



Project Study: A Comprehensive Analysis of Management accounting approach within the context of Subscription Business Models

About SAP

SAP SE, a global leader in the field of enterprise software solutions, specializes in providing sophisticated Enterprise Resource Planning (ERP) systems. With a presence in over 180 countries, SAP ERP systems assist businesses in streamlining their diverse operational processes, from finance and HR to supply chain and sales. The SAP ERP system is distinguished by its ability to integrate different business functions into a single realm, enabling organizations to operate with improved efficiency and process standardization. This system's capability to coalesce information management across various business functions makes it a preferred choice for businesses of all scales and scopes.

SAP's emphasis on process integration and optimization not only simplifies day-to-day business operations but also provides strategic insights to support decision-making and foster growth. As such, SAP continues to be at the forefront of facilitating businesses in navigating their processes towards operational efficiency. .

Introduction

The evolving landscape of subscription-based economies (going beyond classic industries like telco and utilities into any other industry) is at the forefront of new-age business strategies. This leads to a new way of setting up sales agreements, in the form of subscriptions. While a lot of experiences and best practices are available when it comes to the lead-to-cash process, the same cannot be said when it comes to understand related costs and, consequently, the build-up of margins. The implications subscription models have on accounting and controlling functions remain largely unexplored. Recognizing this gap and the potential for significant economic implications, our research aims to delve into a study of the inherent dynamics, challenges, and opportunities in the management accounting approach for subscription businesses.

Objectives

1. Elucidate the unique characteristics of subscription business models, especially with regards to the dimensions of costing, financial planning, and profitability reporting. Identify the inherent challenges and opportunities associated with these aspects within the subscription context.
2. Evaluate the applicability and effectiveness of traditional and contemporary accounting principles and financial controlling techniques given the distinctive nature of costing and financial planning . A particular interest lies in the aspects of revenue recognition, variable and operational costing (and the trade-off between direct and indirect costing), forecasting & predictions as well as balance sheet management.
3. Analyze the transformation needed in the profitability reporting mechanism from a content (including the reporting/analysis dimensions) as well as process perspective . Examine potential shifts necessary in the ways firms understand, communicate, and strategize profit generation.
4. Propose an integrative framework that effectively addresses the specific requirements of accounting and controlling, inclusive of costing, financial planning, and profitability reporting for subscription businesses. This would entail suggesting modifications to current practices or introducing entirely new methods that could further provide guidance for efficient financial management such an environment.

**Your profile**

- Team of 2 to 5 students in Bachelor or Master studies enrolled in Management & Technology
- Excellent analytical and problem-solving skills
- Agile and flexible mindset with strong communication skills and German and English
- Motivated, independent, and target-oriented work approach

Your benefits

- Work independently in a project-based setting
- Receive continuous support by SAP experts
- Get first-hand relevant contacts for a career entry

Timeline

- 3 months starting from mid/end of March

Please direct your team's application (including a joint cover letter, CVs, transcripts and relevant references) to selina.hauch@tum.de.