



Vodafone: Achieving Faster Month-End Close with the SAP HANA® Platform

To speed up month-end financial reporting, telecommunications giant Vodafone Group Plc introduced the SAP HANA® platform into the closing process. By generating **key financial reports in real time**, SAP HANA enabled the company to save a day out of the seven-day process and gain about €500,000 over the next four years in labor efficiency benefits.

Partners



Executive overview

Company

Vodafone Group Plc

Headquarters

Newbury, United Kingdom

Industry

Telecommunications

Products and Services

Network, mobile, and data communications

Employees

86,000

Revenue

£46 billion (€57 billion)

Web Site

www.vodafone.com

Partners

Accenture and HP



BUSINESS TRANSFORMATION

The company's top objectives

- Reduce month-end closing time
- Reallocate people to more productive roles
- Pave the way for future applications of the SAP HANA® platform

The resolution

- Implemented SAP HANA within the month-end closing process
- Used SAP HANA for calculations previously performed by a custom report within the SAP® Business Warehouse application
- Collaborated excellently with SAP and Accenture

The key benefits

- Significantly reduced month-end closing time and effort
- Made general ledger data available for analysis in real time
- Provided month-end financials to decision makers sooner

Read more ►

TOP BENEFITS ACHIEVED

1 day

Time saved in month-end close process

€500K

Labor efficiency benefits over 4 years

96%

Reduction in data extract, processing, and load times

See more metrics ►

“Month-end closing is a highly visible and critical application at Vodafone. Speeding it up was very valuable in its own right, as well as a great first application of SAP HANA to demonstrate its power to the company.”

Valentina Del Frate, Innovation Manager and SAP HANA Project Manager, Vodafone Group Plc

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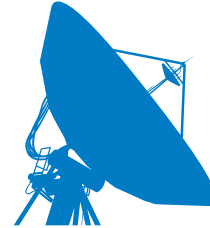
Business transformation

Future plans

Achieving a faster month-end close

Vodafone Group Plc is the seventh most valuable brand on earth. The company provides telecommunication services of all kinds throughout the United Kingdom and around the globe. Since making the world's first mobile call in 1985, Vodafone has grown to serve more than 400 million people in the 30+ countries in which it operates directly and over 50 more through partnerships with local networks.

In the largest transformation ever approved by its boards of directors, a program called EVO, Vodafone introduced a common operating model across finance, HR, and the supply chain supported by a single IT platform – SAP® software. Under this program, 19 countries, 2 shared service centers, 1 global procurement center, and 70,000 users work together as a single company, driving cost and efficiency benefits by embedding a uniform approach to the conduct of business.



4 days

Vodafone's month-end closing goal

One of EVO's key global processes is month-end closing, a massive undertaking because of the billions of rows of data and large number of people involved. In the past, month-end closing took seven business days, but under EVO Vodafone resolved to reduce it to a four-day process. Achieving this goal would be difficult because the process was already very tight, but success would bring substantial savings and competitive advantages.



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An ideal application for in-memory computing

Using a combination of system and process improvements, Vodafone eliminated one day from the closing process. “We were using SAP Business Warehouse in the data flow, an application designed for reporting, not operations,” explains Valentina Del Frate, project manager for Vodafone. “Closing requires several iterations of a step we call elaboration and replication, involving time-consuming data extract, processing, and load processes. Each iteration was taking 2.5 hours, and typically three or four of them were needed. That made for a long, difficult day for the people involved. Often they’d be in the office until midnight, spending most of their time just waiting.”

Del Frate continues, “We realized that SAP HANA was just what we needed to enable a day to be saved from month-end closing. With its ability to analyze massive amounts of data in local memory, we knew it could cut our data extract, processing, and load time to practically zero.”

Vodafone formed a team of its own IT experts, SAP, HP, and the innovation laboratories of Accenture, the integrator for the project. The SAP HANA appliances and related installation setting in the data center were provided by HP. The team used SAP HANA to cut data extract, processing, and load times from 2.5 hours down to 6 minutes, a reduction of 96%. “The collaboration among SAP, Accenture, and Vodafone was outstanding,” says Del Frate. “In particular, the SAP customer solution adoption team provided excellent support from the inception of the idea, through a successful proof of concept, to finally getting the solution live for our business users.”



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Crossing the finish line with indispensable help from SAP HANA

The new month-end close process is now in production and fulfilling all the project's goals. Data extract, processing, and load runs are so fast that any number of them can be executed. Even counting the time it takes people to digest the results of an iteration and react to it, the process is 25 times faster than before. That gives Vodafone an area of flexibility it never had when every iteration cost 2.5 hours out of an already highly compressed schedule.

The dreaded 16-hour day is gone, and its people are freed to contribute at higher levels, resulting in higher job satisfaction. Data analysts and business decision makers have the information they need much sooner. And yes, introducing SAP HANA did indeed compress a day out of the month-end closing cycle, allowing Vodafone to meet the project's bottom-line goal of a faster closing for the month's financials.

KEY BENEFITS

1 day

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Phase two provides early access to approximate results

Vodafone has already completed phase two of the month-end closing project. This phase will introduce a set of preliminary reports simulated by the new process that are available to local groups at any time. This gives these groups advance notice of approximate results, allowing them to make plans before receiving actual final results.

In addition, Vodafone has several potential plans for broadening the applicability of SAP HANA to its business needs – in finance and beyond. Del Frate concludes, “Now that we have proven the value of SAP HANA, we’re telling the rest of the company that we have a new addition to the analysis tools from SAP that we have been making available for years – one that offers incredible acceleration for any application where speed is important.”



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