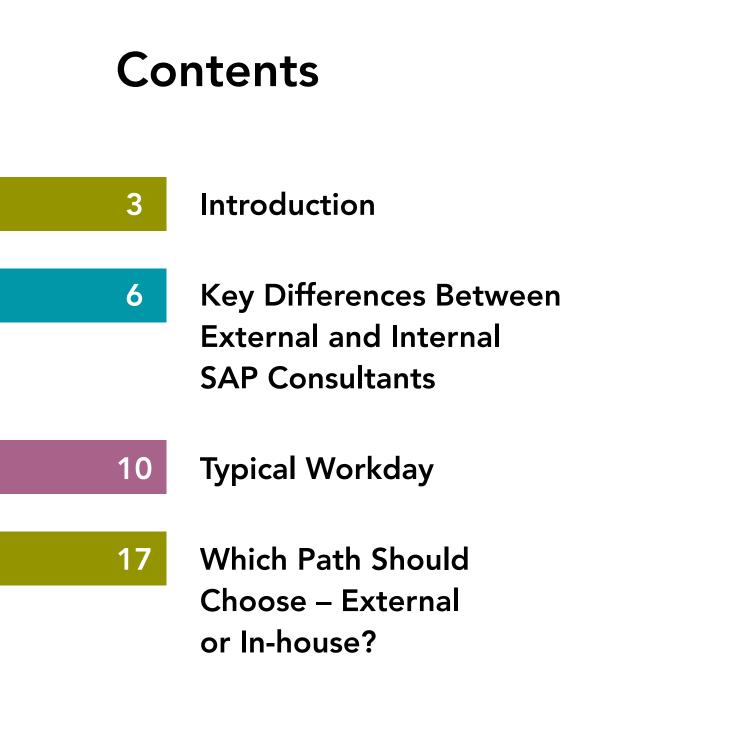


Outside or Inside?

A Guide to the Pros and Cons of External and Internal SAP Consulting



Introduction

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Welcome to "Outside or Inside? A Guide to the Pros and Cons of External and Internal SAP Consulting". This e-book is designed to provide a look at the pros and cons of working as an external and internal SAP consultant, as well as the challenges and rewards of being an SAP expert.

If you are a current SAP consultant working on a regular or senior level, this guide will provide you with valuable insights to help you navigate your career path and assess which option might be the most suitable for you. Discover the perspective of ROCKWOOL – a company that has been working with SAP software for almost 20 years. We want to share with you our thoughts on the work of both external and internal experts.

Here is an overview of what you will learn.

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We will cover the key differences between external and internal SAP consultants, including the different sets of responsibilities.



We will explore which career path would be more beneficial for you – external or in-house, by looking at the benefits and drawbacks of each solution.

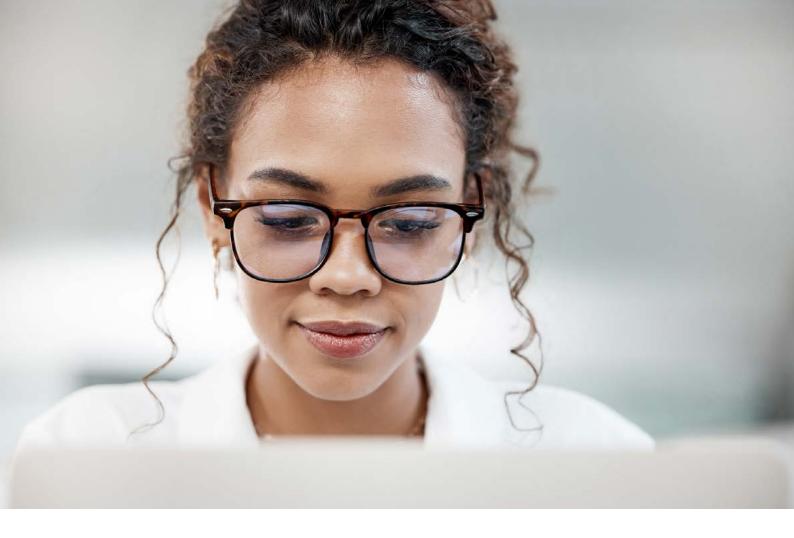




You will get into the shoes of both types of consultants by learning what their typical workdays look like. We will also introduce you to the way we work at ROCKWOOL and how you can grow in the area of SAP with us.

Why is it worth learning all these topics?

Firstly, you will gain a better understanding of the SAP consulting industry. Secondly, this knowledge will allow you to succeed further as an SAP consultant and bring your career to the next level, taking into account your personal preferences. Key Differences Between External and Internal SAP Consultants



As an expert responsible for providing consulting services related to the use of SAP software, you have the option to take on roles as either an external or internal resource.

Being an external SAP consultant, you provide consulting services to businesses that use SAP software. You work on a contract basis and are not employed directly by the organization. In turn, as an internal (in-house) SAP consultant, you work directly for a company and are employed full-time, being a part of the internal team.

NOTE

It is worth keeping in mind that nowadays, the consultants who work within the organization are the ones who establish the course for operations and projects, ensuring that the work is advancing as planned. That is why the tasks performed by external consultants are often based on the directives established by internal specialists. While both types of SAP consultants provide similar services, there are several key differences that set them apart. Below, we take a closer look at how the roles differ, which will help you understand the pros and cons of both types of consulting discussed later on.

Focus and Specialization

External SAP consultants are brought in to work on specific projects, while internal SAP consultants are responsible for ongoing management and maintenance of the company's SAP systems.

This means that as an external expert, you usually jump into a particular project for some time in order to solve a certain problem. You are not in it for the entire life cycle of the project. Being an internal expert allows you to dive deeper into one particular case. You have the time and the ability to specialize in a specific module of the SAP technology and know it in-depth.

Knowledge of the Organization and a Sense of Belonging

As an external SAP consultant, you are not a part of the internal team, meaning that you do not have a deeper understanding of the organization's processes and procedures. In turn, as an internal SAP consultant, you are well familiar with the company's internal operations and culture. You also have a better understanding of key business processes and the company's actual needs and goals. That is why you can really dive deep into details instead of only "touching" the challenge.

Furthermore, a feeling of belonging to a company can be beneficial for you in several ways. It can manifest as increased job satisfaction, heightened motivation to perform well as well as improved and effective collaboration in teams.

Flexibility

In theory, external SAP consultants should have more flexibility and freedom in terms of working hours and location. However, it is not true – both external and internal consultants have great flexibility in their work. Currently, you can work either on-site in the office, remotely, on in a hybrid model – depending on the internal agreements. Everything depends on the company you are employed by.

We are observing a huge shift towards the hybrid working model, especially now, in the era when the pandemic eased down and most of the restrictions related to it are lifted. At ROCKWOOL, we offer such a working model to our employees, who can benefit from both the time spent on deep work at home, and the time collaborating with the team in the office.

Employment Status

Internal SAP consultants are employed directly by the organization – this means working on an Employment Contract basis (or B2B, in the case of certain companies who also offer this type of cooperation). External consultants usually cooperate only as external contractors on a B2B basis.

Salary

External SAP consultants are typically hired for specific projects, with payment determined by the scope and complexity of their work. Internal consultants become part of an internal team, receiving regular salaries and a full package of benefits. In the case of an internal consultant, your salary can be more predictable and stable.

However, no matter which way you choose, technology companies are rapidly growing, and job vacancies outpace the number of available candidates, continually driving salaries up.

Typical Workday

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We decided to show you examples of typical workdays in the life of both external SAP consultants ("outside") and internal SAP consultants ("inside"). In this way, if you are thinking about the shift in your SAP career path, you can assess which type appeals to you more and suits your individual preferences.

Surely, both types of consulting roles spend a substantial amount of time analyzing data and identifying any SAP issues or problems that need to be addressed. Research and analysis of the client's industry and competitors also come into the picture. Both internal and external consultants devote a part of their day to creating documentation, technical specifications, and reports on the progress of the project and the results achieved.

Here come the main differences in their daily tasks.



"Outside"

External SAP consultants may start their day by meeting with clients to discuss the project and provide updates on its progress.

After a quick coffee break, it is a great opportunity to spend some time developing and implementing solutions to address the issues and problems identified. On a daily basis, external consultants work with their clients to customize the SAP software to meet the established goals.

At the end of the day, an external SAP consultant may spend some

time preparing for the meeting with the client to discuss the details of the project that comes next. External consultants often look for their next undertakings themselves or (if they are part of a company that sells their work) participate in conversations with potential clients, helping to acquire new projects.

Their work also includes attending industry events, conferences, and webinars to build relationships and promote their services. Simply said, networking and marketing are important parts of this type of job.

¹ <u>https://www.roberthalf.com/salary-guide/specialization/technology</u>

"Inside"

Internal SAP experts are usually involved in all 3 phases of the project, meaning the innovation, the implementation, and the maintenance. They know the business and internal processes very well, which is perceived as a great value from the company's point of view.

During their workday, internal consultants provide support and assistance to end-users who have issues with the SAP software. Typically, the job involves handling requests and solving new incidents. Consultants check the mailbox, their case queue, and the issues sent directly. They take care of the submissions that concern the correction of noticed errors or changes according to new user requirements.

Internal consultants have to regularly monitor the list of tickets created and handle them or assign them to other team members. At times, they may need to work with external vendors or service providers to resolve more complex problems. One of the experts from ROCKWOOL asses that answering queries constitutes about 30% of an internal SAP expert's day.

Apart from that, internal consultants support internal users (i.e. business) with SAP-related issues and guide them on how to use the SAP system most efficiently. That is why a substantial part of their day may involve collaborating with internal teams and other departments. In-house consultants work closely with them to understand the company's needs and goals and ensure that the SAP software meets those needs.

Internal consultants can also spend time managing and implementing projects related to the company's SAP software, working on various project tasks. Often they need to work with other teams and departments to ensure that the projects are completed on time and within budget. They also attend various meetings, e.g. daily standups or status meetings for the projects they are assigned to. There can also be meetings with the team to discuss the workload and particular cases – the goal is to talk about those of them that are unusual or mysterious. It is a good opportunity to share knowledge and support each other. The remaining part of the day could be spent collecting requirements for development topics and working on SAP configuration, customization, and the design of new functionalities.



Professional Development

Let's not forget that both external and internal SAP consultants need to stay current with the latest developments and updates in SAP technology. They spend time researching new features and updates and determining how they can be applied to the client's specific needs or the organization's goals.

Usually, SAP experts acquire new skills by using:

- SAP courses and conferences,
- SAP learning hub subscriptions,
- online tutorials, how-to videos, webinars,
- available documentation and sample code,
- online courses, e.g. on Coursera or Udemy,
- community groups and forums as ROCKWOOL, we have set up such a group on community.sap. com for experts from Poznań. You can find more details about it HERE.

Internal SAP consultants at ROCKWOOL can also benefit from:

- on-the-job training with junior/ senior pairs of consultants assigned to the projects,
- teams meeting per module where practitioners share and explain implemented solutions.

It is worth mentioning that internal SAP developers tend to generally have more development opportunities because of being part of the company. There are pieces of training, workshops, and events organized internally. The company's goal should be to build the sets of skills and competencies of its employees. This is why "inside" you will be surely supported in your growth. As an external consultant, you are expected to do this part on your own – meaning that you should take care of your self-development and upgrade your knowledge and skills independently.



Wrap-Up

Of course, in the case of both external and internal SAP consultants, a typical workday in their life may vary depending on the project they work on, the client they work with, or the company they work for. The variety of tasks can be bigger in different cases.

In general, SAP consultants working in-house may have a more consistent and predictable work schedule. They have regular office hours and are typically expected to work a standard 40-hour workweek. Those working as independent contractors have less predictable schedules, depending on the client's requirements. That is why we recommend you look for internal roles if you value consistency and regularity.

Which Path Should Choose – External or In-house?

Closer Look at the Pros and Cons



We understand that deciding between an external or internal role can be difficult for any SAP consultant. Both paths offer unique opportunities and challenges from a professional perspective. External SAP consultants have the opportunity to work on a variety of projects with different clients and various industries – this can be exciting and challenging. They are not tied to one specific company or project, which some may see as an advantage. It is a good choice for people who prefer shorter-term engagement in projects and like the idea of stepping into a particular project just for some time and then proceeding to the next one.

Sounds enticing? Surely, but do not forget about the cons. Firstly, external SAP consultants work on a project basis and may not have a steady, predictable income, which leads to a lack of job security. It is particularly important in times of economic crisis and recession. A limited understanding of the company and limited support from its side may also be viewed as a drawback. External consultants definitely do not have a deep understanding of the company's processes or have access to the same support resources as internal consultants. What is more, not having the same level of team collaboration as internal employees can be seen as an ongoing issue.

Time to get a closer look at in-house SAP consultants. Their job is certainly viewed as more stable because they are employed directly by the organization, and have a steady income and a package of benefits. It leads to creating a sense of belonging to the organization and being well-familiar with the company's visions and goals. But not only – this also means a better general understanding of the company, as internal consultants have a deep knowledge of particular business processes. They have access to the company's resources, systems, and support. As for commitment, it is definitely more long-term. Internal SAP consultants are more invested in the company's success and growth; they build relations within the teams and can benefit from team building and teamwork. We should not forget about the opportunity to collaborate and work closely with other teams and departments.

As a drawback of their work, in-house consultants mention a limited variety of projects. They may not have the opportunity to work with as many different clients or industries as their external peers. There is also a set of administrative tasks in their daily work that may be seen as repetitive. Additionally, as internal consultants work in a highly integrated environment that requires several experts at the same time, it is hard sometimes to schedule and deliver bigger solutions quickly because of other projects. What else? Not having enough time to benefit from it all – it is simply not possible to know everything and handle every topic.

These two paths have their own sets of pros and cons, and the best path for you depends on your career goals, preferences, and skills. On one hand, you have a variety of projects while working as an external consultant. On the other hand, you have the stability and belonging of an in-house consultant.

External and internal SAP consultants perform various types of tasks, thanks to which each of their days is different. Both types of roles will surely offer you technical challenges and flexibility in terms of work and location (remote/hybrid work models).

Choose to be an External SAP Consultant if you...

- prefer a shorter-term engagement in projects,
- would like to step into a particular project just for some time and then move on to the next one,
- prefer working for different clients and not being tied to one employer,
- want to explore how it is to work with clients from various types of businesses, e.g. finance, production & logistics, sales,
- do not need to feel attached to one company,
- are willing to embrace fluctuations in compensation, which means higher and lower salaries, depending on client contracts and project availability,
- like to meet new people constantly and do not mind the networking part,
- have the willingness and communication skills necessary to participate in meetings with potential clients,
- are not afraid of an inconsistent and unpredictable work schedule.

Choose to be an Internal SAP Consultant if you...

- prefer a long-term engagement in projects or support,
- like to feel you belong to a particular company and its culture,
- want to be responsible for the management and maintenance of one company's SAP system module,
- are interested in business processes,
- love to dive deeper and specialize in a specific area of the SAP system,
- need to feel you belong to a company and cheer for its success,
- wish to have a choice of working on an Employment Contract or a B2B basis,
- want to have a predictable and stable salary,
- do not mind collaborating with the same teams and departments for a longer period,
- value consistency and regularity,
- want to have a more secure career path.

Get to Know ROCKWOOL

If you see yourself developing as an SAP consultant, let us introduce ourselves. We are ROCKWOOL – a place for a meaningful career.

We are a family-owned and value-driven company with an established people-driven and inclusive culture that provides employees with a friendly and respectful atmosphere for growth and development.

Furthermore, we create an insulation product that tackles today's biggest challenges, such as energy consumption and noise pollution, fire resilience, water scarcity, and flooding. We share a passion for making the world more sustainable and doing our part – from our operations to the end solutions we create.

Since we have been around for more than 80 years, we have experience in our field of making a positive impact both locally and globally.

Grow in the Area of Digital Applications and ERP

At ROCKWOOL, we provide our SAP experts with various types of tasks and involvement in complex projects which require non-standard thinking.

Want to know more?

- We have a clear structure and processes.
- Our approach to project management is Waterfall Project Management based on Prince2, and sometimes an Agile framework (when integrated with business projects).
- We provide SAP integration with other systems (e-commerce platforms, CRM, PIM, branding web portal, MES, transport planning and management, invoice management, etc.).
- We use an ITSM tool to manage tickets and Test Automation with SolMan.

A true highlight of being a part of ROCKWOOL is that you can enjoy the Scandinavian model of work at its best. We value relationships and a respectful, supportive environment that fosters growth and development. It is a people--driven, inclusive work culture.

Internal SAP experts at ROCKWOOL emphasize technical challenges, interesting tasks, and promising projects as the pros of their job – these aspects leave no room for boredom and contribute to the fact that each workday is different. Consultants also highlight the possibility of improving their technical skills. This includes knowledge sharing, training (internal and external), and having access to many different systems. Team Leaders are open to the professional development of their employees in diverse areas. There is a possibility to strengthen soft skills too (such as communication).

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I like to solve issues and deliver help to users. I like looking for solutions. I like working with people around the globe. (...) You can gain expert knowledge that is very valuable on the market.

(SAP CO Functional Lead)



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I like the fact that it is the next step in my development. (...) Additionally, I like that the area of responsibilities is quite extended, so there is a new thing to learn every day. Moreover, joining a team of people who are so experienced and understand the business is a great possibility to learn (...)

(Junior SAP FI/CO Consultant)

Another aspect considered as the benefit of working at ROCKWOOL is a good atmosphere and teamwork – the teams cooperate in harmony and are focused on supporting each other. This way, you can build valuable relationships and establish long-term cooperation.

Summary and Final Thoughts

SAP experts can be described as the behind-the-scenes wizards of the business world, mastering the complexities of the SAP platform to drive growth and efficiency for companies.

As organizations embrace digital transformation, they will need more tech talent, so there definitely still is a lot of space to develop your SAP career. ERP software (SAP and Oracle) remains in the top 10 in-demand accreditations and skills according to 2023 trends².

Outside of work, Machine Learning, Mobile Application Development, Consumer Devices, and Augmented and Virtual Reality are the areas of experimentation for SAP experts – when presented with the right opportunity, these skills may be easily applied in a work setting.



² https://www.roberthalf.com/salary-guide/specialization/finance-and-accounting

The road to becoming a successful SAP consultant may be challenging – they face some difficulties in today's fast-paced business environment, such as managing expectations, keeping up with software updates, or balancing multiple projects at a time.

However, the rewards are well worth it. Think about the opportunity to work on complex, challenging projects in various industries, job security, and high-earning potential.

Before committing to your career path, remember to weigh the advantages and disadvantages of working as an internal and external SAP consultant. Every situation is different in terms of career goals, job security, and work-life balance and should be approached individually. This short e-book explored some of the benefits and drawbacks of both consulting roles. Now, the ball is in your court – we sincerely hope you will make the best decision for your own career path.

If you are ready to take on the challenge, the world of SAP is waiting for you to unlock its full potential.

And who knows, maybe one day we will meet at ROCKWOOL, working together on SAP projects and solutions...

<u>Check the current SAP career</u> opportunities at ROCKWOOL

