



Update on SAP S/4HANA Adoption Starter Your Transformation Plan 1.0 in 90 days

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PUBLIC

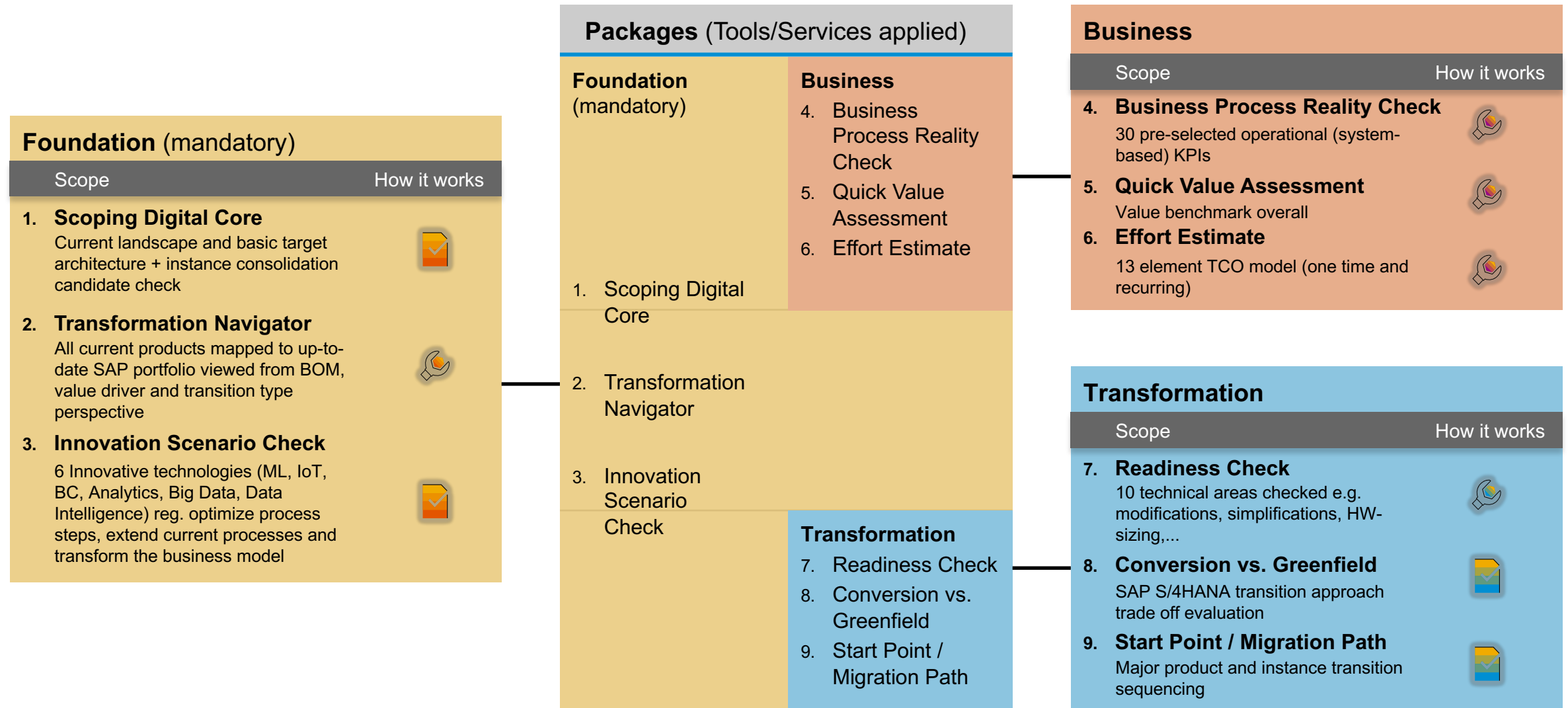
Agenda – Update on SAP S/4HANA Adoption Starter

#	Topic
1.	Overview
2.	What's next and the role of the Model Company
3.	Current status
4.	Findings and customer feedback
5.	Q&A

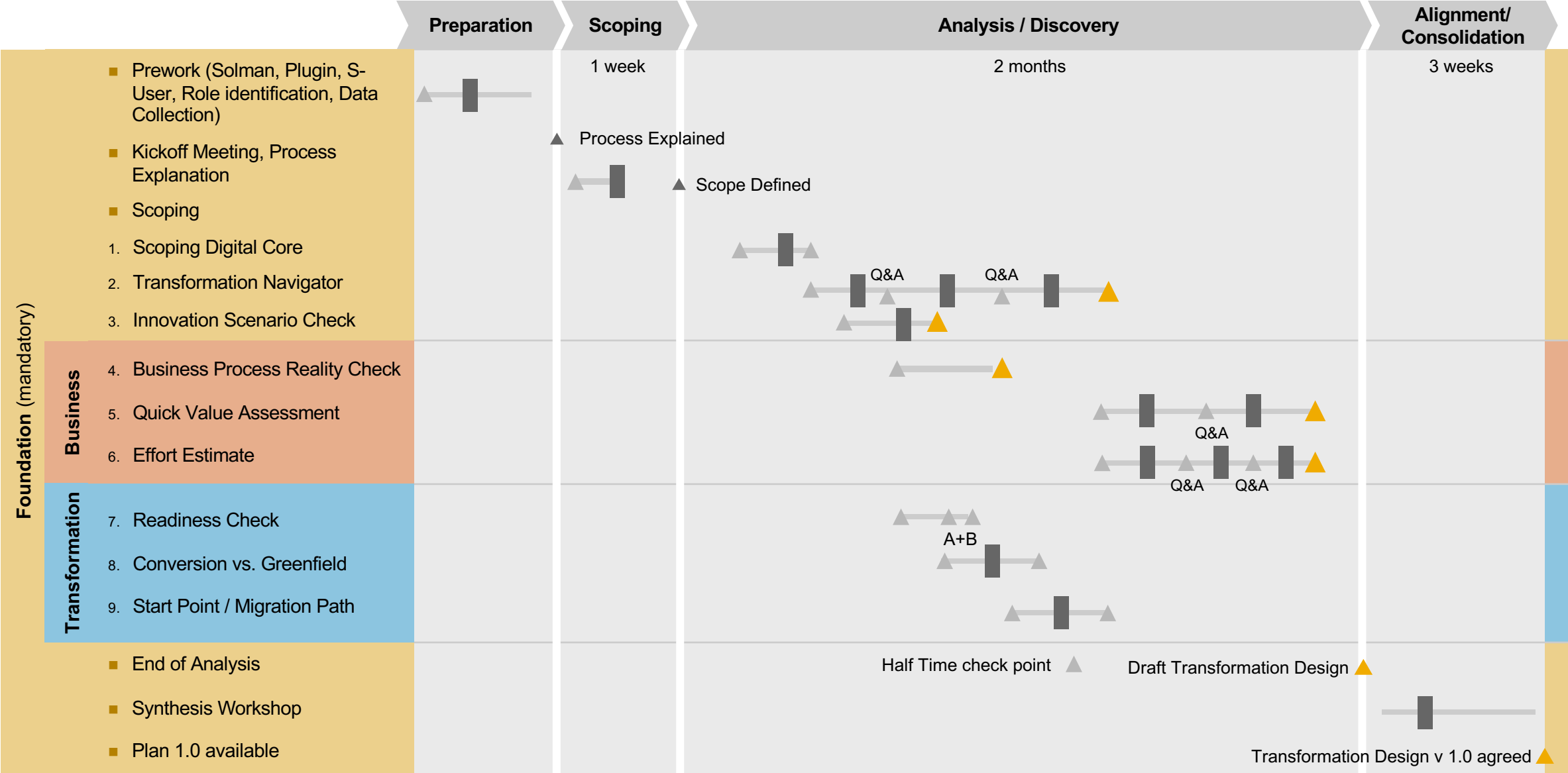
SAP S/4HANA Adoption Starter – Scope & Packages

			Key answers to	Packages (Tools/Services applied)	
Why?	Business view	Innovation Case	■ Innovations ■ New Capabilities	Foundation (mandatory)	Business 4. Business Process Reality Check 5. Quick Value Assessment 6. Effort Estimate
		Efficiency Case	■ Value Driver & Aspiration ■ Benefit Case ■ Baseline + Potential ■ Effort Estimate		
What?	Technical view	Target Products	■ Target Architecture ■ Product Recommendation	1. Scoping Digital Core 2. Transformation Navigator 3. Innovation Scenario Check	
		Target Instances	■ Consolidation Opportunities		
How?	Transformation view	Sequence & Approach	■ Transitions and Approach ■ Start Point / Migration Path ■ Conversion vs. Greenfield ■ Readiness to start ■ Relevant Accelerators ■ Next Level Services to plan for		Transformation 7. Readiness Check 8. Conversion vs. Greenfield 9. Start Point / Migration Path

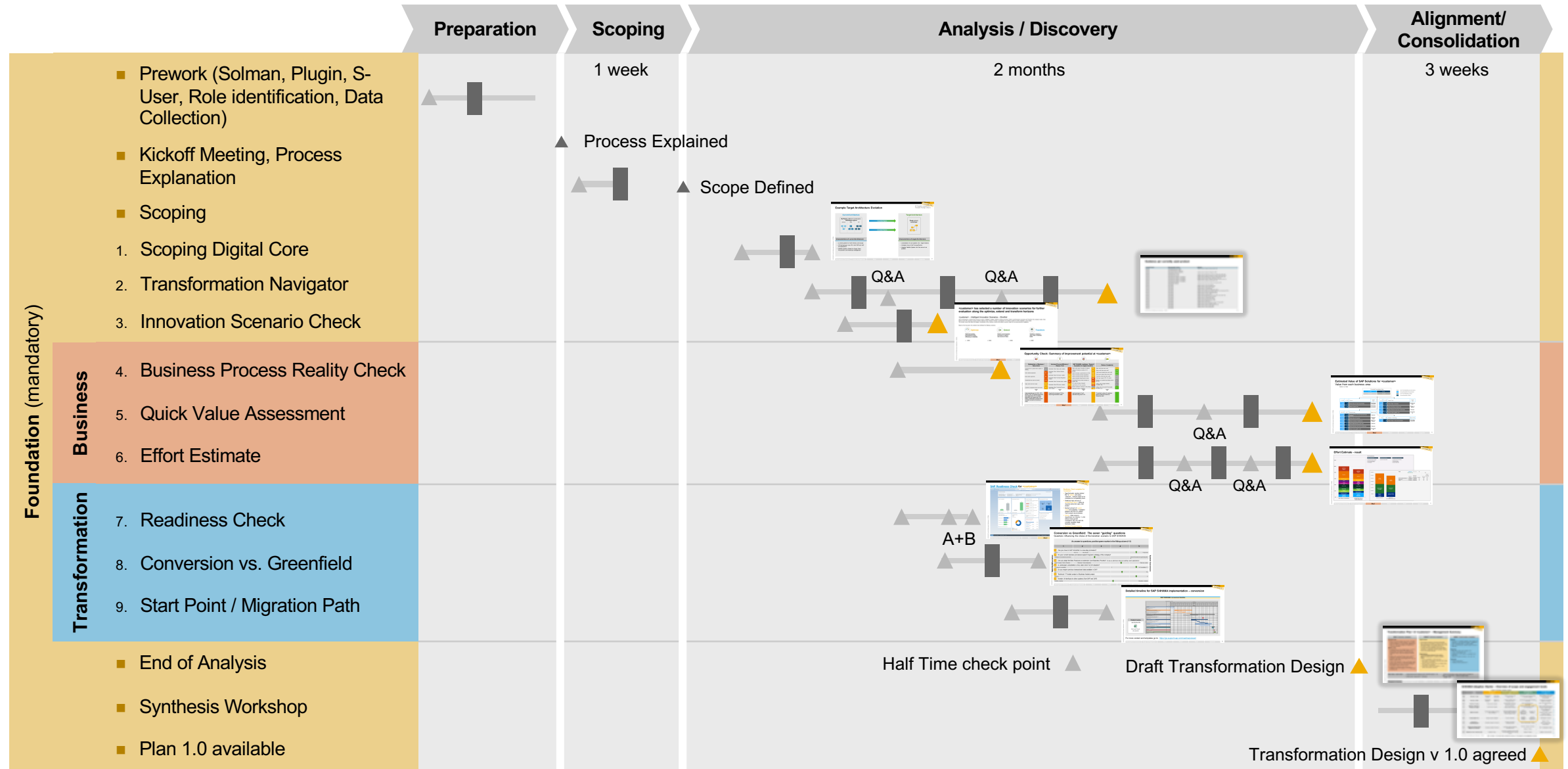
SAP S/4HANA Adoption Starter – Scope & Packages



SAP S/4HANA Adoption Starter – 90-day schedule: Guidance over Options



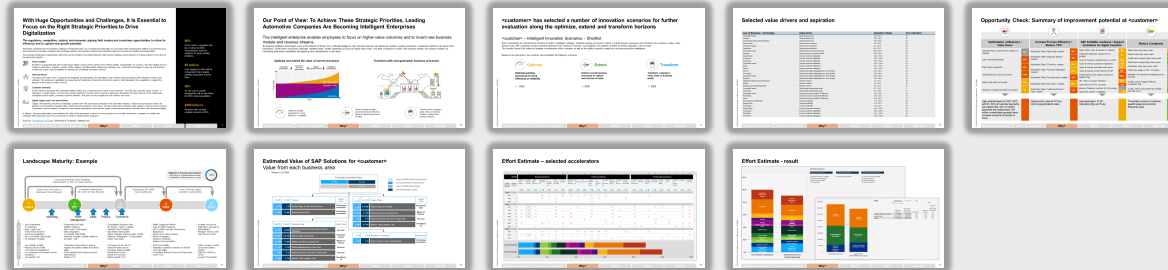
SAP S/4HANA Adoption Starter – 90-day schedule: Guidance over Options



SAP S/4HANA Adoption Starter – Summary of Results

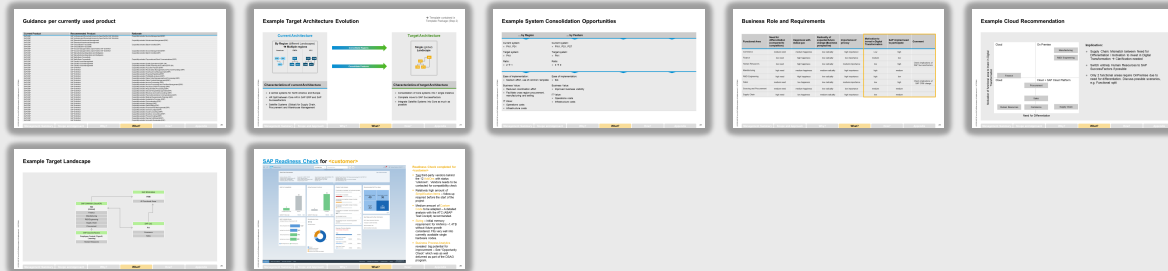
Why?

Business view



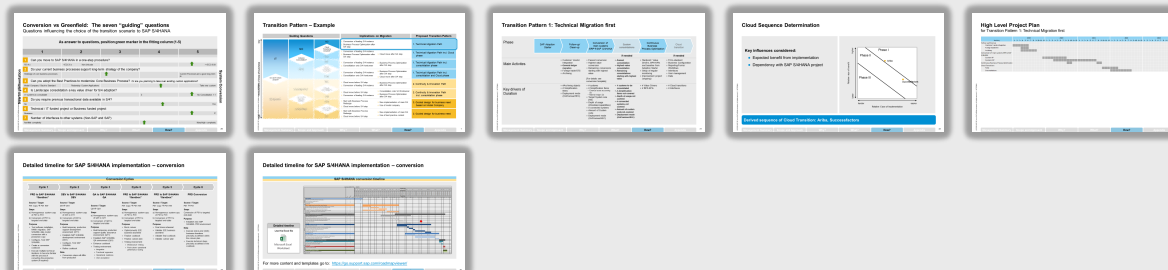
What?

Technical view

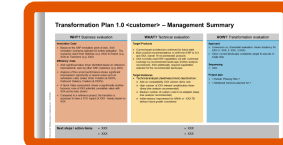


How?

Transformation view



SAP S/4HANA Adoption Starter – Summary of Results



Business evaluation – Why?

Why = Innovation case + Efficiency case

- Industry innovation trends
- Relevant innovation scenarios
- Additional future capabilities
- Relevant value driver and aspiration
- Overall value summary
- Baseline, result and tracking approach
- Effort estimate

Why High Opportunities and Challenges, It's Essential to Engage

High opportunities and challenges are essential to engage stakeholders and ensure successful adoption of SAP S/4HANA.

Our First of First: To Address These Strategic Priorities, Leading Automotive Companies Are Becoming Intelligent Enterprises

The digital transformation of automotive companies is a key strategic priority, leading to intelligent enterprises.

Customer has selected a number of innovation scenarios for further evaluation along the strategic value chain

Customer has selected a number of innovation scenarios for further evaluation along the strategic value chain.

Selected value drivers and aspiration

Selected value drivers and aspiration for the SAP S/4HANA adoption project.

Opportunity Check: Summary of improvement potential at customer

Opportunity Check: Summary of improvement potential at customer.

Language Maturity: Example

Language Maturity: Example of a maturity model for SAP S/4HANA.

Estimated Value of SAP S/4HANA for customer

Estimated Value of SAP S/4HANA for customer.

Effort Estimate - selected accelerators

Effort Estimate - selected accelerators for the SAP S/4HANA adoption project.

Effort Estimate - result

Effort Estimate - result of the SAP S/4HANA adoption project.

Transformation Plan 1.0 <customer> – Management Summary

WHY? Business evaluation

Innovation Case

Analysis result: Based on the SAP Innovation point of view, XXX innovation scenarios selected for further evaluation. The innovation map for Customer (e.g. XXX) is shown in the Transformation (e.g. XXX).

Conclusion: Topics identified deeper analysis will be done in next project steps.

Efficiency Case

Analysis result: XXX significant value driver identified based on reference improvements seen by other SAP customers (e.g. XXX).

Conclusion: The D2B needs to be validated.

Next steps / action items: XXX, XXX, XXX.

Technical evaluation – What?

What: Target Products → Target Instances

- Mid-term target architecture
- Short-term product recommendations
- Definition of digital core
- Instance consolidation plan
- Review of technical preparation needs, e.g. custom code, simplifications

Guidance per currently used product

Guidance per currently used product for the SAP S/4HANA adoption project.

Example Target Architecture Evolution

Example Target Architecture Evolution for the SAP S/4HANA adoption project.

Example System Consolidation Opportunities

Example System Consolidation Opportunities for the SAP S/4HANA adoption project.

Business Rules and Requirements

Business Rules and Requirements for the SAP S/4HANA adoption project.

Example Cloud Recommendation

Example Cloud Recommendation for the SAP S/4HANA adoption project.

Example Target Landscape

Example Target Landscape for the SAP S/4HANA adoption project.

SAP Readiness Check for customer

SAP Readiness Check for customer.

Transformation Plan 1.0 <customer> – Management Summary

WHAT? Technical evaluation

Target Products

Analysis result: Current architecture approach of single global instances also seen as future state.

Conclusion: XXX

Target Instances

Analysis result: Technical analysis (readiness check) results.

Conclusion: XXX

Next steps / action items: XXX, XXX, XXX.

Transformation evaluation – How?

How: Approach + Sequencing → Project plan

- Conversion vs. Greenfield
- Single step vs. Multi-step
- Alignment with business requirements, e.g. timeline
- Sequencing of product transitions
- Sequencing of instance transitions
- Cadence within one instance transition
- Overall phasing
- Remaining in-depth analysis
- Detailed work schedule for phase 1

Conversion vs. Greenfield: The seven "guiding" questions

Conversion vs. Greenfield: The seven "guiding" questions for the SAP S/4HANA adoption project.

Transition Pattern - Example

Transition Pattern - Example for the SAP S/4HANA adoption project.

Transition Pattern 1: Technical Migration first

Transition Pattern 1: Technical Migration first for the SAP S/4HANA adoption project.

Cloud Sequence Determination

Cloud Sequence Determination for the SAP S/4HANA adoption project.

High Level Project Plan

High Level Project Plan for the SAP S/4HANA adoption project.

Detailed timeline for SAP S/4HANA implementation - conversion

Detailed timeline for SAP S/4HANA implementation - conversion.

Detailed timeline for SAP S/4HANA implementation - conversion

Detailed timeline for SAP S/4HANA implementation - conversion.

Transformation Plan 1.0 <customer> – Management Summary

HOW? Transformation evaluation

Approach

Analysis result: Conversion vs. Greenfield evaluation shows tendency for XXX (1. XXX, 2. XXX).

Conclusion: XXX

Sequencing

Analysis result: Public cloud transitions planned for Conversion cycles of ERP to S/4HANA.

Conclusion: XXX

Project plan

Analysis result: Overall Phasing Plan.

Conclusion: XXX

Next steps / action items: XXX, XXX, XXX.

Transformation Plan 1.0 for TipTop4Digital S.A. – Management Summary

WHY? Business evaluation

Innovation Case

- Based on the SAP Innovation point of view, 5 innovation scenarios selected for further evaluation. The scenarios reach from Optimize (e.g. Cash Application) to Extend (e.g. Predictive Quality) to Transform (e.g. Business outcome-driven co-innovation)

Efficiency Case

- 3 significant value driver identified based on reference improvements seen by other SAP customers (e.g. Reduce days in inventory)
- Analysis of the current performance shows significant improvement opportunity in several areas such as automation rates (Sales Order Creation at 10%, Outbound Delivery Creation at 13%)
- A Quick Value assessment shows a significantly positive business case of 3M€ recurring potential cumulative value with “Reduce Finance Cost” as the main driver
- Compared to a reference project, the transition is assessed to have a TCO impact of 9% - mainly based on reduced implementation cost

WHAT? Technical evaluation

Target Products

- Current architecture approach of regional instances to be changed to Single Global Instance architecture
- 4 consolidation opportunities identified, 1 regional consolidation, 3 feature consolidations
- Main product recommendations to shift from ERP to SAP S/4HANA, overall 9 recommended products.
- 0 currently used ERP capabilities not yet with confirmed coverage by recommended landscape (further analysis recommended). 12 additionally required capabilities selected for the recommended landscape.

Target Instances

- Technical analysis (readiness check) results:
 - Add-on compatibility 13 unknown items from several 3rd party vendors
 - High number of 109 relevant simplification items (deep dive analysis recommended)
High number of custom code to be adapted (deep dive analysis recommended)
 - Initial memory requirement for HANA is ~1.4TB without future growth considered. Fits very well into currently available single hardware nodes.

HOW? Transformation evaluation

Approach

- Conversion vs. Greenfield evaluation shows tendency for conversion approach
- Given current landscape complexity target to execute in single step

Sequencing

- Public cloud transitions planned for SAP SuccessFactors, Ariba
- Conversion cycles of ERP to S/4 move:
 - PRD to HANA Sandbox
 - Dev to HANA Dev
 - QA to HANA QA
 - PRD Conversion

Project plan

- Overall project plan foresees transition to SAP S/4HANA before doing Cloud Transitions.
- Overall time schedule until mid 2022, SAP S/4HANA transition finished by mid 2021

Next steps / action items

- Setup Business Case WS in CW20
- Follow up on BPRC action items
- Set up project for in depth analysis of simplification items by CW 23
- Include above scheduling to overall NEXT program

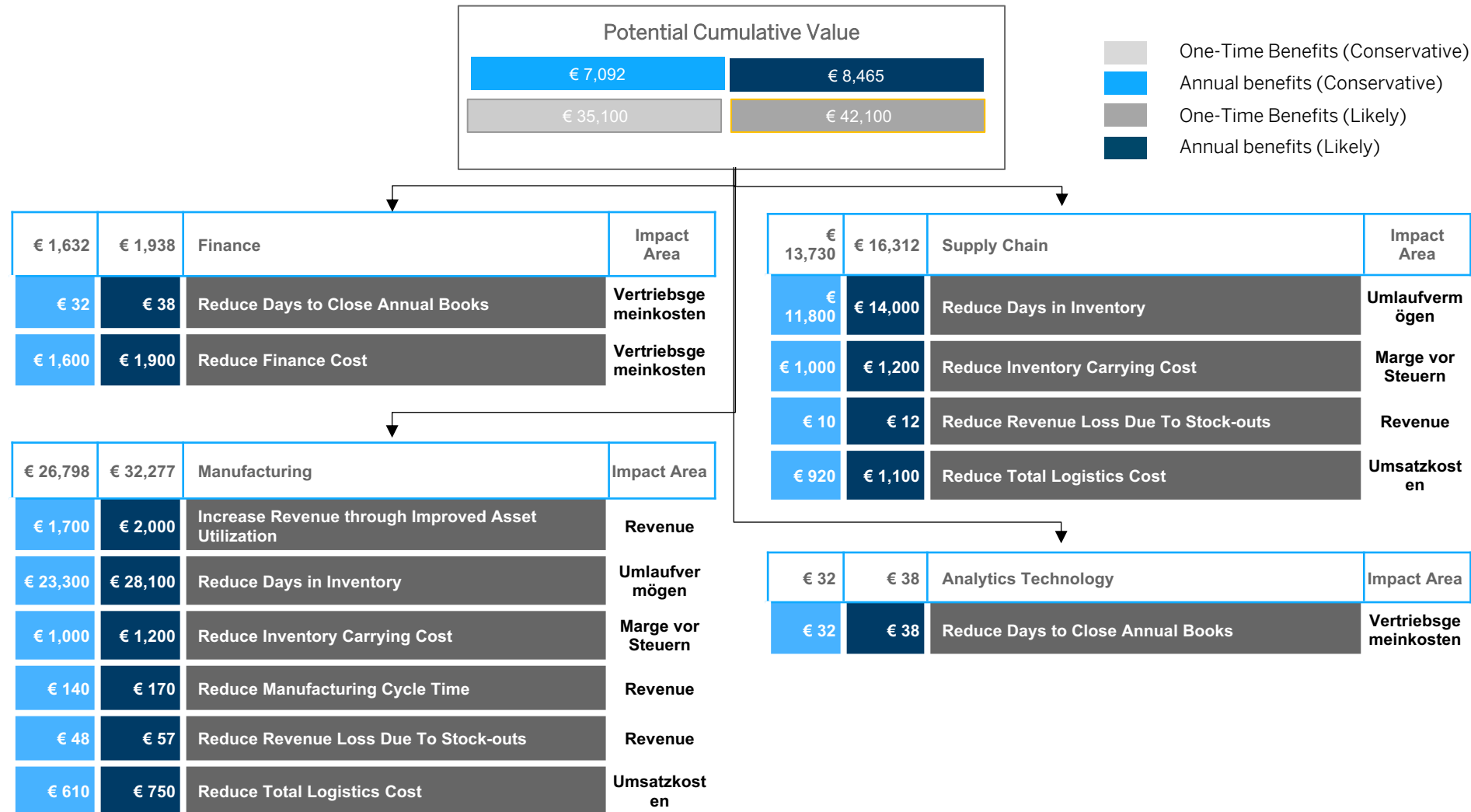
Business Process Reality Check: Summary of improvement potential

							
Improve working capital		Increase process automation		Reduce old transactional backlog		Reduce non-standard order types	
Lead time from customer item creation to clearing	51d	Automation Rate: Sales order creation	10%	Sales orders open & overdue for delivery	318	Sales order types never used	5 of 30
Late customer payments	20%	Automation Rate: Outbound delivery creation	13%	Outbound Deliveries overdue for GI posting	65	Return order types never used	1 of 1
Lead time from vendor item creation to clearing	22d	Automation Rate: SD invoice creation	92%	Open & Overdue customer items in FI-AR	765k	Credit memo request types never used	0 of 2
Early vendor payments	33%	Automation Rate: Purchase Requisition creation	65%	Open & overdue purchase requisitions	0	Debit memo request types never used	0 of 3
Unrestricted-use stock not moved	15m	Automation Rate: Purchase order creation	0%	Open & overdue purchase order items	10k	Production / Process order types never used	n/a
Quality inspection stock not moved	7k	Automation Rate: Stock Transport order creation	90%	Open & overdue vendor items in FI-AP	1,2k	PM / CS order types never used	0 of 2
Blocked stock not moved	10k	Automation Rate: MM invoice creation	43%	Process orders overdue for deletion flag	521k	Internal order types never used	n/a
		Automation Rate: Process order creation	50%	PM orders in phase 'released'	29k		
				Open items on FI-GL accounts	1,1m		
				Inbound Deliveries overdue for GR posting	n/a		
				Shipments without completion	3,6k		
High potential seen for DSO and DII reduction.		Good opportunity to optimize logistics and procurement by increasing the respective process automation.		Good potential to improve procurement & financial close activities		Few areas where the majority of customer specific configuration data has never been used.	

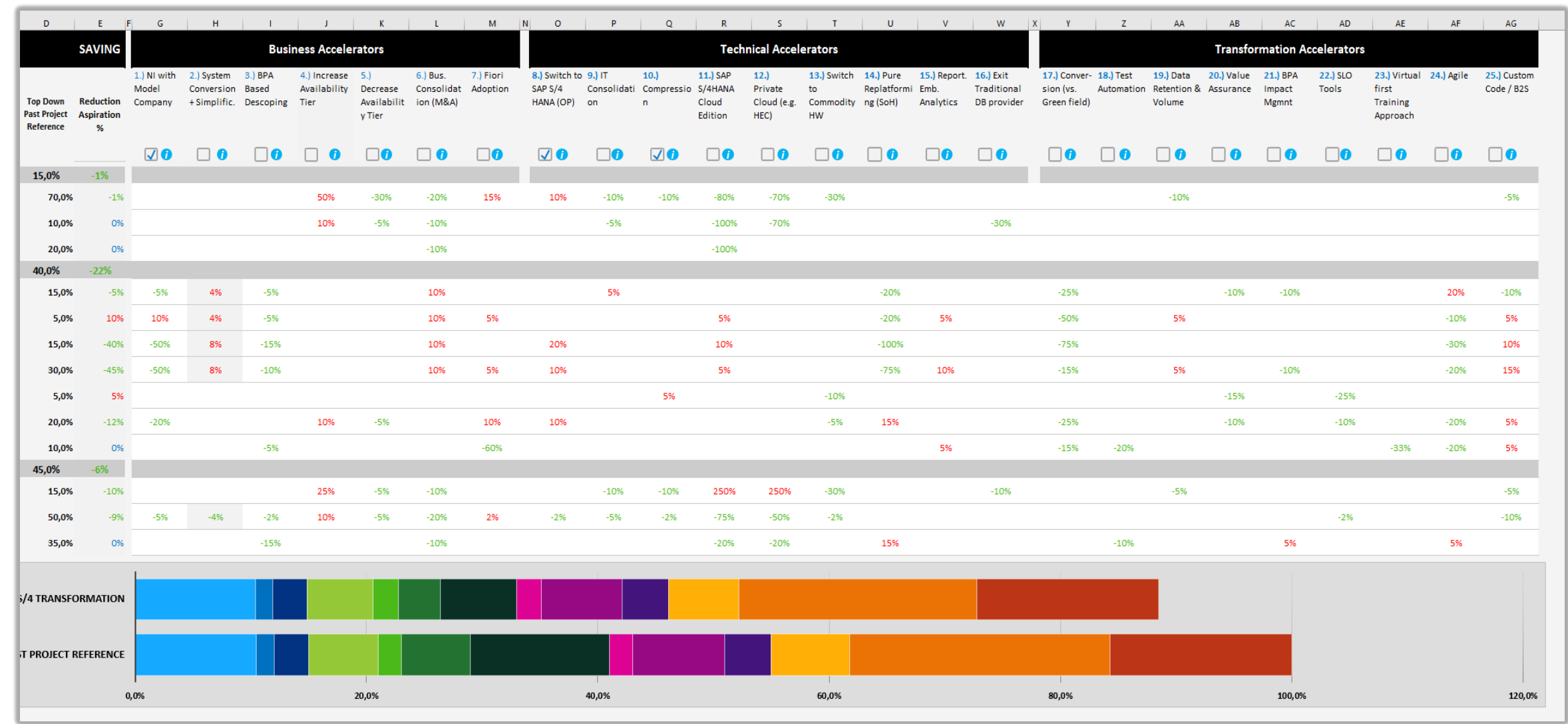
Estimated Value of SAP Solutions for TipTop4Digital S.A.

Value from each business area

Values in (€ '000)



Effort Estimate – selected accelerators by TipTop4Digital S.A.

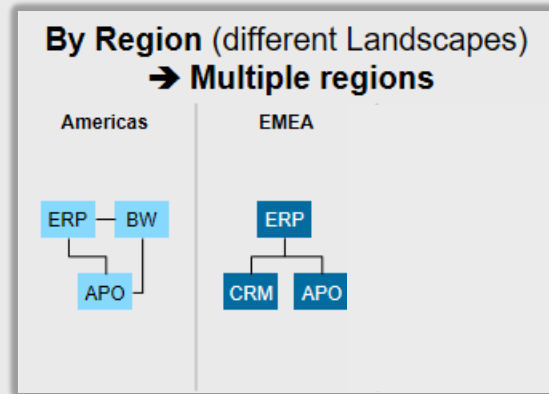


Why?

Target Architecture Evolution for TipTop4Digital S.A.

→ Template contained in
Template Package (Step 2)

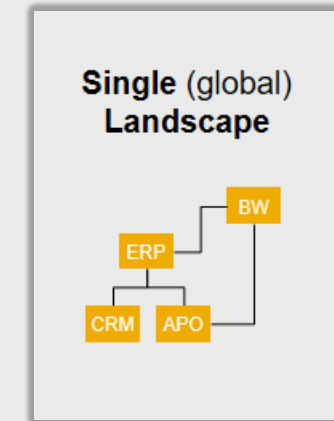
Current Architecture



Consolidate Regions

Consolidate Features

Target Architecture



Characteristics of current Architecture

- 2 central systems for North America and Europe
- HR Split between Core HR in SAP ERP and SAP SuccessFactors
- Satellite Systems (Global) for Supply Chain, Procurement and Warehouse Management

Characteristics of target Architecture

- Consolidation of Core systems into 1 single instance
- Complete move to SAP SuccessFactors
- Integrate Satellite Systems into Core as much as possible

Conversion vs Greenfield: The seven “guiding” questions

Questions influencing the choice of the transition scenario to SAP S/4HANA for TipTop4Digital S.A.

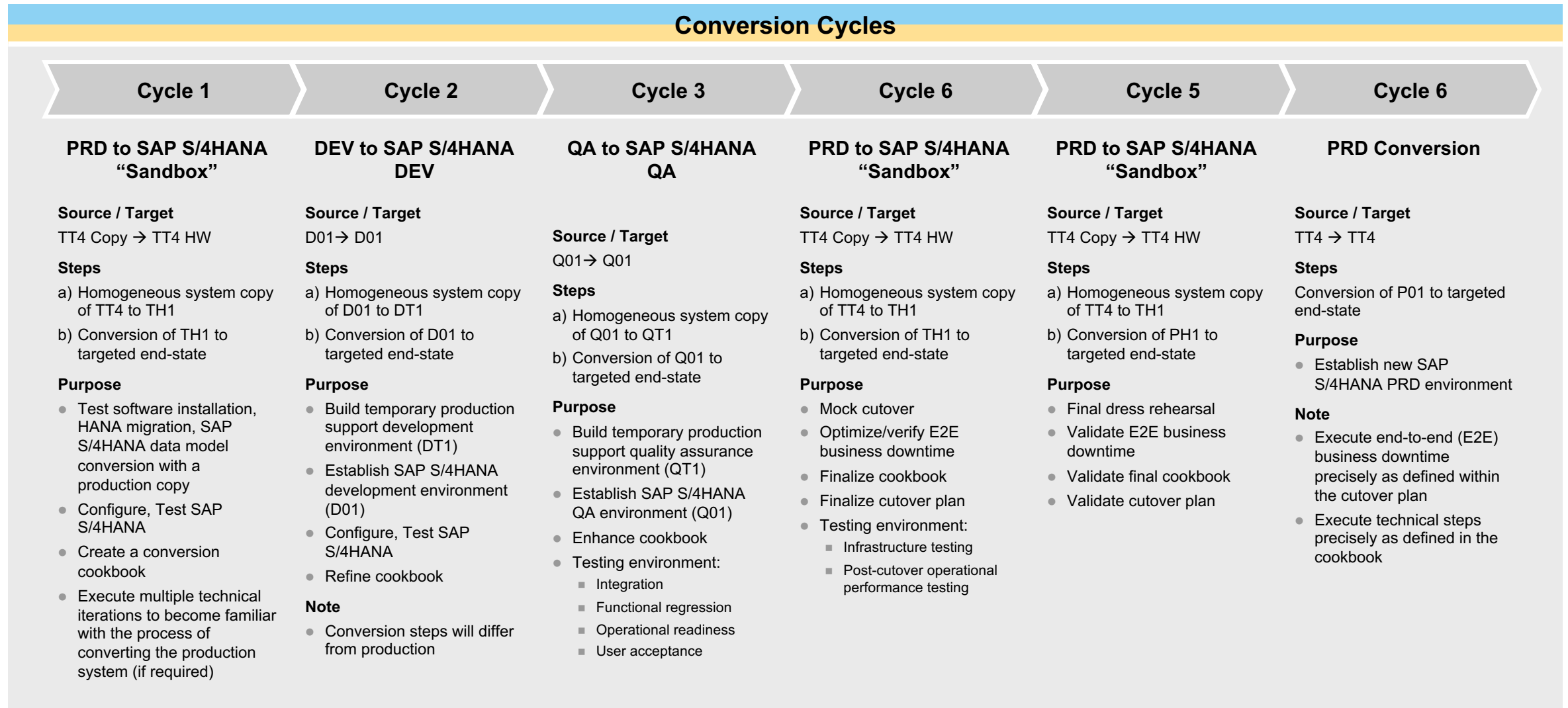
As answer to questions, position green marker in the fitting column (1-5)

New Implementation

System Conversion

	1	2	3	4	5
1	Can you move to SAP S/4HANA in a one-step procedure?				
	R/3 4.x	<ECC 6.x	Non-Unicode		 >=ECC 6.0X
2	Do your current business processes support long-term strategy of the company?				
	Redesign of core business processes				Current Processes are a good long term fit
3	Can you adopt the Best Practices to modernize Core Business Process? Or are you planning to take over existing custom applications?				
	Model Company / Back to Standard	Redevelop Custom Applications			Take over custom
4	Is Landscape consolidation a key value driver for S/4 adoption?				
	4+ systems to consolidate	3		2	 No Consolidation 1:1
5	Do you require previous transactional data available in S/4?				
	No				Yes
6	Technical / IT funded project or Business funded project				
	Business				 IT
7	Number of interfaces to other systems (Non-SAP and SAP)				
	few/little complexity				Many/high complexity

Detailed timeline for SAP S/4HANA implementation – conversion



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Beyond SAP S/4HANA Adoption Starter – Overview of engagement levels

Scope of SAP S/4HANA Adoption Starter								
#	Topic Definition	Self service Level 0		Outside-in expert guidance Level 1	Joint Planning Level 2		Joint Execution Level 3	
1a	Trafo Case – Value	Transformation Navigator 1	Quick Value Assessment 2	Outside in Business Case based on QVA 7	Full Business Case & Benchmarking w/ customer validation 12		Value realization service (BPA & Process Improvement and Benchmarking) 19	
1b	Trafo Case – Effort	Transformation Navigator 1	Explore S/4 HANA TCO 3	Develop S/4 HANA Project & Operation Effort 8	Joint Business Case with ROM Build & Run Costs 28		Joint Business Case tracking Validate cost changes 20	
2	Baseline & Tracking	Transformation Navigator 1		Business Process Reality Check incl. Improvement heat map 9	BPA Process Improvement – Plan & Build 14		BPA + Process Improvement – Run 21	
3	Alignment IT-Business – Functional coverage	Transformation Navigator 1		Discovery Workshop + Industry Golden Document 10	Value & Implementation Strategy incl. Fit Gap Analysis 15		Model Company based process model with mapped deviations 22	
4	Digital Innovations	Transformation Navigator based on Product Roadmap 1		Discovery Workshop based on Industry Golden Document & proposed Digital Priorities 10	Value & Implementation Strategy incl. Fit Gap Analysis 15	Innovation DT Workshop 16	Model Company based implementation 22	
							Leonardo innovation services 23	
							Innovation Program execution if SAP portfolio fit 24	
5	Scoping Digital Core	Design principles whitepaper 4		Discovery Workshop 10	Innovation Strategy & Roadmap 17	Technical Architecture & Infrastructure 18	Data Migration Execution 25	
6	Conversion vs. Greenfield approach	6-Question evaluation framework 1		6-Question Framework, consumed via DW 10	Value & Implementation Strategy 15		Migration Factory 26	
							Model Company based implementation 22	
7	Starting point Determination/ Migration Path Selection	5 principles startpoint framework 5		5 principle startpoint framework consumed via DW 10	Innovation Strategy & Roadmap; 17		VAP – Data Migration Design 27	
					Migration Planning 13			
8	Readiness to start / necessary prep	Readiness Check 6		Discussion of Readiness Check results + recommendation by SAP consumed via EGI 11	Migration Planning 13		Migration Factory and VAP 27	

Positioning within SAP's strategy

- Designed for SAP's Intelligent Enterprise approach
- Designed baseline for SAP S/4HANA Cloud, single-tenant edition, and SAP S/4HANA on-premise
- The new built-in stack allows for SAP Model Company interoperability and the assembly of industry and line-of-business content end to end
- Market-standard business content for 17 industries and 12 lines of business
- Localization enabled
- Partner framework for more diverse portfolio and differentiating value
- Enhanced integration into The New SAP MaxAttention and SAP Advanced Deployment

Components of an SAP Model Company



Market-standard content

Digitized Enterprise Best / Next practices - 17 Industries, 12 LoB's.
Business process hierarchies, end-to-end scenarios, process diagrams, roles.

SAP Leonardo (intelligent technologies) innovations inside

Analytics Cloud, IoT, ML/AI, Blockchain - enabled business scenarios

Assemble to order

Available as ready-to-run appliance, assembled-to-order or pre-packaged.

Localization enabled

Pre-configured country-specific business scenarios and local content

Accelerators

Configuration and how-to guides, test and demo scripts, implementation tools

SAP Solution
Manager 7.2

Interoperable stack | International foundation | Partner framework

SAP Activate + Industry reference architecture + Intelligent Enterprise framework

SAP Cloud
ALM

Portfolio

Subject to change
without notice

Available SAP Model Company Services

Planned⁴

Airline Back Offices³

Automotive

Chemicals

Consumer Products

Core Retail²

Fashion and Vertical Business²

Insurance³

Integrated Digital Banking³

Life Sciences

Mining Production Execution

Oil & Gas

Omnichannel Retail²

Trade Management for Consumer Products

Utilities

Multinational Corporations

Central Finance²

Connected Manufacturing

Finance

Human Resources

Logistics Execution

R&D/Engineering and Sustainability

Extended Warehouse Management for Industries

Hybris Marketing Cloud

Subscription Billing

Supply Chain Planning

Agribusiness

Defense

Industrial Machinery & Components

Mill Products

C/4HANA

Connected Assets

Model Company is compliant with the NEW SAP Model Company standards; S/4HANA 1809 version available for sale; Available for delivery Q1 2019;

SAP S/4HANA 1809 based version available for sale; Available for delivery Q1 2019; Exceptions regarding localization and/or interoperability apply;

SAP S/4HANA 1709 based version available for sale; SAP S/4HANA 1809 version on request;

This is the current state of planning and may be changed by SAP at any time. Planned Model Companies are also already available on request;

SAP Model Company for Multinational Corporations is the S/4HANA Best Practice based successor of SAP Model Company for Enterprise Foundation; One voice name approval in process;

Choose Along Use Case and Preferences

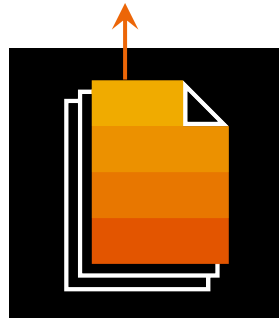
SAP managed account/SAP hardware

SAP Cloud model
companies

SAP HANA enterprise
cloud



SAP® Model Company
(Master tenant)



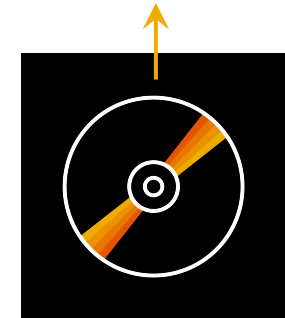
Customer

Customer owned/managed account

Cloud hosting

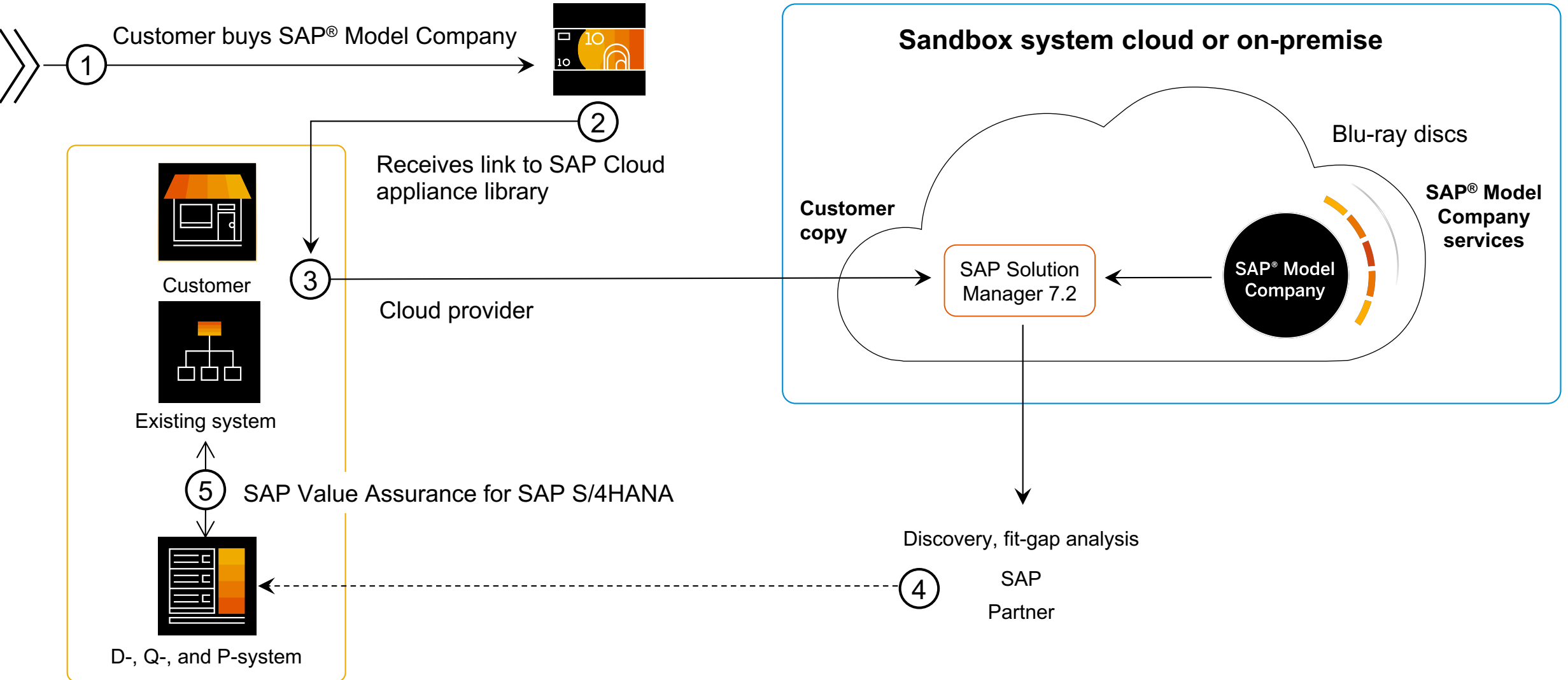
On premise

Amazon Web Services
Microsoft Azure
Google Cloud Platform

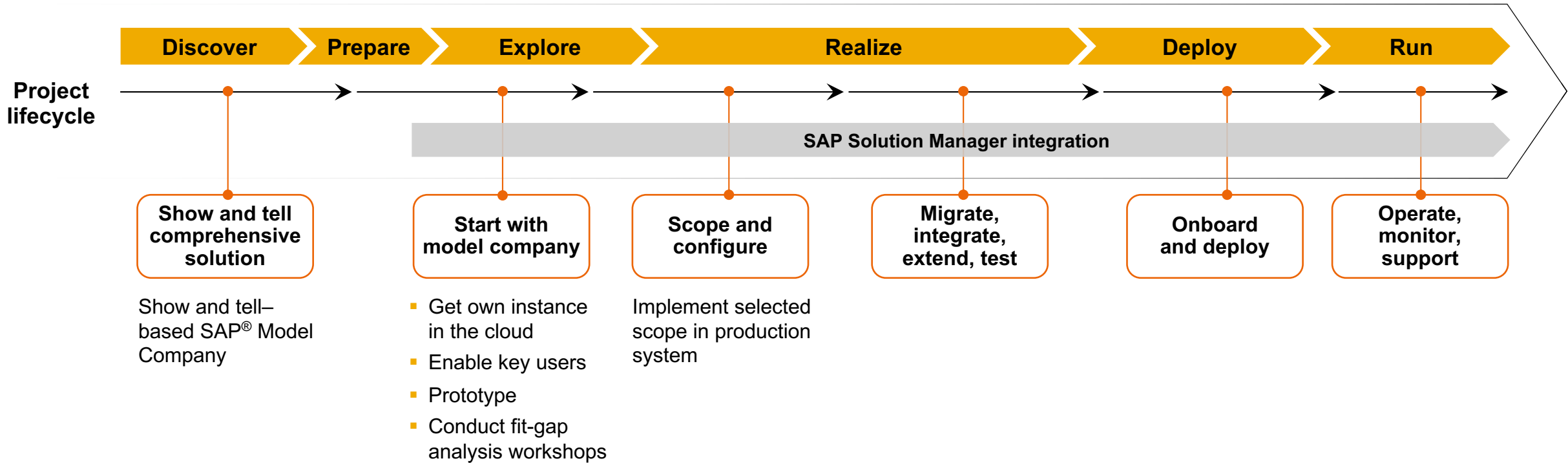


Software shipment
(Blu-ray discs or download)

Fast Customer Delivery Options



Model Company and SAP Activate



Next step: Model Companies embedded into MOVE's Adoption Starter

Adoption Starter

- Providing clear guidance and support for the customer SAP S/4HANA design journey
- Helps customers to structure and assess their transformation in a 90 day format

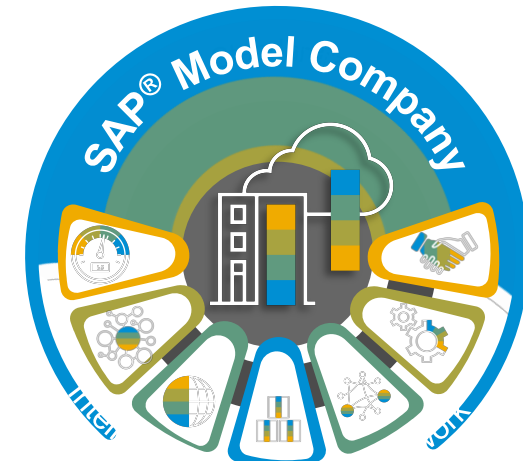
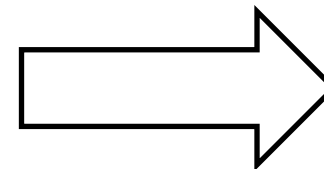
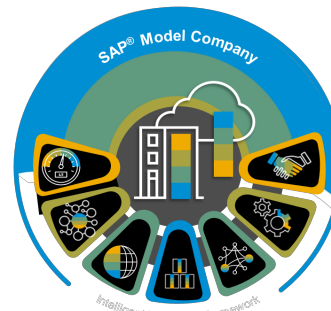
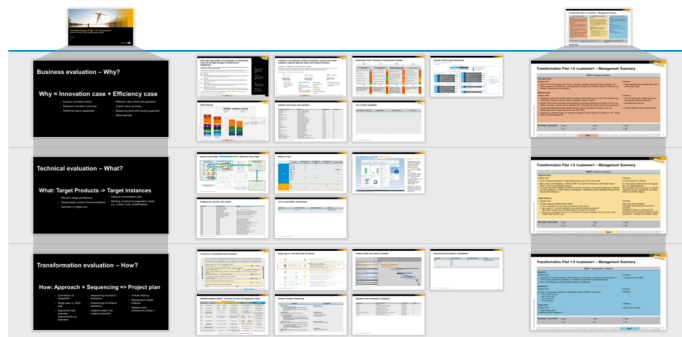
“Discovery” Landscape

- MC Demo Session
- SAP S/4HANA Sandbox System
- Deployed on SAP HEC
- Usage of customer data
- Pre-configuration based on SAP Model Company

Implementation

- SAP Value Assurance
- SAP Advanced Deployment
- SAP MaxAttention
- SAP Model Company Service

S/4 Adoption Starter – Summary of Results



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S/4HANA Movement | Adoption Starter Update: Executive Summary

KEY MESSAGES as of May 2019

- **600 seats available for 2019 worldwide**
- 481 customers nominated by Field and User Groups worldwide, **thereof 75 for EMEA-N**
- 136 customers registered and assigned to classes, **thereof 12 from EMEA-N**
- 74 customers in active classes and 44 completed, **thereof 7 and 6 respectively from EMEA-N**
- NA Launch started in April

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Pilot Customers class 1 and 2 – Summary

	Industry	Revenue	Employees
	Food	2.6bn€	9k
	Automotive	1.6bn€	9k
	Wholesale	0.3bn€	1.3k
	Metals	3bn€	7k

Execution from 12.4. to 17.7. = 96 days duration

	Industry	Revenue	Employees
	Retail	12.5bn€	50k
	Chemicals	14.4bn€	36k
	Industrial Machinery & Components	3.6bn€	12k
	Professional Services	0.2bn€	1.6k
	Retail	2.7bn€	19k

Execution from 4.6. to 3.9. = 91 days duration

Pilot Customers class 3 – Summary

	Industry	Revenue	Employees
	Retail	1.5bn€	11k
	Public Sector	-€	10k
	Professional Services	0.084bn€	0.4k
	Professional Services	0.34bn€	3.3k
	Life Sciences	0.13bn€	0.27k

	Industry	Revenue	Employees
	Utilities	0.150bn€	0.4k
	Utilities	2.8bn€	2.6k
	Building Materials	0.18bn€	0.9k
	Utilities – Waste	0.55bn€	0.54k
	Chemie	5.5bn€	18.4k
	BIT-SERV	-bn€	-k

Execution from 3.9. to 11.12. = 99 days duration

Transparency: Hit Rate of Customer Interest from Innovation 1:1

Adoption Starter Class 1-4 (sample of 27 customers) – rate of presented (via PoV) to selected as priority



Optimize

Optimize existing processes for more efficiency or reliability

presented
selected
% hit rate

Integrated Operations Management	3	3	100%
Remote condition monitoring of assets	7	6	86%
Implausible Meter Readings	5	6	83%
Business Data Intelligence	5	4	80%
Cash Application	24	19	79%
Customer retention	12	9	75%
Machine learning-powered solution configuration	4	3	75%
Automated Travel Expense	5	3	60%
Learning Recommender	5	3	60%
Customer Interactions	5	3	60%
Service Ticket Intelligence	15	8	53%
Industry 4.0 manufacturing performance management	5	2	40%
Resume matching	20	6	30%
Brand impact	2	0	0%



Extend

Extend current business processes to capture new sources of value

presented
selected
% hit rate

Digital Manufacturing Insights	1	2	200%
Global Track and Trace	1	2	200%
Predictive Analytics	1	2	200%
Connected goods	5	5	100%
Intelligent Bid Management	3	3	100%
Digital boardroom	15	14	93%
Asset Intelligence Network	11	10	91%
Predictive Maintenance and Service	17	15	88%
Vehicle insights	6	5	83%
Digital twin	10	7	70%
Product Integrity	3	2	67%
Cloud for Energy	6	4	67%
Intelligent Onboarding	5	3	60%
Sensor Based Store Insights	5	3	60%
Additive manufacturing	6	3	50%
Predictive Quality Manageme	4	2	50%
Retail Assets & Services	4	2	50%
Fleet management Optimization	2	1	50%
New digital services through an IoT platform	6	2	33%
Predictive Engineering Insights	2	0	0%



Transform

Transform company's value chain or business model

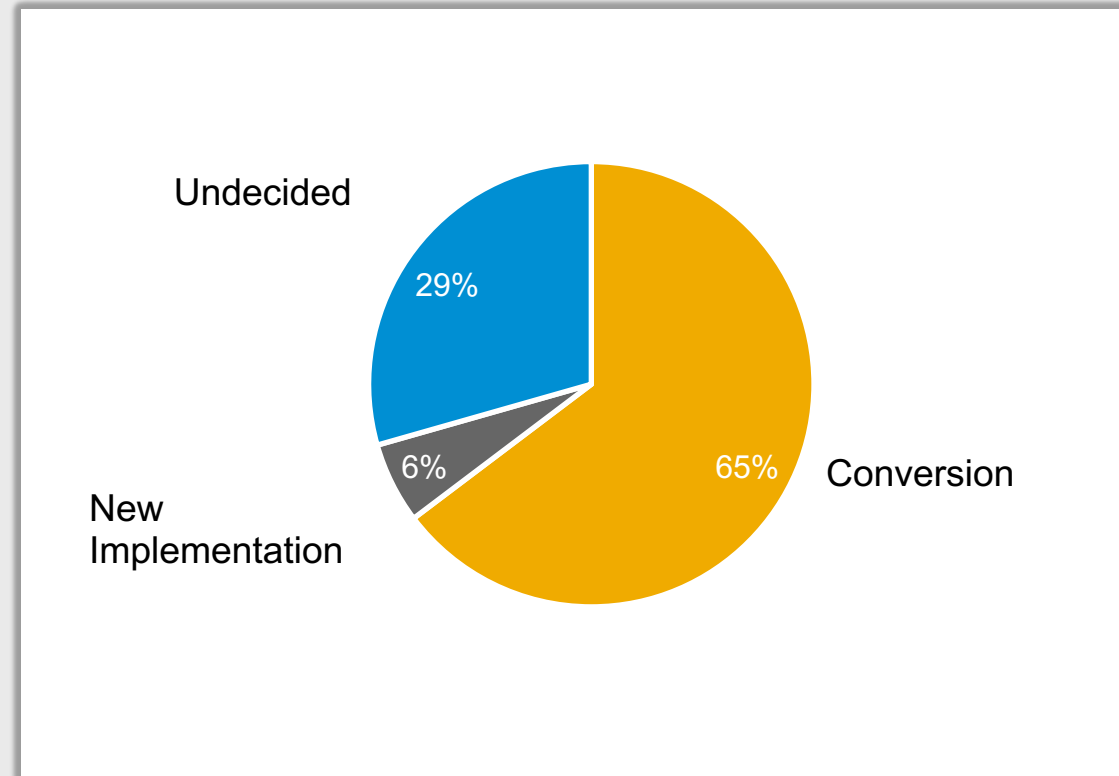
presented
selected
% hit rate

Retail Article Profitability Analysis	5	5	100%
E-Fleet Management	4	4	100%
Digital / IP based Services	3	3	100%
Digital Citizen	2	2	100%
Intelligent Workforce Planning	8	7	88%
Business Outcome driven co-innovation	5	4	80%
Digital Prosumer	5	4	80%
Data monetization based on asset information	5	3	60%
Pay for Outcome	4	2	50%
Intelligent Payments	4	2	50%
Collaborative Research & Development	3	1	33%
Merchant and industrial energy hub	3	1	33%
Zero Waste Option	5	1	20%
Digital Farming	3	0	0%

Conversion vs. Greenfield summary

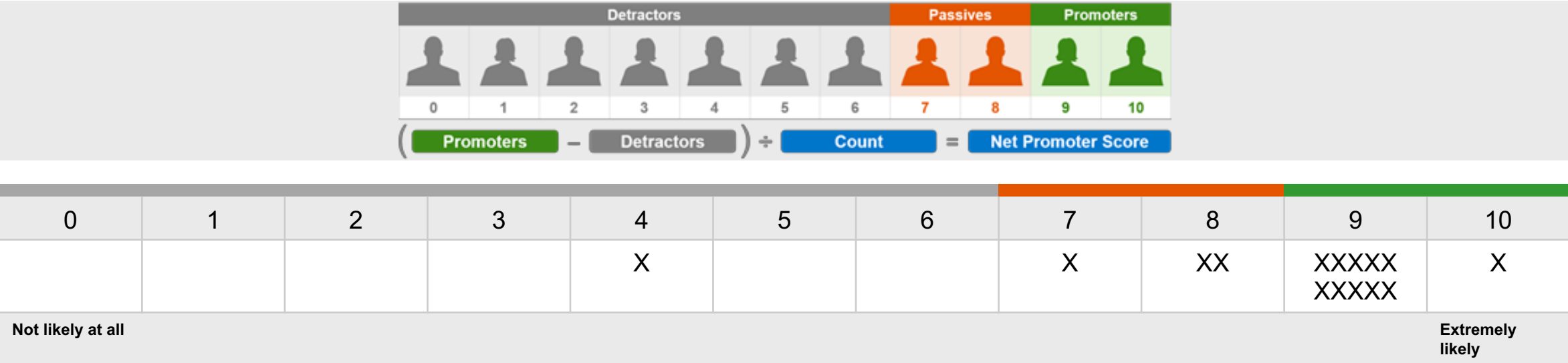
Main reasons for conversion:

- No instance consolidation intended
- IT-driven project approach
- Technically feasible given current installation



NPS-Scoring

In order to continuously improve our service offerings, we would like to get your feedback regarding the Adoption Starter Program delivered. How likely would you recommend our service to other DSAG members? (Please make an X for your vote)



NPS: 67

Module Evaluation – Class 1-3

Module	How helpful do you rate the module?				
	++ Extremely helpful	+ Very helpful	o Somewhat helpful	- slightly helpful	-- not helpful at all
Scoping the Digital Core	X	XXXXXXXXXX	XXX	X	
Transformation Navigator	XX	XXXXXXXXXX	XX	X	
Innovation Scenario Check	XX	XXXXXXXXXX	XXX		X
Business Process Reality Check	XXXX	XXXXXXX	XX		X
Readiness Check	XXXXXXXXXX	XXXX	X		
Outside-in QVA		X	XXXXXXXXXX	XX	X
Projects and Ongoing Effort	X	XXXXXXX	XXXX	XX	X
Greenfield vs Conversion	XXXX	XXXXXX	XX	XX	
Start point / Migration path	XX	XXXXXX	XXXXX	X	X
Total	28	66	35	10	5

Quotes from Pilot classes

- ▶ „Do it... By means of this program SAP does a great job to facilitate the understanding of the transformation process and to-dos. Even non-technical participants can understand.“

M. Löchte (BTC AG)

- ▶ „Vielen Dank für den wie ich meine sehr gelungenen Start ins Adoption Starter-Programm.“

Guenter Haack (DSAG)

- ▶ „Insbesondere der Community Ansatz hat uns sehr geholfen, die richtigen Aspekte in der Planung zu beachten.“

Tobias Westphal (Otto Group)

- ▶ „Yes, it is helpful if you are at the beginning of your S/4HANA preparation. If you have already started your own preparation, the benefit is limited.“

Ulrich Welschhof (Evonik)

- ▶ „Ich habe zu Danken. Der Aufwand der im Rahmen des Adoption Starter-Programms von Seiten der SAP betrieben wird ist schon klasse. Genau über solche Diskussionen bekommt man auch die gedanklichen Möglichkeiten sich mit neuen und innovativen Szenarios auseinanderzusetzen!“

Jens Hungershausen (MEGA)

- ▶ „The Adoption Starter is a good way to do a structured and guided pre-study for analyzing where your company stands and how a possible transformation path to S/4HANA could look like...“

Dietmar Allgöwer (Trumpf)

- ▶ „Der Adoption Starter ist ein super Ansatz um einen Gesamtüberblick zu bekommen und genau zu wissen, wann man sich womit beschäftigen sollte

Fabian Hörz (ElringKlinger)

- ▶ „... „chapeau“ vor dem, was die SAP hier auf die Füße gestellt hat.“

Markus Brasch (RealCore, Karstadt)

Follow Up

Project kick off done

yes = 3

no = 11

Intended go live date

2019 = 1

2020 = 1

2021 = 2

2022 = 1

Share of topics selected for follow up

yes = 18

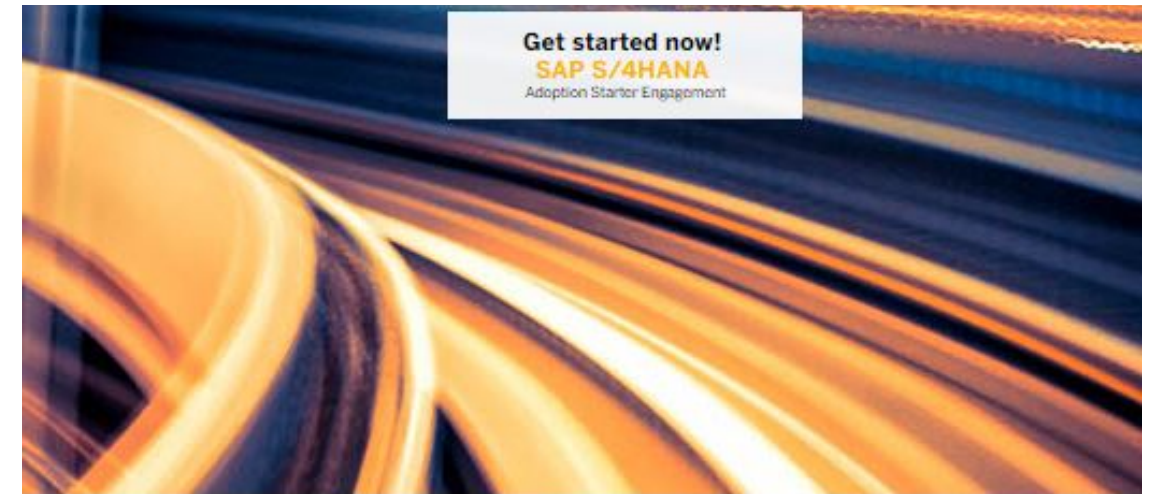
no = 27

Agenda – Update on SAP S/4HANA Adoption Starter

#	Topic
1.	Overview
2.	What's next and the role of the Model Company
3.	Current status
4.	Findings and customer feedback
5.	How to engage, Q&A

Upcoming Classes

- Multiple classes are scheduled each month in German and English currently.
- Additional languages are planned for the future.
- Details of available classes and the link for registration are available at the following URL.
 - <https://webinars.sap.com/s4-hana-adoption-starter-reg-platform/en/reg-class>
- The following e-mail may be used for any enquiries.
 - S4hana.adoption.starter@sap.com



2019 Starting Dates in English Language

EMEA time zone only / dates for other regions coming soon



May 14th, 2019	May 28th, 2019	March 18th, 2019
Request Registration	Request registration	Request Registration

● ●

2019 Starting Dates in German language

EMEA time zone only



May 7th, 2019	May 21st, 2019	June 11th, 2019
Request Registration	Request Registration	Request registration

● ●

SAP S/4HANA Adoption Starter

Next Steps

Partner joins with customer(s):

**Classes start 1-2 times every month
depending on demand**

Confirm CUSTOMER participation

Prepare the Preparation Checklist

Provide CUSTOMER contact details

For further questions and registration send a mail to:
S4HANA.adoption.starter@sap.com

Partner joins on own behalf:

**Classes start 1-2 times every month
depending on demand**

Confirm YOUR participation

Prepare the Preparation Checklist

Provide YOUR contact details

Q&A



Thank You!



Appendix



1. Scoping the Digital Core



Key questions to answer:

- How does your future landscape look like based on your business needs and core IT strategy?
- Which are the consolidation opportunities?
- In which areas is the use of Cloud products recommended ?

Approach:

- Start with Business- and IT-Strategy
- Review Technology Trends and SAP Product Strategy

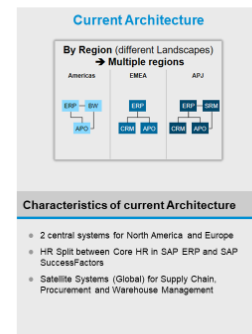
Results:

- Target Architecture and Landscape
- Consolidation opportunities
- Cloud Recommendations

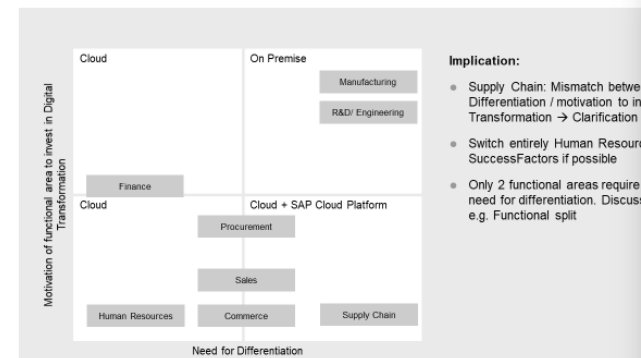
Roles Required

- 90-day coordinator
- Enterprise Architect
- Landscape Operations (Run)
- Project/Program Manager (Build)

Example Target Architecture Evolution



Example Cloud Recommendation



Example Target Landscape



2. Transformation Navigator



Key questions to answer:

- What are the recommended products in a Sap S/4HANA centric landscape?
- Which are relevant additional new capabilities?
- What are the relevant value drivers?
- What are the transition preferences?

Approach:

- Start with current products and products usage
- Determine recommended products including deployment options
- Choose relevant value drivers and aspiration
- Specify transition preferences

Results:

- Tailored guide summarizing the results along Business, Technology and Transformation

Roles Required

- 90-day coordinator
- Business Owner
- Process Manager
- Enterprise Architect
- Landscape Operations (Run)
- Project/Program Manager (Build)
- Corporate Strategy/Innovation Manager



3. Innovation Scenario Check



Key questions to answer:

- What are the big technology trends in digitalization and how are they used?
- What are concrete innovation scenarios SAP provides already today?
- Which innovation scenarios are relevant for my company?

Approach:

- Innovation technology trends presentation with demos
- Walk-through of innovation scenarios per industry

Results:

- Short list of innovation scenarios to be evaluated during/after SAP S/4HANA migration

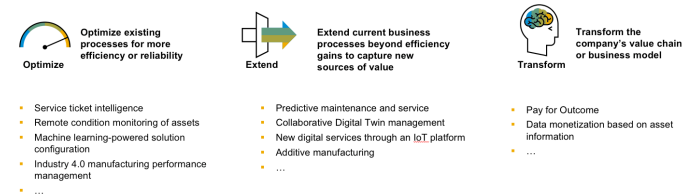
Roles Required

- 90-day coordinator
- Business Owner/Process Manager
- Enterprise Architect
- Landscape Operations (Run)
- Project/Program Manager (Build)
- Corporate Strategy/Innovation Manager

SAP Leonardo intelligent technologies optimize, extend, and transform the business

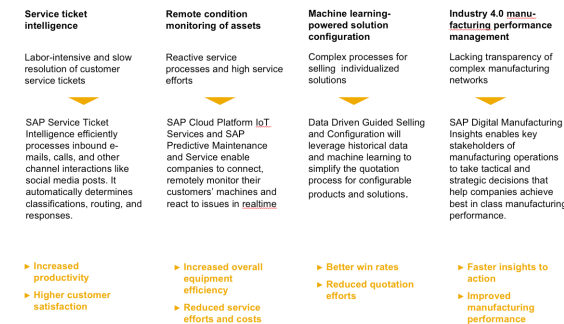
Industrial Manufacturing Intelligent Scenarios

The SAP Leonardo intelligent technologies are embedded in the business core and industry applications to optimize and extend business processes. Companies can also use them together with innovation services to build and assemble next-generation business processes. For [Industrial Machinery & Components](#) companies, SAP supports 35+ intelligent scenarios to optimize, extend and transform their business. Below are a few highlighted ones which will be further explained on subsequent pages.



SAP Leonardo applications optimize business processes

Optimizing business processes results in achieving the same business outcome more efficiently and reliably. We begin with scrutinizing current practices: What can be automated using machine learning? How can we make processes aware of the real world by connecting them to the things around them? How do we give people the right analytical tools to make sense of vast amounts of data and to handle exceptions?



SAP S/4HANA Adoption Starter - Scope & Packages

The diagram illustrates the SAP S/4HANA Adoption Starter framework, which is designed to help organizations implement SAP S/4HANA successfully. The framework is structured around three main components: SAP S/4HANA Core, SAP S/4HANA Cloud, and SAP S/4HANA On-Premise. Each component is supported by a set of SAP S/4HANA Adoption Starter packages, which are designed to address specific business processes and functional areas.

SAP S/4HANA Core

- Financial Accounting (FI)
- Controlling (CO)
- Material Management (MM)
- Production (PI)
- Plant Maintenance (PM)
- Quality Management (QM)
- Human Resources (HR)
- Customer Relationship Management (CRM)
- Supply Chain Management (SCM)
- Project System (PS)
- Research and Development (RD)
- Energy Management (EM)
- Environmental Management (EM2)
- Transportation Management (TM)
- Warehouse Management (WM)
- Manufacturing Execution System (MES)
- Advanced Planning and Control (APC)
- Business Intelligence (BI)
- Enterprise Resource Planning (ERP)
- Customer Relationship Management (CRM)
- Supply Chain Management (SCM)
- Project System (PS)
- Research and Development (RD)
- Energy Management (EM)
- Environmental Management (EM2)
- Transportation Management (TM)
- Warehouse Management (WM)
- Manufacturing Execution System (MES)
- Advanced Planning and Control (APC)
- Business Intelligence (BI)

SAP S/4HANA Cloud

- Financial Accounting (FI)
- Controlling (CO)
- Material Management (MM)
- Production (PI)
- Plant Maintenance (PM)
- Quality Management (QM)
- Human Resources (HR)
- Customer Relationship Management (CRM)
- Supply Chain Management (SCM)
- Project System (PS)
- Research and Development (RD)
- Energy Management (EM)
- Environmental Management (EM2)
- Transportation Management (TM)
- Warehouse Management (WM)
- Manufacturing Execution System (MES)
- Advanced Planning and Control (APC)
- Business Intelligence (BI)
- Enterprise Resource Planning (ERP)
- Customer Relationship Management (CRM)
- Supply Chain Management (SCM)
- Project System (PS)
- Research and Development (RD)
- Energy Management (EM)
- Environmental Management (EM2)
- Transportation Management (TM)
- Warehouse Management (WM)
- Manufacturing Execution System (MES)
- Advanced Planning and Control (APC)
- Business Intelligence (BI)

SAP S/4HANA On-Premise

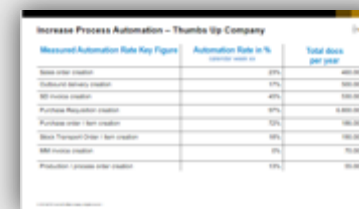
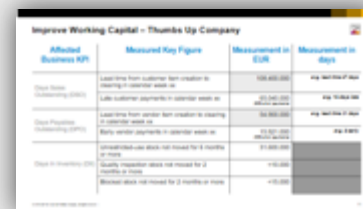
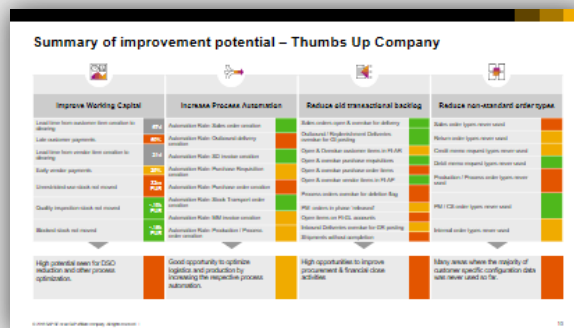
- Financial Accounting (FI)
- Controlling (CO)
- Material Management (MM)
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- Transportation Management (TM)
- Warehouse Management (WM)
- Manufacturing Execution System (MES)
- Advanced Planning and Control (APC)
- Business Intelligence (BI)

- How is my company performing with respect to key figures relating to value drivers such as Days Sales Outstanding (DSO) and Days Payables Outstanding (DPO)?
- How is the automation rates in my system and how does it compare to other companies?
- How can I reduce data foot print in my system?
- What are potentials to reduce non-standard order types?

- SAP runs ~30 out-of-the-box key figures remotely in your productive ECC system
- Output of analysis provided and discussed with customer

- Report highlighting the potential per area

- 90-day coordinator
- Process Manager
- Landscape Operations (Run)



5. Quick Value Assessment – build an Outside-In Benefits Case



Key questions to answer:

- How does my company perform against my peers?
- What are the value drivers a business case should be build on
- What are potential benefits that can be leveraged in the SAP S/4HANA project

Approach:

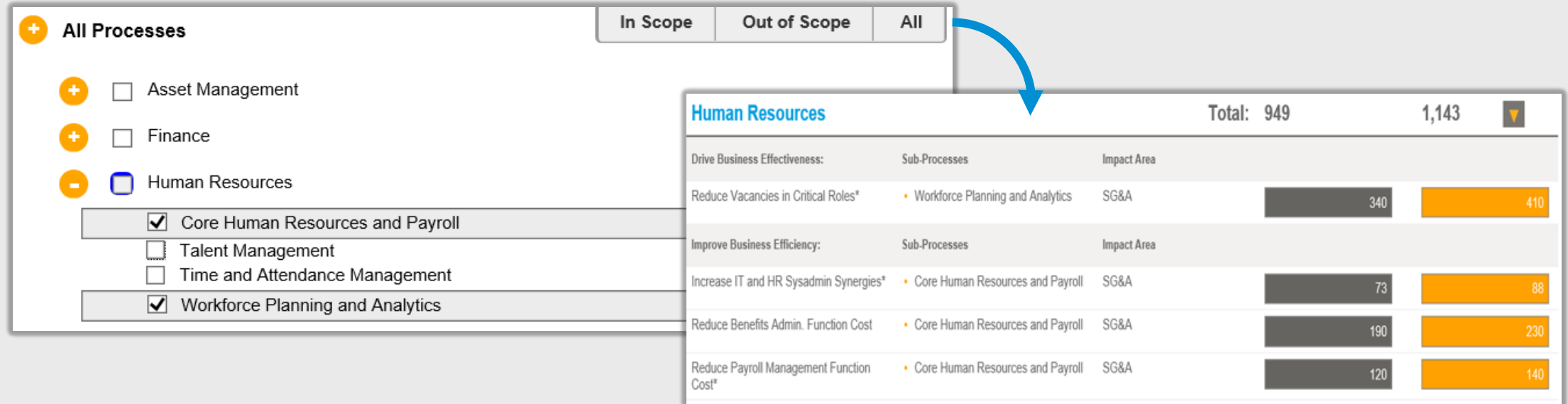
- Provide minimal financial information about company and current maturity
- Benchmark company against peers
- Refine assumptions

Results:

- Potential benefit of a SAP S/4HANA transition

Roles Required

- 90-day coordinator
- Controller
- Process Manager



Please note that the QVA deliverable is high level in nature and to have an early discussion on value. It does not include an ROI analysis or cost information as this would require much deeper involvement from the customer.

6. Effort Estimate



Key questions to answer:

- What are the accelerators helping me to reduce implementation effort in comparison to former “traditional” implementations?
- What are the implications from an hardware/software cost perspective?
- What are the implication for ongoing operations?

Approach:

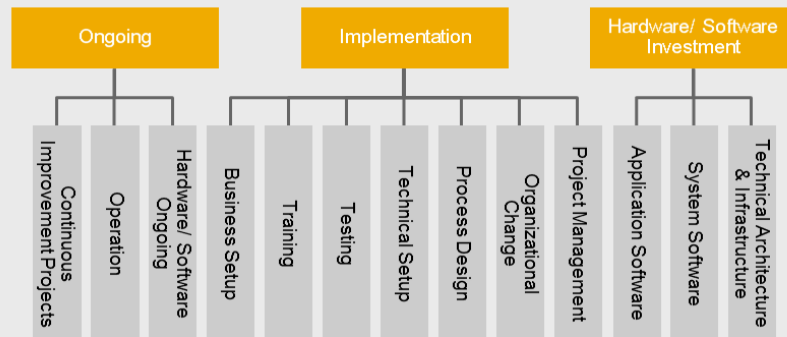
- Top Down or Bottom Up Calculation
- Usage of SAP Total Cost of Ownership (TCO) model
- Parameters and assumptions can be adjusted to reflect customer specific case

Results:

- Indication of change in cost distribution / first rough estimate

Roles Required

- 90-day coordinator
- Controller
- Project/Program Manager (Build)
- Landscape Operations (Run)



TCO Explorer for SAP S/4HANA Transformations / Accelerators

SAVING

Reset Accelerators

Top Down
Past
Project
Reference

1. H with
Model
Company

2. System
Conversion
+ Simplific.

3. BPS
Based
Designing

4. Increase
Availability
Tier

5. Decrease
Availability
Tier

6. Bus.
Consolidat
ion (MBA)

7. Front
Adoption

8. Switch to
SAP S/4
HANA (DP)

9. IT
Consolidat
ion

TCO Elements

Hardware / Software Investment		15.0%	-10%							
1	Technical Architecture & Infrastructure	70.0%	-37%							
2	System Software	10.0%	0%							
3	Application Software	20.0%	0%							
Implementation		40.0%	-15%							
4	Project Management	15.0%	-14%	-5%	5%	-5%		10%		
5	Organizational Change	5.0%	-1%	10%	5%	-5%		10%	5%	
6	Process Design	15.0%	-6%	-50%	10%	-15%		10%		
7	Business Setup	10.0%	-6%	-50%	10%	-10%		10%	5%	
8	Technical / Infrastructure Setup	5.0%	-1%							
9	Testing	20.0%	-9%	-20%		10%	-5%	10%		
10	Training	10.0%	-20%			-5%		-40%		
Ongoing		45.0%	-8%							
11	HW / SW Ongoing	15.0%	-17%			20%	-5%	-10%		
12	Operations	50.0%	-9%	-5%	-5%	-2%	10%	-5%	-20%	2%
13	Continuous Improvement Projects	35.0%	5%			-15%		-10%		

Tech Infra.

System SW

Applic. SW

Project M.

Org. Change

Process Des.

Bus. Setup

Tech. Setup

Testing

Training

HW/SW Ongoing

Operations

Cont. Imp. Pr.

Tech Infra.

System SW

Applic. SW

Project M.

Org. Change

Process Des.

Bus. Setup

Tech. Setup

Testing

Training

HW/SW Ongoing

Operations

Cont. Imp. Pr.

Tech. Infrastructure

System SW

Application SW

Project Mgmt

Organizational Ch.

Process Design

Business Set Up

Technical Set Up

Testing

Training

HW / SW Ongoing

Operations

Continuous Imp. Pr.

Please note that the Effort Estimate is high level in nature and to have an early discussion on effort. It does not replace a complete business case.

7. Readiness check



Key questions to answer:

- What is the status of my ERP system with regards to the aspects relevant for a SAP S/4HANA conversion
 - Compatibility of Add-on/Active Business Functions
 - Simplification Items
 - Sizing
 - Custom Code / Custom Development projects
 - Business Process Improvements to be done before conversion
 - Recommended Fiori Apps

Approach:

- [Configure and run](#) SAP Readiness Check (one SAP Basis consultant/employee required)
- Explanation sessions to learn how to interpret the results

Results:

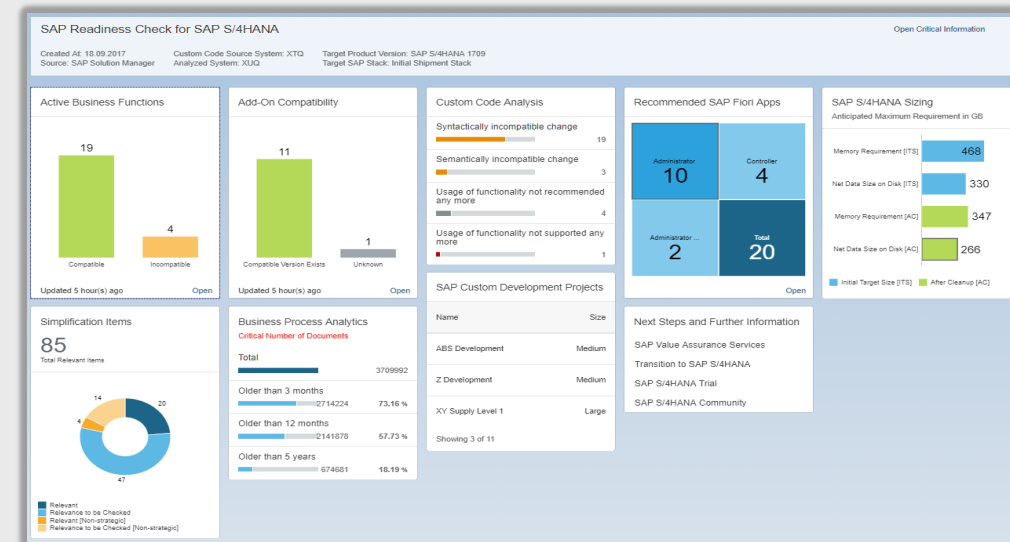
- SAP Readiness Check Dashboard and Report

Roles Required

- 90-day coordinator
- Enterprise Architect
- Landscape Operations (Run)

A [holistic system analysis](#) is the foundation for further planning steps towards a successful and smooth SAP S/4HANA system conversion.

The [SAP Readiness Check](#) is [a self-service tool](#) that analyzes software prerequisites, infrastructure requirements, SAP S/4HANA functional implications, necessary custom code adaptations and application data migration requirements already [months before a project starts](#).



8. Conversion vs. Greenfield Approach



Key questions to answer:

- What is the right approach for the transition to SAP S/4HANA (Conversion or Greenfield)

Approach:

- 7-question framework from which guidance for the right approach can be derived

Results:

- Recommendation of Conversion vs Greenfield

Roles Required

- 90-day coordinator
- Enterprise Architect
- Landscape Operations (Run)
- Project/Program Manager (Build)

Example

Conversion vs Greenfield: The seven “guiding” questions

Questions influencing the choice of the transition scenario to SAP S/4HANA

As answer to questions, position green marker in the fitting column (1-5)

	1	2	3	4	5
1 Can you move to SAP S/4HANA in a one-step procedure?	R/3 4.x	<ECC 6.x	Non-Unicode		>=ECC 6.0X
2 Do your current business processes support long-term strategy of the company?	Redesign of core business processes				Current Processes are a good long term fit
3 Can you adopt the Best Practices to modernize Core Business Process? Or are you planning to take over existing custom applications?	Model Company / Back to Standard	Redevelop Custom Applications			Take over custom
4 Is Landscape consolidation a key value driver for S/4 adoption?	4+ systems to consolidate	3	2		No Consolidation 1:1
5 Do you require previous transactional data available in S/4?	No				Yes
6 Technical / IT funded project or Business funded project	Business				IT
7 Number of interfaces to other systems (Non-SAP and SAP)	few/little complexity				Many/high complexity

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13

9. Start Point / Migration Path



Key questions to answer:

- What is the right sequence of transitions to get form the current landscape to the target landscape
- How does a project plan for the transition of a single instance look like?

Approach:

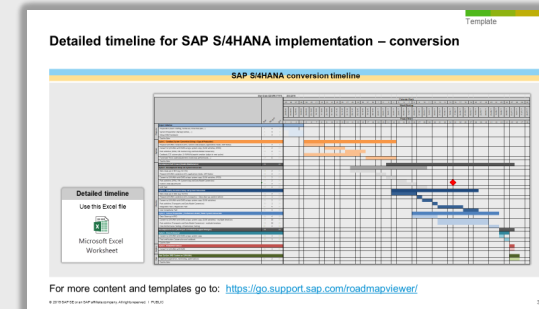
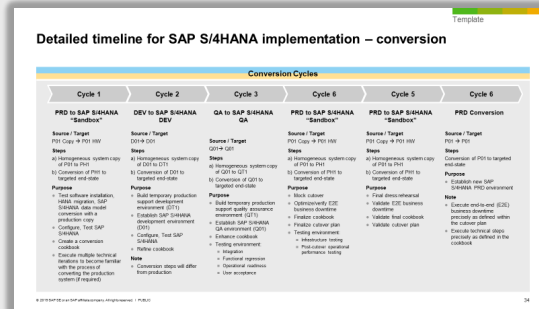
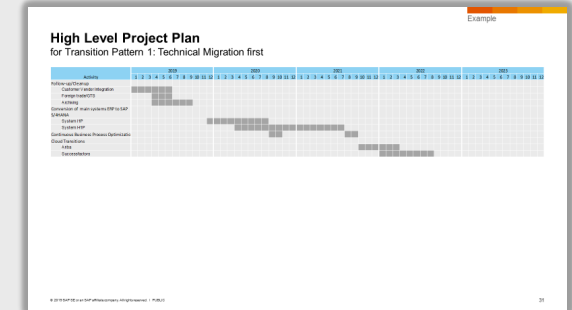
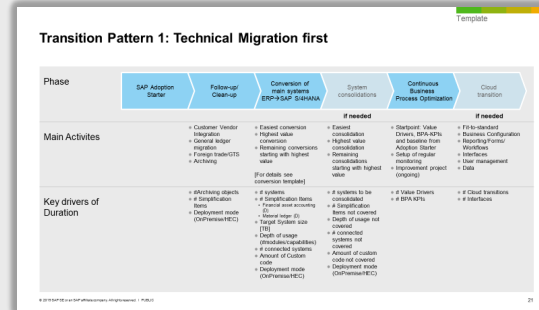
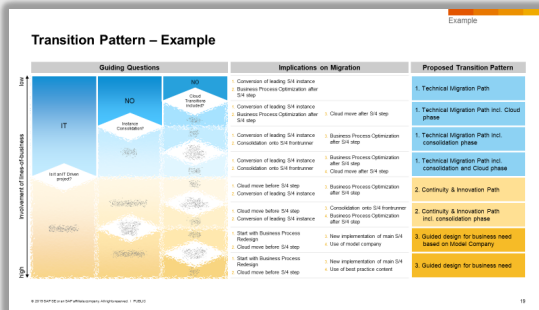
- Determine transition pattern
- Determine high level project plan for the entire landscape
- Build a detailed timeline for SAP S/4HANA

Results:

- High level project plan
- Detailed timeline for SAP S/4HANA

Roles Required

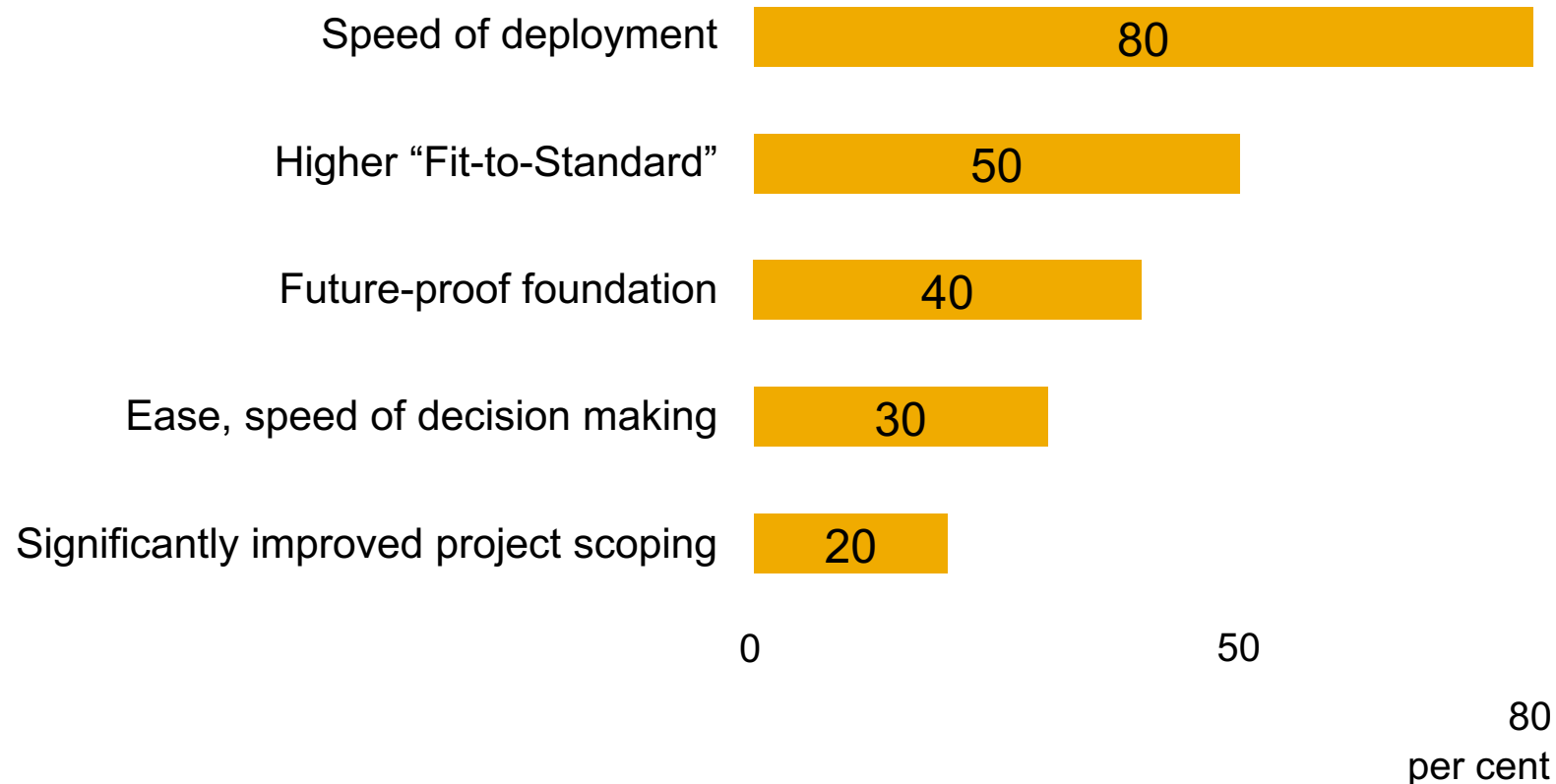
- 90-day coordinator
- Enterprise Architect
- Landscape Operations (Run)
- Project/Program Manager (Build)



Early Adopters Feedback*

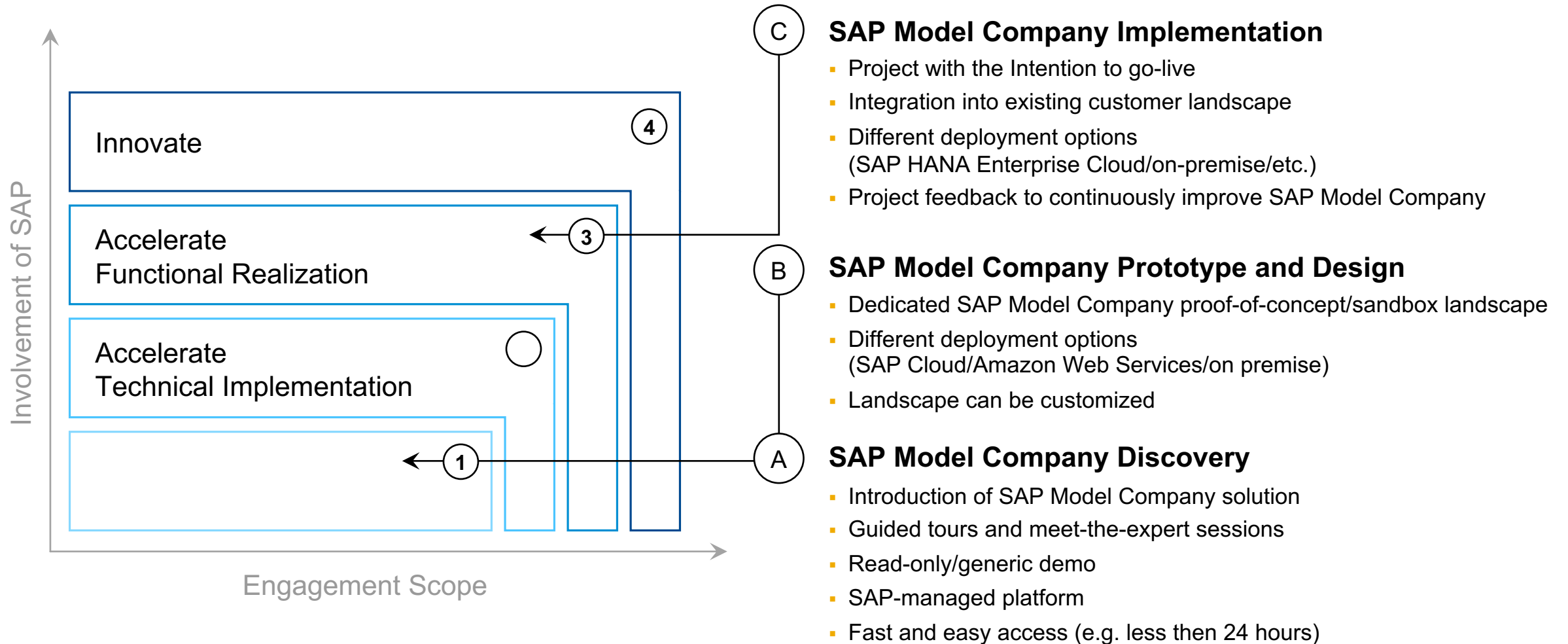
“Which benefits did you observe, using SAP® Model Company?”

Main benefits observed by Early Adopters



*Feedback, our customers shared with a leading Research and Advisory Company

SAP Model Company and SAP Value Assurance a foundation for innovation



Available offerings for pre-packaged MCs- Overview

SAP Model Company - Demo Free	Fully-Activated Appliance - Trial Cloud account only	SAP Model Company – Discovery Service 2.0 subscription	SAP Model Company Service Fixed price
Demo of SAP Model Company content (based on SAP S/4HANA – incl. SAP satellite systems where necessary)	Trial system based on pre-configured SAP S/4HANA incl. 9 Demo stories	Trial system based on SAP Model Company Content (available for limited number of SAP MCs)	SAP Model Company Content to accelerate S/4HANA implementation project
No system is being handed over to customer	Full system handover to customer, deployed in customer cloud environment (e.g. AWS)	System accessible for customer, but deployed in SAP environment	Full system handover to customer Deployed in customer environment
Get an idea of SAP Model Company content • LoBs / Industry flavour • Additional SAP MC processes on demand	Customer owns system, e.g. no restrictions in: • Development • Data migration • Customizing • Etc.	Play around with SAP Model Company content • LoBs / Industry flavour • Additional SAP MC processes Limitations: • No customizing • No data migration	Customer owns SAP Model Company No restrictions, customer gets fully configured system as basis for new implementation
~ 2 hours demo with limited documentation handed over	Available for 30 days (options for extension to be clarified)	Available for 30 days (extension to 90 days possible)	No restriction in duration
Limited documentation handed over	Demo Guide available	Selected SAP Model Company documentation handed over	Full SAP Model Company documentation handed over