

Deloitte.



**Deloitte Accelerated Value:
Finance innovation**

Building intelligence into processes
across finance to unlock new value

Finance innovation

Across finance today, the volumes of data are exploding. Many organizations are struggling to manage the multiple streams of structured and unstructured data coming at them daily, and effectively sorting through it all can become increasingly difficult for human workers. At the same time, the finance organization continues to feel the pressure to generate significant value for the enterprise—not just serve as a steward of financial information. That pressure can increase as the global economy evolves rapidly, with new business models and new technologies radically transforming commerce.

Amid the ongoing disruption, however, there is opportunity. Each process and step within the finance organization—and each touch point between them—represents a potential new area for insights, efficiencies, and growth. Data is at the forefront, and the possibility to take advantage of it and enable massive automation is real. But unlocking that potential may require something more than human intellect.

An intelligent, automated, deeply connected finance organization represents the vision for tomorrow. But what does that vision really look like, and how can you start putting the pieces together to unlock new value while at the same time continuing to run your operations? And why do it now?

Strengthening the core, accelerating innovation

When it comes to finance, future digital challenges promise to be immense. Strengthening your digital core will remain important, but accelerating innovation also will be critical—requiring comprehensive digital solutions and an ability to build innovation into business processes.

Looking for a way to get a jump on tomorrow's demands, turn finance into an engine for value, and support your organization's ability to compete? Making systems intelligent can help, and the good news is that SAP® technologies are enabling tomorrow's vision for intelligent finance.

By leveraging SAP technology, you can pull in more data, intelligently automate processes, radically improve insights for

decision-making, and deliver exponential value throughout the enterprise—moving rapidly and responding proactively, not merely reacting to events after they have happened.

Leading-edge solutions for tomorrow's needs

Across many organizations, the future will require more than an ability to manage disruption. The future will be about getting ahead of disruption, planning for it, and taking advantage of the opportunities for value that it can bring. To address those needs, Deloitte and SAP are collaborating on a new set of offerings that can help enterprise leaders begin transforming the finance organization to address tomorrow's digital demands.

Through the collaboration, new Deloitte Accelerated Value offerings can help you massively automate financial processes, react quickly to dynamic internal and external conditions, and automate compliance and controls across the board. The new offerings will blend Deloitte's strength in financial processes and strategies, industry use cases, business-focused technology enablement, and SAP leading-edge technology such as the SAP® Leonardo Digital Innovation System, including SAP's innovation portfolio of machine learning capabilities, Internet of Things (IoT) offerings, advanced analytics solutions, and the SAP® Cloud Platform, in conjunction with the digital core.

“In short, you can unlock abundant potential by innovating finance. But where can you begin? You can start by concentrating on big areas that can yield exponential value.”

Exponential opportunities in three areas

Intelligent applications and services embedded in finance-related processes can provide mechanisms that remove routine manual processes and the need for human intervention, freeing up the workforce to focus on strategic value creation. By further automating finance functions and giving them the ability to “think,” you can automate new processes to help identify savings, boost profits, and increase accuracy. You can begin looking beyond many routine finance needs, to focus on strategically getting ahead of problems, proactively responding to demands, and identifying areas for growth.

In short, you can unlock abundant potential by innovating finance. But where can you begin? You can start by concentrating on big areas that can yield exponential value.

The new co-innovation initiative between Deloitte and SAP will focus on providing organizations with offerings that deliver next-generation functionality in three key areas:

- **“Lights Out” Finance**
- **Cognitive Finance Insights**
- **Cognitive Controllershship**



Key enablers will include:



SAP Leonardo Digital Innovation System



Next-generation finance insights

Here’s a closer look at each offering area.

“Lights Out” Finance

At a glance:

Massively automate financial processes, including shared services



What does it mean to have “Lights Out” Finance? It means having portions of the finance function essentially run by themselves—in the dark, with no need for human eyes to toggle through screens, no need for human hands to click through a series of objective, often predictable steps to make an action happen. With “Lights Out” Finance, you can reduce headcount for certain tasks, automate the process of error handling, boost efficiencies, increase speed, and enhance accuracy.

With “Lights Out” Finance, organizations can simplify and streamline critically important yet routine activities—enhancing processes that fall under the shared services umbrella, as well as enabling new ones. For example, machine learning tools can help you transform the cash application

process by “reading” historical clearing information to see how accountants have handled a spectrum of scenarios. In the process, those tools could learn how to apply cash to various invoices and then do it automatically. Today, teams of people manually apply cash in a system. Tomorrow, with “Lights Out” Finance, you could take people out of the equation and still build intelligence into the process. For example, cognitive technologies could discern payment trends in the data and then make predictions on the amount and timing of payments for specific customers.

A “Lights Out” Finance capability might also allow your organization to gain unprecedented visibility into the data and rules involved in allocations—enabling you to apply predictive analytics to allocations,

run what-if scenarios, generate actionable insights, readily adjust rules to optimize activities, and automate steps in the process. An application built around such an approach could allow the business to effectively capture cost drivers and allocation rules while also manipulating the rules and executing simulations, bringing a deeper understanding to the allocation of costs across the enterprise. It also could provide a new level of transparency to identify where costs originated and to trace an allocated expense. Ultimately, a “smart,” transparent, digital allocation capability could help your workforce easily identify and investigate various scenarios—enabling efficiencies and boosting productivity.

Other areas of “Lights Out” Finance might include payables (with potential integration

with SAP® Ariba® or SAP® Fieldglass® solutions) as well as expense management (with potential integration with SAP Concur® solutions).

TYPICAL TECHNOLOGY ENABLERS INVOLVED:

- SAP Leonardo IoT capabilities
- SAP Cloud Platform
- SAP S/4HANA® Finance
- Embedded and cloud-based analytics

Cognitive Finance Insights

At a glance:

Leverage cognitive technologies to help the finance organization react quickly to dynamic conditions inside the enterprise and in the marketplace

Developing a Cognitive Finance Insights capability relies heavily on providing real-time access to granular data—the layers of data involved in key performance indicators, for example—and then marrying that data to powerful cognitive solutions that can intelligently identify trends and patterns in finance—and also help you predict impact. The vision is one in which you deploy cognitive technologies to help the finance organization react quickly to dynamic conditions inside the enterprise and in the marketplace.

With Cognitive Finance Insights, you can extend insight-driven decision-making beyond core finance, to enable and support business strategy. Cognitive Finance Insights driven by SAP technologies tightly aligned with your business process could allow you

to spot new opportunities. For example, an auto maker leveraging Cognitive Finance Insights could spot revenue and profitability trends around a particular set of vehicles and then proactively alert the appropriate decision-makers to help plan marketing or advertising campaigns to capture potential new value.

Cognitive Finance Insights also could help an organization better understand the impact of organizational changes, through dynamic simulation capabilities. Want to know how reorganizing the business will affect the bottom line? Want to see what would happen if you broke up a department and combined part of it with another group? What kind of impact would reorganization have on the financials? What do the books actually look like if you move and split cost

centers? With a rich Cognitive Finance Insights capability, machine learning and artificial intelligence solutions can run detailed analyses and what-if scenarios to give the finance organization an insight-driven advantage, rapidly leveraging intelligent, machine-generated insights to deliver new value for the enterprise.

TYPICAL TECHNOLOGY ENABLERS INVOLVED:

- SAP Leonardo IoT capabilities
- SAP Leonardo Machine Learning
- Next-generation finance insights
- SAP Cloud Platform



Cognitive Controllershship

At a glance:

Automate compliance and controls, including exception handling

Amid the abundance of new analytical tools at your disposal, controllership duties can easily get overlooked. Realizing new efficiencies and spotting new areas of growth can bring clear potential benefits to the bottom line. But governance, compliance, and regulatory requirements still play a critical role in how organizations sustain and generate value in today's complex global economy.

Keeping finance on the guardrails and ensuring accuracy takes an incredible amount of human oversight and effort—making it a ripe area for innovation. Why spend hours of time at the end of the month poring over the balance sheet, P&L statements, and other documents when intelligent technologies could do the same

thing and deliver the same results? With Cognitive Controllershship, machine learning and artificial intelligence solutions can help automate many of the duties that today fall within the realm of the controller, including handling of exceptions. Imagine an application that can learn which accounts should be zero-balanced and then act on that information on the fly. Imagine capabilities that embed analytics to spot red flags and push notifications in real time to a human controller when errors crop up. Today, many such tasks are manual—meaning they are time-consuming and often error-prone. With Cognitive Controllershship, you could weave together the next-generation of analytics and machine learning/artificial intelligence tools to create a virtual controller's assistant that can

automate controls, allowing human leaders to devote more energy to making strategic decisions and creating new value.

TYPICAL TECHNOLOGY ENABLERS INVOLVED:

- SAP Leonardo Machine Learning
- Next-generation finance insights
- SAP Cloud Platform
- Embedded and cloud-based analytics



Strategic next steps

Bringing innovation to finance is not a “nice to have” these days. In the rapidly evolving digital economy, many organizations will fail if they can’t get ahead of disruption and deploy finance capabilities that can evolve as demands shift. Our collaboration around SAP Leonardo can allow us to accelerate the innovation cycle while our clients continue to operate their core business. Innovation with SAP Leonardo, in combination with our digital transformation thought leadership, can allow us to bring these leading capabilities to finance and related areas of the enterprise—regardless of the status of their backend, core systems.

Whether you want to begin building a “Lights Out” Finance function, bring Digital Finance Insights to life, or deploy Cognitive Controllership capabilities that can give your organization an edge, you likely will require comprehensive digital solutions. Deloitte Accelerated Value offerings can fit the bill, delivering end-to-end technologies and enablement.

If taking finance to the next level is important for your organization, we should talk. Deloitte can provide solution demos, additional insights on managing digital disruption, and other resources to help you get ahead of tomorrow’s many digital challenges. Contact us to get the conversation started.

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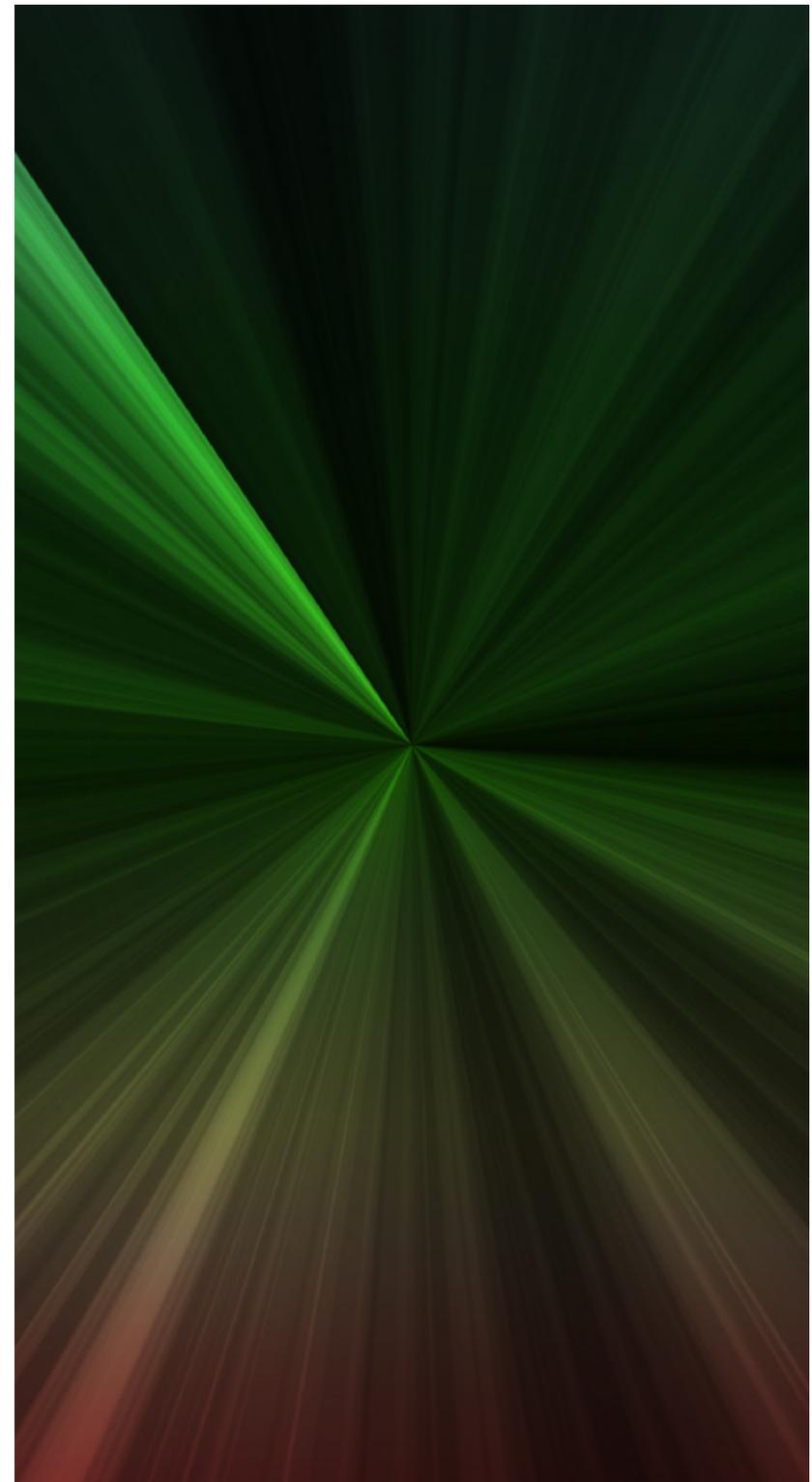
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