This chapter explains how implementing Central Finance enables improved reporting and analytics information. It describes how data model innovations impact extended dimensional reporting, entity reporting, and both enterprise-wide and cross-system group reporting.

“Reporting: What Can I Learn About My Data?”

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Chapter 4

Reporting: What Can I Learn About My Data?

With Central Finance, data resides in one central, accessible place and is standardized, harmonized, and enriched, without further steps needing to be taken for embedded capabilities for segment, entity, or group reporting.

Reporting is a key value driver of Central Finance. Unlike in traditional ERP systems, with Central Finance, you are no longer tied to old legacy system technologies and outdated database design principles. What was formerly the only way you could do something is no longer the best way to do it.

With modern SAP S/4HANA technologies, you can provide enterprise-wide, cross-system reporting and analytics based on a single source of truth for financial data on the transaction level—without further data movements and in real time, without any delay in access. You can do things differently (and better) and do things previously not possible.

In this chapter, we’ll explain the how implementing Central Finance enables improved reporting and analytics information. You’ll learn about how new SAP S/4HANA technologies provide for far more advanced reporting and analytics capabilities, how data model innovations allow for more enriched reporting, and how enterprise-wide and cross-system entity and group reporting is improved, all within the same technology stack.

4.1 Advanced Reporting

Reporting in Central Finance might seem advanced when compared to reporting in a traditional central ERP system for finance, in a single traditional SAP system, or in a non-SAP ERP system. For example, Central Finance performs the following functions:
Allows you to use the latest innovative reporting and analytics capabilities, regardless of the source system technologies in place.

Go beyond reporting, providing SAP Fiori apps with integrated process execution capabilities.

Leverages database and application architecture innovations like the Universal Journal to allow for unified, end-to-end reporting out of the box without the need for manual data unification by IT.

Reporting in Central Finance is oriented towards the business user and provides real-time insights, advanced analytics, and contextual information, when possible, visually. Examples of advanced reporting in Central Finance include the following:

- Line item access
- Unified reporting
- Multidimensional reporting
- Microsoft Excel analysis
- Root cause analysis
- Embedded reporting
- Key performance indicator (KPI) reporting
- Predictive reporting
- Problem solving reporting

### 4.1.1 Line Item Access

Reporting in Central Finance allows access to line item-level financial information. With performance no longer an issue, selections can be wide. You’ll no longer need restrictions in data selection to avoid runtime errors.

Data exploration can be a bottom-up process, starting with the maximum dataset, rather than parsing out various datasets to accommodate resource limits and avoid runtime errors. Results can include all fields/dimensions in the Central Finance coding block (Universal Journal), including business mapping values, which are stored and served in advance, like old account, profit center, or vendor numbers.

The Line Item Browser, shown in Figure 4.1, can now display this lowest level of transactional information no matter the selection criteria, how many records are involved, or how many fields will be displayed.

### 4.1.2 Universal Reporting

Reporting in Central Finance allows access to all dimensions within the Central Finance coding block, including the following:

- All standard financial dimensions across the main ledger and subledgers
- Custom dimensions, like the color of a product or the age of a customer
- Pertinent source system information, such as system IDs and document numbers

Basically, all 355+ dimensions of the financial coding block in Central Finance can be accessed (for filtering, sorting, etc.). For example, using the Trial Balance SAP Fiori app, as shown in Figure 4.2, you can select from dimensions in the coding block and add them to the data analysis section as needed.

Of course, standard SAP security capabilities govern access to this information.
4 Reporting: What Can I Learn About My Data?

Figure 4.2 Unified Reporting with the Trial Balance SAP Fiori App

Reporting in Central Finance allows access to financial information, no matter what subledger might have previously stored that information. With the unified coding block in Central Finance (Universal Journal), all financial transactions are stored in the same table. It is no longer required to jump from report to report or reenter selection criteria so that the balance in the general ledger (G/L) report matches the balance for the selection in a subledger report. Especially when reporting is used for validating reconciliation accounts—e.g., for vendor details behind an accounts payable (AP) balance, for customer details behind an accounts receivable (AR) balance, for inventory details behind an materials management balance—the need to use different reports in different subledgers, which was inefficient, is no longer required.

Reporting in Central Finance allows you access to financial data from a top-level overview down to the line item level, the transaction. Account balances can be easily traced via drilldown capabilities to view the transactions and line items making up that balance. Especially when using reporting to explore exceptions, the need to run different reports for data residing in different applications or tables, which was inefficient, no longer exists.

4.1 Advanced Reporting

4.1.3 Multidimensional Reporting

Reporting in Central Finance allows you to explore transactional financial information in Central Finance in an analytical fashion.

As shown in Figure 4.3, you can navigate and explore the entire financial dataset of your organization (or just specific portions) using the concept of facets instead of a transactional or line item view.

Facets are dynamic dimensional filters that allow users to select and group the overall dataset by the dimensions desired (like company code, product, customer, channel), thus finding more specific information within a potentially quite large dataset. The option to navigate, explore, and search real-time transactional data by (all its) captured key financial dimensions (standard coding block dimensions, added custom dimensions, source and target system business values) allows you to drill down into the details (microsegments) and understand the real reasons and drivers of financial performance.

4.1.4 Microsoft Excel Analysis

Reporting in Central Finance allows you to use Microsoft Excel as the analytical tool to create financial analyses.
Almost every financial analyst uses Excel. However, often a series of data preparation steps is required before the data can be analyzed. Usually, data must be extracted from somewhere, often from multiple sources; merged with customizing data (period 3 = “March”) and master data (customer 1789 = “Mike Miller”); and then use VLOOKUPs and custom macros to prepare the data.

This whole process likely is repeated as new transactions come in as part of period-end closings or within reporting timeframes.

With SAP Analysis for Microsoft Office as part of Central Finance, the data preparation phase is basically eliminated, and you can jump right into data analysis:

- Financial data can be accessed directly via Excel and already incorporates key customizing and master data elements.
- Financial data in Central Finance is already harmonized, standardized, and enriched, negating the need for additional transformations.
- New transaction postings can be included anytime.

Instead of opening a file on a network drive, with the corresponding SAP login and access validation, users will now access views of the Universal Journal. You can select from all 355+ dimensions defined in the coding block, including standard dimensions, added custom dimensions, and old/transitional source system values. You also determine which dimensions to use as filters in row or columns, and you can have your financial data presented as a pivot table.

If new transactions are available, as part of month-end closing, for example, you can refresh the view in Excel, and the latest dataset will be loaded instantaneously—no need to wait for a data warehouse replication run that may only happen every 4 hours.

4.1.5 Root Cause Analysis and Storytelling

Reporting in Central Finance allows for ad-hoc root cause analysis from a top-level overview, i.e., for upper management or team leaders, down to the underlying business transactions that make up the financial performance. Management discussions, say, to determine an action or a change in course, can be based on facts—that is, based on a financial dataset that serves as a harmonized, real-time single source of truth—and include contextual information from the underlying business transactions.

Leadership teams across the organization—including team leaders, middle management, senior managers, executives, and senior executives, all the way up to the board, can, all with their own views of the “same” financial data—can use visual exploration capabilities, based on predetermined tiles with drilldown capabilities, to more fully understand the company’s financial performance and its root causes.

Different aspects of a performance review can be combined into sets of tiles on, for example, the SAP Digital Boardroom or SAP Analytics Cloud, as shown in Figure 4.4, leading to a more visual and connected storytelling analysis rather than a traditional presentation that requires jumping from spreadsheet to spreadsheet.

4.1.6 Embedded

Reporting in Central Finance also allows you to use SAP S/4HANA’s embedded analytics.

Figure 4.4 Storytelling with SAP Analytics Cloud
Embedded analytics in SAP S/4HANA allows you to switch between complex, visual, and facet filters and facilitates navigation to specific SAP Fiori apps that are semantically linked to the data.

The Product Profitability SAP Fiori app, for example, allows you to analyze product-related KPIs in a contribution margin structure with multiple dimensions. From the Product Profitability SAP Fiori app, as shown in Figure 4.5, you can navigate to the Actual/Plan P/L SAP Fiori app.

![Figure 4.5 Product Profitability SAP Fiori App](image)

The Supervise Collections Worklist app allows you to monitor the status of groups, teams, and collection specialists; allocate and reassign worklist items; assign groups to collection segments; and assign collection specialists and temporary substitutes. From the Supervise Collections Worklist app, as, you can also navigate to the Process Receivables app.

4.1.7 Real-Time KPIs

Reporting in Central Finance provides real-time KPI reporting. The financial status of your organization and its entities, business units, market segments, and departments can be monitored in Central Finance much like a stock ticker tracks publicly traded companies. Predefined, customizable KPI tiles can be included in the SAP Fiori launchpad, as shown in Figure 4.6.

**Figure 4.6 Real-Time KPI Tiles in the SAP Fiori Launchpad**

These tiles provide real-time financial status information—quantitative and qualitative—with drilldown capabilities to view the underlying source data. These tiles can be personalized, that is, thresholds can be maintained, and selection criteria saved, to only show the KPI relevant to a particular business area.

KPI tiles can be modified to adjust the drilldown and appearance. Appearance is important because not every financial status translates perfectly into information that is just a number.

4.1.8 Predictive Reporting

Reporting in Central Finance allows you to use forward-looking, predictive data calculated by business users rather than data scientists.

You can use predictive algorithms and machine learning to calculate and visualize trends and forecasts or predict the likelihood of future outcomes, as shown in Figure 4.7.
You can quickly build and visualize predictive models, such as the one shown later in Figure 4.9, and also access a wide variety of machine learning algorithms—no coding required. You can join internal and external data like demographics; you can score data and apply predictive models as soon as events occur and even embed predictive results into business processes.

4.1.9 Problem Solving Solutions
Reporting can also include purpose-built solutions available in the cloud on the software as a service (SaaS) model. In many cases, these solutions simply require you enable the standard SAP Cloud Connector for data provision. Two solutions that may be useful to you include the following:

- **SAP RealSpend**
  With SAP RealSpend, shown in Figure 4.8, you can gain better insights into budget and spending information via ad-hoc analysis of real-time spending information, combined with flexible tagging, to enable new reporting dimensions on the fly, to add future expenses to the dataset, and to use dynamic replanning capabilities.

- **SAP Financial Statement Insights**
  With SAP Financial Statement Insights, shown in Figure 4.9, you can discover hidden trends and make strategic decisions through real-time analysis of your profit and loss (P&L) statement. The solution includes the ability to simulate organizational changes to compare potential business performance across different divisions, products, and organizational units and drivers over time.
4.2 Extended Dimensional Reporting

A key differentiator of Central Finance is its ability to provide enhanced dimensionality in reporting and analysis. Traditional central systems for finance, often with a static coding block focused on external financial accounting, may provide rudimentary business segment reporting to accommodate external financial and internal management reporting (i.e., balance sheets and P&L statements).

Analysis (depth, dimensionality, line item detail) can be limited in these traditional systems. Analysis may take place in upstream systems, for example, billing systems, and then be parsed for specific uses, like revenue analysis, or in specific systems (business intelligence/business warehouse systems for profitability reporting, for example), and this analysis may accommodate multidimensional reporting and larger data volumes without impacting reporting performance or the performance of the underlying (transaction-processing) system.

Reporting in Central Finance is based on the speed and performance of the underlying SAP HANA in-memory database. Workarounds like data parsing, abbreviation, normalizing, and spreading data across different reporting systems is no longer required to avoid the performance and throughput issues of the past.

Central Finance, for example, leverages the ability to add additional fields to the coding block and stores the <source system ID> and the <source document number> to provide an audit trail (drilldown) to the finance and logistics business transactions in the underlying SAP source systems. The dimensions you add will likely be based on the reporting or incentive systems already in place elsewhere in the organization.

The number of additional fields needed varies by company. While no real technical limitation of additional fields exists on the database level, pragmatically, you might consider a limit somewhere between 10 and 15 fields because you’ll also need to fill them in, create reports with them, and spend time analyzing them.

Examples of extended dimensional reporting in Central Finance include:
- Microsegment profitability
- Cross-organizational attribute reporting (functional reporting)
- Business continuity reporting (new and old dimensions kept in parallel)

4.2.1 Microsegment Profitability

The ability to provide microsegment profitability reporting is a key innovation in Central Finance.

Many organizations have fairly detailed profitability reporting in place already. For those using SAP ERP systems, profitability reporting is generally provided by Profitability Analysis (CO-PA); in selected cases, additional SAP solutions might exist, for example, for the financial services or retail industries. Others companies might simply use custom data warehouse solutions.

In any case, profitability reporting is an integral part of financial analysis, but the core financial data may reside in separate datasets or applications. This scenario can be costly due to the additional data duplication effort required and runs the risk that the data is not detailed enough, lacking line item or dimensional detail.

Looking at financial performance only on an entity or business segment level, without the right level of business transaction detail and dimensionality, may prevent a full understanding of the drivers of profitability, which are necessary for proper business management, because aggregates and averages dilute profitability information.

Microsegment profitability, based on entity, line of business, product, customer, region, channel, etc., can help you run your business today. Along these reporting dimensions, you’ll see organizational responsibilities defined and incentive systems in place.

The level of detail in your microsegments (combinations of dimensionality) varies. More and more, in the digital economy, additional attributes in a business transaction seem necessary to capture, such as the weather at the time of a transaction, the relation between a product sold and a customer’s rating of your website, or a customer’s payment history. These attributes may be not directly needed for profitability calculations on an attribute level (for example, associating the IT cost of collecting customer ratings for products) but could still serve as additional, contextual information to identify trends, strengths, and weaknesses, which are vital in sentiment analysis.

In Central Finance, profitability can be reported and analyzed on a detailed microsegment and attribute level for every dimension you decide to include in the Universal Journal-based coding block.

Revenue can be captured on any level you need, and costs can be brought in with additional detail as well. Through allocations and various other mechanisms in SAP S/4HANA, costs—captured on a much more detailed level—can be associated with revenue for extended microsegment and attribute profitability.

With Central Finance, you can analyze profitability information, an integral part of your financial analysis, without requiring data duplication and without compromising on dimensional or line item detail, latency, or performance.
So, how deep should you go, in terms of level of detail, and how broad, in terms of dimensionality?

You can’t really control the number of records/line items replicated because the feeds come from the source systems. If those source systems capture financial transaction at a very low level, for example, a point of sale (POS) transaction in retail, then that’s what you’ll have to replicate. At this point, you might evaluate how you use the G/L (in the ERP source systems) and the level of information posted there and rethink how much is captured in the G/L versus enabled subsequently through reporting scenarios.

On the dimensional level, we recommend going further than you have been in two ways: First, you can and should bring in more dimensionality than previously, some of which you may use for information purposes only while others could be useful in real profitability calculations.

Second, we generally recommend using one level of detail lower than your organization has been using. To go to the lowest level of detail right away, for instance, the transaction level, is not advised. Don’t forget that, with increased depth of detail and breadth of dimensionality, you’ll need to establish organizational responsibilities and incentives; if not, you’ll be providing information that no one looks at.

Whether including additional dimensions in the coding block is the right decision depends on several factors, including performance or the need to use these dimensions in derivations or allocations or in standard SAP Fiori reporting. An alternative to inclusion in the coding block would be to use advanced reporting capabilities (i.e., joins or unions on a database or reporting level) or virtual consumption via SAP Data Hub or SAP Vora.

Some reasons for including additional dimensions via reporting include:

- Dimensions can be dynamic, like customer credit ratings
- Dimensions are subject to change over time, like when regional responsibilities are rolled up for internal management accounting, which may be better served with a reporting scenario. Bringing these dimensions into the reporting layer might also improve alignments after an organizational change.

4.2.2 Cross-Organizational Functional Reporting

Similar to the addition of dimensionality (for more detailed) microsegment profitability, additional dimensionality can also provide information on enterprise-wide, cross-organizational perspectives like functional reporting, as shown in Figure 4.10.

Instead of going deeper, down to the microsegment level, this kind of reporting focuses more on going wider, providing additional or alternative views of the enterprise. This reporting could involve any number of attributes, for example, including energy compliance, gender equality, or cybersecurity.

Figure 4.10 Cross-Organizational Functional Reporting (Wider)

Based on additional attributes, cross-organizational reporting is more about the organizational (structural) elements of an enterprise, which are tagged with certain attributes, rather than about reporting and analysis of underlying business transactions.

With underlying business transactions often executed in different ERP systems, additional cross-organizational reporting based on common attributes provides the additional benefit of allowing for harmonized, standardized perspectives, possibly to be used in benchmarking (Section 4.4.3).

4.2.3 Business Continuity Reporting

Just as you can add dimensionality to accommodate additional microsegment or cross-enterprise attribute reporting, additional dimensionality can be added to accommodate business transformations or change management, for example, in a Central Finance implementation project.
In traditional migrations, business users of the old systems usually lose information due to data harmonization and standardization. With Central Finance, the old dimensions can be preserved, recorded in the Universal Journal in Central Finance. The old, local information can be kept in addition to (in parallel) to the new information, for example, old and new company codes, old and new profit centers, old and new vendors.

Central Finance uses, for example, data like <source system ID> and <source document number> from the source system/transaction and posts that information into corresponding additional fields in Central Finance.

Business users concerned about the disruptions of a planned migration or system implementation are typically most concerned about losing important information required for their jobs, rather than concerned about the data harmonization or standardization process per se.

Central Finance provides the option of preserving source system information, an important negotiating token from a change management perspective. Business users may not mind helping with the harmonization and standardization once they are assured that they won’t lose what they need.

Note that additional dimensionality is not always automatically pulled into SAP Fiori apps or into business transactions, which is perfectly fine, because you ultimately want new transactions use new values anyway. From a reporting perspective, the inclusion of the old and new values by adjusting core data services (CDS) views is entirely feasible.

4.3 Entity Reporting

Entity reporting (i.e., balance sheet reporting, P&L statements, or cash flow statements for company codes or major business segments) or management accounting reporting (for cost centers, orders, projects, etc.) are important capabilities in Central Finance. Just because Central Finance typically contains financial information for more than one entity does not mean financial reporting can only be done on an aggregated, corporate level.

You can use Central Finance for both local entity reporting (through Central Finance instead of through the original source system) as well as on an aggregated level. Entity reporting with Central Finance is not just for corporate finance.

The value and benefit of entity reporting in Central Finance is directly linked to the business transactions replicated or recorded in Central Finance (Section 4.3.1) and also the state of the system of record, the Central Finance system (Section 4.3.2). Entity reporting in Central Finance can also help align company codes by splitting or combining them in the central system rather than in the source systems (Section 4.3.3) or can help your organization pursue tax optimization scenarios, for example, setting foreign principal company codes in tax-friendly countries (Section 4.3.4).

4.3.1 Local Processes

All financial transactions posted in the source systems are replicated onto the central system, including regular business transactions that occur during the month, as well as period-end postings. Period-end postings can also be made in the central system itself.

In either case, with regular and period-end postings available in the central system now, local finance teams can run entity reporting processes in the central system instead of in the source system(s).

The advanced reporting capabilities available in Central Finance bring many benefits, such as advanced reporting capabilities (Section 4.1) and extended dimensionality (Section 4.2), features not available in the traditional SAP and non-SAP ERP source systems.

Furthermore, financial performance information can be harmonized using Central Finance’s business mapping layer. Information can still be reviewed in terms of the old, local nomenclature in addition to in the new, enterprise-wide and cross-system standard.

4.3.2 System of Record

When no additional financial transactions are posted in Central Finance, the source system and the central system contain exactly the same transactions. From an entity reporting perspective, which system is the system of record does not matter. Even if you consider the source system the system of record, you can still use entity reporting in Central Finance.

Once financial transactions are posted in Central Finance, the tipping point typically is the use of central AP/AR processing. The central system now has more postings than the source systems and has basically become your system of record. Entity
reporting through Central Finance uses the full set of transactions, whether locally posted in a source system, replicated to the central system, or centrally posted in the Central Finance system itself.

If you still want entity reporting enabled in the source systems, you’ll need to ensure transactions created in the central system are propagated back to the source system(s).

In sum, regardless of which system is the system of record, you can use Central Finance for entity reporting.

### 4.3.3 Company Code Alignments

For most companies, entity reporting in Central Finance will be based, in a one-to-one relationship, on already existing entities set up in the source system. In some cases, these alignments might vary to accommodate the following:

- Appearance
- Company code merges
- Company code splits

In Central Finance, you can use a business mapping layer for purely cosmetic reasons; for example, perhaps you always wanted to use company code 1000, but source system used company code 47.

In Central Finance, you can merge multiple entities that exist in source systems into a single entity in the Central Finance system. Sometimes, different parts of various business entities are spread out over different ERP source systems (perhaps using different entity identifiers); in Central Finance, these entities can now be brought together.

In Central Finance, you can also use an enhanced business mapping layer to split an entity in the source system into different entities in the central system.

Both scenarios are rather exceptional. Where already accommodated in reporting or consolidation applications, they might as well be incorporated into the Central Finance design and rollout as well.

Both scenarios require proper diligence, especially when splitting company codes. Be sure to take into account the proper tagging of business transactions for intercompany processing and year-over-year balance sheet reporting needs as well as any potential backpropagation requirements.

### 4.3.4 Tax Optimization

Entity reporting in Central Finance can provide the opportunity for your organization to realize a tax-optimization-oriented business model.

An entity set up as a foreign principal in a tax-friendly country can act as the contractual partner for a customer, carrying economic risk but also earning profit. Local entities set up as subsidiaries are reimbursed for their contributions based on concepts like cost-plus pricing or fixed markup fees or margins in accordance to local tax provisions.

Central Finance can easily set up and manage foreign principal companies, which will only need be created from a finance, not a logistics, perspective. In other words, organizational structures won’t need to be customized; master data won’t need to be provisioned because Central Finance is separated from the underlying source systems.

Subsidiaries can execute business transactions in source systems, while aggregated reporting on the principal level can take place in Central Finance.

Neither Central Finance nor this book should be seen as encouraging or endorsing tax-optimization practices—any such action is entirely at the discretion of your business and should be subject to careful consideration, coordination with professional tax service providers, and alignment with the relevant tax and regulatory authorities. However, for organizations pursuing this approach, Central Finance might be a good option.

### 4.4 Group Reporting

Central Finance provides group reporting capabilities using both preconsolidated and consolidated data, for example:

- Reporting for all entities making up the enterprise, no matter what source system captures their data (multientity reporting)
- Provision of financial information in a uniform, homogenous way (harmonized/standardized reporting)
- The ability to compare and evaluate performance across the organization (benchmarking)
- The ability to combine and financial data from several subsidiaries or business entities within an organization, for example, to a parent company, for reporting purposes (consolidated reporting)
4.4.1 Multi-Entity Reporting

Central Finance allows you to bring together cross-system financial data for enterprise-wide reporting and analysis, as shown in Figure 4.11. Reporting on multiple entities at the same time—whether all entities or a selected group of entities within Central Finance—is a key value proposition of Central Finance.

Figure 4.11 Enterprise-Wide Aggregated Reporting

Financial information is stored in Central Finance on a transactional, line item level with full, unabbreviated dimensionality. In any financial report, you’ll be able to drill down from any higher level to the transaction level, or vice versa, at any time. This capability is an important distinction from traditional data warehouses, although the results of the report may be the same.

Traditional data warehouses are typically built on separate datasets, with dimensionalities parsed or with the use of precalculated aggregates that only work for the levels calculated, and these values are not updated in real time when a new posting is made.

4.4.2 Harmonized/Standardized

Reporting, especially legal and group reporting, in Central Finance can involve whatever level of harmonization and standardization you need.

Diverse or overlapping master data object values, as shown in Figure 4.12, can, through the business mapping layer, be brought together into a coherent set of values consistent across the entire organization. Apples are now apples, and oranges are now oranges.

Figure 4.12 Harmonized Enterprise-Wide Reporting

4.4.3 Benchmarking

Having access to harmonized and standardized financial data enterprise-wide brings transparency into the organization and allows for internal comparisons and benchmarking—across the organization, comparing apples to apples and oranges to oranges.

4.4.4 Consolidated Reporting

Group reporting in Central Finance is not limited to period-end closings. Based on preconsolidated information, Central Finance allows you to execute consolidation/group closing steps in Central Finance to derive fully consolidated statements, including intercompany eliminations.

Consolidation can take place in Central Finance within or natively connected to the central system. Using the embedded path via SAP Business Planning and Consolidation (SAP BPC) or SAP S/4HANA Finance for group reporting, the real-time consolidation features are within Central Finance, part of the same underlying SAP S/4HANA system.

Data duplication to the consolidation application, traditionally a standard approach, is no longer necessary; the data already exists in the central system. If a separate consolidation application is in place, whether temporary or permanent, only one
interface, from Central Finance, is required, rather than needing multiple interfaces for multiple systems.

This single interface can use real-time, unabbreviated data from the Universal Journal in Central Finance, so data updates or additional dimensionality for the separate consolidation application can be accommodated at any time—thus improving the consolidation system too.

### 4.5 Summary

In this chapter, we discussed the advanced reporting and analytics capabilities available in Central Finance.

While traditional ERP systems for finance have been limited by performance, throughput, and the data model design principles of the past, the SAP S/4HANA-based Central Finance exposes advanced capabilities by leveraging a single source of truth in the form of a financial repository with an advanced financial data model and dynamic dimensional coding block setup. These capabilities enable standardized and harmonized enterprise-wide and cross-system financial and management reporting.

In the next chapter, we’ll discuss what Central Finance can improve from a financial process perspective.
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