Continuous Product and Service Innovation

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Fast and Efficient Product Innovation

Fast Innovation of Products

Improved Innovation Processes

Single Source of Truth

SAP Innovations

Companies that bring the right products to market at the right time can build a substantial competitive edge.

To survive in today's volatile global market-place, manufacturers must identify and react to a vast range of challenges. Increased global competition, shorter product lifecycles, and greater product complexity are upping the ante.

Adapting to these challenges means improving the efficiency of design, manufacturing, and service activities. To satisfy current customers and attract new ones, manufacturers must offer high-quality products that meet increasingly rigorous sustainability standards.

Companies with shorter innovation cycles are most likely to thrive in today's challenging and constantly changing environment.

The ability to manage innovation determines the long-term success of most manufacturers. Optimized and sustainable innovation processes enhance customer loyalty, revenue growth, and market leadership.

13%

Shorter time to market when a documented process is used to manage new-product development from concept to launch

Source: SAP Performance Benchmarking

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Improved Innovation Processes

Fast Innovation of Products

Improved Innovation Processes

Single Source of Truth

SAP Innovations

Better data enables better products.

Every innovative product begins as an innovation project. With more efficient innovation processes, manufacturers can shorten the development cycle, improve the quality of new products, and bring them to market faster. Streamlined innovation cycles also help companies respond to the competitive pressures that inevitably arise in the global marketplace. The net result: a broader product portfolio, first-mover advantage, and a solid competitive edge.

Improving the visibility and control of information is a key requirement for streamlining product development.

Data typically lives in many places. It is often redundant, incompatible, or inaccurate.

With integrated, accurate information, companies can cut down on labor-intensive processes and engage in more effective decision making.

Software from SAP helps manufacturers improve the control and visibility of product development data, enabling organizations to create a “single version of the truth.”

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Create a Single Version of the Truth

Fast Innovation of Products

Improved Innovation Processes

Single Source of Truth

SAP Innovations

SAP software helps organizations leverage both SAP and non-SAP data to optimize product development. The SAP Portfolio and Project Management application provides a unified view of relevant information, combining disparate data sources into a single portfolio view and enabling visibility at all stages of the innovation lifecycle.

- Gain better insight into product development processes
- Help ensure budgets are on target while quickly addressing variances
- Improve allocation of project resources
- Enhance visibility of project timelines to prevent or eliminate delays
- Make better decisions about which products can be released and which must be postponed or reevaluated

67%

Lower lifecycle management costs when product data is centralized across the entire development process

Source: SAP Performance Benchmarking

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SAP Innovations

Fast Innovation of Products

Improved Innovation Processes

Single Source of Truth

SAP Innovations

SAP solutions leverage technology innovations that enable fast responses to business risks and opportunities. Real-time visibility; anytime, anywhere access; and scalable, flexible deployment options make people more productive and businesses more profitable.

Analytics solutions – with flexible dashboards that provide both tabular and graphical representations – give real-time insights into the health of the overall business portfolio as well as individual projects.

Application user interface technology allows optimal personalization of the user environment without restricting governance controls or limiting upgradability.

Mobile solutions enable on-the-go access, providing information to the mobile workforce – extending access to project data while improving user productivity.

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Optimize Project and Portfolio Visibility

Solution Overview

Idea Management

Portfolio Management

Project Management

Enterprise Project Connection

Resource Management

Enterprise Portfolio and Project Management

Why SAP?

Idea Management

Submit ideas or project requests, rank and prioritize them, and identify the most promising.

Portfolio Management

Submit project requests and prioritize them against existing portfolio items. Monitor and review progress.

Project Management

Manage projects, tasks, and timelines. Identify critical paths, assign resources, and track progress.

Enterprise Project Connection

Integrate non-SAP systems to give portfolio and project managers a single version of the truth.

Resource Management

Identify the right resources, check availability, optimize utilization, and avoid bottlenecks.

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Continuous Product and Service Innovation

Solution Overview

Idea Management

Portfolio Management

Project Management

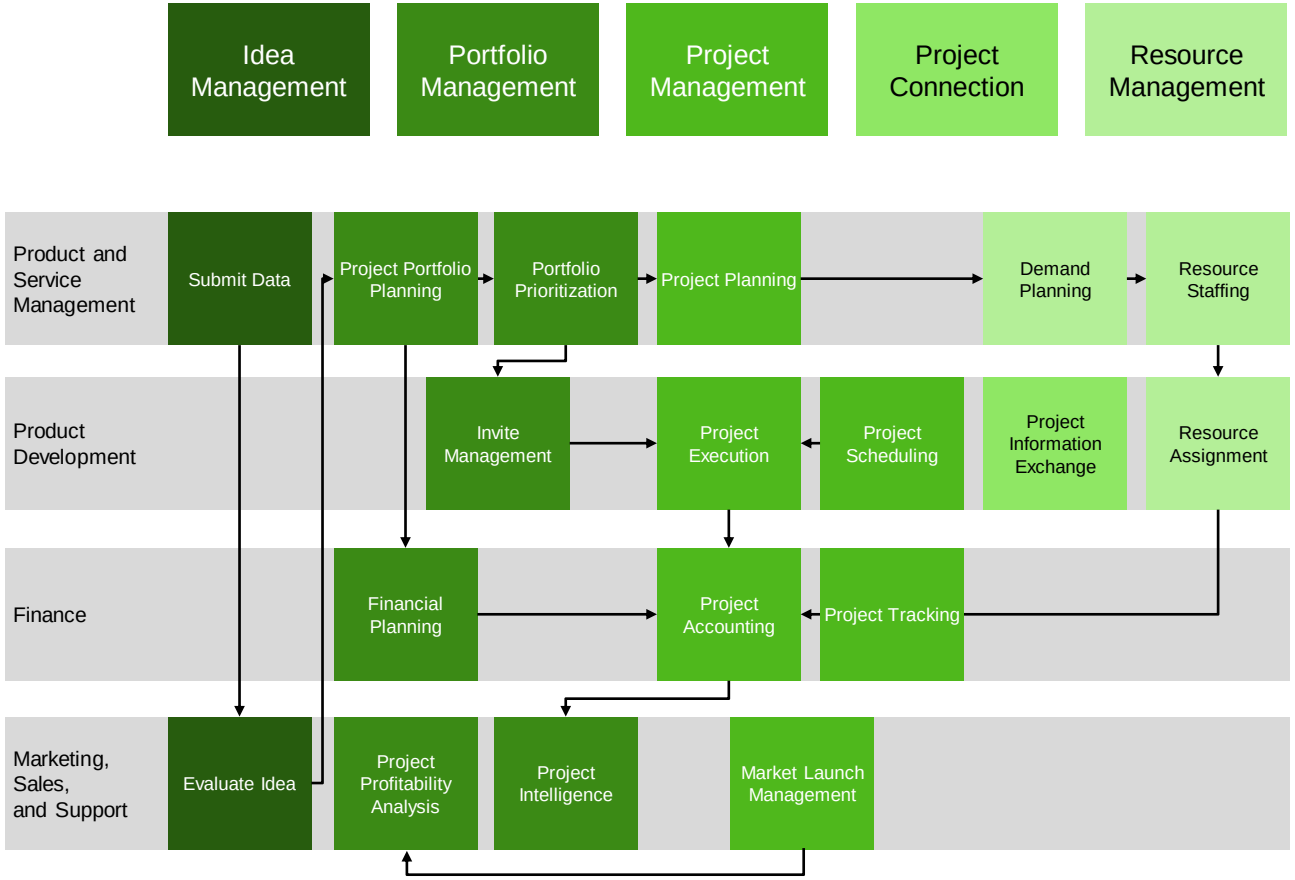
Enterprise Project Connection

Resource Management

Enterprise Portfolio and Project Management

Why SAP?

Optimize strategic resource allocation and financial management in the innovation process and analyze the impact of product innovation investments on overall business performance.



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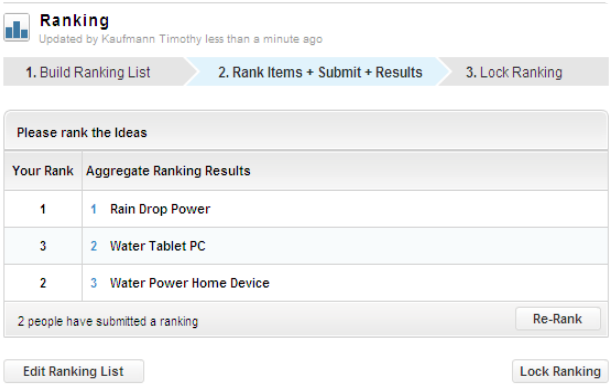
Idea Management

Solution Overview

Idea Management

- Capabilities
- Benefits
- SAP Innovations

SAP software for idea management helps optimize innovation activities – internally and externally – by enabling companies to identify, qualify, and execute promising concepts.



14%

Higher new-product revenue for organizations that use clear, documented metrics to evaluate idea management processes

Source: SAP Performance Benchmarking

Idea management solutions make it easier to match the right constituents with the right challenges. Project proposals can be evaluated and then turned into fully developed concepts. The solutions also enhance the development, reuse, and licensing of intellectual property.

With support for concept development, qualification, and evaluation, ideas can be handed over to product teams while links back to the original concept are maintained throughout the product lifecycle. Portfolio management software, which monitors concept development and progress, is a core resource for turning good ideas into valuable products.

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Manage the Innovation Funnel

Solution Overview

Idea Management

Capabilities

Benefits

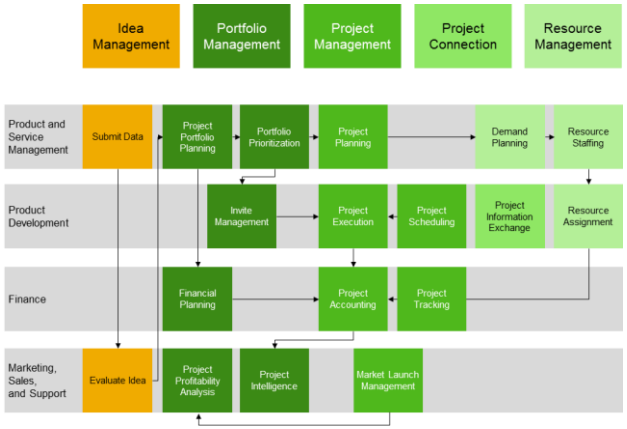
SAP Innovations

SAP software for idea management makes it easier to screen and rationalize new ideas, conduct preliminary assessments, and identify a short list of promising ideas that align with company strategy. The solutions help companies evaluate project proposals and turn them into fully developed concepts.

Companies can also turn concepts into fact-based business cases based on operational costs and constraints and create a framework for the submission of solicited and unsolicited ideas.

Combine and extend existing ideas to create high-potential innovations, and evaluate and discuss ideas generated through collaborative communities.

This makes it possible to identify the experts who are best equipped to discuss and evaluate new concepts.



19%

More new products meet revenue targets when idea management software is integrated with development solutions

Source: SAP Performance Benchmarking

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Manage Your Innovation

Solution Overview

Idea Management

Capabilities

Benefits

SAP Innovations

Idea management software from SAP helps companies capitalize on the best ideas and translate them into successful, innovative products and services.

65%

Lower lifecycle management costs when product ideas are evaluated with a standard set of analytics

Source: SAP Performance Benchmarking

Successful product development depends on leveraging the right talent, partners, and capabilities to enhance innovation activities. SAP solutions support these collaborative processes, providing robust tools to optimize the critical front end of the development process.

Idea management typically begins with topics generated by corporate strategy and planning processes. The ideas can then be extended company-wide, to a partner ecosystem, or to an innovation community for additional solicitation and submission.

Qualified ideas that have been filtered and evaluated become likely candidates for subsequent concept development.

SAP concept management software helps development teams filter and evaluate ideas and then package them as fully developed concepts. Information from the idea management process serves as the primary resource for identifying innovative topics and turning them into value-adding initiatives.

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Innovations for Idea Management

Solution Overview

Idea Management

Capabilities

Benefits

SAP Innovations

SAP innovations help streamline idea management by providing new ways to submit ideas while workers are on the go.

Mobile solutions provide anytime, anywhere access to project management –related information. Remotely connected users can submit ideas and information no matter where they are working. With ready integration to SAP solutions, incoming ideas from mobile devices can easily be viewed for approval and made visible in product portfolios.

Analytics solutions provide flexible dashboards – with both tabular and graphical representations – that improve insight into the innovation cycle. Sophisticated analytics help identify idea sources and trends, leading the way to the successful development of new concepts.

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Portfolio Management

Solution Overview

Portfolio Management

Capabilities

Benefits

SAP Innovations

The SAP Portfolio and Project Management application gives companies the ability to coordinate resources and projects across multiple business functions and hit market windows while they are open.

61%

Higher revenue from new products when portfolio goals are communicated throughout the organization and results are measured and reported

Source: SAP Performance Benchmarking

Portfolio management software helps companies measure the strategic impact of their product and service portfolios on overall business performance. This evaluation creates an accurate gauge of the return on innovation investments. It also guides ongoing product planning and strategy.

The software provides key performance management metrics on development, supply chain, manufacturing, support, and sales processes. These benchmarks give a clear picture of the strategic impact of a given initiative, serving as a foundation for sustained product and service innovation.

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Do the Right Things at the Right Time

Solution Overview

Portfolio Management

Capabilities

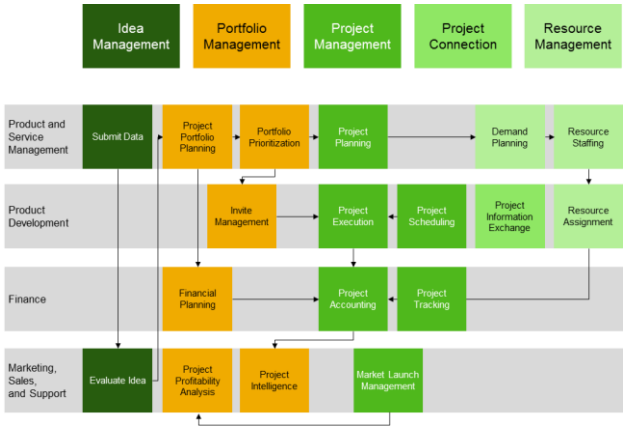
Benefits

SAP Innovations

Portfolio planning software from SAP allows companies to build reliable and consistent portfolio performance reviews across multiple business functions. It also improves the ability to align portfolios with corporate objectives and strategies.

Key metrics for portfolio performance include percent of revenue derived from new products, revenue contribution from the ecosystem, and lifecycle assessment, including metrics for research and development, cost of goods sold, compliance, and indirect costs.

Another metric is the innovation success rate, measured as the percent of products that meet revenue objectives.



57%

Lower lifecycle management costs when executives review resource allocations for new-product portfolios

Source: SAP Performance Benchmarking

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Improve Portfolio Visibility

Solution Overview

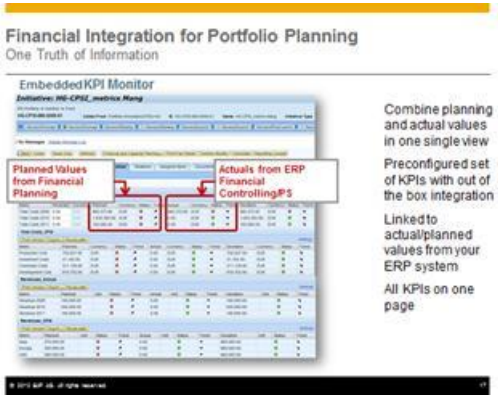
Portfolio Management

Capabilities

Benefits

SAP Innovations

Better portfolio visibility helps increase the revenue potential of new products and improves the ability to identify bottlenecks or shortcomings in portfolio planning.



63%

Lower lifecycle management costs when product portfolios are managed consistently to balance revenue and risk

Source: SAP Performance Benchmarking

Many companies find it difficult to evaluate new projects and make early go or no-go decisions. What's needed is a better link between product portfolio data and corporate revenue goals – a perspective that gives senior managers better insight into which innovations are most likely to be profitable.

SAP software helps companies improve product portfolios in three key areas.

Performance Management
Monitor and compare original product costs and revenue estimates with actual costs and market performance throughout the product lifecycle.

Portfolio Analysis
Run profitability analysis and cost calculations using current, integrated data from enterprise resource planning (ERP) applications.

Performance Evaluation
Use closed-loop analysis tools – with investigative drill-down functions– to find causes for under-performance, identify cost reduction possibilities, and optimize profitability.

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Innovations for Portfolio Management

Solution Overview

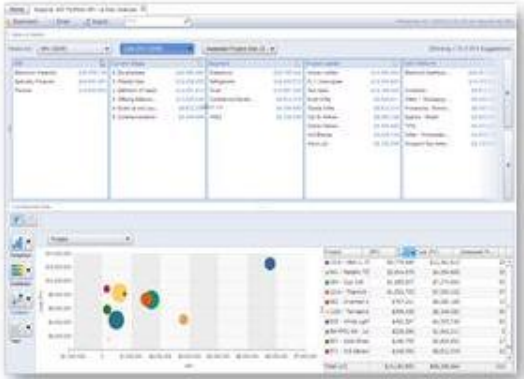
Portfolio Management

Capabilities

Benefits

SAP Innovations

SAP innovations enable the real-time transparency of portfolio health using advanced analytical dashboards and mobile apps.



46%

Of product development teams lack dashboards for viewing project execution metrics

Source: SAP Performance Benchmarking

Analytics

Role-based analytics provide clear insight into portfolio performance using customizable dashboards that provide both tabular and graphical representations. For example, project teams can use analytics to compare a project's capacity demands, opportunities, and actuals against long-term financial plans.

Mobile

Mobile apps provide ready access to real-time information on project portfolios. The solutions include controls for providing the right level of information to the right user.

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Project Management

Solution Overview

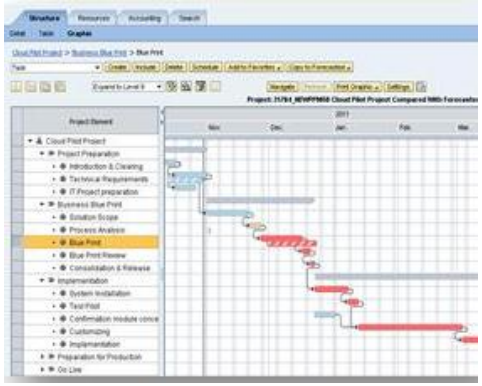
Project Management

Capabilities

Benefits

SAP Innovations

Program and project management solutions increase the speed and efficiency of new-product development by enabling comprehensive coordination of projects and resources.



71%

Higher operating margin for organizations that manage project information and processes using integrated solutions

Source: SAP Performance Benchmarking

SAP solutions provide comprehensive visibility and management functionalities to help optimize selection, scoring, monitoring, and reviewing of programs and associated resources. The solutions enable companies to align development projects – both planned and in progress – with strategic objectives.

Companies can also sharpen insight into projects and portfolios to help ensure that projects are completed on schedule and within budget – as well as increase visibility of resource utilization, bottlenecks, and assignments across the portfolio.

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Streamline Project Management

Solution Overview

Project Management

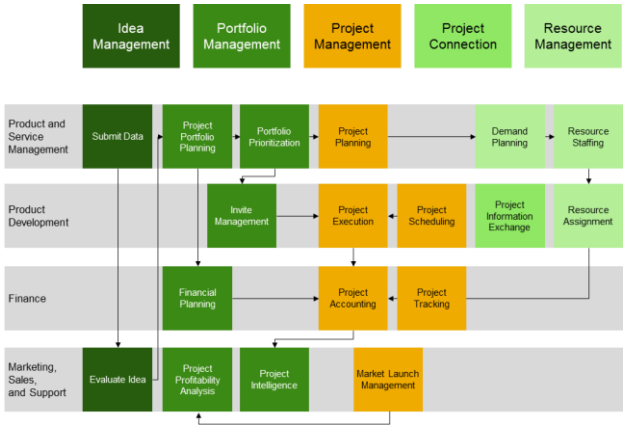
- **Capabilities**
- Benefits
- SAP Innovations

Successful project execution depends on planning, managing, and controlling development from initial idea to completion. SAP software provides network planning and aggregation tools for tracking and managing project costs, revenues, margins, schedules, and resources.

Project builder functionality lets development teams set up a project and monitor its progress. It simplifies planning and control by providing a global overview based on graphical and tabular data. It can also be used to assign resources to tasks and to monitor budgets and costs. It helps reduce costs by enabling keener insight into invest and divest decisions.

Phase gate functionality supports the creation of project milestones, establishing criteria that allow progress toward the next phase or – if appropriate – discontinuation of substandard projects.

Project accounting functionality improves management of costs and visibility into actual versus budgeted expenses, as well as the accuracy of forecasts.



38%

Lower lifecycle management costs when products are managed using a documented process from concept to launch

Source: SAP Performance Benchmarking

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Accelerate Your Project Execution

Solution Overview

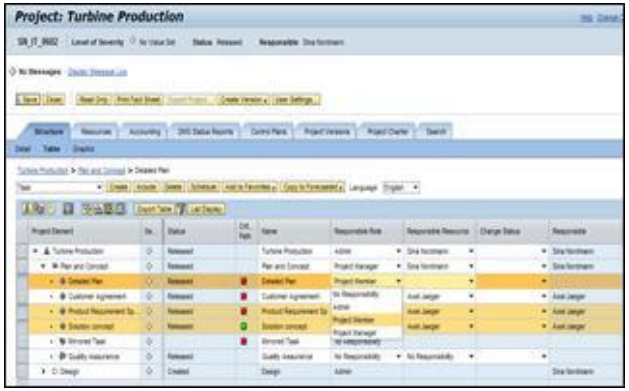
Project Management

Capabilities

Benefits

SAP Innovations

Make project management more efficient by getting the right data flowing to the right people. Integration of information and processes provides the visibility to spot bottlenecks before they occur.



66%

Lower lifecycle management costs when development teams have dashboards for project health and resource use

Source: SAP Performance Benchmarking

SAP software increases the speed and efficiency of program and project management by providing integrated information across project portfolios, human resources, and financial systems. Comprehensive visibility and management capabilities improve the ongoing selection, scoring, monitoring, and review of projects and associated resources. The result: faster time to market, reduced costs, and synchronized market launches.

The integration of data from financial and HR solutions from SAP gives development teams accurate and consistent information about portfolio health. Closed-loop resource management functionality – ranging from strategic resource planning through project execution – allows planning and reporting of costs at the portfolio, bucket, and individual project level.

Information on available HR skills and resource availability improves project staffing and integrates it with resource management. This allows significantly improved insight into portfolio performance.

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Innovations for Project Management

Solution Overview

Project Management

Capabilities

Benefits

SAP Innovations

SAP innovations improve project management by enabling sharper analytic insight and improved data accuracy.

25%

Of companies have a security policy in place to protect mobile devices from data theft

Source: SAP Performance Benchmarking

Mobile solutions provide on-the-go access to project management–related information. For example, mobile users can submit their time worked on projects from wherever they happen to be. Time consumed for a project will be booked to accounting,
and the costs associated with the time will automatically be available for project and portfolio managers.

Analytics solutions enable sharp insight into the health of project portfolios. The solutions help development teams compare long-term financial plans with capacity demands. They also help pinpoint project opportunities and risks.

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Enterprise Project Connection

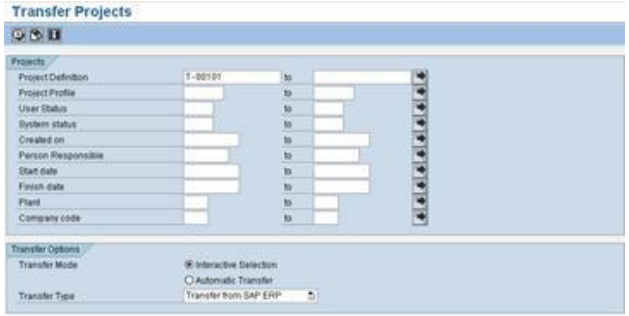
Solution Overview

Enterprise Project Connection

Capabilities

Benefits

Enterprise project connection software uses integrated information to link project management processes with external scheduling applications across the project and portfolio ecosystem.



22%

Higher new-product revenue where program teams have access to dashboards to view project execution metrics

Source: SAP Performance Benchmarking

The SAP Enterprise Project Connection application helps to reduce schedule and cost variances by synchronizing information from all the applications within the project portfolio ecosystem.

Unlike manual or rigid point-to-point integration approaches, the application contextualizes information that project managers, resource managers, planners, and schedulers need to make informed decisions.

This information-powered project integration enables efficient and profitable project delivery.

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Leverage External Scheduling Tools

Solution Overview

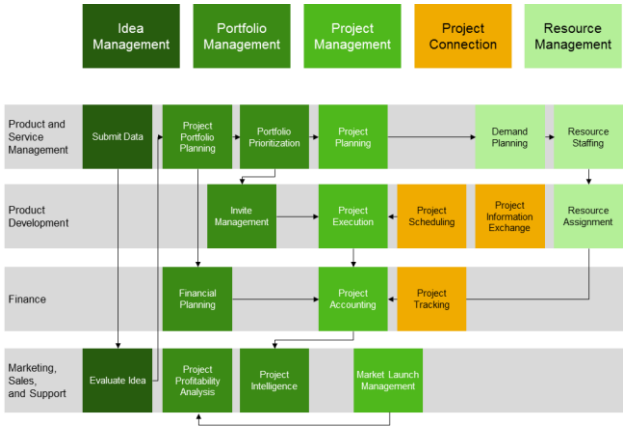
Enterprise Project Connection

Capabilities

Benefits

Many companies face challenges when attempting to synchronize data across the SAP ERP application and external scheduling applications, such as Primavera or Microsoft Project. Traditionally, manual data entry or rigid point-to-point integration is used to achieve synchronization. However, these approaches tend to create problems with data accuracy and timeliness. To remain competitive, companies must reduce the time and effort needed to support multiple, inflexible, and incompatible integration methods.

The need for faster access to more relevant project information grows as the sources and nature of projects become more varied and complex. SAP Enterprise Project Connection meets this need by optimizing and automating the flow of project information between people, business processes, and applications across the extended enterprise.



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Solution Overview

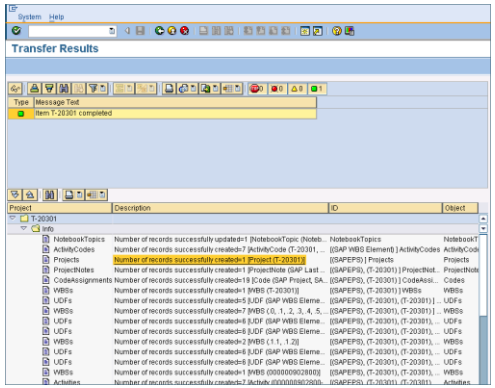
Enterprise Project Connection

Capabilities

Benefits

Provide the Right Information at the Right Time and Place

Successful project integration depends on delivering relevant, contextual information – from a variety of sources, structured and unstructured – when and where it is needed.



33%

Lower external spend when project information and processes are managed in an integrated environment

Source: SAP Performance Benchmarking

SAP Enterprise Project Connection provides the bidirectional integration needed to optimize external scheduling – even when internal and external development units use disparate applications. All parties can leverage their investments in tools and personnel with minimal disruption. Since users do not have to master new applications and functionality, they remain productive.

SAP Enterprise Project Connection helps provide the right information at the right time, so development teams can make the right decisions and reduce the risk of project and schedule variances.

Contextual information from multiple sources helps to optimize portfolio and project management. It also provides a framework that supports many business activities – such as capital projects and service delivery – that are managed using SAP ERP coupled with third-party solutions for managing schedules and resources.

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Resource Management

Solution Overview

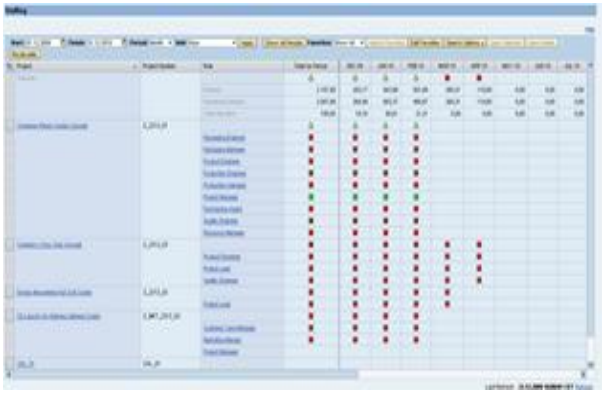
Resource Management

Capabilities

Benefits

SAP Innovations

Resource management software from SAP enhances resource planning, allocation, and availability analysis. It helps prevent understaffing and ensure the right staff members are assigned to the right job.



47%

Lower human resource costs when senior managers regularly review resource allocations of product portfolios and make decisions for future requirements

Source: SAP Performance Benchmarking

The resource management software streamlines the process of allocating resources to projects – using preexisting resource templates or conducting searches. It allows both project managers and resource managers to enhance allocation activities, matching skill sets with project requirements and roles.

The solution also makes it easy to compare forecasts, plans, and actual capacity – allowing project teams to be sure that proposed projects have sufficient resources.

Integration with HR software from SAP provides current data on vacations, absences, and availability, making resource allocation more flexible and precise.

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Embed Resource Management into All Projects

Solution Overview

Resource Management

Capabilities

Benefits

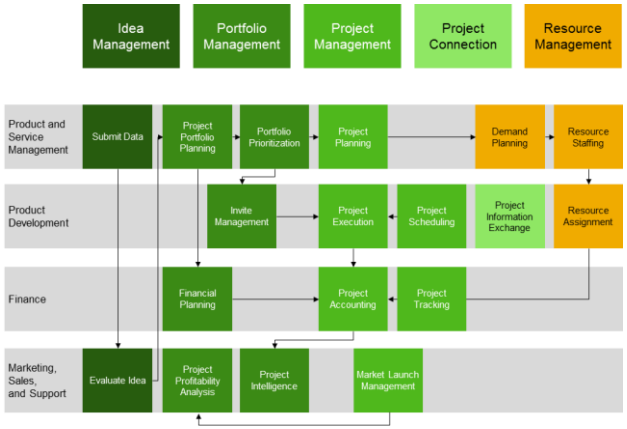
SAP Innovations

Resource management solutions from SAP help companies improve the way they allocate resources to projects. The software captures requirements directly, from within proposed projects, and then creates a definition of demand based on capacity required, start and finish dates, and specific project requirements.

This direct link between a project and its resource needs boosts operational efficiency, matching available skills with current needs and setting parameters for future staffing needs.

Direct access to employee data and product staffing history helps make future allocations more efficient. Cross-project visibility and exception-based notifications provide an accurate picture of overall activity and resource utilization.

Relevant key performance indicators, including resource availability and unassigned requests, sharpen the perspective on the efficiency of resource management processes.



80%

Of companies do not have seamless integration of project and resource management systems

Source: SAP Performance Benchmarking

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Solution Overview

Resource Management

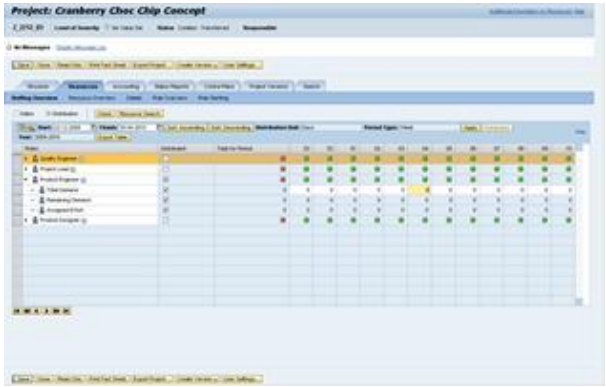
Capabilities

Benefits

SAP Innovations

Effective Resource Management Leads to Successful Projects

Use embedded resource management tools to increase visibility into the availability and criticality of resources. Streamline project management through early identification of resource bottlenecks.



54%

Lower personnel costs when companies manage product lifecycle resources via project prioritization

Source: SAP Performance Benchmarking

Resource management functionality in SAP Portfolio and Project Management enables companies to reduce costs by allocating resources accurately according to priorities, skills, and rates. The solution enables early identification of bottlenecks and other utilization issues. It also enables more-informed decisions about the use of external versus internal resources, helping to increase efficiency by putting the right people on the right jobs at the right time.

The integration of portfolio data with financial and HR data from SAP ERP provides an accurate overview of portfolio health. Closed-loop analysis, ranging from strategic resource planning through project execution, improves planning and reporting of project costs at the portfolio, bucket, and individual project level.

Current data on workforce skills and availability can be seamlessly integrated into the project staffing process. This allows broader and clearer insights into resource allocation and portfolio performance.

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Technology Innovation for Resource Management

Solution Overview

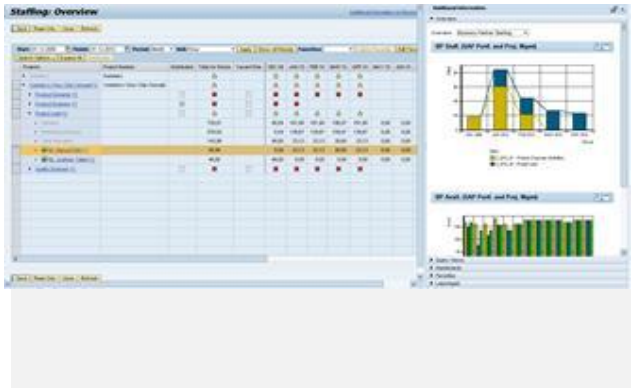
Resource Management

Capabilities

Benefits

SAP Innovations

Analytics help project, resource, and portfolio managers evaluate resource allocations with data tailored to their needs.



33%

More reports are created by business users when self-service analysis is available

Source: SAP Performance Benchmarking

Role-based analytics from SAP provide clear insight into portfolio performance using customizable dashboards that provide both tabular and graphical representations. For example, project teams can use analytics to compare a project's capacity demands, opportunities, and actuals against long-term financial plans.

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Enterprise Portfolio and Project Management Value Map

Solution Overview

Idea Management

Portfolio Management

Project Management

Enterprise Project Connection

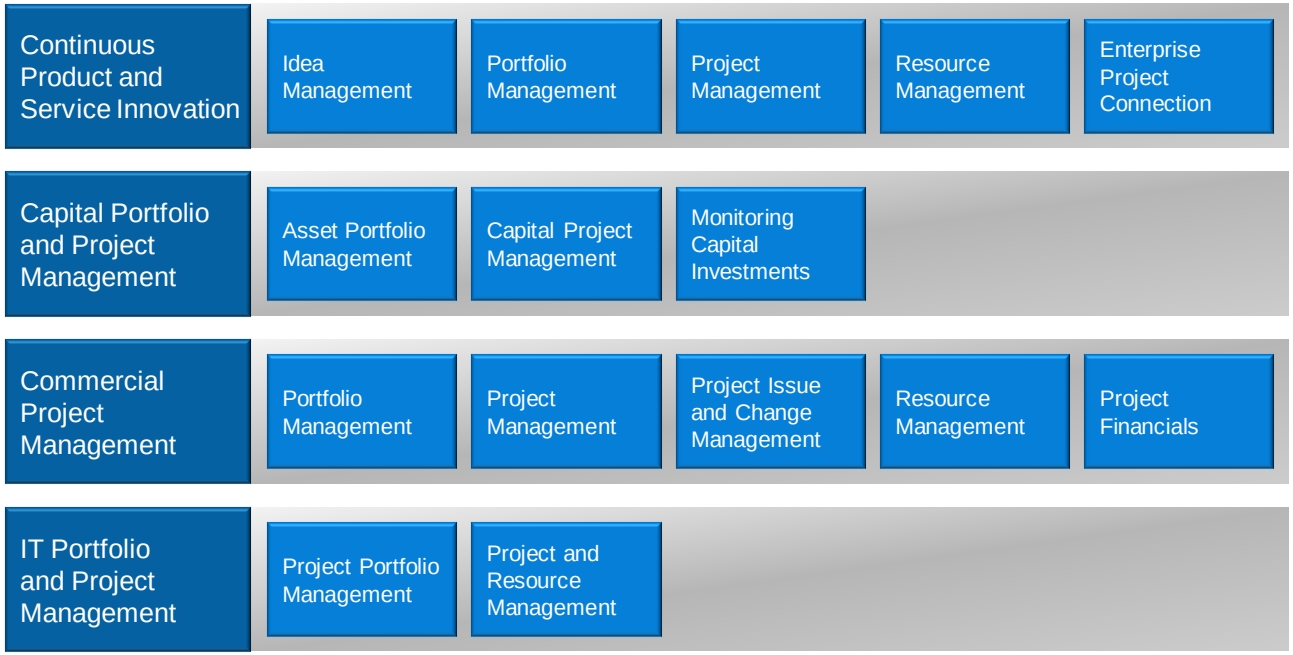
Resource Management

Enterprise Portfolio and Project Management

Why SAP?

Optimize strategic resource allocation and financial management in the innovation process, and analyze the impact of product innovation investments on overall business performance.

SAP solutions address key requirements for portfolio and project management.



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Why SAP?

Solution Overview

Idea Management

Portfolio Management

Project Management

Enterprise Project Connection

Resource Management

Enterprise Portfolio and Project Management

Why SAP?

Companies in all industries need an optimized approach to product and service innovation to reduce costs and complexity, fend off competitors, and maintain market leadership.

Manage Products and Processes with Comprehensive, Tightly Integrated Solutions

Increase efficiency, reduce costs, and speed time to market through comprehensive coordination of projects, portfolios, and resources.

Use Current Resources to Build a Competitive Advantage

Streamline and improve key processes and leverage capabilities across the enterprise based on business needs and goals.

Leverage Breakthrough Innovations

Harness the power of Big Data, cloud computing, mobile devices, and analytics to optimize portfolio and project management for increased efficiency and faster innovation cycles.

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