S/4HANA Migration leveraging IBM Clean Core & BTP Integration

February 22nd, 2023

IBM **Consulting**

Agenda

What is the Market context?

Future Ready with IBM Clean Core

What is SAP BTP?

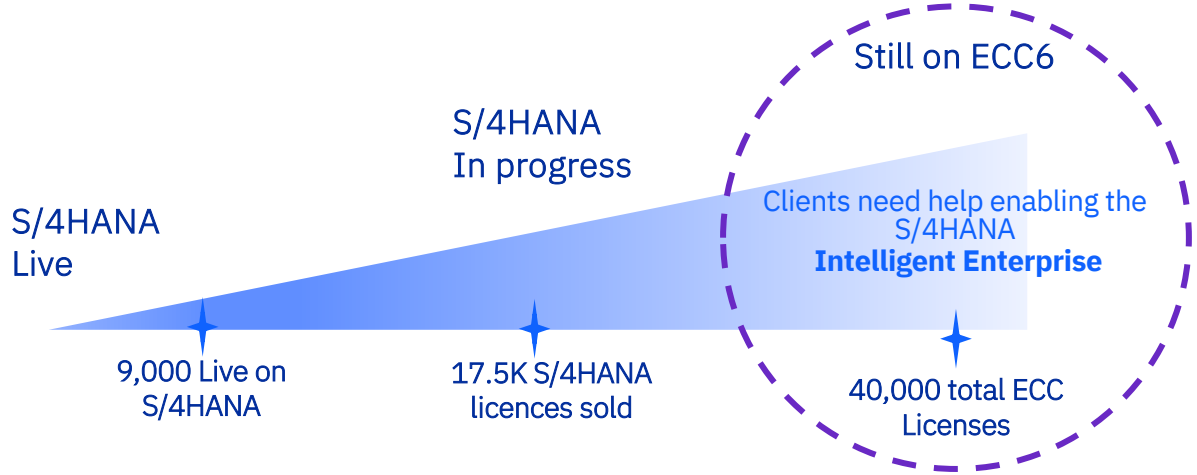
What are the key features and functionalities?

What this means to Project delivery?

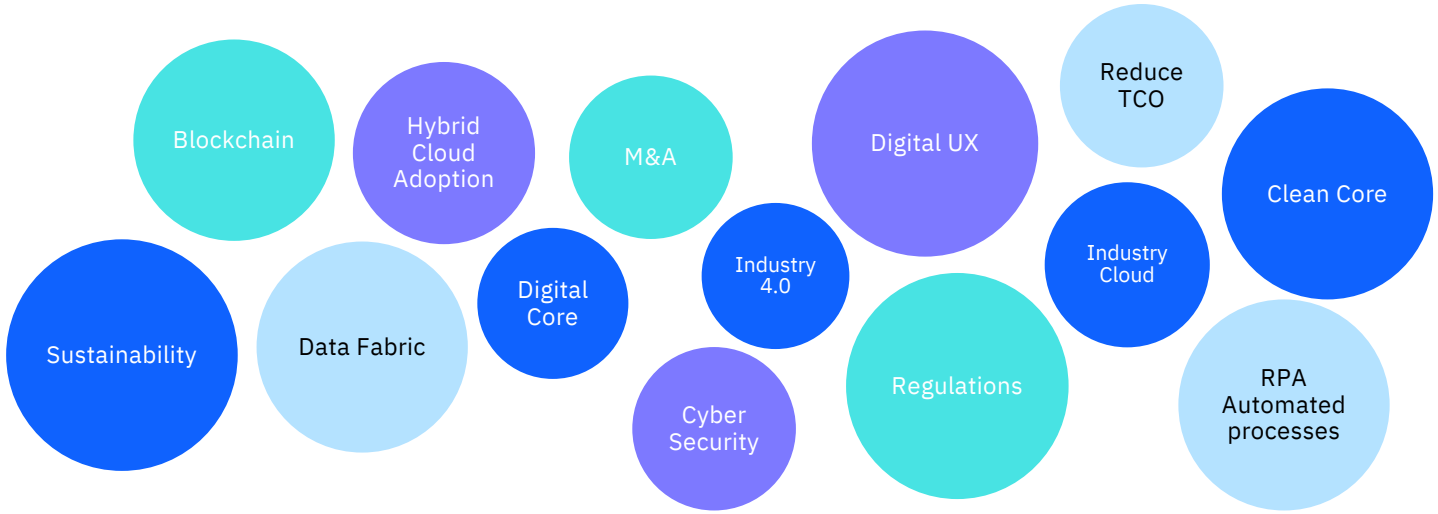
Q&A

Our customers are at different departure gates for S/4HANA

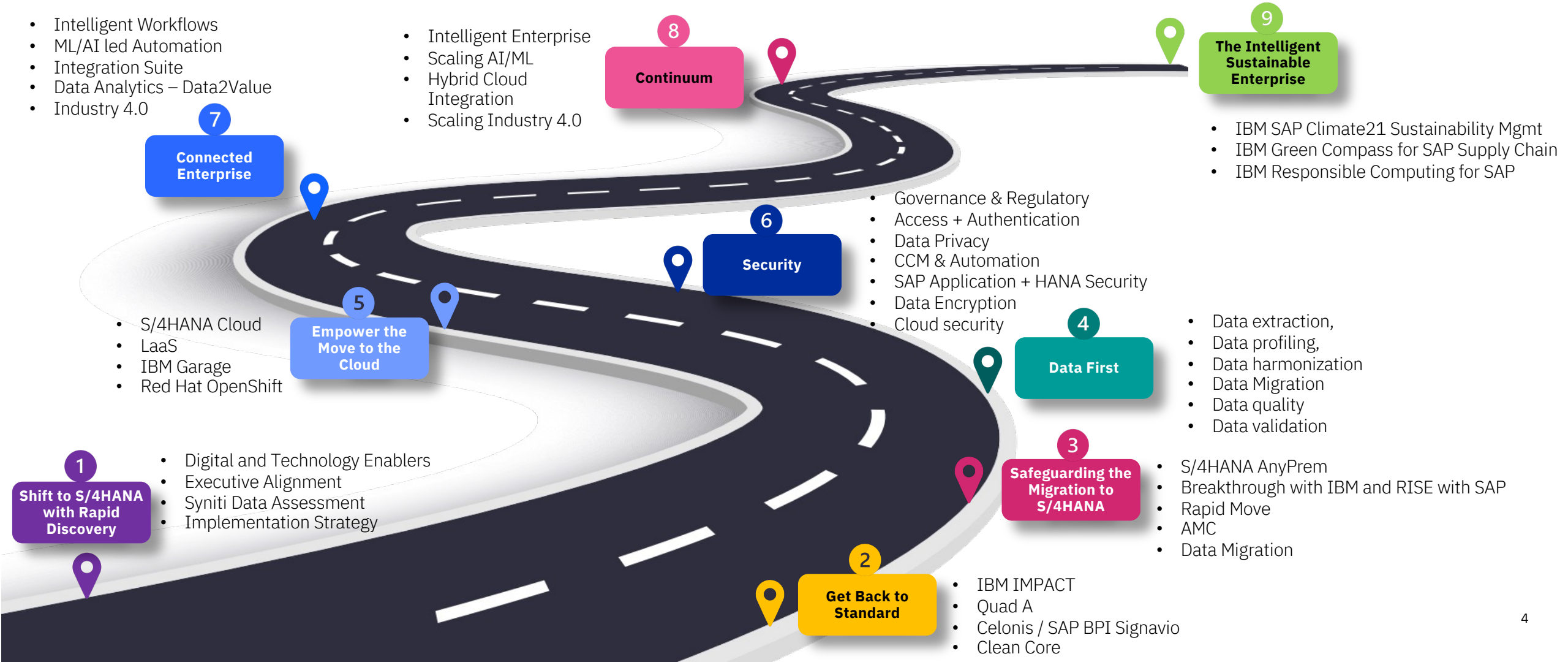
Convergence of market forces driving new decisions for CXO



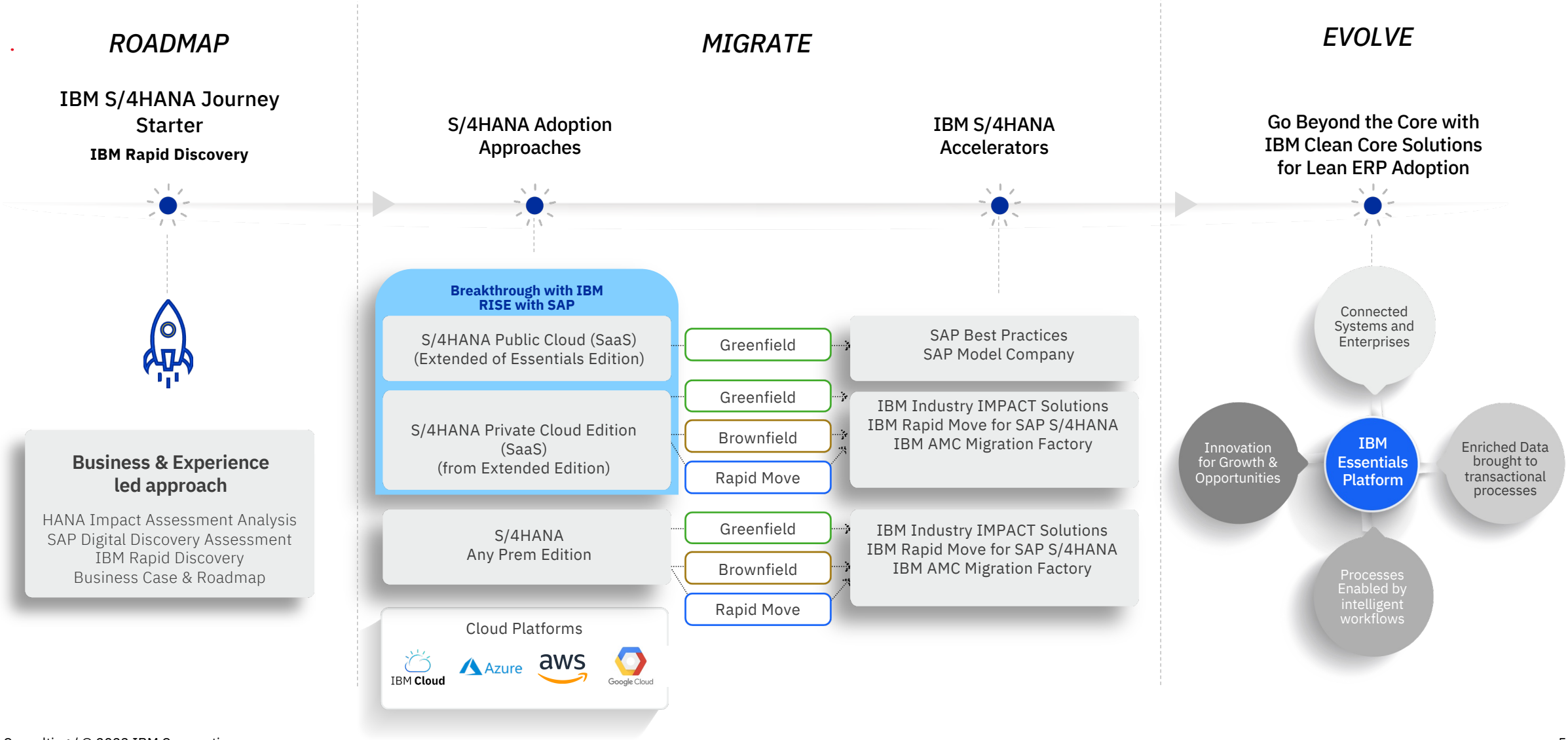
Drivers



The IBM SAP Practice extend insights from analysts to drive new offerings for clients

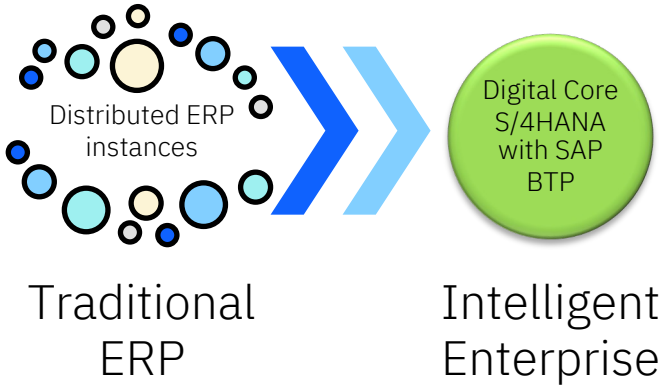


How we Guide the Transformation Approach to that vision

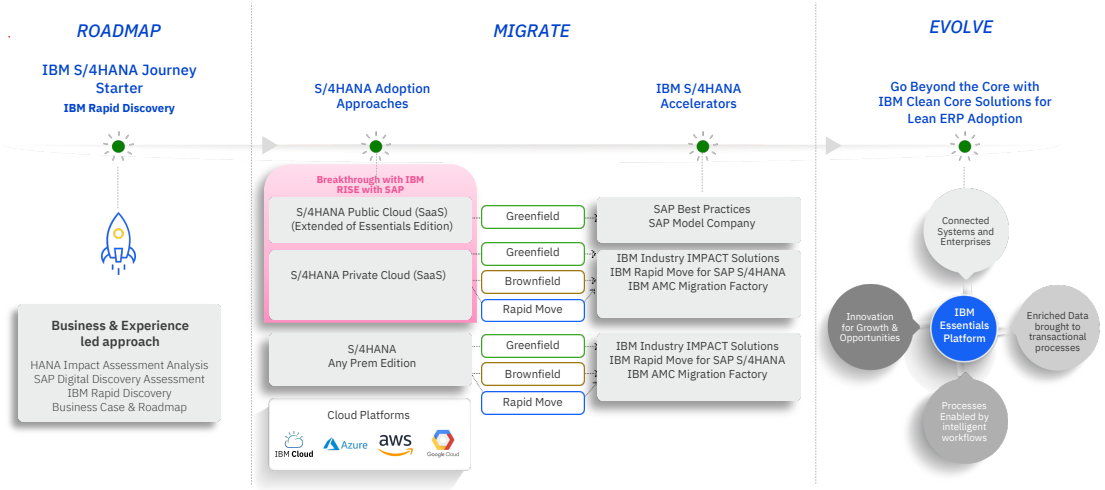


SAP modernization patterns – what clients are concerned about and where we can help….

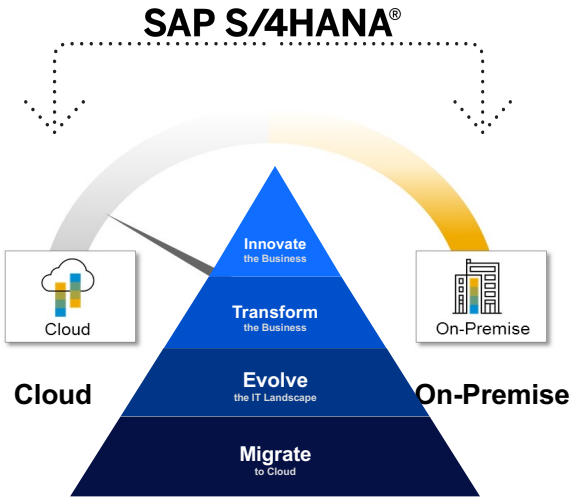
Landscape consolidation



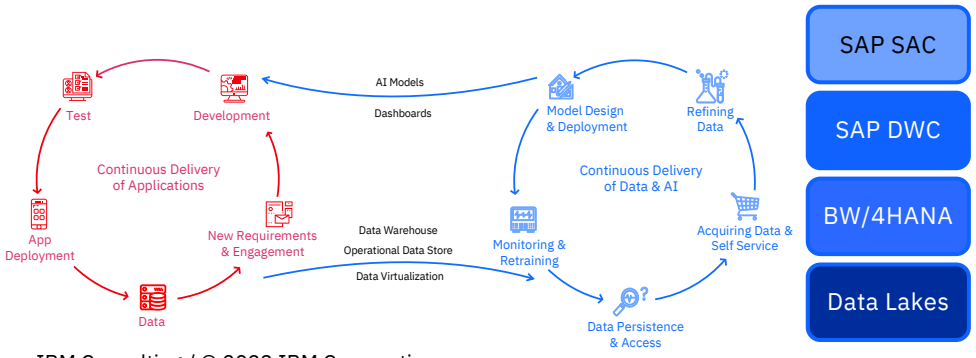
SAP S/4HANA Adoption Scenarios



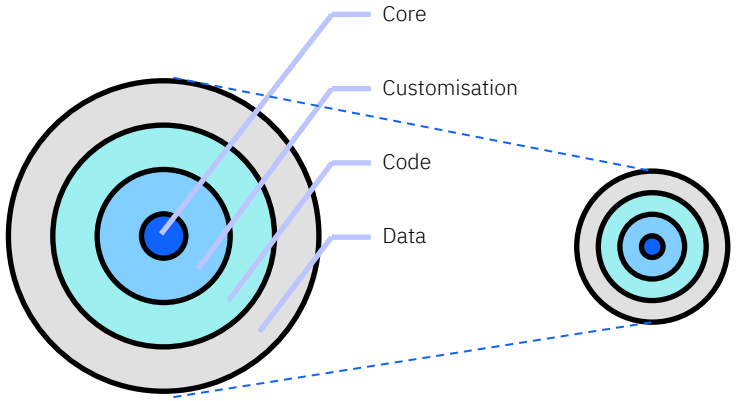
Journey to cloud



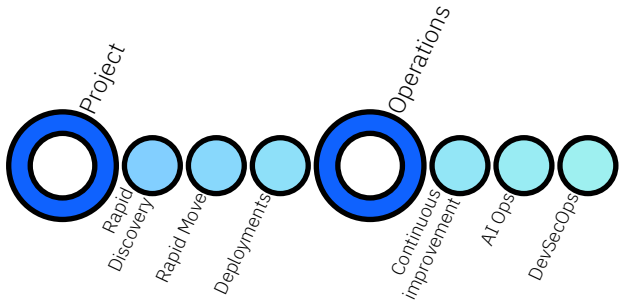
Data Fabric and Insights



Maximizing value from investments with Clean Core



AMS and AI Ops



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We can then use the IBM Enterprise reference architecture

New Revenue Streams

Increasing focus on ERP systems to enable integration and innovation opens doors for new revenues streams and business models

Data & Analytics

ERP systems will need to expose data to AI and Blockchain solutions enhanced for E2E performance and changing market demands

Simplification & Efficiency

ERP is rapidly shifting into cloud to transform cost bases from fixed to variable, while simplifying process design

Sustainable-by-design

ERP that enables Sustainable Finance Sustainable Supply Chain, Circularity

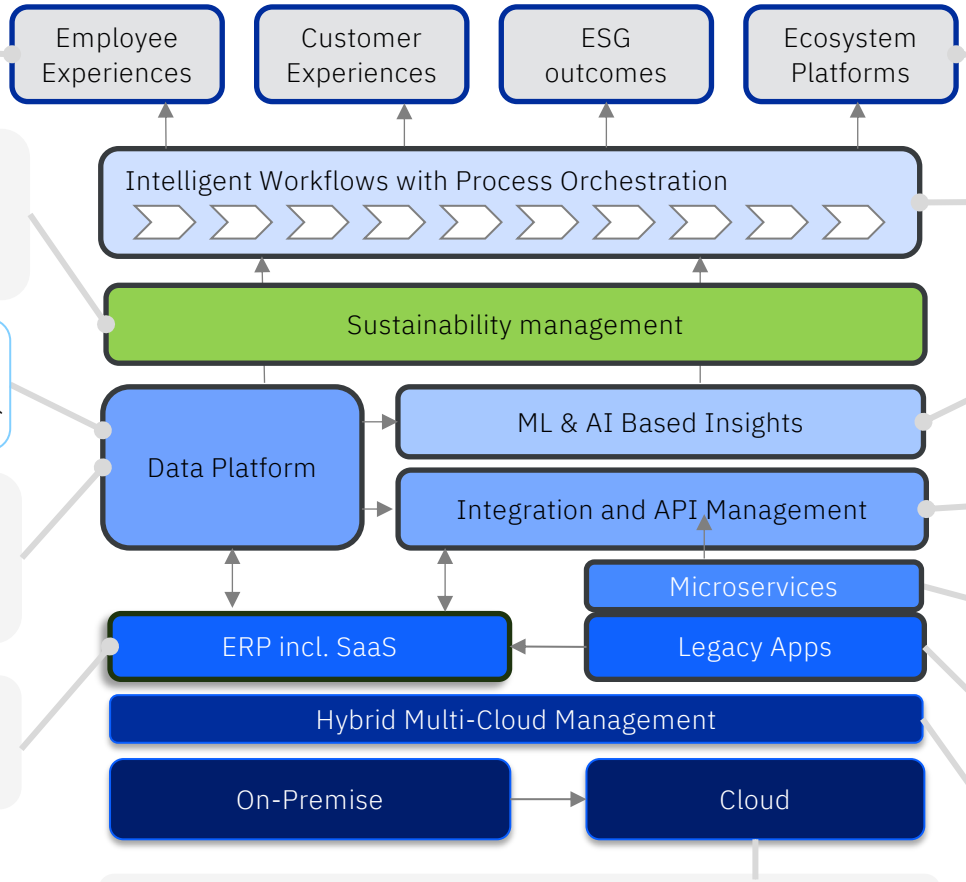
Experience Led Approach:
Creation of new insights or solutions to consumers and partners – e.g. IBM EXO

Sustainability Management:
Solutions that combine operational data mapping with holistic sustainability reporting and use insights to execute business processes across value chains

IoT Approach:
The instrumentation and data analytics of internal and external devices

Data Platform Approach:
Defining the Data Management approach from Ingestion (internal and external data sources, irrespective of its structure) to Insight

The ERP systems can be seen in the Application Architecture layer, providing standardized data to the higher layers via APIs.



Platform Services:
Innovation with platform services e.g. Industry 4.0

Platform Strategy:
Facilitates the new engagement models with connected and integrated partners

Workflow/BPM:
Process Orchestration raised to SoE layer

Machine Learning/AI:
Use of Data Science to extract the insights from Data

Hybrid Integration:
Creation and consumption of APIs ecosystem partners

Development Strategy:
The shift to developing new Cloud Native Apps

Application Modernisation Roadmap:
Containerisation to modernise + integrate apps

Cloud Strategy:
Shift to Cloud as the target technical platform

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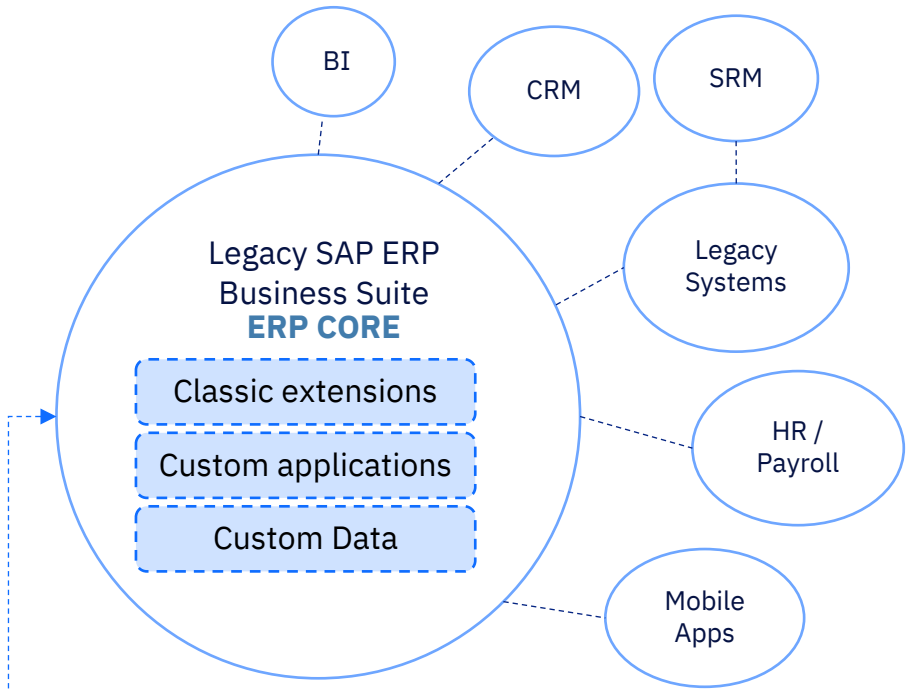
Why should clients transition from legacy ERP approaches to the intelligent enterprise with a digital core?

LEGACY SAP ERP ARCHITECTURE

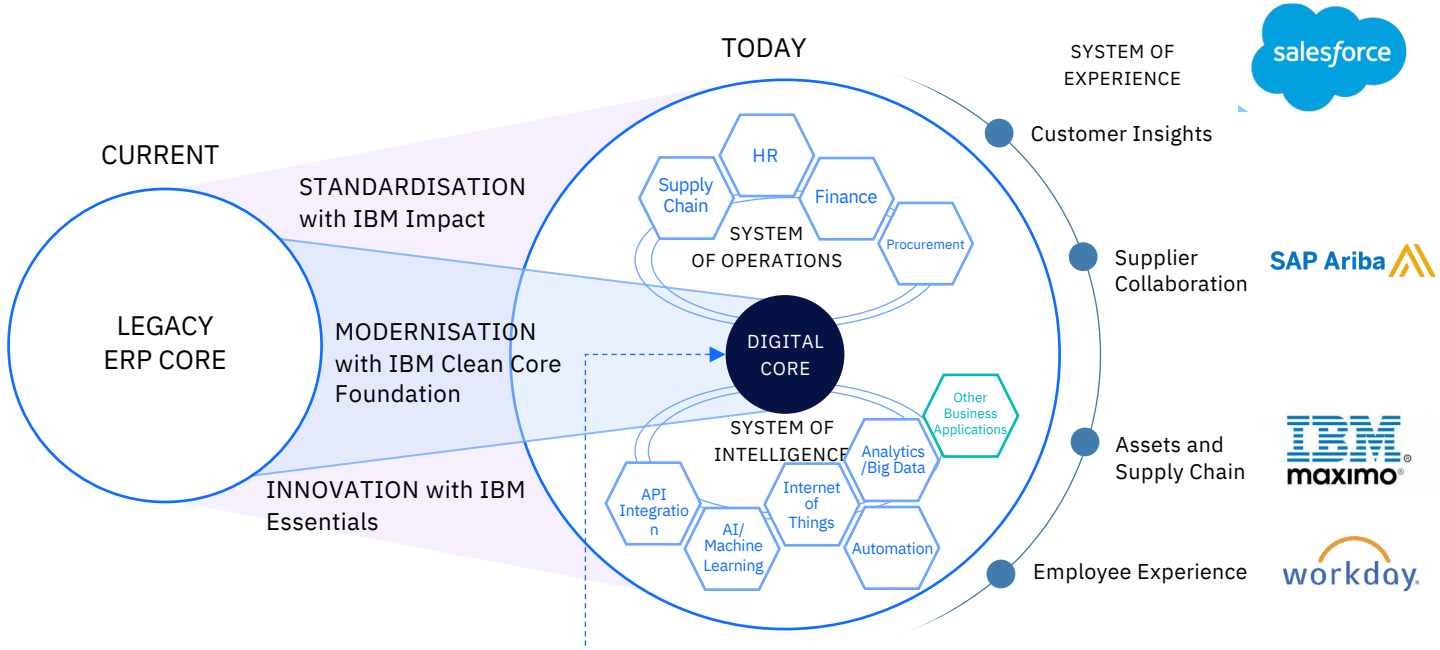
Evolving business process and point-to-point integrations in the core ERP become challenges



Applications, custom data, and integrations are contained within the SAP ERP core

IBM Intelligent Industry Cloud Solutions provide for NEW SAP ARCHITECTURES

A decoupled architecture that reflects our clients' Hybrid Applications strategy driven by democratization of ERP and adoption of Cloud Native solutions) - necessitates new integration approaches to connect the Enterprise – whilst retaining Clean Core principles



Apply a tailored mix of modernization patterns that aligns to Lean-ERP but allows an *unconstrained* business ambition

Agenda

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Future Ready with IBM Clean Core

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What are the key features and functionalities?

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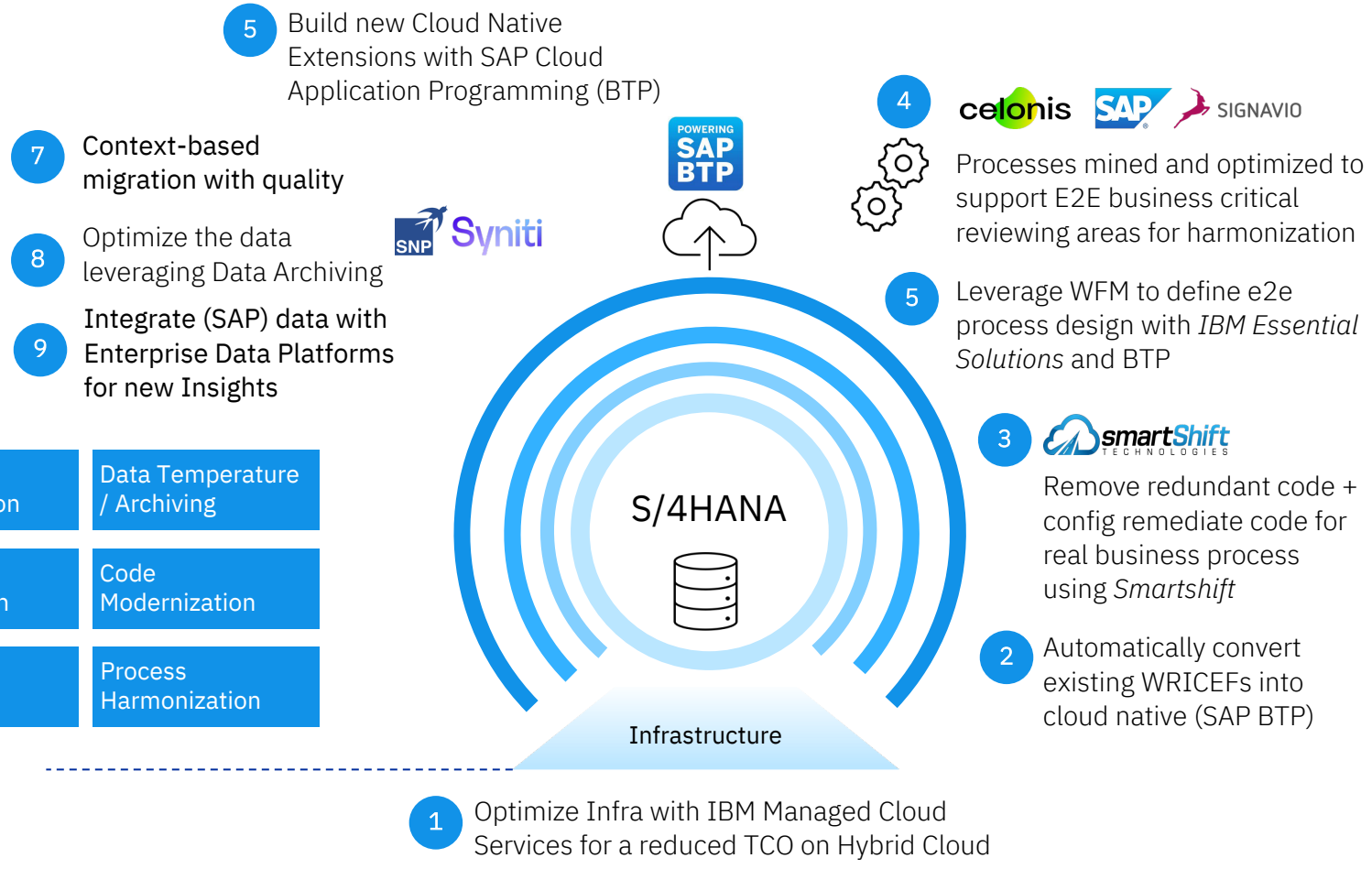
“Future Ready”: Get your SAP system ready to engage in the Digital “Intelligent Enterprise” Transformation using IBM Clean Core Solutions for SAP

The following are the Foundation services provided by IBM Clean Core solutions augmented with our partners to drive harmonization and modernization in Code, Data and Process.

Foundation “Modules”

Data Cleansing & profiling	Data Scan and assessment	Data Quality	Data Harmonization	Data Temperature / Archiving
Code Analysis	Code Usage Analysis	Code Remediation	Code Simplification	Code Modernization
System Usage Analysis	Complexity Assessment	Reverse Process Model Capture	Efficiency Assessment	Process Harmonization

Shift to Clean Core



IBM Clean Core Solutions for SAP : The Business Lens

IBM Clean Core Solutions for SAP unlocks the constraints in your existing Process, Data and Code to drive the Shift to (Continuous) Intelligent Outcomes

Speed of Change / New Business Models

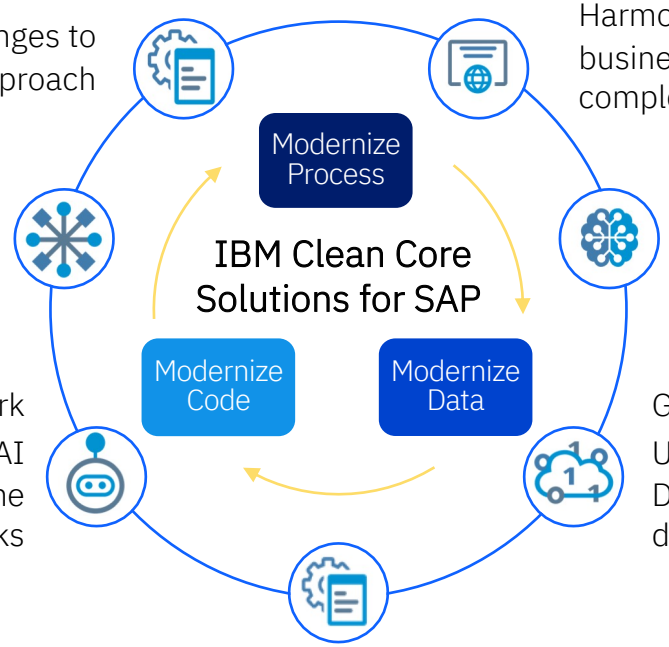
Remove the heritage technical (code) debt to allow for changes to be made faster versus the traditional "change release" approach

Enable the **Connected Enterprise**

As we shift from SAP-centric to distributed applications – ensure we integrate and manage e2e processes versus multiple business application silos

Simplifying Work

Drive Efficiency and Effectiveness using Automation and AI Insights to move more work to "Digital Workers" freeing up time to focus on more value-adding tasks



Get Back to **Common Enterprise Process Model**

Harmonize the "Digital Backbone" process model across the business to improve transparency and reduce the instance complexity

Continuous **Process Insights**

Apply Process Mining on the Harmonized Processes to benchmark performance and drive continuous optimization

Get Back to **Common SAP and Enterprise Data Model**

Use Data Modernization solutions to enable Continuous Data Quality and Governance in the Core…harmonizing the definition of data across the enterprise

Simplify **Extend of SAP**

Shift Extending SAP from classical styles to modern approaches reducing the time to execute and maintain

IBM Clean Core Solution Capabilities

Process Optimization

Simplify and optimize business processes to achieve enhanced outcomes

SAP SIGNAVIO celonis

Data Quality & Conversion

Clean and harness **your core business data** with data governance and better business controls

Syniti SNP IBM

Code Modernization

Establish a path away from a monolithic ERP model and inflexible custom code

smartShift TECHNOLOGIES SAP BTP

Infrastructure Modernization

Introduce **cloud native capabilities** within optimal SAP solution

IBM Cloud aws Microsoft Azure Google Cloud SAP BTP

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Your platform challenges are growing with just adopting a Hyperscaler Cloud solution…

Business Challenge: Ease of Use

STILL NO REALTIME INSIGHTS

> I need to be able to quickly understand the data to get insights. Complexity is a roadblock.

Business Challenge: Machine Learning

ML NOT FIT FOR BUSINESS AT SCALE

> The insights are too late and too disconnected to deliver the data driven enterprise.

Business Challenge: Trust

DATA CAN'T BE TRUSTED

> I'm unable to trust the data and need to make sure it's accurate and reliable.

IT Challenge: Security & Governance

CLOUD DATA INCUR NEW RISKS

> I'm always struggling with the need to maintain data governance and security with the demands of business wanting self-service access to data.

IT Challenge: Heterogeneous Data

THE DATA EXPLOSION CONTINUES

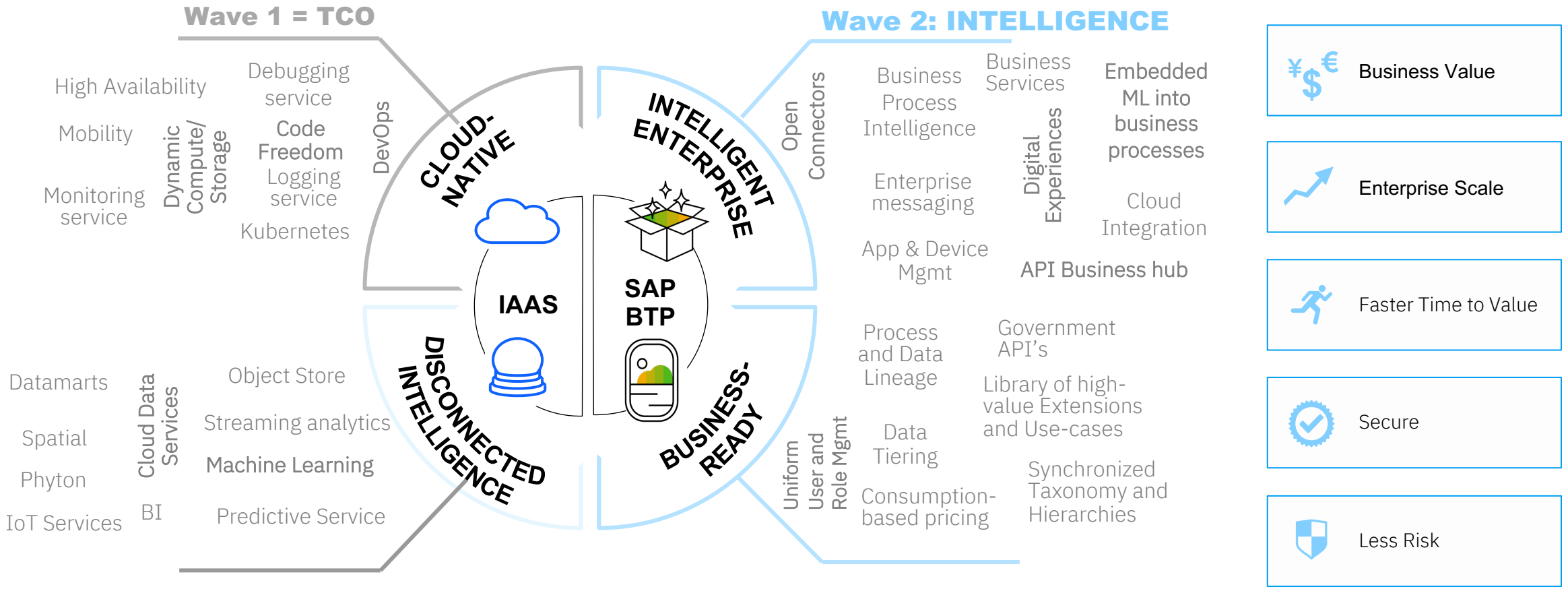
> I'm struggling to deal with the ever-growing amount of data, data types, sources, and solutions that don't connect.

IT Challenge: Hybrid Systems

NOT ALL WILL BE CLOUD

> I need to continuously innovate, but remain flexible and agile. At the same time, it's important to leverage my on-premise investments.

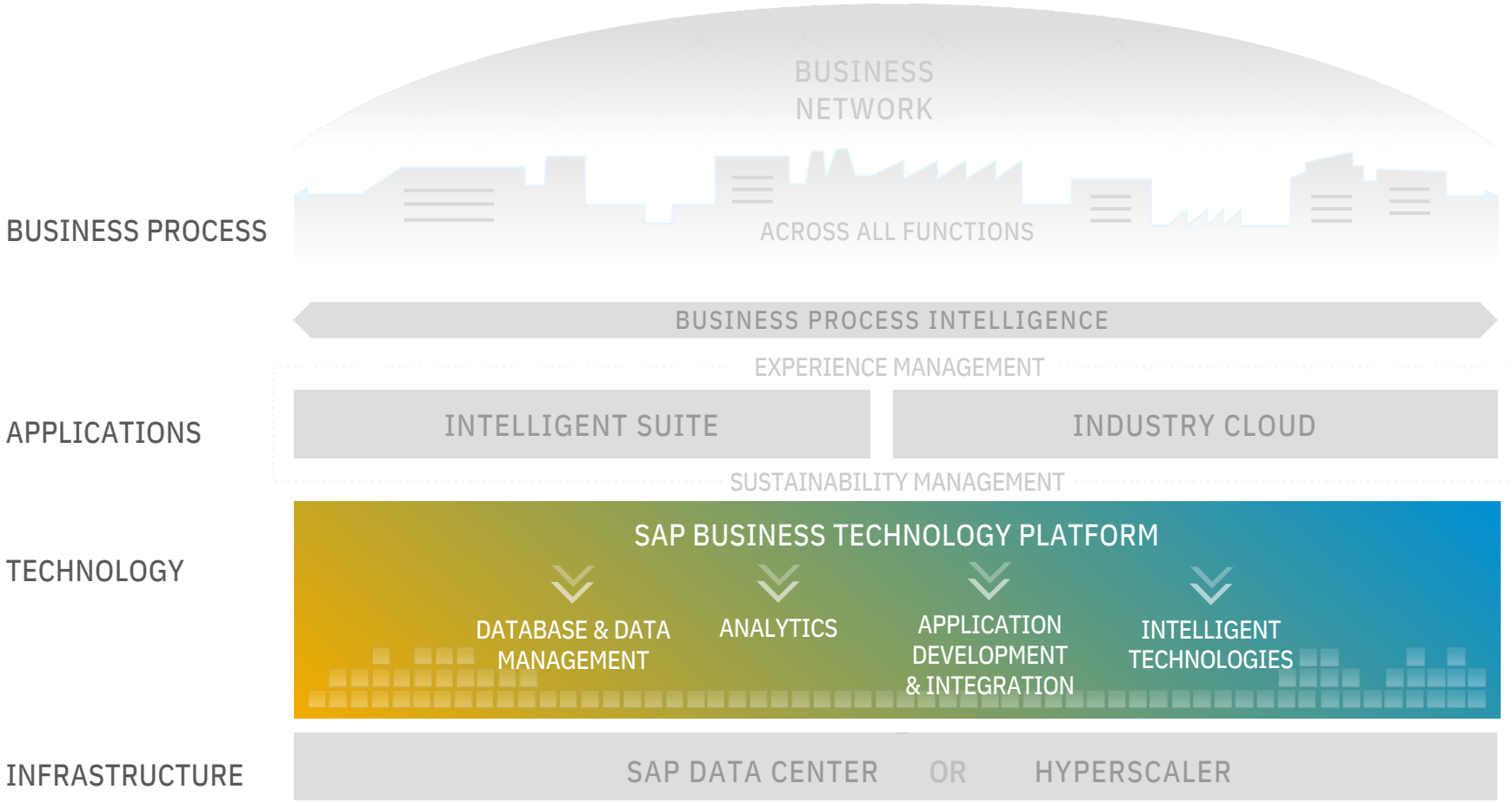
So many clients went down the Data Lake + IaaS path ...and while this provided TCO and tactical value... It did not provide Enterprise Intelligence



What is Business Technology Platform (BTP)?

SAP BTP is a new integrated platform comprised of:

1. Database & Data Management
2. Data-to-Value through HANA & Analytics
3. Application Development & Integration and Extensibility
4. Intelligent Technologies including Automation



Database and Data Management

Capture, manage, and govern your data to drive better business outcomes.

Analytics

Analyze all your data to accelerate insights and transform the data you have into the answers you need.

Application Development and Integration

Integrate and extend applications – build new ways to access and interact with your data.

Intelligent Technologies

Data is the fuel propelling intelligent technologies forward – optimizing processes and igniting innovation.

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SAP BTP - key enablement features

1 Digital Transformation

Improve customer experience, increase operational efficiency, and reduce time-to-value by transforming and automating business processes, adding agility, and gaining actionable insight from your business data

2 Move to Cloud

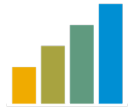
Increase agility, gain a predictable cost structure, and reduce risk by moving some or all on-premise solutions to the cloud

3 Process Optimization

Improve operational efficiency and reduce cost by automating, integrating, enabling custom process extensions, and measuring and adjusting business processes

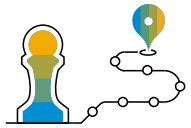
4 Data Fabric

Decrease cost, improve business user productivity, improve customer experience, and improve time-to-value with insights that come from a unified, business ready, enterprise data foundation across both cloud and on-prem systems



5 Modern Analytics

Decrease customer churn, reduce spend, increase business user productivity with data exploration, visual business stories, predictive forecasting, and advanced analytics designed to connect to your business processes



6 Financial Transformation

Optimize revenue, reduce cost, and reduce risk by planning, analyzing and simulating your business with the assistance of predictive forecasting and machine learning

7 Cloud Integration and Extension

Get faster time-to-value and increase developer productivity by integrating and extending business applications utilizing prebuilt integration, out of the box business capabilities and low code development

8 Application Optimization

Increase developer productivity, reduce time-to-value, and reduce risk by moving customizations to the cloud, accelerating system testing, data archiving and automating routine tasks such as system copies

9 Compliance & Security

Increase compliance and reduce risk by understanding where sensitive data is stored, managing data retention policies, securing your landscape, and ensuring critical systems are fully operational

10 LOB Application Surround

Increase productivity and improve time-to-value through seamless application integration and the ability to extend applications and optimize business processes to reduce TCO.

SAP Business Technology Platform: strategy and offering Jobs to be done

SAP BUSINESS TECHNOLOGY PLATFORM

INTEGRATION

RELATED PRODUCTS & SERVICES:

SAP Integration Suite:

- SAP API Business Hub
- API Management
- Cloud Integration
- Integration Advisor
- Open Connectors

etc.

DATA-TO-VALUE

RELATED PRODUCTS & SERVICES:

SAP HANA Cloud

- Data lake capabilities
- SAP Data Warehouse Cloud
- SAP Analytics Cloud incl. Planning
- SAP Data Intelligence
- SAP Data Management

EXTENSIBILITY

RELATED PRODUCTS & SERVICES:

SAP Extension Suite

- Flexible App Development for Developers
- Low-Code/No-Code Application Development
- Business Process Improvement
  - SAP Workflow Management
  - SAP Intelligent Robotic Process Automation
- Digital Experience
- SAP AI Business Services

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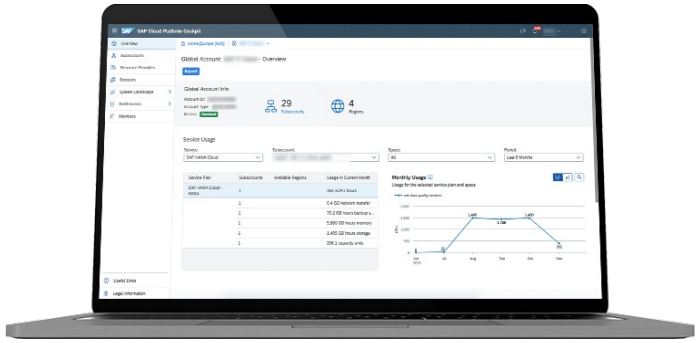
Breakthrough with IBM and SAP RISE will accelerate your journey to SAP S/4HANA with SAP BTP

- **Optimized SAP S/4HANA** move through the migration and optimization of legacy customizations.
- Continual innovation through a **decoupled extension approach** that facilitates easy usage of intelligent technologies and prepackaged capabilities.
- Preparing and integrating organizational data for **digital transformation** through end-to-end data management, covering both internal and external stakeholders.
- **Achieve competitive advantage** through company-specific innovations and optimized business processes that provide differentiation.



Jump-start your integration of SAP and third-party applications

- Put your SAP BTP credits to use with thousands of prebuilt integrations to SAP and third-party applications, unlocking your data and services securely with API management and providing scale and robustness with event-based integration.

Accelerate application development and process automation

- Take advantage of prebuilt bots, UX components, and low-code and no-code development capabilities to rapidly build and enhance applications, processes, and experiences across your value chain.

Maximize intelligence across the business

- Combine data from SAP S/4HANA and third-party sources to deliver real-time, actionable insights. Use cloud data management, advanced analytics, enterprise planning, and business intelligence tools to enable data-driven decisions.

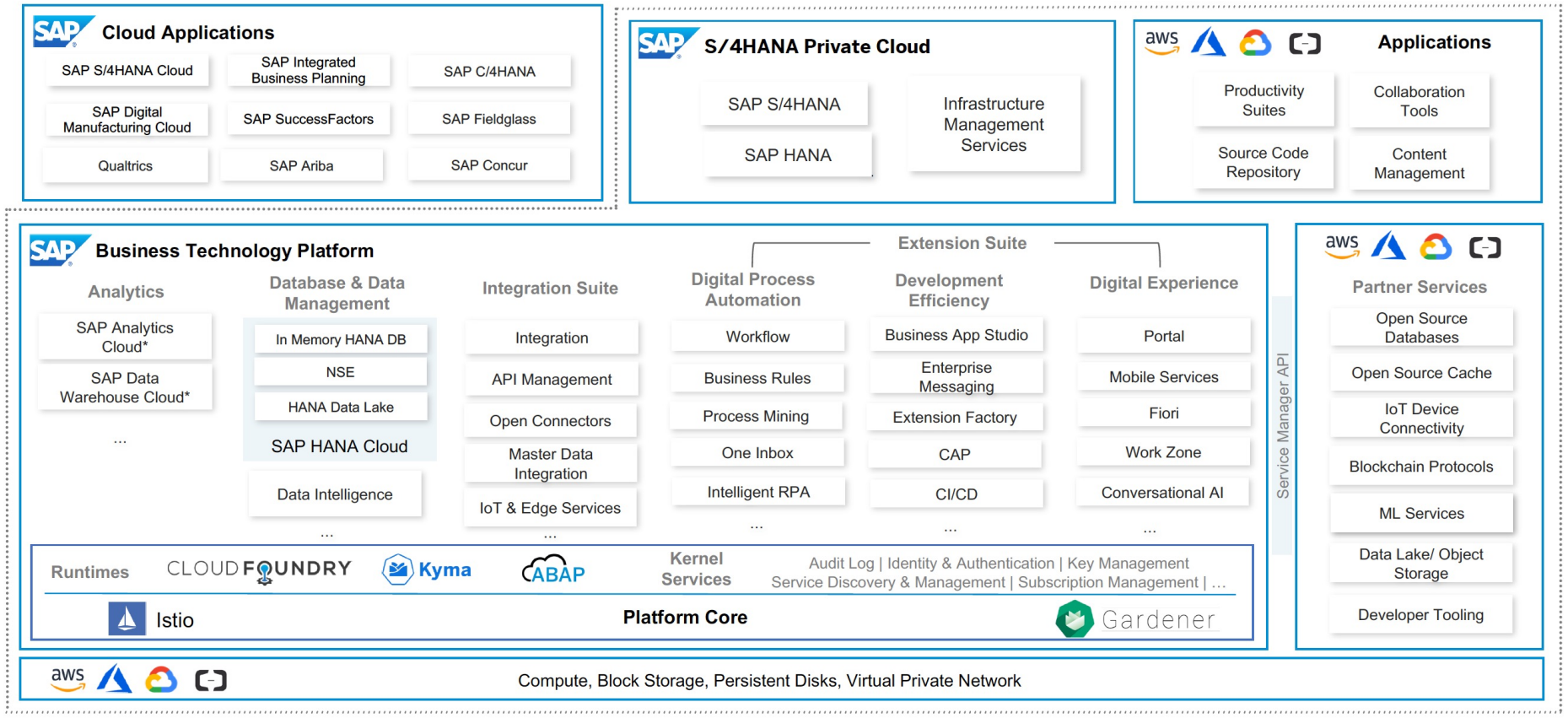
What is Business Technology Platform (BTP)

SAP BTP provides a complete set of tools and services for:

1. Developers,
2. Analysts and
3. Process experts

Now you can easily extend, enhance and enrich the capabilities of the S/4HANA Digital Core and integrate within the wider Enterprise Ecosystem of strategic and legacy applications

SAP BTP drives new capabilities that maximises agility and business value

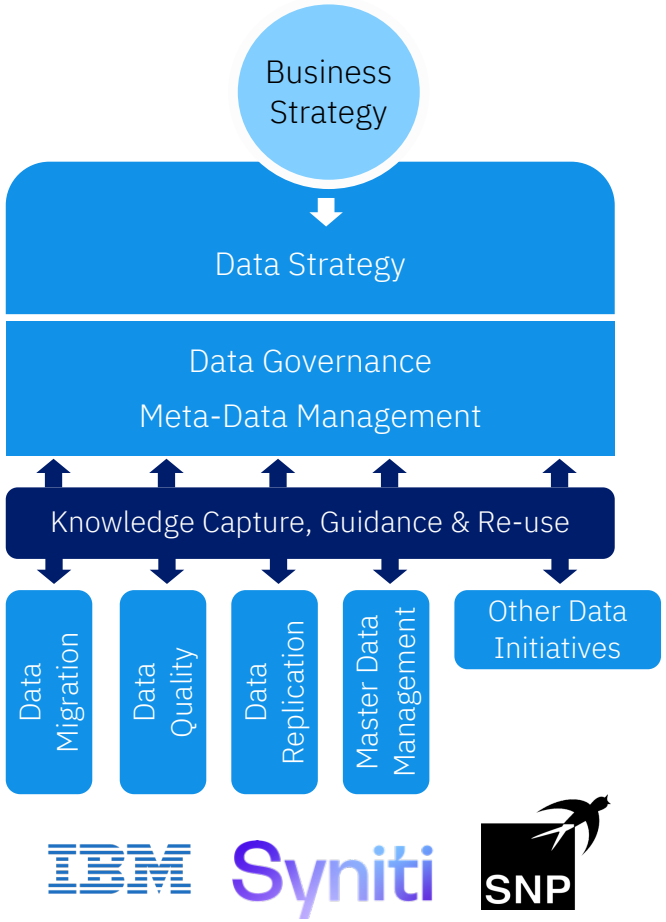


Nomenclature:

Solution Capabilities – Data Quality & Conversion

- Run a **data scan and assessment** to determine if current state of data supports planned business outcomes
- Leverage insight scans to **archive data and ERP instances** that are no longer active to accelerate data quality lifecycle management
- Automatically and rapidly **locate, evaluate and remediate data errors** to reduce overall data complexity and footprint
- **Increase data harmonization** across processes through optimized quality

Experience a 15-20% ROI through turning data quality insights into actions



Solution Capabilities – Code Modernization

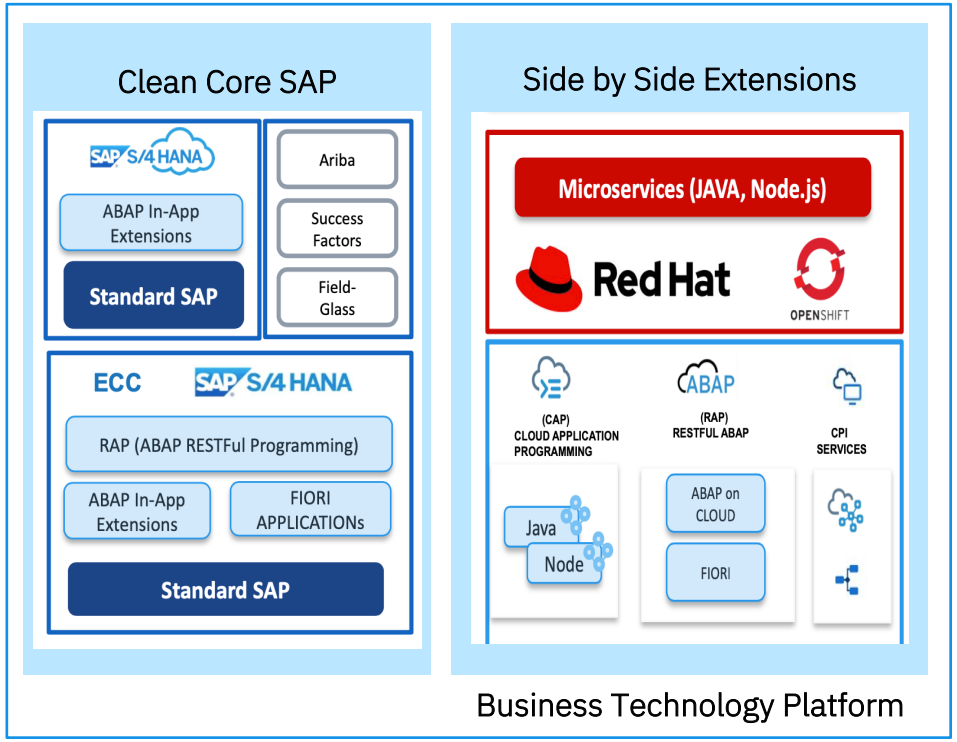
Leverage **Code Analysis and Roadmap** for custom code (HANA, S/4HANA, Security & Stability)

Optimize existing ABAP code through remediation, decommissioning, consolidation & carve-out analysis

Code Transformation & Application Modernization with Side-by-Side Applications (BTP, Fiori) cloud microservices replacing monolithic legacy applications

Get faster time-to-value and increase developer productivity by integrating and extending business applications utilizing prebuilt integration, out of the box business capabilities and low code development on SAP BTP

Move from heavily customized SAP to Clean Core and Side-by-Side Applications



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SAP BTP