

SUGEN DIGEST

SAP User-Group Executive Network



Foreword & Board exchange with Christian Klein, June 2

by Gianmaria Perancin, Chairman SUGEN CLT, Chairman *Utilisateurs SAP Francophones (USF)*

The period we are living in is really complicated, as we have to find the right balance between starting getting back to "normal" life after the long pandemic period and solving the problems of a rising economy that is making a brand new start along with huge consequences such as increasing costs of materials and decreasing purchasing power of people.

Finally, there is a challenge pertaining a feasible exit strategy from the Russian-Ukrainian war with a compromise wise enough to satisfy both parties. On top of all of this, we struggle with the climate change, as we see that the resources of our planet are being "overconsumed".

In such situations, clearly no isolated approach can be successful, as the only way to resist and be resilient, is to work by collaborating with peers: people that are experiencing similar things and can share their experiences or inspiration to keep running despite the difficulties.

In our specific domains related to SAP Users' communities, we as SUGEN are showing strong commitment and dedication to our values: working together in order to be the "voice of the voices" of each User Group member of our network. It is absolutely important that we continue to be vocal towards SAP: our role is to protect the investments of our members in SAP projects to support them to continuously create the value they need and deserve.

Our meetings, although in virtual format, continue to show our capacity in working together effectively, increasing our value and legitimacy in providing feedback to SAP. Although we missed physical presence in the same room, sitting behind our cameras we were still united to push SUGEN further and produce incredible and valuable feedback for SAP Executives. This was a success and now we are working on our next meeting, this time with a high probability to meet in-person. Let's keep our fingers crossed, but yes: there is light at the end of the tunnel. Let's move towards that light, smoothly but steadily.

Executive Exchange with Christian Klein - CEO

Our regular exchanges with Christian allow us to have fruitful discussions on high-level strategy, but especially to gain access to Christian's vision and strategy for tomorrow's SAP. Although we had a virtual exchange, the discussion turned out to be open and transparent.

In our meeting on June 2nd, Christian has shared his analysis of some of the key messages, that he had previously voiced on May 23rd at the World Economic Forum (WEF) in Davos. Clearly, the world is living in a difficult period, and this complicates to

foresee what is arriving next: the main problem is that, while demand is back, the supply chains are suffering from a lot of disruption. This is where business networks can really be of support and help, as through them we can arrive to build the resiliency that is needed nowadays, down till the lowest level of the components and single processes. This means that business networks are not just ERP- or HR-related: they go far beyond usual corporate domains and embrace much more on all company levels. SAP is proud of having 10 millions companies, that are boarded in their business network already.

At the same time, the energy demand is stressing the problems around sustainability, which is largely dominated by climate challenges (but not only). In this domain, the main problem is to understand what are the "good" metrics to be used, in order to be able to speak about the same content. Here, SAP intends to put a "green" ledger in place, that can be standardized, and therefore certificated by neutral bodies: the aim is to establish a series of indicators, that are recognized everywhere, and assess the progresses done on "green businesses" by a company. Therefore, we need to define Environmental, Social, and Governance (ESG) reporting standards.

If we want to connect the dots between resiliency and sustainability, we arrive to understand that the big challenges can be of two types:

1. How to push further on transforming and developing, while fulfilling the new "green" approaches that the world anticipates
2. How to transform the governance of companies, so that all units can be combined around sustainability

In other words, "Sustainability is our roadmap to security, stability, and progress" (Christian Klein, Davos 2022).

SUGEN can be a major contributor in these challenges, if our Sustainability Initiative takes concrete proposals, based on the experiences of each of the User Groups that are part of our network. Christian has shown a deep interest for the project that SUGEN CLT, and in particular Per Högberg (SAPSA), are going to kick off. Let's show Christian and SAP that we want to take this role for building a better future.

Nota - a complete article about Christian Klein's thoughts from Davos WEF is available here: <https://www.weforum.org/agenda/2022/05/sustainability-is-our-roadmap-to-security-stability-and-progress/>

Gianmaria Perancin



Best Practice Session - Member Engagement & Retention, April 26

by Craig Dale, CEO, UK & Ireland user group (UKISUG)

In our online April '22 session, we discussed member engagement and retention to follow on from our discussion in November '21 around member acquisition. Member acquisition is very important to our User Groups and it has been argued that member retention is even more important.

Why is it important?

If we are bringing in new members and are struggling with cancellations/retention, it can be likened to pouring water into a leaky bucket, with members flowing in at the top, but also flowing out at the bottom.

It has been shown in numerous studies that it is cheaper to retain customers/members than acquire new ones.

So, what are our User Groups doing to patch up their 'leaky bucket'?



Amanda Gibbs from **AFSUG** kicked off our conversation with a presentation demonstrating materials and resources produced by AFSUG to remind their members of the ways they can engage within the community and drive more benefit from their membership, including a membership agreement and certificate of membership.

AFSUG Board members actively engage in member recruitment, opening up conversations and building relationships, before passing over to the AFSUG team to finalise membership.

A 'three event' trial membership was in operation to allow a prospective member to sample the value of membership before committing to the membership fee.

Other initiatives included

- Communicating KPI's to SIG champions
 - Volunteers are seen as Brand Ambassadors
- Agreeing KPI's with member companies
- Social media engagement

Guillaume Chédebois shared some of **USF's** initiatives, including a look at their Community Platform, a member only space where USF's members can access resources, events and engage with each other. The platform is mainly utilised for community engagement and to showcase services.

Other loyalty schemes are in place, including different levels of membership commitment and like AFSUG, reminding members of the benefits they can enjoy whilst being a member.

Regional communities were created to engage members in specific geographical areas, including Switzerland.

Tracey Greig of **SAPIENCE** shared a number of member retention initiatives, including

- The power of the SAPIENCE network
- Tracking member lifespan, what happens when they leave and why do they leave?
- Internal marketing into member companies to increase the number of people actively involved within each member organisation
- Partners being an excellent source of new members

Craig Dale of **UKISUG** shared how they were looking to plug the holes in their leaky bucket and his belief in the direct correlation between engagement and retention. He discussed the standard engagement opportunities open to members and then three specific initiatives

- Member engagement plan, with member 'accounts' split between the UKISUG team to aim for several touch points per member, per year to foster and build a better relationship. This included how they aim to measure the engagement of members and turn more members into advocates
- Friends and benefits referral scheme, initially being trialled amongst the volunteer community, with incentives for each successful referral and a prize for the leading volunteer at the end of the year
- Retention Fund; a last resort available for a team member to utilise if they are unable to save a departing member, should they feel there is a possibility of saving them with an incentive and then ensuring they engage in the forthcoming membership year with the aim for them to renew the following year.

A number of other areas were discussed during the call including better alignment on issues affecting our members. Individual User Groups will do their own surveys on key topics affecting our members, however, can we share and ask the same questions to get a SUGEN wide view from around the world?

In summary, a number of key elements were discussed as to how we can improve member retention (ensuring our buckets leak less).

- The correlation between Engagement and renewal. The more engaged the member, the more likely they are to renew

- Member penetration. The more people you have registered and engaged within a member company, the less likely they are to leave and the more options you have to save them
- Never give up, even if a member has left, you can still communicate with them (unless they unsubscribe of course) and they may come back in the future
- Member loyalty programmes were seen as a positive step, along with member referrals.

Craig Dale



Executive Exchange, April 27

by Per Högberg, Secretary, *Swedish User Group, SAPSA*

SAP Enterprise Adoption Strategy & SAP Strategy & Priorities

SAP Enterprise Adoption Strategy Exchange with Eva Zauke - Global Head of SAP Enterprise Adoption

Eva presented the clear target of SAP supporting our members with functions for the business processes that are most common. But also, at a fast pace and with high security standards.

Globalization services have a rich coverage around the globe to support localization where needed. For example, e-invoices in 40 countries.

Eva also underlined the wide support within SAP Enable Now, to combine process management in Signavio together with our own documentation and learning.

Within the presentation we also did a short Mentimeter survey to show SUGEN members' focus on the drivers for moving to Cloud, where security and scalability came out as main areas together with cost and flexibility.

SAP Strategy & Priorities Exchange with Sebastian Steinhäuser - Chief Strategy Officer

Sebastian outlined the strategy to support our members with a long-term perspective and with finding high pace of change based on digital trends and political changes. The transformation journey combined with increased supply chain resilience are core focuses, together with sustainability in all perspectives.

The usage of BTP to provide scalability and flexibility, together with cloud usage powered by RISE, is an important part that Sebastian addressed, asking us to evaluate how these components will help us drive our own transformation with high speed.

Per Högberg



SAP Global User Groups Organization Update, April 28

by Yasmin Awad, SVP, SAP Global User Groups Organization

As SAP is celebrating its 50-year anniversary this year, Yasmin started her session with showing how SAP evolved over the years and demonstrating the establishment of different User Groups.

The long-term history of User Groups and SAP visualized along a timeline provided informative insights into the joint growth path.

Yasmin pointed out that SAP's experience is one of its unique value propositions, leading to a joint heritage with customers. This heritage is something User Groups can be proud of and use as an asset to shape the future of this unique global community.

Yasmin continued with providing an overview about different external factors, trends and social developments which can affect any community in general.

Outlining, that User Groups have to cater more and more for different member/person types and resulting different preferences, Yasmin invited the SUGEN members for a discussion and brainstorming as a follow-up to jointly collaborate on this topic and develop ideas how to address these external trends. Furthermore, the incorporation of an adapted mindset, which increases the overall attractiveness of User Groups for a more diverse membership and prospect base, whilst not disadvantaging the current member base will become crucial to guarantee future success and growth.

As these thought-provoking impulses created a lively discussion already during the presentation, time was running short, so the planned agenda topic of User Group Awards had to be postponed and will be presented to the SUGEN members in a later session.

To conclude the presentation and to honor SAP's 50th anniversary in a competitive and fun way, Yasmin invited everyone for a quiz to test members' knowledge about SAP facts & figures. Despite the very fierce competition, tough questions, and only limited time to provide answers, LSUG's Laurent Federspiel and AUSAPE's Aida Bautista ended up in a tie and won an SAP 50th anniversary hoodie each.

Yasmin Awad



Executive Exchange, April 28

by Philip Adams, Board Member & Ireland SIG Chair, UK & Ireland user group (UKISUG)

SAP S/4HANA Strategy & SAP Sustainability Strategy

SAP S/4HANA Strategy Exchange with Sven Denecken - SVP & COO SAP S/4HANA and Head of Product Success

Sven opened with the SAP vision of driving sustainable and profitable growth for companies. Technology is important, but at the end of the day, it's also about business processes. He described the move from a classical, monolithic architecture to the cloud modular architecture which includes deployed development and services that work together across line of business solutions, finance supply chain, etc. This may include a classical two-tiered approach or with specific workload going to the ultimate standardisation. A SaaS version and industry cloud solutions that are more and more at

the epicentre where we are to work with partners, all leveraging services from the SAP Business Technology Platform (SAP BTP).

Sven outlined how SAP is looking at two things from an SAP S/4HANA perspective: modernization and modularization. For example, cloud native capabilities that can be built faster, natively on the SAP BTP platform bringing new capabilities and innovations for central finance, central procurement, asset management. Supply chain collaboration and resiliency of the supply chain which starts with purchasing and goes into product design is a key topic, so what SAP is doing here is developing the digital twin for the supply chain together with large companies, but also to give the idea and these possibilities to smaller companies.

Innovation in accounting is very important also because of the transformation of business models, measuring outcome-based purchasing or outcome-based payments, with synchronised planning, where we see that the planning cycles of finance and logistics coming closer together. Sven described how we're in the seventh wave of innovation and SAP keeps adding innovation based on feedback from user groups.

Before the Q&A, Sven summarised his four key topics:

- Modularisation and modernisation
- End to end processes irrespective of where it comes from, i.e. the classical line of business, public cloud solutions or industry cloud solutions.
- Innovation is everywhere, based on the feedback from user groups and customers
- Investment into user experience

Finally, the key messages we learned from the questions asked included:

- Expect to see more use cases of integration between SAP and Microsoft Teams
- The future strategy of SAP BusinessOne. B1 is not going away and is getting a web client on top
- Some Business by Design customers converting to the SAP S/4HANA public cloud
- More SAP S/4HANA value stories will help make the business case for Rise

SAP Sustainability Strategy Exchange with James Sullivan - Head of Product Management, SAP Sustainability, SAP SE

James opened by outlining what sustainability means and the recognition that stakeholder expectations are increasing, and CEOs need to action.

- Employees - responsible employers are a high priority amongst job seeking GenZ
- Regulators - implementation of carbon pricing initiatives
- Investment needs - investment required in climate smart infrastructure
- CEOs - 48% of CEOs implement sustainability in their business operations
- Consumers - the fast growth of consumer packaged goods
- Investors - growth in global sustainable investments

The SAP vision is to embed sustainability into business process enabled by [SAP Cloud for Sustainable Enterprises](#). There is a need to look upstream and downstream in supply chain and cross industry, from the Intelligent Enterprise to a network of Intelligent Enterprises.

The SAP Cloud for Sustainable Enterprises is focused on three pillars:

1. Climate Action, SAP Product Footprint Management
2. Circular Economy, SAP Responsible Design & Production
3. Social Responsibility, Coverage of Supply Chain Due Diligence including diversity & inclusion

Data is pulled together for scenario planning and this is used to spin out industry specific solutions.

The new [SAP Sustainability Control Tower](#) can be used to reach your sustainability ambitions with holistic, enterprise-wide sustainability performance management comprising efficient reporting, actionable insights, and holistic steering.

The [SAP Product Footprint Management](#) enables calculation at scale, considering the entire product lifecycle for disclosure and internal product & process optimisation.

Reuse of existing business data from SAP systems applied to business logic for monthly calculation and inbuilt integration back into SAP S/4HANA systems.

[SAP Responsible Design and Production](#) holistically manages packaging and regulatory risk across global markets helping producers manage their ERP obligations and plastics taxes to eliminate the costs of downstream waste and make changes to eliminate waste.

[SAP Environmental Health & Safety](#) enables companies to monitor, track and control emissions, including waste as well as the entire end-to-end incident and health & safety process. Bringing operational continuity, safer operations, and optimised compliance.

[SAP S/4HANA for Product Compliance](#) applications offers complete end-to-end support across processes from product development, purchasing and production to sales and distribution. Benefits include cost effective compliance, on-time delivery, and increased revenue.

James summed up by reinforcing that SAP Cloud for Sustainable Enterprises helps enable the “Green Line” across business processes from; Record to Report, Lead to Cash, Source to Pay, Plan to Fulfil and for non-SAP process via open API’s. Embedding sustainability into our DNA by placing it front and centre will ensure efficiency gains, social responsibility, and compliance, while mitigating risk.

Philip Adams



Executive Exchange, May 6

by Gerardo Dall'Orso, Chairman, ASUG Argentina - Bolivia - Uruguay

SAP Technology Strategy & SAP CX Strategy

The fourth day of our Virtual F2F meeting was very interesting and we had two meetings that not only gave us a very broad and comprehensive vision of SAP's strategy in two important topics such as Technology and Customer Experience, but also allowed us to have an interesting, open and sincere exchange with two important SAP executives.

The topics covered were:

SAP Technology Strategy presented by Jürgen Müller, Chief Technology Officer, Executive Board Member, SAP SE

SAP Customer Experience Strategy presented by Ritu Bhargava, President & Chief Product Officer, SAP CX, SAP SE

SAP Technology Strategy:

Jürgen Müller is the SAP Chief Technology Officer and SAP Executive Board Member.

At the beginning of the presentation, we talked about the impact of the pandemic on companies and their supply chains, which is made even more difficult by other major events with a global impact such as the Russian invasion of Ukraine. In this complex context, SAP continues to provide technological solutions that provide answers to the problems that its customers are facing today. In this sense, SAP continues to grow in the number of customers using cloud services and in the use and application of the SAP Business Technology Platform (BTP).

He told us about the strong integration work with other platforms, for example, the

integration between SAP Sales Cloud integrated with Microsoft Teams. Also, Jürgen introduced us different SAP websites with valuable information for the community. We can highlight:

SAP Learning Hub: <https://training.sap.com/learninghub>

This learning platform gives the opportunity to access a variety of learning resources for different roles and skill levels, and also, students can collaborate with SAP experts and fellow peers in SAP Learning Rooms.

SAP Discovery center: <https://discovery-center.cloud.sap>

SAP Discovery Center is a self-service tool that helps businesses to adopt and drive BTP (SAP Business Technology Platform). There are different missions which are backed by specific business use-cases, where the business can jump-start the learning under Onboarding Missions or use pre-packaged content under Platform Missions to do a quick pilot all the way to a go-live.

SAP API Business Hub: <https://api.sap.com>

It is a central catalog for integrations and extension needs. There are three key pillars: Discover (different APIs for different products and vendors), Explore (integration APIs and accelerators with different products and business processes) and Consume (can be utilized in a licensed SAP Cloud Platform integration workspace).

SAP Customer Experience Strategy:

Ritu Bhargava (President & Chief Product Officer, SAP CX, SAP SE), who comes from having experiences in other technology companies such as Oracle and Salesforce, told us that from the first meetings with Thomas Saueressig, Christian Klein and the entire SAP board of directors, it was clear that Customer Experience (CX) is strategic for SAP and they take this topic very seriously. Since she joined SAP, there was a lot of support and SAP hired some talented people from Salesforce and Microsoft that joined the CX team.

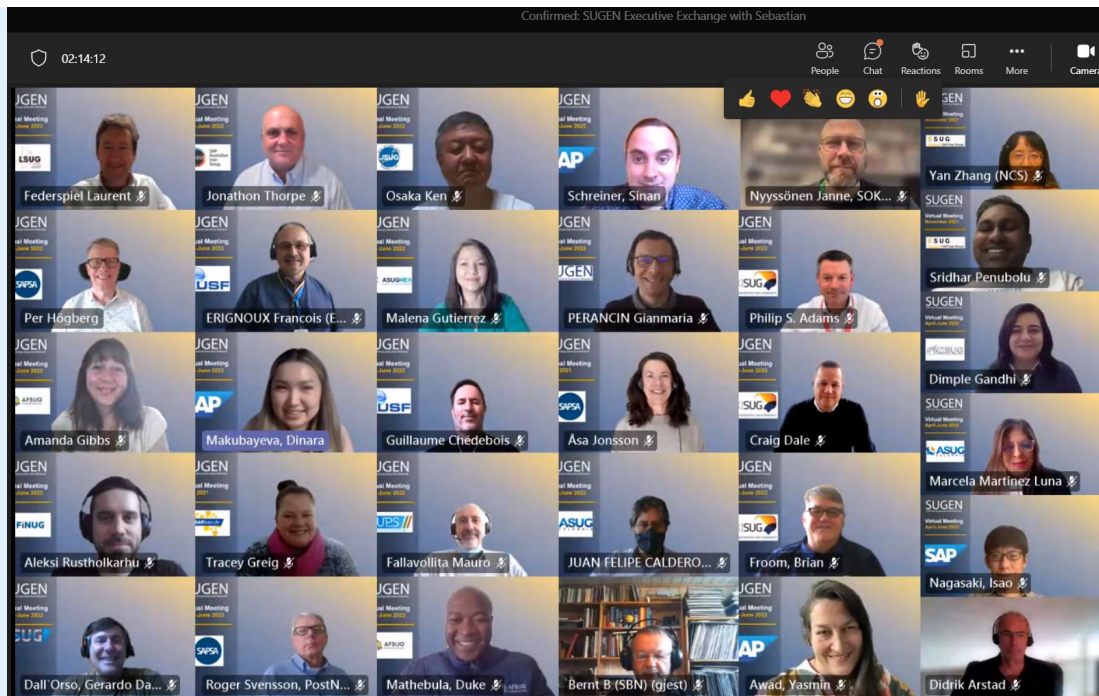
SAP still has a lot to advance and improve in CX, hence the support that the board is giving to Ritu shows that SAP has really taken the issue very seriously. Besides, CX has been a major topic covered by Julia White (Chief Marketing and Solutions Officer) in the [keynote](#) at the global Sapphire 2022.

It is evident that there is some frustration from customers, since not much of what was promised has been delivered. Ritu is aware that SAP customers see other competitors better in this aspect and this is where there is an important opportunity for improvement and where SAP is willing to work to reverse this situation..

SAP aspires to become a trusted long-lasting partner, and to achieve this goal, they have defined 5 Strategic Themes:

1. One community: not work in silos. To work all together as one community. This community should inspire and guide as a “North Star”.
2. Customer Success in the right way: focus on customer experience, safety, performance, reliability, quality and sustainability.
3. Outcome Driven Integration: business processes that accelerate end-to-end experience across industries.
4. Innovation: powered by data, insights, analytics and intelligence.
5. Personalized Trusted Relationship: solutions than empower customer loyalty through exceptional experience, leading to purposeful transformations.

Gerardo Dall’Orso



SUGEN Group Picture April 2022