

Public Sector Innovation

SAP's View

John Farr – Industry Value Advisor, SAP Dubai, UAE October 24, 2022



SAP is helping governments across the world respond to similar sets of challenges

SAP in Government

4 Sectors:

Postal

Defense and Security

Public Sector

Education

17,300+

Global public sector customers

58%

of UN member governments

Digital Sovereignty

for cloud solutions

Government as actor vs. regulator

Covid-19

accelerating digital transformation

10 out of 10 of the most innovative global cities

Government Technology Trends



Put the Citizen at the Center

Provide citizens with personalized services



Transparency and Foresight

Generate a single source of truth for citizens and policymakers



Operational Excellence and Resiliency

Replace legacy systems with modern ERP solutions, standardized across

Government

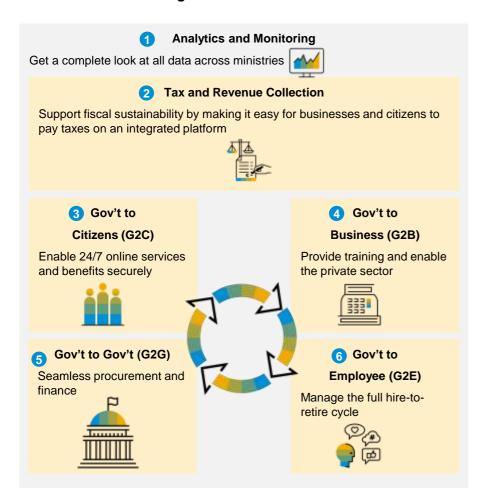


Skilled & Engaged Workforce

Track the learning needs and performance of government employees

We help the public sector become <u>integrated</u> and <u>connected</u> across every government capability area to improve citizens' lives

Delivering Value Across Gvoernment



How Our Customers Are Succeeding

- We're helping the **Province of Noord-Brabant**, **Netherlands** break down data siloes and collect disparate types of data to improve monitoring across entities
- 2 The Bahrain National Bureau for Revenue uses SAP support the entire tax administration lifecycle for citizens and businesses
- Ras Al Khaimah E-Government uses a 24/7 cashless portal and also has one of the fastest legal systems in the world with a e-justice case system
- SAP's Young Professional Program (YPP) helps provide the IT skills that young graduates need to compete. We're also working with a GCC investment authority, which uses SAP to help investors find business opportunities
- We're helping the **City of Copenhagen** (one of Europe's most livable cities) manage the city's assets and procurement processes
- 6 SAP helps a GCC government manage HR and payroll for its entire civil service

The importance of innovation is less obvious but just as valuable in government as in the private sector

Business needs to innovate to stay alive...

Only 52 companies have been on the

Fortune 500 list since 1955, the rest have

gone out of business because of a

failure to adapt¹

...while governments need to innovate to deliver value to citizens

Trust in government is declining

- As trust erodes citizens are less inclined to pay taxes or think they have a stake in outcomes
- Making government services transparent and efficient are vital to improving trust

Increased complexity of problems

- Global warming
- Fiscal sustainability and predictability (what happens during the next COVID?)
- Providing jobs to young people

Changing regulatory needs

 Current regulations were not designed for blockchain, artificial intelligence, etc.

SAP also has several models to help our customers think about "the art of the possible," beyond a typical sales engagement



Standard SAP Best Practices

What we do on every engagement



- Consultative approach
- Focused on business outcomes
- Industry-specific solutions and skills for 25+ industries



Internal Accelerators

Helping current or new customers



- Partner with academia and other institutions to
- Develop prototypes for novel problems in a startup environment
- · 10 locations around the world



Co-Innovation Labs (COIL)

 Work with SAP partners to develop new solutions



Experience Centers

- Immersive office space hosting experiences and demos
- Introduce customers to SAP's portfolio
- Often used for meetings and design thinking sessions



External Accelerators

Helping start new businesses



- Supports startups developing new apps by providing them access to SAP data, APIs, and technology
- Access to network of SAP customers



- Access to SAP ERP solutions at low or now cost for high potential, fast growing companies (run with SAP)
- Networking and publicity (grow with SAP)

5

Organizations can't change without having skilled people, which is why SAP has invested heavily in developing young talents

We developed the YPP (Young Professionals Program) in 2019 to help unemployed and underemployed young people in the Middle East



2-3 months training on technical knowledge of SAP solutions



Communications, design thinking, and other soft skills development initiatives



Graduates can become SAP certified and are immediately employable with SAP customers and partners

- 3,000+ global graduates
- 28 countries with YPP programs
- 99% of graduates placed into jobs

In Nov. 2021, SAP's CEO, Christian Klein (CK), visited Abu Dhabi and met HH Sheikh Khaled to discuss how SAP can help public sector innovation

- Goal: Become the preferred IT partner for Abu Dhabi Government's (ADG's) digital transformation
- How: Help ADG in cloud computing, public sector innovation, job training, and economic development
- Governance: Identify resources at SAP and within ADG to work together to develop workstreams

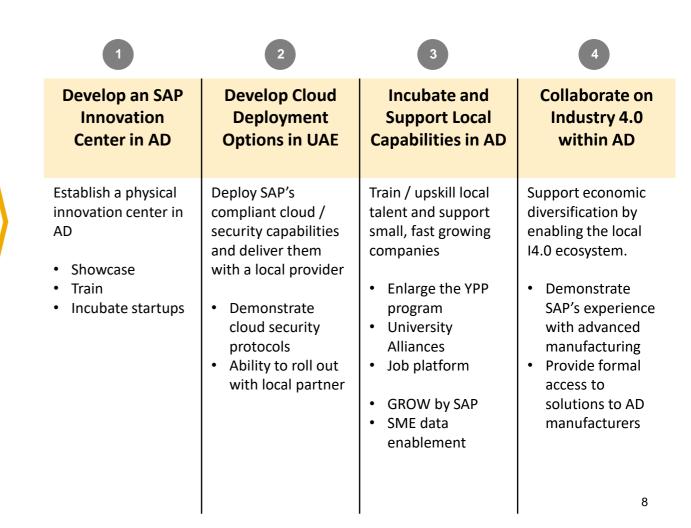


We recently brought most of the concepts discussed to the government of Abu Dhabi, which signed an MOU with SAP to drive government innovation

Cooperation Areas







What are some of the success factors when it comes to large scale government innovation efforts, like the one in Abu Dhabi?

- 1. High level of leadership buy-in from both sides: The Deputy Ruler of Abu Dhabi and the CEO of SAP both agreed on this collaboration. That sets the agenda for everyone working underneath them—everyone is incentivized for it to succeed.
- 2. People on both sides are empowered to make decisions: SAP's counterparts in the Abu Dhabi government are smart, engaged, and empowered to make decisions based on their workstream. Without this, initiatives are likely to "die on the vine."
- **3. Both sides have the right people involved:** Due to the high profile of the engagement, the local (UAE-based) team has been able to bring the right experts into the country from Europe and throughout the region. Likewise, Abu Dhabi has experienced managers as well as expats with in-depth experience.
- **4.** The MOU agreement was not just "one of many:" When an organization signs many MOUs with multiple companies at a time, it can be hard for the organization to get the right level of coverage, and for the signee to get the right amount of attention.
- **5. Experience with engagements of similar scope:** Need to "walk before you can crawl" AD has emphasized innovation for decades, and both sides have the right level of experience.

Thank you.

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Appendix

Our internal accelerators typically follows a three step approach to build a new idea



- Detailed analysis of a defined problem
- Explain how it could be SAP's "next big thing"
- Proposal to test with a real partner

- Develop a proof of concept / prototype for a real life scenario
- Apply design thinking methodologies to determine problem and prototype

- Scale prototype across multiple partners with the same use case
- Explore commercialization options



A local SAP partner worked with a regional COIL lab to facilitate medical claims processing in South Africa

SAP and Converge Solutions Co-Innovation Project Delivers Powerful Healthcare Solution for African Hospitals

Feature Article by SAP News Feb 19, 2020

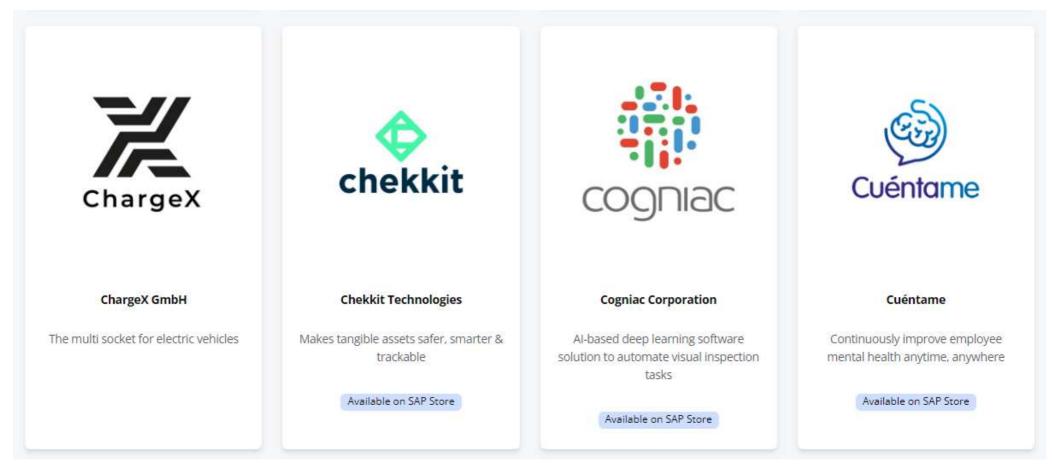


Read more here

According to government data, South Africa has 80 medical schemes with more than 8 million beneficiaries. Submitting medical aid claims and checking the eligibility of patient benefits for certain procedures or care can be a time-consuming administrative burden without the appropriate solutions in place. "We integrate to Medikredit, a switching company for medical aid claims that has enabled real-time eligibility checking, amongst other rich functionality. Healthcare organisations using our solution can quickly check that patient benefits are still intact and that the medical aid will cover the costs. Once the service is billed, the claim can be submitted to the medical aid scheme immediately and with minimal rejections since the eligibility of the claim was performed beforehand. This integrated approach ensures a dramatically lower claim rejection rate."



SAP.IO is helping cultivate a variety of startups focused on mobility, asset management, and mental health



Read more here



Our global experience center network offers space to meet, hold workshops, and see the latest SAP innovations



Meet

Meet our solution experts to start, drive, and accelerate your journey with SAP.



Inspire

Experience showcases, Innovative demos, and immersive stories about new solutions and business models.



Engage

Kick-start your transformation and digital innovation journey with SAP through hands-on workshops.

Our dedicated SAP Experience Center team ensures your customized visit is a success by exceeding expectations, as well as fulfilling logistical needs.

- Tailored offerings and deep dives into the SAP portfolio
- Personalized inspiration tours, including showcases and partner spaces, based on your industry and business needs
- Design thinking coaches
- Virtual tours available via LeX Beam