

**SOA PEOPLE**



# S/4HANA (Cloud) Update & Outlook

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# Adoption status

## ADOPTION OF SAP S/4HANA CLOUD & ON-PREMISE

ALLGEIER

*Hitachi High-Tech*

 **BASF**  
We create chemistry

HERSHEY'S



**Deloitte.**

**SIEMENS**

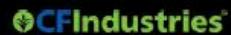


Lufthansa Group



**enel**



 **CF Industries**

**SONOS**

 **TOYOTA**



 **VIESSMANN**



 **Swiss Re**



**>12,000**  
Licensed customers

**>65%**  
of Forbes 2000 companies

**>80%**  
of all DAX companies

# Adoption status STE



HITACHI



globus

275+

Licensed Customers

102+

Live Customers

30%

Shorter delivery lead time  
for one retailer

48%

Reduction in days sales  
outstanding for one  
professional services firm

60%

Increase in operational  
efficiency for one  
manufacturer

80%

Faster report  
generation

95%

Faster material  
requirements  
planning



bloom.



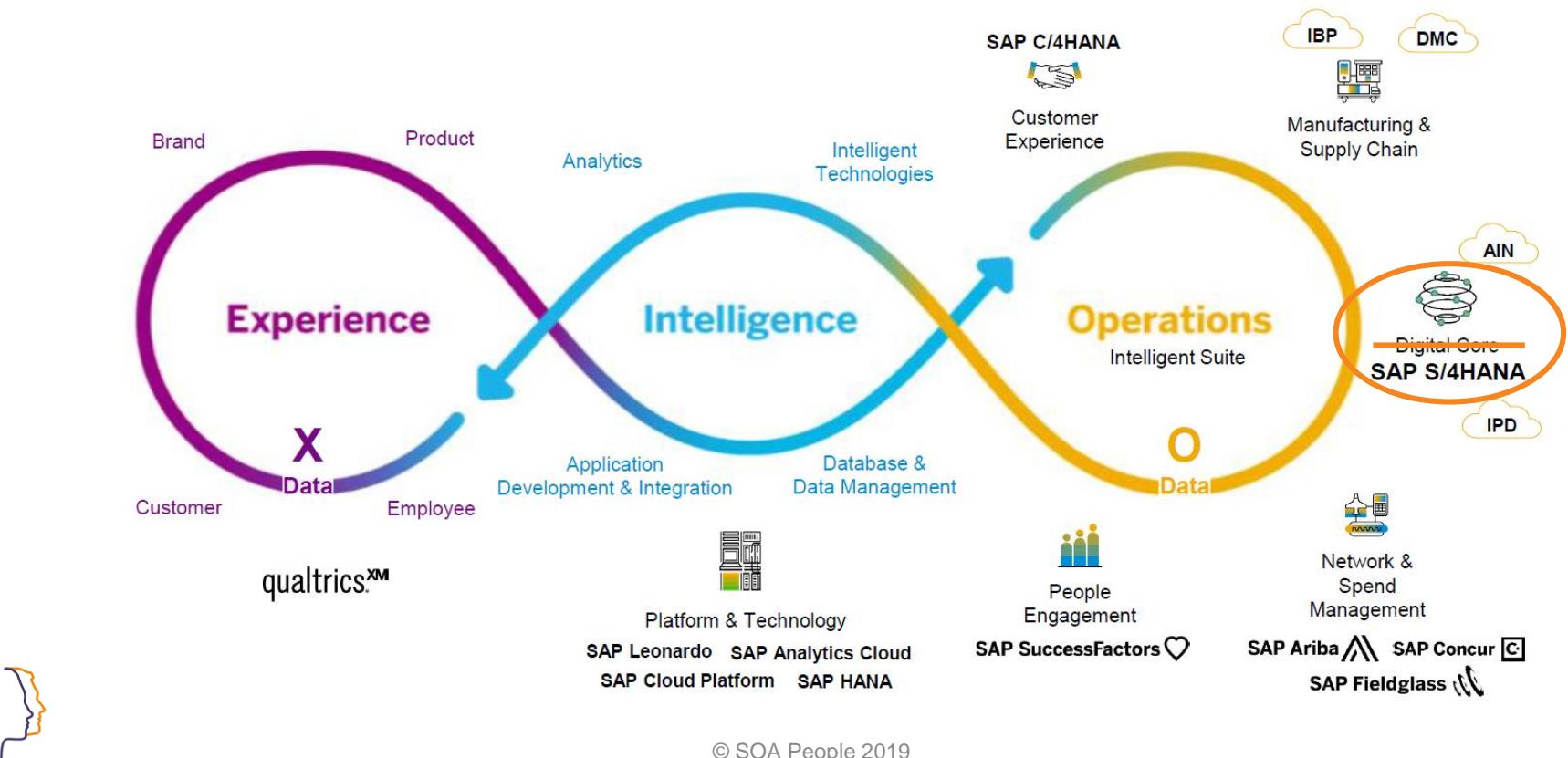
# AGENDA

- IE strategy

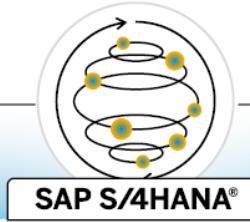
- Latest highlights

- Q&A

# Intelligent Enterprise extended with Experience Mgt

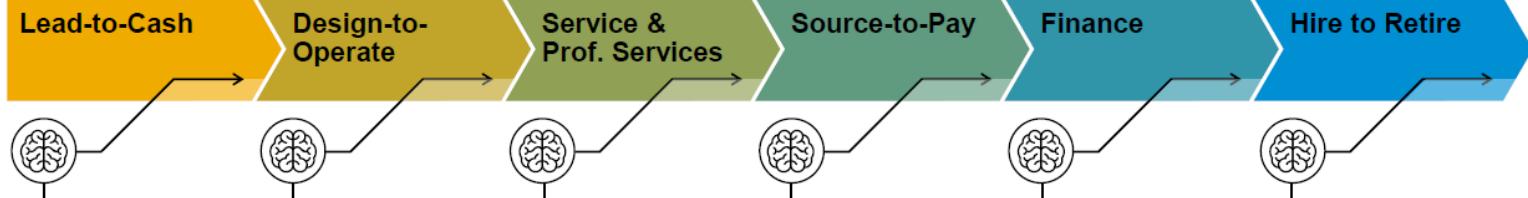


# The Big Picture



- 1 Scope
- 2 Process Integration
- 3 UX & Embedded Intelligence
- 4 Planning & Analytics
- 5 Operations & Security

Finance & Financial Planning • Supply Chain • Manufacturing • Asset Mgmt.  
• Supply Chain Planning • Procurement • Sales • Service • R&D / Engineering



XPA (Cross-Planning & Analytics) + Real Time Steering

S/4HANA Cloud  
SaaS

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



# Intelligent technologies

200 embedded scenarios

SAP S/4HANA

Interact

SAP Conversational AI (CAI)

Chatbots to interface and hand-over to execution bot



Execute

SAP Intelligent RPA (iRPA)

Multiple bot workflows for execution  
(attended + unattended)



Optimize

SAP Data Intelligence (incl. ML)

Self-learning bots with dynamic adaptability



Interfacing

Performing Tasks

Learn from exceptions

Common Platform

# S/4HANA Cloud is available in 25 industries

Consumer Industries				Discrete Manufacturing				Energy and Natural Resources				Financial Services		Public Services			Service Industries							
Consumer Products	Life Sciences	Retail	Wholesale Distribution	Aerospace and Defense	Automotive	High Tech	IM&C	T&T	Chemicals	Mill Products	Mining	Oil and Gas	Utilities	Banking	Insurance	Defense and Security	Healthcare	Higher Education and Research	Public Sector	Engineering, Construction and Operations	Media	Professional Services	Telecommunications	Sports & Entertainment
Agribusiness	Biopharmaceuticals	Groceries	Industrial	Manufacturer & Tier 1 Supplier	OEM (Automotive)	OEM (High Tech)	Component Manufacturing	Airlines	Basic Chemicals / Petrochem.	Mill Discrete	Service	Exploration and Production	Waste and Environmental Services	Capital Markets	Insurance	Departments of Defense	Healthcare Providers	Higher Education	Social Protection	Self Performing Construction	Agencies	IT-Serv. & BPO (HZ)	Telcos & Digital Service Providers	Sports
Fashion	Medical Devices	Hard Goods	High Tech	Tier 2+ Supplier	Sales and Service Organizations	Semi-conductor	Automation and Control Solutions	Airports	Specialties	Asset-Intensive Process Manufacturing	Exploitation, Processing, Trading	Marketing and Retailing	Integrated Utility	Retail and Commercial Banking	Re-Insurance	Public Security	Research	Postal	Construction Management	Broadcasting	Consulting, Audit, Tax			
Home & Personal Care	Do-it-yourself	Food & Beverages	MRO & MRE Service Providers	Supplier	Software Providers	Construction and Mining Equipment	Freight Forwarding and 3rd Party Logistics	Agro-chemicals	Complex Process Manufacturing			Oil Field Services	Power Gen	Central Banks			Revenue Management Agencies	Commercial Real Estate	Entertainment	Staffing Services				
Durable Goods	Fashion	Pharmaceuticals			Non-Semiconductor Components	Energy and Power Equipment	Hospitality	Industrial Gases				Refining	Transmission	Wealth Management			State & Local Government (North America)		Newspaper and Magazine Publishers	Bus. Services Ind. Facility Mgt.				
Food					Machinery and Equipment	Liner Shipping						Transportation, Storage, and Distribution	Distribution				Premium Content Publishers	Legal Services						
Beverage					Rail Equipment and Shipbuilding	Ground/Sea Passenger Transport							Rail Cargo		Retail									
													Travel Service Providers		Water									
													Trucking											

# Intelligent Cloud ERP\*

## Intelligent Enterprise Suite

(all business processes, including non-ERP processes)



## Intelligent Cloud ERP

(defined along E2E Processes)



Intelligent Cloud ERP\* is the new **ERP in the public cloud**, containing ...

- ... S/4HANA Cloud
- ... further cloud solutions which are relevant for an **ERP scope in the cloud**, i.e., parts of SuccessFactors, Ariba, Concur, SAP Analytics Cloud



# AGENDA

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# Finance

## TOP-DOWN Prediction

Time series algorithm on historic data in order to predict future values considering trend, cycles and/or fluctuation

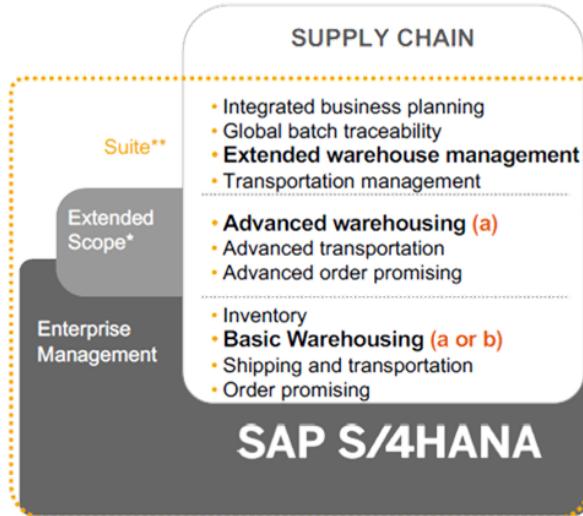


## BOTTOM-UP Prediction

Predictive Accounting on the basis of predicted documents being part of an individual business process and its document flow



# SCM – Warehouse Management



All customers converting to SAP S/4HANA from an existing ECC system with LE-WM, will – initially after conversion – reside on LE-WM as compatibility scope<sup>1</sup>.

Going forward, warehouse management functionality within SAP S/4HANA, is delivered via two options:

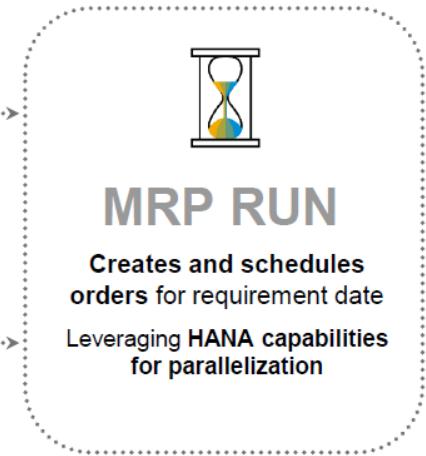
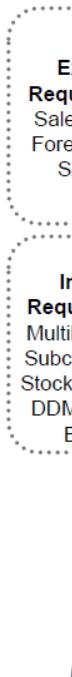
- Customers **innovating their warehouse processes** follow SAP's strategic direction and will convert to **embedded EWM** with the option to run basic and/or advanced scope (which has license implications).
- Customers with no desire to manage or even optimize complex warehouse processes, and who want to **keep their established offering**, can technically stay on LE-WM and use the **stock room management** functionality with certain restrictions<sup>2</sup>

Both options can also co-exist within one deployment and customers looking for a decentral approach can use SAP S/4HANA EWM standalone for some or all of their warehouses.

<sup>1</sup>2269324 - Compatibility Scope Matrix for SAP S/4HANA on-premise

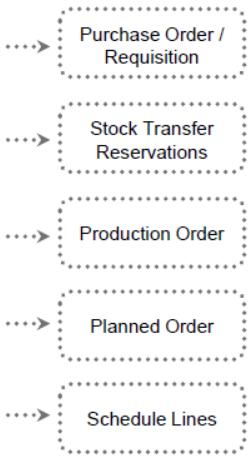
<sup>2</sup> Not included are Task & Resource Management (WM-TRM), Warehouse Control Unit interface (WM-LSR), Value Added Service (WM-VAS), Yard Management (WM-YM), Cross-Decking (WM-CD), Wave Management (WM-TFM-CP), and decentral WM (WM-DWM)

# Manufacturing



## MRP RUN

**Creates and schedules orders for requirement date**  
**Leveraging HANA capabilities for parallelization**



### Analyze & Manage Material Bottlenecks

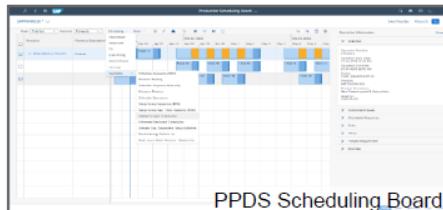
Use the MRP cockpits to detect disruptions in material availability via Exception & KPI's. Simulate their impact, resolve issues and use change requests to track resolution flow.



MRP Simulation & Resolution

### Constraint based planning (PPDS) and/or Create Optimal Orders\*

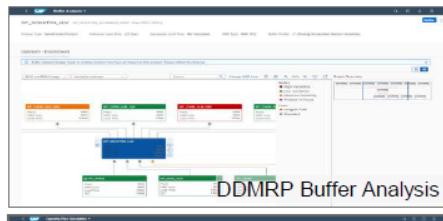
Analyze resource impact of schedules  
Use PPDS Planning Board & heuristics for Reschedules & Pegging Optimization and/or create collective MRP Purchase Orders for individual suppliers.



PPDS Scheduling Board

### Demand Driven MRP\*

Use DDMRP to prioritize Sales over forecast and create strategic forward looking inventory buffers. Let the system analyze the material flow to propose a dynamically optimized stock situation to lower risk for strategic replenishment gaps



DDMRP Buffer Analysis

### Predictive MRP\*

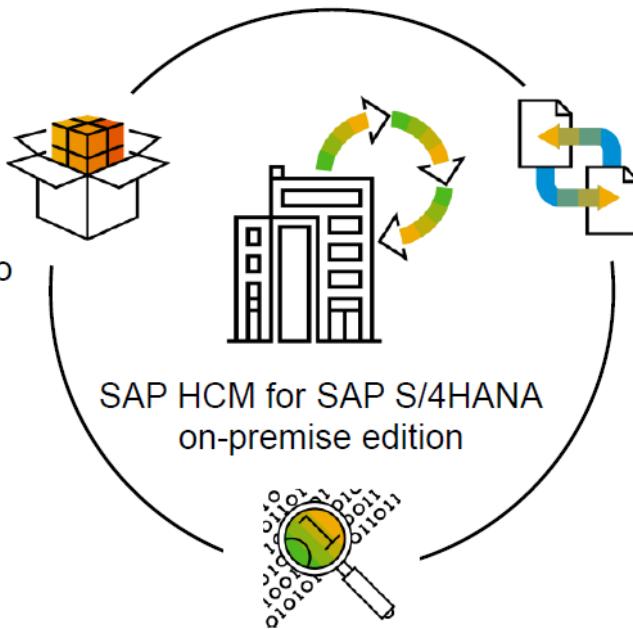
New mid/long term solution to influence capacity planning through MRP prediction. Includes options to simulate and resolve capacity, material and production gaps in a plant before they occur.



pMRP simulation

## Product

- Scope comparable to S/4HANA Compatibility Pack and key functionality of SAP ERP HCM
- Based on ERP HCM (EhP 8), likely to be supplemented with some HANA-based capabilities.
- No major additional functional additions or re-architectures are planned
- Only available for on-premise deployment
- Available in 2022



## Transition

- Customers can run HCM embedded or on a separate SAP S/4HANA instance
- Customers will need to migrate to SAP HANA.
- Migration tools and services will be provided to help facilitate a non-disruptive migration from SAP HCM or SAP S/4HANA compatibility pack
- A license conversion will be offered

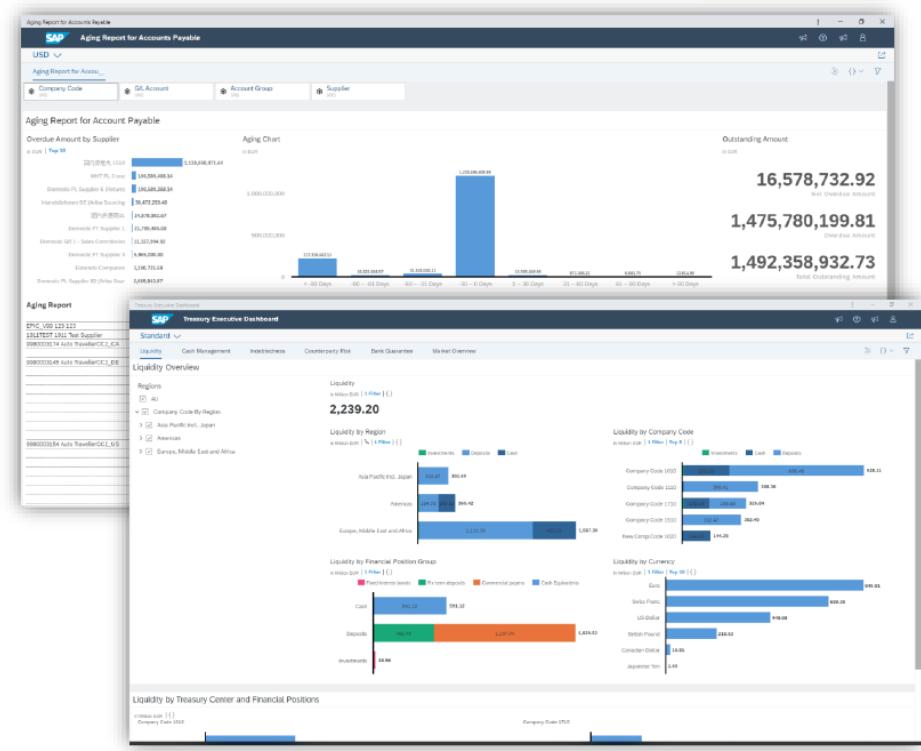


# SAC integration

Dashboards and multidimensional reports based on SAP Analytics Cloud (SAC) provides deep insights into your business using reporting and data visualization, which will help you make better decisions. From this release, SAP S/4HANA provides Fiori Apps with Dashboards powered by SAC. This allows users to leverage SAC capabilities while navigating within SAP S/4HANA Cloud the well known ways.

Dashboards	Roles
Disputes	Accounts Receivables Manager
Aging Report for Payables	Accounts Payables Manager
Treasury Executive Dashboard	Treasury Risk Manager
Group Financial Statement	Group Accounting Manager

Data Analyzer Reports	Roles
Group Report	Consolidation Specialist
Group Report with Reporting Rules	Consolidation Specialist



# Fiori 3

1909:

- Quartz theme
- New shall header (no viewport)

Planned:

- Cards
- Improved situations
- CoPilot / CAI
- Etc.



The screenshot illustrates the evolution of the SAP Fiori interface from version 1909 to Fiori 3. It highlights several key changes:

- Logo replaces Home button:** The SAP logo has replaced the traditional home button in the top navigation bar.
- Navigation:** The navigation bar includes links for "My Home", "Employee Self Services", "Purchase Requisition Processing", "Purchase Order Processing", "Purchase Contract Processing", and "Supplier Management".
- Product specific actions:** A callout points to the "Recent Activity" and "Frequently Used" sections under the user profile, which are specific to the materials monitoring application.
- User action menu replaces Me Area:** The user profile area now includes a "User Action Menu" with options like "Recent Activity", "Frequently Used", "App Finder", "Settings", "Edit Home Page", and "Sign Out".

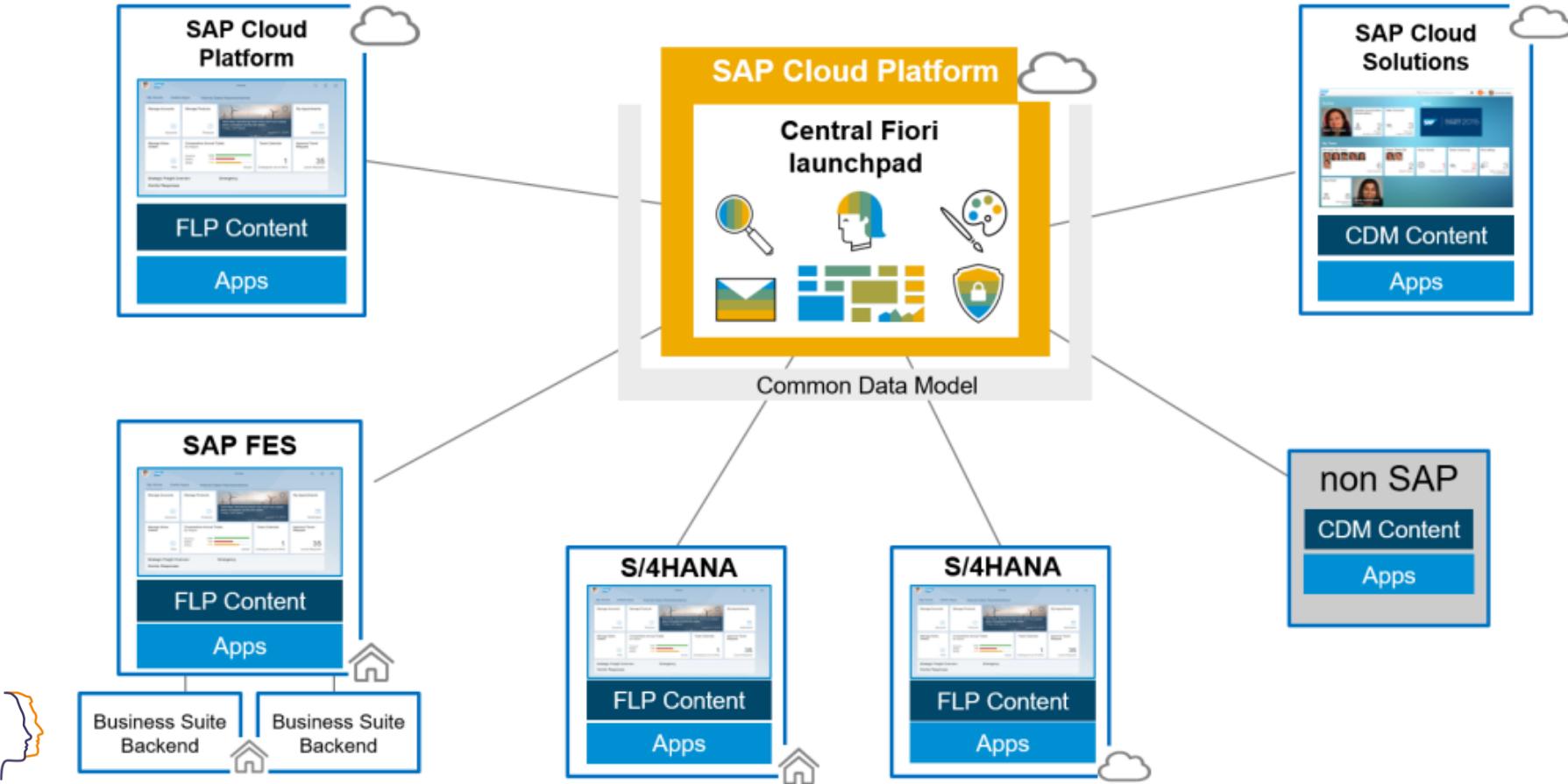
**Monitor Materials Without Contract View:**

- Materials:** A scatter plot showing the number of PO items versus value.
- Proposal Status:** A legend indicating proposed, not proposed, and contract exists status.
- Materials (56):** A table listing materials with their ranking, M&S codes, and descriptions.

**Home View:**

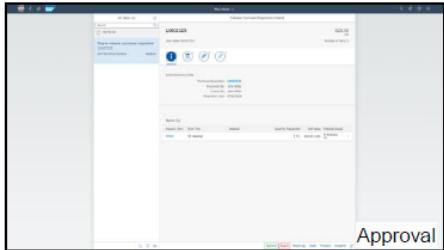
- My Inbox:** Shows 4 items.
- Monitor Situations:** Shows 108 open instances.
- Monitor Purchase Order Items:** Shows 1.84K overdue items.
- Monitor Purchase Contract Items:** Shows 3 expiring items.
- Purchase Order Value and Schedule Agreement Value:** Shows 809.6M since the beginning of last year.
- Invoice Price Variance:** Shows 299.3 since the beginning...
- Spend Variance:** Shows 31.46% since the beginning...
- Overdue Purchase Order Items:** Shows 2K items.
- Upload Supplier Invoices:** A card with a file icon.
- Purchasing Group Activities:** Shows 11.76K purchasing documents by group.
- Procurement Overview:** Shows procurement data for RM, TG, and Group 001.
- Non-Managed Spend:** Shows 0% spend.
- Monitor Materials Without Purchase Contract:** Shows 51 items.
- Purchase Requisition Item...** Shows 51 items.

# cFLP

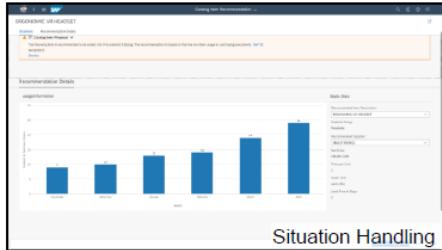


# Business process handling

Free-text purchase requisition .....> Approval .....> Purchase order .....> ML: Notification/Situation Handling .....> Create purchase catalog item



Approval



Situation Handling

A screenshot of a software interface titled "Purchase Requisitions". It shows a grid of requisitions with columns for "Requisition ID", "Supplier Name", "Status", and "Last Update". A specific requisition is selected, showing details like "Requisition ID: 123456", "Supplier Name: ABC Company", and "Status: Pending Approval".

Purchase Requisition

A screenshot of a software interface titled "Purchase Orders". It shows a grid of orders with columns for "Order ID", "Supplier Name", "Status", and "Last Update". A specific order is selected, showing details like "Order ID: 123456", "Supplier Name: ABC Company", and "Status: Pending Approval".

Purchase Order

A screenshot of a software interface titled "Create New Item". It shows a form with fields for "Item Name", "Supplier Name", "Status", and "Last Update". Below the form is a section titled "Suggested Information" with dropdown menus for "Category" and "Sub Category".

Create Catalog Item

## Responsibility Management

- Maintains responsibilities for team members flexibly
- Integrates with workflow and situation handling
- Supports complex scenarios (hierarchies) to determine the responsible recipients



## Business Workflow

- Synchronize and proactively deliver work in the right sequence at the right time to the right people
- Business departments can model, configure and administrate the workflows
- The difference to Suite Workflow [blog](#)

## Situation Handling

- Brings urgent issues to the attention of business users, who can react immediately to the notifications they receive
- Optimize your business processes by enabling automation and machine learning

# ML



## Typical Machine Learning Business Pattern

**Prediction**  
of future conditions based  
on past data patterns

**Automation**  
substitute steps in  
business processes,  
which were originally  
handled by humans

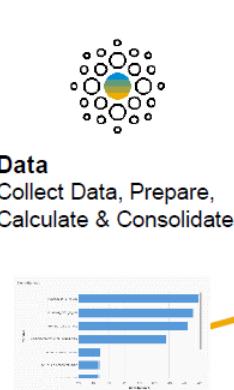
**Augmentation**  
support decisions with  
proposals of datasets/  
actions based on current  
context

**Pattern Recognition**  
provide insights into a  
dataset and classify  
recognized patterns



Moderate ML requirements like *Forecasting, Trending, Influencers* using Algorithms like *Regression, Clustering, Classification, Time-Series* etc. can be handled embedded in **SAP S/4HANA**.

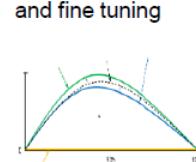
More complex ML requirements with also external data and more complex Algorithms and requirements including also *Image Recognition, Sentimental Analysis, Natural Language Processing and Deep Learning* are typically offered side by side in **Leonardo / SAP Cloud Platform**.



A screenshot of the SAP S/4HANA interface titled "Predictive Stock in Transit". The screen displays a list of items with various status indicators and metrics, demonstrating how SAP integrates machine learning into its core business applications.

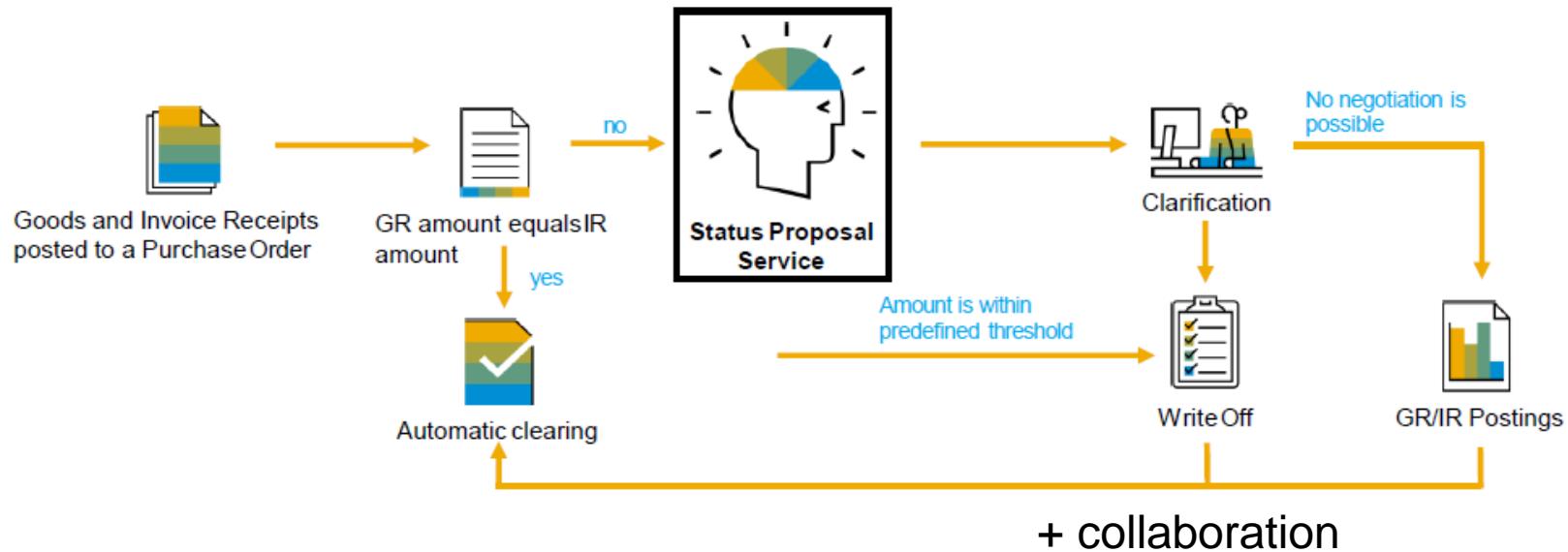
A screenshot of the SAP Leonardo interface titled "Smart Collaboration with Co-Pilot". The screen shows a grid of icons representing different AI and ML services, illustrating the platform's modular architecture for handling complex requirements.

A screenshot of the SAP Leonardo interface titled "Recommendations in GR/IR Cockpit". The screen displays a dashboard with various charts and tables, showing how recommendations are generated and presented to users.



A screenshot of the SAP Leonardo interface titled "Relevance & Rank items to Propose Contracts". The screen shows a detailed view of the recommendation process, including data analysis and model tuning, demonstrating the end-to-end machine learning pipeline.

# ML example: Goods Receipt / Invoice Receipt





Monitor GR/IR  
Account  
Reconciliation

## Reconcile GR/IR Accounts



# SAP S/4HANA Cloud Highlights of 2020

SAP S/4HANA will be an integral part of all **end-to-end processes**:

- **Engineer-to-Order** process: combination of Digital Supply Chain, Industry solutions, and SAP S/4HANA

The Intelligent Enterprise becomes tangible:

- Finalization of 2019 scenarios
- Integration of **supply chain solutions** (IBP, TM, EWM, Asset Management)

Focus on Artificial Intelligence:

- Embed intelligent technologies into the E2E process chain → process optimization
- Conversational Artificial Intelligence

Integration of **SAP Analytics Cloud**:

- Shift focus from **analytics** to **planning**
- First use cases for **cross-LoB** planning will be delivered

Implementation of **SAP Fiori 3**:

- Coverage of full E2E process chain for key personas
- Increase **Fiori Usage** in SAP S/4HANA Cloud to 80%

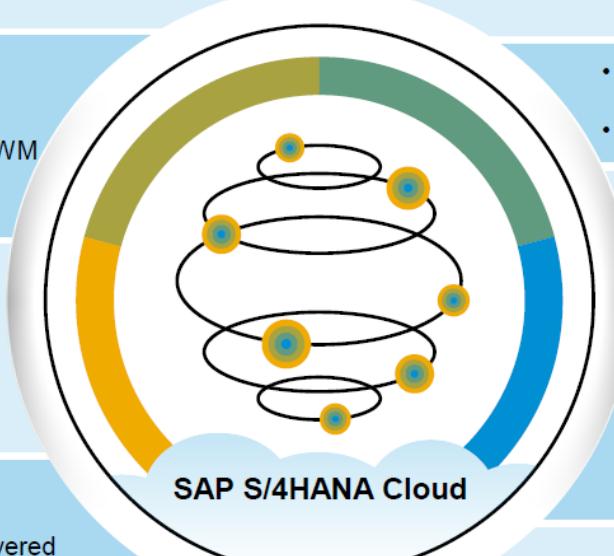
**Business Configuration framework X/4:**

- Migration of all customers to the framework
- Authoring environment and **content restructuring**

- Near zero downtime for hotfixes and maintenance patches
- Reduction of **upgrade time**

- Qualtrics embedded along the S/4HANA process chain
- Usage of experience data & value generation

- Cloud-like delivery and continuous shipment of (monthly) selected capabilities with **plan to scale**
- Further **TCO** reductions being made.



Application innovation scope topics:

- Finance: Self-Auditing
- Enable Multiple Ledgers
- Solution & Bundling business

# View of the board

## Improving the S/4 HANA Journey

MANAGING COST AND ENSURING FASTER TIME TO VALUE

### CLEAR PATH TO THE CLOUD

**Partnership with Microsoft**  
to simplify journey to the  
cloud through "Embrace"

**New SAP MaxAttention  
services** designed for  
migration to hyperscalers

### BEST PRACTICES / ADOPTION TOOLS

**Advanced tools** to improve  
data migration & reduce  
integration efforts

**Pre-packaged, ready-to-  
use, E2E solutions** for  
faster time to value

### SAP & PARTNER ECOSYSTEM OFFERINGS

**Conversion Factories** for  
fixed price migration  
offerings

**Integrated Delivery  
Framework** orchestrating  
best of SAP's & partner's  
offering

# AGENDA

- IE strategy
- Latest highlights
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# Q&A





THANK YOU

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