

# Unit 1: Introduction to System Applications and Products (SAP)

## SAP as an ERP

**Enterprise Resource Planning (ERP)** is a software integrates various functions into one complete system to streamline processes and information across the entire organization. The central feature of all ERP systems is a shared database that supports multiple functions used by different business units.

## History

### Basic Facts

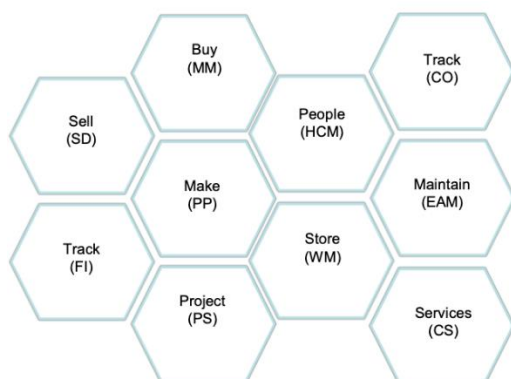
- ✓ **Founded in April 1 in 1972:** Five Former IBM Employees in Weinheim (Germany) under Systemanalyse und Programmentwicklung name.
- ✓ **Named as SAP AG on 2005.**
- ✓ **Headquarters:** Walldorf (Germany).
- ✓ **Market leader in enterprise application software:** 92% of the Forbes Global 2.000 companies are SAP customers.
- ✓ **One of the world largest independent software manufacturer.**
- ✓ **102,430 employees worldwide (Dec.2020):** Employee retention 95,8%.
- ✓ **Packaged Solutions for 25 industries and 12 lines-of-business:** On premise, Cloud or Hybrid.

### Benefits

Main Benefits and characteristics:

- ✓ Connects entire businesses.
- ✓ Optimize productivity and business processes.
- ✓ Increase profits and reduce costs.
- ✓ Helps the organization run smoothly by reducing interfaces.
- ✓ Real-time environment, Scalable and flexible.
- ✓ Uses live data.
- ✓ Collections of logically related transactions within identifiable business functions.

### Main components in SAP S/4HANA

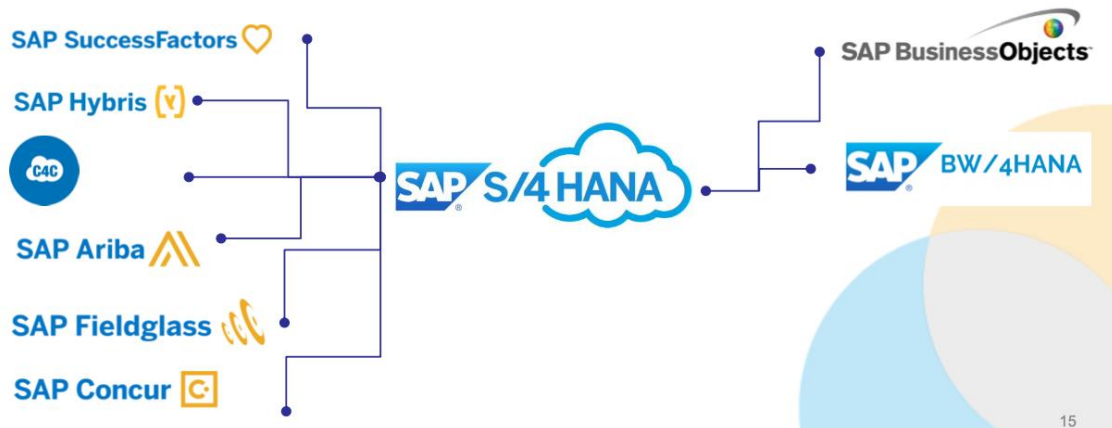


### **Main components:**

#### **New naming in S/4HANA:**

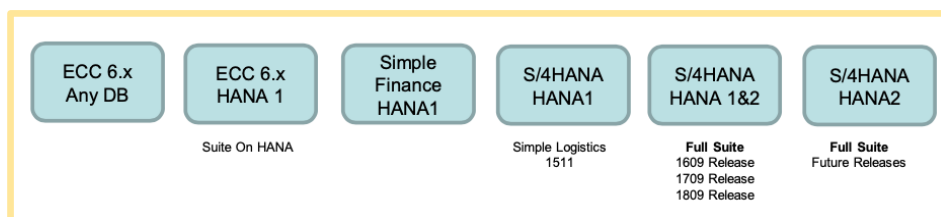
P2P - Procurement to PAY (MM. Materials Mgmt.)  
 I2R - Inspect to Release (QM – Quality Mgmt.)  
 PI2Pr - Plan to produce (PP – Production Planning)  
 S2S - Stock to Ship (LE –Logistics Execution + WM Warehouse Mgmt.)  
 O2C - Order to Cash (SD Sales Distribution)  
 F2R - Finance to report (FI Finances + CO Controlling +PS Project Systems)  
 In2Rep - Inspect to Repair (PM Plant maintenance)

Other SAP solutions:



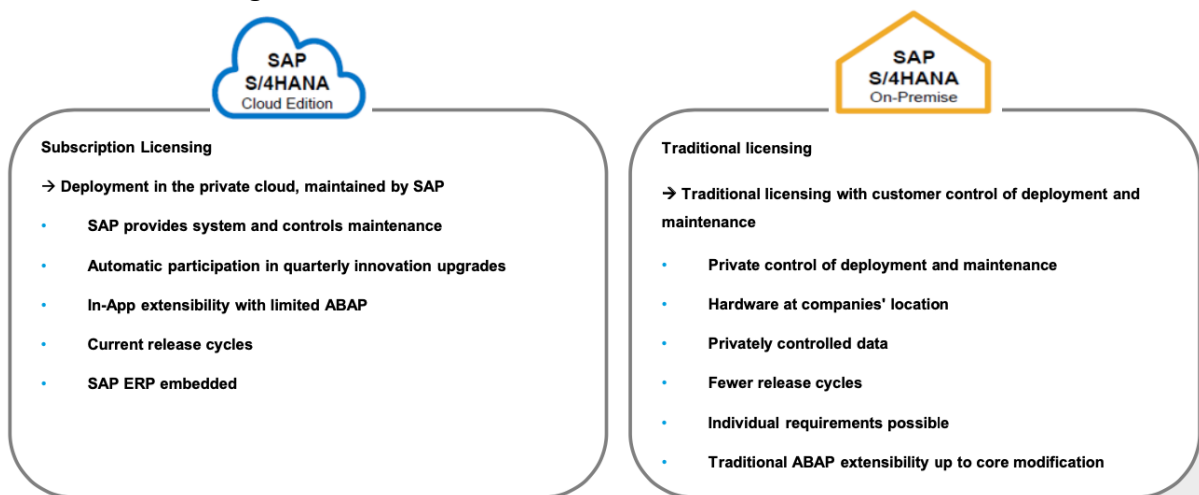
### Evolution of SAP ERP

1972	1979	1992	2000	2004	2011	2015
R/1	R/2	R/3	mySAP	ERP	HANA	S/4HANA



### SAP S/4HANA Architecture:

- ✓ Choose between **Cloud** and **On-Premise**.
- ✓ Cloud and On-Premise can be used hybrid without losing the company's integration.
- ✓ Possible migration of SAP Business Suite customers.



**SAP S/4HANA...**

- **Works within *memory*:** In-Memory processing, Compression & Parallel Processing. In-Memory Database allows you to process data very fast.
- Has a new modern design.
- Works with new technology.
- Provides SAP *Fiori* users experience and interface: Hardware independence & Mobile devices. SAP Fiori offers three application types:
  - 1- **Transactional Apps:** access to tasks like create, change or display process with guided navigation.
  - 2- **Analytical Apps:** visual overview about business data.
  - 3- **Factsheets:** view essential information about objects and contextual navigation between related objects.
- Independent hardware.
- Real-time.

**Methodology for SAP implementation**

Main project types:

<b>New implementation</b>	ERP System Non-SAP System
<b>System Conversion</b>	ERP System
<b>Landscape transformation</b>	ERP System – Region A ERP System – Region B ERP System – Region C

The SAP Activate Methodology:

