Centralized Global Finance Operations Leveraging SAP S/4HANA for Global CPG Major
Client

The client is a US-based multinational consumer goods corporation.

Challenges

A Fortune 500 Global CPG major has a complex business with 65 brands, 72,000 products, 23 ERP systems across 180+ countries. The company faced multiple challenges in terms of managing financial operations. Key challenges they faced:

- Lack of forecasting accuracy
- Complex statutory and compliance requirements
- Highly complex reporting environment
- High spend on IT running cost

The company was aiming for faster growing and more profitable organization that is far simpler to manage and operate. The core business needs were as follows:

- Improve on targeted business KPIs
- Enable financial shared services
- Reduce spend on IT by reducing complexity
- Improve key KPIs like: Month-end closing, forecasting accuracy, days sales outstanding, reduction in resources
LTI Solution

LTI, a “Strategic Partner” for the client over the last 10+ years, formed a “Strategic Innovation team” and co-worked with the client to identify opportunities for mitigating the above challenges with a suitable solution and helped them build a business case for transformation. To realize this business case, we built right-fit architecture integrating 16 Global and Regional SAP systems with SAP S/4HANA Central Finance. Key principles that we followed while building this architecture are:

- Integrated business planning and consolidation eliminating standalone Planning and Consolidation systems
- Future-proof architecture aligned to best practices focusing on technical debt reduction.
- Enhanced business operations and user experience.
- Simplification & digitization of processes across delivery, finance, people supply chain and human capital management functions.
- Scalable reporting structure, automated and integrated processes for resource allocation, invoicing, revenue recognition, etc.

Further, as a part of our technical discovery exercise, we reimagined 14 core finance processes across following six business functions to deliver value: General accounting, planning & forecasting, account receivable, consolidation, banking, accounts payable.

We created 42 targeted solution interventions to de-risk and accelerate this transformation and 10 of these solutions are co-developed with SAP as CFIN product package.
**Business Benefits**

The finance transformation has delivered tremendous benefits to the client, summary of these benefits is as follows:

<table>
<thead>
<tr>
<th>Cost Savings</th>
<th>Business KPIs</th>
<th>Simplification</th>
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<tbody>
<tr>
<td>• 30% Savings in infrastructure cost</td>
<td>• Accelerated month end closing from 11 days to 6 days</td>
<td>• Global, unified, real-time financial and management reporting</td>
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<td>• 25% leaner organization</td>
<td>• 90% simplified allocations &amp; build - forecasting accuracy</td>
<td>• 360-degree view of financial statements between source ECC systems &amp; S/4HANA</td>
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<td>• 30%+ savings in operational cost</td>
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<td>• Reduction in data redundancies &amp; reconciliation needs</td>
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<td>• Enhanced user experience</td>
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