Drive Enterprise Transformation with Data Governance and Change Management

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Agenda

• Ensuring Success of Transformation Initiatives

• Genesis of the approach
  – End-to-End Design Governance
  – Transforming solution design

• Encapsulate, Optimize, Sustain
  – Encapsulation Framework
  – Change Management Engine
  – Data Governance Model

• Key Learning
Ensuring Success of Transformation Initiatives

- Realize that a global template is not the end
  - Templates evolve and are best when let evolved
  - Early systemic identification of conflicts is important
- Create a sustainable alternative to traditional approaches
  - High-risk “big-bang” implementations
  - One-template-fits-all rollouts
- Be open to adopt emerging technologies
  - Transformation is all about change
  - De-coupling technology changes from business changes
- Make the transformation measurable
  - A robust solution monitoring framework makes transformation measurable
  - Benchmark solution components with technical and functional KPIs
Genesis of the approach

• **Focus on End to End Design Governance**
  – Establish long-term Template Process Design & Governance
  – Ensure Design Accountability
  – Track integrated process design at a detailed level
  – Build-in process design controls plus active governance
  – Utilize SAP Solution Manager toolset in a creative manner

• **Focus on managing the heterogeneity**
  – of processes
  – of systems
End to End Governance

Assessing additions to Strategic Capabilities
Assess & recommend the strategic capabilities to be added to the template & roadmap

Portfolio Management
Alignment of Hypercare & interim development/release process steps; escalation; and prioritization criteria

E2E Roadmap Alignment
Maintaining the Strategic Roadmap (ex: site sequence, timeline, dependencies; sync/linkage to other Enterprise initiative roadmaps)

Template Maintenance & Management
Maintaining the Template (process decomp, methodologies, playbook)

Business Design Review / Approval
Manage the project/deploy & post go live business process design change request/resolution process

Dev/Sys Change Review / Approval
Management of the proposed design development & other system related changes across the landscape
Transforming Solution Design

Business Process Design

- Process Decompositions
- Process Decomp Details
- Integration to the process step level
- Confirming End to End Processes

Process Flow:

SAP Solution Design

- Design Configuration Reference Matrices
- End to End Solution
- Work Stream Alignment

Process Integration:

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Encapsulate, Optimize, Sustain

• Driving transformation through evolution and innovation
  – Encapsulate
    • To minimize business impact caused by technical changes
    • To ease organizational change management
    • To enable rapid integration of new technologies
  – Optimize
    • To establish integrated change control
    • To manage dependencies and to cleanse redundancies
    • To govern data without business disruption
  – Sustain
    • To ensure that the template itself is not the end
    • To switch over to global and local templates
    • To enable continuous improvement of the solution landscape
Encapsulation Framework

Common Business Interface
Enterprise Portal and Analytics

- SAP ECC
- CRM
- SCM
- New Systems

Upgrades
Global Template
Local Templates

Cutover to new Functionality
Pilot Country / Business Unit
Other Countries / Business Units

Data Governance
SAP NetWeaver MDM, SAP Master Data Governance

Compliance Framework
SAP solutions for GRC and SAP Solution Manager

Change Management Engine
SAP Solution Manager

Continuous Innovation

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Change Management Engine

- A robust change management mechanism to support ERP projects as well as continuous improvements and release management after go-live
  - Ensures that ERP projects do not just create a single system but a continuously evolving template
  - Enables easy integration of new functionalities in an existing SAP landscape
  - Addresses long-term release management and rollout requirements as part of ERP transformation at no extra cost
  - Uses SAP Solution Manager and all its features in an integrated fashion
Change Management Architecture

Pre-existing SAP ERP

The Baseline Template

Rollout# 1

Rollout# 2

Synchronize

Synchronize

Synchronize

Synchronize

SAP Solution Manager

Business Process Change Analyzer

Solution Benchmarking and Monitoring

Testing Tools

Integration to Service Desk

Incremental Template Build-up

Template Landscape

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Global Client
Localization 1
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Localization n

Q
Global Client
Localization 2
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.
.
Localization n

Anytime Cutover
Data Governance Model

- Centralized governance of master data domains with configurable workflows, extensible data models and integration with the Change Management Engine
  - Provides common services for data quality and distribution
  - Central authoring and governance of master data
  - Rule-based data validation and derivation
  - Can be adopted to various degrees of data governance maturity in an organization
  - Primarily, uses SAP Master Data Governance (with or without SAP NetWeaver MDM) and SAP Solution Manager
Data Governance Architecture

Pre-existing SAP ERP

Rollout# 1

Rollout# 2

The Baseline Template

Change Request
Rule-based Workflow

Standalone
SAP Master Data Governance

BRFplus
Validations/Derivations

Staging Area
Integration with Change Management

Template Landscape

Incremental Master Data Build-up

Anytime Cutover

Pre-existing SAP ERP

Rollout# 1

Rollout# 2

Template Landscape

Incremental Master Data Build-up

Anytime Cutover
# Data Governance Maturity Assessment

**Data Governance Strategy and Rules**
- Automated synchronization of reference data.
- Data governance strategy aligned with business needs.

**Data Governance Organization**
- All modifications are made to impacted systems automatically.
- Gaps are addressed based on clear ownership.
- Source systems with persistent data quality issues are replaced.

**Process Governance Organization**
- Standardized Business Process Governance policy exists, it is aligned with corporate strategy, and it is strictly enforced.
- Approval levels are defined and managed via automated processes.
- Documentation, modeling, and definitions are strictly maintained.
- Data for supporting metrics is integrated and standardized.

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**Leading**
- Automated data definition maintenance workflow.
- Periodic data rationalization reviews and analysis.

**Optimizing**
- Process to conduct data profiling exists.
- There is a list of prioritized remediation projects.
- Meta data exists defining information about data (e.g., data location, rules).

**Practicing**
- Process to prioritize issues with data stewards exists.
- Data quality issues are identified and logged.
- Root cause analysis is conducted.

**Developing**
- Centralized published data definitions and governance policy.
- Centralized data governance body and strategy.
- Consistent data ownership strategies.

**Aware**
- Decentralized data governance bodies and working charters.
- Decentralized data definition alignment.
- Manual data definition maintenance.

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**Decentralized data governance strategy and rules.**
- Decentralized data governance ownership process.
- Informal data dictionaries.

**Data Governance Strategy & Rules are not defined.**
- Process ownership for data governance is also not defined.

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**Policy exists but is not consistently followed.**
- Documentation, process modeling, and definitions are irregularly updated.
- Data for supporting metrics exists in non-standardized and non-integrated forms (e.g., critical success factors, balance scorecard key performance indicators, job positions, process maps).

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**Policies are decentralized and ad-hoc.**
- Limited documentation, modeling, and definitions exist.
- Data for supporting metrics is sporadic and non-integrated (e.g., critical success factors, balance scorecard key performance indicators, job positions, process maps).

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**Business Process Governance policy does not exist.**
- No documentation exists for business processes or supporting metrics.
Key Learning

• Enterprise transformation is a journey not an end
• Governance and Change Management are the key to enterprise transformation
• The right tools used innovatively make transformation sustainable
• SAP offers many solution components that help effectively drive transformation initiatives
  – SAP Solution Manager
  – SAP Master Data Governance
  – SAP solutions for GRC