



The Renewable Enterprise Podcast Series

Capgemini's Intelligent Enterprise





Forrest Lewis

Welcome to our podcast series which looks to discuss and walk you through the journey that every global organization needs to travel, to achieve meaningful digital transformation.. I'm Forrest Lewis and I will be your host as we guide you on a journey towards the renewable enterprise. Back with us for today's cast is global digital transformation expert, Elisabetta Spontoni, Global SAP Head of Operations and Group Offer leader for Digital Core with SAP S/4HANA® at Capgemini. Elisabetta, really good to have you with us again.

Elisabetta Spontoni

Thank you Forrest. Looking forward to our new conversation on SAP platforms innovation.

Forrest Lewis

So, in our first few episodes, we've discussed the business-driven transformation, how Capgemini builds a unique and customized architecture framework, the (risks) opportunities associated with designing new business processes, touching on a few key industries as examples along the way and, unlocking data intelligence to drive innovation. And now, looking ahead on our renewable enterprise journey, we arrive at our next stop-over - The Intelligent Enterprise. Which, if I understand this correctly, is about reinvigorating SAP landscapes, leveraging your new digital core, through digital Innovation-enabling technologies like AI/ML/Analytics/IoT/BlockChain, Customer Experience and Supply chain. So, my first question is this. How is Software as a Service (SaaS) used to create or help organizations deliver that stand-out customer experience? And, what broader role does an intelligent enterprise play in an organization's journey to becoming a renewable enterprise.

Elisabetta Spontoni

What we call Intelligent Enterprise is in fact one who extends its ERP processes to increase their impact through potentially 3 different mechanisms:

A better user experience or a better connection and understanding of your end customers, a higher visibility of relevant events happening outside the organization and their correlation with the internal impact they have.

Obviously, the best results are achieved when you combine all 3, you don't have to pick and choose. SaaS solutions as well as cloud native custom applications play a key role to achieve these 3 objectives.

Forrest Lewis

So, staying with Software and Platform as a Service and the leveraging of SaaS applications to help support Enterprise Resource Planning processes. How, specifically, is this impacting the core operational components of a large organization?



Elisabetta Spontoni

Most SaaS solutions provide a much better user experience. The “Tile” based look-and-feel has replaced the typical ERP flat transaction screen with thousands of fields. Solutions such as SuccessFactors, Ariba, Concur etc. are usually much easier to use and mobile enabled, making it very easy to perform business tasks. The approach to these solutions is not very different from the one we recommend on SAP S/4HANA®, but the concept of keeping these clean and according to standard best practices is even more important here as you cannot really touch the software at all. Again, extensions to these can be developed in SAP Cloud Platform, which has also a key role in integrating these SaaS solutions with SAP S/4HANA®. An Employee ID in SuccessFactors has to be reflected in SAP S/4HANA® and associated with a cost center for instance for labor cost posting. Or products catalogues in Ariba need to have corresponding material master entries in SAP S/4HANA® to manage the inbound logistics. One of our multinational Oil & Gas clients has been able to harmonize and centralize procurement processes across multiple entities and geographies exactly using the combination of Ariba, SCP and SAP S/4HANA®. As a result, they have cut by half their supplier qualification lead time.

There are 2 key success factors to keep in mind with SaaS solutions:

The first one is making sure that business users change their daily practices and adopt the ones proposed by the product and The second one is making sure that the frequent software releases are managed both in terms of integration architecture and user productivity. Remember that with SaaS it is the software vendor that pushes product versions in your organization, you cannot decide whether or not you implement the new features that are released

On the first one you have to provide mechanisms that help users adopt and remain effective in performing their daily tasks. Our Enablement as a service offering has been designed exactly for this purpose. In combination with our “Design by Acceptation” approach, these fully address the first challenge.

On the second one we have designed an approach to operations based on DevOps, that fully integrates ADMNext best practices (our application operation offer), into AD to ensure smooth lifecycle management of SaaS applications and their integrations.



Forrest Lewis

So making a lateral movement, how does Capgemini develop the innovation? And how do companies then leverage the data extracted from any number of outcomes that helps them to positively increase workforce productivity and enable the delivery of more powerful experiences to their customers and drives demand for their products?

Elisabetta Spontoni

When we build innovation, we focus not only on enhancing user experience but also on improving the connection with customers and capturing external events that increase visibility and allow enterprises to better organize internal processes.

When talking about a better understanding and connection with end customers we obviously talk about all the Customer Experience products (the C/4HANA® suite) that are designed to take care of customer journeys, but not only. New digital services can be ideated and developed in SCP to complement these and provide a direct connection with consumers. We have developed one, for instance, to allow a grocery store client to ask a bot running on a mobile app in his device about the sweetness of a grape that he or she is seeing in the store. Here we start to see how "Intelligent Enterprise" solutions allow changing business models. In this example we see the move from a B2B (the grape producer to the retailer) to a B2B2C mode (the grape producer directly to the customer of the retailer), and this brings the incredible opportunity to also get inputs from consumers and use these to enhance products and services (like this mobile app) to increase revenues.

So, there is a third way of extending ERP processes on top of improving user experience and better connecting with your customers. The most radical one that is to capture external events that can influence your business and pair them with internal processes that can address these. Think for example on how IoT and blockchain technologies can help supply chain visibility and quality assurance. Just 2 examples here: by detecting the position of inbound transports of components through IoT data flows coming from the trucks and by matching these with inbound logistic transactions into the ERP, a global auto manufacturing client has been able to organize its manufacturing process to have 0 stock of components. Huge financial benefits here.

A second example is a use case we have developed for food or healthcare clients and that SAP has certified as Leonardo Accelerator: by scanning with an infrared device a food item or a drug, you can identify key quality parameters at each step in the supply chain, executed by all the different partners involved. You can then collect these IoT data in a cloud data lake and use blockchain to certify those from origin to final destination. Think how important this is for instance in the COVID-19 situation we are now.



So, data is really the fuel for intelligent enterprise solutions, especially external data are the game changer for enterprises who want to take advantage of servitisation and change their business from selling products to selling services or even outcomes.

But you asked how we do all this. Key ingredients: Design thinking is the approach to develop innovation with our clients. And we use all our assets: use cases we have developed to show the art of possible with intelligent technologies, architecture frameworks like our MPSA (Multi-Pillar SAP S/4HANA® Architecture) to translate use cases into working integrated end-to-end solutions across SAP S/4HANA®, SCP and Cloud platforms, our Renewable Insights framework that helps getting the best out of internal and external data, from data trust to actionable analytics enabled by Artificial Intelligence. During these sessions we focus on the 5 dimensions that enable innovation: the ecosystem of vendors and partners, the environment (that is the organizational units involved), the Leadership that is committed to innovation the Culture and Mindset of employees to support that vision and the Methodology that helps translating ideas into concrete products or services.

Forrest Lewis

Moving on from the application and use of intelligent technologies, you briefly touched on a few examples, which I'd love for us to explore in more detail, so as we move towards the end of today's cast, would you mind sharing some industry specific insight into how Capgemini has optimized a client's operations and set them up for success?

Elisabetta Spontoni

I already mentioned a couple of examples on how you can halve a vendor qualification time or how you can get to 0 stock of components for production. Other ones I like: a luxury fashion firm in Europe has been able to increase their profits by more than 2M€ per month thanks to an App that finds the best delivery location for a consumer order complementing central warehouse stock with retail store inventory. A farm machinery manufacturer has been able to reduce by 30% its sales cycle and increase margins by 60% thanks to a pricing configuration capability using CPQ connected through SCP to the planning and production process in SAP S/4HANA®.

And the one I like most is our current journey with a global producer of fertilizers who is seeking ways to fully "servitise" its business and sell crop productivity services instead of fertilizers. This is what I call changing business model! More stories around automotive in one of our upcoming podcasts.



Forrest Lewis

Thank you Elisabetta, there were a handful of great examples, which also gave us a peek into some key industries and applications which we'll be continuing to explore in more detail across upcoming casts. But for now, this brings us to the end of our episode on the Intelligent Enterprise so thank you for sharing your valuable expertise and insight and I look forward to speaking with you again in the coming weeks.

Elisabetta Spontoni

Thank you Forrest. I hope our listeners have enjoyed this journey on what we mean by Renewable Enterprise and how we really make it happen!

Forrest Lewis

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