

SLO Introduction

Fast track training (FTT)

SLO Introduction

Before this lesson you should be familiar with...

- **SAP basics**
 - Landscape organization,
 - Organizational units in SAP,
 - Client definition
- **High-level understanding of business transformation**
 - Do you know a recent companies merger in your country?
 - If not google some and tell this to your buddy

After this lesson you should be able to...

- You can talk about SLO and outline the general approach (methodology),
- You know typically used tooling,
- You know typical roles & responsibilities in a SLO project
- You have an overview about important people at SAP dealing with the SLO topic

TOPICS

- SLO „mission“
- Scenarios
- SLO Service portfolio
- Planning of SLO projects



SLO Introduction

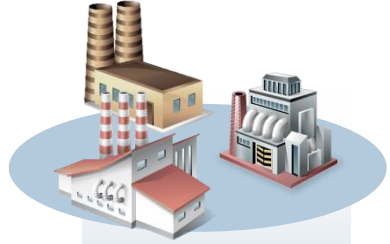
SLO stands for System Landscape Optimization

SAP systems are quite static and were not designed to handle organizational changes what business life brings to the corporation. Changes like company code merge, divestitures, acquisitions, process optimization (e.g. by harmonizing chart of account, profit centers, cost centers or other org. units) or even more technical TCO driven SAP landscape consolidations cannot be done with any standard functionality built in SAP systems. SLO has been founded to address challenges related to such business changes and reflect them in the SAP systems **without data loss or any business process interruption.**

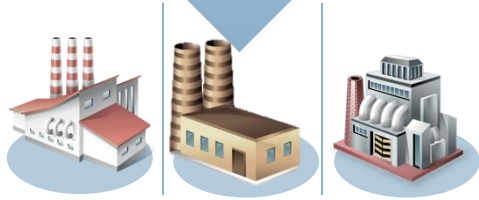
Mission

To help your business to reflect daily life changes in your SAP landscape without an impact on your business processes or data integrity.

Datavard SLO portfolio



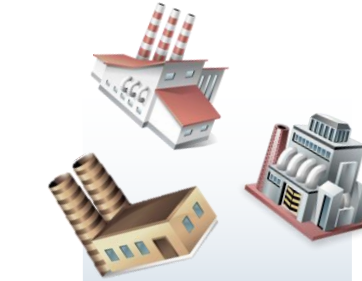
**Divestiture
Company split**



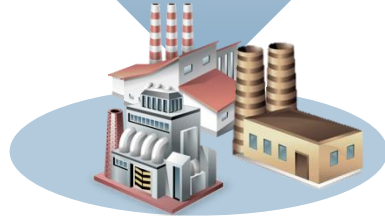
Armstrong

OSRAM

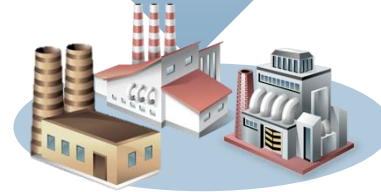
DePuy Synthes
COMPANIES OF Johnson & Johnson



**Company integration
M&A
Mergers & Acquisitions**

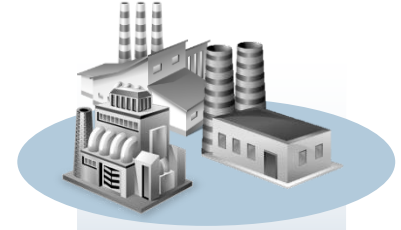


**Reorganization &
Harmonization**

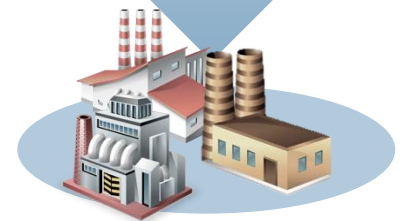


SONY

ACTEGA
Coatings & Sealants



**Technology change
Upgrade / migration**



Nestlé

Project Samples: Merges & Acquisitions

Project title: SONY System Consolidation (March 2013 – July 2014)

Project location: United States and UK

Industry: Hi-Tech

Project summary: Consolidation of 2 ERP and 2 BW systems including the Upgrade, Unicode conversion, OS/DB migration, SAP processes unification and move of data center.

Project effort: ≈ 1.400 consulting days

DataVard's involvement: DataVard and SAP SLO team consolidate SONY's European and American system landscapes (ERP and BW)

Project title: ESKOM ERP Systems Consolidation (July 2010 – December 2010)

Project location: South Africa

Industry: Utilities

Project summary: Major utilities company in South Africa simplify their landscape and reduce their TCO by merging 4 production ERP system and 3 legacy systems into single target client. Using selective data migration only relevant data were moved and consolidated into target client. Due to different releases of source clients upgrade was necessary.

Project effort: ≈ 250 consulting days

DataVard's involvement: DataVard supports SAP SLO team in consolidating ESKOM system landscape.

Project title: 12into10 September 2014 – February 2015)

Project location: UK

Industry: Property services

Project summary: Harmonization of business processes: Company Code merge using standard classical migration approach (creation new master data and reposting transactional data)

Project effort: ≈ 500 consulting days

Project title: MuellerMilch Zukunft (June 2012 – October 2013)

Project location: Germany

Industry: Property services

Project summary: European market lead in dairy and food products is running acquisition of a smaller company including system harmonization and data integration. In first part of the project SAP LT Chart of Accounts conversion is ran on source system to harmonize the data on the source system. In second step classic LSMW based migration is executed for data integration.

Project effort: ≈ 1.200 consulting days

Project title: GE Oil&Gas Company Code merge (February 2016 –)

Project location: US

Industry: Oil & Gas

Project summary: Pure Company Code merge as a consequence of business processes optimization requirement

Project effort: ≈ 100 consulting days

Project Samples: Data harmonization and conversion

Project title: St. Louise Public Schools Data Harmonization (January 2014 – July 2013)

Project location: US

Industry: Education

Project summary: The school district of the city of St. Louis, Missouri managed to restructure their ERP system with regards to master data and FI reporting functionality thanks to the support of consulting partners DataVard and EPI-USE. Due to the out-dated structures and customizing of the system the system was not fulfilling the needs of the users and state department. The SAP product SAP Landscape Transformation (LT) was used in combination with DataVard's extensions to implement the system optimization project

Project effort: ≈ 300 consulting days

Project title: COIN „Harmonization,, (Jan 2014 – Sept. 2014)

Project location: France

Industry: Space

Project summary: SAP LT – Chart of accounts, Asset classes and Account determination

Project effort: ≈ 150 consulting days

Project title: NP Profit Center Merge (Oct 2013 – Jan 2014)

Project location: US

Industry: Pharmaceuticals

Project summary: Architecture and Proof of Concept for profit center merge in New GL, data model change.

Project effort: ≈ 50 consulting days

Project title: Actega Company Code merge (March 2016 - ongoing)

Project location: US

Industry: Additives & Instruments

Project summary: Actega has come with request of Company Code merge and Sales Organization restructure. Project is merge of SAP LT standard package and additional development to fulfill Actega needs.

Project effort: ≈ 180 consulting days

Project title: CRM Data optimization (January 2012 – May 2013)

Project location: Belgium

Industry: Utilities

Project summary: Accelerated SAP CRM Upgrade from 4.0 to 7.02

Project effort: ≈ 200 consulting days

Project title: Parallel currency introduction (March 2016 – July 2016)

Project location: US

Industry: Automotive

Project summary: Parallel currency introduction and current fiscal year recalculation for financial and controlling purposes

Project effort: ≈ 100 consulting days

Project Samples: Carve outs

Project title: NIS Company Divestiture (January 2013 – October 2013)

Project location: Serbia

Project duration: Industry: Oil and gas

Project summary: SAP LT company code deletion. OMV sold Serbian gas station to NIS company

Project effort: ≈ 100 consulting day

Project title: REXAM Company carve-out (July 2012 – February 2013)

Project location: France

Industry: Packaging

Project summary: Company carve out conversion with SAP LT Company code deletion

Project effort: ≈ 500 consulting days

Project title: CIRC IT Company code carve out (March 2011 – July 2011)

Project location: Germany

Industry: Publishing

Project summary: Carve out of company codes representing the Spotlight Company to new SAP client. The focus during the carve out is set to Financial and Controlling modules, which are the mostly used components by the migration relevant organizational units.

Project effort: ≈ 200 consulting days

Project title: SPP Eustream Company carve out (August 2011 – January 2012)

Project location: Slovakia

Industry: Utilities

Project summary: SAP LT – Company code deletion. "Unbundling"

Project effort: ≈ 450 consulting days

Project title: Park&Bellheim Carve out (April 2011 – September 2011)

Project location: Germany

Project summary: Migration Workbench (MWB) based migration, installation and set up of target landscape, copy of all data which belongs to a specific company code into the target system All customizing settings and data which don't belong to the new customer are deleted in the target system.

Project effort: ≈ 300 consulting days

Project title: ARKEMA Company carve out (October 2011 – June 2012)

Project location: France

Industry: Chemicals

Project summary: Migration Workbench (MWB) based migration using Process Data Migration (PDM) technology combined with selective system copy and classical approach (LSMW) for FI/CO (posting/clearing of selected documents).

Project effort: ≈ 1.600 consulting days

Approaches



Greenfield

Scope

- Set up complete new system(s)
- Complete process or data model redesign

Risks and results

- Decision procedure may take longer than expected
- “Scope Explosion”
- Projects can run over budget and timeline
- Huge impact on ongoing business
- No historic data is retained necessity of running old systems in parallel
- Archiving solution required

Conclusion

- Necessary if business changes completely
- Should be only applied, where really necessary (strong business changes required)



Brownfield

- Use existing system as target platform
- Partial process or data model redesign
- Restructuring and re-work of existing data before consolidation

- Complex decision process
- Same risks as for greenfield apply for part with process or data model redesign
- Difficulty of integration / consistency of objects
- Potentially big impact on ongoing business
- Archiving solution required

- Compromise solution – should only be applied if scope is clear and the business cannot be fully restructured



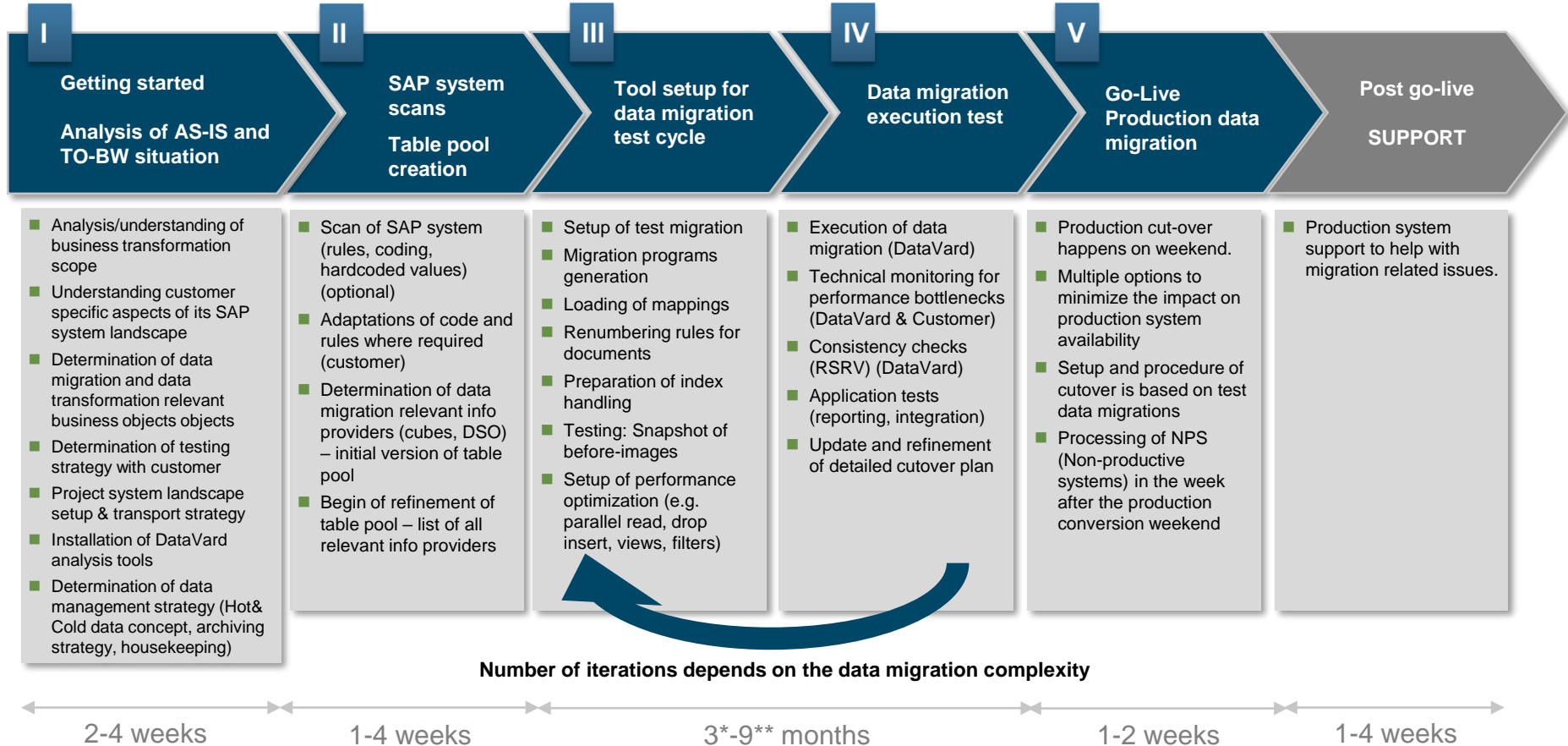
SunfLOWer field

- Use existing system as target platform
- No process disruption
- Processes and data are only changed, where necessary
- Further process harmonization can be achieved step by step as followup project(s)

- History is completely retained
- Scope of project is more stable (=> projects stay in budget and time)
- Less change management effort
- Minimized business impact
- Process redesign only where required
- No archiving required

- Easiest, fast and predictable solution
- Enables quick wins
- Process redesign after the consolidation

Business transformation tool based methodology by DataVard



* Note: Achievable only together with an automated testing solution (DataVard has software KATE for this purpose)

** Note: Depends on the scenario complexity and thus on number of test cycle. With multiple tests the phase III and IV may exceed 9 months

Test cycle procedure in detail

DataVard: Provide all required transports
Customer: Importing transports
DataVard: verification of all imports and tool installations

DataVard: Work process / system configuration recommendation. Run test migration and monitor.
Customer: implement system config. recommendations and monitoring on OS and DB level

Provide test system (system copy of production)

Provide DataVard tools
Verification of tool installation

Preparation of test migration

Execution of test migration

Goal: validate the data transformation / migration on reporting (BEx, WebTemplates) and on list cube level
DV: Provide tool for automated testing KATE & troubleshooting on reported issues, support with test cases design
Customer: prepare and execute the test cases within KATE.

DataVard: Customize the conversion/migration toolset, e.g. build table pool, load mappings. Check interfaces dependencies (e.g. ERP<->BW; ERP<->CRM,...)
Customer: table pool refinement where needed. Test case preparation (e.g. before images)

DataVard: save all settings and runtime and information from test systems – then give GO to customer for system refresh.

Test phase #1
(Reporting & completeness)

Test phase #2
(Functional tests)

Test phase #3
(Integration)

Test closing

Customer: reporting tests, Planning, SEM-BPS / SEM-BCS, custom build application (if applicable). Authorization concept; Functional consistency
DataVard: standby & troubleshooting where needed

Customer: Interfaces with other systems.
On BW - ETL tests and integration with source systems
Testing of update rules, transfer rules, transformations, etc. Verification of customer specific developments

Customer lead

DataVard lead

SLO DMteam at SAP

Today's* SLO management team in Consulting:

- Stefanie Kübler – head of SLO
- Alexander Rombach – responsible for divestitures
- Susanne Reich – TDMS, BW, DMS Unifications
- Sascha Pfrommer – South America, Africa
- Klaus Thiele – partner manager
- Gerd Hagmeier – CRM/SRM
- Nobue Nakai – Japan, Asia, Australia
- Simone Buschmeier – Standard delivery

Important Practice units lead:

- BW – Axel Marschall
- SRM/CRM – Stefan Meier

Development in SAP AGS

- Wolfgang Gutberlet
- Michael Geisler
- Sebastian Rettelbach

SAP SLO Tools: An Overview

- LT: SAP product to support Landscape Transformation (LT). It is being build on experience from consulting projects delivered using tools below:
 - CWB: Conversion Workbench
 - MWB: Migration Workbench
 - Enigma: Conversion Workbench for cross-system scenarios
 - CCW: Contract Conversion Workbench
 - PDM: MWB for object-based-migration
 - CMIS: MWB-based migration tool for client move
 - SCWB: System Comparison Workbench
 - ReLine: BW data harmonization/migration tool from DataVard*

Another tool Separate tools:

TDMS: MWB-based SAP product for creating small test systems



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