

# How Arla Foods Executed a Successful SAP S/4HANA Proof of Concept with smartShift

### Just 3 weeks

to remediate 200,000+

### 2.5 months

to create a fully-testable SAP S/4HANA system in the Cloud

"smartShift's high level of automation, knowledge and expertise brings a clear improvement to the speed and security of your SAP transformation. Plus, it ensures a more predictable and lower-cost project."

### Per Fallesen,

Enterprise Architect, Arla Foods

Arla Foods amba, a Danish multinational cooperative based in Viby, Denmark, is the largest producer of dairy products in Scandinavia.

### **Highlights**

### **Challenges**

- Converting from legacy SAP ECC platform to SAP S/4HANA
- Executing transformation through brownfield conversion, but daunted by the task ahead
- Searching for a partner to prove technical feasibility of transformation through PoC—and make process of modernizing SAP smoother and faster

### Solution

smartShift provided Arla Foods with:

- Conversion of legacy SAP ECC into pilot SAP S/4HANA system, running in the Cloud
- PoC detected 200,000+ issues and remediated them with hyper-accuracy in weeks
- Pilot system provides better predictor of how Arla's actual SAP S/4HANA conversion could happen

### Results

- Complete PoC pilot system created in just 2.5 months
- Code remediation completed in 3 weeks—that's 8X faster than developers
- Newfound confidence to supercharge their conversion roadmap and create an exciting digital future

### **Challenges**

# Concerns about the cost, time, and disruption of moving a legacy SAP ECC platform to SAP S/4HANA

Major system transformation projects often bring worry, apprehension, and even disruption for both business users and corporate leadership.

These anxieties were being felt by Arla Foods when they decided to convert from their existing SAP ECC platform to SAP S/4HANA. By doing so, the company hoped to take advantage of the new system's benefits at the earliest opportunity—but knew they had a daunting task ahead of them.

Arla Foods' experienced IT team understood that thorough planning would be the key to delivering this critical digital transformation smoothly and with minimal risk. However, they were unsure about the best way forward and nervous about the scale and complexity of all the data migration, development, and coding that would be required.



"SAP advised us that by migrating to SAP S/4HANA, we would be better prepared for the future and capable of operating our business digitally end-to-end," says Enterprise Architect Per Fallesen. "We needed to build a strong business case for the project and ensure this potentially painful, but necessary process went as smoothly as possible for our organization."

According to Per, Arla had two main options for how to tackle the impending digital transformation:

- **1. Greenfield implementation:** this would involve complete re-engineering of their ERP from the ground up, adding complexity and expense—and increasing testing and deployment time.
- 2. **System conversion:** this would enable them to lift and shift their ERP as quickly as possible. While it would be less invasive to the business as a whole, it brought its own challenges. Most problematic would be migrating and remediating their custom code to ensure that it continued to work correctly in the new system.

After considering the respective pros and cons, Arla opted for the 'conversion' route and partnered with smartShift to execute a proof of concept (PoC), which would deliver a pilot conversion of Arla's legacy, highly-customized on-premises ECC system to SAP S/4HANA running in the Azure cloud.

Arla Foods hope that the PoC with smartShift would provide a fully testable preview of their future system, while verifying the quality and effectiveness of smartShift.



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### **Solution**

# Advanced automation to eliminate months of onerous manual development

Per and his team were looking for the right approach that could turn the complex, resource-heavy task of SAP conversion into a more automated, smooth and cost-effective process.

As a result, they decided to run the PoC on smartShift's Intelligent Automation platform, which provides end-to-end automation for SAP S/4HANA transformations.

For the PoC, smartShift would test Arla Foods' infrastructure in the Cloud and execute predefined test scenarios for critical processes, in order to gain insights on the required approach, timeline, and effort required for a complete transformation.



"We wanted smartShift to create a fully testable pilot of our future system in the Cloud with real data and our own custom code, which would give us confidence in meeting our goals and challenges around SAP modernization," says Per.

Leveraging their vast expertise, smartShift fully automated this crucial step in Arla Foods' digital transformation. While Arla Foods didn't have much experience with Cloud infrastructure, smartShift's helpful and responsive support team ensured the experience was seamless.

During the PoC, smartShift used its software and expertise to successfully migrate Arla Foods' production data to Microsoft Azure and convert it to become SAP S/4HANA-ready.

But probably the most significant block of work saw smartShift deploy its Intelligent Automation Platform to deliver highly accurate custom code conversion at a formidable pace.

In fact, smartShift remediated 200,000+ custom code issues in just 3 weeks. **Per estimates the same job done manually by real-life developers would have taken several months** and been an agonizing and time-consuming process!

What made smartShift's solution stand out was how fast and reliable it was. It put all Arla Foods' code through the platform and 'washed' it, so what came out the other end was SAP S/4HANA-ready, optimized code that was hyper-accurate and guaranteed to work, without any of the tedious, manual work attached for Per and his team.

The complete process of creating the pilot system—from initial engagement to handoff for testing—took just 2.5 months.

Per appreciated the utmost accuracy of all the migrated content and remediated code. His team tested all the new processes and content to ensure everything was clean and working as it should be in the new system—and they didn't find a single error.



"Having zero errors gave us so much confidence in the accuracy of our code. This enabled us to simplify and target our testing, which reduced our workload internally and accelerated project execution," explains Per.

Thanks to smartShift's PoC, Arla Foods now has the perfect predictor of how their future SAP S/4HANA conversion could happen—with less time, cost, and anxiety.

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### Results

# Deep and complex SAP transformation PoC delivered faster, safer, and with more predictability

Thanks to their partnership with smartShift—and the important 'real-life' learnings they've acquired—Arla Foods can push ahead and deliver SAP modernization quicker and safer, using a better alternative to what would otherwise have been a risky endeavor for the business.



"We've learned so much through our engagement with smartShift," says Per. "We know that we can confidently drive our roadmap forward, run the conversion securely and affordably, and get our business ready to take advantage of the latest digital opportunities."

Choosing automation, through smartShift's advanced platform, rather than doing the work manually—has enhanced business performance and reduced potential system downtime.



"If you have a human doing this kind of work, they maybe do 80% right and 20% wrong," says Per. "Those issues then need to be rectified, which causes extra workload and disruption. By using smartShift, you get a much higher level of accuracy, ensuring reliable system performance and minimal disruption to your day-to-day business."

Thanks to the PoC delivered by smartShift, Arla Foods has gained confidence in their ability to meet their future SAP modernization goals and challenges.



"Our work with smartShift has given us insights that enable us to prepare for future conversion with confidence," concludes Per. "We feel ready to move forward on our roadmap at pace, without worrying about the heavy lifting of implementing an upgrade, and with confidence that we won't have to deal with errors—and our critical processes will run immediately."



"smartShift's technology saved us thousands of hours of manual work and testing, eliminated the need to hire developers, and gave our corporate leadership the confidence that this major organizational change can be achieved with less risk."

# Want to reduce the risk and cost of your next SAP modernization? Schedule a consultation

