

The Foundational Blueprint: How Proactive SAP MDG Planning Secures a Successful Global S/4HANA Go-Live

A Case Study for Consumer Packaged Goods (CPG) Companies

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Executive Summary

For global CPG companies, a successful ERP transformation is contingent on one critical, often underestimated, factor: **trusted, unified master data**. Companies like **Sunshine Brands**—which manages hundreds of product variants across dozens of markets to comply with regional regulatory standards—face an existential data challenge. Variants in ingredients, packaging, labeling, and pricing must be perfectly controlled to avoid costly recalls, supply chain disruptions, and compliance failures.

This white paper argues that **Master Data Governance (MDG), specifically for material and customer data, must be designed and socialized during the initial SAP S/4HANA blueprinting phase—not tacked on during the build or testing phases**. By embedding data governance into the project's DNA from Day One, organizations can achieve a stable, agile go-live, unlock faster time-to-value, and build a scalable foundation for digital business. The cost of delaying MDG is measured in post-go-live firefighting, eroded business confidence, and millions in avoidable operational waste.

1. Introduction: The Sunshine Brands Challenge – Complexity at Scale

Sunshine Brands is a quintessential modern CPG. Its flagship "Sunshine Snack Bar" is sold globally, but its recipe, packaging, and nutritional information vary per region:

- **EU:** Requires specific allergen labeling and recycled plastic content.
- **North America:** Uses different vitamin fortification standards and bilingual (English/French) packaging for Canada.

- **Asia-Pacific:** Has variant sizes and allowable preservatives that differ by country.
- **Brazil:** Requires extensive tax (NCM) code accuracy on every material.

In its legacy ERP, this complexity was managed through a proliferation of material numbers (e.g., SUN-BAR-USA, SUN-BAR-EU, SUN-BAR-BR) and custom spreadsheets maintained by local teams. This led to **data silos, inconsistent product attributes, duplicate vendor records, and a high risk of non-compliance**. Their upcoming global S/4HANA implementation presented a once-in-a-decade opportunity to fix this.

The Core Thesis: For Sunshine Brands, S/4HANA is not just a technology upgrade; it is a **data unification and governance initiative**. The "go-live" is not the moment the system is turned on, but the moment the business can reliably execute global processes using a single source of truth. **MDG is the engine that makes this possible, and its blueprint is the foundation.**

2. The High Cost of "MDG as an Afterthought": A Reactive Pathway

A traditional, reactive approach delays detailed MDG design until after business processes are blueprinted. This path is fraught with risk:

1. **Blueprint Becomes a Fantasy:** Process workshops design ideal "to-be" workflows, but they are built on the assumption of clean, harmonized data. Without a concrete governance model, these blueprints are theoretical.
2. **The Data Migration "Black Box":** Data cleansing and migration become a separate, downstream technical exercise performed by IT or consultants. Business process owners are disengaged, leading to:
 - **Last-Minute Fire Drills:** During User Acceptance Testing (UAT), business users discover that migrated data doesn't support their designed processes (e.g., "This pricing procedure doesn't work because our customer hierarchy is flat!").
 - **Post-Go-Live Chaos:** The first month becomes "hypercare hell," with teams unable to create new products, process orders, or run accurate profitability reports due to underlying data issues.

- **Erosion of Trust:** The business perceives the new S/4HANA system as "broken," undermining adoption and the program's overall ROI.

For Sunshine Brands, the consequence could be a shipment of EU-spec bars to the US, triggering a regulatory incident, or a production line stoppage because a raw material's procurement info is incomplete.

3. The Proactive MDG Blueprint: A Four-Pillar Framework for Success

Integrating MDG into the blueprinting phase means establishing four pillars concurrently with process design. This turns MDG from a technical tool into a business operating model.

Pillar	Blueprint Phase Activity	Outcome for Sunshine Brands
1. Governance & Organization	Define and appoint Data Owners (Business) and Data Stewards (Operational) for each domain (Material, Customer, Vendor). Integrate them into project workstreams.	The Global Head of Product Development becomes the Material Data Owner. Regional regulatory managers become Stewards. They have a seat at the table in all process design sessions, ensuring governance is practical.
2. Policy & Process Design	Co-create the Material Master Creation Workflow . Map the exact steps, approvals, and system checks required to create a new "Sunshine Snack Bar - Brazil" variant.	A centralized, web-based request portal in MDG is blueprinted. It mandates that the Brazilian steward validates the NCM code and packaging attributes before the material is active in S/4. This becomes part of the "Idea-to-Market" business process.

Pillar	Blueprint Phase Activity	Outcome for Sunshine Brands
3. Data Model & Standards	Define the single, global Material Master data model . Decide which attributes are global (e.g., Base Product ID, Brand) and which are local (e.g., Tax Code, Label Image). Enforce value restrictions and derivations.	A single material SUN-BAR is established. Regulatory-specific attributes are managed as "variant" data under this single master . This enables global reporting on the brand while ensuring local compliance. Duplication is eliminated.
4. Technology & Tooling	Architect the MDG technical landscape (centralized vs. decentralized, workflow rules, integration with S/4HANA via the CORE model). Design the data migration rules in parallel with process design.	The MDG system is configured as the sole system of entry for all material data. The migration strategy is defined: legacy variant codes will be mapped to the new global ID + variant structure, with validation rules co-signed by stewards.

4. The Sunshine Brands Business Case: Quantifiable Benefits of the Proactive Approach

By embedding MDG in the blueprint, Sunshine Brands transformed its program outcomes:

Go-Live Success Metric	Reactive MDG (Estimated)	Proactive MDG in Blueprint (Achieved)
Data Issue Tickets in Month 1	500+ (Critical blocking of orders)	< 50 (Mostly user training queries)

Go-Live Success Metric	Reactive MDG (Estimated)	Proactive MDG in Blueprint (Achieved)
Time to Launch New Product Variant	4-6 weeks (Post-go-live reality)	5 business days (Governed, automated workflow)
Master Data Quality Score at Go-Live	~70% (Leading to process failures)	> 98% (Validated by business stewards)
Business User Confidence at Go-Live	Low (Fear of system, workarounds)	High (Trained on their own governed processes)
Post-Go-Live "Stabilization" Period	6-9 months of intense support	3 months of planned, light-touch hypercare

The Strategic Dividend: Beyond a smooth go-live, Sunshine Brands built a **scalable digital core**. New market entry, mergers & acquisitions, and regulatory changes can now be managed through a pre-defined governance model, not another disruptive IT project.

5. Conclusion: MDG as the First Blueprint, Not the Last Checklist

For a global, variant-heavy CPG like Sunshine Brands, **data is the product**. Therefore, governing that data cannot be an IT sub-project; it must be the **central pillar of the business transformation**.

Recommendation for Leadership:

1. **Fund and Staff MDG in Phase 1:** Dedicate budget and assign business data owners at project kickoff. Their time is not an overhead; it is the primary risk mitigation.
2. **Blueprint Process and Data in Tandem:** Every process workshop must have a parallel conversation: *"What data does this process need, who owns it, and how do we ensure its quality?"*
3. **Measure Go-Live Readiness by Data Readiness:** A key milestone should be "Business Data Sign-Off," where data owners certify that the migrated and governed data set is fit for purpose to run their blueprinted processes.

A successful S/4HANA go-live is not defined by the technology being "on." It is defined by the business being **confidently and effectively operational** on Day One. Proactive MDG planning within the blueprint is the single most effective strategy to guarantee this outcome, turning a high-risk program into a foundation for enduring competitive agility.

About the Author

Tamara Isaac is a senior SAP Transformation Leader with over 15 years of experience in leading complex global ERP implementations. She specializes in orchestrating the critical intersection of business process design, master data governance, and technical delivery to ensure transformational programs deliver their promised value from the moment of go-live.

(This white paper is based on industry best practices and synthesized experience. "Sunshine Brands" is a representative composite case study.)

To discuss how a proactive MDG strategy can be integrated into your S/4HANA blueprint, please contact the author.