

How to Develop your S/4HANA Roadmap with a Transformation Assessment

ASUG Carolinas Chapter Meeting | June 24, 2022

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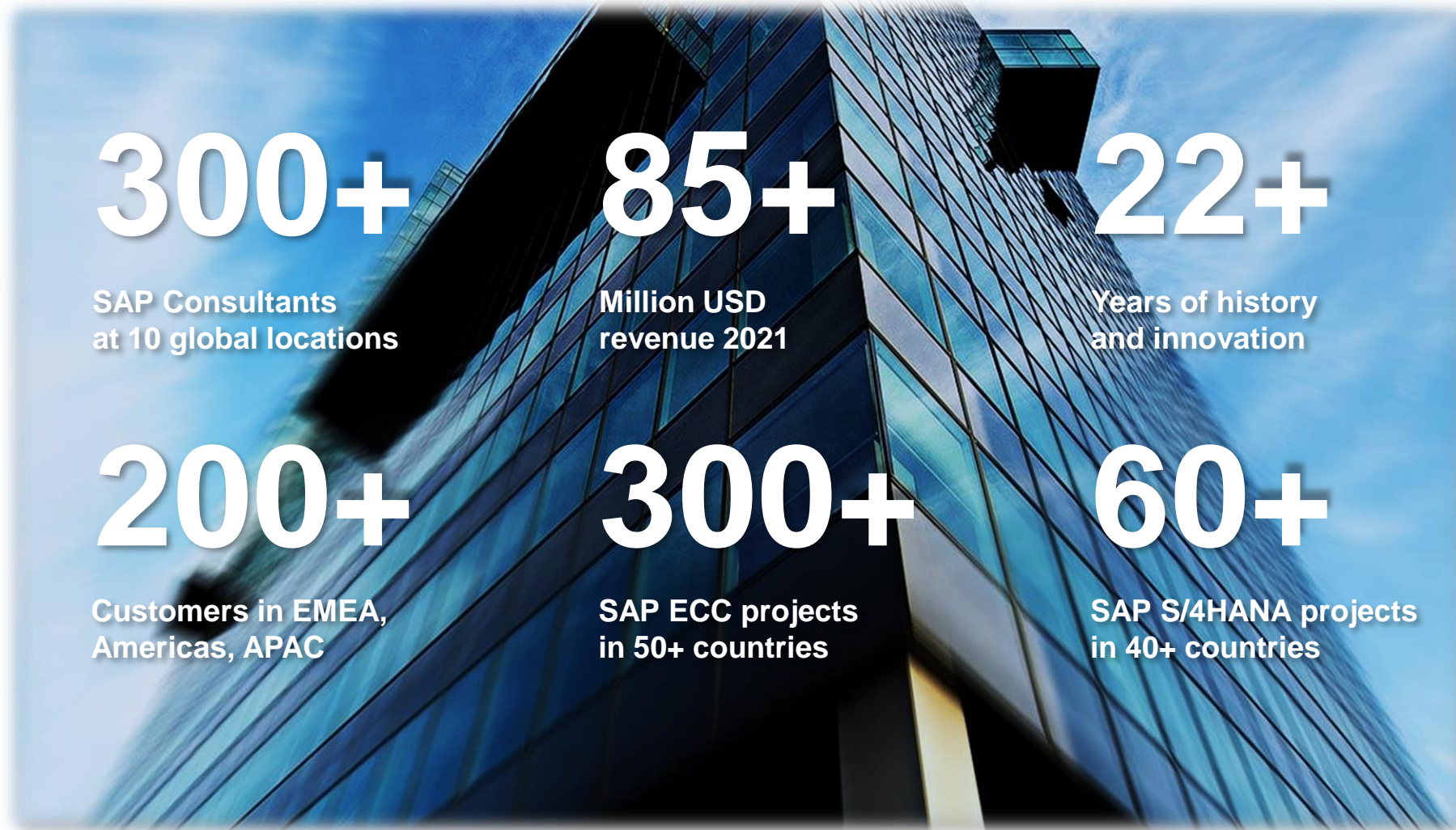
Agenda

- Introduction
- SAP S/4HANA Transformation Basics
- Assessment Approach (brown- or greenfield)
- Simplified Assessment (brownfield only)
- Case Study Miba Group
- Summary, Q&A

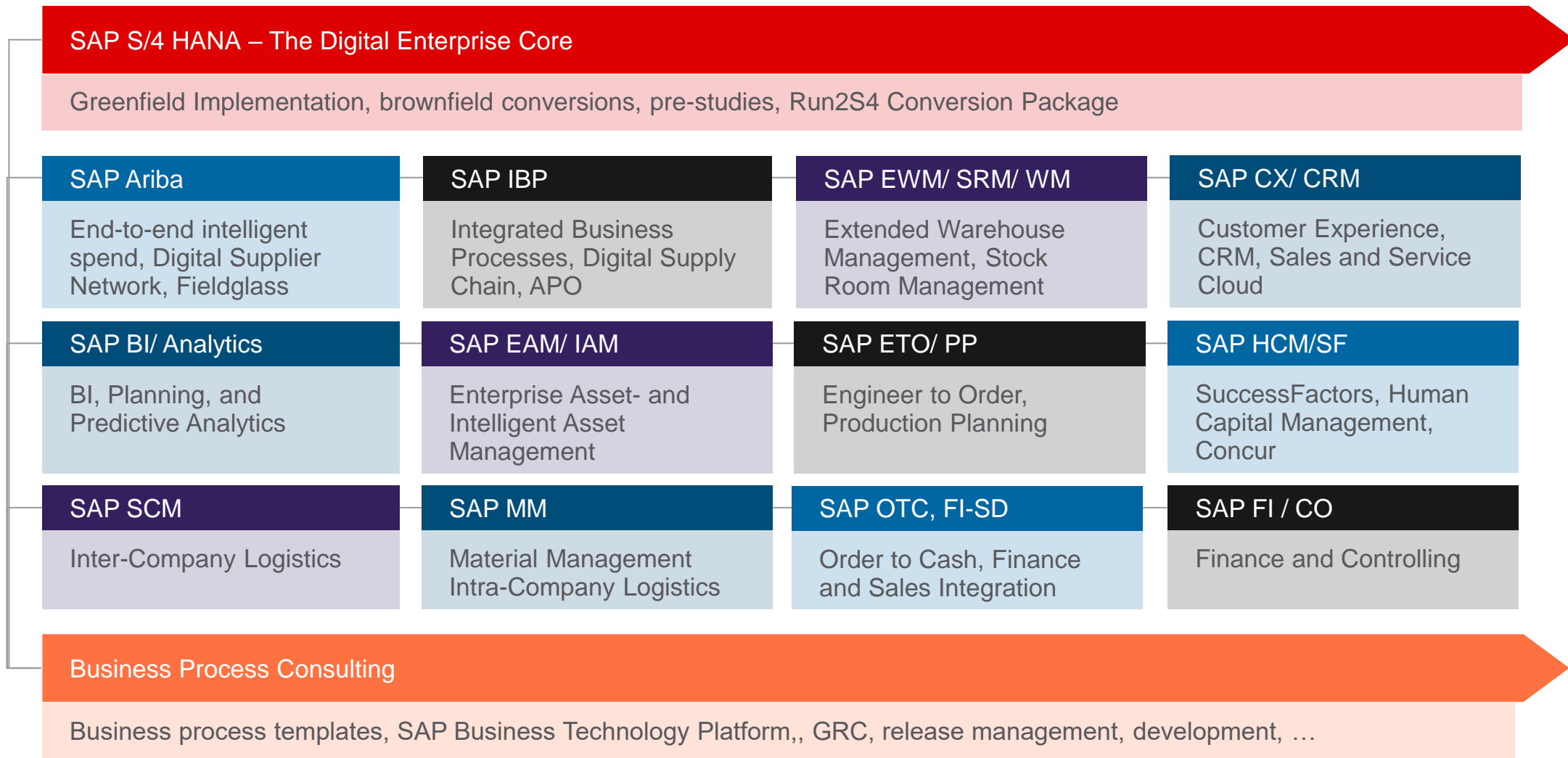
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CNT Management Consulting – By the Numbers



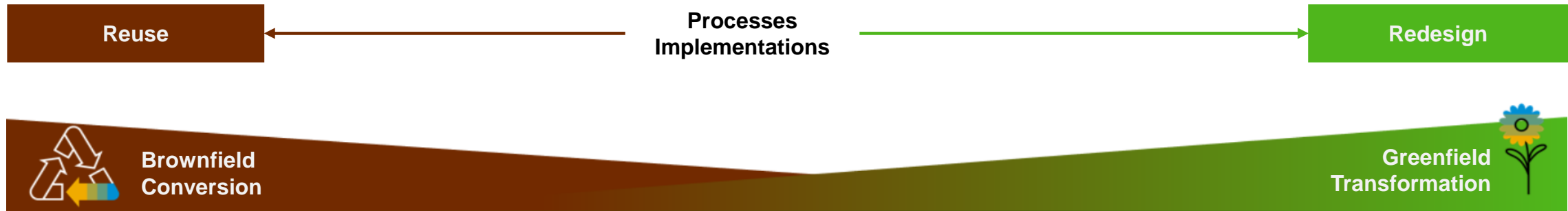
SAP Competences



Agenda

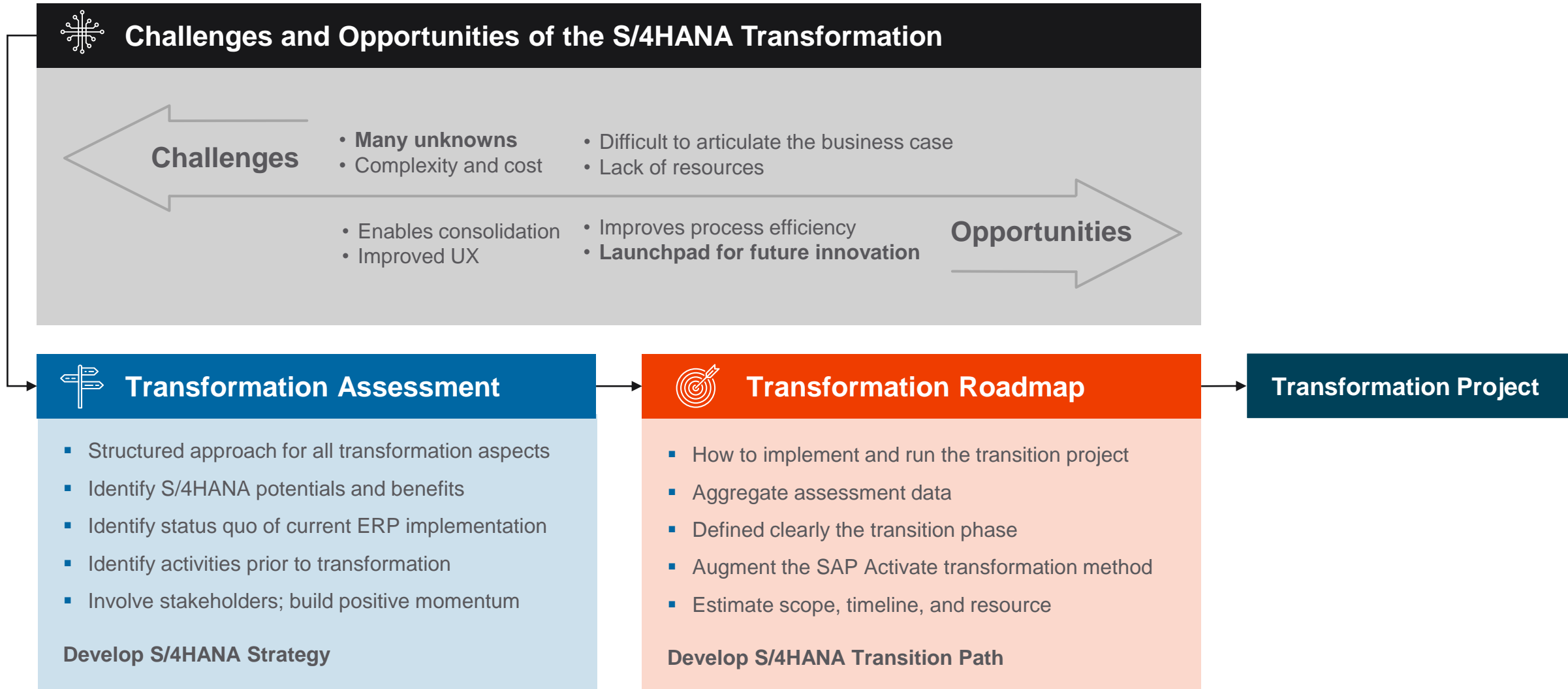
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Conversion versus Transformation

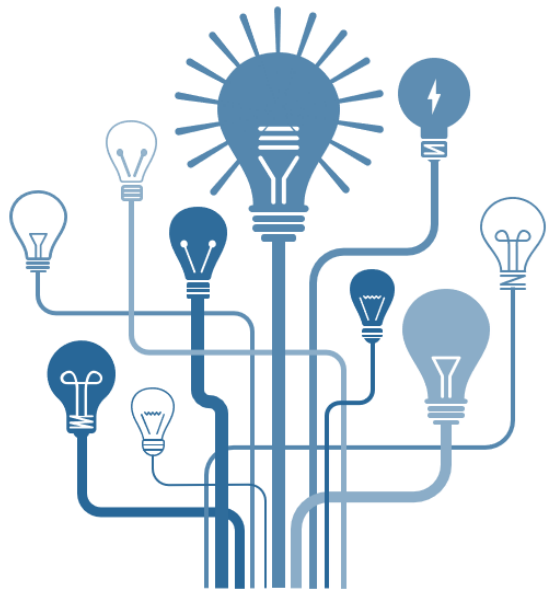


Brownfield Conversion	Empty Shell Conversion	Mix & Match	Greenfield Transformation
Reuse >90% of existing processes/implementation	Reuse >50% of existing processes/implementation	Reuse <50% of existing processes/implementation	Redesign of processes / implementations
System Conversion	Clone current ERP system. Perform S/4HANA upgrade. Migrate existing processes. Implement new processes.	Create a new S/4HANA system. Partially migrate existing processes. Implement new processes.	Setup new S/4HANA system Implement new processes.

S/4HANA Assessment & Transformation Roadmap



Why a formal Assessment?



Benefits of a Formal Assessment

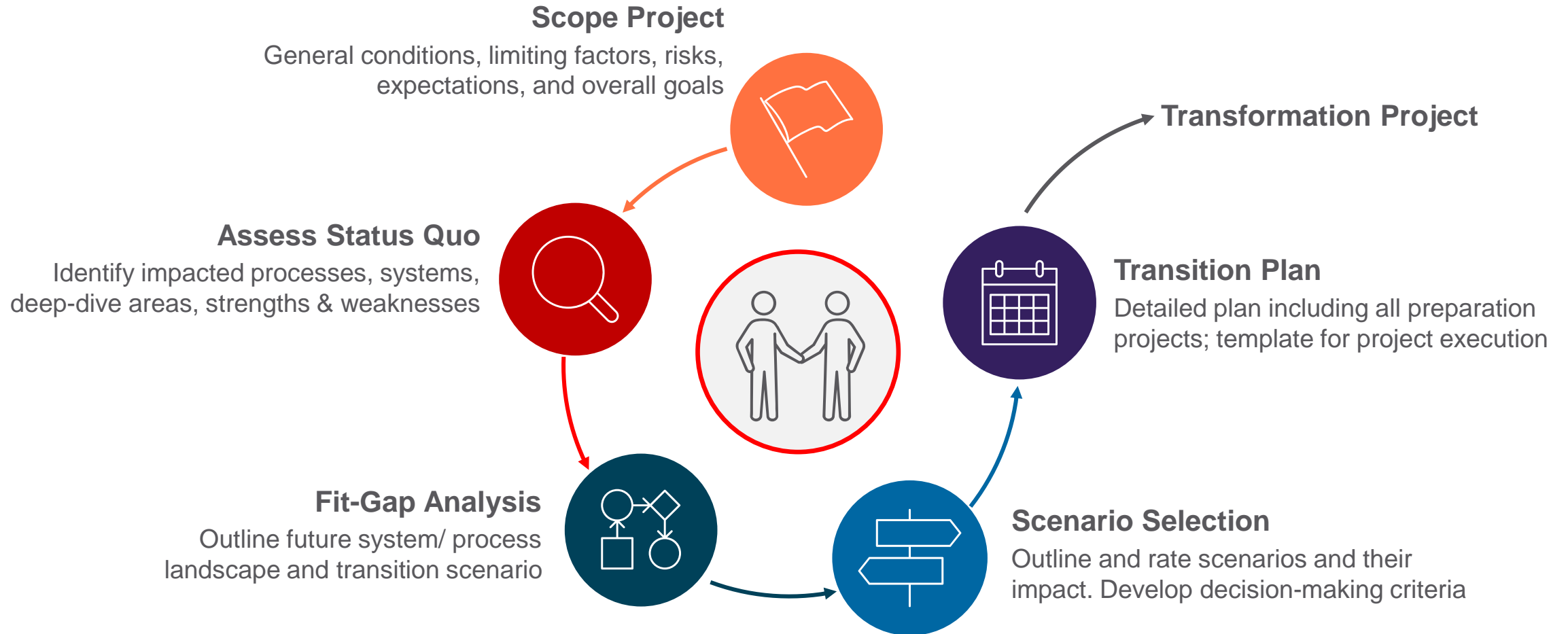
- Answer the “Why” and “How” of the transformation
- Structure approach to cover all critical aspects of the transformation
- Get good data from stakeholders with the right questions
- Dedicated focus from stakeholders during and after assessment
- Set expectations for the transition
- Better decision on transformation approach
- Have a ready-to-go transformation template

- **Develop a better S/4HANA strategy**
- **Get the transformation project off on the right foot**

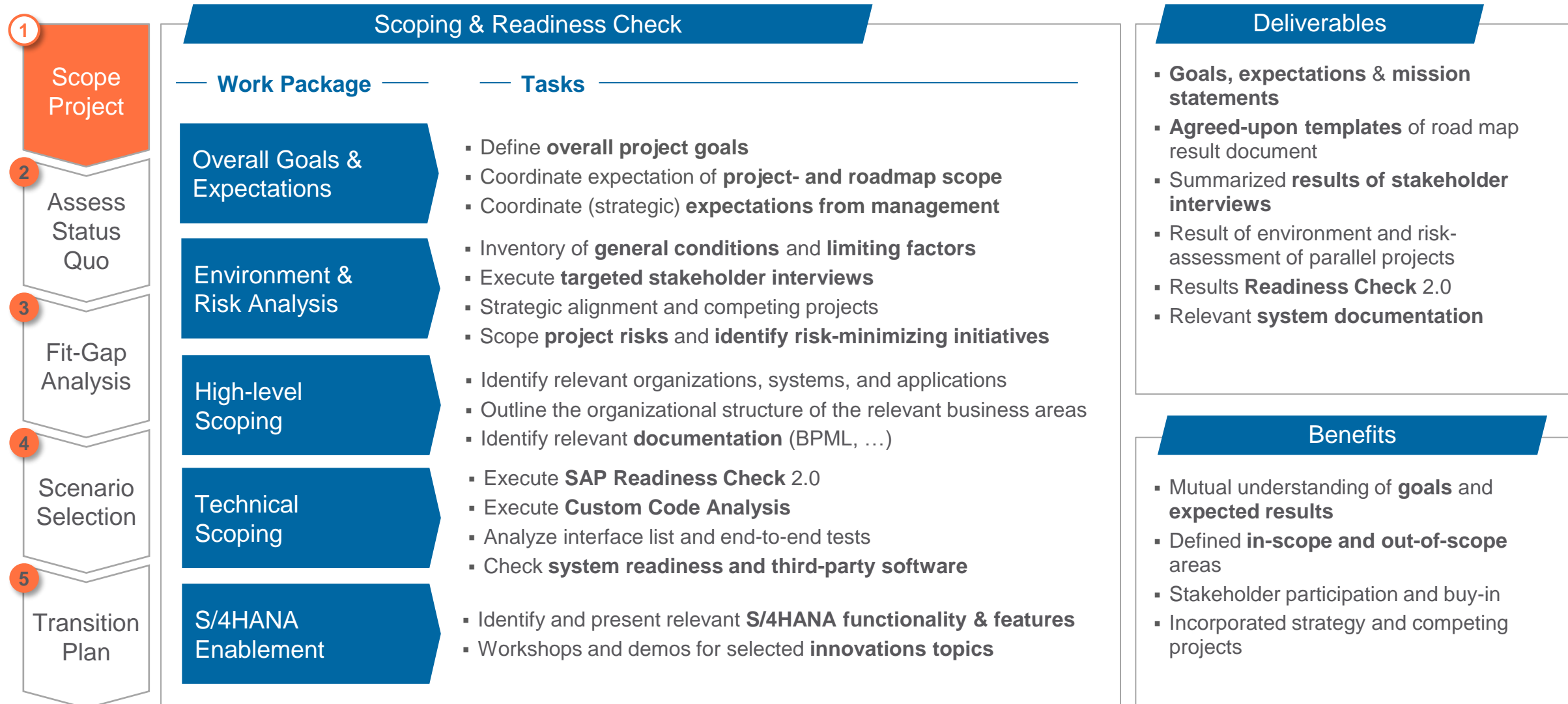
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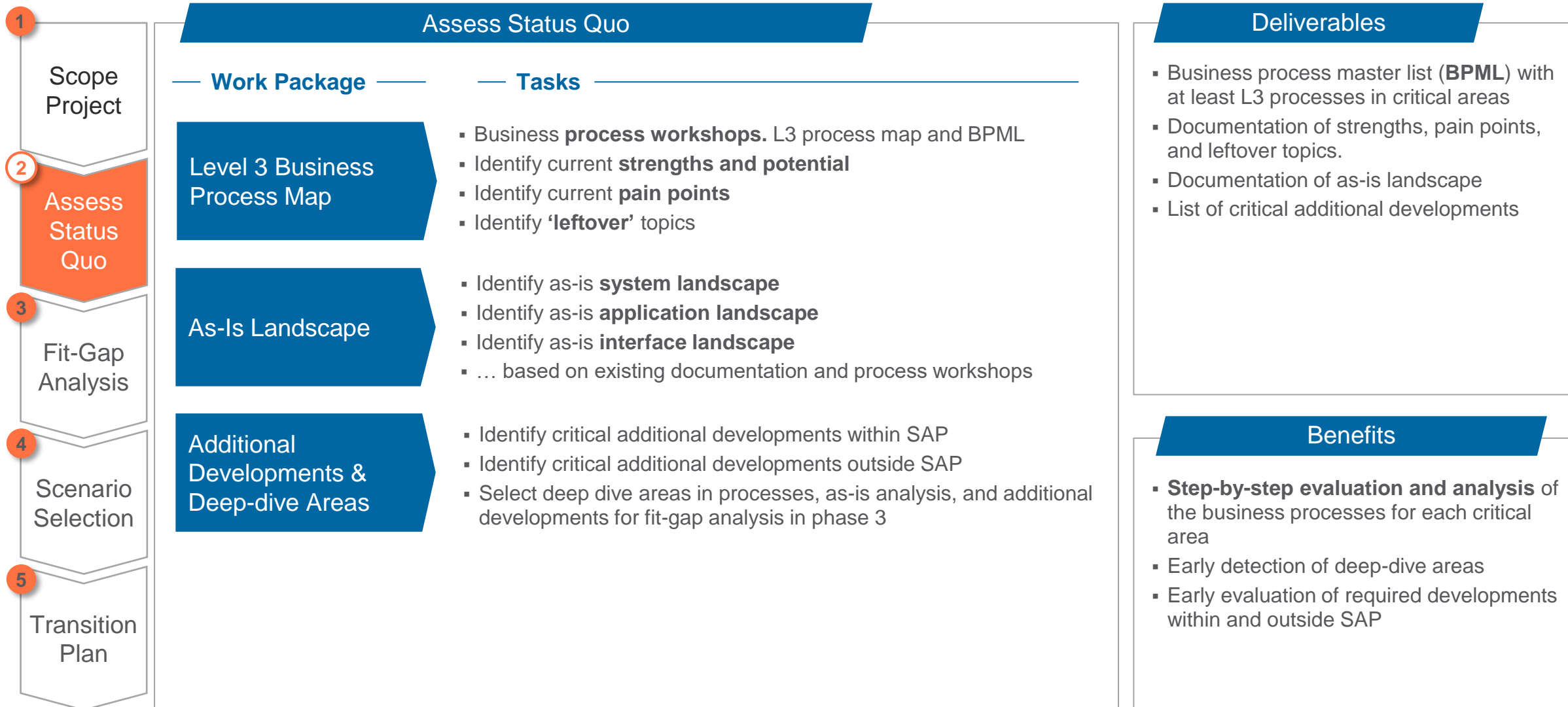
Assessment Phases



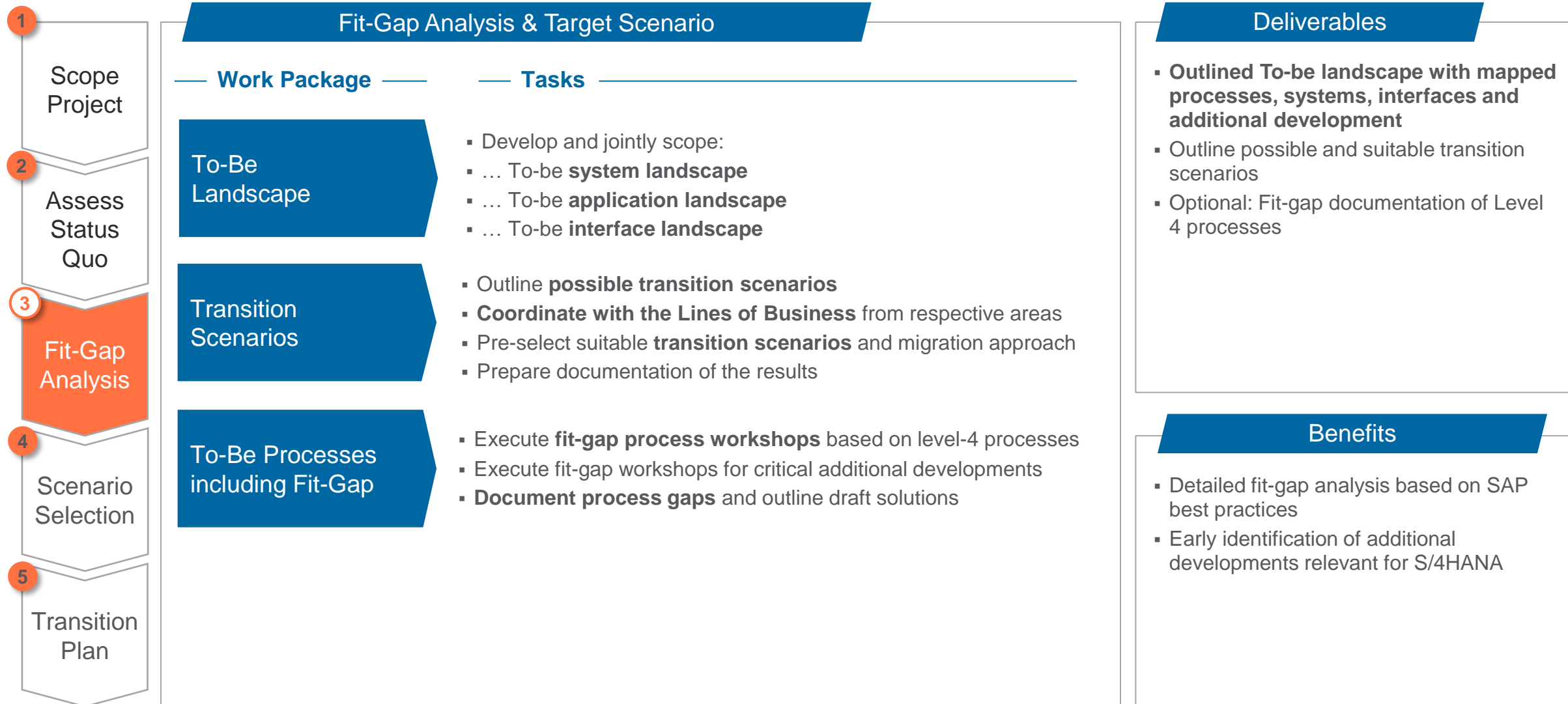
Phase 1 – Scope Project



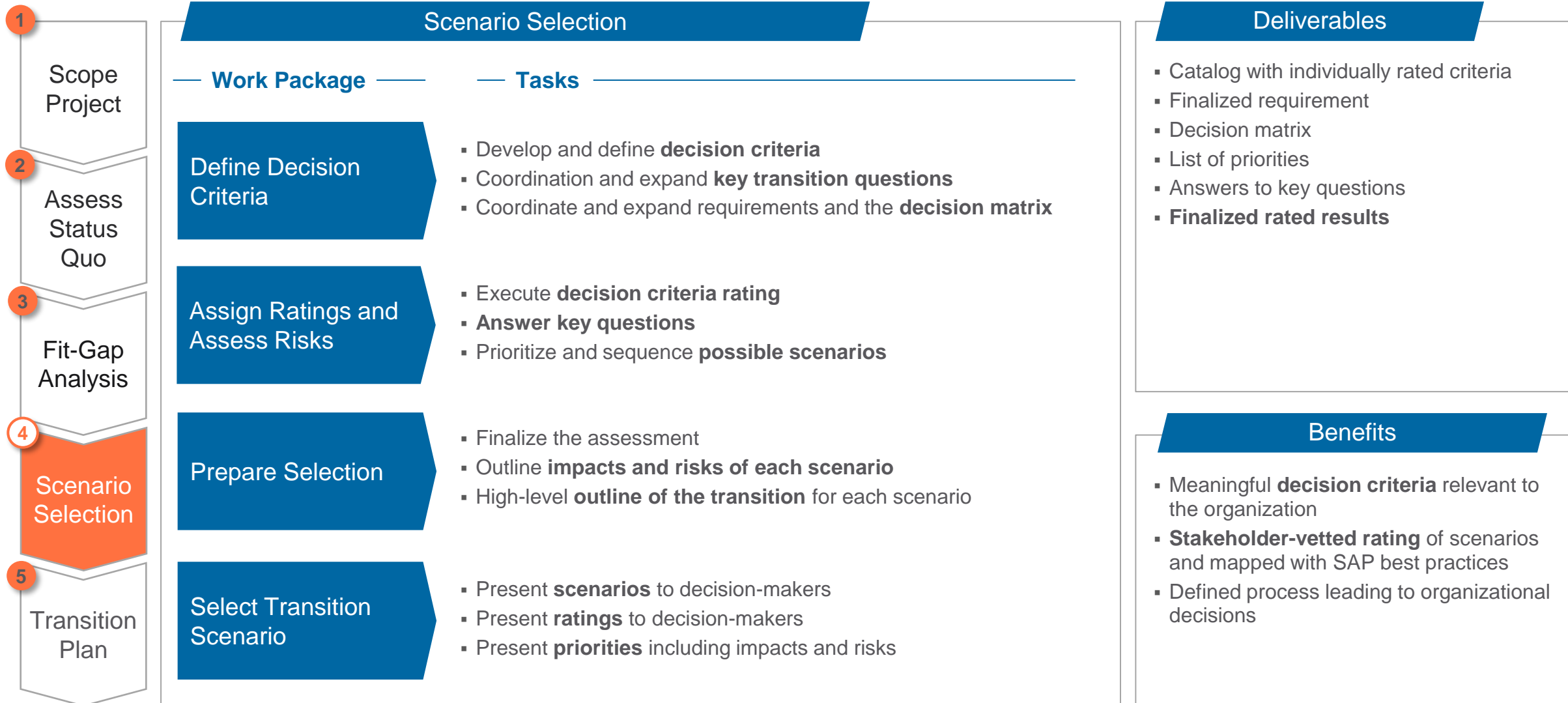
Phase 2 – Assess Status Quo



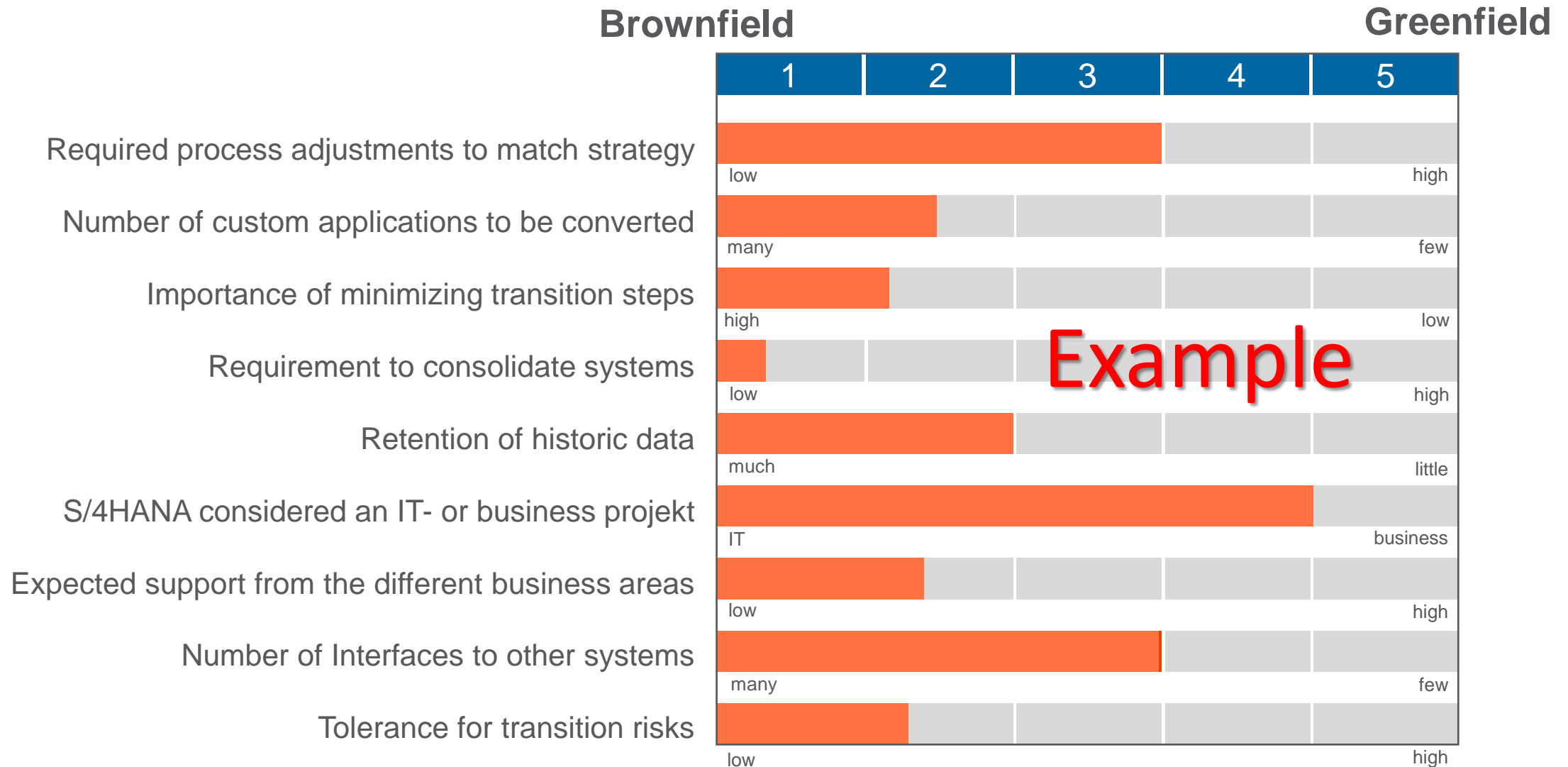
Phase 3 – Fit-Gap Analysis & Target Scenario



Phase 4 – Scenario Selection

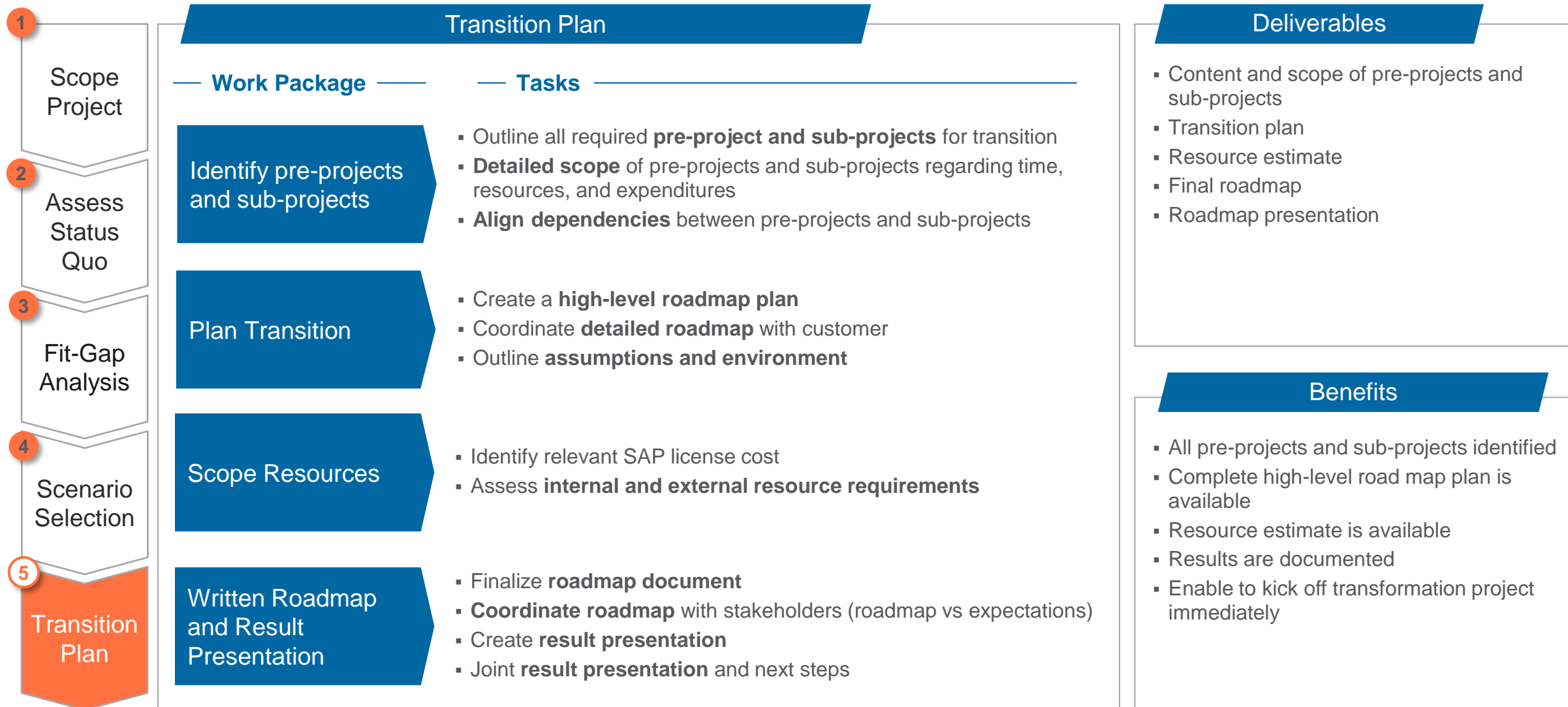


Key transition questions



Example

Phase 5 – Transition Planning



- 1 Scope Project
- 2 Assess Status Quo
- 3 Fit-Gap Analysis
- 4 Scenario Selection
- 5 Transition Plan

Work Package

- Identify pre-projects and sub-projects
- Plan Transition
- Scope Resources
- Written Roadmap and Result Presentation

Tasks

- Outline all required **pre-project and sub-projects** for transition
- **Detailed scope** of pre-projects and sub-projects regarding time, resources, and expenditures
- **Align dependencies** between pre-projects and sub-projects
- Create a **high-level roadmap plan**
- Coordinate **detailed roadmap** with customer
- Outline **assumptions and environment**
- Identify relevant SAP license cost
- Assess **internal and external resource requirements**
- Finalize **roadmap document**
- **Coordinate roadmap** with stakeholders (roadmap vs expectations)
- Create **result presentation**
- Joint **result presentation** and next steps

- Deliverables**
- Content and scope of pre-projects and sub-projects
 - Transition plan
 - Resource estimate
 - Final roadmap
 - Roadmap presentation

- Benefits**
- All pre-projects and sub-projects identified
 - Complete high-level road map plan is available
 - Resource estimate is available
 - Results are documented
 - Enable to kick off transformation project immediately

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The need for Simplified Conversion

Transformation Bottlenecks

- Already at capacity managing day-to-day business
- Competing projects
- Lack of internal and qualified external resources
- Financial constraints
- Limited management buy-in
- Approaching deadline for transformation
- Significant investment in current business processes
- No organizational consensus on strategy

Unrealistic for some to rebuild existing business processes from scratch and map to new ERP



Simplified Assessment and Conversion

- Focus limited resources and energy on S/4HANA conversion first
- Clear expectations for the business and stakeholders
- Outline concrete scope, timeline, and outcome
- Convert first, innovate second
- Follow clearly defined conversion path set out by SAP with SAP Activate
- Fully converted S/4HANA system as a launchpad for innovation

“Don’t mix conversion and innovation”

Simplified Conversion via #run2S4

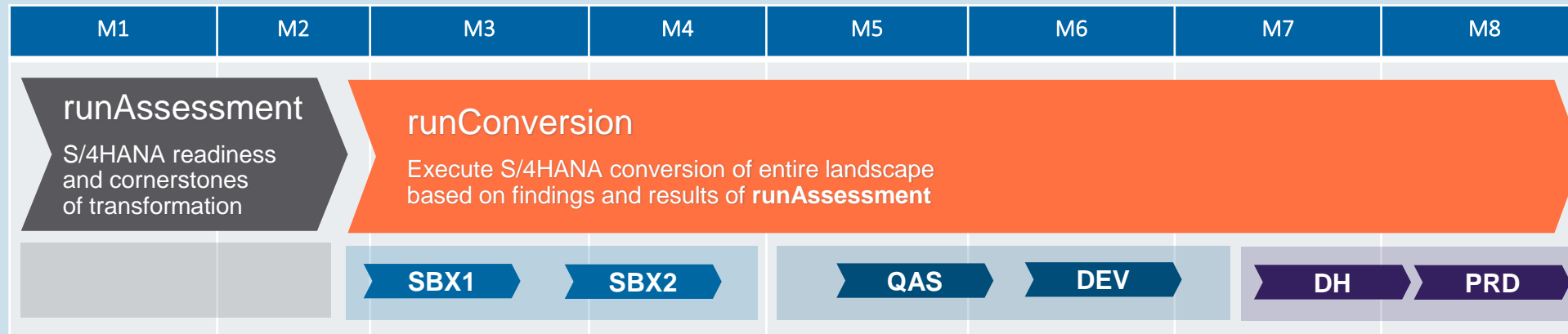
Highlights

- ✓ Predefined and standardized scope project.
- ✓ **runAssessment** as S/4HANA conversion launchpad
- ✓ **runConversion** for end-to-end conversion.

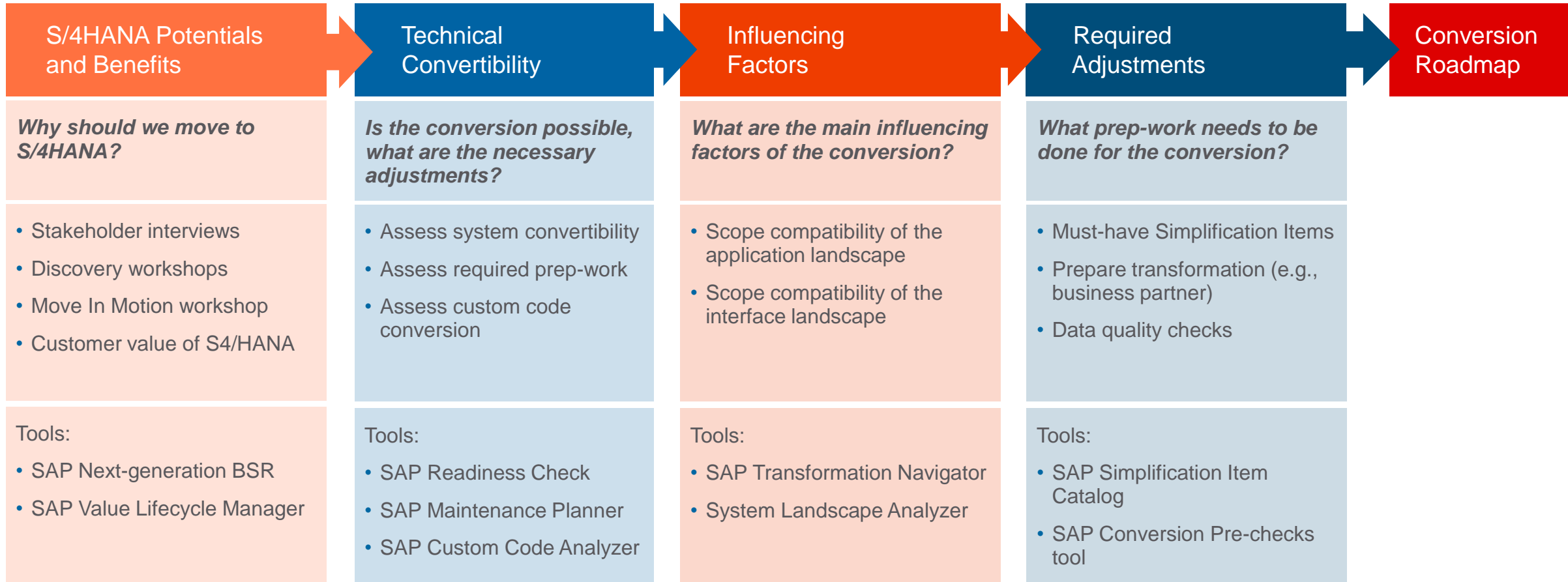
Benefits

- ✓ Fixed scope and timeline
- ✓ Convert first, innovate second
- ✓ Predictable outcome

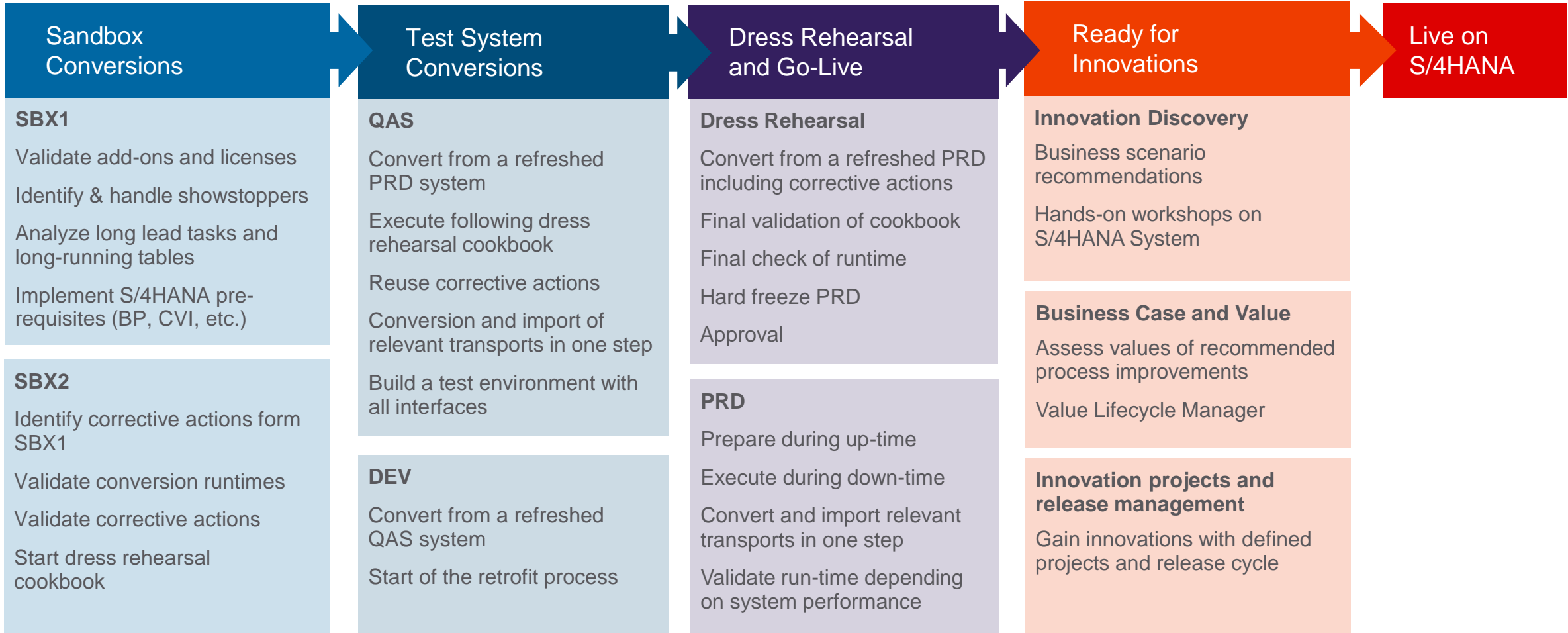
Conversion Milestones and Timeline



#runAssessment - Steps



#runConversion – Steps



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Miba Group – CNT Assessment Case Study

- Family-owned manufacturing company **founded in 1927** in Austria
- **7,800 employees, ~1bn\$ annual revenue**
- Leading strategic partner to the international **engine- and automotive industries**
- Miba clients are in energy generation & transmission, oil & gas, and plant engineering



Powder metal parts



Bearings



Friction materials



Coatings



Power Electronics



Special machinery



eMobility

Miba Transformation Assessment

Prestudy Project Drivers	<ul style="list-style-type: none">✓ Miba already decided on brownfield conversion. Target partial transformation assessment in form of a pre-study focused on business enablement✓ Plan, scope, and execute pre-study with a focus on S/4HANA Innovation Topics
Project Goals	<ul style="list-style-type: none">✓ Prepare the IT teams for the S/4HANA conversion✓ Maximize cooperation between IT team and business✓ Create positive momentum for the project
Project Scope	<ul style="list-style-type: none">✓ Know-how transfer: Structured training for new S/4HANA solution✓ Build a custom test- and training system (sandbox)✓ Execute Miba-specific process workshops on S/4HANA standards✓ Create Miba specific documentation to support standard operating procedures✓ Hands-on and help during internal tests on the sandbox system

Miba Enablement Prestudy – Covered Topics during Prestudy

S/4HANA EAM Enterprise Asset Management	Asset manager mobile apps, work manager, asset manager, EAM FIORI apps,
S/4HANA FICO Finance/ Controlling	Asset Accounting, new general ledger/ asset accounting, cash management, cash operations, financial closing cockpit, investment management, material ledger, simplified COPA profitability analysis, FICO FIORI apps, ...
S/HANA PPM Portfolio and Projectmanagement	Handling embedded PPM in S/4HANA, web dynpro handling, mapping of RPM (resource and portfolio management), PPM FIORI apps, ...
S/4HANA SCM Supply Chain Management	Embeded analytics in MM/SD, GBT (Global Batch Traceability), settlement management, S/4HANA sales/logistics live KPIs, APO/PPDS (Production planning detailed scheduling), SCM FIORI apps, ...
S/4HANA MM Material Management	Standard mobile device usage, goods movement without exclusive material valuation locking, statistical moving average price, MM Fiori Apps, ...
S/4HANA SD Sales & Distribution	Fiori Apps in SD master data, Fiori apps in sell from stock, Fiori apps for analytical, ...
S/4HANA GTS Global Trade Services	New customer module introduction, ...
SAP Cloud	Miba opportunities for SAP Ariba and SAP CX/ CS
Others	S/4HANA output management, Adobe forms, release management, FIORI app development

Miba Prestudy Takeaways

Transformation Key points

- Ahead of the pre-study, Miba was **already set on brownfield conversion**.
- Miba preferred to do a **minimalistic and very pragmatic approach** to the conversion.
- At the conversion stage, **SAP functionality should only be enhanced if absolutely required**.
- Miba's primary goal of the Prestudy was to **get the organization ready for technical conversion** and involve stakeholders in developing a **joint S/4HANA vision and strategy**.
- Opportunity for a **six- to the eight-week dedicated focus of key stakeholders** on the future landscape



Downstream Business Case

- Miba used the Prestudy to develop a **Downstream Business Case**.
- Clearly set the business expectation that the **technical conversion will have minimum workflow changes**
- Clearly communicate the **technical conversion is a base investment only**.
- Clearly **outline the innovation projects and business value that are scheduled on top of the converted system**

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Five Takeaway from Today's Presentation

01

S/4HANA is more than a new release. It is a launchpad for innovation

02

A formal assessment brings clarity to vision, strategy, and roadmap

03

Focus on the SAP S/4HANA potential, not only the technical conversion

04

You must find your sweet spot in the brownfield-greenfield spectrum

05

You will greatly benefit from an experienced SAP partner

Questions?

For questions after this session, contact us at

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Thank you.