Mastering the 4-Stage framework:

Your Game-Changing Guide to S/4HANA Enabled Transformation

Are you currently undergoing a business transformation, or considering starting one, but unsure of where to begin?

In the past few years, the world has been in a constant state of flux, due to global megatrends, changing workforce demographics, emergent technologies and, of course, the pandemic.

Are you beginning your business transformation journey and don't know where to start? Or perhaps you're already in the midst of it, but it's not running as expected? Here's your ultimate guide to SAP S/4HANA enabled transformation journey.

The current VUCA (volatile, uncertain, complex, ambiguous) environment has prompted businesses to undertake large-scale transformations to remain sustainable, cost-effective, competitive, and responsive to changes in customer needs and supply chain issues. As for technology, the approach is no longer to fit problems to existing IT systems but to find the right solution to solve them. However, the term "large transformation" encompasses a program that spans multiple capabilities, years, releases, projects, partners, and technologies, with the goal of changing one or more aspects of the business operating model to create sustainable solutions that align with the organization's strategic direction and generate business value.

BUT WHY IS SAP S/4HANA ENABLED LARGE-SCALE TRANSFORMATION IMPORTANT FOR BUSINESSES?
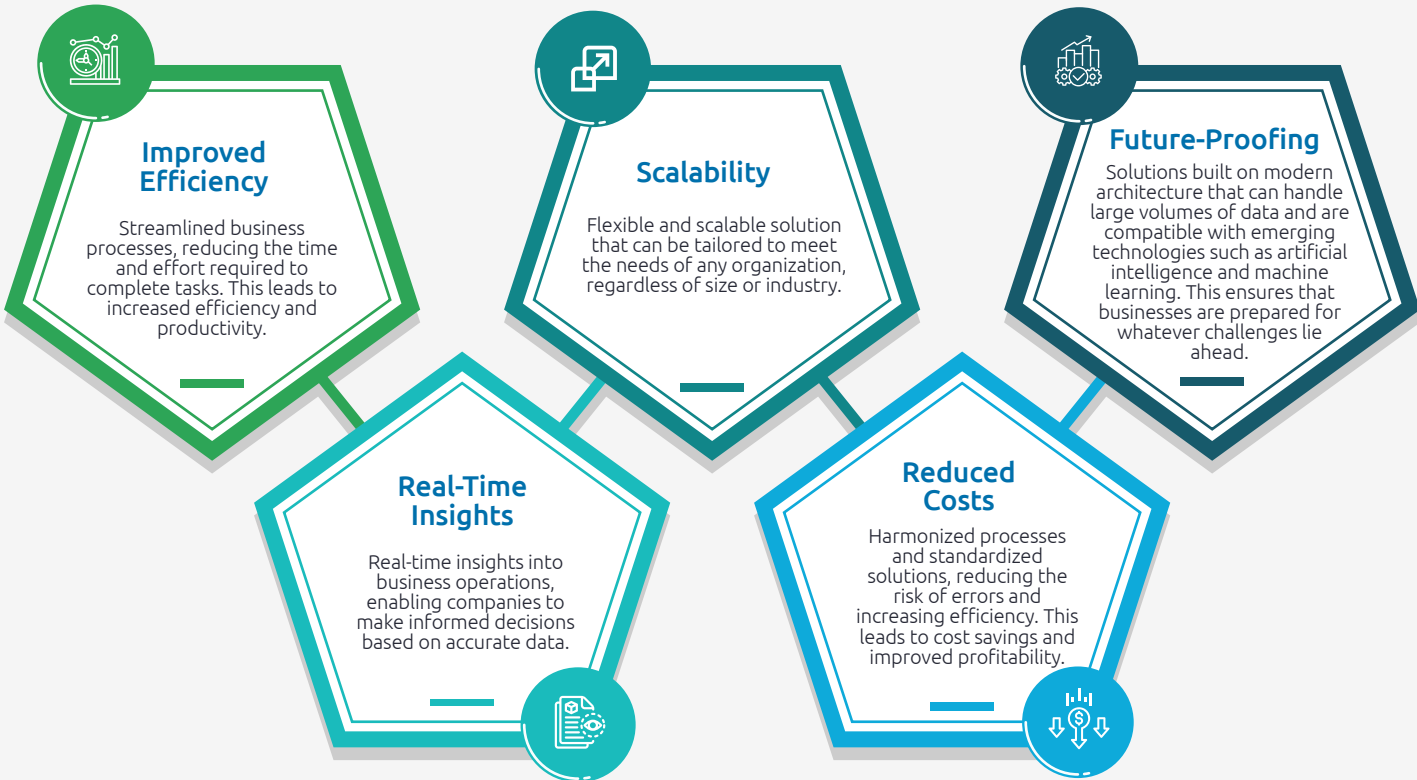
The business landscape is constantly evolving, and companies need to adapt to remain competitive. SAP S/4HANA enabled Large-scale Transformation helps organizations keep pace with these changes by providing a flexible and scalable platform that can be tailored to their specific needs.

SAP S/4HANA enabled Large-scale Transformation provides real-time insights into business operations, enabling companies to make informed decisions based on accurate data. It also harmonizes processes and standardizes solutions, reducing the risk of errors and increasing efficiency. This leads to cost savings and improved productivity.

In addition, SAP S/4HANA enabled Large-scale Transformation is designed to be future-proof, ensuring that businesses are prepared for whatever challenges lie ahead. It is built on a modern architecture that can handle large volumes of data and is compatible with emerging technologies such as artificial intelligence and machine learning.

ARE THE BENEFITS REAL?

The benefits of SAP S/4HANA enabled Large-scale Transformation are numerous, including:

Improved Efficiency

Streamlined business processes, reducing the time and effort required to complete tasks. This leads to increased efficiency and productivity.

Scalability

Flexible and scalable solution that can be tailored to meet the needs of any organization, regardless of size or industry.

Future-Proofing

Solutions built on modern architecture that can handle large volumes of data and are compatible with emerging technologies such as artificial intelligence and machine learning. This ensures that businesses are prepared for whatever challenges lie ahead.
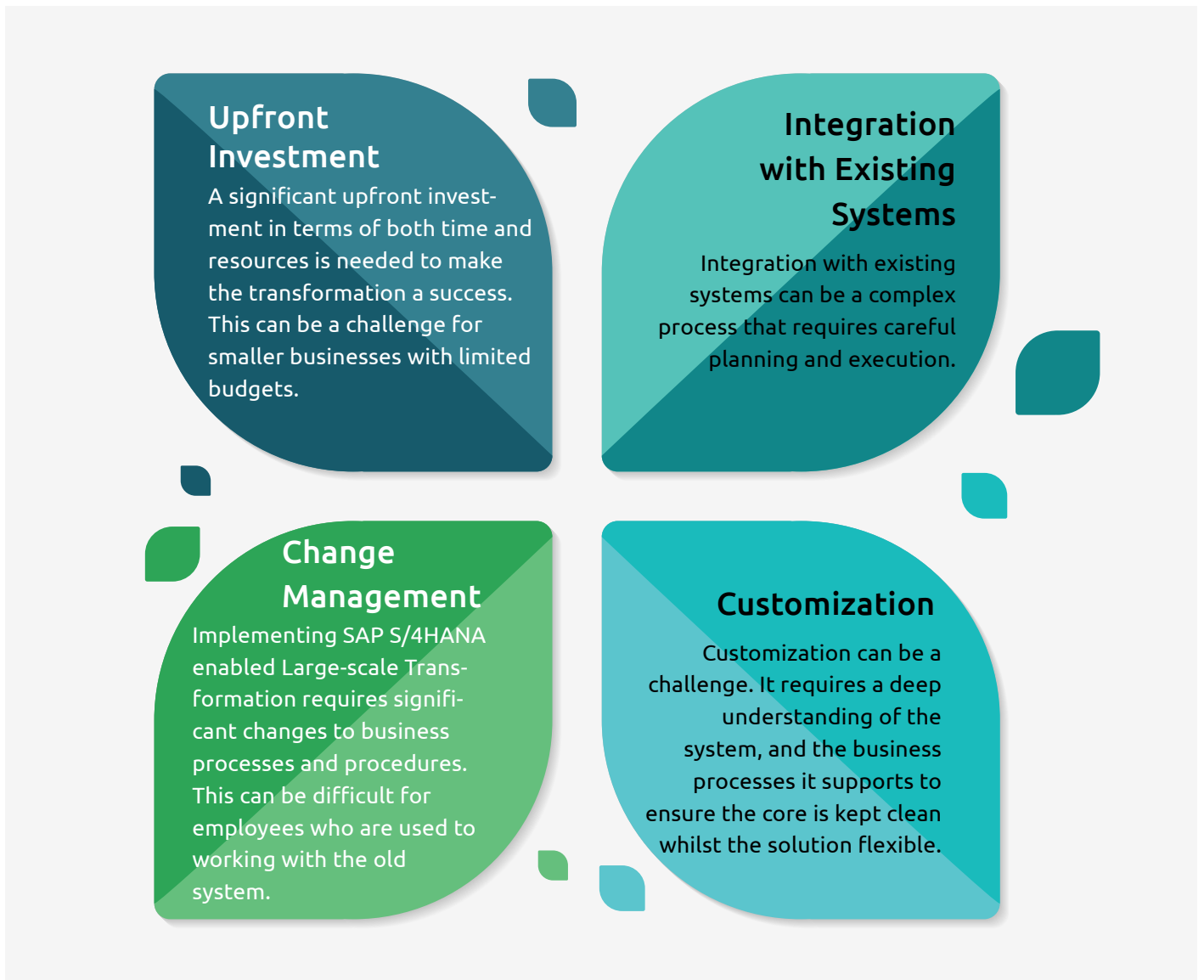
Real-Time Insights

Real-time insights into business operations, enabling companies to make informed decisions based on accurate data.

Reduced Costs

Harmonized processes and standardized solutions, reducing the risk of errors and increasing efficiency. This leads to cost savings and improved profitability.

TACKLING THE IMPLEMENTATION TIDES

While the benefits of SAP S/4HANA enabled Large-scale Transformation are clear, there are also challenges that businesses may face during the implementation process. These include:

Upfront Investment

A significant upfront investment in terms of both time and resources is needed to make the transformation a success. This can be a challenge for smaller businesses with limited budgets.

Integration with Existing Systems

Integration with existing systems can be a complex process that requires careful planning and execution.

Change Management

Implementing SAP S/4HANA enabled Large-scale Transformation requires significant changes to business processes and procedures. This can be difficult for employees who are used to working with the old system.

Customization

Customization can be a challenge. It requires a deep understanding of the system, and the business processes it supports to ensure the core is kept clean whilst the solution flexible.

Regardless of the work theme, delivery type or stage, the main goal for businesses should be to identify the target benefits at a high level, enriched with additional bottom-up benefits, and track these throughout the transformation lifecycle and beyond to ensure the desired business value is realized and further evolution is enabled through continuous delivery.

UNLOCK SUCCESS WITH THE RIGHT FRAMEWORK

To make this process easier, Capgemini has designed a 4-stage Large Transformation Program (LTP) Method. The stages include Shape Program (why the business needs to change, the value streams and scenarios in the context of which a business operates), Establish Program (understanding the foundational building blocks of the transformation and the solutions to support them), Build Solutions (detailed design, build and test of the solutions) and Deploy Change (rollout of solutions and realization of benefits). The four stages are further explained below; if you have any questions about how to apply them to your company, please don't hesitate to contact us.
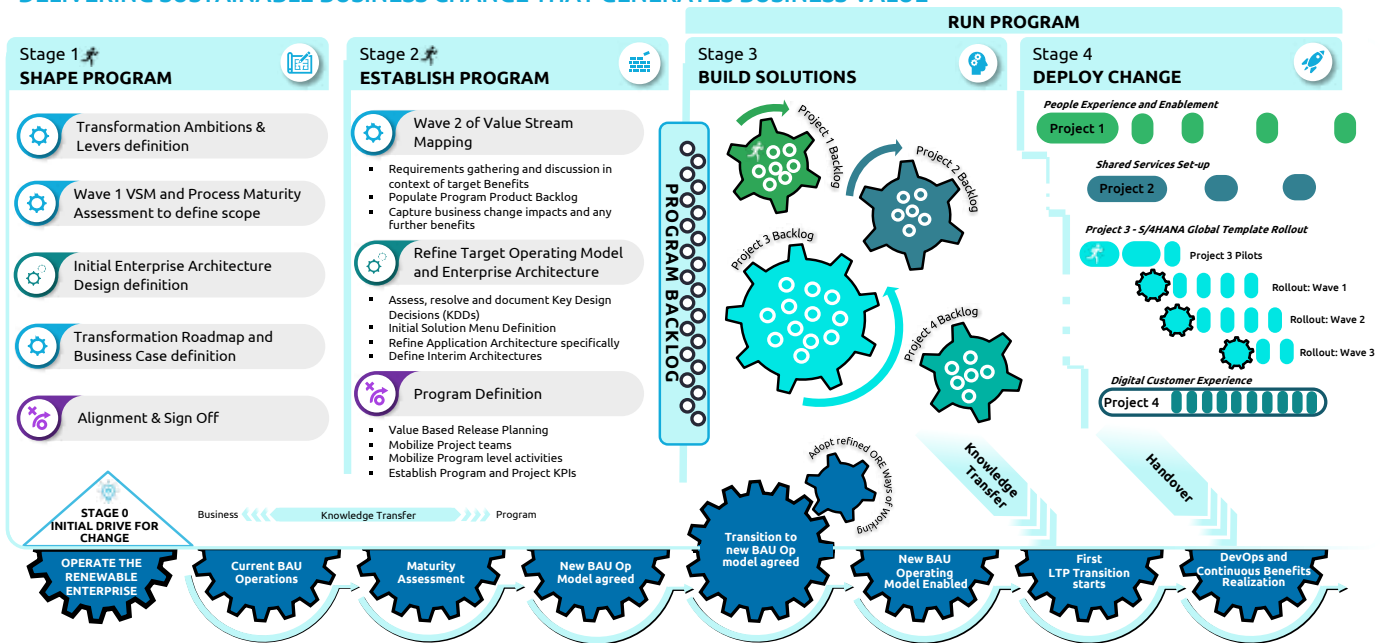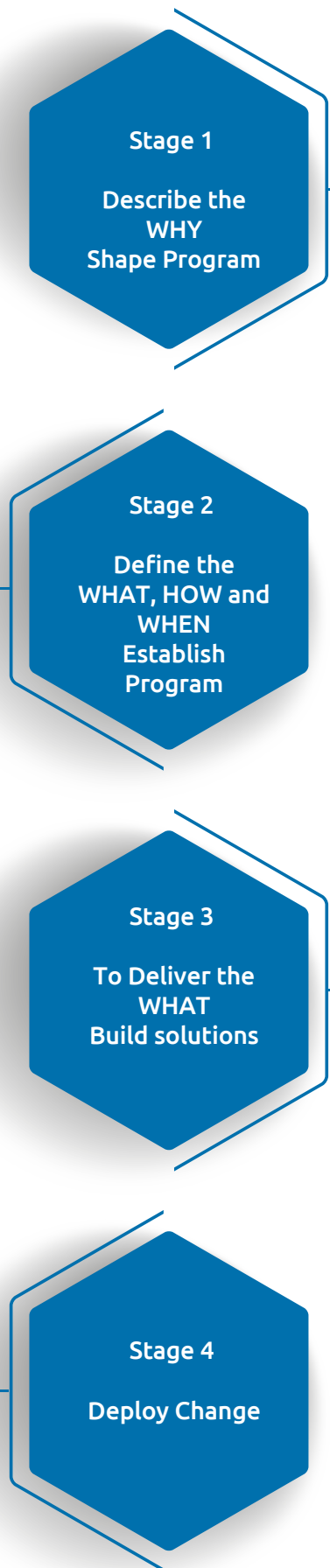

[The four-stage framework]

Even though the LTP has four clearly defined stages, we understand that it is part of a larger business ecosystem and it must interact with ongoing IT and business operations to ensure careful dependencies management and change impacts assessment while the business continues to operate as usual.

Stage 1

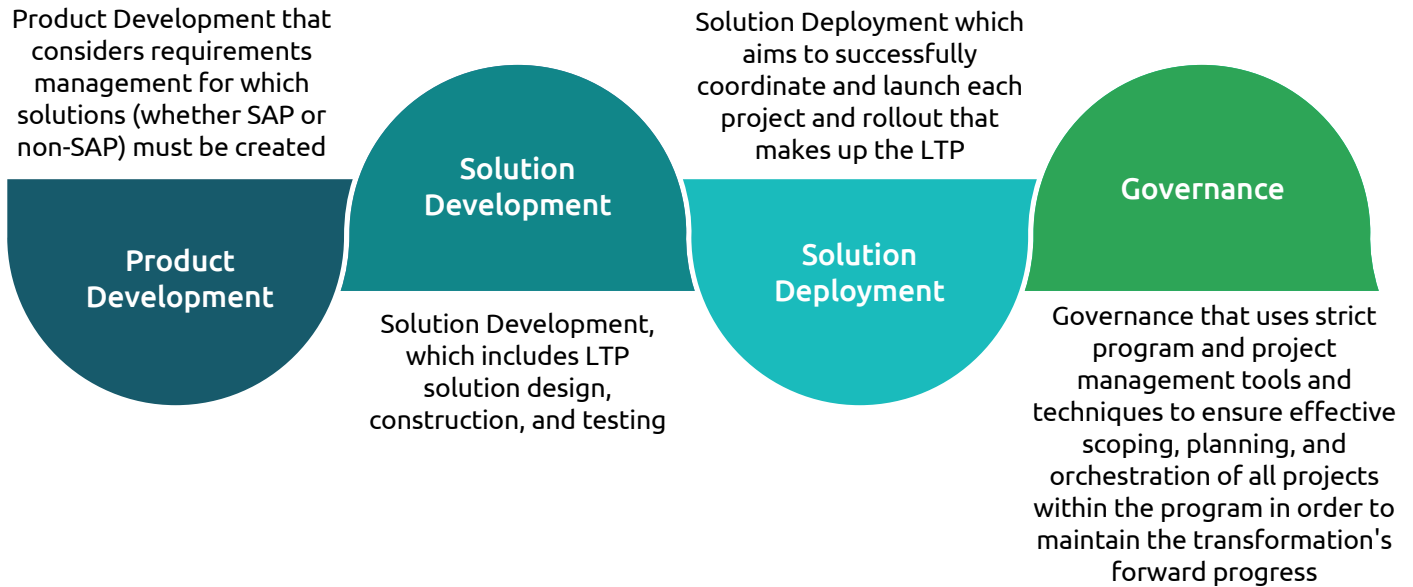**Describe the WHY**
Shape Program

What is the business case for the transformation?, Why does the business need to change?, What are the business true end-to-end value streams and scenarios that the organization operates in the context of? What capabilities need to be demonstrated in each of calling scenarios and what changes to these capabilities are required to reach the to-be target and what does the roadmap look like to achieve the transformation. Also, to ensure the program's success, it is crucial to comprehend and achieve alignment among business stakeholders regarding the transformation journey and roadmap.

Aspiration and actualization are connected by the program backlog and solutions menu 'bridge' created in Stage2. At this stage, we delve deeper to comprehend the fundamental building blocks (business process blocks) that are essential to every business scenario and serve as the cornerstone of the business context in which they are carried out in order to fulfil a capability; the suitable solutions that support the necessary business process blocks and changes, and the associated business change impacts that result from the solution deployments. In preparation for project execution, this Stage sees the conclusion of solution selections, the establishment of project parameters, and the development of value-driven release plans.

Stage 2

Define the WHAT, HOW and WHEN
Establish Program

Stage 3

To Deliver the WHAT
Build solutions

This is the time when projects are delivered (whether using an agile approach, a waterfall approach, a mix of the two approaches, or another method) through the careful planning, creation, and testing of the solutions covered by the LTP Program Projects.

Occurs when solutions are deployed in Production Environments, enabling business benefits realization and value generation. This is when global businesses begin their rollout efforts to ensure the sustainability and expansion of business benefits.

Stage 4

Deploy Change

THAT'S NOT ALL

Additionally, there are 4 Work Themes that run through the LTP: The ultimate goal is to ensure the benefits identified are tracked and that continuous delivery is enabled to further evolve the transformation. The 4 Work Themes are:

Product Development that considers requirements management for which solutions (whether SAP or non-SAP) must be created

Product Development

Solution Development

Solution Development, which includes LTP solution design, construction, and testing

Solution Deployment which aims to successfully coordinate and launch each project and rollout that makes up the LTP

Solution Deployment

Governance

Governance that uses strict program and project management tools and techniques to ensure effective scoping, planning, and orchestration of all projects within the program in order to maintain the transformation's forward progress

All 4 of the Work Themes, will require one or more of the following delivery types (or areas of expertise):

Business Delivery

Executes on the business responsibilities for the program to ensure strategy is translated into the solution to drive business acceptance

Solution Delivery

Takes the Program requirements to design, builds and integrates a fit-for-purpose solution that can be delivered in line with business expectations

Change Delivery

Manages the end-user journey throughout the program ensuring change impacts are captured, the business is well engaged and is ready for the transition to successful adoption of the new solutions

Program Delivery

Oversees the planning, execution and retrospectives associated with all LTP delivery across work themes by all delivery types. Accountable for the overall result of the Program

Taken together, these four work themes and four delivery types (areas of expertise) cover the totality of work that needs to be done on an LTP to secure the 6 mandatory per Stage outcomes guaranteeing the success to your business transformation.

IS SAP S/4HANA ENABLED LARGE-SCALE TRANSFORMATION RIGHT FOR YOUR BUSINESS?

SAP S/4HANA enabled Large-scale Transformation is a comprehensive business solution that can help organizations modernize their technology and streamline their processes. While there are challenges associated with implementation, the benefits are numerous and worth the investment.

If your business is considering SAP S/4HANA enabled Large-scale Transformation, it is important to prepare carefully and engage the services of an experienced transformation partner. With the right approach, SAP S/4HANA enabled Large-scale Transformation can be a game-changer for your business.

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About Capgemini

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