



11 Mistakes to Avoid when Upgrading SAP

Poor planning, scope creep, sloppy testing and other common (and not-so-common) pitfalls.

Ongoing business and technology changes – not to mention the intense competition and cost pressure imposed by the post-recession environment – are forcing businesses worldwide to continuously reinvent themselves. Winners in this “reset economy” will require not only high-octane global talent but also fine-tuned business processes delivered by virtualized infrastructures that save time, money and effort while maximizing business agility.

For many large organizations, SAP’s suite of business applications forms the backbone of these business-critical processes. SAP

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regularly releases upgrades of its enterprise resource planning (ERP) software to help its customers leverage the latest business capabilities and remain competitive. These upgrades can be a valuable opportunity to maximize the ROI of customers investing in SAP. That being said, mistakes in the implementation process

can quickly erode the value of these upgrades, or worse, offset the value completely by miring the organization in upgrade-related issues.

Here are the eleven most common mistakes companies make in implementing SAP upgrades, along with some guidance on how to avoid them.

1. Ignoring “low-hanging” functional fruit in a technical upgrade.

SAP technical upgrades are “behind the scenes” projects that tweak how applications are processed and data flows, with minor (if any) changes to workflows or user interfaces. They are often triggered by technical requirements, such as SAP’s decision to withdraw support for a specific package or a change in the hardware running the application.

Technical upgrades typically cost much less, and take less time, than functional upgrades, which require greater changes to workflows and user interfaces. Many companies thus get into a routine of performing technical upgrades without considering functional changes at the same time. This will inevitably lead to missed opportunities to address new business processes and rapidly changing business requirements.

Companies conducting technical upgrades should look for ways to perform selected functional upgrades that will improve business processes and the bottom line, without the cost and complexity of a full functional upgrade. One client, for example, used a technical upgrade to SAP ERP 6.0 as an opportunity to consolidate databases and move to a platform that would support new technologies, such as



SAP Interactive Forms by Adobe and Blackberry integration via SAP CRM.

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Don't: Plan a major functional and technical upgrade at the same time. Imposing this much change on users and the IT department simultaneously increases the risk of failure and organizational resistance.

Do: Ensure that even a technical upgrade provides business benefits by exploring relatively easy functions that could be enabled by the technical upgrade, such as a new built-in report or a checkbox to automate workflow.

2. Not getting industry-specific consulting help.

Not all industries face the same challenges, have the same priorities for their SAP implementation or face the same cultural, political and financial upgrade challenges. You should approach technical upgrades as if they were a whole new

implementation. Re-evaluate your technical needs, your skills requirements and the extent of system customization you'll require in assessing how much outside help you need, as well as which consultant can best provide it.

Rather than simply awarding the upgrade project to the partner that handled your last big project, bring in two or three vendors and thoroughly evaluate their capabilities by having them walk you through their SAP upgrade methodologies.

Don't: Make the mistake of assuming that any consulting firm with prior experience will be the right fit for your company's upgrade.

Do: Choose a consulting partner that has experience and customer references in your particular industry and your version(s) of SAP.

3. Not holding your partner fully accountable.

If your SAP implementation is truly critical to your business, you need a consulting partner who will approach your upgrade as seriously as you do. You don't want your upgrade project to get swallowed up in a sea of consulting projects or to be at the center of a finger-pointing exercise between multiple consulting vendors.

Don't: Let your vendor escape responsibility for the success or failure of your upgrade.

Do: Consider asking your implementation partner to "own" the implementation and assume collective responsibility for its success. Consider building in rewards and penalties for meeting (or failing to meet) time and cost targets.

4. Failing to ensure robust test management.

The worst time to find out about a problem with your upgrade is after it's gone into production. That's when it's most expensive to fix, and also when it can do the most damage to user productivity, revenue flow and credibility. Many organizations also fail to ensure that their test environments match their production environments, learning too late that custom objects do not work properly when deployed.

Don't: Let your users just "dip their toes" in your development sandbox and mistake this for "testing."

Do: Provide a complete testing environment that mirrors your production environment, separate from development and QA servers. Create a tight feedback loop to incorporate user concerns and address the bugs they identify. Ensure your testing is complete and consistent, all the way from the PRD (product requirements document) through pre-deployment testing.

5. Allowing scope creep.

Scope creep can quietly kill an upgrade by weighing it down with so many "nice to have" features that the "must have" features are never fully implemented. Freeze SAP development well in advance of the upgrade to eliminate the possibility of development changes during the upgrade that could stall progress or cause unanticipated errors.

Don't: Let parallel projects muddy the upgrade waters.

Do: Declare a development freeze period and communicate it in advance to all stakeholders. A good rule of thumb is to try and freeze new development a month or so after the start of the quality assessment that begins the upgrade.

6. Failure to kill custom code.

Many companies routinely write their own code to create objects or functions that don't

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exist in the off-the-shelf version of SAP. It's inevitable that some custom objects won't work with the new version of SAP. Eliminating unneeded custom code can save a significant amount of time, effort and trouble. One large client reduced its 14,000 customized objects by half before an upgrade.

Don't: Assume that your custom code and interfaces will work in your upgraded SAP version, even if they were built using established user exits. They often will not.

Do: Examine previous application documentation to help identify custom code. Ask consultants if they have proprietary tools to help you find such code or build code discovery into their upgrade processes. Test all custom code and third-party interfaces in a testing sandbox, or even better, with upgrade simulation software.

7. Delivering one-size-fits-all training.

Different employees use SAP in different ways. Forcing experienced users to take basic training, or throwing specialized information at users who will not employ it, wastes precious time and money and can discourage adoption. Tailor your training accordingly and plan for role-based training customized to users' unique requirements. For example, when transitioning from SAP 4.7 to 6.0, many users will only experience minor GUI-like changes (particularly in the case of a purely technical upgrade).

Don't: Provide the same amount, or type, of training to all users regardless of their experience and responsibilities.

Do: Provide online training that shows seasoned users only the changes that impact them. Build an internal "center of excellence" and take advantage of virtual SAP events and online education, such as its new Learning on Demand Web site. Create a "mentoring environment" that enables users to take advantage of experts both inside and outside of the company and provide context-based online help. Resort to classroom training only when necessary to fill critical knowledge gaps.

8. Ignoring change management.

Change is difficult for users, and failure to help them cope can spell failure for an upgrade. The time to address change management is before the upgrade begins.

Don't: Wait until hands-on upgrade training has begun to address change management issues with users, or leave change management and upgrade training to IT.

Do: Create an internal change management and training team, backed by a reasonable budget and executive support. Begin change management sessions as early as possible, so users can provide feedback on new business processes or reporting structures. By the training phase, users should have embraced their new roles so they can focus on specific questions, such as, "Where did the 'approve purchase order' field go?" or "Can I adjust the colors on my new GUI?"

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9. Insufficient skills assessment.

Assuming (or hoping) that employees skilled in SAP ERP 4.x are capable of performing an upgrade to SAP 6.0 can be a disaster. Remember, you not only have to be prepared to do the skills assessment, but also to make the necessary investment to supplement the skills you find lacking.

Don't: Cross your fingers and hope that a bit of internal training will be sufficient for those in lead roles.

Do: Ask outside vendors for an "SAP skills matrix" to evaluate your upgrade skill requirements. SAP's talent management functionality within SAP ERP HCM (Human Capital Management) and SAP Solution Manager's OCM (Organizational Change Management) toolkit can also identify upgrade skill gaps.

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10. Insufficient infrastructure planning.

According to SAP, 40% of its customers don't need to change their hardware configuration to upgrade to SAP 6.0; however, most customers do. This may consist of resizing the application server, deploying new front-end components, making network adjustments to maintain system performance, upgrading or migrating operating systems and databases, or converting to Unicode.

Don't: Just cross your fingers and hope SAP's recommended system requirements are accurate.

Do: Move to the 64-bit hardware SAP recommends, as the added scalability and power will provide a solid foundation for future enhancements. Running the NetWeaver Java stack is optional, as ERP 6.0 ships with the older NetWeaver ABAP stack, which will be adequate for most users. Do install the NetWeaver Java stack, however, to address more complex requirements such as accessing Adobe Document Services functions for regulatory filing (for example).

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While Unicode conversions are time- and resource-intensive, they are not terribly difficult, and moving to this new data exchange standard will be easier before your upgrade than after, since the database in SAP ERP 6.0 is 50% to 100% larger than previous versions. Note that the Unicode conversion will

take more time and effort if the customer has a very large database and uses MDMP (MultiDisplay and MultiProcessing).

11. Ignoring support packs.

An environment that hasn't been properly updated to resolve security and stability flaws is like a weak foundation for a building: It may hold up in the short-term, but the hidden weaknesses will eventually catch up with you. Installing all the proper support packs in your current version is critical to ensuring that your upgrade installs and runs as expected.

Don't: Upgrade until you catch up on your support packs (which contain corrections for errors) and OSS (online support) notes for your 4.x environment.

Do: Ensure you are up-to-date on all error fixes and that you are running the latest version of the Solution Manager support platform, if you make extensive use of it. Failure to do so will cause technical and training issues down the line.

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