

# SAP S/4HANA Value Starter Engagement

# **Result Document**

Q3, 2020

**PUBLIC** 



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**Strategic objectives** 

# **Identify Improvements**

Key value drivers & scenarios

# **Sketch the Future**

**Future SAP Product MAP** 

# **Build the Case**

**Assessing the incremental financial benefit** 

# Plan the Change

Your transition preference

# **Next Steps**

Follow on actions

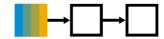


#### **SAP S/4HANA Value Starter**

What is this document?



This document is a summary of your customer specific Value Starter results



The output in this document is based on the discussion points during the interactive sessions.

More content is available in the relevant tools\*



Details and documentation can be found in your customer specific sharepoint\*

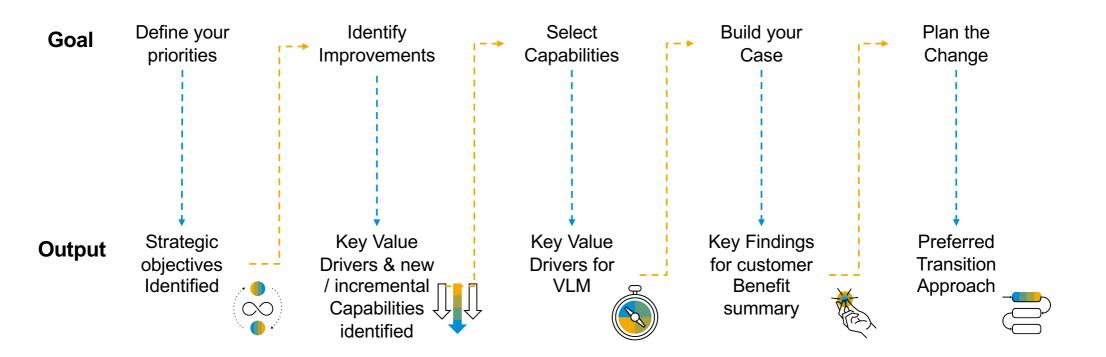
#### **SAP S/4HANA Value Starter**

Overall methodology and Approach

#### **SAP S/4HANA Value Starter Program**

helps customers to understand

move to SAP S/4HANA





Define your priorities
Strategic objectives

# Driving Sustainable Growth and Operational Excellence for eByke Motors Through a Strong Digital Core Based On S/4HANA



- To optimize the existing business, automotive manufacturers riding the disruption that is reinventing the mobility industry
- Challenge is to sharpen the core competencies while increasing the pace of innovation, integrating with technology partners and transforming their interaction with consumers through new business models



- eByke's strategy is focused on:
  - Driving sustainable growth new development of gasoline and electric vehicles
  - Operational efficiency with smart/ industry4.0 factories for enabling personalized products
- Focus on liabilities/debt management
- While doing so eByke need to improve key operational metrics compared to peers:
  - Improve revenue growth
  - Control cost & expand margin
  - Improve asset efficiency



- Based on our Outside-In assessment, we believe S/4HANA solution can augment eByke's value chain in the following areas.
  - Faster pace of innovation
  - Improve operations, logistics and quality management
  - Improve customer experience and service delivery
- Your peers –Osram Continental, Volkswagen Sachsen, Minda Industries – have realized business value through S/4HANA
- We have outlined the next steps you may undertake in this value journey to achieve your strategic goals such as deeper value assessment & planning

# SAP S/4HANA Can Play An Important Role In Helping eByke Motors Improve Critical KPIs And Transform Its Business...(1/2)

Value Drivers	Asset Management	Finance	Sourcing & Procurement	R&D/Engineering	Manufacturing & Logistics	Sales	Service
Accelerate revenue growth		Reduce revenue lost due to poor contract management by managing processes related to the governance of legal content, including full traceability of all legal transactions and documents (Sol. Cap: Legal Content Management)		Increase revenue from new products/services by enabling decision-makers to identify the more feasible initiatives (Sol. Cap: Portfolio Management)	Reduce time to market for new products by creating dramatic efficiencies that accelerate innovation and expedite production operations (Sol. Cap: Manufacturing Engineering)	Reduce order fulfillment lead time by managing vehicle distribution and accelerating sales fulfillment (Sol. Cap: Vehicle Sales & distribution Management)	Increase service revenue by ensuring timely billing and tracking of revenues for provided services (Sol. Cap: Service Billing)
Cost control & margin improvement	Reduce asset maintenance cost by implementing preventive or condition-based maintenance strategies (Sol. Cap: Maintenance Execution)	Reduce finance cost- by providing a holistic view of the drivers of cost and the causes of underperformance (Sol. Cap: Overhead Cost Management)	Improve sourcing savings on direct spend by increasing buying power by bundling purchase requirements across the organization (Sol. Cap: Central Purchasing)	Optimize research and development expense by providing intuitive usability and embedded KPI reports (Sol. Cap: Project Management)	Reduce total manufacturing cost by streamlining all pre- and post-production process steps, down- and wait-times are reduced (Sol. Cap: Production Execution)	Reduce sales cost by enabling configuration rules and checks (Sol. Cap: Vehicle Ordering and Administration)	Reduce service and support cost by connecting billing and payment with service delivery (Sol. Cap: Vehicle Ordering and Administration)
Improve asset efficiency	Reduce unplanned downtime or outages by providing easy access to all details required to manage malfunctions on mobile devices (Sol. Cap: Maintenance Execution)	Reduce days sales outstanding by taking a strategy-based approach to prioritizing customers for collections activities (Sol. Cap: Collections Management)				Reduce days in inventory by allocating vehicles to fulfill dealer orders (Sol. Cap: Vehicle Sales and Distribution)	
Better manage liabilities		Improve days payable outstanding by enabling effective liquidity planning by updating cash management records with invoice data (Sol. Cap: Accounts Payable)				Improve On-Time Delivery Performance Increase Sales Force Efficiency	

# SAP S/4HANA Can Play An Important Role In Helping eByke Motors Improve Critical KPIs And Transform Its Business...(2/2)





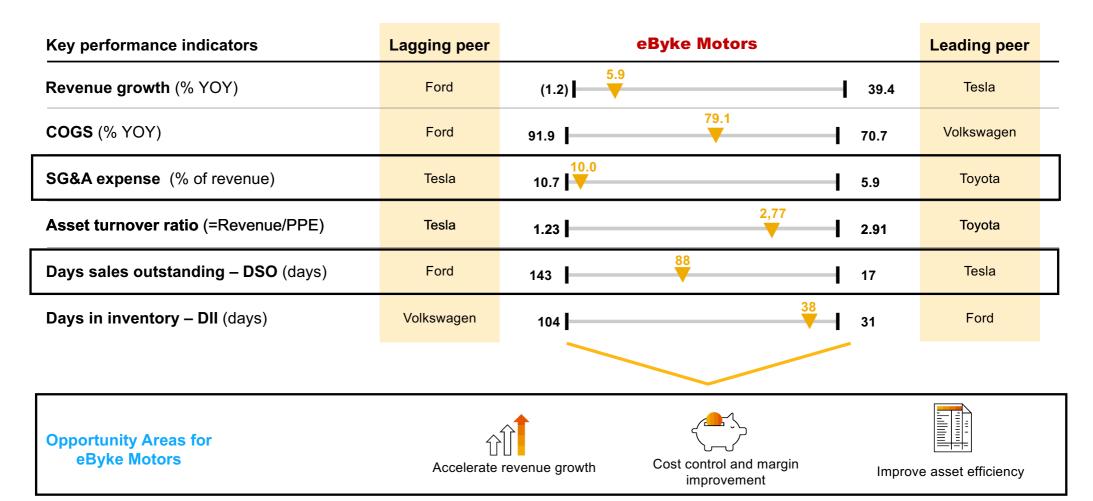




Cost control & margin improvement

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# SAP Has Identified Critical Areas Where Value Can Be Created For eByke Motors



strategic objectives for S/4HANA

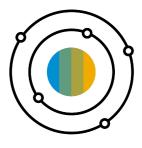


Embedded realtime insight and analytics





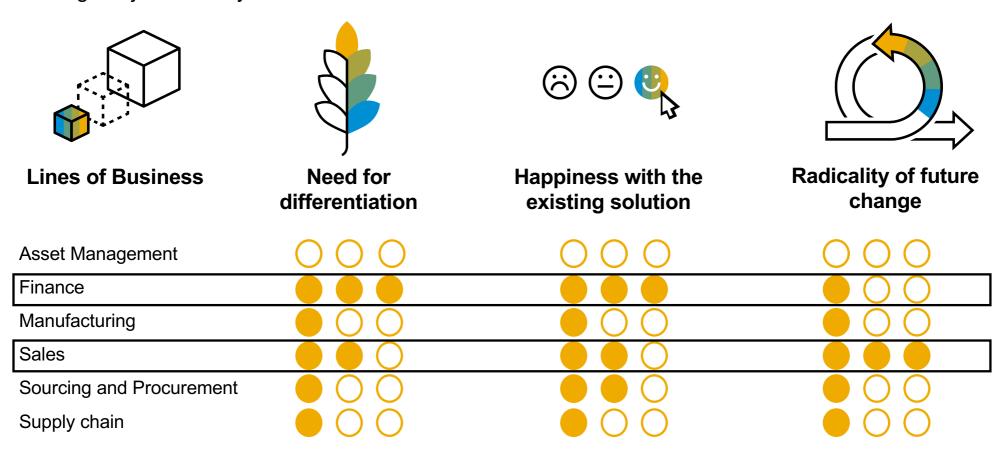




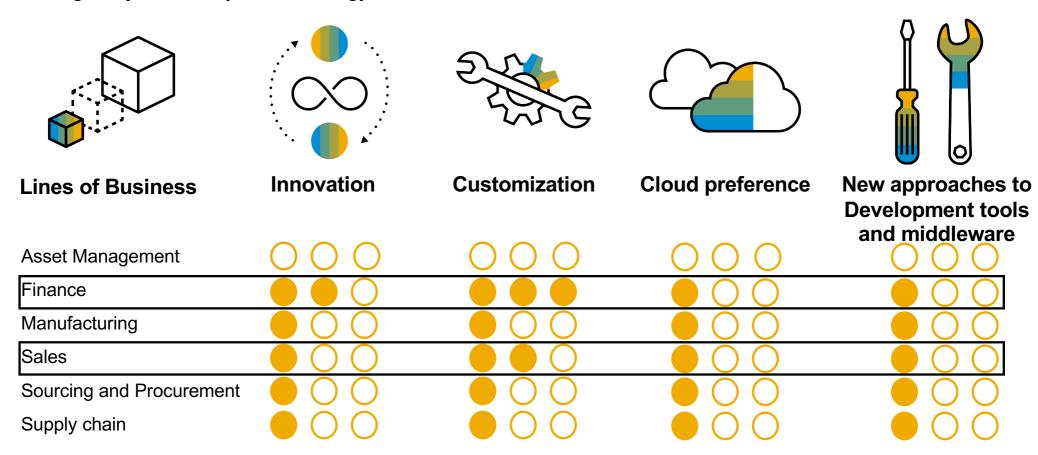
Best Practice processes, reduced customisations and native integration to SAP solutions



Strategic objectives for your lines of business



strategic objectives of your IT strategy





**Identify Improvements** 

Key value drivers & scenarios



#### Your Recommended SAP S/4HANA Business Scenarios

#### Line of Business Finance

The below information is based on the results of the Business Scenario Recommendations Report. Further investigation into the relevant capabilities should be carried out.

Incremental Value based on your Current Usage	Additional Value based on New Capabilities
Financial Accounting	Financial Reporting
Sales Billing	Cash Management
Sales Order Management and Processing	Collections Management
Delivery Management	Commodity Sales
Accounts Receivable	Convergent Invoicing
Product Costing	Corporate Close
Accounts Payable	Credit and Collection Management
Cash and Liquidity Management	Credit Evaluation and Management
Entity Close	Debt and Investment Management
Profitability Analysis	Dispute Resolution
Overhead Cost Management	Financial Risk Management
	Financial Shared Services Management
	Joint Venture Accounting
© 2020 SAP SE or an SAP affiliate company. All rights reserved.   PUBLIC   19	Financial Customer Care

# **Selected Business Scenario to Optimize Finance**

#### Sales Billing



#### **Purpose**

- Manage the complete sales order lifecycle for faster billing with less administrative effort
- Integrate the billing management process into your business with features that streamline the orderto-cash process, reduce errors, and improve customer satisfaction
- Reduce days-sales-outstanding and improve overall cash flow while lowering administration costs with automated billing and invoicing functions



- Improve customer satisfaction by reducing billing errors
- Improve invoice processing FTE efficiency by automating routine tasks and providing intuitive role-based applications
- Increase process flexibility by using predefined interfaces

#### **Value Drivers**



# **Selected Business Scenario to Optimize Finance**

#### Sales Billing



#### **Functional changes**

- Integration with SAP digital payments addon to enable electronic and digital payments
- Standard API-enabling access and integration



#### **User experience improvement**

- SAP Fiori-based user experience across all process steps
- Role with new, dedicated SAP Fiori apps:
  - Billing Clerk
  - Sales Manager
- For additional information on roles and apps, visit the SAP Fiori apps reference library.

#### **Value Drivers**



# Customer with

#### Your Recommended SAP S/4HANA Business Scenarios

#### Line of Business Sales

The below information is based on the results of the Business Scenario Recommendations Report. Further investigation into the relevant capabilities should be carried out.

out.	
Incremental Value based on your Current Usage	Additional Value based on New Capabilities
Sales Billing	Complaints Management
Sales Order Management and Processing	Sales Contract Management
Delivery Management	Claims, Returns, and Refund Management
Sales Master Data Management	Sales Quotation Management
Price Management	Inventory Analytics and Control
Available to Promise	Solution Billing
Sales Monitoring and Analytics	Transportation Management
Sales Rebate Management	
Advanced Available to Promise	
Account and Contact Management	

**Activity Management** 

Opportunity Management

Sales Lead Management

#### **Selected Business Scenario to Optimize Sales**

Sales Order Management and Processing



#### Purpose

- Integrate order management and processing, from order to shipment and from billing to booking revenue, with a high-performance, real-time solution
- Support frictionless order processing from quote to cash
- Gain clear visibility by capturing sales data from multiple channels
- Enhance efficiency and security with role-based access to information
- Reduce days sales outstanding and boost overall sales effectiveness with a streamlined order management process



- Increase process flexibility by using predefined interfaces
- Increase sales force efficiency by providing a streamlined and predefined order management process
- Reduce customer churn by improving transparency into the status of orders and accelerating order execution
- Reduce order management cost by enabling back-office sales employees to work more efficiently with role-based. insight-to-action cockpits

#### **Value Drivers**



**Improve On-Time Delivery Performance** 



**Increase Sales Force Efficiency** 

SAP Road Maps for innovations related to the Sales Order Management and Processing (S/4 OP)

#### **Selected Business Scenario to Optimize Sales**

#### Sales Order Management and Processing



#### **Functional changes**

- Provision of credit management functionality for sales now with the SAP Credit Management application included in SAP S/4HANA Enterprise Management
- Foreign trade function now part of SAP S/4HANA for international trade; provision of basic letter of credit function by integration with the SAP Treasury and Risk Management\* application; and advanced letter of credit function covered by SAP Treasury and Risk Management\*
- Provision of revenue recognition functionality for sales now with revenue accounting functionality
- Unified customer experience thanks to native integration with SAP C/4HANA\*\*; low-touch order using exception-based order management
- Prediction of delivery delay with embedded machine learning capability
- Standard API-enabling access and integration



#### User experience improvement

- SAP Fiori-based user experience across all process steps
- Role with new, dedicated SAP Fiori apps:
  - Internal Sales Representative
- For additional information on roles and apps, visit the SAP Fiori apps reference library.

#### **Value Drivers**



Improve On-Time Delivery Performance



Increase Sales Force Efficiency



**Sketch the Future** 

Future SAP Product MAP

Results Day 3

#### Access your individual Product Map

- Link to customer Product Map (eByke for Dry Run)
  - Login with your personal S-User
  - Amend your Product Map



#### Selected Value Driver - Reduce finance cost 1/2

Related Capabilities (26)	Rationalization - "Reduce finance cost"
Accounts Receivable with Automated Line Item Matching (S/4 OP)	by automating postings and enabling self-service, mobile access to key account receivables information
Cash and Liquidity Management (S/4 OP)	by effective exception handling enabled by a high degree of process automation and monitoring capabilities
Cash Management (S/4 OP)	by effective exception handling enabled by a high degree of process automation and monitoring capabilities
Collections Management (S/4 OP)	by improving productivity of collection agents: prioritizing work to providing access to relevant customer service tools
Convergent Invoicing (S/4 OP)	by consolidating invoices and billing items from multiple lines of billing
Corporate Close (S/4 OP)	by automating and enabling group reporting and consolidation
Credit Evaluation and Management (S/4 OP)	by automating credit evaluation and limit-setting processes and using workflow to accelerate remaining manual activities
Debt and Investment Management (S/4 OP)	by automating transaction posting and position reporting in the general ledger
Dispute Resolution (S/4 OP)	by automating dispute creation and resolution while enabling self-service access to key account receivables information
Enterprise Contract Management and Assembly (S/4 OP)	by simplifying contract creation with legal transaction, flexible predefined context, and automated predefined content
Entity Close (S/4 OP)	by enabling automated, highly efficient closing tasks supported by single source of truth
Expense Management (Concur)	by reducing time to enter, categorize and approve expenses reports and purchasing card reconciliation
Expense Report Auditing (Concur)	by reducing time to audit and approve expenses reports, purchasing card reconciliation, and invoice approvals

#### Selected Value Driver - Reduce finance cost 2/2

Related Capabilities (26)	Rationalization - "Reduce finance cost"
Financial Accounting with intelligent GR/IR Account Reconciliation (S/4 OP)	by enabling real-time insights into open goods and invoice receipts for accounting and procurement organizations
Financial Reporting (S/4 OP)	by using predefined reports and configurable tools to analyze financial data in real time with granular drill down at the lowest level
Financial Risk Management (S/4 OP)	by automating reporting and using risk scenarios to create real-time hedging strategies
Financial Shared Services Management (S/4 OP)	by facilitating business process automation, process integration across business systems, and shared services delivery processes
Joint Venture Accounting (S/4 OP)	by increasing visibility into related costs for joint venture and partner billing
Overhead Cost Management (S/4 OP)	by providing a holistic view of the drivers of cost and the causes of underperformance
Payments and Bank Communications (S/4 OP)	by providing integrated bank account management capabilities that are linked to payment approvals and rule-based workflows
Product Costing (S/4 OP)	by enabling effective calculation of cost of goods manufactured and sold at each step of the production process
Profitability Analysis (S/4 OP)	by enabling what-if analysis to determine budget scenarios throughout the year
Real-Time Reporting and Monitoring (S/4 OP)	by accessing data including on-time delivery, price, and quantity accuracy
Sales Billing (S/4 OP)	by automating routine tasks and providing intuitive, role-based applications
Solution Billing (S/4 OP)	by enabling an efficient solution billing process and improving the accounts receivable process
Travel Spend Visibility (Concur)	by enabling tax groups insight into travel plans, ensure appropriate VAT reclaim

#### Selected Value Driver - Reduce days sales outstanding

Related Capabilities (7)	Rationalization - "Reduce days sales outstanding"	
Accounts Receivable with Automated Line Item Matching (S/4 OP)	by providing insight into outstanding and overdue customer positions, identifying accounts to prioritize for contacts	
Collections Management (S/4 OP)	by taking a strategy-based approach to prioritizing customers for collections activities	
Convergent Invoicing (S/4 OP)	by making bills easier to understand to ensure prompt payment without disputes	
Credit and Collection Management (S/4 OP)	by automating, continuously analyzing, and optimizing credit scoring and collections strategies	
Credit Evaluation and Management (S/4 OP)	by automating, continuously analyzing, and optimizing credit scoring and collections strategies	
Dispute Resolution (S/4 OP)	by having a single source of truth regarding dispute management with documented resolution history for prompt action	
Solution Billing (S/4 OP)	by reducing both the bill-creation time and customer complaints	



# **Build the Case**

Assessing the incremental financial benefit

#### Linking eByke\_PoV\_CustSpecificVLM's Vision to the Value of SAP



eByke\_PoV\_CustSpecificVLM Vision & Strategic Priorities

eByke\_PoV\_CustSpecificVLM's vision is to position the company as a *leading automotive* company by providing smart mobility vehicles and offerrings to meet customer needs.

To achieve its vision **eByke PoV CustSpecificVLM** is focusing on:

- Collaborative smart vehicle development
- Digitalization of end to end processess
- · Enabling smart mobility business models



#### How can SAP Help

By partnering with SAP,

eByke\_PoV\_CustSpecificVLM can

streamline the following processes and

accelerate its journey towards achieving its

vision:

- Asset Management
- Finance
- Human Resources
- Manufacturing
- Marketing

SAP can help **eByke\_PoV\_CustSpecificVLM** in accelerating the journey to the intelligent enterprise.



#### **Business Benefits**

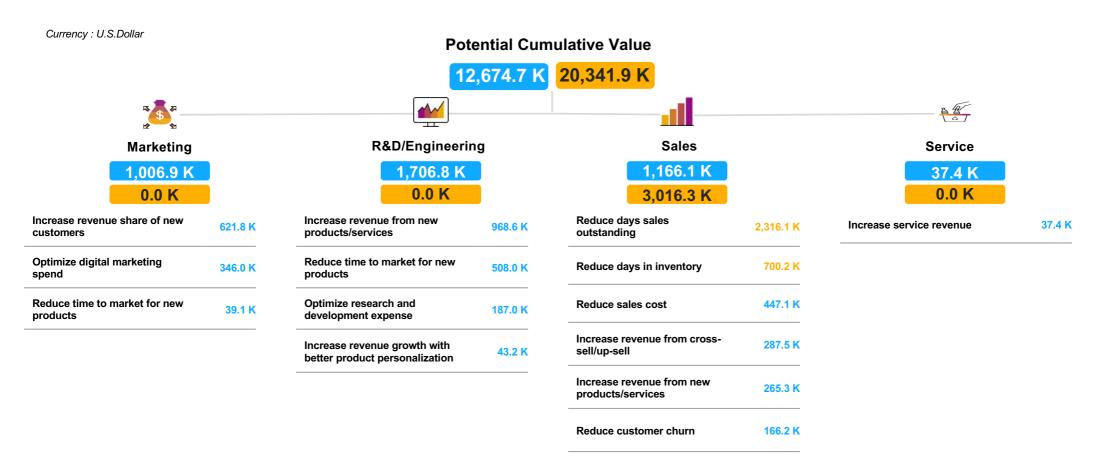
**eByke\_PoV\_CustSpecificVLM** can realize significant benefits through process improvements:

- 12,674.7 K in annual recurring benefits
- 20,341.9 K in one-time benefits

This analysis elaborates on the potential benefits that SAP solutions can enable for eByke\_PoV\_CustSpecificVLM.

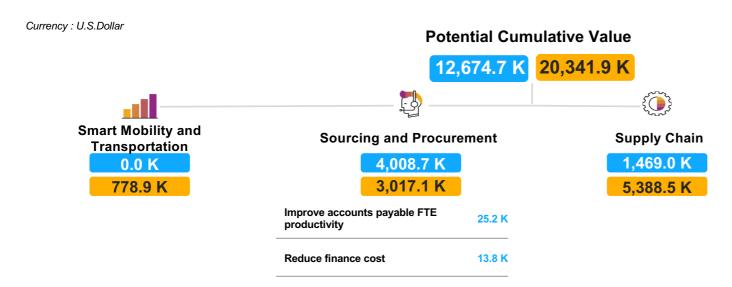
<sup>\*</sup>The steady state benefit represents the potential benefit that can be gained in an year by considering 100% realization for the value driver
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Currency: U.S.Dollar **Potential Cumulative Value** 12.674.7 K 20,341.9 K Manufacturing **Asset Management Finance Human Resources** 465.4 K 505.1 K 809.0 K 1,500.2 K 0.0 K 8,141.2 K 0.0 K 0.0 K Reduce asset maintenance Reduce manual transaction Reduce total manufacturing Reduce days sales outstanding 5,124.0 K 411.5 K 182.8 K 1,034.3 K cost and HR administration effort cost Improve days payable Reduce un-planned downtime Reduce time to market for new 3,017.1 K 103.9 K 93.7 K Reduce turnover 234.4 K outstanding or outages products Improve payroll management Reduce finance cost 712.4 K 78.0 K Reduce inventory carrying cost 231.4 K function efficiency Reduce audit cost 54.9 K Reduce time to fill 77.5 K Improve supplier/external Reduce employee manual 24.9 K 23.1 K partner compliance transaction effort Improve accounts payable FTE 16.8 K productivity



Currency: U.S.Dollar **Potential Cumulative Value** 12.674.7 K 20,341.9 K **Smart Mobility and Sourcing and Procurement Supply Chain Transportation** 1,469.0 K 0.0 K 4,008.7 K 778.9 K 3.017.1 K 5.388.5 K Improve days payable 5,388.5 K Reduce days sales outstanding 778.9 K 3.017.1 K Reduce days in inventory outstanding Improve sourcing savings on Reduce total logistics cost 761.4 K 1,958.8 K indirect spend Reduce inventory carrying 694.3 K Improve user compliance 812.2 K Reduce revenue loss due to Improve sourcing savings on 13.3 K 715.3 K stock-outs direct spend Improve procurement FTE 274.7 K productivity Improve tactical sourcing 158.8 K savings Improve supplier/external 49.9 K partner compliance

Note: The steady state benefit represents the potential benefit that can be gained in an year by considering 100% realization for the value driver





Plan the Change
Your transition preference

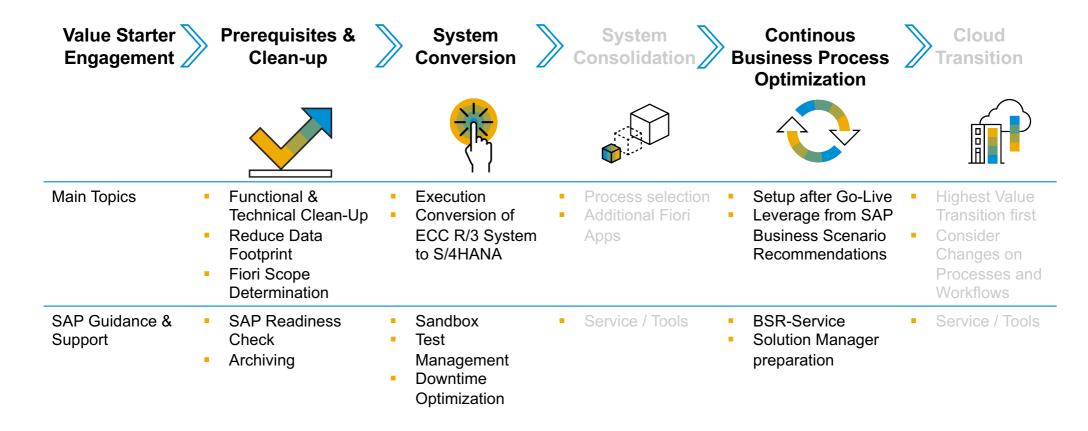
# Plan the Change

Questions influencing the choice of the transition scenario to SAP S/4HANA

	Reusing by in-place conversion		Reengineering with New Implementation		
<b>■</b> →□→□	Do your current business processes support long-term strategy of the company?				
	Yes	Unsure	No		
	Can you adopt the Best Practices to modernize Core Business Process?				
Ų. ·	No	Unsure	Yes		
	Is your project funded by the IT department?				
	Yes (IT funding)	Mixed Funding	No (Business Funding)		
<b>⊞→</b> ■	Is Landscape consolidation a key value driver for SAP S/4HANA adoption?				
	No 💞	Unsure	Yes		
	Do you require previous transactional data to be available in SAP S/4HANA?				
	Yes	Unsure	No		
C:\	Can you move to SAP S/4HANA in a one-step procedure?				
	Yes	Unsure	No		
<u></u>	Do you have a large number and/or very complex interfaces to other systems?				
	Yes	Unsure	No		
	Can your company sustain a multiyear innovation plan with incremental innovations?				
	Yes	Unsure	No		

#### **Technical Improvement Pattern**

Main Project Phases





#### **Explore S/4HANA**

#### See how S/4HANA can help your business accelerate growth

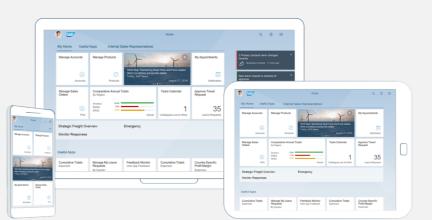
# S/4HANA Customer Story Finder



Find out how organizations that have made the shift to an intelligent ERP system are realizing remarkable results.

More on the <u>SAP S/4HANA Customer Story</u> Finder

#### S/4HANA Fiori Library



Explore, plan and implement SAP Fiori, the latest user experience from SAP including all relevant content for the SAP Fiori launchpad

Check out Fiori Lighthouse scenarios

**S/4HANA Trials** 

Experience SAP S/4HANA in the cloud or on-premise first-hand to see the benefits of the world's first intelligent ERP

Start your S/4HANA trial here

#### Prepare for the S/4HANA

Evaluate both technical and process related aspect of the S/4HANA Adoption

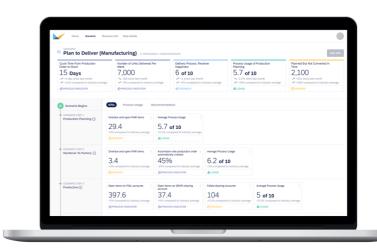
#### **SAP Readiness Check**



Learn the **technical requirements and actions** for a system conversion to S/4HANA.

Based on configuration and usage data for customers already on SAP ECC 6.x.

**SAP Spotlight** 



Actionable insights From All Your Systems Spotlight helps you become **operationally excellent** and focus on what matters most.

To your personal process report with **Spotlight** 

# **Results capturing**

LoB	Follow-up item	Resources	Action items	
Finance	<ul><li>Cash management</li><li>Credit management</li></ul>		Demo session to be organized by AE Recommend the use of a CAL image	
S&P	<ul> <li>Recommend ES or PE Service for further investigation on critical KPI's</li> </ul>			
Sales	<ul> <li>Recommend ES or PE Service for further investigation on critical KPI's</li> </ul>			
Supply chain		<ul> <li>Cards Game - get gamified with the capabilities</li> </ul>		\$
Manufacturing				
Asset management				
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# **APPENDIX**



#### **Additional Tools, Assets and Services**

#### **Functional activities**

- SAP Help Portal for SAP S/4HANA 1909
- Fiori Apps Library

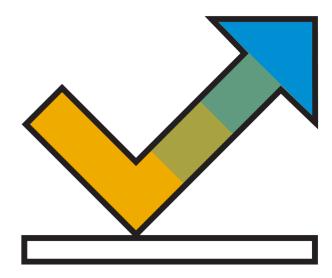
#### **Technical activities**

- SAP Readiness Check
- Execute and Understand SAP Readiness Check with EGI Services via SAP Learning Hub
   Log into your SAP Learning Hub and search for EGI Readiness Check

#### **Data Volume Management**

- Reduce Data Footprint
- SAP Enterprise Support Academy and CQC Service

For Additional Offerings please reach out to your SAP Representative



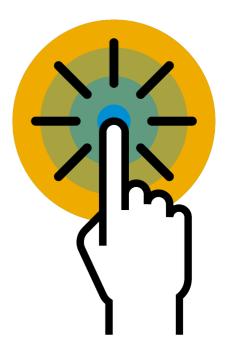
#### **Additional Tools, Assets and Services**

#### **Transformation to the Intelligent Enterprise**

- Blog: Prepare for your first Conversion
- CQC Services, i. e. CQC Going Live Support
   SAP Enterprise Support Academy and CQC Service

#### Fiori setup and activation

- Role-based authorization model
- Fiori Launchpad as Central Entry Point within SAP S/4HANA SAP S/4HANA User Interface Technology Guide



For Additional Offerings please reach out to your SAP Representative

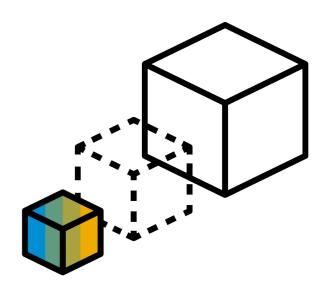
### **Additional Tools, Assets and Services**

#### **Harmonize System Landscape**

 SAP Standard Processes are described in the SAP Best Practice Explorer

#### **User Interface Strategy**

Fiori adaption of consolidated processes
 Fiori Apps Library



For Additional Offerings please reach out to your SAP Representative