The next generation business suite

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The digital value network interconnects all aspects of the value chain in real time to drive business outcomes

Smarter and engaged *workforce* across all employees

Harness *Assets & Internet of Things* to drive real-time insights and new business model

Outcome-based *consumer* experience

Re-platform *core business processes*, and bring together business process and analytics in real time to be smarter, faster, and simpler

*SAP HANA PLATFORM*
Digital Business translates into:

1. Integrated **Traditional & Digital** Business
2. Increased **Throughput** requirements derived from endless low value transactions
3. Advanced demand of **UX** requirements with increasing number of untrained users from outside the companies
4. Combined **OLAP & OLTP** for instant decisions
5. Higher degree of **Automation** for ‘things’ based processing
6. Usage of **HANA capabilities** like search, pattern recognition, unstructured data, text analysis, spatial, … data processing
7. **Data Mining** to do the right things, correlation not co-incidence
Digitize beyond the core, embrace the digital economy

**Digital economy**
- Internet of Things
- Big Data
- Business networks
- Devices
- Social networks
- People

**Digital core**
- User empowered
  - Instant insight
  - Contextual information
  - Personalized experience
- Process enriched
  - Scalability
  - Real time
  - Prediction
  - Simulation
- Live data
  - Granular
  - Responsive
  - Accurate

**Digital transformation**
- On-premise edition
- Cloud edition
- Segment of 1
- Lot size of 1
- No latency
- At scale
SAP S/4HANA only 1 year after the launch

2,700+
Licensed Customer Scenarios

713+
Active Customer Projects

In all 26 industries & 66 countries

32 in SAP HANA Enterprise Cloud

141
Live Customers

In all 26 industries & 66 countries

32 in SAP HANA Enterprise Cloud
SAP S/4HANA

Choice of Deployment

Cloud Qualities

SAP S/4HANA

On-Premise Edition

Cloud Edition

Simplify
ability

Migrate-ability

User Experience & Work Patterns

SAP S/4HANA

On-Premise Edition

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De-normalized Data Models

- Traditional normalization in relational DB saved data volume but incurred duplication and performance loss (needed joins, unions, replication, …)
- Columnar store compresses per column and changes the fundamental need for normalization
- Result: Performance gains (no joins …), multidimensional analysis, simpler code and data models, hierarchy simulation capabilities
SAP S/4HANA massively reduces complexity in IT Landscape

<table>
<thead>
<tr>
<th>SAP S/4HANA Finance</th>
<th>SAP S/4HANA Supply Chain</th>
</tr>
</thead>
<tbody>
<tr>
<td>BKPF</td>
<td>MSEG</td>
</tr>
<tr>
<td>ABSEGAGA</td>
<td>Master Data</td>
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<tr>
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<td>MKOL</td>
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<tr>
<td>COSP</td>
<td>MSTBH</td>
</tr>
</tbody>
</table>

Simplified data model
- Semantically rich data model
- Drop performance workarounds
- Keep all information
- Overcome locking and increase throughput
- Enable simulation
Investment Protection
Non-Disruptive with Compatibility Views

Program Reading Aggregate

Aggregate / Index

Compatibility views calculate on the fly

Program Reading Aggregate

Header

Item

Suite on HANA

SAP S/4HANA

DB Tables
Use Cases for the Virtual Data Model in SAP S/4HANA

- **Generic SAP BI clients and Analytical Apps**
  - e.g. SAP BusinessObjects Analysis for Office, SAP BusinessObjects Design Studio, Smart Business cockpits

- **embedded Business Intelligence: Hybrid Transactional and Analytical Applications**
  - e.g. SAP Embedded BI or SAP Smart Business cockpits

- **Extraction to SAP BW**

- **Read-access for Fact Sheets Search**

- **Virtual Data Model**
  - for Search, operational and analytical processing

- **Application Tables**

- **External Sources / IOT**

- **Customer Extensions**

*This way SAP enables existing BW extractors to also support Simple Finance and other Innovations in SAP S/4HANA*
SAP Fiori UX, modern user experience and responsive design

**TODAY**

- Functional-based applications
  - **FROM:** One transaction for multiple roles with too much and complex functionality
  - **FROM:** Multiple entry points for the user and inconsistent user experience

**TARGET**

- Role-based applications
  - **TO:** Decomposed apps for each role with simple functions
  - **TO:** One entry point for the User and UX following common design directions

*This is the current state of planning and may be changed by SAP at any time.*
Key Capabilities of a Responsive Design with SAP Fiori

Example: SAP S/4HANA Finance
Consolidation of activities,
Intelligent navigation patterns, Intuitive usability

- Contact data
- Credit data: UKM_BP
- Personalized post-it notes
- Trends & analytics at a glance

Example: SAP S/4HANA Manufacturing - MRP Cockpit - Material Shortage

- Full customer contact history
- Personalize layout variants
- Context-dependent actions

Simulation
Decision Support
Key Business Innovations for finance

**Universal Journal**
- Ultimate single source of truth for instant insight and easy customer extensions
- ONE line item table with full detail for all applications
- This replaces the “logical document” of release 1.0.
- Secondary cost elements are now G/L accounts.
- Data stored only once: no reconciliation needed by design
- Reduction of memory footprint through elimination of redundancy.

**Accelerated Financial Close**
- Improved soft close and hard close
- Real-time profitability by earlier derivation of market segment
- Correct asset acquisition values at any time - now also for valuation areas with “special items”
- Elimination of multiple reconciliation tasks due to the universal journal
- Significant speed-up of asset depreciation run.

**Central Finance**
- Real-time replication of secondary CO postings from several source systems into a central system
- Document drill back to the original FI document in the source system
- Replication of cost objects (production orders, product cost collectors, and internal orders)
- Mapping functionality for harmonization of master data (optionally via MDG solution)
- Centralized error handling with the error correction and suspense tool.
Key innovations in logistics

**Material Requirements Planning**
Fast MRP run, and new working model for MRP controllers based on decision support.

**Inventory Management**
Simplified data model resulting in increased throughput, flexible analytics at the most granular level.

**Available To Promise & Backorder processing**
Enhance ERP by advanced ATP capabilities in APO, new coding to make it better, innovation benefit as functionality will be refreshed.

**Capacity Planning**
New deployment option for bringing PP/DS on ERP, reducing integration efforts, allowing seamless master data & UI harmonization.

**Material Valuation**
Principle of One, scalable material valuation capabilities, utilizing Material Ledger, that way customers can use multi-currencies, valuation methods per different accounting laws like GAAP.

**Order Management & Billing**
Enable monitoring of end-to-end order-to-cash process & take actions for any exceptions, information on the exceptions to resolve the issues, lower TCO due to data model simplification, support for the most recent versions of business features such as FSCM Credit Management, GTS Foreign Trade, SAP Simple Finance Revenue Accounting, new analytical capabilities.

**Procurement**
Increased efficiency in the Procure-to-Pay processes, new Analytical Apps & Spend KPI’s, Ariba Network Integration for PO Order and IV.

**Industry to Core**
Discrete industries functionalities such as Just-in-Time & Just-in-Sequence available for wider cross industry adoption through the Core.

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SAP S/4HANA
The 3 transition scenarios

- **New Implementation**
  - ERP System
  - Non-SAP System
  - On-Premise
  - S/4Cloud

  - **Example:** New or existing SAP customer implementing a new SAP S/4HANA system with initial data load

- **System Conversion**
  - ERP System
  - On-Premise
  - SAP S/4HANA

  - **Example:** Complete conversion of an existing SAP Business Suite system to SAP S/4HANA

- **Landscape Transformation**
  - ERP System - Region A -
  - ERP System - Region B -
  - ERP System - Region C -
  - On-Premise
  - S/4Cloud

  - **Example:** Consolidation of current regional SAP Business Suite landscape into one global SAP S/4HANA system or selective data migration
Your way to SAP S/4HANA
Scenario 1 – System Conversion

Scenario description
Customers who want to change their current system into a SAP S/4HANA system.

Database, NetWeaver and Application transition in one step.

Benefits
+ Migration without reimplementation
+ No disruption for existing business processes
+ Re-evaluation of customization and existing process flows

What
Installation
Rapid Database Migration of SAP Business Suite to S/4 HANA (all one step migration, including sFIN/sLOG conversion) using SUM with DMO

How
Rapid Database Migration of SAP Business Suite to S/4 HANA (all one step migration, including sFIN/sLOG conversion) using SUM with DMO
Your way to SAP S/4HANA
Scenario 2 – Landscape Transformation

Scenario description
Customers who want to **consolidate** their landscape or **carve out** selected entities or processes into an **existing** SAP S/4HANA system.

Benefits
+ Stay with current business processes and move gradually to S/4HANA innovations
+ Harmonized business processes and shared master data through consolidation
+ Carve out of single entities of the company to SAP S/4HANA and leverage process simplification

What | How
--- | ---
1 | Install (and configure) S/4HANA
   | SWPM (Software Provisioning Manager)
2 | Selective Data Migration service (SLO) with SLT
   | Individual harmonization project required

AnyDB or SAP HANA
SAP GUI
SAP ERP Core
SAP S/4HANA (SAP GUI) / SAP Fiori
SAP S/4HANA Core
SAP HANA

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Your way to SAP S/4HANA
Scenario 3 – New Implementation

Scenario description

**New implementation** of SAP S/4HANA e.g. for customers migrating a legacy system.

Benefits for the customer

+ Reengineering and process simplification based on ready-to-run business processes and reference solution delivered with the product
+ New implementation of industry-leading Business Suite
+ Pre-defined migration objects & Best Practices available in a guided process

**What** | **How**
--- | ---
1. Install S/4HANA | SWPM (Software Provisioning Manager)
2. Initial data load from source system | Data Migration Server / Migration WorkBench
   - SAP source: system connection
   - Legacy system: file upload
The Road to SAP S/4HANA

- A customer can move from SAP Business Suite to SAP Simple Finance, on-premise edition 1503. This is the currently (as of August 2015) available option offering simple finance functionality.
- With Q4/2015 a customer can move from SAP Business Suite to SAP S/4HANA, on-premise edition 1511. This option offers simplified functionality in financials and logistics areas.
- Customer with SAP Simple Finance, on-premise edition 1503 can move to SAP S/4HANA, on-premise edition 1511.
- One customer might move first to SAP Simple Finance on-premise edition 1503 and then to SAP S/4HANA, on-premise edition 1511. With that tasks are distributed over a timeline. Another customer might take a bigger step and introduce simple finance and simple logistics in one step.
Where to go for more information

Discover SAP S/4HANA

SAP S/4HANA, cloud edition trial

SAP S/4HANA, on-premise edition trial

Co-Innovation @ SAP S/4HANA

Joint the Community

Top Questions and Answers

How to get there … S/4HANA Cookbook

Detailed SAP S/4HANA road map:
SAP Service Marketplace