SAP

SAP Business Suite 4 SAP HANA

Run Simple

S/4HANA Launch, Qatar, April 9th 2015

Why

The Motivation (2004)

Q: 14 years after R/3, what would an ERP system look like if we start from scratch? [HPI, Potsdam]

All Active Data In-Memory	**Leverage Massively Parallel Computers** (Scale with Cores vs. CPU Speed)	Use **Design Thinking** Methodology
Radically Simplified Data Model	OLTP and OLAP Back Together	Instant BI on Transactional Data
No More Batch Programs	Live Conversation (Instead of "Briefing Books")	**Response < 1 Sec** (For all Activities, Even Complex Algorithms)
Virtual DW for Multiple Data Sources and Types	**No Aggregates or Materialized Cubes** (Dynamic Views)	Views on Views (Upto 16 Levels)
Aggressive Use of Math	Mobile, Whenever Appropriate	

Complexity

Scattered information

Complex decision making

"Large global organizations have created so much complexity that businesses often struggle to bring good ideas to the marketplace profitably."

(McKinsey, 2014)

Batch orientation

Complex business processes

Large organizations can spend between 40% and 80% of their time on non-value-added activities

(BCG, Complexity Report)

Technology limitation

Complex technology

73% percent of executives said the complexity of data is the largest IT challenge

(Forrester, 2013 report)

10.2% or $237B*

of profits lost by top 200 global companies due to hidden costs of complexity

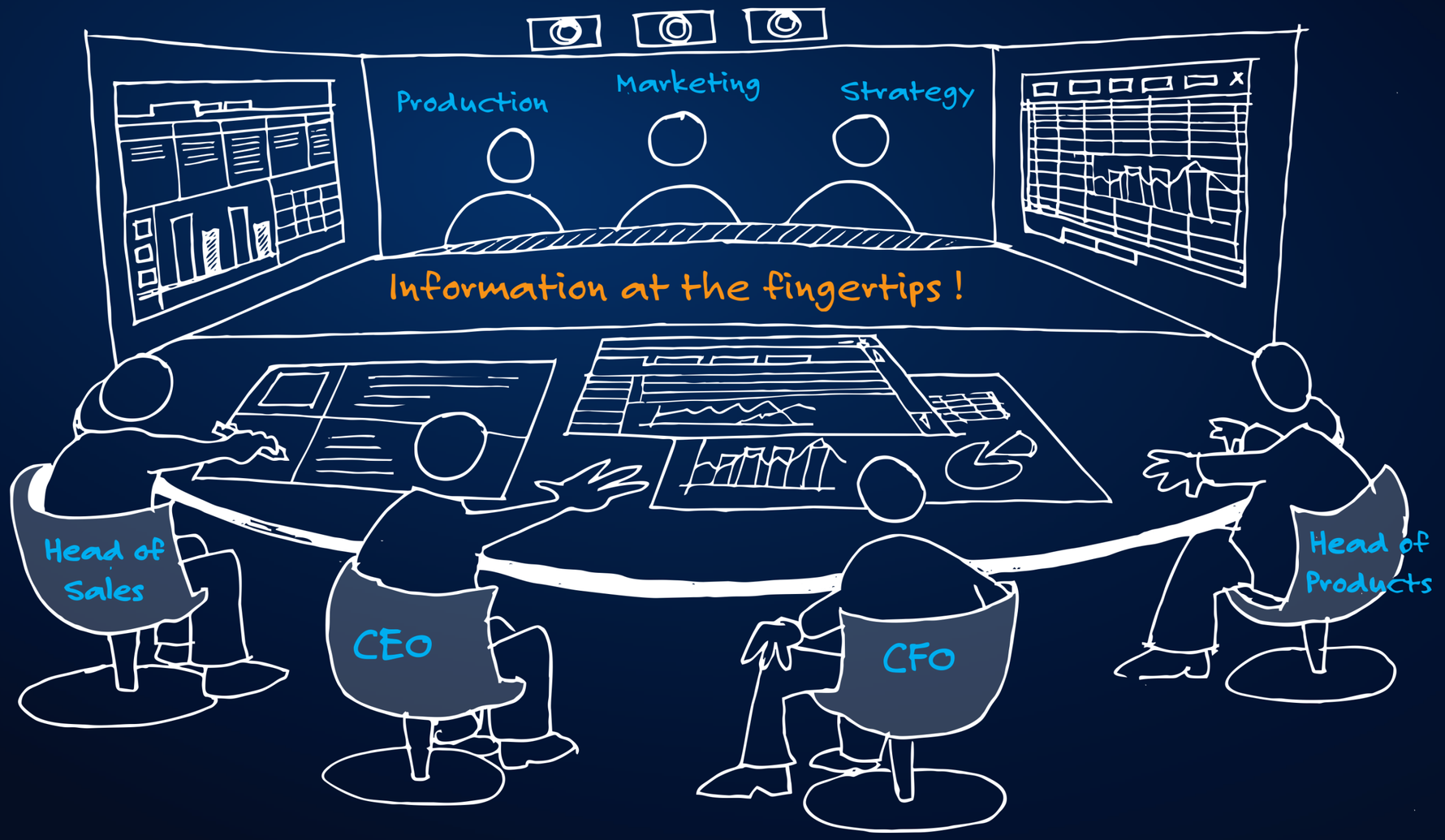
*Global Simplicity Index, 2013

Platform

Applications

Network

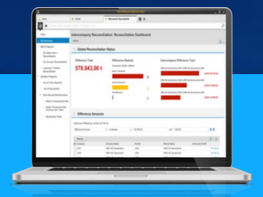
Boardroom of the Future



What

THE SAP HANA Platform

For real-time business



Real-Time Applications

Real-Time Analysis

Real-Time Decisions

- Information Composer & Modeling Studio
- Application Services (e.g. HTML 5 Server, Search Engine)
- Spatial Text Search
- Multi-Temperate Storage
- Planning & Calculation Engine
- Predictive Analysis Libraries
- R & Hadoop Integration
- Multi Tenancy
- Real-time Replication Services
- In-memory Database
- Data Services
- Business Rules Engine

SAP HANA Platform

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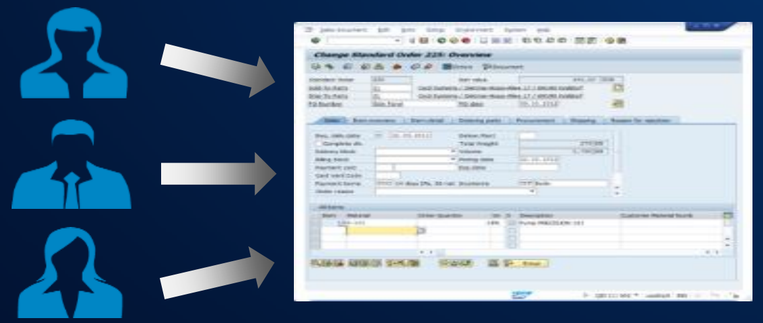
SAP FIORI

- **The Fiori design paradigm applies to the entire S/4HANA suite**
- **All new S/4HANA business scenarios are delivered in Fiori Apps, examples:**
  - S/4HANA Simple Finance
  - S/4HANA Public Cloud Edition (10 core scenarios)
- **SAP has a roadmap to leverage Fiori for other important processes in S/4HANA**

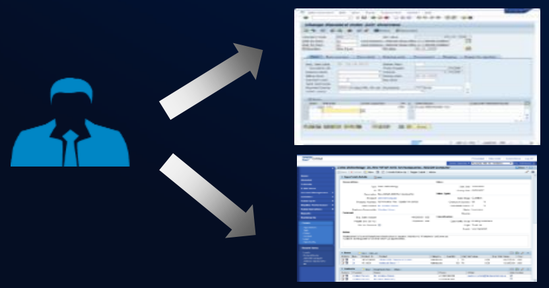
SAP FIORI – Intuitive User Experience And A Responsive Design

Today
Functional-based applications

from: One transaction for multiple roles with too much and complex functionality



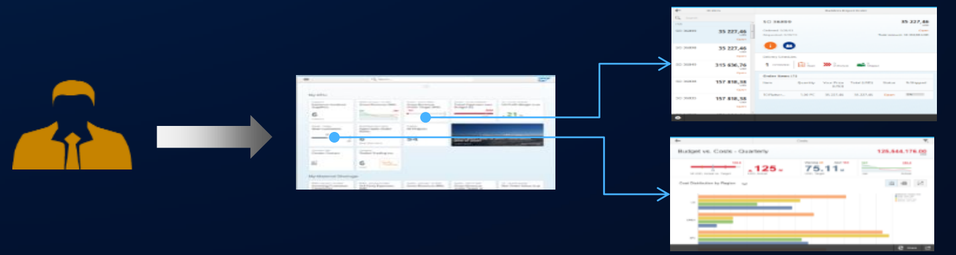
from: Multiple entry points for the user and inconsistent user experience



Target
Role-based applications

to: Decomposed apps for each role with simple functions

to: One entry point for the User and UX following common design directions



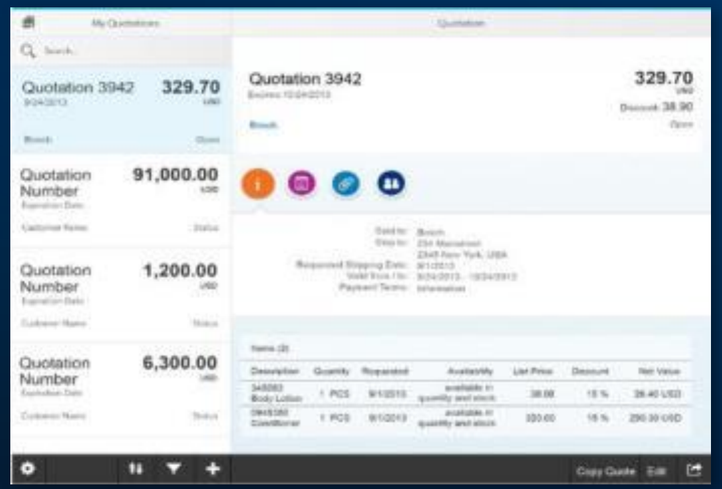
This is the current state of planning and may be changed by SAP at any time.

Full Flexibility - Fiori apps
+200 apps covering most typical usage

Transactional
Real-Time Applications

Task-based Access

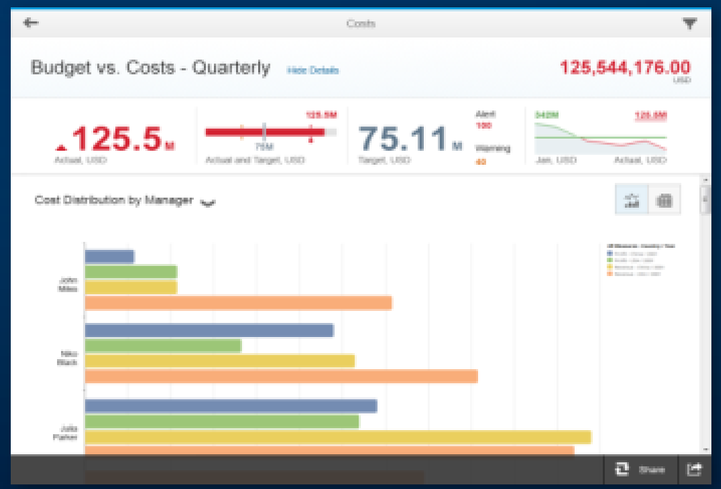
Access to tasks like change, create, or entire processes with guided navigation



Analytical
Real-Time Analysis

Insight to Action

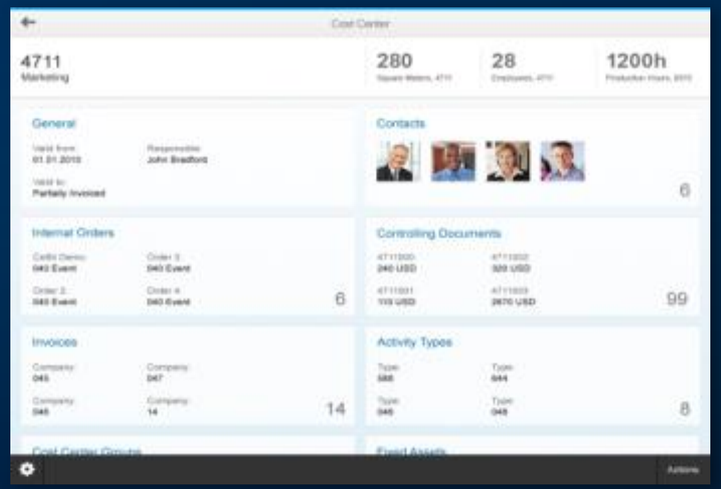
Visual overview over a complex topic for monitoring or tracking purposes



Factsheet
Real-Time Decisions

Search and Explore

View on essential information about an object and contextual navigation between related objects



runs on SAP HANA

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SAP S/4HANA

Key Enabler to run digital transformation for enterprises

IS IT POSSIBLE

- **CAN WE ACTUALLY BUILD IT**

IS THE SOLUTION VIABLE

- **IS THERE A MARKET**
- **IS THERE A NEED**

IS THE SOLUTION ENJOYABLE

- **IS THE SOLUTION EMOTIVE**
- **IS IT EASY & FUN TO USE**

SAP S/4HANA

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SIMPLIFICATION OF APPLICATIONS AND UNDERLYING DATA MODEL

- **NO AGGREGATES & NO INDICES**
- **HIGHER FLEXIBILITY & THROUGHPUT**
- **DATA FOOTPRINT REDUCTION**

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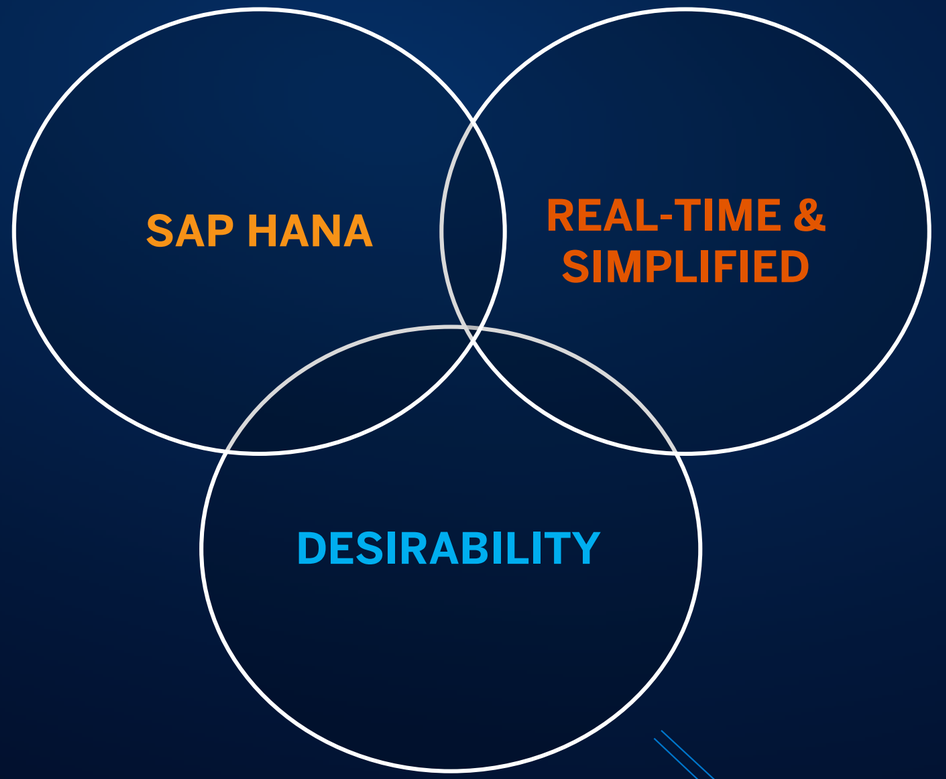
SAP S/4HANA

Key Enabler to run digital transformation for enterprises

SAP HANA AS THE UNDERLYING PLATFORM

- OLAP & OLTP MERGE
- IN-MEMORY COMPRESSION
- INCREASE IN SPEED



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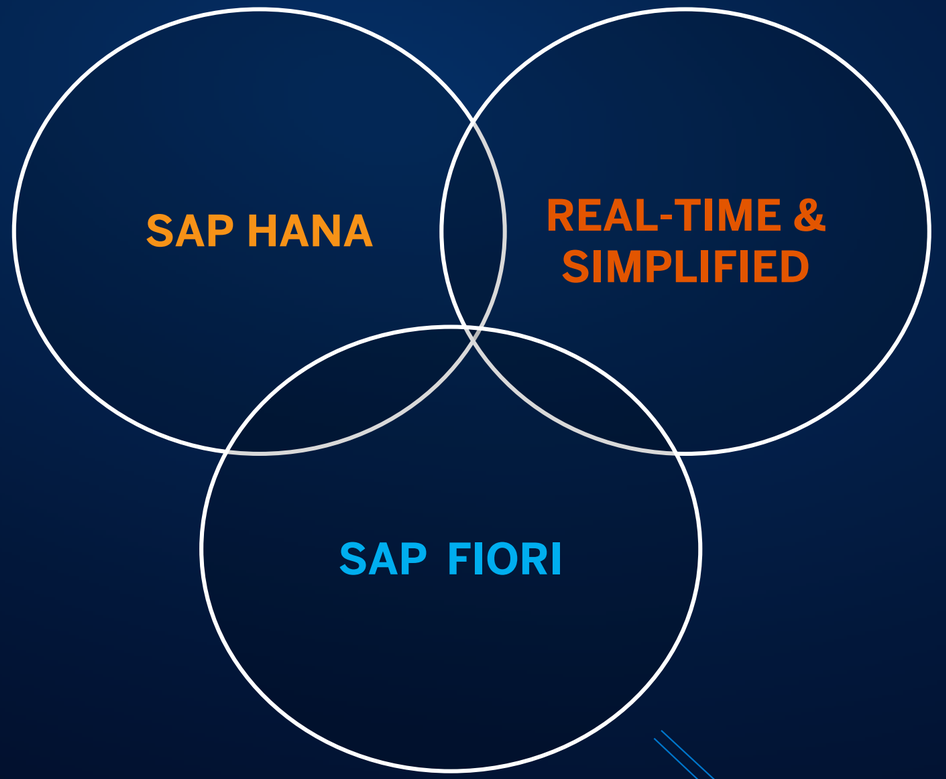

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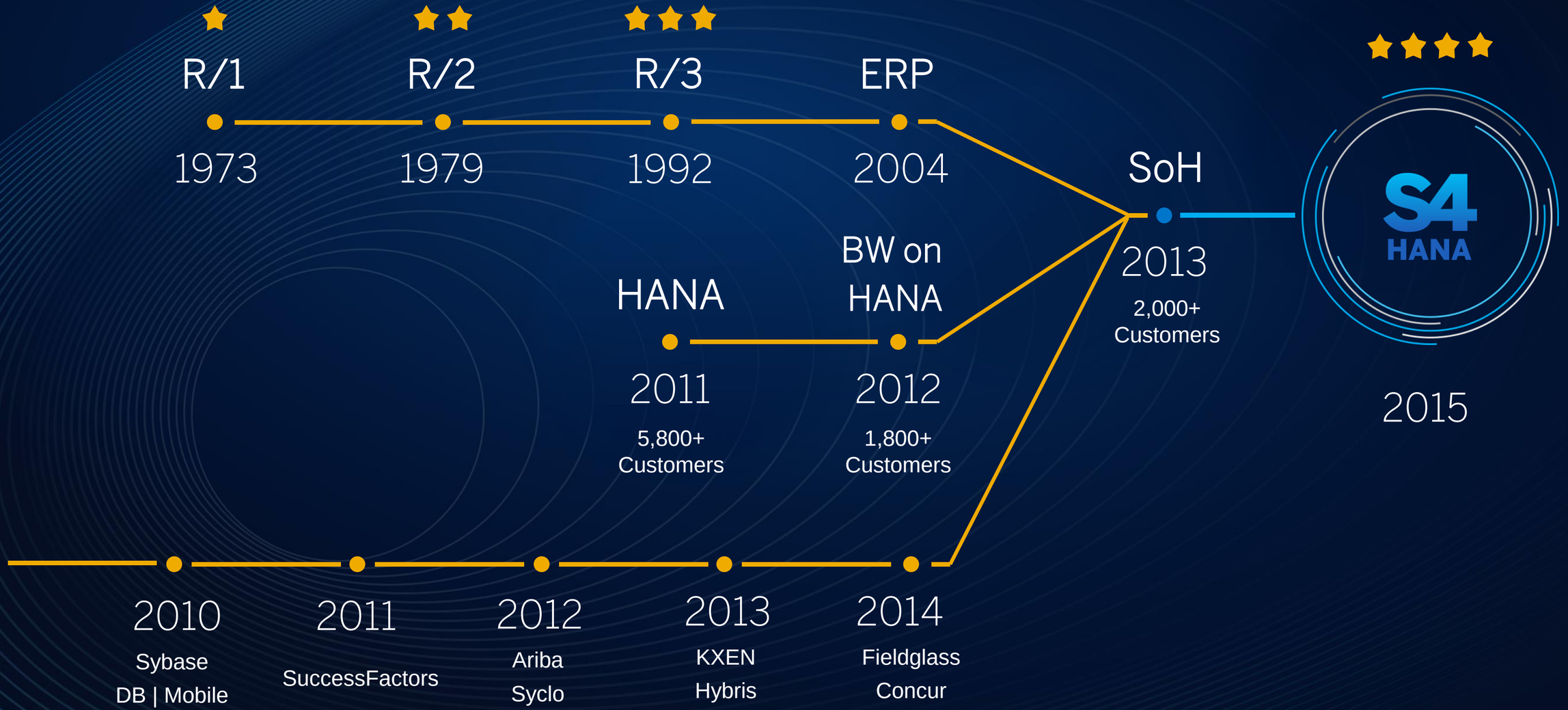
SAP FIORI AS THE USER EXPERIENCE (UX) PARADIGM
CROSS-APPLICATION USER EXPERIENCE

- WEB-BASED, ALL DEVICES
- ROLE-BASED
- DECISION SUPPORT

SAP S/4 HANA

The Path to S/4HANA



SAP S/4 HANA

A Big Deal ?

DT
CHANGE
INNOVATE

+

ACQUIRE
DB | LOB
MOBILE | CLOUD

+

PLATFORM
Performance
Extensibility
Versatility

+

UX
MOBILE FIRST
SAPUI5 | FIORI

+

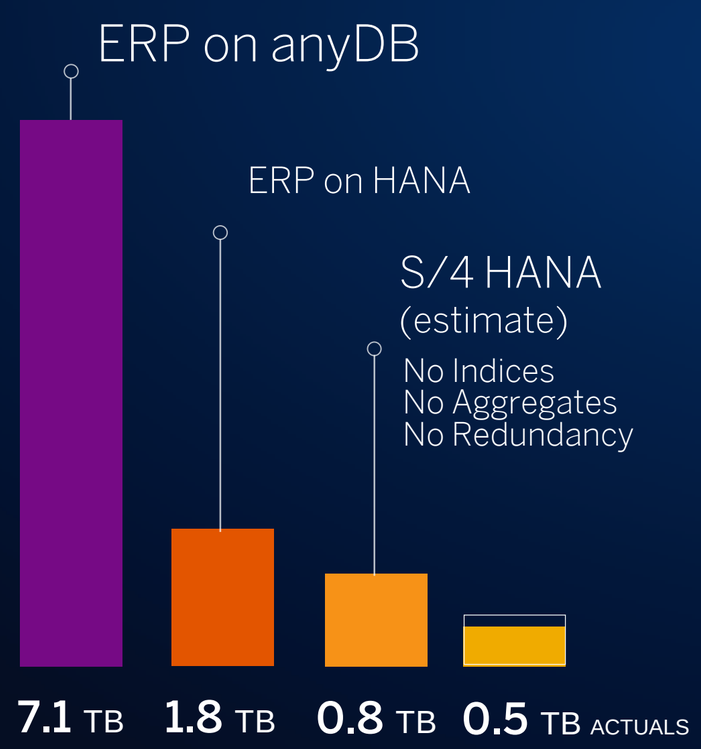
APPS
ALL NEW CODE
74% of world's transaction revenue
87% of Forbes Global 2000 companies

= **RUN SIMPLE**

How

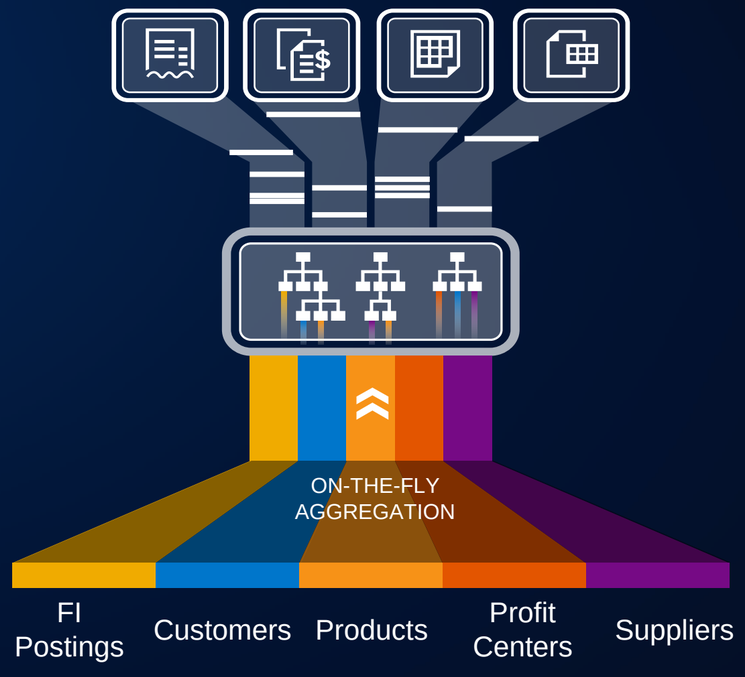
Value for the Business and IT

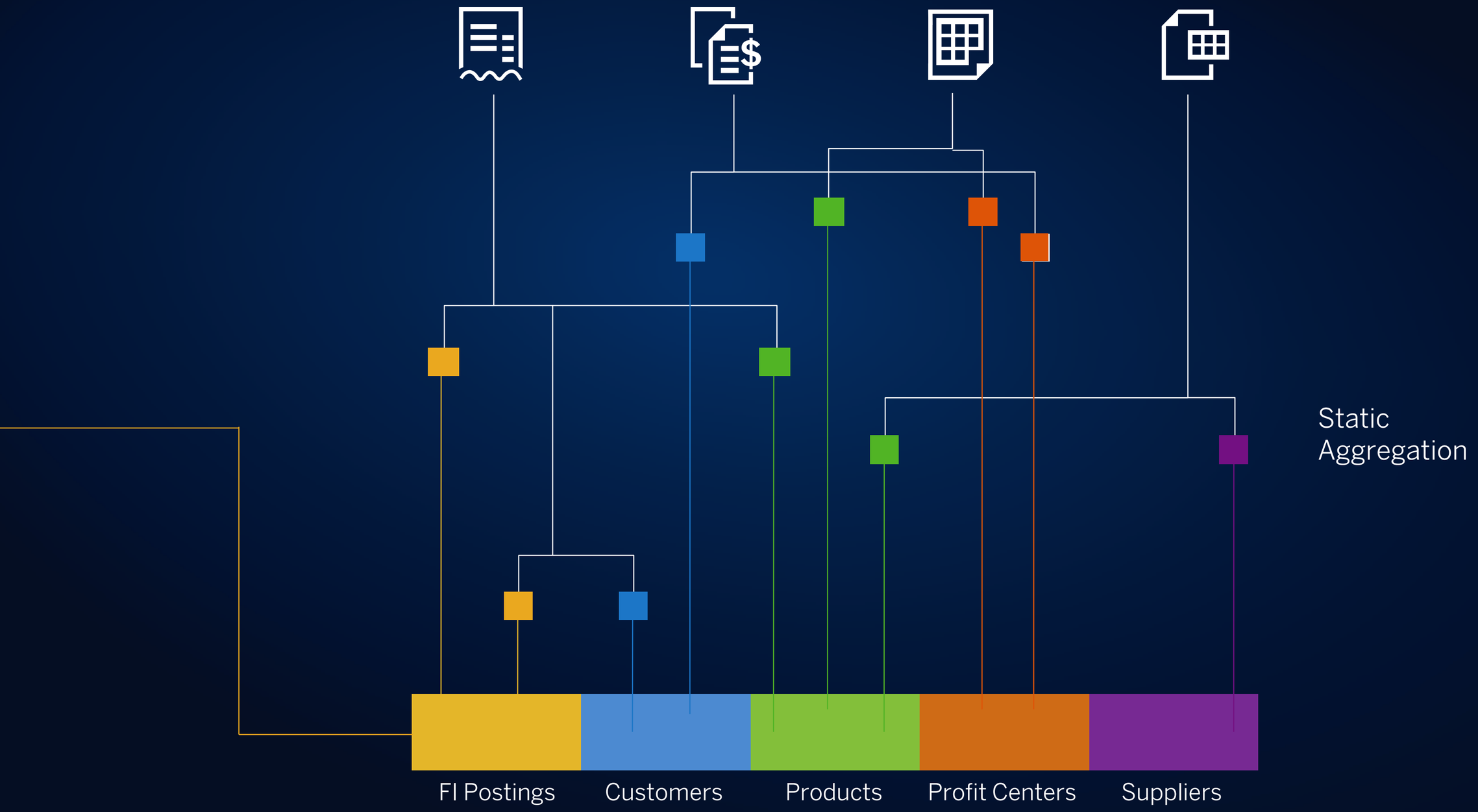
Reduced Data Footprint

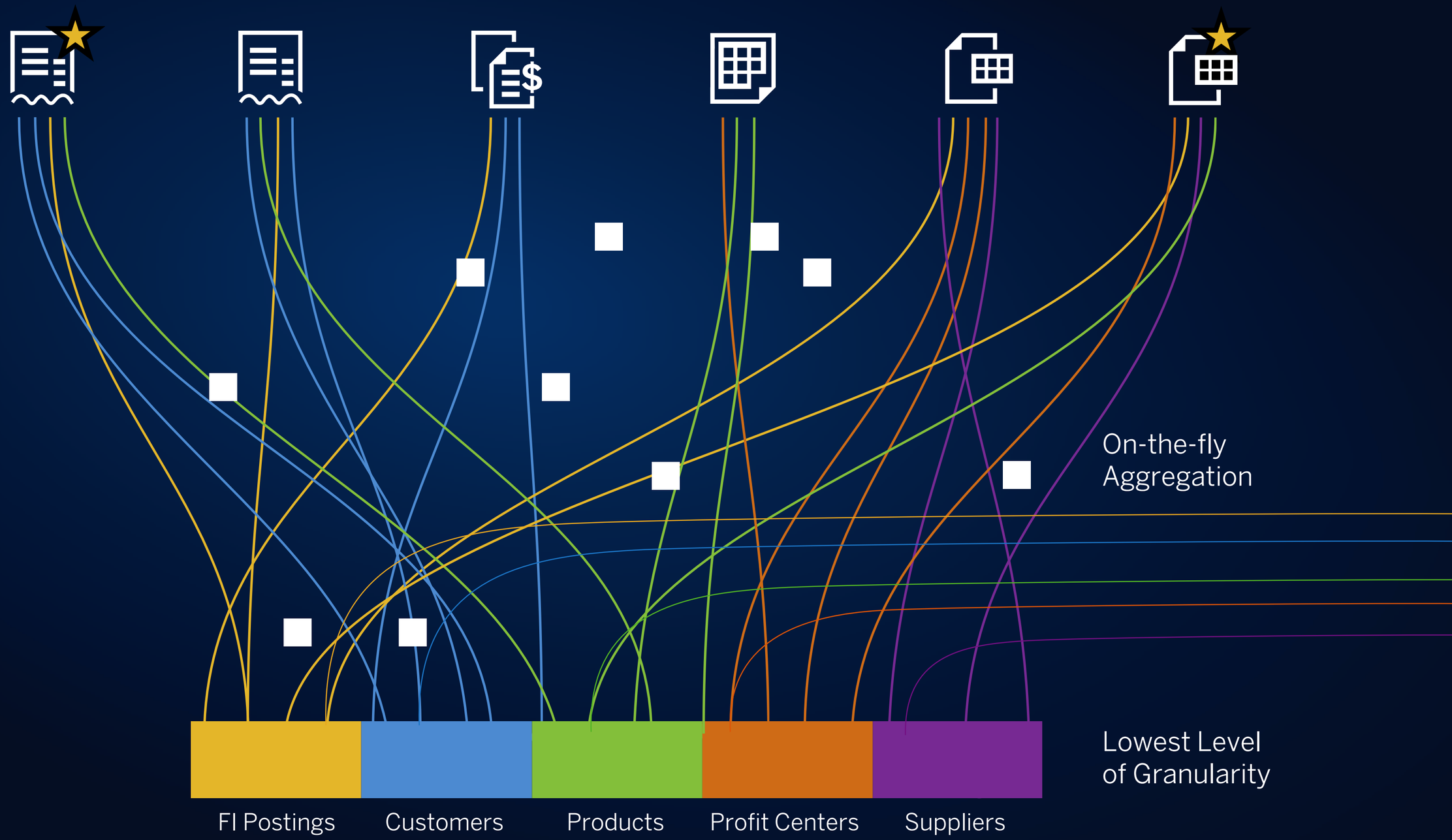


Improved Performance

Full Flexibility

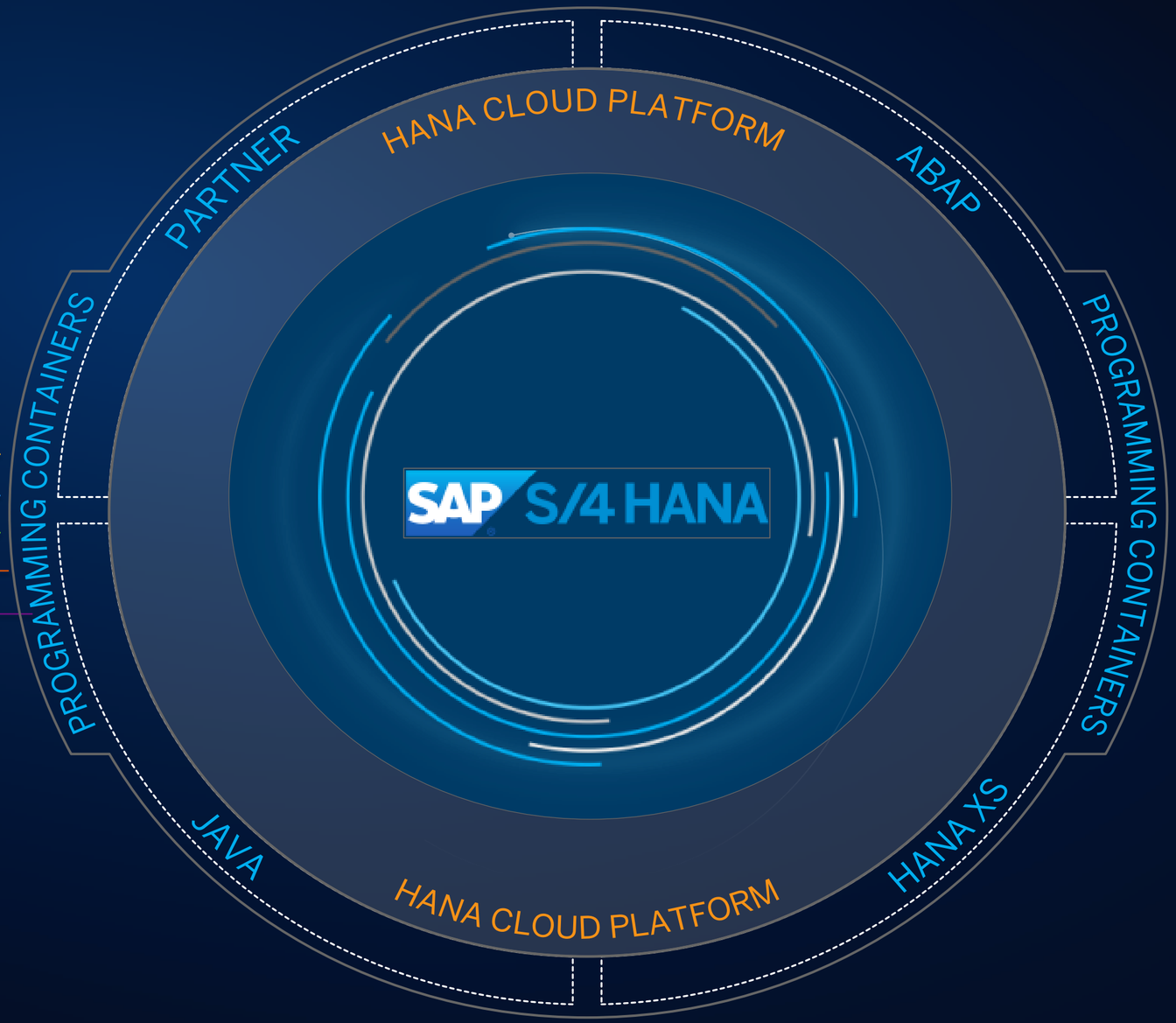



Static
Aggregation
FI Postings
Customers
Products
Profit Centers
Suppliers

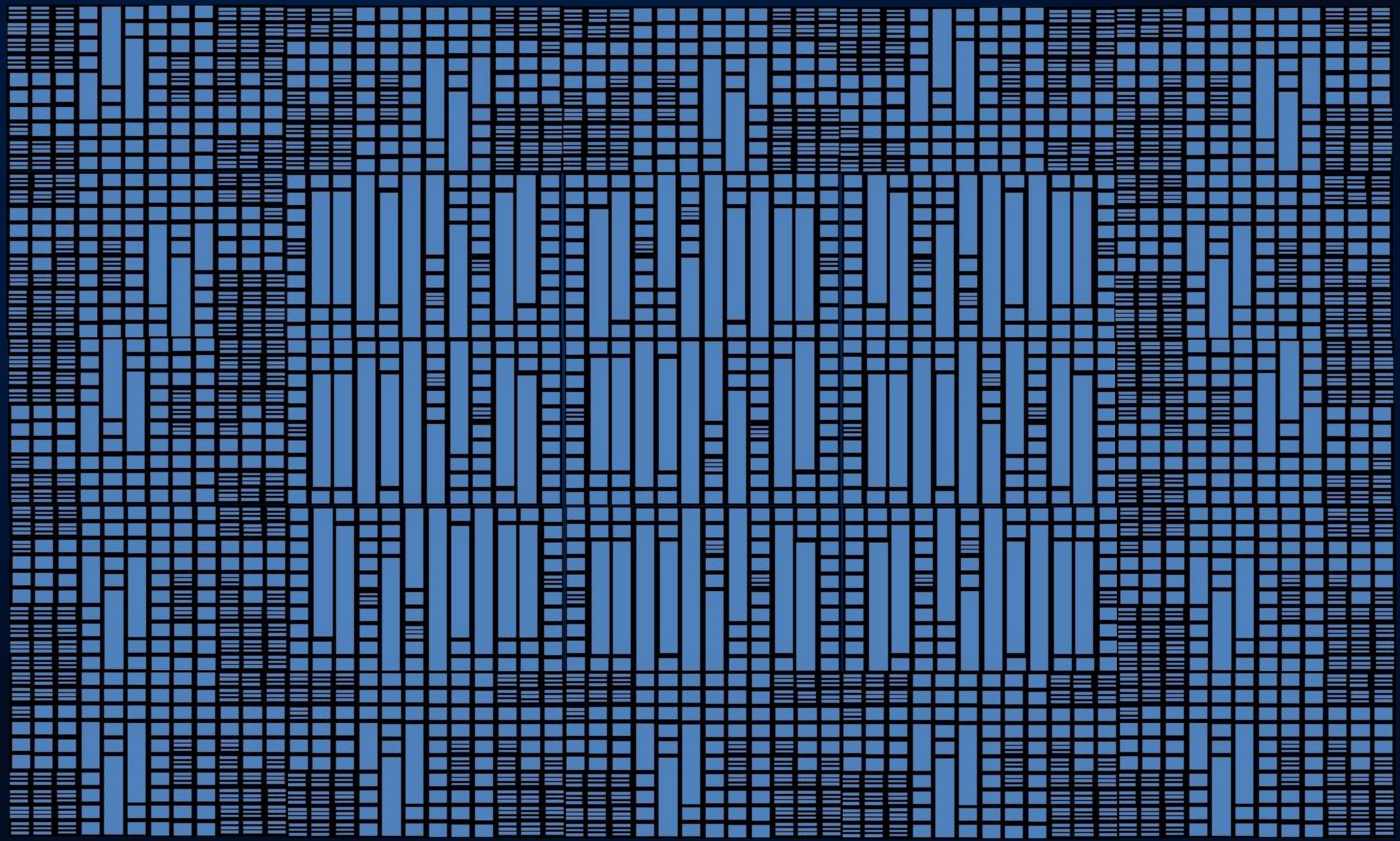

On-the-fly
Aggregation
Lowest Level
of Granularity
FI Postings
Customers
Products
Profit Centers
Suppliers

SAP S/4HANA fueling the Digital Transformation

Business Processes
Transactional Data
External Data
Business Networks
Structured and Unstructured



Reduced Data Footprint - Example of dramatic simplification



1 block = 10 data objects

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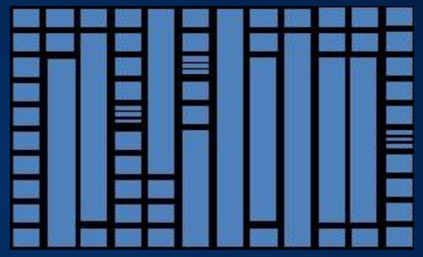


1 block = 10 data objects

SAP S/4HANA – Simplified Data Model in Logistics

Simplified Data Model

Completely Fiori

Guided Configuration

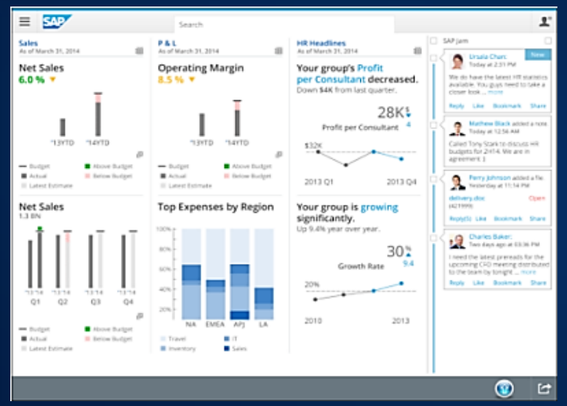
SAP Logistics with aggregates and indices

Cloud and On Premise

Business benefits SAP S/4HANA – example Simple Logistics

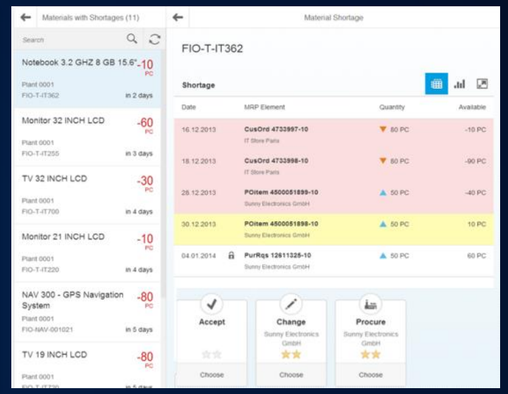
Increased user productivity

- Intuitive personalization allows tailoring of the app to individual work-styles
- KPIs are constantly recalculated and refreshed
- Flexible rules (shortage definitions)



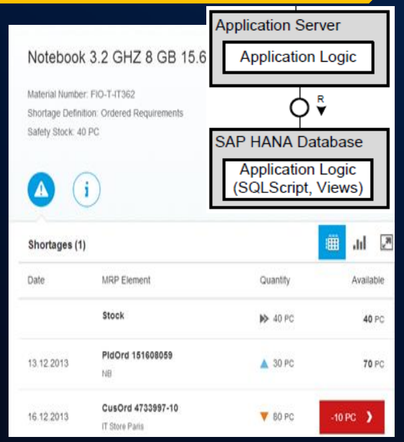
Real-time decision support

- Provides pre-evaluated solution proposals
- Enables the simulation of every proposal before applying it
- Allows manual adjustment of proposals
- 1-click execution of a solution



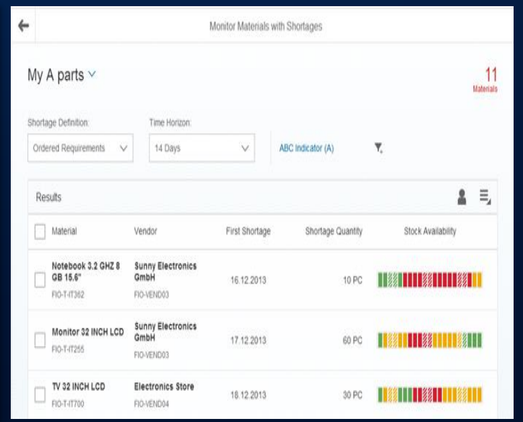
Improved customer service levels

- Complex applications (ATP, Backorder Processing) are executed directly in HANA
- Always up-to-date view on demand-/ supply-situation across all BOM levels



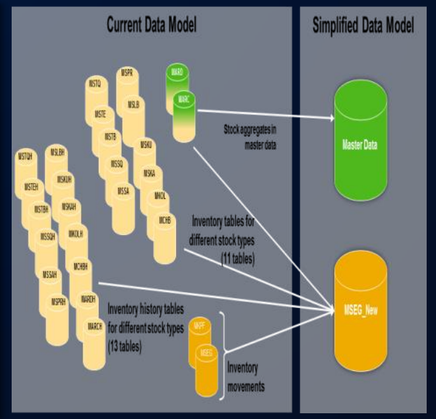
Minimized exception handling

- The MRP Planner gets the latest information in real-time
- Intuitive graphics for faster insights



Dramatically simplified data model

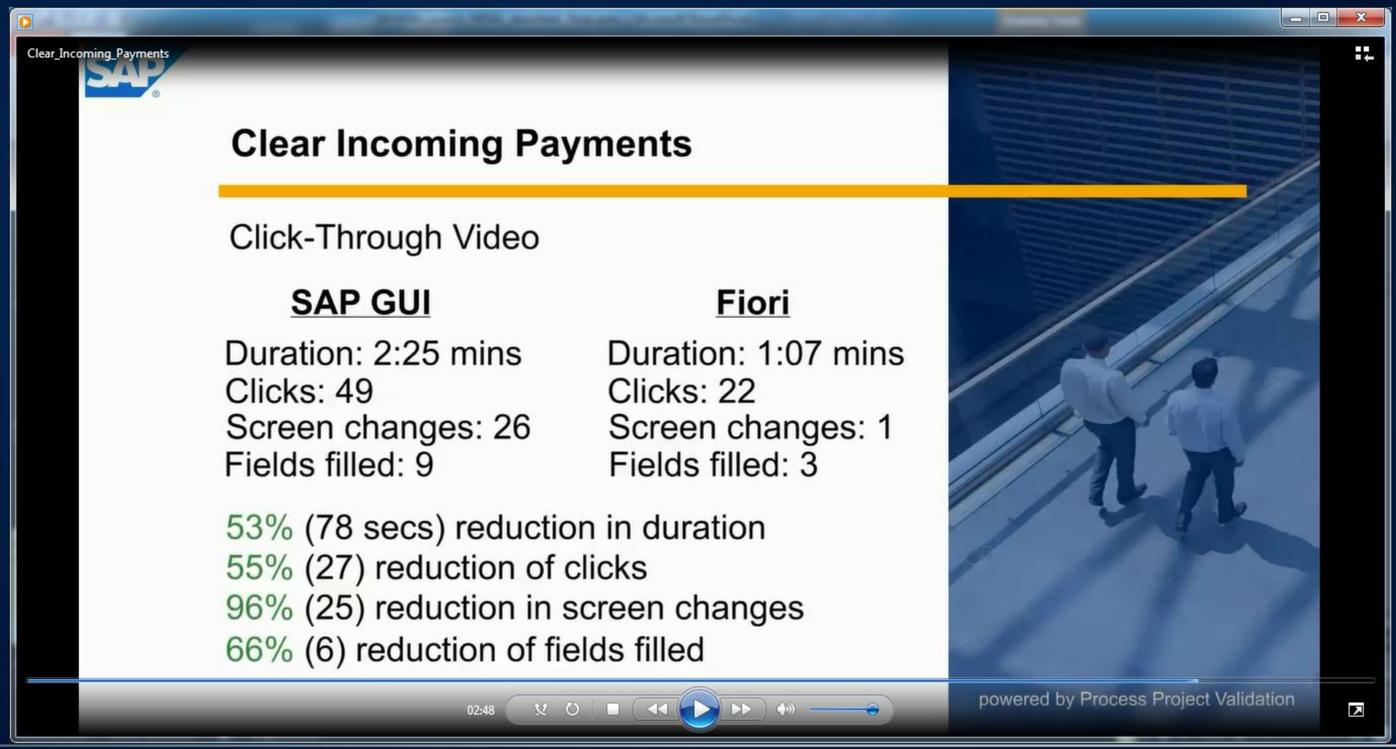
- All aggregates and history tables (24 in total) dropped
- Smaller data footprint, no locking
- Process & data redundancies eliminated
- High speed evaluations



Value

S/4HANA

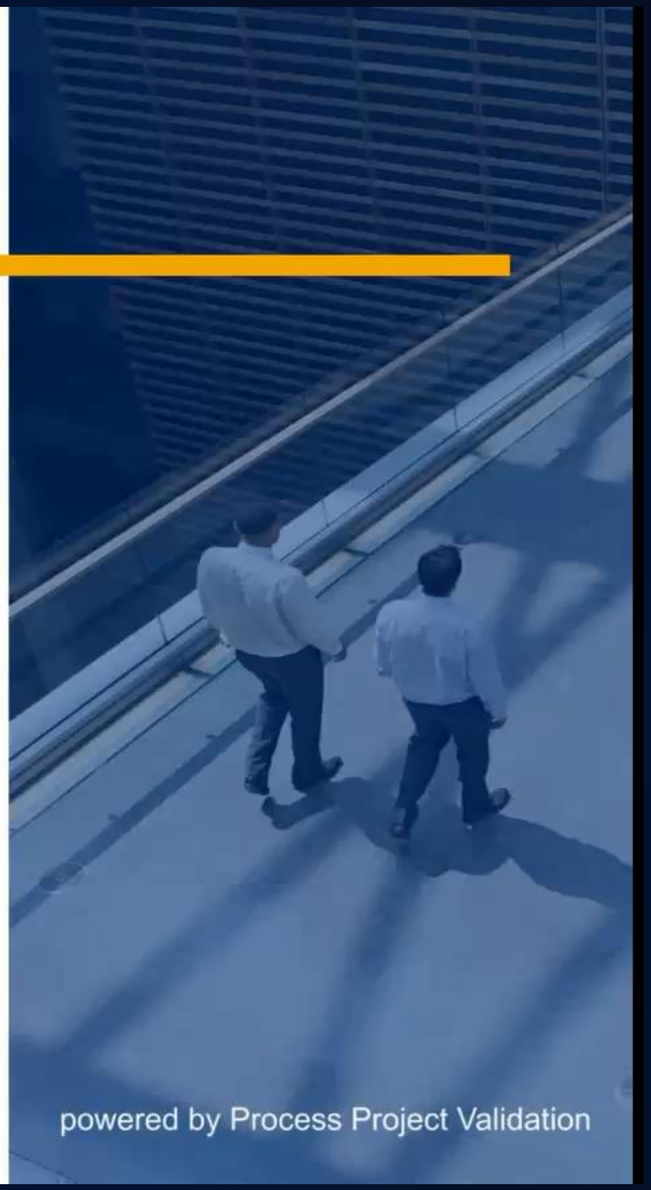
SAP S/4HANA – NEW Simple UX with Fiori Screens



	Data entered	Screens	Duration	clicks
Invoice clearing with SAP GUI / Business Suite on trd. DB	9x	26	2:25min	49
Invoice clearing with Fiori in S/4HANA	3x	1	1:07min	22

Clear Incoming Payments

Click-Through Video



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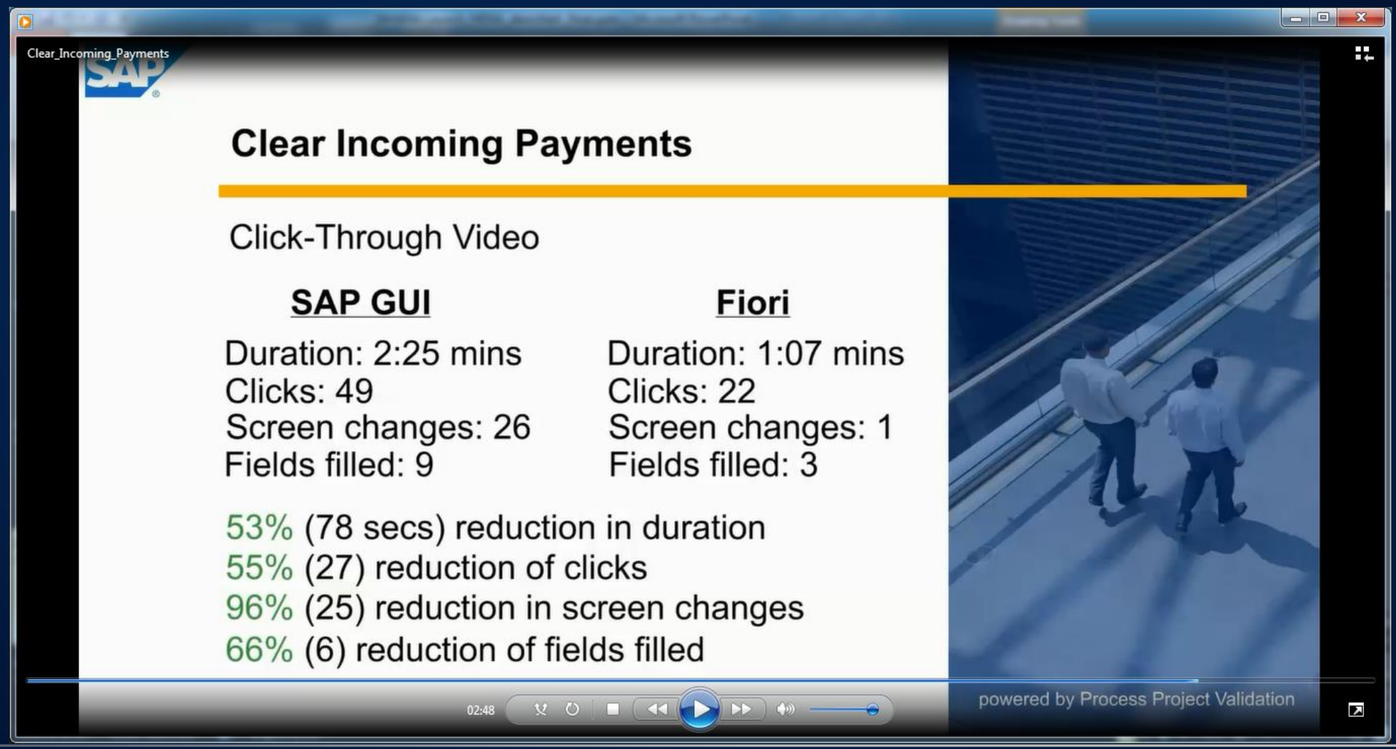

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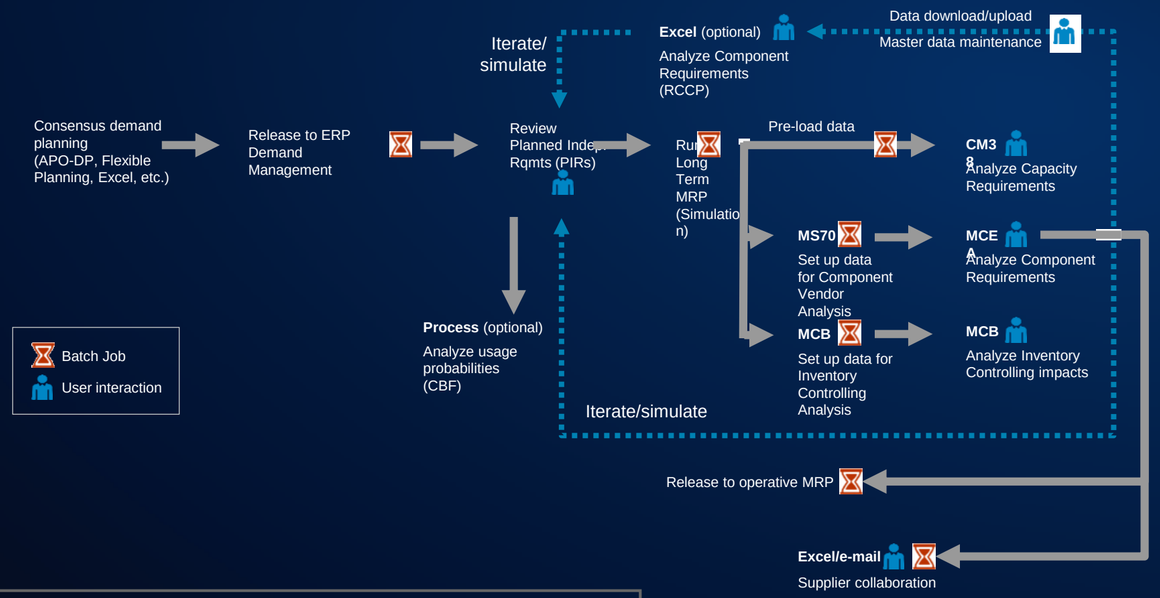
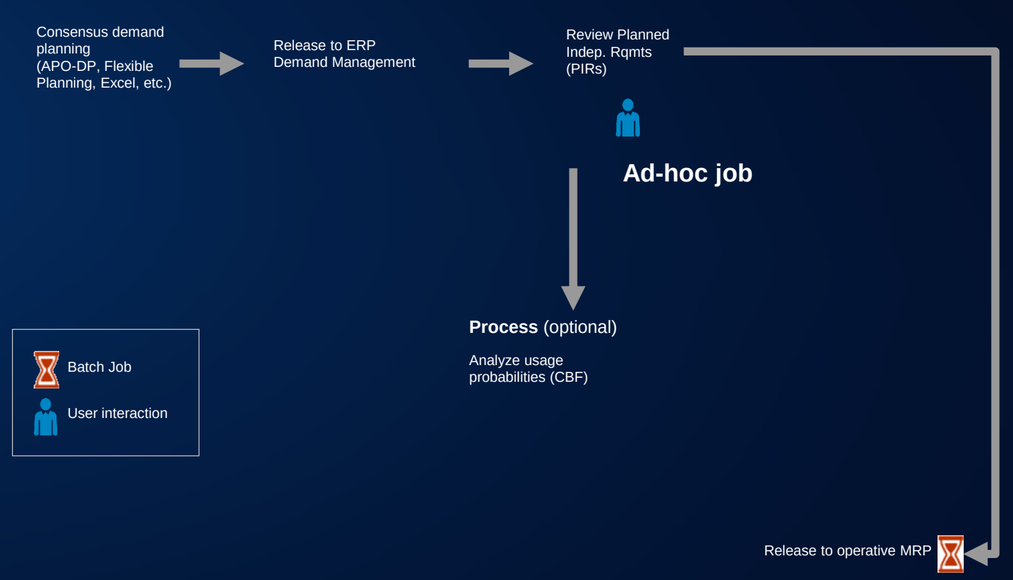
Improved Performance - Business benefits coming from speed

Material Resources Planning As Example for New Designed Processes

MRP Classical Batch Orientation



Real Time MRP Build On Zero Aggregates



Issues:

- Elapse time does not allow real time planning
- Decisions based on “old” data result in lower quality
- Business impact: lower Forecast accuracy, promise date attainment, increased (secure) Inventory

Traditional → Process Excellence ← With S/4HANA

Benefits:

- Realtime system with KPIs instantly refreshed
- Segment of ONE requires reduced lot sizes down to single items
- Focus on Exception handling rather than standard processes
- Inventory decrease at better ATP

Reimagined Business Processes

Demo

MRP Cockpit

How processes change with SAP S/4HANA
Power user Excel/Access download Real time analysis

… and with S/4HANA

SE11/SE
Revie ata & Export
to E el
obsolete

→

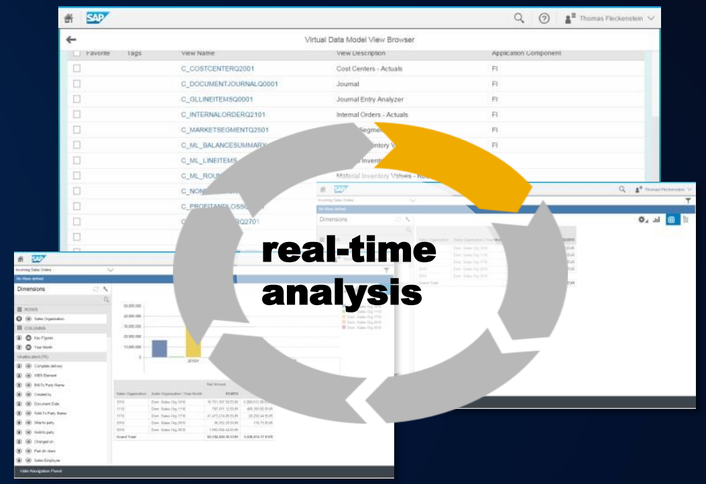
Excel/MS ccess
Analyz ta
Ad isualization
(sort, TOPn etc.)
obsolete

→

Outlook/E cel
E-mail
rep /spreadsheets to
users
obsolete

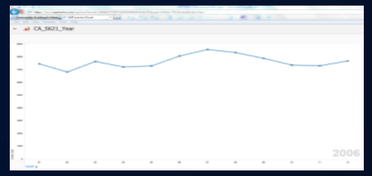
Various Business Objects BI tools*
Users analyzes live data directly in the operational system (e.g. SAP ERP)

SAP S/4HANA Query Browser



Share information and reports via SAP Lumira Cloud

SAP Lumira Cloud



Benefits:

Time elapsed: minutes

Effort required: low

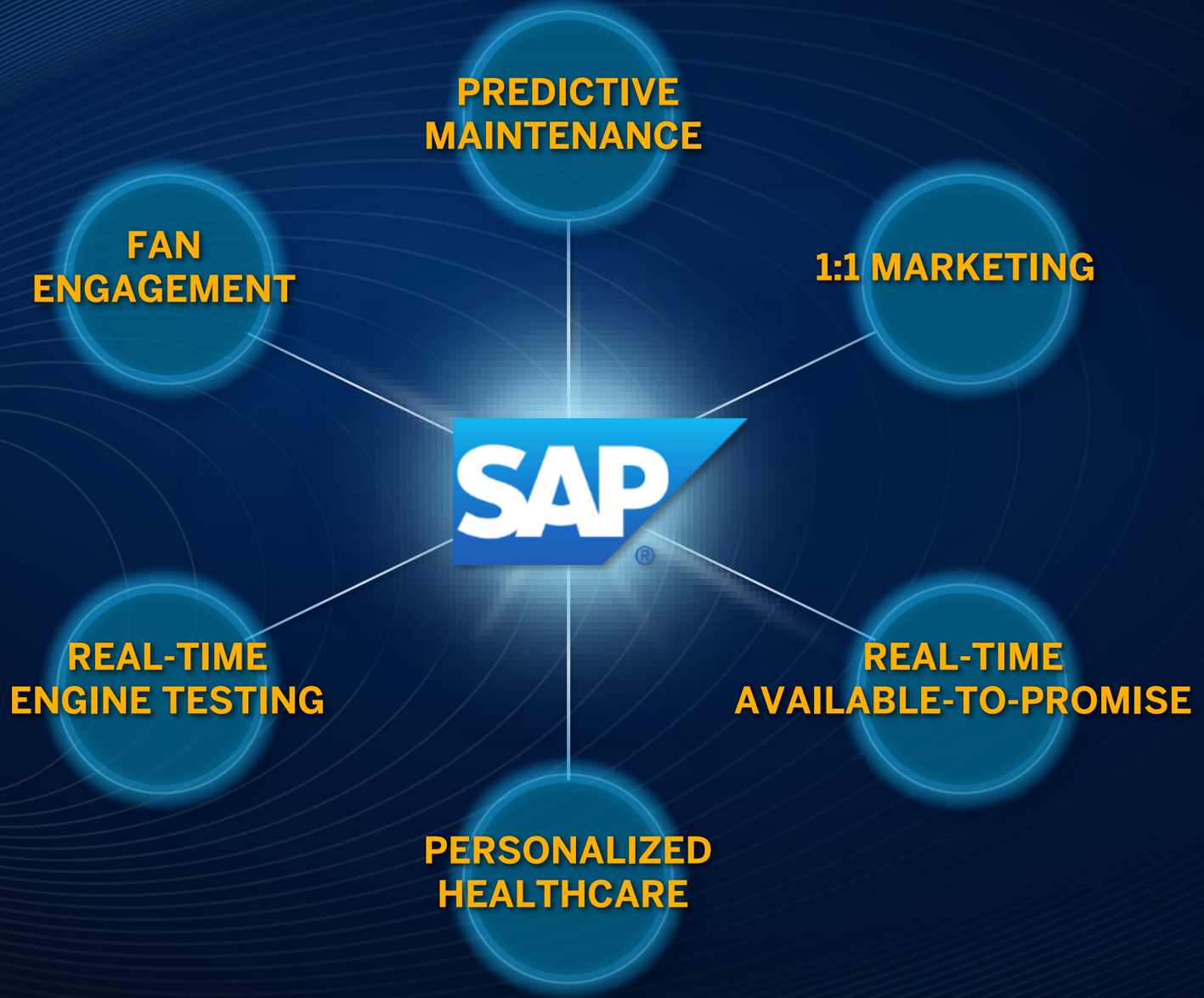
Business impact: Agility, quick time to decision, better control over data and reports, **decisions based upon real time data**

*SAP BusinessObjects Design Studio planned from Q1/2015, full SAP BI suite planned for Q4/2014

Batch Job

User interaction

Full Flexibility – New Possibilities

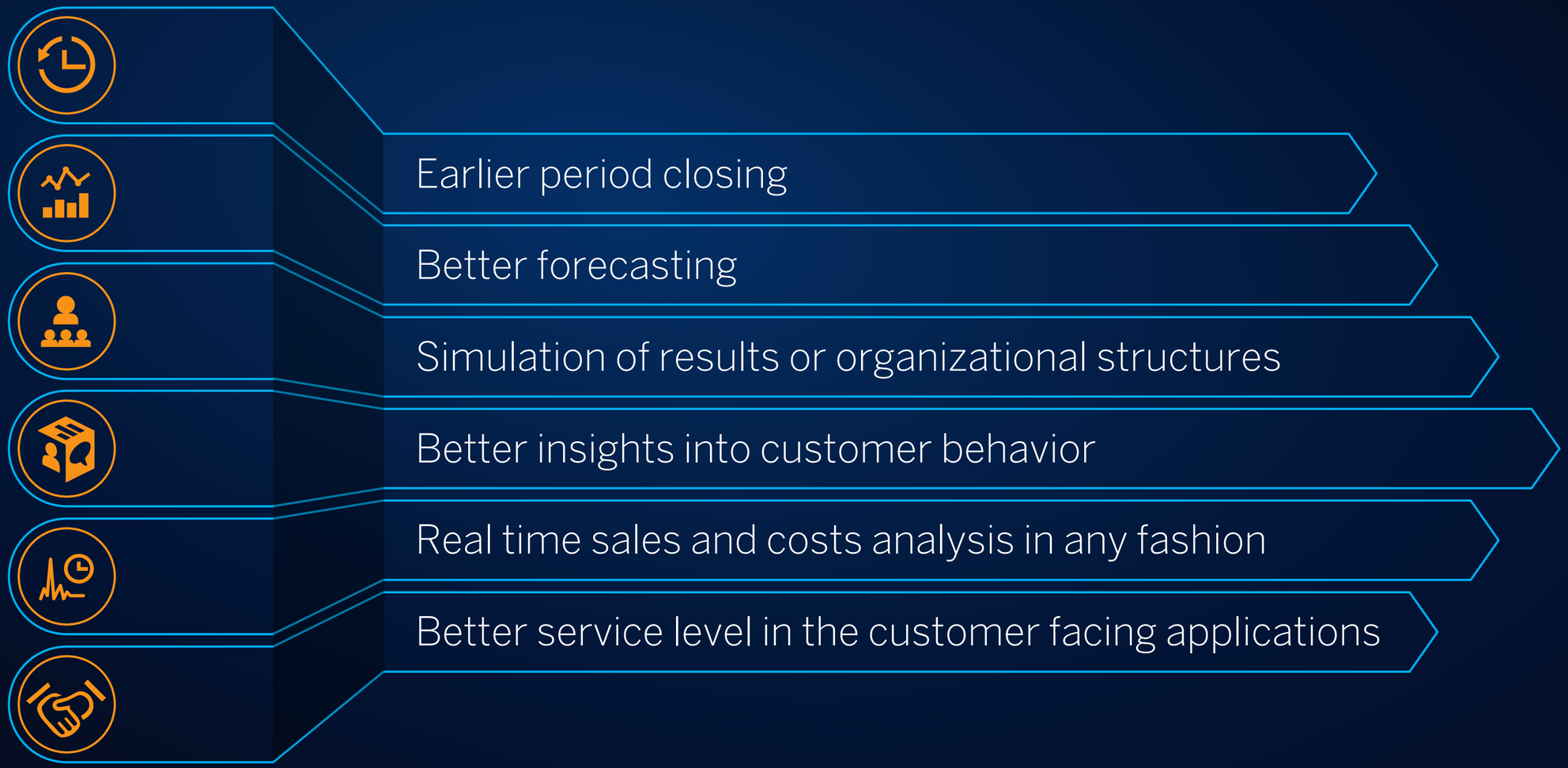


Internet of Things

Demo

Fix Anything

Improved Performance - Business benefits coming from speed



Some facts about SAP Business Suite 4SAP HANA

10x
smaller data footprint

7x
higher throughput

1800x
faster analytics & reporting

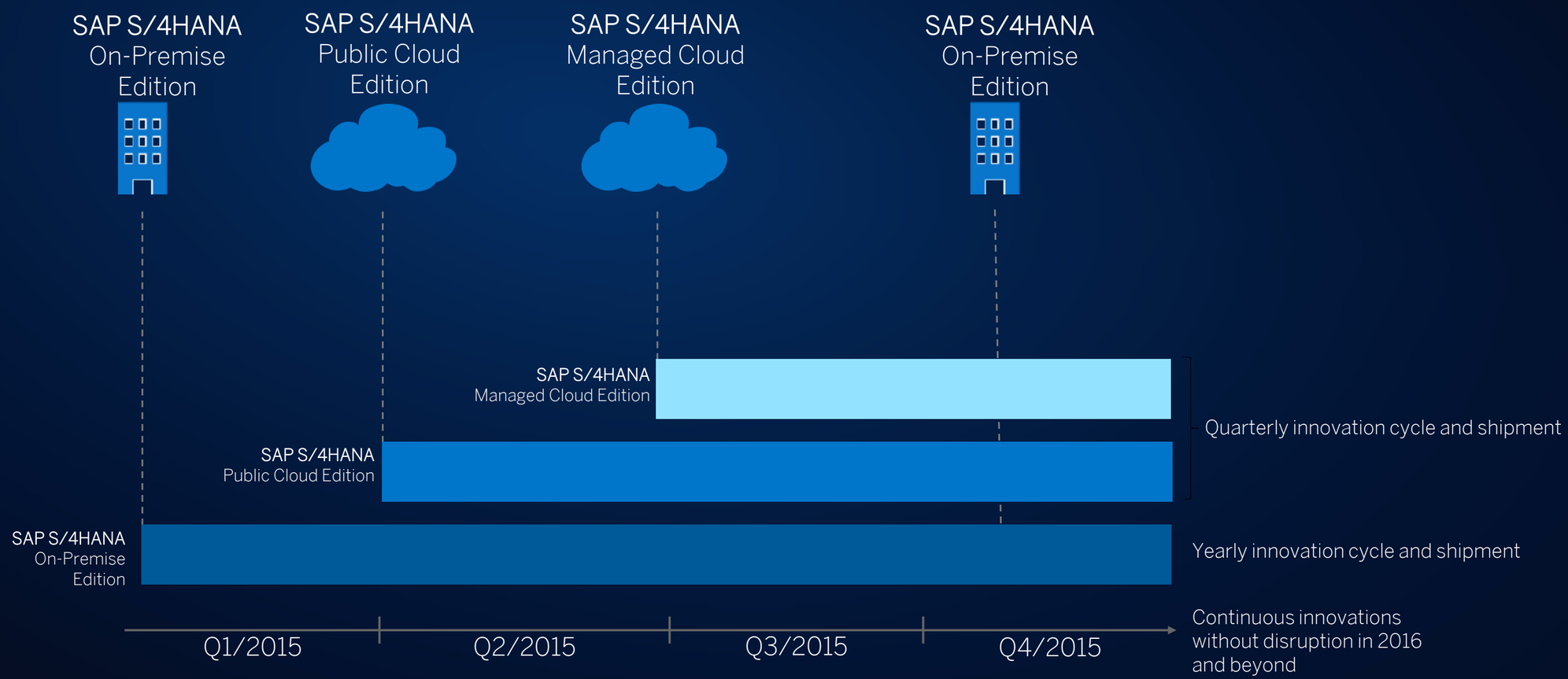
4x
less process steps

- Built on SAP HANA
- ERP, CRM, SRM,SCM, PLM in one system
- No locking, parallelism
- Predict, recommend, simulate
- SAP HANA Cloud Platform extensions
- All data: social, text, geo, graph processing
- New SAP Fiori UX for any device (mobile, desktop, tablet)
- **Three deployment options:** on-premise, public cloud, managed cloud

Roadmap

S/4HANA

High Level Roadmap 2015



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SAP S/4HANA On-Premise Edition

High Level Roadmap

SAP S/4HANA
On-Premise Edition

Today

- Scope: Full ERP scope with optimized ERP processes including Simple Finance
- Scenarios: All Core ERP scenarios (except HR: SuccessFactors EC)
- Available for 62 countries and in 39 languages

Planned Innovations

- Scope: Full ERP scope incl. Simple Finance and Simple Logistic
- Industries: Core industries (Professional Services, Chemicals, Consumer Product, Industrial Machinery and Components, Life Sciences, Transportation and Logistics) availability for Simple Logistic

Future Direction

- Scope: Full ERP scope incl. Simple Finance and Simple Logistic
- Focused investment based on customer priorities
- Industries:
  - complete Core Industries coverage based on customer onboarding incl. Automotive, A&D, Mill
  - Add of Focus Industries (e.g. Healthcare, Mining) based on customer co-innovation projects

This is the current state of planning and may be changed by SAP at any time.

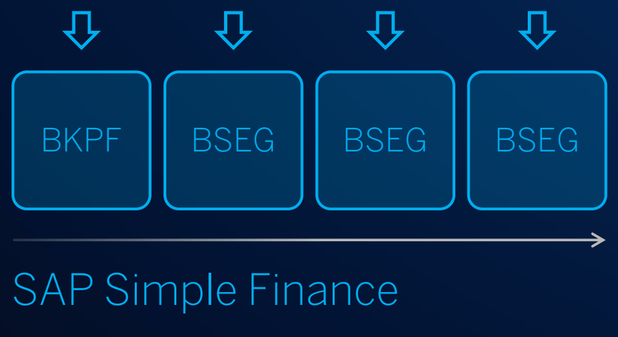
Summary

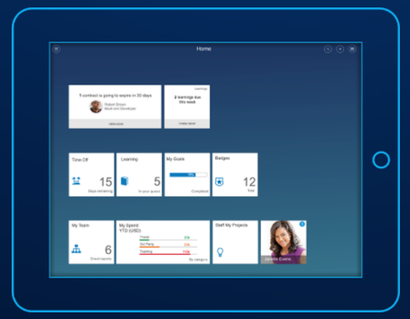
SAP Business Suite 4 SAP HANA (S/4HANA)

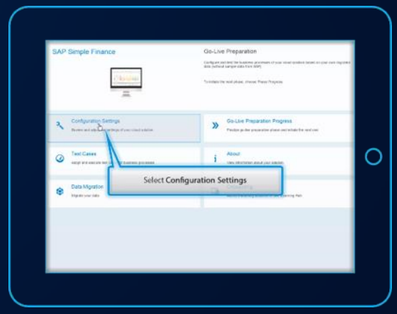
Simplified Data Model

Completely Fiori

Guided Configuration







Cloud and On Premise

Global References

"The financials add-on for SAP Business
Suite powered by SAP HANA was deployed in less than two months without any disruption to our business. We now have one common platform for both regulatory and managerial accounting as well as on-the-fly financial processes. This innovation will help us deliver stronger financial leadership through better advice on strategic and operational plans
that impact the business performance and effectiveness of SAP."

Luka Mucic
Chief Financial Officer, SAP SE

"Zurich wanted to be one of the first customers to evaluate the financials innovation delivered with SAP HANA. Deployed as a simple add-on for SAP Business Suite powered by SAP HANA, we are really impressed by the results in terms of the performance, simplification, and agility it could bring to our finance community."

Wilco Boosman,
Director, SAP Convergence
Zurich Insurance Group

"Deloitte has been collaborating with SAP on the next-generation finance solutions, and we have significant experience with SAP HANA as we use it within our own financial systems. The role of the CFO and the CFO's team continues to evolve, and this new wave of innovation will allow finance professionals to access information in new ways, enabled by the speed and power of SAP HANA. This will help to drive ongoing finance transformation as we see it at Deloitte."

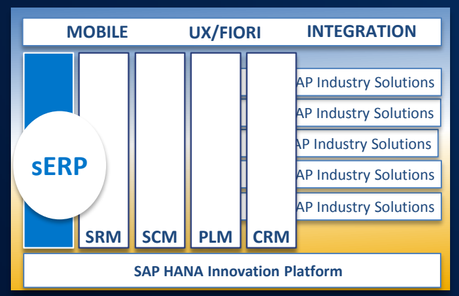
Jan Waals,
Principal and Global SAP Practice
Leader Deloitte Consulting LLP

Thank you!

Attachments

Deployment Options

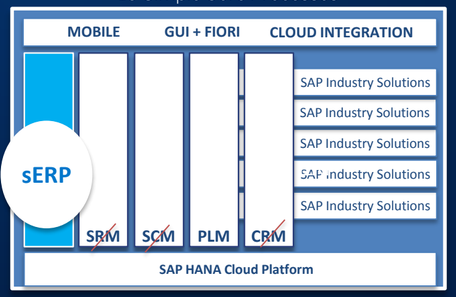
S/4 HANA On Premise



- Based on Suite on HANA foundation
- “Simple” solutions added on top
- Integrated scenarios with e2e capabilities

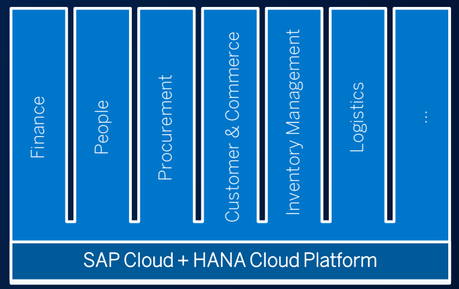
S/4 HANA Private Managed Cloud

10 Simple Core Processes



- 80-100% of ERP scope
- Without CRM, SCM, SRM
- 10 core processes (Simple ERP)
- Fiori only on key processes

S/4 HANA Public Cloud



- Initially 20% of ERP components
- 10 core processes
- Project based services
- Everything is Fiori based