

**SAP Solution in Detail
SAP for Banking**



ENTERPRISE RESOURCE PLANNING FOR BANKS: mySAP™ ERP WITHIN THE BANKING INDUSTRY

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EXECUTIVE SUMMARY

Drawing on three decades of SAP experience, the SAP for Banking solution portfolio is a set of solutions that include best-of-breed functionality for enterprise resource planning (ERP), along with specific features and best practices for banks. By converting data into information and information into actionable insights, the mySAP™ ERP solution in the SAP for Banking set of solutions can dramatically improve business processes at your bank.

MEETING TODAY'S CHALLENGES

Today banks face shrinking margins, tougher competition, and rapid change. Meanwhile, new legal and regulatory requirements demand greater transparency and information that is more accurate and more timely.

The most competitive banks in this environment are more customer centric, efficient, and flexible. They have greater control over their costs and have boosted profitability. To achieve these goals, banks must evaluate any IT investment on its ability to provide a fast return and reduce operating costs. Effective investments must also support new business models and help banks make the most of the Internet and mobile technology. Increasingly, banks have the following needs:

- Streamlined business processes and IT structures that are less complex
- IT structures that are flexible and allow quick adjustments in the business processes of supporting operations
- Easy integration of new functions and processes without harm to either the underlying technology or previous investments
- Personalized data, tools, and solutions that employees can access anywhere at any time

Meeting these demands puts new pressures on the systems banks use for ERP. Besides increasing efficiency behind the scenes, today's ERP solutions must improve integration between business processes and technology for seamless transparency between ERP systems and other corporate applications. ERP solutions must also provide readily available, yet secure access to all internal organizational functions and processes by every bank employee, customer, vendor, and partner.

SAP for Banking solutions meet all of these challenges. The solutions are powered by the SAP NetWeaver® platform, an extensive application and integration platform that lays the foundation for new, cross-functional business processes. In addition to connecting IT systems with each other, SAP NetWeaver links users, information, and business processes across technology boundaries and across the organization. By reducing the need for custom integration and by offering complete life-cycle management, SAP NetWeaver lowers the total cost of ownership of your SAP for Banking solutions.

SAP for Banking solutions provide an extensive range of functions, many industry-specific features, a broad array of enhancement options, and support for global operations. SAP for Banking is the most complete set of solutions for banks today. One of these solutions, the mySAP ERP solution, provides comprehensive support for your banking enterprise support activities, including financial processes, human capital management, operations, corporate services, and technology.



BUILDING ON 30 YEARS OF INNOVATION

Thirty years ago, SAP marked the beginning of a new era by introducing integrated software that could handle business processes in real time. SAP for Banking, the latest generation of software solutions for the banking industry, builds on this success.

With SAP for Banking, SAP demonstrates yet again the leading role it plays in the market for ERP and other business software. The standard-setting mySAP ERP solution introduces new levels of integration for business processes in heterogeneous system landscapes, plus flexible enhancement options for integrating other SAP for Banking solutions.

mySAP ERP combines proven, robust ERP software with extended functions that banks can use enterprise-wide to improve the management of corporate assets and critical business processes. You can transform your ERP system into a truly collaborative environment that your entire organization – as well as authorized customers and business partners – can access.

Such a system includes the following benefits:

- **New efficiencies in integrated, end-to-end business processes** for financials, human capital management, corporate services, and support operations. This support can optimize related IT investments, while providing many business advantages.
- **Business agility** as you work in real time to make faster decisions and respond more quickly to market opportunities.
- **Lower total cost of ownership** as you leverage current IT investments, reduce integration complexity, and minimize the need for custom development. Deployment is easy and offers flexible options that simplify the initial implementation and upgrades and further reduce the cost of ownership. And because SAP for Banking solutions interoperate with third-party technologies, you protect your current IT investments.



- **Incremental, deploy-as-you-go functions** that improve the quality of internal services and reduce costs by implementing key capabilities as you need them – according to your business requirements. You can upgrade incrementally as your requirements change by adding new solutions and business functions.
- **A faster return on investment** as you eliminate the cost of purchasing and integrating third-party software add-ons. By implementing defined projects in short, manageable time frames, you can also shorten your time to benefit.
- **Local depth with a global reach**, with the ability to address local requirements and legal obligations, language requirements, payroll needs, and human capital management activities. At the same time, you receive support across your institution for enhancing productivity, improving cost control, and providing rigorous corporate governance with complete visibility.

SAP'S COMMITMENT TO THE BANKING INDUSTRY

Drawing on 30 years of experience, SAP has created a unique, robust ERP solution that facilitates the continuous development of IT landscapes by incorporating clearly defined transition paths. By combining mySAP ERP with other SAP for Banking solutions, your bank can build an entire system application landscape to support such areas as financial accounting, human capital management, operations, corporate services, and technology – thereby reducing overall system complexity and cost.

mySAP ERP offers all the key features you need to address your most critical business tasks, including these capabilities:

- Business analytics that help you evaluate business, operational, and workforce performance based on your strategic vision
- Major financial and management accounting processes that help you control corporate finance functions – with extended capabilities for fast closing and reporting – as well as support for rigorous corporate-governance mandates, such as Sarbanes-Oxley, that require complete transparency across the enterprise
- Human capital management functions, including features for talent management, workforce process management, and workforce deployment, that help you maximize workforce profitability while enhancing the employee experience with ready-to-use self-services and capabilities to handle life and work events
- Features for managing support operations that help you streamline logistics functions and project management, while preparing for future expansion of your collaborative capabilities into such areas as supplier relationship management
- Features for managing corporate services that help you optimize both centralized and decentralized services for corporate travel, facilities, incentives, and commissions

Users of earlier SAP® solutions can easily transition to mySAP ERP and gain a new dimension of business efficiency to their ERP infrastructure. You can implement additional solutions and enhancements incrementally – as and when you wish.

No longer must your bank face expensive big bang implementations and system replacements. The evolutionary approach of SAP for Banking solutions, which build on existing IT investments, can mean considerable savings for your institution. You can also profit from these advantages as a new customer – whether you are looking for organization-wide solutions that grow along with your business or solutions that can standardize a disparate IT environment.

With mySAP ERP in place, you have a springboard for the future implementation of all mySAP Business Suite solutions. You can also choose from a variety of add-on SAP applications to extend your banking functionality.



FEATURES AND BENEFITS OF mySAP ERP

The following table lists the features and associated benefits of mySAP ERP in SAP for Banking.

FEATURE	BENEFIT
Financials	<ul style="list-style-type: none"> ■ Helps you monitor all financial accounting transactions in real time for information that is more accurate and timely ■ Offers extensive corporate governance support, including Sarbanes-Oxley compliance and transparent financial reporting, reducing the risk of noncompliance ■ Enables fast closing procedures ■ Simplifies the processing of incoming and outgoing payments for improved cash flow ■ Combines planning, reporting, and analysis of competitive measures in one process to provide a more informed business analysis ■ Provides tools for measuring and optimizing the performance of important tasks for increased productivity
Human capital management	<ul style="list-style-type: none"> ■ Provides an extensive range of services and tools for effective HR management – including employee-transaction management, employee life-cycle management, recruiting, training, employee relationship management, employee self-service, and human capital management analytics – for improved staff productivity and retention
Analytics	<ul style="list-style-type: none"> ■ Delivers analyses and evaluations for planning and controlling company activities in order to improve performance ■ Supports decision making with simulations, for improved responsiveness to change ■ Helps management recognize and capitalize on opportunities to create value in daily business
Operations	<ul style="list-style-type: none"> ■ Strengthens the logistical capability in handling bank notes, precious metals, and non-banking-specific goods and services for a more efficient, streamlined business ■ Forms the basis for cross-organization enhancement of business processes and collaboration with vendors, customers, and other partners for improved use of assets
Corporate services	<ul style="list-style-type: none"> ■ Supports centralized and decentralized organizational services for managing areas such as real estate, travel, incentives and commissions, and environment, health, and safety in order to reduce costs and optimize sales performance
Self-services	<ul style="list-style-type: none"> ■ Provides managers and employees with immediate and personalized access to corporate services in order to reduce time and effort
SAP NetWeaver®	<ul style="list-style-type: none"> ■ Delivers a uniform technical architecture and solution platform with improved flexibility to meet future needs ■ Integrates users, information, processes, and applications for higher productivity ■ Supports portal technology, business intelligence, knowledge management, and mobile technologies that save time and reduce costs ■ Enables the best possible use of existing IT investments to minimize total cost of ownership

To learn more about how mySAP ERP can help your bank meet today's changing demands – while leveraging your existing IT assets and increasing efficiency and profitability – visit our Web site at www.sap.com/erp.

To learn more about the total range of SAP solutions for the banking industry, visit the SAP for Banking Web site at www.sap.com/banking.

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