Customer Center of Expertise in the Hybrid World

Customer COE Program, SAP SE
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Agenda

Customer COE Basic Functions On Premise

SAP Strategy

Customer COE Impact

Customer COE in new Hybrid World

Customer COE Transformation
Customer COE
Basic Functions On Premise
What is a Customer Center of Expertise?
The idea behind the Customer COE concept

**History of the concept based on the on-premise software lifecycle**

- Strong relationship between customer IT and SAP support contacts
- Multiplier for SAP in the own company
- SAP contract owner
- Go-to point for all SAP related topics

**Customer COE basic functions on premise within certification**

- Information Management
- Contract and License Management
- Innovation / Influence SAP Development
- Support Management
SAP Strategy
Deliver the Intelligent Enterprise

Intelligent Suite

- Network & Spend Management
- People Engagement
- Digital Core
- Manufacturing & Supply Chain
- Customer Experience

Intelligent Technologies
- AI
- Machine Learning
- Analytics
- IoT

Digital Platform

Cloud Platform

Data Management
Intelligent Suite: Deliver intelligence across value chains

Intelligent applications for every line of business

Out-of-the-box integration leveraging SAP Cloud Platform, the SAP Analytics Cloud solution, and a common data foundation with SAP HANA and SAP Data Hub

Best-in-class UX with consistent experience across the entire portfolio

Modular, making it easy to consume and cost-effective to operate.

Easy to extend, allowing customers and partners to customize solutions quickly

Intelligence embedded in the applications making the workflows smarter

Integration | Business Objects | Master Data | Orchestration

25 Industries | 180+ Countries

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The Intelligent Enterprise is more than ERP

- **Extend** People & Data
- **Build** Differentiating Digital Apps
- **Integrate** Apps, Data & Processes

**NEXT GENERATION BUSINESS PROCESSES**

Seamless User Experience | Out-of-the-Box Integration | Intelligence and Analytics | Openness

**Efficiency** | **Speed of Innovation** | **Agility**
Customer COE Impact
What changes for Customer COEs with Cloud Solutions in Scope?

Priorities of business departments change
- Up-to-date business needs continuous change – always a new look
- Increased willingness to agree on budgets for innovation
- Reduced willingness to invest in projects with long run time
- Big question marks over any investments into the existing IT infrastructure

End-user expectations / acceptance change
- Always on / always fast / always mobile
- Easy to use
- Instant access / Instant reply
- Automated Updates of new Releases

New service requests for IT
- IT security risks / data security / cyber security
- Integration of new applications into existing landscape
- New methodologies (e.g. DevOps, agile projects, Scrum, bi-modal IT)
Cloud - Responsibilities by layer
- Ownership of tasks is reconfigured according to the cloud model employed

Legend:
- **Completely managed by customer** ➔ **No transparency for service provider**
- **Managed by service provider but SLAs and KPIs are defined** ➔ **Customer typically has transparency about critical events and SLAs**
- **Completely managed by service provider** ➔ **No transparency for customer**

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Private Cloud
- On Premise
- Private Hosted Cloud
- IaaS
- PaaS
- SaaS

Public Cloud
- Private Cloud
- Private Hosted Cloud
- IaaS
- PaaS
- SaaS

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Operations Scenarios
SAP S/4HANA transformation typically results in less on premise and increased cloud adoption
Today Customer COEs seek guidance …

Cloud Strategy
- Assess Cloud maturity
- Value drivers
- Opportunities/Risks
- Criteria for IaaS evaluation
- Strategy for IaaS combined with PaaS & SaaS

Biz + Technical Architecture
Business Design
- Biz capability in regards to SAP on IaaS
- Define Approach
  - Vertical vs horizontal
  - Global vs regional
  - LoB vs Division
Integration Design
- Integration Architecture w/ PaaS and SaaS
- MicroService / API Hub Approach
- SCP on Cloud Foundry
Technical Design
- Data Center Strategy
- Elasticity / Scalability in the Cloud
- High Availability / Disaster Recovery
- Security

Hybrid Operations
- Hybrid operations for SAP on IaaS
- Business Process Monitoring
- Application & System Monitoring
- Landscape Management

Transformation Journey
- HL multi-year roadmap
- Short-term activities / Quick wins
- What to prepare for the move to I-P-S-aas
- Deliver transition project
DevOps is NOT a methodology NOR a framework. It is a culture, a movement, a philosophy built on the 4 principles of culture, automation, measurement, and sharing and a willingness to break down silos.

- DevOps brings cross-functional developers and cross-functional operations together with an emphasis on a shift in mindset, better collaboration, and tighter integration.
- DevOps is built on a foundation of agile processes, continuous delivery, automation, and much more, to help development and operations teams be more efficient, innovate faster, and deliver higher value to businesses and customers.
- DevOps requires suitable tools, but tools without the adoption of culture will not work and vice versa.
SAP’s Customer CoE as “Bi-Modal IT”

SAP Customer CoE is reducing the traditional IT tasks through focus on governance and automation for operations, and enriching the IT tasks with responsibilities for increased business effectiveness, leveraging new technologies and methods, connecting people and things.
Definition* of cloud deployment model

Private cloud
- The Service is assigned to one dedicated customer (single-tenant)
- Access via protected network channel (Virtual Private Network)
- Operations by customer or "Managed-Service" agreement
- May be hosted „On-premise“ or with service provider

Public cloud
- Systems are shared between multiple customer (multi-tenant)
- Service usage by self-service access and tools
- Operations by service provider

Hybrid cloud
- Mix of multiple deployment model
- Integration through standardized or specific interfaces ensuring access and data transfer

* Analog to definition of cloud by the National Institute of Science and Technology (NIST)
Customer COE in New Hybrid World
Customer COE Needs to Re-Build the Basic Functions

Hybridize the basic functions

- Information management
  - Get information faster, smarter, more efficient by using all from SAP/eco-system
  - Connect information and build networks

- Contract and license management
  - Bundling of responsibilities
  - Create new metrics for cost transparency / cost distribution (internal / external)

- Influence SAP
  - Alignment with business departments
  - Participate in the new solutions influence councils

- Support / Hybrid Support
  - Create a governance model for holistic support
  - Design authority
Questions arising in a hybrid setup:

- What are the necessary services business departments need (extent, price, value)?
- What services move into the cloud (tasks, responsibilities)?
- Where are the new opportunities for the Customer COE (value, services)?
- How to define value of services for cloud / hybrid / on premise?
- How to rebuild / adjust / streamline support processes?
- Expectation Management with business owners
- IT company standards / IT guidelines / IT security
- How is the Customer COE taking advantage of cloud services as an innovator / integrator?
Customer COE Role Re-Definition

Customer COE On-premise role: **OWNER**
- Role stays unchanged
- Contract owner
- Contractual obligation / certification
- Responsible for system operations
- Responsible for update / change / new functionality
- Responsible for rollout / training
Customer COE Role Re-Definition

Customer COE Private Cloud role: **OWNER**

- Role is similar to On-Premise
- Operational tasks outsourced to Partner
- Level of Responsibility can be shared by outsourcing or out-tasking of parts of the overall activities
Customer COE Role Re-Definition

Customer COE Public Cloud role: **Contributor**
- Strong collaboration with business owners
- Focus on technical / IT challenges / security
- Typical tasks disappear
- New tasks arise
- SaaS Cloud brings continuous innovation
- SaaS Cloud with defined business process portfolio
Customer COE Role Re-Definition

Customer COE Hybrid Cloud role: **Arranger**

- Integration of mixed environments
- Agile connection of new Cloud solutions for specific use cases
- Business demand alignment with Company IT Standards
- Standardization
- Integration / data management
Customer COE Role Re-Definition

Customer COE Hybrid Environment role: **Integrator**

- Design Authority
- Governance Owner
- Corporate Standards for Integration / Security
- New skills and roles
- Training expertise
- IT Roadmap / IT Strategy for business needs
- Last resort for “THE UNEXPECTED”
Customer COE Unique Selling Points

Customer COE – Better than anybody else in the company!
- SAP support infrastructure / SAP support processes
- Internal and external IT integration / system setup
- Definition of company IT standards
- Overview on IT road maps (SAP, …)

What is the white space today?
- Co-innovation with SAP (SAP Leonardo, …)
- Innovation using SAP platform capabilities
- Integration
- Security
Customer COE Transformation
The Hybrid Setup – The Game Plan

Build the Customer COE for the Hybrid World

Anticipate the Change

- Who leads the Cloud change in the Company?
- What are the lessons learned from the first Cloud experiences?
- What will be enhanced / replaced / completely new in the IT solutions landscape?

Accelerate the Change

- Use new ideas to speed up
- Use new methodologies to be faster
- Standardization drives acceleration

Collaborate FOR Change

- Business / IT collaboration
- Service portfolio
- Demand / supply challenge
The Hybrid Setup – How To?
Kick-start for Customer COE transformation

Information
- Start new communication channels for end users (such as with SAP Jam, blogs, chats, newsgroups)
- Position direct, fast and open communication hubs
- Information about company IT strategy / security guidelines and best practices
- Trainings for cloud topics
- Success stories

Contract and License
- License / subscription
- Customer COE internal fees and service catalog
- Existing internal IT pricing models might become obsolete
- Alignment for all SAP related contract activities with cloud offerings in hybrid use cases
- Integration / harmonization of SAP support offerings

Innovation
- Innovation cycles are very fast
- Collect and bundle the company demand for innovation
- Enhance the scope with line-of-business expertise into relevant communities
- Manage overall innovation road map together with the business key contacts in the relevant areas
- Create hybrid visibility for your innovation demand and collaborate with a cross-solution focus

Support
- Analyze the existing SAP support process landscape
- Follow new features from SAP support
- Define the hybrid support process project
- Governance of support
- Design Authority
Thank you.

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