



Interview with Jörg Dietmann, Managing Director at Nagarro ES and SAP community expert

Translator And Navigator

SAP presents one innovation after the next. SAP's CEO Christian Klein has many new ideas to offer - which doesn't make SAP customers' life easier.

For this exclusive interview, Jörg Dietmann, Managing Director at Nagarro ES, took the time to shed light on SAP roadmaps and ERP conversion.

E-3 Magazine: Mr. Dietmann, from a partner perspective, which SAP transformation program do you recommend to existing customers: Move, Conversion, or RISE?

Jörg Dietmann: That question doesn't have an easy answer. First, we would need to classify the terms. SAP Movement is a program to move customers to S/4 - it's not about any particular method or deployment. The goal is solely the path to S/4 Hana. A conversion - sometimes called a brownfield - is a method to convert the existing ERP system and validated, efficient processes to SAP S/4. RISE with SAP is the latest offering related to S/4 Hana Cloud from SAP and is a bundle of S/4 Cloud, Business Technology Platform (BTP), SAP Business Network, and Business Process Intelligence. Each company is different, so their individual path to S/4 will be different, too. Many different paths mean many specific advantages and challenges, which must be evaluated individually by each company. Only one thing is for certain: If SAP customers want to stay with SAP, S/4 Hana is the next logical step.

E-3: A comprehensive S/4 transformation permanently changes the organizational and operational structure of SAP user companies. What is Nagarro doing to help with this release change?

Dietmann: We see our role as translator on the one hand and navigator on the other. With S/4, SAP is converting its many years of market leadership and experience in ERP to new modern technology, which thereby opens up new possibilities for companies. As an SAP partner, we deal with SAP every day, and through our close partnership, we not only have an excellent network to SAP's headquarters in Walldorf, but also a deep understanding of SAP's way of working and its language. However, we also look beyond the SAP horizon, because we want to accompany companies on their way to the

Intelligent Enterprise and show where each different path can lead. Here, we either start directly with devising roadmaps or we first take a step back together and, using a tool-based approach, evaluate where the company is currently. Because putting all processes and systems to the test is essential to any successful digital transformation project.

E-3: Where do you see the greatest challenges for ECC 6.0 users? In business, organizational, technical, or licensing terms?

Dietmann: We always emphasize that no two companies are alike. There is no one-size-fits-all answer here, either. The challenges are heterogeneous. From a business perspective, deployment in the cloud has advantages. There are now many approaches to using digital transformation for potential savings - especially regarding EaaS models on a subscription basis and the associated change from Capex to Opex.

E-3: That leads us to hyperscalers, doesn't it?

Dietmann: Hyperscalers are another trendy topic right now. However, mapping your entire structure on hyperscaler clouds does not automatically lead to cost savings. Customers are well advised to work with a partner who has a holistic view and identifies the best of all worlds on a customer-specific basis. From a technical perspective, companies are confronted with completely new possibilities that can be used with S/4, such as machine learning, artificial intelligence, or robotic process automation. Automated processes, in turn, create the freedom to focus on other topics or to reorganize the company.

E-3: Beyond technology, what else needs to be considered?

Dietmann: Separate from the technical argumentation for the switch to S/4 Hana is the licensing discussion with its very own challenges. First of all, the topic of SAP

licenses absolutely belongs in the creation of every S/4 roadmap - not least because it is a central cost component of the transformation to S/4 Hana. Thorough consideration when selecting the right license conversion can not only potentially save costs, but also significantly optimize the use of SAP software. Whether product conversion or contract conversion makes sense for a company must be assessed on a customer-specific basis.

E-3: How would you explain the Intelligent Enterprise in a few sentences?

Dietmann: The Intelligent Enterprise is a vision for companies, never a target state. Companies moving toward the Intelligent Enterprise focus on integration, efficiency, and putting people first - both employees and customers. The Intelligent Enterprise creates more freedom and time to deal with new issues. At the core of the Intelli-





gent Enterprise are integrated end-to-end processes that add real value. The efficiency gained then creates opportunities for companies to think in new ways. Flexibility and individuality are important here. After all, success is no longer defined exclusively in terms of profit and sales, as the pandemic has shown. Today, the focus is much more on employees and their values, such as sustainability and social commitment.

E-3: What do you think about the necessity and functionality of process mining?

Dietmann: Process mining offers complete transparency of digitized business processes and is suitable for standardized processes that run entirely in digital backend systems. In this respect, process mining is very helpful in identifying inefficient processes. However, the necessity depends on what a company wants to achieve. Of course, you can also have your processes evaluated by consultants, but never with the speed and transparency that can be achieved by a tool-supported approach.

E-3: Who is better: Celonis or Signavio?

Dietmann: Another question with no easy answer. Celonis is certainly the market leader and a pioneer in the field of process

mining. However, Signavio is much more broadly positioned when it comes to business process management and is certainly more present for our customers at the moment due to the acquisition by SAP.

E-3: According to a survey by an SAP group in Switzerland, 40 percent of SAP's existing customers have already switched to Hana, but only a very small proportion are convinced of S/4. Do you see a similar situation? Where does S/4 Hana transformation currently stand?

Dietmann: My subjective assessment, shaped by the many discussions with our customers, is quite different. The pandemic may have forced some companies to pause their S/4 Hana projects, but the majority of SAP customers still plan to fully complete their ERP modernization by 2025.

E-3: What do you think is the biggest challenge in modernizing the ERP system?

Dietmann: The implementation of S/4 as the new central core of an IT landscape is such a complex challenge for companies that the human factors is often overlooked. You need to get your workforce excited about the transformation - lack of trust, lack of motivation, or low and outdated skills can hinder modernization projects. Employees - regardless of whether they are end users, managers, key users, or IT staff - should be actively involved in the transformation. This is the only way to create acceptance and know-how and, incidentally, to make the project more cost-effective by enabling training or other information flows to avoid problems before they arise.

E-3: For a successful S/4 release transition, what needs to be considered on the partner and on the user side?

Dietmann: The most important thing to realize for users: If you are an SAP customer and have not yet dealt with S/4 Hana, do it quickly. Most companies underestimate the time required, as there can be a lot of preliminary projects. The consulting market is not growing, and there will be a shortage of experienced partners to help you migrate to S/4 Hana. If you start now, you have better starting conditions than if you continue to wait.

E-3: Thank you for the interview.

Please also have a look at our Community Info entry



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