



# Case Study: Planning and Financial reporting with SAP Analytics Cloud directly on SAP S/4HANA

Beth McBreen, January 2020

## Company Overview - [www.mcness.com](http://www.mcness.com)

The **Furst-McNess Company** is an independent agricultural company providing customized vitamin and mineral premix, commodity blends, and feed ingredients to the beef, dairy, poultry and swine industry throughout the United States and Canada. We provide customized solutions and alternatives to our agricultural clients which lead to enhanced livestock performance and profitability. In addition, we offer innovative solutions to suppliers for feed residuals from the food, beverage and biofuel industries. (credit: [www.mcness.com](http://www.mcness.com))



FURST-MCNESS COMPANY

## Project Goals and Overview

**McNess** had just completed a greenfield implementation with SAP S/4HANA and were researching reporting solutions. Prior to the implementation, **Furst-McNess** was using MS Excel as a main source for financial reporting and budget templates. They also used Analyzer to pull data from SAP S/4HANA for reporting. They required a new solution that would allow for expansion of their budgeting process without having to distribute templates via email with multiple copies and versions. A solution with an underlying database to allow for one source of the truth and data storage so multiple excel files and links would be a thing of the past. **McNess** evaluated both SAP's Business Planning and Consolidation solution and SAP Analytics Cloud. After vetting through what both solutions had to offer, SAP Analytics Cloud was a better fit for the company.

**McNess** also evaluated whether SAP Business Warehouse would be required. **McNess** determined with SimpleFi's support that leveraging the built in Analytics views from SAP S/4HANA with SAP Analytics Cloud directly on top would meet their requirements.

## Project Scope

### Budgeting Process

The following items were included in scope for the budgeting process:

- Budgeting templates for Gross Margin
- Budgeting templates for Cost Center/Expenses
- Allocation rules
- Driver based rules - Inverse functionality in SAC allows for a calculated member to also be a data entry member
- Advanced formulas to support seeding actuals and other
- Budget support and validation reports

### Financial Reporting

The following items were included in scope to support the monthly reporting package:

- Development of 15+ reports
- Publication of monthly package to PDF format
- Advanced formulas to accommodate 13-cycle period, YTD calculations, Variance reporting
- Cash Flow and Balance Sheet reporting
- Ratio calculations (Working Capital, FCCR, EPS, DIO)
- **Acquired** Data Connection with SAP S/4HANA for the following datasets:
  - Master data integration for Cost Center, Account, Profit Center, and Plants
  - GL Account Balance - Standard CDS View
  - Custom Infopvider for Sales/Margin
- **Live** Data Connection with SAP S/4HANA for the following datasets:
  - DSO/DPO by Cycle
  - Product Line Reporting

## Project Challenges

A key challenge that required us to utilize the data action/advanced formula functionality more extensively was the limitation of only 12 periods in either a calendar or fiscal year. **McNess** operates on a 13-cycle year, which the time dimension could not currently accommodate. This is an enhancement scheduled for 2020.

We also experienced a challenge with the SAP S/4HANA connections to the CDS Views. The challenge related to the ability to connect to their development SAP S/4HANA, but not production. Due to different configurations, and more stringent security in production - there were additional steps taken to produce the reporting from the production environment.

## Project Wins

**Furst-McNess** can recognize several benefits with the implementation of SAP Analytics Cloud.

- From a project management perspective, the project was completed On Time and Under Budget.
- Executive Teams have an easy launchpad via Google Chrome to access their reports.
- One source of truth and allows to easily combine Budget and Actual data together for reporting and planning purposes.
- Automated calculations to produce driver-based results on Gross Margin planning. Automated calculations to support balance sheet and cash flow reporting.

Without the separate business warehouse requirement, **McNess** and SimpleFi were able to deliver a cost effective solution with minimal time commitment from **McNess** IT and no hardware commitments. This approach offered tremendous cost savings.

## Future Use

One of the attractive points with SAP Analytics Cloud, is the additional functionality it provides that **Furst-McNess** is not currently utilizing. As SAP continues their investment in this product, new functionality will continue to be released on a regular basis.

**McNess** has expressed interest to expand the solution in the following areas:

- Daily or Executive Dashboards
  - First phase of the project only included minimal dashboards in the monthly reporting package. **McNess** would like to explore the development of meaningful daily and monthly dashboards for the company.
- Mobile
  - **McNess** would like to eventually allow executive team to review their dashboards or other KPIs on mobile devices
- Predictive Analytics
  - An area that they would like to understand better in order to utilize the functionality for their business.



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318 W Adams St, Suite 1604  
Chicago, IL 60606

[Contact@SimpleFiSolutions.com](mailto:Contact@SimpleFiSolutions.com)  
1-888-234-0601