

SAPinsider

This article appeared in the Jul ■ Aug ■ Sep 2010 issue of *SAPinsider* (<http://sapinsider.wispubs.com>) and appears here with permission from the publisher, WIS Publishing.

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We are at an important inflection point. After one and a half years of downturn in all industries globally, companies are looking to grow their business again — and grow it responsibly. It's a cautious optimism, because challenges still abound. But it's optimism nonetheless.

Previous inflection points focused on the *corporation* or the *customer* (recall the economies of scale and horizontal integration of the 1980s, or the mass customization and business process reengineering of the 1990s). This new era, however, is the era of *people*.

It's an era in which individuals wield unbelievable power. Consumers demand goods and services the way they want them; employees work the way they want to work; and they all have strong, influential voices. Through mobile devices, Facebook, and Twitter, they can reach millions of people quickly, challenge how your company does things, and praise or disqualify you.

This new era of people does not mean that we've given up on economies of scale. Nor have we abandoned our focus on the customer. But now, we are empowering individuals, both consumers and employees, to make decisions so that companies can react faster.

This empowerment requires new approaches in IT. It requires new architectures that are both dynamic and collaborative. It requires applications that seamlessly work together in an orchestrated fashion — whether on-premise, on-demand, or on-device. But it must also take advantage of investments that you, our customers, have already made.

Like SAP has done before — delivering the first real-time business applications on top of mainframe technology in the 1980s, and pioneering client/server architecture with our flagship SAP R/3 product in the 1990s — we will lead the charge at this inflection point, following a three-tiered approach:

- We will continue to deliver leading **on-premise** solutions for companies that want to manage their own processes and infrastructure and optimize the way they run their business.
- We will deliver **on-demand** solutions for companies that are willing to share their infrastructure with other companies and, in return, benefit from instant value.
- We will deliver applications, information, and collaboration tools to business users **on-device**, anywhere, anytime.

SAP's differentiation is that all of our solutions — whether on-premise, on-demand, or on-device — are designed to fit together. The articles in this issue of *SAPinsider* focus on our on-premise

solutions. On-premise is where we grew up. It's our home turf. And it will continue to be an important part of our strategy.

We have two main categories of on-premise solutions: Business process software delivered through SAP Business Suite 7, and a strong set of analytical tools that allow companies to understand what's going on in their business and adjust their strategies or processes to their needs.

We know that updates and new capabilities are still needed in the on-premise arena. That's why we are pleased to present Innovations 2010, significant enhancements to SAP Business Suite processes, delivered *without disruption* — through enhancement packages — so that we can reduce your cost of ownership and empower your people *quickly*.

Looking ahead, we also see exciting technology — including on-demand, mobility, and in-memory capabilities — that we will fully use to emerge as leaders in this era of people. We are committed to delivering these innovations to our customers in non-disruptive ways.

SAP has a 38-year track record of success, a proven ability to lead, and a commitment to delivering innovative opportunities for your business. My pledge to you is that we will accelerate the innovative power of SAP. And we will do so in close cooperation with you, our customers. Together, we can make businesses, people, and the world run better. ■