New South Wales state departments head to the cloud

Moving critical SAP systems to Microsoft Azure helps expand and improve citizen services
From private to public cloud

Several departments and their agencies within the state of New South Wales (NSW), Australia, had been successfully using a holistic SAP® service based on Accenture Enterprise Services for Government (AESG). Installed in 2015, AESG—an enterprise-grade ERP-as-a-service portfolio of 300 business processes—enabled the participating departments and agencies (collectively referred to as “the client”) to operate functions such as finance, procurement, HR and payroll from a single system. It also provided a common framework and engine for effective shared services.

The solution was, however, hosted on a private cloud, which limited opportunities to optimize performance and innovate new services. In addition, the underlying on-premise infrastructure was no longer cost competitive or flexible. Most importantly, the client was looking for ways to improve citizen experience by arming its departments and agencies with new digital capabilities. With public cloud offering an opportunity to improve and future-proof the AESG solution, Accenture worked with the client to thoroughly assess all options and proposed moving the solution to Microsoft Azure®.
The client was apprehensive that migrating such a large, complex SAP environment, used by more than 40 agencies, would take too long and disrupt critical operations.

Overcoming challenges

Accenture tapped into its extensive knowledge of client operations, deep relationship with Microsoft and wide experience in migrating complex SAP systems to public cloud—to carefully plan out a smooth migration and allay any concerns. The team used Accenture myNav to assess and select Azure as the hosting platform for AESG and conducted proof of concept workshops with the client and Microsoft to build a viable business case.

The migration itself presented considerable challenges. With scores of government agencies in the environment, the team was dealing with approximately 40TB of data, more than 400 interfaces, and nearly 90 production and non-production systems, including the SAP S/4HANA® data management and analytical platform. The migration also meant conducting 2,600 test scenarios and seven simulated runs.

What’s more, changes or development freezes were not possible at any point in the process. With AESG producing more than 35,000 pay slips for NSW agencies every month, payroll simply could not stop.
Collaborating for breakthrough success

How did Accenture ensure a successful migration despite all odds? One word: collaboration. Accenture worked in close concert with the client and Microsoft as “one team.” For instance, Accenture and Microsoft jointly designed a hub-and-spoke model for the virtual data center where everything was centralized, including a security hub that allows multi-security classification across the platform.

As a result, when a new NSW agency joins, it has a sharable subscription for security and accesses the same level of security as all other participating agencies on the service, without giving up control. The team also adopted a low-level migration strategy, essentially migrating from the source hypervisor (VMWare) to the target hypervisor (Azure), minimizing the chances of issues and defects.
A valuable difference

A platform for growth and innovation

Despite significant challenges, the team successfully migrated the complex, multi-tenanted SAP environment to the public cloud in less than six months—with no disruption to client operations, zero defects at go-live, and no major incidents at any time during the migration. More importantly, the smooth, seamless migration meant that the participating government agencies continued to provide uninterrupted service to its agencies as well as its citizens. In fact, the team ended up onboarding several new agencies during the migration!

With a strong public cloud infrastructure in place to underpin its critical SAP environment, the client now has the agility to improve citizen experience and expand its services as it marches confidently in a cloud-first era.

The migration has reduced the time needed to deploy infrastructure changes from months to hours. For example, fulfilling capacity needs used to require 8-12 weeks, but now takes just 1-2 days.
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Moving to Azure public cloud has also allowed the client to strengthen security, improve flexibility to meet customized requirements, support additional services on demand, and onboard shared services for non-SAP products. The biggest benefit: fast, seamless processing of critical functions like finance, HR and payroll, leading to smoother and richer user experience.

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And the client has the scale and flexibility to expand to new departments and jurisdictions with greater ease. Looking ahead, it is well-placed to further capitalize on the benefits offered by cloud, such as higher degrees of automation and self-healing capabilities.