

Getting to “Live PLM” with SAP S/4HANA

CIMdata Commentary

Key takeaways:

- *Manufacturing enterprises need flexible, scalable PLM environments and platforms that can adapt to their changing business needs.*
- *SAP’s S/4HANA provides a business platform for enterprise connectivity and management to deliver improved business performance.*
- *SAP PLM is leveraging S/4HANA to enable “Live PLM” throughout the manufacturing enterprise.*

Introduction

Manufacturing companies in every industry are facing new challenges across all areas of their businesses. The Internet of Things (IoT), mobility, social, cloud, and big data/analytics are some of the technology-fueled trends that are changing products and how businesses must create new solutions to remain relevant in today’s marketplace. They must be able to address these challenges in a nimble, flexible manner and quickly tailor their products to meet local and global requirements, while adapting to changing market conditions and emerging competition. To meet these challenges, companies need to implement Product Lifecycle Management (PLM) strategies that enable them to quickly develop, manufacture, launch, and service their products more efficiently, flexibly, and at lower cost.

However, the increasing demand for product individualization, accelerating design cycles, and the rapid buildout of IoT networks are all placing incredible pressures on how PLM environments and strategies should be implemented. CIMdata thinks that companies need to deploy product innovation platforms so they can better seamlessly connect solutions that function across the enterprise that help their workers (at all levels) make better, more informed decisions faster. Because of these needs, companies are looking to deploy business platforms that can work together and share information. All these factors mean that manufacturers need a clear view of relevant data across the product lifecycle not only for engineering, production, and maintenance but also for business processes like sales and finance.

SAP is using its S/4HANA platform to power its PLM solutions to help their customers better meet these new, diverse, real-time challenges.

S/4HANA—Delivering Business Performance

SAP’s S/4HANA is a real-time enterprise resource management suite designed for digital business. It is built on an in-memory platform (SAP HANA) and offers a personalized, consumer-grade user experience. It supports the Internet of Things (IoT), big data, real-time analytics, mobile, business networks, and third-party systems. It is designed to make information available across business domain silos and empower users with insights so they can make decisions and perform their work tasks quickly and efficiently. Additionally, it goes beyond basic automation to provide predictive suggestions.

CIMdata believes that delivering their PLM solutions and functionality on S/4HANA provides an environment that better enables SAP’s customers to integrate and more effectively use the many tools and solutions required to develop innovative products and run their businesses.

“Live” PLM

As it has evolved, PLM spans not only R&D but many other areas of an enterprise—marketing, sales, manufacturing, and service. Product and business information needs to flow across these domains and be available to workers to leverage real-time analytics and make faster decisions. To address the new challenges facing manufacturing enterprises, PLM must be “live.” That means being able to continuously sense, report, and manage across all end-to-end activities—from design, to manufacturing, to service, while also including business functions like sales and financials—that are interconnected and synchronized. In short, to survive in the digital economy and to achieve live R&D, manufacturers must create an extended live PLM environment.

SAP defines “Live PLM” as leveraging connected technologies, harmonizing and analyzing vast data streams, making accurate predictions, and taking decisive action—all in as near to real-time as possible. Data capture, analysis, and visibility across processes need to occur in the moment and be immediately available for use and decision making by all who need product related information. To achieve Live PLM, manufacturers need to consolidate systems and processes onto a digital product innovation platform that is open, flexible, and scalable.

SAP has recognized that many companies have a mixed environment of solutions that create and author their product related data. This is becoming ever more the case with the increasingly complex, connected products and systems of today. Successful, innovative product development requires both internal cross-departmental collaboration and rapid collaboration seamlessly with partners. A business simply cannot run at the pace, scope, and complexity required, without access to synchronized, integrated, and controlled product data. To help their customer achieve this end, SAP is leveraging the openness of its HANA platform to interface to their external systems, and is also building SAP-certified, off-the-shelf integrations to mechanical computer-aided design (MCAD), electronic design automation (EDA), and many other solutions even where there is perceived overlap and competition. They are enabling their users to create an open Live PLM environment so that regardless of the source of design data (internal or external), all domains within the business continue to function as a product-centric enterprise.

Summary

Complex connected products and systems are becoming more and more common. Efficiently and profitably creating and delivering them to market requires being able to access, use, and leverage product related information created by many different users and applications throughout an enterprise’s value chain. SAP believes that businesses need to create open, Live PLM environments that enable efficient product information creation and use, coupled with real-time update and decision making.

To help their customers meet these needs, SAP has made great strides in expanding their PLM portfolio, delivering broader, more comprehensive solutions that span the ideation, creation, manufacturing, and service lifecycles. CIMdata thinks that delivering SAP PLM on S/4HANA, can help companies create and deploy the live innovation product development platform and IT environment crucial to success in today’s fast-paced, interconnected products and systems world. This business performance approach should help manufacturers get a clear view of relevant data across the product lifecycle needed to make real-time, informed decisions, helping them bring the right products to the market at the right time, at the right price.

About CIMdata

CIMdata, an independent worldwide firm, provides strategic management consulting to maximize an enterprise’s ability to design and deliver innovative products and services through the application of Product Lifecycle Management (PLM). CIMdata provides world-class knowledge, expertise, and best-practice methods on PLM. CIMdata also offers research, subscription services, publications, and education through international conferences. To learn more about CIMdata’s services, visit our website at <http://www.CIMdata.com> or contact CIMdata at: 3909 Research Park Drive, Ann Arbor, MI 48108, USA. Tel: +1 734.668.9922. Fax: +1 734.668.1957; or at Oogststraat 20, 6004 CV Weert, The Netherlands. Tel: +31 (0) 495.533.666.