

# High Velocity To Finance 2020 La Digital Transformation ed il ruolo di S/4HANA Finance

*SAP Forum Fiera MilanoCity  
October 20, 2016*

A large, stylized orange chevron pointing to the right, positioned behind the text "High performance. Delivered."

High performance. Delivered.



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1. Finance 2020
2. S/4HANA Finance: a strong enabler
3. Approach to S/4HANA Finance Transformation Journey



# Finance 2020



# A changing business climate requires an adaptive finance function...

## Business Disruptions



Everything at speed



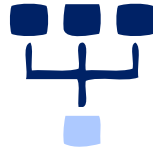
Evolving Relationships



Compliance & Security



Rapidly changing operating models



Industry Consolidation (e.g. M&A)



Geographic & Product Expansion



Changing Regulatory & Competitive Landscape



Complex Organizational Challenges

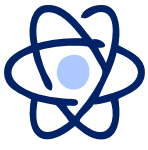
## Technology Disruptions



Cloud Computing



User Experience



Predictive Analytics



Big Data



Connected Devices / Internet of Things



Mobile



Current Pain Points



Others

## As-Is situation

# Accenture conducts extensive research of CFOs from around the world



## The CFO as Architect of Business Value: Delivering Growth and Managing Complexity

Source: Accenture 2014 High Performance Finance Study, September 2014 - <http://www.accenture.com/us-en/Pages/insight-high-performance-finance-study.aspx>

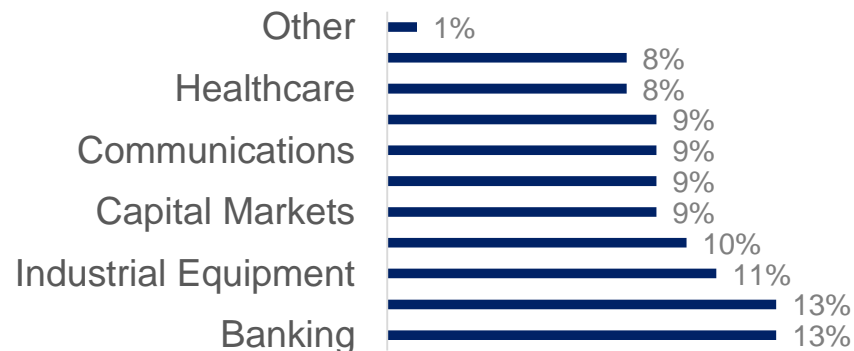
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## Methodology

- More than 600 survey respondents across 10 industries
- More than 40 in-depth qualitative interviews with Group CFOs

## Respondents

### Industry



### Geography



## Key Findings

1. Strong progress by finance – addressing factors affecting performance including managing volatility



2. Complexity – biggest challenge facing CFOs – but an opportunity to seize



3. CFO as architect of business value – greater focus on growth agenda



4. Digitization of finance is accelerating – CFOs ideally positioned to exploit



5. High-performance businesses – shedding light on how the CFO and finance roles can continue to evolve



# To stay ahead in the Digital Economy, Finance leaders will need to sparkle *decision making at unprecedented speed* across all the organization

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## ... Finance Imperatives

### Align strategy

The CFO's agenda and objectives have to be closely aligned with those of the CEO

### Transform operating models

As companies look to drive organic/inorganic growth, flexible operating models are key

### Manage performance

CFOs are well positioned to be more forward-looking and have a holistic view of performance

### Develop finance capability

Expectations to pivot from purely finance/accounting skills, to expertise in particular geographies/industries, and the ability to communicate and collaborate effectively across regions.

### Embrace Digital

CFOs need “to speak” digital so they can properly assess ROI of investing in digital across enterprise

**Era Of  
High Velocity  
Finance**

# S/4HANA Finance: a strong enabler



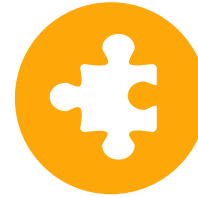


# S/4HANA Finance is a *strong enabler* reinventing the role and future of ERP platform. A key support to High Velocity Finance



## Simplified data model

- Universal journal entry (one FI / CO logical document)
- Low memory consumption; no totals or index tables used
- Drill-down to line item significantly faster



## Improved flexibility

- Enables new reporting dimensions (account based CO-PA)
- Eliminates manual reconciliation
- In-process improvement related KPIs (DSO, ME close, allocations)



## Intuitive UI

- Instant and mobile access (SAP Fiori)
- Real-time dashboards and drilldown
- End users configure reports (instead of relying on IT)



## Enhanced functionality

- Integrated planning and predictive forecasting for P&L and liquidity
- Central finance architecture – single source of truth
- Advanced cash management

ERP +

New technology +  
(Cloud, in-memory)

Digital =

High Velocity Finance >

Ecosystem

## High Velocity Finance enables:



Align your “revenue to deliveries,” because you know where everything is



Integrate your new acquisition in 30 days



Tailor your financial terms to loyal clients or to vendors in real-time



Get and provide the right services at the right price, at the right time



Predict with high accuracy your capex needs based on real time project execution

# S/4HANA Finance: “brand new” simplified and enhanced data model, significantly extended functionalities powered by HANA in-memory DB engine



**Simplified data model**



**Intuitive UI**



**Improved flexibility**



**Enhanced functionality**

## Financial accounting

- Universal Journal for a single document for financial and controlling accounting data
- All general ledger data in one repository with multiple business dimensions (e.g. customers, products)
- Ledger extensions (alternate and enhancement ledgers)
- Postings to a common account, extended by dimensions for profitability analysis
- Extended foreign currency capabilities
- GL account and cost element master data is unified.
- Financial reporting capabilities with simplified user interface

## Management accounting

- Closing and reporting processes in profitability and cost analysis are based on line items
- Account-based CO-PA is enhanced, cost-based CO-PA is NOT simplified
- Complex calculations performed at the period close are pushed down to the SAP HANA database (e.g. WIP).
- Adjusted data selection for overhead calculation and settlements in order to take advantage of full in-memory capabilities
- No more settlement runs for CO-PA derivation required. It will happen real time during posting

## Cash management

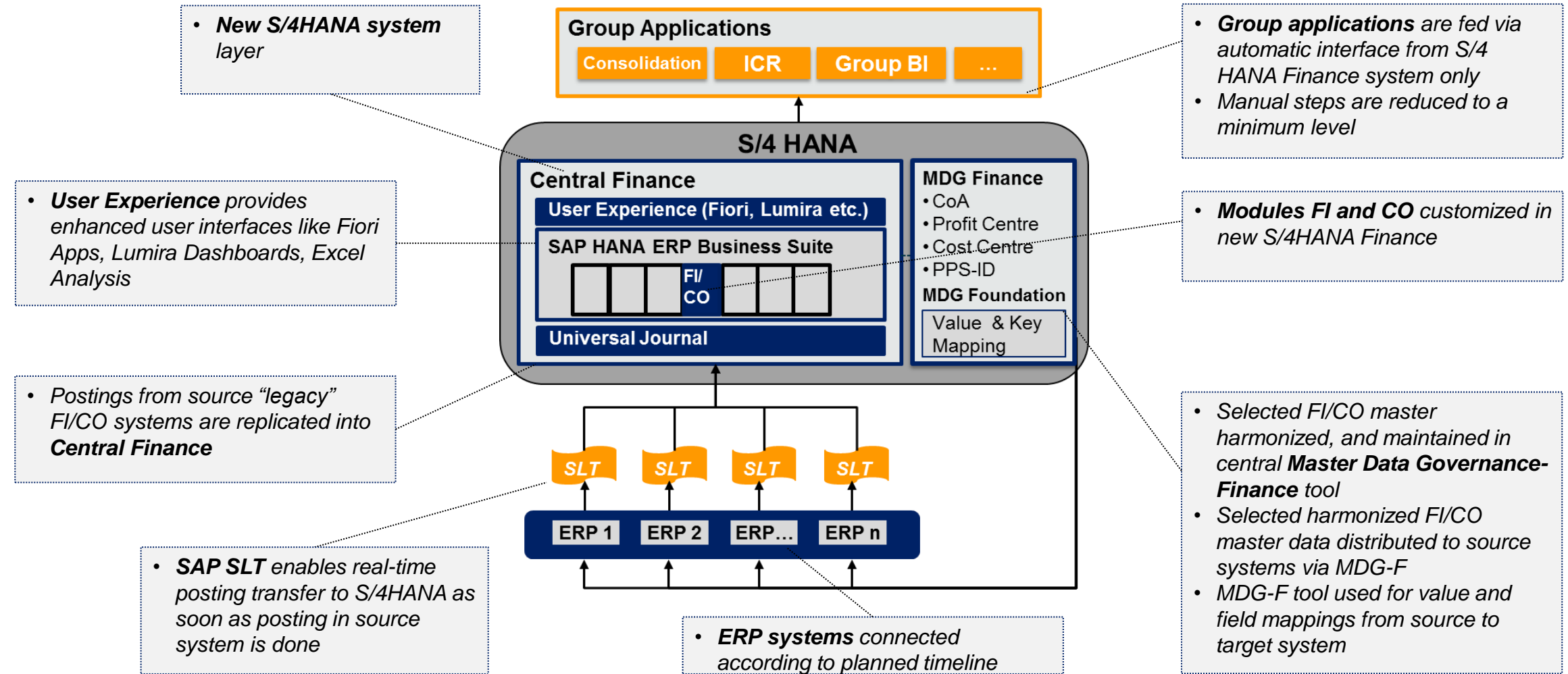
- Simple cash management solution
- Central management of cash, liquidity, review processes
- Central management of bank data
- Real-time insight in cash distribution without batch jobs
- Short-term investment or funding decisions based on current cash position and short-term cash forecast report
- Cash flow and liquidity forecast powered by SAP HANA
- Credit and Dispute Management enhanced functionalities

## BPC optimized

- Real-time integration of actuals with plan/forecast data
- Embedded real-time consolidation functionality\*
- Embedded liquidity planning and P&L planning on all available dimensions (e.g. cost center, internal orders, projects, market segment, profit center, functional areas)
- P&L planning top-down (e.g. target revenue breakdown) and bottom-up (cost center aggregation)
- Microsoft Excel front-end access to planning data on HANA-optimized real-time info cube

# S/4HANA Finance can be introduced in complex, multi-SAP instances organizations to anticipate accounting model harmonization leveraging Central Finance suite

Financial accounting	Cash management
Management accounting	BPC optimized

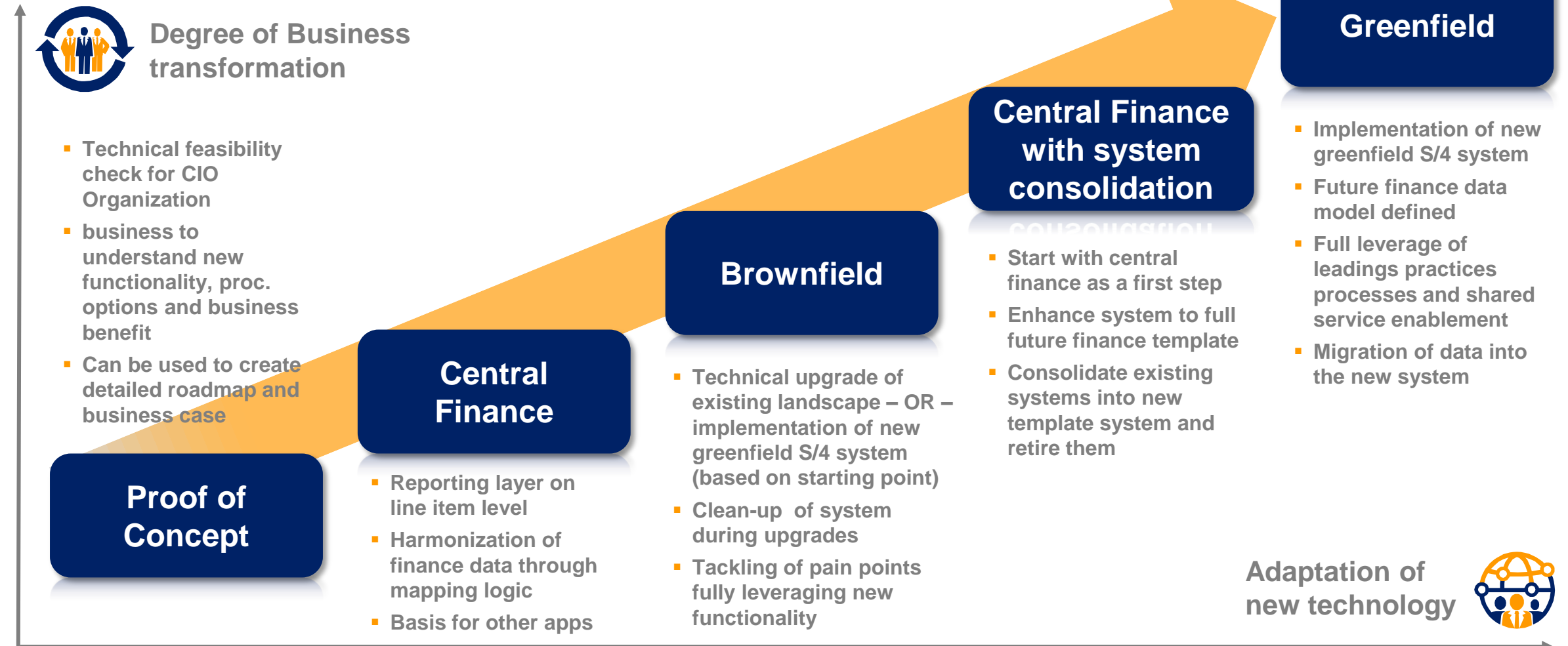


# Approach to S/4HANA Finance Transformation Journey




# S/4HANA Finance journey can be suited depending on the client situation

## Project Types



# Accenture brings a >30 years worldwide experience in SAP based Transformation projects, widely recognized by industry analysts

**#1**  
SAP collaborative revenue partner globally **8 years** running



**46,000+**  
SAP practitioners



**1st**  
in co-innovation with Accenture and SAP Business Solutions Group



**17**  
Accenture Innovation Centers for SAP



**32**  
SAP Pinnacle awards



**60+**  
other SAP awards since 2014



**FORRESTER**<sup>®</sup>  
The Forrester Wave™: Services Providers For Next-Generation SAP Products, Q1 '16  
– Accenture is a leader

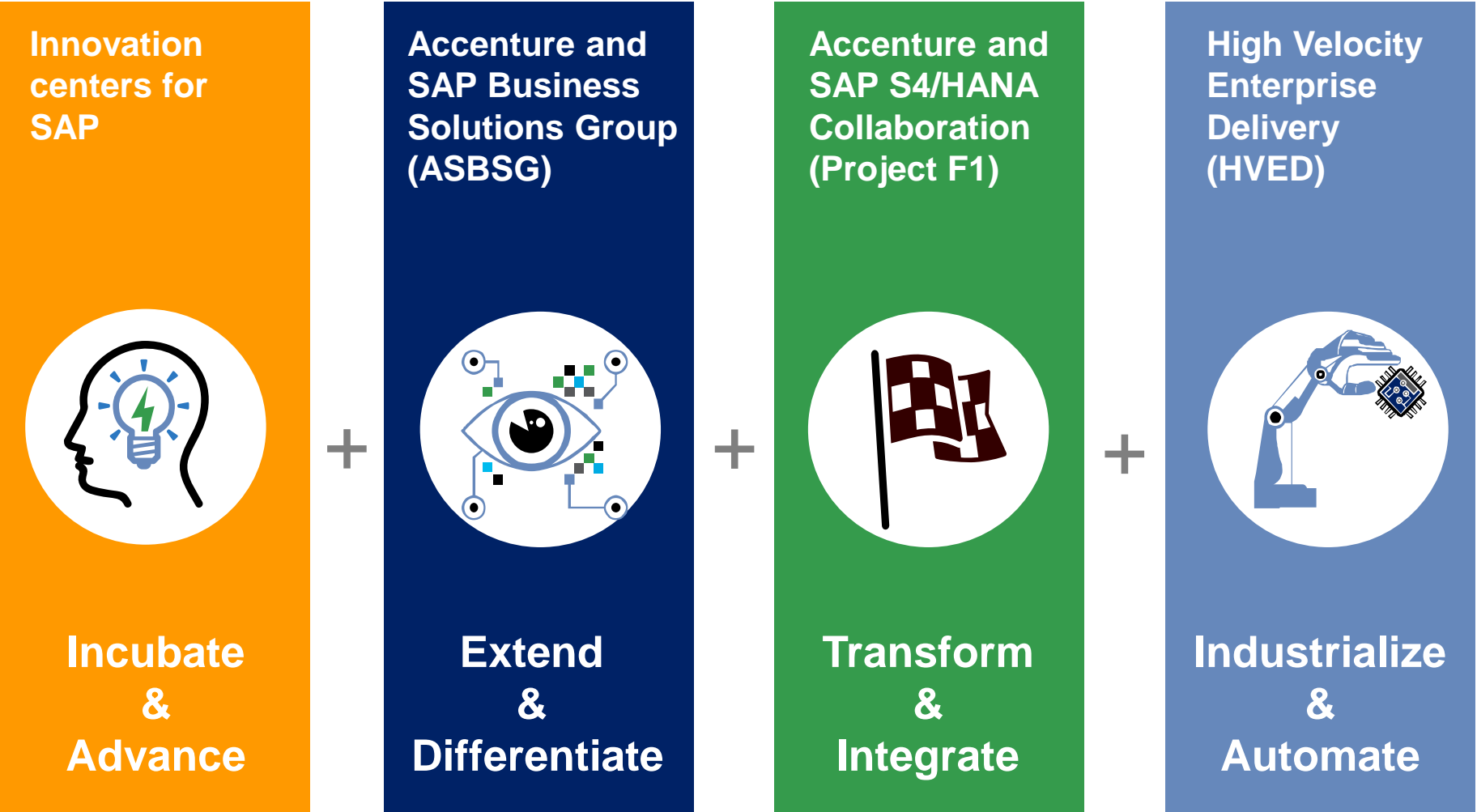
**Gartner**  
Magic Quadrant for SAP Implementation Services, Worldwide. July 23, 2015  
– Accenture is a leader

**IDC**  
IDC MarketScape: SAP Implementation Services Ecosystem Worldwide 2016  
– Accenture is a leader

**Gartner**  
Magic Quadrant for SAP Application Management Services, Worldwide. October 7, 2015  
– Accenture is a leader

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# We ignite innovation to our Finance Transformation projects leveraging our global footprint and experiences and our distinctive partnership with SAP



# ... and we're supporting worldwide many clients embracing the journey towards S/4HANA

## Accenture credentials on S/4HANA (short abstract)

Leading Cement Manufacturer  
(greenfield)

**LIVE**

### EAP Program

SFIN implementation (Oct '15)

Leading infrastructure  
concession company  
(greenfield)

**LIVE**

### Transformation Program

S/4HANA Finance (Apr '16)

Accenture (brownfield)

**LIVE**

### S/4HANA program

ECC migration to SFIN (2015)

Global biopharmaceutical  
company (greenfield)

**LIVE**

### SAP Program

Cloud-Based ERP foundation  
implementation on S/4HANA (Jan '16)

Global fashion group  
(greenfield)

### Genesis Project

SFIN 2.0 adoption (add-on of S/on  
HANA-FMS implementation) – (Jan '17)

Global Automotive group  
(brownfield)

### ECC migration to S/4HANA

ECC technical migration (oct '16)  
S/4HANA Finance adoption (july '17)

Wholesale and distributor of  
pharma, healthcare and beauty  
(greenfield)

### Transformation Program

S/4HANA EM (Feb '17)

Pharma & Chemical Group  
(greenfield)

### S/4HANA EM implementation

Single Healthcare cloud based S/4HANA  
EM adoption (late '17)

Swiss Chemical company (brownfield)

### ERP consolidation and migration to S/4HANA

ECC consolidation and migration to S/on  
HANA (apr '17), S/4HANA adopt. (>'17)



# Q&A



**Thank you!!!**

