



SAP Powered Finance Reporting Strategy Deloitte Point of View (PoV)

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Overview

This Point of View (PoV) highlights the Deloitte perspective on the importance of putting in place a robust Finance Reporting and Analytics Strategy to support SAP powered Analytics. Deloitte has extensive experience implementing SAP powered analytics solutions, giving our team critical insights for guiding clients through the nuances of these journeys. Our experience with SAP helps us deliver agility for our clients while they position themselves for future needs and leverage leading practice from a range of industries.

We help our clients to drive more value from their data, helping to reduce complexity, leveraging real-time insights, empowering users with self-serve analytics and maximising the investments made in SAP next generation technologies. Creating solid foundations is a critical step needed to ensure the success of the reporting transformation. These foundations coupled with good data governance and management, standardised reports, refreshed operating models enable a new approach to democratising your data to truly unlock its potential.

Our approach to the Finance Reporting Analytics strategy can help you to put the right building blocks in place, underpinned by a roadmap to make it happen. Together, we can help you to ensure Finance has a clear Reporting and Analytics strategy to maximise the value and insight out of your data!





Introduction – Challenges & Opportunities

An overwhelming majority of organisations expect to see higher investment in digital technologies over the next 12 months, with investments in workforce skills and increased productivity. Many continue their journey to modernise their core ERP solutions, where new capabilities offered as part of upgrades are often readily adopted.

When embarking on an S/4HANA transformation, Finance needs strong oversight of its Reporting and Analytics strategy and the enabling data platform to leverage Finance core ERP and wider enterprise data. In turn, a focus on improving data quality and further democratizing data and analytics will be key enablers to unlock value, increase speed and agility to deliver insights.

ⁱ1 in 4 organisations prioritise data, analytics and AI (Artificial Intelligence) capabilities over other competing prioritiesⁱⁱ.

Yet, reporting & analytics in Finance today is still restricted by:

- Reliance on manual processes
- Legacy finance systems
- Lack of standardisation
- Lack of self-service
- Fragmented and siloed delivery

S/4HANA Transformationⁱⁱⁱ



ⁱ CFO Signals™: 4Q 2022 | Deloitte US

ⁱⁱ Insight Driven Organisation Survey Report 2021 | Deloitte UK

ⁱⁱⁱ 2025 Revisited: Future Finance Trends (deloitte.com)



How to tackle these?

Organisations must recognise the value of data and analytics capabilities and the crucial role it plays in success in their organisationⁱⁱⁱ

Developing a Finance Reporting and Analytics Strategy involves several key components that need to be tackled in a logical order.



Ambition

The first step is to establish the vision and ambition for the strategy by engaging key stakeholders and aligning with the overall business strategy. This involves identifying the key business drivers and KPIs (Key Performance Indicators), defining the scope and objectives of the strategy, and ensuring that it is aligned with the organisation's goals and priorities.



Enablers

The next step is to work on key enablers that change, develop, and enhance existing capabilities and create new ones. This involves assessing the current state of reporting and analytics, identifying gaps and opportunities, and developing a roadmap for improvement. Key enablers may include data governance and management, standardised reports and metrics, self-service analytics tools, and a unified data platform. By focusing on these enablers, organisations can improve the quality, speed, and agility of their reporting and analytics capabilities.



Activation

Once the enablers are in place, the next step is to simplify the core architecture. This involves developing a simplified, clean core architecture, reducing unnecessary movement or replication of data, and leveraging cloud-enabled technologies. In addition, self-service can be made easy by "data products" – curated, reusable datasets available securely via an Enterprise Data Catalogue. Guiding principles can also provide a framework for decision making that gives clarity about how to make the best use of the technology and creation of re-usable, high-value products.

ⁱⁱⁱ CFO Signals™: 4Q 2022 | Deloitte US



How to tackle these?



Finally

The strategy needs to be activated by designing and charting a way forward, establishing new ways of working, gaining sponsorship and buy-in across the business, and securing funding to deliver. This involves developing a detailed implementation plan, identifying the resources and skills needed, and establishing governance and oversight mechanisms. It is also important to establish a culture of continuous improvement, where feedback is actively sought and used to refine and enhance the strategy over time.

Deloitte has diverse experience across various industries, including Consumer, Technology, Media and Telecommunications (TMT), Life Sciences & Healthcare, Financial Services (FS), Government and Public Sector (GPS), and Energy, Resources and Industrials (ER&I). By leveraging our cross-sector experience, we can guide even the most complex organisations through their digital transformation journeys.



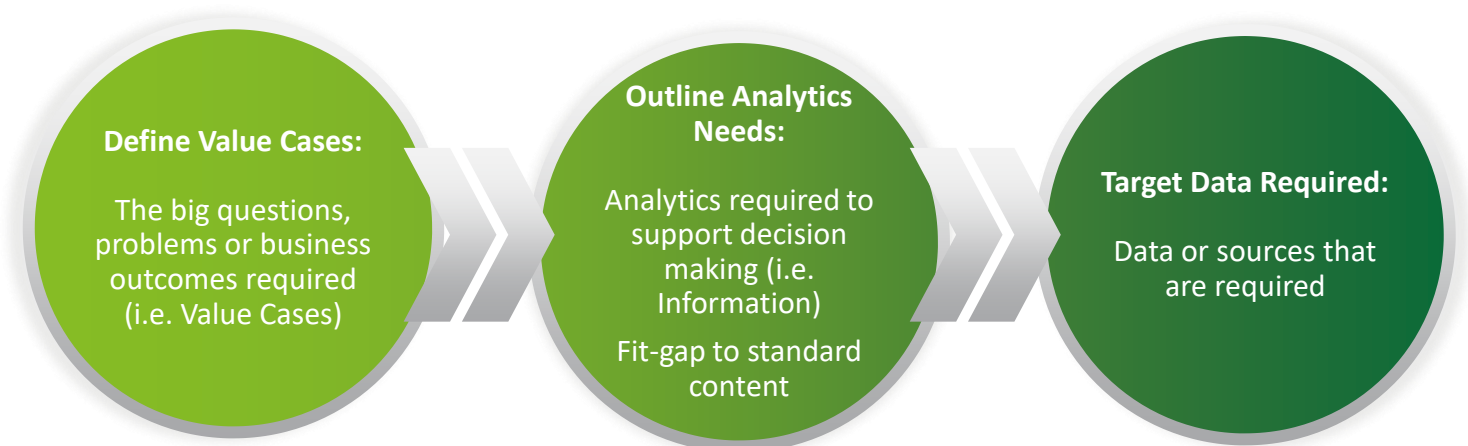
Aims of analytics initiatives

Analytics initiatives aim to drive better and more efficient insights by leveraging data to gain a competitive advantage. Depending on the level of maturity of the organization, the focus areas shift from establishing foundations to experimenting with cutting-edge concepts and technologies that leverage AI and augmented analytics. As organizations mature in their analytics journey, they move from descriptive and diagnostic analytics to predictive and prescriptive analytics, enabling them to make more informed and data-driven decisions.

The typical aims of analytics initiatives to drive better and more efficient insights are:

- Augmented and predictive analytics aim to enhance the accuracy and speed of data analysis
- Embedded real-time operational analytics aim to provide real-time insights to support operational decision making
- Smart data discovery and visualization aim to improve the accessibility and usability of data
- Enhanced self-serve user experience aims to empower users to access and analyze data on their own
- Dynamic drill-through aims to enable users to explore data in greater detail
- Leveraging standard out-of-the-box capabilities aims to reduce the time and cost of implementing analytics solutions
- A single source of truth aims to ensure that all users have access to consistent and accurate data
- Removal of manual processes aims to automate repetitive tasks and reduce the risk of errors

By focusing on these aims, organizations can drive better and more efficient insights from their data, enabling them to make more informed and data-driven decisions.



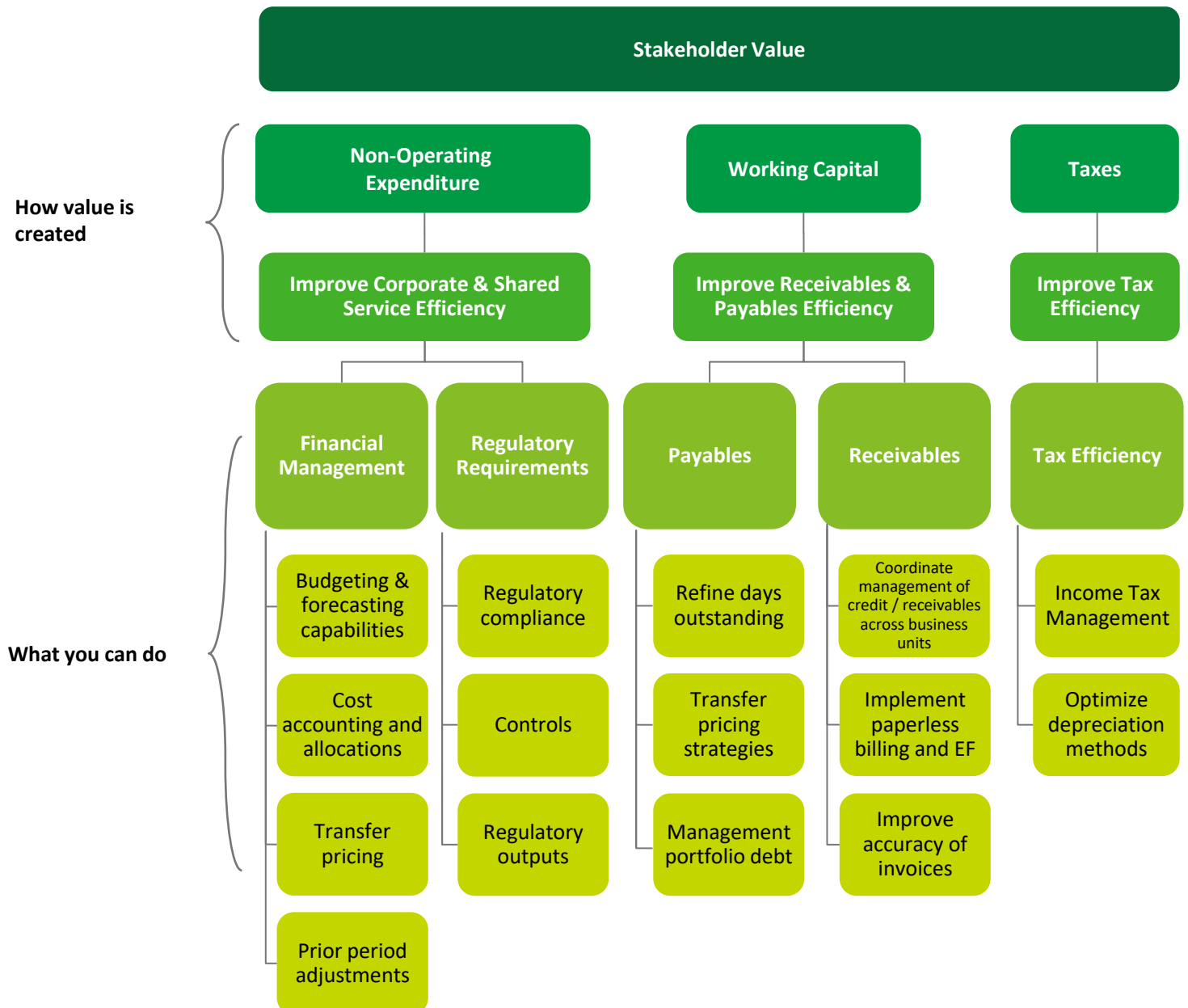


Aims of analytics initiatives

Deloitte Enterprise value maps are typically used to confirm how value is created by identifying the business' key value drivers and levers. Organisations link and validate this to the drivers and KPI's identified by report consumers and producers, and in turn create a comprehensive set of KPIs.

The KPIs and supporting data provide business leaders with insight into the levers that matter most to the company and drive true value!

Example section from an enterprise value map





Enablers – Architecture

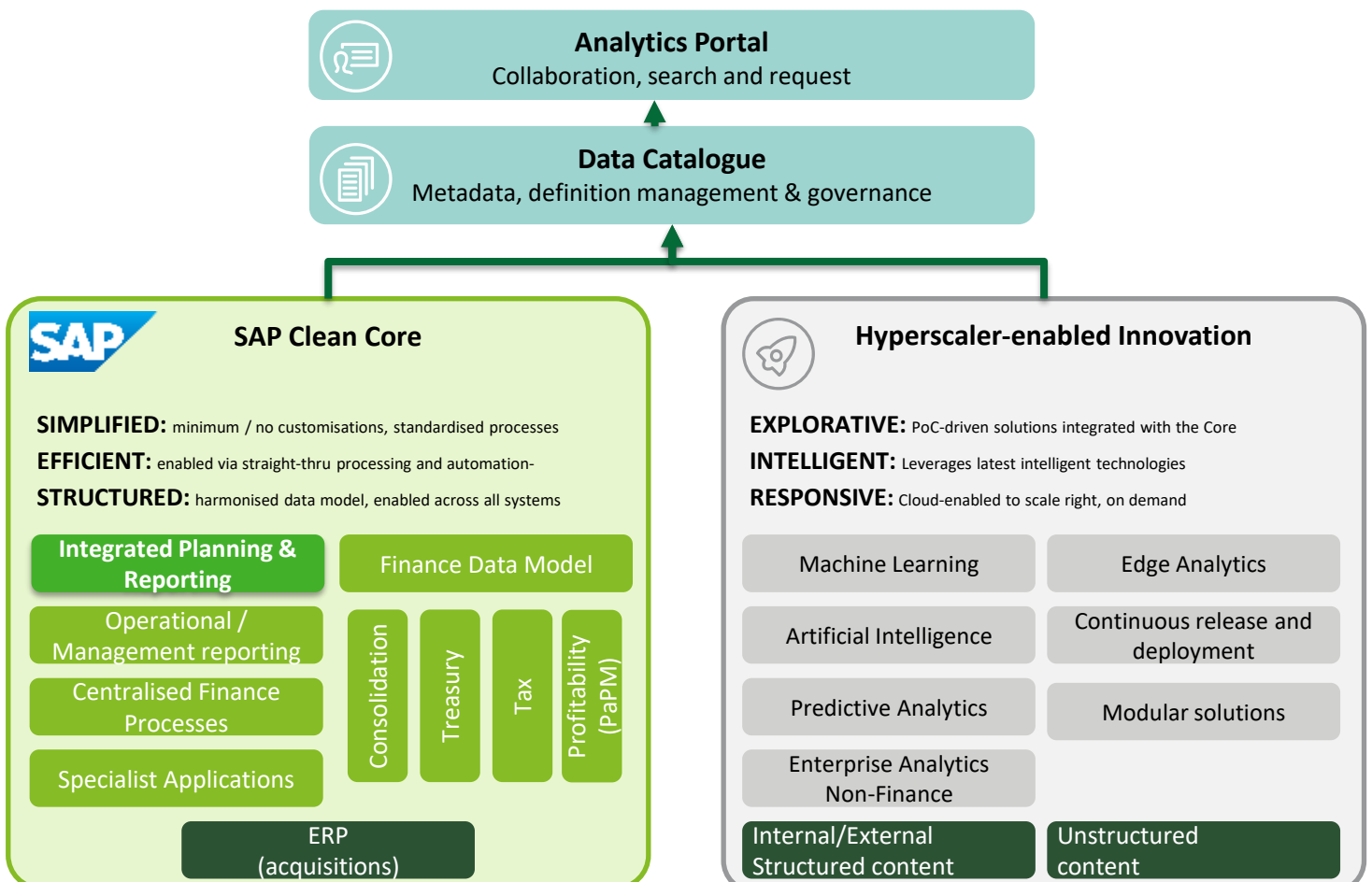
Architecture plays a key role in enabling reporting and analytics and many look to use a hybrid approach between an SAP powered Finance Digital Core and cloud enabled Enterprise data platforms.

Almost all large organisations observed have complex, customised legacy landscapes, looking for ways to simplify and leverage out-of-the-box where possible to reduce costs and increase speed to deliver value.

Many are looking to adopt a ‘clean core’ for their Finance platforms, to provide a foundation for standard, simplified processes and reports, especially when adopting SAP S/4HANA solutions.

In parallel to enable innovation, a platform to provide exploration capabilities, to create new value aligned solutions leveraging both internal and external large, blended data sets, which could be SAP or other hyperscaler enabled solutions.

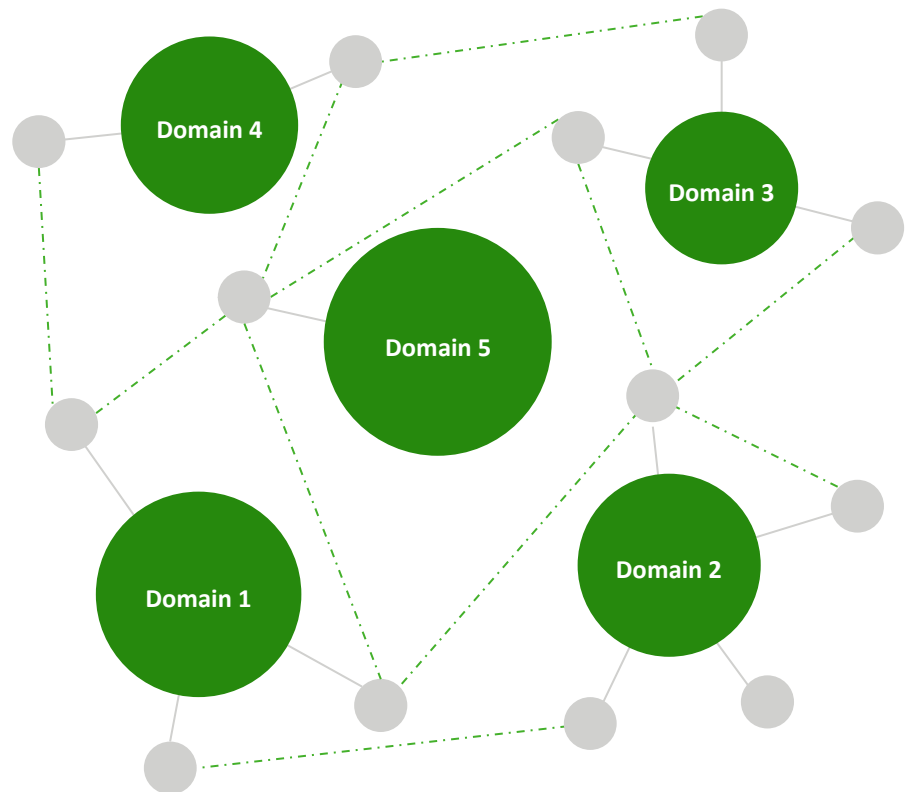
By prioritizing a clean core and implementing extensibility options that minimize modifications to the core ERP system, companies can avoid incurring technical debt and ensure that their technology budget is being spent on innovation and new product development.





Enablers – Data Democratisation

By creating information products and establishing domain ownership a data mesh can be created as an enabler to move away from centralised data management. The data mesh approach supports a governed decentralised model where data producers and consumers are empowered to manage the full lifecycle of their data and how it is used to generate value.



Data Products Characteristics

- Treated as standalone products that have value by themselves and solve a business problem
- Can take many forms from tables of data, APIs (Application Programming Interfaces) to provide containerised data or even dashboards and analytical applications
- Have product owners, who anticipate need, identify minimum-viable-product (MVP) iterations, and address the use case needs
- Promoting the ethos of build once and use many times, where data products can be created from other data products

Distributed Data Domains

- A Data Domain represents a logical grouping of related areas of data e.g., Finance
- Each Domain will have autonomy on the full lifecycle of the Data Products it defines and owns with supporting DevOps teams
- Data products should be catalogued, discoverable and accessible across the mesh
- Domains will apply data governance to products and align with corporate state for consistency across the mesh
- Agile methodologies will be adopted to maintain products and deliver against changes to customer needs



Enablers – Principles

Guiding principles provide the handrails to support decision making and guide the implementation of the strategy. They help to establish and maintain foundations that build trust in the data and analytics, make best use of underlying technologies and ultimately drive more value for the business. Typical guardrails across many of our clients include:



STRUCTURED DATA MART

Finance data conformed into structured data mart for enhanced analytics consumption (SAP to SAP or non-Finance)



HYBRID DATA PLATFORM

Persisted and virtualized data based upon use case to scale / shrink through common data platform



INTELLIGENT COLLABORATION

Natural language generation, chat bots and artificial intelligence will drive insight to action



ENTERPRISE DATA LAKE

To leverage hyperscaler, non-standard analytics and large blended data sets and support data fabric architecture



SIMPLIFIED, DYNAMIC & TARGETED

Simplified dynamic & targeted reporting analytics; self-directed roll-ups, drill-downs, and comparisons out-of-the-box



PERSONA-BASED ROLES & RESPONSIBILITIES

With restricted access by security roles based on enterprise data objects



DATA MANAGEMENT FOUNDATION

Standard data model, single version of truth, master data, governance, catalogues & security



CONTROLLED STANDARDISED PROCESSES

Through S4/HANA ERP (incl CFIN) as a 'clean' finance core and rationalised reporting toolset



VALUE ALIGNED USE CASES

Analytics and performance metrics aligned to drive business outcomes



CONSISTENT STANDARD ARCHETYPES

Enhancing report styles, content, quality, timing, frequency and roles-based access



Enablers – Target Operating Model

Whilst the operating model will vary by organisation and level of maturity, many move to Product-led DevOps Teams with an integrated and connected reporting, favouring team integration and working for product build and release, as a long term aim to deliver customer-driven business outcomes.



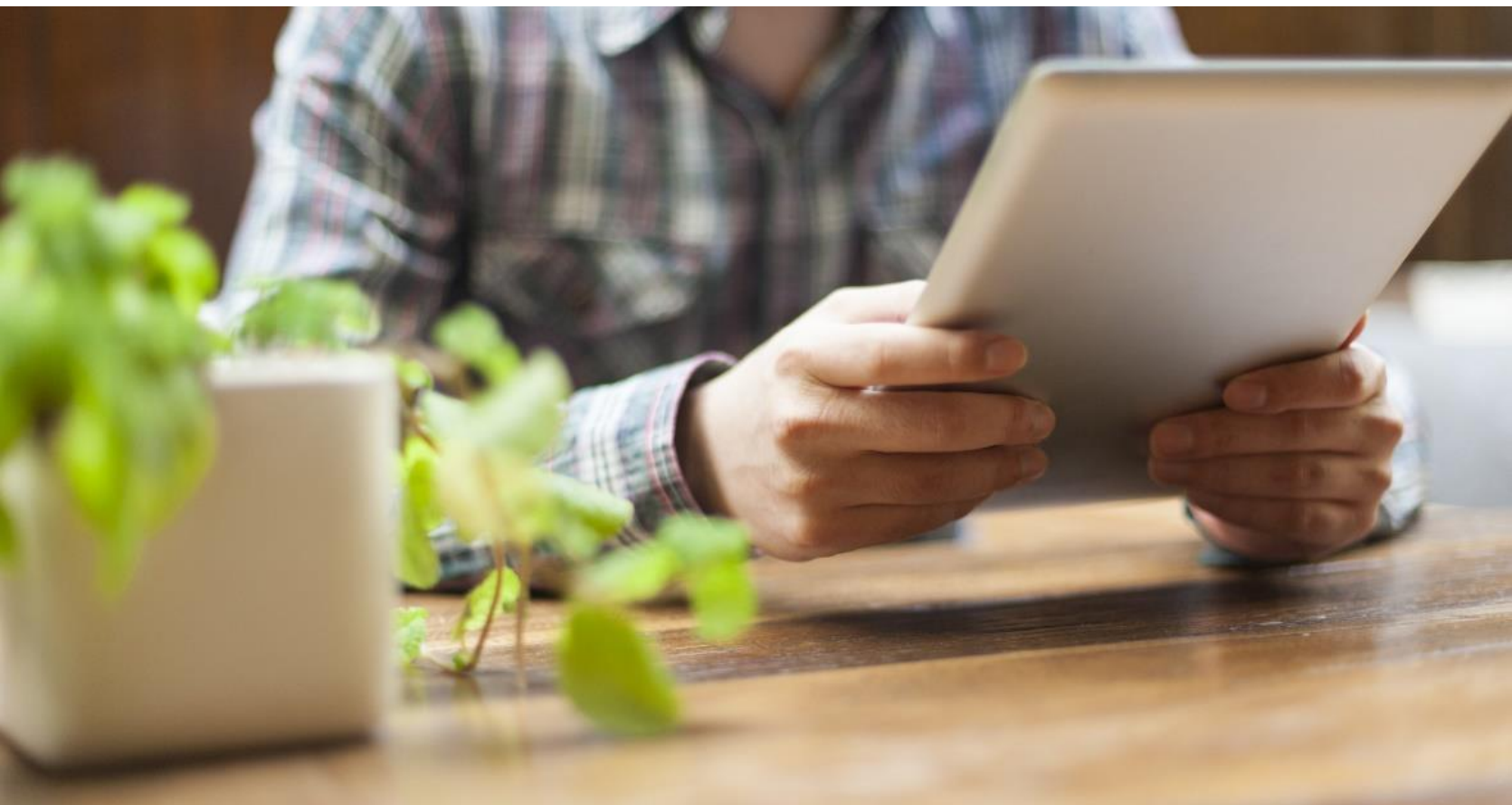
- **Techno-Functional:** Blend technology and functional skillsets to become the new norm. New roles are emerging where there is increasing emphasis placed on business-embedded IT (Information Technology) capabilities. This involves having a deep understanding of both the technology and the business processes, enabling individuals to bridge the gap between the two and drive better outcomes.
- **Digital Mindset:** Develop a digital mindset where digital leadership, culture, and values of 'being digital' are embedded in the fabric of the entire enterprise. This involves creating a culture of innovation, experimentation, and continuous learning, where individuals are empowered to challenge the status quo and drive change.



Enablers – Target Operating Model

- **Adaptability:** Adapt quickly to different modes of operation, augmenting the organization as required to changing demand. This involves being agile and flexible, with the ability to pivot quickly in response to changing market conditions, customer needs, and emerging trends
- **Automation & AI:** Accelerate the use of robotic process automation and artificial intelligence to reinvent how processes work. This involves automating repetitive and manual tasks, freeing up time for more value-added activities. By leveraging AI and machine learning, organizations can gain new insights and identify patterns that were previously hidden
- **Innovation:** Manage innovation initiatives as part of a dynamic system of development, with a fail-fast and learn culture. This involves creating an environment where innovation is encouraged and supported, with a focus on experimentation and learning from failure. By embracing innovation, organizations can drive innovative ideas and create new value for their customers and stakeholders

By focusing on these success criteria, organizations can create a culture of continuous improvement and innovation, enabling them to stay ahead of the curve and drive better outcomes.





Giving you a head start

Deloitte has extensive experience implementing SAP powered analytics solutions, giving our team critical insights for guiding clients through the nuances of these journeys. Our experience with SAP helps us deliver agility for our clients while they position themselves for future needs and leverage leading practice from a range of industries.

We help our clients to drive more value from their data, helping to reduce complexity, leveraging real-time insights, empowering users with self-serve analytics and maximising the investments made in SAP next generation technologies. Regardless of where you are on your journey with SAP driving your Finance reporting and analytics; we can help you to ensure Finance has a clear Reporting and Analytics strategy to maximise the value and insight out of your data!

In many cases, it is about evolution rather than revolution and Deloitte are here to help map your journey ahead...



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