WHY NOW IS THE RIGHT TIME FOR SAP ON MICROSOFT AZURE
Today’s business demands are driving an immediate need for organizations to develop a focused strategy to migrate SAP applications to the cloud.

Support for SAP ERP or SAP ECC software that runs on traditional relational databases like Oracle, DB2 and SQL Server is set by SAP to end in 2027. At that time, all firms running SAP ERP software will be mandated to migrate to SAP S/4HANA, the newest SAP ERP Suite. Even without this compelling event, as support for older software becomes harder to find, the cost of maintaining on-premise ERP solutions will remain high with time-to-value staying low. The push to invest in transforming business practices and modern ERP landscapes will only continue to grow as the 2027 date looms closer. It is critical that business leaders, specifically CFOs and CIOs involved in future ERP strategies plan appropriately to prepare for this change, even if your organization is not ready to adopt S/4HANA immediately.

Businesses have already seen the value of the cloud; since 2016 the average cloud budget has spiked by nearly 36% with 73% of organizations having at least one new application in the cloud and enterprises already running parts of SAP in the cloud. The flexibility, scalability and productivity that the cloud offers combined with the need to reduce operating costs, increase cash flow and react quickly to new opportunities have many organizations looking towards running their core operational processes in the cloud.
The cloud can provide significant business benefits including not only total cost of ownership (TCO) reduction and faster time to delivery but also access to innovation. Agility and flexibility are imperative to changing consumer and market demands. An array of cloud-based capabilities for SAP, from faster transaction processes and advanced analytics to the Internet of Things (IoT), cloud and infrastructure security, sophisticated identity management capabilities and industry-specific solutions, can help businesses not only operate, but remain competitive in the digital era.

When businesses are considering whether to move to a private or public cloud platform, it’s becoming increasingly clear that the public route offers the greatest business benefits to fully future-proof your SAP investment. SAP's workloads are proven for the public cloud and in determining which public cloud provider to select and for SAP workloads, Microsoft Azure is a leading choice among the majority of enterprise customers.
Cloud Transformation with SAP on Azure: Scalability, Security, Innovation

Used by 90 percent of Fortune 500 companies, there are many reasons why Accenture recommends Microsoft Azure for an enterprise environment to enable the best of the SAP S/4HANA digital core.

- A flexible, integrated platform supporting productivity gains with Infrastructure as a Service (IaaS) and workplace modernization
- **Scalability** to support increasing volumes of SAP and non-SAP workloads with ease and on demand
- **Supports security and compliance needs** with enterprise-grade security and privacy built in
- **Accelerate innovation** by leveraging artificial intelligence, DevOps and analytics
SAP has selected Microsoft Azure as its preferred cloud partner for SAP S/4HANA migrations. The combined power of SAP and Microsoft helps reduce the complexity and minimizes the costs of moving from on-premises to the cloud. Azure is a compelling SAP-certified public cloud infrastructure able to handle the largest SAP HANA workloads. It’s the largest certified public cloud for SAP, with the ability to handle large HANA instances (HLIs) with scale-up for online transaction processing (OLTP) workloads up to 24TB and scale out for online analytical processing (OLAP) workloads up to 64TB today. There is also a seamless transition from bare metal large HANA instances to the new M-Series Version 1 - 4TB Azure Virtual Machines for HANA workloads. In addition, M-Series Version 2 - 6TB and 12TB Virtual Machines are now available.

**SAP ON AZURE BENEFITS**

- **LONG-TERM COST REDUCTIONS**
  - of 30-50% annually.

- **ROBUST PREDICTIVE CAPABILITIES**
  - delivered by industrialized SAP solutions that enrich your data.

- **ENORMOUS REACH AND RELIABLE ARCHITECTURE**
  - built in, with high availability and Disaster Recovery for business continuity with 99.99% uptime.

- **COMPREHENSIVE SECURITY**
  - that spans across all layers and delivers policy-based, automated enforcement.

**Which Strategy is Best for Your Infrastructure?**

Businesses deciding on their strategy for running SAP on Azure need to assess where they are in their current SAP lifecycle and what they believe the future for their SAP platform will be. As they do, it’s important to assess their current environment so they can better create a roadmap strategy for SAP application migration.
TIME TO MOVE
Journey to Microsoft Azure for SAP applications

Today’s business demands are driving organizations to move SAP applications to the cloud.

**REDUCE**
Technical migration to Azure, take out the cost, enable future digitization

**RENEW**
S/4HANA on Azure to run efficiently and to enable digitization of SAP

**INNOVATE**
S/4HANA on Azure combined with SAP Cloud Platform and Microsoft’s Machine Learning and Cognitive Learning capabilities

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**Technical SAP Migration**

A rapid migration of existing SAP and non-SAP applications to Microsoft Azure allows for exiting the data center and lowering infrastructure costs, freeing up funding for reinvestment in business growth initiatives. Azure services can be provisioned as-a-service and delivered as a managed service.

**Leapfrog to the Azure Cloud with Greenfield S/4HANA’s Digital Core**

Renewal of core ERP is key for implementation of SAP S/4HANA Digital Core on the Microsoft Azure Public Cloud Platform. S/4HANA’s simplified business processes on a high-performance HANA database on Azure is the clearest path to the cloud. SAP and Microsoft’s partnership streamlines migration while a collaborative support model assures customers can confidently and efficiently transition into intelligent enterprises.

**Digital Innovation**

NextGen business transformation is created through implementation of SAP S/4HANA on Azure. Clients can leverage the rich capabilities of SAP Cloud Platform and, together with Microsoft Azure, can unleash the full potential of digital innovation. Enable increased intelligence with SAP Cloud Platform combined with Microsoft Azure’s PaaS capabilities to leverage innovation in Artificial Intelligence & Machine Learning, Big Data & Analytics and IoT.
Accenture has developed several assets and accelerators that can support an effective and rapid migration of SAP to Azure. These tools accelerate SAP on Azure DevOps and automation, provisioning, deployment and operations resulting in speed to market as well as increased quality, standardization and cost efficiency. These assets offer the end-to-end control, governance and visibility over all the manual and automated activities that complex SAP migrations require.

Accenture’s next-generation myWizard tool and platform will help clients with cloud resource provisioning, delivery and governance for SAP on Azure implementations. myWizard is an end-to-end cloud management portal and governance tool to manage SAP and non-SAP workloads on Azure.

myNav from Accenture is another cloud platform and tool that helps navigate complex cloud landscapes with a variety of tools.

myConcerto for SAP is an insight-driven, digitally integrated platform that orchestrates the power of new SAP solutions and technologies, and Accenture’s industry and functional expertise. myWizard integrates with myConcerto to deliver end-to-end intelligent enterprise.

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**THE POWER OF ACCENTURE WITH SAP ON AZURE**

SAP on Azure DevOps and cloud automation tools cover the breadth of deployment, operations and administration of SAP landscapes. These tools are able to:

- **Save 30%** in Azure infrastructure provisioning and build, a reduction from 30 days to five days for large and complex HANA environments
- **Save 5-10%** in SAP basis automation for Azure migrations
- **Save 5-10%** in intelligent Azure infrastructure operations
- **15-20% Reduction** in SAP security efforts
Understanding the benefits of SAP on Azure is also in Accenture's own business practices. A need to keep up with a faster pace of change, growth, larger volumes and diverse business drove Accenture to evolve our own Enterprise Resource Planning (ERP) to be ready for future needs. A proof of concept led to selecting Microsoft Azure to migrate SAP Business Warehouse on SAP HANA to Microsoft Azure in a span of only six months.

Accenture, Microsoft and SAP engaged in extensive workshop and designing to build architecture that can now be used as a template for future Microsoft and Accenture customers.

**Accenture’s SAP on Azure Journey:**

- **70%** faster financial reporting
- **38%** performance improvement in month-end close processing
- **70%** faster broadcasting of data to downstream systems
- **New agility** for faster response to business changes
- **Further fortified our ERP security and enabled secure SAP HANA agile delivery governance**

Our experience and understanding of SAP on Azure within our own environment makes it possible to better help our own clients wanting to take this same leap.
CARLSBERG’S STRATEGY TO ACCELERATE GROWTH AND IMPROVE MARGINS

Carlsberg approached Accenture with a business strategy targeting increased digital connectivity between the company and its customers, supply chain and employees. Carlsberg’s SAIL22 corporate strategy had a business goal to be a digitally connected enterprise. Transitioning to Cloud on Microsoft Azure was one of the strategic drivers to help reach the corporate goal. Working closely with Microsoft and SAP, Accenture transitioned Carlsberg’s core infrastructure and business-critical applications to Azure in less than six months. The transition modernized the enterprise, making it more dynamic and agile, covering more than 150TB of data on 600 servers and 200 applications for more than 10,000 employees.

The results are already pouring in and Carlsberg has seen an improvement in IT systems stability, more agility and responsiveness in company infrastructure, enhanced resiliency, scalability and lower IT operating costs. The journey to Azure has also positioned Carlsberg with innovation abilities in DevOps, IoT and AI. As one example, Carlsberg approved the experimental design of a new, sustainable, lighter-weight beer keg outfitted with IoT sensors to gauge real-time consumption and link consumption directly with marketing campaigns—a first for the company. With this “connected bar” solution, which is now in full production, Carlsberg has real-time insights into the effectiveness of its multimillion-dollar sales campaigns tying that consumption to marketing campaigns. In addition, the brewery recently launched Carrie, a security chatbot developed by Avanade that provides employees with answers to security rules and regulations 24 hours a day, 7 days a week. The company is now looking at new ways to interact with customers. For example, the brewery recently launched “Carrie,” a security chatbot solution developed by Avanade, through which employees can get 24/7 support for requests regarding security rules and regulations.

“In a highly dynamic and competitive industry, this provides a digital growth platform that enables us to deliver exceptional services and experiences of what we believe is the best beer in the world.”

—Mark Dajani,
CIO and SVP of Global Business Services at Carlsberg Group

Working closely with Microsoft and SAP, Accenture transitioned Carlsberg’s core infrastructure and business-critical applications to Azure in less than six months.
**TULLOW OIL’S MIGRATION TO THE CLOUD**

Accenture worked with Tullow Oil to achieve a fast, flexible and resilient infrastructure platform for their SAP landscape, allowing control over costs and mitigating risks around disaster recovery.

As a first step, Accenture inspected the company’s cloud hosting strategy to infer benefits from a migration to the cloud, which included:

- **COST CONTROL AND RESILIENCY**
  Greater cost flexibility and visibility, as well as enhanced resiliency

- **AGILITY AND SCALABILITY**
  The adoption of an agile and scalable solution that would be able to flex according to the company’s requirements

- **TRANSFORMATION AND INNOVATION**
  A platform for future digital transformation and innovation

Through transformation to Azure, the oil company is now prepared for future innovation, creating a resilient, flexible platform. The company continues to grow in partnership with Accenture, and utilization of Azure has brought cost reductions, enhanced resiliency and scalability.

**A GLOBAL PHARMA COMPANY’S IMPLEMENTATION OF S/4HANA ON AZURE**

In an effort to standardize global business practices reliably and at scale, Accenture harnessed the power of Microsoft Azure for a global pharmaceutical company.

Due to the international practices of the pharmaceutical company, a “global management” system was needed to promote cross-border standardization and maintain a high presence in the international market. This led to Accenture suggesting an integration with a cloud platform. Microsoft Azure was adopted for all environments, providing scalability not just for the initial build, in the future as the company expands.

The company now boasts a better workflow fostered between countries and a reduction of delay in day-to-day business practices. Thanks to a migration to Azure, the business is able to rely on a higher level of reliability and reduction in cost from standardization.
Next Steps: Are You Ready?

Will you be ready to modernize your SAP landscape? While many organizations are preparing to upgrade their legacy SAP landscape to SAP S/4HANA, there is a compelling business case to even do a technical migration of your legacy SAP workloads as is to Microsoft Azure.

The time to put strategies in motion is now. IT and finance leaders, specifically CFOs and CIOs, must start planning immediately to understand how S/4HANA will impact their organization’s ERP investments and landscape. A good first step is to understand your readiness for adoption. Answering this key question “Are you ready or not?” will help uncover the next steps to full business transformation with a mature SAP S/4HANA solution deployed on the Azure cloud.

Are you ready to take full advantage of the SAP S/4HANA’s digital core? If so, then your organization should implement SAP S/4HANA on Microsoft Azure for the clearest path to the cloud.

Are you not certain about moving to SAP S/4HANA? If no, then a technical migration of legacy SAP ECC and its surrounding SAP/non-SAP apps onto Azure continues to be a great business case to reduce total cost of ownership and reduce the cost of infrastructure by exiting data centers. This will prepare you for further S/4HANA maturity and prepare for agile, DevOps and future innovation.

The benefits and strategy of working from the cloud vary for every organization, but the path is clear: an SAP S/4HANA solution deployed on Microsoft Azure is the simplified, modernized path to the cloud and an intelligent enterprise.
Our aim is to help businesses get the most from migrating SAP to Azure, working with them to bring the best of Accenture, Avanade, Microsoft and SAP to deliver an end-to-end solution that supports tangible business outcomes.

About Accenture

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions—underpinned by the world’s largest delivery network—Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With 505,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at www.accenture.com.

About Avanade

Avanade is the leading provider of innovative digital and cloud services, business solutions and design-led experiences delivered through the power of people and the Microsoft ecosystem. Our professionals bring bold, fresh thinking combined with technology, business and industry expertise to help fuel transformation and growth for our clients and their customers. Avanade has 30,000 digitally connected people across 24 countries, bringing clients the best thinking through a collaborative culture that honors diversity and reflects the communities in which we operate. Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com.

References


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