

White Paper

Realising SAP's True Value with Add-on Applications



1. Introduction

This white paper analyses how the usage and tailoring of SAP (ECC and S/4HANA) by organisations can negatively affect operational efficiency. It highlights the resource and cost implications and explains how the use of add-on applications can address these issues.

In the context of this white paper, add-on applications are considered to be web-based solutions that offer a modern and focused user experience and are fully integrated with SAP functionality. They provide a user interface layer that replaces the SAP GUI while keeping user security and data management unaffected.

2. Standard SAP has severe limitations

2.1 Usability is key

This section examines SAP from the user's perspective, describing issues with standard usability. It compares this with the benefits gained from using add-on applications.

Architecture prevents flexible access

The standard SAP solution is a desktop application that requires users to access a business computer (PC or laptop) where it is installed. This limitation presents a challenge for users who require remote or real-time access to SAP.

User Interface makes it difficult to learn and use



The user interface has remained largely unchanged since the last century, making it challenging to use and learn. The screens are cluttered with excessive information, much of which is irrelevant to specific operations.

Consequently, operators are required to possess a comprehensive understanding of the tasks they are performing. However, this poses a risk for users who are less familiar with the system, as it can result in reduced productivity, delays in updating information, and a higher likelihood of making mistakes.

Incorrect Master Data costs time and money

When maintaining SAP master data, it is easy to overlook the completion of all relevant fields, inputting correct data, and defining required views and plants. The complexity of comparing field values across multiple records and editing the information contributes to inconsistent data, necessitating significant time and effort to rectify discrepancies. Incorrect master data can lead to disruptions in operations and processes, as well as flawed or delayed decision-making.

Multiple transactions required to access simple information

When performing activities within SAP, it is common to come across situations where the necessary information to make informed decisions is not available within the selected transaction. Accessing the required information may require navigating through a series of other transactions. A typical example of this is the process of releasing a purchase order.

This task typically involves clicking a button from the *Release Purchase Order* transaction. However, to ensure that the purchase order is truly needed, a number of other transactions must be selected. To verify the requirement, the following information may need to be accessed:

- The vendor selection, including their quality/delivery history
- Current stock levels and usage history
- Budget status
- Price history

How frequently are purchase orders released without proper research into the business need? And what is the associated cost of such actions?

This is just one example of where extracting and interpreting the required information from SAP to make appropriate business decisions becomes difficult, time-consuming, and complex.

Operational inefficiency results in bad habits

Most SAP transactions are cumbersome and time-consuming to perform, with screens containing numerous fields, tabs, and buttons. As a result, users often populate only the essential fields and perform the minimum required to complete an operation. Important actions, such as verifying the necessity of the operation by cross-checking with other transactions, may be skipped.

It takes time for users to become proficient in performing SAP functions, and there is a tendency to rely on specific individuals to perform these actions. This reliance becomes a major issue when there are changes within the team.

Making errors is easy for users

The complex nature of the SAP user interface requires a high level of concentration when entering or updating information. By default, the validation is weak, making it easy for users to forget to record information or input invalid or incomplete data. Although mandatory fields can be configured, it is still possible for them to be populated with erroneous information.

Data governance features such as digital signatures and photographic evidence are not available or required by default. Additionally, analysing the audit trail to establish the cause of erroneous information can be time-consuming.

The presence of invalid data has a significant impact. This can result in inventory errors, financial inaccuracies, and compromised decision-making based on erroneous reports, adding unnecessary costs to the organisation.

Usability is the primary issue addressed by Add-on Applications

Access from anywhere

The majority of add-on applications empower users to access information from any web-enabled mobile device, eliminating the need for an SAP installed PC/Laptop. This convenient access enables quick retrieval of information, enhancing decision-making processes. With the ability to access SAP data on tablets and smartphones, users can make faster and more effective decisions, leading to an optimised utilisation of resources.

Users experience high levels of satisfaction

Add-on applications feature a user experience that adheres to modern software standards. This familiarity translates into minimal training requirements and a reduced need for user support. Consequently, users experience high satisfaction levels and improved productivity, as they can navigate and utilise the application with ease. By prioritising a user-friendly experience, these applications enhance user satisfaction and overall operational efficiency.

In-built methods to ensure accurate master data

There are master data applications available that are designed to ensure the correctness, completeness, and accuracy of information. These applications utilise business rules to enforce company standards for new data and validate and correct existing data. They tackle common issues like duplicates, missing values, and invalid field entries, and allow the bulk editing of data. As a result, they significantly enhance productivity across the organisation and the level of confidence in business decision-making.

Single transactions achieve multiple tasks

Add-on applications are designed to provide all the necessary information in one place, streamlining operations and decision-making. There's no need to navigate through multiple transactions for background information. By consolidating data, the applications enable quick and informed decisions, saving time and reducing errors resulting in enhanced efficiency and productivity.

Low risk of user error

With accurate and complete master data, an intuitive user experience, tailored screens for each operation, and appropriate data-entry validation, the chances of user error are greatly diminished. This combination enhances accuracy, minimises mistakes, and promotes efficient and productive operations.

2.2 The chosen SAP implementation method is critical

This section examines the options available to companies when implementing or upgrading SAP and tailoring standard functionality to align with existing business processes.

Standard SAP is a generic product with industry-specific solutions. While it encompasses core functionality, tailoring is necessary during the implementation process.

When a company implements SAP, they conduct a study to determine how their requirements can be met. Configuration is mandatory, but if it proves insufficient, they have the options of customising SAP and/or implementing add-on applications.



Adapt internal processes to fit

One option to minimise the project workload is to adapt internal processes to align with those offered by standard SAP.

However, this approach could potentially lead to reduced productivity and negatively impact user morale, particularly among personnel who have been with the business for an extended period. There is also a high chance that previous important elements of an internal process may be missed.

Additionally, it may result in an increase in the number of user errors, ultimately affecting overall business performance.

Configure to the needs of the organisation

Configuration is used, among other things, to enable/disable features, define user roles and authorities, and specify the nature of fields, such as default values and mandatory entries. While it is an essential activity, it can be time-consuming due to the need for extensive analysis of requirements and a comprehensive understanding of the available features provided by SAP.

Configuration is necessary to define company-specific information. However, the extent of configuration performed varies depending on the end-user company, as SAP offers a wide range of configurable features.

Implement customisation to overcome process limitations

Customisation is used to support internal processes that cannot be configured and is achieved through software changes, primarily using SAP's programming language ABAP. It introduces a significant level of risk to project cost, quality, and delivery, and requires careful management with close control over the degree of customisation applied.

SAP Fiori Applications offer a half-way house

SAP offers a vast library of Fiori web-based applications that adhere to a modern, standardised user experience and greatly enhance usability. However, due to their generic nature with limited customisation options, they do not always match a company's needs and can result in some activities having to be performed outside of SAP.

Developing Fiori Applications Carries Risk

Customisation projects always necessitate the formation of a substantial team, regardless of the scale of the change, as all lifecycle activities must be performed, including business analysis, design, programming, testing, and more. Therefore, the undeniable benefits offered by developing Fiori applications need to be carefully balanced against the potential risks and costs. As a result, many companies are hesitant to fully implement a comprehensive range of Fiori applications, leaving users to rely on the standard SAP interface.

Add-on Applications remove these obstacles

Add-on SAP applications are designed to streamline and optimise specific operations. Only the necessary fields and functions relevant to the operation at hand are visible to the user. By providing a targeted and streamlined user interface, these applications greatly enhance productivity while reducing user confusion and the potential for errors.

Configurability ensures a rapid ROI

These solutions are designed to be implemented by configuration and offer proven functionality that has been thoroughly tested across a wide range of industries. Their versatility allows organisations to leverage them without customisation, resulting in streamlined implementations and a rapid return on investment. The introduction of add-on applications significantly reduces a company's project workload and the support overhead compared with customisation projects.

Cost of ownership minimised as no need for customisation

Development is continuously driven by market needs, with regular updates that can be applied, requiring minimal resource overhead. This approach ensures that users benefit from the latest features and enhancements while minimising the impact on their operations.

Unrestricted usage models

These applications support a wide range of secure architectures, covering on-premises, cloud, and Software as a Service (SaaS) models.

2.3 Expect operational challenges implementing SAP

This section examines the activities within SAP that contribute to its operational efficiency within an organisation. It explores aspects such as project structure, training and support requirements, and the on-going costs of ownership.

Project costs can easily get out of control



SAP projects typically require large teams. The initial installation can involve hundreds of personnel, covering all functions from business analysis to testing and training. Upgrades, especially from ECC to S/4HANA, also require significant labour resources.

As a consequence, projects tend to be costly and time-consuming, often involving lengthy timelines. Even the smallest change may necessitate a project team with numerous members.

The success of projects heavily relies on the timely completion of tasks by all team members. Managing larger teams becomes increasingly challenging. Consequently, activities often experience delays, leading to increased costs, project delays, and occasionally the need to omit or reduce certain features.

Training and Support expense needs taking into account

Extensive user training, along with supporting materials, is necessary due to the complex nature of the user experience and the vast number of transactions supported by SAP (amounting to many thousands in total). Consequently, certain individuals, known as super users, become crucial for the system's successful operation. However, knowledge tends to be concentrated among a small number of people, which becomes a significant issue if they were to leave the business or change roles.

During system installation or upgrades, users typically receive an adequate level of training. However, this is not always the case when team members change, resulting in decreased productivity and increased errors when new team members take over.

The system's complexity also necessitates the establishment of a support team to ensure smooth operation. Unfortunately, not all companies have an adequate support team in place, which introduces additional risk to the success of the investment.

High Cost of Ownership – Impacted by level of customisation

The cost of implementing, rolling out, upgrading, and on-going maintenance of SAP is significant. Therefore, it is crucial for companies to maximise their return on investment and ensure that the solution meets expectations.

There are many examples of international companies comprising numerous worldwide plants (offices, factories, etc.) that have failed to successfully roll out SAP according to their original plans. Insufficient company-wide analysis to achieve standardisation, particularly by plant function, has resulted in ongoing customisations, compromises, and a lengthening of project timescales. This problem is further exacerbated by takeovers and mergers. How can these companies expect a smooth upgrade to S/4HANA when they are still rolling out ECC?

Standardisation across all plants offers obvious benefits. Failure to achieve this inevitably leads to additional activities and an increased cost of ownership.

Add-on Applications deliver operational efficiency and lower costs

The introduction of add-on applications in place of in-house customisations, lead to smaller project teams and significantly shorter timescales.

These projects are typically measured in weeks rather than months for those requiring SAP customisations.

Users get things done quickly

The intuitive and modern user experience, along with operation-specific screens that offer comprehensive information, significantly reduces training time for new users and minimises reliance on the support team. This leads to reduced operational overheads, increased user confidence, improved productivity, and a decrease in errors.

Suppliers are quick on their feet to deliver state of the art capabilities

Developed by experts who adhere to current standards in architecture and user experience, these applications ensure a seamless roll-out minimising end user training, documentation, support, and testing requirements.

Cost of Ownership simple to manage

Once an add-on application is installed, it becomes available to all plants within a company, thereby promoting standardisation and reducing the need for plant-specific features. The cost of ownership is primarily associated with a fixed annual charge linked to a third-party support and maintenance agreement, which further enhances the overall cost-effectiveness for organisations.

3. Summary

Companies face significant challenges when implementing SAP. The amount of tailoring and on-going support needed for the organisation have to be balanced against the need to control costs, maintain quality, and ensure timely delivery.

The use of add-on applications can have a large positive impact on helping an organisation achieve those goals as outlined in this white paper.

Add-on applications greatly facilitate standardisation within a business, and provide numerous additional benefits compared to standard SAP and customisation projects.

These benefits include:

- Smaller project teams
- Reduced project costs
- Faster implementation
- Greater user satisfaction
- Improved productivity
- Reduced training and support needs
- Reduced cost of ownership
- Greater company-wide standardisation....



The result: A significant reduction in year-on-year ownership costs for IT services, and an increase in the value of SAP to the organisation.

4. References

Access other white papers available from Asaptek



White Papers

Discussion papers demonstrating how the use of web/Fiori add-on applications enhances user productivity and enables companies to maximise their ROI from SAP

Asaptek

5. Glossary

Term	Definition
ABAP	Advanced Business Application Programming
COO	Cost of Ownership
ERP	Enterprise Resource Planning
GUI	Graphical User Interface
IT	Information Technology
ROI	Return on Investment
SaaS	Software as a Service
SAP	The world's leading ERP software vendor
UX	User Experience

6. About

The Author	John Roberts is the Technical Director of Asaptek Ltd, with over 25 years of expertise assisting manufacturers worldwide in optimising their business processes, reducing costs, and ensuring regulatory compliance. Throughout his career, John has actively contributed to SAP project teams for leading multinational corporations, offering insights into common challenges they face.
Asaptek	Asaptek specialises in providing SAP web/Fiori source-to-pay (S2P) applications, designed to enhance productivity, and provide flexible access to critical business information. Trusted by companies worldwide, Asaptek is the preferred solution for optimising inbound supply chain management and achieving operational excellence. Launched in 2016, the product suite quickly gained popularity and is now used by hundreds of companies in North and South America, as well as Europe.
	

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