Does Commercial Project Management in SAP pass the test?

Peter Butler & Stephen Silver
KPMG

Questions

1. Do you currently use Project Systems?
2. What are your current challenges with Project Systems in S/4?
3. Is anyone currently using CPM?

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SAP's Capability Pitch...

Enterprise Portfolio and Project Management

S/4HANA

- Single source of truth
- Finance - Providing Instant access to detailed financial insights
- Direct access to ERP cost records
- Efficient procurement
- Human Resources integration
- S/4HANA real-time project analytics
- Consistent Fiori UX for SAP S/4HANA

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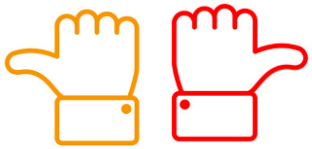
Working Hypothesis on CPM

Standard Project Systems in core S/4 doesn't provide full business capability

So – we need something additional….

1. CPM addresses most of the business capabilities gaps in standard PS

2. Consistent & Simple Experience



3. Overall rating & Should you do it?

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Innovation in Project Systems

1. Core Project Systems remains solid and relatively unchanged

2. Some User Experience Renewal to Fiori Apps as we should expect (Gantts, Dependencies etc)

3. New Fiori App for Project Claims

4. Improved integration capabilities via external APIs

5. Improved integration with CPM, PPM etc

Outlook

Planned

Planned Development Focus Areas:

- Modernization of selected compatibility scope items*
- Architectural modernizations and support of hybrid scenarios
- Adoption of cross LoB innovations
- Customer driven continuous functional and usability improvements

* The latest official status of compatibility scope items can be found in the "way forward" Excel attached to note https://launchpad.support.sap.com/#/notes/2269324

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Where does it fit?

Product Positioning

SAP EPPM

Enterprise Portfolio and Project Management

SAP PPM

Portfolio & Project Management

- Portfolio Management
- Project resource management
- Project Management

- Submit, prioritise and monitor projects
- Oversee projects, tasks and timelines
- Identify resources, check availability and optimise utilisation
- Visibility of cost and revenue reporting across the portfolio

SAP CPM

Commercial Project Management

- Project Workspace
- Project Financial Planning & Estimation
- Project issue and change management

- Centralised workplace for all project activity
- Overview of project health
- Various financial planning versions to mange from Bid through Execution
- Cost forecast, EAC, ETC
- Issue and Change Management

SAP PS

Project Systems

- Project WBS Structure
- Actual cost, revenue and commitment
- Integrated with MM, SD, HR, FICO

- Operative project structure
- Integrated with Primavera or other 3rd party tool for scheduling
- Billing, invoicing, purchase
- Cost & revenue recognition in financial books

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In a nutshell

CPM Provides:

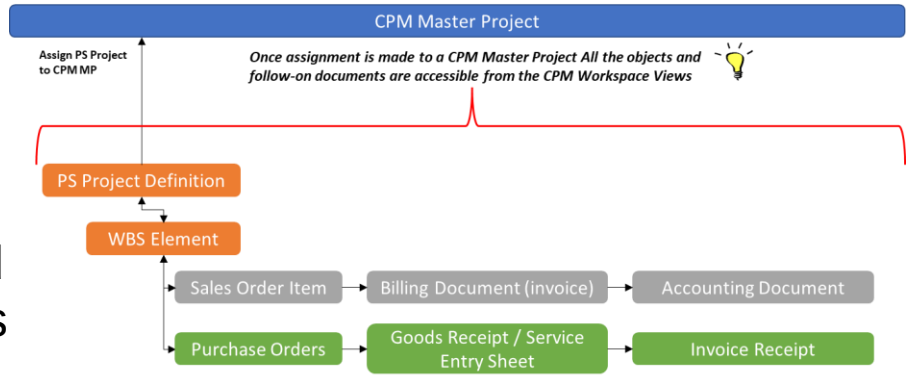
1. Top-down approach to manage PS projects using the Project Workspace

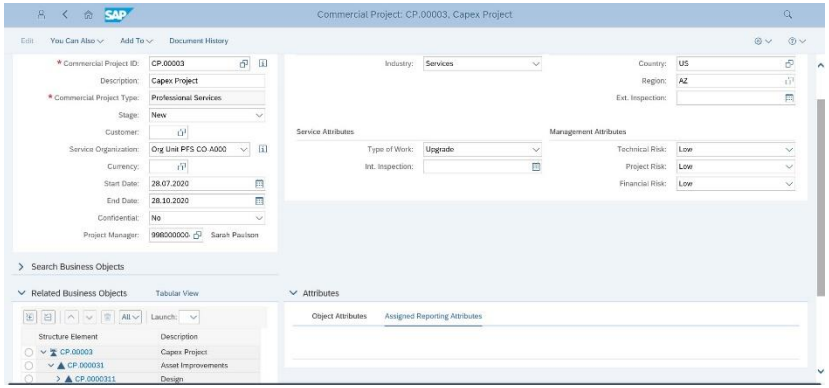
2. CPM Project is its own SAP object and can be linked to 1 or many PS Projects

3. Advanced Financial Management Functions not found in core S/4 for Budgeting, Forecasting etc

4. Provides Budget, Forecast, Actual financial analysis

5. Project Issue & Change Management





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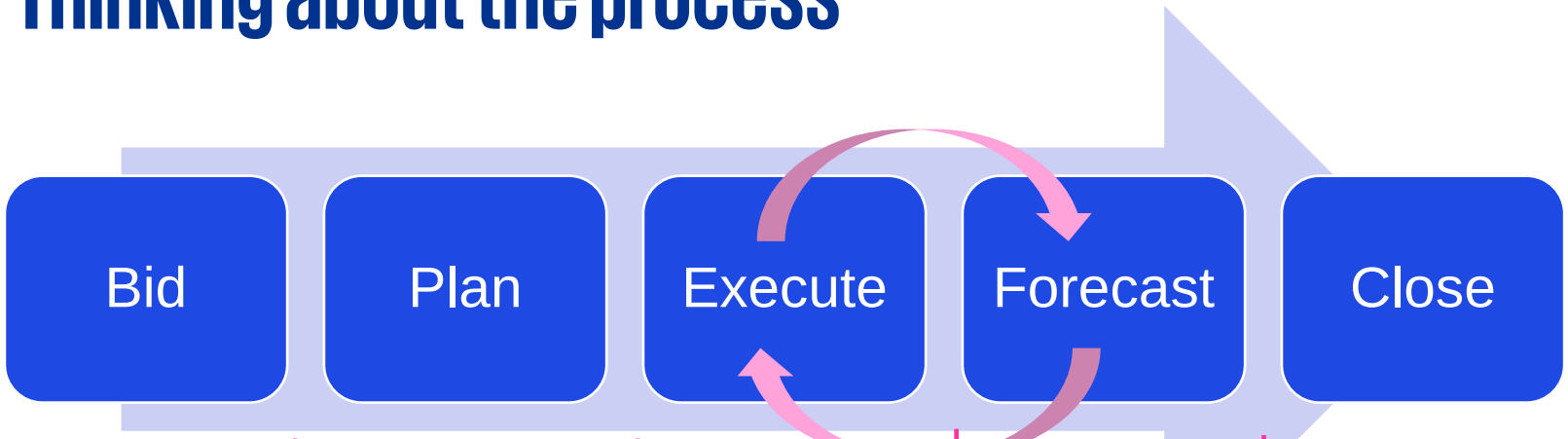
Thinking about the process



	Bid	Plan	Execute	Forecast	Close
CPM	Create Commercial Project Create Bid Structure Estimate Approvals Export to Tender Response	Create Financial Plan Transfer Plan to PS	Manage purchasing Manage billing Manage Issues Manage Changes Approvals Embedded Analytics Reports	Maintain Cost & Revenue Forecasts Maintain EAC / ETC	Close project objects Close Project
ERP		Create Delivery WBS Structure Create Sales Contract Create Purchase Orders	Manage project (dates, status etc.) Manage purchasing Manage billing Embedded Analytics Reports		Close project objects Close Project

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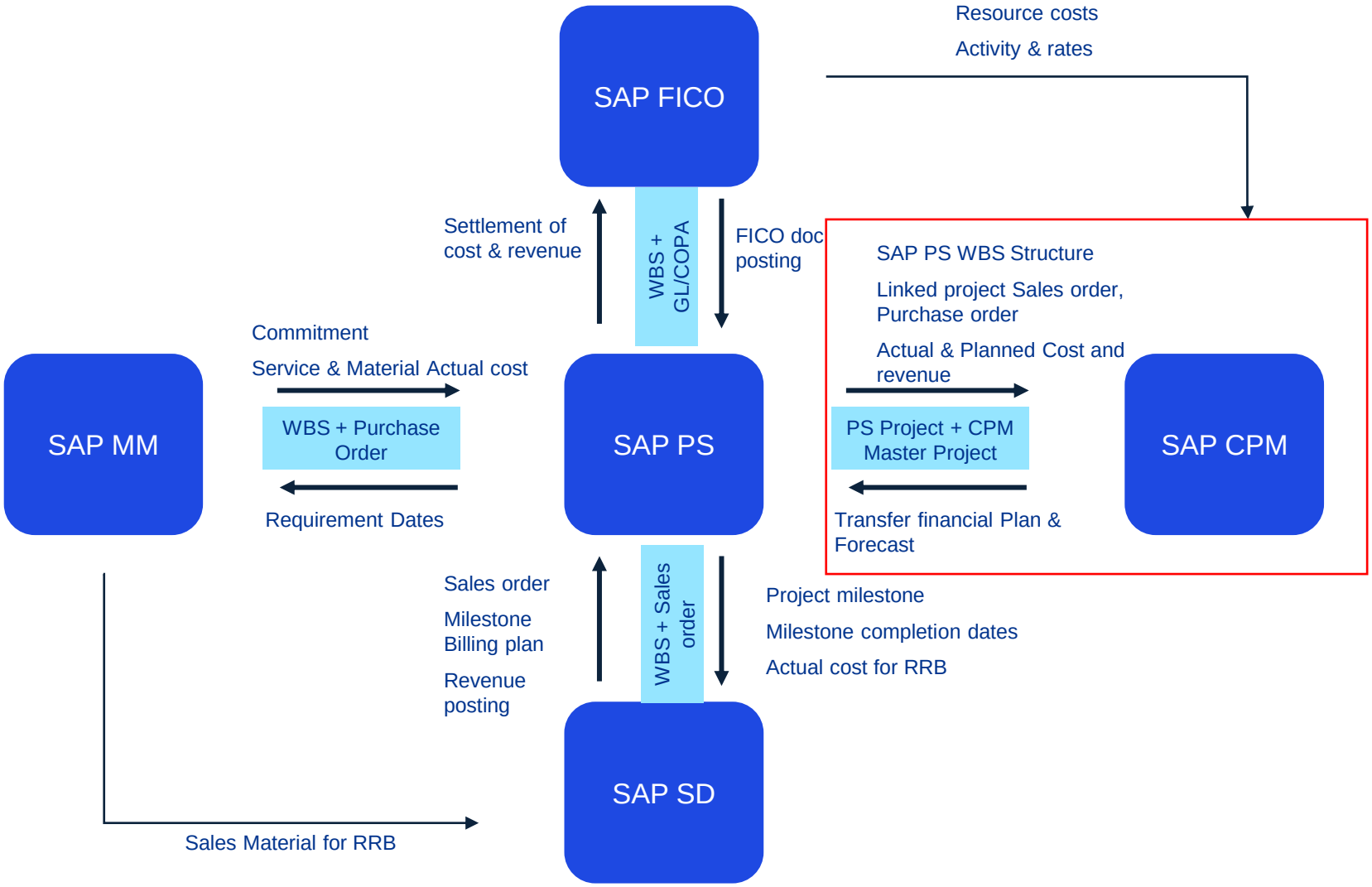
CPM at Work...



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Key Functional Benefits

01 Workspace

One centralised location to access all content related to your project – sales, procurement, reporting etc.

02 Financial Planning

Mange the project planning from Bid, Baseline Plans, Forecasts and Change Requests

03 Issues and Change Requests

Manage issues through to change requests using activities and workflow approvals.

04 Analytics

Multiple forms of analytical data at your fingertips – real-time.

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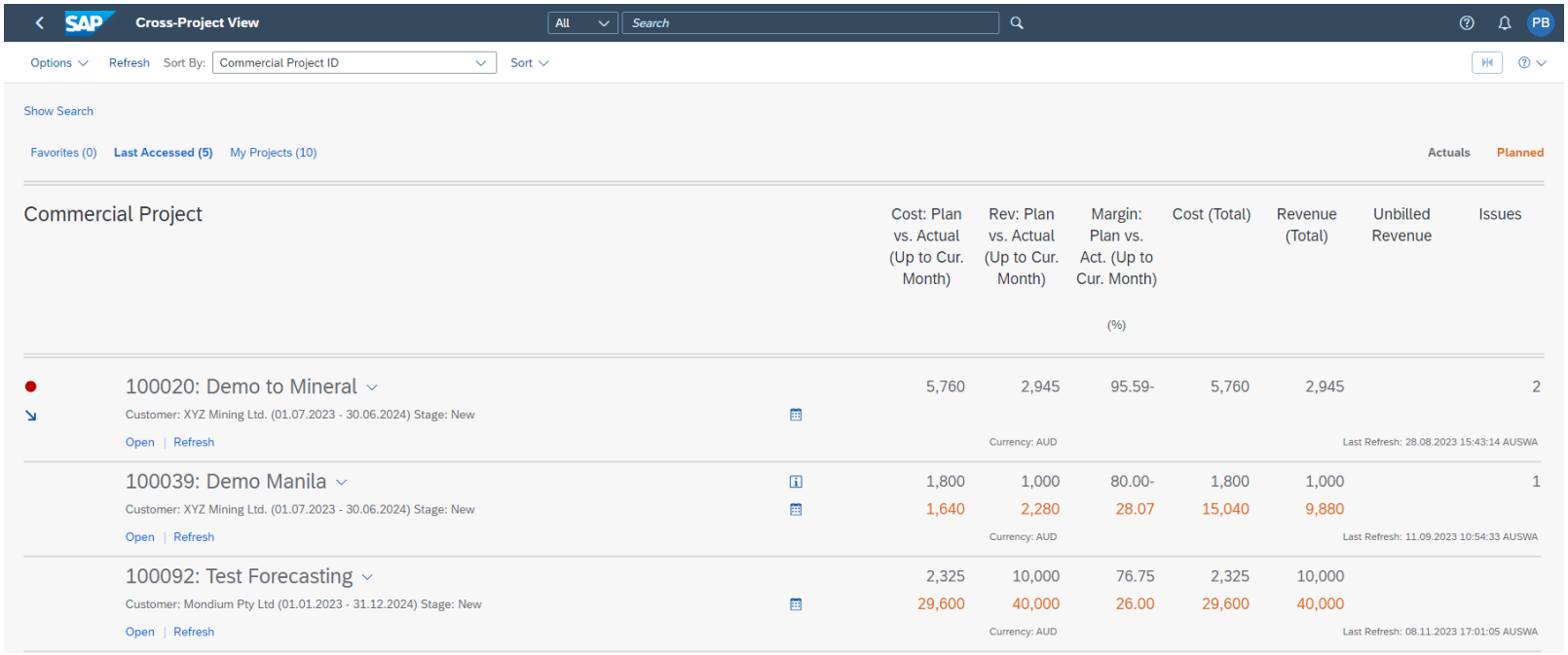
Project Workspace

Cross-Project View

1. Search for Projects

2. List of your key projects

3. Configurable KPIs



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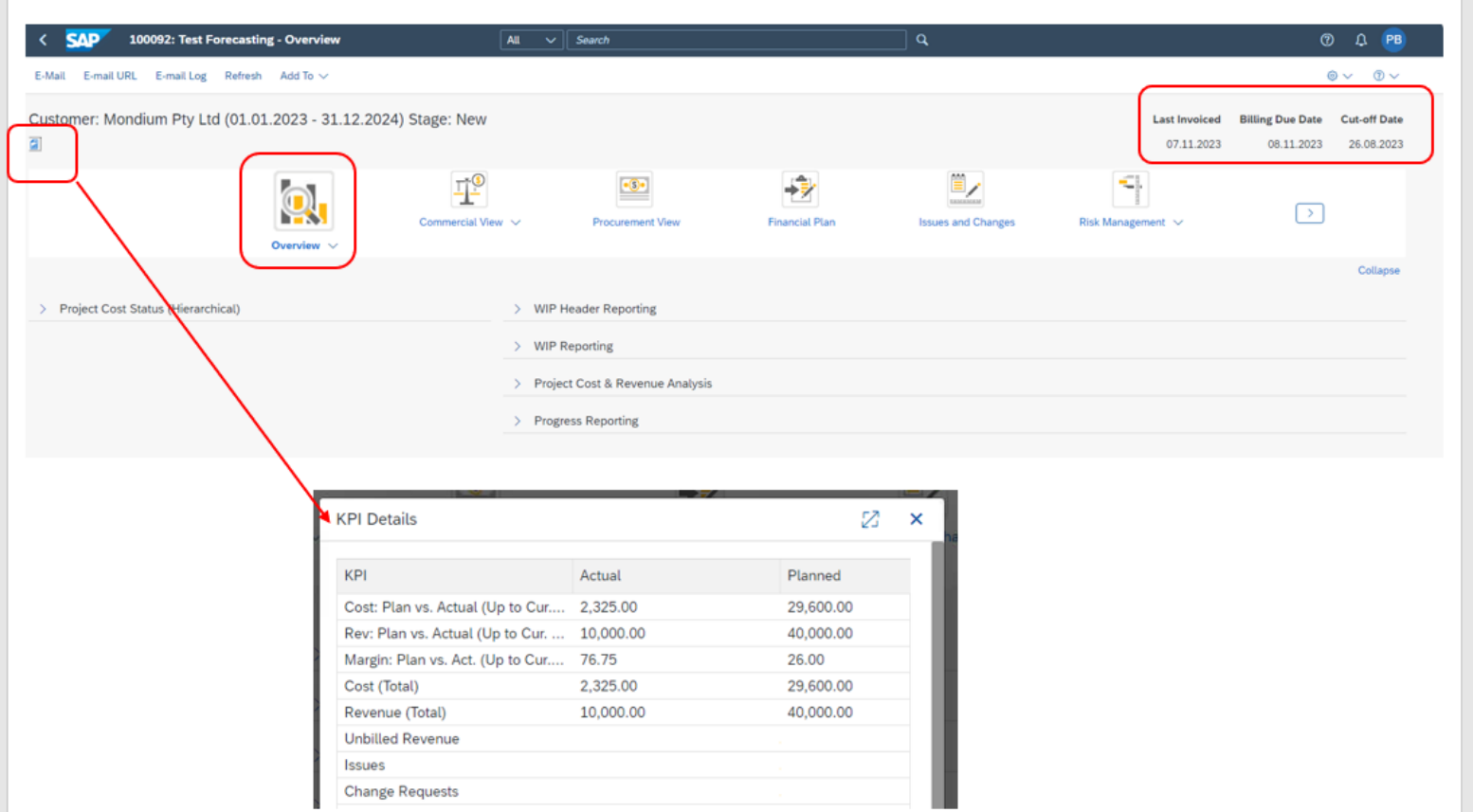
Workspace - Overview

1. View the KPIs
2. Navigate the WBS Hierarchy and view Reports



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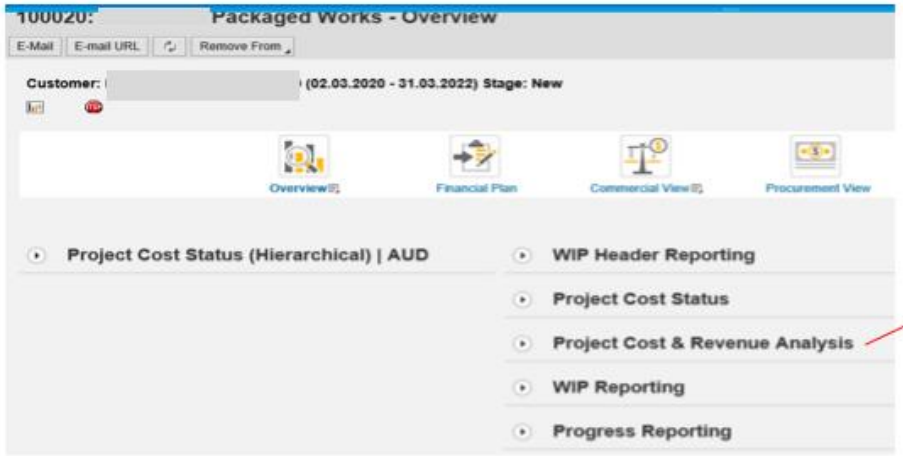
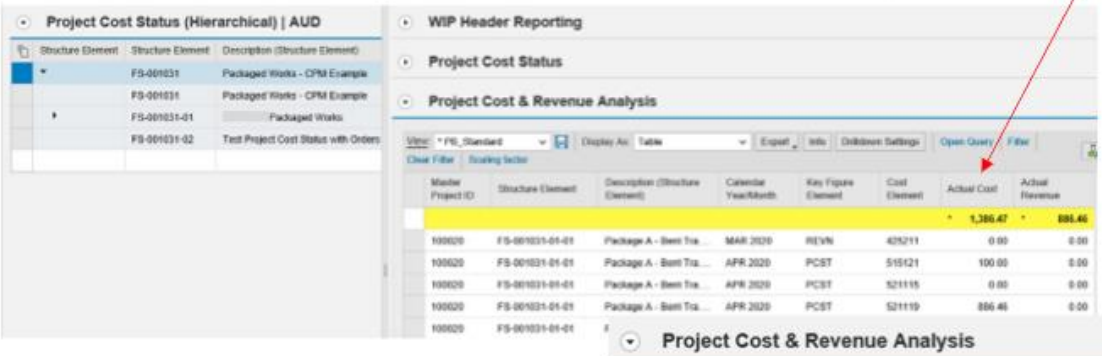
Workspace Overview



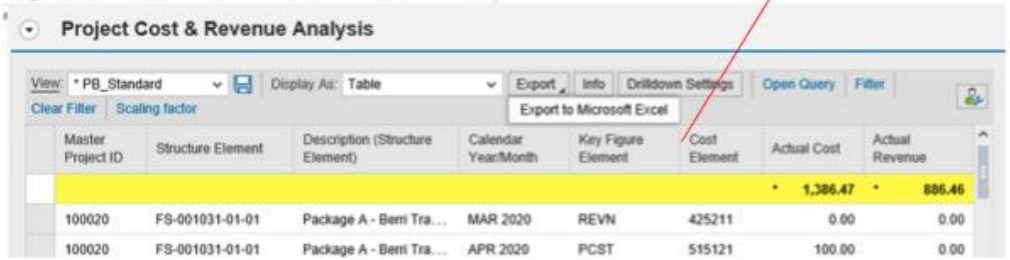
Standard reports are available and need to be considered for suitability;

and

the views configured



Standard reports can be exported to Excel



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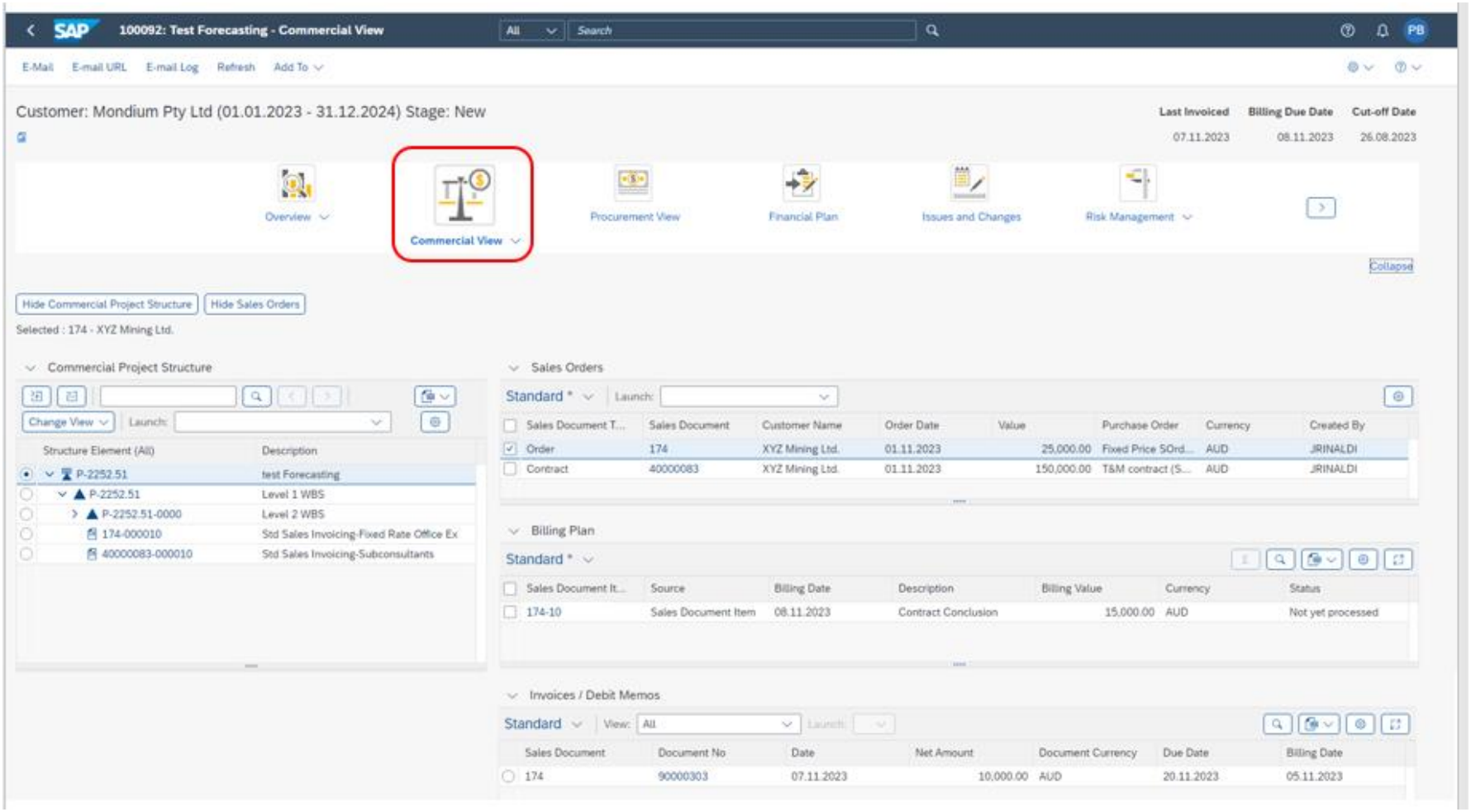
Workspace – Commercial View

1. Navigate the WBS Hierarchy and sales related documents and their status



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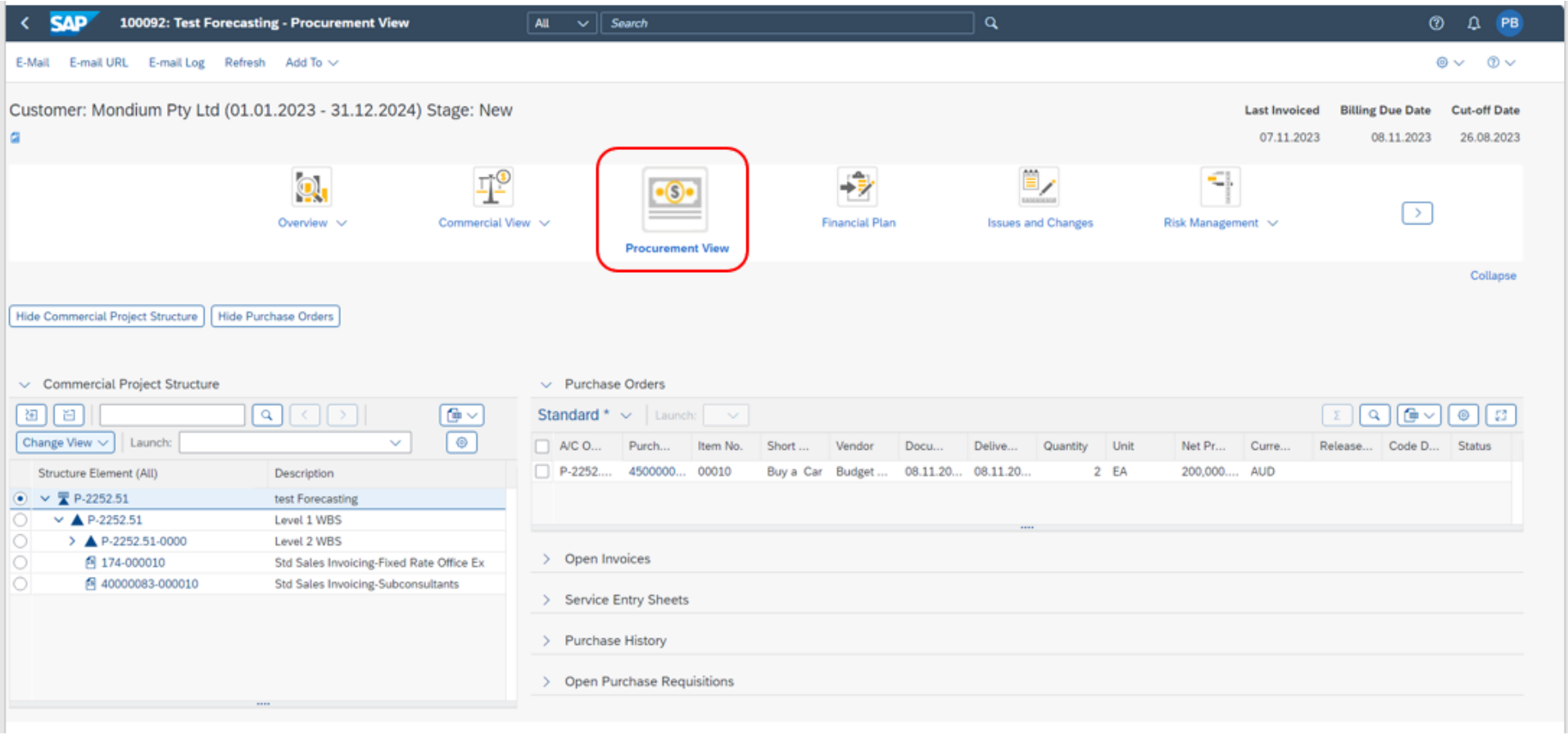
Workspace – Procurement View

1. Navigate the WBS Hierarchy and procurement related documents and their status



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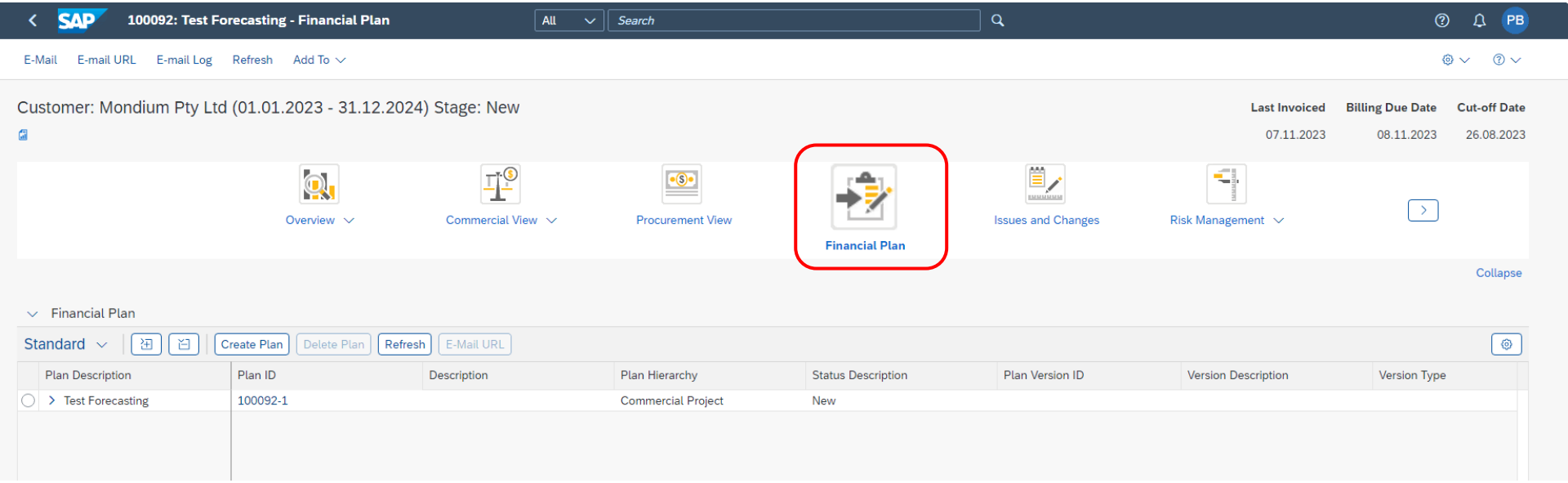
Project Financial Planning

SS

Workspace – Financial Plan

1. Create and manage Financial Plans



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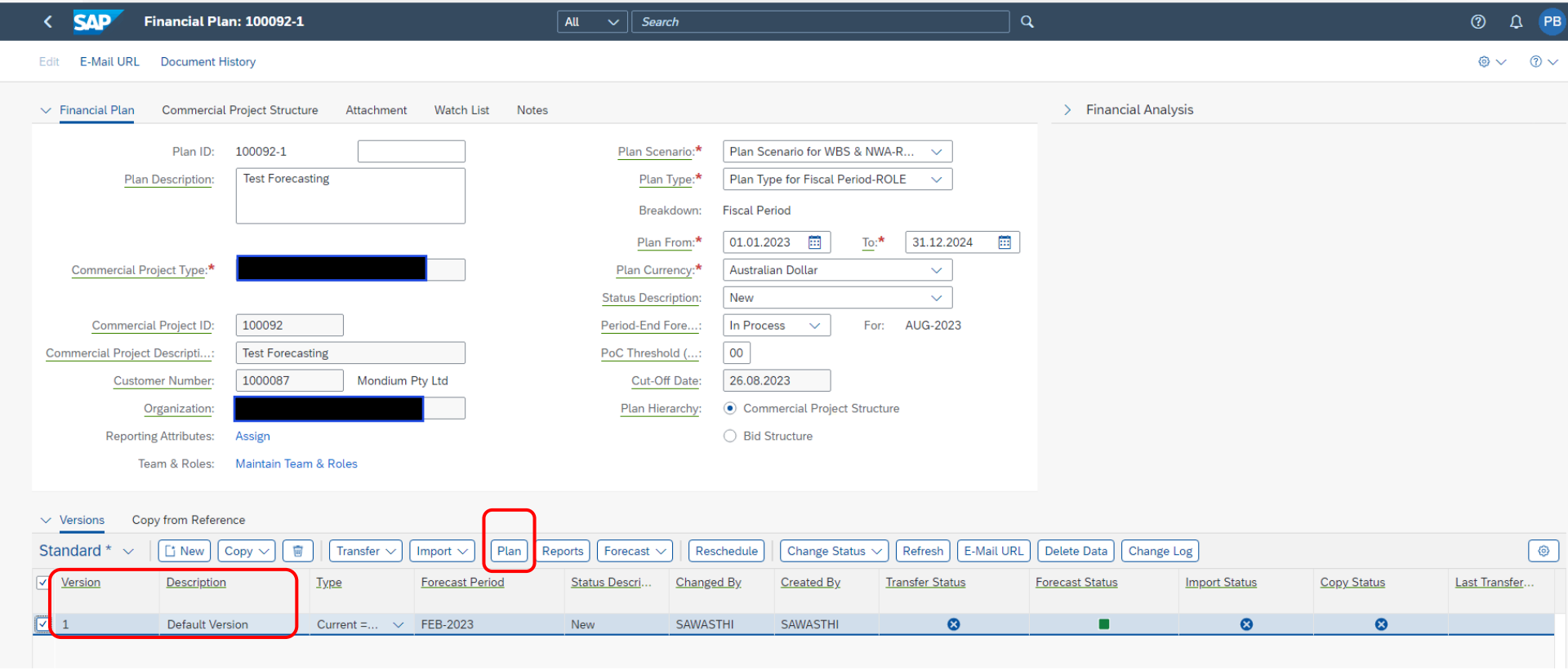
Financial Plan & Versions

1. Create and manage Plan Versions – Bid vs Baseline vs Current plan
2. Transfer Baseline plan to PS project



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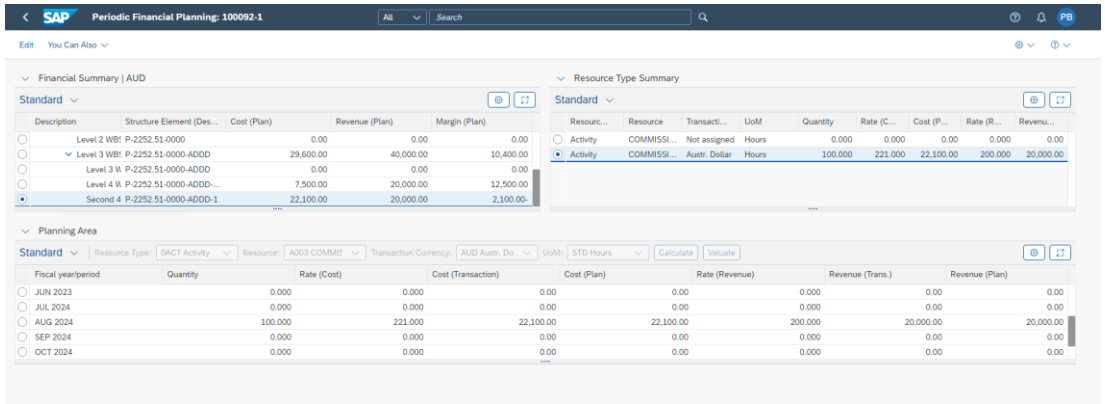
Financial Planning

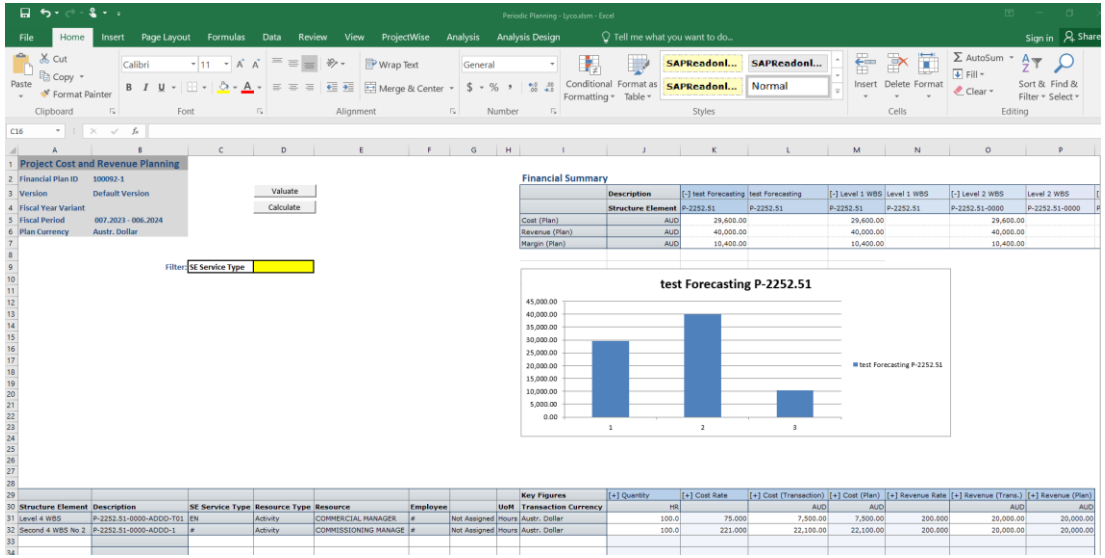
Web Dynpro Planning

- SAP's new approach with S/4HANA
- Only a couple have been developed
- Complex to use with large WBS Hierarchies



AfO Planning

- Aged technology – complex builds
- Standard workbooks available – complex to clone and modify
- Complex to use with large WBS Hierarchies



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ETC Forecast for Fiscal Period(with Qty and Cost) - Lyco.xlsm - Excel

File | Home | Insert | Page Layout | Formulas | Data | Review | View | ProjectWise | Analysis | Analysis Design | Tell me what you want to do... | Sign in | Sh

Cut | Copy | Format Painter | Paste | Clipboard | Calibri | 11 | Font | Wrap Text | Merge & Center | Alignment | General | Number | Conditional Formatting | Format as Table | SAPReadonl... | SAPReadonl... | Normal | Bad | Styles | Insert | Delete | Format | Cells | AutoSum | Fill | Clear | Sort & Filter | Find & Select | Editing

H5

Project Cost and Revenue Planning

Financial Plan ID	100092-1
Version	1
Fiscal Variant	
Forecast Period	007.2023 - 007.2025
Forecast Period	

Forecast on Cost

Forecast on Quantity

Forecast on Revenue

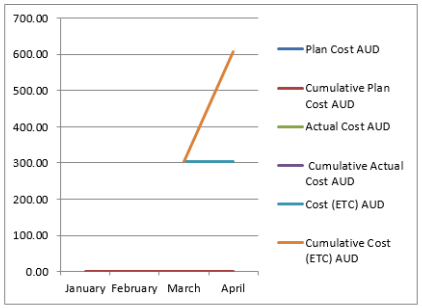
Load Graph

Valuate | Calculate

SE Service Type

Structure Element

Structure Element	Description	Plan Cost AUD	Actual Cost AUD	Plan Cost EAC AUD
[-] test Forecasting	P-2252.51	29,600.00	2,325.00	7,000.00
test Forecasting	P-2252.51			
[-] Level 1 WBS	P-2252.51	29,600.00	2,325.00	7,000.00
Level 1 WBS	P-2252.51		0.00	
[-] Level 2 WBS	P-2252.51-0000	29,600.00	2,325.00	7,000.00
Level 2 WBS	P-2252.51-0000			
[-] Level 3 WBS	P-2252.51-0000-ADDD	29,600.00	2,325.00	7,000.00
Level 3 WBS	P-2252.51-0000-ADDD			
Level 4 WBS	P-2252.51-0000-ADDD-T01	7,500.00	2,325.00	7,000.00
Second 4 WBS No 2	P-2252.51-0000-ADDD-1	22,100.00		0.00



Structure Eleme P-2252.51-0000-ADDD-1

		Key Figures	[+] Overall Plan Qnty	[+] Actual Qty	[+] Plan Qty Remaining	[+] POC	[+] Earned Hours	[+] A.P.F.	[+] Calculated ETC
Resource Type	Resource	UoM	HR		HR		HR		HR
Activity	Commissioning Manager	Hours	100.0		100.0	0.00	0.0	DIV0	0.0

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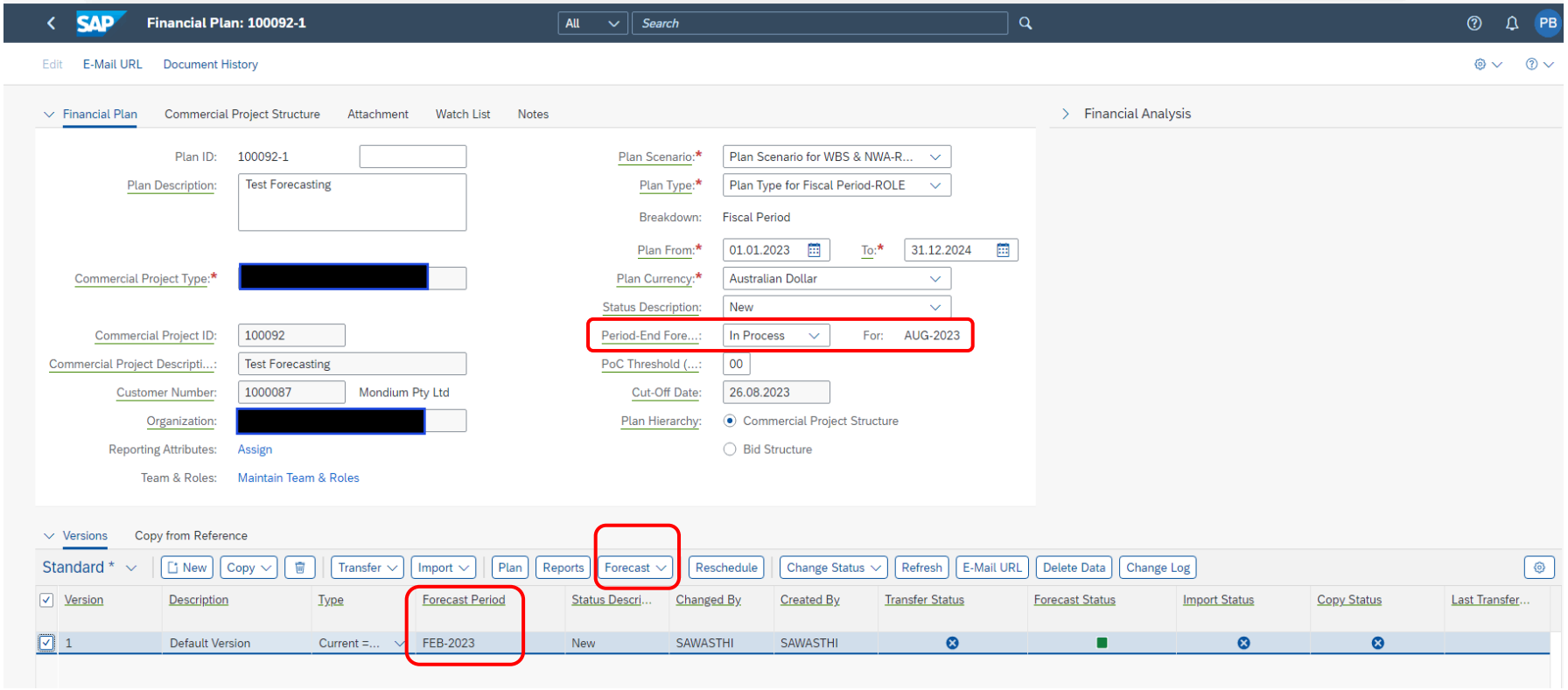
Financial Plan & Versions - Forecast

1. Monthly Forecasts easily managed and reported against
2. Quantity based, Cost based and Revenue based options
3. Enables comparison of Baseline Budget to ETC / EAC



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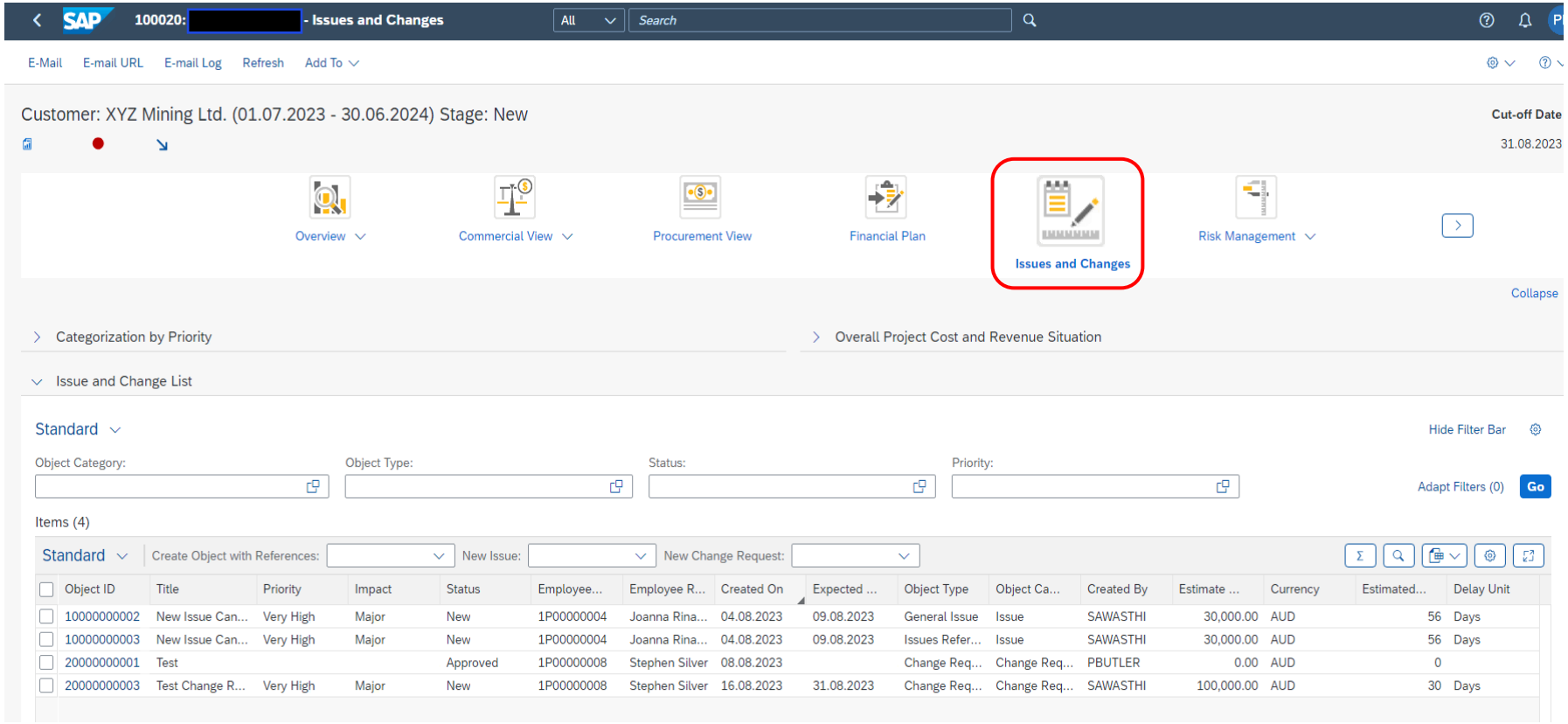
PB

Project Issue & Change Management

Issues and Change Requests

1. View issues raised, priority, impact and status
2. Display individual issue details



Object ID	Title	Priority	Impact	Status	Employee...	Employee R...	Created On	Expected ...	Object Type	Object Ca...	Created By	Estimate ...	Currency	Estimated...	Delay Unit
10000000002	New Issue Can...	Very High	Major	New	1P00000004	Joanna Rina...	04.08.2023	09.08.2023	General Issue	Issue	SAWASTHI	30,000.00	AUD	56	Days
10000000003	New Issue Can...	Very High	Major	New	1P00000004	Joanna Rina...	04.08.2023	09.08.2023	Issues Refer...	Issue	SAWASTHI	30,000.00	AUD	56	Days
20000000001	Test			Approved	1P00000008	Stephen Silver	08.08.2023		Change Req...	Change Req...	PBUTLER	0.00	AUD	0	
20000000003	Test Change R...	Very High	Major	New	1P00000008	Stephen Silver	16.08.2023	31.08.2023	Change Req...	Change Req...	SAWASTHI	100,000.00	AUD	30	Days

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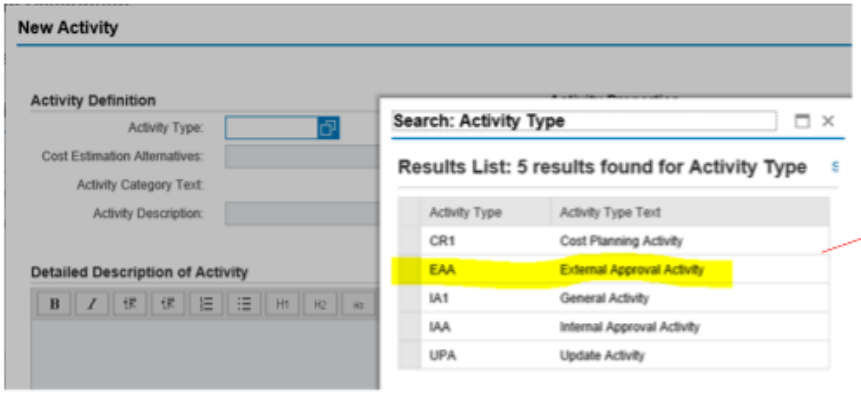
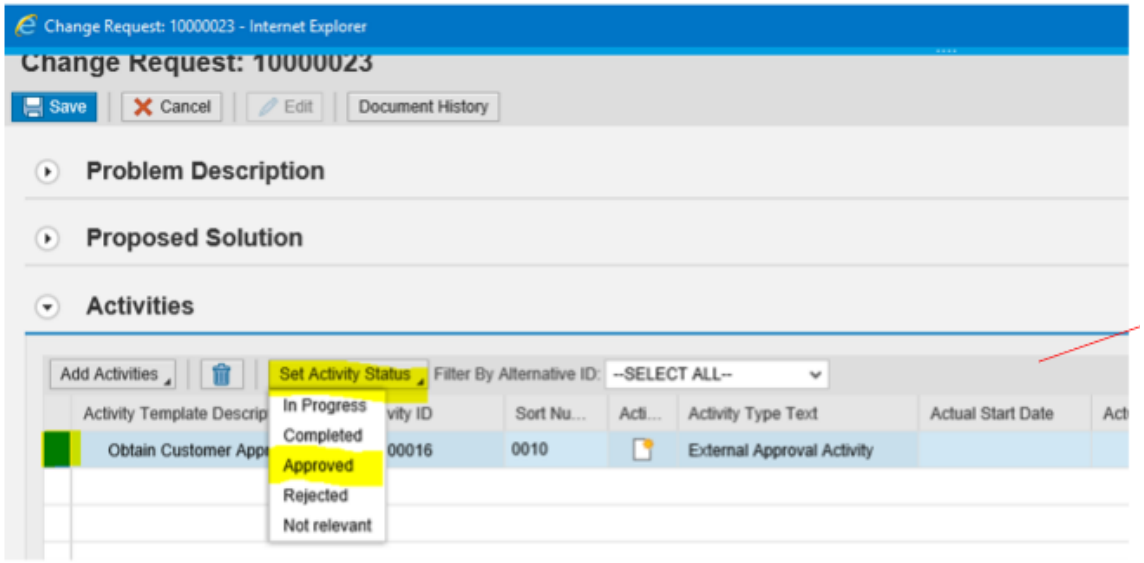
Issues and Change Requests



Manage Activities
& their lifecycle



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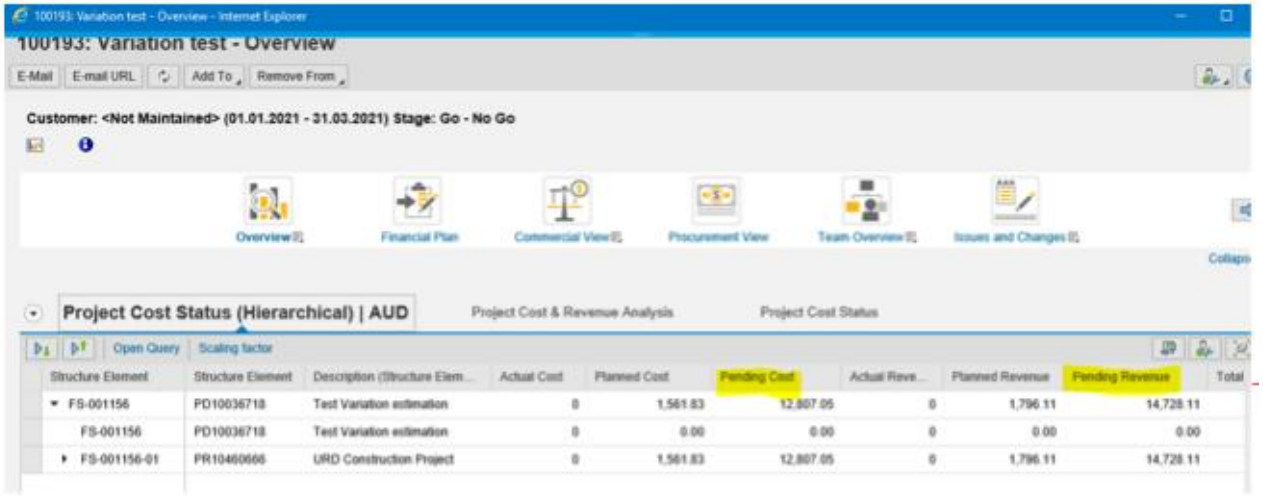
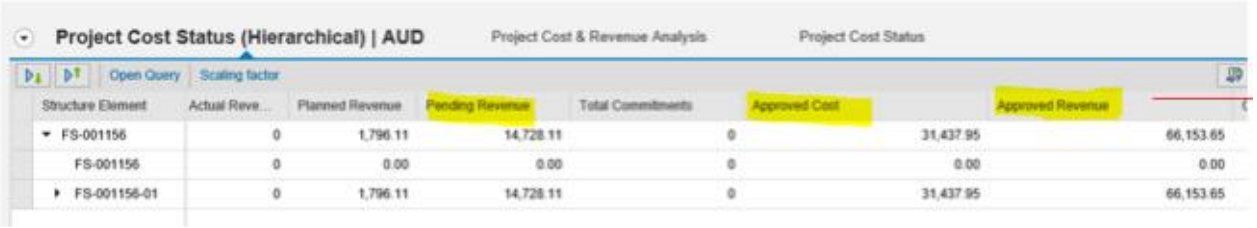
Issues and Change Requests



Manage Financial Impact of CRs incl Pre & Post Approval



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Project Analytics

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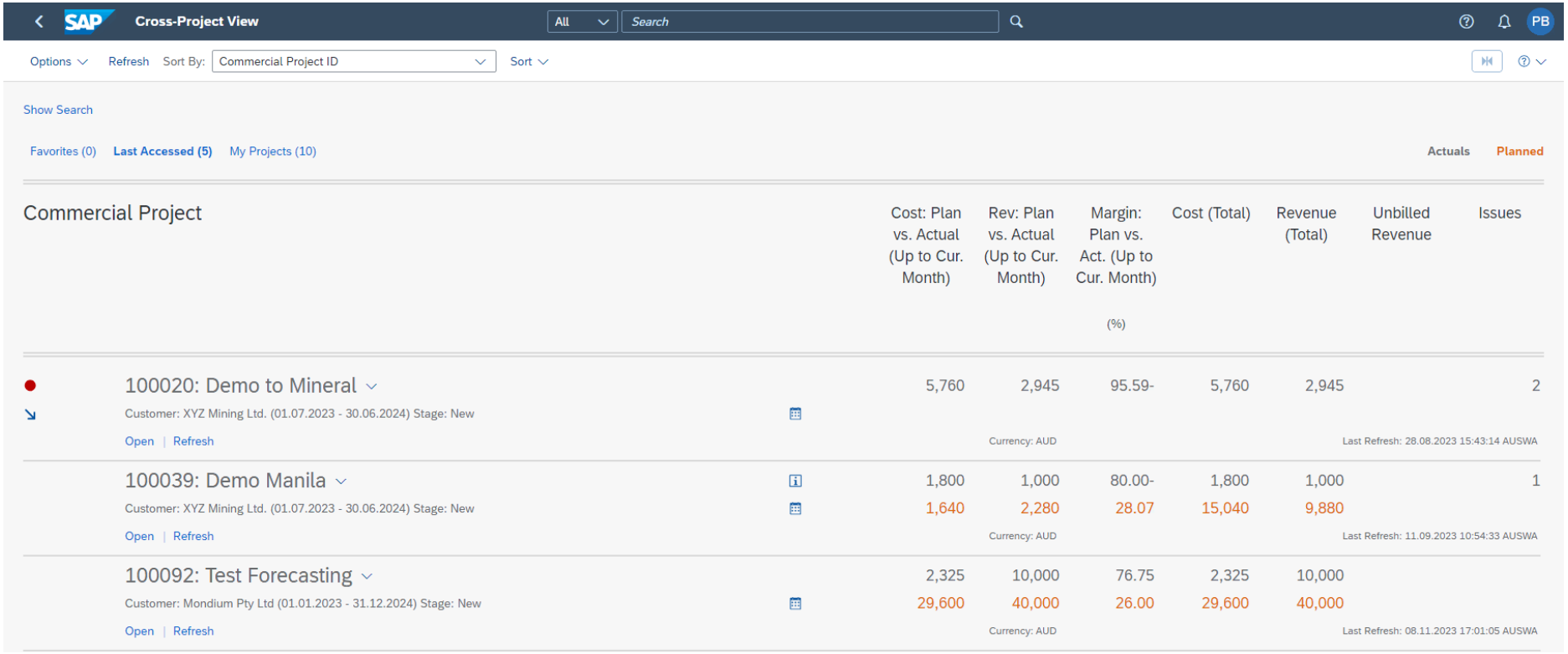
Analytics – Cross Project View



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Analytics - KPIs

Select & Configure using standard KPIs

Select & Configure using standard Alerts

Select & Configure using standard Key Dates

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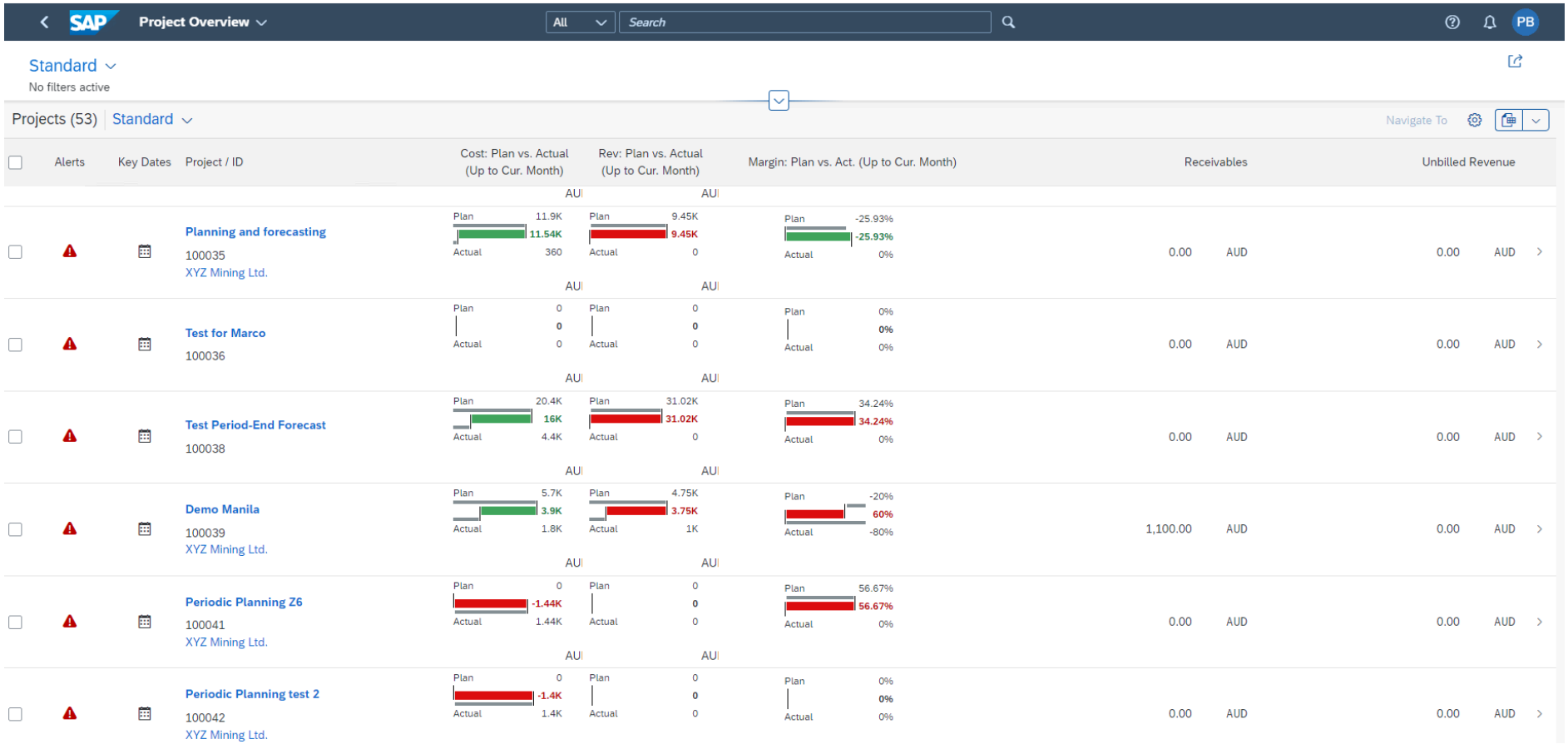
Analytics – Multi Project Fiori View



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Lets see what you think?

In Review

1. Does CPM cover the gaps in PS?

2. Consistent & Simple Experience?

3. Overall rating & Should you do it?

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