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ASUG Best Practices: SAP S/4HANA Virtual Experience Demonstrates How to Lay the Foundation of Your Implementation

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customers who will make the jump are still relying on legacy ERP solutions.

With the 2027 SAP support deadline looming, it is critical to help SAP customers find their path forward to their new SAP ERP landscape. To help members begin the process of implementing SAP S/4HANA, ASUG is hosting the <u>ASUG Best Practices: SAP S/4HANA</u> virtual experience throughout March, where we will guide members through their complicated implementation journeys.

"Digitalization isn't an on-and-off switch," said Alexander Greb, customer advisory lead for SAP S/4HANA at SAP, who spoke at the event. "This is not an easy thing. It's like pulling out your spine and replacing it with a new one."

Across four weeks, attendees will hear directly from SAP customers, implementation partners, and SAP experts sharing their thoughts, challenges, and discoveries related to implementing SAP S/4HANA. Each week in March, ASUG is tackling a different phase of the SAP S/4HANA implementation journey, with the first week focused on the vision and strategy phase. During these sessions, attendees heard SAP customers elaborate on how they made their decision to transform their SAP ERP of the future. Here are five key takeaways from the first week of ASUG Best Practices: SAP S/4HANA virtual experience.

Laying the Foundation for Your Migration

Many people may think that the journey to SAP S/4HANA begins with developing a business case, but according to speakers and thought leaders at the event, successful implementations of SAP S/4HANA start before a business case is even developed. Lori Foster, regional executive advocate of SAP S/4HANA Center of Excellence at SAP, began the second day of programming with a session on how companies can strategically and digitally transform their organizations. She laid out the 10 steps customers should take to have a successful SAP S/4HANA implementation. According to Foster, the first thing customers should do is ask themselves why they are embarking on this implementation project in the first place.

"What I find most often with our customers is that underlying way or case for change might not be visible to them," she said. Companies can leverage the answers from this self-inspection to begin building a solid case for change.

In a following session focused on selective integration, Greb discussed a helpful way that organizations can view SAP S/4HANA implementation projects. He recommended that customers treat the migration as a business topic, as opposed to only an IT topic. Rob Seifert, senior manager of financial systems at Esri, also emphasized this notion during his session on building a business case.

"We can't just make this about technology," he said, before noting the need to balance both business and technology needs throughout the project.

Breaking Down Business and IT Silos

One of the best ways to strike this balance between IT and business sides of a company is by clearing away silos between those two parts of an organization. Training end users is a critical component to a successful SAP S/4HANA adoption project. Greg Olen, CIO of Abiomed, was motivated to optimize processes through digital tools. However, Olen notes a company must figure out the best processes to digitize and what will add the most value. When training doctors on their medical tools, Abiomed wanted to avoid transforming what was once an in-person process before COVID-19 and simply copying the process virtually.





growth of the company.

"Training takes a lot of time. The SAP Fiori front end improves the user experience and increases user adoption ... along with the access to real-time analytics, the dashboards, and we wanted the flexibility of any device, whether it is SAP Fiori on your phone or iPad or anywhere you need to access it," commented Jamie Burgin, IT applications manager at Abiomed.

Abiomed needed to work closely with stakeholders and help the business understand the benefits and how the migration to SAP S/4HANA was not just an IT project. The necessity to set expectations helped guide the business down the SAP road map. Olen described the migration as the beginning of the journey, not the end. "We are building a foundation we are going to grow the company on," said Olen. For Abiomed, it needed to manage expectations over what it wanted to achieve and grow from there.

Have No Fear; Make a Plan

The webcast series began with a session featuring Sharon Kaiser, CIO of New England Biolabs, who shared her company's decision to adopt SAP S/4HANA back in 2017. According to Kaiser, setting her team up for success to make the move to their new SAP ERP meant courage, not letting fear of an upgrade deter them from creating a better business experience. New England Biolabs began its SAP journey in 2014 by implementing SAP ECC 6.0 to assist with financials, sales distribution, and materials management.

Kaiser and the team then made the decision to migrate to SAP suite on SAP HANA in 2016 before making their final leap across the ERP gap to SAP S/4HANA a year later, bringing on manufacturing and production.

According to Kaiser, "When making the decision, you shouldn't be afraid of the upgrade ... if you really plan it well, if you test it, you have the business involved, it's just another project. Don't be afraid of it, but you got to plan it."

Migrating to SAP S/4HANA begins the process of a digital transformation for an SAP company. A digital transformation requires careful planning for data. It was important to Kaiser that New England Biolabs digitize its data to preserve business history. For Kaiser, the digitization of data was the biggest challenge to overcome. However, she envisioned the SAP ERP of the future and realized it was up to the company to sort through SAP's tools and determine what is best for the company's future. "It's up to us to figure out what is available and determine if it adds value to our organizations," Kaiser advised.

Build a Business Case and Get Executive Buy-In

One of the first major hurdles to overcome when implementing SAP S/4HANA is developing a business case to obtain executive buy-in for the project from key stakeholders. Migrating to SAP S/4HANA is a complicated, difficult, and time-consuming process, even in the best of circumstances. Companies need to develop a business case to articulate how exactly SAP S/4HANA will help improve the overall business, enhance business processes, and address specific issues within an organization.

In a session geared toward helping attendees develop their own business case, Nitin Singh, senior principal of the industry and value advisory at SAP America, addressed the key components of a business case: figuring out the new capabilities offered by SAP S/4HANA will help improve "business as usual," future proof current operations, and ultimately improve value to shareholders and customer service.





Ultimately, the business case should lay out exactly how SAP S/4HANA will address hurdles and inefficiencies in an organization and alleviate them. Seifert discussed how Esri made sure to have a conversation with business leaders throughout the company focused on processes that are and are not working.

"Having those conversations helped us pull everything together and put together a more concise, detailed story," he said.

Planning Ahead

A determining factor to achieve business buy-in for making an early move to SAP S/4HANA is avoiding the fight for limited resources like consultants. Taking a proactive approach ensures a company is set up for success. Armstrong Flooring, Inc. partnered with Enowa to create its vision and road map for transformation. Armstrong Flooring viewed its journey as a business transformation. Scott Hess, CIO of Armstrong Flooring, shared, "We focused on improving our processes, our data, and our technologies to achieve the capabilities we are hoping to accomplish over this journey."

Armstrong Flooring wanted to shift from a process, data, and technical focus and make itself more efficient on how it operates. Additionally, the company is making a concerted effort to increase customer engagement. To accomplish these goals, Armstrong Flooring started planning well in advance of the actual implementation to position the project for success. This meant building a case for change and then working with Enowa to build a road map for executing the journey.

First, Armstrong Flooring started with a focus on business capabilities and level-setting the playing field. Next was analyzing its application architecture and leveraging SAP's integrated platform to break down the application silos. Finally, Armstrong Flooring hired a firm to evaluate its financial structures. This helped build a financial business case to showcase the efficiencies gained by operating on a better platform.

Enowa then stepped in to prepare for the actual project. Enowa divided the migration into three phases: Pre-SAP S/4HANA adoption, SAP S/4HANA adoption, and post-SAP S/4HANA adoption. Currently, Armstrong Flooring is in phase one, which is defined by four work streams: organizational change management, standardization and consolidation, simplification and adoption of SAP Business Blueprint (BBP), and dependent initiatives—SAP Human Capital Management (HCM), SAP Business Intelligence (BI), data retention strategy.

Continue learning how to guide your organization through a seamless SAP S/4HANA adoption journey by viewing the <u>ASUG Best Practices: SAP S/4HANA Virtual Experience</u> on demand. Sign up today to access. Please note, on demand content will be exclusive to ASUG members after Thursday, April 24.

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