



**SYSTEMS, APPLICATIONS,  
PRODUCTS  
IN DATA PROCESSING  
SAP**

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### Introduction

**F**ounded in 1972, SAP is the recognized leader in providing collaborative business solutions for all types of industries and for every major market.

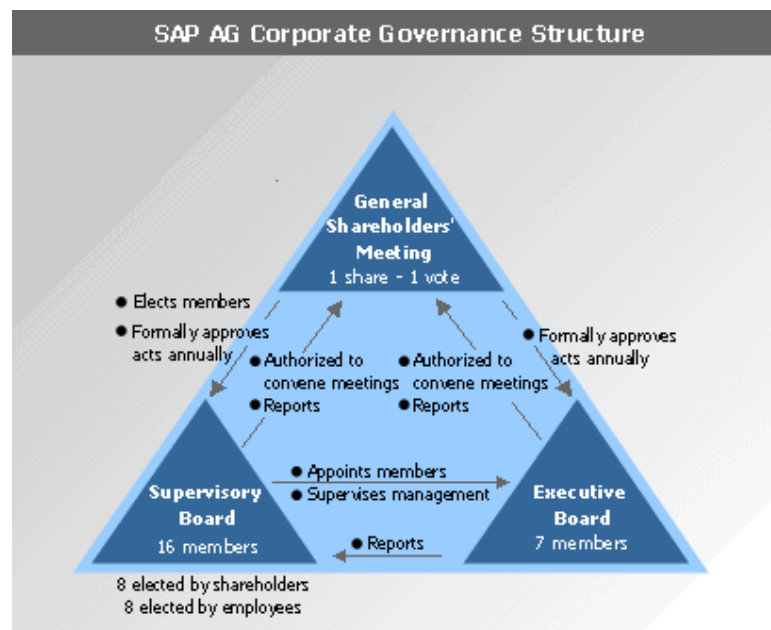
The company was founded in Germany by five ex-IBM engineers. Headquartered in Walldorf, Germany, SAP is the world's largest inter-enterprise software company, offers its public user interface design resources packed with useful information in the UI field, and the world's third-largest independent software supplier overall. SAP employs over 28,900 people in more than 50 countries. SAP has subsidiaries in over 50 countries around the world

SAP is listed on several exchanges, including the Frankfurt Stock Exchange and the New York Stock Exchange, under the symbol "SAP."

SAP's corporate structure follows Germany's system of corporate governance. This structure separates management and supervisory functions into two distinct bodies:

- **Executive Board**
- **Supervisory Board**-Since governance in Germany includes employee participation, the SAP Supervisory Board includes employee members.

The German Stock Corporation Act also provides for a third body -- a shareholders' organization known as the General Shareholders' Meeting



### What it Means

**S**AP stands for Systems, Applications, Products in Data Processing.

Currently, companies all over the world are facing one challenge: They have to react quickly to their customers' needs. This situation forces them to improve communication and collaboration so that they can guarantee improved decision-making and increased productivity.

Composite applications represent a new kind of applications that try to meet these challenges. They are built on top of the company's heterogeneous technology landscape, thus enabling cross-functional business processes and securing existing software investments.

Some features also help to understand SAP.

- ✚ SAP allows employees, customers, and business partners to work together successfully -- anywhere, anytime.
- ✚ SAP is and open and flexible that support databases, applications, operating systems, and hardware from almost every major vendor.
- ✚ By deploying the best technology, services, and development resources, SAP has delivered a business platform that unlocks valuable information resources, improves supply chain efficiencies, and builds strong customer relationships.
- ✚ Introduce new ideas for future solutions.

### What Made This So Successful

There are now 44,500 installations of SAP, in 120 countries, with more than 10 million users. So what made this company so successful?

**SAP R/2-** Back in 1979 SAP released this package (which runs on mainframes) into the German market. SAP R/2 was the first integrated, enterprise wide package and was an immediate success. This package expanded SAP into the Europe during the 80's".

**SAP R/3-** With the popularization of client-server architecture at the end of the 80's SAP responded with the release of SAP R/3 (in 1992). This turned out to be a killer app for SAP, especially in the North American region into which SAP expanded in 1988.

#### Features of SAP R/3

- ✚ SAP R/3 is delivered to a customer with selected standard process turned on, and many other optional processes and features turned off.
- ✚ At the heart of SAP R/3 are about 10,000 tables which control the way the processes are executed.
- ✚ Configuration is the process of adjusting the settings of these tables to get SAP to run the way you want it to. Think of a radio with 10,000 dials to tune and you'll get the picture.
- ✚ Functionality included is truly enterprise wide including: Financial Accounting (e.g. general ledger, accounts receivable etc), Management Accounting (e.g. cost centers, profitability analysis etc), Sales, Distribution, Manufacturing, Production Planning, Purchasing, Human Resources, Payroll etc.
- ✚ All of these modules are tightly integrated.

## **Advantages of SAP**

- ❑ The main advantage of SAP is that it is reliable and secure as compare to other applications
- ❑ Data sharing can be made and each client can use and get the services of data sharing from other client's data.
- ❑ User authentication is also a benefit of SAP.
- ❑ Resource sharing can also be made weather to share the database or other actions to perform.