

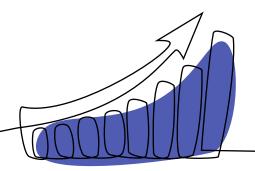
Your Business Can't Stop for S/4HANA Migration

Maintaining Continuity Starts with Data Integration

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Your business needs can't wait for your SAP S/4HANA migration

The future of digital transformation is clear: By 2025, 75% of businesses will leverage digital platforms and ecosystems¹. And, according to the Global Integration Index², organizations that do not leverage cloud, SaaS or partner ecosystems have shown 2-3x slower growth over the last two years.

While SAP announced S/4HANA back in 2015, and migrations are picking up steam, we estimate that only 50% of SAP-based organizations are en-route to S/4HANA and only a quarter are live with S/4HANA. Significant work remains on this front and manufacturing business demands for data connectivity and improved customer experiences cannot wait for this migration to be completed.



1. https://www.idc.com/getdoc.jsp?containerId=prUS46967420

2. https://www.equinix.com/content/dam/eqxcorp/en_us/documents/insights/GXI_Vol5_EN_US.pdf



A migration more than a decade in the making–SAP ECC to SAP S/4HANA–will bring about significant process and user experience changes. It's change management, business process assessments and a huge IT lift all rolled into one. For manufacturers, this change comes at time of other business pressures: supply chain disruptions, margin preservation, sales enablement, changes in customer expectation of on-demand account access and self-service capabilities on eCommerce platforms, just to name a few.

The size and scope of an S/4HANA migration can be daunting in itself, but there's another layer of complexity as business leaders demand SAP connectivity to other front end applications like Salesforce CRM, CPQ, Field Service, etc. Pushing these business needs off presents significant risks to revenue and margins, customer service challenges, and a declining customer experience with increased competitive options.



The transition to SAP S/4HANA highlights: a business decision, not just IT

Digital transformation initiatives highlight the blurring lines between business-led IT needs and IT-led initiatives. The two have become inextricably combined and, when done right, can become a powerful competitive advantage.

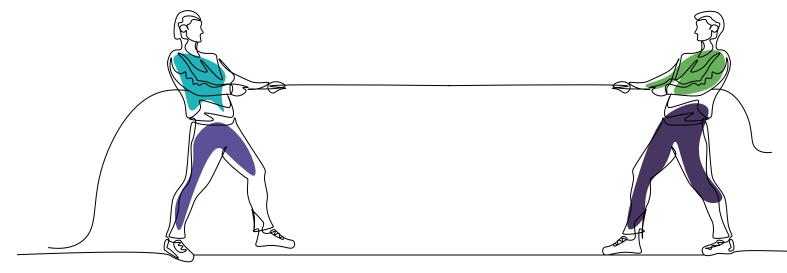
After all, market insights from sales, customer service, marketing, and finance bring the voice of the customer to the center of business decisions. It can keep the customer experience (and revenue protection) at the central tenet for IT investment, configuration, and evolution. S/4HANA is a prime example of this convergence.

Business leaders are:

- Pushing for agile processes
- Influencing IT investment strategy and timelines
- Delivering input on actual applications and/or solutions
- Serving as the voice of the customer, buyer, and supplier
- Demanding increasing agility, visibility, and real-time insights

IT leaders are:

- Juggling record numbers of business requests and technical debt
- Balancing in-house and out-sourced resources to deliver on the business needs
- Pivoting to include business input into tech selection
- Accountable for the accuracy, alignment, and integration of systems



The migration from SAP ECC to SAP S/4HANA brings this into particular focus as business leaders continue to surface urgent needs for real-time data integration, increasing margin pressure, consumer-like purchasing expectations in a B2B world, and much more. Couple that with a multi-year ERP migration and it's no wonder IT teams are stretched thinner than ever.



Successful S/4HANA transitions focus on the integration

Among the critical decisions made early in the SAP ECC to S/4HANA migration, it's easy to overlook the time, energy, and resources needed for integration. No one forgets about the integration components, but it frequently doesn't get the focus it deserves and that can have downstream consequences.

Value-based discovery helps identify the "should" v. the "could" elements of a project. The intent is to ask and understand why data is needed for qualification, categorization, and prioritization purposes. This is particularly critical for large digital transformation projects like an S/4HANA migration. This discovery process enables business stakeholders to provide critical inputs that can alleviate technical debt, optimize data access, improve the user experience for both internal and external users, and mitigate downstream consequences. By stratifying business inputs on a need-to-have v. nice-to-have scale, IT can better scope and allocate resources based on timing, budget, and business impact. A good way to segment needs and wants is using categories such as:

- Critical Data required to perform the baseline job
- Enablement Data accelerates the ability to perform the job
- Reference data information helpful to the job, when available

Connecting data from Salesforce to SAP is often a hot business need as it impacts quoting speed and quality, eCommerce capabilities, a 360-degree customer view (or lack thereof), variant configuration, ATP, and more. An example of how value-based discovery for sales data can be applied results in:

- Critical Data: Price & products (baseline for selling)
- Enablement Data: Inventory levels (helpful to share with customers, but not required to transact)
- Reference Data: Alternative products (helpful for when products are out of stock or have long lead times)

That is an oversimplified view into value-based discovery, but it's a critical endeavor for understanding the wideranging business demands of an S/4HANA transition. You will also uncover short-term projects that the business requires while migrating your SAP.



Balancing Risk vs Bandwidth in an S/4HANA Implementation

For each business-critical sub-project or need you'll have to determine if you are going to: build it yourself, look to iPaaS, or integrate prebuilt packages. Keeping in mind you will have to rebuild any and all integrations again, it's critical you pick the right path.

- Building solutions yourself almost always results in replication of business logic, and data, in two places. It's resource-intensive, high-risk, and not scalable. Your internal resources need to be focused on things only they can do-and mapping and batching data is not it.
- iPaaS solutions leverage SAP APIs but still require custom development and mapping, and have limitations that you have to solve for, such as scalability, data type translations and more.
- Prebuilt packages virtualize data in real-time and deliver 100% accuracy of the business logic in SAP. They have minimal risk and require few IT resources.

Prepackaged Integration Processes (PIPs) deliver fast time-to-value with ~70-90% out-of-the-box functionality-reducing IT debt, soft and hard costs, and risk. Critically, these PIPs make transitioning from ECC to S4/HANA nearly seamless and the IT industry is taking note.

Not only do each of these integration philosophies come with varying degrees of risk and cost, each has dramatically different timelines. Leveraging prebuilt packages means go-live projects like connecting Salesforce and SAP can be measured in weeks, not months.

3. https://www.gartner.com/en/documents/3993201

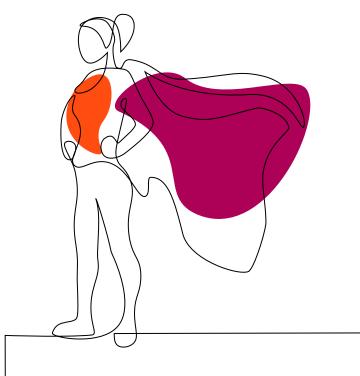
According to Gartner³, "By 2023, use of packaged integration processes will grow from less than 30% in 2020 to above 65% of new integration projects."

Don't wait to deliver on business needs: be the IT hero

It's easy to understand the tremendous demands inherent with transitioning from SAP ECC to S/4HANA. It's also easy to understand the dramatic businessimpacting effects a poor user experience, increased competition, margin pressure, and a need for eCommerce are having on the business today. The key is not to see those as diametrically opposed.

Simply put, your manufacturing business can't wait for S/4HANA. The impacts of manual processes and seemingly small errors compound over time. And these issues will need to be addressed, so delaying things only increases their impact and poses a competitive– and–revenue threat.

Savvy manufacturers are taking advantage of prebuilt objects to deliver revenue-driving improvements while future-proofing themselves for the eventual evolution to S/4HANA. Rip-and-replace solutions are archaic and unworthy of consideration. Working with a partner that understands the data model differences between ECC and S/4HANA and has pre-built objects for both-making delivering on business needs simple.



Key take-aways:



Business-critical needs, like integrating SAP data and Salesforce, cannot be put off until after your SAP transition



The customer experience must be central in IT decisions due to ever-increasing competitive threats



Business leaders now have a larger say in IT projects than ever before-rationalize inputs early



Think about integration early in the transition, resource it, and plan appropriately



Integration planning should gather business requirements to assess nice-to-have v. need-to-have



Leverage resources like this <u>S/4HANA Migration Tracker</u> to document current integrations and business impacts

The experts at enosix can help

Complex systems like SAP and Salesforce weren't meant to work together–until enosix. With pre-built SAP integration modules, we can cut project implementation time by up 70% or more, while doing the heavy lifting for you and your IT team. And we can deliver the single-screen solution your sales, customer service, and distributor teams need to drive revenue, protect margins, and improve the customer experience.

The <u>enosix</u> difference, from a technical perspective, is that we use data virtualization to create a window into SAP directly within Salesforce. That means sales and customer service solutions that integrate real-time product data, pricing, and configurations directly from SAP without time delays, middleware, or custom configurations. More importantly it means your externally facing teams can stay in Salesforce but leverage the power, data, and rules built into your SAP ERP.

Because enosix is purpose-built with prebuilt and process-specific APIs, BADIs, and RIOs (Rapid Integration Objects)-we help you minimize risk and maximize results. And, critically, you'll have a solution that works with ECC and S4/HANA - requiring minimal re-work when migrating (and enosix enables this elegantly as part of the project).

Let's talk about how enosix can deliver business-critical Salesforce-SAP integration while your team focuses on your SAP ECC to S/4HANA migration. A 12-, 18-, or 24-month delay in quoting improvements, eCommerce implementation, CPQ, field service integration, or more could have significant impact on your business.

For more information contact us.