



Buyers Guide Insight Brief



in association with



Achieving success with your S/4HANA proof of concept (POC)

What to consider when selecting
platforms, tools and services

Overcoming the S/4HANA confidence gap

The value of S/4HANA is now well accepted. During a recent survey, an overwhelming majority of the 480 SAP customers interviewed cited potential benefits in areas such as real-time business visibility and improvements in both service levels and user experience. Many also acknowledged the role of S/4HANA as a platform for digital transformation. Something else highlighted, however, was how uncertainty often stands in the way of adoption. Many had limited knowledge of migration and operational practicalities. They were also unsure how well theoretical benefits would translate to real-world value. If this applies to your organization, it may be time for a proof of concept (POC).

The idea of a POC is to perform a limited scope migration to explore and gain experience in key areas so you can subsequently embark on a full migration exercise with greater confidence. Here are some typical POC objectives.

Validate and quantify the benefits

Enhanced user interfaces, new application capabilities and reworked business processes can look good on paper or in the lab, but you can only assess their true value when they are tried in a real-world context with real users. A POC helps you validate assumptions and make necessary adjustments so you can build or strengthen your business case.

Explore transformation opportunities

It will usually make sense to implement relevant transformations as part of your migration to S/4HANA. Whether it's process optimization or redesign, or merging, splitting, moving or harmonizing clients, a POC allows you to fully explore the practicalities.

Understand the impact on your people

Real-time visibility, embedded analytics and AI-driven automation and user assistance often challenge established ways of working. Different organization structures, job roles, skill-sets and even mind-sets may be needed to get the most from S/4HANA. A POC helps you understand the impact, prepare for broader change, and start to build advocacy.

The POC approach

Confirm solution capability and readiness

Your SAP system is business critical and S/4HANA is based on a new technical architecture that's probably not yet been tried in your environment. A POC gives you the opportunity to confirm core characteristics such as scalability, resilience and security. You can also explore ease of configuration, integration and extension, and overall solution flexibility.

SYSTEMS

Establish operational best practices

The technology underpinning S/4HANA is quite different to a traditional ECC environment. Through a POC, you can start to get the necessary skills and processes in place to deal with systems monitoring, IT operations and change management.

Test and refine your migration approach

While tools and best practices are now well proven, every migration journey is different. The approach you take will depend on the scale, diversity and connectedness of your SAP estate, how clients are configured from a landscape and functional perspective, and the nature and level of customization. A POC helps you work through all these practicalities.

Planning and pre-requisites

In practical terms, the best way to think of a POC is as an exercise to check the feasibility of your intended course of action, learning and making adjustments along the way in response to the experience gained. This of course presupposes that you've already mapped out a proposed way forward, at least at a high level. You can then scope your POC to encompass a representative subset of elements and activities critical to your subsequent full migration.



With this in mind, you need to have formed an up-front view of what else you want from your migration apart from modernization of the technical architecture. Will you take the opportunity to merge, split or harmonize SAP clients to drive operational efficiencies or exploit organizational synergies? Do you want to transform certain business processes or retire old customizations? What about embracing new capabilities in areas such as AI, IoT, and so on?

Once you have thought through such high-level questions, you can move on to more detailed planning.



POC scoping and emphasis

Your POC doesn't necessarily need to cover everything outlined above. The goal is to gain confidence with the minimum of cost and effort. If you are most concerned about technology readiness, put the emphasis there. If it's more about the migration process or some new area of functionality, skew and scope your POC accordingly.



Metrics and measurement

Business case validation relies on comparing relevant metrics between the existing and proposed new environment. Within the business, this might revolve around process efficiency or cycle times, or employee productivity. In IT it might be service levels, admin overheads, etc. In any case, define a performance baseline before starting your POC.



Migration approach

The first option here is Greenfield, which is essentially a full reimplementation of SAP. Next we have Brownfield, an in place conversion of your existing environment. In between, there's the 'Software-Accelerated' option, which exploits smart migration tools. Once you choose your approach, you can use the POC to confirm it meets your needs.



Platforms and delivery models

When it comes to your S/4HANA landscape, you have choices in terms of technology stacks, management software and other tools. There are then many cloud, hosting and hybrid options available within the SAP ecosystem. Wherever possible, base your POC on the platform(s) and/or cloud service(s) you ultimately plan to use.



Data and integration

Data is structured differently in S/4HANA. Put this together with your overall transformation goals and integration requirements, and a significant amount of data conversion and remapping will be required. Your POC will check that data integrity is preserved along the way, and that key interfaces to other systems are not undermined.

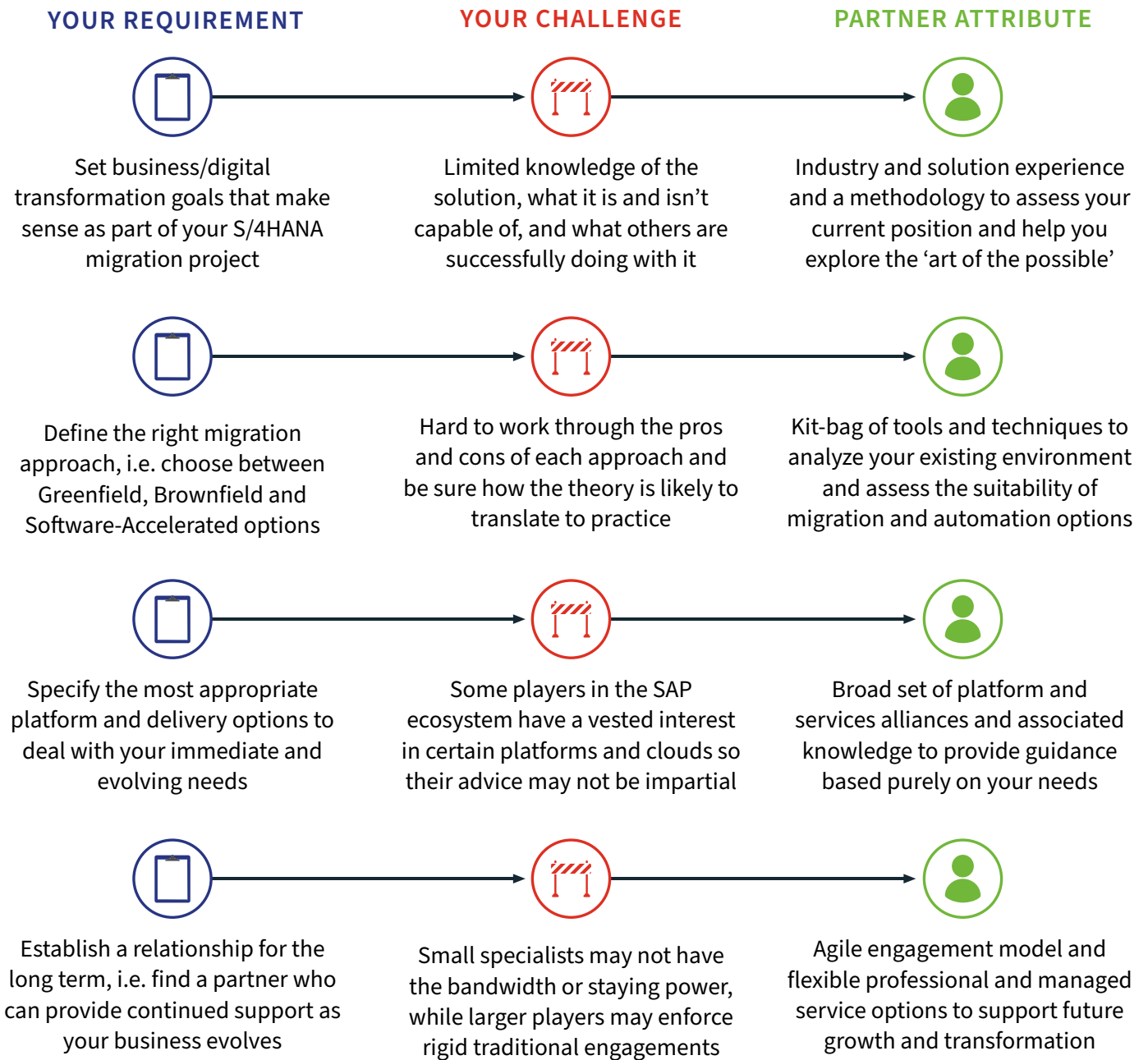


Migration services and tools

Few organizations have the skills, resources and tools to perform a critical migration alone. You'll therefore likely need a services partner to help you evaluate, plan, scope and migrate, leveraging best practices and automation as much as possible. A POC is a great way to fully check-out a chosen partner before scaling up your commitment.

Partner evaluation and selection

When selecting a partner to work with on a POC, think ahead to how good a fit they will be over the longer term. Start with your requirements and challenges, then look for a partner with the appropriate attributes. We obviously can't be exhaustive on supplier selection in this short guide, but here are some important areas to get you going.



Picking up on that last point, it's worth remembering that S/4HANA enables a step-change in systems flexibility and business agility, so the spirit and commercial model with which the partner engages is as important as its technical and business level credentials. The rigid 'old-school' services approach is just not suitable if you are to realize the S/4HANA promise of enabling an agile and responsive intelligent enterprise.

The good news is that considerable investments have been made by many partners to support S/4HANA migration activity, and there's now enough experience out there to deal effectively with all of the requirements and options we've touched on. It's important to move forward with the right strategy and approach, however, backed up by appropriate services and tools. A well-designed and executed POC will ensure your S/4HANA journey gets off to a good start.

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