



# Focus Workshop 'Finance as a Business Partner'

at the offices of Roche Pharma, Basel/Switzerland  
24-25 May 2007,

- Introduction, Objectives of the Meeting, Agenda -

**Juergen H. Daum,**  
**Chief Solution Architect,**  
**Business Solution Architects Group, SAP**

**1. Speed, flexibility, adaptability to change**

**2. Profit Growth**

**3. Sustained and steady top-line growth**

**4. Consistent execution of strategy by top management**

**5. Stimulating innovation / creativity / enabling entrepreneurship**

**6. [Product] Innovation**

**7. Customer loyalty / retention**

**8. Speed to market**

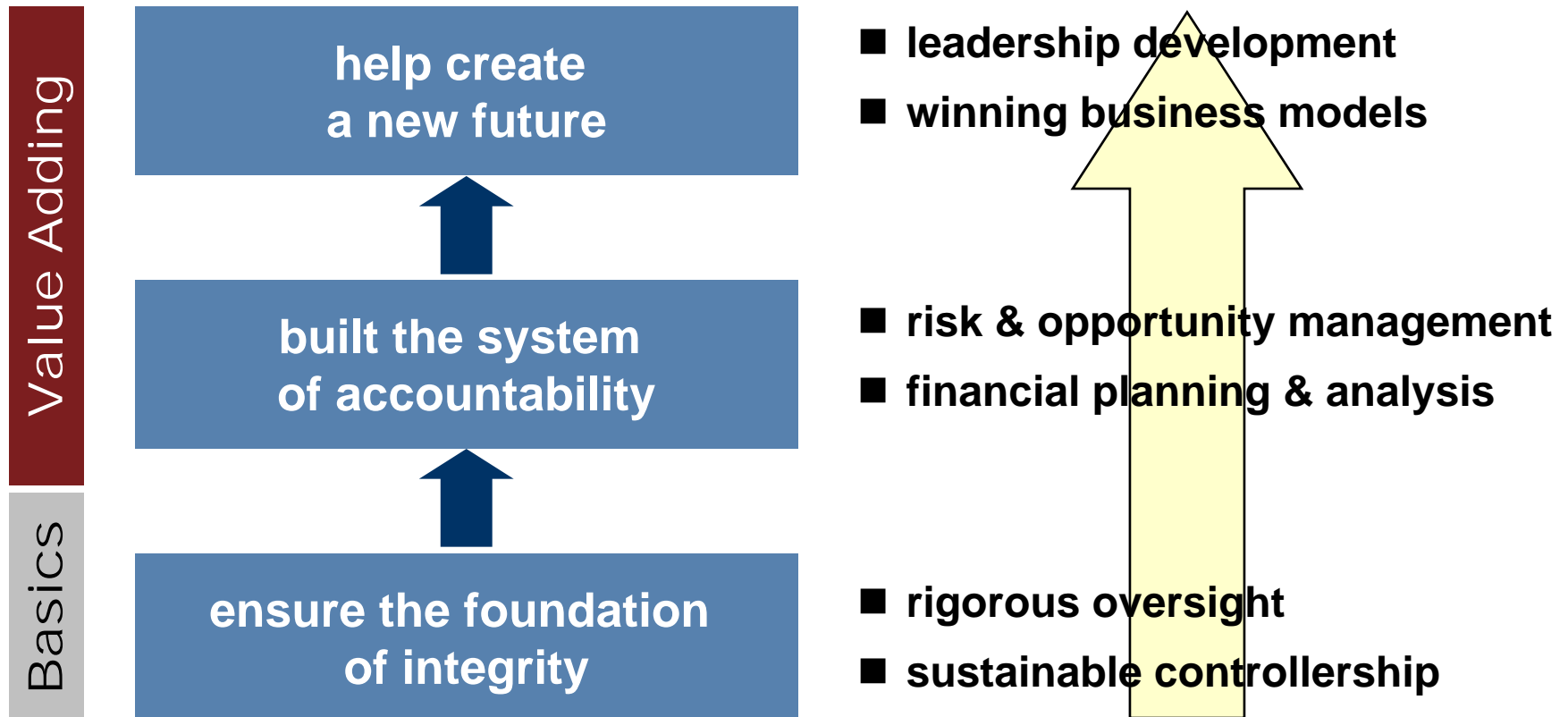
**9. Tight cost control**

**10. Improving productivity**

Source: The Conference Board



## Example: General Electric (Jeff Immelt's view)



Source: presentation of Björn Bergabo, CFO of GE Commercial Finance, at the SAP Finance Best Practice Workshop, 22 September 2005, Barcelona/Spain

# Finance as a business partner – the CFO view



“One major issue [for finance is] to develop the role further to improve support to better manage the business – and not just leave it up to the CEO to drive the business, to drive results..”\*

*Michael Silbermann, CFO of Microsoft Germany*

**„help to drive the business“**

**„help to develop the ,pipeline‘, rather than just report on it“**



“If we are honest, most finance professionals are still at the backend of the pipeline, still analyzing what others have done.

The challenge in the future will be to help to develop the pipeline rather than reporting on the pipeline and on the ideas of others.”\*

*Paul Koppelman, CFO of Commercial BHP Billiton*



“At SAP, our task as a business partner role as finance people is to support the transformation of the company, the transformation from a product company to a business solutions platform company with a growing focus on the volume business in the mid-market.

[... And for finance this ] especially implies a shift away from transactional processes to be able to focus more on the business partner role. We have to support this by implementing shared service structures around the world in order to free up resources to then better support the business.”\*

*Dr. Werner Brandt, CFO of SAP*

**„free up resources from transaction processing“**

\*Statements made during the panel discussions at the CFO Roundtable, 24 May 2006 in Prague, Czech Rep., and at the CFO Roundtable, 02 December 2005 in Vienna, Austria. Both panel discussions will be published in the forthcoming book: Daum, J.H. (ed.), Finance Transformation – The CFO as Business Partner and Business Navigator.



“There are two fundamental demands for the CFO of the future:

One is about reputation of the business: it's about risk management, it's about open accounting policies. It's also about initiation, perhaps self-initiation in terms of Corporate Governance.

[...] The other one is about decision-making support. I think we will see purely transactional financial processes disappearing out of the CFO task portfolio.

The CFO career of the future is therefore most likely based on experiences in the decision support and business analysis area and in that broad reputation/ limitation role.”\*

*David Kappler, retired CFO of Cadbury Schweppes*

## **„... finance and the CFO have to live a dual role“**



“We really have to live this dual role, these two different roles. And this means not only having two different mindsets, but to act in two very different ways

The co-pilot role requires you to continuously challenge and drive for innovation. [...]

On the other side, in your stewardship role, you have to be concerned at the same time about what Dominic Moorhead [from Roche Pharma] called in his presentation ‘guarding the financial peace’. [...] You have to ensure good financial governance.

So you have to balance both approaches and both roles.“

*Dr. Wolfgang Reichenberger, (at that time of the discussion) CFO of Nestlé*

\*Statements made during the panel discussions at the CFO Roundtable, 03 December 2004 in Venice, Italy., and at the CFO Roundtable, 02 December 2005 in Vienna, Austria. Both panel discussions will be published in the forthcoming book: Daum, J.H. (ed.), Finance Transformation – The CFO as Business Partner and Business Navigator

# The CEO view of the „role of today's CFO“

Example: General Electric (Jeff Immelt's view)

*- The dual role of finance -*



## Controllership

- record transactions properly
- prepare accurate reports and realistic forecasts
- secure assets / manage business risk
- ensure compliance

**Business  
leader**

**clarify the rules that  
have to be used to solve  
the problem**

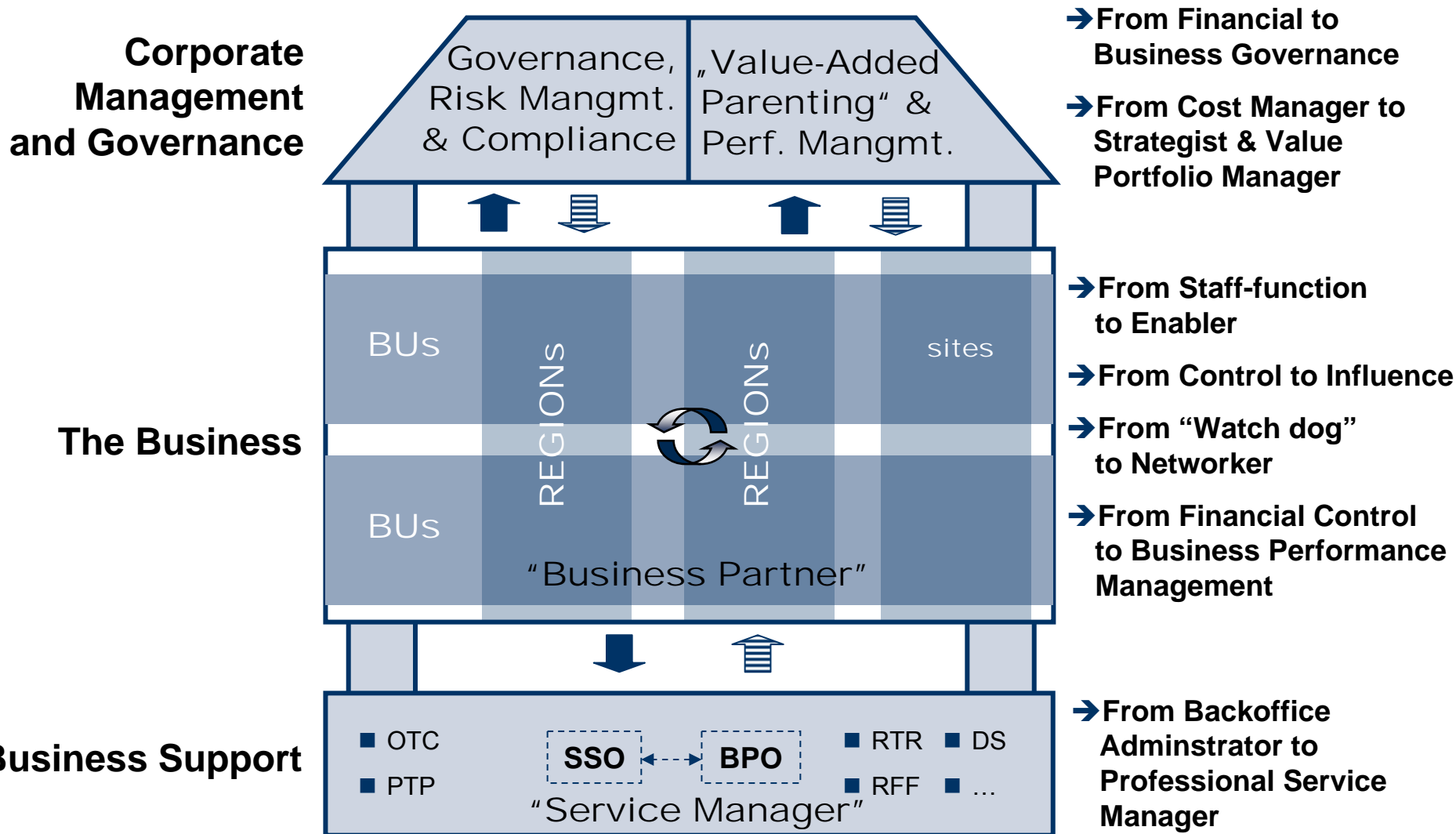
## Business Partnership

- meet commitments/make the numbers
- grow the business
- champion quality
- lead business initiatives

**Team  
Player**

**bring finance knowledge  
and business experience  
to complement expertise  
of other players**

Source: presentation of Björn Bergabo, CFO of GE Commercial Finance, at the SAP Finance Best Practice Workshop, 22 September 2005, Barcelona/Spain

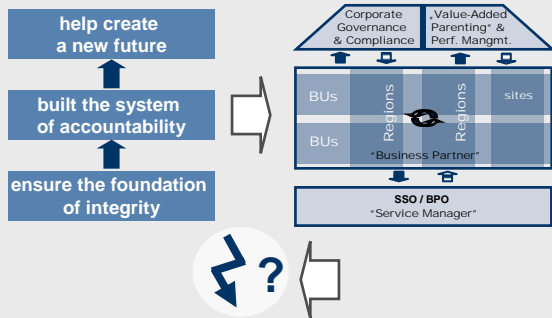


Source: Daum, J.H. (ed.), Finance Transformation – The CFO as Business Partner and Business Navigator, 2007

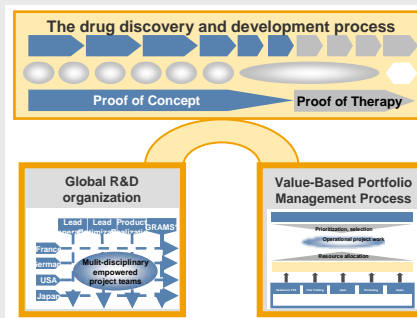
- **How to establish the necessary ‚financial leadership‘ in the organization?  
How to become ‚one financial team‘ across levels and departments and drive a common agenda across the world?**
- **What is the role of controllers / finance people at corporate level, in the business, in the business services centers? (→ who does what / how to organize?)**
- **What does business partnership mean in terms of competencies and skills of finance&control people? What are the consequences for training, recruitment, ...)?**
- **How to set up and structure processes, e.g. in performance management and decision support to fulfill the business partner role?**
- **How can a finance – R&D business partnership improve R&D productivity?  
How can we become more strategic in R&D decision making processes (rather than focusing just on the technical issues)? How can R&D performance management and decision support be simplified?**
- **How to gain acceptance as a business partner? („finance has to earn its stripes“)**
- **What are the building blocks of a successful transformation of finance to become a true business partner? What are the first steps?**
- **How to leverage tools (information systems such as BW)?**

# Structure of the workshop / workshop blocks

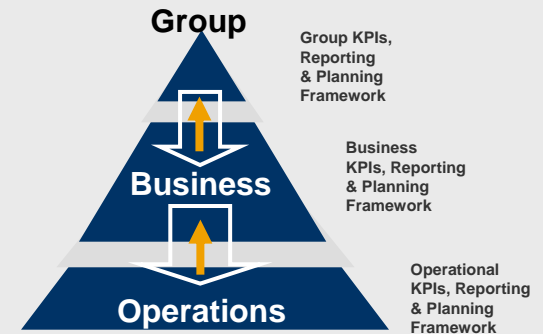
## 1. Business context; implications for role, tasks, processes; major challenges



## 2. Business partnering with R&D / in R&D perf. management and decision support

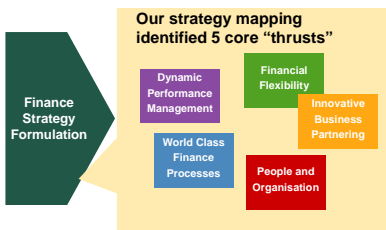


## 3. Corporate / local-relationship and business partnering

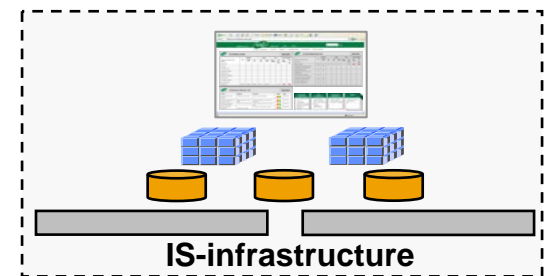
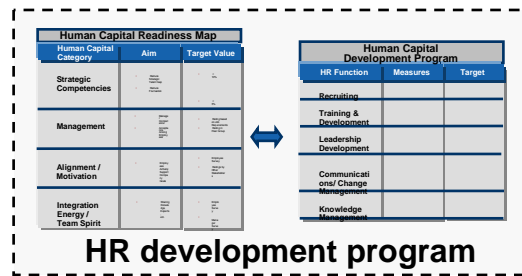


## 4. The building blocks of the transformation program

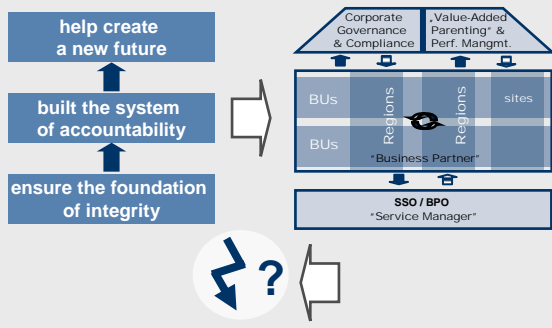
### The transformation program



### Critical enablers

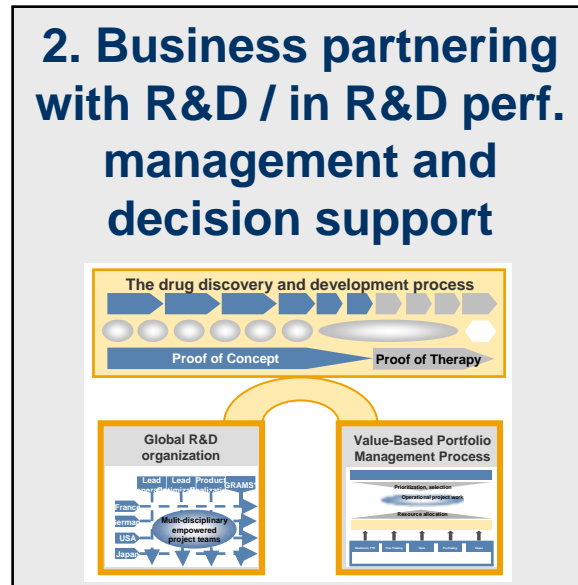


## 1. Business context; implications for role, tasks, processes; major challenges



- ▶ **What is the objective/purpose/business context of developing finance into a business partner?**
- ▶ **What are the consequences for the role and tasks of finance and for the processes**
- ▶ **What are the major challenges/open issues?**

## 2. Business partnering with R&D / in R&D perf. management and decision support



- ▶ How can finance help to create the necessary insights in R&D to improve the decisions making process (move to a more strategic approach in investment decisions and in steering the R&D process / simplify decision making) to, ultimately, increase R&D productivity?
- ▶ What are the major challenges/open issues?

## 3. Corporate / local-relationship and business partnering

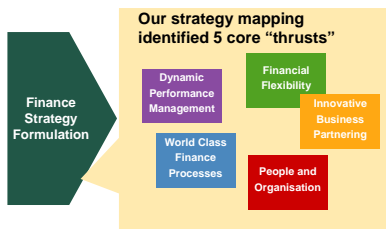


- ▶ How can finance be driven as a function in a more consistent way throughout the group and across local units?
- ▶ Should we apply everywhere the same model? (or differentiate between ‚growth units‘ and ‚profitability units‘)
- ▶ How to get acceptance as ‚business partner‘ – on corporate level / in the business?
- ▶ What are the major challenges/open issues?

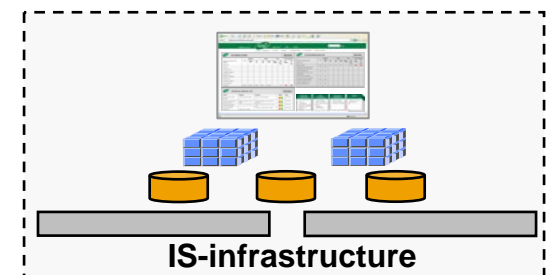
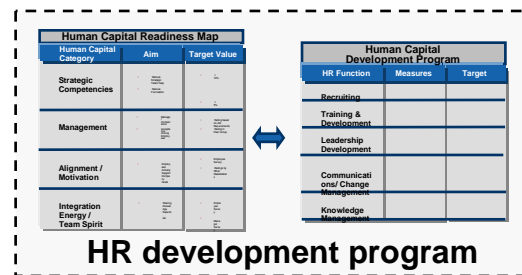
- ▶ How to define the ,roadmap' for the transformation? Where to start and on what to focus on first (,We can't do everything at once')?
- ▶ How to develop the new competencies and skills in finance? How to adapt recruitment
- ▶ How can information systems be leveraged?
- ▶ What are the major challenges/open issues?

## 4. The building blocks of the transformation program

### The transformation program



### Critical enablers



**This Focus Workshop should allow participants to exchange about their challenges in developing finance as a ‘business partner’ and to find together answers to the following questions:**

- **What does true business partnership mean: in terms of the role of finance&control, concerning the tasks, and the design of processes?**
- **What does it mean in the context of performance management and decision support in R&D: How can finance&control help to create more transparency to improve the decision making process to move to a more strategic approach and to increase overall R&D productivity?**
- **What does it mean in a context where in the past the local units had a large degree of freedom (very decentralized) and where now the finance&control function shall be driven in a more consistent way throughout the worldwide operations (role of corporate vs. local, where to draw the line)?**
- **How to best manage the transformation process. What are the major building blocks (role of competence building program, recruitment policy, and information systems...)? Where to focus on first?**

**10:00 Welcome and introduction to the meeting facilities**  
*Claus Karg, Roche Pharma*

**10:10 Objective of the meeting / introduction to the workshop topic**  
*Juergen Daum, SAP*

**10:40 Introduction of the participants / the participating companies**  
(each 5-8 min)

**11:15 Break**

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## **Workshop block I: Business context + implications for role, tasks, processes**

**Presentations (30 min + questions) from some of the participating companies on:**

- **Objective/purpose/business context of developing finance into a business partner**
- **What are the consequences for the role and tasks of finance and for the processes**
- **What are the major challenges/open issues**

**11:40 Intro** (*Juergen Daum, SAP*)

**11:45 Finance transformation and finance-business partnering at Tetra Pak:**  
objectives, status, major challenges  
*Bill Cowie, Tetra Pak*

**12:20 Finance transformation and finance-business partnering at Roche Pharma:**  
objectives, status, major challenges  
*Claus Karg, Roche Pharma*

**13:00 Lunch break**

## **Workshop block I: Business context + implications for role, tasks, processes**

**14:00** Finance transformation and finance-business partnering at Nestlé  
*Kevin Berryman, Nestlé*

**14:40** Discussion around 'Business context and implications for role, tasks, processes'

**15:30** Break

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## **Workshop block II: Business partnering in R&D performance mngmt/dec. support**

**Presentations from some of the participating companies on:**

- Current project in re-organising R&D performance management: objectives and status
- What are the major challenges/open issues/solutions for improving R&D performance management/decision support
- Implications for the role of finance as a business partner

**16:00** Intro (*Juergen Daum, SAP*)

**16:05** Finance&Control as a business partner in R&D performance management and decision support at Nestlé: strategy, current processes, discussion points  
*Caroline Kuyper, Nestlé*

**16:30** Finance&Control as a business partner in R&D performance management and decision support at Roche Pharma: objectives, concept, status, and major challenges  
*Petra Storsberg, Roche Pharma*

**17:10** Discussion around 'Business partnering in R&D performance mngmt/dec. support'

**18:45** End of workshop day

**19:30** Dinner

## **Workshop block III: Corporate / local-relationship and business partnering**

**08:30 Recap of day I and intro to block III**  
*Juergen Daum, SAP*

**Presentations from some of the participating companies on:**

- How to drive the finance&control function in a more consistent way throughout the worldwide operations
- What is the role of corporate, what is the role of local finance&control
- How to live the business partner role?

**08:40 Implementing strong ‘financial leadership’ at Tetra Pak: group vs. local and the business partner role of finance**  
*Bill Cowie, Tetra Pak*

**09:20 Driving a common finance&control agenda across the world: group vs. local and the business partner role of finance**  
*Kevin Berryman, Nestlé*

**10:00 Break**

**10:30 Financial governance and business partnership: ‘Financial Peace’ – strengthening business partnership at Roche Pharma**  
*Fred Brecht, Roche Pharma*

**11:10 Discussion around “Corporate / local-relationship and business partnering”**

**12:30 Lunch break**

## Workshop block IV: The building blocks of the transformation program

Short presentations (20 min + discussion) from some of the participating companies on:

- their thoughts and concepts on the competence development challenge
- role of information systems in business partnering
- where to start / on what to focus first – about a possible roadmap

13:00 Intro (*Juergen Daum, SAP*)

13:05 The finance&control training program at Nestlé  
*Ewout Ruitenbergh, Nestlé*

13:35 Defining the skill set of future Finance Managers: The Career Framework for Roche Finance  
*Claus-Peter Karg, Roche Pharma*

14:10 Finance transformation at TNK-BP: projects, current status, challenges  
*Georgy P. Vladislavov, TNK-BP*

14:45 Break

15:15 Discussion around “The building blocks of the transformation program”

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## Summary and final discussion:

16:15 Feedback from the participants / discussion of:  
- Lessons learned  
- (Other) open questions – proposals for future Focus Workshops  
- General feedback  
Moderation: Juergen H. Daum

16:30 End of workshop

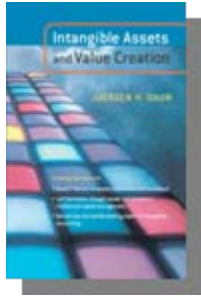


- ▶ **CFO adviser and Chief Solution Architect, Business Solutions Architects Group at SAP EMEA**
- ▶ **Author, lecturer and trainer in enterprise management, finance transformation, and innovation and entrepreneurship**

## Career background:

- ▶ CFO in a mid-sized German company before joining SAP in 1992
- ▶ Five years in SAP's field organization in Germany and Europe: sales, consulting, product management with the focus on financials and enterprise management
- ▶ Five years in SAP's product development: Product Manager SAP R/3 EC and Strategic Enterprise Management (SEM), Program Director for mySAP Financials
- ▶ Since 2002: advising CFOs, and finance professionals of European companies - current focus on finance transformation & enterprise performance management
- ▶ Frequently publishing and speaking on enterprise management, finance transformation and other management topics; author of the books "Intangible Assets and Value Creation" (2003) and "Beyond Budgeting" (2005) - more at <http://www.juergendaum.com>

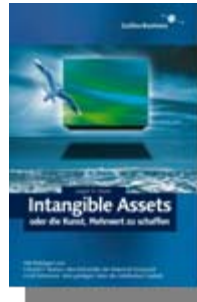
## Books:



### Intangible Assets and Value Creation by Juergen H. Daum

John Wiley & Sons,  
Chichester, 2003  
ISBN 04708455120

More information at  
<http://www.juergendaum.com/mybook.htm>



### Intangible Assets oder die Kunst, Mehrwert zu schaffen von Jürgen H. Daum

Galileo Press, Bonn, 2002  
ISBN 3-89842-112-0

Mehr Informationen unter:  
[http://www.juergendaum.de/mybook\\_d.htm](http://www.juergendaum.de/mybook_d.htm)



### Beyond Budgeting

von Jürgen H. Daum (Hrsg.)

Martin Meidenbauer Verlag,  
München, 2005,  
ISBN 3-89975-533-2

Mehr Informationen unter:  
[http://www.beyondbudgeting.de/bb-buch\\_d/bb\\_buch\\_d.htm](http://www.beyondbudgeting.de/bb-buch_d/bb_buch_d.htm)

## Contribution to book's of others (selection):



### The CFO as Business Integrator

by Cedric Read, Dieter Scheuermann  
and the mySAP Financials Team  
John Wiley & Sons, Chichester, 2003  
ISBN 047085149X



### Intangibles in der Unternehmenssteuerung

von Peter Horváth und  
Klaus Möller (Hrsg.)  
Vahlen, München, 2004  
ISBN 3-8006-3035-4



### Neugestaltung der Unternehmensplanung

von Peter Horváth und  
Ronald Gleich (Hrsg.)  
Schäffer-Poeschel, Stuttgart, 2004  
ISBN 3791021079

For the complete publication list see: <http://www.juergendaum.com/publications.htm>



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