

TOTAL TCO: SAP VS ANAPLAN

PART 9 OF A MULTI-PART SERIES

WRITTEN BY JON PAUSE

As we near the end of this SAP vs Anaplan blog series, we should keep our eye on the prize. So, what does all of this mean to your organization?

Evaluating Total Cost of Ownership (TCO) is an important component to evaluating any software move. In this blog, we want to summarize the TCO landscape and explain all the factors that should be considered to truly evaluate a planning tool. In my experience, Anaplan customers:

- find value in their Anaplan Subscription because they can **DO MORE**.
- improve their bottom line because Anaplan speeds up decision making and **COSTS LESS** to deploy, upgrade, and maintain.
- are more successful because Anaplan is **EASIER TO MAINTAIN** and they are able to focus on the issues that matter to their organization.

Anaplan DOES MORE

It's all in the honeycomb. Anaplan is effectively limitless in the use cases it can take on. This means Anaplan is malleable to your changing strategic needs, no matter how big or small. It adjusts to your business, whether you are deploying a new data set or acquiring an entirely new entity. It is able to support use cases that used to be isolated by organizational silos.

With SAP, you will find a mishmash of tools purchased or developed to solve a variety of siloed problems. These tools and systems don't communicate well together. SAP has always pushed some form of interwoven planning. Their ability to connect EPM to ERP made them one of superior tools for the better part of two decades, but were you really interwoven if you were unable to reach every organization or use case? Interwoven became "entangled," which might as well be "entrapped" since you were locked into the SAP suite.



If the tool you are evaluating fails to achieve enterprise wide connected planning, you are substantially limiting the return you can get, and thus you limit your ROI. Coupling this with the higher costs associated with SAP, you can see where ROI and TCO can take a hit throughout an implementation. For further detail and explanation around the cost of not achieving connected planning, please read our "What is the cost of not achieving connected planning blog.

Anaplan Costs Less

On multiple occasions, SAP has tried to give away BPC licenses for free with an ERP implementation. Even in this situation, BPC will cost these customer more in the long run. Let me explain:

Software costs are only one piece of the cost puzzle. You have implementation costs, upgrade costs and maintenance costs that must be considered.



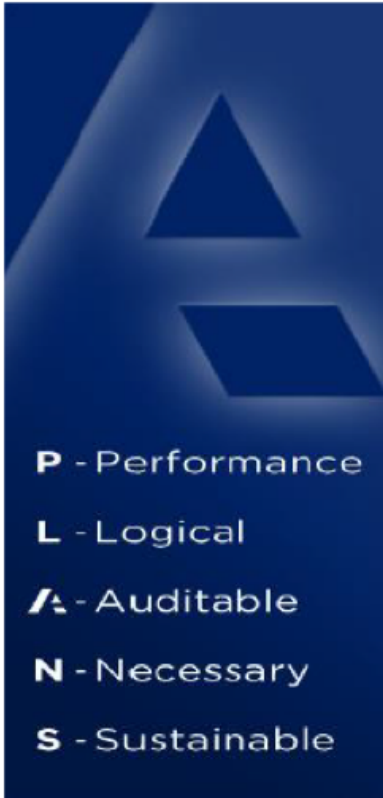
- Implementation- Apples to apples EASIER TO MAINTAIN is one of the key takeaways in this series. It is important to understand the cost impact of resources, future projects and platform ability to solve unanticipated change when analyzing the cost to your organization.
- Other subscription costs- One thing we should all be aware of is SAP's Cloud Extension policy, where they grant existing customers the ability to trade in OnPrem maintenance base dollars and convert them to Cloud subscriptions. For example, the go forward ACV for SaaS must be 140%+ of the annual maintenance fee it's replacing.

Anaplan Is EASIER TO MAINTAIN

Anaplan's training department is a differentiator, and the results speak for themselves. I have been working on the Anaplan platform for 2 years now. I have gone through the Anaplan training content 3 separate times because Anaplan continues to expand and enrich their content. Each time, I continue to expand my best practice knowledge base which enables me to assist customers in achieves models which adhere to the P.L.A.N.S methodology.

While on this path, I am struck by how many customers are able to achieve independence on the platform. This type of ownership in BPC is unheard of. Anaplan allows the business and IT to work seamlessly on all planning projects.





Performance

To optimize the Anaplan Engine (Hyperblock) certain formulas and structures work better than others. One of the advantages of following the standards, is that performance improvements are a by-product of the other elements. While there will occasionally be scenarios that call for “breaking the rules,” we can be aware of the consequences and use them carefully.

Logical

Build models and formulae to be logical. Complex formula calculations are more efficient when are broken up. Create modules to have a sole purpose, following a logical structure of Inputs, Calculations, and Outputs. These should be supported by Data and System Modules.

Auditable

Use notes and comments to help describe the calculations. Break up formulae for better understanding, performance and maintainability

Necessary

Don't duplicate expressions, store and calculate once, reference many times, use appropriate dimensionality, don't calculate when you don't need to.

Sustainable

Build with the future in mind and think about process cycles and updates. Make the model flexible to allow for easy changes to be made when required. Avoid hard coding (e.g. SELECT and direct references to list items).

Overall, what does this mean to your organization? If you want a centralized planning process, that does more, costs less and is easier to maintain, SAP is not your solution. With Anaplan, you can expand throughout the honeycomb without excess costs or maintenance. Please feel free to read more in our blog series detailing the differences in SAP and Anaplan, or reach out to our experts for more information.

**Further Questions? Ready to Begin
Your Connected Planning Journey?**

TALK TO US

www.allitix.com

all-in@allitix.com

