

Powered Finance Webinar



Agenda

- VAB Digital Transformation by Geert Clijsters
- Business cloud for Finance departments by Steven Stokmans
- KPMG's Powered Finance transformation approach by Glenn van der Horst and Stephanie Roosen



Webinar Powered Finance



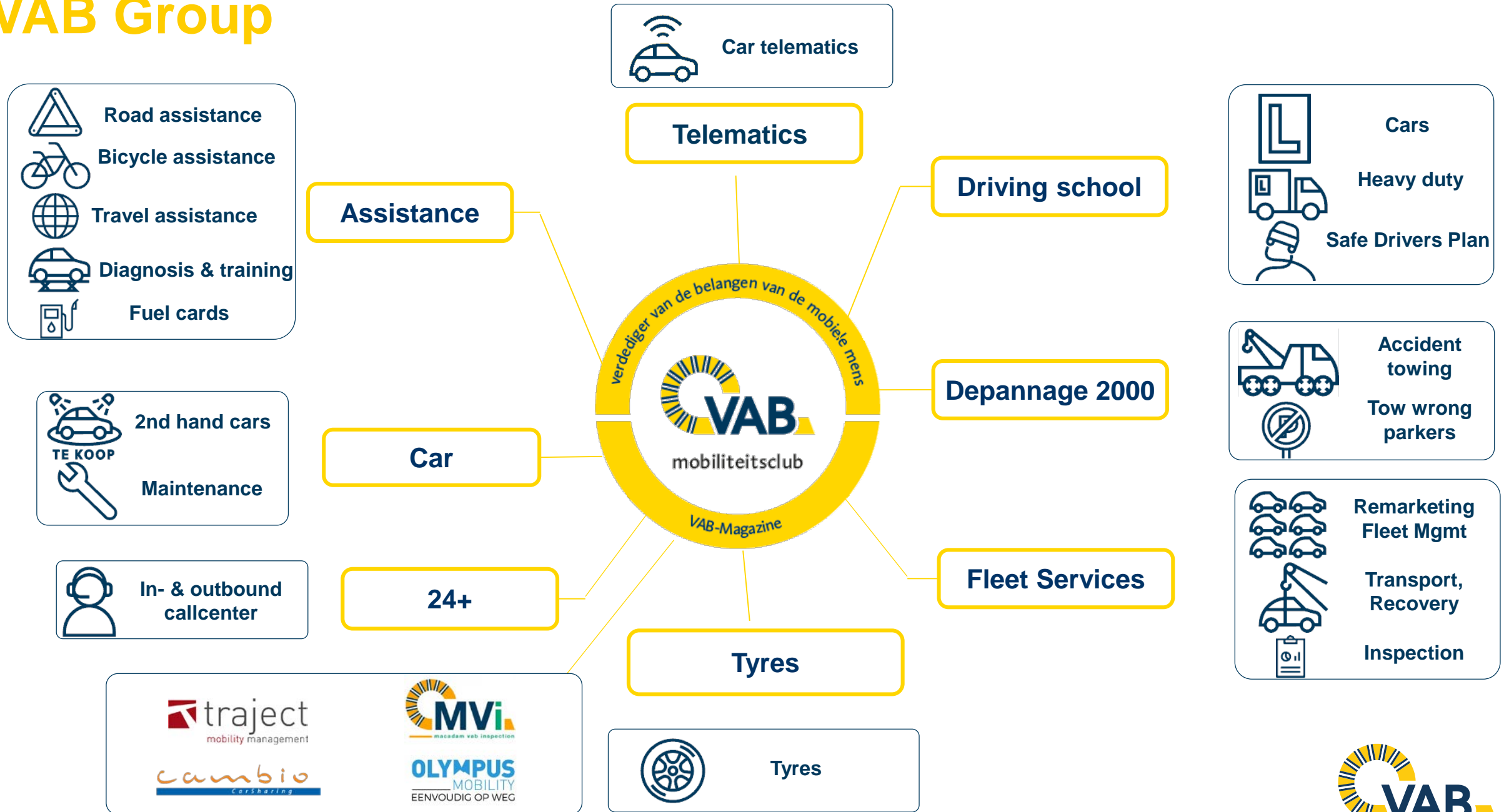
VAB in a nutshell

Founded in 1924

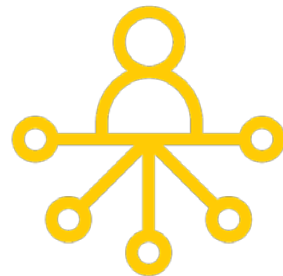
Nearly 100 years of experience in automotive and mobility services



VAB Group



VAB Assistance – (digital) transformation



VAB Assistance

Road assistance

- 🚗 Cars, motorcycles, bikes, utility vehicles, ...
- 🚗 7/7 24/24 service throughout the Benelux
- 🚗 Our people fix your problem mostly on the spot; if not, we tow you for repair
- 🚗 Coverage of all types of damages and incidents

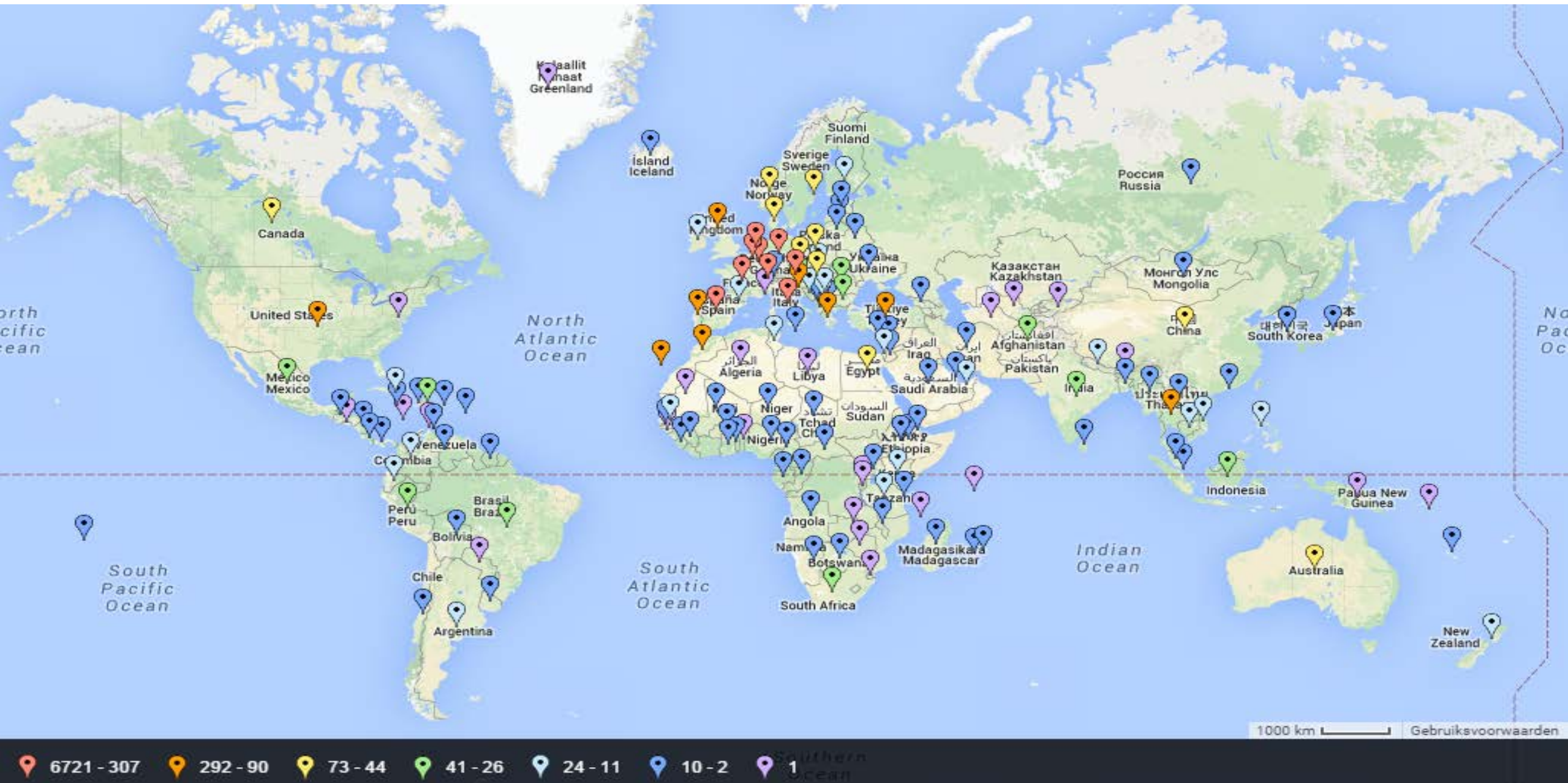


Travel assistance

- 👤 Medical repatriation & after-care in Belgium
- 👤 Intake & support of family in Belgium in case of death
- 👤 Reimbursing and advance payment of medical costs
- 👤 Assistance in case of loss or theft of travel documents, luggage, ...



Travel assistance – world wide coverage



Key objectives

Our digital transformation program aims at

- **Simplifying our product offer**, making it clearer for our customers and for ourselves
- **Simplifying our processes**, making them digital-proof and creating more time for our people to put their passion at work for the customer
- **Modernizing our IT landscape**, enabling us to adapt fast to market changes and customer expectations

Stepwise approach

Explicit choice not to go for a “big bang”, but to work in phases

- B2C sales
- B2C marketing processes
- B2B sales
- Field services & operations

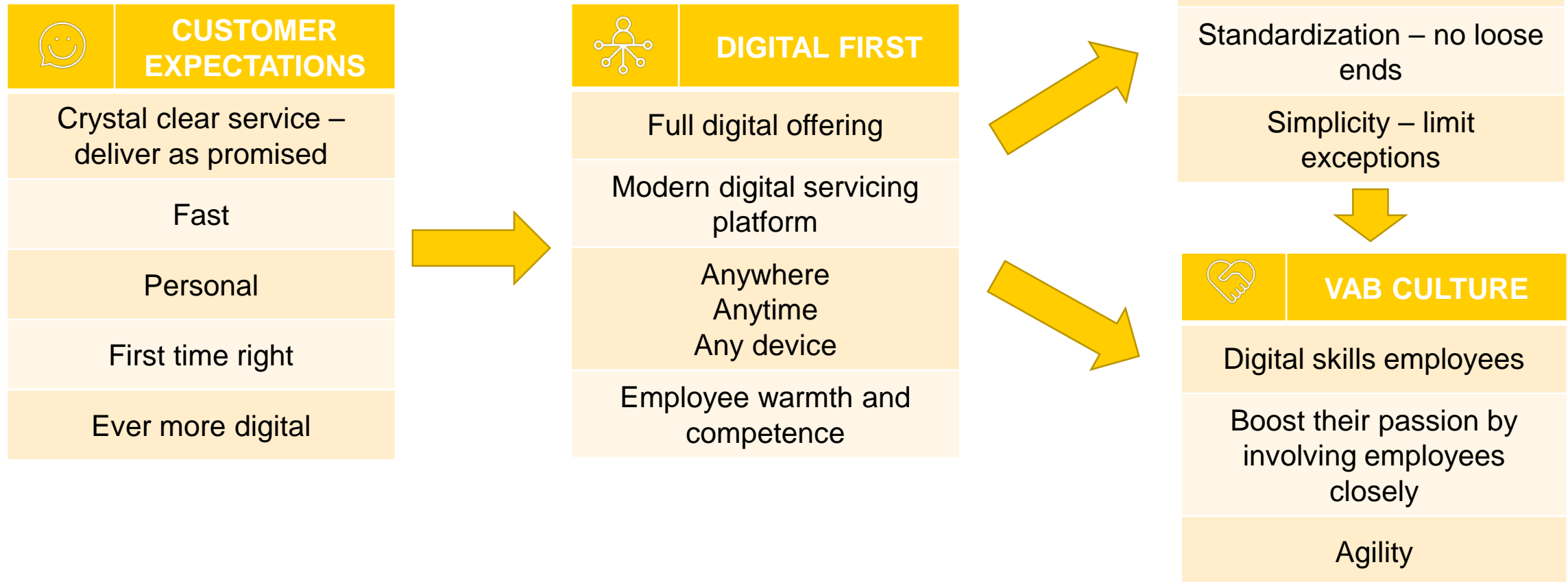
Possibly in later stage also accounting, data analytics, ...

Why?

- Reap the biggest benefits asap, e.g., digital sales to B2C
- Digest the change piece by piece, and not all at once



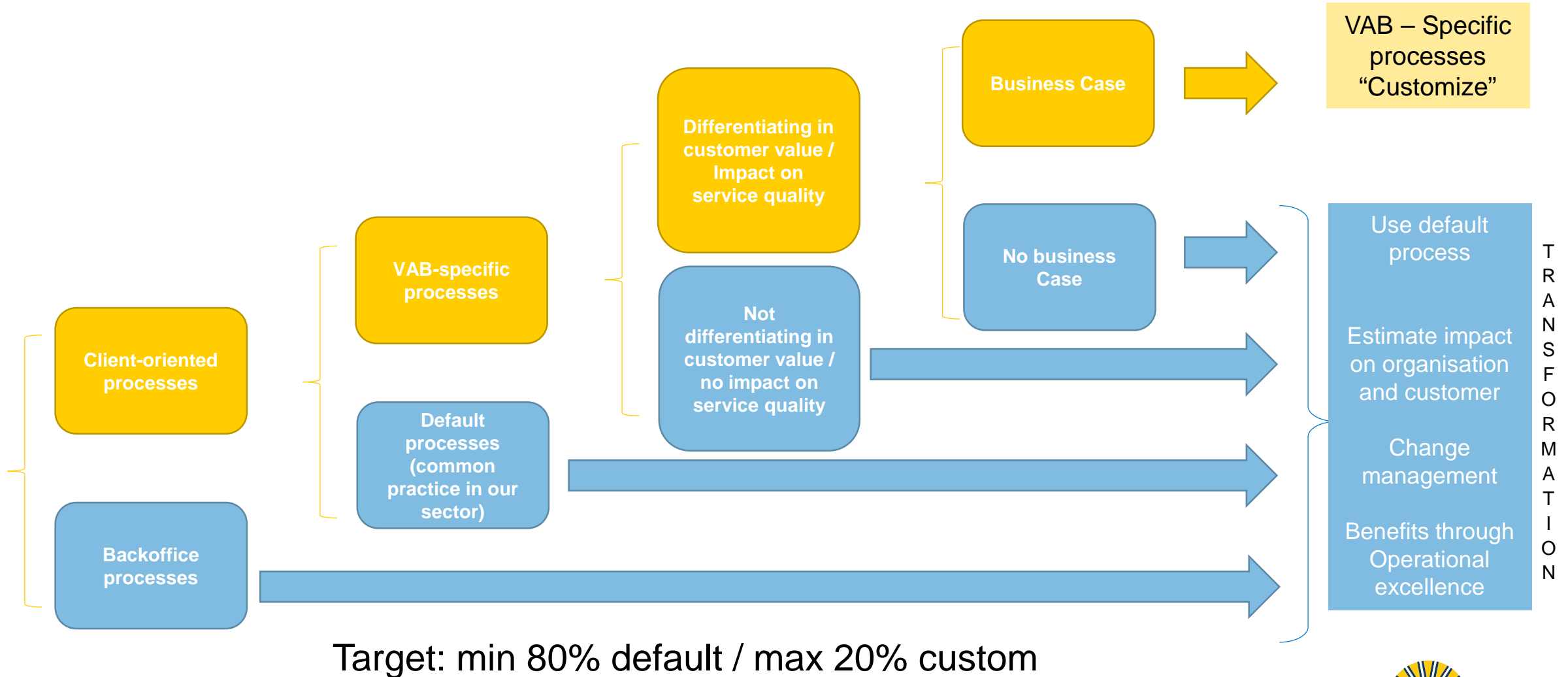
How?





Process Design Principles

Default process vs. customization?





Digital transformation = cultural transformation

Our strength = our passion for our customer

Serving our customers ⇔ standardization?

Transformation program focusses not only on digital implementation, but just as much on

- Making our people understand the “why”: simplicity helps them in having more time to serve the customer better
- Engaging our people from the beginning by having them participate in building the new platform
- Maximum transparency on everything what is done and discussed
- Make it tangible asap: demos and intensive training



Questions

Thank you



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www.vab.be





Modern Finance

Our Journey

Steven Stokmans
Enterprise Director



Hardware must be paid
for. But software is
something to share. Is
this fair?

—Bill Gates

February 3, 1976

-2-

February 3, 1976

An Open Letter to Hobbyists

To me, the most critical thing in the hobby market right now is the lack of good software courses, books and software itself. Without good software and an owner who understands programming, a hobby computer is wasted. Will quality software be written for the hobby market?

Almost a year ago, Paul Allen and myself, expecting the hobby market to expand, hired Monte Davidoff and developed Altair BASIC. Though the initial work took only two months, the three of us have spent most of the last year documenting, improving and adding features to BASIC. Now we have 4K, 8K, EXTENDED, ROM and DISK BASIC. The value of the computer time we have used exceeds \$40,000.

The feedback we have gotten from the hundreds of people who say they are using BASIC has all been positive. Two surprising things are apparent, however. 1) Most of these "users" never bought BASIC (less than 10% of all Altair owners have bought BASIC), and 2) The amount of royalties we have received from sales to hobbyists makes the time spent of Altair BASIC worth less than \$2 an hour.

Why is this? As the majority of hobbyists must be aware, most of you steal your software. Hardware must be paid for, but software is something to share. Who cares if the people who worked on it get paid?

Is this fair? One thing you don't do by stealing software is get back at MITS for some problem you may have had. MITS doesn't make money selling software. The royalty paid to us, the manual, the tape and the overhead make it a break-even operation. One thing you do do is prevent good software from being written. Who can afford to do professional work for nothing? What hobbyist can put 3-man years into programming, finding all bugs, documenting his product and distribute for free? The fact is, no one besides us has invested a lot of money in hobby software. We have written 6800 BASIC, and are writing 8080 APL and 6800 APL, but there is very little incentive to make this software available to hobbyists. Most directly, the thing you do is theft.

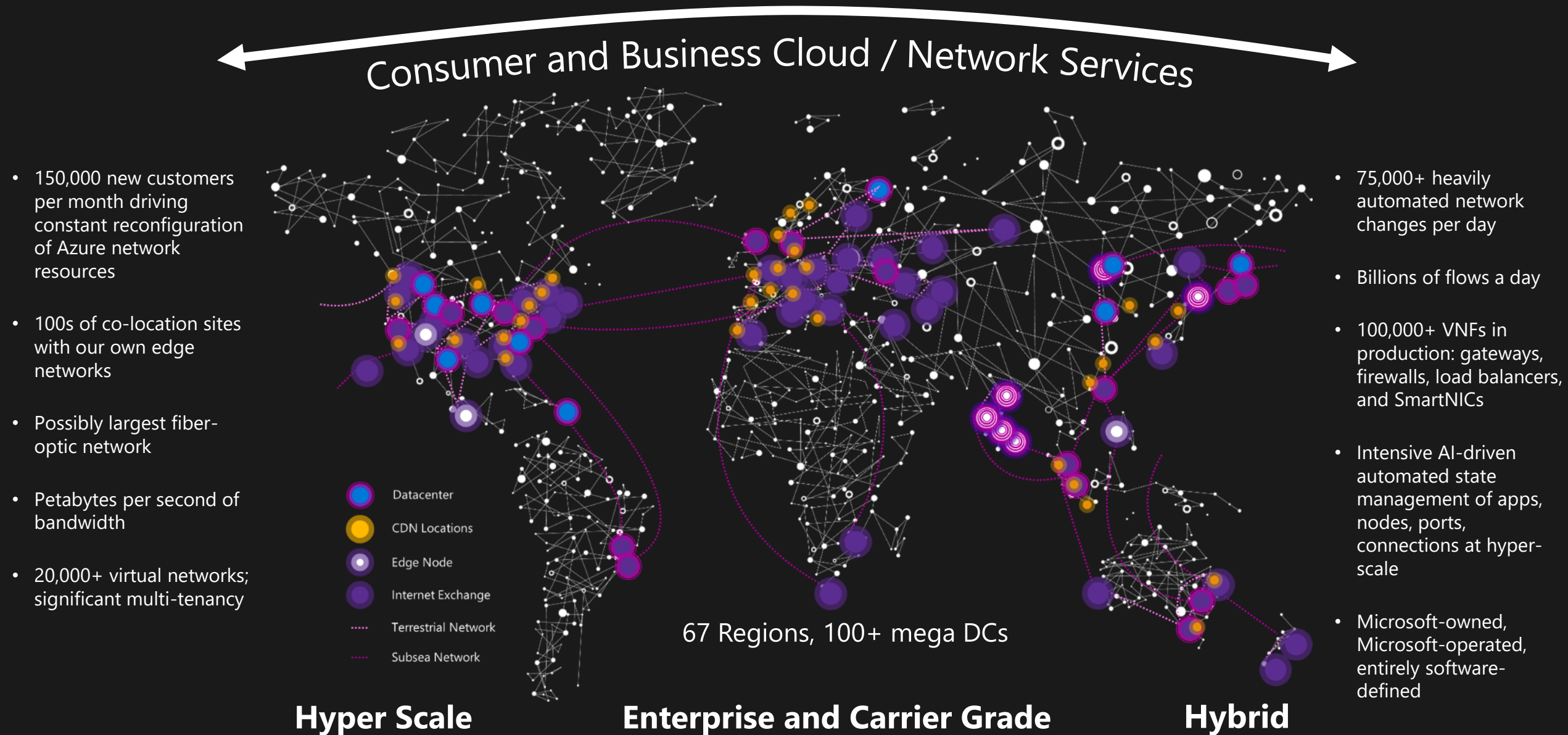
What about the guys who re-sell Altair BASIC, aren't they making money on hobby software? Yes, but those who have been reported to us may lose in the end. They are the ones who give hobbyists a bad name, and should be kicked out of any club meeting they show up at.

I would appreciate letters from any one who wants to pay up, or has a suggestion or comment. Just write me at 1180 Alvarado SE, #114, Albuquerque, New Mexico, 87108. Nothing would please me more than being able to hire ten programmers and deluge the hobby market with good software.

Bill Gates
Bill Gates
General Partner, Micro-Soft



Microsoft Azure: ten years, tens of billions dollar











The Microsoft Supply Chain



>77M
Units Manufactured & Shipped

>42,000
Number of Active SKU's

~\$8B
Total Amount of Annual Spend

>390
Number of Suppliers
(includes component suppliers)

1TB
Total Daily SC Data Generation

33
Number of Mfg & Distribution
Operations

1.7M+
Est. FY17 Number of Retail and
Commercial Sales Orders

160
MS Retail Stores

107
Countries Serve

30K
Ship To Locations

Digital Transformation is achieved from 4 pillars

Culture eats strategy for breakfast



ENGAGE YOUR CUSTOMERS

to service efficiently



EMPOWER YOUR EMPLOYEES

to respond productively



OPTIMIZE YOUR OPERATIONS

to achieve excellence



TRANSFORM YOUR PRODUCTS

to unlock new revenue opportunities

MACHINE LEARNING | INTERNET OF THINGS | BOT FRAMEWORK | ADVANCED ANALYTICS | COGNITIVE SERVICES

INTELLIGENCE

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**“By adopting innovative technologies,
finance will strengthen its business
leadership through compliance,
accuracy, and efficiency.”**

*— Amy Hood, Executive Vice President
and Chief Financial Officer, Microsoft*



Today's finance challenges



Surging data +
legacy systems +
static reporting



Inadequate tools to
anticipate growing
business complexity



Manual, inefficient and
error-prone processes



Increasing regulations,
risks, and threats

Microsoft Finance journey

Integration of processes & technology

Modern Finance – *"Transform using Azure"*

- Financial Analysis & Reporting
- Strategy & Forecasting
- Business Process Automation
- Risk Management
- SAP on Azure

Core Finance – *"Discipline at the core, flexibility at the edge"*

- Standard reporting
- Consistent taxonomies
- Automation
- Single Master Data & Hierarchy Source

One Finance – *"Drive business excellence through outsourced shared services centers"*

- Accounts payable
- Procurement
- Accounting transactions recording
- Statutory & Tax
- Accelerated Close

One Global ERP (SAP) – *"Business process re-engineering"*

- Global Chart of Accounts
- Single Instance
- Data Mining

1995

2005

2010

2015

Today

Modern Finance focus areas



Financial Analysis & Reporting

Modern Business Management Portal

Tax Analytics Platform

Interactive Financial Statements

External Financial Reporting

Global Reviews on KPI Lake

Customer Lifetime Value Analytics



Strategy & Forecasting

Machine Learning Revenue Forecasting

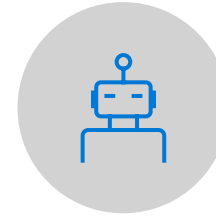
Machine Learning Accounts Receivable Forecasting

Predicting Xbox Game Volume

Real Estate Capacity Planning

Headcount Forecasting

Services COGS Forecasting



Business Process Automation

Finance Operations Chatbot

Credit & Collections Chatbot

Contracts Setup Automation

Financial Management Reporting Automation

Tax Report Automation

MSTravel App



Risk Management

Global Policy Tool

Compliance Predictive Analytics

Blockchain

SmartLink

General Data Protection Regulation (GDPR)

Travel, Gift and Hosting Compliance

MSX Insights – One Stop Shop for everyone

Just-in-time access to centralized reporting based on shared analytical framework for business analytics

MSX Insights | Home - FY21 Leaders Dashboard

Search reports by name

⚙️

🔔¹

?

😊

☰

StartSales PlaysRevenueBilled PipelineScorecardAzureData & AIModern WorkBusiness AppsCustomer SuccessCross Solution AreaPartnerServ >

🏠Home

★Favorites

📄Readiness

📢Notifications

🔗Exports

📊Business Analysis

🖨️ROC

SummaryTrendingTAC PipelineQuarter Close RiskHygieneVelocityClose RateAdditional Reports

Executive SummaryPipeline HealthPipeline and ForecastOpportunitiesCompeteInformation

AREA

MSA

US OU

ATU

SMC POD

TEAM

SEGMENT

PRODUCT

PRICING

INDUSTRY

📘

VIEWS

SLICERS

🔍🕒

QPC to Budget69%

CPC to Budget62%

Run Rate Coverage to Budget0%

Additional Pipeline Needed To Budget\$26,050,781

QPC to Forecast

CPC to Forecast

Run Rate Coverage to Forecast

4RQ Qualified Pipeline Coverage

● QPC to Budget ● QPC to Budget Goal

200%

100%

0%

FY21-Q1

FY21-Q2

FY21-Q3

FY21-Q4

63%

173%

140%

103%

4RQ Committed Pipeline Coverage

● CPC to Budget ● CPC to Budget Goal

100%

50%

0%

FY21-Q1

FY21-Q2

FY21-Q3

FY21-Q4

56%

73%

42%

23%

Pipeline Health Indicators

Qualified Pipeline at 60% +

Close Plan Attach

Partner Attach

STU Ownership

Average Close Rate

Pipeline Goal

90%

91%

75%

11%

44%

228%

Qualified Pipeline By Recommendation

Committed

Committed At Risk

Uncommitted Upside

Uncommitted

\$2.2M

\$8.0M

\$0.8M

\$0.3M

Qualified Pipeline By Sales Stage

Develop Strategy 20%

Present Value 40%

Prove Value 60%

Negotiate Terms 80%

\$0.4M

\$0.8M

\$4.6M

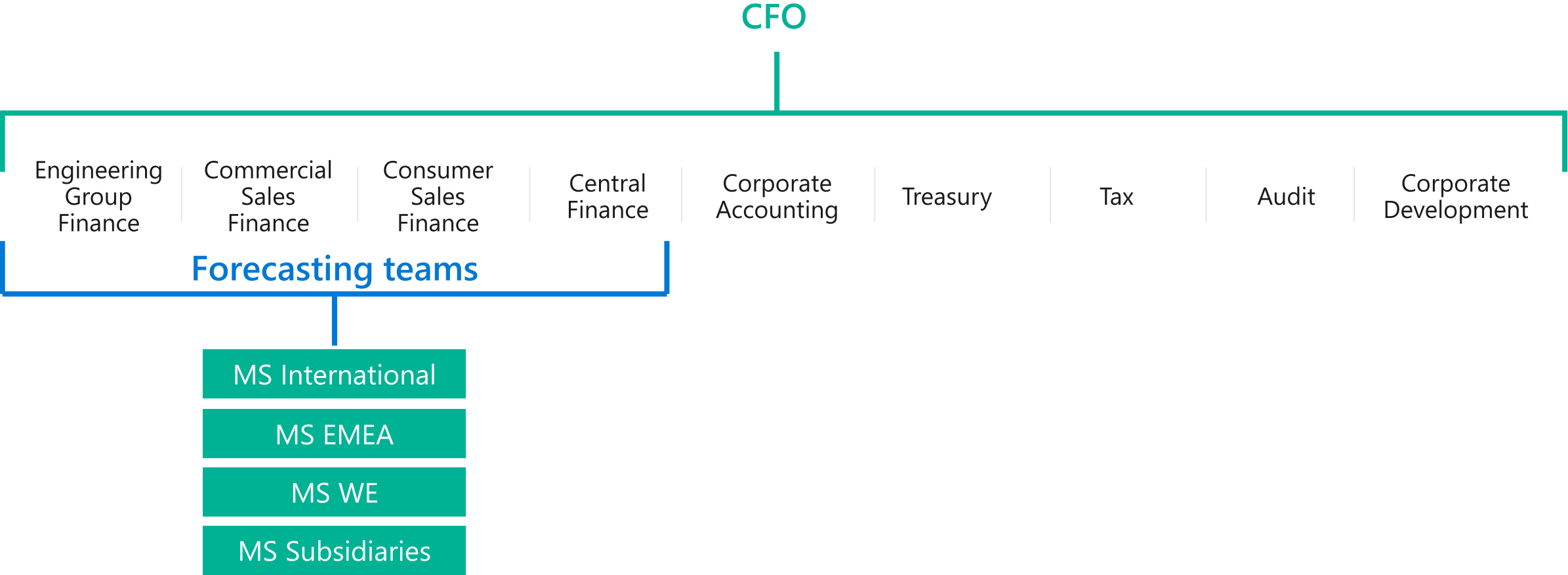
\$5.4M

Area Benchmark View | Drill Down

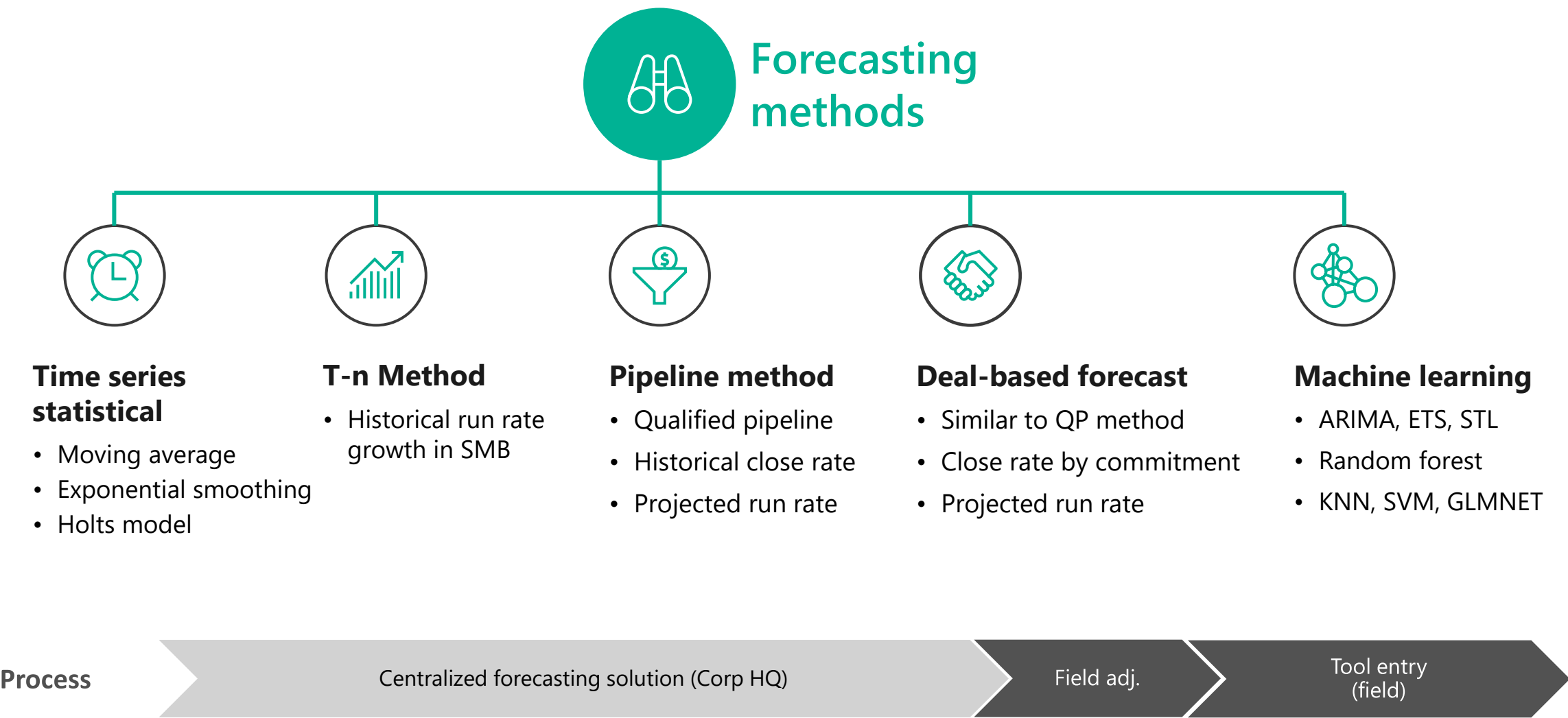
📈📉🔄🔍🗨️⋮

Area	QPC Goal	QPC to Budget	Additional Pipeline Needed to Budget	CPC to Budget	Run Rate Coverage to Budget	QPC to Forecast	Additional Pipeline Needed to Forecast	CPC to Forecast	Run Rate Coverage to Forecast	Qualified Pipe at 60%+	Close Plan Attach	Partner Attach	Partner Sharing	STU Ownership
APAC	270%	11%	\$11,752,470	7%	0%					100%		100%		31%
CEE	235%	60%	\$6,719,929	60%	0%					100%	100%	1%	38%	1%
MEA	221%	88%	\$12,750,994	78%	0%					86%	87%	95%	15%	13%
Total	228%	63%	\$29,680,612	56%	0%					90%	91%	75%	19%	11%

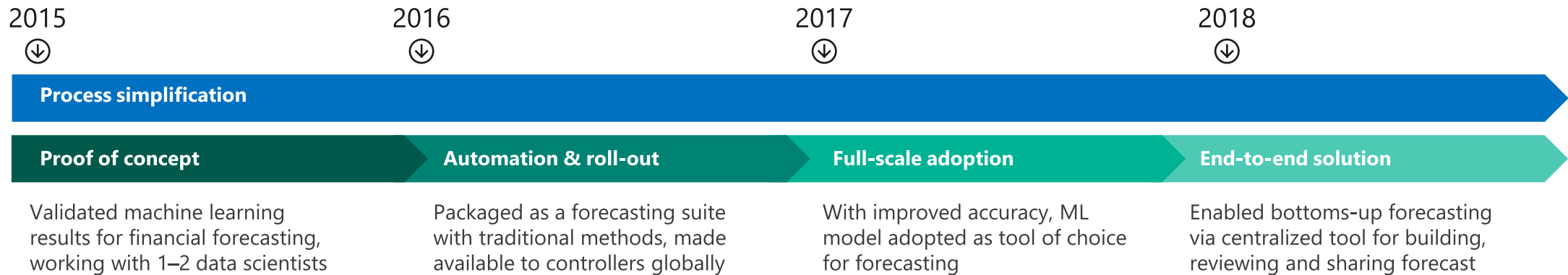
Forecasting at Microsoft



Centralized forecasting



ML/Centralized forecasting journey



Goal: Create a ML-powered forecasting process that improves accuracy, saves time and reduces cycles

Situation:

- Increasingly complex business models with revenue across 100+ geographies, dozens of customer segments and dozens of product SKUs
- Two-to-three-week process with 800+ employees to generate quarterly forecast
- Forecast accuracy was not meeting expectations

Solution:

- Created a centralized, metrics-driven and ML-based forecasting tool used to forecast company revenue and headcount
- 2 people over 2–3 days to produce quarterly forecast
- On average, the ML-forecast is 2x as accurate
- Finance employees are now spending more time with customers, delivering deeper business insights and better decision making



Chatbot examples

Credit & Collections:

- examples of questions treated:
 - What is my customer's balance?
 - ad-hoc requests about customers' orders.

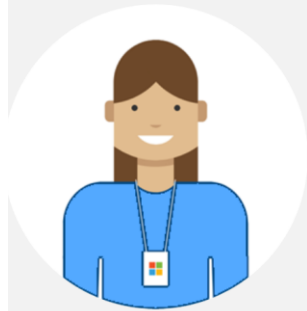
One Finance:

- examples of questions asked: How can i submit my expense report? What is my cost center?
- Does not respond well (yet) to Keyword searches or single words and ongoing conversations (one question at a time😊)

Licensing Bot

What kinds of questions can be answered:


- Can customers buy Azure with a credit card?
- What is included in Office 365?
- How does monetary commit work?



OneFinance BOT

Need assistance with your Procure to Pay questions? OneFinance BOT can help you out.

[Get started](#)



OneFinance BOT

Hello Irina Tikhonova. I am a OneFinance BOT. I can converse in your preferred language.
How may I help you today?

OneFinance BOT

where to submit expense report?

Irina

Here is most relevant topic I found:

How to create and submit an expense report in MS Expense 2.0?

Answer: MS Expense 1.0 [guide](#)
MS Expense 2.0 [guide](#) Submit Expense Report [guide](#) and [Short video - mp4](#)

Not helpful? Try below options:

[1. Read more topics](#)

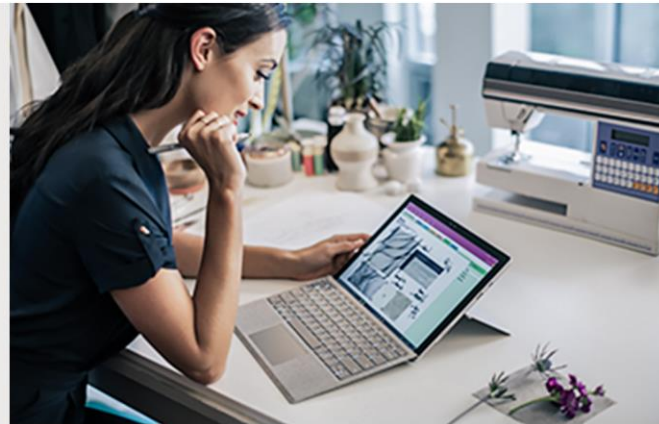
[2. Live Chat with Agent](#)

e.g.: What is Expense document status ?

March 2020

Work From Home Buying Program

Follow the instructions to request work from home equipment, see guidance and information for employees and managers, and review frequently asked questions.



Read this guidance before requesting a monitor, keyboard, or mouse:

To support the SLT-led initiative to enable FTE employee productivity during COVID-19, Procurement has created a central ordering team that provides buying services during this time. Supporting the [RE&S impacted sites list](#), our Work From Home (WFH) Buying program will provide **only monitors, keyboard/mouse, and adaptors** upon manager approval only considering the following scenarios:

Scenario	Guidance
Geos where work from home equipment program or benefit exists	<ul style="list-style-type: none">• Leverage your existing work from home equipment program or benefit
Closed and required work from home locations	<ul style="list-style-type: none">• For monitor, keyboard, mouse, or adaptor needs, use the process below under Request Instructions• For any other hardware equipment, use your existing buying process (admin, MyOrder, country HW buy desk, RE&S, Site IT)
Recommended work from home locations	<ol style="list-style-type: none">1. Make a concerted effort to go to your workstation and pick up non-confidential equipment as per COVID-19 Advisory "Business Continuity/WFH" guidance

Work From Home Buying Program

All WFH equipment is property of Microsoft. Employees will be informed of process to return, recycle, or donate equipment when it is no longer needed.

Employee Info / Justification

Requestor Rosalia Snyder

* Select Country/Office location
If your [Country/Office location is not listed](#), you are not eligible for this process at this time.


Find items

* Select Company Code for your purchase

Find items

* Can you go to your office to take non-confidential equipment to use at home?

Is this an accessibility related request?

[Microsoft privacy statement](#)

Work From Home Buying Program

All WFH equipment is property of Microsoft. Employees will be informed of process to return, recycle, or donate equipment when it is no longer needed.

* Justification for this request


* Your phone number

* Home/Shipping address

Equipment Request Details

Equipment orders are limited to standard program inventory and availability. Specific equipment requests cannot be fulfilled at this time.

* What is the make/model of your device?
(e.g.: Surface Pro 6, Lenovo ThinkPad)

[Microsoft privacy statement](#)

Work From Home Buying Program

All WFH equipment is property of Microsoft. Employees will be informed of process to return, recycle, or donate equipment when it is no longer needed.

Do you know your monitor input?

Select all that are required:

HDMI

Mini HDMI

USB-C

VGA

Other

* What equipment do you need?

Select all that are required:


Monitor

Monitor Adapter

Keyboard

Mouse

Submit request

[Microsoft privacy statement](#)

Work From Home Buying Program

Your request has been submitted successfully. An email is being sent to your manager for approval.

No further action is needed from you. With manager approval, you will receive order confirmation details from this program.

After 5 calendar days, if your manager has not responded, your request will be forwarded to your skip-level.

Work From Home Buying Program Dashboard

03/23/2020 12:17:46 PM

Last Refresh PST

Open vs Closed

Select all Closed Open

Manager Decision

Select all Pending Decision
Approve Reject

Purchase Status

All

Buying Queue Assigned To

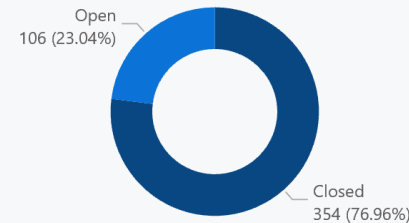
All

Requestor Office Location - ...

All

Requestor Office Location - Country	Total Requests
US	378
United Kingdom	21
Ireland	13
India	12
France	7
Canada	4
Germany	2

Total Requests by Open vs Closed



460

Total Requests

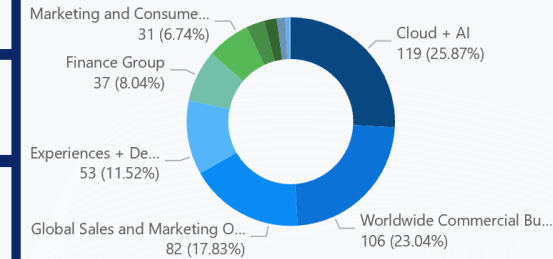
\$51.59K

Total Cost

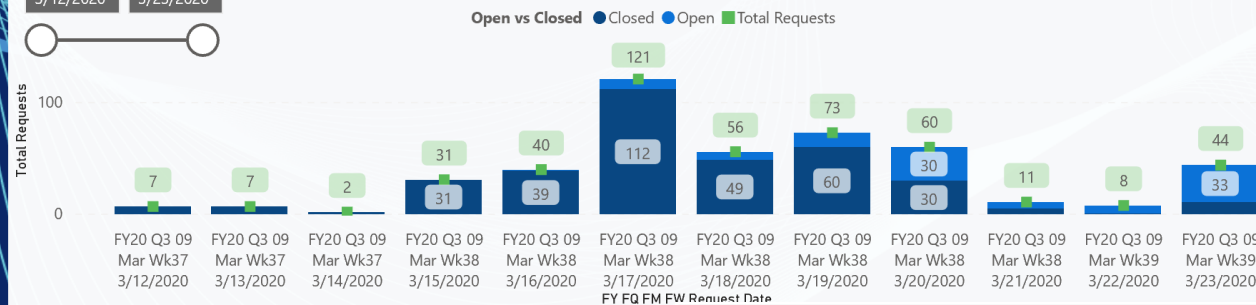
\$151.74

Cost Per Requestor

Total Requests and Total Cost by ExecOrgSummary



Total Requests and Total Requests by FY, FQ, FM, FW, Request Date and Open vs Closed



Total Requests by Requestor Office Location - Country



Purchased Iter

Adapter
Keyboard_M
Monitor
Total

RESULTS

- Citizen developers created and launched this workflow automation in 3 days
- Technology enabled agility to scale from 17 to 110 countries
- Streamlined the process through built-in control, enabling fulfillment 2.5 days from order to the front door, where supply was available

TECHNOLOGY

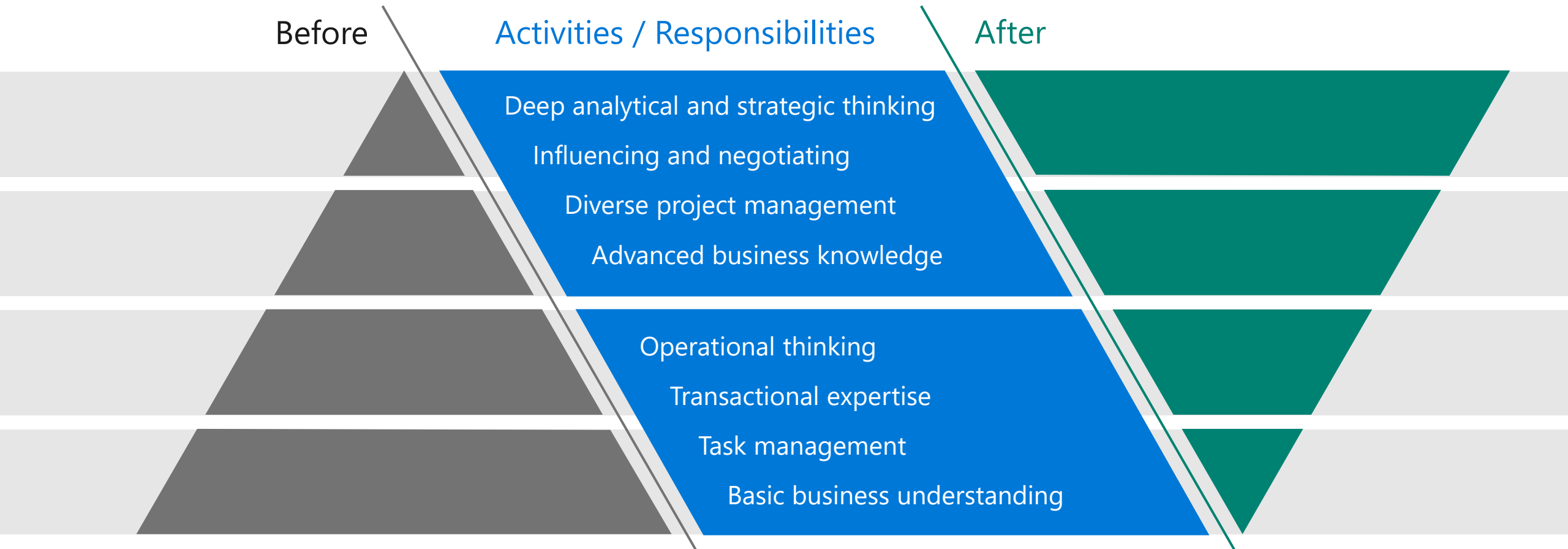
Dynamics 365, Azure Databases, Office O365, Power BI, Power Platform Power Apps, Power Platform Power Automate

TIME TAKEN

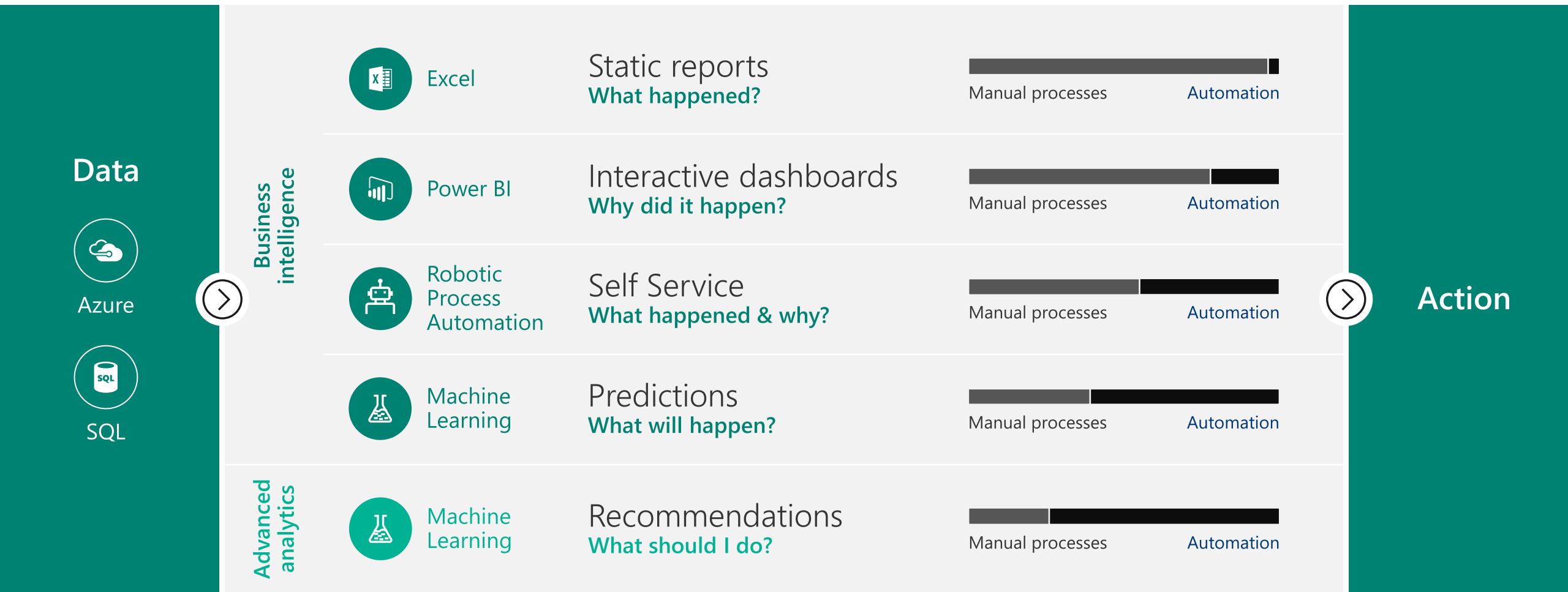
3 days
(design to deployment)

Empowering finance employees

Time spent on various activities in Finance



Technology shortens time to action

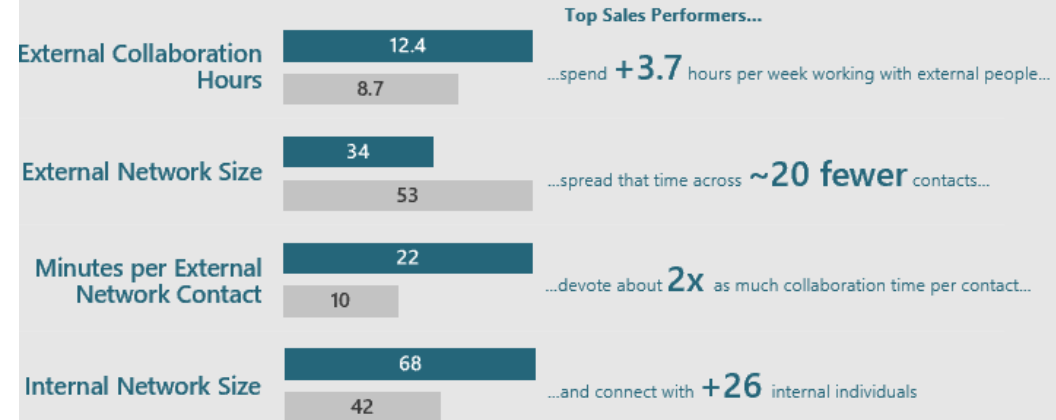


Measuring cultural transformation?

Complexity, Agility,
productivity

We know more than we
know!

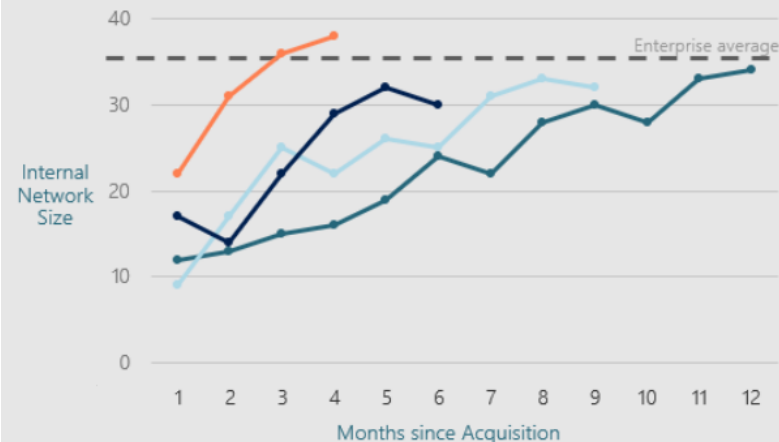
What does the average week look like for **Top Sales Performers** and **Others**?



Shift the performance "distribution curve" to the right to capture maximum value by training the population to emulate your best people's behaviors.



Over-time Integration of Fortune 500 Company's Acquisitions



Network growth suggests integration

Acquisition 4, the most recently joined company, ramped up quickly, while other earlier acquisitions have lagged reaching the organizational average

CULTURE AND TALENT

Lessons learned



Invest time on talent management



Reward differently



Culture is an evolving journey

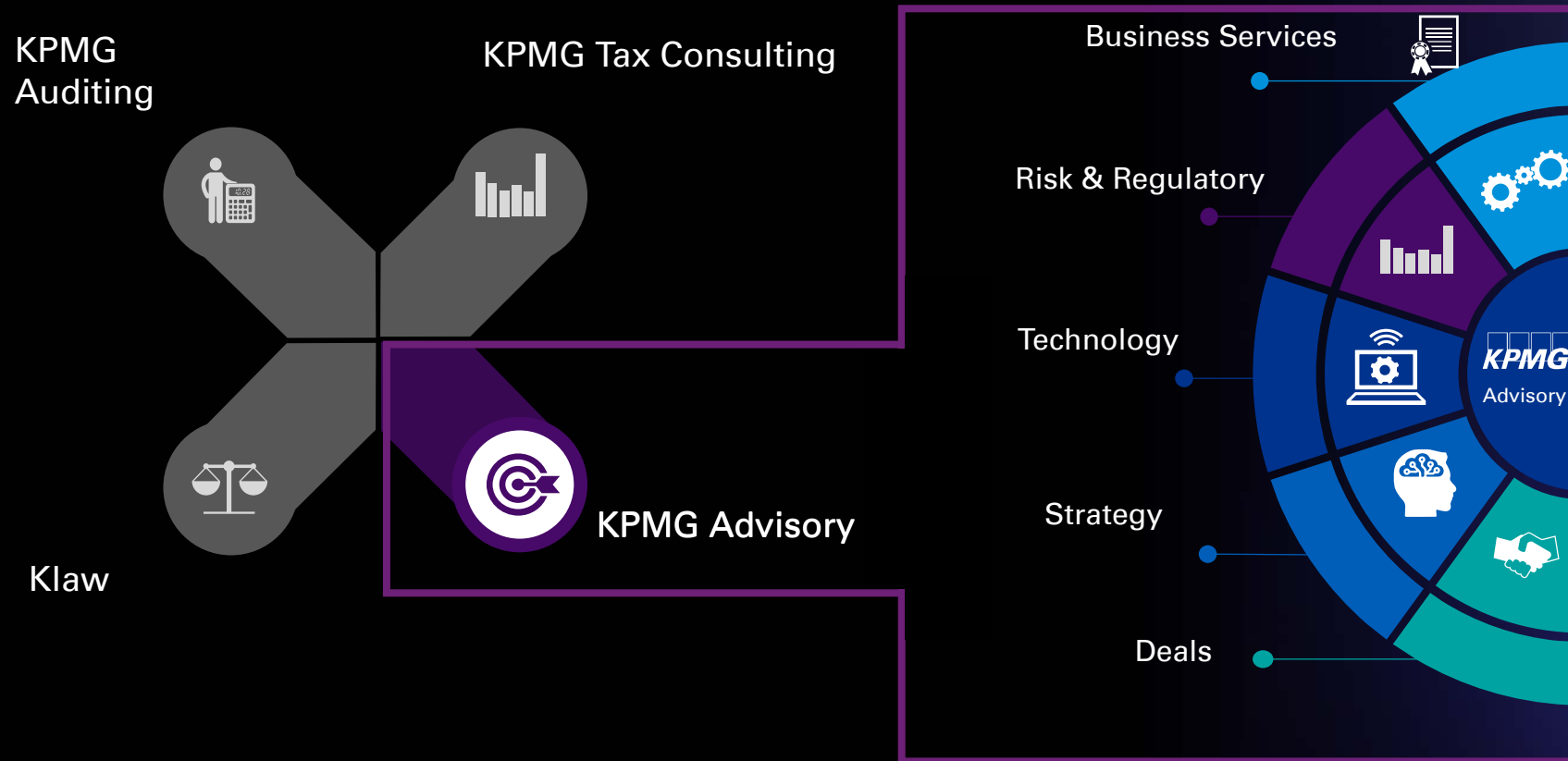


Value leaders who are generalists



Intentional talent movement: in, around and out

The ingredients of KPMG for a digital transformation



KPMG & Microsoft in Belgium & The Netherlands

History & activities

- Partner for more than 8 years
- In Belgium, KPMG has + -100 Microsoft Professionals. In the Netherlands we have a team of + - 200 Microsoft experts
- Partner in the 4 focus domains of Microsoft



Some Microsoft acknowledgments

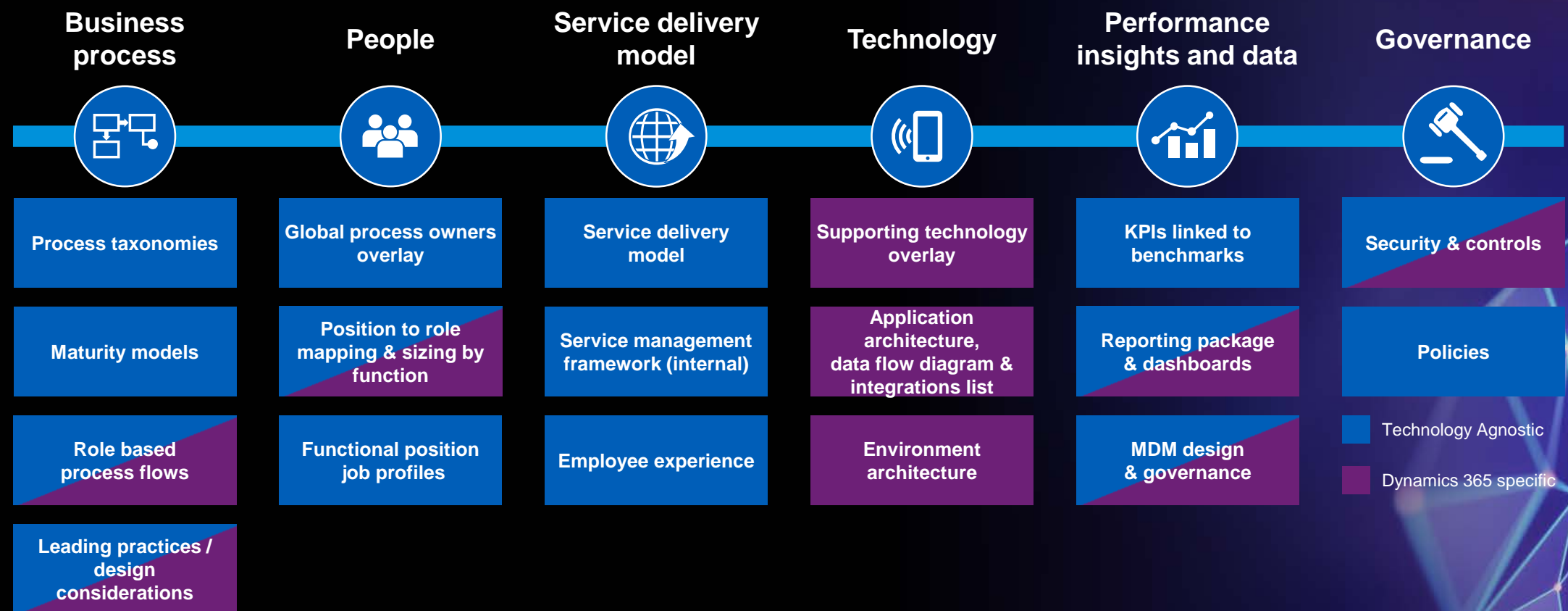
2019/2020
INNERCIRCLE
for Microsoft Business Applications

Global SI Digital Transformation
2020 Microsoft Partner of the Year



Aspects of a digital transformation: Target Operating Model

KPMG Powered Finance focuses on delivering business outcomes for you, combining all 6 layers of the Finance Target Operating Model – Functional Process, People and Culture, Service Delivery Model, Performance Insights and Data, Technology and Governance.



Powered Finance processes

Level 1 (L1)	Plan to Perform	Record to Report	Acquire to Retire	Project to Result	Quote to Cash	Source to Pay
Level 2 (L2)	Review & Develop Strategic Plan	Close General Ledger Data Sources	Capital Program Planning	Project Program Planning	Setup Customer Master Data & Credit	Strategic Category Management
	Define Enterprise Performance Management Framework	Pre-Close Activities	Asset Creation	Project Creation & Approval	Contract Lifecycle Management	Supplier Relationship Management
	Operational Planning	Preliminary Financial Reviews & General Ledger Close	Depreciation, Retirement, Impairment & Adjustments	Execute, Monitor, & Control Project	Quote, Order & Fulfillment Management	Strategic Sourcing
	Develop Annual Operating Plan/Budget	Financial Consolidation	Period End Close, Reporting & Analytics	Manage Project Billing & Revenue	Billing Management	Contract Lifecycle Management
	Refresh Predictive Financial Forecast	Period End Reporting	Manage Process	Capitalize & Close Project	Inquiry & Dispute Resolution	Requisitioning
	Profitability & Performance Reporting	Technical Accounting	System Governance	Period End Close, Reporting & Analysis	Cash Applications	Purchasing
	Perform Plan Analytics & Risk Management	Manage Process		Manage Process	Collections Management	Receiving
	Agree Actions Plans & Update Forecast	System Governance		System Governance	Period End Close	Invoice Processing & Payment
	Manage Process				Reporting & Analytics	Purchasing/Payment Inquiries
	System Governance				Manage Process	P-Card/T&E Card Administration
					System Governance	Period End Close
						Reporting & Analytics
						Manage Process
						System Governance

Powered Finance Assets

243

Predefined processes leveraging pre-designed end to end organization structure and roles

Innovation Add-ons

5



Financial Reporting



Invoice Automation



Banking Automation



Multiple Project Elimination



Account Reconciliation

136

Security Roles

367

Controls aligned to core processes

176

KPIs



Created Globally
Localized by KPMG BE



49

Functional job profiles



Modules built and live



Policies



Test scripts

172

Reports and dashboards

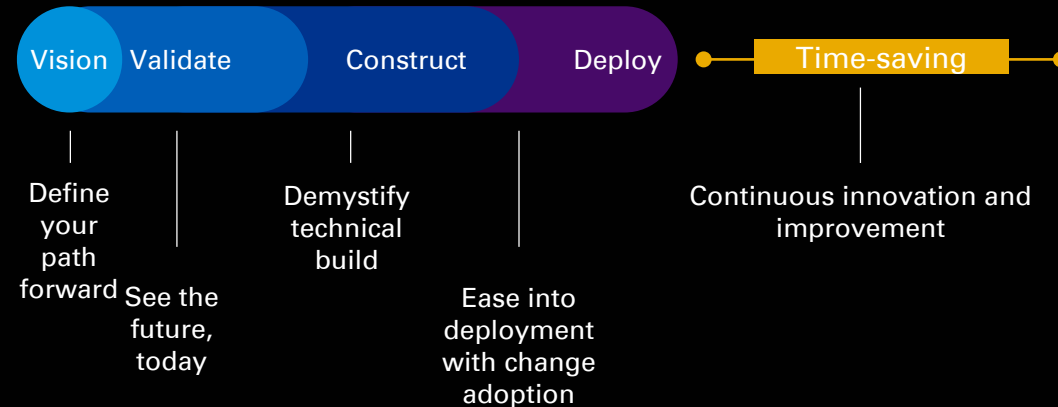
KPMG Powered Enterprise

Powered = a best practice templated approach

Traditional Implementation



KPMG Powered Enterprise Implementation



- Validate, starting with a pre-built Target Operating Model.
- Involve key stakeholders to review and validate the preconfigured solution.
- Shift your focus on making valuable decisions.
- Determine what is unique to you as a organization.
- Clarify the technology and how it can support business strategy.
- Increase the certainty of the results and reduce the risk associated with change.
- Use a pragmatic approach to change management.
- Ensure better acceptance of the final solution.

Powered Evolution

A natural next step after implementation

Qualified, certified resources invested in your success,
available to support you across:



Governance

Manage

Control

Plan



Base services

Maintain

Upgrade

Patch



Enrichment services

Configure

Develop

Enhance

Secure

Continuity of
resources from
your
implementation –
**mitigated
transition**

Care &
maintenance of the
Powered platform
– **keeps you
going**

Client specific
knowledge –
**understanding
the impacts of
upgrades**

You can focus on
your core
competencies –
**not distracted by
the day to day**

Access to the
broader set of
KPMG resources
– **brings you
latest leading
practice**

Scalability, right
resources at the
right time –
**overcome skills
shortage**

Enable faster
adoption of
emerging
technologies
– **keeps you
current**

Keeps you agile –
**respond to
changing
business
environment**