

NextTech Q1 2025 Business Process Performance Report

1. Order-to-Cash (O2C) Performance

Q1 2025 Highlights & Challenges

Performance Summary

NextTech's O2C process achieved **€1.52B in processed orders** (98% of target), with **92% touchless order processing** (up from 85% in Q4 2024). Key metrics:

- **On-Time Delivery (OTD):** 97.3% (▲ 1.2pp YoY)
- **Days Sales Outstanding (DSO):** 41 days (▼ 3 days YoY)
- **Invoice Accuracy:** 98.7% (▼ 0.3pp QoQ due to SAP BRIM migration)

Key Successes

- **AI Credit Scoring:** Reduced manual credit checks by 45%, accelerating order approvals for SME customers.
- **IoT-Auto Invoicing:** 62% of digital twin SaaS invoices generated without human intervention.

Improvement Areas

- **Dispute Resolution Time:** Increased to 5.1 days (from 4.3 in Q4) due to VAT rule changes in France.
- Pilot project in Order Automation showed 20 % less turnover then expected because of late deployment
- **Action:** Deploy AI dispute classifier in Q2.

2. Procure-to-Pay (P2P) Performance

Q1 2025 Highlights & Challenges

Performance Summary

P2P processed **€287M in spend** at **4.9% logistics cost/revenue** (meeting target). Critical metrics:

- **First-Pass Invoice Match Rate:** 88% (▲ 5pp YoY)
- **Supplier Satisfaction:** 94% (NPS score)
- **Early Payment Discounts Captured:** €1.2M (▼ €0.3M QoQ)

Key Successes

- **Dynamic Discounting Platform:** Generated €750K in savings via automated supplier liquidity matching.
- **Hazardous Materials Automation:** Reduced compliance incidents by 60% with AI-powered SDS checks.

Improvement Areas

- **Tail Spend Management:** 23% of orders below €5K lacked preferred supplier terms.
- **Action:** Launch catalog-based buying for indirect spend in Q2.

3. Record-to-Report (R2R) Performance

Q1 2025 Highlights & Challenges

Performance Summary

Closed Q1 books in **4.2 days** (▼ 0.8 days YoY), with:

- **Report Accuracy:** 99.1% (▲ 0.4pp YoY)
- **Audit Findings:** 1 minor (▼ 3 YoY)
- **Tax Filing Penalties:** €0 (3rd consecutive quarter)

Key Successes

- **AI Accruals Engine:** Predicted warranty costs within 2% variance.
- **Blockchain Trial:** Immutable journal entries for 20% of transactions.

Improvement Areas

- **Intercompany Reconciliation:** 12% of entries required manual adjustment (vs. 8% target).
- **Action:** Expand SAP S/4HANA's group reporting module in Q2.

4. Hire-to-Retire (H2R) Performance

Q1 2025 Highlights & Challenges

Performance Summary

- **Time-to-Hire:** 33 days (▲ 5 days YoY due to engineering talent shortage)
- **Retention Rate:** 86% (▼ 2pp QoQ)

- **Training Hours/Employee:** 38 (▲ 12 YoY)

Key Successes

- **Skills-Based Hiring:** 72% of new roles filled via competency assessments vs. degrees.
- **Neurodiversity Program:** Hired 15% of Q1 tech roles from autism talent pools.

Improvement Areas

- **Leadership Pipeline:** Only 65% of critical roles have identified successors (vs. 80% target).
- **Action:** Launch accelerated leadership program in Q2.

5. IT Management Performance

Q1 2025 Highlights & Challenges

Performance Summary

- **Critical System Uptime:** 99.97% (▲ 0.02pp YoY)
- **Mean Time to Resolve (MTTR):** 1.9 hours (▼ 0.4 YoY)
- **Cloud Cost Optimization:** Saved €420K via Azure auto-scaling.

Key Successes

- **AI Ops Implementation:** Predicted and prevented 78% of incidents.
- **Quantum Readiness:** Completed lattice-based encryption pilot.

Improvement Areas

- **Legacy Tech Debt:** 22% of manufacturing sites still on Windows Server 2012.
- **Action:** Prioritize migration in H2 2025 budget.

6. Marketing Performance

Q1 2025 Highlights & Challenges

Performance Summary

- **Marketing-Sourced Pipeline:** €2.1B (112% of target)
- **Cost per Lead:** €205 (▼ €15 QoQ)
- **Brand Awareness:** 85% (▲ 2pp YoY)

Key Successes

- **ABM for Top 50 Accounts:** Generated 38% of qualified opportunities.
- **Digital Twin Webinars:** 62% attendee-to-MQL conversion rate.

Improvement Areas

- **Content Localization:** Only 55% of materials available in German/French.
- **Action:** Double regional content budget in Q2.

7. Logistics Performance

Q1 2025 Highlights & Challenges

Performance Summary

- **OTIF Delivery:** 98.1% (▼0.4pp QoQ due to Red Sea disruptions)
- **Inventory Accuracy:** 99.4% (▲0.1pp YoY)
- **CO2/ Shipment:** 8.1kg (▼0.2kg YoY)

Key Successes

- **Autonomous Yard Management:** Reduced truck wait times by 35%.
- **Circular Packaging:** 68% adoption rate.

Improvement Areas

- **Air Freight Costs:** Increased 18% YoY for emergency repairs.
- **Action:** Expand regional spare parts hubs in Q2.

8. Customer Service Performance

Q1 2025 Highlights & Challenges

Performance Summary

- **First-Contact Resolution:** 84% (▲3pp YoY)
- **CSAT:** 92% (▼1pp QoQ)
- **Predictive Maintenance Alerts:** 58% adoption by customers.

Key Successes

- **AR Knowledge Base:** Reduced tier-1 support cases by 27%.
- **Sentiment Analysis:** Flagged 12 churn risks early.

Improvement Areas

- **SaaS Onboarding:** 22% of customers required follow-up training.
- **Action:** Launch AI-powered digital twin tutorials in Q2.

Strategic Recommendations for Q2 2025

1. **Prioritize AI Dispute Resolution** (O2C) to address VAT complexity.
2. **Expand Circular Logistics** to achieve 80% reusable packaging by EOY.
3. **Accelerate Cloud Migration** to reduce tech debt risks.