

COMPREHENSIVE IT OPTIMIZATION BY REVITALIZING SAP S/4HANA

[DECEMBER 21, 2017](#) [KAUSTUBH SATPUTE](#) [LEAVE A COMMENT](#) [EDIT](#)

Realizing value – SAP S/4HANA and its transformational capabilities

The recently developed, completely new, business suite from SAP has steadily gained traction since its launch in February 2015. By October of the same year, the number of customers of the new product had exceeded 1,300.

SAP S/4HANA In part 1 of this blog post, “Create value for your business with SAP HANA or S/4HANA,” we discussed the benefits, and impacts of a SAP S/4HANA migration. While the migration to S/4HANA may present some of these benefits from day one, most benefits requires some transformation to be unlocked.

The challenge is to avoid the traditional transformation projects that seems to run forever and turns your business upside down. The non-disruptive nature of S/4HANA allows you to get going faster, thus improving your ROI, while investing in shorter, more agile projects.

Pushing the envelope – SAP Support team dynamic and clutter-breaking approach

SAP S/4HANA we created an Agile Benefits Creation (ABC) approach to provide clients an outcomes based and non-disruptive option to create business benefits., This provides the ability to realize key drivers in small bursts based on the appetite for change and internal resource capacities.

This is a three-tiered system for the adoption of SAP S/4HANA, helping clients to actualize benefits and enforcing greater agility in moving to the SAP Business suite (driven by SAP HANA and SAP S/4HANA).

As an outcome-based and transformational business enterprise, SAP Support team approach towards application optimization and thought leadership leads to the question: What if we changed the rules?

Projects are traditionally funded based on promised and perceived value – often intangible and ambiguous in realization. SAP Support team believes that it is essential to define key metrics for the value to be achieved and then to articulate a process that evaluates delivery and projected scope success.

While the ABC approach is crafted around the above ideals, it also measures and monitors the improvements to be delivered as part of the project charter. Funding projects using the value

realized from previous projects limits the impact on internal financial resources and reduces direct investment.

Undoubtedly, these notions are cutting-edge and highly controversial – but we believe that ‘self-funding’ is important for organizations to continue transforming and innovating in the digital economy of today. For instance, if an organization spends \$1 million on a project with an expected value of \$5 million, once the organization realizes the \$5 million, it can utilize a percentage of the cash-chest for financing another/the next project.

The concept is bold and radical; however, it keeps an organization vibrant and equipped for growth. It also fosters a sense of accountability from both the partner and the organization, critical for the success of the initiative.

SAP S/4HANA Continuing with innovation – crafting pan-organizational developments

Transformation driven by technological innovation is fundamental to an organization’s continued success. However, it is also ‘disruptive’, ‘cost-intensive’ as well as perpetual.

That said, progressive businesses must assimilate the long-term impacts of this process; an environment that encourages accountability through agile project cycles can help foster innovation; projects thus become less disruptive and more affordable while enabling the organizations to reap benefits early.

Migrating to SAP HANA and SAP S/4HANA is a smart and streamlined mechanism towards adopting an agile approach since most changes happen behind the scenes. There are only minor changes for the average user.

Some transactions will be faster and a variety of performance enhancement could be identified; these, on their own, may not seem very consequential, but an overall realignment of the systems per se, results in them becoming material.

This transformational pathway, however, does not happen on its own. Organizations need to smoothen end-to-end processes and take steps to create a framework for reaping these benefits. A ‘participative’ state-of-mind and an active project flowchart helps to ensure complete organizational involvement – and this is exactly where ‘agility’ assumes paramount importance.

The opportunity to avoid spending time on processes that are high-volume and re-dedicating those hours to other process has a considerable impact on organizational productivity.

Making the shift – When are you ready to move to SAP S/4HANA?

If an organization's research on SAP S/4HANA and the arguments carried in these discussions are strong and convincing enough to prompt a switch to SAP S/4HANA, the final question is when?

Adopting SAP HANA and SAP S/4HANA should be considered under the following conditions:

- The SAP ERP Central Component is insufficiently supporting business needs;
- Budgetary allocations allow for innovation-funding;
- Technology services are in need of a refreshed and consolidated re-think;
- Transformational programs must be introduced urgently;
- Licensing considerations must be addressed;

Organizations must remember: A simple shift to SAP Business Suite driven by SAP HANA or SAP S/4HANA will not immediately unravel the full potential benefits. Instead, they must harbor a proactive approach in order to realize the value-added impacts of the technology.

Imagine SAP HANA as a Porsche, upgraded from a regular sedan; your new Porsche has the same components as the sedan brakes, four wheels, a steering wheel, etc. and you can drive it as you drove the sedan. But you also want to take advantage of what makes the Porsche a better car its design, speed, smoother drive, and performance in short, its overall 'experience.'

If you don't want to learn driving faster, tackling corners better, and braking faster, you might as well have kept your tried-and-tested sedan.

And to truly enjoy that turbo-charged experience of a vastly improved vehicle – you need an experienced copilot or race driver to take you through the motions, helping you to grasp the magic of this sharp, new technology.