

Achieving a clean SAP ERP core by moving to the cloud

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Speaker introduction



- ✓ 25 years of SAP experience in a career of 30 years in a variety of roles including SAP product development, delivery/advisory/consulting, pre-sales, & sales; currently work for the SAP S/4HANA Center of Excellence, North America
- ✓ Served clients globally & across multiple industry verticals including Public Sector, Utilities, Media, Manufacturing, Pharmaceuticals, Oil & Gas, & Hi-tech among others
- ✓ Areas of expertise include SAP Financials, Logistics/Supply Chain, Reporting & Analytics, Data Management & Governance, Cloud technologies, User Experience, & Project/Program Management
- ✓ Prolific thought leader: Published over 100 articles & white papers for SAP publications; written 5 SAP books; spoken at nearly 150 SAP conferences globally

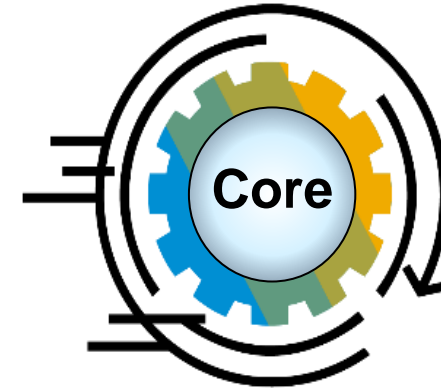
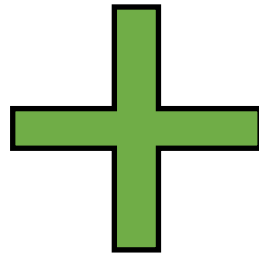
Agenda

- Key Concepts
- Why is a clean core necessary?
- How to achieve a clean core?
- Get started on your journey

Clean



- ✓ Current
- ✓ Transparent
- ✓ Unmodified
- ✓ Consistent
- ✓ Efficient
- ✓ Cloud compliant



- ✓ Extensibility
- ✓ Processes
- ✓ Landscape
- ✓ Data
- ✓ Operations

Do existing customers have a 'clean core'?

- Based on the concepts, **very few existing SAP (ECC or S/4HANA on-premise) customers have a clean core**
- Our observations on a 'dirty' core include:
 - Not on the latest enhancement package or release
 - Medium to large volume of customizations (WRICEF objects)
 - Modifications to SAP core code/functionality (aka core mods), especially in older versions (like SAP ECC & R/3)
 - Point-to-point integrations
 - Few decoupled 'extensions'
 - Data fragmentation, multiple versions of the truth

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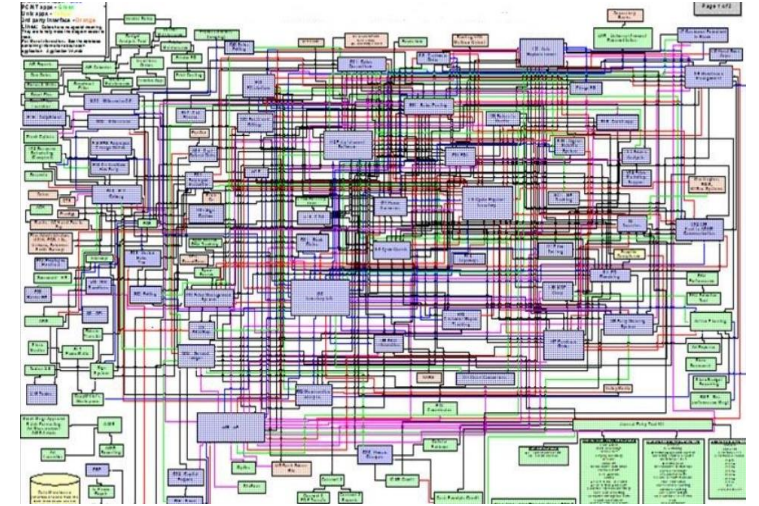
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***Constantly changing
business models***

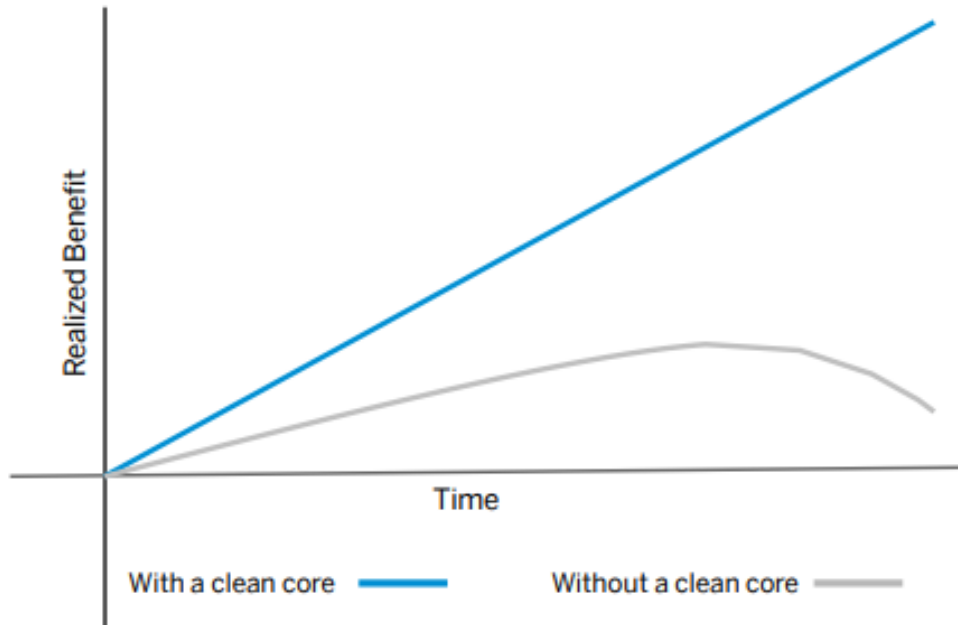


New technologies



Landscape complexity

Benefits of clean core



Take the Lead

With faster adoption of innovation for top-line, bottom-line, and green-line growth:

- Create new revenue streams by innovating new business models
- Improve efficiency through streamlined workflows, automation, and insights to action
- Enhance employee engagement through better user experience; ability to focus on strategic, value-add work
- Enable sustainable operations through better tracking, monitoring, and analysis across your value chain based on consistent data



Secure Your Success

Maximizing the benefits of cloud delivery:

- Accelerate time to value with extensions that can be implemented on-the-fly without disrupting the core
- Reduce overall total cost of ownership (TCO) by reducing upgrade-related coding and testing efforts
- Mitigate risk through improved resilience and cybersecurity
- Simplify technology consumption into a model that will scale

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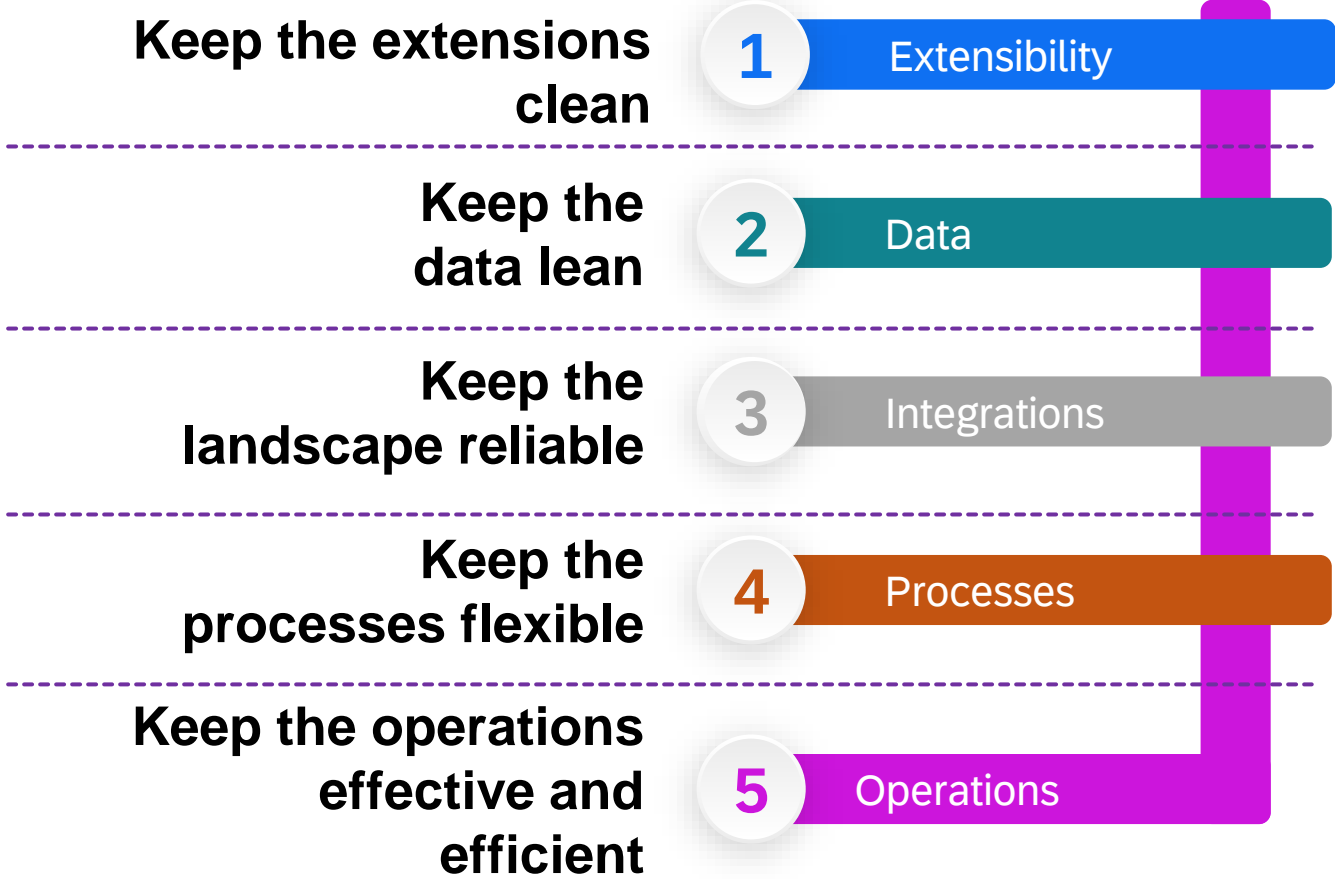
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SAP & the clean core



**SAP is committed to helping customers
achieve a clean core!!**

How to keep the core clean – the 5 dimensions



Keep the extensions clean – how (1)?

Key behaviors:

- ✦ Extensions should be **avoided** when possible
- ✦ Create **cloud compliant Extensions**, i.e. in a way that they would work in the cloud by setting up a **strong governance**
- ✦ **Custom extensions** do not break an upgrade and **upgrades** do not break an extension - separate extensions by leveraging released APIs
- ✦ Leverage the full capabilities of extensibility **on the stack** as well as side-by-side **with SAP BTP**
- ✦ Create **technical debt** only as the last resort



Keep the **extensions** clean

1

Extensibility

Keep the **data** lean

2

Data

Keep the **landscape** reliable

3

Integrations

Keep the **processes** flexible

4

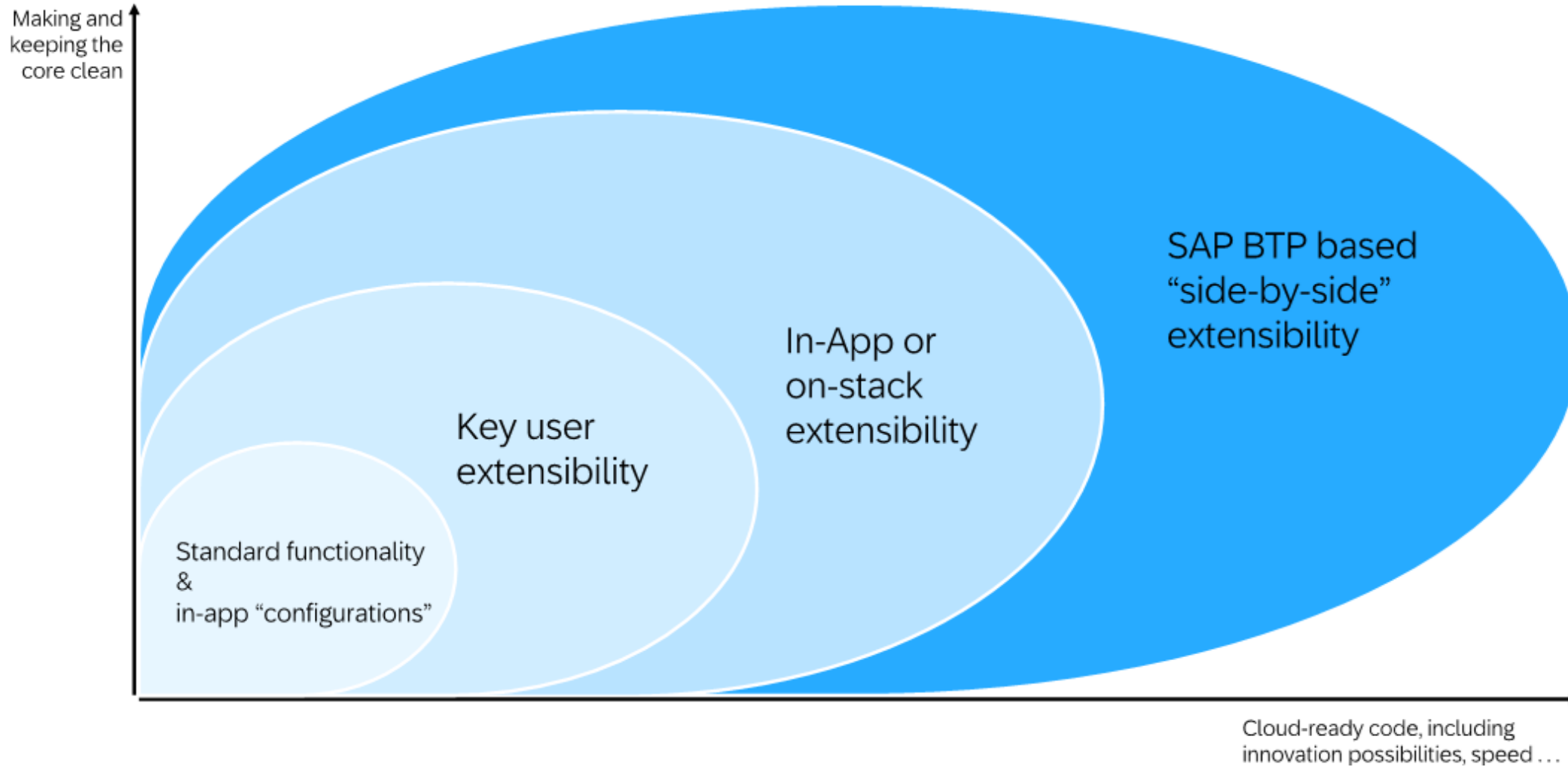
Processes

Keep the **operations** effective and efficient

5

Operations

Keep the extensions clean – how (2)



Keep the data clean – how?



Key behaviors:

- ❖ **Modern** (configuration, master and transactional) **data requirements** are accuracy, completeness, consistency, timeliness, validity and uniqueness
- ❖ **Data volume** needs to be controlled in order to optimize memory and disk consumption
- ❖ Data should not contain **outdated, unused or redundant information**
- ❖ Personal master data must only be **stored with justifiable purposes**

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Keep the landscape reliable – how?

Main Aspects:

- ❖ **Integrations shall be based on standard API's** (OData and SOAP)
- ❖ Side-by-side extensions should leverage **API Integration or S/4HANA Cloud SDK** by utilizing the tight coupling with **SAP Integration Suite**
- ❖ Loosely coupled integrations could be realized in an **Event-Driven Design** based on standard **Events**
- ❖ Avoid **traditional API's** (RFC and IDoc) and their related **classical extension options**
- ❖ Proper monitoring and error resolution capabilities can be realized by utilizing **SAP Application Interface Framework**

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Keep the processes reliable – how?

Main Aspects:

- ✦ Business process design should be **close to SAP up-to-date standard capabilities** i.e. close to the shipped standard code-line
- ✦ **Mandatory extensions** should be documented, monitored and developed according to the **requirements for clean extensions**
- ✦ Organizations should be able to **trace the business process performance** based on a defined set of PPIs (Process Performance Indicators) and industry benchmarks

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Keep the operations effective and efficient – how?

Main Aspects:

- ✿ The paradigm of keeping the core clean is integrated into the **end-to-end concept for operations**
- ✿ **Release management** should make up the foundation for a clean core
- ✿ **Housekeeping** activities which are in line with SAP best practices should be pursued and the distribution of roles and responsibilities that are agreed with SAP should be followed

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The journey – which highway to take?



The Greenfield Highway

- One-time opportunity
- Follow clean-core principles from the outset
- Establish strong governance



The Brownfield Highway

- Plan your journey meticulously - make thorough assessment of existing technical debt
- Adopt a 'cloud mindset'
- Establish stringent governance

Clean core options with S/4HANA

Application

SAP S/4HANA Cloud, public edition

Ready-to-run cloud ERP that delivers the latest industry best practices and continuous innovation.

SAP S/4HANA Cloud, private edition

Tailored-to-fit cloud ERP that adapts to your organization's unique transformation.

Deployment Type

Greenfield

Brownfield

Commercial Framework

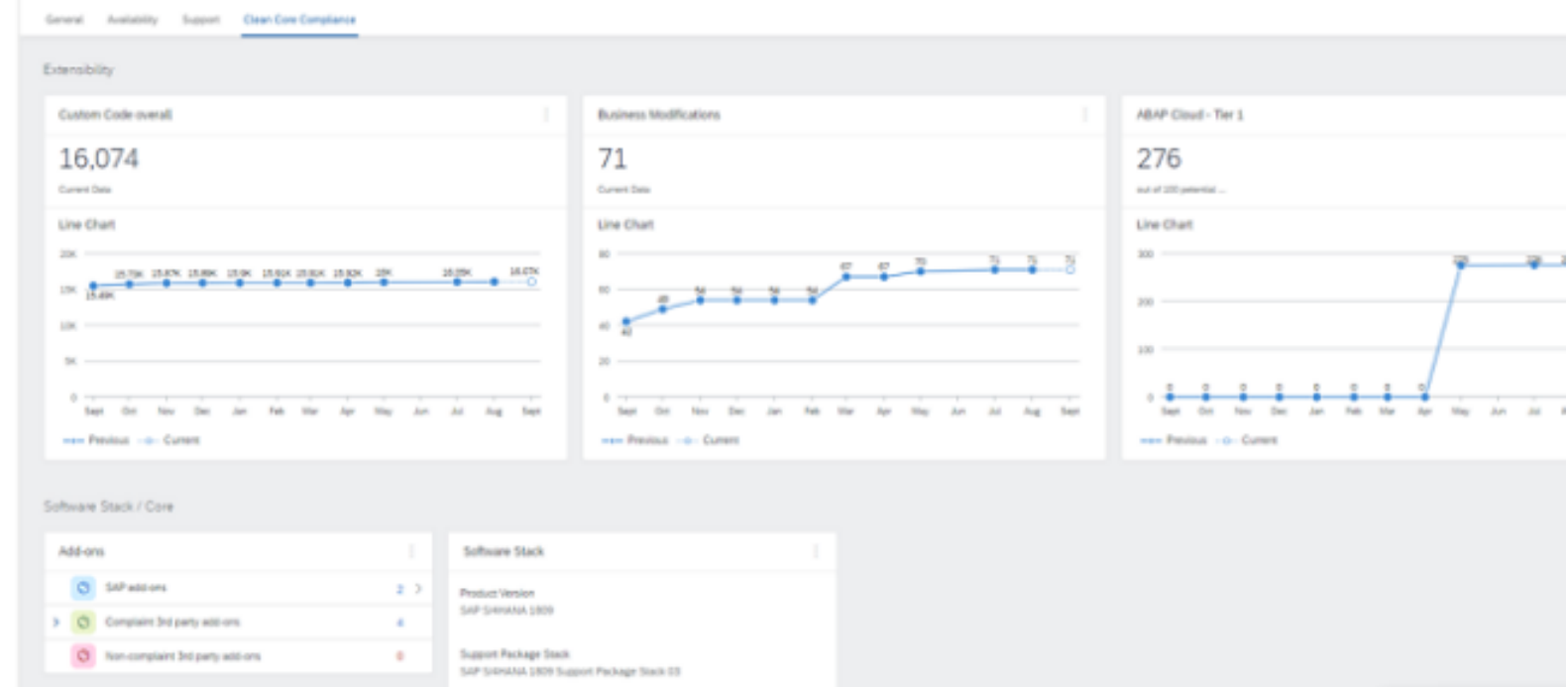
GROW with SAP

RISE with SAP

Clean core compliance with Clean Core dashboard

Steps to access the dashboard

- Logon to SAP for Me (me.sap.com) with an S-user with suitable authorizations
- In the navigation panel on the left side, select "Systems & Provisioning"
- On the "Systems & Provisioning" page, select the "Systems" tab.
- In the "Private Cloud" section click on any system that has "System Role" = "Production" and "Software Product" = "SAP S/4 HANA xxxx". (SAP S/4HANA Foundation not included!)
- On the detail view of that system select the "Clean Core Compliance" tab



- Available for productive SAP S/4HANA Cloud, private edition systems since August 2023 in SAP for Me (Systems & Provisioning area).
- Purpose is, to give customers a technical overview, how Clean Core compliant their SAP S/4HANA Cloud, private edition systems are and link to guides, services and tools (SAP and partner) that help customers to get closer to a Clean Core.
- Is planned to be enhanced on a regular basis with additional KPIs

Key Takeaways

- Helping our customers attain or maintain a 'clean core' is a central & guiding principle of SAP
- A clean core enables customers to operate more efficiently, execute better, and be more innovative
- Clean core deals with multiple areas including extensions, data, integrations, processes, & operations → clean core doesn't just mean minimal or no customizations
- SAP provides paths and approaches to achieving a clean core – our RISE and GROW with SAP frameworks are key enablers

Questions?

For questions after this session, contact me at Anurag.barua@sap.com

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