SAP S/4HANA – Update on transition scenarios

José Carlos González Vargas
Noviembre, 2017

SAP INTERNAL
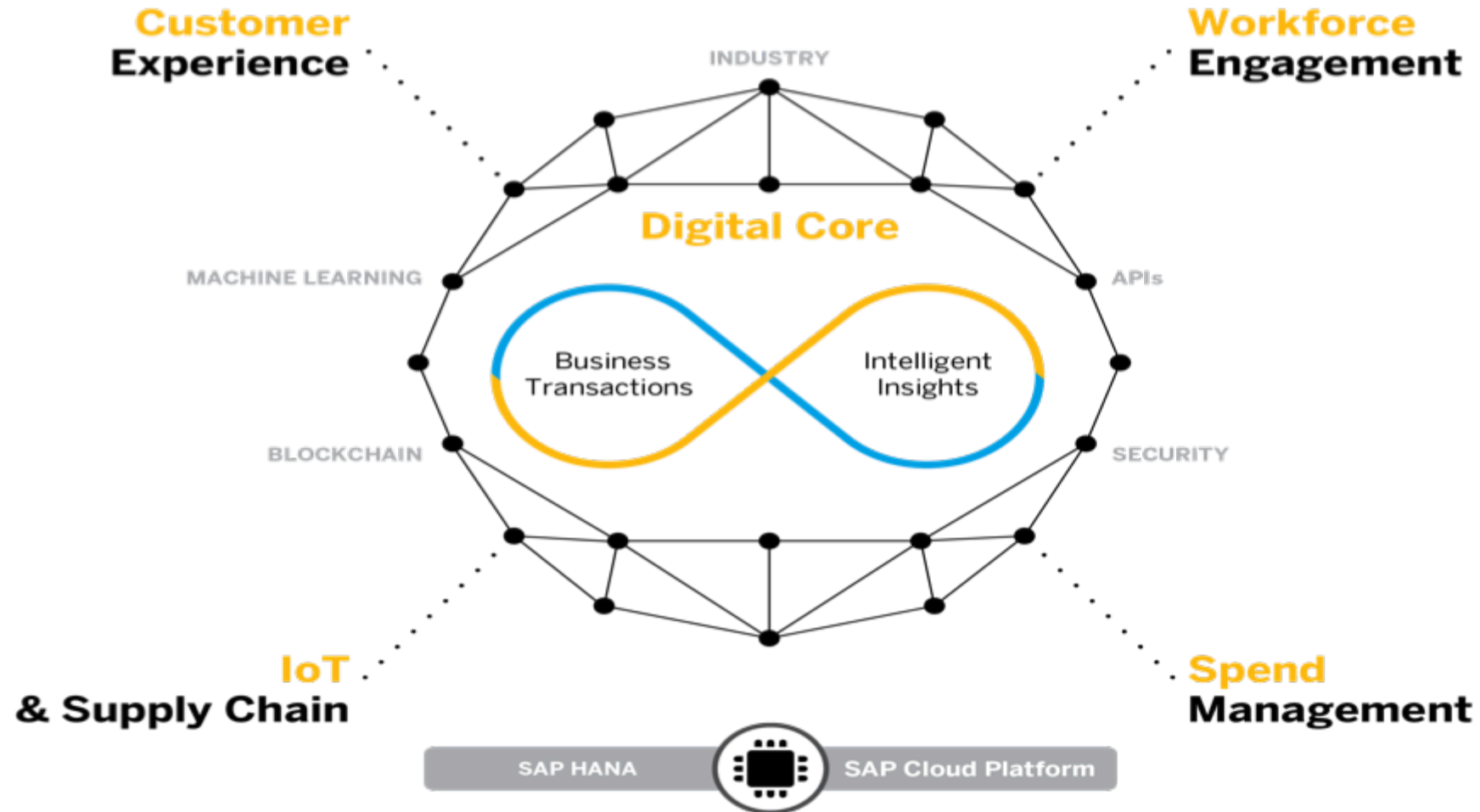
SAP Run Simple

Agenda

SAP S/4HANA

- Digital Business Framework

- Overview Transition Scenarios

- System Conversion

- Readiness Check

- Next Steps

Digital Business Framework

Digital business framework

Comparing Traditional ERP to the Digital Core

Traditional ERP		Digital Core Live Business	
	Siloed Data		Unified data in real time
	Partially connected		Fully connected to customers, suppliers and workforce
	Reporting tool		Intelligent, predictive tools based on patterns and trends

35,000
SAP customers already have an ERP core

25 industries

10 Lines of Business

120 countries

What is S/4HANA?

SAP S/4HANA Enterprise Management – build the next-generation business suite

» Innovative in-memory database

» New architecture and data models

» Renewed applications

» New user interface (UI) technology

» Cloud and on-premise deployment models

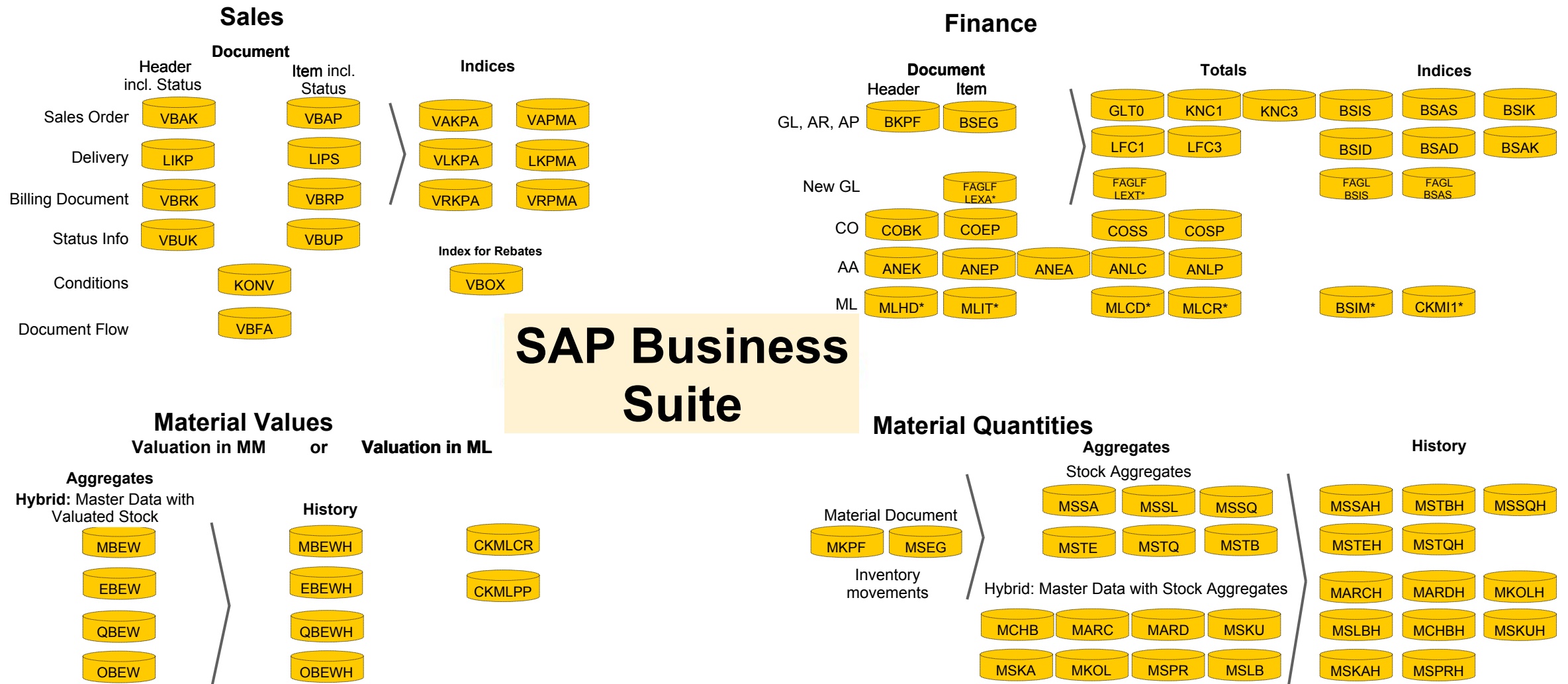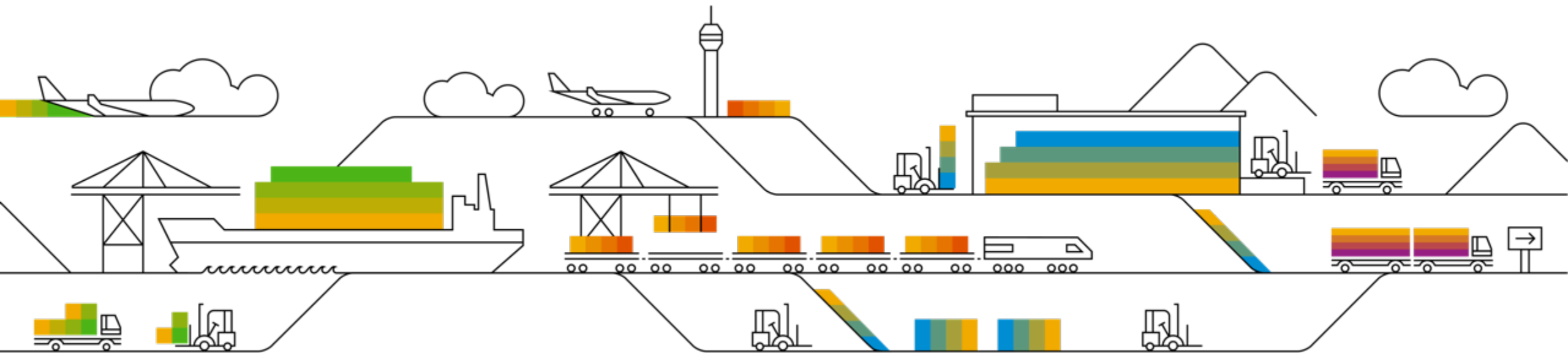» Natively integrated

SAP S/4HANA is a new product line (it is not a legal successor of any SAP Business Suite product).

The classical SAP Business Suite and SAP ERP software is a separate product line and will still be available.
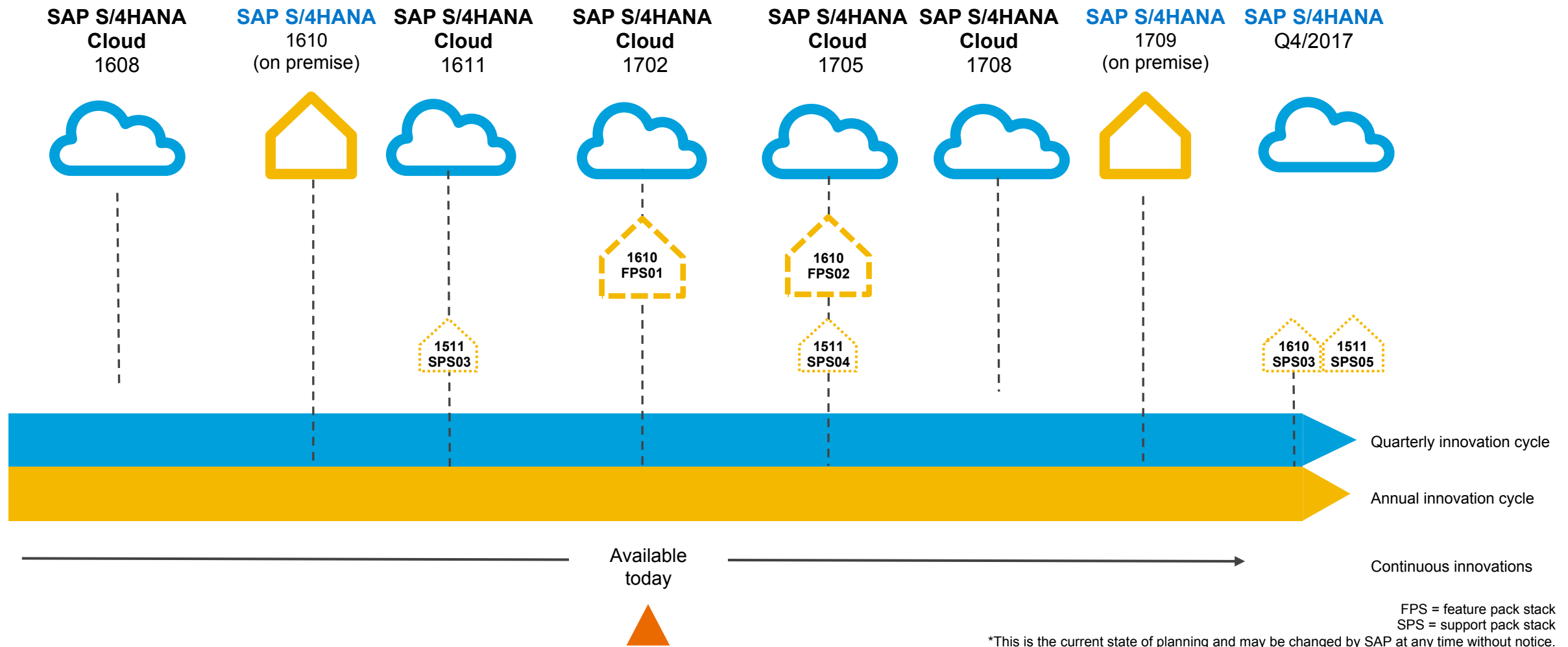
SAP S/4HANA Database & Table Structures

Sales

Document

	Header incl. Status	Item incl. Status
Sales Order	VBAK	VBAP
Delivery	LIKP	LIPS
Billing Document	VBRK	VBRP
Status Info	VBUK	VBUP
Conditions		KONV
Document Flow		VBFA

Indices

VAKPA	VAPMA
VLKPA	LKPMA
VRKPA	VRPMA

Index for Rebates

VBOX

Finance

Document

	Header	Item
GL, AR, AP	BKPF	BSEG
New GL		FAGLF LEXA*
CO	COBK	COEP
AA	ANEK	ANEP / ANEA
ML	MLHD*	MLIT*

Totals

GLT0	KNC1	KNC3
LFC1	LFC3	
FAGLF LEXT*		
COSS	COSP	
ANLC	ANLP	
MLCD*	MLCR*	

Indices

BSIS	BSAS	BSIK
BSID	BSAD	BSAK
FAGL BSIS	FAGL BSAS	
BSIM*	CKMI1*	

SAP Business Suite

Material Values

Valuation in MM   or   Valuation in ML

Aggregates
Hybrid: Master Data with Valuated Stock

Aggregates	History	
MBEW	MBEWH	CKMLCR
EBEW	EBEWH	CKMLPP
QBEW	QBEWH	
OBEW	OBEWH	

Material Quantities

Material Document	Aggregates			History		
	Stock Aggregates					
MKPF / MSEG	MSSA	MSSL	MSSQ	MSSAH	MSTBH	MSSQH
Inventory movements	MSTE	MSTQ	MSTB	MSTEH	MSTQH	
	Hybrid: Master Data with Stock Aggregates					
	MCHB	MARC / MARD / MSKU		MARCH	MARDH	MKOLH
	MSKA	MKOL / MSPR / MSLB		MSLBH	MCHBH	MSKUH
				MSKAH	MSPRH	

SAP S/4HANA – Overview Transition Scenarios

S/4HANA Innovation Schedule

SAP S/4HANA Cloud 1608

SAP S/4HANA 1610 (on premise)

SAP S/4HANA Cloud 1611

SAP S/4HANA Cloud 1702

SAP S/4HANA Cloud 1705

SAP S/4HANA Cloud 1708

SAP S/4HANA 1709 (on premise)

SAP S/4HANA Q4/2017

1610 FPS01

1610 FPS02

1511 SPS03

1511 SPS04

1610 SPS03

1511 SPS05

Quarterly innovation cycle

Annual innovation cycle

Available today

Continuous innovations

FPS = feature pack stack
SPS = support pack stack
*This is the current state of planning and may be changed by SAP at any time without notice.

Transition to SAP S/4HANA
Three different approaches to move to SAP S/4HANA

System Conversion

SAP ERP System → On-Premise

SAP S/4HANA

Bring your business processes to the new platform
- A complete technical in-place conversion of an existing SAP Business Suite ERP system to SAP S/4HANA.
- Adopt new innovations at your speed

New Implementation

SAP ERP or 3rd -party System → On-Premise

S/4HANA Cloud

New implementation / re-implementation
Reengineering and process simplification based on latest innovations
- Implement innovative business processes with best-practice content on a new platform
- Perform initial data load
- Retire old landscape

Landscape Transformation

SAP ERP System Region A
SAP ERP System Region B
SAP ERP System Region C
→ On-Premise

SAP S/4HANA

Value driven data migration to the new platform

e.g. consolidation of current SAP Business Suite landscape into one global SAP S/4HANA system or selective data migration based on legal entities

The SAP S/4HANA family and transition paths

SAP Business Suite
(e.g. BS7i2013)

SAP S/4HANA family

S/4HANA Cloud

New implementation only!

SAP ERP System
(on AnyDB)

or

SAP ERP System
(on SAP HANA)

SAP Central Finance

SAP S/4HANA Finance
1503, 1605

SAP S/4HANA
(On-Premise)

System Conversion
New Implementation
Landscape Transformation

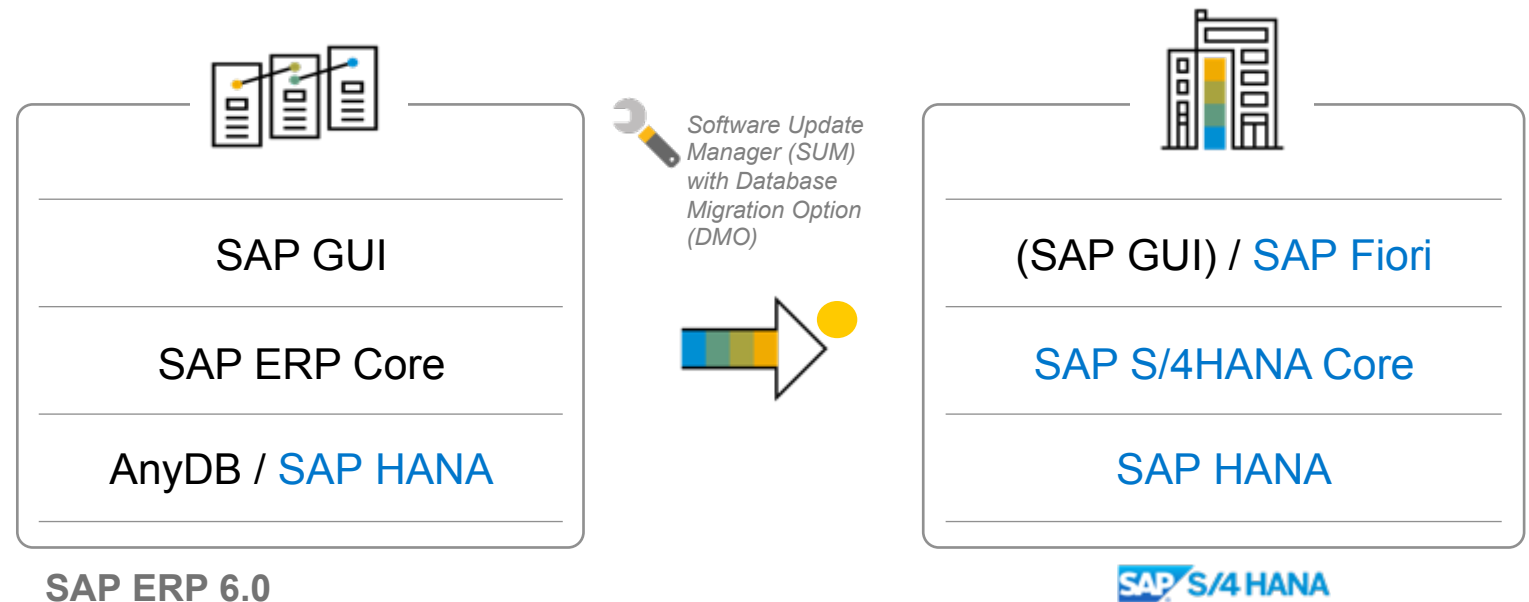# Transition to SAP S/4HANA
Scenario 1 – System Conversion

Scenario description

- A complete technical in-place conversion of an existing SAP Business Suite ERP system to SAP S/4HANA (Database, SAP NetWeaver *and* Application transition in one step).

Why would you choose this Option?

- Bring your existing business processes to the new platform.

- Keep your investment in custom code

- Mitigate the risk and investment of a big bang conversion project by reducing the scope of the transition project to a pure technical conversion project, and adopt new innovations at your speed at a later point of time and in a phased approach.

SAP GUI

SAP ERP Core

AnyDB / SAP HANA

SAP ERP 6.0

Software Update Manager (SUM) with Database Migration Option (DMO)

(SAP GUI) / SAP Fiori

SAP S/4HANA Core

SAP HANA

SAP S/4 HANA

	What	How
●	In-place technical conversion	tool-based technical conversion process of a SAP Business Suite ERP system to SAP S/4 HANA using SAP Software Update Manager (SUM); Downtime minimizing options available

Transition to SAP S/4HANA
Scenario 2 – New Implementation

Scenario description

New implementation of SAP S/4HANA, e.g. for customers migrating a legacy system, also known as "greenfield" approach.
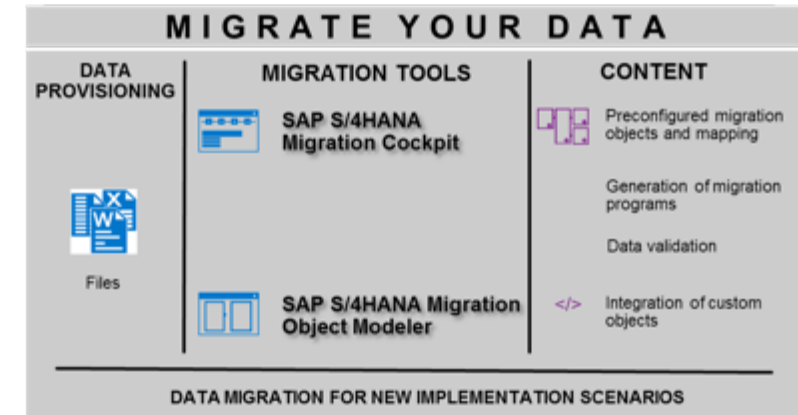
Why would you choose this Option?

Customers planning to migrate

- a non-SAP / 3rd-part legacy system,
- an good option for a SAP System, which may be
  - of an older release and/or
  - is highly customized/modified and/or
  - does not meet the system requirements for a technical system conversion

Benefits for the customer are

- Reengineering and process simplification based on pre-configured business processes
- Rapid adoption of new innovations in a standardized manner

Steps	How
Install SAP S/4HANA	Software Provisioning Manager
Initial data load from source system	• **SAP S/4HANA Migration Cockpit** • **SAP Data Services (SAP DS)** **both with Best Practice Migration content**

# Transition to SAP S/4HANA
Scenario 3 – Landscape Transformation

Scenario description

Customers who want to consolidate their landscape or to selectively transform data into a SAP S/4HANA system.

Why would you choose this option?

- Value-based migration: selective data transformation allows a phased approach focusing the first SAP S/4HANA migration phase on parts of the business with highest ROI and lowest TCI
- Agility: stay on current business processes but move gradually to SAP S/4HANA innovations → Move to SAP S/4HANA at your own pace
- TCO reduction: system and landscape consolidation with harmonized/simplified processes and unified master data lead to lower cost of operations
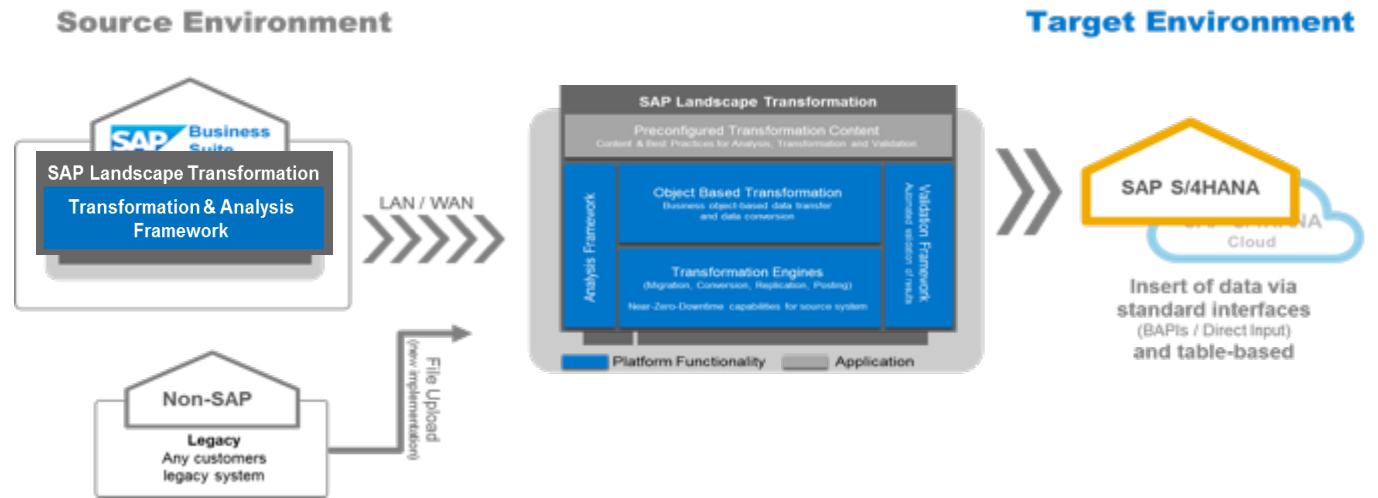
SAP Landscape Transformation
Technical migration on table level using pre-configured LT transformation solutions

|		
	Consolidation	System Merge of multiple source systems into one new or existing SAP S/4HANA system (build-up multiple client system)
	Selective Data Transformation	Migration of business units/single entities such as company code
	Implementation of SAP Central Finance	Implementation of S/4HANA Central Finance including real-time reposting of financial transactions into Central Finance instance (synchronization of systems)

SAP S/4HANA – System Conversion
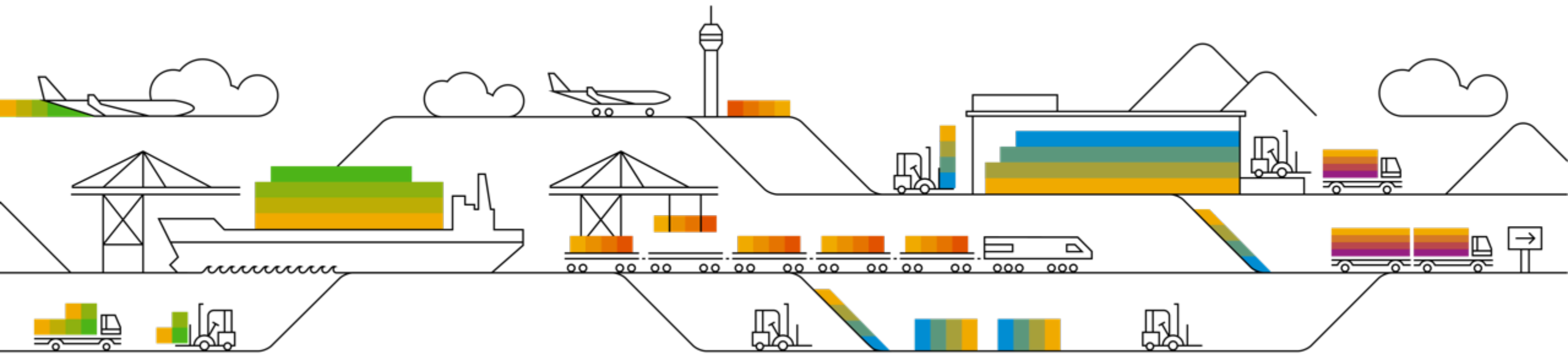
SAP S/4HANA
System Conversion – Transition Paths Overview (1/2)

SAP ERP 6.0, EHP 07

AnyDB or SAP HANA

SAP Business Suite

SAP S/4HANA 1709

SAP HANA

SAP S/4HANA

The transition to SAP S/4HANA does **not** require the source system to be already on SAP HANA Database

System Conversion Paths (basically)
From SAP Business Suite
(ERP6.0, EHP 07, Any DB or SAP HANA DB)
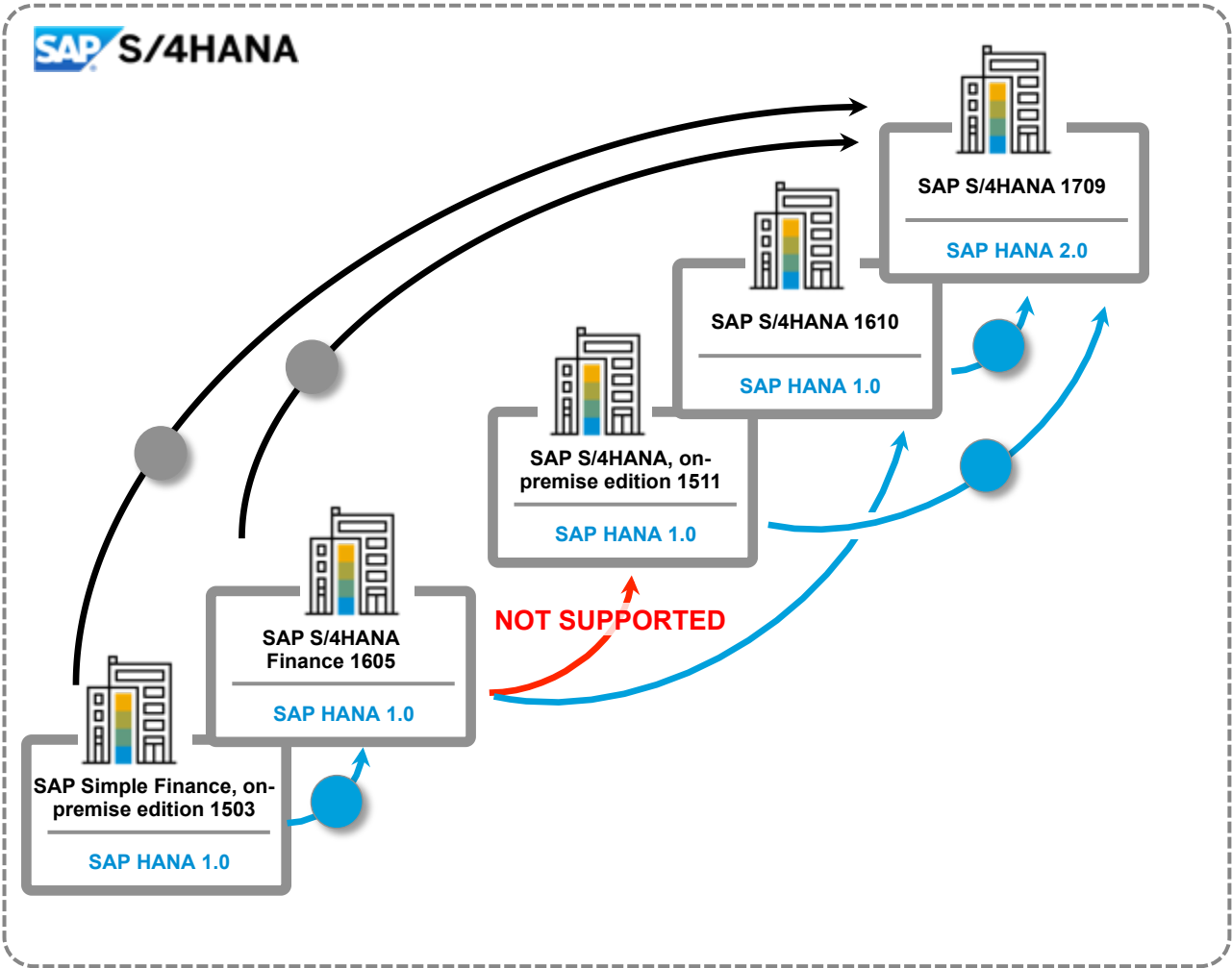**to** SAP S/4HANA 1709 SPS00

Note 1: For older SAP Business Suite releases or systems on Non-Unicode an additional step to SAP ERP 6.0 EHP07 is required.

Note 2: System has to be an AS ABAP-only system. Dual-stack systems (AS ABAP and AS Java combined in one system) are not supported for the conversion. If your system is as dual-stack system, you have to split it before doing the conversion.

SAP S/4HANA
System Conversion – Transition Paths Overview (2/2)

Start Release	Target Release	Availability	Remarks
SAP S/4HANA Finance 1605	SAP S/4HANA 1709	Planned for: Q4/2017	Update DB to SAP HANA 2.0 and Installation of S4CORE Software
SAP Simple Finance, on-premise edition 1503	SAP S/4HANA 1709	Planned for : Q4/2017	Update DB to SAP HANA 2.0 and Installation of S4CORE Software
SAP Simple Finance, on-premise edition 1503	SAP S/4HANA Finance 1605	available since: Q2/2016	Installation of sFIN Software (**Upgrade**)
SAP S/4HANA 1610	SAP S/4HANA 1709	Planned for: Q4/2017	Update DB to SAP HANA 2.0 and Installation Software (**Upgrade**)
SAP S/4HANA, on-premise edition 1511	SAP S/4HANA 1709	Planned for: Q4/2017	Update DB to SAP HANA 2.0 and Installation Software (**Upgrade**)

⚫ **System Conversion from**
SAP S/4HANA Finance **to** SAP S/4HANA

🔵 **Upgrade** within the
SAP S/4HANA product family

SAP S/4HANA 1709 - Benefits
Innovations – Lines of Business (LoB)*

Finance

Central finance
- Shared Services in Accounts Payables/Receivables
- Central reversal and correction capabilities
- Financial reporting scenarios

SAP Fiori apps (enhancements)
Accounts Payable/Receivable Accountant; Accounts Receivable Manager; Controller (Production Costs, Credit); Treasury Risk Manager; Asset Accountant; General Ledger Accountant; Inventory Accountant.

Parallel valuation: 3rd currency in Controlling and Cost of Goods Manufactured.

Real-Time Consolidation: Intercompany transaction elimination; Validation at Source for Consolidation.

Business Reporting: Cash Flow Statement; Parallel Value Flow with Enhanced multiple Valuation and Currencies.

Universal Journal: Subsequent implementation of document split

Treasury and Risk Management: Foreign Currency Hedge Management and Accounting; Integration of SD into Trade Finance

Cash Management: Bank relationship management including bank fee analysis; Improved Integration with Bank Communication Management and In-House Cash
Clear incoming bank statements with machine learning solution (Connectivity with SAP Cloud Platform)

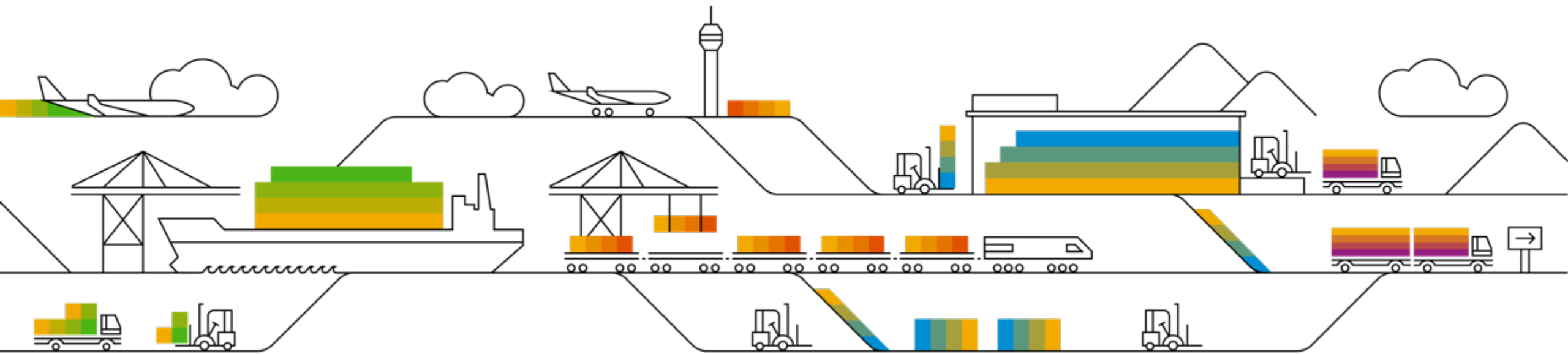**Financial Planning**: Basic Sales Planning (Activity Price, Consumption)

Accounting: G/L document split / Financial Closing Cockpit

Soft close and prediction: Minimum closing time; Early insight into business trends

Integration: Seller-side integration with Ariba Network (invoice and discount management); Cost center (SAP SuccessFactors); Payment advice (SAP Fieldglass); SAP Ariba Pay for Credit Card Payment

* This is the current state of planning and may be changed by SAP at any time without notice.

S/4HANA – Readiness Check

SAP S/4HANA system conversion
new SAP Readiness Check

Preparation phase				Realization phase	

System requirements	Maintenance planner	Pre checks	Custom code preparation	Software Update Manager (SUM)	Application specific follow-up activities

Unicode conversion

SAP Readiness Check
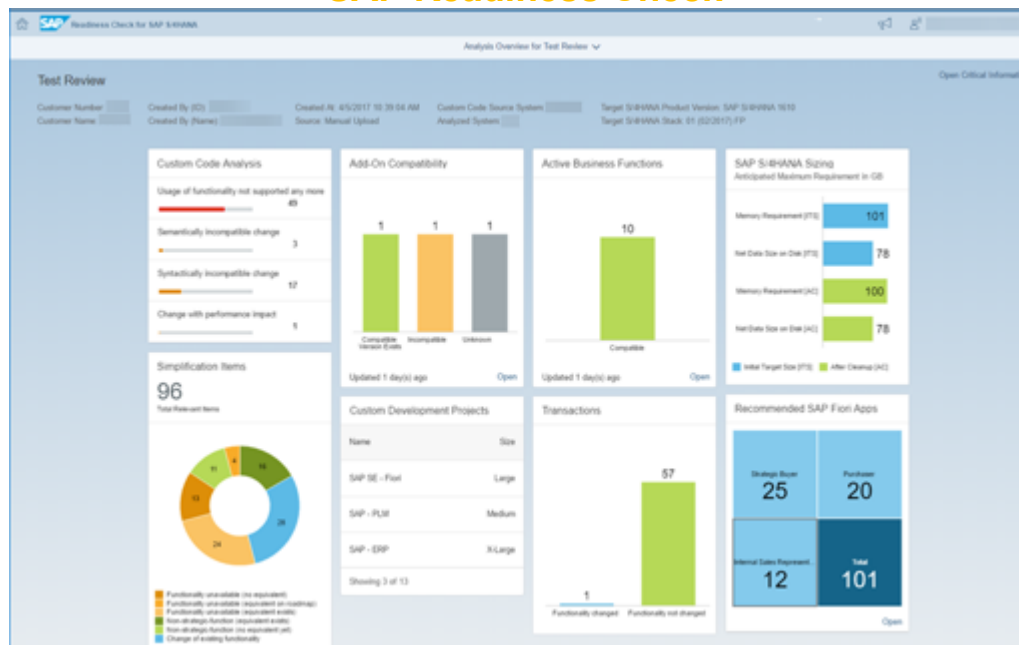
Database migration

Software update

Data conversion

- A holistic system analysis is the foundation for further planning steps toward a successful and smooth SAP S/4HANA system transition.

- The SAP Readiness Check for SAP S/4HANA summarizes the most important aspects of the conversion in an easily consumable way.

SAP Readiness Check for SAP S/4HANA

AddOn's & Business Functions
- SAP AddOn's and Business Functions as well as 3rd party AddOn's have to be checked for their compatibility with SAP S/4HANA
- SAP software is listed and rated
- 3rd party software is listed only

Custom Code & Custom Dev
- Custom Code must be analyzed with respect to SAP S/4HANA compliance, based on the SAP simplification database
- SAP Readiness Check provides BOM of affected objects as well as SAP Custom Development Projects (CDP's)
- An in-depth custom code management activities to follow during project execution

S/4HANA Sizing
- To prepare for SAP S/4HANA, a system sizing is the baseline for further discussions regarding the future target size
- SAP Readiness Check summarizes the technical sizing result so that customers can further engage internally, with SAP or with partners to discuss the future target system size

Simplification items
- Simplification Items represent application or architecture changes in comparison to ERP
- About 470 Simplification Items exist for S/4HANA 1610
- They are grouped by business priority (e.g. Core Finance) and industry, respectively

Recommended Fiori Apps
- Fiori apps recommended based on the transaction usage history in the evaluated system

Transactions
- SAP GUI transactions replaced or deprecated in SAP S/4HANA, such as Classic MM-PUR GUI transactions

SAP Readiness Check for SAP S/4HANA
Approach

1. Prepare source system
– Minimum release: SAP ERP 6.x EhP0 on any database
– Help portal: https://help.sap.com/viewer/p/SAP_READINESS_CHECK
– SAP Readiness Check tool preparation note: SAP Note 2290622

2. Execute program SAP Readiness Check
– Via your local SAP Solution Manager system (recommended)
– Via our direct cloud upload

3. Explore results to start Conversion project
– Recommendations dashboard per system, sent via email as url link
– Engage SAP Digital Business Services or your preferred implementation partner

Next Steps

Discover SAP S/4HANA

SAP S/4HANA Cloud - trial

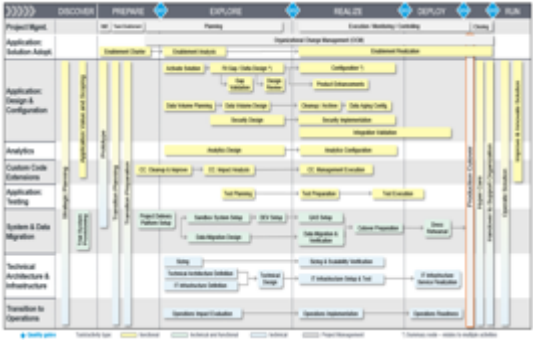**SAP S/4HANA - trial**

Your path to SAP S/4HANA

Join the Community

Top Questions and Answers

**How to get there …
Transition to S/4HANA Roadmap Viewer**

Detailed SAP S/4HANA Roadmaps

José Carlos González

S/4HANA Sales Specialist Engagement Manager

José Carlos is S/4HANA SSEM expert for the LAC region and supports customers in their transition to SAP S/4HANA with detailed and profound knowledge and guidance.

He has 23 years of experience in consulting services with different SAP roles as Consulting Director, Senior Manager and Sales Manager in some industries like Retail, Wholesales, Manufacturing, CPG, Public Sector and others. He has been working with SAP from around 17 years with complexity projects.

Jose Carlos studied Engineer Computation at the UNAM in México City.

SAP **S/4 HANA**

Thank you.

José Carlos González
SSEM / Sales Specialist S/4HANA
SAP Servicios

SAP México
Prol.Paseo de la Reforma 600-2
Santa Fe. C.P. 01210, México, D.F.
Mobile. +52 (155) 9139 5784
E-mail.   carlos.gonzalez04@sap.com