

SAP S/4HANA (Jan Gilg)

A: Key Message

Key Messages and Latest Developments Around SAP S/4HANA

In Q3, SAP has been able to continue to grow strongly in the cloud and again grow both operating profit and margin. This quarter, we have added more than 500 SAP S/4HANA customers, around 45% of which were net new. Overall, there are now more than **15.100 SAP S/4HANA customers**, 20% up over last year, and **8.100 customers are live**.

In October, we have released [SAP S/4HANA 2020, Any Premise](#). This 6th release of SAP S/4HANA is all about automation, innovation and intelligence. The product has evolved to a point where every customer can easily move to SAP S/4HANA Any Premise. With experience from the last 5 years, we are seeing large-scale projects with complex landscapes moving to SAP S/4HANA. Besides new innovations, integrations and so forth, the key message for user groups is that the tools and procedures to adopt SAP S/4HANA have been continuously improved and simplified, including business partners, finance data conversion, downtime management, custom code adoption, project planning, and analyses with readiness check.

November marks the release of [SAP S/4HANA Cloud 2011](#), the 4th quarter release for the year 2020. We spent time in dialog with our customers – user groups, customer councils, workshops or individual engagements – to plan and align our roadmap accordingly. SAP S/4HANA Cloud 2011 offers both enhancements of existing capabilities that are improving business processes and completely new capabilities that may have long been on our customers' wish lists. We've applied automation to many capabilities, both new and existing.

Answers to Strategic Questions :

Question 1: What is the SAP S/4HANA roadmap for the next five years?

In the next couple of years, we want to move most of our customers and net new customers to our core ERP cloud solutions. We have seen a massive acceleration of the move also to the cloud version of SAP S/4HANA. COVID-19 was indeed an inflection point, and we will see this acceleration in the years to come also for some large enterprises that are now shifting their workloads to the cloud. For them, it of course takes more time to redesign the processes to move the modifications out of the ERP.

Every customer will move at their own speed. Therefore, we keep modernizing and modularizing our core architecture to let customers start with whatever scope reasonable for them and delivering wide deployment models and adjusting to customer needs.

For upcoming features and innovations, please take a look at the [SAP Roadmap Explorer](#).

Question 2 : Is there a change in release strategy for new versions for SAP S/4HANA as new implementations are impacted due to COVID-19 ?

We have not been impacted by COVID-19 for the past releases, and we do not expect any impacts for the releases to come. No effects on current release, we executed as planned, and we stood to our committed developments.

Question 3 : As customers assess their options to move from ECC to SAP S/4HANA as well as cost and disruption associated with this, some are considering 3rd party support and staying on ECC as an option. What is SAP's view on this, and what can SAP, partners and User Groups do to allow members to make informed decisions?

Modernizing your ERP provides you with the foundation to connect data, automate key functions and constantly improve your products and services. This includes a digital age UX such as intelligent digital assistance and instant insights, modern driven automation with machine learning, AI and predictive analytics for increased automation and efficiency, and next-generation processes that reinvent and redefine processes with applied best practices built on the latest innovation.

We believe there are proven business benefits from customers who are already on their journey towards the Intelligent Enterprise with SAP S/4HANA. ([Reference](#))

Therefore, we encourage all customers to move at your their speed but start as soon as possible. We understand that your journey will not be done overnight. The journey should not be about a simple technical conversion but about a complete business transformation. You need time to reimagine / redefine your business processes, organizational set up, new ways of working and so on.

SAP has a unique offering in the software market. We are committed to keeping mainstream maintenance of SAP S/4HANA at least until 2040. This policy should also support our customers to move to SAP S/4HANA from wherever they need.

Question 4: What are “quick wins” / low-hanging fruits for customer right after migration?

Regardless of whether customers choose OnPremise or Cloud, the overarching goal is to “get back to standard” / “simplify business processes” for a digital transformation through implementation / conversion projects. Key quick wins of this exercise are:

- Simplified business processes / Simplified system footprints
- Data accuracy
- Making it easier to get data out of the core system for analyses
- A foundation for agile development (to consume new innovations quicker onwards)

Please feel free to also take a look at this [Vodafone Customer Reference](#)

Question 5: How is SAP supporting live customers to get value from their implementation ?

For customers who are live with SAP S/4HANA Cloud, SAP keeps delivering new innovations and upgrading the systems regularly, on a quarterly basis as of now. This helps live customers to extend their scope with new innovations easier than customers on AnyPremise. Of course, customers on SAP S/4HANA Cloud need to first define their new business processes with new features, but it’s about consumption of innovations.

For customers who are live with SAP S/4HANA AnyPremise, they need certain efforts to upgrade their core system before they can consume those new innovations SAP keeps delivering annually. We believe the simplification / standardization steps the customers took during their initial implementation of SAP S/4HANA helps keeping their core system clean. If customers have no modification in the core and apply the extensibility concept, it would save efforts to apply new innovations to their SAP S/4HANA. In addition, the tools and procedures to adopt SAP S/4HANA have been continuously improved and simplified, including business partners, finance data conversion, downtime management, custom code adoption, project planning, analysis with readiness check. All these also support customers during their upgrade process.

References:

- [SAP Innovation and Optimization Pathfinder](#): Optimize your SAP S/4HANA and upgrade to the latest release
- [SAP Transformation Navigator](#): Shape your future landscape and build your own transformation road map
- [SAP Readiness Check for SAP S/4HANA](#)