



Succeed in Enterprise Transformation by Transforming Finance

Lars Flemmingard SAP
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PUBLIC

SBN – Finance Conference

Target Audience: Financial & Business Controlling

Main header: **Continuous Group-Wide Effective Steering** with SAP's Modern Platform

Description: The area of Finance & Risk is changing. Within many industries **Business Models are changing** towards **Outcome-Based Business Models** where products are moving to services, outreach to customers are going direct etc. New Business Models must be Financially Viable. One area that is crucial is to be in **control of the profitability** and have actionable customer and product profitability insights is very important. Also to have consistent **strategic, tactical and operational** planning in place

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SAP's Unique Formula for Intelligent Finance and Risk



Strategic/Tactical perspective

- **Finance Transformation**
 - Finance & Risk challenges
 - Continuous Group-Wide Effective Steering
- **Financial Closing & Consolidation**
 - Record to Report process
 - Process as a non-event
- **Extended Planning & Analysis**
 - Plan to Optimize process
 - Profitability Steering
 - Decision Support processes

Real-Time ↑



Finance and Risk 'Mission Control Center'

Insight, Agility and Governance



Steering effectiveness Analysis and Prediction

Integrated value creation
cycle along the value chain



Process efficiency Productivity

Automated processes with
embedded AI and Analytics



Continuous Compliance Assurance

Value protection 24/7
compliance

Business Foundation

A Single Financial Truth

Common Virtual Data Model

Universal Journal (Central Data Storage)

Integrated Data Platform

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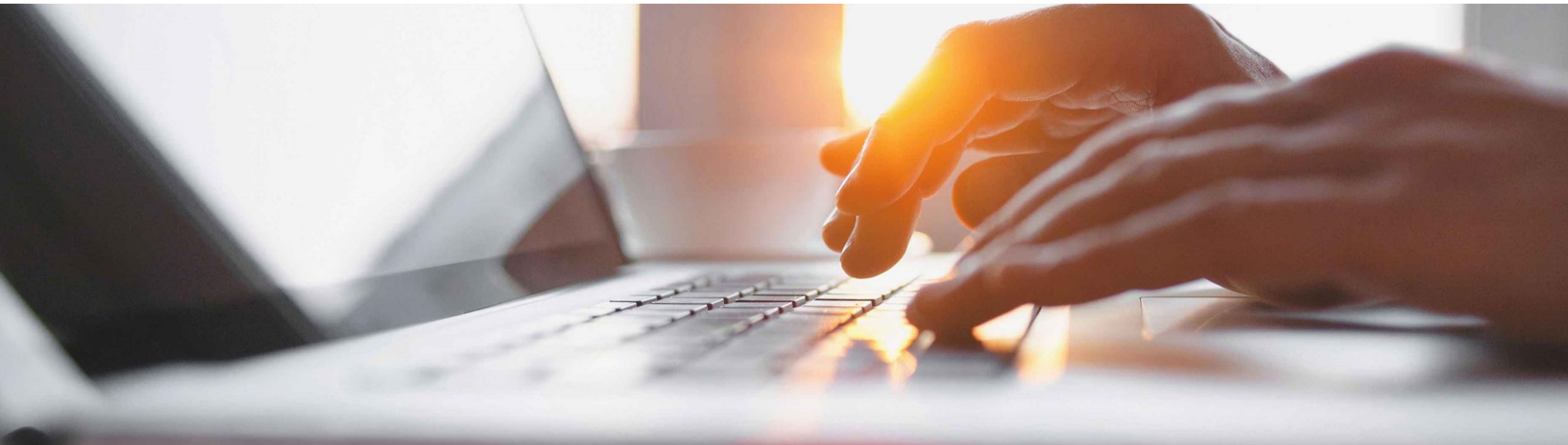
Business Foundation A Single Financial Truth

Common Virtual Data Model

Universal Journal (Central Data Storage)

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The World of Finance and Risk **is Changing**

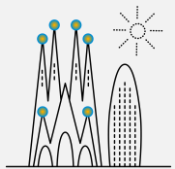


Business Models are Changing...



- ✓ Products are moving to **services**
- ✓ Outreach to customers is going **direct**
- ✓ Everything is getting **connected**
- ✓ Ecosystems of partners are **collaborating** to deliver more value
- ✓ **Customer behaviors** and expectations are changing

Few trends impacting business model changes...



City infrastructure



AI embedded
in devices



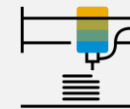
Smart vehicle



Connected fleet
management



Autonomous
vehicles



3D printing



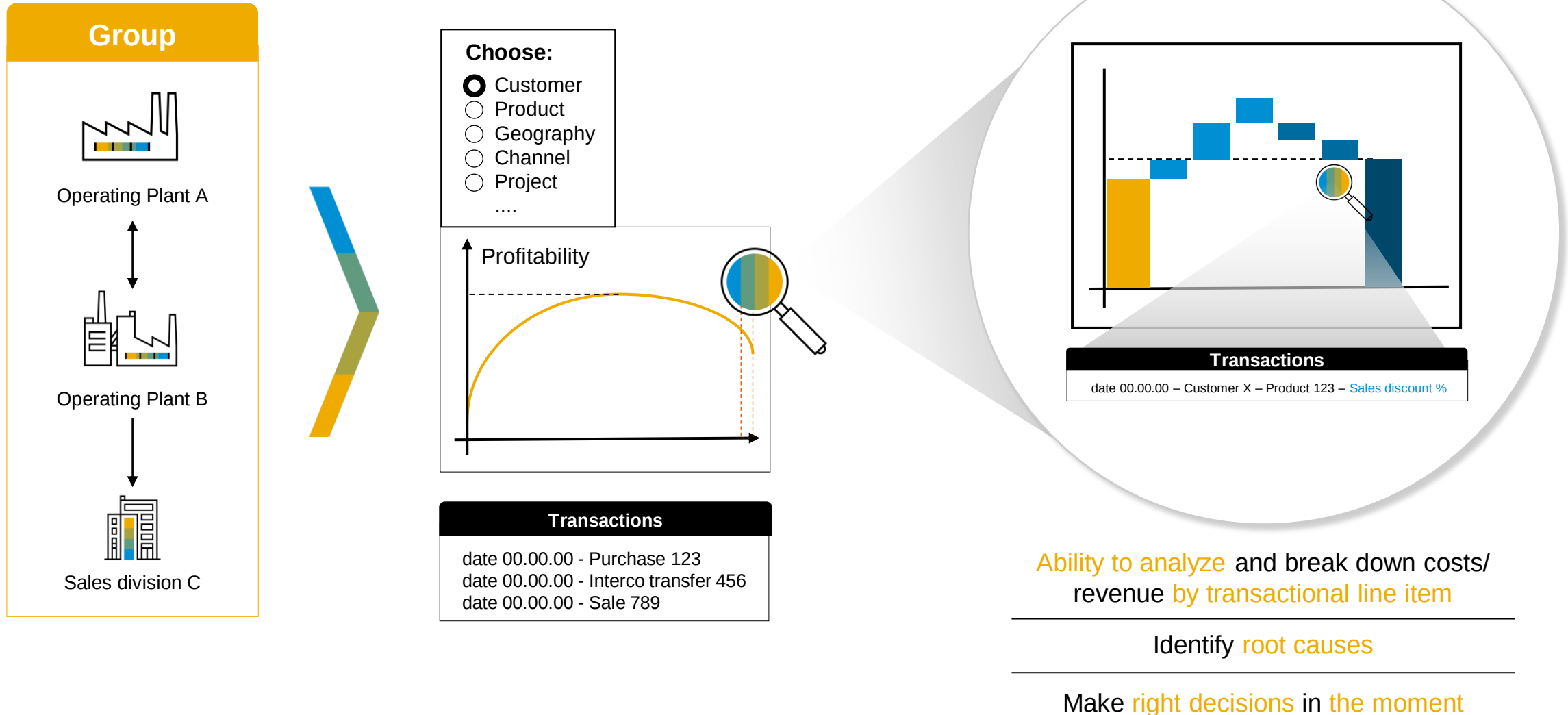
Mobility as
a Service



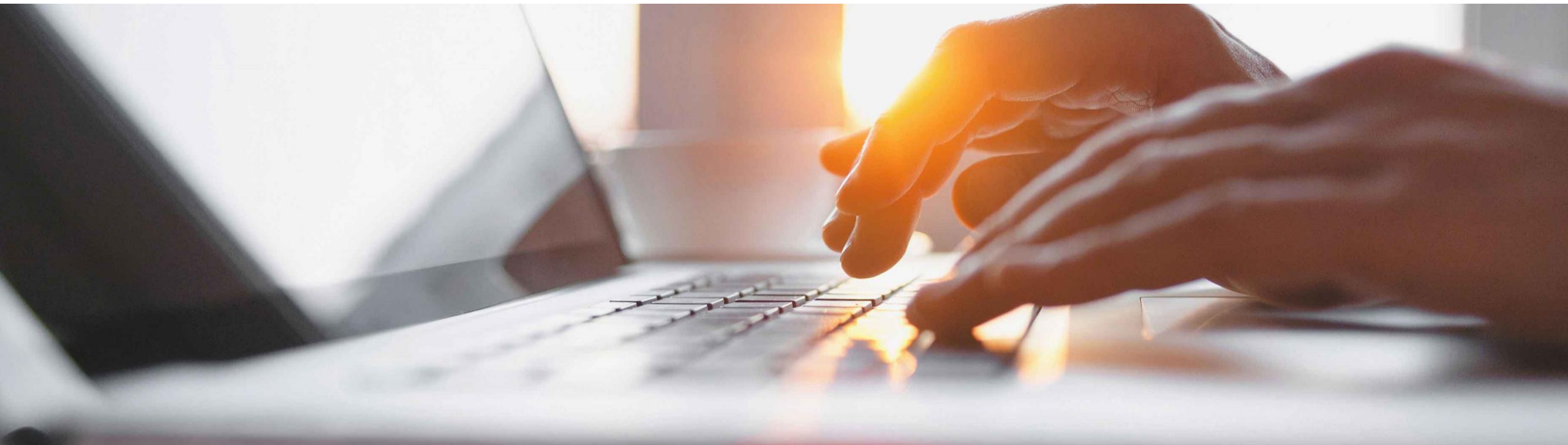
Smart home

Example: New Business Models Must Also Be Financially Viable

Actionable customer and product profitability insights

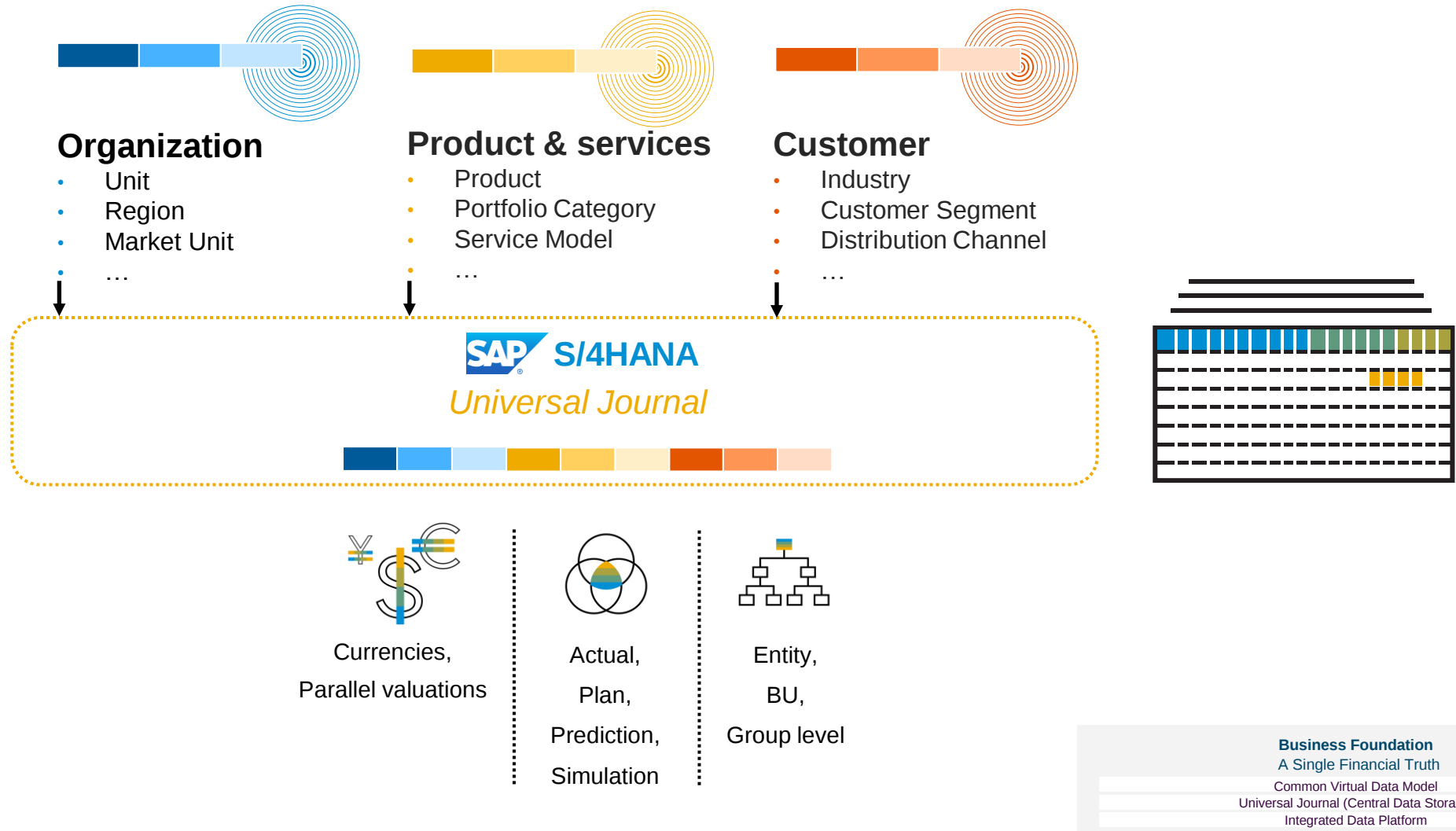


Continuous Group-Wide Effective Steering – Transparency



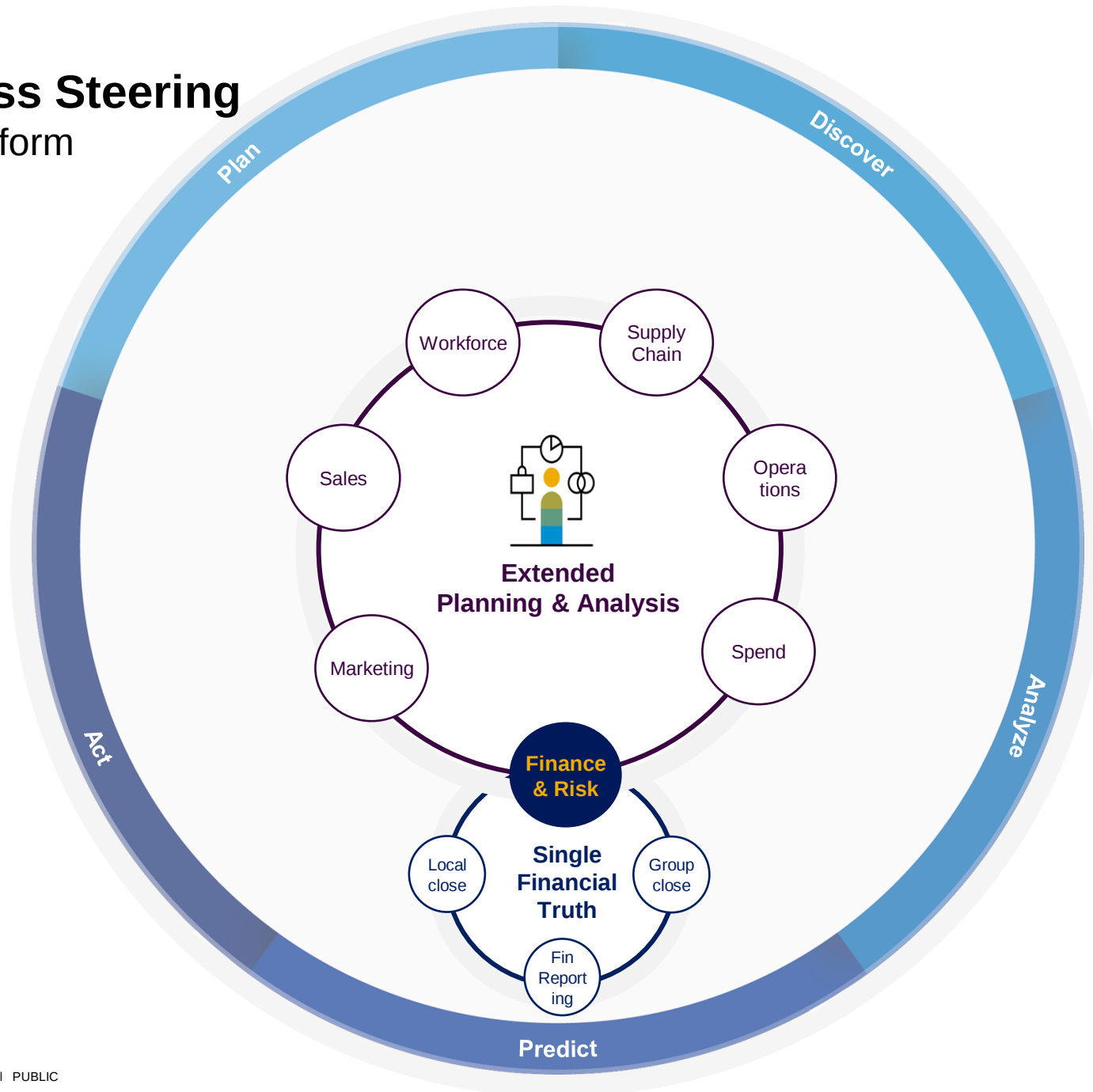
Steering Model with All Dimensionality fully reflected in the Universal Journal

Managed along all views, categories and levels - On the highest granular level - Reconciled by design



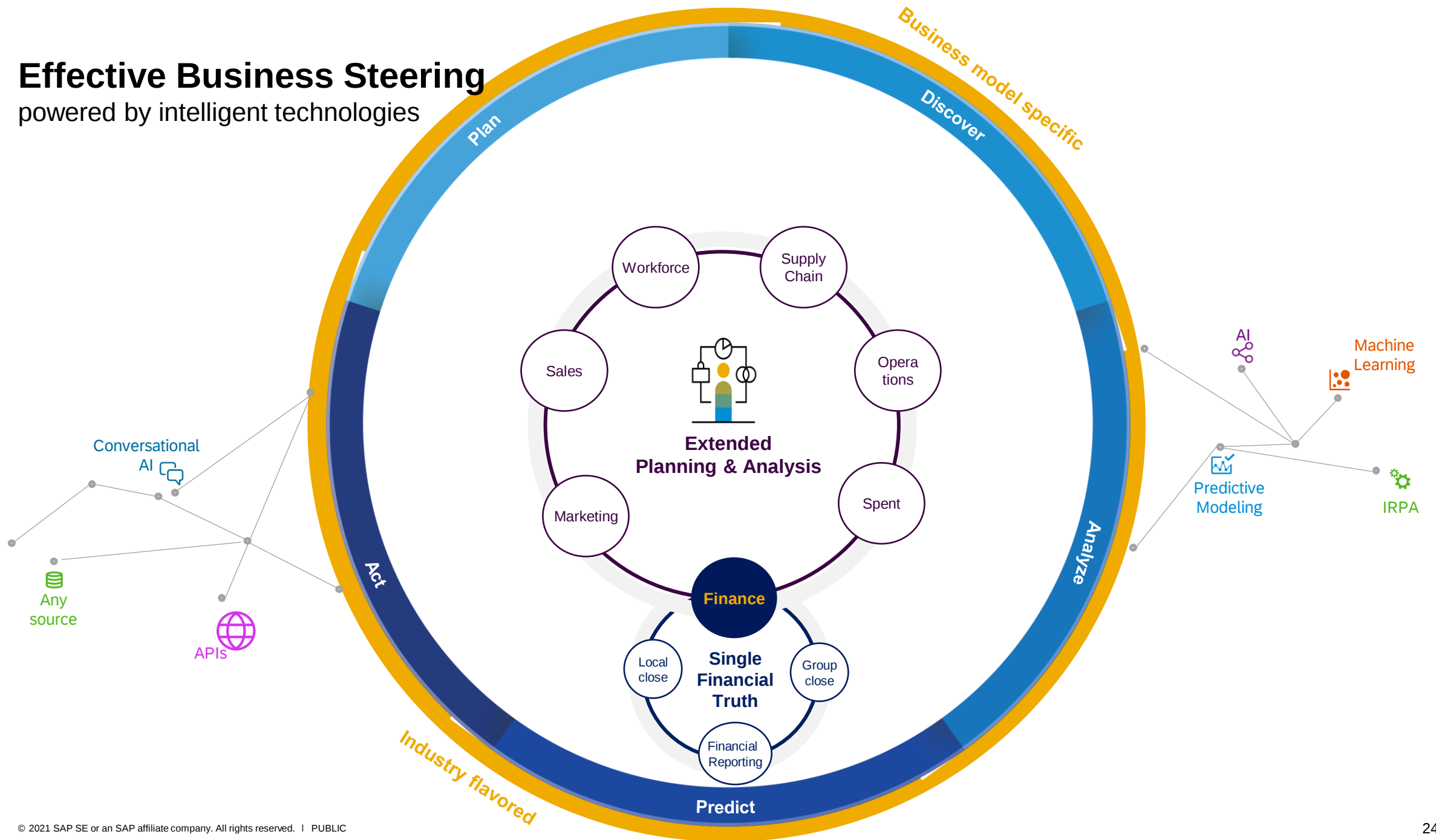
Effective Business Steering

based on a single platform



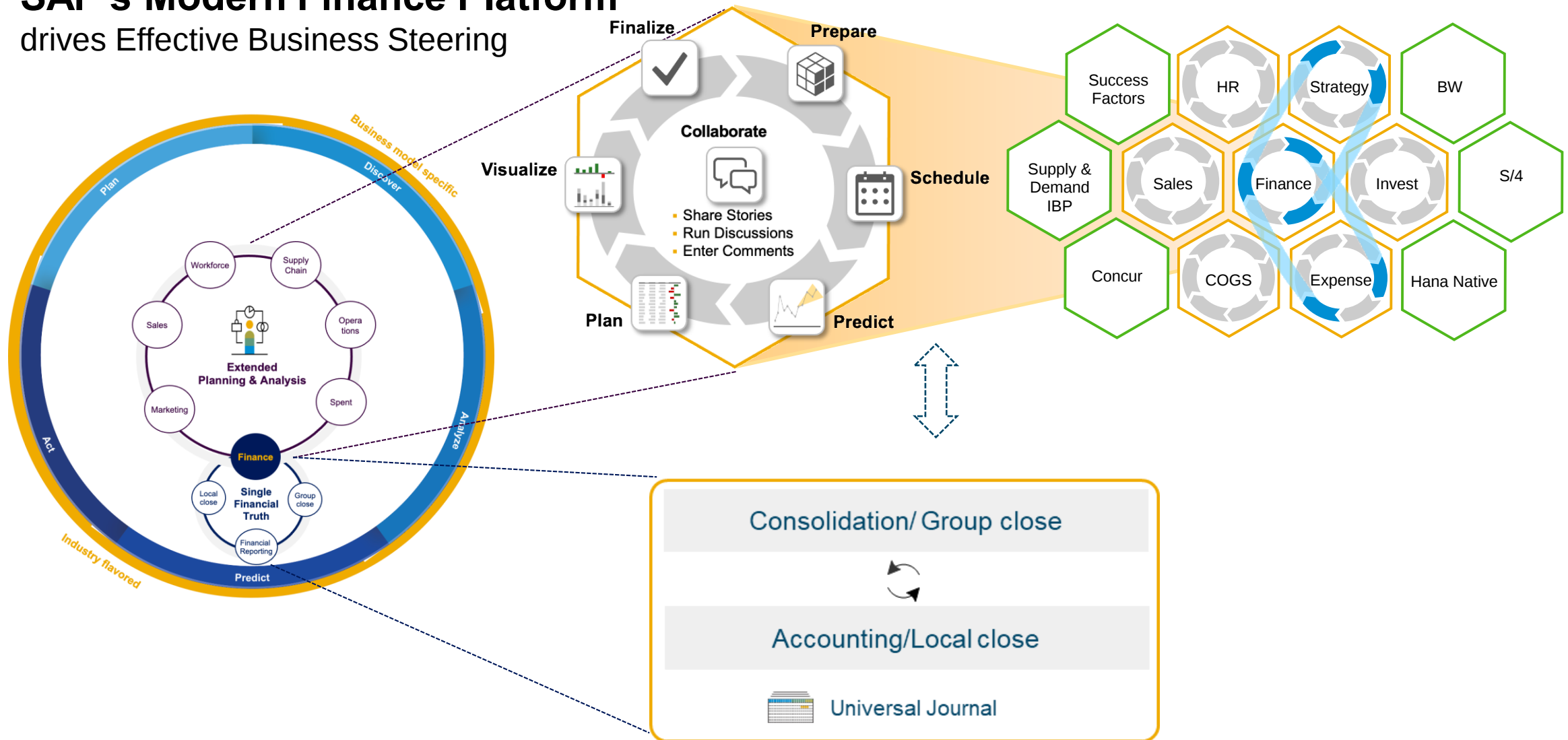
Effective Business Steering

powered by intelligent technologies



SAP's Modern Finance Platform

drives Effective Business Steering



Steering Effectiveness

Align Resources With Business Strategy Based on Clear Business Drivers

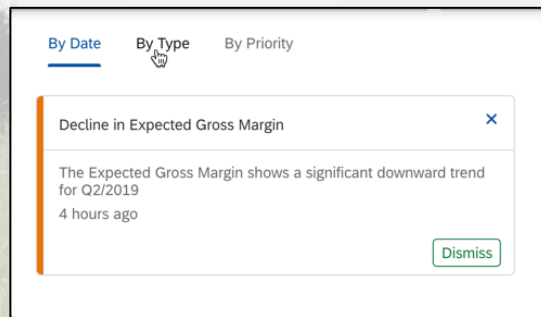
Group



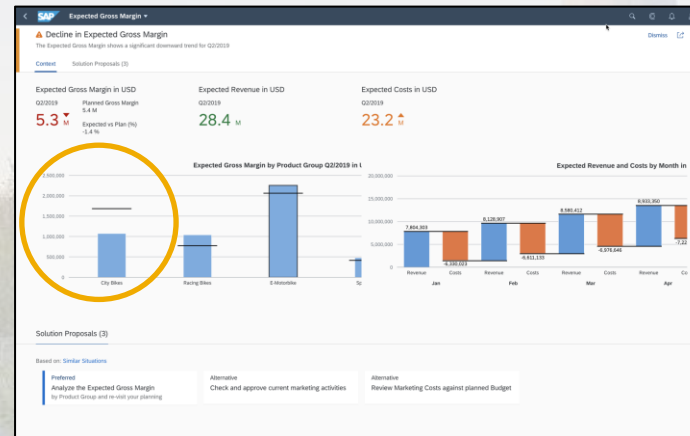
Entity



Alert



Analyse



by customer | product | geography | channel | ...

Simulate & Act



Margin 'root cause analysis'
on entity, divisional and group level

by leveraging granular and advanced analytics

Insights on customer, product, service
and channel profitability

based on a single financial truth

Business scenario comparisons and
business model specific driver-based
prediction

through flexible & automated simulations

To Steer the Business, You Need a Modern Finance Platform

SAP finance solutions align quantifiable value with strategic benefits

QUANTITATIVE BENEFITS*

18-24%

decrease in **planning, forecasting & budgeting** costs

30%

reduction in business & operations analysis/reporting costs

50%

reduction in **financial close time** and improved efficiency

10%

reduction in integration points throughout the landscape

6 weeks

to complete new acquisition

1-5%

improvement in profitability

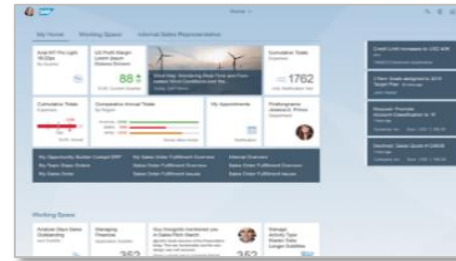
25%

reduction of TCO

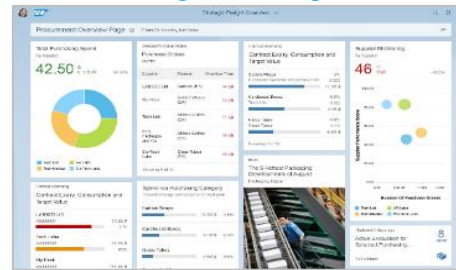
40%

system performance improvement

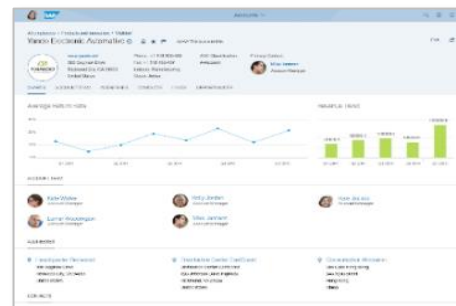
Alert situation



Analyze impact



Act to steer the business



STRATEGIC BENEFITS

- Better and faster insight with **optimized decision support**
- **Real-time, atomic-level** detail to enterprise data
- **One view of the truth** with eliminated redundancy of data
- **Organizational alignment** with embedded, self-service analytics
- Opportunity to introduce new, **innovative** processes
- Beyond the transaction with embedded **simulation and prediction**
- Massive **productivity improvements** with modern and mobile user experience

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Finance and Risk 'Mission Control Center'

Insight, Agility and Governance



Steering effectiveness Analysis and Prediction

Integrated value creation
cycle along the value chain



Process efficiency Productivity

Automated processes with
embedded AI and Analytics



Continuous Compliance Assurance

Value protection 24/7
compliance

Business Foundation A Single Financial Truth

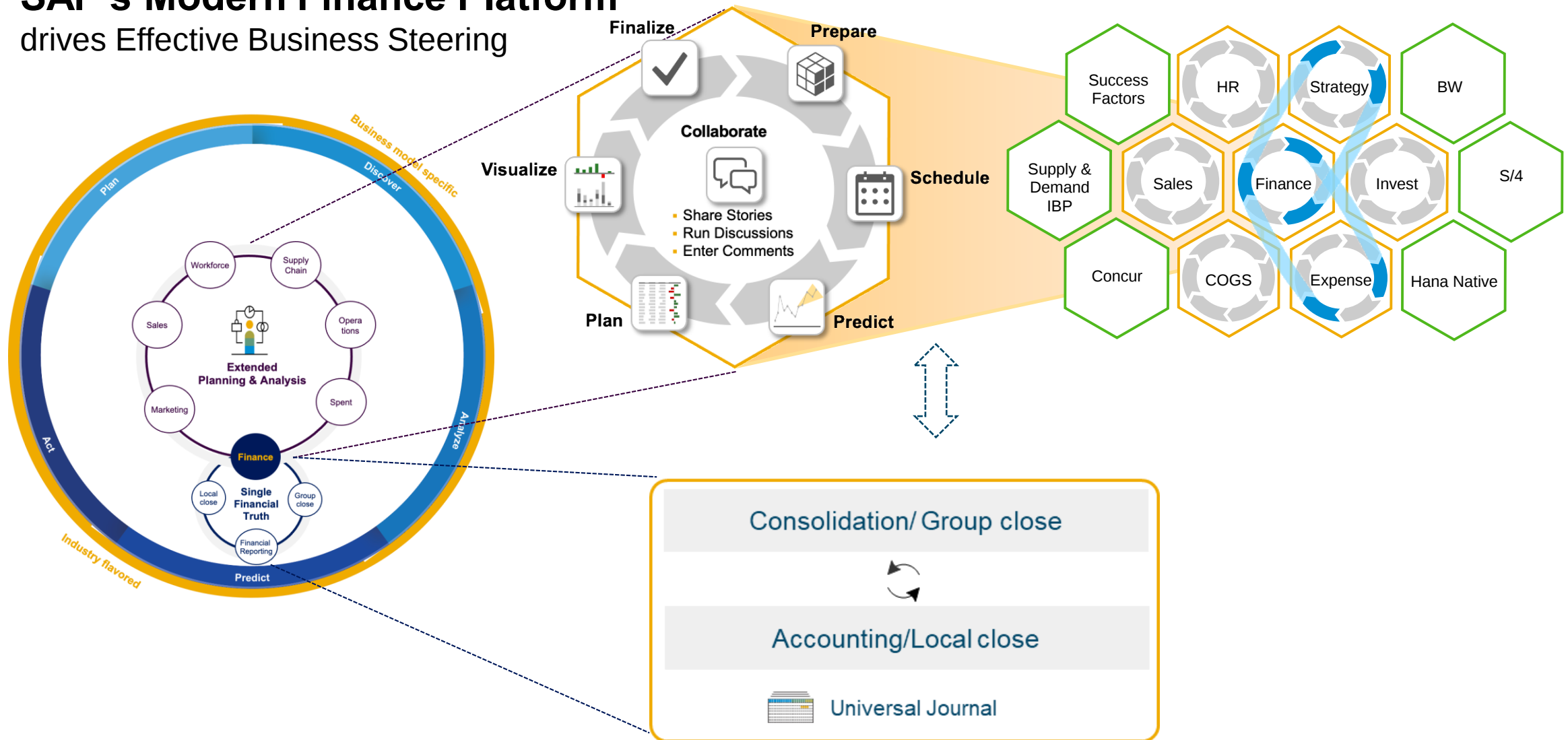
Common Virtual Data Model

Universal Journal (Central Data Storage)

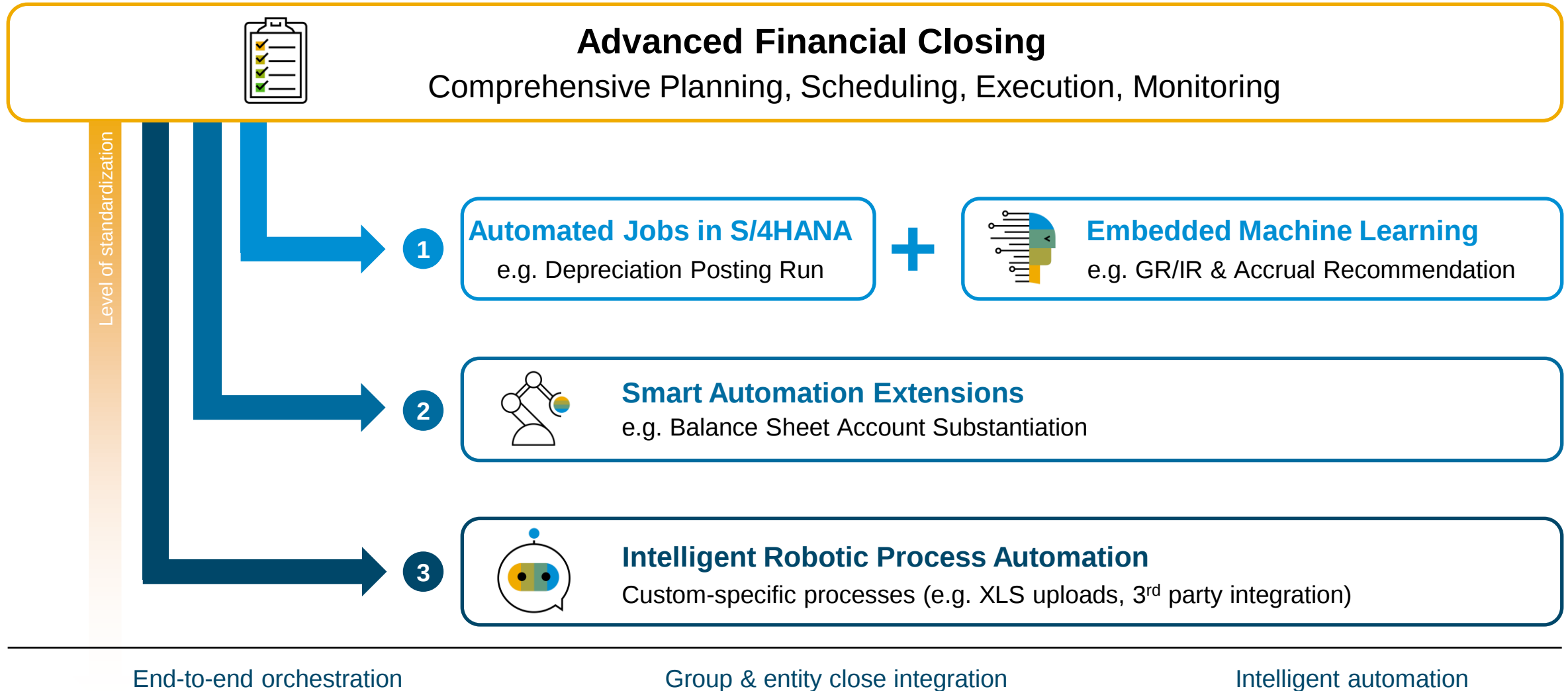
Integrated Data Platform

SAP's Modern Finance Platform

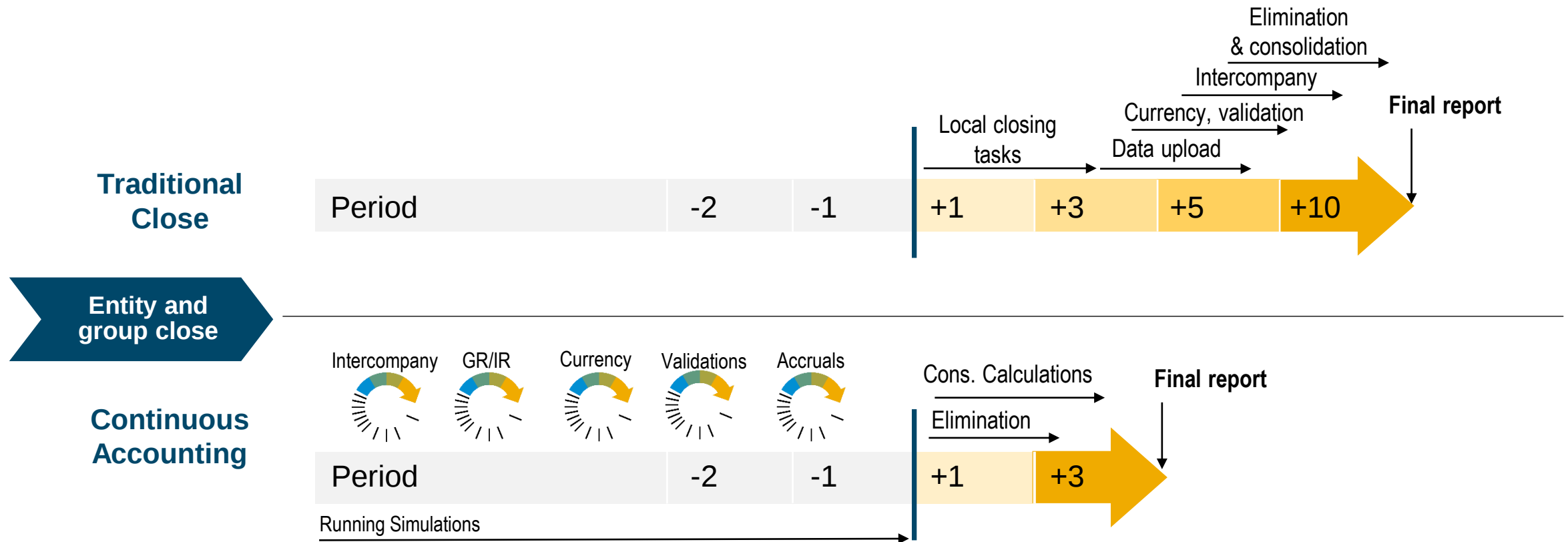
drives Effective Business Steering



Financial Close Automation



Continuous accounting: Faster Insights and a More Efficient Group-Wide Close



Improved, trusted data for **decision making** earlier in the process

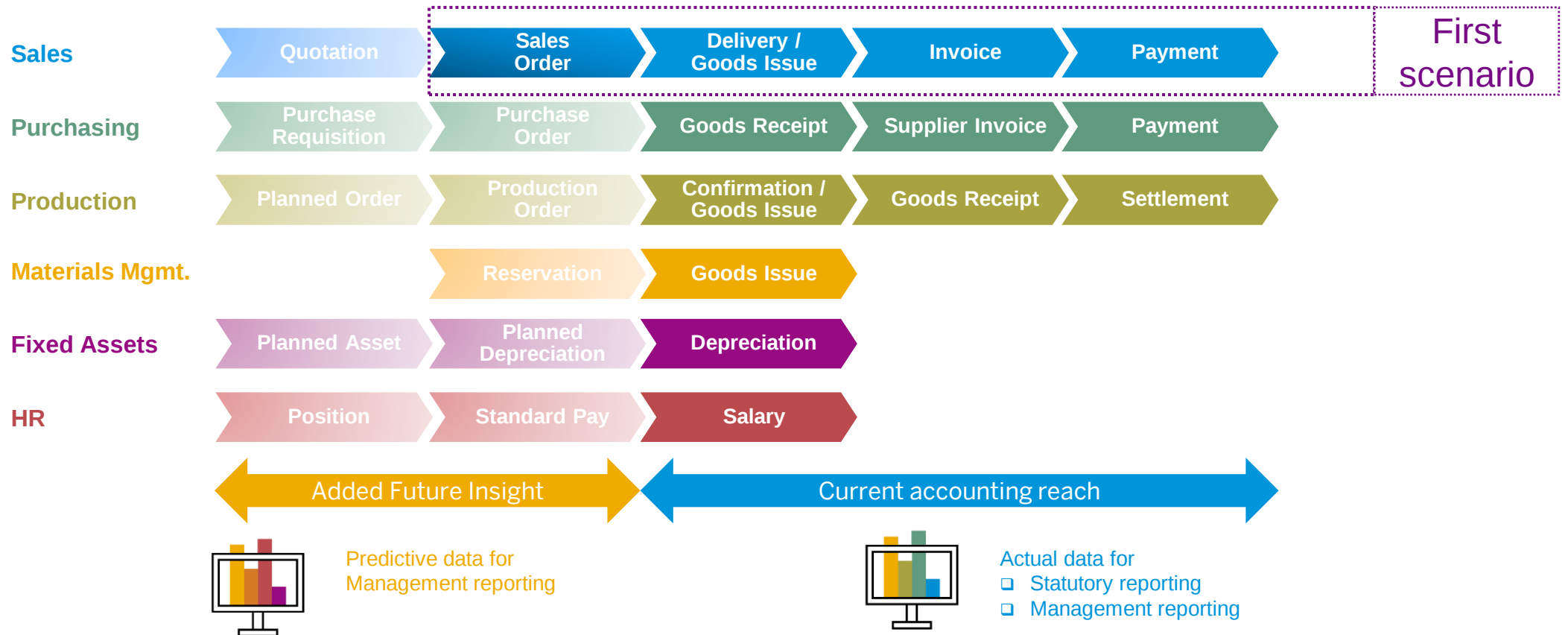
Additional intelligence for a faster financial close

Transparency and visibility into accounting processes



S/4HANA Predictive Accounting

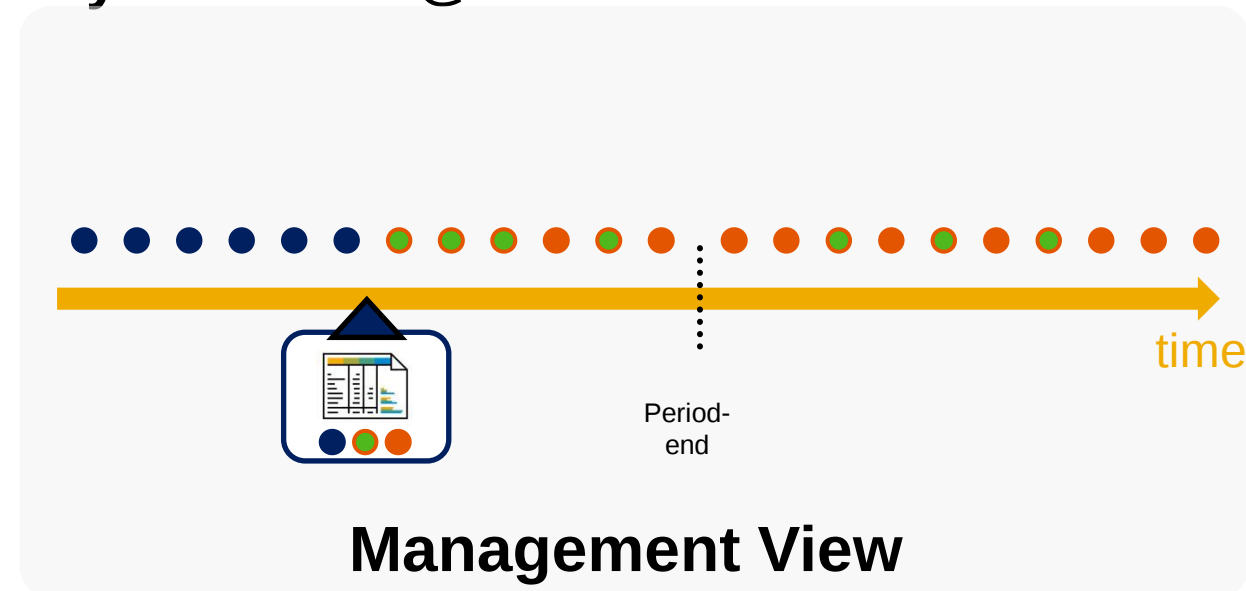
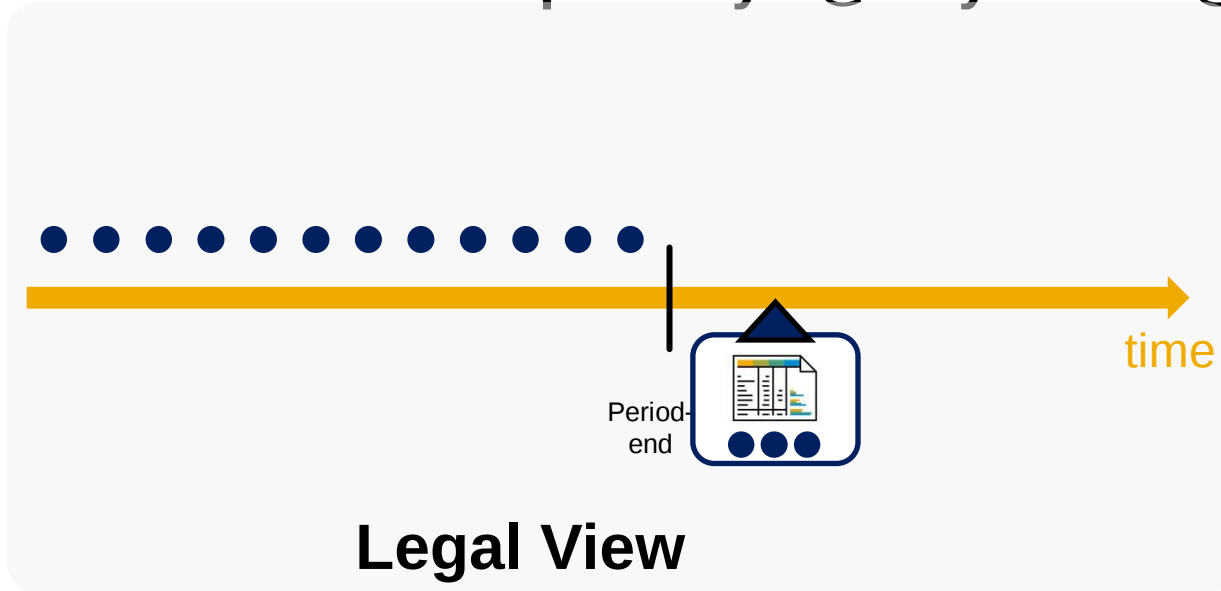
Extending the reach of Accounting with predictive insights based on reflection of early logistical processes



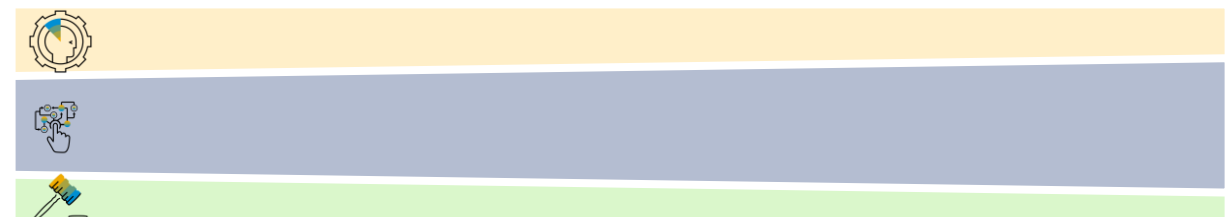
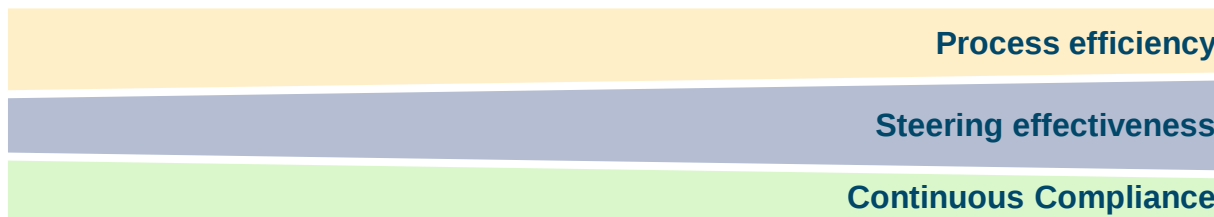
Reimagine your group-wide legal and management close with SAP S/4HANA

Optimizing closing efficiency, enabling pro-active steering

End-to-end transparency - @ any level - @ any moment - @ fact and future



Focus



- Operational transaction financially recorded (GAAP relevant)
- Operational transaction financially simulated
- Predictive analytics based insights

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Automated processes with
embedded AI and Analytics



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compliance

Business Foundation A Single Financial Truth

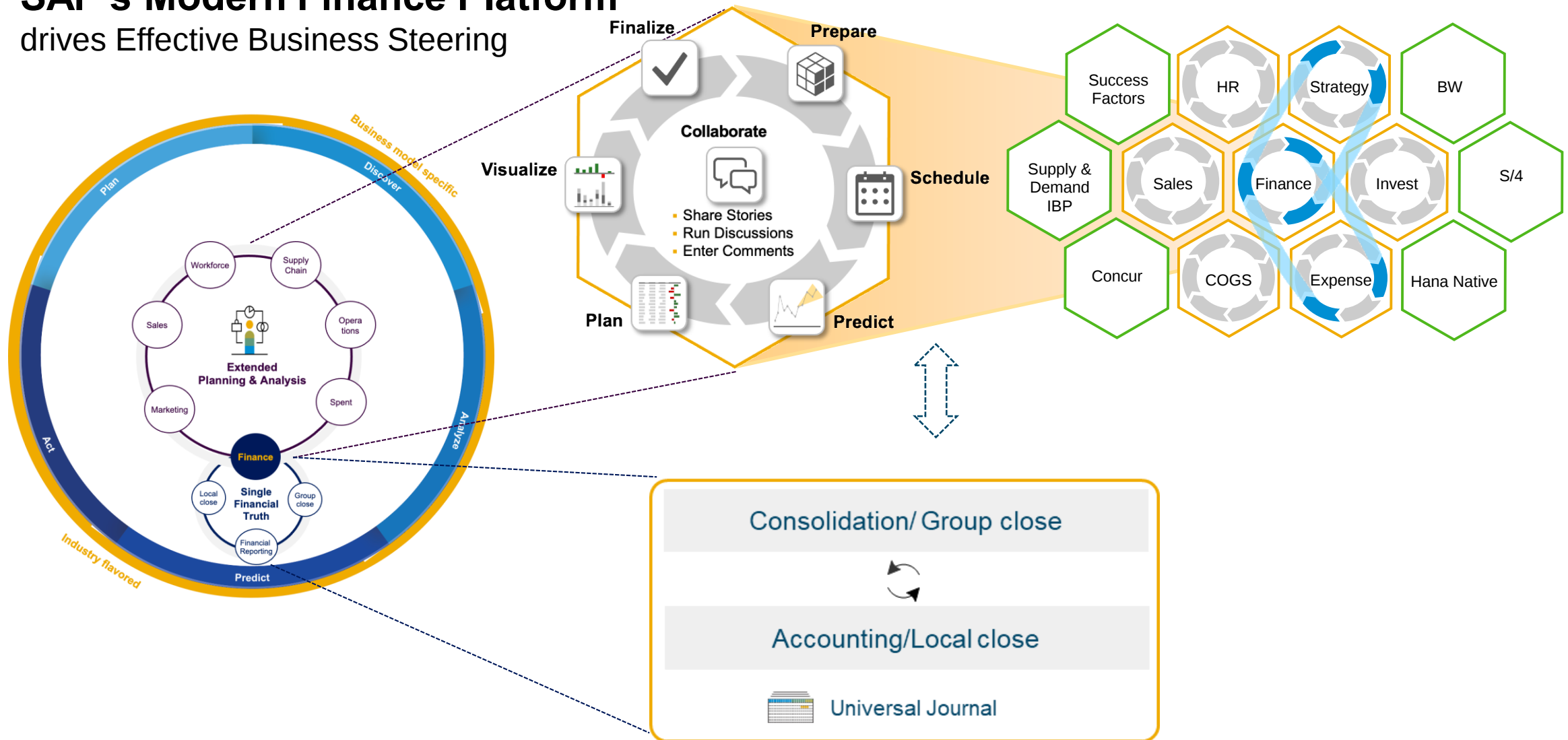
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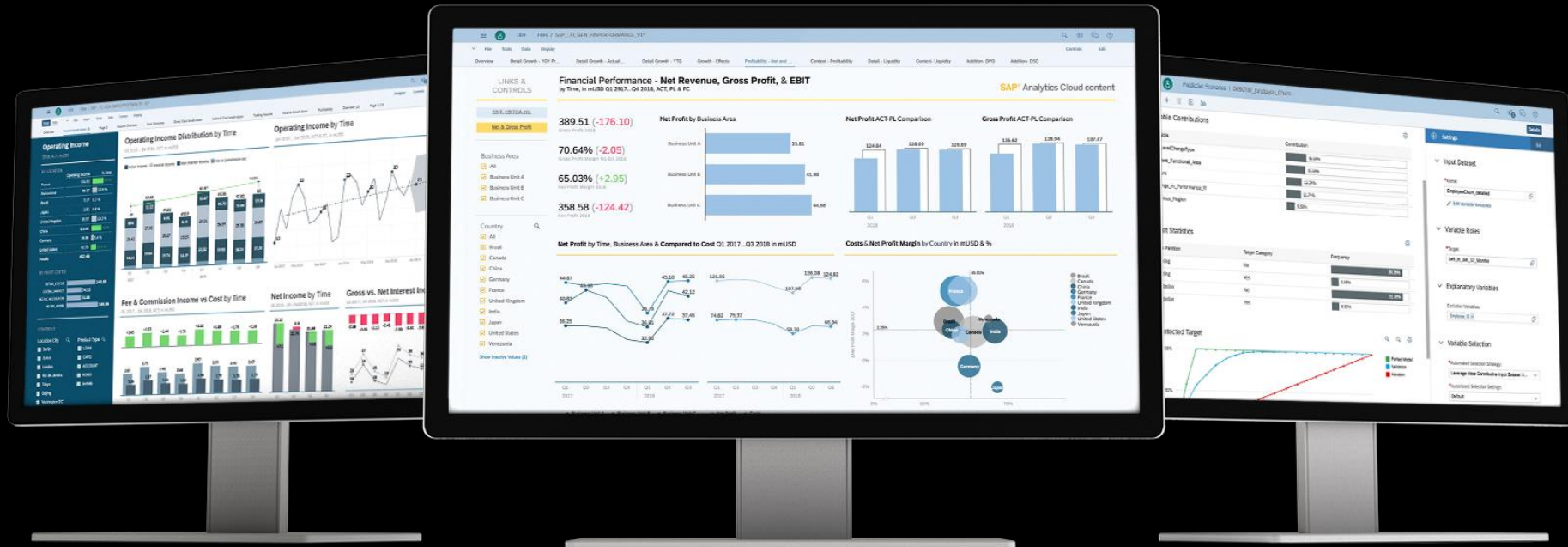
Integrated Data Platform

SAP's Modern Finance Platform

drives Effective Business Steering



Intelligent Decisions with SAP



Complete

From data to intelligence –
**analysis, reporting, planning
& predictive analysis**

Contextual

Insight to **action in context**
of your **business process**

Confident

Make confident decisions
faster with **AI-driven insights**
delivered to you naturally

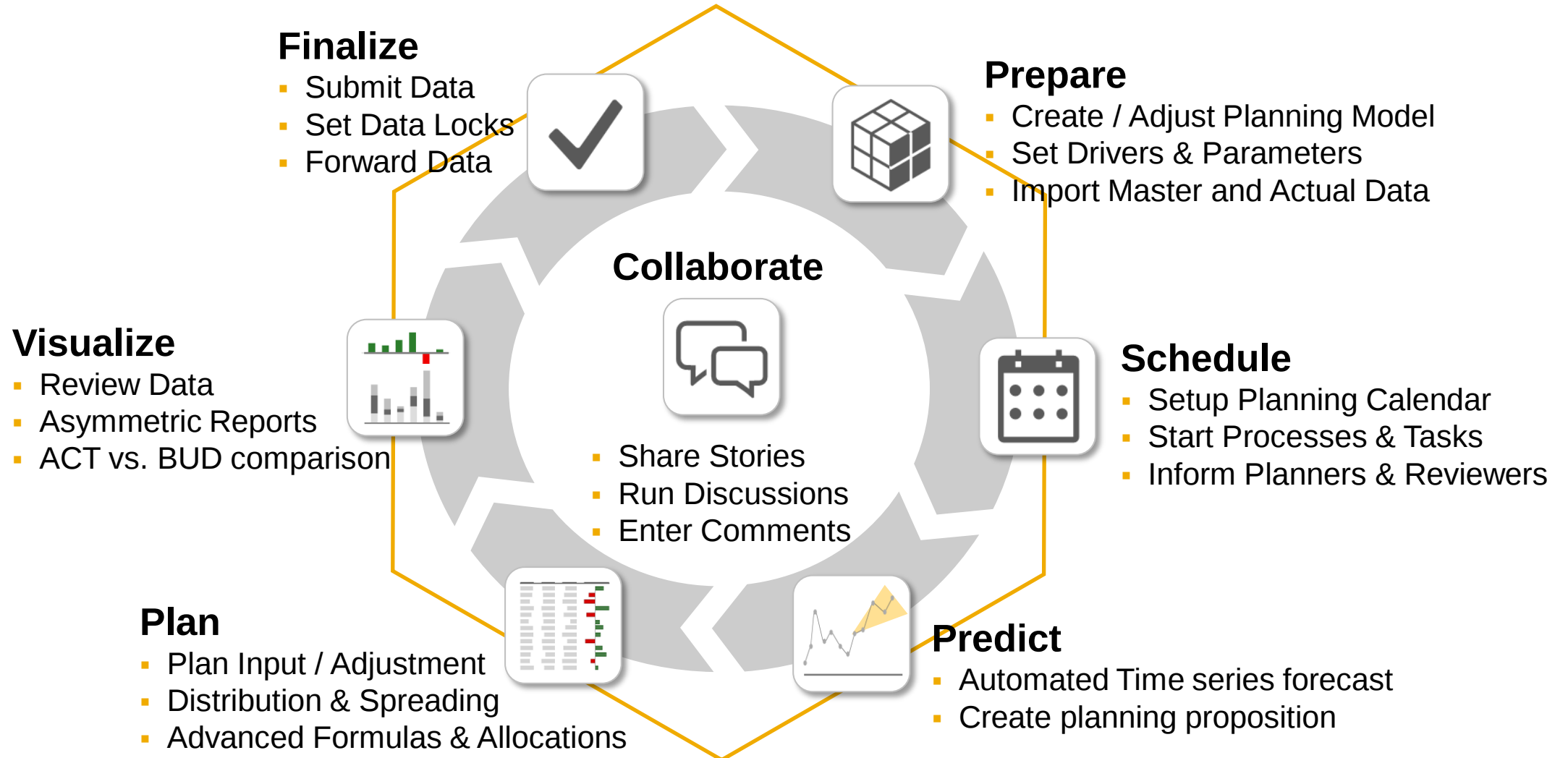
Plan & Predict

Management
Accounting

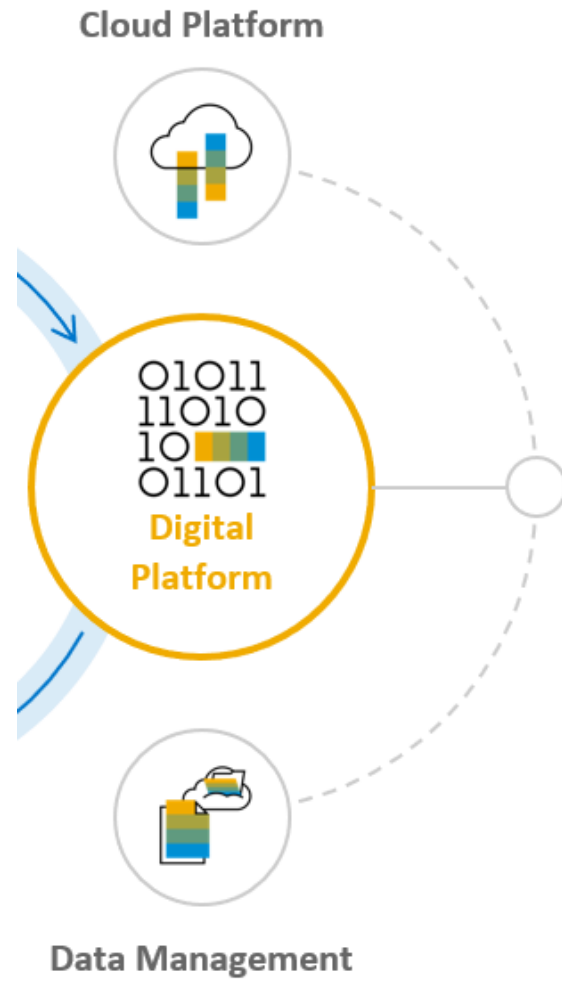
Margin Analysis

Simulate & Optimize

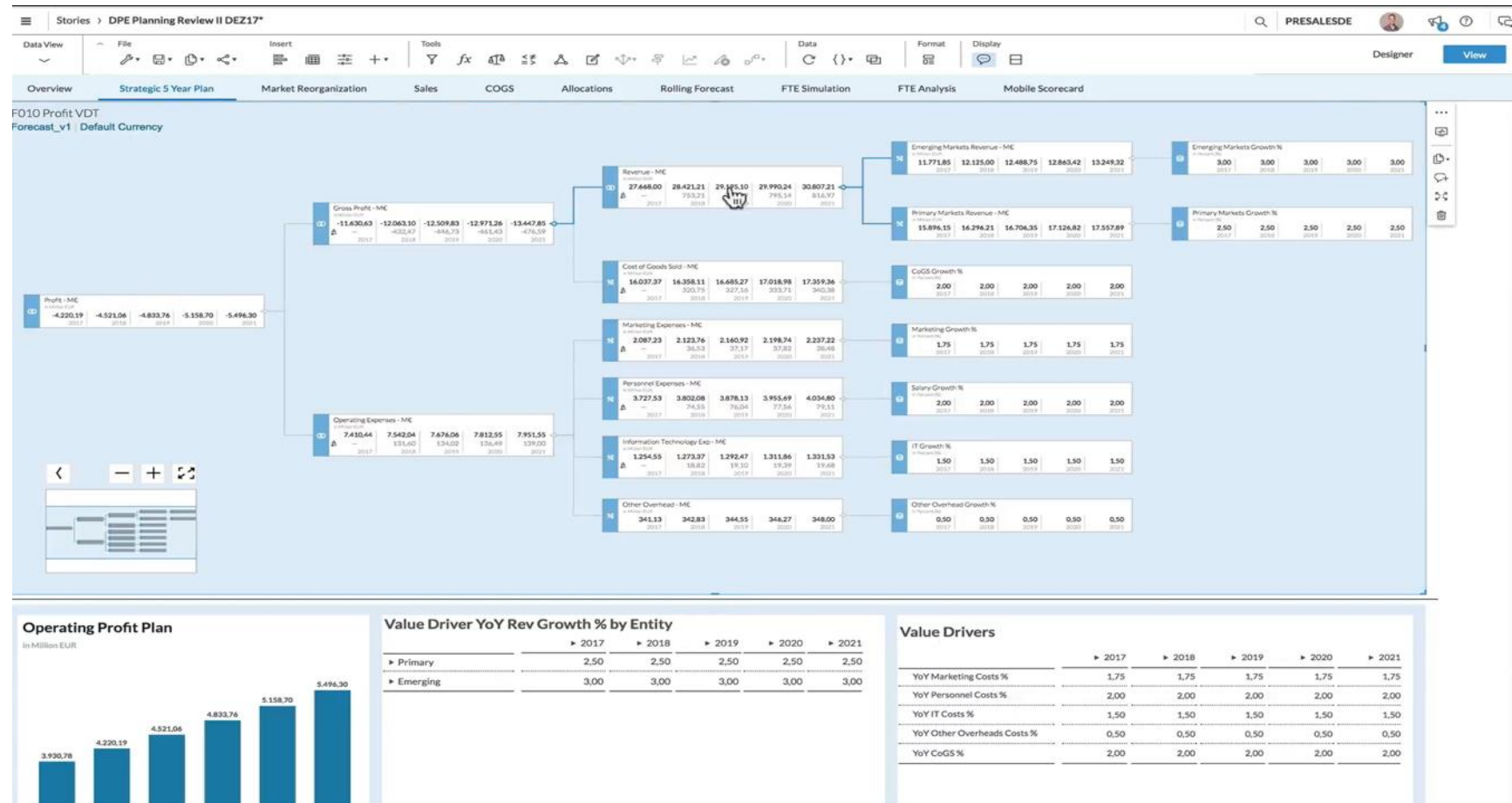
Group Controlling **Be in driver seat for the Planning processes**



The Intelligent Enterprise



SAP's productive **Digital Boardroom** in Walldorf (Building 1, 4th floor)



Plan & Predict

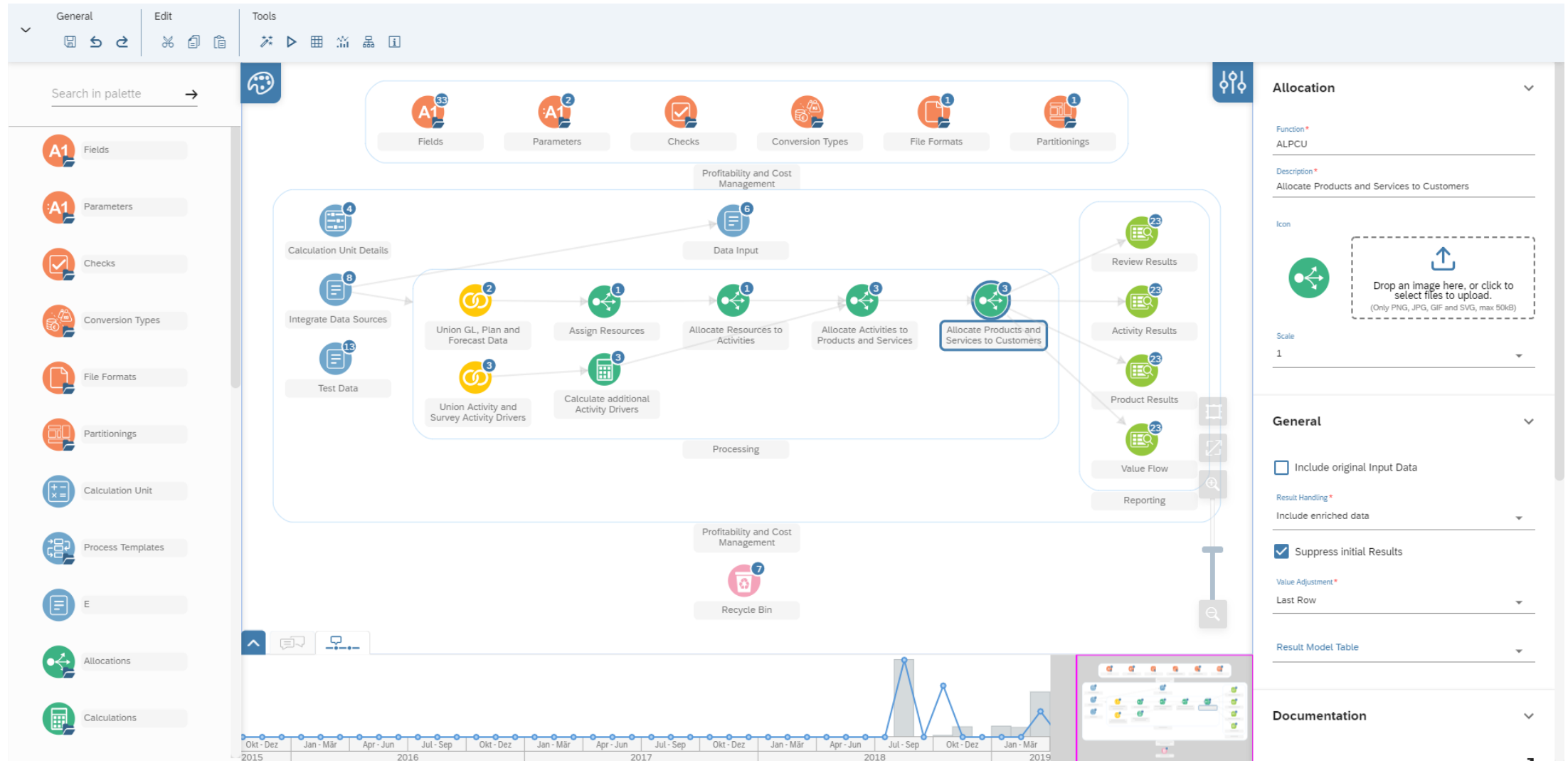
Management Accounting

Margin Analysis

Simulate & Optimize

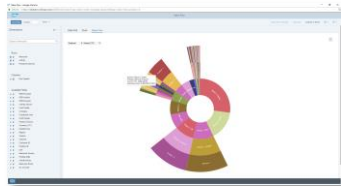
SAP Profitability and Performance Management

New graphical modeling user interface

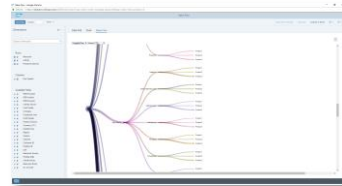


SAP Profitability and Performance Management

Interactive visualization of Process, Rule and Value & Cost Flows and more

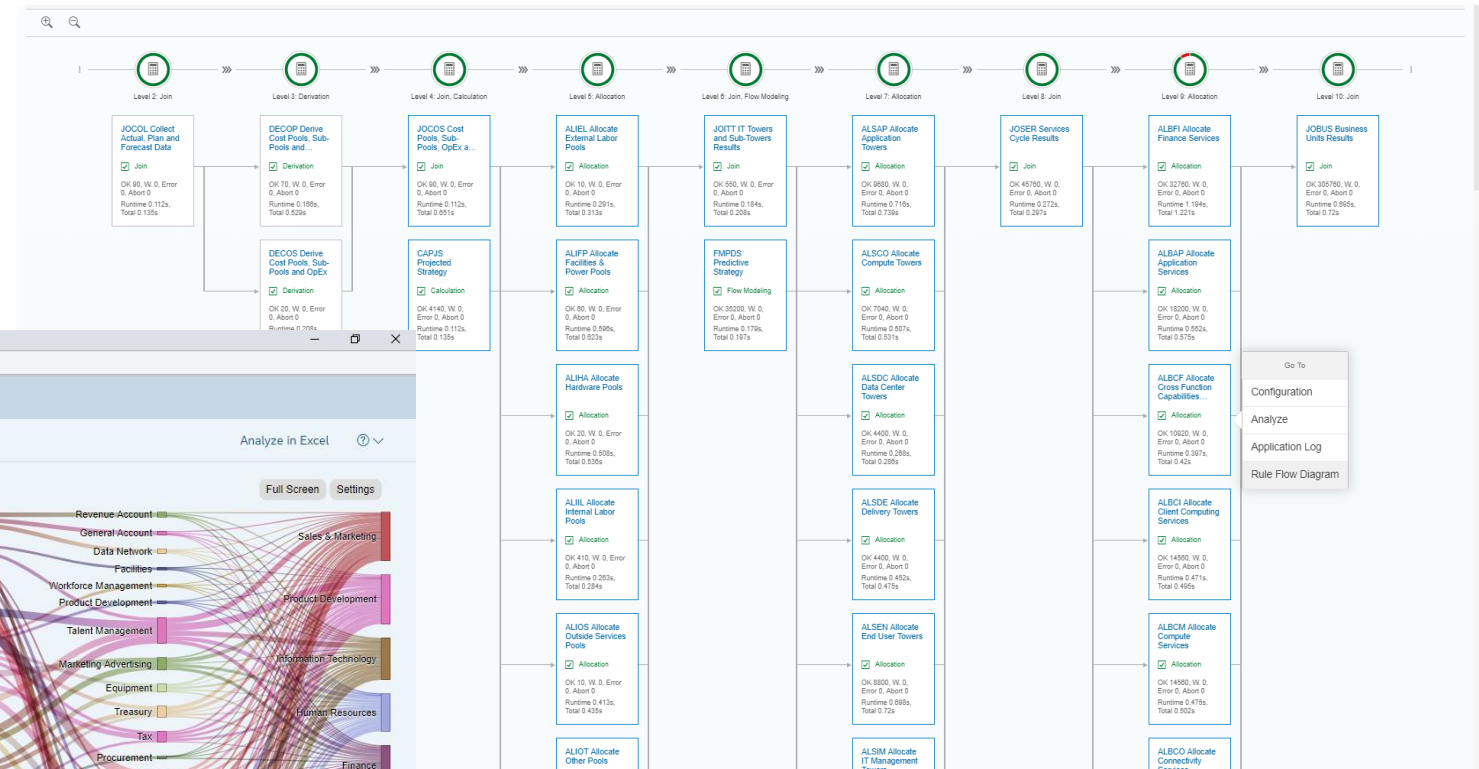
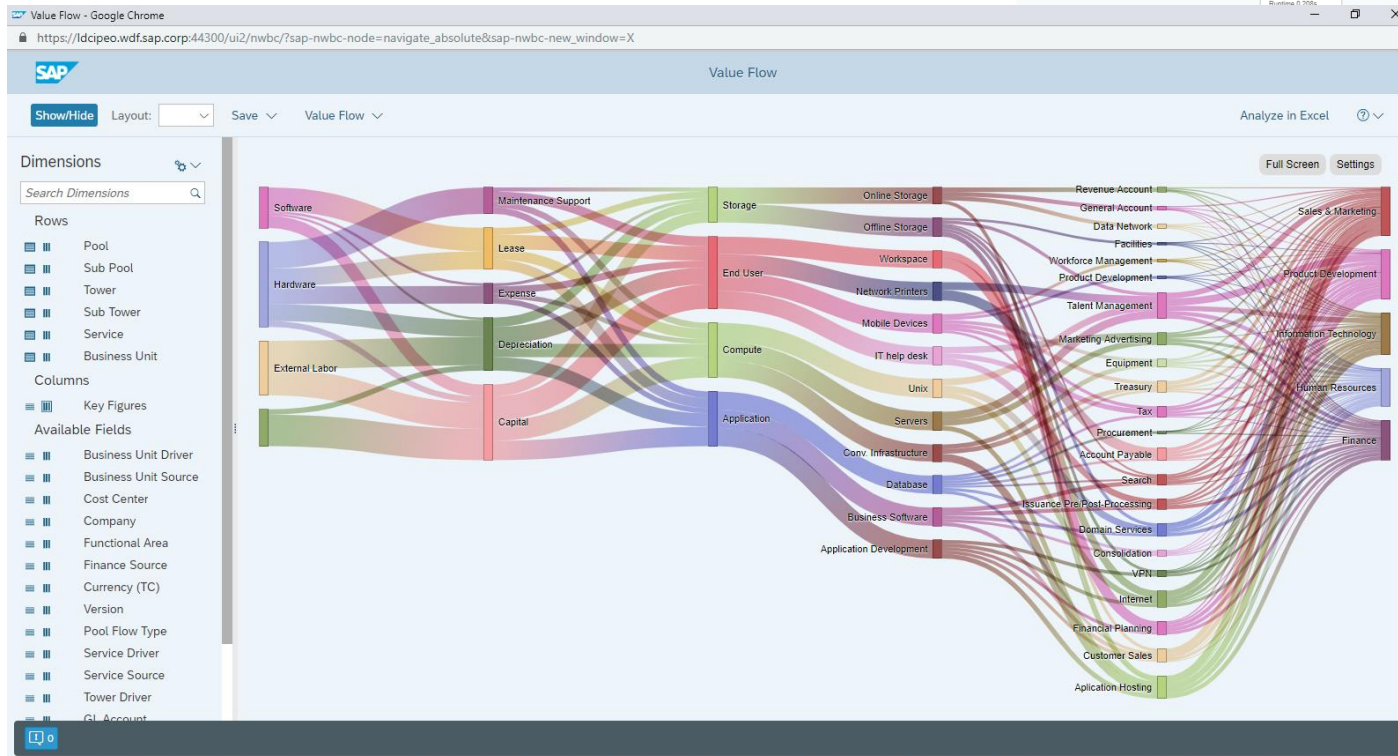


BOM Visualization

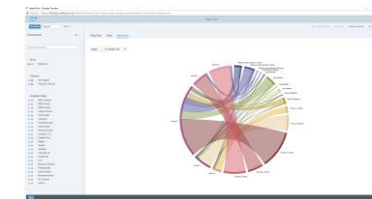


Hierarchy Visualization

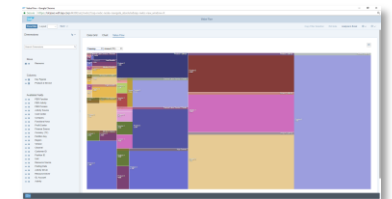
Value and Cost Flow Visualization



Process and Rule Visualization



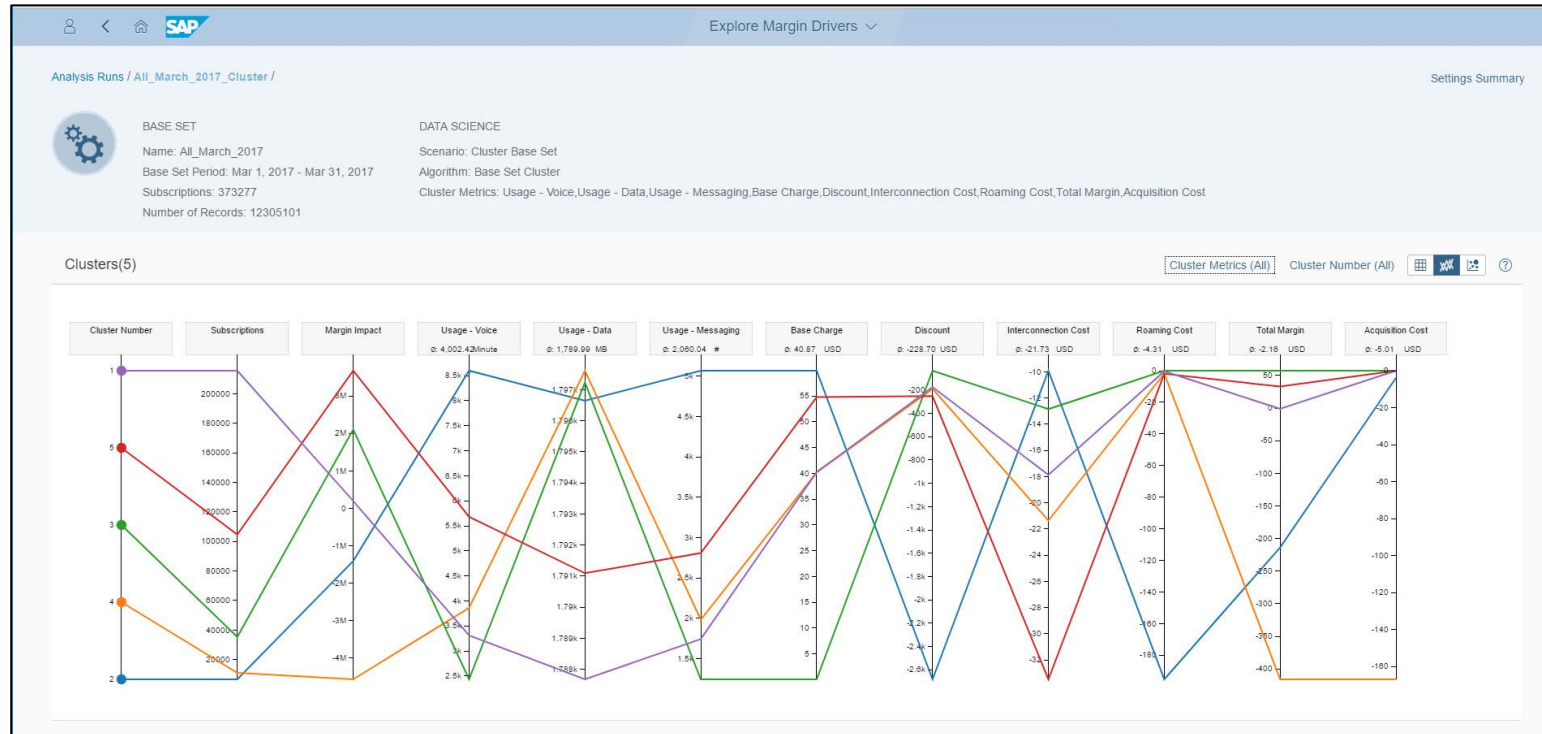
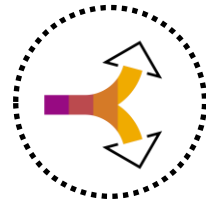
Dependency Visualization



Volume Visualization

Simulate & Optimize in SAP S/4HANA

Enabling pro-active business steering



Benefits

- **Pro-active business steering** through forward-looking insights
- **Compare business scenarios** through flexible & automated simulations
- **More accurate view** through organizational modeling and the inclusion of extended information

Plan & Predict

Management
Accounting

Margin Analysis

Simulate &
Optimize

Decision Making is a Continuous Process at different levels

Decision Support Process:

- Strategy Execution
- KPI Steering Model
- Organized usage
- Competence
- Technical solutions

Strategic/Tactical/Operational level

Event based steering

PLAN



P

D

DISCOVER



ACT



ANALYZE



LEARN
ADAPT
EXPLAIN

A

PREDICT

C



One Integrated Planning Process

- Strategic planning
- Target setting
- Operational plans
- Budget process
- Forecast process

Operating Model

- Group Controlling
- Business Controlling



SAP Data Warehouse Cloud

Unleash the data-driven business

The unified data and analytics service providing a complete end-to-end solution with **one semantic view** designed for **business** and IT



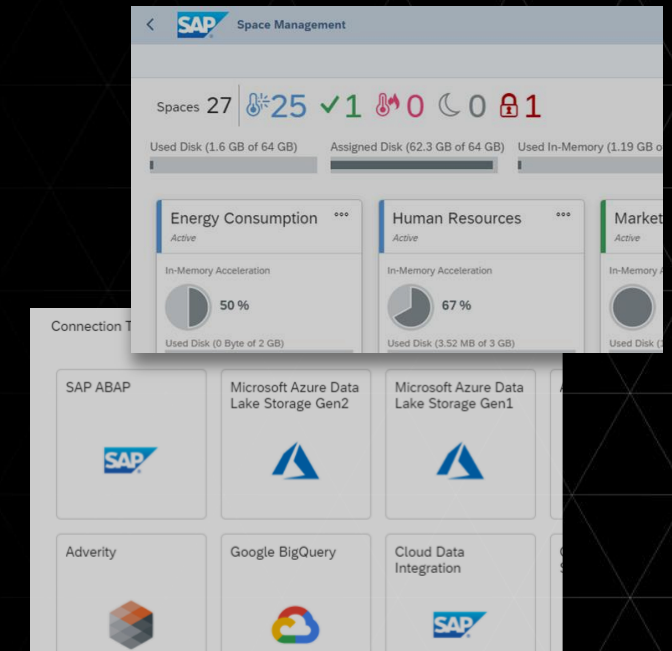
Connect
data with **business context**



Unlock
data **insights with integrity**



Accelerate
outcomes without complexity

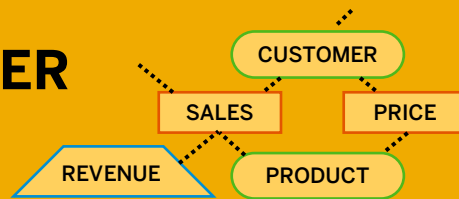


SAP DATA Warehouse Cloud

Collaborate in business terms

BUSINESS LAYER

Users work in business terms



“What were the key margin drivers for my product? What if I reduce the price by 10%?”

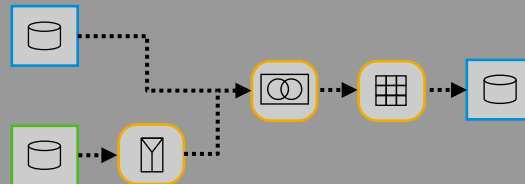
BUSINESS CATALOG

Users discover available assets & work on common KPIs



DATA LAYER

IT models underlying relationships



“How can I assure queries will perform with data coming from heterogenous systems?”

*“How is the margin of the product calculated?
Where do I find it?”*

- Business entities and relationships with business language
- Model standardization and reuse for efficiency
- **Independence for business users** from IT

Enable intuitive, high-performance self-service analytics and modeling in a controlled environment

“By providing a **safe and controlled environment for dashboard and model development**, cloud solutions from SAP are helping us explore more options to find the most effective planning approaches while saving IT resources.”

Caio Castro,
SAP BI Specialist, Vestas Wind Systems A/S

Vestas

[Learn more](#)

95% 

shorter IT lead time with self-service data access and modeling cut - 2 months to 2 days.

240x 

faster to run a report, down from 20 minutes to 5 seconds

Making a big Impact on efficiency and performance with Unified data management and analytics



“We needed a solution that would bring together all our existing systems and ensure that the right end-users could easily access the data they needed.
SAP Data Warehouse Cloud was the perfect solution to transform our data architecture without a heavy investment.”

Markus Hartmann,
IT Project Management Lead at Porsche



PORSCHE

[Learn more](#)

**From days
to hours**



Reduced preparation
time for sales meetings

3,000



Users in departments
ranging from customer
relations to controlling
to human resources

SAP Digital Boardroom



Contextual user experiences

- Give executives a complete, real-time view of company situations and KPIs across departments – and foster trust among leaders
- Align executive decisions on one source of truth across business areas
- Embedded and personalized to each individual

Guided or free structure

- Follow a traditional presentation structure with the ability to break-off, skip, or go back
- Create a freeform presentation in a new exploratory style to meet your organizational structure

Data-driven insights

- Explore and combine KPIs, and use filters to compare trends and spot correlations
- Simulate impact of potential decisions to financials and operations
- Get a 360-degree view and visualize insights in context across multiple touchscreen displays to maximize impact

This is the current state of planning and may be changed by SAP at any time.

Digital Boardroom

What do you think?

Contact:

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SAP SE

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