MEET OUR CHANGE EXPERTS...
SAP S/4HANA - WHY MAKE THE CHANGE NOW?

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Our Project One ERP experts tell you all you need to know at our latest round table on SAP S/4HANA.

SHOULD BUSINESSES DEFER STARTING THE S/4HANA JOURNEY?

SAP's extension of ECC6.0 support until 2027 feels like a long way away – should businesses defer starting the S/4HANA journey? Although the temptation is to defer, delaying could just store up problems later down the line. It is imperative that organisations perform a detailed assessment on how long they believe upgrading or migrating to S/4HANA will take, after taking decisions on some of the key considerations below and make any defer decision with eyes wide open.

SAP has made it clear that S/4HANA is where they are investing, and it is the future. Starting now will ensure you get the 'A-team' from Consultancies and SI's given the market isn't yet swamped – leaving it a year or two could mean you end up with the B or C team, and run out of time to implement properly. SAP is not going to functionally enhance ECC6.0 going forwards, so if organisations want to avoid remaining on a static product for too long, now is the right time to start.

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WHAT ARE THE KEY CONSIDERATIONS WHEN MOBILISING S/4HANA?

In many ways, mobilising a S/4HANA programme is no different to mobilising any large ERP Programme. However, there are a few specifics:

- On cloud or on premise? Many organisations currently with ECC6.0 will be on premise but may want to take this opportunity to move onto the cloud

- Brownfield vs Greenfield? Do you want to retain processes as they are today, or go to vanilla SAP processes, or somewhere in between? If you do want to simplify processes, this is a once in a lifetime opportunity to do it

- In-scope businesses. Are there any businesses within your group who are not currently on SAP, for whom you want to take this opportunity to move them onto SAP?

BASED ON EXPERIENCE, WHAT ARE THE COMMON PITFALLS TO AVOID?

- If a decision is taken to go greenfield and simplify processes, there is a danger that over time you end up with a brownfield implementation by osmosis, due to the business change difficulty in getting the business to adopt new processes. Try to get the 'A-team' to drive through business change with very strong governance of processes

- Ensure this is a business-driven programme, not IT-driven

- Determine the end game and stick to it. All programmes evolve as they go along but try where possible to stick to the original targeted outcomes.

WHAT CAN PROJECT ONE BRING IN THIS SPACE?

The ability to initially guide organisations through their strategy review with a completely independent viewpoint and then help to deliver the agreed programme. Project One works client-side and is not biased – we have no commercial interests or pressures from implementation providers or software providers, and can bring the strength of experience across a multitude of clients. Most Project One employees have worked for many years in the big SI's, and know exactly how they work, what their pressures are etc, which we can bring to the customer.

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WHAT ARE THE GOLDEN NUGGETS YOU'VE PICKED UP?

It is crucially important is to ensure aligned objectives between the business, the project and the implementation partner – they should work hand in glove together. Spend the time upfront to determine clear roles and responsibilities between the two, ensure aligned objectives to avoid gaps emerging later down the line and, where appropriate, build this into the contracting of these vendors.

WHAT ARE THE PROS AND CONS OF MOVING TO ONE SINGLE GLOBAL INSTANCE VS 2 OR 3 REGIONAL INSTANCES?

Pros

- Provides opportunity to standardise processes across the whole organisation

- Massive opportunity to have one set of simplified master data – which needs to be well managed and controlled

- Much easier to get one version of the truth

- Negates the need for complex interfaces between systems

- Enforces a degree of rigour and discipline which forces people to think differently as this one system will only allow things to be done in one consistent way

- Promotes more reliable data and easier extraction – reporting becomes more reliable and easier.

Cons

- Upgrades are riskier as only one system

- More exposed if anything goes wrong – disaster recovery becomes even more important

- There is a significant business change challenge to moving to one single system, with one set of processes globally or companywide

- Needs much stronger change control (but this could be considered a pro as well)

- If your business does a lot of divesting or acquiring of new businesses, it can be easier with multiple instances rather than one.

IN SUMMARY

A single instance isn't necessarily the right answer for all businesses, and it should absolutely be a business decision, not an IT one. It should be strongly considered though, as in our experience, it's often the right decision, even among very large global businesses we've worked with.

GET IN TOUCH

At Project One, our team has a wealth of experience supporting businesses with their migration path to SAP S/4HANA.

If you have any questions, please get in touch with David Knappett at: david.knappett@ projectone.com