

2019

FINALLY GET A GRIP ON YOUR LEGACY DATA

Migration to SAP S/4HANA – chances and challenges in dealing with old systems.

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FOREWORD

Dear reader,

As a business or IT decision-maker, you will have already created the basis for the migration to SAP S/4HANA and engaged intensively with this issue – otherwise you would probably not have downloaded this whitepaper.

You are convinced of the advantages of a SAP S/4HANA migration, already have the management on your side, but are still plagued by the question:

What happens to the old data?

This whitepaper explains how you can clean up your legacy data inventory and still achieve archiving in compliance with the law.

Wishing you lots of fun reading, and every success for your major IT project,

your T-Systems Team

Reduce
IT costs

Ensure
Data Quality

TRUE HISTORIZATION:
The carefree managed service
for the historization of your legacy data

Increase
efficiency

MIGRATION TO SAP S/4HANA - CHANCES AND CHALLENGES

Two thirds of German companies expect that migration to SAP S/4 HANA will accelerate the processes and data analyses, and more than half expect a modernization of the applications and infrastructure. The move to SAP S/4HANA brings companies more advantages than any similar update before, and allows new business models, more efficient processes, cost-efficiency and greater effectiveness. And, in financial terms, the switch from CAPEX to a flexible OPEX model in the Cloud reduces operating costs.

So, if you are convinced of these advantages and want to tackle the migration to SAP S/4HANA yourself, you are facing some special challenges.

The migration to SAP S/4HANA does, in fact, give rise to various problems. This is because the migration means a switch from older ERP versions, particularly from SAP R/3 to SAP S/4HANA, and is often also a move from an installation in the on-premises computer center to the Cloud. Usually only part of the existing data and functions are carried over, and a 1:1 implementation will hardly be likely. The new Cloud software is usually started in the greenfield mode with only the essential data. But, nonetheless, you still have to be able to access legacy data again.



**OVER
12 YEARS
CLOUD EXPERTISE**

HOW TO ENSURE COMPLIANCE WITH THE LAW AND DATA REGULATIONS

Simply ditching the old data is not an option. There is a wide range **of legal stipulations and sector regulations that prescribe the archiving of data over several years.** This would include the Tax Code (AO), the Commercial Code (HGB), the requirements of the tax authorities on the basic principles for the proper keeping and archiving of books, records and documents in electronic form and on data access (GoBD) and the corresponding principles of orderly accounting in the use of electronic archiving methods (IDW RS FAIT 3), the EU General Data Protection Regulation (GDPR) in conjunction with the updated Federal Data Protection Act. Tax-related documents (including all relevant e-mails) have to be archived just as the production data required for product liability purposes.

The **retention period** for books and records, annual financial statements, inventories, status reports, opening balance, booking vouchers, documents that have to be attached to an electronically submitted customs declaration (ATLAS) if the customs authorities do not require their submission or have returned them after submission, and invoices is ten years. All other business documents subject to a retention period have to be kept for six years. For documents relevant to radioactivity and X-ray images, the retention period is 30 years.

The GDPR specifies the **deletion obligation for personal data** on request. This is a further considerable challenge because the corresponding personal documents actually have to be found in all the older data sets and deleted. In the case of violations of the GDPR, companies can face severe penalties of up to €10 million or four percent of the consolidated turnover.

According to the GoBD, as well as records and other documents that fall under the non-tax and tax-related recording obligations, all other documents must be kept.

This includes, in particular, digital or digitalized vouchers, land register records, bookings, other records and documents, relevant master data and procedure documentation. These must be kept over the entire duration of the retention obligation insofar as they are relevant for understanding and examining the taxation in individual cases.

TACKLING THE PLANNING

Because SAP S/4HANA has so many changes compared with its predecessors, a simple 1 to 1 takeover is not possible. The data migration is, in fact, the biggest problem on the way to SAP S/4HANA, both in terms of the complexity and the time involved, as the market researchers at Pierre Audoin Consultants (PAC) have established. In particular, historically grown SAP landscapes can be very complex, and often there are company-specific peculiarities to be taken into account.

If you are planning migration to SAP S/4HANA, you should ask yourself the following questions:

How important is my legacy data?

Which costs and risks are involved in the historization of legacy data?

What are the legal stipulations regarding data retention and the associated archiving?

This whitepaper explains how you can effectively clean up your data basement. This means that you can minimize the maintenance costs for old systems or completely shut down the old systems without losing any data.

When switching from the classical on-premises operation to Cloud or Software as a Service in the greenfield approach, you often start only with the most necessary data, as the analysts IDC have found out. But even in this case, the company still needs access to historical data.

HOW DOES THE HISTORIZATION OF LEGACY DATA WORK?

With the Managed Application Retirement Service (M.A.R.S.) from T-Systems you can transfer the data from your old applications to a highly secured cloud, thus saving costs of 60 to 80 percent, change from CAPEX to OPEX, and ensure long-term data availability.

In order to historize the data in the course of an SAP S/4HANA migration and shut down the operation of the old system completely, the legacy data are transferred to a historization platform that is entirely independent of the technology of the source system.

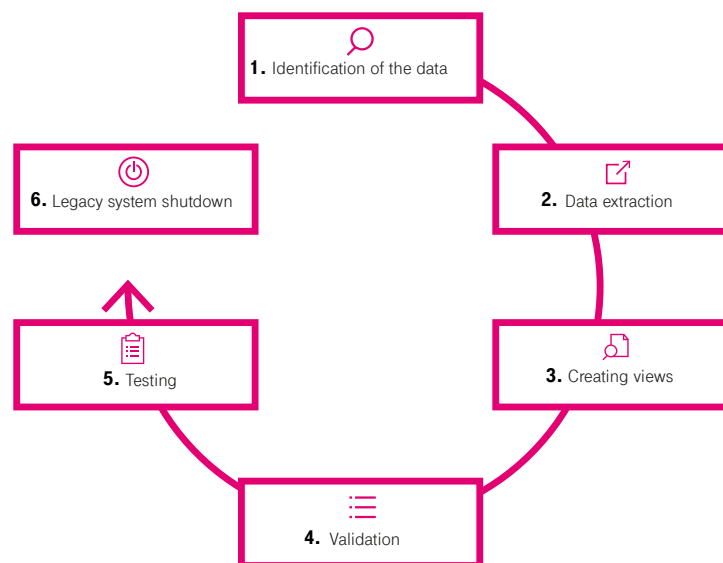
This requires the following steps:

1. Identification of the data to be archived
2. Transfer of the data to the historization platform
3. Creation of views of the data
4. Validation and, as necessary, certification by an auditor
5. Testing whether the data is available as required
6. Decommissioning the old system

A historization platform is deigned precisely for the purpose of retaining data over decades. The application and database layer is usually decoupled from the hardware, widely available open-source products are used as software components.

THE MAIN ADVANTAGES OF A HISTORIZATION PLATFORM ARE:

- **The old system can be completely decommissioned so that no further costs are incurred. The possible risk of data loss is eliminated. Back-up strategies are not neglected and malfunctions avoided. A historization platform offers up-to-date back-up mechanisms which guarantee the necessary data security.**
- You don't have to tie up skilled personnel to maintain application know-how over many years. **With the M.A.R.S. platform there is only one service agreement for all historised applications and we take care of everything.**
- High costs for maintenance agreements are saved, as well as high operating costs for obsolete hardware technology. The operation of a historization platform is therefore **cheaper and far greener.**
- The M.A.R.S. platform **offers the option of not just historising the data from one source application but for the whole legacy estate (a unique N:1 solution).**



M.A.R.S. – YOUR ADVANTAGES AT A GLANCE

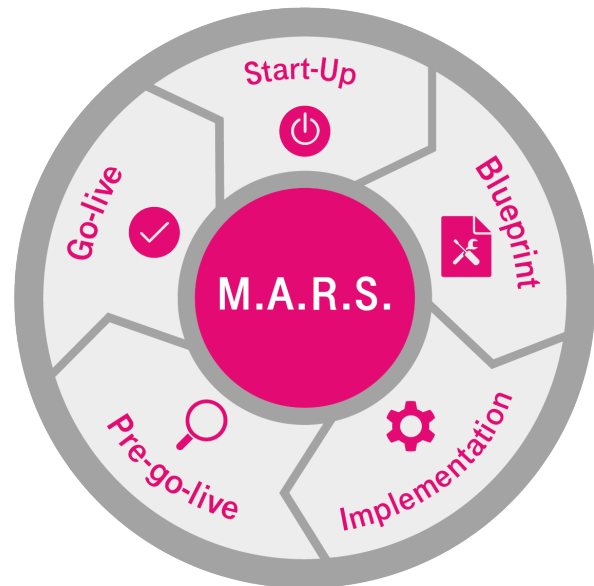
Managed Application Retirement Services (M.A.R.S.) offer an end-to-end service for the historization of all data from complex system landscapes. The old data are separated from the applications and their logic is transferred to the platform so that rapid, selective access is possible at any time and from anywhere.



MANAGED APPLICATION RETIREMENT SERVICES

- use a methodical procedure in **standardized projects** for the successful transfer of 100 % of the data/ documents.
- take advantage of highly secure platform operations in dedicated private or public cloud environments with world-class service.
- offer **unique advantages**, including high cost savings of up to 80%, data availability from 3 to 30 years, and long-term GDPR and GoBD compliance; including automatic data deletion.

TO GET STARTED

- Proof of Concept (max. 4 weeks)
- Historization of the data of a legacy system
- On-premise or in the Open Telekom Cloud
- Transfer of all data
- Selected views and reports
- Technical tests
- Assessment of the results
- User training



<p>FAST ROI</p>	<p>PROOF-OF-CONCEPT WITHIN 4 WEEKS</p>	<p> SUITABLE FOR SAP & NON- SAP- APPLICATIONS</p>
<p> 100% TRANSFER OF ALL DATA</p>	<p>SAVINGS OF UP TO 80% WITH M.A.R.S.</p> 