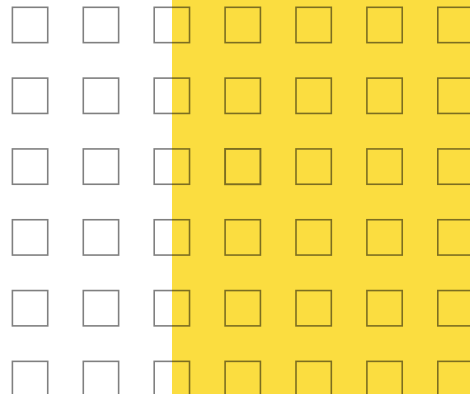


# Composable ERP for SAP

Your Roadmap, Your Advantage

**Rimini Street**<sup>®</sup>



Consumer behavior — and work behavior — changed significantly during the pandemic. Ordering online became universal. In-person experiences became home delivery or buy online/pick up in-store. Working at the office became work from home.

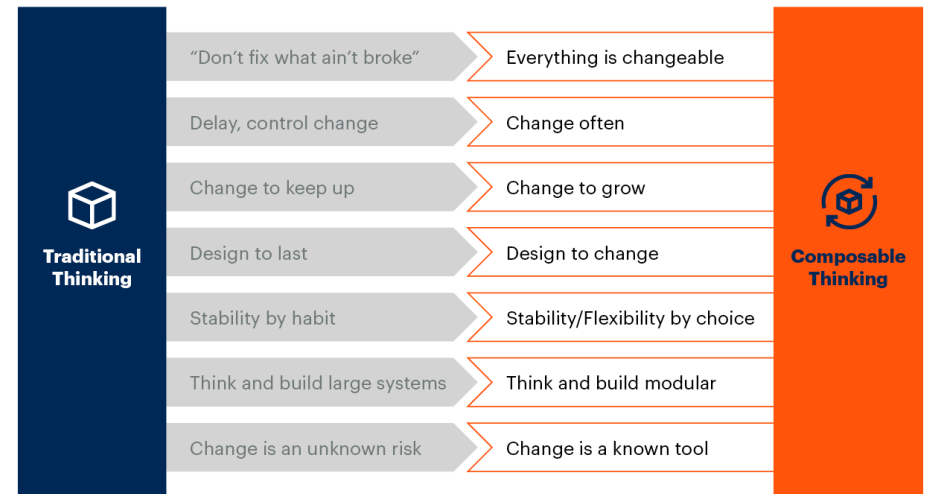
Companies that reacted quickly to the new expectations of customers and employees emerged the strongest and gained competitive advantage. Those that didn't continue to ramp up.

Companies that gained advantage during the pandemic may have leveraged composable thinking:

**Composable thinking suggests leaders shift their perspective from viewing change as a risk to seeing it as an opportunity. This means, first, recognizing opportunities in external changes, such as recessions, a pandemic, or geopolitical changes, and using them as an opportunity to disrupt. Second, it means promoting the creative use of design principles throughout the company.”<sup>1</sup>**

As per a Gartner® report, Figure 1 shows the juxtaposition of traditional thinking and composable thinking.<sup>2</sup>

### Adopting Composable Thinking



Source: Gartner  
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**Gartner.**

Figure 1

While there remain challenges of change management for companies that thrived during the pandemic and companies that did not, many of those with ERP from SAP have another critical decision on the table: what will their next-generation ERP be? In many cases, opting for a composable ERP approach may pave the way for breakthrough innovation.

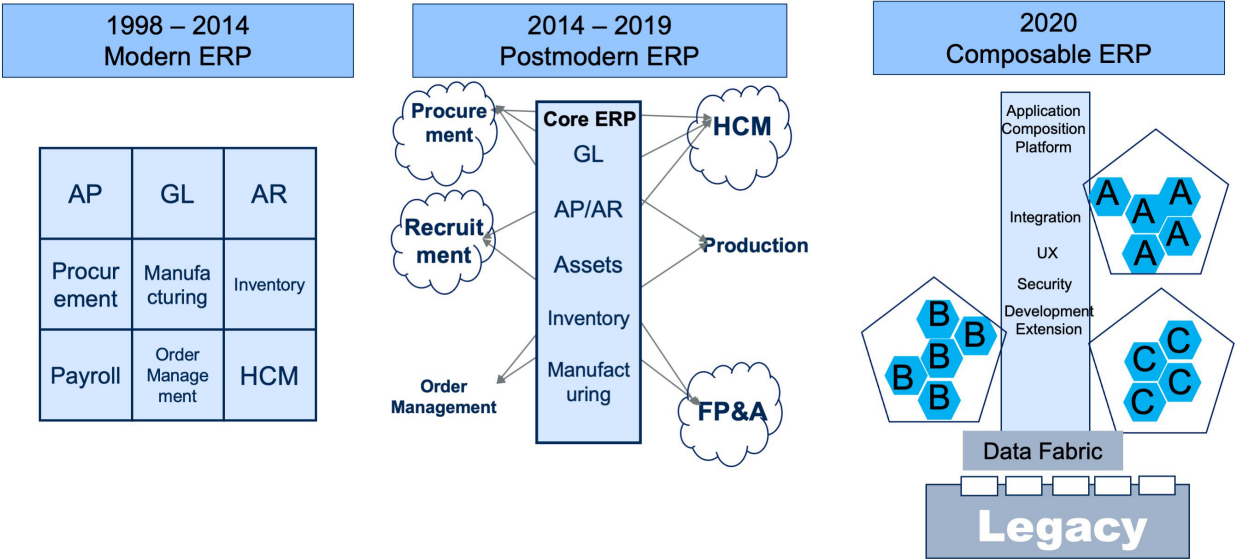
# What is Composable ERP?

Composable ERP is a plug-and-play model, where companies choose easily integrated ERP elements to deliver better user experiences more quickly in response to evolving market conditions.<sup>3</sup>

As per a Gartner report, “Composable ERP is an adaptive technology strategy that enables the foundational, administrative and operational digital capabilities allowing an enterprise to keep up with the pace of business change. This strategy delivers a core of composable applications and, as a service, software platforms that are highly configurable, interoperable and flexible to adapt to future modern technology.”<sup>4</sup>

As per a Gartner video report, Figure 2 shows the progressive history of ERP, from the modern ERP to the postmodern ERP to composable ERP.<sup>5</sup>

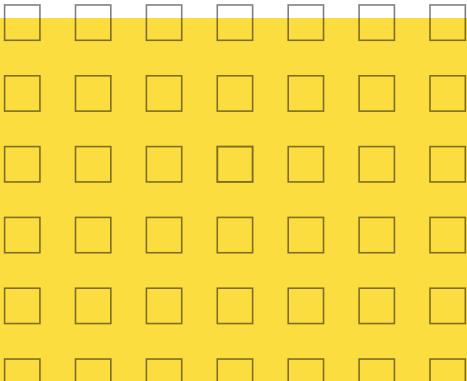
## The Past Present and Future of ERP



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Gartner

Figure 2



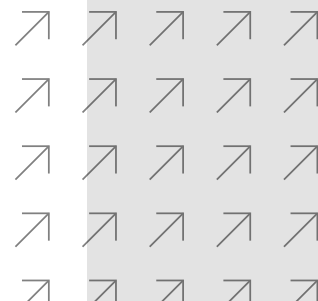
# Composable ERP Benefits

A significant advantage of modernizing pieces of the ERP is that organizations can get the capabilities they need “without having to upgrade the entire supertanker.”<sup>3</sup> This approach is highly aligned with today’s pace of technology and business change.

With composable ERP, core functions such as accounting and order management are surrounded by movable enterprise business capabilities (EBCs) that are based on emerging technologies. The core ERP functions are highly reliable, years-old business processes that make sense to buy from a vendor. The composable, emerging technology components that can help create differentiation can be assembled by users and in-house developers using low-code methods<sup>6</sup> — a much faster and more efficient approach.

## Other benefits of composable ERP include:<sup>7</sup>

- the ability to respond to business change with confidence
- its adaptability to the enterprise, rather than the enterprise having to adapt to the ERP
- a reduction in business risk from inflexible systems



# Composable ERP for SAP: Navigating a Business-Driven Roadmap

If your enterprise ERP is SAP, a composable approach can help accelerate innovation. The approach opens up options within a Business-Driven Roadmap, where all IT activities are aligned with your business priorities (Figure 3), rather than simply following a single vendor-driven roadmap.

## Benefits of a Business-Driven Roadmap

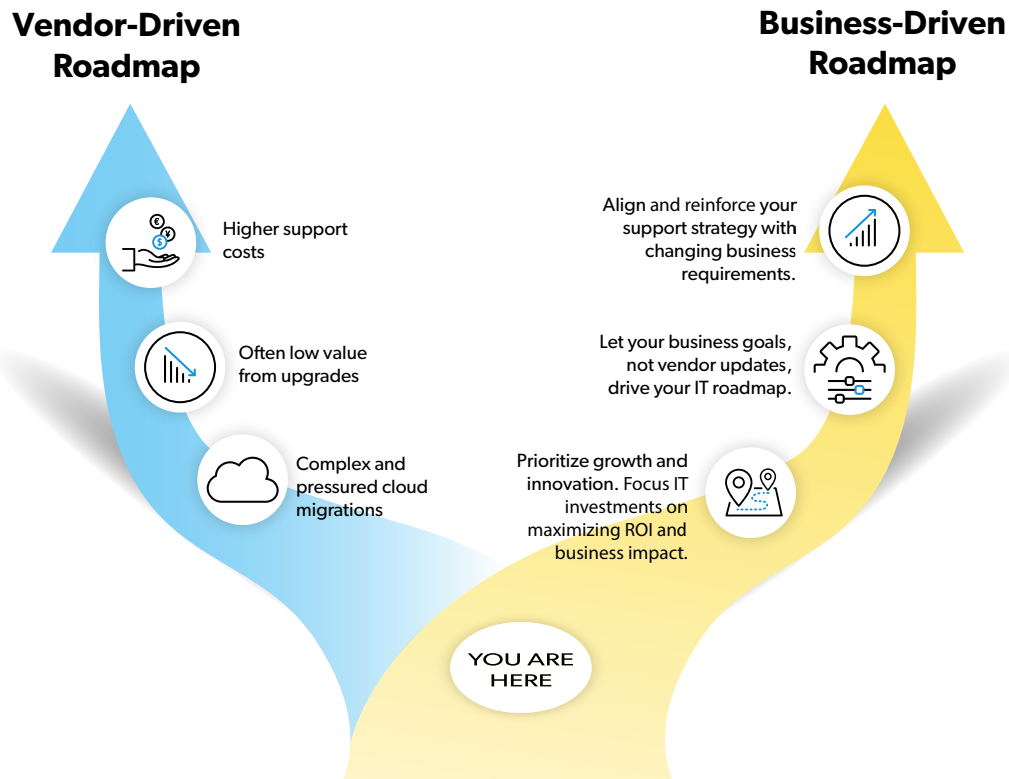


Figure 3

In today's environment, enterprises need flexibility and agility to meet the needs of diverse business users, create differentiation, and drive transformation. Following a "one size fits all" SAP roadmap may not provide the options and latitude that are optimal for growth.

Bruno Faustino, vice president — service delivery and strategic services, LATAM at Rimini Street explains:

If you have a complex environment, it can be hard to follow SAP's roadmap because you are locked in when you need agility to bring solutions to the business. Composable ERP is a more intelligent business process platform. You can very quickly add best-of-breed solutions around the system you already have. It's all about flexibility and agility."

Fortunately, SAP customers have choices: they can craft their own roadmap, move to composable ERP, and determine the SAP release that will best enable their transformation.



## Composable ERP if you are Running ECC

If your customized, high-functioning SAP ECC meets your business needs, and you have no plans to move to S/4HANA, composable ERP aligned with a cloud approach could be your smart path to innovation and growth while maximizing your ECC investment.

## Composable ERP if you are Running S/4HANA

If you are already running SAP S/4HANA, the release meets your business needs, and you have no plans to follow SAP's roadmap and upgrade pressure, composable ERP aligned with a cloud approach could be your smart path to innovation and growth while maximizing your S/4HANA investment.

Figure 4 shows the progression for an ECC or S/4 HANA "lift and shift" to the cloud and cloud integration with composable, best-of-breed SaaS solutions.

### Composable ERP with Stable SAP ECC or S/4HANA

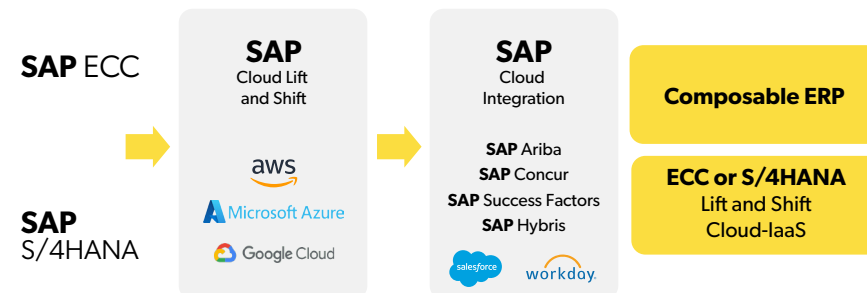


Figure 4

## Composable ERP if you are Planning a Move to S/4HANA

If you're planning an S/4HANA migration and want to allow sufficient time to make the move, composable ERP and a Business-Driven Roadmap can help fuel innovation along the way. The benefits of this approach include:

- retaining your SAP license asset
- moving from customizations to configuration
- leveraging best-of-breed solutions
- freedom to choose the best cloud provider for your workload
- time to build a specialized roadmap to ensure you are fully prepared for S/4HANA
- flexibility to get "S/4 ready" over time, for a smooth transition, at low cost, with minimal disruption

Figure 5 shows a progression from ECC to S/4HANA with time in between to take advantage of new composable ERP capabilities as you plan.

### Composable ERP with Planned Migration from ECC to S/4HANA

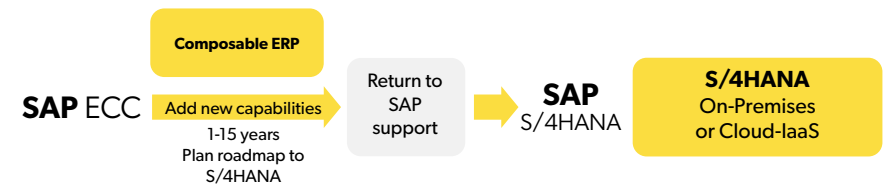
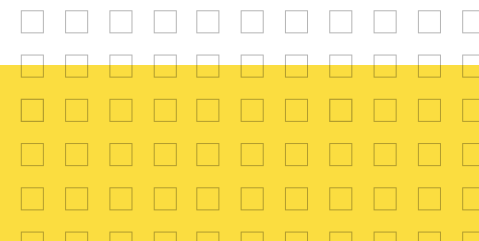


Figure 5



# Why Composable ERP instead of RISE with SAP?

RISE with SAP is a bundle of software, services, and infrastructure that accelerates S/4HANA Cloud under a single subscription contract. It includes S/4HANA Cloud ERP, access to the SAP Business Network, Business Process Intelligence reports, product support, and technical and infrastructure managed services. Application managed services and migration and implementation services are provided by SAP partners.

The challenge with RISE is its one vendor, one contract, one price model. It's all-encompassing, leaving little room for enterprises to add or integrate best-of-breed solutions from other providers. It's an open-ended subscription service, so customers must typically terminate their perpetual SAP licenses. It lacks flexibility, and SAP customers are locked into the options that are available in the RISE bundle.

The RISE mindset seems to run contrary to the benefits of composable ERP, where the possibilities and configurations are unlimited to help drive innovation and quickly respond to market conditions, changes in consumer behavior, or economic disruption.

Luiz Mariotto, group vice president, global SAP strategy at Rimini Street explains, "Composable ERP is for SAP customers with complex businesses and complex IT that need flexibility and agility to compete. They cannot be locked into a single-tier ERP platform or a single vendor-driven roadmap."

# C-Suite Considerations for Composable ERP

So how can the executive team — or IT leaders making a business case to the C-Suite — weigh whether or not composable ERP is the right solution? There is a great deal to consider, including your:

- desired business outcomes and the best path to achieve them
- current IT roadmap and how well it is serving you
- cloud vision and ERP modernization plans
- SAP release and databases for the next-generation ERP
- ability to respond to business change and if it can be improved
- available IT resources and how they are allocated
- ability to deliver transformational quick wins to the business
- stakeholder patience or tolerance for lengthy, expensive IT implementations

If examining these considerations reveals opportunities for improved outcomes, growth, greater agility, more IT resources for strategic initiatives, or a stronger partnership with the business, composable ERP could be your solution.

**In my opinion, IT leaders listen to Gartner. Gartner recommends composable ERP and I agree. Customers have innovation options from sources other than their ERP vendors. Composable ERP is the way to go if you want to compete today — and tomorrow."**

**Luiz Mariotto**

Group Vice President, Global SAP Strategy  
Rimini Street

# Getting Started: Rimini Street can Help

In making your plans, it helps to have a trusted partner to guide you along the way and help you achieve your goals. Rimini Street can help. We offer unified software services — comprehensive product support (L4), managed services, and professional services — for your:

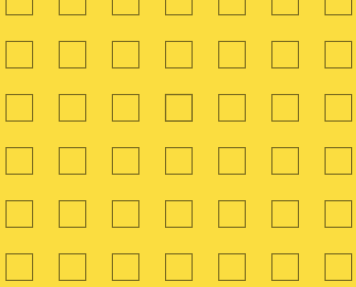
- stable ECC with composable ERP
- S/4HANA with composable ERP
- planned migration to S/4HANA with composable ERP

Wherever you are in your SAP journey, Rimini Street is your strategic partner. We can help plan, run, manage, and secure your SAP ERP and SAP ecosystem so you can innovate along your own roadmap, keep pace with business change, drive competitive advantage, and maximize your SAP investment.

**For more information,  
explore Rimini Street unified  
software services for SAP**







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