SAP BusinessObjects™

SAP ASIA PACIFIC JAPAN
DRIVING TRANSFORMATION WITH SHARED SERVICES

QUICK FACTS

Industry
High tech

Revenue
€1.3 billion

Employees
11,000

Location
Singapore

Web Site
www.sap.com

SAP® Solutions and Services
SAP® ERP application, SAP Customer Relationship Management application, SAP Supplier Relationship Management application, SAP NetWeaver® technology platform, SAP Interactive Forms software by Adobe, SAP BusinessObjects™ Access Control application, SAP BusinessObjects Process Control application

Implementation Partner
SAP Asia Pacific Japan finance and IT departments

SAP, the world's leading provider of business software, has centralized the transactional, administrative, and some service functions of its Asia Pacific Japan operations into its first SAP® shared-services center. The center, based in Singapore, is responsible for all software billing and contract administration; consulting invoicing and time manage-ment; education invoicing and course registration; payroll and human resources; partner management; and all month-end financial transactions.

Key Challenges
- Unify management of 13 operating countries
- Provide faster, more accurate information
- Simplify data administration
- Improve field support for business expansion
- Integrate acquisitions more smoothly
- Reduce the impact of growth on costs
- Enforce consistent use of automation and workflows
- Help employees to adopt new systems and procedures faster
- Improve compliance and corporate governance

Implementation Best Practices
- Obtained strong management buy-in
- Formed comprehensive communication and change management strategy
- Maintained project transparency
- Established clear project success benefits/metrics
- Phased implementation with demonstration of quick wins
- Maximized process optimization and automation
- Used single application platform with service-oriented architecture

Financial and Strategic Benefits
- Outsourcing of all financial transactions to experts
- Greater focus on decision support and performance management
- Strategic business partnership between local CFOs and CEOs
- Faster, smoother integration of acquired companies
- Scalable infrastructure for future growth
- More effective corporate governance and compliance
- Productivity and efficiency gains

Objectives of the Shared-Services Center
- Enhance corporate governance
- Establish consistent and efficient processes across all systems
- Achieve better transparency by increasing checks and balances
- Contain headcount and costs in preparation for next wave of rapid growth
- Enhance U.S. GAAP compliance
- Showcase best practices, innovative technology, and business transformation to customers and prospects

Recognition
Awards won:
- 2005 – "Best Bottom Line IT" (MIS Asia)
- 2005 – "Most Advanced Shared Services Organization" (International Quality & Productivity Center [IQPC])
- 2006 – "Shared Services Leader of the Year" (IQPC)
- 2008 – "Best New Shared Service" (Shared Services & Outsourcing Network)

Operational Benefits

Key Performance Indicator	Impact
Operating costs	−40%
Headcount	−42%
Finance and administration documents processed	+50% to 60%
Process cycle times	−60% to −70%
HR shared-services concept call resolution within 24 hours	+90% (service level agreement [SLA] 85%)

> "If you want to have efficient processes, you need automation. To drive automation, you need integrated systems. And to get that integration, you need to leverage technology using a common platform."

Colin Sampson, CFO and Senior VP, SAP Asia Pacific Japan

With 13 countries including China and India, SAP Asia Pacific Japan (SAP APJ) is SAP's fastest-growing region. Rapidly increasing operational complexity and aggressive expansion plans drove SAP APJ to make a fundamental change in its business model.

The initial driver for the shared-services concept (SSC) was to transform the finance function to maximize efficiency; enhance compliance, corporate governance, and risk management; and gain real-time business intelligence to support decision making. Regional CFO Colin Sampson, who personally led the project, states the mission of the SSC: "To build a world-class, customer-centric shared-services organization with best-in-class processes showcasing SAP's best practices and innovative technology."

Process Redesigned, Standardized and Automated for Efficiency

Understanding fully that SSC means much more than moving people to a centralized location, the SSC project team and the field finance organization underwent significant change management to design consistent and standardized processes. As a result, processes were streamlined before incorporation into the SSC, and "shadow" processes were eliminated. Thanks to the standardization, process automation went smoothly and raised efficiency.

The effort has paid large dividends. While software license revenue increased 34% from 2006 to 2007 and overall regional headcount rose 22%, the SSC's head-count increased only 11% – despite the fact that its transaction volume rose 48%. It took SAP APJ just four months to complete the integration of SAP® BusinessObjects™ solutions and services into SSC operations.

"I have never had a single escalation having to do with the processing of consulting or education contracts," says John Lombard, senior VP for SAP APJ field services. "That's an indication of the SSC's high level of performance."

Single Application Platform Empowers the SSC

All SSC processes run on the SAP ERP application and are part of the center's service-oriented architecture. "This use of a single platform lets the SSC continually standardize and innovate its processes as part of our continuing business transformation," says CIO Beng Hang Tay.

Some examples of the SSC's innovations:
- Using SAP Interactive Forms software by Adobe resolves manual and unstructured data problems in sales-order processing. Electronic Adobe forms are automatically e-mailed to the system, triggering automated steps that populate sales-order data.
- Country-specific payroll solutions cater to each country's tax, pension funds, language and legal requirements. All data is processed within a single application instance, eliminating the need to reconcile data, maintain interfaces, or deal with security issues.
- Employee self-service and manager self-service functionality facilitates vacation requests, payroll changes, address maintenance, performance reviews, and other administrative activities.
- A CFO dashboard provides SSC management with real-time visibility into the center's performance.
- Training, maintenance, and functionality upgrade costs of the system are held to a minimum.

The SSC Continuously Improves

The SSC, in collaboration with stakeholders throughout the region, continually reassesses all processes on an ongoing basis. New applications play key roles in helping the SSC operate better and faster. For example, the SSC uses SAP BusinessObjects Access Control and SAP BusinessObjects Process Control applications to facilitate Sarbanes-Oxley Act compliance processes. The SSC is currently implementing SAP BusinessObjects applications to enhance business intelligence, management decision making, and reporting.

The award-winning SAP APJ SSC has become one of the most widely recognized organizations of its kind in the industry. It hosts visits from companies all around the world, sharing best practices, providing mutual inspiration, demonstrating automation, and above all, increasing productivity.

THE BEST-RUN BUSINESSES RUN SAP™

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