

To S/4HANA or not to S/4HANA..... That is the Question

Public



Company Information

Company Name	Navajo Tribal Utility Authority (NTUA)	
Headquarters	Fort Defiance, Arizona, USA	
Industry	Utilities	No of Employees 900+
Web Site	https://www.ntua.com	

The Navajo Tribal Utility Authority (NTUA) was established on January 22, 1959, to address the absence of utilities on the 27,000 square-mile Navajo Nation covering approximately 27,000 square miles across northeastern Arizona, northwestern New Mexico, and Utah. Since then, NTUA has grown into a self-sustaining, not-for-profit, successful tribally-owned enterprise. NTUA is organized for the operation, maintenance and expansion of electric, communications, natural gas, water, wastewater and generation, including photovoltaic (solar) services for the Navajo people at a low and reasonable cost. NTUA operates through Seven main district offices located in strategic communities spanning the reservation land for Customer support and dedicated call center.

- 900 + SAP users
- 45,000 + Multi Utility Customers
- SAP S/4HANA is the main system of record
- SAP IS-U implementation for 22 years

NTUA was winner of “Utility of the year Mid-Sized” in 2022 during SAP for Utilities conference at San Diego,



SAP S/4HANA Digital Transformation

Navajo Tribal Utility Authority

Challenge

- **Reliability and performance** – Aging SAP System with occasional system downtime and performance issues
- **Sovereign requirement** for data to stay on Navajo Nation soil
- **Modernization of Customer service by** replacing CIC0 with on premise solution
- **Challenges in obtaining complex data** from multiple sources
- **Corporate requirement** to improve and streamline SAP security

Solution

- SAP S/4HANA Utilities 2021 with Fiori
- Migration from CIC0 to S4CRM for Utilities
- SAP S/4HANA Embedded Analytics leveraging Active-Active Read Enabled (AARE)
- SAP BTP services for connected IoT and combining external data with SAP S/4HANA
- Embedded GRC for revamp security and controls
- Project delivery using SAP PM Activate methodology and SAP Premium engagement support

Outcome

The Project went live in 9 Months on SAP S/4HANA Utilities 2021 with minimum business downtime.

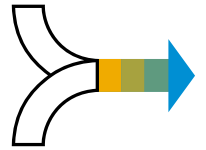
- 100% Fiori based User Interface
- On Premise Private Cloud with HA /DR with AARE
- Zero performance impact on OLTP with SAP S/4HANA embedded Analytics
- Integration between Customer Engagement and Utility functionalities
- Reimagined SAP security model with Greenfield GRC implementation
- Leverage SAP BTP services DI and SAC to deliver AI+ML for Intelligent Asset Management innovation

80% Overall SAP operational efficiency

2x Improved data accessibility for faster decision making with SAP S/4HANA Embedded Analytics

80% Improvement of end-to-end process visibility with Fiori apps, and better customer calls resolution with CRM.

Challenges and Objectives 1 of 2



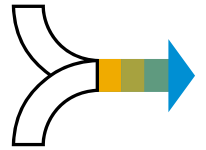
Global challenges

- NTUA aim is to be an industry innovator by increasing photovoltaic renewable power generation, modern distribution networks, and a strong focus on customer engagement, conservation and sustainability. The key objective is to provide safe, reliable, and affordable utility services that exceed customers expectation.

Business Challenges

- Requirement to have a near Zero downtime capable system solution supporting 7X24 critical infrastructure operations and customer service to further optimize the Energy and Physical Supply chains.
- Higher customer satisfaction by standardizing Customer engagement, Back office and Front office processes
- Lack Self-Service Capabilities for Customers
- Access to complex data to support operational, financial and regulatory reporting
- Attract next generation workforce

Challenges and Objectives 2 of 2



Project Objectives

The SAP S/4HANA Digital Transformation Initiative is focused on following objectives

- **Simplification:** IT & Business Processes
- **Innovation:** New Technology for Business & New Features in SAP
- **Performance:** Optimized Business & IT Systems aiming Five Nines availability
- **Accelerate** Process Innovation
- **User Satisfaction:** User Centric systems based on Fiori web UI for a better user experience

Why SAP

SAP has been the main system of record for NTUA for the past 22+ years. Harnessing the existing knowledge of business process in combination of new features of SAP will not only accelerate the transformation but will also ease user transition to new functionality. The following SAP components were considered to meet future business requirements:

- Upgrade to SAP S/4HANA Utilities 2021 with Fiori as GUI
- S/4CRM for utilities for customer engagement
- SAP S/4HANA Embedded Analytics - Generate and Leverage Insights from real time Data for Decision Making
- Intelligent Asset Management - Use of AI & ML to Foster Innovation For Business
- Customer Service Portal fully integrated with SAP S/4HANA
- On Premise Private Cloud with HANA database with HA and DR and Active-Active Read-Enabled architecture

HOW Did You plan, prepare and move to S/4HANA?

Leveraged SAP Enterprise Support Services and Resources

- Collaboration (Value Maps)
- Innovation and Value Realization (Readiness Check and Pathfinder)
- Empowerment (CQCs)

Utilized SAP Enterprise Support Value Maps

- Prescriptive Guidance
- Expert Access
- Social Collaboration
- Empowerment

ENSURE YOU HAVE RESOURCE(S)/CHAMPION(S) ASSIGNED TO WORK WITH SAP SUPPORT!

SAVED MONEY AND TIME BY USING SAP'S PEOPLE AND BEST PRACTICES!

Continuous Quality Checks (CQC)

SAP Continuous Quality Checks		SAP Improvement Services
<ul style="list-style-type: none"> • SAP CQC Business Process Improvement • SAP CQC Business Process Performance Optimization • SAP CQC Data Volume Management • SAP CQC Deployment Readiness • SAP CQC EarlyWatch Check • SAP CQC Financial Data Quality • SAP CQC Going-Live Support • SAP CQC Implementation • SAP CQC Interface Management • SAP CQC OS/DB Migration Check 	<ul style="list-style-type: none"> • SAP CQC Private Cloud Go-Live • SAP CQC Security Optimization • SAP CQC Technical Conversion Optimization • SAP CQC Transformation Assessment • SAP CQC Technical Performance Optimization • SAP CQC Upgrade • SAP CQC Upgrade Assessment 	<ul style="list-style-type: none"> • SAP CQC SAP Modification Justification Check • SAP CQC SAP Custom Code Maintainability Check

SAP Support Portal

- [SAP Enterprise Support Delivery \(CQCs & Improvement Services\)](#)
- [Remote Support](#)

SAP Note

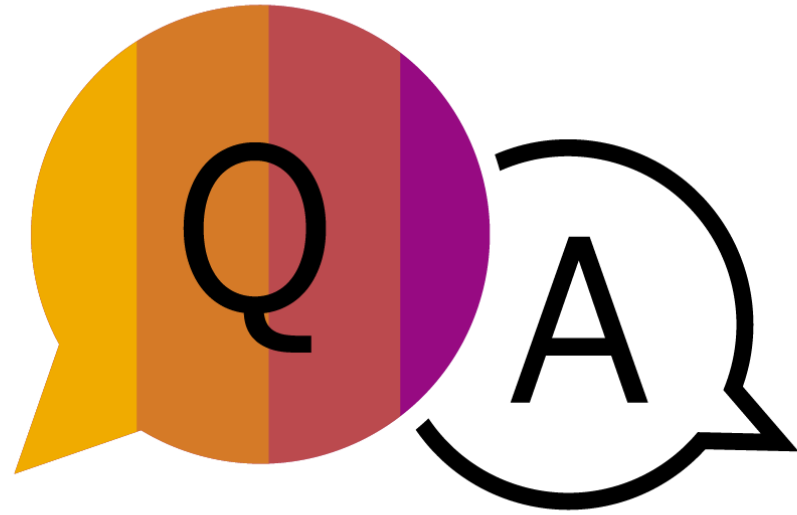
How to request a CQC service ?

- Remote Services can be requested via the new [Get Support](#) application in SAP for Me ([SAP Note 1296527](#))

When submitting your request, select 'Product' **Continuous Quality Check & Improvement Services** and in 'Product function' choose either:

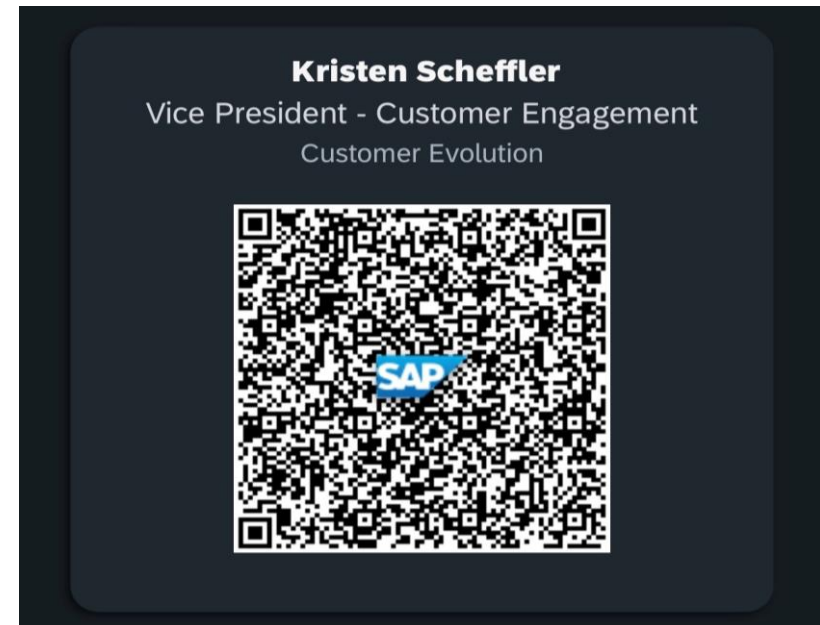
- **Service Request for a Cloud Solution**
- **Service Request for an On-Premise Solution**

If you need assistance to submit your request, you may contact [your local Customer Interaction Center \(CIC\)](#)



Contact information:

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Application Lifecycle Management

Manage the lifecycle of your landscape



- For cloud-centric and hybrid customers

Application lifecycle management assists the **implementation** and **operations** of SAP-centric solutions

- Accelerate time-to-value
- Safeguard business continuity
- Reduce cost of ownership

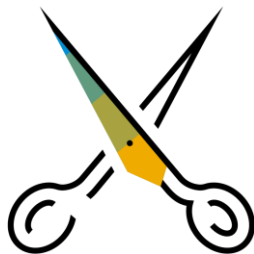
You can learn more [here](#).

SAP Cloud ALM: Facts and figures

License and cost

Included in SAP Enterprise Support and Subscription

- Maintenance and operations by SAP
- Included memory: 8 GB
- API usage: 8 GB outbound data transfer per month



Supported Solutions

Designed for cloud and hybrid customers

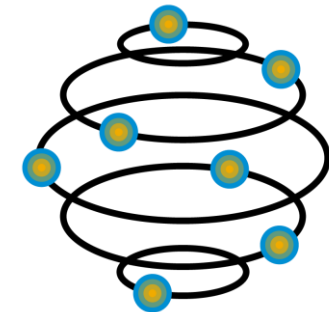
- Cloud solutions from SAP
- On-premise ABAP solutions (SAP S/4HANA, SAP Business Suite, SAP BW)
- PI/PO integration monitoring



Delivery and update model

Cloud-native

- Customer-owned SaaS
- Available in 15 minutes
- Daily integrated delivery
- Bi-weekly feature release



Benefits of SAP Cloud ALM



Accelerate Go-Live

- Leverage pre-configuration
- Follow agile implementation approach
- Only test what matters
- Accelerate test management and execution
- Automate tasks
- Avoid custom code



Minimize Disruptions

- Identify problems by monitoring on business processes, integration, user, and application level
- Accelerate problem resolution
- Proactive problem detection
- Automate corrective actions



Reduce Cost of Ownership

- Included in SAP cloud subscription and SAP Enterprise Support
- Lower cost of implementation by accelerating project activities
- Lower cost of operation by automating corrective actions
- No maintenance cost
- Avoid 3rd-party licenses

APPENDIX

Contact information:



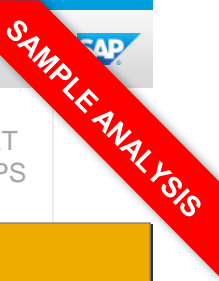
SAP Innovation and Optimization Pathfinder on Spotlight

A tailor-made report highlighting innovation potentials, business process and IT optimizations

- **Outlines customer-specific improvement and innovation opportunities** based on the customer's current **SAP ERP or SAP S/4HANA system usage**, business & IT performance
- **Recommendations to optimize SAP solutions from an LOB and IT perspective**, or implement software and cloud innovations using relevant SAP Enterprise Support or SAP Services offering
- **Interactive report** navigates customers to relevant information, services and tools and is **free-of-charge for customers on SAP maintenance** (all support models)
- **Key prerequisites:**
 - Implement SAP Notes [2745851](#) and [2758146](#) in your productive SAP ERP or SAP S/4HANA system
 - Standard SAP EarlyWatch Alert (SAP Solution Manager)
 - Note: Activating Business Key Figures in SAP EarlyWatch Alert (as for Pathfinder 1.0) is NOT needed anymore**
 - Optional: Extract SAP Fiori usage data (odata) from SAP system



Order your own report:
www.sap.com/Pathfinder



Sample Corp.
System: PRD

OVERVIEW

FINANCE

SOURCING AND
PROCUREMENT

SALES &
SERVICE

SUPPLY
CHAIN

MANUFACTURING

ASSET
MANAGEMENT

IMPROVE E2E
PROCESSES

OPTIMIZE
I.T.

NEXT
STEPS

SUMMARY

SIMPLIFIED
USER EXPERIENCE

SAP S/4HANA
INNOVATIONS

Line of business Summary:

Example "Finance" (1/4):

After the overview part, will be the section dedicated to the various lines of business.

The first one is finance. This page provide a good overview of the various findings and recommendations for this line of business. This page is followed by a deep-dive into the various recommendations.

Every other line of business part follows the same structure.



Recommended Finance Innovations

Enhance your existing SAP S/4HANA system:

Simplified User Experience

Most relevant SAP Fiori Apps for:

- Cash Manager (43)
- General Ledger Accountan...(38)
- Accounts Payable Account...(31)

Overall 256 SAP Fiori Apps »

S4 HANA SAP S/4HANA Innovations

Most relevant innovations for:

- Financial Accounting (23)
- Sales Billing (14)
- Delivery Management (13)

Overall 159 innovations »

Intelligent Technologies

Most relevant intelligent technologies:

- Receivables Line-Item Mat...
- Accounts Payable
- SAP RealSpend: Anomaly de...

Overall 14 recommendations »

SAP Cloud Solutions

Most relevant SAP cloud solutions:

- SAP Concur
- SAP SuccessFactors Compensat...
- SAP Watch List Screening

Overall 5 cloud solutions »



Improve Finance Processes



Value Driver:

	Good Performance <i>KPI's above industry median</i>			Opportunities to Improve <i>KPI's below industry median</i>		
<ul style="list-style-type: none"> Reduce G/L Efforts and Financial closing time Reduce finance costs 	23 days <u>Lead time: Invoice creation to clearing »</u>	1.905 <u>Electr. bank statements not completely posted »</u>	96% <u>Vendor payments automatically cleared »</u>	80.102 <u>Overdue & open finance AP items »</u>	8.235.129 <u>Open items on finance general ledger accounts »</u>	24% <u>Customer payments automatically cleared »</u>
	Improve Record to Report »					
<ul style="list-style-type: none"> Reduce days sales outstanding Reduce days payables outstanding 	18.201 <u>Overdue & open finance AR items »</u>			44.543 <u>Sales order items overdue for invoicing »</u>	1.547 <u>Sales invoices not posted to accounting »</u>	13.185 <u>Purchase order items created after invoice »</u>
				Improve Procure to Pay »		Improve Order to Cash »

SAP Readiness Check for SAP S/4HANA

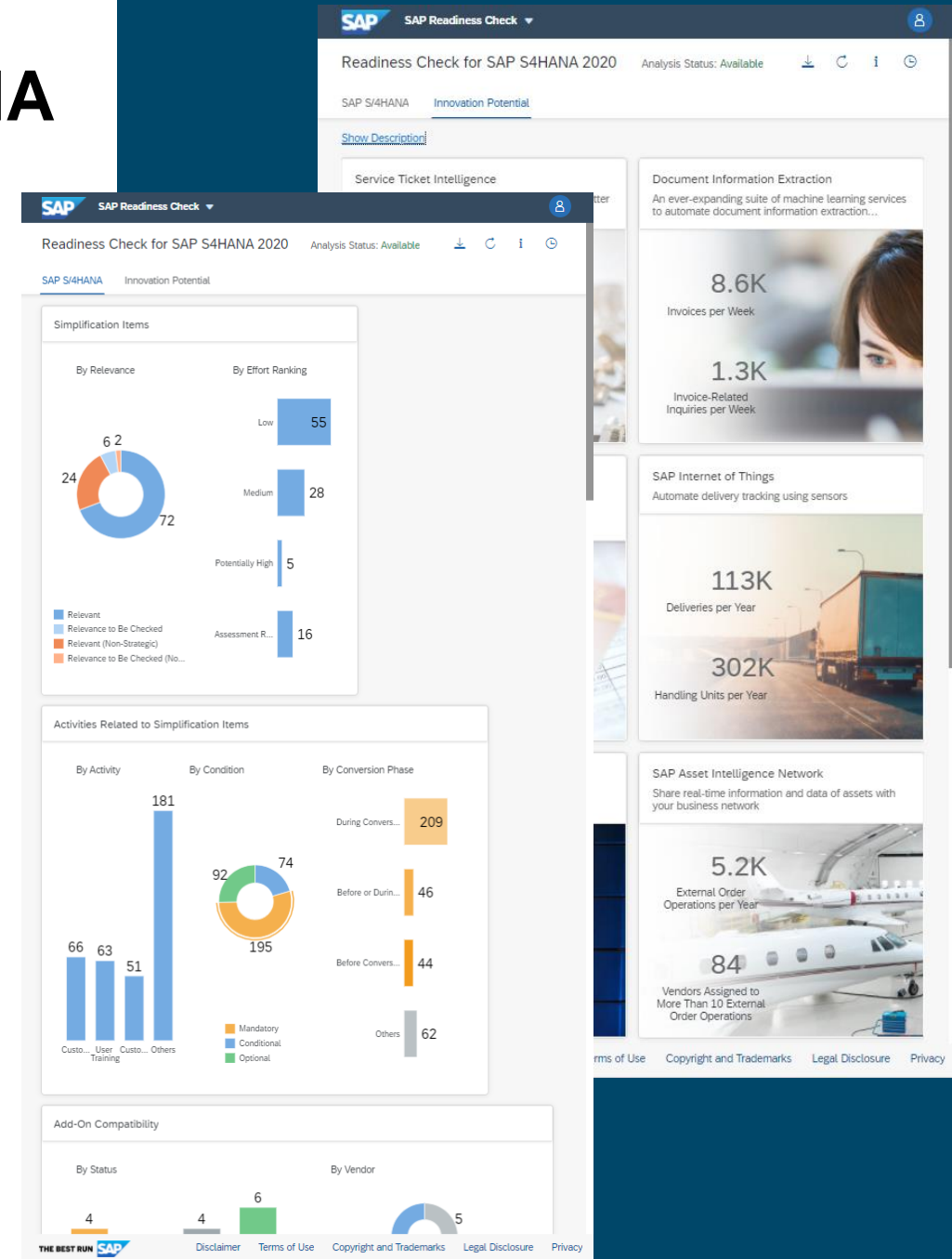
Preparing for Your SAP S/4HANA Conversion

As you prepare your SAP S/4HANA transition project, it is critical to understand both the **technical and functional considerations** that can influence the project scope and duration.

SAP Readiness Check for SAP S/4HANA provides customers with the **analysis tools and an interactive dashboard** to evaluate an existing SAP ERP system in preparation for the transition to SAP S/4HANA.

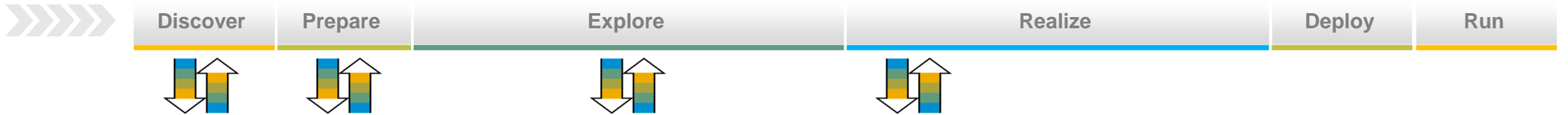
Have you ever wondered...

- Which **SAP S/4HANA simplification items** are relevant for you?
- Which **project activities** are behind each simplification item and how high is the effort?
- Will my **custom code** work with SAP S/4HANA, and if not, what do I do?
- Are my **add-ons** and **business functions** compatible with SAP S/4HANA?



SAP Readiness Check for SAP S/4HANA

Overview of the Dashboard



SAP Readiness Check for SAP S/4HANA

Relevant simplification items based on analysis of the existing SAP ERP system; with **effort ranking**

Simplification items relevant for **compatibility packages** to run classic SAP ERP solutions on SAP S/4HANA

Currently installed **add-ons** checked for compatibility with SAP S/4HANA

Estimated memory and disk **sizing**, before and after cleanup, including archiving potential

Integration analysis, which includes a **detailed interface inventory** of identified interfaces and **conversion related impact analysis**

Action items resulting from the relevant simplification items

Compatibility analysis of **active business functions** with SAP S/4HANA


Analysis of **custom code** with respect to SAP S/4HANA compatibility

Identification of **financial data inconsistencies** and **effort drivers** in preparation for the financial data conversion

Additional checks support:

- Customer/vendor integration
- Business process automation
- Recommended SAP Fiori Apps
- SAP Innovative Business Solutions

- A holistic system analysis is the foundation for further planning steps toward a successful and smooth SAP S/4HANA system transition.
- SAP Readiness Check for SAP S/4HANA **summarizes the most important aspects of the conversion in an easily consumable way.**

 [SAP Help Portal: SAP Readiness Check SAP Note 2913617 \(Conversions\)](https://help.sap.com/docs/SAP_S4HANA/2913617.html)

Link to Readiness check:
<https://rc.cfapps.eu10.hana.ondemand.com/>

Data Volume Management (DVM) Service: Real Customer Example

- SAP identified a potential of halving the DB size for just one system and just as an immediate quick win
- Customer is currently in the process of going through this exercise.

ARCHIVING / DELETION

Document Type	Current Size [GB]	Reduction Potential [%]	Reduction Potential [GB]	Remaining Size [GB]
Intermediate Documents	587,12	90	526,47	60,65
Application Logs	525,54	70	367,30	158,24
FI NewGL: Accounting Documents	69,72	65	45,46	24,26
Work Items	50,97	60	30,52	20,45
Billing Documents	27,88	78	21,74	6,14
Secondary Index for GL Accounts	27,07	50	13,56	13,51
Accounting Interface Documents (MM)	22,00	86	19,01	2,99
Material Documents	14,13	77	10,86	3,27
Sales Documents	13,55	27	3,68	9,87
Delivery Documents	12,85	65	8,35	4,50
Table Change Protocols	8,77	73	6,42	2,35
Total	1.359,60	77	1.053,37	
Total DB-Size	2.476,53	43	1.053,37	1.423,16

Collaboration – SAP Enterprise Support Value Maps

SAP Enterprise Support value maps – a collaboration program, which leads you through the knowledge, skills, experts and services needed to address business challenges and adopt intelligent technologies. Learn more [here](#).



Prescriptive guidance

Structured content enables guided journey, simplification, and accelerated consumption of content



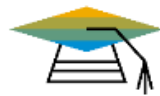
Social Collaboration

Forums allow you to exchange ideas and best practices with SAP experts and peers



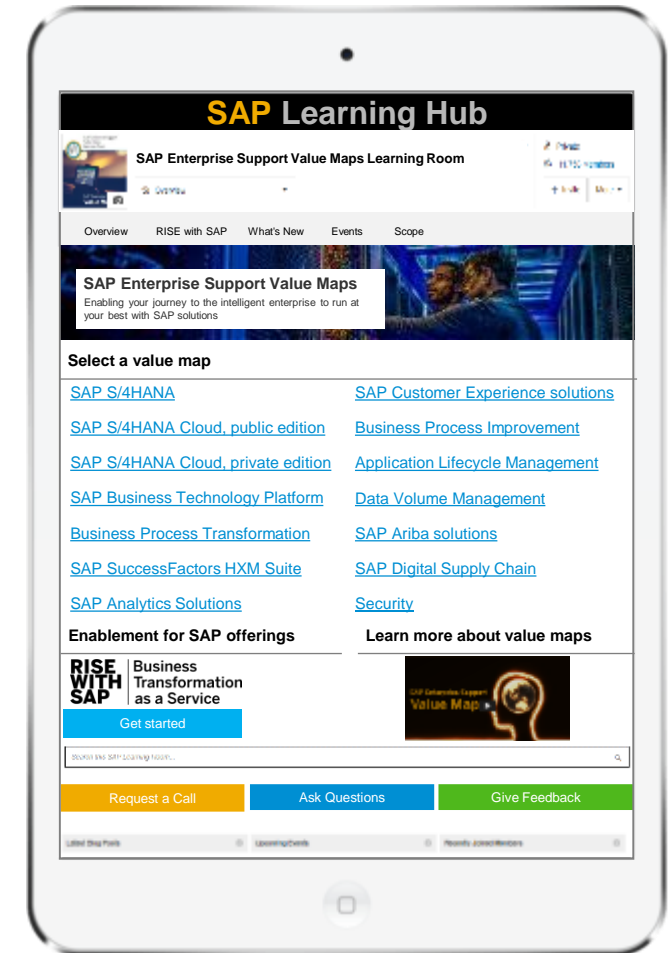
Expert access

SAP experts provide prescriptive guidance, best practices and technology insight



Enablement

Carefully curated learning content to empower you with the knowledge and skills for realizing your deployment strategy



SAP Enterprise Support Value Maps

[SAP S/4HANA](#)

[SAP Business Technology Platform](#)

[SAP S/4HANA Cloud](#)

[Application Lifecycle Management](#)

[SAP S/4HANA Cloud, private edition](#)

[Business Process Intelligence](#)

[SAP SuccessFactors](#)

[Business Process Improvement](#)

[SAP Customer Experience solutions](#)

[Data Volume Management](#)

[SAP Analytics Solutions](#)

[Security](#)

[SAP Ariba](#)

[SAP Jam Collaboration](#)

WHEN should I move to S/4HANA?

End of Mainstream Maintenance 2025 (EoMM25)

- Enhancement Pack levels 0 through 5

End of Mainstream Maintenance 2027 (EoMM27)

- Enhancement Pack levels 6 through 8

Link to SAP Maintenance Phases

- <https://support.sap.com/en/release-upgrade-maintenance/maintenance-information/maintenance-strategy/maintenance-phases.html>
 - Mainstream maintenance
 - Extended Maintenance
 - Customer Specific Maintenance

What Are Your Options?

Move to Cloud



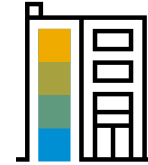
Move to RISE with SAP S/4HANA Cloud, private edition

- Transition could be a system conversion with system move or a new implementation.
- Project duration approx. 12 months, minimum 60 FUEs

Move to SAP S/4HANA Cloud, public edition

- Always new implementation
- Project duration approx. 9 months

Move on-premise



Move to SAP S/4HANA

- Transition could be a system conversion or a new implementation
- Project duration approx. 12 months

Move later



Upgrade to EHP 6-8

- Project duration approx. 6 months
- Might require new hardware
- Still requires a transition to SAP S/4HANA by 2027/2030

Do nothing – customer-specific maintenance

- No contractual change
- Reduced support scope – no legal or tax changes, restricted security patches
- Compliance of IT systems might be at risk

What Are the End of Mainstream Maintenance Dates for ERP?

SAP provides mainstream maintenance (MMT) for core applications of SAP Business Suite 7 (incl. SAP ERP 6.0) software until end of 2027 followed by customer specific maintenance OR the option to purchase extended maintenance through December 31, 2030.

This is only valid for systems on the last 3 EhPs (6/7/8). All other systems on EhP 5 or below will go into customer specific maintenance at the end of 2025 <https://blogs.sap.com/2022/09/20/maintenance-timelines-for-sap-erp-6.0/>

