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Key enablers in SAP S/4HANA® to take analytics to a whole new level

As SAP S/4HANA® opens up possibilities to tap into a variety of data from both SAP and other vendors, companies can finally be given the opportunity they've been seeking for so long: to provide users across the enterprise with timely information that sparks company-wide innovation.

Big data. Real-time data. Actionable insights for fact-based decision-making. Almost every leader has heard these promises and envisaged a future in line with the visions. For many leaders, it has given a sense of urgency about what to do and what can be done in this field and has given way to investments in data organisations and data science functions without necessarily having some of the fundamentals in place.

How do you process data in a timely, costeffective manner? How can you harness the tremendous variety of data across companies and ecosystems? How do you integrate new data sources or even just improve how you manage existing data? And how do you increase the speed in which you can deliver relevant and actionable insights?

Considering these questions, it's interesting that SAP S/4HANA® arrived at a moment when companies everywhere were working hard to monetise their digital and data operations and unlocking business opportunities with innovative digital solutions.

Of all the advances made recently in business analytics, perhaps none are more important than increased speed and accessibility. It has become much easier for a wider range of users to tap into deeper insights from an organisation's data – faster. Moreover, the in-memory capabilities introduced by the SAP HANA® data platform can help turn these turn analytics-enabled capabilities into strategic advantages by speeding up the insight to action cycle. However, to understand the full analytical possibilities of SAP S/4HANA® it is important to take into considerations two interconnected forces.

1. Easy enterprise-wide access

The first force is the efficient, simplified and enterprise-wide access to data offered by SAP S/4HANA® – an access which is far more powerful than previous versions of SAP.

In the last ERP wave in the 90s and 00s, even something as simple as tapping into a broad range of a company's SAP data could prove to be a challenging task – not to mention combining it with data which was not residing in SAP. For instance, running a company-wide inventory report to track the financial or transfer price value of stock movements within a company required not only the transfer of significant amounts of data to separate data sources, but the sheer performance when querying the data was a big challenge due to technology limitations.

Consequently, many companies have had to invest heavily in building up complex report-ing, data warehousing and analytical solutions over the years to be able to harvest value for their data. The latest technology evolutions, however, have made it significantly easier to work with the large data pool coming out of core enterprise solutions or other operational systems. With SAP S/4HANA® and the underlying in-memory processing power of SAP HANA®, access to data is far more efficient. Multi-dimensional querying of operational data such as stock inventory, sales order history, correlated financial insights and customer interactions can be done without the limitations of having to move data around between data platforms. By enabling real-time querying, combined with configurable what-if scenario modelling,

these approaches to instant insight and action give users the ability to quickly test hypotheses using predictive models and check their gut instincts using real data, in real-time – while still executing transactions. Many would recognise these possibilities from the world of Formula 1 racing – which by the way is also powered by SAP HANA® – where diagnosing, predicting and acting in real time give competitive advantages on the track where every millisecond matters. Most are not really aware that these same possibilities are also available for their core business operations in their core business system, and only a few enlightened organisations have yet exploited the advantages that they offer.

2. Building a modern data landscape

Accessing data is one thing – laying the grounds for more complex data operations and advanced insights are also part of the journey with SAP S/4HANA®. Bear in mind that real analytical power typically comes from combining strong real-time operational reporting such as SAP S/4HANA® embedded analytics with a modern data landscape design in e.g. BW/4 HANA, Data Warehouse Cloud, Data Intelligence and Sap Analytics Cloud, which support both real-time data insights within the operation of SAP S/4HANA® as well as more complex data operations, governance and service data products to wider enterprise consumers.

The possibilities encompass much more than financial data: Everyday, thousands of data points are produced: demographic data, channel and product preferences, attitudes on social media, interactional and transactional data as well as the huge amount of data coming from sensors built into production lines, equipment and products. With this kind of modern data landscape you will be able to:

- Combine internal data with open external data pools such as customer or goods movement within a retail shop floor harvested from cameras or Wi-Fi spots

- Utilise machine learning or process automation to apply intelligence to data

- Tap into high-frequency data coming from sensors or behavioural data sources

- Apply demographic data centred around consumers or market behaviour. Successful companies go with 'analytics first' With these possibilities in mind, it is not surprising that many companies choose to embark on an 'analytics first' path for modernising systems and deploying new digital capabilities, helping them accelerate business transformation strategies and gain an insight-driven advantage without first having to transform their systems landscape.

In this sense, analytics and reporting can no longer be an afterthought – even for organisations that still depend heavily on heterogeneous legacy systems. Especially for organisations considering an SAP S/4HANA® journey, the approach can help understand data better and align the purpose and availability of different data – either as a precursor to an SAP S/4HANA® project or as an integral part of its first phase. When it comes to applying analytics in an SAP S/4HANA® context, Deloitte typically recommends the transition into an SAP-centric modern data ecosystem through four guiding principles for success:

01. Ensure the ability to tap into operational and detailed data without having to do a lot of preparations

02. Maximise the ability to retrieve, store and combine large data volumes coming from both SAP and non-SAP sources

03. Focus on leveraging existing analytics investments by modernising the overall data landscape and ecosystem

04. Acknowledge the importance of applying an 'analytics first' perspective to obtain the detailed insights and knowledge of the company data pools in order to accelerate the transition to SAP S/4HANA®.

In sum, on the back of fierce competition and rising customer demands, many organisations are shifting toward becoming digital service companies for which analytics and data-monetisation capabilities are a must-have strategic enabler. Leaders understand that they must act promptly or miss a window of opportunity and, as a result, risk losing a competitive advantage.

With an 'analytics first' approach, you will be able to build a foundation for predictive nalytics and machine intelligence capabilities that can drive additional benefits for your business. You will also be able to lay the groundwork for a broader SAP S/4HANA® transformationwhile identifying potential challenges and pain points ahead of a full deployment.

Most importantly, although SAP S/4HANA® is in many ways rewriting the modernisation handbook for core enterprise data management, embarking on this journey is not about starting over on analytics, but rather continuing to build on the investments that have already been made. It takes a strategic roadmap and delivery plan that the business can readily understand, adopt and act on – reaping the benefits of analytics and insights all along your journey, sooner rather than later.

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With a global network of more than 28,000 business and technology professionals focused specifically on SAP, Deloitte is recognized around the world for our depth, experience, and leadership in helping our clients manage their digital transformations. Clients choose to work with us because we combine business insights with technical know-how to deliver practical, results-driven solutions that work in alignment with larger strategic goals.

As the world's leading SAP S/4HANA® Transformation Partner, Deloitte brings a wide range of experience helping our clients transition to SAP S/4HANA® and SAP BTP via Greenfield, Brownfield or Selective Transformation approaches. Within Selective Transformation, we are experienced in both the Shell Conversion and Mix and Match approaches and working with Selective Data Transformation partners. We also bring deep experience of hosting SAP S/4HANA® on all the hyperscalers and SAP RISE Private and Public cloud offerings. We bring a suite of automated tools to accelerate and streamline the delivery of these SAP S/4HANA® programmes.

Our team is ready to guide your company through the transition options and help you develop the scope, roadmap and compelling business case for change as well as to pilot- or co-pilot you through your SAP S/4HANA® transition. Contact us to get the conversation started and read more about selective transformation **here.**

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