

Helping Your Scaleup **Grow**

How You Can Smash Growth
Targets, Retain Talent, and
Increase Attractiveness to
Future Buyers



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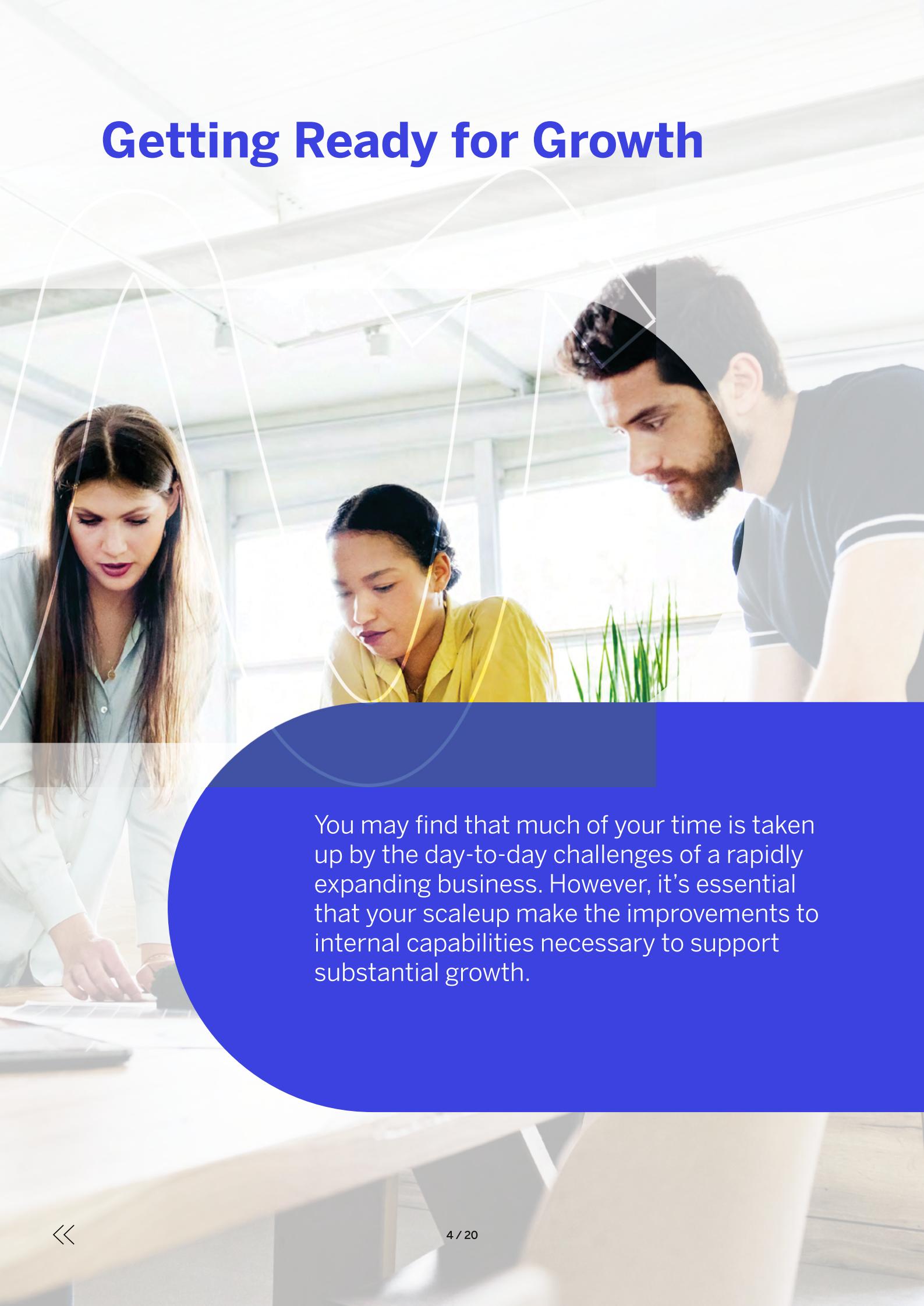
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As a fast-growing scaleup, you need a solid tech stack and advanced tools to help you innovate, expand at pace, future-proof financial stability, and disrupt the marketplace. In addition, today's investors want proof you have sufficient insights into your financials and the right systems and processes to realize your growth ambitions, making a robust technology infrastructure critical for high IPO valuation. We look at the key challenges faced by scaleups and how a hypergrowth-ready infrastructure can help you maintain your growth trajectory while preparing to go public.



Getting Ready for Growth



You may find that much of your time is taken up by the day-to-day challenges of a rapidly expanding business. However, it's essential that your scaleup make the improvements to internal capabilities necessary to support substantial growth.

Failure to establish mature internal processes may introduce obstacles on your path from private to public ownership. It could also negatively impact returns from an IPO, lengthening the timetable for achieving liquidity.

Without a clear long-term IT strategy for growth, you can end up with fragmented processes and multiple, disparate data silos as different parts of your organization evolve their systems to deliver on their objectives. Over time, interfacing all these disparate systems becomes complex and cost prohibitive.

To help ensure the high levels of operational efficiency and transparency demanded by potential investors, you need to proactively invest in process and IT improvements. This helps inspire investor confidence in the strength and scalability of the business, leading to higher stock valuations.

KEEPING PACE WITH THE SPEED OF YOUR BUSINESS

If your company is in the high-growth category, one of the greatest business challenges can be ~~whether you're prepared for a~~ growing. As shown in _____

IPO or you've recently gone through one, there are a number of key issues you must address in order to make your processes future ready:

Hiring and retaining top talent

As you expand your operations, you must also expand your workforce, meaning that new talent can make up a large proportion of your total employee population. It's therefore important to accelerate the onboarding process, helping new hires get up to speed quickly and freeing up the time of veteran performers. Process automation plays a key role in helping staff keep pace with a growing workload. Meanwhile, it's essential to establish an infrastructure that allows dispersed teams across your ever-widening organization to communicate, share information, and manage tasks in a collaborative way.



□ Expanding into new markets

Continued growth requires that you broaden your reach to find new business. You may enter specialized vertical markets such as the public sector, requiring highly focused sales teams that understand complex purchasing cycles. Entry into international markets also requires specialist expertise and a rapid scaling of resources to manage compliance with complex and varied regulations, reporting requirements, and tax regimes. In addition, the need to address multiple types of customers means you must develop and manage multi-SKU product lines.

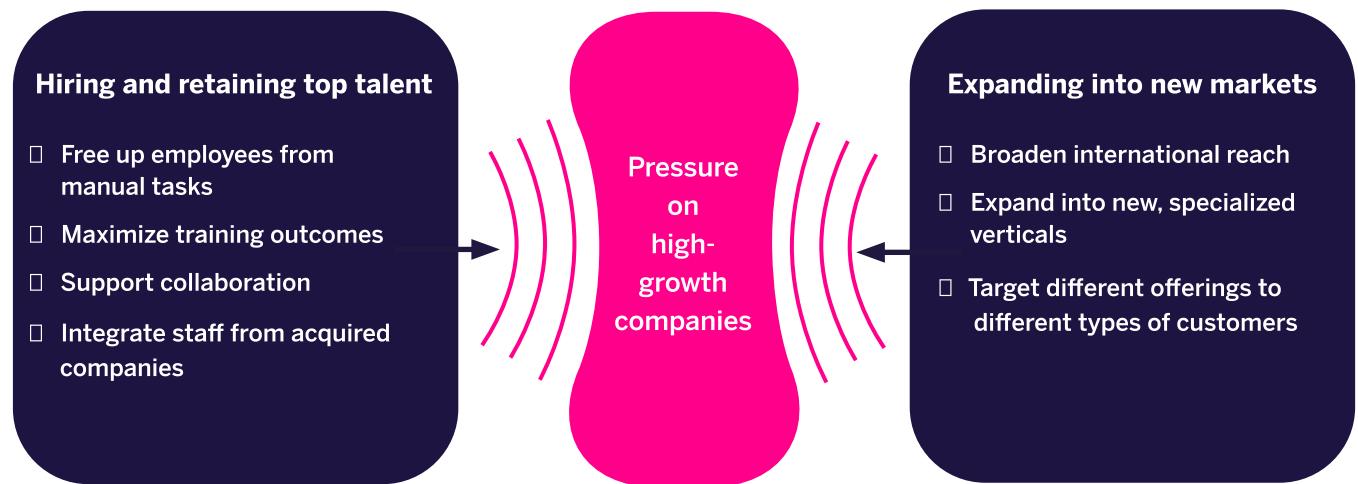


Figure 1: Pressures on High-Growth Companies

CHOOSING THE RIGHT SOFTWARE STACK TO REALIZE YOUR GROWTH AMBITIONS

On the following pages, we look at key areas to focus on as you evaluate your readiness for expansion and explore how SAP® technology can help you meet your growth goals. We also pose questions that will help you identify weaknesses and work out what you need to fix in order to realize your growth ambitions.

Enabling Operating and Financial Visibility



At a time when shareholders and regulators demand transparency, you can't afford to have a siloed approach to reporting. To be successful, you need comprehensive, accurate, and timely visibility of operational performance across your business.

With a centralized solution for accounts receivable, cash management, and billing from SAP, you can harmonize and streamline your financial processes. Real-time reporting and analytics can give you insights to help improve planning and forecasting. Meanwhile, cross-enterprise visibility enables you to better manage risk mitigation, governance, and compliance, which become more complex and costly as you expand into international markets.

Centralized financial processes that support different languages, currencies, and regulations help you accelerate your expansion into new regions. Furthermore, with a single view into financial operations, you can also reduce operating expenses related to financial closing.

Typical benefits experienced by SAP customers are as follows:

Up to 20%*

Lower financial costs

Up to 10%*

Reduction in days sales outstanding

Up to 12%*

Improvement in days payable outstanding

*Source: SAP Performance Benchmarking

Are you ready?



- Can you confidently say you have a single, trusted source of enterprise data for reliable financial and management reporting?
- Do you have the analytical tools you need to understand what's happening across your business and make informed decisions?
- Do you have the ability to sense opportunities and risks in the marketplace? Do you have the nimbleness to respond to those opportunities and risks?
- How do you help ensure the health of working capital and cash flow?
- Can you translate your long-term strategic growth plans into measurable short-term operating plans?

Responding to Market Demand While Managing Supply Chain Risk



Volatility in demand and supply, along with complex global networks, makes supply chain processes riskier than ever. Investors know that to keep a business running smoothly, you need a way to optimize the performance of your supply chain.

The only way to do this is to invest in technology that provides a holistic view across your supply chain. Next-generation procurement solutions from SAP enable you to automate processes, source compliantly, and collaborate effectively with suppliers. By supporting consistent, best practice-based procurement processes, the technology helps you achieve cost efficiencies and reduce operational costs as your company grows. In addition, increased visibility of order status helps ensure that your supply chain is resilient enough to scale with the continued top-line growth of the company.

Typical benefits experienced by SAP customers are as follows:

Up to 15%*

Fewer days in inventory

Up to 5%*

Reduction in total logistics cost

Up to 15%*

Sourcing savings on direct and indirect spend

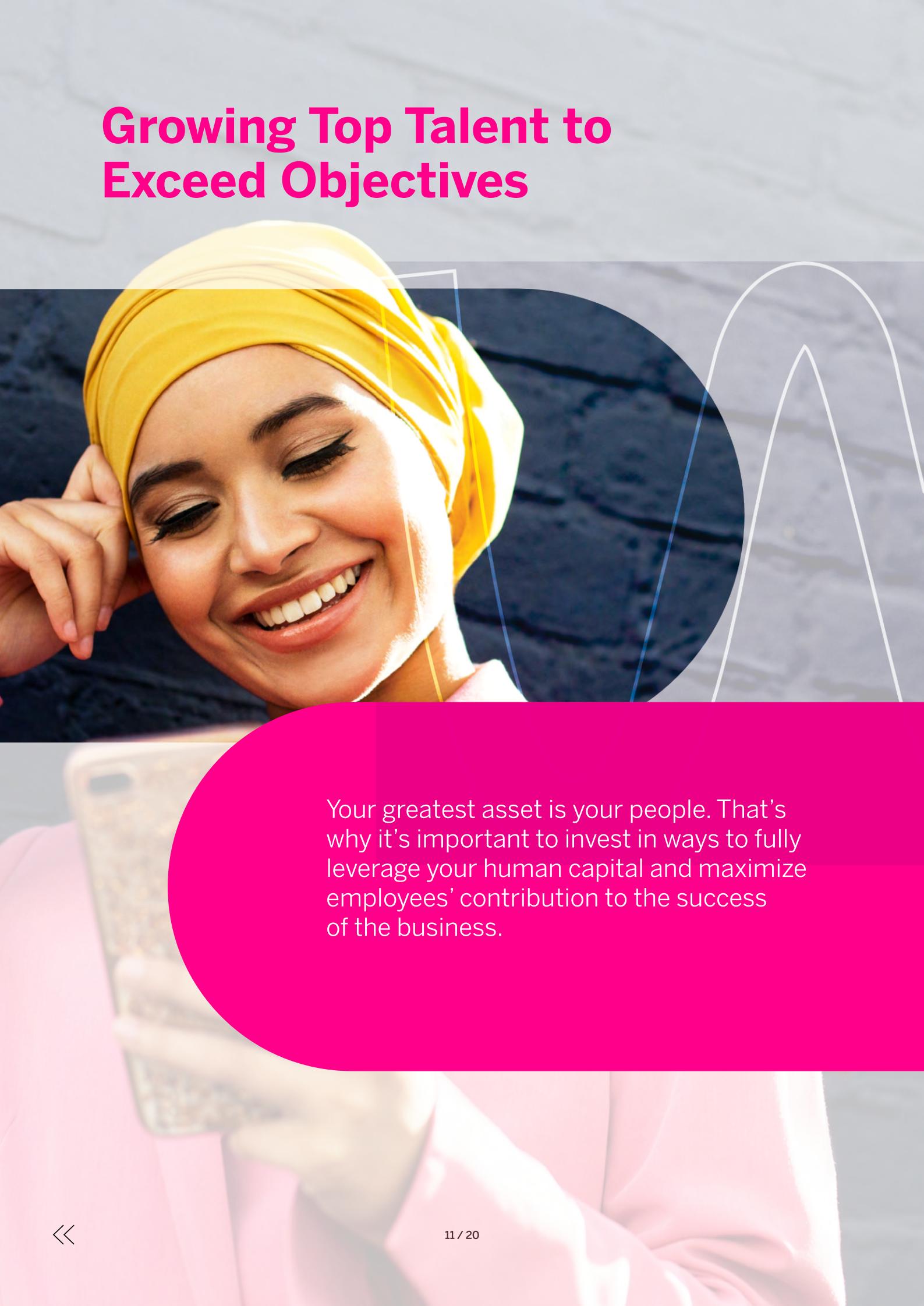
*Source: SAP Performance Benchmarking

Are you ready?



- How robust is your existing supply chain? Is it scalable to support growth?
- Are supply risks well understood and are risk management processes in place?
- With the current state of your supply chain, can your products be made to world-class standards now and in the future?
- Are you operating at the most effective margin structure?

Growing Top Talent to Exceed Objectives



Your greatest asset is your people. That's why it's important to invest in ways to fully leverage your human capital and maximize employees' contribution to the success of the business.

Human experience management technology from SAP plays a key role in workforce planning as you pass through different growth stages. You can manage your talent efficiently across recruitment and hiring processes, with comprehensive learning management support to help ensure your employees have the skills they need. You can also connect your financial and people data to better understand the impact of HR strategies on your bottom line.

As your company scales up, retention of key staff with a wealth of institutional knowledge is also crucial. To reduce turnover risk as you introduce new business or operating models, employee-sentiment reporting helps you closely monitor morale and take swift action to resolve any issues raised. Meanwhile, providing a personalized experience when you communicate with employees helps increase engagement and job satisfaction.

Typical benefits experienced by SAP customers are as follows:

Up to 8%*

Reduction in employee turnover

Up to 20%*

Improvement in reporting and analytics capability

Up to 25%*

Faster time to productivity of new hires

*Source: SAP Performance Benchmarking

Are you ready?



- Do you have the capabilities to hire, train, and deploy the talent you need in key functional areas to grow the business?
- What is your ability to retain and manage existing talent?
- Do you have the right HR structure in place, given your company's growth trajectory?

Making Your IT Function a Key Enabler of Business Strategy



Continuing growth means that the IT needs of business stakeholders continue to evolve. This can result in IT departments having to manage a heterogeneous landscape of on-premise and cloud solutions from multiple IT vendors.

SAP Business Technology Platform helps you reduce IT landscape complexity and lower total cost of ownership. In addition, SAP solutions help you address key priorities such as harmonizing and integrating data from heterogeneous, multivendor systems to provide centralized visibility. Our solutions also help you streamline master data governance, data migration, and data management.

Typical benefits experienced by SAP customers are as follows:

Up to 85%*

Increase in productivity for development teams

35%*

Faster launch of innovative projects

Up to 60%*

Faster running of data-based reports

*Source: SAP Performance Benchmarking

Are you ready?



- How scalable are our current IT systems to enable organic and inorganic growth?
- Do we have the right IT platforms to enable changing or new business models?
- Are there steps we can take to provide centralized visibility across heterogeneous, multivendor systems?
- Can we support the future strategic objectives of business stakeholders with our current IT skills and capabilities?

Growing Revenue with Effective Sales and Marketing



The ability to drive top-line growth and increase profits is a key determinant of whether shareholder value will appreciate over time. While marketable products and a history of strong sales are a good starting point, having ready access to information to identify new opportunities and drive smart decision-making is essential.

Sales and marketing management solutions from SAP provide the insights your growing sales and marketing teams need to efficiently target and engage with potential customers. Meanwhile, comprehensive support for creating timely, accurate quotations helps employees stay productive, reducing lead-to-quote times.

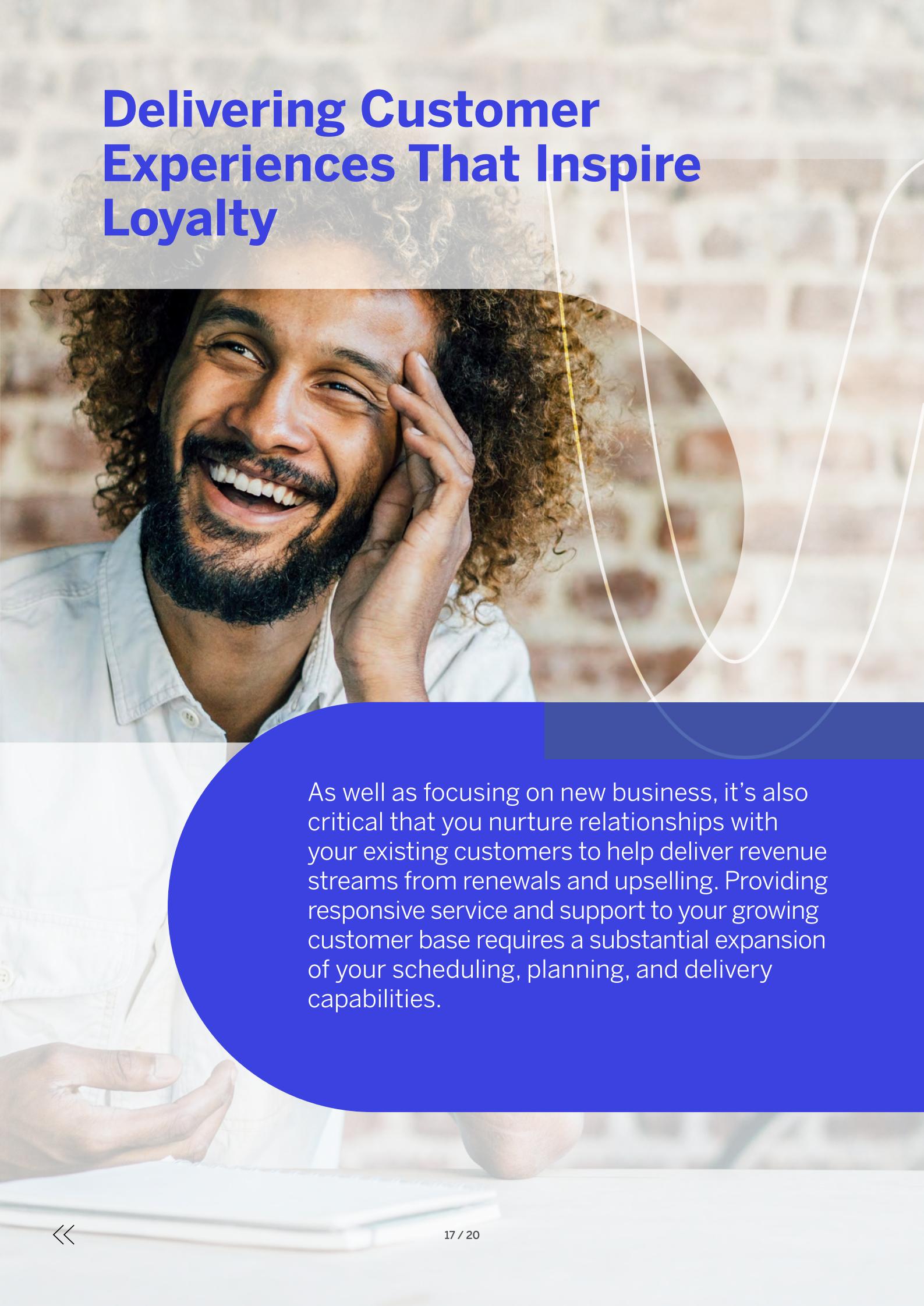


Are **you** ready?



- Do you have a system in place to capture information about current and future market opportunities, or is this information fragmented across the sales force?
- Does sales leadership have the information to be able to identify areas of the highest potential and drive activity and outcomes in these areas?
- Are you able to forecast your needs in time to acquire, train, and deploy sales talent quickly?
- What are you doing to capitalize on the momentum and publicity that an IPO will bring to you to drive new sales?
- Do you have a deep understanding of your immediately addressable target market, as well as potential market adjacencies and profit pools?

Delivering Customer Experiences That Inspire Loyalty



As well as focusing on new business, it's also critical that you nurture relationships with your existing customers to help deliver revenue streams from renewals and upselling. Providing responsive service and support to your growing customer base requires a substantial expansion of your scheduling, planning, and delivery capabilities.

With service management solutions from SAP, you can support end-to-end customer service processes, providing service agents with ready access to the information they need to answer customer queries quickly and efficiently. As a result, you can enhance your brand reputation, increase retention rates, and reduce support-related operating expenditure.



Are **you** ready?



- How can you enable your customer service representatives to increase upselling and renewal rates?
- What are the key factors that customers care about most when contacting your customer service department?
- How can you streamline and digitalize customer service interactions to reduce overall customer support costs?

How SAP Can Help

Exclusively for hypergrowth companies, the GROW with SAP for scaleups program is designed to help you accelerate your business in the most sustainable way possible. The program is based on providing consolidated systems and a strong technology foundation to support rapid growth into new markets.

As shown in Figure 2, the program consists of two pillars.



Figure 2: Key Offerings Available Through GROW with SAP for Scaleups

Learn More

For further information on how the GROW with SAP for scaleups program can help you thrive as your business expands, contact your SAP partner.

Powering tomorrow, today



