

Implementing SAP S/4HANA

**A Framework for Planning and
Executing SAP S/4HANA
Projects**

Sanket Kulkarni

Apress®

Implementing SAP S/4HANA

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Printed on acid-free paper

*To my lovely wife, Archana,
and kids, Rohan and Anika*

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About the Author



Sanket Kulkarni has more than 18 years of experience in implementing SAP solutions worldwide. He has consulted with many customers on complex SAP transformations involving multiyear rollouts. He has worked across a range of industries including consumer goods, oil and gas, semiconductor, and transportation. Over the last few years, he has been coaching customers on SAP S/4HANA-driven digital transformations.

About the Technical Reviewer



Dinesh Mukundu Mohan is a Solution Architect with more than 20 years of IT work experience including 16 years of hands-on SAP experience implementing finance, controlling, planning, consolidation, budgeting, and forecasting solutions using S/4HANA, SAP BPC Optimized for S/4HANA, BPC 11 and 10.1, BW-BPS & IP, and BW and FICO, he has successfully delivered multiple S/4HANA, BPC, and BW implementations and S/4HANA migrations.

He has experience solutioning and enabling clients with decisions on the right range of applications, including S/4HANA, BW4HANA, BPC 10.1, and BPC 11, along with integration of Fiori and BO reporting tools like Lumira 2.X, Design Studio, Analysis for Office 2.X, and Web. His experience extends to working in multiple regions, including North America, Germany, Dubai, Australia, Mexico, Europe, China, and Thailand.

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In the small world of SAP consulting, you meet two types of people: rocks or rock stars. You know a rock star when you encounter such a person. The rock star is the one who is passionate about SAP, loves helping customers, and is always learning.

This book would not have been possible without the rock stars who shaped my worldview and ignited my passion for SAP throughout my consulting journey. Thank you to Rajesh Ray, Sangeeth Parvatham, Katja Keller, Steffen Bruckner, John Walsh, Christine Kakoti, and Eishvinder Ratra, to name a few.

As they say, it often takes a village to produce a book. Writing is just one portion of it. Thank you to the Apress team (Divya, Nikhil, and Matthew) for professionally handling the rest and making this book happen.

Introduction

SAP released SAP S/4HANA amid much fanfare in February 2015. It demonstrated the promise of the new in-memory computing database HANA, a sleek user interface (UI), Fiori apps, and enhanced functionality. Since then, SAP has improved the S/4HANA suite of products with best practices, industry templates, more than 7,000 Fiori apps, Embedded Analytics, and close integration with Leonardo.

As compared to the SAP ECC system, S/4HANA is a much more advanced enterprise application, well suited for intelligent enterprises. With its leading-edge tool set, possibilities with S/4HANA are limitless. Traditional SAP enterprise resource planning (ERP) systems often excelled at being systems of record. S/4HANA aspires to be a system of intelligence.

What does it mean for organizations embarking on the journey of S/4HANA? How can they plan their journey and not be derailed by the full range of information and choice available?

The days of superspecialization in the SAP space are slowly ending. If you are implementing S/4HANA, you should not only know about the business process, but also the SAP user experience, technical architecture, and cloud offerings, as well as analytics.

So, why did I write this book? Well, the key for successful S/4HANA implementation is developing an all-around view of the components and assess their impact up front. Most of the books or blogs on S/4HANA provide step-by-step information on a very niche topic, leaving you to figure out the big picture yourself. The purpose of this book is to develop the big picture the right way. It is to help you establish a well-rounded understanding of S/4HANA implementation and its associated components. You can always reach out the blogs and SAP help sites for further details.

Who Should Read This Book?

If you are considering SAP S/4HANA, either you are already an SAP customer or planning to be one. As such, I assume that you are familiar with SAP, although you need not be familiar with SAP S/4HANA.

If you are a vital stakeholder or executive who is considering implementing SAP S/4HANA, you will find this book useful, as S/4HANA is going to be the future of SAP as well as your business. This book is the first step in your S/4HANA journey.

How Is This Book Organized?

We begin with the introduction of SAP S/4HANA and discuss the value it brings to the table. We then outline fundamental implementation approaches such as Greenfield and Brownfield at the end of Chapter 1.

The S/4HANA journey starts with an assessment of existing capability vs. the functionality offered by S/4HANA. Chapter 2 discusses various types of assessments done during the planning phases. We then move toward a discussion of the functional aspects of S/4HANA and tools offered by SAP including simplification lists and best practices in Chapter 3.

Once customizations are shortlisted as part of the functional assessment, development is done either through custom code remediations or new SAP objects and apps. We discuss S/4HANA development standards and remediation aspects in Chapter 4.

Data conversion plays a significant role regardless of your implementation approach, whether Greenfield or Brownfield. SAP also offers tools for S/4HANA migration in the case of Brownfield implementations. We discuss data conversion strategy, including extract, transform, and load aspects, in Chapter 5.

Testing is an integral part of every project phase in S/4HANA, beginning in the planning phase. Overall, S/4HANA implementation is

testing intensive, with various cycles being run in parallel—regression, performance, integration testing, and so on. Chapter 6 discusses a variety of test cycles and dependencies among them.

Migration to a cloud infrastructure is often combined with S/4HANA implementation. Various technical architecture aspects such as sizing, datacenter management, S/4HANA migration, and security are discussed in Chapter 7.

S/4HANA changes organizations in many ways. Organization change management (OCM) is often sidelined as organizations struggle with low rates of user adoption and subsequent delays in deployment. Chapter 8 presents you with various approaches to improve user adoption and change management.

SAP Fiori is one of the key value propositions of S/4HANA. Chapter 9 discusses the Fiori architecture, ways to implement Fiori apps, and methods for customizing it.

Embedded Analytics offers real-time reporting via analytical apps. Views developed using Embedded Analytics can also be accessed by other reporting applications. Chapter 10 touches on an SAP analytics strategy and how Embedded Analytics can help.

S/4HANA implementation is one of the most important IT projects you will ever run. It requires proper considerations of program governance and deployment strategy. We discuss many options for deployment and program governance in Chapter 11.

All of this information culminates in the business case for S/4HANA. It is an objective assessment of the effort it takes to implement vis-à-vis the benefits it brings. Chapter 12 offers you guidelines to develop and manage a business case for S/4HANA implementation.

Finally, Chapter 13 discusses some unique aspects of S/4HANA implementation if you are going for a central finance implementation or S/4HANA on the cloud.

INTRODUCTION

All of the topics covered deserve a separate book by themselves if explored in detail. As stated earlier, the purpose of this book is to help you develop a navigational map for S/4HANA implementation, rather than spoon-feed you every step.

From Here

In the third century BC, Greek writer Plutarch put it best when he wrote, “Mind is not a vessel to be filled, rather a spark to be lighted.” I hope that as a reader of this book, you embark on the S/4HANA journey with a quiet confidence that comes only from your knowledge. I hope you enjoy the book.