What is SAP?

SAP is one of the world's leading producers of software for the management of business processes.

Overview

Founded in 1972, the company was initially called System Analysis Program Development (Systemanalyse Programmentwicklung), later abbreviated to SAP. Since then, it has grown from a small, five-person endeavor to a multinational enterprise headquartered in Walldorf, Germany, with more than 105,000 employees worldwide.

With the introduction of its original SAP R/2 and SAP R/3 software, SAP established the global standard for enterprise resource planning (ERP) software. Now, SAP S/4HANA takes ERP to the next level by using the power of in-memory computing to process vast amounts of data, and to support advanced technologies such as artificial intelligence (AI) and machine learning.

The company's integrated applications connect all parts of a business into an intelligent suite on a fully digital platform, thereby replacing the process-driven, legacy platform. Today, SAP has more than 230 million cloud users, more than 100 solutions covering all business functions, and the largest cloud portfolio of any provider.

Christian Klein leads the company, heads up the Executive Board of SAP SE, and, at 42, is the youngest CEO of any major enterprise on Germany's DAX blue chip market index.

Understanding SAP

What does SAP stand for? (What is SAP full form?)

The name is an initialism of the company's original German name: Systemanalyse Programmentwicklung, which translates to System Analysis Program Development. Today the company's legal corporate name is SAP SE — SE stands for societas Europaea, a public company registered in accordance with the European Union corporate law.

How do you pronounce SAP?

People often ask, "How do you say SAP?" It is an initialism, not an acronym, therefore, it is pronounced as individual letters (S-A-P). SAP is not pronounced as a word ("sap").
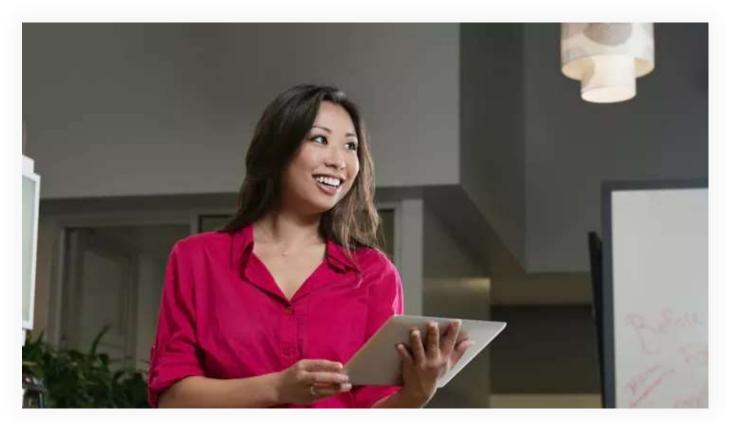
SAP Software

What is SAP software used for?

Traditional business models often decentralise data management, with each business function storing its own operational data in a separate database. This makes it difficult for employees

from different business functions to access each other's information. Furthermore, duplication of data across multiple departments increases IT storage costs and the risk of data errors.

By centralising data management, SAP software provides multiple business functions with a single view of the truth. This helps companies better manage complex business processes by giving employees of different departments easy access to real-time insights across the enterprise. As a result, businesses can accelerate workflows, improve operational efficiency, raise productivity, enhance customer experiences – and ultimately increase profits.

What is ERP software?

ERP stands for "enterprise resource planning." ERP software includes programmes for all core business areas, such as procurement, production, materials management, sales, marketing, finance, and human resources (HR).

SAP was one of the first companies to develop standard software for business solutions and continues to offer industry-leading ERP solutions.

Was SAP a startup?

SAP began with a small group of friends who had a big idea: a vision of a digitally connected enterprise. Dietmar Hopp, Klaus Tschira, Hans-Werner Hector, Hasso Plattner, and Claus Wellenreuther started the company as a private partnership in 1972 and launched the first commercial product a year later.

The founders and employees worked closely with customers – often sitting side-by-side in customers' offices to learn their business needs and processes. Learn more about the company's history.

Since then, the company has grown steadily, by expansion of its market and acquisitions worldwide, to transform from a small German startup company into one of the world's largest technology companies and a global leader in business software.

And it has never lost its pioneering spirit nor its determination to create trailblazing solutions that change people's lives for the better.

What does SAP do?

SAP helps companies and organisations of all sizes and industries run their businesses profitably, adapt continuously, and grow sustainably.

The company develops software solutions that are used by small businesses, midsize companies, and large corporations. With standard applications, industry solutions, platforms, and technologies, every business process can be mapped and designed. The software collects and processes data on one platform, from raw material purchasing to production and customer satisfaction. SAP solutions can be installed "on premise" at a user's location(s) or used from the cloud, helping companies analyse and efficiently design the entire value chain. SAP solutions can also be used to create forecasts, such as when a machine needs to be repaired or how revenue will develop in the next half year.

In addition, SAP helps customers seamlessly link operational data on business processes with experience data on emotional factors such as purchase experience and customer feedback. This enables companies to better understand and respond to their customers.

What SAP solutions are available?

SAP offers solutions across a wide range of areas:

ERP and Finance ›

CRM and Customer Experience ›

Network and Spend Management ›

Digital Supply Chain ›

HR and People Engagement ›

Experience Management ›

Business Technology Platform ›

Digital Transformation ›

Small and Midsize Enterprises ›

Industry Solutions ›

View the SAP Corporate Fact Sheet ›

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