# "NOW, SAP IS ALSO VALUED BY ENGINEERS"

Happy birthday SAP! Even after 40 years of its existence, the software vendor shows no signs of becoming either a young- or oldtimer. Quite the contrary, a new campaign has been launched to come closer to the end-user. A discussion with Thomas Ohnemus, Senior Marketing Manager Manufacturing and PLM Affairs with SAP, about branding and a new integrated visualization solution.

**Mr Ohnemus, let's talk about the human side of SAP and not just about technological aspects. Your company has started a new branding campaign addressing what I would call "the dark side of IT" because it deals with emotions. In which way is your company perceived in the different target groups?**
Over the last fourty years, SAP has undergone a remarkable evolution: it has long grown out of the back office domain. It has got an excellent reputation as an IT solution provider in finance, human resources, and over the last 20 to 30 years in enterprise resource management. SAP is the worldwide leader in the ERP market. There we have a strong footprint and I am not wrong in saying that everybody knows SAP even if they don't all use SAP applications. Coming from that point of view, we have similar reputations in other areas, like in the SCM or CRM markets. Our customers regard SAP as their backbone, and use it to execute standard processes around purchasing, finance, manufacturing, and so on. Of course, in the past we didn't enjoy a great reputation for flexibility, dynamic adaptation or intuitive user interfaces. But this is a historical point of view.

**This perception really fits with your fantastic business success….**
Right. We generate the largest portion of our revenue in these areas. But we are also market leader in SCM. And depending on how you look at it, we are market leader in CRM too.

**Let's come to engineers and PLM. Which attitude do they take to SAP?**
In the research and development departments, the perception of SAP has a different history. When designers and engineers were moving from drawing boards to 2D and later to 3D CAD systems, they were confronted with applications of the very early phases of computerization to support their daily business. It was the beginning of visual representations of design intents and of data representation e.g. expressed in a bill of materials. And their requirements for any kind of user interface were and still are very high.

**What were the reasons for these high requirements?**
Well, they felt that they were different, let's say the creative guys in the company. In Human Resources or in Purchasing, you can find well established standard processes but not in engineering. They always insist on having individual organized processes and workflows.

**Is that the reason why engineers don't really like SAP?**
This doesn't necessarily mean that engineers don't like SAP. They use their CAD system and were like spectators watching the rest of the company using SAP to support all the other business processes. You should know: in former times, there was hardly data exchange between the engineering departments and other departments.
But over time, the tide has turned. Engineers must now meet requirements that go beyond CAD. They introduced the first PDM applications, because they have to manage complex data sets e.g. in collaboration scenarios, or because the product description has become more sophisticated. But the strong demand for flexibility and user friendliness remained for the supporting systems. That's the reason why in the early days every PDM installation was highly adapted to customer's ideas.
If you put these requirements into the context of ERP applications with their standard interfaces and standard processes, quite obviously engineers asked: Why should we use SAP applications?

## Keep an eye on it

SAP has released Visual Enterprise applications, which represent the initial offerings resulting from the acquisition of Right Hemisphere 3D technologies. The new software combines the inherent strength of the SAP Business Suite with related visual product and plant content, providing existing and new SAP customers with access to contextual and reliable visual information in an intuitive visual format.
As can be read in a corresponding press release, improved time to market, more efficient operational processes, higher productivity and superior product and service quality are just a few of the benefits customers can derive from deploying SAP Visual Enterprise applications. SAP Visual Enterprise software consists of three core products:
SAP Visual Enterprise Generator application: a processing engine that translates nearly any 3D CAD file into a compressed file format for use in downstream processes. It can also be configured to support specific work processes in engineering, manufacturing and maintenance.
SAP Visual Enterprise Author application: an end-user application that creates animated
procedures, 3D embedded documents and high-definition imagery.
SAP Visual Enterprise Viewer application: a lightweight, powerful, easy-to-use, free-of-charge end-user tool to view and interact with the authored and published content.
These types of applications integrated with SAP Business Suite bring to the user a complete new 'view' of their data, while combining visual information with business content improves collaboration, enables better decision-making and drives faster time to market for our customers.
**www.sap.com/solutions/business-suite**

**I've got it. On the other hand, SAP claims to be the inventor of PLM, meaning your company is also active in engineering-driven domains – for more than fifteen years….**
Right, since the mid of the 1990s. We began our PLM activities as a spin-off of our ERP business. But if you look at the last releases 7.0 and 7.1 of SAP PLM, we have adopted engineers' requirements and we have pushed our user interface towards stateoftheart techniques. Now the user interface is much easier to customize and to adapt to customer needs. And by the way, there was a good reason for its inflexibility in the past: If you changed something in the PLM processes in an uncontrolled manner, then owing to our close link to ERP it would have a great impact on business processes, meaning you might run into the danger of losing control of your whole business.

**So, what you mean is, since the SAP approach was always to closely connect ERP and PLM processes, PLM customization has to be considered very carefully. In the other PLM offerings, where just a weak coupling to ERP is realized, a far-reaching customization on the PLM side is much easier because of its much more limited influence on the business world.**
Absolutely right! To some extent we have consciously chosen a PLM offering reduced flexibility: Adding something to the master data of the product definition is very easy but you have to take a great deal of care if manufacturing or procurement processes supported by ERP or SCM systems are involved.
Nevertheless over the time, SAP has changed dramatically, too: in terms of the user interface and in terms of extended offerings for customization. Since we have always been open, integration to other IT systems has never been an issue. And, if you look at the engineers' daily work, it has also changed. They have learnt to accept that they cannot work any longer in an isolated silo like they used to do. Today, all the organizational units cooperate much more closely together than in the past. Engineers collaborate with the purchasing department to minimize the prices of the supplied components and manufactured products. Hand-in-hand work also takes place with the manufacturing department to figure out the best set-ups for production facilities and so on.

**I've got it. Time is on your side. But what then is the real reason your company has launched the branding campaign?**
"Humanize the Brand" is something that goes beyond PLM. Since the last, let's say five to ten years, SAP has worked very hard on worldwide brand awareness. In 2005, we ranked at around 90th position in the world's best known brands, by the end of 2011, SAP had got a branding status of 24.

**Amazing!**
Yes, indeed. We are now better known than companies like Nike. This is an unbelievably high value for our company. But this is just the beginning of the story. As you know, the whole world is changing owing to the influence of the internet, meaning that the next generation of people using IT will have very different expectations of how IT should work.

**What will be the consequences for SAP?**
We have to come much closer to the end-consumer and to the end-user of our applications. So, moving from the enterprise business software vendor that we really are – and keep in mind: we are driving two third of all business processes around the world, we want to win end-consumers as new stakeholders. That is what 'Humanize the brand' is about: making clear that SAP helps them to drive their daily businesses in a unique way.

**For me, this seems to be a real challenge….**
Yes, it is. Because most people who use SAP aren't always aware of it.

So, we deliver Apps on their smartphones for example or, what is much more impressive is that we have supported sailing boat races where the boat crews have got real-time GPS and weather data captured by SAP applications to figure out how to optimize the route for the next day. The latter is a very nice example of the real impact of data, analytics, visualization techniques, and the human factors. And, I can tell you, we are looking for other rather impressive examples.

**You are pushing topics concerning visualization into the foreground. How does this fit in with the new branding campaign?**
Indeed, visualization is the key here, e.g. expressed in self-explaining user interfaces. SAP has invested heavily in this direction, for example in Business Objects, which was before acquiring the market leader in business analytics offerings. If you have any kind of data analytics — and we manage a really huge amount of data — you get great results depicted in a highly sophisticated manner, e.g. when it comes down to products in combination with assets. After taking over Right Hemisphere we are also in the position not only to show the results of a business analyt-ics inquiry concerning assets, we can also show the related product information in the environment of the asset, e.g. by using highlight functionality together with history and supplier information or we depict carbon footprint data. This is just another step to make the user interface more attractive and easy to use. But for sure, this is just the beginning of a journey.

**Are the engineers grateful?**
I think so. We have shipped our first integrat-ed enterprise visualization product using Right Hemisphere technologies. We only acquired the vendor in September last year. So just five months after the acquisition, we have launched a new product fulfilling all SAP software quality standards. And we see high interest from our customer base and prospects in this human-focused approach.

**Thank you for your comments!**

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