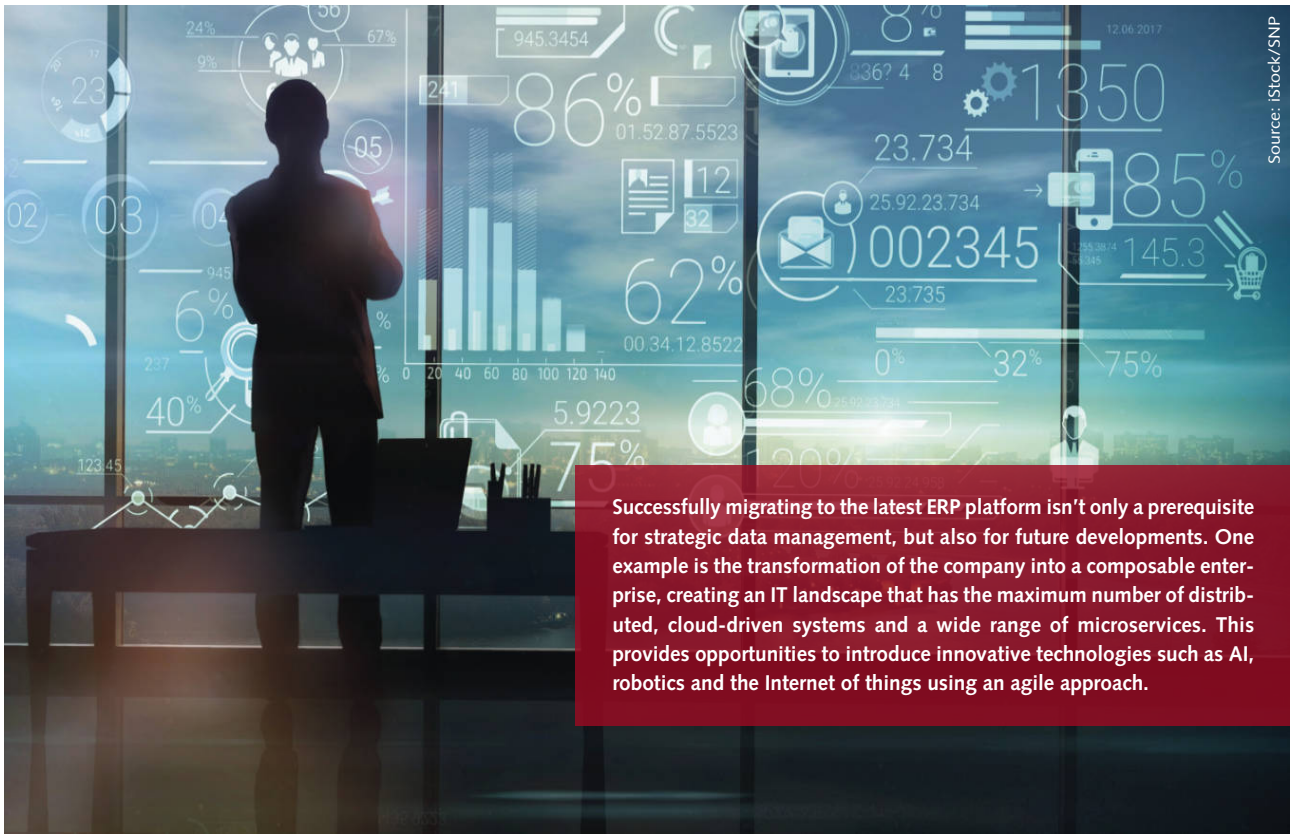
Modernizing SAP systems

Selective data migration: The path to a successful transformation

The ideal transformation is one that's secure, cost-effective and efficient. When moving to SAP S/4HANA, it pays to use an end-to-end software platform and migrate the data selectively. In addition, temporarily decoupling the system and data during the project brings enormous flexibility.



Source: iStock/SNP

Successfully migrating to the latest ERP platform isn't only a prerequisite for strategic data management, but also for future developments. One example is the transformation of the company into a composable enterprise, creating an IT landscape that has the maximum number of distributed, cloud-driven systems and a wide range of microservices. This provides opportunities to introduce innovative technologies such as AI, robotics and the Internet of things using an agile approach.

By Burkhard Schröder and Dr. Klaus Zimmer***

There are many reasons to implement data migrations and platform changes: transformation projects such as carve-outs, mergers and acquisitions, system modernizations or consolidations that aim to harmonize, standardize and automate processes are just a few examples. Another issue that SAP ERP users will need to address in the next few years is the move to SAP S/4HANA.

According to a recent survey by PAC, just over a third of SAP customers have migrated their key systems to SAP's fourth ERP generation.

The experts give three main reasons for this trend:

- The difficult question of how to approach the migration
- The need to lay significant groundwork, for example for the SAP New GL implementation
- The time and effort of redesigning the entire ERP landscape to avoid many individual conversions

In many cases, the biggest obstacle is choosing the right migration approach. This choice is often oversimplified when it comes to deciding between the usual greenfield and brownfield approaches. Decision-makers often focus solely on factors like the cost and duration of the project. This baseless simplification can lead to companies becoming fixated on the S/4HANA migration alone when defining their digital strategy, instead of harnessing the enormous potential it offers. This means they fail to see the real drivers of digital transformations – the cloud,

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analytics 2.0, artificial intelligence and hyperautomation.

More efficiency: Automation and industrialization

Market requirements are changing faster than ever, leaving companies with less time to achieve their goals. Automation and industrialization are the key to success when migrating to S/4HANA. When upgrading to the new ERP generation, state-of-the-art transformation software and a selective approach to identifying the data to migrate can save companies significant time and money. It's worth cleaning up the digital SAP S/4HANA core first – an approach also known as "clean the core, move the core." This method greatly accelerates transformation projects.

After analyzing the current state of a system, data can be classified according to organizational units and time slices, for example. Then only the relevant data is quickly transferred to SAP S/4HANA, cutting data storage costs significantly. Thanks to the low downtime, the conversion also involves fewer risks.

The clean the core, move the core approach covers the following areas in-depth:

- **Processes:**
  Improved processes and customizing
- **Data:**
  Volume, migration, quality, governance and harmonization
- **Code:**
  Remediation, improvements
- **Staff deployment:**
  IT team, business team, external employees

BLUEFIELD: The advantages of the selective approach

SAP customers are no longer faced with the dilemma of choosing between brownfield or greenfield. SNP's selective data migration approach powered by BLUEFIELD offers maximum flexibility and scalability – accommodating any requirement and project scope. The options include a pure brownfield approach involving minimal adjustments, an emphasis on near-zero downtime, and a classic greenfield approach for a fresh start.

A selective data migration with BLUEFIELD allows companies to retain all their relevant data and processes while at the same time cleaning up their unused system data. In this way, they can safeguard their past investments and still remain capable of introducing necessary innovations quickly.

This approach offers considerable advantages:

- Time and cost savings due to faster template creation and shorter, less frequent rollout phases
- Significantly reduced data volume in target systems
- Data is handled differently depending on its relevance
- The potential to clean up and improve systems
- Reduced downtime thanks to additional options, including a wave-based approach

Besides the conventional brownfield and greenfield approaches, companies are

Dr. Klaus Zimmer, Solution Architect at SNP:

"Ideally positioned – even after the migration"


Source: SNP

The choice of migration approach has a major impact on the success and duration of a transformation project. The clean the core, move the core approach also lays the groundwork for innovations and future optimizations. By leveraging efficient end-to-end software that provides fast data access and audit-proof archiving, companies can create an effective, long-term data management strategy – even after moving to SAP S/4HANA.

The color dilemma: Green, brown and blue

Greenfield means starting the business transformation from scratch. At first glance, making a fresh start seems like the best way to eliminate legacy issues after decades of trying to adapt and optimize the landscape. The company can then embark on a comprehensive modernization program. The drawback is that valuable investments from the past are lost, and the change management required is often underestimated.

Brownfield involves a structured, technical upgrade that's attractive for the risk-conscious, at least on the surface. But after over 20 years of use, most SAP ECC systems have substantial room for improvement: 30 to 35% of the data is unused, and the same goes for over half of the customizing and in-house developments. Brownfield postpones the digital transformation and as a result also delays innovation within the company.

BLUEFIELD, on the other hand, follows three guiding principles – eliminate, renovate, innovate – and is designed to offer maximum flexibility. SAP customers are free to decide which of their past investments such as processes, data, code and reporting are still relevant for their future digital transformation roadmap. This highly selective approach allows them to create a precise, individual blueprint based on organizational units, time periods or other criteria.

increasingly focusing on the strengths of hybrid process models – also known as selective data transition. Companies with revenues of EUR 1 billion or more are especially relying on BLUEFIELD. According to a Research Services by Foundry survey, over 45% of companies in this segment opt for the approach.

Guarantee a successful implementation

To achieve a cost-efficient, secure implementation with minimal downtime, SAP customers need a way to control it. The solution is a software-driven guided procedure that takes them through all the steps in their transformation project. It presents the steps required for a successful migration in a logical sequence, providing a seamless implementation that ensures data integrity and ultimately project success.

Manage the remaining data

Data that is audit-relevant or required for internal purposes needs to be retained. But keeping a legacy system running for this purpose would involve high infrastructure and operating costs. The best alternative is to archive the data in an audit-proof manner and then decommission the legacy system. This means deactivating obsolete hardware and software components to streamline the IT landscape.

Here, it's essential to maintain flexible access to the decommissioned data when using the new SAP S/4HANA system, for example by deploying a suitable add-on. This allows both users and auditors to access the required data transparently without the need for additional infrastructure. The data must be stored in a dedicated archive system in an audit-proof manner – either on-premises or in the cloud. An integrated audit program enables those in charge to keep track of retention periods at all times. Expired data is identified in a timely manner and deleted consistently. In this way, companies can manage statutory retention periods as needed, for example to comply with the European General Data Protection Regulation.

Control the data volume in the new SAP S/4HANA system

The strategic value of data for companies is undeniable. But as the data volume grows, data management becomes increasingly challenging – especially after a successful move to SAP S/4HANA. This is due to rapid growth of the in-memory database in the new system. An effective strategy for limiting the size is essential to avoid rash investments in database expansion.

SNP's Outboard suite addresses this critical data volume issue directly, making it possible to determine the relevance of data for business activities according to the following factors:

- Access frequency
- Number of active users
- Type of data access
- Retention periods
- Temporary data vs. application data

This classification enables companies to avoid uncontrolled storage growth due to data that doesn't add any value to their operations.

Clean up and archive the data

Once the relevant data has been moved to SAP S/4HANA, it's vital to decide what to do with historical data from closed transactions. There are two solutions to this problem: cleansing and archiving.

Data cleansing is the process of regularly removing mature and unused technical data, such as logs and temporary data, and maintaining systems in order to keep performance high. Data archiving involves moving historical application data that's irrelevant for daily business from the SAP S/4HANA database to a secure, more cost-effective archive.

Modular data storage models like these provide benefits such as high-data quality, low costs and moderate data growth. Smart data management can easily reduce companies' storage requirements by 50% and deliver ROI within six to 18 months. Moving to SAP S/4HANA also marks an important step towards implementing fully digital business processes across the entire company – whether it's finance, merchandise management or HR. This provides the foundation for greater cost flexibility, agility and innovation.

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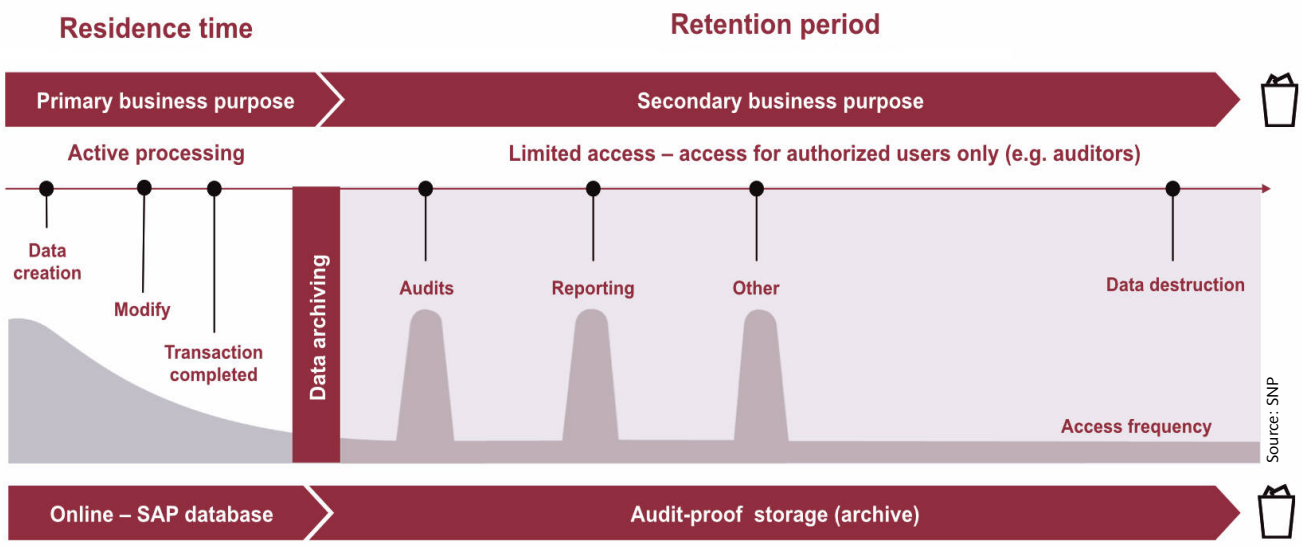

Make data hygiene part of the routine:
It usually makes sense to run cleansing and archiving processes regularly, depending on the type and age of the data.
In the case of technical data, it's beneficial to run housekeeping tasks on a weekly or even daily basis.