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## SAP S/4HANA: Migration Made Easy

Digitalization and Automation for the  
Footwear Industry





„abat shares our values of trust, transparency and social responsibility.“

Christian Decker, Managing Director of DESMA

## At a glance



DESMA



Machines for the production of shoes



Achim, Germany



230 employees



45 M. € turnover

## The company

DESMA has an excellent reputation in the shoe industry. Founded in 1946, the company has a long tradition of building shoe production equipment such as sole and boot machines. A specialty are machines for direct soling, i.e. foaming the sole onto the upper. Many customer specific variations from design to cushioning are possible. DESMA's customers are major shoe manufacturers worldwide, mainly located in Asia and producing for well-known brands: More than 85 percent of the machines are exported.

## The challenge

The footwear industry is undergoing profound change, with supply chains being digitized and manufacturing automated. Manufacturers are responding to several trends at once. One is individualization: Customers are demanding a greater variety of styles, designs and materials, with as much customization as possible. Batch size one is

already a reality on DESMA machines. However, this inevitably means that production has to move closer to the customer. A second trend is therefore decentralization: The times when manufacturers moved from one low-wage country to another in search of ever lower manufacturing costs are coming to an end. Well-known brands are moving production back to where the consumers are, including Europe. This is helping manufacturers meet customer demands for greater sustainability. Today's customers expect production to be environmentally friendly, to conserve resources and to meet the social standards of western consumer countries.

DESMA supports manufacturers with innovative production solutions for Industry 4.0, highly automated machines, excellent know-how and comprehensive support. However, these continuous innovations can only succeed if the company optimizes its internal processes. The discontinuation of SAP support for SAP R/3 therefore prompted the company to consider a migration at an early stage. Like many other companies, DESMA was faced with the question: Which partner should we choose for the SAP S/4HANA transformation?



## The solution

DESMA has already implemented the conversion of the old SAP R/3 system to SAP S/4HANA in 2022. The company was supported by abat, which contributed its know-how from many similar projects. Thanks to abat, the pitfalls of an SAP S/4HANA transformation were avoided; in addition, many new functions that the employees had missed in the old version were introduced in short innovation sprints.

## The project

From the very beginning, it was clear to those in charge that the new system, like its predecessor, should be closely aligned with SAP standards. At DESMA, the SAP ERP system is the „master“ of all processes - from design and production to sales and human resources to finance and accounting. The idea behind it: The company wants a system that is as easy to maintain as possible. For this reason, internal interfaces are avoided as much as possible.

When other systems need data, they export it. „We didn't want consultants who would bend the system and then be gone tomorrow,“ says Christian Decker, DESMA's managing director. Stability is important to the company. And speed.

The core project started in November 2021, which means that when the project is completed in March 2022, the new system will run much more smoothly and users will be able to get to grips with it straight away. DESMA is not talking about a migration, but about a release change with new functions and higher performance. More complex adjustments, such as the merging of debtors and creditors into business partners, were carried out in the background, making the work of the users easier. For example, a recurring issue with R/3 was the lack of data visibility and reporting capabilities. Quick access to dashboards is now much easier in the new system, and the SAP Analytics Cloud can access the HANA database directly.

Even during the release change, abat implemented the functionalities requested by employees and collected in user stories in three-week sprints in innovation projects.

Another challenge was that certain functions in R/3 that DESMA had used intensively were no longer available in S/4HANA. „You need a partner who is familiar with this and can develop a plan B,“ says Christian Decker. „When it came to the workaround, abat provided us with excellent support.“

In any case, the shoe machine manufacturer is convinced that it has found a reliable partner who has safely guided the company through this phase of transformation. According to Christian Decker, the decisive factors were the „Hanseatic down-to-earthness“ and a shared understanding of values.





## Outcome



DESMA completed the necessary migration to SAP S/4HANA early and smoothly.



More than 100 new functions that were missing in the old ERP system were added in short innovation sprints.



The employees report a higher working speed of the ERP system.

## The results

With the support of abat, the migration from SAP R/3 to S/4HANA went quickly and smoothly. However, new functionalities were added to the tried and tested processes, for example in reporting. These were based on user stories formulated by the employees as requirements. The employees were thus involved in the entire process, which led to a high level of acceptance.

The plan is to implement many more user stories in innovation projects by the beginning of 2023, and further functional enhancements will follow in the future.

„With innovative strength and high-quality concepts, we are constantly opening up new market opportunities. Thanks to abat's support, we now have a powerful and future-oriented ERP system that opens up scope for future developments.”

Christian Decker, Managing Director of DESMA

## ABOUT US



The abat Group, founded in 1998, is an SAP service provider, innovative software developer and provider of complete solutions for software-supported process optimization –

primarily in the core industries of automotive and discrete manufacturing as well as in logistics processes and production control. With our six service areas, we give companies the freedom they need for new ideas, efficient processes, and future-oriented solutions.

In the **consulting** service area, we advise and support you in all phases of an SAP project – from conception to implementation to operation of your SAP system. With abat **manufacture**, you receive digital, high-availability solutions for production control in the complex manufacturing industry. With abat **transform** we offer you innovative and unique solutions that make you special: from AI to cloud to X-Reality. The **PLM** area offers comprehensive process consulting with the goal of achieving a continuous data flow across PLM, ERP and MES. Offerings from the **protect** area help customers secure information and maintain the confidentiality, availability, and integrity of business relationships. Finally, our **sustain** experts advise on how sustainability and CSR reporting can be strategically and structurally anchored in the company.

Current figures, data and facts can be found at [www.abat.de](http://www.abat.de).



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