DXC TECHNOLOGY

Take the right approach to SaaS migration

Paving the way with discovery and change management

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When migrating from legacy applications to cloud-based software as a service (SaaS), many organizations don't spend enough time evaluating their environment and requirements. Instead, the focus tends to be on implementation and quick wins. But rushing into SaaS transformation without a carefully considered strategy can minimize its benefits and create risk for the organization. There is a better way.

To enable smooth and effective migration, organizations must take a measured approach — one that is focused on identifying the right people, process and technology upfront. Investing in the discovery phase — including allowing key business owners to evaluate potential products and clarify needs — is critical for creating an effective blueprint and foundational structure for change. You can quickly determine which processes to retain, reshape, retire, reengineer or replatform.

Typically in the past, on-premises applications evolved over time, allowing businesses to finetune them to meet changing needs. Today, pressure to move from CAPEX to OPEX models is compelling enterprises to choose the right products and methodology from the start.

It can be a daunting task to align IT, business teams and senior leadership on a new way of handling the migration process, but effective discovery and change management — empowered by the right tools — can pave the road to smart SaaS.

Coping with change: Form a new coalition

The transformation journey should ideally be focused on achieving harmonized processes and delivery approaches (see **Figure 1**). A dream team for cloud migration change management includes people with different skill sets from key business and technology departments across the enterprise. Their function is to steer the organizational change that results from the move to cloud. The coalition should be self-organizing, with no internal management hierarchy, and lead the cloud migration as a unit.

Unlike traditional implementations that start at "as-is" and advance to "to-be" through design, build and test, a discovery-intensive approach starts with a conference room pilot. This show-and-tell session showcases well-defined user journeys, gives early visibility into the product under consideration, enlists adoption by key stakeholders and makes sure that operations are not negatively affected. Presenters can also highlight the latest and greatest SaaS offering features, such as responsive user interfaces and conversational experiences.

Key focus areas
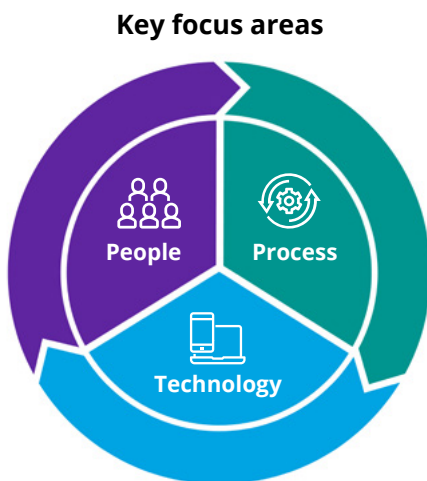
During the discovery phase, it is important to identify champions for each process area (business, technology, vendor) who can establish design principles, decision logs, key risks and mitigations, as well as serve as a governing body for approvals, improvements and return on cloud investments.

In addition, you can invite third-party SaaS migration experts to incorporate proven tools and methodologies that efficiently shape the discovery phase.
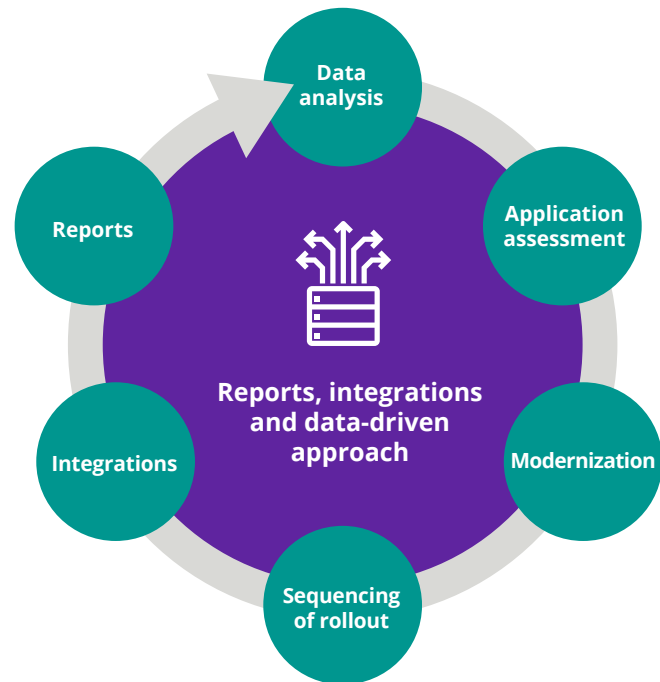
Figure 1. Transformation journey focused on achieving harmonized processes and delivery approaches

Your cloud journey blueprint: Discovery is key

A learning approach immerses people in the SaaS project so they truly understand the technology and business problems they're looking to solve. To start, conduct an in-depth analysis and evaluation of your current technology:

- Perform a bottom–up, on-the-spot analysis that highlights whether you have the right combination of business and technology teams.

- Identify business cases to be resolved and establish directional workload disposition.

- Identify any gaps by planning a 2- to 3-day workshop with SaaS providers and partners covering the business, platform, people, security, governance and operations.

- Make sure the SaaS application complies with any customizations or bolt-ons needed to meet your organization's policies or industry-specific business processes.

- Collaborate with partners/SaaS providers to ensure existing products, processes and culture will not keep the SaaS model from blossoming.
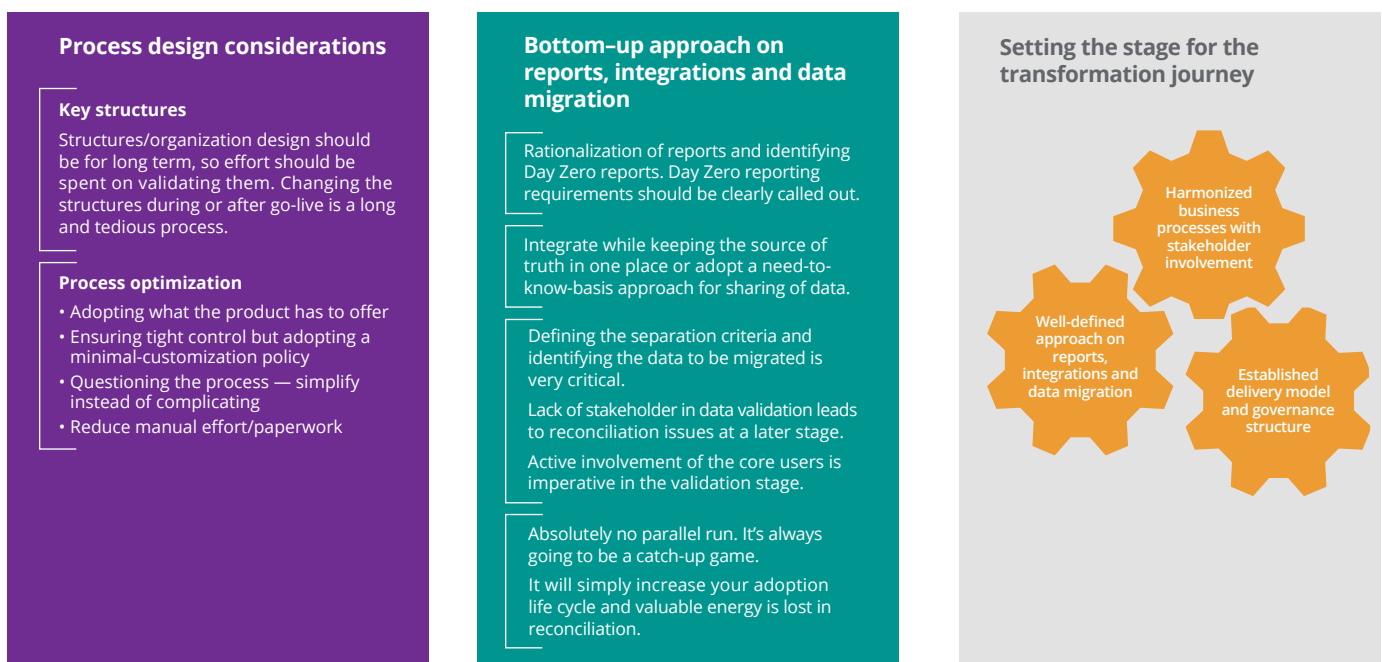
During this initial discovery assessment, a baseline is established and the transformation journey map is defined (see **Figure 2** and **Figure 3**). With the help of a repeatable migration framework, organizations can accelerate the process, identify mature automation tools and incorporate security considerations.

Key enablers
Accelerators/tools and methodologies for business processes like:
- Environments/monitoring
- Role security/data privacy
- Key users

Phasing and change management
Phasing of applications/modules plays a vital role along with RACI matrix for key users and SI
- Phase-wise plan/change management
- Interim solutions

Finalize and agree on approach
- Verify mappings of all processes and key applications
- Identify all licensing requirements
- Prepare for project kick-off
- Prepare risk log and project plan

SaaS environments
Identify environments in use and ensure data masking in each of these:
- Development
- Staging or configuration environment
- User acceptance testing
- Production

Conference room pilot activities
- Early enablement of SaaS business processes to key users
- Show-and-tell sessions are more effective
- Divide each business process as user journey to make it easy for process owners to sign off

Plan, design and build
Plan migration phases based on system dependencies

Figure 2. Initial discovery — establishes a baseline and defines the transformation journey

Process design considerations

Key structures
Structures/organization design should be for long term, so effort should be spent on validating them. Changing the structures during or after go-live is a long and tedious process.

Process optimization
- Adopting what the product has to offer
- Ensuring tight control but adopting a minimal-customization policy
- Questioning the process — simplify instead of complicating
- Reduce manual effort/paperwork

Bottom–up approach on reports, integrations and data migration

Rationalization of reports and identifying Day Zero reports. Day Zero reporting requirements should be clearly called out.

Integrate while keeping the source of truth in one place or adopt a need-to-know-basis approach for sharing of data.

Defining the separation criteria and identifying the data to be migrated is very critical.

Lack of stakeholder in data validation leads to reconciliation issues at a later stage.

Active involvement of the core users is imperative in the validation stage.

Absolutely no parallel run. It's always going to be a catch-up game.

It will simply increase your adoption life cycle and valuable energy is lost in reconciliation.

Setting the stage for the transformation journey

Harmonized business processes with stakeholder involvement

Well-defined approach on reports, integrations and data migration
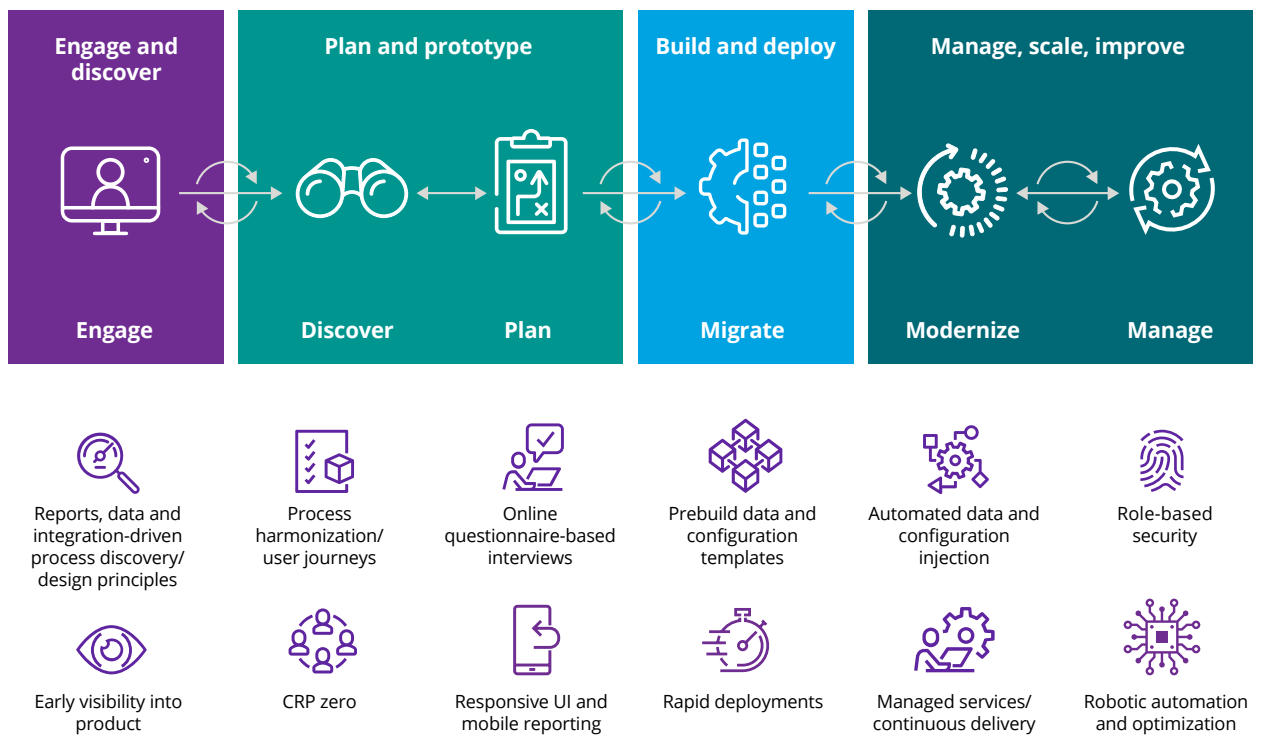
Established delivery model and governance structure

Figure 3. Established baseline of processes with ownership defined

Drive the program: Choose the right tools to renew and transform

IT is an enabler of change, but business is the driver, so it is vital for one business owner at the chief experience officer (CXO) level to drive the transformation and adoption. Project champions then leverage SaaS methodology to make sure business users are adopting SaaS rather than retrofitting existing processes.

A wide array of migration and testing tools can efficiently perform extracts, inject setups and master data, and execute end-to-end automated functional testing of applications and other critical tasks (see **Figure 4**).[1]

Engage and discover	Plan and prototype		Build and deploy	Manage, scale, improve	
Engage	Discover	Plan	Migrate	Modernize	Manage
Reports, data and integration-driven process discovery/ design principles	Process harmonization/ user journeys	Online questionnaire-based interviews	Prebuild data and configuration templates	Automated data and configuration injection	Role-based security
Early visibility into product	CRP zero	Responsive UI and mobile reporting	Rapid deployments	Managed services/ continuous delivery	Robotic automation and optimization

Figure 4. Migration path relying on process discovery, rapid deployments and automation to transform the enterprise

SaaS migration actions include the following:

- Conduct online questionnaire interviews to compile configurations for the SaaS functional setup manager.

- Deploy automated and secure software to prepare all data and install it directly into the target instance.

- Automate master data/configuration upload to stand up SaaS instances with future-state business processes.

- Provide reports and dashboards to review configuration injections and ensure that all configurations are loaded, correct and supported.

[1] DXC Testing and Digital Assurance. Migration and testing tools. https://dxc.com/us/en/services/applications/testing-and-digital-assurance

- Deploy tools that allow configuration simulations and comparisons to test different scenarios and migrate configurations between environments.

- Build reconciliation reports to compare key source-to-target data movements like opening balances and the number of transaction records.

- Establish a test repository with scenario descriptions, test scripts, user-configurable workbooks and other assets.

- Provision a testing-as-a-service automated tool to significantly reduce testing time and costs for quarterly updates and to help deliver high-quality solutions.[2]

Post-implementation: Process optimization

Optimizing and automating processes drives continuous improvement and innovation for the newly transformed SaaS solution. Post-migration actions include the following:

- Take advantage of customer feedback, regulatory changes and other information SaaS providers collect and prioritize as part of each quarterly rollout to enable better quality and performance.

- Play an active role in community forums, customer communities and product events.

- Incorporate release upgrades every quarter to keep the staged environment up to date. Maintain a regression plan. Maintain product release notes and roadmap.

- Provide managed services, including continuous delivery, for perpetual support and governance of cloud applications, including quarterly updates and automated testing.

- Define the cadence of production-to-test refresh, including data masking automation.

- Align change requests/suggestions with the product roadmap to determine if the SaaS provider is already delivering the update in release.

- Create a dashboard to monitor the performance of integrations to ensure timely delivery of data to vendors and regulatory bodies.

- Deploy tools and techniques that eliminate waste from existing business processes and simplify and standardize process flows. Cognitive/artificial intelligence (AI) tools serving as a virtual workforce, for example, can rapidly improve speed and quality while reducing costs. Even simple automations, strategically deployed, are immediately effective.

- Leverage automation insights to identify automation candidates and ensure that cognitive/AI tools are executing each automation step successfully as planned, even as processes and technologies change.

[2] Testing as a Service: a better way to test applications. DXC blog. https://dxc.com/us/en/insights/perspectives/blogs/testing-as-a-service--a-better-way-to-test-applications

Determine the financial benefit of cloud adoption

To understand the financial impact of the shift from CAPEX to OPEX on any cloud business case, start by accounting for cloud costs in ongoing budgeting and forecasting. IT and IT finance can help capitalize cloud implementation costs. Be sure to consider the financial implications of writing down IT assets that have "book value" left on amortization schedules.

Each step of the transformation journey calls for different parameters:

1. **Business case development (early adoption).** Create an enterprise-wide financial view estimating costs, business drivers and an optimal migration timeline.

2. **Application and operational cost projections (early to intermediate adoption).** Understand the cost per application and estimate the projected run rate to compare sourcing costs and operational budget requirements.

3. **Internal transition model (intermediate).** Create a transparent, fact-based transition model to monitor current costs and implement controls to prevent overages in cloud spend.

4. **Cost efficiency, optimization and controls (mature cloud organization).** Establish governance to optimize spend, resource utilization and cost transparency. Provide additional control and budgeting capabilities for cloud adoption.

Road to success

The goal of SaaS migration is to implement and optimize quality cloud solutions, reduce risk and improve business outcomes. The right people, change management and technology — including a measured, data-driven approach that deploys automated tools and starts with a machine-generated digital baseline and migration blueprint — can go a long way toward making the move to cloud smooth and successful.

How DXC can help

DXC Technology provides a broad portfolio of offerings to help enterprises migrate to the cloud. DXC migration services offer best-in-class cloud migration solutions with flexible assessment, engagement, delivery and pricing models that support enterprises' entire cloud life-cycle needs. These services help our customers transform with next-generation capabilities like robotic process automation, leverage new SaaS licensing incentives to save money, and migrate according to their schedules and the cloud location of their choice.

About the author

Gurudatt Mudlapur is director, Enterprise Cloud Applications Practice, and a digital transformation advisor at DXC Technology. He is responsible for building and driving adoption of cloud solutions that help enterprise customers transform their business models.

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