

SUGEN Digest, Q1 2016

Welcome to this issue of the SUGEN Digest, our communication to all SAP user groups around the world, designed to keep you informed of SUGEN's progress and provide you with information to share with your membership.



[SAP User-Group Executive Network Collaboration Workspace](#)

[SAP User Groups Around the World](#)

In this SUGEN Digest:

Strategic Topics

- Update on SUGEN F2F Meeting, Walldorf, Germany
 - [Foreword by Chairman William Khalil](#)
 - [SUGEN Best Practice Sessions](#)
 - [Global User Groups Organization](#)
 - [Academy Cube](#)
 - [Integration of Acquired Companies](#)
 - [Customer Influence](#)
 - [SUGEN Elections](#)
 - [Executive Exchange with Luka Mucic](#)
 - [Executive Exchange with Wieland Schreiner](#)
 - [SAP Portfolio Strategy](#)
 - [SAP S/4/HANA](#)
 - [Internet of Things](#)
 - [SAP Runs SAP – Board Room Redefined](#)

Programs & Projects

- [SUGEN License Model Project](#)
- [Innovation Adoption Charter](#)
- [SUGEN Growth](#)

SUGEN F2F Meeting, November 9–11, 2015 – Update

Foreword by Chairman William Khalil [SUGMENA]

SUGEN members met in Walldorf, Germany on November 9, 10, and 11 for its second face to face meeting of the year. SUGEN welcomed two new user groups joining the network ASUG (North America) and SAPIence (Belgium) to their first face to face meeting. SUGEN now consists of 19 SAP User Groups. The opening session had the privilege of having Geoff Scott from ASUG and Frank Haes from SAPIence introduce their user groups.



Chairman of SAP User Groups Executive Network (SUGEN)

At this 2nd SUGEN F2F meeting, SUGEN members from 12 user groups attended, encompassing all continents, with the strategic objectives to network, discuss, collaborate and influence SAP. The Executive Exchange had topics with high interest globally addressing challenges from the user community and sharing them with SAP.

Subjects that were discussed included SAP Portfolio Strategy, SAP S/4HANA, SAP Service and Support, SAP Business Networks, and Internet of Things.

The SUGEN Core Leadership Team (CLT) bid farewell to David Ruiz (AUSAPE) and welcomed Frank Haes (SAPIence.be) on the team. SUGEN members also selected a new election committee to carry out the 2016 elections.

SUGEN members continued to collaborate in a true engagement meeting its objectives to have an honest and transparent communication with SAP.

SUGEN Best Practice Sessions - Review

Before the main SUGEN meeting began in earnest, User Group Executives and non-executives got together to discuss a number of areas of importance in running a SAP User Group.

12 attendees represented User Groups from around the world, including North America (ASUG), Australia (SAUG), Sweden (SAPSA), Mexico (ASUG Mexico), Spain (AUSAPE), Netherlands (VNSG), Belgium (SAPIence.be), UK & Ireland (UKISUG), and were joined by a number of their SAP liaisons from the SAP Global User Group Office (GUGO).

Topics being discussed in this one day meeting focused on three main areas, which were

- Strategic Direction of your User Group
- Providing activities and services for acquired company customers i.e. SuccessFactors, Hybris, Concur
- How can we effectively transmit to our members the added value they get from our participation in SUGEN?

Geoff Scott of ASUG led the Strategic topic and we looked at what strategy is and how each User Group looked at strategy within their respective organisations. It was pleasing to see that all User Groups had a mission statement and almost all had a vision statement as well. The use of SWOT analysis differed amongst groups and it was interesting to understand how these were used not just for setting strategy, but also for operational activities when delivering against strategy. We discussed the next stages of this topic and agreed it would be tabled as a future subject to enable us to delve further into our strategies.



Maria Elena Gutierrez of ASUG Mexico led the session looking at how we provide services for the companies acquired by SAP. A lot of the conversation focused on what information we needed to ensure we could develop programs for customers of the acquired companies enabling us to add value for them and who those customers were and how many were in each locale. Following a brainstorming session we came out with a number of questions we need answering and a focus on a small number of communities. We agreed to set up a regular communication to discuss how we are progressing in the relevant locales to enable

best practice sharing throughout the year.

Olga Lungu of AUSAPE led the final session of the day, where we discussed the methods and mediums we can use to communicate the value of SUGEN membership to our members. Communicating our achievements were seen as very important in this area, not just amongst our general membership, but also our Board and member community. Including board and volunteer members in SUGEN activity was also seen as a way to generate engagement and buy in amongst the membership as well as the general areas of communication such as our member web portals, social media and within our own meetings (face to face and online).



In summary the feedback was very positive from those involved and energy was good throughout the day.

Topics have already been slated for inclusion in future meetings, including a deeper dive into the strategy of each User Group and fostering more engagement from our members.

Contributed by Craig Dale (UKISUG)

SUGEN Internal Topics & Info-Sessions

Global User Groups Organization - Update

Yasmin Awad, SVP Global User Groups Organization, provided an overview of the entire team and its tasks, illustrating how the various activities strengthen the User Groups and SUGEN in particular. The SAP Global User Group organization is responsible for the relationship of SAP with SAP User Groups. This is crucial to validate strategies, influence product roadmaps, and enhance overall customer experience and adoption of SAP's products. User Groups are strategic to SAP as they provide SAP with an unfiltered view of market needs and requirements, helping SAP to continue being a customer centric organization.



Tasks of the Global User Groups Organization include managing overall relationships with User Groups around the world, gathering customer insights and the Voice of the Customer to influence SAP strategies, decisions and enhancements for products and services. In addition, the Global User Groups Organization helps SAP to build and support sustainable customer-centric engagements with different stakeholders across all SAP Board Areas.

The responsibilities are closely aligned with User Groups objectives, influencing, networking, guidance, and expertise.

Important links for User Groups and members:

- The [GUGO web presence](#)
- [Recordings](#) of all webinars set-up by the GUGO Knowledge Transfer Team
- [Guides](#) for SAP users written specifically for User Group members

Contributed by Yasmin Awad

Academy Cube & Bringing Early Talent, Education and Employers Together

The world economy will face a shortage of 5 million workers with the necessary education and training by 2020 (according to Georgetown University). There will be a 50% increase in unfilled digital technology jobs in most western countries (Gartner 2014). Europe, for instance, will need up to 350,000 additional e-leaders by 2020 (BCG 2015).

During the next decade, there could be an insufficiency of over 1 million STEM graduates (report by President Obama's Council of Advisors on Science and Technology). But, over the past few years the labor market has faced some of the highest youth unemployment rates. Young graduates lack the appropriate skills to meet new technical trends (such as IoT, Big Data, Smart Grids, etc.). It is clear that there is a gap between classical education and future industry requirements.

This is the breeding ground that contributed to the creation of Academy Cube, which brings together young, highly-qualified job seekers with international companies, but also prepares workers to meet the new labor market of digital transformation. Hence, it creates a win-win situation for the economy, politicians and citizens as a not-for-profit platform.

Academy Cube relies on three main pillars:

- A talent pool, with highly skilled talents from all over the world.
- A training platform, which includes industry specific learning material from academic and industry content partners and learning materials linked to different job profiles.
- And a job posting site, with job offers that are matched with the registered talents.



Actually, the intelligent matching system is based on Success Factors. SAP, together with other corporations, universities, associations and public institutions, plays an important role in the development of this initiative.

So far (September 2015), 16,267 talents have registered, 2,376 job vacancies have been posted, and 164 E-learningings have been offered.

Several offices have been established across the globe, and there are ambitious international expansion plans for the near future.

For more information, click [here](#)

A dedicated [entrepreneurship edition](#) will be launched soon.

Contributed by Olga Lungu (AUSAPE)

Integration of Acquired Companies

Acquiring a new company for SAP means not only preparing the deal before «day one» from a financial perspective, but also following its integration economically, culturally and on a technological approach.

If acquisitions are decided in order to acquire solutions that SAP is not able to deliver, for the editor there is also a challenge in integrating the people and the culture they bring with them. Moreover, acquired companies can receive much more freedom than users and customers might expect.

Clearly, the business models can be different, thus leading to the necessity of finding the right balance between existing SAP commitments and the acquired company's ones. If it is obvious the corporate issues (such as security standards, software policies and financial consolidation and reporting) must be fixed very quickly, other issues can be solved in a longer term: the time needed for them depends also on the context both of the existing customer portfolio and the actual market conditions.

An acquired company has actually its own customers that could not already be SAP customers. If it happens that the acquired company is merged into SAP in the middle of a certain strategy for which investment is still in progress and the ROI is still not there: thus, a certain degree of freedom must be given to it, in order to capitalize on the ongoing work. Concur is a clear example of this case, as the benefit from a loose connection to SAP SE, in order to let them develop their existing commitments before the deal. In the future, of course, SAP will guide Concur into new commitments much more oriented to achieve a better integration.

Acquiring a company has also two other major impacts: on the support and on the community. SAP support works through S-Users, but these are unknown by the acquired company's customers... how to have a unique view of the customers? SAP is actually working on finding the best fit solution.

Contributed by Gianmaria Perancin (USF)

Customer influence from SUGEN perspective

The Customer Influence program is well on track. Nearly 50K notes downloaded, 97 success stories created, 21 influence requests received, 1,426 registrants for 244 CEI projects, and no less than 353 improvements shipped. Some excellent figures!

Customer Influence Improvement project

And we are working hard to improve on this. In November 2013, the SUGEN Customer Influence Improvement Project was initiated with the objective to improve the Customer Connection and Customer Engagement Initiative programs for the entire global SAP community. Representatives from SAP and the user groups from France, UK & Ireland and the Netherlands ran a number of one-day workshops in Paris. This resulted in the best-practice document 'How to get the most out of Customer Influence', which was published and made available to SUGEN members at the end of 2014. The document addressed topics such as 'stimulating customer influence programs in SIGs', 'understanding rejection and selection reasons for improvement requests', 'best-practice processes for user groups', etc.

Meeting in Paris in October 2015

Earlier this year, the project group decided to organize another one-day workshop to discuss the experiences with the best-practice document. The agenda included the following items: 'automated reporting', 'communication', 'user group KPIs', 'where to use success stories', 'getting more local SAP support', and 'how to involve SIG leads in customer influence'. At the end of the workshop, the group decided to further collaborate on these topics and share the experiences with the other SUGEN members in due course.

Call to action

The customer influence programs have become 'mature' and are used by many. Still, others are not aware or not using it yet.

The Customer Influence website <https://influence.sap.com> contains all the information required to inform your user group members on the Customer Influence program in general. Please point them to this website. Also, have your Special Interest Group leads log on to this site. They can subscribe to areas of interest and to specific projects which will enable them to keep track of all relevant developments. The adoption of the Customer Influence program is a long-term project. Therefore, we need your help. Please promote the website within your user groups!



<https://influence.sap.com>

Contributed by Hans de Labije (VSNG)

SUGEN Elections

New representatives in the SUGEN Leadership Team

Within the core leadership team that is responsible to facilitate SUGEN activities, there is one new volunteer taking up the responsibility to support the core Leadership Team. Frank Haes from the new SUGEN member SAPIence, the Belgium SAP user group, is both new in the Leadership Team and into SUGEN. It's positive that new members are willing to step forward and take an active responsibility to support the growth of and strengthen our global network.

Frank will work together with William Khalil (Middle East and North Africa), Graham Reynolds (Australia), Rob van der Marck (Netherlands) and Stein-Ove Røv (Norway) during 2016.



Contributed by Per Hogberg (SAPSA)

SUGEN & SAP - Executive Exchanges

Executive Exchange with Luka Mucic

SUGEN had the first Executive Exchange with Luka Mucic, Executive Board and Global Managing Board of SAP SE and chief financial officer (CFO) as well as chief operating officer (COO). The core discussion focused on a set of questions prepared by the network in the following areas; How does SAP manage the change from a license-oriented software company to a subscription-oriented software company? What is the intention behind this from a financial perspective? In your role as COO and, therefore, responsible for internal business processes: how are things progressing in the post-merger integration phase of the acquired companies? Last was how you do as a CFO benefit from S/4HANA?

Luka delivered the responses sharing with the attendee the position of SAP and the association of his role in this perspective. Luka stressed that SAP is walking the talk by implementing the solutions first to make sure that the customer satisfaction is their priority. Having IT under his organization provides him with a direct contact with the development because he is the first customer of their delivery.

Contributed by William Khalil (SUGMENA)

Executive Exchange with Wieland Schreiner

The second Executive Exchange was with Wieland Schreiner, Executive Vice President, SAP S/4HANA. The focus of discussion was on SAP S/4 HANA. Wieland addressed a set of questions prepared by the user groups and shared his thoughts. Wieland strongly stated that the momentum of S/4HANA is significant. SAP released SAP S/4HANA on-premise edition on Nov 11, 2015. Wieland confirmed SAPs support and the continuation of open dialogues with SAP User Groups.

SUGEN is clear on SAPs vision, but customers see a gap between actual and ideal. Given the importance of digital transformation, SAP is embedding new technologies to support customers' business transformation. SAP offers services, such as "SAP Activate", to facilitate customers' transformation and a short implementation period.

On the question whether SAP intends to simplify its product portfolio, Wieland explained SAPs positioning of S/4HANA as a key element in facilitating the simplification of the product line. SAP extended the S/4HANA promotion until the end of Q4, assisting customers to adopt S/4HANA with less disruption.

SAP positioning itself as the Cloud Company does not imply that companies not selecting that path need to choose a different company, but that any solution developed for cloud can work on-premise, but not vice-versa. SAP developing for Cloud, means the solution is an innovation also for on-premise customers.

SAP encourages customers and partners to move into the cloud environment to be more agile and flexible. SAP HANA cloud platform is the SAPs strategic platform. Wieland Schreiner further explained that FIORI is SAP's strategic UI and that SAP would like to prioritize web-based user interface such as FIORI. Also, he commented that for S/4HANA users, SuccessFactors is the recommended solution. SAP will not develop new features for HCM. However, SAP will maintain HCM solution.

Contributed by William Khalil (SUGMENA)

SAP Portfolio Strategy

The presentation, given by Hala Zeine, SVP Portfolio Strategy & Pricing, informed the group about the future developments and ideas of SAP. A central question in this respect is where the market is going to be in 2020. This is only 5 years ahead! Therefore, SAP has to listen to the market, where are we (SAP) under-investing, where are we (SAP) over- investing.

Four Pillars determine investment prioritizations at SAP

- Market trends and competitive situation (external view)
- SAP's corporate strategy
- Financial plan and growth ambition
- Unit-level business plans

The SAP portfolio team orchestrates collection and review of unit-level business plans in close alignment with stakeholders from the units Global Customer Organization, Products & Innovation and Global Service and Support.

Where is the market going to be in 2020? What are the Key Trends Driving Change?

- Internet of me
- Outcome based economy
- Platform reduction
- Intelligent enterprise
- Workforce reimaged

The Internet of Me

- 66% of all companies are already exploring new channels to engage customers
- 89% of business leaders believe that the customer experience will be their primary basis for competition in the future

Outcome based economy

- 66% of companies are either using or experimenting with smart objects

The Platform revolution

- 1.3 billion people on business and social networks today
- 50 billion connected devices and the Internet of things by 2030
- \$65 trillion business to business commerce

The Intelligent Enterprise

- 91% of all companies believe software intelligence will be critical to simplifying IT

Workforce reimagined

- 40% of all companies are considering using sensors to gather intelligence and equip their workforce with more insights
- 75% of the global workforce will be Millennials

Where should we as SAP be in 2020?

SAPs strategy is based on these core beliefs:

- Software = network of applications supported by an open platform
- SAP cannot do it alone but needs a comprehensive ecosystem
- Consumer experience will be the primary basis for competition
- Cloud first for everything SAP develops
- Modern business software bases on microservices
- Software is shifting from business documentation to business decisions and outcomes

Contributed by Andries van Bruggen (SBN)

SAP S/4/HANA

The new name is S/4HANA Enterprise Management, to indicate, this is the digital core for the complete enterprise, prepared for the digital economy. SAP is again emphasizing the beauty of having one core, supporting the most essential processes in a company, compared with R/3 in the early days. S/4HANA is available in the cloud, the on-premise edition 1511 was released the very day, with the same functionality (identical code line). SAP will however have a cloud first philosophy, the cloud version will get frequent (monthly) updates, while the on-premise release will get yearly revisions.

The business drivers for moving to S4/HANA are many, the most important ones:

- First the 'simplified' data model, gives smaller footprint and thus a better Total Cost Ownership (TCO). A business case solely built on IT cost saving is possible, especially if also consolidation of instances are included in the calculation.
- More functionality included in the core, functionality earlier in e.g. industry solutions, SRM and SCM is now available in S4/HANA. It will both improve TCO as well as usability of the processes/functionality.
- Finally a user friendly user interface with Fiori (exits now on all new transactions, still SAP GUI on the old transactions).
- More 'intelligence' built in, through possibility to do simulation and predictive analysis.
- Real time possibility with HANA as database, e.g. Material Requirements Planning used to be batch during night, can now be much more frequent, and gives much better precision.
- With HANA and hadoop possibilities, individual planning/execution is possible, 'principle of one'. Can give companies real business advantages.
- The capacity of HANA gives the possibility to connect to large volume of 'Internet of Things', analyze and act on the data.
- S4/HANA is the natural core, connecting to other cloud solutions, HANA Cloud Integration is native.
- S4/HANA is the platform where SAP is investing and inventing for the future. Important for us customers to realize.

The journey to S4/HANA is not a normal upgrade, it is somewhat more complex. SAP is pointing at three main paths, new green field implementation, system conversion (closest to upgrade) or landscape transformation. The cost of these transformation has of course to be added to the business case.

SAP is inventing and presenting a solution well positioned for the future, which is good for our members. The business case will depend on how SAP can help in the move to S/4HANA and of course the license model/cost. Even if S4/HANA has new functionality, much of the base functionality is the same as we are licensed for today and the premium to be paid has to be limited.

Contributed by Thomas Schierwagen (SAPSA)

Internet of Things

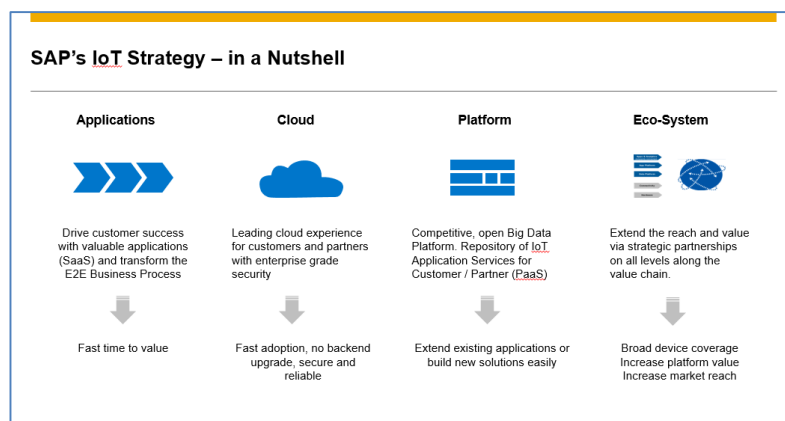
The economic world is actually undergoing a huge transformation, based on technology: the connection of different “objects” to applications, in order to get new insights and offer new services... sometimes leading to new business offerings.

This is what we call the “Internet of Things”, where quite everything will be able to collect new data, then to be managed by applications: in Logistic, in Customer Care, in Manufacturing ... across all industries in other words.

IoT is not actually just impacting industries, by the way, but also public sectors or commodities: smart cities, smart homes, smart “something”... everything is now connected for improving our everyday lives, but also economic contexts at a local level, in order to attract companies and offer best infrastructures, or in order to attract customer in using services while today they own materials (car-sharing instead of buying a car) or sign for fixed clause contracts (pay-as-you-drive contracts and no more classic ones).

But all of this cannot be successful if we work in a closed eco-system: openness is the word, or at least standard protocols should be agreed upon and used. And used in a very pragmatic approach, based on a “think big – act small” approach: from the basics such as connection and simple reporting, via enabling technologies for acquiring more and more maturity and improving knowledge and added value for companies... till the integration in business processes and the arising of new services and business models.

SAP considers IoT as a strategic area, and it offers Hana Cloud for IoT services. The latter shall allow customers to transform their end-to-end business processes into new applications and get value as fast as possible, through cloud adoption.



Concerns with SAP's IoT approach, SUGEN stresses the need of improving visibility on license models: some countries experience the non-adoption of SAP solutions in IoT due to the lack of information on price topics, thus blocking the building of business cases. But also the tight links with sensor manufacturers can give customers the impression of a serious lock-in brought by SAP. These two subjects must be seriously considered by SAP, so to address the right messages to the customers' communities.

Contributed by Gianmaria Perancin (USF)

SAP Runs SAP – Board Room Redefined

To conclude the last day of the SUGEN face-to-face meeting and to end the Executive Exchange there was an interesting demo from Benjamin Kayser where he showed in a glance how SAP has designed and implemented Enterprise Analytics for its Board.

Based on SAP's own solution SAP Cloud for Analytics they went live in July with an extensive range of dashboards, reports, lists, trees etc. guided by an agenda to provide the board with a companywide overview on its financial and market performance.

According to Benjamin the dashboards, reports etc. have been put together by the Controlling Department without any support or interference from IT. The prerequisite is of course that there is data model defined and after that a person from Controlling understanding the business can use it in one day.

Benjamin raced us through an impressive live demo where based on a board meeting agenda he walked us through various KPI's with underlying details. Although the data was altered due to its confidentiality it was based on live and real-time data.

Next to analytics there were also some elements in the Enterprise Analytics in which scenarios could be evaluated based on what-if choices. These elements are using the SAP Cloud for Planning technology, the next generation of enterprise performance management that is now included in SAP Cloud for Analytics.

On SAP Cloud for Analytics: this was formally wrapped under its code name Project Orca and recently unwrapped and formally introduced. It is built natively on SAP HANA Cloud Platform and provides a new, single experience for decision-making where you can discover, visualize, plan and predict—all in one place.

SAP will deliver the service in a scalable, multitenant environment, allowing customers to unify business intelligence, planning, budgeting and predictive capabilities in a single cloud service.

Cloud for Planning, which has been available since February, will be part of SAP Cloud for Analytics, and capabilities available in the cloud edition of SAP Lumira will be folded into the service as well. Following the new release's inclusion of business intelligence will be governance and compliance capabilities, both due next year. Apparently Cloud for Analytics can communicate with any database.

Contributed by Jan-Willem van der Meere. (VNSG)

SUGEN Programs & Projects

SUGEN License Model project continues

The License Model is one of the most important topics for SUGEN. In the past, running until 2014, we had a License Charter to discuss several topics in the area of the SAP license model. In that Charter metrics, packages, documentation and the move from on-premise to the cloud or other innovations (Extension Policies) were discussed.



The License Model project doesn't stop here. The License Model team within SUGEN has started to compile a new list with the most pressing licensing topics;

- License auditing and measurement: strategy, policy, processes and tools
- S/4HANA on-premise license model (plans for 2016)
- Parking and cancelling licenses
- What if you don't choose S/4HANA?

We will continue our dialogue with SAP with these topics and keep you informed about the progress in next issues of the SUGEN Digest.

Contributed by Rob van der Marck (VNSG)

Innovation Adoption Charter Update

As announced in the last SUGEN Digest, workshops took place in October and the results discussed within the Charter Team. The outcomes were verified during the SUGEN member meeting in Walldorf.

The latest release of the Innovation Discovery Tool will be presented to the Charter Team for review and comments, prior to general release.

Innovation Discovery 2.0

Adoption Accelerators

Each of the phases in the adoption cycle were discussed and reviewed with regards to their key deliverables.

Potential accelerators were linked to each of the key deliverables, demonstrating the tools available now, or in the future, that can help customers in the adoption process.

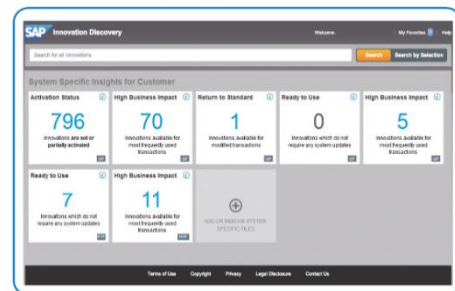


A key tool for the final steps from Building a Business case through to Measurement could be SAP Activate and this will be reviewed and discussed by the Charter Team with SAP. More news will no doubt follow in future SUGEN Digests.

For the moment we have a number of future actions to complete the work of the charter

- An SAP internal project will begin on the Innovation Roadmap based on our Innovation Adoption Charter
- A new Innovation Adoption Webinar Series will be communicated soon and delivered beginning next year
- Another workshop is in planning for Q1 2016 to discuss the creation and delivery of an Innovation Tool/Application (iSAP)

Customer View



Contributed by Craig Dale (UKI SUG)

SUGEN Growth

When talking about SUGEN Growth initiative activities we would like to share with you what has happened since last SUGEN Digest.

As commented last September, the SUGEN Growth Committee and CLT have contacted several UG's who were not participating in SUGEN activities in order to help them to reconnect again. For example, there have been several calls and meetings with AFSUG, CSUA and FINUG.

On a positive note, in recent SUGEN F2F meeting in Walldorf were present Geoff Scot on behalf of ASUG and Frank Haes on behalf of SAPIence.be. Unfortunately recently joined ASUG Colombia was not able to attend this F2F meeting.

Now it is time to contact new SAP UG prospects. At the moment, we are in open conversations with NZSUG (New Zealand) to invite them to join the SUGEN network. Other SAP UG identified as possible prospects include AUSED (Italy), ASUG Chile, HUNSUG (Hungary) and RSUG (Russia).

We encourage you to propose to the SUGEN Growth Committee any new SAP UG that you consider would be a good prospect to join the network and make it stronger and wider.

The SUGEN Growth Committee consists of SUGEN members from Australia, Norway, Sweden, France and Spain.

Contributed by David Ruiz [AUSAPE]

We encourage you to share this information with your membership and to share back with us any questions or comments, so that we can address them in future issues of the SUGEN Digest.

Sincerely,
William Khalil, SUGMENA
Grahame Reynolds, SAUG
Stein Ove Rov, SBN
Frank Haes, SAPIence
Rob van der Marck, VNSG