The New SAP Digital Supply Chain

with SAP S4HANA, SAP RISE, and the SAP Cloud Portfolio

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CNT Management Consulting Inc

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Session Highlights

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

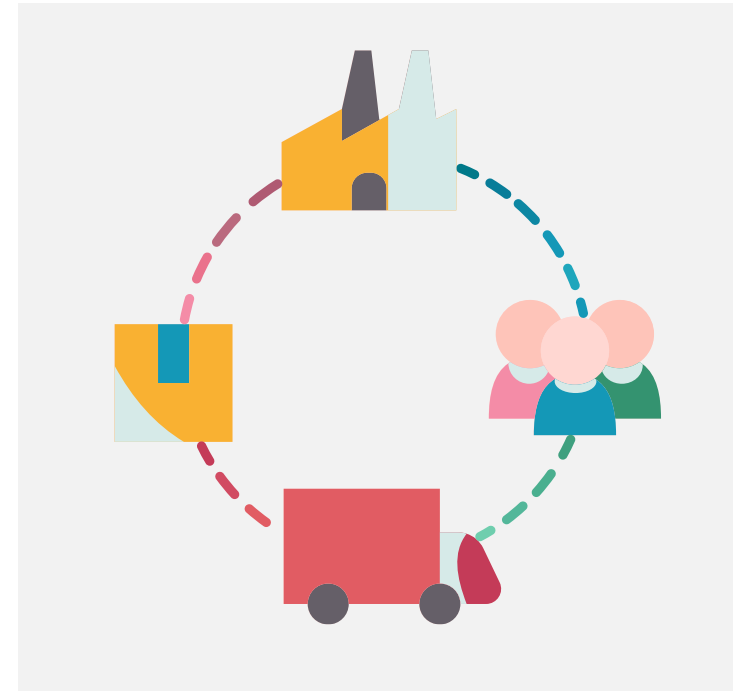|	
From MM, SCM, APO, SRM to S/4HANA with IBP & Ariba	From PP, ME/MII, PM to S/4HANA with DMC & EAM
From WM, LE to S/4HANA with EWM, TM & YL	From self-operated to SAP RISE Privat and Public Edition
From a custom ECC system to "clean-core" S/4 with BTP	Transition Strategies

- Outline the future of Supply Chains with SAP S/4HANA
- Outline possible SAP baseline scenarios for the next decade

Agenda

- **Introduction**

- SAP Digital Supply Chain with and around S/4HANA
  - Procurement
  - Planning
  - Manufacturing
  - Logistics

- An introduction to SAP RISE

- Transition to and innovate on S/4HANA

CNT Management Consulting – By the Numbers

400+
SAP Consultants at ten global Locations

81+
Million EUR global Revenue 2021

23+
Years of Success and Innovation

250+
Customers in EMEA, Americas, APAC

75+
S/4HANA Projects in 40+ Countries

50+
Implementations of SAP Cloud Solutions

SAP Gold Partner

SAP Pinnacle Awards 2021 Winner

CNT Portfolio

SAP Business Transformation

- #rise2s4 conversion package to RISE with SAP
- #run2s4 conversion package ECC to SAP S/4HANA
- SAP S/4HANA pre-studies and roadmaps
- SAP S/4HANA greenfield implementations
- SAP S/4HANA brownfield conversions

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
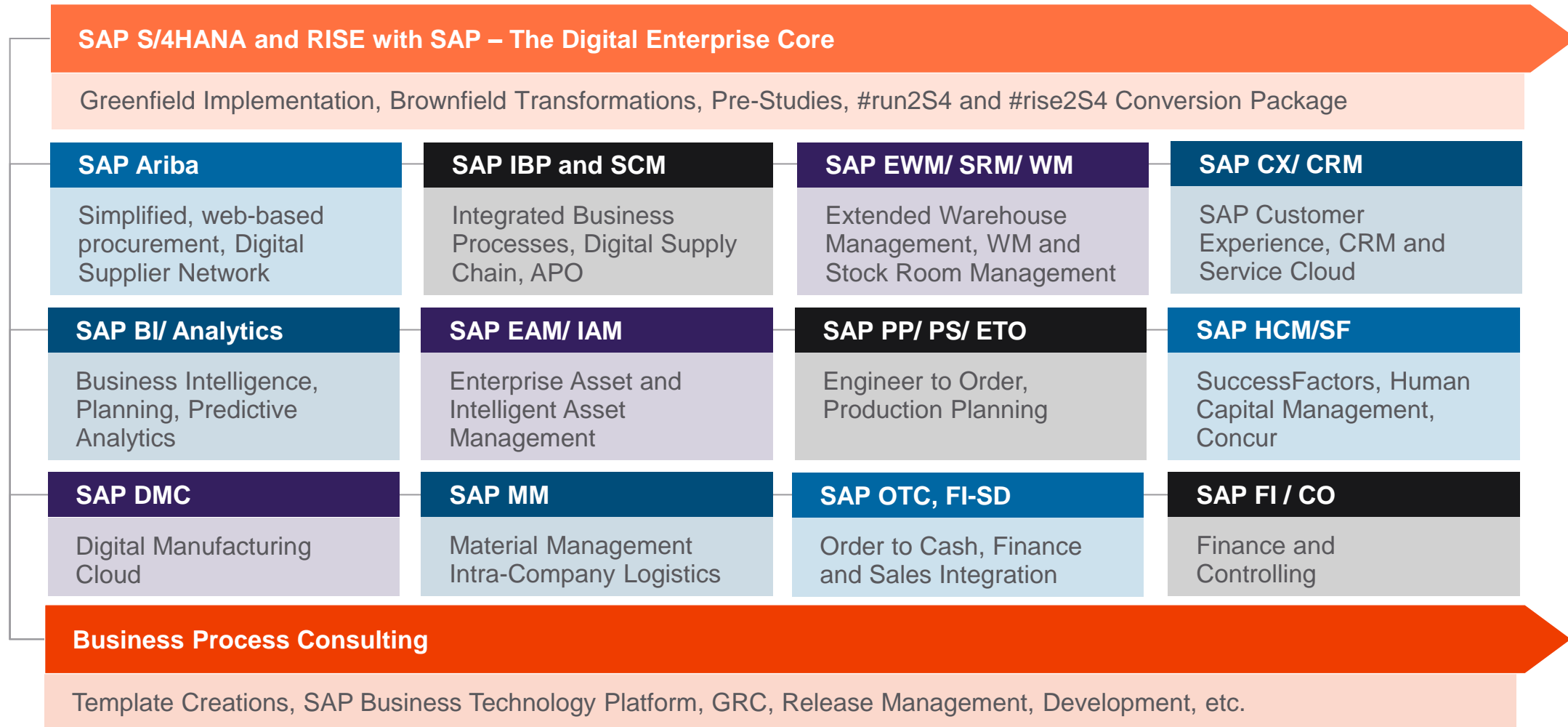- Program-, project-, and change management

SAP Cloud Solutions

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

CNT is an SAP-focused consulting firm and covering the entirety of SAP solutions

SAP Competences

SAP S/4HANA and RISE with SAP – The Digital Enterprise Core

Greenfield Implementation, Brownfield Transformations, Pre-Studies, #run2S4 and #rise2S4 Conversion Package

SAP Ariba	SAP IBP and SCM	SAP EWM/ SRM/ WM	SAP CX/ CRM
Simplified, web-based procurement, Digital Supplier Network	Integrated Business Processes, Digital Supply Chain, APO	Extended Warehouse Management, WM and Stock Room Management	SAP Customer Experience, CRM and Service Cloud
SAP BI/ Analytics	**SAP EAM/ IAM**	**SAP PP/ PS/ ETO**	**SAP HCM/SF**
Business Intelligence, Planning, Predictive Analytics	Enterprise Asset and Intelligent Asset Management	Engineer to Order, Production Planning	SuccessFactors, Human Capital Management, Concur
SAP DMC	**SAP MM**	**SAP OTC, FI-SD**	**SAP FI / CO**
Digital Manufacturing Cloud	Material Management Intra-Company Logistics	Order to Cash, Finance and Sales Integration	Finance and Controlling

Business Process Consulting

Template Creations, SAP Business Technology Platform, GRC, Release Management, Development, etc.

CNT maintains dedicated competence teams for the different SAP areas

CNT Awards and Recognitions by SAP

Winner of the 2021 SAP Partner Pinnacle Award*

Quality Award 2022
Rapid Time to Value
[Rosenbauer]

Quality Award 2022
Rapid Time to Value
[UBM]

Quality Award 2022
Business Transformation
[Pfeiffer]

Quality Award 2021
Time to Value
[Bachem]

Quality Award 2021
Business Transformation
[Pfeiffer]

Quality Award 2021
S/4HANA Transformation
[Boehringer Ingelheim]

Quality Award 2019
Cloud Transformation
[Porr Group]

Quality Award 2019
Fast Delivery
[Porsche]

Quality Award 2018
Fast Delivery
[TANN Group]

Quality Award 2018
S/4HANA Innovation
[Listroj]

Quality Award 2018
Business Transformation
[Hoerbiger]

SAP Partner of the Year 2020
SAP LoB Cloud

SAP Partner of the Year 2019
SAP Quality

SAP Partner of the Year 2019
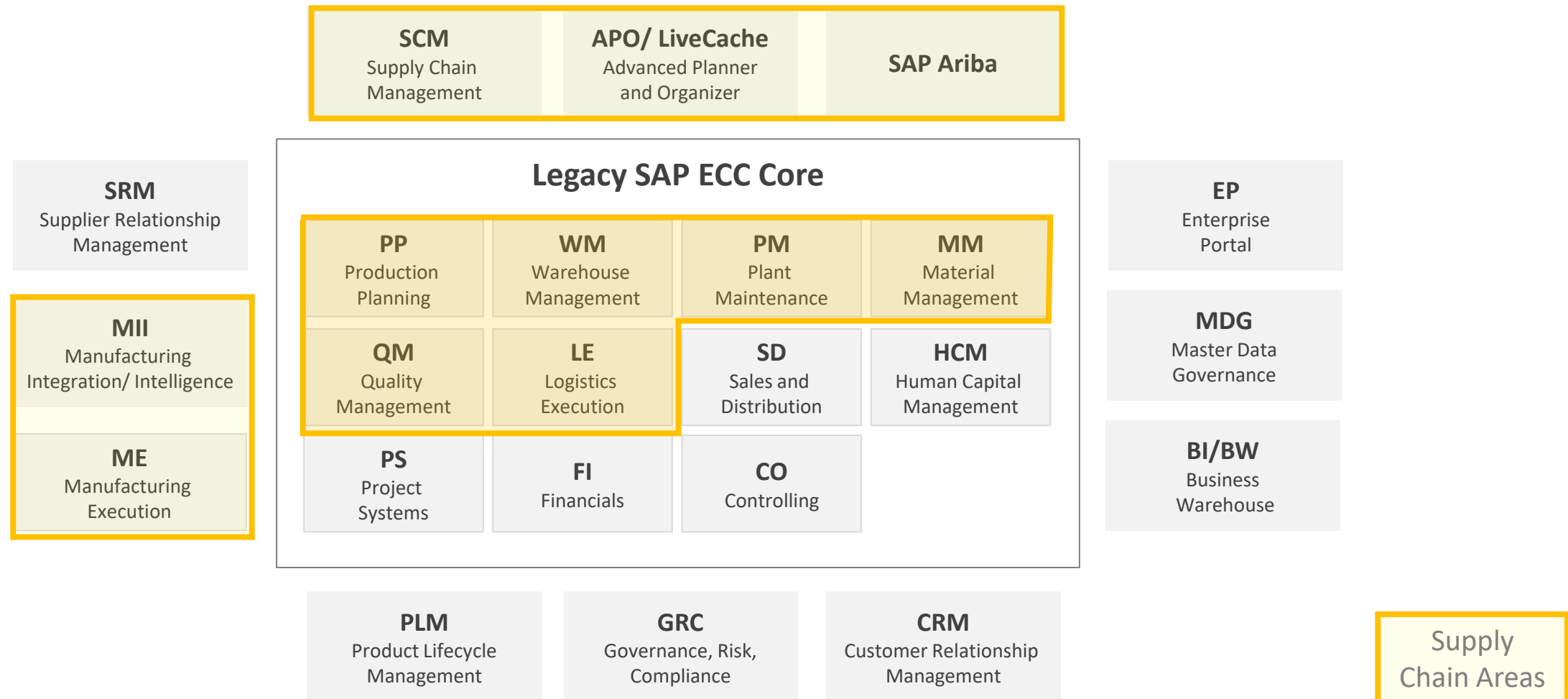SAP S/4HANA Move

SAP Gold Partner

CNT is regularly recognized by SAP with Quality Awards

*The SAP Pinnacle Award is awarded to about 20 out of estimated 20k SAP partners every year

Agenda

- Introduction

- **SAP Digital Supply Chain with and around S/4HANA**
  - **Procurement**
  - **Planning**
  - **Manufacturing**
  - **LogistiCS**

- An introduction to SAP RISE

- Transition to and innovate on S/4HANA

Legacy SAP ECC and SAP Components

ECNT Management Consulting

SCM	APO/ LiveCache	SAP Ariba
Supply Chain Management	Advanced Planner and Organizer	

SRM
Supplier Relationship Management

MII
Manufacturing Integration/ Intelligence

ME
Manufacturing Execution

Legacy SAP ECC Core

PP	WM	PM	MM
Production Planning	Warehouse Management	Plant Maintenance	Material Management

QM	LE	SD	HCM
Quality Management	Logistics Execution	Sales and Distribution	Human Capital Management

PS	FI	CO
Project Systems	Financials	Controlling

EP
Enterprise Portal

MDG
Master Data Governance

BI/BW
Business Warehouse

| PLM	GRC	CRM
Product Lifecycle Management	Governance, Risk, Compliance	Customer Relationship Management

Supply Chain Areas

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What is new in and around 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 solutions are/will be **fully SaaS-based** (e.g., Ariba, IBP, S/4HANA Cloud) or, at a minimum, IaaS or PaaS-based (S/4HANA PCE, BTP, …)

- **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.

- **SAP launched the "Digital Supply Chain" (SAP DSC)** - A modular framework approach that can operate in parallel with implementing SAP S/4HANA.
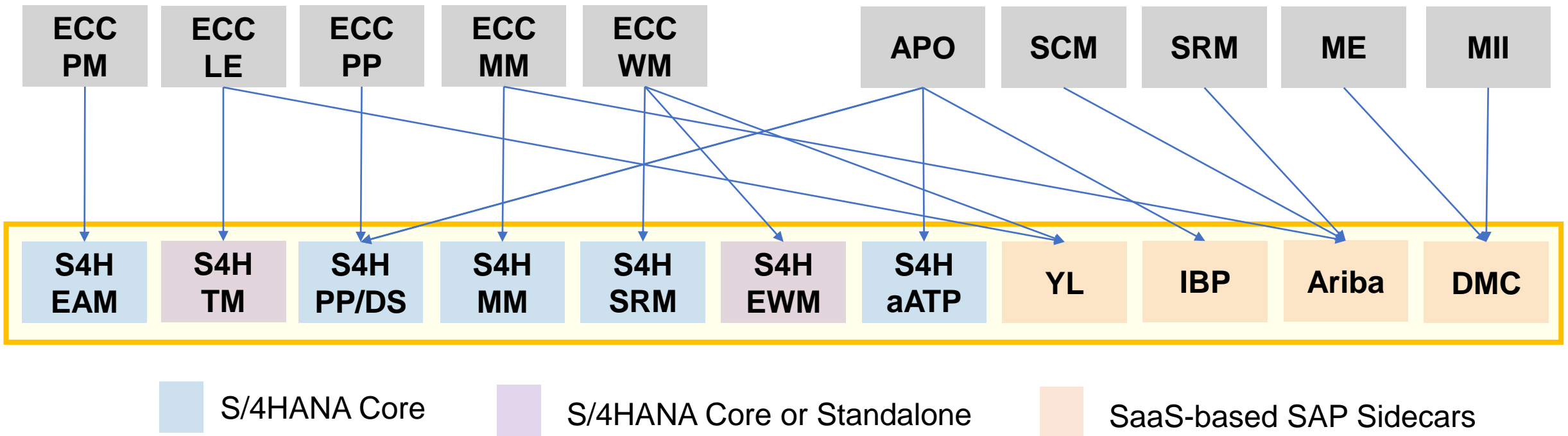
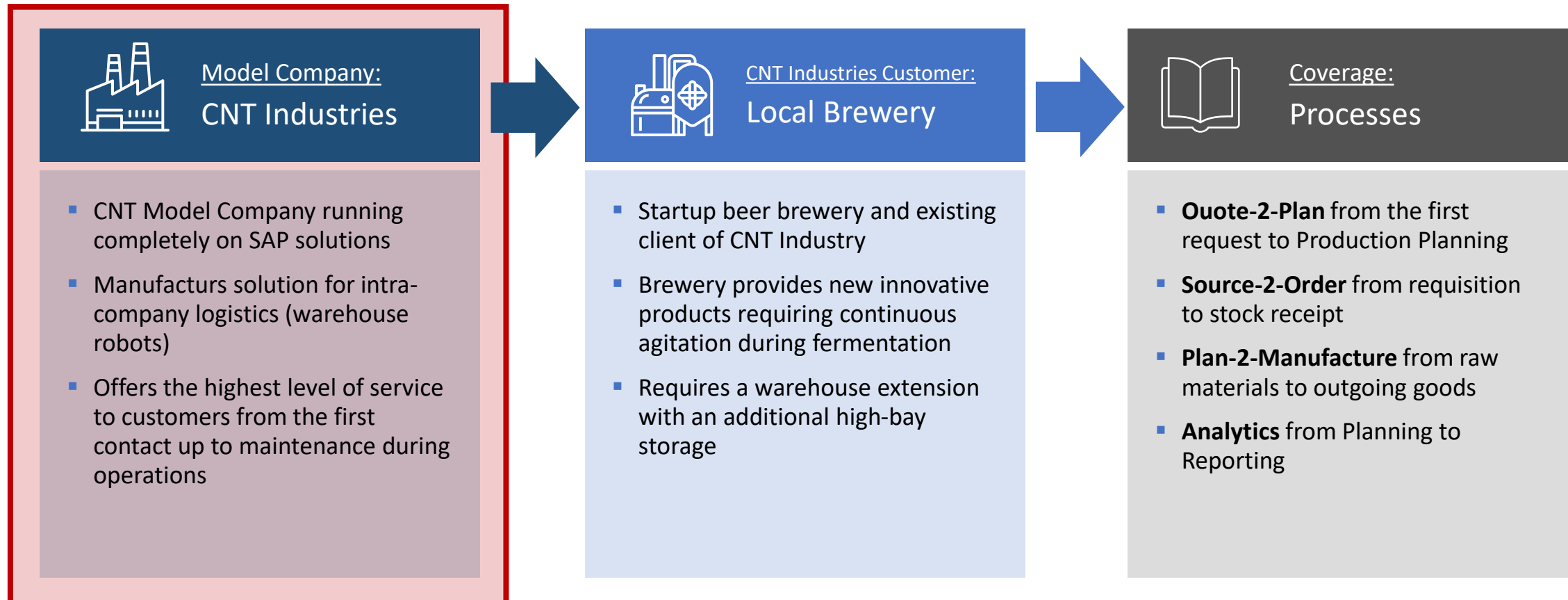# Integrated Digital Supply Chain with and around SAP S/4HANA
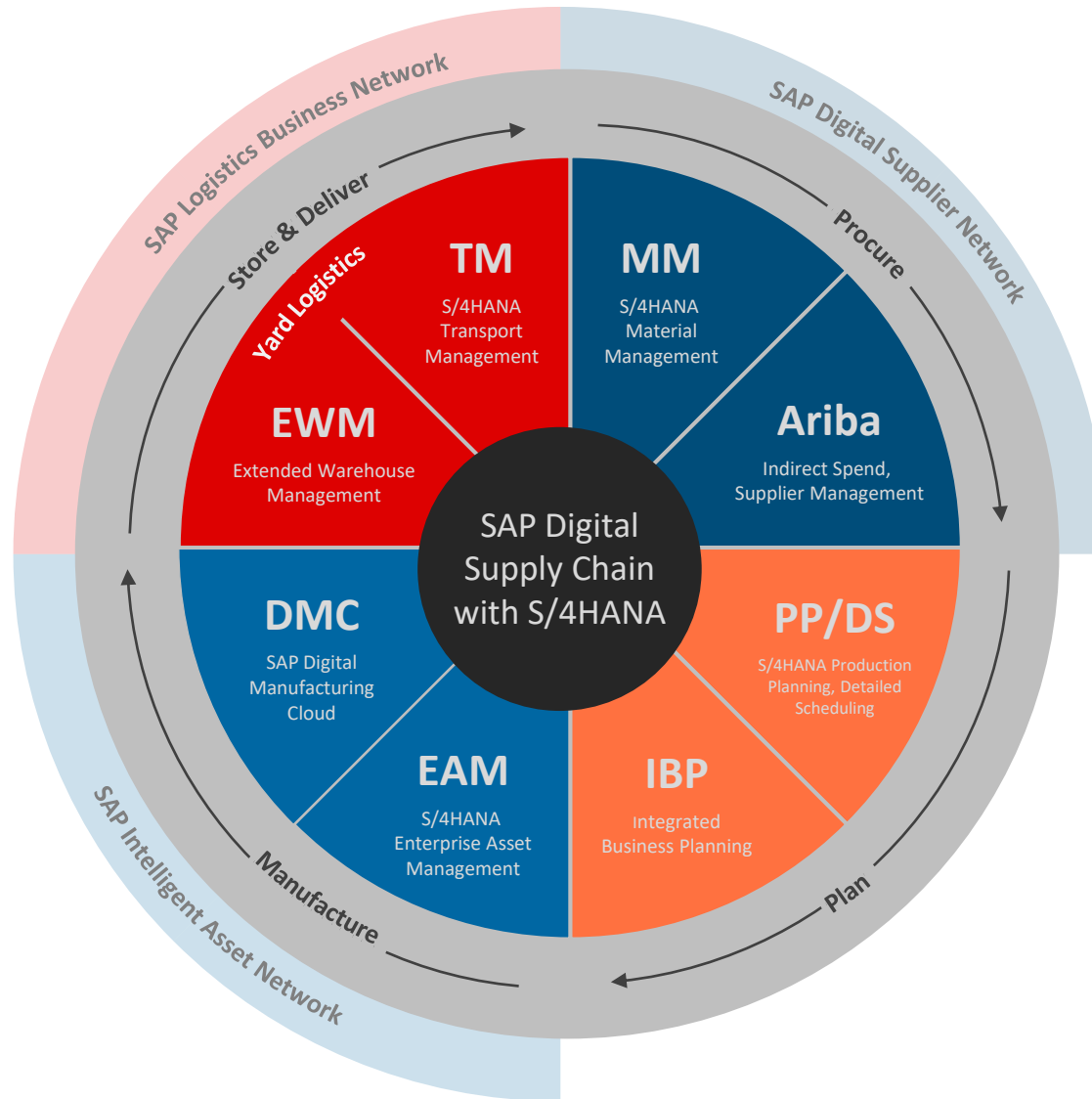
With S/4HANA, Ariba, DMC, IBP, EWM, and the three business networks DSN, IAN, and LBN, SAP delivers **the most integrated Digital Supply Chain to date**

The SAP Digital Supply Chain illustrates the need to embrace approaching projects holistically:
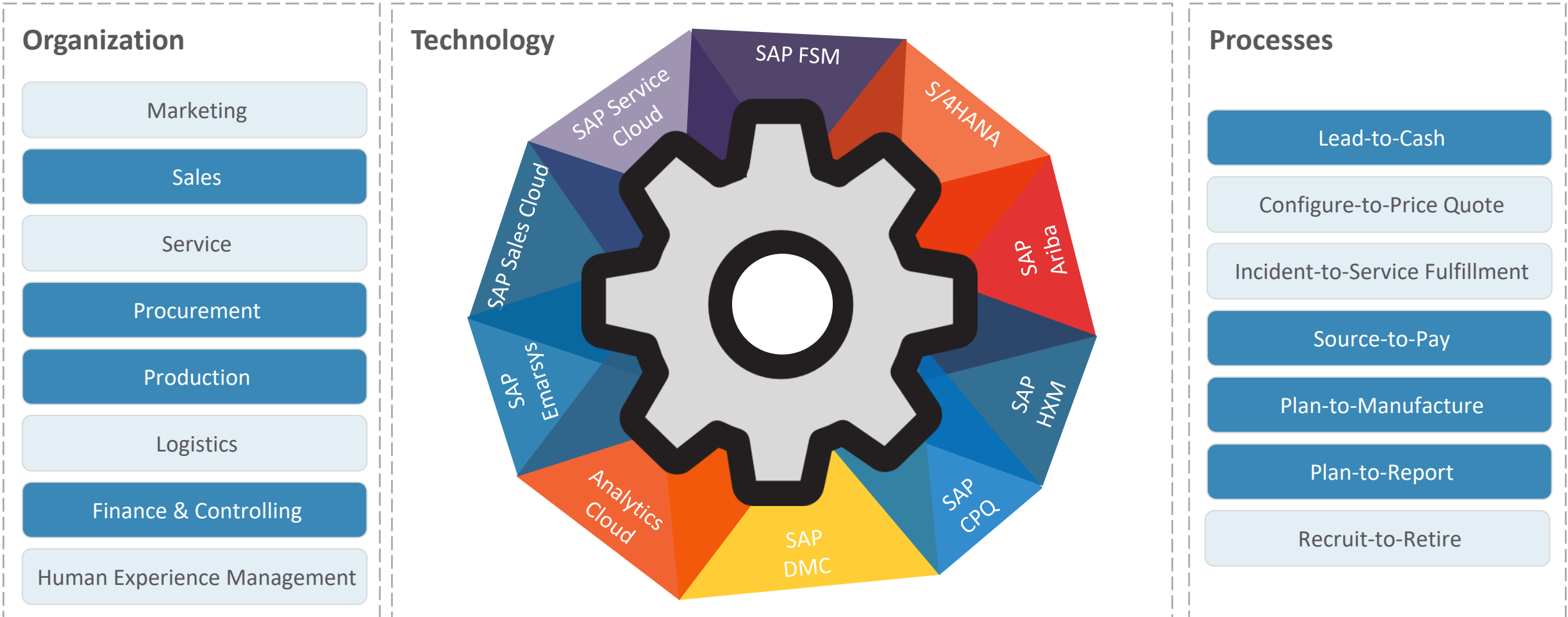
- Business process/ BPML layer
- Master Data Concept
- SAP S/4HANA enterprise core
- DMC Implementation and Integration

The SAP Digital Enterprise with the Model Company "CNT Industries"

Model Company:
CNT Industries

- CNT Model Company running completely on SAP solutions
- Manufacturs solution for intra-company logistics (warehouse robots)
- Offers the highest level of service to customers from the first contact up to maintenance during operations

CNT Industries Customer:
Local Brewery

- Startup beer brewery and existing client of CNT Industry
- Brewery provides new innovative products requiring continuous agitation during fermentation
- Requires a warehouse extension with an additional high-bay storage

Coverage:
Processes

- **Ouote-2-Plan** from the first request to Production Planning
- **Source-2-Order** from requisition to stock receipt
- **Plan-2-Manufacture** from raw materials to outgoing goods
- **Analytics** from Planning to Reporting

CNT developed its own SAP Model Company and mapped it to SAP demo systems

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The SAP Digital Enterprise with the Model Company "CNT Industries"

Organization

- Marketing
- Sales
- Service
- Procurement
- Production
- Logistics
- Finance & Controlling
- Human Experience Management

Technology

- SAP FSM
- SAP Service Cloud
- S/4HANA
- SAP Sales Cloud
- SAP Ariba
- SAP Emarsys
- SAP HXM
- Analytics Cloud
- SAP DMC
- SAP CPQ

Processes

- Lead-to-Cash
- Configure-to-Price Quote
- Incident-to-Service Fulfillment
- Source-to-Pay
- Plan-to-Manufacture
- Plan-to-Report
- Recruit-to-Retire

Covered in CNT Model Company

Planned

The SAP Digital Enterprise with the Model Company "CNT Industries"
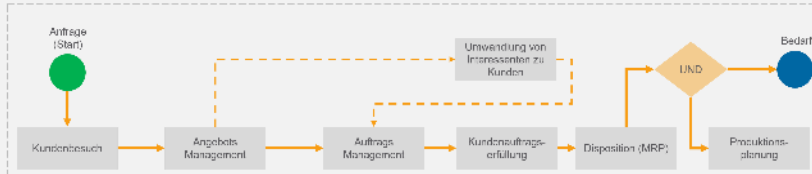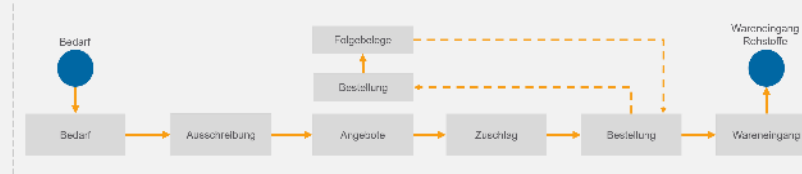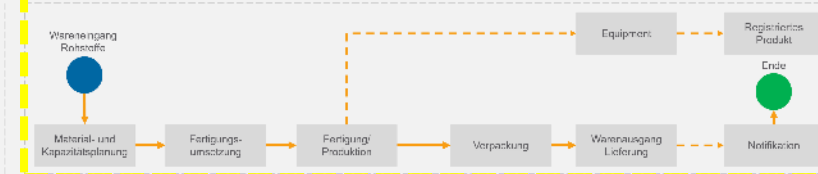
An Introduction to IBP

Sales and Operations Planning (S&OP)

- Combined financial/operational planning
- Real-time planning & scenario simulating
- Performance 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
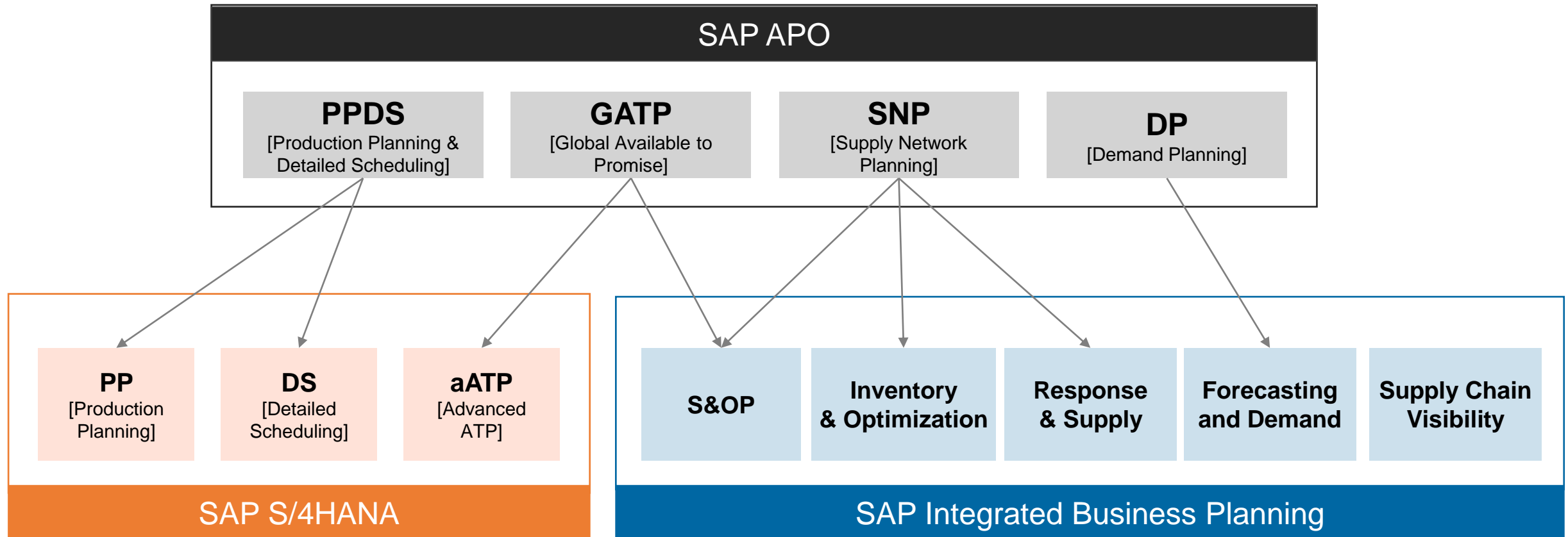- Time-series analysis

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

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SAP APO vs SAP S/4HANA with SAP IBP

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SAP APO

PPDS [Production Planning & Detailed Scheduling]	**GATP** [Global Available to Promise]	**SNP** [Supply Network Planning]	**DP** [Demand Planning]

PP [Production Planning]	**DS** [Detailed Scheduling]	**aATP** [Advanced ATP]

SAP S/4HANA

S&OP	**Inventory & Optimization**	**Response & Supply**	**Forecasting and Demand**	**Supply Chain Visibility**

SAP Integrated Business Planning

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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 order-based 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 Components

Digital Supplier Network

Ariba Buying	Ariba Catalog	Ariba Contracts	Supplier Management		Ariba Sourcing	Spend Analysis
			SLP	Risk		
[Procurement and Invoicing]	[Simplified Shopping experience]	[Contract management]	[Supplier Lifecycle Performance]	[Supplier Risk, Monitor Issues]	[RFI, RFP, RFQ, Auctions, etc]	[Classifications, benchmarks, …]

SAP ERP Integration

[CGI, SAP Cloud Connector, Commerce Automation, …]

SAP Ariba Implementation Case Study

CNT Management Consulting

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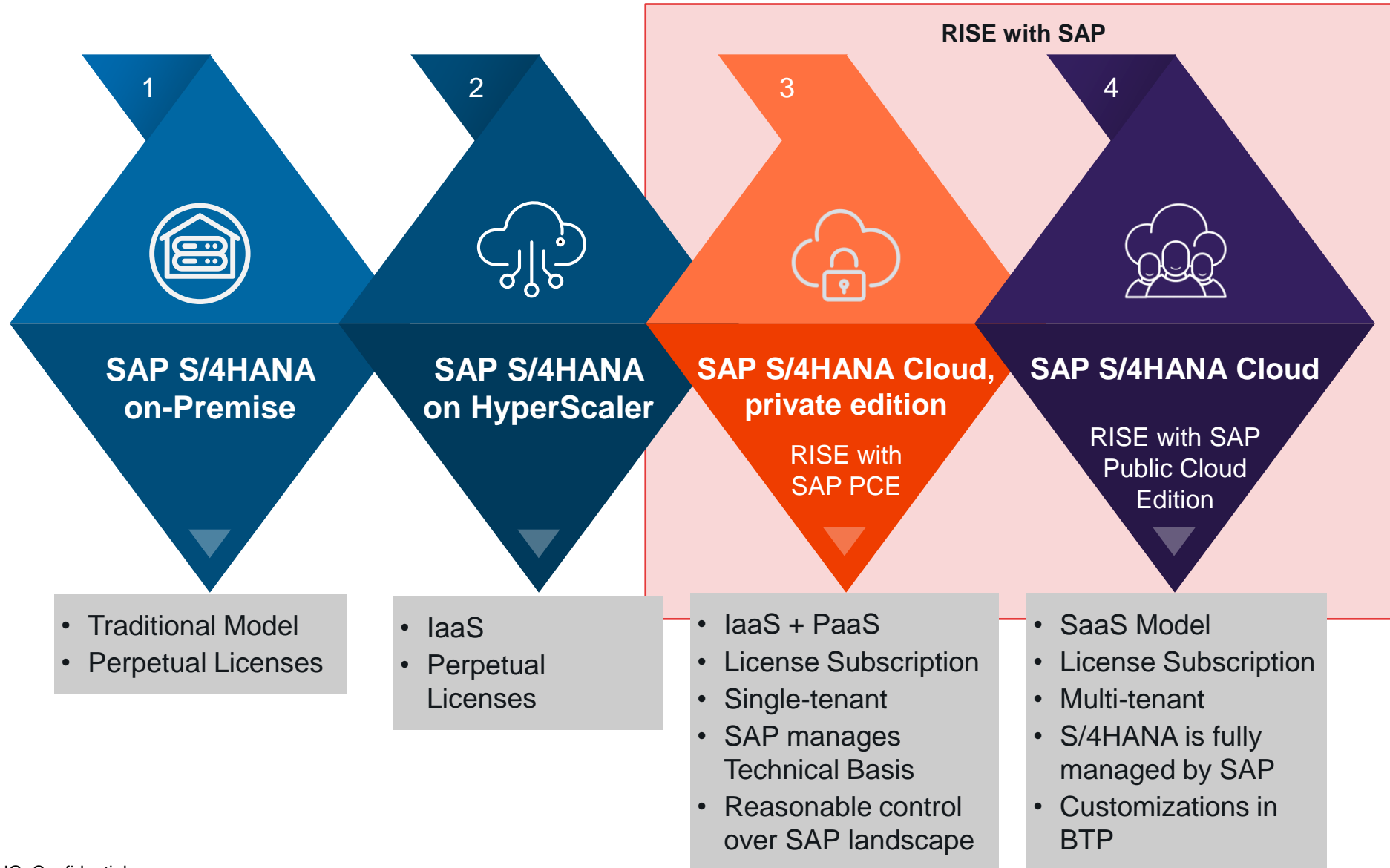
- **Sandvik, Austria**
- Annual revenue: € 3.8b
- Employees, 15,000
- Leading manufacturer of Mining and Construction Supplies

SANDVIK

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- **An introduction to SAP RISE**

- Transition to and innovate on S/4HANA

SAP S/4HANA Operating Models

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RISE with SAP

1	2	3	4
SAP S/4HANA on-Premise	**SAP S/4HANA on HyperScaler**	**SAP S/4HANA Cloud, private edition** RISE with SAP PCE	**SAP S/4HANA Cloud** RISE with SAP Public Cloud Edition

- Traditional Model
- Perpetual Licenses

- IaaS
- Perpetual Licenses

- IaaS + PaaS
- License Subscription
- Single-tenant
- SAP manages Technical Basis
- Reasonable control over SAP landscape

- SaaS Model
- License Subscription
- Multi-tenant
- S/4HANA is fully managed by SAP
- Customizations in BTP

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SAP RISE and BTP

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SAP S/4HANA On-Premises	SAP S/4HANA on HyperScaler [IaaS]	SAP S/4HANA RISE private edition [IaaS]	SAP BTP [PaaS]	SAP S/4HANA Cloud RISE public edition [SaaS]

SAP S/4HANA On-Premises

Customer:
- Application
- Data
- Runtime
- Middleware
- O/S
- Virtualization
- Servers
- Storage
- Network

SAP S/4HANA on HyperScaler [IaaS]

Customer:
- Application
- Data
- Runtime
- Middleware
- O/S

GCP, AWS, Azure, … :
- Virtualization
- Servers
- Storage
- Network

SAP S/4HANA RISE private edition [IaaS]

Customer:
- Application
- Data
- Runtime
- Middleware

SAP [on HyperScalers]:
- O/S
- Virtualization
- Servers
- Storage
- Network

SAP Core Technical Management and Monitoring

SAP BTP [PaaS]

Customer:
- Application
- Data

SAP:
- Runtime
- Middleware
- O/S
- Virtualization
- Servers
- Storage
- Network

SAP S/4HANA Cloud RISE public edition [SaaS]

SAP:
- Application
- Data
- Runtime
- Middleware
- O/S
- Virtualization
- Servers
- Storage
- Network

SAP BTP is the Centerpiece of Cloud Integration and Customizations
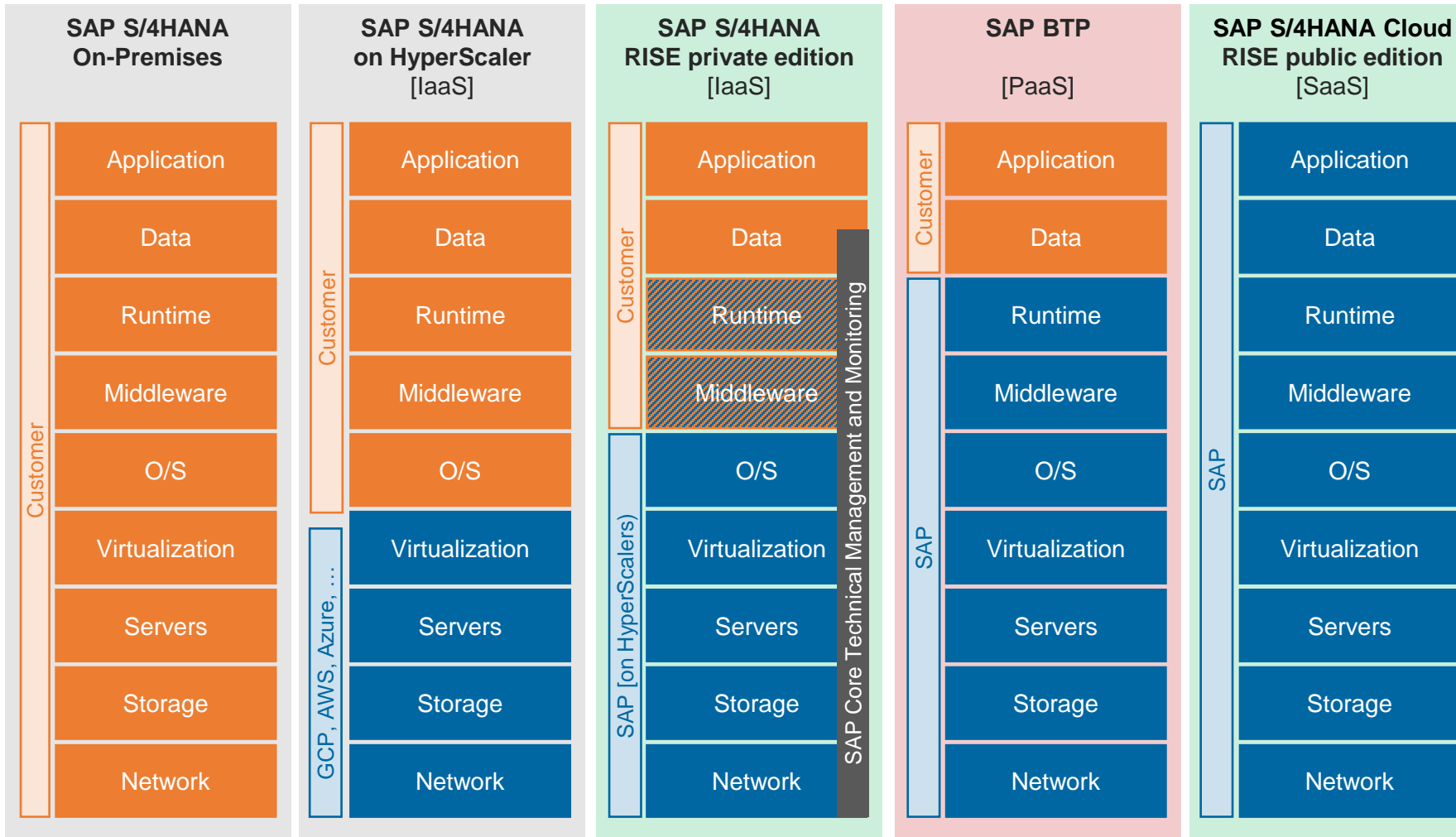
Customer Control | Provider Control

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- **Transition to and innovate on S/4HANA**

CNT S/4HANA Transition Strategies

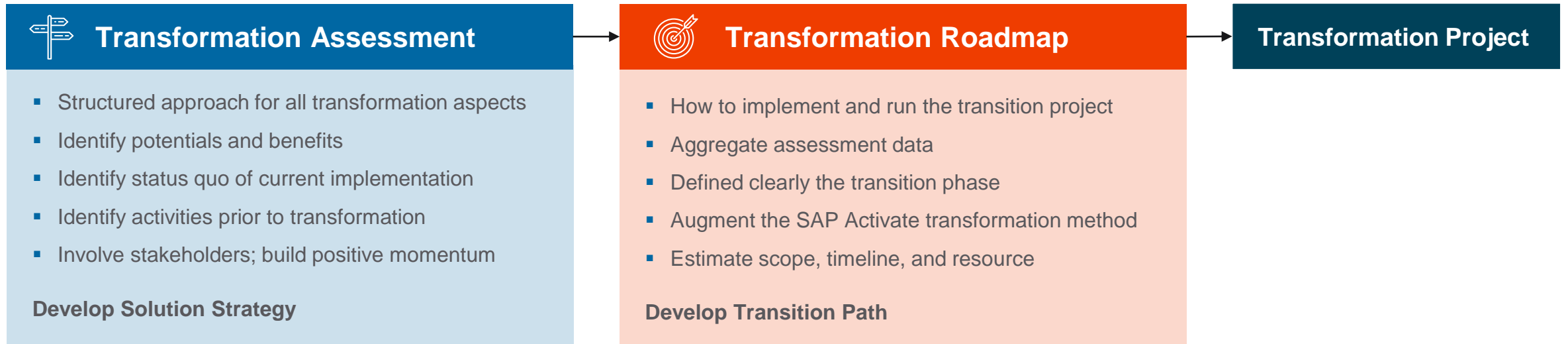| Scenario	Brownfield Conversion	Accelerated Greenfield Implementation	S/4HANA Greenfield Implementation
References	ZIPPER, HOLZMANN MASCHINEN, Boehringer Ingelheim	Roche	FRÄNKISCHE, HOERBIGER
Approach	**Brownfield** — Optimize; Innovation; SAP S/4HANA; All Data and Processes; SAP ECC; Big Bang	**Accelerated** — SAP S/4 HANA; Big Bang / Pilot / Rollouts; Optimize; SAP Standard & Innovation; SAP ECC	**Greenfield** — SAP S/4 HANA; Big Bang / Pilot / Rollouts; New Definitions; SAP Standard & Innovation; SAP ECC
Focus	• Focus on fast delivery of the conversion • Big Bang implementation across all business units, including historical data • Innovation after or during the project	• Semi-automated migration of existing developments to S/4HANA from ECC • Assessment of all processes and packets regarding necessity and usability • "Rapid" Prototyping instead of pure greenfield	• New definition of processes and structures • Create a new process template without limitation on the existing process landscape

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S/4HANA Consolidation Strategies
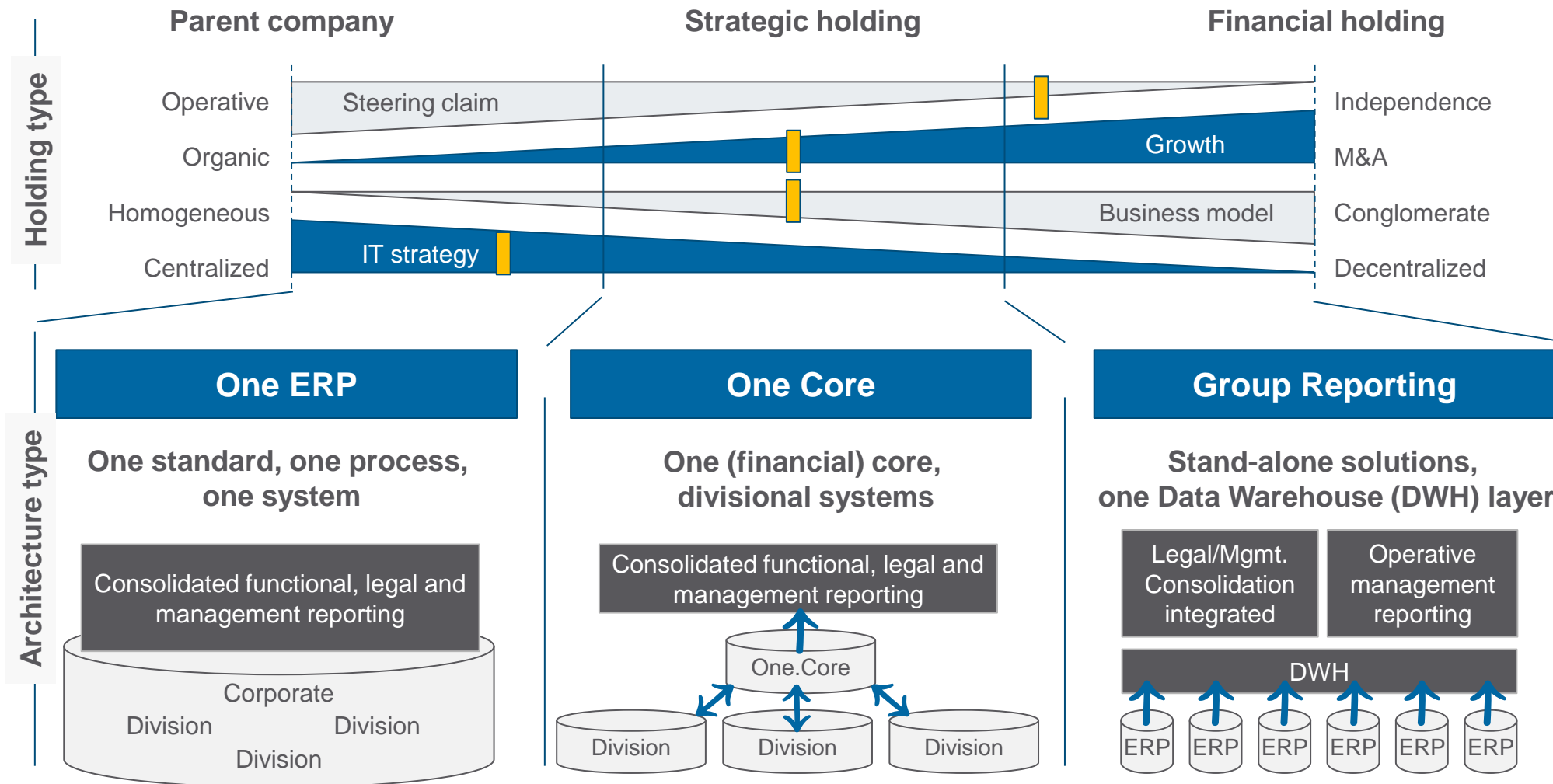
Holding type may define optimal degree of consolidation/ harmonization for transformation

Transformation Options

Reuse	←	Processes Implementations	→	Redesign

Brownfield Conversion

Greenfield Transformation
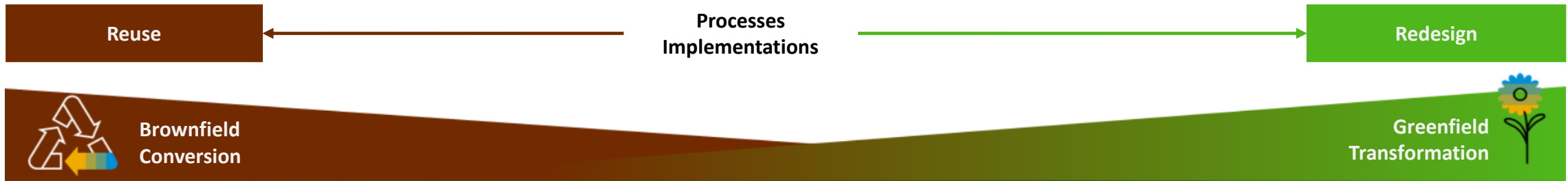
Brownfield Conversion	Empty Shell Conversion	Mix & Match	Greenfield Transformation
Reuse >90% of existing processes/implementation	Reuse >50% of existing processes/implementation	Reuse <50% of existing processes/implementation	Redesign of processes / implementations

ECC to SAP S/4HANA

WM to STRM, PM to EAM

WM to EWM

LE to TM

SCM/ APO to IBP

MII/ME to DMC

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Transformation via an Assessment Approach

Transformation Assessment → **Transformation Roadmap** → **Transformation Project**

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

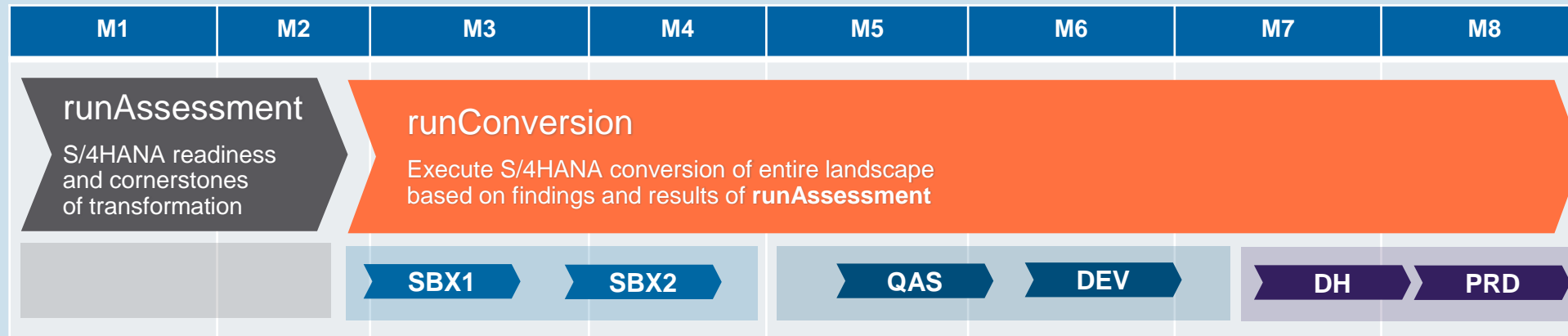# Example for simplified S/4HANA or RISE Conversion via CNT #run2S4 or #rise2S4

≡CNT Management Consulting

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

Conversion Milestones and Timeline

M1	M2	M3	M4	M5	M6	M7	M8

runAssessment
S/4HANA readiness and cornerstones of transformation

runConversion
Execute S/4HANA conversion of entire landscape based on findings and results of **runAssessment**

SBX1 → SBX2   QAS → DEV   DH → PRD

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Questions?

For questions after this session, contact us at

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Thank you.

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