How to create new business value from your SAP S/4HANA migration

Rohan de Souza, Head of SAP Business, European Platform Business at Fujitsu

The slow pace of migration to SAP S/4HANA is perplexing. Only 14% of SAP users are now live. Yet support for SAP Business Suite ends in 2027, and any options to pay extra for extended maintenance run out in 2030. Given the complexity of migration, these are tight deadlines. Throw skills shortages into the mix and it's clear that waiting any longer to make decisions is an extremely high-risk strategy.

The hesitation of SAP decision-makers suggests that the potential gains on offer from migration are not yet clear enough. Fujitsu's key idea here is that application modernization must add something extra. Creating new business value – we could also call it business transformation – requires something more. If all you do is modernize, it's the equivalent of maintenance.

This article covers two examples of strategic benefits available from S/4HANA migration to create new business value – composable ERP and cloud migration/hybrid IT. And I'll look at new services now available from Fujitsu to extract those benefits reliably and quickly.

Composable ERP

One strategic benefit from migration is the ability to connect your business to be more adaptable and do new things. Analyst firm Gartner recognizes that many manufacturers now have multiple systems of record in play – SAP, Salesforce, Oracle, ServiceNow, AWS, and Microsoft. It coined the term "Composable ERP" to describe and advocate this trend. Composable ERP is a strategy where we leverage the right components to build value, mixing and matching between vendors. In other words, ERP is no longer a monolithic thing – as in "I'm all in SAP" or "We're an Oracle shop".

You get fully connected, real-time data to provide a complete view of your business across upstream and downstream supply chains. S/4HANA migration offers the perfect time for assessing and addressing how data infrastructure can be modernized to create this kind of "Control Tower" environment.

Cloud migration and hybrid cloud

One factor that makes S/4HANA more connectable is that it is the first version of the ERP to be truly cloud-native. This characteristic opens all the benefits of cloud migration and the ultimate flexibility of SAP workload placement. It is therefore vital that your S/4HANA migration enables your organization to achieve all the strategic benefits of the hybrid cloud environments.

However, workloads in hybrid environments are incredibly complex. Workload demand can be across a wide range of environments, including multiple on-premises locations, plus cloud partners such as Azure, AWS, and Google Cloud Platform and their respective regional nodes. Optimizing your SAP infrastructure to operate successfully in these environments requires a high degree of understanding about what is happening where and — just as important — what might happen under specific scenarios.

To assist here, Fujitsu now offers a new Hybrid Cloud Assessment Service for SAP Solutions that analyzes millions of possible placement options based on measured workloads. Fujitsu BestPlace provides a unique data-driven approach. It encodes the measured SAP IT as DNA and simulates a mini evolution using genetic algorithms. Following the principle of the survival of the fittest, the process results in an optimal design for a hybrid infrastructure.

This is an individualized approach that addresses the specific needs of each customer rather than a generic model that is unlikely to meet all the needs of all users. It measures SAP operations onsite for about four weeks, compares all the different placement options against the customer's IT strategy and business priorities and provides cost comparison for all measured SAP instance workloads in the cloud or on-premises. The algorithm is developed by an external university to ensure neutral results.

Get to value faster with rightsizing

An effective ERP should enable organizations to access rapid insights, make quick decisions, and extract the value from a change of direction as quickly as possible. However, typical user complaints are "my SAP is too slow" and "SAP is hanging again".

To address this, as well as optimize workload placements, it is also vital to assess infrastructure sizing, deployment, and maintenance. SAP performance and service-level issues can have multiple root causes and finding the optimal configuration has always been extremely difficult. Therefore, one common approach to forcing a solution is with brute force: buying and installing more infrastructure, regardless of whether it addresses the actual cause. That's an expensive way of solving the problem.

Enterprises that migrate now can benefit from rightsizing their SAP implementations. Unlike standard SAP tools, based on reference architectures, <u>Fujitsu's SystemInspection Service for SAP Solutions</u> (SIS) uses real-life data from your landscape, creating data-driven decision support for any migration or hardware refresh. This analysis and consultation package gets to grips with all these parameters, avoiding overspend later.

SIS gives clear recommendations for improving on-premises or cloud IT for SAP landscapes by identifying bottlenecks, performance anomalies, and realistic capacity requirements. By rightsizing the new S/4HANA for on-premises, it narrows the gap between on-premises and cloud in terms of costs, as you don't need to buy so much excess capacity that mainly sits idle.

Infrastructure simplicity

Regarding infrastructure options, Fujitsu PRIMEFLEX for SAP HANA enables the full potential of SAP HANA in-memory computing. It is a pre-tested infrastructure solution, 100% SAP certified and designed for the SAP HANA in-memory architecture. It exploits the full capabilities of persistent memory without deployment and configuration risks and simplifies operation and maintenance with one service partner for the entire solution stack, with availability as-a-service via Fujitsu uSCALE.

The right platform with consumption-based pricing

With as-a-service models, organizations can bring their infrastructure up to date and adapt to constantly changing requirements. It simplifies the handling of technologies, increases agility, and reduces costs. Fujitsu uSCALE delivers a flexible, on-premises IT infrastructure-as-a-service solution via monthly consumption-based billing based on actual usage. uSCALE supports business resilience, increases financial and technical flexibility, and you gain freedom from up-front investments. Fujitsu now offers the goodness of uSCALE tailored for cloud transformation projects of SAP Environments. In addition to this Fujitsu has partnered with Equinix to offer a complete hybrid cloud connectivity solution, including access to global business ecosystems on the Equinix platform. It includes the initial consultation to identify the optimum hybrid approach to empower and fulfill SAP-driven digital transformation.

Our partnership with Equinix demonstrates the desire to develop innovative, differentiated solutions for use in different industries, which help customers to offer better services. It provides the advantages of creating a hyperscaler-like environment "on your terms" with the ability to sit right next to the hyperscaler with a superfast link to all your data and apps in the cloud. Now add to these proven best practices integrated into SAP data center solutions, landscape insights, and expert know-how to deliver operational efficiency for SAP environments, you now have an offering like no other in the market.

Fujitsu's and Equinix's consumption-based offering is simple to use and can work and integrate with other platforms, including public clouds. There is no need to worry about the hosting or technology platform, with a certified and cost-effective platform available on a consumption-based model.

Yes, Fujitsu can SAP

Fujitsu has an extremely robust partnership with SAP. We have approximately 8,000 customer installations worldwide. For example, at Fujitsu's Technical Competence Demo Center in Walldorf, Germany – the home of SAP – customers can optimize their SAP infrastructure investment based on actual use cases.

If you have — and intend to continue to have — an SAP ERP, you need to lock in your migration partner within the next 12 months. Wait too long, and everyone will be chasing a finite pool of resources, removing control of the migration timetable, and resulting in rising prices.

Migration is a fantastic opportunity to create new business value. Fujitsu's uSCALE, SystemInspection Service for SAP, and its Hybrid Cloud Assessments Service enable customers to understand their environments completely, then map their business goals and transformation plans to the optimum architecture, infrastructure solutions, and financial models. What better way to experience this than to sign up for a Fujitsu CX Labs session which is Fujitsu's virtual digital metaverse space that makes it easier for customers and partners to enter the digital transformation through co-creation.

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As Head of SAP Business, Rohan de Souza is responsible for the execution of Fujitsu's SAP strategy across Europe with a strong focus on developing initiatives to drive high growth and incremental SAP-related revenue in the data center and solutions business. With more than 18 years of multi-national experience in the SAP market, Rohan is a Fujitsu Distinguished Engineer



and has deep technical and project management skills as a solution architect for SAP Technology solutions, having designed and delivered value-added solutions to customers using SAP solutions.

Based in Walldorf (Germany), Rohan is passionate about technology and cloud computing and enjoys a hands-on approach to technology. He loves new challenges and enjoys travel and multicultural experiences. He holds a Bachelor's degree in Computer Engineering and a Master's from Alliance Manchester Business School. He is also a Certified PMP and TOGAF professional.