Differentiating your Core ERP with SAP S/4HANA

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Agenda

Moving the Business Suite functionalities into the new world – transition paths

Benefits for RISE customers

Customer success stories

Q&A
Innovating your core ERP with SAP S/4HANA
1. Innovate through the cloud

- Integrated Business Planning
- Customer Experience
- Supplier Network & Collaboration
- ...

Public
Innovate through the cloud – Example
APO Succession with SAP S/4HANA and IBP

Finance  Sales  ePP/DS
Human Resources  Sourcing & Procurement  aATP
Marketing  Service  …

Production Planning/ Detailed Scheduling (PP/DS)
Demand Planning (DP)
Global Available-to-Promise (gATP)
Supply Network Planning (SNP)

Supply Chain Control Tower
Sales & Operations Planning
Demand  Inventory  Response & Supply

SAP S/4HANA
SAP APO
SAP IBP

Execution
Closer to execution, Orchestrating the network to find the right fulfillment

Plant-Centric Planning
Unified Manufacturing Processes – Plan to Produce in ONE System

Promise to Market

Network-Centric Planning
Innovative & Re-architected Supply Chain Planning Processes

Planning
Strategic, Tactical and Operational Planning

Sales
Finance  Human Resources  Marketing

Production
Detailed Scheduling
Production Execution
Order Promising

Response & Supply
Deployment Planning
Allocation Planning

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Production
Detailed Scheduling
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Deployment Planning
Allocation Planning
Innovating your core ERP with SAP S/4HANA
Simplifying the architecture
Homogenize the SAP S/4HANA software stack

SAP S/4HANA is delivered as a consolidated software stack – not a collection of separate software packs (technical products).

Benefits:

- Run single instance across industries
- Lower upgrade complexity, faster release upgrades
- Better system performance
- Fewer interfaces

Examples: Extended Warehouse Management, Transportation Management, Portfolio and Commercial Project Management, Customer Service, Constraint-based Production Planning, …
Innovating your Core ERP with SAP S/4HANA
Ensuring consistency in the core – leveraging SAP S/4HANA technologies for updating proven business processes

- As you convert your ECC system to SAP S/4HANA, many functionalities will be simply moved over, along with your data.
- Benefit from architectural innovations without disruptions in process and data models.
Innovating your core ERP with SAP S/4HANA
Simplify the S/4HANA stack
the principle of one

- The move to a new application generation is a unique chance to replace heritage duplicate functionalities and technologies with state-of-the-art solutions.

- The **Simplification List** contains a description of all Business Suite functionalities which were changed disruptively on the way to SAP S/4HANA.

- The simplification items are also leveraged in tools like the **Readiness Check** to give transparency on system usage and conversion implications.
Innovating your core ERP with SAP S/4HANA
Building a bridge from ECC into the S/4HANA world

Compatibility packs

Why allow the temporary use of classic functions - Compatibility Packs - on SAP S/4HANA?

– Make transition easier for customers using SAP ERP/Business Suite
– Allow sufficient time for redesign of business processes in the new world

Definition:

• SAP grants a timely restricted\(^1\) use right for specific classic SAP solution functionality\(^2\)
  to SAP S/4HANA customers

\(^1\) restricted until the end of 2025*

\(^2\) “White list” of CPs as documented in note 2269324 and referenced in the Software Use Rights (SUR)

• Compatibility Packs are only applicable for solutions which are installed on the SAP S/4HANA instance – not for side-by-side installations.

• With S/4HANA release 2023, SAP has released the recommended go-to solutions.

• Applicable to SAP S/4HANA Cloud Private and on-premise, also the “SFIN” releases 1503 and 1605.

• The Readiness Check evaluates productive usage of compatibility packs on an ECC or S/4HANA system.

\* In the exceptional cases of CS, LE-TRA and PP-PI, the usage right to their respective compatibility pack items (cf. matrix) terminates at the end of 2030. Details see Appendix.
Building a bridge from ECC into the S/4HANA world
Compatibility packs - Overview Webinar on SAP Community

- Get more information in our SAP Community webinar: Overview of Compatibility Packs
- Recording and slides available on youtube
- Coming up next, planned for end of Q1: The Way Forward in Detail – how to replace compatibility scope
Innovating your core ERP with SAP S/4HANA
Why is SAP S/4HANA superior to ECC?

Five Differentiators

- **SAP HANA and Real-time Analytics**
  - Real-time insights with transaction and analytical data in one system

- **State of the art UI SAP Fiori**
  - Cohesive user experience

- **Intelligent Technologies**
  - Artificial intelligence to optimize and automate mission-critical processes

- **New business processes and functionalities**
  - Supporting the latest industry requirements

- **Out-of-the-box integration**
  - Holistic integration of data, technology, and business processes to deliver significant business value

Get all the details [here](#)
### SAP S/4HANA Differentiators – Real-time Analytics

#### Smart Business KPI's and Cards
- KPI monitoring on the Fiori Launchpad
- Display cards from one of your overview pages
- Customizable for user specific needs

#### Overview Pages
- Consolidated view on a certain domain, e.g. Sales
- Information presented in analytical tables and charts
- Take action in the same place or navigate to other apps
- Save personal variants

#### Analytical List Page
- Generic approach to mix analytical and transactional activities
- Display table or chart or a combination
- Take action directly in the same app or navigate to other apps
- Save personal variants.

#### In-app Analytics and ML
- Combine Analytics with transactional content in one screen
- Insight to action to prioritize based on facts
- Use drill-downs to determine transactional input parameters

#### Multidimensional Reports
- Analyze and visualize data from multiple dimensions
- Display pivot-table or chart or a combination
- Save personal variants

#### Stories
- Pre-defined dashboards based on SAP Analytics Cloud
- Can be consumed directly SAP S/4HANA Cloud Fiori Launchpad
- Can be copied as a template and further adapted
SAP S/4HANA Differentiators – Fiori User Experience

Intuitive user-centric UX approach allowing users to connect anywhere on any device, improve productivity and adopt rapidly with built-in guidance and support
SAP S/4HANA Differentiators
New and Updated Processes and Functionalities

**Finance**
- Universal Journal
- Group Reporting
- Central Finance
- Multi-Bank Connectivity
- Document and Reporting Compliance
- Financial Compliance Management

**R&D**
- Product Compliance
- Advanced Variant Configuration
- Software Constraints
- Change Record

**Asset Management**
- Phase-Based Maintenance Process
- Work Packs
- Asset Performance Analysis

**Service**
- Service with Advanced Execution
- In-House Repair with Advanced Execution
- Item-Based Accounting in Service

**Supply Chain**
- Extended Warehouse Management
- Advanced Available to Promise
- Direct Delivery
- Advanced Shipping and Receiving
- Extended Service Parts Management
- Greenhouse Gas Emissions
- Unified Package Builder

**Manufacturing**
- Accelerated MRP (Live)
- Predictive MRP
- Production Engineering and Operations (PEO)
- Embedded Constraint-Based Planning (PPDS)
- Supply-Creation Based Confirmation

**Supply and Procurement**
- Central Procurement
- Product Sourcing
- Carbon Footprint in procurement
- Service Procurement
- Supplier Evaluation
- Catalog Buying

**Cross**
- Key-User and Developer Extensibility
- Responsibility Management
- Enterprise Search
- Master Data Governance
- Flexible Workflow
- Intelligent Scenario Lifecycle Management

**Sales**
- Advanced Intercompany
- Condition Contract Management
- Solution Business
- Sales Force Support
- Sales Order Automation
Re-thought and re-architected from scratch – new SAP S/4HANA apps

- Settlement Management for Sales and Purchasing Rebates
- Advanced ATP
- Product Compliance
- Advanced Variant Configuration
- Live MRP
- ...
Re-thought and re-architected from scratch – new SAP S/4HANA apps

Sales and Purchasing Rebate Management

Condition Contracts

- In Settlement Management, a condition contract combines all information relevant to an agreement for conditions requiring subsequent settlement, the conditions for calculating the settlement amount and for posting accruals, and a settlement calendar for scheduling partial and final settlements or for delta accruals postings.

- Create condition contracts to enter rebate agreements with rebate conditions and other contractual data.

- Monitor the business volume related to condition contracts.

- Post accruals with transactional documents or for a delta accruals settlement in an aggregated way.
Re-thought and re-architected from scratch – new SAP S/4HANA apps

Product Compliance

- Available since release SAP S/4HANA 1809, introducing a new and simplified data model
- Completely Fiori-based: dashboards and intuitive apps
- Comprehensive integration in order-to-cash and procure-to-pay processes
- Regulation aspects (marketability, dangerous goods (DG), etc.) implemented via new data model, with multiple versions
- Simple customer extensibility of regulation aspects
- Dangerous Goods Management: massively extended, pre-delivered regulatory DG content, incl. graphics and phrases; automated DG data maintenance
- Safety Data Sheet (SDS) Management: automated triggering of SDS shipment: in delivery processing and subsequent shipment for US and EU
- Compliance checks:
  - now in all relevant sales documents (quotations, sales orders, sales contracts and outbound deliveries)
  - now covering all check types: product marketability, dangerous goods, and safety data sheet
Re-thought and re-architected from scratch – new SAP S/4HANA apps

Advanced Variant Configuration

- Completely new solution for modelling and simulating configurable materials and services
- Design for variability and build engineering configurations
- Define variant models to support Configure, Price and Quote needs that support omni-channel commerce requirements
- Reduce time to market for new products through highly efficient simulation of new product variants and options
- Ensure data accuracy and consistency for complex product configuration needs across engineering, sales, manufacturing, service and support.

Link to documentation
Agenda

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Q&A
Benefits for RISE customers

The RISE Migration and Modernization Program

SAP Business AI
New RISE migration and modernization program

Overview

Value proposition

Be innovation ready
- Get business outcomes with a modern cloud ERP
- Take advantage of next gen technology like AI and sustainability
- New capabilities delivered every six months ready to be deployed when you need them

Manage Risks and have always on security and compliance by default
- Reinforce the integrity of financial safeguards, and proactively counteract fraudulent activities
- Make audit processes more efficient
- Always on monitoring against security breaches and cyber security attacks

Simplify operations and scale
- Extensions decoupled from the core with cloud-compliant code, in app, or side-by-side
- Get ERP operations, optimization and maintenance as service in the hyperscaler of your choice or your own data center
- Leverage a single SLA covering the entire architecture

What is it?

A cloud migration and modernization program with a self-guided digital experience and assisted service and tools, combined with customer incentives, and partners' support to help SAP ERP customers get to and thrive in the cloud. This EXPANDED cloud migration program for RISE with SAP features offerings tailored to each customer's unique starting point, its components are differentiated for ECC, S/4HANA and run with a clean core taking advantage of the latest innovations in RISE with SAP.

What is included?

Methodology
Comprehensive set of services and tools to guide customers every step of the way, supported by a skilled partner ecosystem

Incentives
Migration and adoption acceleration credits to lower the cost and accelerate time to value

Innovation roadmap
Innovations delivered every six months and the latest enhancements with AI and green ledger
## Running Your Core Processes with RISE with SAP

Benefit from industry specific best-practices

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<th>Industry</th>
<th>Improvement/Impact</th>
<th>Benefits</th>
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| Consumer Products         | 40-70% improvement in claim handling efficiency                                      | • Operate faster and deliver outcomes more quickly and at the best cost to meet consumer expectations  
                             |                                                                                      | • Deliver personalized products and outcomes                                                  |
| Utilities                 | 1-25% improvement in asset maintenance cost                                         | • Increase revenue by expanding your sustainable portfolio and reaching new market opportunities  
                             |                                                                                      | • Reduce asset maintenance cost                                                               |
| Mill Products and Mining  | 1-2% improvement in asset maintenance cost                                          | • Build supply chain resiliency and deliver products as expected                           
                             |                                                                                      | • Minimize environmental impact while delivering profitable growth                           |
| Life Science              | 1-25% reduction in inventory carrying cost                                           | • Drive efficiency and digitalization in clinical trials                                   
                             |                                                                                      | • Increase revenue with new innovations and improved resilience                             |
| Retail                    | 10-20% reduction in revenue loss due to fulfilment issues                            | • Support of omnichannel revenue growth with capabilities from e-commerce management to order orchestration 
                             |                                                                                      | • Resilient and lean order management that quickly and efficiently delivers what customers want, where and when they want it |

Explore more industry innovations

Learn more about Mill Products | Mining

Learn more

10-20% reduction in revenue loss due to fulfilment issues
Our business AI is embedded across the portfolio

Relevant | Reliable | Responsible

💎 Joule
A copilot that truly understands your business

Embedded AI capabilities
- Cloud ERP
- Supply chain management
- Human capital management
- Spend management & business network
- Customer relationship management
- Business Technology Platform

AI foundation
on Business Technology Platform

AI ecosystem partnerships and investments
- ANTHROPAC
- ANTHROPIC
- AWS
- Cohere
- Databricks
- DataRobot
- Google Cloud
- IBM
- Microsoft
What it takes to realize AI

- Significant computational power
- Agility for frequent updates as AI models are continuously improving
- Speed & flexible infrastructure to quickly activate and deploy use cases

Challenges with on-prem systems

- Scaling systems to meet increased AI demand and compute power is costly and time consuming
- Significant resources and infrastructure required to grow and maintain hardware & software systems
- On-prem data silos and structures hinder the effectiveness of AI, limiting effective data mining
We’ve done it successfully – RISE Customers

OXG Glasfaser – MEE, Germany
Marks and Spencer Plc – EMEA N, UK
Nestlé – MEE, Switzerland
Vodafone Group – EMEA N, UK
Upfield Europe – EMEA N, Netherlands
Hilti Group – MEE, Switzerland
Deutsche Telekom – MEE, Germany

Chandra Asri
PT Chandra Asri Pacific Tbk – APJ, Indonesia

Messe Frankfurt – MEE, Germany
Kyndryl – MEE, Germany
Covestro AG – MEE, Germany
AGAPLESION gemeinnützige AG – MEE, Germany
Nordmann Rassmann GmbH – MEE, Germany

KONE Corporation – EMEA N, Finland
Landis+Gyr AG – MEE, Switzerland
Coles Group – APJ, Australia
AusNet Pty Ltd – APJ, Australia
EMS S/A – LAC, Brazil
BRF S.A. – LAC, Brazil
Mölndlycke Health Care AB – EMEA N, Sweden

Smyths Toys Superstores – EMEA N, UK
MRV – LAC, Brazil
H.E.R.A. S.p.A. – EMEA S, Italy
Mondi AG – MEE, Austria
ElringKlinger AG – MEE, Germany
Bekaert NV – EMEA N, Belgium
Interroll Management SA – MEE, Switzerland
Accelerating Time to Value with Next-Generation ERP Using the RISE with SAP® Offering and SAP S/4HANA® Cloud

Challenges and Opportunities
- Replace multiple disparate and antiquated ERP systems with a single, global platform and integrated processes to help meet the needs of customers, suppliers, and stakeholders
- Lay the foundations to meet the strategic imperative of improving operating margins and working capital while achieving significant revenue growth

Why SAP
- Accelerated and guided path to SAP S/4HANA® through the RISE with SAP offering, leveraging preparational, analytical, and enablement tools and services for an optimal transition
- Reduced cost and complexity in its IT landscape, connecting the SAP® Customer Experience portfolio, SAP Integrated Business Planning for demand, and SAP S/4HANA Cloud, private edition, allowing the business to grow revenue significantly without proportionally increasing costs
- Comprehensive analytics capabilities using the SAP Analytics Cloud solution
- Real-time insights through native integration of IoT sensors on filters with SAP S/4HANA Cloud

Expected Value-Driven Results
- Increased speed of digital transformation with SAP S/4HANA Cloud, private edition
- Leveraged implementation best practices across strategic business priority areas
- Established one version of the truth, with reporting for material master files, pricing modules, and configuration, price, and quoting processes drawing on data from Intelligent ERP
- Enabled critical decision-making, gaining context to manufacturing data through dashboarding and analytics capabilities

"Thanks to the RISE with SAP offering, we have fast-tracked our way to becoming an intelligent enterprise with customer-focused processes and a user-enabling, operationally agile landscape integrated in the cloud."
Bob Betts, Director, SAP Program, American Air Filter Company Inc.

Achieving One
- Speed, simplicity, and flexibility across multiple business operations and customer channels
- Source of truth from an integrated suite of cloud solutions

American Air Filter Company Inc.
Louisville, Kentucky
www.aafintl.com

Industry
Industrial machinery and components

Products and Services
Air filtration solution manufacturing

Featured Solutions and Services
RISE with SAP: SAP S/4HANA Cloud, private edition; and SAP Customer Experience

THE BEST RUN SAP
RISE with SAP S/4HANA: Customer Success Stories

**Life Science**
Pfizer
Large Enterprise
80,000 Employees
Live

**Consumer Products**
Pfizer
Large Enterprise
80,000 Employees
Live

**Engineering, construction & op.**
MAIRE
Large Enterprise
6,500+ Employees
Brownfield Approach

**Automotive**
Mahindra & Mahindra
Large Enterprise
152,000 Employees
Greenfield Approach

**Chemicals**
Ballance Agri-Nutrients Ltd
Large Enterprise
1,200 Employees
70% Workload Reduction

**Cross Industry**
Nestlé
Large Enterprise
275,000 Employees
Live

**Robert Bosch**
MAIRE
Large Enterprise
402,600 Employees
Live and Implementing

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Live and Implementing

**Sports & Entertainment**
Cirque de Soleil
Large Enterprise
4,000+ Employees
Live

**Fashion**
HANES Brands Inc.
Large Enterprise
51,000+ Employees
Global operations
Live

**High Tech**
ADB SAFEGATE
Midmarket
1,200+ Employees
25+ Countries went live
Live

**Consumer Products**
Versuni
Large Enterprise
7,000 Employees
Global customer presence
Live

**Mill Products and Mining**
Ecobat
Large Enterprise
3,500 Employees
Lift & Shift Approach

**Professional Services**
HCL Technology
Large Enterprise
176,500 Employees
1st RISE Partner in APJ

*based on projects supported by SAP S/4HANA Regional Implementation Group*
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Thank you.

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