



**Harnessing SAP[®]
technologies for
today's CFO**

accenture



Foreword

Tempora mutantur, nos et mutamur in illis. Times change, and we change with them. This statement is not new to any of us. However, if there is anything that the pandemic taught us, it is that speed has become a new dimension of this statement.

Two years ago, few would have anticipated that a global pandemic would force businesses and their workforces to go fully remote overnight. But the need arrived and businesses across the world adapted.

With the pace of change only increasing, speed in responding and adapting to business change now becomes a key business differentiator. To unlock this, businesses need to be intelligent enterprises, adopting important technology innovations.

But what does this mean for CFOs? While traditional responsibilities, such as driving effectiveness and efficiency, remain, the strategic dimension of our role continues to rise in importance. From

multiplying business value across the organization and driving the sustainability agenda, to steering the business's overall digital journey, CFOs have the opportunity to continuously redefine what's possible for finance and the business.

So, how quickly can your business adapt to change? And how are you and your finance function driving this agenda? Accenture's recent "[CFO Now](#)" report that surveyed more than 1,300 finance leaders from around the world shares some interesting perspectives.

One thing is clear, though: those who can unlock this type of speed are better placed to adapt and prosper from the changing times that lie ahead.

Luka Mucic
Member of the Executive Board and
Chief Financial Officer (CFO), SAP SE

Speed in responding and adapting to business change is a key business differentiator for top CFOs. That's the core message coming from Accenture's recent "CFO Now" report, based on a cross-industry survey of more than 1,300 finance leaders from around the world. Stakeholders want transformation that drives topline growth and business value, and they want it today. This sentiment is also shared by many finance leaders. For one CFO we are working with, the pace of change over the last decade has been doubling if not tripling both in terms of customer expectations and need to get to market quickly. As a result, his role—and that of many CFOs—has had to evolve to focus on speed.

Advanced technology—digitizing the enterprise and adopting key technology innovations—is now the most important tool in the CFO's toolbox. Accenture's research found that the overarching differentiator for high-performing finance executives is the advantage they hold over their peers on the technology front. CFOs are, in fact, navigating finance's technology and data journey, as well as driving the organization's overall technology direction. We learned that a high percentage—

approximately 72%—have the final say on the appropriate technology strategy of their enterprise.

This paper focuses on the role that SAP® technologies can play in transforming the finance function. We'll look at the three important roles CFOs must perform in the quest for breakthrough speed, and then see how SAP solutions and technologies can support those roles and expedite a company's finance transformation journey.

72%



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CFO as economic guardian

Economic guardianship is the “meat and potatoes” of a CFO’s responsibilities. Call it “Finance for Finance”—continuously improving the efficiency and effectiveness of the finance function. SAP can offer CFOs the opportunity to develop a new, digital core within SAP S/4HANA® Cloud, and then target selected processes for automation, which can eliminate the need for manual intervention.

But is that enough?

Despite investments, the focus of automation is still largely on improving the accuracy of historical reporting and delivering tactical cost efficiencies within the function. Finance can’t just keep doing the same things better. It has to think in different ways and do new and innovative things at an accelerated pace—like delivering actionable insights for driving competitive advantage, identifying new sources of sustainable value, and defining new business models.

“Finance for Finance” is especially focused on control and compliance. It’s critical to have the right tools and capabilities running silently in the background to maintain control in today’s complex and rapidly changing business environment.

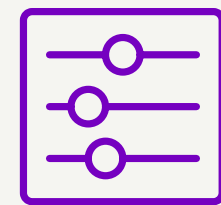
The CFO Now survey found

60%



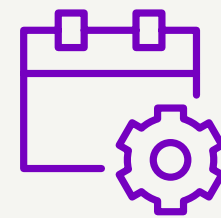
of traditional finance tasks are now automated, up from **34%** in 2018.

In this context, SAP technologies help drive several important outcomes and benefits:



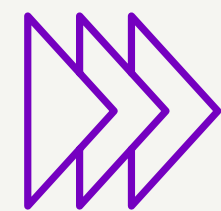
Improved control and compliance

Companies can proactively manage risks, processes and data leveraging intelligent technology. Enhanced controls and transparency can lead to improved performance visibility and accountability, and better governance aligned with business outcomes and operational KPIs.



Real-time processing

Finance can use the in-memory functionality of SAP S/4HANA to move processing, reconciliations, and allocations to real time—moment-by-moment views into cash, liquidity, and working capital—improving efficiency and reducing operational costs, while more confidently guiding investments.



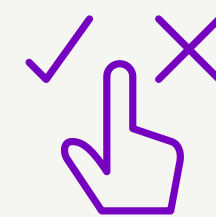
Continuous accounting

The universal journal in SAP S/4HANA which can help provide a single source of finance data, can eliminate time-consuming and error-prone replications and reconciliations. By using a simple, central template, companies can move from calendar-based closes to continuous accounting.



Smart financial reporting

SAP S/4HANA provides new reporting and analytics capabilities with self-service access to real-time data, which can allow rapid insight-to-action on a flexible basis.



Analytics-driven decision-making

Finance teams can now focus more on higher-level activities such as planning and forecasting, augmented with AI, machine learning, and automation to digitize operations from invoice management and AP to receivables. The SAP Intelligent Robotic Process Automation (SAP Intelligent RPA) technology uses transactional robotics and machine learning to help accelerate processing, eliminate reconciliations and perform allocations in real time. The improved level of automation could help produce 5% to 25% cost reductions within the first three years of use.



New business models

Companies can reinvent business and collaboration models in an instant, managing everything from the reporting structure and projections to billing, collections, disputes, and DSO.



CFO as architect of business value

Effective CFOs serve as a multiplier of business value because they operate at the nexus of what happens across the organization and the broader ecosystem. In this role, and leveraging their privileged vantage point, CFOs need to focus on driving business value creation across the enterprise—“Finance for the Enterprise.” CFOs are present at every stage in the value chain. Now they should be forming personal connections throughout the function and the business. It’s like being at the center of the spider web.

Are you being purposeful enough in this area?

Managing this web of collaborative interconnectivity is important. The good news is that the CFO Now study found that 86% of CFOs have increased the frequency and scope of collaboration across the C-suite.

This contrasts with a separate survey conducted prior to the COVID-19 pandemic which revealed that 75% of senior executives said that different business functions (e.g., R&D, engineering, production, marketing, operations and sales) competed rather than collaborated on digitization efforts, reducing the value from their transformation programs.¹

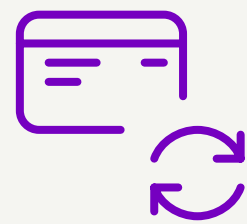
Accenture’s study

86%



of CFOs have increased the frequency and scope of collaboration across the C-suite.

To effectively drive business value, visibility and timeliness are important. Finance should engage with the business and become data-powered to increase predictability and also pull the right levers to identify and capture value:



Analytics and intelligent automation:

As a recent Accenture paper² states, profiling, cleansing and mapping data in a large global organization can be a huge undertaking. It's why many are turning to intelligent automation to help accelerate a digital transformation and give the finance function the insights it needs at the pace it requires.

Accenture has a suite of intelligent automation tools for data management within and around SAP solutions to help get smart on data quality, starting with finance. For example, Accenture myConcerto[®] Intelligent Data Quality tool³ uses artificial intelligence to suggest and then apply data cleansing rules, potentially saving about 60% of the manual effort required.⁴



Digital core:

For many companies, SAP S/4HANA Cloud provides a digital backbone centered on data. It can bring end-to-end visibility, increased efficiency, and enhanced collaboration across business processes. Using insights from real-time ERP, advanced analytics and business networks solutions (such as Ariba[®] Network, SAP Asset Intelligence Network, SAP Logistics Business Network and SAP Fieldglass[®] solutions), Accenture and SAP deliver across business networks. With more than US\$3.3 trillion flowing through these business-to-business powerhouses,⁵ SAP helps enable sustainable and resilient supply chains, transform business models and provide the agility to safeguard against disruptions.⁶



CFO as catalyst of digital strategy

Building on their heritage as first movers—in everything from shared services to ERP to business intelligence applications—CFOs are now well positioned to steer their organizations' digital journey. Their role is critical for ensuring the ROI for new digital business models and helping align the organization on new regulatory requirements and market demands.

How adept are you with advanced digital technologies?

Working as the central hub, finance should use technology to connect to the rest of the company—linking critical data sources and workflows across HR, operations, supply chain, sales, marketing, and more, eliminating inefficiencies and disjointed views, and driving company-wide innovation and transformation.

Some advanced CFOs are using internal and external data and proprietary algorithmic models to better understand the leading indicators of demand before they show up in the company's P&L. This can be done by leveraging advanced financial modeling to identify future risks and opportunities, and by using variations in external data such as consumer search trends, coupled with internal data, to more accurately forecast future demand and minimize outages.

SAP offers a wide array of products and solutions with embedded analytics, artificial intelligence and machine learning capabilities built into them including SAP S/4HANA Cloud. This can be further extended with the SAP Analytics Cloud solution, which helps CFOs rapidly explore, visualize, plan, predict and forecast in a single application, including business intelligence, predictive analytics, integrated and collaborative planning, and an interactive digital boardroom (enabling simulations to be run right from a meeting room). These tools have smart insight and smart discovery features based on machine learning algorithms to help enable simulation and planning and to see the impact of decisions.

Driving speed and innovation through technology

The threads connecting all three roles of today's CFO—economic guardian, architect of business value and catalyst of digital strategy—are speed and adaptability. From a technology perspective, finance organizations can increase pace by starting with a limited proof of concept, then scaling fast.

Increasing maneuverability is also required, so an organization doesn't become stuck in old ways of doing things. Leadership must encourage fresh thinking and innovation through new and powerful tools, enabled by cloud, to allocate resources with greater agility and mitigate risks more effectively in a volatile environment.

CFOs are also charged with managing continuous innovation and experimentation across a range of different technologies—and doing it at scale. SAP customers are increasingly taking innovation beyond ideas and putting it into action through experimentation and quick wins. More importantly, they're creating value by building scalable, measurable and relevant solutions to everyday business problems.⁷

What's needed is a bias for action—now. CFOs and other finance leaders who unlock this type of speed can drive both topline growth and bottom-line profitability.

Accenture and SAP have collaborated for more than 40 years. We work end-to-end, from product innovation, to development and delivery of industry-specific solutions, to help simplify and fast-track our customers' journeys to an intelligent enterprise.

Let us know how we can help you meet today's challenges and seize tomorrow's opportunities.

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