



SAP S/4HANA JOURNEY PIONEERING FINANCIAL EFFICIENCY

Grazer Wechselseitige Versicherungs Group (GRAWE) is an Austrian financial group that works in the sectors of insurance, banking and real estate and has operations in the domestic market and in several EU and non-EU-CEE countries.

Background

GRAWE is one of the oldest insurance companies in Austria, with a history dating back 190 years. GRAWE offers insurance services in property and casualty, life (in all regions) and health (in Austria). It also provides real estate services, mainly related to insurance companies (investing liquidity in real estate and managing it). It has regional banking services that allow GRAWE to be a full financial services provider (at least in Austria). Before S/4HANA, GRAWE used the SAP R/3 system for various modules (FI/CO, CFM, CML, FS-SR-AT) in the insurance sector - the banking sector was not part of the S/4 journey.

Challenge

The project faced significant challenges due to annual S/4HANA rollouts on schedule with a fixed set of SAP modules for each organisational unit. With time constraints and limited engagement from the customer's key users, efficiently leveraging their feedback became vital. In addition, many specific local requirements, such as automated processes, system customizations and regulatory adaptations, had to be addressed to ensure smooth implementation and compliance with regional standards.

Challenges such as the lack of direct data extracts from the legacy system required extensive data cleansing and restructuring to ensure data accuracy and integrity through-out the process. The project also included the modification and restructuring of master data. IFRS 17 was another reason to extend the SAP landscape by using FPSL (Financial Product Sub Ledger) as the IFRS calculation engine. In addition, the Excel-based planning and budgeting approach was replaced by SAC (SAP Analytics Cloud).

Despite these hurdles and SAP module enhancements, the project was successfully delivered on time and on budget. Leveraging the expertise of existing key users was critical. Flexibility along the process chain and resolution of technical issues required a commitment to delivering high quality and timely solutions, even under challenging conditions.

The main challenges that arose during the process were:

Annual S/4HANA rollouts with fixed SAP modules

- + Tight deadlines and limited key user feedback
- + Specific local requirements aligned with annual plan
- + Data cleansing and master data modification
- + FPSL and SAC implementation for IFRS 17 compliance



Working with msg Plaut was very pleasant. Our ideas were quickly translated into a concept and then into the system settings. For an internationally active company, the availability of msg Plaut partners in many countries is a great advantage.

Markus Schlegl, Head of Group Coordination
Grazer Wechselseitige Versicherungs Group

Solution

GRAWE chose to implement S/4HANA in four annual waves, grouping countries/ organisational units together. The program also had functional streams based on SAP modules. GRAWE used a central approach, so regional company codes worked within one (central) system.

Other features of the final solution include:

- + using both old (R/3) and new (S/4) versions of modules at the same time
- + incorporating enough commercial views, GRAWE uses local GAAP, IFRS, Solvency II and Tax as parallel ledgers
- + replacing a complex excel landscape with a standard application, specifically SAC (SAP Analytics Cloud)
- + ensuring operational efficiency and full transparency regarding IFRS 17

Benefits

The SAP S/4HANA on-premises edition has several advantages for the financial services industry, such as S/4HANA's in-memory computing.

This enables real-time analytics, giving management and professionals quick access to critical data for decision-making, such as P&L information, financial assets, technical liabilities, financial performance etc. This saves time for "intelligent action" rather than crunching numbers.

By simplifying financial processes and asset and liability management, S/4HANA helps insurance companies operate more efficiently, reducing administrative tasks (to avoid unclear steps or untraceable results) and improving overall workflow. With better access to data and analytics, insurance companies can make smarter decisions, resulting in better or optimised outcomes for stakeholders (customers, partners such as reinsurers or banks, shareholders etc.).

Despite being an on-premise solution, S/4HANA offers scalability and flexibility, allowing companies to adapt to changing needs, scale resources as needed, and easily deploy updates or new functionality without significant effort.

Integration features of S/4HANA facilitate collaboration between SAP and non-SAP systems, ultimately enhancing overall process cohesion.

Main benefits from this project are the following:

- + real-time Insights
- + improved efficiency
- + scalability and flexibility
- + interoperability between SAP & non-SAP systems
- + traceability and increased transparency

Would you like to learn more about our offer? We look forward to hearing from you.



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