



How best to leverage your enterprise data to drive business-intelligent decisions?

Delivering complete analytics for informed and confident decision-making

The value of data analytics as a keystone of strategic business decision-making

The key value of data analytics

Business success demands complete and live visibility of the health and dynamics of the business, not only to operate with efficiency, minimising cost and risks, but to anticipate and predict trend shifts that will unlock new revenue and competitive advantage.

In fact, PwC research¹ shows that highly data-driven organisations are three times more likely to report significant improvements in decision-making. The research also shows that 62% of executives still rely more on experience and advice than on data in order to make business decisions.

The lack of trust in the corporate data is a common challenge across many organisations nowadays. Data is a rapid-growing asset and it is essential to properly manage it and utilise it wisely to succeed in the present Information Age.

The best run companies today count on robust, fast and intelligent data analytics powered by Artificial Intelligence and Machine Learning, keystones of successful, strategic business decision-making.

Common business and IT challenges to overcome in order to unlock true value



Loose data strategy and governance:

Lack of strong data governance and streamlined processes to collect, organise, analyse, and present data.



Unstructured data:

Vast amount of legacy data but with different quality, disaggregated and unstructured for analysis.



Disconnected data sources:

Heterogeneous system architecture landscape, where data is scattered across multiple platforms that keep changing and updating.



Isolated analysis and planning:

Different and disconnected analytics and planning solutions across corporate departments.



75%

of time spent in top-performing finance functions is devoted to data analysis and insights³



7 days

Average number of working days required before monthly and quarterly reports can be published²



62%

Percentage of executives that still rely more on experience and advice than on data in order to make decisions¹

1 PwC's Global Data and Analytics Survey, "Big Decisions™," Global, base: 1,135 senior executives, May 2016.

2 APQC's General Accounting Open Standards Benchmarking survey, 2018

3 PwC's Finance Effectiveness Benchmarking, August 2019.

Our approach to complete analytics for informed and confident decision-making through PwC BXT Agile

Starting point: Corporate data keeps growing fast and is frequently disorganised. Data has traditionally been served in silos in order to perform specific business processes and analyses. Organisations still struggle today to break these business and technology silos, work collaboratively and monetise the power of their information.

Moving finish line: The market is always dynamic; once a solid foundation has been established, only continuous improvement and innovation in corporate data management and analytics solutions will keep companies ahead of the race.



How to get there, our BXT approach:

1. Assessment of the company's data management, reporting and planning processes, governance and architecture according to goals and industry-led best practices:

- Analysis: the present state is reviewed and assessed against the baseline/best practices in processes, people & systems.
- Define to-be status: strategy and to-be architecture is developed, envisioning the road ahead.
- Define and agree on improvement plan and roadmap.

2. Execution of the plan, **minimising business disruption** and managing risks by creating a **Minimum Viable Product that** will build up the technology layer and the basis of processes for the future, while quickly delivering major business value. The MVP will set up the basis for the new enterprise:

- Consolidated architecture and systems integration.
- Data management and governance processes, BI and analytics capabilities and integrated user experience.
- Analytics, planning and consolidation process.

3. Extension and growth organically, at the right speed, using **Agile** to continuously enable new value by bringing new data, processes, and features into the analytics foundation.

- Unlock innovation and stay ahead of the competition, **growing in the cloud your augmented analytics features powered by artificial intelligence and machine learning.**
- Accelerate growth by automatically discovering the key influencers of past results, simulating future scenarios and predicting decision outcomes with accuracy.
- Go beyond and improve the end-user capabilities with PwC **Reporting 5.0** technologies such as: digital assistant, voice recognition and eye tracking technology.

Our vision: Data to Intelligence in the Cloud

Business Intelligence in the Cloud

Through most of the well-known analytics platforms (Power BI, SAP Analytics Cloud, Tableau, etc.), business today counts on the opportunity to explore data across the organisation and deliver insights at the point of decision with intuitive self-service analytics, regardless of volume size.

The power and connectivity of the new cloud solutions provide, with minimum disruption, automated and powerful solutions to clean, structure and query the data efficiently, in order ultimately to gain faster and deeper insights while lowering hosting and processing costs.

Augmented analytics

Today's augmented analytics capabilities – powered by AI, machine learning, and natural language processing – are built and extended into new BI and planning workflows.

Conversational analytics

The in-built natural language processing and generation capabilities help users to ask questions in a conversational way and get the answers and information that they need instantly.

Automated machine learning

Machine Learning algorithms are used to automatically reveal relationships, hidden patterns, and outliers in the data – going from insight to action faster.

Intelligent predictive analytics

Predict potential outcomes and generate confident and reliable forecasts with the push of a button.

Enterprise Planning

Link and create financial and operational plans seamlessly to drive decisions with integrated plans.

Collaborative enterprise planning

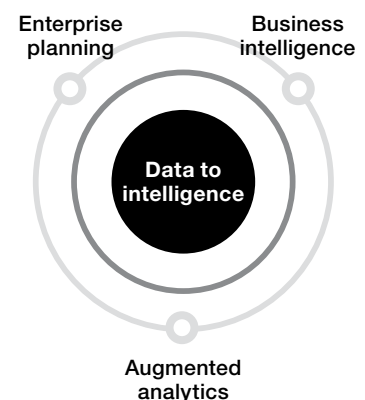
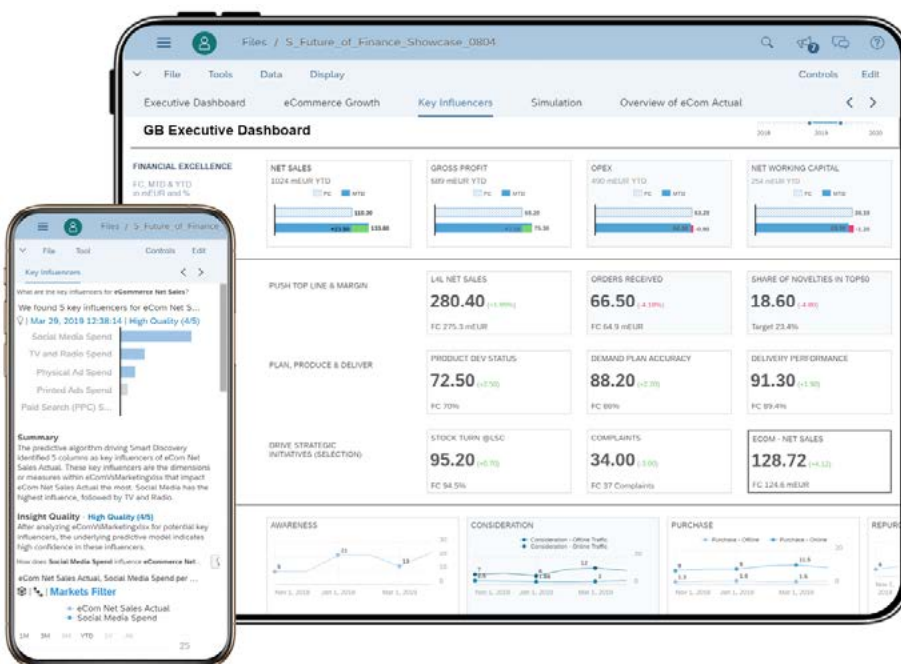
Plan across lines of business to turn real-time insight into action, ensure strategic alignment and decide confidently.

Intelligent planning

Understand business today and tomorrow with predictive forecasting and machine-learning tools.

Integrated financial planning

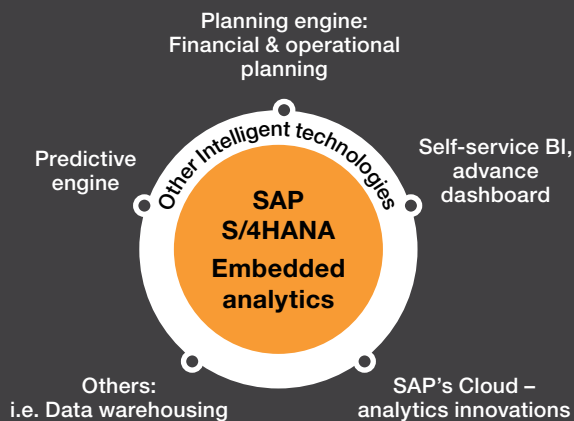
Act in the moment and spend more time on strategy by combining transactions, analytics and planning with SAP and other ERPs.



Data analytics in the SAP S/4HANA journey

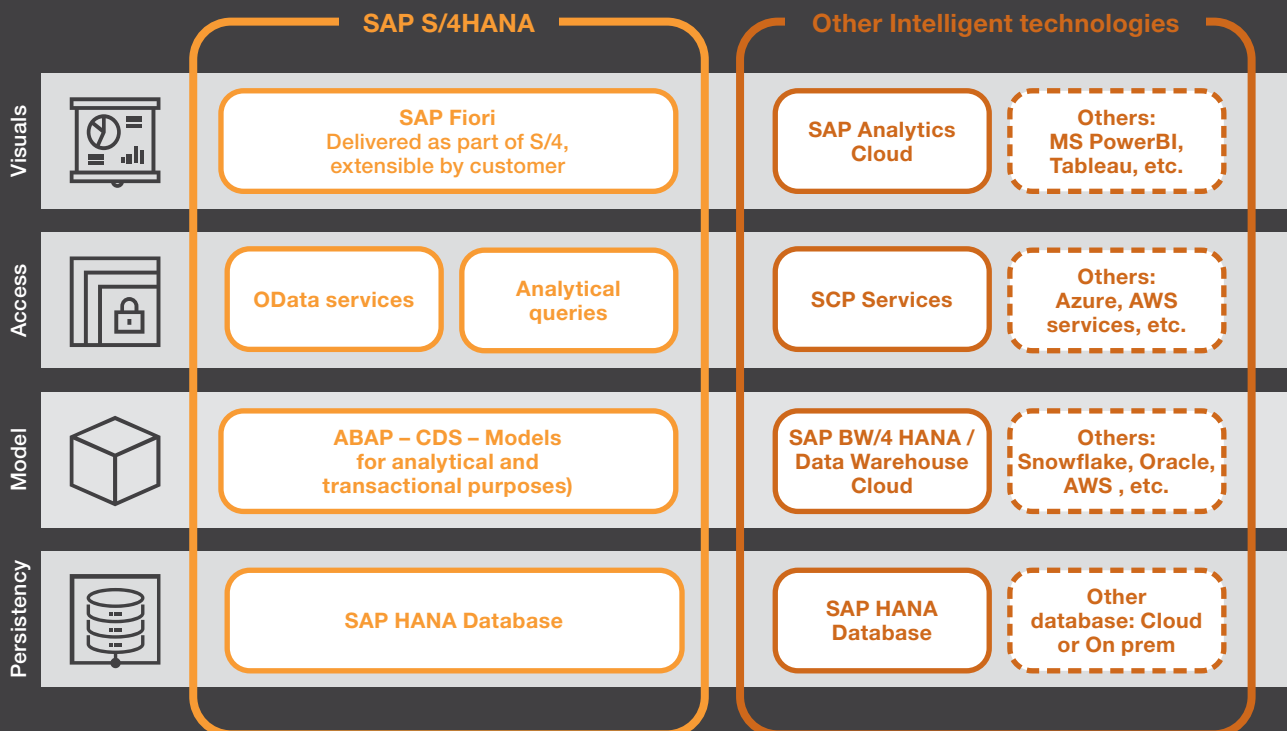
For more than 14,000 organisations worldwide in 2020*, and with many more initiating the journey, SAP S/4HANA is their digital core playing a fundamental role not only in streamlined and integrated business processes but also in financial and operational reporting towards facilitating strategic business decisions.

If S/4HANA is the future-ready, enterprise resource planning (ERP) system with built-in intelligent technologies, including AI, machine learning, and advanced embedded analytics, **why do organisations need additional data management and intelligent analytics solutions?**

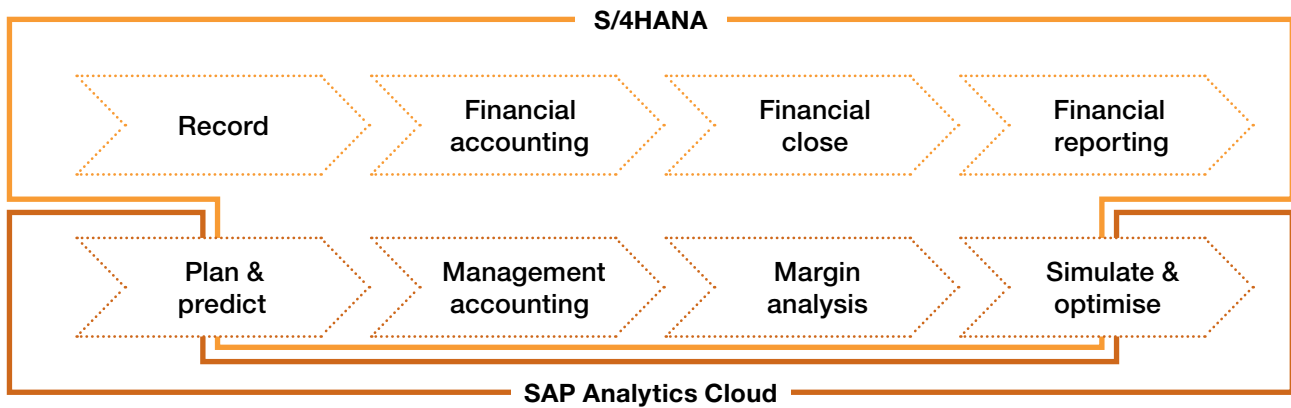


- SAP is committed to delivering with speed innovative applications in the cloud; In analytics → via SAP Analytics Cloud (note lower innovation speed in S/4 On-premise)
- S/4HANA **does not provide complete FP&A capabilities without SAC**. SAP Analytics Cloud is SAP's primary strategic planning solution where the majority of SAP planning innovations are delivered. See page 7.
- S/4 embedded analytics focuses on process handling and embedded decision support inside ERP transactions, not outside them. Data Warehouse outside S/4 allows harmonisation of all enterprise data (ERP, non-SAP, governance, big data, corporate memory, etc.)

Analytics with SAP S/4HANA – reference high level architecture:



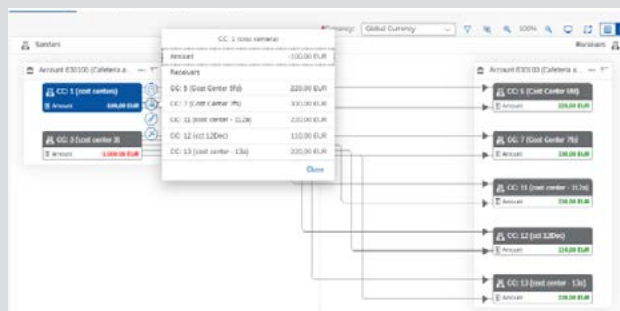
SAP S/4HANA and SAP Analytics Cloud: At the heart of Financial Planning & Analysis



Plan & Predict

Financial planning content integrated with **SAP Analytics Cloud** for Planning.

Predictive Accounting in S/4HANA: Predictive accounting information included in the single financial truth, isolated from GAAP reporting.

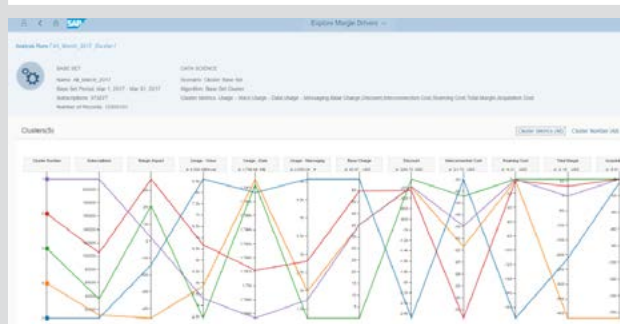


Management Accounting

- Universal Allocation in S/4HANA. provides one architecture for financial accounting, combining actual and plan.
- Where-used list in S/4HANA shows dependencies and supports impact analysis.
- Real Spend in S/4HANA.

Margin Analysis

- Margin analysis in S/4HANA: Profitability analysis within the Universal Journal, addressing the needs of internal and external accounting, supporting real-time derivation of reporting dimensions and embedded analytics.



Simulate & Optimise

- **SAP Analytics Cloud** with available **business content** and S/4 embedded reporting.
- Customer Profitability analysis in S/4HANA.

Planning with SAP: cloud-first strategy

Most current organisations still face inconsistent modelling and planning processes across the organisation, usually in disconnected silos, which translates into lack of confidence in plans and forecasts together with an inability to discover key cost and revenue drivers.

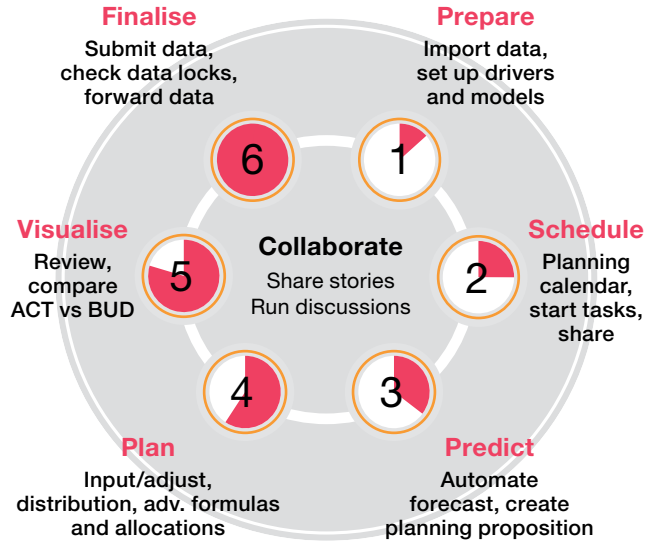
The strategy going forward

SAP Analytics Cloud is SAP's primary strategic and collaborative planning solution moving forward; open and flexible where main innovation and enhancements are delivered.

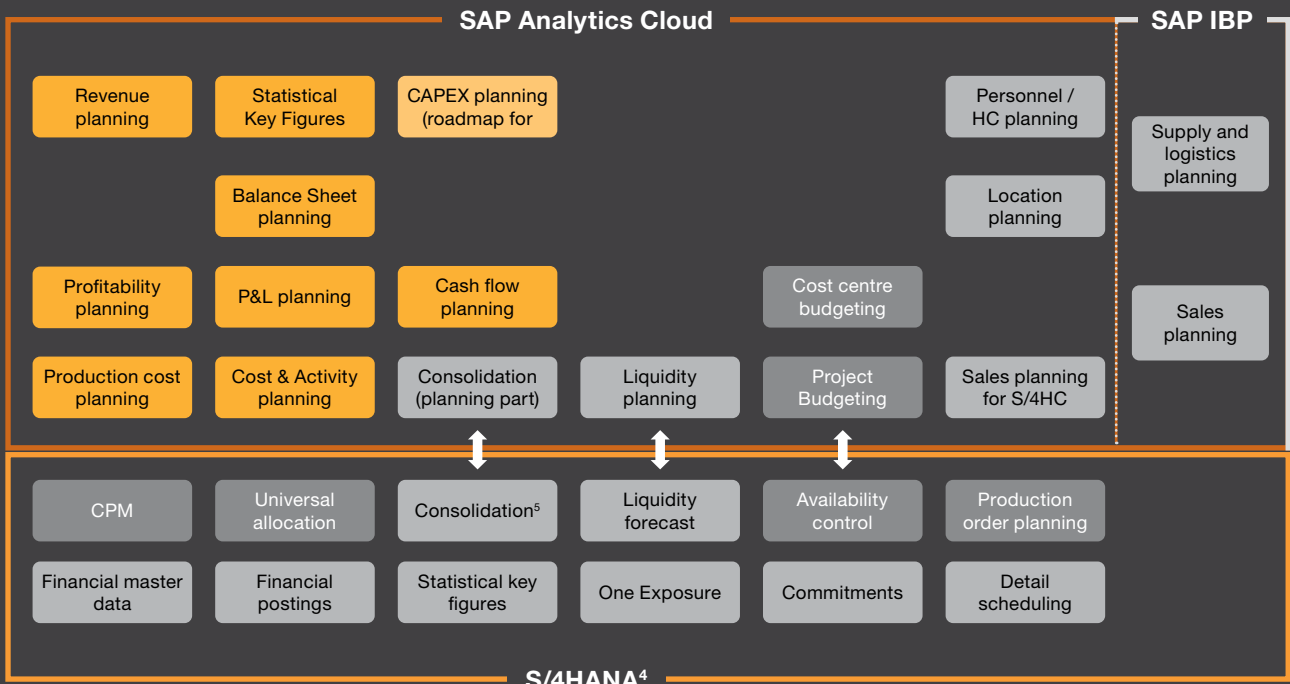
SAP Business Planning and consolidation (BPC) is only recommended for customers requiring an on-premise solution and high performance close to the core.

Hybrid planning – with SAC & BPC – brings the best of both worlds, enabling different engine and modelling possibilities.

Planning process and capabilities in SAP Analytics Cloud



Driver-based planning with SAP



- Finance Planning core
- Connected engines
- Related content

4 Different capabilities depending on your S/4HANA version. Diagram valid for S/4 CE 1908

5 For financial consolidations, SAP S/4HANA Cloud for Group Reporting is recommended. It can also be used independently from operational accounting in SAP S/4HANA.

PwC: our experience and expertise

PwC named a leader in 2020 Gartner Magic Quadrant for Data and Analytics Service Providers

PwC's experience and expertise in data analytics to help customers find new sources of revenue, make faster and better decisions and capitalise on untapped business intelligence is widely recognised in the market and is also acknowledged by Gartner.

According to the Gartner⁶ Magic Quadrant Report, "PwC differentiates by embedding D&A and AI across its organization and uses the business, experience and technology (BXT) approach, integrated solutions and assets to help clients operationalise their D&A and AI investments. It also combines competencies, IP and technologies across business domains, industries and ecosystem to drive innovation and scalable client value proposition."

PwC has a holistic strategy to embed D&A and AI to drive business outcomes. The strategy includes five pillars: platforms; integrated solutions with embedded AI; go-to-market teams with domain and industry expertise; the BXT delivery approach; and operational excellence.

PwC is also building D&A- and AI-enabled accelerators, solutions and training talents in its global cross-line of service (xLOS). These solutions and capabilities can be leveraged in the various lines of service — including Advisory, Tax, Assurance and Internal Firm Services — through PwC Labs and the Workbench."

6 2020: <https://www.gartner.com/doc/reprints?id=1-1YBATZXS&ct=200210&st=sb>

Contacts

If you want to know more about how to best leverage your complex enterprise data to drive business intelligent decisions please contact us:



Albert Faessler
Partner, Technology Consulting
PwC Switzerland
+41 79 352 52 21
albert.faessler@pwc.ch



Muruganath Chockalingam
Partner, Advisory
PwC Switzerland
+41 79 947 64 71
muruganath.chockalingam@pwc.ch



Daniel Hernandez
Manager, Advisory
PwC Switzerland
+41 78 975 38 48
daniel.hernandez.tielas@pwc.ch

PwC, Birchstrasse 160, 8050 Zurich, +41 58 792 44 00

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