

SAP S/4HANA Cloud, Public Edition: A Primer

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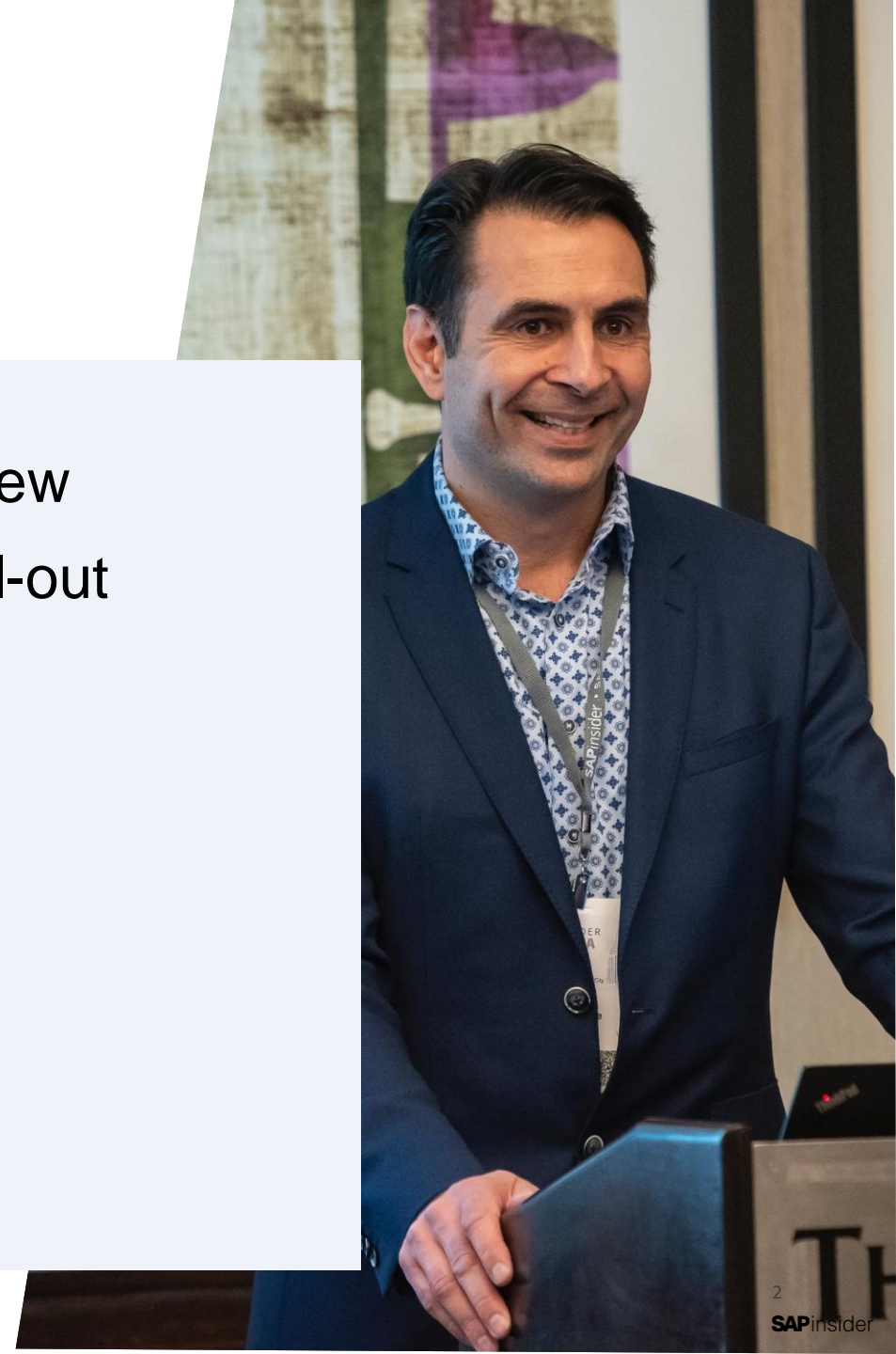
SAPinsider
Las Vegas

2023

SAPinsider

What We'll Cover

- S/4HANA (Public) Cloud Overview
- S/4HANA Cloud deployment/roll-out methodology
- Extension handling
- Management of upgrades
- Lessons Learned
- Wrap-up



Topic 1

S/4HANA (Public) Cloud Overview



- ✓ 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 ~ 5-6 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/4HANA Public Cloud, Multi-tenant Edition (MTE), & Essentials Edition

Why S/4HANA Cloud, public edition?

Affordable



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

Flexible



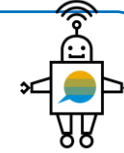
- Out of the box integration
- Automated testing tools included
- Simple configuration
- On any device

Adaptable



- Easy in-app extensibility
- Side-by-side extensibility
- Localized in 51 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



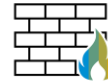
- Digital Discovery Assessment tools
- User Management
- Utilization transparency
- Automated testing tools included

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



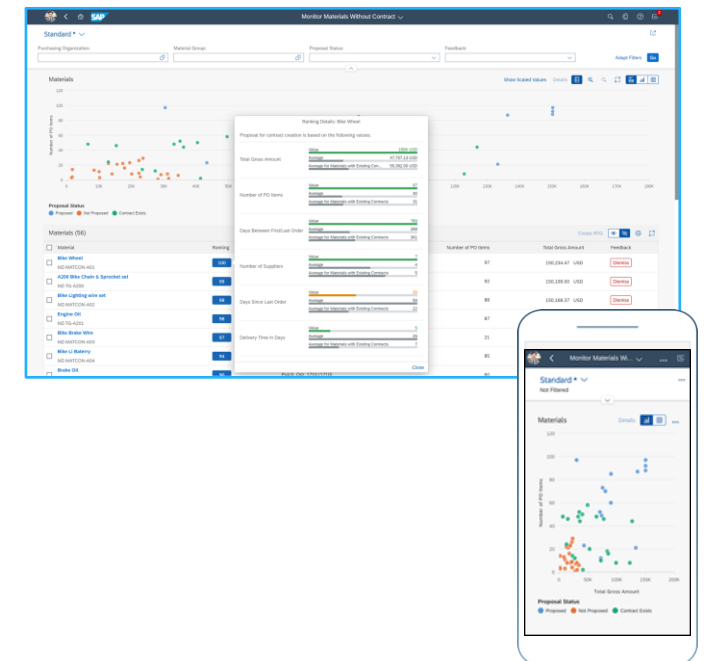
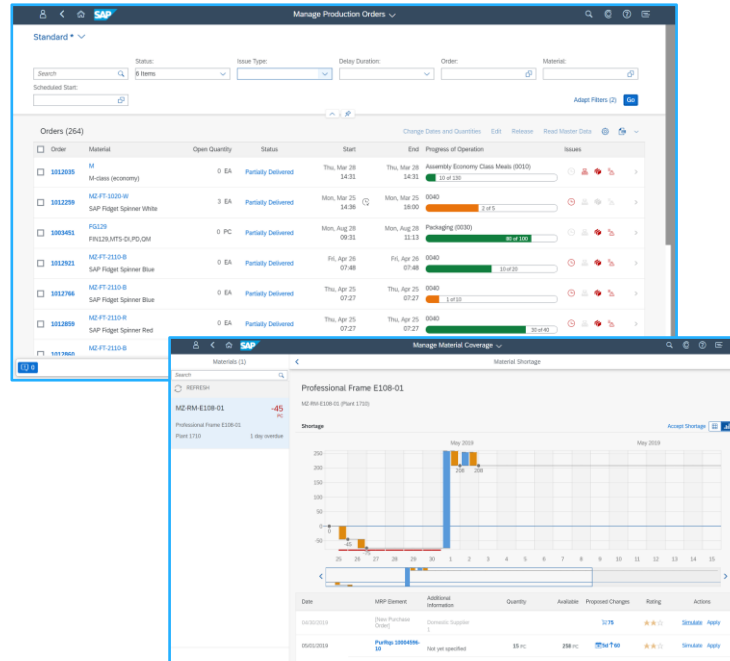
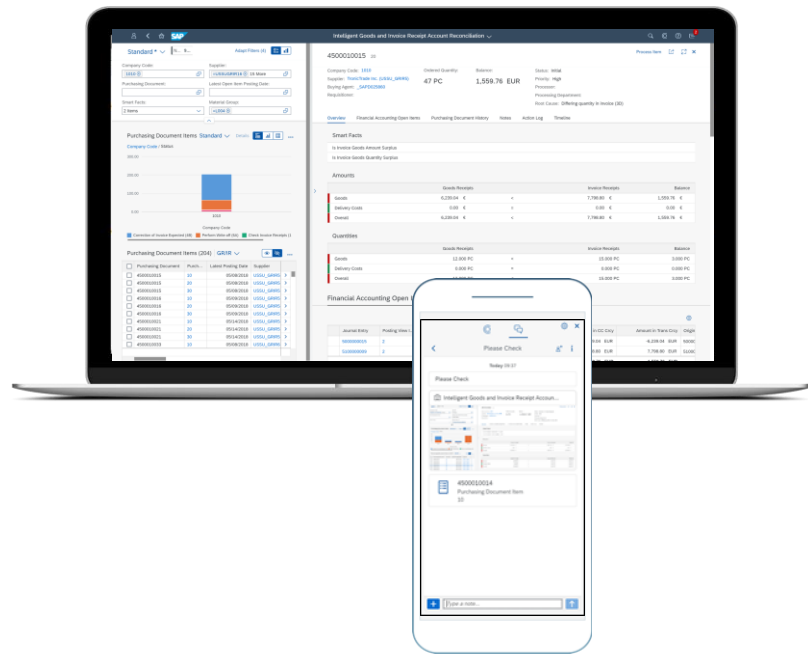
- DC powered by renewable energy
- Integrated with Sustainability Portfolio

SAP S/4HANA Cloud - User Experience

On any device, use
role based cockpits
with digital assistant

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

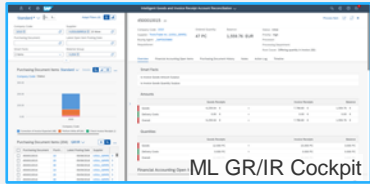
Machine learning for
automated processing &
decision support



SAP S/4HANA Cloud Scope Highlights

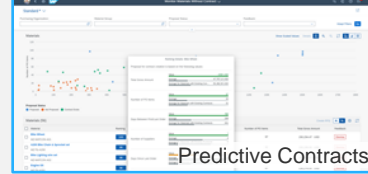
Accelerate growth & unlock efficiencies
with 900+ ready-to-run best industry business processes

Finance



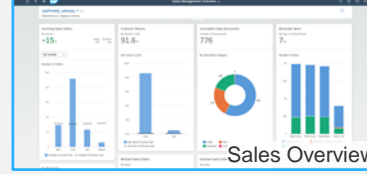
- Accounting & Financial Close
- Financial Operations
- Cost Management
- Treasury
- Enterprise Risk & Compliance

Procurement



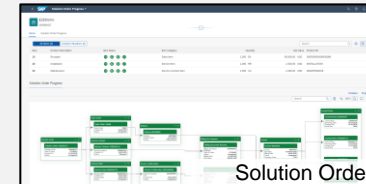
- Procurement of Direct Materials & Services
- Supplier Management
- Central Procurement

Sales



- Sell from Stock
- Sell Services
- Rebates & Commissions
- Convergent & External Billing

Service



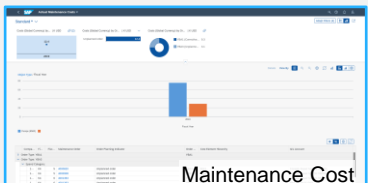
- Sell, deliver, bill, and monitor a combination of physical goods and services as one solution offering

Cross Functions



- Master Data, Data Migration, Data Protection & Privacy, Information Lifecycle Management
- Integration Capabilities
- Legal Content Management

Asset Mgmt.



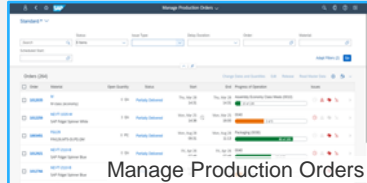
- Resource scheduling for maintenance planner
- Enhanced collaboration and review

Supply Chain



- Warehouse Outbound & Inbound Processing
- Core Inventory Management
- (Advanced) ATP Processing

Manufacturing



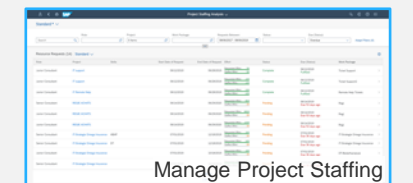
- Material Requirements Planning with Demand Driven and/ or predictive MRP
- Make to Stock & Make to Order
- Quality Management

R&D



- Product Compliance
- Enterprise Portfolio & Project Mgmt.
- Variant Configuration

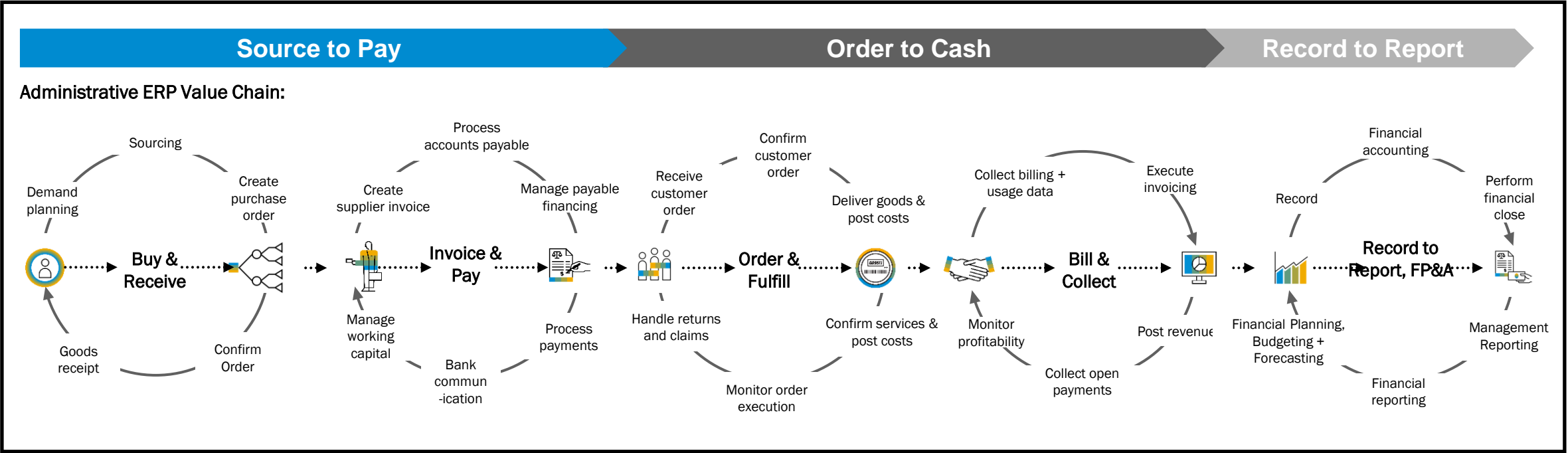
Industry Capabilities



- Professional Services
- Public Sector
- Higher Ed
- Manufacturing
- Mining Services

COMPREHENSIVE ACROSS INDUSTRIES & LINES OF BUSINESS

PROVIDING AGILITY AS INDUSTRIES BLUR & NEW MODELS ARE INTRODUCED



Global & local simultaneously

51 countries & 32 languages supported



Accounting

Country-specific accounting processes and reporting



Taxes

Tax codes based on conditions or formulas for mandatory tax computation, taxation processes, exemptions



Validations

Country-specific format for address, IDs, bank accounts

Payments



Country formats used to collect incoming and outgoing payment data



Document and Reporting Compliance

Electronic document exchange and statutory reporting requirements as mandated by regulatory authorities

SAP S/4HANA® Cloud

Meeting the local needs of a global business by addressing key localization needs

Languages



and Internationalization



Local language, region-specific rules and formats - calendar, time-zones, ISO codes, currency

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

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

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

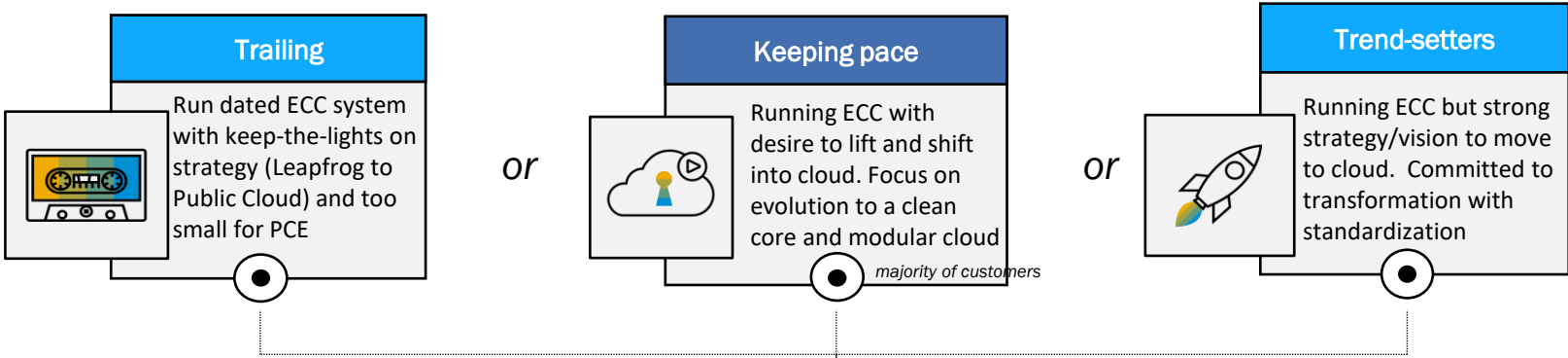
2-tier ERP model for large enterprises (on SAP ECC or S/4HANA) insider

with S/4HANA Cloud, public edition as the 2nd tier

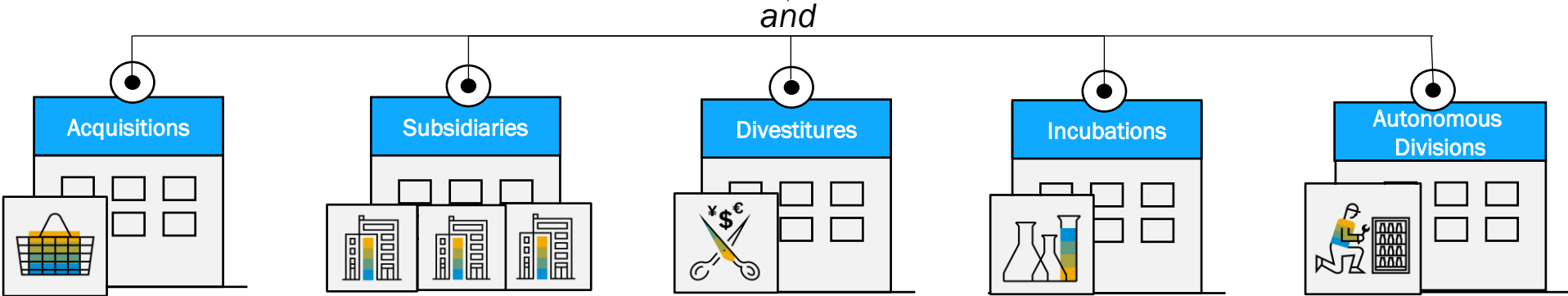


Two-Tier ERP works for a mix of customer profiles:

Tier 1
ECC Installed Base
Three distinct profiles



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



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 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.”

Gartner

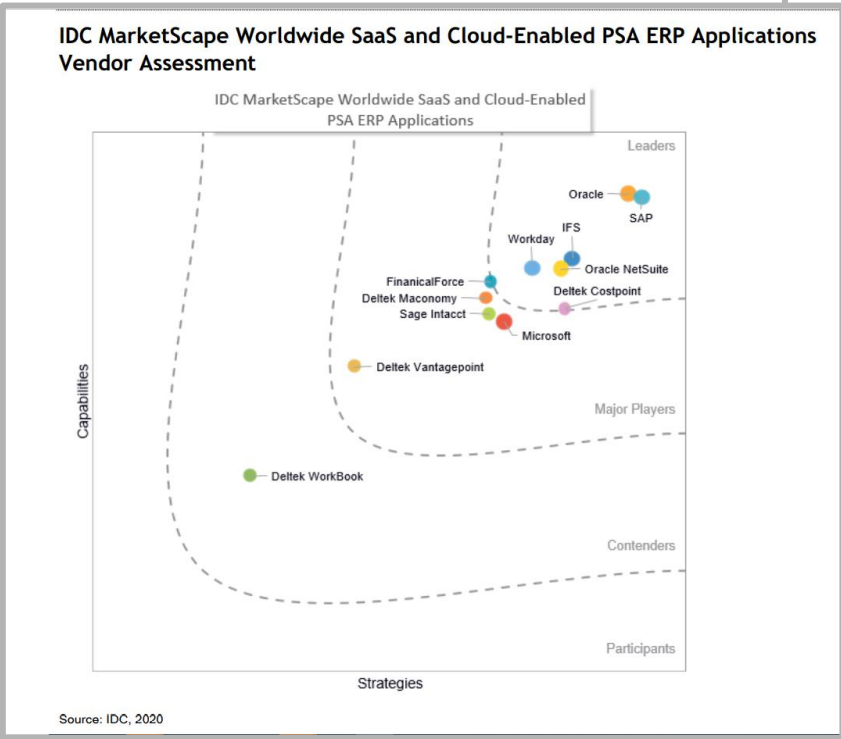
SAP S/4HANA Cloud is a Leader in the 2021 Gartner Magic Quadrant™ for Cloud Core Financial Management Suites for Midsize, Large and Global Enterprises



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



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



Magic Quadrant

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



Source: Gartner (July 2022)

[View analysts reports](#)

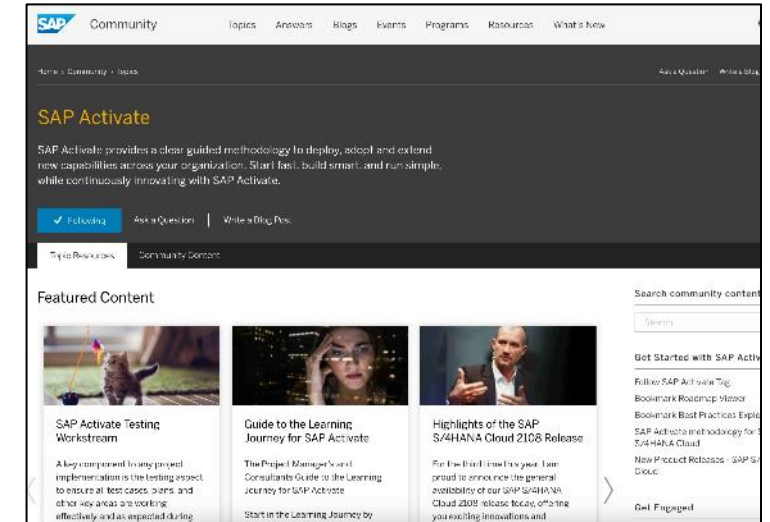
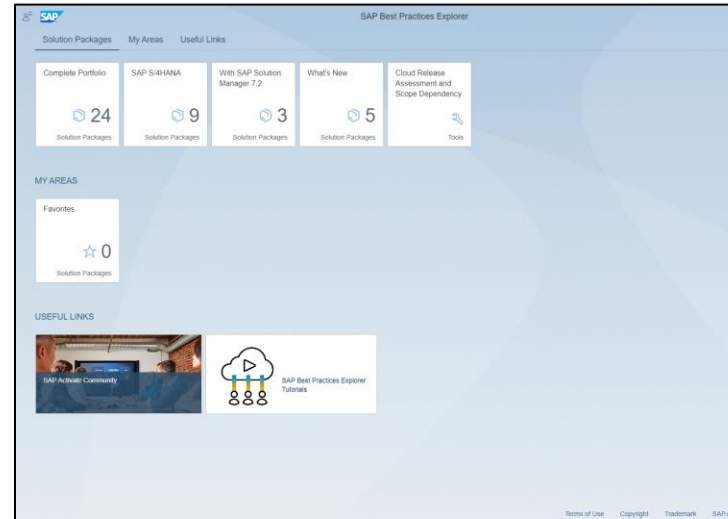
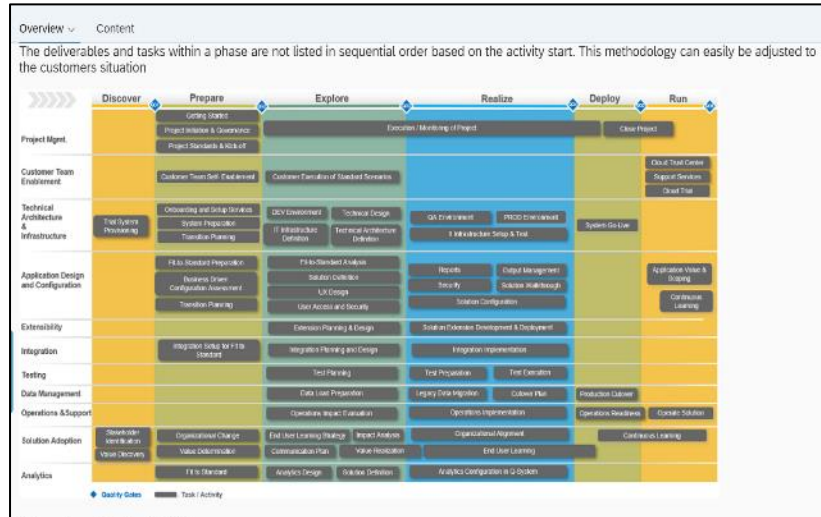
Topic 2

S/4HANA Cloud Deployment/Rollout Methodology



Enablers for Your Digital Transformation

SAP Activate Tools and Community



SAP Roadmap Viewer & Activate

- Access implementation guidance for your digital transformation
- View and download SAP Activate methodology assets and accelerators
- Provide feedback to the Activate team
- <https://go.support.sap.com/roadmapviewer/#>

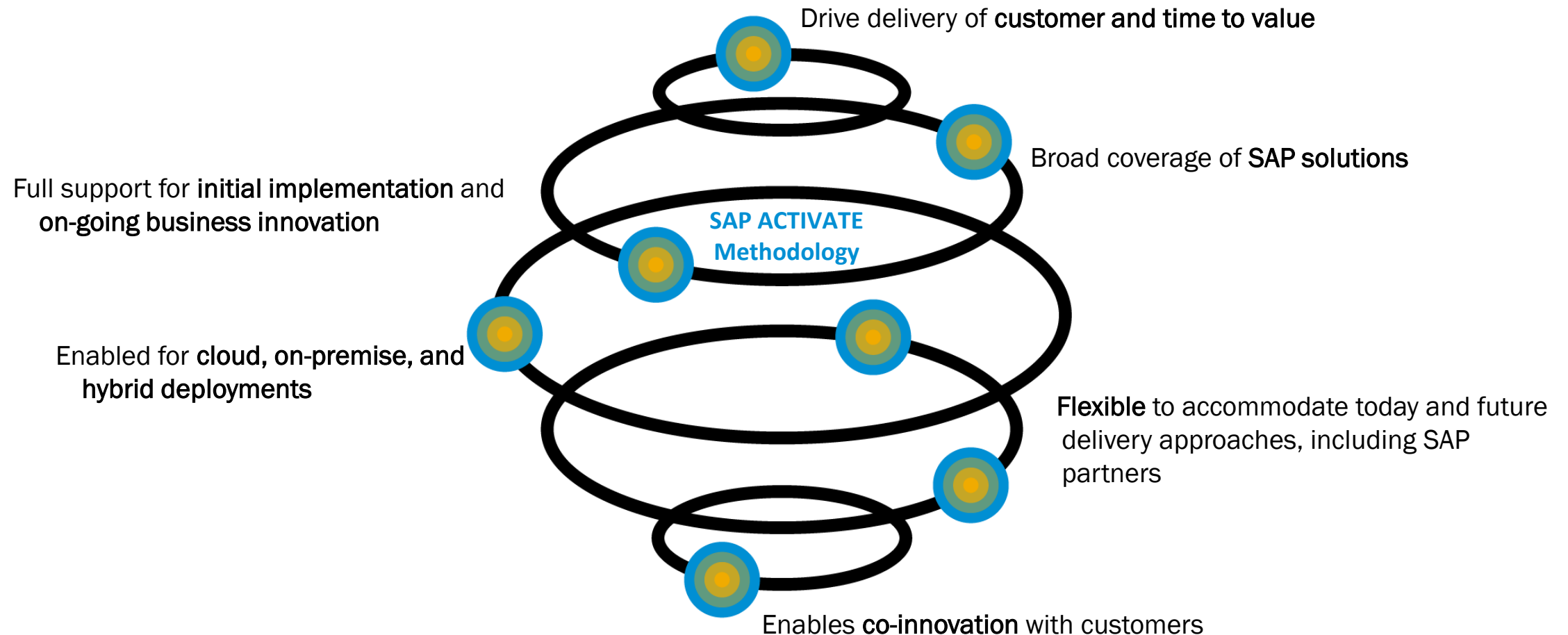
SAP Best Practices Explorer

- Access and download SAP Best Practices content
- Power your project with ready-to-run business processes
- <https://rapid.sap.com/bp/>

SAP Activate Community

- Engage SAP Activate experts
- Ask questions and collaborate
- Stay up to date
- Follow the community at <https://community.sap.com/topics/activate>

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



SAP Activate Roadmap Viewer

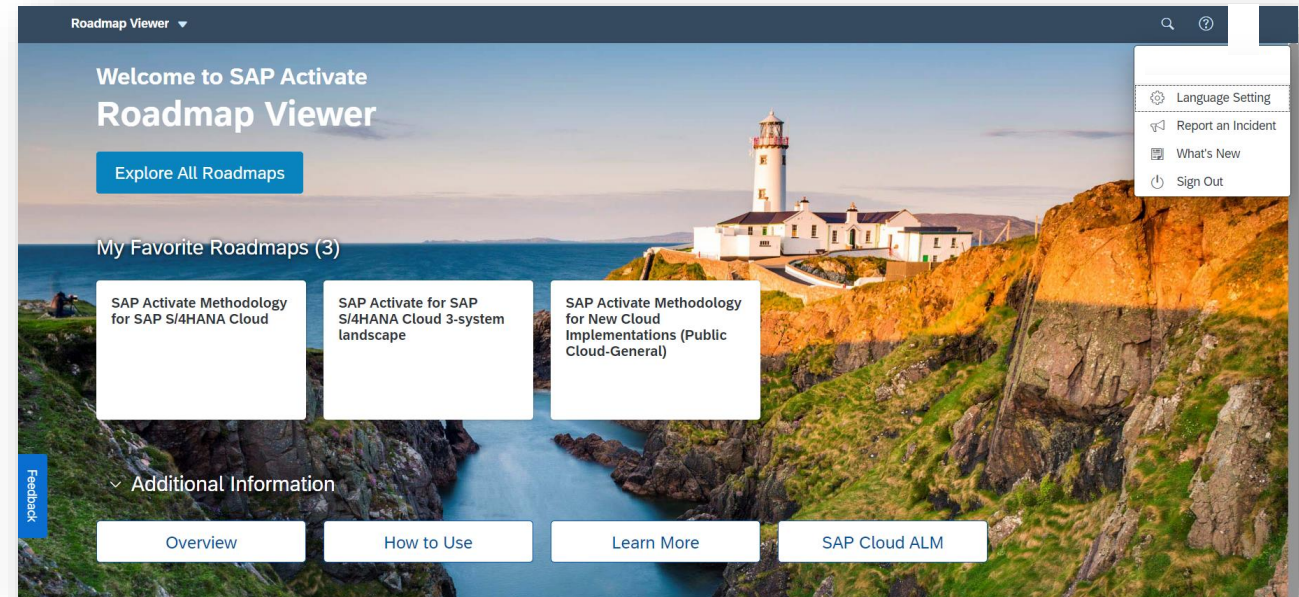
SAP Activate Roadmap Viewer Access:

<https://go.support.sap.com/roadmapviewer/>

[Getting Started with the SAP Activate Roadmap Viewer](#)

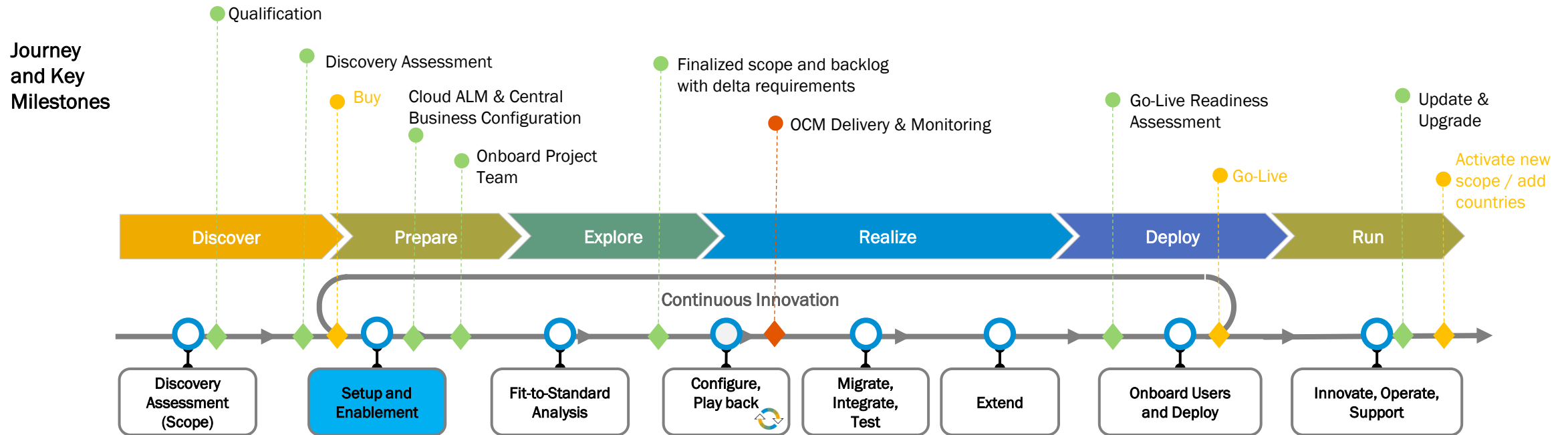
Benefits:

- SAP Fiori application to help you to guide your SAP S/4HANA implementation project
- Contains **time-phased instructions** to help execute tasks throughout the implementation journey
- Offers you a large number of **accelerators** to help you run your project as efficient as possible
- Content **continuously updated** to provide current and accurate instruction
- Guides you through the whole SAP S/4HANA solution **lifecycle**

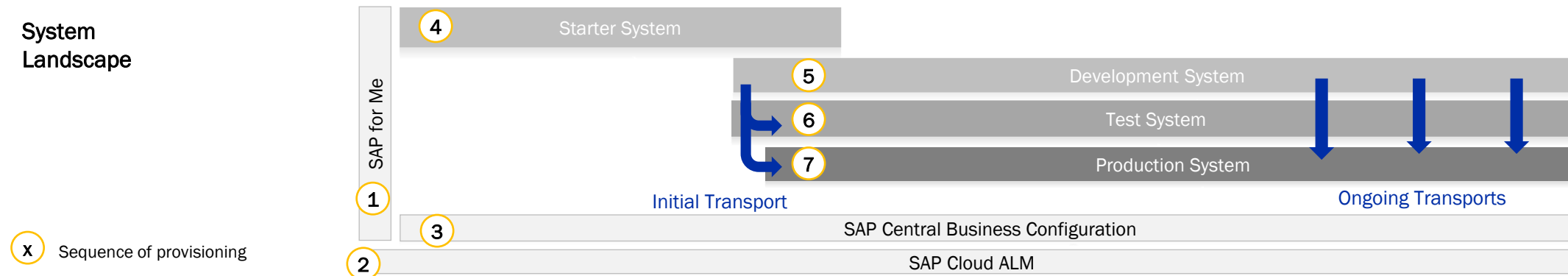


SAP Activate for 3-system landscape

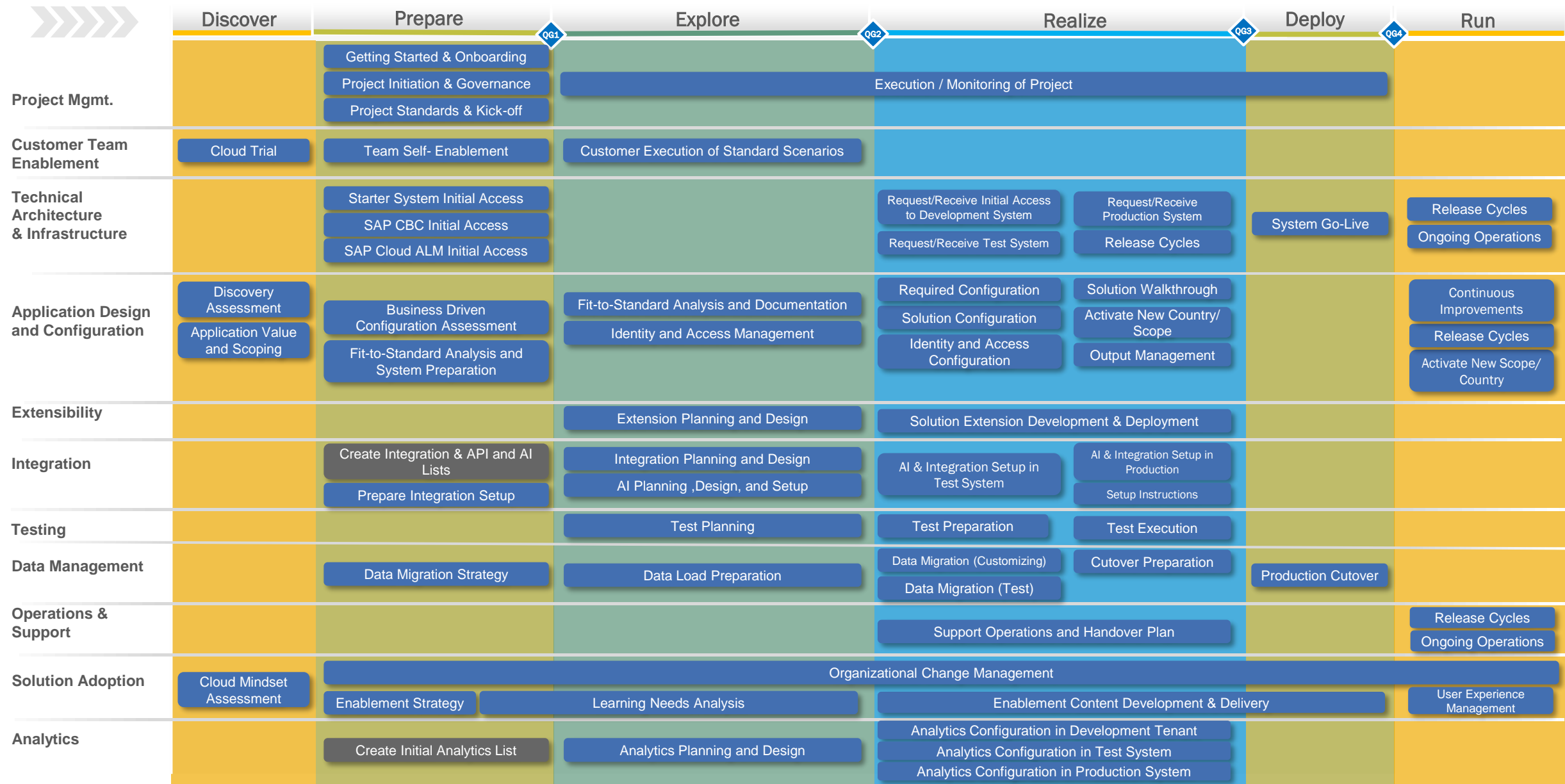
Journey Overview, Key Milestones and System Landscape over time



System Landscape



SAP Activate for S/4HANA Cloud, public edition



SAP Cloud Application Lifecycle Management



Self-guided and content-driven implementation based on SAP Activate methodology and best practices content



Fast onboarding of project teams and progress monitoring of implementation activities



Project planning synchronized with SAP Cloud solutions release timelines



Manage implementation tasks – automatically generated and adapted to customer scope



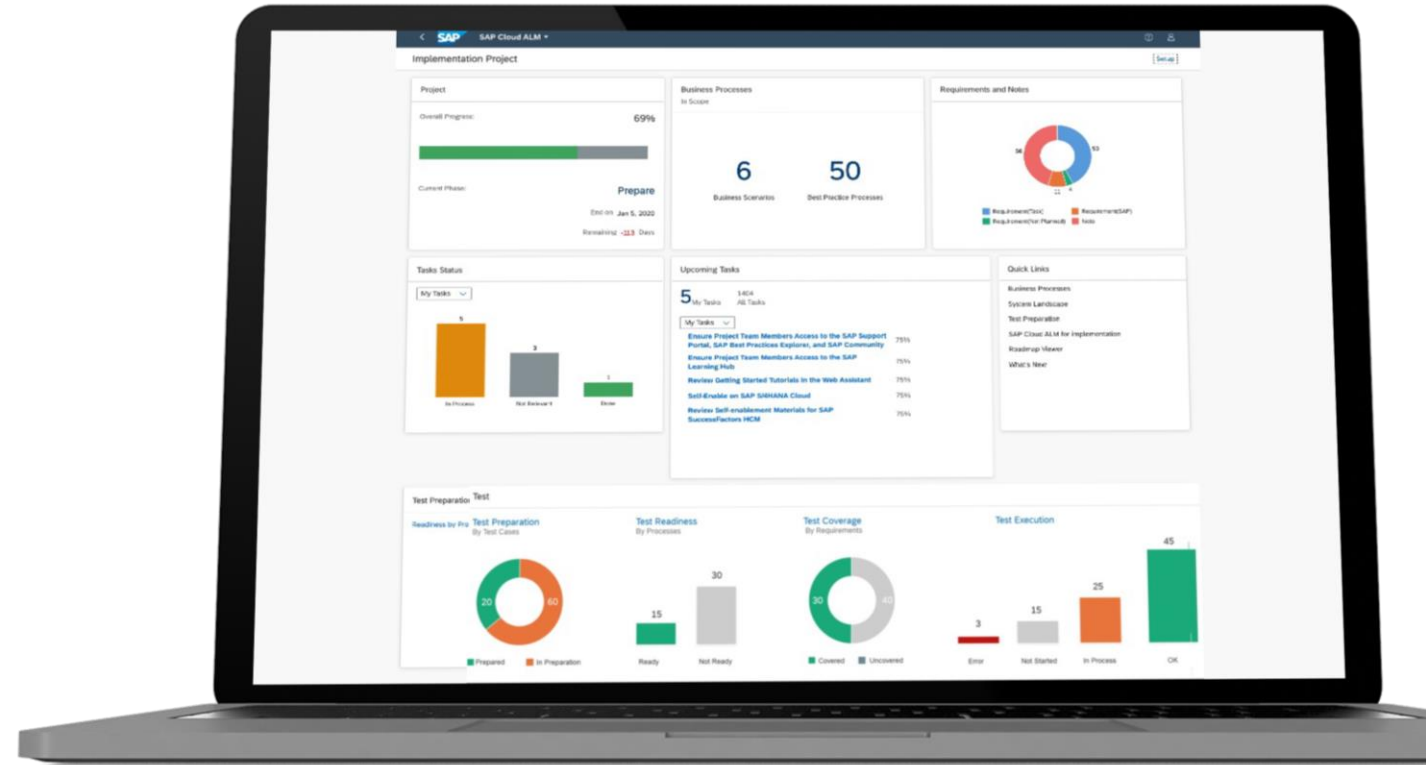
Supports Fit-to-Standard workshops with convenient visualization of business models and process descriptions



Integrated reporting capabilities



Hundreds of accelerators available to facilitate project tasks



Topic 3

Extension Handling



Do you really need to extend?



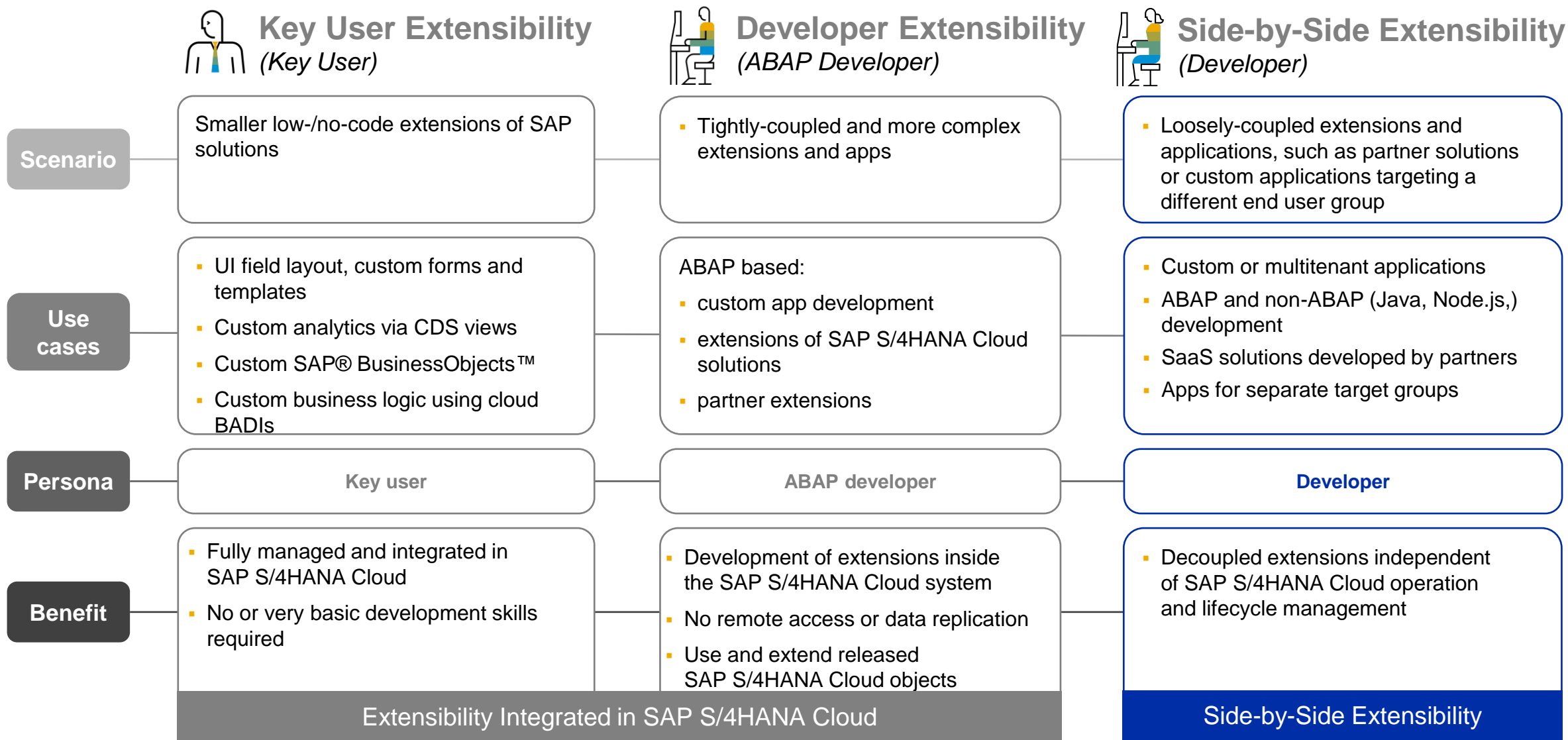
First put yourself in Hamlet's shoes



*And determine whether “to extend
or not to extend”*

*SAP Recommendation: Strive to maximize out-of-the-box (standard)
capabilities & extend only when you have run out of other options*

SAP S/4HANA Cloud: Extensibility Options

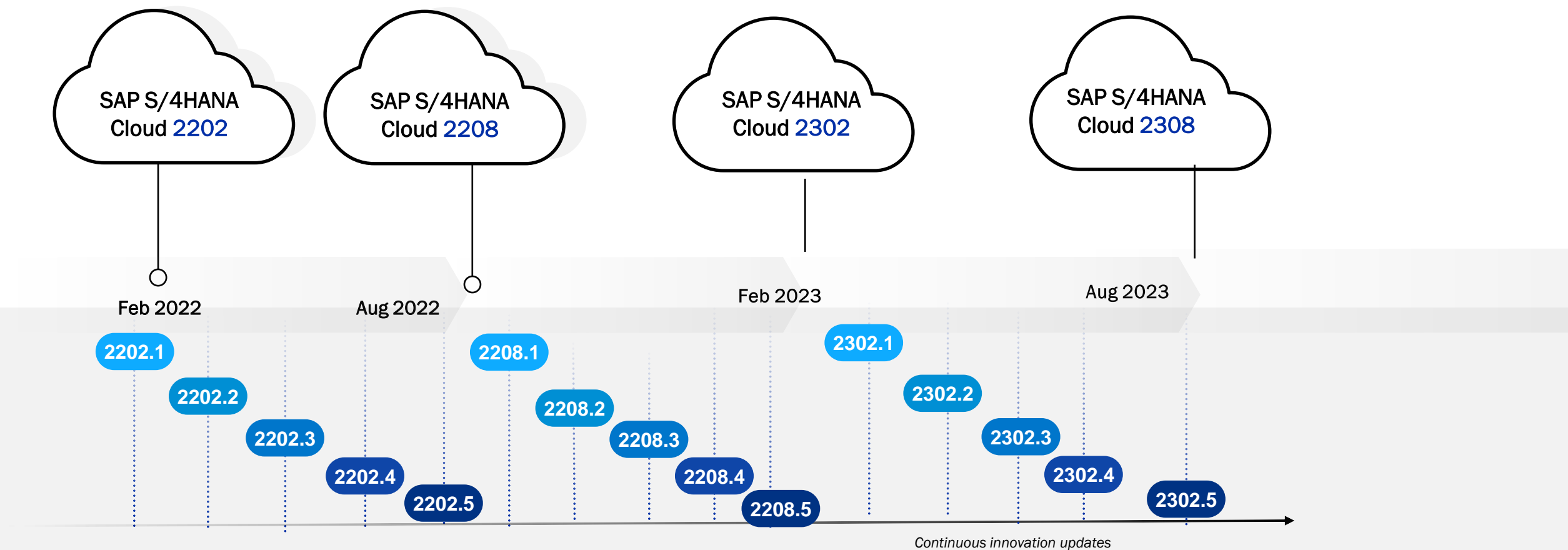


Topic 4

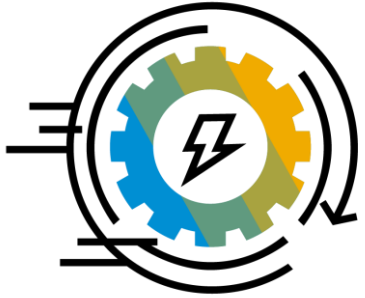
Management of upgrades



SAP S/4HANA Cloud: Release and Update Cycle*



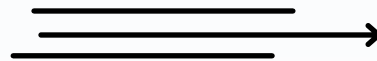
Upgrade frequency



- ✓ SAP has accelerated the delivery of new business innovations
- ✓ Coming from a quarterly release cycle, we now have a 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, and 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

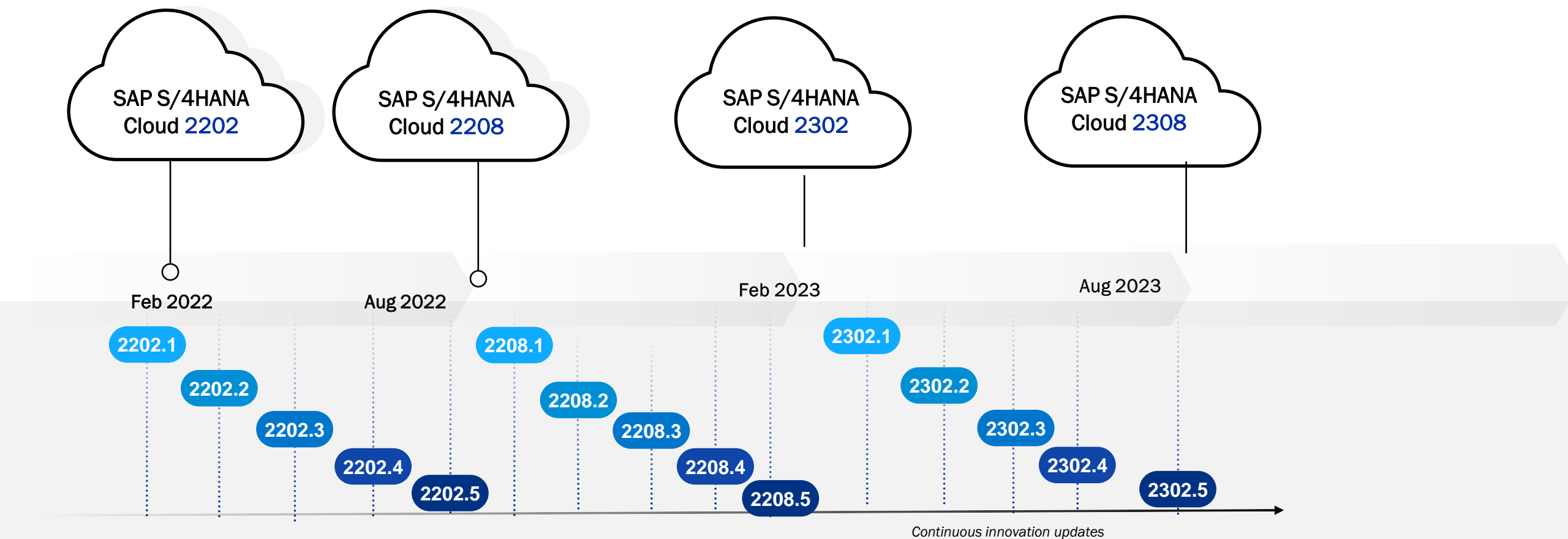
Release in
February



2

Release in
August

SAP S/4HANA Cloud: Release and Update Cycle*



Topic 4

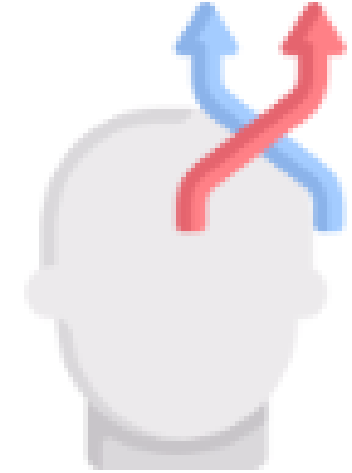
Lessons Learned



A 'cloud mindset' is mandatory to be successful in your cloud journey.

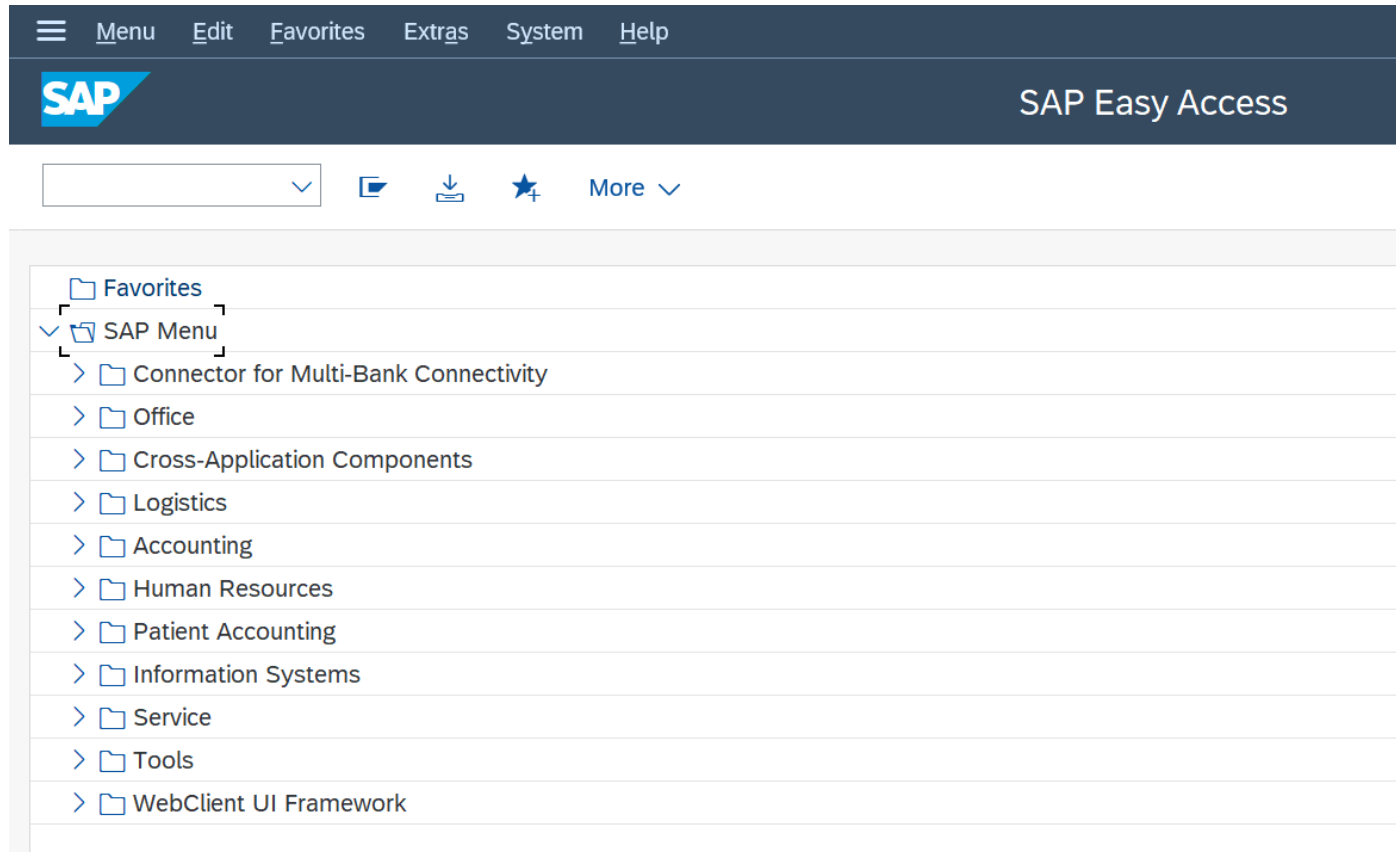
Components:

- Standardized business processes
- Employees/users spend more time in strategic activities than in operational ones
- Intelligent platform that enables incubation of new ideas & innovation
- Your data is secure with SAP and/or hyper-scalers
- Updates instead of upgrades



Leads to change management from Day 1!!

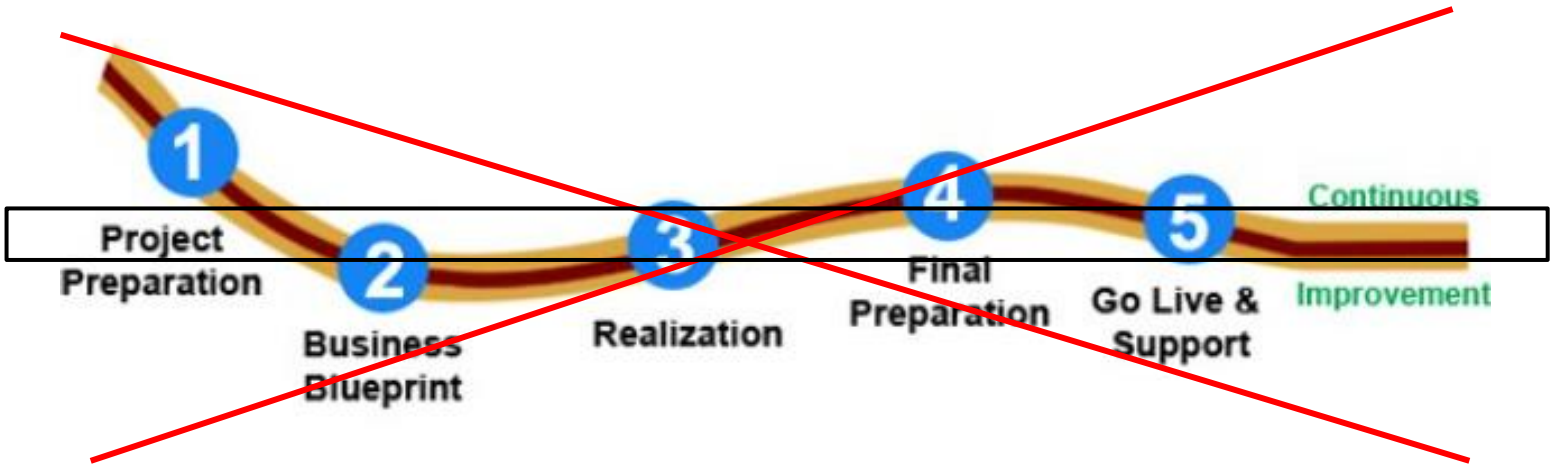
- The traditional approach to SAP implementations has been 'fit-gap'
 - Remember ASAP? Remember 'blueprinting workshops'?
 - It would often take months of intense interaction between you (the customer) & the Systems Integrator to assess how much of standard SAP meets your needs & for the 'gaps', there would be a big WRICEF list of objects
- You can forget all of that & take a fit-to-standard approach to deployment with the Public Cloud
 - You leverage as much as you can of standard functionality that the Public Cloud offers (based on Best Practices), minimize customizations in your systems, standardize & optimize your business processes



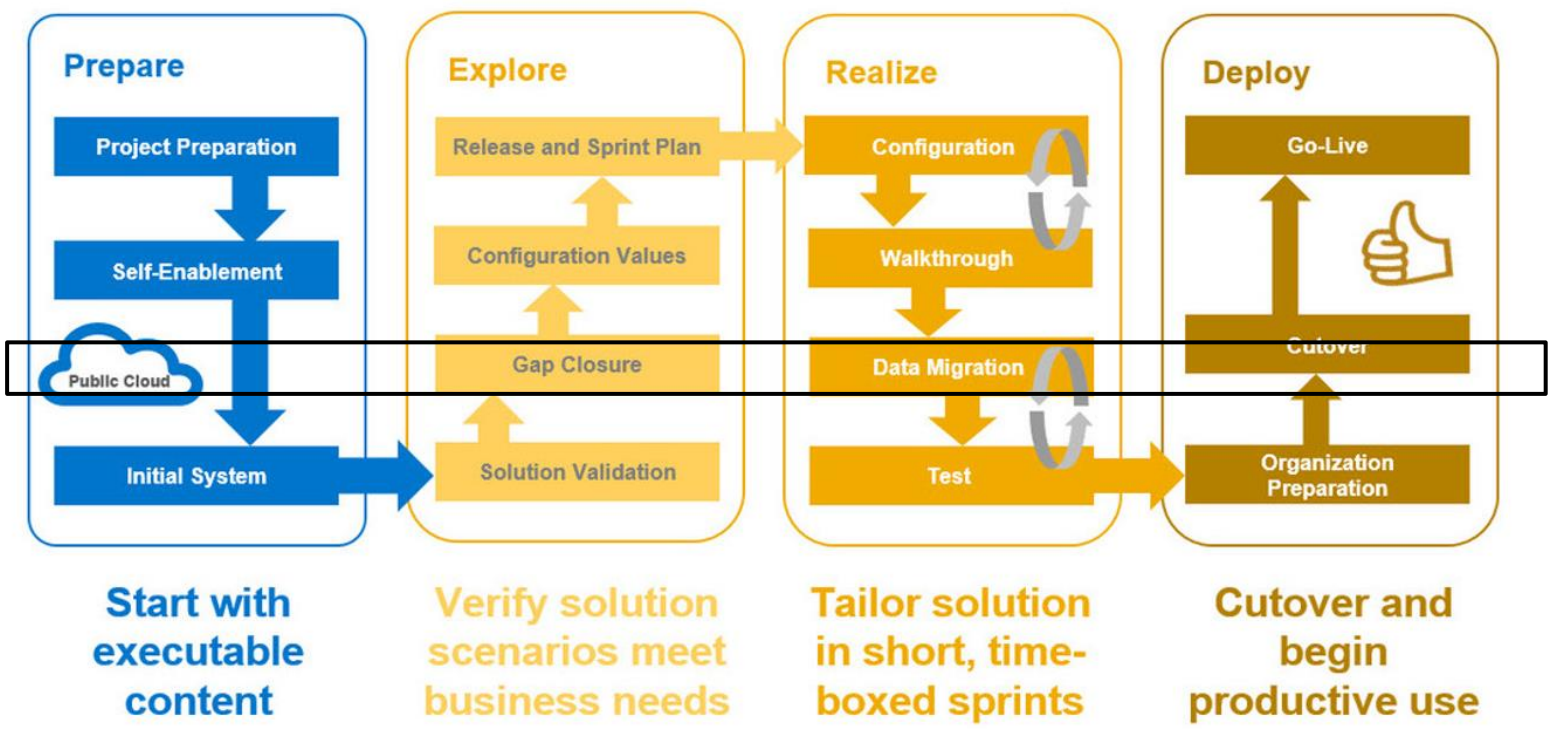
Remember this??

Existing (ECC) customers deploying S/4HANA Public Cloud in their enterprise will no longer need to worry about ‘configuring’ via the IMG → this is a question that often comes up

Leverage SAP Activate for deployments



*No more of
ASAP/waterfall*



*SAP Activate is
the approach for
S/4HANA Cloud
deployments*

Wrap Up



Ready-To-Run Customer Flipping Book



- <https://www.sap.com/products/s4hana-erp.html>
 - SAP's official product information site for S/4HANA Cloud; you can sign up for trial access here
- <https://www.sap.com/about/trust-center.html>
 - Operational data on S/4HANA Cloud & other SAP SaaS products
- Anurag Barua, "Top five reasons to consider SAP S/4HANA Cloud, public edition as your ERP application"
 - <https://sapinsider.org/expert-insights/top-five-reasons-to-consider-s4hana-cloud-public-edition-as-your-erp-application/>
- https://help.sap.com/docs/SAP_S4HANA_CLOUD
 - Official SAP site for help on S/4HANA Cloud
- <https://community.sap.com/topics/s4hana-cloud>
 - Community/knowledge sharing site on all topics related to S/4HANA Cloud; excellent source of information
- SAP S/4HANA Cloud: An Introduction at https://www.sap-press.com/sap-s4hana-cloud_5457/
 - SAP Press Book written by multiple SAP Public Cloud leaders & experts

Key Points to Take Home

- S/4HANA Cloud is SAP's 100% SaaS ERP application & helps lay the foundation for an 'Intelligent Enterprise'
- It helps enterprises run their business more efficiently & provides them a speedy transition to the cloud
- Since the application is built on Best Practices (leveraging industry standard business processes), customers are expected to maximize out-of-the-box capabilities & minimize modifications
- It is a global solution that also supports your country-specific 'localization' needs
- SAP provides other options to run their S/4HANA solutions in the cloud – customer can choose the option that suits it best
- A 'cloud mindset' is essential to being successful with an S/4HANA Cloud deployment & thereafter

Thank you! Any Questions?

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your session evaluation.

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