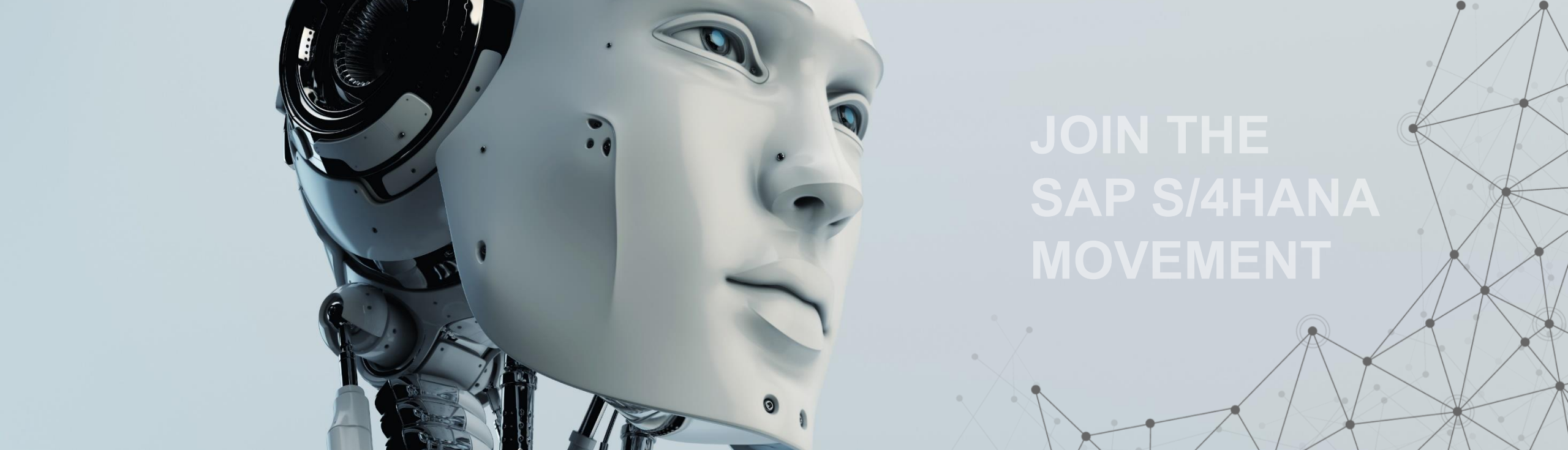




JOIN THE
SAP S/4HANA
MOVEMENT

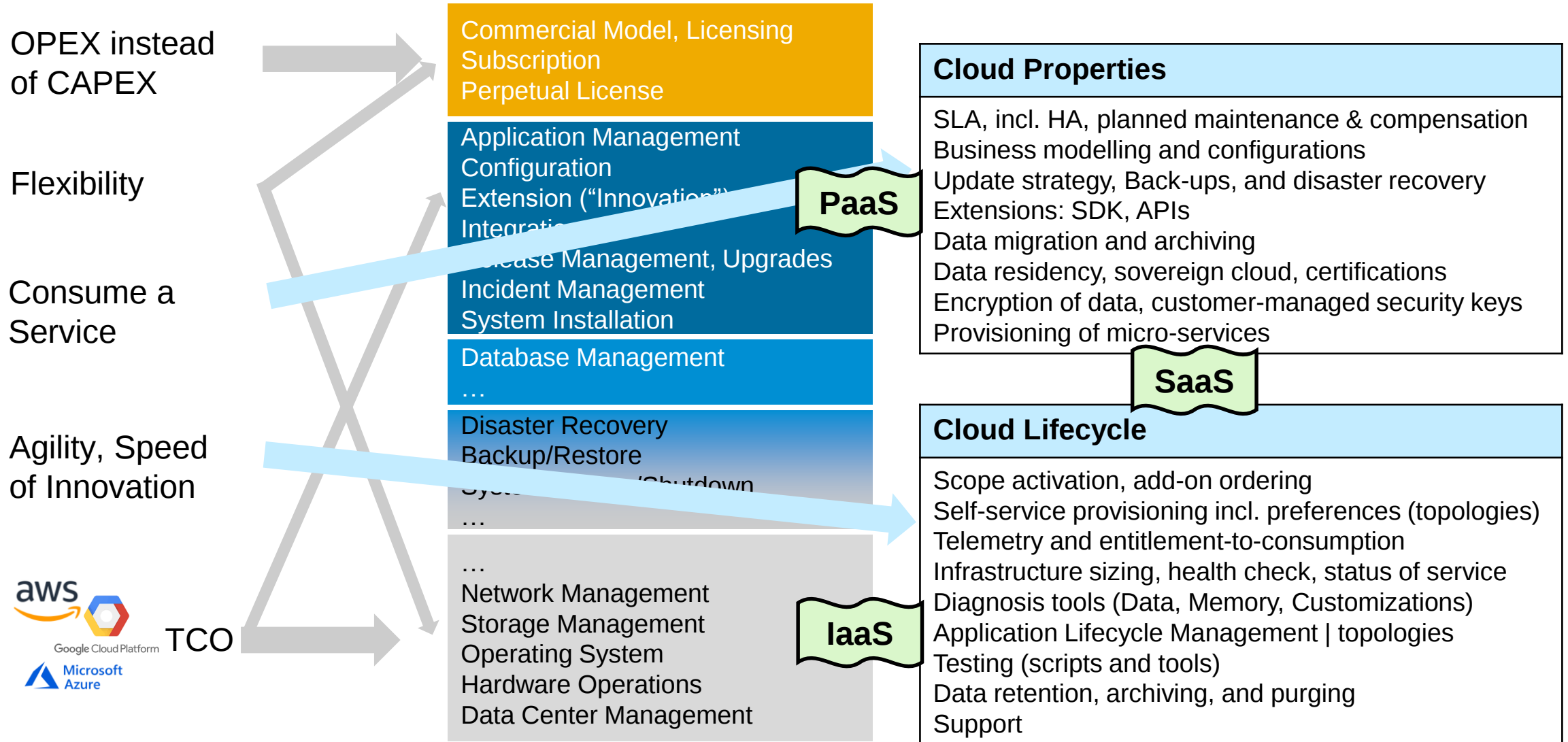
SAP S/4HANA – The Intelligent ERP Strategy and Outlook

Michael Lamade, SAP
November 2019

CUSTOMER

What do customer mean/want when they ask for Cloud? Cloud 101

illustrative
(not complete)



Assess your customers Mindset / Perspective on Enterprise Applications

Build to last

build once, keep forever mindset

Business & IT evolve at a measured pace

my data center, my foundation, my strength

ERP is enough

efficiency through labor

→ **technical debt becomes the biggest limiting factor**

VS.

Build to Evolve

responsive, service innovation mindset

fast business, rapidly evolving, through experience

scale up/down/right; business networks

Inclusive, ecosystem of apps

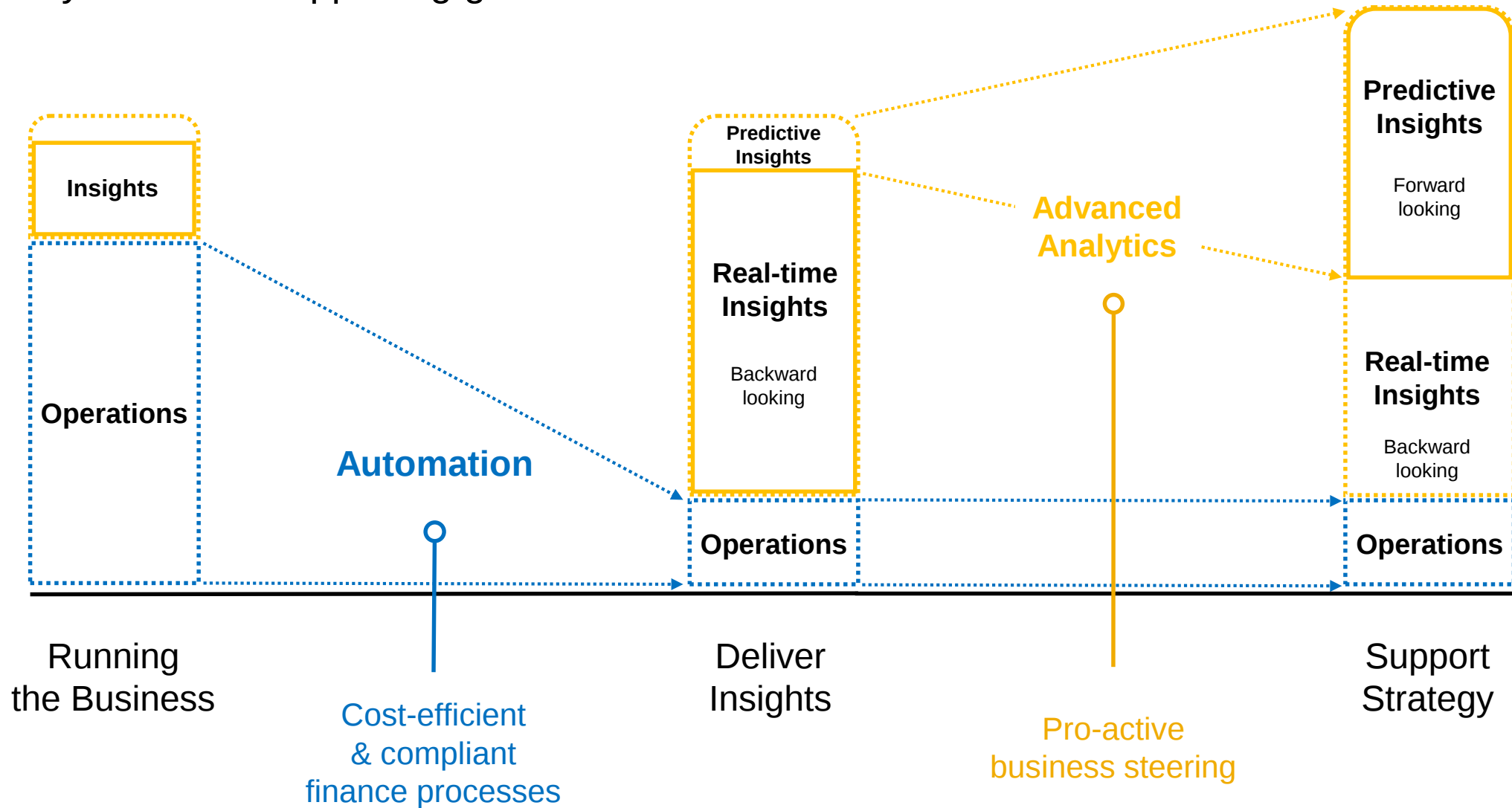
differentiating portfolio: intelligent apps, IoT

→ **Clean IT - low (ideally no) business & technical debt**

based on [Kinetic Enterprise - Deloitte](#)

SAP's Vision of Business Transformation

From daily routine to supporting growth and new business models



The intelligent ERP is here to **reinvent businesses**

Process Automation

Full automation of business processes, from HR to payments processing, to workflow approvals for purchase orders and sales execution

Next-gen UX

User experience based on voice, vision and messaging will replicate how people interact in real life and increase business productivity

Technology Drivers

60%

Of human tasks will be automated by 2025

97%

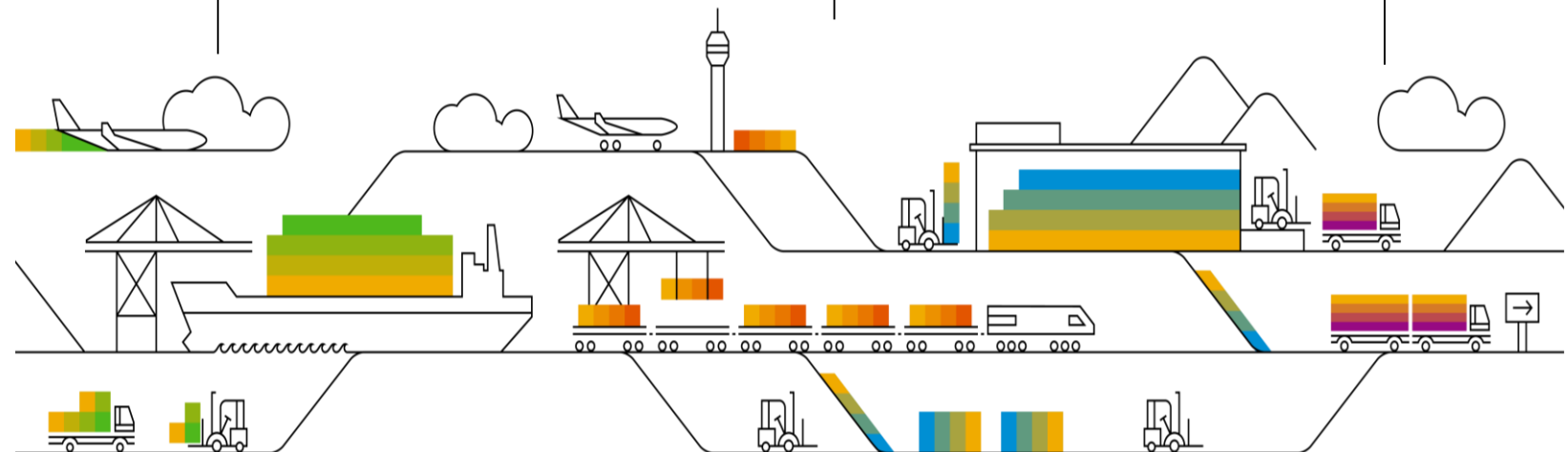
Image recognition accuracy today (better than human rate 95%)

95.1%

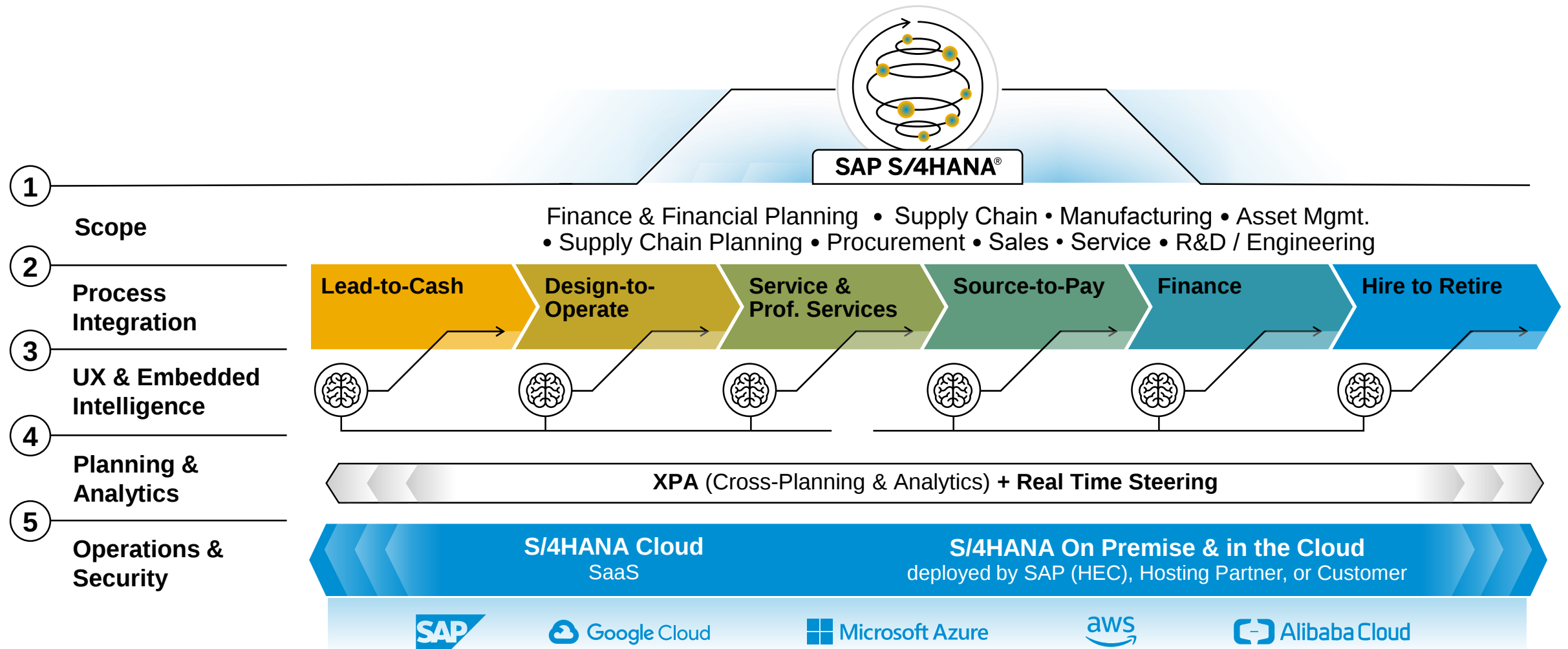
Speech recognition accuracy today (better than human rate 94.1%)

Next generation practices

Redefine business processes by making it data driven, leveraging predictive, machine learning and artificial intelligence. Using Smart analytics to support end users at a new level of foresight



SAP S/4HANA: Next Generation Suite of Intelligent Business Applications



SAP S/4HANA - The most comprehensive ERP

3 year S/4HANA Roadmap

Procurement



- Overview Page & Analytics
- Procurement Hub
- Predictive Contract Consumption
- GR/IR Reconciliation
- SAP Ariba**

Sales



- Order Fulfillment & Delivery Performance
- One Single Invoice
- International Trade
- Predictive Quote-2-Order
- SAP Hybris** (v) **SAP C/4HANA**

Supply Chain



- Realtime Inventory
- Embedded TM
- Embedded EWM
- Advanced ATP
- Predictive Stock in Transit
- IBP**

Manufacturing



- MRP live
- Detailed Scheduling Optimizing with PPDS
- Demand Driven MRP
- Complex Manufacturing
- DMI**

R&D



- Commercial Project Mgmt.
- Project & Portfolio Mgmt.
- Variant Configuration
- Recipe Management
- IPD**

SAP S/4HANA

Finance



- Realtime Finance (UGL)
- Closing Cockpit
- Commodity Mgmt.
- Compliance Framework
- ML Cash App
- Bus. Integrity screening
- SAP Concur**

Service



- New Customer Management, Service Core Option
- Multi-Channel Interaction Center
- SAP Fieldglass**
- SAP Hybris** (v) **SAP C/4HANA**

Asset Mgmt.



- New Geographical Enablement
- Report & Repair Malfunction
- Asset Mgmt. for resource scheduling
- AIN**

Cross



- Legal Content Management
- GDPR Tools
- Co-Pilot as Digital Assistant
- SAP Cloud Platform**
- SAP SuccessFactors**

25 Industries



- Key Industry function embedded inside (e.g. Automotive, Consumer, Retail, Mill...)
 - Re-architecture & improved functions (e.g. Chemicals, A&D, Oil Gas...)
- known restrictions...*

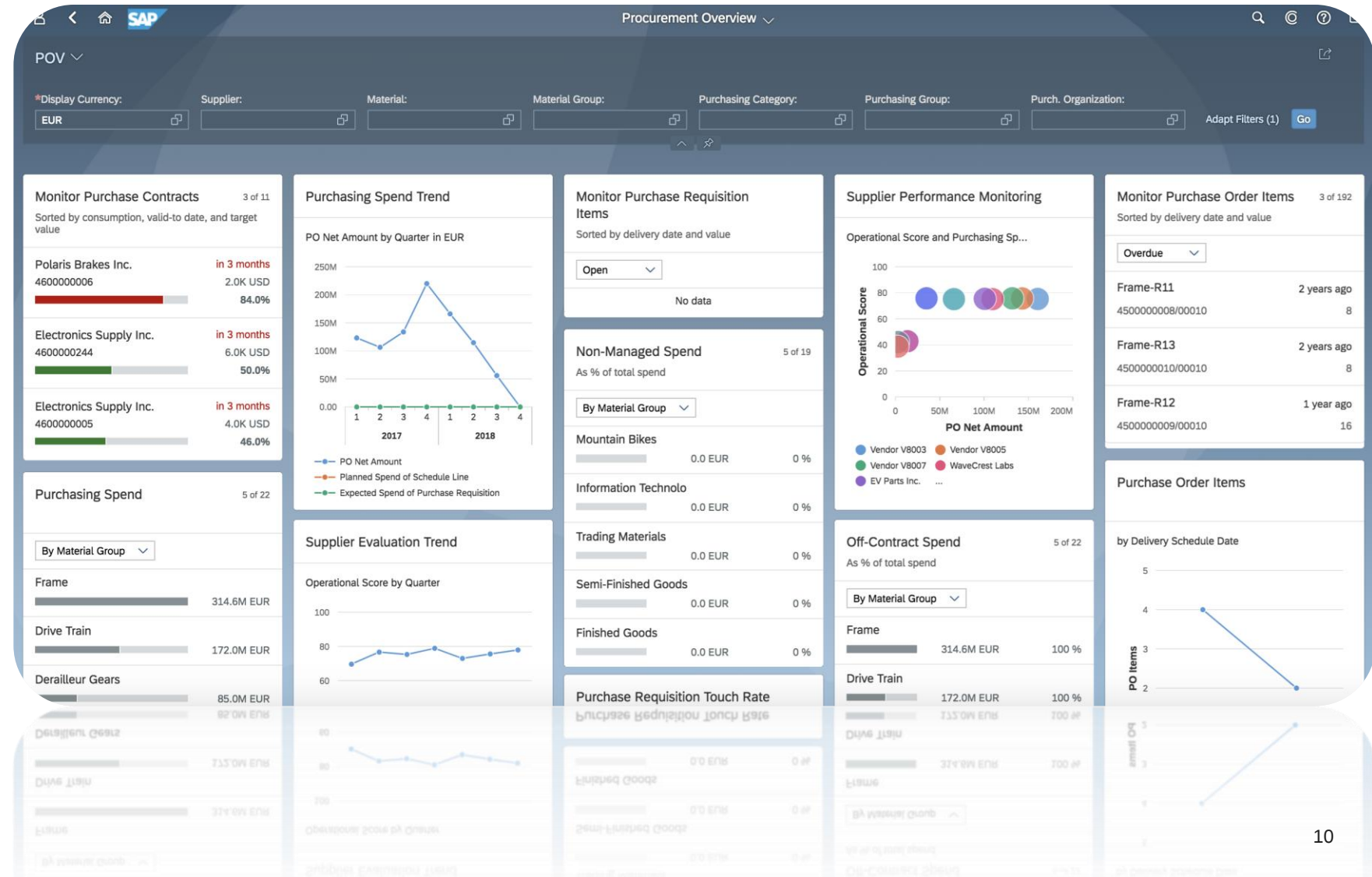


Procurement Overview

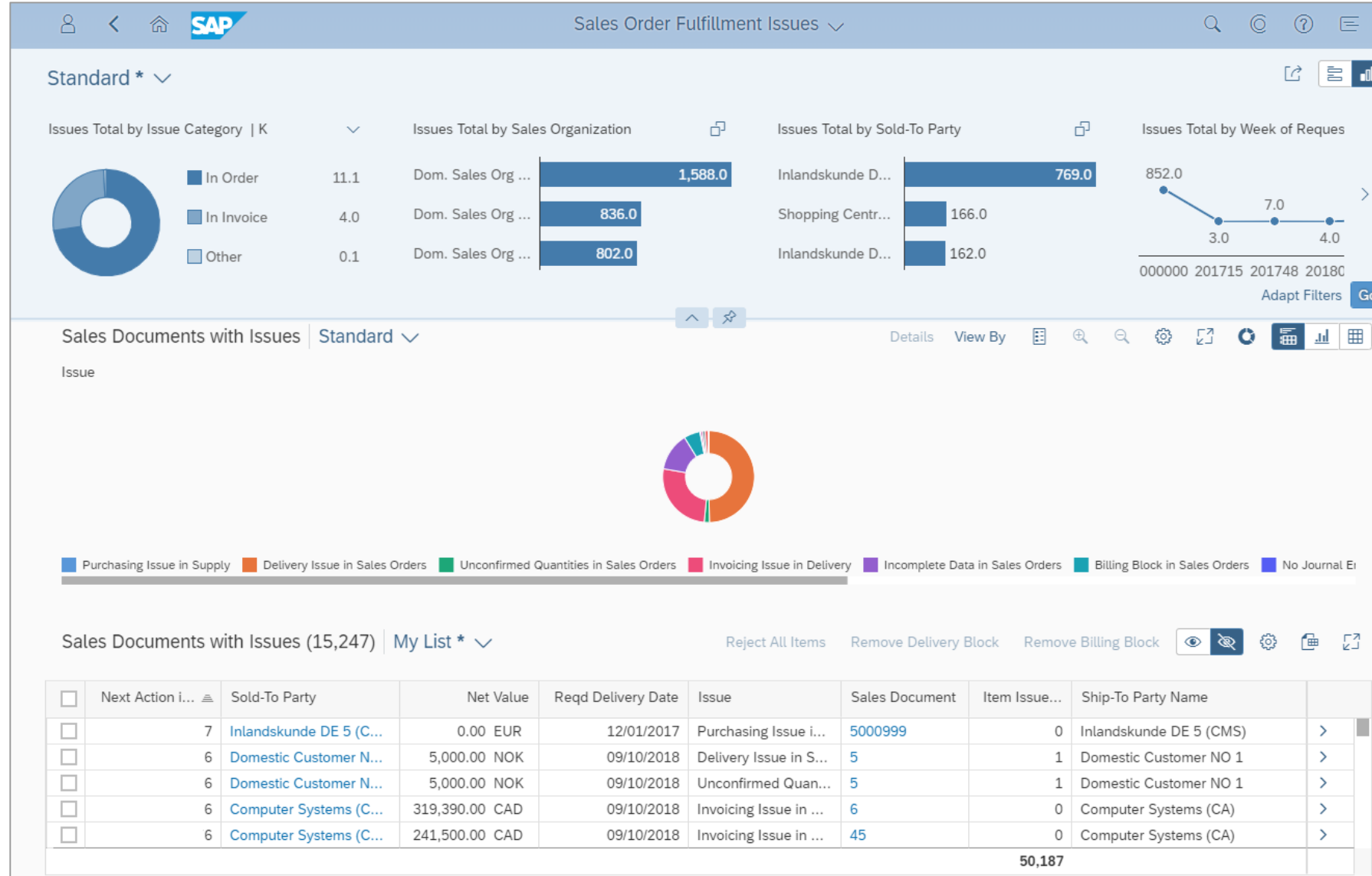
Purchaser / Strategic Buyer

Benefits and Business Value

- Provide the most relevant and important information at one glance
- Monitor business issues in real time and react immediately without delay
- There is no longer the need to start different transactions and reports separately
- The user immediately sees the most relevant tasks and can navigate to KPI drilldowns to get more detailed information



Order Fulfillment Monitor

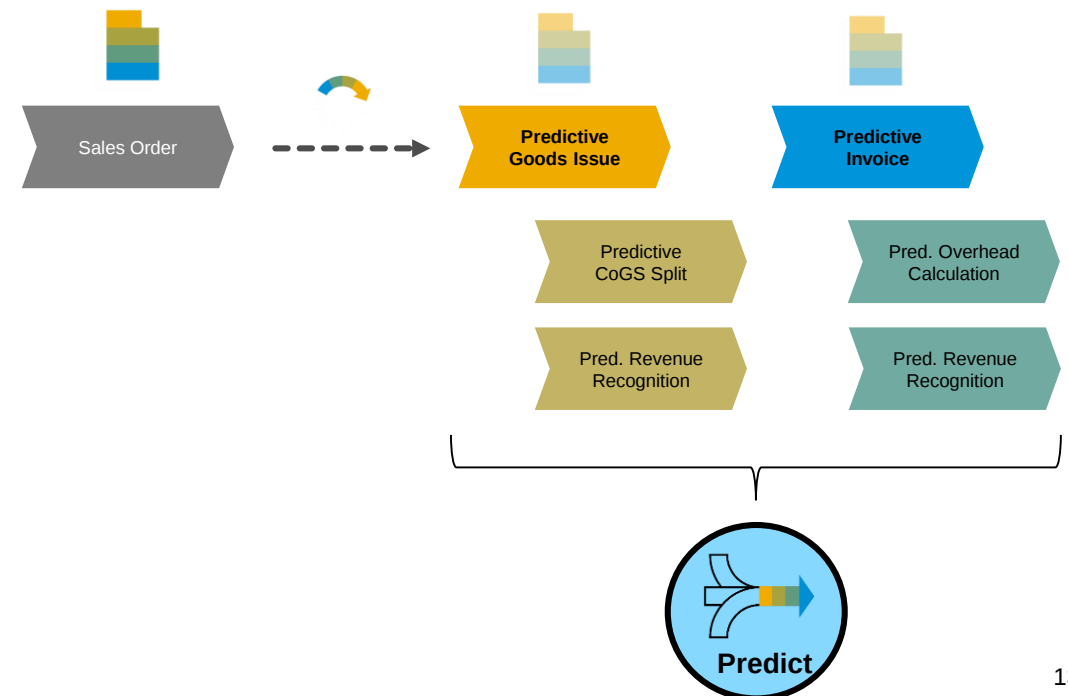


S/4HANA Finance – Predictive Close: Anticipation of Finance postings



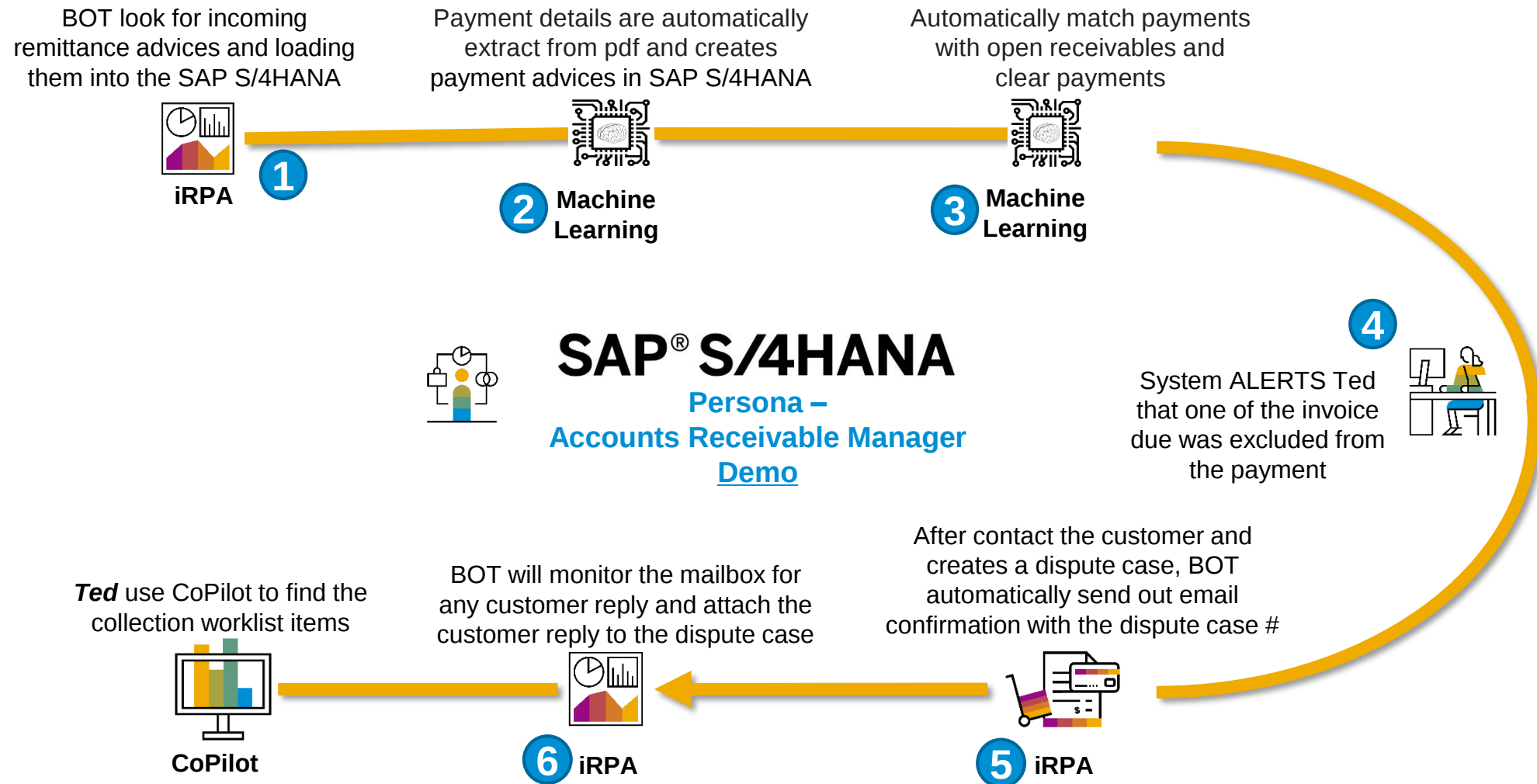
Predictive Close

- ✓ Predict financial impact from logistical postings
- ✓ Anticipate revenues and CoGs
- ✓ Enable insight regardless of GAAP-relevancy



Providing embedded AI experiences along E2E processes

Example: Invoice-to-Cash



The Power of Machine Learning-enabled processes is 2-fold

+40 years experience, 25+ industries, allows SAP to create business impact with Machine Learning-enhancements like no one else



New Business Value to Accelerate Growth

Anticipate customer needs, based on experience & historic data, making sales, design & new product/service introduction processes more accurate and faster



The Next Leap in Productivity to Lower Costs

Remove ad hoc, manual processes by drastically automating time-intensive financial processing & procurement activities

Rapid New Business Model Design:

- Experience & Insight driven monetization
- Revenue Sharing (Multi-Sided Business Model integration)
- Simple configuration of subscription pricing, usage-pricing and bundling 40% faster new commercial offers roll-out, accelerating business model innovation and flexibility

Intelligent Product Design:

- 50% reduction to prep estimates
- 20% increased sales conversions, as a result...
- Build better customer experiences, learning from their unique needs and preferences

Personalized Products & Services:

- Customer demand fulfilled accurately
- Unique product traced to its end use
- Manufacturer can monitor, manage, and maintain unique products
- Competitive differentiation and customer loyalty

Automated Order-to-Cash:

- >15% decrease in processing time for invoices, frictionless
- 10% reduction in days sales outstanding, automated credit checks
- 25% reduction in A/R costs, optimized process

Central Procurement:

- Better prices, lower internal costs, economies of scale
- Consistent purchasing quality

Intelligent tax compliance:

- Accelerate tax compliance and reporting
- Automate tax errors corrections, scan for tax compliance hits
- Up to 85% reduction in manual decisions

RPA Scenarios available for SAP S/4HANA 1/2 ** – as of Oct 2019

RPA @ Best Practice Explorer

Finance

Supplier Invoice Status Checks (49W)

Automate the Supplier Invoice Status Inquiry process

Dispute Management – Manage Customer Email Response (48E)

Collect customer response from Dispute email

Dispute Management – Email Notification to Customer (48B)

Automate sending an email to customer following the creation of a dispute

Manage Payment Advice (48Q)

Upload Payment Advice to the FIORI application and trigger the Cash Application reconciliation

Supplier Down Payment Request (4AC)

Automate Supplier Down Payment Request

Automated Upload of Manual Entries via API (4CA)

Automates the Upload of Manual Entries via API (SAP S/4HANA Cloud Edition)

Unlock/ Lock Profit Centers (4FD)

Reads an excel list of profit centers and locks or unlocks those

Fixed Asset Depreciation Run (4FV)

Execute a Fixed Asset Depreciation Run, analyze its log and write errors to an excel file

Smart Accruals Collector (4FN)

Automate Smart Accruals collector

Automated Upload of General Ledger Entries (48I)

Automate the General Entries Upload function in S/4HANA

Release Finance Projects (4GE)

Automate release finance projects

Manage Sales Order – Automated Upload Down Payments (48G)

Automate the upload of Customer Down Payments

Prof. Services

Mass Change of Names for Commercial Project Attributes (49B)

Mass Change of Names for Project Attributes

Mass Reassignment of Profit Centers for Planned Commercial Projects (4G1)

Automate mass reassignment of profit centers for Planned Commercial Projects

Procure

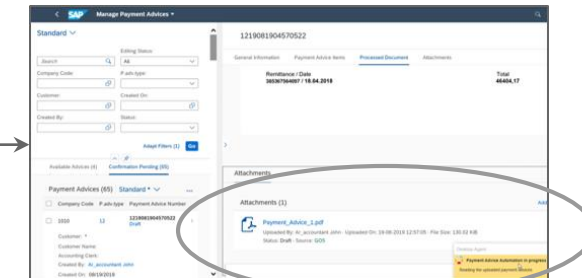
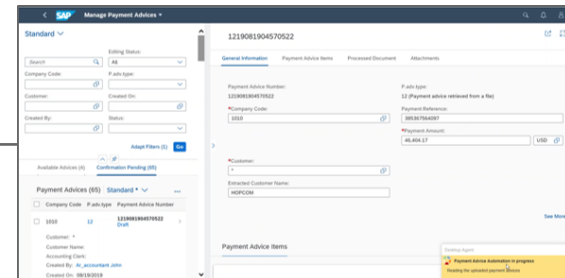
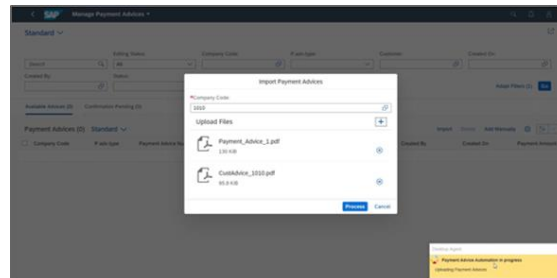
Purchase Order Confirmations (48K)

Automate the entry of the Purchase Order confirmation details from a supplier's email response

Simple Purchase Requisition Creation from Excel (48M)

Automate the creation of Purchase Requisition in S/4HANA from a source input file

Manage Payment Advice (48Q)



RPA Scenarios available for SAP S/4HANA 2/2 ** – as of Oct 2019

RPA @ Best Practice Explorer

Sales

Create Sales Inquiry (4BR)

Automate the Sales Inquiry creation in SAP S/4HANA System

Manage Sales Order – Automated Upload Down Payments (48G)

Automate the upload of Customer Down Payments

Automatic Creation of Sales Orders from Excel (4G5)

The bot automates the entry of sales order from excel file

Sales Scheduling Agreement – Delivery Schedule Creation (4G3)

The bot automates the delivery schedule creation from excel file

Execute Business Partner Master Data Check (4FB)

Automate Business Partner Master Data Check

Supply

Physical Inventory Count - Generate Count List (49R)

Automate generation of Physical Inventory(PI) Count List from a PI Document

Physical Inventory Count - Upload Count List (4A8)

Automate Upload Physical Inventory(PI) Count List from a PI Document

Post Goods Movement (4FP)

Automates the Post Goods Movement process

Produce

Production Order Completion (4FF)

Automate Production order completion process

Production Order Operation Confirmation (49T)

Automate the Production Order Operation Confirmation

Maintain Planned Independent Requirements (4FL)

Automate mass maintenance of Planned Independent requirements

Mass Printing of Production Order Picklist (4FZ)

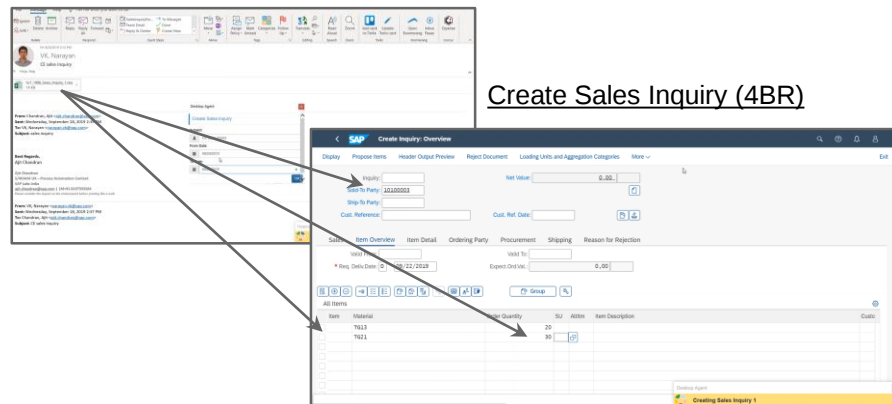
Automate Mass Printing of Production Order Picklist

Process Order Confirmation (4G7)

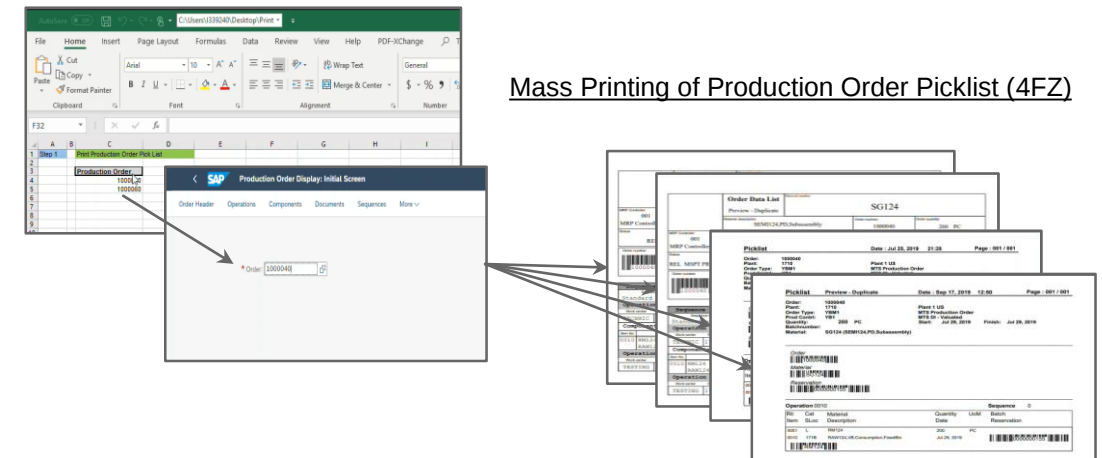
Automate Process Order Confirmation

Make Usage Decision in Quality Inspection (4G9)

Automate usage decision in Quality Inspection



Create Sales Inquiry (4BR)



Mass Printing of Production Order Picklist (4FZ)

Intelligent ML Scenarios in SAP S/4HANA – available with 1909

Predict

future conditions based on past data patterns



Procurement: Contract Consumption

Procurement: Supplier Delivery Prediction*

Sales: Quotation Conversion Probability Rate

Sales: Delivery Performance / Delivery in Time

Supply Chain / Inventory: Stock in Transit

Supply Chain / Inventory: Early Detection of Slow / Non-moving Stocks

Recognize & Classify

recognize patterns or
classify data to provide insights



Finance: Detect Abnormal Liquidity Items

Master Data Governance: Business Rule Mining**

Finance: Business Integrity Screening / GRC**

Finance: Real Spend: Smart Alerts for Profit & Loss & Cost Center Anomaly Alerts**

Augment / Recommend

to support decisions with
proposed actions based on context



Finance: Goods Receipt / Invoice Receipt Monitor ML Status Proposal (GR/IR) **

Finance: Intelligent Accrual Recommendation **^{tbd}

Demand-Driven Replenishment: Dynamic Buffer Level Adjustment*

Quality Management: Defect Code Proposal

Procurement Bundle: Intelligent insights for Procurement**

- Propose Creation of New Catalog Items
- Proposal of options for Materials without Purchase Contract
- Propose Material Group for Freetext Items
- Image-based Ordering
- Intelligent Approval Workflow

Automate

steps originally handled by humans



Finance Bundle: Cash Application**

- Receivables Line-Item Matching
- Remittance Advice / Payment Advice Extraction
- Payables Line Item Matching
- Lockbox
- Cash Application for FI-CA (Account Classification)

Finance: Tax Compliance Smart Automation / GRC**

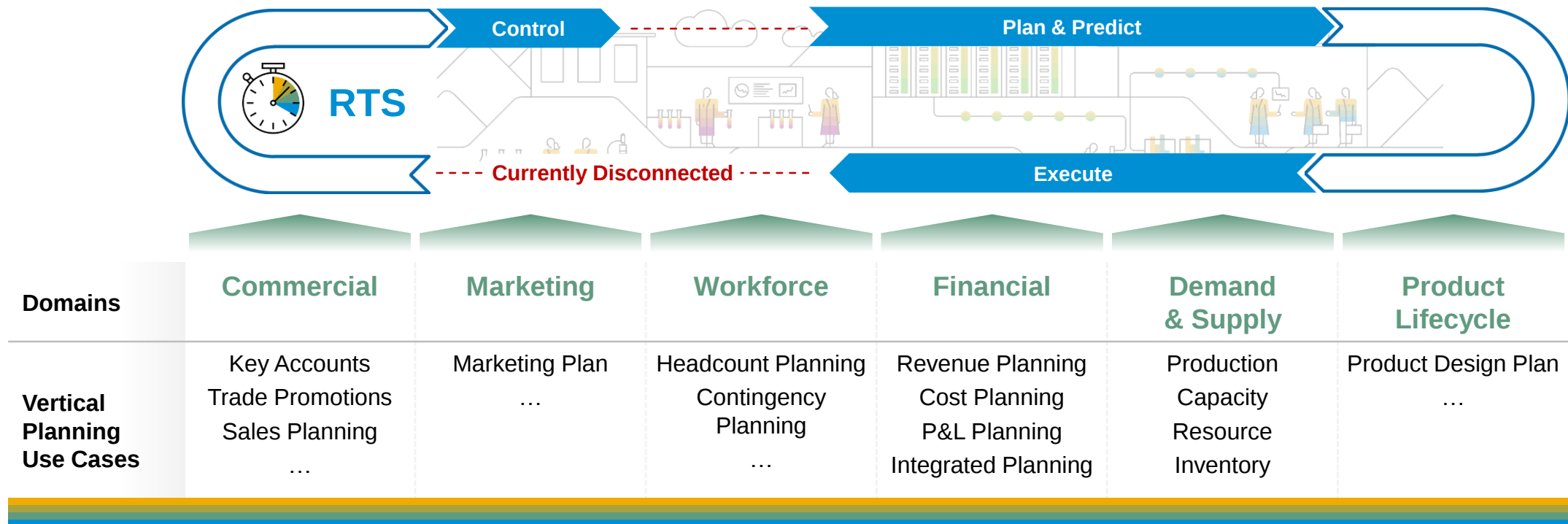
Service: Ticket Intelligence**

Plus further - non ML logarithm
– predictions, which are based
on intelligent data mapping or
simulation, e.g. Predictive
Accounting or Predictive MRP

The next big thing: Real-time steering

A horizontal steering layer across all planning verticals

What-if analysis that takes into account information across the company and beyond.



Real-time Steering (RTS) evolves planning to a steering processes, by forming an integrated planning, execution and control lifecycle.

SAP S/4HANA offers deployment flexibility

As a Service

SAP S/4HANA®

As a Product

SAP S/4HANA Cloud SaaS

SAP S/4HANA On Premise & in the Cloud deployed by SAP (HEC), Hosting Partner, or Customer

Upgrades	2-4 x year, managed by SAP	Customer driven and managed
Scope	Broad LoB & Industry coverage	Unlimited variety of SAP and Partner Add-ons
Extensibility	In-App & Side by side via SCP API Hub with >300 APIs	Unlimited customer specific
Deployment	IaaS (SAP Data Center or GCP, MS Azure or Alibaba Cloud)	IaaS, HEC, Customer Data Center, Hosting Providers
Configuration	Standardized, Best Practice based Restricted IMG access	Model Company as starting point (recommended) Open IMG access
User Experience	Modern WebUI based on SAP Fiori 3	SAP Fiori 3 and classic SAP GUI
Operations	99.9% Availability and High-Availability	Customer and provider defined
Intelligence	Machine Learning, RPA, Situations, Predictive Analytics, RPA, Digital Assistant	
Security	Secure User Access and Permission Management, Secure Communication and Encryption, Secure Configuration	



S/4HANA Cloud is the most innovative choice for Intelligent Cloud ERP

SAP S/4HANA Cloud



Default choice for enterprises looking to benefit from Intelligent Cloud ERP

- Unmatched speed of innovation
- Lowest total cost of ownership
- Fastest time-to-value



Continuous Innovation

- Agile with rapid innovation cycles
- Get latest capabilities & best practices
- Keep up with regulatory changes



Predictable, Lowest TCO

- Shift from CapEx to OpEx
- Reduced need of IT administrative tasks
- No infrastructure investment needed



Speed

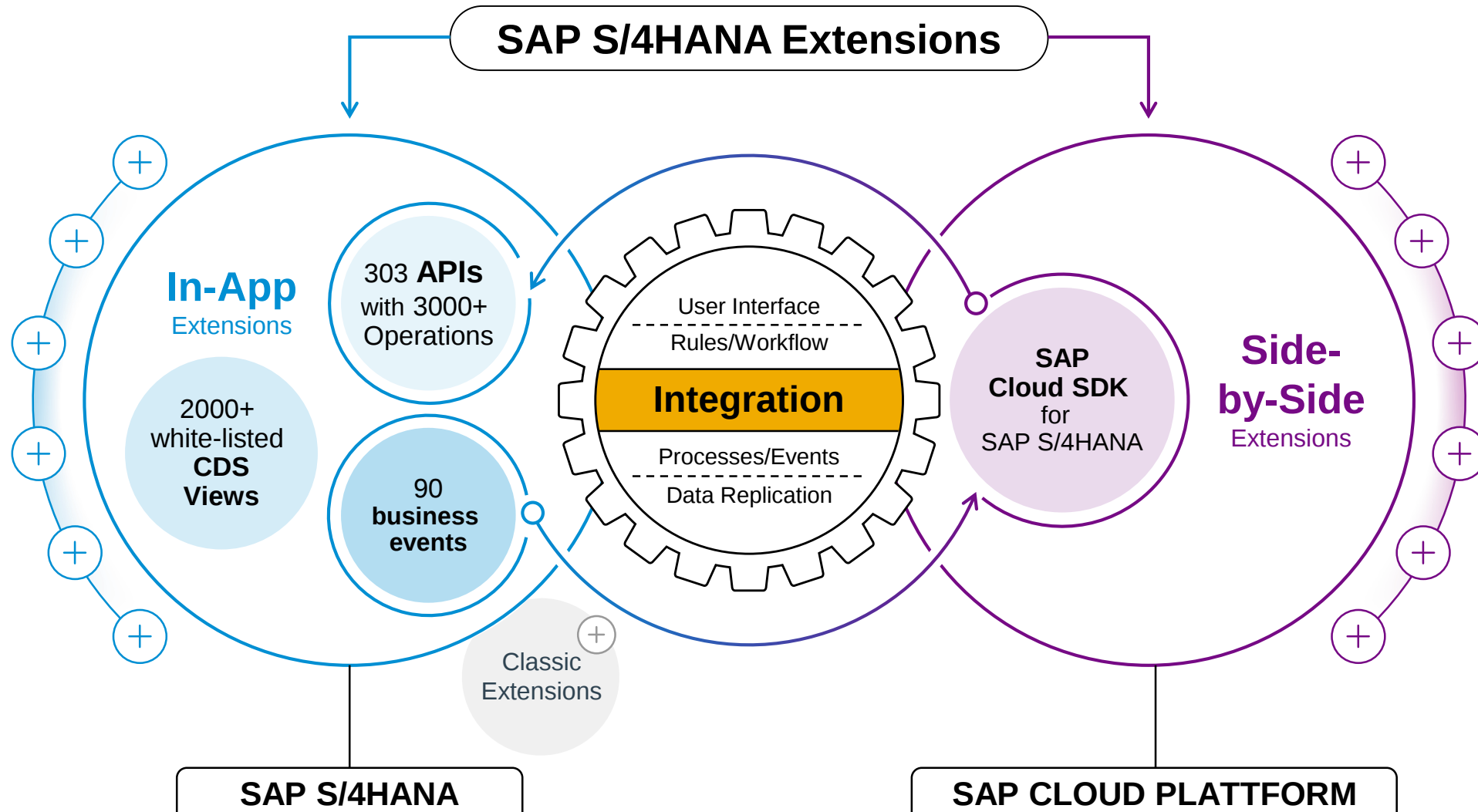
- Accelerate go-live & user adoption
- Rapid global deployments
- Flexibly scale to new business needs



Simple, Reliable, and Safe

- Easy to configure & extend
- Fully managed by a trusted 3rd party
- Complete data security & protection

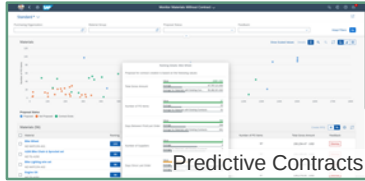
SAP S/4HANA Cloud & On-Premise Extensions



SAP S/4HANA Cloud Scope Highlights (based on 1911 Delivery)

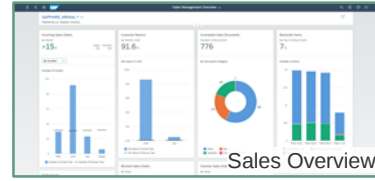
The most comprehensive, integrated and intelligent Cloud ERP

Procurement



- Procurement of Direct Materials & Services
- Supplier Management
- Central Procurement

Sales



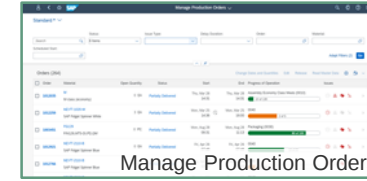
- Sell from Stock
- Sell Services and Subscriptions
- Rebates & Commissions
- Convergent & External Billing

Supply Chain



- Warehouse Outbound & Inbound Processing
- Core Inventory Management (Advanced) ATP Processing

Manufacturing



- Material Requirements Planning w/ Demand Driven MRP
- Make to Stock & Make to Order
- Quality Management

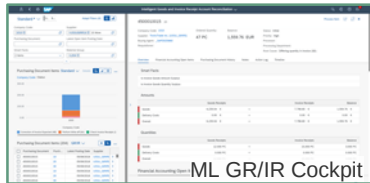
R&D



- Product Compliance
- Enterprise Portfolio & Project Mgmt.
- Variant Configuration

SAP S/4HANA

Finance



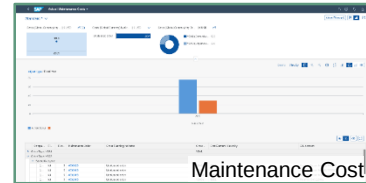
- Accounting & Financial Close
- Financial Operations
- Cost Management
- Treasury

Service



- Service Order Management and Monitoring
 - Inhouse-Repair Management
 - Field Service Management
 - Project-based Service Management

Asset Mgmt.



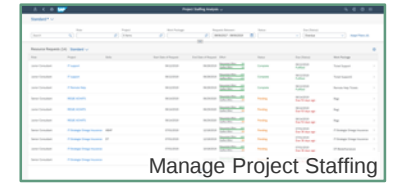
- Preventive, Corrective & Emergency Maintenance
- Report & Repair Malfunction

Cross Functions



- Master Data, Data Migration, Data Protection & Privacy, ILM
- Integration Capabilities
- Legal Content Management

Industries

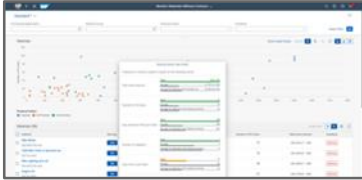


- Professional Services:
 - Customer Project Mgmt.
 - Resource Mgmt.
 - Service & Material Procurement
 - Event-Based Revenue Recognition
- Component Manufacturing
 - Make to Stock & Make to Order with Variant Configuration

SAP S/4HANA Scope Highlights (based on 1909 OP Delivery)

The most complete, intelligent, and flexible ERP

Procurement



- Procurement of Direct Materials & Services
- Supplier Management
- Central Procurement

Sales



- Order and contract management
- Sales force support
- Sales performance management

Supply Chain



- Inventory
- (Advanced) Warehousing
- (Advanced) Shipping and transportation
- (Advanced) Order promising

Manufacturing



- Basic & Ext. Production Planning
- Production operations
- Quality management
- Manufacturing insights
- Complex manufacturing

R&D



- Project control
- Product engineering
- Enterprise portfolio & project mgmt.
- Product lifecycle management
- Product compliance

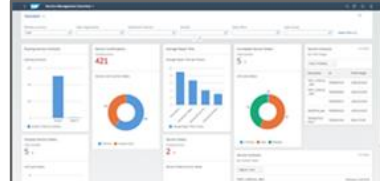
SAP S/4HANA On Premise & in the Cloud

Finance



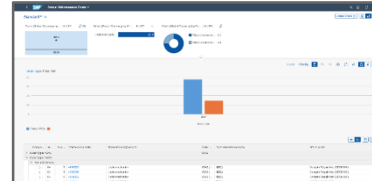
- Accounting & financial close
- Financial operations
- Cost mgmt. & profitability analysis
- Adv. accounting & financial close
- Advanced financial operations
- Treasury management
- Enterprise risk and compliance
- Commodity management
- Subscription billing & revenue Mgmt.

Service



- Service master data and agreement management
- Service operations and processes
- Service parts management

Asset Mgmt.



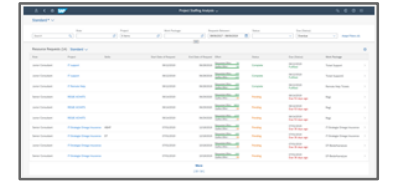
- Maintenance management: Preventive, Corrective & Emergency
- Asset operations and maintenance
- Environment, health, and safety

Cross Functions



- Master Data, Data Migration, Data Protection & Privacy, ILM
- Integration Capabilities
- Legal Content Management

Industries



- 25 Industries fully supported

Top 10 Differentiators for SAP S/4HANA

- 1 The world's first hands-free, mobile, ERP
- 2 Artificial Intelligence powers Intelligent ERP
- 3 Next-generation best practice business processes
- 4 Leading In-Memory Data Management with SAP HANA
- 5 Extensibility powered by the SAP Cloud Platform
- 6 Predictive capabilities across analytics, planning and execution
- 7 Unmatched industry capabilities
- 8 Broadest globalization strategy
- 9 Choice of consumption – Right consumption option for business segment and / or process
- 10 Rapid and successful deployments with SAP Activate, Best Practices and Model Company



All within a vibrant, innovation-focused ecosystem

Thank you.

Contact information:

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