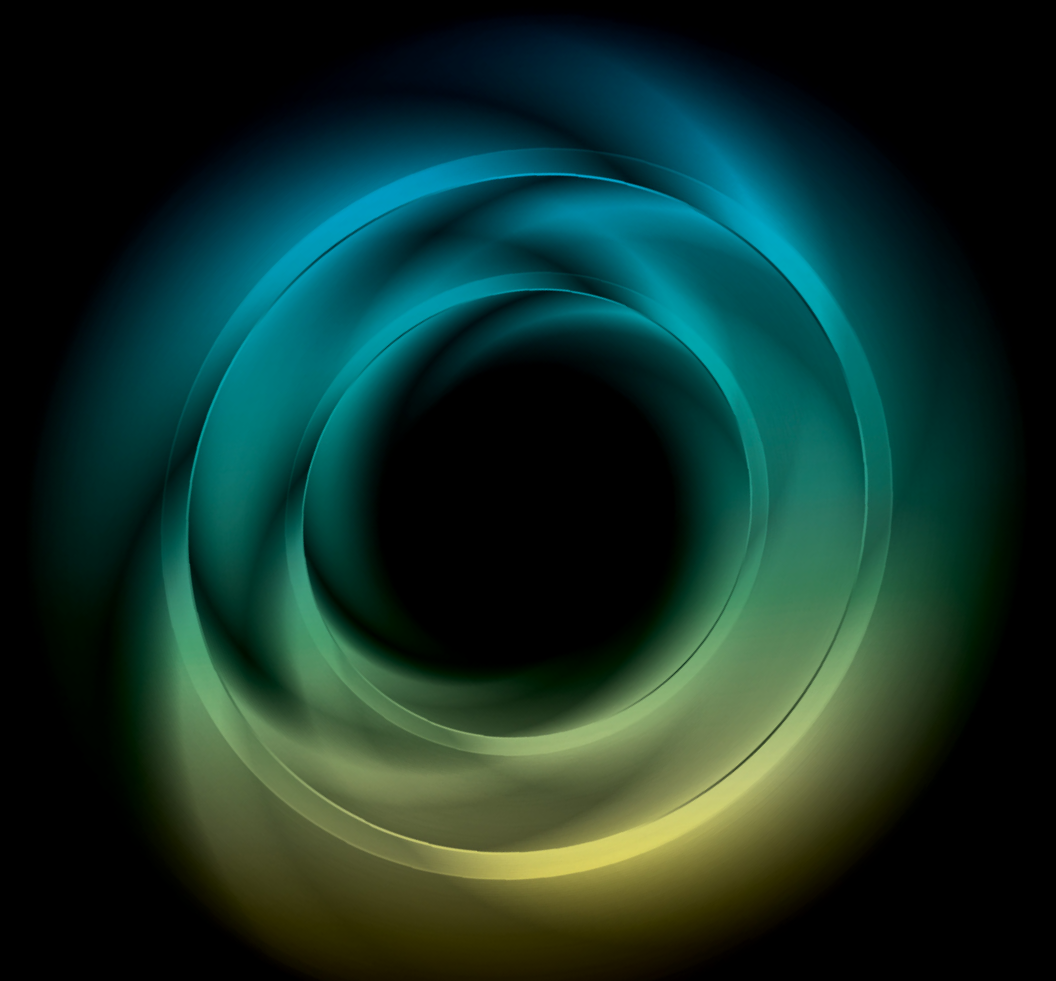


**Deloitte.**



**Deloitte Accelerated Value:  
SaaS innovation for the  
digital core**

Extending the potential of core systems,  
addressing tomorrow's needs

# SaaS innovation for the digital core

Extending the potential of core systems, addressing tomorrow's needs

Many businesses continue to move rapidly to the cloud as solutions mature and the value proposition becomes clear. With cloud software as a service (SaaS), organizations can streamline IT functions, lower the total cost of operations, readily receive the latest innovations, and scale as needed—just to name a few benefits.

To provide a solid yet flexible foundation for today's enterprise, many leaders have turned to SaaS offerings such as SAP S/4HANA® Cloud—the public cloud version of the modern digital core ERP. Data continues to grow exponentially, the pace of businesses is accelerating across industries, and as bold new business models materialize, they are looking to do more with SAP S/4HANA Cloud—to help generate exponential value and maintain a competitive edge.

An extensible, customized, and intelligent SaaS solution for the digital core represents the vision for tomorrow. But what does that vision really look like, and how can you start putting the pieces together to unlock new value while at the same time continuing to run your operations? And why do it now?

## Innovation at the core

When it comes to your core business operations, you can expect the digital challenges ahead to be huge. Increasing connectivity, rising customer expectations, new layers of transactions enabled by Internet of Things (IoT) applications, and exploding amounts of data bring new demands.

Responding effectively, generating actionable insights, and delivering new efficiencies become paramount—and also more challenging. While bolstering your digital core becomes important, so too does accelerating your innovation. Taking the lead will require an ability to build innovation into business processes. It also will require comprehensive digital solutions that fit your business—that are aligned with your industry-specific needs and configured for the unique demands of your organization.

Want to get a jump on tomorrow's demands, bring innovation to a cloud-enabled digital core, and break away from the pack? Leveraging the next generation of SAP® technology can provide one potential path—allowing you to pull in more data, intelligently automate

processes, radically improve insights for decision-making, and deliver exponential value throughout the enterprise.

## New solutions for new needs

To win in the future, many organizations realize they need to do more than manage disruption. They need to get ahead of disruption, planning for it and taking advantage of the opportunities it can bring.

To address those needs, Deloitte and SAP are collaborating on a new set of offerings that can help enterprise leaders begin innovating the digital core to address tomorrow's digital demands.

Through the collaboration with SAP, we will develop new Deloitte Reimagine Platform solutions that can help align SaaS capabilities with your organization's needs—even as those needs shift. The new offerings will blend Deloitte's strength in business-focused technology enablement and SAP's leading-edge technology such as the SAP® Leonardo digital innovation system, and include SAP's innovation portfolio of machine learning capabilities, Internet of Things (IoT) offerings, advanced analytics solutions, and the SAP® Cloud Platform.

“Want to get a jump on tomorrow's demands, bring innovation to a cloud-enabled digital core, and break away from the pack?”

“But where can you get started? You can begin by concentrating on big areas that can yield value.”

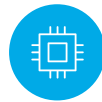
**Exponential opportunities in two areas**

Your digital core will remain the heart of your operations no matter what the future may bring. It makes sense, therefore, to prepare that core for the disruption ahead. Transforming the core with SaaS solutions can help you respond nimbly and proactively in the face of change. By innovating your core, you can unlock your organization’s potential.

But where can you get started? You can begin by concentrating on big areas that can yield value. Deloitte and SAP are focused on providing organizations with offerings designed to deliver next-generation functionality in two key areas:

- **Industry cloud acceleration**
- **Cloud2Core**

Key enablers of industry cloud acceleration and Cloud2Core include:



**Embedded analytics**



**SAP S/4HANA Cloud**

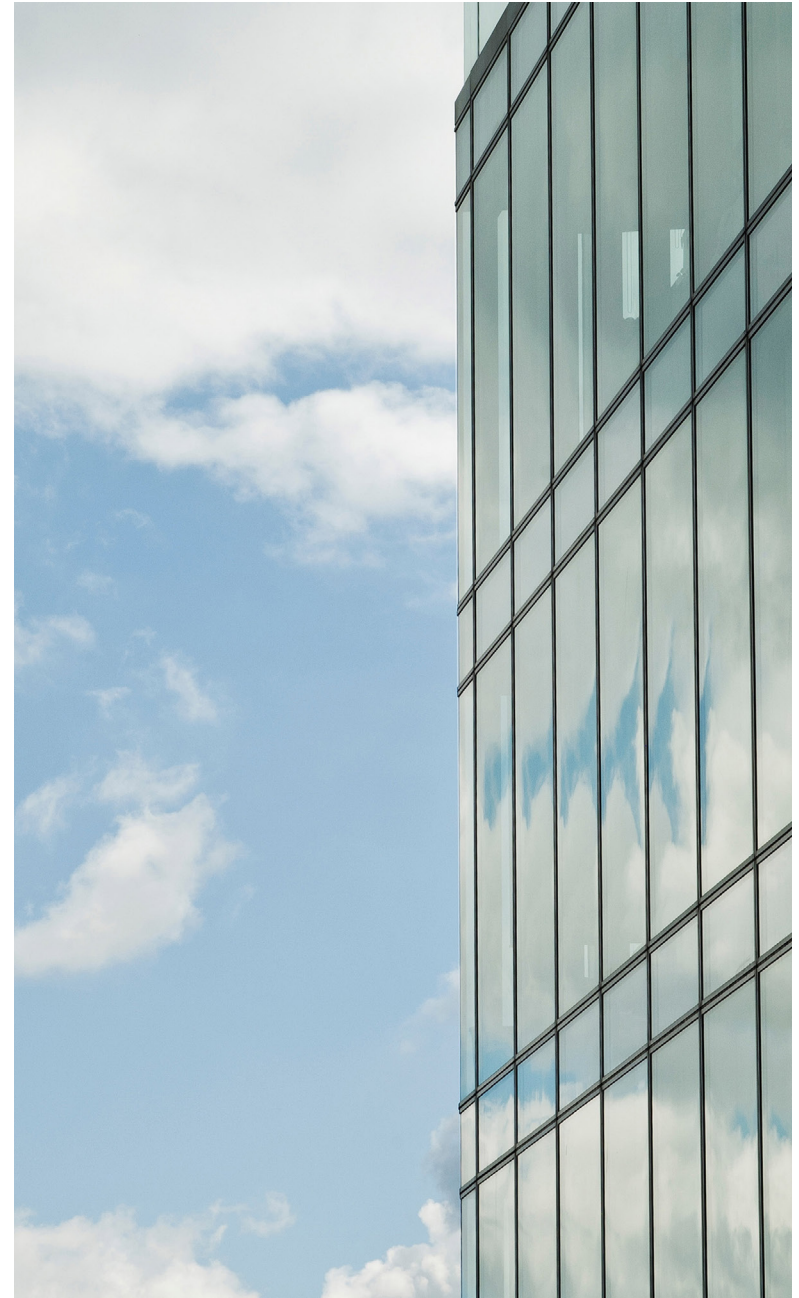


**SAP Cloud Platform**



**SAP Leonardo**

The offerings can help provide a modern foundation that can help organizations leverage emerging technologies and deploy innovative capabilities. As SaaS continues to evolve, building a flexible, cloud-enabled, future-facing infrastructure can help you take advantage of new capabilities.



Here’s a closer look at each offering area.

# Industry cloud acceleration

Finding an effective solution can become more difficult as your needs grow and as you explore new business models. What worked for your industry yesterday might not work as effectively tomorrow.

Starting with a cloud solution—one that you can scale—can provide an excellent start for responding nimbly to current industry-specific needs as well as future challenges.

As a modern digital core solution that blends the benefits of cloud with the strength of the SAP S/4HANA in-memory platform technology, Deloitte and SAP S/4HANA Cloud can help you get up and running fast with new digital core capabilities—while also helping you streamline multiple landscapes to consolidate your IT, lower your total cost of ownership, scale infrastructure as business evolves, and access the latest SAP applications.

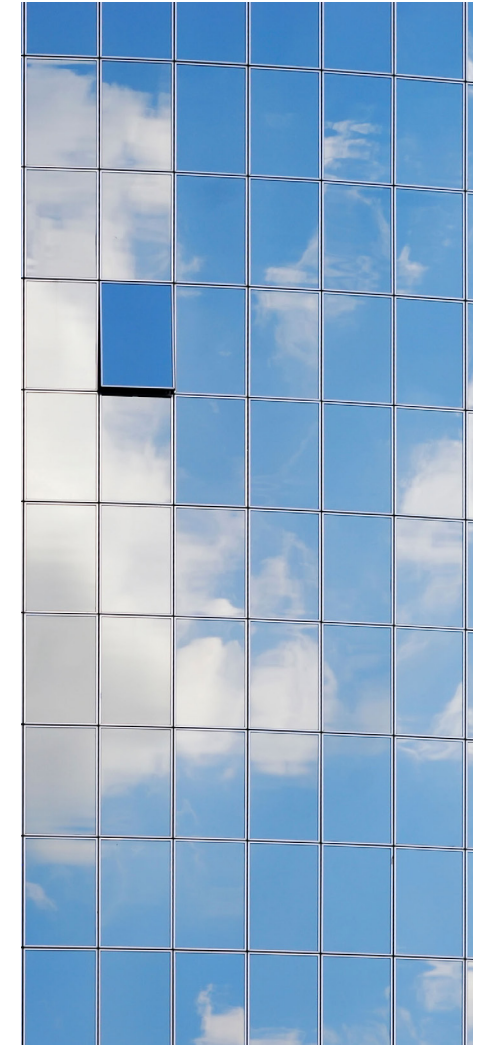
This solution also offers a strategic platform for evolving business needs—and optimizing that platform requires more than what you get right out of the box. Deloitte's industry cloud acceleration approach, powered by SAP technology, can help organizations in areas such as consumer products, travel, leisure and hospitality, public sector, oil and gas, wholesale and distribution, and hi-tech realize value with SAP S/4HANA Cloud. With industry cloud acceleration, organizations can spend less time configuring and tailoring SAP S/4HANA Cloud to meet their unique needs—and more time leveraging it for results.

Industry cloud acceleration will rely on new accelerators developed through Deloitte's co-innovation collaboration with SAP, including new micro-services and apps built with the SAP Cloud Platform—to help bring SAP S/4HANA rapidly to life for the industries by delivering accelerated industry-specific functionality for integrating readily with other critical cloud or on-premise applications such as SAP® IBP, SAP® SuccessFactors®, SAP® Ariba®, and SAP Concur® solutions. It also will feature

digital core capabilities that can support new IoT business models and enable the next-generation analytics required for automating processes and delivering more actionable insights.

With industry cloud acceleration, organizations can not only rapidly transform the digital core—tailored to their specific industry—they also can extend SAP S/4HANA beyond its natural boundaries, to start building agile cloud-based capabilities that can help them innovate at scale and get ahead of disruption.

“...spend less time configuring and tailoring SAP S/4HANA Cloud to meet your unique needs—and more time leveraging it for results.”



# Cloud2Core

Don't expect the entire digital economy to convert exclusively to cloud solutions overnight. In today's world—and likely for years to come—cloud solutions will have to operate alongside on-premise solutions.

Integrating cloud and on-premise systems can take extraordinary amounts of time and effort. Many organizations continue to make do with siloed systems, deploying manual work-arounds, spreadsheets, and other tricks that can help create a more complicated and consolidated view of their enterprise data and activities.

Often these two tiers, cloud and on-premise, occur naturally—the result of mergers and acquisitions, or because cloud might be better suited for supporting a subsidiary from afar. But as digital technologies disrupt businesses across the globe, new challenges grow exponentially.

To address these challenges, take advantage of new opportunities, and move fast, tomorrow's enterprise will require a more unified approach for the digital core—one that brings greater visibility that can support real-time business and real-time transactions.

With a Cloud2Core approach, organizations can begin building a unified two-tier environment that brings together SAP S/4HANA on-premise and SAP S/4HANA Cloud—delivering an integrated ERP platform that provides a consolidated view of the business.

Cloud2Core will leverage SAP Cloud Platform to help organizations assimilate data the way they need to view it, providing a cohesive, central view no matter where the data resides. The approach can support your organization's ability to see information the way you want to see it, allowing you to make more informed decisions, to automate new layers of actions, and to plan ahead—to act proactively, not to simply react.

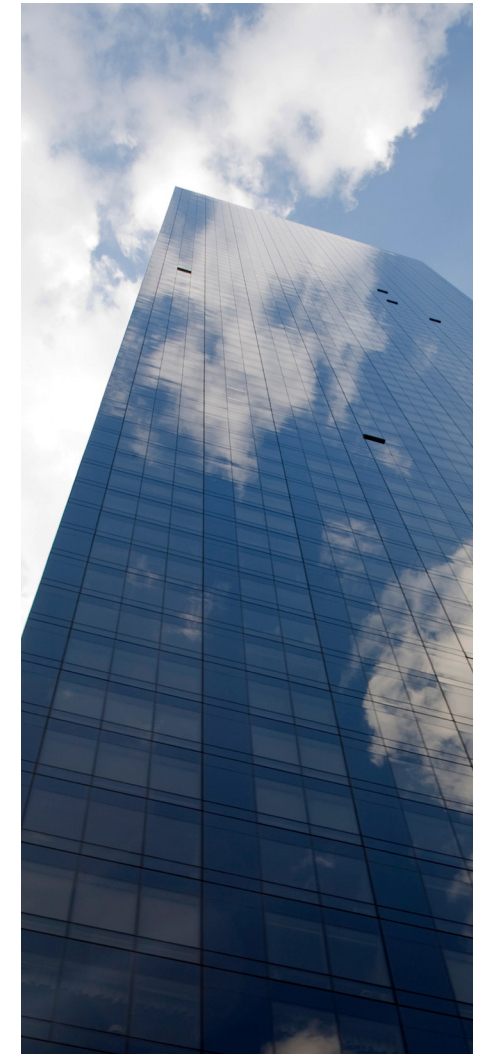
A two-tier digital core powered by SAP S/4HANA can provide flexibility that allows you to scale readily with the cloud as your

“A Cloud2Core approach is about more than simplifying your business processes.”

needs grow. At the same time, the approach allows you to leverage and support on-premise core capabilities that are central to your business. Bringing the two together in an integrated, streamlined manner requires a specific set of skills.

For one, you should shift your business processes and standardize them to align with leading practices, resisting the urge to overcomplicate them or lean on heavy customization. A Cloud2Core approach is about more than simplifying your business processes. Two tier also requires an extensive understanding of infrastructure and architecture issues, as well as an understanding that you have deployment options for how, when, and where you phase in capabilities.

Beyond technical skills related to business processes, integration, and deployment, you will likely require people-focused skills. For many organizations, the central challenge might be less about making the enterprise “cloud ready” and more about ensuring that stakeholders understand how to operate with a two-tier system.



# Strategic next steps

Transforming and innovating your digital core is becoming a requirement for businesses across the globe. As the digital economy changes rapidly, some organizations might not be able to get ahead of disruption and deploy digital core capabilities that can adapt amid disruption.

Deloitte's collaboration with SAP can help to accelerate the innovation cycle while clients continue to operate their core business. Innovation with industry solutions in combination with our digital transformation experience, help organizations bring leading capabilities to the heart of their business operations.

Whether you want to transform the digital core to meet the specific needs of your business or create a more unified core environment that spans cloud and on-premise, you likely will require comprehensive digital solutions. Deloitte Accelerated Value offerings can fit the bill, delivering end-to-end technologies and enablement.

If taking your digital core to the next level is important for your organization, we should talk—especially if you have questions about deployment options or how to move forward with SaaS capabilities. Deloitte can help you answer those questions and lead the conversation on your two-tier ERP strategy. We can provide solution demos, additional insights on managing digital disruption, and other resources to help you get ahead of tomorrow's digital challenges. Contact us to get the conversation started.

## **Krishnakant Dave**

**Principal**

**Deloitte Consulting LLP**

Email: [kdave@deloitte.com](mailto:kdave@deloitte.com)

[@kkdave](https://twitter.com/kkdave)

## **Misa Rawlins**

**Specialist Leader**

**Deloitte Consulting LLP**

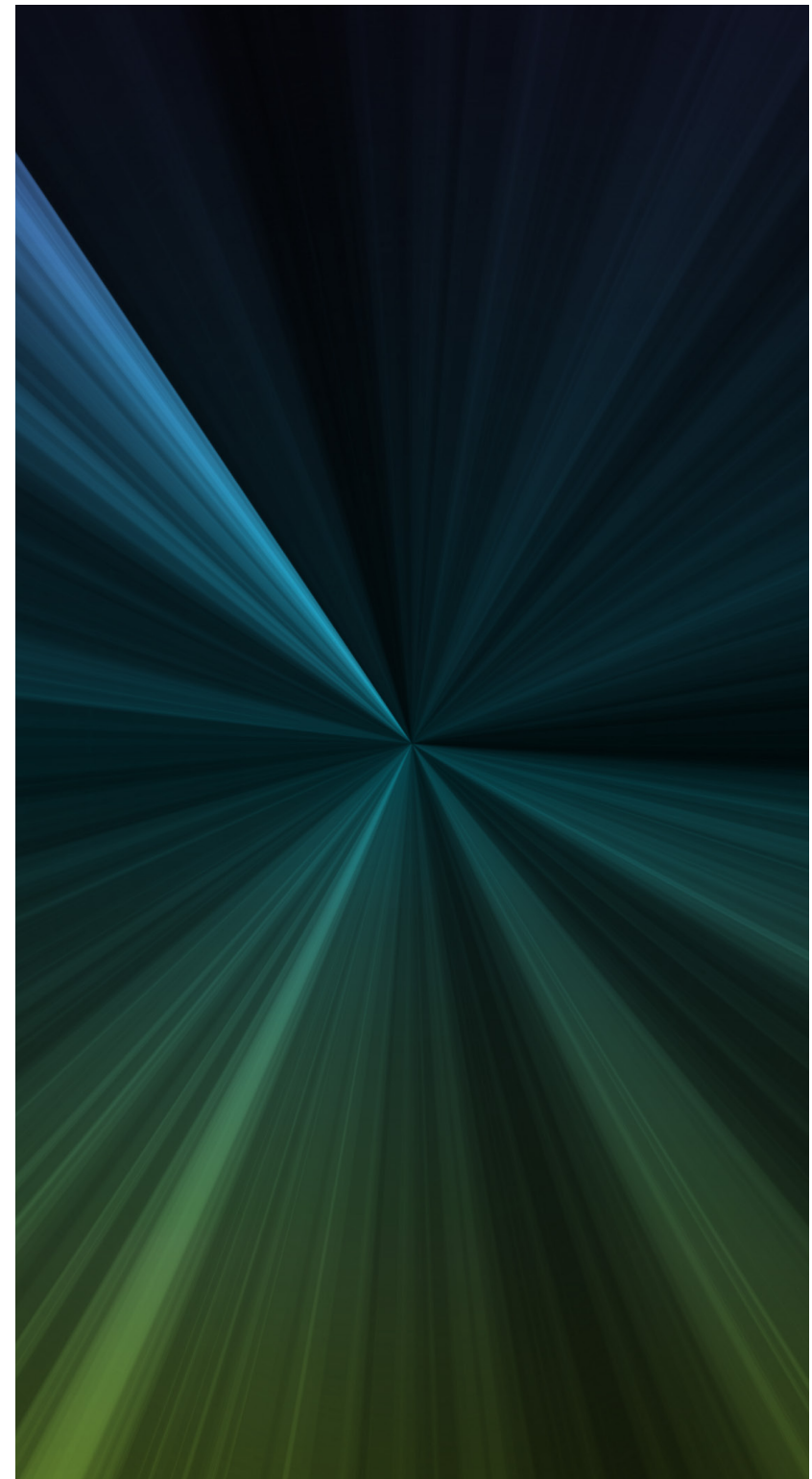
Email: [mrawlins@deloitte.com](mailto:mrawlins@deloitte.com)

[@misa\\_rawlins](https://twitter.com/misa_rawlins)

[SAP@deloitte.com](mailto:SAP@deloitte.com)

[www.deloitte.com/SAP](http://www.deloitte.com/SAP)

[@DeloitteSAP](https://twitter.com/DeloitteSAP)





As used in this document, "Deloitte" means Deloitte Consulting LLP, a subsidiary of Deloitte LLP. Please see [www.deloitte.com/us/about](http://www.deloitte.com/us/about) for a detailed description of our legal structure. Certain services may not be available to attest clients under the rules and regulations of public accounting.

This publication contains general information only and Deloitte is not, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this publication.

#### **About Deloitte**

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms. Please see [www.deloitte.com/us/about](http://www.deloitte.com/us/about) for a detailed description of the legal structure of Deloitte LLP and its subsidiaries.