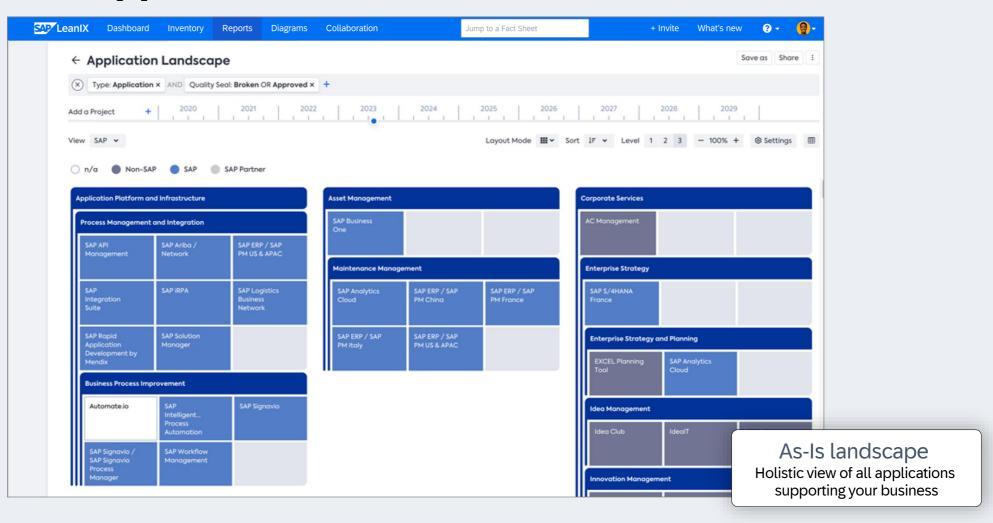
# A holistic end-to-end approach to get and stay clean

OPERATE	DISCOVER	ANALYZE	DESIGN	IMPLEMENT	OPERATE
People	Organizational Change Ma	nagement Enablement			
Processes	Process Analysis and Minir	Business Process Man	agement	Hyperautomatic	on
Applications	Enterprise Architecture  Application Lifecycle Mana Application Portfolio Mana				
Data	Data Management	Data Transition		D	ata Transformation

# **Clean core solution overview**

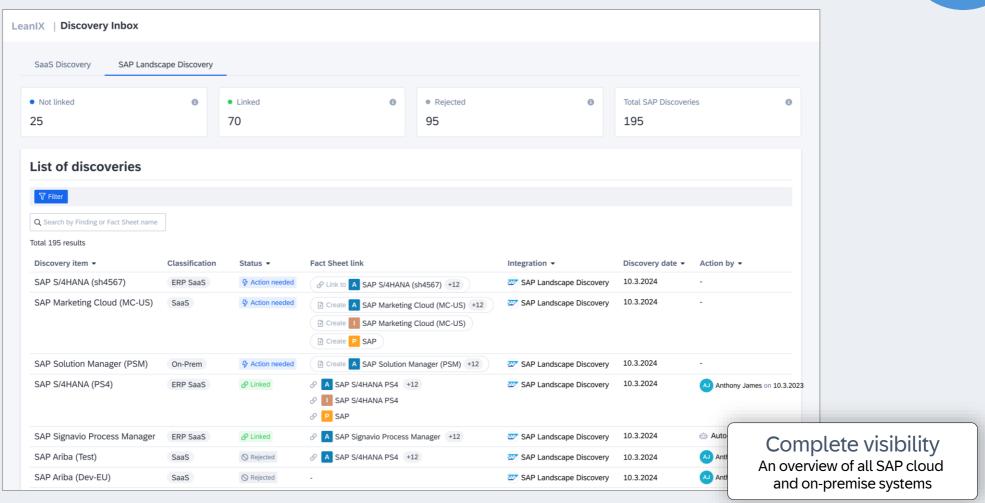
OPERATE	DISCOVER	ANALYZE	DESIGN	IMPLEMENT	OPERATE
	Organizational Change Ma	nagement			
	SAP Signavio	(A)		SAP LeanIX	
Processes		Business Process Mar	nagement		
Processes	Process Analysis and Minin	g		Hyperautomati	on
	Enterprise Architecture				
Applications	Application Lifecycle Management				
	Application Portfolio Mana	gement			
	Data Management				
Data		Data Transition			
					Data Transformation

# Understand the as-is IT landscape and discover harmonization opportunities

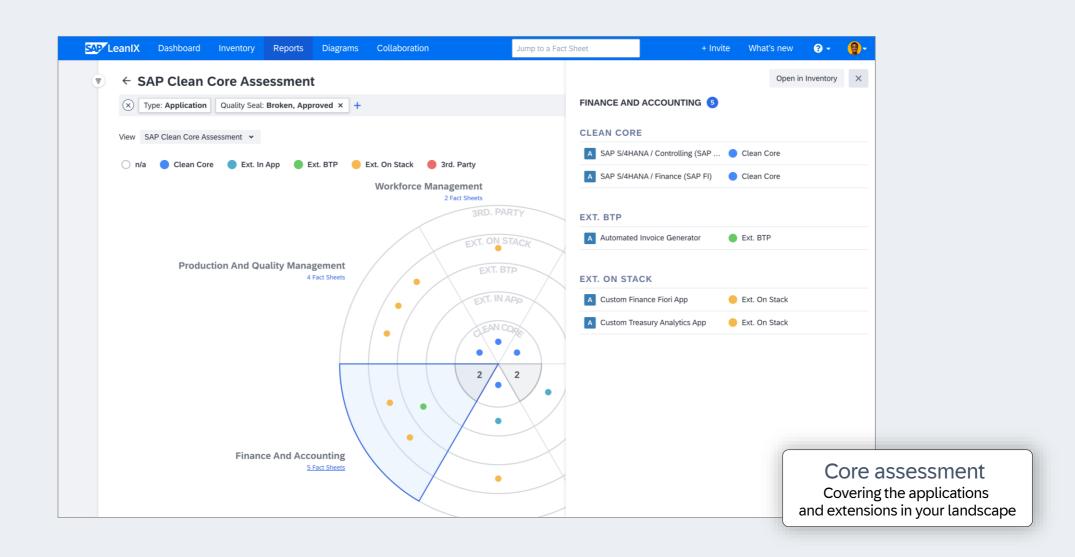


# Automated and continuous SAP landscape discovery

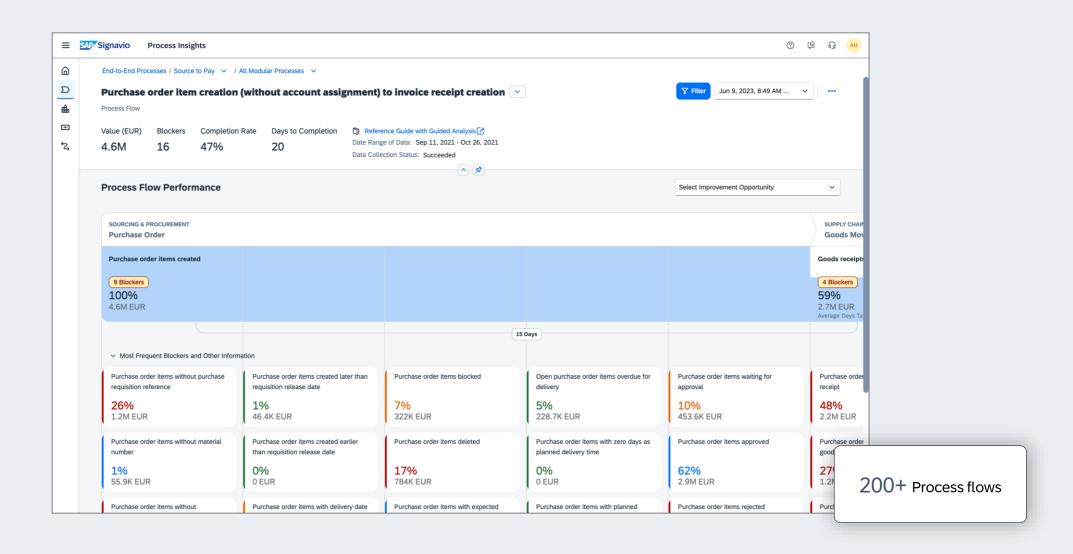




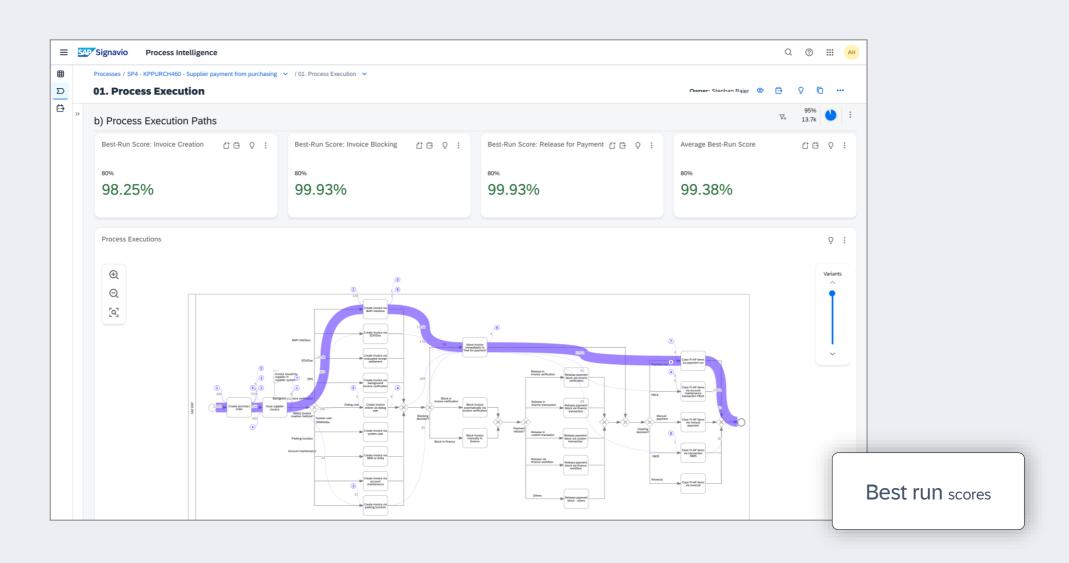
# Understand and assess your clean core



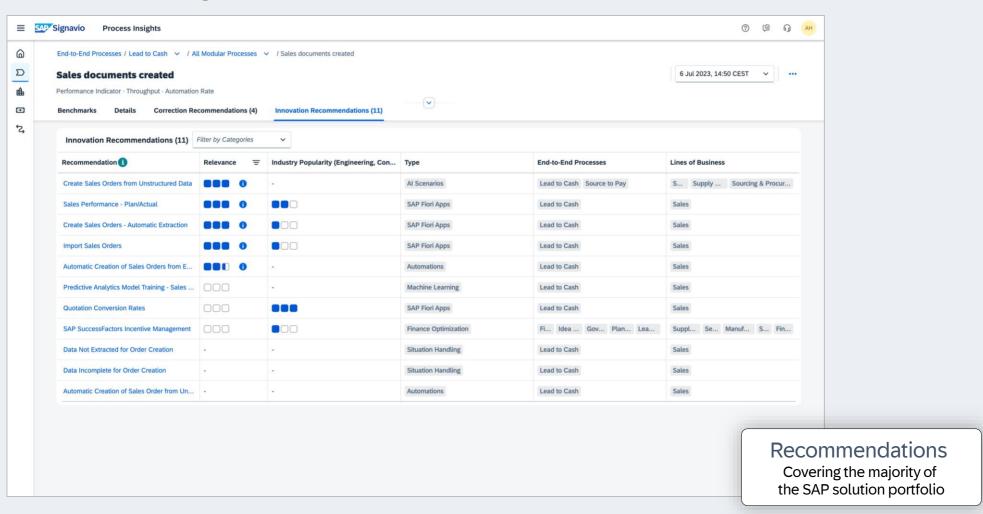
# Data-driven prioritization of standardization opportunities



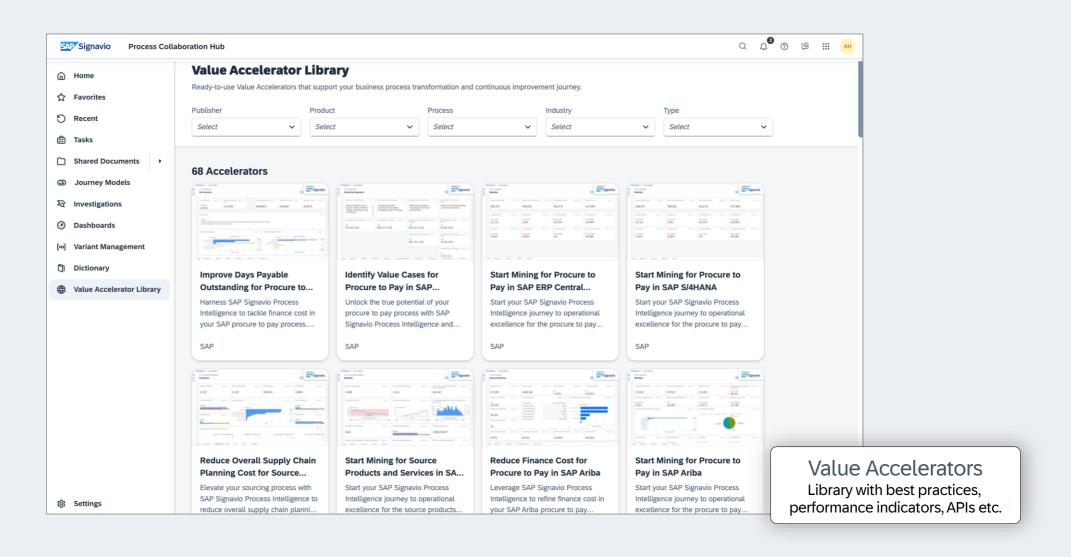
# Data-driven prioritization of standardization opportunities



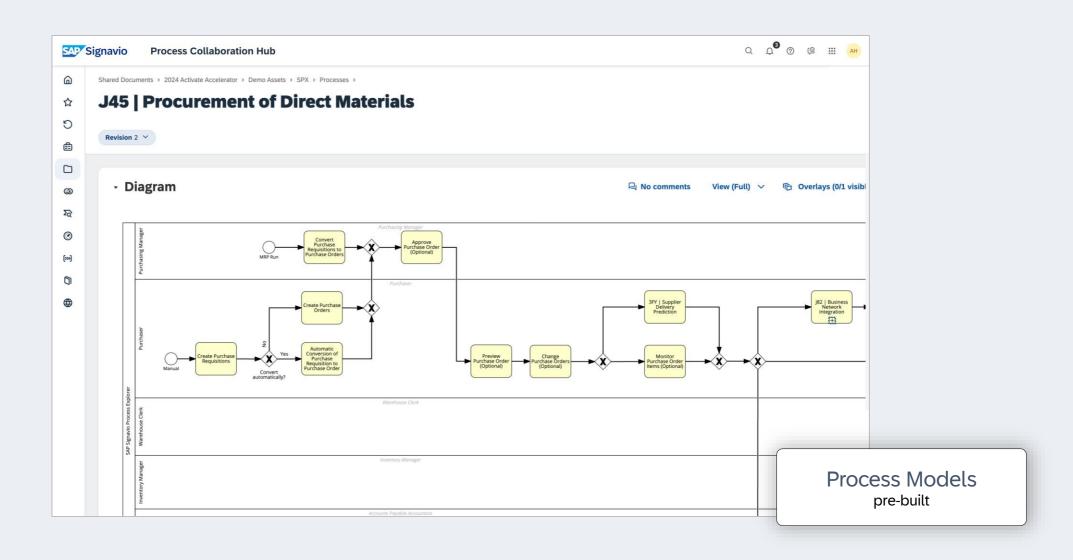
# Tailored innovation recommendations for suitable standard functionality



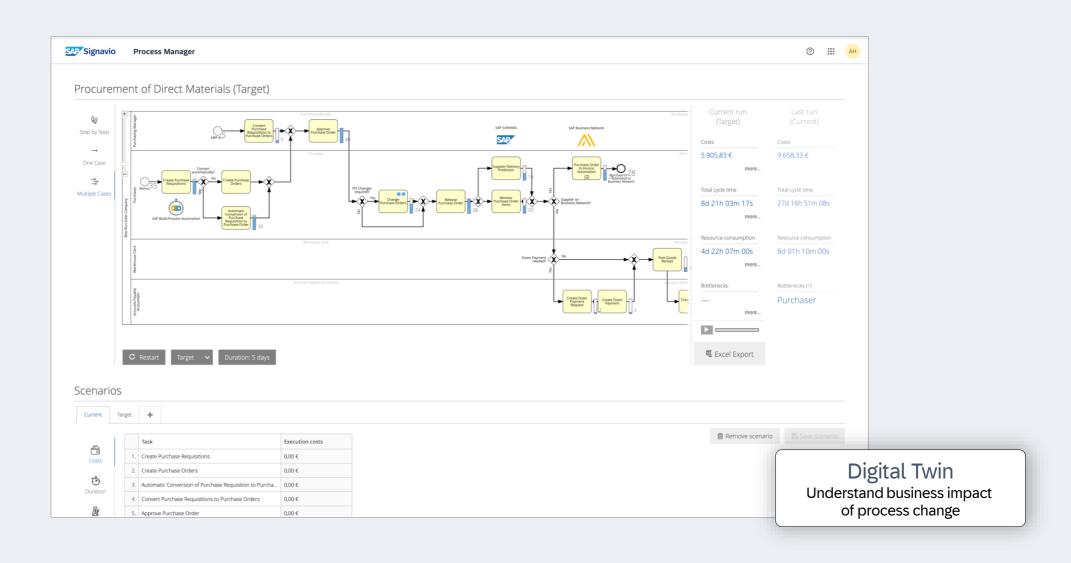
# Design future processes starting from best practices



# Design future processes starting from best practices



# Simulate the business impact of your process changes

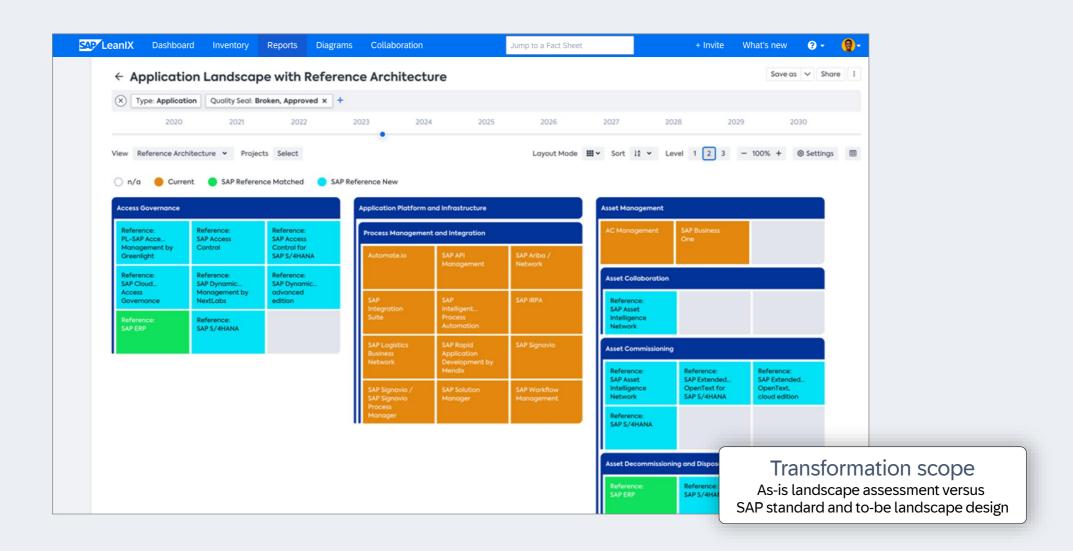


# Define target architecture aligned with SAP's recommendations

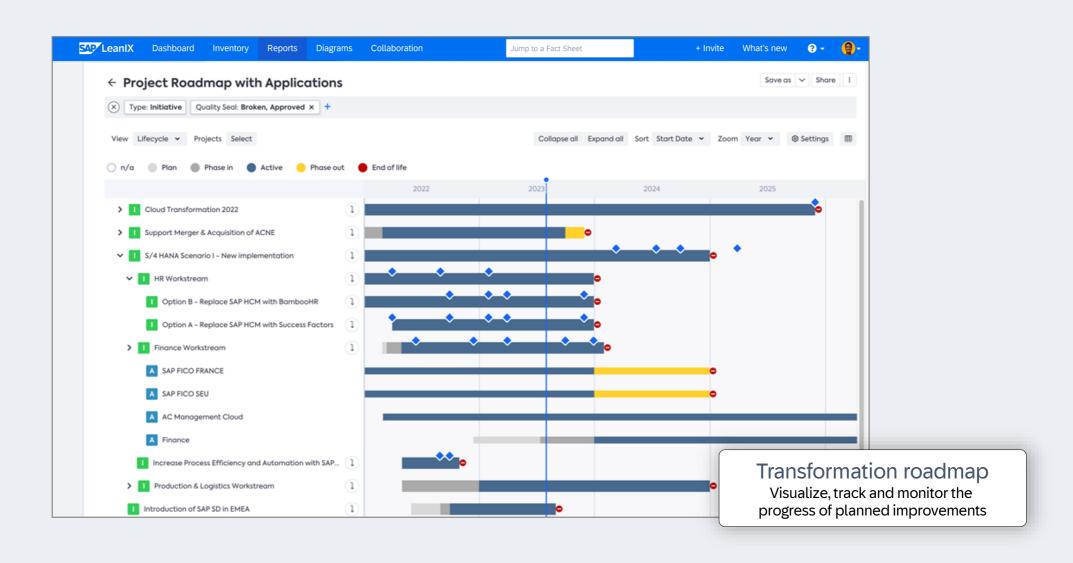


LeanIX Dashboard	I Inventory Reports Diagrams Collaboration Jump to a Fact Sheet + Invite V	What's new ? ▼
Search by item name	Reference Catalogs	
Users	Reference Catalogs provide standard information for Business Capabilities, Applications, IT Components, Providers, and Tech categories. By activating these	ese features you will be
User Roles	extending the Meta Model of your Fact Sheets and can define which fields and relations you want to automatically synchronise with our catalogs.  Business Capability Catalog Reference Business Architecture SaaS Catalog Lifecycle Catalog Tech Category Catalog	
ADVANCED SETTINGS  Automations	Reference Business Architecture enables customers to easily adopt SAP best practices Business Capability maps (tailored to industries) into your workspace organization. View Documentation	ace and customize it for your
Collections	If you want to import an industry map from the Business Capability Catalog, navigate to the Business Capability Catalog tab.	
Export	Select the industry maps you'd like to import	
KPIs	✓ Automotive	
Notifications Center	Chemicals	
Online I Francisco O Francisco	Consumer Products	
Optional Features & Early Access	Cross Industry  Engineering, Construction, and Operations	
Portals	✓ High Tech	
Reports	Industrial Manufacturing	
-	Media	
Surveys	Oil, Gas, and Energy	
To-Dos	Professional Services	
	Public Sector	
DISCOVERY & INTEGRATIONS	Retail	
API Tokens	Telecommunications	
AFT TURETIS	Travel and Transportation	Refer
Developer Tools	Utilities	
Integrations	Wholesale Distribution	Recom capal

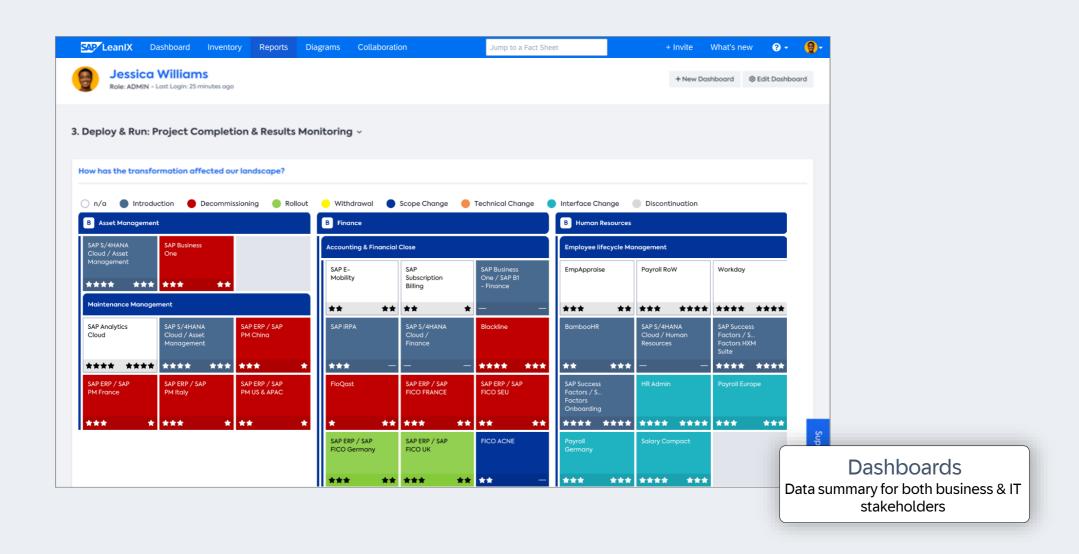
# Scope and design the path to clean transformation



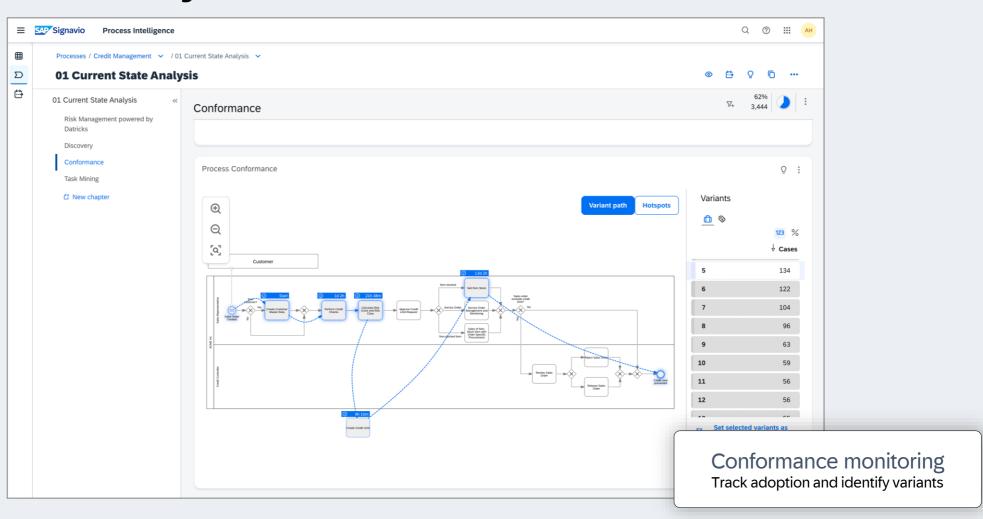
# Plan and build clean core transformation roadmaps



# Continuously track and measure architecture improvements

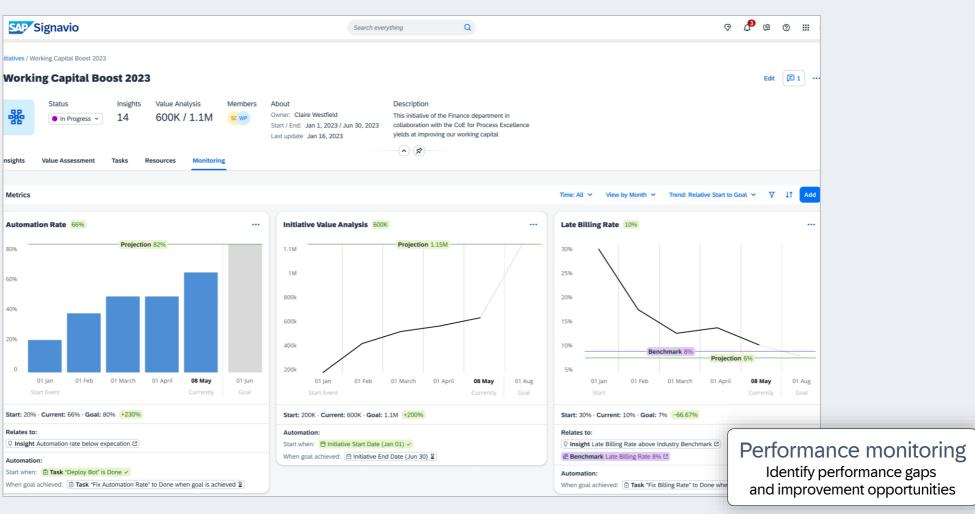


# Measure conformance and identify need for (re)training or correction in a timely manner



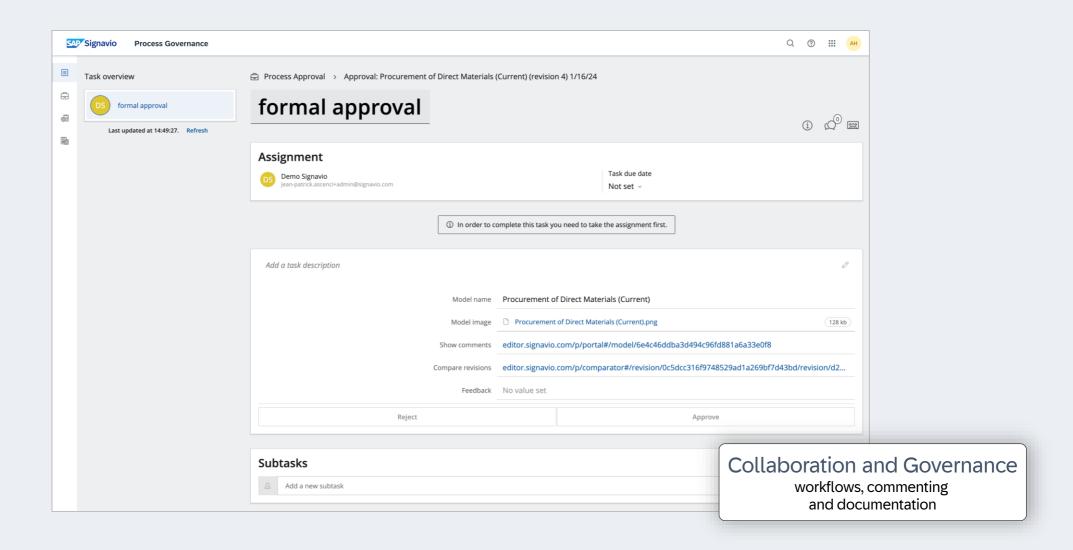
#### **Operate**

# Monitor processes, share insights, raise team collaboration and constantly improve business performance



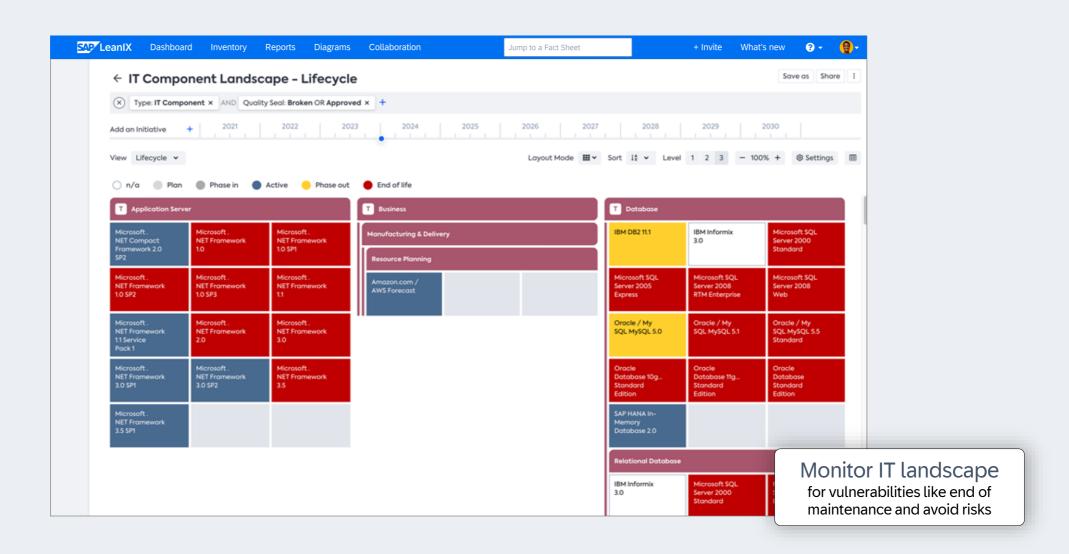
#### **Operate**

# Clear governance of process changes



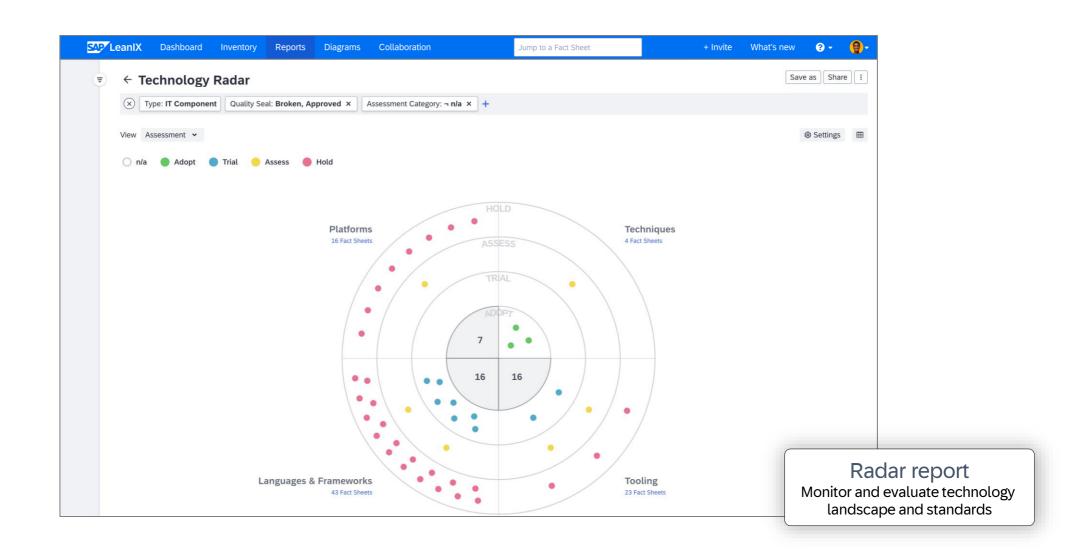
### **Operate**

## Monitor your IT landscape and avoid risks

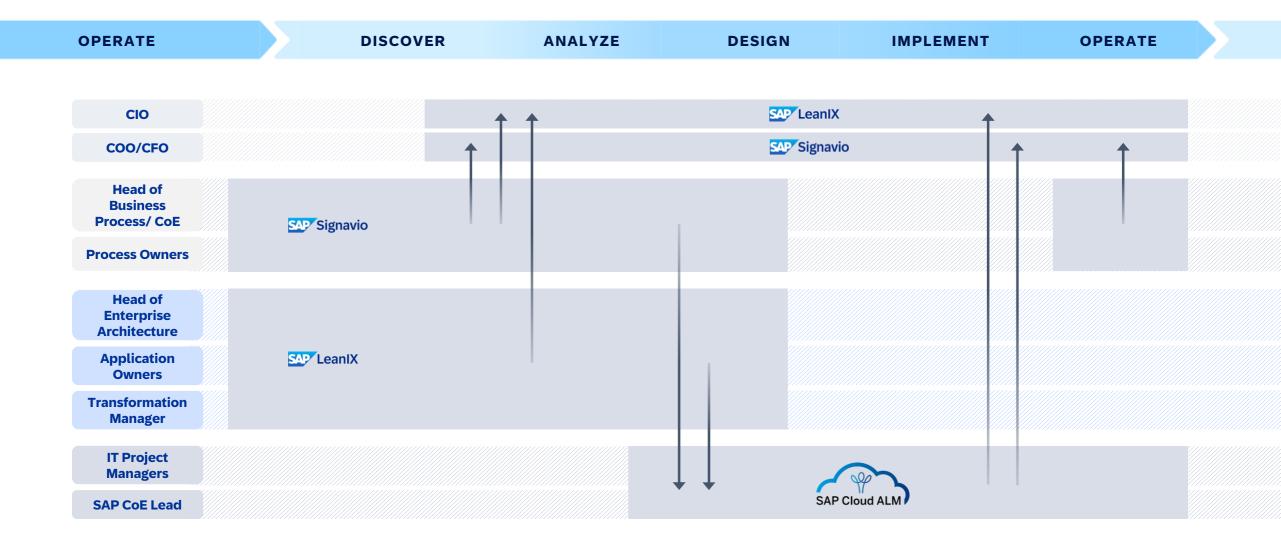


### **Operate**

## Monitor, govern and evaluate technology standards



### Clean core end-to-end tool chain



## Joint value to help overcome hurdles to clean core

### **Analyze and decide**

# Secures Business buy-in

- Compelling visualization of process deficits, supported by tailored recommendations
- Clear visualization of interdependencies: applications, business capabilities and processes
- Collaboration business and IT via a single source of truth

### **Get clean**

# Planning and execution across all layers

- Highly integrated management of process, enterprise architecture and application level
- Best practice content and value accelerators
- Mapping and planning transformation roadmap holistically

### **Stay clean**

## Guardrail and Governance

- Early risk detection though continuous monitoring of applications, interfaces and process variants
- Built-in governance capabilities

SAP Signavio and SAP LeanIX **are positioned as Leaders**across different market categories

by customers and various analysts

SAP Signavio is a market leader in **Process Transformation** 

SAP LeanIX is a market leader in **Enterprise Architecture** 

Process Mining Tools

Gartner

**Enterprise Architecture Tools** 

Gartner

Digital Twin of an Organization

**Spark** 

**Enterprise Architecture** 

G2 Grid

**Customer Journey Mapping** 

**Spark** 

Application Portfolio Management

G2 Grid



SAP Signavio and SAP LeanIX believe that placement in the various quadrants as Leaders is a testament to our continued commitment to providing customers with innovative world-class solutions.

### Key takeaways



To implement a clean core strategy, it is important to focus on all the dimensions



Moving to and maintaining clean core requires commitment from both the **business** and **IT** 



Clean core is an ongoing strategic activity and must be done by continuous governance



**SAP Signavio and SAP LeanIX support in keeping your** process and architecture clean and adhere to standards

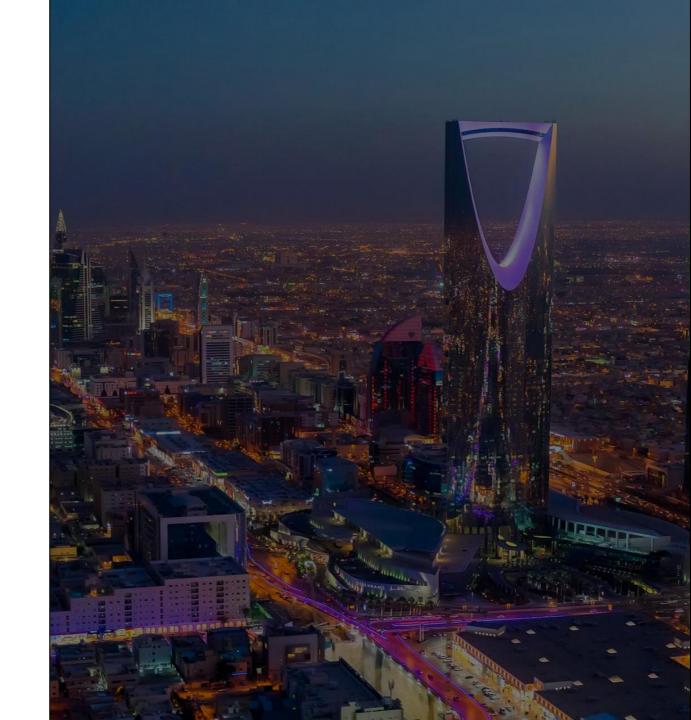


# Thank you.



**Salvatore De Caro**Director Solution Advisor
EMEA South

SAP Signavio











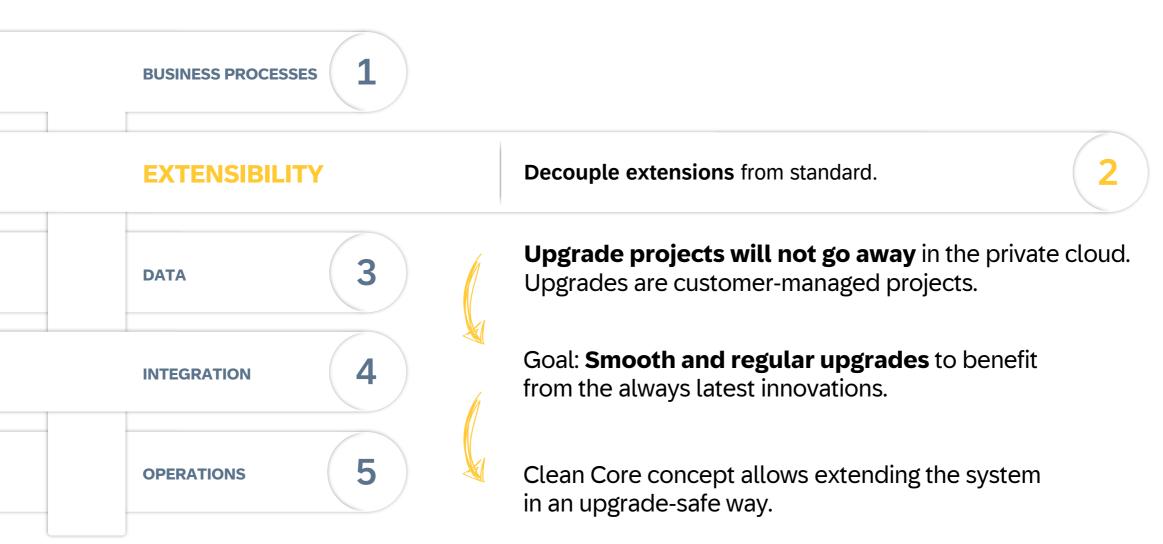
# Decouple your developments (Extensibility dimension):

How separating extensions from the core and understanding the pertinent development guideline will free your capacity to innovate

Fabian Sölker,

Senior Consultant BTP Extensability

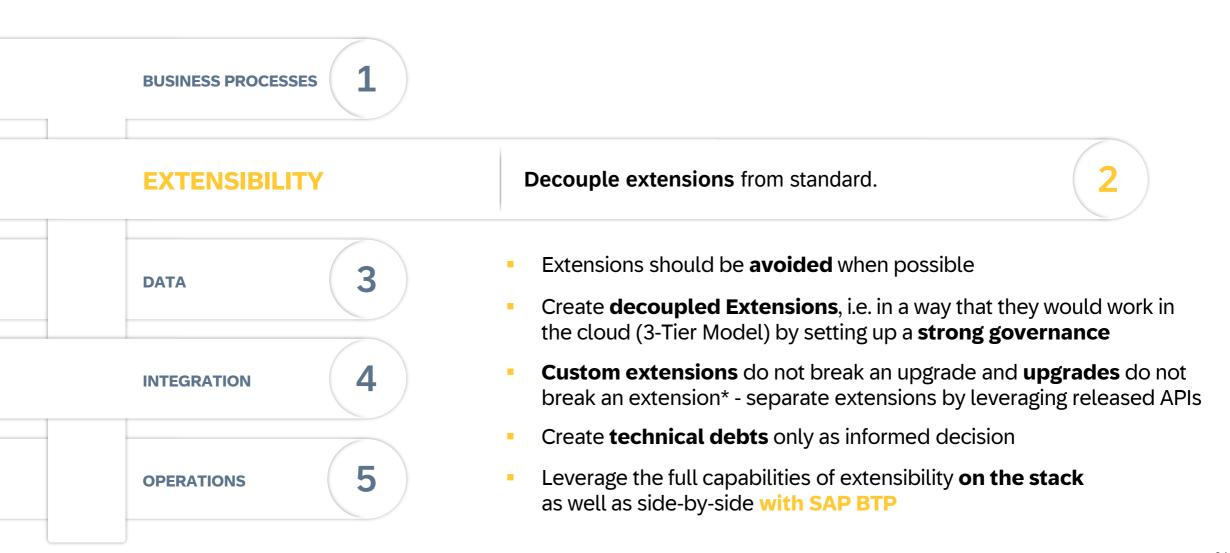
## Addressing clean core and the individual dimensions



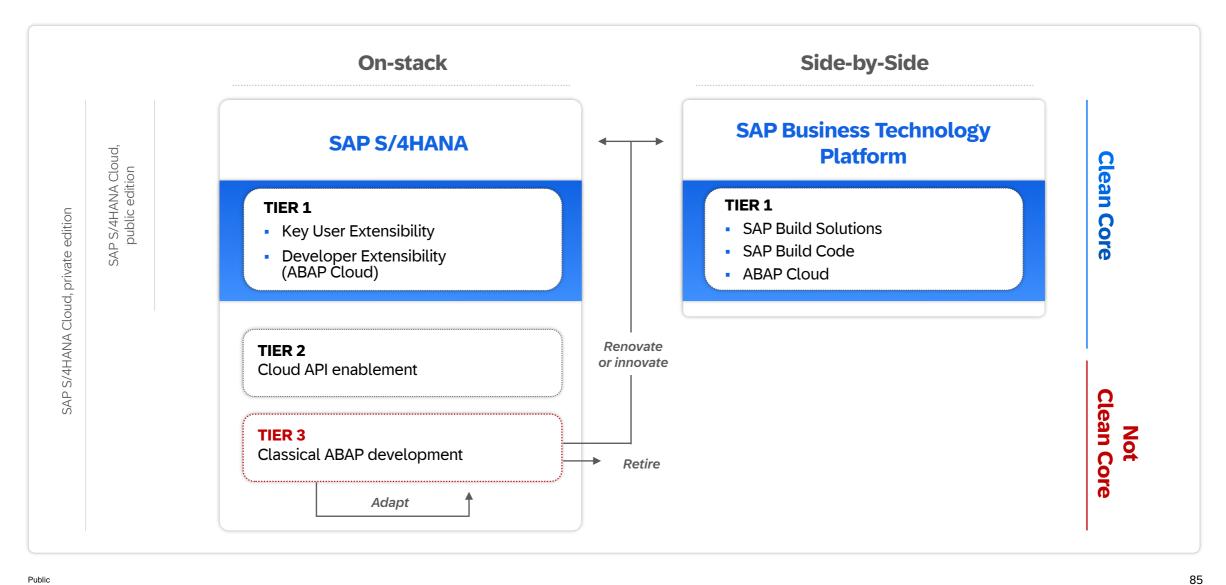
Public

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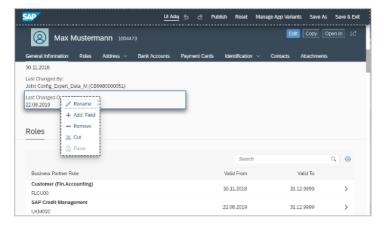
## Addressing clean core and the individual dimensions



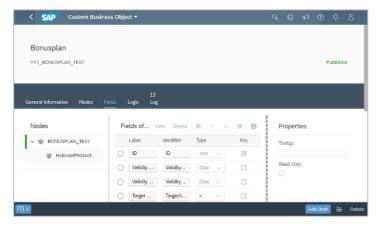
## Extensibility Model for S/4HANA – Decoupling SAP and Custom Code is Key



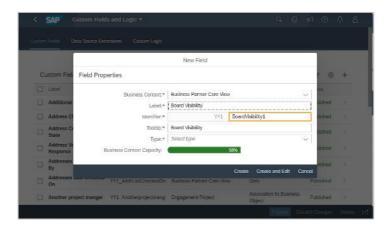
## **Examples for Key User Extensibility On-stack**



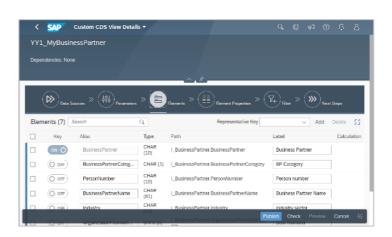
UI adaptation mode – adaptation mode with drag-and-drop configuration



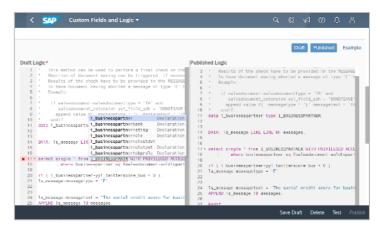
Custom business objects SAP Fiori app



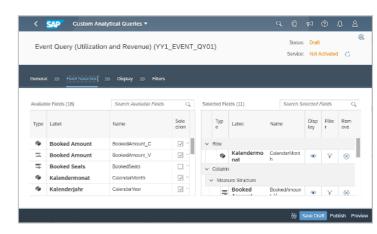
Custom fields SAP Fiori app



Custom CDS views SAP Fiori app



Custom business logic SAP Fiori app



Custom analytical queries SAP Fiori app

## The cloud equivalent of ABAP Extensibility objects On-stack



Clean Core ABAP

Direct table access

**Core Data Services (CDS)** 

**BAPIs** 

**RAP Business Objects** 

BOPF, BOR

**RAP Business Objects** 

Classic programming models/UI technologies like Dynpro, Web Dynpro, BSP

**SAP Fiori UIs** 

System access via SAP GUI

System access via ABAP Dev Tools

Customer functions/enhancement frameworks

Released extension points for cloud development

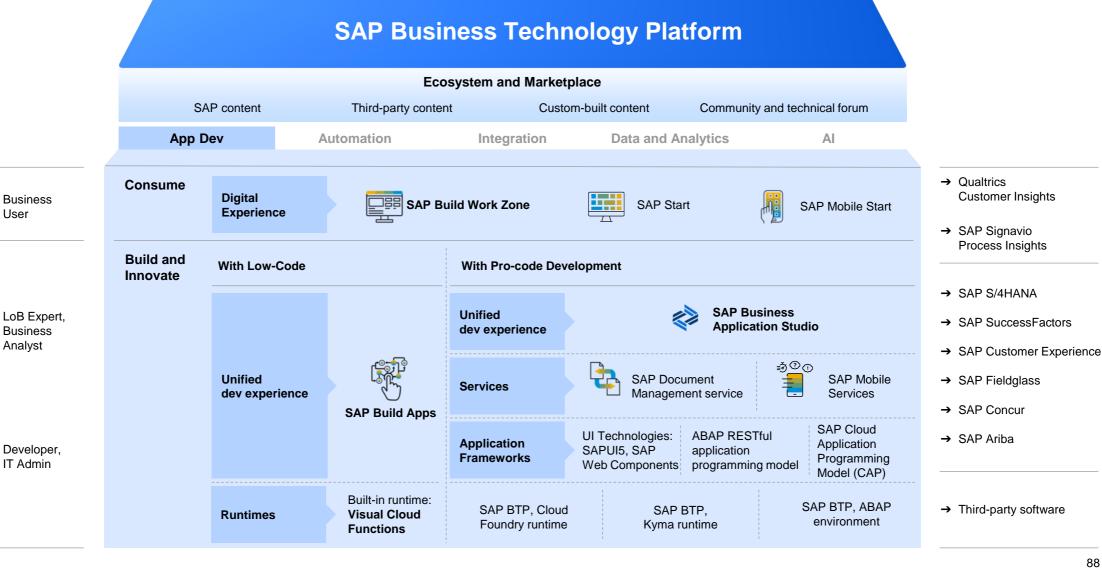
## **Side-by-side** Extensibility using **SAP Business Technology Platform**

**Business** 

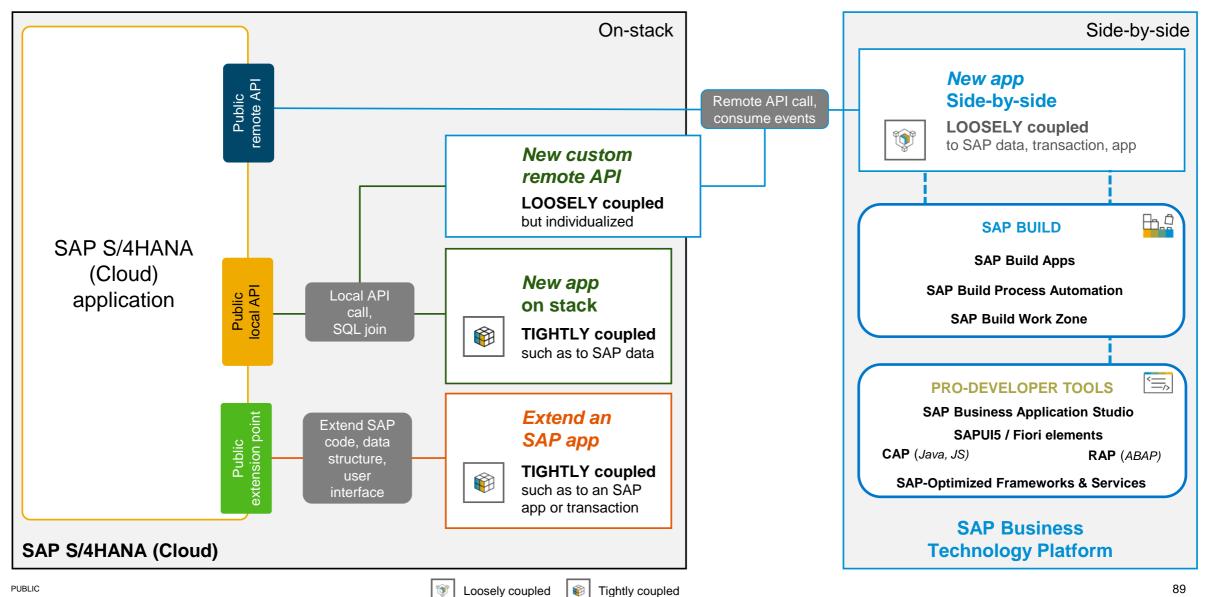
**Business** Analyst

IT Admin

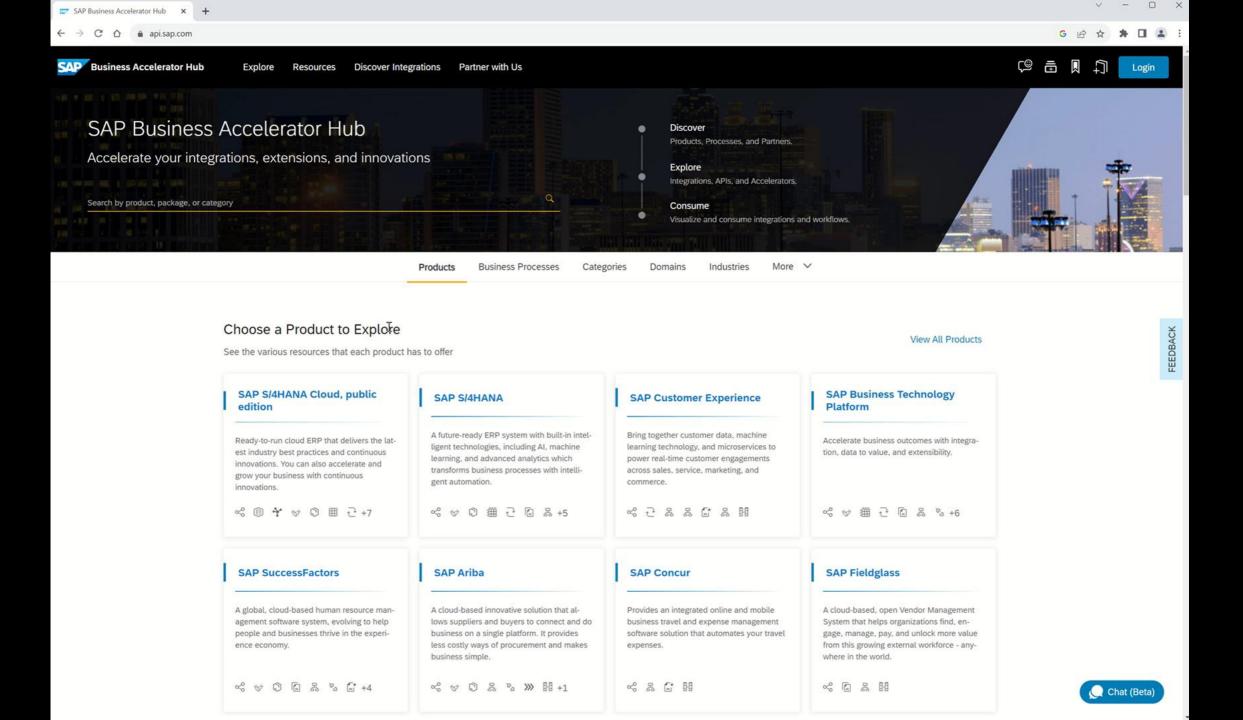
User



## SAP S/4HANA Cloud extensibility patterns

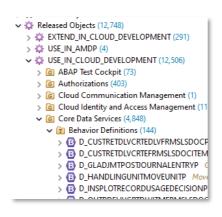


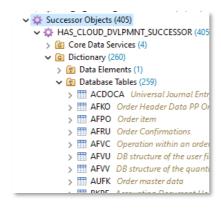
Tightly coupled

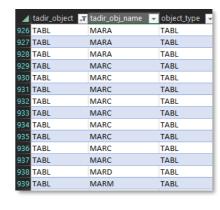


## How to identify APIs for SAP S/4HANA











- Discover APIs
   on <u>SAP</u>
   <u>Business</u>
   <u>Accelerator</u>
   Hub
- 2. Dive into the

  released

  objects in your

  system

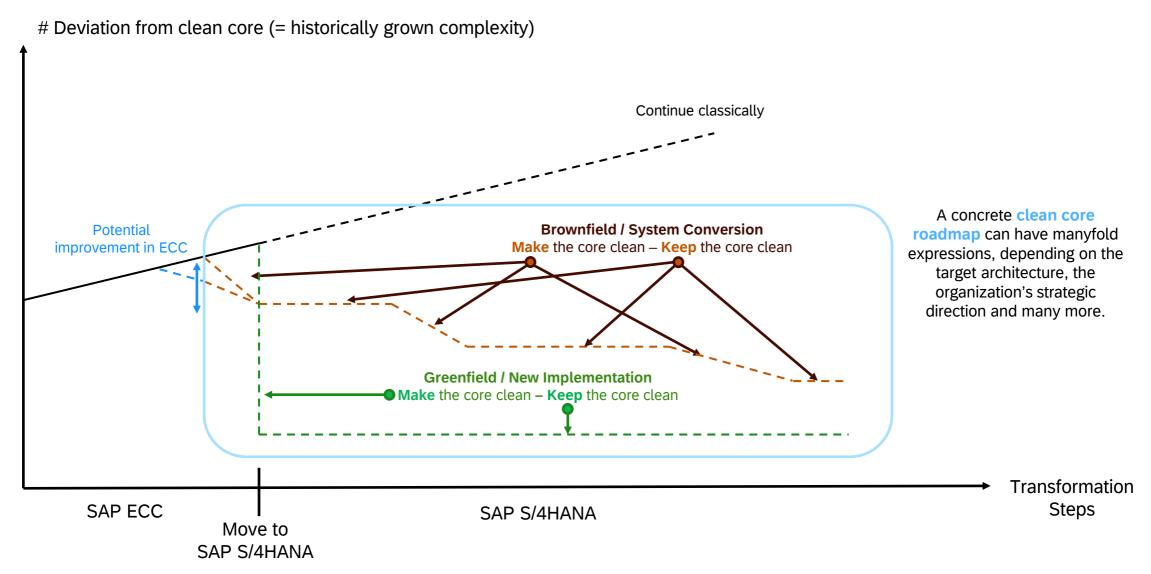
  Property filter:

  USE\_IN\_CLOUD\_DE

  VELOPMENT
- B. Look for successor objects in your system Property filter: HAS\_CLOUD\_DVLP MNT\_SUCCESSOR
- 4. Utilize repository of released objects

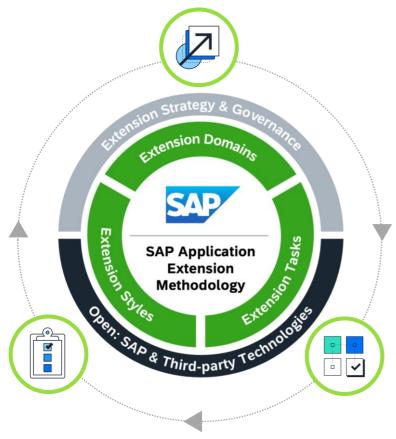
Request APIs for <u>public</u> / <u>private</u> cloud

### SAP S/4HANA transformations and clean core



## **SAP Application Extension Methodology**

Phase 1: Assess Extension Use Case

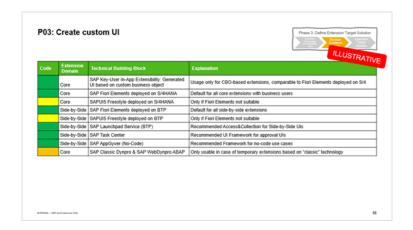


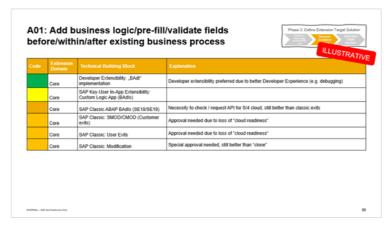
Phase 3:
Define Extension
Target Solution

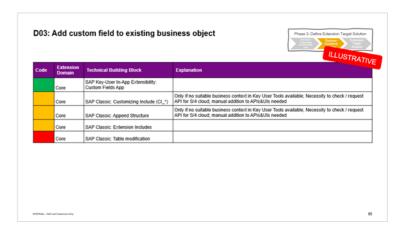
Phase 2: Assess Extension Technology

### **Phase 1: Assess Extension Use Case Business & Application** System context **Extension Use** Context Requirement Case **Phase 2: Assess Extension Technology** Extension **Extension Styles Extension Task Technology** Mapping **Phase 3: Define Extension Target Solution** Extension Decision **Extension Target Technology Per Guidance Assets** Solution **Extension Task**

## Project specific guidelines Examples based on SAP Application Extension Methodology







Code	Explanation
	Recommended Solution in future landscape
	Restricted allowance in general, should only be considered if no "green" aspect can be used (e.g. no BAdI available, no released API-View available etc.) Decision can be taken on Architect Level
	Only allowed with special approval from Architecture Council.
	Generally prohibited in future landscape

## **Decouple extensions from standard**

### **Main Aspects:**

- Extensions should be avoided when possible
- Create decoupled Extensions, i.e. in a way that they would work in the cloud (3-Tier Model) by setting up a strong governance
- Custom extensions do not break an upgrade and upgrades do not break an extension\* - separate extensions by leveraging released APIs
- Leverage the full capabilities of extensibility on the stack as well as side-by-side with SAP BTP
- Create technical debts only as informed decision



### Extend SAP S/4HANA in the cloud and on-premise with ABAP based extensions

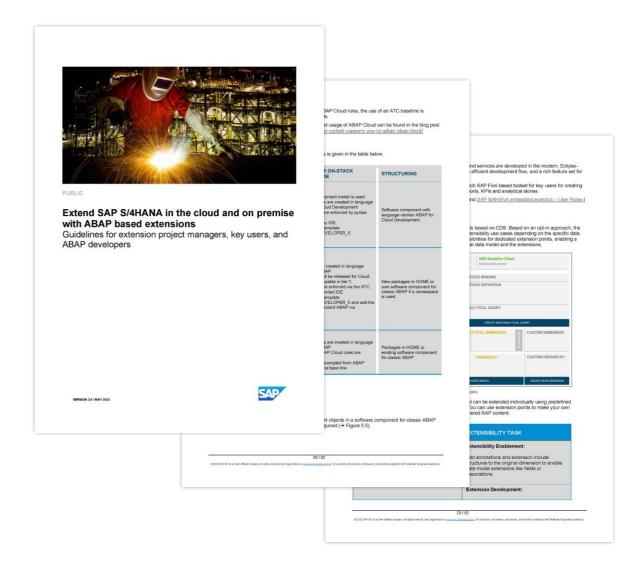
### **SAP S/4HANA Extensions**

(cloud, private cloud, and on-premise)

- Guidelines for extension project managers, key users, and ABAP developers
- Learn how to choose, implement, and use the extensibility options correctly
- Move from classic custom ABAP extensions to an SAP S/4HANA extensibility model for future-proof extensions

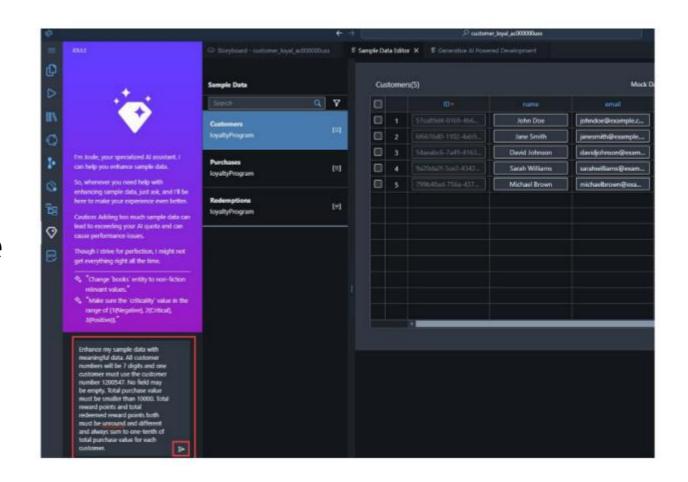


To access scan this code or click <u>here</u>.



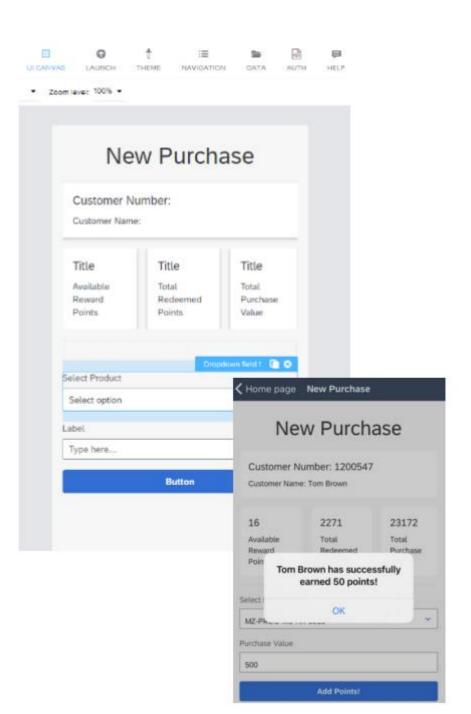


## **SAP Build Code**





## **SAP Build Apps**



# Thank you.

### Contact information:



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E: fabian.soelker@sap.com







# Control the Data according to latest standards (Data Dimension):

How deploying a holistic data strategy (master data, configuration data, transaction data, data volume and data sizes) will help built trust, reliability and insights with the business

Daniel Mesics,

Daniel Mesics, Senior Technology Consultant

## Addressing a clean core is an ongoing strategic activity

1. Extensibility

Keep the **extensions** clean

2. Data

Keep the data lean

3. Integrations

Keep the landscape reliable

4. Processes

Keep the processes flexible

5. Operations

Keep the **operations** effective and efficient

A **clean core** is a system that is as close to standard as possible, while running cloud-compliant extensions and integrations.

It allows you to adapt your system to changing business requirements and to adopt new capabilities.

### Keep the data clean

1. Extensibility

Keep the **extensions** clean

2. Data

Keep the data lean

3. Integrations

Keep the landscape reliable

4. Processes

Keep the processes flexible

5. Operations

Keep the **operations** effective and efficient

**Data quality** 

Configuration, master, and transactional data

Data privacy compliance

Store and process personal master data only with justifiable purposes

Data volume efficiency

Master and transactional data

# **Data Quality**

## **Master Data Quality**



of scanned master data objects contain errors and issues towards consistency, completeness and conformity in customer ERP and S/4HANA applications\*

## **Implications of Data Quality**

### **Upgrades and transition projects**

- Incomplete source data
- Additional attributes
- New objects required

### **Reduced efficiency**

- Duplicate Vendors
- Duplicate Customers
- Duplicate Products, Materials



### High complexity within IT team

- Invalid references to master data
- References to invalid configuration
- "Orphaned" data (items w/o header)

### Lack of compliance

- Incomplete, outdated addresses
- Missing, outdated contact information
- Invalid email address / phone #

### How do you define clean data?



### **Accuracy**

Reflects the reality of the business



### **Completeness**

Supports business operations and decision-making



### Consistency

Consistent to minimize confusion, errors, and inefficiencies



### **Timeliness**

No outdated information that could affect business-critical processes



### **Validity**

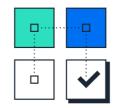
Conforms with defined standards and business rules



### Uniqueness

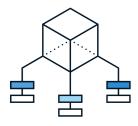
Data offers a concise and clear view of the information

### How to get and keep data clean?



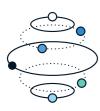
#### SAP Data Quality Improvement Service – Simplify, improve and boost data quality

- Analyze data from multiple source systems including legacy and non-SAP systems
- Flexible adaption of rules and analysis of data
- Out of the box rules based on years of consulting experience
- End-to-end support for data extraction, analysis and results



#### SAP One Domain Model (ODM) - Unifying semantics to define business objects

- Standardizes how SAP expresses business semantics and relationships between business objects in APIs
- Aligned domain models enable consistent APIs and reduce dependencies
- Lower integration efforts due to aligned objects across products



### SAP Master Data Integration – Unifying data distribution across solutions

- Ensures the consistency and integrity of master data across various SAP and non-SAP applications
- Acts as a central hub for the distribution and synchronization of master data, such as customer, product, and vendor information
- Consolidation, data quality control, and central governance in combination with SAP Master Data Governance

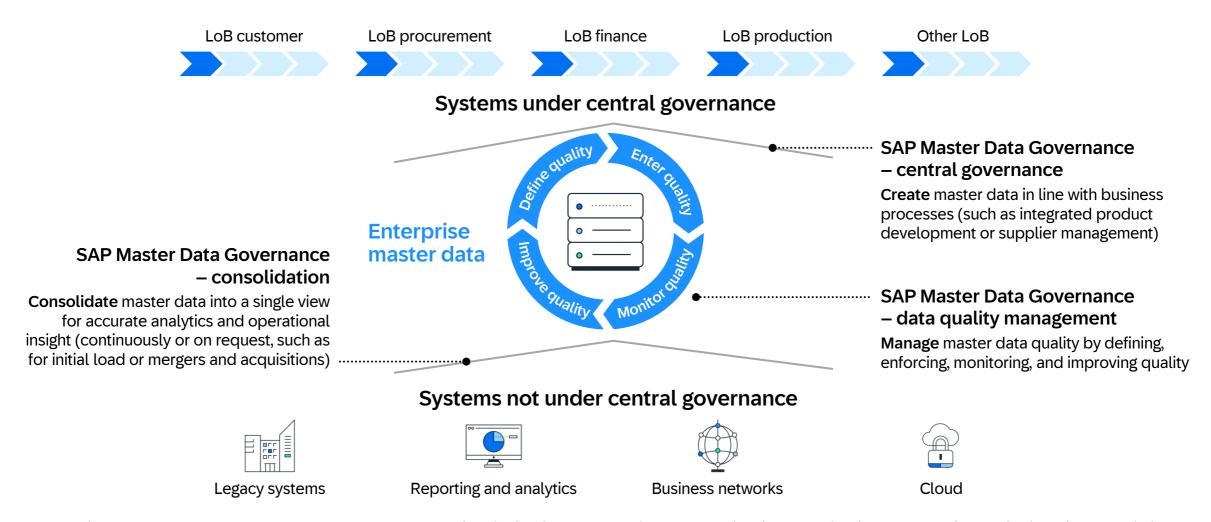


### SAP Master Data Governance – Enforcing data quality

- Consolidate master data into a single view for accurate analytics and operational insight
- Create master data inline with business processes (integrated product development, supplier management)
- Manage master data quality by defining, enforcing, monitoring and improving data quality

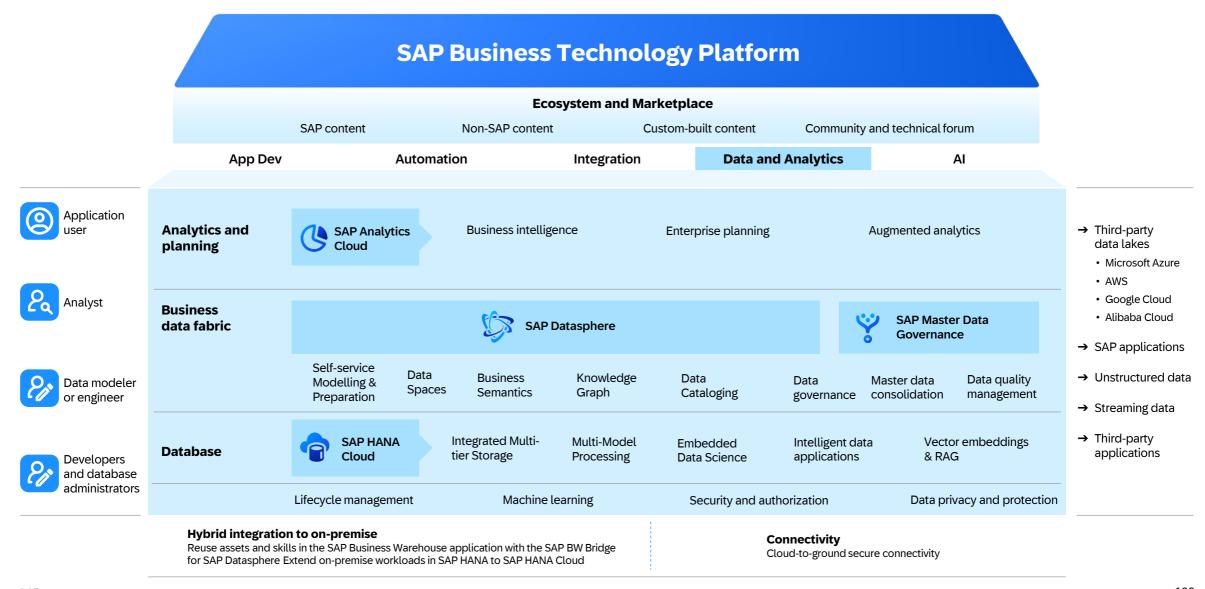
## Typical approaches to master data management

## Central governance and distribution or decentralized ownership and consolidation



All typical approaches are supported: central governance with distribution, decentralized ownership with consolidation, data quality monitoring with remediation

### **Data and analytics with SAP BTP**



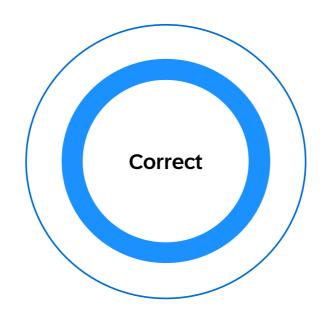
# **Data Privacy Compliance**

## **Relevance of Data Privacy Compliance**

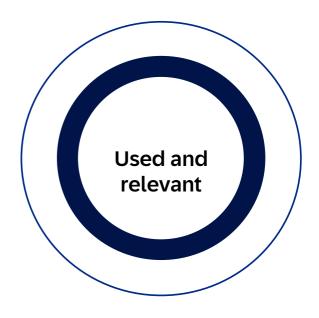
## Clean data is



Comprehensive, including all necessary information required for its intended purpose without omissions



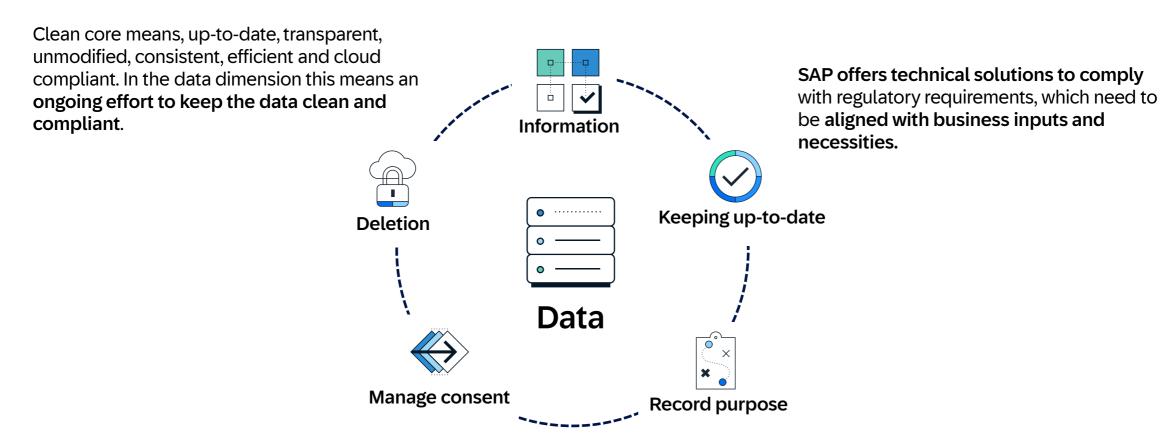
Accurate and free from errors to ensure reliability and trustworthiness



Pertinent and actively utilized in accordance with its intended purposes, avoiding unnecessary or extraneous information

## Only compliant data is clean data

## **Data Privacy Compliance in Practice**



It's essential to respect user rights, collect only data required for operational needs, and maintain transparency about data usage.

## **Data Privacy Compliance**

Data Protection and Privacy Analysis Service



Identify where personal data is processed



Support residence and retention period definitions



Insights on purpose and identifying archiving objects

SAP Information Lifecycle Management



Automate data protection processes



Ensure only data with purpose is stored



Support data archiving and destruction

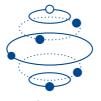


Enable compliant data management

SAP Data Privacy Integration



Data protection for SAP BTP apps



Flexible and scalable framework

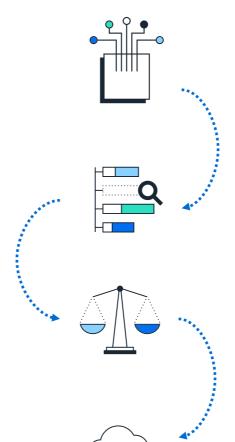


Implement easily with reuse architecture

## SAP ILM – Lifecycle of data

## **Data Object (ILM Object)**

Data (both structured data and unstructured data) are grouped according to business process and technical logic into data object



#### Data usage

Status concept indicates the usage of data, for example "open"; "in process"; "completed" ...

## **Retention regulations**

Regional legal entities regulate the data retention period for auditing and other legal purposes

#### **Data destruction**

When the retention regulations have been fulfilled, data (both structured data and unstructured data) must be destructed

## SAP ILM – Archiving and Data Destruction



#### **ILM Enabled Archive**

With ILM functionality, ADK (archive file) will be created considering the retention policy

ADK file can be destructed according to the retention time







**ILM Rule Engine** 



**Direct Data Destruction** 

#### **Direct Data Destruction**

With ILM functionality, data from the data base can be destructed according to the retention time

## SAP DPI – Managing data lifecycle on SAP Business Technology Platform

#### **Retention Management capabilities:**

- Delete personal data based on residence and retention rules
- Right to be forgotten



#### **Manage Business Purposes**

- · Configuration of residence and retention rules
- Definition of reference date
- Activation/deactivation of rules



## **Delete Data Subjects Information**

Delete selected data subjects



#### **Manage Data Archiving**

Creation and execution of data archiving runs

### **Information Access capabilities:**

- Identifying and exporting personal data
- Right of information and right to portability



#### **Manage Personal Data**

- Display personal data
- View and export personal master and transactional data
- Multiple formats to export are available



#### **Manage Personal Data Requests**

- View and manage requests
- Central component to view deletion -and change requests

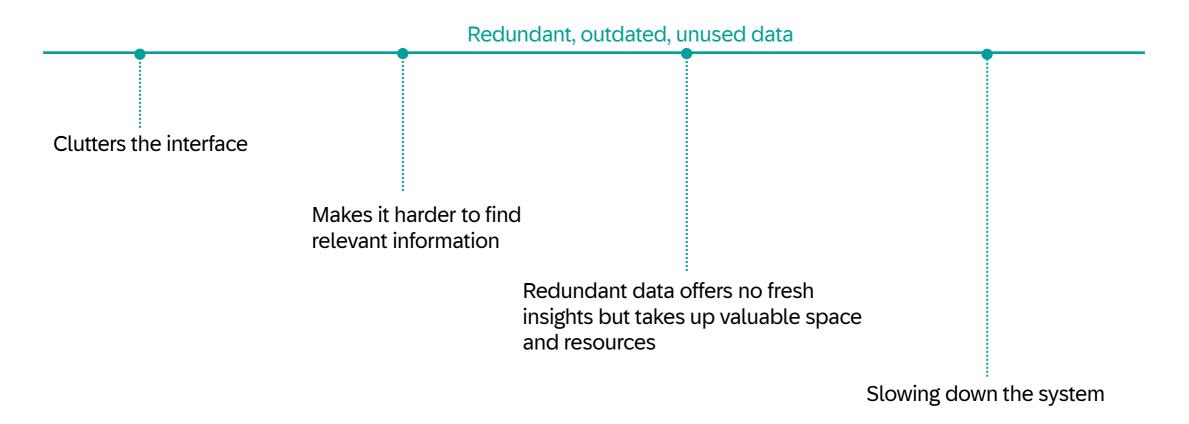
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## **Data Volume Efficiency**

## **Relevance of Data Volume Efficiency**

Data Volume Efficiency is essential in **maintaining the usefulness and relevance** of the database. Therefore, it's imperative to routinely delete data beyond its useful life (expired purpose and retention period) from the system.

Data redundancy and unused data pose severe efficiency concerns.



## **Data Volume Efficiency**

Data volume efficiency part of the data lifecycle:

- Create Prevent duplicates
- Read
- Update
- Delete Remove outdated data

- Ensure standard housekeeping is done according to SAP's recommendation
- Benefits: Reduces storage costs and improves data quality

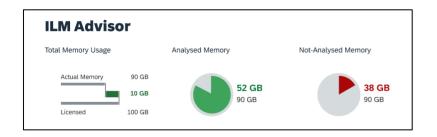
- Regularly delete data in line with retention policies
- Use automated tools for data deletion and archiving
- Benefits: Frees up storage capacity and maintains database performance

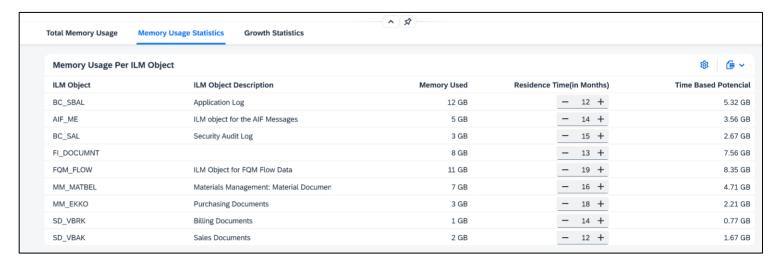


## For Data Volume Efficiency (from creation until end of life)

- 1. Establish a continuous process to manage data effectively
- 2. Define a validation rule framework, approval process, and automated distribution framework for newly created, changed, or deleted data records (e.g. via SAP MDI / SAP MDG)
- 3. Define continuous data monitoring to ensure ongoing data integrity and efficiency
- 4. Implement archiving, deletion, or data tiering processes to optimize database performance and storage utilization (e.g. via SAP ILM / SAP DPI)

## **ILM Advisor – Overview**





#### **SAP ILM Advisor**

Available as part of SAP S/4HANA Cloud solution that offers capabilities to monitor, analyse the memory consumption by applications and the related SAP Information Lifecycle Management objects

#### **Further functionalities:**

- Analyzes and displays the memory consumed by business data and the related ILM-enabled archiving objects
- Provides transparency on the potential for data reduction of your biggest data consumers for ILM-enabled archiving objects
- Provides insights into the age of data created by business processes
- Provides history and details of the memory consumed by ILM-enabled archiving objects
- Provides an overview of the effect and success of your ILM data archiving activities

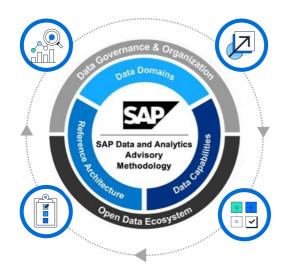
## SAP Data and Analytics Advisory Methodology

A framework providing best practices and tools for data management and analytics, helping organizations develop data strategies and maximize data value

#### Phase I: Scoping & Baseline Analysis

#### Phase II:

Business Outcomes & Solution Requirements



Phase IV:
Data Governance &
Roadmaps

Phase III: Capability Map & Solution Architecture

## Phase I: Scoping & Baseline Analysis

Scope of Investigation

Current Data Architecture & Capabilities Opportunities & Improvement Potential

## Phase II: Business Outcomes & Solution Requirements

Business Outcome Definition

Data Product & Use Case Analysis Solution Context Consolidation

## Phase III: Capability Map & Solution Architecture

Capability
Analysis &
Solution Mapping

Develop Architecture Options Validate & Finalize Target Architecture

## Phase IV: Data Governance & Roadmaps

Data Governance

Roles & Organization

Roadmaps / Project Pan

## Control data quality, data volume and data privacy

## Main Aspects:

- Modern (configuration, master and transactional) data quality requirements are accuracy, completeness, consistency, timeliness, validity and uniqueness
- Data volume needs to be controlled in order to optimize memory and disk consumption i.e. data should not contain outdated, unused or redundant information
- Personal master data must only be stored with justifiable purposes



# Thank you.

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## **PANEL**

## Feedback







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