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Why go for Simple Logistics?

**Increased throughput**
Increased system throughput by eliminating data redundancies and reduced data footprint

**Scalable infrastructure**
Optimized system landscape and reduced number of systems gives customer high performance with lower TCO

**Reporting & analysis**
Real time analytics at the lowest level of granularity on primary transactional data, without aggregates

**User experience**
Increased business user productivity with beautiful, role-based UIs and availability on multiple devices

**Why go for Simple Logistics?**

- **New Devices!**
- **New Technologies!**
- **New Services!**
- **New Data!**
- **New Tracking!**
- **New Markets!**

Core ERP, Finance, Human Resources

- Procure to Pay
- Plan to Product
- Order to Cash
- Request to Service

- QR Codes
- RFID, Sensors
- Localization services
- Procurement, CO2 tracking, GRC standards
- Photos, Video, Datas, Maps

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What is SAP S/4HANA Simple Logistics?

LoBs touched by the solution

Supply Chain
Sales
Sourcing & Procurement
Sustainability
Manufacturing
R&D and Engineering
Asset Management
Service
SAP S/4HANA Roadmap

**Disclaimer:** This roadmap represents SAP’s current plan, but subject to change without any prior notification. Certain planning constraints such as regulatory and licensing issues are outside of our control and may impact the timelines.

**Continuous innovations without disruption in 2016 and beyond**

- **Quarterly innovation cycle**
- **Yearly innovation cycle**

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**SAP S/4HANA**
- On-Premise Edition
- Public Cloud Edition
- Managed Cloud Edition
- On-Premise Edition (next shipment)

**Planned Innovations**

- **Today**
- **Enablement of new architecture**
  - Support of Professional Services incl. Sell-from-Stock, Plan-to-Procure, Procure to Pay scenarios
- **Leverage new architecture across broad scope**
  - Support first logistic-centric scenarios, based on BAI0 scope
- **Enable full scope for complete logistics scenarios (e.g., production, warehousing, PLM)**
  - Support logistic-centric scenarios, based on ERP scope

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Inventory Management: Aggregates eliminated

Classic Suite

S/4HANA

+ redirect

26 aggregate tables

1 document table

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**Material Valuation**

### SIMPLE DATA MODEL
- 4 tables remaining, no redundancies
- Clear separation of master data from transactional data
- Reduction of memory footprint

### SIMPLE PROCESSES
- Only one valuation method (Material Ledger) instead of 2 (IM + ML)

### THROUGHPUT INCREASE
- INSERT only on database level
- No locks for standard price valuation

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## Principle of code push down in MRP Live

<table>
<thead>
<tr>
<th>Dispatcher</th>
<th>App-Server</th>
<th>DB-Server</th>
<th>Dispatcher</th>
<th>App-Server</th>
<th>HANA</th>
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<td>Read planned orders</td>
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<td>For all planning file entries with the same low-level code</td>
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<td>Read production orders</td>
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<td>Read sales orders</td>
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<td>Read stock transfer demand</td>
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Material Requirements Planning optimized by HANA

**MRP Run**
Performance improvement:
- Scenario dependent up to 10 times faster
- Data Storage reduction by 5 times
- New mode supports procurement and in-house production, delivery schedules and configurable materials
- Classic mode for subcontracting, capacity planning and discontinuation

<table>
<thead>
<tr>
<th>Step1:</th>
<th>Read</th>
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</thead>
<tbody>
<tr>
<td>Step2:</td>
<td>Algorithm (Netting, Lotsizing...)</td>
</tr>
<tr>
<td>Step3:</td>
<td>BOM Explosion/Configuration In-house production, subcontracting</td>
</tr>
<tr>
<td>Step4:</td>
<td>Write</td>
</tr>
</tbody>
</table>

**MRP Analysis**
System analyzes the material flow of all materials in real time and identifies:
- Disruptions in the material flow
- The impact of these issues
- Solution proposals for decision support
- The remaining time-to-action
- Role based KPI driven entry
- Running on any device
- Adoptable and personalizable
Comprehensive Plan to Produce in ONE System

Current functional model

- APO-PP/DS
  - HANA Platform incl. Live cache
- ERP
  - HANA Platform incl. Live cache

Planned

- PP/DS
- ERP
  - HANA Platform incl. Live cache

Planned Improvements

- UI Harmonization
- CIF Simplification
- Master Data Harmonization
- Analytics

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Sales Order Fulfillment Cockpit

Value Creation through:

1. Performance Value
   - Real-time data integration
   - Single-query access to data

2. Process Innovation
   - Provide internal sales representative a single source of holistic transparency on sales order fulfillment issues on desktop and tablet, driven by exceptions.
   - Enables the clarification of issues effectively and efficiently, by decision support, collaboration, and appropriate actions.
   - Exception based working model, ‘no touch order’
ATP – Available to Promise optimized by HANA

**ERP:**
- Simple product availability check and very simple product allocation check
- Manual material determination and semi-manual plant substitution (one-on-one)
- Material-/plant-based backorder processing for sales orders
- Simple transportation and shipment scheduling based on days (and hours)

**APO:**
- Very fast product availability check and sophisticated product allocation check
- Automatic and condition based product and/or location substitution
- Sophisticated and highly generic backorder processing
- Sophisticated transportation & shipment scheduling on seconds

**S/4HANA:**
- Very fast product availability check and use-case-driven product allocation check
- Intelligent and fully automated selection of best confirmation based on current ATP-situation and taking into account existing master data like:
  - Alternative plants
  - Substitutable materials
- Backorder processing with intuitive requirement classification and simple selection criteria.
- Automatic exception handling.
- Simple ERP-based transportation and shipment scheduling

Additionally:
- Easy to use and device independent ATP explanation and simulation App
- Interactive backorder processing
- Unified and simplified data-model.
- No distributed data.
Purchasing Processes

Key Features and Benefits

- Application tailored to the users’ needs
- SAP Fiori Launchpad that provides real time and relevant KPIs for procurement issues
- Multi-device solution: available on desktop, tablet and smartphone
SAP S/4HANA Roadmap

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**Today**

- **SAP S/4HANA On-Premise Edition**
  - Enablement of new architecture
  - Support of Professional Services incl. Sell-from-Stock, Plan-to-Procure, Procure to Pay scenarios

- **SAP S/4HANA Public Cloud Edition**
  - Leverage new architecture across broad scope
  - Support first logistic-centric scenarios, based on BAiO scope

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  - Enable full scope for complete logistics scenarios (e.g., production, warehousing, PLM)
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**Planned Innovations**

- **Quarterly innovation cycle**
- **Yearly innovation cycle**
- **Continuous innovations without disruption in 2016 and beyond**
SAP S/4HANA Simple Logistics – Key Innovations

- **Material Requirements Planning**
  Fast MRP run, and new working model for MRP controllers based on decision support.

- **Inventory Management**
  Simplified data model resulting in increased throughput, flexible analytics at the most granular level.

- **Material Valuation**
  Principle of One, scalable material valuation capabilities, utilizing Material Ledger, that way customers can use multi-currencies, valuation methods per different accounting laws like GAAP.

- **Available To Promise & Backorder processing**
  Enhance ERP by advanced ATP capabilities in APO, new coding to make it better, innovation benefit as functionality will be refreshed.

- **Capacity Planning**
  New deployment option for bringing PP/DS on ERP, reducing integration efforts, allowing seamless master data & UI harmonization.

- **Order Management & Billing**
  Enable monitoring of end-to-end order-to-cash process & take actions for any exceptions, information on the exceptions to resolve the issues, lower TCO due to data model simplification, support for the most recent versions of business features such as FSCM Credit Management, GTS Foreign Trade, SFIN Revenue Accounting, new analytical capabilities.

- **Procurement**
  Increased efficiency in the Procure-to-Pay processes, new Analytical Apps & Spend KPI’s, Ariba Network Integration for PO Order and IV.
SAP S/4HANA
Simple Logistics
April 2015
Holger Herrmann