FINANCIAL CLOSE AUTOMATION (FCA) FOR SAP®

MOGENS HARTFELT
CLOSE ENOUGH IS NOT GOOD ENOUGH
CUSTOMERS
When asked where the challenges reside in the close process, 1559 Deloitte Dbriefs listeners had the following response:

- Vast volumes of data coming from different sources: 20.7%
- Dispersed accounting teams with lack of visibility and accountability: 10.5%
- Inconsistent application of accounting policies and procedures: 5.9%
- Manual tasks consume our time: 19.7%
- Our primary tools to monitor the close process are e-mail and spread sheets: 43.2%

When asked about the primary challenge with reconciliations, 1380 Deloitte Dbriefs listeners had the following response:

- Lack of visibility: 12.5%
- Detecting spread sheet errors: 21.7%
- Informal and undocumented review process: 21.0%
- Inconsistent application of policy: 14.2%
- Capturing un-reconciled differences: 30.1%
RESULTS AT SIEMENS

Before process automation:
- Undocumented: 300
- Manual: 680
- Automated: 20

After process automation:
- Automated: 970

Maturity of automation:
- Undocumented: 30
- Manual: 120
- Automated: 30
SHIFT THE ALLOCATION OF RESOURCES

MANUAL CLOSE

With Financial Close Automation

ANALYSIS

CONTROL

PRODUCTION

Manual Close
THE CLOSE

Real Time End-to-End Monitoring of Close to Report

1. FINANCIAL APPLICATION
   - PURCHASE ORDER
   - ACCOUNTS PAYABLE
   - GENERAL LEDGER
   - ACCOUNTS RECEIVABLE
   - SALES ORDER
   - INVENTORY

2. CONSOLIDATION TOOLS
   - CONSOLIDATION

3. DISCLOSURE TOOLS
   - DISCLOSURE

ENTITY CLOSE

2/3

CONSOLIDATION

1/3

DISCLOSURE
SAP FCC AND FCA ARCHITECTURE

SAP FCC

- Task list
- Monitor

FCA

- Notify and Workflow
- Template for tasks

ERP

SAP CPS / Cronacle
TD_FCc - 9003: Clear Account at end of period

- Run FB13N
  - SAP - FI: Tran FB13N...

- Run FB01
  - SAP - BDC: Execute...

- Prepare FB08
  - SAP - BDC Tran FB...

- Run FB08
  - SAP - BDC: Execute...
TD_FCC - 9003: Clear Account at end of period

- Draft Mode?: N
- Page Orientation

**Variant**
- G/L account (Sel): ><
- Company code (Sel): ><
- Selection using search help (Par)
- Alternative local currency (Par)
- Translation date (Par)
- G/L account worklist (Par)
- Orvalues (Sel): ><
- Orvalues (Sel): ><
- Open items: Open at key date (Par)
- Cleared items: Cleared date (Sel): ><
- Cleared items: Open at key date (Par)
- Status (Radio Button): X_OPSEL
- All Items Posting date (Sel): >|<
- Normal items (Par): X
- Noted items (Par)
- Parked items (Par)
- Layout (Par)
- Maximum number of items (Par): 0

**BatchInput**
Edit Job Chain FCA_FCC_TD_0003_ClearingAccount_Zero

Job Chain: TD_FCC - 0003: Clear Account at end of period

Time Window
- Time Window Status: None

Scheduling
- Hold On Submit: 
- Priority: 
- Queue: 
- Time Window: 
- Start Time: 

Ignore Status
- 

Input Parameters
- Infrastructure
  - Action Role(s) to process: [None]
  - Reference: 
  - Expression: ALVCOLUMNZERO(1,3,NE),FB01Account(1,2,3,8F-TARGET)
- Default partition for data tables
- Parameter Template to import

Target
- SAP System
- SAP Client
- SAP Instance
Job 115414 - TD_FCC - 9003: Clear Account at end of period - 9003: FBL3N Clear Clearing Accounts [BKNI_FCA1 CA=1000 CC=1000]
### Customizing: Display Task List CES_FCA/04.09.2014

#### Closing Structure

- **Company code 1000**
  - 9003: FBLIN Clearing Accounts
  - 9007: ASK8 - Periodic Assets postings
  - 9017: KOSG Internal Order Settlement
  - 9020: C883 - Actual Settlement Projects
- **Company code 2000**
  - 9003: FBLIN Clearing Accounts
  - 9007: ASK8 - Periodic Assets postings
  - 9010: KOSB - Depreciation posting run
  - 9017: KOSG Internal Order Settlement
- **FCA: Initialize CPS**

#### Task List

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>✔</td>
<td>AD</td>
<td>9003: FBLIN Clearing Accounts</td>
<td>9003</td>
<td></td>
<td>182</td>
<td></td>
<td></td>
<td></td>
<td>FCA_FCC_TD_9003_Clear</td>
<td>User</td>
<td>Devlin</td>
<td>User</td>
<td>Devlin</td>
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<tr>
<td>✔</td>
<td>AD</td>
<td>9007: ASK8 recalculation of planned changes</td>
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<td>118 152</td>
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<td>FCA_FCC_TD_9007_Rcalc</td>
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<td>Devlin</td>
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<tr>
<td>✔</td>
<td>AD</td>
<td>9017: KOSG Internal Order Settlement</td>
<td>9017</td>
<td></td>
<td>185 163</td>
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<td>FCA_FCC_TD_9017_KOSG</td>
<td>User</td>
<td>Devlin</td>
<td>User</td>
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<tr>
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<td>AD</td>
<td>9020: C883 - Actual Settlement Projects</td>
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<td></td>
<td>183 185</td>
<td></td>
<td></td>
<td></td>
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<td>User</td>
<td>Devlin</td>
<td>User</td>
<td>Devlin</td>
</tr>
</tbody>
</table>

#### Details

- **Task: 9003: FBLIN Clearing Accounts**
  - **R. Step** | **Step Name** | **Log TY** | **Time** | **Copy / Log ID** | **File TY** | **File SI** | **File Name**
  - 2 | Job Log | 05.09.2014 16:43:15 | 277494-20140904 | ZIP | 105 KB | F1_Trace.zip
  - 2 | Run FBLIN | Job Log | 05.09.2014 16:41:04 | 277494-20140904 | TXT | 19 KB | Rule_JobDetails
  - 1 | Run FBLIN | Job Log | 05.09.2014 16:41:04 | 277494-20140317 | TXT | 3 KB | Rule_FBLIN_ACC
  - 1 | Run FBLIN | Job Log | 05.09.2014 16:41:04 | 277494-20140317 | TXT | 580 B | Rule_ALVCOLUMN
  - 1 | Run FBLIN | Job Log | 05.09.2014 16:41:04 | 277494-20140317 | TXT | 961 B | steps/spoollog
  - 1 | Run FBLIN | Log for... | 05.09.2014 16:41:03 | 277494-20140317 | TXT | 1 KB | joblog.log
  - 1 | Run FBLIN | Log for... | 05.09.2014 16:42:34 | 277494-20140318 | TXT | 196 B | stdout.log
  - 1 | Prepare F... | Log for... | 05.09.2014 16:42:33 | 277494-20140318 | TXT | 196 B | stdout.log
  - 1 | Run FB00 | Log for... | 05.09.2014 16:42:35 | 277494-20140327 | TXT | 196 B | stdout.log
  - 1 | Run FB00 | Log for... | 05.09.2014 16:42:35 | 277494-20140329 | TXT | 196 B | stdout.log

#### Output Logs

- **Output Logs**

#### Changes

- **Changes**

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*Note: The image shows a screenshot of a SAP FICO task list with various entries and a brief description of the task structure and details.*
### ALERT, NOTIFICATION AND WORKFLOW

**Subject:** CA-1010 | CC-2019 | CCH Testrun failed CA-1000 | CYCLE=BPO | LP=0E | FIS=OPEN (GLOBAL:FC6/800) | Actual Assessment | Action Required

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#### Notification

**FPA System:** GLOBAL.CL6/200  
**Org Title:** CA-1000 | FCO-2000  
**Task name:** [2000] | Action  
**FPA Close Instance:** [http://1.2.3.4:5000]  
**Owner:** DevPin/Sab  
**Executor:** DONOT/HIB  
**Failed Job:** [http://1.2.3.4:5000]  

**Fiscal Year:** 2024  
**No. of messages:** 4  
**Maximum category:** Warning  
**Processing status:** TestRun  

**Basic List**  
**controlling Area:** CCA: Actual Assessment  
**Version:** 1.000  
**Period:** 001 to 007  
**Date:** 01.08.14  

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**Error List**  
**Message Text**  
**Segment List**  
**Cycle:** BPO1, Demo 1  
**No. of messages:** 4  
**Maximum category:** Warning  

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*Note: Images of the document are not provided.*
THE CLOSE

FINANCIAL CYCLE

- Accounts Payable
- Accounts Receivable
- Fixed Assets

Accounts Payable
Payroll
Expenses
Inventory
Production &
Orders
PO to AP Rec.

Accounts Receivable
Bank Rec.
Revenue Rec.
Expenses
Unreconciled
PO Accruals

Fixed Assets
Materials
GL to Profit
Centre Rec.
Joint Ventures
Journals
Account Rec.

Bank Rec.
Revenue Rec.
Expenses
Unreconciled
PO Accruals

Materials
GL to Profit
Centre Rec.
Joint Ventures
Journals
Account Rec.

Entity Close
Run Depreciation
Allocations
(Recharges)
Inter Company
Rec.

Treasury/Interest
Journals
FX Journals
Transfer data
to GP

Consolidation
Intercompany
Elimination
Entity Close

Open Next
Period (OB52)
Inv
(SALR87011979)
Prod
(CO43)
Bank (F110)
Acc Rec
(AB572)
Dep
(AFAB/AFAR)
FI-CO Rec
Clear Accounts

FA/ (SALR8700196)
Clearing
(F32,F44)
AP/AR (IKEK)

F32,F44

REV REP 10%

ACTIVITIES IN SAP

Rev (VAN1)
Exp (KSA3)
Orders
(SALR 870 12993)
JV(KSCS)
Clear SD to FI
(VXF3)
Allocation
(KSV5)
InterCo
(FBICR2)
Clearing
(F03)

Dep
(AFAB/AFAR)
FI-CO (KALC)

Reverse
Journal
(F80,81)
Report (GR55)
Lock (OKPI)

Entity Close
InterCompany
Elimination
Ops Review
Final Adjustments
Entity Close

EACH TRANSACTION IN SAP IS A MANUAL STEP

60%

REQUIRES INTERVENTION

 RULE BASED POSTING

FINISH 21%
**BG GROUP**

"BG Group is a FTSE 100 energy company that is active in more than 20 countries on five continents."

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Objectives</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Numerous stages in the financial close had to be manually monitored,</td>
<td>• BG Group wanted to devote more time to analysis and strategy, instead</td>
<td>• The solution was Redwood’s Financial Close Automation for SAP (FCA) combined with SAP® Financial Closing cockpit, which was implemented in under three months.</td>
</tr>
<tr>
<td>validated and corrected – and all these steps had to be repeated if an</td>
<td>of finding and reviewing data repeatedly.</td>
<td></td>
</tr>
<tr>
<td>error was found.</td>
<td>• Corporate finance needed to improve its financial close process to</td>
<td></td>
</tr>
<tr>
<td>• The same activity often had to be manually run multiple times across</td>
<td>increase efficiency.</td>
<td></td>
</tr>
<tr>
<td>the 600 entities as it could not be run in parallel.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5 DAYS TO CLOSE

1 MILLION TASKS

3 SHARED SERVICE CENTRES

JUST 5 PEOPLE