IBM and AWS: Driving manufacturing excellence with SAP on AWS Cloud

In a post-pandemic period defined by supply chain and business model disruptions, manufacturers have their strategies set on cloud to create a more cost-effective, agile, and resilient enterprise. While modernizing and migrating SAP software to the cloud stands at the forefront of the transition, many manufacturers struggle to handle the complexity of this journey.

Manufacturers need to leverage data-centric technologies as part of the transition to cloud-based SAP to optimize supply chains, comply with new government regulations (sustainability, for example), and maximize business performance. Without a new approach, they will struggle to tackle the initiatives of the next era, including supply chain orchestration, materials and production optimization, predictive monitoring of assets, and quality analysis and resolution.

"The improved visibility delivers the headlights to what's going to happen along with the ability to do something about it," says Rami Ahola, global industry lead for manufacturing at IBM.

Optimizing manufacturing performance and outcomes

Modernizing SAP software in the cloud delivers a real-time view of manufacturing operations, fueling efficiencies and growth while delivering a scalable enterprise resource planning system that matures with the business without investment in large IT departments or infrastructure. A cloud-based SAP solution delivers end-to-end visibility into global supply chain operations, ensuring greater

predictability and reducing risk. Additionally, it unites high-quality data from equipment, processes, and systems to drive insights that empower continuous process improvements.

Above all, running SAP on AWS Cloud opens the door to critical data, providing insights that transcend the SAP applications. This expands visibility and enables richer predictive insights. "Manufacturers need good visibility into their supply chain, but also the ability to generate predictive insights on data that may or may not live in SAP," says Rami Ahola. "Running SAP on AWS allows for other tools to be plugged in to enable innovation."

Amazon Web Services (AWS) has become one of the preferred cloud platforms for businesses to run their SAP estate. "Running SAP on AWS is all about driving manufacturing business outcomes," says Ken Pierce, global SAP leader for IBM strategic partnership at AWS. By transitioning to AWS, companies can achieve long-term business benefits such as:

- **Operational precision and improved equipment efficiency**

- **Transformative operational efficiency and cost management**

- **Streamlined production processes**

- **IT-OT real-time, data-driven insights that promote operational excellence**

"Other results may include reduced downtime, higher quality products, improved production output, and improved production scheduling across multiple plants," says Ken Pierce. "Most importantly, SAP running on the AWS cloud facilitates faster innovation and adapting to market demands."

Modernizing SAP for agile operations

Given the complexity of the SAP cloud journey, most manufacturers need deep technical and industry-specific experience to successfully guide the transformation. The IBM and AWS partnership facilitates this transformation with over 30 offerings. Here are a few highlights:

- **Clean Core Development,** a software methodology that prioritizes simplicity, modularity, and maintainability, encouraging developers to keep the SAP core applications focused on essential functions.

- **AWS SDK for SAP ABAP (Advanced Business Application Programming),** a service that connects SAP-based business processes to over 200 AWS services.

- **IBM-developed GenAI SAP on AWS capabilities,** such as assistants and intelligent invoice match and verification applications, simplify and de-risk the SAP modernization journey, making procurement, coding, test, and documentation processes faster and easier.

- **RISE with SAP on AWS,** designed to address challenges such as legacy system lock-in, lack of standardization, and high operating costs. RISE with SAP on AWS offers an improved user experience, increased agility, and sustainability benefits.

- **Sustainable Product Ledger,** a jointly developed offering tightly integrated with SAP ECC and S/4HANA to facilitate carbon accounting across Scope 1,2, and 3 with proof of traceability for compliance reporting.

IBM and AWS: Partnering for success

AWS and IBM have decades of global experience with SAP, amassing a wealth of intellectual capital, the latest in cloud innovations, and a framework of industry-specific best practices. The modularity of AWS cloud services ensures new innovations and business capabilities can be easily deployed and updated.

IBM has delivered more than 6,500 SAP projects, including 750+ S/4HANA programs, and employs more than 40,000 SAP consultants globally. In addition, IBM has 30 AWS service validations, 21 AWS competencies, and 24,000 active AWS certifications. Both IBM Consulting and AWS are certified to administer and deploy the RISE with SAP programs. The partners infuse data-driven intelligence and genAI into SAP industry and line-of-business processes, elevating customer experience and driving enhanced outcomes.

With their joint investment in industry solutions and combined expertise, IBM and AWS accelerate customers' SAP cloud migration and modernization journeys. "By bringing the best of these two organizations together," says Ken Pierce. "We can build these solutions quickly with an eye towards total cost of ownership."

For more information click here.