ASUG
Americas' SAP Users' Group

S/4HANA Cloud - The Intelligent ERP

Marco Valencia
VP, SAP S/4HANA Cloud Product Management, SAP Labs, LLC.

Leonardo De Araujo
VP, Beyond Technologies

Session ID #83650

SAP SAPPHIRE**NOW** | **ASUG**ANNUAL CONFERENCE

May 7 – 9, 2019

S/4HANA Cloud - The Intelligent ERP

Marco Valencia, SAP
May 2019

THE BEST RUN **SAP**

Agenda

- The Intelligent Enterprise

- Advantages in SAP S/4HANA Cloud

- Functional and Technical Innovation Update and Roadmap

- Deployment strategies

Top trends in ERP
The move to cloud enables intelligence and more

Cloud has created the opportunity to quickly take advantage of advances in intelligence and user experiences while encouraging customers to choose fit to standard configurations with industry best practices

SaaS and Cloud Enabled

- Anywhere, anytime access
- Faster time to innovation
- Faster time to value
- Packaged, fixed-price, fixed-time implementations
- Suitable to subsidiaries and smaller customers
- Focus on customer satisfaction

Intelligence

- Machine learning
- Advanced analytics on curated data sets
- Benchmarking company performance against peers using anonymized SaaS data
- Human tasks reduced as technology does more

UX Improvements

- Intuitive workflows
- Interactive designs
- Social collaboration
- Reduced human interaction
- Voice-enabled
- Augmented reality
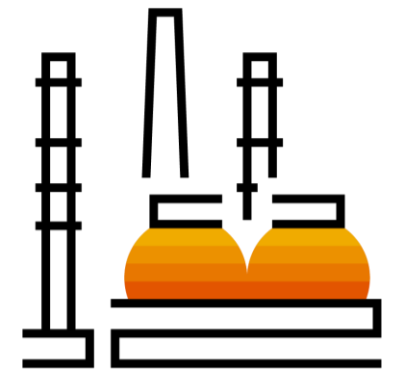
Industry Best Practices

- Pre-configured vanilla setups are just fine; choosing fit to standard over customization
- Built-in industry features – both horizontal apps and industry-specific modules
- Industry- and role-specific dashboards and KPIs
- Learning from prior cloud implementations

So, how do you gain the agility your business crucially needs?

SAP S/4HANA
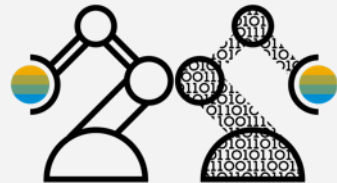
Your trusted path to an intelligent enterprise

Digital Age User Experience

Digital assistance and natural language conversations for increased productivity and user satisfaction

Intelligent Automation

Artificial intelligence and robotic process automation eliminate more than half of manual tasks
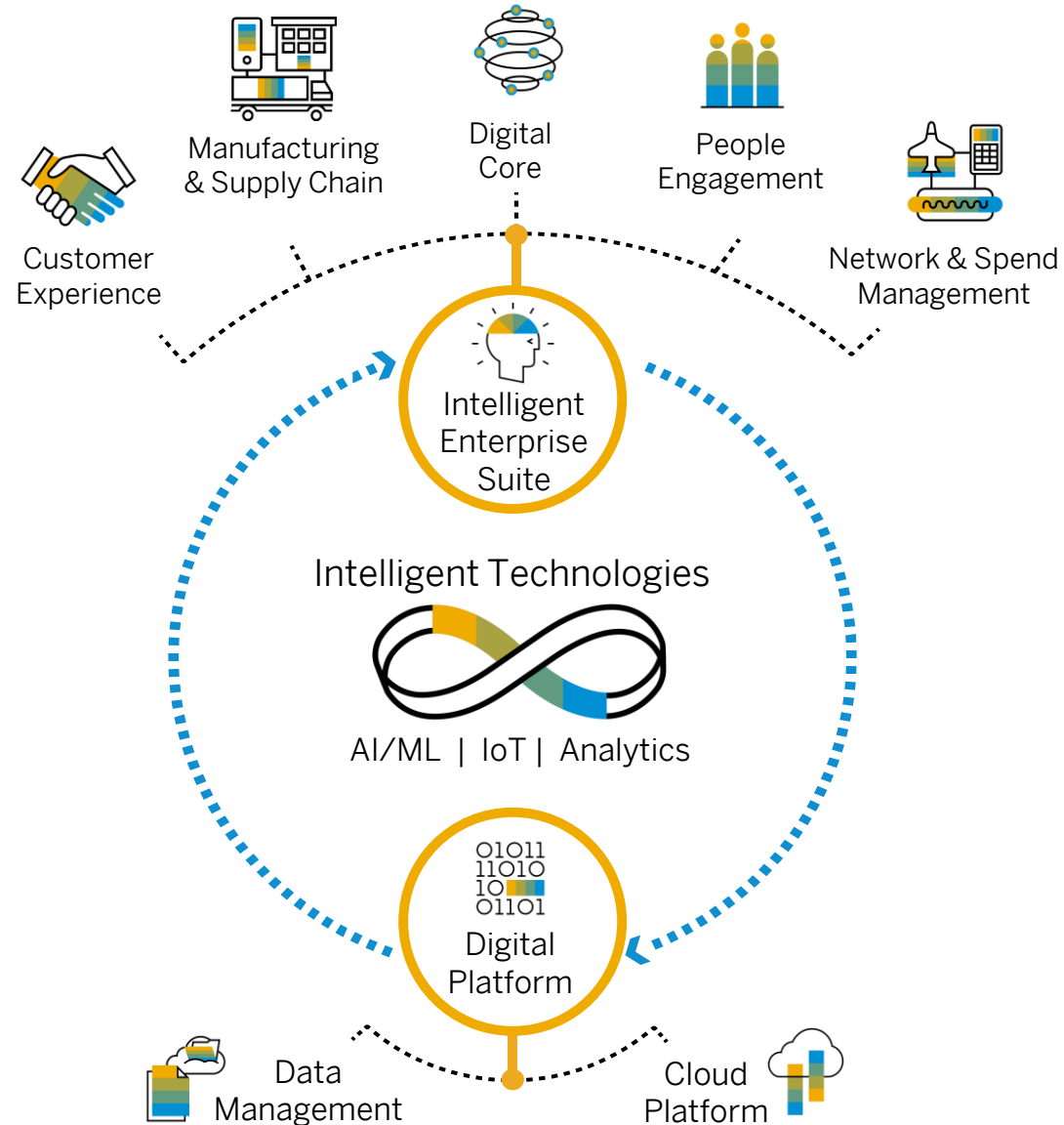
End-to-end Analytics

Context aware, real time, predictive insights so you can make better decisions, faster

SAP's Strategy of the Intelligent Enterprise

THE INTELLIGENT ENTERPRISE features 3 KEY COMPONENTS:

Customer Experience

Manufacturing & Supply Chain

Digital Core

People Engagement

Network & Spend Management

Intelligent Enterprise Suite

Intelligent Technologies

AI/ML | IoT | Analytics

Digital Platform

Data Management

Cloud Platform

1 Intelligent Enterprise Suite

2 Intelligent Technologies

3 Digital Platform

We are creating a new market standard by defining the innovative core ERP, differentiating through functional completeness and intelligence

SAP's definition of Core ERP

Analytics

Master Data Management

Planning *	Travel & Expense	Core HR
	Finance	
	Design, Production & Logistics	Resource Scheduling
		Project Mgt
Sales & Service	Procure	
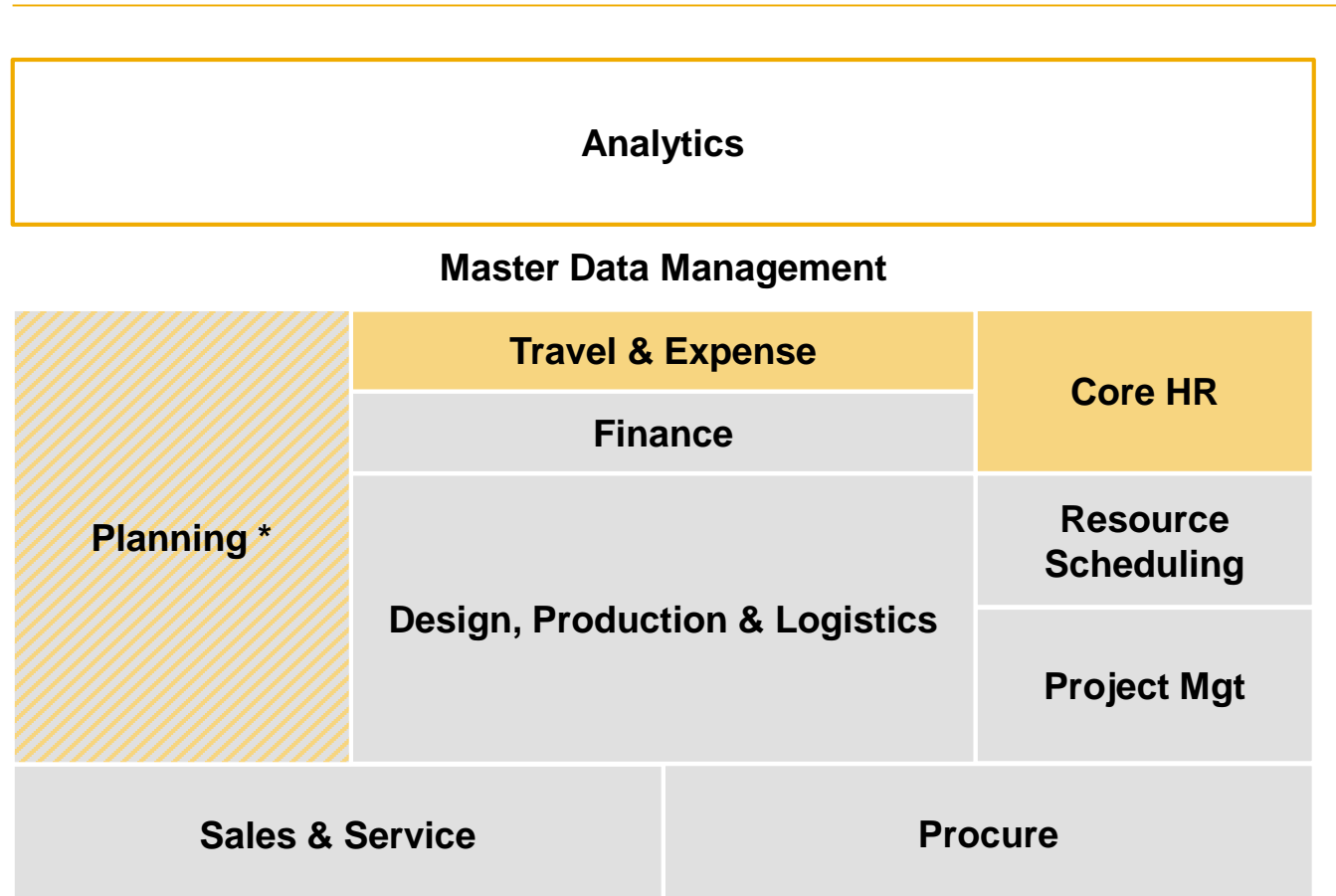
Intelligent ERP

Next-Generation UX
- Conversational User Experience (UX)
- Business Context Awareness
- Self-learning system based on ML

End-to-end analytics
- One Analytics Platform with real-time insights
- One User Experience across real-time planning, analysis, and execution
- Broadest Analytical Support

Intelligent automation
- Artificial Intelligence
- Robotic Process Automation
- Continuous learning and adaptive processes

* Financial, Sales & Operations, Demand & Supply, Production

SAP S/4HANA Cloud
Evolving at cloud speed

Upcoming*

Release	1702	1705	1708	1711	1802	1805	1808	1811	1902	1905

Bar chart values for 1905:
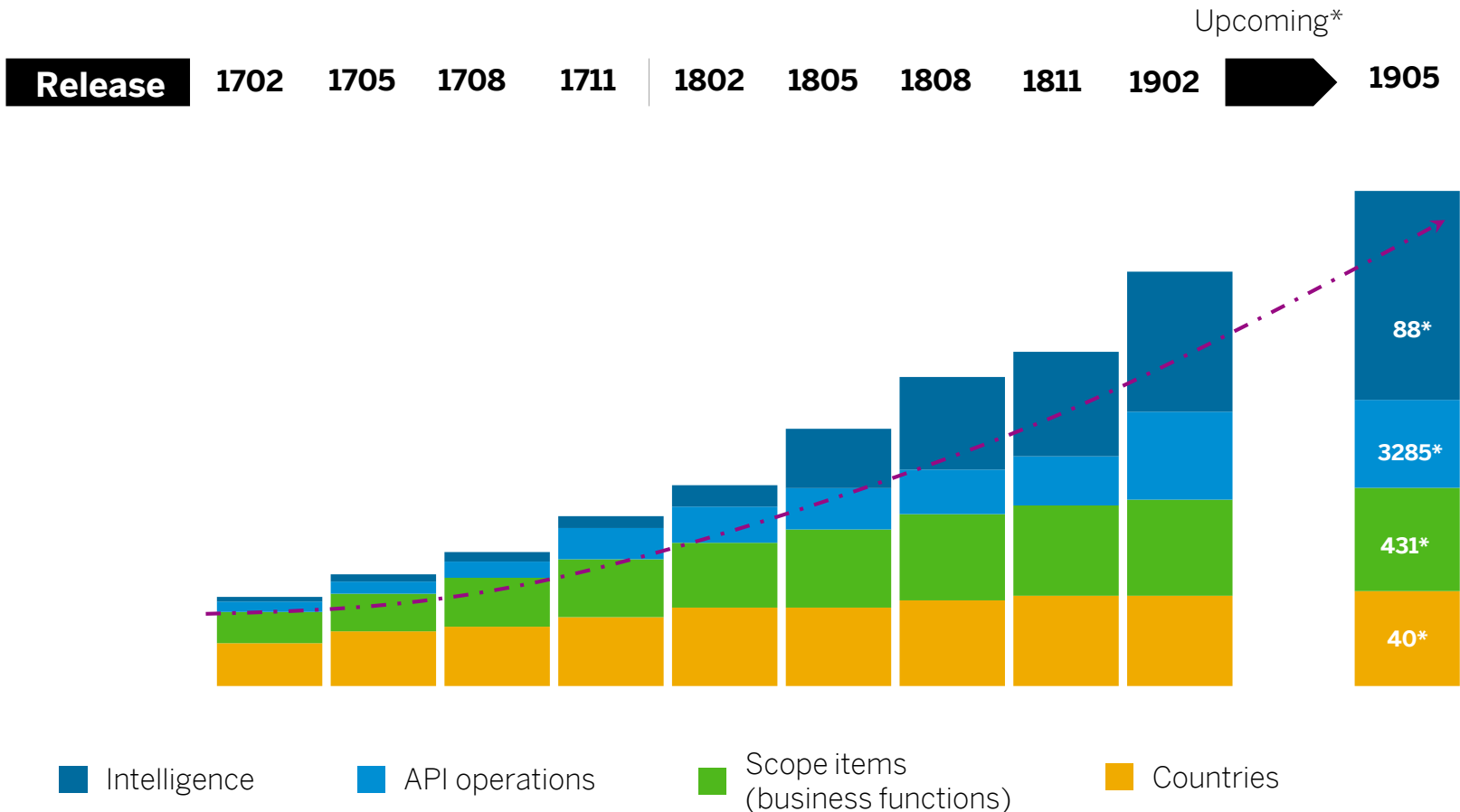- 88* (Intelligence)
- 3285* (API operations)
- 431* (Scope items)
- 40* (Countries)

Legend:
- Intelligence
- API operations
- Scope items (business functions)
- Countries

- 4 quarterly innovative releases per year
- Finance-centric administrative ERP built to deliver value to all customers
- Strong 2-tier ERP capabilities
- Selected industry-specific functionality
- Unmatched international support (40 countries* and 22 languages)

*This is the current state of planning and may be changed by SAP at any time without notice.

SAP S/4HANA Cloud 1905
Release Flashlights

SAP Activate
### Prescriptive Deployment Guidance and Business Processes

Customers get access to SAP Activate in implementation portal for SAP S/4HANA Cloud. Project team members will access the business process models and test scripts directly in the application. Users will have access to up to date prescriptive and personalized guidance for deployment of SAP S/4HANA Cloud 1905 in form of tasks with associated accelerators and templates. Users will have ability to track progress using the implementation portal.
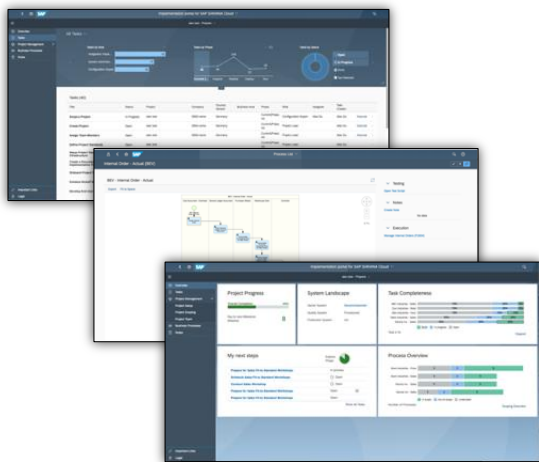
Financials
### Reduce finance costs with Active Budget Availability Control for Cost Centers

Avoid overspending with the new Fiori app *Cost Center Budget Report*. You now have the possibility to actively control the budget both for generic / overall budget or a budget for specific cost buckets.
You can define tolerance limits on your budgets, as well as decide what message should be triggered in case the tolerance limit is exceeded.
The limit check is activated by purchase requisition, purchase orders and primary postings of journal entries.
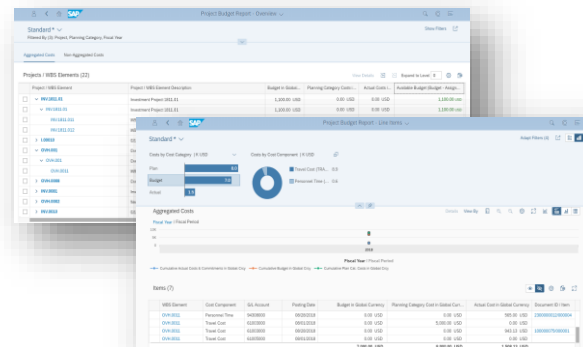
Manufacturing
Reduce the cost to support quality management by predicting the defect code

Defect handling using machine learning capabilities perfectly supports the quality technician in his daily work. Using SAP Fiori app *Record Defects* on a mobile device, the technician can enter a text to describe the defect. The app will then propose the best matching defect codes automatically, hence increasing the data quality of all recorded defects. This is important for regular evaluations in order to detect defect frequency and trigger improvement activities.
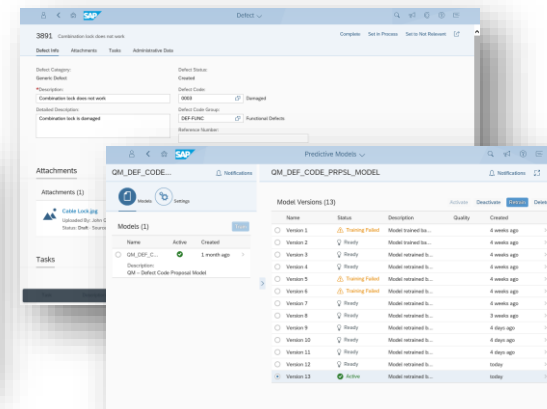
Service Management
Increase margin with standalone service management

Reduce service delivery and support cost with introduction of stand alone back office execution for the service processes with ability to handle service order management and service contract management independently in SAP S/4HANA Cloud.

With this release, you can improve customer satisfaction with ability to set up the pricing agreements, have index based pricing and price escalations. You can automatically create purchase orders for spare parts required for service orders and link the service orders to service contracts. Finally, you can have credit memos and tie up billing with event based revenue recognition.
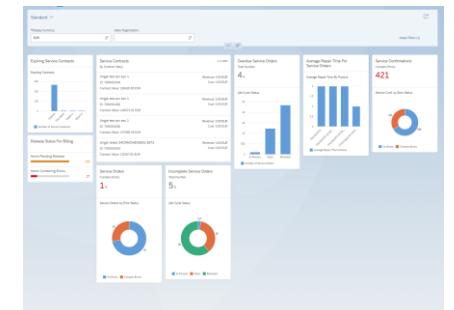
Key innovations do not reflect licensing

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SAP S/4HANA Cloud 1905

What's new – Scope Items
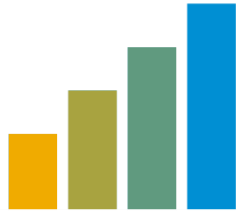
26

New Scope Items

~100

Changed Scope Items

~430

Complete Scope

Finance: Bond Management (3WY), Bond Management - Group Ledger IFRS (3WZ), Bond Management - Group Ledger US GAAP (3X0), Contract Accounting - Variant Configuration (3L8), Contract-Based Revenue Recognition - US GAAP (3VS), General Indirect Tax for the Canary Islands (3SS), Group Reporting - Predictive Consolidation (3JP), Hedge Accounting for FX Forward - Group Ledger US GAAP (3X3), Hedge Accounting for FX Forward – Local GAAP (3X1), Hedge Accounting for FX Option – Group Ledger US GAAP (3X4), Hedge Accounting for FX Option – Local GAAP (3X2), Machine Learning for Accruals Management (3NF), Predictive Analytics Model Training - Finance (30K)

Manufacturing: Inbound Storage Tank Management - Process Manufacturing (3UK), Just-In-Time Supply to Customer from Stock (2EM), Make-to-Stock with Co- and By-Products - Process Manufacturing (3L7), Make-to-Stock with Silo Material - Process Manufacturing (3UL)

Asset Management: Integration with Asset Central Foundation (3YE)

R&D/Engineering: Safety Data Sheets in Sales (3VQ), Manage Safety Data Sheets for Products (3VR)

Sales: Internal Commissions Settlement with SAP Sales Cloud (3TD), Return Order Processing for Non-Stock Material (3TE), Sales Scheduling Agreements (3NR)

Sourcing and Procurement: Image-Based Ordering (3UH)

Supply Chain: Resource Management in Warehousing (3W0), Warehouse Kanban Supply into Production (3VT)

SAP S/4HANA Cloud 1905 Localization

Unlocks relevance and drives global growth

SAP Best Practices for SAP S/4HANA Cloud

40 Countries:

Australia, Austria, Belgium, Brazil, Canada, China, Denmark, France, Finland, Hong Kong, Germany, Great Britain, Hungary, India, Indonesia, Ireland, Italy, Japan, Luxembourg, Malaysia, Mexico, New Zealand, Netherlands, Norway, Philippines, Poland, **Portugal***, Romania, **Russia***, Saudi Arabia, Singapore, Spain, South Africa, South Korea, Sweden, Switzerland, Taiwan, Turkey, United Arab Emirates, USA

22 Languages:

Arabic, Chinese (simplified), Chinese (traditional), Danish, Dutch, English, Finnish, French, German, Hungarian, Italian, Japanese, Korean, Malay, Polish, Portuguese, Norwegian, Russian, Spanish, Swedish, Turkish, Romanian

Localization of Treasury and Risk Management (TRM)

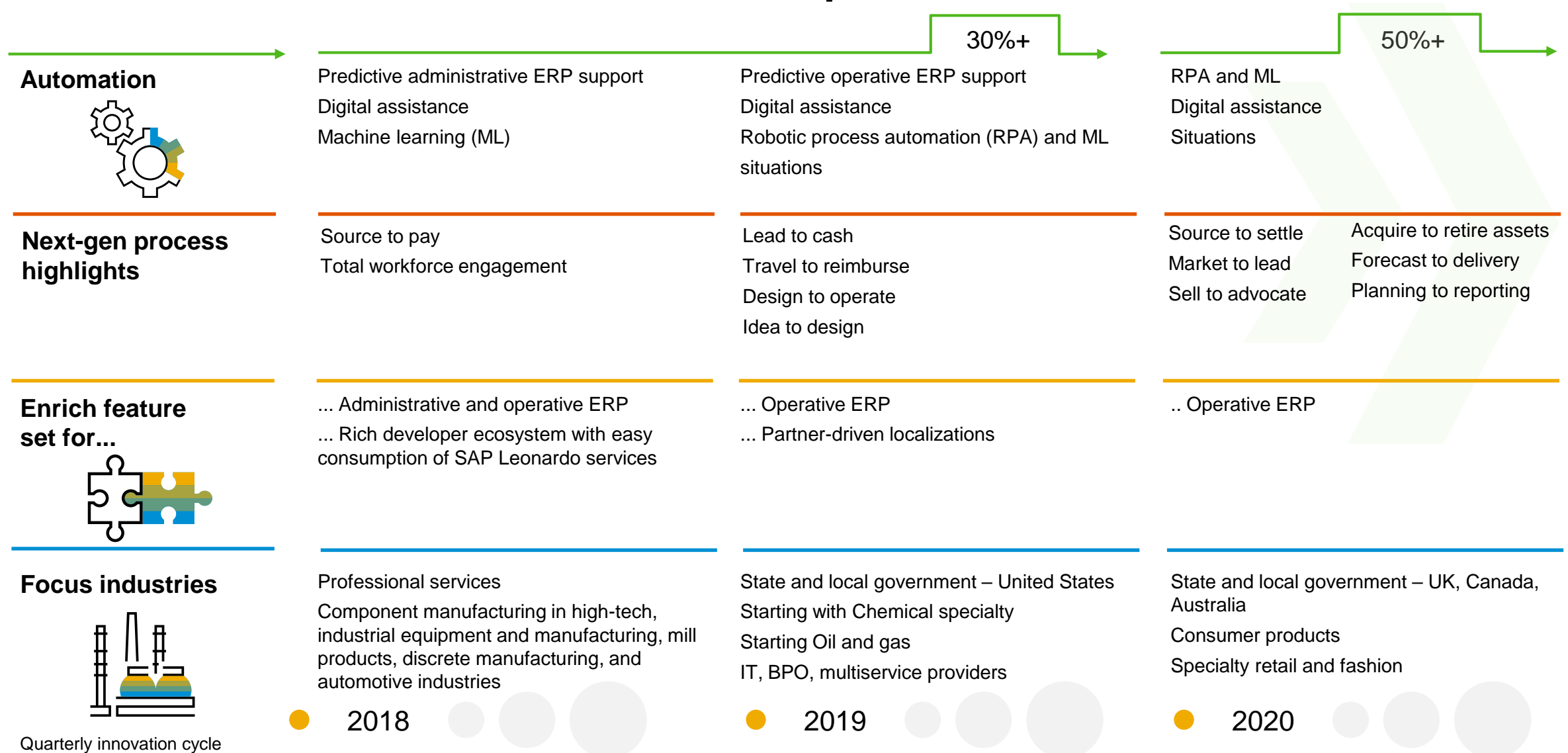**4 New Countries*:**

France, Mexico, Netherlands, Sweden

For more information on TRM, refer to the product documentation at https://help.sap.com under SAP S/4HANA Cloud > Finance > Treasury Management > Treasury and Risk Management

New in 1905

2019–2020 SAP S/4HANA Cloud road map overview

30%+   50%+

Automation

2018	2019	2020
Predictive administrative ERP support	Predictive operative ERP support	RPA and ML
Digital assistance	Digital assistance	Digital assistance
Machine learning (ML)	Robotic process automation (RPA) and ML situations	Situations

Next-gen process highlights

Source to pay	Lead to cash	Source to settle	Acquire to retire assets
Total workforce engagement	Travel to reimburse	Market to lead	Forecast to delivery
	Design to operate	Sell to advocate	Planning to reporting
	Idea to design		

Enrich feature set for...

... Administrative and operative ERP	... Operative ERP	.. Operative ERP
... Rich developer ecosystem with easy consumption of SAP Leonardo services	... Partner-driven localizations	

Focus industries

Professional services	State and local government – United States	State and local government – UK, Canada, Australia
Component manufacturing in high-tech, industrial equipment and manufacturing, mill products, discrete manufacturing, and automotive industries	Starting with Chemical specialty	Consumer products
	Starting Oil and gas	Specialty retail and fashion
	IT, BPO, multiservice providers	

🟠 2018   🟠 2019   🟠 2020

Quarterly innovation cycle

This is the current state of planning and may be changed by SAP at any time without notice.

Massive Modifications have pushed many ERP customers past the point of no return
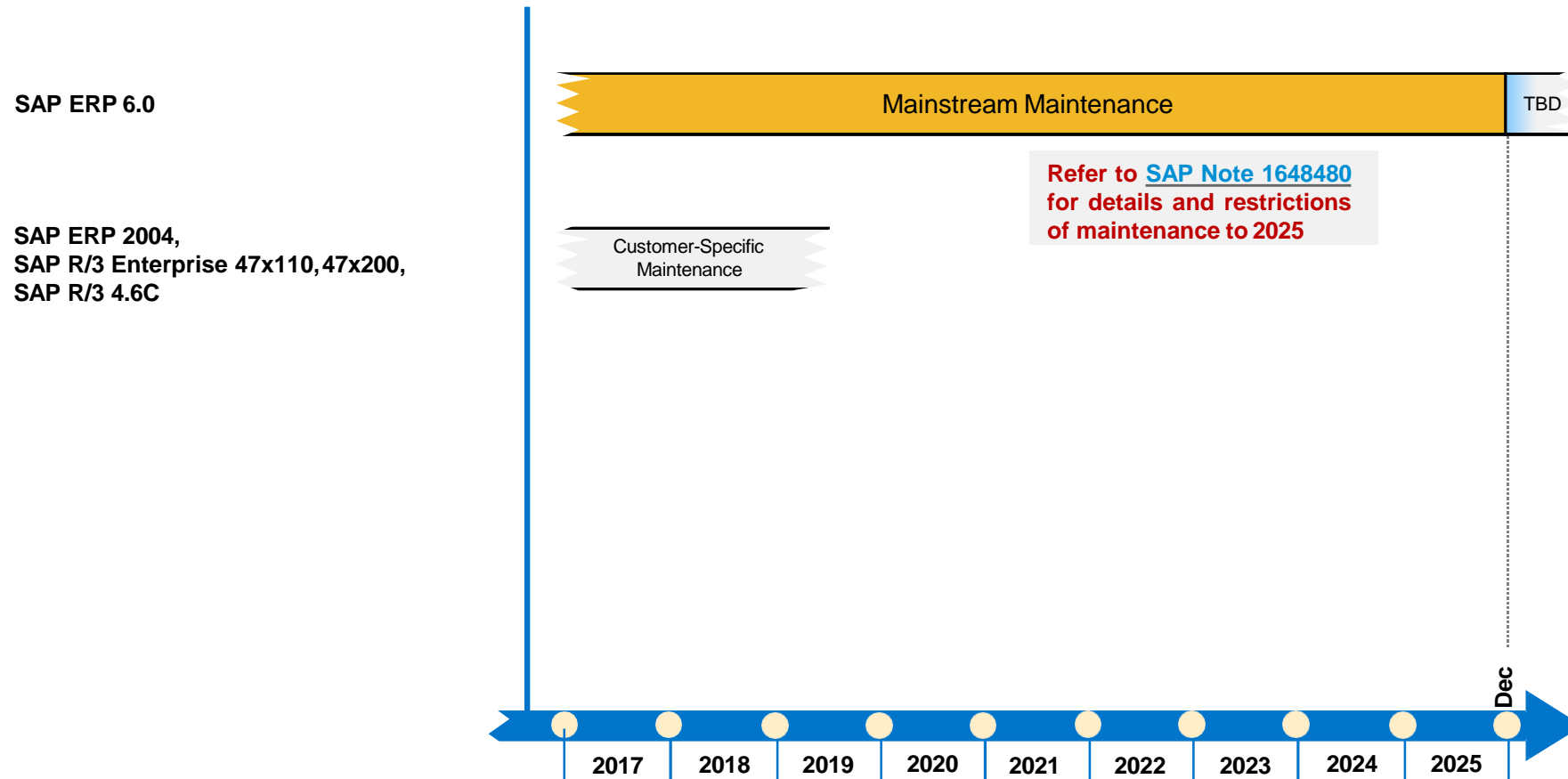
Sins of past ERP implementations

- Only 20% of existing modifications might be used

- Almost impossible to identify the 80% of modifications not used anymore or never been used

- Even if these modifications can be identified, still probable risks of hidden dependencies

⇨ No Deletion

⇨ Extensive, time-consuming testing

⇨ Falling behind on upgrades and EHP implementations

Massively modified systems have become unsustainable to the point where IT spends 80% of their resources on keeping the lights on

Release and Maintenance Strategy – SAP ERP

SAP ERP 6.0

Mainstream Maintenance | TBD

Refer to SAP Note 1648480 for details and restrictions of maintenance to 2025

SAP ERP 2004,
SAP R/3 Enterprise 47x110, 47x200,
SAP R/3 4.6C

Customer-Specific Maintenance

Dec

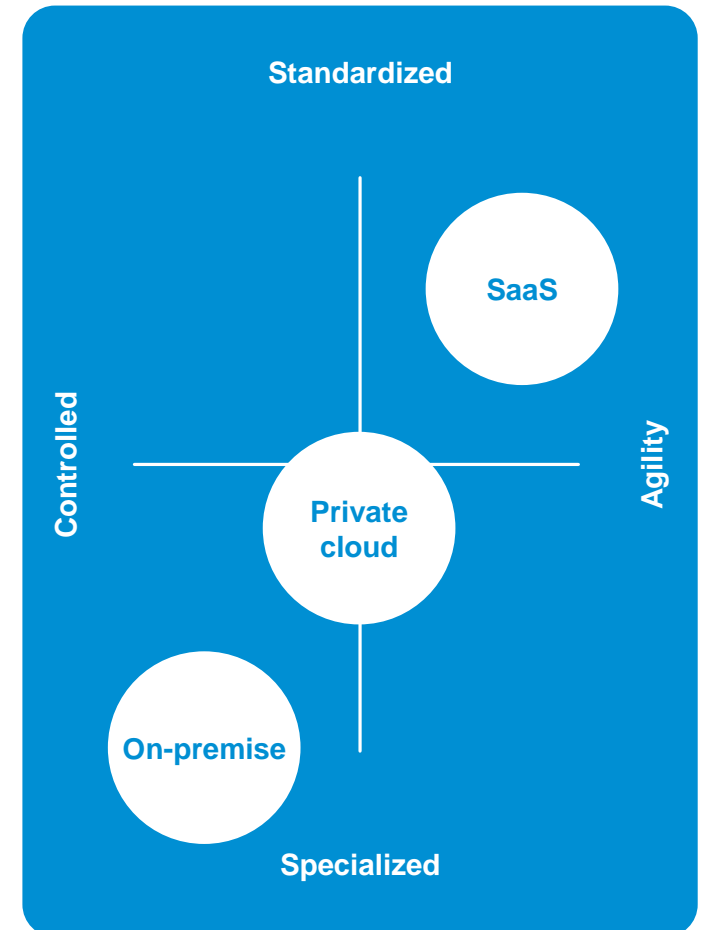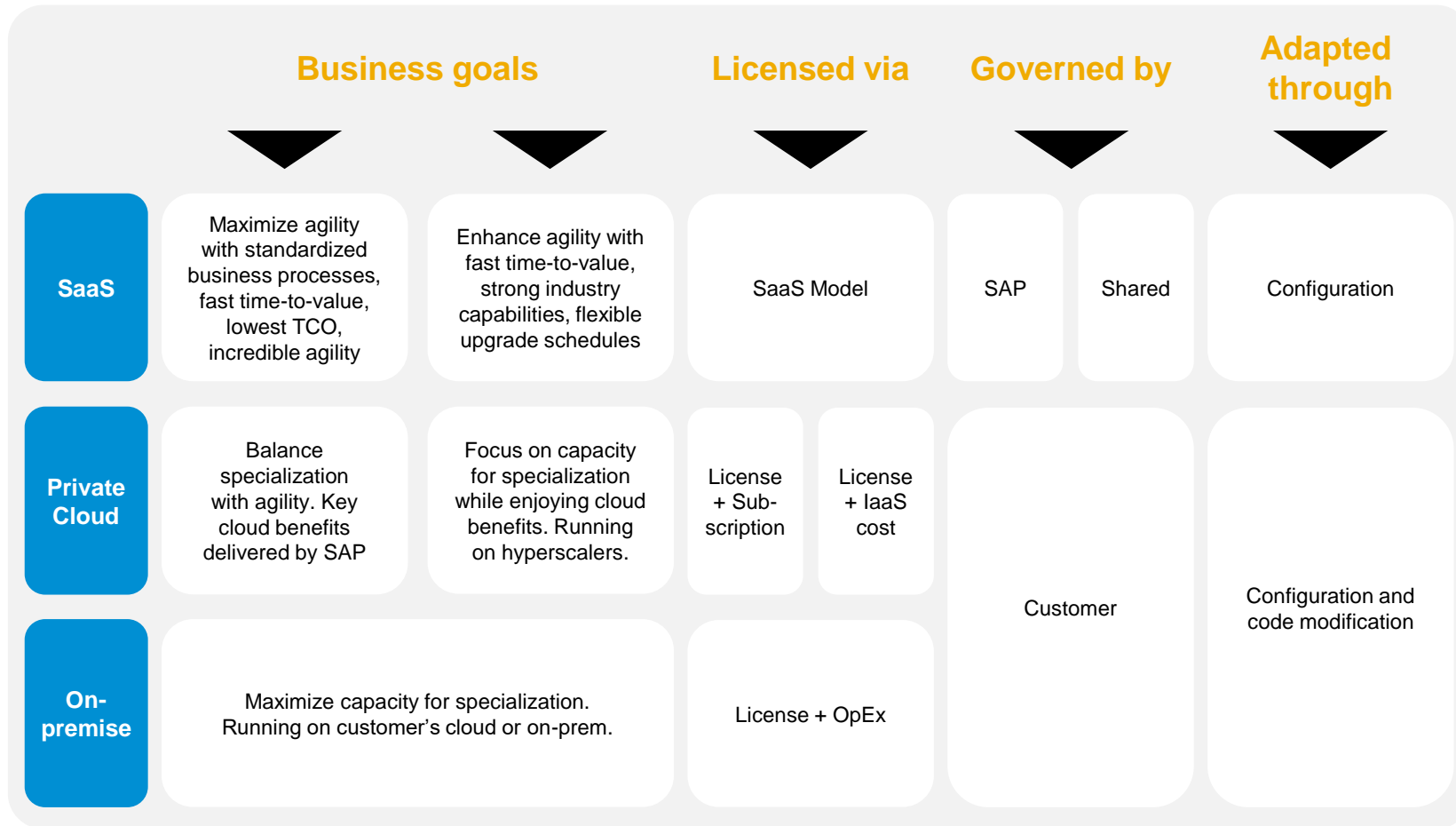2017 2018 2019 2020 2021 2022 2023 2024 2025

This strategy is also valid for **add-on applications** and **SAP enhancement packages** based on the releases above.
* Overall payment is SAP support fee plus additional fee of 2% or 4% of the maintenance base per year.
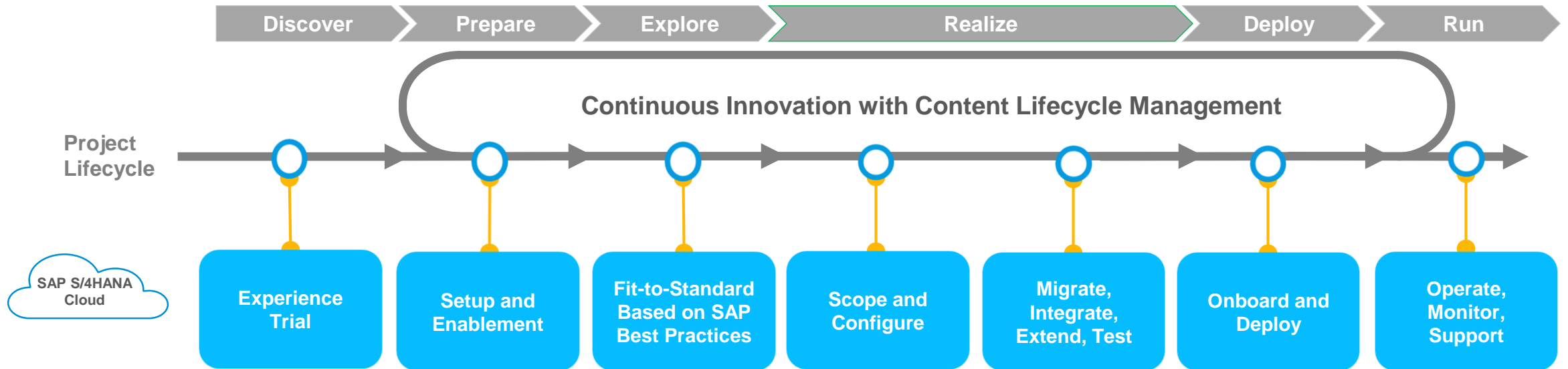
Mainstream maintenance
Customer-specific maint.

SAP Offers Choice for the SAP S/4HANA Cloud Journey

Only SAP S/4HANA offers a consistent, intelligent ERP solution across all landscapes, working in harmony so you can better leverage hybrid scenarios (*e.g.,* 2-tier, group reporting in the cloud, etc.)

	Business goals		Licensed via	Governed by		Adapted through
SaaS	Maximize agility with standardized business processes, fast time-to-value, lowest TCO, incredible agility	Enhance agility with fast time-to-value, strong industry capabilities, flexible upgrade schedules	SaaS Model	SAP	Shared	Configuration
Private Cloud	Balance specialization with agility. Key cloud benefits delivered by SAP	Focus on capacity for specialization while enjoying cloud benefits. Running on hyperscalers.	License + Sub-scription / License + IaaS cost	Customer		Configuration and code modification
On-premise	Maximize capacity for specialization. Running on customer's cloud or on-prem.		License + OpEx			

Standardized

Controlled — **Agility**

- SaaS
- Private cloud
- On-premise

Specialized

The Road to SAP S/4HANA with SAP*ACTIVATE*

Discover	Prepare	Explore	Realize	Deploy	Run

Continuous Innovation with Content Lifecycle Management

Project Lifecycle

SAP S/4HANA Cloud

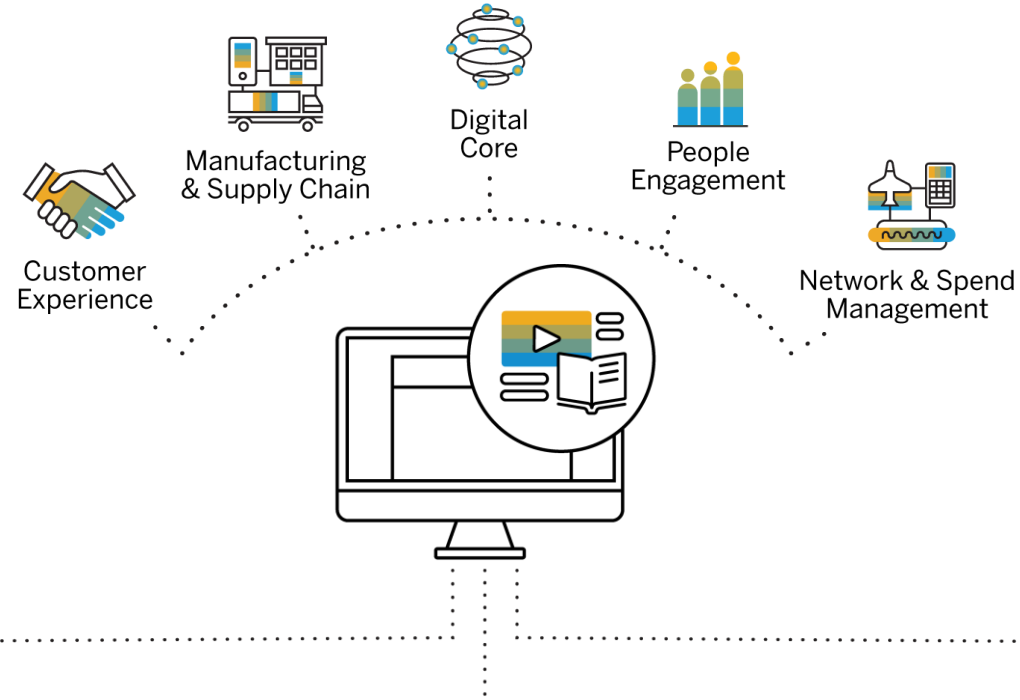| Experience Trial	Setup and Enablement	Fit-to-Standard Based on SAP Best Practices	Scope and Configure	Migrate, Integrate, Extend, Test	Onboard and Deploy	Operate, Monitor, Support

System Landscape

Starter System

Q-System

P-System

SAP Enable Now Framework
for SAP Cloud Solutions

Accelerate your transformation to an intelligent enterprise with a confident, skilled, and productive workforce

Customer Experience

Manufacturing & Supply Chain

Digital Core

People Engagement

Network & Spend Management

SAP Cloud Enablement

Standard, always up-to-date training content included

In-app learning, embedded in SAP Cloud software – at no extra cost

Contextual help to assist users in moment of need

Customization Software

Option to license state-of-the-art SAP Enable Now software to build custom onboarding and continuous learning programs

Build new content or adapt existing content, on your own

Embed your training into SAP Cloud solutions

Enablement Services

Professional services from SAP Education or SAP partners are available to help you create or adapt new custom content

Approved partners can create, manage, and deliver on all your enablement needs

Summary

Business Value Creation

- Industry-enablement and –specific scenarios
- Global regulatory, language, and data residency scenarios
- Digital core augmented by SAP cloud services

Intelligent ERP

- Automation through Artificial Intelligence
- Digital assistant
- Predictive analytics

Trust

- Data Privacy
- Ensure Compliance
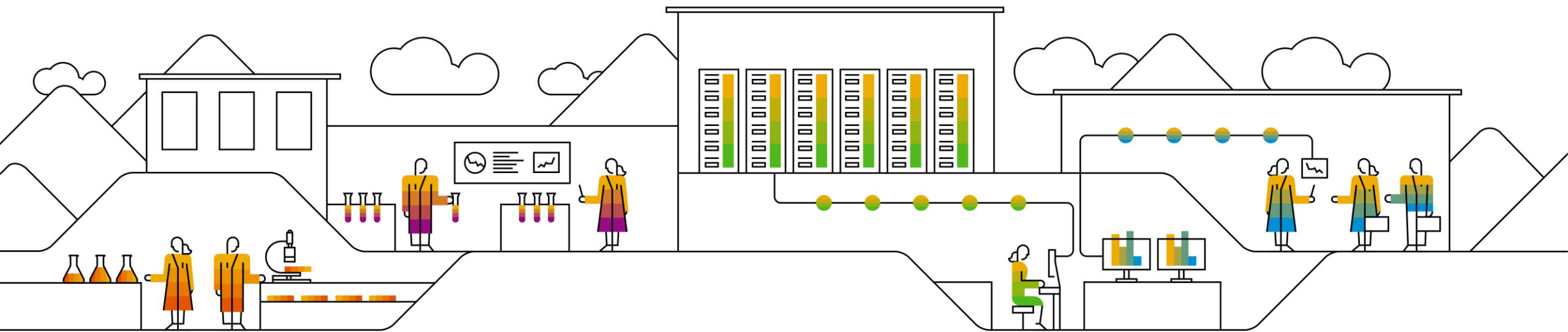- Data protection/Security

Open and extensible

- Open APIs
- Extend on the SAP Cloud Platform with specific SDK
- Any device and any browser

Rapid Innovation

- Simplified, scalable meta data platform
- Continuous adoption
- Customer-driven innovation

Beyond Technologies

WHAT WE DO

SAP Functional Business &
Services Consulting

Retail Accelaration
Services

Business Intelligence &
Analytics Consulting

Project Management &
Implementation Services

SAP Cloud Solution
Hosting

Application Management
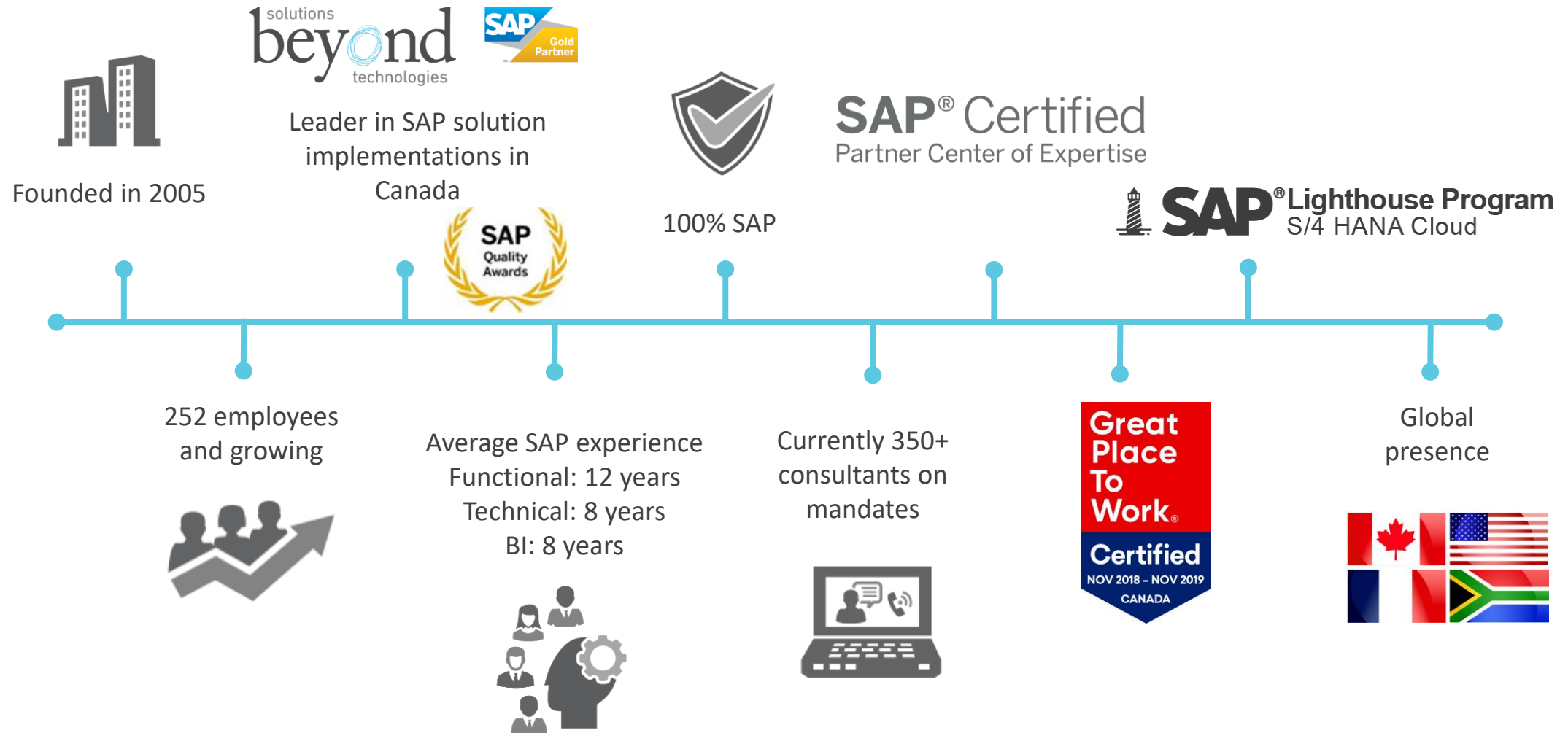Services

Staff Augmentation
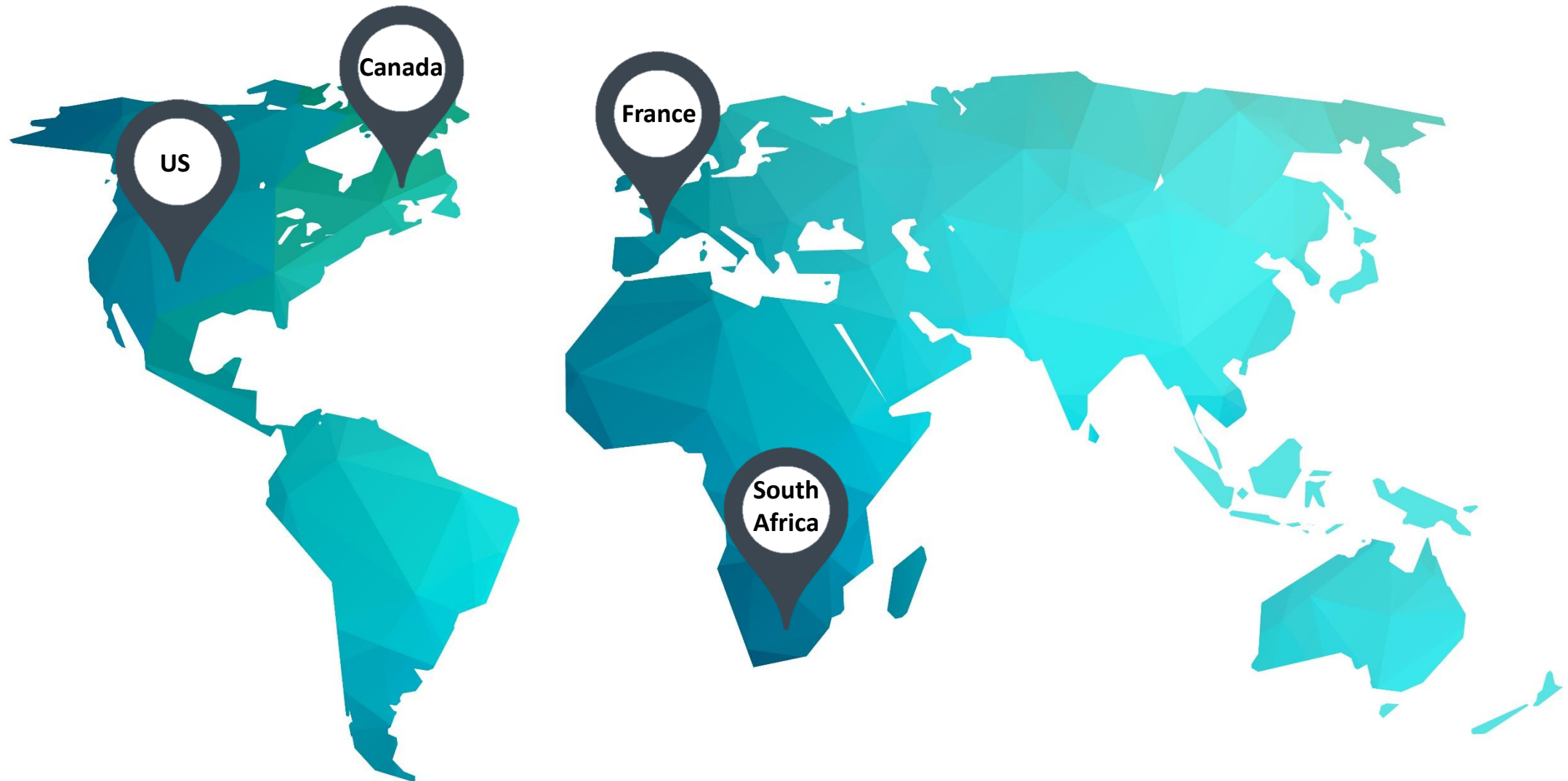Services

SAP Technology Know-
How

SAP Enterprise Health
Check

Beyond Technologies overview

Founded in 2005

Leader in SAP solution implementations in Canada

100% SAP

SAP® Certified
Partner Center of Expertise

SAP® Lighthouse Program
S/4 HANA Cloud

252 employees and growing

Average SAP experience
Functional: 12 years
Technical: 8 years
BI: 8 years

Currently 350+ consultants on mandates

Great Place To Work® Certified
NOV 2018 – NOV 2019
CANADA

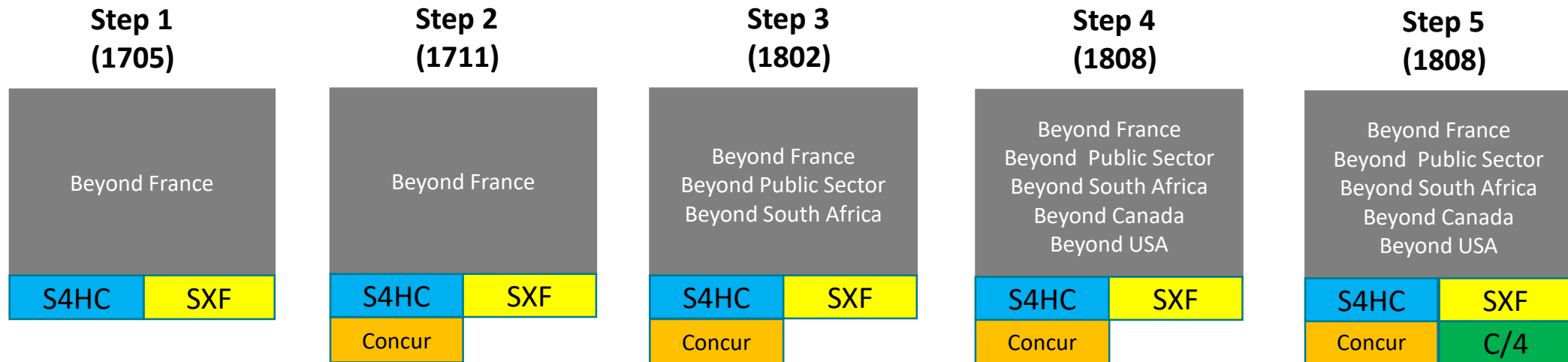Global presence

Our global presence

Internal Project Overview
Our Project Strategy

- Start small and manage the risk to the organization.

- Allow time for the product, the team & the customer to mature through a continuous improvement cycle. (1611 to 1808)

Step 1 (1705)	Step 2 (1711)	Step 3 (1802)	Step 4 (1808)	Step 5 (1808)
Beyond France	Beyond France	Beyond France Beyond Public Sector Beyond South Africa	Beyond France Beyond Public Sector Beyond South Africa Beyond Canada Beyond USA	Beyond France Beyond Public Sector Beyond South Africa Beyond Canada Beyond USA
S4HC	SXF	S4HC	SXF	S4HC	SXF	S4HC	SXF	S4HC	SXF
	Concur	Concur	Concur	Concur	C/4

Internal Project Overview
Our Integration Objective

- Transition from ByDesign & SuccessFactors (stand alone) to a fully integrated Intelligent ERP (S/4 HANA Cloud, C/4, SuccessFactors & Concur)
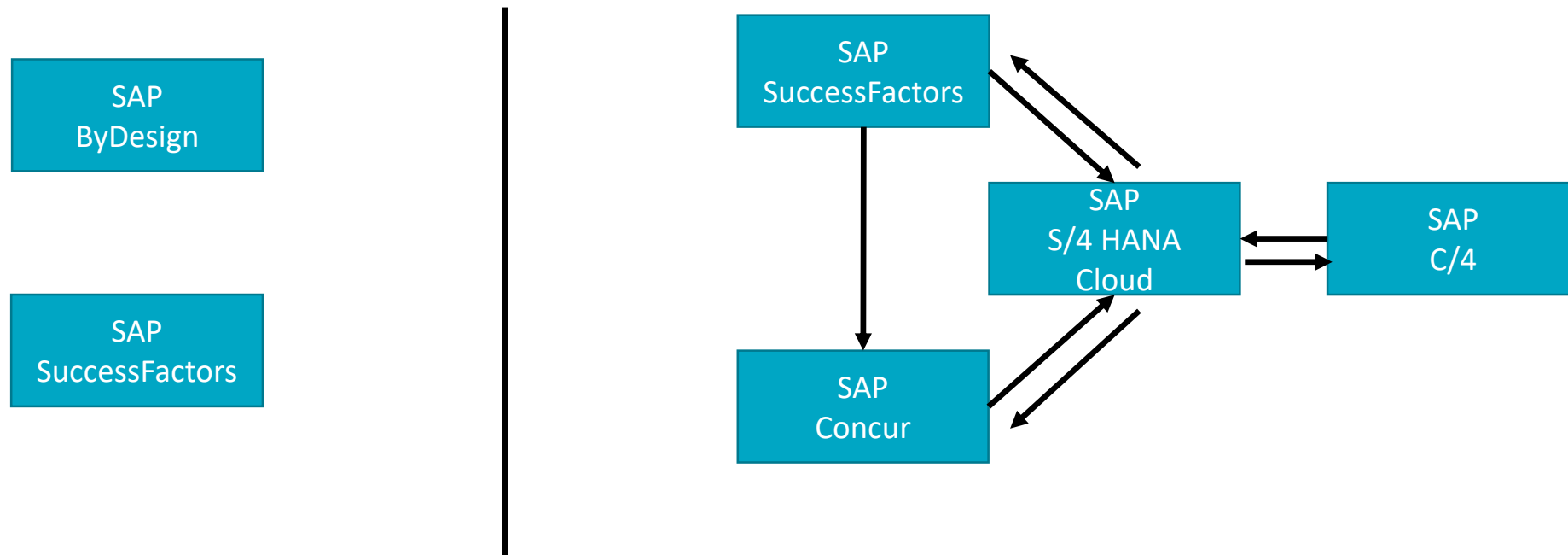
All Tasks (1)

Search 🔍 🔄

Approval of Working Times
Giroux Ken   High

CATS: Approval by Supervisor

Approval of Working Times

First Time Entry for Work Date: Mar 4, 2019   Total Time Entries: Priority:

Submitted By: Mohamed Hedi Ben Jaafar   **3**   High

Time Entries (3) | BT - More Details - Internal orders ⌄   [Approve] [Reject]   ↕ ▽ ⊟ ⚙ ▣ ⌄ ⤢

	Name	Task Type	Work Date	Project	Activity Type	Recorded Hours	Approved Hours	Note
☐	**Pignedoli Eric**		03/25/2019	Time Entry Parking	Development 2	3.00	0.00	📋
☐	**Noel Sylvain**		03/21/2019	Time Entry Parking	Development 1	1.50	0.00	📋
☐	**Mohamed He...**	Internal Customer Service	03/04/2019			6.00	9.50	📋

↕ ▽ ⊟   ⬈

< nbox   **Customer Projects**   Employee Self Service   HR Master Data   Internal Projects   Project Analysis   Master Data for Commercial Projects   Employee Self Servic   > ⌄

Create Customer Projects	Plan Customer Projects	Approve Timesheets	Release Billing Requests	Release Billing Proposals	Run Revenue Recognition	Edit Billing Request	Customer Projects
		Approve/Reject Time...		Due Today	My Projects		Highest Cost Deviation
+	📋 1	🕐 2	📄 0	📄 0	📇	📄	CP00000134 -74.95
	My Projects	Pending Entries					↻ now

Notify Missing Time	Review Customer Projects	Monitor Missing Time Notifications
Time Recording Status		
April 2019 100%	📝 0	☰
March 2019 100%		
↻ now	Pending Forecast	

‹ Home   My Inbox   Customer Projects   Employee Self Service   HR Master Data   Internal Projects   Project Analysis   Master Data for Commercial Projects   Employ › ⌄

| My Home |
| My Inbox |
| Customer Projects |
| Employee Self Service |
| HR Master Data |
| Internal Projects |
| Project Analysis |
| Master Data for Commercial Projects |
| Employee Self Services |
| Reporting for General Ledger |
| Collaboration |
| Prices for Professional Services |
| HCM Manager |
| Project Timesheet |
| Project Billing |
| Analytics |

My Inbox
All Items

☑ 1

My Outbox
Outbox items

☑ 12

Internal Projects (4)

Search 🔍 ⟳

Time Entry Parking
Cost (Planned): CAD 88.44K

11/01/2018 - 01/31/2...   In Execution

IP00000026 - IP Management
Cost (Planned): CAD 678.00K

10/01/2018 - 12/31/2...   In Execution

IP00000043 - Android Development
Cost (Planned): CAD 150.00K

01/01/2019 - 12/31/2...   In Execution

IP00000013-R&D-Retail Offline iOS App
Cost (Planned): CAD 461.00K

09/01/2018 - 09/01/2...   In Execution

Internal Projects

IP00000013-R&D-Retail Offline iOS App (IP00000013)

Duration: 09/01/2018 - 09/01/2020

Project Manager: Leonardo De Araujo

Effort (Planned): 5,000 Hours

Cost (Planned): CAD 461.00K

In Execution

ⓘ Information   🔧 Work Packages   👥 Team   📎 Attachments   🗐 Versions

Internal Project

Project ID:	IP00000013
Project Name:	IP00000013-R&D-Retail Offline iOS App
Project Manager:	Leonardo De Araujo
Duration:	09/01/2018 - 09/01/2020
Stage:	In Execution
Currency:	CAD
Description:	

Accounting

Service Organization:	Service Organization - Beyond CA
Cost Center:	RETAIL_CAN
Profit Center:	Project Retail MTL (100126)

More Project Roles

Project Partner:	Leonardo De Araujo
Project Controller:	Bouchard Anne
Project Accountant:	Bouchard Anne

Public Project

YES ⃝

+   ⇅   ▽   ▤

Edit   Delete   Copy   Analyze   Add to Favorites   ⎙

Internal Project Overview

Business Benefits

- Accelerated Billing Process – accelerating process by 5% → 25%;

- Accelerated Month-end / Year-end Closure (Projected)

  - Universal Ledger – Allowing holistic financial accounting

  - Revenue Recognition – Allowing the review and confirmation of revenue through-out the month

  - Projects – Centralized in one place (Integrated Sales Order & On-account Payments)

  - Interco Projects – No longer required to create mirror projects and automation of process;

- Better Project Profitability Visibility (Event-based Recognition);

- Positive feedback on Concur user experience – ease and speed compared to ByDesign.

Internal Project Overview
Project Closure

- Our transition from ByDesign to S/4 HANA Cloud is completed !

- The project team is about to be dissolved after the first month-end for Beyond Canada is completed.

- We have already seen benefits and are sure that this will continue as the functionality is enhanced and our understanding increases. We invested in a roadmap and not a system.

- We are mostly standard, very few exceptions.

- We will be able to apply our lessons learned to our current & future client projects.

SAP S/4HANA Release Info

→ **SAP S/4HANA Roadmaps**

→ **SAP S/4HANA Trials**

S/4HANA Roadmap Viewer

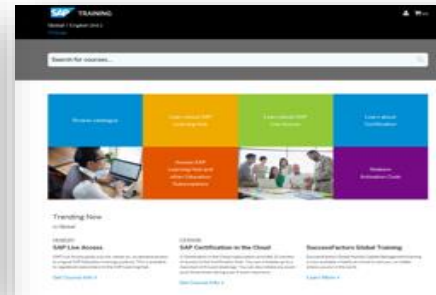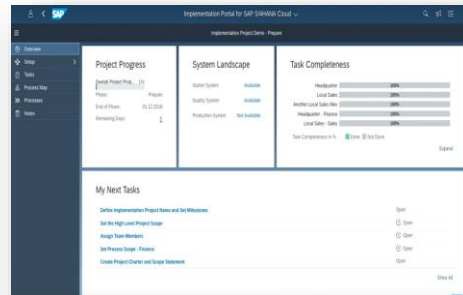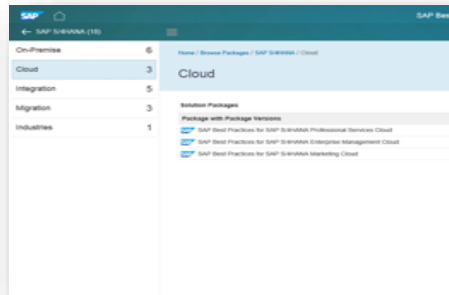## S/4HANA Cloud User Community

Best Practices Explorer

Implementation Portal for SAP S/4HANA Cloud

SAP Learning Hub

SAP Help Portal

Join the SAP S/4HANA Community

Take the Session Survey.

We want to hear from you!
Be sure to complete the
session evaluation on the
SAPPHIRE NOW and ASUG
Annual Conference mobile
app.

Presentation Materials

Access the slides from 2019 ASUG Annual Conference here:
http://info.asug.com/2019-ac-slides

Q&A

For questions after this session, contact us at
> **Marco Valencia**
> VP, SAP S/4HANA Cloud Product Management & Co-Innovation
> SAP Labs, LLC
> E marco.valencia@sap.com
> T +1 (404) 943-6477

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