Deloitte.

Digital Transformation with S/4 HANA

Technology & Architecture POV

Deloitte

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ASUG

Presenters

Aditya Sharma
Technology Lead : SAP Development
Firm: Deloitte Canada (Calgary)
Experience: 14 Years
Focus Areas: SAP & Cloud Transformation, Technology Strategy, Innovation and Development
Email: adityaxsharma@deloitte.ca

Kushal Anand
Technology Lead : SAP Architecture
Firm: Deloitte Canada (Calgary)
Experience: 13 Years
Focus Areas : SAP & Cloud Transformation, Technical Architecture
Email: kusanand@deloitte.ca

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Digital Transformation with S/4 HANA

This session primarily focuses on Deloitte's view of Digital transformation of your Enterprise's IT landscape and aligning with the Goal of implementing a Clean & Intelligent ERP Solution

Topics:

1. Deloitte Introduction
2. S/4 HANA migration reasons
3. Cloud & S/4 HANA decision journey
4. Becoming a Clean & Intelligent Enterprise
5. Choosing your Hyperscaler
6. Lessons learnt

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Introduction

Deloitte

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Deloitte is the #1 SAP S/4HANA Practice in the World

Leadership
in the market

#1
SAP Partner S/4HANA software revenue

5
SAP S/4HANA Partner of the Year four of the last five years

4
2021 SAP Pinnacle

350+
S/4HANA Projects

Quality Partner of the Year serving across A+I+O

Innovations
for a digital enterprise

SAP Awards

Innovation Partner of the Year

Digital Partner of the Year

60+
Innovation assets

38
Live innovation clients

Re-imagined... Deloitte's Platform First and Clean ERP approach

Talent
you can trust

29K+
Global SAP practice FTEs

100%
Trained on S/4HANA

Deep industry know-how across A+I+O

1,000+
S/4HANA Cloud-ready

Methodology
for faster time to value

16
SAP pre-configured/ industry solutions

29+
Reusable assets

75+
Next-gen assets ready (cloud, ML, RPA, robotics, AI)

100%
SAP agile-ready with implementation accelerators

Scale
for your global needs

25
Global delivery centers

26
Centers of innovation

Supported by global SAP S/4HANA COE

Partnerships
that work for you

#1
Partner Recognized

Global Partner of the Year

Alliances with leading planning solution providers

#1 Partner for CEC (158% of goal)

#1 Partner for Ariba (189% of goal)

75
Co-innovation alliances

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S/4 HANA Migration Reasons

Common reasons to migrate to S/4

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S/4 HANA Migration Reasons

Common reasons to migrate to S/4

Reason #1 The End-of-life Deadline

1. Deadline is years away
2. Undercutting the value of transformation
3. Large investment decisions shouldn't be taken out of fear

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S/4 HANA Migration Reasons

Common reasons to migrate to S/4

Reason #1 The End-of-life Deadline

1. Deadline is years away
2. Undercutting the value of transformation
3. Large investment decisions shouldn't be taken out of fear

Reason #2 Latest & Greatest features

1. A new feature shouldn't drive the need for migration, as the gains might be incremental
2. Doesn't justify the disruption that S/4 HANA brings
3. Dissatisfied C-Suite executives and end users

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S/4 HANA Migration Reasons

Common reasons to migrate to S/4

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The RIGHT reason to migrate to S/4

DIGITAL TRANSFORMATION

- ✓ S/4 HANA is an integral part of your overall digital transformation strategy
- ✓ Stay ahead of the competitors and go beyond your user expectations
- ✓ Leave the baggage of data cleanse due to acquisitions or divesting business units by purging/organizing unused siloed and outdated data
- ✓ The real value of S/4 Transformation comes with:
  - Merging systems
  - Cleaning data and Coalescing all trusted data into a single structure
  - Migrating historical data
  - Simplifying the way business is done
- ✓ S/4 migration should not just be a technical upgrade but should be a business transformation which is supposed to change the way your teams operate and do their day-to-day jobs
- ✓ Have a Technology Goal and Vision

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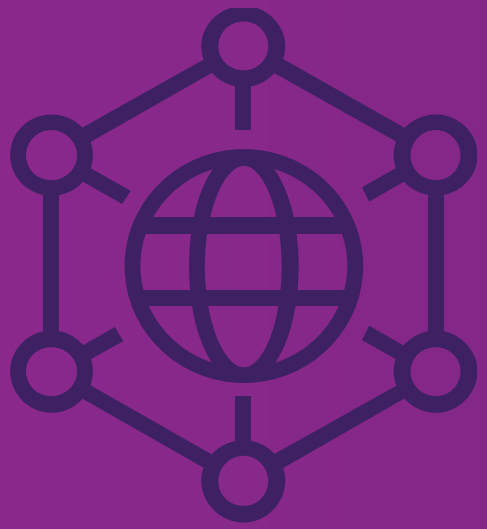

Cloud and S/4Hana decision journey

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Cloud and S/4Hana decision journey

- High Infrastructure cost?
- Shift to OpEx model?
- Need more Agility?(play and destroy)
- Faster scalability
- ERP Change in roadmap?
- FoMo!!
- Strict security requirement
- More control on infrastructure

Adopt Cloud?

N

On-premise**

Move to S/4hana (restricted to regulated industries)

- Full functional S/4Hana scope of core ERP and extended LOB and industry processes
- Fully customizable
- Controllable infrastructure and lifecycle
- Choice of Application, Infra management vendors

Prefer one-contract?

Y

Re-imagine business process?

Y

RISE WITH SAP Public Cloud

Traditional development	✗
Faster Innovation cycle	✓
Standardized business process	✓
Choose Hyperscaler	✗
Complete SaaS	✓

N

RISE WITH SAP Private Edition

Traditional development	✓
Innovations control	✓
Safeguard prior investments	✓
Choose Hyperscaler	✓
Own Datacenter**	✓

N

Licenses purchased earlier

S/4Hana
Anypremise | Private Cloud

**Only for regulated industries, public sector, or in countries with data residency requirements.

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Deployment Options

Parameters

- Clean-ERP
- Business Process Enhancement
- Data Migration
- Release Option
- Custom code cleanup effort
- Change management & training
- Single integrated ERP

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Deployment Options

Parameters	Greenfield/New Implementation Start with a fresh system. Bring in Data
Clean-ERP	Easily achievable
Business Process Enhancement	High effort. Mid complexity
Data Migration	Option to select data range
Release Option	Phased or Big-bang
Custom code cleanup effort	Option to migrate selective codes
Change management & training	High
Single integrated ERP	One ERP post go-live

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Deployment Options

Parameters	Brownfield/System conversion Technical system conversion to S/4Hana
Clean-ERP	Extensive cleanup effort
Business Process Enhancement	High effort and complexity
Data Migration	All data is migrated.
Release Option	Big-bang
Custom code cleanup effort	High. All compatible code is retained
Change management & training	Low
Single integrated ERP	One ERP post go-live

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Deployment Options

Parameters	Bluefield/Selective transformation Transform to new system, migrate selective data
Clean-ERP	Modifications do exist. Better than Brownfield
Business Process Enhancement	High effort. Mid complexity
Data Migration	Option to select data range
Release Option	Phased or Big-bang
Custom code cleanup effort	Compatible custom code retained, clean up possible
Change management & training	High
Single integrated ERP	Might have both ECC and S/4 running at the same time

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Deployment Options

Parameters	Greenfield/New Implementation Start with a fresh system. Bring in Data	Brownfield/System conversion Technical system conversion to S/4Hana	Bluefield/Selective transformation Transform to new system, migrate selective data
Clean-ERP	Easily achievable	Extensive cleanup effort	Modifications do exist. Better than Brownfield
Business Process Enhancement	High effort. Mid complexity	High effort and complexity	High effort. Mid complexity
Data Migration	Option to select data range	All data is migrated.	Option to select data range
Release Option	Phased or Big-bang	Big-bang	Phased or Big-bang
Custom code cleanup effort	Option to migrate selective codes	High. All compatible code is retained	Compatible custom code retained, clean up possible
Change management & training	High	Low	High
Single integrated ERP	One ERP post go-live	One ERP post go-live	Might have both ECC and S/4 running at the same time

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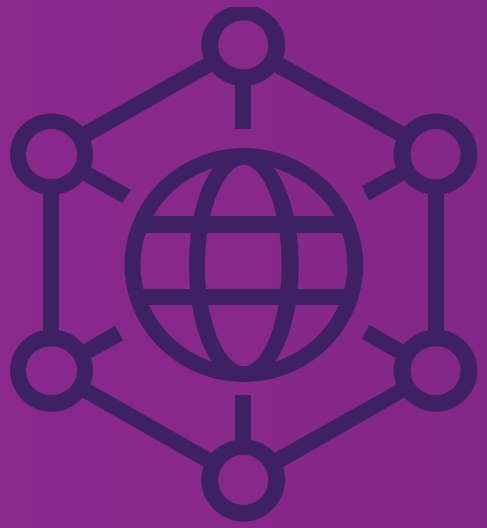
Clean ERP



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Clean & Intelligent Enterprise

Clean Core | Clean ERP | Clean Portfolio

ECC

- **Heavily Customized**
- **Siloed Integration**
- **Longer Upgrade Cycles**
- **Cluttered Development**
- **Obsolete Technologies**
- **Heavy Technical Debt**
- **Poor User Experience**

Current state

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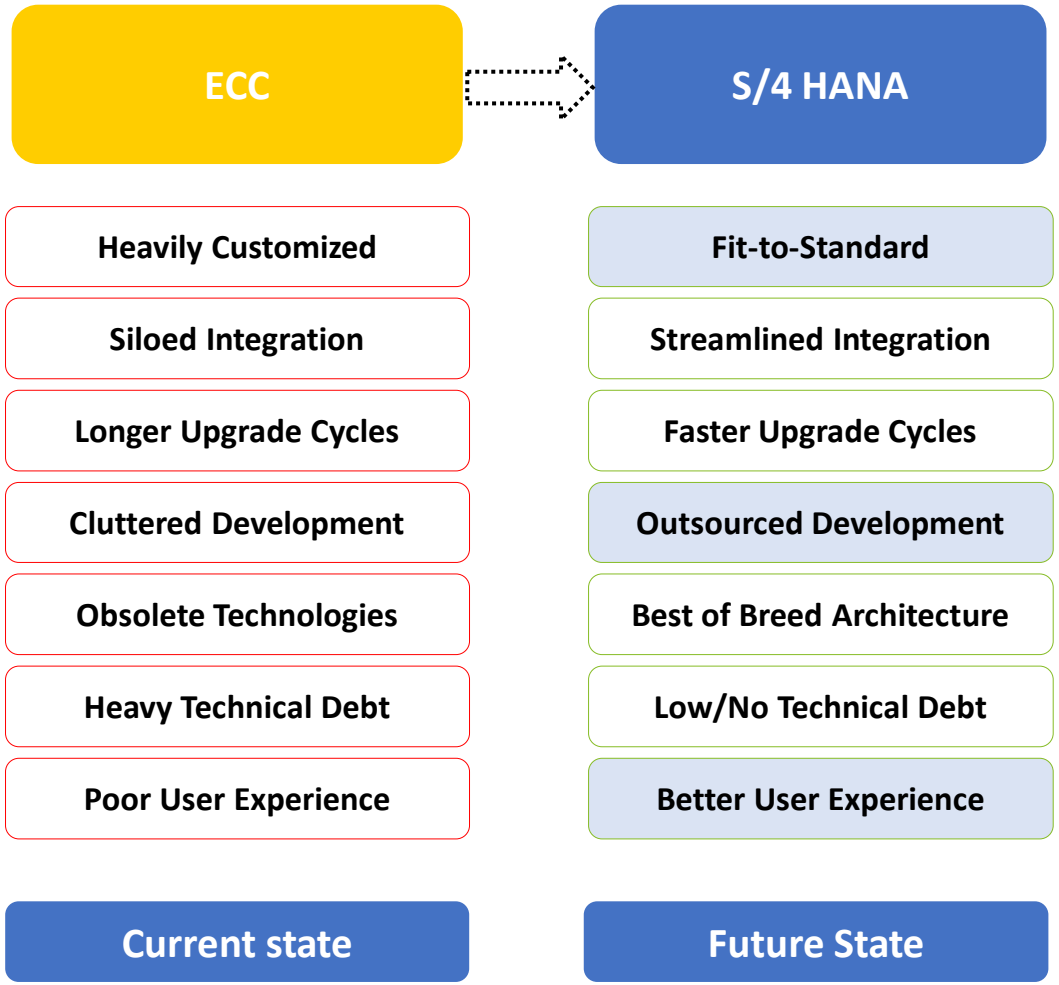
Clean & Intelligent Enterprise

Clean Core | Clean ERP | Clean Portfolio



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Clean & Intelligent Enterprise

Clean Core | Clean ERP | Clean Portfolio

ECC	S/4 HANA	WHY??
Heavily Customized	Fit-to-Standard	Simplify your Landscape
Siloed Integration	Streamlined Integration	Simpler to bring Acquisitions to your ERP
Longer Upgrade Cycles	Faster Upgrade Cycles	Lower TCO
Cluttered Development	Outsourced Development	Improve end user experience
Obsolete Technologies	Best of Breed Architecture	Go Beyond just “Keeping the lights ON”
Heavy Technical Debt	Low/No Technical Debt	Go Cloud!!
Poor User Experience	Better User Experience	
Current state	Future State	Digital Transformation

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Clean & Intelligent Enterprise

Clean Core | Clean ERP | Clean Portfolio

ECC	S/4 HANA
Heavily Customized	Fit-to-Standard
Siloed Integration	Streamlined Integration
Longer Upgrade Cycles	Faster Upgrade Cycles
Cluttered Development	Outsourced Development
Obsolete Technologies	Best of Breed Architecture
Heavy Technical Debt	Low/No Technical Debt
Poor User Experience	Better User Experience
Current state	**Future State**

WHY??	HOW??
Simplify your Landscape	Leaders to imbibe the "Clean Enterprise" mindset
Simpler to bring Acquisitions to your ERP	Have a strong Change Control Board
Lower TCO	Outsource Custom Code
Improve end user experience	Move back to Standard
Go Beyond just "Keeping the lights ON"	Define a Strategy with Golden rules
Go Cloud!!	Implement latest SAP solutions and features
Digital Transformation	Leverage Accelerators and pre-configured solutions

Kinetic Enterprise™

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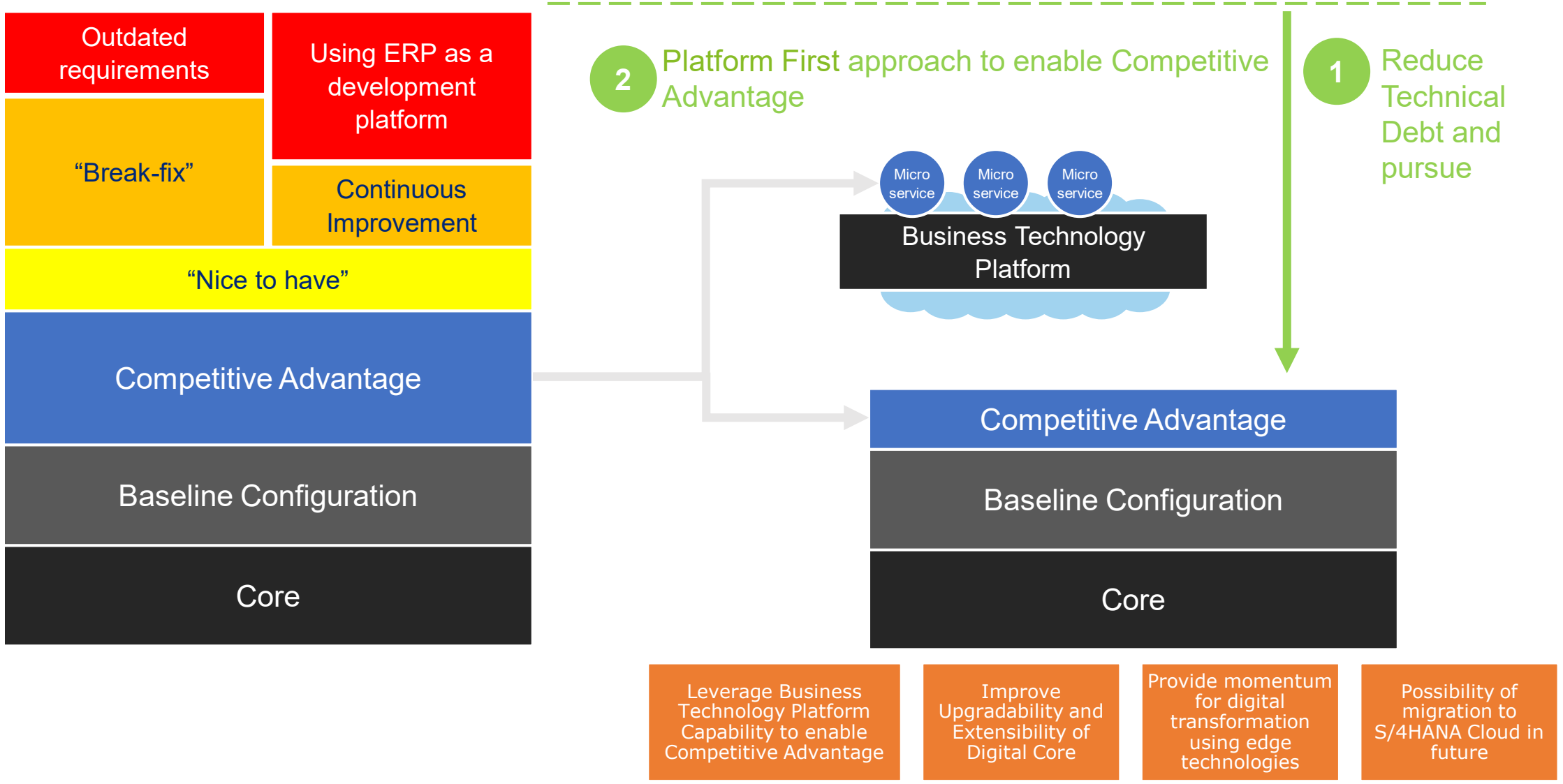
“Clean ERP” is the path to the Intelligent Enterprise



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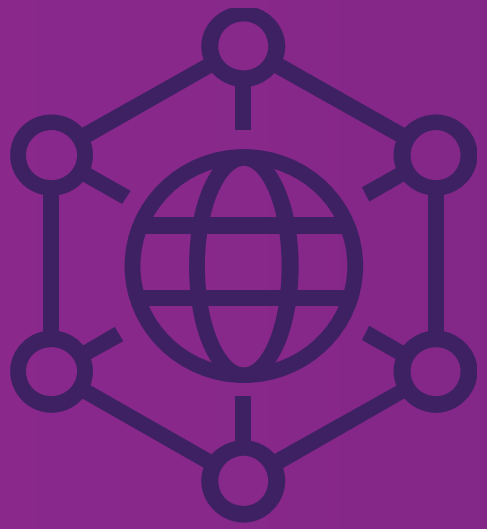

Clean Architecture

Simplicity is the key to success

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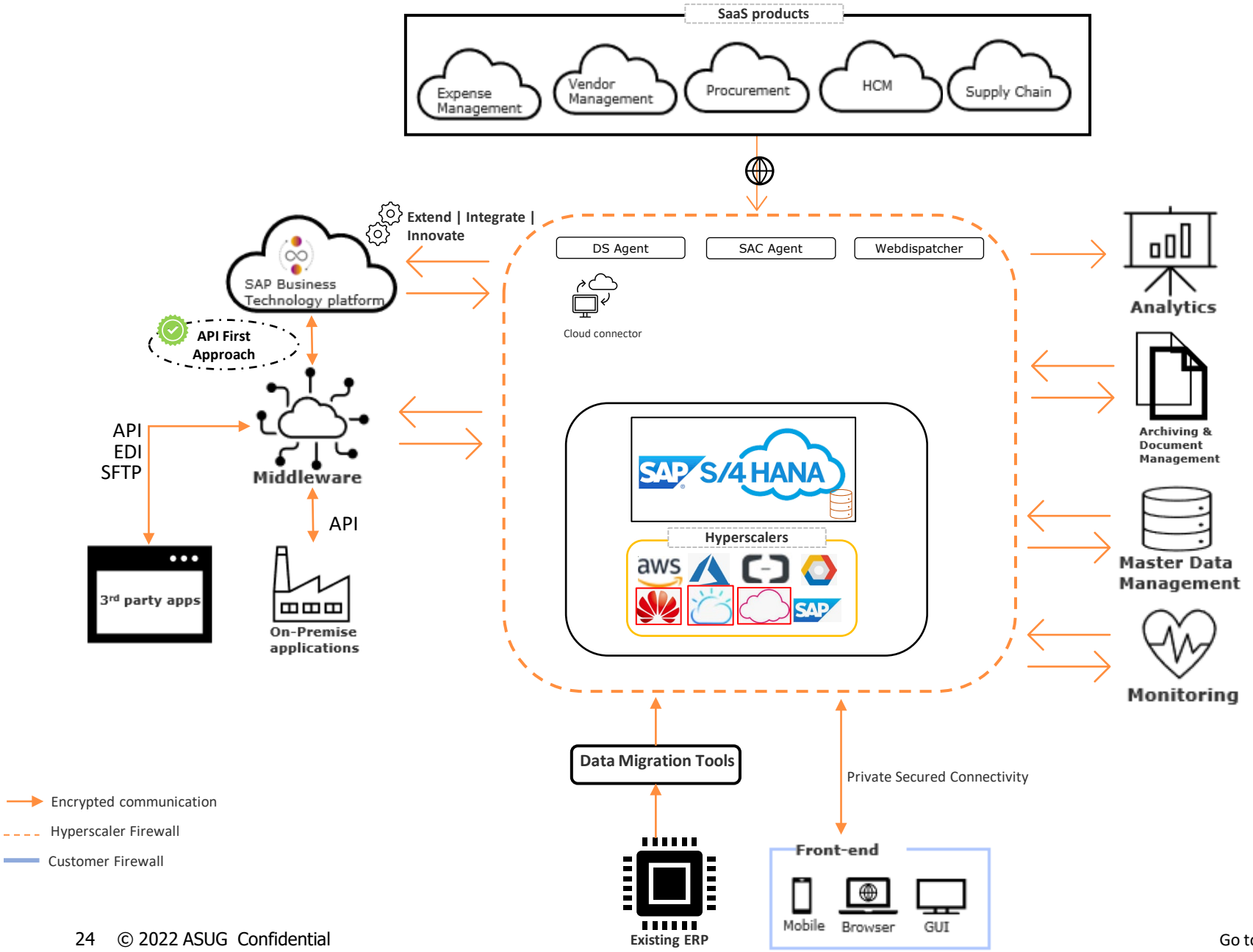
Architecture digitization



Our experience

- Perform due diligence on Operational optimization, Security, Reliability, Cost optimization, Sustainability
- Carefully choose the location of the Data Migration (ETL) tool
- Understand the limitations of integrating with SaaS, On-Prem and 3rd party apps before onboarding them
- Certification and Compatibility of 3rd party solutions to integrate with S/4 HANA needs early planning
- Understanding the future need of data for analytical reporting and Data lake design to be incorporated early in architecture
- Early Archival & document management road map
- Central Error monitoring solutions to be incorporated early as part of the strategy
- Fully leverage the capability of your selected Hyperscaler

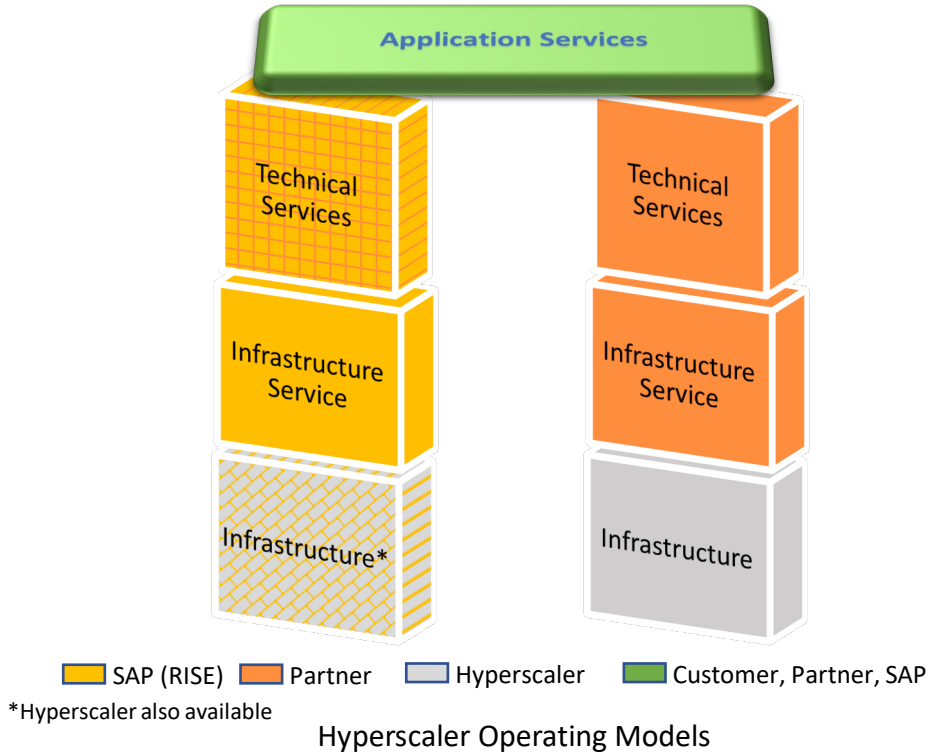
Choosing Hyperscalers for your Cloud Transformation

Selecting a Hyperscaler comes with long-term implications, including data migration services, business IT operations that directly impacts return on investments.

As a result, transformation journeys should carefully evaluate the Hyperscalers when moving to S/4Hana.

Few points to consider:

- Regionality/Availability Zones
- Performance
- Security
- Footprint of Hyperscaler in your current state enterprise IT landscape
- Ease of transfer of on-prem solutions to cloud equivalents
- Roadmap on leveraging other services of the Hyperscaler



Hyperscaler Operating Models

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Deloitte S/4 HANA Transformation Lessons learnt

Strategy

- Define UX strategy: business roles and personas well in advance
- Carefully evaluate decisions deviating from defined integration strategy
- Data lake should be an integral part of the Data Analytics and Innovation strategy and need to be considered early in the program

Development

- For newer solutions/add-ons/Services, make sure to perform feasibility analysis including a POC to ensure the service or add-on is right fit for the business
- Make sure to have an additional buffer in the timeline for the newer services introduced by BTP as there may be initial hiccups to use that service including usage, training, connectivity, integration, security and development
- Understand the functionality and limitation of S/4 HANA Extensibility solutions before implementing them
- SAP Artifacts for On-premise and cloud systems are limited or specific to that model only and make sure to validate them before baking them in the design
- Multiple features/solutions are as part of Future roadmaps of SAP which makes the customer use Classical approach due to implementation timelines
- Deviations need to be documented accurately and need to be discussed with SAP to review future roadmaps

Questions?

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Thank you.

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