

Clean Core - Process Dimension

In this presentation, we'll explore what makes processes "clean" in the SAP context, how to design flexible processes that adapt to changing business needs, and practical approaches to achieve clean business processes.



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What Are Clean Processes?

Definition

Clean processes are business processes designed and implemented in a flexible way. They can adapt to changing business needs, new regulations, or industry requirements while still being easy to maintain.

Business Reality

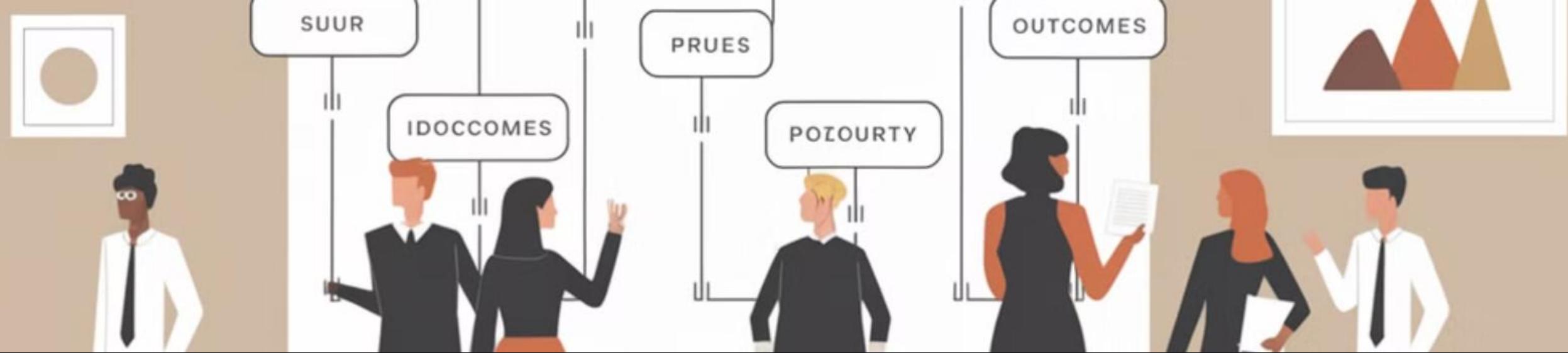
Business environments are constantly changing. Customer demands shift, market trends evolve, and technology keeps advancing. Your processes need to roll with these changes.

Flexibility Analogy

Rigid processes are like navigating city streets with a train - you can only go where the tracks take you. Flexible processes are more like driving a car - you can change routes when there's traffic or construction.

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BUSINESS
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Key Outcomes of Clean Processes

1 Consistency

Your processes should work the same way every time, giving predictable results that stakeholders can rely on throughout the organization.

2 Efficiency

Clean processes use resources wisely and minimize waste, optimizing operations and reducing unnecessary costs.

3 Leveraging Standard Best Practices

SAP has spent decades figuring out the best ways to handle common business activities - why reinvent the wheel when you can benefit from proven methods?

4 Transparency

Everyone should know the process flow and where the decision points are, creating clarity across the organization.

Main Aspects of Clean Processes



Standard Design

Your business process design should be as close to standard as possible. This isn't just SAP being controlling - it's about making your life easier in the long run.



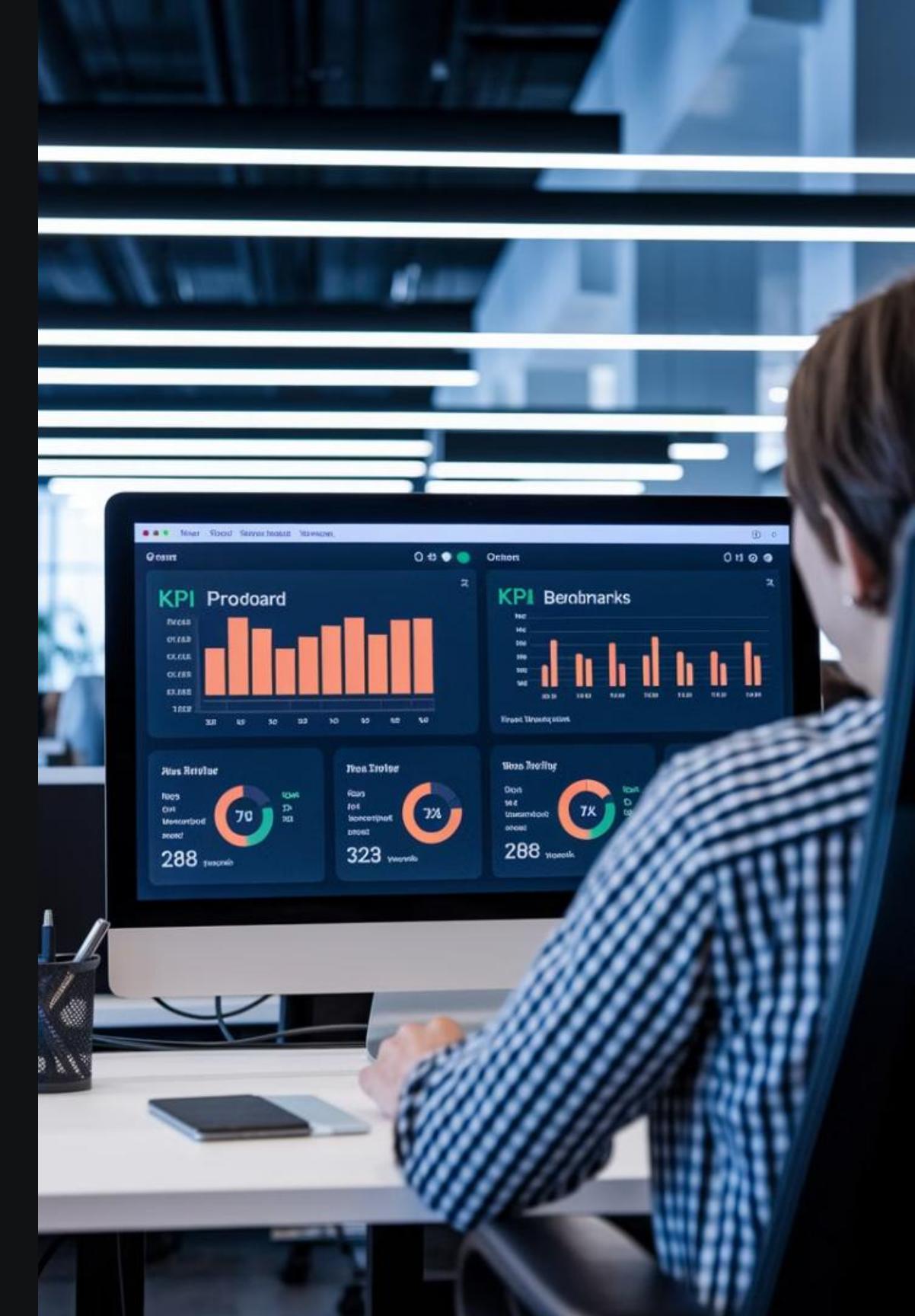
Clean Extensions

If extensions are necessary - and sometimes they absolutely are - they must be documented and built based on clean extension principles.



Performance Tracking

Your business process performance should be tracked based on defined process performance indicators (PPIs) and industry benchmarks. You can't improve what you don't measure!



How to Achieve Clean Business Processes

Establish Governance

Implement state-of-the-art business process governance with clear decision-making structures.

Leverage SAP Architecture

Take advantage of SAP's Reference Solution Architecture to optimize your processes.

Implement Best Practices

Incorporate SAP Best Practices where applicable to minimize risks and optimize processes.

Tailor for Advantage

Customize standard solutions only where they provide competitive advantage.

Continuous Improvement

Document, monitor, and optimize your processes over time for business process management excellence.



State-of-the-Art Business Process Governance

1

Establish Decision Structure

Create a solution standardization board or similar decision-making structure to govern process changes and improvements.

2

Implement Methodologies

Apply methodologies like the SAP Application Extension Methodology to guide process development and customization.

3

Ensure Documentation

Provide proper documentation and tooling support using solutions like SAP Cloud ALM or Focused Build for SAP Solution Manager.

4

Create Transparent Management

Establish clear business process management structures with defined process owners who have accountability.

Leveraging SAP Reference Solution Architecture

- 1**
- 2**
- 3**

Enterprise Architecture Framework

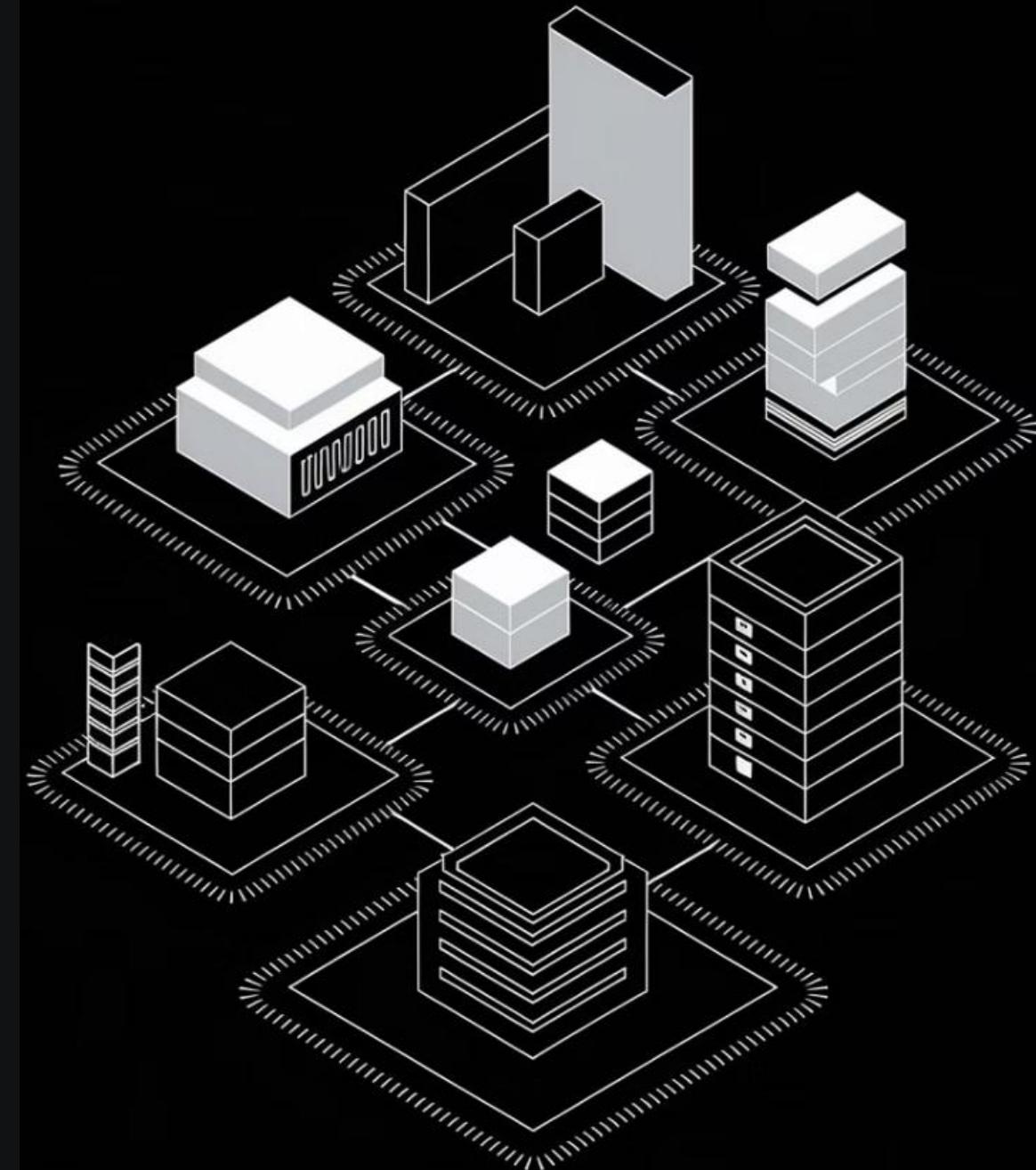
Base your solution architecture on the SAP Enterprise Architecture Framework methodology for a solid foundation.

Transformation Navigator

Use supporting resources like the SAP Transformation Navigator tool to guide your architectural decisions.

Process Explorer

Leverage SAP Signavio Process Explorer to understand standard processes and identify opportunities for optimization.

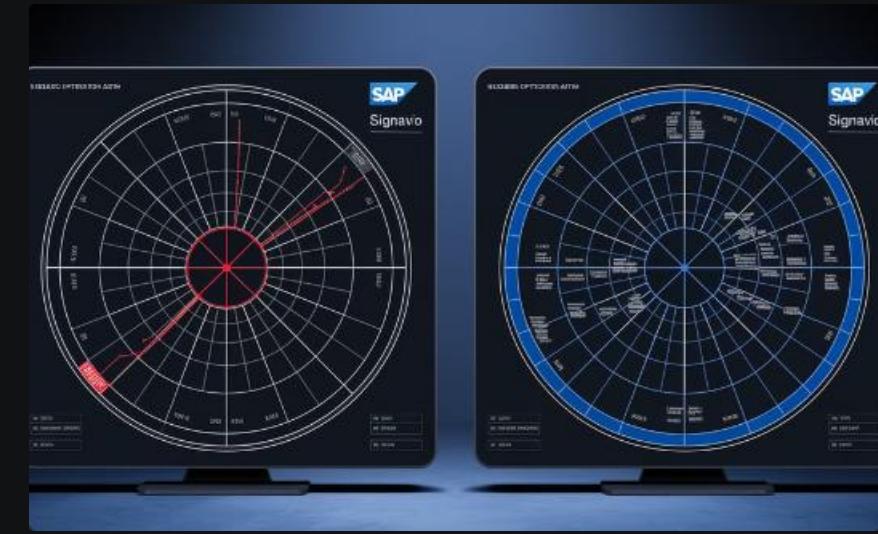


Implementation of SAP Best Practices



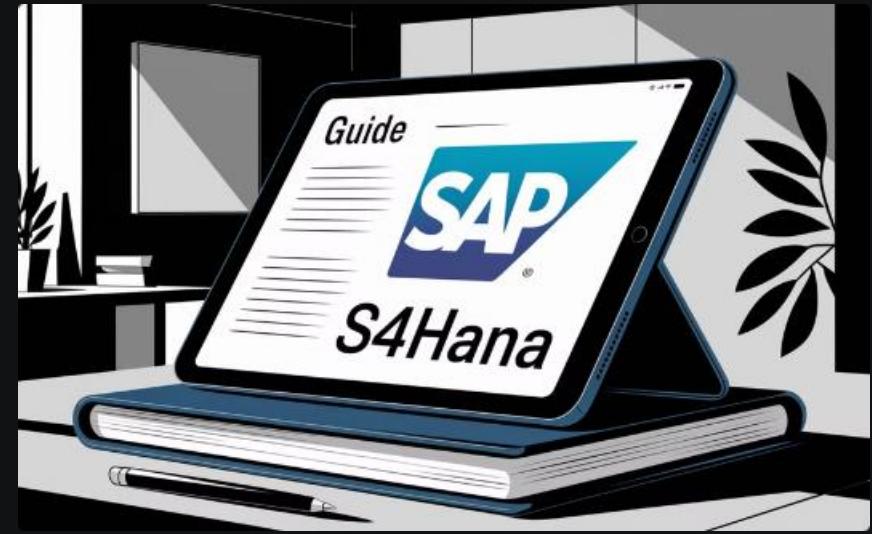
Incorporate Best Practices

Integrate SAP Best Practices where applicable to leverage proven methodologies that optimize processes while minimizing implementation risks.



Compare Processes

Use tools like SAP Signavio Process Explorer and Navigator to compare your processes against industry standards and identify improvement opportunities.



Follow Implementation Guides

Refer to the Administration Guide to Implementation of SAP S/4HANA with SAP Best Practices for comprehensive guidance throughout your implementation journey.

Tailoring Standard Solutions for Competitive Advantage

Standard for Non-Differentiating

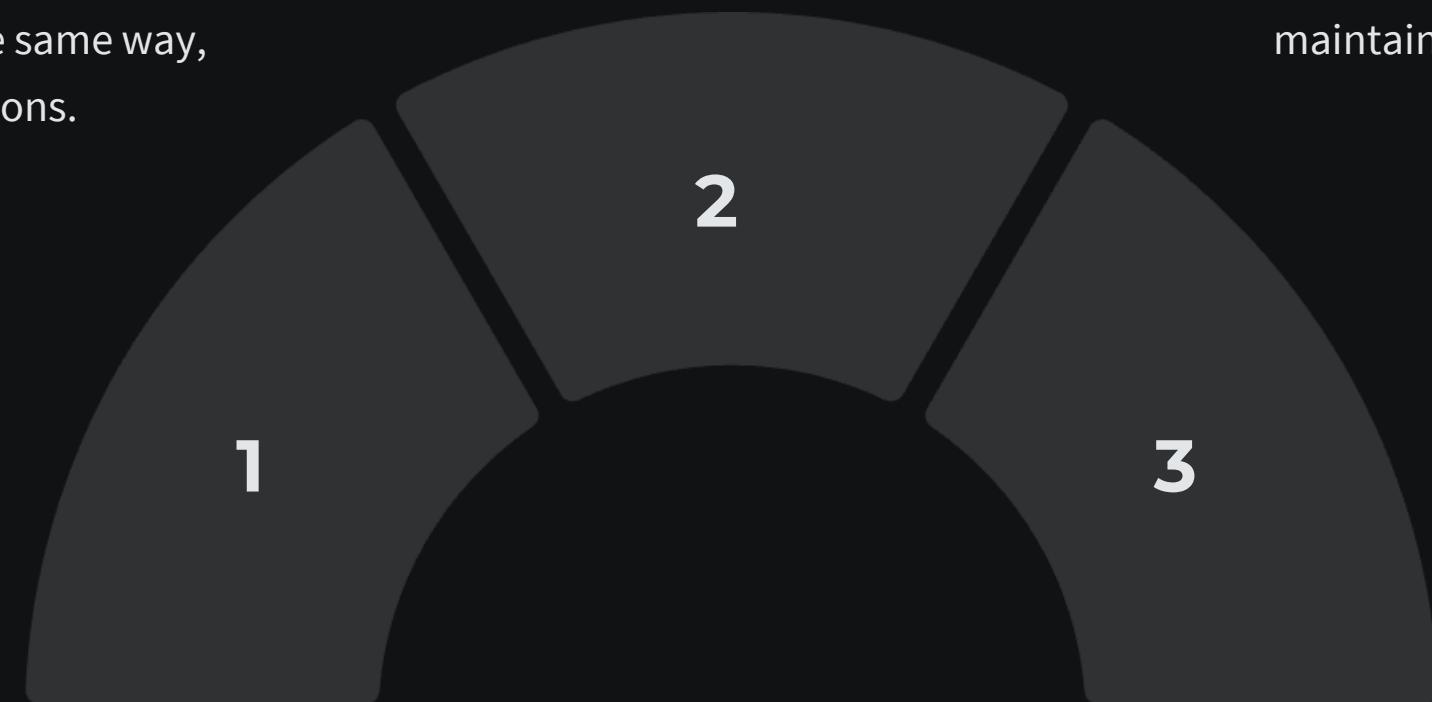
Apply SAP standard strictly for non-differentiating processes - things every company in your industry does the same way, like basic accounting functions.

Tailor for Differentiation

Customize SAP standard solutions for differentiating processes - the things that make your company special and provide competitive advantage in the marketplace.

Follow Clean Extension Guidelines

Always adhere to recommendations for clean extensions when you do customize to ensure maintainability and smooth upgrades in the future.





Business Process Management Excellence

1

Document

Document your specific process design using tools like SAP Signavio Process Manager to create clear, accessible process documentation.

2

Measure

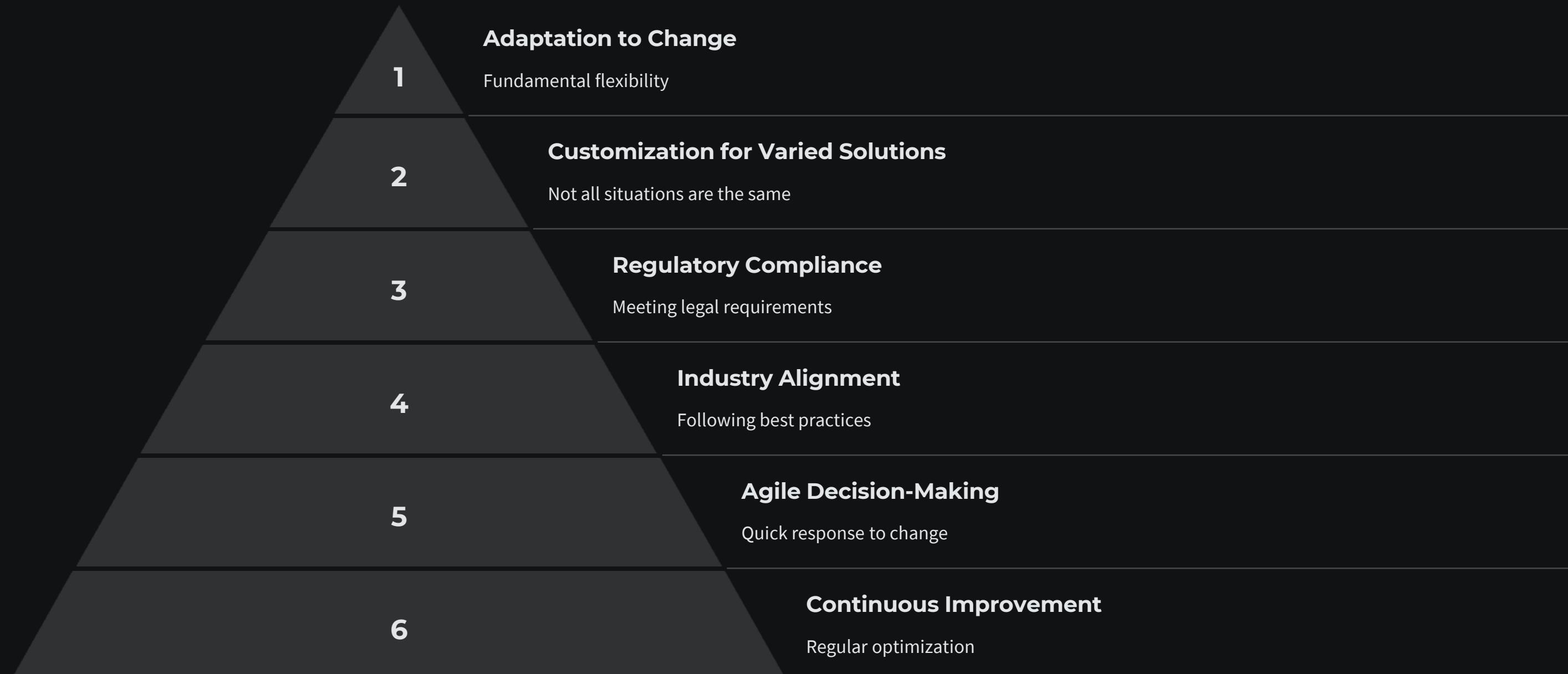
Track process execution with SAP Signavio Process Insights and Intelligence to identify bottlenecks and improvement opportunities.

3

Execute

Run business processes based on measurable performance indicators that align with strategic business objectives.

Designing Flexible Processes



When designing business processes, you need to build flexibility from the ground up. Starting with basic adaptation to change, your processes must accommodate shifting business environments, customer demands, and market trends.



Adaptation to Changing Needs

Dynamic Business Environment

Business environments are constantly evolving, with changing customer demands, market trends, and technological advancements requiring processes that can adapt quickly.

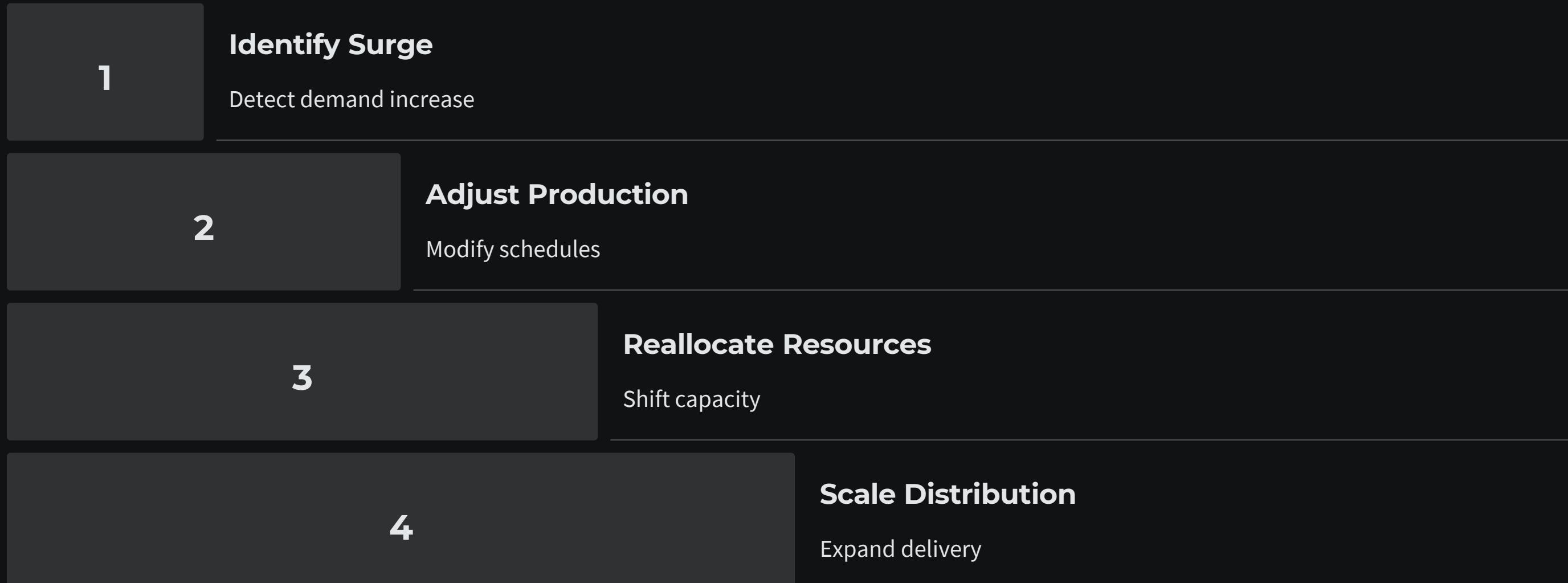
Resource Allocation

Flexible processes allow for efficient reallocation of resources in response to changing priorities and emerging opportunities.

Strategic Responsiveness

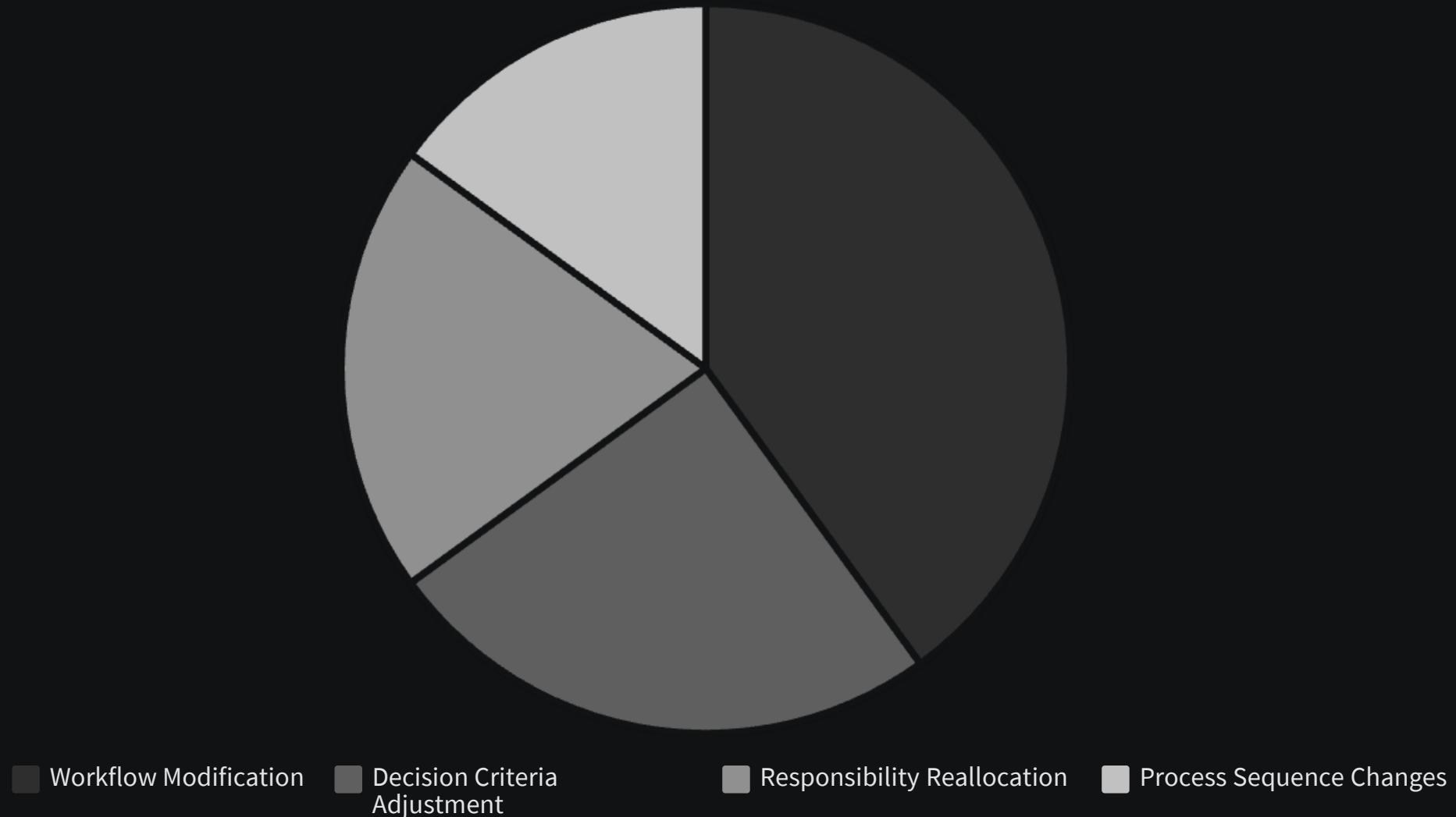
The ability to adapt processes enables organizations to respond strategically to market shifts and maintain competitive advantage in rapidly changing industries.

Process Adaptation Example



For example, if there's a sudden surge in demand for a product, flexible processes can quickly adjust production schedules and allocate resources to meet customer needs. This might involve shifting production capacity, accelerating supply chain activities, and scaling distribution channels.

Customization for Varied Situations



Not all situations are the same, and rigid processes don't always work effectively. Flexible processes allow for customization to address unique scenarios and requirements specific to your business.

This might mean modifying workflows, adjusting decision criteria, or reallocating responsibilities based on specific requirements. The chart shows common types of process customizations organizations implement to handle varied business situations.

Compliance, Standards, and Agility

Regulatory Compliance

Regulatory requirements evolve, and your processes must comply with new laws and standards. Flexible processes make it easier to incorporate changes without disrupting operations, ensuring continuous compliance.

Industry Standards

Industries evolve with new best practices emerging. Flexible processes help you stay aligned with industry norms by incorporating these changes efficiently, keeping you competitive in your market.

Decision-Making Agility

In fast-paced environments, decisions need to be made quickly. Flexible processes empower decision-makers to respond promptly to opportunities and challenges, reducing bottlenecks.

Competitive Advantages of Process Agility



Process agility can give you significant competitive advantages. By responding quickly to market changes, you can capitalize on trends or mitigate risks more effectively than competitors with rigid processes.

Organizations with agile processes can typically implement new features faster, adapt to regulatory changes more smoothly, and scale operations more efficiently when opportunities arise.

Putting It All Together

Design Flexible Processes

Create adaptable workflows

Continuously Improve

Optimize based on data

Stay Close to Standard

Minimize customization

Measure Performance

Track process KPIs



So there you have it - the Process dimension of clean core. Remember, the goal is to design processes that are flexible, adaptable, and as close to standard as possible while still meeting your specific business needs.

When your processes are clean, you'll find it easier to adapt to changing business requirements, comply with new regulations, upgrade your SAP systems, train new employees, and improve operational efficiency.

In our next lesson, we'll dive into the Extensibility dimension of clean core - that's where we talk about how to customize your SAP system without creating a mess of technical debt.