Greenfield on SAP S/4HANA® and SAP BW/4HANA®

Overcoming all stumbling blocks with flexibility and wide-ranging msg expertise



The implementation of SAP S/4HANA® and SAP BW/4HANA® takes time. The DSV group was also aware of this when it embarked on the implementation of this major project. Due to the expected high project complexity and the large capacity requirements, DSV decided to tackle the implementation to-gether with msg as a strong partner at their side. The diversity of expertise and the very comprehensive IT specialist knowledge within the msg group convinced DSV of a joint project implementation.

Success Story

Customer

The DSV group employees approximately 2,400 people and is headquartered in Stuttgart. It is the central service provider for the Sparkassen-Finanzgruppe (financial group), the German market leader in the area of financial services and is closely integrated into the Sparkassen (savings bank) organization. Four specialized competence brands ((S-Communication Services, S-Management Services, S-Payment and S-Public Services) shape the DSV group's market presence and present innovative solutions for savings banks. These include mobile and contact-free payment procedures, media services and value-added services.

Solutions relating to risk, information, organization and purchase management as well as e-government solutions. Central functions and shared services of the DSV group are combined in DSV, which acts as a holding company. DSV Immobilien Service (property service), which combines the competences of facility management and the event service provider of the DSV group under one roof and DSV IT Service for IT services, act as an internal infrastructure service provider.

Initial Situation

The initial impetus to introduce a new corporate management model came as early as 2015. The core idea for this: Not explaining the figures of the past, but planning and actively controlling future business. At that time, SAP R/3 was in use, but those responsible wanted to introduce SAP S/4HANA® and SAP BW/4HANA® as the new ERP system. In this context, there was also a desire to rethink the processes completely and to standardize them where possible. "msg was our first choice as a service provider," emphasizes Heidrun Breier, head of SAP Services at DSV IT Service GmbH. The DSV group had already had positive experiences of working with msg. Another point was that msg offers SAP product development and is thus always up to date with the latest SAP knowledge. In October 2018, the joint greenfield implementation of SAP S/4HANA® and SAP BW/4HANA® started under the motto: "SAP-herausfordernd, innovativ und richtungsweisend", "SAPhir" for short (SAP challenging, innovative and trend-setting).





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Challenge

The main motivation for the DSV group to switch to SAP S/4HANA® was not just the technical benefits. "Our aim was to establish a uniform approach - for example in master data maintenance - within the group", says Günter Breier, head of department application and consulting at DSV IT Service GmbH. The DSV group was decentrally organized, which was reflected in the SAP R/3 system. The business units processed orders and purchase orders independently of each other and were separated in terms of processes. In the future, processes are to be mapped and standardized centrally. In addition, changing product worlds and billing models made working in SAP R/3 more difficult.

In the course of the project, however, the joint project team was faced with a number of operational challenges, such as a complex process structure, an inhomogeneous interface landscape and legacy data, which needed to be cleaned up. In addition, the concept of centralization in the corporate structure was put to the test.

Solution

When msg experts were brought in in 2018, they first looked at the existing concept and processes. In 2019, they started implementing the new systems, created initial test data and ran through the processes. But it quickly became clear: Implementation on the originally planned date would not make sense. "Initial tests showed that the migration results and the interface design were not sufficient. The processes did not work consistently," explains Heidrun Breier. "So we acted responsibly and postponed the go-live by a year." Instead of on January 1, 2020 as originally planned, the cutover to SAP S/4 HANA® took place on January 1, 2021 after extensive data cleansing, further integration and migration tests and a detailed user acceptance test.

In the same year, the decision was made to give the DSV group a new company structure with a clear focus on the market and to reorganize the DSV group: The matrix structure was to become a holding structure by 2022. The centralizing concept and control model of SAP S/4HANA® and SAP BW/4HANA® were therefore adapted at central points. Data had to be migrated again and outsourced to the various company codes. Implementing this directly would have delayed the implementation project again by at least another year. Instead, the management followed the recommendation of Heidrun and Günter Breier, to go-live with SAPhir1.0 with msg as planned and to implement the holding structure in a follow-up project SAPhir 2.0 directly after the successful go-live. The system architecture and process landscape created had to pass their first test with the reorganization as a holding company. Customer, supplier and product master data had to be transferred to the new companies. Shared service tasks such as finance remained in the holding company.

Finally, both major projects with all their smaller sub-projects were successfully completed - not least due the great commitment and flexibility of all participants. msg was able to provide flexible support thanks to its expertise and specialist knowledge across different units. "If a need for a particular skill or technical expertise suddenly arose unexpectedly, we could always rely on msg to fill the gap," says Günter Breier.







Benefit

After three parallel projects in 2022, SAP S/4HANA® and SAP BW/4HANA® as well as the SAP Analytics Cloud® are now being used by the DSV group in sales, logistics (warehouse and route), purchasing, accounting and controlling at eight companies. As a result of the implementation, the DSV Group has not only achieved a fundamental renewal of the SAP system landscape and successfully implemented a new management model, but has also achieved a significantly higher degree of automation and digitalization, which eases the workload of the various specialist departments. These effects are particularly noticeable in purchasing and sales, where throughput times have improved. The SAP Business Planning and Consolidation planning system that has been introduced brings further benefits. This is because it provides insights into many KPIs at management level, which could not be previously analyzed in this way. This gives management a much better basis for decision-making. Another benefit was that some outdated processes were rethought and redesigned from scratch. Many legacy programs and Excel spreadsheets have been replaced and the overall number of media discontinuities has been reduced, resulting in a high level of integration in the SAP system.

Outlook

The collaboration with msg is set to continue. The list of projects and tasks is long. A particular focus in the medium term will be on compliance and regulatory requirements. The plan is to further expand the internal controlling system so that it includes complete information life cycle management and implements the current GDPR requirements. The implementing of additional customer-specific functions and the onboarding of another subsidiary are also planned.

Do you have questions about the project? Please do not hesitate to contact us.



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