

# A CHECKLIST FOR MIGRATING TO SAP S/4HANA





# S/4HANA MIGRATION CHECKLIST

The move from SAP's current ECC software to S/4HANA is inevitable. Experts at Panaya are helping organisations with their upgrade and how best to prepare

**M**any SAP application managers are actively considering how best to upgrade to S/4HANA, the latest platform of the software supplier's core business software. However, it is a big undertaking and a commitment potentially involving significant costs and resources. For any organisation embarking on a migration programme, it is important to have a clear picture of what will be involved.

SAP has extended the support deadline for its current ECC software from 2025 to 2027 following pressure from customers, but the move to S/4HANA is inevitable – and can bring significant benefits to the business once implemented.

SAP experts at Panaya are helping organisations with their upgrade to S/4HANA and understanding how best to prepare – what you need to know and what you need to do to minimise disruption and ensure the benefits are delivered.

"S/4HANA is the newest platform for any ERP requirements, but there are many challenges in the upgrade which means several companies have either postponed the upgrade or called in systems integrators. However, there are

*"There are simple steps companies can take for a pain-free journey to not forestall innovation"*

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simple steps they can take for a pain-free journey to not forestall innovation," says Amit Garussi, vice-president product, Change Intelligence at Panaya.

Garussi says that the main resistance to upgrading to S/4HANA is that it impacts many everyday business processes, adding complexity through rebuilding those processes for the new environment.

“Organisations need to understand the time it will take, the budget, and whether they have enough in-house expertise,” he adds.

A typical project will take two-to-three years and Garussi says organisations must ensure they can tick off all the items on Panaya’s recommended checklist before starting out – he says it may even be better to postpone if everything is not in place.

There are four key stages in the journey to S/4HANA – assessment, preparation, migration and acceleration:

## **Assessment phase**

### **1. Value mapping**

Creating an SAP value map enables different departments to understand how they must prepare for the upgrade and how they stand to benefit from the innovation available. This should be made as part of the business case. It is critical that both the IT department and business stakeholders appreciate the impact and outcome of the journey to S/4HANA. This will help to minimise disruption, keep to timelines and deliver a swift migration without wasting resources.

“Seeing the impact of change in advance is priceless,” says Garussi.

### **2. Put expertise in place**

Organisations need to understand the levels of expertise required, otherwise the project could turn out to be stop-start, costly and lacking end-user engagement. Ensuring that resources are efficiently used is vital and companies need to know what resources are required for the project from the outset.

“They should be prepared from a budget and planning perspective, and this is critical in the early stages,” says Garussi.

“During the assessment phase, it is important to build a pre-plan of the project covering the timing, the duration and the expertise. The importance of ensuring the business case is accurate cannot be re-emphasised enough. It helps manage expectations.”

### **3. Greenfield vs brownfield**

Organisations must choose whether to pursue a “greenfield” or a “brownfield” implementation and evaluate the pros and cons for each.

“A greenfield site means starting from scratch, whereas a brownfield site builds on what you have,” says Garussi.

“Greenfield requires re-sketching every business process, which involves politics within the organisation. It is fresh, up to date, but it takes a longer time and involves more people. With a brownfield approach, you take the legacy and the business processes you already have to the newer platform.”

Assessing the two approaches involves looking at current processes and whether they meet the future requirements of the business; the implications for business strategy; and the budget and time available. Panaya can provide analysis to help organisations decide whether to build on their solid SAP foundation and migrate from ECC to S/4HANA, or whether to choose a greenfield implementation for the best way forward.

## **Preparation phase**

### **4. Project visibility**

Real-time visibility for project managers and employees is essential. Panaya offers a rich dashboard, displaying effort, progress, defects, risk, best practices and drill-down into the code for each change.



“It is a critical piece to have full visibility so that every manager, the CIO and the business can see every stage of the project. Reports should be accessible by all users – not just by the tech-savvy. Ensuring everything is on track, having one place, one source and one platform that manages the project end-to-end for full visibility is vital. If you have information stored in email, SharePoint, Excel and so on, you are never going to be able to build a map and show in real-time what is going on,” says Garussi.

## 5. Standardisation

A focus on standardisation during testing will ensure synchronisation and collaboration to manage timescales. This is impossible if information is kept in silos such as email or Excel as visibility is lost and compiling key facts takes time and wastes resources.

“Centralisation, standardisation and synchronisation between key testers to ensure full collaboration and to reduce timelines is essential,” says Garussi.

## 6. Be clear on desired outcomes

Identify and disseminate the business justification for the migration to S/4HANA. It might be business process enhancement, or cutting-edge digital technologies, or alignment with other entities within the organisation to promote standardisation, accuracy and agility. Organisations will have different benefits they wish to achieve, but it is important to make a strong business case to make sure everyone understands the desired outcome.

“Every customer looks at the business case from a different angle. There may be no choice because of end-of-life, but what will you attach to the project beyond that? Whether it is innovation, business process enhancement, more strategic reporting or providing access to other technologies, this will vary from organisation to organisation and depend on the management and their vision,” says Garussi.

## 7. Avoid critical business disruption

When planning timescales for the cutover to S/4HANA, be aware of critical business periods that cannot be disrupted.

“Avoiding a business shut-down during a rush period such as end-of-year or Christmas is recommended. Testing and go-live can cause a one-to-two day shut-down. If IT wants full co-operation with the business, with everything in place and synchronised data, it is important to avoid these critical times,” says Garussi.



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## 8. Document business processes

Be sure to gather and share a thorough understanding of the business processes currently in production. Garussi recommends that IT scopes one year of usage of all activities, such as financial reporting, for a better understanding and analysis of systems. The aim is to have the best and most accurate plan of the project from the beginning and to ask what will be required in terms of resources and time based on the target version of the upgrade.



## Migration phase

## 9. The importance of testing

Every organisation must be prepared to do testing at every stage of the migration project, and recognise that it will be carried out by different stakeholders, such as developers or business

users. User acceptance testing (UAT) helps smooth the transition for business users.

Panaya can enable UAT with multiple tests coordinated simultaneously, internationally and remotely to support any decentralised testing effort. Panaya's platform and solutions for S/4HANA migration include "out-of-the-box" comprehensive testing capabilities, as well as the Test Dynamix platform, which is part of S/4Convert.

Automated testing is recommended for repetitive testing activities, such as regression testing, which are part of the migration project. Intelligent code remediation (ICR) using Panaya's automatic code fixes for HANA-related activities, can save thousands of manual corrections done by developers, with a click of a button. This can cut the project duration by months.

"Panaya provides one platform to manage testing activities for IT and the business," says Garussi.

Before hitting the green light to go live – test, test and test again.

## 10. Complete tasks in the correct

It might seem an obvious statement to ensure the correct ordering of tasks – but the problems caused by failing to do so can be significant. Pre-planning, planning, business case, conversion activities such as code corrections and testing and acceleration are all key elements, and all require dedicated time and resources, and no stage should be neglected.

## 11. A holistic view

Organisations must aim for a holistic view of the project, especially when it comes to testing, to deal with interdependencies and ensure synchronisation for pre- and post-upgrade corrections.

Sometimes new activities will be required post-conversion. Execution of required conversion

## HOW PANAYA SUPPORTS S/4HANA MIGRATION

**Preparing a business case?** Panaya provides a full picture to a client covering how much effort such as time, testing and planned correction activities are required to complete the project.

**Preparing?** Panaya's toolbox helps reduce the risk in migration by supporting pre-conversion activities, such as moving to the HANA database and code cleaning. It enables organisations to start designing new business processes based on their existing ECC system.

**Starting the migration?** Panaya covers end-to-end project execution to ensure the full scope of a project to migrate from ECC to S/4HANA is understood. The project includes all workstreams, corrections and testing activities. Some activities are done automatically, such as through intelligent code remediation (ICR). It helps minimise risk and reduce project time and cost by 50%.

**Already on S/4HANA?** Panaya covers end-to-end project execution when upgrading from an existing S/4HANA implementation, to a new version of S/4HANA. This enables improved functionality and can help businesses upgrade efficiently and rapidly irrespective of version. For example, early adopters of S/4HANA will be out of service after five years and will need to upgrade.



tasks should be followed up with further analysis and testing. Keeping track of what needs to be done is only possible with a 360-degree view.

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## 12. The go-live decision

Going live is clearly a critical event. If the checklist has been followed thoroughly, risk is minimised, but giving the green light requires high levels of co-operation and preparation across the business. Don't underestimate what is involved.

"A steering committee should manage the project from start to end. The decision to go live should be based on KPIs defined by specific activities. For example, a threshold such as less than five medium priority defects, with confirmation from the business," says Garussi.

## 13. Compliance and regulation

All businesses will have regulations and compliance procedures which must be adhered to in any upgrade. If an organisation is in a

highly regulated sector, such as health or finance, the pressure increases to comply. This can be helped with services such as Panaya's built-in recording functionality to track compliance and the use of e-signatures to lock-in approvals.



## Acceleration phase

## 14. Innovation never ends

Panaya enables testing assets to be re-used in future projects by creating a test library to build up a knowledge base that adds value during future innovations.

"Once you are on S/4HANA, you are not done. If you stand in one place, you are moving backwards. You need to look at the next milestone and plan for the next upgrade," says Garussi.

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