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**Enterprise Application
Transformation with SAP Cloud
Technologies**

Cloud is not just a technology—it’s the backbone for companies wanting to reimagine how they do business. Like Digital and Analytics, Cloud permeates all aspects of the business, and it is fundamentally changing the way companies strategize and operate.

Companies cannot keep pace with changing technology on their own. It is an inevitability that some or all of their technology will soon be cloud-

based. Even though cloud is presented and sold as plug and play, it takes time to design, build, and implement cloud. Many steps are required and each one is an opportunity to improve the overall experience.

Cloud can be seen as a business change that is driven or enabled by technology. It enables disruption as a means to rethink how to conduct business more innovatively and competitively.

The infographic is set against a black background. On the left, four circular icons represent barriers to cloud adoption: a speaker with an 'x' for 'Barriers to growth & innovation', a document with a slash for 'Limited flexibility', a globe with a dollar sign for 'High cost model', and a starburst for 'Unscalable architecture'. Each icon is followed by a text box explaining the barrier. On the right, a large white silhouette of a person is filled with various business and technology icons. A white laptop is positioned as if being placed into the person's chest. To the right of the person, a white cloud icon with an upward-pointing arrow is positioned above a white staircase that leads up towards the cloud. Text next to the cloud explains the benefits of SAP platform capabilities.

Barriers to growth & innovation
Aging core platforms are a hindrance to growth and innovation – modernizing the core is a must

Limited flexibility
On-premise applications, architecture and staff entail long-term commitments that handicap the ability to evolve and adapt

High cost model
On-premise legacy technology, defined by high technical debt, is increasingly expensive to maintain and operate

Unscalable architecture
Capabilities for process, information and insights are hard-bound by architecture investments that are not infinitely scalable

Businesses that leverage SAP platform capabilities are inherently in a hybrid cloud model: to maximize the value from SAP, **CXOs need to define a cloud strategy and mobilize on an execution roadmap to accelerate business**

Like Digital and Analytics, Cloud permeates all aspects of the business, and it is fundamentally changing the way companies strategize and operate.

Where it matters

Many on-premises application solutions' developments are slower to change, and require upgrades and a dependency on IT. You may already have discovered that in contrast, cloud solutions include automatic upgrades and can scale with your company, freeing up IT to craft new business solutions, instead of maintaining the old.

- Lower the total cost of IT ownership
- Readily meet shifting demands and increase productivity by focusing on value-adding tasks
- Eliminate complexity to simplify your IT and reduce maintenance
- Embrace new technology that is influencing the market digitally

SAP Cloud technologies make it possible to:

Business (IT) Challenges	Cloud Offers
 <p>Agility to respond to business needs</p> <ul style="list-style-type: none"> • Faster deployment • On-demand scalability for capacity 	 <p>Economics</p> <ul style="list-style-type: none"> • Reduced transformation cost • Pay per usage vs. pay capacity upfront (i.e. on-premise) • Shift from CAPEX to OPEX • Transparency into IT costs and usage
 <p>Reduce cost of ownership</p> <ul style="list-style-type: none"> • Shorter implementation cycle • Lower maintenance cost 	 <p>Productivity</p> <ul style="list-style-type: none"> • Extensive automation and self-service for IT requirements • Leverages best-of-breed applications and processes • Improved global operations
 <p>Improve service quality</p> <ul style="list-style-type: none"> • Ensure quality implementation • Security and governance • Meet compliance requirements 	 <p>Agility</p> <ul style="list-style-type: none"> • Faster deployment • On-demand scalability for capacity • Increase flexibility and rapid release management • Higher resistance to change in business or requirements
	 <p>Innovation</p> <ul style="list-style-type: none"> • Innovative platforms, tools from leading technology companies • Adopt innovation faster • Harvest enterprise-grade creativity and innovation

How Deloitte can help

Cloud is affecting all companies and industries, hence the consideration to move to cloud is recommended, especially for organizations that:

- Are rethinking their business to gain a competitive advantage in the digital era
- Seek to reduce their asset base and increase return on assets
- Need help in scaling their existing business through digital channels and cloud software
- Aim to better meet client demands by using digital tools
- Are looking for a partner to define a future roadmap and operating model
- Already have a vision and want Deloitte's help to make it a reality.

Deloitte views cloud with SAP technologies as much more than a technology play. We help clients view cloud as an inevitable driver for change in their businesses, and a reason to look at what they're doing and apply a simple formula: disrupt, transform, repeat.



The SAP Cloud architecture model has grown to become an important consideration for any business and technology strategy. Our vast experience implementing effective cloud solutions—whether public, private, or hybrid—gives us critical insight to guide clients through the nuances of moving to the cloud and weaving new cloud technology together with existing systems. As an end-to-end provider, we cover the entire SAP cloud journey:

- Cloud Strategy: whether you are working on a full transformation or in a single area, our expertise and understanding can create business insight and opportunity

- PaaS, IaaS, DoSM and SaaS
Implementation services: today's cloud solutions are increasingly more capable, configurable, and scalable. Our understanding of your business realities can help you unlock their potential and use it to your advantage
- Custom Implementation: when out of the box is out of the question, the depth of design and architectural options we offer helps deliver what your operations require and what your people need
- Cloud Migration: fraught with risk, poor migrations can unravel brilliant plans. For this reason, our migrations go beyond technical aspects to account for business planning, team dynamics, user adoption, and more

The methodology provides tools, structure, and accelerators to help implement potential SAP products and services for deployment utilizing cloud technologies. It is broken down into four phases that are supported with specific tools to assist performance and build a basis for discussions with stakeholders:

- Cloud Strategy & Business Case

This is a preliminary phase to evaluate strategic cloud goals and objectives within the organization. This phase can assist in providing key decision-makers with the overall cloud strategy, vision, and approach.

- Cloud Framework Assessment

The cloud framework provides a structured approach to assess the suitability of potential products and services for deployment in the cloud. It consists of:

- An Enterprise Application Architecture Review
- A cloud suitability evaluation
- Roadmap development
- Vendor selection
- Work-thread analysis
- Capability identification

This phase is, in essence, a final checkpoint for all analysis that has been completed in the preliminary strategy assessment and cloud framework phase of the cloud methodology. In this phase, guidance should be sought on any pending issues or open items from the work-thread leads.

- Implementation Scenarios

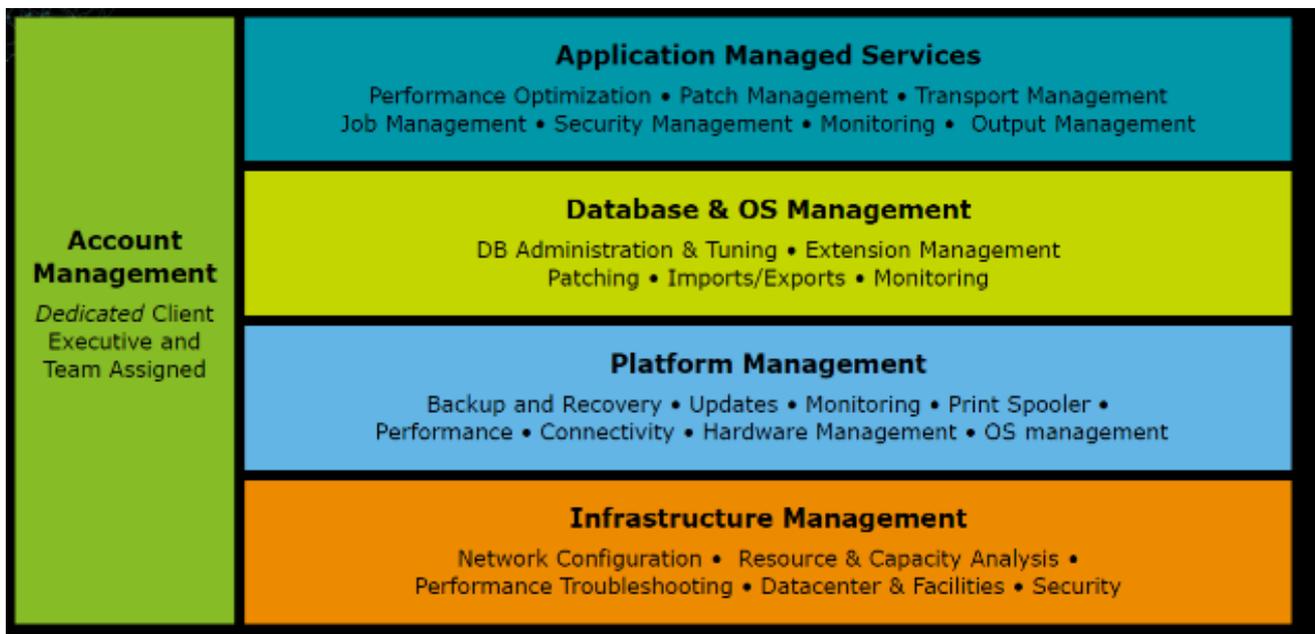
The implementation phase involves putting into action the assessments that have been completed through a real project.

- A project with an official scope, milestones, timeline, and deliverables is defined
- A pilot for the capabilities is developed and launched and presented to participants for feedback

- The target operating model is finally created, and the roadmap is drafted and implemented for the capabilities, including the support model and monitoring

By providing proprietary accelerators, like the SAP Cloud readiness map, SAP readiness framework, and SAP cloud computing playbooks, we can jumpstart your cloud efforts so you see value sooner.

Deloitte can also provide end-to-end managed services for clients' Cloud capability



Solution description

- Platform as a Service (PaaS) with SAP Cloud Platform:

Deloitte helps companies to deploy applications with SAP Cloud Platform to build apps that you will need to operate efficiently in the evolving business and technology landscape. We can help you explore opportunities for using the Cloud Platform, from identifying the potential for new value to developing a strategic vision for building the apps needed to help meet tomorrow's demands.

- Infrastructure as a Service (IaaS)

We can help you build the business case for cloud and develop a migration strategy. We can take the reins on implementation (Hybrid Cloud or Private Cloud) and provide ongoing services after the go-live phase. Deloitte is the undisputed market leader when it comes to cloud knowledge and co-innovates with SAP on solutions such as S/4HANA. We design a solution that fits your business model and financial model and that scales to your future needs.

In addition, Deloitte can help rapidly configure and manage a reliable and high-performing environment to host your applications and data.

Our offering guides you through strategy development and the migration process and delivers a fully hosted solution supported by complete cloud managed services.

- Software as a Service (SaaS)

Deloitte offers many cloud-based solutions services that go hand-in-hand with our Digital Transformation offering. Solutions offered include:

- ERP Cloud for small & mid-sized companies
- Travel, Expenses & Invoice Management with Concur
- E-Commerce with Hybris
- Internet of Things, Machine Learning, Blockchain, and Big Data with SAP Leonardo
- External Workforce with SAP Fieldglass
- Human Capital with SAP SuccessFactors
- SAP HANA Cloud Platform for development

For more detailed information on the solutions and the SaaS offering, please contact us directly.

Implementation scenarios

Deloitte SAP cloud implementation is divided into three main tasks: planning, executing, and running.

- We plan: under planning, we define the scope and goals and lay out a roadmap for the journey. This includes building the business case, ensuring readiness, assessing the landscape and technical architecture and engineering
- We execute: execution means putting the plan into action. We build, implement, and transition the client to cloud solutions. This includes implementation and migration of data and processes. To do this, we deploy both custom and packaged solutions
- We run: running is the ongoing management, assessment, updating, and optimization of the system once it is operational. Often, this leads directly into the next development or innovation of the system we have built

As moving to SAP Cloud is a consistent process, Deloitte can help clients to leverage the technology of Cloud from the beginning by implementing SaaS components or migrating processes and modules with strong cloud suitability. Building on the journey to cloud, more and more Core-IT services will be migrated to the SAP cloud and your own cloud architecture can be designed. The aim of the whole process is to move away from traditional hardware-based computing to the cloud, where applicable.

Bottom-line benefits

The advantages of cloud in comparison with traditional hardware can be summarized as:

- Automated updates and enhancements that do not require major effort by your internal IT team and that allow them to work on value-adding tasks
- Using the speed of SAP cloud technology to get real-time business insights by slashing your waiting time. You can boost productivity by getting the information on your business when you actually need it
- Flexible SAP cloud solutions models that are perfectly aligned with your fast-paced business environment and demands. Running obsolete legacy systems because of the previous investments made is not necessary with cloud, which allows you to keep up with state-of-the-art technology without reinvesting every time
- Custom-Made SAP Cloud applications and software that is specifically for your business and requirements helps you to meet stakeholder demands and to gain a competitive advantage
- Reduced total cost of ownership thanks to modern and competitive pricing models

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