



There is an SAP PMO in Your Future

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By Sam Sliman
President, Optimal Solutions
Integration, Inc.

SAP's recent decision to package upgrade functionality into "bite-size" chunks will drive changes in the way SAP customers deal with organizational and governance issues. The complexity of implementing and integrating a continual stream of upgrade packages for mySAP ERP 2005 creates a need for strict upgrade methodology and proven upgrade process excellence. While SAP functional enhancement packages are smaller in scope than the larger, monolithic upgrades of the past, the potential number of these upgrades and their impact on the numerous instances of SAP installed across an enterprise will necessitate changes.

Given the challenge, it is imperative that SAP customers establish a Program Management Office (PMO) dedicated to developing a strategic upgrade roadmap and managing the ongoing upgrade process in a manner that ensures the new SAP functional enhancement packages create minimal disruption and tightly align with specific business process innovation needs.

The overarching function of an SAP PMO is to ensure seamless integration and provide a consistent approach across multiple SAP implementations. The SAP PMO accomplishes this by providing a standard implementation methodology and toolset, as well as by monitoring the completion and coordination of each initiative's key milestones. The scope of activity performed by an SAP PMO spans the following key areas:

1. Needs analysis

The SAP PMO first conducts a needs assessment to identify and prioritize which SAP functional enhancement components a company will implement, the order of implementation and the resources required to execute the implementations. Additional aspects of needs assessment include business case development and ROI analysis—two activities that need to be performed much more frequently as a result of SAP's new upgrade policy.

2. Impact assessment

Often working with limited or no documented analysis, the SAP team responsible for implementing a software upgrade must take extreme care not to move it into production without first considering how the upgrade will impact previously working system functionality and business processes. For this, the SAP Upgrade PMO must have a

holistic, enterprise-wide view of technology architecture and global business process design.

3. Testing

The SAP PMO executes comprehensive functional and business process testing to ensure the integrity of existing SAP software application(s) and the business processes these applications drive. In addition to functional and business process testing, it is essential that the SAP Upgrade PMO execute comprehensive, end-to-end regression testing to ensure that other SAP modules are not affected and that any necessary configuration changes are made.

4. Training

SAP's new upgrade policy will usher in a quickened pace of continual business process innovation. The SAP PMO will strive to continually optimize business processes through analysis, modeling, monitoring and enhancing system functionality. In tandem with this, the SAP PMO will provide clear, ongoing training to ensure that business users understand and are comfortable with all system enhancements and affected business processes. Executed properly, this ongoing training completes the loop by which the SAP PMO receives valuable, line-of-business feedback to pinpoint any necessary modification and to help guide future system enhancements.