



PRIME VALUE DEMO

VIDEO TRANSCRIPT

SUMMARY KEYWORDS

sap, dispute, process, work, client, pain points, model, prioritization, cases, accenture, solution, helps, transformation, compress, challenges, supporting, lenses, automation, question, business

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Hi, my name is Tracy Venable,

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I lead our North America SAP solution architect team. Hi, I'm Mark George Accenture's Global Practice Leader for operations and process transformation.

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We're here today to talk about compressed transformation, and how we're going to bring that to life through data led activities using Enterprise navigator and signavio.

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And enterprise Navigator is unique to Accenture. It's our patented solution that helps us take lenses of analysis to understand where value in the process actually happens, where pain points live, and where employees spend their time allowing us to do crowdsourcing of employees at scale, derive insights and prioritization. So let's bring that to life with the demo.

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Sounds great? What is data lead? And how is it going to compress our transformations? Being data lead is like asking for directions to the store versus using ways to tell us the directions and how to avoid all the wrecks along the way. How do we enable compress transformation in a data lead way? Though using Accenture's enterprise navigator and process mining tools such as SAP signavio, you can gather data from your business organization, along with your

transactional data to support your business's ability to make decisions and facilitate their change journey to adoption. With these analytics at our fingertips, leadership can make an informed decision on business capabilities that will be embraced from SAP standard business processes and the SAP pre configured solutions versus the capabilities that will require bespoke business process and configuration to meet their business needs. The outcome of this activity is a scope definition that lays the foundation for cleaning core and compresses your programs start from a reduction of 50% of the workshops and business process deliverables required to be completed during the first phase. Let's see how this works. The demo we're going to share is a global organization that is on SAP S for private edition, and wants to investigate their order to cash processes to unlock potential value.

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So we begin by seeing an enterprise model of an end to end order to cash process, which you'll see in front of you is a linear flow of the key phases of the process. Below that these gray boxes represent clusters and groups of processes and sub processes. And at the bottom, you see a supporting model for all the adjacent functions, that order to cash depends upon. Hence, we call this a world on a page. I'll now expose all the detail under the model. And we're exposing a total of 299 processes and sub processes in this entire model. And as I scroll to the bottom, you'll also see where I'm exposing the details of all of those supporting functions and supporting processes that have some relationship with order to cash, once again, making this a true world on a page. The question is, which of these processes will have the greatest benefit from sap4, which of these are more relevant to compress transformation, which of these may unlock the greatest value from the



new technology? And the way we determine that is by taking these models, and going ahead and overlaying them with what we call lenses of analysis. The first lens we're going to add is what we call the value add lens. This we helped the client create through a series of workshops with leadership and key stakeholders to determine what are the critical outputs the critical, tangible deliverables that this order to cash process is expected to provide to the business and its key stakeholders, we made a list of those and it was five or six or seven tangible outcomes, then helping coach the client, we worked backward. And we looked at every single one of the activities in the model to determine which of those directly and materially create an outcome. Which of those strongly enable an outcome, and which of those have little to no effect on an outcome at all? It doesn't mean we can stop doing the read immediately. But it does beg the question, What should we do about it? And is this perspective perhaps helpful when thinking about compressed transformation and prioritization? Speaking of which, we brought other lenses to this client. One of those that we brought in was an industry specific type of work lens. In this lens, we help the client understand what is all the work that would generally be expected to be rote, repetitive and rules based or transactional or administrative type work, the type of work that rarely ever differentiates a company. That's the gold versus work that requires functional expertise, decision making human judgment, human reasoning, that's the orange the analytical, and there's a very small percentage of the processes that They're truly strategic in nature, those that drive growth and differentiation. And you can see in the table on the right, the statistics for this, for this particular client, you saw 60% Of all the work going on was purely rules based work. Now, this may help inform some degree of our journey. But what's more important is understanding how much of this sa ps4 can support. And so what we'll do now is take a future state view that we also brought to the client, taking their process model, overlaying it with saps best practices, looking to understand those that can be supported fully darker green, those require some degree of configuration, the medium green, and those in lighter green that would require some configuration, and perhaps some further enhancements in the solution.

Now, a moment ago, I shared with you a lens called type of work, I can go ahead and combine those lenses to show you what that looks like. But before we do that, let's take one more view. And this is from digital crowdsourcing. These models can be sent to large numbers of individuals working in your company to understand where people spending their time where their pain points were their challenges. And with digital crowdsourcing for this client, we were able to find a high degree of pain points specifically in dispute management. And I can click on any one of those to get the details of what type of pain points were actually being experienced, as you can see on the left side of your screen, this helps this organ, this organization make their SAP journey much more inclusive, by being able to capture in near real time, the actual voices of the people doing the work. Speaking of which, we don't just capture the amount of time or pain points being consumed. But we can also understand the level of individual doing the work.

As you can see here some some certain values of the type of roles that were being used, as well as we can see the actual time being consumed by those roles as well. And you can see here, the greatest concentration of time is being spent in order management on the left, and dispute management on the right. And dispute management. By the way, if you remember a moment ago, had the highest concentration of pain points, indicating this is very likely opportunity rich and worthy of a deep dive. So one final feature I'll bring back to you is the ability to combine these lenses to generate insights. So you'll remember a moment ago I shared with you the SAP future state model. And if we combine that with the industry segmentation for differentiation, what we call type of work, we can see specifically where SAP will have the greatest impact on the work going on. And not only that, but the actual type of work in this case, looking at it's an example like work that's purely administrative work will sap us for help us go ahead and enable that work. Now, rather than try to look at all these boxes individually to figure out as an example, where's all Where's all the FTE is being deployed. And at what percentage, the tool has an algorithm that does that for us. So as I go ahead and touch another feature of the tool, you'll see now there's



a grid in front of you representing all 299 of the processes. I can scroll up and down to show you all the text is here. But what's interesting is every one of these processes have now been organized on two parameters, the type of work across the bottom, the x axis, administrative on the left strategic on the far right, and we're comparing that to the degree of impact that future state SAP is going to have the higher impact on the bottom, the dark green, the lower the impact across the top. So if I wanted to find specific processes that are administrative, where saps for will have the greatest impact in the future. It's this group right down here in the bottom left. And if you look at the names, you'll see things like dispute escalation and customer complaints, again, underscoring the need to focus on dispute management, this little black oval in the corner, that represents the percentage of FTE is doing that work. So for this client, 20% of their people were doing work that was purely administrative that SAP could take over, we had to look now at the impact of this top down view, being able to focus focus on where the highest value lives in the process. But now the question is, how do we understand root causes? What do we do about it? And what are the impacts on your key design decisions? So for that, we take this exact same process model, and we drop it into signavio, a solution that helps not only mine the processes, but maintain the process documentation, as well as automation and monitoring. So here you see that exact same process model. And one of the first things we want to understand is if we didn't do any improvements whatsoever, how well is that model conforming to the SAP best practices and you can look at the blue lines and see that some processes are actually naughty. In conformance, the question is, is that noise? Is that a small amount of nonconformity? Or is it substantive? Well, the signavio solution helps us understand that. Understand that by looking at transactional data. Here we see the result, only 60% of all that process activity was actually following the steps that would be aligned with SAP best practices, effectively an internal process benchmark. So the amount of non conformance is substantial. The question is, where is that actually happening? Well, the signavio solution helps us understand that as well. So here at the bottom of the screen, you'll see a lot of zigzag lines kind of kind of looks a little bit like spaghetti flow. These

are the steps where there are rework loops, other challenges. These are the areas where that non conformance is happening. The question is, what's this actually worth? And we look at all of the time involved, what do we think might be our average cycle time to resolve a dispute across perhaps 1000s of cases that were looked after? Well, signavio looks at transaction level data. And here we see looking at over 5000 transactions, the average cycle time was around 95 days, nearly well over three months to resolve challenges, basically, collecting accounts payable. And if we look at the types of issues across the bottom here, we can see that exclusions, basically things like sending out a statement without any any background of what the actual charges were for as an example. So were the clients didn't understand what they were being charged for. That was the number one issue that signavio Found. To understand the value case behind this to see does this really merit further investigation and optimization, we get more insights from signavio. Here, we see that it actually combed through over 5000 individual dispute cases over over a one year period, in aggregate, that equalled over \$1.7 billion in revenue that was tied up because of disputes. And if you look at the benchmark data above the average, the average benchmark cycle time is about 27 days, when this client if you recall, was it 95 days. The question now is can these insights actually help us focus on a small number of key design decisions, where we focus our effort on the value, and also be able to only focus on areas that really merit further further focus and further time. And the solution helps us do that. So here, what you see in front of you are three key design decisions that were identified because of this analysis, both top down and bottom up. First of all, the graph on the right indicates that looking at all 5000 cases, there was no periodization whatsoever, the client wasn't using the features in SAP that would have allowed them to configure and mandate a prioritization based on time or based on dollar value. Another feature the client wasn't using in SAP was the ability to set up a reason code so that every single time there was an escalation, there was a reason given, if you look on the right side, there were no reason codes for any one of the escalations. Again, having reason codes, like those that are in the bottom left of the screen



here would have allowed the client to focus on root causes and remediate the challenges. And then finally, looking at all 5000 of those cases, signavio identified that every single one was created manually creating these types of cases takes time, it's not very convenient work. So it gets pushed off many times. And we saw how many months that \$1.7 billion over time was sitting out. Well, there's an opportunity here for automation, integrating signavio In SAP, with applications that will allow automatic generation of dispute cases going forward. So with that, let's go ahead and close out the demo. And let's see what the overall results were to the client.

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As you saw on the demo, this company found significant opportunity in their dispute management process. Three solutions were enabled. First, the standard configuration and SAP for prioritization and workflow were implemented. Second, a business adoption and enablement initiative was executed. And finally, a BTP automation was created to reduce the number of disputes that had to be created manually. The organization saw a 50% reduction in their 95 day average for closing disputes, as well as a 20% on lack of capacity within the organization, freeing the business up to do more strategic objective work.

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We've seen through the demo, top down and bottom up analytics, enterprise Navigator, and signavio. This fact base is unique to Accenture and drives insights for transformation.

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Thanks, Mark. And I'm excited to take this into our compressed transformation journey where I think we can leverage it to reduce the amount of unnecessary efforts within our programs and focus mostly on the business value that we want to achieve. Thank you so much.