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CIO 24/7 Podcast:
SAP on S4/HANA

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Accenture Managing Director, Chris Crawford with Accenture's Managing Director, Dan Kirner

Chris Crawford: Welcome to CIO 24/7, bringing you the latest on innovation and Corporate IT featuring updates from Accenture's internal IT organization. I am your host Chris Crawford and today I am with Accenture Managing Director, Dan Kirner. He'll be sharing insights on a recent SAP S4 HANA work that he and his team have just finished implementing here for us at Accenture.

Chris Crawford: Hi Dan.

Dan Kirner: Hey Chris, how are you doing?

Chris Crawford: I am doing great, thanks. So I hear a lot about this. I know this is a big project here internally. But exactly what is S4 HANA? And maybe just tell me a little bit about the technologies to start off.

Dan Kirner: Sure, really, it's officially called S4 HANA Finance and it's really two components: there's HANA, which is the database that is now going to run a lot of the SAP applications, as well as other things, and then there is S4 HANA Finance, which is the next generation of ERP Finance that SAP is putting out there.

Chris Crawford: Okay, so what's the big deal? Its new database technology and some expanded functionality? Can you give me a brief introduction on the impetus behind the migration?

Dan Kirner: Yeah, I mean on the HANA part, it's an in memory database. It's just much faster, real-time analytics, tons of data compression, allows you to do more with less. On the finance side, S4 HANA Finance, this is the next generation in ERP. They're effectively upgrading their current ERP, adding on new capability, asset management, items in treasury, the ability to do some new GL capabilities in S4 HANA Finance that will really enable companies for the future. And then, of course they're going to be building all of their new capabilities to leverage this new architecture in the new digital world. It's their digital platform.

Chris Crawford: Okay so maybe a little bit of keeping current, a little bit of going with the next generation. So how did you know? How did you begin the process? What was the trigger where you knew we needed to switch over here?

Dan Kirner: Yeah, I mean Accenture we're about a 30 billion-dollar company, getting close to 400,000 employees and we're getting into a much more diverse business set and with that the ever changing needs of all our businesses are out there, we needed to change with the time. So what we needed, is to handle our diverse set of businesses and really enable for the future in terms of capability, in terms of speed, in terms of analytics.

We along with our business work together to really develop a business case to say, hey here is why we need it for the future and here is why we need it now. And the reason we needed it now is our business is going through a big transformation on this diverse businesses and we need to leverage some of the new capabilities that exist within SAP.

Chris Crawford: Okay, so you had a little bit of a growth imperative there keeping current and some of the digital aspects there too with analytics. That's a nice story but then I'll knock on wood here but it sounds like so far and I know we are not completely done with the transition yet, but it sounds like so far things have been going smoothly. I am sure we've been talking with other companies and we've got a lot of experience in the marketplace in doing these things. What sort of challenges are you looking for ahead or what ones are people experiencing as they go through this process?

Dan Kirner: Yeah Chris, that's a good question. You know we talked to a lot of folks going through this, sharing our experience, what we're doing. Really four key things, right. The first one I happen to mention before, it's this concept of staying current. Are you on the latest service packs? Have you optimized your database? Reduced the data, whether that's your archiving, purging, compression just really staying current.

Number two is really the challenge folks are having is moving from the concept of value realization and what we did for that just to sort of push things through is, we did, and I mentioned it before the

proof of concept, where the business can actually see here's how we did it before, here's how we'll do it in the future and you can start to see the value where they couldn't really see it before. Another technical one is the number three, is hosting. You know a challenge folks are having is where should you host it. As of this day or prior to this day, AWS and Azure really didn't have the capability to host the scale of a lot of the databases, the HANA databases that are out there. That's starting to come out now and you'll start to see people moving to the cloud to host their ERP environments.

And last but not least, it's a functional one. There's a concept called the new GL. If you're not on the new general ledger. The question is should you do that before you go to S4 HANA Finance or after? The old way was doing it before. You had to do it before, which was a little bit more expensive and took much longer and now you can actually turn on the new GL capabilities, posts going live with S4 HANA Finance, so that's what we're going to do.

Chris Crawford: Interesting. I am always amazed at how big and intertwined the system is. I can only imagine some of the business process changes that have to go on at the same time as you are juggling the technical and the regulatory aspects of these as well so my hats off to you and the team. I know there's a lot of planning that goes into these things. Some of the collaboration stuff I can afford to be agile and kind of fly by the seat of the pants from time to time but for this one I am imagining you've got a little more of work planned than I would normally have.

Dan Kirner: Yeah, really this is the core of our business, right. We have 300 applications and systems that interface with SAP. It's the core of our reporting and you know we really get a lot of value out of it and need to continue that.

Chris Crawford: Alright, maybe just to wrap up here tell me what you got coming up next? I know you teased some of that there. But any other big plans coming?

Dan Kirner: Yeah, I mean the really big one is we're getting S4 HANA Finance upgraded and we'll work closely with SAP on that. We'll work very closely with our businesses from a testing standpoint so we're getting that in full process. And then we're also looking designing to optimize it for the future, in terms of supporting our diverse business, supporting greater granularity of reporting so that we can run our business in the future. So some pretty exciting stuff you know, working with key business people to make sure we get that right.

Chris Crawford:

Yeah that's awesome Dan. Maybe we can touch base again here. In another, I don't know about 12 months or so and you can give us some lessons learnt on the complete migration.

Dan Kirner: That'd be great Chris.

Chris Crawford: Alright. Hey thank you to everybody for listening to another edition of the CIO 24/7 podcast. Again, I am Chris Crawford and with me today was Dan Kirner, an Accenture managing director who was discussing Accenture's migration and implementation of SAP business suite on HANA.

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