SAP IDEA EXCHANGE
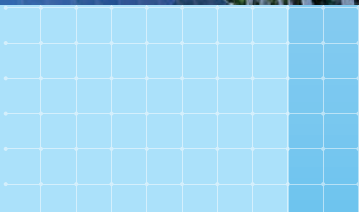
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Foreword

Christopher R. Moberg
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Executive Vice President, Global Service offering Head (SAP) and Head Europe, Infosys

CFOs are evolving into pivotal architects of enterprise success, expanding their roles well beyond traditional financial management. Today, they spearhead transformative initiatives that position businesses for sustained growth and innovation. A prime example of this is the ongoing SAP S/4HANA transformation, which is shaping the digital backbone of enterprises worldwide. However, the growing talent gap in emerging technologies has emerged as a significant barrier to driving these transformations forward.

Infosys and Central Michigan University (CMU) have forged an innovative partnership connecting academia with industry to tackle this challenge head-on. This partnership includes a groundbreaking publication with a clear goal to equip a new generation of skilled talent while providing businesses with the tools to overcome SAP-related challenges and capitalize on fresh opportunities for innovation.

Packed with forward-thinking strategies, real-world SAP success stories, and practical insights into solving complex business challenges, this publication is indispensable for champions of business growth. It ignites new possibilities for todays and tomorrow's talent, keeps enterprises ahead with the latest SAP updates and academic research innovations and empowers practitioners to excel in their fields. By driving knowledge, innovation and opportunity, this initiative is more than just a guide—it's a powerful catalyst for success in the evolving world of SAP.

Bringing Academia and Industry Together with SAP Education

A recent survey by the Americas' SAP Users' Group (ASUG) highlights a startling reality—nearly half of respondents acknowledged a talent shortage in SAP S/4HANA expertise, with 25% citing it as a reason for project delays.[1] That's not all. For today's talent to be successful in SAP transformations, they must pool business process expertise with a sound technology understanding and an appreciation of new platforms—no easy task. In response, SAP launched "Partner Talent" to provide free online boot camps to partners and consultants. Yet, market research shows that 40% of SAP professionals lack adequate training. Clearly, more needs to be done.

> "By providing students with access to industry leaders, mentors, and real-life scenarios, this partnership ensures that graduates are job-ready, equipped with the skills and knowledge sought after by top companies.

Infosys understands the magnitude of this problem and has made focused efforts to bridge the gap. For example, Infosys collaborates with universities under the SAP Academic Alliance, including prestigious institutions like CMU. These partnerships emphasize early exposure to real-world business problems and integrate industry insights into educational curriculums. The mission? To nurture world-class talent equipped to thrive in the evolving technology landscape.

This publication takes a central role in talent development through an ecosystem of impactful events, certifications and strategic partnerships. It fosters mentorship opportunities between students and industry

[1] The Biggest Tech Talent Gap Can Be Found In The SAP Ecosystem

leaders, offers exposure to live projects, and provides invaluable career guidance. Whether it's the ERP SIM program that immerses students in real-world SAP scenarios or numerous free learning resources, career advice, networking opportunities with SAP experts, recruitment events and design-thinking workshops, the avenues for learning are designed to give students a competitive edge.

With this kind of support, aspiring professionals can supercharge their SAP careers with vital skills that prepare them for the future. They will also be well-positioned to succeed in environments increasingly influenced by AI and advanced technologies.

Furthermore, this publication aims to empower academia to remain at the forefront of SAP research and contribute meaningfully to its practice. Academicians will find it valuable to exchange ideas, collaborate, and present research innovations in the SAP domain.

SAP Insights for Enterprise Innovation

Technology isn't just driving business—it is business. With over 425,000 companies worldwide using SAP, and nearly 80% of all global transactions passing through SAP systems[2], staying updated on the latest

in technology has shifted from an option to an enterprise imperative. Companies now face a dual challenge as they migrate legacy systems to cloud-based platforms like SAP S/4HANA while working to maintain operational efficiency.

Whether it is SAP's ability to drive rapid innovation, scale seamlessly, and deliver value at lightning speed or Infosys' expertise in accelerating SAP adoption while fine-tuning operations, staying consistently informed is a non-negotiable for enterprises aiming to remain relevant in the new environment. Moreover, SAP's 2027 deadline for migrating legacy ERP systems to SAP S/4HANA is fast approaching, placing pressure on enterprises and SAP practitioners to make the right moves quickly and avoid being stuck with outdated systems.

In such a scenario, imagine the upside of getting a close view of leading industry majors, moving from legacy systems to state of art SAP S/4HANA environment in partnership with Infosys. Stories like this form the backbone of the publication, offering practical insights for companies navigating similar migrations. It sheds light on the best practices, achievements, and latest technological trends that empower enterprises to gain an edge in their SAP strategies.

> "The focus will be on developing top-notch talent through collaboration with universities like CMU towards early exposure to real-world scenarios and industry insights for students.

Moving Forward Together

This partnership is fueled by a shared vision of creating outstanding talent and fostering enterprise excellence through cutting-edge research, innovation, and strategically aligned education. Enterprises, academics, and professionals can leverage this collaboration to stay at the forefront of SAP advancements, emerging stronger and more capable in a technology-driven world.

[2] SAP Users Email List | 605,000 + Customers' Contact Info

Chapter 1

Insights for CFOs Navigating the SAP S/4HANA Transition

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Introduction

With finance teams traditionally being early adopters of technology solutions, finance has emerged as the focal point in the dynamic landscape of the SAP S/4HANA transformations. Finance users are typically more technologically adept, particularly when leveraging platforms like SAP.

This chapter provides a roadmap for navigating finance transformation challenges and explores the role of technology in streamlining processes and facilitating a successful SAP S/4HANA based on our extensive experience.

The Finance-First Rationale

However, the S/4HANA transformation path is not without its challenges.

Key Challenges in Finance Transformation

1. Accounting Structure Transformation

Although organizations have experienced significant shifts in business models, the core processes in their SAP ECC systems often remain outdated. New product

lines and revised models necessitate transforming accounting practices, including updating accounting, costing, and reporting processes to meet current demands. Restructuring these practices is now a critical focus for finance-first initiatives in S/4HANA implementations.

2. Evolution of Organizational Finances

Over the past two decades, globalization has driven large conglomerates to centralize and standardize global processes.

Establishing shared services organizations with standardized processes is now a key agenda for companies implementing S/4HANA. This requires strategies to integrate these processes into the shared services framework, ensuring alignment with their S/4 finance mission.

3. Transition to Service-Centric Models

Industries are shifting from product-centric to service-centric models, with 'servitization' rising. Companies like Tesla have adopted subscription-based services, influencing traditional industries. This shift impacts finance processes, as subscription-based revenue management and billing differ from product-centric ones. Organizations are integrating these solutions within S/4HANA to stay relevant.

> "Establishing shared services organizations with standardized processes is now a key agenda for companies implementing S/4HANA.

4. Financial Supply Chain Management

Disruptions in the physical supply chain have impacted the financial supply chain. Managing cash and liquidity today requires different approaches than a decade ago. Integrating advanced financial supply chain solutions within S/4HANA is crucial for modern finance operations.

Role of Technology

Technology plays a pivotal role in addressing finance transformation challenges. Process automation, process mining, and automation integration in SAP tasks can enhance productivity and efficiency. Tools like Signavio streamline processes, ensuring real-time information flow across vendors and customers. In addition, productivity gains are possible from automating tasks such as invoice creation within SAP.

Chapter 2

Process Intelligence and Optimization with SAP S/4HANA and SAP Signavio: Integration and Impact

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Integrating SAP S/4HANA and SAP Signavio offers a comprehensive approach to process intelligence and optimization. This powerful combination enables organizations to analyze, design, and implement optimized business processes with high efficiency and effectiveness. SAP RISE and SAP BTP enable these capabilities, providing a robust framework for transformation and continuous improvement. This report briefly explains how organizations can leverage process mining and optimization in the SAP ecosystem.

SAP RISE and SAP BTP: Enablers of Process Mining and Optimization

SAP RISE is a comprehensive offering that provides businesses with the tools and services needed to transform into an intelligent enterprise. It includes an AI-powered cloud ERP that's managed and optimized by SAP. It provides services and tools built on the clean core approach by SAP so organizations can migrate on-premise systems, transform business processes, drive continuous innovation and unlock cloud agility. A central component that enables such a transformation in the RISE framework is the SAP Business Technology Platform (BTP). SAP RISE simplifies the transformation journey by offering a single contract and subscription-based pricing, reducing complexity and cost.

SAP BTP serves as the foundation for integrating and extending SAP applications. It provides services for data management,

analytics, AI, application development and automation. SAP BTP plays a critical role in process mining and optimization by offering tools and services that support data integration, process automation and advanced analytics. Within the RISE framework with SAP, BTP is a bundle of products that use cloud capabilities. BTP is a technology platform that combines data, analytics, AI, application development, automation, and integration into one environment. BTP can help organizations extend their business capabilities and use data in SAP S/4HANA Cloud.

Organizations can drive innovation faster with SAP BTP consumption credits within the RISE framework to fast-track the move to SAP S/4HANA Cloud and support faster, cohesive and future-ready innovation. To do so, they need near real-time process optimization and mining. SAP Signavio, the best-in-class process mining tool, seamlessly integrates into SAP S/4HANA systems to enable process optimization.

Process Intelligence and Optimization

Process intelligence involves using advanced analytics to understand and improve business processes. It encompasses data collection, process mining and the application of insights to optimize operations. Organizations can identify inefficiencies, predict outcomes, and implement strategies to enhance performance by leveraging process intelligence. Regulatory pressures such as tracking carbon emissions or monitoring metrics to ensure the long-term profitability of a business mean that businesses increasingly need a granular view of their processes.

Commonly Employed Optimization Techniques

- **Automation:** Automating repetitive tasks can significantly improve efficiency and reduce errors. SAP S/4HANA's integration with RPA tools supports this effort.

- **Standardization:** Standardizing processes across the organization ensures consistency and reliability, which is crucial for maintaining quality and compliance.

- **Continuous Improvement:** Adopting a continuous improvement mindset enables organizations to make incremental enhancements to their processes, fostering long-term growth and innovation.

SAP Signavio, in conjunction with S/4HANA,

is suited to obtain and deliver on the promise of receiving reliable, quick and near real-time insights from the data.

SAP Signavio

SAP Signavio is a suite of business transformation solutions that includes process modeling, management and mining tools. Signavio provides a collaborative platform for businesses to visualize, optimize and transform their processes. By integrating with SAP S/4HANA, Signavio offers comprehensive process intelligence and optimization capabilities.

Key Features

- **Process Modeling:** Signavio allows organizations to create detailed visual representations of their business processes, facilitating better understanding and communication.

- **Process Mining:** This feature enables the analysis of process data to identify inefficiencies, bottlenecks, and opportunities for improvement. SAP has two products - Process Insights and Process Intelligence- that support process mining.

- **Collaboration:** Signavio's collaborative platform supports cross-functional teamwork, ensuring all stakeholders are aligned in process improvement initiatives.

- **Process Governance:** Ensures compliance and standardization across business processes, helping organizations adhere to regulatory requirements.

Gartner's Signavio Recognition

According to the 2024 Gartner Magic Quadrant for Process Mining, SAP Signavio has been recognized as a leader in process mining tools. This recognition underscores the tool's robust capabilities in analyzing and optimizing business processes, making it a preferred choice for enterprises seeking comprehensive process intelligence solutions.

Benefits of using S/4HANA and Signavio:

- **Process Discovery:** Using Signavio's process mining capabilities, businesses can discover how their processes are performed, identifying deviations from intended workflows.

- **Performance Monitoring:** S/4HANA's real-time analytics allow organizations to monitor the performance of their processes continuously, providing immediate insights into areas needing attention.

- **Optimization Initiatives:** By combining the insights gained from S/4HANA and Signavio, businesses can design and implement targeted optimization

initiatives, driving efficiency and effectiveness.

Expected End Results

Enhanced Decision-Making: The real-time data and analytics capabilities of S/4HANA, combined with the process insights from Signavio, enable more informed decision-making. Businesses can quickly respond to changes in the market and internal operations, maintaining agility and competitiveness.

Improved Efficiency: Automation and process optimization reduce manual effort, minimize errors and streamline operations. This leads to cost savings and improved resource allocation, contributing to overall business efficiency.

Greater Transparency: With detailed process modeling and mining, organizations gain greater transparency in their operations. This visibility is crucial for identifying areas of improvement, ensuring compliance and fostering a culture of continuous improvement.

Strategic Alignment: Collaborative features of Signavio ensure that all stakeholders are aligned to the process improvement initiatives. This alignment is essential for executing strategic goals and achieving long-term success.

> **"** Over 1000 SAP customers have already undergone a transformation with SAP S/4HANA.

Infosys' Role in SAP Transformations

As a strategic partner of SAP, Infosys offers extensive expertise in SAP implementations and transformations. Their SAP practice is designed to help organizations maximize SAP investments through consulting, implementation, support and managed services. Infosys leverages proven methodologies, tools, and accelerators to ensure successful SAP deployments. Its key offerings and capabilities -

1. **Consulting Services:** Infosys provides strategic consulting to align SAP solutions with business objectives. Their consultants help organizations develop roadmaps for digital transformation, ensuring seamless integration of SAP RISE solutions.

2. **Implementation and Rollouts:** Infosys has a robust SAP implementation and rollouts framework. They ensure rapid deployment with minimal disruption to business operations. Their global delivery model ensures that projects are delivered on time and within budget.

3. **Support and Maintenance:** Infosys offers dependable production support and maintenance services. Their expertise in managing SAP landscapes ensures that systems are always up-to-date and running smoothly.

4. **Business Process Outsourcing (BPO):** Infosys' BPO solutions, integrated with SAP, help organizations manage their procurement, finance, and HR processes more efficiently. Their platform-based approach ensures scalability and cost-effectiveness.

5. **SAP S/4HANA Value Assurance and Operations:** Infosys provides comprehensive data management services, ensuring organizations can

> **CFOs are now expected to ensure that their companies use technology to their advantage, both in terms of efficiency and effectiveness.**

leverage their data for better decision-making and process optimization. Their expertise in SAP S/4HANA and data analytics is particularly valuable for organizations looking to harness the power of big data.

6. **Accelerated Innovation:** Infosys focuses on driving innovation through SAP solutions. Their involvement in SAP's strategic initiatives ensures that clients benefit from the latest advancements in SAP technology. Infosys' SAP practice integrates emerging technologies like AI, machine learning and IoT to enhance business processes.

Infosys' Live Enterprise for SAP RISE offering is built on SAP S/4HANA industry templates. It includes Infosys Catalyst and Innov8, which are part of Infosys Cobalt.

> ❝
>
> **SAP's Fit-for-Standard approach for implementation speeded up the process, and the client company went live in five locations in a quick nine months.**
>
> ❞

Given Infosys' expertise, it is one of the first three strategic partners to help customers achieve true process transformation with SAP's Business Process Intelligence (BPI) solutions. This collaboration combines insights delivered through BPI process capabilities with Infosys' implementation expertise and robust tools and methodologies. SAP Signavio plays a central role in process optimization.

Academic Partnership between Infosys, SAP, and Central Michigan University

Infosys and Central Michigan University (CMU) have formed a strategic collaboration to enhance expertise and innovation around SAP and process mining. This partnership combines Infosys' deep industry knowledge and technological capabilities with CMU's academic excellence to develop cutting-edge solutions and skilled professionals.

CMU students gain access to real-world SAP and process mining projects, internships and specialized training programs through this collaboration. For example, Infosys' student team won the ERP simulation competition held at Central Michigan University in 2022. Typically, 40 firms from various industries participate in this annual competition. Infosys has also dedicated resources to address the talent gap in the SAP ecosystem.

This initiative aims to bridge the gap between academic learning and industry requirements, fostering a new generation of SAP professionals with the practical skills

and knowledge necessary to drive digital transformation in businesses. Additionally, this partnership promotes research and development in ERP, process mining and RPA, enabling both entities to contribute to advancements in the field and offer innovative solutions to their clients and the broader industry. An example of the outcome of integration between SAP and RPA UiPath is showcased in Chapter 3.

"

Infosys' student team won the ERP simulation competition held at Central Michigan University in 2022. Typically, 40 firms from various industries participate in this annual competition.

CMU is an SAP University Alliance NextGen institute, one of 13 schools worldwide to have this designation. The partnership aims to create applied research, address the talent gap in the SAP ecosystem, and create information solutions for the broader industry.

Chapter 3

Streamlining Financial Supply Chain Management with SAP and HighRadius for Operational Excellence

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The Ever-Evolving Financial Supply Chain Landscape

Businesses strive to coexist harmoniously in a world riddled with uncertainties and constant flux. Moreover, in the global context, disruptions carry import for businesses everywhere. As a result, financial supply chains are becoming more complex as they deal with multiple currencies, regulations and suppliers. This places significant stress on managing working capital and cash flows and mitigating risks. CFOs must navigate challenges related to credit, collections, disputes and overall working capital management. They struggle to manage working capital efficiently as they cannot accurately forecast receivables or have proper visibility into bad debts, write-offs or tax consequences. A study revealed the damaging consequences of late payments - 25% of European bankruptcies can be attributed to late payments,[1] signaling a warning for US businesses where 55% of B2B invoiced sales are overdue.[2]

[1] Quarter of European bankruptcies blamed on late payments. What is the Commission doing about it? | Euronews

[2] B2B payment practices trend, United States 2023

Credit management is also tricky, requiring thorough investigation of customer credit history to initiate the billing and payment process. Errors stemming from a lack of online connections to credit bureaus can lead to costly disputes.

Finally, to ensure smooth money flow, the organization must integrate with the financial systems of multiple banks and customers, further complicating the situation. In short, higher days sales outstanding, interrupted cash flows, disagreements over deductions and working capital issues due to disputes, and increased write-offs are everyday hassles for the CFO's office that result in poor employee and customer experience.

Technology as the Catalyst: Reshaping Financial Supply Chain Management (FSCM)

The complex financial supply chain is ripe for change. Technology can significantly smooth many issues, offering improvements at every step of the financial supply chain process.

"SAP BTP plays a critical role in process mining and optimization by offering tools and services that support data integration, process automation and advanced analytics.

Improving cash flow management will always feature on the CFO's radar. Tools to forecast cash flow and optimize working capital remain vital for an organization's financial health.

The potent combination of SAP and HighRadius

What must companies look for when considering FSCM solutions? The solution must include cash management tools and capabilities to assess credit risk, process invoices and receivables, provide insightful reports, and ensure data security and compliance to elevate current performance. The SAP S/4HANA order-to-cash process, standard FSCM software, and HighRadius' autonomous software offer a powerful solution.
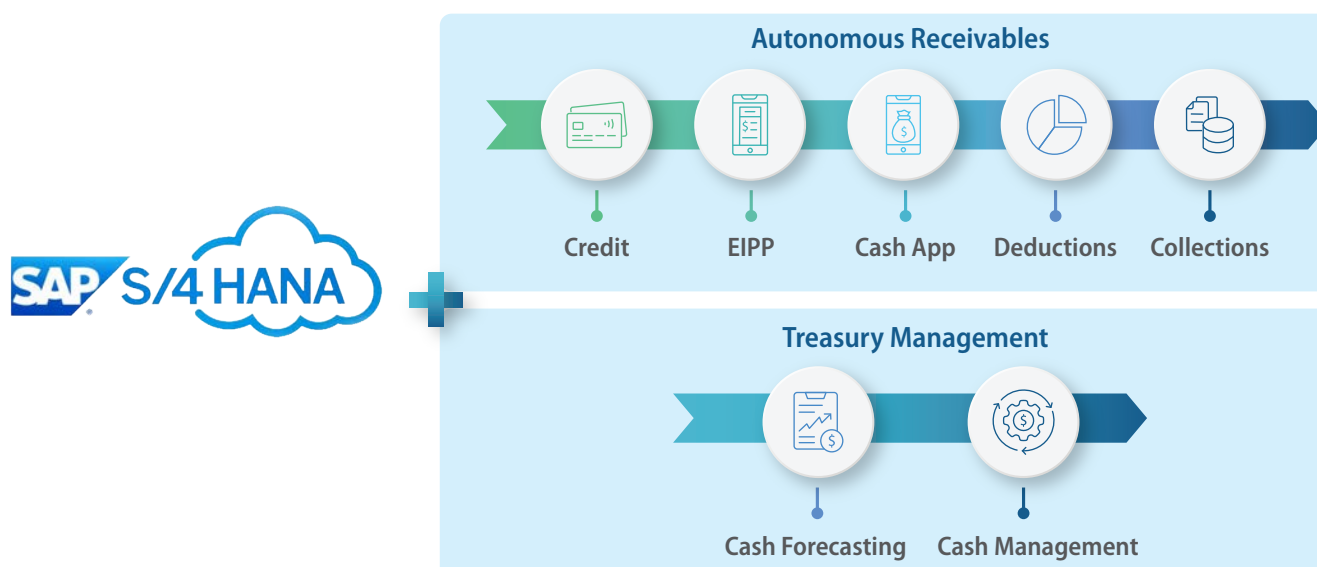
Both SAP S/4HANA and HighRadius are prioritizing supply chain financing, covering AR factoring, AP reverse factoring and dynamic discounting. In addition to the several features that can enhance an organization's FSCM, HighRadius' use of AI adds tremendous value to the CFO.

Here is a sample of what can be achieved with an advanced solution:

Predicting an invoice payment date: By correlating data on invoice details, open amounts, and payment gaps from the SAP ERP system, the HighRadius solution discerns patterns using a random forest regression open-source algorithm to predict a payment date. This advanced approach allows clients to forecast payment dates within one or two days of the actual date, significantly boosting accuracy.

Blocking/ unblocking orders automatically: Using ML techniques, the system gauges multiple data points to decide whether an order must be blocked. As a result, an analyst at a CPG

Autonomous Receivables

Credit | EIPP | Cash App | Deductions | Collections

SAP S/4 HANA

Treasury Management

Cash Forecasting | Cash Management

> **With the HighRadius solution, analysts can save 85% of the time spent making reports.**

firm does not have to look up D&B ratings manually to make the decision—it happens automatically.

Detect anomalies: AI can help identify anomalies in journal entries. For example, it can detect if a recurring entry does not show up at its regular frequency or if there is an irregular entry. The algorithms quickly spot patterns and adjust without any human intervention.

Customized, intelligent communication: Large language models (LLM), the bedrock of Generative AI, can help frame communication with clients, enhancing the chances of the expected action. For instance, a collection agent can harness Generative AI to quickly craft an intelligent dunning note for a client. The LLM searches all data points related to the client, including emails, call records, online transcribed notes or attachments.

Report generation: Analysts can use Generative AI systems to develop reports like FBAR for compliance purposes. These reports can be generated in the appropriate language for a specific regional facility. So, the analyst can save significant time preparing reports for compliance, the board or other essential meetings. With the HighRadius solution, analysts can save 85% of the time spent making reports.

The software, combined with Infosys' services, can help CFOs overcome many of the challenges they face today in FSCM. Below are a few key lessons learned from such client engagements.

Valuable Lessons From the Infosys Repertoire of Experience

The digital push begins from within

Digital transformation was triggered internally for a shared service provider for bottlers of a global beverage company. The company monitored the changes in its customer and supplier markets and quickly recognized the shift towards doing more with less. For example, this meant faster annual deductions (over 10 million) in the AR space. This move helped the company become more productive and maximize its resources.

The SAP S/4HANA and HighRadius combination works with the added advantage of Infosys services
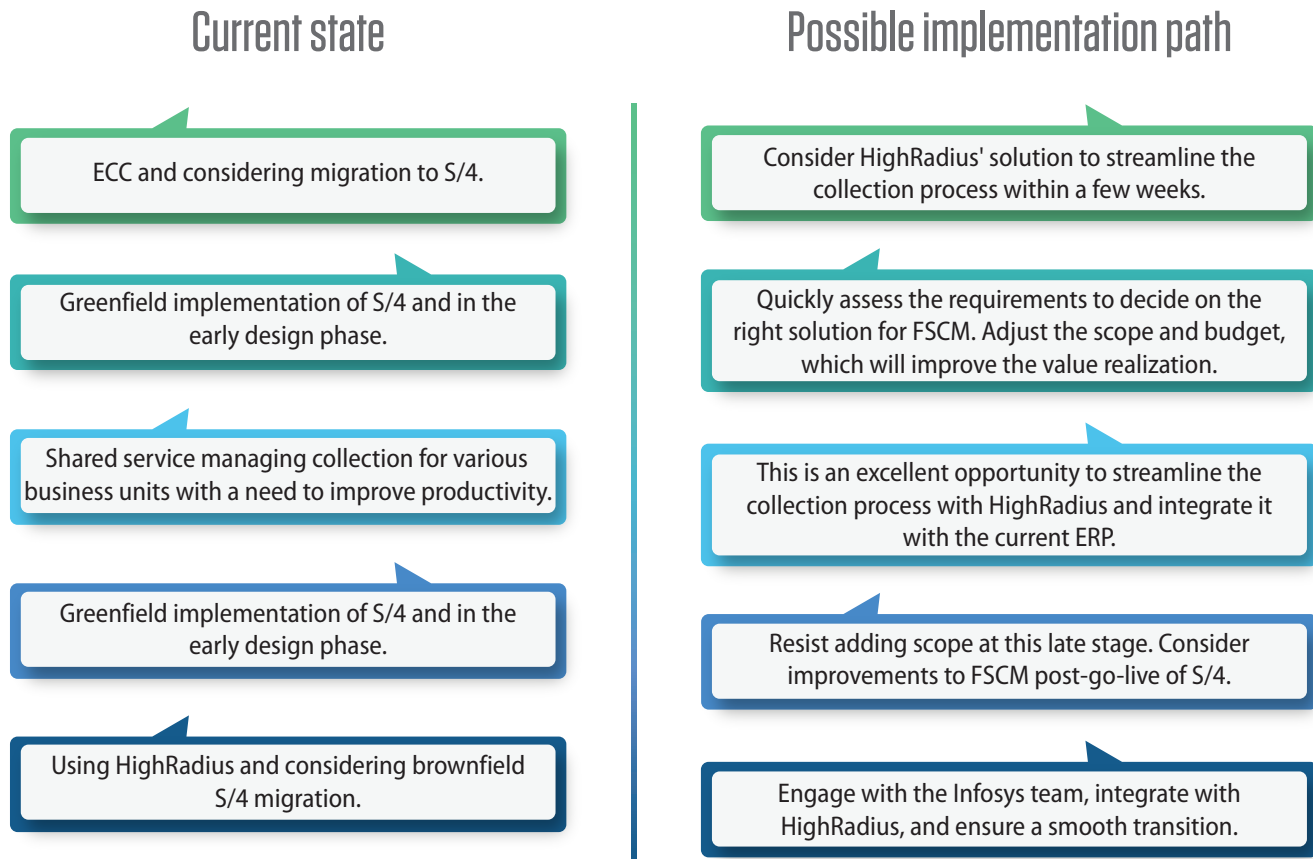
Here are some notable successes that Infosys' clients have experienced.

A large American chocolate manufacturer, an SAP platform veteran, embarked on an SAP S/4HANA transformation. Furthermore, they were already acquainted with HighRadius accelerators and integrated them with the S/4 HANA O2C structure. They have ten overarching processes in order-to-cash, and HighRadius integrates with five.

High volumes of deductions motivated the company to look for automation solutions for clearing and write-offs or offsets. HighRadius' Cash Application and Deduction Management solutions proved best for their needs within the SAP environment. As a result, they could save 60% of employee resource costs, improve average Days Deduction Outstanding (DDO) by over 75% and achieve auto-cash posting on the same day.

With a clear grasp of the client scenario and thanks to staying tuned to mushrooming market trends through periodic discussions with industry analysts, its clients, and partners like SAP and HighRadius, Infosys recommended the best approach to FSCM solutions.

Figure 1. Infosys recommendations on various implementation scenarios

Current state	Possible implementation path
ECC and considering migration to S/4.	Consider HighRadius' solution to streamline the collection process within a few weeks.
Greenfield implementation of S/4 and in the early design phase.	Quickly assess the requirements to decide on the right solution for FSCM. Adjust the scope and budget, which will improve the value realization.
Shared service managing collection for various business units with a need to improve productivity.	This is an excellent opportunity to streamline the collection process with HighRadius and integrate it with the current ERP.
Greenfield implementation of S/4 and in the early design phase.	Resist adding scope at this late stage. Consider improvements to FSCM post-go-live of S/4.
Using HighRadius and considering brownfield S/4 migration.	Engage with the Infosys team, integrate with HighRadius, and ensure a smooth transition.

Here are some scenarios that Infosys helped its clients navigate.

Using AI to identify deductions

The digital transformation team at the shared services provider works with the internal business and IT teams and the SaaS providers to bring about change. As the finance division identifies potential enhancements or change requests, this team collaborates with the three stakeholders to prioritize requirements based on the expected value.

HighRadius, in turn, quickly incorporate changes to solve business challenges based on emerging trends. One example is identifying invalid deductions from a more extensive set using AI. This reduces friction and disputes with the customer.

Reporting and analytics tools to stem deductions

Most firms do not have the necessary analytics tools to track deductions or revenue leakages. It is typical to write off amounts below a threshold, say $100, or after a stipulated number of days. A deep dive into a specific deduction can enable the company to follow up with the customer and recover the amount. Analytics tools can drive better visibility, and along with automation, it is possible to increase recovery rates.

Handling customization by controlling significant changes in SAP or HighRadius system

At times, it becomes imperative to implement certain features to cater to unique requirements in a country or company. However, changing the SAP solution is costly and must be minimized as much as possible. Real-world experience shows that it is best to use two different applications to comprehensively address all requirements without significantly changing the HighRadius system.

However, some situations may require a different approach. For example, consider those who have already implemented SAP FSCM and wish to set up a cash application. The functionality available in SAP for notifications on customer remittance advice received would require additional human resources to process the information. So, adding an RPA solution to manage the manual part is a logical next step. However, having one application to process the remittance advice is a preferred option, which implies changing SAP or HighRadius solutions.

Wrapping up

As businesses navigate the evolving FSCM landscape, the role of technology, such as that offered by SAP S/4HANA and HighRadius partnership supplemented by Infosys services, becomes increasingly pivotal. This partnership is not only a means to streamline operations but also enables greater efficiency and profitability.

The experiences of companies that have embraced these solutions underscore their potential to revolutionize FSCM. These stories offer valuable lessons in how the right technology, properly implemented, can enhance cash flow, reduce disputes, and improve customer and employee experiences. Yet, it's essential to remember that successful FSCM requires a holistic approach incorporating data analytics, AI, a focus on business value and effective communication between finance, IT, and business teams.

> **This partnership is not only a means to streamline operations but also a pathway to greater efficiency and profitability.**

Chapter 4

Intelligent Automation of SAP Systems

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In an increasingly digital landscape, businesses continually seek new methods to streamline operations, reduce costs, and enhance productivity. Enterprise Resource Planning (ERP) systems have been the backbone of companies to pursue these goals, integrating business processes and serving as the operational nucleus for organizations. ERP systems facilitate a spectrum of crucial tasks, from managing finances and human resources to overseeing supply chain logistics and beyond. Within the interaction with ERP systems, employees input vital information, execute transactions, and access valuable insights to make informed decisions.

The Transformative Power or RPA

While many activities within ERP systems are value-added, others involve repetitive and routine tasks that can be automated. This is where Robotic Process Automation (RPA) comes into play. RPA has been a game-changer in business operations by automating structured, routine tasks typically performed by human workers.

This technology functions as software robots (bots) capable of handling data manipulation, repetitive processing tasks and interfacing between different digital systems with high precision. The application of RPA spans various sectors, including finance, healthcare, retail, manufacturing and utilities, automating tasks such as data entry, invoice processing, document handling, reporting, master data management, and interacting with a broad range of applications and information systems, including ERP systems like SAP.

RPA is not considered AI In its basic form, as it primarily follows predefined rules and scripts to automate repetitive tasks. However, when RPA is combined with AI technologies like Natural Language Processing (NLP), machine learning, and machine vision, it evolves into a more sophisticated system called Intelligent Automation (IA). One significant component of this integration is Optical Character Recognition (OCR), a technology that converts images of typed, handwritten, or printed text into machine-encoded text.

OCR enhances RPA capabilities by allowing it to interpret and process visual data, thus expanding the scope of automation from simple rule-based tasks to those requiring perceptual and cognitive skills.

> " RPA has been a game-changer in business operations by automating structured, routine tasks typically performed by human workers.

Automating SAP Tasks with OCR and RPA

The integration of OCR and RPA technologies into SAP systems marks a significant advancement in the automation of ERP systems. In recent developments, SAP has incorporated AI to enhance the functionality of its Business Technology Platform (SAP BTP), enabling more efficient business process management through intelligent automation. This incorporation streamlines tasks such as data entry, manual processing of invoices, and master data management, which was previously labor-intensive and prone to human error. For instance, SAP's embedding of OCR facilitates the accurate extraction and processing of data from various documents, reducing the manual effort required in data handling.

As these technologies continue to advance promptly, academic institutions must adapt swiftly. Central Michigan University, recognized for its leadership in ERP education, has responded by developing a case study that integrates these cutting-edge technologies to foster practical research and create a hands-on learning environment. The case study focuses on automating the invoice entry process within the SAP ERP system using OCR and the UiPath RPA tool.

The process without automation begins when vendors send their invoices in PDF format. Upon receipt, the accounts payable analyst will retrieve the invoice from the email. Following this, they must log into the SAP system and manually create the invoice receipt in the transaction. During this process, the analyst copies the information from the PDF into the SAP system, including the invoice date, vendor details, total amount and other necessary information. This procedure is labor-intensive and prone to errors, highlighting the need for optimization through automation. Figure 2 illustrates the process before the implementation of the automation solution.

Figure 2. Manual entry process without automation

Invoice in PDF

Log on SAP

Sends invoice

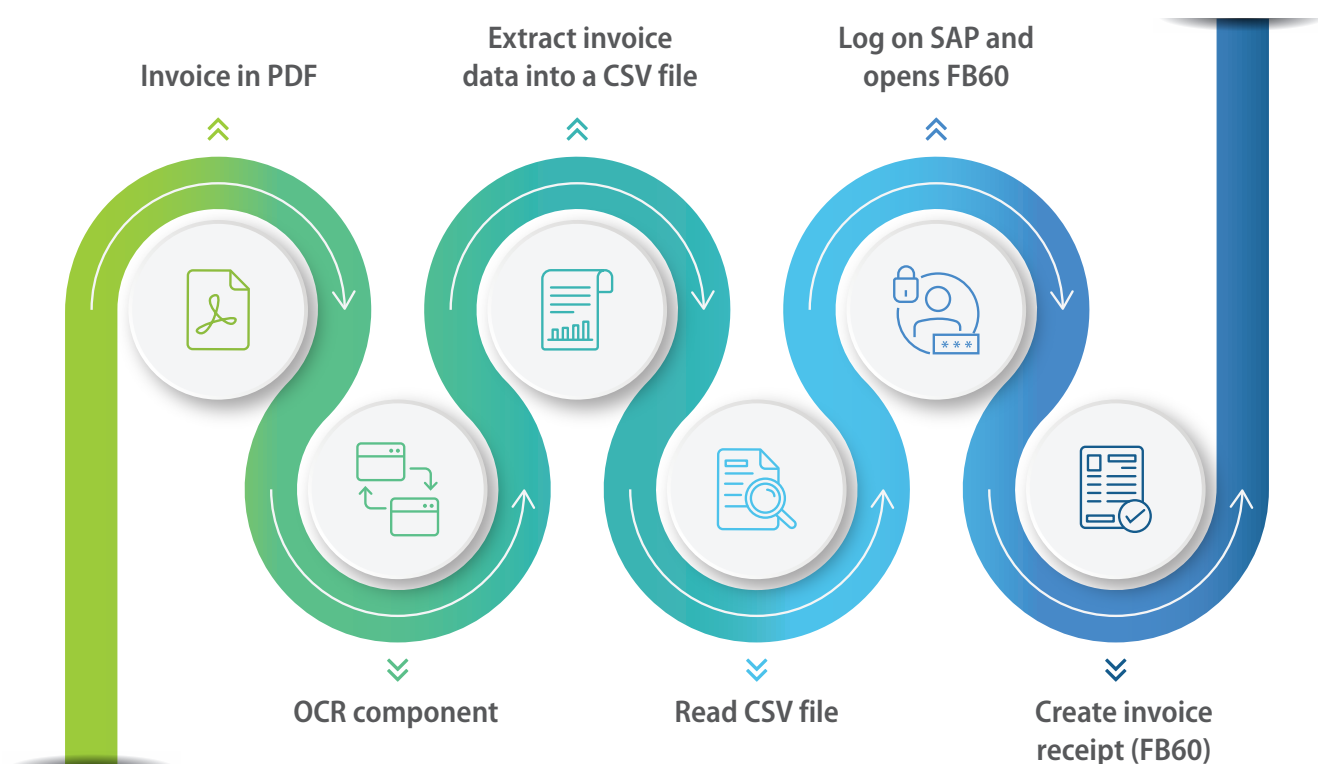**Download and open invoice**

Create invoice receipt (FB60)
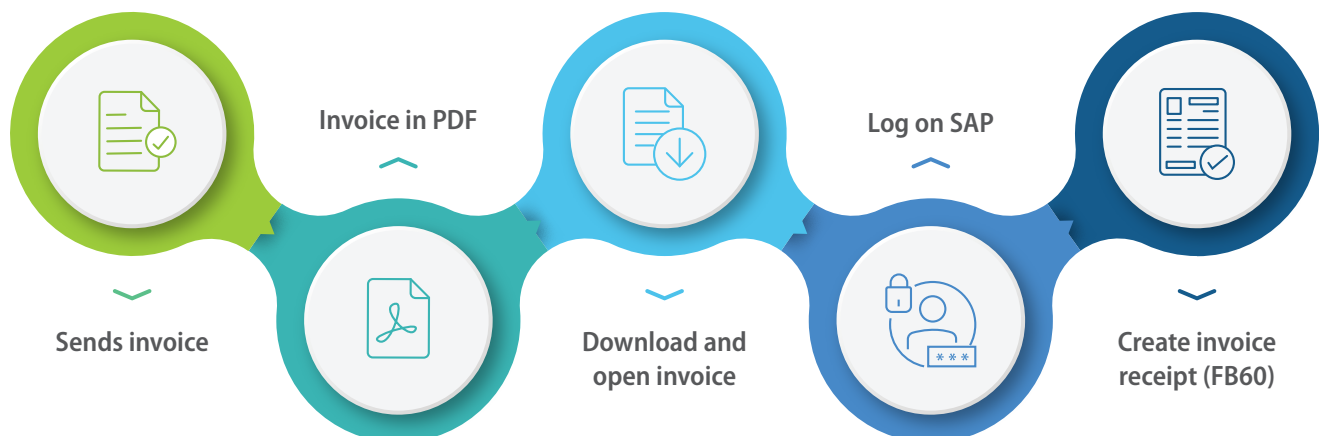
In the automated process described in Figure 3, invoices received in PDF format are initially processed using OCR technology within SAP BTP. This technology is employed to accurately extract data from invoices. The UiPath RPA bot transfers the extracted data seamlessly into SAP. The bot logs into SAP, opens the transaction for 'Enter Vendor Invoice,' and inputs the extracted information to create the invoice receipt. This automation significantly reduces human error and increases processing speed, enhancing operational efficiency.

The integration of RPA and OCR technologies not only streamlines business processes but also creates a dynamic learning environment for students and professionals to use and apply these advanced technologies within SAP systems. This practical approach offers valuable insights into the complexities and capabilities of modern ERP systems, equipping learners with the skills necessary to tackle real-world challenges. As technology evolves, the potential for further integration of AI tools, such as NLP and machine learning, is set to transform ERP interfaces further, making them more intelligent and responsive to user needs.

These advancements promise to enhance operational efficiency and decision-making processes, paving the way for a new era of intelligent automation in ERP systems.

Figure 3. Automated invoice entry process

Invoice in PDF

Extract invoice data into a CSV file

Log on SAP and opens FB60

OCR component

Read CSV file

Create invoice receipt (FB60)

SAP BTP combines the power of AI and RPA to deliver intelligent automation solutions. Here are some compelling use cases that leverage this technology:

1. Automating Business Document Processing:

- Eliminate manual data entry and streamline document handling.

- Use AI to extract and classify information from scanned documents, emails or various file formats.

- Leverage pre-built RPA bots or create custom ones to automate tasks like invoice processing, purchase order creation and customer onboarding.

3. Enhancing Procurement Processes:

- Automate supplier onboarding, purchase order management and catalog maintenance.

- Leverage AI for real-time price comparisons and supplier risk assessment.

- Build RPA bots to streamline vendor communication and automate data entry in procurement systems.

2. Transforming Finance Operations:

- Automate repetitive tasks in accounts payable and receivable, reducing errors and processing times.

- Leverage AI for automatic invoice matching and approval workflows.

- Utilize RPA for tasks like bank statement reconciliation and financial report generation.

4. Optimizing Customer Experience:

- Automate email responses to customer inquiries and requests.

- Utilize AI-powered chatbots to provide 24/7 customer support.

- Automate personalized marketing campaigns based on customer data and buying behavior.

5. Simplifying Human Resources Tasks:

- Automate repetitive tasks in employee onboarding, payroll processing and leave management.

- Leverage AI for resume screening and interview scheduling.

- Develop RPA bots for data entry tasks in HR systems and employee self-service portals.

These are just a few examples, and SAP BTP's intelligent automation capabilities can be applied across various departments and functions within an organization. By integrating AI and RPA, businesses can significantly improve efficiency, accuracy and cost savings. The future of Intelligent Automation in ERP systems is bright.

The case of Central Michigan University exemplifies the positive impact of Intelligent Automation in education. By integrating cutting-edge technologies into their curriculum, universities can equip students with the skills necessary to thrive in this evolving landscape.

In conclusion, Intelligent Automation offers a powerful solution for optimizing ERP systems and driving business growth. By embracing this technology, organizations can unlock a new level of efficiency, accuracy and cost savings.

Chapter 5

Revolutionizing Finance: CFOs Redefine the Art of Business with Technology

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The CFO Role from Bean Counter to Strategic Partner

The Chief Financial Officer (CFO) role has undergone a profound transformation. Once perceived as the company's "bean counters," responsible for balancing the books and managing finances, today's CFOs have emerged as strategic powerhouses, steering growth, profitability and innovation. They are no longer confined to the sidelines but are actively shaping business strategies behind the scenes.

Modern CFOs are pivotal in managing risks, from navigating financial uncertainties and cybersecurity threats to adapting to ever-changing regulatory frameworks. However, their path is far from smooth. Many organizations face challenges such as outdated charts of accounts that fail to align with contemporary operating models, disrupting revenue allocation, cost structuring, and accurate financial reporting. Adding to the complexity, legacy ERP systems—many over three decades old—hinder their ability to meet the demands of a dynamic business landscape.

In this transformative landscape, the CFO's role is poised to become even more strategic, data-driven and innovative. To stay ahead, CFOs must fully leverage analytics to make informed investment decisions, explore new markets and forge impactful partnerships.

Today's CFOs are increasingly tech-savvy, embracing cutting-edge digital transformation tools such as advanced analytics, AI and automation.
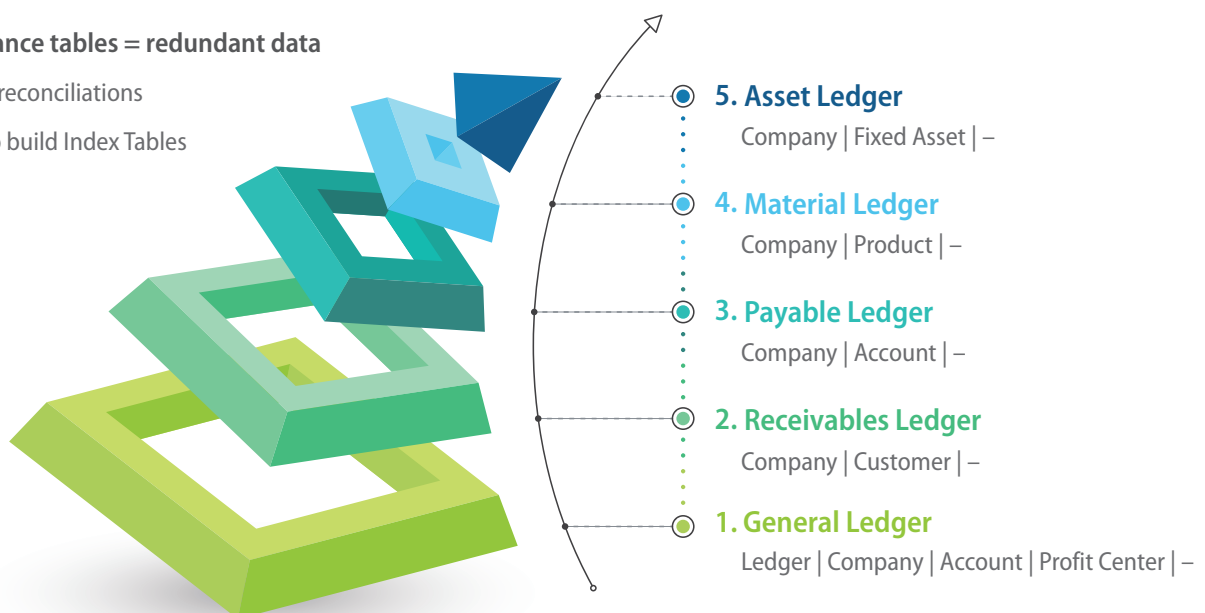
> **Many organizations still use inadequate ERP systems that are over 30 years old.**

Figure 4. Legacy finance systems

Many finance tables = redundant data

- Lots of reconciliations
- Have to build Index Tables

5. Asset Ledger
Company | Fixed Asset | –

4. Material Ledger
Company | Product | –

3. Payable Ledger
Company | Account | –

2. Receivables Ledger
Company | Customer | –

1. General Ledger
Ledger | Company | Account | Profit Center | –

These technologies have not only revitalized financial operations but also enhanced overall efficiency and effectiveness. For modern CFOs, data has become their guiding star—enabling them to analyze trends, predict outcomes and optimize operations in real-time.

This shift paves the way for the much-needed financial transformation, where data takes center stage. The interplay between financial accounts—spanning activity types, cost centers, profit centers, banking,

> SAP S/4HANA is valuable for financial transformation, offering a complete solution for all the challenges that CFOs deal with.

Figure 5. Critical financial master data
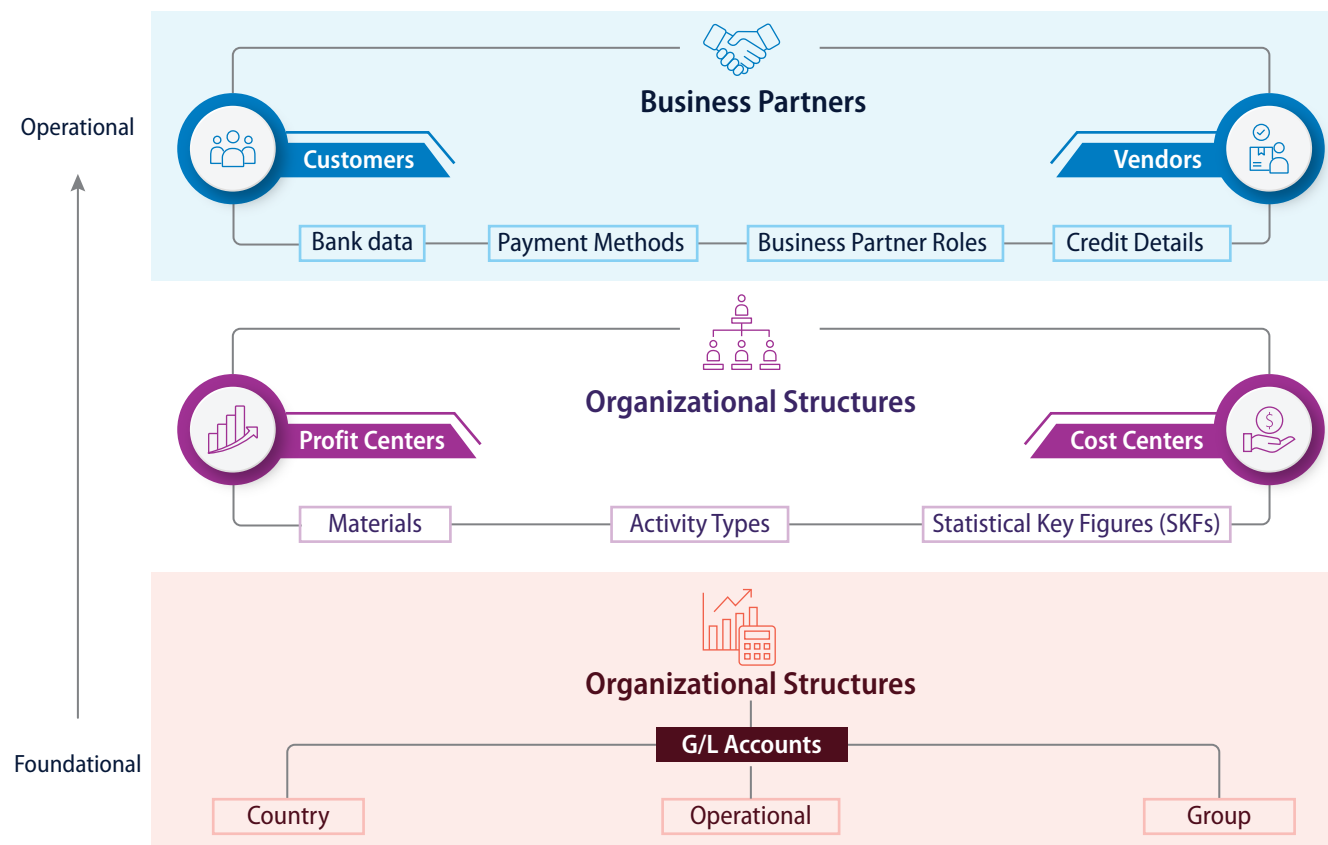
customer and vendor data—and robust data structures is now a critical determinant of transformation success. In many ways, these foundational elements can make or break the future of finance modernization.

That's where SAP S/4HANA can step in to play a significant role.

"

What must CFOs expect from financial transformation?

- Integrate data from different processes and applications seamlessly into the finance data model.
- Ensure data integration supports analytics and reporting.
- Prioritize cost optimization.
- Cultivate a workforce equipped to harness the potential of GenAI and other emerging technologies.
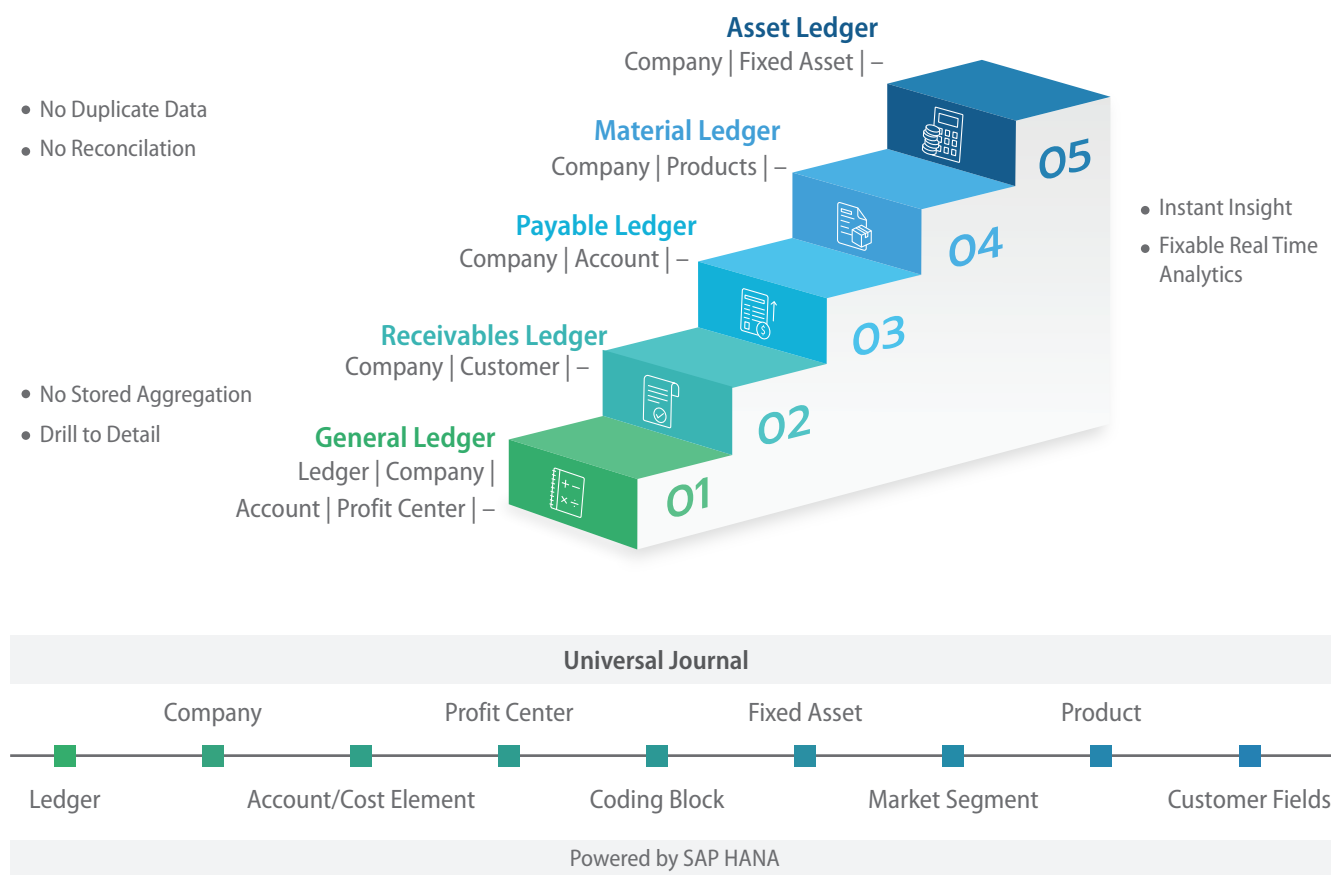
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SAP S/4HANA Shows the Way for Financial Transformation

SAP S/4HANA is a cornerstone of modern financial transformation, offering a comprehensive solution to the complex challenges today's CFOs face. Its key strengths lie in real-time data processing, simplified data models, advanced analytics, integrated processes, robust automation, built-in compliance features, and exceptional scalability.

By leveraging these capabilities, organizations can streamline financial operations, generate valuable business insights, boost efficiency, ensure regulatory compliance, and make data-driven strategic decisions that fuel financial transformation and sustainable growth.

Figure 6. SAP S/4HANA finance: Universal journal – Provides a single source of truth

- No Duplicate Data
- No Reconcilation

Asset Ledger
Company | Fixed Asset | –

Material Ledger
Company | Products | –

05

Payable Ledger
Company | Account | –

04

- Instant Insight
- Fixable Real Time Analytics

Receivables Ledger
Company | Customer | –

03

- No Stored Aggregation
- Drill to Detail

General Ledger
Ledger | Company | Account | Profit Center | –

02

01

Universal Journal				
	Company	Profit Center	Fixed Asset	Product
Ledger	Account/Cost Element	Coding Block	Market Segment	Customer Fields
Powered by SAP HANA				

What Makes SAP S/4HANA the Best Solution for Financial Transformation?

The Universal Journal streamlines financial processes by consolidating Financial Accounting (FI) and Controlling (CO) data into a single, unified data repository, ACDOCA. This creates a single source of truth for all accounting-related transactions, making them readily accessible to key application components, including General Ledger, Controlling, Asset Accounting and Material Ledger.

SAP S/4HANA streamlines financial processes by eliminating reconciliation activities and data redundancies through single-entry line items. This approach minimizes memory usage and boosts system performance. With centralized data, organizations gain easier access to detailed insights, enabling enhanced reporting with real-time, flexible hierarchies and dimension-based journal capabilities.

While transitioning to SAP S/4HANA is significant, restructuring financial processes is even more crucial. Enterprises should start with restructuring, which typically takes 12 months, allowing time to socialize the change and prepare users for the new system. Despite the scale, this path is essential for streamlined financial operations.

Furthermore, Infosys adds more value through its deep understanding of business and technology. It has periodic insightful interactions with senior finance practitioners, industry researchers, and SAP representatives to discuss ongoing challenges. These discussions emphasize the need for financial restructuring and transformation to adapt to an evolving business environment. .

By adopting S/4HANA, businesses avoid excessive customizations and benefit from continuous improvements driven by industry best practices and partnerships with experts like Infosys. Already, over 1,000 organizations have successfully transformed their operations with S/4HANA.

Driving Financial Change: Three Real-world Experiences from Infosys Clients

Learn how three enterprises with different backgrounds underwent financial transformation using SAP S/4HANA with Infosys helping restructure financial processes and implementation.

1. From a diverse ERP landscape to a single platform entity

A global fintech and payments company pursuing an inorganic growth strategy encountered significant technology challenges following a merger. Operating disparate ERP systems (SAP ECC and Oracle E-Business Suite) created integration bottlenecks, delayed data access, and protracted processing times, including an eight-day closing period. As a result, it led to high costs, operational inefficiencies and an increased risk of errors.

This scenario prompted a technology rationalization initiative, revealing a critical need for simplified, standardized and integrated financial systems. By implementing SAP S/4HANA 1909, the company achieved a unified platform, consolidating into a single ERP system, ledger and chart of accounts, significantly improving data-driven decision-making. Automation further boosted efficiency, freeing up resources for higher-value activities. Enhanced user experience and the successful transaction processing of nearly $14 billion underscore the system's impact.

This stable and robust platform now provides the company with the confidence and agility to support its continued growth trajectory.

> Technology can enable businesses to streamline processes, enhance productivity, and achieve a seamless transition to SAP S/4HANA, unlocking long-term value.

2. A modernization initiative to prepare the company for the future

A leading mining and mineral processing company seeking to modernize its operations and ensure future readiness faced challenges with its existing PeopleSoft ERP, reliance on Excel and manual processes. These suboptimal processes drove the search for a modern solution, ultimately leading to the selection of SAP S/4HANA, which aligned well with their existing organizational structure.

Using SAP's Fit-to-Standard methodology, the company achieved rapid implementation across five locations in just nine months, engaging 100 key users throughout the process. The new system has significantly improved data capture, reporting quality, and user tracking, providing the company with confidence in achieving smoother and faster annual financial closings.

3. SAP S/4HANA helped cope with changing business models

To adapt to evolving business models and address the limitations of outdated systems, a technology giant upgraded from ECC to Central Finance (CFIN) on SAP S/4HANA. Their legacy ERP setup, including its chart of

accounts and currency handling, no longer met their needs, necessitating reliance on over 100 separate reporting solutions. CFIN offered a solution by integrating financial data from diverse sources into a unified, real-time view. After establishing a robust financial reporting foundation with CFIN, the company quickly realized significant benefits and is now expanding its implementation to include allocations and group reporting within SAP S/4HANA.
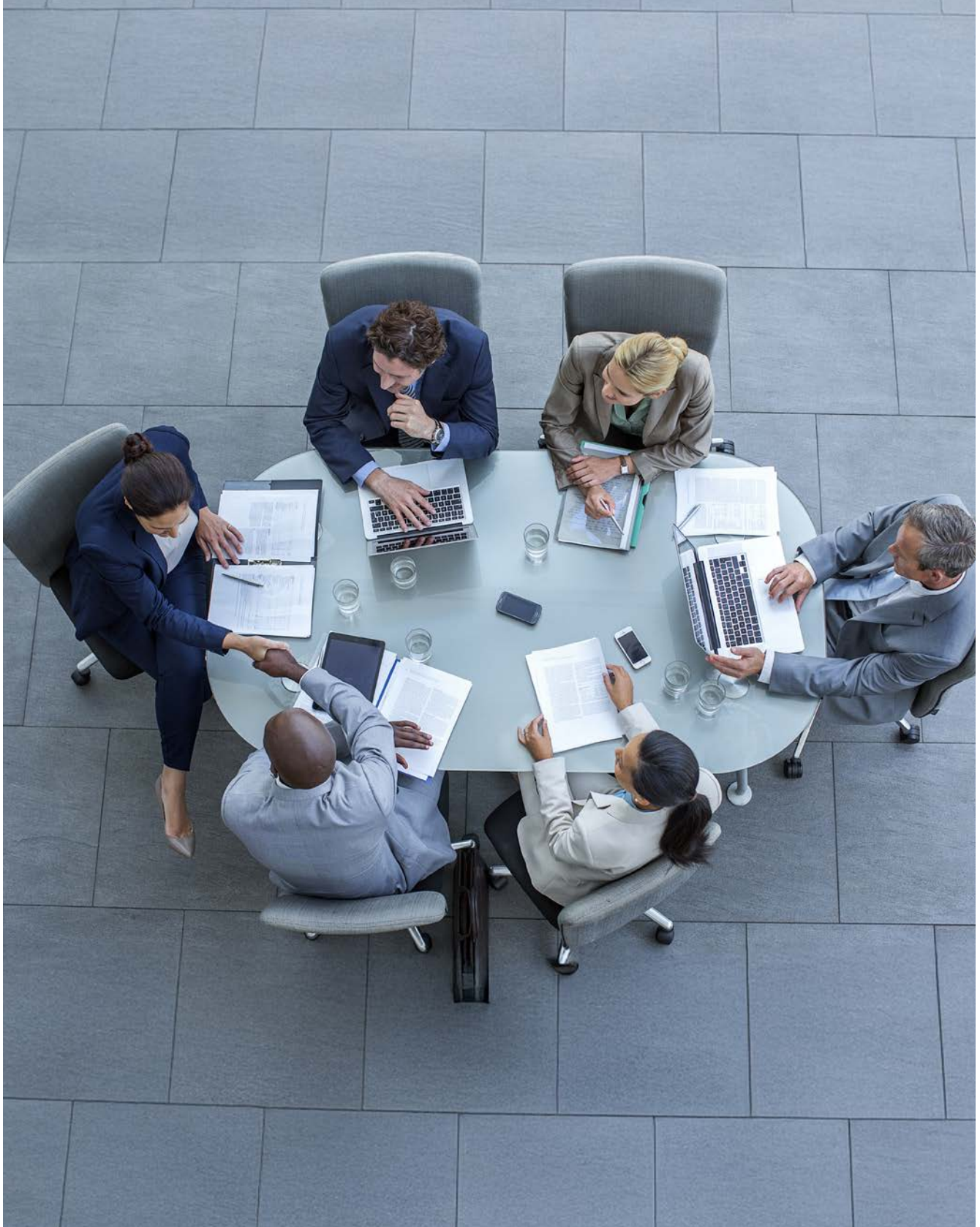
Conclusion

Armed with real-life perspectives and expert insights, we aim to guide CFOs and finance executives through the complexities of S/4HANA transformations. By leveraging technology, organizations can streamline processes, enhance productivity, and achieve a seamless transition to S/4HANA, unlocking long-term value.

> For 25 years, SAP has collaborated with Infosys to transform how businesses run and deliver market-moving innovation to our joint customers. This milestone celebration of our longstanding partnership is a testament to the strength of our collaboration and our shared ambition to provide enhanced customer experiences and help our customers accelerate digital transformation in the cloud.

– Christian Klein
CEO and member of the Executive Board of SAP SE

About CMU

Central Michigan University (CMU) ranks among the top 10% of four-year colleges in the U.S., according to U.S. News & World Report's 2025 Best Colleges rankings. CMU excels in seven categories, including public schools, undergraduate engineering, business, psychology, computer science, and social mobility, while also focusing on serving rural, underserved communities.

CMU is one of five pioneering institutions in the SAP University Alliances, a partnership spanned over 25 years. CMU is also one of just 14 institutions worldwide designated as an SAP Next-Gen Lab, underscoring its commitment to cutting-edge, industry-relevant education.

CMU and Infosys

CMU and Infosys have strengthened their partnership over the years, with CMU piloting Infosys's Innov8 design thinking college recruitment program. Infosys has shaped many CMU graduates into forward-thinking leaders and remains a keystone partner in industry-academia outreach. Infosys has mentored CMU students, participating in annual corporate-academia ERP simulations, where they won the 2022 championship. Additionally, Infosys has supported a process mining competition for the past three years, and both partners aim to grow this collaboration further.

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