# Navigating Your Transition To SAP S/4HANA Cloud: Exploring Public And Private Editions With Comprehensive Migration Paths Tim Steuer, SAP SE



# Short intro on SAP S/4HANA from an architecture perspective

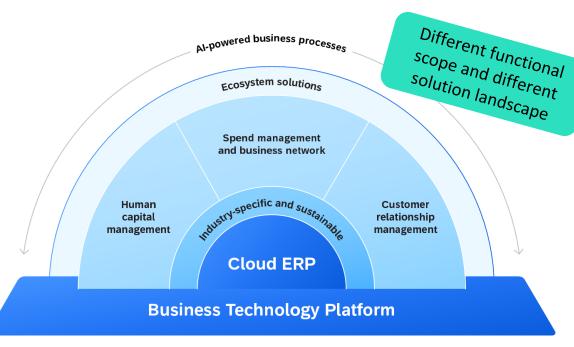
## Things are different with cloud ERP

## The SAP S/4HANA Enterprise Management solution is the next-generation digital core from SAP . . .

- Solution based on innovative in-memory database technology
  - · Real-time processing
- · Combined transactional and analytical utilization
- Simplified data model
- · Renewed applications, utilizing new architecture and new data models
- Industry best practices
- · Generative AI and intelligent automation
- Insights and prediction
- New UI technology (SAP Fiori user experience), digital assistance, and natural language conversations
- · Two cloud models and an "any-premise" deployment model

Differences in architecture and data model

... and a cornerstone of the Intelligent Enterprise.

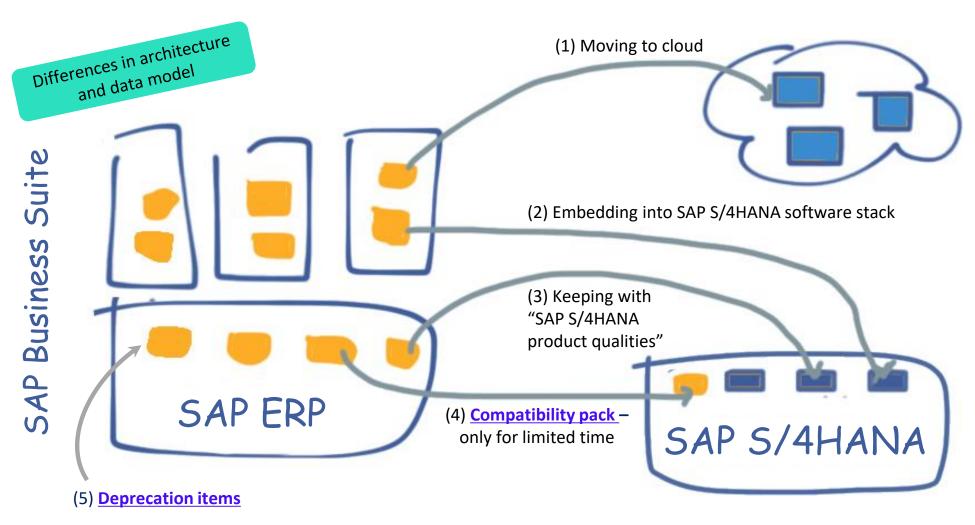


→ Cloud ERP's digital core offers more than just a next-generation ERP.

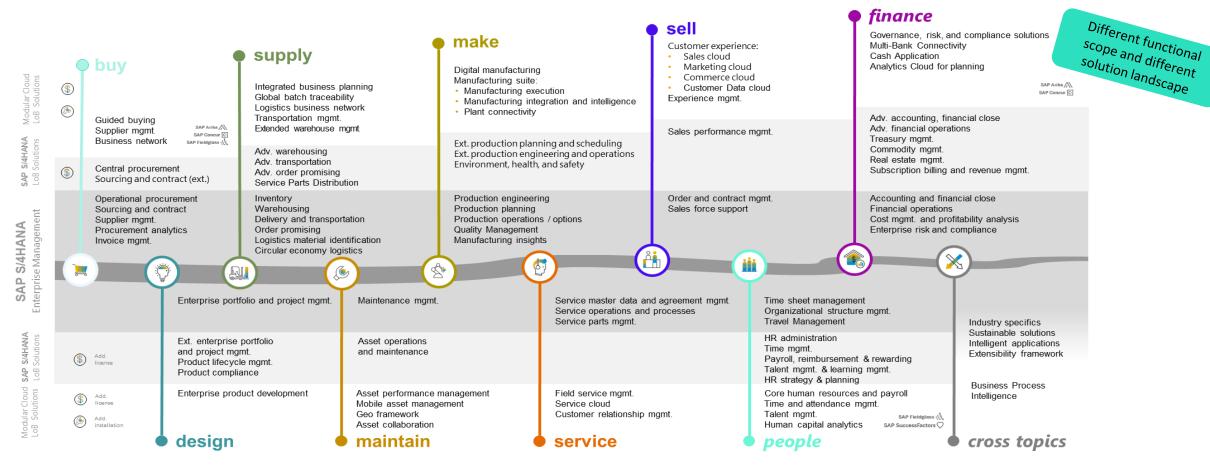
#### SAP S/4HANA is a different product line.

It enables you to consume those innovations that can improve your business processes to run best in a modern economy. The classical SAP Business Suite applications, including the SAP ERP application, are a separate product line and will still be available.

## SAP S/4HANA: Relation with SAP Business Suite



## SAP S/4HANA modular application portfolio (MAP)



- Start with the transition of your SAP ERP application to SAP S/4HANA.
- Successively transform your current solution landscape based on SAP Business Suite into a hybrid landscape around SAP S/4HANA as the digital core to be ready for the Intelligent Enterprise -> The SAP Transformation Navigator\* tool provides you with clear guidance to chart your move to become an intelligent enterprise.
- Migrate data and processes between systems.

## SAP S/4HANA offerings: How can customers choose?

## SAP S/4HANA, public cloud

#### **Customers who desire:**

- A complete, modern, native SaaS ERP solution with the full benefits of a public cloud
- The fastest path to innovation and the lowest TCO
- A clean cloud ERP solution without converting old/legacy ERP processes and configurations
- Ability to reimagine business processes and take advantage of standardized best practices

## SAP S/4HANA, private cloud

#### **Customers who desire:**

- Gradual transformation to a pure SaaS landscape at their own pace with a welldefined conversion methodology
- Software, support, technical managed services, and infrastructure, from a single point of contact, with one set of SLAs
- Full SAP S/4HANA functionality –
   25 industries/64 countries with the benefit of subscription based, cloud economics
- Ability to safeguard prior investments including SAP ECC customizations, configurations, and partner add-ons, including solution extensions and certified solutions

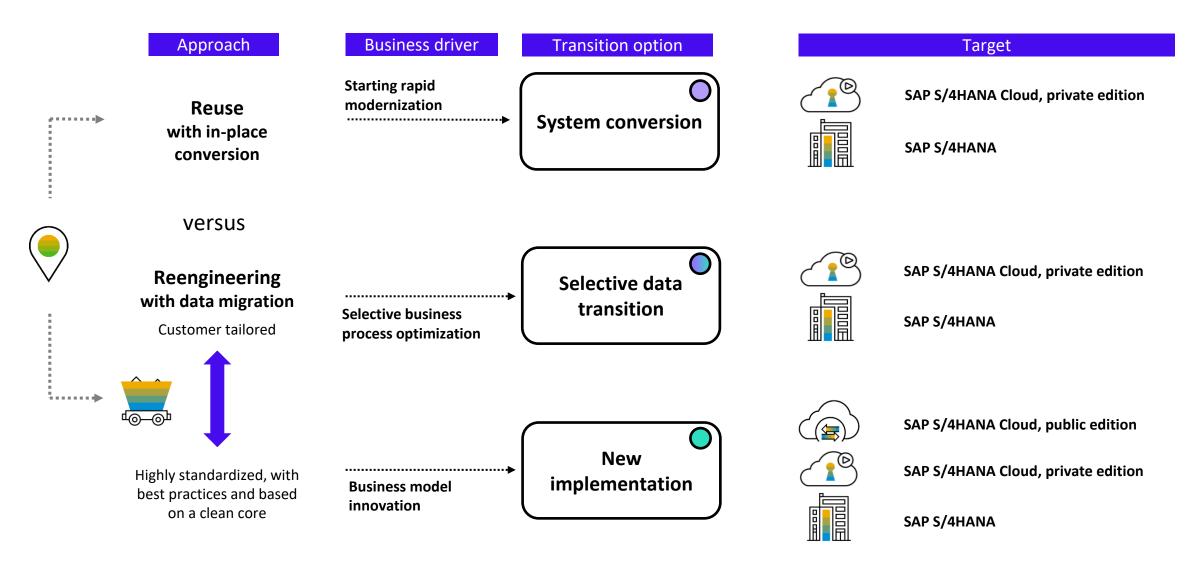
## SAP S/4HANA (on premise or any-premise)

#### **Customers who require:**

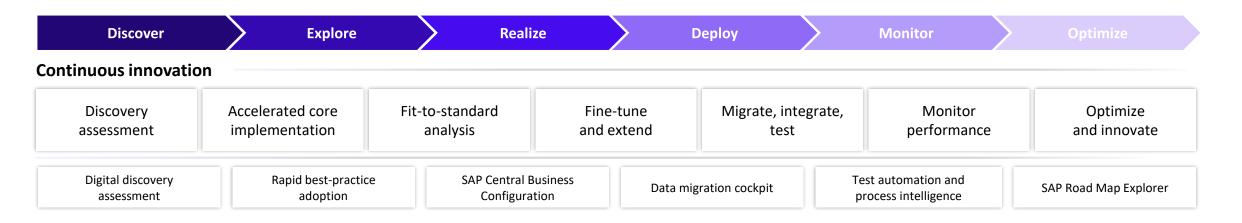
- Complete control and ownership of their application and data landscape
- The ability to manage unique, customerspecific needs that cannot be addressed by public cloud or private cloud offerings
- The utilization of their existing IT departments, infrastructure, budget, and IaaS vendor agreements
- Specific compliance with industry- and country-specific regulatory requirements

# Transition options to SAP S/4HANA and related tools

## Transition paths to SAP S/4HANA



## SAP S/4HANA Cloud, public edition rapid implementation methodology and tools: → Run on the industry standard



#### **SAP S/4HANA Cloud**

Foundational scope comprising content commonly used by a majority of customers

#### Activation accelerator for SAP S/4HANA Cloud

Templates and automation accelerators for configuration, migration, and testing to increase time to value

#### Baseline activation service for SAP S/4HANA Cloud

Activation of foundation scope in 30 days or less using predefined bundle built into core with SAP Activate methodology-enabled delivery processes

#### Implement cloud style | Lower TCI and TCO; dramatic value delivered quickly

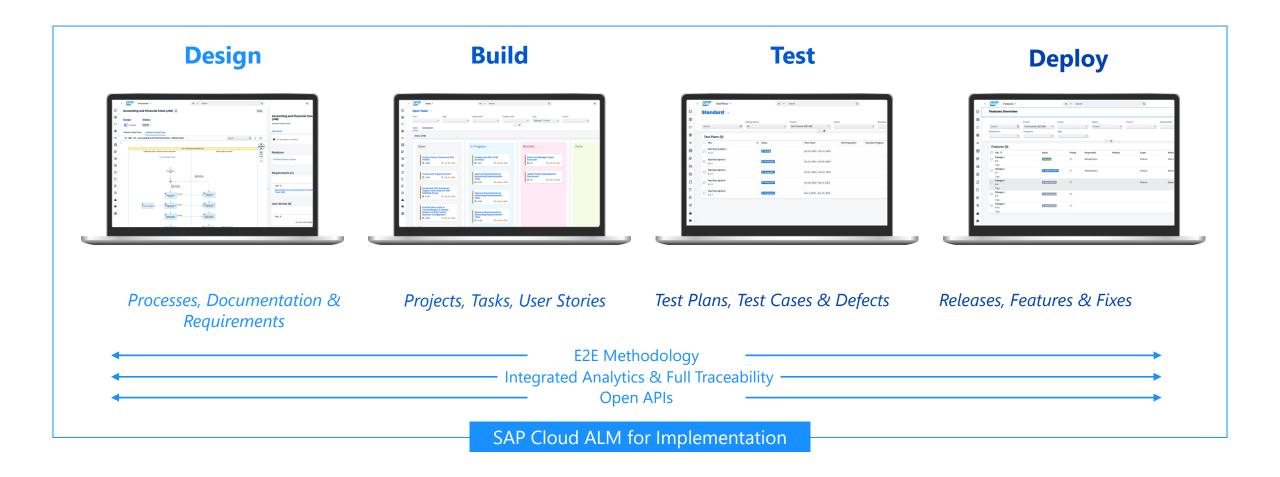
**40%–60%**Decrease in time to business value

**50%** Reduction in consulting fees

**50%** Decrease in project costs

**40%** Reduction in TCO

#### Manage your Implementation with SAP Cloud ALM



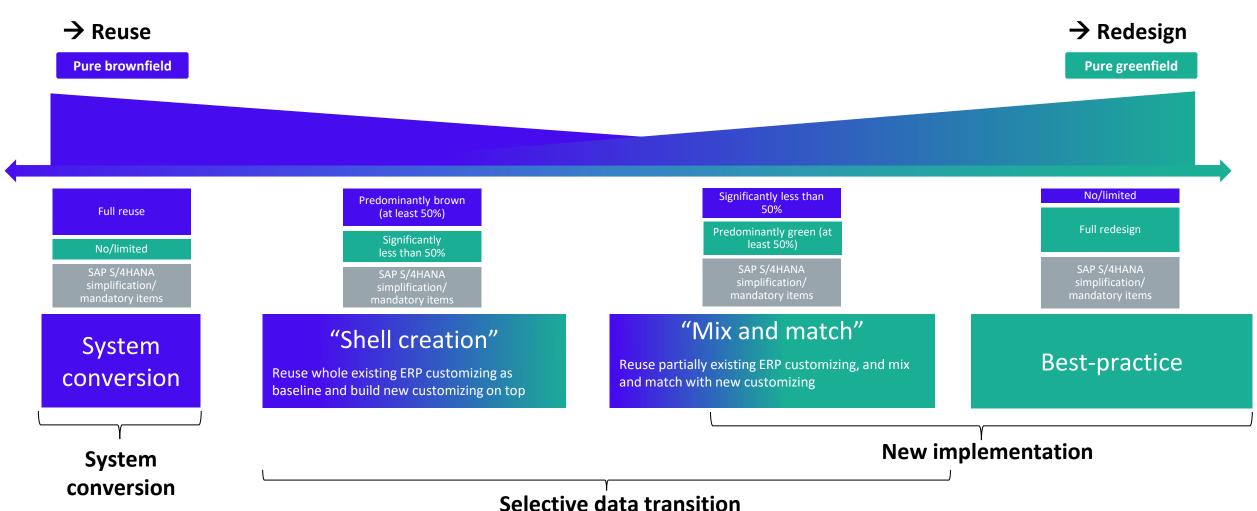
## Transition to SAP S/4HANA Cloud, private edition

Criteria influencing the choice of the transition scenario

	System Conversion	(Partly) Re-Implementation
Future readiness	Current system supports today's and future master data and org structure requirements.	You seek to fundamentally redesign master data and org structures.
Current system perception	Key asset	Innovation blocker
(Perceived) data quality	Good	Bad
Custom code	Well maintained	Outdated
Release level	SAP ERP 6.0 and above	Below SAP ERP 6.0
Historical data	Need to keep historical data	No need to keep historical data

## **Transition to SAP S/4HANA**

Building a target template for SAP S/4HANA



## Transition to SAP S/4HANA Cloud, private edition

#### Deciding when business process transformation should occur

- · In the transition project, not only mandatory simplification but also business process transformation should be included to some extent.
- · Further business process transformations should be conducted gradually after go-live to enjoy new innovations.

**Transition Project** Separate, single implementation projects (such as business process Mandatory simplifications (for example, in redesign, new applications, SAP Fiori FI, SD, MM, and other areas), plus some UX, analytics, and so on) focused, selected innovations Go-live System conversion System conversion + selective innovation Project planning System conversion with additional/full scope of business process transformation (aka "big bang") and **Initial business** Further business preparation **Technical migration** process process transformation transformation New implementation (greenfield) Selective data transition with individual scope 13

## **Transition to SAP S/4HANA**

#### How to create value

#### Digital age user experience

Digital assistance and natural language conversations increase productivity and user satisfaction.

#### Intelligent automation

Artificial intelligence and robotic process automation eliminate more than half of manual tasks.

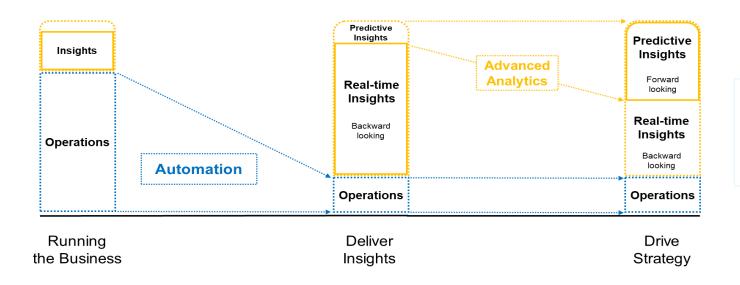
#### New business models

Rapidly design and execute new business models and digital services, based on advanced end-to-end processes.

#### End-to-end analytics and real-time steering

Context-aware, real-time, predictive insights enable you to make better decisions and adjustments, faster.

- → While you move to SAP S/4HANA, only leveraging of new technical and genuine SAP S/4HANA innovations creates real value.
- → Evolve your system, from supporting your daily routine to supporting intelligent processes that can better support your business.



On premise and private cloud only:

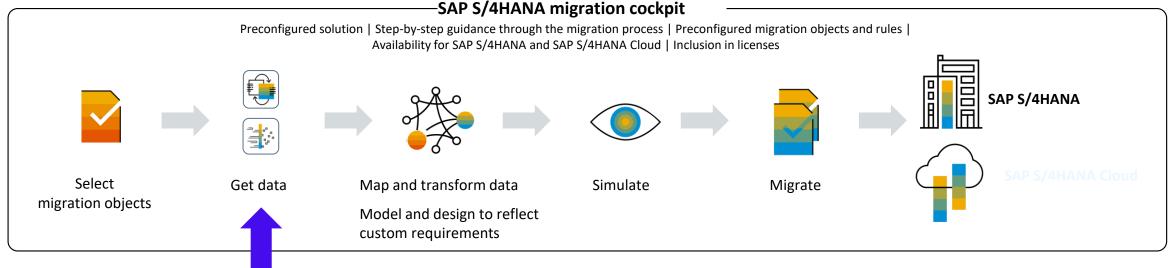
- SAP Fiori and SAP GUI are both supported.
   (For exceptions, see the simplification list.)
- New, innovative features are realized with SAP Fiori apps.
- Relevance and readiness analysis recommends
   SAP Fiori apps based on T-codes.
- Deployment: Embedded.
- **Stepwise implementation** of SAP Fiori apps is possible.

## Data migration process for new implementation

- 1. Implement innovative business processes with preconfigured support for best-practice content on an innovative platform
- 2. Migrate your master data and retire your old landscape

**SAP Business Suite** 

Legacy



#### **Data migration**

- This is one key task during the transition to SAP S/4HANA.
- · Make sure you understand your requirements early and plan for them accordingly.

Overview: SAP S/4HANA Migration Cockpit - Migrate Your Data to SAP S/4HANA,

Data Migration application help, and

Available Migration Objects

## System-conversion-related resources and tools

Approach and tools for a "system conversion" – majority apply for "selective data transition" too

> Uninstalling ABAP add-ons during system update

SAP S/4HANA

Catalog

Simplification Item

**Simplification** item checks

Version 2.0 of Software Update Manager tool, including prerequisite check

Application-

specific follow-

up activities\*

Preparation and

Data migration

IMG activities after

Application-specific

follow-up activities

length extension

Material number field

Testing and validation

migration of customizing

migration

#### Realization phase Planning phase Preparation phase **SAP Transformation** Software Update System Maintenance Custom code **Prechecks Navigator** requirements preparation planner For example: **SAP Activate:** Database migration Cross-application and application-specific preparation road map <u>viewer</u> activities\* Software update Data conversion Simplification item list SAP Road Map Explorer For example: Identify and review the relevant simplification items Run customizing prechecks and adapt settings SAP Readiness Check for Check consistency and reconcile data Remote scans with

View period-end closing activities

Archive data you no longer need

Extend the material number field

Document your posting data

Perform CVI migration

\* This is not a full list, only key examples.

ABAP test cockpit

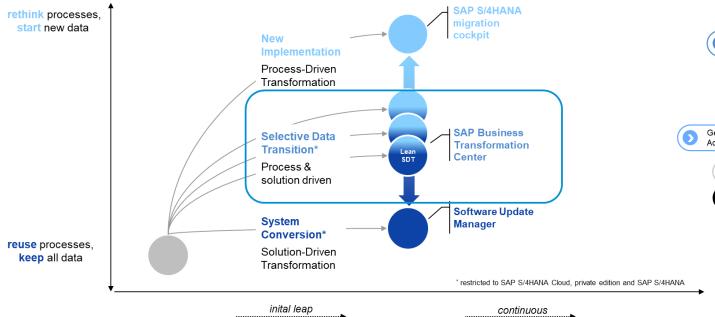
#### **SAP Business Transformation Center**

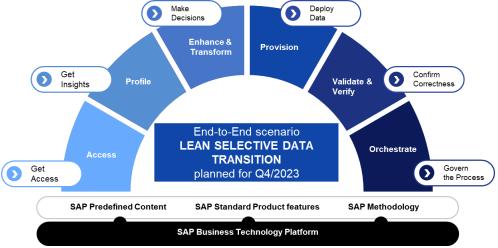
#### Comprehensive guided process for data migration and transformation

transformation

- · Accelerate data migration and transformation
- Provide as an as-a-service model through transformation factories
- Reduce complexity with guided procedures
- Use reference architecture based on SAP Business Technology Platform

- · Lower total cost of implementation and higher reliability
- Solution included in cloud service subscriptions and SAP Enterprise Support
- Solution enabled by SAP Cloud ALM

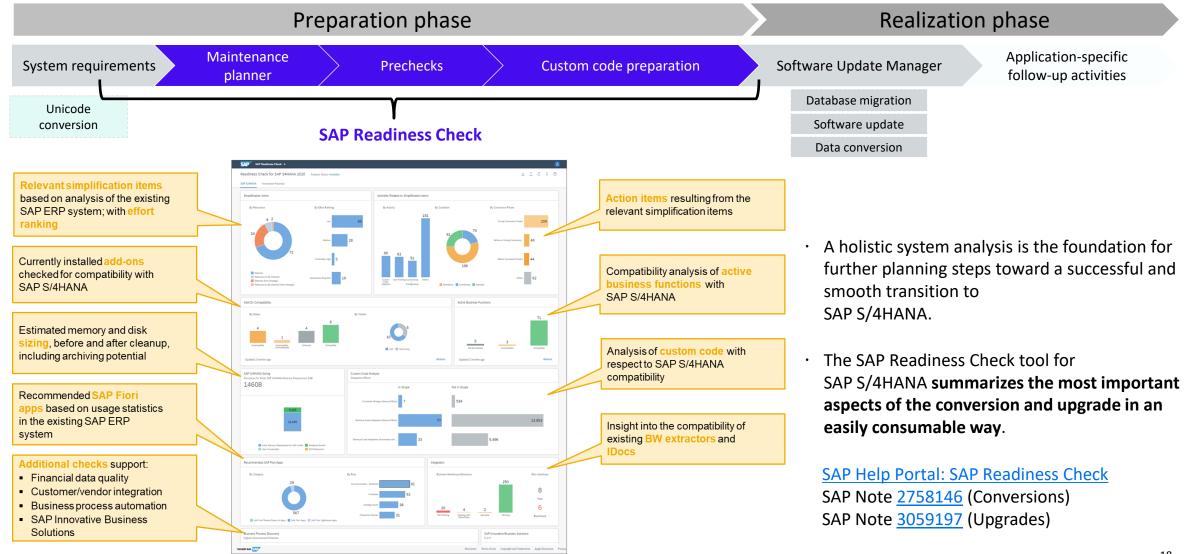




#### More information:

SAP Support Portal
Product and Solution Management

## SAP Readiness Check for SAP S/4HANA



## **Key takeaways**

- · While you move to SAP S/4HANA, real value is created only by leveraging the new technical and genuine SAP S/4HANA innovations.
- Understand SAP's strategy around <u>compatibility scope</u> and <u>innovation road maps</u>, and incorporate this into your plan.
- · Plan your **long-term innovation strategy**, not just the initial migration project.
- · Plan the transition project as a **joint project** (tech and business) from the very beginning.
- <u>SAP Readiness Check for SAP S/4HANA</u> provides an overview and planning baseline about important topics you need to take care of, as well as the related efforts and required skills.
- Data consistency: Start early with the preparation and cleanup activities that can already be done in your current SAP ERP
  application.
- Any-premise and private cloud: SAP Fiori and SAP GUI are both supported. (For exceptions, see the simplification list.)
   However, new innovative features are realized through SAP Fiori apps. Look into SAP Fiori quick wins (→ SAP Fiori Apps Reference Library).

Please note: This slide deck contains many hyperlinks leading you to further information.

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