

## eBook

## SAP Application Retirement and Decommissioning:

What Your Business Needs To Know







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## **Content Overview**

## Your guide to SAP application retirement and decommissioning. Here are the best data retention strategies and what to consider.

Information technology has progressed by leaps and bounds over the last decade, and organizations have been modernizing their IT landscapes to keep pace. But this ongoing transformation has left many of these organizations dealing with rigid legacy applications—full of historic yet valuable data—while navigating a new digital landscape.

Mergers and acquisitions (M&A)—a key strategy for sustained growth, market expansion, and increased market share—have also significantly contributed to obsolete legacy systems. As M&As often come with fragmented and disparate ERP systems and processes, IT leadership has to efficiently modernize and harmonize the systems to make the merger successful. More often than not, this leads to some applications becoming obsolete and others prime candidates for upgrades and modernization.

Most IT leaders believe that these legacy systems are a hindrance to their digital transformation journey. With companies now experiencing incompatibility, costly maintenance, and a shortage of legacy skills, it's no surprise that 90% of businesses feel that legacy systems are holding them back and unnecessarily consuming critical IT budgets.

Unfortunately, though, these legacy systems cannot just be deleted post-migration or modernization efforts. After all, most of these systems often retain data critical for regulatory compliance and historical business reporting. That's why responsible retirement and decommissioning of applications are so important.

In this guide, we'll further examine the necessity of data and application retirement. We'll also look at decommissioning considerations, strategies, and data-archiving best practices for SAP.



In a 2018 survey of more than 900 CIOs conducted by VansonBourne for Rimini Street, 76% of respondents said that legacy systems hinder innovation.
 Similarly, 77% said they spend too much just "keeping the lights on" with old technologies, which takes away from innovating or helping compete more effectively.



## **Importance of Application Retirement & Decommissioning**

Responsible app retirement helps strike a balance between running an efficient, lean operation and preserving historical data necessary for compliance and record-keeping. Application retirement paired with data archiving offers a range of benefits as you modernize your IT system for future growth and performance.

#### **Cost Reductions**

Keeping legacy applications running is a financial drain, as the value of the data remaining in older applications very rarely justifies the expensive production grade infrastructure and maintenance expense. Application retirement and data archiving can significantly reduce licensing, infrastructure, and administrative costs.

Archived data is typically stored on a high-capacity, low-performance system with lower associated fees, reducing operation and maintenance costs. It also reduces costs associated with growing the new application infrastructure for portfolio rationalizations and future M&A.

## **Regulatory Compliance**

Data archiving helps retain data long-term in an immutable format. This helps prevent data loss, and modifications and retain necessary information for regulatory compliance, business reporting, and analytics.

#### **Increased Security**

Since archiving removes data and documents from active circulation and is often stored in immutable and secure storage, it limits the chance of security breaches and data loss.

#### **Improved System Performance**

By eliminating the preservation of historical data in production systems with data retirement and archiving, you improve system performance and reduce system processing timelines significantly. This improved efficiency and a noteworthy reduction in operational costs inevitably lead to increased employee productivity and business revenue.



A good decommissioning program will both retain the data and retire the old system, according to Jon Russell, CIO at John Muir Health System, and Tony Paparella, president of MediQuant, Inc., in a presentation they gave at the 2017 Healthcare Information and Management Systems Society (HIMSS) annual conference.

Russel and Paparella estimated that savings can equal up to 80% of the costs of maintaining the legacy systems.



## SAP Application Retirement and Decommissioning: Key Considerations and Strategies

When decommissioning and retiring SAP applications, however, it's important to ensure you do a thorough job. Let's look at some best practices to keep in mind that will help your process flow smoothly from end to end.

## Lock down the App

Before you retire an SAP application, switch the application to a read-only mode to ensure you do not conduct any more business on the old applications. This ensures the application enters a static state with no further changes. This is important to avoid data loss during the decommissioning process.

### Archive all Data. Both Structured & Unstructured Data

In SAP, you will find structured data in standard and custom tables in all installed languages and clients. Also, attachments are stored in the tables and external file systems. You will need to archive all of this data to ensure completeness of data capture as part of application retirement.

### Archive from ADK files

In SAP, you can use the Archive Development Kit (ADK) to archive data on an ongoing basis and access the archived data from the SAP application. These ADK files are stored in external file systems. When retiring/decommissioning SAP applications, make sure you archive the data from these ADK files. Not doing so will lead to data loss, as ADK is a proprietary SAP file format—and can be read only by the SAP application that created it.

### **Comply with Privacy Laws**

SAP systems can contain PII information that is governed by various regulations. Ensure that your chosen archival system stores and helps manage data in compliance with applicable privacy laws.



Decommissioning legacy IT systems helps liberate businesses to pursue innovation and move forward with digital transformation. But unplugging can be a cumbersome task that carries some governance and compliance concerns, especially in the highly regulated healthcare and financial sectors, according to Deloitte Consulting in its 2017 report, "Legacy Systems and Modernization."



## Migrating to SAP S/4 HANA?

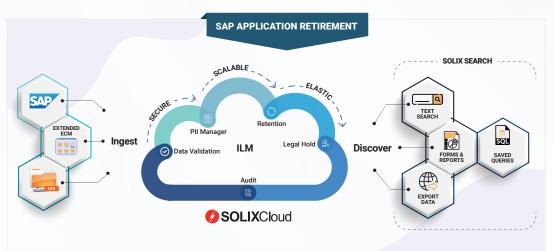
A key consideration for many organizations relying on SAP ECC has been the need to modernize and migrate to SAP S/4 HANA—not just for the digital transformation opportunities it presents but also because SAP's support for SAP ECC will end in 2027.

Since the enterprise resource planning central component (ECC) will become obsolete, organizations have little choice but to migrate to SAP S/4HANA. However, the cost of running the latest SAP ERP suite can increase exorbitantly based on data volume. For this reason, organizations need to only move active and relevant data through the migration to SAP S/4 HANA—retiring the older ECC system and historical data.

# Think Beyond SAP Application Retirement and Decommissioning

Retiring legacy applications saves money, improves data security, enhances data processing efficiency, streamlines data management, and minimizes the risk of data incompatibility and system inoperability.

But to optimize this data management, enterprises need a solution that integrates all active and historical data—SAP and Non-SAP, structured and unstructured—into one platform without risking compliance shortfall. This helps avoid the pitfall of creating and managing multiple archival systems (which will defeat the whole purpose of application retirement - which is to reduce costs and reduce the number of applications to manage). So look for archiving platforms that meet the current and future archiving requirements of the enterprise.







## Futureproof Your SAP Data With SOLIXCloud

Planning and establishing strategies before SAP application retirement and data archiving makes migration less labor-intensive and time-consuming and eliminates unnecessary setbacks.

**SOLIXCloud Enterprise Archiving for SAP** offers an SAP-certified archive for all of your structured and unstructured SAP data. SOLIXCloud not only allows you to retire legacy SAP applications but also enables active archiving of SAP and non-SAP applications. Additionally, the same Archiving solution can be used to archive your non-SAP structured and unstructured data.

#### The Solix solution gives you the following:

- Comprehensive data archiving
- Data encryption
- Role-based access
- Policy-driven data retention and legal hold
- Consumer data privacy protection
- Enhanced audit capabilities
- Continued access to archived data via a business user-friendly search, custom reports, saved queries, and forms capabilities

For advanced users and developers, it also provides a SQL builder and secure APIs to access data from external BI tools.

With SOLIXCloud, you can create a unified enterprise archive solution that caters to all the archiving data needs of your organization. Get in touch today to learn more and access your SOLIXCloud free trial.





CONTACT US info@solix.com +1.888-GO-SOLIX

