

Product Note; SAP HCM on-premise option for SAP S/4HANA

Nearly six years ago, SAP acquired SuccessFactors, providing our customers with the best cloud-based human capital management (HCM) solutions on the market. Since then, the number of customers using SAP SuccessFactors solutions has nearly quadrupled, and we continue to see increasing momentum toward the cloud for HCM globally and across all industries. Our investment strategy follows this market demand, with the bulk of the planned innovations for our HCM portfolio focused on SAP SuccessFactors solutions.

SAP also continues to support our customers using SAP ERP HCM, our on-premise HCM solution. While an increasing number of them are migrating to SAP SuccessFactors solutions to accelerate their digital HR journeys, we also recognize that every customer journey is unique and must be undertaken at each customer's own pace. For some SAP customers this includes a desire to deploy their HCM solution in an on-premise environment for the foreseeable future. To support these customers' needs, we plan to offer a new on-premise HCM option based on SAP ERP HCM with a comparable functional scope (except for the SAP E-Recruiting application and SAP Learning Solution). It is intended to be deployed alongside, and integrated with, SAP S/4HANA. The solution is planned for availability in 2023, with maintenance planned at least through 2030.

To recognize our customers' existing investments, it is our intent to offer a license conversion program. Details are planned to be finalized in 2018 although the solution will not be available for purchase until eventual availability. At that time, it is intended that customers can license the new solution and start migrating to it using planned SAP-provided migration tools and services. As the underlying solution is intended to be based on SAP ERP HCM, we expect this to be a nondisruptive transition. It is planned that customers running an integrated ERP and HCM deployment in one instance today can move to a partitioned deployment model and run the offering on a separate instance.

We are pleased to provide options to meet our customers' preferences across cloud, on-premise and hybrid operating environments and will continue to provide updates on our solution road map and ongoing innovations.