Deployment Guide

Your Guide for the Journey to SAP S/4HANA

Andy Steer

As the CTO of itelligence UK, Andy Steer is responsible for defining the company's technical direction. Andy has worked in a variety of consulting and management roles since the mid '90s and dedicates himself to identifying the value that technological innovation can bring to an organization.

Contact: andy.steer@itelligencegroup.co.uk

Staying competitive in the digital age requires speed, agility, and innovation. These expectations place new and challenging demands on existing IT systems, creating a need for new solutions. However, the transition can be a daunting prospect. This expert paper helps decision makers to plot a course to SAP S/4HANA, the new business suite from SAP. It covers the most important facts that organizations should understand before starting migration and points toward essential tools and resources.

SAP S/4HANA marks a major shift in the strategy of SAP. It is designed to run only on the SAP HANA in-memory platform and provides businesses with a new 'digital core'. This enables them to radically simplify, integrate, and accelerate processes. The new solutions bring new capabilities, providing many opportunities to gain a competitive edge.

Early preparation saves costs in the long term

Customers who upgrade to SAP S/4HANA will benefit from a radically simplified IT architecture, giving them the flexibility to adapt their business models. Real-time analytics enhance decision making, while the new SAP Fiori applications provide a significantly improved user experience. The new business suite drives change throughout entire organizations—and it is key to prepare for and manage this transition.

Not a Matter of If, but When

Most businesses are aware that they will one day have to change their underlying IT platform to meet modern-day challenges. Especially seeing as maintenance and support for the current SAP ERP systems will expire in years to come. But uncertainties about the implementation process of SAP S/4HANA lead them to fear a lengthy, expensive project that will disrupt operations. However, with sufficient preparation, change management, and useful tools and resources, organizations can achieve a smooth, low-risk transition.

First of all, before embarking on the migration journey, it is helpful to understand SAP's strategy and product roadmap. It is concentrating the majority of its research and development on solutions for the SAP HANA platform and is therefore innovating at an unprecedented speed. This means that the longer a business waits before upgrading, the more it will miss out on.
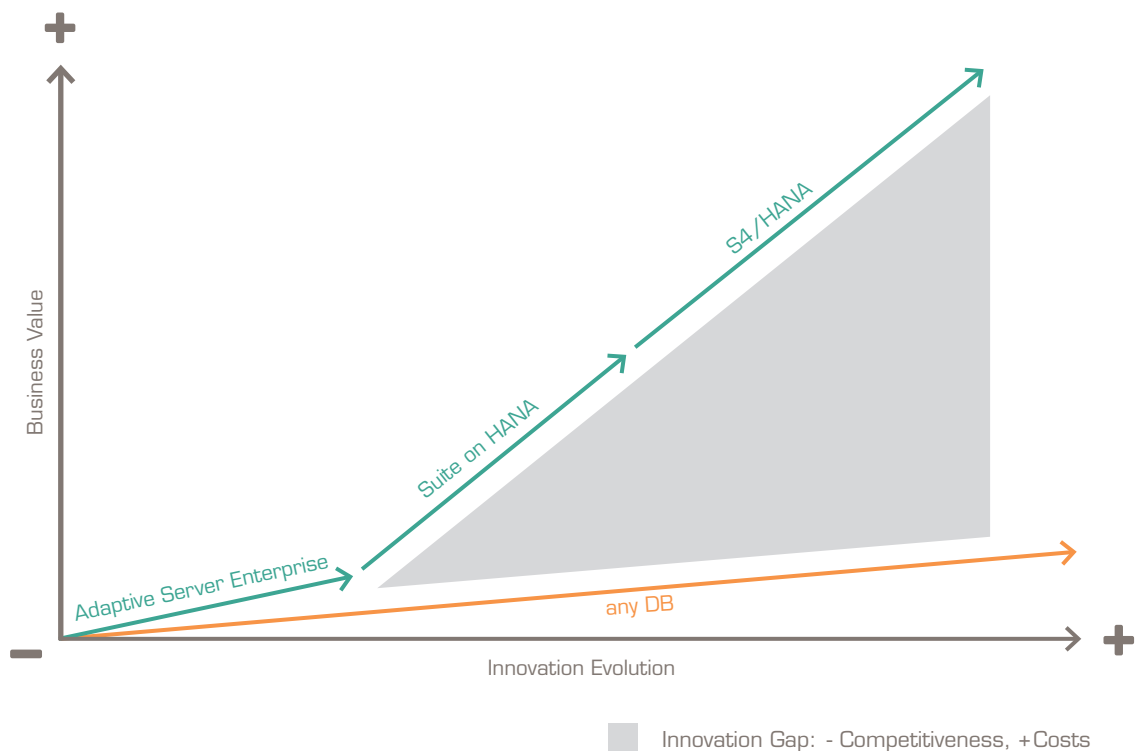
Companies that put off preparation for SAP S/4HANA will lose competitiveness and begin to see a widening innovation gap. Considerable time and effort will then have to be invested in enhancing existing systems to catch up and acquire innovations that are included in the new business suite. And, by doing this, businesses would be essentially building on foundations that they know will eventually change. Any custom code or extensions they develop will have to be taken into consideration when they come to migrate. By starting to plan early, organizations can save themselves a considerable amount of unnecessary effort and cut costs in the long term.

Due to the simplified core architecture of SAP S/4HANA, it is significantly easier to deliver additional capabilities such as embedded analytics or integrated planning. Not only can companies save unnecessary outlay and development effort, but they also get ahead of the curve and profit from the simplified data model and increased flexibility. But what is the best way to approach implementation?

Figure 1: The Impact of Not Deciding

Business Value

S4/HANA

Suite on HANA

Adaptive Server Enterprise

any DB

Innovation Evolution

Innovation Gap: - Competitiveness, +Costs

Transition to SAP S/4HANA can be an iterative process

Finding New Ways to Generate Value
There are three transition paths to SAP S/4HANA: new implementation, landscape transformation, and system conversion. While landscape transformation is the ideal option for extremely complex landscapes, system conversion is the starting point for the majority of SAP customers. With this approach, they can aim to keep the configurations of their existing SAP systems and reduce the time the migration takes.

Transition to the new business suite can be an iterative process: not everything has to be completed in one go. Although customers, particularly those without existing SAP systems, may choose to implement SAP S/4HANA and industry solutions all at once, this is not the only route. It is also possible to start with the foundations and gradually work towards a full SAP S/4HANA implementation.

There are many
valuable resources
to support your
journey

However, migration is not simply a technical task. The new business suite drives change within organizations, creating possibilities to both adapt existing processes and create entirely new ones. **That is why change management is vital in the run up to the transition.** The first step in building the roadmap is for an organization to closely examine its own individual way of working and identify areas where improvements could be made. Once a business has a clear understanding of this, it can determine exactly how it will use the new capabilities of SAP S/4HANA to their full potential.

Laying the Groundwork for Change

All the tasks involved in SAP S/4HANA implementation can be divided into two groups: **technical tasks and semantic tasks.** Semantic tasks encompass the activities that can be performed before the project begins. They help organizations to evaluate the impact of the transition and prepare for change. This forms a good foundation for planning for the implementation itself.

There are a number of valuable resources available to support enterprises in this preparation phase. One of the most important is the Simplification List for SAP S/4HANA. This comprehensive document covers the entire ERP scope and helps to assess the functional gap. Reading this resource is an excellent starting point, as it enables businesses to gain a clear understanding of which changes will affect their way of working.

Another crucial semantic task is to analyze all custom code within the existing SAP system. Before implementation begins, organizations require transparency into this code. This enables them to evaluate the performance and check whether it is compatible with the new SAP S/4HANA applications. Then they can see what needs to be refactored, plan for optimization, and identify any waste. Carrying out this procedure before migration will considerably simplify the process. SAP offers a selection of useful tools and resources for this task, including the Custom Code Adaption document and the Custom Code Lifecycle Management application.

Tools for a Seamless Transition

An absolutely essential technical task for system conversion is to run the Maintenance Planner.

This application analyzes the current environment and all business functions, industry solutions and add-ons that are part of it. Organizations can then see which will be supported by SAP S/4HANA and which will have to be changed.

Once this task has been completed, organizations can run the Software Update Manager to convert their systems to SAP S/4HANA. Previously, this task had to be carried out in a number steps: first the ERP software update, followed by database migration to SAP HANA, and final migration to SAP S/4HANA. Now, however, this can be completed **in a single step** using the database migration option of the Software Update Manager. This drastically reduces the number of testing cycles that have to be performed and significantly accelerates system conversion.
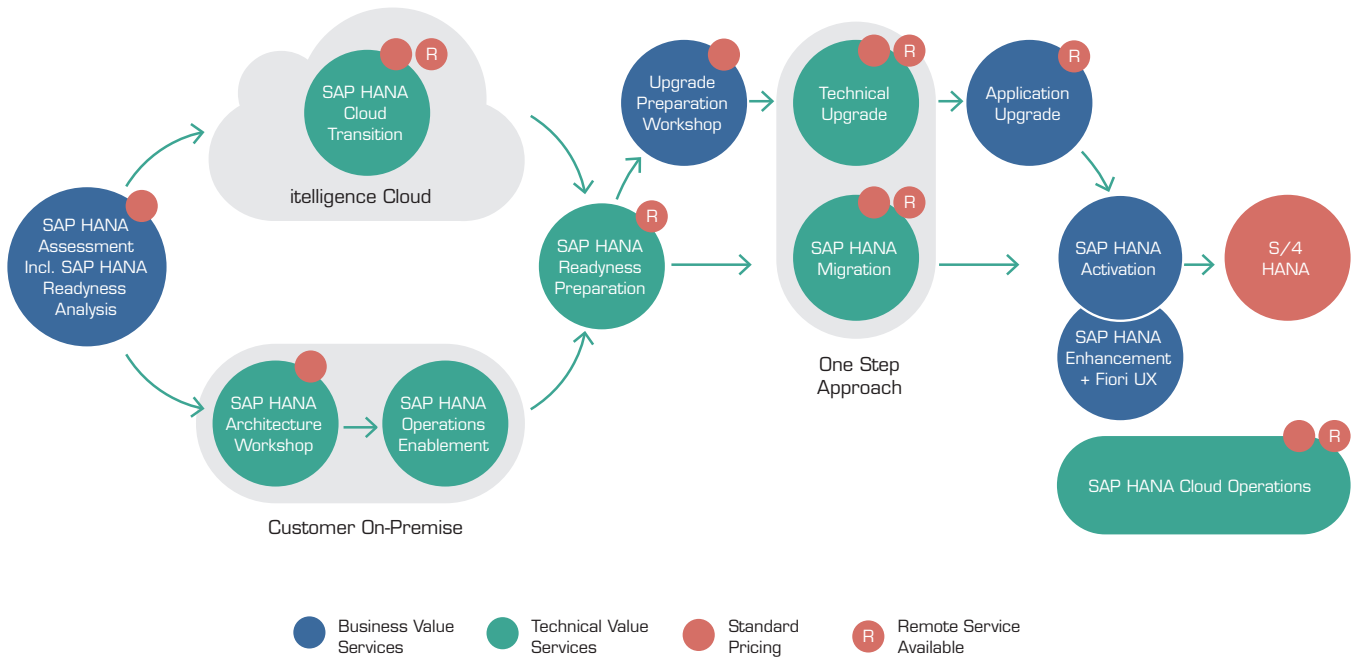
How itelligence Can Guide You through Your Journey

A good way to begin the journey is with a series of value discovery workshops led by itelligence. In these sessions, we help you to uncover ways to reap the benefits of SAP S/4HANA and build a roadmap best suited to your organization. With our extensive knowledge and experience, we can show you how to take full advantage of the available tools and resources for implementation.

In addition to support and consultation, we can also carry out the technical side of implementation on your behalf. Within any of the regions that itelligence operates in, our consultant teams can visit your organization and perform the technical tasks on-site. And there are even certain steps that we can execute remotely, giving you the added benefits of reduced costs and increased flexibility.

Our 200 Managed Services experts for SAP HANA, certified by SAP, ensure that your implementation project runs smoothly. They can perform the installation of SAP S/4HANA for your business, migrating your database (if required) and transferring application-specific data to the new data structure. Furthermore, they can adapt your custom code for the new business suite and support your release management processes. We can also host your SAP HANA environment in our **itelligence Managed Cloud,** giving you the possibility to spread your investment out over time.

Business Value Services · **Technical Value Services** · **Standard Pricing** · **R** Remote Service Available

Summary

The implementation of SAP S/4HANA is a sizeable initiative, but it is one that the vast majority of SAP customers will perform in the next few years. Ultimately, the enterprises that plan to confront the task sooner rather than later will save time and money on trying to close the innovation gap and will gain the competitive edge. The earlier that you begin preparing for your own transition, the quicker and easier the project will be.

Find out more

Learn more about how itelligence can support your journey to SAP S/4HANA. Contact us to arrange a value discovery workshop and uncover the potential.

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