Innovation Highlights & Benefits
S/4HANA Enterprise Management 1610 & 1709

STEFAN BATZDORF, S/4HANA Pre-Sales Expert, SAP

Public

SAP Run Simple

Agenda

S/4HANA Introduction & Innovation Highlights

- New Data Modell and New User Experience are key pillars for Innovations and faster processes

Efficient Sales & Order Management

- Sales Order Processing, Fiori Sales Overview Page, Sales Analytics
- Embedded CRM in S/4HANA

Real-time Material Management, Inventory Handling & Supply Chain

- Inventory Management and integrated Extended Warehouse Management
- Embedded Transportation Management

Efficient Procurement & Analytics

- Procurement Analytics, Enhanced Purchase Requisition, Integration with Ariba

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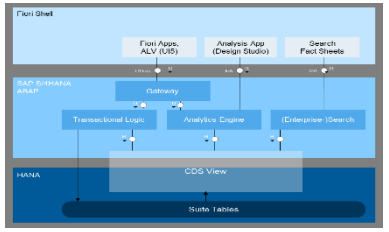
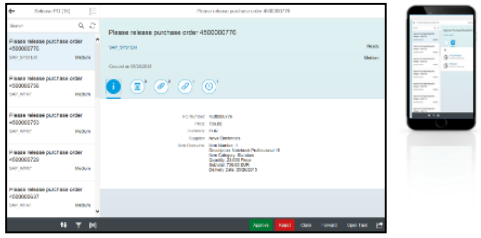
S/4HANA INTRODUCTION

SAP S/4HANA: The Guiding Principles

Modern Architecture



Role-based Design



Smart Business

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SAP S/4HANA: The Guiding Principles

Fiori App Library

Role-based Design

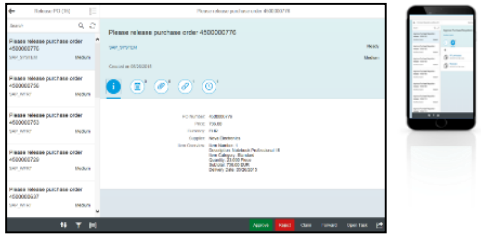
People Centric

Any Device

Browser based

Embedding Workflows

Decision Support



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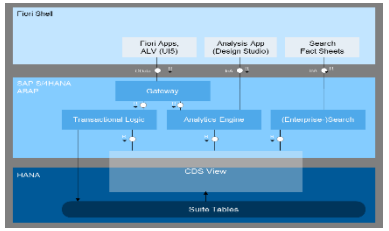
SAP S/4HANA: The Guiding Principles

Modern Architecture



- Robust and Scalable
- Simple Data Structures
- Speed on Primary Data
- Single source of truth
- Flexible consumption
- Non Disruptive Journey

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SAP ECC vs. S/4HANA Database & Table Structures

Prepares Your Data Structures for New Real-time Requirements, Big Data and High Throughput

SALES

	Document				indices	
	Header		Item			
Sales Order	VBAK		VBAP	❯	VAKPA	VAPMA
Delivery	LIKP		LIPS	❯	VLKPA	LKPMA
Billing Document	VBRK		VBRP	❯	VRKPA	VRPMA
Status Info	VBUK		VBUP	Index for Rebates		
Conditions		KONV			VBOX	
Document Flow		VBFA				

FINANCE

	Document			Totals			indices		
	Header	Item							
GL, AR, AP	BKPF	BSEG	❯	GLT0	KNC1	KNC3	BSIS	BSAS	BSIK
			❯	LFC1	LFC3		BSID	BSAD	BSAK
New GL		FAGLF LEXA*	❯	FAGLF LEXT*			FAGL BSIS	FAGL BSAS	
CO	COBK	COEP		COSS	COSP				
AA	ANEK	ANEP	ANEA	ANLC	ANLP				
ML	MLHD*	MLIT*		MLCD*	MCLR*		BSIM*	CKMI1*	

SAP Business Suite

MATERIAL VALUES

Valuation in MM or Valuation ML

Aggregates		History		
Hybrid: Master Data with Valuated Stock				
MBEW	❯	MBEWH		CKMLCR
EBEW	❯	EBEWH		CKMLPP
QBEW	❯	QBEWH		
OBEW	❯	OBEWH		

MATERIAL QUANTITIES

Aggregates			Stock Aggregates				History		
Material Document		❯	MSSA	MSSL	MSSQ	❯	MSSAH	MSTBH	MSSQH
MKPF	MSEG	❯	MSTE	MSTQ	MSTB	❯	MSTEH	MSTQH	
Inventory Movements		**Hybrid:** Master Data with Stock Aggregates				❯	MARCH	MARDH	MKOLH
		MCHB	MARC	MARD	MSKU	❯	MSLBH	MCHBH	MSKUH
		MSKA	MKOL	MSPR	MSLB	❯	MSKAH	MSKAH	

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SAP ECC vs. S/4HANA Database & Table Structures

Prepares Your Data Structures for New Real-time Requirements, Big Data and High Throughput

SALES

Document

Header incl. Status | Item incl. Status

VBAK | VBAP

LIKP | KIPS

VBRK | VBRP

PRCD ELEMENTS

VBFA

FINANCE

Document

Header | Item

BKPF | BSEG

ACDOCA

FAAT DOC IT

FAAT YODA

FAAT PLAN VALUES

SAP S/4HANA

On the fly aggregation and compatibility views for indices and obsolete tables

MATERIAL VALUES

Used for Master Data Only

MBEW | CKMLCR

EBEW | CKMLPP

QBEW

OBEW

MATERIAL QUANTITIES

Material Document

MATDOC | MATDOC EXTRACT

Used for Master Data Only

MCHB | MARC | MARD | MSKU

MSKA | MKOL | MSPR | MSLB

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SAP S/4HANA: The Guiding Principles

Built for Scalability, Automation & IoT

Cockpits with Exception based Worklists

Embedded Analytics, Simulation, Prediction

Smart Business

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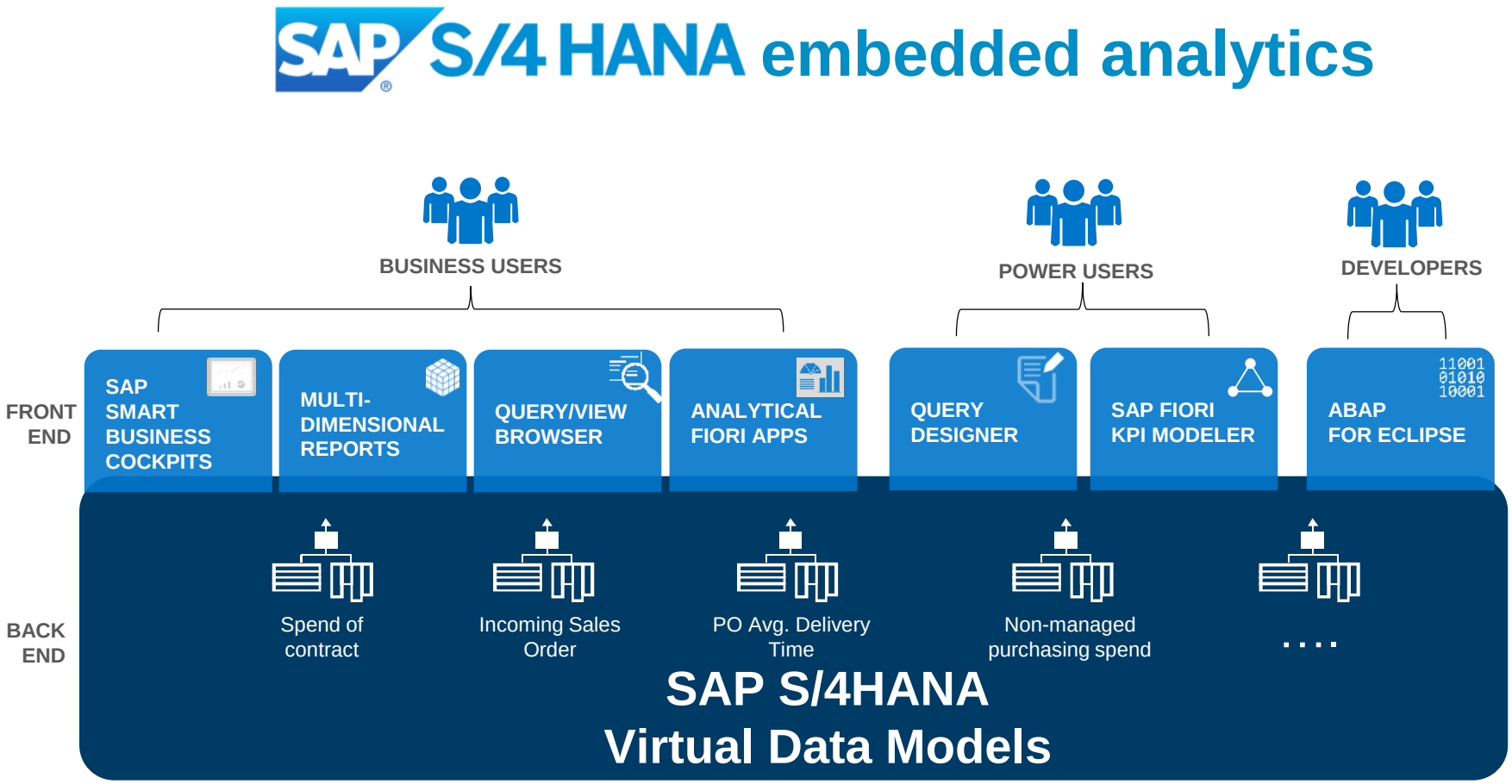
SAP S/4HANA Embedded Analytics

Embedded Analytics

- Deliver contextualized analytics for SAP S/4HANA embedded within the context of work and tailored to **business needs and roles**
- Consist of Virtual Data Models based on **Core Data Service (CDS)** views covering role based operational reports for lines of business
- Come with **tools for Business Users, Power Users and Developers** to analyze data and manage the lifecycle of reports and KPIs

Highlights 1610 On-Premise

- Continuous extension of the Virtual Data Model, **more than 6000 views and more than 120 new Embedded Applications (KPI's)** planned
- View Browser Fiori Application to show all delivered Views
- **SAP Smart Business and Analysis Path Framework** Integration



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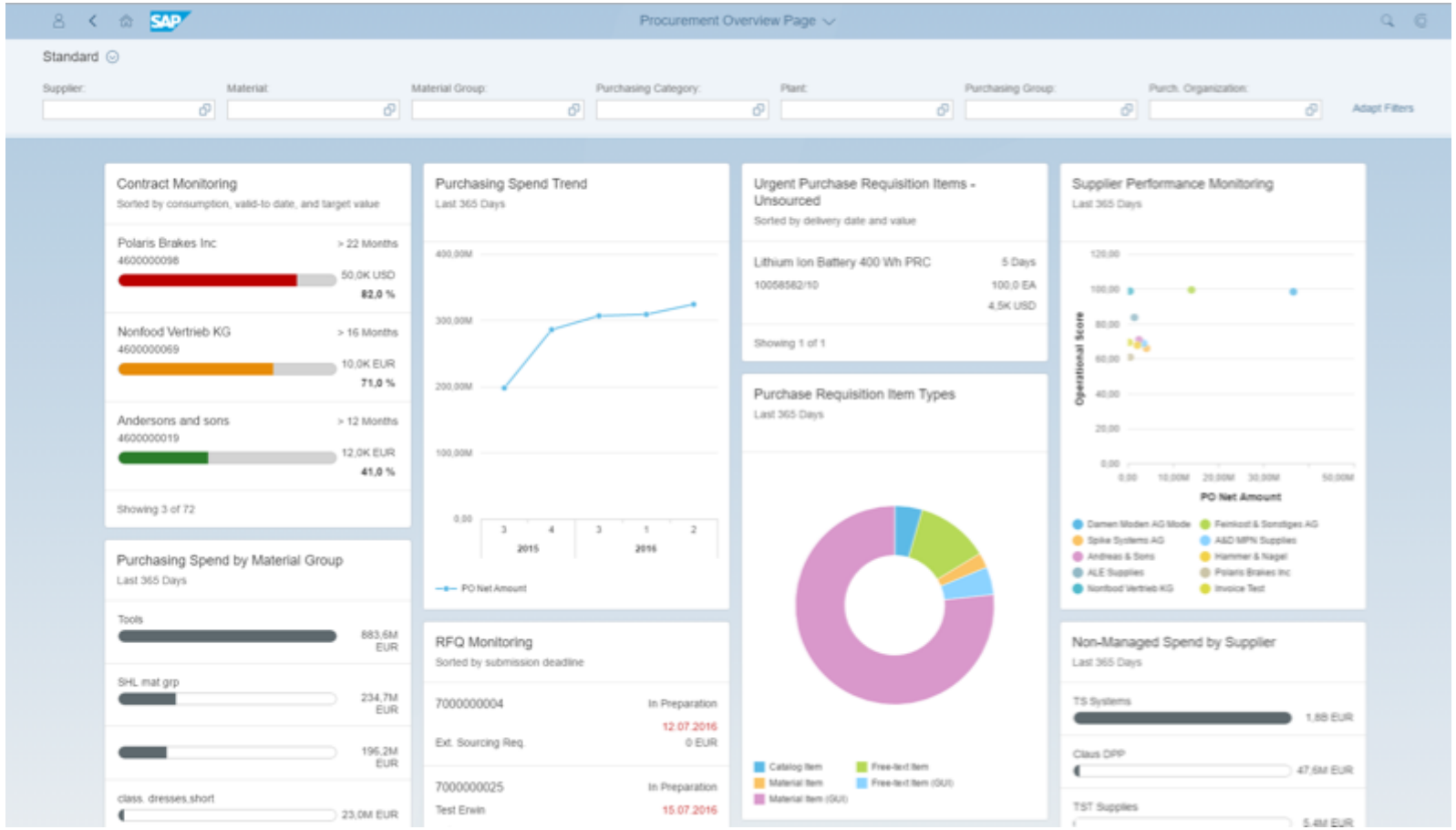
S/4HANA Analytical Apps using Fiori Embedded Analytics



Procurement Overview Page

Role: Purchaser / Buyer

Delivered: Q4 2016

Description:

- A purchaser gets the most important information at a glance (instead of opening many different transactions)
- Combination of analytical and transactional information
- More detailed information can be found with one click
- Show all information (e.g. urgent contracts, purchasing spend etc.) for specific suppliers, materials etc. via the Smart Filter
- The entire page can be fully personalized

From this app, navigation is possible to e.g.:

- Manage Purchase Contracts
- Monitor Purchase Order Items
- Supplier Evaluation
- Purchasing Spend
- … and many more

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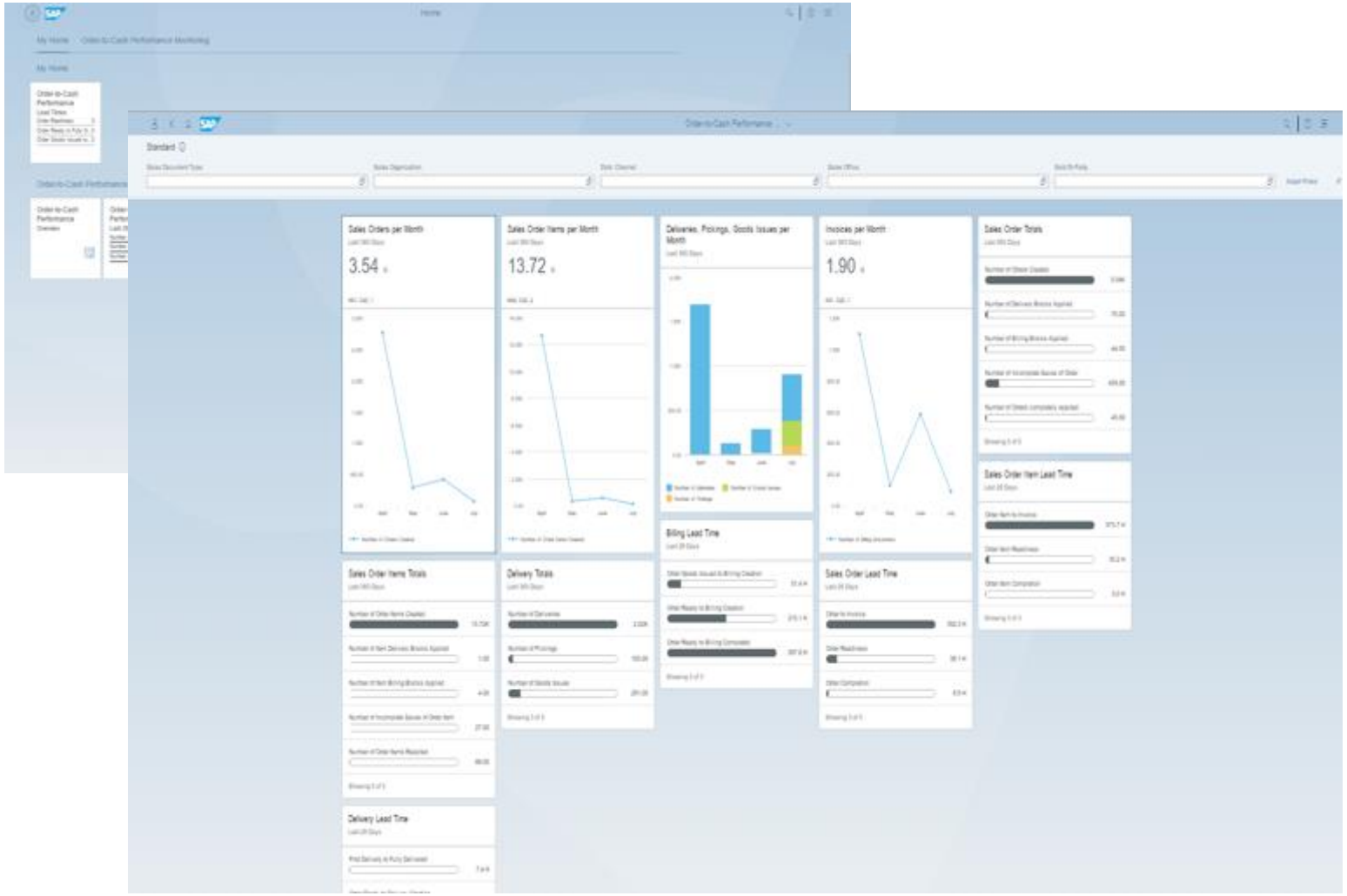
S/4HANA Analytical Apps using Fiori Embedded Analytics



Order-to-Cash Process Manager Overview Page

Role: Order-to-cash process manager

Delivered: Q3/2016

Description: Fiori Overview Page

- Provides performance and conformity of the sales processes in a
- Analyze Order-to-cash process performance based on some key Sales KPIs
- Identify trends and areas of improvements

From this app, navigation is possible to e.g.:

- Detailed Fiori smart business apps for Order-to-cash process performance
- Analysis path framework app for Order-to-cash process performance to drill down further
- Other detailed Fiori apps

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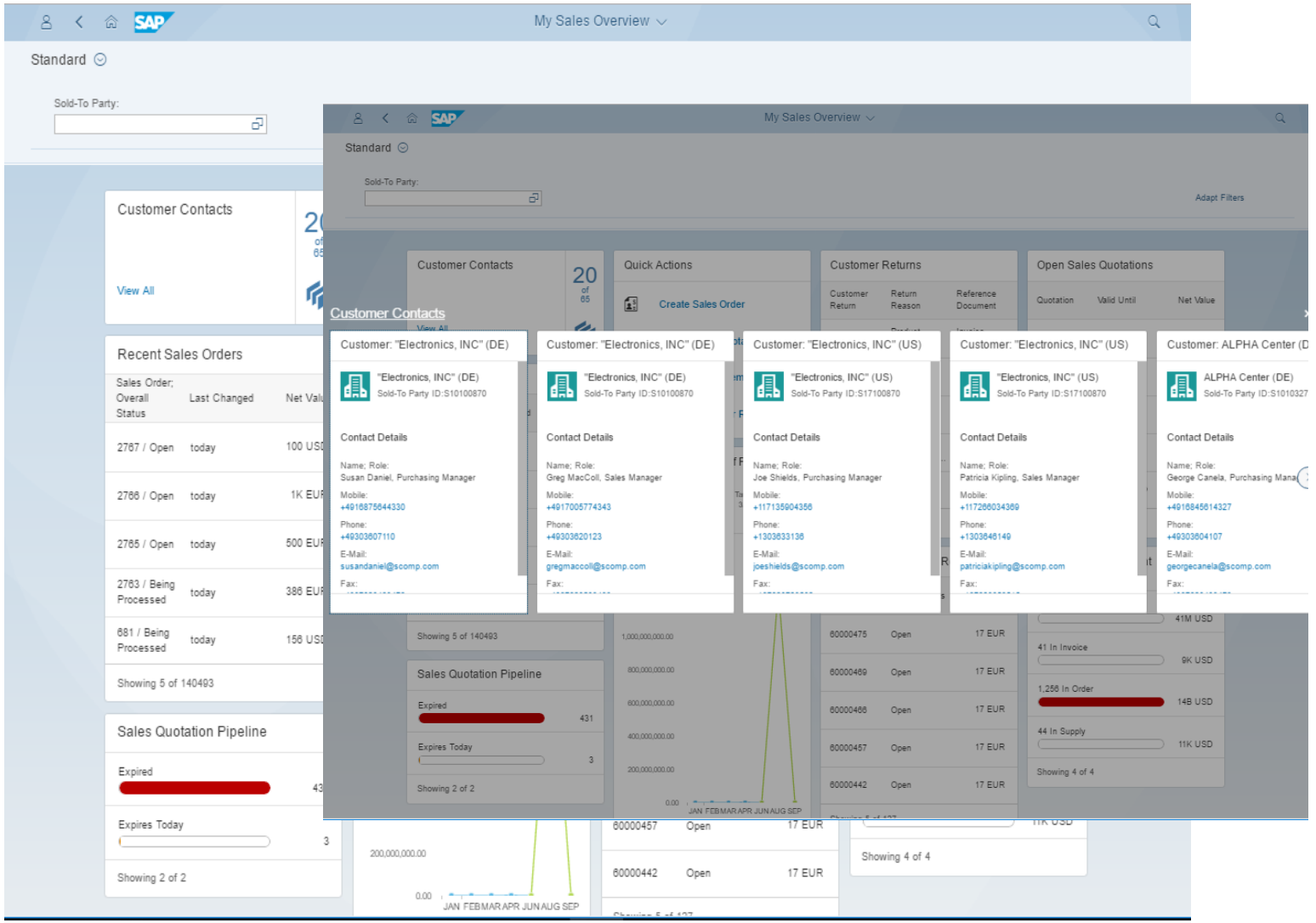
S/4HANA Analytical Apps using Fiori Embedded Analytics



Internal Sales Representative Overview Page

Role: Internal Sales Representative

Delivered: Q4/2016

Description: Fiori Overview Page

- Analyze the different stages of a sales order.
- Identify the back orders, demand fulfilment etc.
- Provide insight to actions about sales quotations, customer returns, sales order fulfillment and more
- Compare Sales revenue with previous year

From this app, navigation is possible to e.g.:

- Detailed Fiori smart business apps for Sales quotations, Customer returns etc
- Quick links to creating a Sales order, Sales quotation etc.
- Other detailed Fiori apps

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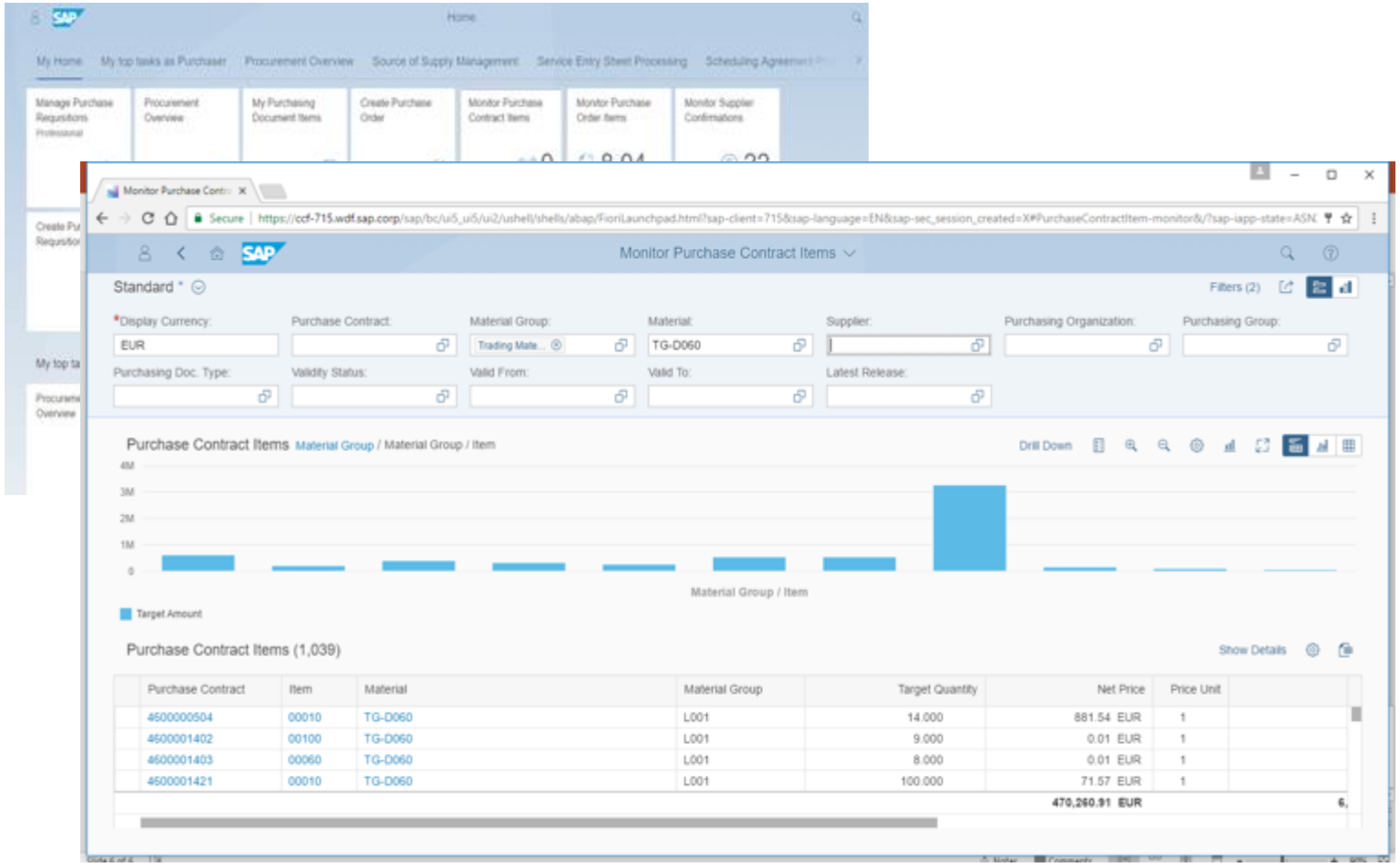
S/4HANA Analytical Apps using Fiori Embedded Analytics



ALP for Monitor Purchase Contract Items

Role: Purchaser / Buyer

Delivered: Q1/2017

Description: Analytical List Page

- A purchaser could monitor information about Purchase contract items
- Combination of analytical and transactional information
- Analytical chart to visualize, filter and drill down to table content
- Replacing old list reports with Fiori apps and include analytical data

From this app, navigation is possible to e.g.:

- Detailed Fiori Apps or transactions

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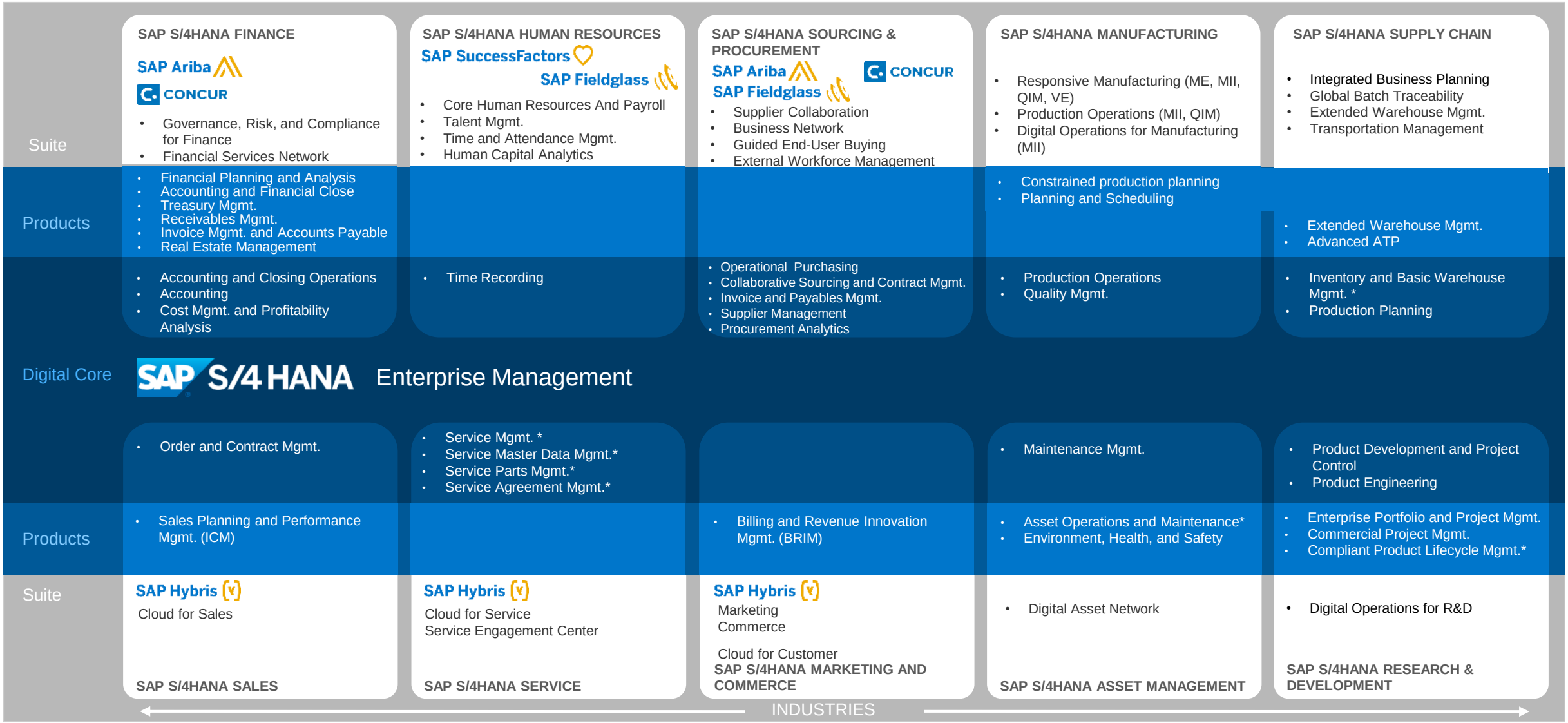
SAP S/4HANA 1610 – S/4HANA Suite



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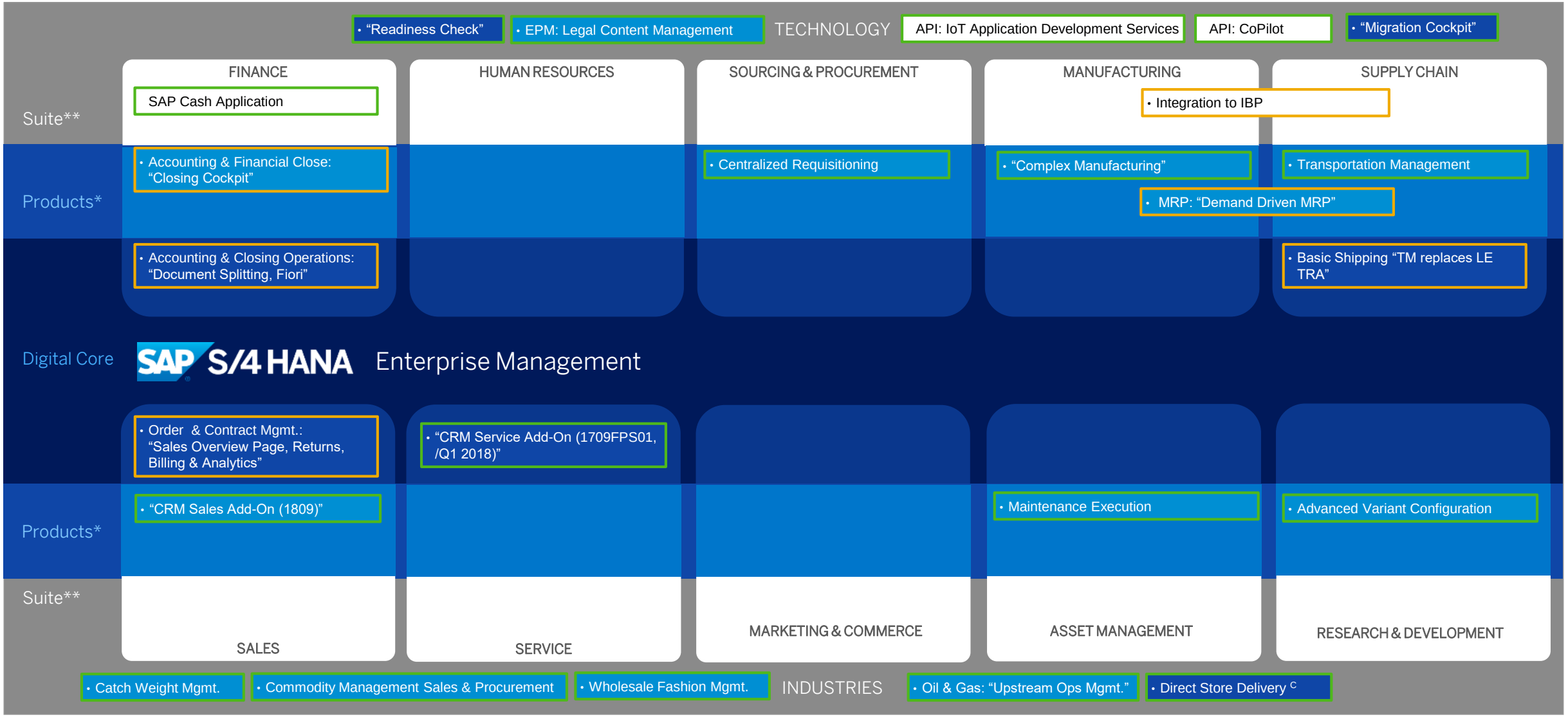
SAP S/4HANA 1709 – Delta Business Scope Highlights

Major Delta in E2E Process

NEW E2E Process



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SAP S/4HANA 1709 Key Innovations in the 3rd big wave

Embedded Transportation Management
Basic Shipping and Data Harmonization Integration in extended warehouse mgmt.

Consumer Products Industry
Catch Weight Management for System Conversion

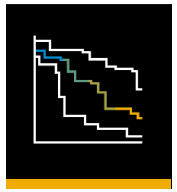
Commodity Management
Extending pricing with the commodity pricing engine

Industry to Core Retail / Wholesale
Wholesale Fashion enablement; Order allocation; Segmentation

Service Core (CRM Add-On)**
Migrate installed base CRM with eliminated middleware, harmonized data models

Manufacturing
Demand Driven Manufacturing
Advance Variant Configuration

Finance
Machine Learning with SAP Cash Application Integration; Financial Planning



Procurement
Centralized purchase requisitions through hub deployment
Machine Learning for Contract Consumption

Enterprise Asset Management
Report and Repair Malfunction Breakdown Analysis

Sales
Electronic and digital payments with Integration with Payment Hub

Manufacturing
Engineering Cockpit
Extension for Complex Assembly Industries

Quality Management
-Manage usage decisions
Analytics for quantitative results

Extended Warehouse Management
Advanced Labor Management
Pallet Planning

PLM
Visual Enterprise Generator Conversion
Recipe Management and Recipe finder

Maximize **SAP Fiori Experience**
SAP Fiori Overview Pages

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*** First delivery planned with SAP S/4HANA 1709 FPS01 in 2018*

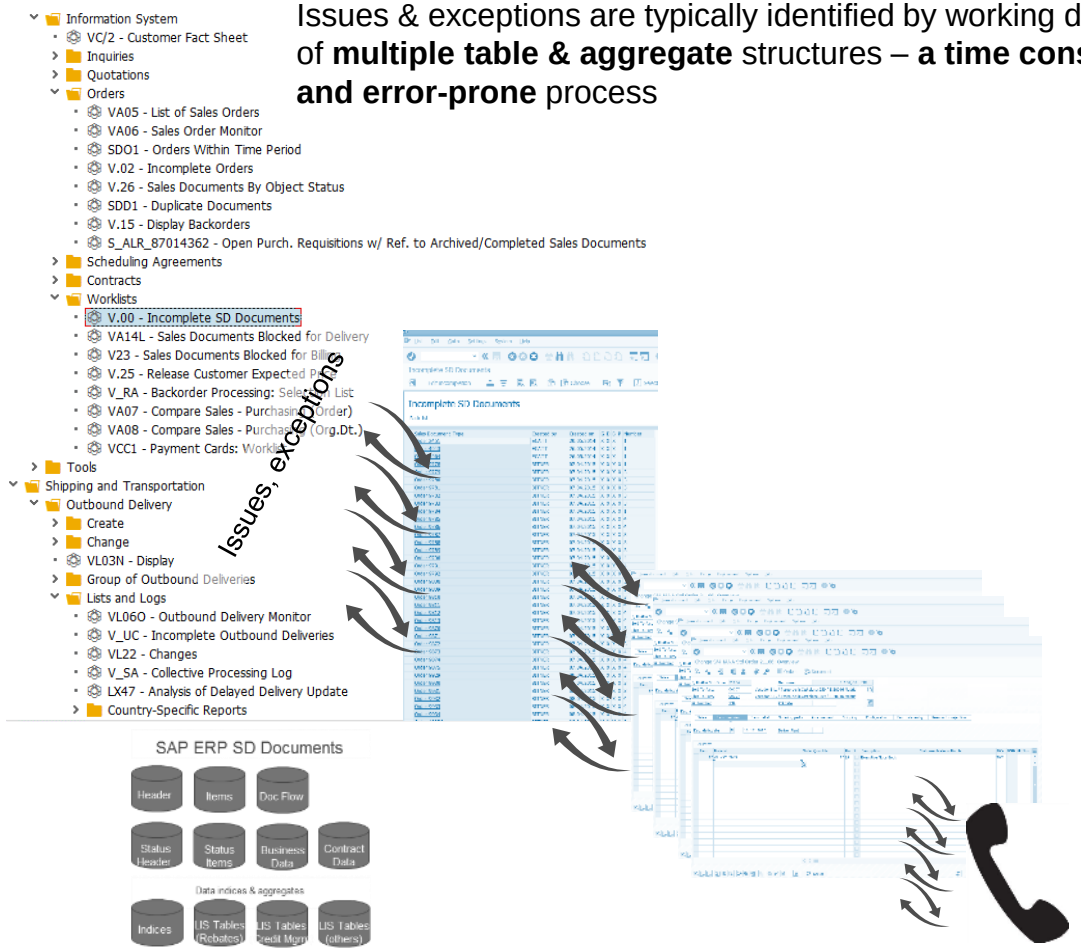
S/4HANA SALES

Business Challenge: Sales Order Management

High volume Order-2-Cash needs too much manual attention and effort

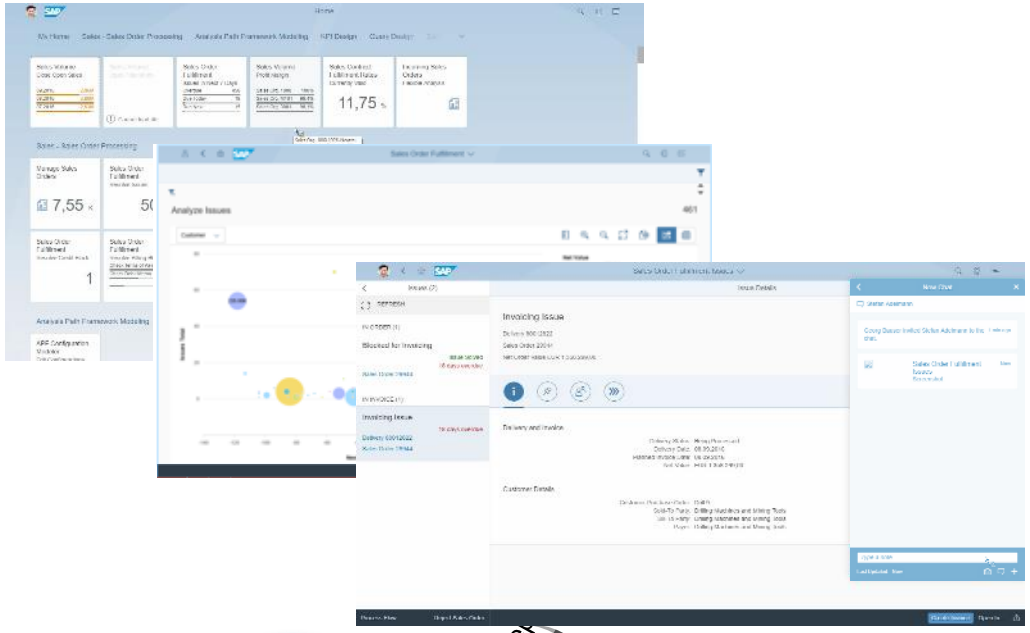
OLTP based systems

Issues & exceptions are typically identified by working down lists of **multiple table & aggregate** structures – **a time consuming and error-prone** process



SAP S/4 HANA

A **people centric** collection of issues & exceptions via **embedded analytics** and **worklists** in real-time on primary data to **solve issues in seconds**



OLAP + OLTP in SAP HANA

Issues, exceptions

- ✓ Resolved
- ✓ Delivered
- ✓ Billed
- ✓ Paid

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SAP S/4HANA Sales

SAP S/4HANA Enterprise Management Scope for 1610 Shipment

E2E Business Process:

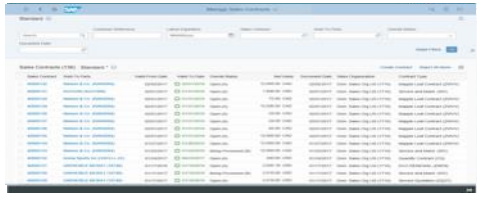
ORDER AND CONTRACT MANAGEMENT

Solution Capabilities:

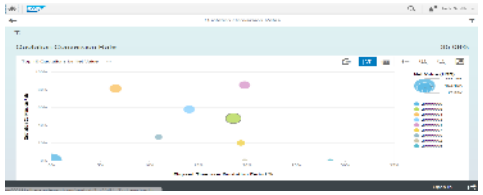
SALES MASTER DATA MGMT.	SALES CONTRACT MANAGEMENT	SALES ORDER MGMT. & PROCESSING	BILLING & INVOICING	CLAIMS, RETURNS & REFUND MGMT.	SALES MONITORING & ANALYTICS
Leverage **simplified data model and** central **Business Partner** approach. Create, modify, or display sales documents with work lists, manage sales quotations, orders, credit and debit memo requests. Access documents quickly	Take immediate action using **real-time analytical** results to effectively manage **Sales Contracts** and **Sales Quotations**	Identify bottlenecks & issues with resolution proposals in the **Sales Order Fulfillment Cockpit** for maximizing “no-touch” order rate. Leverage **worklists** with smart links to related documents and transactions to streamline the flow	Settle rebate flexibly using **Condition Contract Settlement** without any index table. Manage Billing Document efficiently with seamless integration to related operational transactions and use **Intrastat Processing** for Foreign Trade activities	Reduce customer service & support cost by **automating and streamlining return processes**	Monitor **Order-to-Cash Process Performance** and execute Sales Analysis on the fly and display contextual information, or analyze your **sales quotation conversion rate**, or open sales orders and deliveries and track **overall O2C performance** in your company

Innovation & Highlights:

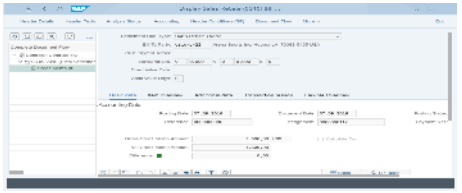
Manage Sales contracts in just seconds



Analyze your Sales Order Conversion Rate



Use new Condition Contract Settlement



Use new Sales Overview Page

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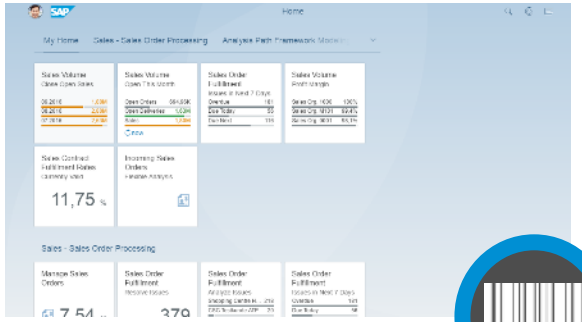
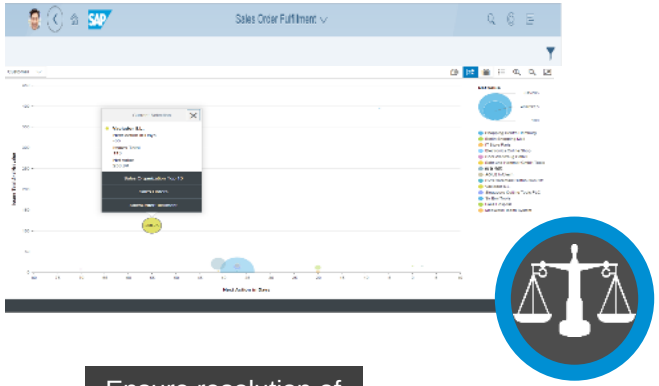
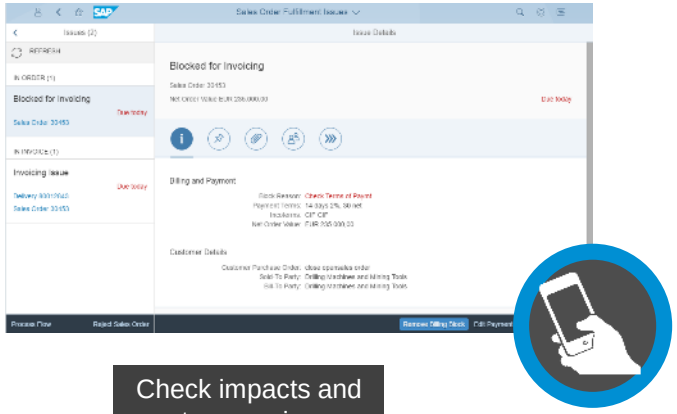
Sales Order Management with SAP S/4HANA: What You Get…



Use real-time alerts instead of checking yesterdays' reports



Ensure resolution of the biggest issues first



Check impacts and act on any issue within seconds

Experience Transformation: Sales Order Fulfillment: DEMO / VIDEO

Measure	SAP ERP with SAP GUI Sales Order Fulfillment	SAP S/4HANA with SAP Fiori Sales Order Fulfillment	Improvement Factor
Duration	4.15 min	2.20 min	**1.9 x**
Clicks	70	42	**1.7 x**
Number of Apps	8	2	**4 x**
Fields filled	14	3	**4.6 x**

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S/4HANA Sales
Scope highlights for 1709 Shipment

Order and Contract Management

Sales order management and processing

- **"My sales overview"** overview page provides internal sales representative with a central entry point to all his important daily working tasks.
- Get insight to all sales orders' status and take immediate action along with the whole O2C lifecycle with "**Track Sales Order**".
- Enhanced Sales Order Fulfillment cockpit with **SOFM – Analyze and Resolve Issues**
- Schedule the output of sales documents with the new output management

Billing and invoicing

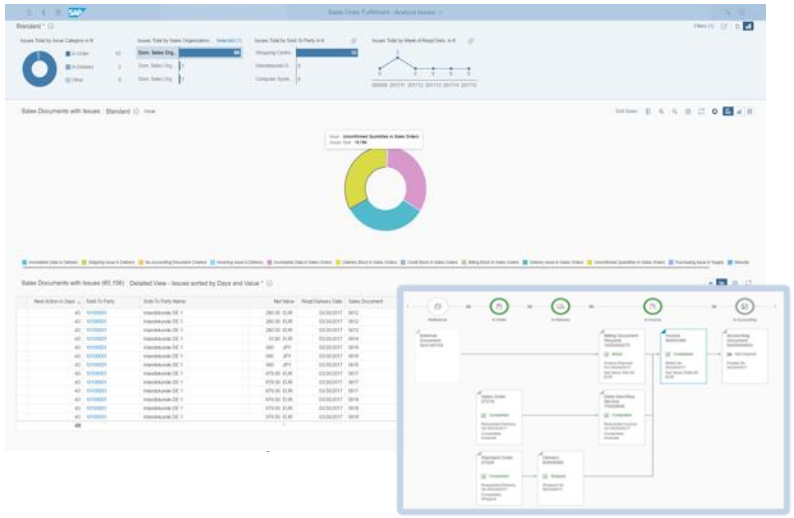
- **Converge external billing data**, sales orders, sales contracts, debit memo request, and outbound deliveries into one invoice.
- Reduce the number of invoices needed when processing billing due list items of different categories and support **Innovative omnichannel** approach.
- Enable electronic and digital payments with **payment hub integration** in SAP S/4HANA

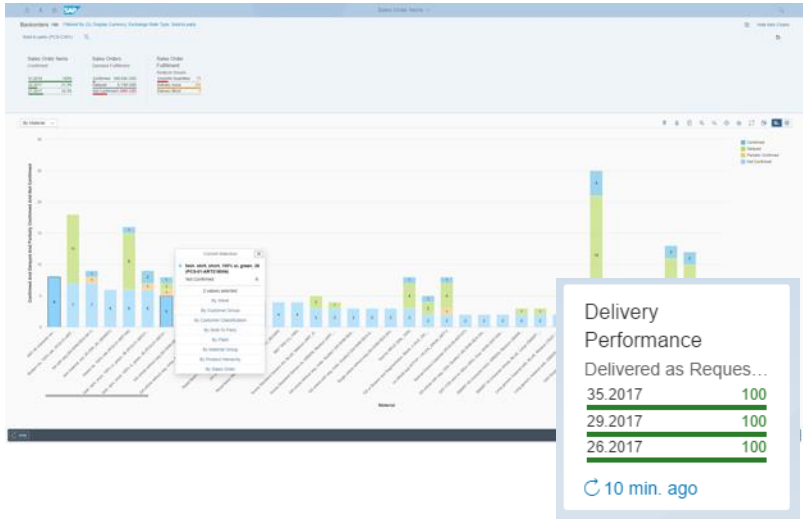
Claims, returns and refund management

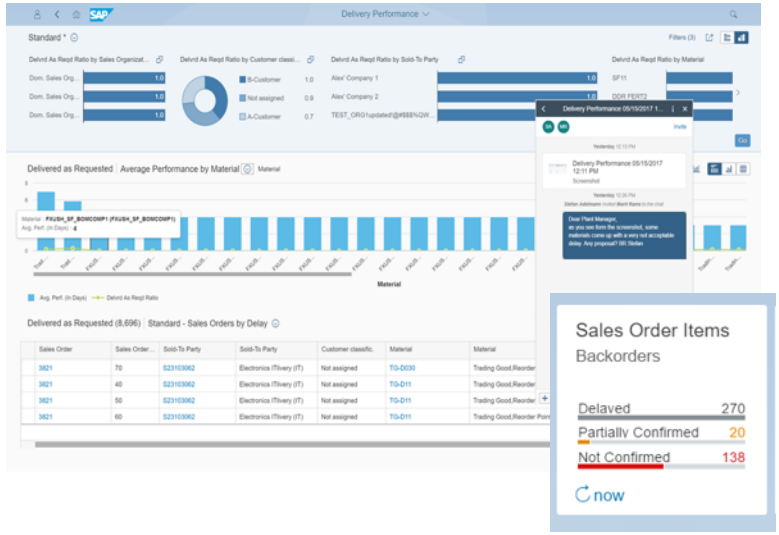
- Simplify return processes with "**Accelerated Returns**"

Sales Monitoring and Analytics

- **Sales order delivery performance** to monitor his current situation, and instantly recognizes the effect of delivered as requested ratio of sales orders, because a **critical delay** of delivered goods endangers customer satisfaction and retention in the future. Insight to action - navigation via smart links.
- **Analyze Backorders:** Monitor sales confirmation situation, and instantly recognizes the risk of **unconfirmed sales orders**, because these endanger future sales volume.
- **New key performance indicators** for sales contracts, customer returns, outbound deliveries, and credit and debit memo requests.







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Unified Functionality in the Core

Advanced Available to Promise

EXISTING ERP FUNCTIONAL MODEL → **1610 RELEASE**

SAP ERP Basic ATP

Core Interface CIF

SAP APO Global ATP

✓ **Simple to Use & Implement**

✓ **Advanced Functionality**

✘ **Lack of Advanced Functionality**

✘ **Simple to Use & Implement**

SAP S/4 HANA

Advanced Available to Promise

✓ **Simple to Use & Implement**

✓ **Advanced Functionality**

✓ **New Innovations**

Enhanced Backorder Processing
New concept for requirement classification

Enhanced Product Allocation
Synchronous, consistent data
Immediate error handling

Release for Delivery App
Enable timely action on short term supply and demand changes

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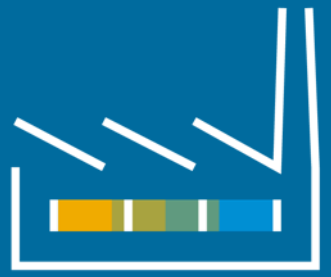
Our ERP Multichannel Problem

MY CYCLES



Weekly Inventory

400 bikes

Channels

	Mass Merchant A	Mass Merchant B	Specialty Shop A	Specialty Shop B	Web Channel
Profitability	Low	Low	Mid	Mid	High
Demand	Monday 200 Units	Tuesday 150 Units	Wednesday 50 Units	Thursday 50 Units	Friday 50 Units
ERP ATP	✓ 200 Units	✓ 150 Units	✓ 50 Units	✓ 0 Units × 50 Units	✓ 0 Units × 50 Units

Most profitable orders didn't get confirmed

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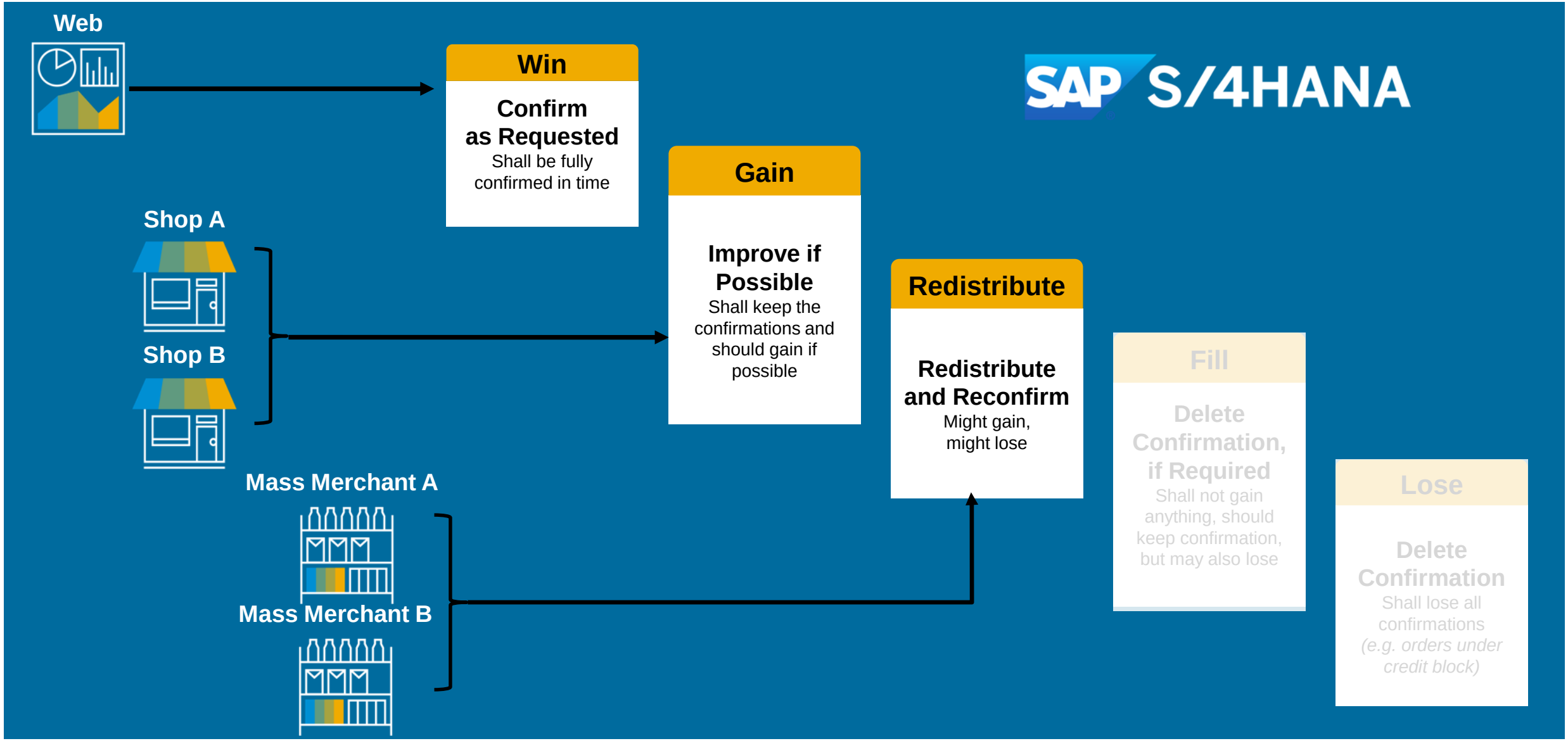
New Back Order Processing in SAP S/4HANA



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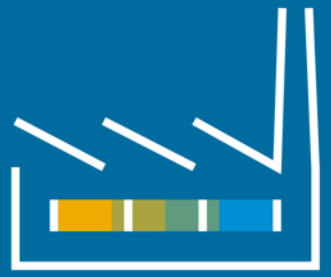
Now with SAP S/4HANA Advanced ATP

MY CYCLES



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Profitability	**Low**	**Low**	**Mid**	**Mid**	**High**
Demand	**Monday 200 Units**	**Tuesday 150 Units**	**Wednesday 50 Units**	**Thursday 50 Units**	**Friday 50 Units**
ERP ATP	✓ 200 Units	✓ 150 Units	✓ 50 Units	✓ 0 Units ✗ 50 Units	✓ 0 Units ✗ 50 Units
S/4HANA ATP	✓ 200 Units	✓ 50 Units ✗ 100 Units	✓ 50 Units	✓ 50 Units	✓ 50 Units

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SAP S/4HANA Advanced ATP
Extended LoB scope for 1610 Shipment

ADVANCED ATP*

SAP S/4HANA enabled mass product availability check for sales, planned, and production orders

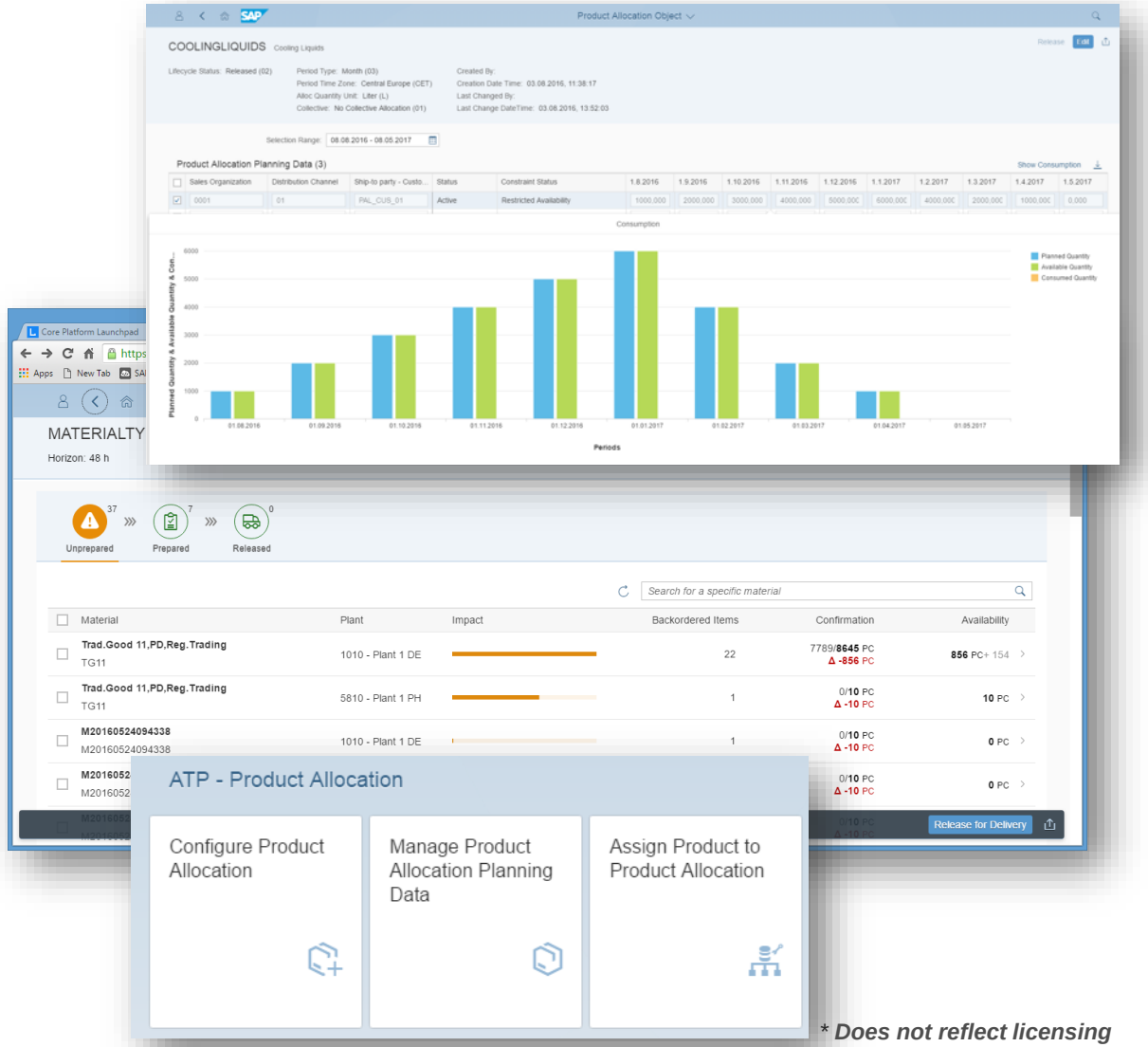
Product Allocation

- Supports the business decision if a sales order should be confirmed and, if yes, to which extent
- Decision can be based on almost every attribute of the underlying sales order, material, plant, or customer
- Grouping and aggregation capabilities (collective allocations) for simplification and ease of maintenance

Back-Order Processing

- New SAP Fiori UIs to set up back-order processing (BOP) runs
- New concept for requirement classification, like winner, gainer, redistributor, filler, loser
- New SAP Fiori app to display the BOP result – result is displayed on different aggregation levels and allows an easy identification of (and fast drill-down to) confirmation issues

Release-for-delivery app to enable timely actions on short-term supply-and-demand changes.



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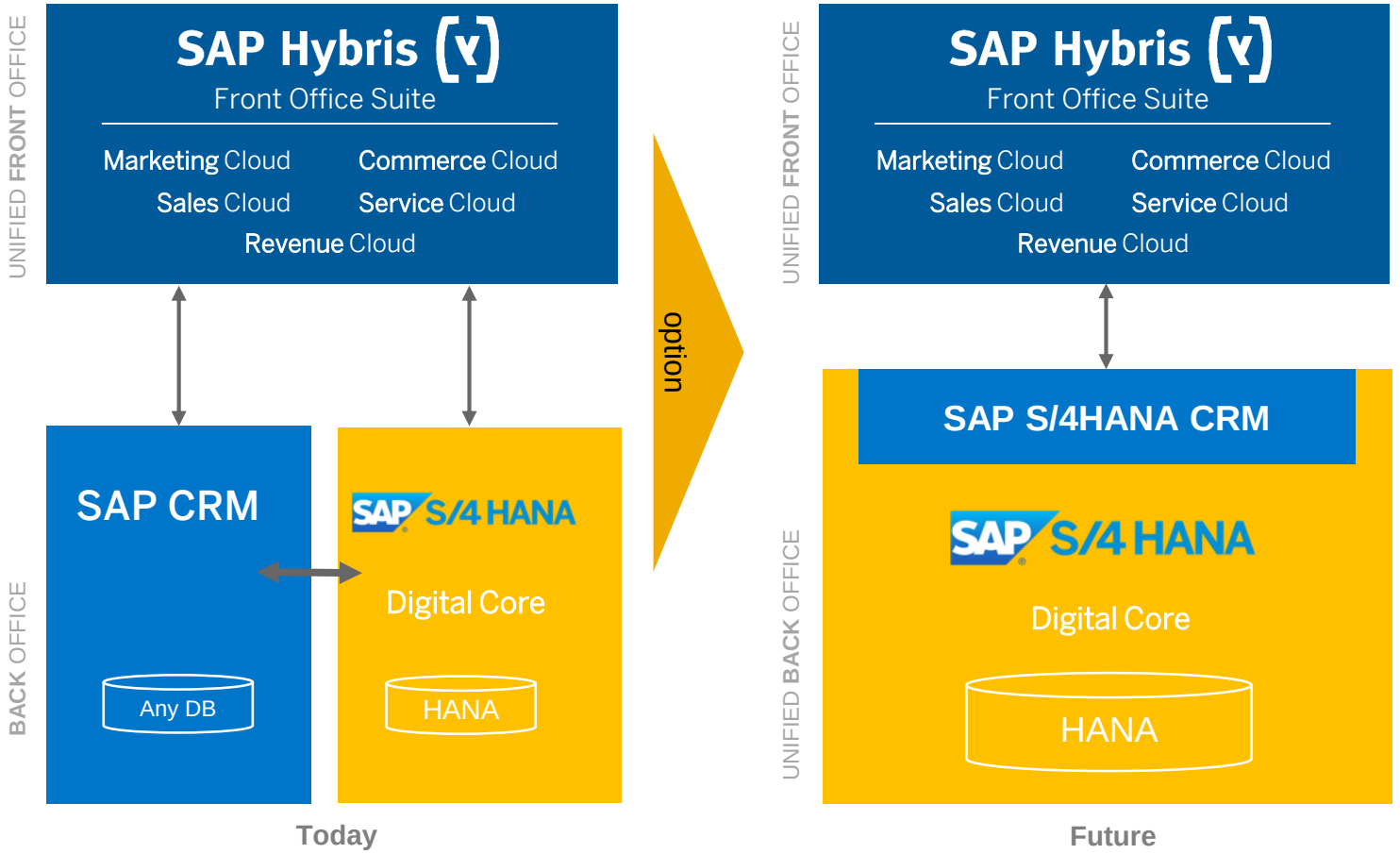
SAP S/4HANA CRM – Optimize Your Back Office, Simplify Your Front Office



SIMPLIFY YOUR FRONT OFFICE

DELIVER GREAT CUSTOMER EXPERIENCES

TRANSFORM AND BE AGILE

FOCUSES ON THE HEAVY LIFTING CUSTOMER PROCESSES

SUPPORTING COMPREHENSIVE CORE PROCESSES

CENTRAL CUSTOMER DATABASE

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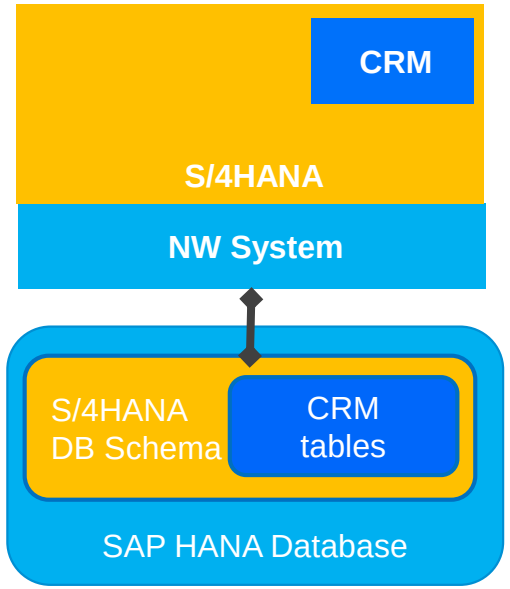
*** final name tbc**

SAP S/4HANA CRM – a simplified SAP CRM Stack in S/4HANA on-premise

Goal: Provide rich CRM functionality in S/4HANA with superior integration and low TCO

1. Simplified on premise landscape & operations compared to side-by-side operation
2. HANA and UI innovations
3. Allow migration and on premise landscape consolidation for existing SAP CRM installations



Simplification roadmap for the SAP CRM stack in S/4HANA:

1. **Eliminate middleware for simplified scenarios**

   Harmonize data models between CRM and S/4HANA and eliminate redundancies
2. **Eliminate Java stack and TREX**
3. **Optimize CRM OneOrder data base model for HANA DB**
4. **Fiori 2.0 visual harmonization with S/4HANA**

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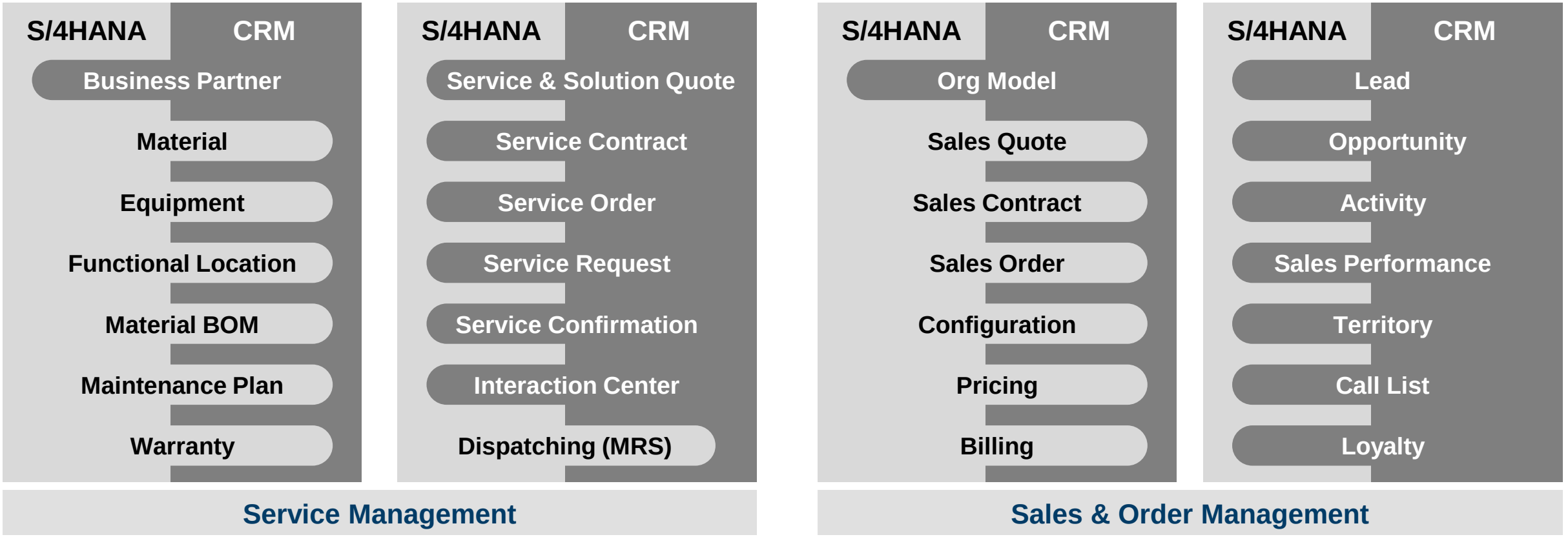
S/4HANA CRM Simplification Roadmap Overview

Data Harmonization and Elimination of Functional Redundancies

LAB PREVIEW

1. “Best of both worlds”: identify functional redundancies and select most suitable entity / process / engine
2. Harmonize object models between CRM and S/4HANA → objects share a common database representation, and thus require **no middleware**



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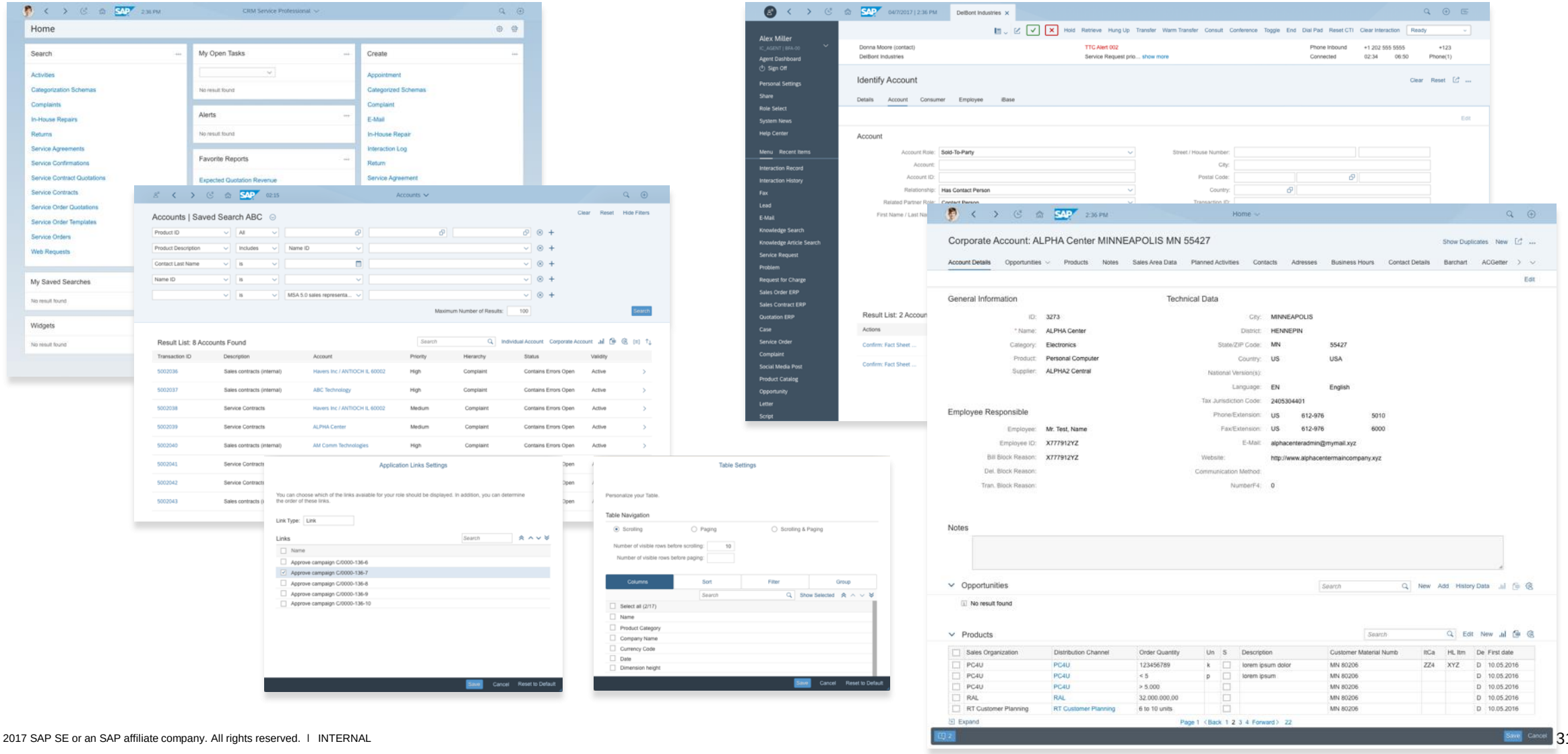
UI Harmonization

Belize Theme for CRM WebUI - Design Direction

LAB PREVIEW



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S/4HANA MATERIAL MANAGEMENT

SAP S/4HANA 1610

Capabilities highlights for real-time inventory management and material valuation*

Use Cases Enabled

High-volume backflush – parallel production combined postings

Internet of Things scenarios – real-time goods movements posting

Segment of one – smaller lot sizes passing through logistic operations

Combined postings from offline devices – fast parallel postings

Technical Innovation

Simplified data model – MATDOC (material document) = MKPF (material document header table) + MSEG (material document segment table) + add; columns for fast calculations

No aggregates – on-the-fly aggregation of inventories

Insert only on database level – no database locks anymore

Insert only on application level – elimination of standard price (SPREIS) locking (taking rounding differences into account)

One valuation method (material ledger) instead of two (material management–inventory management and material ledger)

Improved Business Processes

More effective **inventory management** like inventory turnover and inventory costs

More accurate **material requirement planning**

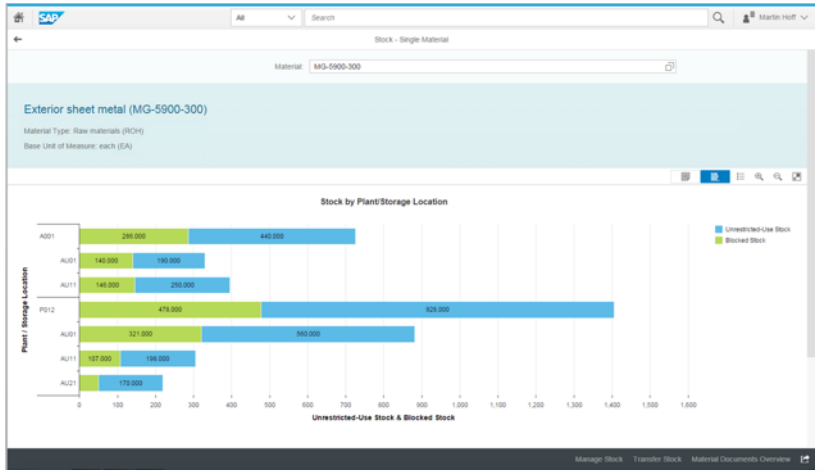
More efficient **procurement processes**

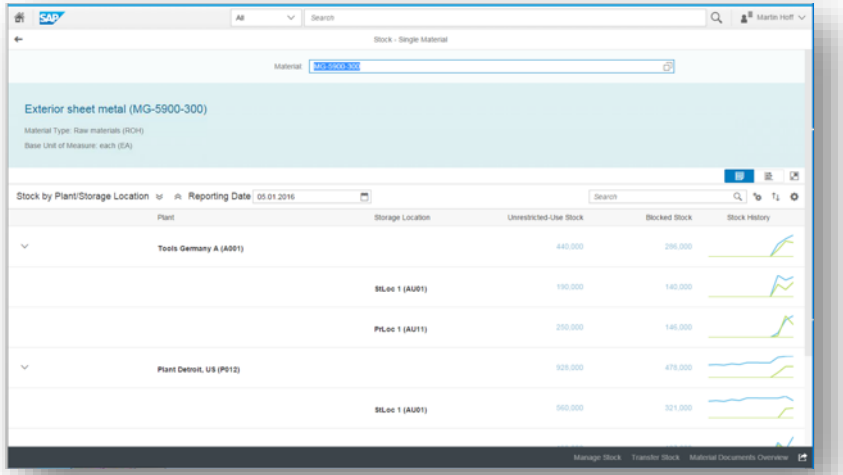
More accurate **sales order fulfillment** and delivery

More efficient **production execution**

Easier implementation of **new processes** (like just-in-time, kanban)

Parallel processing of inventory postings ⟷ **Accurate inventory**





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Inventory Management in SAP S/4HANA: What You Get…

Built to scale

	SAP ERP Traditional Inventory Management	SAP S/4 HANA Inventory Management based on Material Ledger
Data Throughput	1	1…30 x*
# of Currencies/ Valuations	1	1 to 3
Parallel Postings	No	YES (insert only principle)
Valuation methods	2 + YE	3 + YE
Aggregate Tables	26	On the Fly
Transfer Prices & Actual Costing	No	YES (optional)
Transparency of movements	No	YES
Reporting	Batch on Multiple aggregates	Real-time on primary data
Predict & Simulate stock	No	YES
Analytics Performance	1	up to 800 x

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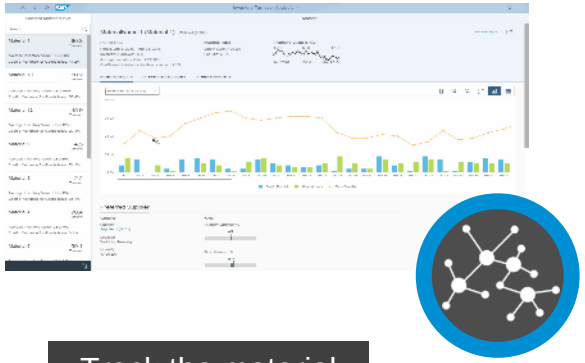
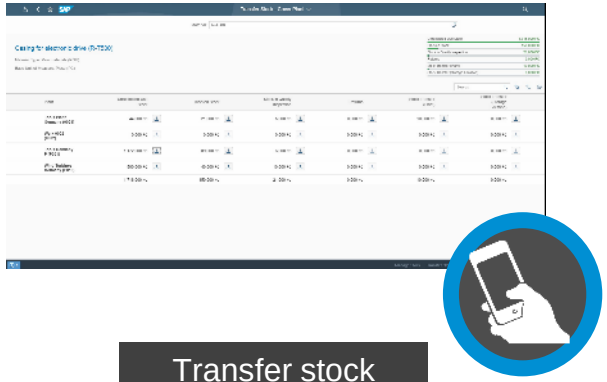
Inventory Management with SAP S/4HANA: What You See…

Analyze inventory turnover



Track the material flow in real-time, with insight-2-action



Transfer stock cross plants in 3 clicks

Experience Transformation in Inventory Management: DEMO / VIDEO

Measure	SAP ERP with SAP GUI	SAP S/4HANA with SAP Fiori	Improvement Factor
Duration	**8.10 min**	**3.58 min**	**2.1 x**
Clicks	**135**	**64**	**2.1 x**
Number of Apps	**10**	**7**	**1.4 x**
Fields Filled	**18**	**8**	**2.3 x**

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SAP S/4HANA Extended Warehouse Management

Unified functionality in the Core

EXTENDED WAREHOUSE MGMT.*

EXISTING ERP FUNCTIONAL MODEL → **CURRENT RELEASE**

Integration steps required between EWM and ERP

1. Configuration of communication between ERP and EWM using qRFC
2. Definition of a warehouse in ERP and EWM
3. Integration of the warehouse with the organizational structure of ERP
4. Initial master data transfer from ERP to EWM
5. Creation and activation of a Core Interface (CIF) integration model for the master data transfer from ERP to EWM

One System for all warehousing

Extended Warehouse Management

- Inventory Management Optimization (e.g. Slotting)
- Inbound Process Optimization (e.g. Deconsolidation)
- Outbound Process Optimization (e.g. Waves)
- Material Flow Control
- Yard Management (e.g. TU handling, DAS)
- Labor Management
- Value Added Services
- Kitting
- Cross Docking
- Warehouse Billing

Basic Warehouse Management

- Inventory Management
- Inbound Process
- Outbound Process
- Internal Warehouse Movements
- Physical Inventory
- Reporting

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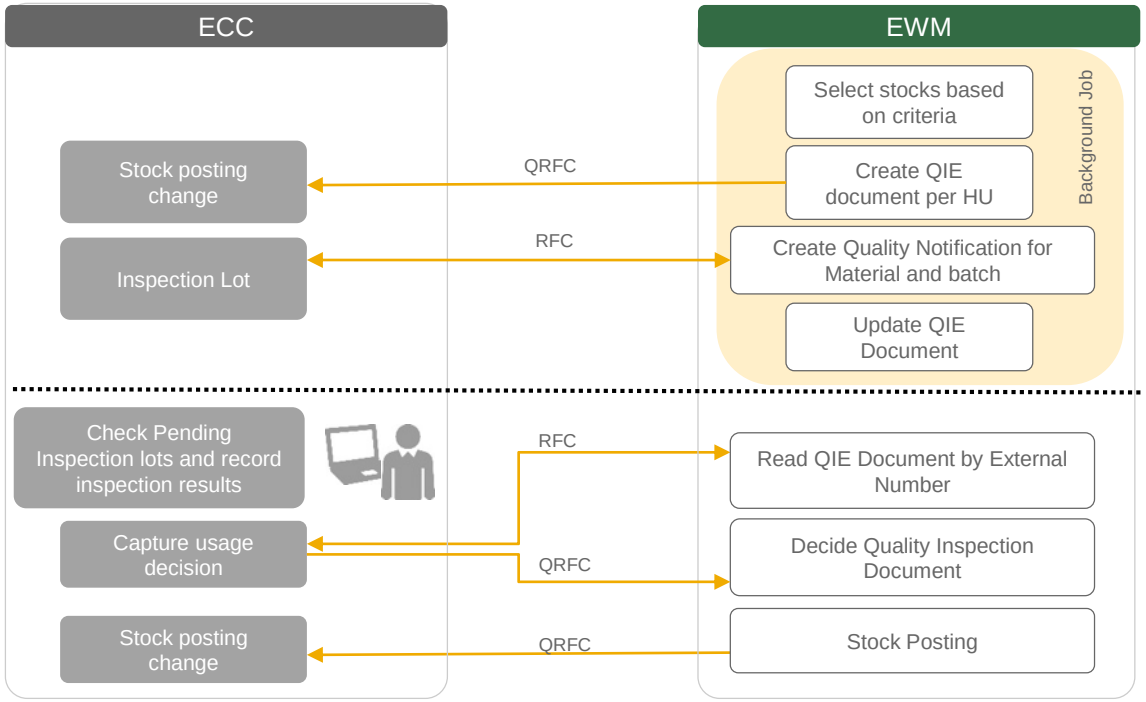
Business process view

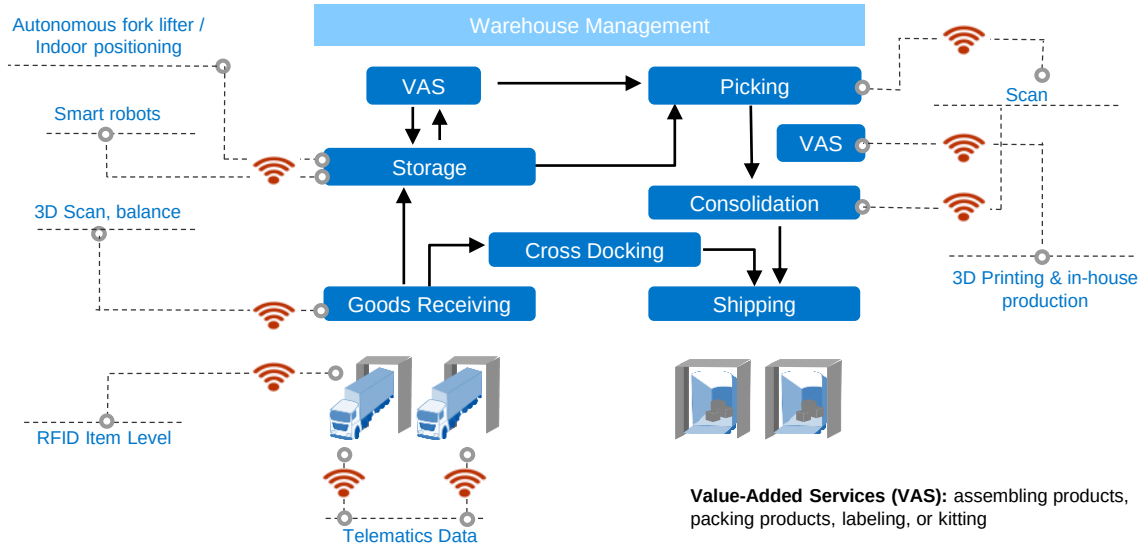
Integrated Extended Warehouse Management

EXTENDED WAREHOUSE MGMT.*

Traditional system



Reinvented Business Processes with SAP S/4HANA



Value-Added Services (VAS): assembling products, packing products, labeling, or kitting

With traditional system:

- Complex Processes to align multifaceted supply chain realities and difficult economic conditions
- Lack of end-to-end insight and visibility with disparate systems and processes
- Analysis based on past performance and no real-time simulation capability

Traditional Strategy → **New Strategy**

Process excellence

With SAP S/4HANA:

- One System: Direct usage of master data and Support 40digit material number
- Avoid data redundancy: Avoid redundant objects and Direct access to central objects
- Simplification and reduction of Data Redundancy

QIE: Quality Inspection Engine
HU: Handling Unit

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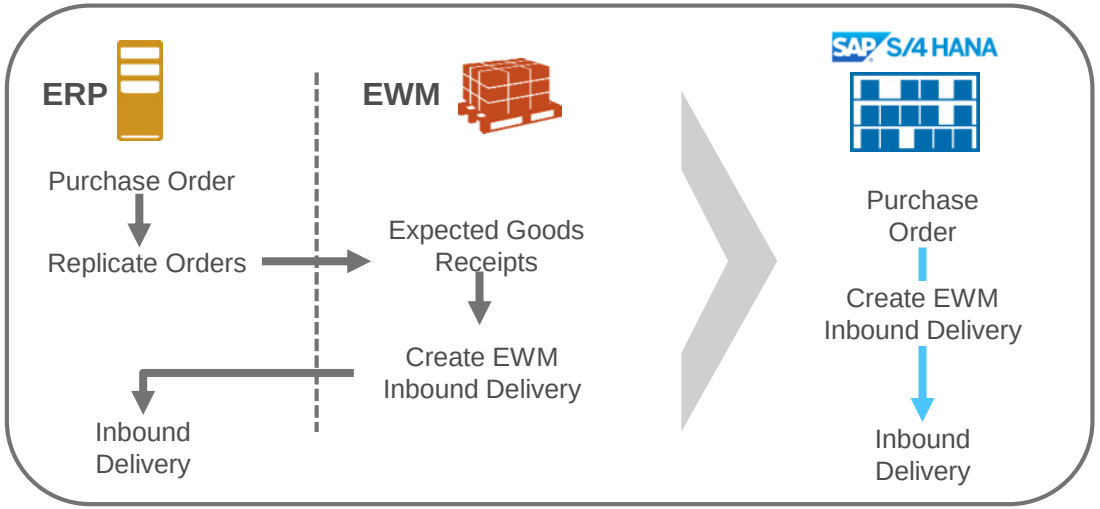
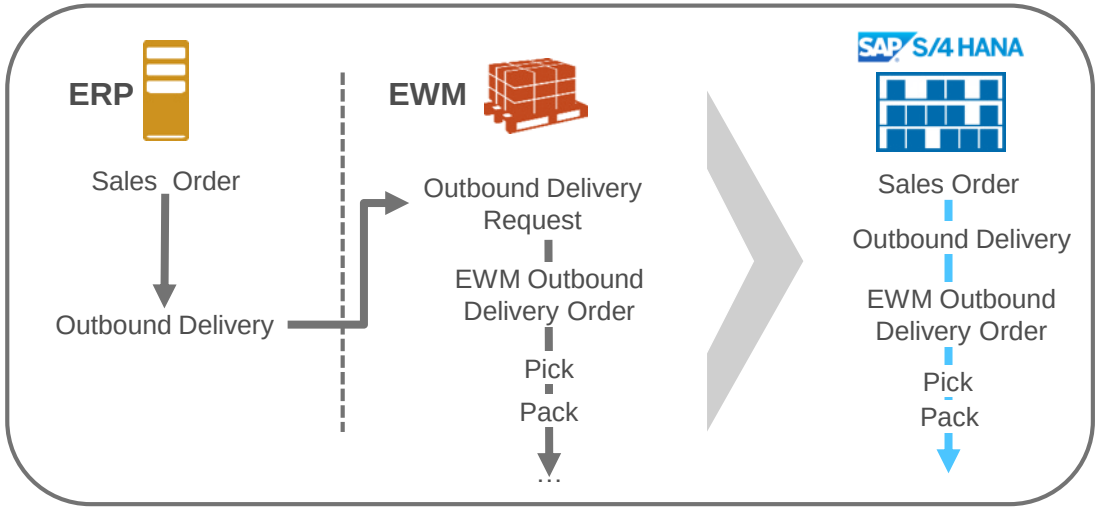
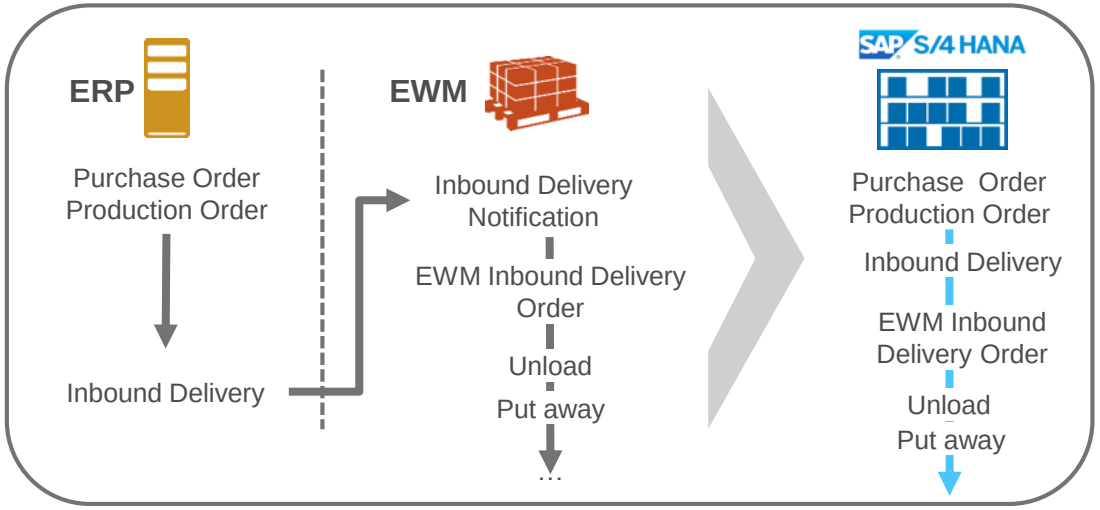
SAP S/4HANA Extended Warehouse Management

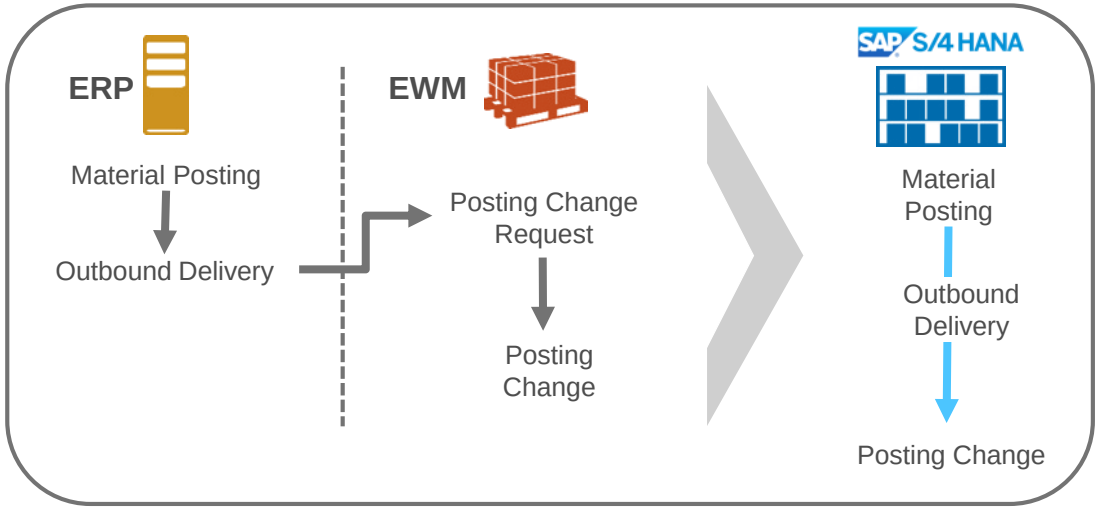
Direct Read of SAP S/4HANA Master Data

EXTENDED WAREHOUSE MGMT.*









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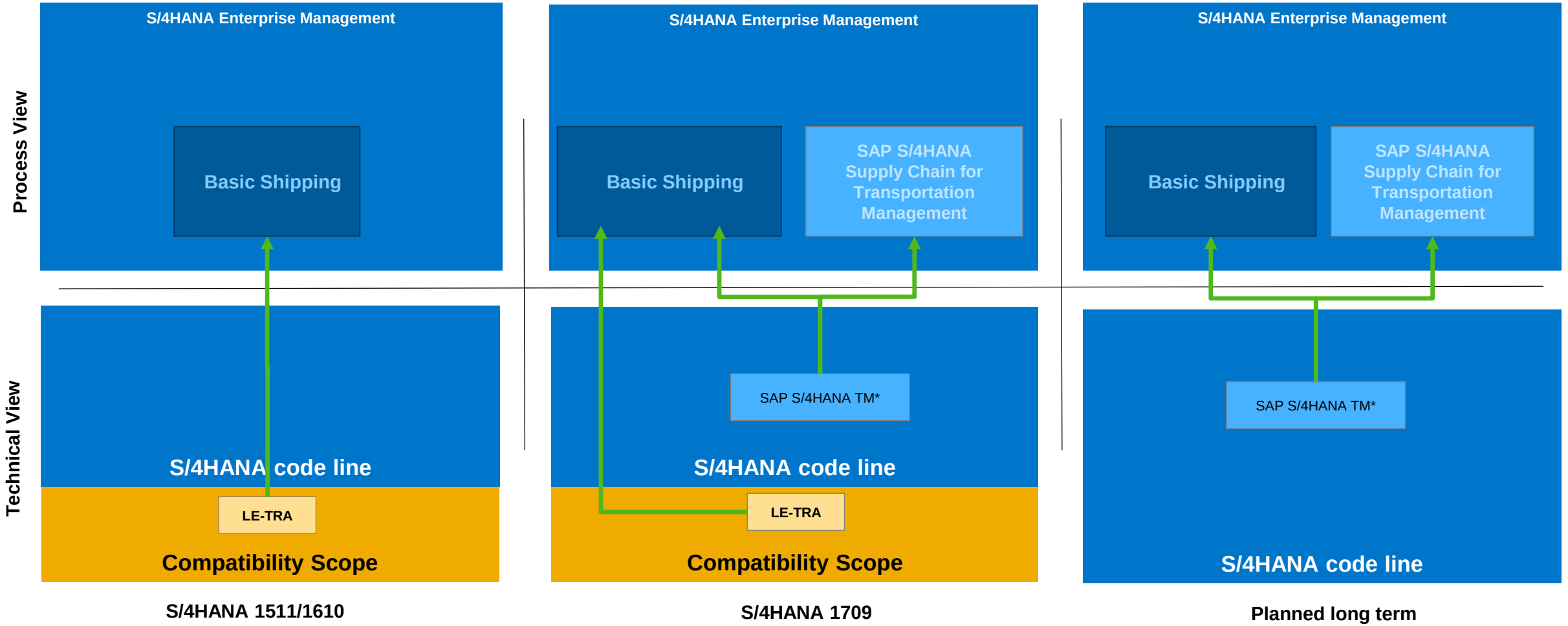
Transportation Management in SAP S/4HANA

Process view and technical components



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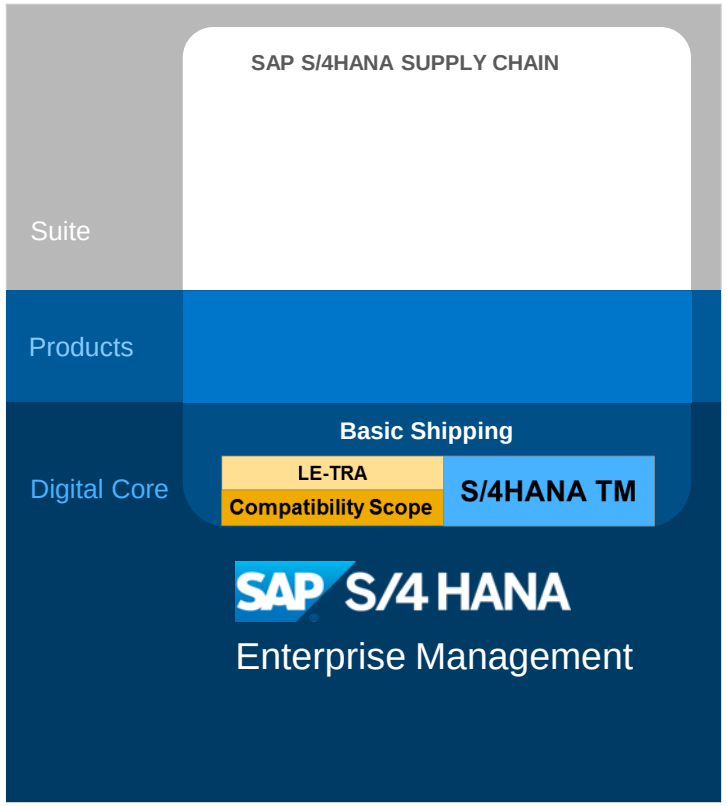
Basic Shipping within SAP S/4HANA



- Main Parts of the Transportation Network (except e.g.Trade Lane, Allocations, Business Shares, Resource integration to EAM)
- Freight Agreements
- Charge Management (except e.g. Air specific charges, event based chares, consolidated charge calculation)
- Separated Inbound / Outbound Freight Order / Booking Management (Delivery based)
- Basic Transportation Planning (POWLs / manual Freight Unit Selection)
- Transportation Execution without Event Management
- Freight Settlement Management
- Basic Agency Billing
- Direct Tendering for Service Agents (Subcontracting)
- Dangerous Goods Management (except TM specific enhancements)
- TM Output Management
- TM Analytics

Note: All new developed features in S/4HANA TM after Release 1709 will not be part of Basic Shipping

This is the current state of planning and may be changed by SAP at any time.

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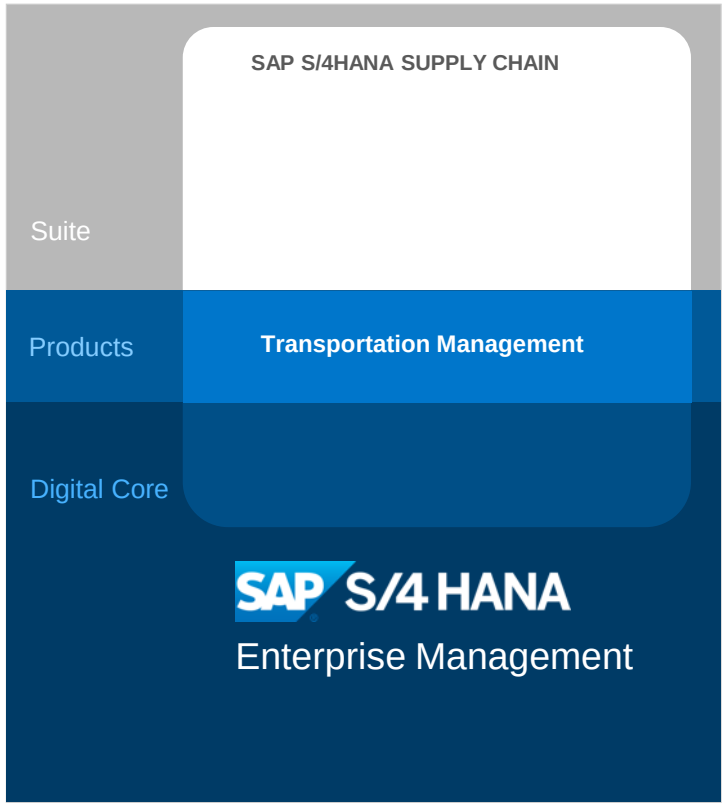
SAP S/4HANA Supply Chain for Transportation Management



- Strategic Freight Management
- Service Product Catalog (Future Topic)
- Service Order Management
- Forwarding Management / Settlement (Future Topic)
- Combined Inbound / Stock Transfer / Outbound Transportation Process
- Planning:
  - Order and Delivery Based Planning Process
  - Transportation Cockpit
  - Vehicle Scheduling Routing Optimization
  - Gantt Chart
  - Planning on 2 monitors
  - Transportation Proposal
  - Automated Carrier Selection / Carrier Ranking List
  - Load Consolidation / Load Planning (3D Visualisation)
  - Package Building
  - Professional Tendering Management
- Driver Management
- Advanced Charge Calculation
- Carrier / Service Billing
- Group Logistics Management (Future Topic)
- Harmonized Transportation Scheduling (Future Topic)
- EWM Integration (via services)

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S/4HANA Sourcing & Procurement

SAP S/4HANA Procurement

SAP S/4HANA Enterprise Management Scope for 1610 Shipment

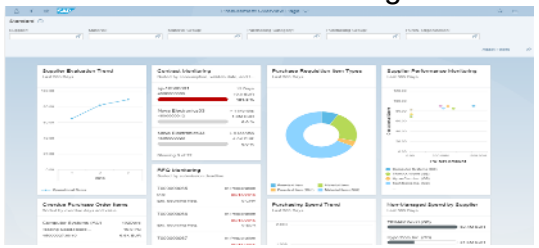
E2E Business Process: OPERATIONAL PURCHASING | COLLABORATIVE SOURCING & CONTRACT MGMT. | INVOICE & PAYABLES MGMT. | SUPPLIER MGMT. & PROCUREMENT ANALYTICS

Solution Capabilities:

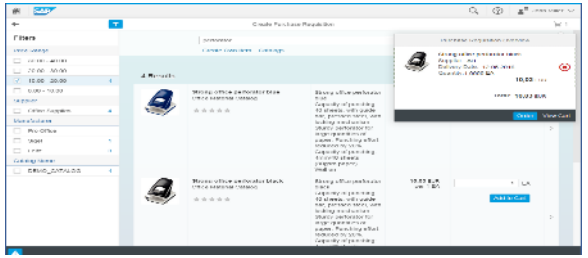
SELF SERVICE REQUISITIONING	PURCHASE ORDER PROCESSING & COLLABORATION	REQUIREMENTS PROCESSING	SERVICES PURCHASING & ENTRY	SOURCE ASSIGNMENT	OPERATIONAL CONTRACT MANAGEMENT	INVOICE PROCESSING & COLLABORATION & ACCOUNTS PAYABLES	CLASSIFICATION, SEGMENTATION & SUPPLIER EVALUATION	SPEND VISIBILITY, REALTIME REPORTING & MONITORING
Allows employees to search and request goods / services in a **cross-catalog search** with a **consumer-grade user experience**. Highly integrated requesting process into core S/4HANA processes and existing master data	Supports **Indirect & Direct Procurement** with high automation, high system support, and harmonized UI. Includes **dynamic prefilling** and **provisioning** of fields as well as **templates** to minimize errors. A **standard integration into Ariba** Network is provided natively	High percentage of **automation** tasks, and additional supporting functions for manual processing like proposals displaying **available sources** of supply to overall increase efficiency and speed of the sourcing process	Give buyers access to one, **integrated system for service purchasing** to create, display, change, and process purchase orders. Support automated and manual processes	With S/4HANA, **automated and manual** processes for **source assignment** to operational demands, by using source lists, purchase information records are supported	Monitor contracts in **contract work list** and get instant information. **Dynamic search** helps propose possible values already while typing **contract target value or target quantity** updates	With **Supplier Invoice List** and **Create Supplier Invoice** apps, S/4HANA offers the possibility to create supplier invoices with or w/o reference to a purchase order, view, and correct inaccurate supplier invoices directly . A **standard integration into Ariba** Network is provided natively	**Classification and Segmentation** offers logical grouping of similar expenditure items, such as expenses for advertising agency services or IT hardware into **Purchasing Categories** to organize spend, responsibilities, and organizations	Purchasers gain role based and quick access to the procurement information they need for **analyzing purchasing spend, suppliers, and contracts in real-time**

Innovation & Highlights:

Next level of Procurement via Procurement Overview Page

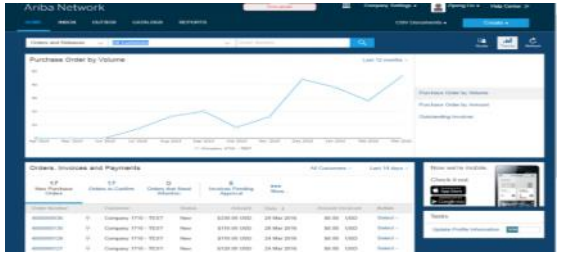


Use Self Service Requisitioning and shop in 3 steps with 1 UI



Integrate your Business Network

SAP Ariba
SAP Fieldglass



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SAP S/4HANA Sourcing and Procurement

Streamlined Procure to Pay Solution Capabilities

Diagram is highlighting the enhancements made in the individual procurement areas between releases S/4HANA OP1610 and OP1709

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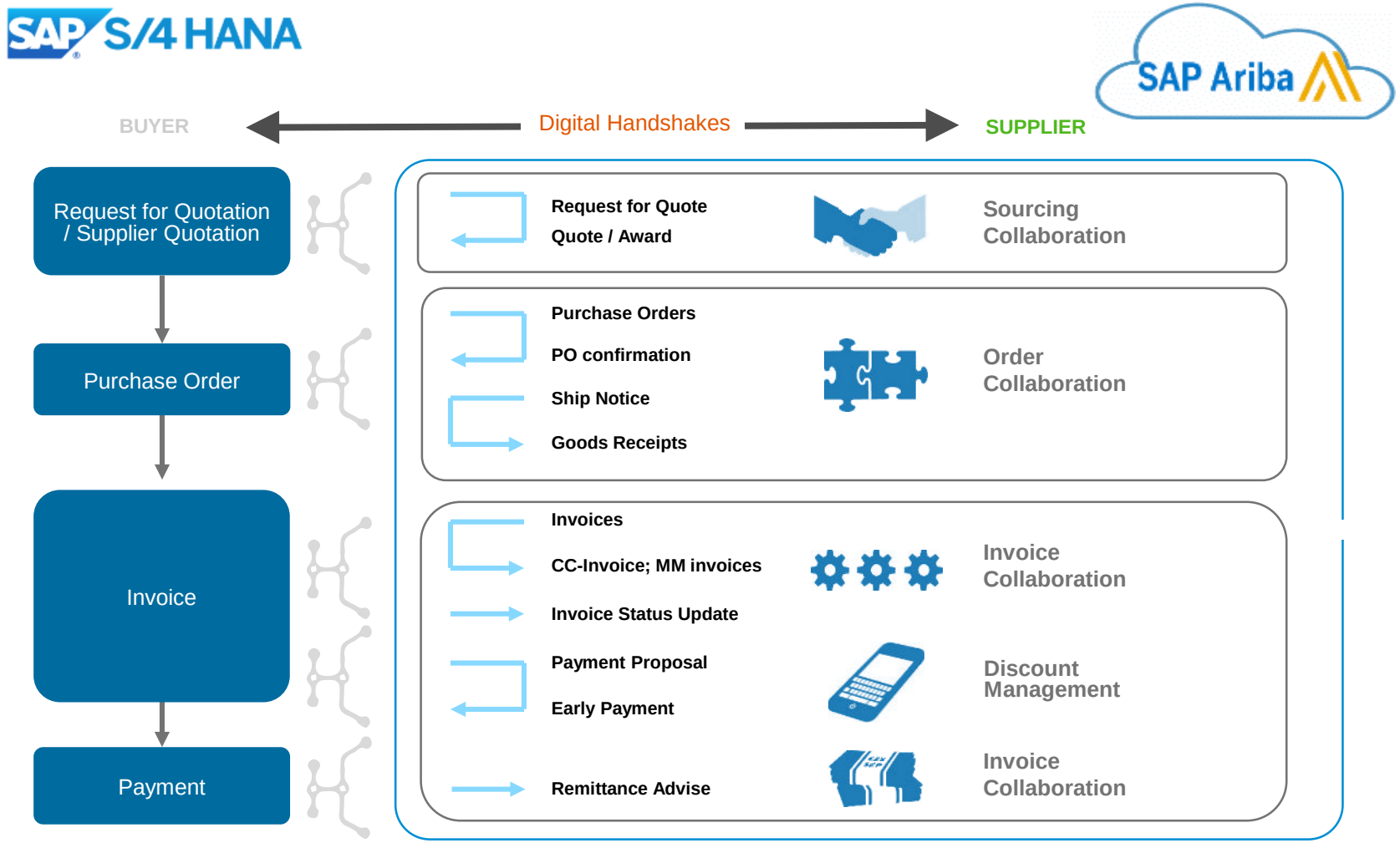
SAP S/4HANA Procurement

Extended LoB scope for 1610 Shipment

Additional LoB Solutions**

- Leverage **Supplier Collaboration, Business Network and Guided End-User Buying** and integrate with S/4HANA **Procurement** processing
- This will allow customers more choice with **true hybrid scenarios** and incremental deployments
- Leverage **Digital Handshakes** between **Buyer and Supplier** to take more control of your Business Network in Procurement
- **New Sourcing Request** out of S/4HANA into Ariba



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SAP S/4HANA Sourcing and Procurement 1709

LAB PREVIEW

Centralized purchase requisitions through hub deployment of SAP S/4HANA

Background

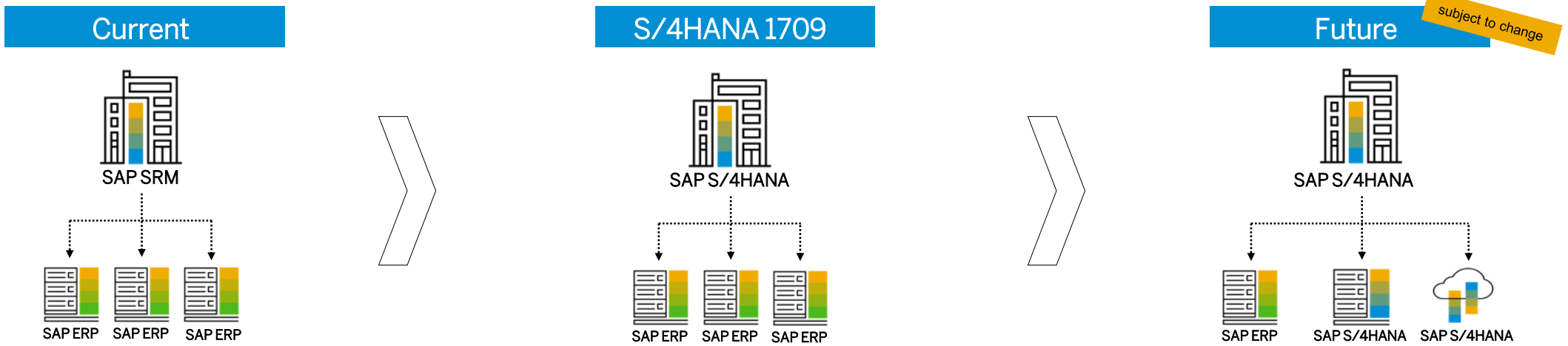
- Significant number of customers (typically large size) with SRM hub deployment connected to multiple backend systems use self-service procurement
- These customers require smooth transitioning from the Business Suite (SRM) to S/4HANA
- Central requisitioning is the first to step towards **providing full procurement hub** capabilities

Benefits

- Leverage economy of scale by consolidating purchase requisitions to a central procurement function
- Transition path to S/4HANA for Business Suite (SRM) customers with procurement hub deployment
- Enterprise-wide self-service procurement and approvals with consumer-grade UX via Fiori apps

Technical

- Enables the requisitioning process to run on the centralized hub system, with the follow-up documents (e.g. purchase orders) being created in the back-end systems
- Replication of source of supply from backend systems as import to the central procurement catalogue
- For 1709, only SAP ERP is supported as compatible back-end systems



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SAP S/4HANA Sourcing and Procurement 1709 On Premise FIORI Apps for Procurement

LAB PREVIEW

Transactional

Task-based Access

Access to tasks like change, create, or entire processes with guided navigation

1. All Approvals via Fiori Inbox (Purchase Requisition, Purchase Order, Contract, Supplier Invoice and Service Entry Sheets)
2. Create Purchase Requisition
3. My Purchase Requisitions
4. Confirm Goods and Services
5. Manage Purchase Requistions
6. Manage Purchase Orders (incl. Create)
7. Manage Purchase Contracts
8. Manage Sources of Supply
9. Manage Supplier Invoices (incl. Create)
10. My Purchasing Document Items
11. Supplier Invoice List
12. Post Goods Receipt for Purchase Order
13. Evaluate Suppliers
14. Monitor Responses
15. Supplier Evaluation Response
16. Procurement Overview Page
17. Manage Quota Arrangements
18. Manage Purchase Requisitions Professional
19. Manage Purchasing Info Records
20. Manage Source Lists
21. Manage RFQ
22. Manage Quotations
23. Manage Purchasing Categories
24. Manage Activities
25. Monitor Tasks
26. Process Tasks
27. Upload Supplier Invoices
28. Mass Change to Purchase Orders
29. Mass Change to Purchase Requisitions
30. Mass Change to Purchase Contracts
31. Mass Change to Scheduling Agreements
32. Mass Change to Purchasing Inforecords
33. Manage Source Lists
34. Redistribute Purchase Requisition Workload
35. Manage Service Entry Sheets

Analytical

Insight to Action

Visual overview over a complex topic for monitoring or tracking purposes

1. Purchase Order Value
2. Non-Managed Spend
3. Unused Contracts
4. Contract Expiry
5. Off-Contract Spend
6. Contract Leakage
7. Purchasing Spend
8. Invoice Price Change
9. Purchase Order Average Delivery Time
10. Spend Variance
11. Overdue Purchase Order Items
12. Purchasing Group Analysis
13. Operational Supplier Evaluation
14. Supplier Evaluation By Time
15. Supplier Evaluation By Price
16. Supplier Evaluation By Quantity
17. Overall Supplier Evaluation
18. Supplier Evaluation by Questionnaire
19. Value Contract Consumption
20. Quantity Contract Consumption
21. Purchase Requisition Item Types
22. Purchase Requisition Average Approval Time
23. Purchase Requisition To Order Cycle Time
24. Purchase Requisition No Touch Rate
25. Purchase Requisition Item Changes
26. Purchase Order Items by Account Assignment
27. Purchase Contract Items by Account Assignment
28. Purchase Requisition Items by Account Assignment
29. Supplier Invoice Items by Account Assignment
30. Monitor Supplier Confirmations
31. Monitor Purchase Requisition Items
32. Monitor Purchase Order Items
33. Monitor Purchase Contract Items
34. Monitor Request for Quotation Items

Object Pages with Contextual Navigation

Search and Explore

View on essential information about an object and contextual navigation between related objects

1. Purchase Requisition
2. Purchase Requisition Item
3. Purchase Order
4. Supplier Invoice
5. Purchasing Info Record
6. Purchase Contract
7. Purchase Contract Item
8. Purchasing Category
9. Supplier
10. Material
11. Purchasing Category
12. Request for Quotation
13. Supplier Quotation
14. Quota Arrangement

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SAP S/4HANA Sourcing and Procurement 1709 On Premise Release Highlights

Operational Procurement

- Business workflow for purchase requisitions, purchase order and invoices
- SAP Fiori 2.0 UX – notifications for purchase requisition approvals
- Enhanced Document Flow and Type-Ahead for Free-Texts in Self-Service Requisition
- New Fiori Apps for Monitoring and Mass Change of purchasing documents
- Central Requisitioning in S/4HANA allows for Purchase Order Creation in satellite ERP system

Sourcing and Contract Management

- Request for Quotation and Quote Comparison in SAP S/4HANA
- Integration of S/4HANA and Ariba Network and Ariba Sourcing to conduct sourcing events and create or update follow-on documents in SAP S/4HANA
- Analytical monitoring of request for quotation items and contract items
- Approval for Supplier Quotation Awarding
- Fiori Apps for Scheduling Agreement
- Legal Content Management

Supplier Management

- Reminder for evaluation responses and activity management
- Define Supplier evaluation weighting and scoring in general and based on purchasing categories
- Adjust Supplier Evaluation Scoring
- SAP Fiori 2.0 UX - Create activity using SAP CoPilot

Invoice and Payables Management

- Invoice integration to SAP Fieldglass
- Invoice posting with reference to asset
- Upload Supplier Invoices

Purchasing Analytics

- Predict purchase-order spend based on open purchase requisitions and delivery schedules
- Supplier performance monitoring for hard and soft facts in the Procurement Overview Page
- Predictive analytics for contract consumption
- Multi-dimensional report for purchasing spend

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S/4HANA Roadmaps

Edge2Core – Roadmap for next generation order management with SAP Hybris Revenue Cloud and SAP S/4HANA

SAP Hybris Revenue Cloud

Configure-Price-Quote (CPQ)

- Bundling of tangible and digital products supporting one-time, recurring and pay-per-use pricing models
- Pluggable pricing & configuration that allows to leverage existing SAP CPQ engine
- Quotation lifecycle management with internal and external collaboration

Order Management

- Backend-agnostic order management
- Order lifecycle and exception management
- Rule-based orchestration and distribution of complex product bundles
- Dynamic sourcing across multiple fulfillment systems (SAP/non-SAP)

Billing & Entitlements

- Subscription management
- Metering integration & rating of high-volume usage
- Flexible pricing and Pay-per-use
- Real-time visibility of usage and combined revenue streams
- Support of revenue share models

Tight integration and extension of existing Sales & Distribution capabilities in SAP S/4HANA

- ATP and Delivery Sourcing
- Sales & Distribution Fulfillment incl. Order Distribution
- Invoice Creation & Sub-Ledger Integration

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Edge2Core – Roadmap for Networked and Collaborative Commerce with SAP S/4HANA Sourcing & Procurement

Business Network enabled Supplier Collaboration

SAP Ariba

Collaborative Planning & Sourcing

Optional Ariba P2P

SAP Fieldglass

Services Management and Procurement

CONCUR

Travel & Expense Management

SAP Ariba

Invoice workflow & Management

Operational Procurement in SAP S/4HANA Enterprise Management

- Requirements Processing with Operational Source of Supply Assignment
- Self-Service Requisitioning
- Approval Processes
- Purchase Order Processing
- Simplified Service Purchasing
- Complex Services
- Operational Contract Management and Call Offs
- Invoice Processing for Financials and Logistics Invoice Verification
- Analytics
- Supplier Evaluation

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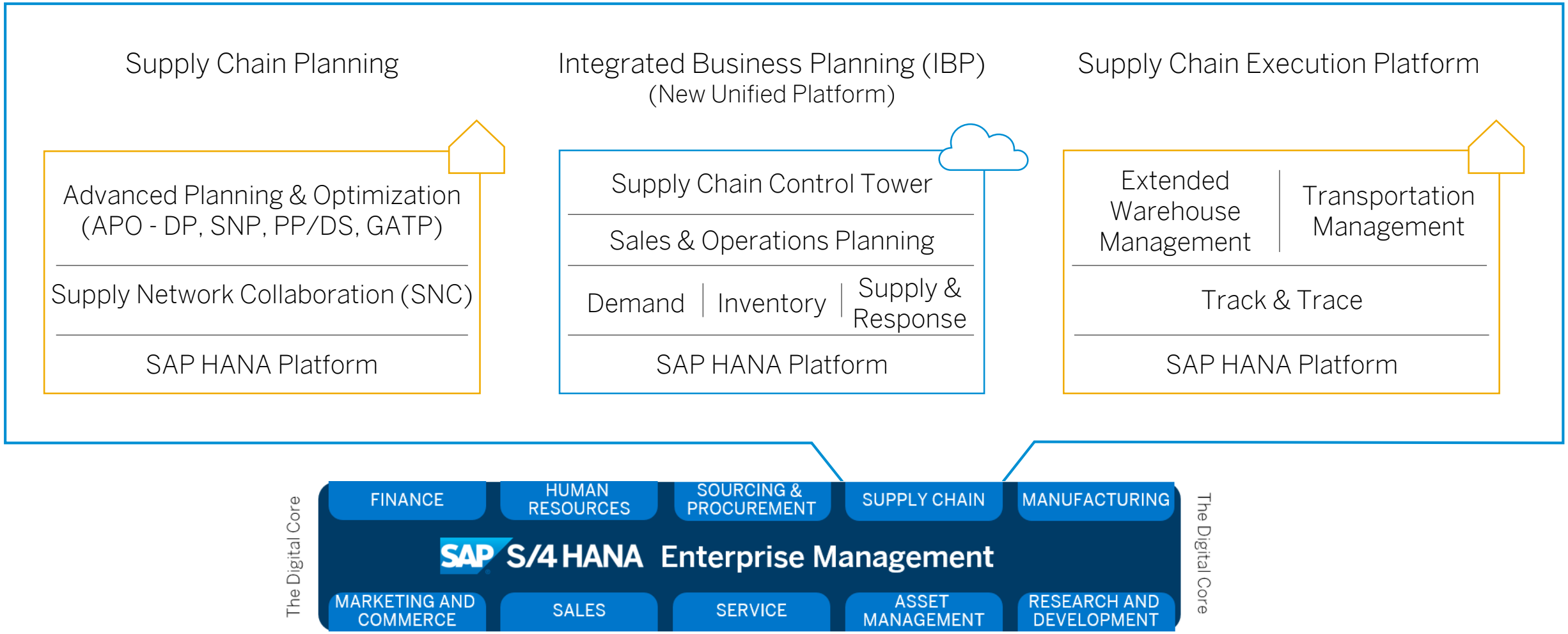
Edge2Core – Roadmap for Supply Chain Management Integration in SAP S/4HANA



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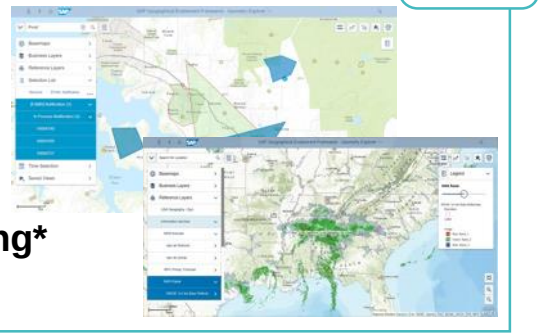
Edge2Core – Roadmap for Manufacturing with SAP S/4HANA

SAP On-Premise Solutions

- Advanced Planning & Optimization (SAP APO)
- SAP Manufacturing Execution Suite (ME, MII, PCo)

SAP Cloud Platform

- Asset Intelligence Network (AIN)
- **Digital Manufacturing Insights***
- Integrated Business Planning
- **Collaborative Demand Manufacturing***



SAP S/4HANA Manufacturing

- Available-to-Promise
- Inventory Management
- **Extended Warehouse Management***
- External processing/Subcontracting
- **Manufacturing Engineering***
- Materials Requirements Planning
- **Manufacturing Planning and Scheduling (PP/DS)***
- **Manufacturing Execution and Orchestration for Complex Assembly***
- Quality Management

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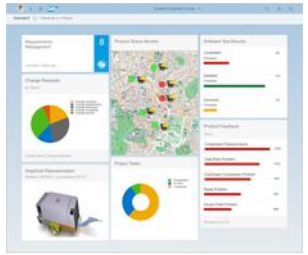
* New or enhanced functionality

Edge2Core – Roadmap for SAP S/4HANA Research and Development

Connected Products on SAP Cloud Platform

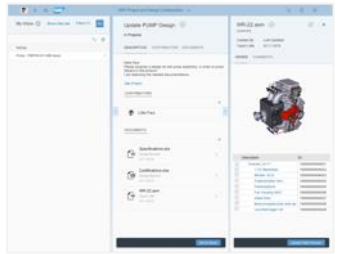


Embedded Systems

- Integrate **mechanics, electronics, and software** into **Smart Connected Products**.
- Enable requirements-driven **Systems Engineering**
- Link engineering master with **digital twin** completing the extended supply chain

Project and Design Collaboration

- Provide **virtual collaboration** on engineering documents and 3D designs
- Plan and execute collaborative tasks **across company boundaries**
- Connect IoT, Digital Core, and Business Networks creating seamless **value chain**



Research and Development in SAP S/4HANA

Enterprise Portfolio and Project Management

- End-to-end, transparent project management with real-time decision support
- Compelling SAP Fiori UX and HANA-optimized data model

Formulation and Engineering

- Process Industries: Specification, Recipe Development
- Discrete Industries: Engineering BoM, Engineering Record, Handover to Manufacturing
- Variant Configuration

Engineering Control Center

- Consistent integration of authoring tools along the value chain
- 360 degree product view including mechanics, electronics, software, and simulation etc.

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Roadmap for Master Data Management for SAP S/4HANA and the complete enterprise

SAP Master Data Governance providing master data in corporate quality across the complete enterprise landscape

Central master data governance and master data distribution

- Workflow-driven governance processes
- Staging, validation, and approval
- Master data distribution

De-central master data ownership and master data consolidation

- Load master data from any source
- Master data standardization, mass matching and best record calculation
- Supports analytics and operational use cases

Advanced analytics and hierarchy management for master data

- Quality issue detection and remediation
- Process analytics and SLA handling
- Enhanced hierarchy management

Master data maintenance in SAP S/4HANA Enterprise Management to efficiently run business processes

Central master data domains (Business Partner and Product)	Master data analytics (quality KPIs and monitoring)	Basic hierarchy handling for master data

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Thank you.

Contact information:

STEFAN BATZDORF
S/4HANA Expert, MEE Pre-Sales
Hasso-Plattner-Ring 7, 69190 Walldorf
+49 6227 7-43204
stefan.batzdorf@sap.com

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