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SAP S/4HANA: Changing Perceptions — From Upgrade to Crucial Business Enabler

MAY 2020

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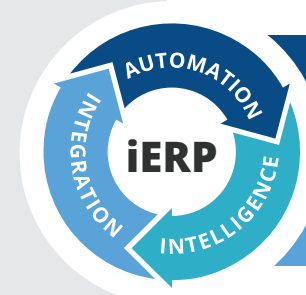
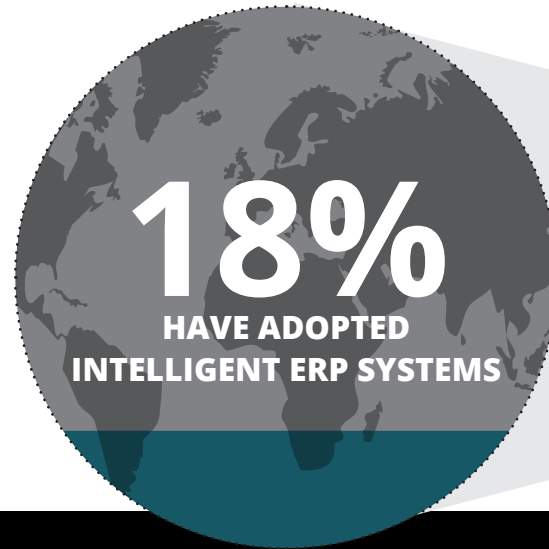


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Core IT Modernization: The New Focus for Digital Transformation

Core IT and its mission-critical applications have been neglected in the past 10 years ...

Only 18% of organizations have an all-encompassing ERP suite with embedded next-gen technologies such as machine learning (ML) and Internet of Things (IoT).



iERP is about ...

Automation



Intelligence

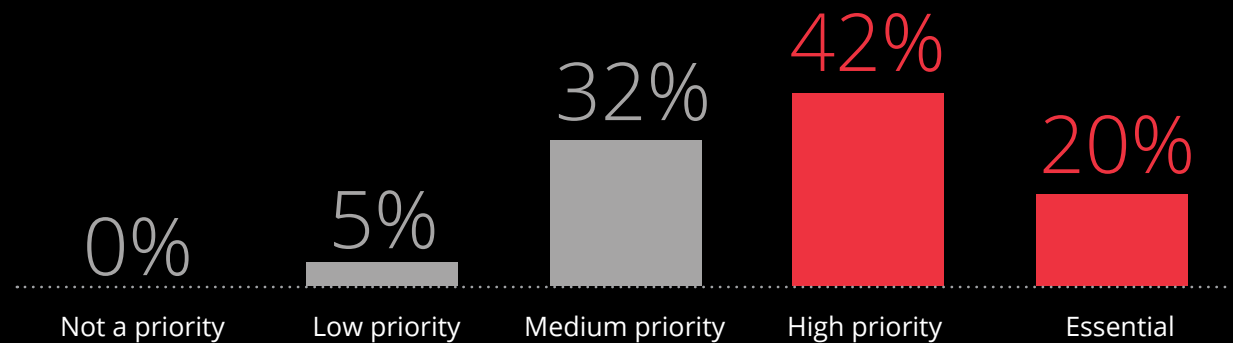


Integration



... but the situation is changing — now, for

60%
of large organizations, core IT modernization is either a high or essential priority for their 2020 digital strategy



ERP Workloads Are Shifting to the Cloud

The ERP industry is growing at a record pace, mostly because **legacy on-prem ERP solutions are being replaced by more sophisticated cloud-based iERP applications.**

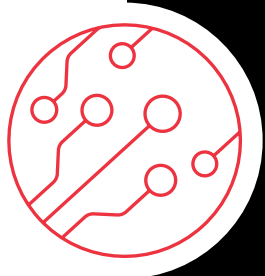
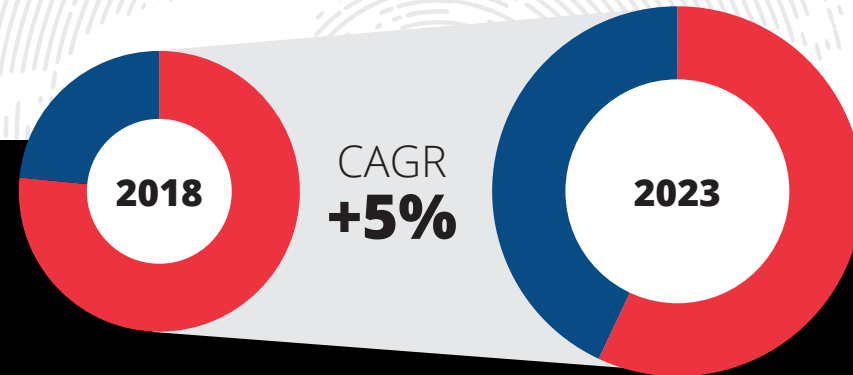
Market trends, as well as the S/4HANA migration deadline, are pushing organizations to modernize not just ERP but the totality of the core IT.

Global ERP market

● On premises ● Cloud

\$28.6 billion

\$36.5 billion

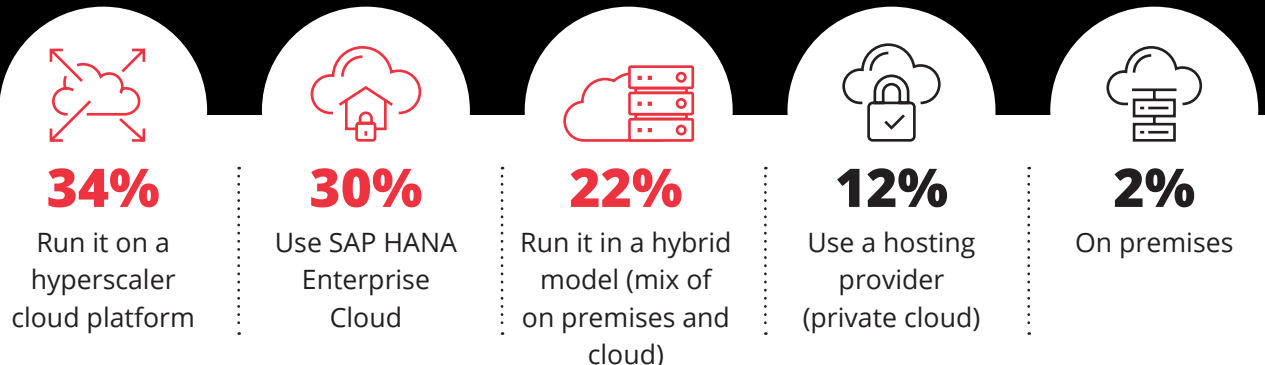


IDC prediction:

“By 2027, **60%** of the organizations will modernize their core IT, leveraging cloud to drive a productivity increase of **25%.**”

Which delivery model do you plan to use for your SAP S/4HANA migration?

86% of organizations are planning to run SAP workloads either in a hybrid environment or in a hyperscaler public cloud platform.



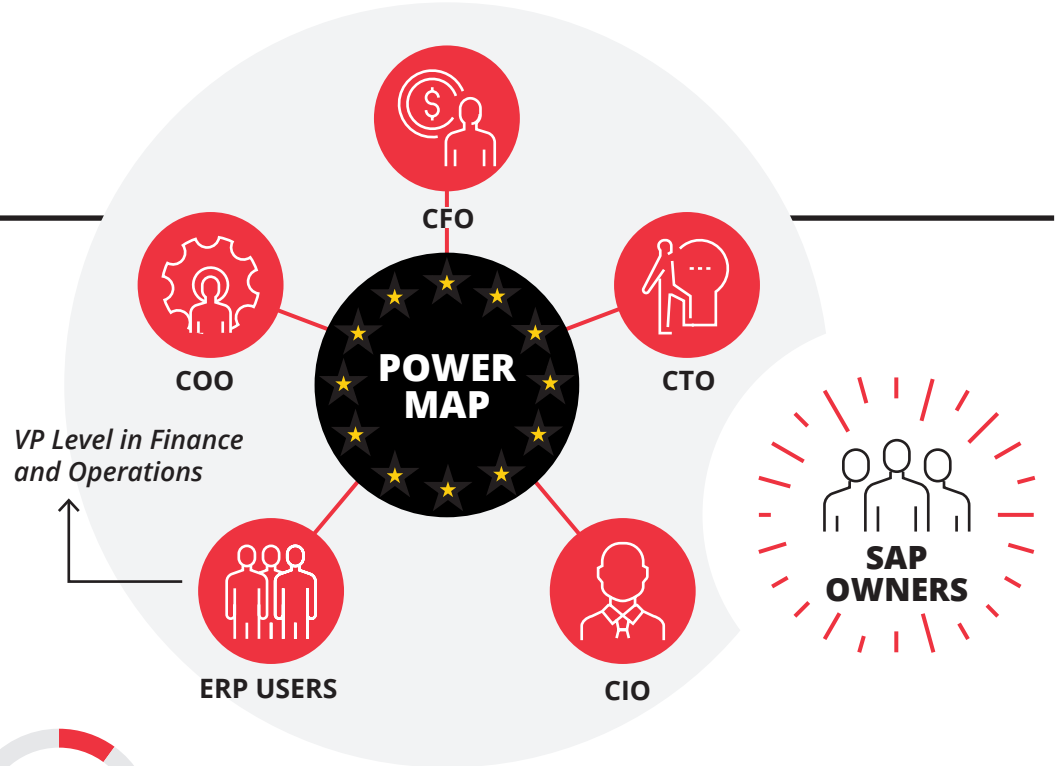
ERP Modernization Is Driven by Multidisciplinary Teams

ERP modernization is no longer an IT project

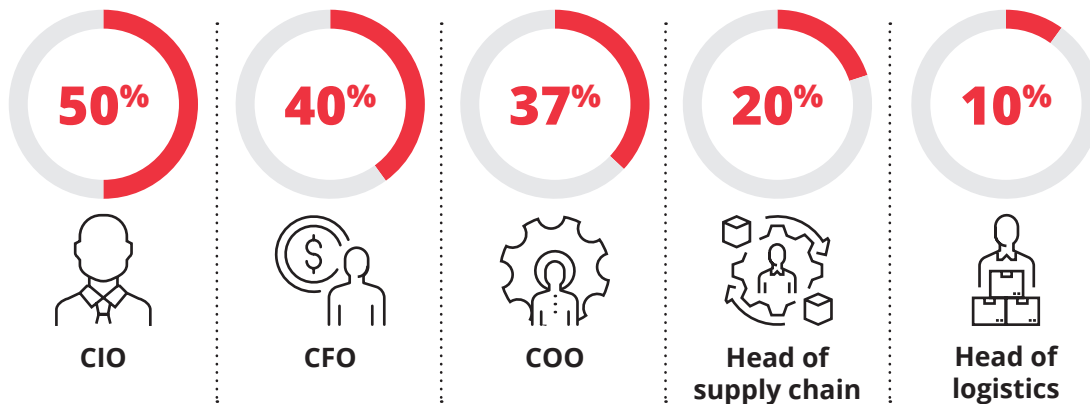
The shift toward iERP is increasingly a collaborative venture between the IT, finance, and operations teams.

Many organizations have created an ERP modernization board with a mix of IT and line-of-business leaders.

ERP Modernization Board at a European Manufacturer



Who are the key decision makers for ERP upgrades/transformations?



The transition toward iERP is driven by a multidisciplinary team that involves stakeholders from IT, finance, and operations. But the CIO remains a key decision maker in back-office systems transformation.

S/4HANA — The Time to Migrate Is Now



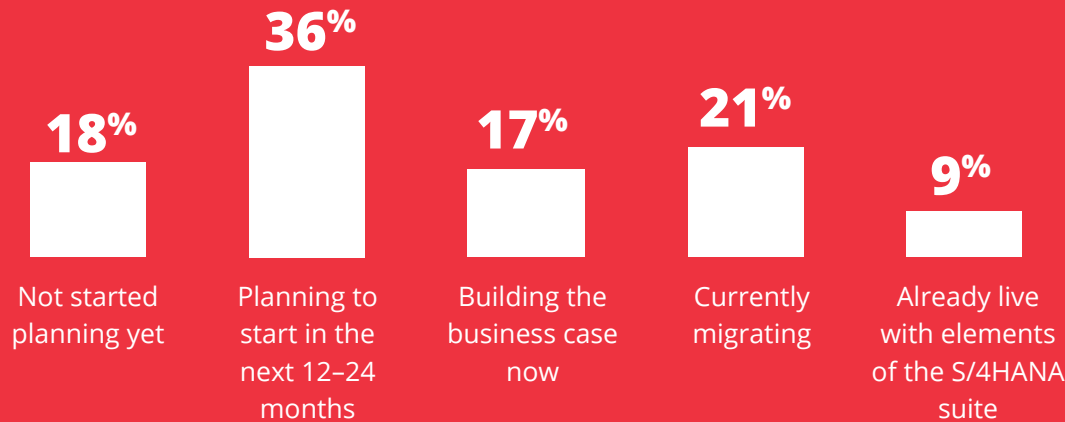
DID YOU KNOW

2027 is SAP's deadline to migrate to S/4HANA.

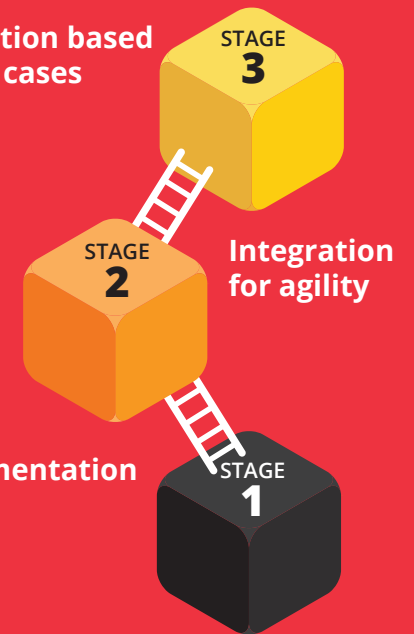
By creating an agile IT backbone, S/4HANA has the potential to drastically improve the value delivered to your clients — and significantly improve your profitability.



Where are you on your S/4HANA migration journey compared with your peers?



Innovation based on use cases

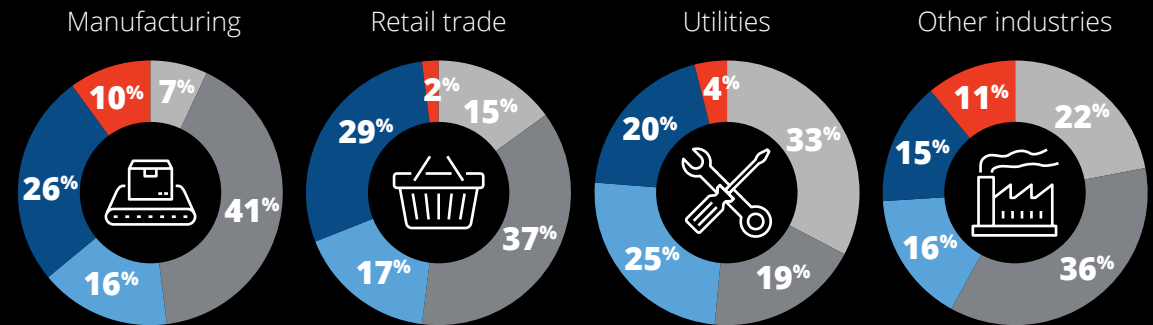


Learn more about S/4HANA migration and the road map to ERP modernization for your organization — read the IDC White Paper *SAP S/4HANA: Changing Perceptions — From Upgrade to Crucial Business Enabler*

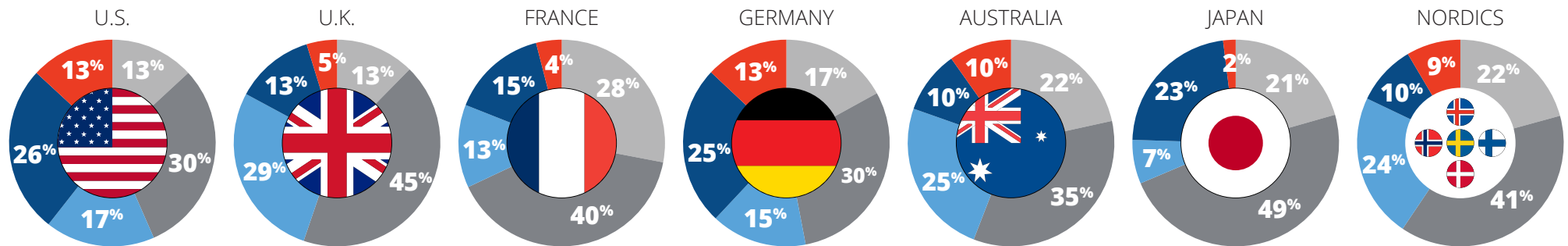
Where Is Your Organization on the S/4/HANA Migration Journey Compared with Your Peers?

INDUSTRY

- Not started planning migration yet
- Planning to start in the next 12–24 months
- Building the business case for migration now
- Currently migrating to S/4HANA
- Already live with elements of the S/4HANA suite



COUNTRY



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