

# The SAP Executive Value Network for Finance

(formerly known as 'SAP Finance Best Practice Network')

Jürgen H. Daum, Chief Solution Architect and co-founder, Executive Value Network, SAP

January 2011



# The SAP Executive Value Network for Finance

## - Purpose and objective

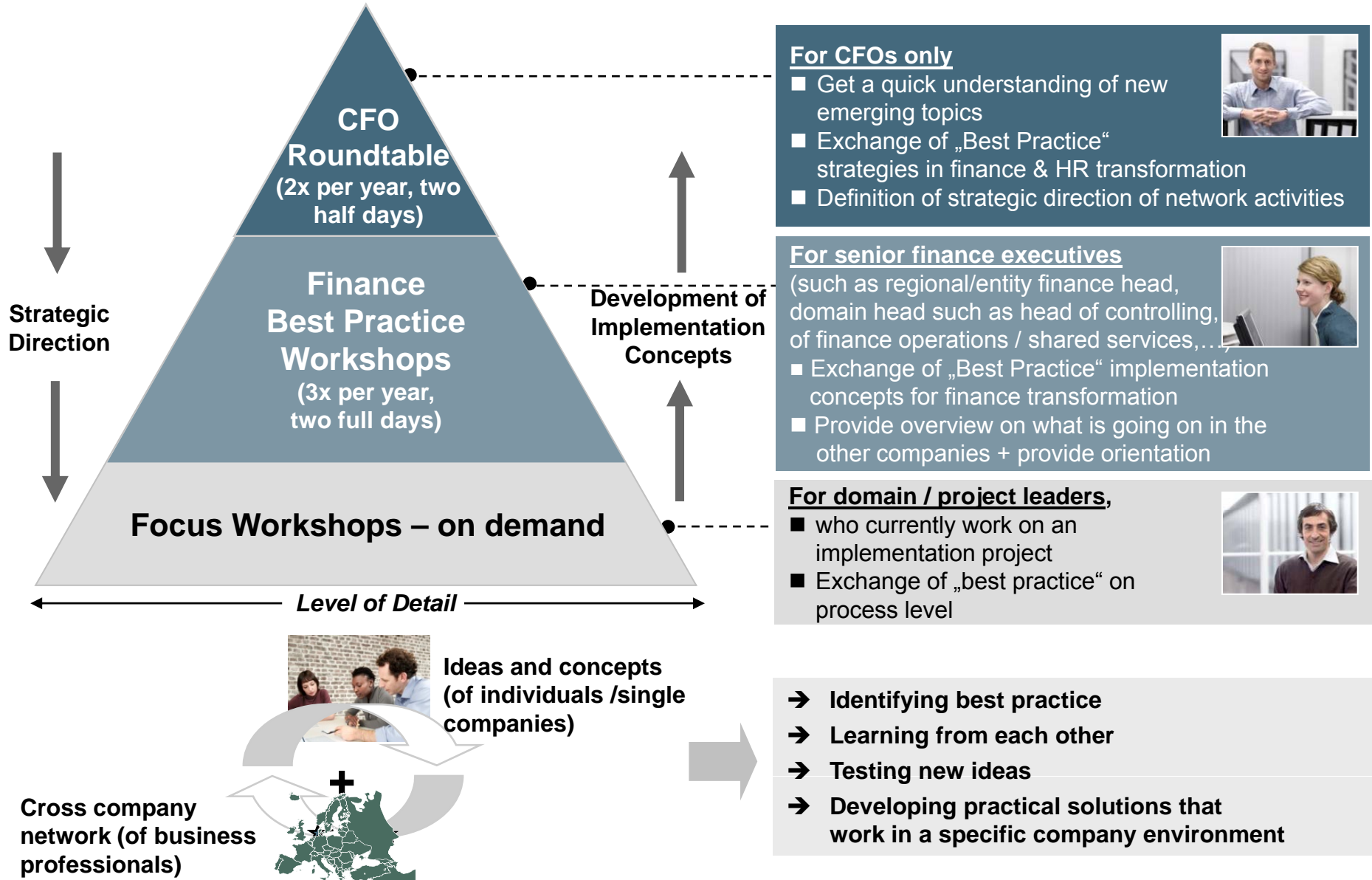


- The Executive Value Network is a **business community of practice** for CFOs, senior finance executives and finance professionals.
- The purpose of the network is to **facilitate a holistic exchange about finance best and next practices** and about **practical experiences** in finance transformation.
- For member companies it's a **key element** of their journey to **transform their finance organization successfully**



# The SAP Executive Value Network for Finance

## - What is it?



# The SAP Executive Value Network for Finance

## Participants of past events (Selection)



# The SAP Executive Value Network for Finance

## Value-Add for Participants



- ▶ Save time in understanding best practice and new business concepts
- ▶ Reduce uncertainty: assess in an effective way where you are already “good enough” and where there is room for improvement, test ideas
- ▶ Develop in an efficient way your individual best practice approach and align your organization accordingly
- ▶ The network enables you to help yourself through peer contacts
- ▶ Receive unbiased advice (i.e. workshop topic selection is fully member-driven)
- ▶ Touch base with third-party or SAP domain experts on demand
- ▶ Learn how information technology can help to improve your business performance and finance efficiency and effectiveness
- ▶ Access to research results and workshop documentation online
- ➔ Improve your personal performance and that of your organization

# The SAP Executive Value Network for Finance

## Participant's testimonials (selection)



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**„Absolutely excellent. This event is a fantastic opportunity to share and learn from each other. These last 2 days were really great. A lot of content, very good contacts and networking and again professionally organized and presented. With a special thanks to the SAP team for doing such a great job. I love this, I am a big fan.”**

*Clive Thomas, FC&A Solutions Director, BP (UK)*

**“This meeting helps us to align where we are and where we are starting from. This session was excellent, it is good we do not need to work in a vacuum”**

*Rupert Taylor, Director Finance Change, Barclays Bank (UK)*

**„I will gladly participate again in these events. I think it is the ideal platform for an exchange of experiences“**

*Dr. Jürgen Ott, Head of Global Reporting, Allianz Group (D)*

**„Many thanks to you and your team for a very enjoyable CFO Roundtable last week - it was an excellent opportunity to address common issues with peers in an open & constructive environment.**

**I look forward to the next meeting.“**

*Dominic Moorhead, CFO, F. Hofmann-La Roche Pharma (CH)*

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# The SAP Executive Value Network for Finance in 2010



## Finance Best Practice Leaders

### Finance Best Practice Workshop I

February 4-5, 2010  
Barcelona, Spain

- Finance Shared Services & BPO
- EPM/Planning & Analytics



### Finance Best Practice Workshop II

September 30 –  
Oct. 1, 2010 Vienna, Austria

- Finance Operations
- Strategic Cost Mgt.
- Panel on Shared Services Experiences



## CFOs

### 13<sup>th</sup> European CFO Roundtable

July 1-2, 2010  
Frankfurt, Germany

- Shaping the Future – Thriving in a Changing World



### 14<sup>th</sup> European CFO Roundtable

December 2-3, 2010  
Amsterdam, NL

- Finance as a Business Partner - Steering the Course to Success



## About the Focus Workshops of the SAP Executive Value Network



- The Focus Workshops are member driven workshops – in addition to the formal network meetings (Finance Best Practice Workshops and CFO Roundtables) and organized and prepared by the Executive Value Networks (EVN) group of SAP.
- The objective is to allow the topic owners/project managers of the member companies to explore topics in more detail and to exchange ideas, experiences and lessons learned.
- The selection of workshop topics is based on the input and request of member companies.
- The total number participants should not exceed 15 people.
- Active contribution is expected from all participants.
- Focus Workshops are usually hosted by one of the member companies (usually the company that has initiated the workshop).
- Where appropriate, a Focus Workshop may include also a site visit (e.g. to a Shared Services Centre) and contribution from additional experts from SAP or third parties.

# Focus Workshops

## Finance - 2010



### Topic, date and location:

### Host(s):

- Information Architecture for BI  
March 11-12, 2010 in Hamburg



- Consolidation & Closing  
June 7-8, 2010 in Zurich



- Quality and Knowledge Mgmt. in Shared Services  
June 24-25, 2010 in Krakow, Poland



- R & D Controlling Process and Information Management  
November 9-10, 2010 in Basel



### Candidates

- Working Capital Management
- Global Finance (IS Infrastructure and IS Architecture)
- Focus Workshop: Performance Management, BI/Dashboards
- Focus Workshop: Scenario Planning, Flexible Budgeting, Forecasting

# The Executive Value Network for Finance in 2011



CFOs

15<sup>th</sup> European  
CFO Roundtable  
July 13-14, 2011  
St. Petersburg, Russia

- Competing for Growth and High Performance - Winning in the New Environment



16<sup>th</sup> European  
CFO Roundtable  
December 1-2, 2011  
Venice, Italy



Finance Best Practice Leaders

Finance Best Practice  
Workshop I  
February 24-25, 2011  
Florence, Italy

- Finance as a Business Partner:
- As Controller
- As Shared Services Org.



Finance Best Practice  
Workshop II  
May 26-27, 2011  
Munich, Germany

- Reporting & Analytics
- Financial Supply Chain Mgmt.



Finance Best Practice  
Workshop III  
November 10-11, 2011  
Budapest, Hungary

- Shared Services
- tbd



# SAP Executive Value Networks for Finance and HR




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> Your Resource Center

**SAP FINANCE BEST PRACTICE NETWORK ONLINE COMMUNITY**

THANK YOU FOR YOUR INTEREST IN THE SAP FINANCE BEST PRACTICE NETWORK



The SAP Finance Best Practice Network, open to an exclusive group of Senior Finance Executives and CFOs from multinational European organizations, was created to provide effective information sharing and time-efficient access to a wide range of topics of current relevance for finance, accounting, controlling/enterprise performance management executives and experts.

You and your finance team are given case examples by other practitioners on how to solve issues such as designing your vision on improved financial processes, create a solid financial infrastructure and how to prepare your finance function for a future with less "number crunching" and more business partnering. Bridge the gap between business and IT and determine how new technologies can support innovative business processes that can help your finance team creating value for the business and your company to increase profitability.

**Participate in a Unique, Collaborative Environment**

Members enjoy the opportunity to discuss today's pressing business issues with other executives from network events per year: three SAP Finance Best Practice Workshops and two CFO Roundtables. In the current challenges both on a more operational and strategic level with an organization. Another important topic are SAP Finance Best Practice Workshops, where smaller groups of active customers come together to discuss very much in detail current challenges.

Topics include:

**Executive Value Network for Finance**  
<http://www.sap.com/solutions/business-suite/fbpn>


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> Your Resource Center

**SAP HUMAN RESOURCE BEST PRACTICE NETWORK ONLINE COMMUNITY**

DISCUSS AND EXCHANGE BEST AND NEXT PRACTICE IN HUMAN RESOURCE



Meet your peers from leading European companies to discuss today's HR challenges and solutions.

Facilitated by SAP, The Human Resource Best Practice Network is a business community and network for HR best practice leaders at an executive level- across industries, across Europe. It is a place to exchange ideas, concepts and experiences, and drive the next generation of HR practice forward.

Human Resource Management is under pressure. The business is demanding better service and information at lower cost. Workforce demographics, reskilling, outsourcing, offshoring, flexible work, contracting, employee branding and talent management require urgent attention. People issues are resonating at the board level, with CFOs and CEOs concerned about risk management, intangible asset accounting, enterprise performance management, and creating value for future growth. Investors demand clear succession plans, and a clearer view of the organization's human capital strengths and weaknesses. At the same time, the compliance burden grows ever heavier.

Can you leverage compliance demands to drive better processes? Is your HR department and the profession in general up to the challenge? Will you deliver the necessary base transactional excellence? Will you partner with the business and provide the strategic guidance that boards need? Does outsourcing make HR irrelevant? Where do I start? What have others done to be successful? What's the benchmark? How do we measure success?

At SAP we believe these are important questions. They demand debate, discussion, deliberation and delivery beyond the confines of the software sales cycle. Building on the success of the SAP Finance Best Practice Network - in operation since beginning of 2004 - we wanted to add a new dimension to the debate. So we have decided to launch the HR Best Practice Network, since there are significant similarities between HR and Finance

**Executive Value Network for HR**  
<http://www.sap.com/solutions/business-suite/hbpn>

## **Finance Transformation: Vision, Objectives, Strategies for ‘making it happen’**

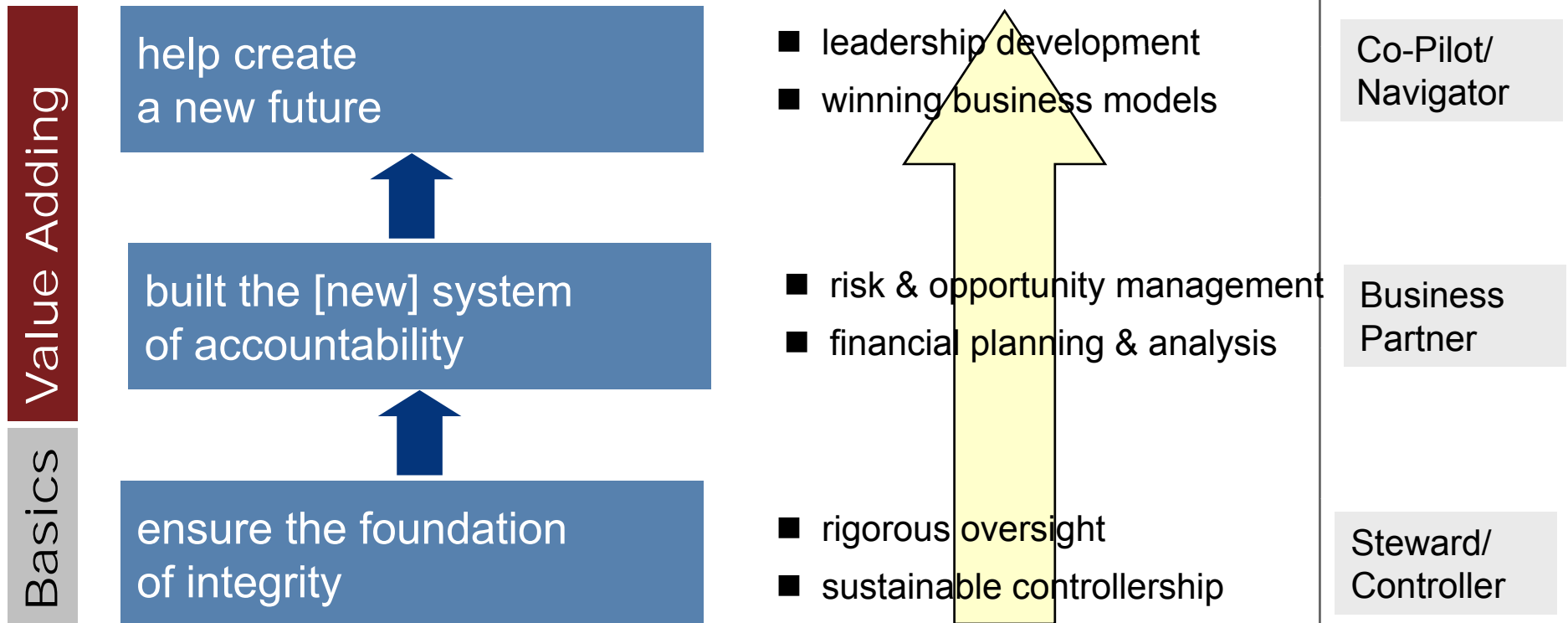


# Insights from SAP Executive Value Network

## The CEO's expectations regarding the role of finance



Example: U.S. Multinational (the CEOs view)



Adapted from the presentation of Business Unit CFO of U.S. Multinational, for the SAP Executive Value Network (SAP Finance Best Practice Workshop)

# Finance&Control as business partner and co-pilot - the CFO Vision



“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.”<sup>1</sup>

*Paul Koppelman, former CFO of Commercial BHP Billiton*

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

**„Finance has to live a dual role“**



“We have to live two different roles.

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 guarding the ‘financial peace‘. [...] So you have to balance both approaches and both roles.”<sup>2</sup>

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

<sup>1</sup>Source: Daum, J., Koppelman, P., Lévi, Ch., Silbermann, M., “Go for Growth - a discussion with the CFOs and senior finance executives of BHP Billiton, Electricité de France (EdF), and Microsoft Germany,, in: Finance Director Europe, issue 2, 2008, pp 60-63

<sup>2</sup>Source: Daum, J., Brandes, D., Brandt, W., Davies, D.C., Kestens, J., Moorhead, D.: Innovation management and the role of finance: status, challenges and vision. A discussion with the senior executives and CFOs of six leading European companies, in: Controller Magazin, 6/2007, pp 595-603

# Finance transformation strategies: How to move to finance excellence – the CFO view

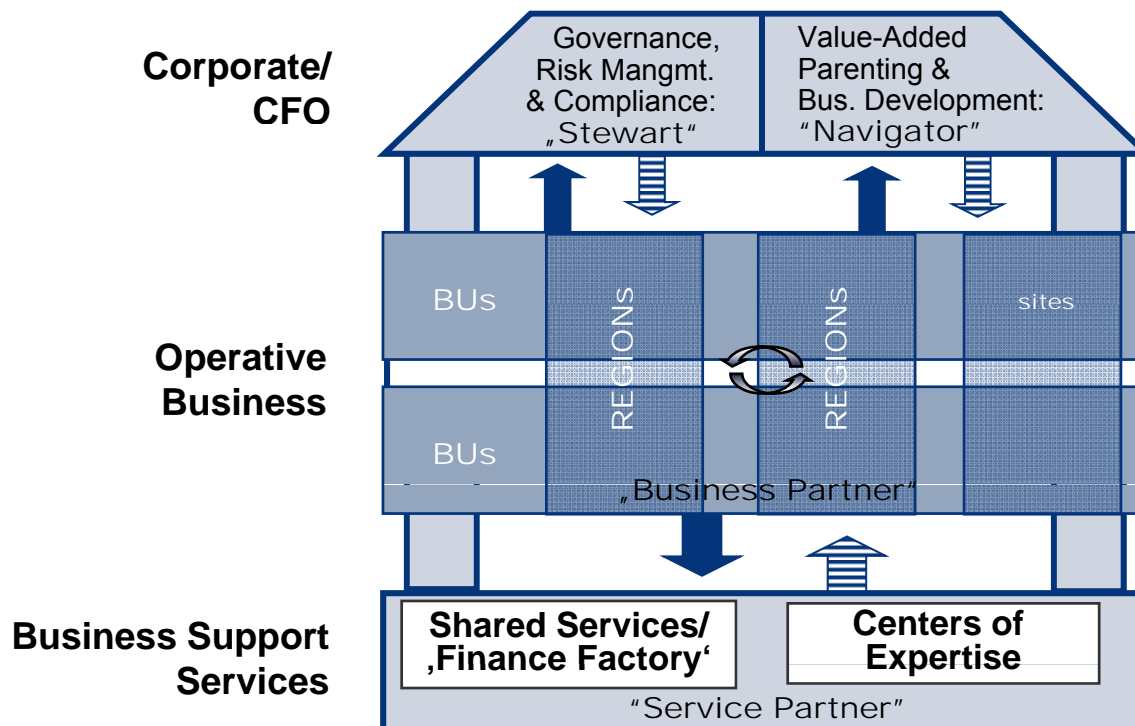


“At SAP, our task as a business partner role as finance people is to support the transformation of the company. [...]”

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.”<sup>1</sup>

*Dr. Werner Brandt, CFO of SAP*

**“We have to free up resources [first] to [be able] to then better support the business.”**



**The consolidation of financial services and the optimization of financial processes is the prerequisite and enabler that finance people in the business can focus on their business partner role and on finance effectiveness**

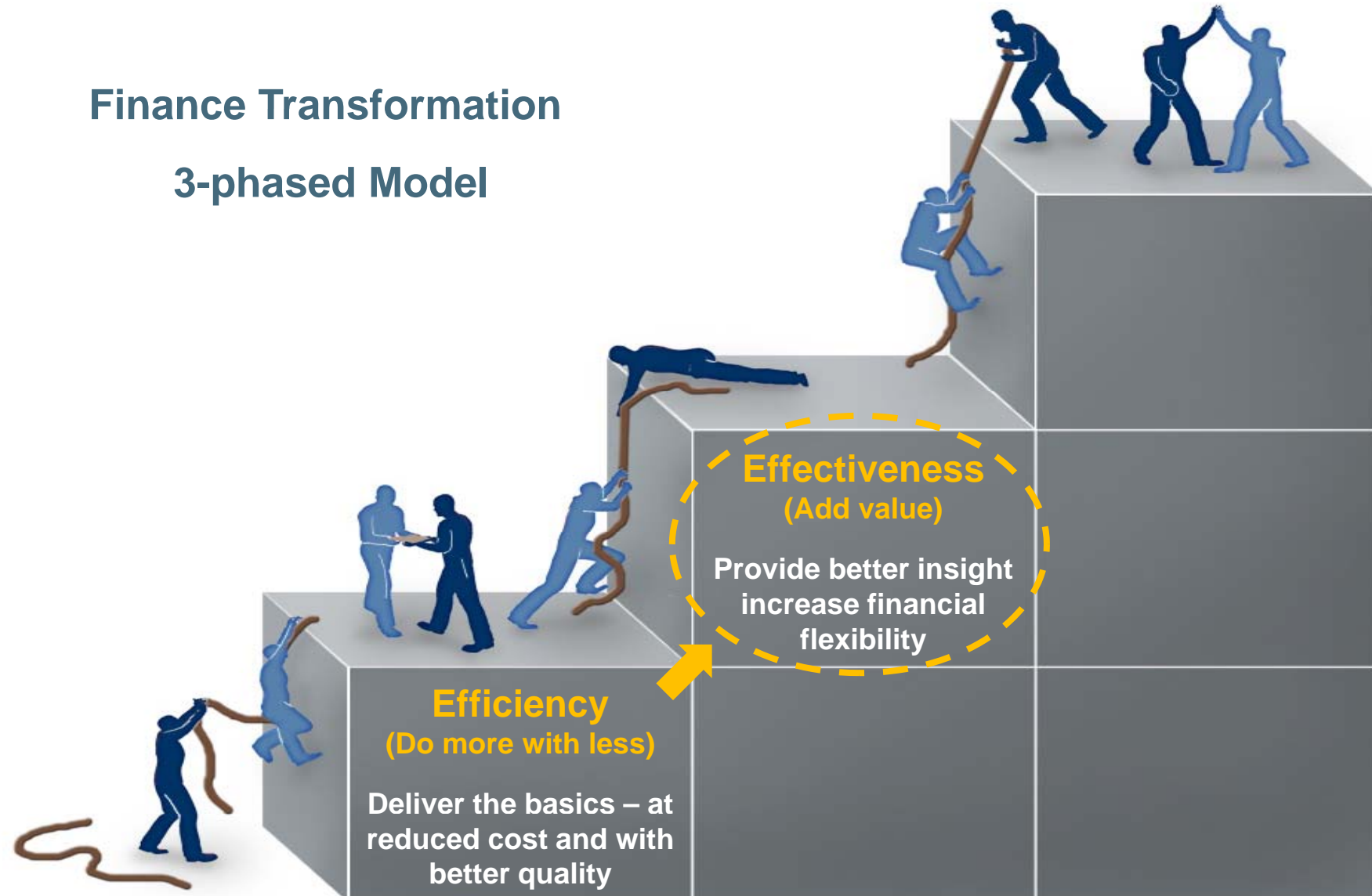
<sup>1</sup> Source: Daum, J., Brandes, D., Brandt, W., Davies, D.C., Kestens, J., Moorhead, D.: Innovation management and the role of finance: status, challenges and vision. A discussion with the senior executives and CFOs of six leading European companies, in: Controller Magazin, 6/2007, pp 595-603

# Finance as a true Business Partner – Strategies for Finance excellence



## Finance Transformation

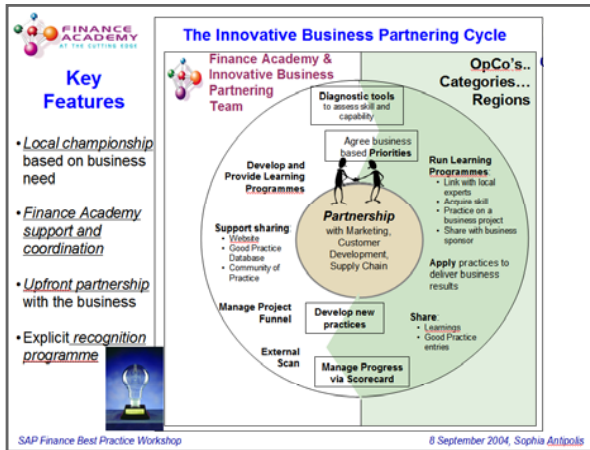
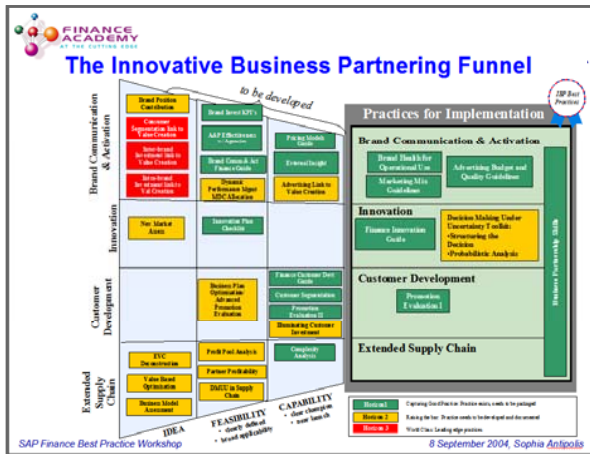
### 3-phased Model



# Finance as a Business Partner and Co-Pilot Programs to visibly improve business effectiveness (examples)

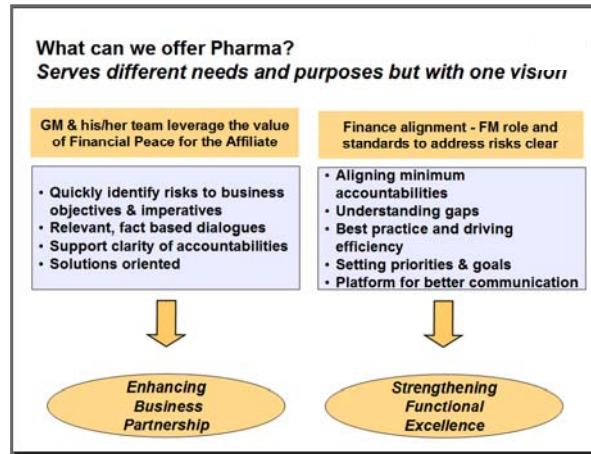


## Finance-Business Partnering at Big Consumer Products to drive profitable growth



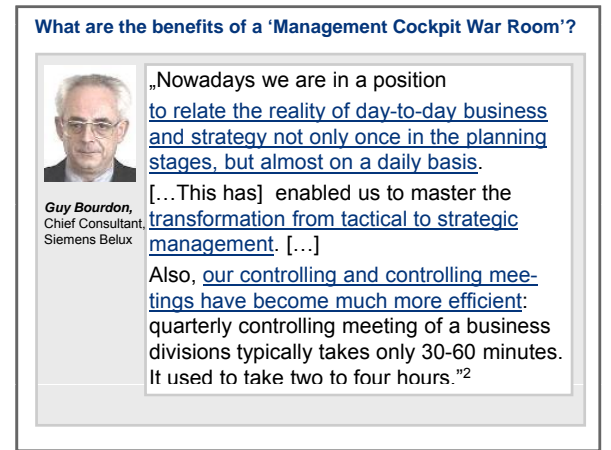
Source: presentation of Head of Finance Transformation, at the SAP Finance Best Practice Workshop, Sophia Antipolis, France

## Finance-Business Partnering at Big Pharma to ensure 'Financial Peace'



Source: Presentation of CFO, at the SAP CFO Roundtable, in Geneva/CH

## Business Partnering at Siemens Belux to improve productivity of management teams

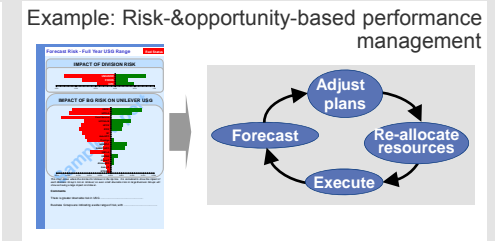
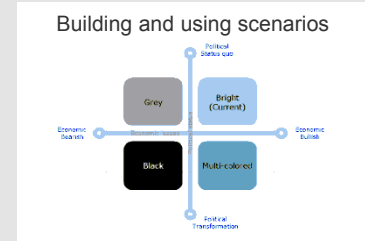


<sup>2</sup>Source: Daum, J.H./Bourdon, G., Strategy & Performance Management bei Siemens Belux und die Rolle des Management Cockpit War Rooms. in: Jürgen H. Daum (ed.), Beyond Budgeting, Munich 2005, pp 203-226

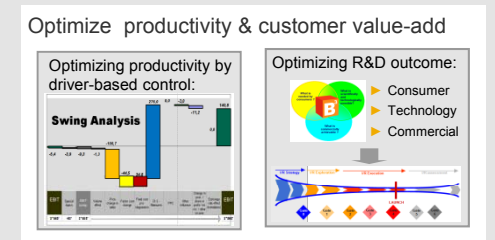
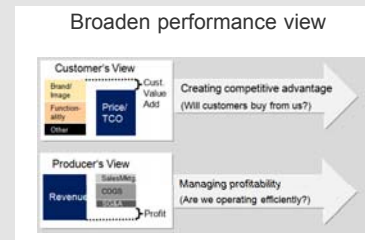
# Finance-Business Partnering Opportunities – Providing fact-based decision support



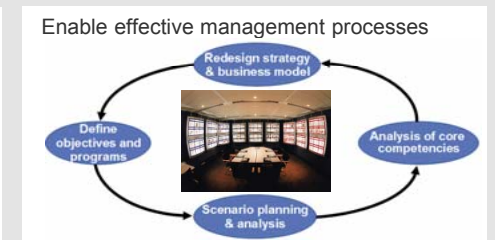
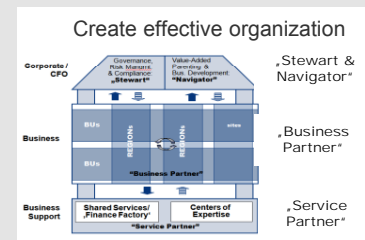
- ▶ Create transparency on strategic and operational risks and opportunities



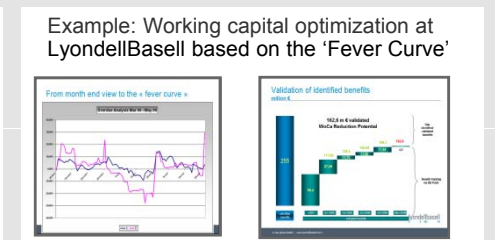
- ▶ Help to focus the enterprise on productivity and customer value-add (to improve competitiveness, pricing power and profitability)



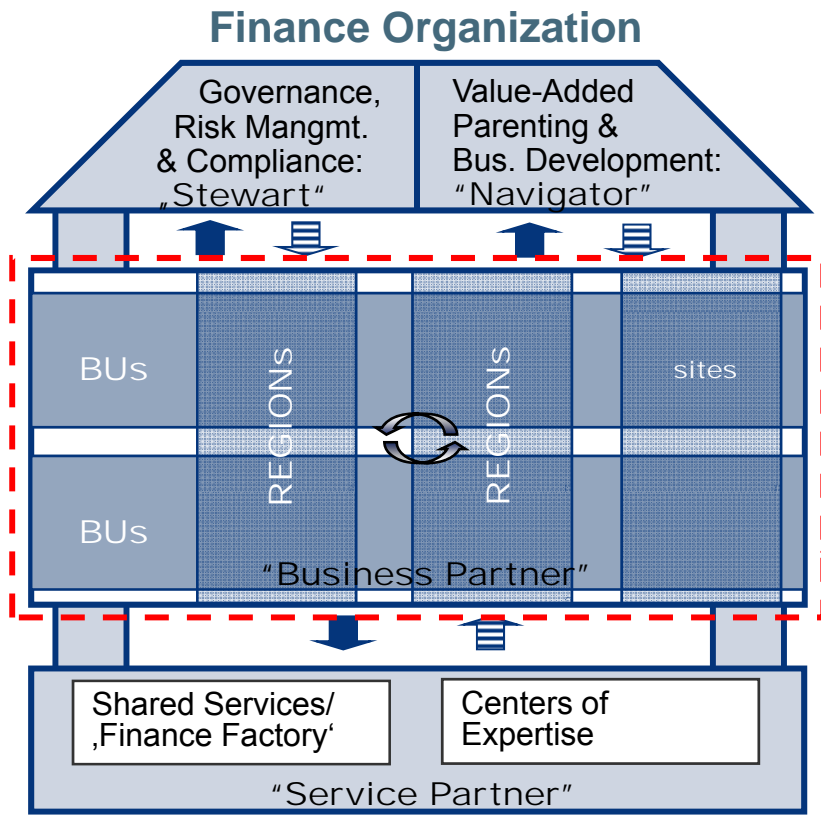
- ▶ Enable effective management processes / decision-making + help to create an effective organization



- ▶ Secure liquidity and manage cash and working capital in effective ways



# High level concept for finance service delivery model in focus: drive business effectiveness through business partnering



### Finance-Business Partnering



Be a good co-pilot



Run effective performance management processes and decision meetings

### Role of Finance in a changing world:

**Helping the business to master critical inflection points and to drive business effectiveness (resulting in profitable growth)**

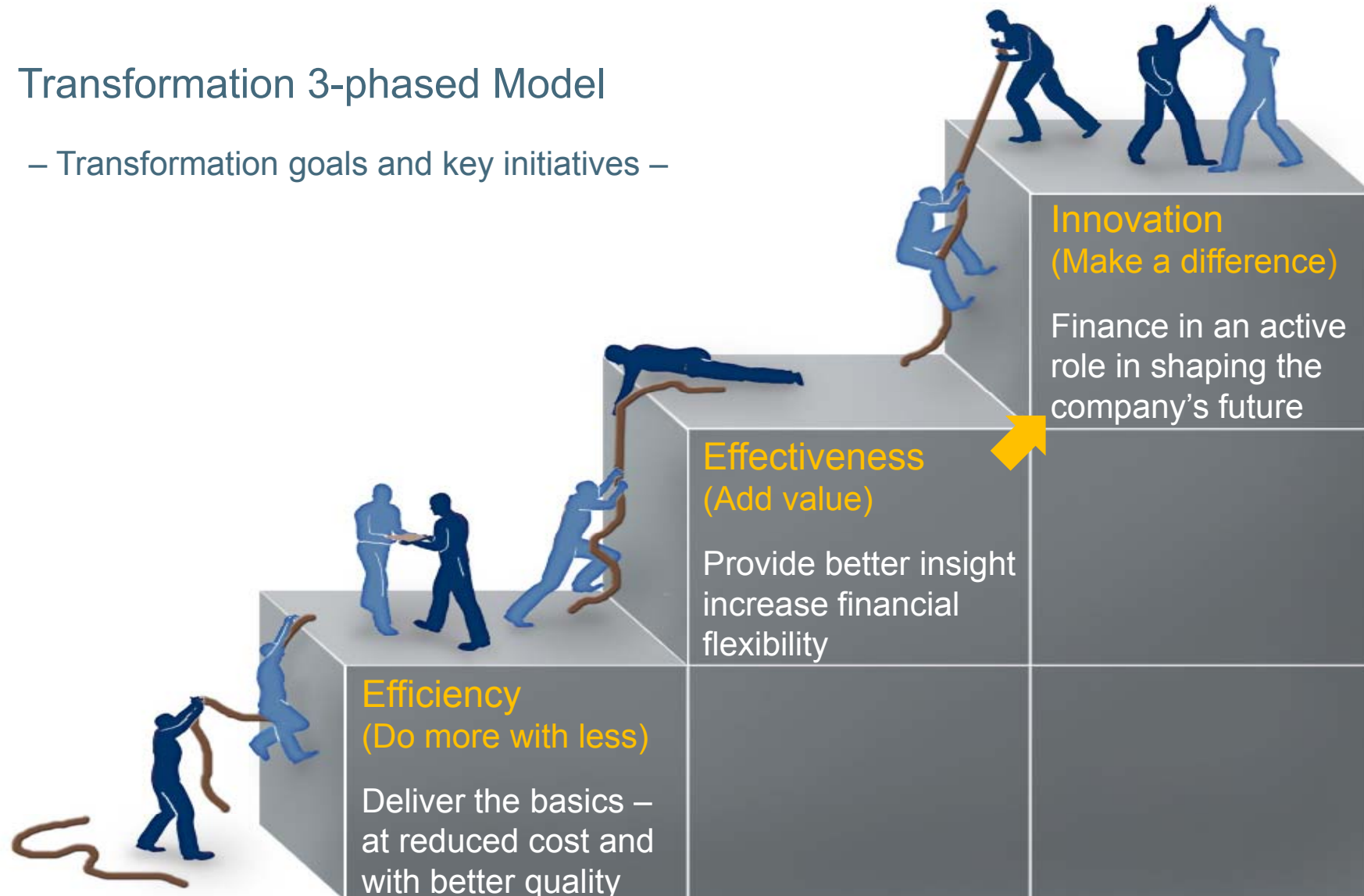
***while ensuring good governance and financial peace***

**(by enabling fact-based decision making)**



### Transformation 3-phased Model

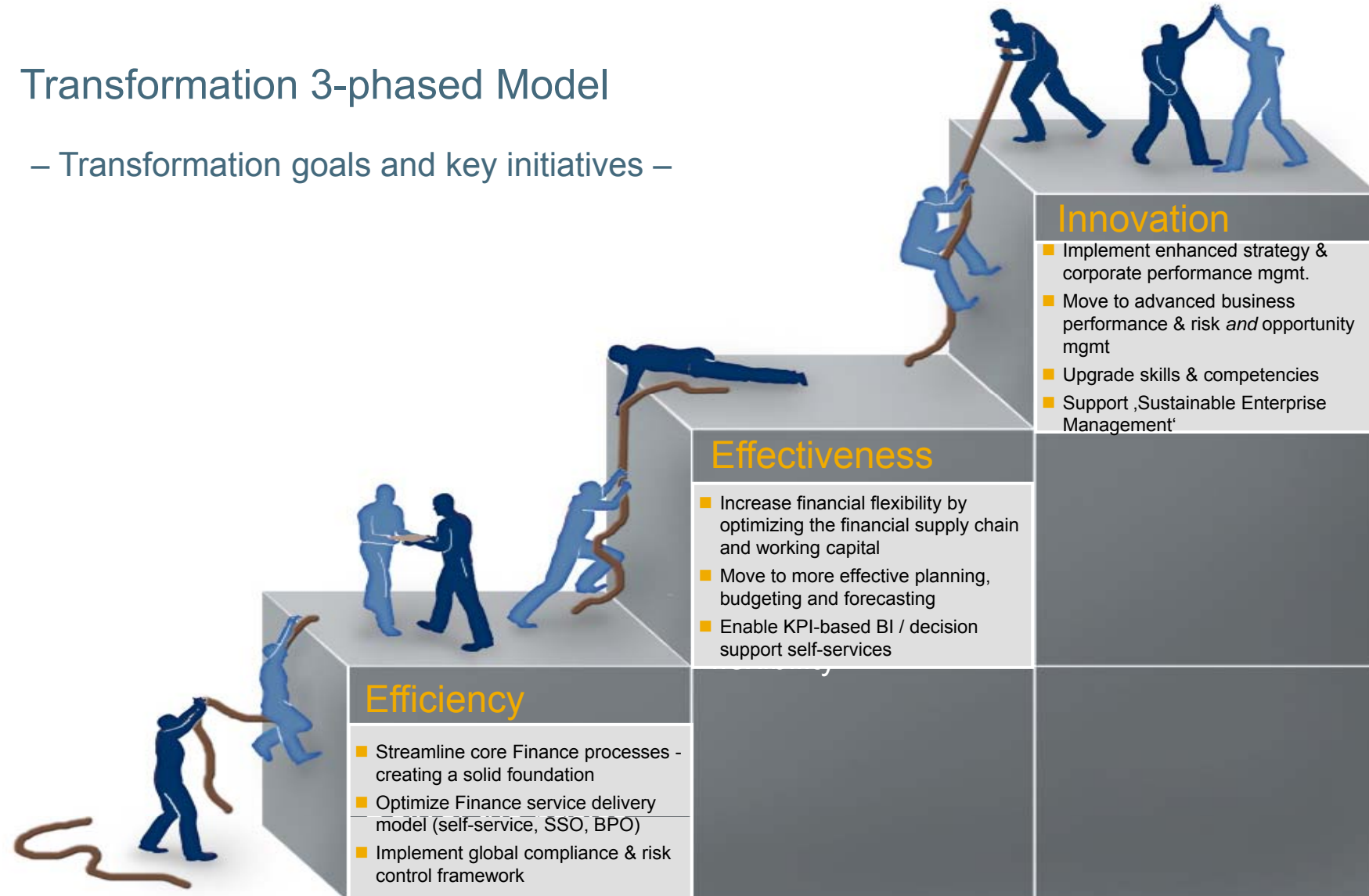
– Transformation goals and key initiatives –





## Transformation 3-phased Model

– Transformation goals and key initiatives –



# The finance transformation challenge: Develop finance people into true co-pilots



**“You have to have the skill sets [for business partnering].**



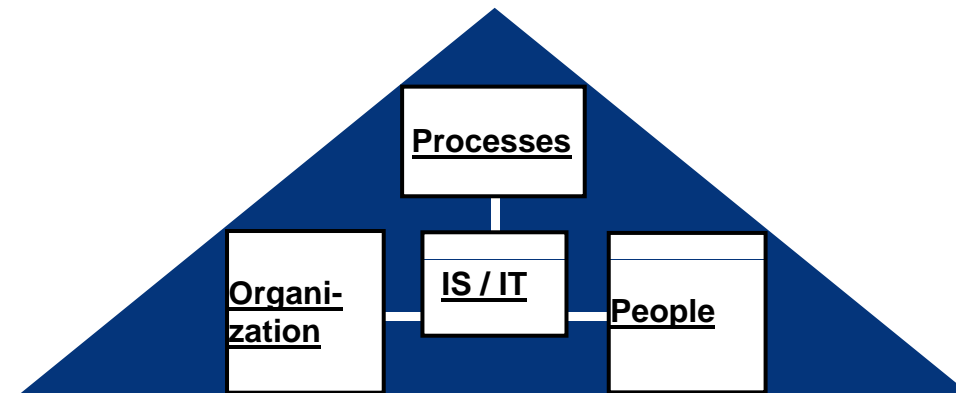
**A business partner in finance to me is not somebody who is only a finance expert. He has to have much broader business knowledge [...] and has to understand how the business operates.”\***

*Paul Koppelman, CFO of Commercial BHP Billiton, The Hague, NL*

**Finance Transformation II: Focus on people and organization**



**Finance Transformation I: Focus on processes and technology**



\*Source: Daum, J., Koppelman, P., Lévi, Ch., Silbermann, M., "Go for Growth - a discussion with the CFOs and senior finance executives of BHP Billiton, Electricité de France (EdF), and Microsoft Germany, in: Finance Director Europe, issue 2, 2008, pp 60-63

Thank you!

**Juergen H. Daum**  
**Chief Solutions Architect**  
**Executive Value Network, SAP**

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# About Juergen H. Daum



- ▶ **Management and CFO adviser** and Chief Solution Architect and **co-founder of the SAP Executive Value Network** at SAP EMEA
- ▶ **Expert on finance and performance management** and regarded as a **thought leader in enterprise management**
- ▶ Author of several books, publishes in professional journals, regular event speaker and conferences lead, and organizes and runs workshops and seminars for executives and professionals

## Career background:

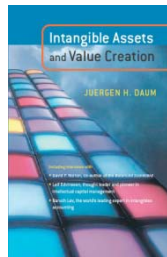
- ▶ **CFO and COO** in a mid-sized German IT company before joining SAP in 1992
- ▶ **Five years in SAP's field organization** in Germany and Europe: sales, consulting, product management with the focus on financials and enterprise management
- ▶ **Five years in SAP's product development: Product Manager** SAP R/3 EC, **New Product Project Manager** and **Global Product Manager** Strategic Enterprise Management (SEM), **Director and Head of Program Management** SAP Financials and Chief Marketing Officer' and member of the management team of the Financials product group ('General Business Unit Financials')
- ▶ **Since 2002: advising CFOs, and finance professionals** of European companies - current focus on finance transformation & enterprise performance management;  
**developing the concept for a Finance Best Practice Network for Finance executives**
- ▶ **Since 2004: built-up and operation of the SAP Executive Value Network for Finance** at SAP EMEA (formerly called 'SAP Finance Best Practice Network')

See detailed professional profile at: [http://www.juergendaum.com/jd-Dateien/cv\\_jdaum\\_e.pdf](http://www.juergendaum.com/jd-Dateien/cv_jdaum_e.pdf)

# Publications (selection)



## 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 (Hg.)

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 books of others (selection):



### The CFO as Business Integrator

by Cedric Read and  
Dieter Scheuermann

John Wiley & Sons,  
Chichester, 2003  
ISBN 047085149X



### Intangibles in der Unter- nehmenssteuerung

von Peter Horváth und  
Klaus Möller (Hrsg.)

Vahlen, München, 2004  
ISBN 3-8006-3035-4



### Neugestaltung der Unternehmens- planung

von Peter Horváth und  
Ronald Gleich (Hrsg.)

Schäffer-Poeschel,  
Stuttgart, 2004  
ISBN 3791021079

### Business Performance Measurement – An Introduction

by Shyam Sunder  
Kamberhammettu (ed.),

Le Magnus University Press,  
Hyderabad, 2005  
ISBN 81-89333-00-3

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