



What agility has to do with SAP legacy systems

Everything Flows

Acquire, sell, liquidate, build up again - SAP customers have agile strategies. But sometimes, corporate IT fails to keep up. Therefore, agile business strategies require new solutions for SAP landscapes.

By Thomas Failer, Data Migration Services

Organically grown SAP landscapes are often like heavy tankers which can only change direction very slowly. This is not due to the size of the ships, as one would assume, but rather the weight of their cargos. Their weight does not allow for quick change of direction, even if the course is suddenly changing.

Like tankers, SAP and other systems have a great weight to carry: piles and piles of documents and data, although only a small part of them is needed in day-to-day operations. IT managers can try to add agility and flexibility to their systems and applications, the data and documents will not follow suit, but rather remain steady. This becomes a problem in numerous business scenarios.

Mergers and acquisitions

It's always a good thing if acquisitions go through - for the management. Because as soon as the contracts are signed and the champagne bottle is empty, the IT department has to get to work. Companies do not just acquire market shares, employees, and customers, but also IT systems. This can be a nightmare for IT departments, as the acquired systems are often numerous. Even worse: a lot of them are SAP systems from different eras.

Of course, buyers will not keep all of them; it doesn't make any sense. But decommissioning them is no alternative. The

systems hold a treasure trove of data and documents which can be turned into real money. Furthermore, all of them have different retention periods. After the acquisition, the data has to be stored for many more years, even decades, to come until their controlled and documented deletion. Especially the European GDPR enforces these requirements.

Consequently, acquisitions always mean complex integration and migration projects for IT departments. They have to decide which applications to keep and which ones to decommission - and which data and documents have to be migrated to operating systems.

If data and documents are migrated, their structures are changed. Internal and external auditors therefore do not trust the migrated versions to be exact copies of the original. This means that the acquired IT systems have to be kept in operation and be retrofitted for new laws like GDPR. However, this is impossible or at least very complex for many systems. Either way, it costs a lot of money.

Bank settlements

The 2008 financial crisis is still lingering. Many banks suffer from bad loans that can actually turn into existential threats for them at any time. Furthermore, more and more strict regulations are put into place. They are supposed to reduce the risk for the

financial system as a whole, but they actually restrict individual banks significantly.

Banks who can not keep up with compliance requirements are sold or are settled with rescue companies. It doesn't matter whether or not business is terminated - all customer data has to be preserved for ten or more years.

This data is dispersed, as is typical for banks, over numerous systems. Some of them are SAP systems, some are specifically customized solutions, others are commercial e-mail solutions or document management systems, and some even are audio archives, where discussions with customers are stored. All of them have to continue to be operated. This is necessary for two reasons. On the one hand, lawyers or tax authorities, local or international, have the right to ask for insight in banking data. On the other hand, former customers have the same right, for example if they need account statements for their tax returns. Even though the number of these requests is limited, the entire acquired IT landscape has to be operated, maintained, retrofitted, and sometimes even licensed.

Migration to S/4 Hana

2025 is the deadline. After that, SAP ends all support for S/4 Hana predecessors. The expectations of SAP customers are high. They hope for an agile application landscape which helps them to tackle the challenges

of digitalization. But they also know that before that can happen, an even bigger challenge awaits: the migration of data and documents. Some terabytes of data already need a thousand man-days to be migrated. Furthermore, the data itself can be full of mistakes and errors which have accumulated over the years.

A migration to S/4 Hana where all data and documents are transferred to operating systems and legacy systems cannot be decommissioned does not make any sense. The continued operation of legacy systems is the reason why 80 percent of the overall IT budget are often used only for operation, after all. The ideal ratio would be 60 percent for IT operations and 40 percent for innovation - impossible with this approach.

There is another obstacle on the road to an agile future: insufficient data quality. It is no exaggeration to say that the success of digitalization depends on the data quality. That's because if the data is faulty, automated processes between human and machines, but also machines and machines do not work properly anymore. Analyzing faulty data leads to false conclusions which can be fatal for businesses.

The right approach

Even though these scenarios are completely different from each other, they share the same problems of time, costs, and complexity. SAP customers can solve these problems, however. They need to separate legacy data and documents of the agile apps of the future. Consequently, legacy systems can be decommissioned, one of the requirements for IT to become agile. Key to this approach is a system-independent environment for legacy data and documents as well as their business contexts.

Data Migration Services has developed special solutions for exactly the same scenarios described above - for settling banks, acquisitions, or migrating to S/4 Hana. These solutions leverage the information management platform JiVS. It offers a multitude of interfaces to legacy systems of different providers. These include SAP, BaaN, JD Edwards, Infor, Microsoft, Oracle EBS, Peoplesoft, and many more. Each and every bit of information is migrated from legacy systems, and every step of the way is seamlessly documented. But this is not just a traditional migration, it is more of a historization. Users and internal and external auditors alike can access data and documents in their corresponding business context, like, for example, account statements from a specific time period.

In this day and age, security is essential. JiVS provides the necessary security with strong encryption and security updates. Data quality is ensured by cleaning up faulty or redundant data.

Data and documents can be deleted individually. Access management can be clearly defined. Of course, JiVS complies with the European GDPR and requirements of external auditors. What is more, whoever wants to outsource the different solutions can leverage their functionalities through different delivery models - hosting, managed service, or SaaS.

Do more with less

SAP customers save up to 80 percent in operational costs - sometimes even more - compared to the continued operation of legacy systems. At the same time, the scope and complexity of migration projects is reduced, because only necessary data and documents are transferred to operating



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systems. As a rule of thumb, only 20 to 25 percent of data is even necessary. This means that especially SAP customers can actually do more with less!

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