Cloud product innovations – fast transition to sales

Case: SAP Hybris Service Engagement Center

Tomi Halmela
The aim of this study is to create practices and tools for shortening the time to market for SAP Hybris Service Engagement Center cloud product. This is a completely new product and its future depends on how well it sells. To exploit the full benefits of cloud solutions a continuous knowledge transfer from SAP Product Development to SAP Sales must be created. This study will also support the overall transition to SAP cloud products through SAP’s cloud-first strategy.

The theoretical part delves deeper into the benefits of cloud solutions, which are becoming increasingly popular due to their ability to enable business efficiency, business effectiveness and empower business transformation. Knowledge management offers a structured way of aligning knowledge asset creation and knowledge exchange to company strategy. Knowledge transfer evaluates different types of knowledge transfer platforms and focuses on best practices in knowledge transfer, in particular to sales.

To guarantee that SAP Sales will adopt SAP Hybris Service Engagement Center, SAP Sales must be able to voice their opinions. Qualitative interviews to sales-related stakeholders were arranged to learn their preferred media and the most valuable knowledge asset types in sales context.

Based on the interviews, the knowledge assets were arranged to different groups based on their importance and urgency to Sales. This study outlines a preferred order for developing the assets by maximizing what can be done with limited resources. Several teams within SAP need to be involved to product knowledge transfer to Sales. This cross-department work needs to be well planned and coordinated to ensure continuity to the process.

Future suggestions include adopting knowledge management in larger scale for a more structured way to manage strategically relevant knowledge assets. Another future development area is developing more social elements to collaboration platform used for knowledge transfer.

**Keywords**

Knowledge transfer, sales, cloud software, knowledge management
### Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>AWS</td>
<td>Amazon Web Server, a PaaS solution from Amazon</td>
</tr>
<tr>
<td>CAPEX</td>
<td>Capital expenditure</td>
</tr>
<tr>
<td>CoE</td>
<td>Center of Excellence</td>
</tr>
<tr>
<td>CRM</td>
<td>Customer Relationship Management</td>
</tr>
<tr>
<td>ERP</td>
<td>Enterprise Resource Planning</td>
</tr>
<tr>
<td>FKOM</td>
<td>Field Kick-Off Meeting</td>
</tr>
<tr>
<td>HEC</td>
<td>HANA Enterprise Cloud, a platform for hosting SAP solutions</td>
</tr>
<tr>
<td>KPI</td>
<td>Key Performance Indicator</td>
</tr>
<tr>
<td>OPEX</td>
<td>Operational expenditure</td>
</tr>
<tr>
<td>ROI</td>
<td>Return Of Investment</td>
</tr>
<tr>
<td>SAP HANA</td>
<td>An in-memory computing solution developed by SAP</td>
</tr>
<tr>
<td>SAP HCP</td>
<td>SAP HANA Cloud Platform</td>
</tr>
<tr>
<td>SAP JAM</td>
<td>An internal collaboration platform at SAP</td>
</tr>
<tr>
<td>SAP SE</td>
<td>SAP Societas Europaea</td>
</tr>
<tr>
<td>SLA</td>
<td>Service Level Agreement</td>
</tr>
<tr>
<td>SOA</td>
<td>Service Oriented Architecture</td>
</tr>
<tr>
<td>TCO</td>
<td>Total Cost of Operations</td>
</tr>
<tr>
<td>TOGAF</td>
<td>Total Open-Group Application Framework</td>
</tr>
</tbody>
</table>
# Table of contents

1 Background .............................................................................................................. 1  
1.1 Strategy change ................................................................................................. 1  
1.2 SAP as a cloud platform provider ..................................................................... 2  
1.3 Key stakeholders in cloud product sales .......................................................... 3  
1.4 Aim and objectives ......................................................................................... 3  
1.5 Scope and limitations ...................................................................................... 4  
2 Cloud computing ..................................................................................................... 5  
2.1 Why everybody is going to the cloud ............................................................... 5  
2.2 Who buys cloud solutions ................................................................................ 6  
2.3 Operational models and service categories for cloud ...................................... 7  
2.4 Business-IT maturity model for Cloud ............................................................. 9  
2.5 Level 1: Business efficiency ........................................................................... 10  
2.6 Getting benefits of Level 1: Business efficiency ............................................ 11  
2.7 Level 2: Business effectiveness ..................................................................... 12  
2.8 Getting benefits of Level 2: Business effectiveness ....................................... 13  
2.9 Level 3: Business transformation .................................................................. 14  
2.10 Getting benefits of Level 3: Business transformation .................................... 15  
2.11 SAP Sales’ role in customer’s cloud maturity .................................................. 16  
3 Knowledge management ....................................................................................... 17  
3.1 Basic concepts for knowledge management .................................................... 17  
3.2 Organising knowledge assets ......................................................................... 20  
3.3 Managing knowledge assets .......................................................................... 22  
4 Knowledge transfer ............................................................................................... 25  
4.1 Platform for knowledge transfer .................................................................... 25  
4.2 Knowledge transfer to sales .......................................................................... 28  
4.3 Planning the knowledge transfer .................................................................... 28  
4.4 Target group and training topic ...................................................................... 29  
4.5 Training location ............................................................................................ 30  
4.6 Training media ............................................................................................... 31  
4.7 Choosing the trainer ...................................................................................... 31  
4.8 Training evaluation and follow-up .................................................................. 31  
4.9 Knowledge transfer in practice ...................................................................... 32  
5 Methodology .......................................................................................................... 34  
5.1 Data collection and analysis .......................................................................... 35  
5.2 Interview with SAP Hybris Marketing .............................................................. 36  
5.3 Stakeholder questionnaire .............................................................................. 36
6 Results and analysis
6.1 Key issues
6.2 Key interview comments
6.3 Key assets
6.4 Analysing the data
6.5 Grouping assets
   6.5.1 Group 0 – Existing assets
   6.5.2 Group 1 – Critical new assets
   6.5.3 Group 2 – Nice to have new assets
   6.5.4 Group 3 – Waiting for reference customers
   6.5.5 Group 4 – Future development
6.6 Evaluating alternative asset groups
6.7 Choosing the most impactful asset groups
6.8 Continuity and follow-up
7 Conclusions
8 Suggestions for future
   8.1 Adopting knowledge management
   8.2 Platform development
References
Appendix – stakeholder interviews [CONFIDENTIAL]
1 Background

SAP Labs Finland is a product development unit for global IT company SAP SE, Societas Europaea. The business unit manufactures a product called SAP Contact Center, a business communications software for companies in business to consumer, or B2C, business.

Starting from late 2017, SAP Contact Center functionality will be embedded to a new product called SAP Hybris Service Engagement Center and redeveloped to run on SAP Cloud Platform. SAP Hybris Service Engagement Center software will be sold to customers as an SAP-hosted cloud solution by SAP Sales and SAP Partners.

1.1 Strategy change

SAP is currently undergoing a complete transformation to become a cloud company. Its future development efforts are driven by cloud solutions. Even the new SAP Strategy is “Be the Most Innovative Cloud Company powered by SAP HANA” (SAP, 2017b). This is the big, hairy, audacious goal that Collins & Porras (1996) suggest every company should have. This does not sound that big, but as SAP is still getting part of its profits from on premise applications, this will be a huge transformation for the company.

SAP’s future plans are supported by different research, or incubation models. The idea with these is to look for market disruptions and help our customers to manage the change in their businesses. The key innovation areas in the future are machine learning, healthcare and analytics (SAP, 2017b).

The cloud transition also means a major cultural change within SAP, since cloud solutions have shorter update cycles. SAP Sales is used to major releases, which stay the same for years. A problem caused by the cloud transformation is how to keep SAP Sales informed of small, continuous increments to cloud products.

SAP Sales has a huge repertoire of different products to sell, and they might conform to selling just the products they know. As SAP Hybris Service Engagement Center is a completely new product, its usefulness needs to be presented to SAP Sales properly. This makes working knowledge transfer on new products critical.

The product renewal and launch of SAP Hybris Service Engagement Center is an attempt to find a new blue ocean, by offering a holistic entity for customer engagement from cloud. The blue ocean strategy in essence means rethinking the boundaries of one’s business
and inventing a whole new, uncompleted market, or industry, to conquer. Product and price information is nowadays globally and instantaneously available. This means that the life-cycle of a competitive advantage any company has is getting shorter and shorter. Products are turning into commodities. Coming up with a new, uncompleted market allows companies to avoid competition and to even build their brand on the new business. A blue ocean is typically found through value pioneering and not so much through technology pioneering. It rather is a result of combining existing technologies in a new way (Kim & Mauborgne, 2004).

Moving to cloud solutions will also change the customer segment. Cloud solutions are especially appealing to small and mid-size companies (Dueholm Müller, Holm & Søndergaard, 2015). Typically, such a company cannot finance a robust on premise solution for their purposes. In addition, very strictly financially driven companies that value the predictability in expenditures might be inclined to buying a cloud solution with a monthly fee. Customers with a lot of fluctuation and unpredictability in their business prefer a pay-as-you-use model and the ability to terminate contract quickly, if there is a need to do that. The downside of this approach is that selling to many small customers requires more work than selling to one big customer does. The compensation to sales might be the same in both cases, so an additional incentive for selling to smaller customers is still needed.

1.2 SAP as a cloud platform provider

SAP is interested in the growing cloud market and the accompanying service revenue. SAP’s cloud platform offering is divided to two different brands.

SAP Cloud Platform is a Platform-as-a-Service (PaaS) building on SAP HANA, an in-memory database technology. HANA technology enables running application and database services in real-time, in the server RAM, random access memory, as opposed to complicated relational databases on slow disk drives. This means a powerful and fast public platform, in which developers can create new cloud solutions, extend on premise functionality to cloud, or even integrate the on premise applications with cloud applications. The differentiator for SAP HCP, or HANA Cloud Platform is that it is the only in-memory cloud platform available (Hirsch, 2014).

SAP HANA Enterprise Cloud, or HEC operates in Software-as-a-Service (SaaS) model. In this cloud model, you can have a private cloud, run custom solutions, and provide end user services. This platform was initially designed for utilizing cloud-like, on premise
applications hosted by SAP. Rapid onboarding, infrastructure hosting and full SAP support is available. Still, HEC offering has expanded and the HANA in-memory computing capabilities are available in HEC to customers running custom solutions, enabling different database services and analytics possibilities (Hirsch, 2014).

1.3 Key stakeholders in cloud product sales

The main stakeholders within SAP’s organization that are related to product sales are as follows:

1. Product management of SAP Hybris Service Engagement Center creates basic product overview material containing product information.
2. SAP Hybris Marketing creates top level sales enablement assets to Sales and other stakeholders. In this context, an asset is a thing or quality regarded as useful or valuable.
3. CoE, Center of Excellence unit formulates that information to sales plays - a collection of key selling arguments for making a sales pitch based on customer’s business needs, industry specific battle cards, customer business cases, sample RFP libraries and to other Sales assets. CoE is built on two teams, Enablement Strategy (ES) and Market Development (MD).
4. Sales interacts with customers with the help of the assets. Sales solicits Presales for help when they run out of answers.
5. Presales can do product demos to customers and has enough product knowledge to answer to customers’ questions. Presales turns to CoE and Product management for more information, when needed.

The best way to align these stakeholders behind SAP Hybris Service Engagement Center strategy is to find synergies that benefit both the development units and the stakeholders.

1.4 Aim and objectives

The aim of this study is to find means to shorten time to market of new SAP Hybris Service Engagement Center cloud product and its periodic cloud releases, as well as consequently increase the SAP Hybris Service Engagement Center product awareness within SAP Sales. This will be done through improved knowledge transfer. This study will also support the overall transition to SAP cloud products through SAP’s cloud-first strategy.

The objectives are to:

- Create practices and tools of continuous knowledge transfer from SAP Hybris Service Engagement Center Product Development to SAP Sales.
- Differentiate SAP Hybris Service Engagement Center from other SAP products.

Research questions:

- RQ1: How to make SAP Sales adopt a new cloud product quickly?
- RQ2: How to shorten the post-development time to market, meaning the time starting from product launch, for new innovations?
• RQ3: What information, assets, or enablement activities SAP Sales needs from Development for more effective sales?
• RQ4: What is the best format/media/area for continuous product information knowledge transfer to SAP Sales?
• RQ5: Which means can be used for differentiating a new product?

1.5 Scope and limitations

The scope of the research is limited to SAP Hybris Service Engagement Center product, offered from SAP hosted cloud and to knowledge transfer from SAP Development to SAP Sales and Presales. Another limitation is focusing on non-development activities, meaning post-product launch activities only.

SAP Contact Center on premise solution and SAP Partners are ruled out from the research. Interviews are limited to key stakeholders with SAP Hybris Service Engagement Center in their sales targets.

The outcome of this thesis will be a plan for asset creation and addressing SAP Sales and Presales better. As the product launch will take place only after this thesis in finalized, measuring changes in sales, or sales pipeline will not be feasible.

There is no separate budget for this knowledge transfer, so only internal and free methods for knowledge transfer and data collection will be used.
2 Cloud computing

Cloud computing helps the user to access services, applications and data over the network/internet. With cloud the necessity for expensive data center hardware is eliminated and it provides user the freedom to work from any part of the world. Currently the usability of cloud technology by the businesses is over 90% and it is distributed among the public, private or hybrid cloud (SAP, 2016b).

Cloud customers are provided a flexibility to scale up or down rapidly to meet the required processing demand. Cloud also benefits customers by removing extra costs, as users only need to pay what they use, and by reducing their IT and hardware costs. Apart from the above, it also increases the reliability of the service, as it is available 24/7 and can be accessed from anywhere. Finally, it removes the upgrading shackles for the users as they are not required to update the software or manage the servers (SAP, 2016b).

2.1 Why companies are going to the cloud

The reason why companies are going towards cloud is due to the cheap availability of computing infrastructure in the cloud. Big giants like Amazon, Microsoft, IBM and Google have built vast data centers which are significantly more efficient than the traditional private data center used by companies. Some of this computing capacity, which also has a high rate of reliability and performance, can now be rented for a nominal price. Today, companies and developers can get access to a huge amount of computing power with a swipe of a credit card. The goal of cloud providers is to lure in both the companies and developers. As providers’ business grows, so does the demand for more computing power and the usage of cloud. As the number of customers, or demand grows, the providers can afford to add more servers and offer clients with cheaper prices. And with cheaper prices and products they lure in more customers and more demand for the cloud is created. This is called as “Virtuous cycle” by Amazon (Weinberger, 2015).

The reasons why Amazon is leading the cloud market is due to the fact that it got there first and hence has an added advantage. The Figure 1 below shows the dominance of Amazon in the IaaS market with the runner up being Microsoft (Weinberger, 2015).
As Gartner research VP of cloud services Ed Anderson put it “They built it, and everybody came.” At first, Amazon Web Services was primarily used by smaller companies as a cheap way to test things, or to run a simple website. It was also used by the developers to test their solutions, or websites in a cheap way. But with the addition of big players like Netflix, Airbnb and Slack, the pilot project started by Amazon became their core business. With this Amazon became the standard in the cloud market, just as IBM is known for its data centers. The revenue for AWS was around $7 billion in 2015 and per Gartner the revenue for AWS will reach around $50 billion by the year 2020 (Weinberger, 2015).

2.2 Who buys cloud solutions

A study made by Kyriakou, Maragoudakis, Loukis & Themistocleus (2017) on European manufacturing companies, attempts to predict the propensity of a company to buy a cloud computing solution. They use technological, organizational and environmental variables in determining the likelihood of a company to invest into cloud computing. Despite using several classifiers, their finding is that only the companies not having a propensity to buy cloud computing can be predicted. Still, even this is valuable information for cloud vendors, as they can better focus their efforts and resource to customers that are not unlikely to purchase a cloud solution.
The study unveils technical predictors to be the most important in this area. The interest towards data warehousing/data mining and mobile services, as well as the usage of enterprise systems: SCM, ERP, CAM, electronic collaboration systems and electronic invoicing ones are strong predictors towards cloud computing. Finally, an ICT reduction strategy has a correlation towards cloud computing. All in all, eight out of the top ten predictors are technology related (Kyriakou & al., 2017).

It seems like the key drivers for adopting cloud computing are primarily related to cost reduction and secondarily to experimentation with new ICT solutions. The target group for the study was in conservative businesses, but its results are plausible when reflecting the cycle of Business-IT maturity (Kyriakou & al., 2017).

Traditionally SAP’s key enterprise products such as CRM and ERP have been on premise solutions. As enterprise solution users are among the most likely to buy cloud solutions and SAP is strong in enterprise solution markets, it is only logical that SAP benefits the cloud transition by starting to offer its solutions from the cloud to a customer segment that also contains its existing customer base.

2.3   Operational models and service categories for cloud

Cloud computing can be set up in a variety of operational and service models.

Public Cloud, a network that’s available for public usage is utilized to provide the services to the customer and services are run in shared environment i.e. it is open for both individual and companies and at the same time provides efficiency and affordability.

Private Cloud, a network that’s available for usage, is confined by a firewall, through which the provided services are maintained. Users can use their data centers to create private cloud or the services can be obtained by subscribing to a vendor. The biggest advantage of the private cloud is that it provides both security and control.

Hybrid Cloud, resources required can be combined from both public and private networks by merging multiple vendors or providers. The benefit with hybrid cloud is that it offers diversity for hosting the services as users can chose which part of the business can be hosted on the public cloud and which parts can be hosted on private network. With this it provides users freedom to choose and helps in reducing the service costs (SAP, 2016a).
Cloud services can be divided into three categories, see Figure 2: SaaS (Software as a service), PaaS (Platform as a service) and IaaS (Infrastructure as a service). The difference between the Traditional setup and SaaS setup is that with SaaS vendor is responsible for all the upgrade and maintenance. In Traditional on premise setup, the customers need to take responsibility for upgrade and maintenance.

**Figure 2 Cloud service models**

*Software as a Service*, SaaS allows users to run a ready-made online application. This basically means hosted applications that are only accessible via a browser. An example of SaaS application is SAP Contact Center. This service is generally used by the end users i.e. consumers of the applications. In this provider is responsible for all the maintenance, updating and installations (Mell & Grance, 2011).

*Platform as a Service*, PaaS allows users to create their own applications and act as a hosted deployment platform for developing SaaS applications. This is generally used by developers as they can select the required features on a subscription basis (Mell & Grance, 2011).

*Infrastructure as a Service*, IaaS allows users to run any applications they want on cloud hardware of their choice. In practice, this means paying for the use of IT resources instead of owning them. An example of IaaS is Amazon Web Services. This service is generally used by IT departments. It offers them extra freedom, as providers host the infrastructure and handle infrastructure related tasks, such as backups and system maintenance (Mell & Grance, 2011).
SAP Hybris Service Engagement Center is a SaaS solution running on hybrid cloud platform. It is fully hosted by SAP at regional data centers. It can be integrated to other cloud, or on premise business applications to create more extensive solution entity and enhanced business processes.

2.4 Business-IT maturity model for Cloud

Companies have initially implemented cloud for reducing fixed costs and getting more resource flexibility. Cloud offers much more opportunities when used as a disruptive technology. It enables new engaging services and business models with short time to market and efficient operation. Companies should manage the adoption of cloud computing, instead of trying to block it. The employees will independently try to streamline processes and use for example public, cloud-based collaboration platforms, if company cannot provide them with similar functionality. Companies should implement policies for using cloud solutions so as not to have shadow IT within the company (Dueholm Müller & al., 2015).

Companies can benefit from cloud through business innovation and effectivity improvement. IT flexibility justifies moving business applications to cloud, which allows real-time interaction and collaboration. There is no need for upfront investment and the entry barrier becomes very low for smaller companies. Although business support and cost savings typically drive cloud implementations, a common infrastructure leads to business improvements. Business transformation happens through fast deployment and agile business capabilities of cloud based applications. Naturally, there are topics to be solved, like possibility of a data lock-in, data confidentiality and auditability (Dueholm Müller & al., 2015).

Cloud computing can be evaluated through Business-IT maturity model. There are three incremental stages observed from both business and IT perspective, see Figure 3. The stages are evolutionary in the sense that lower level needs must be satisfied first, before moving to higher levels (Dueholm Müller & al., 2015).
Demand is the business’ needs for IT and Supply is the ability to meet those needs. Supply is both the IT organization’s ability to satisfy the business demand for IT solutions and the ability to create demand for further IT capabilities for additional benefits. The three levels of business-IT maturity are: business efficiency, business effectiveness, and business transformation (Dueholm Müller & al., 2015).

2.5 Level 1: Business efficiency

On this level cost saving are the driving factor. IT is expected to be maintained with minimum disruption to business and with the target of minimizing costs. This easily leads to siloed IT setup around different business units. The interaction between departmental systems are not optimized and there are no company level integrations. Focus is on maintaining IT infrastructure. Dueholm Müller & al. (2015) name two areas through which companies strive towards cost savings: cost reduction and variabilization.

Cost reduction. For achieving cost reduction, a key is moving from capital expenditure (CAPEX) towards operational expenditure (OPEX). Moving to cloud reduces the need for upfront investments to hardware and infrastructure. This enables adopting a pay per use model, where companies only pay for the resources and services they use. The possibility to avoid CAPEX investments frees company business plans from unnecessary lead times, operational funding and allows them to change business plans quickly, which in turn supports business agility on business transformation maturity level. Cloud technology is
very lucrative to small and medium businesses and to startups, which allows them to invest into state of the art technology (Dueholm Müller & al., 2015).

OPEX model moves some risks related to hardware failures and cost predictability to service provider. With less systems to manage, the operational workforce can be smaller. Therefore, cloud operation converts some of the fixed costs to operational costs and these costs are only charged according to usage. So OPEX model lowers the total cost of ownership (TCO). With less maintenance burden on applications, infrastructure and security, the amount of IT employees can be reduced, or moved to more value adding tasks (Dueholm Müller & al., 2015).

Variabilization. OPEX model allows also added flexibility. Renting computational capacity from 1000 servers for one hour might cost as much as setting up one server for 1000 hours of computations, but yields in faster results, shorter lead times and reduced maintenance burden. Still, jumping from CAPEX to OPEX model needs planning and cost/benefit analysis. Virtualizing some services in-house might become a cost-efficient option for cloud. Naturally, the possible further benefits on higher levels of business-IT maturity model must be taken into consideration (Dueholm Müller & al., 2015).

Business efficiency is achieved through more efficient utilization of available infrastructure. Cloud computing offers means to automate concurrent tasks. It can perform several tasks in parallel through automation, thus optimizing process efficiency through shorter processing times and shorter waiting times for system users. Task automation also eliminates manual work steps and reduces human based errors (Dueholm Müller & al., 2015).

2.6 Getting benefits of Level 1: Business efficiency

Level 1 is targeting short term operational benefits. Cost savings from transferring all servers to cloud are appealing, but a proper cost-benefit analysis should always be made for each implementation. Using cloud computing just for reducing CAPEX is not unleashing its potential full value. Return on investment for cloud should be calculated with complete information to avoid vendor lock-in, further issues with integration, or unmanageable cloud environments (Dueholm Müller & al., 2015).

In addition, correct IT resource prediction is a requirement for successful cloud adoption. Companies cannot transfer to cloud and still maintain existing resources. By doing that, full benefits of resource scalability cannot be exploited. The more there is variation in
computer resource needs, the greater the benefits are from utilizing pay per user model. Still, if resources cannot be provided due to unpredictable demand, this results in inefficiency and limited cost savings. Cloud computing is by nature built on supplying short term on-demand resources, but buying cloud resources with a long-term contract is cheaper. Thus, companies should find a balance between maximum resource flexibility and minimum resource cost (Dueholm Müller & al., 2015).

Finally, cost drive cloud computing adoption, but service level agreements, SLA, must be taken into consideration, as well. SLAs often measure the performance of cloud computing and tend to focus on usage optimization costs based on pay per use figures. This may take attention from long term infrastructure efficiency and other benefits on maturity levels 2 and 3. Simply outsourcing all IT to cloud vendors does not remove IT related issues, so IT service management is needed. In addition, further cost may incur when targeting a desired service level. Per Dueholm Müller & al. (2015), such costs are for example, “network upgrades, change management, shifts in bargaining power, changing requirements, or poor service-level management.” (Dueholm Müller & al., 2015).

2.7 Level 2: Business effectiveness

On this level the focus point is on company level processes. Legacy silo solutions are changed to companywide systems to unify business processes. A more business driven standardization approach reduces redundancy, lowers IT costs and enables outsourcing of non-core business. Vendor consolidation becomes a new goal. According to Dueholm Müller & al. (2015) Business effectiveness covers the following main themes: intra-enterprise collaboration, business integration and common IT infrastructure, as well as core competencies.

*Intra-enterprise collaboration* is the key to most organizational tasks. It stimulates innovation and increases productivity. Cloud applications, like Office 365, permit cross-team collaboration without significant CAPEX. Users’ data can be made available regardless of location, or device. As companies and their stakeholders are geographically dispersed, online collaboration is required, sometimes in real time. Alternatively, cloud-based applications prevent multiple versions of the same documents to exist in parallel. Cloud provides a platform for collaboration, data sharing, and transparency (Dueholm Müller & al., 2015).

*Business integration*. Virtualization and cloud computing help in streamlining operations and accelerate the commoditization of IT. This also shifts IT’s role from operational
maintenance towards improved service delivery. When cloud providers take care of operational maintenance, they also do more frequent application upgrades and this benefits the users of cloud applications. The cloud applications are kept dynamic, customer-centric, configurable and adaptable to changing business needs of companies (Dueholm Müller & al., 2015).

*Common IT infrastructure.* An important part of cloud computing is the standardization of the entire IT landscape. IT resources can be pooled and shared across organizational boundaries. The most of the cost benefits of cloud technology are derived from resource scalability and virtualization of IT landscape (Dueholm Müller & al., 2015).

*Emphasis on core competencies* is what companies need to focus on for effectiveness. Commodity IT is either outsourced, or moved to cloud, thus freeing more resources for core competences and delivering more value to business stakeholders. When cloud vendor provides infrastructure, maintenance and resource, the cloud users focus on value generating activities. Cloud computing “can help to address key issues of accessibility, affordability, timeliness, ease of use and integration.” It can change organically at the same pace with the company’s own changing needs. Cloud computing can ensure improved service delivery by helping companies to free up resources to focus on being more effective (Dueholm Müller & al., 2015).

### 2.8 Getting benefits of Level 2: Business effectiveness

Level 2 requires common infrastructure on enterprise level and interoperability between different systems. Standardization is needed, not only to remove business silos, but to ensure that cloud technologies are interoperable with each other and with the legacy systems (Dueholm Müller & al., 2015).

As common standards are still in the making, obvious threats to cloud customers are potential vendor lock-in, high switching costs and lack of interoperability. With these fears in mind, customers are still reluctant on transferring critical business processes to cloud providers. To minimize the threats, companies should look for cloud vendors supporting interoperability standards and open cloud manifesto (Dueholm Müller & al., 2015).

Another problem can be introduced when business users bypass IT department and start ordering point solutions from cloud vendors to support their business processes. The issue with these solutions is that those are unconnected and unaudited. To prevent this so-called cloud sprawl, IT and business need to create a cloud strategy that offers
technology flexibility on a manageable architecture. Starting point for the design should be ease of use, while observing adequate data protection, interoperability and privacy (Dueholm Müller & al., 2015).

2.9 Level 3: Business transformation

On this level, IT’s role is raised from business supporter to a business driver. Focus area covers both the organization itself and its business partners. New forms of collaboration and rapid experimentation inside the company and with its stakeholders are searched. IT is promoted from creating service to creating business value. IT becomes a part of company’s value proposition and standard interfaces to business partners are created. The goal of IT is to maximize value with the use of information and technology together with business. The way how cloud computing enables business transformation to be very similar to that of service oriented architecture, SOA. When business processes are decoupled from technological constraints, technological advances will drive the creation of new products and markets. Cloud computing supports business transformation in three areas: business growth through Innovation, agile capabilities and business partner collaboration (Dueholm Müller & al., 2015).

**Business growth through innovation.** Cloud computing allows companies to look for ways to enter new business and to offer solutions to new markets and customers. For example, cloud computing acts both as an accelerator and enabler for new markets and products built on IoT, Internet of things -solutions. Another example is how cloud computing removes the need to install special software to customer’s computers, but makes the same software available from cloud. Cloud computing enables even small companies to deploy new business models based on the usage of existing cloud infrastructure. This permits them to skip routine tasks and focus on their core competencies and business value generation. Cloud computing can also be used in generating, or extending public services that are accessible to all users equally, regardless of location of end device (Dueholm Müller & al., 2015).

**Agile capabilities.** Cloud technology enables local agile business process based on cloud computing. Due to its low cost, flexibility and scalability, additional virtual infrastructure can be allocated to local business process according to needs. This requires standardization and a common vision of shared business processes, known as the concept of SOA, and a key benefit to cloud computing. These agile and scalable capabilities that can be created, changed and removed based on then current needs. This
allows offering very flexible services to customers and is enabled through virtual integrations of IT resources (Dueholm Müller & al., 2015).

*Business partner collaboration.* Cloud computing can be considered as knowledge networks extending outside company borders and enabling extensive business partner collaboration. When companies share information with others through cross-boundary networks those also benefit from the innovations and creative input of others. The value chains that such networks create can span horizontally, for example allowing different authorities to collaborate faster, or horizontally, when both customers and vendors have access to the same database (Dueholm Müller & al., 2015).

### 2.10 Getting benefits of Level 3: Business transformation

Reaching the highest level of Business-IT maturity requires deep co-operation of both business and IT departments. This requires an organizational culture that enables co-operation and supporting mechanisms like modular enterprise architecture, governance and project portfolio management.

Cloud computing introduces a risk for IT department, as business users may easily start undermining the need for IT. As business users start independently deploying innovative cloud solutions for short term business benefits, their perception of IT becomes more and more obscured. Still, long term business requires IT involvement. Therefore, the roles and responsibilities should be clearly defined within an organization. There should also be established mechanisms for IT-business alignment on cloud computing, taking both threats and opportunities into consideration with each new procurement (Dueholm Müller & al., 2015).

Further, companies should accept that new technologies change the role of IT from supporting business processes to active business innovation. This will change the organizational structure and mold the business roles of existing employees. The new roles must enable the usage of new technology for new innovations. On the technology side, the adoption of cloud computing to key processes forces rewriting business contingency plans (Dueholm Müller & al., 2015).

Utilizing cloud computing does not create a sustainable competitive advantage. Rather, being able to integrate cloud computing into company strategy and management processes allows the company to make continuous innovations based on cloud computing. As said by Dueholm Müller &al. (2015) “Adopting companies should look
beyond the immediate operational and tactical benefits of cloud computing and use cloud technology in support of management innovation.”

2.11 SAP Sales’ role in customer’s cloud maturity

On the business process efficiency level cost saving and variabilization are the driving factors. Quite often customers have made the comparison between on premise and cloud services and have concluded that cloud offers them flexibility and becomes more affordable. SAP Sales can assist by finding other cost benefits to convince the customer.

On the business effectiveness level the focus point is on company level processes: intra-enterprise collaboration, business integration, common IT infrastructure and core competencies. SAP Sales can add more value in this area, by telling customers what could be possible with SAP’s solutions. They can bring up the possibilities of resource sharing and collaboration across locations. From the experience of the author as an SAP employee, customers too often plan on replacing a solution silo with a new cloud-based solution silo, when the focus should be on common infrastructure and integrations to other business applications.

On the business transformation level, a deeper collaboration between SAP and the customer is required. If customers are willing to share their plans and requirements, it gives SAP a better chance to offer new solution entities to fit the business needs of the customer. This is an area where SAP Sales can also learn from the customer and feed new information back to product development to guide future product more to a direction that enables customers’ business transformation.
3 Knowledge management

3.1 Basic concepts for knowledge management

Company’s ability to flourish is based on its ability to continuously create new knowledge within the boundaries it operates. Nonaka, Toyama & Konno (2000) suggest a new model for corporate knowledge creation, called a unified model of dynamic knowledge creation. The model is based on three concepts SECI, Ba and knowledge assets.

SECI, a knowledge conversion process is based on four different ways of transferring knowledge, see Figure 4 below (Nonaka & al. 2000):

1. Socialization where tacit knowledge is passed on through situation-specific interaction as tacit knowledge. Companies can also learn from their customers and partners through interaction.
2. Externalization transfers tacit knowledge into explicit knowledge. This requires using terms that are understandable to the audience of this knowledge.
3. Combination is an act of converting and refining explicit knowledge into new explicit knowledge. Combination can also happen in the form of breaking down knowledge, like turning company vision into operational procedures at business units.
4. Internalization happens when explicit knowledge is turned into tacit knowledge. This can happen through reading professional guidelines and adopting the learnings in one’s work.

![Figure 4, The SECI process, Nonaka, Toyama, Konno (2000)](image-url)
Companies can also exchange knowledge with their stakeholders. This newly acquired knowledge and resulting change may also cause the stakeholders to get new knowledge, leading to further changes (Nonaka & al. 2000).

*Ba*, the place, is a concept that emphasizes interaction between people as a source of knowledge. Love, care, trust and commitment play a key role in these interactions. As an example, the text brings up apprenticeship where an apprentice learns from the master through interaction. The type of interaction can vary between individual and collective, whereas the media of interaction varies between face-to-face and virtual, see Figure 5. In all cases, it is important to interpret also the gestures and expressions of other people to be able to transcend the boundary between self and other (Nonaka & al. 2000).

![Diagram of Four types of Ba](image)

Figure 5, Four types of Ba (Nonaka & al. 2000).

An application of Ba are independent business units of Japanese companies. The local units can act independently based on the intuition collected by its employees while interacting through local stakeholders and environment. This intuitive knowledge is collected and merged at company level and spread to other locations through their employees (Nonaka & al. 2000).

Knowledge assets are company specific assets that create additional value to the company. see Figure 6. Knowledge assets are dynamic and new assets can be created from existing ones (Nonaka & al. 2000).
Figure 6, Four categories of knowledge assets (Nonaka & al. 2000).

Companies should create a knowledge vision that directs the creation of knowledge assets. The employees should also be encouraged to share knowledge assets. Creation of knowledge assets is empowered through autonomy and cross-functional teams (Nonaka & al. 2000).

SAP Labs Finland has a clan culture. This means a family type of organization, where commitment to employees is strong and the level of participation and teamwork is strong (OCAI Online, 2008). Within the business unit, people openly help each other and share knowledge, when needed. Much of the knowledge is still tacit, but a working pair is assigned everybody within the unit. The pair shadows the first person, thus learning the other person’s job through socialization. This knowledge duplication gives better response times especially during disturbances or vacations.

Knowledge management theory intersects the process of doing knowledge transfer to Sales organization. Product development unit does not have a full understanding of how Sales work, so interaction with them and with other, linked departments is needed.

First, socialization must be used to combine the tacit knowledge with other product development units. Together, the tacit knowledge can be externalized into explicit knowledge, which for example Center of Excellence team can through combination turn into explicit knowledge assets using Sales’ terms, so that they can again internalize it into their tacit knowledge. This is an example of SECI spiral by Nonaka & al. in practice.
3.2 Organising knowledge assets

Companies need to choose between free and structured access to information. Free access to information and knowledge presumes that the consumer of knowledge is savvy enough to use whatever he or she needs. On the other hand, structured access organizes information and knowledge based on what will be applicable to user’s role and tasks. In addition, the right level of granularity must be chosen for knowledge applications. Those can be uniform across the company, or specific for a single business area (Davenport, 2011).

*Free access* has traditionally been used for knowledge workers with a high level of specialization. Their work has so much variance and unpredictability that they are believed to be able to decide what is the best source of information for them. These subject matter experts also often work remotely and are believed to be skilled and disciplined to focus only on work relevant information. This description of independent search for relevant information fits to creative employees (Davenport, 2011).

The downside of free access is that even though searching for information takes a large part of working time for the knowledge workers, not everyone has been trained or knows how to search for all relevant information. In addition, with a lack of structure, all combined and refined knowledge does not get shared to be used later by others (Davenport, 2011).

*Structured access* to knowledge assets gives employees access to a pre-configured set of information, which is needed for the task at hand. This helps them in focusing and prevents straying to irrelevant information. As tasks are routinized, employees can be pooled by expertise and tasks shared evenly amongst them. Collaboration, coordination and work consistency improves (Davenport, 2011).

A negative aspect is that employees may dislike the increased structure and start feel being treated like assembly line workers instead of knowledge workers. As more time is spent on work tasks, there is less time for interacting with colleagues. A way to cope with decreased interaction is to incorporate new ways of social interaction that fits with the new structure (Davenport, 2011).

Bringing more structure to different tasks helps to improve productivity. Davenport (2011) suggests a quadrant model, based on the complexity of work and level of interdependence, telling which approach is the most suited for different types of knowledge work, see Figure 7.
Technology has already changed the way of working quite a bit from what Davenport describes. There are less routine tasks, which would require only structured information. If there are, those jobs are about to vanish quickly. Even the lowly contact center worker mentioned in the article is not reading answers from a Q&A document to the customer, but needs to have more expert knowledge. The caller has for sure googled for an easy answer already, so the solution probably is something outside that document. With consumers having extensive access to information, the people providing knowledge must be able to offer additional value.

Social media allows consulting one’s peers, who might work in another business, can be an excellent source of fresh ideas and inspiration. In the end, it is the results that count. Time spent in the workplace cannot be dedicated for work alone. The reality today is that working time and personal time of a knowledge worker are so intertwined that it is sometimes difficult to isolate one from the other, especially if one’s work is fascinating.

Solution sales is a long process requiring several experts to find out the business need of a customer and to explain how the offered solution helps in achieving those. At SAP, the sales related roles are very clearly cut to Sales, Presales and further experts. The author is of the opinion that a hybrid model, meaning a combination of both structured and free access to information, will be the best approach to information sharing. It gives a
structured set of required knowledge for each role, but allows everyone to absorb more to satisfy any additional interest.

### 3.3 Managing knowledge assets

Knowledge management is often associated with big data, but the strategic assets of companies also encompass other areas like intellectual property and the expertise of their workforce. Companies are urged to map their knowledge to gain better understanding of their own strengths and to help them better manage and utilize their knowledge (Ihrig & MacMillan, 2009).

Ihrig & MacMillan (2009) suggest setting up a cross-functional team to map the dimensions of and relationship between competitive edge of the company and the knowledge it possesses. Management can draft the boundaries for the business and practitioners in each function can add their insight into products, functions, processes and stakeholders. These will form the range on company's knowledge domains. The list can be narrowed down to the most essential knowledge domains that support company strategy. These domains can encompass hard, soft and even missing, but still needed, assets. The key assets can be arranged to a two-dimensional grid based on those being structured or unstructured and undiffused versus diffused, see Figure 8 (Ihrig & MacMillan, 2009).
The final grid will reveal which knowledge assets have been codified and diffused for wider usage within the company. It shows how well the assets support the chosen strategy at present and whether those will allow planned growth. It can also reveal assets that have been previously unknown to company management and which can lead to further value pioneering opportunities. The asset gaps and possibilities to further diffuse existing knowledge assets can be used for planning future knowledge initiatives of the company (Ihrig & MacMillan, 2009).

Knowledge can be used to create new value. The authors claim that the most valuable knowledge assets reside in the lower left corner of the knowledge asset grid. Such a knowledge asset is characterized by being tacit and known by only very few individuals.
within the company. Being able to codify such knowledge may enable new products or services being created. Codification also creates a risk of the knowledge being leaked outside the organization. Process related assets are suggested to be kept proprietary and only loosely codified to protect future business of the company (Ihrig & MacMillan, 2009).

Sharing knowledge inside the company can be very beneficial. For example, this may prevent two or more teams from solving the same issue, when there is a ready-made internal solution available. Even if codification would not be possible, tacit knowledge can be shared through apprenticeship. Sharing the knowledge outside of the company is also possible. The knowledge can be sold or licensed to third parties. Some companies even share their knowledge to stakeholders, including competition, to boost the whole ecosystem (Ihrig & MacMillan, 2009).

Knowledge can be contextualized by applying codified knowledge in new conditions, or by combining it with unstructured knowledge. Finally, new knowledge can be discovered by bringing in new, diffused knowledge from outside the company. It could be a new way of combining arising customer demand with an existing product or data (Ihrig & MacMillan, 2009).

Mapping company's knowledge assets to a visual grid, as suggested by Ihrig & MacMillan (2009), helps in understanding the knowledge assets better as an entity. From the grid, it is easier to spot which overlap, which support current strategy and where are the knowledge gaps. It also helps to establish, which teams are maintaining the knowledge assets and whether asset coordination is adequate. Additional knowledge management could help in making the assets more uniform and especially for finding someone responsible for filling in the gaps, or to create missing assets.

In the case of knowledge transfer to Sales, especially the tacit, practical knowledge in the lower left corner will be moved upwards in the grid when it is codified and to the right when it is being disseminated further to Sales.
4 Knowledge transfer

Transferring product knowledge from research and development further to sales is a key to successful solution sales. This knowledge helps sales to solve customer issues through the means of the product or service, thus increasing further solution adoption by end users.

4.1 Platform for knowledge transfer

Schuh & Aghassi (2013) have studied the relation between research and industry. To adapt their findings from academic world to business world and from technology transfer to knowledge transfer, small companies depend on external parties to commercialize their solutions. In an analogous way, development units depend on sales units to sell their products and services. They suggest platforms with “social” functionalities for the most effective and interactive knowledge transfer.

New technologies offer strategic business resources with future potential, but are also a threat to companies that have established their products and services on older technologies. Digitalization and networking makes technical innovations available faster and to a larger audience. Companies must foster their stakeholder networks to keep up with new technological threats and opportunities.

Small R&D organizations are dependent on external activities to be successful. They need someone to commercialize their technologies. This emphasizes the meaning of knowledge transfer between stakeholders. Web technologies and especially social media offer a means for creating knowledge transfer through community approach (Schuh & Aghassi, 2013).

According to Schuh & Aghassi (2013) knowledge is transferred from technology provider to a technology consumer. The process itself is bidirectional rather than linear and there may be mediators involved in the early phases. Transfer object in this case is the technology knowledge. This can be further split into technology-specific areas, such as used security technology, or situation specific areas, like a relative benefit of the solution.

Existing social networks are recommended to be utilized in knowledge transfer. A central aspect in this idea is the sharing of knowledge through communication and interaction via social media technologies, such as chats, blogs, alerts, social links and many more. This form of open knowledge sharing builds trust and bonds between the stakeholders. When
the number of community members grow, the usage of crowdsourcing can be benefited. Social media has changed the methods of interaction, participating and ways of creating and sharing contents. An essential part of this is the open communication and the relationship of the users within the community. The community members can cross organizational and geographical borders (Schuh & Aghassi, 2013).

Schuh & Aghassi (2013) categorize knowledge transfer platforms according to two dimensions: their openness to different user types and their social media functionality. Openness ranges from fully open to all actors to company internal and social media functionality depicts the level of features like user profiles, communication channels, user specific newsfeeds, visualization of communities in the platform and offered to its users. The research came up with three clusters of existing platforms, see Figure 9.

Figure 9 Knowledge transfer platform groups (Schuh & Aghassi, 2013).

Increasing the level of social media functionality on the platforms would enable more benefits from an expert community to its users. Schuh & Aghassi (2013) suggest requirements for an optimal knowledge transfer platform:

• Presentation of comprehensive information on technologies or technological know how
• Presentation of users and their expertise via profiles
• Efficient search mechanisms for fast access to information
• Semi-automated information retrieval based on user preferences
• Technology- or application specific clustering of information
• Communication via synchronous and asynchronous channels
• Private and public communication channels and spaces
• Formation of interest groups concerning different fields of application or technology
• Rating of users and technologies
• Enhanced (judicial) support of technology transfer process (licensing agreements etc.)
• Visualization of monitored technology fields
• Visualization of user participation and relationships

Technology knowledge transfer platform brings together different types of users who can take applicable roles, see Figure 10. The main roles are knowledge providers and knowledge consumers, but with information exchange and collaboration this might vary from time to time. The discussions are coordinated by moderators, who can be expert members themselves. A community manager can stimulate and supervise the platform activities, as well as make sure that the collected information will be stored for later access and is appropriately linked to relevant knowledge area (Schuh & Aghassi, 2013).

Figure 10 Concept technology transfer platform (Schuh & Aghassi, 2013).

For successful technology transfer platform, also the following aspects have to be defined (Schuh & Aghassi, 2013):

- Transfer objects – what knowledge is transferred and how is that organized and presented on the platform?
- Users and roles – who are the users and what roles will they assume? Are there different role based permissions?
- Services and technical function – what services will be offered and are those relevant to users?
- Financing and incentive systems – how is the operation financed? Will the users get any incentive for participation?
- Code of conduct – dos and don’ts.

SAP’s main collaboration platform is SAP JAM. It “enables SAP customers and partners to interact with SAP employees and collaborate with them in online groups upon invitation”
SAP (2017a). It is also being used for knowledge transfer both to internal and external stakeholders.

Its openness is relatively high, as its user groups can be defined to be open for everyone, or based on invitation only by the group owner. Access to external stakeholders can be arranged with specific user login. Whilst it does not have a social media integration, it still enables collaboration between knowledge users and providers. It contains some elementary social elements like the groups, the possibility to follow other persons and the possibility to like contents.

There are product specific groups available in SAP JAM and also SAP Hybris Service Engagement Center is going to have its own group. It would be only logical to add product material relevant for different roles to the same group in form of knowledge assets.

4.2 Knowledge transfer to sales

Training salespeople requires time off from selling work and focusing to training. Still, sales training is widely believed to be an investment to the future and worth the lost selling time. The only way to make sure the cost-benefit ratio of the training is positive is to measure the impact of a training. According to Cron & DeCarlo (2006), there are many variables that can be followed:

- Increased productivity – How much of the training is converted to additional sales.
- Decreased employee churn – Being better trained increases confidence and salespeople are less likely to quit early on.
- Improved customer relations – A well trained salesperson understands the customer business needs better. Such a person is more capable of addressing different people within the customer organization and offering holistic solutions to the customer.
- Better morale – Improved results lead to better confidence and a sense of belonging to the team, as well as allows the salespeople to deal better with setbacks.
- Improved efficiency – Managing time and one’s territory is important for sales. With the help of, for example, sales force automation, a larger share of time can be used on valuable customer facing activities.

4.3 Planning the knowledge transfer

Cron & DeCarlo (2006) name three key parts involved to planning a sales training: assessing the needs, deciding on objectives and defining the budget.

The need for a training might be a result of a change in strategy or with the market conditions. Training needs can become apparent through customer satisfaction survey results, by observing salespeople’s performance or via sales reports. Johnstone &
Marshall (2013) suggest asking the salespeople what they need to know to perform their jobs more effectively. They also name field sales managers as a good source of information towards training needs. For maximizing the impact of a training, Johnstone & Marshall (2013) give the following simple guidelines:

- Train the right people for the right jobs.
- Focus on people with the highest potential.
- Identify the ones that can benefit the most from a training.
- Maximizing strengths is more effective that minimizing weaknesses.

According to Cron & DeCarlo (2006), the objectives of the training should be specific and measurable. Johnstone & Marshall, (2013) add that objectives should be realistic and at most 20 per cent improvement can be expected. Another important factor is getting management commitment for the training.

The available budget sets the limits for training methods and venue. As any time away from productive sales work and travelling to a training location means lost money for the company, on-line trainings are getting more popular (Cron & DeCarlo, 2006).

After the training needs, objectives and budget is clear, the training details must be decided. These include: target group, training topics, venue, methods and resource (Cron & DeCarlo, 2006).

### 4.4 Target group and training topic

Johnstone & Marshall, (2013) advice to decide the target group for the training. Everyone does not need a training and the ones who do, might not need the same training. When all participants are on the same level, the audience is the most receptive and the training will be more effective.

Training topics depend on the product or service to be sold. Product trainings are given more emphasis in companies selling highly technical products or services. Especially with complex products, much of the selling time with prospects is spent on the product itself, so product training is important (Cron & DeCarlo, 2006).

Selling techniques in the form of selling scripts, or recognizing different situations and using corresponding selling process are important especially to new salespeople (Cron & DeCarlo, 2006).

Teamwork becomes an important aspect when the focus shifts more towards solution selling. Therefore, it is an important training topic. Solution selling might require a large
team with both deep product knowledge oriented people and persons who understand the customer’s business. Orchestrating such a team requires motivational and project management skills (Cron & DeCarlo, 2006).

Customer and market information is essential in being able to advise customers how the products and services of the company could benefit customer’s business process. Understanding customer needs and pain points allows to better solutions to be offered to customers (Cron & DeCarlo, 2006).

Other training topics might include for example company orientation, legal issues, company policies, handling price objection and the usage of tools, like sales force automation tools (Cron & DeCarlo, 2006).

4.5 Training location

Centralized training means that all salespeople are brought to a single location for the duration of the training. This allows better quality and consistency as better trainers can be used, everyone gets to share the same sessions and upper management and other specialists are easier to get onto the training site for a single session (Cron & DeCarlo, 2006).

The downside for centralized training is that it is costly and takes a lot of time from the participants. Both trips to the training venue and hotel costs can become significant (Cron & DeCarlo, 2006).

Decentralized training is done either in local offices or in the field. New salespeople can shadow an experienced colleague and observe how selling is done in practice in environment that is closer to their own customer base. Travel and trainer costs are kept lower (Cron & DeCarlo, 2006).

The cons of decentralized trainings are lower and varying quality of training and less management attention to the training process (Cron & DeCarlo, 2006).

Field training, or on the job training is a popular method for training new salespersons. The trainee is being coached by a sales manager, or a senior salesperson (Cron & DeCarlo, 2006).
4.6 Training media

While classroom trainings and role plays are still used, internet based, on-line trainings are more and more popular. The classroom trainings can even be virtualized to an on-line session, where the trainees can ask questions for enhanced knowledge capture.

The downside of self-paced on-line trainings, or virtual sessions in the internet is the lack of focus to the actual training topic. As the trainings have become location independent, there is no way of limiting the distractions in the then current “training location.” A combination of live classroom training and on-line training is still considered to be the most effective.

4.7 Choosing the trainer

Staff specialists are familiar with the training topic at hand, are good teachers and capable of choosing the best media for relaying information. On the other hand, they might not have experience in field selling and adapting the knowledge to actual selling (Cron & DeCarlo, 2006).

External specialists can bring variety, inspiration and excitement to trainings. They may lack knowledge of company products or services, customers and their industries (Cron & DeCarlo, 2006).

Line executives have proven sales experience and trainees are more likely to follow their instructions. This is especially true if they are direct superiors of the trainees. On the flip side, the managers may not be the best in training others and might be too busy with current tasks to do a good job in training (Cron & DeCarlo, 2006). Johnstone & Marshall, (2013) prefer internal trainers, when possible, as those are certain to meet the objectives of the company.

4.8 Training evaluation and follow-up

Cron & DeCarlo (2006) suggest Kirkpatrick’s framework as a tool to evaluate training due to its simplicity, see Table 1:
<table>
<thead>
<tr>
<th>Level 1: Reactions</th>
<th>Are trainees satisfied with the training? This also provides information so that the parts they don't like can be improved.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 2: Learnings</td>
<td>Did the training change attitudes, increase knowledge, or improve the skills of the trainees? This usually requires testing before and after the training.</td>
</tr>
<tr>
<td>Level 3: Behaviour</td>
<td>Are salespeople using their knowledge and skills on the job? This may be measured in a variety of ways: asking salespeople, the sales manager observing salespeople, and questioning customers.</td>
</tr>
<tr>
<td>Level 4: Results</td>
<td>What effect does the training have on the company? The bottom line results of training can include increased sales, higher profits, more new customers and reduced costs.</td>
</tr>
</tbody>
</table>

Table 1, Kirkpatrick’s evaluation framework (Cron & DeCarlo, 2006).

In practice the trainee feedback is still the most popular way of evaluating trainings. This is partially because it is very easy to collect and the parts of a training with negative feedback can be removed or recreated for better effect (Cron & DeCarlo, 2006).

Johnstone & Marshall, (2013) prefer measuring retaining the information and properly using it in front of customers. They emphasize the importance of sales managers in measuring the sales person’s ability to retain and use the knowledge from the training.

A typical mistake is to arrange a one-off training and expect that everyone will be able to maintain the newly learned skills after that. Instead, consistent and ongoing trainings arranged throughout a longer period yield into better results (Cron & DeCarlo, 2006).

Johnstone & Marshall, (2013) remind that the sales managers can not only evaluate the effectiveness of the training, but also coach their team members if a need for follow-up training comes up.

4.9 Knowledge transfer in practice

SAP Sales were queried what product related knowledge they would need to know to perform their jobs more effectively. SAP Sales sees the benefit of product training and is willing to invest time and effort to learn a new product.
Structured, role specific knowledge assets are a standard approach within SAP. Sales focuses mostly on value proposition and product benefits, whereas Presales takes care of more technical details.

There is no budget for SAP Hybris Service Engagement Center product training, so available free media like newsletters and SAP JAM will be used and all knowledge assets will be available on-line. Product management arranges knowledge transfer sessions of new cloud releases as on-line webinars.

The cloud release cycle would fit as a follow-up cycle for Sales. Knowledge transfer feedback is not separately queried, but the likes on individual knowledge assets are visible in SAP JAM. This would match level 1 - reactions on Kirkpatrick’s scale.
5 Methodology

The objectives were set to enable faster market adoption of a new cloud software. The research questions were outlined to support the objectives.

The research questions were reflected against theoretical background from cloud computing, knowledge management and sales knowledge transfer.

Data collection was done by first getting an adequate understanding of what is currently being done in terms of sales knowledge assets. This was achieved through interviewing Solution Marketing Lead from SAP Hybris Marketing. Based on this information, the questionnaire for sales related stakeholders was formed.

Stakeholder interview was qualitative and targeted people in different organizations and in different sales related roles that are or will be dealing with SAP Hybris Service Engagement Service sales:
- Sales Manager at a reseller
- Regional Lead at Center of Excellence, Market Development
- Senior Solution Sales Executive at SAP Hybris, Customer Engagement and Commerce

The interviews were conducted face to face and via phone and lasted about an hour each. All interviewees were asked the same set of eight open ended questions. Based on the answers, different knowledge assets were ranked based on their usefulness in actual sales work.

Result analysis was based on the interview outcome and the synthesis was made by the author. The interview results give an indication of the importance of an individual asset. If two out of three interviewees ranked an asset as important for sales success, it is important.

As the interviewees observe the asset usefulness each from their own, different points of view, the answers were not uniform and interpretation was required. By the opinion of the author, Sales sometimes overlooks the importance of Presales related information, even though they say “There is no trained Presales for SAP Hybris Service Engagement Center. Therefore, it normally gets left out of the solution entity offered to customer.”
Framework analysis was used as a method to rank knowledge assets based on importance and urgency and arrange those into different groups. These will set the preferred order for knowledge asset creation.

5.1 Data collection and analysis

Data collection and analysis were performed in steps. See the below illustration, Figure 11, for more information on different steps.

1. Create research questions – Set research questions that support the objectives.
2. Study theoretical background – Applicable theories are studied.
3. Learn what is already in place – A review of how Sales currently works.
4. Create interview questionnaire – Come up with a set of applicable interview questions.
5. Stakeholder interview – A qualitative interview to sales related key stakeholders of SAP Hybris Service Engagement Center.
6. Study needs – Find out what are the requirements from stakeholders.
7. Reflect against objectives – Evaluate interview answers against the RQs.
8. Analyze results and gap – Analyze the results and compare the needs with what is already in place.
9. Answer the research questions and suggest next steps – Conclude RQ answers and suggest future development items.

5.2 Interview with SAP Hybris Marketing

SAP Hybris Marketing was interviewed to get a better understanding to current and potentially missing sales assets. This created a baseline for further questions posed to other sales related stakeholders.

SAP Hybris Marketing is responsible for current product jump start training and product highlight material for SAP Sales. In General, SAP Marketing does knowledge transfer to Sales through Sales Wiki in SAP JAM collaboration site and publishes a quarterly Field newsletter to Sales.

According to Marketing, Sales needs a top level, non-detailed product presentation for Sales that depicts both customer needs and benefits. This is called L1 Sales presentation. They also need a so-called L2, or Presales presentation, for drilling down into more details and answering to customers’ questions. Both of these presentations are a part of e-learning material for Sales. Customer references and related stories help in actual selling. Further valuable assets are, for example: sales plays, product information packed into easily digestible e-learning format for Sales, such as vito-letters, newsletters, suggested talk tracks and value proposition.

In general, the changes between cloud releases are so small that per Marketing it is questionable whether Sales needs a separate knowledge update after every release. At present, there is no feedback on the success of knowledge transfer to Sales.

5.3 Stakeholder questionnaire

The question list for other stakeholders was finalized after the interview with Marketing:
- What are the current challenges in selling cloud solution vs. on premise?
- How can SAP Labs Finland help you with those?
- What sales goals are in place for cloud solutions?
- How do you currently maintain product knowledge with continuous cloud releases?
- How could Sales teams benefit from product knowledge transfer?
- What other data, assets or support do you need to work effectively? Videos, one pagers, battle cards, competitor information, customer case studies, etc.?
- How is the effectiveness of knowledge transfer evaluated?
- What data is available on turnover, performance evaluation, or comparable for analyzing the effects?

Stakeholder answers to the above questionnaire are available in the Appendix chapter.
6 Results and analysis

6.1 Key issues

SAP Hybris Service Engagement Center is a completely new product and must fight for its existence. Sales needs to be aware of the new product to be able to ask for help and more information for selling it. Presales must have the required technical knowledge to support Sales. To transfer the required information, both Sales and Presales must be reached through the channels they follow and with terms they use and understand.

A new knowledge transfer program with applicable assets will be built on upskilling Sales and Presales. The information must underline the benefits of SAP Hybris Service Engagement Center. There is no high urgency, as building the new product will take some time, but the importance is even higher, if continuity for the product is to be guaranteed.

Sales is used to on premise solutions that can stay nearly the same for up to years. They used to learn once and sell the same for many years. Cloud changes things by giving constantly small, incremental updates. Product information available to Sales and Presales must be updated constantly.

6.2 Key interview comments

Key interview findings per role:

Reseller – “Sales challenges are with matters of usability, integrations to third party systems and availability.”, “What next versions will contain and what is the main direction for future development.”

Center of Excellence – “Make a demo system available with all functionality, also for resellers.”, “More detailed technical explanation is needed. Such as, how many queues can be administered; how to set opening hours; how to record a call; what size of storage is needed for that?”

Customer Engagement and Commerce Sales – “There is no trained Presales for SAP Hybris Service Engagement Center. Therefore, it normally gets left out of the solution entity offered to customer.”
6.3 Key assets

Based on stakeholder interviews, see the Table 2 below, listing assets that were deemed important by the stakeholders:

<table>
<thead>
<tr>
<th>Existing assets</th>
<th>Partner</th>
<th>CoE</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>release notes</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>internal demos/knowledge transfer</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>roadmap information</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>New assets to be created</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>public demo system</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>public videos</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>sales plays with use cases</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>competitor information/battle cards</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>business transformation studies</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>customer case studies</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>e-learnings</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>training material for Presales</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>SAP JAM development</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Table 2, Asset importance based on stakeholder answers. This raw data is used when making further assessments.

6.4 Analysing the data

SAP Hybris Service Engagement Center will be sold as SaaS or as a cloud solution. Service sales is a longer process, involving several experts along the process. These experts are needed for thorough discussions about how the customer wants to develop their business and how the vendor’s offering could help in achieving that.

The interviews brought out a need for product knowledge transfer in general and to Presales in particular. If Presales cannot offer quality support for a product, Sales will simply leave it out of their solution offer to customer. Presales does not currently have adequate technical product knowledge on SAP Hybris Service Engagement Center and this shortcoming must be fixed to support Sales.

Cloud solution buyers are typically small and mid-size companies. They want a solution that is good enough to do the work and nothing more, so basically a solution from any vendor can be considered. Customers’ aim is to keep the integrations to their business processes as light as possible to avoid vendor lock-in and to be able to switch to another vendor’s platform, if and when the need arises. In some cases, they can even threaten to create similar functionality with the help of open source tools themselves. Such customers
have started to use their bargaining leverage Porter (2008). Microservices are appealing to these customers, as they get more control over the customer experience. SAP wants to see the cloud solution integrated to other cloud, or on premise business applications to create more extensive solution entity and enhanced business processes to the customers.

A clear constraint is that SAP Sales gets their sales targets from sales management. As long as a single product is not on the target list for salespeople and, therefore, will not be compensated, nobody wants to sell it. At present, all cloud products are on the list, but as more products are turned to cloud, the list will get pruned. Making sure that SAP Hybris Service Engagement Center is selling well is the best defence against being dropped from the target list. At the same time, this creates an opportunity for it to be raised onto the focus list for Sales.

The interviews allowed different teams to voice their suggestions for promoting SAP Hybris Service Engagement Center sales. Choosing the most effective and the most feasible assets to be developed requires a deeper look.

6.5 Grouping assets

Since the resources for asset creation are limited, the new assets will be arranged into different groups that can be mutually exclusive. This grouping will establish the order in which the assets should be created.

As was stated earlier small development units depend on sales to sell their products and services. For this reason, there must be more emphasis to getting SAP Sales and Presales up to speed with solution information.

The interviews showed that SAP Sales currently receives product information through: release notes, internal demos, roadmap information and SAP JAM, which is an SAP internal collaboration platform. All product specific sales and other new assets can be collected to a single location to SAP JAM for ease of access. It enables on-line collaboration between knowledge users and providers.

For continuous knowledge transfer Sales prefers SAP JAM as the platform and Sales newsletters and events as the media. This allows them to internalize the knowledge when it suits them the best. A meshed access to information can be used to combine both structured and free access: the underlying structure is role specific, but gives an employee the autonomy to access further information at will.
To make SAP Sales adopt a new cloud product quickly requires that the product is advertised in newsletters targeted to Sales, such as the monthly newsletter from Marketing, and in Sales events, like FKOM, Field Kick-Off Meeting.

Assets that do not currently exist for SAP Hybris Service Engagement Center are grouped into: Critical new assets, Nice to have new assets, Waiting for reference customers and Future development, see Table 3, below, for more information. The table is based on the stakeholder interviews. As every interviewee emphasized different knowledge assets most relevant for their roles, the author made a synthesis of the results. The row legends will be explained in further chapters. The table columns have the following meaning:

**Importance** – is based on how often the asset in question came up in the interviews and how big an impact the asset is estimated to have on sales success.

**Urgency** – which assets need to be focused on first, given that there are limited resources for making the knowledge assets.

**Responsibility** – which team should take the lead on particular asset creation.

<table>
<thead>
<tr>
<th>0 Existing assets</th>
<th>Importance</th>
<th>Urgency</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>release notes</td>
<td>high</td>
<td>high</td>
<td>PM</td>
</tr>
<tr>
<td>internal demos/knowledge transfer</td>
<td>high</td>
<td>high</td>
<td>PM</td>
</tr>
<tr>
<td>roadmap information</td>
<td>high</td>
<td>high</td>
<td>PM</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1 Critical new assets</th>
<th>Importance</th>
<th>Urgency</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>sales plays with use cases</td>
<td>high</td>
<td>high</td>
<td>CoE (ES) Demo team, PM</td>
</tr>
<tr>
<td>public demo system</td>
<td>high</td>
<td>high</td>
<td>PM CoE (MD)</td>
</tr>
<tr>
<td>training material for Presales</td>
<td>high</td>
<td>high</td>
<td>CoE (ES)</td>
</tr>
<tr>
<td>e-learnings</td>
<td>high</td>
<td>medium</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2 Nice to have new assets</th>
<th>Importance</th>
<th>Urgency</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>competitor information/battle cards</td>
<td>medium</td>
<td>medium</td>
<td>CoE (ES)</td>
</tr>
<tr>
<td>public videos</td>
<td>medium</td>
<td>medium</td>
<td>PM, Marketing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3 Waiting for reference customers</th>
<th>Importance</th>
<th>Urgency</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>customer case studies</td>
<td>high</td>
<td>low</td>
<td>Marketing</td>
</tr>
<tr>
<td>business transformation studies</td>
<td>high</td>
<td>low</td>
<td>Marketing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4 Future development</th>
<th>Importance</th>
<th>Urgency</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAP JAM development</td>
<td>medium</td>
<td>low</td>
<td>IT</td>
</tr>
</tbody>
</table>

Table 3: Sales asset comparison
The assets are grouped based on estimations on importance and urgency and the suggested team responsible for the asset is added to its own column. The following groups form the basis of future knowledge transfer work.

6.5.1 Group 0 – Existing assets

Status quo situation. Product Management is currently taking care of the development of the following, important assets:

*Release notes* contain a list of fixes and new functionality in the then current release.

*Internal knowledge transfer/demos* are SAP internal sessions arranged to promote new functionality in practise.

*Roadmap information* depicts what is to be in the following releases. This document works on top level, showing the main development direction rather than listing individual features.

6.5.2 Group 1 – Critical new assets

This group is needed to have enough assets for Sales and Presales to be successful with a new product. Based on the interviews, these are the most valued assets and contain information to both Sales and Presales. This group will also shorten time to market by keeping other internal teams involved already before the launch of a new release. Demo systems can be set up with a release candidate build. A knowledge transfer can be given to CoE and Marketing before product release, so that they can do required updates on their material. Sales can be pushed with pre-information on the product launch date and new functionality.

*Sales plays with use cases* are a collection of apt plans or strategies for making sales pitch to a customer. The sales plays are the main source of knowledge on how to differentiate similar products and when to promote one over the other. It is important that the sales plays give suggestions to all cloud maturity levels, showing more understanding towards customers’ business. This will position SAP above spot-solution vendors.

*A public demo system* enables giving a live solution demo, often using a pre-planned demo script. This enables presenting live functionality to customers in a visual manner. This asset is targeted primarily for Presales.

42
Training material for Presales contains more technical background information of solution architecture, used methods and protocols, as well as solution sizing guidelines. This information helps in addressing technical questions and possible argumentation from customers. This asset is targeted primarily for Presales.

E-learnings are self-learning material enabling a salesperson to update product knowledge at their own convenience.

6.5.3 Group 2 – Nice to have new assets

This group contains assets that do not exist, but would help in emphasizing product strengths when comparing with competing products and by being able to show product functionality in practise.

Competitor information and competitor battle cards give information on how competitors’ solutions could be used in the same situation, what are their strengths and weaknesses and how to promote own solution in the eyes of the customer.

Public demo videos are narrated demo videos that can be shown directly to customers. These allow presenting a functionality in a typical customer usage scenario. This serves as a backup, or an extension to live demos.

6.5.4 Group 3 – Waiting for reference customers

This group contains assets that are important in winning new customers, but first require the solution being successfully implemented and acquiring a referenceable customer, before these can be created. Thus, the urgency is not as high as with other assets.

Customer case studies utilize the testimony of an existing customer to depict how the customer was able to get rid of the past problems and/or find new ways of transforming their business with the help of a new cloud solution.

Business transformation study demonstrates how a solution helped a company to change the way they do business, in order to gain revenue or market share, cut costs, or improve customer satisfaction. This is typically presented in the light of implementing a cloud business solution. The transformation can be shown with an example story with numerical information highlighting the impact of the change.
6.5.5 Group 4 – Future development

SAP JAM is a working platform for publishing new knowledge, but it could be evolved further.

*SAP JAM development* entails making the platform more social and collaborative. By the opinion of the author, adopting a reputation system would encourage people to contribute more contents to the platform. The gamification effect makes people compete on reputation and build connections on personal level. Adding search engine optimization type functionality that would promote hot discussion topics, or topics related to an ongoing campaign could be added. These are some examples of what could be done to make SAP JAM more attractive to users.

6.6 Evaluating alternative asset groups

As stated before, due to limited resources, the different asset groups can be mutually exclusive. To generate maximal impact, the interview results will be used to base an order in which the new assets should be created. For simplicity, the only criteria to rank different assets have been importance and urgency. The more business units are introduced to work on the assets, the more coordination and management between teams is required and the more Product Management needs to hand over the control over the assets.

Group 0 – Existing assets, allows all assets to be tightly controlled by Product Management, enabling a consistent message to be transferred further to Sales. Less assets to maintain allows more time per asset, thus leading to higher quality.

The downside is that the product differentiation of SAP Hybris Service Engagement Center is very weak. The audience for these existing assets appears to be the same, nearly a constant set of people, whereas the idea is to spread the product knowledge to new salespersons.

Group 1 – Critical new assets, enables reaching a larger audience while still allowing a good control over the asset contents by product management. Sales plays give salespersons the confidence to sell the product and help in differentiation. Demo system bring visual presentation to potential customers and help further in product differentiation. E-learning materials empower Sales and Presales to learn more at their convenience. These assets help SAP Sales in finding cloud business process efficiency benefits, like cost savings and automation possibilities, as well as business effectiveness, like integrations, to the customer.
A con is that other teams within SAP are required for creating and maintaining these assets. With more contents to maintain, the quality the message may start to vary a bit between assets, unless coordinated.

Group 2 – Nice to have new assets, gives more concrete selling and argumentation tools for Sales. Cloud product visibility and differentiation grows stronger and Sales is able to perform well.

On the negative side, increasing involvement from other SAP units are required. There is a risk that with priority changes, there suddenly is not a resource for maintaining these assets. Competitor information is also limited by SAP compliance policies only to publicly available information.

Group 3 – Waiting for reference customers, enables creating the best possible asset toolset for Sales, giving the maximum reach to potential customers. This option allows the best possible product differentiation. With tangible examples of successful cloud business effectiveness and business transformation benefits at existing customers, SAP Sales can perform better.

The undesirable factors are spreading the control over asset creation and risk of creating mismatching information. Both customer case study and business transformation study requires a live, referenceable customer. Maintaining existing assets can become strenuous.

Group 4 – Future development. The current version of SAP JAM is low both on openness and on social aspect. Its further development would allow vivid exchange of information, more creativity and growing an internal ecosystem around the product. New ways of social interaction should be built around the structured knowledge to enforce its usage and support knowledge exchange.

This requires development work and IT is not at the forefront on development due to their existing responsibilities in maintaining business solutions.

6.7 Choosing the most impactful asset groups

A group with adequate impact is needed. As a key objective is differentiating from an existing product, assets in group 0 alone do not fulfil that requirement.
Another objective was creating tools for continuous knowledge transfer. For a good impact, at least assets from groups 1 (critical new assets) and 3 (waiting for reference customers) should be created.

In time, adding group 2 (nice to have new assets) would make this a very appealing entity to Sales. This means that other teams within SAP need to be involved into the creation and maintenance of these assets. The more assets are chosen to be created, the more management and coordination between Product Management and different teams is required to maintain consistency across different assets. This task is controversial because of the need to balance between keeping control and allowing freedom to foster creativity and new ideas.

As long as the target audience, Sales and Presales, is able to voice their opinions and guide the process, they are more willing to commit to the outcome. In general, SAP’s Management motivates interaction and cooperation between teams.

### 6.8 Continuity and follow-up

Continuity calls for a knowledge management process for synchronizing the efforts between Product Management and other teams in continuous asset creation and maintenance. Invitation to internal demo sessions of new cloud releases and Questions and Answers sessions is required as a minimum for aligning the knowledge. Sales and Presales must also have they say on the material contents, so that it appeals to them and the learning opportunities would actually get utilized by them. At the moment, the product release cycle is still once per quarter, so a periodic follow-up is relatively easy to setup.

Measurement on the effects can be done based on the amount of asset “views” and asset “likes” on SAP JAM. This gives some indication towards the preferred assets. Follow-up on the asset impact can be based on Sales pipeline data. In addition, Sales can be asked for their opinion on the available knowledge, as the first level of Kirkpatrick's framework suggests. The results must also be looped back to management to demonstrate the effects of knowledge transfer.

Knowledge transfer cannot be unidirectional and only flow from Development to Sales. There must also be a feedback loop back from Sales to Development. Their experience especially about customer cases where SAP Hybris Service Engagement Center is being used as part of business transformation is important to product development. This
information fosters new innovation and allows making the solution more flexible to help other customers in transforming their businesses.
7 Conclusions

A small product group has very limited ability to influence sales goals. It is more effective to support Sales and Presales by giving them enough product information. Product management cannot do this alone, but help from other teams is needed. To ensure a consistent message, the cooperation between different teams must be managed and coordinated. This must be continuous to keep information up to date.

RQ1: How to make SAP Sales adopt a new cloud product quickly?
- Conclusions: To make SAP Sales adopt a new cloud product quickly, the product must be advertised in newsletters targeted to Sales and Presales, such as the monthly newsletter from Marketing, and in Sales events, like FKOM. This enables building a working ecosystem around SAP Hybris Service Engagement Center.

RQ2: How to shorten the post-development time to market, meaning the time starting from product launch, for new innovations?
- Conclusions: For shortening the post-development time to market for new innovations, other internal teams must be kept involved already during the product launch. Demo systems can be set up with a release candidate product build. A pre-release knowledge transfer can be given to CoE and Marketing, so that they can do required updates on the material they produce. Sales can be pushed information on the product launch date and upcoming new functionality.

RQ3: What information, assets, or enablement activities SAP Sales needs from Development for more effective sales?
- Conclusions: The information and assets SAP Sales needs from Development for more effective sales were in line with similar sales assets on other SAP products. The role of Presales was highlighted in the interviews, so developed assets must have relevant contents also for Presales.

RQ4: What is the best format/media/area for continuous product information knowledge transfer to SAP Sales?
- Conclusions: The best format/media/area for continuous product information knowledge transfer to SAP Sales would take place on the SAP JAM collaboration platform, as well as through Sales newsletters and events. This allows Sales to internalize the knowledge when it suits them the best.

RQ5: Which means can be used for differentiating a new product?
- Conclusions: Sales prefers sales plays with use cases as a means of differentiating SAP Hybris Service Engagement Center product. A sales play can visibly highlight the product benefits.
Reference customers must be used for creating customer case studies and business transformation studies. These will help Sales to convince potential customers with real life examples.
8 Suggestions for future

8.1 Adopting knowledge management

Product knowledge transfer done by several teams needs a common guideline that steers the work. Organizational processes and structures are KPI driven. A common, cross-team initiative helps in achieving goals, or at least does not create additional obstacles in attaining those. Strategy of the product unit and other stakeholders is partially common and drives towards the same goals. Starting to actively use knowledge management for other knowledge sharing would be beneficial also to other functions.

Some companies believe that free collaboration without a leader, per se, just by allowing people to gather and interact will result in knowledge sharing. Companies can also actively develop into a learning organizations through human dynamics.

Interactive knowledge transfer is built on trust. Both benevolence-based, where people are willing to help, and competence-based, meaning that people know how to help, type of trust is needed. The more complicated or tacit the task at hand is, the more competence-based trust is needed. A manager can foster knowledge transfer by creating a common understanding on how the business works, by demonstrating trust-building behaviours and by bringing people together.

A knowledge management strategy must fit to the operational mode of the organization. It will also need to support the strategic goals of the organization.

8.2 Platform development

In the long run, SAP JAM should be developed to have more social elements, like reputation system and crediting users for created input. Such gamification elements would encourage people to contribute more, thus making knowledge exchange and refining more efficient.

The knowledge transfer needs to be extended to SAP Partners for them to be successful. The partner role is shifting a bit from turnkey deliveries to selling just implementation and their own valued added services like user interface mashups with intelligent microservices.
References


Mell, Grance. 2011. The NIST Definition of Cloud Computing, Computer Security Division, Information Technology Laboratory, National Institute of Standards and Technology


Appendix – stakeholder interviews [CONFIDENTIAL]