S/4HANA Cloud, Public Edition: An Overview

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Speaker introduction

- 24 years of SAP experience in a career of 29 years in a variety of roles including SAP product development, delivery/advisory/consulting, pre-sales, & sales; currently work for the SAP S/4HANA Center of Excellence, North America

- Served nearly 100 clients globally & across multiple industry verticals including Public Sector, Utilities, Media, Manufacturing, Pharmaceuticals, Oil & Gas, & Hi-tech among others

- Areas of expertise include SAP Financials, Logistics/Supply Chain, Reporting & Analytics, Data Management & Governance, Cloud technologies, User Experience, & Project/Program Management

- Prolific thought leader: Published over 100 articles & white papers for SAP publications; written 5 SAP books; spoken at nearly 60 SAP conferences globally

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Agenda

- Overview & benefits of S/4HANA Cloud, Public Edition

- Capabilities & key features

- Deployment model

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S/4HANA Cloud, public edition – fast facts

- ✓ 100% Software-as-a-Service (SaaS) application
- ✓ (Annual) subscription-based license model
- ✓ Enterprise Resource Planning (ERP) in the cloud
- ✓ Entirely organic & relatively new SAP application that's been in the market for nearly 7 years
- ✓ Runs on the HANA database and leverages HANA capabilities
- ✓ Solution needs to be 'deployed' or 'rolled-out' and not 'implemented'
- ✓ 100% mobility-enabled
- ✓ SAP Fiori is the only UI
- ✓ Also referred to as S/4HNA Public Cloud, Multi-tenant Edition (MTE), & Essentials Edition

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Why S/4HANA Cloud, public edition?

Affordable

- **Fast** implementation
- **Automatic** upgrade
- Pay-per-Service consumption model
- **Industry best practices** built in

Flexible

- **Out of the box** integration
- Automated **testing tools** included
- **Simple configuration**
- On **any device**

Adaptable

- Easy **in-app extensibility**
- **Side-by-side extensibility**
- Localized in **47 countries**
- Go global with Configuration **Localization Toolkit**

Innovative

- **Intuitive** & simple UX
- SAP Process Automation (ML, IRPA etc.)
- Consume as need/want
- **Continuous** feature delivery
- **Modular** extensibility

Open

- **Open** architecture
- Pre-built integrations available via API Hub
- **Standardize**
- **Lower** TCO

Manageable

- **Digital Discovery Assessment** tools
- User Management
- **Utilization** transparency
- Automated **testing tools** included

Resilient

- **Best in class** uptimes
- **Rapid Disaster Recovery** capability
- **Mission critical** response times.

Secure

- **Cloud security** and compliance
- Backup and **disaster coverage**
- **Data protection**

Scalable

- 24 hour **rapid provisioning**
- Commercial & technical flex
- **3-System** Landscape
- FUE Model

Sustainable

- DC powered by **renewable energy**
- Integrated with **Sustainability Portfolio**

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Key benefits and values

Business Benefits

- **S/4HANA scope incl. LOB and industry processes**, supporting 20 industries*
- Cloud enabled **Partner Add-Ons**
- **47 Country/Region versions** in 29 languages
- **Pre-configured integration** to other cloud solutions

Strategic Benefits

- **Lowest TCI**
  - Fit to standard
  - Complete delivery of pre-activated business innovation scope
- **Scalable** platform
- **Lowest TCO**
- Fastest onboarding
- **Fastest time to innovation**
  - Monthly feature delivery and bi-yearly major upgrades

Innovation Benefits

- **Highest degree of automatization** via Machine Learning and Robotic Process Automation
- **Flexibility and Extensibility**
  - Access to On Stack S/4HANA **Extensibility Framework**
  - Side-by-side and **In-App** extensions
  - Code enhancements **via ABAP Environment***

Operational Benefits

- **Lowest TCO**
- **Native cloud infrastructure and cloud enablement** (e.g. authorizations & access management, output management)
- **Technical operations, upgrades, system maintenance, …etc.** done by SAP

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Leader in Finance and Service-Centric Domains

Gartner

SAP S/4HANA Cloud is a Strong Leader in the 2022 Gartner Magic Quadrant™ for Service-Centric Cloud ERP

Gartner

SAP S/4HANA Cloud is a Leader in the 2021 Gartner Magic Quadrant™ for Cloud Core Financial Management Suites for Midsize, Large and Global Enterprises

IDC

Strong Leader in the 2020 IDC MarketScape™ for Cloud-Enabled PSA ERP Applications Vendor Assessment

IDC
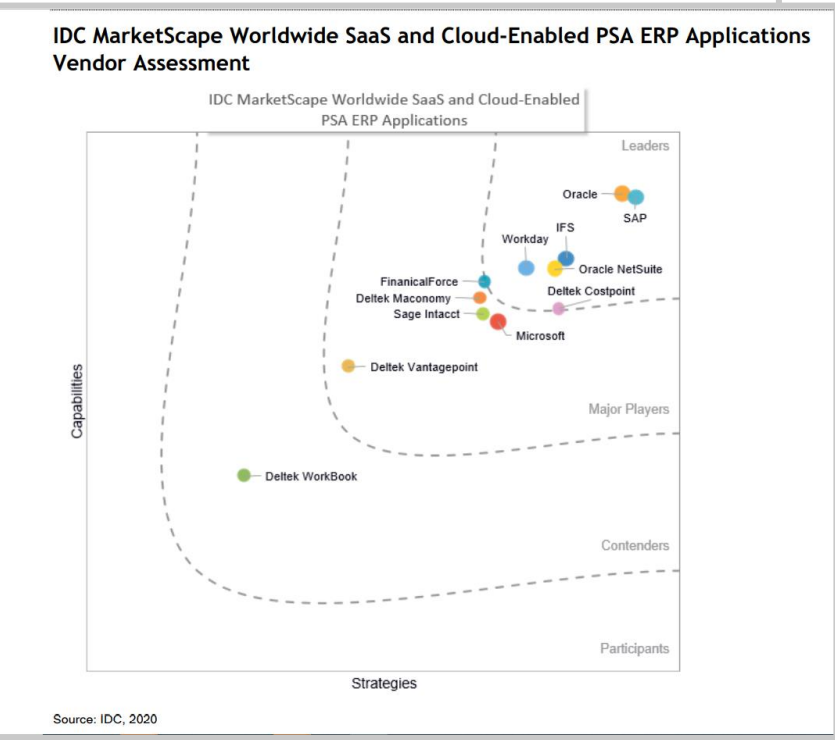
Strong Leader in the 2020 IDC Worldwide SaaS and Cloud-Enabled Enterprise Finance and Accounting Applications Vendor Assessment

Gartner notes that SAP S/4HANA Cloud is a "100% managed SaaS cloud solution with a comprehensive breadth of features. Strengths included strong financial management product vision and breadth, including core management, treasury, analytics, and planning."

IDC MarketScape Worldwide SaaS and Cloud-Enabled PSA ERP Applications Vendor Assessment

Source: IDC, 2020

Magic Quadrant

Figure 1: Magic Quadrant for Cloud ERP for Service-Centric Enterprises

As of July 2022   © Gartner, Inc

Gartner

Source: Gartner (July 2022)

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Scope Highlights

Run on Industry Standards

Accelerate Growth & Unlock efficiencies with built-in best practices across standard business processes

Finance
- Accounting and financial close
- Receivables and Payables mgmt.
- Cost mgmt. & profitability analysis
- Treasury & working capital mgmt.
- Governance Risk and Compliance

Procurement
- Direct material procurement
- Service procurement
- Supplier management
- Central procurement

Sales
- Sell Products, Projects and Contract-based Services separately or as a full solution
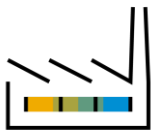- Convergent & External Billing

Service
- After-sales service and support with contracts, service deliveries, and billing
- Combine sales & services as packaged solution offerings

Service-Centric Industries
- Professional services
- Public sector
- Higher education
- Media
- Financial services

SAP S/4HANA Cloud, public edition

Manufacturing
- Material requirements planning with demand driven and/or predictive MRP
- Make to stock and make to order
- Quality management
- Environment, Health and Safety

R&D
- Product compliance
- Enterprise portfolio and project management
- Advanced Variant configuration
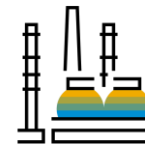
Asset management
- Reactive and proactive maintenance
- Resource scheduling for maintenance planner
- Enhanced collaboration + review

Supply chain
- Warehouse Outbound & Inbound Processing
- Core Inventory Management
- (Advanced) ATP Processing
- Basic Transportation Mgmt.

Product-Centric Industries
- Component manufacturing
- Hi-tech
- Automotive
- Mining services

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World-class UX with SAP Fiori

On any device, use role based cockpits with digital assistant

Embedded analytics for simulation, prediction & insight-to-action

Machine learning for automated processing & decision support

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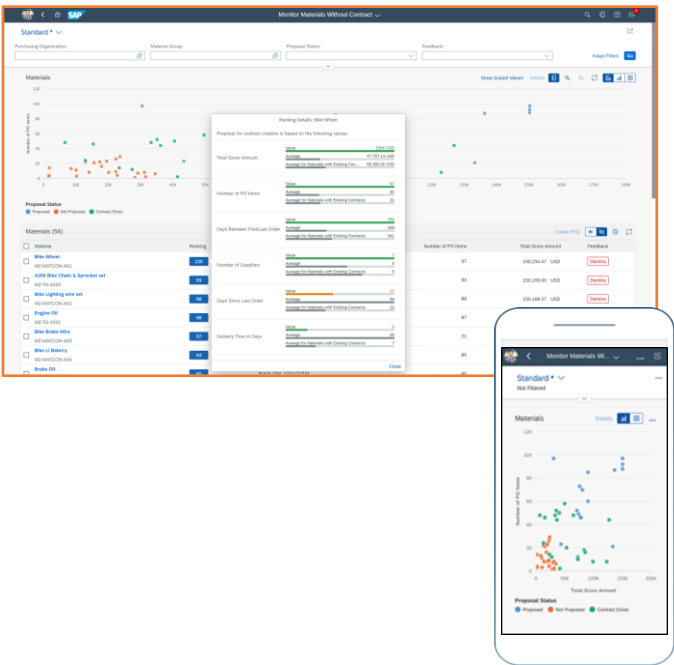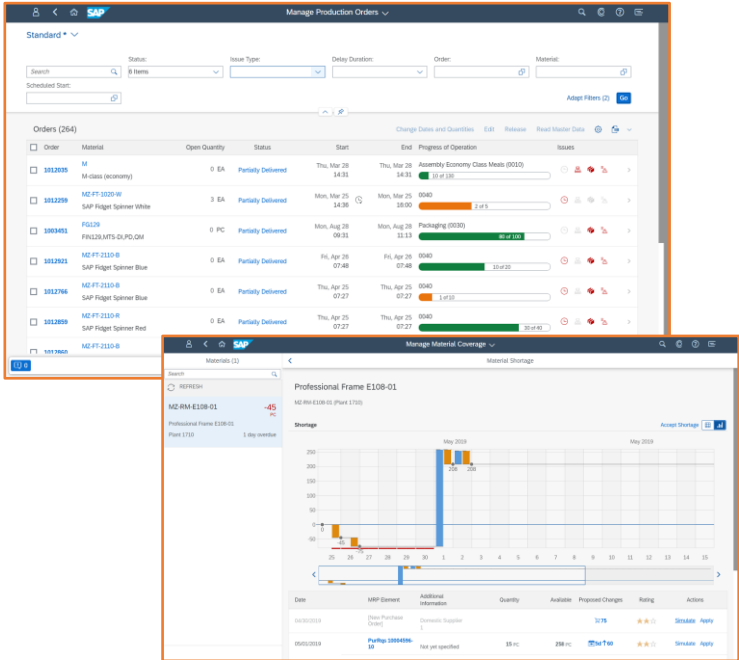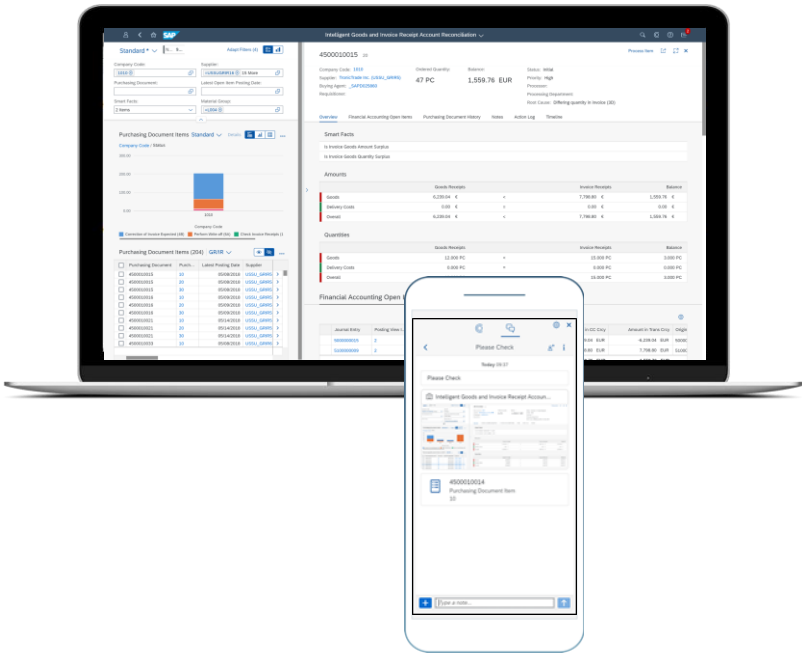
Embedded intelligence helps unlock efficiencies

Discover embedded insights
Data-driven decisions for measurable outcomes

React with situation handling
Exception-based notifications for insight to action

Automate SAP Process Automation
Multiple bot workflows for execution (attended + unattended)
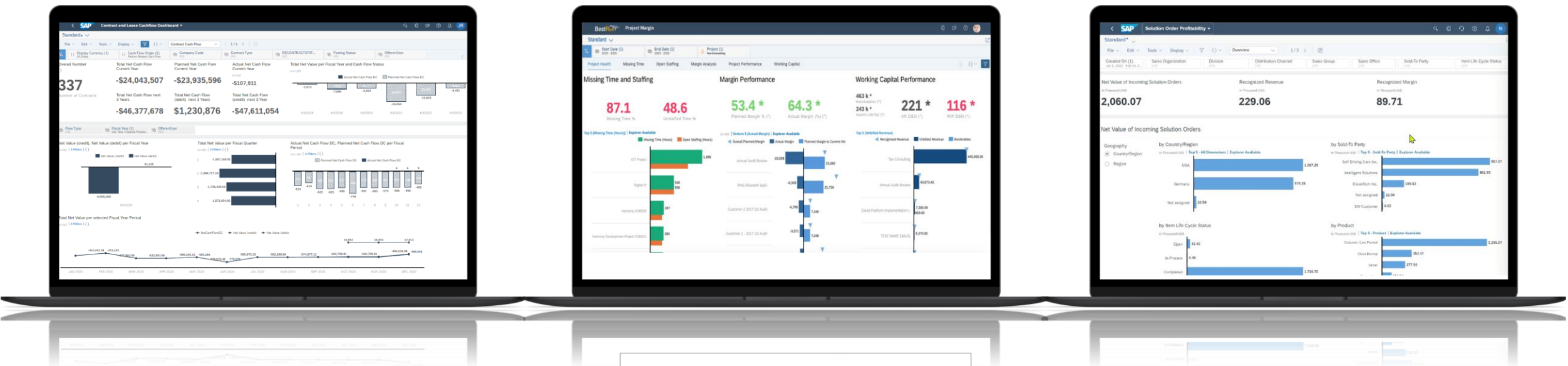
7 Times
increase in order processing capacity
Streamlining Order-to-Cash
processes increases capacity for seasonal sales peaks

SAP S/4HANA Cloud
Automated and Transparent Order to Cash Process
THE BEST RUN SAP

42%
of sales orders automated
Integrating Solutions
for a real-time overview of the entire go-to- market channel

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2-tier ERP model for large enterprises (on SAP ECC or S/4HANA)
with S/4HANA Cloud, public edition as the 2nd tier

Industries: All Industries

Two-Tier ERP works for a mix of customer profiles:

Tier 1
ECC Installed Base
Three distinct profiles

Laggards
Run dated ECC system with keep-the-lights on strategy (Leapfrog to Public Cloud) and too small for PCE

or

Pace Keepers
Running ECC with desire to lift and shift into cloud. Focus on evolution to a clean core and modular cloud

majority of customers

or

Innovators
Running ECC but strong strategy/vision to move to cloud. Committed to transformation with standardization

and

Tier 2
Five distinct profiles

Existing ERP customers who have Tier 2 scenario requirements due to need for agility or step based transformation to the public cloud

Acquisitions

Subsidiaries

Divestitures

Incubations

Autonomous Divisions

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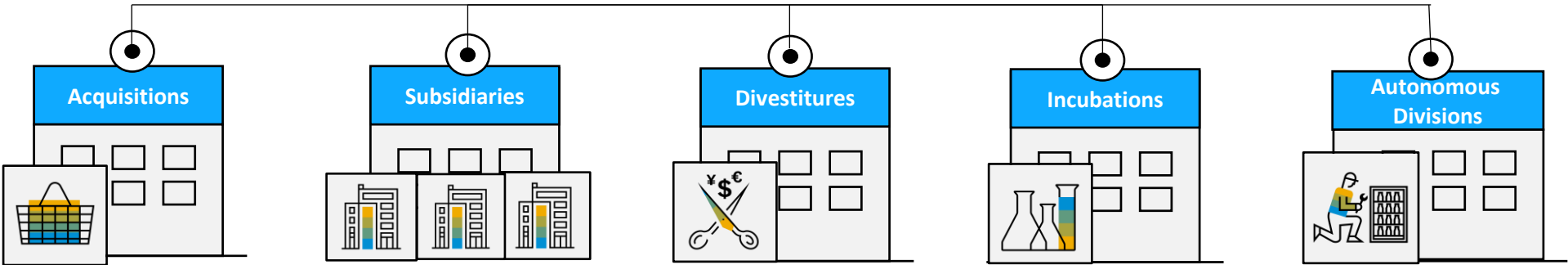
Upgrade frequency
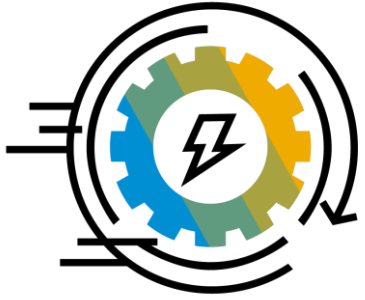
- SAP will significantly accelerate the delivery of new business innovations.

- Coming from a quarterly release cycle, we will implement continuous feature delivery through **monthly updates**. With this approach, our customers have
the option to access new capabilities in a nondisruptive manner every month.

- Twice a year, we will provide the usual system upgrades – entailing the latest, & more substantial developments.

- New enhancements can be leveraged in a fast way, compared to old legacy systems where upgrade project takes month or years.

1 Release in February
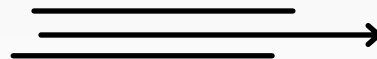
2 Release in **August**

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Compliance & certifications

Cloud Operations and Management	Cloud Operations and Management	
SaaS Application	Applications	
	Middleware / Platform	
System Management	System	
	Database	
	Operating System	
	Virtualization	
IT Infrastructure Management	Servers	
	Storage	
	Networking	
	Data Center Facilities	

Baseline:
ISO 27001 / ISO 9001/ ISO 22301

- ISO 27001: Certification of a Information Security Management System
- ISO2017 & ISO27018
- ISO 9001: Certification of a Quality Management System
- ISO 22301: Certification of Business Continuity Management System

Financial Reporting:
SOC 1 / SSAE18

- Report on Controls at a Service Organization relevant to User Entities' Internal Control over Financial Reporting
- Can be handed out only to customers, restricted use/distribution
- Design assessment and detailed operating effectiveness testing

Trust Service Principles:
SOC 2

- Report on Controls at a Service Organization relevant to Security, Availability and Confidentiality
- Can be handed out to customers and prospects, use/distribution may be restricted
- Design assessment and detailed operating effectiveness testing

All SAP S/4HANA Cloud Certification will remain valid for SAP S/4HANA Cloud Hosted on Azure, GCP Infrastructure

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SAP Activate – Deployment methodology

Customers achieve fast and cost efficient deployment of SAP innovations
with ONE simple, modular and agile methodology

Drive delivery of **customer and time to value**

Broad coverage of **SAP solutions**

Full support for **initial implementation** and
on-going business innovation

**SAP ACTIVATE
Methodology**

Enabled for **cloud, on-premise, and
hybrid deployments**

Flexible to accommodate today and future
delivery approaches, including SAP partners

Enables **co-innovation** with customers

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SAP Activate for S/4HANA Cloud, public edition

	Discover	Prepare	Explore	Realize		Deploy	Run
			QG1	QG2	QG3	QG4	
Project Mgmt.		Getting Started & Onboarding					
		Project Initiation & Governance	Execution / Monitoring of Project				
		Project Standards & Kick-off					
Customer Team Enablement	Cloud Trial	Team Self- Enablement	Customer Execution of Standard Scenarios				
Technical Architecture & Infrastructure		Starter System Initial Access		Request/Receive Initial Access to Development System	Request/Receive Production System	System Go-Live	Release Cycles
		SAP CBC Initial Access			Release Cycles		Ongoing Operations
		SAP Cloud ALM Initial Access		Request/Receive Test System			
Application Design and Configuration	Discovery Assessment	Business Driven Configuration Assessment	Fit-to-Standard Analysis and Documentation	Required Configuration	Solution Walkthrough		Continuous Improvements
	Application Value and Scoping		Identity and Access Management	Solution Configuration	Activate New Country/ Scope		Release Cycles
		Fit-to-Standard Analysis and System Preparation		Identity and Access Configuration	Output Management		Activate New Scope/ Country
Extensibility			Extension Planning and Design	Solution Extension Development & Deployment			
Integration		Create Integration & API and AI Lists	Integration Planning and Design	AI & Integration Setup in Test System	AI & Integration Setup in Production		
		Prepare Integration Setup	AI Planning ,Design, and Setup		Setup Instructions		
Testing			Test Planning	Test Preparation	Test Execution		
Data Management		Data Migration Strategy	Data Load Preparation	Data Migration (Customizing)	Cutover Preparation	Production Cutover	
				Data Migration (Test)			
Operations & Support				Support Operations and Handover Plan			Release Cycles
							Ongoing Operations
Solution Adoption	Cloud Mindset Assessment	Organizational Change Management					
		Enablement Strategy	Learning Needs Analysis	Enablement Content Development & Delivery			User Experience Management
Analytics		Create Initial Analytics List	Analytics Planning and Design	Analytics Configuration in Development Tenant			
				Analytics Configuration in Test System			
				Analytics Configuration in Production System			

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◆ Quality Gates   Task / Activity

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Cloud Mindset – key ingredient for success

- A fundamental new way of thinking in the cloud era. It requires the ability to rapidly adopt standard best practices and leverage cloud technology to engage in continuous innovation

- The adoption of a cloud mindset enables an organization to achieve higher agility, flexibility and collaboration thereby optimize the use of business and technological innovations that the cloud offers.

- Customer committed to cloud mindset embrace:
  - Adopting standard processes
  - Running the solution in a SAP selected Data Center
  - Accepting innovation and update cycles

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Customer Flipping Book

[Ready-To-Run Customer Flipping Book](#)

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Questions?

For questions after this session, contact me at Anurag.barua@sap.com

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