Lost in Transformation?

The fact is that 100 percent of the existing SAP user base will migrate to the cloud in some way by 2025. Perhaps it is not for everyone, but it's going to happen, nevertheless. That raises a lot of questions: How? When? Which cloud? And it follows that the following questions also arises: With which service provider?

COPY —— Axel Oppermann

User companies have eight requirements for the operation of their SAP infrastructure: "security," "availability" (also in the sense of system stabilty), "resilience" (also in the context of system stability and elasticity), "migration and ecosystem," a "powerful and integrated platform," "innovation capability," "experience" and "sustainability." This is the basis for the cloud. The cloud should simplify and standardize everything, but the more cloud systems that interact with each other, the more complex it can become. It will, therefore, become important to combine hyperscale-esque agility in data centers and public-private clouds with the edge, however the edge is defined.

This also means making individual SAP applications available in the correct cloud as needed, and managing and orchestrating the resulting infrastructure as a whole. At the same time, it needs to be ensured that all SAP and non-SAP applications are appropriately integrated (i.e. that reliable data exchange takes place). This ensures that the data is processed securely and protected across the various applications and that even the most diverse solutions can "communicate" with each other. Very few user companies are currently in a position to solve such a task.

ALL SPECIFICATIONS COMBINED

Among service providers as well, the number of those who combine cloud know-how with the numerous infrastructure options are rare. Those who additionally have SAP expertise and project experience and are just as familiar with operations as they are with transformation even more so. Those who offer a broad modular portfolio, either as managed or unmanaged service in the core areas of SAP and Cloud, as well as the adjoining areas of competence are extremely rare.

Differentiated and hybrid or multi-cloud environments that take advantage of the various Cloud worlds unite, well become the standard, says Axel Oppermann, analyst at Avispador.

With "SAP on any Cloud", for example, T-Systems brings SAP solutions to "all" clouds, i.e. to private, public, hybrid and multi-cloud environments. In other words, the company's own Dynamic Cloud platform, the Open Telekom Cloud, AWS and Microsoft Azure. This enables the ideal strategy for each user company to emancipate itself from the technological platform.

This approach is not new in principle. Differentiated and hybrid, or multi-cloud, environments that combine the advantages of different cloud worlds are becoming the standard. What is new, however, is the way T-Systems transforms its own knowledge into a technological advantage. A powerful technological platform, combined with a broad ecosystem, resources and process know-how, leads to resilient, available, flexible and secure infrastructures – one entity for customer success essentially.

HOW? WHEN? WHICH CLOUD?

Cloud services have now established themselves as an integral part of IT portfolio management. This statement also applies to SAP systems especially. The days when companies viewed cloud services primarily as a means of expanding infrastructure are long gone. The cloud is currently a key resource for the modernization of business. The challenge is therefore to select solutions for problems and requirements that meet the current and future needs of the company.

However, since requirements are constantly changing at an increasing speed, sourcing that creates meaning and added value in the long term no longer seems to be effective. Rather, the infrastructures must be masterfully adaptable. What is needed is intelligent development of SAP operations. For the majority of user companies, it is not possible to achieve this without the services of specialized service providers. This would clarify the "how," and "which cloud" questions at the same time. Service concepts such as "SAP on any Cloud" would be one answer. That just leaves "when." The truth is, it depends on the individual agenda. For existing SAP customers, it should take place within the next 60 months – sooner rather than later. A "leapfrogging" if you will, as with previous cloud innovations won't be worth it.

SAP AND USER COMPANIES

Technological change is bringing about massive changes in companies. However, the fact that SAP is taking this development into account does not automatically make it easier for SAP users. 2025 floats like the sword of Damocles over existing customers' heads. SAP postulates "Cloud only" and "Cloud first." It would therefore be ideal to implement a dual path of on-premise and cloud solutions. In addition, there is no obvious solution to finding a suitable service provider to accompany a complex project. Good consultants who master strategic development are rare. Even if the number of service providers suggests otherwise.

WHY IS THE CLOUD SCENARIO SO IMPORTANT FOR SAP?

The cloud offers SAP the opportunity to implement innovations more quickly and to distribute new releases faster. While in the past it was primarily a question of ensuring the quality of the software provided, other requirements of user companies are now being added: stability, security and scalability, to name just a few. The cloud allows SAP to differentiate itself from direct and indirect competition, retain customers and market new services.

USER COMPANIES AND SAP

Many customers are unaware of the value of S/4/HANA®. Fully integrated business processes, from customer contact to the supply chain and back, for example, are difficult to map or implement. Increasing productivity is important as SAP demonstrates. However, other topics have higher priority. Many SAP customers do not see an ERP project as a fundamentally new opportunity for digitalization or for changing business processes, but rather as an infrastructure project. This assessment leads to considerable disadvantages.

WHAT MAKES THE CLOUD SCENARIO SO IMPORTANT FOR SAP CUSTOMERS?

The cloud enables user companies to use SAP solutions as an initiative for digitalizing or building new business models in the context of modernization. They can break out of the "plan-build-run" corset and approach topics such as DevOps and agile work. The aim here is to find the right mix of cloud ecosystems for your own company, always taking the timeline into account.