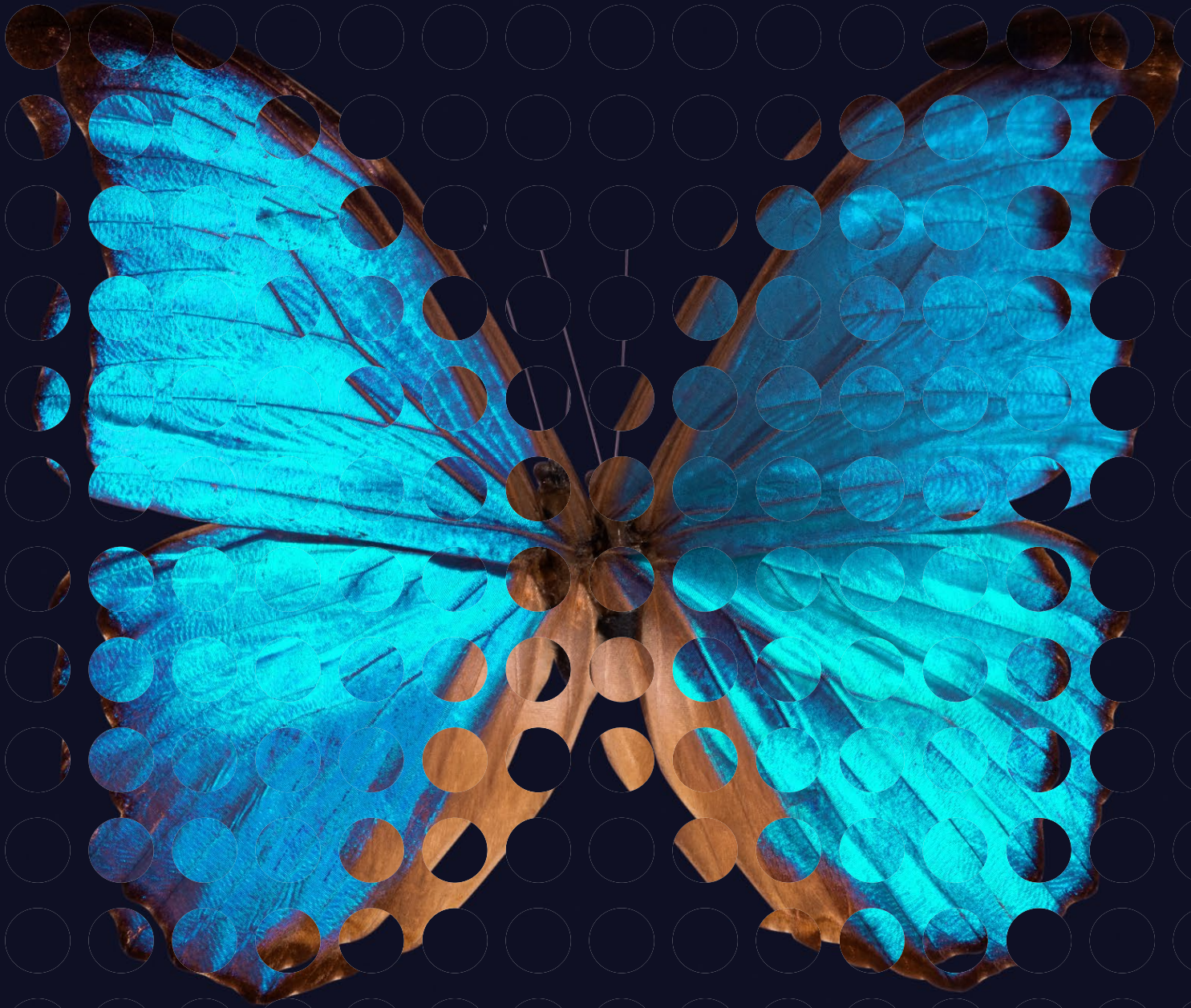


03|24

Inside

THE TRANSFORMATION MAGAZINE OF SIEMENS GLOBAL BUSINESS SERVICES



Transform to **outperform**

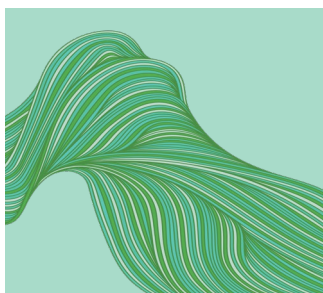
SIEMENS

What's

3

Foreword

Three levers for business transformation.



4

On the path to a data-driven company

Digitalization requires organizational changes. GBS knows how to tackle these challenges.

9

"Shared services can be bridge builders"

Prof. Dr. Thomas M. Fischer about the contribution of shared services to business transformation.



12

Where technology meets finance

GBS is using AI to transform customers' finance and accounting processes.



16

Building bridges made of data

How to leverage the use of data to unlock its potential impact across the whole company.

20

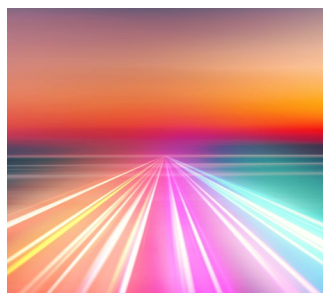
Promoting the people experience

How to make employee administration and personnel matters as intuitive as using a smartphone.

28

"We live and breathe the same values"

Christopher Lock from Siemens Smart Infrastructure about the benefits of working with GBS.



30

Process optimization expertise

Regional Process Offices boost digital transformation and help create perfect processes.

Inside?

Imprint

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23

Finding savings in sourcing

GBS' Tactical Sourcing Services bring in their expertise to help customers' save time and money.

26

"Every detail of the business strategy"

In GBS, being customer centric means understanding customers' needs and requirements.

32

How leadership enables change

An organization can only change through its people, making leadership crucial.



34

Digital guide for Siemens experiences

A new self-service platform to manage on-site and virtual customer touch points.

Dear Valued Customers,

Be it in technology, economy, or society – transformation is everywhere. Successful companies are strategically driving it to enhance customer experiences and to become more agile, efficient, and innovative. At Siemens Global Business Services, we are committed to supporting our clients' ambitions.

At the core of many business transformation programs is digital transformation, which aims to accelerate speed and flexibility and to enable data-driven operations. This issue of *Inside* highlights how we are partnering with our customers to achieve these goals. We showcase how we integrate digital tools and advanced technology and how we use data analytics to optimize processes and decision-making.

There are three major levers:

Firstly, we help you design the processes of the future. We ensure that they are standardized, harmonized, and become as efficient as possible across the company. **Secondly**, with transformation services like project management, data migration capabilities, and business process modeling, among others, we support you with the implementation and scaling of your processes. **Thirdly**, we are continuously expanding our portfolio, be it with engineering services

or factory digitalization services. This approach opens opportunities for synergizing, centralizing, and exploring near- and off-shoring options.

But we also know that effective business transformation measures can only be implemented if there is a cultural shift towards collaboration, innovation, and continuous improvement. And precisely this is what defines our relationship with our customers. In this magazine, I invite you to discover various customer perspectives on the value we are striving to create.

**Yours sincerely,
Eckard Eberle,
CEO Siemens Global
Business Services**



Photo: Stefan Koepfel

Text
Flavia Coman

Expert
Sigrid Dengler, Chief Financial Officer
at Siemens GBS

On the path to a data-driven company

Increased revenue, lower operating costs, better customer satisfaction, and improved workforce productivity. These goals are often set against the backdrop of challenges like siloed organizational structure, legacy system integration issues, growing customer demands, and new business models. Siemens Global Business Services is enabling organizations to tackle these challenges and gain a competitive edge.

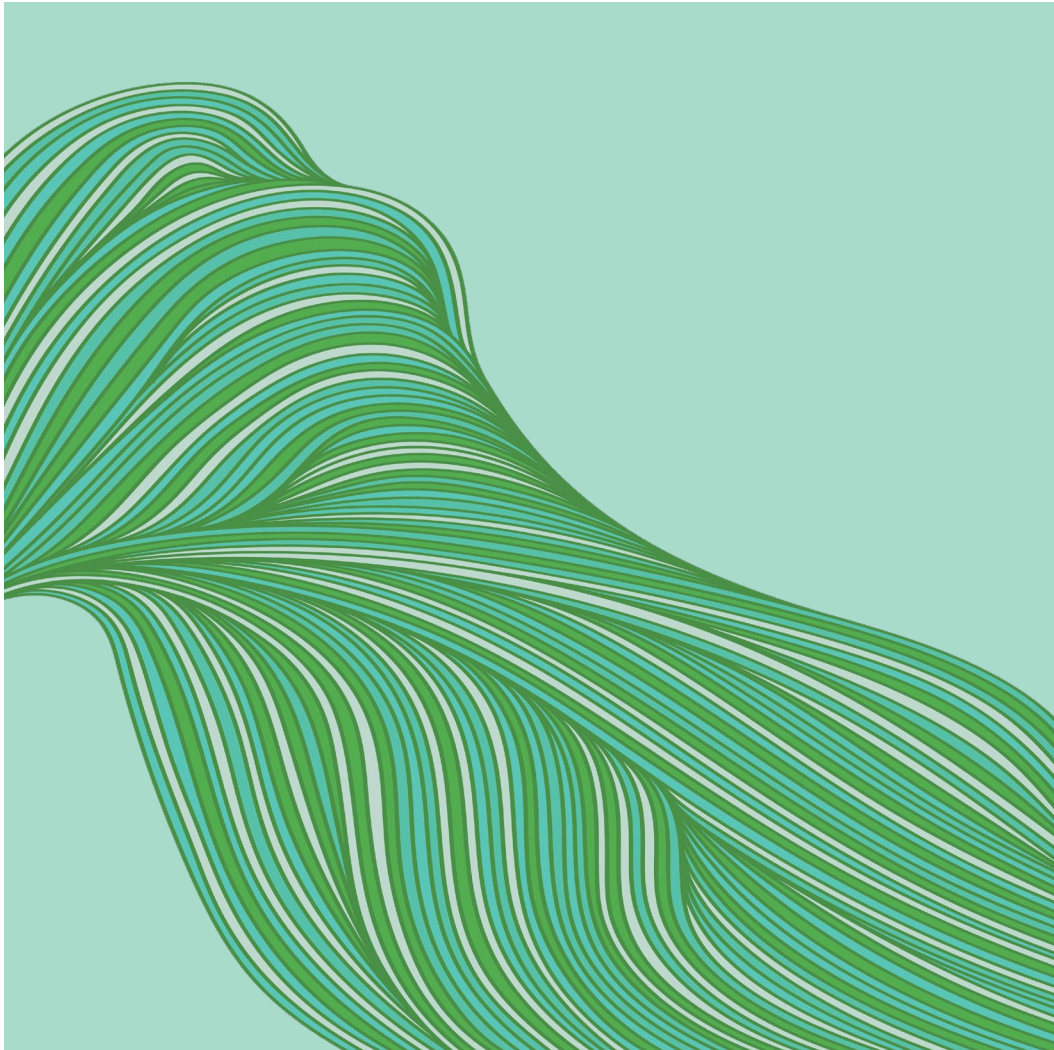


Photo: Getty Images/J614

Transformation has always accompanied Siemens. For more than 175 years, the company has been creating technologies that transform the everyday lives of people around the world – with the pointer telegraph being one of their first innovations. Now Siemens is a leading technology company shaping the real and the digital world.

However, in today's fast-paced business landscape, organizations like Siemens must continuously evolve to remain future relevant and competitive. This involves gaining speed and flexibility, harnessing the power of data, and using the latest technology – which is the purpose of the SHERPA X initiative. It drives Siemens' digital transformation and ensures the company's future proofness by enabling a data-driven company. This means that data becomes accessible to everyone at Siemens to support business decisions and leverage the full potential of AI. Furthermore, improving customer experience and integrating supplier collaboration with real-time insights are crucial steps in driving innovation. To accomplish this, streamlined end-to-end processes and standardized enterprise resource planning (ERP) landscapes are essential. This is where the right partner in the area of global business services makes a significant difference. Siemens Global Business Services (GBS) can map process chains end-to-end, whether in finance, purchasing, sales, or recruiting – with domain expertise, a holistic approach, proven experience, and best-practice knowledge.

Design the processes of the future

Having harmonized and standardized processes across all organizational units and hubs enables a company to use synergies, to become faster, and ultimately to create more customer value. Thanks to its proven expertise in the areas of record-to-report, purchase-to-pay, and lead-to-cash processes, GBS is helping redesign these processes for maximum efficiency. Dedicated subject matter experts assess the status of current processes, identify areas of improvement, and work together with the stakeholders to design and implement new and reliable processes. Let us focus on two examples from the areas of record-to-report (R2R) and lead-to-cash (L2C). →

Example 1: Finance process automation

What if data could be our common language in a multinational corporation? How would we use it to inform our decisions and what would it tell us about our processes?

GBS stands at the forefront of financial process automation, leveraging advanced data analytics and AI technologies to transform the landscape of financial reporting and accounting. The complexities and inefficiencies traditionally associated with these tasks are being streamlined by innovative solutions, providing clear advantages in accuracy and efficiency. The GBS Accounting Automation Suite based on Redwood exemplifies this transformation. It is a comprehensive ERP extension driving end-to-end automation for finance processes. By automating repetitive tasks such as data entry, invoice processing, and report generation, manual effort is reduced and operational efficiency enhanced. This tool's seamless integration with SAP ensures real-time data flow, offering timely insights and enabling more informed decision-making.

GBS has built a team of over 50 technology functional experts in Malaysia, serving customers worldwide. The team covers all aspects of finance automation, from coding to consultancy, creating customized solutions that enhance the efficiency and security of financial processes. Discover more about their automation 3D loop for transforming finance processes and how it is creating value at customers in [this article](#).

Example 2: Streamlined lead-to-cash processes

Streamlining the lead-to-cash process directly impacts the businesses' operational efficiency, customer satisfaction, and cash flow. It can contribute to accelerating cash conversion and business growth. In the last 15 years, Siemens GBS has gained extensive experience in executing and transforming services along the whole L2C value chain from sales to master data, credit management, order management, logistics, billing, cash collection, cash allocation, and after sales.

When it comes to designing the processes of the future in any of these areas, dedicated GBS subject matter experts support the decision-making in terms of process design, application decisions, and challenge the status quo to find the optimal solution. They run proof of concepts, in which different value levers can be executed to see if they bring the desired results; if so, then they can be scaled incrementally.

Nico Müller, Head of Global Process Ownership at Siemens GBS Opportunity-to-Cash, believes the key to success is looking for the best solution for each part of the process. He and his team apply the principle "reuse before buy and buy before make." Let us see how they do this in allocating customer payments to open invoices.

Müller and his team have been consulting their partners regarding the adequate tooling for cash allocation. He advocates for the use of the Serrala Autobank software because it allows having automation rules as master data that can be maintained very close to the operational business. "It is all an information game," explains Müller. "If you have sufficient information, you can correctly allocate. Therefore, a process is needed that defines how to get all the information required for the cash allocation and use it throughout. You also need to be flexible in the configuration of automation rules," he adds. With Serrala Autobank, this kind of automation rule setting is part of customizing in SAP without the need of a developer and avoids a long change request process. Gaining high automation rates sometimes implies several steps that bring incremental automation. Therefore, it is important to find a way in which the people working daily in cash allocation can define those automation rules in a safe space, that is, without negative impact on the core SAP application.

The Serrala Autobank software will continue to be used even in a new ERP landscape.

Transformation services: from design to implementation

Once the processes of the future have been designed, implementation and scaling follow. Kian Ghafari, Partner Business Transformation Services at GBS Project Services and Transformations, explains the role of GBS during design, implementation, and rollout phase. GBS provides comprehensive transformation services, including project management services, business and technical data migration capabilities, and business process modeling, among others, to ensure a smooth and successful implementation and rollout.

In the larger business transformation programs of Siemens, GBS has been supporting with dedicated experts since 2022 around the globe. Their role varies from project managers, technical and functional consultants, scrum masters, workstream leads, as well as communication and change management experts. Working in an agile manner, they contribute to the incremental implementation of transformation milestones. They provide deep methodical and functional experience. If we take communications and change management as an example, GBS experts are supporting with creating communication concepts in order to guarantee transparency during the end-to-end transformation process.

Data migration services

GBS provides two different data migration services to enable the various entities of the company to successfully migrate from the legacy system into the future target system landscape.

Firstly, with the adoption of new system technologies and the implementation of updated target processes, data must be technically mapped and migrated from the old to the new system. To achieve this, the GBS Center of Excellence for technical data migration collaborates with migration suppliers to establish standardized frameworks and harmonized approaches across all Siemens businesses. This covers the technical platform, specialized migration tooling, and the seamless execution of both transactional and master data.

Secondly, ensuring the integrity of migrated data from an accounting perspective is crucial. This is where the business data migration services offered by GBS become invaluable. The GBS team collaborates closely with accounting and finance departments across the organization to ensure data quality, both during and after the migration process. They provide advanced automation tooling and dedicated resources to handle critical tasks during migration. Drawing on their extensive financial and accounting expertise, GBS delivers support to CFO organizations throughout the company.

→

To harmonize systems, a thorough and accurate documentation of all end-to-end processes is required.

Business Process Management: modeling and automating the future

Coming from a diverse landscape, with different IT systems and business processes, to a harmonized system requires a thorough and accurate documentation of all end-to-end processes. This enables the company to gain insights on where improvements can be made. It is a matter of efficiency and best practices. If a process is well documented, potential errors will take less time and effort to be corrected because you would know exactly in which step the error occurred and can go back to it. Due to process documentation, process flows can be optimized, and automation rates can be increased. The GBS Business Process Management Center of Excellence knows how this is done. The team of nine experts are using the SAP Signavio tool for process modeling. They are leveraging knowledge across all business types within a company, facilitating best-practice sharing and ensuring governance and standards are met in all end-to-end processes.

The team works in three steps. The first step is process modeling, in which the goal is to achieve fully documented processes in SAP Signavio according to the established standards. The second is process analytics, in which GBS supports the conceptualization of data analytics within Siemens IT and, in turn, offers data analysts to support businesses in benefiting from the SAP Signavio process-mining feature. In the future, therefore, real-time insights into business processes and process automation can be gained.

The third step is the process automation. Based on process models and insights, GBS experts will support businesses in automating processes and gain further efficiencies – for example, through harmonization. Currently the team is intensively working on step one: modeling the to-be processes in the target system. They have allocated dedicated resources to all business types, supporting them in the optimization of processes. This enables them to identify areas where they can create value. Furthermore, they leverage their digital and automation mindset as well as their footprint and professional offshoring of their services for the benefit of the company.

The team are also carrying out pilots for the next two steps with great success. Jens Christian Gustafsson-Klein, who is sponsoring the Center of Excellence, led by Ana Ormonde, reports that the team is highly praised for the support they offer. Through their work, valuable knowledge about the end-to-end processes in the company is made available. In turn, this transparency enables the better steering of the business. **“We can even compare processes from different business types and then see what steps of a process are needed in what business and**

what not. This opens the door for harmonization and maximizing efficiencies,” explains Gustafsson-Klein. →

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Becoming a data-driven company is strictly connected to the way employees work with data. The way users should consume the data is in data products.

From process to data: becoming a data-driven company

Becoming a data-driven company is strictly connected to the way employees work with data. This implies managing data and getting real-time insights from it. The overall goal is to take decisions ahead of the market. To achieve this, the data management will be organized based on the data-mesh principle.

Two of the four building blocks of data mesh are data domains and data products. The company data is sliced into specific data domains, who are assigned data domain owners. They are responsible for their specific topic and the quality of the data, and they also define aspects related to how data should be treated in their area. The way users should consume the data is in data products. GBS supports the operationalization of these two building blocks. For example, in the finance domain, GBS supports the data domain managers to operationalize their data domains. Together, they define the scope and the structure to establish conceptual readiness of the data domain. Then they ideate and prioritize relevant and feasible use cases and bring use cases onboard for the data domain. Finally, they create required data products to enable the implementation of defined use cases. The advanced analytics team at GBS are busy building data products that solve real-life business challenges. Read about it in [this article](#).

Customer needs come first

“GBS is committed to enabling the business transformation of their customers in all aspects that fall under its expertise,” says Sigrid Dengler, Chief Finance Office of Siemens GBS. **“With passion for technology and a service mindset, we are expanding our own portfolio to proactively meet our customers’ needs.”**

In recent years, GBS has ventured into establishing engineering services to support the transformation of customers in the area of building technology. Read about a successful collaboration between GBS and Siemens Smart infrastructure in this [customer interview](#). They are currently scaling the service in other areas, too.

The GBS Test Center is yet another proof of the resourcefulness and readiness of GBS to enable customers to keep up with the pace of transformation. Initially established as a software testing center, the team transformed itself by developing into hardware testing as well. Now they call IoT testing their new passion. And all because no transformation is ever sustainable if it is not supported by good products. Discover how they contribute to delivering reliable Siemens products in [this article](#). **►**

“Shared services can be bridge builders”



Digitalization, demographic change, decarbonization, and deglobalization: in order to stay competitive, companies need to respond to these megatrends. For many years now, Prof. Dr. Thomas M. Fischer, holder of the Chair of Accounting and Management Control at Friedrich-Alexander-Universität Erlangen-Nürnberg and head of the Shared Services working group at Schmalenbach-Gesellschaft für Betriebswirtschaft e.V., has been researching how this can be done successfully. In this interview with *Inside*, he talks about the contribution that shared service organizations make as “incubators” and as a “nucleus for innovation.”

Prof. Dr. Thomas M. Fischer is strongly convinced that shared services not only add value by cost cutting. They are key to staying innovative – and thus competitive.



Professor Fischer, before your academic career, you trained at Siemens. How do you view your first employer now?

More than 40 years ago, I completed a traineeship at Siemens in Munich, in what was then known as the Siemens Bauelemente division. A part of that division was spun off in 1999 and is now called Infineon. That alone shows how Siemens has had to reinvent itself time and time again – and has done so successfully.

So there has always been pressure to transform as well as push transformations...

Exactly, and there have always been several drivers for this, too. At a technology company like Siemens, digitalization is, of course, creating fundamental change. On top of this, there is global competition, of which the company is part. In the more recent past, stakeholder pressure and increasing regulation have added sustainability to the list of issues.

Large companies like Siemens have to respond quickly to change – and for many years, this has also included expanding their shared service organizations. What are the success factors of models like these?

In the short term – and this is how it was 10 or 20 years ago – it was primarily about cost cutting. Internal services were combined into one center with a view to saving on human resources and costs. Another argument was that dedicated shared service organizations are a means of protecting internal process knowledge and access to data. Many companies have now built up this expertise and realize that shared service organizations are also very valuable. New possibilities have emerged, as a result of which those organizations also take on highly skilled tasks. Siemens Global Business

Services has used Mendix, for example, to develop a good tool for transfer price management that is ultimately of interest to all divisionalized companies that operate internationally. If they also offer something like this externally, shared services become an important factor in overall value creation and, in the best-case scenario, the nucleus for innovation and further development.

And which metrics do they need to use to measure their performance?

That question is attracting significant research, time, and attention at the moment. So far, metrics have primarily been about seeing how productive and successful a company or a division is. But how do we measure success? Solely by monetary variables such as revenue growth and earnings growth? I think that we need to extend what we understand by success to include nonmonetary variables and also manage qualitative performance. In the truest sense, we need to make it much more about the quality of a company. For example, by looking at resilience and the level of digitalization as well as ESG criteria like environmental and social sustainability. So that would be social growth and the social footprint, which would become the success factor alongside the carbon footprint.

→

“Information technology meets economics, social sciences, and law, but also natural sciences, medicine, and ethics.”

to create new business models. And for these new topics, shared services can definitely act as a lab and be a kind of incubator: they are organizations where lots of people from a variety of technical and cultural backgrounds work together, people who know how you collect and process data, and how you structure and automate processes. In this way, something that begins as an internal requirement often results in a service that can benefit other companies, too.

In the early days, when the very first shared services were implemented, it was also a completely novel idea to take a process away from the divisions and bundle it centrally. This is why I think that shared service organizations can be bridge builders on a number of new topics – be it sustainability, innovation management, or artificial intelligence.

Artificial intelligence is a fitting buzzword. How will this technology completely change the industry?

The expectations around generative AI are certainly huge. But we will have to wait and see just how huge the disruption will be. It is true that AI and algorithms can be used to speed up many processes and get results at the touch of a button. But the results also very much depend on the data provided to each AI model. So relying on AI alone also entails risks. I am convinced that every process will still need people with experience, critical thinking, and sound judgment, who can assess results and derive appropriate measures from them.

What transformational trends do you see that are still overshadowed by AI and climate change?

I think that interdisciplinarity and communication are still underestimated. As a result of digitalization, for example, we are seeing increasing interaction between technical disciplines such as information technology and software development as well as the corresponding areas of application. AI is of use not only in IT, but also in management control, in marketing, and in human resources. In other words, information technology meets economics, social sciences, and law, but also natural sciences, medicine, and ethics. And here we are already experiencing major challenges for interdisciplinary communication – structures in which we have tech experts, on the one side, and finance, HR, or legal experts, on the other side, will no longer be viable because more and more translation capacity is required. And in this case, too, shared services have considerable potential, because they already no longer work in traditional vertical organizational silos, but rather in horizontal, cross-cutting functions that focus on value creation. ▶

Of course, pressure to transform and a changing environment have an effect not only on the divisions within the group, but also on shared service organizations in themselves. How can they approach these?

You need to differentiate here to some extent. Within shared services, there is the ideally typical distinction between expertise or excellence centers and scale-based processes. The former deal with rather specific requirements and individual projects and can proactively support changes. Scale- or transaction-based processes, by contrast, are handled in large numbers with the help of standardization and automation. If there are changes in the environment there – in financial reporting standards, for example – the configuration of the related processes has to be adapted. This is sometimes very time consuming. But when it is successful, this once again results in a benefit: you can roll out what you have learned internally for external customers as well.

So you are saying that, in the best-case scenario, this results in more new business models?

Exactly. Let’s take sustainability as an example again. Four or five years ago, I personally could not have imagined how important ESG criteria would become in many cases. ESG reporting and sustainability analytics now offer a wide range of opportunities for shared service organizations

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Text
Louise Anderson

COMBINING TECH SKILLS WITH FINANCIAL EXPERTISE

Accountancy 4.0: where technology meets finance

Expert
Shiena Mary Johnson
Service Line Head for Accounting and Closing

Automation and AI are the technologies of the present – and the future. Now, Siemens Global Business Services (GBS) is using them to transform customers' finance and accounting processes. GBS' finance automation service creates tailored and scalable solutions that will drive value for customers. What's more, the GBS team guides customers through this process as their transformation partner.

Photo: Getty Images/Henrik Sorensen

What happens when you combine a deep knowledge of accountancy and finance processes with tech expertise? A Siemens GBS team has the answer: the team is highly experienced in consulting, designing, configuring, deploying, testing, and operating scalable end-to-end finance-automation use cases and solutions to meet every customer's needs.

Skilled GBS experts achieve automation rates that provide excellent value for customers' digitalization road maps. Modular and use case-driven approaches can achieve between 15% to more than 90% automation rates for core accounting and finance tasks. The experts understand customers' needs and work closely with customer teams to maximize time savings – and to generate considerable cost savings and quality improvements in partnership with each customer: savings beyond 40% are realistic.

The GBS experts have successfully rolled out tailored finance automation solutions to customers around the world. They ensure that sensitive financial data is dealt with securely and that corporate security governance requirements are met.

Creating value through finance automation technology

Shiena Mary Johnson, Service Line Head for Accounting and Closing, says: "As accountants, we're always dubbed as boring, just dealing with numbers. Our eureka moment was that accounting can look different if you integrate it with technology solutions."

One successful example of a finance automation project was achieved for the Germany-based company Yunex, a global leader in in-

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telligent traffic systems. The GBS experts assessed Yunex' financial closing process, using their deep transactional and automation experience enhanced with a new automation platform (Redwood).

Their aim was to gain efficiencies and prepare the customer for the future change to the upgraded SAP S/4HANA enterprise resource planning software.

Dennis Paul, Vice President Accounting Yunex Traffic, says: "The GBS solution has given us a new and efficient closing schedule with just under 300 steps for all Yunex legal entities – a reduction from nearly 600 closing steps in our legacy system. GBS collaborated with us on the design, new software configuration, and going live with a far more automated financial closing process on an open, extendable platform."

According to Dennis Paul, the Yunex accountancy team faced major challenges after the company changed ownership in 2022: multiple accounting systems were used in different regions, making them difficult to harmonize and standardize. At the same time, Yunex lost its access to the Siemens Group's global software licenses. →

Then the GBS team stepped in: “We were able to say what we needed, but we didn’t know how to implement it. We were heavily reliant on the GBS experts to make this happen, and that support is exactly what we got,” Paul explains. “They took us by the hand and showed us different possibilities. They consulted on what we should do – or should not do – and then implemented our requirements very well.”

The GBS team helped Yunex implement the Redwood closing orchestrator, creating clear added value. “It helps us reduce manual effort during the month-end closing process, freeing up capacity for more value-generating activities. It also speeds up our closing process – it is essential for us to close our books quickly,” Paul says.

Integrating automation into Yunex’ accounting processes has led to greater efficiency and accuracy. “Through the use of GBS finance automation, we achieve month-end closing at a quality level and speed level you’d expect from a large global multinational company, while being just a mid-sized company with a mid-sized company set-up,” Paul says. “It also saves license fees compared to other solutions we would have needed to invest into.”

Providing operational service support

Paul praised the GBS “single point of contact” service concept. “There is one dedicated person within the GBS organization who I can reach out to with any topic, issue, or problem related to operational accounting services. It makes my life a lot easier,” he explained, adding that GBS and Yunex still enjoy a strong collaboration today: **“Right from the beginning, there was a high level of trust in our relationship. We communicate openly and trust each other.”**

The next step for Yunex is to further scale the automation of its journal voucher (JV) process using GBS’ deep, end-to-end expert accounting competence – and further transition the automation from R3 along the rollout program to S4H.

Another successful example of an automation project for an industry-leading manufacturer was automating documentation of the customer’s JV workflow. Employees simply log onto the Redwood platform, select a posting template to upload, and submit their JV request which records relevant transactions. This request is then accepted or rejected by the system and an email notification sent.

A holistic and open use case-based approach to finance automation

The Center of Excellence GBS team based in Malaysia can now create, advise, and implement automated solutions based on Redwood that make →



“Through the use of GBS finance automation, we achieve month-end closing at a quality level and speed level you’d expect from a large global multinational company.”

Dennis Paul, Vice President
Accounting Yunex Traffic

Siemens GBS Automation 3D Loop



customers' finance processes more efficient and more secure. These solutions are not a one-size-fits-all offering. Rather, they are flexibly adapted to meet each customer's specific needs. The GBS experts work as a transformation partner, offering consultancy services to improve and digitize customers' finance workflows.

Integrating cutting-edge technology with more traditional accountancy practices also frees employees to focus on other essential tasks.

Johnson explains: "We are not decreasing headcount. This is about removing what can be done by automation so that the customer can be the manager of the automated tool. It is about upskilling people and shifting them to the next work-required role."

Talented team for future growth

Siemens GBS' R2R Global Process Ownership Head Christian Riedel confirms that the company has meanwhile grown a team of more than 50 technology functional experts operating out of the Malaysia hub to serve customers worldwide. This team of talent has defined an operating model for automation and covers all aspects of finance automation end-to-end, from writing

code to solution design and consultancy. This has clear advantages for Siemens by removing dependency on third parties when dealing with sensitive financial data.

More than 100 finance automation use cases are in the pipeline. Based on Redwood software, the use cases will go live or will be under development within the next quarters. Customers are based worldwide, from India and China through Europe to Brazil and the USA.

Siemens GBS finance process consultants transform their customers' accounting processes using the structured 3D-loop process: Discover, Design, Deliver. The team can even run and maintain the finance processes and automation for customers, if required.

Johnson adds: "Our strength is that we are a very strong integration partner. Our expertise is in transforming finance processes by implementing finance automation solutions. We are advocates of what Siemens has generated in-house – that is our biggest USP."

Finance process automation is part of a wider transformation project to make Siemens a data-driven company. ▶

Text

Cathrin Schaer

Expert

Sonia Sohanpall
Head of Advanced Analytics



ADVANCED ANALYTICS

Building bridges made of data

From finance and production to customer service – every decision at Siemens generates large amounts of data. It is incredibly valuable, yet frequently this data is confined to the business unit that generates it, limiting its potential impact. GBS' Advanced Analytics team is about to change all that, unlocking the data and putting it to work across the company.



“Data is the new oil.” That’s how the British mathematician Clive Humby put it almost two decades ago. And over the ensuing years, this adage has become truer than ever. Data of all kinds is used every day and everywhere, from online platforms and industry to a trip to the supermarket – and it’s more valuable than ever.

What has not changed since Humby said the now-famous phrase is what he really meant. “Like oil, data is valuable,” Humby continued, back in 2006. “But if unrefined, it cannot really be used. Data has to be broken down and analysed for it to have value.”

This is where the Advanced Analytics team at Siemens Global Business Services comes in. Around 50 data engineers and analysts, cloud experts, architects, and data scientists work across five countries – Germany, India, Brazil, Portugal, and the Czech Republic. They specialize in converting complex, raw data from various business operations into refined, actionable information. This empowers all the different units not only to enhance operational efficiencies, but also to innovate new solutions that give Siemens a competitive edge. Turning data into a strategic asset while fostering a culture of informed decision-making and foresight across Siemens is their mission.

Sonia Sohanpall, Head of Advanced Analytics at Siemens GBS, emphasizes the transformative power of data: “If used correctly, the

data we collect is not just information – it’s a catalyst for change,” she asserts. This is pivotal because, as Sohanpall explains, “data-driven decision-making replaces guesswork with hard facts, ensuring that our strategies are founded on evidence, not intuition.”

The team follows a clear strategy when creating data-driven solutions, beginning with identifying key business challenges. They start by using existing data to develop data products that address these challenges or enhance processes. Creating data products ensures that data is not viewed just as an incidental output of business activities, but as a valuable asset that requires careful management.

Sohanpall explains the process: “We initiate by engaging with our customers to explain their issues. Once we understand their problems, we explore how data and advanced analytics can help resolve these issues and determine the source of the necessary data.” Through a highly vetted approach, the sources for the required data are identified, collected, and aggregated. Once the data is available, the next step in the process is to bring in the domain expertise and data expertise to model the data, to create meaningful insights, and to ensure that the quality of data is maintained.

“This use case-centric approach ensures that we’re not just dealing with data, but turning it into a practical tool that directly addresses the needs of the business, thereby creating tangible value,” says Sohanpall.

The infrastructure to make this happen is already available. For example, a lot of the data is stored in Siemens’ own data cloud, which is

compliant with all the company's security and reporting guidelines. "So we have the data and the expertise to work from that infrastructure to connect with the data sources; then we work on our use case to get it to how the customer needs it," Sohanpall says.

Financial forecasting made easy

One example is the progress that financial controllers at Siemens have been able to make with the GL-ADAPT platform that a joint GBS team developed. "We have hundreds of thousands of ledgers, containing millions of accounts," Sohanpall explains. "And it's the financial controller's job to make sure they all balance out to zero in the end."

Obviously, this isn't always easy, especially if there is some sort of unexpected activity going on. For example, say one supplier is charging far more than usual and nobody knows why. It may be because prices have gone up or it could be that the supplier's accounting schedule has changed, and they are now charging for two deliveries at once. But, out of the millions of transactions, it can be very hard to pinpoint the exact problem.

So GL-ADAPT collects the raw data, including historical data from available sources, and models it in a consumable format using complex data engineering techniques. In the next step, this data is compared to historical financial data from the last five years. Then GL-ADAPT informs the user about financial irregularities, deviations, or "misbehavior" within the general ledgers. It also predicts the account balances and impacts on cash flows for up to six months into the future, with high accuracy.

Before GL-ADAPT came along, tracking these sorts of issues used to be a lengthy and time-consuming exercise done in several steps, explains Devin Hackwith, product owner, GL-ADAPT inventor, and R & D expert. That process historically included gathering a lot of data, generating forecasts, comparing historical data, and then, after doing all of that, trying to work out which of the transactions in the data were normal and which were not. Only then would you be able to work out what was going wrong.

Now, with GL-ADAPT, users only need to undertake one of those six different steps. "The user can just focus on whether the issue is a one-time thing or whether it's likely to recur," Hackwith says. It allows users to focus on improving knowledge and adding value to the business.

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"Rather than spending all our time gathering data and trying to determine what's caused the issues, these accurate predictions of account balances and future activity, with details on why the actuals don't match the predictions, allows the business to focus time and attention on the root causes – and then the solutions," adds Thomas Markl, sales and design for GL-ADAPT and Team Lead for Planning and Controlling.

In the best-case scenarios, forecasting accuracy has improved from 70% to over 97%, Markl and Hackwith point out. This can be explained in another way, too: for instance, GL-ADAPT can review 4 million transactions a month, is 1,000 times faster than manual processing, and saves around 4,000 hours a year. GL-ADAPT has already proven popular, Sohanpall says, with five customers in different units already using it and more are asking about it. "That's a good sign," she says with a laugh. "It means it's solving their issues."

Service-savvy algorithms

GL-ADAPT obviously isn't the only project that the team have been working on. Another product they have supported with data scientists is called Bionic Agent. The cloud-based solution uses natural language processing and generative AI to analyze data from past questions to better deal with queries made by customers in the present. With the outcome being a product that provides immense improvements in resource allocation, saving time, and an accuracy level up to 95% in dealing with information correctly, this is yet another example of how the experts in the

→

1,000

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around 4,000
hours a year.

GBS Advanced Analytics team contribute to enabling the utilization of already existing data and then turning it into digital products that deliver real business value at scale in daily operations.

Off the shelf

A further product supported by the Advanced Analytics team is called the Inventory Recommender. "A lot of what Siemens supplies is built to order and based on just-in-time delivery," says Sohanpall, outlining why advanced analytics is needed in this sector. "One thing might be delivered from India; another item will come from China. So how much do we keep on site? How much do we order in advance? How many orders should we expect? It's often a very difficult process to work all that out."

With better data analysis around inventory management, it's easier to predict demand and supply timelines, and then to manage supply chains appropriately, the Advanced Analytics expert argues. Hence, to help customers navigate this daily challenge, the GBS team included data scientists and cloud architects to enable appropriate algorithms, data integration, and visualization of data, taking care of the right infrastructure and solution architecture to fit the objectives of the solution. As a result, the Inventory Recommender looks at all the data involved, she notes. "Things like: what was ordered? How long did it take to build? For example, some of our mobility products, like trains, take 10 years to be delivered. For that we need to know what to keep on hand, how long do certain suppliers take to deliver to us, and so on." The data has even pointed out that some suppliers often deliver later than others. "So for those, we know we'll need to order even further in advance," Sohanpall says.

A matrix for Siemens

In the long run, Sohanpall and the Advanced Analytics team would like to see Siemens data go even further in terms of how it's used. Right

now, much of the work they're doing is within certain, specific realms or "domains," where they work together with experts in one area or another, such as financials or customer service or factory management, to see how best to harness data products. But in the future, the team would like to see the data in those specific realms mesh together more, so that eventually all of Siemens' data is available for all of Siemens' needs.

Right now, Sohanpall points out, only about 10% of the company's data is available to the whole company. The rest is held in silos all around the business and is only available to the people who know that it's there, often the same people who produced it. The Advanced Analytics team wants to change that.

To make this happen, Siemens has its own data cloud project. Having been in business for so long, the company's data storage was fairly monolithic, difficult to maintain, and hard to access quickly. Now the company is working on an open ecosystem to unify all data products and share them across all internal data consumers.

"Often you can use the data gathered for one reason for many different purposes," Sohanpall confirms. "To get there, you need to build a bridge between the producers of the data and the consumers of it, and you also need to see data in an intrinsically different way. You need to see it as an asset, one that has value in its own right. And I think that's the biggest change we're seeing at Siemens right now." ▾

How the Advanced Analytics team supports data-driven transformation

By combining deep domain knowledge and data analytics capabilities to innovate and optimize customers' businesses, they deliver actionable insights based on:

- 1. Holistic data insights** using advance analytics capabilities like anomaly detection, forecasting, generative AI, ensuring accuracy, integrity and privacy of data, driving adoption of data mesh principals, and data product thinking.
- 2. A strong partnership with customers**, leveraging technical capabilities and data assets to create and manage efficient and customizable data products.
- 3. The ambition to further identify high-potential use cases** and drive efficiency for customers as a high-quality delivery partner for data and AI use cases.

Text
Louise Anderson

Expert
Victoria Kämäräinen
Communications and Change Manager



Reducing complexity: promoting the people experience

How do you make employee administration and personnel matters as simple and intuitive as using a smartphone? Siemens GBS has the answer. Their People Experience Program develops a holistic and intuitive platform to transform sometimes complex rule-bound processes to a more user-focused digital experience.

Photos: Getty Images/Qi Yang

“In the working life of every employee, there are moments that are personally important. Be it starting in a new position, parental leave, or preparing for retirement,” explains Victoria Kämäräinen, Communications and Change Manager at Global Business Services Hire-to-Retire (H2R). She is responsible for the project People Experience Program (PEP), which is currently built on the four pillars Life Cycle Events, Case Management, Knowledge Management, and the so-called People Center. “Interaction with H2R should be as intuitive as possible in these moments and, ideally, provide an immediate answer or solution to every query,” adds Kämäräinen.

Fast response

This is exactly what employees expect, because in their everyday lives they experience that all kinds of services are just a tap away on their smartphones. From banking and shopping to booking vacations, digitalization has transformed a huge variety of services. Consumers are used to quick, easy access to those services – and a fast response, if needed.

GBS is taking this user-centric approach and applying it to H2R services. The People Center is based on the market-leading technology of ServiceNow, a workflow engine that can locate information, initiate processes, and follow up. It makes a wealth of information available at users’ fingertips – via their mobile devices and desktops. And it enables employees to easily contact H2R with their questions and requests on topics ranging from payroll matters to vacation and track all interactions in one place.

It also accompanies employees along their entire employee life cycle. From getting hired and onboarded right through to retirement, it provides end-to-end transparency for every request and query.

Positive feedback

Around 150,000 potential users already have access to this platform, which has so far launched in 30 countries. Thousands more users will be added in the coming months as the People Center goes live in more locations.

“The biggest difference is that long email conversations are a thing of the past. Instead, all correspondence is via this platform,” Kämäräinen says. “Employees can use the People Center to find information, ask questions, raise any issues, and they’ll quickly receive a response from an agent.” Users highlight the People Center as “modern and easy to use,” offering “quicker support” compared to old systems.



One interface, all services

The Global Business Services portal, which is based on ServiceNow, is the first step on a journey to increase transparency and flexibility in operations and to offer a seamless customer experience. The goal is to also expand the use of other ServiceNow functionalities. Among other things “the GBS portal will enable professional interaction with our customers around the world and across businesses, making life easier for us all,” says Eckard Eberle, CEO of GBS.





The satisfaction index, for which stakeholders are regularly asked for feedback, has notably improved – rising from 8.79 in June 2023 to 9.10 in July 2024, reflecting the positive impacts of the program.

Latest solutions

The program continues to evolve and develop. For example, the People Center is being connected to more applications and systems. It is even trialing the use of generative AI for the platform's knowledge retrieval functions.

"An example would be an employee searching in the People Center: 'What do I need to know if I want to take parental leave?' Then, People Center will not only give an answer in easy and comprehensive language and provide links to relevant guidelines, but also prompt the employee to the relevant self-service workflow," Kämäräinen adds.

The use of generative AI and chat functionalities for the People Center is currently in the exploration phase, with pilots ongoing in several countries to evaluate user feedback. The success of transforming existing processes and the way of collaborating is based on tight feedback loops and a customer-centric change management.

"We haven't been afraid of challenging the current environment," Kämäräinen concludes. "And we always put the user experience at the core of our services."

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What to expect from the People Center?

One central platform where multiple tools are integrated to ensure that employees have all information directly at their fingertips; searching for the right tool or system, is not necessary anymore. The People Center gathers different applications with end-to-end support in one platform.

1 Interaction with H2R

Finding the right answers regarding work-life events needs the support of an H2R expert. To get quick and efficient support, interaction with H2R is now simpler and more transparent than ever.

2 Tracking of requests

To increase transparency over the people processes, the People Center allows employees to track the status of their questions or requests, and they can also add relevant information quickly and simply.

3 Enabling the mobile experience

To ensure the easiest usability possible, even on the go, the People Center will also be available for mobile devices in the future.

New initiative: "Hiring Automation"

Another area where people experience and collaboration between different departments is taken to the next level is the onboarding of new employees. In a pilot, hiring managers, talent acquisition experts, and HR admin professionals from Hire-to-Retire have used the workflow engine to seamlessly share relevant information for the onboarding. All H2R customers are in scope of this new functionality and will be considered for rollout in collaboration with P&O/HR partners. New joiners not only benefit from a streamlined workflow, but also from easy access and transparency to all information they need.

"We are now building up this platform with a lot of additional knowledge. It will be truly 'glocal,' meaning it is global and enhanced with locally relevant content," explains Kämäräinen. The new functionality of "Hiring Automation" has successfully gone live in Spain, Czech Republic, and Slovakia and will roll out further in 2025. ▶

Text

Alex Williamson

Expert

Michaela Iturrizaga Zagarra Head of
Sourcing & Contracting Services

They find savings where you don't have time to look



From one-off buys to recurring orders,
the Tactical Sourcing Services from Siemens
GBS uses wide-ranging supply chain expertise
to save customers' both time and money.

Let's say something in your house breaks. Maybe a coffee maker. It's not your car breaking down or a water pipe bursting, but it's still a big part of your daily routine. The model you had doesn't exist anymore, so there's no easy answer to the question "what do I buy to replace it?"

You start with some basic Internet searches, expecting to make a quick decision. Instead, you end up checking out YouTube reviews and rankings on coffee blogs before fretting over whether you really need a built-in grinder or if continuing to buy preground beans will be just fine. Hours or days later, you finally decide on your replacement machine. Praying you've chosen the right balance of price and quality, you slowly and a little bit fearfully click "Buy."

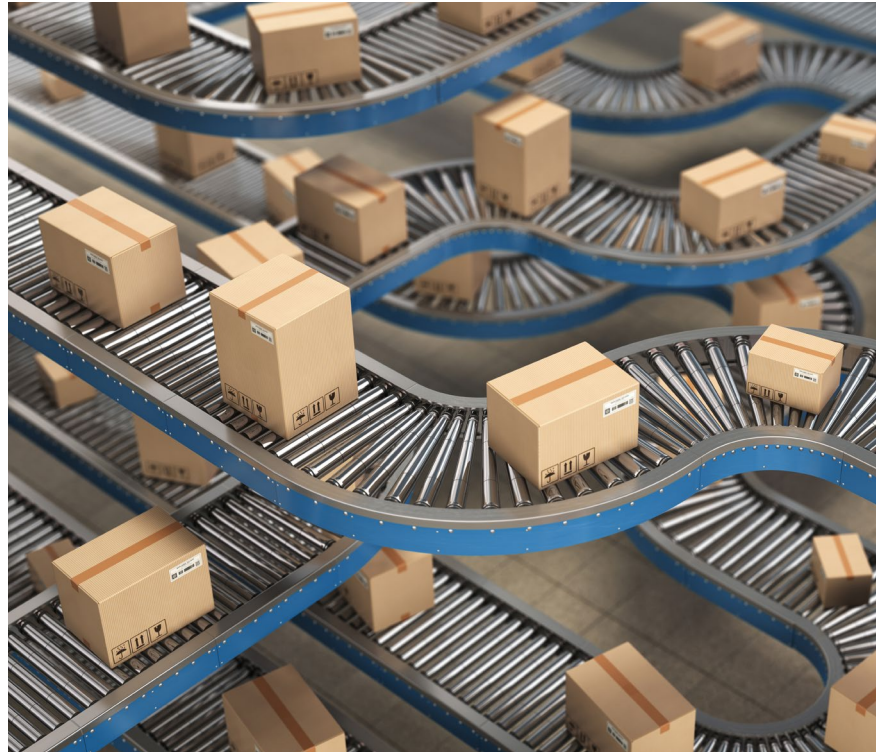
Many of us can afford to go down such rabbit holes in our personal lives, but companies don't have time to painstakingly mull over and negotiate every relatively small purchase. Because of this, many businesses eventually pay more than they need to – sometimes for less-than-desirable quality – every time one comes up. And all those extra costs have significant effects on bottom lines. Luckily, those in the Siemens family have somewhere to turn in these situations that will save them time, money, and headaches: Tactical Sourcing Services from GBS, Purchase-to-Pay (P2P).

Who is behind Tactical Sourcing?

Tactical Sourcing Services are provided by an international team with multilingual sourcing experts who have knowledge of local markets in many nations and regions. They have over ten years of experience helping customers find the best deals on a wide range of goods and ser-

"If you compare the cost for these services to the savings, you'd probably find a relation of three to one."

Stefan Becker, GBS P2P's Global Head of Customer Relationship Management



→

vices, from things like bearings and cables to IT hardware and fasteners and even to factories that can make bespoke parts for newly invented technology. Over that time, team members have built up familiarity with an array of niche markets, enabling them to find even obscure items efficiently.

Along with negotiating one-time purchases and locating specialty products, they've also cut customers' recurring costs for everyday office and factory supplies. Additionally, they offer full purchase-to-pay support and can handle purchase orders, goods receipts, invoicing, and irregularities or disputes.

Customers tend to see big returns on their investment in Tactical Sourcing Services. "If you compare the cost for these services to the savings, you'd probably find a relation of three to one," says Stefan Becker, GBS P2P's Global Head of Customer Relationship Management.

Make every buy a thoughtful one

Businesses regularly make low-value purchases without thinking too much about them, paying whatever a regular supplier asks because it's expedient. Having the GBS Tactical Sourcing team on your side is a game changer. They do price comparisons, gather quotes from various suppliers, and look for bundling opportunities to make sure you get the best price possible on things you didn't have time to worry about before.

“We’ve done this for Siemens Smart Infrastructure, Mobility, Digital Industries, and very extensively for carve outs,” says Michaela Iturizaga Zegarra, Head of Sourcing & Contracting Services at GBS P2P. “Their own strategic procurement teams handle one-time purchases where there are millions involved.

But smaller spends (e.g. \$20,000 or \$50,000) are just called in from their standard supplier base without any big negotiation. That’s where Tactical Sourcing Services kick in. We negotiate purchases that, due to time and capacity constraints, usually aren’t negotiated at all.”

An example Zegarra gives is work that the Tactical Sourcing Services team does for Smart Infrastructure in France. “We do the tactical sourcing for thousands of their projects,” she explains. “The purchase orders we send out are only around €1,000 or €1,500, but we do it a hundred times a month. The experts from our team check our existing supplier base and look for new suppliers who could offer better prices.”

Becker also explains how utilizing the Tactical Sourcing Services generate savings for its customers. “Give us the one-off demands and the low-value spends that your experts usually won’t take care of because their focus needs to be elsewhere,” Becker says. “Since we do this from remote locations, the labor costs are low and therefore the service cost is low.”

Along with generating the direct savings from lower supply costs, the services of the tactical sourcing experts have subtler benefits, too. With them handling the entire P2P process on low-value items, customers’ supply chain management (SCM) teams have more bandwidth to find optimal deals on big-ticket spends.

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The Tactical Sourcing Services negotiate purchases that usually are not negotiated at all – and thus realizes significant savings.



\$55
Million
purchase volume
in 2023

\$6
Million
savings
for customers

Real stories of real savings

In 2023, the GBS experts negotiated a purchase volume of around \$55 million in indirect and direct materials. Combined, they saved their customers around \$6 million by working their magic on those purchases. Two of those clients were Siemens Smart Infrastructure and Siemens Mobility. Through delegating purchases for things like transformers and cable trolley systems as well as parts needed to construct nearly 150 trains in India, they both saved over \$420,000 while sparing their core teams the paperwork involved with those purchases.

In another case, a supply chain management department for a team in Argentina didn’t have time to make many strategic purchasing decisions due to heavy workloads and inconsistencies stemming from staff rotation. In particular, tail spend management – keeping a close eye on low-volume and/or low-value purchases, for example – was almost nonexistent.

In 2023 alone, the GBS Tactical Sourcing Services team helped to generate savings of €3,4 million (over four times the customer’s target) for the Argentina team by closely monitoring tail spend as well as identifying opportunities for pooling and bundling. Along with those savings, the reduced SCM workload gave senior staff more time to focus on long-term strategies and high-priority purchases. Juan Manuel Ruiz, the Procurement Manager for the Argentinian team, summarizes: “We are starting the second fiscal year with this scheme, and it works perfectly.”

Text
Christian Raschke

Expert
Yves Escaig
Global Account Manager for
Siemens Smart Infrastructure

“The aim is to understand every detail of the business strategy”

It sounds easy enough. Being customer centric means listening to and understanding customers' needs, and gearing all your business decisions toward them. But establishing and practicing customer centricity isn't quite that simple. So GBS has set up new processes and creates a mindset that brings this corporate philosophy to life. Let us take a look at how it works, reduces complexities, and creates maximum value for customers.

Yves Escaig is part of the new team of Global Account Managers (GAM) at GBS and responsible for all requests and projects with Siemens Smart Infrastructure.



Photo: Siemens

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In the retail and service sectors, customer centricity has been one of the criteria used to steer entire businesses for some years now, with companies like Amazon and Apple paving the way. But the approach is also gaining ground in other industries. Studies show that customer-centric companies are more successful.

It's clear that long-term customer retention hinges on understanding customers' needs and factoring them into every business decision. But to really understand customers, we need to think of interactions with them not just as a one-off transaction, but as a long-term relationship shaped by their ideas, requirements, and motivations.

Yves Escaig reports on what this means for business services that implement complex projects and where mutual trust is key. As Global Account Manager for Siemens Smart Infrastructure (SI) since March 2024, Escaig is the first point of contact for SI at GBS. And he has three other colleagues in the same role who look after Siemens Digital Industries, Siemens Mobility, and Siemens Energy. "Our main task is to really understand the business of our customer in order to offer the best solutions," he says. "How is the organization structured and how do the market and the business model work? It's also important to know who's responsible for what and who makes the decisions." For his customer, Smart Infrastructure, Escaig has contacts in a wide range of business units and countries, from logistics to procurement, development, production, sales, and services through to cross-divisional functions like HR, IT, and controlling.

Yes, how exactly does it work? If a manager at Smart Infrastructure needs a solution to a problem, do they call you?

Sure, anytime! However, obviously I can't do this on my own. We have a Customer Relationship Management community of colleagues at various GBS locations worldwide who support our customers. But if a manager on the customer side doesn't know exactly who to contact at GBS, then my name comes up as the first point of contact and I steer the request into our organization.

Before taking on the role of Global Account Manager at GBS, you worked as a manager at Smart Infrastructure. How much do you and your customers benefit from that now?

It helps enormously, because I have a deep understanding of the products, the portfolio, the market and the go-to-market strategy of SI. And I have a very good personal network at Siemens Smart Infrastructure – I know lots of decision-makers and they know me.

Knowing and understanding the customer and their needs – that's precisely what customer centricity is all about ...

Exactly. The aim is for us to understand every detail of the business strategy and develop opportunities based on that – both for GBS and for SI. We want to create value for the customer by optimizing or digitizing their processes. But I also see myself as the customer's spokesperson in the GBS organization, be it to provide positive feedback, criticism, requests, or suggestions for improvement. The division of labor helps me in that respect, because, as a GAM, I'm not responsible for providing the service, but am rather in an intermediary role between SI and the operational units at GBS. Customer centricity is also about reducing complexities, making it easy for the customer to work with us.

And what services does SI currently use from GBS?

In addition to specific projects, they almost use the entire spectrum of GBS services. In Order Management, for example, my colleagues process a large amount of all orders within SI, and a similar proportion in receivables management. These are often activities that used to be carried out manually, but which we can automate very well. The customer also benefits from my interaction with the other Global Account Managers – for example, by being able to adopt and adapt solutions that GBS has already developed for Siemens Digital Industries or Siemens Mobility.

Can you give us an example of where and how GBS has provided new inspiration at Siemens Smart Infrastructure?

We are currently discussing rolling out Bionic Agent for Inside Sales at Smart Infrastructure in France, for example. The employees there have so many incoming emails to deal with that they're missing time to call customers. Bionic Agent is an AI bot developed by GBS that helps to classify and prioritize emails for the team. And it is even expected to be able to automatically create basic quotations from within the system. One more example is the whole reporting process. Siemens aspires to be a data-driven company, and we at GBS bring the necessary expertise and solutions to the whole business – such as dashboards and the like.

Text
Christian Raschke

Expert
Christopher Lock
Head of Operations Centers
Siemens SI RSS RAM



Christopher Lock, Head of Operations Centers Siemens Smart Infrastructure in North America, appreciates the co-operation with GBS.

Christopher, what is crucial about understanding Siemens Smart Infrastructure's business and the trends it is subject to?

There are a couple of trends that we are seeing. The major ones are digitalization, along with energy and sustainability. Our customers are increasingly more focused on decarbonization and boosting the energy and operational efficiency in their buildings. This is really changing the way that we build and design our products and solutions. The perception of buildings themselves is changing, too. If you go back 10, 20, or 30 years, a building may have just been a place to work or live. Whereas today, owners are actually using their buildings to attract employees, customers, residents, and using the building as a way to generate revenue and improve the occupants' experience.

How is SI responding to this?

It's all about smart buildings and digitalization. We not only build technology into our hardware, but around the hardware. All those widgets, as I call them, like thermostats, controllers, switches, and so on, are integral to the success of smart buildings. They are the foundation of a cloud-based world where all of the systems are connected to each other and deliver data for ecosystems like Building X and Xcelerator. So right now, we are entering an era of creating those ecosystems along with the applications for them. →

“We live and breathe the same values”

The market for technology and building automation is changing. Decarbonization and digitalization are transforming the way buildings are used. Siemens Smart Infrastructure is responding to this with its own transformation – closely accompanied by Siemens GBS. Christopher Lock, Head of Operations Centers Siemens Smart Infrastructure Regional Solutions and Services in the Region Americas (SI RSS RAM), reflects on this constantly growing partnership.

And how could this change the way that buildings are used?

I think it could be more individualized for each user. With different Siemens solutions, we can connect people to buildings. Everybody could control the temperature, the lights, or the ventilation individually and set it to their preferences. So in the end, for somebody who works or occupies the building every day, this can make a huge impact to their user experience.

What do these trends mean for you and your team?

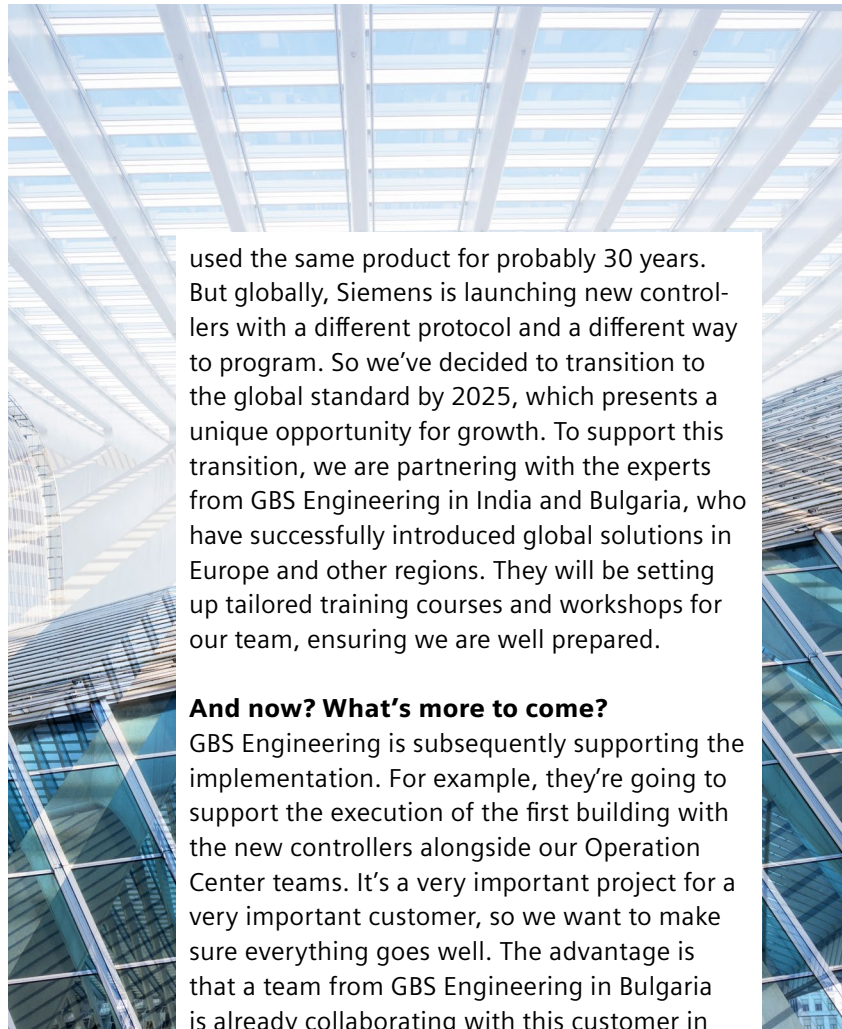
This transformation of our business is changing the kind of talent we're seeking. Especially in the US where our focus is not only on the construction of the building, but also the technology we use to connect the real and digital worlds. In the past, I may have looked for employees who came from mechanical or electrical construction trades. Today, I am looking for engineers, programmers, and graphics designers usually with technical two- or four-year college degrees. We need people with an understanding of integrated systems, cloud solutions, cyber security, and who know how to connect different data streams. But I can already feel the deficit. I recently read an article stating that the US building automation industry is short of 60.000 positions. So finding the right experts, in the US as well as globally, has become very challenging.

Speaking of global resources: you have partnered with Siemens GBS, which runs hubs in North and South America, Europe, Africa, and Asia-Pacific.

Right, we are gaining huge opportunities with GBS as a global solutions provider. Our pool of resources has greatly expanded. Whereas I would only be looking in my state or in my country, having a partner like GBS has really expanded that reach for us. And the people at GBS also bring in the required skills and experience from the previous projects they have worked on. Be it in finance, estimating, or engineering as with the last major project that we tackled together.

You have just returned from an extended visit to the GBS Engineering Hub in Bangalore. What was your impression?

It was very exciting. There's a great dynamic and an exploding technical industry around building automation, fire safety, smart buildings, and cybersecurity. I was impressed to experience the amount of effort the GBS Engineering team put into our projects. I spent two months with them to work on harmonizing the estimating and engineering services, among other things. We have



used the same product for probably 30 years. But globally, Siemens is launching new controllers with a different protocol and a different way to program. So we've decided to transition to the global standard by 2025, which presents a unique opportunity for growth. To support this transition, we are partnering with the experts from GBS Engineering in India and Bulgaria, who have successfully introduced global solutions in Europe and other regions. They will be setting up tailored training courses and workshops for our team, ensuring we are well prepared.

And now? What's more to come?

GBS Engineering is subsequently supporting the implementation. For example, they're going to support the execution of the first building with the new controllers alongside our Operation Center teams. It's a very important project for a very important customer, so we want to make sure everything goes well. The advantage is that a team from GBS Engineering in Bulgaria is already collaborating with this customer in other countries. Knowing this has offered a great sense of relief for the business and the customer. GBS Engineering is able to bring new services to us, which makes for a good partnership from my perspective.

In these types of projects, what is the difference when working with GBS compared to an external service provider?

The difference is that GBS is Siemens. We live and breathe the same core Siemens values. I think this partnership is stronger because we're all vested in making Siemens better. GBS does not only seek to understand our business: they are in our business. Handling this type of transformation would be quite challenging without the close involvement of GBS, as they are deeply integrated into the system. Additionally, their reliability and support are invaluable to us. We have overcome a lot of transformation challenges together in the last two years and shifted portions of our financial services, our sales, all of our engineering services, and other areas to GBS. They are able to handle the volume of transactions and projects, and I see a lot of passion and commitment to making our business successful. ▸

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Accelerating transformation with process optimization expertise

Successful digital transformation projects all have one thing in common: a holistic approach with experts to optimize processes by finding the most optimal solution to drive digital transformation forward. With a co-creation approach, the Regional Process Office (RPO) of Siemens Global Business Services enables customers to achieve this demanding task.

Modern companies are fueled by data, but there is more to extracting value from bits and bytes than just rolling out new technologies. Most companies, in fact, require a significant change of culture, especially in the area of cross-functional collaboration. Success factors range from clearly defined business objectives, well-analyzed process variations, and ensuring that everyone involved is fully on board to making sure that people are qualified for the new requirements. Companies that neglect to put these necessary conditions in place face a grim outlook: according to a study published by McKinsey, 70 percent of digitalization projects are doomed to fail.

Siemens GBS's process optimization and digitalization experts at the Regional Process Office (RPO) accordingly follow a holistic approach that factors in people and their needs as well as processes and products. "It is vital that we include the users. If they don't understand the change, they will just go back to their old process," explains Katia Metzler, Global Head of RPO. Therefore, RPO drives the digital transformation of businesses end-to-end, through comprehensive process improvement, data analytics, and process automation tools, all while keeping co-creation and user-centricity at the core of their work. The RPO team has 96 members based in six different countries – Canada, Mexico, Brazil, Portugal, Turkey, and the UK – and provides services for internal and external customers in these and other countries. →

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RPO has a wealth of accumulated experience with cross-disciplinary business: since its establishment eight years ago, the unit's experts have delivered approximately 750 projects covering 13 different process areas like engineering, sales, logistics, supply chain management, and the list goes on. Their experience with cross-disciplinary business processes enables them to identify challenges and valuable opportunities.

Beyond bringing in new solutions

To be successful, analyzing the root cause of inefficiencies is the first step to optimizing processes and, ultimately, applying technologies purposefully. "Yes, we leverage data and technologies. But our work goes beyond bringing in new solutions. It's more about optimizing the entire process. And it doesn't matter what kind of process we're talking about. With a value-driven approach, customer centricity, and interdisciplinary expertise, there is no process you can't optimize," says Metzler.

RPO develops improved processes using the proven Lean Six Sigma approach and then assists customers to implement the solutions devised. The team's experts also train users in how to make the most of the new technologies. Whatever the specific requirements in a particular instance, the procedure followed always involves the same three steps: ideate, simplify and optimize, and digitalize. This is important in order to maintain user centricity and driving value.

From problems to opportunities

During the transformation projects with RPO, the experts work in close collaboration with the customer in the role of what might best be described as discovery and transformation agents. The RPO team studies the customer's situation closely to identify opportunities as well as challenges. The outcomes realized leave no doubt as to the effec-

"Yes, we leverage data and technologies. But our work goes beyond bringing in new solutions. It's more about optimizing the entire process."

Katia Metzler,
Global Head of RPO

tiveness of the method: "Optimized processes have saved our customers more than 30.6 million euros over the past eight years, and we have a customer satisfaction index score of 9.1 out of 10," says Kaan Tuncbilek of RPO Turkey.

One of the recent examples of the work of RPO is the "Siemens Electric Vehicle Make Ready App." While Siemens Smart Infrastructure is increasingly working in the electric vehicle (EV) charger business and closing gaps in the electric infrastructure, RPO initiated a new co-creation project: a user-friendly app to eliminate the manual work of configuration and to boost the lead generation process. By offering a simple and scalable platform, customers and distributors are guided through the configuration process and obtain a comprehensive visual bill of material. Simultaneously, the app acts as an e-commerce platform that automates lead generation for Smart Infrastructure, ensuring constant communication between sales teams and customers. "The scalable app has already helped to eliminate more than 1,700 hours of manual work in the first year after going live," states Ender Erdis, Head of RPO Americas.

Automation lowers the error count

The first external customer to reap the benefits of RPO's expertise was Maxion İnci Wheel Group. Based in Manisa close to Turkey's Aegean coast, it is the leading manufacturer of wheels for the automotive industry and employs some 1,800 people across five plants. It receives customer orders via a multitude of channels: web platforms, EDI (electronic data interchange) system, and emails every day. Prior to RPO's involvement, it had been relying on manual processes to collate a large number of orders – making the process labor intensive and prone to human error.

The team from RPO Turkey redesigned the order entry process using the Lean Six Sigma methodology, automated 90 percent of it, and created a single order entry database. As a result, the costly and not always reliable manual entry was optimized. Additionally, the specially trained process managers have better data at their fingertips for analysis and forecasting. "Siemens' digitalization capabilities and customer focus have made our order processing much more efficient," confirms Engin Çiçek, Passenger Car Wheels Logistics Manager at Maxion İnci. "Having a Lean Six Sigma advisor from Siemens in the project team not only helped to ensure the success of the project, but also boosted our confidence and gave us a more satisfactory outcome overall." Thomas Kolbinger, CFO of Siemens Turkey, reports savings amounting to five times the cost of projects. "RPO is our productivity engine," he says. "Every project reemphasizes just what an impact combining process optimization, automation, and data analysis can have." ▶

Text

Nathalie Fabre

Expert

Nathalie Fabre, Head of Future
of Work at Siemens GBS

Due to numerous global developments, transformation is omnipresent. However, an organization can only change through its people, making workforce transformation crucial. In this change, the role of leadership is decisive for success.

Enabling change

AN OPINION ON ORGANIZATIONAL WORKFORCE TRANSFORMATION



Photos: Getty Images/Klaus Vedfelt; Siemens

Transformation is nonnegotiable

The world is constantly changing; our customers are changing. Consequently, we need to be able to react. Workforce transformation is a response to the changes we see in the business. And there are two main levers of this transformation: skill change, or lifelong learning, and mindset change. The latter is sometimes referred to as New Ways of Working and incorporates business agility and change enablement. So, let us reflect on what that means and how leaders can support the nonnegotiable transformation that involves us all.

People centrality matters

To begin with, a people-centric approach to transformation is crucial because it acknowledges that our greatest asset is our workforce. When we prioritize the well-being, growth, and engagement of employees, we unlock their full potential, fostering innovation, collaboration, and resilience. This approach not only enhances organizational performance, but also creates a positive and inclusive workplace culture – all of which are factors for business success and being fit for the future.

Customers profit from our willingness to change

We often talk about upskilling and reskilling. But skills are just one part of the story. The other is mindset. We have a lot of enablers for the shift in skills – they can be developed through digital tools, learning opportunities, and agile methodologies. At Siemens Global Business Services, we strive to be a Learning Organization and leverage tools and initiatives, such as our learning platform GBS Learning Universe (GLU), GBS Lean Agile Center of Excellence (LACE), and GBS #Next-Work Initiative. We are on a good track when it comes to offering possibilities for skill transformation. Changing mindset, however, is even more complex. Because you cannot change the mindset of people; they can only change it themselves.

Let me illustrate the necessity of a mindset shift in the context of customer centrality. Traditionally,

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we think in hierarchical structures. That is the way we are socialized, and sticking to this system has rewarded us in the past. For customers, this can be counterproductive. Because instead of having a dedicated team individually selected to fit their unique needs, we are restricted to the boxes we have created. For the customers, it doesn't matter what job title people on their project have. They want an effective and efficient solution to their problem. So we need to be agile enough to set up teams that create value independently of hierarchical or functional structures. Being open to cross-functional collaboration and empowering people to make decisions should be the focus. In other words, we require an operating model in which team members can move between projects without causing disruption and where value creation is more important than structures.

Nathalie Fabre is Head of Future of Work at Siemens GBS. As an expert for lifelong learning, new ways of working, and agile leadership, she elaborates on people-centric workforce transformation.



Four shifts that encourage change*

1. The shift from reactive to creative mindsets

It is in our human nature to have a reactive mindset. However, it is insufficient for transformation. Instead of acting according to external circumstances and expectations, a creative mindset focuses on creation and innovation. By opening to continuous experimentation, testing, and learning, the discovery of solutions becomes more common.

2. The shift from authority to partnership

Empowerment is built on a trustful partnership. While leaders trust that people want to do their best work, people must be able to trust that their decisions are taken seriously and will be accepted by leaders. The role of leadership lies in guidance and support, encouraging a psychologically safe space where sharing ideas and admitting uncertainties become normality.

3. The shift from scarcity to abundance

An abundance mindset is crucial for workforce transformation. Believing in scarcity limits potential and constrains actions, while embracing the abundance of possibilities creates more chances for positive business outcome – from talented individuals to new market opportunities. This shift fosters increased innovation and growth.

4. The shift from manager to role model

Leaders must embody the change they wish to see in their teams. Encouraging people to be open to change requires leaders who show that it is profitable and accepted to act in this way. Change enablement requires us to hold space for transformation and inspire people to develop themselves.

*Inspired by: McKinsey & Company - [Leading agile transformation: The new capabilities leaders need to build 21st-century organizations.](#)

It all starts with leadership

If change is to be successful, it must be reflected in the mindset of leaders. They play a decisive role in workforce transformation because they are the only ones who can initiate the type of value-creation model, that I have just described. What we need for this to work are empowered people who make informed decisions that are based on the customers' needs. And we need this empowerment to break free from the traditional structures that may hinder the success of customer projects. **There is just one problem: It is easy to give power to people, but much more difficult for people to take it.**

So instead of talking about empowerment, we leaders need to create a space in which people are able to take power. We then need to make sure that this space stays open. This process takes time and patience. And what's more, it takes leaders who are self-reflected and willing to embrace transformation.

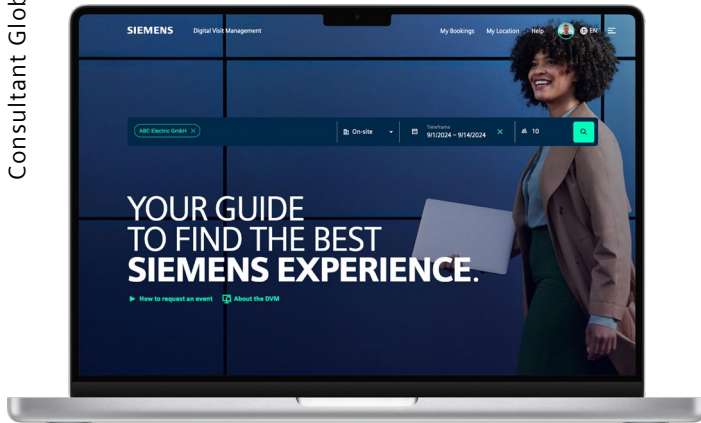
Conclusion: committing to change – a necessary effort

Transformation can not be achieved by a quick fix. It requires a sustained effort, starting with personal transformation in leadership. Enabling skill change and incorporating a mindset shift that is open to change helps create agile, innovative, and resilient organizations that thrive in the face of transformation. Since customer-centricity includes breaking free from structures that hinder the most efficient problem solving, only by becoming more agile and less hierarchical we can create maximum value. Therefore, join me on the path to internalize agile values in light of the above suggestions and reach our end goal together: value creation through personal and organizational transformation. ▶

Text
Carla MatherExpert
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DIGITAL VISIT MANAGEMENT

Your digital guide for Siemens experiences



Direct contact with customers is crucial for businesses. Sales activities, for instance, are typically supported by visits to factories, showrooms, and Digital Experience Centers. Solutions are presented to customers on-site or as part of a digital event. The interaction makes it possible to tailor products and services more effectively, ensuring they meet customer expectations. By addressing customer pain points and desires directly, it is possible to adapt strategies to stay proactive and competitive.

Customer visits: a complex task

Customer visits are necessary for growth and future-proofness. Yet they come with their own set of challenges: scheduling conflicts, communication barriers, different expectations on each side, logistical issues, data privacy, the needed time and resources – while the effectiveness of the visit is never guaranteed.

So how can you overcome these challenges and build strong relationships with customers? And how can you make the most of visits, ensuring new insights drive business forward in the best possible way? It all comes down to digital transformation and process standardization.

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How can on-site and virtual customer touch points be managed in the right place, at the right time, with the right content, and the right experts? Instead of complex processes for each individual event, Digital Visit Management (DVM) standardizes and digitizes: DVM is a self-service platform for booking and managing event-driven experiences at Siemens.

Digital Visit Management as a global solution →

When Siemens Digital Industries (DI) was looking for a way to improve their customer visit organization, they approached Siemens Global Business Services (GBS). Their Business Services and Solutions department are experts in digitalization and project-driven business success. Of course, they were up for the challenge of optimizing customer visits. The goal: improve efficiency and transparency in the customer visit organization itself, but also enhance the related sales processes. For that to work, they would need to implement an infrastructure to deliver a superior customer experience globally.

"I loved being part of the DVM implementation process and the incredible development since it started in 2018! It's great when tools continue to scale and improve years later," says Katharina Brückner, Head of Sales Consulting Market Intelligence Factory Automation at Siemens Digital In-

dustries. “GBS Global Marketing Services is definitely your partner for scaling and accelerating business transformation!”

Automation and standardization

Imagine a global company with multiple locations. For maximum value, customer visits need to provide a consistent experience, functioning information flow, and valuable insights. The process therefore needs to be looked at holistically – including Customer Relation Management (CRM), information distribution, localization, and related sales activities. As a centralized business solution, DVM can deliver this holistic standardization: “It connects the digital and real world by streamlining processes and ensuring consistency in the management of customer visits and the efficiency of sales approaches and strategies by implementing standardized, automated processes and workflows,” says Samuel Kuhn, Senior Solution Consultant Global Marketing Services at Siemens GBS.

Having a digital solution at hand means that processes can be automated. This boosts the efficiency and transparency of customer visits, saving time and resources, ensuring scalability, and enhancing customer experience. One of the standout features of DVM is its ability to standardize processes across multiple locations. Automated workflows ensure that every step, from inviting and registering visitors to sending reminders, is handled seamlessly. Intuitive dashboards and real-time insights enable users to monitor the progress of each visit and gather valuable feedback through visitor surveys.

Thanks to the integration with sales software like SieSales and Salesforce, DVM also makes KPIs and workflows transparent. Thus, the visit management and organization can be customized based on current customer information, concrete sales opportunities, requirements, and targets. Afterwards, the relevant visit data will directly be transferred back into the CRM system to plan the most efficient follow-up strategies and increase sales impact as much as possible.

Benefits for you and your business

Imagine you're a sales manager at a leading tech company. Organizing customer visits is a huge task for you: coordinating schedules, booking meeting rooms, and ensuring that the right experts are available can often feel like juggling too many balls at once. With DVM, you can effortlessly determine the most suitable location for each visit. The platform's integration with SieSales and Salesforce also means that all relevant customer information is at your fingertips,



10,501

unique Siemens users



21,091

registered participants (ext. customer)



4,490

booked customer events



36+

locations world-wide across 11 countries

allowing you to tailor each visit to the customer's specific needs. Your benefits:

- **Booking and managing** of on-site and virtual events for multiple locations
- **Consistent and efficient processes** enhance user and customer experience
- **Usage of customer information** and opportunities from Siemens CRM systems
- **Visit data will be transferred and reported** in Siemens CRM systems
- **Automatic transfer** of participant data to Eloqua
- **Outlook integration** for scheduled events
- **Automated visitor invitation**, registration, and email reminders
- **Real-time information** on registered visitors
- **Support** via DVM Service Desk

Event booking made simple

DVM supports you in identifying the best location offer for planned customer visits: leveraging advanced algorithms and data-driven insights from various Siemens APIs, DVM enables users to seamlessly identify the most suitable location and visit experience. This selection process considers factors such as proximity, resource availability, and specific customer preferences. It also supports in planning the next trade fair: thanks to the option of requesting trade fair rooms directly via the DVM and including the relevant sales opportunities in the request, the rooms are allocated based on business impact and sales relevance. By assigning suitable sales opportunities, you secure the chance to get one of the highly desired trade fair rooms for a customer visit.

Efficiency and transparency

By digitizing and automating processes, the entire customer visit process becomes smooth. The risk of misunderstandings, delays, and costs is reduced, while productivity, sales, and marketing efficiency is improved. For Siemens Digital Industries, the implementation of DVM has increased visit numbers by up to 230% in some cases, and the visit management process was accelerated tenfold.

DVM's impact extends beyond individual locations. With the ability to plan customer visits in about 36 locations worldwide, the platform ensures a personalized and exceptional experience for every customer. The integration within the Siemens ecosystem creates transparency across locations, content, stories, and experts, making DVM an essential link between marketing and sales.

“We ensure that
processes are
standardized,
harmonized,
and become as
efficient as
possible.”

Eckard Eberle,
CEO Siemens Global
Business Services

Siemens Global Business Services (GBS) enables Siemens AG units worldwide and external customers to accelerate their business transformation into a sustainable and digital future. Its portfolio comprises services driven by expertise and the latest technology – with a strong focus on innovation and digitalization in areas like business administration, human resources, supply chain management, sales, marketing, and engineering. Siemens GBS provides business services for Siemens AG, Siemens Energy AG, and Siemens Healthineers AG and serves its clients globally out of four major hubs and one service unit. Siemens GBS headquarters are based in Munich, Germany.