itelligence
NTT DATA Business Solutions

SAP S/4HANA Migration Guide:

Steps you Can Take Now to Prepare

INTRODUCTION

An ERP system is a critical component for the smooth operation of your business, and the decision to make a change is not taken lightly. Many businesses are wondering whether an upgrade to SAP S/4HANA is worth the trouble – uncertainty over total cost and lack of a supporting business case are among the top reasons why some businesses have yet to move from their current systems.

While many businesses are considering moving to SAP S/4HANA within the next five years, there is still uncertainty over how SAP S/4HANA differs from previous SAP ERP systems, what it offers and how it can benefit the business.

No matter whether you are approaching migration to SAP S/4HANA as a technical upgrade or a true business transformation, the first step in your journey should be understanding your current environment and what SAP S/4HANA can bring to your business.

This guide provides a framework, broken down into bite-sized pieces, to help you assess your current environment, learn more about how SAP S/4HANA will impact your business, and prepare for migration.

WHY USE THIS GUIDE?

It has been several years since the release of SAP S/4HANA, yet many application leaders are tempted to ignore it "until it is mature," because understanding its impact is complex. However, this may be the wrong approach, because any additional investments made in current SAP deployments will be impacted by future plans regarding S/4HANA.

All existing SAP Business Suite users need to analyze the impact of S/4HANA on their ERP strategies and SAP investments - and Gartner's advice in a recent Research Note* is do not wait and perform this analysis now.

Application leaders looking to transform their ERP should read Gartner's updated best practices guide, What Customers Need to Know When Considering a Move to S/4HANA – 2018 Update, which recommends the following:

- Understand the benefits of changing to a new technology for ERP and how it will affect your business processes, as well as your IT and end users.
- Assess whether S/4HANA is a strategic fit by performing a high-level benefit analysis, assessing readiness and determining the preferred adoption model.
- Assign a proof of concept (POC) project to monitor and keep up with SAP's roadmap and to be aware of when specific functional and industry components will be available on-premise or in the cloud.
- Prepare for a smooth transition to S/4HANA by first cleaning up your production database, reviewing existing custom code and evaluating delivery alternatives.

This guide provides some practical, bite-sized steps you can take now to begin your assessment and eventual migration to SAP S/4HANA. You can choose from several options designed to help you answer your most-pressing questions and begin to build your strategy and roadmap.

*Gartner Research Note: What Customers Need to Know When Considering a Move to S/4HANA - 2018 Update; Duy Nguyen, John Van Decker, Denis Torii; 8 October 2018

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EXPLORE OPPORTUNITIES AND BUILD YOUR ROADMAP

Developing a strategy for moving to SAP S/4HANA requires a full understanding of your current business and information technology – what the value of migration could be and whether there is a related business case. Make sure you understand your current business strategy, your current operating model (i.e., current processes, organization, information, etc.) and the manner in which SAP currently supports it. Understand what is working well, what is not, and why. This analysis can provide concrete ideas to initiate improvements that can benefit your business now and identify areas where S/4HANA could play a part.

>> HOW WE CAN HELP:

Digital Transformation Workshop

This four-hour workshop is held on-site at your business, and focuses on helping business executives understand:

- Digital transformation and what it means for your business
- The SAP S/4HANA digital core and strategy
- Evolution and history of SAP products
- Deployment options for SAP S/4HANA
- A simple, risk-adverse approach to SAP S/4HANA conversion
- How to define a business case for moving to S/4HANA

itelligence will conduct functional and technical data collection and analysis, review the SAP Fiori user interface (UX) and cover conversion preparation topics. At the end of the workshop, you will receive the following deliverables: data collection analysis, proposal preparation, a slide deck about digital transformation and (optional) a roadmap for moving to SAP S/4HANA.

Business Process Optimization Assessment

Even if you're not planning to migrate to SAP S/4HANA soon, it makes sense to perform a health check of your current business processes to look for opportunities to optimize and gain efficiencies. itelligence can help you identify areas to simplify, improve and enhance existing business processes. During the assessment, we use a structured methodology to provide custom business process optimization recommendations, using the actual transactional data from your systems.

- Highlight ineffective business processes
- Identify practices causing business disruptions
- Benchmark against peers in similar industries
- Create a roadmap sequence and prioritize recommendations
- Create a next-phase project plan
- Recommendations on ERP optimization strategy

Taking the time to uncover and correct areas where business processes are running sub-optimally can help to avoid cost overruns, inefficiencies and even lost revenue.

IT Strategic Roadmap

Many companies have business and technology requests coming in from their business community. One of the major challenges, especially since the advent of S/4HANA, is how to sequence the variety of business requests with SAP solutions in a pragmatic way. Organizations like yours need to optimize the timelines to achieve and align with the overall business plan and strategy. Once you have assessed existing business processes and identified areas to simplify, improve and enhance, it's time to take that information and build an IT strategic roadmap. itelligence can work with your team to develop a business case based on:

- IT alignment with business plan and strategy
- Broad perspective versus single-function focus
- Develop Total Cost of Ownership (TCO) and Return on Investment (ROI) models to identify the list and sequence of priorities
- Practical recommendations based on real data from your system
- Identify project plans for quick wins to build business support, along with a long-term roadmap

The IT strategic roadmap can be a valuable tool to guide management in optimizing the business in alignment with organizational ROI and TCO parameters and goals. It can also indicate a sequence of initiatives over time – what can be done before a move to SAP S/4HANA, when to convert, and what initiatives can be done after the conversion is completed.

EXECUTE A CONVERSION PROOF OF CONCEPT

As previously mentioned, Gartner recommends that businesses assign a proof of concept (POC) project to monitor and keep up with SAP's roadmap and to be aware of when specific functional and industry components will be available on premise or in the cloud.

>> HOW WE CAN HELP:

Conversion Proof of Concept

A system conversion is a popular transition path to convert your existing ERP system to SAP S/4HANA. One of the major challenges impacting our customers is finding a proof-point to determine whether a system conversion will work well for the existing landscapes. A proof of concept can be useful, helping your business to gain more experience with new technology and applications such as SAP S/4HANA and SAP HANA within the context of your own business and IT, without the need to immediately execute a full migration. A proof-of-concept option helps build confidence in the S/4HANA conversion approach and reduce the overall timeline and associated fees to limit the risk for your business.
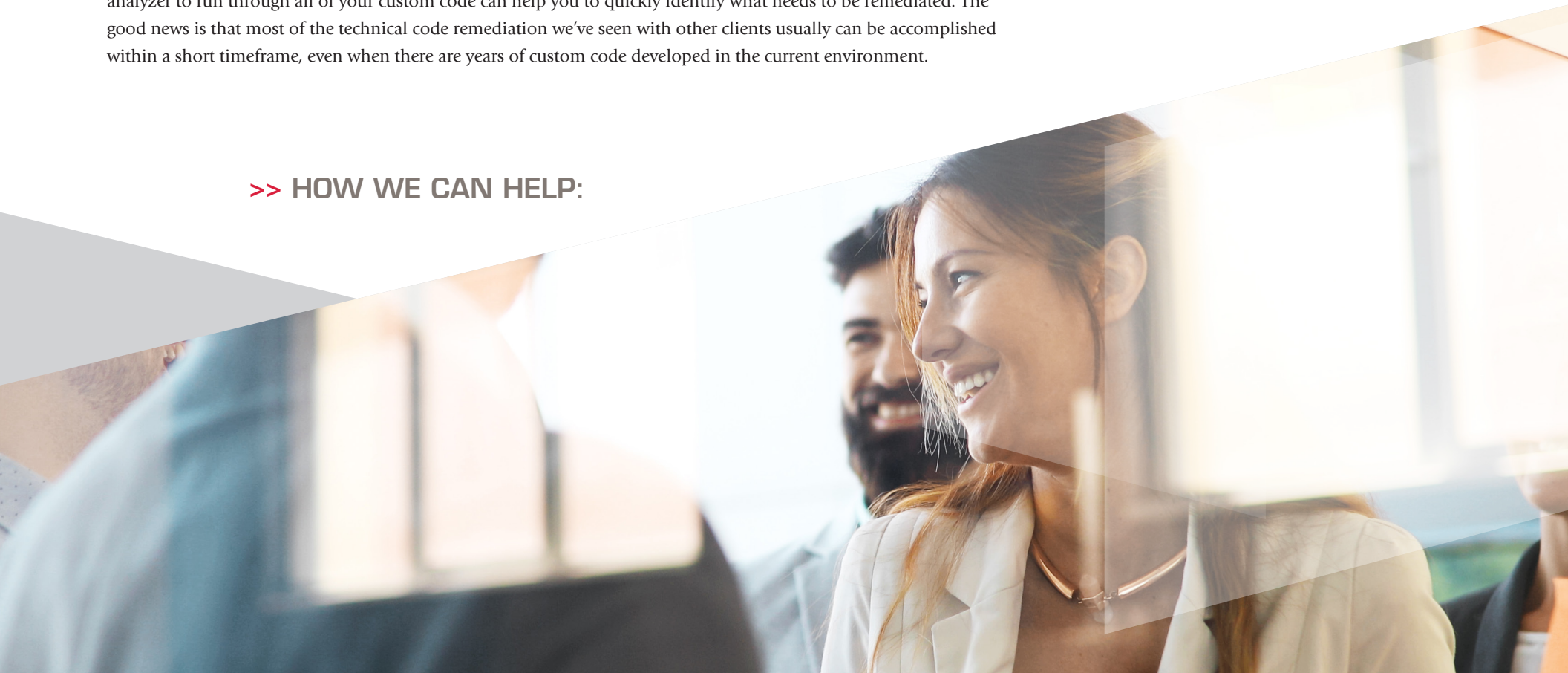
- Sandbox Conversion, 1 Client system
- SAP Readiness Check execution and evaluation
- CVI (Customer Vendor Integration) basic option – no redesign for Business Partner Model
- Custom Code Remediation up to 200 objects
- All necessary configuration for pre- and post-conversion activities

ANSWER QUESTIONS AND ADDRESS BUSINESS CONCERNS

If you're considering migration to SAP S/4HANA, you'll need to take a look at your existing environment and what you will need to address before conversion. SAP Solution Manager 7.2 can be a great tool to gain insight into system usage, database space consumption, custom code and change impact analysis, and test planning. Using this tool, you can reduce the cost of moving to SAP S/4HANA by addressing database consumption and focus your testing efforts on critical processing, streamlining the project timeline with shorter test cycles and drastically reduced cost drains.

Custom code remediation is a particular area of concern for many businesses. After investing in custom code over a number of years, the prospect of moving it over to S/4HANA can be intimidating. However, using a custom code analyzer to run through all of your custom code can help you to quickly identify what needs to be remediated. The good news is that most of the technical code remediation we've seen with other clients usually can be accomplished within a short timeframe, even when there are years of custom code developed in the current environment.

>> **HOW WE CAN HELP:**

Solution Manager as a Managed Service (SMaaMS)

Solution Manager as a Managed Service allows you to realize the full benefits of Solution Manager without having to worry about maintaining hardware, configuring the system, and having the internal knowledge to keep the system up to date. With this managed service, itelligence will set up Solution Manager 7.2 for your business, providing reporting on the following:

- Usage and procedure logging
- Custom code library and usage
- Data volume analysis
- Scope and effort analyzer, including: impacted custom code, impacted modifications, remediation efforts, testing efforts, test scope identification and optimization
- Option for additional application lifecycle management (ALM) functionality
- SMaaMS is an SAP-certified, cloud-based, fully configured subscription service, and can be implemented in 1-3 weeks for most clients.

Custom Code Remediation

Code remediation will be required before you move to SAP HANA or S/4HANA, but manual code remediation is impractical and expensive. Using an automatic code remediation tool can reduce costs by up to 60% and significantly improve code performance. Key processes with automated code remediation include:

- Optimize existing ABAP code
- Automatically fix poorly performing code and make your code SAP HANA-ready

Our custom code remediation tool uses a rapid deployment model and is embedded in our S/4HANA conversion offering. Our data shows that a customer with 10,000 custom objects can save thousands of hours of manual effort, which negates development costs and funds the S/4HANA conversion project.

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WORK AHEAD TO GET READY

There are several things you can do now to get a head start and prepare for future migration to SAP S/4HANA. By taking a look at items such as your database footprint and master data, you can take steps now to clean up and minimize storage requirements (and lower costs). You can also get a head start on making changes to how your customers and vendors are classified – as SAP S/4HANA now refers to both types as business partners. The work you do now will contribute to a smooth transition.

>> HOW WE CAN HELP:

Archiving Assessment

There is value in figuring out how you may be able to reduce database size prior to migrating to SAP HANA. An archiving assessment can be very beneficial, taking a look at your existing data footprint and creating an archive strategy designed to help minimize the size of the existing database.

The archiving assessment includes the following:

- Overview of archiving terminology and options
- Review of existing database sizing and extraction of key table sizes
- Instructions for archiving standard SAP objects
- Projections on the cost, effort, and time required to complete the archiving process
- Recommendations and next steps

itelligence can help you craft a strategy to help minimize the size of your existing database and reduce hardware requirements prior to conversion to SAP S/4HANA. By taking these steps prior to the conversion, you may also avoid additional downtime during the conversion process.

Business Partner Workshop

When moving to SAP S/4HANA, the idea of using separate transactions to access customer or vendor data has changed – both are now referred to as business partners. In order to gain momentum and better position your system for conversion to SAP S/4HANA, itelligence can help to convert all of your customers and vendors into business partners as a pre-migration step.

Our Business Partner Workshop includes the following:

- Education on business partner changes and how it impacts your organization
- Review of business partner simplification in S/4HANA
- Review of current customer and vendor configuration and data
- Discussion of projected configuration and setup for business partners
- Recommendations and action items to be taken immediately

Taking steps now to convert your customers and vendors into business partners can help you gain momentum and better position your existing system for a future conversion to SAP S/4HANA.

Master Data Cleansing (it.mds)

Quality master data is a requirement if you want smooth process execution and reporting accuracy. However, using manual processes to manage master data can be both error-prone and costly – and finding a good tool to automate master data management can be challenging.

itelligence has developed a solution – it.mds – to automate master data management, leveraging your existing business rules and providing the following business value:

- Efficient Product Lifecycle Management (PLM)
- Rapid Time to Value (TTV) with packaged starter application implemented in weeks, not months
- Significantly reduced data entry needs
- Reduced data entry costs
- Elimination of the need for data 'clean-up projects'
- Data quality improvement for reporting accuracy
- Avoidance of process breakdowns due to data not being presentment during execution

By addressing master data cleansing now, you can help ensure that you're bringing over quality data into your new SAP S/4HANA environment when you convert – and you'll also reduce your conversion project timeline when it's time to migrate.

LEARN ABOUT S/4HANA AND PREPARE FOR MIGRATION

itelligence provides several workshops designed to educate your business about new functionality provided in SAP S/4HANA and to help you prepare for migration.

Even if your business is not yet ready to commit to migration, it may be beneficial to invest time to understand how SAP S/4HANA will impact your business, and how to prepare for the future.

>> HOW WE CAN HELP:

Embedded Analytics Workshop

This workshop provides an introduction to Embedded Analytics, an integral part of SAP S/4HANA. During the workshop, you'll have the opportunity to review Core Data Services (CDS) views and consumption models, as well as learn how to write reports. The workshop provides information about the following:

- CDS overview and usage
- Introduction to SAP Lumira and its features
- Consumption of CDS views using SAP Lumira
- How to produce a report
- How to develop and use the Master Report list and identify top reporting and analytics requirements

Your business will receive the following deliverables from the workshop: master reporting list, a report developed using SAP Lumira during the workshop, and CDS views associated, activated and deployed.

SAP Fiori Workshop

SAP Fiori's user-centered design concept focuses on the way employees work, using the SAP Fiori Launchpad as the central, role-based entry point to access all applications. The itelligence SAP Fiori Workshop provides an introduction to SAP Fiori and how to activate and customize SAP Fiori applications. The following topics are covered:

- Overview of SAP's UX strategy
- Introduction to SAP's UX tools and SAP Fiori
- Deployment of SAP Fiori transactional/factsheet/object page apps
- Deployment of SAP Fiori KPI app
- Overview of SAP Query Browser and Launchpad Designer
- Creation of SAP Fiori Tile Catalogs and Groups
- Creation of SAP Tile for Standard Transaction
- Review of the SAP Fiori role framework
- Introduction of SAP Business Client and SAP UI Theme Designer.

During the workshop, attendees will participate in hands-on exercises to activate SAP Fiori apps and create the SAP Fiori catalog/group, new SAP transaction tile and a role for the Standard SAP app.

S4 Security Workshop

Many of the changes brought about by SAP S/4HANA will have an impact on the security and role design for end users. The itelligence S4 Security Workshop reviews new security considerations for SAP HANA and SAP Fiori, and provides best-practice standards for security models. The workshop provides the following:

- Review of SAP HANA database security principles and framework
- Hands-on approach to learning adjustment and additional roles needed to execute SAP HANA
- SAP Fiori role framework
- SAP Fiori role mapping
- Review of existing roles and mapping associated remediation

Upon completion of the workshop, attendees will understand how to adjust and remediate changes to authorization due to S/4HANA and receive a new security matrix that includes new roles.

Technical Standards Workshop

The itelligence Technical Standards Workshop is designed to help you start code remediation and HANAtization of legacy code with the right footing and education. This workshop will help you get up to speed with powerful new coding techniques to leverage the SAP HANA database to build modern, scalable apps.

The workshop provides information about the following:

- CDS Views and OData services
- Development standards in S/4HANA and best practices for S/4HANA ABAP development
- Solution Manager features
- Tools for development: Eclipse
- Analysis tools available in S/4HANA: ABAP Test Cockpit, SQL Monitor

During the workshop, attendees will participate in hands-on development in Eclipse IDE and OData services. Attendees will also have the opportunity to create and execute their first CDS View and execute a report from the ABAP Test Cockpit.

Output Management Workshop

Before migrating to SAP S/4HANA, it may be beneficial to have an understanding of SAP's new output management approach based on Adobe Document Server and Adobe Forms. The itelligence Output Management Workshop provides client developers with a basic understanding of how and when to use Adobe Forms in SAP S/4HANA. The following topics are covered:

- Evolution of SAP output and the direction of SAP
- Understanding the technical architecture
- Interactive forms
- How to develop an Adobe form

During the one-day workshop, client developers will have the opportunity to create Adobe Forms hands-on.

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ABOUT ITELLIGENCE
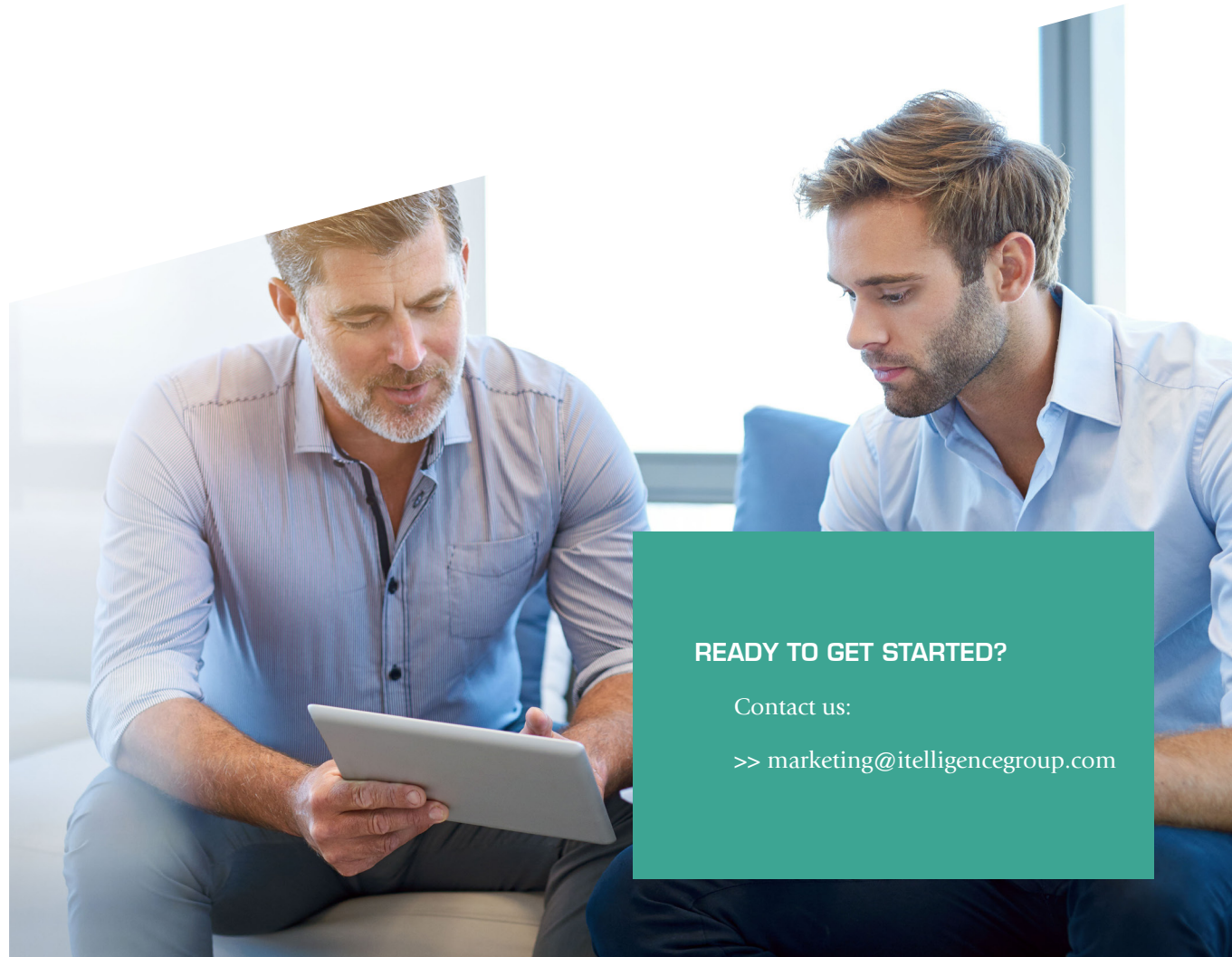## We Transform. Trust into Value

We are an NTT DATA company and we focus on SAP solutions to create value for our clients all over the world. As a partner, we help them transform, grow and be more successful.

At itelligence, we innovate, design, implement, manage and continuously enhance business solutions. We are passionate about the change that can produced that way.

We believe that we can transform companies like yours anywhere in the world to develop and reach a higher level by using our "Trust Model." It means that we understand your market, your industry and technology. And we combine our expertise with local proximity, global capabilities and our people values - always finding the right balance for each individual customer. That is how we build trust.

Does it work? Well, since our start 30 years ago, we have worked with thousands of companies to help them transform and be more successful.

That's why people trust us. All over the world.

READY TO GET STARTED?

Contact us:

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