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SAP Managed Service Providers Guide to New Relic

From Server Custodian to Business Orchestrator

(Transformation Team Edition)

Introduction

For SAP Systems Integrators and MSPs, New Relic is the catalyst for a critical evolution - from traditional infrastructure & system monitoring **to true business observability.**
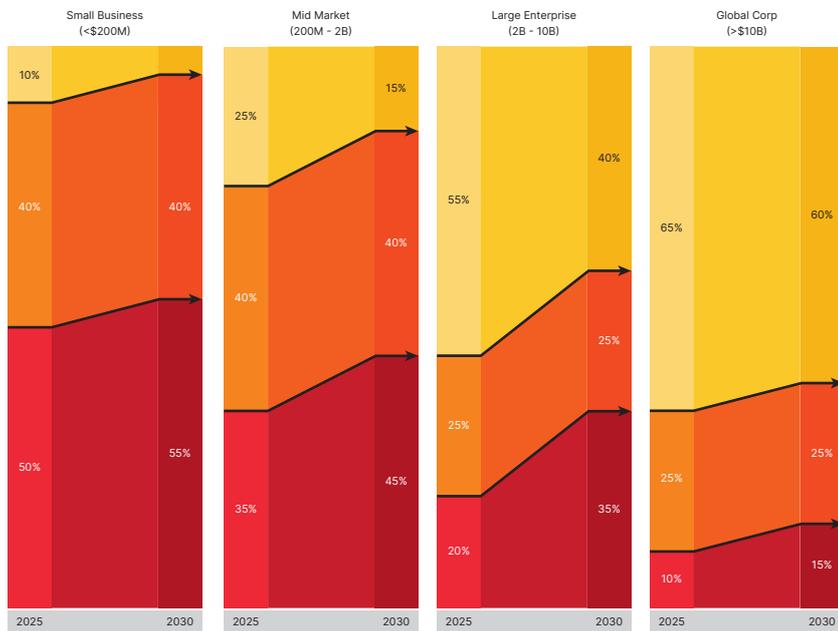
The market no longer rewards providers for system uptime alone. Customers demand **business outcomes,** governance, and measurable transformation. This guide outlines how MSPs can modernize contracts, de-risk SAP migrations, and deliver differentiated value using New Relic.
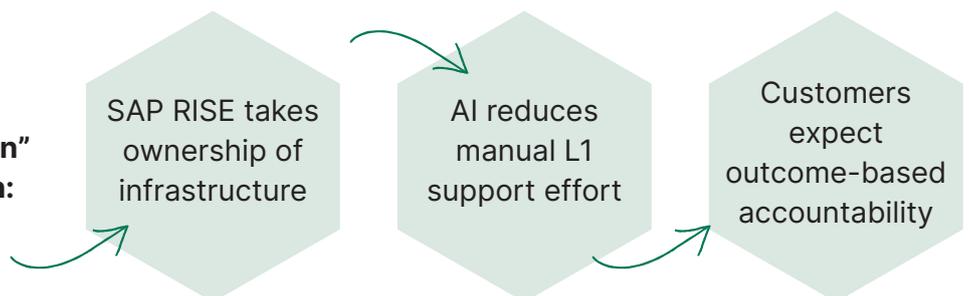
The Market Shift: The Crisis of Value

SAP Operational Split (2025 - 2030)

In-House (Why & What)   SI Managed (How)   SAP Managed (Infra & L1)

Small Business (<$200M)
10%, 40%, 50% (2025) → 40%, 55% (2030)

Mid Market (200M - 2B)
25%, 40%, 35% (2025) → 15%, 40%, 45% (2030)

Large Enterprise (2B - 10B)
55%, 25%, 20% (2025) → 40%, 25%, 35% (2030)

Global Corp (>$10B)
65%, 25%, 10% (2025) → 60%, 25%, 15% (2030)

SAP absorbs basic infrastructure duties, enabling MSPs to execute modernization & innovation while internal customer teams focus on high-level business strategy. Complexity creates differences across customer segments.

The traditional "Server Admin" MSP model is breaking down:

- SAP RISE takes ownership of infrastructure
- AI reduces manual L1 support effort
- Customers expect outcome-based accountability

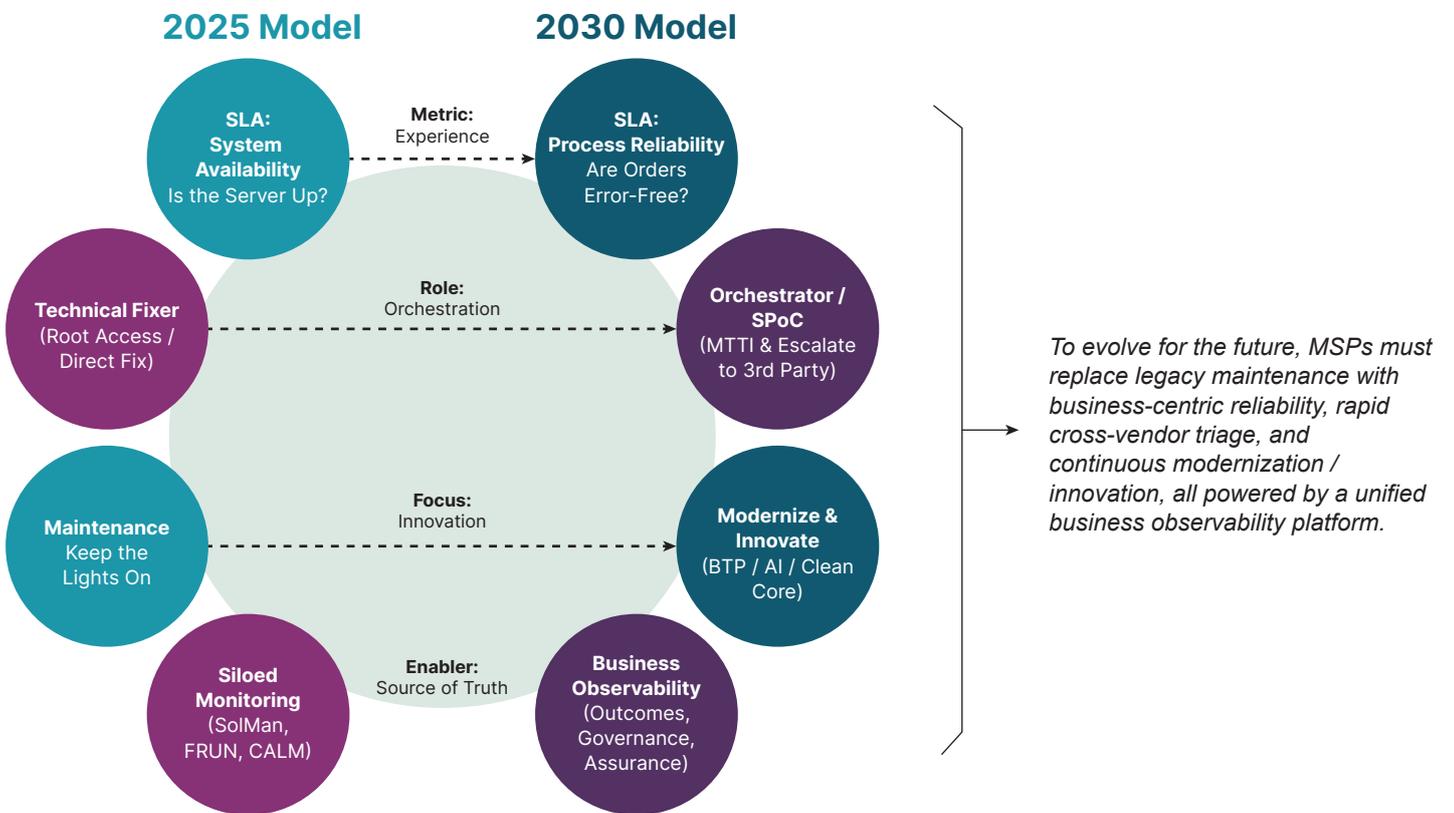This creates pressure—but also opportunity—for MSPs who can evolve.

Evolving the MSP Contract Model

To: SLA: Is the order process error-free?

New Relic enables SLA measurement at the process and transaction level, not just infrastructure.

To: Orchestrator and Single Point of Contact (SPOC)

With Mean Time to Innocence (MTTI), MSPs can quickly prove where issues originate - across SAP and non-SAP boundaries.

To: Modernize & Innovate
- Clean Core initiatives
- SAP BTP configurations
- Agentic AI-driven operations

2025 Model → 2030 Model

- **SLA: System Availability** Is the Server Up?
- **Technical Fixer** (Root Access / Direct Fix)
- **Maintenance** Keep the Lights On
- **Siloed Monitoring** (SolMan, FRUN, CALM)

Metric: Experience

Role: Orchestration

Focus: Innovation

Enabler: Source of Truth

- **SLA: Process Reliability** Are Orders Error-Free?
- **Orchestrator / SPoC** (MTTI & Escalate to 3rd Party)
- **Modernize & Innovate** (BTP / AI / Clean Core)
- **Business Observability** (Outcomes, Governance, Assurance)

To evolve for the future, MSPs must replace legacy maintenance with business-centric reliability, rapid cross-vendor triage, and continuous modernization / innovation, all powered by a unified business observability platform.

Contract Lifecycle

10% New Business Drive: TCO & ROI

↓

80% Mid Contract Drive: TCO

↓

10% Renewal Drive: TCO & ROI

Total Cost of Ownership

Evaluate: Existing monitoring solutions vs New Relic. Look at labour & productivity costs, infrastructure overlead and licensing.

Finding: Even with New Relic licensing and migration costs, TCO is comparable - making mid-contract transitions viable.

Return on Investment

Evaluate: Impact of improved Business Uptime, Engineering Excellence & Digital Experience within wider Transformation.

Finding: Modernization & innovation creates competitive differentiators - empowering SI's to deliver business outcomes.
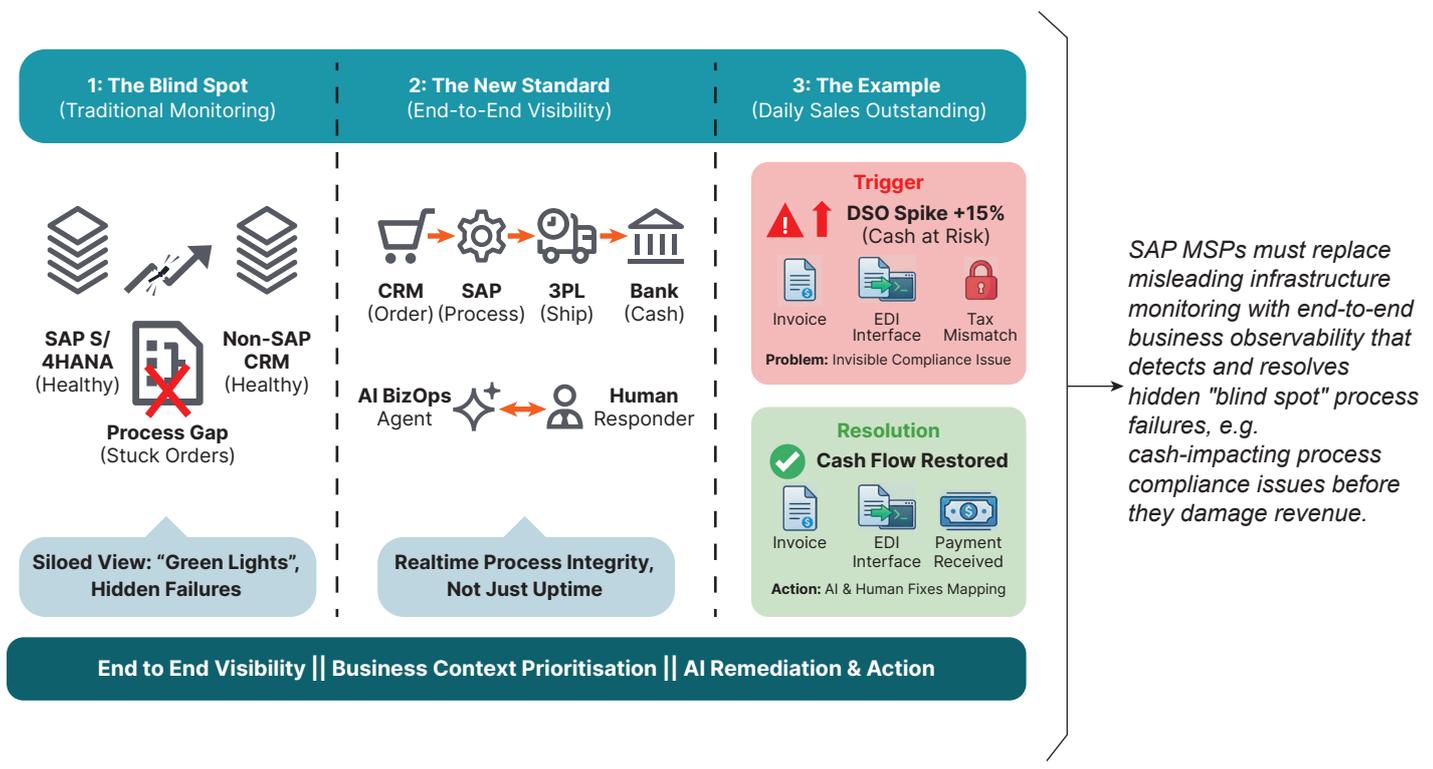
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Solving the "Blind Spot" Problem

The Green Light Paradox

SAP systems may appear healthy while **business KPIs fail** due to integration and process issues across SAP and Non SAP systems.
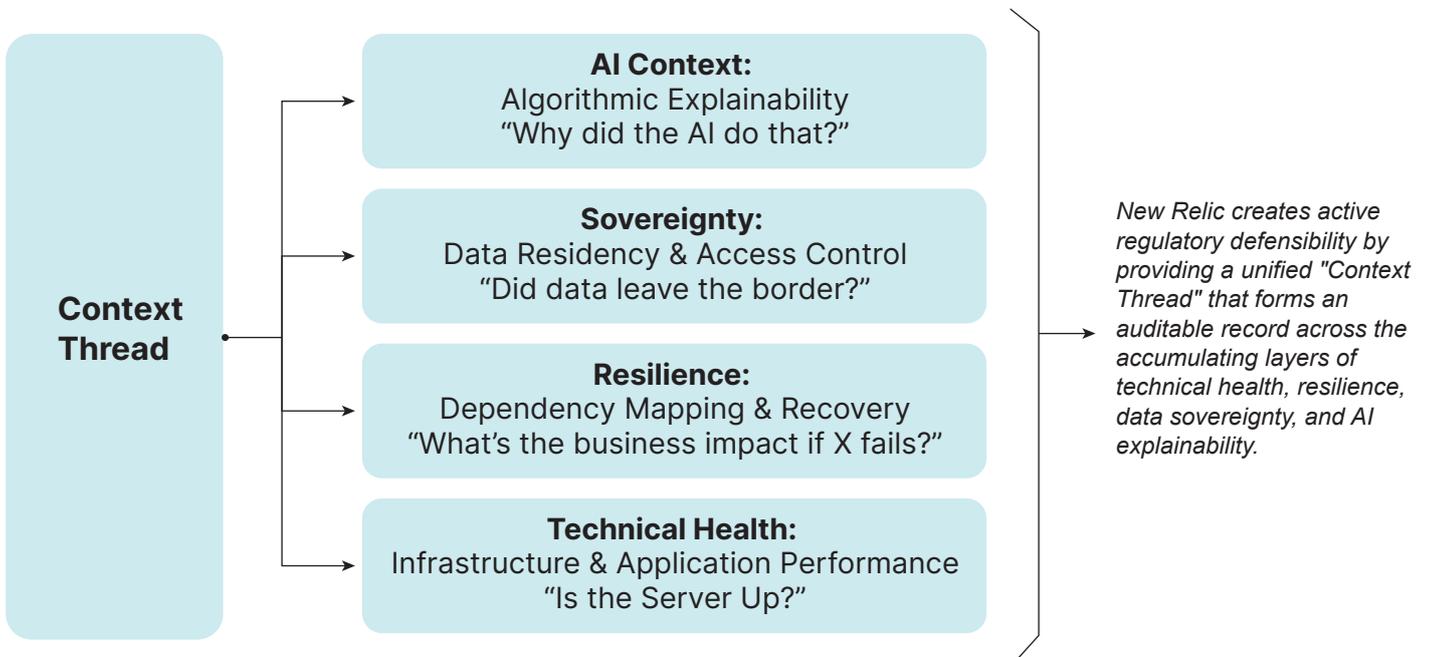
New Relic enables:

- Cross-system workflow tracing to identify critical business risks & opportunities
- Automated AI detection and resolution of business process failures
- Proactive process integrity to ensure seamless business operations

1: The Blind Spot (Traditional Monitoring)	2: The New Standard (End-to-End Visibility)	3: The Example (Daily Sales Outstanding)

SAP S/4HANA (Healthy) — **Process Gap** (Stuck Orders) — **Non-SAP CRM** (Healthy)

Siloed View: "Green Lights", Hidden Failures

CRM (Order) → **SAP** (Process) → **3PL** (Ship) → **Bank** (Cash)

AI BizOps Agent ↔ **Human Responder**

Realtime Process Integrity, Not Just Uptime

Trigger
DSO Spike +15% (Cash at Risk)
Invoice — EDI Interface — Tax Mismatch
Problem: Invisible Compliance Issue

Resolution
✅ **Cash Flow Restored**
Invoice — EDI Interface — Payment Received
Action: AI & Human Fixes Mapping

End to End Visibility || Business Context Prioritisation || AI Remediation & Action

SAP MSPs must replace misleading infrastructure monitoring with end-to-end business observability that detects and resolves hidden "blind spot" process failures, e.g. cash-impacting process compliance issues before they damage revenue.
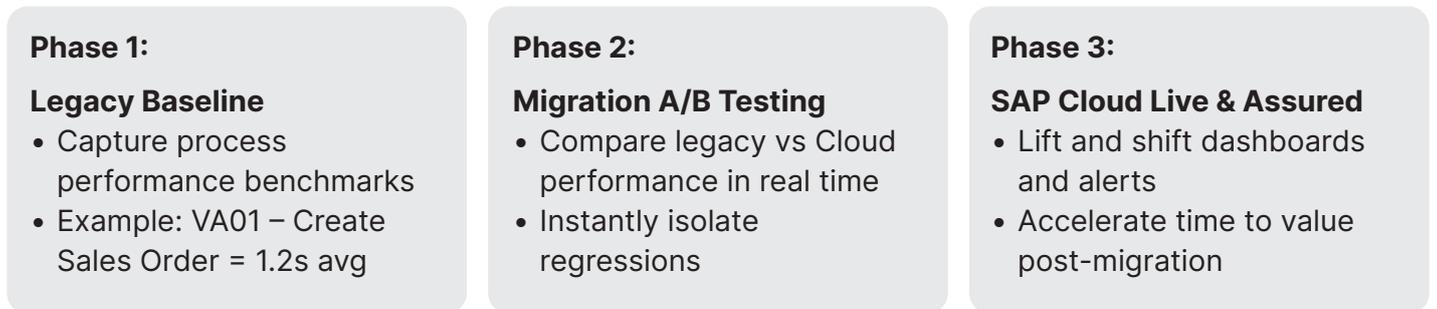
Governance, Risk & Compliance

New Relic serves as an auditable source of truth for regulatory demands. The platform supports compliance with regulations like DORA (Resilience), Schrems II (Data Sovereignty), and the EU AI Act (AI Transparency & Trust) by mapping dependencies, tracing data flight paths, and providing insights into AI execution.
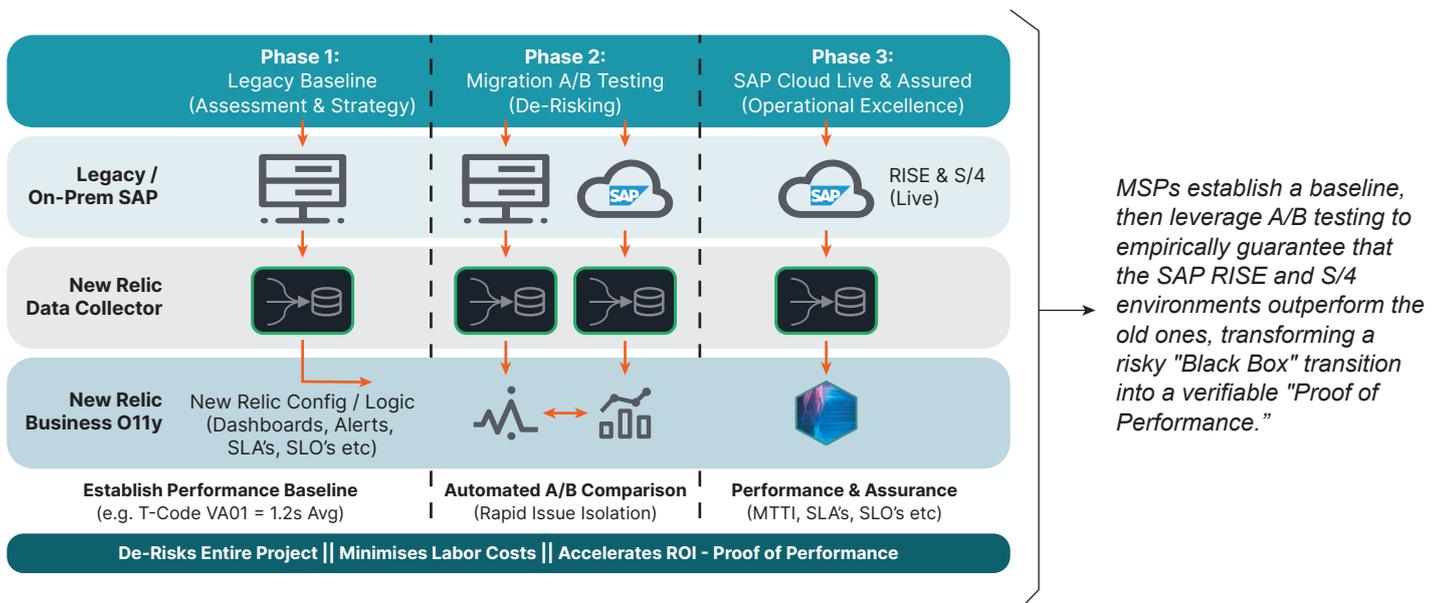
Context Thread

Context Thread →

AI Context:
Algorithmic Explainability
"Why did the AI do that?"

Sovereignty:
Data Residency & Access Control
"Did data leave the border?"

Resilience:
Dependency Mapping & Recovery
"What's the business impact if X fails?"

Technical Health:
Infrastructure & Application Performance
"Is the Server Up?"

New Relic creates active regulatory defensibility by providing a unified "Context Thread" that forms an auditable record across the accumulating layers of technical health, resilience, data sovereignty, and AI explainability.

Migration Assurance: De-Risking RISE with SAP

Phase 1:

Legacy Baseline
- Capture process performance benchmarks
- Example: VA01 – Create Sales Order = 1.2s avg

Phase 2:

Migration A/B Testing
- Compare legacy vs Cloud performance in real time
- Instantly isolate regressions

Phase 3:

SAP Cloud Live & Assured
- Lift and shift dashboards and alerts
- Accelerate time to value post-migration

Outcome: SAP migrations move from "black box" risk to **measurable proof of performance.**

Phase 1:
Legacy Baseline
(Assessment & Strategy)

Phase 2:
Migration A/B Testing
(De-Risking)

Phase 3:
SAP Cloud Live & Assured
(Operational Excellence)

Legacy / On-Prem SAP

RISE & S/4 (Live)

New Relic Data Collector

New Relic Business O11y

New Relic Config / Logic (Dashboards, Alerts, SLA's, SLO's etc)

Establish Performance Baseline
(e.g. T-Code VA01 = 1.2s Avg)

Automated A/B Comparison
(Rapid Issue Isolation)

Performance & Assurance
(MTTI, SLA's, SLO's etc)

De-Risks Entire Project || Minimises Labor Costs || Accelerates ROI - Proof of Performance

MSPs establish a baseline, then leverage A/B testing to empirically guarantee that the SAP RISE and S/4 environments outperform the old ones, transforming a risky "Black Box" transition into a verifiable "Proof of Performance."

Key Takeaways

New Relic allows SAP MSPs to deliver:
- Business-centric reliability
- Faster cross-vendor triage
- Governance-ready observability
- A future-proof, outcome-led service model

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