



SAP Cloud Strategy and its Impact for Customer Operations & Architecture Practices

Michal Harezlak, SAP

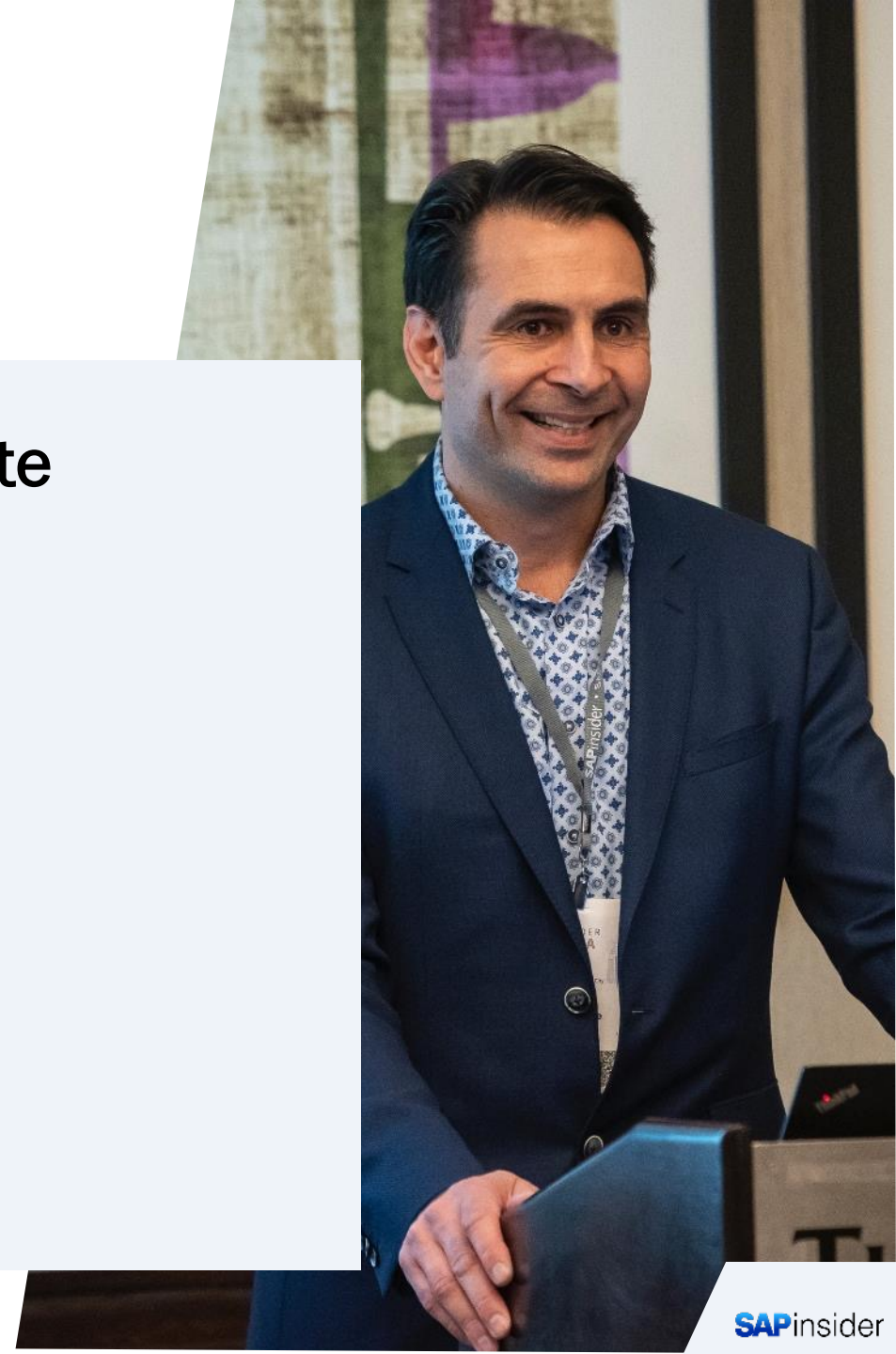
SAPinsider
2023



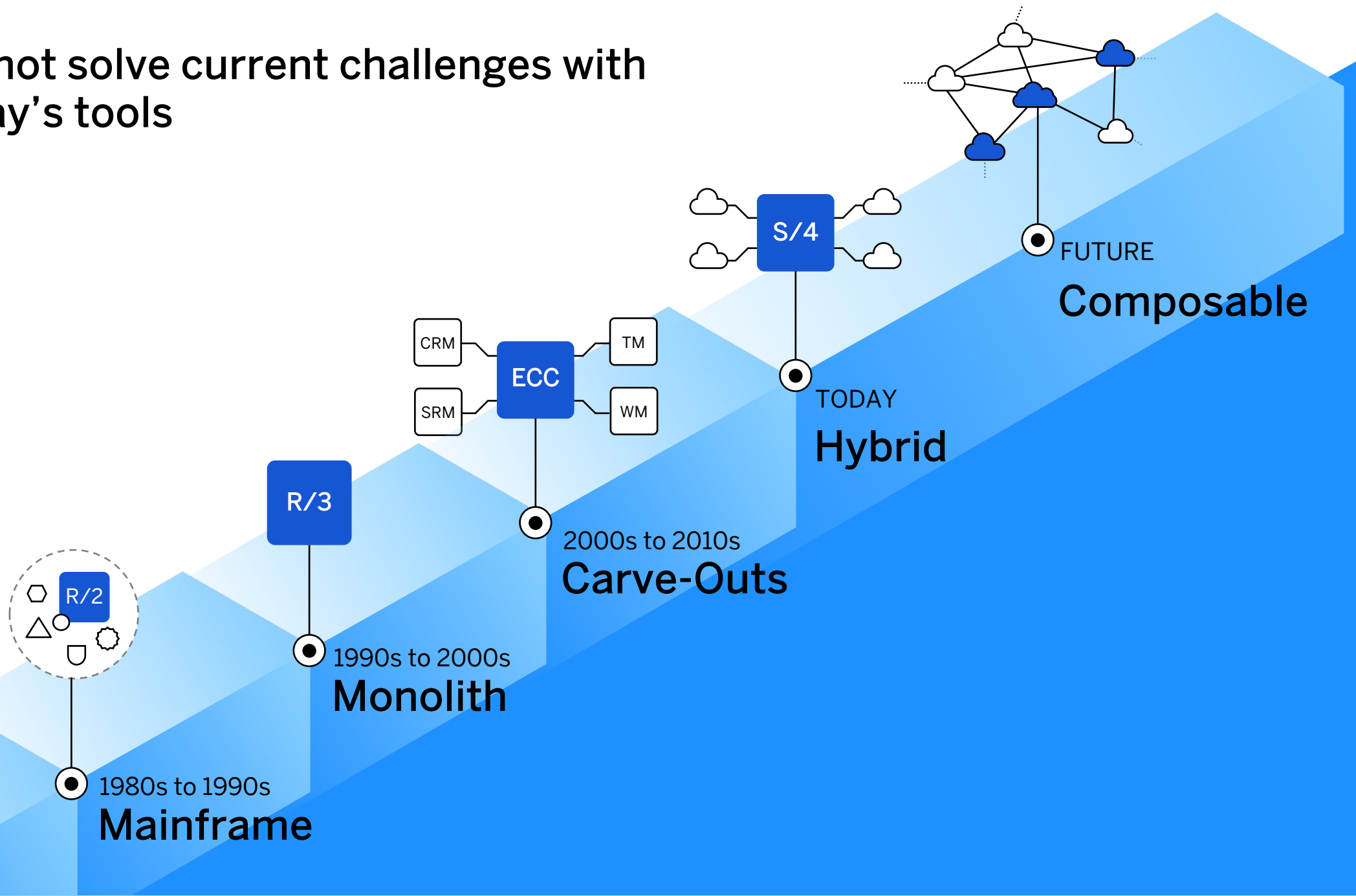
In This Session

- Understand SAP CloudERP strategy
- Changes that it introduces into your operations
- Adopting a cloud operating model & mindset
- Using Tools/Partners to accelerate outcomes

- SAP CCloudERP Strategy Update
- Overall Architecture Concepts
- Cloud Operating Model
- Tools/Partner Ecosystem
- Wrap-Up

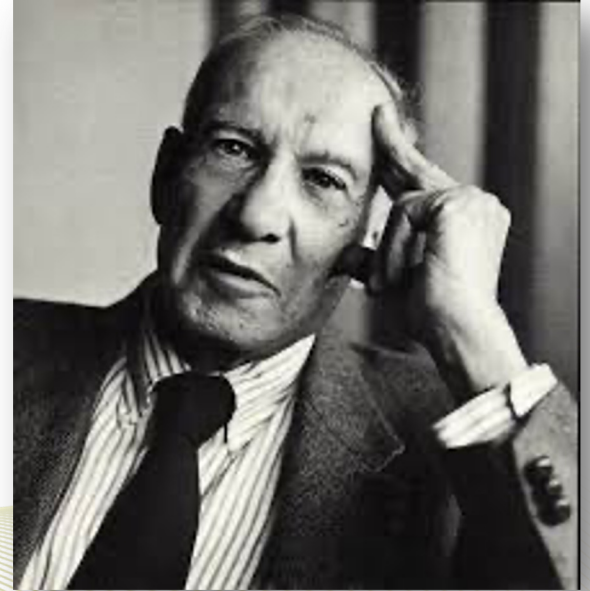


You cannot solve current challenges with yesterday's tools

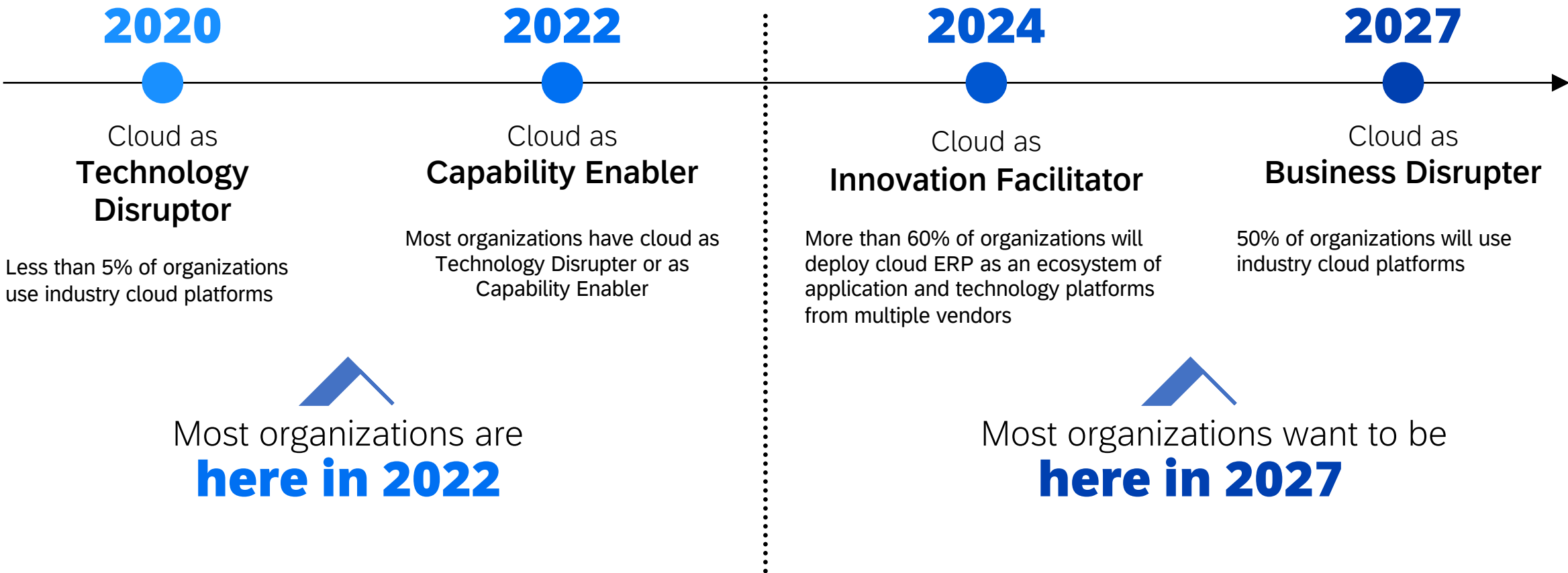


“The greatest danger in times of turbulence is not the turbulence; it is to act with yesterday’s logic”

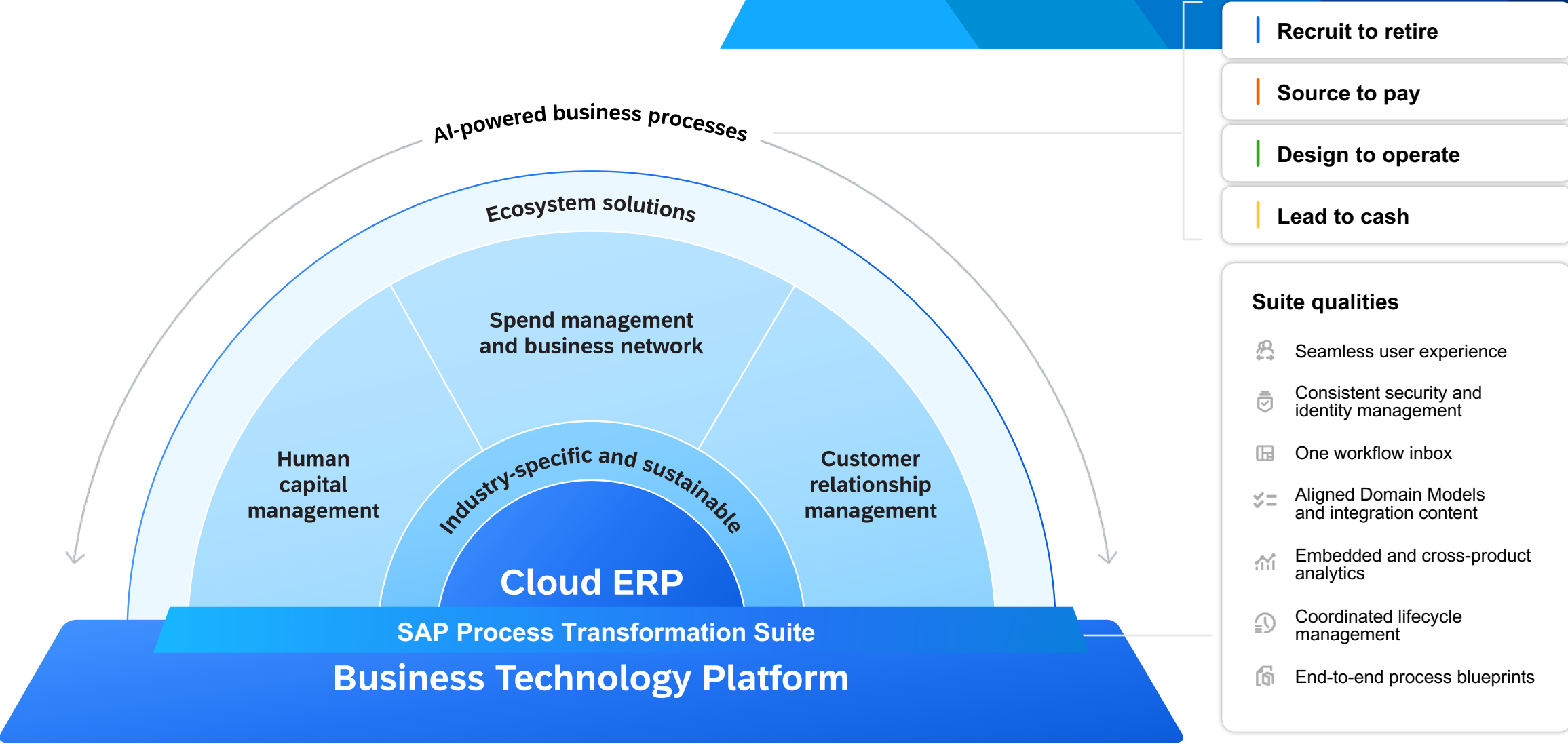
Peter F. Drucker



Cloud Trends

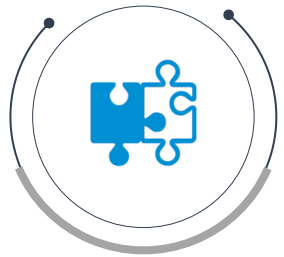


SAP Portfolio | End-to-End Processes and Suite Qualities



SAP's Industry Cloud Portfolio

Accelerating innovation in the difference-making, competition-beating parts of what you do.



Extend SAP's
intelligent suite



Optimize, extend
and transform core
business processes



Business applications,
not just technologies



Built by SAP and
by its Partners



Interoperable
and cloud native

Roadmap innovation for existing SAP products

SAP S/4HANA Cloud

SAP Business Technology Platform

SAP Business Networks

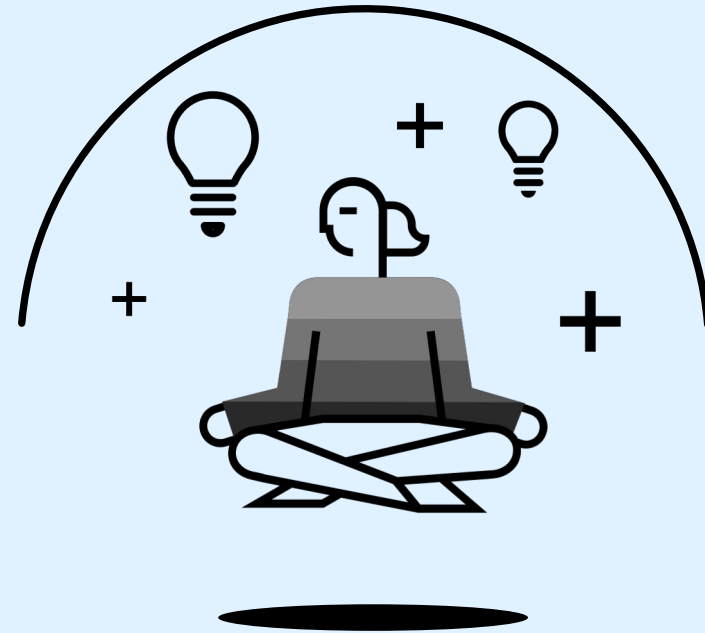
SAP Signavio 

SAP Sustainability Solutions

...

1-3 years

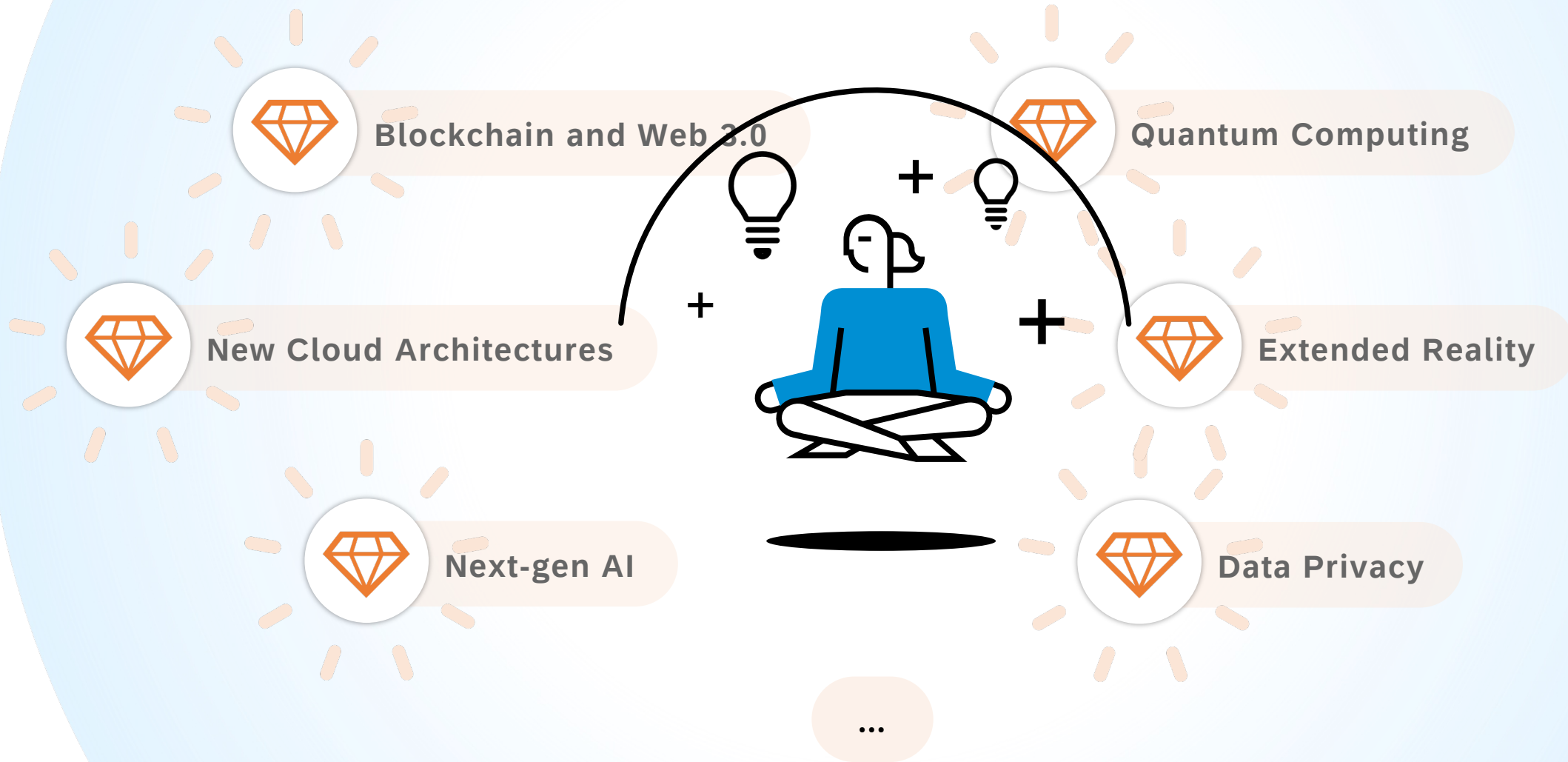
Transformative innovation beyond existing products



~~2022~~

3+ years

We explore emerging technologies beyond computing products



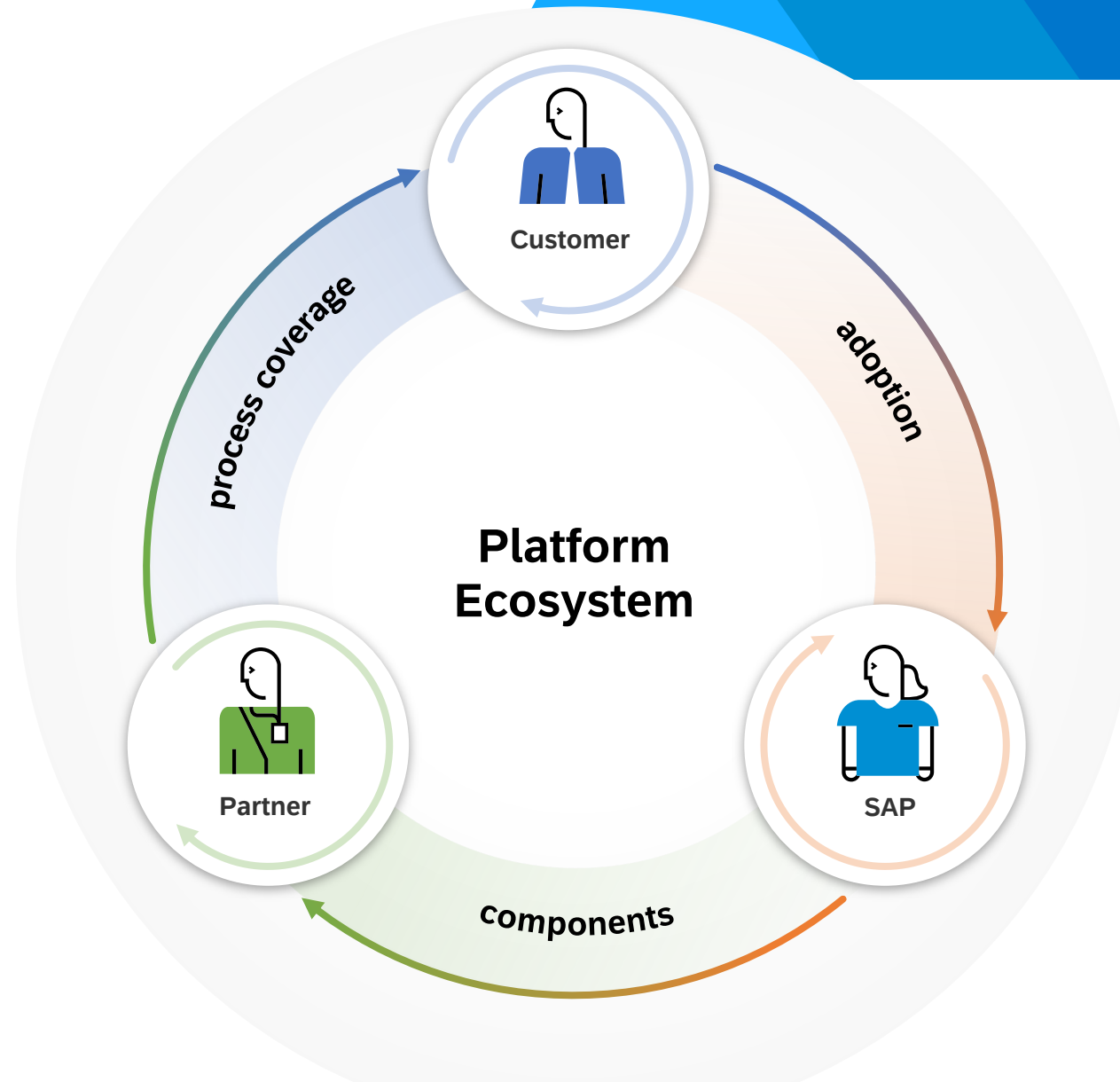
The Composable Process Platform

Commitment

Customers decide for consumption of standardized process components

Partners create components and services as business process platform capabilities.

SAP develops and pre-packages standardized business process content and functionality, whilst enabling unified consumption and development experience.



Value

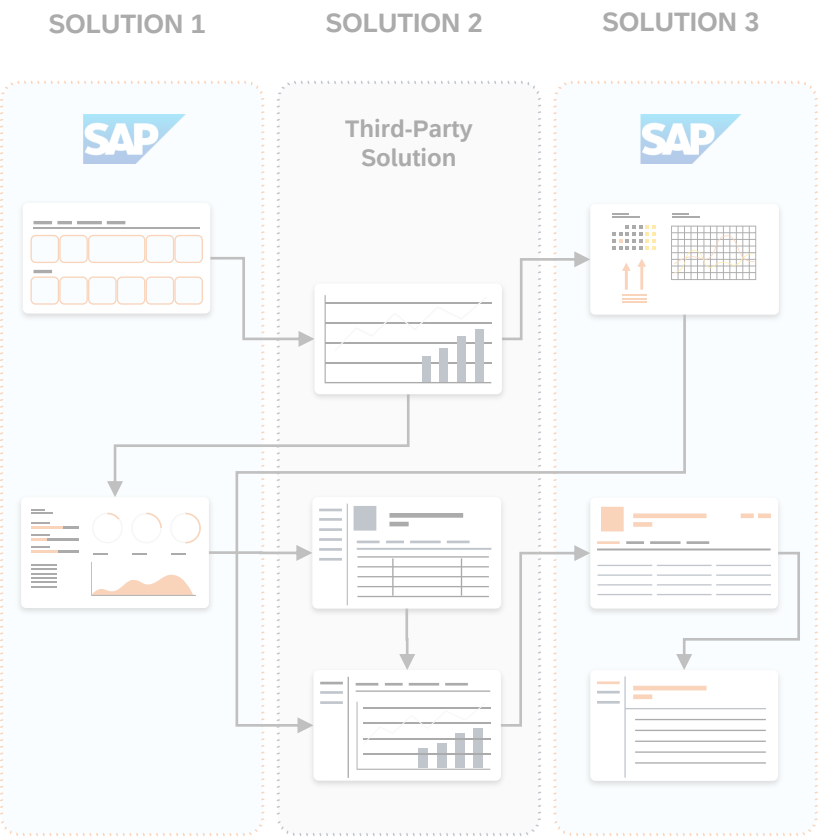
Customers can consume the best-fitting and compliant solutions for constantly changing needs at a fair price.

Partners use business process platform for achieving new revenue channels.

SAP makes a bold step to create a new generation of platform experience and happy customers and partners.

Let's rethink the way how processes are implemented

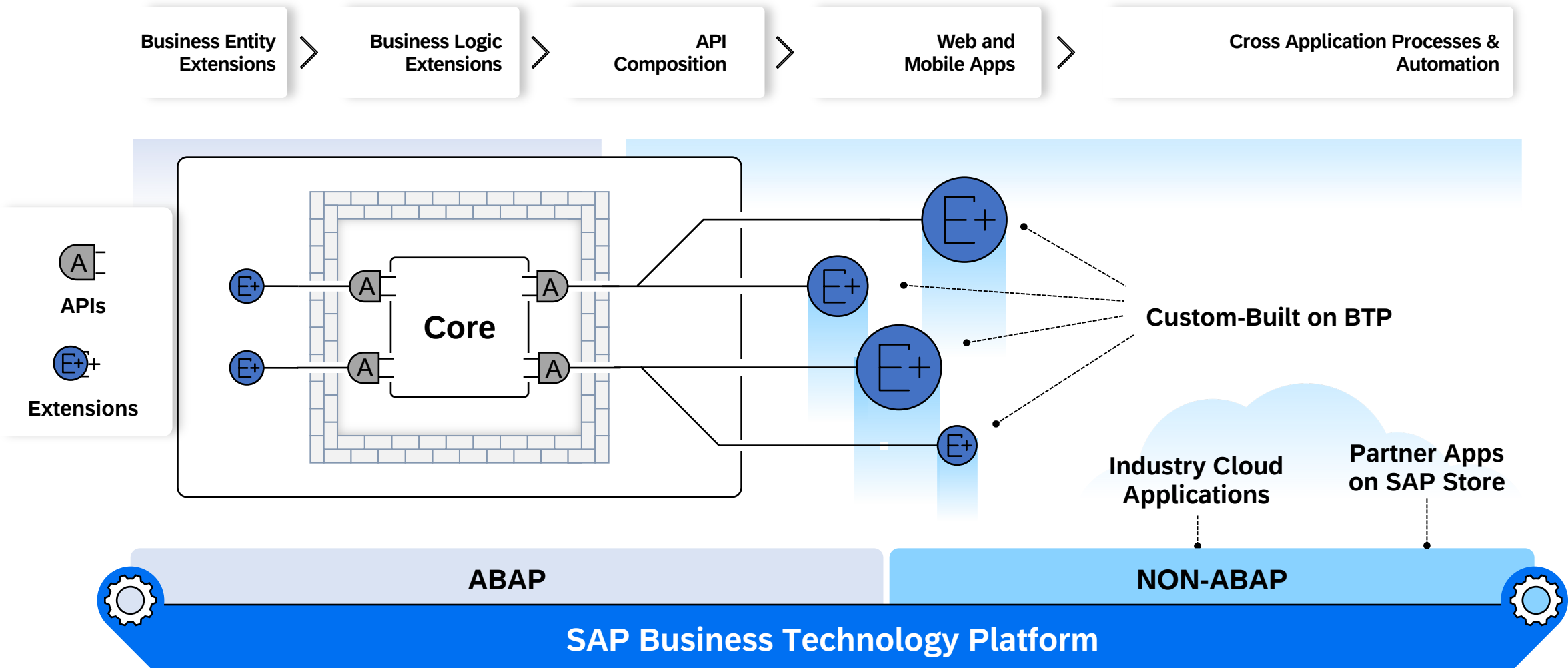
From *Application-Centric* Integration...



...to *Process-Centric* Composition

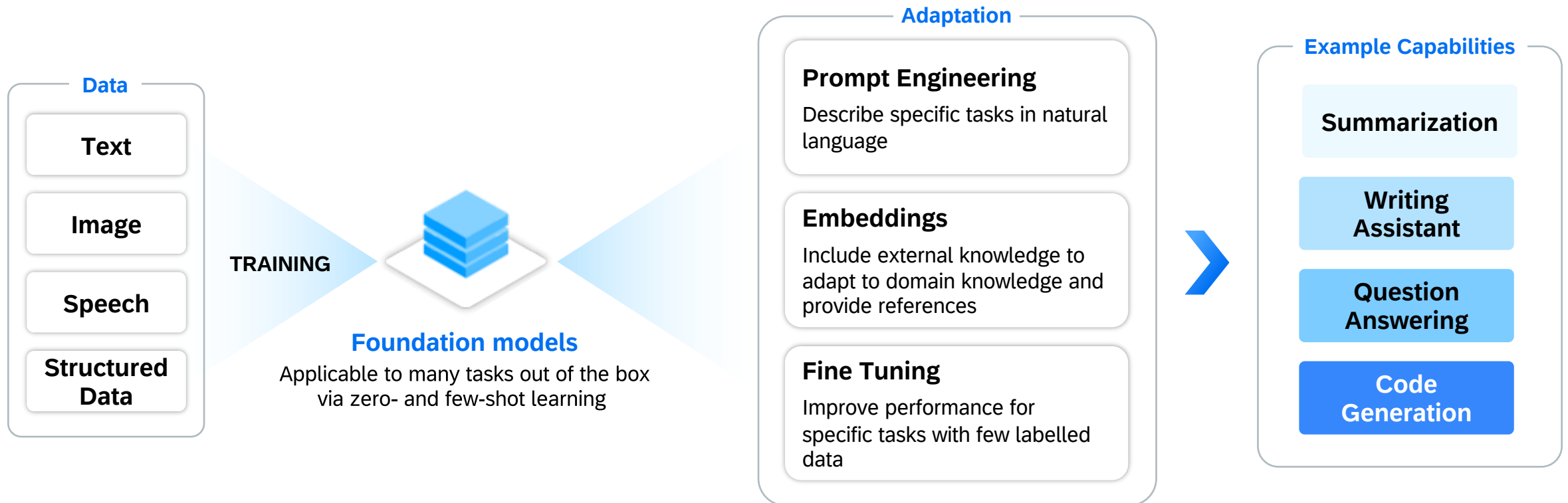


C(lean) Core Enablement via Developer and Citizen



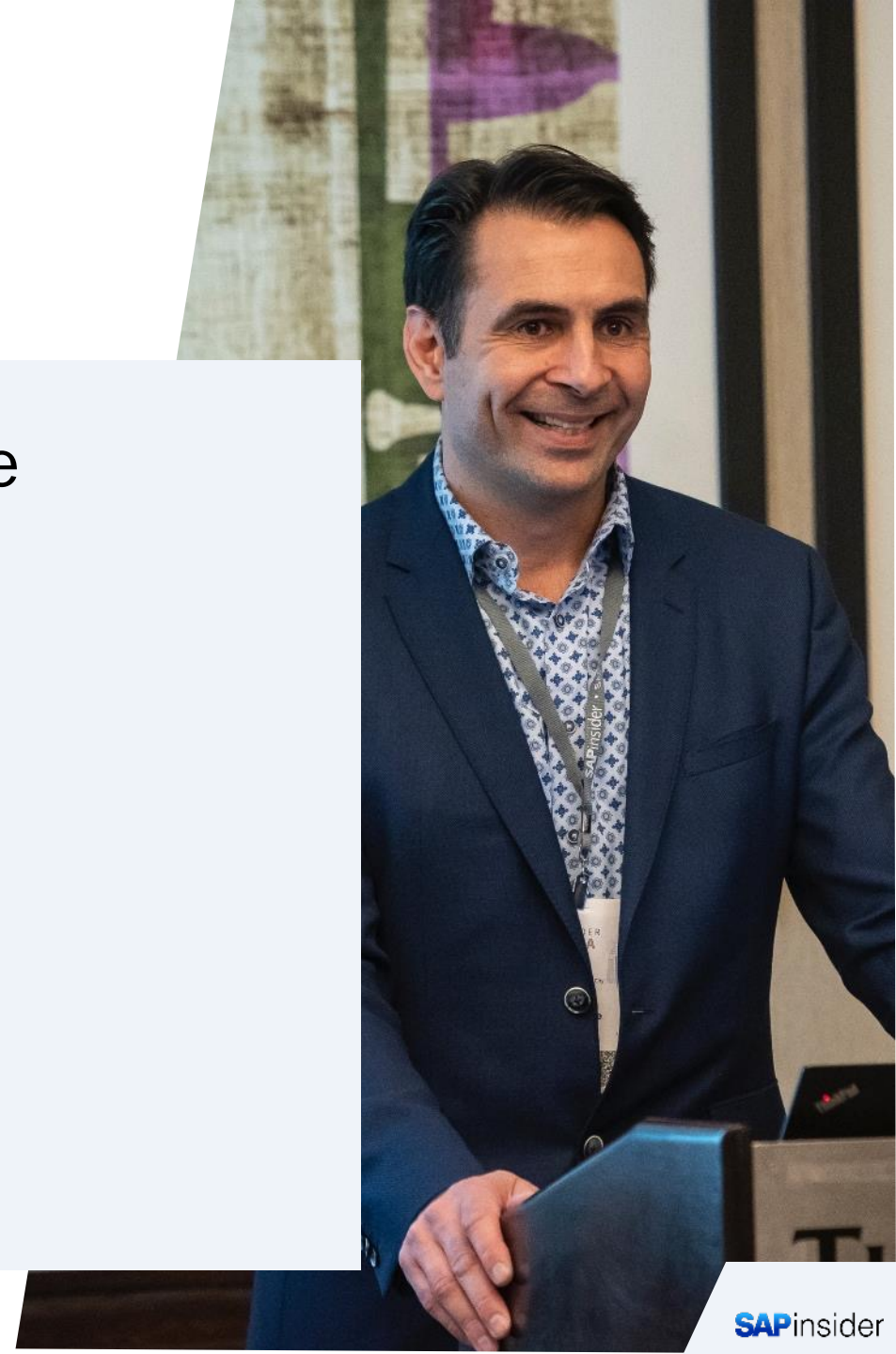
Foundation Models Change how AI is Applied

- Non-technical users can solve their business tasks by describing them in natural language.
- Foundation models are broadly applicable to many tasks without the need to re-train.

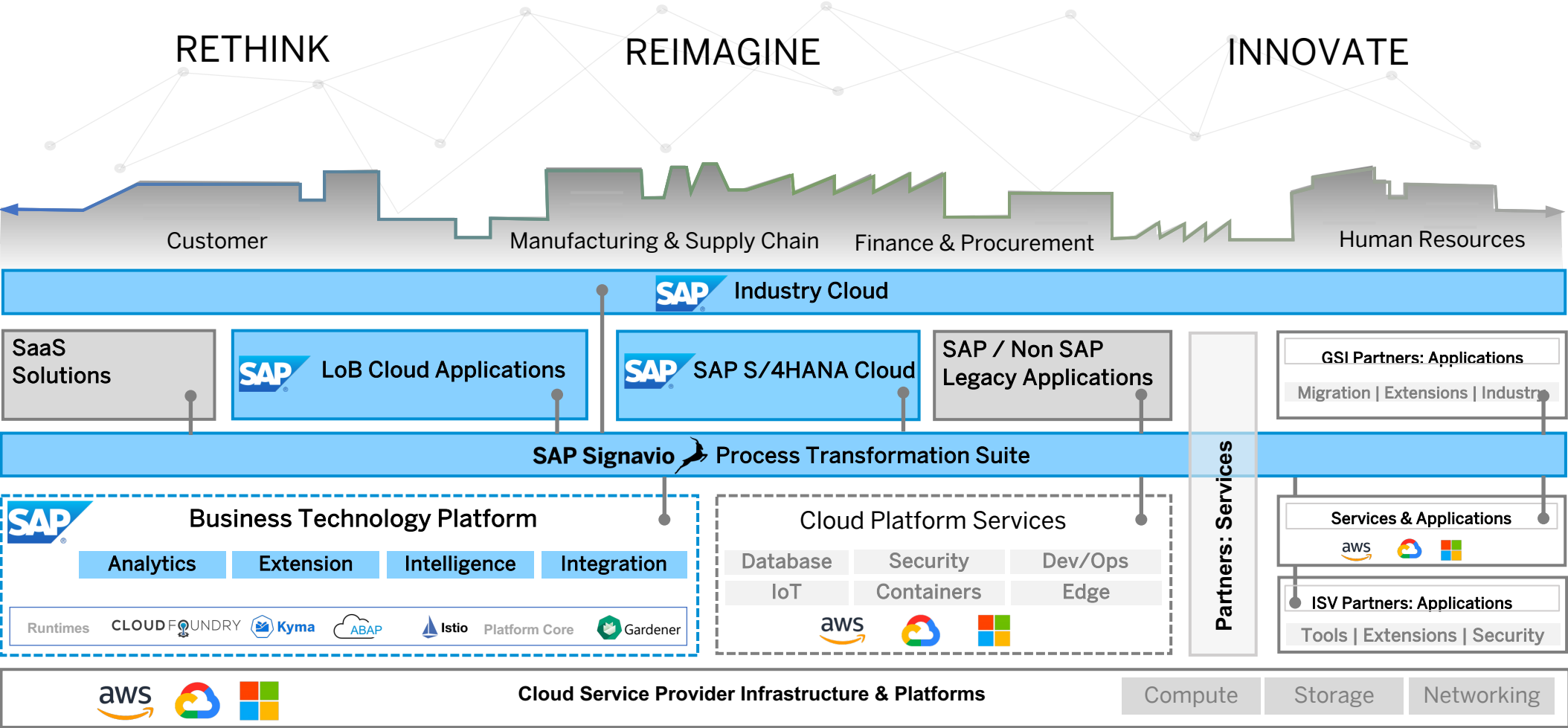


SAP Cloud Strategy & Customer Operation Impacts

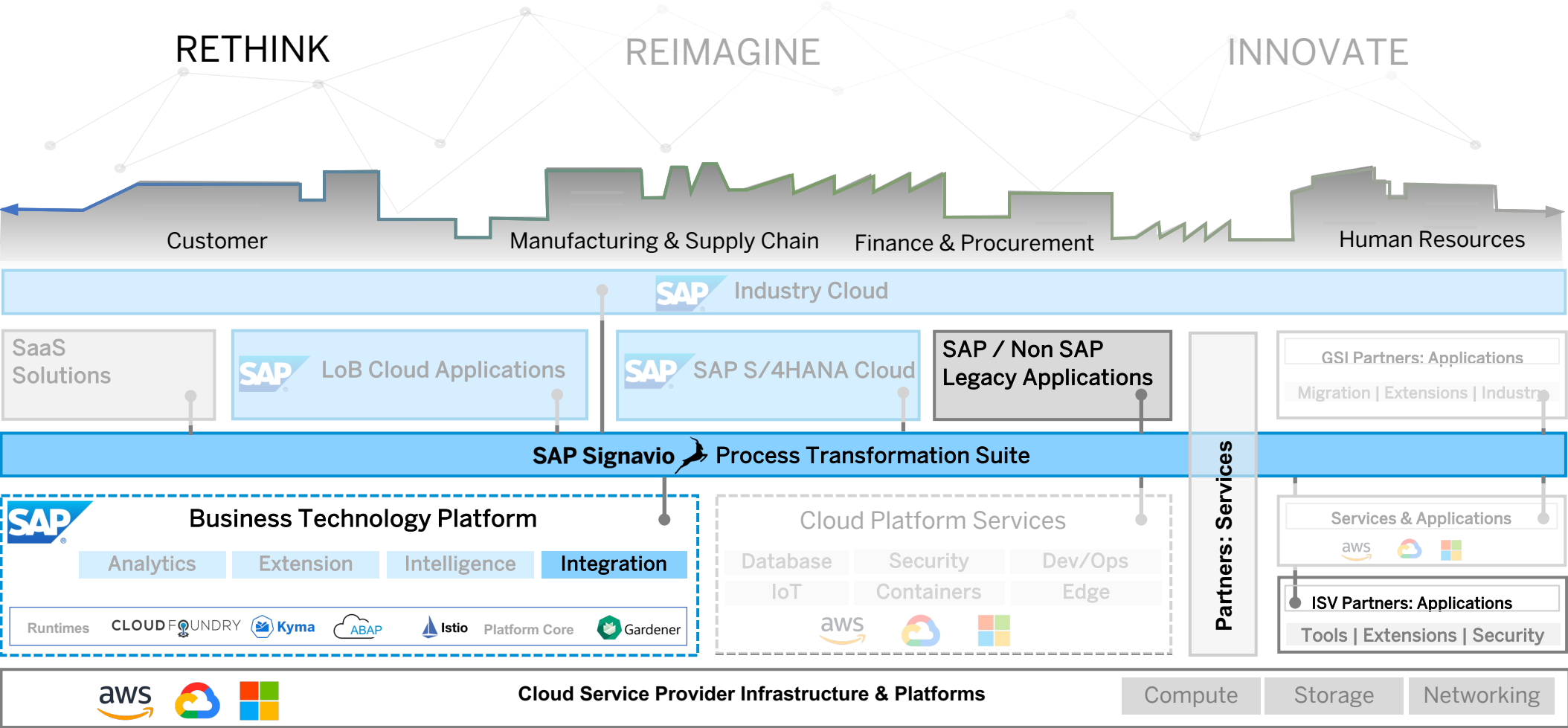
- SAP CCloudERP Strategy Update
- Overall Architecture Concepts
- Cloud Operating Model
- Tools/Partner Ecosystem
- Wrap-Up



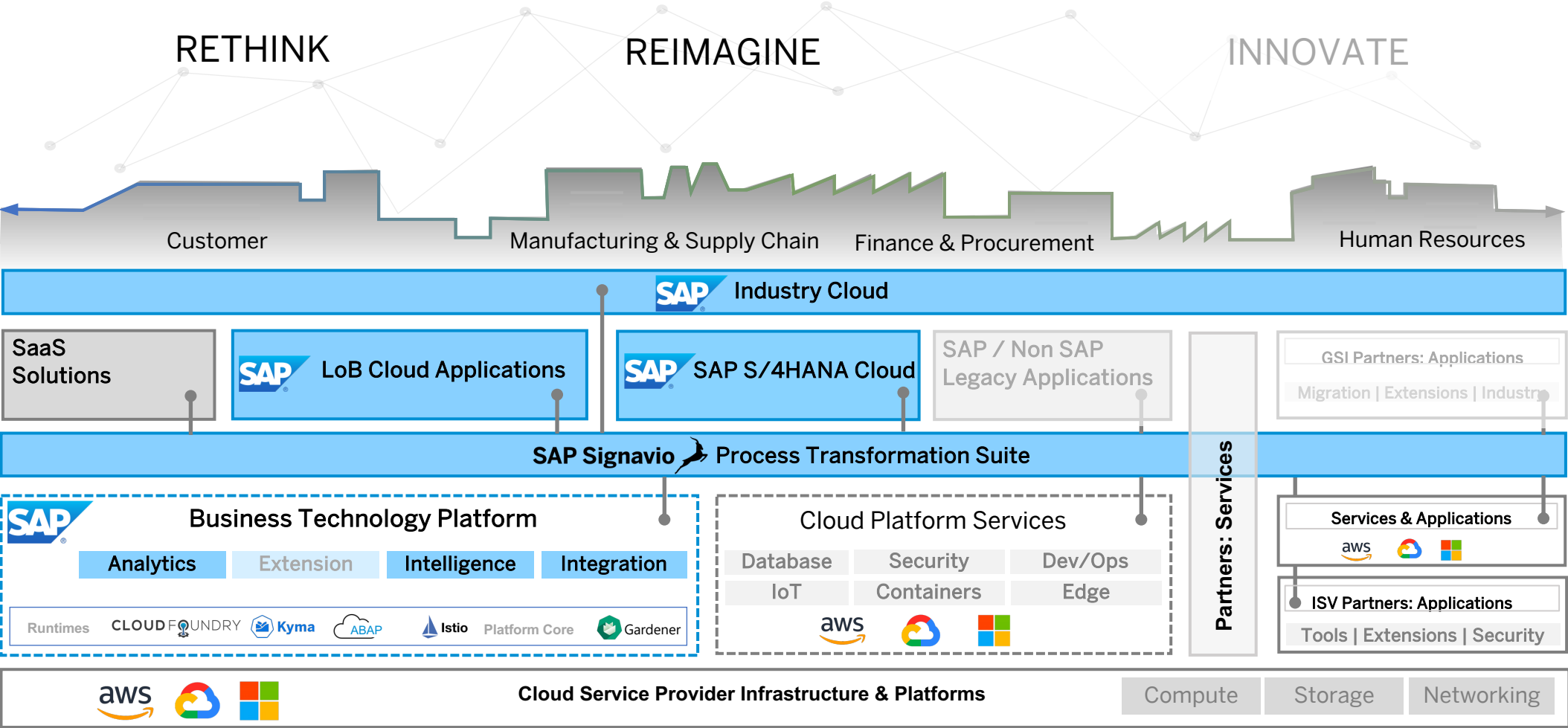
Entire Customer **Cloud** Journey Landscapes on a Page



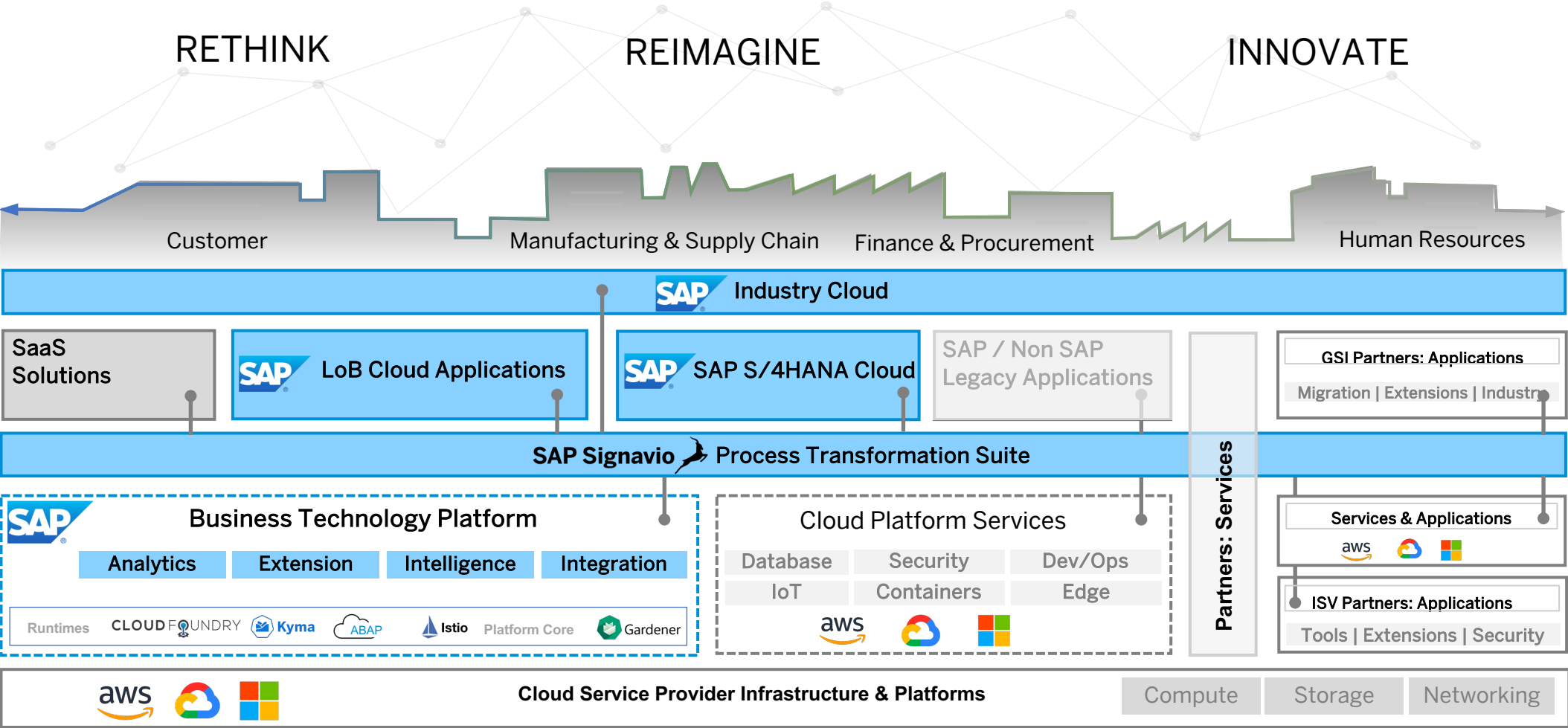
Entire Customer **Cloud** Journey Landscapes on a Page



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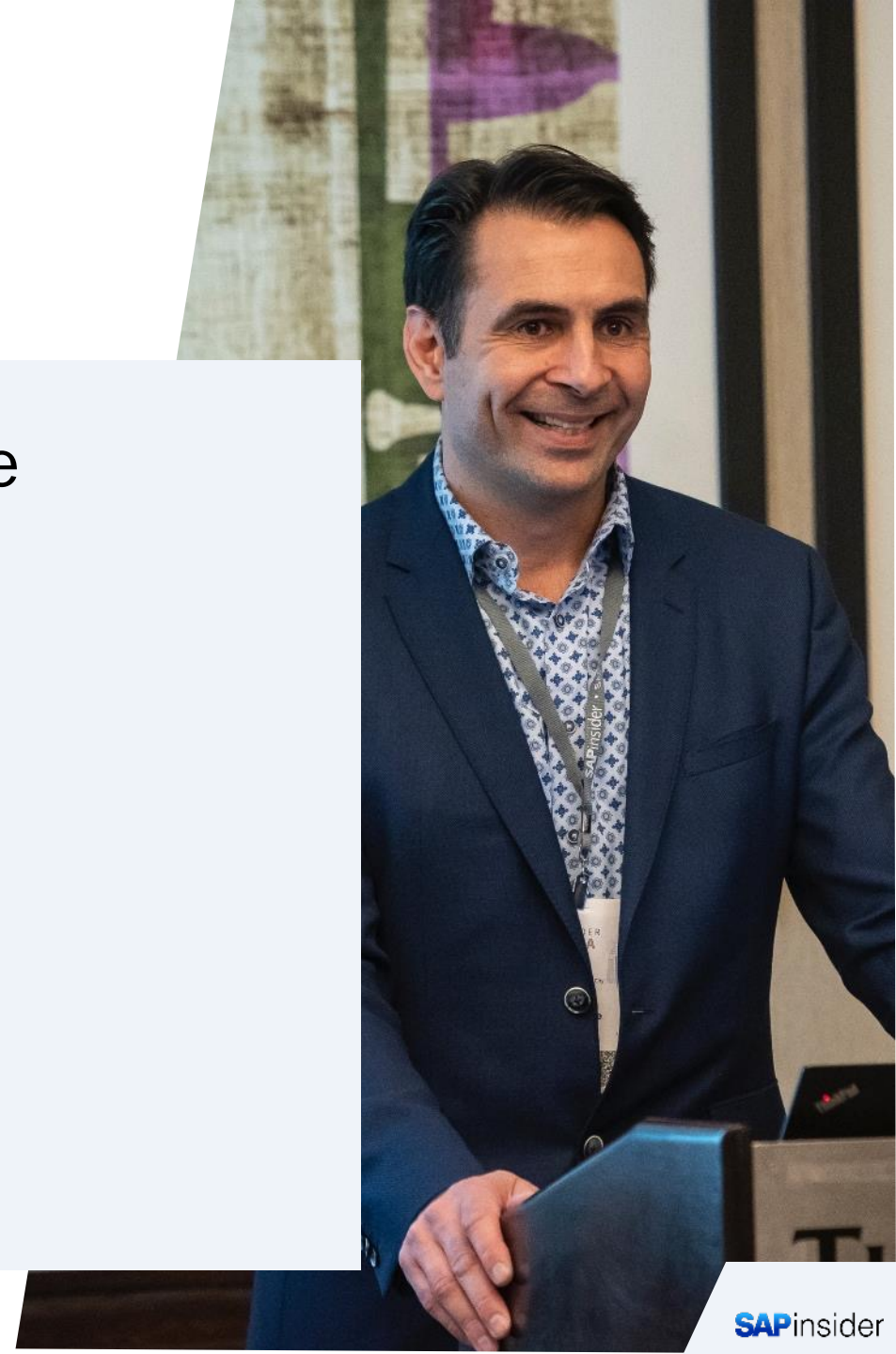


Entire Customer Cloud Journey Landscapes on a Page



SAP Cloud Strategy & Customer Operation Impacts

- SAP CCloudERP Strategy Update
- Overall Architecture Concepts
- **Cloud Operating Model**
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- Wrap-Up



Current, **Transitional** and Future States

Current State

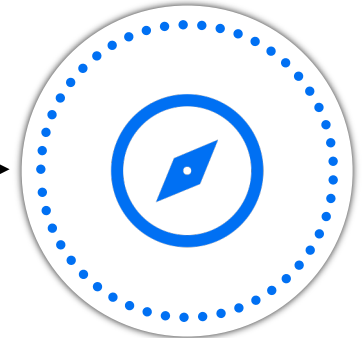


- Siloed departments
- Manual processes
- Monolithic architecture
- Waterfall development
- Focus on technology, not business outcomes
- Limited automation

Transitional State

- Adopt a site-reliability-engineer (SRE) model
- Design infrastructure services as products
- Manage outcomes versus activities
- Build engineering-focused talent model

Future State



- Persistent Innovative State
- Automation
- Agility
- Scalability
- Auto Service Self-service
- DevOps
- Consumption Economics

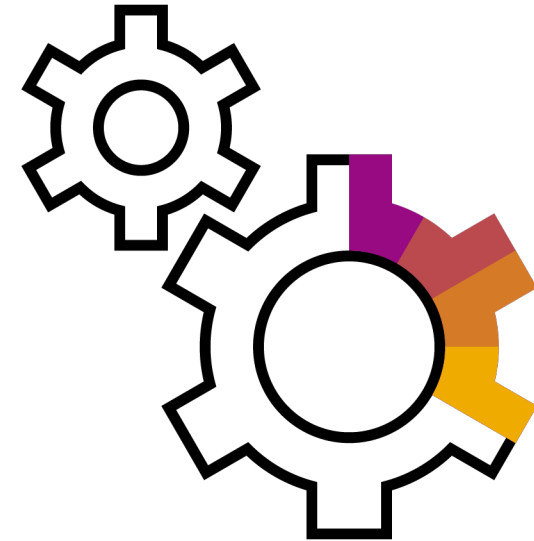
Fit-to-Standard Process

Purpose

The purpose of the **Fit-to-Standard Process** is to match the customer's business processes to the standard processes available and to capture optimization, solution configuration, needed by the customer. It is a sub-process in the **Application: Design and Configuration workstream**.

Purpose is Met By:

- ❑ Enabling customers on the business processes included in the solution scope
- ❑ Validating that the scope and business processes meet the business needs
- ❑ Determining core configuration values based on business drivers
- ❑ Identifying configuration values lists to be provided by the business
- ❑ Defining organizational structure and chart of accounts
- ❑ Defining required master data
- ❑ Defining authorization mapping



What is Clean Core?

The “clean core” concept is a mindset and philosophy supported with governance and guidelines that lay the foundation for a flexible and future ready ERP

It is a modern approach to extend functionality in a stable, upgrade safe and transparent manner, along with a separate platform to innovate for additional differentiation.

A clean core allows faster software deployment as well as easier adoption of both SAP innovations and the regulatory changes to software.

It provides new ways to address business needs while avoiding excess technical debt, thus preparing organizations to maximize strategic benefits and limit the cost of transformation.

Benefits of Clean Core

A clean core allows to adapt the system to changing business requirements and to adopt new capabilities while ensuring permanent traceability in all areas of the core. **It provides...**

...agility

Clean environments decrease time to value. Additional process requirements can be implemented faster and business models can adapt to short term challenges more easily.

...Leverage latest innovations i.e. to stay current.

Adaptation effort in the context of updates and upgrades is reduced. Cloud services can be integrated faster.

...efficient and secure operations

E.g. no costly maintenance for unused artefacts

...data to value

Consistent data allows reliable forecasts and precise predictions.

Addressing Clean Core is an ongoing strategic activity

Execution

'**CLEAN CORE**' is an approach to get and keep the organizations core enterprise management systems clean for better 'maintainability' and lower total cost of ownership (TCO). Activities span software, data, interfaces, processes, and operations.

1

Software Stack

keep the **coding** clean

2

Data

keep the **data** lean

3

Extensibility

keep the **modifications** controlled

4

Integrations

keep the **landscape** reliable

5

Processes

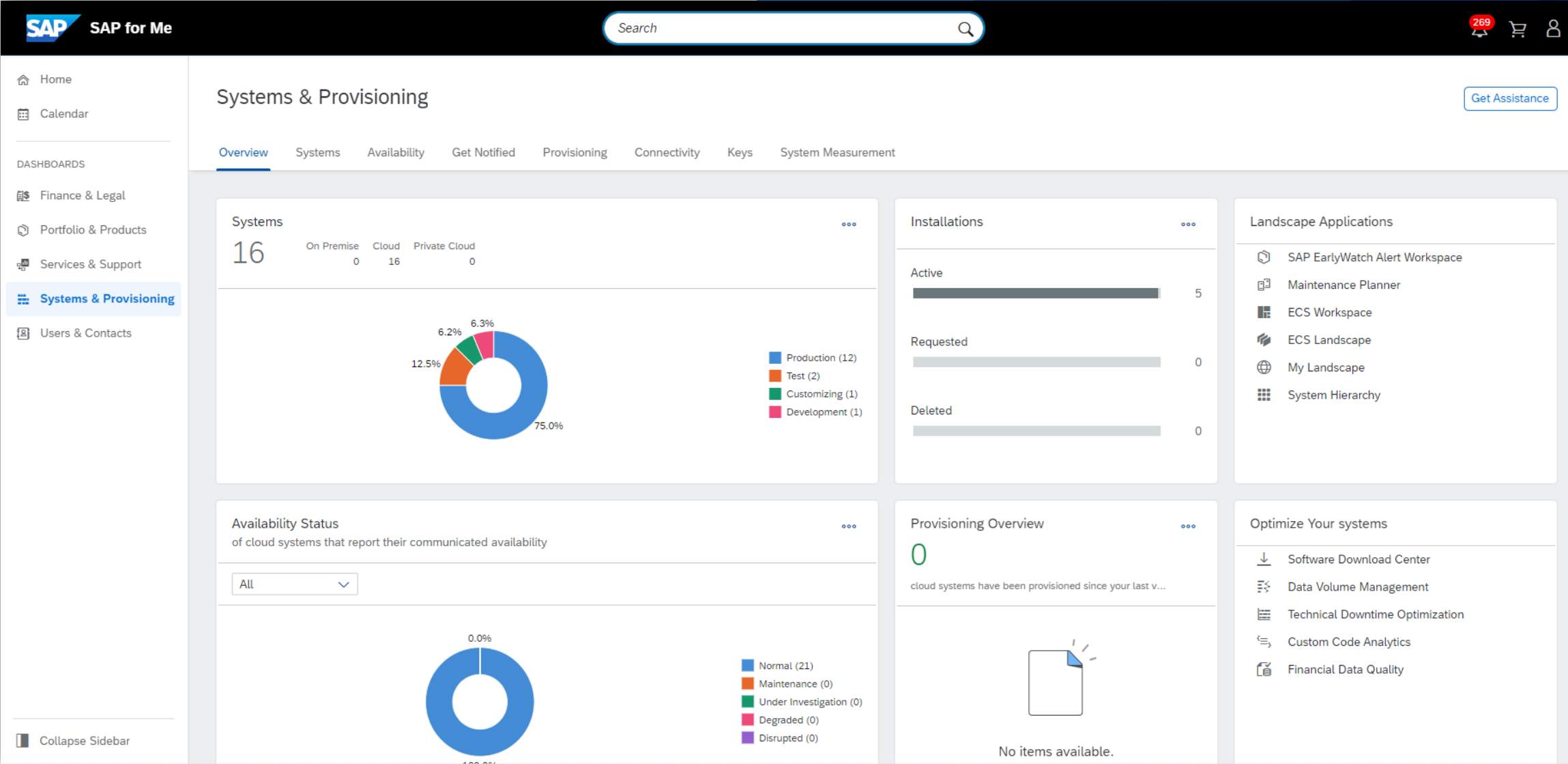
keep the **processes** clear

6

Operations

keep the **operations** effective & efficient

Systems & Provisioning - Overview



Systems & Provisioning - Systems

Home

Calendar

DASHBOARDS

Finance & Legal

Portfolio & Products

Services & Support

Systems & Provisioning

Users & Contacts

SAP

SAP for Me

Search

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Systems & Provisioning

Get Assistance

Overview

Systems

Availability

Get Notified

Provisioning

Connectivity

Keys

System Measurement

Current Systems

Public Cloud Systems on BTP (12 entries)

Global Account:

Subaccount:

Solution Area:

Cloud Service:

System Role:

Search

Mark your favorites by clicking on the star

SYSTEM	SYSTEM ROLE	DATA CENTER	CLOUD SERVICE	GLOBAL ACCOUNT	SUBACCOUNT
★ SAP Internal - Andina... 742827152	Test	Australia: Sydney	SAP Central Business Configuration	a349c874-9a58-4733-92e6-993d7608cb48	ff60554e-a1a0-45a6-8ef3-c1f0d7dc8...
★ SAP Cloud ALM 742883261	Production	Global	SAP Cloud ALM	613f7b4a-ac79-4a27-a6c3-a0353bee42ed	

Other Public Cloud Systems (4 entries)

System Role:

Solution Area:

Cloud Service:

Search

SYSTEM	INSTALLATION	SYSTEM ID	SYSTEM ROLE	SOLUTION AREA	DATA CENTER	CLOUD SERVICE
★ my401598.s4hana.c... 742874876	S/4HANA 90753566	YO1	Customizing	Enterprise Management Public	India: Mumbai	SAP S/4HANA Cloud
★ my401635.s4hana.c... 742889642	S/4HANA 90753566	YO1	Development	Enterprise Management Public	India: Mumbai	SAP S/4HANA Cloud
★ my401806.s4hana.c... 742893143	S/4HANA 90753566	YPD	Test	Enterprise Management Public	India: Mumbai	SAP S/4HANA Cloud
★ my404178.s4hana.c... 743238246	S/4HANA 90753566	XBA	Production	Enterprise Management Public	India: Mumbai	SAP S/4HANA Cloud

Systems & Provisioning – Availability → Events

Events (114 entries)

Past

All

Future

☐ SLA Relevance
 ☐ Favorite Only

Event Type:

Status:

Data Center:

Cloud Service:

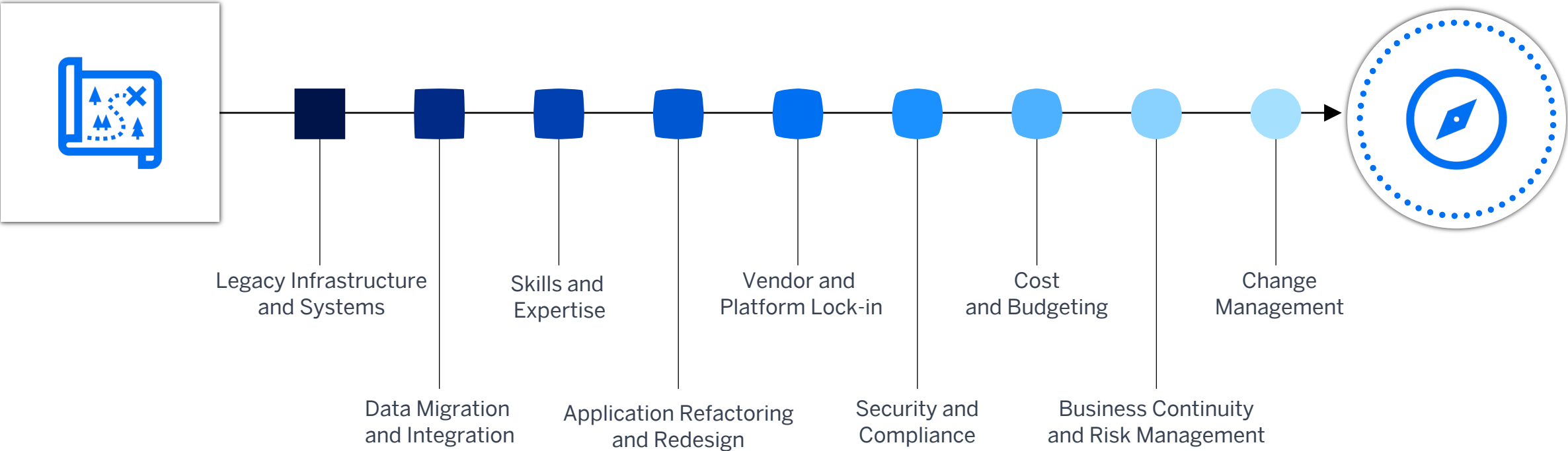
Deployment Model:

ID	CLOUD SERVICE	EVENT TYPE	DATA CENTER	STATUS	START	END	AFFECTED SYSTEMS
> EV20585510	SAP S/4HANA Cloud	Maintenance	India: Mumbai	UPCOMING MAINTENANCE	28.10.2023 17:00	28.10.2023 21:00	4
> EV20753564	SAP S/4HANA Cloud	Maintenance	India: Mumbai	UPCOMING MAINTENANCE	14.10.2023 17:00	14.10.2023 21:00	4
> EV20654999	SAP S/4HANA Cloud	Maintenance	India: Mumbai	UPCOMING MAINTENANCE	30.09.2023 17:00	30.09.2023 21:00	4
> EV20912342	SAP S/4HANA Cloud	Maintenance	India: Mumbai	UPCOMING MAINTENANCE	16.09.2023 17:00	16.09.2023 21:00	4
> EV20951728	SAP S/4HANA Cloud	Maintenance	India: Mumbai	UPCOMING MAINTENANCE	02.09.2023 17:00	02.09.2023 21:00	4
> EV20951693	SAP S/4HANA Cloud	Maintenance	India: Mumbai	UPCOMING MAINTENANCE	19.08.2023 17:00	19.08.2023 21:00	1
> EV22774095	SAP S/4HANA Cloud	Major Upgrade	India: Mumbai		18.08.2023 23:00	19.08.2023 23:00	3
> EV22703756	SAP S/4HANA Cloud	Major Upgrade	India: Mumbai		28.07.2023 23:00	29.07.2023 23:00	1
> EV20662638	SAP S/4HANA Cloud	Maintenance	India: Mumbai	UPCOMING MAINTENANCE	22.07.2023 17:00	22.07.2023 21:00	4

Evolving Constraints for Cloud Journeys

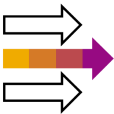
Current State

Future State

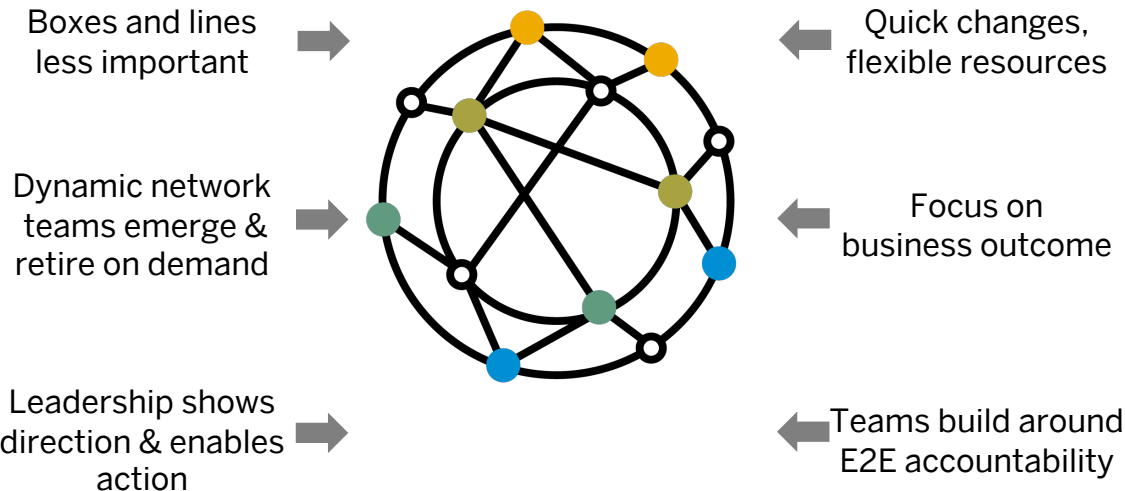
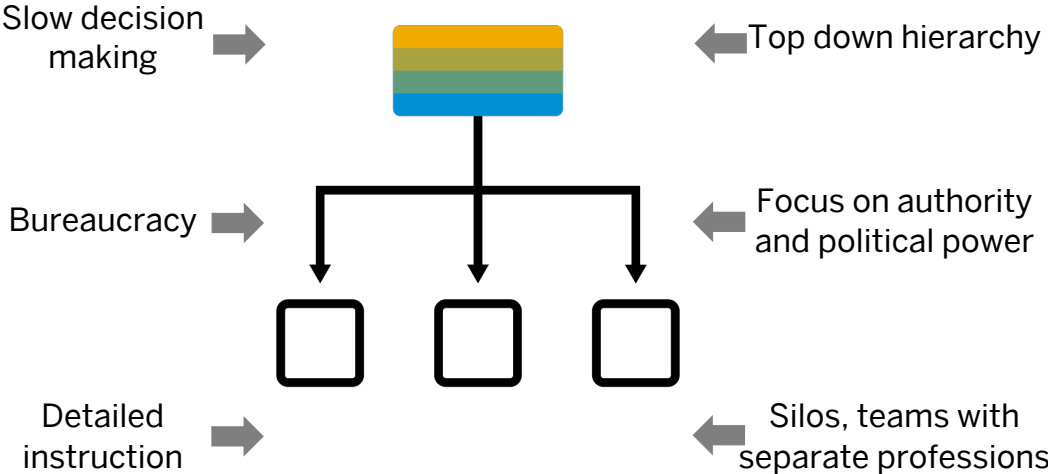


Re-aligning Capabilities for Innovation and Performance

From Traditional Hierarchy
“organization as rigid pyramid”



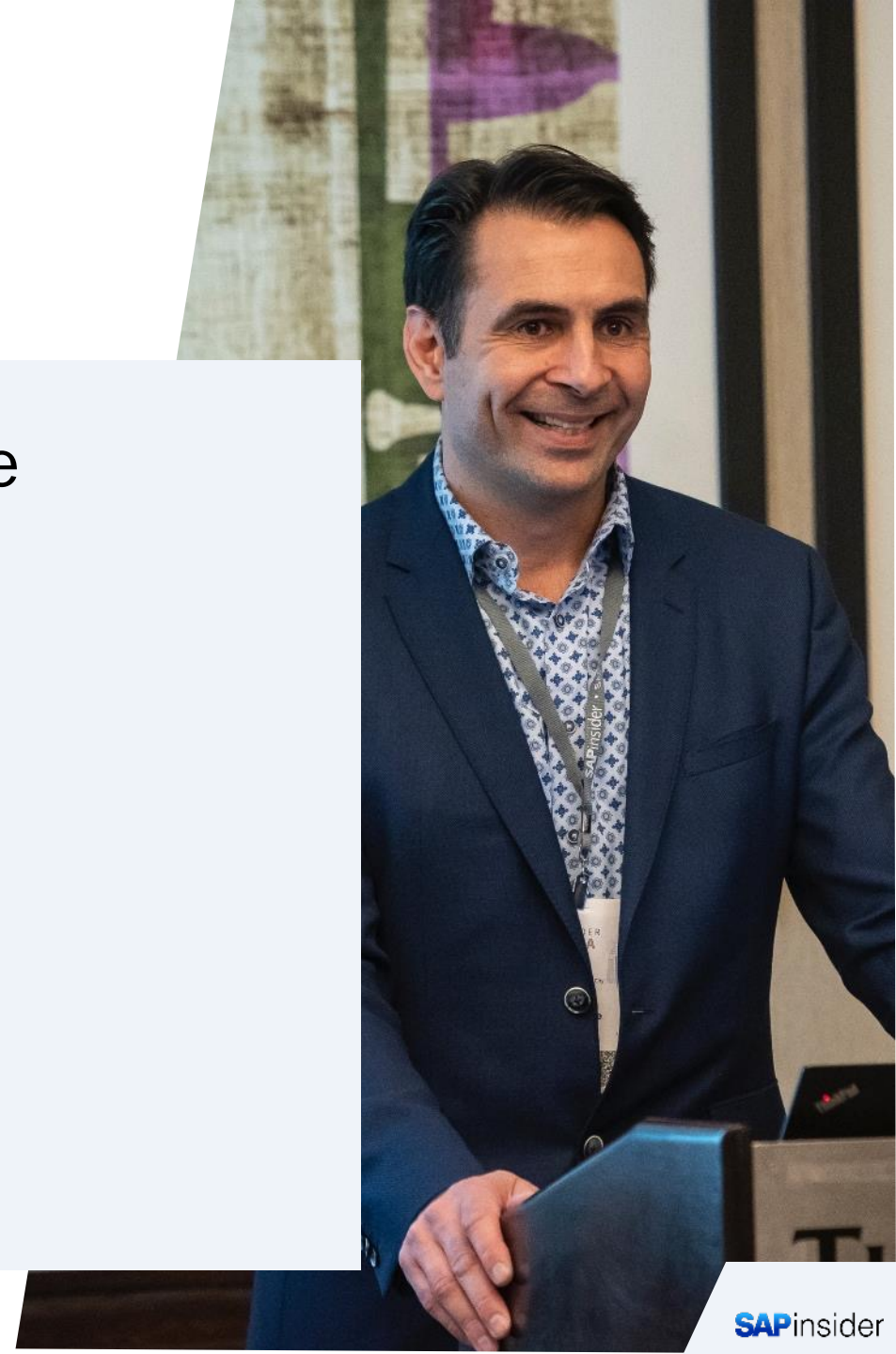
... to Agile Delivery
“organization as organism”



← Operations to ensure Business Continuity →

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Migrate with Confidence

Customer-centric ecosystem



Global reach

- 100+ datacenters around the world
- Partners operating across all SAP regions
- Support across 26 industries



Services providers

- 21,000 partners and 250,000 consultants help companies to migrate and achieve their desired business outcomes using RISE with SAP
- Strategy consulting and implementation advisory services



Software partners

- 1000+ software partners
- 1700+ software applications providing additional business benefits

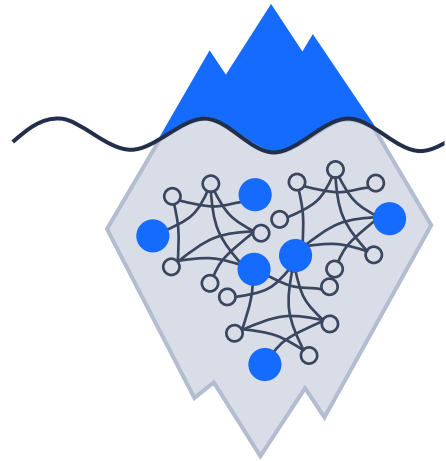


Infrastructure providers

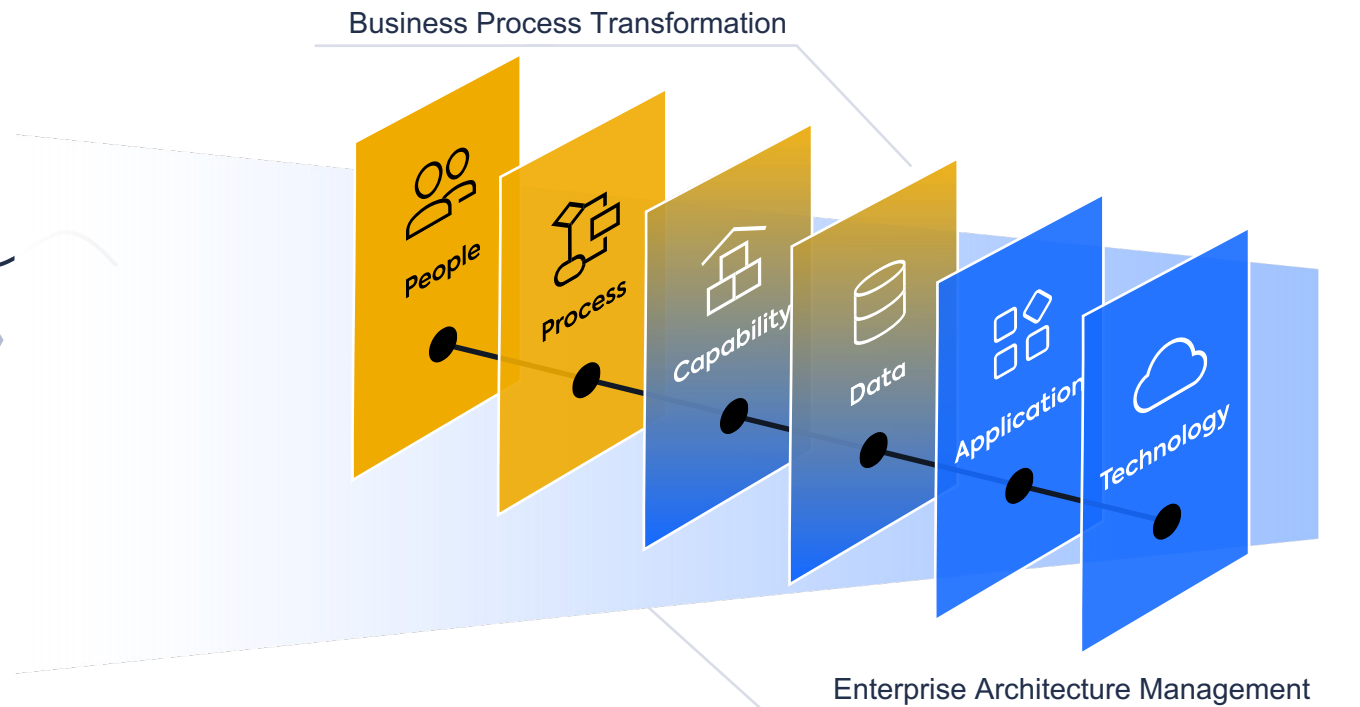
- Provided 100+M in migration funds supporting RISE with SAP customers and their move to the cloud
- Customer Data Center partners work within strict local/regional governance frameworks

Visibility and Transformation

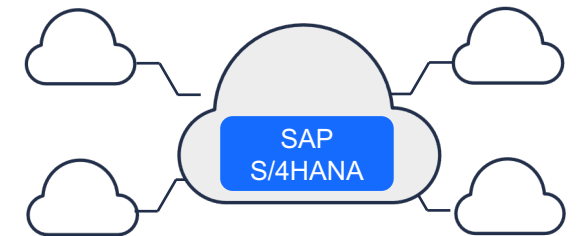
Current State



Holistic Transformation

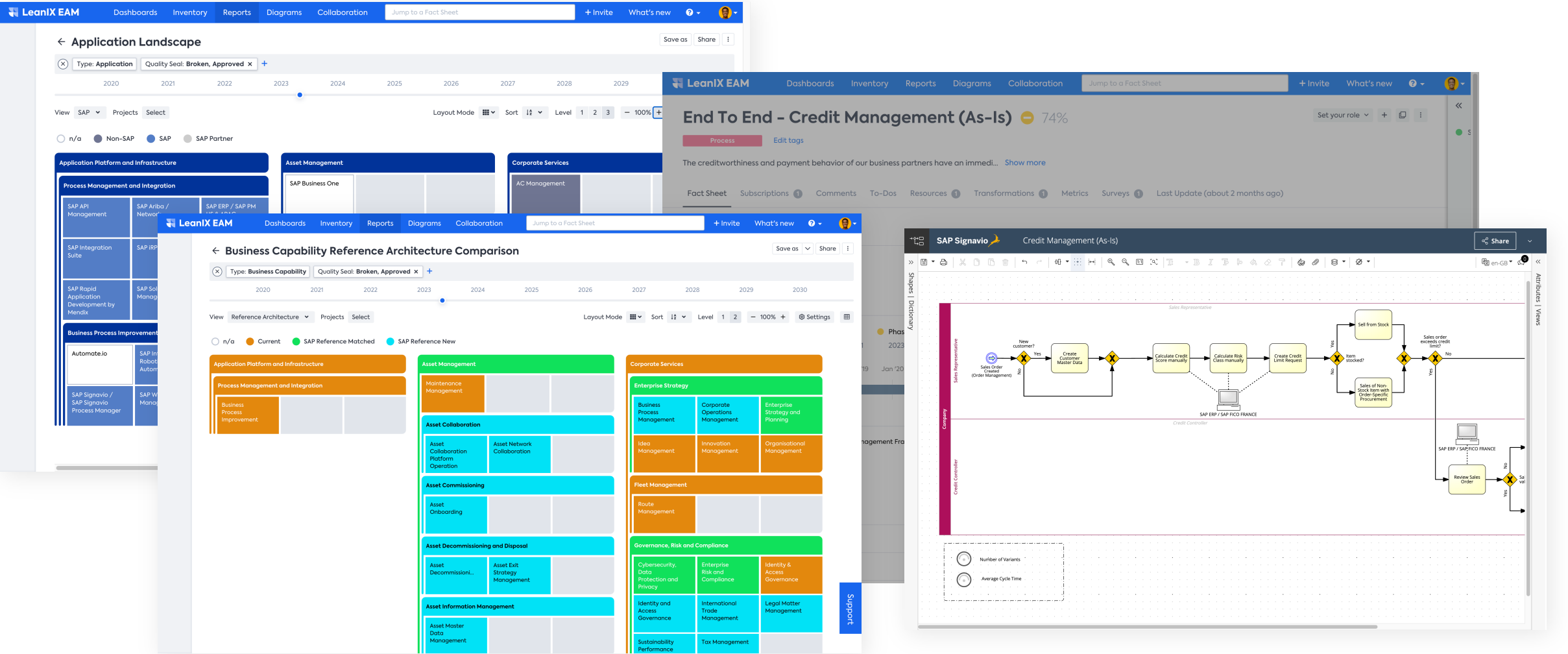


Target State



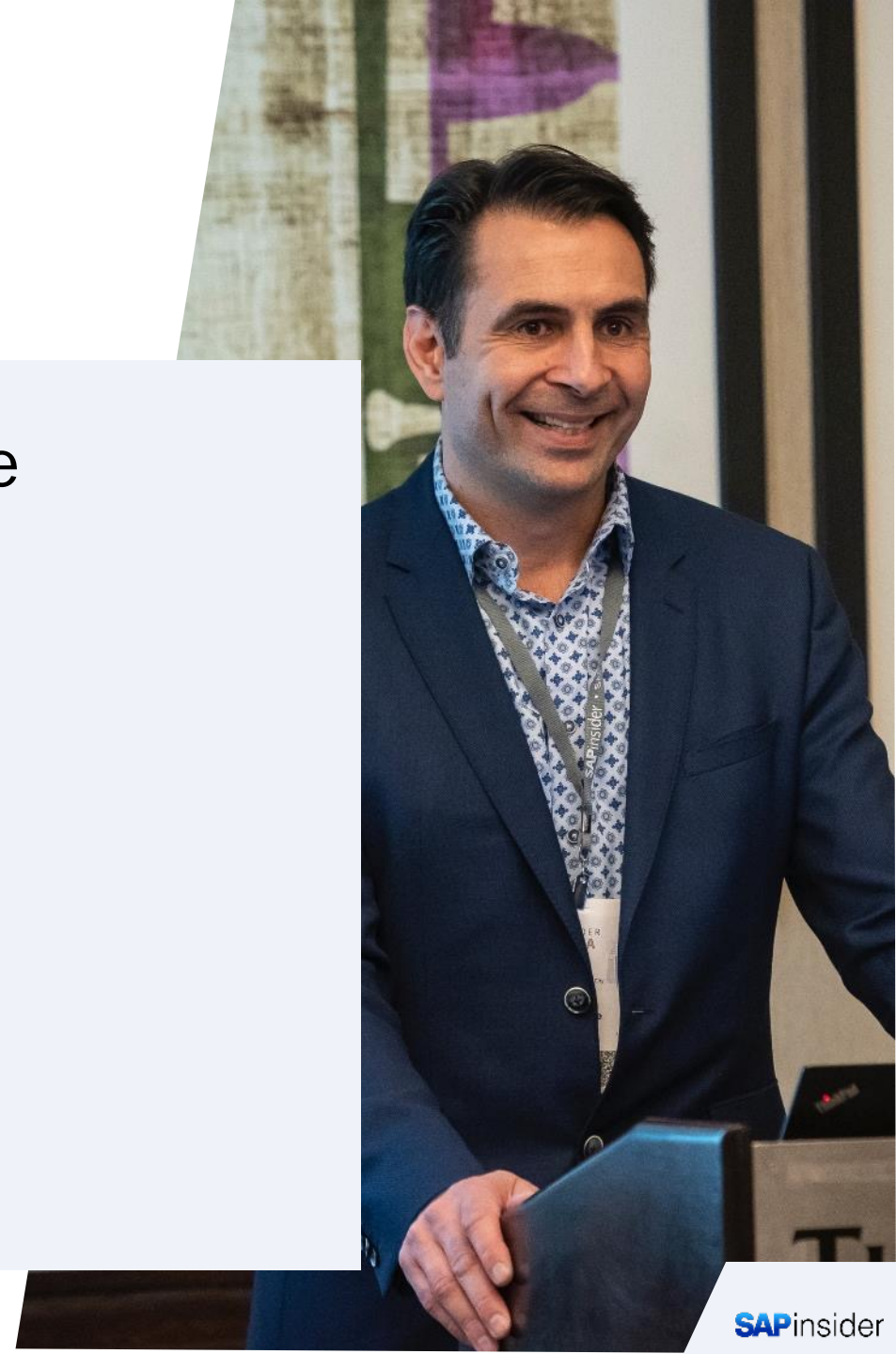
Read more: [LeanIX Whitepaper "Getting it right: A holistic approach to SAP S/4HANA transformations"](#)

Enterprise Landscape and Business Process Convergence



SAP Cloud Strategy & Customer Operation Impacts

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- **Wrap-Up**



Wrap up

- The Answer is



- Now What's the Question?

Time of Disruption: How to best Navigate

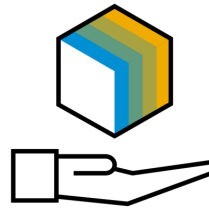
Invest in...



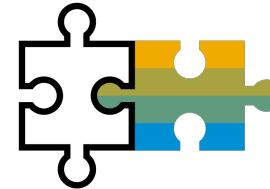
Clean Core



Cloud Based



As a Service



End-to-End



Network of
networks

Where to Find More Information

- [SAP CloudERP](#)
- [SAP CloudERP Partner Ecosystem](#)
- [SAP Partner Packages](#)
- [SAP Signavio & Enterprise Architecture](#)
- [SAPInsider - Business Technology Platform](#)
- [SAP CloudERP Roadmap](#)

Key Points to Take Home

- Understand and Align to SAP Cloud Strategy/Roadmap
- Changing Mindsets and Expectations
- Accelerate Everything
- Fail Fast (& Safely) is a Thing
- Modularity & Composability are your Friends

Michał Harezlak



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your session evaluation.

SAPinsider



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