SAP S/4HANA

WILL YOUR ENTERPRISE ROADMAP LEAD YOU TO SUCCESS?





Do you have a clear vision for S/4HANA and Digital?

Following the release of their new S/4HANA suite, SAP announced that after 2025 they will no longer provide support for the legacy SAP Business Suite. Ten years seems like plenty of time to plan for migration to S/4HANA or an alternative solution, but SAP is only one piece of a very dynamic puzzle. In a market where competitors using disruptive technologies can take market share, and customer loyalty depends on delivering the best product or service at the lowest price, companies who have the agility to adopt new technologies will gain the competitive edge. Before making critical decisions that could significantly impair or enable your company's competitive advantage, why not take this imperative for change as an opportunity to carefully analyze the specific conditions and constraints under which your company operates to develop a strategy to best position your organization for the future?

Navigating the maze of technologies choices, migration options and required business process changes can be daunting, especially when you consider that each company has its own set of goals and requirements supported by unique business processes and customizations built into its legacy systems. We believe that all clients need a custom roadmap to lead them through their S/4HANA journey, taking into account the impact of Digital on their business strategy. But what the roadmap looks like is dependent on a company's strategic direction as well as the extent that they want to accelerate adoption of digital technologies.

Your migration strategy and plan to implement is not a "one-size-fits-all." Depending on your company's circumstances, you may choose a full-blown re-implementation including business process review and design to capitalize on digitalization opportunities. On the other end of the spectrum, your company's best option may be a well-defined migration plan with limited impact to existing processes and supporting systems. Most companies will fall somewhere in between, requiring some degree of system optimization, process re-design, data cleansing and/or digital technology integration.

The diagram below highlights the spectrum of migration strategies and the organizational characteristics that might influence the decision to use one over another.

TECHNICAL UPDATE

- Recent SAP Implementation
- Standard Business Practices
- Mature Market
- Straight Forward Application Landscape

OPTIMIZATION

- Aging SAP Implementation
- Some Standard Business Practices
- Weak to Moderate Market Position
- Moderate or Complex Application Landscape
- Some resistance to change

TRANSFORMATION

- Aging SAP Implementation
- Non-standard Business Processes
- Threatened Market Position
- Complex Application Landscape
- Moderate to accepting of change

STARTING THE CONVERSATION

Determining the right strategy isn't a short exercise. It requires gathering and analyzing the right data, bringing the appropriate people to the table, and considering the overarching corporate or business strategy. As you begin to determine your approach to the S/4HANA migration, consider the following:

- 1. How up to date is your existing SAP solution?
- 2. How complex is your application landscape? Do you want to simplify it?
- 3. What level of standardization exists in your business processes? What level of standardization is realistic or optimal given your company's operating model?
- 4. What are the trends in your industry and how are they impacting you?

- 5. How do you compare to your key competitors in terms of digitalization, market share, customer satisfaction, etc.?
- 6. What are your customers wants and needs and how are you going to meet them?
- 7. What is your corporate strategy and how much does digital transformation play a role in it?
- 8. Does your company culture embrace change or fight it? What type of support and advocacy will they need to support sustainable change?

Answering these types of questions will help identify which implementation options may be the most appropriate for you and allow you to start planning now to ensure your company reaps the most benefit from its chosen strategy.

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