# GM Finance Transformation:
# Leveraging S/4 HANA Central Finance to Navigate Disruption at GM

Randy Outen and Cory Muniga; General Motors
Debasis Panda; SAP

Session ID #ASUG82993

# About the speakers

## Cory Muniga

Project Manager, SAP Global Delivery
General Motors

Cory Muniga is currently an Information Technology Project Manager at General Motors. His primary focus is on SAP projects within the finance space. Most recently Cory lead the deployment of S4 Central Finance and an ECC6 system upgrade to Business Suite on HANA. Currently, he is evaluating methods to convert existing SAP systems within the GM landscape to S4.

Cory has worked in a variety of roles in his 10+ years working with SAP software including various functional and technical roles.

## Randy Outen

Asst. Director - Record to Report
General Motors

Randy Outen is currently the Assistant Director of Record to Report Transformation at General Motors. He leads the global product costing workstream which harmonized global costs in the production and logistics processes in S/4 HANA Central Finance.

Randy has worked in a variety of finance and controllership roles in his 21+ years with GM. His finance roles were sales & marketing, product development, and FP&A. Randy has held leadership roles in controllership as a business unit controller for manufacturing and product costing. Today, Randy is a leader in Global Business Solutions where his team is transforming GM Finance systems.

# About the speakers

## Debasis Panda

Customer Success Executive
Service & Support Partner, SAP Premium Engagements
SAP

Debasis is a Customer Success Executive and Service & Support Partner in SAP Digital Business Services with over 18 years of experience. Debasis is a SAP-certified Enterprise Architect and a Certified Principal Technology consultant with end-to-end implementation experience. As a Certified Principal Engagement Architect experienced in Account Management, Program Delivery and Safeguarding large scale SAP implementations.

# Key outcomes/objectives

- Automotive industry is entering a very disruptive period
- GM has embarked on a significant transformation that will enable flexibility in a changing industry
- Transformation driven by advanced technologies like S/4 HANA Central Finance
  - Transforming a fragmented Landscape
  - Harmonized master data
  - Global insights into cost and revenue
  - Scalability
- GM's transformation requires harmonized "global" financial information to support innovation objectives

# Agenda

- GM background
- GM leading in technology and innovation at scale
- Transformation journey with S/4 HANA Central Finance
- SAP S/4 HANA: The full solution
- Process and Volumes with S/4 HANA
- Central finance data sources
- Enhancements with S/4 HANA
- S/4 HANA improvement opportunity examples
- S/4 HANA Global Ledger Timeline

# GM background

Headquartered in Detroit, MI; reorganized in 2009 as General Motors Company; with over 100 years automotive experience

Pre-bankruptcy era plagued by decentralized approach, fragmented data and applications

Post-bankruptcy focus on globalization of process, data and applications

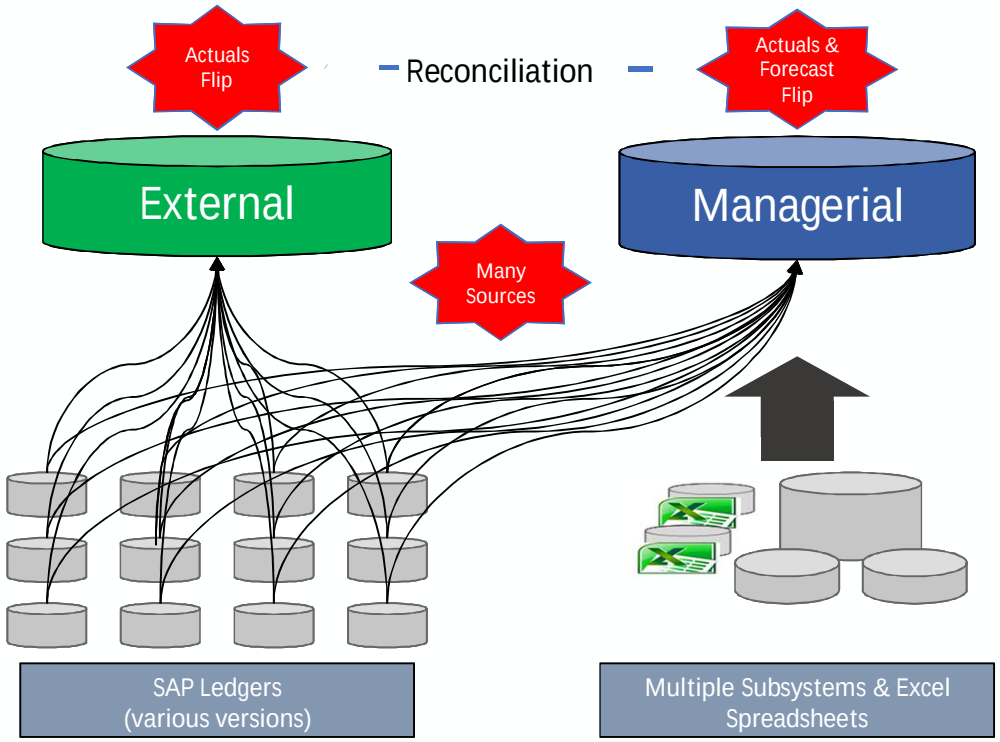
Industry disruption has further fueled the need for transformation

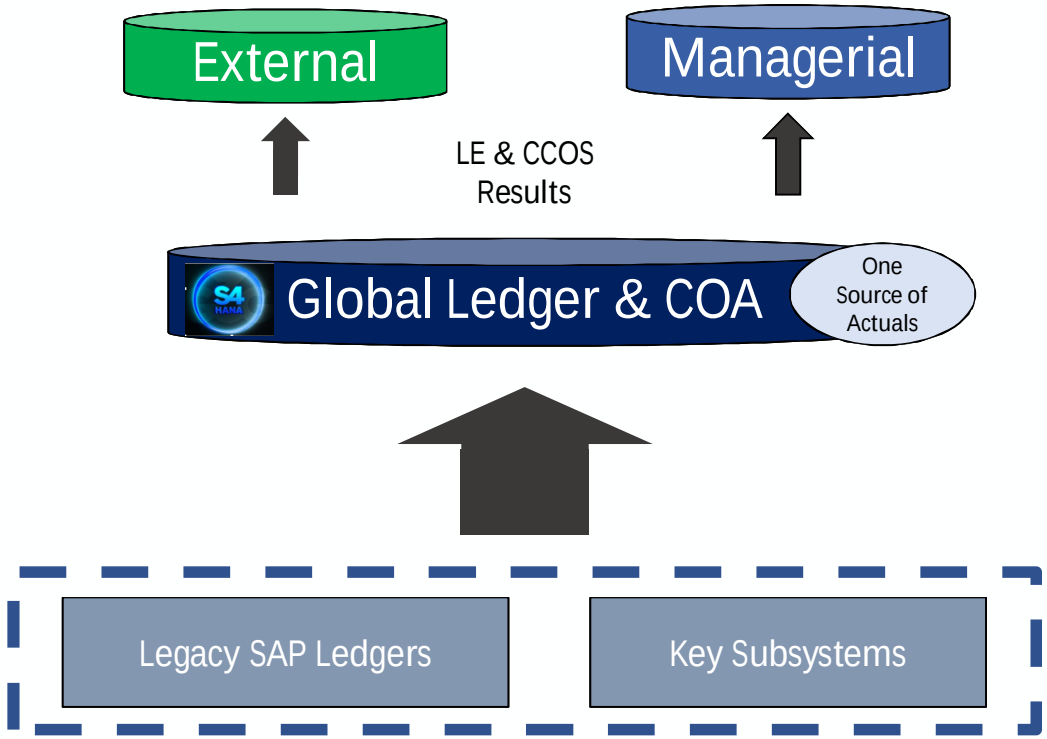
# GM to lead in technology and innovation at scale

| Connectivity | Vehicle Platform | Autonomous Technology | Manufacturing Capability | Network |
|---|---|---|---|---|
| >12 million connected vehicles | Chevrolet Bolt 238 mile range | Cruise Automation | Engineering efficiency | Lyft/Maven |

# Transformation journey with S/4 HANA Central Finance

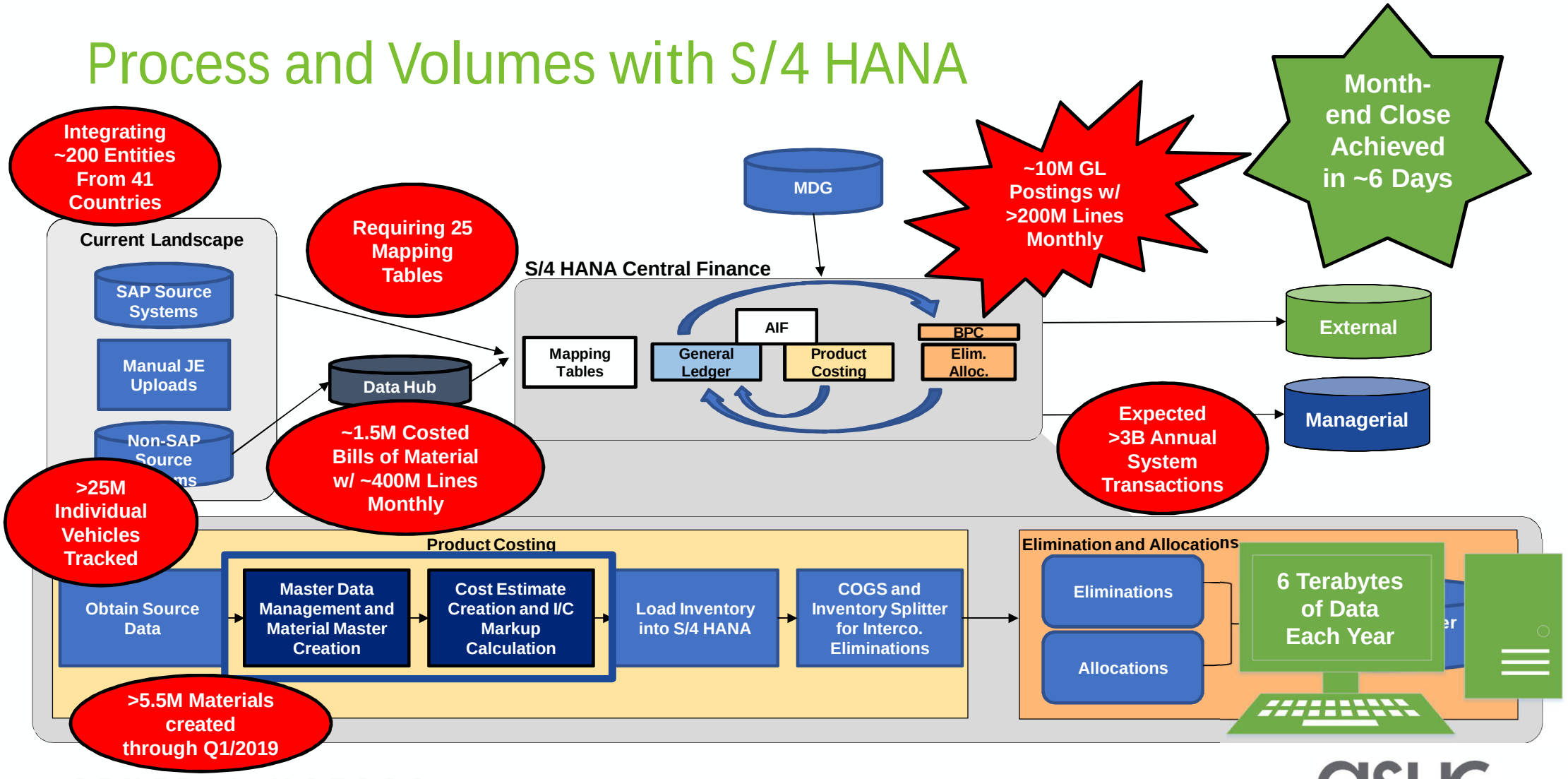
**Previous state** | Vision: • Numbers faster • 1st time quality • World class efficiency | **What was implemented**




✓ Common Source of CCOS and Legal Entity Actuals with Common COA ✓ One Version of the Truth ✓ Drill down capability ✓ No Flip

# Process and Volumes with S/4 HANA

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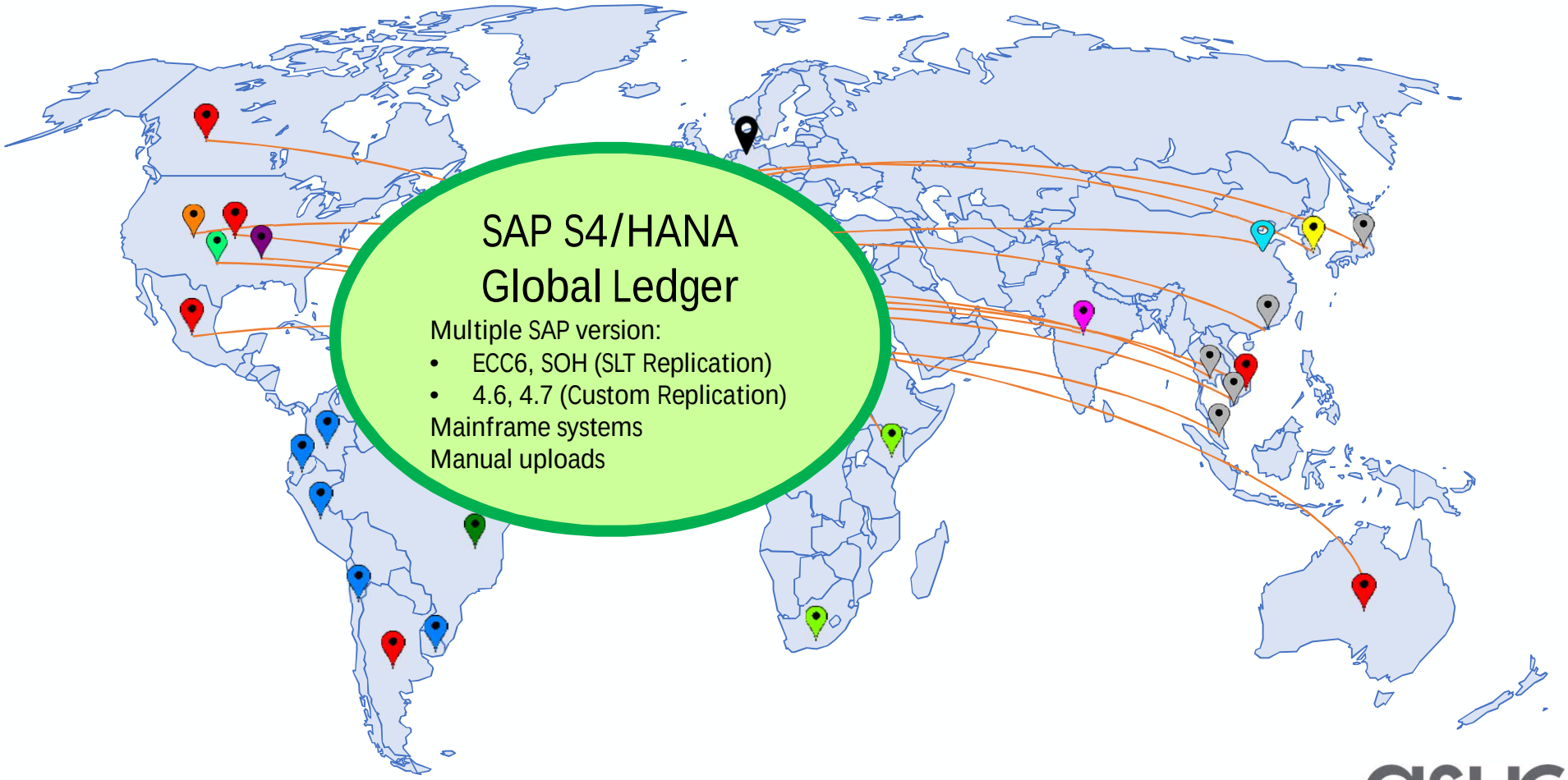
# Central finance data sources

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# Enhancements with S/4 HANA

- Universal Journal Table (ACDOCA) extensions created
- Utilizing AIF as common inbound interface error handling tool
  - Standard Central Finance AIF Namespace used for general ledger replication
  - Custom AIF Namespace built for material master and product cost interfaces
- Utilizing embedded BPC to perform complex allocations and posting results back to S4 ledgers
- Utilizing CDS Views to feed downstream applications
- Financial Closing Cockpit 2.0 used to track and harden an aggressive 6 day month-end close timeline
- User interface is SAP GUI and implementation of Fiori is underway

# S4 improvement opportunity examples

CK40N Costing Run to create the Global Consolidated Cost Estimates ran for DAYS

| Activity | Target | Baseline (S4) | Iteration 1 Result | Iteration 1 % Improvement | Iteration 6 Result | Cumulative % Improvement |
|---|---|---|---|---|---|---|
| Costing Runs (CK40N) | 14 HR | 138.7 HR | 105.4 HR | 24% | 12.25 HR | 91% |

- To achieve the 91% improvement:
  1. Created a custom selection program to avoid volume accumulation from re-costing all previous months
  2. 17 technical optimizations (notes and modifications) were implements which:
     - Skip repetitive table reads
     - Buffer data in memory
     - Utilize max parallelization processes

CFIN Standard Reconciliation Reports ran for excessive amounts of time during month end close work days

- Due to high parallelization during month end work days, latency between application and database was initial root cause
- After latency was corrected, SAP released notes to optimize code moving from multiple single selects to a single select and buffer data in memory

# S4/HANA Global Ledger Timeline

- Project kickoff in June 2016
  - Over 150 resources have booked time from multiple GM IT teams
- Development Completed in Dec 2017
  - ~300 custom development objects completed
- System Integration Testing Completed in Feb 2018
- User Acceptance Testing (over 5,000 test cases executed)
- Re-platform to IBM Power 880s
- Business Simulation in Production Environment ran during H2 2018
- Upgrade environments to S4 1709 FPS2 with HANA 2.0
  - Deploy 2x2 ASCS/ERS2 Cluster
- Complete technical go live and production cutover activities by Jan 1 2019

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# Presentation Materials

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http://info.asug.com/2019-ac-slides

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