

# SAP Road Map for Enterprise Performance Management for Finance



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# Performance management solutions help address top priorities for finance professionals

## Process highlighted as most in need of improvement

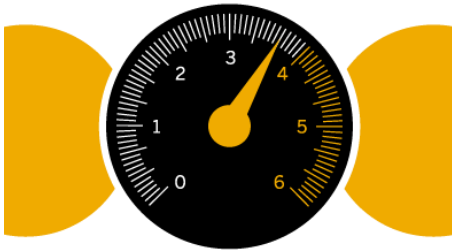


2011 Gartner / FEI Technology Study, John van Decker, 24 May 2011

# How customers deliver best practice

**Ensure regulatory compliance and effective risk management**

**Complete solution for the financial close – from transactional processing to disclosure with embedded controls and risk management**



**Supporting applications**

*Available now*

SAP Financial Consolidation

SAP Disclosure Management

SAP Business Planning and Consolidation

**Outperform financial objectives**

**Comprehensive and proven suite for solutions that incorporates a risk management perspective**



**Supporting applications**

*Available now*

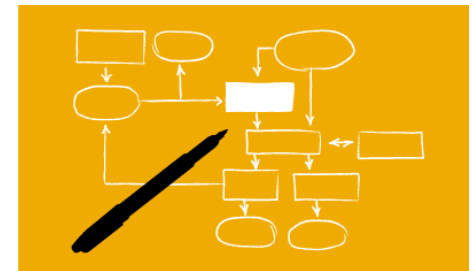
SAP Strategy Management

SAP Business Planning and Consolidation

SAP Profitability and Cost Management

**Deliver superior service at reduced cost**

**Unified, finance-owned solutions with self-service reporting and analysis**



**Supporting applications**

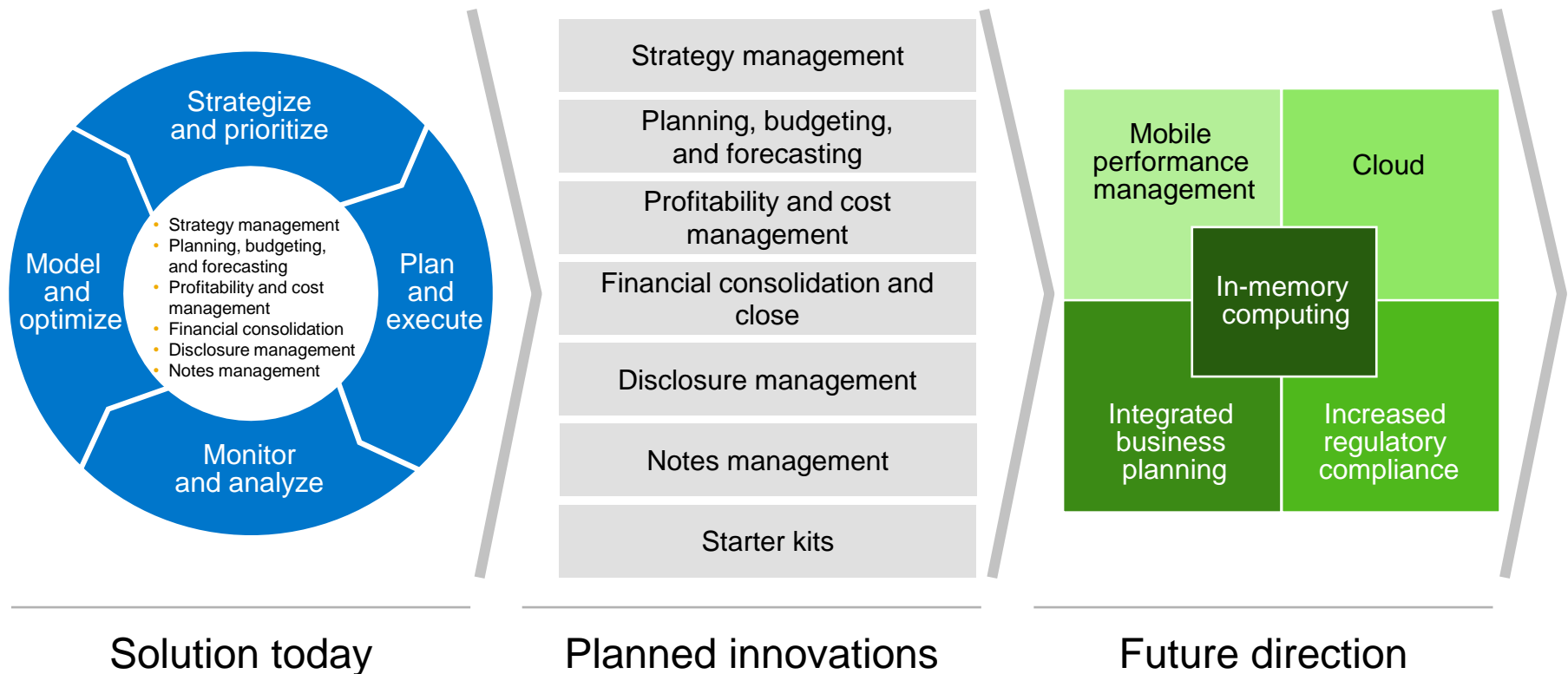
*Available now*

SAP Financial Information Management

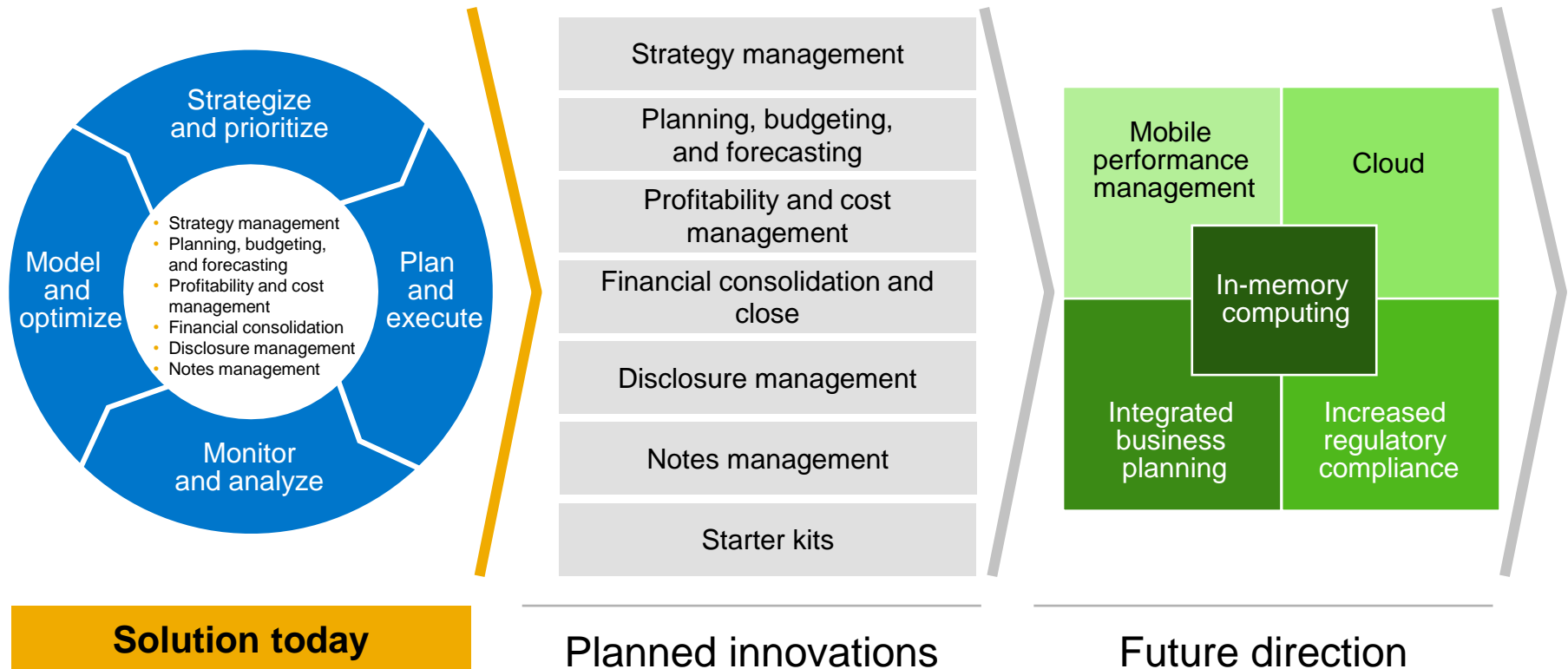
SAP Intercompany

SAP Disclosure Management

# Overview of SAP road map for enterprise performance management for finance



# Overview of SAP road map for enterprise performance management for finance



# Our solutions for enterprise performance management for finance

## Align better

### Drive consistent execution of strategy

Ensure that everyone is on the same page by linking goals, metrics, and plans throughout the organization

## Adapt better

### Increase organizational agility

Be prepared and able to adjust plans rapidly and realign resources to seize opportunities or mitigate risks

## Operate better

### Improve profitability and efficiency

Make informed decisions that drive the bottom line and reduce the time for and costs of regulatory compliance



**Solution today**

# Release 10.0 of SAP solutions for enterprise performance management (EPM)

## Unified



Common interfaces for a user experience that leads to quicker adoption and improved productivity

Deeper integration with SAP NetWeaver, SAP ERP, and analytics applications improves manageability and reduces the total cost of ownership (TCO)

## Comprehensive



Prepacked best practice–based solutions for specific industries and lines of business deliver faster time to value with better results

The most complete suite of EPM solutions includes disclosure management functions that accelerate the last mile of finance

## Transformational



Mobile performance management increases productivity and helps organizations become more agile, responsive, and better equipped to succeed

Applications powered by SAP HANA provide instant insight and allow users to plan at levels of detail that were never possible before

## Solution today



# Our solutions for enterprise performance management drive value for customers today

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60%

faster reporting  
cycle time



66%

less time to  
forecast monthly  
revenue

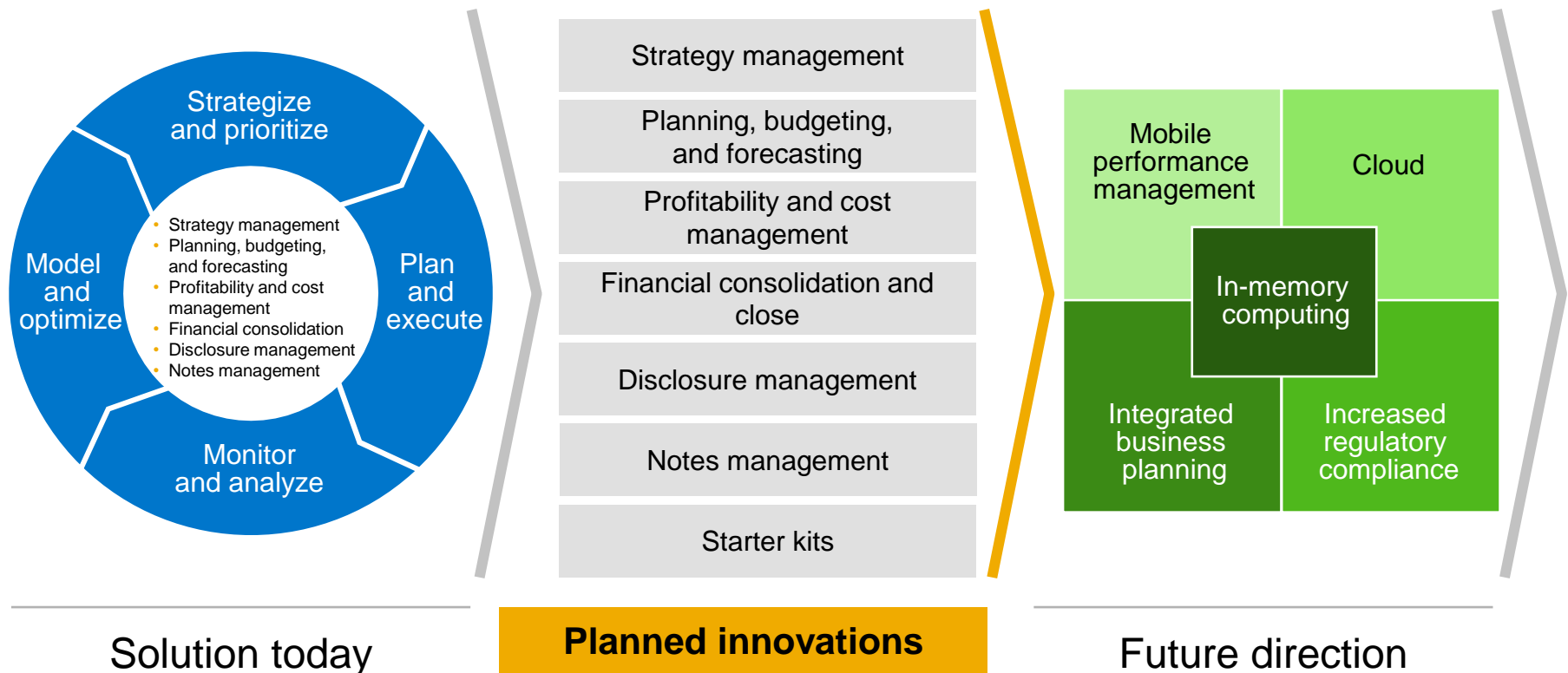


55%

reduction in  
time to allocate  
product costs

Solution today

# Overview of SAP road map for enterprise performance management for finance



# Planned key innovations for enterprise performance management for finance

	Key needs	Key innovations
<b>Strategy management</b>	<ul style="list-style-type: none"> <li>Desire to leverage industry best practices and learn from peers</li> </ul>	<ul style="list-style-type: none"> <li>Improved ease of use; lower cost of ownership with industry-specific content</li> </ul>
<b>Planning, budgeting, and forecasting</b>	<ul style="list-style-type: none"> <li>Growing aspiration to integrate planning processes across the organization</li> <li>Need to address increasing data volumes</li> </ul>	<ul style="list-style-type: none"> <li>Next generation mobile experience</li> </ul>
<b>Profitability and cost management</b>	<ul style="list-style-type: none"> <li>Increasing focus on analysis and decision making requires greater insight across broader teams</li> </ul>	<ul style="list-style-type: none"> <li>Advanced integration with market-leading business intelligence (BI) solutions</li> </ul>
<b>Financial consolidation and close</b>	<ul style="list-style-type: none"> <li>Increased pressure for an integrated, comprehensive financial close and reporting solution to accelerate the closing process without sacrificing compliance, control, or flexibility</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced integration of master data, SAP Intercompany, and SAP Disclosure Management</li> <li>Improved support for time-dependent reporting</li> </ul>
<b>Disclosure management</b>	<ul style="list-style-type: none"> <li>Need to cope with an ever-more-complex last-mile-of-finance processes and changing regulatory reporting requirements</li> </ul>	<ul style="list-style-type: none"> <li>Planned support for additional regulatory formats and filings</li> </ul>
<b>Notes management</b>	<ul style="list-style-type: none"> <li>Need to manage unstructured data that supplements financial and regulatory disclosures and tie it to consolidation values</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced integration and compatibility with strategic SAP solutions and Microsoft Office solutions</li> </ul>
<b>Financial close starter kits</b>	<ul style="list-style-type: none"> <li>Ability to speed deployments and comply effectively with financial regulations</li> </ul>	<ul style="list-style-type: none"> <li>Enhancements to the scope of delivered content and the regularly rules supported</li> </ul>

## Planned innovations

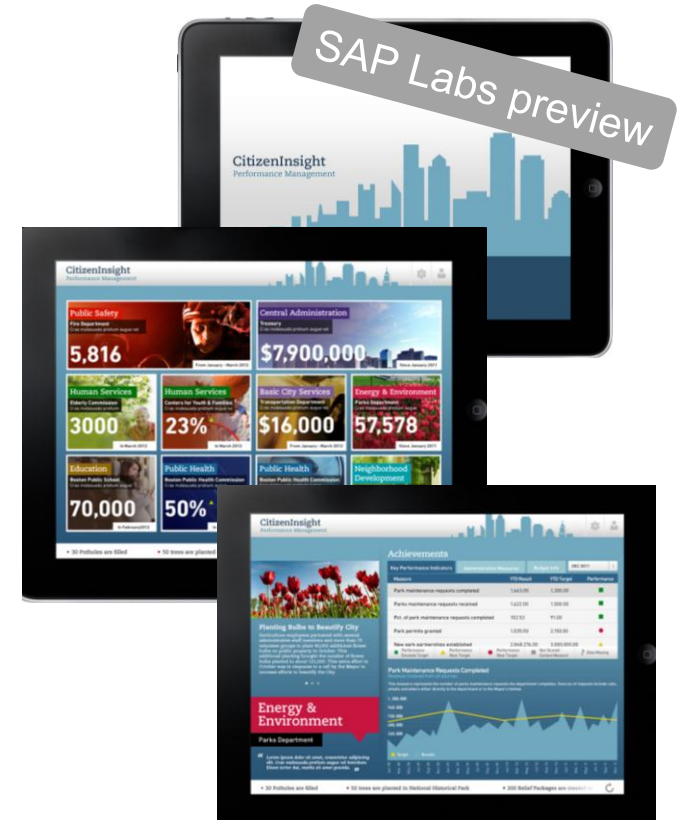
# SAP Strategy Management

## Solution enhancements

- CitizenInsight iPad application
- Packaged content based on best practices of value management
- User-definable initiative fields
- User-driven incremental enhancements
- Broadened range of initiative types that can be managed within the solution
- New industry-specific use cases and embedded content

## Key benefits

- Scalable, secure publishing of performance results to key constituents
- Lower TCO and enhanced solution performance
- Accelerated creation and execution of performance improvement programs
- More flexibility in managing initiatives across the enterprise
- Faster time to value
- Ability to leverage industry best practices



## Planned innovations

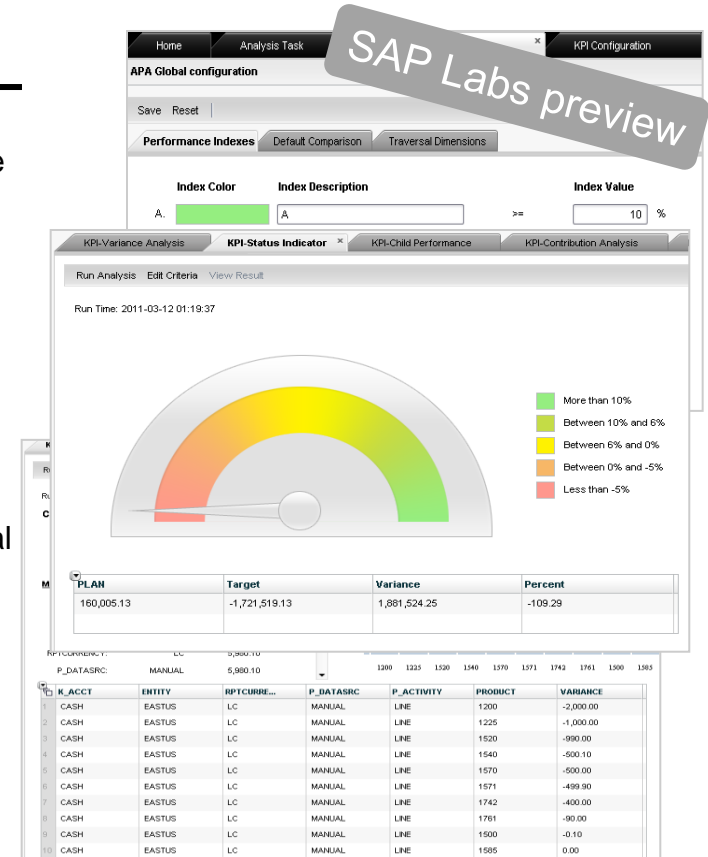
# SAP Business Planning and Consolidation, version for the Microsoft platform

## Solution enhancements

- Support for Microsoft SQL Server 2012
- Improved business process flows and admin client functionality
- Enhanced integration with Microsoft Excel
- Integration with Microsoft SharePoint
- Publicly supported application programming interfaces (API) for enabling extensible solutions
- Expanded browser support
- Enhanced control, validation, and monitoring in consolidations
- Extended audit functions

## Key benefits

- Ability to use the latest Microsoft technology for better performance and scalability
- Improved user-friendliness of admin client functionality
- Ability to grow the ecosystem via partner-developed solutions and content
- Increased confidence in the reliability, accuracy, and completeness of reported financial information
- Reduced costs and time to close through automation of previously manual activities and analysis



## Planned innovations

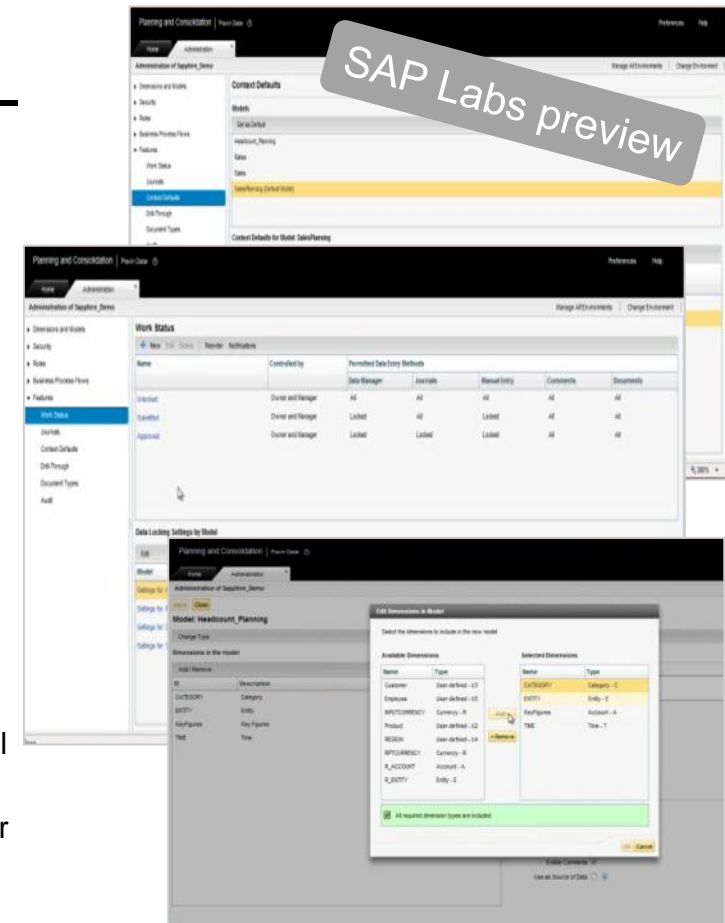
# SAP Business Planning and Consolidation, version for SAP NetWeaver

## Solution enhancements

- Continued performance improvements and scalability leveraging SAP HANA
- Support for time-dependent hierarchies
- More flexible data access security
- Enhanced, driver-based planning functionality
- Automated variance analysis (AVA) provides delivered variance functions
- Expanded browser support
- Extended audit functions
- Increased Integration for SAP NetWeaver BW, SAP BusinessObjects BI solutions, SAP Business Suite, SAP Master Data Governance, SAP Intercompany, SAP Disclosure Management, and SAP Notes Management

## Key benefits

- Performance and scalability improvements with in-memory and column storage provided by SAP HANA
- Ability to address business problems and functions that might not have been practical due to performance issues
- Easier configuration, deployment, and analysis of data
- Increased visibility into changes affecting reported balances
- Accelerated financial close through greater integration and automation
- Enhanced reporting based on current (management) and historical (legal) views of data.
- Lower TCO for integration with other SAP tools



## Planned innovations

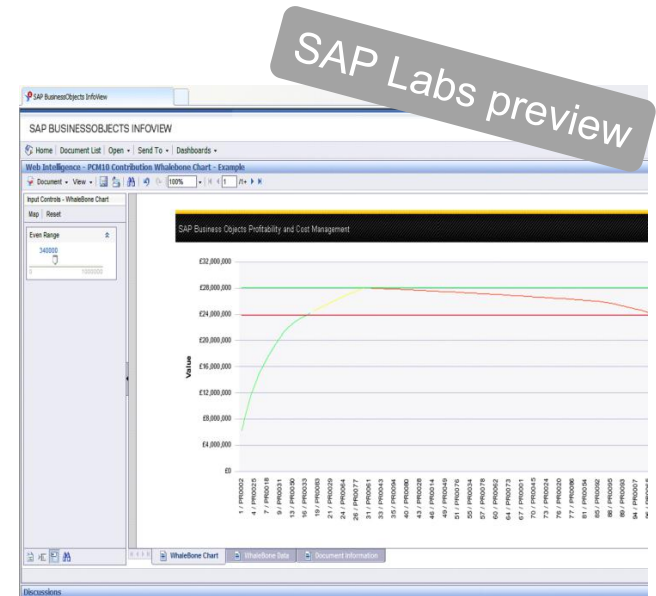
# SAP Profitability and Cost Management

## Solution enhancements

- Improved integration with SAP BI tools
- Import of master data (dimension items) via SAP Financial Information Management
- Standardized integration with Bill of Materials in product cost controlling (CO-PC)
- Additional Cost Tracing options
- User defined reporting grids formatting
- Improved control of model servers dynamic resource allocation

## Key benefits

- Optimized usage of SAP BI tools for query and reporting on PCM models
- Synchronized Structure tables (such as Cost Centers, Accounts, Products) with SAP ERP or other source systems
- Further end users visibility into the source and target of costs and the related drivers
- Lower landscape cost of ownership through native integration, increased performance and simplified architecture



## Planned innovations

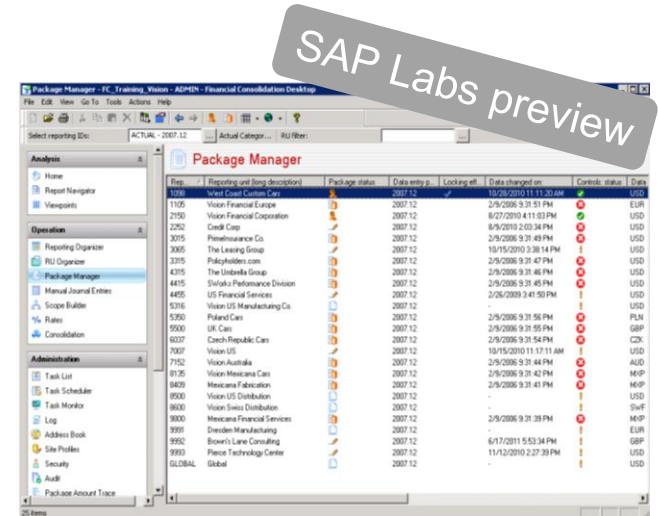
# SAP Financial Consolidation

## Solution enhancements

- Enhanced support for integration with external master data maintenance applications
- Master data import from non-SAP sources
- Enhanced integration with SAP Disclosure Management
- Enhanced platform support
- Security enhancements
- New historization functions
- Support for IFRS starter kit updates

## Key benefits

- Accelerated financial close process
- Consistent master data across financial systems (SAP and non-SAP)
- Reduced costs and risk of errors
- Up-to-date technical platforms
- Easier maintenance of user profiles
- Enhanced compliance and integrity of historical consolidations



## Planned innovations



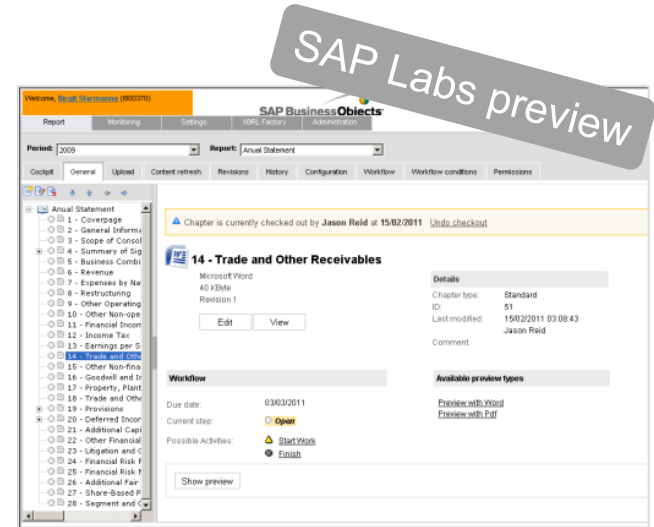
# SAP Disclosure Management

## Solution enhancements

- Deeper integration with other SAP applications
- Single sign-on to source data systems
- Enhanced tools for data consistency, rounding and validation
- Enhanced formatting
- Planned support for additional regulatory formats and filings
- Enhanced usability and simplification of XBRL tagging
- Technology enhancements

## Key benefits

- Accelerated update of financial information by streamlining the integration of consolidation information
- Increased confidence in the reliability of financial statements by enabling simpler verification of disclosure data
- Lower cost of compliance of regulatory filings in the XBRL format by supporting additional standards
- Increased usability for financial professionals to manage disclosure data for XBRL filings



## Planned innovations

# SAP Notes Management

## Solution enhancements

- Compatibility with supported landscapes of SAP NetWeaver BW for supplementing numeric data with notes information
- Enhanced integration with other SAP solutions
- Enhanced compatibility with current Microsoft Office solutions
- Delivery of standard accelerators with predefined content

## Key benefits

- Lower cost of ownership through consistency of data integration and compatibility with SAP landscapes
- Accelerated financial close through superior integration with SAP solutions as part of the complete close process
- Enablement of continued acceptance of the Microsoft Excel environment with compatibility of ongoing Microsoft Office upgrades
- Reduced cost and complexity of implementations for specific industry and regulatory requirements

**SAP Labs preview**

annual statement 2010 | MF 5002-infotion Asset Management Corporation (Boston, US) | USD | 24/29/11 4:00:35 PM (Europe/Berlin), 5001

Item	Description	Cons. Value	Book value	Net book value of assets impaired	Book value of assets that are neither past due nor impaired	Sum	Maturity analysis of not impaired, past due
44200	Trade receivables (current)	1,476	1,476	1,223	210	43	13
44000	Receivables from associates (current)	7,183	7,183	5,842	1,341	6	0
44050	Receivables from other investments (current)	5,195	5,195	12	1,783	3,400	1,385
44700	Receivables from directors (current)	4,452	4,452	1,100	900	2,452	1,452
44000	Receivables from shareholders (current)	7,854	7,854	3,854	1,000	3,000	1,533
44000	Other assets	3,861	3,861	1,542	2,319	0	0
49000	Deferred expenses	4,215	4,215	3,214	1,001	0	0
Sum		34,236	34,236	16,787	8,954	8,895	4,383

## Planned innovations

# SAP Intercompany

## Solution enhancements

- Increased flexibility in automation of transactional matching
- Enhanced integration with SAP Business Planning and Consolidation
- Management of non-intercompany entities
- Enhanced controls
- New user profiles

## Key benefits

- Accelerated financial close process through greater automation
- Enhanced flexibility of reconciliation processes to ease the identification of transactions arising from out-of-balance situations.

**SAP Labs preview**

The screenshot displays the SAP BusinessObjects Intercompany interface. At the top, it shows 'Company: 7065', 'Period: TEST', 'Local Currency: USD', and 'Group Currency: USD'. Below this, there are tabs for 'Balances', 'Import/Export', 'Reports', and 'Administration'. The main area is titled 'Detail by Transaction Currencies' and shows a reconciliation table for '7065 (Vision Leasing) > 7007 (Vision US) > CURLI (Current liabilities)'. The table includes columns for 'Side', 'Currency Code', 'Transaction Status', 'Transaction Amount', 'Local Amount', 'Group Amount', 'Balance Count', and 'Star'. The data is organized into rows for 'Company', 'Partner', and 'Group Difference' for various currencies (AUD, CAD, USD). The status of transactions is indicated by icons: a red 'X' for 'Unreconciled' and a green checkmark for 'Reconciled'.

Side	Currency Code	Transaction Status	Transaction Amount	Local Amount	Group Amount	Balance Count	Star
Company	AUD	Unreconciled	100,000	100,000	100,000	1	
Partner	AUD	Unreconciled	1,000	1,000	1,000	1	
Group Difference					99,000		
Company	CAD	Company Submitted	50	50	50	1	
Partner	CAD	Partner Submitted	0	0	0	0	
Group Difference					50		
Company	USD	Reconciled	100,000	100,000	100,000	1	
Partner	USD	Reconciled	100,000	100,000	100,000	1	
Group Difference					0		

## Planned innovations

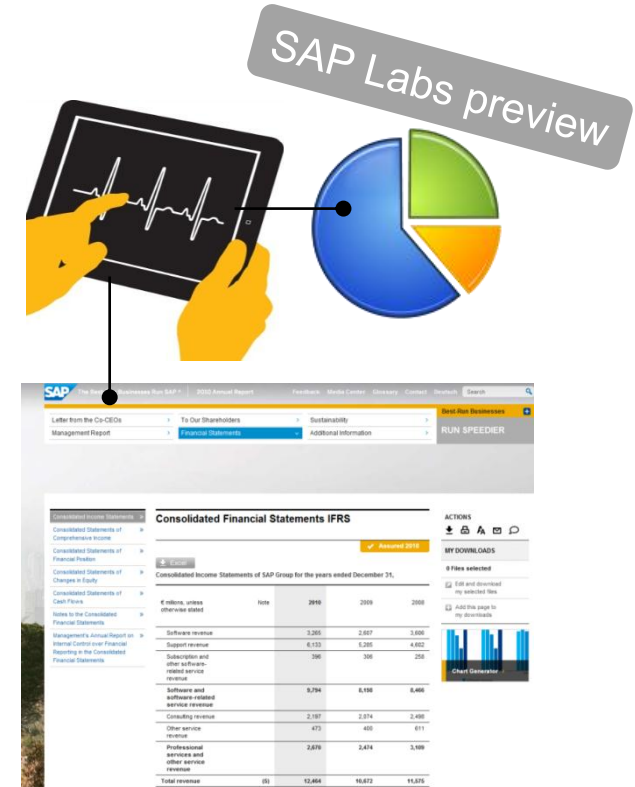
# Financial close starter kits

## Solution enhancements

- Starter kits integrated within financial close products, starting with SAP Financial Consolidation
- SAP Business Planning and Consolidation: starter kit for IFRS on the version for SAP NetWeaver – powered by SAP HANA – including corporate budget and forecast
- Financial close starter kits for U.S. GAAP compliance with SEC and Regulation S-X requirements
- SAP Disclosure Management, starter kit for E-Bilanz tax reporting
- First set of financial close KPIs on iPad, including consumer-app-like experience for reading disclosures and notes
- New service packages according to accounting regulatory change

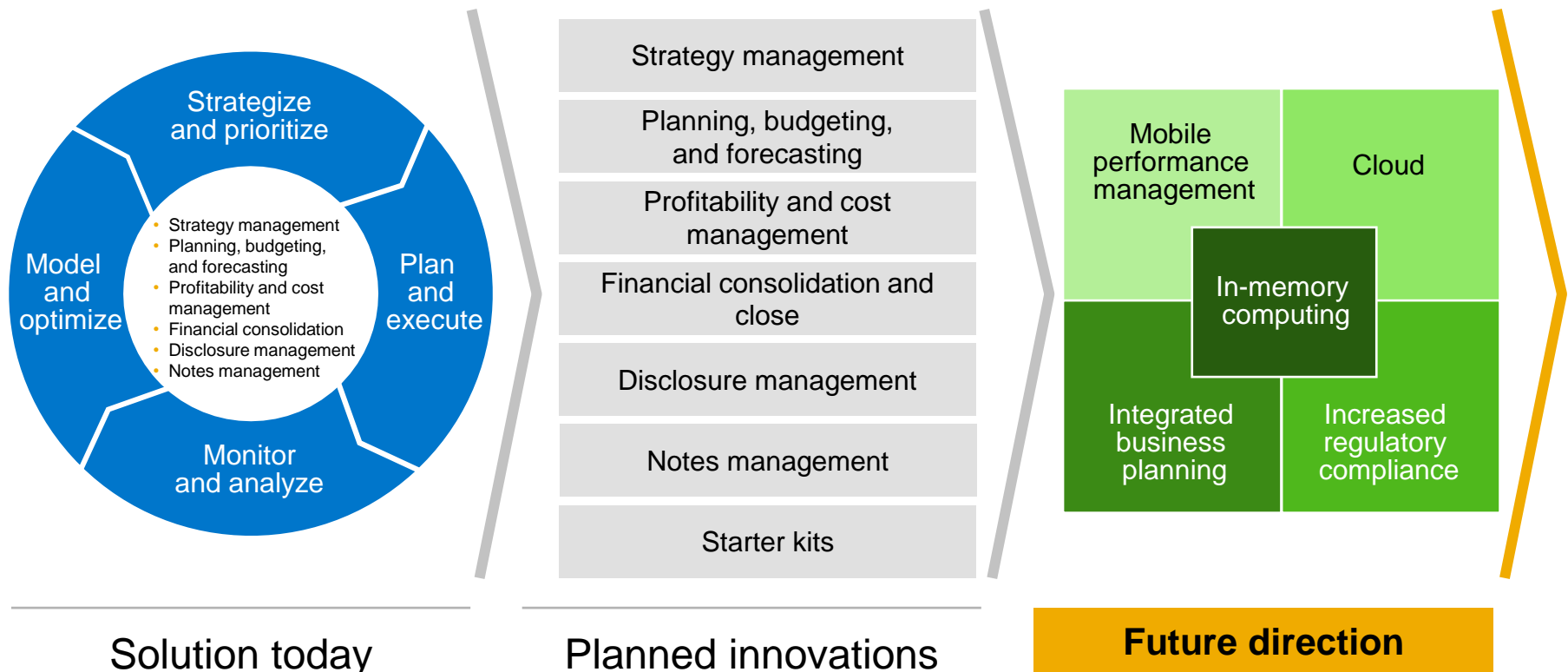
## Key benefits

- Software-oriented approach to regulatory complexity for better compliance, ease of use, and faster time to value
- Support of regulatory change, including IFRS 10, IFRS 11, revised IAS 27, and IAS 28
- Increased automation of consolidation of investment and mergers and acquisitions
- Ability to leverage the latest XBRL taxonomies as published by the IFRS Foundation and adopted and supported by the U.S. SEC
- Prebuilt key financial statements including 10-Q, 20-F, IAS 1, and IAS 7 financial statements
- New ways to explain financial data through mobile devices



## Planned innovations

# Overview of SAP road map for enterprise performance management for finance



# Key trends driving the future for enterprise performance management

## Growing need for integrated business planning

- Enablement of planning processes spanning strategic planning, financial planning, and sales and operations planning

## Increased regulatory complexity

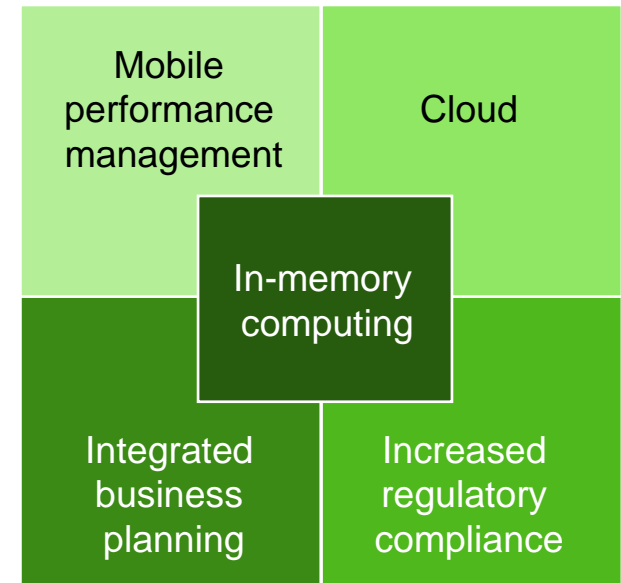
- Support for adoption of changing standards like XBRL and IFRS and changing attitudes towards risk

## Increasing number of deployment options and need to manage processes anytime and anywhere

- On-premise, hosted, virtual, and cloud
- Enterprise performance management (EPM) solutions on mobile devices and tablets

## Growing challenge of big data

- Increased organizational complexity requires organizations to collect, analyze and report on increasing volumes of data to spot key business trends



## Future direction

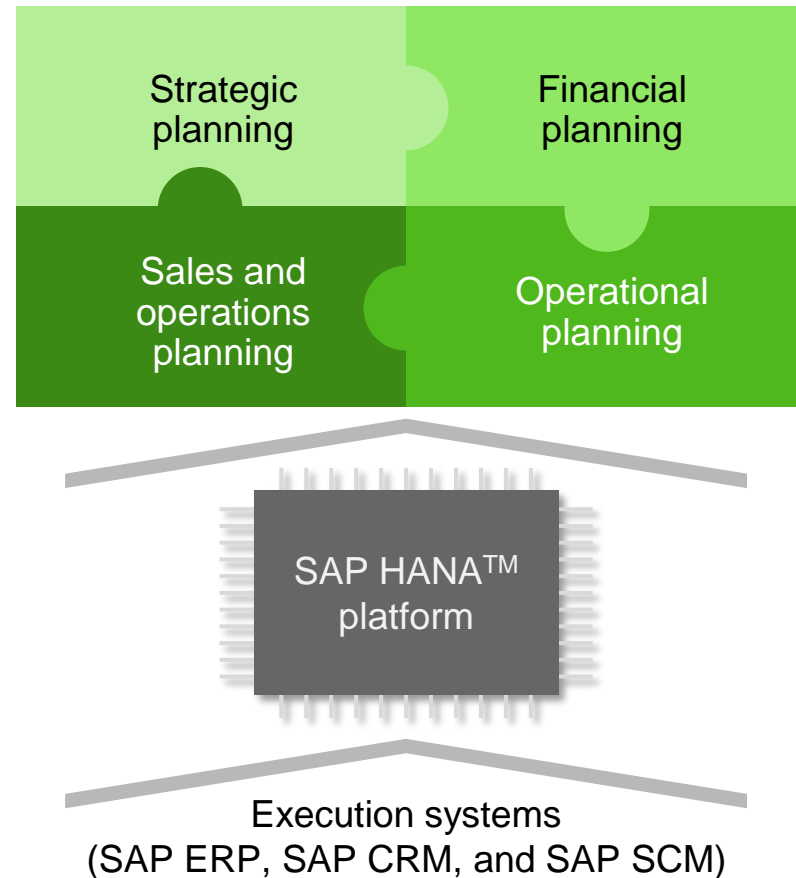
# Integrated business planning

**Single platform for real-time data, functional models, processes, security, UIs, and business logic across finance and beyond**

**Enabled by SAP HANA for complex calculations, large data volumes and real-time performance management**

**Support for any deployment and any device**

- On-premise, hosted, virtual, and cloud
- Device- and browser-agnostic
- Native integration with Microsoft Office



**Future direction**

# Increased regulatory compliance

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**Convergence of global accounting standards and drive towards global adoption of IFRS**

**Growing adoption of XBRL based filing for financial and business data in all geographies and across multiple regulatory frameworks**

**Changing nature of financial reporting with increased focus on disclosures, notes, narrative and non-financial indicators of business performance**



**Future direction**

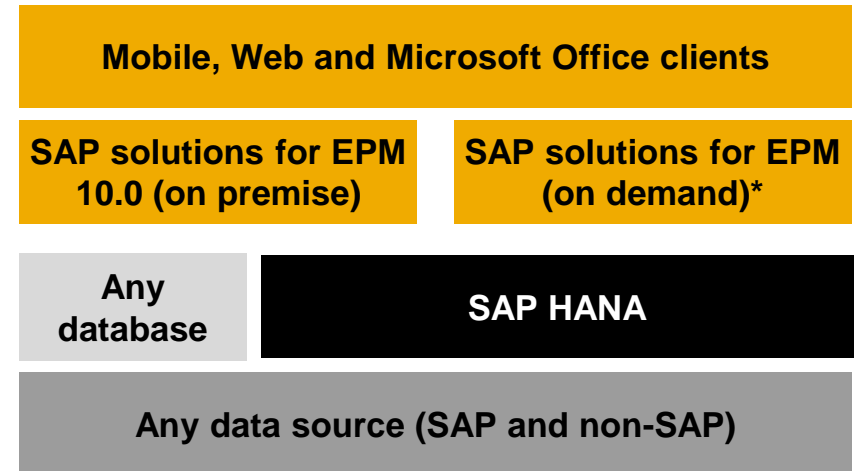


# Cloud – SAP HANA Application Cloud

## On-demand application platform based on SAP HANA:

- Instantly leverage the benefits of a high-performance, easy-to-consume on-demand solution
- Analyze and perform planning and profitability scenarios on big data

**Hybrid approach supporting on-premise and on-demand applications and enabling customers to leverage existing investments**



\* Planned future release – subject to change

**Future direction**

# Mobile performance management

## Leverage our mobility solutions, including SAP BusinessObjects Mobile and Sybase Unwired Platform

**Support various devices and platforms – provide a consistent user experience independent of device (smart phone, tablet, laptop, and so on) and platforms (Android, iOS, and so on)**

**Provide a simplified and user-friendly interface for EPM applications designed specifically for mobile devices**



## Future direction

# Resources

To find out more about how SAP can help finance and performance management professionals transform their business visit our new CFO and Finance Leadership Center:  
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DECEMBER 11 01:23 PM  
Fast-track companies increasing go off the rails!

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