Leveraging Process Mining to Maximize Value from SAP S/4HANA

AS BUSINESSES GRAPPLE WITH THE NEED TO DIGITIZE AND ATTAIN REAL-TIME VISIBILITY, PROCESS MINING BASED PLATFORM WILL BECOME A KEY STRATEGIC TOOL.

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Process Mining as a Strategic Tool in SAP ecosystem

Methods like Six Sigma and lean have for decades illustrated how eliminating inefficiencies in business processes help reduce operating cost and improve Return on Investment (ROI). The advent of process mining, which sits at the intersection of Business Process Management (BPM) and data mining, is a powerful technology leveraged by companies to find process inefficiencies and bottlenecks to optimize their processes. Investing in process mining can provide competitive differentiator capabilities in many aspects, but one of them that emerges as a prominent differentiator in the SAP technology ecosystem is the ability to maximize value from SAP S/4HANA investment.

To discuss this specific application of process mining technology in the SAP ecosystem, SAPinsider recently invited Chris GrossBaier from Celonis for a discussion on the increasing critical role of process mining solutions in SAP technology ecosystems and how SAPinsiders need to strategize about leveraging these solutions.

What is Process Mining?

At a high level, process mining combines data mining and advanced analytics to discover, validate, and improve business process workflows. Combining these two aspects, companies mine log data from their systems and leverage analytics on this data to understand their process, identify process bottlenecks and generate additional insights. Business applications, like ERP, generate an audit log of processes within their various modules. Process mining leverages these logs to build a model or flow of the process. This model can then be analyzed further for insights. Best-of-breed tools have algorithms and visualizations that not only allow users to see what happened but also provide the tools to optimize these processes.

What is Celonis EMS Solution?

Celonis is one of the pioneers in the domain of process mining and currently has a client-base across industries and geographies. Celonis partners with multiple SAP elite partners like Accenture, Deloitte, IBM, TCS and Capgemini of the technology world to help companies across industries leverage process-mining as a strategic tool in SAP technology ecosystems. Celonis has evolved process mining solutions in the form of its flagship Execution Management System (EMS) offering. EMS is a platform that not only helps companies get insights into their business operation via data and intelligence but also helps customers execute their business operations at a new level. You can learn more about [Celnois EMS here](#).

SAP S/4HANA Investment and Process Mining

SAP ERP solutions are the most widely used ERP solutions in the world, used by more than 50,000 companies. Since the introduction of SAP S/4 HANA, nearly three fourth of these companies are within the various stages of adopting S/4HANA (procuring, implementing, or already running) ERP solutions. There is one question, though, that technology executives consistently have on top of their mind, irrespective of where they are in their S/4HANA journey: How do we maximize the value from our S/4HANA investment?

This value aspect has several components, ranging from seamless migration to post-implementation adoption and optimal usage. A key aspect of all of these components, however, is the underlying business processes. SAPinsider S/4HANA Migration Benchmark Report 2021 highlights that 48% of respondents believe that adopting best practice business process models is the most important strategy to address drivers for S/4HANA migration.

Chris highlighted this fact when he mentioned that S/4HANA should be a business transformation exercise, not just a technical upgrade. This migration requires a deep understanding of their current business processes, both in business and IT, across systems and functions to align operational opportunities with overall project goals. He emphasized that there needs to be a focus on standardization and harmonization of processes throughout the migration. "Continuous process monitoring and improvement post-migration to maximize business outcomes are also important,"- Chris added.

KEY TAKEAWAYS

As businesses embark on digital transformation, they are realizing that process-mining and process execution management platforms are going to be a key component in their digital transformation toolchest. Among a plethora of examples where these tools can make a significant impact, maximizing value from S/4HANA investment remains a significant one in SAP technology ecosystem.

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o   The key to any successful transformation always starts with understanding the current state. And process mining solutions start playing their role at this stage itself. Since best-of-breed process mining tools have the capability of real-time, multi-system data processing, they allow you to gain a detailed understanding of the current state of your IT systems. This is foundational and has value across the SAP S/4HANA life cycle, from roadmaps and strategic planning to installation, management, and monitoring.

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- Generate an accurate business value assessment for a S/4HANA migration through 360-degree process visibility and AI-enabled fit-gap analysis.
- Mitigate project risk and cost by supporting the S/4HANA migration journey across all phases. This includes safeguarding the transformation post-migration through continuous process improvement.
- Generate significant value in weeks, not years, by leveraging Celonis on top of your existing SAP ECC instances.

Process mining is becoming imperative for organizations that want to transform their business processes by increasing process visibility, efficiency, and insights. Investing in process mining can provide competitive differentiator capabilities in many aspects, and one of them is the ability to maximize value from SAP S/4HANA investment. The key to success, however, lies in selecting the right solution, leveraging its capabilities to improve, and not just migrate processes, and then use it post-go live to continuously enhance your processes.

Celonis is a global leader in execution management. The Celonis Execution Management System provides companies a modern way to run their businesses process entirely on data and intelligence. Celonis pioneered the process mining category when it first developed the ability to automatically X-ray processes and find inefficiencies.