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## Podcast Inside SAP S/4HANA - Transcription

Inside SAP S/4HANA Episode 102: Optimizing Performance with SAP S/4HANA Implementation at Ball Horticultural

**Sheldon:** Welcome to our podcast Inside SAP S/4HANA. There is no customer success without product success and project success. We're going to continue this podcast series with a successful project from the middle of the United States. Today's episode focuses on the recently live project at Ball Horticultural. I'm your host. My name is Sheldon Edelstein. Now, 20 plus years with SAP, and I'm currently a product specialist for SAP S/4HANA and a member of the SAP Regional Implementation Group known as the RIG for the S/4HANA product. I'm joined by Mark Morris, Chief Information Officer for Ball Horticultural. Warm welcome, Mark.

**Mark:** Hey, Sheldon. Thanks a lot for having me here today.

**Sheldon:** So let's go ahead and start, as always with the personal touch, please tell us a little bit about yourself, who you are, where you're located, what your role is at Ball Horticultural, please.

**Mark:** Sure. Well, Sheldon, I've been here at Ball Horticultural Company for a little over 25 years now, and I originally started as the project director responsible for Ball's business transformation initiatives that ultimately led to our selection and implementation of SAP to begin with. And that included a rollout of SAP to several of our international locations at the time. And in the past decade or so, then, I've been serving as the CIO responsible for our global sales and distribution, as well as all of our corporate shared services.

**Sheldon:** Let's hear a little more about your company, Ball Horticultural. I understand that the products you and your company focus on are really a wide variety of agricultural products and solutions. Please share with us a little bit more about Ball Horticultural's products, the location of your headquarters, number of employees, globalization, etc..

**Mark:** Ball is an international company headquartered here in West Chicago, Illinois. We're a family owned business that's over 100 years old, so definitely very focused on making the right long term decisions to make sure that Ball remains a resilient industry leader focused on our customers. So essentially, we produce and sell manufacturing inputs to professional flower producers throughout the world. Um, we consider our mission as a corporation to color the world. We're pretty passionate about it. Since flowers not only bring personal enjoyment, they're proven to increase property values. They have measurable mental health benefits and even physical benefits. So we're pretty passionate about the product and our mission. So our global family and locations throughout the world includes plant breeders, research and development teams, seed and vegetative plant producers, and several sales

and distribution companies. Today, Ball is the largest pure horticultural company in the world, with many locations across the globe. As far as the products, Sheldon, in North America, we have over 350,000 SKUs. This results in a very complex business model. These are live, perishable products with long research and production lead times and very complex sales and distribution due to the shelf life considerations.

**Sheldon:** Well, Mark, your comment on passion about the product really hits home with me as well. I'm an avid gardener myself, so I absolutely understand what you mean by that expression. So let's focus on your recent transformation to SAP S/4HANA. Now, you transitioned from an existing SAP ECC 6.0 system to a targeted deployment of SAP S/4HANA 2021. It was hosted in a Microsoft Azure environment, and your project used the system conversion approach. I'm sure our listeners are interested in why Ball Horticultural chose to follow the conversion and cloud based path to SAP S/4HANA. Please tell us some of the business drivers that caused that decision, and what were some of the expected benefits for justifying your transformation?

**Mark:** Sure, sure. Well, as you mentioned, we were running on ECC at the time with our own servers in multiple data centers, and they actually, due to the age of our infrastructure, we were required to consider a complete hardware refresh anyhow. So at the same time that that was occurring, we were encountering system performance issues and we were at capacity due to our very complex pricing and our inventory calculations. And honestly, our business volumes over the past few years, throughout Covid, had increased so significantly that the performance was really starting to negatively impact business. We were seeing the performance impact employees productivity, and we refuse to sit back and just wait for it to impact our customers experience. So at the time, we realized that refreshing the hardware alone wouldn't resolve all of our issues. So rather than continuing to invest in our aging infrastructure, we decided to leverage that investment to not only help our immediate performance needs, but build a foundation that gave us the stability and the processing power, as well as new business capabilities. So for this reason, we focused Sheldon on an MVP approach to ensure that we could get the performance gains as quickly as possible while minimizing the business disruption during the conversion to S4.

**Sheldon:** So Mark, I was fortunate to have been involved with Ball Horticultural's Transformation Project as part of the SAP S/4HANA customer care team. And as you know, we met on a regular basis with your project team leadership, discussing overall project status. If there were roadblocks that were identified, we worked with the project team to help remove those roadblocks, sometimes by helping to navigate efficiently through the SAP

support process or sometimes occasionally involving SAP product experts from either the S/4HANA RIG or maybe even the global community of SAP experts. Even on occasion, we were able to reach out to connect to SAP development colleagues in order to acquire assistance. We also shared insights and information from the projects, and we were fortunate to capture new best practices that we were able to learn from your project. The customer care team also documented any new design implementation approaches and shared them with the greater SAP community. As with most projects along the way, the project team dealt with a number of technical challenges. Would you please elaborate on what some of those challenges were and how the project team were able to move forward to deliver the project on their challenging timeline?

**Mark:** Yeah, well, Sheldon, well, that was an excellent description and summary of what our experience working with you was like. But our business is very seasonal, so we have very specific, limited windows of time where we can make, you know, significant systems and business changes. So therefore, we did have very aggressive project schedule. And the issues that arose had an immediate impact on our very tight project timelines. And since we had a very large team dedicated to the project, each delay of course, then had immediate ramifications and budget impact. So while we did have regular meetings with you, Sheldon, and your team, it was really helpful to be able to reach out to you at any time to take advantage of your services, the escalation processes, and those services that help us keep things moving forward in a real timely manner. Probably the largest, most noteworthy challenge we face directly impacted our primary objective to achieve the required performance gains. So the vast majority of our issues had to do with our customizations specifically those for our inventory, ATP and our pricing. This is where working with the customer care team and their experience really paid off, putting us in touch with the right SAP experts who knew how to leverage the memory resident logic within HANA and S4 in our ABAP. And for three months we worked really closely with those developers at SAP, along with, you know, the Ball developers and our integration partner, Hitachi. I must say it was surprising what a good relationship we had and experience that was. They were really able to help assess our entire environment and propose some changes. So including our system configuration that resulted in our, you know, changing where we had our Azure instances located and actually moving those to different regions that had an impact on performance. They performed deep technical assessments on our most critical core performing customizations. So this is where their expertise really paid off. So after testing and assessing the code, they make the recommendations. And most of the changes were made immediately by our ABAP team, or resulted in required data cleanup. And honestly, without those recommendations and performance gains that we saw, we wouldn't have been

able to go live. Due to the time limitations in our project schedule, a few of the larger recommendations couldn't be pursued prior to go live. One such recommendation has to do with the optimization of our pricing, which was a known area of concern before we started the project. So we're actually now in the process of doing a proof of concept to implement what's called the pricing PIQ, which is a newer capability in SAP that allows price determination to process multiple items at a time. And we're seeing some incredible performance gains in our sandbox environment. So really looking forward to being able to implement that this spring. So additionally, I would just add that we were able to take advantage of the SAP services to perform pre go live checks as well and have their team available throughout our entire go live conversion weekend. In the end, we didn't experience any conversion problems during the weekend, but based on the level of trust we had formed with them, it brought us a great sense of comfort to know they were there on call if needed.

**Sheldon:** Mark, I know from working with your project team that your team also participated in a pilot program with close support from SAP developers to allow your project to make use of a new conversion tool called Data Transition Validation, or the DTV tool. For any listener that is not familiar with the DTV tool, it's a data recording application that can gather data before and after a system conversion, and then make a comparison. And that comparison can be automated between the two sets of data to provide a quality check for complete data retention during the conversion process. There were a few issues at startup, but it appeared that the project team quickly became comfortable with the new application.

**Mark:** Oh, for sure, for sure. Sheldon. The conversion team and our stakeholders really needed to be assured that the data had been safely handled and transformed when converting ECC to S4. So we used the DTV tool that allowed our team to automate the capture of some really deep and broad data in the asset accounting and the financial accounting and the materials management. And then after conversion to S4, we use that tool again to capture and validate the converted data. So even though we participated in the pilot program, though, we chose to run manual efforts to validate the financial conversion results since it was in fact a pilot program. But overall, we really believe it gave us a big source of comfort with the integrity of the conversion results. And for sure, the tool allowed us to compare much more data at a much granular level of detail than we ever could have done if we're only running manual reports. The SAP team also gave us really helpful feedback on the best ways to slice and dice the data for comparison. Given the fact that we were dealing with 25 years of history and we're dealing with a large volume of data, so I don't think we could have gotten nearly as much out of it without their guidance. And lastly, as you suggested, the team was responsible for developing the tool, really did respond and

listen to our suggestions and made significant changes on the tool based on our feedback. So they released two new versions that I know our team was able to take advantage of during the project, and I believe they've had at least one or more releases since then, so a very useful tool to consider using.

**Sheldon:** So the DTV development team did listen to your feedback and advice, which was really extraordinary in its level of detail. And as you pointed out, an updated version of the tool was made available about a month or so ago, the 1.4 version. And that particular version incorporated many of your team's recommendations. A clear case of win win for everyone involved. Well, thank you, Mark, for being with us today and sharing your SAP transformation story. Again, let me just say congratulations on a successful go live. I really enjoyed this discussion with you. Ball Horticultural is a fascinating company that obviously provides wonderful products that color the world. As for our listeners, as always, if you all enjoyed today's discussion and would like to learn more, please stay tuned for the next podcast in the series. As always, feel free to drop us an email via [insides4@sap.com](mailto:insides4@sap.com) and let us know which future topics may be of interest. Tune in next time and be Inside S/4HANA.

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