adesso: Growing Safely in the Public Cloud

The adesso Group has established itself as a leading provider of IT services in German-speaking regions. The company grew by 39% in 2022 alone and now employs over 8,500 people.

However, the establishment of more than 60 international locations and over 50 subsidiaries led to a fragmented IT landscape within the company. Cloud solutions became essential for standardizing processes, especially in the complex finance and accounting system.

Streamline Operations and Enhance Transparency With SAP S/4HANA® Cloud, Public Edition

Before: Challenges and Opportunities
- The adesso Group wanted to streamline IT integration between its headquarters and subsidiaries.
- Incoming invoices and transactions with group subsidiaries needed to be processed faster.
- Routine tasks such as tracking working hours were to be automated.
- Media inconsistencies had to be eliminated to simplify monthly and annual financial reporting.

Why SAP
- The internal SAP consulting team at adesso carried out the implementation, backed by SAP.
- As an SAP Gold Partner, adesso has an in-depth understanding of SAP® solutions and provides customer support.
- In the provider assessment, SAP emerged as the top choice in the overall ranking.

After: Value-Driven Results
- Project time, activity tracking, invoicing, and reporting are now considerably simpler.
- Approximately 50,000 incoming invoices are processed automatically.
- Monthly and annual financial reports are generated much faster.
- Consolidated insights and analysis, such as workload, hours billed, or the profitability of new portfolio items in subsidiaries, are available in real time.
- Current and prospective acquisitions can be integrated more efficiently into the Group's IT.
- The finance team now has more time for value-creating activities.
- adesso developed the time tracking app adtime based on the SAP Business Technology Platform.
- The error rate in booking outgoing invoices dropped from 5% to nearly 0%.

"I now check the booked hours every day because they are a reliable **indicator for the month-end closing**. Also, the utilization and other KPIs are transparent. This helps in managing the large adesso Group."

Andreas Prenneis, Board Member, adesso SE

63%

decrease in processing time for incoming invoice down payments

50%

decrease in the time required to book customer invoices

adesso SE Dortmund, Germany www.adesso.de	**Industry** Professional Services	**Products and Services** IT consulting and services	**Employees** > 8,500	**Revenue** €900.25 million	**Featured Solutions** SAP S/4HANA® Cloud, public edition

Achieve Organic Growth Through a Standardized IT Infrastructure

As a publicly traded company, adesso focuses on organic and profitable growth. In recent years, management has steadily expanded the service portfolio while establishing many new subsidiaries. However, a common ERP solution was missing: The subsidiaries used their own software, and central access to the corporate group's data was not possible.

The situation was similar for project time and activity tracking: Employees used up to three different systems for this purpose. The administrative workload was correspondingly high. The billing team had to manually make corrections.

There was also room for improvement in terms of invoicing, as well as monthly and annual financial reports: adesso wanted to automate and thereby accelerate the corresponding process chains.

Payments were approved in the system but revised in Excel and e-mailed before being manually re-entered into the system and sent to the bank – a process that could be streamlined to save many hours.

Furthermore, the system had long response times and a user interface that required substantial training to use efficiently and was lacking crucial information. For example, there was no indication of the remaining budget when distributing budgets to individual work units.

Integrated System Serves as a Powerful Digital Core

To address the numerous challenges, adesso began a gradual consolidation and further development of IT in 2019. In 2023, SAP S/4HANA® Cloud, public edition, emerged as the cornerstone of the digital landscape. This step was carefully thought out because it had far-reaching effects on the systems of more than 6,500 employees.

"Our evaluation phase took four months," explains Dirk Bamberger, Director SAP Cloud Business Solutioning. "After assessing various solutions that aligned with our company's scale, industry, and growth objectives, SAP ranked highest in our evaluation."

What does the new architecture look like? Time tracking is especially important since it directly affects approximately 700 project managers and more than 6,500 project staff and serves as the foundation for billing.

"We developed adtime, our own SAP-based solution," says Andreas Prenneis. "The tool is tailored to our needs as a service provider and is integrated with SAP S/4HANA Cloud, public edition, SAP® SuccessFactors® and SAP® Concur® solutions. It is used for both accounting and project management needs.

With SAP S/4HANA, hours seamlessly convert to invoices through automated workflows, complemented by a fully integrated business intelligence layer.

>6,500
employees use the new system.

3,000
customer projects now benefit from adesso's more targeted and transparent implementation.

700
project managers can now manage processes with greater efficiency.

Simplify, Automate, Scale

The implementation of SAP S/4HANA® Cloud is a milestone in adesso's digital transformation.

Intercompany invoices are automatically processed and bundled, streamlining month-end closing and enabling flexible planning and consolidation. adesso has also simplified system usage. For example, users can simultaneously open and edit multiple tabs. "The familiarization process is now much faster," says Teresa Tasci, Head of Billing. "The clearer and overall better interface reduces the distance employees feel from the system."

Board members like Andreas Prenneis can now access information from specific departments and subsidiaries.

Prenneis: "The Group's financial reports are not available until the second half of the month. But I want to know how things are going before then. A reliable indicator for this is the number of billable customer hours. I check those almost every day."

Every year, adesso manually entered about 50,000 incoming invoices – today, this is done automatically. The team uses the time saved to delve further into the bookings and develop a strategic perspective: What evaluations and reports are needed? Which suppliers are the most reliable? Which employee buys what and where? Everything can be tracked down to the last detail.

A simplified debit-side period closure has almost eliminated the error rate in booking outgoing invoices, which was previously as high as 5%.

50,000
incoming invoices are processed automatically today.

Reports
can be easily generated with the click of a button.

Insights
into subsidiary data are possible in real time.

What Happens After Going Live?

Two months post-launch, the platform is now progressively deploying to the remaining subsidiaries. "This facilitates streamlined, automated accounting across the Group, paving the way for seamless consolidation," says Christopher Frieg, Head of Group Accounting.

"We are still in the consolidation phase," says Andreas Prenneis. "However, our employees have quickly adapted to the new system. We expect to see a significant boost in efficiency as soon as next month."

adesso now features modern, flexible tools designed to aid the company's growth trajectory. A case in point is acquisitions: with the standardized SAP® system, integrating or divesting individual companies can be accomplished more rapidly.

Additionally, there are plans for further functional enhancements. Soon, the "Closing Cockpit" will simplify and clarify financial statements. Moreover, as an added control feature, Finance will incorporate real-time liquidity planning, offering both immediate insight into the financial situation and precise forecasting.

Finally, adesso enhances its business offerings by employing experts with hands-on experience in successfully completing major SAP S/4HANA® public edition projects. This enables the SAP Gold Partner to offer even better support to its customers.
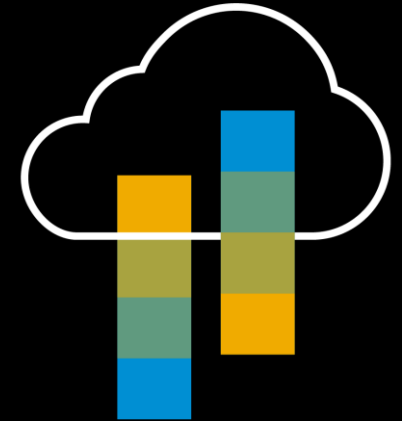
Cloud as an innovation driver
adesso aims to seamlessly roll out additional features, facilitated by the capabilities of cloud technology.