



How SAP Guided Beta helped Lockheed Martin explore and innovate with S/4 HANA

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Gerald Mangan – SAP
Session ID # 84331

About the Speakers

Charlie Yang

- Chief Engineer IT Space Operation – Lockheed Martin

Brad Fortner

- LM Fellow – Aero, Lockheed Martin

Jerry Mangan

- Program Manager, Market Introduction Americas, SAP

Key Outcomes/Objectives

1. LM Journey and why choose Guided Beta
2. Understand LM experience with Guided Beta
3. Understand LM's take away and recommendation
4. Understand SAP Influence Opportunities and Guided Beta

Agenda

- **LM Overview**
- **LM Journey and History with CUV**
- **LM S/4 Readiness Approach**
- **LM Experience with Guided Beta**
- **LM Take away and Recommendations**
- **SAP Market Introduction**

Lockheed Martin Corporation - Who Are We?



Your Mission is Ours.

Headquartered in Bethesda, Maryland, Lockheed Martin is a worldwide global security, aerospace and information technology company that is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services

105,000
Employees



54,000
Scientists and
Engineers



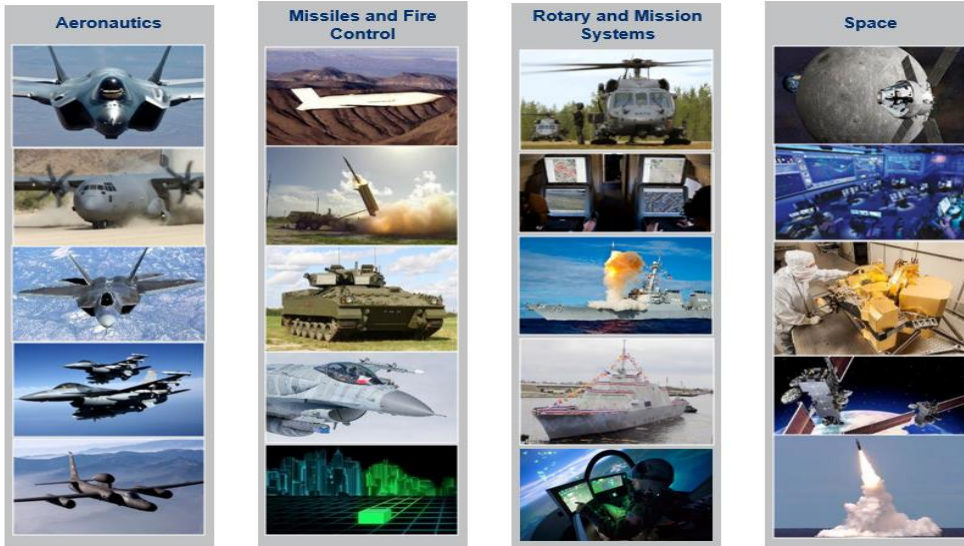
375+
Facilities
Worldwide



Operating in over
54
Countries



With **7,500+**
Employees



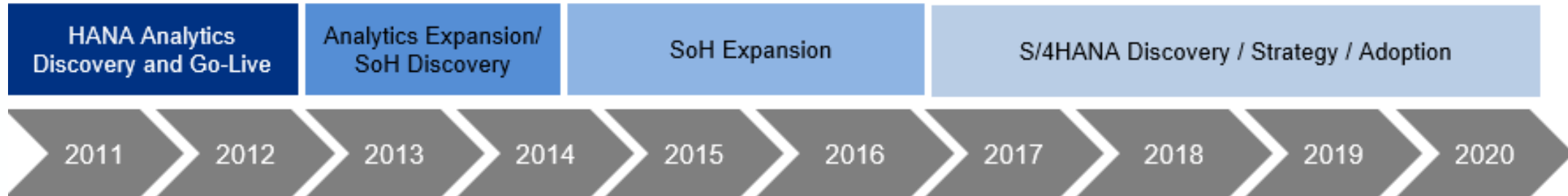
LM International - Cross Business Capability Integration

- **2018 Sales:** \$53.8 Billion
- **Backlog:** \$130.5 Billion
- **Stock Ticker Symbol**
 - LMT, on the New York Stock Exchange.
 - Ranked 59th on the 2018 *Fortune 500* list industrial corporations



Lockheed Martin Journey with Guided Beta

Moving from an Aging Infrastructure to Enabling Advanced Analytics & Digital Transformation



- Lockheed Martin started customer evaluation (CUV) of SoH in 2013
 - Space SoH CUV ECC 6.16 SP02 in 2013
 - Aero SoH CUV ECC 6.17 SP02 in 2013
 - Help evaluate and optimize Allocation, Settlements for A&D Billing solutions.
 - Large optimization effort with SAP on GPD
 - Helped proved the road for SoH adoption and expansion in 2015

Additional Guided Beta Activity

- ERP on HANA SP1
- ERP on HANA SP3
- Predictive Analytics 3.2
- Fiori Wave 4
- Fiori Wave 5
- Fiori Wave 6
- Lumira Server 1.3
- BIP 4.3 SP3
- Velocity (now Vora)
- Personas 3.0 SP3

S/4HANA Inflection Point

- SAP's current software suite reaches end-of-life
 - ECC 6 end of life in 2025
 - ERP engine for Finance, Manufacturing Planning, Supply Chain and Sustainment
 - Lockheed Martin has 14 ERP Instances with over 18M lines of custom code
 - CAMS 7.2 end of life in 2022
 - Space fully integrated CAMS with Visual Enterprise and SAP ECC
- Need to develop SAP S/4 HANA roadmaps
 - Reduce instances, reduced custom lines of code, reduction in O&M
 - Working to understand the S/4 business value
 - Understand and map out S/4 supportability and compatibility within different modules.
 - Gap analysis on new solutions and existing solutions
 - Evaluating S/4 HANA impact on existing systems and processes
 - Understand New Implementation vs System Conversion

LM S/4HANA Readiness Approach

- **Leverage pilots / proof of concepts / guided betas offered by SAP**
 - Aero Completed a S/4 HANA 1508 (SFIN), 1610 conversion and 1709 & 1809 upgrade Guided Betas and 1809 upgrade Guided Betas.
 - Space Completed a S/4 HANA 1709 conversions and 1809 upgrade Guided Betas
 - Planning on participating in 2 separate 1909 guided betas this year
- **Ability to review product and influence future developments**
 - SAP provided resources to support conversions and upgrades
 - Development Angel to assist with focus area and new developments
 - Help guide SAP development future release to be a better match with our requirements
- **Explore opportunities with SAP or other peers to deep dive into functional / technical impacts of migrating to S/4 HANA**
 - Aero: WM to EWM conversion, Business Partner conversion strategy
 - Space: Deep Dive into possible PEO replacements of CAMS solutions

Aero's S/4HANA Guided Beta Experiences

- S/4HANA 1508
 - Simple Finance Add-on
 - First finance conversion, baseline for future activity
 - Learned significant impacts with Asset Accounting
- S/4HANA 1511* & 1610*
 - Custom Code analysis for simplification (originally SAP internal only)
 - Introduction to Maintenance Planner and Pre-Req check
 - Realized impact of GTS as add-on
- S/4HANA 1610 FPS01
 - First release with Long Material Number conversion (FPS01)
 - Extended Guided Beta support for additional development partnering (~4 months)
 - Early understanding of S/4HANA Conversion process
 - Logistics part of SUM upgrade and Finance is a post upgrade task

*Aborted due to pre-requisites



Aero's S/4HANA Guided Beta Experiences

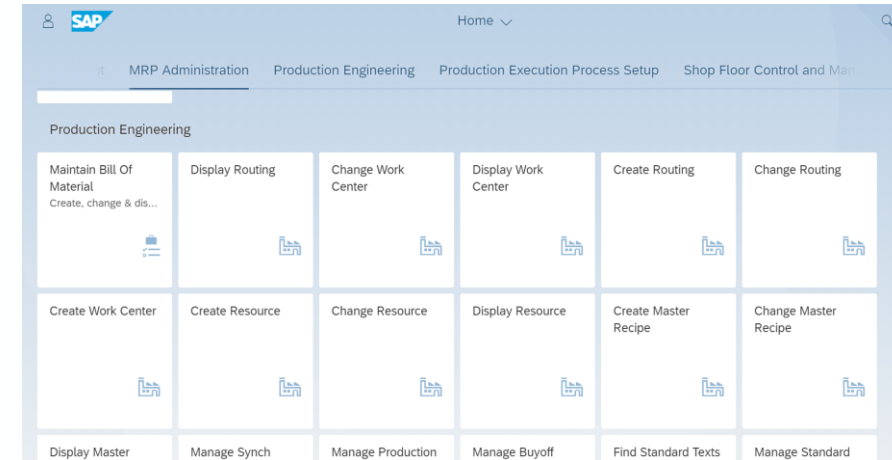
- S/4HANA 1709 (Upgrade)
 - First chance to kick the tires on S/4HANA
 - Opportunity to see impact of simplification and compatibility views on custom code.
 - Fiori Setup/Configuration Issues – Still not straight forward
 - First attempt at evaluating GPD for S/4HANA
- S/4HANA 1809 (Upgrade)
 - Focus on Finance Processing and EWM
 - Completed full month end closing process (with GPD)
 - SAP provided dedicated EWM consultant for Beta
 - Completed setup of new warehouse and processed goods receipt/issue
 - Conversion of existing WM to EWM not feasible in timeline

Space's Guided Beta Experiences

- Used an existing ECC 6 sandbox upgraded to S/4 1709
 - SAP Readiness Checker
 - Simplification Check and Required Conversions
 - MM, BP, FINANCE, Custom Codes
- Continued on with upgrade to S/4 1809 under Guided Beta.
 - With main goal of reviewing PEO as possible replacement to current MES system, and other new functionalities within core S/4
- SAP Provided:
 - Basis supports to help upgrade the system and perform configuration and security role setups
 - Development Angel for PEO to assist with product line.
 - Supplied “how to operate” guidance and hot patches to address issues

Space's Guided Beta Experiences (cont.)

- PEO 1809
 - 90% FIORI based (w/WEBGUI based tcodes), 10% SAPGUI – Cross interoperability
 - Brand New configuration for production engineering and operations – Plant level all or none activation
 - New Version Controlled BOM/Routings
 - Requires conversion of existing BOM to Version BOMS
 - Requires Employee as Business Partners
 - New Change Objects/ Planning Scope Concepts
 - New Change Impact analysis
 - New Visual Enterprise Manufacturing Planner
 - Lack of Order Maintenance /Changes capabilities. (future releases – 1909)



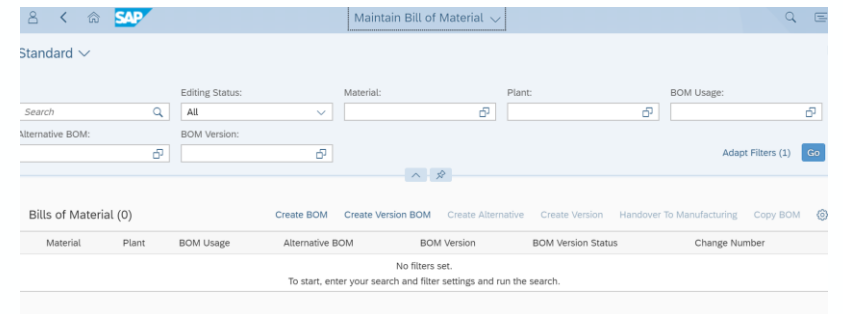
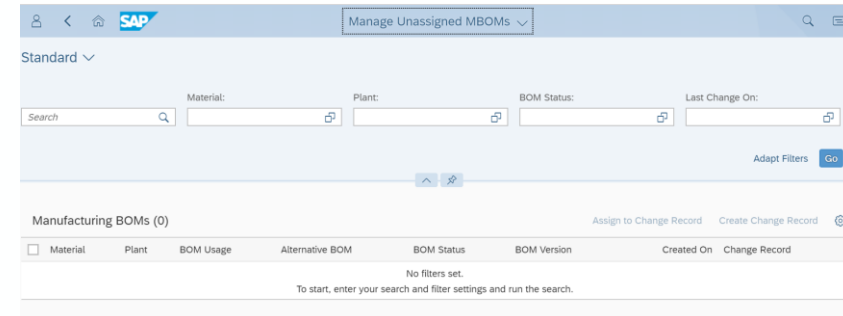
Space's Guided Beta Experiences (cont.)

Challenges:

- Configuration and setup of system
 - No instructions guides
 - Lack of out of box configuration
 - Daily communication with Dev Angels and SAP Basis to drop new codes/configuration to fix issues
- FIORI App setup
 - Roles security setup
 - FIORI calling SAP Tcodes
- Performances Issue/Tuning
 - Speed of FIORI app compare to SAPGUI access
- Understanding BP ties with PEO

Final State of Guided Beta:

- Ran out time to complete an End-to-End scenario in PEO
- Got enough glimpse of PEO to understand SAP's approach and design
- Provided feedback and hope to influence future capabilities releases.



Take Away / Recommendations - General

- **It is BETA!!!**
 - You are testing a unreleased codes, and there ae bugs
 - You are helping SAP test their product
- **Typically Guided Beta is on a very aggressive schedule**
- **Bleeding edge new that there are no training material or instructions on how to configure or even how to use the system.**
- **Provides good overall understanding what SAP is developing, and what's missing; enough for us to perform gap analysis and plan accordingly.**
- **SAP does provide supports to help you be successful**
 - Basis support was critical – able to be hands on with the system, ability to perform necessary configuration and installations, even troubleshoot and capture logging for SAP
 - Dev Angels – Direct ties with development staff. Provide quick fix/resolution whenever possible.
- **Give us the ability to provide feedback on the production, and hope to influence it's future release.**



SAP Influencing

Your Opportunity to Influence and Adopt SAP Products and Innovations

Market Introduction
March 2019

PUBLIC

SAP Influencing Opportunities

What We Do

SAP Customer Engagement Initiative (CEI)

Discuss planned functionality to gain valuable input during development phase

SAP Beta Testing

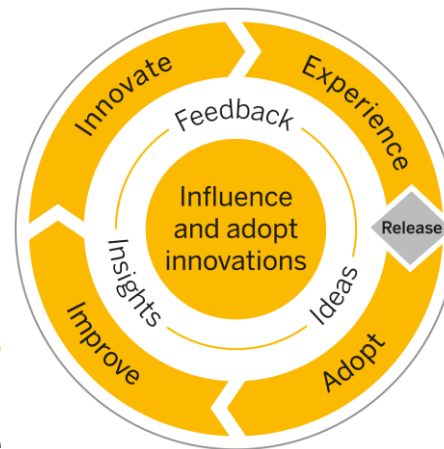
Customers can experience new SAP software before official release for early prototyping with customer specific data and processes

SAP Customer Connection & SAP Continuous Influence

Identify incremental improvements for on premise solutions in mainstream maintenance and newer products with growth potential for a rapid and non-disruptive delivery

SAP Early Adopter Care

Engage in customer implementation projects to minimize project risk and support successful deployments of new SAP products



Experience

SAP Beta Testing

Beta enables customers to

Test and experience upcoming products:

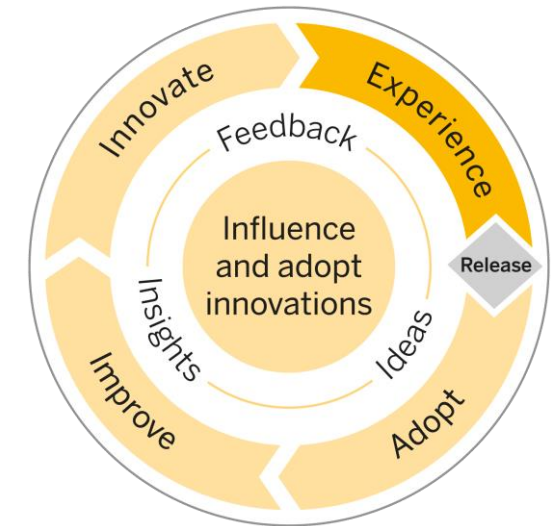
- Offer selected SAP customers and partners new software to gain early software insight
- Interact with development teams and influence the quality of the SAP software product during any stage of development.

Your impact on SAP

- Opportunity to provide feedback on product functionality, usability and quality of new products and solutions before official release

How to get engaged with us?

- Potentially start participating early on in the development of a new product/ release via the SAP Customer Engagement Initiative (CEI)
- Visit influence.sap.com directly for upcoming Beta opportunities
- Continue your journey with SAP Early Adopter Care



Adopt

SAP Early Adopter Care

SAP Early Adopter Care enables customers to

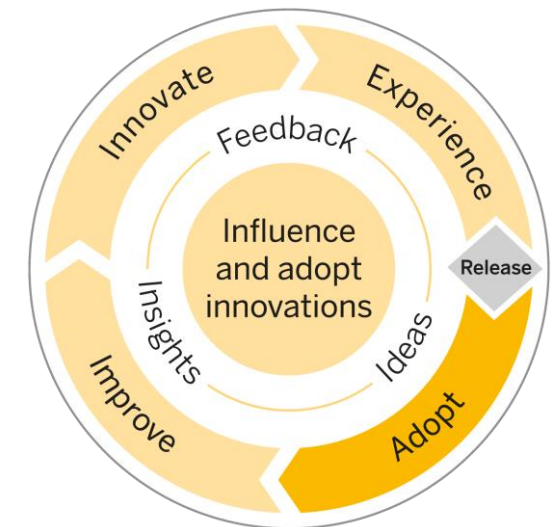
- Get support with your early implementation of SAP's latest releases via an Early Adopter Care program in close collaboration with SAP with a dedicated back-office support infrastructure in place to safeguard your project and minimize risks
- Access to Early Knowledge transfer (EKT) at no additional costs

Your impact on SAP

- Direct interaction with development providing first hand feedback
- Bring in the customer voice to influence future releases

How to get engaged with us?

- Start participating early on in the development of a new product/ release via the SAP Customer Engagement Initiative (CEI) or SAP Beta Testing
- Visit influence.sap.com for upcoming Early Adoption opportunities for your SAP or Partner led implementation project
- We provide you a dedicated Early Adopter Project Coach



Improve

SAP Customer Connection & SAP Continuous Influence

SAP Customer Connection & SAP Continuous Influence enable our customers to:

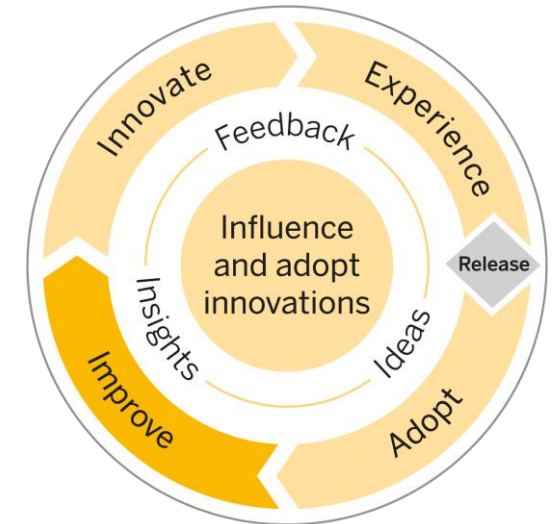
- Incrementally improve the products and solutions they are using today
- Suggest small improvements for on-premise products and solutions in mainstream maintenance (**SAP Customer Connection**) and newer products with growth potential (**SAP Continuous Influence**), for a rapid and non-disruptive delivery

Your impact on SAP

- Help identify product improvement areas in a project mode in collaboration with SAP User Groups worldwide (**SAP Customer Connection**) or benefit from an open channel to our customers for the continuous collection of improvement requests (**SAP Continuous Influence**)
- Get transparency on user feedback and priorities

How to get engaged with us?

- Select your area of interest for [SAP Customer Connection](#) or [SAP Continuous Influence](#) to get notified about upcoming projects
- Review the improvement requests submitted
- SAP will detail out the final improvements together with customers



Innovate

SAP Customer Engagement Initiative (CEI)

SAP Customer Engagement Initiative (CEI) enables customers to

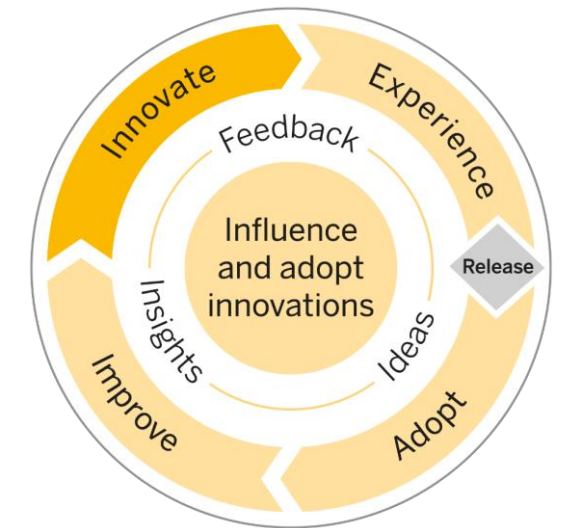
- Get early insight into SAP product plans
- Influence development
- Collaborate closely with SAP product teams

Your impact on SAP

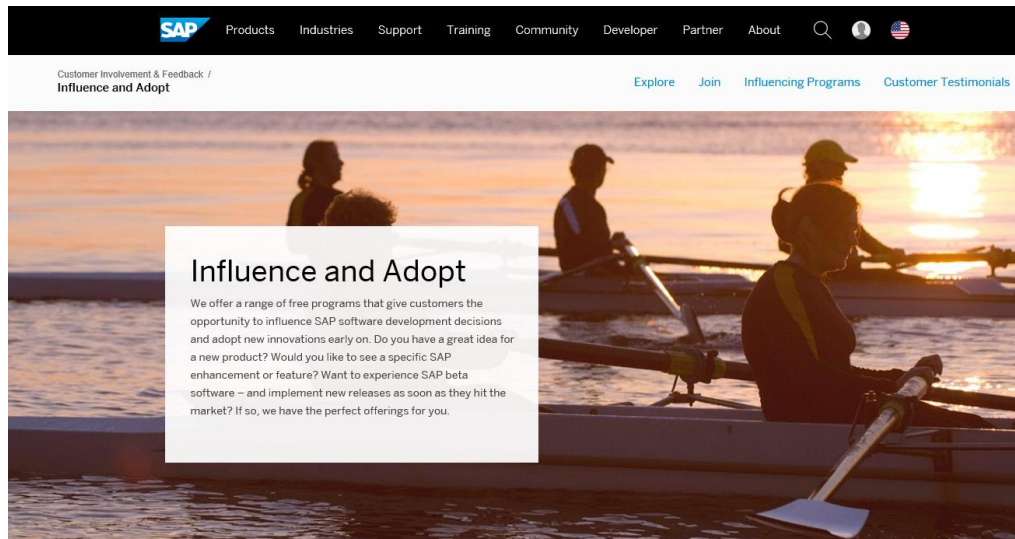
- Help SAP create products and solutions that meet customers' needs, reflect best business practices and realize process and technology innovations
- Opportunity to provide your feedback and engagement in all development phases

How to get engaged with us?

- Select your area of interest via influence.sap.com to get notified about upcoming projects
- Register for projects relevant for your organization
- You will then participate in discussions about future functionality
- Continue your journey with SAP Beta Testing and/or SAP Early Adopter Care



Join us on influence.sap.com



- Explore the programs and how they work
- Sign up for influencing opportunities which fit the needs of your organization
- Subscribe to your area of interest to receive notifications of new influencing opportunities

Explore our existing opportunities

The Customer Influence site is the central hub for your software influence and beta testing opportunities. Projects are grouped by line of business, industry, or product category. The activities within the projects range from short to long-term – and include idea submission, beta test participation, customer collaboration, and more. Login required.

[Learn more about our Customer Influence programs](#)

Spotlights | Line of Business | Industry | Product Category | Influence Opportunities

Concur | Internet of Things | SAP Ariba | SAP Business ByDesign

SAP Business One | SAP Hybris | SAP S/4HANA | SAP S/4HANA Cloud

SAP Customer Influence Opportunities 5

Open for Submission or Registration

All Opportunities	Sort By ...	Most Recent	Latest Change	End of Submis...
All Opportunities				
Active				
Open for Submission or Registration				
Upcoming				
Completed				
I Have Registered For				
Opportunities to be managed				
All Opportunities to manage				
Draft				
Published				
Open for Submission or Registration				

Filter By

SAP Distributed Manufacturing 1.0 | SAP Early Adopter Care | Registration ends on Jul 1, 2018 | Status: Active | 148

SAP Cash Application 1.0 | SAP Early Adopter Care | Registration ends on Oct 2, 2018 | Status: Active | 79

GR/IR Account Reconciliation | SAP Beta Testing | Registration ends on Mar 9, 2018 | Status: Active | 61

SAP S/4HANA Application Cross... | SAP Customer Engagement Initiative | Registration ends on Mar 16, 2018 | Status: Active | 17

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ASUG

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 charlie.mc.yang@lmco.com and gerald.mangan@sap.com

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