Ten tips for a successful SAP® Implementation
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The following tips have been derived from the author’s experience of over twenty years of implementing SAP®. They are unashamedly based on experience and you will not find reference to external sources or statistics.

1. Be clear about why you are implementing SAP

To quote Steve Martin in the movie ‘Trains, Planes and Automobiles’ – “Here’s a good idea - have a POINT. It makes it SO much more interesting for the listener!”

Defining at the outset why you are implementing SAP is fundamental. Your reasons can relate to transparency, financial control, organic expansion, acquisition, common processes – there are a myriad of justifications behind why you may be about to embark on an SAP implementation but if you cannot communicate your motivations and the associated benefits cogently and succinctly then it will be significantly more challenging to gain sponsorship, get the project resourced appropriately, deliver the intended benefits and get the organisation ready for the upcoming change.

Defining the strategic objectives of the implementation also allows function/departmental heads to identify more detailed, personalised sub-objectives with related benefits. Of course objectives and benefits that can be measured are optimal – but often the intangibles are just as important.

If you meet with someone from an organisation in the midst of such an implementation and ask them the “why” question and receive the response, “no idea – the bosses have just told us it’s coming”, you can be fairly sure that the organisation is about to endure a long and difficult implementation and stressful post go-live experience.
2. Define your organisation’s future state processes implementing SAP

Implementing ERP is not just about technology, it is about optimising business processes and using technology to best support those processes. For a large majority of organisations, moving towards standardised common business processes lies at the heart of why they are implementing SAP. It is vital to take the time and make the effort upfront to define your organisation’s future state best practice business processes.

The term best practice is often heard during the process design phase - the challenge for the organisation is to achieve a common understanding and vision of its own best practice - without reinventing or spinning wheels. Selecting the right implementation partner can gain you access to industry specific SAP based process expertise which can fast track the journey to defining the best practices most suited to your organisation and its situation.

One common question asked around the future state process definition effort is “should I define my processes separately from the way SAP works?”. If you haven’t yet decided on the system you want this can be a beneficial exercise as it provides a baseline against which to evaluate potential ERP packages. If, however, you have already chosen the software package, it is recommended to recognise the processes and terminologies delivered as standard in your chosen product and integrate those as appropriate into your future state business process design.
3. Be clear about your SAP landscape

At one level a topic for the ‘techies’ – but also a topic that has a fundamental impact on your implementation and your ways of working and options post go-live.

Organisations implementing SAP across multiple entities (an entity in this case can be a region, country, company, function) have various SAP landscape strategies available to them ranging from the single SAP instance to discrete entity specific implementation. Choosing the appropriate landscape for your implementation is one of the crucial first steps for your SAP implementation.

Two of the most common approaches are outlined below:

• Single instance SAP landscape - all implementations are housed on a single SAP ‘box’ with a single underlying solution supporting the entire organisation.
• Discrete entity specific SAP landscape - in this approach each entity has its own dedicated distinct solution developed during each dedicated entity specific implementation project (as mentioned previously entity in this case typically meaning region, country, company or function).

Typical advantages of a single instance approach are that it: promotes a common business process and data design, encourages convergence and simplification of processes, procedures and information across the business, supports ‘like for like’ executive level information reporting and fosters lower implementation timescales and costs through use of pre-defined templates.

The main potential downside to the single instance approach is the risk of a lack of responsiveness to changing business requirements or circumstances. To elaborate, in order to manage risk, organisations which run a single instance will usually adopt stringent change control procedures resulting in a limited number of periods annually when change can be applied to the system. Emergency changes can of course be handled, but fundamentally the timing of the change windows will dictate when new functionality will be made available. This may not always suit the demands of the business.

Typical advantages of a discrete entity specific SAP landscape are that it is more flexible towards meeting entity specific requirements, post-implementation improvements and enhancements are easier to implement and business ownership and investment in an entity oriented system tends to be greater.

The main potential disadvantage to the discrete landscape model can be summarised in one word - divergence. Separation can lead to different processes, different procedures and a potential loss of a single version of the truth for the executive level.

It’s important to determine the optimal SAP landscape best suited to your implementation.
4. Be clear about your SAP implementation strategy

SAP implementations will typically fall into one of two approaches: ‘big bang’ – all entities go-live with all functionality on the same date or ‘roll out’ – where the SAP solution is migrated out into the organisation over time, (some organisations prefer the terminology of ‘roll in’ rather than ‘roll out’ to reflect the sense that incrementally over time different parts of the organisation are being rolled into the SAP solution). It is important to determine which implementation strategy is right for your organisation.

Some typical rules of thumb that would indicate that a ‘big bang’ is perhaps not right for your situation are:

• The scope includes more than two main SAP modules
• The scope includes any significant different language implications
• The project will be required to provide training and onsite support to users at multiple remote sites
• The project does not have availability of a trained local key user network

The latter two items especially represent key indicators that a ‘roll out’ approach is the better option.

If you determine that ‘roll out’ is the optimal approach then the next step is to decide on what basis that ‘roll out’ should be executed – by region, country, legal entity, product line or some other characteristic? There is no simple answer to this question, it will be specific to each organisation and its circumstances. What can be said however is that whatever characteristic is used to define the separate implementations, it is typically optimal to address the most representative or complex example of that characteristic in the first implementation, e.g. the most representative or complex region, the most representative or complex legal entity. Adopting this approach ensures that the original baseline design of your SAP solution undergoes ‘trial by fire’ in the first implementation and as a result evolves quickly into a fit for purpose, improved SAP solution. The improved industrial solution will foster ever quicker subsequent implementations as an ever increasing percentage of the full range of the organisation’s business requirements are met.
5. Be ready to support the past, the present and the future

Inherent in most roll-outs is the risk of hitting the ‘project versus support wall’ – especially around the mid-point of the roll out. As an example, take a roll out performed across three regions at three separate points in time.

Immediately after implementing in the second region, the organisation faces the challenge of three distinct and very different demands on the SAP project and SAP support organisation: The first region has stabilised and is demanding continuous improvement initiatives as it seeks to optimise its new SAP asset, the second region is in the throes of post implementation stabilisation and is demanding attention and a quick turnaround of the normal post go-live increase in incident tickets, whilst the last region is demanding that it receives the necessary attention from the project team to implement the SAP solution for them.

If this reality of the implementation program hasn’t been planned for appropriately the typical outcome is postponement of the third implementation as the project team is diverted to looking after regions one and two. Once such a delay has occurred it is often difficult to wean regions one and two off the ‘premium’ support they feel they are receiving from the project team and onto an operational SAP support construct. Region three is delayed for some indeterminate period of time and the impetus of the implementation program has been lost.

To avoid this risk it is very important to ensure that during the first implementation the nascent operational SAP support organisation is engaged with the dual goals of gaining a deep understanding of the solution and helping the implementation. This engagement will ensure that they can quickly assume responsibility for support of region one from the implementation project team and thereafter can progress onto developing the procedures and capabilities that form an integral part of a continuous improvement philosophy. This leaves the SAP project implementation team free to concentrate on moving on to the next implementation.
6. Plan to establish an operational SAP support capability

Call it a Centre of Excellence, SAP Competency Centre, SAP Support Group or whatever term you wish, once SAP is implemented it needs to be maintained, nurtured and improved. To achieve this it is important to plan up front how your organisation is going to establish this support capability. There are options to outsource some or all of this function but given that the new SAP system will support crucial business processes and functions, most organisations decide to develop some or all of the SAP support function internally.

The three principal constituent functions within the typical SAP support construct are depicted in the diagram below. As mentioned in the previous paragraph there are options to insource or outsource these three functions or institute some variant thereof typically involving some level of internal staffing augmented by third party SAP specialist support.

Thinking about establishing the SAP support capability as you the approach the first implementation is too late. For a SAP support organisation to be viable it needs: to be resourced appropriately, to have battle ready processes and procedures ready to deploy and to have had some involvement in the project. This takes time to set up, it costs money and it affects the careers and future of the persons implicated.
7. Data migration

An axiom for ERP data migration – you can never start too early. If you discount timing factors such as year-end/ quarter-end, being late on data is probably the most common reason for SAP implementation delay. Performing up front due diligence to plan and resource work in the areas of data cleansing, data preparation and data migration will significantly mitigate the risk of delays in the data effort. Key early activities are:

- Clearly document legacy systems that will be implicated in the data migration effort
- Identify what you need to do in the legacy systems to clean key data that is wrong or missing in the current systems (data cleansing) before it is migrated to SAP
- Determine data which cannot be sourced from the legacy systems but which will be necessary for SAP based future state processes. This data needs to be prepared off system and then integrated into the data loads (data preparation)

- Clearly define who is responsible for which aspect of the traditional data migration process of ETL, (Extract from legacy, transform from legacy format to SAP format and Load into SAP), for each data object (data migration)

Early execution of the above activities will enable you to identify the high level scope, resourcing, schedule and cost of data migration effort which can and will be refined during the project. Given that data migration is typically the single most expensive activity associated with an SAP implementation, executing the activities outlined above is time well spent.
8. Data retention

From a data strategy perspective one key area which must be addressed by the project head on is the topic of migration of historic transactional data into SAP. It is very typical that initial business feedback will be that they will want significant tranches of historic transactional data to be migrated into SAP. With the notable exceptions of migrating data based on clear legal and statutory or business critical justifications, this is not recommended. The work required of the business to support such a historical data migration is huge and it is likely that some legacy data simply will not fit into the new system data structures – and you must not compromise future state data structures to meet historic reporting requirements.

To remove some of the heat from what can be an emotive subject and to address the genuine concerns of the business around access to their historical data, it is advisable to create a specific formal document aimed at describing the historical data retention strategy for the implementation. Data retention options include retention of legacy systems in display mode, migration into a data warehouse, migration into an archival product which may or may not be linked to SAP, right through to dumps to text files or microfiche. Each data object of concern should be evaluated and appropriate solutions defined.

If this topic isn’t addressed from the outset of the project it may turn into a running sore which can divert attention, impair business sponsorship, waste project and business effort and compromise implementation schedules.
9. **Bang the drum – loudly and constantly**

The shortest section – but hugely important. Advertise the project, promote the benefits, publish monthly project newsletters, hold periodic town halls, get the posters up in the corridors, push the function and department heads to spread the message. Establishing a persona for the project which is energetic, driven and overwhelmingly positive is a giant step towards a good implementation experience. It makes it more likely that you get attention and resources from a business that can always play the “too busy with operational day to day matters” card. A can-do mentality is contagious so don’t be shy about getting the message out there.

10. **Establish the right partnerships**

You can’t implement SAP on your own – you will need help. Having understood that the next question is, “What type of partnering strategy should I adopt”?

At opposite ends of the partnering spectrum, and there are of course hybrids of these, are the best of breed approach and the integrated partner approach. In the former you select individuals (typically from the contract market) or specialist partners to help you with explicit defined pieces of work; for example you might select a specialist contractor to assist you with the configuration of the Controlling module or you might engage with a pure-play training vendor to help you design, build and deploy end user training. In the latter, you will engage with a single vendor to assist across a full range of implementation and support services.

Which approach is right for you will be determined by a multiplicity of factors including:

- Your organisation’s ability to provide resources to the project
- Your ambitions in terms of establishing an internal capability for long term support of SAP
- Whether or not you have the internal expertise or bandwidth to handle the complexities that accompany dealing with multiple supplier relationships during the course of the implementation(s).

A litmus test to help you determine which approach is the right one for you is to ask yourself the questions implicit in the first two factors outlined above. If you are bullish about your capacity to internally resource the implementation project and staff an SAP support group – then the best of breed approach could well be the right fit for you. If you are less clear about the answer to those resourcing questions then the answer for your implementation may be to look for the integrated services partner who can support you across the spectrum of implementation and support needs that you will have.

Whichever model you end up using, the fact is good people in strong teams deliver successful implementations.

The author arrived at this list of top ten tips based on a mix of foresight, observation and occasionally hard painful experience. I hope that some of the tips provided will be useful to the reader now or in the future and maximise your chances of achieving a successful SAP implementation.