

DETAILED FINDINGS FROM
THE BENCHMARK REPORT

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SAP S/4HANA FINANCE 2024

DETAILED FINDINGS



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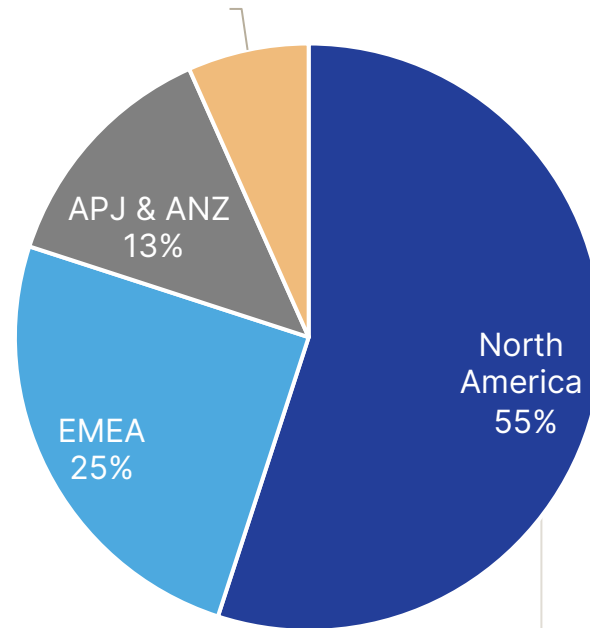


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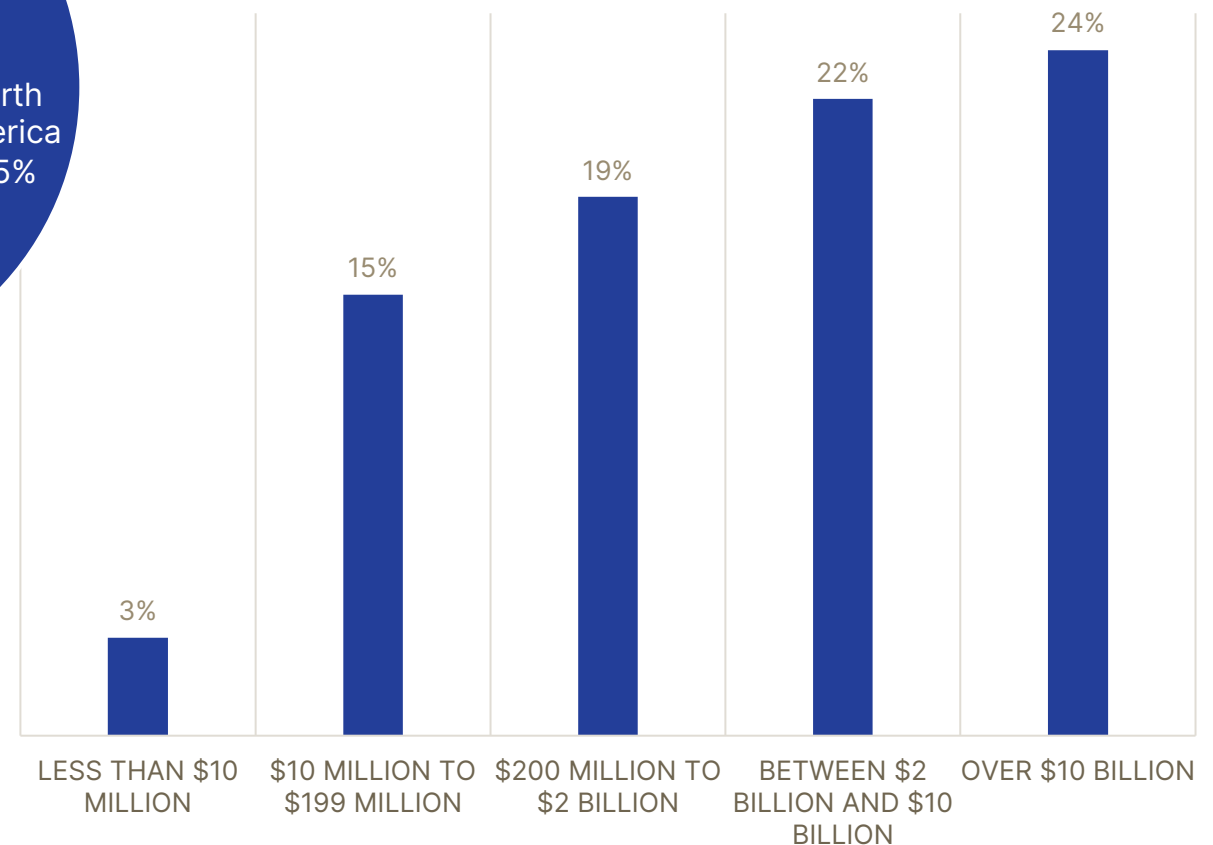
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Between February and May 2024, SAPinsider surveyed 124 of its community members to understand how they are deploying SAP S/4HANA and how it affects their financial processes.

The survey participants came from various geographical regions worldwide and represented diverse organization sizes, contributing to a comprehensive dataset.



Revenue



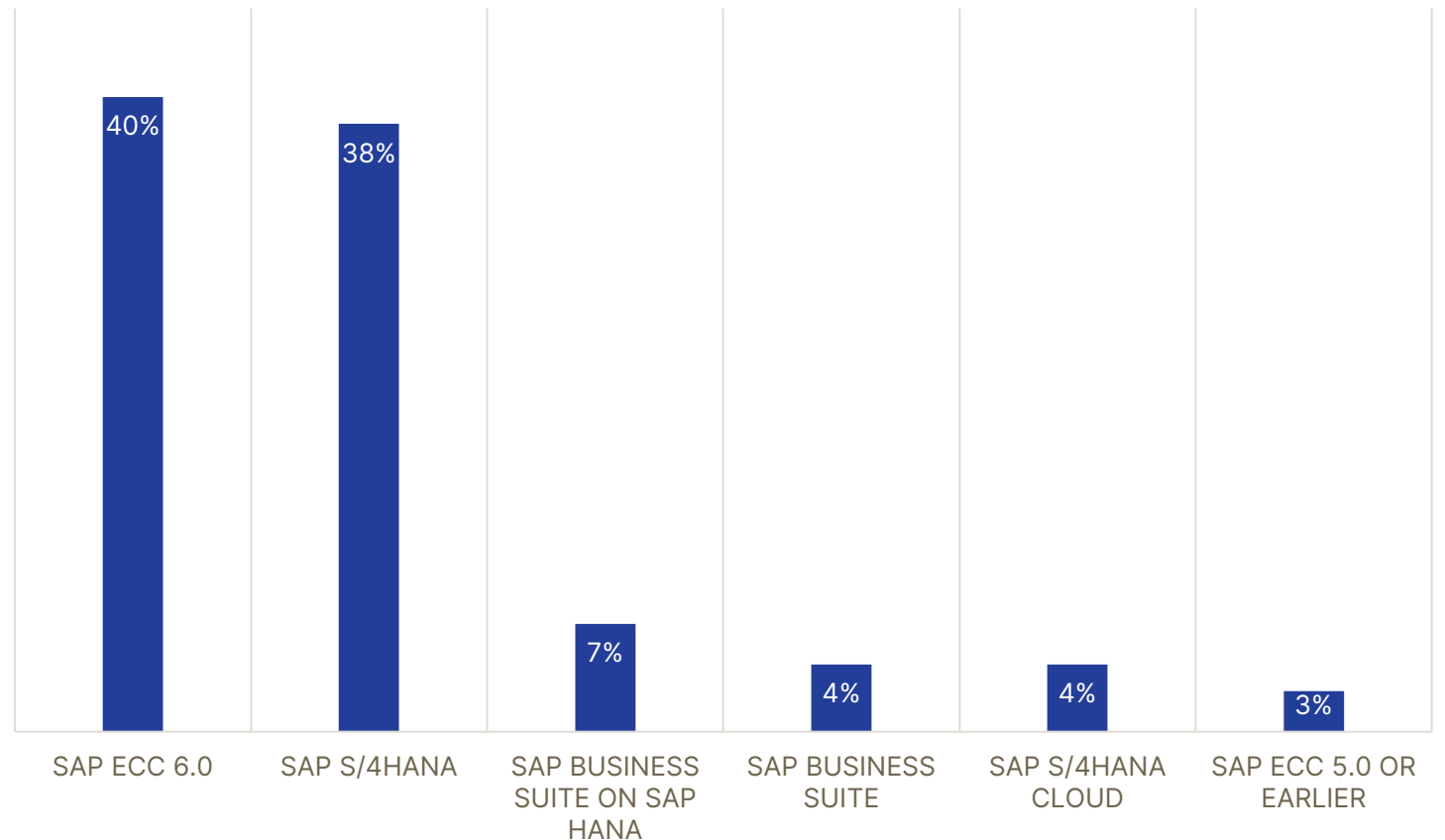
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With the 2027 end of maintenance deadline approaching, SAP ECC 6.0 is still the most commonly-used finance and accounting system. Our survey found 40% of respondents are still using it as their primary system, compared to SAP S/4HANA (38%).

A small share of other organizations are using different systems or deployments, but these two make up the bulk of system usage.

Product Used As Primary Finance and Accounting System



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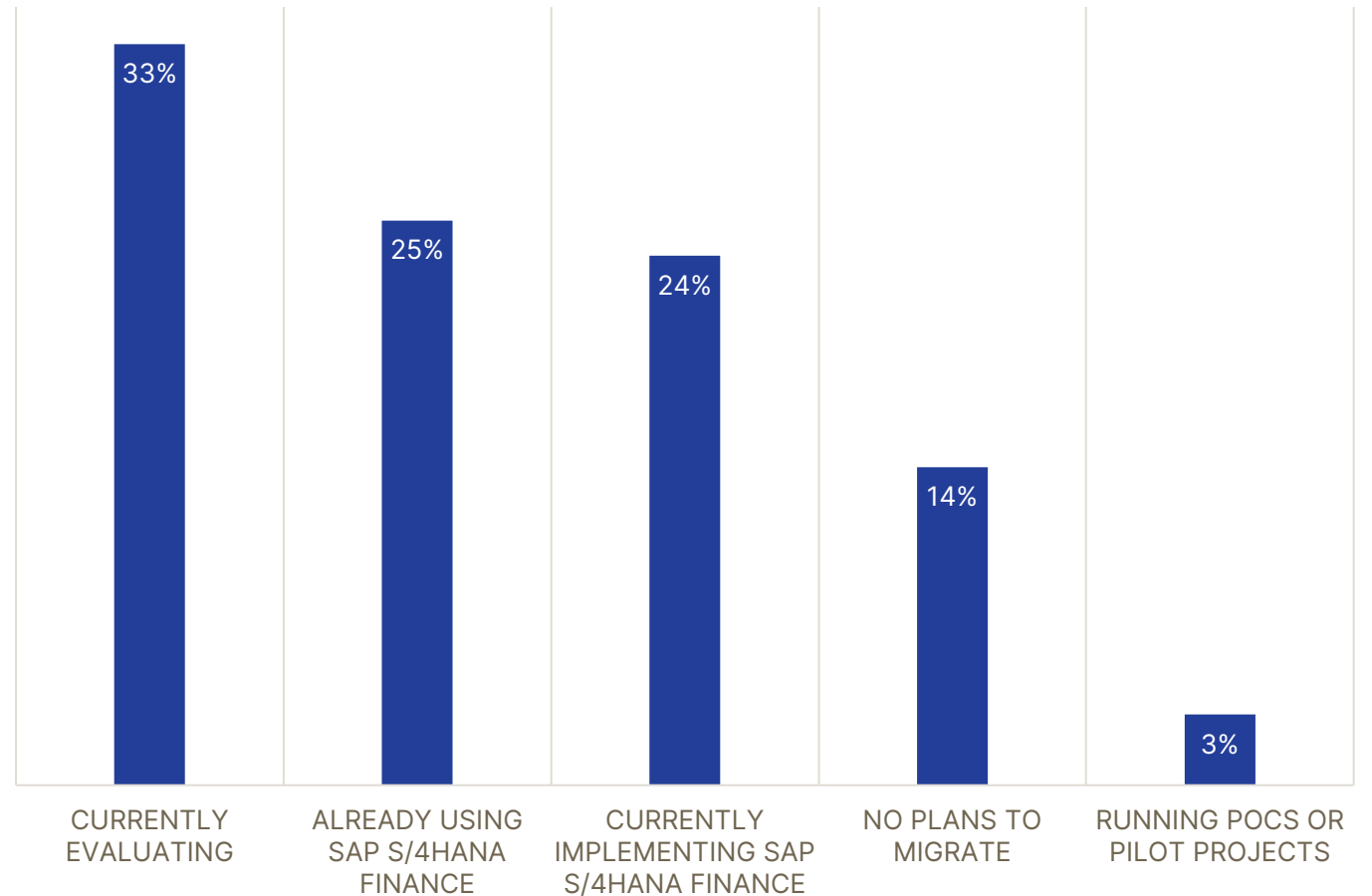
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Just one quarter (25%) of survey respondents are already using SAP S/4HANA Finance.

More than half of those surveyed are either evaluating the solution, implementing it, or running proof of concept or pilot projects.

Just 14% of respondents reported that they have no plans to migrate whatsoever.

Progress On Transitioning To SAP S/4HANA Finance



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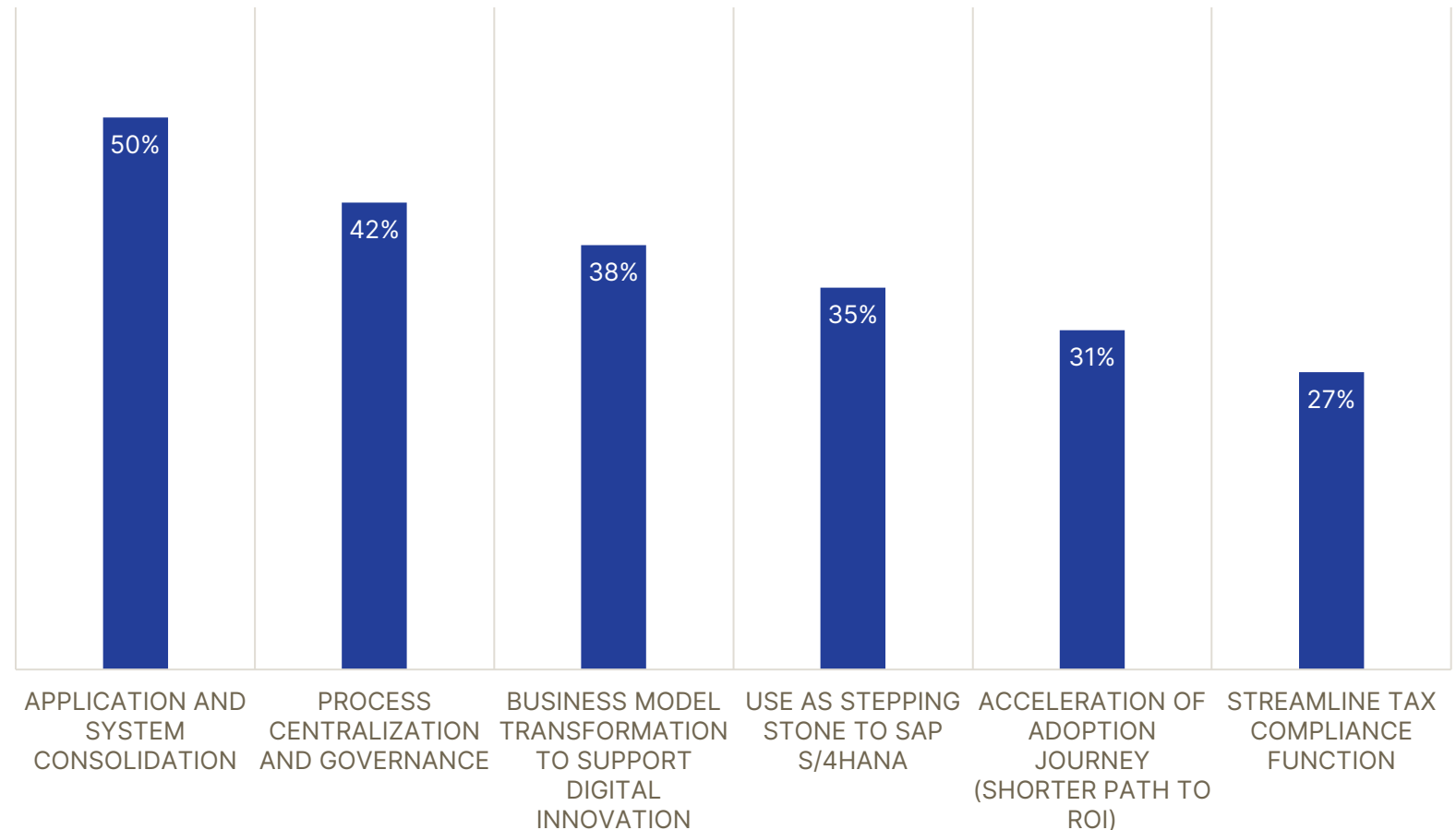
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Deploying Central Finance can have significant benefits throughout a finance team. The top benefit sought by SAP organizations is consolidation of applications and systems, cited by half (50%) of respondents.

Other common responses fell into categories like the desire to improve processes, such as process centralization and governance (42%) and business model transformation (38%).

Others saw Central Finance as a method of improving digital transformations, including as a stepping stone to SAP S/4HANA (35%) and accelerating adoption (31%).

Goals For Deploying Central Finance



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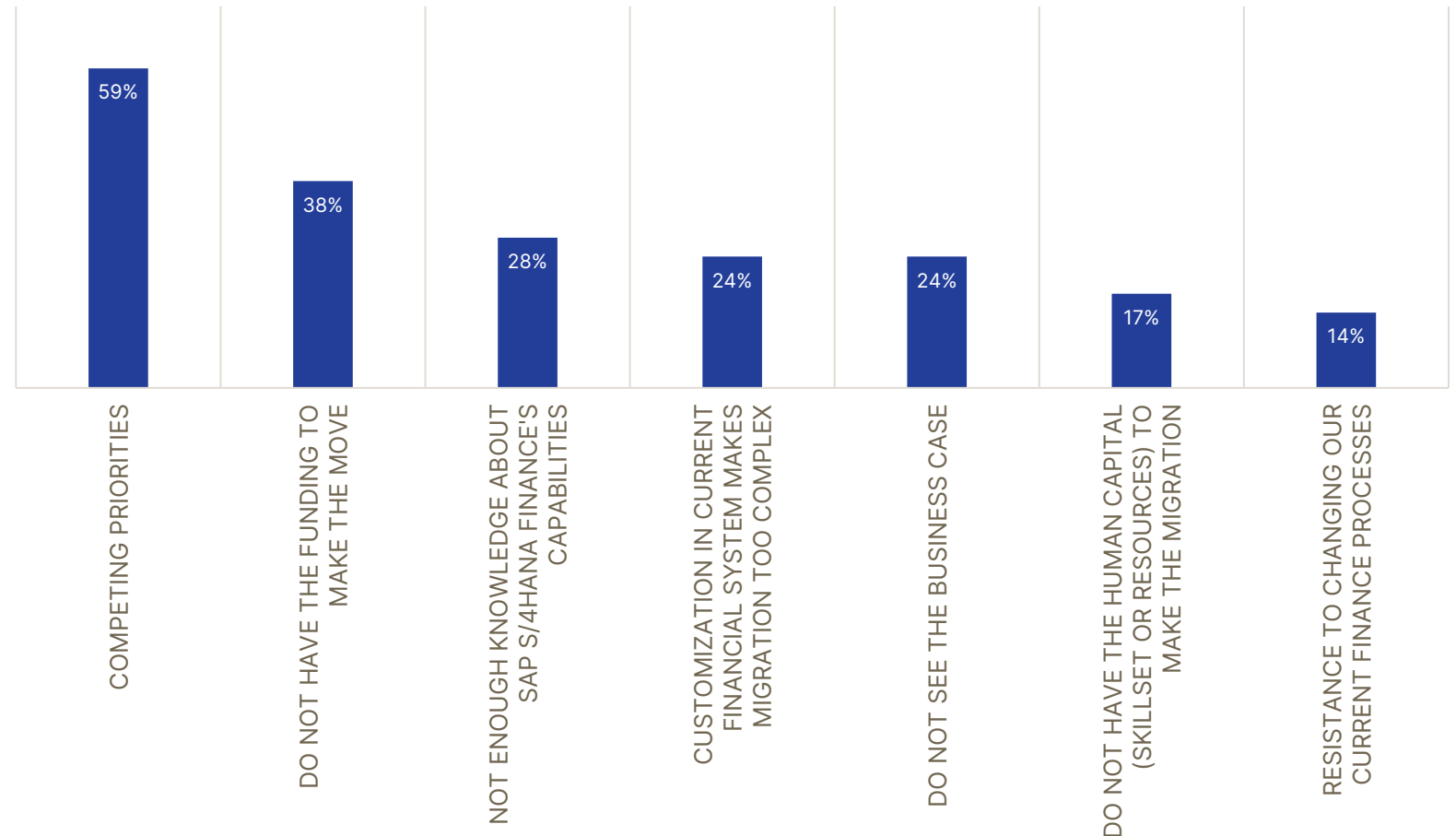
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With less than half of organizations currently using SAP S/4HANA Finance, there are numerous factors stopping companies from making the move.

Chief among them are competing priorities. Over half (59%) of respondents may have other business needs they must invest time and financial resources in rather than moving. Lack of funding (38%) was the second-most cited reason.

A lack of information also played a major role, with many respondents citing a lack of knowledge about SAP S/4HANA Finance (28%).

Factors Preventing A Move To SAP S/4HANA Finance



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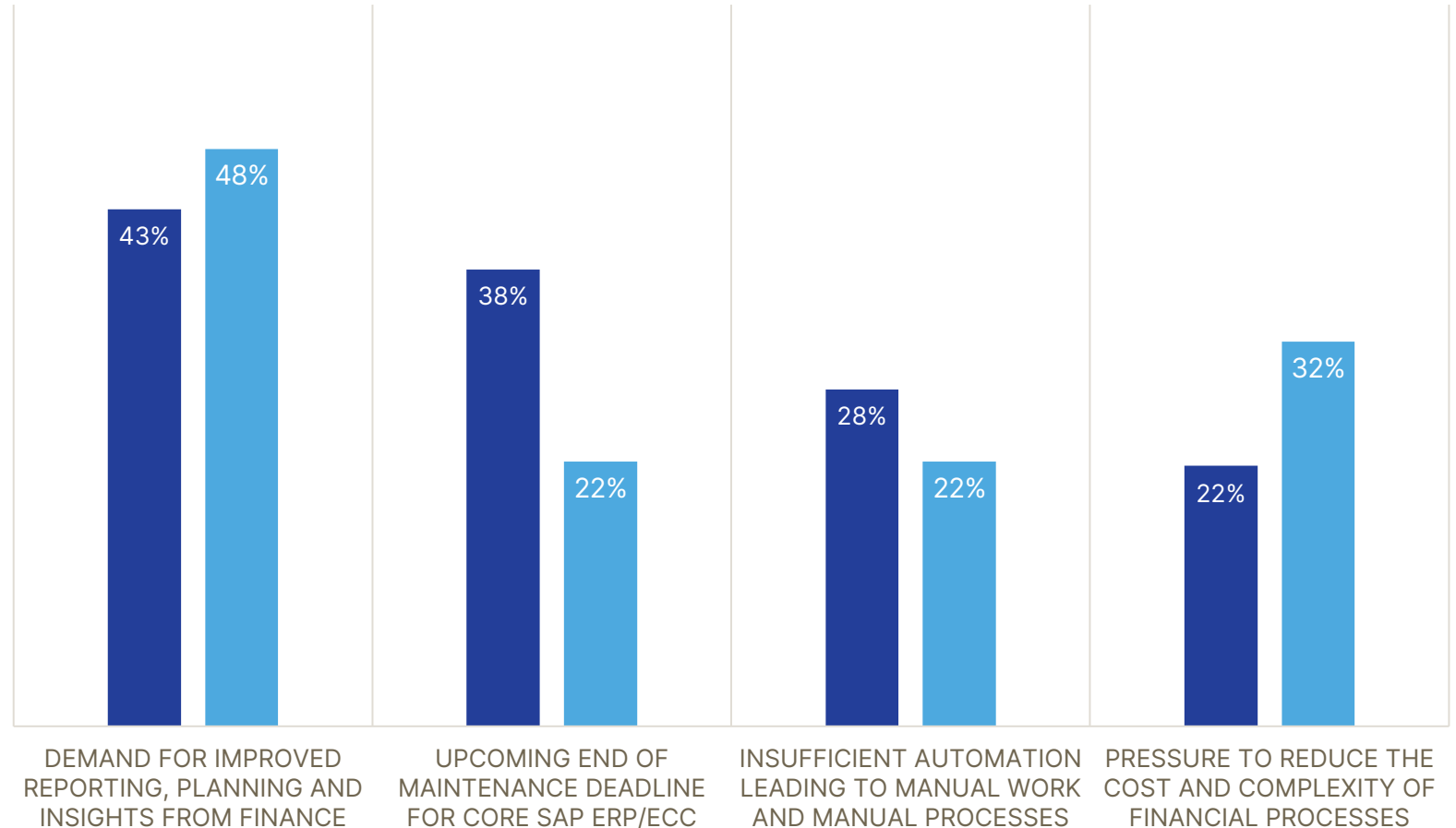
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Even with the 2027 end of maintenance deadline looming, that was only the second-most common driver (37%) pushing SAP organizations towards SAP S/4HANA Finance.

Nearly half (47%) of respondents noted the demand for improved planning, reporting, and insights as a chief reason.

The advanced capabilities that SAP S/4HANA Finance offers can help organizations plan more effectively.

Factors Impacting SAP S/4HANA Finance Strategy



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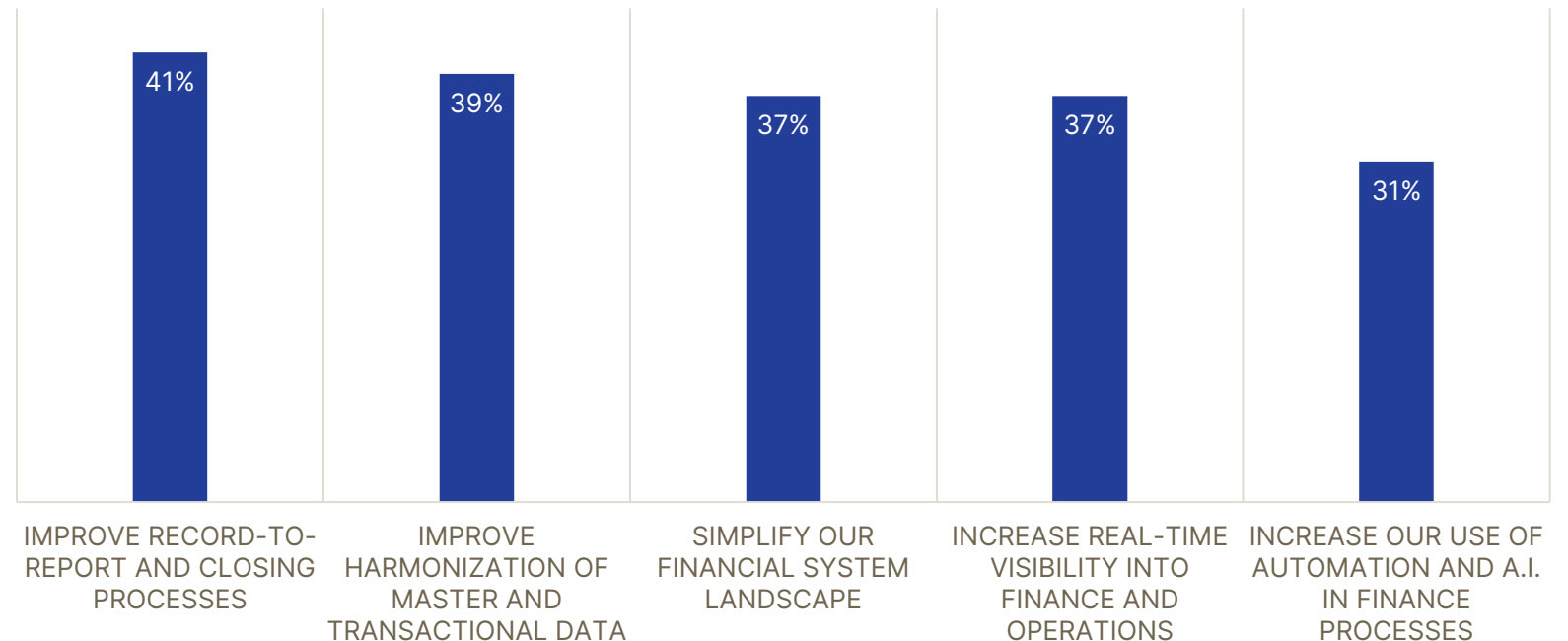
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SAP users were relatively evenly split on which actions to take to support their move to SAP S/4HANA Finance. The top option (41%) was to improve harmonization of master and transactional data.

Data is the underpinning of all planning functions, so organizations are wise to ensure that data is of sufficient quality to plan effectively.

Others are trying to improve processes like record-to-report and closing (39%) and increase visibility (37%).

Strategies Taken to Support Planning for SAP S/4HANA Finance



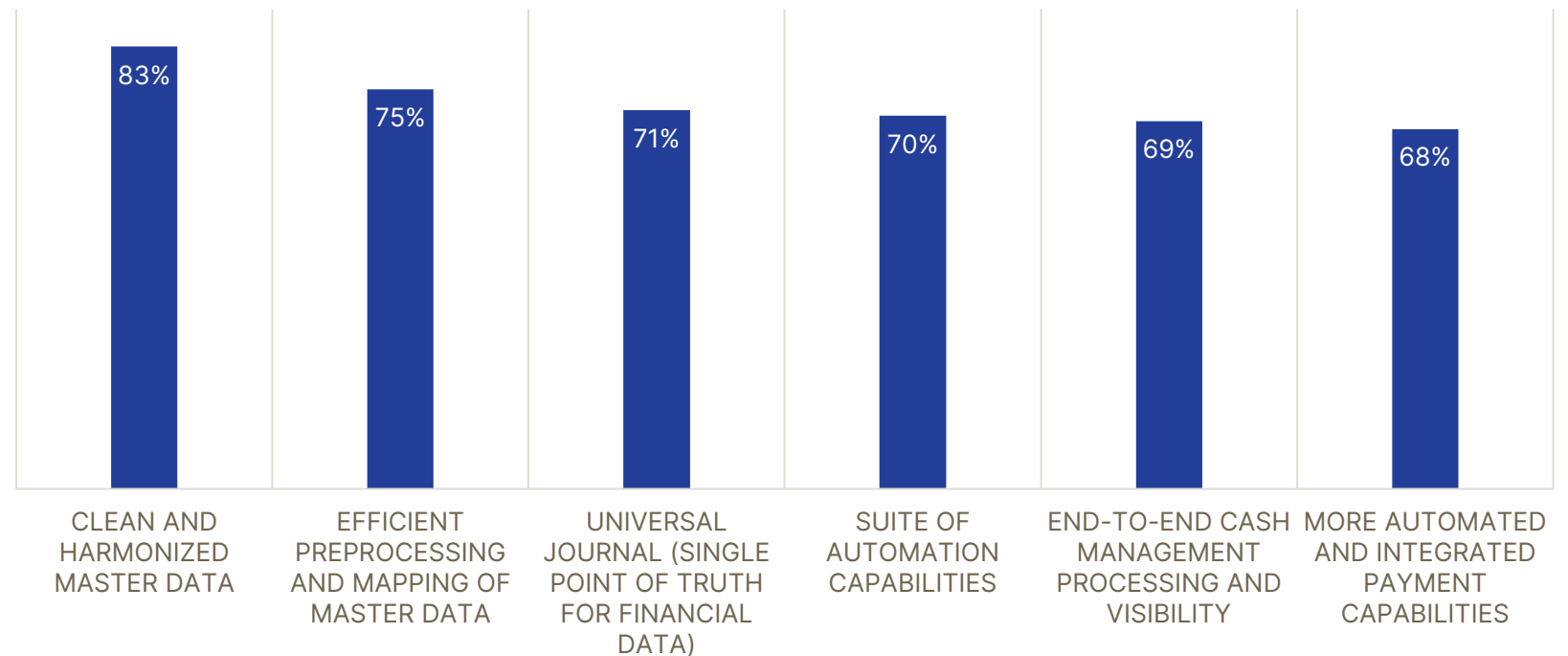
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When surveyed about the most important aspects of SAP S/4HANA Finance strategies, SAP users signaled that data is crucial.

Clean and harmonized master data (83%), efficient preprocessing and mapping of master data (75%), and the universal journal acting as a single source of truth for financial data (71%) were all ranked as important or very important by over 70% of respondents.

Important or Very Important Aspects of SAP S/4HANA Finance Strategies



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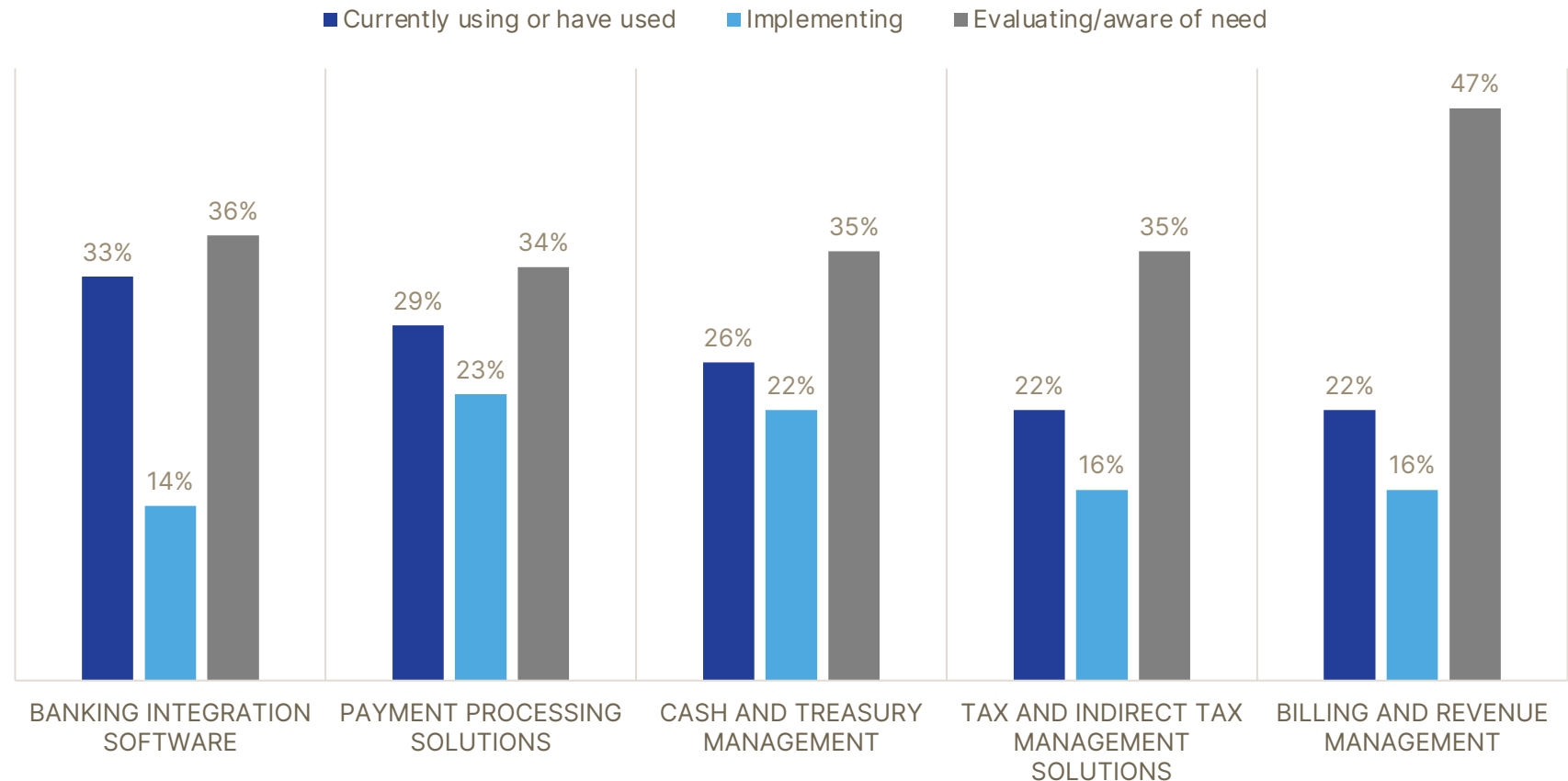
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Many organizations are in the process of evaluating or implementing supporting technologies to add to their SAP S/4HANA strategy.

Banking integration software (32%) is the only solution being currently used by more than three out of 10 respondents. It is either being implemented or evaluated by a further 50%.

Organizations are also likely to use payment processing solutions (27%) or treasury and cash management options (26%).

Technologies Used or Considered For SAP S/4HANA Finance Strategy



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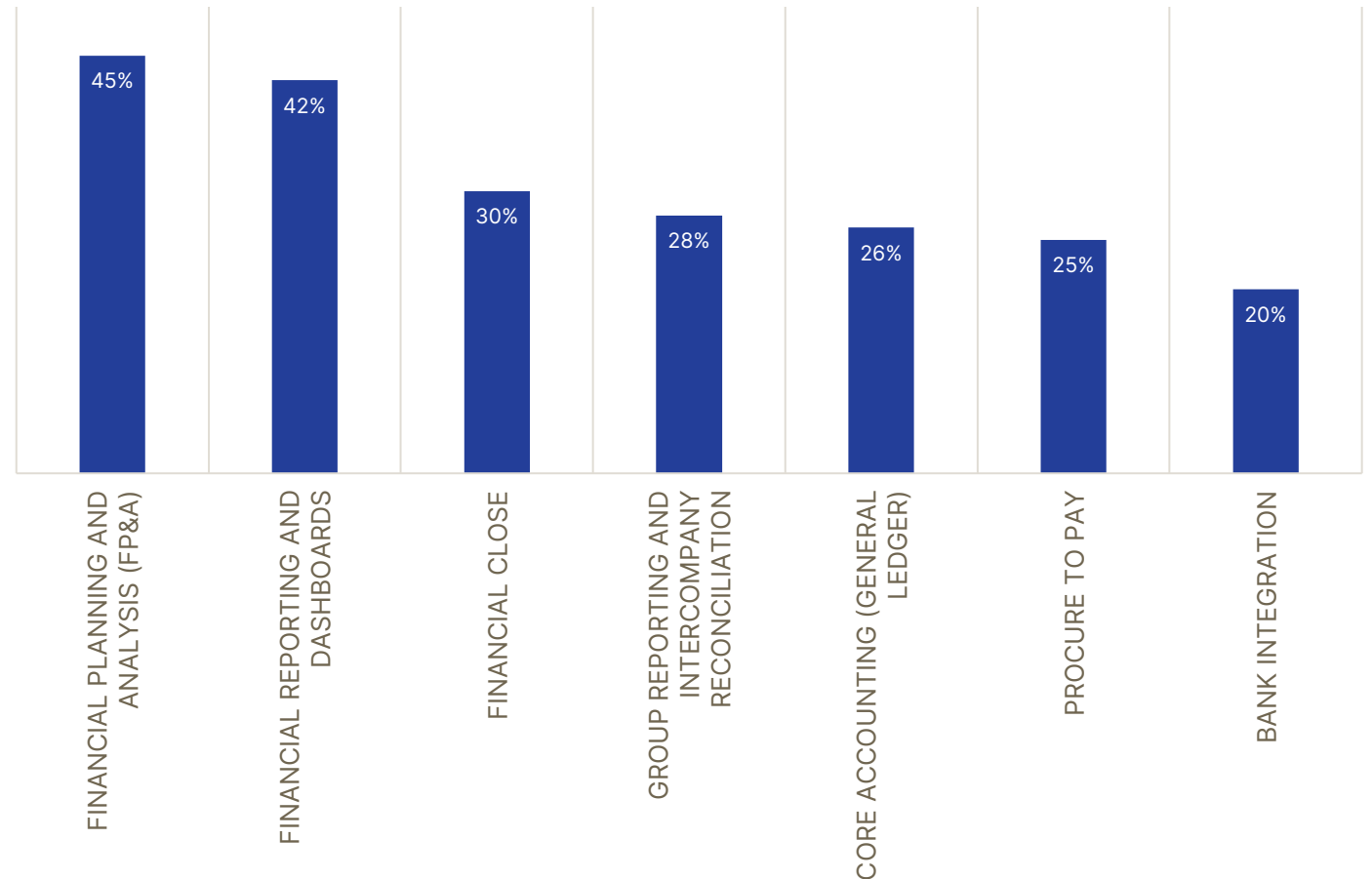
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When it comes to pain points, financial planning and analysis (FP&A) stands out as particularly troublesome. Nearly half (45%) of respondents listed it as a major issue.

SAP S/4HANA Finance offers users access to enhanced FP&A capabilities, helping overcome these issues.

Financial reporting and dashboards (42%) was the only other option selected by over one-third of respondents.

Biggest Pain Points in Financial Areas and Processes



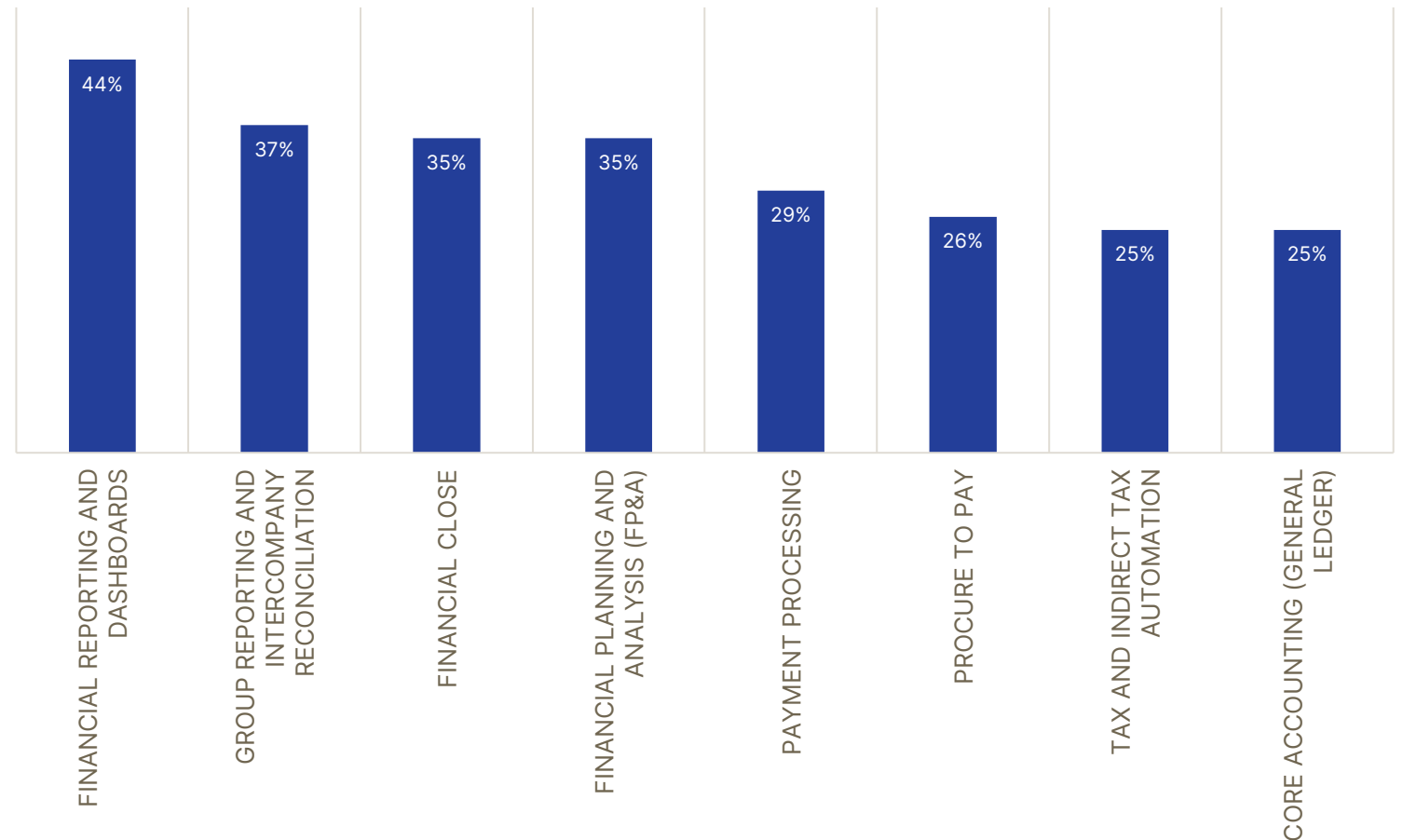
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Financial reporting and dashboards (44%) is the only solution in which more than 40% of organizations plan to invest within the next 24 months. This aligns with previous responses indicating that this area is a pain point for over 40% of respondents.

Companies also plan to invest in solutions addressing group reporting and reconciliation (37%), financial close (35%), and FP&A (35%).

Planned Investment Areas Over The Next 24 Months



DART

MODEL FRAMEWORK

SAP S/4HANA Finance



DRIVERS

- Demand for improved reporting, planning and insights from finance (44%)
- Upcoming end of maintenance deadline for core SAP ERP/ECC (38%)
- Insufficient automation leading to manual work and manual processes (25%)



ACTIONS

- Improve harmonization of master and transactional data (41%)
- Improve record-to-report and closing processes (39%)
- Increase real-time visibility into finance and operations (37%)
- Simplify our financial system landscape (37%)



REQUIREMENTS

- Clean and harmonized master data (83%)
- Efficient preprocessing and mapping of master data (75%)
- Universal Journal (single point of truth for financial data) (71%)
- Ability to maintain standardized charts of accounts (70%)
- Suite of automation capabilities (69%)
- More automated and integrated payment capabilities (68%)



TECHNOLOGIES

- Banking integration software (33%)
- Payment processing solutions (29%)
- Cash and treasury management (26%)
- Billing and revenue management (23%)
- Tax and Indirect tax management solutions (20%)
- Cloud-based reporting and analytics solutions (17%)
- Group reporting and consolidation solutions (17%)
- Cloud based FP&A solutions (15%)

THANK YOU

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SAPinsider



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