D-GEM for
SAP S/4HANA®

A pragmatic, cost-effective approach to get your organization fit for future finance

> " *It is critical to understand that, even if your company decides not to adopt S/4HANA immediately, you still have to consider the changes imminent with S/4HANA – including for all your current work on your existing ECC landscape – in order to not add further technical debt."* [1]

Making the case for SAP S/4HANA implementation

With demands on the business continuing to change at an ever-increasing speed, it is imperative that organizations have a clear business case for upgrading to SAP S/4HANA.

A recent Capgemini-ASUG report[2] found that typical concerns around S/4HANA implementation such as going over budget or losing customization are not as significant as finance leaders might imagine.

However, building a business case with tangible benefits, confidence to make the program a priority, and understanding that the benefits of transforming your business in preparation for S/4HANA implementation have the potential to deliver a return on your investment for the entire journey.

For other organizations, decisions regarding the roadmap may be more around conversion now with a view to taking advantage of S/4HANA's enhanced functionality at a later date, or transforming the ERP as far as possible now, and converting at a later stage when it becomes more imperative.

" *The Capgemini/SAP relationship is a long-standing one that is built on trust, a powerful can-do attitude, and a joint ambition to deliver innovation to our clients.*"

Thack Brown
COO, SAP North America

A combined business and technology transformation of your finance function

Capgemini and SAP offer your organization the opportunity to optimize your SAP digital core by implementing D-GEM for SAP S/4HANA to drive a combined end-to-end business and technology transformation of your finance function that boosts performance, increases profitability, and maximizes your return on investment.

Capgemini's D-GEM for SAP S/4HANA combines S/4HANA's lightning-fast transaction analytics on a single platform and our Digital Global Enterprise Model (D-GEM) architecture that accelerates the implementation of the right digital operating model and S/4HANA transformation roadmap – all of which help your organization meet current and future business objectives:

- **Optimized value from S/4HANA –** D-GEM ensures your operating model is configured to derive the best value from S/4HANA, and helps you deploy the right tools and skills, at the right location and price

- **Quicker ROI and improved cost effectiveness –** D-GEM enables you build solutions and align processes during transition to help you rapidly identify and roll out transformation initiatives, leading to a quicker return on investment (ROI) and faster realization of savings

- **Accelerated business transformation –** D-GEM leverages the depth of our experience to help you define a roadmap for your transformation initiatives, leading to faster and better results

- **Minimized risk –** D-GEM represents a vast repository of process flows, control points, automation opportunities, and tooling integration derived from hundreds of transformation projects that help to mitigate risk.
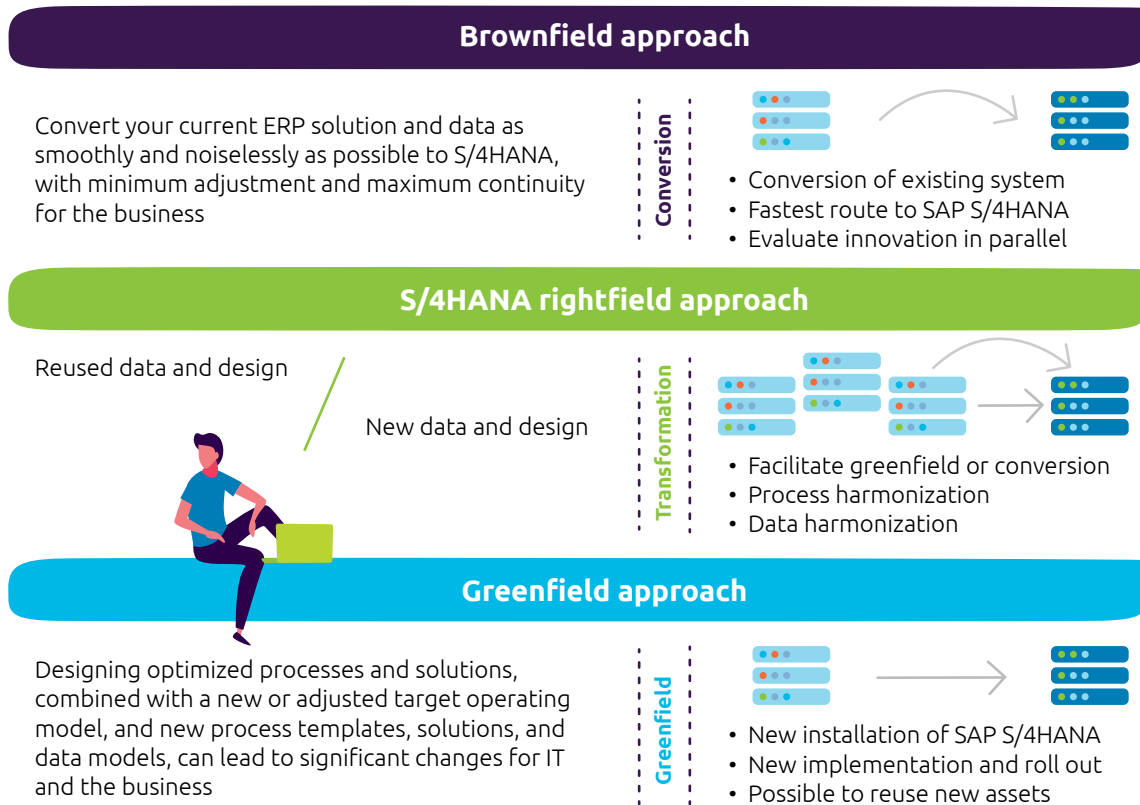
In short, D-GEM for SAP S/4HANA helps you benefit from smarter innovations, faster processes, and simpler interactions by delivering real-time reporting from a single source of the truth.

From an IT context, D-GEM for SAP S/4HANA brings regulatory currency and new functional capabilities, with a choice of delivery mechanisms including infrastructure, platform, and software-as-a-service. This also helps you to build a solid for, what we call, the "Renewable Enterprise" – transforming your organization to continuously grow, adapt, unlock business value, and outpace the competition.

" *Through 2021, CIOs who take a business-strategy-first approach to ERP will deliver 60% increased business value over those who take a vendor-first approach.*" [3]

Your journey to SAP S/4HANA implementation

As every organization is different, and has objectives and emphasis on SAP S/4HANA transformation defined by its own unique set of circumstances, how does each organization determine which path to take to maximize value and minimize business disruption?

Brownfield approach

Convert your current ERP solution and data as smoothly and noiselessly as possible to S/4HANA, with minimum adjustment and maximum continuity for the business

Conversion

- Conversion of existing system
- Fastest route to SAP S/4HANA
- Evaluate innovation in parallel

S/4HANA rightfield approach

Reused data and design

New data and design

Transformation

- Facilitate greenfield or conversion
- Process harmonization
- Data harmonization

Greenfield approach

Designing optimized processes and solutions, combined with a new or adjusted target operating model, and new process templates, solutions, and data models, can lead to significant changes for IT and the business

Greenfield

- New installation of SAP S/4HANA
- New implementation and roll out
- Possible to reuse new assets

A proven architecture for driving digital business transformation

D-GEM is the only platform-based architecture designed to deliver the future. D-GEM for SAP S/4HANA provides business transformation and benchmarking that guides the right digital operating model for your organization.

Grade mix – determine the right grade mix to support your level of automation and S/4HANA functionality, and restructure your resource pyramid as tasks become automated

Location mix – define an optimized location mix based on your process complexity and manual intervention involved, and transition tasks to Capgemini's Virtual Delivery Center

Competencies – realign and adapt your resource competencies for the automation age to ensure your workforce understands how to apply intelligent automation in order to enrich and augment their capabilities

Best-in-class processes – design and implement lean and efficient S/4HANA processes powered by intelligent automation, and take advantage of best practices derived from recent transformation rollouts across our clients

Intelligent automation tools and enablers – implement an optimal technology strategy to complement and leverage the full potential of S/4HANA and your automation activities

Pricing and cost allocations – define a pricing strategy that drives the right behavior and outcomes, as well as an optimal pricing model for increased adoption of automation and delivery of business outcomes

Governance model – deploy S/4HANA consultants as part of your governance team to mitigate issues and deliver a seamless S/4HANA roll out depending on where you are on your S/4HANA journey.
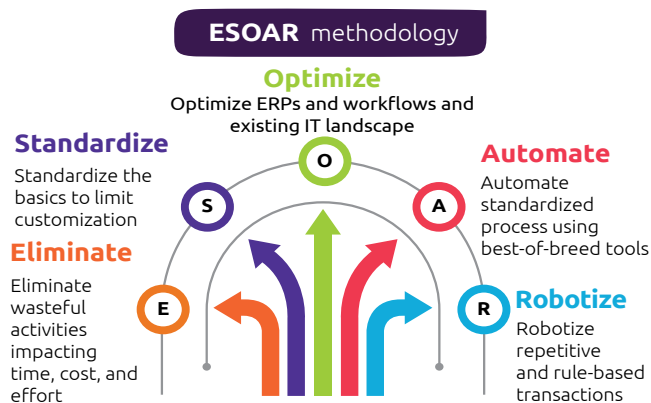
End-to-end assessment, build, and delivery

Delivered in close collaboration with you from the start of our engagement, Capgemini's D-GEM for SAP S/4HANA sets the standard for end-to-end processes fully aligned with S/4HANA, right down to the Fiori applications you will use:

- **Vision and ambition –** shape your vision for S/4HANA implementation and gain an executive view on the high-level value analysis

- **Idea –** assess this vision through a range of tooling and accelerators to deliver value analysis insight

- **Design –** create detailed process design and future-proofing analysis to deliver on the ambition and value

- **Build –** articulate how your business can be improved through ERP transformation, and then design, test, and project manage that transformation end-to-end

- **Operate –** refine and present all deliverables, including the roadmap, tangible benefits, return on margin (RoM), and the "to-be" architecture.

Re-engineer your processes to create a foundation for AI

We recognize that not all business processes are ripe for automation. A bad or ineffective process that is automated only ends up being a more rapidly executed bad or ineffective process. Capgemini's unique ESOAR (Eliminate, Standardize, Optimize, Automate, Robotize) methodology leverages our database of specific S/4HANA-ESOAR processes to assess and address the gap between intelligent automation and your current situation, driving best practice and business value.

ESOAR methodology

Optimize
Optimize ERPs and workflows and existing IT landscape

Standardize
Standardize the basics to limit customization

Automate
Automate standardized process using best-of-breed tools

Eliminate
Eliminate wasteful activities impacting time, cost, and effort

Robotize
Robotize repetitive and rule-based transactions

Why Capgemini?

Capgemini is one of the world's largest and most experienced SAP system integrators, boasting over 17,500 practitioners, 1,300 clients globally, and over 40 years of SAP experience. In addition, our diverse team of over 15,000 finance professionals delivers F&A services in 38 languages, from across 18 delivery centers, 24/7/365.

As a long-standing SAP partner and early adopter of SAP S/4HANA Finance, we leverage our deep technical, process, and operational knowledge, our experience of implementing large SAP transformations, and our best-in-class technology and transformational methodology to drive results through SAP licensing, implementation, infrastructure, and application management for some of the largest companies across the globe.

No matter where you are on your SAP S/4HANA journey or the maturity of your systems and people, we work collaboratively with you to prepare your business for SAP S/4HANA implementation, delivering benefits to your business that have the potential to fund your entire SAP S/4HANA journey. In addition, our integrated team of financial, technical, and SAP S/4HANA experts can provide customized business demonstrations that can be tested and deployed with four to six weeks.

Connect with us:

About Capgemini

Capgemini is a global leader in consulting, digital transformation, technology and engineering services. The Group is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year+ heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. Today, it is a multicultural company of 270,000 team members in almost 50 countries. With Altran, the Group reported 2019 combined revenues of €17billion.
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www.capgemini.com

1. Gartner Inc., "What Customers Need to Know When Considering a Move to S/4HANA — 2018 Update", Duy Nguyen, John Van Decker, Denis Torii, 8 October 2018

2. "SAP S/4HANA Challenges that Aren't so Challenging" Americas' SAP Users Group (ASUG)/Capgemini joint report.

3. Gartner Inc., "Magic Quadrant for SAP S/4HANA Application Services, Worldwide", Fabio Di Capua, Susan Tan, Allan Wilkins, 20 May 2019

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