SAPinsider

A Wellesley Information Services Company

SAPinsider Benchmark Report

SAP S/4HANA Migration Benchmark Report

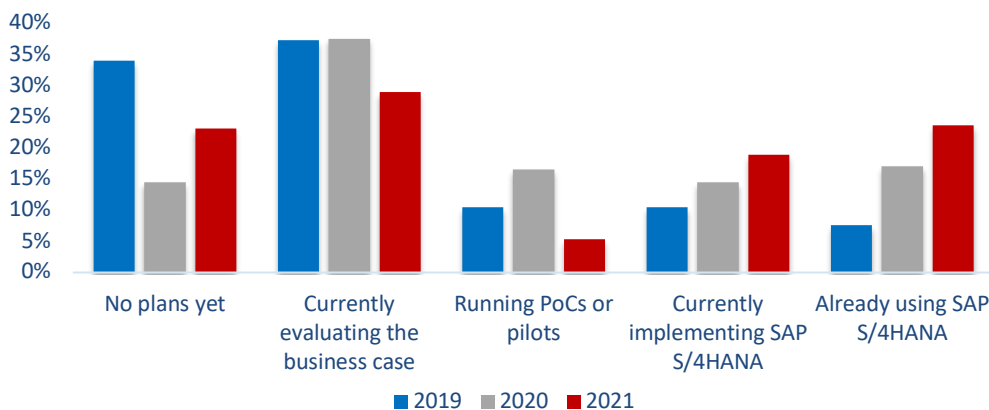**Robert Holland**
March 2021

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Executive Summary

From research that SAPinsider conducted over the last year we have seen that many organizations' plans shifted in relation to their SAP products. Some were forced to delay or postpone projects, while others needed to accelerate the adoption of technologies that would allow them to better manage a newly remote business environment, or to gain better insight into disrupted supply chains and organizational performance. One thing that has remained constant over that period is the fact that organizations are preparing for their shift to SAP S/4HANA, even if they may not be starting an implementation in the short term. In fact, in our recently published report on 2021 CIO Perspectives, 48% of CIOs indicated that the most important skillset they planned on investing in this year was that of SAP S/4HANA.

To understand where SAPinsiders are with the move to SAP S/4HANA, SAPinsider surveyed 169 members of our community in Q1 of 2021. The goal of the survey was to understand where they are on their transition to SAP S/4HANA, what benefits they have gained or hope to gain from the transition, or what might be blocking their move. Continuing the steady growth from 8% who had already gone live in 2019 up to 17% in 2020, 24% of survey respondents this year indicated they were already using SAP S/4HANA (see **Figure 1**).

SAPinsider
PERSECTIVE

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Our existing ERP system was outdated and hadn't been updated in 11 years. We evaluated different possibilities and ended up choosing SAP S/4HANA. It met all our requirements, and the performance has been everything we need.
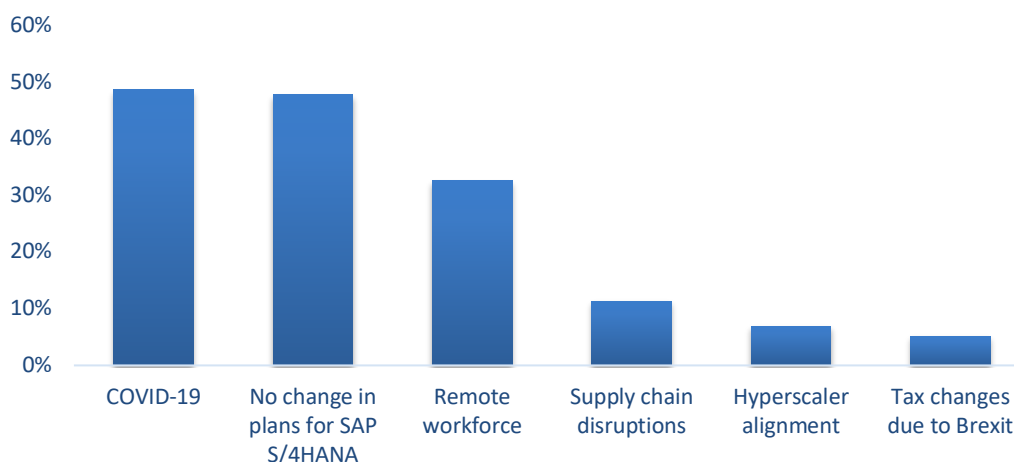
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**~ Ram Kolisetty
Director, Engineering
Dow Jones & Company**

Figure 1: SAP S/4HANA adoption status

Source: SAPinsider, March 2021

In addition to the nearly a quarter of respondents who are already running SAP S/4HANA, another 19% said that they were in the process of doing an implementation, which represents an increase of 4% over 2020. What has changed significantly is that while in 2020 we saw 17% of respondents running PoCs or Pilots, only slightly more than 5% said that was the case this year. In addition, nearly 37.5% reported that they were evaluating the business case in 2020, and only 29% reported being at that stage of their adoption in 2021. The number of respondents who currently have no plans for the transition also increased from 14% in 2020 to 23% this year.

From looking at the data, approximately half of those who were in the process of implementing SAP S/4HANA last year appear to have completed that implementation, and many of those running PoCs or pilots in 2020 have now moved to the implementation phase of their project. However, SAP's extension of the mainstream maintenance of existing ERP platforms, which happened after most of our survey responses came in last year, in conjunction with the changes to the business environment in 2020 have likely delayed the plans of those who either were still formulating their plans or were building their business case. The external events impacting plans for SAP S/4HANA can be seen in **Figure 2**.

Figure 2: What external factors over the last 12 months have significantly impacted your plans for SAP S/4HANA?

Source: SAPinsider, March 2021

Unsurprisingly, the global pandemic had the biggest impact on SAPinsiders' plans for SAP S/4HANA with 49% of respondents saying that their plans were significantly impacted—but almost as many (48%) reported that their plans had not changed. As the majority (62%) of those whose plans for SAP S/4HANA were most impacted were either building their business case (38%) or formulating their plans for SAP S/4HANA (24%), this correlates with smaller numbers of those respondents moving to the next stage in their transition—running PoCs or implementing. The majority of those whose plans were not impacted (57%) by COVID-19 were either in the process of implementing or were already running SAP S/4HANA.

From the perspective of those who are not currently running or implementing SAP S/4HANA, the top reasons for not moving were licensing costs (35%), infrastructure (35%), operational expenditure costs (33%), capital expenditure costs (32%), and business disruption (32%). Conversely, the biggest reasons for wanting to move to SAP S/4HANA, not including those respondents who currently have no plans, were analytics (56%), change (36%), ROI costs (34%), infrastructure (31%), and interfaces with customers/vendors (28%).

For those who are already up and running on SAP S/4HANA, the two biggest benefits they saw were improved process efficiencies (72%) and improved end user and business satisfaction (61%). Other common benefits included improved integrations with other SAP products (33%) and minimized downtime during migration (33%). The challenges that these respondents faced in performing the migration were learning about and educating decision makers on the features of SAP S/4HANA, implementing new infrastructure, adapting custom code and determining what customizations needed to be included, cleansing data and improving data quality the right way, and building their business case.

This year's survey revealed several other trends regarding respondents' migration to SAP S/4HANA:

- Over half the respondents (54%) said that they typically adopt new SAP solutions or versions when there are features that support their strategic needs (23%) or based on specific requirements from business users (31%). This shows that business requirements and strategic needs are more likely to be driving SAP S/4HANA adoption than any other reason.

- 21% of respondents only adopt new solutions when existing solutions reach end of maintenance, with none of those running SAP S/4HANA in their organization yet and 71% of that group either still building their business case or not yet putting plans in place.

- The most important internal teams for organizations' decisions regarding SAP S/4HANA were IT (86%) and Finance (81%). These were followed by Supply Chain (44%) and Analytics (41%).

Required Actions

Based on the survey responses, organizations should make the following plans around their SAP S/4HANA transitions:

- **Investigate whether the features in SAP S/4HANA now support your strategic needs or provide critical features for business users.** While the end of maintenance is a factor in why organizations look at new software, of much greater importance is whether that software provides a strategic benefit or has features that end-users need. Improved functionality has been the primary driver for organizations building their business case for SAP S/4HANA or in moving to SAP S/4HANA Finance, and as SAP continues to enhance functionality this should continue to be investigated.

- **Learn about SAP S/4HANA capabilities so you can be prepared to educate decision makers when building the business case.** The biggest challenge faced by those who are already running SAP S/4HANA was that of learning about the product and educating decision makers about the capabilities. With CIOs focusing on SAP S/4HANA as the key internal skill set to develop, ensure that you spend time educating your teams about the product.

- **Explore and understand infrastructure options and what alternatives are available.** As part of the move to SAP S/4HANA, ensure that you spend time understanding infrastructure options, as well as planning for that aspect of the move. With private, public, or hybrid cloud scenarios being considered by many organizations, understanding how these will fit your scenarios will be important.

- **Plan for an eventual move to SAP S/4HANA.** Although almost a quarter of respondents indicated that they currently had no plans for SAP S/4HANA and 29% were still evaluating their business case, there will eventually come a point where the need to move to SAP S/4HANA becomes a priority. Make sure that you are ready for that.

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Chapter One: SAP S/4HANA Migration Overview

As stated in the Executive Summary, since we last released a report on the status of SAP S/4HANA migration, much has changed in the business environment. In June of 2020 we found that Supply Chain teams were almost as involved in building the business case for SAP S/4HANA as the Finance team, reflecting how critical resolving Supply Chain issues are to business. In December we saw that only 5% of survey respondents planned to run their SAP S/4HANA systems entirely on-premise, with nearly three quarters planning on using the private cloud. But through it all the proportion of SAPinsiders who have already deployed SAP S/4HANA has increased, even though some have had to delay plans that might otherwise have moved forward.

Best Practices Model – DART

SAPinsider grounds all of its research insights in our proprietary DART model. This research model provides practical insights that connect business **D**rivers and **A**ctions to supporting **R**equirements and **T**echnologies. Drivers represent internal and external pressures that shape organizational direction. Organizations take Actions to address those Drivers. They need certain people, processes, and capabilities as Requirements for those strategies to succeed. Finally, they need enabling Technologies to fulfill their Requirements.

In this report, the opportunity to re-engineer processes to better fit operational needs or to correct poor processes/configurations as a previous ERP implementation, the end of maintenance and support for core SAP ERP releases, and a business mandate to support business users with innovative solutions emerged as the top drivers. To satisfy these drivers, respondents indicated that they are implementing new systems and processes to support new business changes and requirements, modernizing reporting and business intelligence strategy to provide faster access to business insights, adopting best practice business process models, and

deploying a flexible cloud-based or hybrid infrastructure that minimizes TCO and accelerates deployment of software instances in a compliant way.

In order to make their SAP S/4HANA transitions successful, there are several requirements that our survey respondents indicated that they need, including minimal disruption to operations as they migrate to SAP S/4HANA, cleansed and harmonized operational data across systems, integrations between core ERP and line of business applications, fully compliant ERP systems that support both global and local regulations, and a partner with a proven track record of implementing SAP S/4HANA. Respondents also use or plan to use a wide range of SAP and partner tools and technologies to support these requirements for their SAP S/4HANA move.

Respondents' answers to our survey and interview questions revealed clear trends which are summarized in **Table 1** and will be examined throughout this report.
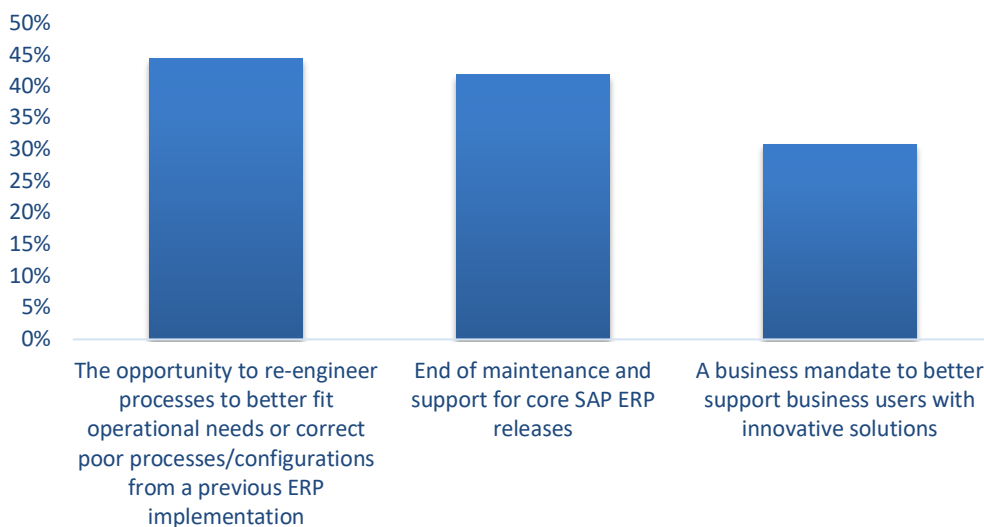
Table 1: DART model framework for SAP S/4HANA migration

Drivers	Actions	Requirements	Technologies
• The opportunity to re-engineer processes to better fit operational needs or correct poor processes/configurations from a previous ERP implementation (45%)	• Implementing new systems and processes to support new business changes and requirements (47%)	• Minimal disruption to operations as they migrate to SAP S/4HANA (87%)	• Modern UI and mobile solution integrated with the core ER (86%)
• End of maintenance and support for core SAP ERP releases (42%)	• Modernizing reporting and business intelligence strategies to provide faster access to business insights (43%)	• Cleansed and harmonized operational data across systems (79%)	• SAP Readiness Check (81%) • Data cleansing tools (77%) • Automated testing and validation tools (76.5%)
• A business mandate to better support business users with innovative solutions (31%)	• Adopting best practice business process models (42%) • Deploying a flexible cloud-based or hybrid infrastructure that minimizes TCO and accelerates deployment of software instances in a compliant way (41%)	• Integrations between core ERP and line of business applications (79%) • Fully compliant ERP system that supports both global and local regulations (78%) • A partner with a proven track record implementing SAP S/4HANA (77%)	• Extraction, Transformation and Loading (ETL) tools (71%) • Process management tools for ERP Business Process Modeling (BPM) (70%) • SAP ERP Integration Platform (69.5%) • SAP Business Scenario Recommendations (69%) • Custom Code Lifecycle Management (64%)

What Drives SAP S/4HANA Migration?

Nearly half the survey respondents (45%) said that the opportunity to re-engineer processes to better fit operational needs or to correct poor processes/configurations from a previous ERP implementation was the main factor behind their moving to SAP S/4HANA. A slightly smaller number (42%) said that the end of maintenance and support for core SAP ERP releases was the biggest factor behind their move, and slightly less than a third (31%) said that they had a business mandate to better support business users with innovative solutions (see **Figure 3**).

Figure 3: Top drivers for SAP S/4HANA migration

Source: SAPinsider, March 2021

The opportunity to re-engineer processes to better fit operational needs or to correct processes and configurations from a previous ERP version was also a factor in our 2020 research, but this year has seen a 4% increase. This increase has made upgrading to SAP S/4HANA because of features and functionality the most important driver for the transition, continuing a trend that SAPinsider has seen across 2020. When combined with the third driver, a business mandate to better support business users with innovative solutions, two of the top three drivers for the move to SAP S/4HANA are related to having a system that supports the needs of end users.

> **SAPinsider PERSPECTIVE**
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> " We hope to take advantage of the financial automation offered through SAP S/4HANA. We are also hoping that new standard processes will help us to eliminate some of the customization we use today for work-in-progress tracking. "
>
> ~ IT Manager, Manufacturing Company

Beyond business-focused drivers, SAPinsiders are still concerned about the end of maintenance and support of their existing ERP releases. While this has dropped slightly in priority from 2020, with many plans for SAP S/4HANA being adjusted over the past 12 months, organizations may have lost time that they had originally gained with the extension of mainstream maintenance of existing ERP systems. Even though 2027 is still six years away, given that the average deployment time for SAP S/4HANA is 12 to 18 months, not including building the business case, an SAP S/4HANA project could take between two and three years. It is thus no surprise that respondents are still being driven by the end of maintenance date.

How Do Customers Meet Their Business Drivers?

Nearly half of the survey respondents (47%) said that they were implementing new systems and processes to support new business changes and requirements (as seen in **Figure 4**). This directly supports the fact that organizations are looking for the opportunity to re-engineer processes. Not making the list of top strategies being taken in our 2020 report, this shows a continued trend of moving to SAP S/4HANA to support business and strategic objectives.

Figure 4: Top strategies taken to address the top drivers

Source: SAPinsider, March 2021

A slightly smaller number (43%) indicate that they plan to modernize reporting and business intelligence strategy to provide faster access to business insights. This showed continued investment in the analytics benefits that SAP S/4HANA can offer, and connects directly to analytics being the top area of investment in our Enterprise Cloud Deployment and SAPinsider State of the Market reports. It also demonstrates how important having clear insight into the information that is stored in SAP S/4HANA, particularly when it often represents a single-source of truth for business and financial data in the organization, is for SAPinsiders.

Only slightly less (42%) said that they were adopting best practice business process models as strategy. Supporting both the driver of the opportunity to re-engineer business processes and the business mandate to better support business users with innovative solutions, these business process models help organizations standardize processes, which will help them continue to meet local and global compliance standards, which a heavily customized system may not support.

The final top strategy is that of deploying a flexible cloud-based or hybrid infrastructure that minimizes TCO and accelerates deployment of software instances in a compliant way. Selected by 41% of respondents, this answer choice fell outside the top five strategies being pursued in our 2020 report and demonstrates that cloud-based deployments are becoming the infrastructure of choice for the majority of those moving to SAP S/4HANA. This connects to the data we saw in our Preparing Infrastructure for SAP S/4HANA report, where only 95% of respondents indicated that they were planning at least some cloud infrastructure for SAP S/4HANA.

Key takeaways

Based on our research with respect to the transition to SAP S/4HANA, the following takeaways are clear:

- **Look for opportunities to streamline and improve processes.** A transition to SAP S/4HANA that does not involve at least looking at existing processes to evaluate what can be reworked

and improved could end up achieving little more than replicating an ECC system inside SAP S/4HANA. While this would alleviate maintenance concerns, it could result in only incremental process efficiency improvements and little effective change. Use the move to SAP S/4HANA to re-engineer and improve processes so that you can fully leverage the efficiencies that the new system brings.

- **Plan for the end of maintenance on existing SAP ERP systems.** Nearly a quarter of the survey respondents currently have no plans for a move to SAP S/4HANA, and another 29% are evaluating the business case. While 2027 may still seem to be distant, ensure that you are prepared for maintenance to end by learning about and planning for the alternatives that are available, whether those are SAP S/4HANA or something else.

- **Update your reporting and business intelligence strategies as part of the move.** As you move to SAP S/4HANA, ensure that you spend time learning about how it can help provide faster access to the insights that you need to run your business. Whether this is with the native reporting and analytics which are part of the product, or by leveraging the reporting that integrated tools like SAP Analytics Cloud can offer, ensure that you take the time to leverage the consolidated view of your data that SAP S/4HANA can provide.

- **Look for ways to adopt best practices in your move to SAP S/4HANA.** Adopting best practice business process models is a top strategy for survey respondents, but best practices can be extended to other areas of the solution like implementation decisions, automating processes, limiting customization, and conforming to standards as much as possible. Make sure that you use the opportunity of the move to SAP S/4HANA to implement as many best practices within your system as possible, which will allow you to fully benefit from the features that it offers.

Chapter Two: How Do SAPinsiders Approach SAP S/4HANA Migration?

We have seen that the biggest factors now driving adoption of SAP S/4HANA are streamlining processes and adoption of technologies that are focused on business needs, and that organizations also require modern reporting requirements and a flexible cloud-based or hybrid infrastructure. The end of maintenance and support for existing SAP ERP releases also continues to be a factor for moving to SAP S/4HANA. We will now examine what requirements respondents are facing, and the technologies they are using as part of their SAP S/4HANA transition.

Top Migration Requirements

The most important requirement that respondents identified was that of minimal disruption to operations as they migrate to SAP S/4HANA (87%). While this was also the top requirement in our 2020 report, it was only important or very important to 70% of respondents. This demonstrates that resilience and system availability has become even more important to the SAPinsider Community over the last year, and correlates with the fact that 65% of those responding to our SAP S/4HANA deployment research last year said that they saw an increased need for system continuity.
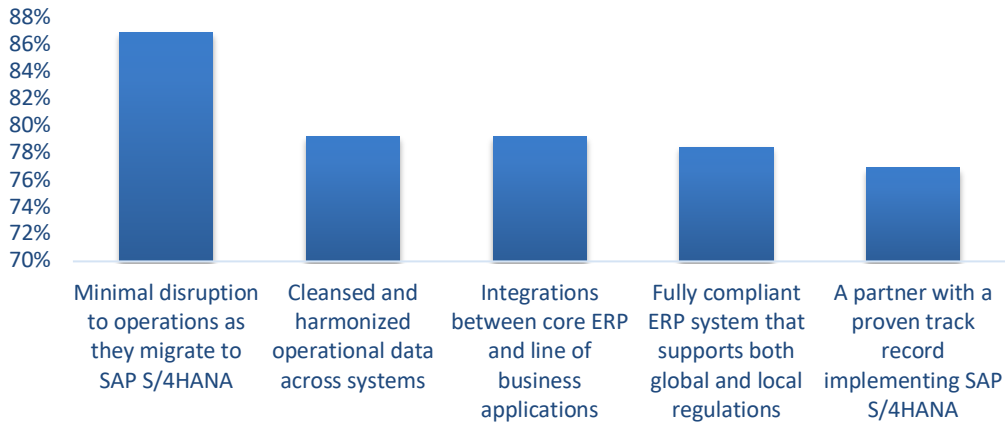
Figure 5: Top SAP S/4HANA migration requirements

Source: SAPinsider, March 2021

Having cleansed and harmonized operational data across systems (79%) was also the second most important requirement for survey respondents in 2021, but last year was only selected by 64% of respondents. This shows that as organizations move to SAP S/4HANA and seek to make it a single source of business and financial truth within the organization, having harmonized data is more important than ever.

Respondents also see a need for integrations between the core ERP and line of business (LoB) applications (79%). This requirement has moved from fifth to second in the list of requirements facing those moving to SAP S/4HANA, and shows that organizations view integrating their LoB applications with their ERP systems as a strategic imperative. Given that we saw that the average SAPinsider is integrating seven different systems with their enterprise ERP and using four different tools to achieve that integration, it is no surprise that putting the parameters in place to achieve that integration is a key requirement.

Other top requirements included having a fully compliant ERP system that supports both global and local operations (78%) and having a partner with a proven track record of implementing SAP S/4HANA (77%). Having a fully compliant ERP system is something that organizations want to achieve without the need for extensive

customizations, as may have been the case in the past, and will allow SAPinsiders to adopt best practice business models as well as provide better support for busines users. Having an implementation partner with experience of deploying SAP S/4HANA is key to minimizing disruptions during the deployment and will allow organizations to streamline the process of data cleansing and harmonization. What may be more challenging is securing the services of these partners as organizations begin their deployments over the next few years.

Which Technologies Do Respondents Use in Their SAP S/4HANA Migration?

Survey respondents indicate that SAP Readiness Check (34%), a modern UI and mobile solution integrated with the core ERP (31%), and extraction, transformation and loading (ETL) tools (26%) represent the most used technologies today (**Figure 6**). Released in 2017, SAP Readiness Check is a tool that allows organizations to see whether their existing ERP systems are ready for the move to SAP S/4HANA. Free to use for all customers with a valid support agreement, it is no surprise that this tool is the most used by those that are planning their transition.
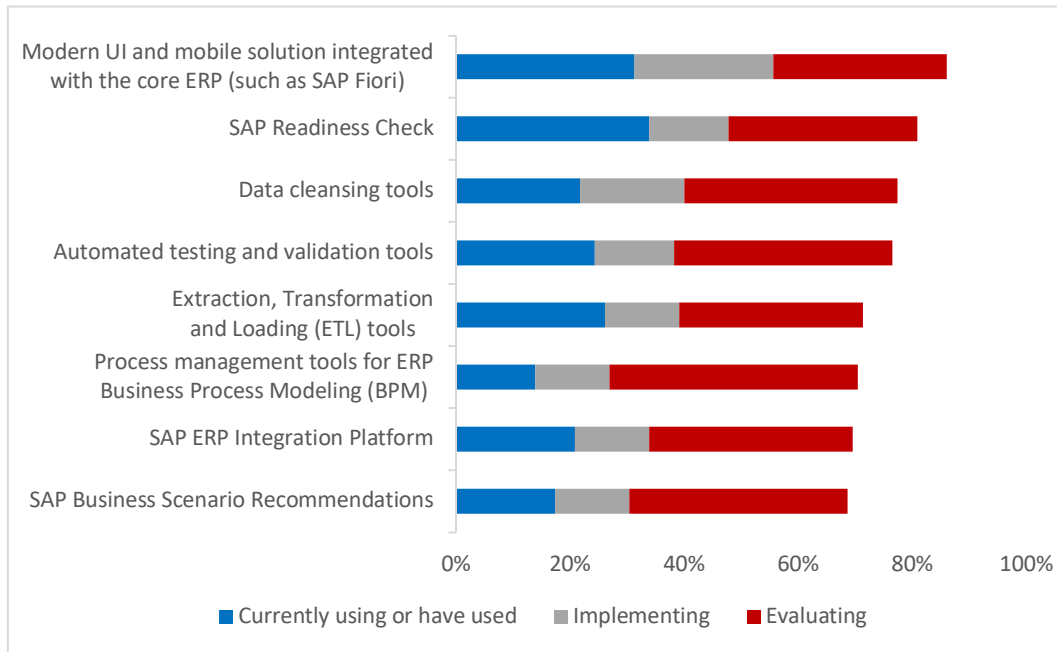
SAPinsider PERSPECTIVE

" Data movement was one of the big workstreams with the migration — customer data, vendor data, open PO's, open invoices, open payments, and GL balances. We used SAP BusinessObjects Data Services to do the extract and transformation. "

**~ Ram Kolisetty
Director, Engineering
Dow Jones & Company**

Figure 6: Technologies used in SAP S/4HANA migration

Source: SAPinsider, March 2021

The modern UI that SAP Fiori represents is a significant advantage for business users who have previously been limited to SAP GUI or Web Dynpro based interfaces, and provides a quick win for organizations that are looking to improve their user experience. Adding those who are implementing or evaluating these solutions, this becomes the most used technology demonstrating the value that a modern UI alone can bring.

ETL tools are a critical part of the process for moving data from existing databases and systems into the new platform that SAP HANA represents. When used in combination with data cleansing tools, currently less in use than ETL tools yet with more respondents implementing or aware of the need for them, these support the requirement of having cleansed and harmonized data across systems. Both are part of a key step to making an SAP S/4HANA system a single point of truth for financial data within an organization.

The most investment (43%) will go into process management tools for business process modeling (BPM), and automated testing and

validation tools (38%). Organizations are aware of the need for BPM tools and the way that these can help them better understand and map the processes within their business and provide insight into how they will work in SAP S/4HANA. If those who are evaluating or aware of the need for BPM tools move forward with them, this will more than double the proportion of those currently using (14%) or implementing (13%) these solutions.

Automated testing and validation tools can significantly accelerate the transition process, and can help organizations reduce the need for tedious, and error prone, manual verification of data that is usually required to ensure that processes are working correctly in the new system. And while respondents may be looking at these tools initially to assist with testing and validation, automation tools can also provide insight into processes in existing systems, as well as performing tasks like documentation and assisting with maintaining SAP S/4HANA once the new system has been deployed.

Supporting the requirement of integration between the core ERP and LoB solutions is the SAP ERP Integration Platform. Currently in use or being implemented by slightly over a third of the survey respondents (34%), having an integration platform that connects both SAP and non-SAP systems with the enterprise ERP is a critical component to making SAP S/4HANA a centralized system from which overall business performance can be viewed, as well as a system from which data can be moved to other critical systems in the enterprise.

Although in use by only half as many organizations as SAP Readiness Check, SAP Business Scenario Recommendations helps organizations build their business case for SAP S/4HANA. However, with the announcement of RISE with SAP, SAP Business Scenario Recommendations will evolve into Process Discovery, a component of Busines Transformation as a Service. Providing insight into business operations, recommendations around SAP S/4HANA functionality, automation, intelligent technologies, and SAP Fiori apps, Process Discovery is an analysis tool that helps

organizations get started with Business Process Intelligence and SAP S/4HANA and is free to maintenance paying SAP customers.

Key takeaways

When it comes to equipping organizations with the capabilities and technologies required for an effective transition to SAP S/4HANA:

- **Determine where you will use partners in your deployment.** Less than a quarter of SAP's enterprise ERP customers have already deployed SAP S/4HANA, with a slightly smaller number in the process of running an implementation. This leaves more than half to finalize their plans, potentially causing a bottleneck if all those organizations are looking to leverage a partner that has a proven track record with implementing SAP S/4HANA. Ensure that you plan for the move and understand the timing so that you can engage the services you need during your deployment.

- **Reduce customizations with the goal of having a more compliant ERP system.** Although it may seem counterintuitive, having a system with less customization will make it easier to meet the requirement of having a fully compliant system that supports both local and global regulations. The less custom code needs to be executed, the more you can take advantage of the functionality built into SAP S/4HANA. Having a system with fewer modifications will also make future upgrades easier.

- **Explore the benefits that a modern UI can offer.** Although nearly a third of the survey respondents were already leveraging the modern UI that SAP Fiori offers, most of those being respondents who are running or implementing SAP S/4HANA, the benefits that can be realized are significant – particularly in the area of end-user satisfaction. While some power users may prefer access via a more familiar interface, with 61% of those who are already running SAP S/4HANA saying that they have seen improved end user and business satisfaction, the user interface is a huge part of this benefit.
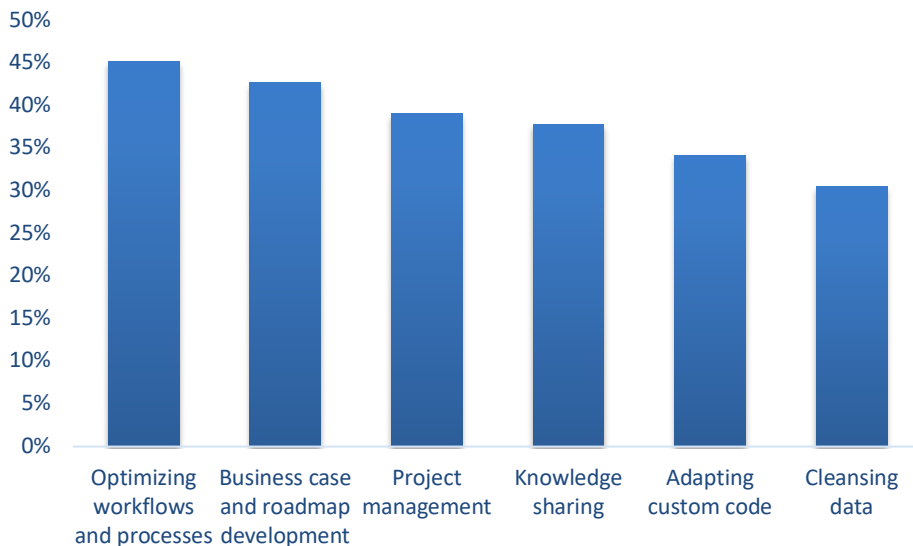
- **Prepare your data for the move to SAP S/4HANA.** With the changes not only in database but also in table structure that are part of SAP S/4HANA, it is important that organizations begin the planning for the transition early. Understanding the new table structure, which tables will be eliminated, and which have been added will be important not only from a data transformation and loading perspective, but also in integrating data from other enterprise applications.

Chapter Three: Required Actions

The transition to SAP S/4HANA is a significant project for every organization, whether they are doing a system conversion with as few changes as possible or including SAP S/4HANA in a broader business or digital transformation that involves not only the implementation of the ERP system but a potential move to a new environment and infrastructure. However, regardless of the nature of the move, it is clear that SAPinsiders are now primarily looking at SAP S/4HANA to support business and strategic initiatives.

Less than a quarter of those surveyed (22%) indicated that they had no plans to use System Integrators (SIs) as part of their migration. Of the remaining respondents, the two biggest areas they planned to leverage SIs were in optimizing workflows and processes (45%) and business case and roadmap development (43%) as seen in **Figure 7**.

Figure 7: In what ways do you plan to use System Integrators during your move to SAP S/4HANA?

Source: SAPinsider, March 2021

Drilling into the data, those who do not plan on using SIs during their SAP S/4HANA transition were more likely (64%) to be running

SAPinsider PERSPECTIVE

"
We typically look at new solutions, features, and releases and then decide from a business perspective whether we should move forward. Our business case is to harmonize processes and systems across several regions, and SAP S/4HANA is the only tool that can do this.
"

~ **Program Manager Global Manufacturer**

SAP ECC 6.0 EHP6 or EHP7 than the survey as whole (51%). On the other hand, those who selected that they are likely to be using SIs for optimizing workflows and processes were much more likely to be running an earlier version of SAP ECC – 58% versus just 38% for the survey as a whole. This suggests those on older versions of SAP ECC believe that they will need more assistance with migrating their existing workflows and processes to SAP S/4HANA than those on more recent versions of SAP ECC.

No matter what plans organizations currently have, with slightly less than a quarter of SAP's enterprise ERP customers currently running SAP S/4HANA, there are many more who are yet to make the move. While plans may have been impacted due to the global pandemic, the remote business environment, supply chain disruptions, or Brexit, organizations need to make sure that they are prepared for the end of mainstream maintenance of existing ERP systems in 2027.

Steps to Success

Our research reveals that SAP customers should apply the following key steps around their move to SAP S/4HANA:

- **Evaluate and understand your existing business processes and use the move to SAP S/4HANA to streamline and improve them.** Organizations that are running older SAP ERP systems frequently have a significant amount of customized code – tens or even hundreds of thousands of lines. Much of this may no longer be used in day-to-day functionality, but determining what is in use and what can be discarded can be a significant task. Starting early with evaluating and understanding processes, and what customizations are absolutely essential, will be critical to streamlining and improving them in SAP S/4HANA.

- **Explore the reporting and analytics options within SAP S/4HANA to provide deeper business insights.** With SAPinsiders looking to gain more insight into their current business performance, what is happening with their global supply chain, or just make more informed decisions more

quickly, SAP S/4HANA can help achieve these goals. Examine the reporting and analytics options within SAP S/4HANA, and look to maximize your use of the solution. And if you're running or deploying SAP S/4HANA Cloud, leverage your SAP Analytics Cloud license to do the same.

- **Understand the benefits that different deployment models represent, particularly cloud-based options.** One of the top strategies that respondents are following is that of deploying a flexible cloud-based or hybrid infrastructure that minimizes TCO and accelerates deployment. But these infrastructure choices also increase flexibility and provide scalability within the enterprise architecture, key requirements from our Preparing Infrastructure for SAP S/4HANA report. As you move to SAP S/4HANA, examine the options that different deployment models offer, and see whether a cloud-based or hybrid environment provides you with the benefits that you need.

- **Identify how automation and integration can accelerate the transition process and link business-critical systems to your ERP.** Both automation and integration offer the potential to accelerate your SAP S/4HANA transition, especially when they are included in the planning for the process. Working from the beginning to include plans for automation to provide insight into existing processes, and to provide testing and validation, has the potential to both streamline and accelerate the implementation. Similarly, determining plans for how the system will be integrated with other enterprise applications ahead of time will allow for easier data movement, and ensure that the system can immediately be linked to business-critical systems.
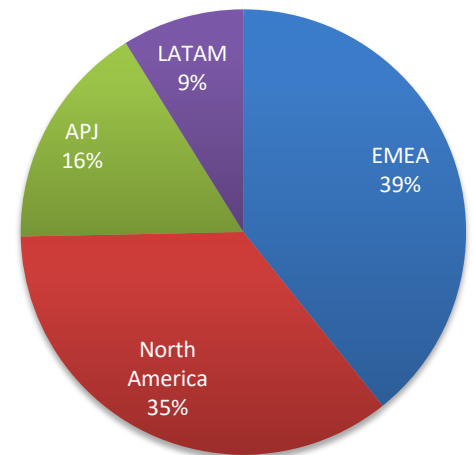
Methodology

In February and March 2021, SAPinsider examined the experiences of business and technology professionals related to their overall plans for SAP S/4HANA. Our survey was administered to 169 members of the SAPinsider Community and generated responses from across a wide range of geographies, industries, and company sizes. Respondents completed an online survey and provided feedback in customer interviews that questioned them on topics such as:

- What best describes your organization's current SAP S/4HANA adoption status?

- What internal teams are involved in your organization's decisions regarding SAP S/4HANA?

- What benefits have you seen, or goals have you met, with your SAP S/4HANA migration?

- In what ways does your organization plan to use System Integrators in your move to SAP S/4HANA?

The demographics of the respondents included the following:

- **Job function:** Functional areas reported by respondents include: Information Technology (66%), Finance and Accounting (4%), Business Development and Sales (3%), and Customer Experience and Customer Service (3%).

- **Market sector:** The survey respondents came from every major economic sector, including: Industrial (36%); Software and Technology (29%); Public Services & Health Care (11%); Financial Services & Insurance (8%); Retail & Distribution (8%); Hospitality, Transportation, and Travel (5%); and Media & Entertainment (4%)

- **Geography:** Of our survey respondents, 39% were from Europe, the Middle East, and Africa; 35% were from North America; 16% were from Asia-Pacific, Japan, and Australia; and 9% were from Latin America.

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Pie chart: LATAM 9%, APJ 16%, EMEA 39%, North America 35%

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