

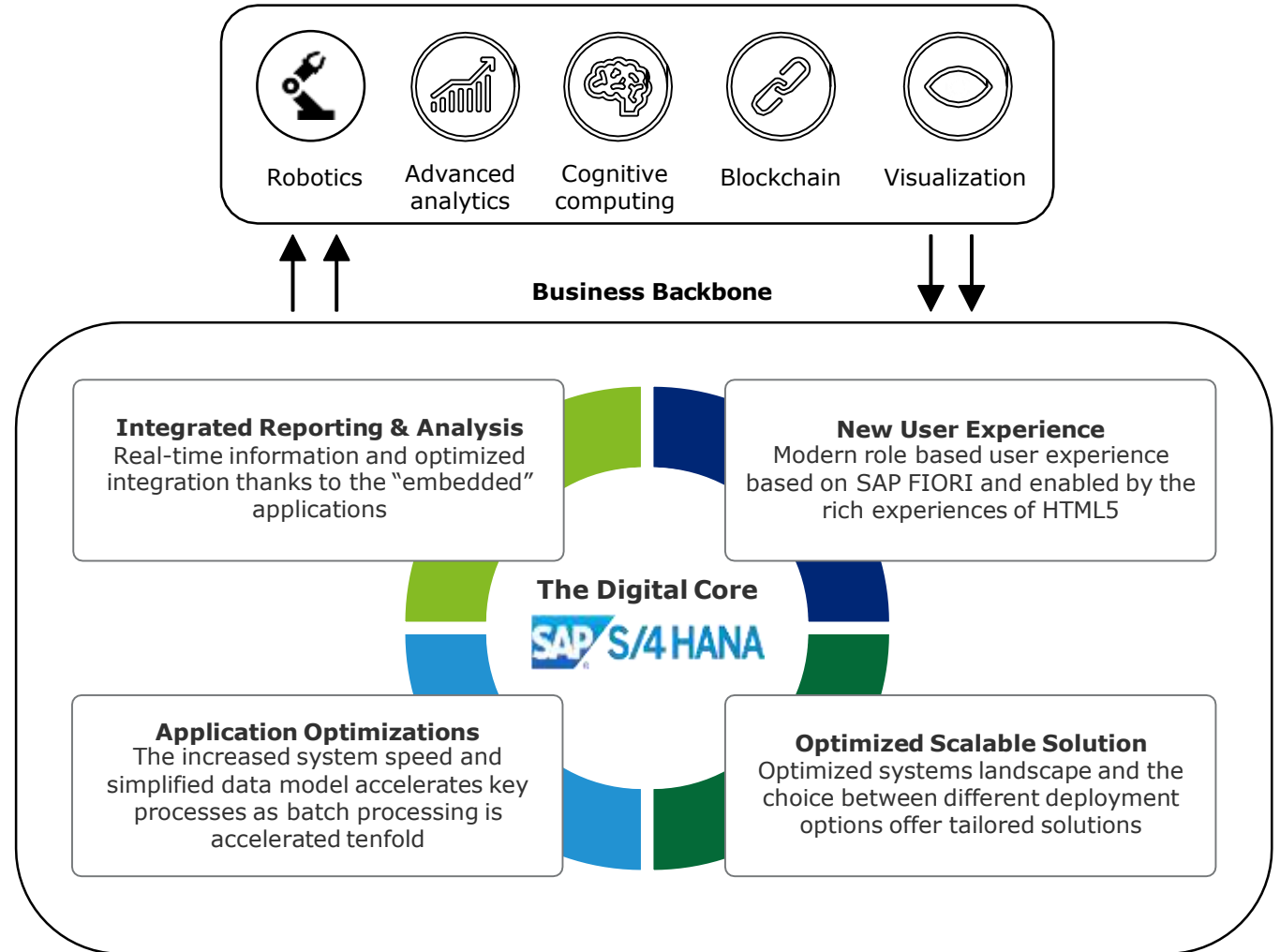


Business Benefits of SAP S/4 HANA over SAP ECC

S/4 HANA as innovation platform

SAP S/4HANA is the abbreviation for SAP Business Suite 4 SAP HANA, which means it is the 4th version of SAP Business Suite and designed to run only on SAP HANA. It is a completely new product with a new code line the next generation business suite is built on SAP HANA (advanced in-memory platform), operational database system and uses modern design principles called SAP Fiori UI.

S/4HANA address each and every functionality of SAP ECC and provides simplified data models to decrease the overall system size, increased performance, better real-time analysis & simplified reporting. Compared to any other ERP, SAP is the best option for any business to choose. The massive innovations like IoT, Big Data, Mobile-First and simplified features like UI, decision making, data model and customer adoption.



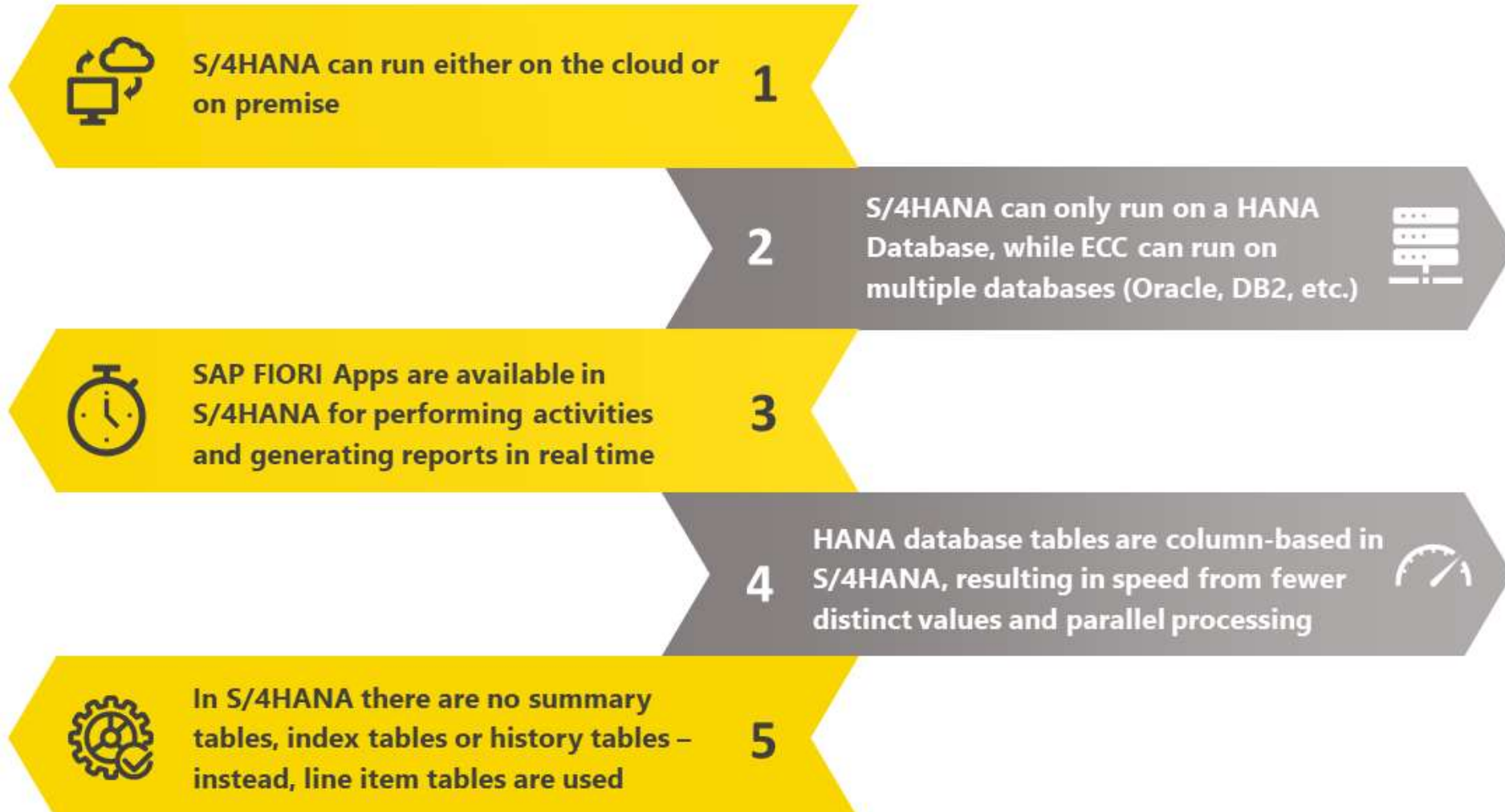
ECC

- SAP ECC which stands for SAP ERP Central Component is the previous generation of SAP's enterprise resource planning software. SAP ECC has multiple modules linked together into one .
- SAP ECC is heavily modular. Businesses can use the pieces they need and configure the pieces as required by their landscape. SAP ECC can also work with third-party or customized applications on a customized technology stack.
- It is also important to understand that SAP ECC has reached the end of the line. SAP is getting to end support for SAP ECC by 2025. they're already in the process of phasing out ECC and are promoting the move for SAP ECC users to SAP S/4HANA.

S/4HANA

- SAP S/4HANA is brief for SAP Business Suite 4 SAP HANA. it's the newest ERP offering from SAP and is predicated on the SAP HANA in-memory database to assist organizations execute transactions and analyze business data in real-time.
- With a refreshing user experience powered by Fiori, embedded real-time analytics, and HANA powered in-memory processing to handle large data volumes of operational and transactional business data, SAP S/4HANA is meant to assist organizations run simpler and faster with better efficiency.
- SAP views SAP S/4HANA together of its flagship products and is heavily pushing it to be the successor for SAP ECC.

Major difference between SAP ECC & SAP S/4 HANA



Major difference between SAP ECC & SAP S/4 HANA



Major difference between SAP ECC & SAP S/4 HANA



In S/4HANA, customer and vendor are integrated as a "Business Partner"

11

12

Material numbers have been increased to 40 characters in S/4HANA

+40



In S/4HANA pricing table "KONV" is replaced by a new table "PRCD_ELEMENTS"

13

14

S/4HANA includes migration cockpit

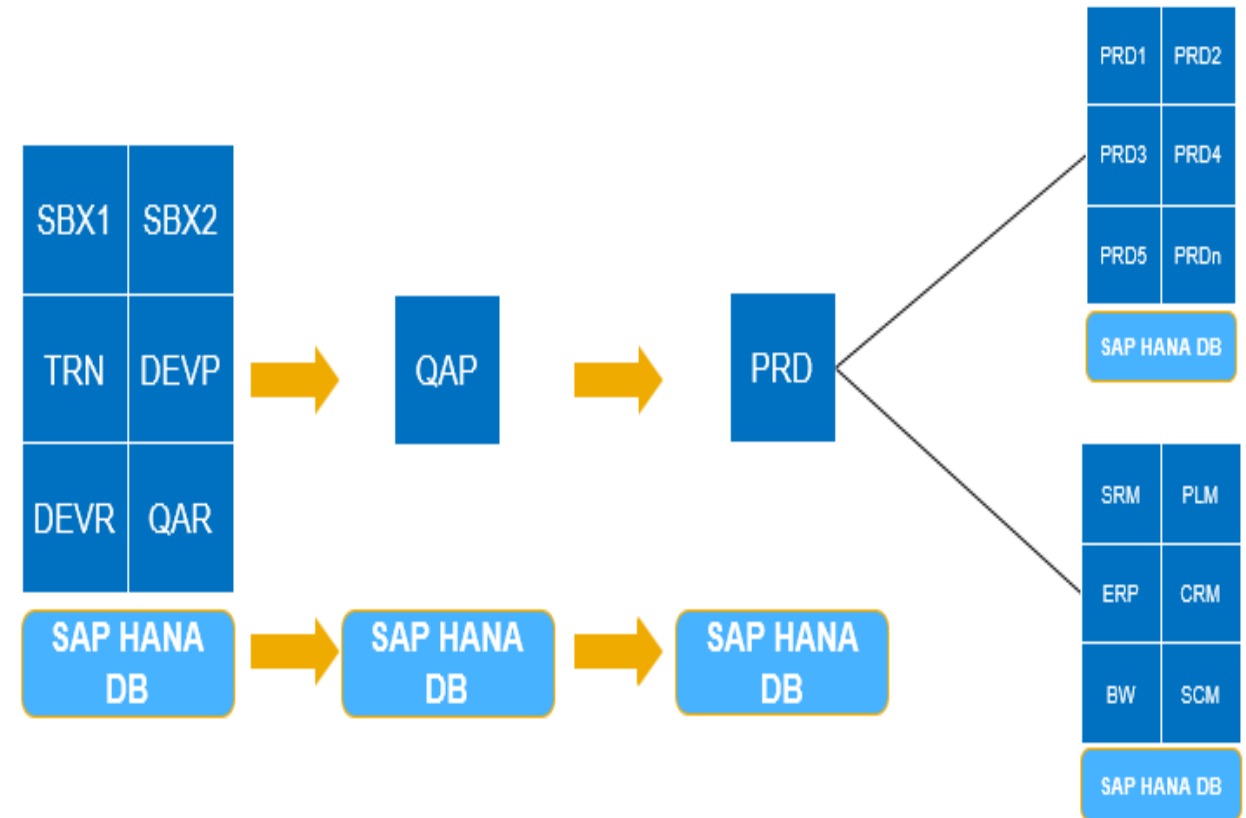


Innovative S4HANA Database

SAP ECC can run on third-party databases like Oracle, IBM DB2, etc. However, SAP S/4HANA can run only on the SAP HANA Database. SAP S/4HANA is meant with SAP HANA and its in-memory computing capabilities in mind and provides multiple benefits.

- HANA enables in-memory computing. this permits the data to be read directly from the memory. Therefore, SAP S/4HANA reads data much faster than traditional ERPs since the HANA database reads data much faster than traditional databases.
- SAP S/4HANA can access column-based tables faster since only affected columns are read during a query.
- SAP S/4HANA enables better compression since there are only a few distinct values compared to rows.
- SAP S/4HANA enables multiprocessing since different columns are often processed in parallel.
- SAP S/4HANA won't have aggregates, indexes, or history tables. this is often because aggregates are created dynamically supported item tables instantaneously.

Database Containers in SAP HANA SPS 9 and S/4HANA Example: Simplified System Architecture



Major Benefits of SAP HANA

SAP HANA, the key to optimum application performance is pushing as much of the execution logic into the database as possible. It helps to improve data processing performance. It has faster response times. Many organizations are happy with their optimizations and the resulting response times.



Significant reduction of data volume.



Algorithms can be corrected much faster as real data. This is supported by reducing data volume. Data is prepared at runtime and doesn't have to be pre-prepared by using aggregate tables



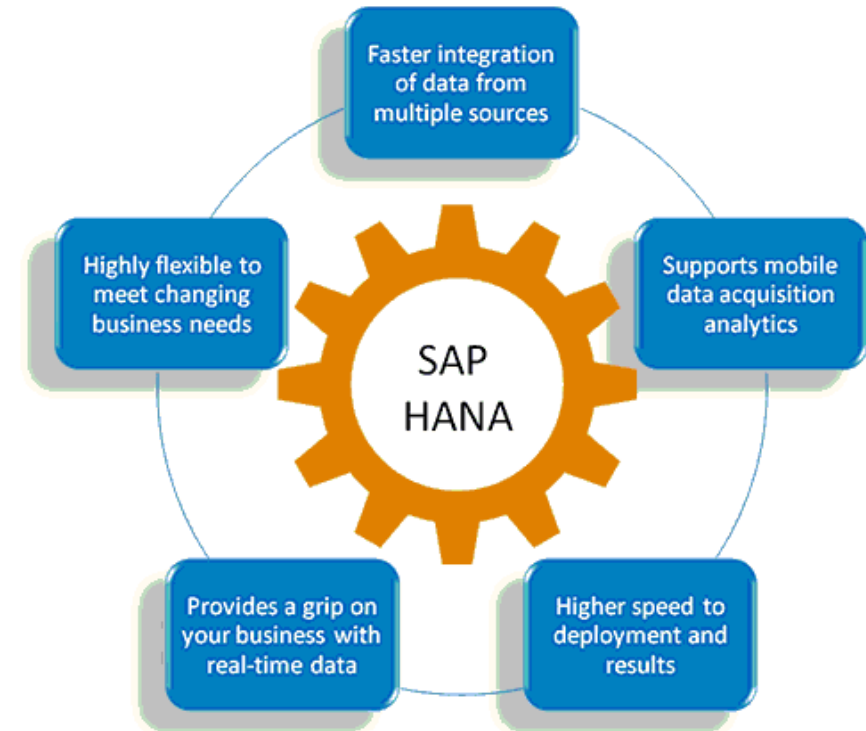
Simplification of data models & programs.



Very few efforts for programming to get performance under control.



Considerable reduction of backup and restore processes.



The Top 5 Business Benefits of Migrating from ECC to S/4 HANA

Changes brought by S/4 HANA will benefit organizations in many different ways. Let's look at some of the important ones:

- S/4 HANA is reinventing business processes by driving them in real-time. By eliminating non-essential or redundant data, aggregates and tables, S/4 is impacting the speed, and agility of business operations positively.
- S/4 HANA is simplifying the entire IT landscape and achieving reductions in the overall data footprint of the organization, making business processes and operations leaner, agile, and more efficient.
- Since S/4 HANA enables users to work on large datasets in one system, it saves significant hardware costs, operational costs, not to mention time. This delivers a reduced total cost of ownership, which is very good news for organizations considering early migration to S/4 HANA.
- S/4 HANA provides stakeholders and teams with live business data and real-time embedded analytics. This can help improve business planning, execution, and reporting generation.
- Real-time insights from the digital core of S/4 HANA enable faster decision making. This can help speed up the way businesses react to dynamic market conditions and respond to competition. Ultimately, this helps in improving revenue and profits.
- SAP's ongoing focus on customer experience (CX) can be clearly seen in S/4 HANA as it provides simplifications at several levels and provides end-to-end scenarios for the customer with its robust digital core. A better CX makes this the intelligent, next-gen platform.

Advantages of S/4HANA Over ECC

IMPROVEMENTS IN THE DATA MODEL

Actual Tables:

The data model of Finance, Inventory Management, etc.. is simplified in S/4HANA. just one table for Finance, i.e., ACDOCA and only one table for Material Documents, i.e., MATDOC, etc. Enabled on the fly aggregation, it simplifies the info structure and makes accounting more flexible in the long run as reporting is no longer limited by the number of fields in the total's records. There are significant changes within the way transactional data is stored for financial reporting in SAP S/4HANA. This brings considerable benefits in terms of the ability to harmonize internal and external reporting requirements. This simplification brings accounting more flexible.

Planning Table:

From SAP S/4HANA 1610, it's possible to store the results of designing within the ACDOCP Table. This has an equivalent structure because the universal journal (ACDOCA). Plan/actual reporting are provided by comparing the entries within the two tables. Integration to SAP Analytics Cloud is additionally via the new table and master data and reference data and may source from SAP S/4HANA to SAP Analytics Cloud.

FIXED ASSET ACCOUNTING:

Asset Accounting is based on the universal journal entry ACDOCA. This means there is no longer any redundant data store. The advantage with New Design for Fixed Asset Accounting is, No redundancy in data storage, Reconciliation between G/L and AA is ensured by design- So does not require FI-AA reconciliation, All non-statistical items are updated as Universal Journal Entries. You will be able to display reports Even after migration. Reporting for previous fiscal years is possible due to compatibility views, even if you convert your system. Depreciation posted with all details: Accumulated depreciation and depreciation cost by asset.

FI-AA Reconciliation postings are no longer necessary as a part of closing operations Asset Accounting and General Ledger Accounting post to the same Table ACDOCA, Asset Accounting will be reconciled permanently with GL. So, a lot of time saves during period end as we don't need to do Consistency Check of General Ledger and Asset Accounting.

Advantages of S/4HANA Over ECC

Real-time Update:

For each asset-related transaction example: acquisition, capitalization of assets under construction (AUC), retirement, post-capitalization, etc., asset values for all posting depreciation areas updated in Real time.

Transparent assignment of depreciation area to accounting principle:

Simplified chart of depreciation. Only one depreciation area per valuation is necessary. Additional depreciation areas (delta areas) not required to portray a parallel valuation, helping in Navigation and drill down per accounting principle.

Separate Document for each Valuation:

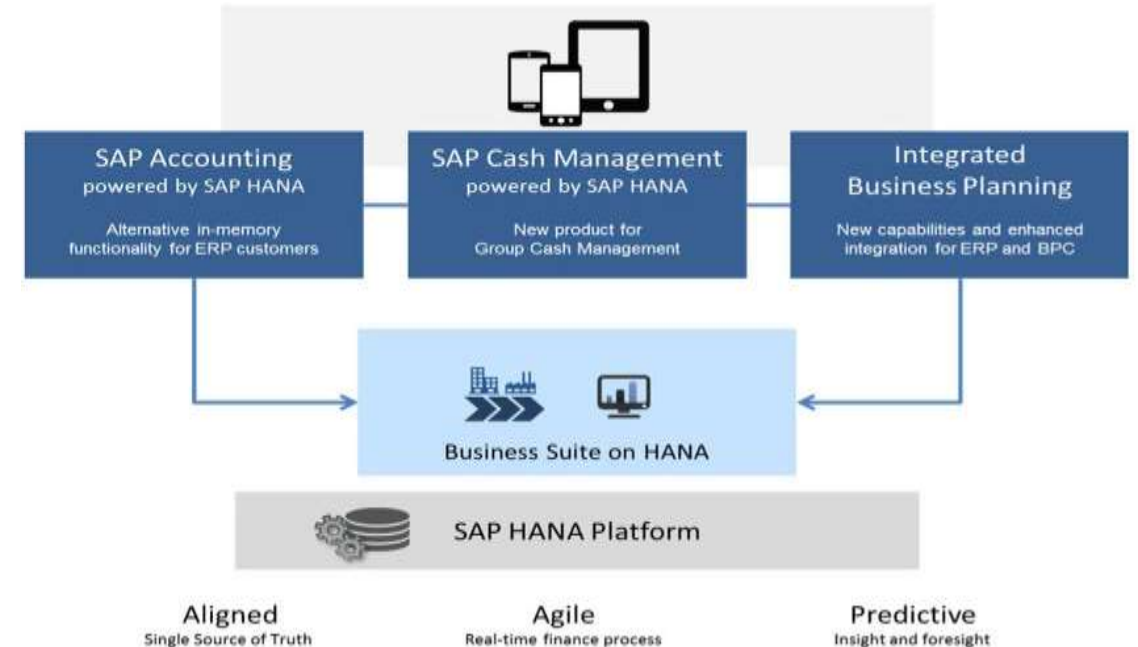
Different accounting principles are represented in separate ledgers. Separate accounting-principle-specific documents are posted for each accounting principle.

CASH MANAGEMENT FOR SAP S/4HANA

The new SAP S/4HANA Finance for cash management provides cash managers with novel user experiences.

The end-to-end process of monitoring statement imports, checking cash position, and transferring funds to handle surplus and deficit. It also helps within the Medium-term liquidity forecast and rolling plans of long-term liquidity. It's Centralized bank Relationship management, with which business users can manage bank accounts as master data with more business attributes.

Enables analysis of worldwide bank balances & cash positions, supported data from SAP and non-SAP systems. It comes with integrated liquidity forecasting, financial institution Relationship management, and equips cash managers with a sensible business cockpit.



Advantages of S/4HANA Over ECC

CENTRALIZED BANK RELATIONSHIP MANAGEMENT.

These Components help for the Approval process for Bank Account Opening, adjustment, and Closing, Cash Position analysis on Bank Accounts instead of G/L Accounts, Signatory integrated with BCM Payment Approval, Plenty of attributes reflecting controls on both bank side and internal side

Bank Account Master Data stores extensive information like Company Code & Beneficiary Name, Account Number, IBAN & Description, Bank & SWIFT code, Signatory and Limit, Overdraft Limit, Connectivity Path, Account Type, Contact Person, Bank Details, User-Defined Fields, Attachments, etc.

INTEGRATION WITH BANK COMMUNICATION MANAGEMENT

Integrated with Bank Communication Management and Fiori App, "Bank Payment Approval." It can define everyone's payment approval limit. Support Single Sign and Joint Sign; Support both sequential and non-sequential Sign. Signatories information used in the Payment Approval process.

Bank Account Approval Workflow can activate for Opening & Closing Approval, Sensitive Attributes Change Approval, Batch Signatories change, and Approval, Review Process Approval, Display existing Bank Accounts in Approval, etc.

CASH POOLING

The bank account structure maintenance is done using the new bank account group, which is easy to apply for a business user, without configuration The cash pool detail settings Ex: "expected amount" and "minimal movement amount" for every bank account, can be set directly by a business user, without configuration

While concentrating, it's possible to see the balance* before concentration and the simulated balance after the concentration and adjust the transfer amount if needed.

S/4HANA conversion consists of 3 mandatory logically distinct efforts

Database Migration

- Effort is similar to other DB migrations a customer may have already done
- No longer required for SoH customers

Functional Impact

- Functional impact of application simplification and following the principle of one
- Many simplification list items can be done on start release as preparation for S/4HANA conversion

Custom Code Impact

- Upgrade-like tasks with SPAU, SPDD and S/4 specific custom code efforts
- Experience shows that SPAU and SPDD efforts often exceed S/4 specific custom code efforts
- S/4 specific custom code efforts are mainly resulting from data model changes
- Recommendation: perform housekeeping (get rid of unused code, delete unused data, ...)

Optional consumption of innovation

- Traditional capabilities are generally available thus it is possible to convert to S/4HANA rather technically
- The degree of process change is largely a business decision when planning the conversion project

Mandatory

Optional

Conversion Tasks

