

Profitability Analysis (CO-PA)



ADDON.IDESCO PA

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Icons

| Icon | Meaning |
|---|----------------|
|  | Caution |
|  | Example |
|  | Note |
|  | Recommendation |
|  | Syntax |

Typographic Conventions

| Type Style | Description |
|---------------------|--|
| <i>Example text</i> | Words or characters that appear on the screen. These include field names, screen titles, pushbuttons as well as menu names, paths and options. Cross-references to other documentation |
| Example text | Emphasized words or phrases in body text, titles of graphics and tables |
| EXAMPLE TEXT | Names of elements in the system. These include report names, program names, transaction codes, table names, and individual key words of a programming language, when surrounded by body text, for example, SELECT and INCLUDE. |
| Example text | Screen output. This includes file and directory names and their paths, messages, names of variables and parameters, source code as well as names of installation, upgrade and database tools. |
| Example text | Exact user entry. These are words or characters that you enter in the system exactly as they appear in the documentation. |
| <Example text> | Variable user entry. Pointed brackets indicate that you replace these words and characters with appropriate entries. |
| EXAMPLE TEXT | Keys on the keyboard, for example, function keys (such as F2) or the ENTER key |

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Profitability Analysis (CO-PA)

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Basic Structures of the Operating Concerns in IDES

Purpose

The following section explains the basic structures of the operating concerns IDEA and R300 (Retail), both of which are delivered in the IDES System, and describes the activities for setting up Profitability Analysis.

Given that Profitability Analysis is modeled by the customer, the delivered operating concerns serve as an example containing the typical analysis levels (characteristics) and value fields. Hence, before having process chains, planning layouts and reports displayed in Profitability Analysis, you should familiarize yourself with the structures and the structure of these operating concerns.

You can find more information about this process under [i](#) [Page 14].

Process Flow

You can find the data for this process under [?](#) [Page 15].

1. [Assignments of the Operating Concern \[Page 16\]](#)
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Additional Process Information

Additional Process Information

The operating concern represents the highest level at which CO-PA reporting can take place. An operating concern can have one or several controlling areas assigned to it. Many companies define just one operating concern to be able to link all market segments with one another and to evaluate them. It is possible to set up a single operating concern if all controlling areas and company codes in your company use the same fiscal year variant.

Characteristics represent the dimensions to be analyzed in CO-PA. They define which objects can be evaluated in the information system. Alongside the fixed characteristics that are present automatically in every operating concern, you can define up to another 50 characteristics. As a rule, you should be able to cover the specific requirements with 10 to 20 characteristics in Profitability Analysis.

In costing-based CO-PA, values and quantities are stored in value fields. In general, value fields represent sales-related figures such as revenues, sales deductions and costs. In contrast to characteristics, there are no fixed value fields that are contained in every operating concern. As a rule, between 20 and 60 value fields are required for an operating concern. However, you can create a maximum of 120 value fields per operating concern.

In costing-based CO-PA, all values and quantities are stored in base key figures according to the revenue and cost elements. This type of Profitability Analysis enables you to reconcile cost and financial accounting using accounts.

In IDES, account-based CO-PA is set up in the system but the processes are limited to the costing-based form. This means that the account-based process is not explained at length.

Data Used During This Process

| Field | Data: | Description |
|--------------------------------|---------------------------------|-------------|
| Operating Concern | IDEA | IDES Global |
| Operating Concern | R300 | IDES Retail |
| Type of Profitability Analysis | Costing-based and account-based | |
| Characteristics | All | |
| Value Fields | All | |

Operating Concern Assignments

Operating Concern Assignments

Use

Most of the work performed in IDES uses the operating concern IDEA. This means that results from around the world can be pooled and then analyzed using a variety of criteria.

Procedure

You can use the following steps to view the assignments in the organizational structures in the system.

1. To view how controlling areas are assigned to operating concerns, call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Tools → AcceleratedSAP → Customizing → Edit Project</i> |
| Transaction Code | SPRO |

2. Choose  SAP Reference IMG.

3. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Enterprise structure → Assignment → Controlling →  Assign controlling area to operating concern</i> |
| Transaction Code | KEKK |

You then see that the controlling areas 1000 – 6000 are assigned to the operating concern IDEA.

4. Choose .
5. To view how company codes are assigned to controlling areas, call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Enterprise structure → Assignment → Controlling →  Assign company code to controlling area</i> |
| Transaction Code | OX19 |



If you select the controlling areas 1000 - 6000 individually in the *Change View "Basic data": Overview* screen and then double-click *Assignment of company codes*, a list appears containing the company codes that are assigned to the controlling area you selected.

6. To return to the *Customizing: Edit Project* screen, choose .

Displaying Characteristics in an Operating Concern

Use

Characteristics are the criteria according to which you can analyze your operating results and create plan data. They are divided up into the following categories:

Standard Characteristics in the R/3 System

a) Fixed characteristics

Automatically predefined objects of analysis present in every operating concern. The product number and company code, for example, fall into this category.

b) Proposed characteristics

Proposed characteristics are available as further options, such as industry and customer group. Although these characteristics do not need to be defined, you do have to transfer them explicitly to the operating concern for them to appear there.

User-Defined Characteristics

c) Characteristics referenced to SAP tables

You can define your operating concerns by using characteristics that already exist in other applications. For example, you can select fields from the tables for customer master records, material master records, and sales documents. In most cases, it is not necessary to define derivation for these characteristics.

d) Defining characteristics manually

It is also possible to create characteristics manually which are only required in Profitability Analysis. To derive values for these characteristics, you need to define your own derivation rules. Examples of characteristics in this category are the strategic business unit and the product category.



Characteristics are client-independent and can be used in all operating concerns.



Once a user-defined characteristic has been generated, it is then available for further use as a proposed characteristic. This means that any defined characteristic is automatically available as a proposed characteristic for all operating concerns.

You can see in the overview below which characteristics were set up in the operating concern IDEA and how these are integrated into the different operating concerns. The table that you transfer a characteristic from is referred to as that characteristic's origin table.

Characteristics for the Operating Concern IDEA

Displaying Characteristics in an Operating Concern

| Product-Related Characteristics | Origin Table | Tech. Name | Cat. | Derivation Logic |
|--|--------------|------------|------|-----------------------------|
| Product | MARA | ARTNR | A | Independent characteristic |
| Division | MARA | SPART | A | From material master record |
| Material group | MARA | MATKL | B | From material master record |
| Material pricing group | VBAP | MVGR1 | C | From sales document item |
| Prod.hier. 1 | MVKE | PAPH1 | C | Sales Data for Material |
| Prod.hier. 2 | MVKE | PAPH2 | C | Sales Data for Material |
| Prod.hier. 3 | MVKE | PAPH3 | C | Sales Data for Material |
| Prod.hier. 1 before 4.5 | --- (COPA) | WWPH1 | C | Table lookup in MVKE |
| Prod.hier. 2 before 4.5 | --- (COPA) | WWPH2 | C | Table lookup in MVKE |
| Prod.hier. 3 before 4.5 | --- (COPA) | WWPH3 | C | Table lookup in MVKE |
| Product category | --- (COPA) | WWPRC | D | Derivation rule |
| Product group for SOP | --- (COPA) | WWSOP | D | Extension (User Exit) |
| Strategic business unit | --- (COPA) | WWSBU | D | Derivation rule |
| | | | | |
| Measurement area | --- (COPA) | WWMEA | C | Table lookup |
| Quality | --- (COPA) | WWQUA | C | Table lookup |
| Surface | --- (COPA) | WWSUR | C | Table lookup |
| Customer-Specific Characteristics | | | | |
| Customer (sold-to party) | KNA1 | KNDNR | A | Independent characteristic |
| Customer group | KNVV | KDGRP | B | From customer master record |
| Customer classification | KNA1 | KUKLA | C | From customer master record |
| Sales district | KNVV | BZIRK | B | From customer master record |
| Industry | KNA1 | BRSCH | B | From customer master record |
| Country of the sold-to party | KNA1 | LAND1 | B | From customer master record |
| Ship-to party | PAPARTNER | KUNWE | C | From sales order |
| Ship-to country | --- (COPA) | WWCST | D | Table lookup on MVKE |
| Receiver region | --- (COPA) | WWRST | D | Derivation rule |

Displaying Characteristics in an Operating Concern

| | | | | |
|---|------------|-------|---|-----------------------------|
| Customer hierarchy level 1 | PAPARTNER | HIE01 | C | Customer hierarchy (SD) |
| Customer hierarchy level 2 | PAPARTNER | HIE02 | C | Customer hierarchy (SD) |
| Customer hierarchy level 3 | PAPARTNER | HIE03 | C | Customer hierarchy (SD) |
| Sales order | --- | KAUFN | A | Independent characteristic |
| Sales document item | --- | KDPOS | A | Independent characteristic |
| | | | | |
| Characteristics of the organizational structure | | | | |
| Controlling area | --- | KOKRS | A | Organizational assignment |
| Profit center | MARA | PRCTR | A | Organizational assignment |
| Company code | --- | BUKRS | A | Organizational assignment |
| Business area | --- | GSBER | A | Organizational assignment |
| Plant | --- | WERKS | A | Independent characteristic |
| | | | | |
| Characteristics for the organization of distribution | | | | |
| Sales organization | MVKE | VKORG | A | Independent characteristic |
| Distribution channel | MVKE | VTWEG | A | Independent characteristic |
| country + region | KNA1 | PAREG | C | From customer master record |
| Region | KNA1 | REGIO | C | From customer master record |
| Region before 4.5 | --- (COPA) | WWREG | D | Table lookup in MVKE |
| Sales personnel | PAPARTNER | VRTNR | C | From sales order |
| Sales office | KNVV | VKBUR | B | From customer master record |
| Sales group | KNVV | VKGRP | B | From customer master record |
| Intercompany indicator | --- (COPA) | WWICI | D | Derivation rule |
| Order reason | VBAK | AUGRU | C | From sales order |
| | | | | |

Displaying Characteristics in an Operating Concern

| | | | | |
|--------------------------------------|---------------|---------|---|----------------------------|
| Transaction-oriented characteristics | | | | |
| Promotion | VBAP | WWPRO | C | From sales order |
| Sales deal | VBAP | WWSDL | C | From sales order |
| | | | | |
| Other characteristics | | | | |
| WBS element | --- | PSPNR | A | Independent characteristic |
| Sales order history for projects | Special logic | SORHIST | B | From project |

Procedure

Follow the steps below to view the characteristics in the system. They are conceived for display purposes only.

1. Call up the transaction as follows from the *Customizing: Execute Project* screen:

| | |
|-------------------------|--|
| Menu path | <i>Controlling</i> → <i>Profitability Analysis</i> → <i>Structures</i> → <i>Define Operating Concern</i> →  <i>Maintain Characteristics</i> |
| Transaction code | KEA5 |

2. Select *Chars from operating concern* and enter the operating concern *IDEA* into the field that follows it.
3. Choose  *Display*.
 This displays the characteristics b) through d). You see the characteristic's technical name in the first column, followed by long and short texts. The type determines whether the values for the characteristics are alphanumeric or numeric. The number of characters in the characteristic values are displayed under "Length". The origin table states which table the value was transferred from. For example, the industry characteristic has been transferred from table KNA1 and has been designated with the field name BRSCH in its new location.
 Characteristics beginning with WW are user-defined. Their values are determined by derivation rules as opposed to via existing tables. Although the characteristics WWPRO (Promotion) and WWSDL (Sales deal) do indeed begin with WW, they are in fact transferred from a reference table and belong instead to type c).
4. To display the fixed characteristics, choose *Extras* → *Fixed fields*. The system displays the dialog box *Fixed Fields*.
 These characteristics are automatically located in each operating concern.
5. Choose the *Technical Fields* tab page.
 These characteristics are also present automatically. They are of lesser importance to reporting or planning and are transferred for technical reasons.
6. To close the dialog box, choose .

Displaying Value Fields in the Operating Concern

- Choose  to return to the *Customizing: Executet Project* screen.

Displaying Value Fields in the Operating Concern

Use

Value fields are required for costing-based Profitability Analysis. Some value fields (called "amount fields") contain currency amounts, while other value fields (called "quantity fields") contain quantities.

Generally, the value fields are added together and thereby obtain the aggregation "*summation*". The aggregations "*average*" and "*last value*" are only of interest in the case of non-cumulative values (such as number of employees).



If you have several operating concerns in your system, you should then consider the fact that value fields, like characteristics, are valid throughout the system. If, for example, the value field VV010 takes on the name "Revenue" in your operating concern, it will then have this name system-wide (in all clients).

You can see in the following tables which value fields were set up in IDES and how the individual fields are supplied with data:

Value Fields for Operating Concern IDEA

| Value Field Name | Techn. Name | Origin | Value Flow |
|--------------------------------------|-------------|--------|---------------------------|
| Revenues and Sales Deductions | | | |
| Revenues | VV010 | SD | SD price determination |
| Quantity discount | VV020 | SD | SD price determination |
| Customer discount | VV030 | SD | SD price determination |
| Material discount | VV040 | SD | SD price determination |
| Other discounts | VV060 | SD | SD price determination |
| Anticipated cash discounts | VV070 | SD | SD price determination |
| Actual cash discounts | VV075 | FI | Direct account assignment |
| Anticipated rebate | VV090 | SD | SD price determination |
| Actual outgoing freight | VV100 | CO-CCA | Cost center assessment |
| Anticipated outgoing freight | VV110 | SD | CO-PA Valuation |
| Dispatch packing | VV120 | SD | CO-PA Valuation |

Displaying Value Fields in the Operating Concern

| | | | |
|--------------------------------------|-------|-------|---|
| Sales commission | VV130 | SD | CO-PA Valuation |
| | | | |
| Cost of goods manufactured | | | |
| Cost of merchandise sold | VV140 | SD | SD price determination |
| Alternative cost of merchandise sold | VV145 | CO-PC | Product costing |
| Material usage | VV150 | CO-PC | Product costing |
| Grace costs | VV155 | SM | Order settlement |
| Trading goods | VV160 | CO-PC | Product costing |
| Fixed production costs | VV170 | CO-PC | Product costing |
| Variable production costs | VV180 | CO-PC | Product costing |
| Setup costs | VV190 | CO-PC | Product costing |
| Fixed machine hours | VV200 | CO-PC | Product costing |
| Variable machine hours | VV210 | CO-PC | Product costing |
| Fixed burn-in | VV220 | CO-PC | Product costing |
| Variable burn-in | VV230 | CO-PC | Product costing |
| External processing | VV240 | CO-PC | Product costing |
| Material overhead costs | VV250 | CO-PC | Product costing |
| Administrative overhead from CO-PC | VV260 | CO-PC | Product costing |
| Administrative overhead from CO-PC | VV270 | CO-PC | Product costing |
| Other costs | VV280 | CO-PC | Product costing/Direct account assignment from FI |
| Maintenance | VV480 | SM | Order/contract settlement |
| | | | |
| Material Ledger | | | |
| Actual material usage | VV151 | CO-PC | Product costing |
| Actual fixed production costs | VV171 | CO-PC | Product costing |
| Actual setup costs | VV191 | CO-PC | Product costing |
| Actual variable machine hours | VV211 | CO-PC | Product costing |
| Actual material overhead | VV251 | CO-PC | Product costing |
| Other actual costs | VV366 | CO-PC | Product costing |
| Actual admin. + sales costs | VV367 | CO-PC | Product costing |
| Actual prod. costs for processes | VV368 | CO-PC | Product costing |
| | | | |

Displaying Value Fields in the Operating Concern

| | | | |
|--|-------|--------|---|
| Production Variances | | | |
| Price variance | VV290 | PP | Production order settlement |
| Quantity variance/Material usage | VV300 | PP | Production order settlement |
| Quantity variance/Production time | VV310 | PP | Production order settlement |
| Lot size variance | VV320 | PP | Production order settlement |
| Resource-usage variance | VV330 | PP | Production order settlement |
| Input variance | VV340 | PP | Production order settlement |
| Scrap | VV350 | PP | Production order settlement |
| Other types of variance | VV360 | PP | Production order settlement |
| Mixed price variance | VV364 | CO-PC | Product costing |
| Price differences | VV365 | FI | Direct account assignment (automatic posting) |
| | | | |
| Transfer of Overhead Costs | | | |
| Administrative overhead from CO-OM | VV370 | CO-CCA | Cost center assessment |
| Marketing costs from CO-OM | VV380 | CO-CCA | Cost center assessment |
| Sales overhead from CO-OM | VV390 | CO-CCA | Cost center assessment |
| Production costs: Under-/Overabsorption. | VV400 | CO-CCA | Cost center assessment |
| Marketing projects | VV410 | CO-OPA | Order settlement |
| Research and development | VV420 | CO-OPA | Order settlement/Cost center assessment |
| | | | |
| Other | | | |
| Reserves for imminent losses | VV430 | SD | Sales order settlement |
| Revaluation: Material usage | VV440 | CO-PA | Periodic valuation |

Displaying Value Fields in the Operating Concern

| | | | |
|--|-------|--------------|---|
| Revaluation: Fixed production costs | VV450 | CO-PA | Periodic valuation |
| Revaluation: Variable production costs | VV460 | CO-PA | Periodic valuation |
| Revaluation: Production overhead | VV470 | CO-PA | Periodic valuation |
| | | | |
| Statistical Key Figures | | | |
| Number of employees | VV495 | CO-PA | Or external data transfer |
| | | | |
| Process Cost Accounting | | | |
| Production processes | VV500 | CO-PC | Product costing |
| Procurement processes | VV510 | COPC/ CCA | Product costing/Cost center assessment |
| Sales processes | VV520 | COPC/ CCA | Product costing/Cost center assessment |
| Administration processes | VV530 | CO-PC | Product costing |
| | | | |
| Quantities for Process Cost Accounting | | | |
| No. of sales order items | VV550 | LIS | Info structure |
| No. of payment problems | VV560 | LIS | Info structure |
| No. of sales order stock | VV570 | LIS | Info structure |
| No. of goods receipts for sales orders | VV580 | LIS | Info structure |
| | | | |
| Group Valuation and Profit Center Valuation | | | |
| Group: Transfer price | VVK10 | SD | SD price determination |
| Group: Material | VVK15 | CO-PC | Product costing |
| Group: Material overhead | VVK20 | CO-PC | Product costing |
| Group: Production | VVK25 | CO-PC | Product costing |
| Other group costs | VVK30 | CO-PC | Product costing |
| PCA: Internal revenue | VVO10 | SD | SD price determination |
| PCA: Internal costs | VVO20 | SD | SD price determination |
| | | | |
| Quantities | | | |
| Gross weight | VVGRW | SD | SD interface |

Displaying Value Fields in the Operating Concern

| | | | |
|---|-------|----|--------------|
| Billed quantity in sales quantity units | VVIQT | SD | SD interface |
| Quantity / Incoming sales orders | VVOQT | SD | SD interface |
| Billed quantity in stockkeeping units | VVSQT | SD | SD interface |
| Standard unit of measure | VVSTU | SD | SD interface |

Procedure

To view the value fields in the system, carry out the steps below. The value fields are conceived for display purposes only.

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Controlling → Profitability Analysis → Structures → Maintain Operating Concern →  Maintain Value Fields</i> |
| Transaction Code | KEA6 |

2. Select *Value fields from op. concern* and enter operating concern *IDEA* in the field that follows.
3. Choose  *Display*.

The system then displays all defined value fields. You see the technical name in the value field column, followed by the description and the short text. Whether the field is an amount field or a quantity field is indicated in the following columns. The quantity fields appear at the end of the list.

4. Select the line containing the value *VV010* and then choose .

On the *Display Val. fld. and VV010* screen, you can see whether the aggregation rule for this value field is “summation”, “average”, or “last”.
5. Choose  until you return to the *Customizing: Execute Project* screen.

Setting Up an Operating Concern

Setting Up an Operating Concern

Use

After defining the characteristics and value fields, you can create the operating concern itself. To do this, you have to maintain the attributes and data structures for the operating concern. You define a fiscal year variant and the desired currency settings in the attributes. You select the desired characteristics and value fields in the data structures. After you have made this choice, you generate the data structure.



From a technical standpoint, data structures determine the structure of the database tables (ABAP Dictionary). These are created when you generate the data structures. These tables are independent of the client, which means they are equally accessible in every client of a system.

Prerequisites

The following individual activities are required:

1. Enter the name of the operating concern.
2. Define the attributes.
3. Specify the types of Profitability Analysis.
4. Select the characteristics.
5. Select the value fields.
6. Save. (This will store the structures of the characteristics and of the value fields in the ABAP dictionary.)
7. Activate. (This checks and activates all created tables in the ABAP Dictionary. Any consistency problems occurring are displayed in an activation log.)
8. Generate the environment. (This generates all required programs, update modules, views, and so on, that are related to the tables created.)
9. Activate Profitability Analysis (*Customizing* → *Flows of Actual Data* →  *Activate Profitability Analysis*)

Procedure

The following steps do not cause a new operating concern to be defined. Instead, the existing structures are displayed.

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Controlling</i> → <i>Profitability Analysis</i> → <i>Structures</i> → <i>Define Operating Concern</i> →  <i>Maintain Operating Concern</i> |
| Transaction Code | KEA0 |

2. In the *Operating concern* field, enter *IDEA*.
3. Choose the *Attributes* tab page.

Setting Up an Operating Concern

You now see that the operating concern currency is EUR and that the company code currency and the profit center currency have been activated.

The fiscal year variant is K4 (calendar year with 4 special periods). The fiscal year variant is of significance for the documents transferred into Profitability Analysis. It ensures that the correct billing period is used. As a rule, you should use the same variant as that used for the assigned controlling areas. It is only by doing so that you can, for example, assess cost center costs to Profitability Analysis.

4. Choose the *Data structure* tab page.

5. Choose  *Display*.

On the screen *Display Data Structure: Characteristic Screen*, you find the same characteristics as in the previous activity *Displaying Characteristics in the Operating Concern*.

6. Choose  *Change view*.

A further table with the title *copy from* then appears, listing all characteristics defined for the system. In the change mode, you could now transfer additional characteristics to the operating concern IDEA.

7. Choose *Extras* → *Display fixed fields* and the system's fixed characteristics appear.

8. Choose .

9. Choose *Goto* → *Value fields* to access the view of the value fields.

Under *Data structure*, you also see the chosen value fields for the operating concern IDEA, and on the right, under *Copy from*, you see additional value fields that you were able to add to the operating concern IDEA in the change mode.

10. Choose .

11. Under *Data structure*, choose .

The dialog box tells you that all tables for the operating concern are active.

12. Choose .

13. Choose .

If the operating concern had not been generated, you would then have to choose *Generate environment*.



If the operating concern is not generated, no postings can be transferred to the data tables of the operating concern. Instead, an error message would be issued for every business transaction that relates to CO-PA.

14. Choose  until the overview tree appears.

Realignments

Realignments

Purpose

This function enables you to make organizational changes in the product structure, customer structure, or sales structure for data that has already been posted. In other words, you can use this function to change data created in the past. For example, if the material group in the material master changes for some products, these products can be adapted via realignment to match the new material group. Realignments can also be used in reporting to represent past data in the most recently assigned material group.

In this IDES process, the sales organization 0001 Sales Org. DE for 1996 is changed, as of 1997, to sales organization 1000 Germany Frankfurt. This adapts all sales data for 1996 for the customer 1360 A.S.S. in Munich to match the new sales organization 1000 Germany Frankfurt.

To carry out the realignments, you need to carry out the following steps:

1. Create the realignment run
2. Create a realignment request
3. Define a conversion rule
4. Execute the realignment run

You can find more information about this process under [i \[Page 29\]](#).

Process Flow

You can find the data for this process under [? \[Page 30\]](#).

1. [Displaying Line Items \[Page 31\]](#)
2. [Creating the Realignment Run \[Page 32\]](#)
3. [Creating a Realignment Request \[Page 33\]](#)
4. [The Test Monitor \[Page 35\]](#)
5. [Executing the Realignment Run \[Page 36\]](#)
6. [Calling up a Report \[Page 37\]](#)
7. [Resetting the Data \[Page 38\]](#)

Additional Process Information

The realignments take effect in the customer master and the material master, in the SD customer hierarchy or in the derivation rules in Profitability Analysis (CO-PA).

Once a realignment has been carried out, only the latest assignment is present in the information system and in planning. The original characteristic values (valid at the time of the particular posting) can only be displayed for the line items themselves. Given that the existing profitability segments are adapted to the new assignment, all the objects assigned to a profitability segment (such as sales orders or projects) and all existing R/3 documents (such as billing documents or financial accounting documents) are assigned to the CO-PA characteristics according to that new assignment.

Data Used During This Process**Data Used During This Process**

| Field | Data | Description |
|--------------------------|---------------|-------------------------------|
| Operating concern | IDES | Operating concern IDES global |
| Type of Profit. Analysis | Costing-based | |
| Report | IDES-050 | Actual data |
| Customer | 1360 | Amadeus |
| Sales order | 3729 | |
| Old sales organization | 0001 | Sales org. DE |
| New sales organization | 1000 | Sales org. Frankfurt, Germany |

Displaying Line Items

Use

To view the original data in the R/3 System, you call up a line item in CO-PA to which all relevant data was posted when the billing documents were created.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Display Line Items → Actual</i> |
| Transaction Code | KE24 |

If you are executing a profitability analysis transaction for the first time since logging on, the *Set operating concern* dialog box appears.

2. Enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

3. Choose .

This dialog box is shown only once during the session. Once you have made your selection, the system always selects the given operating concern and the relevant type of profitability analysis.

4. Enter the following data:

| Field | Data |
|-------------|--------------------|
| Record type | F (= Billing data) |
| Sales order | 3729 |
| Customer | 1360 |

5. Choose .

6. In the dialog box, choose .

7. Call up the document by double-clicking it.

On the *Characteristics* tab page in the screen that appears, you see the customer name and, by scrolling down, sales organization 0001 that was valid for 1996.

8. Choose  until the overview tree appears.

Creating the Realignment Run

Creating the Realignment Run

Use

Before you perform the realignment, you first need to create a realignment run. Multiple realignment requests, containing instructions for the realignment, can be assigned to a single realignment run.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | From the <i>Profitability Analysis</i> node choose <i>Master Data</i> → <i>Maintain Realignments</i> |
| Transaction Code | KEND |

2. To create a realignment run, choose  *Realignment*.
In the dialog box that then appears, enter an appropriate text reflecting the content of the realignment run.
3. Enter the text "Sales Org. 0001 to Sales Org. 1000".
4. Choose  *Confirm*.
5. Remain on the *CO-PA: Maintain Realignments* screen.

Creating a Realignment Request

Use

In this process, you create a realignment request for the realignment run you have just defined.

Procedure

1. Position your cursor on your realignment run, then choose  *Request*.
2. Enter the text "Sales Org. for Customer 1360".
3. In the *Selection of CO-PA Characteristics* table, select the *Customer* characteristic (you may need to scroll down the list).
4. Choose .

You have now moved this characteristic to the *Selected Characteristics* table.

5. In the *Characteristic value* column, overwrite the # sign by entering *1360*.
6. To define the rules for adapting the characteristics, choose the *Conversion rules* tab page.



For each characteristic, you need to specify how the realignment request is to change the characteristic value. There are 3 possibilities.

- a) Derive the characteristics as new (**Characteristics to be derived again**): This option is the default for all characteristics that may be changed by realignments. This table should contain all characteristics that are to be adjusted by the realignment.
 - b) Leave the characteristics unchanged (**Characteristics not to be changed**): This applies to characteristics for the organization structure and the unit of measure fields. Characteristics that are highlighted in color cannot be changed. This ensures the consistency of the database with upstream applications (such as FI or CO-OM). The other characteristics from this table can be used for the realignment.
 - c) Overwrite characteristics with a fixed value (**Characteristics to have value replaced w**): The characteristic is set to the specified fixed value for all profitability segments. If you do not enter a fixed value, the characteristic is initialized.
7. Select the *Sales organization* characteristic in the *Characteristics NOT to be changed* column, then choose the selection arrow  to set this characteristic in the *Characteristics to have value replaced w* table.
 8. In the *Characteristic value* column, enter 1000 (sales organization *Frankfurt, Germany*).
 9. Choose .
 10. Choose .
 11. Remain on the *CO-PA: Maintain Realignments* screen.

Creating a Realignment Request

The Test Monitor

Use

To preview the effects of the realignment, you can use the test monitor. You can select profitability segments either with a reference document number or by entering the profitability segment number directly. In this IDES process, you enter the reference data for a billing document for customer 1360. The system then displays all relevant changes.

Procedure

1. Position your cursor on the realignment run.
2. Choose *Run/request* → *Test monitor*.
3. In the dialog box, enter the following data:

| Field | Data |
|--------------------|----------|
| Record type | F |
| Reference document | 90003664 |

4. Choose .

You then see the corresponding profitability segment.

5. To expand the list, choose .

The system displays the old and new characteristic values so that you can see the immediate effects of the realignment run.

6. Choose .

7. In the next dialog box, choose .

8. Remain on the *CO-PA: Maintain Realignments* screen.

Executing the Realignment Run

Executing the Realignment Run

Use

You can execute the realignment run in this process.

Procedure

1. Position your cursor on the realignment run.
2. Choose *Run/request* → *Execute* → *With starting time*.
3. In the dialog box, deselect *Test mode*.
4. Choose  *Confirm*.
5. To start the run, choose *Immediate*.
6. Choose .
7. To check the status of the realignment run, choose  *Status*.
8. If the status is *Successful*, choose  until the overview tree appears.

Calling Up a Report

Use

To view the data changed by the realignment, you now call up a profitability report.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |

2. Select the report name *IDES-050*, then choose .

3. Enter the following data:

| Field | Data | Description |
|---------------------|----------|--------------------|
| Sales organization | 1000 | Frankfurt, Germany |
| From period | 001.2000 | |
| To period | 012.2000 | |
| Plan/act. indicator | 0 | Actual data |
| Record type | F | Billing data |

4. Choose .

You see a report containing the navigation characteristics division, customer, and product. The key figures are the sales quantity, gross revenue, cost of goods sold (COGS) and the contribution margin (CM I). In the top left of the report, you can see that the sales organization has been defined as a fixed characteristic. You have already defined sales organization 1000 as the new sales organization. As customer 1360 belongs to the High Tech division, this value is also displayed.

5. Double-click the division *07 High Tech* to display details of customer 1360 Amadeus.
6. Double-click the customer Amadeus. You can see which products were sold to this customer in 2000 by sales organization 0001. All of these products are now assigned, however, to sales organization 1000
7. Choose *Report → Exit*.
8. In the dialog box that then appears, choose Yes.
9. Choose  until you reach the overview tree.

Resetting the Data

Resetting the Data

Use

To ensure that this process can be repeated, you now need to reset the data.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Master Data → Maintain Realignments</i> |
| Transaction Code | KEND |

2. Position your cursor on the realignment run you have defined, then choose *Run/request → Restore → With starting time*.
3. In the dialog box, deselect *Test mode*.
4. Choose  *Confirm*.
5. In the dialog box, choose *Immediate*.
6. Choose .
7. Choose  *Status*.
8. If the status is displayed as *Restored*, position your cursor on the realignment run, then choose *Edit → Select node*.
9. Choose *Run/request → Delete*.
10. In the dialog box that then appears, choose *Yes*.
11. Choose  until the overview tree appears.
12. In the dialog box, choose *Yes*.

Introduction to Sales and Profit Planning

Purpose

You can use planning in Profitability Analysis (CO-PA) to plan sales quantities, revenues, discounts, product costs, and so on, for any profitability segment.

This scenario contains information on some fundamental planning functions in the CO-PA module. For information on the more complex planning functions, see the following processes:

[Sales and Profit Planning Including Forecasting \[Ext.\]](#), [Top-Down Distribution \[Page 60\]](#) and [Valuating a Quantity Plan Using Ratios \[Page 72\]](#).

You can find more information about this process under [i \[Page 40\]](#).

Process Flow

You can find the data for this process under [? \[Page 41\]](#).

1. [Displaying the Planning Framework \[Page 42\]](#)
2. [Displaying the Planning Layout \[Page 45\]](#)
3. [Changing Sales and Profit Planning Data \[Page 47\]](#)
4. [Deleting Data \[Page 49\]](#)

Additional Process Information

Additional Process Information

In planning, you can do the following:

- Plan data either manually or automatically
- Plan for one or more periods, or a for a longer timeframe
- Plan on the basis of calendar weeks
- Enter planning data for different plan versions to store different datasets for the same profitability segment
- Call up information during a planning session about sales prices from Sales and Distribution (SD) or product cost details from Product Cost Controlling (CO-PC)
- Define your own screen layouts for entering planning data to meet your organization's requirements, and assign different layouts to different user groups
- Calculate plan values using automatic valuation (for example, planned revenues, discounts, and product costs based on the planned sales quantity)
- Process an entire plan or a large part of a plan
- Copy existing planning or actual data and reevaluate it (for example, by increasing all values by 5%)
- Transfer CO-PA planning data to Sales and Operations Planning (SOP) to use the sales forecast as a basis for your production plan

Data Used During This Process

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of profitability analysis | Costing-based |
| Planning level/package/layout | IDES100 |
| Plan version | 110 |
| Entry currency | DEM |
| Plant | 1000 |
| Sales organization | 1000 |
| Distribution channel | 10 |
| Distribution key | PA01 |
| Product | P-101 |

Displaying the Planning Framework

Displaying the Planning Framework

Use

The planning framework allows you to structure planning efficiently using planning levels and content, to define customized planning layouts, and to assign these layouts to individual users with the appropriate authorization.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Edit Planning Data</i> |
| Transaction Code | KEPM |

2. In the dialog box, enter the following data:

| Field | Data |
|--------------------------------|----------------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Select costing-based |

3. Choose .

This dialog box is shown only once during the session. Once you have made your selection, the system always selects the given operating concern and the relevant type of profitability analysis.

4. A list of different planning levels now appears.



The characteristics with which planning is to be performed are defined in the planning level. Furthermore, you can define for these characteristics values that are to be used in the planning sessions.

5. To obtain a customized selection for the planning level display, define your own personalization profile. Choose *Edit → Personalization profile → Create personalization profile*.

6. In the dialog box, enter the following data:

| Field | Data |
|----------------------------|----------------------------|
| PersProfile (first field) | IDES100 |
| PersProfile (second field) | Customer name/ Mat. amount |

7. Choose .

8. In the *User ID* field, enter your user name and use  to open the following levels under *Planning levels*:

| Field | Data |
|---------|------------------------|
| IDES100 | Customer / Mat. amount |

Displaying the Planning Framework

9. In the *Profile* column, select  *IDES100*.

10. Double-click in  *IDES100*.

The planning method appears in the lower part of the screen.

11. Open  *Enter plan data* by choosing .

12. In the *Profile* column, enter the following data:

| Field | Data |
|-----------------|--------|
| Enter plan data | |
| IDES100 | Select |
| IDES100E | Select |

13. Choose .

14. Choose *Set personalization profile*.

15. In the dialog box, enter the profile *IDES100*.

16. Choose .

The system then displays just the planning levels that you have assigned to yourself.

17. Position your cursor on the planning level  *IDES100*, then click the right mouse button.

18. Choose *Display planning level*.



On the right-hand side of the screen, you can see that the *Characteristics* tab contains, under planning level, the characteristics that were selected for this planning level. Under *Characteristics list*, you could also add to this planning level characteristics that have already been executed.

19. Choose the *Selection* tab page on the right-hand side of the screen.

You can save characteristic values that remain constant as default characteristic values for the selected characteristics.

20. Position the cursor on the planning package  *IDES100* under the planning level and click the right mouse button.

21. Choose *Display planning package*.



Here you specify characteristic values that previously were not defined as fixed in the planning level but are to be left flexible. The period that is to be planned is also defined in the planning package.



Different sales organizations, for example, that are assigned to different sales employees can also be planned for. Each employee then only has the authorization to create or display planning data for their area of responsibility.

Displaying the Planning Framework



A planning package can also be defined as ad hoc when planning is executed. However, it will only be available for that particular planning session. The ad hoc method offers the advantage of being able to use non-fixed characteristic values practically as variables.

22. Open the planning method by choosing   *Enter plan data* (on the left-hand side of the bottom half of the screen).



You now see the parameter set that determines, for example, which planning layout is to be used for this planning session.

23. Position your cursor on the parameter group  *IDES 100* and then select the right-hand mouse.

24. Choose *Display parameter set*.

You can now determine which planning layout should be assigned to this planning level or planning package or which should be redefined. In this case, the planning layout *IDES 100* has been assigned. If you have to define a planning layout, choose . The system then generates the appropriate planning layout automatically.



If an existing planning layout needs to be reassigned, the characteristics used in the planning layout must match those in the planning level exactly.

As you will observe, you can select other controls, such as zero suppression or distribution key.

You can also activate Excel from this screen.

25. Remain on this screen.

Displaying a Planning Layout

1. Choose  alongside planning layout *IDES100*.
2. Call up this planning layout by double-clicking *IDES100* in the *Planning layout* field.
3. Choose .

The initial screen of the assigned planning layout appears.

You can see that the profitability segment *Product* has been defined as the planning segment. This segment appears as a row in the concluding planning screen.

The quantity fields and value fields that are to be planned for are listed on the right-hand side against the profitability segments. The profitability segments appear as columns in the concluding planning screen.

Note the different colors of the quantity and value fields. White fields are unlocked for entry. Grey fields are automatically filled or derived.
4. To check the definition of the individual columns, double-click the *Planned revenue* column header.

You can see in the dialog box that the value field *Revenues* has been selected.

You can either select fixed values for the characteristics in this value field (such as *Plan/Act. ind. 1* or *Version 110*) or enter variables for them (as in the case of the *Period*). Unlike variables, fixed values cannot be changed once they have been entered in the planning package. This means that, for this example, you can only use version 110 with this layout. At the same time, however, you can change the planning interval interactively.
5. Choose  (bottom left)

You can define the column header.
6. Choose .
7. Choose *Confirm*.

Until now, you displayed what was in the individual rows and columns in the concluding planning screen. It is also possible to select general data for the plan transaction. This data contains profitability segments that are valid for the entire planning layout (as opposed to being included as segments in rows and columns).
8. Choose *Edit* → *Gen. data selection* → *Gen. data selection*.

Additional profitability segments, generally organizational units, are then displayed.
9. Choose *Confirm*.
10. Choose  until you return to the *Planning Framework: Personalization Profile IDES 100* screen.
11. In the dialog box, choose *No*.

Displaying a Planning Layout

Changing Sales and Profit Planning Data

Use

This process describes how you can create and change planning data.

Procedure

1. Double-click  *IDES 100* under *Enter plan data* on the left in the lower section of the screen.

You see the planning segment *Product*. Alongside it, you see Planned Quantity 2000, Planned Revenue 2000, Actual Quantity 1999, and Raw Material Costs.



Note how actual sales quantities are listed for reference purposes. These actual sales quantities are taken as the basis for planning next year's quantities.

Also note that you can only enter data for the Planned Quantity 2000 and the Currency fields. All other fields are display only (such as Actual Quantity 1997) or are calculated via automatic valuation (such as Planned Revenue and Raw Material Costs).

2. Change the planned sales quantities for 2000 for *Product P-101*.

The quantities should be slightly higher than the actual sales quantities for 1999.



Once the planned sales quantity is changed, planned revenue as well as planned raw material costs can be recalculated automatically. The planned revenue is derived from SD pricing conditions (sales price).

3. To value, mark the row of *Product P-101*.

4. Choose  *Valuate*.

The system recalculates the planned revenue and raw material costs for 2000.



It is not necessary to value each individual product before you save your planning data. The planner profile is configured such that the planning data is automatically valued once the planning data is saved. The individual valuation carried out in the previous step is for demonstration purposes only.

There are many more ways to interactively manipulate your planning data. For example, you may want to change the currency of your plan.

5. Select the column header *Planned revenue 2000*.

6. Choose  *Enter curr..*

7. In the dialog box, enter the following data:

| Field | Data |
|----------------|------|
| Entry currency | USD |

Changing Sales and Profit Planning Data

8. Choose .

The system displays the planned revenue in *USD*.



Note that a change of planning currency does not change the currency in the database. The system always stores the planning data in the currency of the operating concern - regardless of which currency you display on the planning screen.

9. To return to the initial screen *Planning Framework: Overview*, choose .
10. In the dialog box, choose *No*.

Deleting Data

Use

Delete the personalization profile. In this way, you will be able to run through the process again.

Procedure

1. Choose *Edit* → *PersProfil* → *Delete Personalization Profile*.
2. In the dialog box, enter *IDES 100*.
3. Choose .
4. In the dialog box, choose *Yes*.
5. To view all planning levels, choose *General overview*.

Multiple Currencies in Planning

Multiple Currencies in Planning

Purpose

Profitability Analysis lets you update data in multiple currencies. This is useful if your organization works with one global currency (operating concern currency) but has subsidiaries that carry out their business transactions in a local currency (company code currency).

In IDES, the operating concern currency is EUR, while the subsidiaries in the various countries use the local currency as their company code currencies.

For more information about multiple currencies, see [Transferring Billing Documents With Multiple Currencies \[Page 136\]](#).

In this IDES process, you plan data for the U.S. company code in the local currency USD and copy them to a planning layout of the parent company that displays this data in the operating concern currency EUR. You then display the results in a profitability report.

You can find more information about this process under [i \[Page 51\]](#).

Process Flow

You can find the data for this process under [? \[Page 52\]](#).

1. [Activating Multiple Currencies \[Page 53\]](#)
2. [Displaying the Plan Version for Multiple Currencies \[Page 54\]](#)
3. [Calling Up a Planning Layout and Entering the Planning Data \[Page 55\]](#)
4. [Copying Between Plan Versions \[Page 57\]](#)
5. [Displaying a Profitability Report \[Page 58\]](#)
6. [Deleting the Plan Data \[Page 59\]](#)

Additional Process Information

You always work with a future planned exchange rate in planning. It is therefore not necessary to update multiple currencies real-time.

Consequently, when you define a plan version, you need to decide whether you want to store your data in the global (operating concern) currency or the local (company code) currency of your organization.

Unlike the updating of planning data in a parallel currency, the *Entry currency* function simply lets you enter your plan values in a foreign currency. These values are translated to the currency of your plan version before they are updated in the database.

Data Used During This Process**Data Used During This Process**

| Field | Data | Description |
|------------------------|---------------|------------------------------|
| Operating concern | IDEA | |
| Profitability Analysis | Costing-based | |
| Plan version | 160 | Company code currency |
| Plan version | 150 | Operating concern currency |
| Planning level | IDES160 | Parallel currencies - CoCode |
| Planning package | IDES160 | Parallel currencies - CoCode |
| Planning package | IDES150 | Parallel currencies - OpConc |
| Parameter set | IDES160 | Parallel currencies - CoCode |
| Parameter set | IDES150 | Parallel currencies - OpConc |
| Planning layout | IDES160 | Planning for company codes |
| Report | IDES-160 | Parallel currencies |
| Currency | USD | Company code currency |
| Currency | EUR | Operating concern currency |

Activating Multiple Currencies

Use

You now display the configuration settings required for multiple currencies. Please do not make any changes to these settings.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Tools → AcceleratedSAP → Customizing → Edit project</i> |
| Transaction Code | SPRO |

2. Choose  SAP Reference IMG.

3. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Controlling → Profitability Analysis → Structures → Define Operating Concern →  Maintain Operating Segment</i> |
| Transaction Code | KEAO |

4. Enter the following data:

| Field | Data |
|-------------------|------|
| Operating concern | IDEA |

5. Choose the *Attributes* tab page.

You see that *Company code currency* is selected. This means that two currencies (the operating concern currency and the company code currency) have been activated.

6. Choose  until the overview tree appears.

Displaying the Plan Version for Multiple Currencies

Displaying the Plan Version for Multiple Currencies

Use

When you create the plan version, you must decide whether amounts are to be posted in the company code currency or the operating concern currency. You can also select the check derivation indicator. The system then checks the derivation rules, for example, whether the products are being planned in the correct material group.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Current Settings → Maintain Plan Versions</i> |
| Transaction Code | S_ALR_87005722 |

2. Scroll down to plan version 160.
3. Select this version, then double-click on *Settings in operating concern* on the left-hand side of the screen.

You see that company code currency (10) has been selected as the currency type.



Within a single plan version, the planning data is only stored in one currency. However, you can store the same planning data in other currencies by copying it between versions.

You also see that *Check derivation* is selected. This means that the derivation rule checks are active.

4. Choose  until the overview tree appears.

Calling Up a Planning Layout and Entering Planning Data

Use

A planning layout has been defined that allows the individual countries to enter their planned quantities, revenues, and manufacturing costs for their company codes. Enter planning data for company code 3000 (North America).

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Edit Planning Data</i> |
| Transaction Code | KEPM |



If you are calling up a profitability analysis transaction for the first time since logging on to the system, you may be requested to enter the operating concern.

If this is the case, enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

Choose .

2. To select planning level  *IDES 160*, choose .



You now see two planning packages.

3. Double-click planning package  *IDES 160*.



On the right-hand side of the screen, you now see the characteristics that have been selected for this planning level. You also see the corresponding characteristic values that determine the characteristic combination for this plan.



You can see that the planning is to be made for fiscal year 2000, company code 3000, version 160 and material group 001.

4. On the left-hand side of the screen, under Planning methods  *IDES 160*, choose   *Enter plan data*.

Calling Up a Planning Layout and Entering Planning Data



You now see the parameter set that determines, for example, which planning layout is to be used for this planning session.

5. Double-click  *IDES 160*.

The initial screen of the assigned planning layout appears.

6. Enter the following data:

| Field | Data | Data | Data |
|----------------|--------------------|-----------------|-----------------------------------|
| <i>Product</i> | <i>Planned qty</i> | <i>Revenues</i> | <i>Cost of goods manufactured</i> |
| P-100 | 250 | 730,000 | 295,000 |
| P-101 | 300 | 835,000 | 345,000 |
| P-102 | 200 | 820,000 | 340,000 |
| P-103 | 300 | 1,665,000 | 700,000 |
| P-109 | 500 | 1,840,000 | 750,000 |

7. Choose .

The system automatically inserts the Contribution margin column, which is calculated using a formula stored in the planning layout.

8. You now enter another product:

| Field | Data | Data | Data |
|----------------|--------------------|-----------------|-----------------------------------|
| <i>Article</i> | <i>Planned qty</i> | <i>Revenues</i> | <i>Cost of goods manufactured</i> |
| L-40C | 100 | | |

9. Choose .

In the status bar, you see that this profitability segment does not adhere to the derivation rules. This is because this product belongs to material group 003 (Bulbs), not 001 (Metalworking).

10. To delete the entry, choose .

11. Choose .

Copying Between Plan Versions

Use

Now that you have planned data in the company code currency in version 160, you copy this data to version 150 in the operating concern currency. This procedure can be repeated for all company codes, so that ultimately the planning data for all companies in the group are stored in the operating concern currency.

Procedure

1. Choose planning level  *IDES 160*.
2. Double-click planning package  *IDES 150*.
3. On the left-hand side of the screen, under Planning methods  *IDES 160*, choose  
Copy.
4. Double-click parameter set  *IDES 150*.
The system now copies the data in company code currency.
5. Choose .

Displaying a Profitability Report

Displaying a Profitability Report

Use

You now display a report with the planning data for the USA in company code and operating concern currency.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |

2. Select report *IDES-160*.

3. Choose .

You should see the parameters for the report in the following screen.

4. If this is not the case, enter the following data:

| Field | Data |
|------------------|----------|
| From period/year | 001.2000 |
| To period/year | 012.2000 |

5. Choose .

The system displays the planned sales quantity, revenue and costs of goods sold along with contribution margin I for the company code.

6. Choose  until the overview tree appears.

7. In the dialog box, choose Yes.

Deleting the Planning Data

Use

You now delete the planning data to ensure that this IDES scenario can be repeated

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Edit Planning Data</i> |
| Transaction Code | KEPM |

2. To select planning level  IDES 160, choose .
3. Double-click planning package  IDES 160.
4. On the left-hand side of the screen, under Planning methods  IDES 160, choose   *Delete*.
5. Double-click  IDES 160.
 The system now deletes the planning data.
6. Repeat steps 3-4 for IDES 150 to delete the planning data for version 150.
7. Choose  until the overview tree appears.

Top-Down Distribution

Top-Down Distribution

Purpose

You can use top-down distribution to distribute data from a given planning level to lower levels. For example, you could first plan at product-group level, and then break it down to the individual products within the group. To ensure that the planning data is distributed in the same way as the reference data, you can use both planning and actual data.

In this IDES process, you plan data at the product group and material group levels. You then display the data in report, paying special attention to the values at the planning levels. You then execute top-down distribution and call up the report once more to see the distribution of the data.

You can find more information about this process under [i](#) [Page 61].

Process Flow

You can find the data for this process under [?](#) [Page 62].

1. [Calling Up a Planning Layout and Entering the Planning Data](#) [Page 63]
2. [Displaying a Profitability Report](#) [Page 65]
3. [Top-Down Distribution](#) [Page 67]
4. [Displaying the Profitability Report after Top-Down Distribution](#) [Page 69]
5. [Deleting the Planning Data](#) [Page 71]

Additional Process Information

You can use planning in Profitability Analysis (CO-PA) to plan sales quantities, revenues, discounts, product costs, and so on, for any profitability segment. You can:

- Plan data either manually or automatically.
- Plan for one or more periods, or a for a longer timeframe
- Plan on the basis of calendar weeks
- Enter plan data for different plan versions to store different datasets for the same profitability segment
- Call up information during a planning session about sales prices from Sales and Distribution (SD) or product cost details from Product Cost Controlling (CO-PC)
- Define your own screen layouts for entering plan data to meet your organization's requirements, and assign different layouts to different user groups
- Calculate plan values using automatic valuation (for example, planned revenues, discounts, and product costs based on the planned sales quantity)
- Process an entire plan or a large part of a plan
- Copy existing plan or actual data and reevaluate it (for example, by increasing all values by 5%)
- Transfer CO-PA plan data to Sales and Operations Planning (SOP) to use the sales forecast as a basis for your production plan

Data Used During This Process

Data Used During This Process

| Field | Data | Description |
|--------------------------------|---------------|-----------------------|
| Operating concern | IDEA | |
| Type of Profitability Analysis | Costing-based | |
| Plan version | 125 | Top-Down Distribution |
| Report | IDES125 | Top-Down Distribution |
| Planning level | IDES125 | Top-Down Distribution |
| Planning package | IDES125 | Top-Down Distribution |
| Parameter set | IDES125 | Top-Down Distribution |
| Planning layout | IDES125 | Top-Down Distribution |
| Variant | IDES125 | Top-Down Distribution |
| Material group | 003 | Bulbs |
| Product | L-40C – L-80Y | Light bulbs |

Calling Up a Planning Layout and Entering the Planning Data

Use

In the first process step, you plan data at the product group and material group level.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Edit Planning Data</i> |
| Transaction Code | KEPM |



If you are calling up a profitability analysis transaction for the first time since logging on to the system, you may be requested to enter the operating concern.

2. If this is the case, enter the following data in the dialog box:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

3. Choose .
4. In the dialog box, choose Yes.
5. To expand planning level  *IDES 125*, choose .



You now see planning package *IDES 125*.

6. Double-click planning package  *IDES 125*.



On the right side of the screen, you now see the characteristics that have been selected for this planning level. You also see the corresponding characteristic values that determine the combination of characteristics to be used in planning.



You can see that planning is to be performed for fiscal year 2000, sales organization 1000, version 125, and material group 003.

7. On the left of the screen, under Planning methods  *IDES 125*, choose   *Enter planning data*.

Calling Up a Planning Layout and Entering the Planning Data



You now see the parameter set that determines, for example, which planning layout is to be used for this planning session.

8. Double-click  *IDES 125*.

The initial screen of the assigned planning layout appears.

9. Choose *Settings* → *All key values on/off*.

You can see a planning layout with characteristic columns for *material group*, *unit*, and *product*, as well as value fields for *planned quantity* and *revenue*.

You now enter planning data for material group 003 and a few selected products.

10. To do this, enter the following data:

| Material group | Unit | Product | Planned qty | Revenue |
|----------------|------|---------|-------------|---------|
| 003 | CAR | # | 1000 | 750.000 |
| 003 | CAR | L-40C | 100 | 75.000 |
| 003 | CAR | L-40F | 150 | 110.000 |
| 003 | CAR | L-40R | 200 | 150.000 |

11. Choose .

12. Choose .

13. Choose .

Displaying a Profitability Report

Use

You now display the planned data in a report. We will pay special attention to the values for the material group and the products.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |

2. Select report *IDES-125*.

3. Choose .

The parameters for the report should now appear.

4. If this is not the case, enter the following data:

| Field | Data | Description |
|---------------|----------|---------------|
| Period from | 001.2000 | |
| To period | 012.2000 | |
| Plan/act.ind. | 1 | Planning data |
| Version | 125 | Plan version |
| Record type | F | Billing data |

5. Choose .

You see the material group planned for sales organization 1000. The planned quantity shows the sum of the individual products as well as the value planned at the material group level (1000 + 100 + 150 + 200 = 1450 units).

6. To display the values at product level, double-click row *003 Bulbs*.

The bottom row *Not assigned* contains the 1000 units planned at material group level that have yet been broken down to product level. Thus the total quantity is still 1450 units, with the corresponding revenue.

7. Choose  until the overview tree appears.

8. In the dialog box, choose *Yes*.

Top-Down Distribution

Use

In this process step, you distribute the data planned at material group level to product group level.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Edit Planning Data</i> |
| Transaction Code | KEPM |

2. To expand planning level  *IDES 125*, choose .

3. Double-click planning package  *IDES 125*.

On the right-hand side of the screen, you now see the characteristics for the top-down distribution.

4. Under Planning methods  *IDES 125* at the bottom left of the screen, choose   *Top-down distribution*.

5. Select  *IDES 125* using the right-hand mouse button and choose *Display parameter set*.

Under *Top-down distribution*, you select the method of distribution. *Distribute "nonassigned"* only means that the individual values already planned at the product level (total 1450 units) are not added together and then redistributed. Thus only the 1000 units that have not been planned at the product level will be distributed.

Distribute entire value means that the system distributes all 1450 units to products according to the quantity sold last year

The planning data from the previous fiscal year is taken as reference data. This means that the 1000 light bulbs are to be distributed, corresponding to the quantity sold.

The invoiced quantity in sales units is taken as the *reference value field*. This means that the value fields used in the distribution all reference a value field and are distributed according to the distribution of that reference value field. You can use value fields and key figures as the basis for distribution.



By value fields means that each value field in the reference data is used as the basis for distributing that value field. In other words, the revenue is distributed in proportion to revenue, cost of goods manufactured according to cost of goods manufactured, and so on.

6. Choose the *Value fields* tab page.

You only want to transfer the quantity (*Invoiced quantity*) and the *Revenue*.

7. Double-click  *IDES 125 (Top-Down Distribution)*.

The system now performs the top-down distribution.

Top-Down Distribution

8. Choose  until the overview tree appears.

Displaying the Profitability Report after Top-Down Distribution

Use

Now that you have performed the distribution, call up the report you looked at earlier.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |

2. Select report *IDES 125*.

3. Choose .

The parameters for the report should now appear.

4. If this is not the case, enter the following data:

| Field | Data | Description |
|---------------|----------|---------------|
| Period from | 001.2000 | |
| To period | 012.2000 | |
| Plan/act.ind. | 1 | Planning data |
| Version | 125 | Plan version |
| Record type | F | Billing data |

5. Choose .

You see the material group planned for sales organization 1000. The planned quantity still shows the same total as before (100 + 150 + 200 + 1000 = 1450 units).

6. To display the values at product level, double-click row *003 Bulbs*.

The *Not assigned* item is now 0, and the 1000 units have been distributed to all products in material group *003 Bulbs*, based on the actual data of the previous fiscal year.

7. Choose  until the overview tree appears.

8. In the dialog box, choose Yes.

Deleting the Planning Data

Use

You now delete the planning data to ensure that this IDES process can be repeated.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Edit Planning Data</i> |
| Transaction Code | KEPM |

2. To select planning level  IDES 125, choose .
3. Double-click planning package  IDES 125.



On the right-hand side of the screen, you see the combination of characteristics for the planning data is to be deleted.

4. On the left of the screen, under Planning methods  IDES 125, choose  Delete.
5. Double-click  IDES 125.

The system now deletes the planning data.

6. Choose  until the overview tree appears.

Valuating a Quantity Plan Using Ratios

Valuating a Quantity Plan Using Ratios

Purpose

A “ratio” is a fraction defined using two value fields, such as “Sales revenue / Quantity = Price”. You can use ratios in planning to calculate prices and other values that involve division.

In this process, you learn about the Customizing settings that you can make for ratios. Then you see a planning layout that already contains the ratios. Actual data is used as the reference for your plan version. After changing the prices in the reference data, you value your planned quantities in the current plan version with those prices from the reference version. Thus you will be able to plan prices and quantities separately.

You can find more information about this process under [i](#) [Page 73].

Process Flow

You can find the data for this process under [?](#) [Page 74].

1. [Customizing for Setting Up Ratios \[Page 75\]](#)
2. [Displaying a Profitability Report \[Page 77\]](#)
3. [Copying Actual Data to the Reference Version \[Page 79\]](#)
4. [Calling Up Planning Layout and Entering Planning Data for Reference Version \[Page 80\]](#)
5. [Calling Up the Planning Layout Using Material Group as Assignment Criteria \[Page 82\]](#)
6. [Calling Up Planning Layout for Current Fiscal Year and Entering Planning Data for Valuating Quantities \[Page 83\]](#)
7. [Deleting the Planning Data \[Page 85\]](#)

Additional Process Information

Prerequisites for configuring ratios:

To value a quantity plan using ratios, you first need to define the necessary ratios and a ratio scheme. Then you must assign these to an access-level characteristic. When you define a planning layout, you can use these ratios just like value fields.

Data Used During This Process

Data Used During This Process

| Field | Data | Description |
|--------------------------------|---------------|--|
| Operating concern | IDEA | |
| Type of Profitability Analysis | Costing-based | |
| Plan version | 140 | Reference version |
| Plan version | 142 | Current version |
| Report | IDES050 | Actual data |
| Planning level | IDES140 | Ratios: Price ref. version/Current version |
| Planning level | IDES141 | Ratio planning -Material group level |
| Planning package | IDES140 | Ratios: Price ref. version |
| Planning package | IDES141 | Ratio planning - Material group |
| Planning package | IDES142 | Ratios: Price - current version |
| Planning layout | IDES140 | Ratios: Price - ref. version |
| Planning layout | IDES141 | Ratios: Price - ref. version: Mat. grp |
| Planning layout | IDES142 | Ratios: Price - current version |
| Sales organization | 1000 | |
| Customer | 1000 | |
| Division | 01 | |

Customizing for Setting Up Ratios

Use

The following steps let you look at the Customizing settings that need to be made in order for you to use ratios and ratio schemes in planning. You do not need to change these settings.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Tools → AcceleratedSAP → Customizing → Edit Projects.</i> |
| Transaction Code | SPRO; KE1L |

2. Choose  *SAP Reference IMG.*

3. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Controlling → Profitability Analysis → Planning → Planning Aids →  Define Ratios and Ratio Schemes</i> |
| Transaction Code | KE1I |

4. In the dialog box, enter the following data:

| Field | Data |
|--------------------------|---------------|
| Operating concern | IDEA |
| Type of Profit. Analysis | costing-based |

5. Choose .

You see the ratios that have been defined thus far.

The ratio *ERL* represents the formula “revenue divided by sales quantity”. Value field *VV010* (revenue) is the numerator and value field *VVIQT* (invoiced quantity) is the denominator. The ratio *ES* represents the sales deductions, while *HK* shows the cost of goods manufactured.

These ratios are defined as follows:

$$\begin{aligned} \text{Sales revenue / Quantity} &= \text{Price per unit} \\ \text{Customer discount / Quantity} &= \text{Sales deductions per unit} \\ \text{Cost of goods mfd / Quantity} &= \text{Cost of goods mfd per unit} \end{aligned}$$

These ratios must be assigned to access-level characteristics, which define the level at which the values should be stored (the sales organization, customer, and product, in this example).

The three ratios with a “1” on the end represent the same as the above three ratios, except that they are assigned to the access-level characteristics “Sales organization” and “Material group”. Prices are calculated as the average prices at the material group level instead of per customer and product in one sales organization.

6. Select the row of ratio *ERL*, then double-click on *Ratio Schemes*.

You see that various schemes have already been defined. Scheme PPDB defines the prices at the customer/product level, while scheme PPDG defines them at the material group level.

7. Select the row of ratio scheme *PPDB*, then double-click *Assign Ratio*.

You see the ratios that have been assigned to this scheme.

8. Select the row of *No.10*, then double-click *Assign access-level characteristics*.

The System shows you the levels at which these ratios are to be calculated.

9. Choose  until the overview tree appears.

Displaying a Profitability Report

Use

We want to use the actual data from 1999 as the reference data for our plan for 2000. Consequently, we want to call up a report that shows us the data for the fiscal year 1999.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |

2. Select report *IDES-050*.

3. Choose .

The selection parameters for the report should appear.

4. If not, enter the following data:

| Field | Data | Description |
|----------------|----------|-------------------|
| Sales org. | 1000 | Germany Frankfurt |
| Period from | 001.1999 | |
| Period to | 012.1999 | |
| Plan/act. ind. | 0 | Actual data |
| Version | none | |
| Record type | F | Billing data |

5. Select .

You see the sales organization broken down by the divisions in which sales were generated.

6. Double-click on *01 Pumps*.

You see the customers in the selected division.

7. Double-click on *Becker Berlin*.

You obtain an overview of the products bought by that customer. These pumps, along with their sales and manufacturing costs, will serve as the reference data for our 1999 plan for customer *1000 Becker Berlin*.

8. To open a new session, choose .

Copying Actual Data to the Reference Version

Purpose

To make the data from 1999 available for the reference version for 2000, you copy the actual data to the reference version.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Edit Planning Data</i> |
| Transaction Code | KEPM |

2. Choose  in front of planning level  *IDES 140*.

Two planning packages appear.

3. Double-click planning package  *IDES 140*.



On the right side of the screen, you see the characters chosen for this planning level, including the characteristic values determining the characteristic combination. The reference data is thus to be copied to these characteristics.

4. In the planning methods area (bottom left), choose  *IDES 140* →   *Copy*.

5. Double-click parameter set  *IDES 140*.



The system now copies the reference data.

6. Remain on this screen.

Calling Up Planning Layout and Entering Planning Data for Reference Version

Calling Up Planning Layout and Entering Planning Data for Reference Version

- Under planning level *IDES 140*, double-click planning package  *IDES 140*.



On the right side of the screen, you now see the characteristics that have been selected for this planning level. You also see the corresponding characteristic values that determine the combination of characteristics to be used in planning.

- On the left of the screen, under Planning methods  *IDES 140*, choose  *Enter planning data*.



You now see the parameter sets that determine, for example, which planning layouts are to be used for this planning session.

- Double-click  *IDES 140*.

The initial screen of the assigned planning layout appears.

You now see, for instance, customer 1000 with the appropriate combination of products. You will be analyzing the data for this customer in the course of this process. The ratios for the planning layout have been selected in the same way as value fields. The following ratios have been defined: Price / unit, sales deductions / unit, cost of goods manufactured / unit, as has the formula contribution margin I / unit. An inverse formula has been created for the sales deductions ratio. This means that, whenever the prices or formulas are changed, the sales deductions are always adjusted accordingly. For this reason, this column is locked against entries.

- Switch to the first mode to view the report data again.

By dividing revenue by the sales quantity for each product, you obtain the same prices as those shown in the planning layout. This is because the actual data is taken as the basis for planning.

- Switch back to your first session.

No customer discounts have previously been applied in the case of customer 1000. You should now calculate what changes need to be made to the contribution margins in order to grant discounts and calculate the level of these discounts.

- Position your cursor on the top row under *Contrib. Margin 1 / Unit*.

- Choose  *Change values*.

- In the dialog box, enter the following data:

| Field | Data |
|--------------------|------|
| Revaluation factor | -5 |

- Choose *Revaluate*.

In the planning layout, the contribution margin has been reduced by 5 % because the customer was given a discount of 5 %.

Calling Up Planning Layout and Entering Planning Data for Reference Version

10. Position your cursor on the second row under *Contrib. Margin 1 / Unit* and choose 
Change values.

11. In the dialog box, enter the following data:

| Field | Data |
|-------|------|
| Value | -200 |

12. Choose *Add values*.

This means that a discount of 200 DEM causes the contribution margin to be reduced by the same amount.

13. Choose .

14. Remain on this screen.

Calling Up the Planning Layout Using Material Group as Assignment Criteria

Calling Up the Planning Layout Using Material Group as Assignment Criteria

Use

Now you will call up the price (ratio) defined at the summarized level, as specified in the second ratio scheme. This means that the system calculates the average price of all pumps sold to all customers in sales organization 1000.

Procedure

1. Choose  in front of planning level  *IDES 141*.



You see planning package *IDES 141*.

2. Double-click planning package  *IDES 141*.
3. In the planning methods area (bottom left), choose  *IDES 141* →   *Enter planning data*.
4. Double-click  *IDES 141*.

The initial screen for the assigned planning layout appears.

This screen shows the values with an average price for all customers and pumps in sales organization 1000. You can define ratios at any summarization level you want in Customizing.

5. Choose .

Calling Up Planning Layout for Current Fiscal Year and Entering Planning Data for Valuating Quantities

Use

Once you have determined the prices in the reference version, you can use these to valueate your sales quantities in the current plan version.

Procedure

1. Choose  in front of planning level  *IDES 140*.
2. Double-click planning package  *IDES 140*.



You see that planning data should now be generated for a different version.

3. In the planning methods area (bottom left), choose  *IDES 140* →   *Enter planning data*.
4. Double-click  *IDES 142*.

The initial screen for the assigned planning layout appears.

You now enter the desired customer/product combinations and the corresponding planned sales quantities for customer 1000 in fiscal year 2000. The screen also shows the value fields *Revenue*, *Sales deductions*, and *Cost of goods manuf.*, so that you can see the results of the valuation.

5. Enter the following data:

| Customer | Product | Planned Quantity |
|----------|---------|------------------|
| 1000 | P-100 | 500 |
| 1000 | P-101 | 70 |
| 1000 | P-102 | 45 |

6. Choose .
7. Choose .
8. Choose *Edit* → *Planning Methods* → *Ratios*.
9. In the dialog box, enter the following data:

| Field | Data | Description |
|--------------|----------|--------------|
| Ratio scheme | PPDB | |
| From period | 001.2000 | |
| To period | 012.2000 | |
| Version | 140 | |
| Record type | F | Billing data |

| | | |
|---------------|--------|--|
| Planning data | select | |
|---------------|--------|--|

10. Choose .



You now see the plan quantities valued using the ratios that you defined in the step *Calling Up a Planning Layout and Entering Planning Data in the Reference Version*. The products are only displayed in the current version if they are to be included for planning in the reference version.

11. Choose .

12. In the dialog box, choose *No*.

Deleting the Planning Data

Use

You now delete the planning data to ensure that this IDES scenario can be repeated

Procedure

1. Under planning level  *IDES 140*, double-click planning package  *IDES 140*.
2. On the left-hand side of the screen, under Planning methods  *IDES 140*, choose  *Delete*.
3. Double-click  *IDES 140*.
The system now deletes the planning data.
4. Choose  until the overview tree appears.

Sales and Profit Planning Using Top-Down and Bottom-Up Planning

Purpose

Sales and profit planning typically involves both top-down and bottom-up planning methods. Firstly, management specifies (top-down) the sales and profit goals for the planning period at a high level of aggregation (such as at the customer group / product group level). The different sales representatives then plan (bottom-up) their sales volumes for their respective areas at a detailed level (such as at the customer / product level).

An ensuing analysis of planning shows whether the targets set by management have been met by the sales representatives, that is to say, whether both plans end with the same result. If this is not the case, the target values or the employees' planning data (or both) are adjusted in an iterative process until both plans tally.

It is typical for both plans to be based on past actual data. The following sections describe top-down planning and then bottom-up planning and the typical functions involved. For a better understanding of the planning process, call up a report after each planning method showing the effects it had.

Process Flow

You can find the data for this process under [?](#) [Page 87].

1. [Creation of a Plan Proposal by Management \[Page 88\]](#)
2. [Changing Plan Quantity and Valuation Using Excel \[Page 90\]](#)
3. [Making Price Increases Using Valuation \[Page 91\]](#)
4. [Distributing Planning Results to Sales Offices \[Page 92\]](#)
5. [Copying Management Planning for Sales Representatives \[Page 94\]](#)
6. [Changing Sales Commission \[Page 95\]](#)
7. [Distributing Planning Results to Customer, Product, and Sales Representative Levels \[Page 96\]](#)
8. [Changing Plan Quantities and Revaluation \[Page 98\]](#)
9. [Comparison between Top-Down and Bottom-Up Planning \[Page 100\]](#)
10. [Resetting the Data \[Page 101\]](#)

Data Used During This Process

| Field | Data | Description |
|---|---------------|--|
| Operating concern | IDEA | |
| Type of Profitability Analysis | Costing-based | |
| Plan version | 111 | Current forecast |
| Plan version | 112 | Management plan |
| Report | MNGMT-FORCST | Comparison between management and current forecast |
| Planning level | MNGMT1 | Customer group / material group |
| Planning package | MNGMT1-1 | All customer groups / material groups |
| Planning package | MNGMT1-2 | Customer group 01/ material group 001 |
| Planning package | MNGMT1-3 | All customer groups / material groups 0001 |
| Planning level | MNGMT2 | Cust. grp/Mat. grp/Sales off. |
| Planning package | MNGMT2-1 | All cust. grps/mat. grps/sales offices |
| Delete parameter set for level MNGMT1 | MNGMT2-1 | Delete entire plan version |
| Parameter set "Top-down distribution for level MNGMT1 | MNGMT2-1 | Distrib. cust. grp/mat. grp to sales offices |
| Planning level | SALES1 | Cust. grp/mat. grp/sales off. |
| Planning package | SALES1-1 | All cust. grps/mat. grps/sales offices |
| Planning package | SALES1-2 | Sales office 1000/1010/1030 |
| Planning level | SALES2 | Customer/product/sales rep. |
| Planning package | SALES2-1 | All custs/prods/sales reps. |
| Planning package | SALES2-2 | Ernst Dahm |

Creation of a Plan Proposal by Management

Creation of a Plan Proposal by Management

Use

The plan version *111 Current forecast* contains actual data for January thru May of the current year. The remaining seven months of this plan version contain forecast data for the current year. Management uses this plan version as the basis for planning the following year, which occurs in plan version *112 Management plan*.

A report is now generated showing the data for the current year.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |



If you are calling up a profitability analysis transaction for the first time since logging on to the system, you are requested to enter the operating concern.

If this is the case, enter the following data in the dialog box:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

Choose .

2. Select the report *MNGMT-FORCST*.
3. Choose .
4. Enter the following data:

| Field | Data |
|---------------|------|
| From period | 001 |
| To period | 012 |
| Planning year | 2001 |

5. Choose .

You now see that the *Mgmt Plan* column does not contain any data. This is because plan version 112 has not yet been filled with data. Instead, the figures for plan version 111 "Actual Forecast" are shown.

6. To leave the report, choose .
7. Confirm the dialog box with Yes.
8. To open a new session, choose .

Creation of a Plan Proposal by Management

This new session will be referred to as the *Planning Session* from now on.

The current session will be referred to as the *Report Session*.

Planning will now be run for the following fiscal year.

9. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Edit Planning Data</i> |
| Transaction Code | KEPM |

10. Under *Planning levels* (top left), choose  MNGMT1 →  MNGMT1-1.

On the right side of the screen, you now see the characteristics that have been selected for this planning level. You also see the corresponding characteristic values that determine the characteristic combination to which the reference data is to be copied.

11. Under *Planning methods* (bottom left), choose  MNGMT1 →  Copy →  MNGMT1-1.

Now the system copies the planning data from plan version 111 to plan version 112 *Management* and does this at the customer group and material group level. A log tells you that the action has been carried out successfully.

12. Now switch to the report session.

13. Choose .

14. To start the report again, make the same entries as before and choose .

You now see that the *Mgmt Plan* column has been filled with the same data as *Act. Fcst*. In this way, the plan proposal for the management plan has now been created.

15. To leave the report, choose .

16. Confirm the dialog box with Yes.

Changing Plan Quantity and Valuation Using Excel

Changing Plan Quantity and Valuation Using Excel

Use

In this scenario, you update the sales quantities for the following fiscal year.

Procedure

1. Switch to the planning session.
2. Under the planning level, choose  MNGMT1 →  MNGMT1-2.

On the right-hand side of the screen, you now see the characteristics that have been selected for this planning level. The quantities should be changed in this planning package for material group 001 and customer group 01.
3. Under *Planning methods*, choose  MNGMT1 →  Enter planning data →  MNGMT1-2.

The system calls up Excel. The quantities and values from the current forecast appear, alongside the same values from the plan proposal.
4. Confirm the *Microsoft Excel* dialog-box with Yes.
5. Enter 2500 as the sales quantity in the *Plan 2001* column and choose *Enter*.

Using formulas in Excel, the new quantity is valued with prices from the current forecast. This is one of three ways of valuating quantities. The other two ways are shown in bottom-up planning.
6. Now choose push button "Please click here..." in Excel.
7. Then save your entries in the R/3 System by choosing .
8. Confirm the *Information* dialog box with .
9. Now switch to the report session.
10. To start the report again, choose .
11. Make the same entries as before and then choose .
12. In the central window on the right-hand side of the screen, double-click *01 Industrial customers* and then *Material group 001*.

In the Detail list, you can see that, as a result of the change in quantities, the values have also changed by 7.9% compared to the current forecast.
13. To leave the report, choose .
14. Confirm the dialog box with Yes.

Making Price Increases Using Valuation

Use

Valuation can be used to change value fields (which can also be selected individually) by a given percentage.

Procedure

1. Switch to the planning session.
2. Under *Planning levels*, choose  MNGMT1 →  MNGMT1-3.
On the right-hand side of the screen, you now see the characteristics that have been selected for this planning level. You should perform an increase in price for material group 001.
3. Under *Planning methods*, choose  MNGMT1 →  Revaluation.
4. Select parameter set  MNGMT1-3 using the right mouse button.
5. Choose *Display parameter set*.
On the right-hand side of the screen, you see that revaluation key ID1 is used, which increases revenues by 9%. Thus, by using this key, prices are increased by 9%.
6. Double-click parameter set  MNGMT1-3 and then wait until valuation has been completed successfully.
7. Now switch to the report session.
8. To start the report again, choose .
9. Make the same entries as before and then choose .
10. Now double-click *07 Public sector* in the central window on the right-hand side of the screen.
In the *Gross revenue* row in the lower part of the screen, you see that gross revenue has been increased by 9% as a result of the 9% price increase.

For customer group 01 Industrial customers, the effect of this increase is coupled with that resulting from the adjusted quantity. Consequently, the percentage of the increase in gross revenue is greater for this customer group.
11. To return to the Basic View screen, choose *Settings* → *Undo* → *All settings*.

Distributing Planning Results to Sales Offices

Distributing Planning Results to Sales Offices

Use

In this scenario, planning data is broken down at the sales office level.

Procedure

1. In the central window on the left, double-click *Sales office*.

In the *Mgmt Plan* column in the central part of the screen, you see that the values for the sales office are not assigned, whereas in the current forecast they are assigned. This is because the current forecast has been copied at the customer group / material group levels, but not at the sales office level.
2. To leave the report, choose .
3. Confirm the dialog box with Yes.
4. Switch to the planning session.
5. Under *Planning levels*, choose  MNGMT2 →  MNGMT2-1.

On the right-hand side of the screen, you find the same characteristics as in planning package MNGMT1-2, as well as the additional characteristic *Sales office*.
7. Under *Planning methods*, choose  MNGMT2 →  Top-down distribution.
8. Select parameter set  MNGMT2-1 using the right mouse button.
9. Choose *Display parameter set*.

The "only non-assigned" values are distributed (this selection is of no significance in this scenario because none of the values relating to the sales office are assigned). The data for the current forecast (plan version 111) in periods 1-12 of the year 2000 serves as a reference. The reference data is considered *by value fields*. This means that the value field *Revenue* in the reference version 111 is used as the basis for the value field *Revenue*. The individual periods in the reference data are cumulated.

During execution, the planning data is therefore distributed to the sales offices on the basis of the distribution used in the current forecast.
10. Double-click parameter set  MNGMT2-1 and then wait until top-down distribution has been completed successfully.
11. Switch to the report session.
12. To start the report again, choose .
13. Make the same entries as before and then choose .
14. In the central window on the left, double-click *Sales office*.

You now see in this central window that the values are also assigned to the sales offices in the *Mgmt Plan* column.
15. To leave the report, choose .
16. Confirm the dialog box with Yes.

Copying Management Planning for Sales Representatives

Copying Management Planning for Sales Representatives

Use

Management has drawn up the sales plan for the following fiscal year. The data from this sales plan is now copied to a sales version at an aggregated level, enabling the sales representatives to perform their planning, which occurs at a more detailed level than the planning performed by management. The sales representatives thus perform bottom-up planning.

Procedure

1. Switch to the planning session.
2. Under *Planning levels*, choose  SALES1 →  SALES1-1.
 On the right-hand side of the screen, you now see the characteristics that have been selected for this planning level. The data is transferred at the customer group, material group, and sales office levels.
3. Under *Planning methods*, choose  SALES1 →  Copy →  SALES1-1.
 The planning data from plan version *112 Management* is now copied to plan version *113 Sales representative*. A log tells you that the action has been carried out successfully.
4. Now switch to the report session.
6. Select the report *MNGMT-SALES*.
7. Choose .
8. Enter the following data:

| Field | Data |
|---------------|------|
| From period | 001 |
| To period | 012 |
| Planning year | 2001 |
9. Choose .
 You now see that the *Sales plan* column (version 113) contains the same data as the *Mgmt plan* column (version 112).
10. To leave the report, choose .
11. Confirm the dialog box with Yes.

Changing Sales Commission

Use

The regional director now changes the sales commission for his sales offices and does this for the combination customer groups/product groups.

Procedure

1. Switch to the planning session.
2. Under *Planning levels*, choose  SALES1 →  SALES1-2.
On the right-hand side of the screen, you now see the characteristics that have been selected for this planning level. The change is to be made for sales office 1000.
3. Under *Planning methods*, choose  SALES1 →  Enter plan data →  SALES1-2.
The planning layout then appears. You see the material groups in the first column, then the customer groups, and then three columns containing different sales offices.
4. Increase each of the amounts in the row *Material group 001/Customer group 01* by € 5000 and choose *Enter*.
5. Save your entries by choosing .
6. Now switch to the report session.
7. To start the *MNGNT-SALES* report again, choose .
8. Make the same entries as before and then choose .
9. In the central window on the left, double-click *Sales office*.
In the Detail list screen, you now notice in the *Sales commission* row that a delta of € 15 000 with regard to the management plan has occurred.
10. To leave the report, choose .
11. Confirm the dialog box with Yes.

Distributing Planning Results to Cust./Product/Sales Rep Levels

Distributing Planning Results to Cust./Product/Sales Rep Levels

Use

After the figures at the customer and material group level and those for the sales offices have been changed in SD, this data now has to be distributed to the customer, product, and sales representative levels.

Procedure

1. Switch to the planning session.
2. Under *Planning levels*, choose  SALES2 → .
3. Under *Planning methods*, choose  SALES2 →  *Top-down distribution*.
4. Select parameter set  SALES2-1 using the right mouse button.
5. Choose *Display parameter set*.
6. Under *Receiver characteristics*, choose  (*Several Update characteristics*).
You now see the senders and receivers in top-down distribution.
7. Choose .
The plan version serving as the basis for the distribution is version *111 Current forecast*.
8. Double-click the parameter set  SALES2-1 and then wait until the successful completion log.
9. Switch to the report session.
10. Select the report SALES-FCST.
11. Choose .
12. Enter the following data:

| Field | Data |
|---------------|------|
| From period | 001 |
| To period | 012 |
| Planning year | 2001 |
13. Choose .
14. In the left-hand side of the central section of the screen, double-click *Customer*.
You see that data now exists at the customer level, hence a plan has been created.
15. To leave the report, choose .
16. Confirm the dialog box with Yes.

Distributing Planning Results to Cust./Product/Sales Rep Levels

Changing Plan Quantities and Revaluation

Changing Plan Quantities and Revaluation

Use

In this scenario, the sales representatives adjust the sales plans for their respective customers at a greater level of detail.

Procedure

1. Switch to the planning session.
2. Under *Planning levels*, choose  SALES2 →  SALES2-2.
On the right-hand side of the screen, you now see the characteristics that have been selected for this planning level. The sales representative *1709 Ernst Dahm* will now plan the quantities of the individual products for his customer 2000 Carbor Ltd.
3. Under *Planning methods*, choose  SALES2 →  Enter plan data →  SALES2-2.
4. Change the sales quantities for the products *P-101* through *P-402* and choose *Enter*.
You now see two options for valuating sales planning using the changed quantity structure and thus of valuating new costs and revenues.

5. Select the first two products.
6. Choose *Edit* → *Planning methods* → *Ratios*.
7. In the dialog box, enter the following data:

| Field | Data |
|---------------|--|
| Ratio scheme | PPDQ (plan prices customer / product / sales representative) |
| Period from | 001.2000 |
| To period | 012.2000 |
| Version | 111 |
| Record type | F |
| Planning data | Select |

8. Choose .
Costs and revenues as well as the contribution margin are adjusted in accordance with the changed planned quantities. The products are valuated using the prices from the current forecast.
9. Select the last two products.
10. Choose  *Valuate*.
Costs and revenues are also adjusted here to match the changed quantity structures, and the current SD conditions and standard cost estimates are applied.
11. Save your entries by choosing .
12. Now switch to the report session.

Changing Plan Quantities and Revaluation

13. To start the *SALES-FCST* report again, choose .
14. Make the same entries as before and then choose .
15. In the central window on the left, double-click *Sales employee*.
You see that the sales figures for the sales representative *1709 Ernst Dahm* have been adjusted according to your valuations made previously.
16. Double-click *1709 Ernst Dahm* in the central window on the right.
In the Detail list (in the lower part of the screen), you see the effect that the changes in planning to the percentage variances have had on the contribution margin scheme.
17. To leave the report, choose .
18. Confirm the dialog box with Yes.

Comparison between Top-Down and Bottom-Up Planning

Comparison between Top-Down and Bottom-Up Planning

Use

Once management and the sales department have completed planning, the respective versions are then compared. If the results obtained by management differ from those obtained by the sales representatives, planning enters into the next iterative processing stage; either management adjusts its targets or the sales representatives modify their entries, or both.

Procedure

1. Select the report *MNGMT-SALES*.
2. Choose .
3. Enter the following data:

| Field | Data |
|---------------|------|
| From period | 001 |
| To period | 012 |
| Planning year | 2001 |

4. Choose .

The results after the first iterative processing stage in planning are now displayed in the lower part of the screen. A new plan version would now typically be created for management as well as for the sales representatives, and the result of the first iteration would be copied into this version. Both groups would then edit their planning data with a view to achieving a convergence of the planning results. This process is repeated as often as necessary until the management plan and that drawn up by the sales representatives tally.

Resetting the Data

Use

To be able to repeat this scenario, you now need to delete the planning data.

Procedure

1. Switch to the planning session.
2. Under *Planning levels*, choose  SALES2 →  SALES2-1.
3. Under *Planning methods*, choose  SALES2 →  Delete →  SALES2-1.
4. Under *Planning levels*, choose  MNGMT2 →  MNGMT2-1.
5. Under *Planning methods*, choose  MNGMT2 →  Delete →  MNGMT2-1.
6. Choose *System* → *End session*.
7. Choose .
8. In the dialog box, choose Yes.
9. Choose  until the overview tree appears.

Integrated Planning in Profit Center Accounting

Use

Integrated planning in Profit Center Accounting allows you to transfer plan data to Profit Center Accounting from other areas. In the following scenario, you will transfer valuated sales planning to Profit Center Accounting. You will then transfer overhead cost planning and statistical key figures from Cost Center Accounting.

You can find more information about this process under [i](#) [Page 103].

Process Flow

You can find the data for this process under [?](#) [Page 104].

Then select the first of the processes listed below:

1. [Displaying Data to be Transferred from Profitability Analysis \[Page 107\]](#)
2. [Transferring Planning Data \[Page 109\]](#)
3. [Transferring Data from Costing Center Accounting \[Page 111\]](#)
4. [Transferring Statistical Key Figures from Costing Center Accounting \[Page 114\]](#)

Additional Process Information

Profit center planning forms an essential part of your overall corporate planning.

The integrative character of corporate planning is particularly evident in profit center planning, as it allows you to summarize, expand and change planning data from other areas of your company.

The aim of profit center planning is to provide all the data and key figures available for a self-contained area of responsibility (profit center).

If the required pieces of data already exist, they can be transferred from their original objects to the profit centers. Any missing information (such as revenues, changes in stock, and so on) can be planned directly in Profit Center Accounting. For further information, see [Direct Planning in Profit Center Accounting \[Ext.\]](#).

For the purposes of this scenario, the data is transferred from costing-based Profitability Analysis and Overhead Cost Controlling. You will transfer revenues and material costs from sales and profit planning.

You will transfer overhead costs and statistical key figures from the Cost Center Accounting application.

To display the Customizing settings, choose [Additional Demo Information \[Page 105\]](#).

Data Used During This Process

Data Used During This Process

| Field | Data | Description |
|--------------------------|---------|-------------------------------|
| Operating concern | IDEA | IDES global operating concern |
| Kostenrechnungskreis | 1000 | CO Europe |
| Layout | IDES350 | Profit center |
| Version | 110 | Sales planning |
| Fiscal year | 1999 | |
| From period/to period | 001/012 | |
| Cost center | 4230 | Pump assembly |
| Profit center | 1010 | High speed pumps |
| Profit and loss accounts | OAS | Operating profit |
| Statistical key figure | 9100 | Employees |



If you have activated transfer prices in your system, use the following data:

| Field | Data | Description |
|--------------------------------|---------------|-------------------------------|
| Operating concern | IDEA | IDES global operating concern |
| Type of Profitability Analysis | Costing-based | |
| Controlling area | 1000 | CO Europe |
| Layout | IDES360 | Profit center (currency) |
| Version | 0 | Plan version 1 |
| Fiscal year | 1999 | |
| From period/to period | 001/012 | |
| Cost center | 4230 | Pump assembly |
| Profit center | 1010 | High speed pumps |
| Profit and loss accounts | OAS | Operating profit |
| Statistical key figure | 9100 | Employees |

Additional Demo Information

Use

The following additional information is aimed at IDES users with prior knowledge of Customizing for Profit Center Accounting and Controlling. The aim is to show the way in which applications are linked, using the example of the data contained in this process. Because this text refers to this IDES demo, you should read it after completing the process chain.

If you want to transfer data to Profit Center Accounting from costing-based Profitability Analysis, the value fields with which costing-based Profitability Analysis works must contain G/L accounts.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Tools → AcceleratedSAP → Customizing → Edit Project</i> |
| Transaction Code | SPRO |

2. Choose  *SAP Reference IMG*.

3. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Enterprise Controlling → Profit Center Accounting → Planning → R/3 internal plan data transfer → Transfer of plan data from costing-based CO-PA →  Maintain Account Determination</i> |
| Transaction Code | KEDP |

4. If a dialog box appear, enter the following data:

| Field | Data |
|-------------------|--------|
| Operating concern | IDEA |
| Costing-based | Select |

5. Choose .

6. On the screen *Account Determination for Transfer of Plan Data to EC-PCA*, select the derivation rule *IDES standard derivation* and choose .

7. Choose  *Maintain rule values*.

8. If a dialog box appears, enter the following data:

| Field | Data |
|------------------|------|
| Controlling area | 1000 |

9. Choose .

You see the assignment of value fields to accounts.

10. To see the names of the value fields, choose  *On/Off*.

11. Choose  until the *Display IMG* screen appears.

Additional Demo Information

Once all values have been stored in Profitability Analysis, you must define which value fields you want to transfer to Profit Center Accounting with which +/- sign rules.

12. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Enterprise Controlling → Profit Center Accounting → Planning → R/3 internal plan data transfer → Transfer of plan data from costing-based CO-PA →  Maintain +/- Sign Rules</i> |
| Transaction Code | KESF |

You now see which value fields have been transferred to Profit Center Accounting with which +/- sign rule.

13. Choose  until the *Display IMG* screen appears.

If you want to transfer overhead costs from Cost Center Accounting to Profit Center Accounting, you must define in the plan version, at Profit Center Accounting level, whether the data is to be transferred to Profit Center Accounting online or posted subsequently in a report.

14. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Enterprise Controlling → Profit Center Accounting → Planning → Basic Settings for Planning →  Maintain Plan Versions</i> |
| Transaction Code | OKEQ |

15. Select *version 0*.

16. Now choose *Settings for Profit Center Accounting* from the dialog structure on the left,

Use the Online Transfer field to decide whether the data is to be transferred from Cost Center Accounting to Profit Center Accounting online or subsequently using a special report.

17. Choose  until the overview tree appears.

Displaying Data to be Transferred from Profitability Analysis

Displaying Data to be Transferred from Profitability Analysis

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Environment → Set Operating Concern</i> |
| Transaction Code | KEBC |

2. Enter the following data:

| Field | Data |
|-------------------|--------|
| Operating concern | IDEA |
| Costing-based | Select |

3. Choose .



If you have activated transfer prices in your system, you must first transfer your Profitability Analysis plan data to a plan version of your own. Carry out process steps 4-9.

If you have not activated transfer prices, proceed to process step 10.

To do so, call up the following transaction at planning level  *IDES360*.

4. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Edit Planning Data</i> |
| Transaction Code | KEPM |

5. Im Bild Planungseinstieg: Gesamtübersicht wählen Sie die Planungsebene  *IDES 360* aus, indem Sie  klicken.



Es erscheint das zugehörige Planungspaket *IDES 360*.

6. Wählen Sie mit Doppelklick das Planungspaket  *IDES 360* aus.



Auf der rechten Bildschirmseite sehen Sie die Merkmale, die für diese Planungsebene ausgewählt wurden mit den entsprechenden Merkmalswerten, die die Merkmalskombination bestimmen, für die die Planung vorgesehen ist.

Sie sehen, daß die Planung u.a. für das Geschäftsjahr 1999 erfolgen soll, für das Profit Center 1000.

7. Wählen Sie unter Planungsmethoden (unten links)  *IDES 360*  und  *Kopieren*.

Displaying Data to be Transferred from Profitability Analysis



Es erscheint die Parametergruppe, die bestimmt, welche Daten kopiert werden.

8. Wählen Sie mit Doppelklick  *IDES 360* aus.
9. Choose  until the overview tree appears.
10. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Planning → Edit Planning Data</i> |
| Transaction Code | KEPM |

11. Choose planning level  *IDES350* by clicking on .

The level is now expanded so that planning package  *IDES350* appears.

12. Double click on the planning package to call it up.

On the right of the screen, you now see the characteristics and values defined for this planning level. These determine the combination of characteristics used for planning purposes.

13. Under *Planning methods* (bottom left of the screen) choose *Enter planning data*. The corresponding parameter group appears. Double click on the  *IDES350* to call it up.

You now see the planned profit for each plant and product in the chosen profit center. Take a note of the total planned values for revenues and material usage. These values are also transferred to Profit Center Accounting.

14. Choose  until the overview tree appears.

The planning data is now transferred from Profitability Analysis to Profit Center Accounting.

Transferring Planning Data

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Enterprise Controlling → Profit Center Accounting → Planning → Plan data transfer → Costing-based CO-PA</i> |
| Transaction Code | KE1V |

2. Enter the following data:

| Field | Data |
|-------------|----------|
| From period | 001.1999 |
| To | 012.1999 |
| Version | 110 |
| Record type | F |
| Test run | Deselect |

3. Choose *Selection criteria*.



If you have activated transfer prices in your system, change your entries as follows:

| Field | Data |
|---------|------|
| Version | 0 |

4. On the *Transfer to PCA: Selection criteria* screen, enter the following data:

| Field | Data |
|---------------|------|
| Profit center | 1010 |

5. Choose *Processing Instructions*.

On the screen *Transfer to EC-PCA: Processing instructions*, check that the *Ret* (transfer) indicator is checked for all characteristics.

6. Choose *Value fields*.

7. Enter the following data:

| Field | Data |
|----------------|--------|
| Revenue | Select |
| Material Input | |

8. Choose .

The screen *Transfer to EC-PCA: Log* now displays a process log with your selection settings and the result of the transfer. Check whether the transfer has been completed without errors. Now call up the Profit Center Accounting Information System to display the results of the plan data transfer from costing-based Profitability Analysis.

9. Choose  until the overview tree appears.

Transferring Planning Data

10. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | Starting from <i>Profit Center Accounting</i> , choose <i>Information system</i> → <i>Reports for Profit Center Accounting</i> → <i>Interactive Reporting</i> → <i>Profit Center Group: Plan/actual/variance</i> |
| Transaction Code | S_ALR_87013326 |

11. Enter the following data:

| Field | Data |
|-------------------------------|------|
| From period | 001 |
| To | 012 |
| Fiscal year | 1999 |
| Profit center group or values | 1010 |
| Profit & loss accounts group | OAS |
| Plan version | 110 |

12. Choose .



If the *Set Controlling Area* dialog box appears, enter *1000* and choose .

If the system displays a dialog box, confirm it with *Continue*.

You now see the revenues and material costs transferred from costing-based Profitability Analysis for the selected profit center.



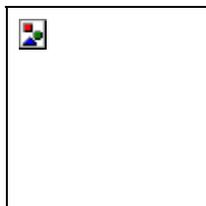
You can expand cost element group OAS by clicking on the OAS node in the right-hand half of the screen.

If you have activated transfer prices in your system, change your entries as follows:

| Field | Data |
|---------|------|
| Version | 0 |

13. Choose  until the overview tree appears.

14. If a dialog box appears, confirm it with *Yes*.



Transferring Data from Cost Center Accounting

Transferring Data from Cost Center Accounting

Before transferring data from Cost Center Accounting, display the plan values on the screen.

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Cost Center Accounting → Environment → Set Controlling Area</i> |
| Transaction Code | OKKS |

2. Enter the following data in the dialog box:

| Field | Data |
|------------------|------|
| Controlling area | 1000 |

3. Choose .

4. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Cost Center Accounting → Information System → Reports for Cost Center Accounting → Planning Reports → Cost Centers: Planning Overview</i> |
| Transaction Code | KSBL |

5. On the *Planning Report: Initial Screen*, enter the following data:

| Field | Data |
|----------------|--------|
| Cost center | 4230 |
| Fiscal year | 1999 |
| Period from/to | 01; 12 |
| Version | 110 |

6. Choose  *Execute*.



If you have activated transfer prices in your system, change your entries as follows:

| Field | Data |
|---------|------|
| Version | 0 |

You now see the result of cost center planning for the selected cost center.

7. Choose  until the overview tree appears.

8. In the dialog box, choose Yes.

The data is now transferred from Cost Center Accounting to Profit Center Accounting.

9. Call up the transaction as follows:

| | |
|------------------|--|
| Menu Path | <i>Accounting → Enterprise Controlling → Profit Center Accounting → Planning → Plan Data Transfer → CO Plan Data</i> |
|------------------|--|

Transferring Data from Cost Center Accounting

| | |
|-------------------------|------|
| Transaction Code | 1KEO |
|-------------------------|------|

10. Enter the following data:

| Field | Data |
|-----------------------------|----------|
| Plan version | 110 |
| Fiscal year | 1999 |
| Objects: Cost center | Select |
| Cost centers | 4230 |
| Test run | Deselect |
| Log | Select |

11. Choose .



If you have activated transfer prices in your system, change your entries as follows:

| Field | Europe |
|---------|--------|
| Version | 0 |

12. In the *delete* dialog box, choose Yes.

You now see plan data transfer log. You can use the Profit Center Accounting information system to analyze the results of the plan data transfer.

13. Choose  until the overview tree appears.

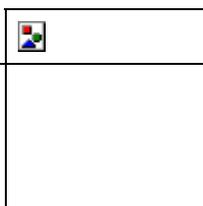
14. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Enterprise Controlling → Profit Center Accounting → Information System → Reports for Profit Center Accounting → Interactive Reporting → Profit Center Group: Plan/Actual/Variance</i> |
| Transaction Code | S_ALR_87013326 |

15. Enter the following data:

| Field | Data |
|-----------------------------|------|
| From period | 001 |
| To period | 012 |
| Fiscal year | 1999 |
| Profit center group | 1010 |
| Profit & loss account group | OAS |
| Plan version | 110 |

16. Choose .



Transferring Data from Cost Center Accounting



If the system displays a dialog box, confirm it with *Continue*.

You now see the revenues and material costs transferred from costing-based Profitability Analysis as well the plan costs transferred from Cost Center Accounting for the selected profit center.

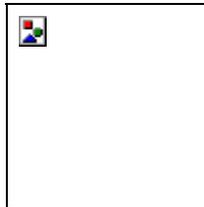


If you have activated transfer prices in your system, change your entries as follows:

| Field | Data |
|---------|------|
| Version | 0 |

17. Choose  until the overview tree appears.

18. In the dialog box, choose Yes.



Transferring Statistical Key Figures from Cost Center Accounting

Transferring Statistical Key Figures from Cost Center Accounting

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Enterprise Controlling → Profit Center Accounting → Planning → Plan data Transfer → Statistical Key Figures</i> |
| Transaction Code | 1KEE |

2. Enter the following data:

| Field | Data |
|-------------|----------|
| Fiscal year | 1999 |
| Version | 110 |
| Object type | KS |
| Test run | Deselect |
| Log | Select |

3. Choose .



If you have activated transfer prices in your system, change your entries as follows:

| Field | Data |
|---------|------|
| Version | 0 |

4. In the dialog box, choose *Yes - live run*.

On the screen *EC-PCA: Transfer Planned Statistical Key Figures*, the system displays the transfer log. You can use the Profit Center Accounting information system to analyze the results of the plan data transfer.

5. Choose  until the overview tree appears.

6. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Enterprise Controlling → Profit Center Accounting → Information System → Reports for Profit Center Accounting → List-Oriented Reports → Profit Center: Statistical Key Figures</i> |
| Transaction Code | S_ALR_87013342 |

7. Enter the following data:

| Field | Data |
|------------------|------|
| Controlling area | 1000 |
| Fiscal year | 1999 |
| From period | 001 |

Transferring Statistical Key Figures from Cost Center Accounting

| | |
|----------------------------------|------|
| To | 012 |
| Plan version | 110 |
| Profit center group or values | 1010 |
| Statistical key figure or values | 9100 |

8. Choose .



If you have activated transfer prices in your system, change your entries as follows:

| Field | Data |
|---------|------|
| Version | 0 |

You see the statistical key figures transferred from Cost Center Accounting for the selected profit center.

9. Choose  until the overview tree appears.

10. In the dialog box, choose Yes.

Generating Orders and Audit Trails of all Documents in Accounting

Purpose

This scenario demonstrates the integrated procedure of sales order and delivery processing, goods issue and accounts receivable with concluding payment processing and representation of respective values in Profitability Analysis (CO-PA).

So that all the information stored can be displayed and referred to quickly, it is particularly important that the numbers of the documents created by the system be noted.

You can find more information about this process under [i](#) [Page 117].

Process Flow

You can find the data for this process under [?](#) [Page 118].

1. [Creating a Sales Order \[Page 119\]](#)
2. [Picking and Delivery of the Sales Order \[Page 121\]](#)
3. [Billing the Sales Order \(SD\) \[Page 123\]](#)
4. [Analyzing Customer Line Items \[Page 125\]](#)
5. [Displaying Cash Management and Forecast, Summary Presentation of Payment Schedule \[Page 127\]](#)
6. [Profitability Reports \[Page 129\]](#)
7. [Making a Fast-Entry Incoming Payment \[Page 131\]](#)
8. [Displaying Cash Management & Forecast, Cash Management Position \[Page 133\]](#)
9. [Displaying Document Flow \(SD\) \[Page 135\]](#)

Additional Process Information

As the data in Cash Management is displayed as totals records per value day, it is necessary to determine the planning group in the customer master record. When entering an order or when billing at a later time the system updates the totals record of this planning group in the cash management and forecast. By processing the various phases of the sales process the system also processes the planning data respectively. This means that the order is displayed in the corresponding totals item ("SD-Orders") at first. When the billing document is created, the system updates the totals record for the "open receivables". The amount of the order in cash management is diminished of this amount at this time. The same is true for incoming payments. This link shall be displayed within this and a later part of this scenario beginning with the billing document created.

The amounts are then displayed in the cash management position; The open receivables totals are diminished for this amount.

Data Used During This Process

Data Used During This Process

| Field | Europe | North America | Description |
|------------------------|---------------|---------------|---------------------------------|
| Order type | OR | OR | Standard order |
| Sales organization | 1000 | 3000 | |
| Distribution channel | 10 | 10 | Direct sales |
| Division | 00 | 00 | Pumps division |
| Sold-to party | 1000 | 3000 | Sample customer (sold-to-party) |
| Material number | P-109 | P-109 | Material master pumps |
| Quantity | 2 | 2 | |
| Shipping point | 1000 | 3000 | |
| Company code | 1000 | 3000 | |
| Currency | EUR | USD | Local currency |
| Customer | 1050 | 3050 | Sample customer (payer) |
| Record type | F | F | Billing document |
| Bank account | 113109 | 113109 | Account for incoming payments |
| Operating concern | IDEA | IDEA | |
| Profitability analysis | Costing-based | Costing-based | |
| Report | IDES-050 | IDES-050 | |

Creating a Sales Order

Use

In this first step you receive an inquiry from a customer and create a sales order. This document is an SD document and does not yet lead to posting in Financial Accounting. It is, however, the basis for sales processing as a whole.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Sales → Order → Create</i> |
| Transaction Code | VA01 |

2. Enter the following data:

| Field | Europe | North America |
|----------------------|-------------------------|-------------------------|
| Order type | OR | OR |
| Sales organization | 1000 (SD org. Germany) | 3000 (SD org. USA) |
| Distribution channel | 10 (end customer sales) | 10 (end customer sales) |
| Division | 00 (cross-divisions) | 00 (cross-divisions) |



The division 00 is used to simplify the entry. The correct allocation of a sales order to a division does not occur until the product ordered is entered on the following screen. The correct allocation is made by default, so that it is possible to create articles from *different* divisions in *one* sales order.

3. Choose .

4. Enter the following data:

| Field | Europe | North America |
|---------------------|------------------------------|------------------------------|
| Sold-to party | 1000 | 3000 |
| Purch.order no. | Anything (informative entry) | Anything (informative entry) |
| Purchase order date | Today's date | Today's date |
| Req.deliv.date | Proposed by system | Proposed by system |
| Pricing date | Proposed by system | Proposed by system |
| Material | P-109 | P-109 |
| Order quantity | 2 | 2 |
| (Sales unit) SU | PC | PC |

5. Note the required delivery date proposed by the system.

6. Choose .

Creating a Sales Order

7. In the dialog box, double click on customer 1000 (IDES-DE) or 3000 (IDES-US).
8. Confirm any messages with .

After the document entries have been processed, the net sales price of the sales items entered appears in the top right field *net value*. Furthermore, a description of the material ordered is displayed.



If the material ordered is not available at the requested delivery date, the system automatically branches to another screen with availability information. Here, you can select a delivery option (e.g. *delivery proposal*). The system then returns to the order overview screen.

9. Select your item, then choose .

The system displays the earliest delivery date for the ordered quantity in the *Delivery proposal* area.

10. Note the date and select *One-time delivery*.

Further details regarding availability information can be found in [Sales Order Processing and Subsequent Functions \[Ext.\]](#)

11. Choose .

12. Note down the order number.

13. Choose  until the overview tree appears.

In the *Exit Order Processing* dialog box, choose *No*.

Picking and Delivery of the Sales Order

Use

For this second step, we shall assumed that the pumps ordered are now available in the finished goods warehouse. The goods are put together and delivered to the customer. A goods issue is posted. Several documents are created in this procedure, including a material, accounting and Profit Center document.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Shipping and Transportation → Outbound Delivery → Create → Single Document → With Reference to Sales Order</i> |
| Transaction Code | VL01N; LT03 |

2. Enter the following data:

| Field | Europe | North America |
|----------------|---|---|
| Shipping point | 1000 | 3000 |
| Selection date | Required delivery date noted down earlier | Required delivery date noted down earlier |
| Order | Order number | Order number |
| From item | Empty | Empty |
| To item | Empty | Empty |

3. Choose .
4. Choose *Subsequent Functions → Create transfer order*.
5. If the *Exit Document Processing* dialog box appears, choose Yes.
6. Note this delivery number.
7. Enter the following data:

| Field | Europe | North America |
|------------------------|--------------------|--------------------|
| Warehouse number | 010 | 300 |
| Plant | 1000 | 3000 |
| Delivery | Proposed by system | Proposed by system |
| Process Flow | Background | Background |
| Adopt picking quantity | 2 | 2 |

8. Choose .
9. Choose  until the overview tree appears.

Picking and Delivery of the Sales Order

Billing the Sales Order (SD)

Use

Billing is the concluding activity in Sales and Distribution. When you create a billing document, you always refer to a reference document, i.e. in this case to the delivery of the 2 pumps. The sale is not posted in Financial Accounting until this process. A customer receivable is thus created.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales → Billing → Billing document → Create</i> |
| Transaction Code | VF01 |

The number of the delivery you just created is displayed in the *Document* field. If this is not the case, change the entry accordingly.

2. Choose .

3. Select the billing item you created and choose .

The system displays detailed billing document data, price data, accounting data, and order data for this item.

4. Choose the *Item partners* tab.

The system displays the various partners connected with this business transaction here. The bill-to and sold-to parties have the same customer number. The payer (pays the bill) has the number 1050 (IDES DE) or 3050 (IDES US).

5. Choose  twice.

6. Choose .

7. Note the number.

The transaction does not only mean that the billing document has been saved in the SD system but that the billing data has also been transferred automatically to Financial Accounting, the Profit Center and Profitability Analysis. The data also goes to the Treasury; however, a document is not created.

8. Choose .

9. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | On the Create Billing Document screen, select <i>Billing document → Display</i> . |
| Transaction Code | VF03; FB03; KSB5 |

The document number is already entered in the field.

10. To display the billing item again, choose .

11. Choose  *Accounting*.

Billing the Sales Order (SD)

12. In the dialog box, choose *Accounting document*.

13. Double-click on the customer account.

You can see that the receivable and the sale have been posted in the business area 1000 (mechanical engineering). The material P-109 was produced in the plant 1000 (Hamburg) and belongs to the division 01 (pumps). This combination led to the posting in this business area.

14. Note the bline date for payment.

15. Choose  twice.

16. In the dialog box, choose *Profitability Analysis*.

17. Choose the *Characteristics* tab page.

18. To display invoice header data like customer's name and sales order number, choose .

The material P-109 is allocated to the Profit Center 1010 (3010). This was automatically copied to this Profit Center.

19. Choose .

20. In the dialog box, choose *Cost accounting doc*.

21. Choose .

The object type PRw means that this concerns a profitability segment. The sale was copied to the cost element 800000 in the accounting Profitability Analysis.

22. Choose .

23. In the *Display Actual Cost Documents* dialog box, choose *Yes*.

24. To close the dialog box, choose .

25. Choose  until the overview tree appears.

Analyzing Customer Line Items

Use

The receivable from the customer has now been posted with the billing. The payer is not the same as the customer and the invoice recipient. Therefore a sold-to party number must be entered that differs from that of the customer.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Financial Accounting → Accounts Receivable → Account → Display/Change Line Items</i> |
| Transaction Code | FBL5N |

2. Enter the following data:

| Field | Europe | North America |
|------------------|---------------------------------|---------------------------------|
| Customer account | 1050 | 3050 |
| Company code | 1000 | 3000 |
| Open items | Select | Select |
| Open at key date | Noted baseline date for payment | Noted baseline date for payment |

3. Choose .

The system displays a list of open invoices for the customer for the selected document date. The delivery document numbers (delivery note number from the second procedure) can be seen in the *Allocation* field.

4. Position your cursor on the document that you have just posted.

5. Choose .

The system displays the first item in the document. This concerns the posting of the receivable. The sold-to party's reconciliation account in the balance sheet is the account 140000 (domestic receivables) in G/L accounting.

Further information is provided in the form of the cash discount base and the terms of payment.

The baseline date is the date to which the limits for the cash discount and net due dates are related.

6. Note the cash discount base, the terms of payment and the bline date as you will need these entries for posting incoming payments.

7. Choose  *More data*.

The system displays a dialog box showing the planning date on which update of the expected incoming payment occurs in cash management and forecast.

Analyzing Customer Line Items

The system determines the date under consideration of various information such as "baseline date in the FI billing document" and "previous payment history of sold-to party". The influence of these two components (previous payment history) in particular, means that at first glance the planning date is possibly not traceable. To do this, you first have to go into customer credit control.

8. Note the planning date.
9. Choose .
10. Choose .
11. Double-click on the sales revenue line (2nd document item).

12. Choose  *More*.

The Profit Center 1010 or 3010 stands for *superior pumps* and was derived from the sales order data.

13. Choose *Profitability segment* .

The system displays a dialog box with information about the derivation of characteristics on the profitability segment.

14. Choose  *Continue*.
15. Choose .
16. Choose  until the overview tree appears.

Displaying Cash Management and Forecast, Summary Presentation of Payment Schedule

Use

The sales process (from sales order entry through goods issue to billing) is fully integrated with cash forecasting. According to the phase in the SD process, the expected cash receipts are either expelled to Cash Management or to a Cash Management position.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Treasury → Cash Management → Information System → Reports on Cash Management → Liquidity Analyses → Liquidity Forecast</i> |
| Transaction Code | FF7B |

2. Enter the following data:

| Field | Europe | North America |
|--------------------|--|--|
| Company code | 1000 | 3000 |
| Cash position | Do not select | Do not select |
| Liquidity forecast | Select | Select |
| Grouping | Persons (all types of receipts and expenditures) | Persons (all types of receipts and expenditures) |
| Display as of | Noted planning date from FI document | Noted planning date from FI document |
| Display in | EUR | USD |
| Scaling | 0/0 | 0/0 |

3. Choose .

4. Enter the following data:

| Field | Europe | North America |
|-----------------------------|--|--|
| Delta display with balances | Select (display changes per value date – as opposed to cumulative display) | Select (display changes per value date – as opposed to cumulative display) |

5. Choose .



If the date you entered as the planning date falls on a public holiday, the expected incoming payment is reproduced on the next working day dependent on the value date.

6. Double click on *Revenue*.
7. Double-click on the level F1 (*FI customers*).

Displaying Cash Management and Forecast, Summary Presentation of Payment Schedule

The value of your billing has flowed into the value date dependent balance of the E6 group on the planning date you entered, as the sold-to party contains the planning group E6 in its summary record. If the amount shown there does not correspond with the billing you just created (planned amount is greater than your billing), then you need to look for the reason for this in the summary presentation of the planned data. Note the planned amount displayed. You will see the following change after the incoming payment has been made: The amount displayed is reduced by this amount exactly.

8. Choose  until the overview tree appears.

Profitability Reports

Use

As already described in the previous step, the information flowed into the Profitability Analysis on creation of the billing document. You now want to call up a profitability report, in order to check the contribution margins of the pumps sold.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |

2. Enter the following data:

| Field | Data |
|-------------------|------|
| Operating concern | IDEA |

3. Choose .
4. Select the report *IDES-050* with a double-click.
5. Enter the following data:

| Field | Europe | North America |
|--------------------|--------------------|--------------------|
| Sales organization | 1000 | 3000 |
| Period from | Current month/year | Current month/year |
| To period | Current month/year | Current month/year |
| Plan/act. ind. | 0 | 0 |
| Version | Empty | Empty |
| Record type | F | F |

6. Choose .

The system displays the report list.

The following procedure demonstrates how a drill-down to the individual billing items using the summary data of a sales organization can be carried out.

7. Double-click the division *01 Pumps*.
8. Select one of the following customers:

| Field | Europe | North America |
|----------|----------------|------------------|
| Customer | Becker, Berlin | Thomas Bush Inc. |

You are now at the lowest level of the report and can see the quantity, sales and contribution margins I and II for the product P-109 of the customer. If you can only see one entry from the various characteristics, then this is due to the fact that for the report

Profitability Reports

selection solely the current month was entered and thus the data volume of the previous months is not displayed.



Instead of individual key figures, a complete [contribution margin scheme \[Page 315\]](#) can also be portrayed.

9. To start line item display in Profitability Analysis (last section) directly from the report, select the line of the product P-109 with your cursor and select *Goto* → *Line Items*.

The system displays an overview of the invoice items.

10. Choose the document you created.

You return to the line item list from where you can display additional data via tab strips *Characteristics* and *Value fields*.

11. Choose  twice.
12. Choose .
13. Choose Yes in the *Exit Report* dialog box.
14. Choose .

Making a Fast-Entry Incoming Payment

Use

A few days after sending the invoice you will receive payment for the forwarded pumps. You now enter this payment in accounts receivable.

In this process, you will require the *baseline date* and the *cash discount base* you noted in the 4th step. We will assume that the customer will pay 14 days after the invoice is sent. (Base date + 14 days). The customer has differing payment terms according to the type of product and international subsidiary concerned. Dependent on the payment terms, the customer can deduct cash discount from the cash discount base if he pays within 14 days of the invoice being sent.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Financial Accounting → Accounts Receivable → Document Entry → Payment Fast Entry</i> |
| Transaction Code | F-26 |

2. Enter the following data:

| Field | Europe | North America |
|---------------|----------------------|----------------------|
| Company code | 1000 | 3000 |
| Posting date | Blime date + 14 days | Blime date + 14 days |
| Bank account | 113109 | 113109 |
| Currency | EUR | USD |
| Reference | Any number | Any number |
| Document date | Base date + 14 days | Base date + 14 days |
| Value date | Base date + 14 days | Base date + 14 days |

3. Select *Enter payments*.
4. Choose  to bypass any warning messages.



The *Incoming Payments Fast Entry: Header Data* screen is only displayed the first time that you call up the transaction. To maintain or verify your entries, choose *Specifications*.

5. Enter the following data:

| Field | Europe | North America |
|------------------|--|--|
| Customer (payer) | 1050 | 3050 |
| Amount | Noted cash discount base amount less cash discount | Noted cash discount base amount less cash discount |

6. Choose *Process open items*.

Making a Fast-Entry Incoming Payment

The system tells you that the document date is in the future.

7. Bypass the warning with .

The system displays the open items for the customer.

8. Double-click on the gross amount of the item to be cleared. The line will change color.

Any other lines should be colored black. (If this is not the case, deselect the lines that you do not require by double-clicking the *EUR/USD gross amount* field).

9. Choose .

The system confirms that the document has been saved.

10. Choose  until the overview tree appears.

Displaying Cash Management & Forecast, Cash Management Position

Use

As already mentioned in the previous process on Cash Management, Cash Management & Forecast/Cash Management Position are updated during the whole SD procedure - starting with the order, then billing document, followed by cash receipt. The following sub-process will now present the cash receipt in Cash Management Position and those changes in the planning totals connected to the cash receipt, which are formed through open billings.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Treasury → Cash Management → Information System → Reports on Cash Management → Liquidity Analyses → Liquidity Forecast</i> |
| Transaction Code | FF7B |

2. Enter the following data:

| Field | Europe | North America |
|--------------------------|--|--|
| Company code | 1000 | 3000 |
| Cash management position | Select | Select |
| Liquidity forecast | Select | Select |
| Grouping | Total (all types of receipts/expenditures and bank data) | Total (all types of receipts/expenditures and bank data) |
| Display as of | Date of incoming payment | Date of incoming payment |
| Display in | EUR | USD |
| Scaling | 0/0 | 0/0 |

3. Choose .

4. Enter the following data:

| Field | Europe | North America |
|-----------------------------|--|--|
| Delta display with balances | Select (display changes per value date – as opposed to cumulative display) | Select (display changes per value date – as opposed to cumulative display) |

5. Choose .



If the date you entered as the planning date falls on a public holiday, the incoming payment is reproduced on the next working day dependent on the value date.

6. Double-click on *Banks*.

Displaying Cash Management & Forecast, Cash Management Position

7. Double-click on *B9 (Cash rec)*.

The system displays the bank accounts on which the cash receipts are recorded.

The cash receipt you posted has flowed into the value date dependent balance of the DBGEING (Europe)/CBGEING (North America) group on the planning date you entered.

8. In DBGEING (for Europe) or CBGEING (for North America), select the amount in the column for the planning date you entered and choose  *Display list*.

You should be able to find the incoming payment you posted in the list of displayed documents on the *Line Items (Module Pool)* screen.

9. Choose  3 times.

Finally, you still need to check whether the amount in short-term cash management (=presentation of the expected cash receipt from the billing) has been reduced as a result of the incoming payment.

10. Choose *New display*.

11. In the dialog box, enter the following data:

| Field | Europe | North America |
|---------------|--------------------------------------|--------------------------------------|
| Display as of | Noted planning date from FI document | Noted planning date from FI document |

12. Choose  *Continue*.



If the date you entered as the planning date falls on a Saturday or Sunday, the expected incoming payment is reproduced on the next working day dependent on the value date. For overview reasons select NEW ENTRY in this case and enter the previous working date as value date (i.e. minus 1 or 2 days)!

13. Double click on *Persons*.

14. Double-click on the F1 (*FI customers/vendors*) level to display the group of customers (already posted and thus billed values).

The sum displayed has once again been reduced exactly by your billing amount as this is henceforth already displayed as an incoming payment on the bank account.

15. Choose  until the overview tree appears.

Displaying Document Flow (SD)

Use

The document flow allows you to display the development of the SD documents from the customer order to the billing document.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Sales → Order → Display</i> |
| Transaction Code | VA03; FB03 |

If the system does not automatically propose your order number, enter the order number from the first process or search for it using a matchcode.

2. Choose .
3. Choose *Environment → Display document flow*.

The system displays all documents involved in the business transaction along with their overall processing status.

The accounting document is flagged as cleared, meaning that the customer has paid his invoice.

From this list, you can branch to any document.

4. Select the accounting document and choose  *Display document*.
5. Double-click on the first line item (customer line item) to display detailed information for that item.

You can see that the invoice has been cleared. This ensures that SD also monitors that payment deadlines are met.

6. Choose  until the overview tree appears.

Transferring Billing Documents in Multiple Currencies

Purpose

Profitability Analysis lets you update data in multiple currencies. This is useful if your organization works with one global currency (operating concern currency) but has subsidiaries that carry out their business transactions in a local currency (company code currency).

However, note that activating the second currency doubles the number of actual postings, which has an influence on system performance.

In IDES, the operating concern currency is EUR, while the subsidiaries in non-European countries use the respective local currency as their company code currencies.

In this scenario, you will create a sales order and the corresponding delivery and billing document, and see how these are reflected in Profitability Analysis (CO-PA).

For more information about multiple currencies, see [Multiple Currencies in Planning \[Page 50\]](#).

You can find more information about this process under [i \[Page 137\]](#).

Process Flow

You can find the data for this process under [? \[Page 138\]](#).

1. [Activating Multiple Currencies \[Page 139\]](#)
2. [Creating a Sales Order \[Page 140\]](#)
3. [Picking and Delivery \[Page 142\]](#)
4. [Executing the Billing \[Page 144\]](#)
5. [Displaying Line Items in Profitability Analysis \[Page 145\]](#)

Additional Process Information

If you choose to store both the company code currency and the operating concern currency in CO-PA, the system creates two line items in the segment level (table CE3xxxx, xxxx = operating concern) for each actual transaction that is updated in CO-PA.

The values are transferred directly from the original document in their respective currencies wherever this is possible. If the values are not available in the required currency, the system translates them from the transaction currency using the current exchange rate valid on the posting date.

Data Used During This Process

Data Used During This Process

| Field | Data | Description |
|------------------------|---------------|------------------------------|
| Order type | OR | Standard order |
| Sales organization | 3000 | North America |
| Distribution channel | 10 | Direct sales |
| Division | 00 | Pump Division |
| Sold-to party | 4130 | Vendor: Compu Tech, S.F. |
| Material number | P-109 | Pump |
| Quantity | 2 | |
| Shipping point | 3000 | North America |
| Currency | USD | Company code currency |
| Currency | EUR | Operating concern currency |
| Record type | A + F | Orders and billing documents |
| Operating concern | IDEA | |
| Profitability Analysis | Costing-based | |

Activating Multiple Currencies

Use

You now display the configuration settings required for multiple currencies. Please do not make any changes to these settings.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Tools → AcceleratedSAP → Customizing → Edit project</i> |
| Transaction Code | SPRO |

2. Choose  *SAP Reference IMG*.

3. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Controlling → Profitability Analysis → Structures → Define Operating Concern →  Maintain Operating Concern</i> |
| Transaction Code | KEAO |



The operating concern IDEA, which is relevant for this process, has already been specified.

4. Select the *Attribute* tab page.

You see that *Company code currency* is selected. This means that two currencies, the operating concern currency and the company code currency, have been activated. All new documents will therefore be recorded in multiple currencies.

5. Choose  until the overview tree appears.

Creating a Sales Order

Creating a Sales Order

Use

You now create a sales order in the American subsidiary. When you do this, the system creates a sales document which triggers postings in Profitability Analysis with record type A (Order).

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Sales → Order → Create</i> |
| Transaction Code | VA01 |

2. Enter the following data:

| Field | Data |
|----------------------|--|
| Order type | OR |
| Sales organization | 3000 (Sales organization, North America) |
| Distribution channel | 10 |
| Division | 00 |



You enter the division (00) only to simplify the process. The real assignment to the division occurs only when you enter the ordered product on the next screen. The assignment is made automatically by the system. One advantage of this procedure is that you can include products from different divisions in the same order.

3. Choose .

4. Enter the following data:

| Field | Data |
|---------------------|--------------|
| Sold-to party | 4130 |
| PO number | Any |
| Purchase order date | Today's date |
| Req.deliv.date | Defaulted |
| Material | P-109 |
| Order quantity | 2 |



Make a note of the requested delivery date. You will need this when you process the delivery.

5. Choose .

Creating a Sales Order

Notice that the *Net value* field in the upper right-hand corner now contains the net value of all items in the order. You also see a description of the material you have ordered.

If the goods ordered by the customer are not available on the requested delivery date, the R/3 System branches automatically to the availability check. Here you can choose one of the delivery options, for example, *Delivery proposal*. The system then returns to the overview screen.

6. Choose , then note the order number.
7. Choose  until the overview tree appears.

If the *Exit Order Processing* dialog box appears, choose *No*.

Picking and Delivery

Picking and Delivery

Use

We now assume that the pumps you have ordered are available in the finished goods warehouse. The goods are now picked and delivered to the customer. You post a goods issue. This process step involves various documents, one each for Materials Management, Financial accounting, and Profit Center Accounting.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Shipping and Transportation → Outbound Delivery → Create → Single Document → With Reference to Sales Order</i> |
| Transaction Code | VL01N |

2. Enter the following data:

| Field | Data |
|----------------|--|
| Shipping point | 3000 |
| Selection date | The required delivery date noted in the first process step |
| Order | The order number from the first process step |

3. Choose .
4. Choose *Subsequent Functions → Create transfer order*.
5. If the *Exit Document Processing* dialog box should appear, choose *Yes*.
6. Enter the following data:

| Field | Data |
|------------------------|-------------------------|
| Warehouse number | 300 |
| Delivery | Defaulted by the system |
| Foreground/Background | Background |
| Adopt picking quantity | 2 |

7. Note this delivery number.

The system generates a transfer order for the picking of the delivery quantities. Picking means that the goods (two pumps) are withdrawn from the warehouse and prepared for shipping. Option 2 (Adopt picking quantity) ensures that the goods issue posting is made at the same time as the delivery. Goods issue ends the involvement of the shipping department in the business transaction.

8. Choose .
9. Choose  until the overview tree appears.

Executing the Billing

Executing the Billing

Use

Billing is the final activity in Sales and Distribution (SD). When you create a billing document, you always reference an existing document (in this case, the delivery note for the two pumps). You now post the sales to Financial Accounting. The system transfers the costs and revenues to Profitability Analysis via record type F (billing document).

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Billing → Billing Document → Create</i> |
| Transaction Code | VF01 |

On the *Create Billing Document* screen, in the *Document* column, you see the number of the delivery note. If this is not the case, enter the delivery note number noted in the previous process step.

2. Choose .
The billing document overview screen appears. You see that in the sales document and in the FI document, the *Net value* is stored in the company code currency (US dollars).
3. Choose  and note the billing document number.
4. Choose  until the overview tree appears.

Displaying Line Items in Profitability Analysis

Use

When you create the billing document, the data flows into Profitability Analysis. You can now call up and evaluate these documents in CO-PA.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Display Line Item List → Actual</i> |
| Transaction Code | KE24 |



If you are executing a profitability analysis transaction for the first time since logging on to the system, the *Set Operating Concern* dialog box appears.

2. Enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

3. Choose .
4. In the dialog box, choose Yes.

This two dialog box is displayed only once during a session. Once you have made your selection, the system always selects the given operating concern and the relevant type of profitability analysis.



Note the *Currency type* field shown. By activating the second currency in CO-PA, you have made it possible to analyze line items in the operating concern and/or company code currency.

5. Enter the following data:

| Field | Data |
|--------------|----------------|
| Date created | Today's date |
| Entered by | Your user name |

6. Choose .
7. In the dialog box, choose .

You now see the items transferred to Profitability Analysis. These line items represent the order and the billing document in both currencies.

Displaying Line Items in Profitability Analysis

8. Double-click the line item with currency type *10* (company code currency) and record type *F* (billing document).

In the screen that then appears, go to the *Characteristics* tab page. Here you find, for example, the customer name and the American organizational units.

9. Choose the *Value fields* tab page.

You can see the detailed information for order and billing quantities, revenues, discounts and detailed product cost components, which are derived from the Sales and Product Costing areas. Note that the list of value fields covers multiple screens. The values are posted in USD.

10. Choose .

11. Call up the line items in the operating concern currency (*Crcy type: B0*) and with *record type F* by double-clicking.

11. Choose the *Value fields* tab page.



The value fields only display currency EUR.

12. Choose  until the overview tree appears.

Cross-Company Code Sales Processing

The French branch of the IDES Group is purely a sales organization, without its own production plants. It is responsible for the French-speaking market and mostly sells products that have been produced at other locations of the IDES Group.

In this IDES scenario, a customer places an order for personal computers with the French sales organization. The computers are produced in the Dresden plant of the IDES AG. Sales organization France notifies the Dresden plant directly of the customer requirements. The production plant in Germany then delivers these goods to the customer of the French sales organization. The customer is invoiced by the French sales organization for this delivery. IDES Germany invoices the French sales organization for the goods delivered.

This means that two companies (company codes) of the IDES Group are involved in this sales transaction. We refer to IDES France as the ordering company code and IDES Germany as the supplying company code.

You can find more information about this process under [i](#) [Page 148].

Process Flow

You can find the data for this process under [?](#) [Page 150].

1. [Creating the Sales Order in the Ordering Company Code \[Page 151\]](#)
2. [Creating the Delivery in the Supplying Company Code \[Page 153\]](#)
3. [Picking in the Supplying Company Code \[Page 154\]](#)
4. [Creating the Invoice for the End Customer in the Ordering Company Code \[Page 156\]](#)
5. [Creating the Internal Invoice in the Supplying Company Code \[Page 158\]](#)
6. [Evaluating the Incoming Invoice in Financial Accounting \[Page 160\]](#)
7. [Customizing in Profitability Analysis \(CO-PA\) for Cross-Code Sales \[Page 161\]](#)
8. [Displaying line Items in Profitability Analysis for the Ordering Code \[Page 163\]](#)
9. [Displaying Line Items in Profitability Analysis for the Supplying Code \[Page 165\]](#)
10. [Analyzing Profitability Reports \[Page 166\]](#)

Additional Process Information

Additional Process Information

Special Features in Pricing

In cross-company sales processing there are two invoices: one invoice for the customer and one internal invoice for the ordering company code. In both the customer invoice and the internal invoice an internal price is set that has been agreed by both the supplying and ordering company codes. This price in the invoice for the end customer represents the goods purchase value used for the profitability analysis in the ordering company code. The internal price is invoiced to the ordering company code and appears in the profitability analysis for the supplying company code as a revenue.

To cope with this double function, Pricing uses two pricing procedures. Pricing in the sales order and in the invoice for the customer uses the standard pricing procedure. Pricing uses a second pricing procedure for the internal invoice. This procedure is a copy of the standard procedure, with the exception that it uses the new condition type ZIV1, rather than condition type PI01, to determine the internal price. The condition type ZIV1 uses the condition type PI01 as a reference. This means that there are no condition records for condition type ZIV1. Pricing for the internal invoice uses the corresponding condition from condition type PI01. When sending invoice data to the profitability analysis, this procedure allows you to copy the value from condition PI01 into the *Costs* value field for a customer invoice and to copy the value of the condition type ZIV1 into the *Revenue* value field for an internal invoice.

Determining a business area

The rules for business area account assignment in goods issue posting and billing are set for each sales area in *Customizing for SD*.

There are two sales areas in cross-company sales processing: a selling sales area (sales organization 2200 – distribution channel 10 – division 00) and a supplying sales area (sales organization 1000 – distribution channel 12 – division 00).

The business area for the supplying sales area is determined according to the plant and the item division (material R-1001 belongs to division 07 = High Tech). This rule is used to determine business area 7000 (electronic products) in the sales order item. This entry is copied into the delivery and the goods issue document. This rule is also used to determine the business area in the internal invoice to the ordering company code. Posting to the business area 7000 then takes place.

The business area for the ordering sales area is determined according to sales organization, distribution channel and item division. Business area determination in the invoice to the end customer uses this rule. The business area 7200 (Electronic products France) is determined in the final customer invoice and the resulting accounting document.

Creating an incoming invoice by EDI (Electronic Data Interchange)

Cross-company sales processing gives you the option of automatically creating an inbound invoice in the ordering company code. This is done using EDI, a technique which enables a cross-company electronic exchange of messages between business partners that may have different hardware, software and/or communication devices. In the example given, two partners exchange messages within one system. The message belongs to the EDI message type *INVOIC* (for an invoice) The message is exchanged between a sender (vendor = supplying company code) and a recipient (customer = ordering company code). There are two variants of the message type. If you use the variant F1, invoice receipt is posted to the recipients indirectly in

Additional Process Information

Financial Accounting. This process uses this variant. If you use the variant MM, the invoice receipt is posted in Materials Management using the invoice check. The variant MM is used for stock transfer between different company codes.

The partner agreements required for this EDI procedure have already been defined for the two partners involved in this exchange of messages (*Tools → Business Communication IDoc → Partner Profile*). The supplying company code is represented by vendor number 10000 and partner type LI (vendor). The ordering company code is represented by customer number 22000 and partner type KU (customer). The inbound parameters for vendor 10000 determine which rules apply if the system receives the *INVOIC* message from the vendor in the FI variant. The outbound parameters for customer 22000 are used in the R/3 System, if the *INVOIC* message is copied to the customer in the FI variant. You can use output control for customer 22000 to specify whether message RD04, which was determined in the internal invoice, is linked with the EDI message type *INVOIC* in the FI variant.

You are also required to enter the vendor number (10000) for the EDI procedure in the customer master record for the ordering company code (22000). The ordering company code is transferred to the supplying company code using this vendor number (*Account at customer* field in the sales data).

Data Used During This Process**Data Used During This Process**

| Field | Data | Description |
|----------------------|-------------|---|
| Order type | OR | Standard order |
| Sales organization | 2200 | Sales organization of the sales orders and the customer invoice |
| Distribution channel | 10 | Distribution channel for end customer |
| Division | 00 | Cross-divisional |
| Customer | 2500 | End customer |
| Material | R-1001 | Finished product PC |
| Shipping point | 1200 | Dresden |
| Sales organization | 1000 | Sales organization of the internal invoice |
| Customer | 22000 | Customer master of the ordering company code |
| Vendor | 10000 | Vendor master of the supplying company code |

Creating Sales Orders in Ordering Company Code

Use

A customer places an order with sales organization 2200 (France). You then create a sales order in this sales organization. By entering the appropriate plant in the sales order position the sales department triggers the delivery of the goods from plant 1200 (Dresden). The customer requirements are then entered into the requirements list of plant 1200. In the sales order, the system determines the sales price for the ordered item. The system simultaneously determines the price for the internal invoice of the supplying company code to the ordering company code. This internal price is purely statistical in the sales order, and does not therefore influence the value of the order item.

In this first process, you act as an employee of the sales order department in the sales organization France.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Sales → Order → Create</i> |
| Transaction Code | VA01 |

2. Enter the following data:

| Field | Data |
|----------------------|---------------------|
| Order type | OR (standard order) |
| Sales organization | 2200 |
| Distribution channel | 10 |
| Division | 00 |

3. Choose .

4. Enter the following data:

| Field | Data |
|---------------------|--------------|
| Sold-to party | 2500 |
| PO number | AD-649087 |
| Purchase order date | Today's date |

5. Choose the *Sales* tab page, then enter the following data:

| Field | Data |
|----------------|-------------------------------|
| Req.deliv.date | Today's date + 5 working days |
| Pricing date | Today's date |
| Material | R-1001 |
| Order quantity | 10 |

Creating Sales Orders in Ordering Company Code

6. Choose .
7. If a dialog box appears, choose .
8. On the *Create Standard Order: Overview* screen, select the item, then choose .
9. Choose the *Shipping* tab page.



A sale of material R-1001 in sales organization 2200 (France) always triggers a delivery directly from the producing plant 1200 (Dresden). Plant 1200 is therefore entered in the material master record as the supplying plant. This ensures that this plant is defaulted in the order item.

10. On the *Create Standard Order: Item Data* screen, choose *Environment* → *Availability*.
You see that the sales order item is reported as a requirement to MRP in plant 1200. Since you are processing the standard order in the create mode, the sales order item is displayed in this list as a simulated requirement.
11. Choose  until the *Create Standard Order: Item Data* screen appears.
12. Choose the *Conditions* tab page to go to the pricing screen of the item.
13. Select condition *PR00*, then choose  *Condition rec*.
You see that the sales price has been determined using sales organization 2200 (France), distribution channel 10 (End customer sales) and material R-1001.
14. Choose .
15. Select condition *PI01*, then choose  *Condition rec*.
The internal price has been determined using supplying sales organization 2200, supplying plant 1200 and material R-1001.
16. Choose .
17. Select condition *PI01*, then choose .
18. Choose  until the *Create Standard Order: Overview* screen appears.
19. Choose the *Shipping* tab page.



Note the material availability date. You will need it later as a selection criterion to create the delivery. You can also see the shipping point responsible for delivery of the order.

20. Choose .
21. Note the number of the standard order.
22. Choose  until the overview tree appears.
In the dialog window, choose *No*.

Creating the Delivery in the Supplying Company Code

Use

The system has transferred the cross-company-code order directly into the delivery due list of shipping point 1200 (Dresden). On the delivery creation date, you create and process a delivery in this shipping point.

During the next activities you act as an employee in a shipping department of the supplying company code.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Shipping and Transportation → Outbound Delivery → Create → Collective Processing of Documents for Shipment → Sales Orders</i> |
| Transaction Code | VL10A |

2. Enter the following data:

| Field | Data |
|--------------------------------|---|
| Shipping point/receiving point | 1200 |
| Deliv.creation date (to) | The material availability date or the transport planning date of the first item |
| Route | FR0005 |
| Sales organization | 2200 |

3. Choose .

4. Choose .



If there are other entries that are not suitable for the selected delivery list, remove the marker for these orders.

5. Choose  *Background*.

6. Choose .

7. Position your cursor on the report group, then choose *Documents*.

You see the created deliveries.

8. Make a note of the delivery number generated by this run.

9. Choose  until the overview tree appears.

Picking in the Supplying Company Code

Picking in the Supplying Company Code

Use

You use a picking list for withdrawal from the warehouse of the materials that are to be delivered to the customer. This picking list is generated on the basis of a transfer order created for the delivery.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Shipping and Transportation → Picking → Create Transfer Order → Single Document</i> |
| Transaction Code | LT03 |

2. Enter the following data:

| Field | Data |
|------------------------|----------------------------|
| Warehouse number | 012 |
| Delivery | Your noted delivery number |
| Process Flow | Background |
| Adopt picking quantity | 1 |

3. Choose .

The system issues a transfer order number.



The description below assumes that the material for the delivery has been picked in accordance with the entries in the transfer request. Serial numbers are entered in the delivery item and goods issue is posted.

4. Choose  until the overview tree appears.
5. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Shipping and Transportation → Post Goods Issue → Collective Processing via Outb. Delivery Monitor</i> |
| Transaction Code | VL06G |

6. Enter the following data:

| Field | Data |
|--------------------------------|-----------------------|
| Shipping point/receiving point | 1200 |
| Planned goods mvt date | Adopt system proposal |
| Planned goods mvt date (to) | Adopt system proposal |
| Route | FR0005 |

Picking in the Supplying Company Code

7. Choose .
8. On the *Goods Issue for Outbound Deliveries to be Posted* screen, select the line with the delivery created in this run.
9. Choose *Subsequent Functions* → *Change outbound deliveries*.
10. Select the delivery item, then choose *Extras* → *Serial numbers*.
11. In the *Maintain Serial Numbers* dialog box, choose .
12. On the *Display Material Serial Number: Serial Number Selection* screen, enter the following data (in the *Serial number selection* screen area):

| Field | Data |
|------------------|------|
| Plant | 1200 |
| Storage location | 0001 |

13. Choose .
14. On the *Display Material Serial Number: Serial Number List* screen, select 10 serial numbers.
 You can make multiple selections by using the *CTRL-Key*.
 Choose only serial numbers without values in the *Description of technical object* field.
15. Choose .
16. In the *Maintain Serial Numbers* dialog box, choose .
17. On the *Delivery ... Change: Overview* screen, choose .
- The *Goods Issue for Outbound Deliveries to be Posted* screen appears.
18. Select the delivery, then choose  *Post Goods Issue*.
 The *Actual Goods Issue Date* dialog box appears.
19. Choose .
- You have now confirmed the proposed date as the actual goods issue date. The system confirms the goods movement.
20. Choose  until the overview tree appears.

Creating Invoices for Customers in Ordering Company Code

Creating Invoices for Customers in Ordering Company Code

Use

When you post the goods issue, the system enters the delivery in the billing due list of sales organization 2200 (France). Sales organization 2200 uses this delivery to create an invoice for the customer. The billing document contains both the sales price and the internal price. As in the sales order, this is purely a statistical entry.

You now act as an employee of sales organization 2200 (France) to create an invoice.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Billing → Billing Document → Process Billing Due List</i> |
| Transaction Code | VF04 |

2. Enter the following data:

| Field | Data |
|---|--------------------------|
| Billing date from | Today's date |
| Billing date to | Today's date (defaulted) |
| Sales organization | 2200 |
| Delivery-related (in the <i>Documents to be selected</i> screen area) | Select |

3. Choose  *DisplayBillList*.

The system proposes all the deliveries due on the current date for the selected sales organization.



Note that there could be more deliveries (from previous processes) ready for billing than you created in this process. If this is the case, simply deselect the deliveries that do not belong to your current IDES process.

4. On the *Process Billing Due List* screen, choose .

The system displays your group number.

5. Place the cursor on the line with the group number and then choose *Documents*.

You see the sales document created for your group.

6. Note the billing document number in the *SD doc.* column.
7. Position your cursor on the line containing your sales document, then choose  *Display document*.
8. Select your position.

Creating Invoices for Customers in Ordering Company Code

9. Choose *Go to* → *Header* → *Header*.

In the accounting data you see that the invoice is assigned to the company code 2200 (IDES France).

10. Choose .

11. On the *Invoice ... (F2) Display: Overview of Billing Items* screen, mark the item and choose  (in the lower area of the screen).

12. On the *Invoice.. (F2) Display: Item Data* screen, mark the condition PI01 and choose .

You reach the *Invoice ... (F2) display: Item Data* screen.

Condition PI01 is marked as *statistic* in the invoice for the end customer.

13. Choose .

14. On the *Invoice.. (F2) Display: Item Data* screen, choose  *Analysis*.

15. On the *Condition determination analysis* screen, scroll down until you can display the condition type *VPRS Cost* appears.

16. Double click on the *VPRS*.



The condition *Cost* (*VPRS*) is part of the pricing procedure. It has statistic character and shows the goods issue value in the invoice. In this case goods issue is posted in a different company code to that of the billing document, so the condition is ignored. The cost that is transferred to the Sales Information System and to Profitability Analysis is the condition value for the internal price, rather than your value.

15. Choose  until the overview tree appears.

Creating Internal Invoices in the Ordering Company Code

Creating Internal Invoices in the Ordering Company Code

Use

By creating an invoice for the end customer, the delivery is entered into the billing due list for the sales organization of the supplying company code. An internal invoice is created to the supplying company code. This invoice includes the internal price for billing.

Create the invoice as if you were an employee for sales organization 1000 (Germany).

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Billing → Billing Document → Process Billing Due List</i> |
| Transaction Code | VF04 |

2. Enter the following data:

| Field | Data |
|---|--------------------------|
| Billing date from | Today's date |
| To | Today's date (defaulted) |
| Sales organization | 1000 |
| Delivery-related (in the <i>Documents to be selected</i> screen area) | Deselect |
| Intercompany billing (in the <i>Documents to be selected</i> section) | Select |



In the *Documents to be selected* screen area, deselect any other fields that are selected.

3. Choose  *DisplayBillList*.

The system lists all deliveries that are open for internal billing on the selected date.



Note that additional deliveries (from previous IDES processes) may be displayed that are open for billing. If this is the case, simply deselect the deliveries that do not belong to your current IDES process.

4. On the *Process Billing Due List* screen, choose .

The system displays your group number.

5. Position your cursor on the line containing your user name, then choose *Documents*.

You see the sales document created for your group.

6. Make a note of this document number.

Creating Internal Invoices in the Ordering Company Code

7. Position your cursor on the line containing your sales document, then choose  *Disp. doc.*.
8. Select your position, then choose .
9. Choose the *Item partners* tab page.

The payer of this billing document is the ordering company code.

10. Choose  until the screen *Intercompany Billing ... Overview of Billing Item* appears.
11. Choose *Goto* → *Header* → *Header*.
Bei den Buchhaltungsdaten sehen Sie, daß die Faktura dem Buchungskreis 1000 (IDES AG) zugeordnet ist.
12. Choose .
13. On the *Intercompany Billing xxx (IV) Display: Overview of Billing Items* screen, select the item, then choose  (in the lower area of the screen).
14. Select condition *PR00*, then choose .

The price *PR00* calculated in the billing document for the customer is inactive in the internal billing document.

15. Choose .
- The *Intercompany Billing ### Display: Item Data* screen appears.

16. Select condition *ZIV1*, then choose .

The price for condition type *ZIV1* is the active price for this internal billing document.

17. Choose  until the *Intercompany Billing ### Display: Item Data* screen appears.
18. Scroll down the section until you can display the condition type *VPRS Cost*.



Unlike the end customer invoice in the ordering company code, the system determines the condition *Cost (VPRS)* for the internal invoice in the supplying company code. You see the goods issue value that is forwarded as costs to the Sales Information System and to Profitability Analysis.

It has been agreed between the company codes that the internal invoice of the supplying company code is to be posted automatically as an incoming invoice in the Financial Accounting of the ordering company code.

19. On the *Intercompany Billing xxx (IV) Display Item Data* screen, choose *Goto* → *Header* → *Output*.

You then reach the *Intercompany Billing (IV) Display: Output* screen.

The *Invoice receipt IV (RD04)* output has been defined for internal invoices. This output accesses a program that posts the respective amount to the vendor account, using the data in the invoice from the ordering company code.

20. Choose  until the overview tree appears.

Evaluating Incoming Invoices in Financial Accounting

Evaluating Incoming Invoices in Financial Accounting

Use

The system uses the data in the internal invoice that you created in the supplying company code to automatically generate a vendor invoice in company code 2200 (IDES France). In this process step, you display this vendor document.

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Financial Accounting → Accounts Payable → Account → Display/change line items</i> |
| Transaction Code | FBL1N |

2. Enter the following data:

| Field | Data |
|----------------|--------|
| Vendor account | 10000 |
| Company code | 2200 |
| Open items | Select |

3. Choose .
4. In the left screen area open the folder *Document data*.
5. Select the *Reference* option in the folder.
6. Choose .
7. Under *Dynamic Selections*, enter the following data:

| Field | Data |
|-----------|--|
| Reference | Document number of the internal invoice preceded by two zeros (Example: Document number = 90005389 Entry = 0090005389) |

8. Choose .

On the *Display Vendor Line Items: Basic List* screen, you see an open item that has been created on the basis of the incoming invoice document.

9. Choose  until the overview tree appears.

Customizing in Prof. Analysis (CO-PA) for Cross Code Sales

Use

Customizing entries are required to transfer the values from the previous process steps into the corresponding fields in Profitability Analysis.

One prerequisite is a characteristic to classify internal and external customers. For this purpose, you create the characteristic *Intercompany business* (cross-company code sales) in Profitability Analysis. This differentiates customers according to external and affiliated companies.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Master Data → Maintain Derivation Rules</i> |
| Transaction Code | KEDE |



If you are executing a profitability analysis transaction for the first time since logging on to the system, a dialog box appears.

2. In this case, enter the following data:

| Field | Data |
|--------------------------|---------------|
| Operating concern | IDEA |
| Type of Profit. Analysis | Costing-based |

3. Choose .

This dialog box is shown only once during the session. Once you have made your selection, the system always selects the given operating concern and the relevant type of profitability analysis.

4. On the *Characteristic Derivation: Maintain Entries* screen, select *Derivation rule: Customer → Intercompany ind.*, then choose  *Display rule values*.
5. On the *Characteristic Derivation: Display Values* screen, you see the number range interval used to distinguish the customer structure. Customer numbers 1 - 9999 are defined as external customers (E), customer numbers 10000 - 99999 are defined as affiliated companies (I).
6. Choose  until the overview tree appears.

The assignment of the condition types from SD to the value fields in CO-PA also needs to be modified. The condition types for intercompany business ZIV1 and PI01 need to be assigned to their respective value fields as *Internal Revenue* and *Internal Cost*.

7. Call up the transaction as follows:

| | |
|------------------|--|
| Menu Path | <i>Tools → AcceleratedSAP → Customizing → Edit project</i> |
|------------------|--|

Customizing in Prof. Analysis (CO-PA) for Cross Code Sales

| | |
|------------------|------|
| Transaction Code | SPRO |
|------------------|------|

8. On the *Customizing: Edit Project* screen, choose  *SAP Reference IMG*.
9. Choose *Controlling* → *Profitability Analysis* → *Flows of Actual Values* → *Transfer of Billing Documents*.
10. Choose  *Assign Value Fields*.
11. In the dialog box, choose  *Choose*.

The *Change View CO-PA: Assignment of SD Conditions to Value Fields: Overview* screen appears.

12. Scroll down to condition type *PI01*.

This condition type is assigned to value field *VV140 Cost of goods sold* and is therefore transferred to Profitability Analysis as a cost of the ordering company code.

13. Scroll down to condition type *ZIV1*.

This condition type is assigned to value field *VV010 Revenue*.



This ensures the correct flow of values to Profitability Analysis. The amount represented by the cost of goods sold for the ordering company code is the revenue for the supplying company code.

14. Choose .
15. In the dialog box, choose .
16. Choose  until the overview tree appears.

Displaying Line Items in Profitability Analysis for Ordering Company Code

Displaying Line Items in Profitability Analysis for Ordering Company Code

Use

When you create billing documents, the data flows into Profitability Analysis. To check which value flows were triggered by the external or internal billing documents, you now examine the corresponding postings.

Procedure

10. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Display Line Item List → Actual</i> |
| Transaction Code | KE24 |

11. Enter the following data:

| Field | Data |
|---------------|------------------------------|
| Currency type | B0 |
| Record type | F |
| Period/year | Current month/year (MM.YYYY) |
| Entered by | Your user name |
| Billing date | Today's date |

12. Choose .

If the *Line items* dialog box appears, choose  *Continue*.

The *Display Actual Line Items: List* screen appears. You see a list of the billing document items. The system displays selected detail information for each item, such as *Document number* or *Entered by*. The line items are displayed in the operating concern currency (currency type B0).

13. Double-click on the *ref. doc. no.* field for the document you have created for the external billing document for currency type BO.

14. Choose  or  to display these characteristics.

As you see on the *Display line items* screen, the line items use the business transaction with the French customer *2500 Adecom SA* (customer-related characteristic) from the French company code *2200*. The *Intercompany Ind.* field is marked with E (customer-related characteristic). This means that the system has used Customizing to recognize the customer as external.

The article is assigned to plant 1200 (article-related). The profit center (article-related) and the business area, however, are related to the French organizational units.

Displaying Line Items in Profitability Analysis for Ordering Company Code

The characteristics represent all the dimensions that can be used in the profitability analysis. These characteristic values are derived from the customer and material master data and from SD partner roles (such as sales representatives) or from CO-PA-specific characteristics.

15. Choose the *Value fields* tab page.

The currency of this posting is the French franc. The applicable currency conversion rate to the currency of the operating concern is also given.

16. Choose  or  to see the mentioned fields.

On these screens, you see detailed information on order and billing quantities, revenues, discounts and detailed product cost components, which are derived from the Sales and Product Costing areas.

In the revenue field, you see the sales revenue in DEM that corresponds to the order value in FRF.



As the main currency for the operating concern is DEM, all values are calculated in DEM accordingly.

In the *Cost of goods sold* field, you see the internal cost price as a cost factor for the ordering company code.

Note this value.

17. Choose *Environment* → *Integration*.

18. Mark *Display billing document*, then choose .

19. Select the billing document, then choose  (in the lower area of the screen).

On the *Display invoice...:Item data* screen, you can see the sales revenue in FRF (DM revenue/ exchange rate x 100) under condition type PR00, and the condition type PI01, which specifies the internal cost (purchase price /exchange rate *100).

20. Choose  until you reach the *Display Actual Line Items: List* screen.

Displaying Line Items in Profit. Anal. For Supp. Company Code

1. On the *Display Actual Line Items: List* screen, call up the document that you created for the internal billing document (billing type IV) by double-clicking on it.

2. Choose  or  to display the mentioned characteristics.

As you can see on the *Display Line Items* screen, the customer is now the ordering company code *22000 IDES France SA* and sales are invoiced to the supplying company code *1000 Germany. Frankfurt* (see special features). Accordingly, the currency for this posting is DEM. The *Intercompany Ind.* characteristic is marked with an *I*. This means that the R/3 system has recognized the company as an internal, or otherwise-related, company using Customizing for the customer.

The article is assigned to plant *1200*. The profit center and the business area now correspond to the German organizational units.

3. Choose the *Value fields* tab page.

4. Choose  or  to display the mentioned characteristics.

In the *Revenue* field, you see the sales revenue in DM. This could be seen in the ordering company code as a cost factor.

In the *Purchase price* field, you see the standard price from the material master. This specifies the manufacturing costs in the supplying company code.

Note this value.

5. Choose *Environment* → *Integration*.

6. Mark *Display Material* and choose .

7. In the *Display material (Initial)* screen, confirm the material proposed by the system by choosing .

8. In the *Display ... Material (Finished product)* screen, choose the *Accounting 1* tab page.

In the *Current evaluation* field, the standard price is used for price control. This is the value of the manufacturing costs (multiplied by the sales quantity), which are charged to the supplying company code.

9. Choose  until the overview tree appears.

Profitability Report Analysis

Profitability Report Analysis

Use

As shown in the line item display, the data is sent to the profitability analysis when the billing documents are created. You now call up a profitability report and check performance at operating concern and company code level.



As described in *Customizing in the profitability analysis (CO-PA) for cross-company sales*, an intercompany indicator was created in the profitability analysis. This differentiates between internal and external customers. For reporting at company-code level, the revenues and costs of the various goods (billing type F2 or IV) are entered. At operating concern level, only the revenue from the external customer and the manufacturing costs of the supplying company code are entered (for balance sheet reasons). Below you see the effects of setting the intercompany indicator for reporting.

Procedure

21. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |

22. Open the folder *Report*.

A list of all CO-PA reports that are already defined is displayed.

23. Mark report *IDES-150*, then choose .

A dialog box appears in which you can enter variables for the report.

24. Enter the following data:

| Field | Data |
|-------------|---------------|
| Article | R-1001 |
| Fiscal year | Current year |
| Period from | Current month |
| To period | Current month |

25. Choose .

After issuing a message to point out that the data has been reselected, the system issues the report list.

On the *Execute Intercompany – Business research: Detail list* screen, the data from the IDES business transaction example is contained in the first column with the IC indicator *E* (external customer). This corresponds to the values from the French company code (see column 4) and shows the revenue and cost factor from internal sales.

In the second column, the IDES values are displayed with the IC indicator *I* (related company). This data is relevant to the success of the supplying company code (see

Profitability Report Analysis

division 5). The revenue corresponds to the internal costs between the two company codes and the purchase price gives the manufacturing costs.

The third column contains the amounts from the IDES company without setting the intercompany indicator. This means that the same business transaction is displayed with double revenues and costs. This is not desirable from an operating concern viewpoint.



For operating concern reports therefore, a difference must be made between reports that deal with internal business transactions and those that deal with external ones. This does not need to be the case from a company code viewpoint.

26. Choose  until the overview tree appears.

27. In the dialog box, choose Yes.

Controlling for Services

Controlling for Services

Purpose

Controlling for services occurs at two levels in IDES.

A) Controlling at the level of individual service orders and contracts

At this level, you can examine the IDES processes relating to service orders and contracts that use a report to display the costs and revenues for an individual controlling object.

For more information, see the following processes:

[Processing a Service Order and Billing \[Page 175\]](#)

[Processing Service Contracts with Periodic Billing \[Page 197\]](#)

B) Controlling aggregated values in Profitability Analysis

This IDES process deals with this controlling level.

The following overview portrays the flow of costs and revenue for service orders and contracts into Profitability Analysis:

| | Costs | Revenues | Settlement to Profitability Analysis |
|--|--|--|--|
| Service order without SD documents | When the order is confirmed, the costs are assigned to it | When the order is billed, the revenue is assigned to it | Settlement object = service order Costs and revenue from the order |
| Service contract | | When the contract is billed periodically, the revenue is assigned to it | Settlement object = service contract Revenue from the contract |
| Service order with reference to Service contract | When the order is confirmed, the costs are assigned to it When the order is settled, the order costs are assigned to the contract | When the order is billed, the revenue is assigned to the contract When the contract is billed periodically, the revenue is assigned to it | Settlement object = Service contracts Costs and revenue from the order Revenue from the contract |

You can find more information about this process under [i](#) [Page 170].

Process Flow

You can find the data for this process under [?](#) [Page 171].

1. [Displaying a CS Report in Profitability Analysis \[Page 172\]](#)
2. [Displaying Line Items \[Page 174\]](#)

Additional Process Information

Additional Process Information

Data Basis

In the IDES processes for Customer Service, values are transferred to Profitability Analysis via:

A) Service Order

Costs and revenues of a service order without reference to a contract are posted to Profitability Analysis when the contract is settled.

B) Service Contract

The revenues arising from the billing of the contract are posted to the contract. The revenues arising from the billing of a service order with reference to a contract are also posted to the controlling object "Contract". When you settle the service order, the order costs are posted to the contract. Once the service contract has been settled, the costs and revenues are posted to Profitability Analysis.



If you have not yet run the IDES processes for Customer Service in your system, the values from contract settlement still appear in Profitability Analysis. This is because the IDES contracts are automatically billed and settled periodically.

C) Spare Part Order

When you bill a spare parts order, the values are transferred to Profitability Analysis. The costs of the products are not billed to the individual sales order. Instead, the costs and revenues are compared on an aggregated level for each profitability segment.

Data Used During This Process

| Field | Data | Description |
|----------------------|---------------|-----------------------|
| Operating concern | IDEA | Global IDES |
| Type of CO-PA | Costing-based | |
| Report | IDES-090 | Profitability Reports |
| Sales organization | 1000 | Frankfurt, Germany |
| Distribution channel | 14 | Service |

Displaying a CS Report in Profitability Analysis

Displaying a CS Report in Profitability Analysis

Use

The report *IDES-090 Reporting Service Management* uses different accounts receivable and service products to demonstrate how the reporting procedure for service management can be structured. The revenues and costs produced in service management have been made compatible with reporting and also analyzed in the form of key figures.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting</i> → <i>Controlling</i> → <i>Profitability Analysis</i> → <i>Information System</i> → <i>Execute Report</i> |
| Transaction Code | KE30 |



If you are calling up a profitability analysis transaction for the first time since logging on to the system, you may be requested to enter the operating concern. If the *Set Operating Concern* dialog box appears, enter the following data:

| Field | Data |
|-------------------|---------------|
| Operating concern | IDEA |
| Type of CO-PA | Costing-based |

2. Choose .
3. Select the *IDES-090* report and choose .
4. Enter the following data:

| Field | Data |
|-------------|---------------------|
| Fiscal year | Current fiscal year |
| From Period | 1 |
| To Period | Current Period |

5. Choose .

The report data is selected again.

You arrive at the basic screen of the report. In the report header, you see the dimensions defined for this report. Sales organization 1000, Germany, Frankfurt and distribution channel 14 Service.

Beneath the report header, you find the navigation field which enables you to navigate through the individual service products. In the form of key figures, you find revenues, sales deductions, costs and the resultant contribution margins, which are displayed in the additional columns and are cumulated for the individual accounts receivable.

6. To access the product level, choose *Product* in the *Navigation* area.

Displaying a CS Report in Profitability Analysis

7. If the *Drilldown: Callup Documentation on Hotspots* screen appears, choose .
8. Next to the *Product* field, choose .
9. Select any product for which you would like to analyze the key figures for all customers and choose .
10. In the *Navigation* area, choose .

The characteristic "Product" now appears in a different color.

11. To access the drilldown list, choose *Product*.

For each individual key figure, you obtain an overview of all products in sales organization 1000 and distribution channel 14 and of the customers who have generated revenues or costs for these products. It is now possible to perform a direct comparison of all service products. The overall result is displayed in the last line.

12. To view other key figures for this list, choose .
13. Remain on this screen.

Displaying Line Items

Displaying Line Items

1. Click on the icon to the left of the row for product PC_Service_CONF.

The system highlights the selected row.

2. Choose *Goto* → *Line Items*.

3. In the dialog box, choose .

You now see a list of the settlement items. The system displays selected detail information for each item, such as, Posting date or Entered by.

4. Double click on one of the line items.

You now see, for example, the customer name and the organizational units.

You also see the product number and the corresponding assignments to plant- and profit-center level.

Here you can see all the characteristics that can be analyzed in Profitability Analysis. The values for these characteristics were derived from the customer and material master records, the SD partner roles (such as the sales representative), or from CO-PA-specific characteristics.

5. Choose the *Value fields* tab page.

You can see detailed information about the billed quantity, revenue, discounts and product cost information that were derived from SD and CO-PC. Note that the list of value fields spans several screens.

6. To scroll through the value field screens, choose .

7. Choose  until the overview tree appears.



For more information about navigating within a report, see [Performing Defined Reports in Profitability Analysis \[Page 315\]](#).

Performing a Service Order and Billing

Purpose

In response to a problem notification, a service order is created for the repair of an installed equipment at the customer site. After completion of the service order, the repair is billed to the customer.

You can find more information about this process under [i](#) [Page 176].

Process Flow

You can find the data for this process under [?](#) [Page 179].

1. [Creating the Initial Situation](#) [Page 180]
2. [Entering a Problem Notification and Creating a Service Order](#) [Page 181]
3. [Processing a Service Order](#) [Page 183]
4. [Confirming a Service Order](#) [Page 185]
5. [Creating a Billing Request \(Resource-Related Billing\)](#) [Page 188]
6. [Creating a Billing Document](#) [Page 190]
7. [Settling and Completing the Service Order](#) [Page 191]
8. [Displaying Line Items in Profitability Analysis](#) [Page 193]
9. [Displaying a CS Report in Profitability Analysis](#) [Page 195]



Instead of working with the default equipment number, you can also create your own equipment number if you first run the [Selling a Serialized Product and Creating an Equipment Master Record \[Ext.\]](#) process.

Additional Process Information

Additional Process Information

The following, additional information is aimed at IDES users who are already familiar with Customizing for the application components CS (Customer Service) and SD (Sales and Distribution). The aim is to show the billing of a service order from a Customizing perspective using the data contained in this process. Because this text refers to this IDES demo, you should read it after completing the process flow.

Dynamic Item Processor Profile (DIP Profile)

Derivation of Sales Materials

When you execute the service order, costs are incurred due to internal activities, external activities, or material consumption. These costs are posted to the service order, where they form the basis for a billing request. The service order is billed to the customer using the billing document generated by the billing request. The cost data of the order are converted to billing request items through dynamic items. These dynamic items are created when the billing request is generated. You copy information from the service order. The R/3 System uses this information to generate the billing request items. The rules for structuring the dynamic items and for converting these items into material numbers for the billing request items are defined in Customizing using the dynamic item processor profile (DIP profile).

You also use Customizing to determine that DIP profile 00000001 is the automatic default for service order type SM02, which was used to create the service order in this IDES process.

(see  *SAP Reference IMG: Plant Maintenance and Customer Service → Maintenance and Service Processing → Maintenance and Service Orders → Functions and Settings for Order Types → Credit Limit Checks, Sales Document Types for Service Orders*).

In this IDES process, order costs are incurred due to two activity confirmations with activity type 1410 for cost center 4100, and due to the consumption of materials R-1150 and R-1160. The rules of the DIP profile 00000001 are explained based on this information.

(see  *SAP Reference IMG: Plant Maintenance and Customer Service → Maintenance and Service Processing → Basic Settings → Quotation Creation and Billing for Service Orders → Profiles for Quotation Creation, Billing, Results Analysis*).

When creating the billing request, the system takes the entries for usage 1 (that is, billing and calculation of profits).

On the level “Sources”, it has been defined for this use that source 0001 (that is, actual costs – line items) is evaluated for the creation of dynamic items.

The line items created due to the first activity confirmation contains the information that the costs were incurred under activity type 1410 in cost center 4100. On the level “Characteristics”, the characteristics “cost center” and “activity type” has been marked as relevant for usage 1. Thus, the system copies activity type 1410 and cost center 4100 from the line item to the dynamic item. They can now be used for further processing. Both characteristics are used to derive a material for the billing request (see indicator “Material determination”). With regard to the characteristics relevant for the creation of a dynamic item, the line item of the second activity confirmation is identical to the first line item. The system therefore creates one common dynamic item for both line items that displays the sum of the costs incurred.

On the level “Material determination”, the system lists the material SM-REPHOUR. It is therefore one of the materials intended for transfer to a billing request item.

Additional Process Information

On the "Criterion" level, it has been defined that this material is derived from the criteria "cost center" and "activity type". The criterion "cost center" is met if the cost center of the dynamic item corresponds to a value of set SM-CC1. The set SM-CC1 contains the cost center 4100.

(see: Accounting → Financial Accounting → Special Purpose Ledger → Tools → Set maintenance → Sets → Display).

The criterion "Activity type" is met if the activity type of the dynamic item corresponds to a value of set SM-AT1. Set SM-AT1 contains the value 1410. Both criteria have been met in this example. The material number SM-REPHOUR is therefore allocated to the dynamic item.

The line item created due to the withdrawal of material R-1150 contains, for example, information about the cost element and the material number. The characteristic "Cost element" and "Material" are relevant for the creation of dynamic items and are therefore copied to the dynamic item. The characteristic "Cost element" is used for material determination. On the level "Material determination" you will find an entry without a material number where the indicator "Direct material" is set. This indicator ensures that the R/3 System assigns the material contained in the line item to the dynamic item. On the level "Criteria", it is defined that this type of assignment only occurs if the line item was posted to the cost element in the set CO-PC-MAT. This set comprises the cost elements used to post material consumption. In this example, the withdrawal of material R-1150 was posted under cost element 410000. This cost element belongs to the cost element set CO-PC-MAT. This means that the criteria for the material determination have been fulfilled, and that the material R-1150 contained in the line item is transferred to the dynamic item.

The line items for the consumption posting of material R-1160 leads to a separate dynamic item as the characteristic "Material" has a different value. The material determination is processed according to the same logic described above.

Billing Form

The billing form for the service order decides whether the order is billed as flat rate or resource-related. To make this distinction, information about the billing form must be available when the billing request is created. For this reason the billing form is selected as a relevant characteristic.

Product

The characteristic "Product" is marked as relevant for further processing. This control data is a prerequisite for copying a service product specified in the service order to the billing request.

Accounting Indicator

When posting the material consumption for material R-1150, the system enters the accounting indicator K1 (goodwill 100%). This entry is copied to the line item. The accounting indicator is also a relevant characteristic in the DIP profile 00000001 for usage 1. The entries concerning the accounting indicator are therefore copied from the line item to the dynamic item. The accounting indicator can thus be used to price the billing request item resulting from the dynamic item. The costing sheet PSER02 used in the billing request contains the condition type KBM1 (goodwill/warranty). The access sequence assigned to this condition type allows you to enter condition records dependent on the accounting indicator. In this example, there is a condition record that determines a 100 per cent deduction if the accounting indicator K1 is available.

To avoid the summarization of several dynamic items with various accounting indicators in one billing request item, the indicator "No summarization" was set in the DIP profile for the characteristic "Accounting indicator".

Additional Process Information

Transferring Costs into the Billing Request

You can also determine for which condition types entries can be made for the document type of the billing request on the overview screen of the dynamic items. You must specify the defined condition type if the costs of the dynamic items should be copied to the price determination of the respective billing request items. In this example, the costs are copied to the condition type EK01 (see SAP Reference IMG: *Plant Maintenance and Customer Service* → *Maintenance and Service Processing* → *Basic Settings* → *Quotation Creation and Billing for Service Orders* → *Assign Conditions to Sales Document Types*).

Item Category Determination

When a service order is billed, the billing form determines whether the order is billed at flat rate (billing form = 01) or resource-related (billing form = 02). In this IDES process, we offer an example for resource-related billing. We explain item category determination for creating the billing request for this example:

The billing form is not explicitly specified. In this case, the system assumes a resource-related billing. The service order is created without entering a service product in this example. When creating the billing request, the dynamic items become the main items of the sales document. With resource-related billing, the item category determination for the dynamic items is processed with the item usage SEIN.

Item category determination for items with material SM-REPHOUR is executed using the following entry:

Sales document type *LV* + item category group *LEIS* + usage *SEIN* → L2N.

Item category determination for items with material R-1150 or R-1160 is executed using the following entry:

Sales document type *LV* + item category group *NORM* + usage *SEIN* → L2N.

Item category L2N is priced, then it is billed.

(See  *SAP Reference IMG: Sales and Distribution* → *Sales* → *Sales Documents* → *Sales Document Item* → *Assign Item Categories* or *Define Item Categories*).

Data Used During This Process

| Field | Europe | Description |
|--------------------------------|--|--|
| Plant | 1200 | |
| Material numbers | R-1150 R-1160 SM-REPHOUR SM-PCREP | Disk drive / spare part hard disk drive / spare part repair hours Service product |
| Service order type | SM02 | Service order type (revenues) |
| Sales organization | 1000 | Sales organization (SD) |
| Distribution channel | 14 | Distribution channel (SD) |
| Division | 00 | Division (SD) |
| Sold-to party | 1171 | Customer number |
| Equipment | 10003562 or equipment from previous process | |
| Planning Plant | 1200 | |
| Maintenance plant | 1200 | |
| Business area | 8000 | |
| Operating concern | IDEA | Global IDES |
| Type of profitability analysis | Costing-based | |
| Report | IDES-090 | SM reporting |

Creating the Initial Situation

Creating the Initial Situation

Use

You start a CATT procedure that performs an inventory posting for the materials used in the process. This ensures that the process can run through several times.

Procedure

28. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Tools → ABAP Workbench → Test → Test Workbench → CATT Extended</i> |
| Transaction Code | SCAT |

29. Enter the following data:

| Field | Data |
|-----------|---------------|
| Test case | ZIDES_SMASC03 |

30. Choose .

31. Enter the following data:

| Block | Option |
|-----------------|------------|
| Log type | W/o |
| Processing mode | Background |
| Variants | W/o |

32. Choose .

In the bottom part of the screen, the system displays which transactions are being processed. When the process flow is completed, the system notifies you that a document number has been assigned for the inventory posting.

33. Choose  until the overview tree appears.

Entering a Problem Notification and Creating a Service Order

Use

The customer informs you about a defective piece of equipment. You accept a problem notification and enter the notification data in the system. The service order is created directly from problem notification processing.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Customer Service → Service Processing → Notification → Create (Special) → Problem Notification</i> |
| Transaction Code | IW54 |

2. Enter the following data:

| Field | Data |
|-----------|---|
| Equipment | 10003562 or equipment from previous process |

3. Choose .



The system copies further information from the equipment master record into the notification (for example, sold-to party, functional location).

4. Enter the following data:

| Field | Data |
|----------------------------------|-------------------------------------|
| Notification (in the first line) | Hard disk + CD disk drive defective |

5. Choose .

6. Check the object information, by selecting  in the section *Reference object*.

The dialog box informs you which notifications and orders were entered regarding this equipment.

7. Choose .

8. To create a service order directly from notification processing, choose .

The *Create order* dialog box appears.

9. Choose .

10. In the *First operation* screen area, enter the following data:

| Field | Data |
|-----------|--|
| Operation | Check/change hard disk + CD disk drive |

11. Choose .

Entering a Problem Notification and Creating a Service Order

The system proposes further information necessary from the equipment master record into the service order (for example, work center).

12. Choose *Extras* → *Sales data*.

You can recognize that the service order is assigned to a sales organization (that is, a combination of the sales organization, distribution channel, and division). This proposal was also taken from the equipment master record data. The assignment of a sales area is required for service order billing.

13. Choose .

14. To put the order in process, choose .

15. Select *W/o print*, then choose .

16. To confirm possible warning messages, choose .

The system saves the service order and the corresponding notification.

17. Note the number of the order.

18. Choose , until the overview tree appears..

19. In the dialog box, choose *No*.

Processing a Service Order

Use

In the following process, you play the role of a service employee who is responsible for repairing the equipment. First of all, you plan the work to be performed in the service order.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Customer Service → Service Processing → Order → Service Order → Change</i> |
| Transaction Code | IW32 |

2. Enter the following data:

| Field | Data |
|-------|------------------------------|
| Order | Number of your service order |

3. Choose .
4. To check the object information for your piece of equipment, choose  in the *Reference object* section.

The notification that triggered the service order is listed here.

5. Choose .
6. Enter the following data:

| Field | Data |
|---|------|
| Work durtn (in the section 'First operation') | 2 |

7. Choose .
8. Choose the *Components* tab page.
9. To call up the Structure list, choose  *List*.
The structure list informs you about the components of the equipment to be repaired. The materials necessary for processing the repairs can be copied from this list into the service order.
10. Select the materials R-1150 and R-1160, then choose .

11. Enter the following data:

| Field | Data |
|--|------------------------------------|
| SLoc (in the line for material R-1150) | 1500 (overwrite the default value) |
| SLoc (in the line for material R-1160) | 1500 (overwrite the default value) |

12. Choose .

Processing a Service Order

The system calculates the planned costs of the order according to the entries made for the planned working hours and the materials necessary.

13. Choose *Extras* → *Cost reports* → *Plan/actual comparison*.

The planned costs are displayed under the corresponding cost element types.

14. Choose .

15. Choose .

16. Choose  until the overview tree appears.

Confirming a Service Order

Use

You confirm the effort necessary for the repair now. It is assumed that you enter the effort in two partial confirmations. All materials used for the repair are also confirmed. You decide whether the floppy disk drive is exchanged for goodwill.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Customer Service → Service Processing → Confirmation → Entry → Individual Confirmation (Time)</i> |
| Transaction Code | IW41 |

2. Enter the following data:

| Field | Data |
|-------|-------------------|
| Order | Your order number |

3. Choose .

4. Enter the following data:

| Field | Data |
|-----------------|--------------|
| Actual work | 1 |
| Final confirmat | Deselect |
| Clear open res. | Deselect |
| Work start | Current date |
| Work end | Current date |

5. Choose .

6. Choose .

7. Enter the following data:

| Field | Data |
|-------|-------------------|
| Order | Your order number |

8. Choose  *Parameters*.

9. In the *Goods movements* area, select *All comps*, then choose .



Setting this indicator causes the system to display all the materials assigned to the operation to be confirmed in the goods movement overview.

10. Choose .

Confirming a Service Order

11. Enter the following data:

| Field | Data |
|-------------|--------------|
| Actual work | 2 |
| Work start | Current date |
| Work end | Current date |

12. Choose .

13. Choose  *Goods movements*.

The materials assigned to the operation are listed. The withdrawal of the materials listed here is posted when the confirmation is saved.

14. Move the screen section to the right by scrolling the horizontal scrollbar until you can see the column *Accounting Indicator (Alnd)*.

15. Enter the following data:

| Field | Data |
|---------------------------------------|------|
| Alnd (in the line of material R-1150) | K1 |



Using the accounting indicator, you can differentiate between costs in service processing. When billing the service order, the accounting indicator K1 leads to a price reduction of 100 %. All costs marked with this accounting indicator are therefore not billed to the customer.

16. Choose .

17. Choose  until the overview tree appears.

18. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Customer Service → Service Processing → Order → Service Order → Change</i> |
| Transaction Code | IW32 |

19. Enter the following data:

| Field | Data |
|-------|-------------------|
| Order | Your order number |

20. Choose .

21. Choose *Extras → Cost Reports → Planned/actual comparison*.

The completion confirmation has caused the order to be debited with actual costs. These are compared to the planned costs.

22. Choose .

23. To complete your order, choose .

24. In the dialog box, choose .

25. Choose  until the overview tree appears.

Creating a Billing Request (Resource-Related Billing)

Creating a Billing Request (Resource-Related Billing)

Prerequisites

In this step, you create a billing request for the processed service order. No particular billing form is specified in the service order. In this case, the system assumes a resource-related billing.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Customer Service → Service Processing → Completion → Create Billing Request → Process Individually</i> |
| Transaction Code | DP90, VA02 |

2. Enter the following data:

| Field | Data |
|-----------------|------------------------------|
| Service order | Number of your service order |
| Posting date to | Today's date |

3. Choose  *Expenses*.

The service order costs incurred due to material consumption and the repair hours are listed. The costs incurred due to the work hours are summarized under the material number SM-REPHOUR. The costs incurred due to the material consumption are displayed under each respective material number.

4. Move the screen section to the right by scrolling the horizontal scrollbar until you can see the column *AInd* (Accounting Indicator).

The system transfers the information that the accounting indicator K1 (goodwill 100%) has been specified on confirmation of the withdrawal of the hardiest.

5. Choose  *Sales price*.

The *Billing request for resource-related billing document <new>*: *Sales price* screen appears.

6. Position your cursor on the *billing request* row, then choose .

The system displays the billing request items that are generated when you save on the second level. The expenses and value (column *Net value*) with which the expenses are billed are compared with one another.

7. To call up the sales price determination, double-click on the row for material *R-1150* (floppy disk drive).

The costs have been copied to the condition EK01 (actual costs). The material has a price (condition type PR00) with which it is invoiced. Due to accounting indicator K1, however, the invoice is issued with a price reduction of 100% with condition type KBM1 (goodwill/guarantee).

8. Double-click on the row for material *R-1160* (harddisk).

Creating a Billing Request (Resource-Related Billing)

The service order costs have been copied to the condition EK01 (actual costs). A price exists for the material (condition type PR00). The material is billed with this price.

9. Double-click on the row for material *SM-REPHOUR (Repair Hour)*.

The service order costs have been copied to the condition EK01 (actual costs). The material has a sales price (condition type PR00) with which it is invoiced.

10. Choose  *Billing request*.

The *Create billing request* dialog box appears.

11. Choose  Yes.

The billing request created by the system is automatically displayed due to a default setting.

12. Note the number of the billing request in the *Deb.Memo Req.f. Ctrct* field.

13. The billing request is initially blocked for billing. To delete this billing block, enter the following data:

| Field | Data |
|---------------|-----------------------|
| Billing block | Delete existing block |

14. Choose .

15. Choose  until the overview tree appears.

Creating a Billing Document

Creating a Billing Document

Use

You create the billing document for the checked billing request.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Customer Service → Service Processing → Completion → Billing Document → Create</i> |
| Transaction Code | VF01 |

2. Enter the following data:

| Field | Data |
|----------|-------------------------------|
| Document | Number of the billing request |

3. Choose .



The system displays an overview of the billing items.

4. Choose .

5. Choose  until the overview tree appears.

Settling and Completing the Service Order

Use

All costs and revenues posted to the order are transferred to the profitability analysis via a settlement. As no further costs or revenues occur for the service order, you complete it from a business perspective.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Customer Service → Service Processing → Order → Service Order → Display</i> |
| Transaction Code | IW33 |

2. Enter the following data:

| Field | Data |
|-------|------------------------------|
| Order | Number of your service order |

3. Choose .
4. Choose *Extras → Cost reports → Planned/actual comparison*.

The revenues earned are posted to the order when the billing document is created.

5. Choose  until the overview tree appears.
6. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Customer Service → Service Processing → Completion → Order Settlement → Settle Individually</i> |
| Transaction Code | KO88 |

7. If the *Set controlling area* dialog box appears, enter the following data and choose :

| Field | Data |
|------------------|------|
| Controlling area | 1000 |

8. Enter the following data:

| Field | Data |
|-------------------|------------------------------|
| Order | Number of your service order |
| Settlement period | Current period |
| Fiscal year | Current fiscal year |
| Test run | Deselect |

9. Choose .

Settling and Completing the Service Order



If you have previously processed a service order that belonged to another controlling area than your current service order, the system will at first display an error message. Should this occur, choose *Extras* → *Controlling Area*, then enter 1000. To continue with the order settlement, choose .

10. To call up the detail list, choose .

11. Position your cursor on the service order number row and choose  *Sender*.

The system lists all values that are posted from the service order to the profitability segment.

12. Choose  until the overview tree appears.

13. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics</i> → <i>Customer Service</i> → <i>Service Processing</i> → <i>Order</i> → <i>Service Order</i> → <i>Change</i> |
| Transaction Code | IW32 |

14. Enter the following data:

| Field | Data |
|-------|------------------------------|
| Order | Number of your service order |

15. Choose .

16. Choose *Extras* → *Cost reports* → *Planned/actual comparison*.



Due to the order settlement, the service order was credited.

17. Choose .

18. Choose *Order* → *Functions* → *Complete* → *Complete (business)*.

The system saves your order.

19. Choose  until the overview tree appears.

The operative service process is complete after settlement. Both steps deal with the transaction from the Profitability Analysis view CO-PA). Firstly, you deal with the line item generated during settlement. You then execute a report that analyzes all present profitability data relating to services. The values for the present process flow into this report.

Displaying Line Items in Profitability Analysis

Use

The costs and revenues are stored under record type C (order and project settlement) in Profitability Analysis through the settlement of the service order.

Procedure

20. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Display Line Items → Actual</i> |
| Transaction Code | KE24 |



If you are processing an operating concern in this session for the first time, the system displays the dialog box *Set Operating Concern*.

21. Enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of profitability analysis | Costing-based |

22. Choose .

This dialog box is only displayed once per session. Once you have made your selection, the system assumes that you will only work in this operating concern and type in this session.

23. Enter the following data:

| Field | Data |
|---------------|----------------|
| Currency type | B0 |
| Date created | Today's date |
| Entered by | Your user name |

24. Choose .

25. In the dialog box, choose .

You find the item or items (depending on whether you created the billing request according to variant A or B or both versions) that has/have the record type C and that was/were posted to CO-PA via settlement from Customer Service.

26. Double-click on one of these line items.

You are now on the initial selection screen for the line items. Here you can see all the characteristics that can be analyzed in Profitability Analysis. The values for these characteristics were derived from the customer and material master records, the SD

Displaying Line Items in Profitability Analysis

partner functions (such as the sales representative), or from CO-PA-specific characteristics.

For example, you see the customer, industry, product, and so on.



To view further characteristics, choose  .

27. Choose the *Value fields* tab page.

You can see detailed information about the billed quantities, revenues, discounts, and detailed product cost components that were derived from SD and CO-PC. Note that the list of value fields spans several screens.

28. To scroll through the value field screens, choose  .

You see the revenue generated due to order billing.

The costs incurred due to goodwill relate to the usage of materials exchanged out of goodwill.

The customer discount is calculated from the discount of 100% which has been granted out of goodwill. Material usage is made up of the costs that were generated through the use of materials for the service order. Excluded from this is any material exchanged for reasons of goodwill.

Sales commission is calculated by valuating anticipated costs from Profitability Analysis.

Maintenance costs represent the costs of services provided by a service technician.

29. Choose  until the overview tree appears.

Displaying a CS Report in Profitability Analysis

Use

The report *IDES-090 Reporting Service Management* uses different accounts receivable and service products to demonstrate how the reporting procedure for service management can be structured. The revenues and costs produced in the previous steps have been made compatible with reporting and also analyzed in the form of key figures.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting</i> → <i>Controlling</i> → <i>Profitability Analysis</i> → <i>Information System</i> → <i>Execute Report</i> |
| Transaction Code | KE30 |

2. Select the *IDES-090* report and choose .

3. Enter the following data:

| Field | Data |
|-------------|---------------------|
| Fiscal year | Current fiscal year |
| From period | 1 |
| To period | Current period |

4. Choose .

The report data is selected again.

You arrive at the basic screen of the report. In the report header, you see the dimensions defined for this report: sales organization 1000 Germany Frankfurt, and distribution channel *14 Service*.

Beneath the report header, you find the navigation field which enables you to navigate through the individual service products. In the form of key figures, you find revenues, sales deductions, costs and the resultant contribution margins which are displayed in the additional columns and are cumulated for the individual accounts receivable.

In the first column, you find the customer "Hitech" (customer number 1171) for which you have created the service order or order(s).



For more information about navigating within a report, see [Executing an Existing Report in Profitability Analysis and Getting to know Reporting Functions \[Page 315\]](#).

5. Choose *Report* → *Exit*.
6. In the dialog box, choose Yes.
7. Choose  until the overview tree appears.

Displaying a CS Report in Profitability Analysis

Processing Service Contracts with Periodic Billing

Purpose

This process shows you how to create and process service contracts for customer equipment. It contains periodic billing for service contracts and a link to a further process containing resource-related billing.

Prerequisites

The process begins with the delivery of a personal computer to the customer. Once delivered, an equipment master record is created. The customer would like to conclude a service contract for the equipment. If the customer desires, configurable or preconfigured service packages can be used in the service contract. It includes special price agreements for the materials that can be used in subsequent service measures. These price agreements are automatically taken into account in resource-related billing (see the scenario [Service Processing and Resource-Related Billing with Service Contracts \[Ext.\]](#)). The service contract also contains the standard charge billed each month. A settlement is drawn up for the monthly charge, and the revenues (as well as any costs) are settled to Profitability Analysis (CO-PA).

The scenario can be performed separately or together with the scenario [Service Processing and Resource-Related Billing with Service Contracts \[Ext.\]](#).

Process Flow

You can find the data for this process under [?](#) [Page 198].

1. [Creating and Delivering Sales Orders \[Page 199\]](#)
2. [Creating the Equipment Master Record \[Page 202\]](#)
3. [Creating Service Contracts for the Plant Maintenance of Customer Equipment \[Page 204\]](#)
4. [Maintaining Price Agreements in the Service Contract \[Page 205\]](#)
5. [Service Processing and Resource-Related Billing \[Page 206\]](#)
6. [Performing Periodic Billing Document \[Page 207\]](#)
7. [Settlement of Service Contracts \[Page 209\]](#)
8. [Displaying Line Items in Profitability Analysis \[Page 217\]](#)
9. [Displaying a CS Report in Profitability Analysis \[Page 219\]](#)

Data Used During This Process

Data Used During This Process

| Field | Data | Description |
|-----------------------|---|---|
| Plant | 1200 | Dresden |
| Company code | 1000 | IDES AG |
| Business area | 8000 | External Services |
| Main work center | PC-SERVS/1200 | |
| Service contract type | WV | Service and maintenance |
| Material numbers | R-1001 R-1111 R-1120 | Maxitec-R3100 PC Motherboard M-3100 Cable with earthed plug |
| Service materials | REPAIR SERVICE PC_SERVICE_CON F PC_SERVICE_A | |
| Sold-to party | 1032 | Inst.f. Environmental Research |
| Sales organization | 1000 | Germany Frankfurt |
| Distribution channel | 14 | Service |
| Division | 00 | Cross-division |

Creating and Delivering Sales Orders

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Sales → Order → Create</i> |
| Transaction Code | VA01 |

2. Enter the following data:

| Field | Data |
|----------------------|------|
| Order type | TA |
| Sales organization | 1000 |
| Distribution channel | 10 |
| Division | 00 |

3. Choose .

4. Enter the following data:

| Field | Data |
|------------------|-------------------------------|
| Sold-to party | 1032 |
| PO number | SM-329800 |
| Req. deliv. date | Today's date + 7 working days |
| Material | R-1001 |
| Order quantity | 1 |

5. Choose .



The system produces a BOM explosion. This generates additional items which serve as an explanation.

6. Choose the *Shipping* tab page, and note the material availability date of the first item.

7. Choose .

8. Make a note of the sales order number.

9. Choose  until the overview tree appears.

10. In the dialog box, choose *No*.

11. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Shipping and Transportation → Outbound Delivery → Create → Single Document → With Reference to Sales Order</i> |
| Transaction Code | VL01N, LT03 |

12. Enter the following data:

Creating and Delivering Sales Orders

| Field | Data |
|----------------|-----------------------------|
| Shipping point | 1200 |
| Selection date | e.g. today's date + 1 month |
| Order | No. of your customer order |
| From item | Empty |
| To item | Empty |

13. Choose .

You now see the overview screen for the delivery document.

14. Select the first item, then choose *Extras* → *Serial numbers*.

15. Choose .

16. In the *Serial number selection* screen area, enter the following data:

| Field | Data |
|------------------|------|
| Plant | 1200 |
| Storage location | 0001 |

17. Choose .

The system produces a list of serial numbers occurring in the specified plant and storage location.

18. Select the first entry in the list, then choose .

19. Make a note of the selected serial number.

20. In the dialog box, choose .

21. Choose *Subsequent functions* → *Create transfer order*.

22. In the dialog box, choose Yes.

23. Enter the following data:

| Field | Data |
|------------------------|------------------------|
| Warehouse number | 012 |
| Plant | 1200 |
| Delivery | Proposed by the system |
| Foreground/Background | Background |
| Adopt picking quantity | 2 |

24. Choose .

The system creates a transfer order for picking the delivery quantities. The option 2 (Adopt picking quantity) means that the goods issue is posted immediately for that delivery.

25. Choose  until the overview tree appears.

Creating the Equipment Master Record

Creating the Equipment Master Record

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Customer Service → Management of Technical Objects → Serial Numbers → List Editing → Change</i> |
| Transaction Code | IQ08, IQ02 |

2. Enter the following data:

| Field | Data |
|---------------------|---------------|
| Material | R-1001 |
| Partner (1st field) | Sold-to-party |
| Partner (2nd field) | 1032 |

3. Choose .
4. Select the line for your serial number, then choose .
5. Choose  *Equipment view*.
6. Choose the *Sales and Distribution* tab page.
7. Enter the following data:

| Field | Data |
|----------------------|------|
| Sales org. | 1000 |
| Distribution channel | 14 |
| Division | 00 |

8. Choose the *Organization* tab page.
9. Enter the following data:

| Field | Data |
|------------------|---------------|
| Company code | 1000 |
| Business area | 8000 |
| Planning plant | 1200 |
| Planning group | 201 |
| Main work center | PC-SERVS/1200 |

10. Choose the *Ser.data* tab page.
11. If any warning messages appear, choose .
12. Note the equipment number.
13. Choose .
14. Choose  until the overview tree appears.

Creating Service Contracts for Maintenance of Customer Equipment

Creating Service Contracts for Maintenance of Customer Equipment

You now see how to create service contracts for customer equipment. You can choose whether you wish to use nonconfigurable, configurable or preconfigured service packages in your service contract.

Choose one of the three possible options:

[Creating Service Contracts \(Nonconfigurable\) \[Page 211\]](#)

[Creating Service Contracts with a Configurable Service Package \[Page 213\]](#)

[Creating Service Contracts with a Preconfigured Service Package \[Page 215\]](#)

Maintaining Price Agreements in the Service Contract

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Customer Service → Service Agreements → Contracts → Contract → Change</i> |
| Transaction Code | VA42 |

2. Enter the following data:

| Field | Data |
|----------|------------------------------|
| Contract | Your service contract number |

3. Choose .
4. Select your item, then choose  *Price agreements*.
5. Choose .
6. In the dialog box, enter the following data:

| Field | Data |
|----------------|-------------------------------|
| Condition type | ZZDC (Item Discount Contract) |

7. Choose .
8. Enter the following data:

| Field | Data |
|----------|--------|
| Material | R-1120 |
| Rate | 10 |
| Material | R-1111 |
| Rate | 15 |

9. Choose .
10. Choose .
11. Choose  again.
12. Choose  until the overview tree appears.

Service Processing and Resource-Related Billing (optional)

Service Processing and Resource-Related Billing (optional)

This step enables you to process a complete service case for the customer equipment relating to the service contract created previously. Since this is an optional enhancement for contract processing itself, you can also proceed with the following step.

If you wish to process a service notification and a service order relating to your contract, select the following process:

[Service Processing and Resource-Related Billing with Service Contracts \[Ext.\]](#)

Performing Periodic Billing Document

Use

In this step, you bill the monthly amounts that are due according to the billing plan for the service contract.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Customer Service → Service Agreements → Contracts → Contract → Display</i> |
| Transaction Code | VA43 |

2. Enter the following data:

| Field | Data |
|----------|------------------------------|
| Contract | Your service contract number |

3. Choose .
4. Select your service item, then choose .

The basic price for the service (condition type PPSV) and where applicable the surcharges/deductions are used to calculate the net price (Target: net value for item). This net price is then billed each month.

Check the monthly standard price for your service (condition type PPSV).

5. Choose .
6. Select your service item, then choose  *Billing plan*.



Check the rules and items of the billing plan. Note how the billing amount for the first and last month is confined to the billing horizon.

Only the billing items in the selected horizon are displayed. Depending on the setting, the billing date or billing value of the last month of validity for your contract is not displayed.

7. Choose , until the overview tree appears.
8. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Customer Service → Service Processing → Environment → Sales and Distribution → Billing Document → Billing Document → Process Billing Due List</i> |
| Transaction Code | VF04, VF01 |

9. Enter the following data:

| Field | Data |
|-------|------|
|-------|------|

Performing Periodic Billing Document

| | |
|--------------------|---------------------------|
| Billing date until | Last day of current month |
| Billing type | F2 |
| Sold-to party | 1032 |
| Order-related | Select |

10. Choose  *DisplayBill.list*.

11. Choose .

12. Select the line containing your service contract and choose *Individual billing document*.

13. Choose .

14. Choose  until the overview tree appears.

15. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Customer Service → Service Agreements → Contracts → Contract → Display</i> |
| Transaction Code | VA43 |

16. Enter the following data:

| Field | Data |
|----------|------------------------------|
| Contract | Your service contract number |

17. Choose .

18. Select your service item, then choose  *Billing plan*.



The status (column BillSt in the table) of the billing item has changed from status *A* (not billed) to status *C* (completely processed).

19. Choose  until the overview tree appears.

Settlement of Service Contracts

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Customer Service → Service Agreements → Contracts → Contract → Display</i> |
| Transaction Code | VA43 |

2. Enter the following data:

| Field | Data |
|----------|------------------------------|
| Contract | Your service contract number |

3. Choose .

4. To check the actual sales revenue for your service contract, choose *Environment → Cost report*.



If you have settled a service order to your service contract (using, for example, the process [Service Processing and Resource-Related Billing with Service Contracts \[Ext.1\]](#)), then you will also find the costs and revenues for that service order in the cost report. The planned revenues that are produced from the validity period of the billing plan are compared with the actual revenues obtained so far.

5. Choose  until the overview tree appears.

6. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | From the <i>Contracts</i> node choose <i>Contract → Follow-on functions → Settlement</i> |
| Transaction Code | VA88 |

7. If the *Set Controlling Area* dialog box appears, enter the following data and choose :

| Field | Data |
|------------------|------|
| Controlling area | 1000 |

8. Enter the following data:

| Field | Data |
|--------------------|--------------------------------|
| Sales Organization | 1000 |
| Sales document | No. of your service contract |
| Settlement period | Current period (current month) |
| Fiscal year | Current fiscal year |
| Test run | Deselect |

9. Choose .

You see a detailed list of the settled amounts.

Settlement of Service Contracts

10. Choose  until the overview tree appears.

11. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Customer Service → Service Agreements → Contracts → Contract → Display</i> |
| Transaction Code | VA43 |

12. Enter the following data:

| Field | Data |
|----------|------------------------------|
| Contract | Your service contract number |

13. Choose .

14. Choose *Environment → Cost report*.

You can now check that the contract has been credited by the order settlement and that the total of debits and credits is now zero.

15. Choose  until the overview tree appears.

The operative service process is complete after settlement. Both steps deal with the transaction from the Profitability Analysis view CO-PA). Firstly, you deal with the line item generated during settlement. You then perform a report, which analyzes all present profitability data relating to services. The values for the present process flow into this report.

Creating Service Contracts (Nonconfigurable)

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Customer Service → Service Agreements → Contracts → Contract → Create</i> |
| Transaction Code | VA41 |

2. Enter the following data:

| Field | Data |
|----------------------|------|
| Contract type | WV |
| Sales organization | 1000 |
| Distribution channel | 14 |
| Division | 00 |

3. Choose .

4. Enter the following data:

| Field | Data |
|-------------------|-------------------------------|
| Sold-to party | 1032 |
| PO number | e.g. service/001 |
| Contract end date | Contract start date + 2 years |
| Material | REPAIR_SERVICE |
| Target quantity | 1 |

5. Choose .

6. To skip the warning message regarding the end date, choose .

7. In the dialog box, choose Yes.

8. Select your item.

9. Choose *Extras → Technical objects*.

10. Enter the following data:

| Field | Data |
|-----------|-----------------------|
| Equipment | Your equipment number |

11. Choose .

12. Choose .

13. Choose the *Item overview* tab page.

14. Select your service item, then choose  *Billing plan*.

Verify the entries in the billing plan. Note that the billing document value for the first and last month is delimited.

Creating Service Contracts (Nonconfigurable)

Only the billing items in the selected horizon are displayed. Depending on the setting, the billing date or billing value of the last month of validity for your contract is not displayed.

15. Choose .
16. Choose .
17. Make a note of the contract number.
18. Choose  until the overview tree appears.
19. In the dialog box, choose *No*.

To continue processing your service contract in the next process step, choose: [Maintaining the Price Agreements in the Service Contract \[Page 205\]](#)

Creating Service Contracts with a Configurable Service Package

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Customer Service → Service Agreements → Contracts → Contract → Create</i> |
| Transaction Code | VA41 |

2. Enter the following data:

| Field | Data |
|----------------------|------|
| Contract type | WV |
| Sales organization | 1000 |
| Distribution channel | 14 |
| Division | 00 |

3. Choose .

4. Enter the following data:

| Field | Data |
|-------------------|------------------|
| Sold-to party | 1032 |
| PO number | e.g. service/001 |
| Contract end date | Defaulted |
| Material | PC_SERVICE_CONF |
| Target quantity | 1 |

5. Choose .

6. Choose *Continue*.

7. Enter the following data:

| Field | Data |
|------------------|----------------------|
| Response profile | EPRESS |
| Service profile | EVERYDAY |
| Travel zone | 50 (less than 50 km) |
| Repair location | Customer location |

8. Choose .

9. Choose .

10. Select the item. Choose *Extras → Technical objects*.

11. Enter the following data:

Creating Service Contracts with a Configurable Service Package

| Field | Data |
|-----------|-----------------------|
| Equipment | Your equipment number |

12. Choose .

13. Choose .

14. Select your service item, then choose  *Billing plan*.

Verify the entries in the billing plan. Note that the billing document value for the first and last month is delimited.



Only the billing items in the selected horizon are displayed. Depending on the setting, the billing date or billing value of the last month of validity for your contract is not displayed.

15. To quit the billing plan, choose .

16. Choose .

17. Note the number of the contract.

18. Choose  until the overview tree appears.

Continue processing your service contract with [Maintaining Price Agreements in the Service Contract \[Page 205\]](#).

Creating Service Contracts with a Preconfigured Service Package

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Customer Service → Service Agreements → Contracts → Contract → Create</i> |
| Transaction Code | VA41, VA45 |

2. Enter the following data:

| Field | Data |
|----------------------|------|
| Contract type | WV |
| Sales organization | 1000 |
| Distribution channel | 14 |
| Division | 00 |

3. Choose .

4. Enter the following data:

| Field | Data |
|-----------------|-------------------------------|
| Sold-to party | 1032 |
| PO number | e.g. service/001 |
| Contract end | Contract start date + 2 years |
| Material | PC_SERVICE_A |
| Target quantity | 1 |

5. Choose .

6. To skip any warning messages regarding the end date, choose .

7. In the dialog box, choose Yes.

8. Select your item.

9. To display the characteristic value assignment predefined for this service material, choose .

10. Choose .

11. Select your item. Choose *Extras → Technical objects*.

12. Enter the following data:

| Field | Data |
|-----------|-------------------------|
| Equipment | quoted equipment number |

13. Choose .

Creating Service Contracts with a Preconfigured Service Package

14. Choose .
15. Choose  *Contracts* and check the contract duration.
16. Choose .
17. Select your service item, then choose  *Billing plan*.
18. Verify the entries in the billing plan. Note that the billing document value for the first and last month is delimited.



Only the billing items in the selected horizon are displayed. Depending on the setting, the billing date or billing value of the last month of validity for your contract is not displayed.

19. Choose .
20. Choose .
21. Make a note of the contract number.
22. Choose  until the overview tree appears.
23. In the dialog box, choose *No*.

Continue processing your service contract with [Maintaining Price Agreements in the Service Contract \[Page 205\]](#).

Displaying Line Items in Profitability Analysis

Use

The costs and revenues are attained under record type C (order and project settlement) in Profitability Analysis through the settlement of the service contract.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Display Line Item List → Actual</i> |
| Transaction Code | KE24 |



If you are processing an operating concern in this session for the first time, the *Set Operating Concern* dialog box appears.

2. Enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of profitability analysis | Costing-based |

3. Choose .



This dialog box is only displayed once per session. Once you have made your selection, the system assumes that you will only work in this operating concern and type in this session.

4. Enter the following data:

| Field | Data |
|---------------|----------------|
| Currency type | B0 |
| Date created | Today's date |
| Entered by | Your user name |

5. Choose .

6. Choose .

You can see that the item with record type C has been posted from service management to CO-PA through settlement.

7. Double-click on this line item.

You now see, for example, the customer name and the organizational units.

The item reference is actually the material number for the service product. You see the corresponding assignments to a plant, profit center level, and so on.

Displaying Line Items in Profitability Analysis

Here you can see all the characteristics that can be analyzed in Profitability Analysis. The values for these characteristics were derived from the customer and material master records, the SD partner functions (such as the sales representative), or from CO-PA specific characteristics.



Note that the list of characteristic values is displayed over several screens. To scroll through the characteristics, choose .

8. Choose the *Value fields* tab page.

9. To scroll down, choose .

You can see detailed information about the order and billed quantities, revenues, discounts, and detailed product cost components that were derived from SD and CO-PC. Note that the list of value fields spans several screens.

Revenue is made up of the total from contract billing and the total from the billing of the service order assigned to the contract (although the latter is only involved if you integrated the process [Service Processing and Resource-Related Billing with Service Contracts \[Ext.\]](#) into the current process).

Customer discount is calculated from the total of sales deductions posted during contract billing or during the billing of the service order assigned to the contract (although the latter is only involved if you integrated the process [Service Processing and Resource-Related Billing with Service Contracts \[Ext.\]](#) into the current process).

Sales commission is calculated by valuating anticipated costs from Profitability Analysis.

Material usage is made up of the costs that were generated through the use of materials for the service order (although only if you integrated the process [Service Processing and Resource-Related Billing with Service Contracts \[Ext.\]](#) into the current process).

Maintenance costs represent any service technician charges (although only if you integrated the process [Service Processing and Resource-Related Billing with Service Contracts \[Ext.\]](#) into the current process).

10. Choose  until the overview tree appears.

Displaying a CS Report in Profitability Analysis

Use

The report IDES-090 CS reporting uses different accounts receivable and service products to demonstrate how the reporting procedure for service management can be structured. The costs and revenues generated in the previous steps have been prepared for reporting and evaluated as key figures.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |

2. Select the report IDES-090 and choose .

3. Enter the following data:

| Field | Data |
|-------------|---------------------|
| Fiscal year | Current fiscal year |
| From period | 1 |
| To period | Current period |

4. Choose .

You see the basic screen of the report. In the report header, you see the dimensions defined for this report. Sales organization *1000, Germany, Frankfurt* and distribution channel *14 Service*.

Beneath the report header, you find the navigation field which enables you to navigate through the individual service products. The key figures include revenues, sales deductions, costs and the resultant contribution margins which are displayed in the additional columns and are accumulated for the individual accounts receivable.

In the fourth column, you see the customer Institute for Environmental Research (customer number *1032*) for which you have created the service contract (and service order, if applicable).

5. To access the product level, choose *Product* in the Navigation field.
6. If the *Drilldown: Callup Documentation on Hotspots* screen appears, choose .
7. Choose  next to the field *Product*.
8. Select the product(s) which you used in the previous process.

The totals of the value fields for the customer Institute for Environmental Research are obtained from the line items showed previously as well as from any other postings.

9. Choose .

The characteristic *Product* now appears in a different color.

Displaying a CS Report in Profitability Analysis

10. To call up the drilldown list choose *Product*.

For each individual key figure, you obtain an overview of all products in sales organization *1000* and distribution channel *14* and of the customers who have generated revenues or costs for these products. It is now possible to perform a direct comparison of all service products. The overall result is displayed in the last line.

11. To view other key figures for this listing, choose .



For more information on navigation within a report, see [Performing Defined Reports in Profitability Analysis \[Page 315\]](#).

12. Choose  until the overview tree appears.

13. In the dialog box, choose Yes.

Period-End Closing for a Customer Project

Usage

In this IDES process, you carry out a month-end closing. To do this, you first post all period-based data on the project. You then determine the data relevant to Profitability Analysis (CO-PA) for the given period, and settle this data to CO-PA. You can evaluate the data either in the project information system, or in Profitability Analysis.

Prerequisites

This IDES process is based on the data from the process *Make-to-Order Production of Elevators*. You should carry out this process before you start the period-end closing.

Procedure

You can find the data for this process under [?](#) [Page 222].

1. Actual overhead rates

The system calculates the [overhead \[Ext.\]](#) and updates them in the project.

See also [Determining Overhead Rates \[Page 223\]](#) and [Evaluating Project Data by Cost Element \[Page 225\]](#)

2. Settlement generation

Before you carry out results analysis and settlement, you first need to have correctly maintained the settlement rule and the PA transfer structure. The system generates the relevant entries automatically when it generates the settlement rule.

See [Generating the Settlement Rule \[Page 227\]](#) and [Checking the Settlement Rule \[Page 229\]](#).

3. Results analysis

The system determines by period the data relevant to results analysis, such as, work-in-process and inventory costs.

See [Executing Results Analysis \[Page 230\]](#)

4. Settlement

You settle the data from results analysis to the profitability segment. This means that the project data is now available to Controlling.

See [Executing Settlement \[Page 232\]](#) and [Displaying Line Items \[Page 234\]](#).

Data for this Example

Data for this Example

| | |
|--|--|
| Controlling area | 1000 |
| Company code | 1000 |
| Plant | 1300 |
| Project currency | DEM |
| Project | E-#### (#### is the number of the sales order from the IDES scenario <i>Make-to-Order Production of Elevators</i>). |
| Project profile | 1000 |
| Costing sheet | 130000 |
| Strategy for generating the settlement rule | 10 |
| Results analysis key | 130000 |
| RA version | 000 |
| PA Transfer Structure | 30 |
| Settlement profile of the billing element | 130000 (to be settled in full = 100%) |
| Settlement profile of the lower-level WBS elements | 130002 (not to be settled) |
| Period | Current period |
| Fiscal year | Current fiscal year |
| Operating concern | IDEA |
| Type of Profit. Analysis | Costing-based |

Calculating Overhead Rates

Usage

Overhead rates are used to allocate the costs of a cost center that has no direct reference to the activity quantities received.

In this step, the system calculates the overhead rates on the basis of the direct costs posted on the project activities.

In the plan, the system determines the planned overhead rates of the project activities automatically as part of network costing. In the actual, you have to calculate and update the actual overhead rates explicitly.

Prerequisites

You must have defined a costing sheet in Customizing. The parameters for the overhead calculation are summarized in the costing sheet. In this demo, we use costing sheet 130000.

The costing sheet must be assigned to the project objects.

Procedure

1. Call up the transaction as follows:

| | |
|--------------------|---|
| Menu Path | <i>Logistics → Project System → Financials → Period-End Closing → Single Functions → Applied Overhead → Individual Processing, Actual</i> |
| Transaction | CJ44 |

2. If the *Set Controlling Area* dialog box appears, enter the following data:

| Field | Data | Description |
|------------------|------|-------------|
| Controlling area | 1000 | CO Europe |

3. Choose .

4. Enter the following data:

| Field | Data |
|--------------------|--|
| Project definition | E-#### (#### is the number of the sales order) |
| Include orders | Select |
| Period | Current period |
| Fiscal year | Current year |
| Test run | Deselect |
| Detailed lists | Select |

5. Choose *Overhead calculation → Execute*.

You see a log with general information about the processing type of the overhead calculation.

6. To get detailed information about the overhead rates, choose .

Calculating Overhead Rates

7. Choose  to leave the log.

Result

The system calculates the overhead rates and updates them by cost element on the project activities under overhead cost elements (category 41).

Evaluating Project Data by Cost Element

Use

To evaluate project data by cost element, the project information system provides you with various standard reports. These reports offer you an overview by period of the updating of the data on the project. To carry out a more exact analysis, you can branch from the line item display to the document display.

Procedure

1. Call up the transaction as follows:

| | |
|--------------------|---|
| Menu Path | <i>Accounting or Logistics → Project System → Information System → Financials → Costs → Plan-Based → By Cost Element → Actual/Plan/Variance Absolute/Variance %</i> |
| Transaction | S_ALR_87013543 |



If you are calling up a cost element report for the first time since logging on to the system, the system requests you to enter a database profile. Enter 130000000000, then choose :

2. Enter the following data on the selection screen:

| Field | Data |
|--------------------|--|
| Project definition | E-#### (#### is the number of the sales order) |
| Controlling area | 1000 |
| Plan version | 000 |
| From fiscal year | Current year |
| To fiscal year | Current year |
| From period | 1 |
| To period | 12 |

3. Choose .

The report shows the allocation of the values by cost element. You can analyze, for example, the overhead costs separately from the direct production costs.

4. To call up the line item reports, double-click a report row.

The *Project Line Item Selection* screen appears.

5. Position your cursor on the line item report you want to display, then choose  *Copy*.

The system branches to the line item display.

6. To display the original document, double-click a document date in the line item display.

Evaluating Project Data by Cost Element

7. Choose  to quit the document display or line item display. Confirm the dialog prompt with Yes.
8. Choose  until you reach the overview tree.
9. Choose Yes in the dialog box.

Generating the Settlement Rule

Use

To carry out results analysis and settlement, you need to maintain the relevant profiles and settlement rules for all project objects relevant to the settlement.

In this project step, you use automatic settlement generation to generate the relevant profiles and settlement rules on the WBS elements.



The system uses the default values of the network type to automatically assign a settlement rule to the project activities.

Prerequisites

In Customizing, you must have defined the strategy for the generation of the settlement rule, and assigned this to project profile 1000.

Procedure

1. Call up the transaction as follows:

| | |
|--------------------|--|
| Menu Path | <i>Logistics → Project System → Financials → Period-End Closing → Single Functions → Settlement Rule → Individual Processing</i> |
| Transaction | CJB2 |

2. Enter the following data:

| Field | Data |
|--------------------|--|
| Project definition | E-#### (#### is the number of the sales order) |
| With hierarchy | Select |
| Period | Current period |
| Fiscal year | Current year |
| Test run | Deselect |
| Detail list | Select |

3. Choose .

You see the basic list of the log.

4. To call up detailed information on settlement, choose .

The lists shows you, for example, the strategy used and the generated settlement profile.

5. Choose  to leave the log.

Result

As defined in strategy 10, which is stored in the project profile, the system generates a settlement rule, and, if required, a PA transfer structure, for each WBS element.

Generating the Settlement Rule

Strategy 10 specifies that the billing element is to be settled 100% periodically to the profitability segment. All of the lower-level WBS elements are not settled.

Checking the Settlement Rule

Use

When you generate the settlement rule, the system adopts various data from the sales order, for example, the division from the sales order header. In line with the settlement rule, the relevant data is settled to CO-PA.

Procedure

1. Call up the transaction as follows:

| | |
|--------------------|---|
| Menu Path | <i>Accounting or Logistics → Project System → Project → Special Maintenance Functions → Work Breakdown Structure → Change</i> |
| Transaction | CJ02 |

2. Enter the following data:

| Field | Data |
|--------------------|--|
| Project definition | E-#### (#### is the number of the sales order) |

3. Choose .
4. Choose the *Control* tab to check the results analysis key.
5. Select your WBS element (first line) and choose *Settlement Rule*.
 - A 100% periodic settlement to the profitability segment is defined in the settlement rule.
6. To check the value fields transferred to the profitability segment, proceed as follows:
 - a. Position the cursor on the settlement rule.
 - b. Choose .
 - c. In the settlement receiver section, choose  in the profitability segment.
 - d. In the *Division* field, you see the default value 06 (elevators). If it is not there, enter it.
 - e. Choose  *Continue*.
9. Choose  until you reach the *Change Cost Planning: WBS Element Overview* screen appears.
10. Choose .
11. Choose  until you reach the overview tree.

Executing Results Analysis

Executing Results Analysis

Use

In this process step, you carry out revenue-based results analysis on the billing element. You use results analysis to determine, for example, the work in process or the cost of sales for a given period.

Prerequisites

A results analysis key must be assigned to the billing element.

Procedure

1. Call up the transaction as follows:

| | |
|--------------------|--|
| Menu Path | <i>Accounting → Project System → Financials → Period-End Closing → Single Functions → Results Analysis → Proceed → Individual Processing</i> |
| Transaction | KKA2 |

2. Enter the following data:

| Field | Data |
|-------------|--|
| WBS Element | E-#### (#### is the number of the sales order) |
| Period | Current period |
| Fiscal year | Current fiscal year |
| RA version | 000 |

3. Choose .

As well as the planned and actual data, the system also displays the results analysis data.

4. Choose .

5. Choose  until you see the overview tree.

Result

In the results analysis key and the results analysis version, you defined that the system should execute revenue-based results analysis, that is, the system updates the following results analysis data on the billing element for Financial Accounting and settlement to Profitability Analysis:

- Actual revenue (FI and CO-PA)
- Cost of sales (CO-PA)
- Provisions for missing costs or work in process (FI)

This data is updated under the results analysis cost elements defined in Customizing.



Executing Results Analysis

The system does not take into account the assigned production orders for projects with valuated sales order or project stock. The WIP calculation occurs separately on a production order.

Executing the Settlement

Executing the Settlement

Usage

Projects are used to collect costs on a temporary basis. During period-end closing, the system settles the costs and revenues incurred on the project.

In the settlement rule, you stipulated that the actual results analysis data of the billing element is to be settled to Financial Accounting and to the profitability segment. The costs of the lower-level objects were included in the calculation of the results analysis data on the billing elements, and cannot therefore be settled separately.

In this process step, you settle the profits of the given period to Profitability Analysis, and post the provisions or inventory costs to Financial Accounting.

Prerequisites

You must have carried out results analysis.

A settlement rule must have been maintained for all project objects.

The automatic settlement rule generation has:

- Assigned a settlement rule for the profitability segment to the billing element.
- Assigned a settlement rule to all of the lower-level objects that prohibits settlement.

Procedure

1. Call up the transaction as follows:

| | |
|--------------------|--|
| Menu Path | <i>Accounting → Project System → Financials → Period-End Closing → Single Functions → Settlement → Individual Processing</i> |
| Transaction | CJ88 |

2. Enter the following data:

| Field | Data |
|--------------------|--|
| Project definition | E-#### (#### is the number of the sales order) |
| With hierarchy | Select |
| Include orders | Select |
| Settlement period | Current period |
| Fiscal year | Current fiscal year |
| Processing type | Automatic |
| Posting period | Current period |
| Test run | Deselect |
| Detail list | Select |

3. Choose .

You see a log with general information about the processing.

Executing the Settlement

4. To get information about the senders, receivers, and the settlement amount, choose .
5. Choose  until you reach the overview tree.

Displaying the Line Items

Displaying the Line Items

Usage

Once the customer project has been billed and settled, you can evaluate the data in Profitability Analysis. The documents are updated under record type C (Settlement of orders and projects).

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Display Line Item List → Actual</i> |
| Transaction Code | KE24 |



If you are using profitability analysis for the first time, the system asks you to enter the operating concern.

2. In the dialog box, enter the following data:

| Field | Data |
|-------------------|--------|
| Operating concern | IDEA |
| Costing-based | Select |

3. Choose .
4. In the dialog box, choose Yes.
5. Enter the following data:

| Field | Data |
|---------------|------------------------------|
| Currency type | B0 |
| Period / year | Current month/year (##.####) |
| Entered by | Your user name |

6. Choose .
7. In the dialog box, choose .

You see a list of the actual line items transferred to Profitability Analysis.

8. Choose one of the line items you created.

The *Characteristics* tab page contains, among other things, the following information:

- Customer
- Sales organization
- Distribution channel
- Sales order number

Displaying the Line Items

- Product-related data

The product number is the material number of billing element E-1000. You can also see the relevant assignments, for example, at plant and profit center level.

Characteristics exist for all dimensions that can be used for analysis purposes in Profitability Analysis. These characteristics values are derived from the customer and material master data and from SD partner roles (such as sales representatives) or from CO-PA-specific characteristics.

8. Choose the *Value fields* tab page.

You see the detailed information for order and billing quantities, revenues, discounts and detailed product cost components, which are derived from the Sales and Product Costing areas. Note that the list of value fields is more than one screen long.

9. Choose  to scroll through the value field screens.

The billed quantity amounts to 1 piece, with the corresponding revenue of 59,821.05 euros (EUR).

You see, for example, the cost of goods sold. This value was taken from the order settlement, and is identical to the COGS from Profitability Analysis.

10. Choose  until you reach the overview tree.

Direct Assignments From Financial Accounting to Profitability Analysis

Purpose

Generally, costs flow into Profitability Analysis (CO-PA) through other areas of Controlling or from Sales and Distribution (SD). It is possible, however, for revenues, sales deductions and costs to be posted directly from Financial Accounting to Profitability Analysis objects, such as customers or products.

In this IDES process, a sales employee makes a special payment for an important order. This payment is posted in Financial Accounting as commission expenses and updated as other costs in Profitability Analysis with reference to the customer

You can find more information about this process under [i](#) [Page 237].

Process Flow

You can find the data for this process under [?](#) [Page 238].

1. [Characteristic Groups \[Page 239\]](#)
2. [PA Transfer Structure \[Page 241\]](#)
3. [Postings in Financial Accounting \[Page 242\]](#)
4. [Displaying the Line Items \[Page 244\]](#)

Additional Process Information

Direct account assignment from Financial Accounting enables you to post direct costs or directly posted revenues to profitability segments. Sales deductions, such as annual quantity discounts, or actual costs, such as shipment costs, which had originally been valued in short-term Profitability Analysis as costing-based at period-end, can be posted at a later date to the corresponding profitability segments. This means that the costing-based costs are reconciled with the effective costs. You can display both of these valuation approaches in the profitability report.

Data Used During This Process**Data Used During This Process**

| Field | Data | Description |
|--------------------------------|---------------|--|
| Operating concern | IDES | Operating concern IDES global |
| Type of Profitability Analysis | Costing-based | |
| Customer | 1000 | Becker, Berlin |
| Sales organization | 1000 | Germany |
| Distribution channel | 10 | Final customer sales |
| Division | 01 | Pumps |
| Characteristic group | ID01 | Postings for FI documents and activity allocations |
| PA Transfer Structure | FI | Financial Accounting → Profitability Analysis |
| Record type | B | Direct assignment from Financial Accounting |

Characteristic Groups

Use

You can define a characteristic group with a limited number of characteristics so that not all characteristics for the account assignment are available for the posting.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Tools → AcceleratedSAP → Customizing → Edit project</i> |
| Transaction Code | SPRO |

2. Choose  SAP Reference IMG.

3. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Controlling → Profitability Analysis → Flows of Actual Values → Initial Steps → Characteristic Groups →  Maintain Characteristic Groups</i> |
| Transaction Code | KEPA |

4. In the dialog box, enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

5. Choose .

6. In the dialog box, choose Yes.

This dialog box is shown only once during the session. Once you have made your selection, the system always selects the given operating concern and the relevant type of profitability analysis.

7. Select characteristic group *ID01*, then double-click *Characteristics* in the dialog structure area.

You now see the characteristics that have been defined for the FI account assignment to Profitability Analysis.

8. Choose  twice.

9. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path |  <i>Assign Characteristic Groups for Assignment Screen.</i> |
| Transaction Code | KE4G |



Characteristic group ID01 is assigned to the business transaction RFBU (FI postings).

10. Choose .

Characteristic Groups

11. Remain on the *Customizing: Execute Project* screen.

PA Transfer Structure

Use

You transfer the FI posting to Profitability Analysis using a PA transfer structure in which the relevant accounts are assigned to value fields in Profitability Analysis.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Controlling → Profitability Analysis → Flows of Actual Values → Direct Posting from FI/MM →  Maintain PA Transfer Structure for Direct Postings</i> |
| Transaction Code | KEI2 |

2. Select the PA transfer structure *FI*, then double-click *Assignment lines* in the dialog structure.
3. In the dialog box, enter the following data:

| Field | Data |
|------------------|------|
| Controlling area | 1000 |

4. Choose .
5. Select assignment *10*, then in the dialog structure, double-click *Source*.



You can see that cost element group OAS, which contains the total costs, has been defined to transfer postings from FI to CO-PA.

6. In the dialog structure, double-click *Value fields*.



The costs transferred from FI flow into value field VV280 Other costs.

7. Choose  until the overview tree appears.

Postings in Financial Accounting

Postings in Financial Accounting

Use

In Financial Accounting, you now enter a general ledger posting that is assigned directly to a profitability segment in Profitability Analysis.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting</i> → <i>Financial Accounting</i> → <i>General Ledger</i> → <i>Document Entry</i> → <i>Others</i> → <i>General Posting</i> |
| Transaction Code | F-02 |

2. Enter the following data:

| Field | Data |
|-----------------------|--------------|
| Document date | Today's date |
| Company code | 1000 |
| Currency / rate | EUR |
| First line item/PstKy | 40 |
| Account | 435000 |

3. Choose .

4. Enter the following data:

| Field | Data |
|----------------------|--------|
| Amount | 10000 |
| Next line item/PstKy | 50 |
| Account | 113100 |

5. To the right of *Profitability segment*, choose .

6. Enter the following data in the dialog box:

| Field | Data |
|----------------------|------|
| Customer | 1000 |
| Sales org. | 1000 |
| Distribution channel | 10 |
| Division | 01 |

7. Choose  *Continue*.

8. Enter the following data:

| Field | Data |
|-------|------|
| | |

| | |
|--------|---|
| Amount | * |
|--------|---|

9. Choose .

Make a note of the document number.

10. Choose  until the overview tree appears.

11. Choose Yes in the dialog box.

Displaying the Line Items

Displaying the Line Items

Use

You can now display the line items that have been transferred from Financial Accounting to Profitability Analysis.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Display Line Item List → Actual</i> |
| Transaction Code | KE24 |

2. Enter the following data:

| Field | Data |
|---------------|----------------|
| Currency type | B0 |
| Date created | Today's date |
| Entered by | Your user name |

3. Choose .
4. In the dialog box, choose .
5. Double-click the document you have created.

Note the record type B. This record type has been defined especially for data transfer from Financial Accounting to Profitability Analysis.

On the *Characteristics* tab page, you can see the customer name, the sales organization, the distribution channel, and the division. The system determines the company code and the customer group through derivation rules.

The *Product* and *Plant* fields have not been filled, because the FI posting did not define these characteristics.

6. Choose the *Value fields* tab page.
7. To scroll through the value field screens, choose .

You can see that the 10,000 DEM posted from Financial Accounting has been assigned to the *Miscellaneous costs* value field.

8. Choose  until the overview tree appears

Automatic Assignment to Profitability Segments

Purpose

Generally, costs flow into Profitability Analysis (CO-PA) through other areas of Controlling or from Sales and Distribution (SD). However, it is also possible to perform automatic postings that can be passed on to Profitability Analysis using the automatic account assignment functions.

In this scenario, a material is revaluated and the corresponding posting in CO-PA is then analyzed.

You can find more information about this process under [i](#) [Page 246].

Process Flow

You can find the data for this process under [?](#) [Page 247].

1. [Automatic Account Assignment \[Page 248\]](#)
2. [PA Transfer Structure \[Page 249\]](#)
3. [Revaluation of a Material \[Page 250\]](#)
4. [Displaying the Line Items \[Page 251\]](#)
5. [Resetting the Data \[Page 253\]](#)

Additional Process Information

Additional Process Information

The following list contains typical business transactions for which it makes sense to use automatic account assignment to determine a profitability segment:

Automatic Account Assignment

- Price differences in purchasing
- Revaluation of material stocks
- Inventory differences
- Currency differences

Subsequent Posting of Cash Discounts

- The "Profit and Loss Adjustment" function (program SAPF181) for automatically assigning actual cash discounts to customers

Data Used During This Process

| Field | Data | Description |
|--------------------------------|---------------|--|
| Operating concern | IDES | Operating concern IDES global |
| Type of Profitability Analysis | Costing-based | |
| Customer | 1000 | Becker, Berlin |
| Sales organization | 1000 | Germany |
| Distribution channel | 10 | Final customer sales |
| Division | 01 | Pumps |
| Characteristic group | ID01 | Postings for FI documents and activity allocations |
| PA transfer structure | FI | Financial Accounting → Profitability Analysis |
| Record type | B | Direct assignment from Financial Accounting |

Automatic Account Assignment

Automatic Account Assignment

Use

For account assignments to be performed, cost elements are required to which the postings can be made. This example uses cost element 282500 for revenues and cost element 232500 for costs. These cost elements have been combined into a cost element group (OAS_PRD) and are assigned to the corresponding PA transfer structure.

In this scenario, you make the necessary settings for activating direct account assignment.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Tools → AcceleratedSAP → Customizing → Edit Project</i> |
| Transaction Code | SPRO |

2. Choose  SAP Reference IMG.

3. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Controlling → Profitability Analysis → Flows of Actual Values → Direct Posting From FI/MM →  Automatic Account Assignment</i> |
| Transaction Code | OKB9 |



If you are executing a profitability analysis transaction for the first time since logging on, the *Set operating concern* dialog box appears.

4. In the dialog box, enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

5. Choose .

6. If the *Type of Profitability Analysis* dialog box appears, choose Yes.

In the next screen, you see that the two cost elements 232500 and 282500 are selected in the profitability segment (PrfSeg) column. With this selection, the posting is made directly to Profitability Analysis.

7. Choose  once.

PA Transfer Structure

Use

You transfer the direct posting to Profitability Analysis using a PA transfer structure in which the accounts mentioned above are assigned to the corresponding value fields in Profitability Analysis.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Direct Posting from FI/MM →  Maintain PA Transfer Structure for Direct Postings</i> |
| Transaction Code | KEI2 |

2. Select the PA transfer structure *FI* and call up the subdialog item *Assignment lines* by double-clicking in the dialog structure.
3. In the following dialog box, enter the controlling area if required and then choose .



If you are executing a profitability analysis transaction for the first time since logging on, the *Set operating concern* dialog box appears.

4. Enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

5. Choose .
6. Select the assignment *40* and call up the subdialog item *Source* by double-clicking in the dialog structure.



You now see that direct postings for changes in inventory are carried over to CO-PA using the cost element group OAS_PRD (revaluation, costs/revenue).

7. Call up *Value fields* by double-clicking.



The transferred values flow into the value field *VV365 Price differences*.

8. Choose  until the overview tree appears.

Revaluation of a Material

Revaluation of a Material

Use

In this scenario, a base planning object is revaluated in Materials Management (assuming that the material is not revaluated with Product Cost Controlling).

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Materials Management → Valuation → Material Price Change → Change Material Prices</i> |
| Transaction Code | MR21 |

2. Enter the following data:

| Field | Data |
|--------------|--------------|
| Posting date | Today's date |
| Company code | 1000 |
| Plant | 1000 |

3. Choose .

4. Enter the following data:

| Field | Data |
|-----------|--------|
| Material | 40-210 |
| New price | 248 |

5. Choose .

You now see that the current valuation price has been increased. Note down the former value because you will need it in a subsequent scenario.

6. Choose .

7. Choose  until the overview tree appears.

Displaying the Line Items

Use

In this scenario, you call up in Profitability Analysis the line item that has been created by the material posting.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Display Line Items → Actual</i> |
| Transaction Code | KE24 |

2. Enter the following data:

| Field | Data |
|---------------|----------------|
| Currency type | B0 |
| Date created | Today's date |
| Entered by | Your user name |
| Product | 40-210 |

3. Choose .

The system displays the *Line Items: Selection Criteria* dialog box.

4. Choose  *Continue*.
5. Call up the document you created by double-clicking it.

Note in particular the record type B (top right). This record type has been defined especially for data transfers from Financial Accounting to Profitability Analysis.

6. Choose the *Characteristics* tab.

Characteristics exist for all dimensions that can be used for analysis purposes in Profitability Analysis. These characteristic values are derived from the customer master data, the material master data and from SD partner roles (such as sales representatives) or from CO-PA-specific characteristics.

The entries for the invoice item data result, on the one hand, from the product and plant being entered directly in the MM posting and, on the other hand, from the derivation rules in CO-PA.

For the posting in this example, the material group is derived from the characteristics listed at the outset. No customer data is derived because the customer view is not relevant for the MM posting.

8. Choose the *Value fields* tab.

You can see the detailed information for order and billing quantities, revenues, discounts, and detailed product cost components, which are derived from Sales and Product Costing. Note that the list of value fields covers multiple screens.

Displaying the Line Items

9. Choose  until the overview tree appears.

Resetting the Data

Use

To ensure that this IDES scenario can be repeated, you now need to reset the data.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Materials Management → Valuation → Material Price Change → Change Material Prices</i> |
| Transaction Code | MR21 |

2. Enter the following data:

| Field | Data |
|--------------|--------------|
| Posting date | Today's date |
| Company code | 1000 |
| Plant | 1000 |

3. Choose .

4. Enter the following data:

| Field | Data |
|-----------|--|
| Material | 40-210 |
| New price | The price prior to revaluation that you noted down before. |

5. Choose .

6. Choose .

7. Choose  until the overview tree appears.

Cost Center Assessment to Profitability Analysis

Cost Center Assessment to Profitability Analysis

Purpose

Cost center assessment to Profitability Analysis allows you to allocate planned or actual costs from cost centers to profitability segments in CO-PA. This is how you transfer the variances of your production cost centers as well as the costs of sales and administrative cost centers.

In this process, you assess actual costs. You see how to define an assessment cycle and how the costs are then allocated. Planned costs are assessed in the same way, except that a different assessment cycle is used.

You can find more information about this process under [i](#) [Page 255].

Process Flow

You can find the data for this process under [?](#) [Page 256].

1. [Displaying a Cycle for Assessment \[Page 257\]](#)
2. [Executing Assessment \[Page 259\]](#)
3. [Displaying the Results in a Cost Center Report \[Page 260\]](#)
4. [Displaying the Results in Profitability Analysis \[Page 261\]](#)
5. [Resetting the Data \[Page 263\]](#)

Additional Process Information

To be able to analyze all the costs incurred in Cost Center Accounting in Profitability Analysis (CO-PA), you need to allocate to CO-PA any cost center costs not already allocated to cost objects. You do this using the assessment function. In assessment, all primary and secondary costs of the sender cost center are transferred to an assessment cost element in account-based CO-PA. In costing-based CO-PA, these costs are summarized and transferred to value fields.

This process takes you through the procedure of assessing costs from a marketing cost center to costing-based profitability analysis.

A cycle has already been created in Customizing to define the senders and receivers of the assessment as well as the rules for how the values are allocated. You will analyze this cycle in the first process step.

The header of the cycle determines the controlling area as well as what type of CO-PA (account-based or costing-based) should be used for the tracing factors.

The segments of the cycle contain the senders and receivers as well as the assessment rules. For the marketing cost center we have chosen the rule "Variable portions". The sales revenues posted to the receiver objects form the basis for the assessment. The receivers are profitability segments represented by characteristic combinations of industry, customer group, and division.

To display the results of the assessment from the cost center viewpoint, you analyze a report that shows the partner objects.

To display the results from the viewpoint of Profitability Analysis, you define a basic report in CO-PA.

You reset the data at the end of the process chain, so that the process can be repeated.

Data Used During This Process**Data Used During This Process**

| Field | Data |
|-------------------|--------|
| Operating concern | IDEA |
| Controlling area | 1000 |
| Period from | 007 |
| To period | 007 |
| Fiscal year | 1999 |
| Cycle | IDESE3 |
| Cost center | 3200 |

Displaying a Cycle for Assessment

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Actual Postings → Period-End Closing → Transfer Cost Center Costs / Process Costs → Assessment</i> |
| Transaction Code | KEU5 |



If you are executing a profitability analysis transaction for the first time since logging on, the *Set Operating Concern* dialog box appears.

2. Enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

3. Choose .
4. In the dialog box, choose *Yes*.
5. Choose *Extras → Cycle → Display*.
6. Enter the following data:

| Field | Data |
|---------------|------------|
| Cycle | IDESE3 |
| Starting date | 01.01.1997 |

7. Choose .

You see the header data of the assessment cycle.

8. Choose .

In the dialog box, you see the individual segments of the cycle. This cycle contains only one segment.

9. Select the segment, then choose .

You have now called up the segment definition for the marketing cost center. You can now take a look at the various tab pages. On the *Segment hdr* tab page, you assign the assessment cost element and the enter the value field. On the *Sender/receiver* tab page, you specify the sender cost center as well as entering the characteristic combinations that determine the receivers in Profitability Analysis. To see this, scroll down the screen.

10. If you would like to vary the weighting of the receiver tracing factors, choose the *Recvr tracing factor* tab page.

11. In the dialog box, enter the following data:

| Field | Data |
|-------|------|
|-------|------|

Displaying a Cycle for Assessment

| | |
|--------------------|--------|
| Industry sector | Select |
| Customer group | Select |
| Division | Select |
| Sales organization | Select |

12. Choose .

You now see the various characteristics that can be used for the receivers, as well as their respective weighting. These include different combinations of industry, customer group, division, and sales organization. The receiver portion amounts to 80. This means that 100% of the costs for this cost center are assigned to 80 portions.

13. Choose  until the overview tree appears.

Executing Assessment

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | From the <i>Profitability Analysis</i> node, choose <i>Actual Postings</i> → <i>Period-End Closing</i> → <i>Transfer Cost Center Costs / Process Costs</i> → <i>Assessment</i> |
| Transaction Code | KEU5 |

2. Enter the following data:

| Field | Data |
|-----------------------|------------|
| Period from | 007 |
| To period | 007 |
| Fiscal year | 1999 |
| Background processing | Deselect |
| Test run | Deselect |
| Detailed lists | Select |
| Cycle | IDESE3 |
| Starting date | 01.01.1997 |

3. Choose .

You can see that the assessment is made from *1 sender* to *16 receivers*.

4. Choose  *Receiver*.

You now see which characteristic combinations have been further allocated to Profitability Analysis. The value shown in the *Tracing factor* column corresponds to the values of these profitability segments.

5. Choose *Basic list*.

6. Choose  *Sender*.

You now see the sender cost center *3200*.

7. Choose  until the overview tree appears.

8. In the dialog box, choose Yes.

Displaying the Results in a Cost Center Report

Displaying the Results in a Cost Center Report

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Cost Center Accounting → Information System → Reports for Cost Center Accounting → Plan/Actual Comparisons → Additional Characteristics → Cost Centers: Breakdown by Partner</i> |
| Transaction Code | S_ALR_87013615 |

2. Enter the following data:

| Field | Data |
|-------------------|------|
| Controlling area | 1000 |
| Fiscal year | 1999 |
| From period | 07 |
| To period | 07 |
| Plan version | 0 |
| Cost center group | |
| or value(s) | 3200 |

3. Choose .

The report shows the debited cost centers and the credits (at the end of the report) broken down by *cost element* and *partner object*. You can see that the assessment has credited the cost center for the full amount.

4. Choose  until the overview tree appears.
5. In the dialog box, choose Yes.

Displaying the Results in Profitability Analysis

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Define Report → Create Profitability Report</i> |
| Transaction Code | KE31 |

2. Enter the following data:

| Field | Data |
|--------------|---------------------------------------|
| Report | IDES-ASST |
| Report name | IDES Profitability Report: Assessment |
| Basic report | Select |

3. Choose  *Create*.
4. In the dialog box, choose *Operating concern currency*.
5. Choose .
6. On the *Characteristics* tab page in the *Char list* (on the right of the screen) select *Customer group, Industry and Division*.
7. Choose .
8. To display the sequence in which the characteristics are to appear in the report, choose *Sort free chars*.
9. Make sure that the characteristics are in the same order as in step 7. Correct the sequence, if required.
10. Choose .
11. Choose the *Key figures* tab page.
12. Enter the following data:

| Field | Data |
|-------------------|---------------------|
| Key figure scheme | IDES det. CM scheme |

13. Choose *Value fields on/off*.
14. In the *Available key figures* screen area, choose *Gross revenue* and *Marketing*
15. Choose .
16. Choose the *Variables* tab page.
17. Enter the following data:

| Field | Data |
|-------------|----------|
| Period from | 007.1999 |
| To period | 007.1999 |

Displaying the Results in Profitability Analysis

| | |
|---------------|---|
| Plan/act.ind. | 0 |
| Version | |
| Record type | |

18. Choose *Extras* → *Basic list*.
19. In the dialog box, select *Detail list*, then choose .
20. Choose the *Output type* tab page.
21. Select *Classic drilldown*.
22. Choose the *Options* tab page.
23. In the *Performance* screen area, enter the following data:

| Field | Data |
|----------------------|--------|
| Display current data | Select |
| Execute report | Select |

24. Choose .
25. Choose .
26. Do not change any of the variables, choose .

In the *Marketing* field, you see the costs allocated from Cost Center Accounting using the assessment function. To compare these values with the original cost center report, switch to the other session. The amount credited to the cost center in the assessment cost element must be the same as the amount debited to the profitability segment in the *Marketing* field.

27. To check the results of the assessment for the individual profitability segments, select *Industry*, *Customer group*, and then *Division*.

In this process, you reconcile the profitability segment with the following characteristic values:

| Field | Data |
|-----------------|------|
| Industry sector | HITE |
| Customer group | 01 |
| Division | 01 |



If these characteristic values are not selected, you can enter the appropriate values for the characteristics by selecting the arrow pushbuttons next to the blue *Industry*, *Division* and *Customer group* fields.

28. Choose  until the overview tree appears.
29. In the dialog box, choose *Yes*.

Resetting the Data

Use

To be able to repeat this process, you should reverse the cost assessment to CO-PA and delete the basic report.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | From the <i>Profitability Analysis</i> node, choose <i>Actual Postings</i> → <i>Period-End Closing</i> → <i>Transfer Cost Center Costs / Process Costs</i> → <i>Assessment</i> |
| Transaction Code | KEU5 |

2. Enter the following data:

| Field | Data |
|-----------------------|------------|
| Period from | 007 |
| To period | 007 |
| Fiscal year | 1999 |
| Background processing | Deselect |
| Test run | Deselect |
| Detail lists | Select |
| Cycle | IDESE3 |
| Starting date | 01.01.1997 |

3. Choose *Assessment* → *Reverse*.

In the dialog box, the system confirms that the reversal is complete.

4. Choose .

5. Choose .

6. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | From the <i>Profitability Analysis</i> node, choose <i>Information System</i> → <i>Define Report</i> → <i>Change Report</i> |
| Transaction Code | KE32 |

7. Enter the following data:

| Field | Data |
|--------|-----------|
| Report | IDES-ASST |

8. Choose .

9. In the dialog box, choose Yes.

Resetting the Data

10. Choose  until the overview tree appears.

Internal Orders: Settlement to Profitability Analysis and Amount Settlement

Purpose

You can use order settlement to settle costs incurred on an internal order directly to Profitability Analysis. It also enables you to activate amount settlement.

You can enter a fixed rule in the distribution rule when you enter the settlement rule for an order.

In the following process, you activate the amount settlement in customizing, display a settlement rule for an order, and then settle the order.

You can find more information about this process under [i](#) [Page 266].

Process Flow

You can find the data for this process under [?](#) [Page 267].

1. [Activating Amount Settlement \[Page 268\]](#)
2. [Displaying the Settlement Rule \[Page 269\]](#)
3. [Settling Costs \[Page 270\]](#)
4. [Resetting the Data \[Page 272\]](#)

Additional Process Information

Additional Process Information

You need to enter a settlement rule in the order master record before you can settle an order. The settlement rule contains distribution rules and settlement parameters.

The settlement rule comprises settlement receiver, settlement share and settlement type (periodic/full).

The settlement parameters are:

- Settlement profile
- Allocation structure
- PA Transfer Structure
- Source structure

In amount settlement, the amount entered in the settlement rule is settled in full (full settlement) or periodically (periodic settlement) to the specified receivers. You activate the amount settlement in the maintenance screen for the settlement profiles in customizing.

If amount rules have been defined in the settlement rule as well as percent or equivalence number rules, then the amounts are always settled first. Percentages or equivalence numbers then depend on the balance.

To define amount settlement rules in an order, you need to assign a settlement profile to that order, in which you have activated the corresponding indicator for the amount settlement.

In addition to activating the amount settlement, the following parameters are specified for the order settlement in the settlement profile.

- Allowed receivers
- Default values for allocation structure and PA transfer structure.
- Document type
- Other

In the allocation structure, the primary or secondary costs that were incurred on the order are allocated to settlement cost elements.

If costs are directly settled to Profitability Analysis, then you need to maintain the PA transfer structure as well as the allocation structure. In the PA transfer structure, the fixed and variable costs are assigned to the corresponding value fields.

Data Used During This Process

| Fields | Europe | North America |
|---|------------------|------------------|
| Order number | 100079 | 100059 |
| Controlling area | 1000 | 2000 |
| Company code | 1000 | 3000 |
| Settlement receiver - amount settlement | Cost Center 3110 | Cost Center 3110 |
| Settlement period | 001 | 001 |
| Fiscal year | Current year | Current year |
| Settlement profile | 10 | 10 |
| Allocation structure | A1 | A1 |
| PA Transfer Structure | CO | CO |

Activating Amount Settlement

Activating Amount Settlement

Use

The following shows the required customizing settlements. This is an example only, therefore you are requested not to change any data.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Tools → AcceleratedSAP → Customizing → Edit Project</i> |
| Transaction Code | SPRO |

2. Choose  *SAP Reference IMG*.
3. Choose *Controlling → Internal Orders → Actual Postings → Settlement*.
4. Choose  in front of *Maintain Settlement Profiles*.
5. Place your cursor on *Maintain Settlement Profiles*, then choose  *Execute*.
6. Select settlement profile *10 All receivers* and choose  *Receiver*.

The system displays detailed information on the settlement profile. The allocation structure determines the settlement cost elements used for crediting the cost center. In the PA transfer structure, the cost elements are assigned to the corresponding value fields. In the *Indicator* section of the screen, the indicator for activating the amount settlement is set.

7. Choose  and  until the overview tree appears.

Displaying Settlement Rules

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Internal Orders → Master Data → Special Functions → Order → Display</i> |
| Transaction Code | KO03 |

2. Enter the following data:

| Field | Europe | North America |
|--------------|--------|---------------|
| Order number | 100079 | 100059 |

3. Choose .

4. Choose *Settlement rule*.

Two distribution rules are defined:

- The first rule is for the amount settlement to cost center 3110. The % and *Equivalence number* columns (used for displaying percentage or equivalence number rules) both contain a zero value.
- The second rule contains a 100% settlement to a profitability segment.

5. Choose the first distribution rule in the first row, and choose .

In the *Distribution rule* section of the screen, you can see that a fixed amount of 2556.46 EUR (100,000 USD) are to be settled to cost center 3110 in a full settlement.

6. Choose .

7. Choose the second distribution rule in the second row, and choose .

8. Choose the  field from the *Settlement receiver* screen section.

The system displays the settlement rule for the profitability segment. You can see that the values for the *company code*, *business area*, *division* and *profit center* characteristics are present. Company code and business area are automatically derived, *profit center* and *division* have been maintained as characteristics.

9. Choose  *Continue*.

10. Choose  until the overview tree appears.

Settling Costs

Settling Costs

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Internal Orders → Period-End Closing → Single Functions → Settlement → Individual Processing</i> |
| Transaction Code | KO88 |

2. If the *Set Controlling Area* dialog box appears, enter the following data then choose :

| Field | Europe | North America |
|------------------|--------|---------------|
| Controlling area | 1000 | 2000 |

3. Enter the following data:

| Field | Europe | North America |
|-------------------------|--------------|---------------|
| Order number | 100079 | 100059 |
| Settlement period | 001 | 001 |
| Posting period | No entry | No entry |
| Fiscal year | Current year | Current year |
| Asset value date | No entry | No entry |
| Processing type | Automatic | Automatic |
| Test run | Deselect | Deselect |
| Check transaction types | Deselect | Deselect |

4. Choose .
5. Choose .
6. Choose .

The system displays a detail list, showing the sender order debits on the receiver objects. In the example provided, cost center 3110 is debited with a fixed amount of 2,556.46 (100,000) EUR (USD). The costs that remain on the order after this are then settled to the profitability segment.

7. Select the sender order and choose  *Sender*.

You can see how much was originally debited to the settled order.

8. Choose .

9. Select the sender order and choose  *Receiver*.

For each receiver object, the system displays the debits that resulted from the settlement for each settlement cost element.

10. Choose .

11. Choose *Accounting documents*.

The dialog box displays the different categories of document.

12. Choose the *Profitability analysis* document type.

The system now displays the line items for the documents in Profitability Analysis.

13. Choose the *Value fields* tab page.

This shows you under which value field the costs for this order are displayed in Profitability Analysis.

14. Choose  and  until the overview tree appears.

Resetting the Data

Resetting the Data

Use

You need to reverse the order settlement to repeat the process.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Internal Orders → Period-End Closing → Single Functions → Settlement → Individual Processing</i> |
| Transaction Code | KO88 |

2. Enter the following data:

| Field | Europe | North America |
|-------------------|--------------|---------------|
| Order number | 100079 | 100059 |
| Settlement period | 001 | 001 |
| Fiscal year | Current year | Current year |
| Asset value date | No entry | No entry |
| Processing type | Automatic | Automatic |
| Test run | Not selected | Not selected |

3. Choose *Settlement → Reverse*.

4. In the dialog box, choose .

The system confirms that processing was free of errors.

5. Choose  until the overview tree appears.

Internal Activity Allocation to CO-PA

Purpose

The activity allocation function lets you allocate internal activities directly to a profitability segment in Profitability Analysis. This means that you can post costs directly to products, sales activities, customers, or market segments in CO-PA.

In this process, you allocate actual internal activities. The costs are then allocated directly from a cost center to a profitability segment.

You can find more information about this process under [i](#) [Page 274].

Process Flow

You can find the data for this process under [?](#) [Page 275].

1. [Allocating Activity from Cost Centers to a Profitability Segment \[Page 276\]](#)
2. [Displaying the Results in a Cost Center Report \[Page 278\]](#)
3. [Displaying the Results in Profitability Analysis \[Page 279\]](#)
4. [Resetting the Data \[Page 281\]](#)

Additional Process Information

Additional Process Information

The "Pumps" division is presenting a model of pump P-101 at a trade fair. The pump used for demonstration purposes is presented in cross-section and has additional features. A specialist from production is responsible for preparing the demo pump. The costs incurred are to be debited directly to the appropriate profitability segment in Profitability Analysis as marketing costs, without passing via a cost driver acting as a go-between (such as an internal order).

The receiver is the profitability segment that has the characteristics combination "Product", "Company code", "Business area", and "Division".

To display the results of internal activity allocation from the Cost Center Accounting view, you analyze a report that shows the partner objects.

To display the results of internal activity allocation from the Profitability Analysis view, you define a basic report in the CO-PA information system.

You reset the data at the end of the process chain so that the process can be repeated.

Data Used During This Process

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |
| Controlling area | 1000 |
| Period from | Current |
| To period | Current |
| Fiscal year | Current |
| Cost center | 4220 |
| Profitability segment | X |
| Activity type | 1420 |

Allocating Activity From Cost Centers to a Profitability Segment

Allocating Activity From Cost Centers to a Profitability Segment

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Cost Center Accounting → Actual Postings → Activity Allocation → Enter</i> |
| Transaction Code | KB21N |



2. If the *Set Controlling Area* dialog box appears, enter the following data:

| Field | Data |
|------------------|------|
| Controlling area | 1000 |

3. Choose .

4. Enter the following data:

| Field | Data |
|---------------|--------------------------|
| Document date | (The current date) |
| Posting date | (The current date) |
| Version | 0 |
| Scrn variant | Prof.segment/cost center |

5. In the field to the right of the screen variant, choose *Individual entry*.

6. Enter the following data:

| Field | Data |
|--------------------|------|
| Quantity | 20 |
| Sender / Cost ctr | 4220 |
| Sender / Acty type | 1420 |

7. Choose *Prof.segmt* .

8. In the dialog box, enter the characteristic combinations that are to be debited with the activity quantities in Profitability Analysis:

| Field | Data |
|---------------|-------|
| Product | P-101 |
| Company code | 1000 |
| Business area | 1000 |

9. Choose  *Continue*.

10. In the *Screen variant* screen area, choose  *Confirm*.

Allocating Activity From Cost Centers to a Profitability Segment

The posting is displayed at the bottom of the screen.

11. Position your cursor on the document, then choose .

The system now provides you with information about which cost center was posted, the activity type, and the prices applied.

Make a note of the amount.

12. Choose .
13. Choose , then note the document number.
14. Choose .

Displaying the Results in a Cost Center Report

Displaying the Results in a Cost Center Report

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Cost Center Accounting → Information System → Reports for Cost Center Accounting → Plan/Actual Comparisons → Additional Characteristics → Cost Centers: Breakdown by Partner</i> |
| Transaction Code | S_ALR_87013615 |

2. Enter the following data:

| Field | Data |
|--------------------|---------|
| Controlling area | 1000 |
| Fiscal year | Current |
| From period | Current |
| To period | Current |
| Plan version | 0 |
| Cost center group | |
| or value(s) | 4220 |
| Cost element group | OAS |

3. Choose .

The report shows the debited cost centers and the credits broken down by *cost element* and *partner object*.

4. Scroll down the report until you see cost element 620000 in the *Credit* cost element block. Just above the totals line, you see the partner object *PSG IDEA/XXXXX*, where *XXXXX* contains a number corresponding to the combination of characteristic values to which the values were posted. The value shown in the *Act. costs* column is equal to the amount allocated.
5. Remain on the *Breakdown by partner* screen.

Displaying the Results in Profitability Analysis

Use

Alongside the cost center report, you can obtain the corresponding information in parallel from Profitability Analysis. You do this in a separate session as opposed to from within the cost center report.

Procedure

1. Choose  to call up a new session.
2. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Define Report → Create Profitability Report</i> |
| Transaction Code | KE31 |

3. In the dialog box, enter the following data:

| Field | Data |
|-------------------|------|
| Operating concern | IDEA |

4. Choose .
5. In the *Type of Profitability Analysis* dialog box, choose *Yes*.
6. Enter the following data:

| Field | Data |
|--------------|--|
| Report | IDES-ILV |
| Name | IDES Profitability Report: Activity Allocation |
| Basic report | Select |

7. Choose  *Create*. (Note: Be careful not to choose  *Form* by mistake).
8. In the dialog box, select *Operating concern currency*.
9. Choose .
10. In the *Char. List* section, select the characteristics *Division* and *Product*.
11. Choose .
12. To display the sequence in which the characteristics are to appear in the report, choose *Sort user-def. char.*

Make sure that the characteristics in the dialog box are in the same order as in the previous step. Correct the sequence, if required.

13. Choose .
14. Choose the *Variables* tab page.
15. Enter the following data:

Displaying the Results in Profitability Analysis

| Field | Data |
|---------------|-----------------------|
| Period from | Current period / year |
| To period | Current period / year |
| Plan/act.ind. | 0 (actual data) |
| Version | |
| Record type | D |

The system proposes these values automatically in the selection screen when you execute the report.

16. Choose the *Key figures* tab page.
17. In the *Available key figures* section, select the *Marketing activities* key figure.
18. Choose .
19. Select *Extras* → *Basic list*.
20. Select *Detail list*, then choose .
21. Choose the *Options* tab page.
22. In the *Performance* section, enter the following data:

| Field | Data |
|----------------------|--------|
| Display current data | Select |
| Execute report | Select |

23. Choose .
24. Choose .

The system proposes the variables entered during report definition.

25. Without changing the variables, choose .

In the *Marketing activities* value field, you see a detail list displaying the costs allocated from Cost Center Accounting via internal activity allocation. To compare these values with the original cost center report, switch to the other session. The amount credited to the cost center in the allocation cost element corresponds to the amount debited to the profitability segments in the *Marketing costs* value field.

26. Switch back to the session that shows the profitability report.
27. In the *Navigation* area, double-click *Pumps*.

You see that the activity was allocated at the division level as well as at the product level, even though the division had not been defined as a profitability segment. This is because of the derivation rules in Profitability Analysis which cause the product to fill the characteristic *Division*.
28. Remain on the *Execute Drilldown Report IDES-ILV: Detail List* screen.

Resetting the Data

Use

To enable the process to be repeated, you cancel the allocation of the internal activity to Profitability Analysis and delete the basic report that was generated.

Procedure

1. Switch to the session displaying the cost center report.
2. Choose  until the overview tree appears.
3. In the dialog box, choose Yes.
4. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Cost Center Accounting → Actual Postings → Activity Allocation → Reverse</i> |
| Transaction Code | KB24N |

5. Enter the following data:

| Field | Data |
|---------------|-------------------------------|
| Document date | Current |
| ReverseDoc | Number of the posted document |

6. Choose .

The single entry of postings is displayed but the amount fields now contain a minus sign.

7. Choose .
8. Switch to the session displaying the profitability report.
9. Choose  until the overview tree appears.
10. In the dialog box, choose Yes.
11. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Define Report → Change Report</i> |
| Transaction Code | KE32 |

12. Select the report *IDES-ILV*.
13. Choose .
14. In the dialog box, choose Yes.
15. Choose *System → End session*.

You are now in the Cost Center Accounting session.

16. Choose  until the overview tree appears.

Resetting the Data

Rebate Processing in SD and FI

Purpose

A rebate agreement has been made between sales organization 1020 and the store chain RIWA. The agreement states that if the retail chain places enough orders to reach a certain annual sales volume for certain products, they will receive a price discount from the sales organization. The sales volume figures used to calculate the rebate include figures from all the companies that belong to the RIWA store chain. The rebate is paid to the head office.

You can find more information about this process under [i](#) [Page 284].

Process Flow

You can find the data for this process under [?](#) [Page 286].

1. [Posting Stock \[Page 287\]](#)
2. [Creating Rebate Agreements \[Page 289\]](#)
3. [Checking Customer Hierarchy \[Page 293\]](#)
4. [Creating Sales Orders \[Page 294\]](#)
5. [Delivering Sales Orders \[Page 297\]](#)
6. [Creating Invoices \[Page 299\]](#)
7. [Settling Rebate Agreements \[Page 302\]](#)
8. [Creating Rebate Credit Memos \[Page 304\]](#)
9. [Displaying a Profitability Report \[Page 306\]](#)

Additional Process Information

Additional Process Information

SD Pricing

A new condition table has been created for rebate processing that enables you to make rebate pricing dependent on the following criteria:

- Sales organization
- Distribution channel
- Customer must belong to a customer hierarchy
- Materials must belong to points 1 to 10 of the product hierarchy

The procedure for using a partial area of the *Product hierarchy* field in *Pricing* is described in the Implementation Guide text.

Customizing menu path:

Sales and Distribution → *System Modification* → *Create new fields (using the condition technique)* → *New fields for pricing*.

Updating Customer Hierarchy Categories in CO-PA

The operating concern IDEA defined in IDES has three characteristics for belonging to the customer hierarchy (customer hierarchy levels 1 to 3).

In the master records for customer hierarchy nodes, the *Assign hier.* (hierarchy assignment) field is maintained for the marketing data. The number maintained in this field controls to which of the relevant hierarchy nodes the three defined CO-PA characteristics are copied.

+/- Sign Transfer of the Rebate Condition Type to CO-PA

The rebate condition types in SD correspond to the *VV090 Rebate* field in Profitability Analysis.

The system uses the rebate condition type to transfer the provision amount from the billing documents (created during the validity period of the rebate) to this field in Profitability Analysis.

The rebate condition type appears twice in the rebate credit memo (created once the rebate agreement had been settled). The first value is specified by the rebate amount that remains to be paid. This condition value is positive. The second value is specified using the rebate condition type for the value of the provision that remains to be written off. This condition value is displayed with a negative sign in SD. The difference between the actual rebate and the provision is copied from the rebate credit memo to the value field in Profitability Analysis. The CO-PA field uses the difference that has been posted to indicate the actual value of the rebate once it has been settled.

Because all the values transferred from SD to CO-PA are given the same sign, the indicator for the rebate condition type is set to *+/- sign transfer*. This indicator ensures that both positive and negative values from the condition are balanced.

Customizing menu path:

Controlling → *Profitability Analysis* → *Flows of Actual Values* → *Transfer of Billing Fields*
→ *Assign Actual Values*.

Settlement Materials in Rebate Agreements

Because the conditions in the rebate are not specific to the materials (they are created at a higher level in the product hierarchy), you need to specify a settlement material in the condition records for the rebate agreement. These settlement materials are used by the system to create credit memo requests and the rebate credit memo. For each product group (level 1 to 10 in the product hierarchy) that appears in the rebate agreement, a separate settlement material is assigned to the relevant product group in the *Product hierarchy* field.

Data Used During This Process

Data Used During This Process

| Field | Data | Description |
|--------------------------|---------------|---|
| Sales organization | 1020 | Berlin, Germany |
| Distribution channel | 20 | Retail chains |
| Division | 00 | Cross-divisional |
| Plant | 1100 | Berlin plant |
| Warehouse number | 011 | Warehouse, Berlin |
| Shipping point | 1100 | Shipping point, Berlin |
| Agreement type | 0004 | Hierarchy rebate |
| Rebate recipient | 6000 | Customer |
| Product group | 0011000105 | Gloss paints |
| Product group | 0011000110 | Primer |
| Settlement material | 170 | Settlement material for rebate credit memo for gloss paints |
| Settlement material | 178 | Settlement material for rebate credit memo for primer |
| Sold-to party | 6002 | Customer |
| Sold-to party | 6006 | Customer |
| Material | Y-352 | Gloss paints |
| Material | Y-353 | Gloss paints |
| Material | CH_5103 | Primer |
| Operating concern | IDEA | Global IDES |
| Type of Profit. Analysis | Costing-based | |
| Report | IDES-170 | Rebate |

Posting the Stock

Use

During this process, you deliver specified materials to customers. In this first process step, you ensure that there is enough stock to cover the deliveries. You do not need to know anything about the procurement process for this scenario, as you post stock without making any reference to a previous production or purchase order. The materials involved are managed in batches. You therefore need to specify the characteristics of the batches to which the materials are posted.

Procedure

34. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Materials Management → Inventory Management → Goods Movement → Goods Receipt → Other</i> |
| Transaction Code | MB1C |

35. Enter the following data:

| Field | Data |
|------------------|--------------|
| Document date | Today's date |
| Posting date | Today's date |
| Movement type | 501 |
| Plant | 1100 |
| Storage location | 0001 |

36. Choose .

37. Enter the following data:

| Field | Data |
|---------------------|---------|
| <i>Position 1</i> | |
| Material (1st line) | Y-352 |
| Quantity (1st line) | 200 |
| <i>Position 2</i> | |
| Material (2nd line) | Y-353 |
| Quantity (2nd line) | 400 |
| <i>Position 3</i> | |
| Material (line 3) | CH_5103 |
| Quantity (line 3) | 340 |

38. Choose .

A dialog box appears informing you that the batches to be created are automatically numbered internally.

Posting the Stock

39. Choose Yes.

In the following screen, you enter the batch attributes for material Y-352.

40. Enter the following data:

| Field | Data |
|------------|------|
| Viscosity | 180 |
| Density | 2.05 |
| Wavelength | 800 |

41. Choose .

Now you enter the batch attributes for material Y-353.

42. Enter the following data:

| Field | Data |
|------------|------|
| Viscosity | 180 |
| Density | 2.05 |
| Wavelength | 600 |

43. Choose .

44. Choose .

The *Enter Other Goods Receipts: Classification* screen appears, where you enter the batch attributes for material CH_5103. The R/3 System proposes specific values. Do not change these entries.

45. Enter the following data:

| Field | Data |
|-----------|------|
| Viscosity | 40 |
| Gloss | 80 |

46. Choose .

47. Choose .

48. Choose .

49. Choose  until the overview tree appears.

Creating Rebate Agreements

Use

Now you enter data for the rebate agreement. You define the runtime of the agreement and the recipient of the rebate payment. Sales organization 1020 uses a three-level product hierarchy (main group, group, subgroup). The rebate agreement is based on the sales volume for a product from a specific group (for example, paint, underlay). Different rebate percentages apply to these groups. You define these individual agreements in this step.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Master Data → Agreements → Rebate arrangement → Create</i> |
| Transaction Code | VB01 |

2. Enter the following data:

| Field | Data |
|----------------|-------------------------|
| Agreement type | 0004 (hierarchy rebate) |

3. Choose .

4. In the dialog box, enter the following data:

| Field | Data |
|----------------------|------|
| Sales organization | 1020 |
| Distribution channel | 20 |
| Division | 00 |

5. Choose  *Copy*.

6. Enter the following data:

| Field | Data |
|---------------------|---|
| Description | RIWA: Colors DDMMYY (replace DD with the current day, MM with the month and YY with the year, e.g. 070899). |
| Rebate recipient | 6000 |
| Currency | EUR |
| Validity period | Today's date |
| To | End of current year |
| Verification levels | F |

7. Choose .

Creating Rebate Agreements



The specified rebate recipient is the central office of the RIWA store chain.

8. Choose *Conditions*.
9. In the following dialog box, place the cursor on *Condition type ZB07* and choose *New condition record*.
10. Enter the following data:

| Field | Data |
|----------------------|---------------------|
| Sales organization | 1020 |
| Distribution channel | 20 |
| Customer hierarchy | 6000 |
| Validity period | Today's date |
| To | End of current year |
| Prod. Grp (line 1) | 0011000105 |
| Rate (line 1) | 8- |
| Prod. Grp (line 2) | 0011000110 |
| Rate (line 2) | 5- |

11. Choose .



The rebate agreement consists of two individual agreements, which are defined using the condition records. Once the requirements defined in the condition records have been met in the billing document, the rebate basis for the relevant condition record is increased by the billed value.

Both individual rebate agreements determine that the sales volumes for the RIWA store chain should be taken into account. The R/3 System represents the RIWA store chain as a customer hierarchy. The highest hierarchy level is the customer number specified in the condition record (here 6000). The sales volume figures (used later for the rebate) include both the sales volume reached by customer 6000 and the sales volumes of all customers assigned to customer 6000 in the hierarchy.

The conditions are also based on the volume for a product from a specific group (00110000105 = paint; 0011000110 = primer). Different rebate percentages apply to these groups. The percentages are scaled according to value.

12. Select both conditions and choose .
13. Enter the following data for the first condition:

| Field | Data |
|---------------|-------|
| From (line 1) | 10000 |
| Rate (line 1) | 8- |
| From (line 2) | 15000 |

| | |
|---------------|-------|
| Rate (line 2) | 10- |
| From (line 3) | 20000 |
| Rate (line 3) | 12- |
| From (line 4) | 50000 |
| Rate (line 4) | 15- |

14. Choose .

15. Choose .

16. Enter the following data for the second condition:

| Field | Data |
|---------------|--------|
| From (line 1) | 10000 |
| Rate (line 1) | 5- |
| From (line 2) | 50000 |
| Rate (line 2) | 7- |
| From (line 3) | 100000 |
| Rate (line 3) | 10- |

17. Choose .

18. Choose .



The percentage of accruals determines that an accrual of the unpaid bonus payment is posted in financial accounting for each billing document. In profitability analysis this amount is displayed in the value field VV090 bonus. Because of the scaling the rate that will be used in end-of-period rebate, isn't determined yet. The percentage with which the accruals are posted in the billing documents is therefore an estimated value. For both individual rebate agreements you assume, that an average value in the sales grading will be achieved at the end of the validity period. With this assumption you determine the percentage of accruals.

19. Enter the following data:

| Feld | Daten |
|-------------------|-------|
| Accruals (line 1) | 10- |
| Accruals (line 2) | 7- |

20. Select both conditions and choose .



For each condition record, enter a material for settlement. This material is needed to create a credit memo request and a credit memo when settling the amount.

21. Enter the following data:

Creating Rebate Agreements

| Field | Data |
|----------------|------|
| Matl f. settl. | 170 |

22. Choose .

23. Choose .

24. Enter the following data:

| Field | Data |
|----------------|------|
| Matl f. settl. | 178 |

25. Choose .

26. Choose .

The R/3 System issues a rebate agreement number (for a hierarchy rebate).

Note this number.

27. Choose .

Checking Customer Hierarchy

For a better understanding of the process, this step displays the structure of the customer hierarchy.

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Master Data → Business Partners → Customer Hierarchy → Edit</i> |
| Transaction Code | VDH1N |

2. Enter the following data:

| Field | Data |
|-------------------------|--------------|
| Customer hierarchy type | A |
| Validity date | Today's date |
| Customer | 6000 |
| Sales organization | 1020 |
| Distribution channel | 20 |
| Division | 00 |

3. Choose .

4. Position your cursor on RIWA Central Finance, then choose .

The partial agreements in the rebate agreement are created at the top level of the customer hierarchy (customer number 6000). The rebate agreement includes the sales volume for hierarchy node 6000 and all its sub-hierarchies.

5. Choose .

Creating Sales Orders

Creating Sales Orders

Members of the RIWA store chain place orders with sales organization 1020 and you enter them in the R/3 System.

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Sales → Order → Create</i> |
| Transaction Code | VA01 |

2. Enter the following data:

| Field | Data |
|----------------------|------|
| Order type | OR |
| Sales organization | 1020 |
| Distribution channel | 20 |
| Division | 00 |

3. Choose .

4. Enter the following data:

| Field | Data |
|---------------------|------------------------------|
| Sold-to party | 6002 |
| Purch. order no. | RI-740398 |
| Purchase order date | Today's date |
| Req.deliv.date | Today's date +4 working days |
| Pricing date | Today's date |
| Material | Y-352 |
| Order quantity | 200 |
| Material | CH_5103 |
| Order quantity | 200 |

5. Choose .

6. In the *Partner selection* dialog box, select customer 6003.

7. Choose .

8. In the dialog box, choose .

9. Choose *Goto* → Header → Partner.

Sold-to party 6002 belongs to the RIWA store chain. You can see that the system has copied this information to the sales order. The business transaction fulfills the requirement that the rebate agreement is specific to a customer.

10. Choose .

11. Select the first item and choose *Environment* → *Display material*.

12. Choose the *Sales: sales org. 2* tab page.

Here you can see that the material has been assigned to the product hierarchy.

13. Place the cursor on the product hierarchy number and choose the F4 help.

14. Place the cursor on *00110 Paints* and choose *Next level*.

On the next screen, the R/3 System lists all the groups that belong the main group *Paints*.

15. Place the cursor on *00105 Gloss paints* and choose *Next level*.

The R/3 System lists all the groups that belong to the subgroup "Gloss paints".

16. Choose .



On the *Display Material: (Finished product)* screen, you can see that the material has been assigned to the *gloss paints* subgroup, and to the *opaque paints* group. The material-specific requirement for the rebate agreement is therefore fulfilled.

17. Choose .

18. Complete steps 10 to 17 for the second item.



The material for the second item belongs to the *zinc-aluminium primer* subgroup and to the *priming* group. This also fulfills the material-specific requirement for the rebate agreement.

19. Choose the *Shipping* tab page.

20. Note the Material availability date (Mat. av. dat) for both items.

21. Choose .

The R/3 System issues a sales order number.

Note this number and use it instead of *sales order 1*, each time it is mentioned in the following scenario.

22. Create another sales order by entering the following data:

| Field | Data |
|---------------------|------------------------------|
| Sold-to party | 6006 |
| PO number | RI-744598 |
| Purchase order date | Today's date |
| Req.deliv.date | Today's date +4 working days |
| Pricing date | Today's date |
| Material | Y-353 |
| Order quantity | 400 |

Creating Sales Orders

| | |
|----------------|---------|
| Material | CH_5103 |
| Order quantity | 140 |

23. Choose .

The sold-to party for this order is also a member of the product hierarchy. The materials ordered belong to the *gloss paint* or *primer* product group. This means that the order fulfills the requirements for the rebate agreement for both items.

24. In the dialog box, choose .

25. Choose the *Shipping* tab page.

26. Note the Material availability date (Mat. av. dat) for both items.

27. Choose .

The R/3 System issues a sales order number.

Note this number and use it instead of *sales order 2*, each time it is mentioned in the following scenario.

28. Choose .

29. In the dialog box, choose *No*.

30. Choose .

Delivering Sales Orders

You deliver the sales orders to the customers. This part of the process does not have any special features with regard to rebate processing.

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Shipping and Transportation → Outbound Delivery → Create → Collective Processing of Documents due for Delivery → Sales Orders</i> |
| Transaction Code | VL10A |

2. Enter the following data:

| Field | Data |
|-----------------------------|---|
| Shipping point | 1100 |
| Delivery creation date | The earliest of the material availability dates |
| Delivery creation date (to) | The later of the material availability dates |
| Ship-to party | Empty (delete default entry) |
| Sales organization | 1020 |

3. Choose the *Sales orders* tab page.

| Field | Data |
|-------------------------|---------------|
| SD document (1st field) | Sales order 1 |
| Sales document type | Sales order 2 |

4. Choose .

5. Choose .



If the numbers of sales order 1 and 2 are not sequential, it may be that other orders are included for your selection. If required, deselect these orders.

6. Choose  *Background*.

7. Choose .

8. Position your cursor on the report group, then choose *Documents*.

You see the created deliveries.

Make a note of the numbers for both deliveries generated by this run.

9. Choose  until the overview tree appears.

10. Call up the transaction as follows:

| | |
|------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Shipping and Transportation → Picking → Create Transfer Order → Single Document</i> |
|------------------|---|

Delivering Sales Orders

| | |
|-------------------------|------|
| Transaction Code | LT03 |
|-------------------------|------|

11. Enter the following data:

| Field | Data |
|------------------------|---|
| Warehouse number | 011 |
| Plant | 1100 |
| Delivery | The first of the two deliveries you noted |
| Foreground/backgrnd | Background |
| Adopt picking quantity | 2 |

12. Choose .

The system generates a transfer order for the picking of the delivery quantities. Adopting picking quantities means that the system immediately posts the goods issue for the delivery.

13. Repeat steps 11 and 12 for the second delivery.

14. Choose .

Creating Invoices

Use

When you create the invoice, the system updates the rebate basis in the rebate agreement. In Financial Accounting, a provision is posted for the future rebate payment. The provision amount is accrued in the *Rebate value* field in Profitability Analysis.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Logistics → Sales and Distribution → Billing → Billing Document → Process Billing Due List</i> |
| Transaction Code | VF04 |

2. Enter the following data:

| Field | Data |
|--|--------------|
| Billing date from | Today's date |
| To | Today's date |
| Sales organization | 1020 |
| Documents to be selected screen - delivery-related | Select |

3. Choose  *DisplayBillList*.

The system lists all deliveries that are open for internal billing on the selected date.



Note that additional deliveries (from previous IDES processes) may be displayed that are open for billing. If this is the case, deselect the deliveries that do not belong to your current IDES process.

4. Choose .

The R/3 System displays a group number for the orders that you have created.

5. Position the cursor on the group number line, and then choose *Documents*.

You see a list of the created invoices.

6. Note the document numbers of both sales documents.

7. Place the cursor on the first invoice and choose  *Disp. doc..*

The quantity of the individual batch is billed on the basis of the system setting. For this reason, the billing document contains an item without a batch entry and a billing quantity of zero, and a further item for each batch with the corresponding billing quantity.

8. Select item 11, then choose  in the lower half of the screen.

9. Select the line for condition type ZBO7 and choose .

Creating Invoices

You can see that the pricing condition has been calculated according to the rebate agreement that you created (in the *Rebates* section). The amount corresponds to the provision percentage rate determined in the rebate agreement (*Condition values* section). The condition is only for statistical purposes and does not influence the value of the billing item. A provision is posted for the value of the condition (*Control data* section).

10. Choose .

In the condition record for the rebate agreement, the sales volume valid for a rebate is increased by the value in the *Rebate basis* line.

11. Choose .

12. Choose  *Accounting*.

13. In the dialog box, choose *Accounting document*.

In Financial Accounting, both revenue and receivables have been posted, along with the provision for the value of condition type ZBO7. Account 8900 is the balance sheet account and account 884010 is the sales deduction account.

14. Choose .

Two documents exist for the profitability analysis because it is updated for each item in the sales order and billing document.

15. Choose the first document for the *profitability analysis*.

16. Choose the *Characteristics* tab page.

17. To see more characteristics, choose .

You can see all the relevant data from the billing document. On customer hierarchy level 01, you can see the first node for the RIWA central office, along with customer number 6000 and the assignments to customer hierarchies 02 and 03 (as discussed in the *Check Customer Hierarchy* process step). Product hierarchies 1 - 3 are filled according to the CO-PA derivation rules.



Characteristics exist for all dimensions that can be used for analysis purposes in Profitability Analysis. These characteristics values are derived from the customer and material master data and from SD partner roles (such as sales representatives), or from CO-PA-specific characteristics.

18. Choose the *Value fields* tab page.

19. Scroll down using , until the *rebate* and *revenue* fields are displayed. Note that the value of the Accounting provision in the *Cash discount* field is the sales deduction from the profitability analysis.



The value fields contain detailed information about billing quantities, revenue, rebates and detailed product cost components that were derived from the *Sales and Distribution* and *Product Cost Planning* areas. Note that the list of value fields continues over several screens.

20. Choose .

21. Choose .
22. Choose  until the overview tree appears.

Settling Rebate Agreements

Settling Rebate Agreements

Use

Now you settle the rebate agreement. For obvious reasons, we cannot wait until the validity period of the agreement has expired before we do this.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Master Data → Agreements → Rebate arrangement → Change</i> |
| Transaction Code | VB02 |

2. Enter the following data:

| Field | Data |
|-----------|--------------------------------|
| Agreement | Agreement number noted earlier |

3. Choose .

4. Choose .

The rebate agreement displays the values currently accrued for each condition.

5. Choose .

6. Enter the following data:

| Field | Data |
|---------------------|---------------------------------------|
| Status of agreement | B (agreement released for settlement) |

7. Choose .

8. Choose *Rebate payments → Final settlement → Using payment screen*.

The amount to be paid for each individual agreement is displayed.

9. Choose .

10. Note the number of the credit memo request.

11. To close the dialog box, choose .

12. On the *Change Rebate Agreement* screen, choose *Rebate agreement → Display*.

13. Enter the following data:

| Field | Data |
|-----------|--------------------------------|
| Agreement | Agreement number noted earlier |

14. Choose .

15. Choose *Rebate payments → Rebate documents*.

16. In the dialog box, enter the following data:

Settling Rebate Agreements

| Field | Data |
|------------------|--------|
| Final settlement | Select |

17. Choose .



In the product group 0011000105 (gloss paint) area, the payment amount exceeds the provision amount. In the production group 0011000110 (primer) the opposite is true.

18. Choose .

19. To close the dialog box, choose .

20. Choose .

Creating Rebate Credit Memos

Creating Rebate Credit Memos

Use

Now you create the rebate credit memo (based on the credit memo request generated in the settlement).

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Logistics → Sales and Distribution → Sales → Order → Change</i> |
| Transaction Code | VA02 |

2. Enter the following data:

| Field | Data |
|-------|-----------------------------------|
| Order | Credit memo request noted earlier |

3. Choose .

You can see that the credit memo request has been created for the rebate recipient 6000 (entered in the rebate agreement). The items in the credit memo request are created using the settlement material entered in the condition records for the rebate agreement.

4. Select the first item and choose  in the lower half of the screen.

Condition type ZBO7 appears twice. In the first line, it contains the payment amount calculated from the sales volume. The second line contains the provision amount posted up to now. When you create the credit memo, the provision in Financial Accounting is written off by this amount. In Profitability Analysis, once the credit memo has been created, the system updates the difference between the payment and provision amounts in the *rebate* value field.

5. Choose .

6. Enter the following data:

| Field | Data |
|---------------|----------------------------|
| Billing block | empty (delete any default) |

7. Choose Sales document → Billing.

8. Choose .

The R/3 System issues a document number.

Note this number.

9. On the *Create Billing Document* screen, choose Billing document → Display.

10. Enter the following data:

| Field | Data |
|------------------|---------------------------|
| Billing document | Your noted Billing number |

Creating Rebate Credit Memos

11. Choose  Accounting.

12. In the dialog box, double click on *Accounting document*.

The posted provision has been settled (account number 89000 and 884010).

13. Choose .

14. Double click on the first document from the profitability analysis.

15. Choose the *Characteristics* tab page.

16. To see more characteristics, choose .

You now see customer 6000 (the central office of the company RIWA), to which the rebate credit memo is sent. On the customer hierarchy level, only field 01 has been completed, because the credit memo was sent directly to the central office and not to the companies assigned beneath it.

You can see the settlement material for the product hierarchy for gloss paints, but you can't see the sold final product anymore.

You can only see product hierarchies 1 and 2 because the settlement material has been assigned to these hierarchy levels only.

17. Choose the *Value fields* tab page.

18. Scroll down using  until you display the *Rebate costing* field.

The value field contains the difference between the provision and the amount that was paid out. This means that the total amount of the sales deduction has increased, because the condition type for rebates was updated to Profitability Analysis using sign transfer. This makes it possible for a negative sign to count as an increase to costs.

19. Choose .

20. Double click on the second document in *Profitability Analysis*.

Look at the credit memo item for the product hierarchy for primers.

21. Choose the *Value fields* tab page.

The rebate value field contains the difference between the provision and the amount that was paid out. This time the value is not negative. This means that the provision was too high and that the total value of the rebates has been decreased by this amount.

22. Choose .

23. Choose .

24. Choose  until the overview tree appears.

Displaying a Profitability Report

Displaying a Profitability Report

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | Accounting → Controlling → Profitability Analysis → Information System → Execute Report |
| Transaction Code | KE30 |



If you are executing a profitability analysis transaction for the first time since logging on, the *Set operating concern* dialog box appears.

2. Enter the following data:

| Field | Data |
|--------------------------|---------------|
| Operating concern | IDEA |
| Type of Profit. Analysis | Costing-based |

3. Choose .

This dialog box is shown only once during the session. Once you have made your selection, the system always selects the given operating concern and the relevant type of profitability analysis.

4. Select IDES-170 and choose .

The *Selection: Rebate* should display the parameters from the report. If this is not the case, enter the following data:

| Field | Data |
|---------------|----------------------------|
| Period from | Current month (MM.YY) |
| To period | Current month (MM.YY) |
| Plan/act.ind. | 0 |
| Version | Empty (delete any default) |
| Record type | F |

5. Choose .

In the top line, you can see that sales organization 1020 and distribution channel 20 have been determined for this report. You can page through the other characteristics as you require. The value fields displayed are for the billing quantity, revenue and rebate value.



For more information about the functions in Reporting, see [Executing Defined Reports in Profitability Analysis and Reporting Functions \[Page 315\]](#).

The first characteristic you see that can be navigated is the division. In this case, this is division (paints).

Displaying a Profitability Report

6. Double-click on *03 paint*.

The system displays product hierarchy 1.

7. Double-click on line 00110 (paints).

You now see product hierarchy 2 and how it is divided between gloss paints (article Y-352 and Y-353) and primer (article CH_5103). In the *Rebate* value field, you can see the amounts that were paid out as rebates.

8. Double-click on the line *0011000110*.

You see an overview of the articles in the product hierarchy. Article CH_5103 is the finished product that was sold and 178 is the settlement material for this product hierarchy.

9. Double-click on the article CH_5103.

You see an overview of the customers in the RIWA company that ordered this article.

10. Double-click on customer *6002*.

Product hierarchy 3 is assigned to the article CH_5103.

11. Choose  twice.

12. Double-click on settlement material *178*.

The customer is the central office with customer number 6000. The difference between the rebate provision and rebate payment has been offset for this customer

13. Double-click on this customer.

You can see that product hierarchy 3 has not been assigned to the article because the settlement material is only defined up to product hierarchy 2.



You can see the product hierarchy for gloss paints by going back three steps and implementing steps 7-11 for product hierarchy 0011000105.

14. Choose .

The *Exit report* dialog box appears.

15. Choose Yes.

16. Choose .

Creating a Basic Report in Profitability Analysis

Creating a Basic Report in Profitability Analysis

Purpose

In this scenario, you learn the necessary steps for creating and executing a basic report in Profitability Analysis. Basic reports are the most simple reports that can be defined in Profitability Analysis. For an example of a complex report and of interactive report structures, see the sections [Executing an Existing Report in CO-PA and Using Reporting Functions \[Page 315\]](#) and [Creating Forms and Reports in Profitability Analysis \[Page 333\]](#).

Prerequisites

The currency for the operating concern is German Marks (DEM). This means that DEM is the standard report currency. However, you have the option of changing the report currency interactively in the report list. For more information on changing the report currency, see the section [Executing an Existing Report in CO-PA and Using Reporting Functions \[Page 315\]](#)

You can find more information about this process under [i \[Page 309\]](#).

Process Flow

You can find the data for this process under [? \[Page 310\]](#).

1. [Creating a Basic Report in Profitability Analysis \[Page 311\]](#)
2. [Executing a Basic Report in Profitability Analysis \[Page 314\]](#)

Additional Process Information

Profitability Analysis (CO-PA) allows you to analyze user-defined profitability segments (such as products, customers, product lines, regions, and business areas). The aim of Profitability Analysis is to provide your sales, management, and corporate planning departments with information to support internal accounting and decision making. Based on the profitability segments that you choose for your organization, Profitability Analysis allows you to create your own custom reports to analyze contribution margins or other key figures per profitability segment or combination of profitability segments.

Data Used During This Process

Data Used During This Process

| Field | Data | Description |
|--------------------------------|---------------|--------------|
| Operating concern | IDEA | |
| Type of Profitability Analysis | Costing-based | |
| <i>Variable values</i> | | |
| Period from | 001.2000 | |
| To period | 012.2000 | |
| Plan/act. indicator | 0 | Actual data |
| Record type | F | Billing data |

Creating a Basic Report in Profitability Analysis

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Define Report → Create Profitability Report</i> |
| Transaction Code | KE31 |



If you are executing a profitability analysis transaction for the first time since logging on to the system, the *Set Operating Concern* dialog box appears.

2. Enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

3. Choose .

This dialog box is shown only once during the session. Once you have made your selection, the system always selects the given operating concern and the relevant type of profitability analysis.

4. If a dialog box appears, choose Yes.

5. Enter the following data:

| Field | Data |
|--------------|--|
| Report | Enter a report name and a description. |
| Basic report | Selected |

6. In the *report type* area choose *Create*.
7. In the dialog box, select *Operating concern currency*.
8. Choose .
9. You are now in the *Characteristics* tab page.

In the *Characteristics List* section, a list is shown of all the characteristics (profitability segments) defined for your operating concern. From this list, you can select the characteristics that are to be analyzed in this special report.

10. Select *Sales organization, Division, Industry, Customer group, Customer and Product*.
11. Choose .

The characteristics you select then appear in the *Selected Characteristics* part of the screen.

12. To display the sequence in which the characteristics are to appear in the report, choose *Sort free chars*.

Creating a Basic Report in Profitability Analysis



Make sure that the characteristics are in the same order as listed in the previous step. Correct the sequence, if required.

13. Choose .



On the *Create Profitability Report: Specify Profit. Segment* screen, you can make permanent selections for your report. If you enter a specific value, such as a specific sales organization, the report can be executed exclusively for this particular sales organization. If you make no entry for a characteristic, the system selects all the values for that characteristic. In this example, you wish to be able, on the one hand, to execute the report for different sales organizations and, on the other hand, to select a sales organization when the report is executed. For this reason, you have to use a variable for the *Sales organization* characteristic.

14. Position your cursor on the *Sales org.* row.

15. Choose .

16. In the dialog box, enter the following data:

| Field | Data |
|----------------|-------|
| Local variable | VKORG |

17. Choose .

18. Choose the *Variables* tab page.

19. Enter the following data:

| Field | Data | Description |
|---------------------|----------|----------------------------|
| Sales org. | 1000 | Sales organization Germany |
| Period from | 001.2000 | |
| To period | 012.2000 | |
| Plan/act. indicator | 0 | Actual data |
| Version | No entry | |
| Record type | F | Billing documents |

During report execution, the system takes the values you entered as default values. You can change these default values, if required.

20. Choose the *Key Figures* tab page.



Value fields/key figures can be summarized in key figure schemes. A key figure scheme can be made up of value fields (such as revenue, cash discount, or raw materials) and of derived fields/key figures (such as net revenue or trade margin).

21. As the default key figure scheme, choose *IDES det CM scheme* beside the *Key figure scheme* field.

Creating a Basic Report in Profitability Analysis

- 22. Choose the *Value fields on/off* pushbutton in the top left of the screen.
 - 23. In the *Available key figures* part of the screen, select the following key figures: *Gross revenue, Total COGM, contribution margin I* and *CMI in %*.
 - 24. Choose .
- The key figures you select then appear in the *Selected Key Figures* part of the screen.
- 25. To display the sequence in which the key figures are to appear in the report, choose *Sort key figures*.



Make sure that the characteristics are in the same order as listed in the previous step. Correct the sequence, if required.

- 26. Choose .
- 27. Choose the *OutputType* tab page, then enter the following data:

| Field | Data |
|-------------------------------|---|
| Graphical report output | Select |
| Output areas | Info, navigation, drilldown, detail, graphic (fifth entry down) |
| HTML templ. | IDES AG |
| Available on selection screen | Select |

- 28. Call up the *Options* tab page.
- 29. In the *performance* area, enter the following data:

| Field | Data |
|----------------------|--------|
| Display current data | Select |
| Execute report | Select |

- 30. Choose .
- The system confirms that the report has been saved.
- 31. Remain on the *Create Profitability Report: Initial Screen*.

Executing a Basic Report in Profitability Analysis

Executing a Basic Report in Profitability Analysis

1. On the *Create Profitability Report: Initial Screen* choose .
2. In the dialog box, choose .

The *Selection: <name of your report>* screen appears.

3. Enter the following data:

| Field | Data | Description |
|-------------------------|----------|--------------------|
| Sales org. | 1000 | Frankfurt, Germany |
| Period from | 001.2000 | |
| To period | 012.2000 | |
| Plan/act. indicator | 0 | Actual data |
| Version | No entry | |
| Record type | F | Billing documents |
| Graphical report output | Select | |

4. Choose .

In the *Execute Profitability Report <name of your report>* screen, the system displays the report list.



In the upper part of the screen, you see the company logo that you selected under *OutputType* as the HTML template. Under *General data selection*, you see sales organization 1000, which has been set as the default value.

The characteristics that you selected during report definition are displayed in the first section of the central screen area, while the key figures are displayed in the second section and in the lower part of the screen.

The selected characteristics are analyzed in the second section of the central screen area.

The result of the analysis are displayed in a graphic in the lower part of the screen.



For more information on navigating in a report, see the scenario [Executing an Existing Report in CO-PA and Using Reporting Functions \[Page 315\]](#)

5. Choose .
6. Confirm the dialog box with Yes.
7. To get to the overview tree, choose .

Executing an Existing Report in Profitability Analysis and Getting to Know Reporting Functions

Purpose

This script demonstrates how to execute a predefined report and manipulate the report data using various interactive reporting features. This script also demonstrates how to link several reports via the report-report interface and perform contribution margin analysis.

You can find further information about reporting under [Creating a Basic Report in Profitability Analysis \[Page 308\]](#) and [Creating Forms and Reports in Profitability Analysis \[Page 333\]](#).

Prerequisites

Before you start, the parameters in your user profile must be defined. This is done in [Setting Up Parameters in Your User Profile \[Page 318\]](#).

You can find more information about this process under [i \[Page 316\]](#).

Process Flow

You can find the data for this process under [? \[Page 317\]](#).

1. [Selecting a Report in CO-PA \[Page 319\]](#)
2. [Drilling Down to the Lowest Level \(Including Line Item Detail\) \[Page 321\]](#)
3. [Line Item Analysis \(Including Integration with MM and SD\) \[Page 325\]](#)
4. [Report-Report Interface \[Page 327\]](#)
5. [Displaying Attributes \[Page 328\]](#)
6. [Hit Lists \[Page 329\]](#)
7. [Changing the Report Currency \[Page 330\]](#)
8. [Displaying and Creating Exceptions \[Page 331\]](#)

Additional Process Information

Additional Process Information

Profitability analysis allows you to evaluate user-definable profitability segments (such as products, customers, product lines, regions, business areas etc). The aim of the profitability analysis system is to provide your sales, management board, and corporate planning departments with information to support internal accounting and decision making. Based on the profitability segments that you choose for your organization, profitability analysis allows you to create your own tailor-made reports to analyze gross contribution or other operating figures (per profitability segment or a combination of profitability segments).

Data Used During This Process

| Field | Data |
|------------------------|---------------|
| Operating concern | IDEA |
| Type of Prof. analysis | Costing-based |
| Report | IDES-020 |
| Report | IDES-030 |
| Sales organization | 3000 |
| Fiscal year | 1996 |
| Period from | 001 |
| Period to | 08 |
| Plan version | 100 |
| Line item layout | IDES-04 |

Setting Up Parameters in Your User Profile

Setting Up Parameters in Your User Profile

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>System → User profile → Own data</i> |
| Transaction Code | SU3 |

2. Choose the *Parameters* tab page.

3. Enter the following data:

| Field | Data | Description |
|--------------|-------------|--|
| Parameters | BEV | Parameter ID for report line structure |
| Value | D1 | Default report line structure |
| Parameters | ERB | Parameter ID for operating concern |
| Value | IDEA | Default operating concern |

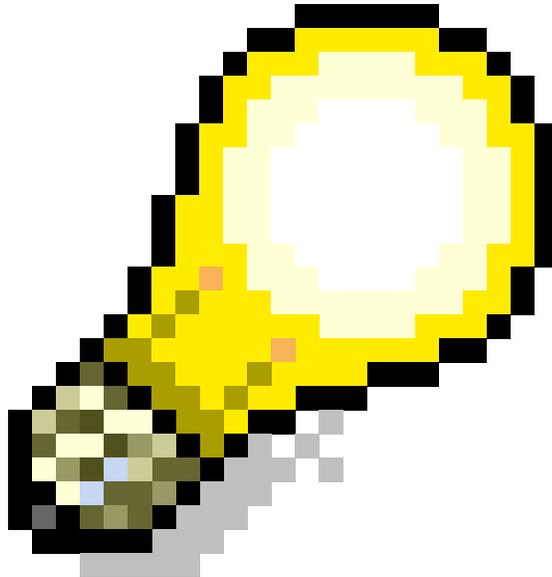
4. Save your entries.

Once you have defined these parameters, the system will display them automatically as default entries when an entry for the corresponding field is required.

Selecting a Report in CO-PA

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |



If you are performing a profitability analysis transaction for the first time since logging on, the system displays the *Set Operating Concern* dialog box.

2. Enter the following data:

| Field | Data |
|-------------------|--------|
| Operating concern | IDEA |
| Costing-based | select |

3. Choose .

This dialog box will appear only once during your session. After you make the selection, the system will automatically select the respective operating concern and type of profitability analysis.

4. Select report *IDES-020*.

5. Choose .

6. Enter the following data:

| Field | Data |
|------------------|------|
| Sales org. | 1000 |
| From Fiscal Year | 2000 |

Selecting a Report in CO-PA

| | |
|-------------|----|
| From Period | 1 |
| To Period | 12 |

7. Choose .

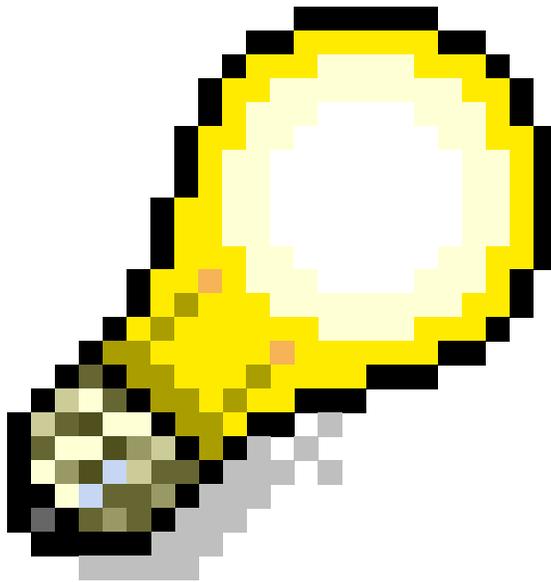
The system displays the report list - an analysis of divisions according to cumulative actual, cumulative plan, and % variance.

8. Remain on the *Execute Profitability Report Plan/act./var. cum* screen.

Drilling Down to the Lowest Level (Including Line Item Detail)

Use

A profitability analysis report can contain multiple levels of detail (profitability segments). The CO-PA reporting tool provides you with easy-to-use functions for navigating through the data. For example, you can move from one profitability segment to the next, deactivate a level, switch between an overview and a detail report, or display the origins of the data.



At the top of the screen, you see the company logo (IDES), which every organization can define and include in reports.

In the Navigation area (first area in the middle of the screen), you see the characteristics that were selected in the report definition. The second area in the middle of the screen displays the values for these characteristics.

At the bottom left of the screen, you see the detailed list, which displays the detailed key figures for a characteristic combination.

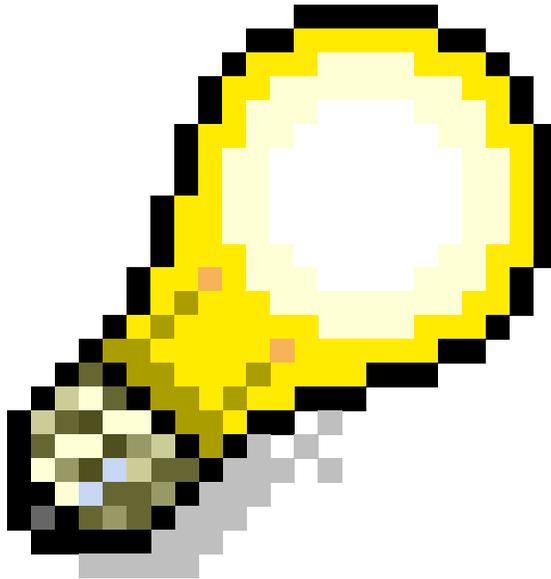
At the bottom right of the screen, you see the graphical display of the characteristic values. All of this display is set in report definition, see *Output type*.

You can set the size of individual the screen areas by using the left mouse button to move the vertical and horizontal screen bars.

Procedure

1. In the second area in the middle of the screen, double-click the *01 Pumps* division.
2. Double-click the distribution channel *10, Final customer sales*.

You see the material groups.

Drilling Down to the Lowest Level (Including Line Item Detail)

To see the characteristic values, you can select the characteristic in the *Navigation* area and move it to the second area on the right side using drag and drop.

3. Move the characteristic *ProdHier01-1* to the second area using drag and drop.

Material Group and *ProdHier* change places.

4. In the *Navigation* area, position your cursor on the division *01* and press the right mouse button.
5. In the menu, choose *Choose Characteristic Value*.
6. Double-click *04 Lighting*.

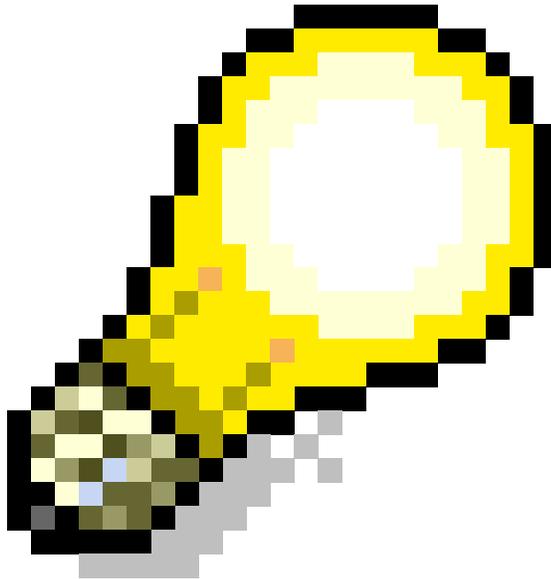
The characteristic values have been adjusted to suit the characteristics displayed. Hence you see distribution channel 12 (and no longer 10) because 12 is relevant for sales in division *Lighting*; the product hierarchy has also been changed.

7. In the second area, double-click *Lighting*.

The system displays the product hierarchy 2.

8. Double-click *bulbs*.
9. Position your cursor on the graphic, then press the right mouse button.

Drilling Down to the Lowest Level (Including Line Item Detail)



You can change the formatting individually.

10. In the division *Cumulated Actual data;1-Sales quantity*, select the row containing the value for the product *L-40C*.

The cell is highlighted.

11. Choose *Goto* → *Line Items*.

The system displays a warning indicating that your selection is not very specific and that it could take a while to read the line items. This is because you selected a column that spans multiple periods.

12. Choose .

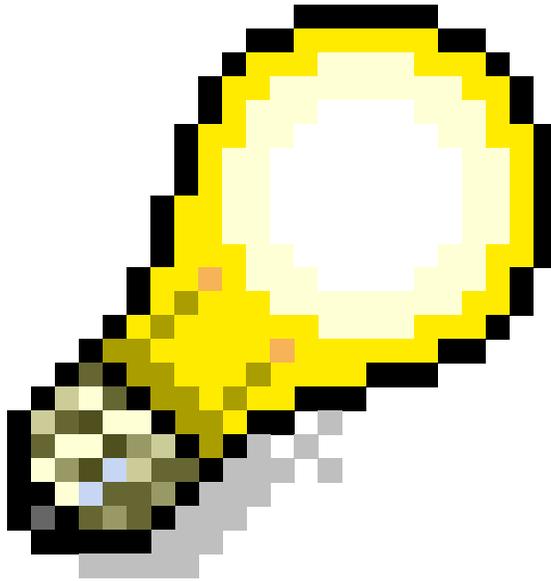
The system takes you to the *Display Actual Line Items: List* screen. A list of all the billing line items is displayed. Selected information (e.g. posting date, user id) is displayed for each line item.

The fields that are displayed are defined in a layout. In addition to the standard layout which you are currently displaying, you can also define additional custom layouts. These layouts can contain any information available on the CO-PA line item, including all the profitability segments and value fields.

You now change the layout of the line item list.

13. Choose *Extras* → *Change line item layout...*

14. Select *IDES-04 Cust./Mat.Values*, then choose .

Drilling Down to the Lowest Level (Including Line Item Detail)

Note that the same line items are displayed, but with different information for each line item, such as the customer and product number and selected value fields.

15. Double-click any document number.

The line item detail is displayed.

16. Remain on this screen.

Line Item Analysis (Including Integration with MM and SD)

1. On the *Characteristics* tab page, note the detailed information of the position that is displayed.

The characteristics represent all the dimensions that you can use to analyze your CO-PA data. They are derived either from the customer and material master and SD partner roles (such as sales employee) or from other characteristics.

2. Choose the *Value Fields* tab page.

This tab page provides detailed information on order and invoice quantities, revenues, sales deductions, and detailed product cost components.

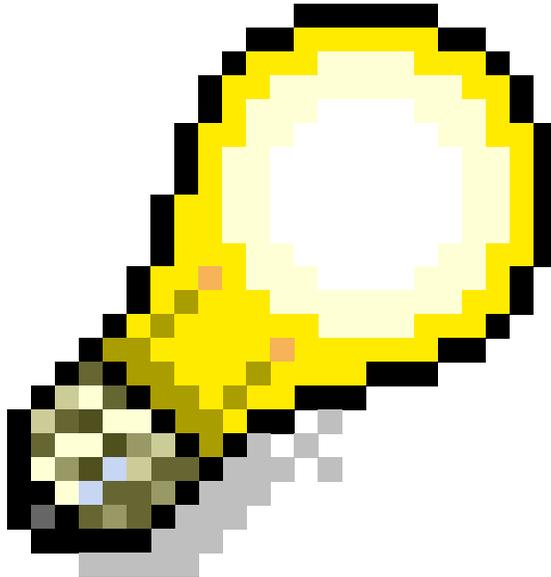
3. Choose *Environment* → *Integration*.

A dialog box asks you which amount you would like to display.

4. Select *Display Sales Order*, then choose .

5. Select the sales order item 10, then choose *Environment* → *Display document flow*.

The system displays the complete flow of business events that have occurred.



Note that, using reporting, you have just drilled down from a summary analysis from the industry to a single billing document (CO-PA line item), and from there to the original sales order. This shows the quality of information available from an integrated system.

6. Choose  until the *Execute Profitability Report Plan/act/var. cum* screen appears.

The detailed product list appears.

7. Remain on this screen.

Line Item Analysis (Including Integration with MM and SD)

Report-Report Interface

Use

On the *Execute Profitability Report Plan/act. var. cum* screen, the first section of the lowest screen area shows you a detailed analysis of the contribution margin for the product, revenue, and discount, as well as detailed product cost data.

You can display every level of the contribution margin schema (for example, data is summarized at division level)



The following procedure is based on the assumption that you are not happy with the product's contribution margin 3 in % (first column, last report row).

Using the report-report interface, you call up a test report to ascertain how you can increase the contribution margin for this product.

Procedure

1. Select the product *LC-40C*.
2. Choose .
3. On the *Selection: Contribution Margin Analysis* screen, leave the default value of 20% as well as the other defaults unchanged and select .

The system displays the simulation report. In the first column, you can see actual data. Note that the margin % is less than 20%. The second column displays plan data. In the third column, the system simulates a margin of 20%. The system calculates by how much the variable and fixed manufacturing costs and the overhead surcharges would have to be reduced to increase the margin. The assumption is that the variable and fixed manufacturing costs and the overhead surcharges would be reduced in proportion to the actual costs.

4. Choose .
5. In the dialog box, choose *Yes*.

The original report appears.

6. Remain on this screen.

Displaying Attributes

Displaying Attributes

Use

A report of display attributes can be displayed in a separate dialog box or in the lead column. You can only display attributes for characteristics that have a single specified value. You can not display attributes for intervals or selection options.

Procedure

1. Position the cursor on the product *L-40C*, then choose  *Attributes*.

The size and the dimensions of the selected product are displayed in the dialog box.

2. To return to the *Execute Profitability Report Plan/act./var. cum.* screen, choose .
3. To display the master data of a material, position the cursor on *L-40C*, then choose *Goto* → *Display Master Data*.



You are now in the Material Ledger application, where you can analyze master data in greater detail.

4. Choose  to return to the report.

Hit Lists

1. On the *Execute Profitability Report Plan/act/var. cum* screen, select the heading of the *Cumulated act.* column (in the sorted list).

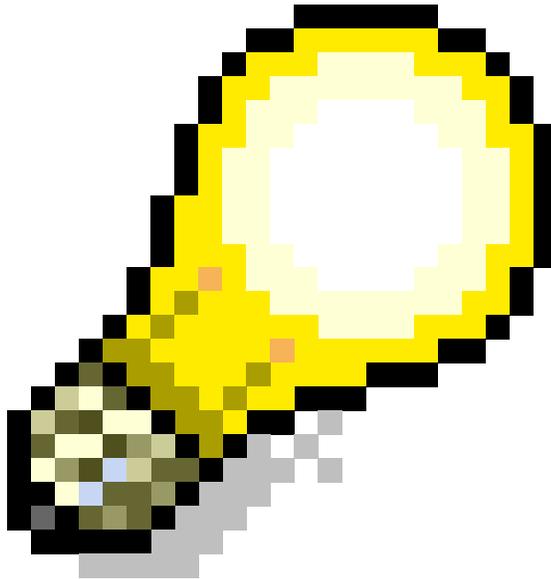
The column is selected and highlighted.

2. Choose *Edit* → *Ranking list* → *Top N*.
3. Enter the following data:

| Field | Data |
|-----------------|------|
| First ones only | 3 |

4. Choose .

The system displays the top 3 products individually. The aggregated total of these 3 products and the rest of the products is displayed at the end of the list.



Similar hit lists can be created for *Top %*, *Last n*, and *Last %*.

5. Choose *Settings* → *Percentage/Absolute*.

Instead of absolute values, the system displays the product's percentage of total contribution margin (previously display as absolute amounts).

6. To return to the original display, choose *Settings* → *Percentage/Absolute*..
7. Deselect the *Cumulated Act...* column.
8. Remain on this screen.

Changing the Report Currency

Changing the Report Currency

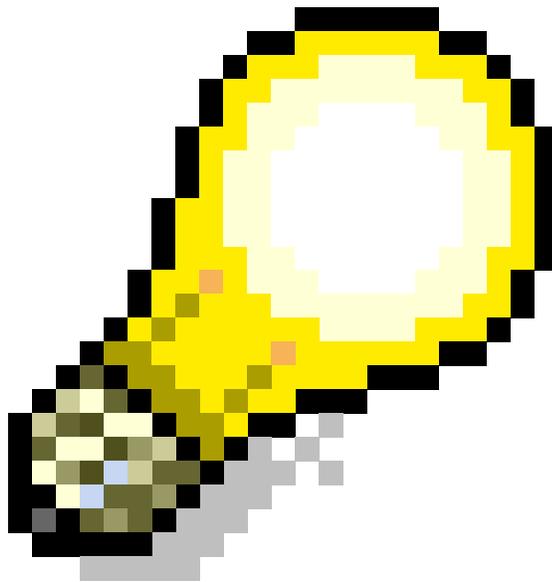
Use

This procedure shows you how to change the report currency for all report columns.

Procedure

1. Make sure that the cursor is not on a field in a column, otherwise you will change the currency of that column only.
2. Choose .
3. Enter the following data:

| Field | Data |
|-----------------|------------------------------|
| Currency | USD |
| Translation key | Mean rate, cutoff date today |



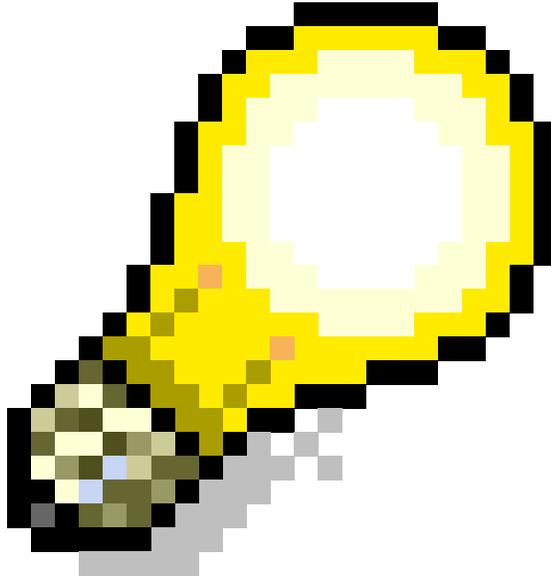
The currency translation type determines the exchange rate to convert to *EUR*.

4. Choose  *Execute*.
In the column headings, you can see that the amounts are now displayed in the selected currency.
5. Remain on this screen.

Displaying and Creating Exceptions

Use

While analyzing the current report, you may have noticed that some amounts are highlighted in different colors. This is due to exceptions that were defined for the report.

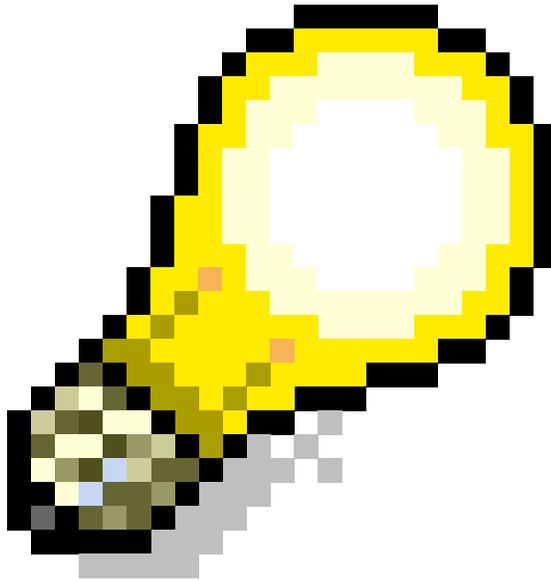


Do not make any changes to the exception rules defined for this report. Exception rules are not user-specific. Therefore, any changes would affect every user.

Procedure

1. Choose *Extras* → *Exceptions*.
2. In the dialog box, choose  *Display exceptions*.
3. Double-click the exception 0000000001.

Displaying and Creating Exceptions



Note that you can define upper and lower threshold values in the dialog box. In this instance, the exception causes values exceeding the threshold value of 20% to appear in red (as a warning).

4. To return to the report list, choose  twice.
5. Choose *Report* → *Exit*.
6. In the dialog box, choose Yes.
7. Choose  until the overview tree appears.

Creating Forms and Reports in Profitability Analysis

Purpose

This documentation describes how to create a form, define a report based on that form, and then execute the report.

The report you will create (using a form) shows the planned sales figures compared with the actual data and the percentage to which the plan was met. The data will be displayed at the sales organization, division, distribution channel and product levels.



This is not intended to replace the complete documentation. It merely shows one of many ways to create a report. For additional information, you can also refer to the IDES documents [Creating a Basic Report in Profitability Analysis \[Page 308\]](#) and [Executing an Existing Report in Profitability Analysis and Getting to Know the Reporting Functions \[Page 315\]](#).

You can find more information about this process under [i \[Page 334\]](#).

Process Flow

You can find the data for this process under [? \[Page 335\]](#).

1. [Defining a Report Form \[Page 336\]](#)
2. [Defining the Columns of the Form \[Page 338\]](#)
3. [Maintaining the Text Variables \[Page 342\]](#)
4. [Defining the Rows of the Form \[Page 344\]](#)
5. [General Data Selection \[Page 346\]](#)
6. [Creating a Report \[Page 347\]](#)
7. [Creating Headers and Footers \[Page 349\]](#)
8. [Executing a Report \[Page 351\]](#)

Additional Process Information

Additional Process Information

Profitability Analysis allows you to evaluate user-definable profitability segments (such as products, customers, product lines, regions, business areas etc). The aim of the profitability analysis system is to provide your sales, management board, and corporate planning departments with information to support internal accounting and decision-making. Based on the profitability segments that you choose for your organization, profitability analysis allows you to create your own tailor-made reports to analyze contribution margins or other operating figures (per profitability segment or combination of profitability segments).

Data Used During This Process

| Field | Data |
|-----------------------|---------------------|
| Operating concern | IDEA |
| Form | User-defined |
| Report | User-defined |
| Report line structure | IDES det. CM scheme |
| Sales organization | 1000 |
| Fiscal year | Current |
| Period from | 01 |
| Period to | Current |

Defining a Report Form

Defining a Report Form

Use

Forms are the structures required as the basis for the definition of reports (except for basic reports). You can use the same form for any number of different reports.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Current settings → Define Forms for Profitability Reports</i> |
| Transaction Code | KE34 |



If this is the first CO-PA transaction you called up since logging on, the system displays the *Set Operating Concern* dialog box.

2. Enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of profitability analysis | Costing-based |

3. Choose .

This dialog box is only automatically displayed once during the session. Once you have set the operating concern, the system continues to use this operating concern and type of Profitability Analysis.

4. In the dialog box, choose Yes.

5. Enter the following data:

| Field | Data |
|-------------------|--------|
| Form | Any |
| Form name | Any |
| Two axes (matrix) | select |



It makes sense to create this type of form when you want to control the order of the selected value fields in the rows, or when you want to use blank rows, underscores or colors in your report layout. You specify the characteristics when you define the report.

6. Choose  *Create*.

7. In the dialog box, select *Operating concern currency*, then choose .

8. Remain on the *Report Painter: Create Form* screen.

Defining the Columns of the Form

Defining the Columns of the Form

Use

Define three columns: *actual data*, *plan data* and percentage to which the plan was fulfilled, *Plan fulfil. %*.

In the first column, the actual data will be defined.

Procedure

1. Double-click *Column 1*.
2. In the dialog box, select *Characteristics*.
3. Choose .
4. Enter the following data:

| Field | Data |
|----------------|--------|
| Plan/act. ind. | select |
| Record type | select |
| Period | select |

5. Choose .
6. In the *Plan/act. ind.* line, enter the following data:

| Field | Data |
|-------|------|
| From | 0 |

7. In the *Record type* line, enter the following data:

| Field | Data |
|-------|------|
| From | F |

Here you define that actual figures will be shown, as well as the record type billing data.

8. Position your cursor on the *Period* field.



You can enter either fixed values or variables for the characteristic values. Variables let you use the same form and report to analyze different characteristic values.

9. Choose .
10. In the dialog box, select *FROMPER* (From period), then choose .
11. Position your cursor on the *Period to* field.
12. Choose .
13. Select *TOPER* (To Period), then choose .
14. Choose .

Defining the Columns of the Form

The system displays the *Enter Texts* dialog box. Here you can enter various column headers.

15. Enter the following data:

| Field | Data |
|--------|-----------------------|
| Short | Actual |
| Medium | Actual |
| Long | Actual; \$Pfr - \$Pto |



By entering *\$Pfr* and *\$Pto* in the text, you are defining local text variables. These variables make it possible to display the selected periods in the column header of the report. To do this, you now have to maintain these variables. The semicolon separates the two lines of the column header, so that *Actual* will appear in the first line and the periods in the second line.

16. Choose .

17. Choose *Confirm*.

18. Select Column 2, then choose .

19. In the dialog box, enter the following data:

| Field | Data |
|-----------------|--------|
| Characteristics | select |

20. Choose .

21. In the *Available Characteristics Area*, select *Version*.

22. Choose .

23. In the *Plan/act. ind.* line, enter the following data:

| Field | Data |
|-------|------|
| From | 1 |

24. In the *Record type* line, enter the following data:

| Field | Data |
|-------|------|
| From | F |

25. In the *Version* row, enter the following data:

| Field | Data |
|---------|------|
| Version | 110 |

26. Position your cursor on the *Period* field.

27. Choose .

28. In the dialog box, select *FROMPER* (From period), then choose .

29. Position your cursor on the *Period to* field.

Defining the Columns of the Form

30. Choose .

31. Select *TOPER* (To Period), then choose .

32. Choose .

33. Enter the following data:

| Field | Data |
|--------|---------------------|
| Short | Plan |
| Medium | Plan |
| Long | Plan; \$Pfr - \$Pto |

34. Choose , then choose *Confirm*.

35. Select Column 3, then choose .

36. In the dialog box, enter the following data:

| Field | Data |
|---------|--------|
| Formula | select |

37. Choose .

The *Enter Formula* dialog box appears. Now you want to calculate the actual data as a percentage of the plan data.

38. Enter the following data:

| Field | Data |
|------------|--------------|
| Text field | X001 %A X002 |

39. Choose .

40. In the dialog box, enter the following data:

| Field | Data |
|--------|-----------------|
| Short | Plan comp. |
| Medium | Plan completion |
| Long | Plan completion |

41. Choose .

42. To display two-line column headers, choose *Formatting* → *All Columns* → *Text Length..*

43. Enter the following data:

| Field | Data |
|--------------------|--------|
| Two-line long text | select |

44. Choose .

45. Remain on the *Report Painter: Create Form* screen.

Maintaining the Text Variables

Maintaining the Text Variables

Use

In the previous section you created text variables in your form. You now need to maintain these variables. The advantage of using text variables is that you can display the values that apply for that particular report. In our example, you can see on which periods you are reporting.

Procedure

1. Choose .

2. Enter the following data:

| Field | Data |
|----------------------|-------------|
| Pfr/Text/Description | From Period |

3. Choose .

4. Under *Variable (Pfr) - Details*, enter the following data:

| Field | Data |
|-------------------------|--------|
| Automatically | select |
| Selected Characteristic | PERDE |
| Characteristic Value | select |
| Offset | 1 |
| Length | 3 |

5. Choose .

When you execute your report later, the system will automatically replace the variable with the period on which you are reporting.

6. Enter the following data:

| Field | Data |
|----------------------|-----------|
| Pto/Text/Description | To Period |

7. Choose .

8. Under *Variable (Pto) - Details*, enter the following data:

| Field | Data |
|-------------------------|--------|
| Automatically | select |
| Selected Characteristic | PERDE |
| To-Field | select |
| Offset | 1 |
| Length | 3 |

9. Choose .
10. Remain on the *Report Painter: Create Form* screen.

Defining the Rows of the Form

Defining the Rows of the Form

Use

The form should contain five rows with the key figures Revenue, Contribution margin 1 and Contribution margin 1 in %.

Procedure

1. Double-click *Row 1*.
2. In the dialog box, select *Key figure scheme element*.
3. In the next dialog box, select *IDES det. CM scheme*.



This lets you choose key figures and formula calculations from a predefined structure.

4. Choose .
5. In the dialog box, enter the following data:

| Field | Data |
|-------------|---------------|
| Value field | Gross revenue |

6. Choose *Confirm*.
7. Double-click *Row 2*.
8. In the dialog box, select *Key figure*.
9. Choose .
10. Enter the following data:

| Field | Data |
|-------------|-----------------------|
| Value field | Contribution margin I |

11. Choose *Confirm*.
12. Select *Row 3*.
13. Choose *Edit* → *Rows* → *Insert dividing line*.
14. In the dialog box, enter the following data:

| Field | Data |
|----------------------|------|
| Underscore character | = |

15. Choose .
16. In the dialog box, choose *Yes*.
17. Select *Row 3* (which has now moved down a row).
18. Choose *Edit* → *Rows* → *Insert Blank Line*.

Defining the Rows of the Form

- 19. Double-click *Row 3*.
- 20. In the dialog box, select *Formula*.
- 21. Choose .
- 22. In the dialog box, enter the following data:

| Field | Data | Description |
|------------|--------------|---|
| Text field | Y002 %A Y001 | Contribution margin 1 as a % of gross revenue |

- 23. Choose .
- 24. In the dialog box, enter the following data:

| Field | Data |
|-------|----------|
| Short | CM1 in % |

- 25. Choose *Copy Short Text*.
 - 26. Choose .
- The screen now displays a field that contains a question mark and has a red background. The system cannot decide whether to calculate this field using the formula in the row or the formula in the column. In this case, however, the cell is deactivated.

- 27. Select the cell with the red background and choose .
- 28. In the dialog box, select *Inactive*.
- 29. Choose .

You now want to highlight the contribution margin 1 as a percentage.

- 30. Position your cursor on the row *CM 1 in %*.
- 31. Choose *Formatting* → *Color settings*.
- 32. In the dialog box, enter the following data:

| Field | Data |
|--------------------|--------|
| Color for emphasis | Select |

- 33. Choose .
- 34. Remain on the *Report Painter: Create Form* screen.

General Data Selection

General Data Selection

Use

Here you define all the selection criteria that should apply to the entire report, rather than just for specific rows or columns.

Procedure

1. On the *Report Painter: Create Form* screen, choose *Edit* → *Gen. data selection* → *Gen. data selection*.
2. In the dialog box, select *Fiscal year* in the *Available Characteristics* area.
3. Choose .
4. Choose .
5. Select *FROMYEAR* (From Fiscal Year), then choose .
This ensures that you can use the report to analyze any fiscal year.
6. Select *Confirm*.
7. Select .
- The system confirms that the form has been saved.
8. Choose  until the overview tree appears.

Creating a Report

Use

Once you have created the form, you can go ahead and define the report. Here you decide which levels you want to report on. You also have the option of specifying concrete values for the variables defined in the form, and can decide which value fields you want to see, if you have not already done so in the form.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Define Report → Create Profitability Report</i> |
| Transaction Code | KE31 |

2. Enter the following data:

| Field | Data |
|------------------|-------------------|
| Report | Any |
| Report name | Any |
| Report with form | Select |
| Form | Name of your form |

3. Select  *Create*.
4. The variables displayed here are those defined in the form. You can now enter characteristic values for these variables.

The characteristics you choose determine how the data should be broken down or summarized in the report. You can choose characteristics both in the form and in the report definition.
5. On the *Characteristics* tab page in the *Char. List* area, select *Sales Org.*, *Division*, *Distr. Channel*, and *Product*.
6. Choose .

The selected characteristics appear in the *Selected characteristics* area.
7. Select *Sort user-defined chars*.
8. Make sure that the characteristics appear in the order shown in step 7. If not, change the order.
9. Choose .
10. Position your cursor on the *Sales. Org.* field.
11. Choose .
12. Enter the following data:

| Field | Data |
|-------|------|
| | |

Creating a Report

| | |
|----------------|------|
| Local variable | 1000 |
|----------------|------|

13. Choose .

14. Choose the *Variables* tab page.

This is where you enter the variables for the report. The variables from the form created earlier or from characteristic definition have been copied over and you can enter values for them.

15. Enter the following data:

| Field | Data |
|------------------|----------------|
| Sales org. | 1000 |
| From fiscal year | Current year |
| From period | 001 |
| To period | Current period |



You can not select key figures in this report, since they are already defined in the form.

16. Choose *Extras* → *Basic List...*

17. In the dialog box, enter the following data:

| Field | Data |
|----------------|--------|
| Drilldown list | select |

18. Choose .

19. Choose the *OutputType* tab page, then select *Classic Drilldown*.

20. Choose the *Options* tab page.

21. In the *Performance* area, enter the following data:

| Field | Data |
|----------------------|--------|
| Display current data | select |
| Execute report | select |

22. Select .

23. Choose  until the overview tree appears.

Creating Headers and Footers

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Define Report → Change Report</i> |
| Transaction Code | KE32 |

2. Call up the report you created by double-clicking it.
3. Choose *Extras → Print setup → Drilldown and detail list → Maintain header.*
4. Position your cursor on the top row.
5. Choose  *Gen. variables.*
6. In the dialog box, enter the following data:

| Field | Data |
|---------------|-------------|
| Variable name | Report name |
| Width | 15 |

7. Choose .
8. Position your cursor on the third row down.
9. Use the space bar to move the cursor until it is at least 15 character spaces from the end of the row.
10. Choose  *Gen. variables.*
11. In the dialog box, enter the following data:

| Field | Data |
|---------------|------|
| Variable name | Form |
| Width | 15 |

12. Choose .
13. Choose .
14. Choose .
15. To maintain the footers, choose *Extras → Print setup → Drilldown and detail list → Maintain footer.*
16. Position your cursor on the top row and enter "Person responsible".
17. Choose  *Gen. variables.*
18. In the dialog box, enter the following data:

| Field | Data |
|---------------|------------------|
| Variable name | Author of report |

Creating Headers and Footers

| | |
|-------|----|
| Width | 15 |
|-------|----|

19. Choose .
20. Choose .
21. Choose  until the overview tree appears.
22. In the dialog box, choose Yes.

Executing a Report

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |

2. Select the report you created earlier.
3. Choose .

A screen named by the title of your report appears.

4. Enter the following data:

| Field | Data |
|------------------|---------------------|
| Sales org. | 1000 |
| From fiscal year | Current fiscal year |
| From period | 001 |
| To period | Current period |

5. Choose .

The system reselects the data from the segment level.

Once the data is selected, the system displays the basic list of the report. This list shows an overview of the divisions in sales organization 1000 (Germany), which you can break down according to distribution channels and products. The key figures displayed are the plan and actual data, plus the degree to which the plan has been met. Using *Next column* and *Previous column* you can display the plan/actual variance for the various key figures.

6. To drill down to the next level, double-click on *04 Lighting*.

You see that light bulbs are only sold through distribution channel 12.

7. Double-click on *Sold for resale*.

The system displays a list of all the products sold in the lighting division and in distribution channel 12.

8. Select the rhombus next to product *L-40R*, then choose .

The system displays the detail list as you defined it in the form.

You see that the selected entries in the header and footer are also displayed.

9. To hide the header, choose *Settings → Header on/off*.
10. Choose *Report → Exit*.
11. In the dialog box, choose *Yes*.
12. Choose  until the overview tree appears.

Characteristics Hierarchies, Reporting, and Line Item Lists

Purpose

In Profitability Analysis, you can create hierarchical structures for any single characteristic for analysis purposes.



In this process, you display a hierarchy of sales employees and then call up this hierarchy in a report where you can use special drilldown functions. The display options and functions offered by the line item list are also demonstrated. Then you define a separate hierarchy for the different sales regions and include these hierarchies in a report.



For more information on reporting, see the documentation on [Creating a Basic Report in Profitability Analysis \[Page 308\]](#) and [Executing an Existing Report in CO-PA \[Page 315\]](#).



You can find more information about this process under [i \[Page 353\]](#).

Process Flow

You can find the data for this process under [? \[Page 354\]](#).

1. [Displaying the Characteristics Hierarchy \[Page 356\]](#)
2. [Displaying a Report with the Characteristics Hierarchy \[Page 357\]](#)
3. [Line Item List \[Page 358\]](#)
4. [Setting Filters \[Page 359\]](#)
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7. [Defining a Characteristics Hierarchy \[Page 362\]](#)
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9. [Resetting the Data \[Page 366\]](#)

Additional Process Information

You can create characteristics hierarchies directly in Profitability Analysis or you can work with existing hierarchy groups delivered in other applications as standard, such as cost element groups or cost center groups.

Hierarchies can be defined in CO-PA in either a report or a form.

Data Used During This Process

| Field | Data | Description |
|--------------------------|---------------|---------------------|
| Operating concern | IDEA | Global IDES |
| Profitability Analysis | Costing-based | |
| Characteristic hierarchy | VRTNR | Sales employees |
| Hierarchy variant | 100 | |
| Report | IDES-080 | Order analysis |
| Line item layout | IDES-01 | Customer / material |

Displaying the Characteristics Hierarchy

Displaying the Characteristics Hierarchy

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Master Data → Characteristic Values → Define Characteristics Hierarchy</i> |
| Transaction Code | KES3 |



If you are executing a profitability analysis transaction for the first time since logging on, the *Set operating concern* dialog box appears.

2. Enter the following data:

| Field | Data |
|--------------------------------|---------------|
| Operating concern | IDEA |
| Type of Profitability Analysis | Costing-based |

3. Choose .

This dialog box is shown only once during the session. Once you have made your selection, the system always selects the given operating concern and the relevant type of profitability analysis.

4. In the dialog box, choose Yes.

5. Enter the following data:

| Field | Data |
|-------------------|-------------------------|
| Characteristic | Sales employee (select) |
| Hierarchy variant | 100 |

6. Choose  *Display*.

You see a list of sales employees grouped into different levels according to experience. Level I is for the most experienced employees whereas level IV is for new employees. You can use the report to generate ratio figures, for example, about the correlations between revenue and sales experience.

The six-character fields are for the nodes that divide up the hierarchy and cannot be posted to. The eight-character fields can have values posted to them.

7. Choose  until the overview tree appears.

Displaying a Report with the Characteristics Hierarchy

Displaying a Report with the Characteristics Hierarchy

1. Call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Execute Report</i> |
| Transaction Code | KE30 |

2. Select the report *IDES-080*.

3. Choose .

4. Enter the following data:

| Field | Data |
|------------------|---------|
| Sales org. | 1000 |
| From fiscal year | Current |

5. Choose .

You now see a profitability report with different characteristics that you can branch to (see the header *Navigation*). The first characteristic in the display is an overview of the sales employees.

The different levels of the hierarchy are fully expanded.

6. To view just the first and second levels of the characteristics hierarchy, choose .

7. In the dialog box, choose *Set level*.

8. In the dialog box, select *Level 2*.

9. Choose .

10. To view the complete list again, choose  and then *Remove level*. You now see the single values for the nonassigned sales employee(s).

11. Position your cursor on *Group II*, then choose .

12. In the dialog box, choose *Set Focus*.

You now see just that part of the report that you selected.

13. To return to the complete overview, choose  and then *Undo focus*.

14. Choose the minus sign in front of *Sales employees*.

In this way, you collapse the entire overview.

15. To expand the hierarchy tree further, choose the plus sign. The hierarchy tree is expanded down to the second level. By choosing *Group I*, the branch for this group is expanded.

16. Remain on this screen.

Line Item List

Line Item List

Use

The line item list (which contains the posting documents for CO-PA) offers you various functions for analyzing report data in greater detail. Some of these functions will now be demonstrated.

Procedure

1. Double-click row *Group I*.
You now see for the sales employees in this group which industries their respective customers belong to.
2. Choose the cell *Gross revenue / Incoming orders / HITE High Tech. Industry*.
The system highlights the cell.
3. Choose *Goto → Line Items*.
4. In the dialog box, choose .
5. To switch the layout to the line item display, choose *Extras → Change line item layout*.
6. In the dialog box, double-click layout *IDES-01*.

Setting Filters

- To set a filter for specific data, keep the control key of your keyboard pressed and choose the columns for *Material* and *Revenues*.

The system highlights the columns.

- Choose .

Now you define the necessary filter settings so that the system only displays materials beginning with the letter "m" with which a sales revenue of more than 10,000 DEM were made.

- Enter the following data:

| Field | Data |
|----------|------|
| Material | M* |
| to | |

- In the *Revenues* row, choose .

- Choose *Intervals* (Exclude intervals).

You can now define which values should not be called up.

- Enter the following data:

| Field | Data |
|-------|-------|
| | 0 |
| to | 10000 |

- Choose .

- Choose .

The system now displays the list of line items with materials for which the material number begins with "m" and with which a sales revenue of greater than 10,000 DEM was achieved.

- To undo the filter, choose *Edit* → *Delete filter*.

- Remain on this screen.

Sorting Data

Sorting Data

1. Keep the control key of your keyboard pressed and choose the column headers *Material* and *Revenues*. The system highlights the two columns.
2. Choose .
The system now displays the list by material in descending order. At the same time, the revenues for each material are listed in descending order.
3. Remain on this screen.

Subtotals

1. Keep the control key of your keyboard pressed and choose the column headers *Customer* and *Material*.

The system highlights the two columns.

2. Choose .

This function generates subtotals for each combination of customer and material and subtotals for each customer.

3. Choose  until the overview tree appears.

Defining a Characteristics Hierarchy

Defining a Characteristics Hierarchy

Use

Here you can define a characteristics hierarchy. After its definition, the hierarchy is included in a report.

Procedure

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Master Data → Characteristic Values → Define Characteristics Hierarchy</i> |
| Transaction Code | KES3 |

2. Enter the following data:

| Field | Data |
|-------------------|---------------------------|
| Characteristic | Country + region (select) |
| Hierarchy variant | 100 |

3. Choose  *Create/Change*.
4. Enter *Sales region* as a short description.
5. Choose  *Hierarchy*.
6. Position your cursor on the first field, enter 1000, and then choose .
7. In the text field that appears, enter *Europe*, then choose .

If you repeat this process, the descriptions of the nonchargeable nodes (nodes that cannot be posted to) also appear automatically because these descriptions are stored on the database.

8. In the next field, enter *1100* as the second level and then choose .
9. In the text field that appears, enter *Germany*, then choose .
10. Enter *1110* as the next hierarchy node and then choose .
11. In the text field that appears, enter *North Germany*, then choose .
12. Position your cursor on the entry *1110* and then choose  *Lower level*.
13. In the field that now appears, enter *DE 02*, then choose .

Since this entry does not stand for a hierarchy node but is instead a value that can be posted to, the system automatically provides a description for it.

14. In the next field, enter *DE 03* and then choose .
The appropriate entry then appears automatically.
15. Position your cursor on the entry *1110* and then choose  *Same level*.

Defining a Characteristics Hierarchy

16. Enter the value 1120, then choose .
17. In the text field that appears, enter *East / West Germany*, then choose .
18. Position your cursor on the field 1120 and then choose  *Lower level*.
19. Enter the values *DE 05*, *DE 07*, *DE 11*, and *DE 14* individually and choose  after each entry made.
20. Position your cursor on the field 1120 and then choose  *Same level*.
21. Position your cursor on the new field, enter 1130, and then choose .
22. In the text field that appears, enter *South Germany*, then choose .
23. Position your cursor on the field 1130 and then choose  *Lower level*.
24. Enter the values *DE 06*, *DE 08*, and *DE 09* individually and choose  after each entry made.
25. To display the nodes using colors, choose *Goto* → *Color legend*, and then double-click the entry *Nonchargeable characteristic value*.
26. Choose .
27. In the *Data backup* dialog box, choose *Yes*.
28. Close the window by choosing  in the top right corner.
29. Choose  until the overview tree appears.

Creating a Report with a New Hierarchy

Creating a Report with a New Hierarchy

1. Call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Information System → Define Report → Create Profitability Report</i> |
| Transaction Code | KE31 |

2. Enter the following data:

| Field | Data |
|--------------|--------------|
| Report | Hierarchy |
| Name | Sales region |
| Basic report | Selected |

3. Choose  *Create*.
4. In the dialog box, select *Operating concern currency*.
5. Choose .

You are now in the *Characteristics* tab page.

6. In the *Characteristic list*, select *Country+Region* and *Sales organization*.
7. Choose .
8. To display the sequence in which the characteristics are to appear in the report, choose *Sort user-def. char.*

Ensure that the characteristics in the *Sort characteristics* dialog box are listed in the following order: (1) *Sales org.* and (2) *Country+Region*. Correct the sequence, if required.

9. Choose .
10. Enter the following data:

| Field | Data |
|--------------------|------|
| Sales org. / value | 1000 |

11. Choose the *Key figures* tab page.
12. In the *Available key figures* area, select the *Revenues* key figure.
13. Choose .
14. Choose the *Variables* tab page.

15. Enter the following data:

| Field | Data |
|---------------|------------------------------|
| Period from | 001 current year |
| To period | Current period, current year |
| Plan/act.ind. | 0 (actual data) |

Creating a Report with a New Hierarchy

| | |
|-------------|---|
| Version | |
| Record type | F |

16. Choose the *Output type* tab page.
17. Under record type, select *Classic drilldown*.
18. Choose the *Options* tab page.
19. In the *Performance* section, enter the following data:

| Field | Data |
|----------------------|--------|
| Display current data | Select |
| Execute report | Select |

20. Choose .
21. In the *Choose hierarchy*: screen, use the possible entries function to select the hierarchy you defined under *Hierarchy*, then choose .
22. On the *Create Profitability Report: Initial Screen*, choose .

The system proposes the variables entered during report definition.
23. Without changing the variables, choose .

The report shows you the planned sales in Germany for sales organization 1000.
24. Choose the plus sign in front of *Nonassigned (x)*.

The characteristic values that were not defined in the hierarchy are also displayed. Depending on the sales orders, sales revenue coming from US customers who ordered in Germany, for example, are then displayed in this way.
25. You can navigate in this report as described in the step [Displaying a Report with the Characteristics Hierarchy \[Page 357\]](#).
26. Choose .
27. In the dialog box, choose Yes.
28. Choose  until the overview tree appears.

Resetting the Data

Resetting the Data

Use

To be able to repeat this process, you can define a hierarchy and a report under different names or you can delete the reports you have defined previously. To delete your hierarchy/hierarchies and report(s), proceed as follows:

Procedure

- To delete your hierarchy, call up the transaction as follows:

| | |
|-------------------------|---|
| Menu Path | <i>Accounting → Controlling → Profitability Analysis → Master Data → Characteristic Values → Define Characteristics Hierarchy</i> |
| Transaction Code | KES3 |

- Enter the following data:

| Field | Data |
|-------------------|---------------------------|
| Characteristic | Country + region (select) |
| Hierarchy variant | 100 |

- Choose .
- In the *Delete hierarchy* dialog box, choose *Yes*.
- Choose .
- To delete your report, call up the transaction as follows:

| | |
|-------------------------|--|
| Menu Path | <i>Profitability Analysis → Information System → Define Report → Change Report</i> |
| Transaction Code | KE32 |

- Select the report *HIERARCHY*.
- Choose .
- In the dialog box, choose *Yes*.
- Choose  until the overview tree appears.