

Free from hardware

# Cobol meets SaaS

At Sapphire Now 2018, SAP announced the availability of the SAP Cloud Platform for the major cloud infrastructure providers. In this E-3 exclusive interview, Hinrich Mielke, Director SAP at Devoteam | Alegri, shows which new possibilities open up for SAP customers when going for Microsoft Azure.

**Why should SAP customers go for the IaaS cloud at all? The current operating model, on-premise or outsourced, seems to be working well!**

**Hinrich Mielke:** SAP customers are facing a multitude of changes: Migrations to Hana are on the horizon, first pilot projects for S/4 are pending, Fiori is getting evaluated and tested. All these activities require temporary systems, and you don't want to buy hardware (and deal with sizing), but simply pay for the use – just like leasing a company car. Unlike the company car, however, I can always choose a smaller, larger or no model at all. In summary: Completely letting hardware of the hook, both in terms of capacity and duration of use, facilitates the agile approach in SAP projects. For example, we have a customer who already has two data centers packed with hardware to the roof. Another one simply would not be approved by management. At this customer,

the first training systems are now being moved to the cloud – so trust can be built up and the pay-as-you-go principle works particularly well for cases like that. Another example: A Proof of Concept (PoC) at one of our customers for S/4 Hana took significantly longer than planned. Not because of the special adjustments on our or their side, as one would assume, but because of the outsourcer, who showed his inflexible and slow side. Cases like that offer an opportunity to look at different approaches.

**Why the Azure Cloud? There's plenty of other fish in the cloud-sea.**

**Mielke:** If Office 365 is already in use, formal challenges are low: data protection officers and works council members already know Azure and are familiar with the concepts. Technical challenges are also low: With an extension of the existing Active Directory to Azure, Identity Management can be finished quickly, which facilitates the integration with the on-premise world.

**A lot has been announced at Sapphire. What new features are there for Azure?**

**Mielke:** The choice of infrastructure has increased significantly: A large number of virtual machines have now been released by SAP for Hana. This means that the hardware equipment can now be selected between 192 GB RAM and 3800 GB RAM, in seven steps. Up to 12 TB will be possible shortly. If that is not enough, certified Hana Large Instances can go up to 20 TB (24 TB in future) and can be used for scale-up.

**And what's in it for the customer?**

**Mielke:** On the one hand, it is now possible to scale excellently with virtual machines. Options like that simply are not available on-premise or quickly available when outsourced – and also not decommissioned so easily. The customer is now completely free of hardware in his projects. Sizing beforehand is no longer necessary, especially not for three years in advance. It's a huge change, especially with Hana where a miscalculation can quickly prove costly. Once the preliminary project is completed or during a project break, the hardware can be shut down at no cost. Thus, S/4 preparation projects lose their horror regarding the infrastructure. Starting the migration to S/4 as soon as possible is recommended anyway, in order to be able to make use of all the innovations of SAP Leonardo.

**There are more innovations for Azure – what benefits do they bring for SAP customers?**

**Mielke:** Sapphire has shown interesting developments for the integration of ERP systems and Azure. There is now the "Abap SDK for Azure", so you can take advantage of services in Azure from Abap in the ERP – that means Cobol meets SaaS! Also, a direct integration of ERP and services in Azure is now possible. Currently it's a 1.0 release and there are only a few services available, but a direct connection to the Azure Event Hub via SM59 already is great. Last, but not least: The SAP Cloud Platform (SCP) is available on or in Azure, which means that the SCP environment runs on Azure as IaaS. An SCP application



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can therefore run on the same technical infrastructure as the ERP system, with the associated technical advantages: Data streams remain within Azure, latency is low. Great news because SAP strongly promotes SCP as an integration and innovation platform anyway.

**For many customers, however, this is still a dream of the future...**

**Mielke:** ...but companies need to be absolutely prepared for this future – and prepare the migration to Hana and S/4 Hana immediately. Switching to S/4 Hana will take some time, so you should start soon. With the use of S/4 Hana, these great options for integrations can be used profitably immediately – right in the “System of Records”, where invoices are generated and sales are completed.

**So, how does the customer get into the cloud?**

**Mielke:** It's easier than you think. Two principles apply: “Think big, start small”, and: first take a short look at the current services you use and their status. Then, take a look at what requires immediate attention in the short run. Coming up with the necessary steps and the plan for the project should then only be a formality. With an experienced partner at your side, this phase can be completed in a structured manner and in very short time – then the first PoC starts. You now start building up experience and trust in the project in your company. After the business-side requirements have also been integrated, the project plan can be processed. Then the fruits of being flexible in regard to hardware are harvested in the form of lower costs and innovations can be realized in a highly flexible environment.

**Many customers are afraid of costs getting out of hand: In the past, servers had to be ordered; outsourcers have well-defined ordering processes. What's this like?**

**Mielke:** Many existing processes will change and accelerate with IaaS, you have to adapt them: A “service creation process” still makes sense, including requisition and approval process. Then, however,

you are freed from the shackles of hardware and can start quickly – provided that the other processes are prepared for it. Typical tasks like IP assignment and creating users must also be prepared for the cloud and the speed that comes with it. This is an often overlooked aspect of change management, but it is also necessary for a successful transformation to cloud services. In this context, complete transparency of costs is an important factor: the costs for individual systems, storage and other infrastructure components can now be determined and displayed precisely to the day. Specific requests from the specialist departments can not only be implemented immediately, but the resulting costs can also be displayed in a comprehensible manner. This objectifies and accelerates the discussion about price and performance immensely, a great experience for many CIOs [laughs]. The discussion about overhead costs is also reduced, because components such as emergency power supply, air conditioning, maintenance and new acquisition as well as electricity are no longer to be considered individually, but are already included proportionately in the costs.

**What are the disadvantages of running SAP on Azure?**

**Mielke:** Without an experienced partner, you have to take care of the entire technical architecture yourself, from hardware to network and storage design. This can cost a lot of time and cause detours. The possibilities with IaaS are enormous and can be overwhelming – a structured approach is required here. To avoid unnecessary costs, an experienced partner is recommended. It's their job to conceptualize and create the technical architecture according to specifications and best practices. However, the advantages are worth reiterating: IaaS means that you can use data centers distributed worldwide. If your own business expands internationally, the data center is already there, perfectly connected and can be used via the familiar portal. The technical standards achieved by cloud providers are extremely high and are also certified in a large number and

throughout. It's not that easy to achieve similar success on-premise.

**Last, but not least: Why should I talk to Alegri about SAP on Azure?**

**Mielke [laughs]:** Quite simply: We have the know-how, years of experience and the network to Microsoft, Suse and SAP. Alegri has implemented S/4 on Azure and has been running SAP on Azure since 2015. Our employees have an excellent wealth of experience in concepts, checklists and software solutions for the efficient operation of SAP systems in Azure. In addition, we are neutral and independent because we do not sell software from Microsoft or SAP. Our only job is to give advice that benefits the customer.



In-depth cloud expert talk (German), with Hinrich Mielke, Devoteam | Alegri, and Holger Bruchelt, Microsoft under e-3.de/e-3-specials

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