



# **mySAP ERP: Value of Upgrade for R/3 Customers**

**Stefano Sammartin**

**Zagreb, 14 Sep 2006**

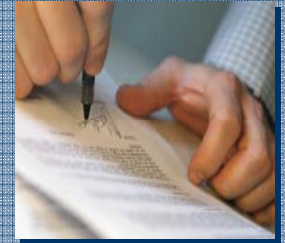
# Changing Needs Place New Demands on ERP



**Competition  
for Talent**



**Always "On"  
Workforce**



**Age of  
Transparency**



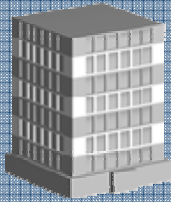
**New Business  
Models**

# Yesterday's ERP Doesn't Meet All of These Needs

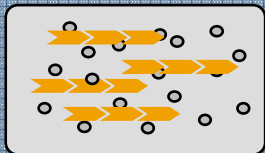
## Built for Highly Trained Users



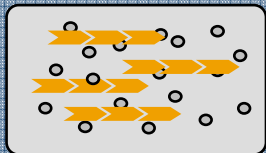
## Rich, But Generic Functionality



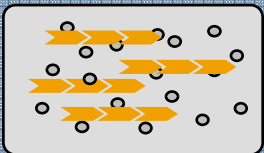
## Focused on Internal Processes



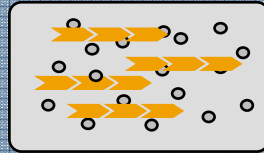
Finance



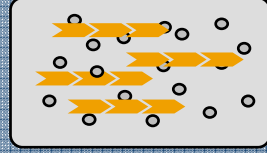
Sales



Procurement



Human Resources



Logistics

## Issues

- Inadequate reporting and visibility
- Inability to effectively address industry-specific business needs

# Key Differences Between R/3 and mySAP ERP

## SAP R/3

Standard PO - NB 414-0499 Created by Karin GRUNEWALD

Document overview of | Print preview | Messages | Help | Personal setting 7

Standard PO - NB 414-0499 Vendor 0000001000 Wald & Maier Doc. date 01/21/1999

Delivery Invoice Conditions Texts Address Communications data Partners Additional data Org. data 11

Payment terms 2891 Currency SEK Exchange rate 11.090000

Payment in 141 days 3.800 % Payment in 38 days 2.800 % Payment in 45 days net Incoterms EXW Berlin OR message 4

Item	Material	Short text	PO quantity	Deliv. date	Net price	Curr.	Per	Mat.
00	500-120	Diaminobenzene 50%	1.400 KG	W/16/1999	2.30 DEM	1	K5	Cher
00	500-120	Pyridin CDE 50%	1.400 KG	W/16/1999	2.90 DEM	1	K5	Cher
00	500-144	Hydrochloric Acid 50%	1.000 KG	W/16/1999	1.84 DEM	1	K5	Cher
00	500-150	Natriumhydrogensulfon...	1.000 KG	W/16/1999	1.80 DEM	1	K5	Cher
00	500-160	CAT_01 Catalyst 01 50%	1.500 KG	W/16/1999	1.10 DEM	1	K5	Cher
00	500-170	Diamino Toluene 50%	1.500 KG	W/16/1999	1.34 DEM	1	K5	Cher
00	500-180	Sodium Nitrate 50%	700 KG	W/16/1999	1.62 DEM	1	K5	Cher
00	500-182	Formal 50%	700 KG	W/16/1999	1.40 DEM	1	K5	Cher

Material data Quantities/weights Delivery schedule Delivery Invoice Conditions Account assignment 5

Material group 894 Revision level EAN-UPC Vendor mat. no. EAN-PC Vendor sub-range Cross-plant CM Batch Vendor batch Info/Update 6

Work items 3

Client/Server Architecture  
R/3 Basis  
Transactional user  
Data-centric  
Functional modules  
Process efficiency

## mySAP ERP 2005

SAP NetWeaver Portal - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Welcome John Baumann

Home | Profile Management | System Administration | Delegated User Administration

Company | Plans | Views | Documents | Portal Information

Year: 2006 Profit Center: 000000100 - Chemical products Go

Date Last Updated: 01.02.2006 14:00:00

Profit

Return on Investment Ratio

Select Period for Details Views Profit and Loss and Balance Sheet: 004

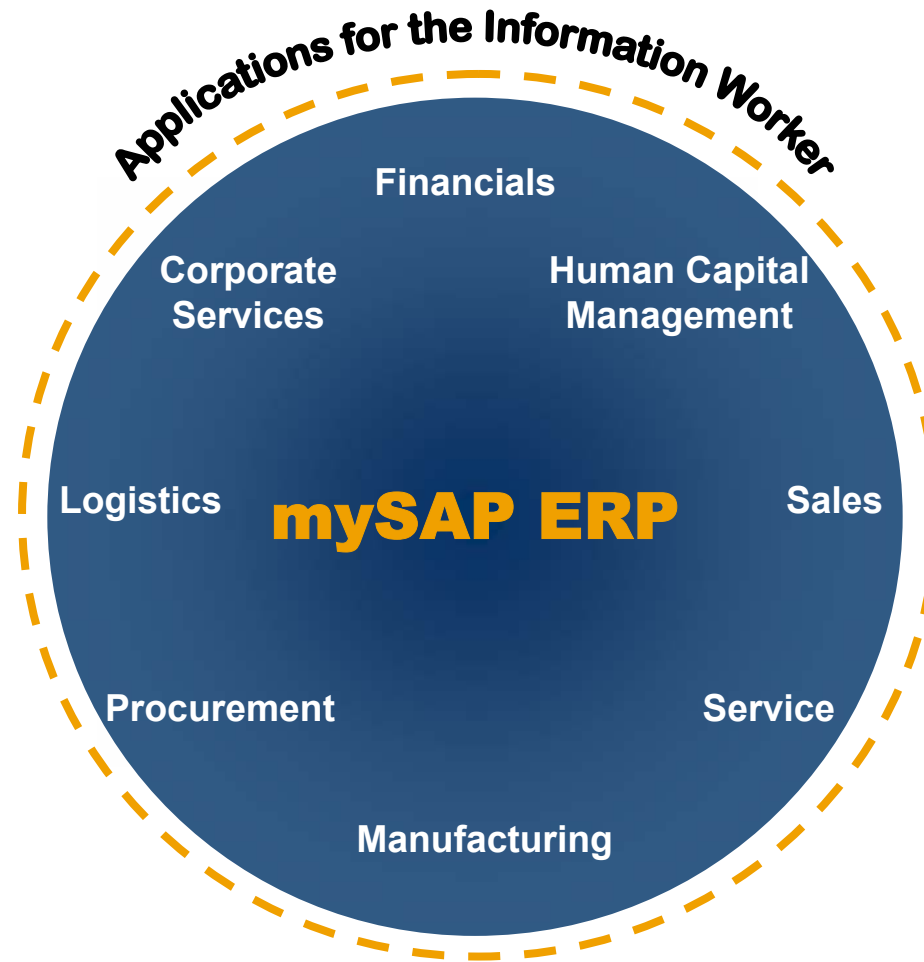
Categories	Actual (USD)	Plan (USD)	Forecast (USD)
Revenue	-1,288,871,394	-1,433,751,423	-1,244,906,918
Costs and Expenses	89,297,389	102,485,294	90,972,783
Net Sales	-1,199,574,005	-1,331,266,129	-1,154,023,135
Production	376,292,460	382,431,361	332,531,844
Plant Maintenance	11,892,803	12,653,295	11,706,342
Sales and Marketing	33,650,111	33,321,480	30,353,127
Administration	24,812,424	24,875,171	22,819,490
Research & Develop	137,774,531	130,888,534	119,570,725
Overhead Costs	596,322,236	580,878,632	616,962,119
Interest Expense	139,600,687	129,298,966	120,126,476
Operating Profit	-473,852,131	-636,127,531	-516,914,541

Categories	Actual (USD)	Plan (USD)	Forecast (USD)
Current Assets	2,272,128,325	2,354,162,918	2,199,211,885
Fixed Assets	663,823,299	695,558,031	619,521,427
Total Assets	2,935,951,624	3,049,720,949	2,818,733,312
Current Liabilities	-582,766,052	-593,485,050	-650,745,870
Long-term Liabilities	-837,076,811	-826,354,838	-498,504,896
Equity	1,435,558,299	1,522,429,794	1,489,582,519
Total Liabilities	-1,419,842,863	-1,419,842,863	-1,149,250,766

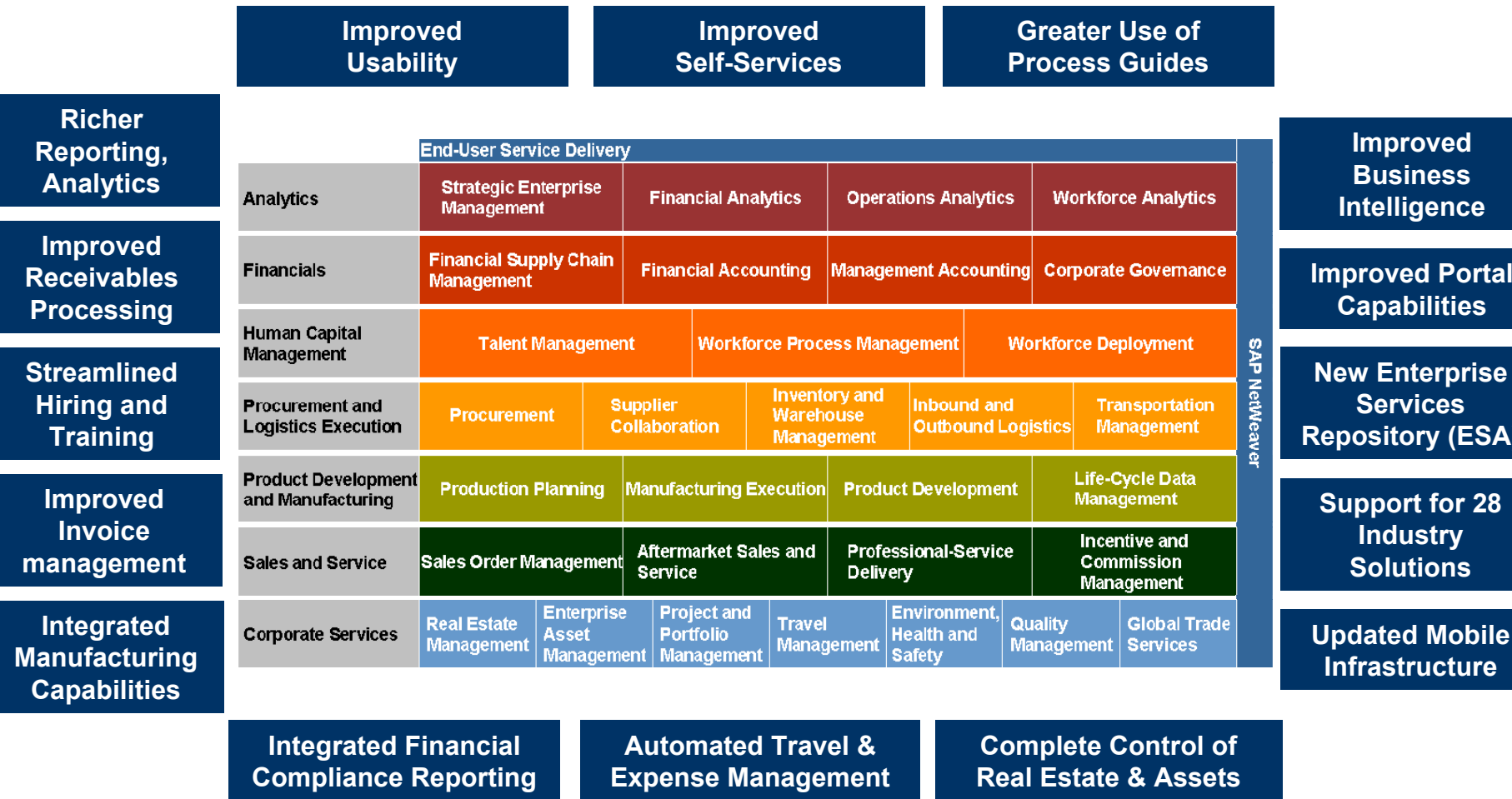
Enterprise Services Architecture  
SAP NetWeaver  
Business User  
Information-centric  
Adaptable industry processes  
Analysis, decisions and actions

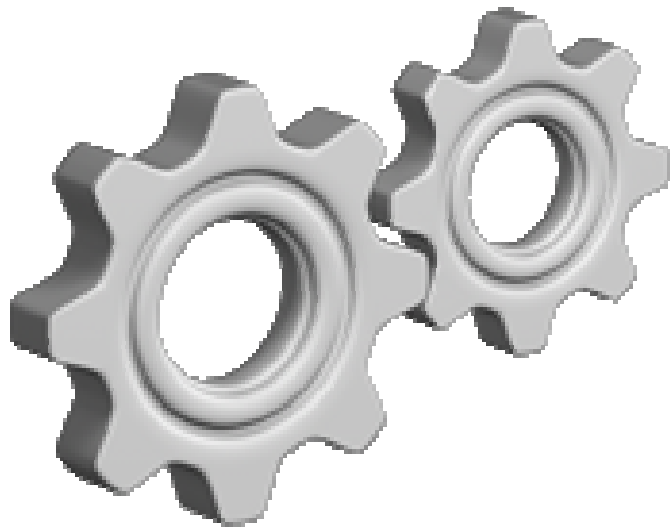
## Highlights

- Major functional enhancements
- Delivers 28 industry solutions
- 300+ enterprise services
- Supports broad user community
- Cost-effective, low risk upgrade



# mySAP ERP: Functional Enhancements





**mySAP ERP**

**Moving  
Forward,  
Together**



- **Respond faster to legal changes**
- **Consolidate your system landscape**
- **Synchronize your update and maintenance schedules**

**SAP Industry  
Solutions**

# The Impact of Enterprise SOA on ERP

## Paving the Path to Industry-Standard ERP

### Public Sector

- Grant Management

### Oil & Gas

- Asset Life Cycle Management

### High Tech

- Virtual Supply Chain

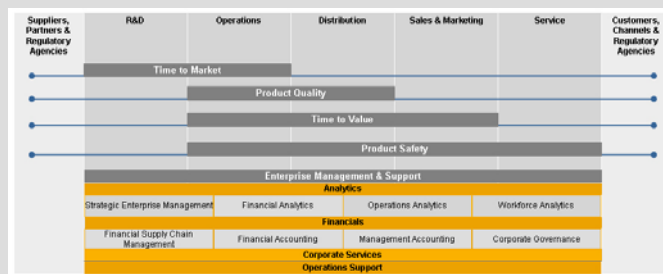
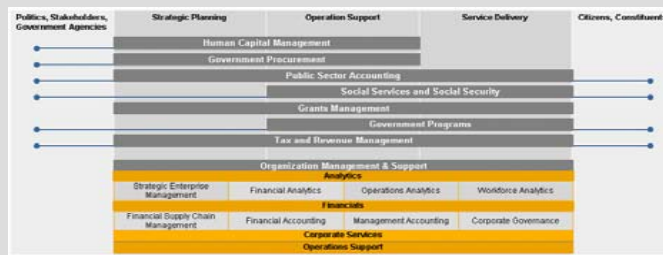
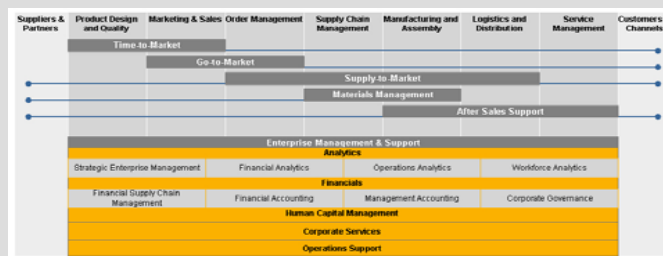
### Insurance

- Claims Management

### Retail

- Category Management

## Industry Solution Maps



# mySAP ERP: Empowers People

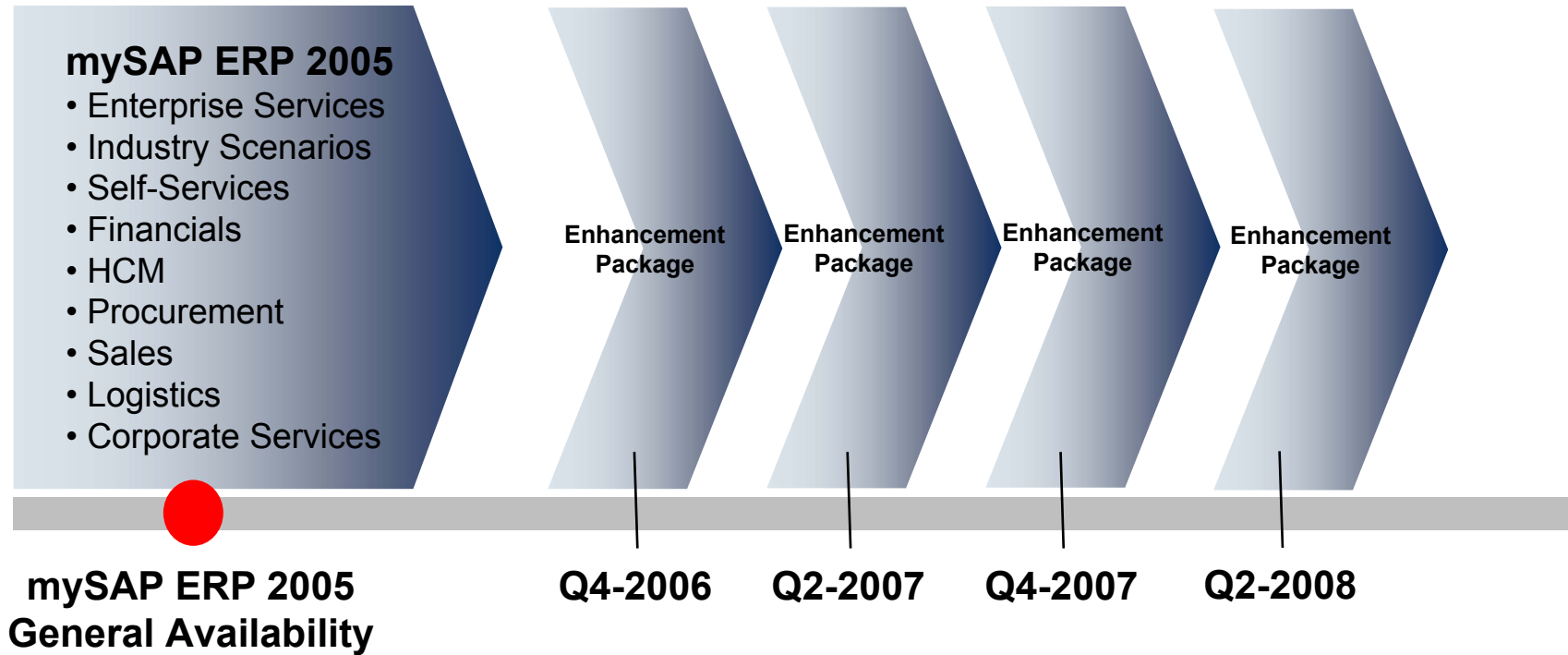
The screenshot displays the SAP mySAP ERP interface with several overlapping windows:

- Leave Request - John Stavo - Message (Plain Text)**: A message window with a menu bar (File, Edit, View, Insert, Format, Tools, Action, Help) and buttons for Reply, Reply to All, Forward, and Leave Approval Details.
- Calendar - Microsoft Outlook**: A calendar window for March 2005, showing a grid of dates and a sidebar with calendar settings.
- Budget Transfer - Microsoft InfoPath 2003**: The main window showing a "Budget Transfer" form. It includes a bar chart titled "Current Budget Situation" and a "Transfer From" to "Transfer To" section.
 

Internal Order	Actual	Plan
IO 12345	33333	31333
IO 0876	26182	24323
IO 2938	10000	11432
IO 7293	6000	

Transfer From: Internal Order: Product Testing (2938)  
 Transfer To: Internal Order: Project A (12345)  
 Amount: 1,432.00 USD
- Duet Action Pane**: Multiple floating panels on the right side, including "Leave Approval", "Time Tracking Overview", "Recording Summary", "Selection Details", and "You Can Also".

## Incremental enhancement packages that are deployed on top of mySAP ERP 2005



# What is an “Enhancement Package”?

Delivering More Innovation, More Quickly, in a More Accessible Way.

## ERP Enhancement Packages

- Smaller, incremental updates and improvements to mySAP ERP 2005
- Approximately 6-month release cycle
- Additional industry-oriented functional improvements
- Additional improvement to HCM, Financials, and other functions

## Pricing and Availability

- Part of mySAP ERP or Business Suite contracts
- Optional add-on to mySAP ERP 2005
- Limited Availability, July 2006, General Availability December 2006

**mySAP ERP 2005**

**Ramp Up Experience**

**As of May 19, 2006**

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**511 Projects**

**35 Live Customers**

**300 Projects in EMEA**

**1,306 Scenarios Active**

**300+ SAP Consultants Trained**

## Top Ten Scenarios

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1. New General Ledger
2. Employee Self-Services
3. Manager Self-Services
4. HR Administrator
5. Project Accounting
6. Sales Order Processing
7. eRecruiting
8. Treasury Risk Management
9. Travel & Expense Management
10. Real Estate Management

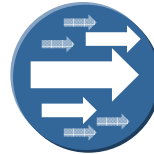
# Fischer Advanced Composites - Upgrade in 45 Days



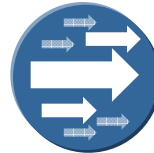
**“Fischer Advanced Composites upgraded to mySAP ERP forty five days. It could have not be accomplished without support from SAP.”**

**Michael Dolejsi, Project Manager, FACC**

FACC is a privately held company with 922 employees that specializes in the design, development and fabrication of fiber reinforced lightweight systems for the aviation industry.



**Technical upgrade from SAP R/3 4.6C to mySAP ERP 2005 in 45 days**



**Full scope – sales, purchasing, corporate services, financials**



**Consolidated server environment - reduced cost of IT**

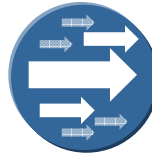


**405 Users, Mid-Market Customer, Aerospace and Defense Industry**

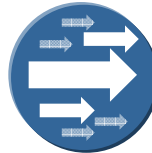


**Edelweiss needed a system aided facilities management and ERP solution in order to meet legal and operational requirements following a spin-off from UBS.**

Edelweissfm is a subsidiary of UBS Swiss Bank that specializes in professional facilities management. That established itself as a legal entity on January 1, 2006



**New customer – needed ERP solution in 40 days**



**Full scope ERP – financials, human capital management, real estate, business intelligence**



**Needed integration to mobile asset management and CRM**



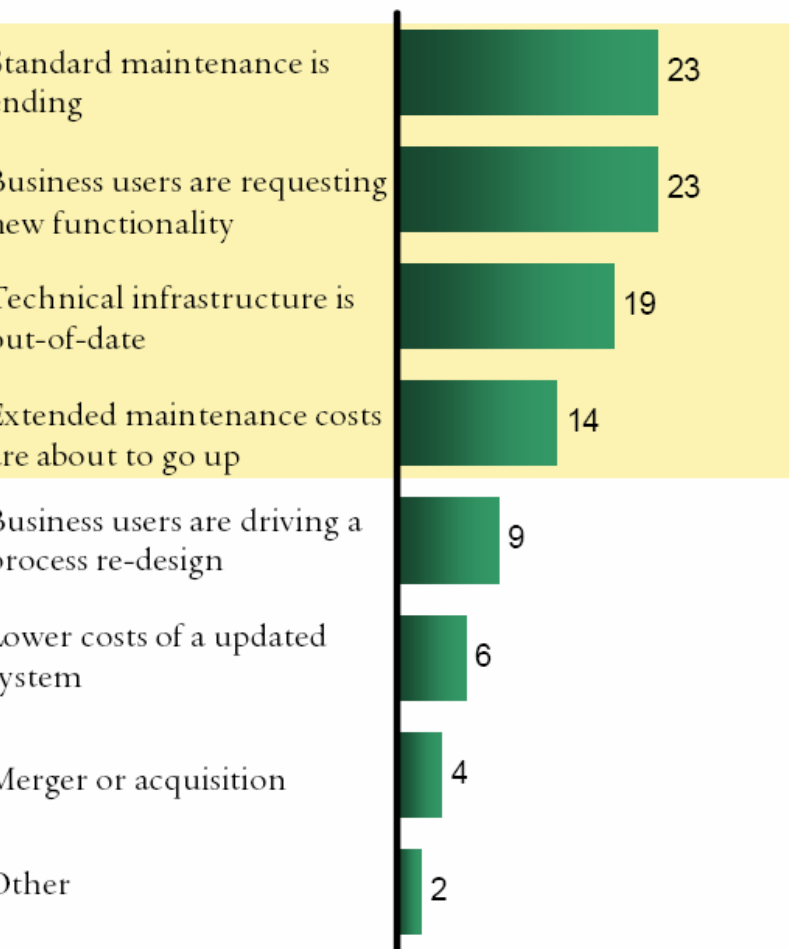
**450 Users, 380 Mobile Users for Service Management**

# Considering an Upgrade?

# What Have We Heard From You?

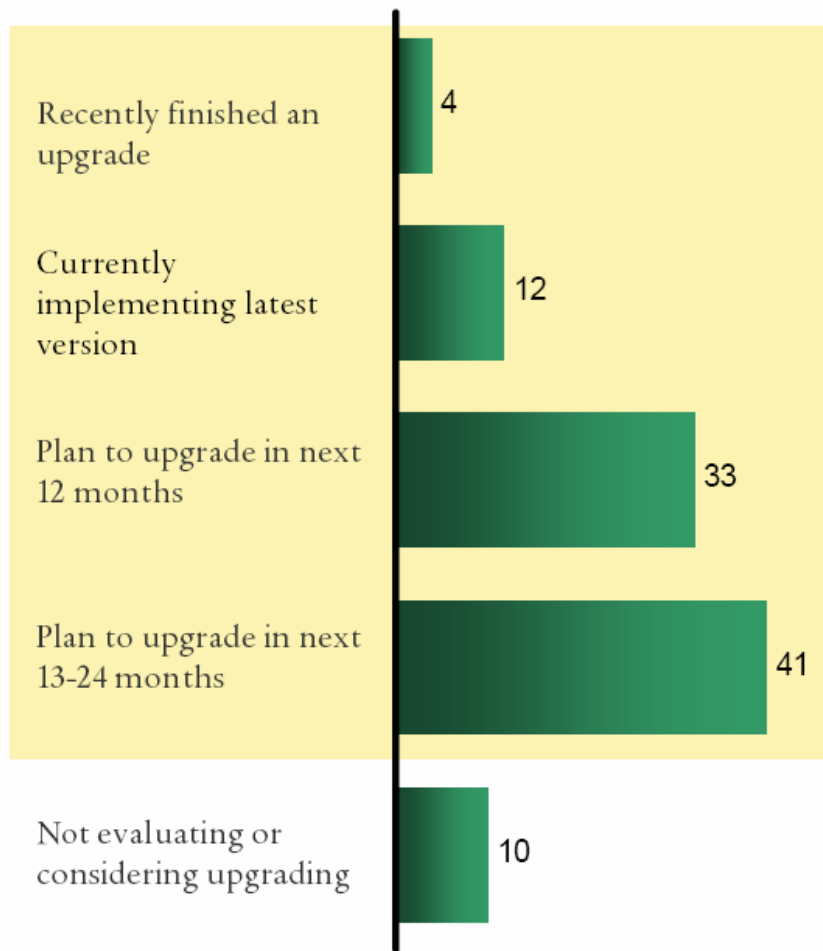
## Flexibility, risk mitigation and business process improvement are key upgrade drivers

% of overall responses



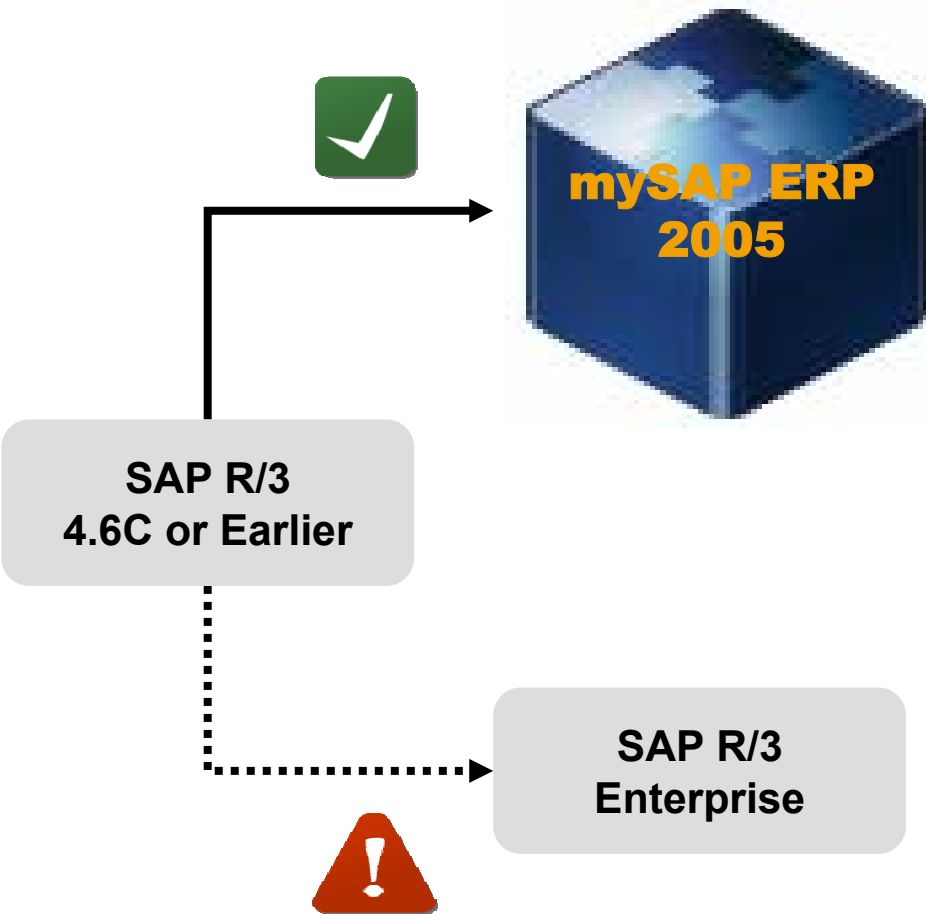
## 90% of companies have already upgraded or plan to do so in the next 24 months

% of overall responses



# Recommendation

**mySAP ERP 2005 offers greater value and a direct, cost effective upgrade**



## Advantages

- Stable core capabilities
- Deeper functionality
- SAP Industry solutions
- SAP NetWeaver

## Disadvantages

- No ongoing innovation
- No use of SAP NetWeaver or Enterprise SOA
- Shorter support window

Scope

70% of Customers  
Start Here



## Transfer

Simple, technical  
upgrades

## Expand

Add-on or supplement  
existing processes

## Improve

Rework existing  
processes, gain  
efficiency, lower  
operating costs

## Transform

Restructure IT  
infrastructure to meet  
long-term business  
strategy

Time



**SAP and our Partners are  
Ready to Help**

## SAP Services Helps You Evolve to mySAP ERP

- ✓ Global Delivery and Management
- ✓ Proven Upgrade Methodologies
- ✓ Seasoned Project Managers
- ✓ Time-tested Best Practices
- ✓ Tools and Upgrade Accelerators
- ✓ Low-Risk Upgrade Packages
- ✓ Expert-level Migration Services
- ✓ Quality Assurance and Safeguarding



# Where Can I Get More Information?

## PLANNING

Define transition/upgrade strategy and project plan

## BUILDING

Minimize project costs and risks of business disruption

## RUNNING

Run and incrementally improve total cost and value

## Information Sources

### SAP Upgrade Info Center

**SAP Upgrade Info Center**

**Transition to Maximize Your Return on IT Investment**

Change and improvement are integral parts of today's business environment. SAP is committed to support you in continuously improving your existing SAP solution:

- To meet the latest market requirements and flexibly adapt your business
- To use the latest technologies available in the IT market
- To achieve company-specific targets to reduce total cost of ownership (TCO) for the existing IT infrastructure

SAP helps you to align your IT strategy with SAP's release and maintenance strategy to identify the best transition option for your existing SAP solution. Furthermore, SAP offers tailored specific tools and content to evaluate the status, occasion, and challenges of an upgrade project and to facilitate and safeguard the project execution.

**Related Topics**

- Release and Maintenance Strategy
- Upgrade Roadmap
- Development Items
- Installation and Upgrade Guides
- Product Availability Matrix
- SAP Software Downloads

**Spotlight**

- mySAP ERP 2005: The external **Statement of Direction (SdO)** was recently released for customers and partners. More updates on mySAP ERP 2005 (SAP ECC 6.0) specific upgrade information are expected to be available by end of October 2005. See: <http://www.sap.com/upgrade-sdo>
- Updates on SAP upgrade technology team: For example, how a synchronized upgrade of a double stack (ASAP+ Java) based SAP system will work using the upgrade technology available with SAP Release 2004.
- New SAP Upgrade Services for the discovery and evaluation phase are now available. See the detailed SAP Upgrade Offerings [www.sap.com/upgrade-offerings](http://www.sap.com/upgrade-offerings) or directly go to [www.sap.com/upgrade-offerings](http://www.sap.com/upgrade-offerings)
- A SAP Solution Manager system is technically required to perform an upgrade or installation of mySAP ERP 2004 (SAP ECC 5.0) and related add-ons. Read SAP note 800326 for more information.

**Key Content**

Solution-specific Information	Upgrade Tools	SAP Upgrade Offerings	Info Center
<a href="#">mySAP ERP</a> <a href="#">mySAP ERP</a> <a href="#">mySAP ERP</a> <a href="#">mySAP ERP</a>	<a href="#">Subscribe to the Upgrade Newsletter</a>	<a href="#">SAP Upgrade Services</a> <a href="#">SAP Upgrade Tools</a> <a href="#">SAP Upgrade Content</a>	<a href="#">FAQs</a> <a href="#">Customer Assistance</a> <a href="#">Documentation</a> <a href="#">eLearning</a>

Contacts: 0204533 provide further information on regional SAP upgrade offerings.

powered by SAP Support Portal  
[www.service.sap.com/upgrade](http://www.service.sap.com/upgrade)

### SAP Upgrade Roadmap

**SAP Upgrade Roadmap (V3.0)**

Navigation: Roadmap, Edit, Tools, Settings, System, Help

Work Packages:

- Project Preparation**
  - Description of Technical Infrastructure
  - Description of the Business Processes
  - Pre-Upgrade Analysis
  - General Project Management (Project Preparation Phase)
  - Training for the Project Team
- Upgrade Blueprint**
  - General Project Management (Upgrade Blueprint Phase)
  - Design of business Processes in the New Release
  - Definition of the Future IT Infrastructure
  - Detailed Planning for the Upgrade Process
  - Revision of the Administration Concept
  - Security Policy
  - Test Planning
  - Planning of User Training and Documentation
- Upgrade Realization**
  - General Project Management (Upgrade Realization Phase)
  - Upgrade of the Project Infrastructure
  - Mapping of Business Processes in the New Release
  - Performance of Acceptance Tests
- Final Preparation for Outlier**
  - General Project Management (Final Preparation for Outlier Phase)
  - Integration and System Test
  - Completion of Documentation and Provision of Training
  - Preparation of the Production System Landscape for Upgrade
- Production Outlier and Support**
  - General Project Management (Production Outlier & Support Phase)
  - Upgrade of the Production Solution
  - Support for the Live Date
  - Project Closure

powered by SAP Solution Manager

# Summary

- 
- 1. Fit with SAP Industry Solutions**
  - 2. Improved Usability**
  - 3. Better Reporting and Analytics**
  - 4. Better Support for End-to-End Business Processes**
  - 5. Improved Corporate Performance Management**
  - 6. Improved Efficiency for HR Managers and Administrators**
  - 7. Better Insight for Information Workers**
  - 8. Improved Manager and Employee Self-Services**
  - 9. Proven Upgrade Path – Low Risk**
  - 10. Platform of the Future – All Future Innovation on ERP 05**



## Empowers Employees

Self-Services | Analytics | Roles | Duet™



## Industry-Ready

Global | Support 28 Industries | ESA-Enabled Suite



## Functional Enhancements

Financials | HCM | Procurement | Sales | Corporate Services



## Proven Upgrade Paths

SAP Services | Solution Manager | Modification Assistant



■  
**mySAP ERP 2005 is the Go-to  
Release for R/3 Customers**

**Start Planning Your Evolution**