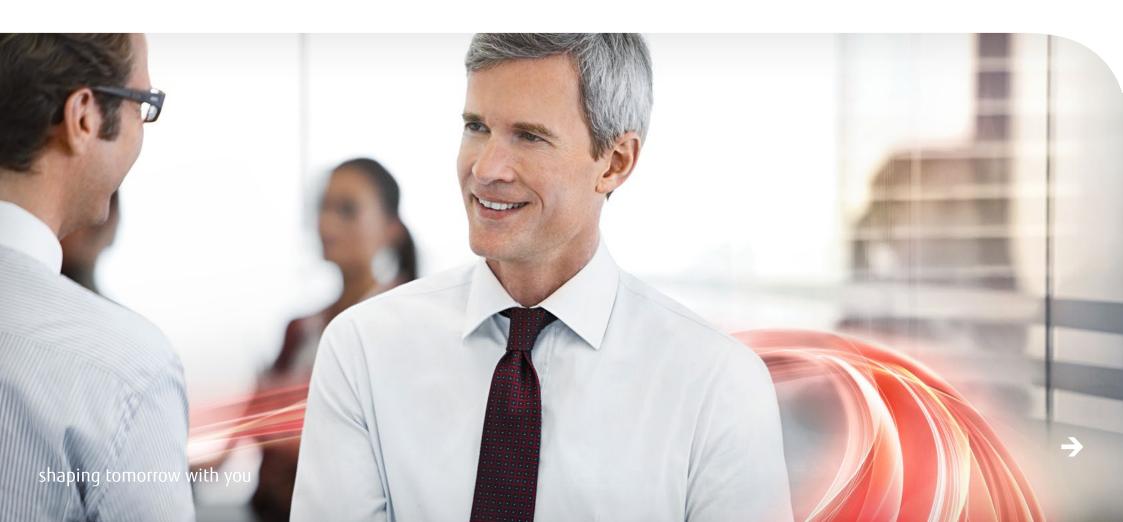


An Intelligent Engine for a New Era

Four Fujitsu experts talk about the opportunity that SAP S/4HANA represents and how you can make the most of it.



We brought together four of Fujitsu's leading SAP experts to talk about S/4HANA. The objective wasn't to get technical, but to think strategically to illuminate the business-focused reasons for the transition to S/4HANA, and to help you plan for its implementation without undue stress. The contributors' experience reveals that the arrival of S/4HANA is generating both excitement and foreboding, and that organizations understand that it's a big step into the future; that demands a lot of work internally with a lot of effort and planning needed.



In fact, research shows that 36% say that they are yet to decide on their strategy¹. That's because change is always a challenge, especially in a fast-moving marketplace.

And SAP's re-thinking of the way it uses and presents data has broad implications for every user. It might sound daunting, but in our opinion, it's a big opportunity. As one of the world's leading exponents of SAP's systems, Fujitsu is optimistic about the future now that S/4HANA is here. We want you to be optimistic too. Together, we can unlock the dynamic business potential that's within every part of your business, and ensure that your organization is ready to accelerate digital transformation.

¹ PAC, a CXP company

Our resident optimists are:



Perry FettHead of Cross Applications,
Fujitsu Germany



Thomas BausManager of Business Unit Architectures,
Fujitsu Germany



Kai LunkeManager of Business Unit Collaboration,
Fujitsu Germany



Javier Fernandez SAP Business Development Director, Fujitsu Spain



The Age of Intelligent Engines

"SAP are making a big thing about simplicity – they tell us that you can 'run live' transform processes and workflows – and I think that's a big breakthrough."

Perry Fett



The Age of Intelligent Engines

"If you want to not only survive the digital transformation that's gathering pace across all sectors, but get ahead of the curve and take advantage of it before your competitors do – you have to see SAP S/4HANA as an opportunity rather than just another upgrade."

"No, I really mean it," says Perry Fett, "This is an opportunity and it's not just about data, it's about everything a company does." Perry's conviction is that many organizations are taking too long to recognize the need to change the way IT supports their business. "When the board asks for new digital tools and new ways to engage with customers, traditional IT departments won't be able to react fast enough. That means many will simply be too slow. They'll get overtaken. It really is that serious."

"SAP are making a big thing about simplicity – they tell us that you can 'run live' transform processes and workflows – and I think that's a big breakthrough," continues Perry. "When I talk to customers, the vast majority of them want to increase the performance not just in terms of their data analysis, but making the most of new platforms and applications too. It's an issue that's high on the agenda of every board."

"I'm hearing what you are too," says Javier Fernandez, "I guess, we have to remember that the change to S/4HANA is seen, by many, as disruptive. It's something that SAP customers are going to have to do, eventually. I try and steer the conversation to speeding up the thinking process. The majority are thinking... but not very fast. Some aren't even considering it at all!"

"When they realize the potential, though, there's going to be quite a rush as S/4HANA gathers momentum. And that'll only get more critical because there's a time limit on SAP supporting their old systems," says Kai Lunke, "I think that's well known, though – it's not a surprise to people. The point Perry is making is that we have to focus on the real opportunity here. What SAP has done with S/4HANA is making the potential of Big Data and digital transformation very real – and available now."

"Until now, the hype around both those things has been very theoretical," adds Thomas Baus, "We've heard a lot about its potential and less about how you actually – as an organization – get the knowledge and insights you need out of all the databases and ensuring that business processes and workflows can be digitalized so that they're totally

responsive and agile. The customers I talk to transform the efficiency of their back office processes, and they also want to improve the usability of their SAP applications. Now that's a big responsibility for SAP."

"When they realize the potential, though, there's going to be quite a rush as S/4HANA gathers momentum. And that'll only get more critical because there's a time limit on SAP supporting their old systems"

Kai Lunke



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"For me it's because SAP is putting the users – intelligent, thinking people - in the driving seat."

Perry Fett

All four experts agree that we're on the threshold of a new era. In fact, it's the kind of threshold that leading thinkers, Erik Brynjolfsson and Andrew McAfee, believe is taking us into what they call, 'The Second Machine Age. 'Computers and other digital advances are [boosting] our ability to use our brains to understand and shape our environments."²

They argue that digital tools are augmenting our mental powers in the same way that steam power multiplied the power of human muscle back at the dawn of the First Industrial Revolution. "Mental power is as important for progress and development – for mastering our physical and intellectual environment to get things done – as physical power. So, a vast and unprecedented boost to mental power should be a great boost to humanity,

just as the earlier boosts to physical power so clearly was." Steam was replaced by electricity which is now yielding to intelligence.

"S/4HANA is an intelligent machine that boosts the mental power of an organization as well as the people within it," says Perry. "For me it's because SAP is putting the users – intelligent, thinking people - in the driving seat. The really big change is the ability to combine analytics with transactional tasks. That means the system itself can predict and propose solutions to what you need. That's true intelligence."

Kai agrees; "The new functionality is impressive. The fact that you can do real-time control and analysis is very valuable," says Kai. "My customers want SAP to be an easy to use system, because by doing that the system gets used more... and more intuitively too.

That can only be good for users, organizations and, in the end, SAP. But the big problem is that they don't have the time and space to re-think the way they work, or what they do. What S/4HANA does is free up that time and space."

Javier adds; "The interface is a radical change. But let's not forget that the move to S/4HANA can seem like a disruptive one. The experience we've all had out there proves that very clearly. Change is always disruptive and that makes people nervous – when you transform the way they work. But it's a great opportunity. That's how we need to see it – as a business opportunity.

² Erick Brynjolfsson & Andrew McAfee: The Second Machine Age: Work, Progress, and Prosperity in a Time of Brilliant Technologies 2014 – Norton.



The Strategic Opportunity

"The fact that you can take what were separate databases and make them talk to each other, means that you can be in a better position to unlock the knowledge that's in the data,"

Perry Fett



The Strategic Opportunity

"This is a change that frees up the time and space to create the digital world you need and want. S/4HANA is not just an upgrade: it's a completely new opportunity," says Thomas Baus.

And this is the point of the discussion. "We're not here to praise or critique S/4HANA," says Thomas, "It's a reality. As a business, you can either embrace it or resist it. I believe it should be embraced because it does make the potential of Big Data and digital transformation more real, and more urgent."

"The fact that you can take what were separate databases and make them talk to each other, means that you can be in a better position to unlock the knowledge that's in the data," says Perry. "But S/4HANA means you have to change the way you work. The most important change is that you have to involve the users from the very beginning. You can't just deploy and then tell them, 'Here you go, get on with it.' It has to be a cross-functional process that involves everyone."





"Right, but the implementation is where the strategic opportunity really lies," stresses Javier. "First, let's deal with the elephant-in-the-room: the fact that from 2025 SAP won't support their old systems. It sounds like a long time in the future, lbut you have to factor that deadline into your thinking. SAP has an aggressive roadmap which I think is justified. S/4HANA delivers the promise of Big Data in terms of the way in which you can mine the data and analyze it. We're not just talking about volumes here – we can quote volumes all we like – but volume isn't the point. Quality is."

"Sure, and you need a clever way of getting to that quality," says Perry, "That's what S/4HANA delivers." Thomas pitches in: "It's been designed to support workflows, and users are guided through the processes more easily, and, of course, the fact that they can use any device they want, makes them more flexible. You can analyze data on the front-line, where it makes the most difference."

"Perhaps we're still focusing on the benefits of S/4HANA too much," cautions Javier, "We're not SAP salesmen!" Everyone laughs. "Definitely not," says Perry, "But we have to enable our customers to unlock the strategic benefits that it represents."









Be Honest About the Risks and the Challenges

"There are always risks and challenges to anything worthwhile... but getting through them brings great rewards."

Kai Lunke



Be Honest About the Risks and the Challenges

"So, let's be clear about what the risks and challenges are," says Kai. "Start with the challenge every organization has to face: the migration to S/4HANA. Migration always comes with risk. But you can't reduce risk by doing nothing. The PAC research shows that there's a lot of thinking going on, a lot of weighing of objectives against one another, and not a lot of action."



Thomas says, "Sure, but that might not be because of any fear of change – I think that shows that the big problem actually is a lack of know-how within organizations. That's what exactly half of the respondents said. The risk is falling behind because you don't know what to do. You need to face the fact that this is about challenging the existing state of your IT infrastructure, and it's about having to go through a migration process, in which systems have to be consolidated so that good integration is achieved. But you're doing it on a proven platform."

Javier is eager to add a point: "Cost is an issue. Let's not forget that. The research shows that big majorities want to reduce the complexities and costs associated with SAP's systems, but less than 20% think that S/4HANA will deliver that. For me, that result is based on the fact that they don't really see the benefits that it'll bring yet. This is where we can help them to build their vision."

"OK, we can address both those things. I think, the risks associated with migration projects are well known, they need to be explicitly dealt with. Security is, of course, one of those risks," says Kai.

"The risk of not migrating is the point for me," says Javier. "The fact that you can consolidate your data means that you can implement a range of projects, for instance in The Internet of Things arena. That's fast becoming a huge deal. That can be run through S/4HANA, so the risk is not implementation itself but poor, or non-existent implementation."



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"You're right – IoT, together with Big Data and real-time analytics will all now mature as opportunities with the use of S/4HANA," says Kai, "The adoption rate amongst users will rise exponentially, in my opinion. Our advanced customers will have more people doing more things – really making the most of data, improving processes and workflows, creating an environment in which they have a better chance of building new business models and forging new products."

"And they can do it without intense training – which goes back to the lack of know-how point that the PAC survey revealed," says Thomas, "Once people know how easy it is to use, then a whole new world of possibilities can be opened up."

» "You need to face the fact that this is about challenging the existing state of your IT infrastructure, and it's about having to go through a migration process, in which systems have to be consolidated so that good integration is achieved."

Thomas Baus



Ok – Can We Use It?

"There's no time to get S/4HANA wrong – your competitors will be using a great new IoT solution or something else before you know it!"

Javier Fernandez



Ok - Can We Use It?

If it's all so clear cut – S/4HANA represents a big step forward in the way businesses can manage and manipulate their data – why don't they just use it?

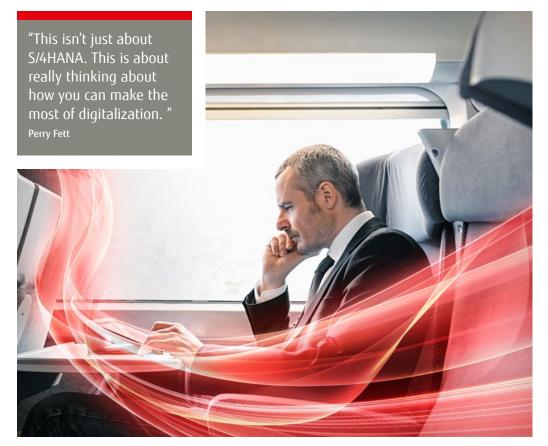
"Well, I think the research shows that customers are not doing it alone, and they don't want to," says Thomas, "I think that's because they understand that the only way to get the big picture – a 360° view of all the systems, processes, databases and platforms... you need to take a big step back. Most organizations are moving too fast and working in tight markets to do that successfully without a specific methodology"

"There's no time to get S/4HANA wrong," says Javier, "If you do, then your competitor will be out there with a great IoT solution, or an insight they got from the data faster than you did. You have to act now."

"Fujitsu has a long pedigree with SAP," says Perry, "We've even created coding that helps you get the best results out

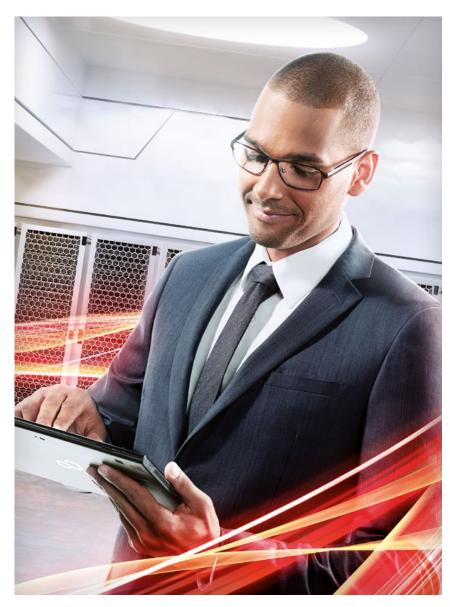
of SAP and to help you focus on the benefits. I was part of a team that did that back in 2011 with the beta version of HANA, and we helped the very first customer use it too. As a team we have a deep experience of SAP, and I even took part in the initial training that was done. We have a leading knowledge on SAP's systems that is key to support early adopters of S4/HANA."

"It's also about making the right choices in how you deploy S4/HANA," says Javier, "Do you go for an on premise option, or use the cloud? Maybe you do a combination of both. We can configure the solution in ways that suit your specific organization. Also, how do you migrate the data from one architecture to the new one? Do you centralize your data? How do you validate it?"









"Surely, the point is that the customer should have it the way they want it?" asks Perry. "That's my point", replies Javier, "How do they know which is the best way? That's why having a trusted partner with a long and intimate knowledge of the SAP landscape, makes a difference. We do this every day for customers."

"The offering, from an IT perspective, is a simple one," says Thomas, "You need the entire scope of the project mapped out. We can do that. We know how to make the transition to the new platform a smooth one. We understand the different scenarios, and we know how to run S/4HANA in large environments. What we do is enable customers to re-design their operational environment and guide them as they ensure that their infrastructure is fit for purpose."

"OK, what you're saying is: This is a complete digital transformation project," says Perry, "This isn't just about S/4HANA. This is about really thinking about how you can make the most of digitalization. We usually build with people on their own environment how it can be the basis for their digital business models."

"Yes, now you say it that way, you're right," says Thomas. Javier adds, "Some customers have been skeptical about S/4HANA since it

was announced. They think it's just another thing they're going to have to pay for. But what I try to do with customers is to talk about how it's a big opportunity to power their digital transformation. The board is going to ask for great new tools and way of working; IT has to be able to respond with greater agility. To do that they need to greatly reduce complexity, and integrate everything from data to transactions to workflows. S/4HANA is the engine and the platform that does that."

"Which is where we come in," says Kai.
"They lack the know-how and the internal
resources, and we can augment that. We're
good at the organizational work... but we're
also good at inspiring people about
technology that drives their business."

Experience with customers shows that organizations are eager to get far more clarity about the functions of S/4HANA and how it can add value to their businesses. The discussion has certainly focused on value – agility, innovation and simpler running. But the need for more information (especially about costs) and help to link S/4HANA with best practices in project management are, as the survey also shows, very important. Fujitsu can deliver all of those things. Now.



S/4HANA an Opportunity for 'Organizational Inspiration'?

"This is a chance to power your digital transformation and achieve innovation."

Thomas Baus



S/4HANA an Opportunity for 'Organizational Inspiration'?

"A new age or era... are in danger of sounding too esoteric, and confusing customers?" Javier says.



"No, I think they need to understand that they are entering a new age whether they like it not," replies Perry.

"What we have to talk about are 'great ideas' rather than technology," says Kai, "That's what inspires people. It also enables the IT people to be more involved in the business imperatives and the outcomes, not just in provisioning technology."

"OK, then let me be inspirational," says Javier,
"I believe that this is the first time in history that
technology actually frees people to do more. It's no
longer a constraint. What SAP have done is to free
up their platform so that it opens up possibilities
without the need for technological complexity."

"Now, that does sound inspirational!" says Perry.

"What I hear a lot within organizations is the need for the business to truly focus on what it needs to do to compete and innovate," continues Javier, "But what actually happens is that they get bogged down by technological complexity. Things never run as smoothly as the hype suggests it will. But with S/4HANA we have the opportunity to free up those functions and desires and achieve economies of scale and levels of automation that help those at

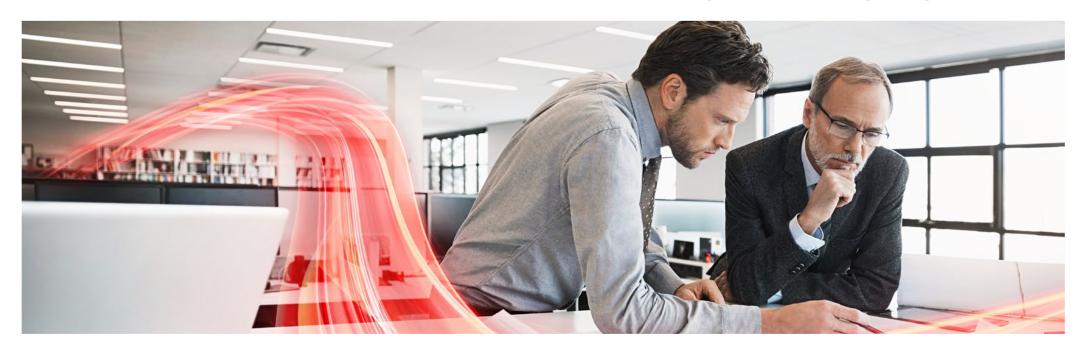
the cutting edge... do more, do it more freely... and be inspired to create. Perhaps 'freedom' is a better word than 'inspiration."

"Let's not get carried away with words – but your point is a good one," Perry says. "What I think we're saying is that customers should not be anxious about S/4HANA, they should be excited. They need to have the confidence to approach the transformation – and they can get that by working with us – but they need to just embrace S/4HANA. Don't see the problems, see the opportunities."

"Your business has to run... and keep running," says Thomas, "So, let's steal SAP's own strapline – 'Run Simple.' It's true: The simpler you run, the freer you are to be innovative and agile. Our job, at Fujitsu, is to help them make that promise – real. Each and every day."



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"And you don't have to just take what comes in the box," says Perry, "We have the expertise to help you configure S/4HANA the way you want and need it. We can create specific adjustments to suit your individual needs. We can adapt the code, even up to the way the user-interface looks and works. The point is to make it a perfect fit for your business."

"Which is what Process/4 is all about," says Kai. "We developed our own methodology so that customers get a clear roadmap of what needs to be done, what needs to change, and how and when they'll get the best from S/4HANA."

"Process/4 is key to activating the potential of the new platform," says Thomas, "It helps to analyze processes and generate the intelligence needed to get the new processes right and ensure the migration goes smoothly. You know, what reassures customers is that they're working with someone who knows how to get everything right... from the servers to the business processes. Someone who can translate from the business functions to the IT functions to ensure that the best outcome is achieved for that specific organization."

"It's also about making the most of the technology's potential," says Javier. "It's like most people only use around five percent of the functions of Excel, Ok? I know that sounds trivial, but it's true. We will ensure that you get the most out of S/4HANA, and ensure that everyone can understand what it can do – from the IT people to the financial people."



The Point Is to Make the Most of S/4HANA

At Fujitsu we have the experience and knowledge you need to make the most of the opportunity that S/4HANA represents.



The Point Is to Make the Most of S/4HANA

"This is the first time in history that a technology is not a constraint," says Javier Fernandez.

"Simply put, yes, that's right," says Perry. "It's here, embrace it. It's a real step-forward."

"It is not about the technology but what you can realize with it, which makes it really unique. I stick by my claim - there are few examples in history that that's happened!" says Javier.

"It's a strategic opportunity and it needs to be approached as one," says Thomas.

"The point is to make the most of it," says Kai, "Now."

At Fujitsu we have been working with SAP from the beginning. We have the experience and knowledge you need to make the most of the opportunity that S/4HANA represents. We can do that technically and strategically. We help you migrate, deploy and exploit. We also help you see the big picture from the point of view of desired business outcomes.

It's not the technology that counts, it's what you do with it.





Talk to us about how we can help you.

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