SAP Taulia

6th Edition

CFO Perspectives: Unlocking Insights Through Conversation

Impact of Tariffs on Finance

Anders Liu-Lindberg

Co-founder, Business Partnering Institute

Eidji Braghin

Head of Cash & Working Capital Advisory, KPMG

Peter Kingma

Americas EY-Parthenon Working Capital Leader, Ernst & Young LLP

Sonja Simon

CFO Americas, SAP

Thomas Mehlkopf

CRO, Head of Treasury and Working Capital Management

Featured Executives

Summary

Interactive buttons

01 Executive Summary

Global trade dynamics are shifting faster than ever. Tariffs, associated regulatory changes, and supply chain disruptions are redefining cost structures and market strategies, and chief financial officers (CFOs) are under unprecedented pressure to balance risk, liquidity, and growth.

Unlike previous economic shocks in recent memory, today's tariff-driven environment is defined by persistent uncertainty. There is no obvious single recovery path, and so the onus is on business leaders to plan for any number of possible futures simultaneously.

This eBook explores how global trade tensions and tariffs have reshaped operating models, how CFOs and finance teams are both reacting and proactively adapting to tariffs placed on regions, countries, and industries as part of their short-, medium-, and long-term business strategies.

Drawing on perspectives from experts inside SAP and SAP Taulia, as well as insights from corporate CFOs and finance leaders, the report highlights both the challenges and the opportunities businesses face to build resilience, agility, and competitive advantages in this volatile landscape.

If disruption is to be the norm, then the ability to predict, plan, and adapt is fast becoming the key to business success.

02 Introduction

2.1 How did we get here?

CFOs are no strangers to economic shocks. The 2008 financial crisis, the Eurozone debt crisis, and COVID-19 were all global trade disruptions that tested business resilience.

This time, however, it was different. The "Liberation Day" announcement on 2 April hiked the average US tariff rate from **2.5% to 27%.** Tariffs ranging from **10% to 50%** placed on all the US's main trade partners hit global markets, and prompted swift retaliation from China, the EU, Canada, and elsewhere.

A 90-day tariff exemption expired on 9 July, adding further volatility, while 1 August 2025 became the deadline for US trading partners to finalize new trade deals.

For CFOs and finance leaders, tariffs represent another layer of complexity requiring strategic reconfiguration across pricing, sourcing, and working capital management. Tariffs have increased costs across many industries and throughout the entire supply chain. For CFOs, though, the impact goes beyond higher costs, with compliance regulations adding to the burden.

2.2 How the impact of tariffs is different from previous upheavals

Unlike past crises, today's tariff-driven environment is defined by constant unpredictability rather than a single disruption followed by stabilization. During the 2008 financial crisis, markets faced a severe liquidity shock, but recovery trajectories became clearer over time.

During the COVID-19 pandemic, supply chains collapsed, but businesses eventually adapted as production resumed. With tariffs, however, there is no clear endpoint - and because trade policies are shifting frequently, businesses are forced to plan for various recovery scenarios simultaneously.

Companies often stockpile goods to hedge against price hikes, tying up cash and creating the risk of holding obsolete or excess inventory.

In many ways, tariffs ultimately end up being a tax on the consumer, but before prices rise, businesses have to absorb the initial shock.

2.3 Supply chain complexity

Tariffs have reshaped global sourcing strategies, forcing businesses to rethink production, supplier networks, and cost structures. In 2025, an estimated 60% of US companies experienced ***logistics cost increases of 10% to 15%,*** driven primarily by tariffs. One of the biggest ripple effects of tariffs is the restructuring of global supply chains, raising consumer prices and squeezing margins.

"We're seeing many customers move, or consider moving, out of China into other Asian countries," **explains Thomas Mehlkopf, General Manager and Head of Working Capital Management & Treasury CoE, SAP.** *"This creates entirely new supplier relationships and major operational changes."*

However, shifting suppliers can come at a cost. Companies often build up extra inventory to manage transition risks, tying up significant working capital in the process.

These dynamics aren't just operational - they affect internal decision-making. Supply chain and manufacturing leaders want higher stock levels to secure supply, while treasury and finance leaders want to protect free cash flow. This can create healthy tension inside organizations that requires integrated, data-driven planning.

To navigate this effectively, companies need to recalibrate working capital strategies, by balancing short-term resilience against long-term financial health, all while operating in a volatile environment.

2.4 Global interdependence

Even though tariffs are imposed on specific countries, their effects ripple worldwide because supply chains are deeply interconnected. US tariff policies influence manufacturers in Asia, Europe, and Latin America, reshaping trade flows and investment decisions across industries.

Sectors such as automotive, aerospace, construction, and infrastructure are especially vulnerable to tariffs. Aircraft manufacturing, for example, involves thousands of unique parts, each potentially affected differently, with a high dependency on complex multi-stage production processes and imported materials.

Indeed, on SAP Taulia's platform, aerospace and defense businesses saw spend ***increase by 25.3% from 2023 to 2024,*** with spend continuing to rise during 2025 - highlighting the delicate balancing act between cash flow and supply chain disruptions some businesses face.

Additionally, 24% of auto executives reported operational disruptions due to tariffs, the highest among all industries surveyed, ***according to KPMG*** in May 2025.

"Because economies and supply chains are deeply interconnected, tariff policies in one region often have worldwide consequences. So businesses have to reconsider where they source components, and whether to relocate production facilities," **says Sonja Simon, CFO Americas, SAP.**

However, such shifts involve complex decisions: where to source parts, how to model labor costs, and whether the new setup will remain competitive long-term. As a result, companies are looking towards technology for advanced simulations and financial modelling.

The challenge for CFOs here is to balance managing regional risks with maintaining global competitiveness, while also navigating increasingly complex compliance and reporting obligations.

03 Challenges and Concerns for CFOs

CFOs face unique pressures in the current climate of uncertainty. For many the challenges are two-fold: managing operational impacts today, while setting the foundations for long-term resilience. Their role is to reorientate their business to find “the right level of working capital” in an environment where tariffs and trade policies are constantly changing.

There are broader economic issues, too. In the pharmaceutical sector, the US stance on vaccines created significant uncertainty, while in renewable energy, policy backtracking on climate change and ESG commitments has impacted many of our customers.

So, while tariffs are a big driver, they’re just one part of a broader set of pressures. Whether it’s trade policy, healthcare regulation, or climate policy, the impact on CFOs is the same: more volatility and more complexity to manage.

3.1 How prepared were CFOs for tariff upheaval?

While tariffs have long been used as trade tools, the scale, speed, and unpredictability of the 2025 tariff shock left many CFOs unprepared. Sudden cost escalations increased administrative burdens, and constant reforecasting has strained finance teams.

Unlike past economic shocks, where companies could eventually recalibrate forecasts, trade policies today are shifting constantly. Especially in publicly traded companies, it’s challenging for CFOs to provide forward-looking guidance.

As Thomas Mehlkopf says, *“It’s different. During the financial crisis or COVID-19, there was an initial shock, but eventually, companies understood the situation and adjusted their forecasts. With tariffs, the biggest challenge is unpredictability; nobody knows what will happen next. That uncertainty creates sustained pressure, which in many ways is more intense than past crises.”*

“I view tariffs as just another form of market disruption” **adds Peter Kingma, Americas EY-Parthenon Working Capital Leader, Ernst & Young LLP.** *"When these disruptions occur, businesses need flexibility and, above all, access to cash and liquidity. Clients need to learn how to navigate these challenges without derailing their operations."*

3.2 Internal pressures for CFOs

CFOs are under intense pressure internally to balance strategic priorities, and to weigh cost control against business agility, ensuring sufficient liquidity to support shifting investments while maintaining operational stability. This can lead to potential cross-functional tension.

Finance teams are expected to run sophisticated “what-if” scenario analyses across pricing, sourcing, and production strategies while managing competing priorities between departments.

In this new and unpredictable world, CFOs are also under pressure to accelerate digital transformation while managing operational disruption.

The challenge is maintaining operational flexibility while managing risk. Reconciling conflicting objectives will need integrated planning and a greater emphasis on data-driven decision-making.

3.3 External pressures for CFOs

Meanwhile, external pressures for CFOs include managing growing stakeholder expectations while navigating frequent regulatory changes.

Stakeholders from rating agencies, shareholders, bondholders, banks, and beyond are laser-focused on profit margins and liquidity. If profitability is squeezed because tariffs increase costs, it's on the CFO to find a way to offset that impact.

The pressures are high. For publicly traded companies, the demands from stakeholders are clear, forward-looking guidance, even when visibility is limited. Investors demand predictable earnings and stability, while customers expect price consistency. Meanwhile, loan covenants remain strict despite external shocks, forcing CFOs to preserve cash even when tariffs drive up costs.

Externally, companies will need to build entirely new supplier relationships as they shift supply chains. Working capital solutions, like early supplier payments, can strengthen these partnerships and make companies more attractive to suppliers.

3.4 Working Capital Management challenges

Managing working capital has become one of the biggest priorities for CFOs. Many companies are stockpiling goods ahead of tariff increases, tying up cash and lengthening conversion cycles. Finance leaders must decide whether to pass these costs to customers or absorb them internally, balancing short-term profitability with long-term competitiveness.

According to Anders Liu-Lindberg, Co-founder, Business Partnering Institute: *“This isn’t the first big disruption — we had Brexit, trade wars and then COVID-19. What’s changed is that volatility is now the normal state.”*

Because of this, cash flow management has become central. *“If you’re resource-strapped and not running a tight ship, you’re going to lose because you can’t move as fast as competitors,”* **he adds.**

According to McKinsey, successful companies maintain around 20% of their resources as liquid — meaning cash or easily redeployable assets. That flexibility enables them to respond quickly to unexpected events like tariffs.

To improve working capital management, tools such as dynamic discounting and cash-flow forecasting are crucial to enable companies to optimize receivables, payables and supplier financing.

3.5 Impact on revenues and sales

One impact of tariffs has been to reshape revenue models, forcing companies to either pass costs on to consumers or absorb them internally. Businesses with US-centric supply chains are better positioned, while import-heavy sectors face margin compression.

For many, tariffs forced tough decisions. Some companies have had to pass costs to customers, which impacts margins and brand loyalty. Others find themselves squeezed between higher costs, inflation, and interest rates.

Case Example: Denmark's Green Energy Industry

"Ørsted, one of the biggest offshore wind farm constructors, was already under pressure — but tariffs made things worse. They've had to issue new shares, effectively halving the value of existing shareholders," **says Anders Liu-Lindberg.**

"When decision-making slows, the entire value chain is impacted, and revenues tend to go down."

Many companies have responded by revisiting their business strategies; exploring more diverse markets, shifting manufacturing, renegotiating supplier contracts, and redesigning supply chains rather than just accepting this margin squeeze.

Key patterns are emerging across industries. Across all sectors, there is a clear shift toward predictive planning and digital integration to enhance agility.

Automotive: Nearshoring production closer to target markets is accelerating.

Pharmaceuticals: Regulatory uncertainty in the U.S. has delayed investment decisions.

Renewable energy: Policy backtracking on ESG commitments has increased project risks.

Consumer electronics: Companies are redesigning supply chains to reduce dependence on Chinese manufacturing.

Aerospace: Finance teams are leveraging SAP's scenario simulation tools to forecast costs and manage disruptions.

In terms of mergers and acquisitions the deal market has softened, with uncertainty around tariffs making CFOs more risk-averse, with a knock-on effect on capital investments.

04 How CFOs Have Responded to the Potential Headwinds from Tariffs

4.1 How tariffs have impacted CFOs and businesses on a day-to-day basis

There's no doubt that tariffs have had widespread operational impacts, driving up costs, increasing compliance demands, and forcing supplier shifts. Companies are relocating manufacturing, redesigning pricing strategies, and investing in digital tools to remain competitive. For finance teams, the need to find real-time insights to respond quickly to market volatility has become more urgent than ever.

"At first, nobody thought tariffs would become a big deal, much like we initially thought COVID-19 was 'something happening somewhere in China'," **says Anders Liu-Lindberg.**

"But as we learned more, companies realized, okay, this could hit parts of our business. Then suddenly, things escalated, and we had to figure out how to manage day-to-day operations while the broader landscape was changing rapidly."

Initially, decision-making slowed significantly, and there was a period where companies froze decisions, waiting to understand the new environment. Many adopted a **"wait and see"** approach, although delaying investments can make it harder to model future performance. This uncertainty also affects consumers, as companies must decide how much of the additional tariff-driven cost they can pass on without losing competitiveness.

Ultimately, businesses needed to start making decisions again, and the uncertainty eased somewhat once trade negotiations began and tariff deals were struck.

"Once the deals became formalized, there was at least less uncertainty, and companies could start operating 'as if everything is normal' again," **Liu-Lindberg adds.**

Case Study: SAP Taulia enabling supply chain resilience

A leading German pharmaceutical company faced significant challenges managing working capital across its complex global supply chain. With operations in APAC, EMEA, and North America, the company struggled with inconsistent payment terms, supplier liquidity pressures, and tariff-driven cost uncertainties.

To address these issues, they adopted SAP Taulia's global supply chain finance (SCF) platform, integrated with SAP S/4HANA. The solution provided real-time KPI visibility, flexible supplier financing options, and standardized payment terms, which helped suppliers better manage cash flow and absorb tariff-related disruptions.

Since launching the program in December 2021, the results have been startling:

- **600+ suppliers enrolled**
- **$2.47 billion invoices processed**
- **15-day acceleration in average payment terms**

By deploying SAP Taulia, this pharmaceutical giant transformed its supply chain financing strategy, creating a resilient, flexible, and data-driven network capable of withstanding global trade volatility and tariff uncertainties.

4.2 Key management strategies

For CFOs, the impact goes beyond higher costs. *"CFOs must ensure the company complies with all tariff regulations, which adds significant administrative burdens around reporting and compliance. Finance executives, of course, are concerned as it increases administration effort in times where productivity is key,"* **says Thomas Mehlkopf.**

What makes the current environment uniquely challenging is regulatory uncertainty. Unlike past economic shocks, where companies could eventually recalibrate forecasts, trade policies today are shifting constantly. Especially in publicly traded companies, CFOs are expected to provide forward-looking guidance. That's a difficult thing to do when no one truly knows what will happen next.

Consequently, CFOs are employing several approaches to manage disruption effectively. Scenario modeling has become critical, allowing finance teams to test pricing, sourcing, and production strategies under multiple tariff outcomes.

Moreover, dynamic pricing and margin controls enable businesses to evaluate how much cost can be absorbed internally versus passed on to customers. As mentioned earlier, many businesses are rewiring supply chains through nearshoring, diversification and supplier renegotiations.

Digitization underpins many of these strategies, and data-driven agility is no longer an option; it's become a necessity.

"The new normal is volatility. In today's office of the CFO, stability is no longer the goal – agility is," **notes Eidji Braghin, Head of Cash & Working Capital Advisory, KPMG.**

"The modern CFO has evolved from financial record-keeper to a strategic, operational, and digital leader – building the operational and financial infrastructure agile enough to thrive through constant disruption."

The ability to plan for multiple scenarios, prepare for shocks and maintain supplier liquidity is what will separate successful companies from the rest.

Organizations that adapted to the challenge early, using platforms like SAP, have benefited by being more resilient and more liquid, with better visibility into their data - which in turn enables faster decisions on pricing, sourcing and supplier negotiations.

4.3 The relationships between finance and other teams

One unintended impact may have been to break up internal silos. Tariffs have intensified collaboration across finance, procurement, and operations, with procurement leaders pushing for larger inventory buffers while finance teams prioritize cash preservation.

To align their key objectives, many CFOs have introduced integrated planning and real-time reporting. Furthermore, many finance leaders have sometimes adopted a more directive role, but with transparent communication channels to maintain trust.

"In an ideal world, finance and treasury partner with other stakeholders. You don't just tell people what to do - you collaborate and build trust. But during crises, that changes," **says Anders Liu-Lindberg.**

When businesses face existential risks, they often switch into 'telling' mode out of survival instinct. Nobody likes being told what to do, especially senior stakeholders, but sometimes it's necessary. The challenge going forward is managing long-term relationships:

"We can't stay in that command-and-control mode for too long. Otherwise, when things calm down, business units may refuse to engage with treasury again. That's where communication is critical - explaining the 'why' behind decisions helps preserve collaboration," **Liu-Lindberg adds.**

4.4 Digital transformation

The tariff crisis has accelerated the digitization of finance. Companies are modernizing technology stacks, adopting AI-driven analytics and using predictive insights for better working capital control.

As Eidji Braghin of KPMG noted, *"Over the last six to twelve months, we've shifted from relying on process tweaks to deploying entirely new technology platforms capable of handling complex, fragmented data environments."*

"In a slower deal environment, private equity firms are balancing their focus across acquisitions and operational excellence. Many are taking the time to modernize their technology infrastructure and implementing digital platforms powered by AI across their portfolio companies to enhance decision-making, agilit,y and scalability."

Market disruptions expose inefficiencies and highlight the need for better tools and systems.

"In the 'gravy days,' companies often overlook inefficient processes," **Peter Kingma says,** *"When markets tighten, suddenly production planning, material tracking, and cash forecasting tools become critical."*

Many companies already have powerful tools at their disposal — like SAP's planning and inventory systems — but underuse them until disruptions force them to leverage their full capabilities.

As Eidji Braghin says, *"AI has gone from being a buzzword to a core planning and control mechanism. It's now doing 80% of the heavy lifting, while CFOs focus on the strategic 20%."*

Scenario planning has become essential as CFO adapt to tariff strategies, and digital transformation spending has increased as CFOs invest in predictive analytics and real-time finance tools that can simulate multiple outcomes in minutes.

"This is where AI should play a major role. Companies need more advanced planning mechanisms to manage cost control, cash flow forecasting, and strategic agility - bringing all of that together," **says Thomas Mehlkopf.**

05 Sector and Business Spotlights

5.1 Impact by sector and industry

According to KPMG's Eidji Braghin, industries with complex global supply chains are feeling disruption the most, for example manufacturing, automotive, tech hardware, agriculture and consumer goods.

CFOs in these sectors have had to pivot from traditional annual planning to rolling forecasts, rapid scenario modeling, and real-time decision-making powered by platforms like SAP and Taulia.

"The companies thriving today are the ones embedding data, predictive analytics, and cross-functional coordination into their operations - breaking silos to make faster, smarter decisions in an unpredictable environment," **Braghin adds.**

Shifting trade patterns have already created a global realignment. [***McKinsey's 2025 Global Trade update***]() found that the average geopolitical distance of trade fell by **7% between 2017 and 2024,** indicating that economies are trading more with politically aligned partners.

Our data, from the SAP Network, confirms the impact of tariffs on procurement costs. Comparing accelerated spend from 2024 to 2025, we can see that 18 companies operating in Consumer Goods, Information Technology, Energy, and Communication Services have posted increases of **more than 100%.**

It is worth pointing out that while we believe the majority can be attributed to price increases and is directionally correct, the numbers also include volume increases.

These increases, however, do suggest that these sectors are absorbing the highest tariff-related costs or expanding procurement aggressively, possibly due to supply chain shifts, inflationary pressures, or strategic stockpiling.

"While all sectors have been affected, those heavily dependent on Asian supply chains have been hit the hardest. Industries tied to manufacturing, electronics, and imported materials face greater cost pressures and inventory risks than others," **says Peter Kingma, EY.**

Uncertainty, however, extends far beyond one industry or one country. *"The effects are global because supply chains are global. No sector is completely insulated,"* **he adds.**

Average Geopolitical distance of trade fell by

7%
between
2017 and 2024

18 companies operating in

Consumer Goods, Information Technology, Energy, and Communication Services have posted increases of

more than
100%

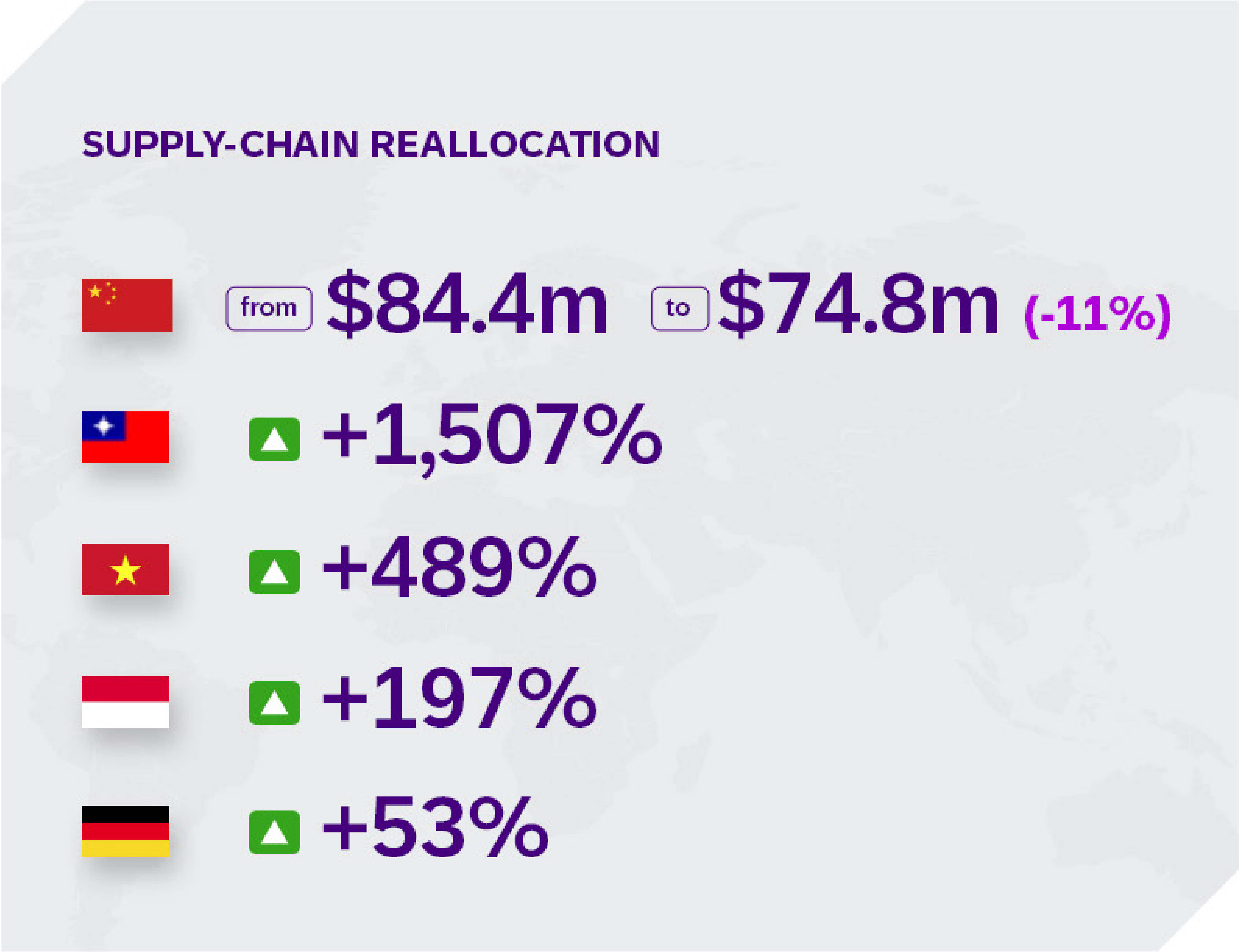
5.2 Statistical trends

Network data from SAP and Taulia shows significant shifts in financing volumes between 2024 and 2025, particularly across sectors like consumer discretionary, technology, energy, and industrials. These insights allow CFOs to identify vulnerable areas, rebalance capital, and make faster decisions.

Tariffs have driven significant shifts in global spend, forcing CFOs to and sales teams to adapt pricing strategies. Over the past year, SAP Taulia data highlights a mixed picture of supply-chain reallocation across APAC. China saw a drop **from $84.4m to $74.8m (–11%),** which suggests that supply chains have shifted away, given high tariffs.

However, strong alternative sourcing hubs are emerging. **Taiwan (+1,507%), Vietnam (+489%), and Indonesia (+197%)** stand out as the biggest winners, which aligns with the narrative that tariff and trade pressure encouraged companies to diversify into alternative APAC countries. Taiwan has moved up to the fifth largest spend behind the US, Germany, UK and France, which is an indication of tariff-induced sourcing realignments.

Meanwhile, within Europe, early payments in Germany **increased by 53%,** possibly helped by Germany's significant fiscal stimulus earlier in the year, which initially boosted investor confidence and drove inflows into European equities to counteract the impact of tariffs.



5.3 Unlocking opportunities for businesses

While the current climate presents significant challenges, it has also created opportunities for businesses ready to innovate. It gives them a chance to think about modernizing data infrastructure, renegotiate stale supplier contracts, diversifying sourcing, and accelerating digital transformation.

"This is where our technology alliances – including SAP and Taulia – have been instrumental. These platforms provide CFOs with real-time visibility into cash positions, stronger working capital controls, and access to finance solutions. The result: greater agility to safeguard both margin and liquidity," **notes Eidji Braghin.**

Of course, there are some conditions CFOs cannot 'control', such as tariffs, geopolitics, and broader economic uncertainty. Therefore, the key for businesses is to look at what they can control.

Some businesses are looking to 'rewire' their supply chains to reduce exposure. For example, where tariffs make importing from certain regions, such as China, more expensive, firms are exploring onshoring or sourcing from alternative markets.

In some cases, there's an acceptance that tariffs are here to stay. **As one of our clients told us,** *"There's a sense of inevitability. It's better to act early than to wait and get caught."*

In some cases, firms wouldn't have considered new trading partners without the push from tariffs. While disruptive, it's forcing them to rethink strategy and diversify relationships.

According to Thomas Mehlkopf, the biggest opportunity is in accelerating digitalization and AI adoption.

"Companies need better tools for productivity, scenario planning, and integrated decision-making," **he says.**

"Tariffs affect everything - production plans, sales plans, financial plans. You can't update them independently because they're deeply connected. SAP helps link these plans together so companies can analyze the impacts holistically."

That's where SAP Taulia's working capital solutions can support investment strategies. If a company needs to build a new plant, it can free up cash, and if suppliers are competing for new partnerships, dynamic discounting and supply chain financing make a business more attractive to work with. This creates a competitive advantage in securing

06 SAP's Role in Providing Solutions

6.1 Helping customers stay compliant, adaptable, and competitive

The cumulative impact of tariffs, trade policy volatility, and supply chain disruptions has forced CFOs to adopt faster, smarter decision-making tools. SAP and Taulia offer several integrated tools designed to help businesses model “what if” scenarios, unlock working capital, and respond more flexibly to disruption.

With SAP Taulia’s integration into SAP, there is a focus on CFOs, CPOs, and finance teams. This enables us to provide real-time insights, predictive modeling, and faster decision-making for financial leaders at the center of tariff strategy.

The SAP Business Data Cloud, layered with AI, enables scenario analyses that integrate production, sales, and financial forecasts into one holistic view. SAP Ariba, with its supply chain data, accelerates supplier diversification, while integration with SAP S/4HANA ERP and SAP Taulia provides real-time insights, margin analysis, and enhanced cash flow management.

Meanwhile, SAP’s Global Trade Services automates compliance checks and simulates trade impacts, while the SAP Business Network helps strengthen collaboration between buyers and suppliers. Combined with SAP Taulia’s working capital solutions, businesses gain more flexibility and control. These solutions work together, enabling customers to gain forward-looking insights and make more informed decisions.

Case Study: Fortune 500 Oil & Gas Company

This company migrated its dynamic discounting program to SAP Taulia. At first, it streamlined its global ERP landscape by consolidating ten systems into two SAP S/4HANA environments. This transition prompted a reassessment of their legacy discounting program. Despite decent performance, the firm opted for SAP Taulia due to its seamless SAP integration and stronger potential for value capture. Results (within 2 months):

- **+83% growth on annualized discount run rate**
- **4x increase in supplier participation, strengthening DE&I initiatives**
- **97% of discounts captured through automated early payment**
- **+11% average APR achieved via individually negotiated discount rates**

Improved liquidity and working capital flexibility enabled the company to absorb tariff-related cost pressures. Meanwhile, the broader supplier engagement reduced risk of supply chain disruption, while the enhanced profitability created a financial buffer against external market uncertainty.

6.2 How SAP and SAP Taulia have helped businesses

SAP and SAP Taulia support companies in optimizing working capital, modelling alternative sourcing strategies, and improving cash flow visibility. While SAP helps them see the problem. SAP Taulia helps them fix it — giving CFOs the tools to unlock liquidity, improve profitability, and manage risk proactively. Over the past three years, a major aerospace manufacturer integrated their enterprise resource planning (ERP) to provide access to 99.6% of their supplier base.

KPMG's Eidji Braghin says: *"Their solutions provide the agility CFOs need to adapt quickly while maintaining trust with suppliers and customers. Their business network suite, in particular, has been an important enabler, giving organizations tools that traditional banking simply can't match."*

Case study: Aerospace sector

- With 6,000+ unique aircraft components, one manufacturer used SAP's scenario modeling tools to evaluate alternative sourcing strategies.
- By simulating cost impacts, the finance team was able to optimize production planning and avoid delays caused by tariff spikes.

SAP acts as a strategic partner, not just a platform provider, working closely with CFOs to anticipate disruptions and mitigate risks, and to navigate tariff uncertainty with the agility to respond quickly.

6.3 The increasing role of AI

Lately, we've seen a shift from clients using process improvements to building new technology platforms capable of handling complex data environments and faster predictive insights. For instance, many private equity firms are investing heavily in upgrading their tech stacks to operate at the speed they need to increase deal volumes.

Elsewhere, artificial intelligence is central to SAP's roadmap. Through tools like Joule, our AI assistant, CFOs can ask natural-language questions like *"How much cash will we have in three months?"*. Joule not only predicts answers but also recommends specific actions, such as triggering dynamic discounting or activating supply chain financing.

According to SAP's ***AI adoption in 2024 insights*** survey, **only 32% of companies currently use AI in finance functions.** This is a clear signal that planning and working capital management are ripe for transformation.

Companies need more advanced planning mechanisms to bring together how they manage cost control, cash flow visibility, and strategic agility. AI-powered forecasting tools can simulate multiple potential futures, enabling CFOs to make real-time decisions, accelerating adaptation in volatile environments. By integrating agentic AI capabilities, we can enable CFOs to run complex tariff simulations in minutes rather than weeks.

07 What Comes Next

7.1 Lessons learned

The tariff crisis has taught businesses to embed a cash-conscious culture, master scenario planning, and track real-time sensitivities. With tools like SAP and SAP Taulia, companies can unlock additional liquidity, model dozens of scenarios instantly, and respond dynamically to evolving conditions.

“Unlocking cash is only part of the story. The real advantage comes when every function – from Commercial and Tax, to Operations and Finance – embeds cash awareness into decision-making. Leading organizations recognize that cash isn’t just a finance metric; it’s a shared enterprise responsibility," **says Eidji Braghin.**

Digital tools are ready, but adoption remains a challenge. Employees in traditional sectors often resist change, fearing automation. CFOs must lead cultural transformation, investing in training and demonstrating how digital platforms enhance efficiency rather than replace roles.

“Any company that responds faster and smarter than its competitors will come out ahead. Readiness, visibility, and agility are the key differentiators. You can’t build a business on luck — you have to build it on the ability to act quickly when things change,” **says Anders Liu-Lindberg.**

7.2 Change management

While technology adoption has accelerated, the bigger challenge for many businesses is less about tools than about cultural and organizational change. CFOs and leaders need to consider the balance between adoption and technology as many businesses struggle with process and mindset shifts. Some teams fear that automation and AI will replace roles, particularly in manufacturing, procurement, and finance.

So it's important to invest in upskilling and training, to create a more agile environment to focus on strategic scenario planning and digital tools rather than manual reporting.

As Eidji Braghin says, *"While technology companies often lead in digital adoption, more traditional industries are catching up. The turning point comes when employees understand that technology isn't about disruption – it's about empowerment and efficiency. From that moment, adoption tends to accelerate exponentially."*

Ultimately, businesses must embrace the "digital-first" mindset: technology and data-driven agility are no longer optional for competitiveness.

7.3 Business resilience and agility for long-term growth

Thriving amid disruption is one of the biggest challenges for any business. For CFOs, the priority is to plan for multiple futures simultaneously. By integrating data into flexible planning networks, CFOs can act faster, protect margins, and strengthen their competitive advantage.

As tariffs continue to reshape trade dynamics, we believe the next step is for CFOs to focus on building organizational agility and digital-first capabilities. The next phase is less about surviving disruption and more about preparing for a "new normal" defined by constant change.

To navigate volatility effectively, businesses should take a dual-track approach for short- and long-term strategies.

For example, in the short term:

- Enhance agility with data-driven strategies and real-time financial forecasting
- Adopt AI-powered scenario planning to respond rapidly to changing conditions
- Use working capital solutions to maintain liquidity during supply chain transitions
- Strengthen supplier relationships for priority access and pricing advantages

In the long term:

- Digitize core processes across finance, supply chain, and compliance
- Integrate planning across functions to ensure a single source of truth
- Use flexible financing tools such as dynamic discounting and supply chain financing
- Upskill finance teams to focus on strategic analysis, scenario planning and digital tools

Ultimately, the only certainty in business is uncertainty. The nimbler and more resilient an organization is, the better it is likely to weather any storm.

SAP and Taulia empower CFOs with real-time insights, predictive analytics and liquidity solutions that enable organizations not just to manage volatility, but to capitalize on it.

08 Closing Thoughts

In a world defined by tariffs, volatility, and disruption, CFOs are the driving force behind successfully navigating business resilience and growth.

It's time for businesses to get their house in order, build the right foundations for growth, and embrace the tools and strategies that enable resilience at scale.

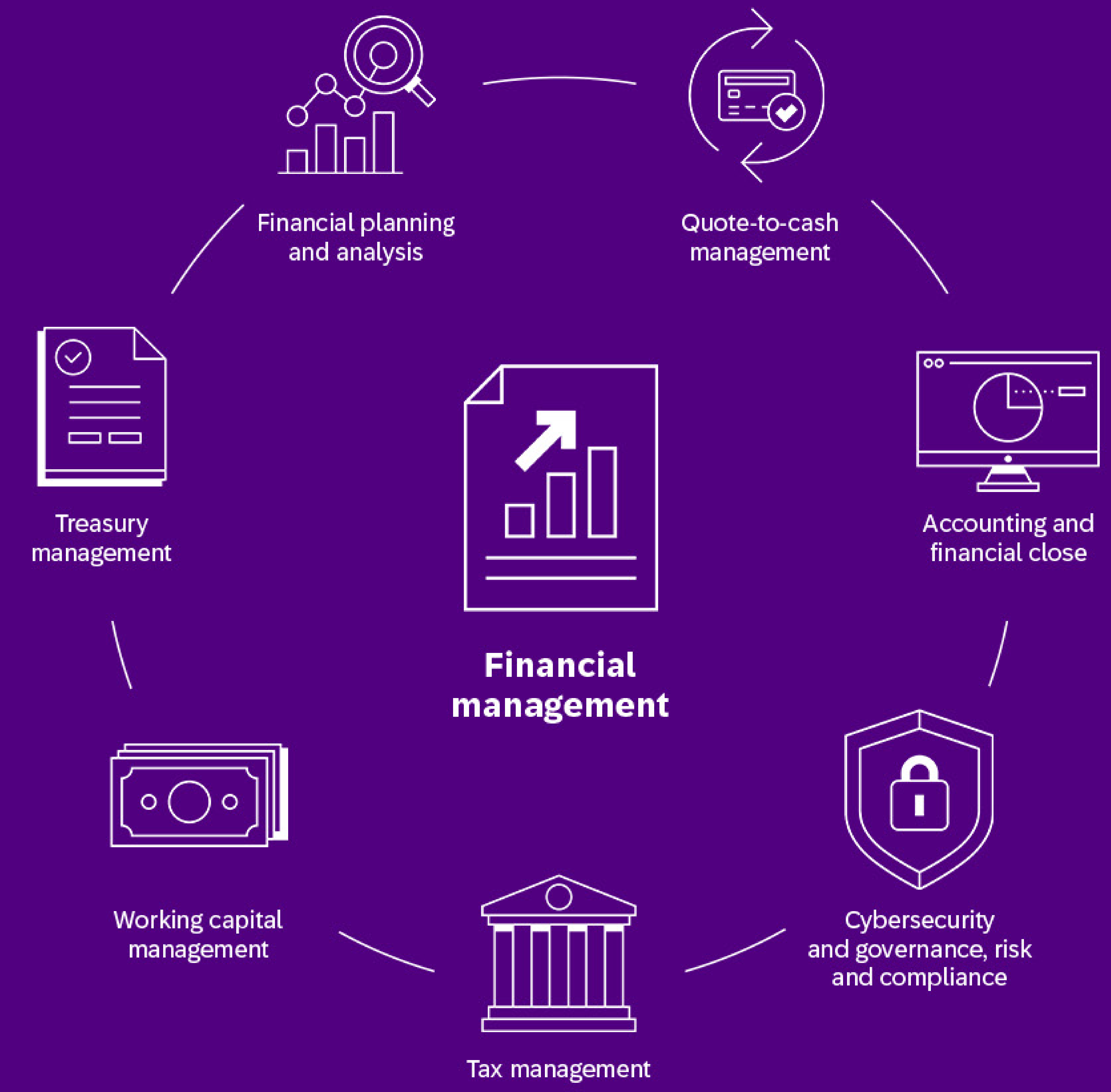
The companies that thrive will be those that adapt fastest, embedding digital transformation, AI-driven forecasting, and supplier ecosystem resilience into their operations. With SAP and SAP Taulia as strategic partners, CFOs are equipped to turn uncertainty into a competitive advantage.

Appendix | SAP financial management solutions in a snapshot

Unlock the potential of your finances to deliver new business models, optimize working capital, increase efficiency, and reduce risk – all while creating positive social and environmental impact.

Explore SAP Solutions for Financial Management:

CLICK HERE



SAP Taulia

Discover the full potential of SAP Taulia.

taulia.com