

S/4 Implementation at Jumbo

for the SAP Usergroep Norway
May 26th

by
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Agenda

- Introduction Jumbo (Olaf)
- IT-Scenario & Project approach for opening stores in Belgium (Olaf)
- Why S/4? (Ton)
- What went live of S/4Hana? (Ton)
 - Article master
 - Procurement
 - Store & Operations (store processes)
- Model Company for Core Retail (Ton)
- Extensibility options and Design Authority (Ton)
- Lessons learned (Ton)
- Questions? (Ton/Olaf)



Introduction Jumbo Supermarkets

Who are we?



Family business with a history of
entrepreneurship...

**MONEY-BACK
SATISFACTION
GUARANTEE**

**YOUR NEEDS
PUT FIRST**

**ALL YOUR SHOPPING
UNDER ONE ROOF**

JUMBO'S 7 PROMISES

**SERVICE WITH
A SMILE**

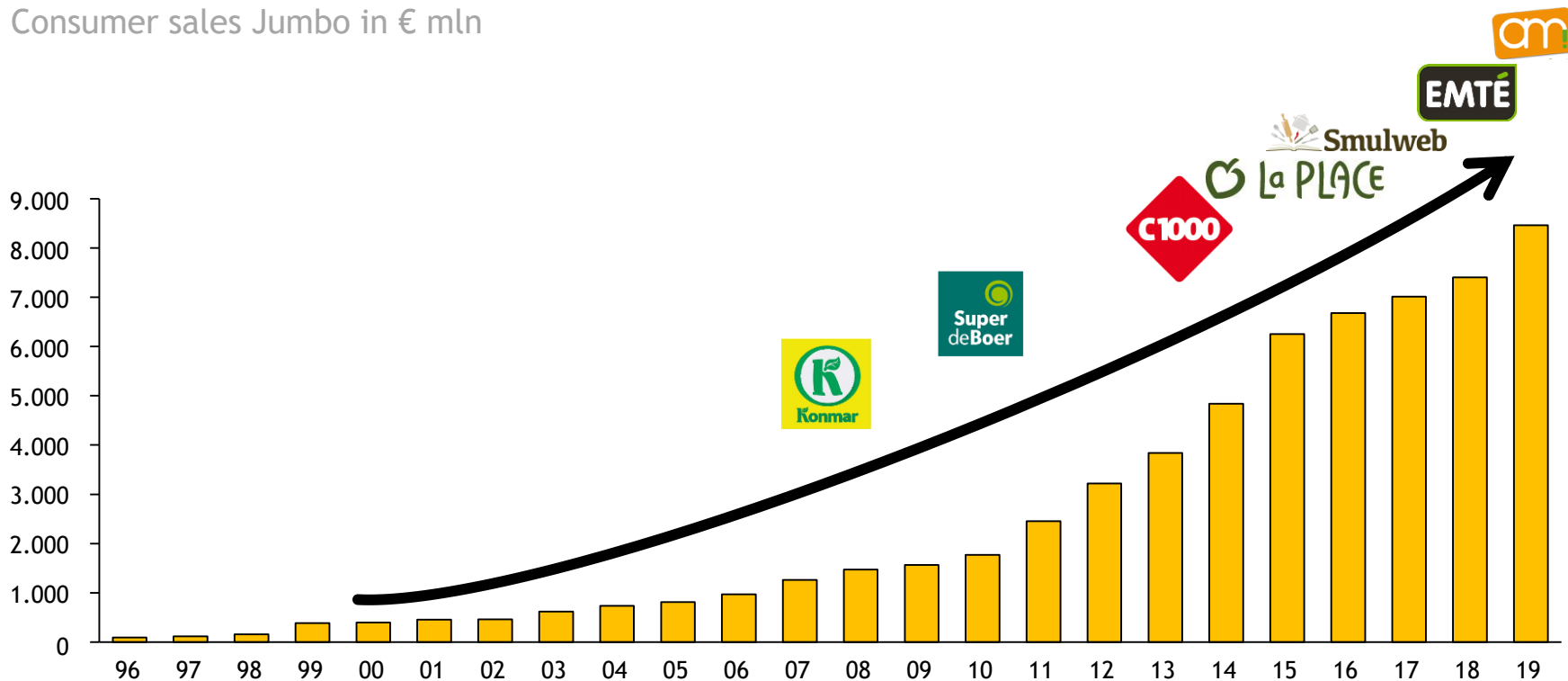
**FRESH MEANS
REALLY FRESH**

**SMOOTH
SHOPPING
EXPERIENCE**

**€€€'S
CHEAPER**

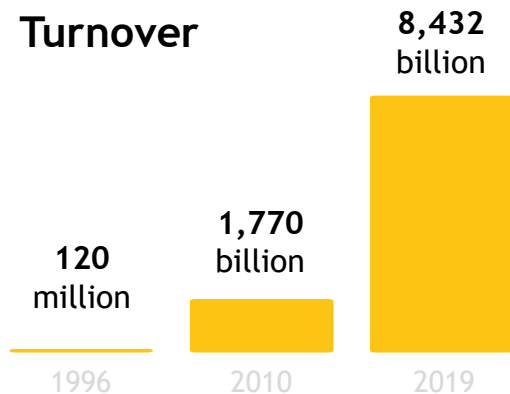
The Netherlands are turning yellow

Consumer sales Jumbo in € mln

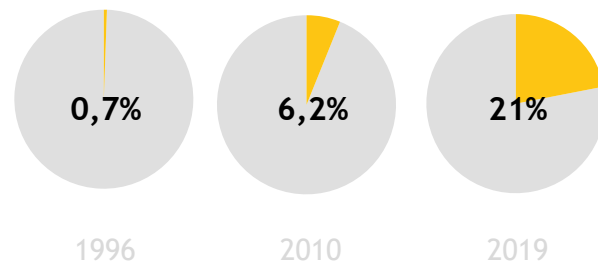


21 years of passion and entrepreneurship

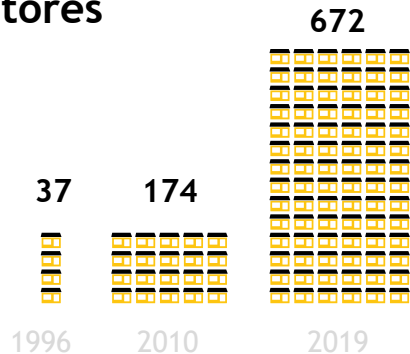
Turnover



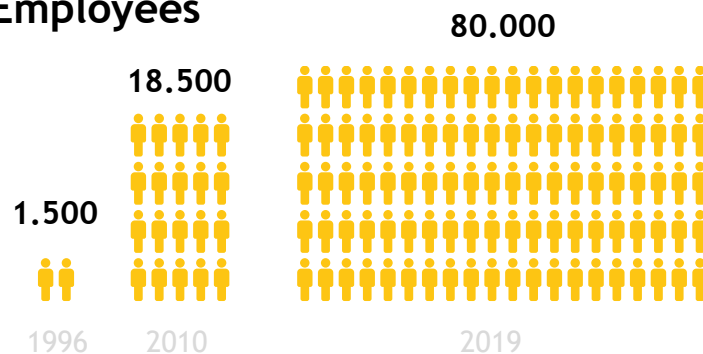
Markt share



Stores



Employees





From Foodretail to Foodexperience



IT-scenario & Approach

Short introduction into IT scenario's & project approach

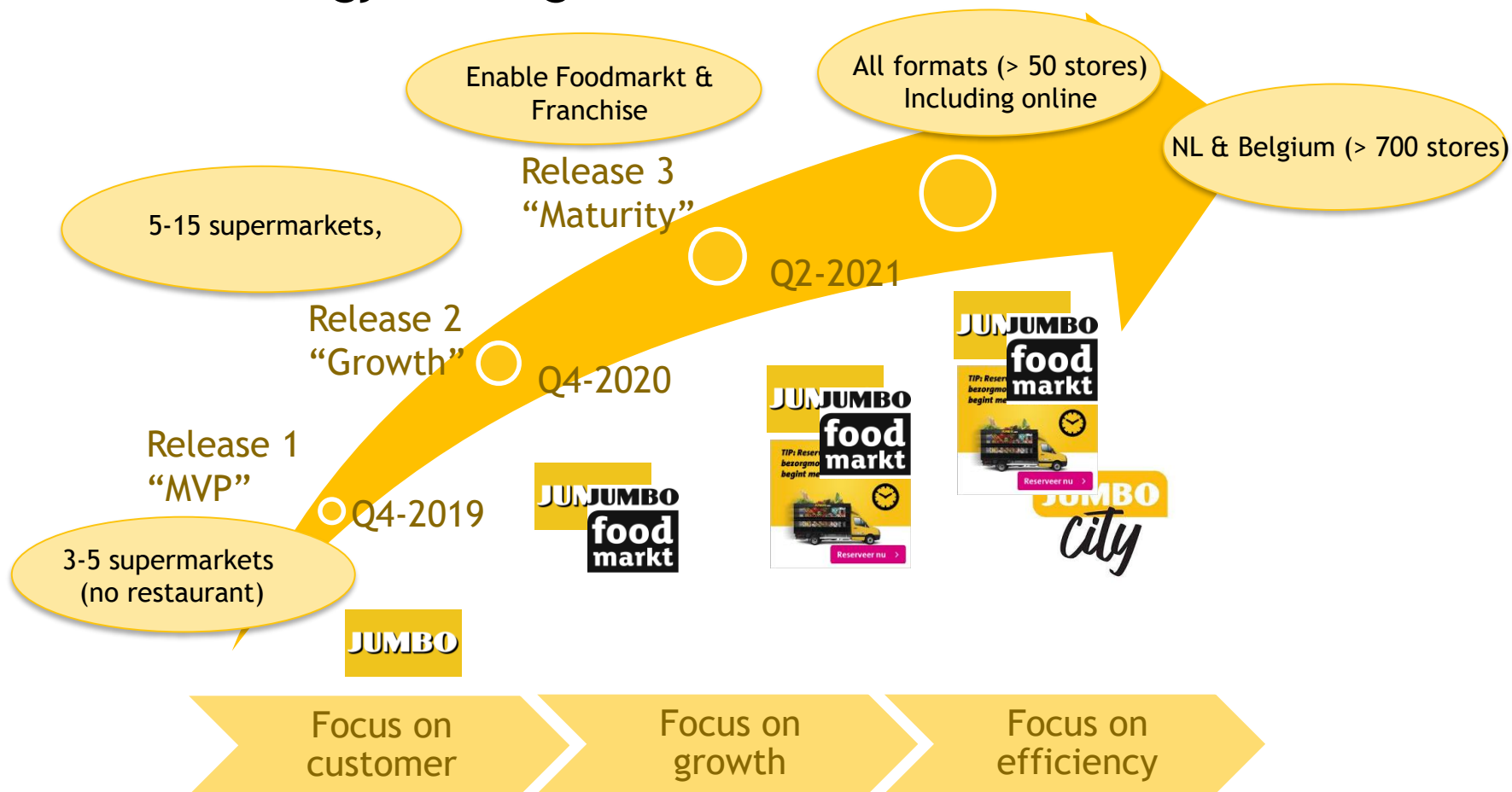
IT-Scenario's for opening stores in Belgium

Scenario 1 “In current ECC”	Scenario 2 “Greenfield”	Scenario 3 “Lean solution”	Scenario 4 “SAP Model Company”
Belgium will be added as a new entity in the existing Jumbo SAP ECC landscape.	Configure and implement for Belgium a new SAP system, to start with requirements phase...	Belgium will be supported by a third party POS system extended with (limited) ERP functionality..	Implement S/4Hana system based on Retail Best Practice (Model Company)
Scenario Score			
Approach is known  MDM / F&R functionality  Future proof  Minimal SAP impact  Realisable in 2019  Cost estimate 	Approach is known  MDM / F&R functionality  Future proof  Minimal SAP impact  Realisable in 2019  Cost estimate 	Approach is known  MDM / F&R functionality  Future proof  Minimal SAP impact  Realisable in 2019  Cost estimate 	Approach is known  MDM / F&R functionality  Future proof  Minimal SAP impact  Realisable in 2019  Cost estimate 

Hello Belgium



Release strategy starting from MVP

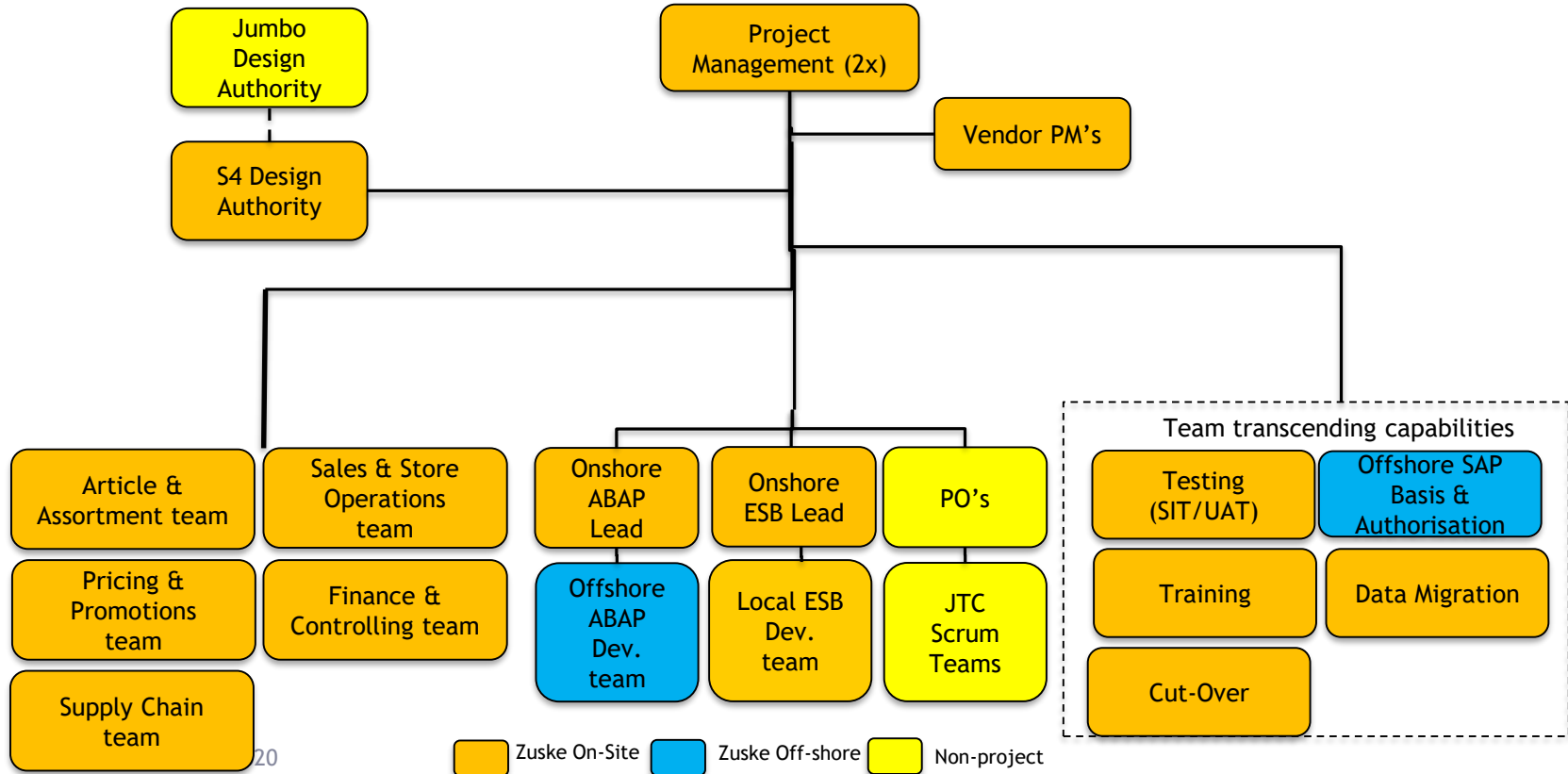


Timeline to support opening of the first store in Q4 2019



S4 Project team for Belgium

It has been a major and strategic project for Jumbo in 2019 and moving forward for NL & Belgium as from 2020.



“Stick-to-Standard” is an integral part of our approach for S4



1. Based on initial workshops done, Baseline configuration is already clear (“initial product backlog”)

2. The S4 Baseline solution will be Model Company standard, but recognizable for Jumbo processes

3. The “non-Fit” items (Gaps) must be approved by S4 Design Authority

3. After the Explore Phase the Product Backlog for first 2 sprints will be frozen

Basic Interfaces are delivered as soon as possible

1



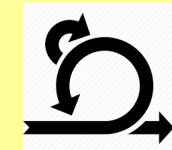
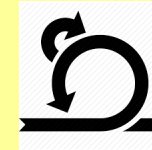
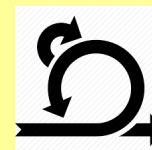
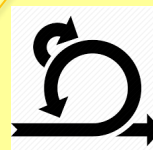
SAP Retail Model Company config is “painted Yellow” by S4 project team

2



Business is engaged and product backlog & use cases are confirmed

3



Realization in Agile teams. Demo's per (set of) use-cases.

“Baseline” Phase
(8 weeks)

“Explore” Phase
(8 weeks)

“Realize Phase”
8 sprints of 3 weeks

Stick-to-Standard Governance

Change will happen !! So make sure approval procedures are in place.



We will have a clear and strong Change Control Process

Stick-to-Standard Governance is needed!

Design Authorities and Steering Committee ensures S4 remains as close to standard as possible.



S4 Steering Committee

Chair: Project Management S4
Members: Board of Directors involved

Jumbo Design Authority

Chair: Manager Architecture
Senior IT & Business Management involved, including supplier (SAP).

S4 Design Authority

- Chair: Project Management S4
- Jumbo Architects
- SAP Architect
- Lead Consultant(s)
- Business on invitation

- All Changes identified during the project need to be approved by the Design Authorities before they are approved for realization.
- The Design Authorities are the guardian of both Standard SAP, Jumbo Architectural Standards and if a change doesn't exclude NL and other future countries.
- The S4 Design Authority can only approve changes within the (SAP) standard solution. Every other change needs to be approved by S4 Program Management at least
- If S4 Program Management and change requester can't reach consensus it will be prepared for decision making by the S4 Steering Committee.

Why $S/4$?

Timing to move to S/4Hana: two options to consider

The last practical date

- Work backward from 2025⁷ to identify when you would need to initiate a project that would complete the migration prior to this date
- Create the expectation with your management that, at the very least, funding will be required in this year to support the migration to S/4HANA

An earlier 'tactical opportunity date'

- Check if there may be an earlier tactical opportunity to move to S/4HANA, for example an consolidation initiative, a rollout to other business units, a take-over... to incorporate the move to S/4HANA prior to the last practical date

Business & IT benefits



- Set-up and maintenance: multiple units of measure
- Clean up large number of custom attributes
- Offer UI in CAR for promotions



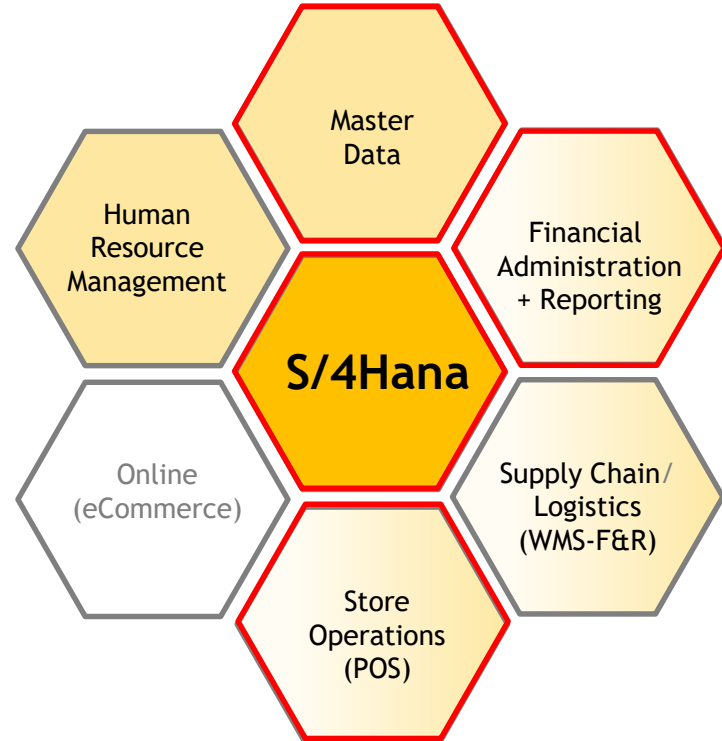
- Simplified data model, reduced data food print
- Integrated reporting and analysis
- Instant access to financial insight
- Universal journal
- Better user experience



- Role based Fiori apps, intuitive, faster adoption
- For all store related tasks
- Accessible on sales floor - visible for customer
- Simple, easy to use - productivity



- In memory, fast, real-time processes
- Simplification of database



Why S/4?



Standard

- To innovate fast
- Faster access to new features
- Less Jumbo specific knowledge lock-in



Stable

- Less system failures
- Less process errors & 24/7 business



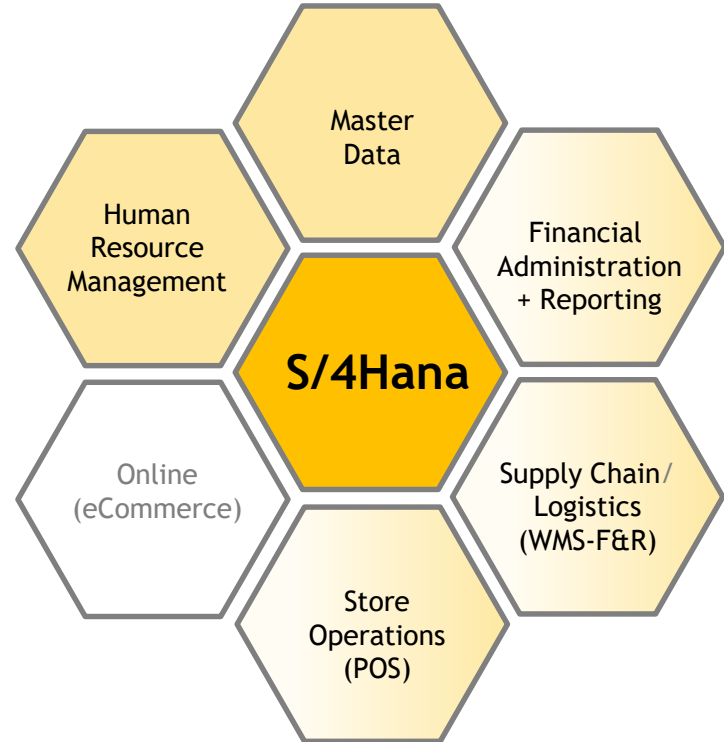
Simple

- Less complex & standard processes
- Less knowledge intensive
- Less individual dependencies

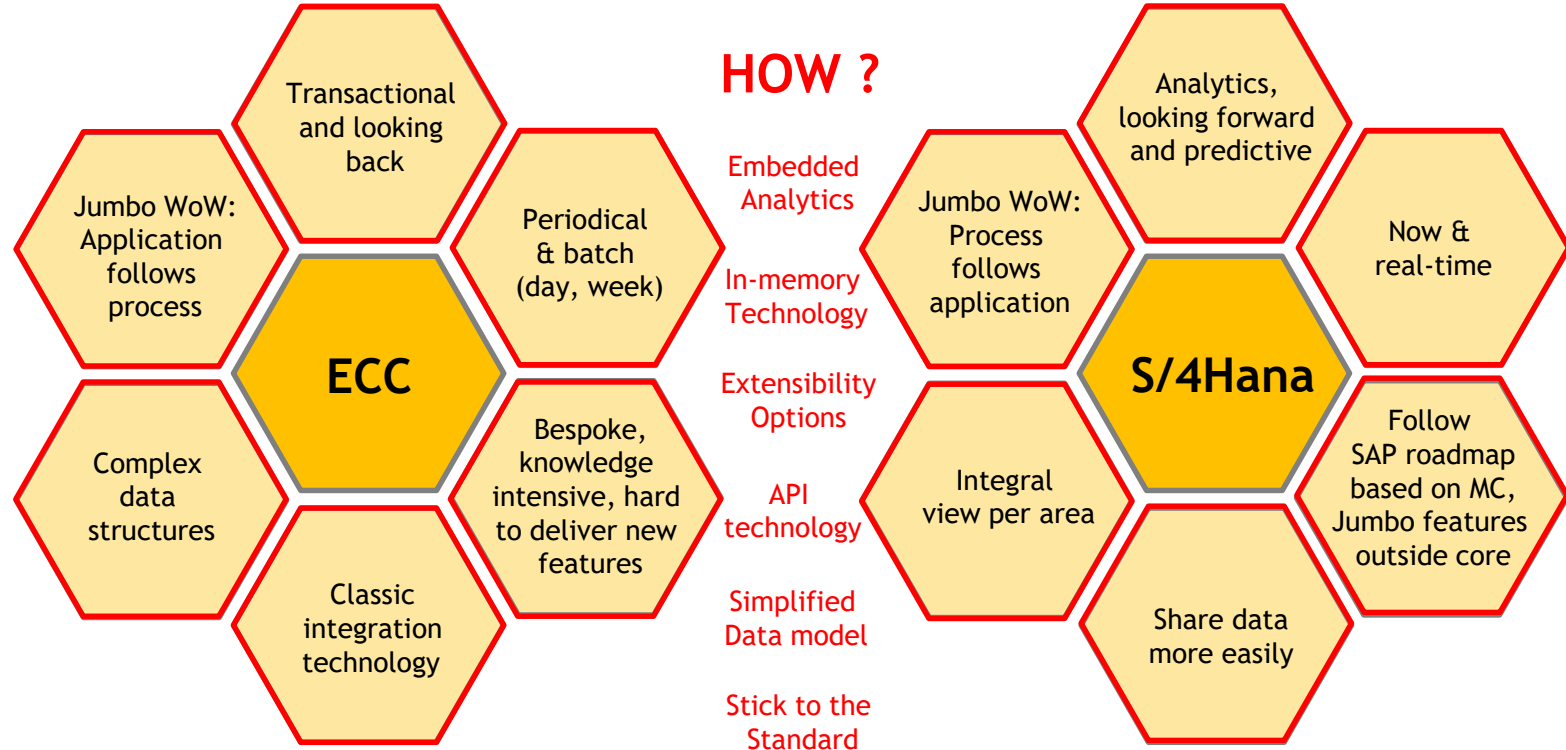


Super-fast

- In memory
- Real-time processes

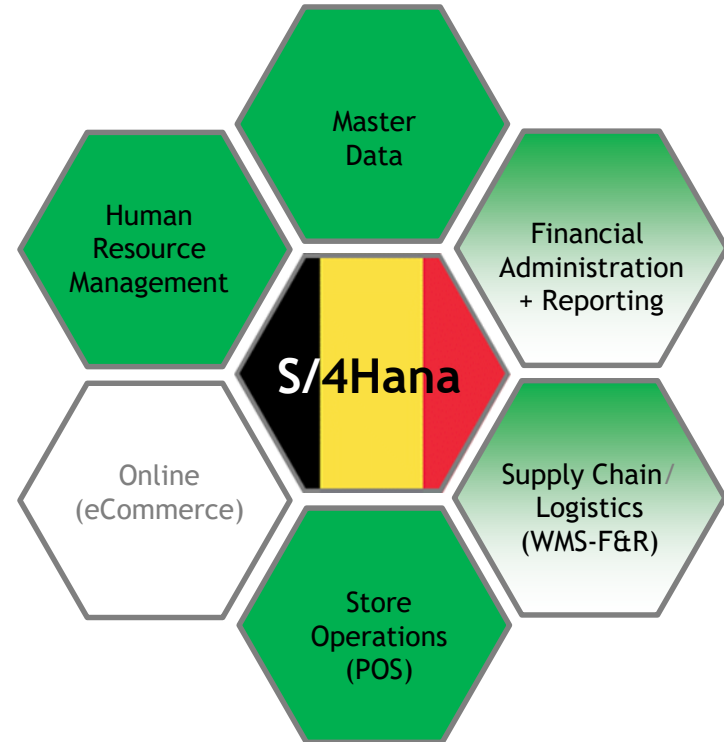
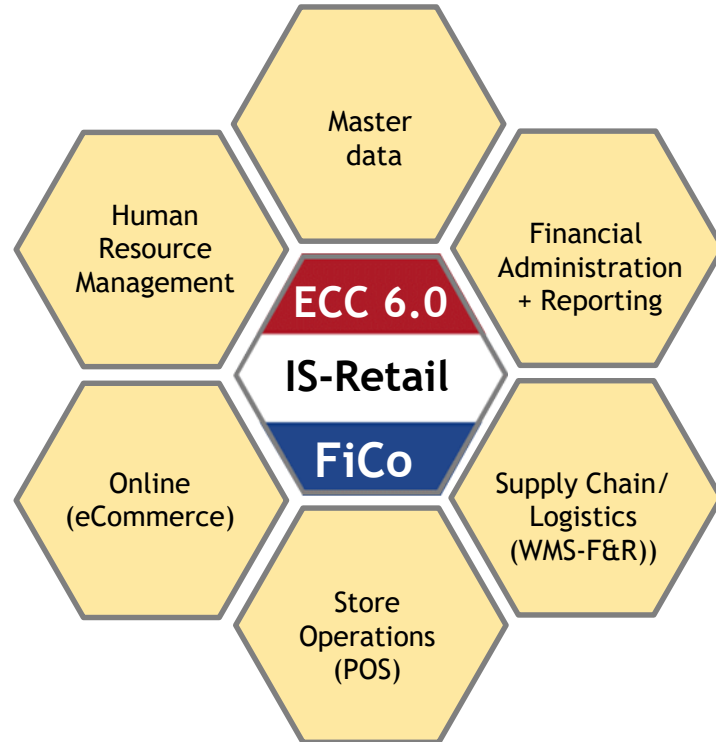


ECC vs S/4

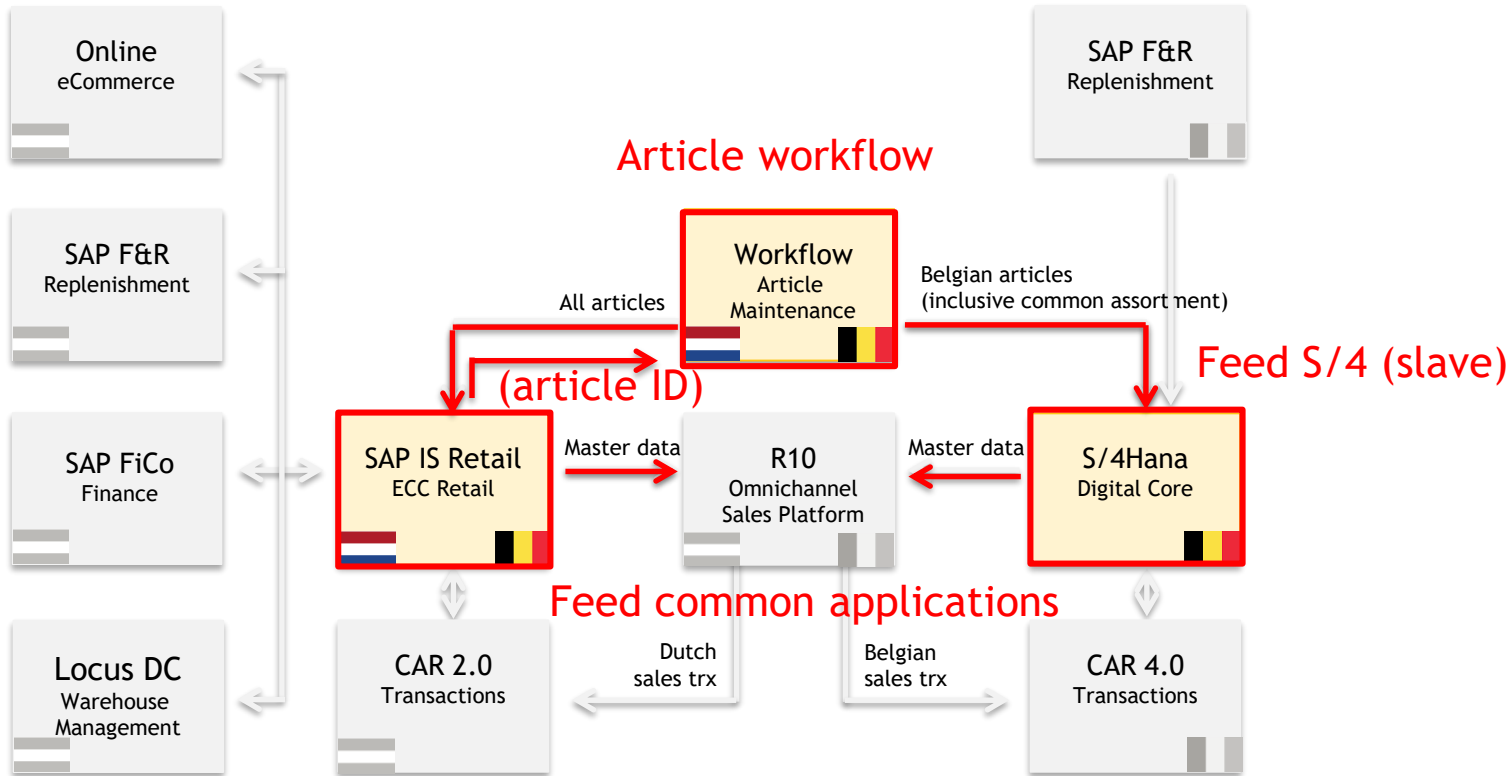


What went live of S/4Hana?

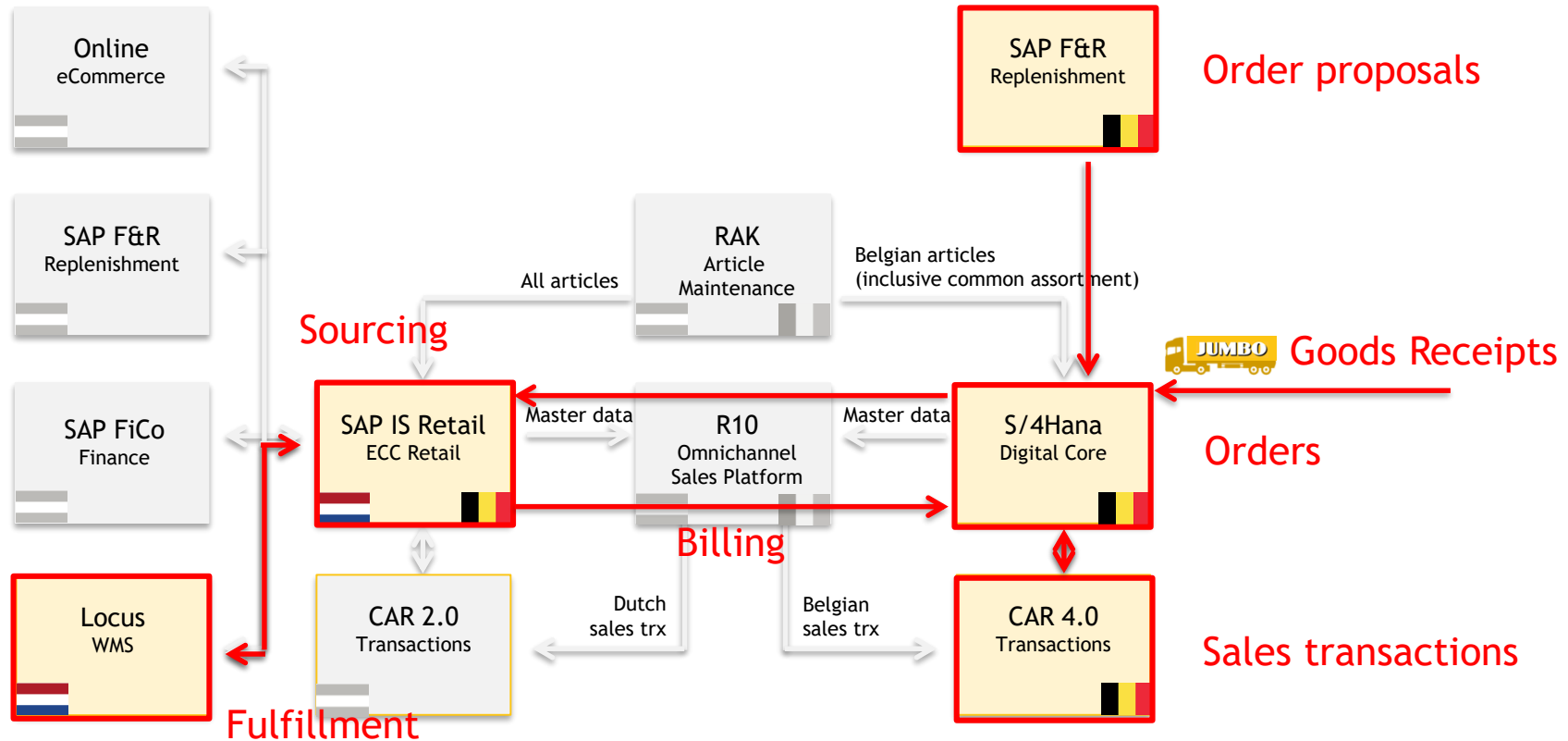
What went live with S/4Hana?



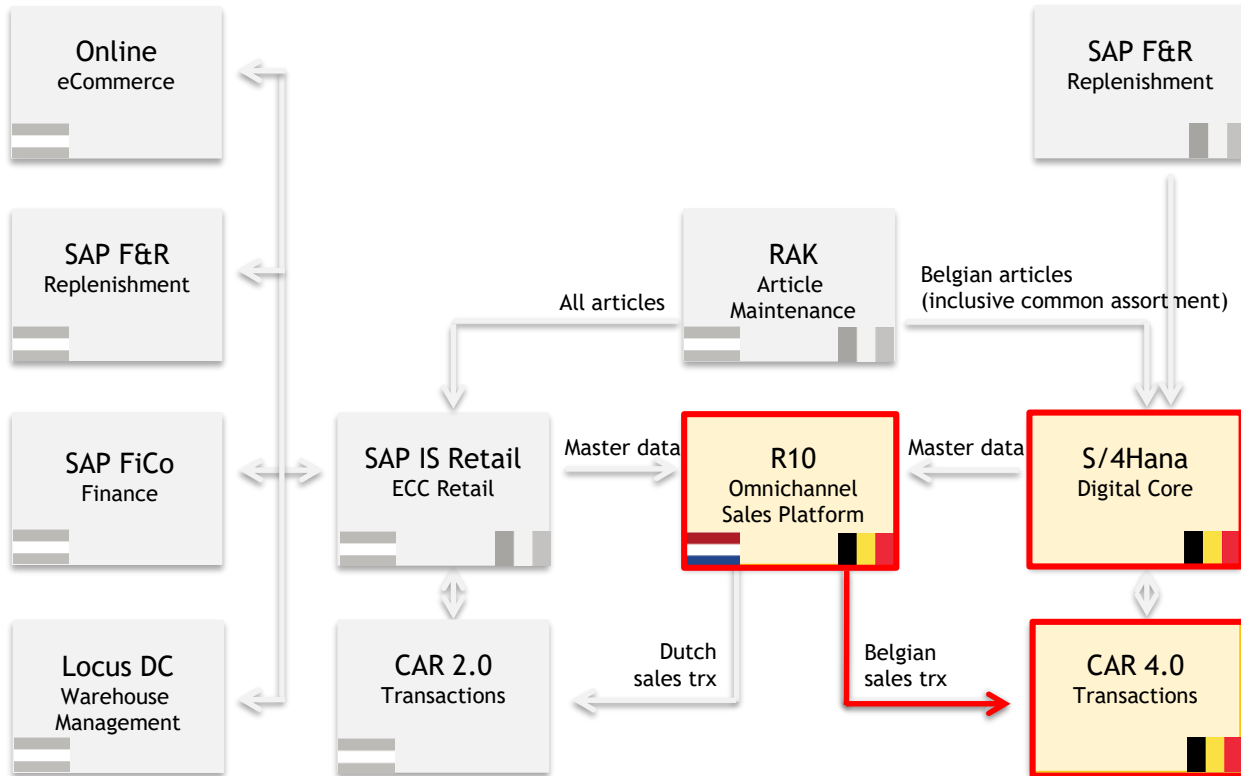
High level article master data flow



High level order flow



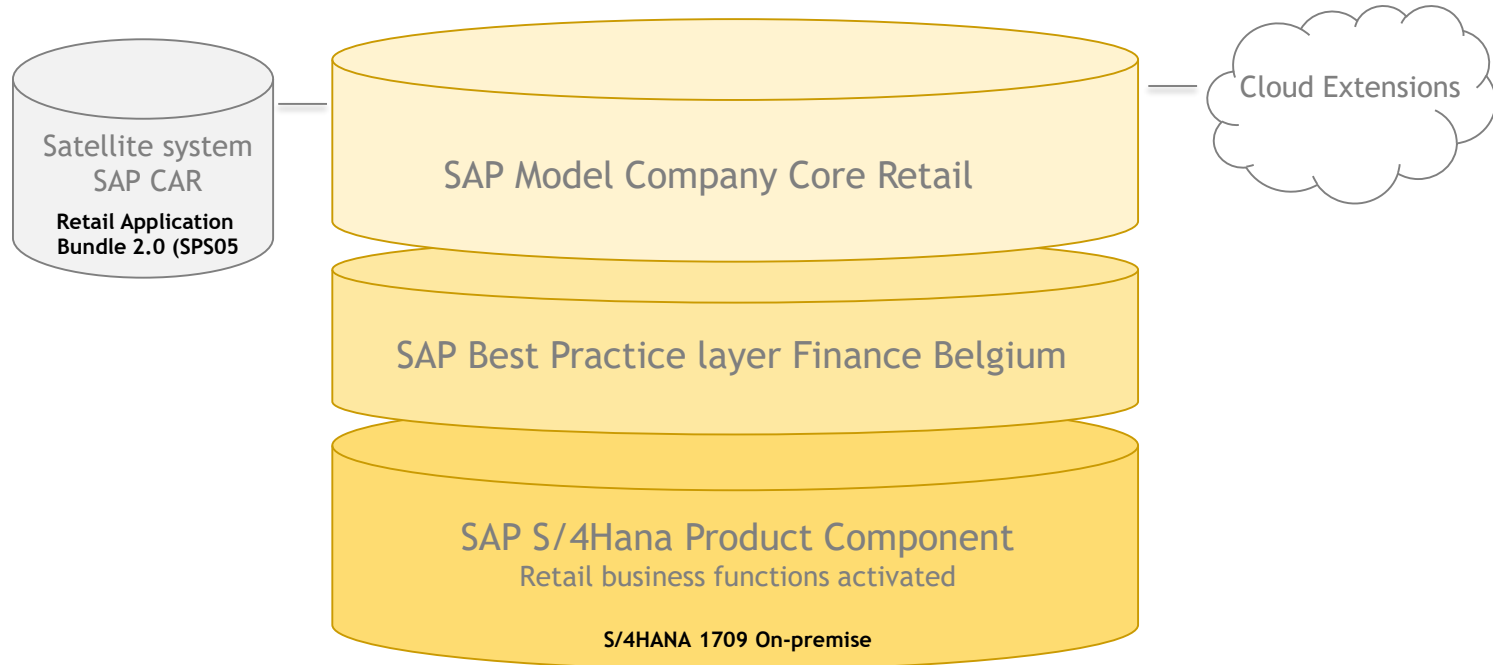
High level store and operations flow



- Look up Retail products
- Receive products
- Order products
- Adjust Stock
- Count Stock
- Manage Stock Counting
- Perform Store Walk Through
- Print Labels

Model Company Core Retail

Model Company Architecture (recommender)



Model Company

Industry

Consumer Industries

Agribusiness
Consumer Products
Wholesale Distribution
Core Retail
Fashion and Vertical Business
Trade Management for Consumer Products
Pharmaceuticals

Service Industries

Airline Back Offices
Telecommunications (Q2)

Discrete Industries
Automotive
High Tech
Industrial Machinery and Components

Public Services

Defense Logistics
Public Sector (Q1)

Energy and Natural Resources

Chemicals
Mill Products
Mining Production Execution
Oil & Gas
Integrated Utilities

Line of Business

Digital Supply Chain

Connected Assets
Connected Manufacturing
Extended Warehouse Management
Logistics Execution
R&D / Engineering and Sustainability
Supply Chain Planning

CRM and Customer Experience

Customer Experience [C/4HANA]
Marketing Cloud
Shared Services
Billing and Revenue Innovation Management

Financial Services

Finance

HR and People Engagement [SuccessFactors]

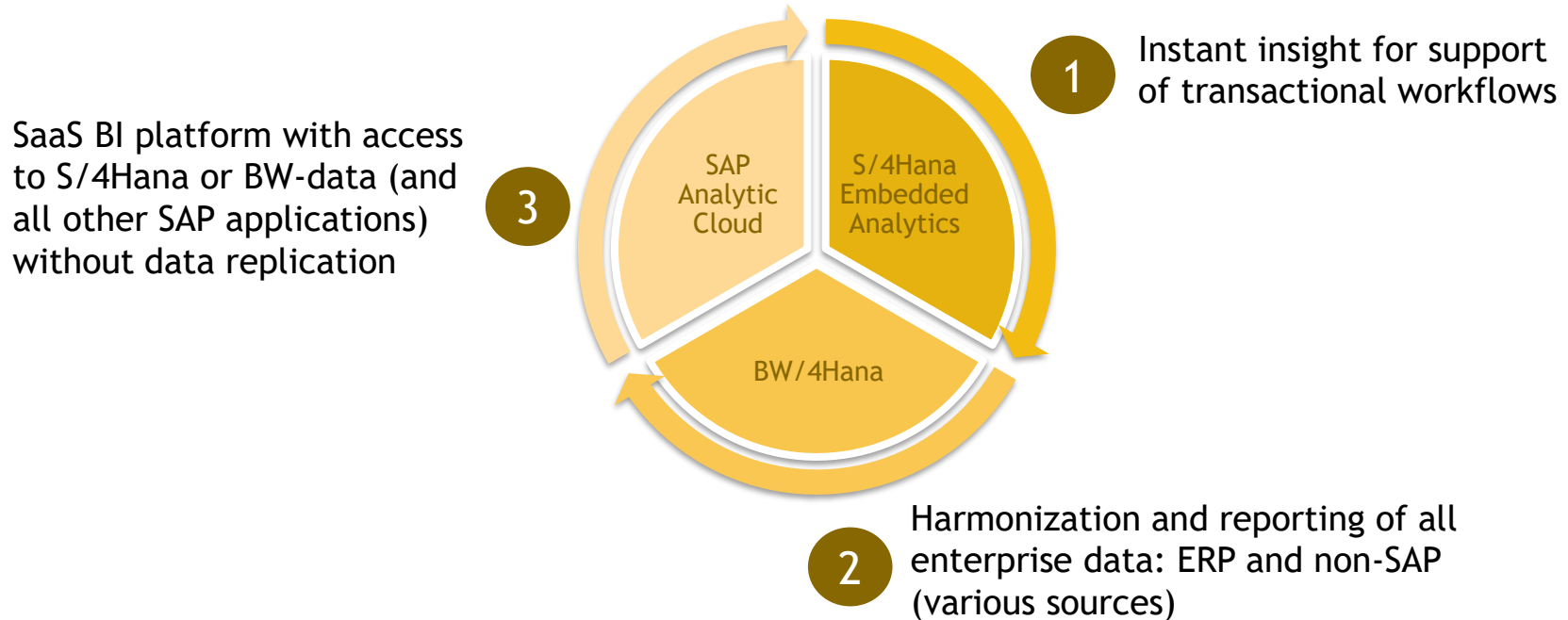
Manage Workforce (Employee Central)
Attract and Acquire (Recruiting, Onboarding)
Identify and Grow (Performance, Succession, Development)
Pay for Performance (Performance, Compensation)
Educate and Develop (Development, Learning, Jam)
Time Off (Employee Central)

Baseline

SAP S/4HANA Multinational Corporations

SAP S/4HANA Best Practices

Main difference between S/4 Embedded Analytics, BW/4Hana and SAP Analytics Cloud (SAC)



Extensibility Options and Design Authority

Design Authority @ Jumbo



1. Always consult DA for custom ABAP Code, regardless the size of the code or whether it is written in a user-exit or Badi
2. Every piece of Abap-code must be part of the so called “switch framework”. Custom code will be “encapsulated” between statements by which it can centrally be switched off or on. This will facilitate the yearly planned S/4 upgrade
3. “In-app extensibility” or “side-by-side” option must be used for all custom code (after DA approval)
4. In case you have doubts whether or not to consult the DA, please do so!

Extensibility Guidelines



1. Standard SAP

- Configurations (Customizing)
- Change business process to best practice process in SAP
- Suggest improvements to SAP via Customer Engagement Initiative



2. User Adaptations

- Change appearance of Fiori app (add existing fields, remove fields)
- Embedded analytics



3. In-App extensibility

- Add custom fields
- Create a new business object (Table)
- Add some logic
- Expose data via CDS and OData



4. Side-by-Side extensibility

- New Applications
- Integration scenario's
- Using new technologies such as IoT or machine learning



5. Classic Extensibility

- Changes to existing processes
- Using user exits, badi's, etc
- Encapsulated in 'Code Control System' framework

Lessons learned

Lessons learned

	Model Company approach
	• SAP Model Company was a good starting position/stick to the standard approach • MVP approach/mindset: start small to get fast result (deliver in time) • Onboarding SAP AG (to guarantee proper use of product) • Dedicated project location • Clear limited scope (MVP) and 'stick to the defined scope for Business and IT' (approach) • The formalized product backlog was basis for scope and priority setting during the realization phase • High Level and Deep Dive Design: Retail Model Company overview and deep dive sessions (during explore phase) created a clear and detailed picture of the proposed solution
	• Deployment on HEC, with lot of admin, no control (formal approach due to HEC SLA) • Best practise Finance integration with Core Model Company could have been better (not fully aligned) • Dependency of ECC: chosen solutions not always optimal (e.g. ZARTMAS). • Some Store Fiori apps could improve on efficiency (f.e. adjust stock) → WiP by SAP • We were not aware in advance of the new extensibility options that S/4 offers • We started the first stores without any reports (underestimated the importance of reporting) → use of Embedded Analytics from day one would have been better (we are catching up now!)



Passion, exceed expectations,
customers in
1st place



Questions?

JUMBO

A large, three-dimensional sign spelling "JUMBO" in bright yellow, glossy letters is mounted on the exterior of a modern building. The letters are thick and have a slight shadow cast behind them. The building features a glass facade with dark frames, and the sky and clouds are visible through the windows. The sign is positioned prominently, likely for a retail or commercial establishment.