



How to start your S/4HANA journey & lessons learned from S/4HANA implementations

Oslo
May 14th, 2019

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How to start your S/4HANA journey?

Are you asking these questions when it comes to S/4HANA?



What IT Architecture?

Do we need S/4HANA?

Should I improve existing ECC or start with S/4HANA?

How do I do S/4HANA?

Brownfield or Greenfield?

What should be our architecture?

Which Package software is right for us?

Should I simply simplify my existing ECC estate? And how?

What are the business benefits?

Excite my business about S/4HANA!

What is the benefit case?

What is Intelligent Enterprise & what does it give the business?

What changes Compared to ECC?

How do I enable Digital Transformation?

How should the business lead an S/4HANA transformation?

Excite my business with the technical "art of the possible"!

What are the costs?

How should we do this?

How do I start this transformation?

What are the quick wins?

Break this change up into bite-sized chunks!

We've got so far, what should we do next, and how?

Having started, am I doing this right?

Business buy-in

We (IT) know we have to do something, but we want you to bring the business on board!

Beneficial business outcomes

We are seriously constrained by our existing ERP estate. Tell us how to sort it out!

Roadmap

Either we need a roadmap for the next 2 to 5 years, or we need help on next steps

S/4HANA journey – An assessment addresses many of the key questions



**DIGITAL CORE with
S/4HANA & INTELLIGENT
ENTERPRISE**

How do I run my business in
intelligent and renewable way?

IMPLEMENTATION PROJECT

How do I plan my
implementation project? Can I
use agile methodologies? How
do I ensure business value
quickly and ensure limited
disruption to my existing
business?

PRE CHECKS

Do I need to check
anything before I
start implementation?

SOLUTION OPTIONS

Which SAP solutions should I
invest in? On Premise? Is
S/4HANA Cloud? 2-Tier?

DEPLOYMENT OPTIONS

What's the best solution and
commercial option for me?
When should we move to S/4HANA?

ASSESSMENT

What's in S/4HANA for my business? What's the business case?
How and Why should I adopt SAP S/4?
We have a complex landscape, where should we start?

PRE-CONFIGURED SCENARIOS, PROCESS MINING

How can I mitigate implement risk? How can
I accelerate my implementation timeline?

CUSTOM CODE ANALYSIS

What should I do with my
Custom Code?

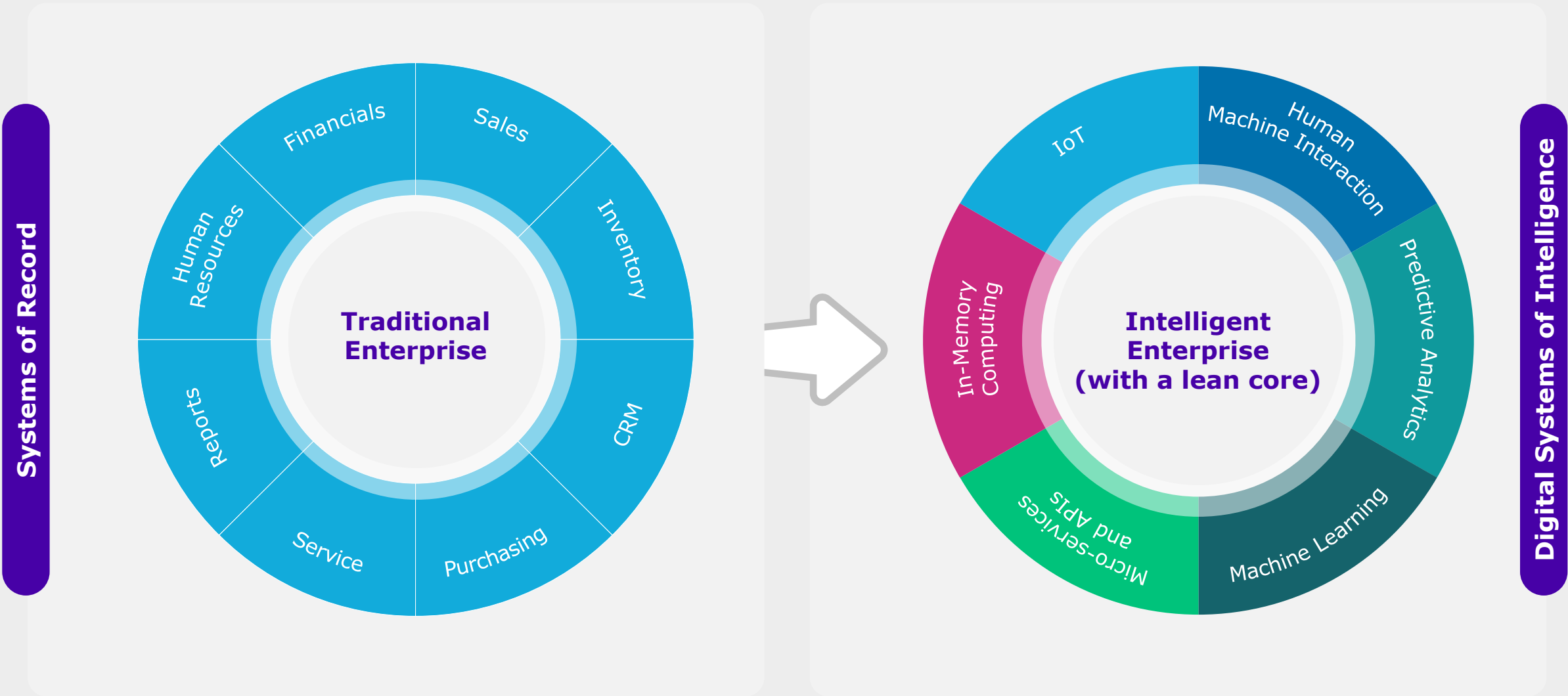
FUNCTIONAL SCOPE

Which S/4 innovations are of
benefit for me and how? Central
Finance? IBP? Leonardo?

BEFORE ASSESSMENT

Potential pre-work
with SAP tools.
Thinking about
strategic intents.

New technology innovations and limitations of the current systems demand a better solution



Drivers for S/4HANA transformation

Business drivers for a Digital Core with S/4

Support innovative business models & products

Grow revenue & reduce cost

Deliver consumer-grade user journeys & experiences

Richer capabilities to reimagine each line of business

Optimize Operations & Supply Chain

Simplify business processes

Deliver breakthrough analytics using data across applications

Enhance Business Agility & productivity

Be ahead of the competition?
Retain/ Gain competitive advantage while adopting new-age solutions?

IT drivers for a Digital Core with S/4

Gain strategic advantage with a digital core

Eliminate IT silos, inflexibility & rework

Reduce instances, customization & duplicate data

Simplify architecture & enable real-time integration

Reduce disruptions, time & costs to support changes

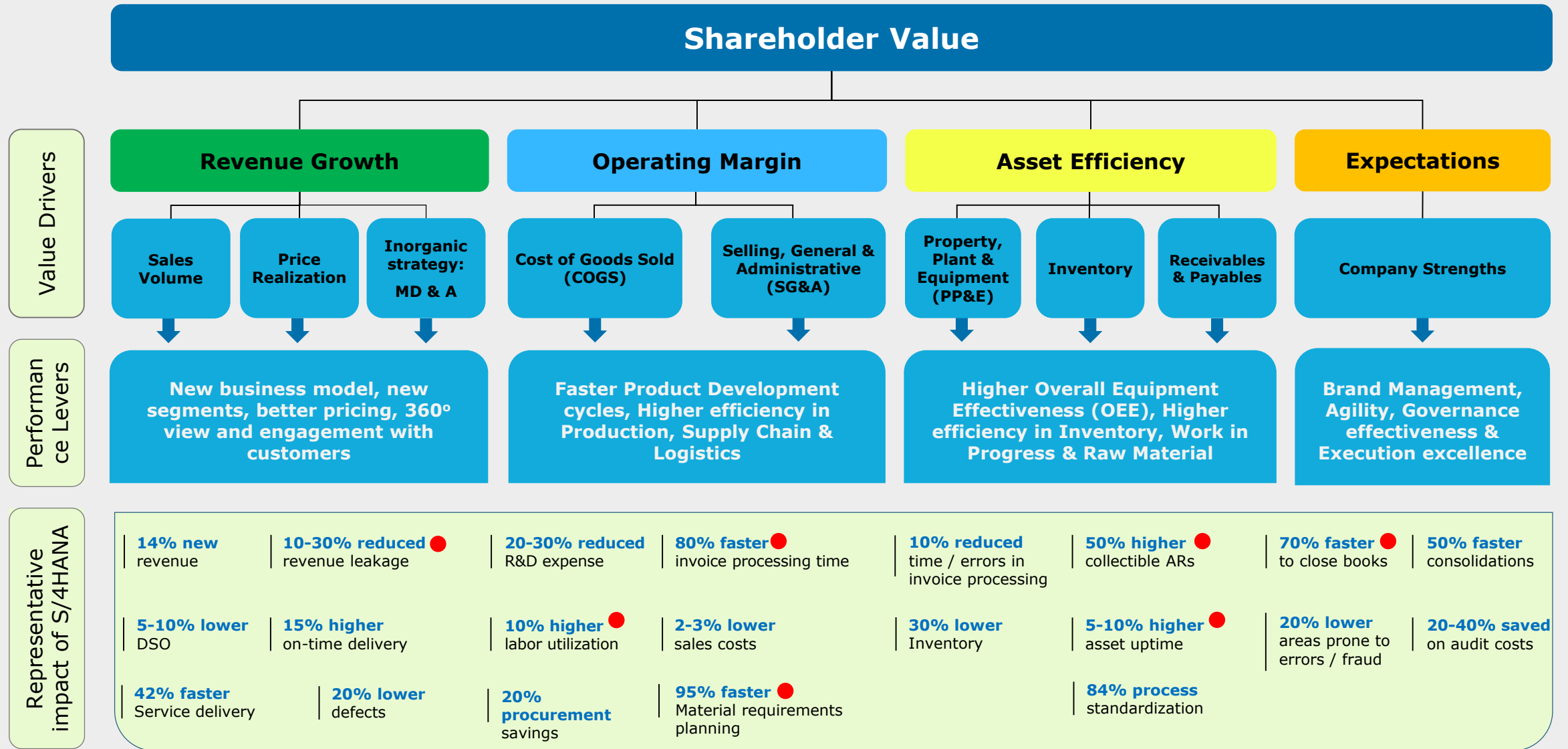
Benefit from Open architecture (cloud, APIs, Microservices)

Harness IOT to drive IT & OT integration

Cope with Product End of Life (2025)

Be able to support/respond quickly to changing business demands

Building a business case for S/4HANA transformation



Highway to S/4 Assessment – different options

Model 1: Tools based assessment

Elapsed time 2-3 weeks

- S/4HANA fitment against the existing ECC processes
- Custom Code Analysis and Correction tool (ACT)
- SAP S4 Readiness Check : Compatibility with SAP Add-ons, FIORI apps, database sizing etc.

Model 2: Model 1 + Business process workshops, Roadmap & Costs

Elapsed time 5-6 weeks

- All components of Option 1 +
- Workshops with IT & Business teams : current ECC pain points, gaps in S/4HANA, S/4HANA demo
- S/4HANA Value Propositions and Opportunities
- Opportunities with other new-age SAP products (add-on's to S4 core)
- High level future state architecture
- S/4HANA implementation roadmap and options, Cost estimates for viable options

Model 3: Model 2 + Business Case

Elapsed Time 7-8 weeks

- All components of Option 2 +
- Business Workshops
- Financial Business Case, cost-benefit analysis
- ASE (optional)

Our tools have been used in assessments for more than 50 customers across industries and regions and support latest On-Premise release 1809.

Business Process Framework



PoVs and Questionnaire



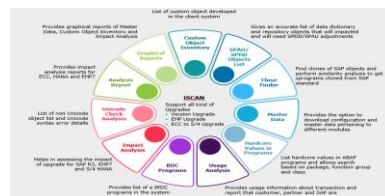
C-FAT



SAP Tools

- Business Scenario Recommendations (BSR)
- SAP Readiness Check for S/4 HANA
- SAP Transformation Navigator
- SAP Fiori Apps Reference Library
- Simplification Item Check

Capgemini Custom code Analysis and Correction tool (ACT)



System Demos



SAP tools available

	Tool / Accelerator	Usage	Pre-requisites / Understanding
1	SAP Readiness Check	Mandatory check for all SAP customers looking for system conversion to S/4HANA or upgrade from older release of S/4HANA to new one.	Output is based on configuration and usage data for customers already on SAP ERP Central Component 6.x
2	SAP BSR	This highlights the business processes that can help customer improve and discover new business capabilities. SAP Readiness Check does not in every case differentiate between used and installed components.	Pre-requisites : SAP ECC 6.0 (with or w/o EHP), SAP ECC 5.0, SAP R/3 4.x and Sufficient system usage data (at least 1 representative month in the transaction monitor "/ST03N". There is a lead time of 5 days to get BSR Output from SAP after submission of data.
3	SAP Pathfinder Output	Recommended for customers who may have some lead time to start S/4HANA journey	This tool output focusses on optimizing and extending current SAP ECC ERP system than S/4HANA transformation.
4	SAP Transformation Navigator	Provides framework for the holistic digital transformation journey.	A lot of details (on current, future state processes, value drivers etc.) need to be entered by customer team – both IT and BPOs. Can be overall 2 to 3 days lead time to complete relevant details needed.
5	SAP VLM based Value Analysis / Business case	SAP VLM tool uses SAP's benchmarking database and is one of the most comprehensive database for all SAP customers.	Typically 2 questionnaires are required to be filled out by Business e.g. KPI & Best Practices. It is advisable to get the responses filled in from business prior to the start of the assessment.
6	Business Value Advisor	This is user friendly online SAP tool that helps customer to identify key value drivers with S/4HANA and walkthrough some case studies in similar industry	For customers who are new to SAP, BVA can be used. https://impact.s4value.com/

SAP's tools that will help with the Assessment Phase

Free, self-service guidance you can get today for IT and the line-of-business

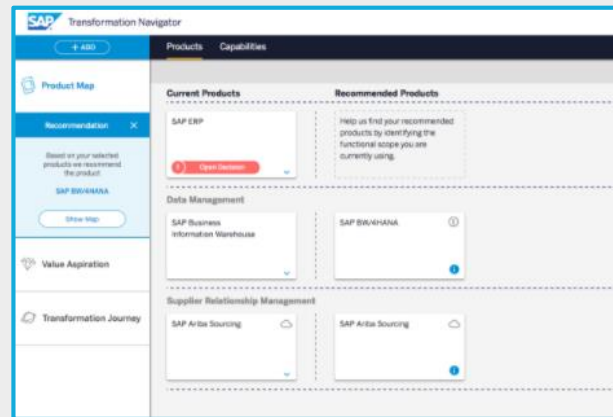
1. Build Your Business Case: SAP Business Value Advisor

LINES OF BUSINESS	BUSINESS SCENARIO		RELEVANCE FOR YOU	IMPROVED / RELEVANT TRANSACTIONS
Finance	Cost Management	Simple	100%	81
Supply Chain	Basic Warehouse Management	Simple	94%	61
Asset Management	Health and Safety Management	Simple	91%	51
Human Resources	Human Resources	Simple	79%	44
Finance	Accounts Receivable	Simple	64%	29
Finance	Closing Operations	Simple	59%	19
Finance	Accounts Payable	Simple	56%	15
R&D, Engineering	Project Financials Control	Simple	53%	17
Sourcing & Procurement	Operational Contract Management	Simple	44%	10
Supply Chain	Basic Order Promising	Simple	41%	9
Sourcing & Procurement	Invoice Processing	Simple	38%	7

Identify the **business processes** you can improve and discover new business capabilities. ([link](#))

Customers new to SAP can use Business Value Advisor. ([link](#))

2. Discover Your Destination: SAP Transformation Navigator



See the **S/4HANA roadmap** for each component in your current landscape. ([link](#))

Based on current SAP product usage or capabilities your organization wants.

3. Plan your move: SAP Readiness Checks



Learn about **Best Practices** and plan for organization improvement with S/4HANA. ([link](#)) & learn the technical requirements & actions for a system conversion to S/4H

Based on your current processes & readiness check based on *Based on configuration and usage data for customers already on SAP ECC 6.x.*

An example S/4HANA assessment



Assessment approach & scope

Sample

Overview

- Customer operating in a regulated process manufacturing industry
- Extensive SAP landscape with 15-20 years of history, heavily customized system
- As an outcome of the assessment Company A wants to understand how to adopt to latest technology, what does it mean in terms business and how to get there.
- Company A wants to understand the high-level costs and benefits associated with the S/4HANA transformation to support their decision making.
- Company A wants to understand S/4HANA target architecture incl. surrounding systems.
- Key focus will be on Company A's five major business processes and systems around those processes. To support the analysis Capgemini's toolset including reference process models and other tools and accelerators will be leveraged
- Process workshops are focal part of the methodology and require significant interaction and support from Company A stakeholders before, during and after workshops

Process Scope

- Finance to Manage (F2M)
- Order to Cash (O2C)
- Procure to Pay (P2P)
- Demand to Supply (D2S)
- Maintain to Settle (M2S)

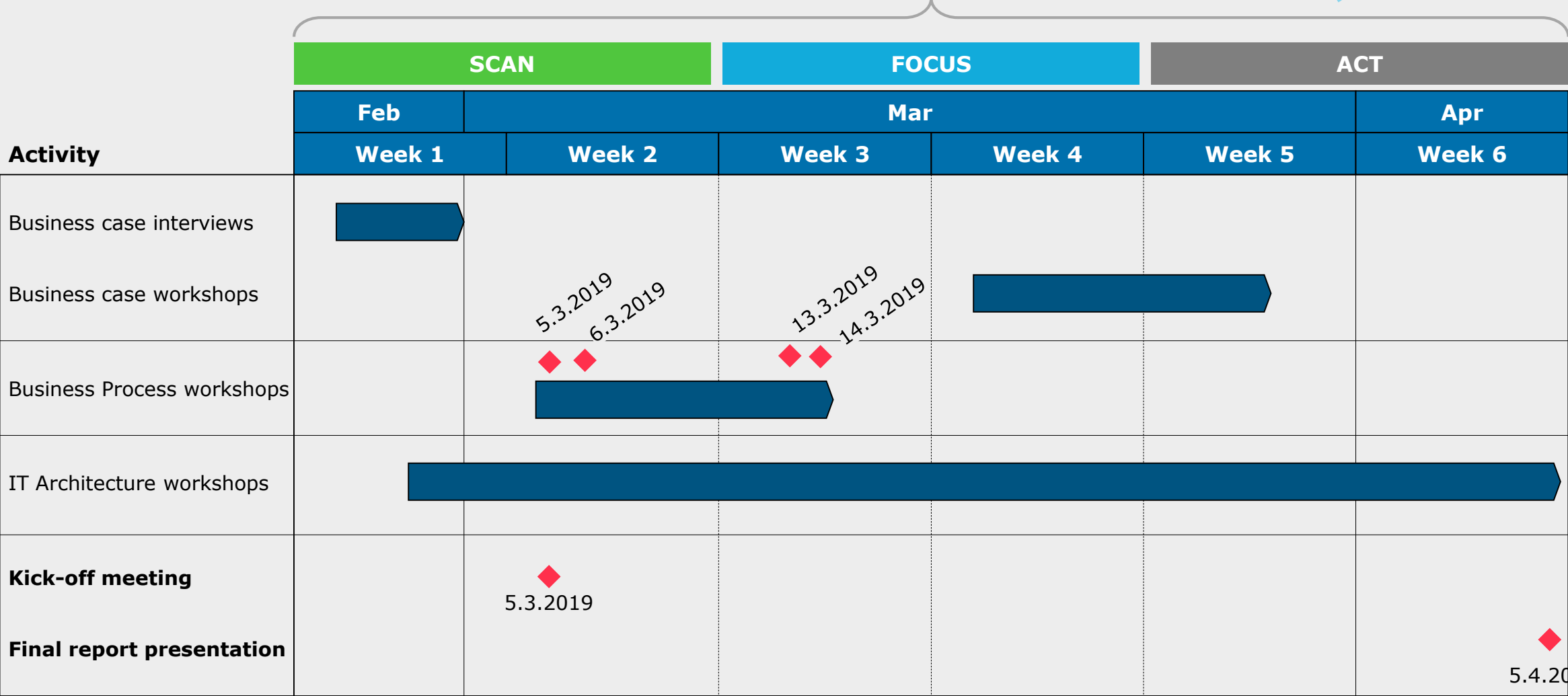
Systems in Scope

- Detailed focus on: ECC 6.0 EHP7 (FI, CO, CS, EHS, FSCM, MM, PM, PP-PI, PS, QM, RM, SD, WM), APO and BW
- Considered only in high level architecture: PO, eShop, HR, SAP Portal, Solution Manager, Gateway, MII, BOBI & BPC

Assessment Timeline

Duration 6 weeks

Sample



Final report content

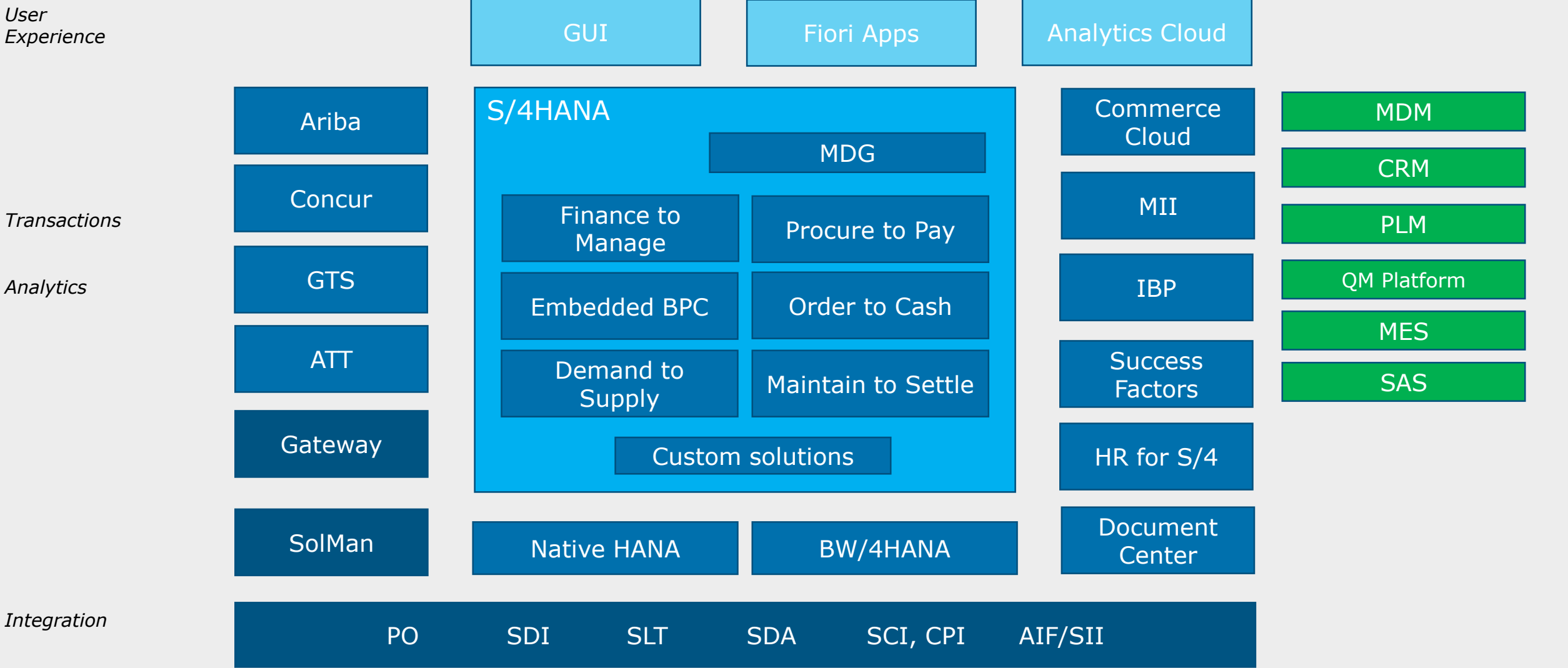
Sample

Sections

01. Management Summary including implementation cost assessment
02. Analysis of S/4HANA adoption Scenarios and Recommendation
03. High-Level Technical Architecture of the Recommended Scenario
04. Initial Deployment Roadmap
05. FTM – S/4HANA Adoption Benefits and Recommendations
06. PTP – S/4HANA Adoption Benefits and Recommendations
07. DTS - S/4HANA Adoption Benefits and Recommendations
08. OTC - S/4HANA Adoption Benefits and Recommendations
09. MTS - S/4HANA Adoption Benefits and Recommendations
10. Business Case associated with the Selected Adoption Scenario
11. List of Identified S/4HANA Gaps

To-Be System Landscape

Sample



Overall Roadmap for S/4HANA Program

Sample

Horizon 1 (2019)

Horizon 2 (2020-2021)

Horizon 3 (2022 -)

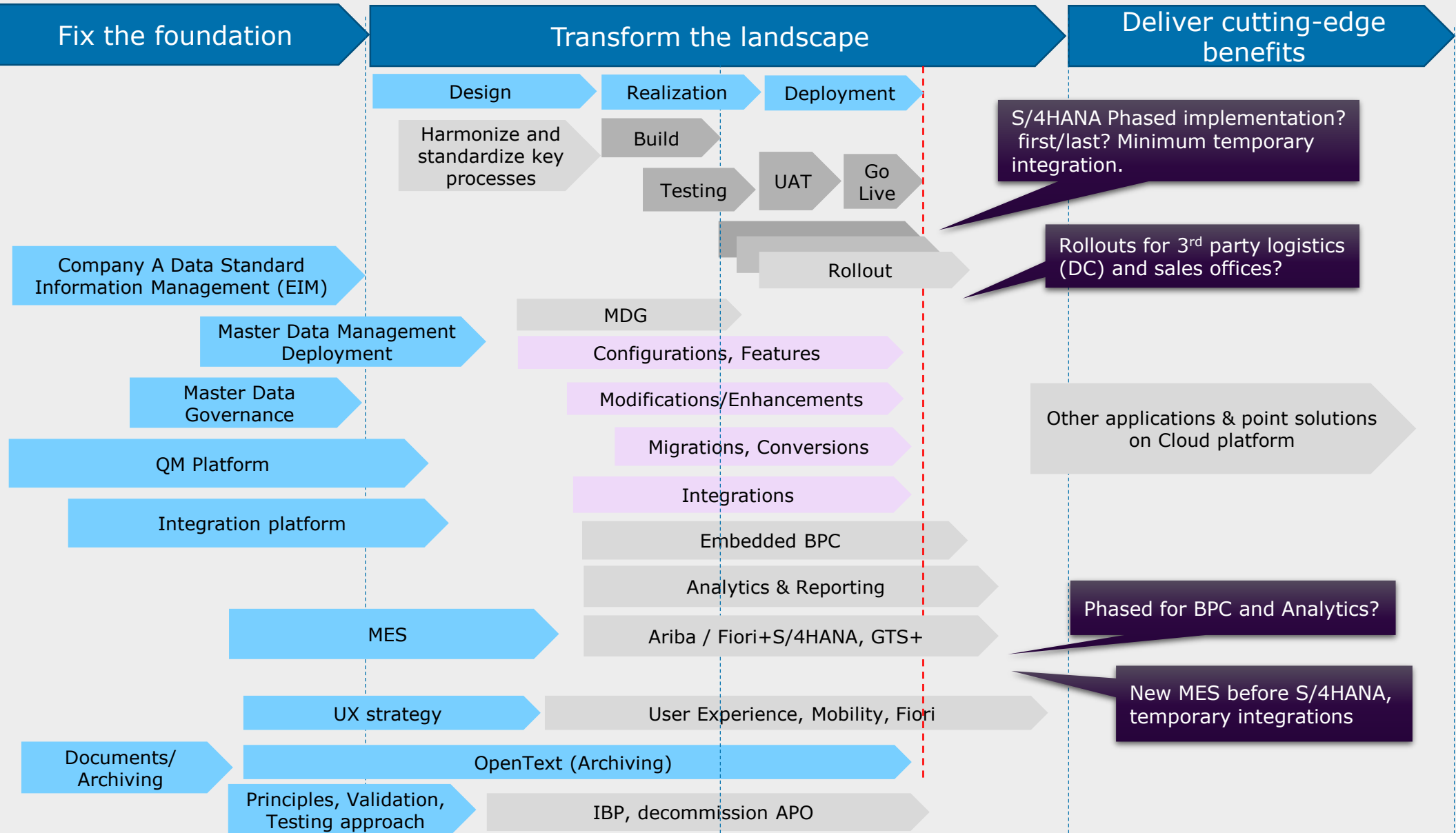
Fix the foundation

Transform the landscape

Deliver cutting-edge benefits

Roadmap:

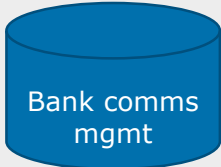
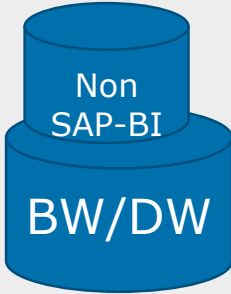
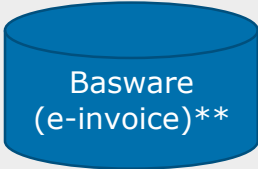
- Harmonize and standardize key processes
- Gap-fit
- Move to S/4HANA in one-step procedure
- Rollout for production and warehousing
- Rollouts for DC and Sales offices
- MES (new)
- BPC
- IBP
- Analytics



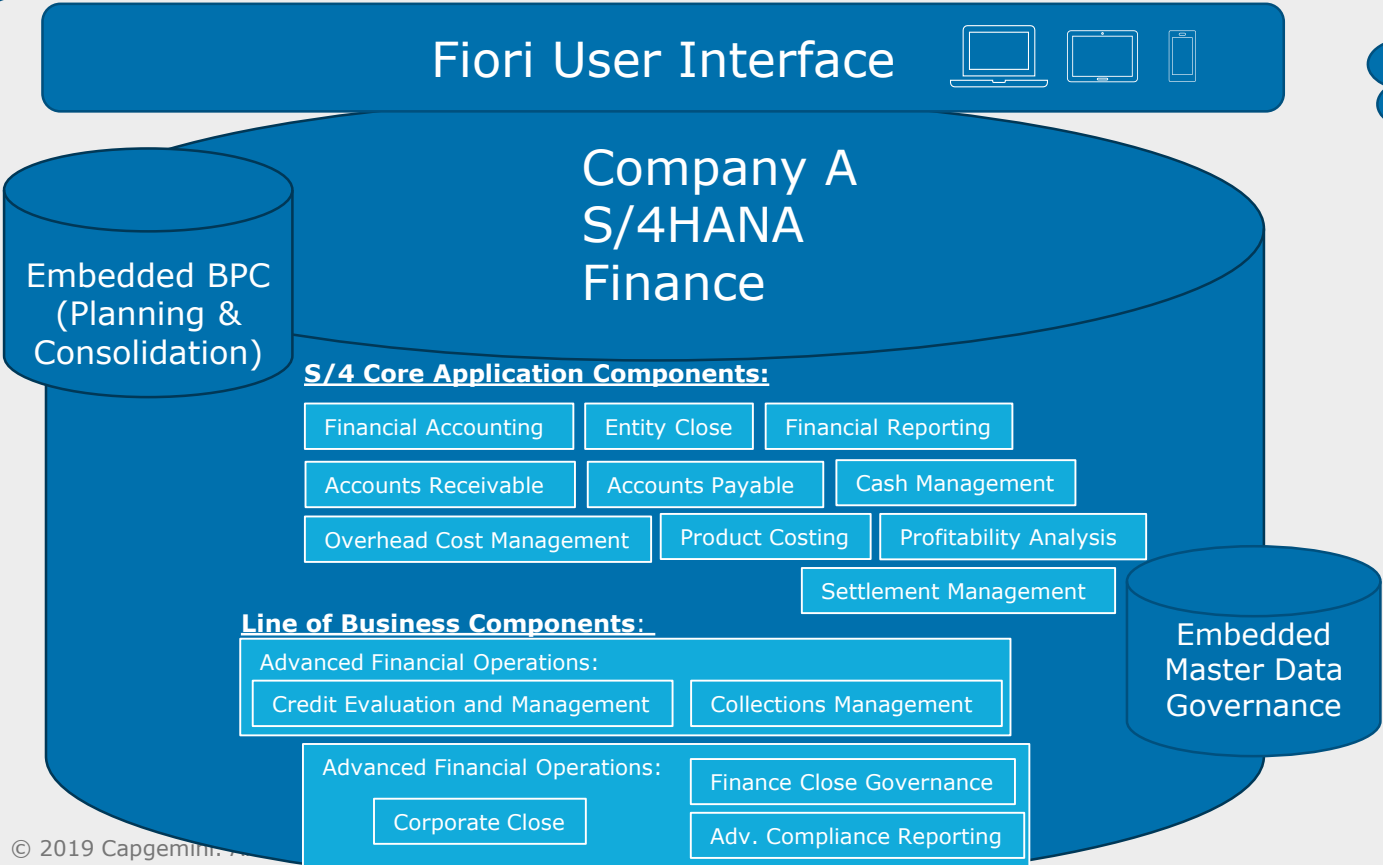
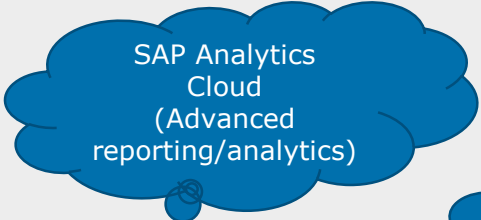
TO-BE Finance Overview

Sample

Remaining systems

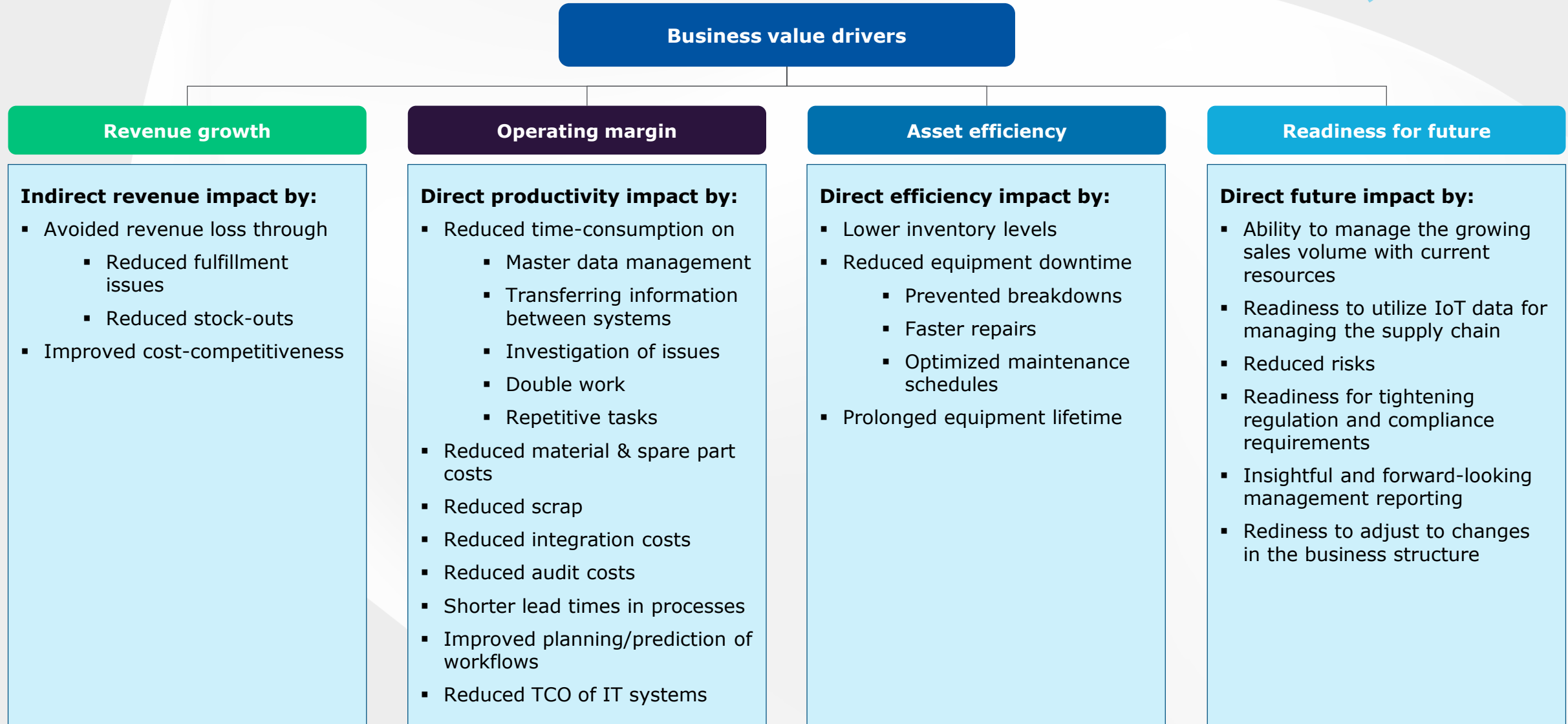


New Solutions



Majority of the identified business benefits are different types of productivity gains

Sample



A summary of S/4HANA transformation business benefits

Sample

Benefit potential									
Process area	High			Medium				Low	
Finance to Manage	BPC planning & consolidation Authorizations	Travel claim & expense mgmt	Management of forms Overhead cost allocations	Management reporting Reconciliation	Finance IT systems (TCO) Intercompany transactions	Master data management	Period & fiscal year end closing Statutory reporting compliance	Accruals mgmt	Invoice mgmt, AP, outgoing payments Credit mgmt, AR, incoming payments
Order to Cash	Shipment tracking	Overview to sales fulfillment		Receiving & processing orders					Master data management
Procure to Pay		Shipment tracking	Transparency, visibility & integrations	Master data management Improvements in current SAP processes		Supplier relationship management			
Demand to Supply				Segmentation & simulation		Enterprise search in auditing			Quality control
Maintain to Settle	Document management Predictive maintenance			Resource scheduling		Mobility & ease of operations			

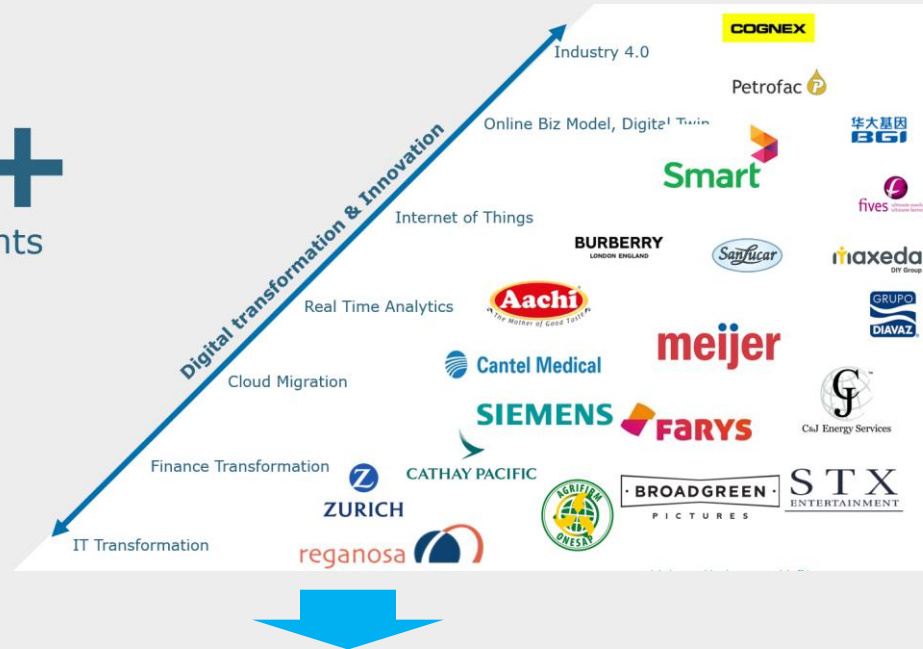
Lessons learned from S/4HANA implementations





We have distilled our experiences to develop a pragmatic roadmap, to successfully realize a Digital Core with S/4HANA

65+
engagements

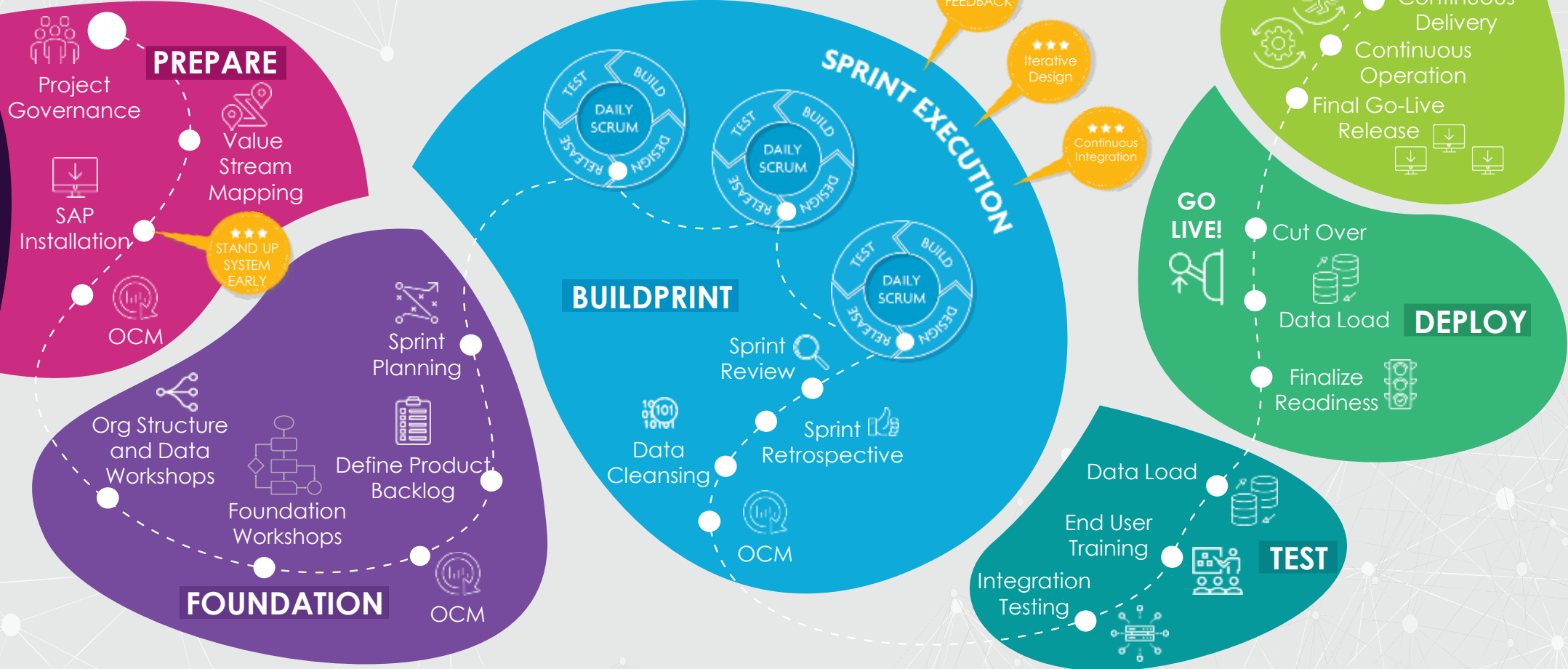


Roadmap to realize a successful Digital Core with S/4HANA

1	Prepare	2	Foundation
3	Buildprint	4	Test
5	Deploy & Support	6	Benefits realization

iCaptive Methodology

Our AGILE Journey



ONE SIMPLE, LEAN and AGILE Methodology

**FASTER
RELEASE**

**COST
EFFECTIVE**

**REDUCED
RISK**

What is iCaptivate?

i = industrialized

+ Cap = Capgemini

+ tivate = Activate meaning the Capgemini version of SAP Activate including industrialization

TRANSFORMATION THE RIGHT WAY

iSAP – Capgemini’s proprietary and former industrialization methodology has been transformed into our new iCaptivate methodology which is powered by SAP’s latest Activate methodology and covers both approaches – Agile & Waterfall.

APPROACH OPTIMIZATION

This Agile/Lean approach enables our clients to use iCaptivate’s ability to realize benefits of both packaged SAP and tailored SAP approaches.

CONTINUOUS IMPROVEMENT

The iCaptivate methodology is constantly being built on and updated utilizing a continuous improvement feedback loop with all our engagements into our Global iCaptivate Center of Excellence.

QUALITY FOCUS

This methodology is driven by the enhanced Digital Delivery Framework (DDF) Tool – a combined project management tool and a content auto-generation tool. It helps to deliver the project in an Agile way and automates many non-value add activities, focusing on quality and consistency.

VALUE STREAM EMPOWERMENT

iCaptivate provides repositories that store versions of these artifacts prepopulated and preconfigured into off-the-shelf business value streams.



Our tools and accelerators will help accelerate the implementation and mitigate risks

1



RapidStart

RapidStart is a Capgemini team that specializes in getting projects up and running with process and infrastructure. This team visits the project site week one, and performs a structured set of tasks to set up infrastructure iCaptivate team room, Automation Tools, and the Program Governance). This allows the project team to focus more on the business and aligning our combined team.

2



iCaptivate for Agile

iCaptivate is our global methodology with templates, tools and content to facilitate and expedite project work flow, governance and progress tracking.

3



Accelerated Solutions Environment® (ASE)

Unique environment that brings together the internal and external stakeholders for collaboration => speedy executive decision-making + organizational alignment and buy-in + drives process adoption.

4



Digital Delivery Framework (DDF)

Design checklist for each Level 3 process for the major SAP process streams + pre-populated with the content to error-proof design deliverables. Automates some of the design tasks and has project reporting capabilities.

5



Auto, MFG, Energy Path & Model Company

SAP pre-configured solution for the accelerated approach to implementing SAP S/4HANA.

6



SIPOC

The SIPOC integration tracker is an input list on the iCaptivate team room. It uses the SIPOC format – Supplier/Input and Output/Customer to log cross-team integration requirements that require design decisions.

7



Mind Mapping and Slack for Development

Mind Mapping is an accelerated design technique for development objects (S/4, HCP, etc.). It is a simplified visual method that reduces manual processing by focusing on visualizing the requirements of a custom object. Slack is a collaboration tool that works well with Mind Mapping and visual development.

8



Value Stream Mapping (VSM)

SAP Value streams, also called mega-processes; include Order to Cash, Procure-to-Pay, etc. Value Stream Mapping sessions allows the team to visualize the overall business scenarios early in the project. Value Stream Mapping helps confirm scope, key decisions, initial gaps, and improvement opportunities.

9



Design by Acception®

Design by Acception® approach where the design decision criteria are embraced and used to drive design completion and control design changes. This can result in focusing resources and time where they are going to give high quality returns.

10



DataPATH

Capgemini DataPATH accelerator package is an extension of SAP's Rapid Data Migration (RDM) solution enabling accelerated build of required load programs, transformation of data from legacy to SAP S/4HANA, and end-to-end legacy to SAP S/4 reconciliation

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• Data Migration Accelerator
• Data Quality Assessment Accelerator
• Reconciliation Utility
• CAST Code Quality
• Technology Command Center

Global Delivery Factories

Repeatable methodology, tools, and reusable assets across development, data migration, workshop material, training content development, analytics, testing, validation, and security. "Follow the Sun" approach.

12



Key Design Decisions (KDDs)

Based on our experience with transformational SAP programs, we have collected a catalog of Key Design decisions that should be addressed early in any program. These are the types of decisions that, if not addressed early, can slow or stop progress.

13



Sprint and Scrum

Sprint and Scrum are techniques used in Agile methodology. A sprint is based on a backlog of requirements (business processes in a Value Stream). A logical grouping of processes (i.e., quote and contract) are reviewed for design, the process is demonstrated and tested. Based on feedback, the process is approved and finalized or iterated with adjustments.

14



Rightshore® Solution Design Center (SDC) and Advanced Delivery Center (ADC)

Our global delivery model and factory based delivery centers for technical development that uses our near-shore design center in Houston complemented by development factories in India encourage reuse of our technical assets.

15



Rapid Design and Visualization (RDV) and iRise

RDV is a rapid prototyping tool based on iRise technology that we routinely use to help business users visualize screens and business process flows during design

16



Concurrent Value Framework

Our Concurrent Value Confirmation framework drives value confirmation and measurement concurrently with the ERP design

17



Core Integration Services Framework (CISF)

Java-based IEM and DIM application framework which can be used with 3rd party application and middleware integration. The goal of CISF is to integrate with the legacy data, application, or process non-invasively, without changing the legacy application.

18



Applied Innovation Exchange (AIE)

A facility to discuss new ways to transform business in the digital world.

19



Roll Out Tool Kit (ROTK)

A template for developing a "cook book" with instructions and manuals to deploy a "template" solution across the world on a consistent basis.

20



HP Quality Center (QC) Testing Guide

SharePoint

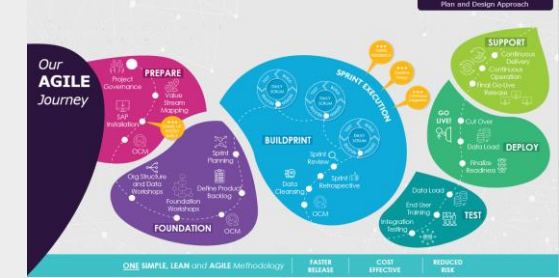
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Robust OCM Framework and Methodology

Capgemini's OCM framework embedded within iCaptivate is specifically built for SAP enabled transformations. Our Accelerated Adoption approach to OCM is systematic and methodical, and specifically addresses the human side of change and leverages the culture, values, people, and behaviors required for employees to fully realize the benefits of the transformation

Project Preparation and Foundation Phases



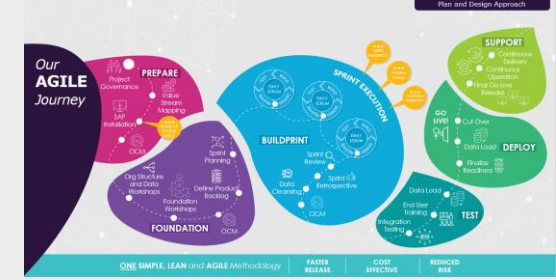
Functional

- All project participants ideally **trained** to S/4HANA prior to project start
- **Hybrid methodologies** combining agile and waterfall seem to work quite well (blueprinting, realization, unit testing to be done in sprints)
- Using **accelerators** such as best practices, model company industry solutions are favourable in order to get a rapid start
- **Project planning** should be more careful than with SAP ERP projects, including more slack in project phase transitioning
- Keeping **organisational change management** involved from early on to address the changes to job roles (e.g. very many transactions change)

Technical

- Understanding required the **solution components** of the to be landscape (S/4HANA Enterprise management core + LoB solutions, other solutions such as Ariba, MDG and SLT etc.)
- Data **migration/conversion** work to be started early and tools to be planned well prior to S/4HANA implementation to avoid "surprises" later stages in the project
- **S/4HANA reporting with Fiori** might be enough for certain use cases limiting the need of separate BI tools
- Planning potential **upgrades** (S/4HANA key releases and Features pack stack upgrades) in the project timeline if the duration is long
- **User interface strategy** is most likely needed (mixing GUI and Fiori and potentially ScreenPersonas etc.)
- In Central Finance implementations **data profiling** is a key activity to understand potential issues with matching source vs. target data

Blueprint and Test phases



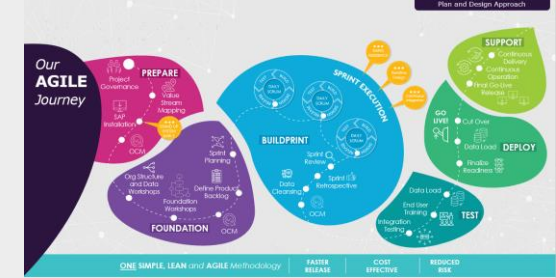
Functional

- With existing SAP customers new or changed master data and organisational data and transactional **data models** require additional focus e.g. business partner
- Do not blueprint for **"future legacy system"**, do not copy/repeat problems from existing ERP
- **Fit to standard** mentality will help, however truth is that custom development always happens
- **Sprint demo** sessions bring early visibility to the build items and provide useful feedback loop, however keeping the scope is a challenge
- Take advantage of **simplifications** and additions to S/4HANA Enterprise Management core in blueprinting e.g. simple financial closing cockpit which used to be separately licenced
- In blueprinting remember to adapt to **the mandatory changes** that come along with S/4HANA e.g. Manage house banks, business partner, material ledger, credit management etc.

Technical

- Safeguarding investments made in valuable **custom code** (Z/Y development) can also be done in greenfield
- Testing might require more time than with ECC projects however **test automation** will speed up the testing phase
- **Troubleshooting** can be more cumbersome since reference data e.g. from SAP support portal might not be available
- **Data model changes** have overarching impact on various areas e.g. interfaces and conversion programs
- Currently used **3rd party software** might not be compatible with S/4HANA
- **Authorizations** need to be rethought when moving to S/4HANA as Fiori brings additional layer and there a lot transaction changes, however standard roles can be used

Deploy and Support Phases



Functional

- Consideration of **phased roll-out** makes sense in complex implementation to avoid risky big bang
- Large S/4 HANA greenfield implementations are complex due to **business process re-design**
- End user **trainings tailored** to specific roles makes the go-lives easier
- **SAP's involvement** is important until the deployment phase
- **Handover to support** might require more than in the ECC world, receiving end needs to be S/4HANA competent
- **Super users** may want to continue with using GUI as opposed to Fiori

Technical

- Changed data structures impact the **production migrations** in greenfield approach
- **Data reconciliation** in go-live requires time and specific tools, potentially custom development
- **Bugs** in the standard programs are still possible but are getting fewer as the maturity has grown
- S/4HANA delivers on the **performance** promises made in the beginning, typically in QA and Prod environments the performance really shows

Q&A



Appendix





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About Capgemini

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of over 200,000 team members in more than 40 countries. The Group reported 2018 global revenues of EUR 13.2 billion.

Learn more about us at
www.capgemini.com