



Creating Disruptive Advantage by moving to SAP S/4HANA

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Julian Brumby, Head of Client Services, SNP

03-Dec-2019 | V1.0

UKISUG 2019

IBM Services

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Best of Green

+ Best of Brown

= Rapid Move

..... Are you ready?



The client context...

SAP S/4HANA Adoption Challenges

Challenge to build a compelling business case

Lack of executive alignment and buy-in

Continue to benefit from existing investment

Not enough customer references

Evolving technology

SAP ends ECC support and maintenance in 2025



Stakeholder requirements – different objectives and benefits expected

How do you ensure all stakeholders can realise the benefits from the business case for transformation

As the **CSCM**, I need a **Integrated Logistics** capability in S/4HANA to address the business requirements.

As the **CIO**, I need a S/4HANA system on a **flexible platform with low OpEx** consumption based model

As the **CISO**, I need a highly secure S/4 HANA production environment so there are **no cybersecurity impacts** to the business.

As the **COO** responsible for Business Operations, I need a **safe, secure, reliable** and well managed S/4HANA solution



As the **CTO**, I need a stable ERP solution that is **optimised, standardization and simplified** core ERP solution as launch pad for **innovation**

As the **CFO**, I need a **real time finance insights at item level** across my entire enterprise provided at optimal TCO

As the **CMO-Digital**, I need **closer intimacy to my customers** through an integrated S/4HANA solution

DIGITAL TRANSFORMERS' DILEMMA

Many enterprises, particularly those already on SAP, see compelling reasons to consider a move to SAP S/4HANA, but the decision makers at these enterprises must navigate a complex set of questions

DIGITAL TRANSFORMATION CONSIDERATION FACTORS:

67%

OF EXECUTIVES...
See Digital Transformation as necessary to their business' survival

57%

OF ORGANIZATIONS...
Believe implementation of digital technologies is a critical business enabler

2025

DATE...
Of SAP's planned deadline for maintenance and support of SAP ECC6

>50%

OF EXECUTIVES...
In 10 of 13 industries anticipate major digital disruption in their industry

87%

OF ORGANIZATIONS...
Expect digital transformation to have a positive impact on employee experience

THEMES OF LEADERS' TRANSFORMATION DILEMMA:



BUSINESS JUSTIFICATION

What's the business and financial value of moving to S/4HANA?



EXECUTIVE ALIGNMENT

How do I earn buy-in for transformation from stakeholders?



TRANSFORMATION SCOPE

What's the right scope for starting ERP transformation?



IMPLEMENTATION PATH

What's the right ERP roadmap given our business strategy?



IBM Rapid Discovery

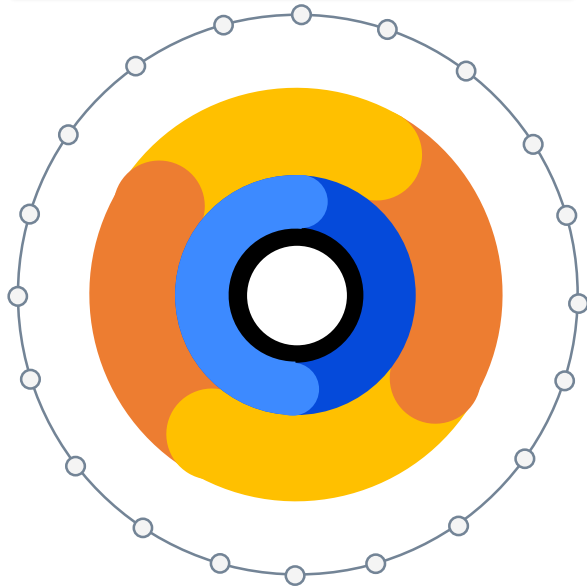
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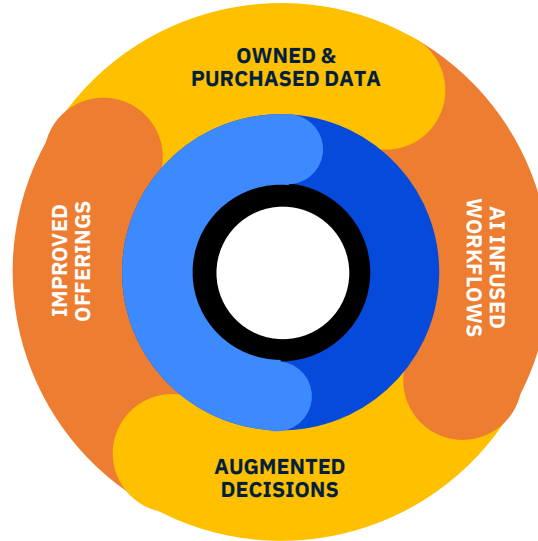
SAP S/4HANA is the foundation for new Ecosystem Platforms

ECOSYSTEM



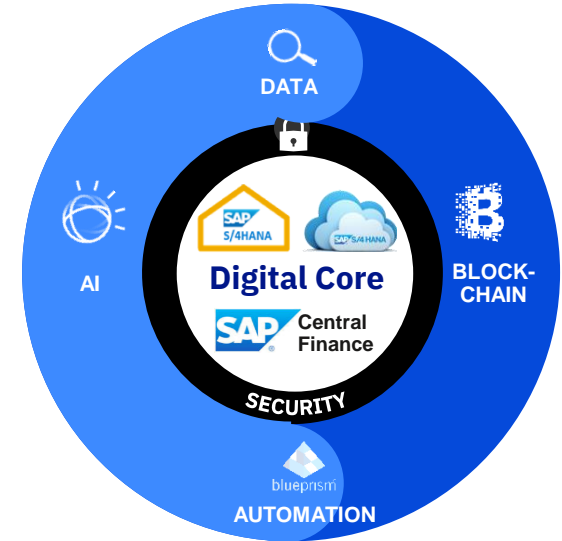
Capture new and adjacent marketplace by managing essential, value-added processes with a broad ecosystem of partners.

BUSINESS



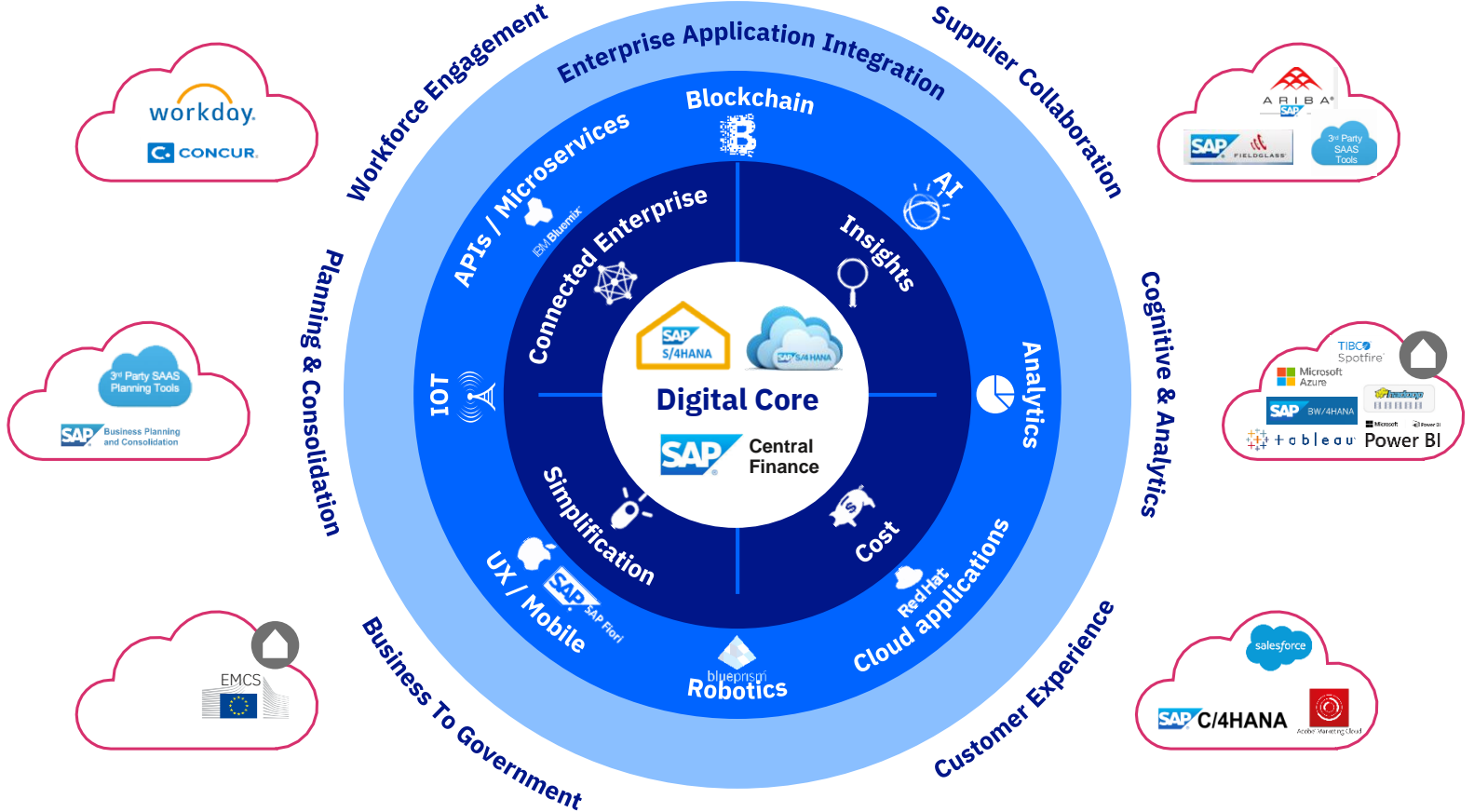
Differentiate an organization by combining data, unique workflows and expertise to drive competitive advantage.

Technology

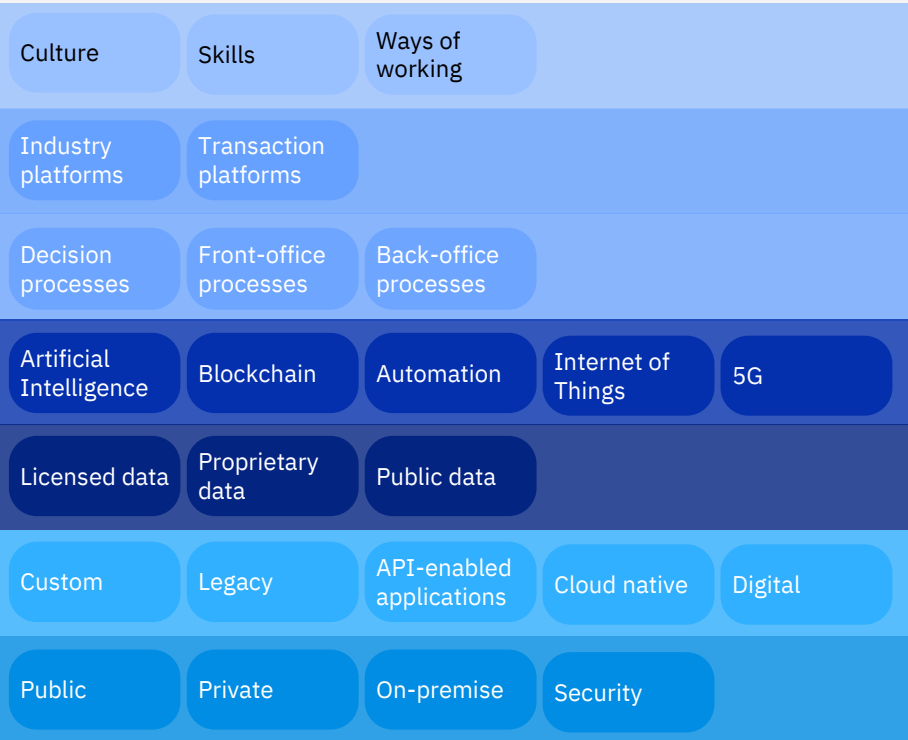


Enable application and infrastructure platforms, underpin workflows and support business platforms.

What the new SAP S/4HANA Digital Core enables



Within a business platform, common capability layers combine to drive the enhanced performance of a Cognitive Enterprise



A culture of agile innovation:

powered by an ecosystem of business platforms;

activated by cognitive-enabled enterprise workflow;

made possible with exponential technologies;

that are fueled by data;

using next-generation applications; and

on a secure hybrid multi-cloud infrastructure.

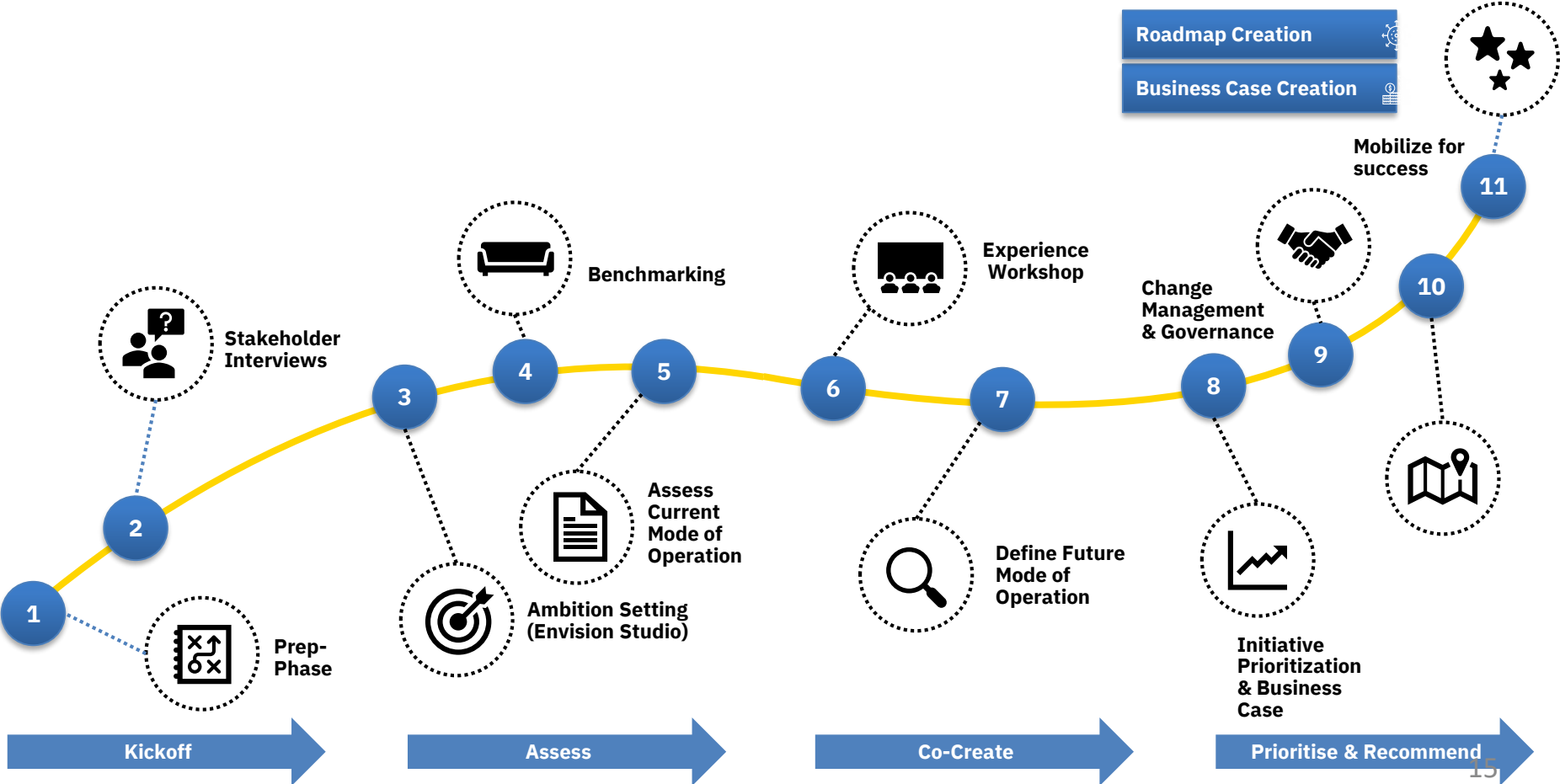
How does a Cognitive Enterprise behave?

It understands, learns, reasons and interacts

It creates knowledge from data to expand human expertise

It is connected within and to ecosystems

Experience Led Rapid Discovery to help define the roadmap & business case



RAPID DISCOVERY - ALIGNING THE FOUNDATION OF SAP S/4HANA TRANSFORMATION

IBM Rapid Discovery helps organizations build the fact base they need to confidently move forward with their critical transformation decisions while building the foundation for program success

EXPERIENCE HAS PROVEN THAT PROGRAMS ARE MORE RAPIDLY SUCCESSFUL WHEN LAUNCHED WITH A SOLID STRATEGIC FOUNDATION – IBM LEVERAGES ‘SIX INGREDIENTS’ TO OUR STRATEGY FRAMEWORK



EXECUTIVE
ALIGNMENT



GOVERNANCE
MODEL



CAPABILITIES AND
ENABLER DEFINITION



ENTERPRISE PROCESS
MODEL



BUSINESS VALUE
DEFINITION



IMPLEMENTATION
STRATEGY CONF.



IBM Rapid Discovery aligns the foundation of the ‘Six Ingredients’, while helping organizations develop an understanding of why, what, and how business transformation can achieve tangible results

WHY

should I move my organization to modern standardized processes?

WHAT

are the opportunities and considerations moving to industry best practices?

HOW

do I unlock inherent business value via a modernized ERP platform?

RAPID DISCOVERY TRACKS

IBM RAPID DISCOVERY IS ORGANIZED INTO 10 + 1 TRACKS, OUTLINED AT A HIGH-LEVEL BELOW

TRACK 0 EXECUTIVE ALIGNMENT

Capture the perspective of executives on strategic imperatives, business performance, and improvement opportunities through a series of interviews

TRACK 1 IBM HANA IMPACT ASSESSMENT

Quantify the opportunities and impacts of moving from current-state ERP systems to a future-state intelligent core ERP on SAP S/4HANA

TRACK 2 PROCESS OPPORTUNITY

Define the strategic capabilities, determine enablers, and deduce business process opportunity provided by core ERP

TRACK 3 DATA AND ANALYTICS

Determine the current-state realities of data readiness and develop an optimized data and analytics strategy to support and exploit the move to SAP S/4HANA

TRACK 4 CHANGE MANAGEMENT

Uncover and understand the organizational change management opportunities and impacts related to ERP business transformation and develop a high-level approach to unlock user adoption and value realization

TRACK 5 INNOVATION OPPORTUNITY

Explore the opportunities to move beyond an SAP S/4HANA, leveraging prioritized innovation use cases to amplify business value in the short term

TRACK 6 APPLICATION RATIONALIZATION

Assess current state applications to rationalize and reduce duplicate business functionality in the future-state solution

TRACK 7 ENTERPRISE ARCHITECTURE

Determine the enterprise architecture to form the foundation for future-state operations, aligned with your organizations architectural guidelines and priorities

TRACK 8 BUSINESS VALUE

Create a business case to garner business buy-in that quantifies the benefits of the SAP S/4HANA program and compares those benefits to the associated costs of the ERP Roadmap

TRACK 9 ERP ROADMAP

Consider priorities related to the SAP S/4HANA program, contributing to a tactical evaluation and recommendation of the best possible ERP roadmap for business transformation

TRACK 10 TIMELINE, RESOURCE, & COST

Augment leading ERP roadmap options with their associated timeline, resourcing, and costing to facilitate a commercial evaluation versus their associated business value assumptions

The approach driving the above outlined tracks is detailed on the subsequent slide

S/4HANA Tools, Methods & Accelerators

Analysis

Start with an analysis of current SAP system(s) using **HANA Impact Assessment for ECC/BW** and **SNP System and Interface Scan Tools**



Identify what's used in current system

- SAP Modules
- SAP Business functions,
- SAP & 3rd Party Add-ons
- Organisation Structures

Identify systems connected to ECC

Analyse impacts to HANA/BW

Implementation

Select migration/adoption approach:



Agile Prototyping in S/4HANA



Automated code Remediation & Retro Fit



Automation tools and cookbooks to manage transition of functionality from Old (ECC) to New (S/4H)

IGNITE testing methodology & tools aligned to migration approach

Data

Data: Readiness, Cleanse and Migration Approach



IBM's EnterpriseHub

Looking Ahead – Data Insights can be enabled from the S/4H Digital Core:



Microsoft Power BI, TIBCO Spotfire



Run, Maintain & Enhance

Digital Operation Centre – enable 'Near Zero Touch', secure and reliable operations from day one

Improve UX for IT Ops



Transform & modernise IT Ops

App monitoring



Scale & Deliver SAP extensions



Monetise APIs



Automation



IBM has proven methods, tools & experienced skills from 150+ S/4H live implementation projects

SNP Crystal Bridge - Thrive in Complexity

Understand Complex SAP Systems in Minutes

Recommendations

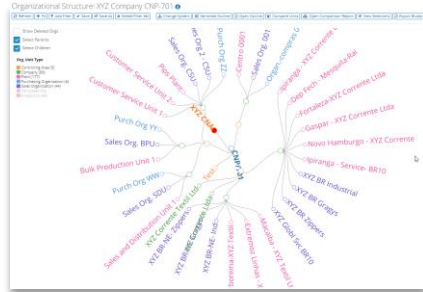
❌ You are not using SAP Solution Manager
 SAP Solution Manager is the central system administration tool for SAP systems. It provides a comprehensive overview of your SAP landscape and enables you to manage your SAP systems efficiently. It is highly recommended that you implement SAP Solution Manager to realize these benefits.

❌ You are not using SAP CHARM
 SAP Change Request Management (CHARM) is a tool for managing change requests in SAP systems. It provides a structured process for requesting, approving, and implementing changes. It is highly recommended that you implement SAP CHARM to manage your change requests effectively.

❌ You are not using the SAP New General Ledger
 The SAP New General Ledger (NLG) is a modern ledger module that provides enhanced functionality for financial reporting and consolidation. It is highly recommended that you implement the SAP NLG to improve your financial reporting capabilities.

❌ Your Custom Objects usage is inefficient.
 Number of custom objects used: 881 (24.4%)
 Total number of custom objects: 358
 You are using less than 70% of your Custom Objects.

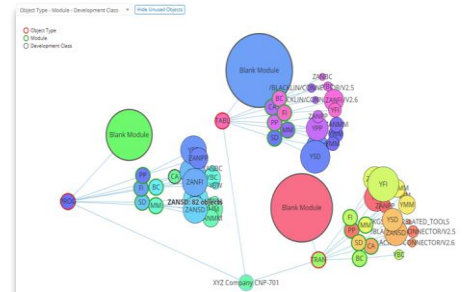
View Enterprise Structure



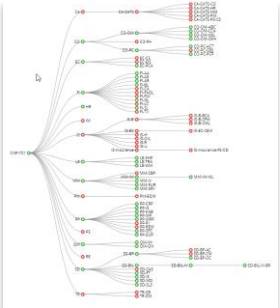
Profile Master Data

Object	Rows
Controlling	1,028,283,053 Rows
Financial Accounting	1,312,435,135 Rows
Materials Management	972,364,661 Rows
Basic Components	307,143,675 Rows
Sales and Distribution	849,105,051 Rows

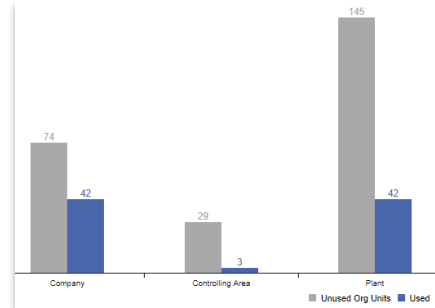
Profile Custom Objects



View Module Usage



View Unused Org Units



System Connections

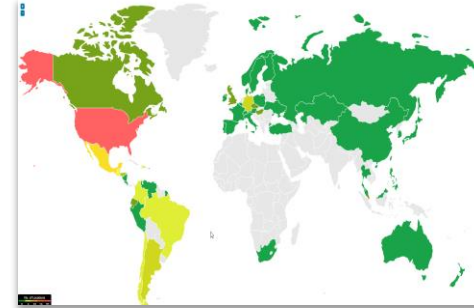
Database: ORACLE
 Host: coasbrp
 Name: CNP
 Node Name: coasbrp
 Server Name: ORACLE
 Database System: ORACLE
 Version: 11.2.0.4.0
 Database Release: 740
 Free Database Size (GB): 203.61
 Used Database Size (GB): 1,316.62
 Total Database Size (GB): 1,519.86

SAP App Server
 Host: coasbrp
 Server Name: coasbrp CNP-00
 IP Address: 172.16.1.17
 Service: sapapp00
 Service Number: 3000
 No. of CPUs: 4
 RAM (MB): 51,487,268

SAP App Server
 Host: coasbrp
 Server Name: coasbrp CNP-00
 IP Address: 172.16.2.194
 Service: sapapp00
 Service Number: 3000
 No. of CPUs: 56
 RAM (MB): 200,715,200

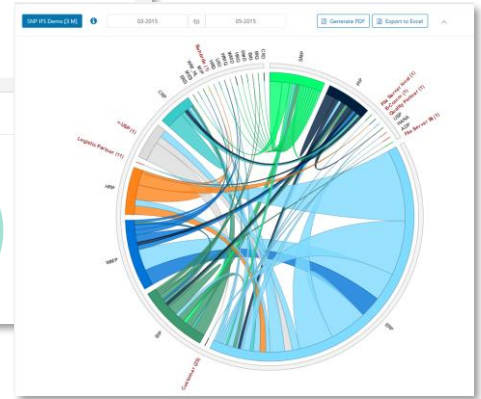
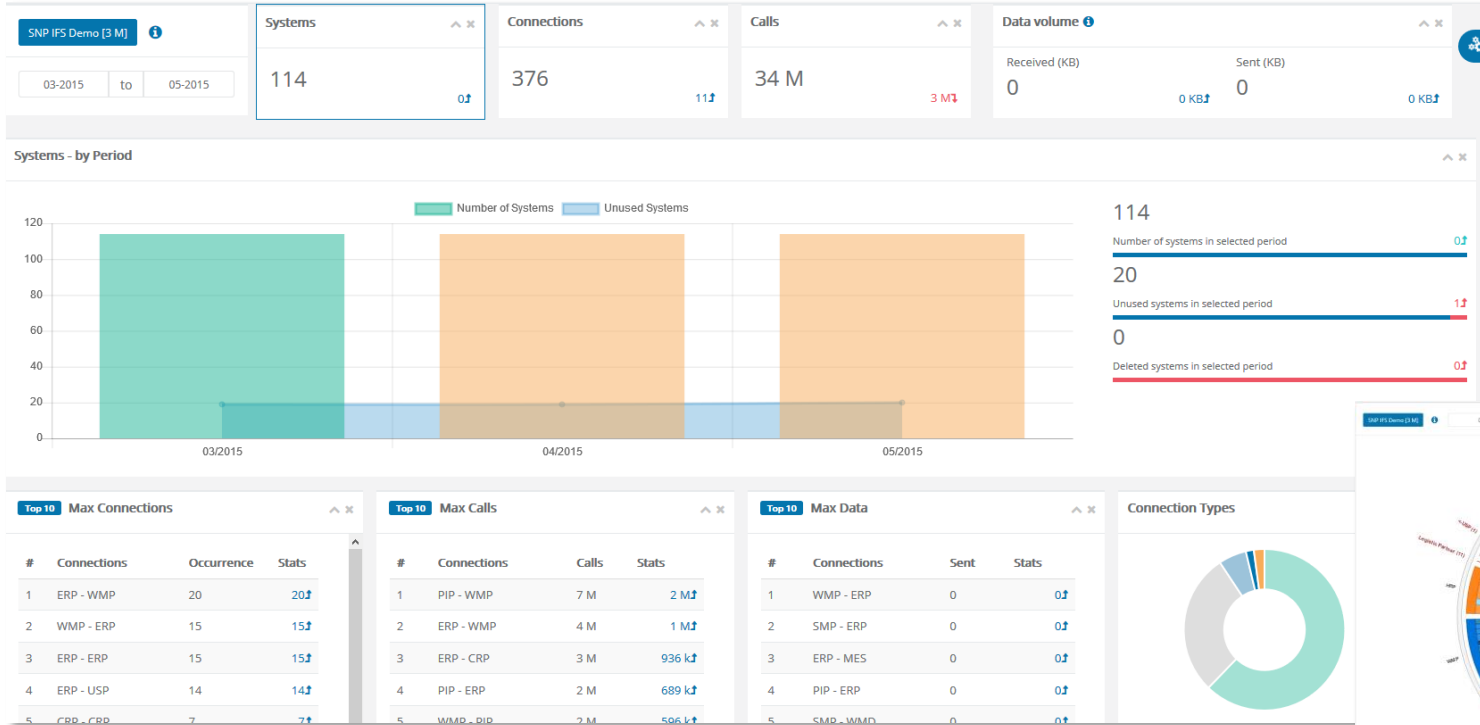
SAP App Server
 Host: coasbrp
 Server Name: coasbrp CNP-00
 IP Address: 172.16.2.199
 Service: sapapp00
 Service Number: 3000
 No. of CPUs: 4
 RAM (MB): 51,487,268

Company Locations



Selective Migration Powered by CrystalBridge

Steps in CrystalBridge



- Connection data are visualised as dashboard
- Collected periods can be analysed by System, Connection or Calls, periods can be compared

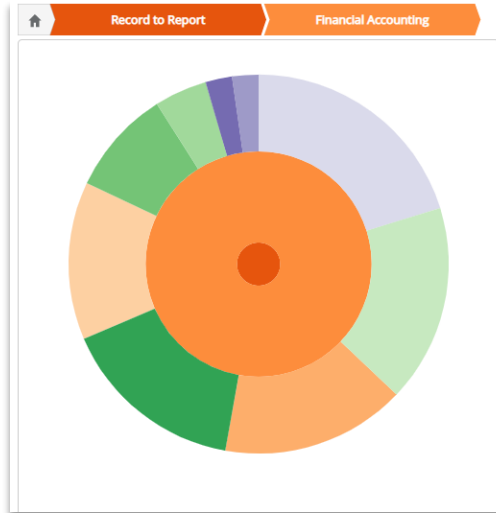
Using IBM HANA Impact Assessment – we can establish the Functional Impact of a move to S/4HANA

Process Usage Assessment

89 / 541 Number of Processes	16%
415 / 1598 T-Codes Affected	26%
5 / 38 High Impact Processes	13%
16 / 28 High Priority Processes	57%
6 / 106 Processes with Compatibility Pack	6%

1 - Critical
2 - High
3 - Medium
5 - Discretionary
6 - Negligible
Not Required - Not Required

Process Usage Assessment



Process Impact of S/4HANA

SAP App Component	Process Group
FI-GL	Record to Report
ID: 377	
Process Category: Financial Accounting	
Process Sub-Category: General Ledger	
Process Name: Classic General Ledger	
T-Code: FS10 ,FB03,FB13,FB02,GP12NA,GP12N,GI,PLUP,GS03,GP52,GGB0,FS01,FS02,FS05,ALR_87012279	
Overview of Change:	
Classic General Ledger is not supported. On migration it will automatically move to Universal Journal.	

T-code analysis

T-Code Execution Details

FB03 - Display Document

Date	Execution Range	Dialog Steps	Job Count	Response Time (ms)	Records Read	Records Changed
08/2018	Month	12	12	30,808	2,151	2

Using IBM HANA Impact Assessment



SAP TOOLS

System Code Inspector

Simplification database

Fiori advisor

ST03N

Maintenance Planner

Readiness & Pre-conversion checks

Business Scenario Recommendation

Transformation Navigator

S/4HANA Value Advisor



IBM TOOLS

SAP Upgrade Explorer Tool (SUET)

Business Process Analyzer

Business Function Analyzer

Add-on Analyzer

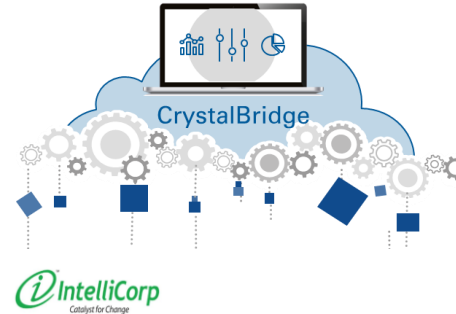
IBM Hanatization Console

S/4HANA Options Evaluation Accelerator

IBM Cloud TCO Advisor

"IBM's HANA Impact Assessment tool is a great way to start your journey to SAP S/4HANA. This market leading tool helps SAP customers rapidly identify opportunities to get, and stay, ahead of the value curve. It's clear today that companies cannot rely on yesterday's technology to meet today's business needs."

Uwe Grigoleit, Senior Vice President and General Manager of SAP S/4HANA



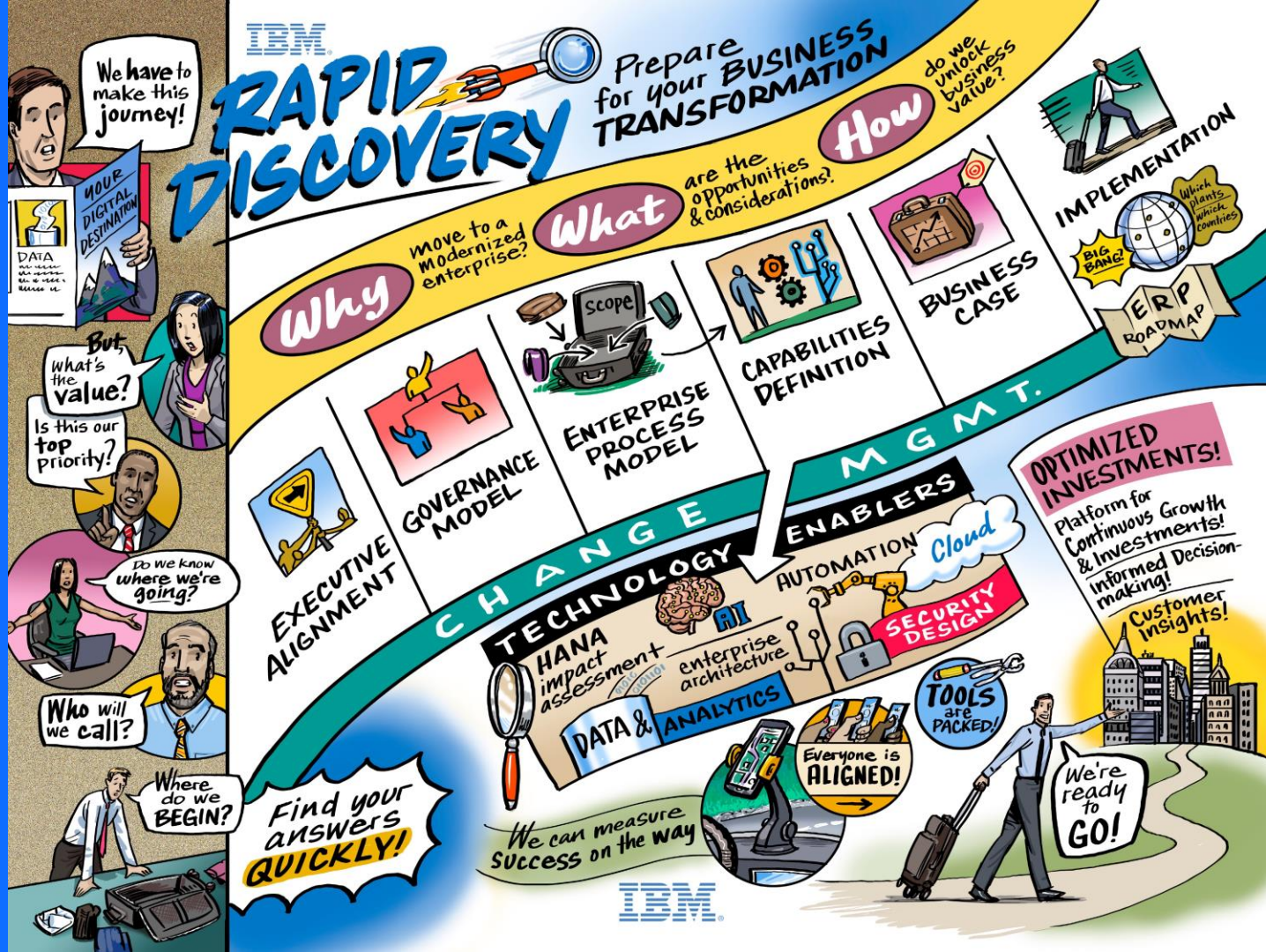
Intellicorp Tools

LiveCompare

Intellicorp for IBM

200+ Customers and counting!

IBM RAPID DISCOVERY SUMMARISED





IBM Rapid Move

IBM Services

Let's put smart to work™



SAP S/4HANA Adoption Challenges

Challenge to build a compelling business case

Lack of executive alignment and buy-in

Continue to benefit from existing investment

Not enough customer references

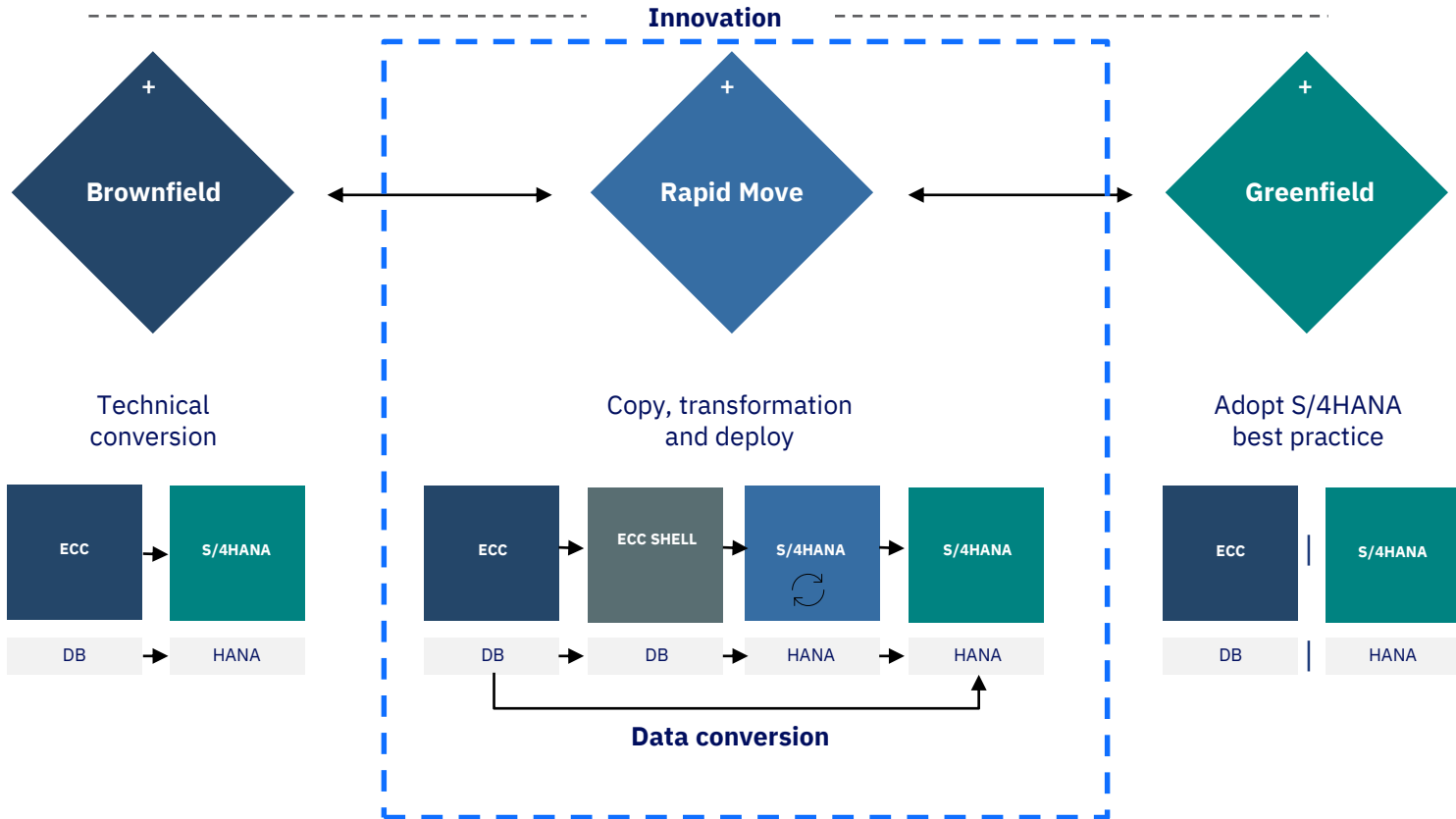
Evolving technology

SAP ends ECC support and maintenance in 2025



Creating Options

Your journey, your path



Use Cases and Building Blocks

Building blocks help the client select the right components for each domain/component of the move to S/4HANA.
Based on client requirements & constraints as well as offering and delivery constraints
Using standard IBM Rapid Move offerings and standard reference architectures

IBM Rapid Move Building Blocks						
Domain	Component					
Technology	Cloud	Upgrade	Unicode	Custom Code	OS/DB	New GL
Data	Selective Data Migration	Data Harmonization	Data Transformation	Data Reorganization	Data Analytics	Data Quality
Process	Standardize	Redesign	Innovate with S/4HANA	Remove	Enhance	
People	UX	Change Management	Training			
Business Driver	M&A	Consolidation	Carve Out	Big Bang	Phased Roll Out	
Emerging Tech	Automation	Machine Learning	Artificial Intelligence			

IBM Rapid Move



Hybrid Transition that leverages your existing SAP investment as the foundation for the future SAP S/4HANA system



Partial redesign and standardization on selected SAP business processes with IBM Ascend and 'Quad A' while leveraging existing SAP investment



Enhanced User Experience with pre-defined SAP Fiori deployment models and improved collaboration across the enterprise



Selective data migration with full or partial historic data retention

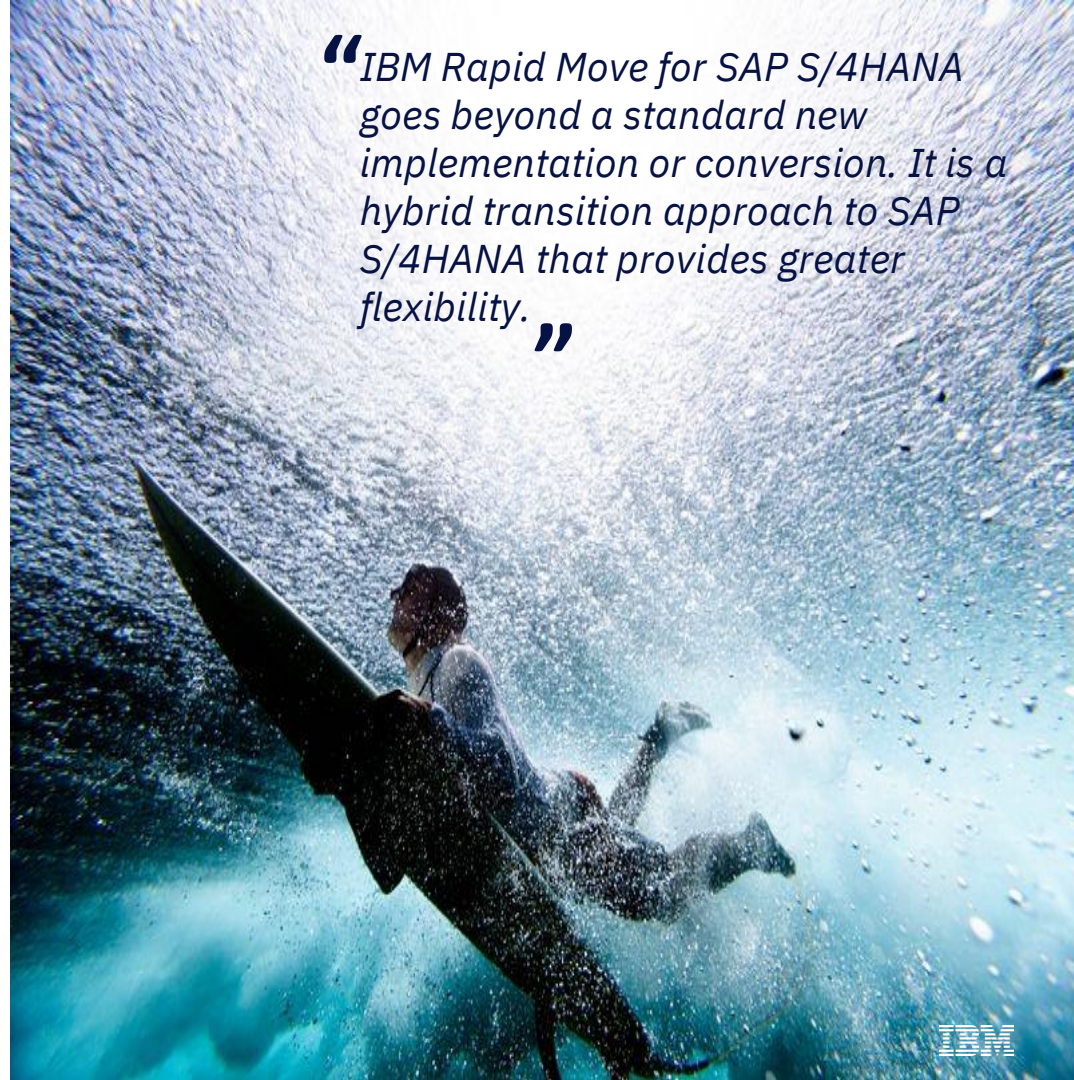


Automation imbedded in the migration and business processes running on SAP S/4HANA



IBM and SAP Assets developed to support and deliver the S/4HANA migration process at speed with mitigated risk

“IBM Rapid Move for SAP S/4HANA goes beyond a standard new implementation or conversion. It is a hybrid transition approach to SAP S/4HANA that provides greater flexibility.”



New Digital Logistics Hub with IBM Rapid Move



Hybrid move to S/4HANA



Hybrid move to S/4HANA



Hybrid move to S/4HANA

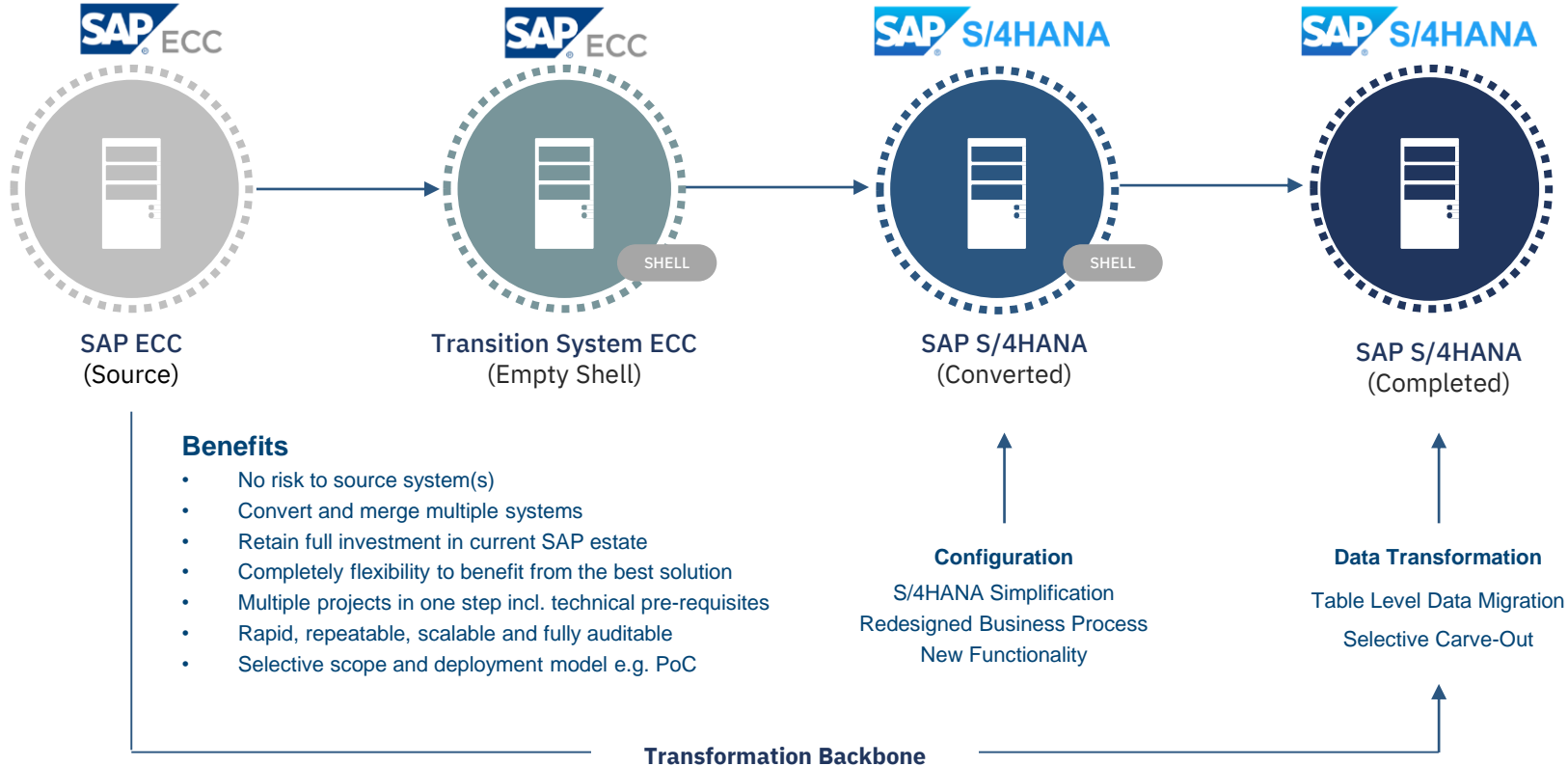


Hybrid move to S/4HANA

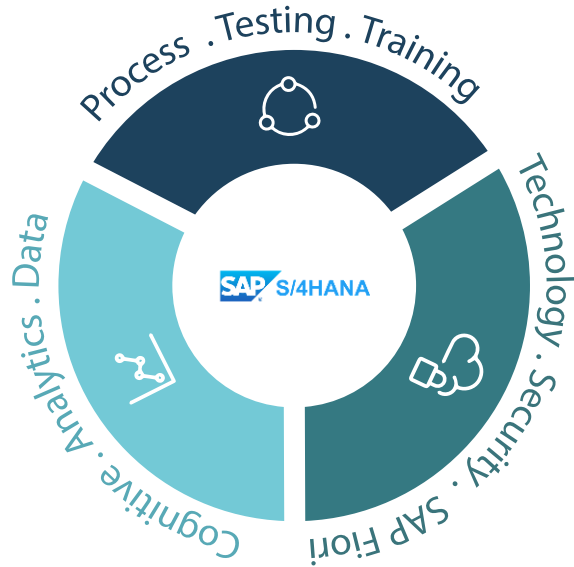


Hybrid move to S/4HANA

Copy, transformation and deploy



What is IMPACT?



[Watch the IMPACT Industry Solutions Infomercial Video](#)

IBM has incorporated decades of SAP experience and industry expertise to build robust IMPACT Industry Solutions to standardize and accelerate S/4HANA programs, automate testing and data management, and enable cognitive and advanced analytics capabilities.

- ▶ Adopt standard best practices and take advantage of newer technologies.
- ▶ Accelerate project timelines through pre-built solutions.
- ▶ Shift project activities left and get a working solution faster.

INDUSTRY
MMETHODOLOGY
PROCESS
AGILE
COGNITIVE
TRANSFORMATION

Built on SAP Best Practices; Enhanced with IBM Expertise

IMPACT activates all SAP Best Practices for 5 countries and 7 languages, then builds-in robust content to support multiple industries, and integrates additional components to provide advanced functionality.

200+ SAP Best Practices

- Order Management
- Returns Processing
- Enhanced Warehouse Management
- Financials
- Asset Management
- Accounts Payable
- Accounts Receivable
- Manufacturing
- Quality Management
- Procurement
- Inventory Management

&

140+ IBM Cross-Industry Processes

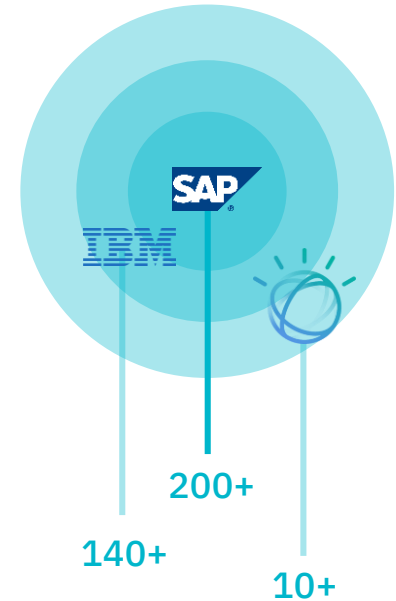
- Financial Accounting
- Financial Business Planning and Consolidations
- Asset Accounting
- Bank and Cash Management
- Closing Operations
- Indirect Procurement
- Collaborative Sourcing & Contract Management
- Direct Procurement
- Simplified Intercompany Supply Chain Operations
- Inventory and Warehouse Management

&

10+ Integrated Components

- Strategic, Operational, and Tactical KPI Libraries
- Pre-created Data Lake
- Cloud and On-Premise BI Analytics (BOBJ)
- Hadoop for Big Data
- BW/4HANA
- Lumira
- Enterprise Hub
- Data Services

*Number of assets will vary between specific SAP versions.



IMPACT Solution – Under the Hood

LEVEL 1

PRE-CONFIGURED INDUSTRY SOLUTION



Core SAP S/4HANA
Best Practice



Best Practice
Enhancements

Launching day one of the program with a working, live SAP S/4HANA solution based on SAP Best Practice and enhanced with our Best Practices and industry insight

LEVEL 2

PROCESS DOCUMENTATION & MODELING



300+
E2E Global
Business
Processes



300+
Process
Definition
Documents



FULL
Pre-Configured
Business Process
Hierarchy

Reduce the inherent lag between process validation and design with an integrated Business Process Hierarchy and Pre-defined Process Models and Process Definition Documents (PDD)

LEVEL 3

AUXILIARY ASSETS ACCELERATING OUR DELIVERY



IMPACT for Data
EHUB



1100+
Automated Test
Scripts and Assets
Worksoft



600+
Training Recordings
and Documents
SAP Enable Now



40+
Pre-Configured
Security Roles



400+
Fiori Apps Activated
and Configured



65+
Analytics Reports
Configured

Accelerate the full duration of your program with pre-built assets loaded into the toolsets themselves, allowing us to shift our midset from 'creating' to 'editing existing'



Notes an SAP Licensing Opportunity

Unicode Conversion

Customer Vendor Integration

Special Purpose Ledger

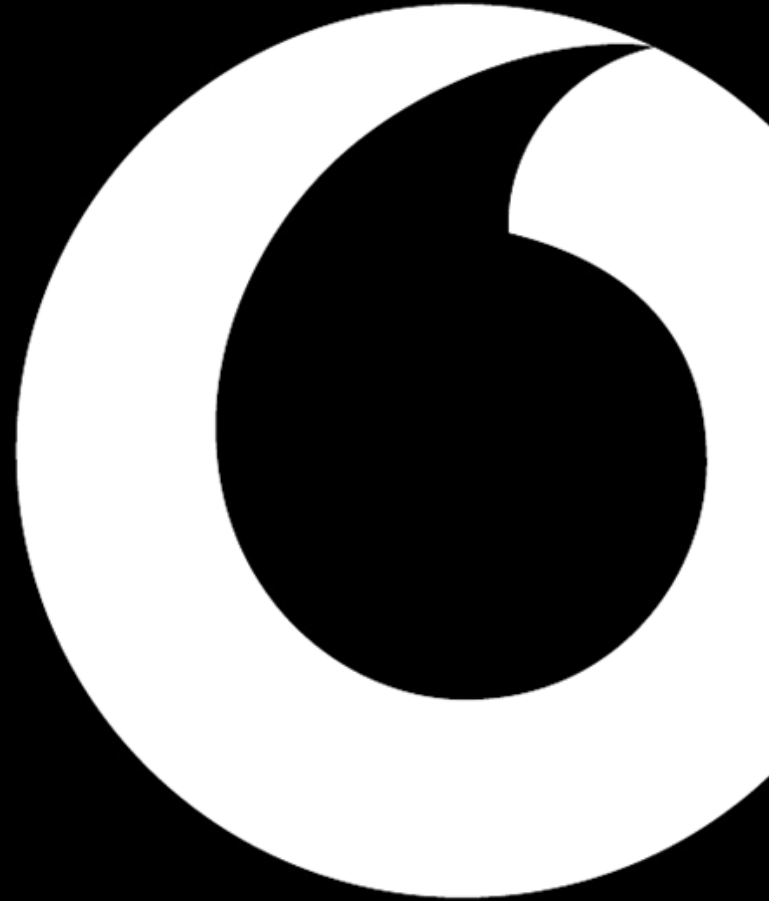
Embedded Analytics

3 Year Data Slice

Custom Code Reduction

SAP Fiori

Process Simplification



50%

acceleration in time to value

90%

data footprint reduction

60%

custom code simplification

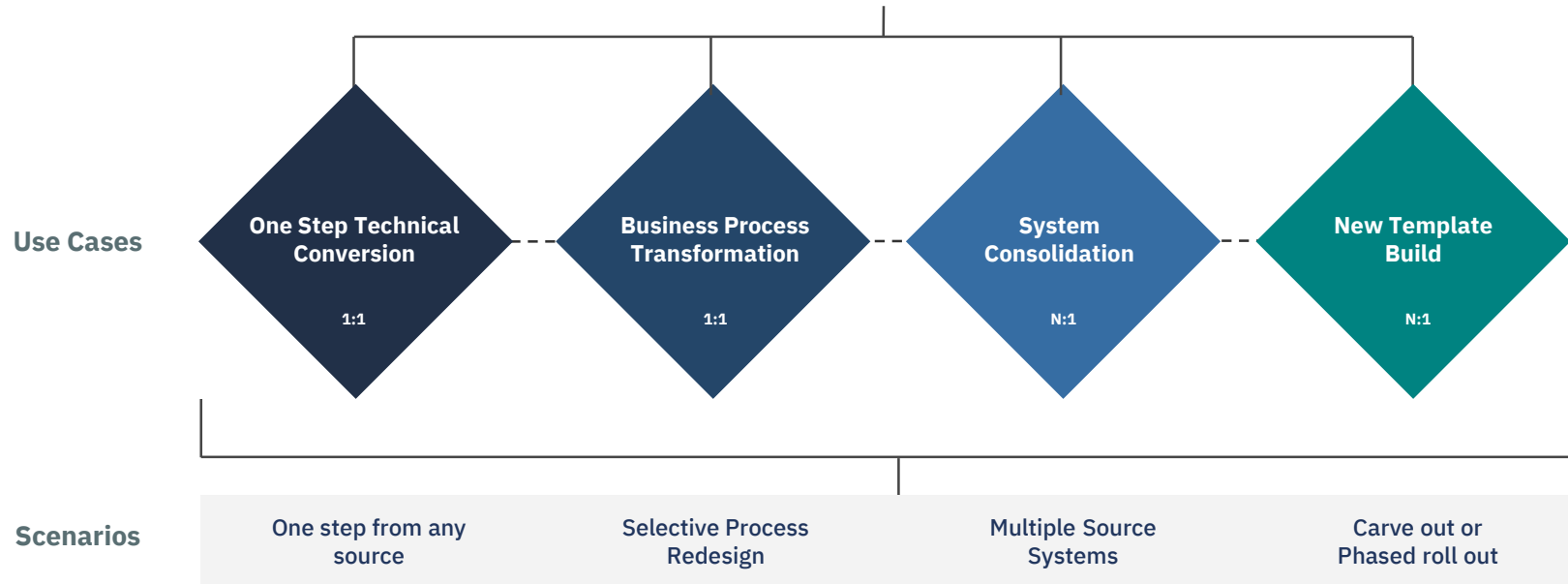
**One
Go-Live**



4 options for **rapid move**


Use Cases and Transformation Scenarios

IBM Rapid Move for SAP S/4HANA



IBM Rapid Move

on a page



User Experience



Data and Analytics



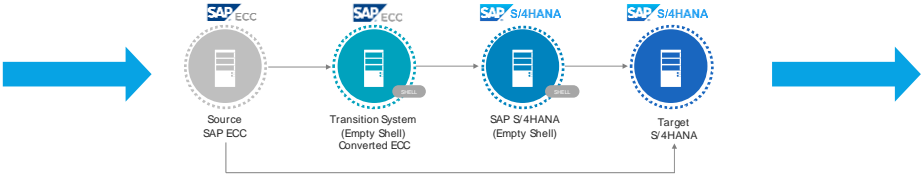
Business Processes



Cognitive Services

S/4HANA Business Process Automation

ERP System of Record



S/4HANA Migration Automation



Cloud



Assets



IBM IMPACT



Journey Starter

Centre of Excellence

Solutioning

Go to Market

Architects

Migration Centre

Methods

IBM Rapid Move Studio



IBM Rapid Move Studio is a Centre of Excellence where IBM works together with our partner SNP to move even more of our clients to S/4HANA.

The studio is located in the IBM SAP International Competence Center, Walldorf, Germany.

If it would be valuable to visit the studio with your clients, please let us know via the form below or clients can request a visit directly [here](#).

We run a number of client sessions including:

- IBM Rapid Discovery Session
- IBM Rapid Move Session
- SAP Cognitive Enterprise Session

**What will your
SAP S/4HANA
move look
like?**



Your contacts...



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Julian Brumby
SNP
Head of Client Services



Let's put smart to work™