



SAP S4 Hana Conversion

The Migration Path of Choice for Existing Customers

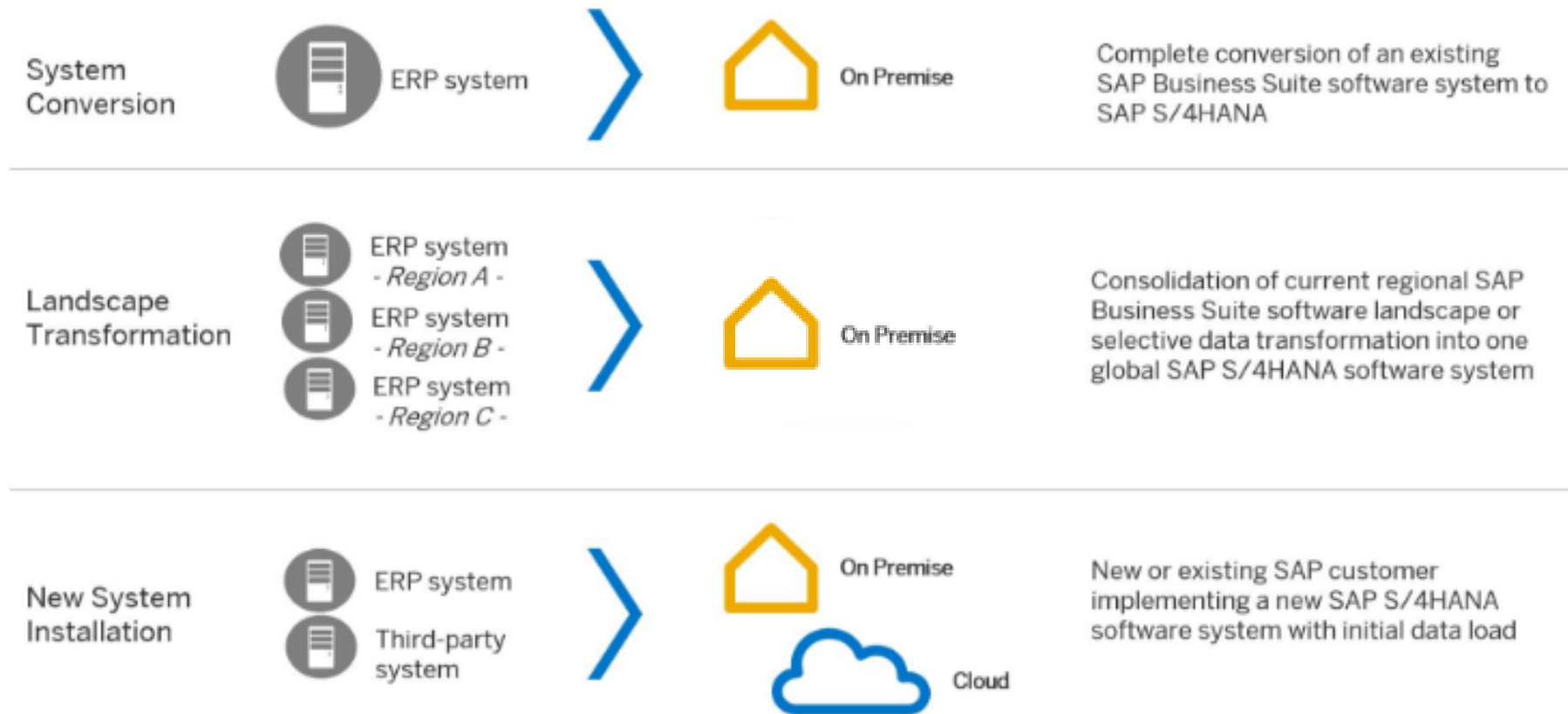
September 2017

S4 Hana Conversion - Agenda

During today's presentation we will:

- Provide a refresher of the S4 Hana 1610 Migration Options
- Discuss what each of these imply and the pro's and con's of each from a customer perspective
- Provide an overview of what is involved in the "Conversion" process
- Discuss our view of how the conversion process should be managed
- Talk about preparatory activities that can de-risk and smooth your path to a successful conversion
- Highlight some of our learnings about the conversion process
- Run through the key functional changes and highlight the business benefits you will likely see with the new S4 code line post conversion

SAP Provided S4 Hana 1610 Migration Options



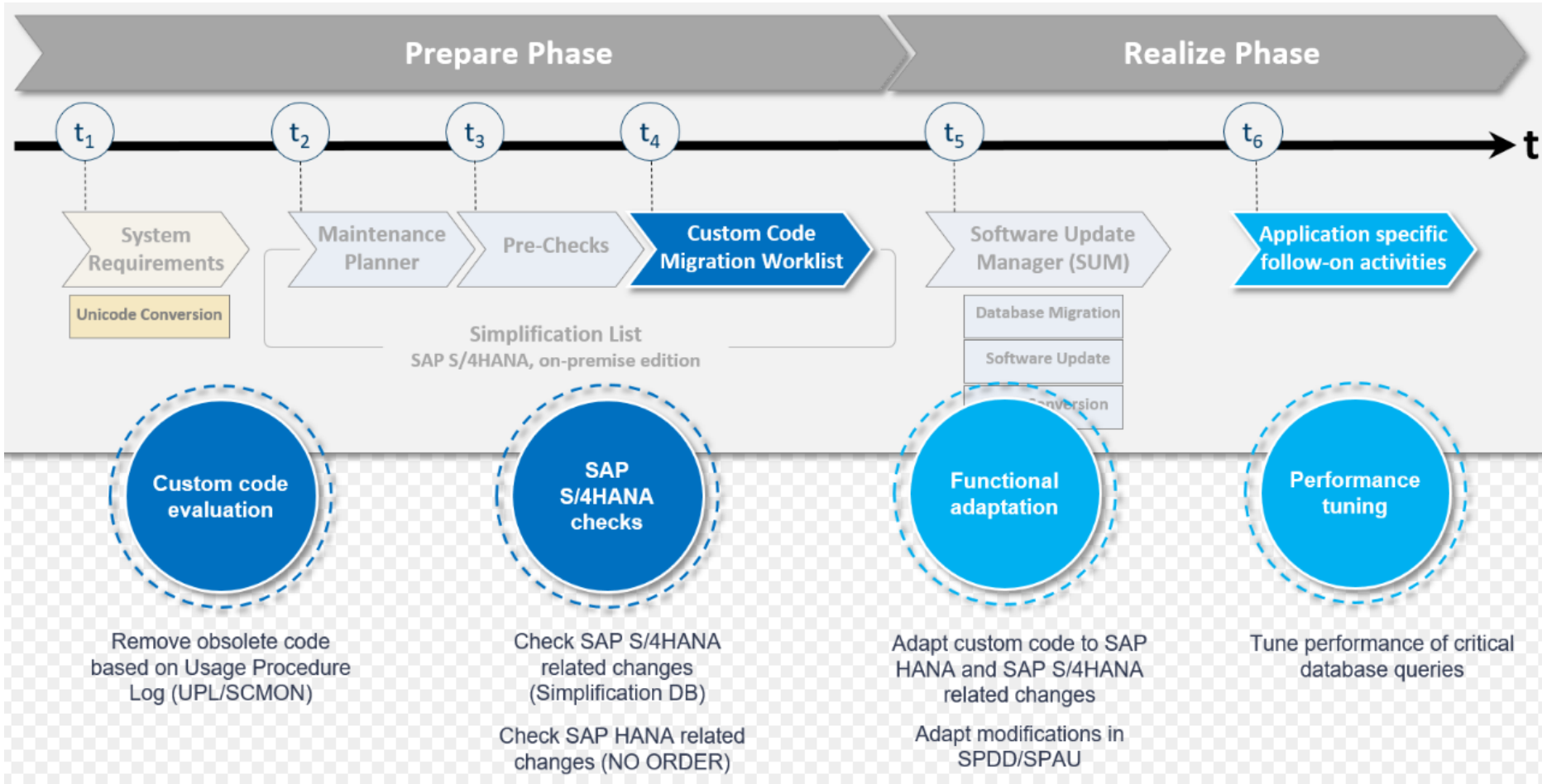
Global Deloitte S4 Customer Adoption Stats

Region	Assessments, Business Cases & Roadmaps	Live and Active Implementation Projects	Go-Lives
APJ	3	22	15
EMEA	13	25	13
LATAM	0	7	2
North America	48	43	18
Total	64	97	48

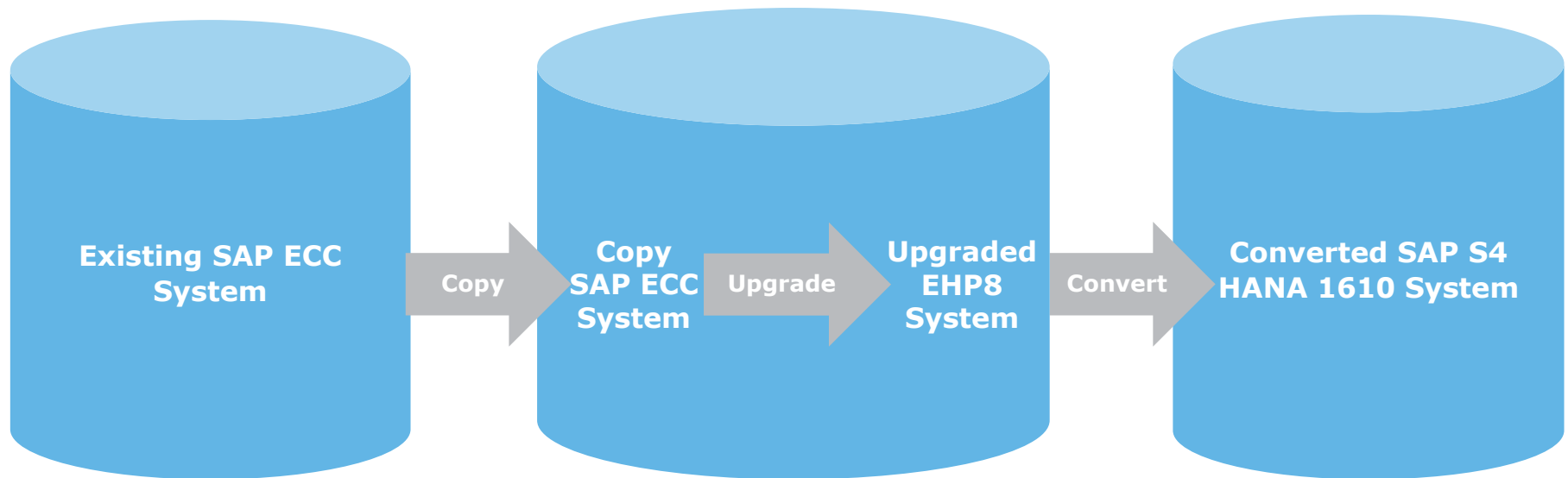
Pro's and Con's of each Migration Option

Option	Description	Pro's	Con's
<p>System Conversion</p>	<p>Involves an SAP upgrade to the S4 code line with the exception that it also involves a:</p> <ul style="list-style-type: none"> • Database Migration • Number of functional changes • Number of data changes 	<ul style="list-style-type: none"> • Shorter Migration realisation timeline • Suitable for most customers who have a single SAP instance • All transaction history is retained • Existing customisations are retained • No need to develop migration tools 	<ul style="list-style-type: none"> • Dependency on SAP delivered code to manage the data migration
<p>Landscape Transformation</p>	<p>This process aims to complete a technical consolidation of a customer's multiple SAP instances onto a single instance. The consolidation could be either to one of the existing instances (post conversion) or to a new S4 instance. SAP SLO services manage the migration.</p>	<ul style="list-style-type: none"> • Provides an option for customers with multiple SAP instances • All transaction history is retained 	<ul style="list-style-type: none"> • SLO data conversion process will be complex • Customisations will need to be rationalised and consolidated across instances • Significant data cleansing & mapping required
<p>New System Installation</p>	<p>This is either a greenfield implementation or a SAP re-implementation on a new S4 code line</p>	<ul style="list-style-type: none"> • Clean cut-over to S4 • Follows a typical implementation migration approach • Chance to implement best practice design and move away from existing customisations 	<ul style="list-style-type: none"> • Longer migration realisation timeline • Some customisations will need to be re-developed or re-imported • Significant investment for customers on an existing SAP instance • Detailed historical data will be lost as a traditional data migration approach

Conversion Process Overview – SAP Approach



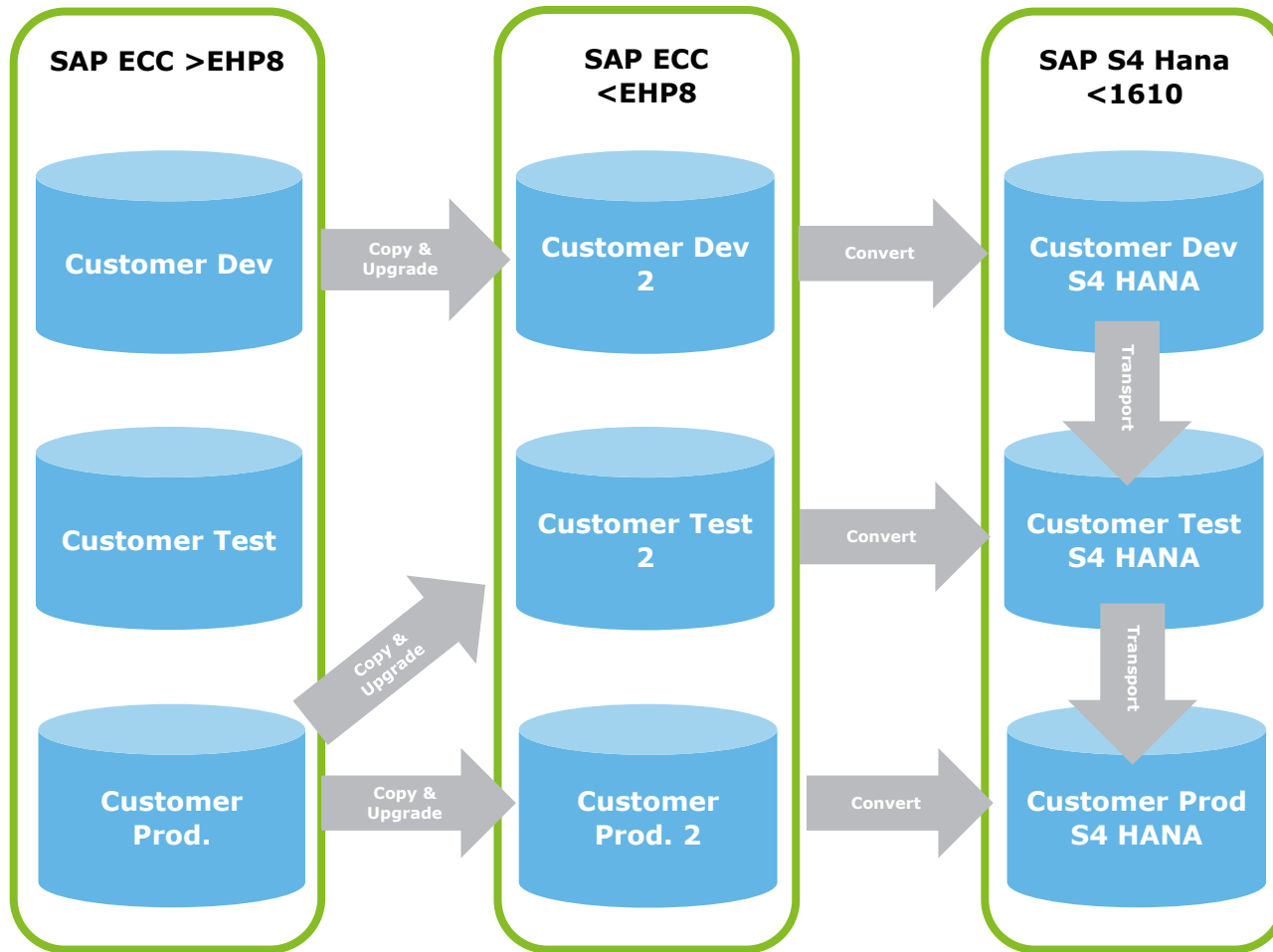
1610 Conversion process overview (From SAP ECC)



The approach followed was a 3 stage approach as follows:

- **Stage 1** – The system was copied to a new instance
- **Stage 2** – The new system was upgraded to a version suitable for conversion to S4 HANA 1610 in this case EHP8.
- **Stage 3** – The EHP8 system was migrated to SAP S4 HANA 1610 on a HANA appliance

Conversion Process Overview – Deloitte Approach



Preparatory Activities – Data Archiving

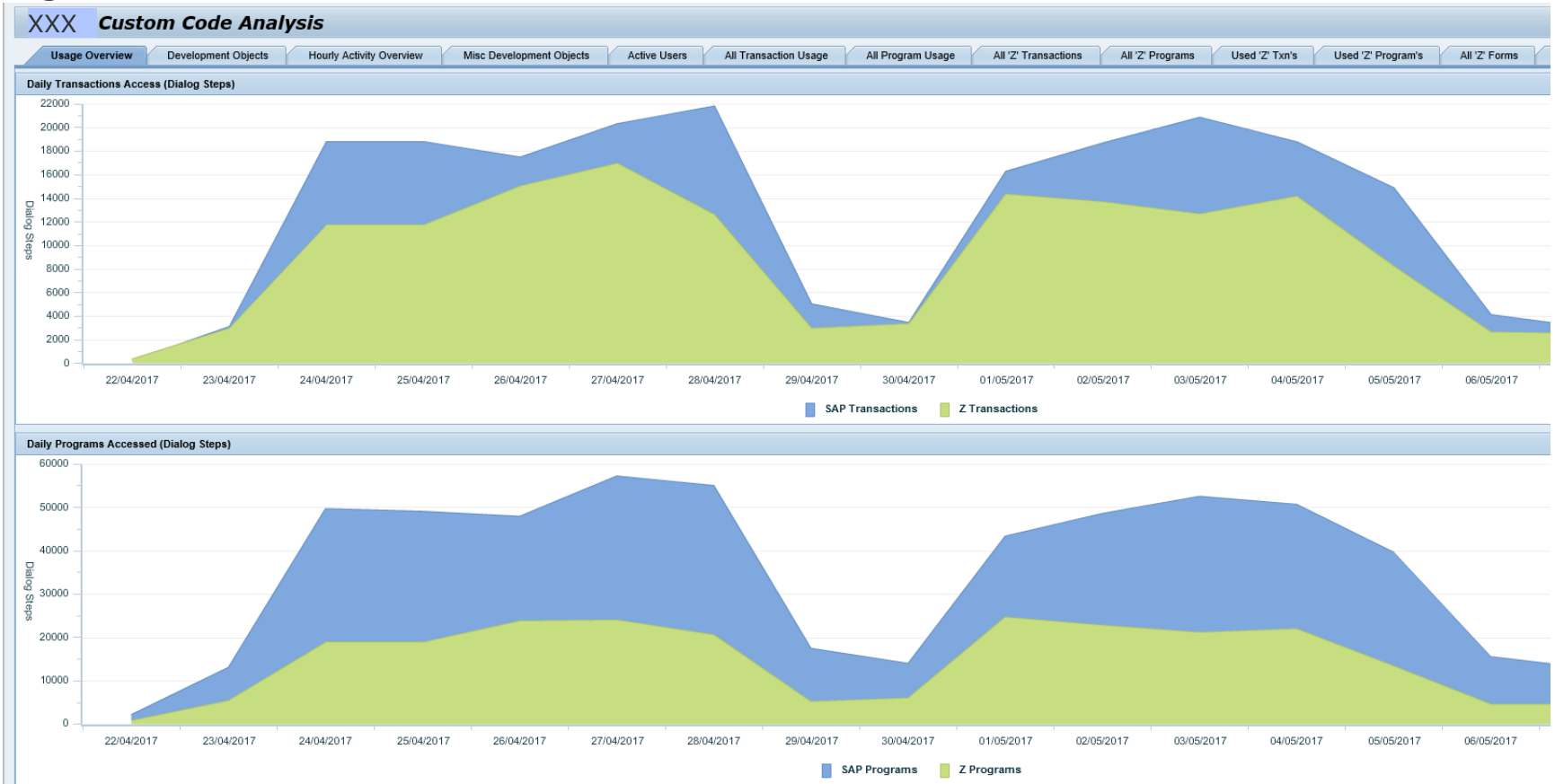
If your current SAP instance is large and holds historical data since your initial go-live you must perform some housekeeping prior to commencing your conversion project in the form of archiving. This could be a small project in itself and should focus on:

- 1) Archiving of closed historical transaction data from prior years.
- 2) Archiving of master data that has been blocked and marked for deletion.
- 3) Archiving/deletion of spool and job logs if you are not already doing so.
- 4) Archiving/deletion of any other database logs if you are not already doing so.

Completing this housekeeping in advance will likely ensure that you have a smooth conversion in a shorter period of time for the cut-over weekend and with less errors to resolve within each of the trial migration runs!!!

Preparatory Activities – Custom Code Analysis

You must monitor your custom code usage for a period prior to the conversion project commencing and ensure that you already have agreement from the business to remove redundant customisations



These will not be remediated to run on S4 and will be removed from the solution during the initial S4 conversion stage in the development environments.

Learning No. 1 – The Sky Has Not Fallen Down

The screenshot shows the SAP Easy Access interface. The main window is titled 'System: Status' and contains a tree view on the left with categories like 'Favorites' and 'SAP Menu'. The 'SAP Menu' is expanded to show various business areas. The 'System: Status' window has a sidebar with sections for 'Usage data', 'SAP data', 'Repository data', and 'Host data'. The 'Installed Software' dialog box is open, showing a table of installed software components.

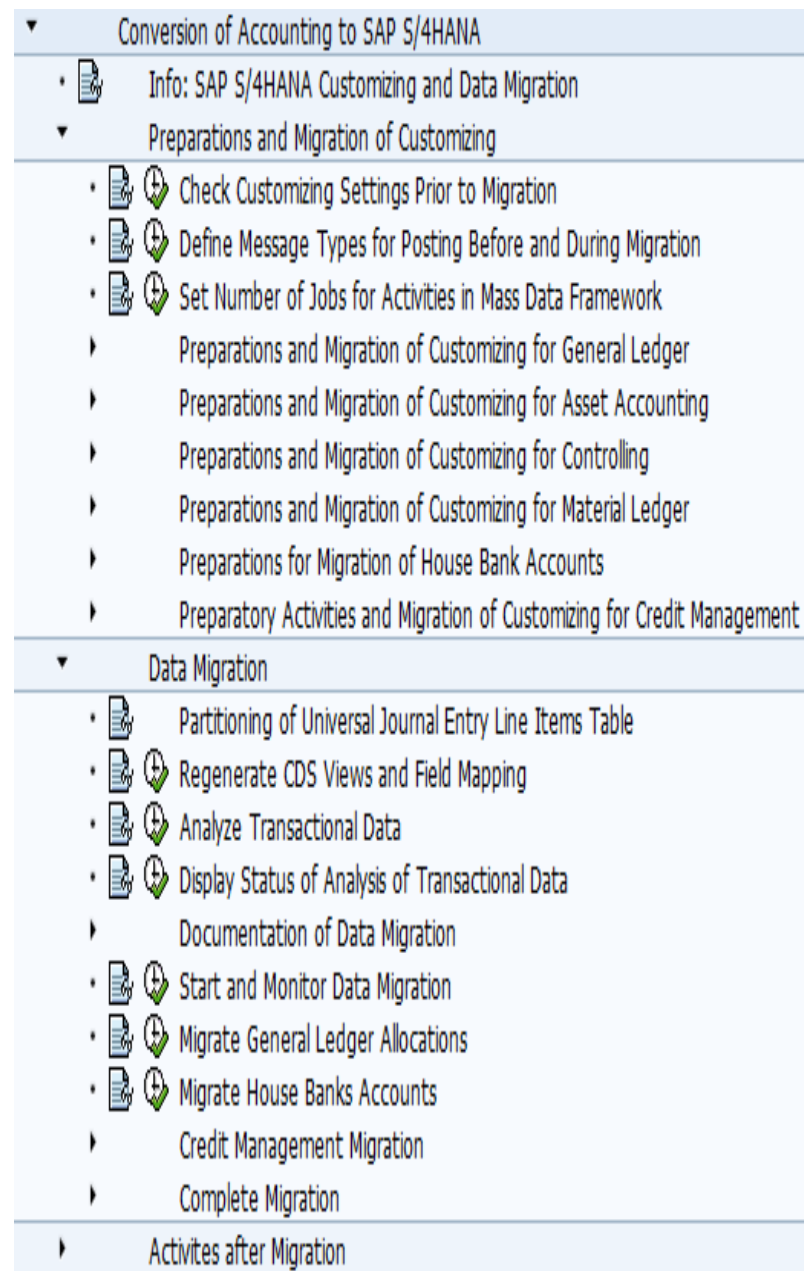
Product	Release	SP Stack	Vendor	Short Description of Product Version
S4HANA ON PREMISE	1610		sap.com	SAP S/4HANA 1610
NW FOR S4HANA ONPREMISE	1610		sap.com	NW 7.51 FOR S/4HANA OP 1610

Owner: SAPABAP1

S4 Conversion POC Learnings

The following key learnings were uncovered during the conversion:

- 1) We have developed a comprehensive project plan to support the various stages of a conversion project
- 2) There are a number of SAP OSS notes that need to be implemented to resolve known issues at various stages and these have now all been documented
- 3) These issues will however vary from customer to customer depending on your data and solution scope
- 4) The pre-conversion functional activities can be completed seamlessly provided the required notes have been applied
- 5) The post conversion functional activities can be completed seamlessly using the SAP guided migration menu

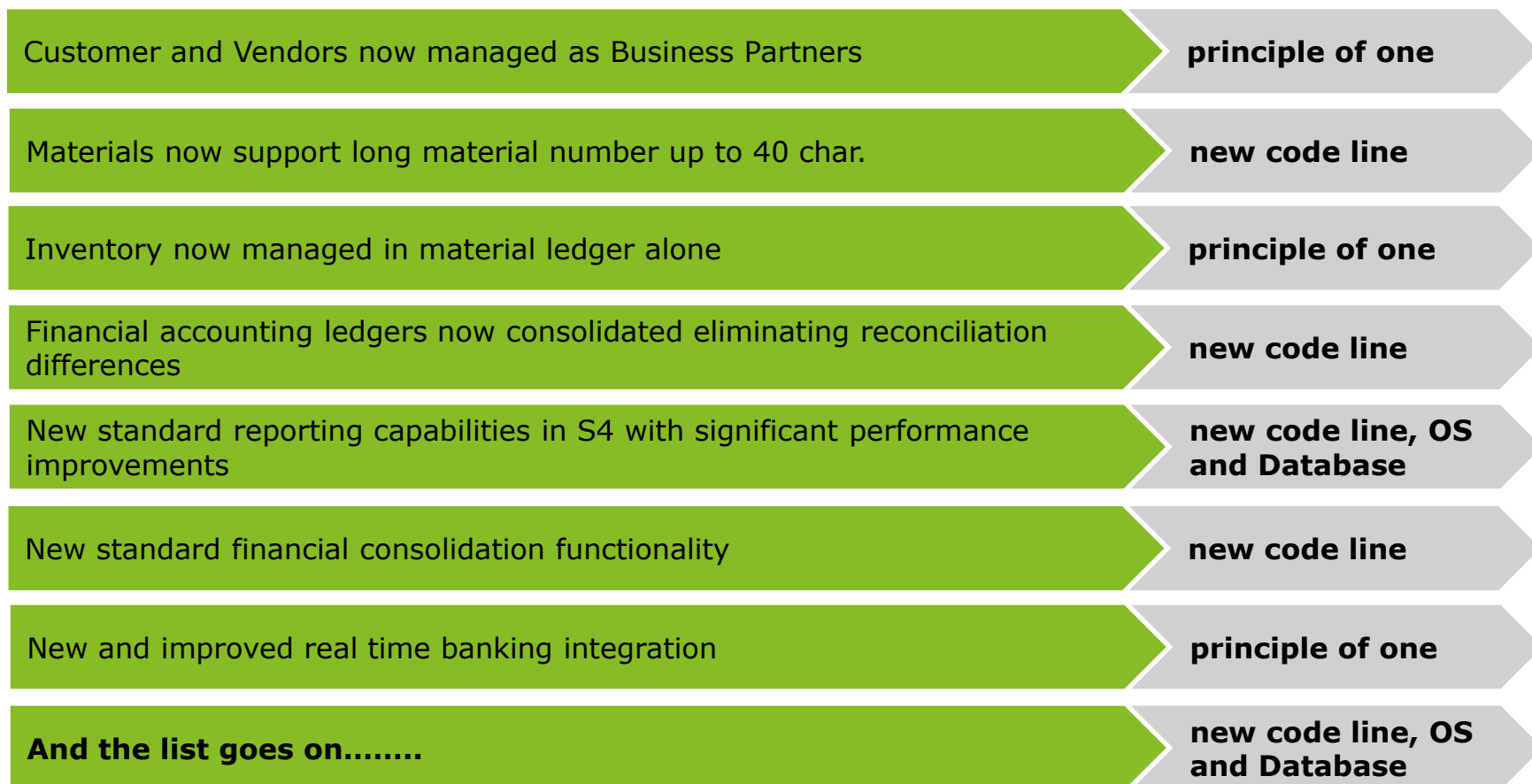


The image shows a screenshot of the SAP S/4HANA migration menu structure. The menu is organized into several main sections:

- Conversion of Accounting to SAP S/4HANA
 - Info: SAP S/4HANA Customizing and Data Migration
 - Preparations and Migration of Customizing
 - Check Customizing Settings Prior to Migration
 - Define Message Types for Posting Before and During Migration
 - Set Number of Jobs for Activities in Mass Data Framework
 - Preparations and Migration of Customizing for General Ledger
 - Preparations and Migration of Customizing for Asset Accounting
 - Preparations and Migration of Customizing for Controlling
 - Preparations and Migration of Customizing for Material Ledger
 - Preparations for Migration of House Bank Accounts
 - Preparatory Activities and Migration of Customizing for Credit Management
- Data Migration
 - Partitioning of Universal Journal Entry Line Items Table
 - Regenerate CDS Views and Field Mapping
 - Analyze Transactional Data
 - Display Status of Analysis of Transactional Data
 - Documentation of Data Migration
 - Start and Monitor Data Migration
 - Migrate General Ledger Allocations
 - Migrate House Banks Accounts
 - Credit Management Migration
 - Complete Migration
- Activites after Migration

Some Key Functional Changes Post Conversion

Many existing functions have been re-developed or improved to align to the principle of one or to maximise the benefits of the new S4 HANA 1610 code line, OS and Database:



Key Business Benefits Post Conversion

The following benefits would be delivered to the business post conversion:

Ability to deploy Fiori UI across the board to all business users = improved look in feel in a consistent UI

Single point of data maintenance for Customers and Vendors now managed as Business Partners = One master record representing your relationship with a 3rd party & less data maintenance

Materials now support long material number up to 40 char = ability to comply with international material numbering standards and conventions for long part numbers

Inventory now managed in material ledger alone = batch level inventory valuation capabilities

Financial accounting ledgers now consolidated = no reconciliation differences

New standard reporting capabilities = improved reporting performance and potentially a faster close/soft close

Real time asset accounting postings = faster close/soft close

S4 Hana Purchasing with imbedded integration to the Ariba Network = Ariba network benefits without the full Ariba price tag

MRP performance and functionality improved = Ability to run MRP simulations and actual MRP runs quickly to meet business needs

Some Useful Information

SAP S4 Hana Conversion Guide:

https://uacp.hana.ondemand.com/http.svc/rc/PRODUCTION/pdf/e68bfa55e988410ee10000000a441470/1610%20001/en-US/CONV_OP1610_FPS01.pdf

SAP S4 Hana 1610 Simplification List:

https://help.sap.com/doc/560c6fad1b03447583e7327f64f7d964/1610%20002/en-US/SIMPL_OP1610_FPS02.pdf

Deloitte SAP S4 Global Homepage

<https://www2.deloitte.com/global/en/pages/technology/topics/sap-s4-hana.html>

Deloitte SAP S4 Hana 1610 Release Insights

<https://www2.deloitte.com/global/en/pages/technology/articles/sap-beyond-traditional-erp.html>



Questions ?