Quo Vadis SAP Supply Chain?

A journey from SAP MM, SCM, APO, and SRM to SAP S/4HANA with SAP IBP and SAP Ariba

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Session Highlights



New and integrated SAP Digital Supply Chain From Sourcing, Production, Planning to Distribution

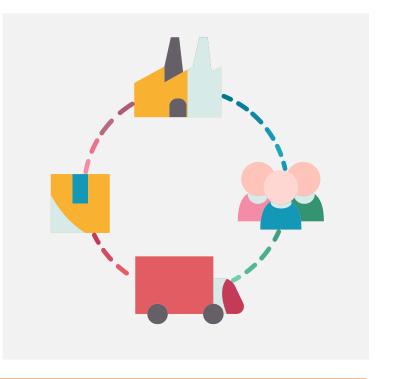
From MM, SCM, APO, SRM to S/4HANA, IBP & Ariba

Supply Chain in and around SAP S/4HANA

SAP Ariba Highlights + Case Study

SAP IBP Highlights + Case Study

Transition to S/4HANA, Ariba and IBP



- Outline the future of Supply Chains with SAP S/4HANA
- Enable ASUG audience to assess where SAP Ariba and SAP IBP fit in





- Introduction
- SAP Digital Supply Chain Solutions around S/4HANA
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CNT Management Consulting – By the Numbers











CNT Portfolio



SAP Business Transformation

- SAP S/4HANA pre-studies and roadmaps
- SAP S/4HANA greenfield implementations
- SAP S/4HANA brownfield conversions
- #rise2s4 conversion package to RISE with SAP
- #run2s4 conversion package ECC to SAP S/4HANA
- Ariba, IBP, and EWM transformation packages

SAP Consulting

- Functional SAP consulting
- · Global business processes and templates
- End-to-end SAP implementations and rollouts
- Integration management
- SAP master data and data migration
- Program-, project-, and change management

SAP Cloud Solutions

- SAP S/4HANA Cloud and RISE with SAP PCE
- SAP Ariba / Spend and SAP Business Networks
- SAP IBP/ Integrated Business Planning
- SAP DMC/ Digital Manufacturing Cloud
- SAP CX, CS / Customer Experience, Service Cloud
- SAP SuccessFactors and Concur
- SAP BTP/ Business Technology Platform

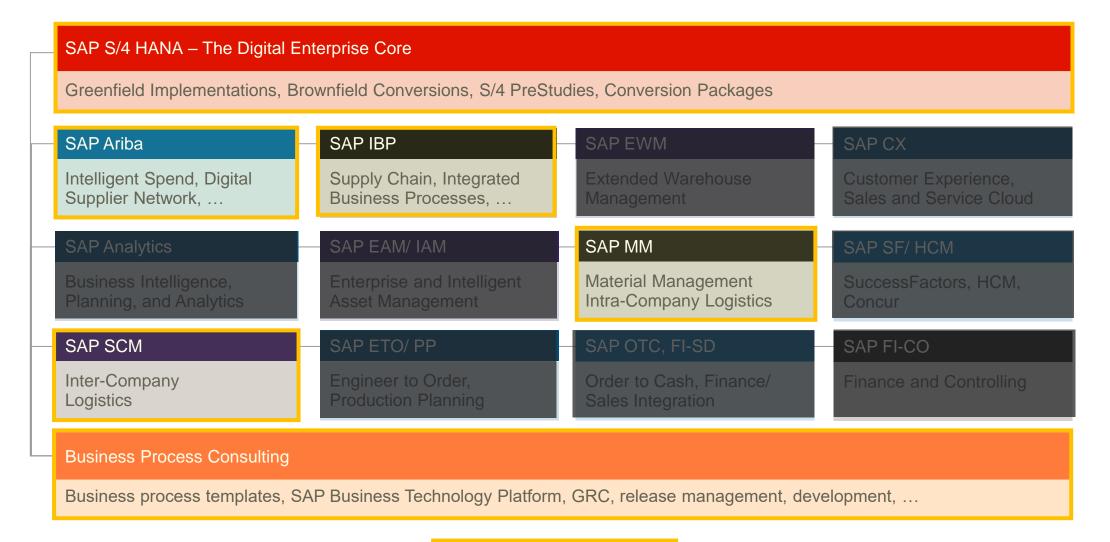
SAP Industry Best Practices

- Industry-specific end-to-end processes
- Plug-in solutions for industrial manufacturing
- Industries: Manufacturing, Industrial Manufacturing, Regulated Industries (Life Science, Medical, Chemical), various others



SAP Competences





Supply Chain Topics





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Definitions



The supply chain is the system of producing and delivering products, from sourcing raw materials to the final delivery of the product



Supply Chain Components with "the old" SAP ECC



SCM **Supply Chain**

Management

APO Advanced Planner and Organizer

LiveCache

SRM

Supplier Relationship Management

SAP Ariba

MII Manufacturing Integration/ Intelligence

SAP ECC PP WM PM MM **Plant** Material Production Warehouse Planning Management Maintenance Management ME SD LE. QM Logistics Sales and Quality Execution Execution Distribution Management PS **HCM** FI CO **Human Capital Project**

PLM **Product Lifecycle** Management

Systems

GRC Governance, Risk, Compliance

Management

Financials

CRM Customer Relationship Management

Controlling

EP Enterprise Portal

MDG Master Data Governance

BI/BW Business Warehouse



What is new with SAP S/4HANA?

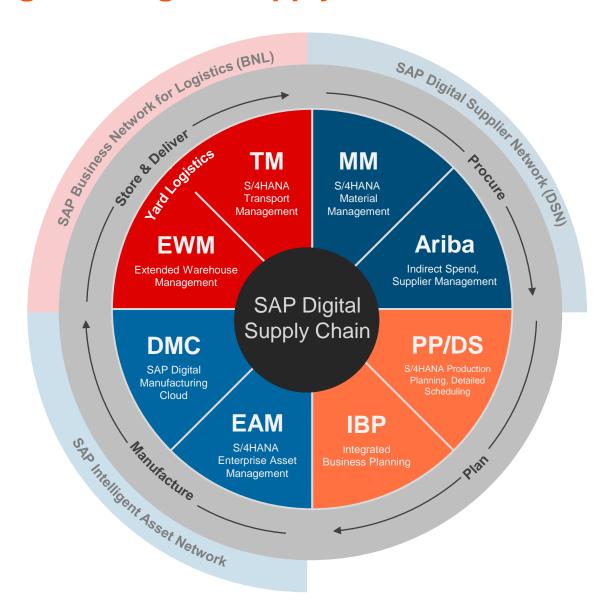


- SAP undertook the single largest simplification initiative to date across all SAP modules into the digital enterprise core with and around SAP S/4HANA.
- SAP launched the "Digital Supply Chain". A modular approach that can operate in parallel with implementing SAP S/4HANA.
- SAP solutions are/will be fully SaaS-based (e.g., Ariba, IBP, S/4HANA Cloud) or, at a minimum, laaS and PaaS-based (S/4HANA PCE).
- SAP is dead-serious about RISE with SAP. Considering standardization with S/4HANA, it makes perfect sense to streamline the operational model.
- SAP deploys its simplification strategy holistically across its portfolio and organization.



Integrated Digital Supply Chain with SAP S/4HANA





With S/4HANA, Ariba, DMC, IBP, EWM, and the three business networks DSN, IAN, and LBN, SAP delivers the most integrated digital supply chain to date.

Diagram by CNT and loosely based on the SAP Digital Supply Chain Management, Edition for SAP S/4HANA





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SAP Integrated Business Planning Basics



What is SAP IBP?

Cloud-based solution for requirementand stock planning across Supply Chain

Enables companies to react fast to changes in their supply chain

Combines Classic Planning and predictive functions with AI and ML

IBP is SAP's consolidated Planning Software of the Future

SAP IBP Components

Sales and Operations Planning (S&OP)

Forecasting and Demand

Inventory Planning and Optimization

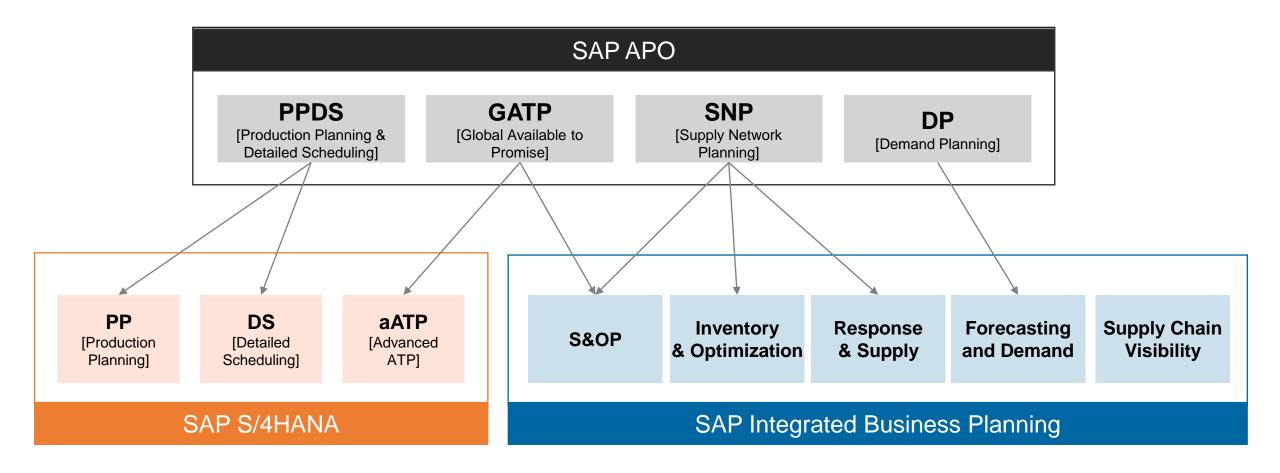
Response & Supply

Supply Chain Visibility



SAP APO vs SAP S/4HANA with SAP IBP







IBP Planning Features



Sales and Operations Planning (S&OP)



- Combined financial/operational planning
- Real-time planning & scenario simulatingPerformance monitoring

Inventory Planning and Optimization



- Automated statistical forecasting
- Predict demand and reduce inventory
- Visualize supply chain network

Forecasting & Demand



- Demand planning
- Demand sensing & statistical models
- Time-series analysis

Response & Supply



- Multilevel supply planning
- Rough-cut capacity planning
- Response management

Supply Chain Visibility



- IBP Control Tower
- Simulation and what-if analysis
- Event-driven exception management



SAP IBP Implementation Case Study



Project Goals

- Harmonize sales planning processes
- Implement an S&OP process
- Integrate departments into a central system
- Consider varying business units requirements
- Create a technical concept for implementation

Solution

- Define a global, standardized model based on the IBP Demand module
- Business-specific process definition for orderbased and serial production
- Best practices as a basis for the definition of the business processes
- Development of a system template based on IBP + S/4HANA PP/DS

Highlights

- Automated statistical forecast generation considering best-fit models
- Modeling of product life cycles for better handling and better control of product variety
- Simulations in IBP and S/4HANA PP/DS
- Automatic alert generation for problems
- Implement a scheduled monthly process to create for a global feasibility plan

CNT Contributions

- Technical concepts for implementation
- Setup up and configure IBP
- Setup cloud interface CPI-DS
- IBP module training for key users
- Business process modeling based on BPMN

CNT Client

- Fränkische, Germany
- Annual revenue: € 600m
- Employees, 5,000
- Manufacturing/ Automotive
- 17 countries
- 22 production facilities

FRÄNKISCHE





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SAP Ariba Basics



What is SAP Ariba?

Ariba is a cloud-based **suite of solutions** for Intelligent Spend Management

Covers sourcing, strategic reporting, governance, competitive bidding and contract management

Connects to the **Digital Supplier Network**, a global solution for buyers and sellers with over 4 million companies

Integrates seamlessly into SAP ERP



Supplier Management

Strategic Sourcing

Digital Supplier Network

Supply Chain Collaboration

Procurement

Financial Supply Chain

SAP Integration



SAP Ariba Components



SUPPLIERS — ORDER TO CASH ARIBA NETWORK SERVICES SOURCE **PLAN PROCURE** PAY OPEN PLATFORM V. **CUSTOMER VALUE** SLP and Collaborative Spend Contract Forecast and Inventory Order Cash Procurement Invoice Visibility Scheduling Risk Sourcing Management Collaboration Execution Management Registration and Material and Spend Supplier Discover Award to Contract Forecast sharing Inventory Visibility Mobile Ordering PO Flip Terms On-Boarding Classification Services Management Strategic Sourcing Workflow Forecast Commit Confirmations Consignment Invoice Category Collaboration Diversity and Catalogs Automation DPO Extension Management Reverse Auctions Authoring Exception Advanced Ship Green Certs Management Supplier Managed Spot Buy Notice Intelligent Early Pay Enrichment Knowledge Repository Risk Management Inventory (SMI) Invoicing Discounts Services Repository Scheduling Robust Approval Goods Receiving Market Intelligence Lifecycle Workflows Agreements Quality Service Entry Supply Chain Surveys Notifications Optimization Rate Card Collaboration Sheets Financing D&B Insight Scorecards Releases Guided Buying Management Spend Analytics Article Pricing Redlining **ERS** Receivables Fin Performance Workbench Returns Lead Time E-Signatures Tax Service Electronic Request Quotes Payment **BUYERS — SOURCE TO SETTLE**

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SAP Ariba Implementation Case Study



Project Goals

- Introduce user-friendly interface for procurement of indirect materials and services
- Optimize service procurement with focus on service recording
- Automate procurement processes through electronic document exchange
- Simplify exchange of documents with suppliers (manuals, certificates, etc)

Solution

- Implement SAP Ariba Buying and Commerce Automation
- Integrate SAP Ariba with SAP ERP
- Connect SAP ERP to the Ariba network to digitalize procurement docs for direct materials
- Activate purchasing catalogues

Highlights

- Simplify purchasing processes for requesters through user-friendly UI in Guided Buying
- Optimize processes for capturing order confirmations, shipping notifications, invoices
- Simplify document sharing with suppliers
- Reduce costs for handling service entries

CNT Contributions

- Experienced SAP Ariba consultant team
- Project management and coordination
- Implement Ariba SNAP! Method
- Activate suppliers for document exchange and provision catalogues via Ariba network
- Integrate SAP ERP with Ariba network and as SAP Ariba Buying
- End-to-end system configurations

CNT Client

- Sandvik, Austria
- Annual revenue: € 3.8b
- Employees, 15,000
- Leading manufacturer of Mining and Construction Supplies





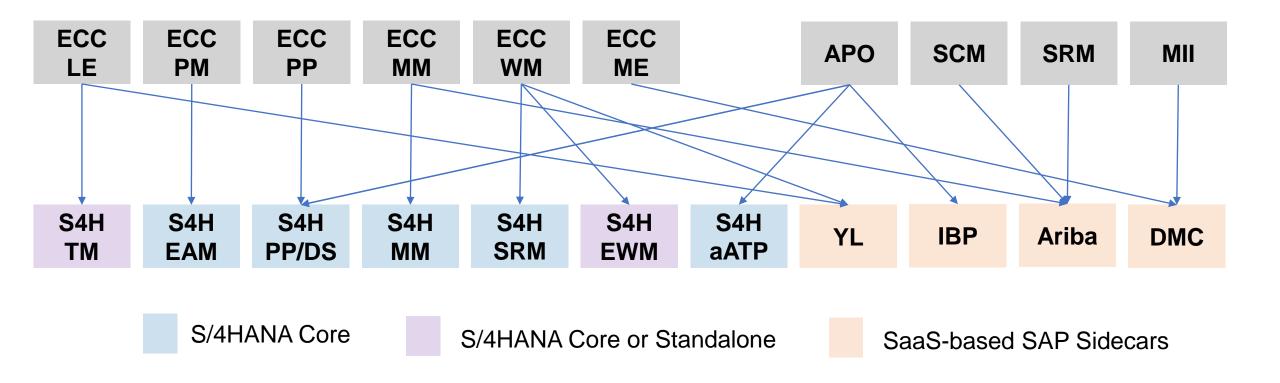


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SAP Supply Chain Components Transformation Paths (Simplified Perspective)







Deployment Options





Brownfield Conversion	Empty Shell Conversion	Mix & Match	Greenfield Transformation
Reuse >90% of existing processes/implementation	Reuse >50% of existing processes/implementation	Reuse <50% of existing processes/implementation	Redesign of processes / implementations
SAP S/4HANA Conversions			
▼ IBP and Ariba Deploymen		ba Deployments	



Transformation via an Assessment Approach





Transformation Assessment

- Structured approach for all transformation aspects
- Identify potentials and benefits
- Identify status quo of current implementation
- Identify activities prior to transformation
- Involve stakeholders; build positive momentum

Develop Solution Strategy



Transformation Roadmap

- How to implement and run the transition project
- Aggregate assessment data
- Defined clearly the transition phase
- Augment the SAP Activate transformation method
- Estimate scope, timeline, and resource

Develop Transition Path

Assessment Approach Benefits

- Answer the "Why" and "How" of the transformation
- Structure approach for critical transformation aspects
- Get good data from stakeholders with the right questions
- Stakeholder focus during and after the assessment

- Set expectations for the transition
- Better decision on the transformation approach
- Have a ready-to-go transformation template
- Get the transformation project off on the right foot

Transformation Project



Example for simplified S/4HANA or RISE Conversion via CNT #run2S4 or #rise2S4

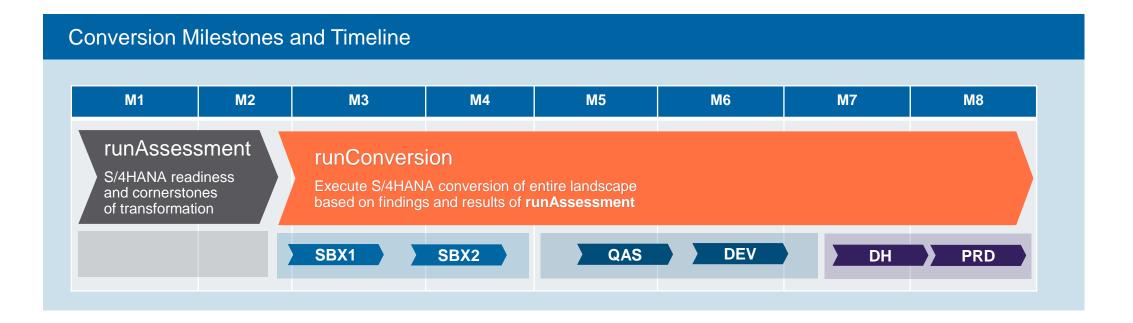


Highlights

- Predefined and standardized scope project.
- ✓ runAssessment as S/4HANA conversion launchpad
- ✓ runConversion for end-to-end conversion.

Benefits

- ✓ Fixed scope and timeline
- Convert first, innovate second
- Predictable outcome





Questions?

For questions after this session, contact us at

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Thank you.

