SAP S/4HANA for public administration

The State of Brandenburg is following a two-step concept for a modern SAP landscape

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Timo Czajka, Service Delivery Manager, T-Systems

14.7 billion euros: that's the amount of the budget available to the State of Brandenburg in 2022. This money goes toward the federal state's many different activities – and it needs to be funded, too. The body primarily responsible for all financial flows of the federal state's public administration, including the income and expenditures, is the Ministry of Finance and Europe (MdFE). This Ministry must ensure that political decision-makers have transparency over the funds, their distribution and their utilization at all times to coordinate the federal state's development.

The Ministry also encompasses subordinate agencies, such as the state central treasury (Landeshauptkasse) with its sites in Potsdam, Frankfurt (Oder), and Brandenburg (Havel), the federal state's 13 tax offices, the technical tax office, the University of Applied Sciences for Finance, the state school of finance (Landesfinanzschule), the state training center (Fortbildungszentrum), the central salary office (Zentrale Bezügestelle), and the state company for property and construction (Landesbetrieb für Liegenschaften und Bauen).

The Ministry is based in Potsdam and has around 4,800 employees: just under 390 in the Ministry itself, about 3,500 in the tax offices, and around 530 in the Brandenburg state company for property and construction.

The Ministry and its subordinate agencies have to ensure that political decisions are mapped in the fiscal authority systems in near time. Examples include changes to tax rates, support for state subsidies for private individuals and industry, and new laws such as tax relief legislation.

Powerful IT systems play a decisive role in all of this. The Ministry has been running an SAP landscape for the federal state that supports the budget, the treasury offices, and the accounting systems since 2006. The reliable operation of these systems is essential for the persons responsible and for the federal state's employees. T-Systems supports the Ministry with extensive, professional SAP project services – including services for the switch to the world of SAP HANA and SAP S/4HANA.

At a glance

- Need for a reliable partner for SAP projects
- General project services, consulting services, feasibility studies, design and implementation services related to SAP New Financial Management (NFM).
- Ensure high-quality consulting
- Prepare for the changeover to SAP S/4HANA
- Ensure seamless changeover
- T-Systems as SAP project partner in cooperation with BearingPoint
- Project services related to electronic invoicing (eRechnung) and SAP S/4HANA changeover
- Production of specifications, services for the project implementation, go-live, and knowledge transfer
- On-demand availability of SAP expertise
- Meet security and compliance requirements in projects

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Reference in detail

The challenge

In addition to platform operation and application management, SAP systems also require significant, fundamental changes from time to time. Faced with these changes, the Brandenburg Ministry of Finance and Europe (MdFE) sought a service provider that could also advise, design, and implement large SAP projects outside of regular operation. They required access to advice and support for the development of their SAP systems – currently for the pending changeover to SAP S/4HANA. Another important requirement: The consulting and project services had to be delivered from Germany, from nearby if possible, securely and with absolute compliance, by German staff.

The solution

Together with the consulting firm BearingPoint, T-Systems won the federal state's tender and has since confirmed its status as a reliable partner in multiple follow-on tenders – the Ministry reviews the rendered project services and issues a new call for tenders every four years.

"In recent years, we have handled a variety of larger and smaller SAP projects for the State of Brandenburg in this role," explains Timo Czajka, Service Delivery Manager at T-Systems. They included the production of specifications, services for project implementation, the go-live, and the replacement of functional and upstream procedures with interfaces to SAP and system modifications. A deletion and archiving concept was also introduced this year as part of the project services.

One of the larger projects in recent years was the migration of the SAP system landscapes to a private cloud. Because it had become clear in the interim that dedicated infrastructures would not be viable for the future – especially since the changeover to SAP S/4HANA was already in the cards.

The federal state decided to carry out a two-step migration: in 2019, T-Systems migrated the extensive SAP landscape to a private cloud – smoothly and without interrupting operations. In this process, the database was transformed directly to SAP HANA. This met all the prerequisites for extensive use of SAP S/4HANA.

But SAP S/4HANA doesn't only involve a change of database structures, but also – and above all – standardization, and thus the process-based renewal of the SAP application layer. As part of the project order, BearingPoint and T-Systems have developed a migration strategy for the MdFE. The first step involves an analysis, to list the active functional procedures and explore their mapping in SAP S/4HANA. This will also entail changes to processes. In this context, the MdFE's handling of custom code, i.e., special modifications to the workflows in the SAP systems, will also be discussed.

Customer benefits

"With its move to the private cloud, the MdFE has already set its course in the right direction. Since we've already migrated the database and the hardware in this move, we've already mastered the most complicated steps in the SAP transformation," says René Albert, the responsible sales manager. The MdFE will complete its transformation to SAP S/4HANA with project support from T-Systems. This step is planned by 2026 – which means it can be implemented without any time pressure before the discontinuation of SAP support for ECC 6.0 (in 2027).

In T-Systems, the Ministry has found a partner at eye level – including proximity to the customer, regular interchange, and local support by German staff. "With its project services, T-Systems has repeatedly proven its expertise in SAP consulting in recent years," summarizes Timo Czajka.