

SUGEN DIGEST

SAP User-Group Executive Network



SUGEN DIGEST Q4 2022 - Foreword

by Gianmaria Perancin, Chairman SUGEN CLT, Chairman *Utilisateurs SAP Francophones (USF)*

Finally, back in presence !!!

If we had to underline the major key success of the F2F, it should be mentioned that we were physically together, for 3 days, in the same wonderful space at the SAP AppHaus in Heidelberg.

We weren't only voices and faces on Microsoft Teams meetings anymore, nor sitting on our chairs, in our room at home or at the office, trying to establish a connection with someone sitting somewhere in another room and part of the world... and generally very far from us. On the contrary we were back TOGETHER, AGAIN. And FINALLY.

Last meeting under such conditions takes us back to 2019, three years ago. In the meantime SUGEN has worked, as all of you know, and we have done a lot of work. But clearly, the fact that we were able to share the same physical space together... well, it was a source of a strong and needed regeneration.

This F2F was also very particular for the density of the exchange we had with SAP executives.

Questions and feedbacks were open and direct, but also more intensive than in the past. Probably, the set-up of the meetings - all sitting around the speakers, and not at the usual table in a formal meeting room - allowed all the people, both on SUGEN and SAP side, to feel at ease during the extremely constructive interactions we had. This is why very likely, the future SUGEN F2F will be hosted again at the AppHaus : to keep this atmosphere of co-construction between SUGEN and SAP, on the various topics we will have to discuss in the future.

One outcome we could clearly be proud of is our capacity to have bidirectional exchanges between SUGEN and SAP : there is no descending information, but instead intensive exchanges with all the participants.

SAP clearly delivers value to SUGEN, by providing contents and information about roadmaps and services. SUGEN delivers clear value to SAP, through the engaged presence, feedbacks and influence. And this emerges from the different articles that compose this edition of the DIGEST.

Enjoy reading !!

Gianmaria Perancin



SUGEN Group Picture November 2022

Executive Exchange on SAP Product Engineering - November 30

Thomas Saueressig, Member of the Executive Board of SAP SE for SAP Product Engineering, kicked off the session by emphasizing the importance of the feedback provided by User Groups. He outlined that SAP is executing its strategy in a continuous and consistent way, while getting the portfolio together via integration remains a key aspect.

Also triggered by User Group feedback, Thomas announced that 3.500 open APIs and 2.500 pre-configured integration scenarios can nowadays be found in the [API Business Hub](#).

One of SAP's main goals is to form a network of intelligent enterprises. One example of this is the automotive alliance "Catena-X", which leads to improved supply chain visibility as well as sustainability. Following this path, all applications should be network-aware in the future.

With regards to sustainability, SAP is working on establishing a data model which enables the measurement of the carbon footprint, here he referred to existing solutions in this area such as the [Sustainability Control Tower](#), [Circular Economy](#), [Climate Action](#) or [Social Responsibility](#).

According to Thomas, SAP is differentiating from competitors in the area of sustainability, as they are working on changing processes in order to credibly fulfill the necessary requirements, also with regards to ESG (Environmental Social Governance) criteria.

In the discussion part, Thomas outlined the importance of RISE as a service offering for customers, that is supposed to guide them on their digital transformation journey. Besides that, he provided insights into a few highlights of SAP's product portfolio such as the finalization of SAP's Next-Generation Cloud Delivery program, which means the transformation of the cloud infrastructure and operations to increase availability, responsiveness, and performance for all customers. Moreover, he elaborated on the increased industry focus of the Customer Experience solutions as well as the progress regarding Industry 4.0 solutions such as Digital Manufacturing Cloud or Integrated Business Planning, now also integrated in SAP S/4HANA.

Talking about the move to the cloud, Thomas described there is a clear trend of customers wanting to utilize cloud solutions.

While cloud is becoming the predominant factor, the on-premise footprint is more and more decreasing.

Still, some countries seem to be more hesitant with cloud, depending on the industry and product category, but also local or cross-country legislations and regulations (ex

GDPR in EU). In these cases, local activities are being driven to fulfill the customers' requirements concerning data centers and security, and show SAP engagement in offering solutions and answers that are able to reassure customers and sustaining their compliances and business models.

In future IT landscapes the SAP Business Technology Platform will play a key role, as an agile innovation platform and enabler to get integrations as well as extensions across. Keeping the core clean and implementing extensions side-by-side will lead to less modifications and therefore more cost savings.

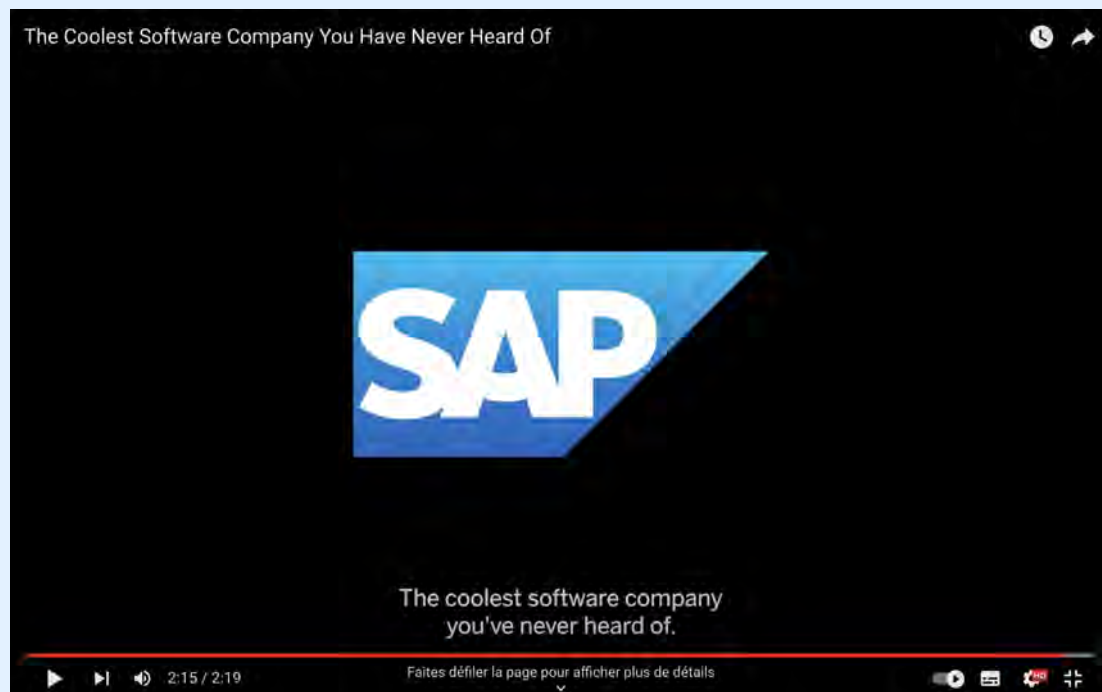
Another topic was the new low code/no code solution [SAP Build](#), which has just recently been announced during SAP TechEd. With the help of this solution, more technology-interested business users should be attracted.

Moreover, the IT skills/resources gap in the SAP Ecosystem has been discussed. Besides other existing initiatives, the newly announced partnership between [SAP and Coursera](#), one of the world's largest online learning providers, has been mentioned. By this partnership, a huge variety of free learning resources can now be offered.

Thomas provided an update on SAP's One Domain Model efforts and outlined that about 80 domain models have already been aligned across products, but there is still work to do. There will be another deep-dive session, especially focusing on this topic, in the future.

Concluding the session, he emphasized that the role of SAP needs to be elevated, so it is not only being perceived as a back office company. There need to be better explanations on how SAP actually helps the world and the market. To serve this purpose, a [Youtube video](#) has been launched a couple of months ago.

Gianmaria Perancin



Executive Exchange on SAP's Corporate Strategy - December 5

In the beginning of his session, Chief Strategy Officer at SAP SE Sebastian Steinhäuser described three pillars of SAP's strategic direction:

1. Business agility,
2. Supply Chain resilience, and
3. Sustainability outcomes.

The aim is to create customer value as well as to help customers to quickly adapt to an ever-changing environment, as the world is going through a period of unprecedented volatility. Businesses are craving answers and solutions at a time when making the right call is more important than ever. The consequences are big. The time is now. Executing change in an agile fashion will become a competitive advantage in the future.

Business Agility:

Sebastian described RISE with SAP as a Business Transformation offering with the idea to help customers in a totally different engagement model including the improvement of business processes. With the ERP at the core, the SAP Business Technology Platform helps to provide an integrated value proposition. It has become the core foundational layer of all applications, enabling integration as well as extensions. Customers and partners are providing very positive feedback, saying there is a great advantage in leveraging the SAP BTP.

Sebastian also shared his vision about ecosystem partnerships and outlined the approach to focus on areas where SAP is strong, while complementing other areas with a strong partner ecosystem.

In the lines of business, a growth above market average can be observed, as the focus there is lying on the core value propositions of the different solutions. Business Networks such as Taulia for financials are more and more being established and could create significant and unique value to SAP users. Besides all positive aspects, he also mentioned improvement potentials such as a more ecosystem-centric and a more customer-value-oriented approach, as well as more flexible commercial models. The value should be derived by an integrated portfolio with solutions including intelligence inside, that can be implemented easily. The long-term aspiration is to sell business processes solving concrete business challenges instead of just selling solutions.

Supply Chain resilience:

As another strategic pillar, Supply Chain resilience means to react with agility to disruptions. An integrated suite across planning, supply chain and procurement with real-time insights and sharing of data across value chains, enables this. Despite the global recession, organizations are still looking into getting a better ESG (Environmental, Social, Governance) data foundation in place to improve the measurement.

Sustainability outcomes:

As the third strategic theme, Sebastian considers that is not about "why" anymore, but rather about "how" to tackle the challenges. SAP is aiming to embed sustainability principles through the entire business in the end-to-end processes, leading to higher quality data and being able to fulfill increasing reporting requirements. Sebastian considers also that SAP is in a unique position, with 80-90% of the world's transactions touching SAP systems.

Discussion

In the discussion, Sebastian outlined that the innovation efforts focus on continuous improvement of the existing solutions. Helping customers harness the full power and utilize all functionalities of their applications after a new update is the goal.

In the on-premise times major announcements of enhancements and new solutions are no longer the standard in the cloud world. There we will rather see functionality and enhancements continuously delivered.

With regards to the SAP Business Technology Platform, Sebastian emphasized in the discussion that customers as well as partners have the opportunity to build solutions themselves. Especially an increased creation of industry-specific solutions by partners on the SAP Business Technology Platform can be observed. This serves the 'clean core' concept, which says that all modifications and extensions should be moved outside the core ERP. [SAP Build](#) is complementing and extending it, by enabling citizen developers to build solutions on the SAP BTP.

Another discussion topic was the lack of skills and resources in the SAP ecosystem. While the large system integrators are investing significantly, this is not always the case for smaller, more regional partners.

Finally, regarding the end of maintenance for ECC6 in 2027 with the option to extend it until 2030, this deadline will be kept.

Gianmaria Perancin



Best Practice Session - Driving Members Back to Live Events, November 8

by Craig Dale, CEO, UK & Ireland SAP User Group (UKISUG)

User Groups are communities built on relationships and the trust we form with our members and partners. Many of our members are still languishing in post-covid isolation and only engaging with colleagues, partners and customers via Teams or Zoom.

One of the key value propositions of our User Groups has been the networking and education that face to face events can deliver to our communities. So, post-pandemic, how can we drive our members back to live, in-person events?

UKISUG (UK & Ireland) have seen a slow burn in getting their members back into the face to face environment through 2022. After managing to deliver a somewhat successful 2021 Annual Conference amidst the rising of the Omicron variant of COVID and storm Arwen, there were positive vibes ahead of their 2022 calendar. Members did not rush out in their droves early in the year, with numbers rising slowly as time progressed. Numbers for their Annual Conference at the end of November are positive and they are hopeful to reach 90% of pre-pandemic attendance.

In France, USF have had a very successful year, receiving record numbers to their Annual Congress in October. USF's aim is to place the USF community at the core of the SAP ecosystem and they certainly have a very strong following throughout France. They attribute a lot of the success of their Annual Congress to their Nomadic style, delivering their annual event in different regions of France. Each City they attend has an effect on both delegate numbers and type, and the host City for their 2022 event, Lyon, has delivered strong numbers each time they have been there. Attendance at the Annual Congress is included in the membership fee and organising an event for 1,860 people is no mean feat. When you take into account it is 100% managed and delivered by the USF back office, their success is amplified.

Throughout 2022, AFSUG delivered a number of successful events, including the Tech-Ed style Developer Days and the participation of our SIG leads at the Zimbabwe User Group annual conference. These events were instrumental in paving the way for AFSUG to consider how to integrate smaller user groups, that are fragmented within Africa into one strong and unified African SAP User Group.

The majority of AFSUG events were delivered online throughout 2022. The four in-person events have been highly successful in defining a path for hosting in-person events that recognise there must be a hybrid model that transforms the experience from a virtual to an in-person experience, considering that we must accommodate the

new norms as well.

SBN discussed the challenges brought to bear by the geographical spread of their members in Norway. Hybrid has been the way forward for SBN since 2018, which came from the demand of their members. A number of groups have delivered hybrid events and to ensure face to face participation, 'VIPs' who they wanted there in person were individually targeted. Exhibitors were at the live event and also presented online. The conference-presentation functionality developed for the virtual conference will be reused onwards. These events have been very successful for SBN as they battle with their geographical challenges and reach an increasing number of SAP professionals year on year.

Like USF, ASUG Argentina do not charge for members to attend their annual event and only levy a charge on partners and non-member participants. Similar to the UK & Ireland, it has been a gradual return to face to face in Argentina, with their annual event in September reaching approximately 50% of pre-pandemic numbers. To reach their members who could not travel, Keynotes were live streamed to an additional online audience.

Overall there was a positive outlook from the groups with different delivery methods receiving diverse responses in the communities, but the overarching feeling was that members were glad to be back seeing each other in person.

After enjoying a very nice pizza lunch, we discussed our successes and challenges, which was a lively discussion and included

Challenges

- Recruitment and staffing. We are a strange industry and both finding and embedding the right people takes time.
- Leveraging SUGEN network for content, etc. How can we work better together and share more?
- Community platform - how do we find the right platform for delivering a member portal, including a collaboration tool for our members?
- How do we get SAP customer data to promote membership?

Successes

- UKISUG are progressing with the delivery of their strategy and launched a new tone of voice this year, which has come together very well.
- USF demonstrated their community/member platform and SAUG also utilise a member portal tool to delivery their services to members.
- VNSG have over 100 volunteers, aim to make them more visible to their community and have launched a new 'SIG' offering to members.
- LinkedIn has been leveraged with varying success to track companies using SAP as well as monitoring partner websites for customer references.

Craig Dale



SUGEN Best Practice session - Amanda Gibbs, South African User Group, AFSUG



Executive Exchange on Sustainability, November 10

by Per Högberg, SAPSA Board Member, Swedish User Group, SAPSA

Per reiterated on the SUGEN Sustainability Initiative and emphasized the goal of establishing a green ledger, which is not supposed to only focus on an SAP solution, but should be interoperable.

Another major goal of the initiative is to establish common and verifiable sustainability values - based on UN 17 Sustainability Goals - which can be measured. With the power of SUGEN as a non-profit network, this can be made happen.

Christian Boos, Head of SAP's Sustainability Innovation Engagement, outlined SAP's strategy, which aims to transform organizations into intelligent, sustainable enterprises. Sustainability spans over all end-to-end processes such as lead-to-cash, design-to-operate, source-to-pay and recruit-to-retire.

He explained that SAP is executing across three pillars, the "SAP Cloud for Sustainable Enterprises", a flexible commercial offering to address customers' dedicated sustainability needs, besides that the "Green Line" has been mentioned, which means that sustainability should be embedded into the above mentioned end-to-end processes. The third pillar are strong strategic partnerships to facilitate customer adoption and build an ecosystem of 3rd party solutions.

We also dug into the different SAP Sustainability solutions such as the Sustainability Control Tower, which should help to measure ESG factors, assist strategic decision-making and enable organizations to comply with regulatory reporting. Climate Action is supposed to help organizations reduce their carbon footprint with inbuilt integration capabilities. Circular Economy focuses on eliminating waste, delivering a resilient supply chain and enabling regenerative business models. Social Responsibility works around the social aspects of sustainability such as overcoming inequality and protecting human rights.

Different innovation initiatives introduced and asked the SUGEN members for their

areas of interest in order to offer deep dive sessions on these topics. “Green Ledger”, “Data Exchange Management” and “Circular Manufacturing” seemed to be of interest here and received most votes by the participating members.

Per Högberg



Executive Exchange on SAP Artificial Intelligence, November 9

by Frank Haes, Chairman, *Belgian SAP User Group, SAPIence.be*

Dr. Feiyu Xu is SAP Senior Vice President, Global Head of Artificial Intelligence. Feiyu has in-depth knowledge and extensive experience in the areas of AI platform development, conversational AI, knowledge graphs, information extraction, business intelligence, and big-data text analytics.

Through her various functions, she has obtained broad experience of the total cycle of innovation in her expert areas - ranging from basic research via AI development all the way to products and their commercialization.

John has loved Mary for three decades.

Thirty years ago, an artificial intelligence (AI)-based program needed several minutes to understand that John was the subject and Mary was the object of the word “love.” Today, we can translate pages of documents in milliseconds, unlock our mobile phone by looking at it (3 AI tools to make it happen), and reveal which plant, animal or product is in front of us through tools like Google Lens. (quote from opening of Feiyu’s session at Sapphire Orlando).

Thanks to enormous evolution in high-performance computing, big data and machine learning we have today commercialized AI. AI is not a product on its own, but is more and more integrated into tools to become automated and deliver an enhanced experience.

To utilize AI into business processes, data team needs to work together with business domain experts (e.g. sales/service/production/...) to understand their areas of working and problems.

One of the main focus areas for AI should be more on empathy and make machine(s) more human like and close to the needs of people in business. Create labs to simulate real life cases. Feedback by User Groups on AI appreciated.

Today SAP AI is embedded across LOBs & end-to-end processes such as Lead 2 Cash, Design to Operate, Source to Pay, Recruit to Retire. Some examples in the SAP portfolio are

- Concur travel expenses. Take picture from your bills and the information will be directly transferred into data
- Forecasting spare part consumption through historical data and AI will reduce inventory

In the 3 pillars (Transformative Intelligence, Adaptable Innovation, Trusted), the ‘Trusted’-pillar is the one that makes AI credible in business context. The trust part is not only about data privacy (GDPR) but also about the trustworthiness of the AI result. Is it 80% certain or 99,9%. Where does the result come from, should also be addressed to understand the origin of the result.

Given the complexity of AI local market unit(s) don’t have the right experts yet available. This topic should be regularly scheduled on the SUGEN agenda to have knowledge transfer to the UG’s. Proposal is to have a quarterly topic on the SUGEN calls, including F2F SUGEN meetings.

Frank Haes



Executive Exchange on SAP S/4HANA, November 9

by Joan Torres, Chairman, *Spanish SAP User Group, AUSAPE*

Bert Schulze, Vice President SAP S/4HANA Product Success & Cloud Co-Innovation, started his session by outlining that business models are shifting nowadays, due to global crisis such as Covid-19 or economic downturns.

Fueled by digitization, subscriptions are more and more replacing the traditional ownership in many industries, such as consumer products or automotive. Especially in the consumer products industry, the evolution from mass production to customized products can be observed.

On top of that, sustainable business practices are significantly gaining importance. Given all the mentioned developments, questions around how to shorten the time to value, how to benefit from automation or how to ensure operational excellence & cost control, arise. One crucial pillar to successfully tackle these challenges is a modern IT platform.

In the past, too many organizations have only done a technical migration to SAP S/4HANA, without redesigning their business processes. This led to negative feedback from customers, as they have not been able to benefit from the innovations this modern ERP system has in store.

Acknowledging that the move from any legacy system to SAP S/4HANA is a huge step, it needs to be done in a way that organizations can really harness the system's power in the end of the transition. Each customer is different, from a technical perspective as well as from their mindset, therefore Rise with SAP is designed to take all customers on the journey.

From his role as lead of the SAP S/4HANA Regional Implementation Group (RIG), Bert also talked about the experiences he has made in many different customer projects. A greenfield implementation project for example does not mean starting from nothing, this is often a wrong perception.

Another observation from these projects is that in average more than 50% of old custom code is not necessary anymore, as those functionalities are often either included in SAP S/4HANA or not being used anymore.

There are many offerings guiding the customers' journey, such as [Experience Trials](#), Fit2Standard workshops or [SAP Activate](#) and the Enterprise Management Layer. In his presentation, Bert highlighted a few additional, valuable resources around SAP S/4HANA:

- [SAP S/4HANA Value Customer Stories Flipbook](#)
- New openSAP course "[Gain technical knowledge on SAP S/4HANA Cloud, private edition](#)"
- openSAP course "[The Business opportunities of a Digitally Transformed Economy](#)"
- openSAP course "[Guide Your SAP S/4HANA Project to Success](#)"
- [Upgrading SAP S/4HANA - How, Why, and Best Practices](#)

Joan Torres



Executive Exchange on SAP New Ventures & Technologies, November 10

by Philip Adams, Board Member & Ireland SIG Chair, *UK & Ireland SAP User Group (UKISUG)*

Martin Heinig, Head of SAP New Ventures & Technologies, kicked off his session by outlining SAP's legacy of 50 years in Enterprise Resource Planning software and emphasizing ongoing developments with the aim to meet customer organizations' biggest challenges.

The unit he is heading, SAP New Ventures & Technologies, focuses on new/emerging technologies in the IT space. Among these technologies, Blockchain, Quantum Computing, Next-gen AI or New Cloud Architectures can be found. He divided his session in three long-term innovation themes that will shape the future:

- Future of business networks
- Future of business decisions
- Future of business processes

Along these themes, different practical examples/proof of concepts, which are not available on the market yet, have been shown and described.

As part of the future of business networks, the introduction of a digital, self-sovereign identity is being investigated by Martin's team. This identity could simplify identity management in business processes and replace the traditional paper. In order to enhance business decision making in an uncertain and complex environment, influenced by supply chain disruptions, covid lockdowns or high inflation rates, a business decision simulator could help.

By feeding the simulator with different parameters, it provides proposals for the best possible business decision that could be taken. It could for instance suggest, which influencing factors need to be changed in order to optimize the trade margin or liquidity planning and sustainable future. With regards to the future of business processes, SAP would like to close the gap between the design of business processes and how they really run by combining business process modelling with process change implementation. The aspiration in this area is to offer pre-configured, best-in-class business processes as solutions for concrete business problems. This vision come true by introducing of a composable business process platform, where SAP and partners offer standardized business process content and functionality, with a unified consumption and development experience.

Furthermore, Martin talked about Quantum technologies as a game changer in the future, but as of now, they are still immature and it will most likely be a multiyear journey, working with customers to define use cases.

The same is true for the Metaverse, where SAP is planning to support its customers who are doing business there, e.g. by enabling payments with crypto currencies or the tokenization of goods. The personalization of data in the business world has been mentioned as another topic where there's potential for improvement looking forward.

Smart contract could act as an example here. Towards the end of his session, Martin said that the User Groups' feedback on the above-mentioned concepts is important and possible customers who are willing to participate in future use cases are very welcome.

Philip Adams



SAP Global User Groups Organization Update, November 9

by Yasmin Awad, SVP, SAP Global User Groups Organization

2022 and Beyond

In her update on the SAP Global User Groups Organization (SAP GUGO), Yasmin Awad provided a detailed overview on her department and how her team supports the user groups in their daily business.

Each user groups has their very own liaison manager that:

- Ensures and facilitates a close relationship and dialogue between SAP and the local user groups both on a global a regional level
- Drives all strategic topics and user group priorities as SPOC on SAP side, including briefings, event and speaker support, joint rollouts, and customer feedback sessions

Besides the liaison managers, SAP GUGO has set up a dedicated knowledge transfer team for the user groups that:

- Provides end users with product- and solution-specific knowledge content
- Sets up and hosts webinars, workshops, panel discussions and expert chats
- Can help you create localized contents and formats for your members
- Bundles its offering on [SAP K4U](#)

Following the SAP GUGO intro, Yasmin Awad used both SAP's 50th and SUGEN's 15th anniversaries as an occasion to highlight the importance of the user groups as a voice of customers and emphasized how strong and powerful the bond between SAP and its user communities is. She illustrated the most important successes, for instance, how the user groups have influenced the continuation of SAP standard support, the prolongation of maintenance deadlines, and the creation of SAP S/4HANA. These milestones could not have been achieved without the valuable influence of the user groups and the successful collaboration with SAP.

Although there have been many positive joint achievements in the past, the user groups are also facing challenges. Yasmin used her slot to dive into the following guiding questions that she feels user groups need to have on top of their minds:

- How can user groups attract new members (particularly in terms of age, diversity, business or technical backgrounds)?
- How can user groups diversify their member profiles looking also into the moves from on-premise to cloud?
- How can user groups ensure financial stability with an economic crisis looming (sponsoring, membership and event fees, etc.)?
- How should user groups address a significantly reduced willingness to volunteer?

Yasmin concluded the session with an open discussion on how the user groups see these questions and, more importantly, how SAP GUGO can help and assist going forward. There was agreement to create an overview of best practices, examples of successful collaborations and joint achievements.

Yasmin Awad



SUGEN F2F November 2022