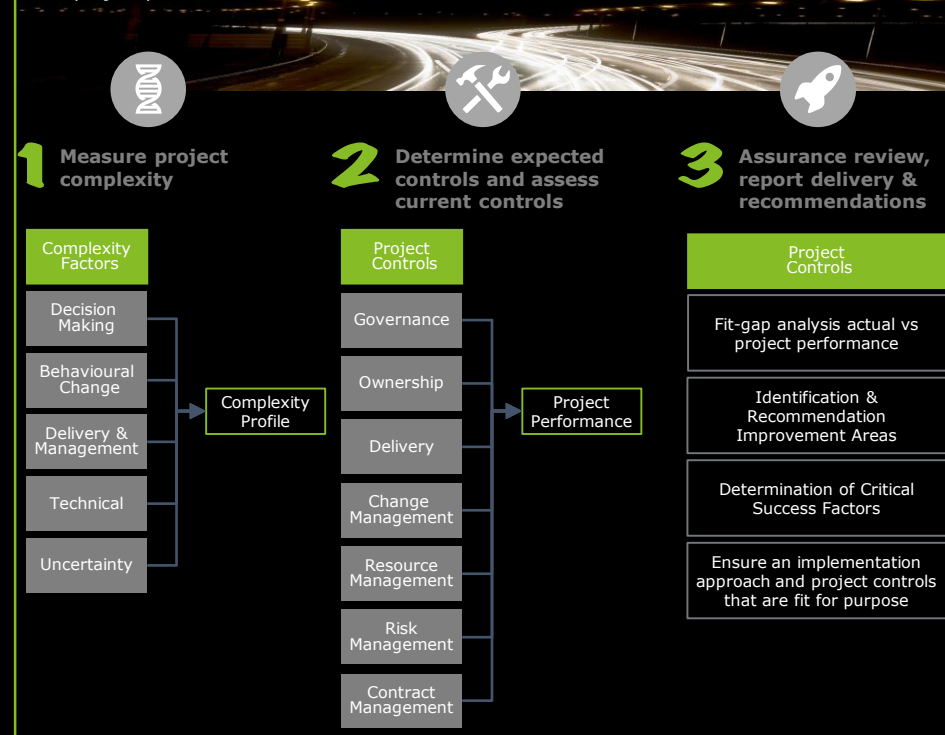# S/4 HANA transformation – Determining Complexity & Drivers for Success

Deloitte's Predictive Project Analytics helps you identify and manage project risks, and translates this knowledge into a clear understanding of critical quality assessment areas in a S4/HANA transformation

Predictive Project Analytics to assess complexity & controls in the S4/HANA transformation project

Deloitte's Predictive Project Analytics (PPA) significantly enhances the effectiveness of traditional project management tools. By leveraging advanced analytics we can identify the complex areas, and are able to evaluate the likelihood that a S4/HANA implementation project will be successful – followed with practical and actionable advice to continuously monitor quality and project performance

1 Measure project complexity

2 Determine expected controls and assess current controls

3 Assurance review, report delivery & recommendations

Complexity Factors		Project Controls		Project Controls
Decision Making		Governance		Fit-gap analysis actual vs project performance
Behavioural Change	Complexity Profile	Ownership	Project Performance	Identification & Recommendation Improvement Areas
Delivery & Management		Delivery		Determination of Critical Success Factors
Technical		Change Management		Ensure an implementation approach and project controls that are fit for purpose
Uncertainty		Resource Management		
		Risk Management		
		Contract Management		

Identified success factors and drivers for success in ERP transformations

1. Effective Program Governance

- Strong program governance capability focused on delivering the program and gaining alignment with functions on all organizational levels
- Methodical, "work stream" based approach to planning and executing the program
- Clear project mandate and early, effective decision making are crucial

2. Legal & Statutory Requirements

- Continuous changing legal requirements, require local SME's that have most up to date knowledge on local legislation.
- It is not only important to have a QA partner that delivers the legal knowledge for the interpretation of legislation but also a QA partner who translates this legislation into comprehensible designs for development in or next to a next ERP.

3. Process Sign-off

- In order to come to a design that fits the standard S/4HANA functionality and is also complete, QA partner should provide knowledge on industry and ERP technology.
- Continuously monitor the process designs, to ensure these support the business case.
- Assure to have the processes signed off from technology and business perspective.

4. Internal Controls

- Diligence about understanding the process baseline and level of maturity
- Build in additional FTE capability and test readiness in "receive site" operations
- Use the right tooling to automate SOX compliancy of your responsibilities and assure segregation of duty

5. Change Management and Stakeholder Buy-in

- Alignment of Senior Leadership to work towards common goals.
- Clear strategy to engage with Functional, Regional and Divisional leadership.
- Factoring in of sufficient resources and time.
- Ensure change as integral part of the program management.

6. Diligent migration process

- Diligence about understanding the process baseline and level of maturity
- Build in additional FTE capability and test readiness in "receive site" operations
- Aligning the "send site" process transition planning (e.g. personnel redeployment) with the "receive site" transition planning

7. Architecture Review

- Alignment of Senior Leadership to work towards common goals
- Clear end-goal target architecture but clear stepping stones in the transition

Business Continuity & Controls

- Provide guidance and implementation of the transition from legacy to S4/HANA
- Ensure that for high risk areas that parallel and fall back plans are in place to ensure continuity of operations
- Leverage Deloitte knowledge on S4/HANA controls for the implementation of required, cost efficient and sustainable controls

S/4 HANA – How to stay in control of the S4/HANA transformation?

Independent Quality Assurance: possible at different moments, with different durations and intensity depending on your needs

Stay in Control	Approaches					Tooling		
	Complexity Scan	**Governance Assessment**	**Targeted Deep Dives**	**Stage gate reviews**	**End 2 End QA**	**Predictive Project Analytics**	**Pulse check**	**Dynamic Risk Monitoring**
Our approaches to stay in control of your S4/HANA transformation ensure: • A fit for purpose QA is exercised by identifying the **key complexity drivers** and the associated **risks** • **A continuous focus** on, and re-evaluation of **risks** and **issues** • **A continuous cycle** of recommendations, and following up on these recommendations • **Involvement of SME's** to ensure quality both for the governance and execution of the S4/HANA implementation	The complexity assessment helps to **identify key complexity drivers** and potential opportunities to decrease complexity. Combined with a view on expected controls to be implemented to manage a project of this kind it **provides direction for setting up your project.**	**Secure you have a governance structure that is fit for purpose** to support the transformation via an initial assessment. During later stages, periodic check-ins **enable that the Governance model is operating effectively** and meeting the needs of the Program.	Focus on highlighted and specific areas and emerging risks within the program, **providing deeper insight** support the E2E QA, relying on specific knowledge and expertise **to pinpoint risks and root cause of issues.**	Asses if the specific objectives of the project phase have been achieved and whether **the program is ready to enter the next phase** based on a set of processes and content rich questionnaires.	Continuous review of the project covering **foundational program processes.** By being 'on site', pro actively addressing day-to-day risks and the follow up of recommendations coming out of formal assessments in collaboration with the program team (PMO, Project Quality Control	An extensive analytical project assessment examining project characteristics and controls in place. By benchmarking against similar projects PPA allows you to objectively assess your project's health and increase the likelihood of successful outcomes.	A quick, insightful tool offering insights in the perception of the project success. Pulse Check is forward-looking, and allows you to focus on the consequences of continuing to run the project in the current manner, providing an early warning system for when intervention is required.	Provides a risk heat-map, customized for the project and easily updated through a simple automated online survey. Individual risks are assessed by a range of project participants to provide an immediate 360° view of potential risk.
	At the start, 2-10 days	At the start, 4-10 days	Depended on project lifecycle & risks	At (key) stage gate transitions, 1-3 days	Ongoing during Project lifecycle, 0,5- 2 d p. week	All moments in the lifecycle	Ongoing during Project lifecycle, 0,5h pp p week	Ongoing during Project lifecycle, 0,5h pp p week
	PPA	PPA (optional)	PPA (optional)	PPA (optional)	PPA, Pulse check DRM (all optional)			

Contacts

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