

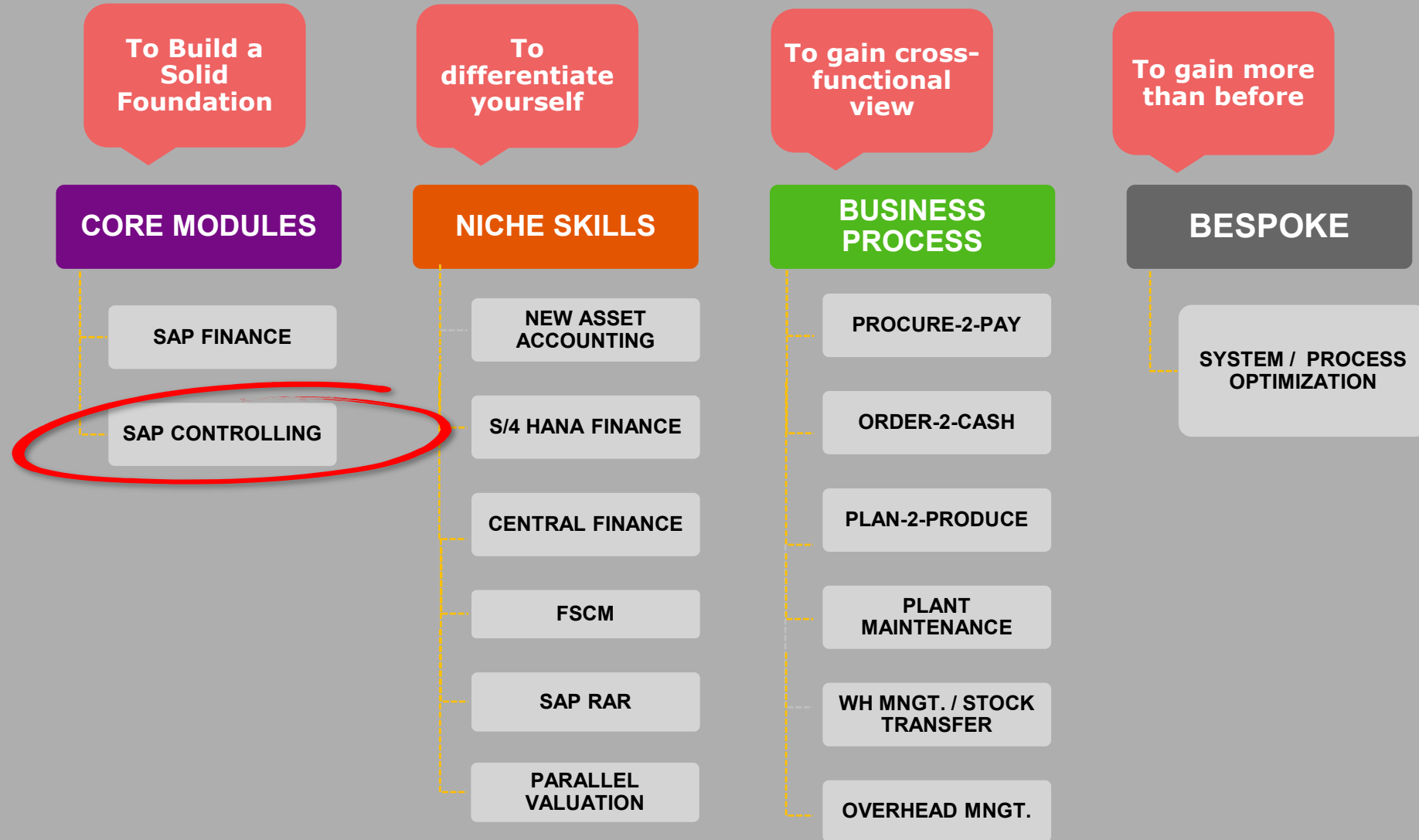


AJITA SAP
CONSULTING PVT.LTD.

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Our SAP Education Offerings





Profitability (Margin) Analysis in S/4 HANA



- **Good understanding of SAP Finance**
- **Basic understanding of accounting processes**





- **Overview: Profitability Analysis**
- **Master Data & Setting up Profitability Analysis**
- **Actual Value Flows in Profitability Analysis**
- **Information System**
- **Expert Tools**



- Overview: Profitability Analysis
- **Master Data & Setting up Profitability Analysis**
- Actual Value Flows in Profitability Analysis
- Information System
- Expert Tools



What to expect from this course?

- Understand the functions in Profitability Analysis and gain the knowledge necessary to implement the component.
- Work with CO-PA Structures and Master data
- Identify the sources of actual values
- Understand the expert tools
- Use the Information system and work with additional functions in CO-PA



What to expect from this chapter?

- Different types of Characteristics
- What is Profitability Segment
- Setting up an Operating concern
- Derivation rules
- Important FAQs



COPA Characteristics in detail



FIXED CHARS.

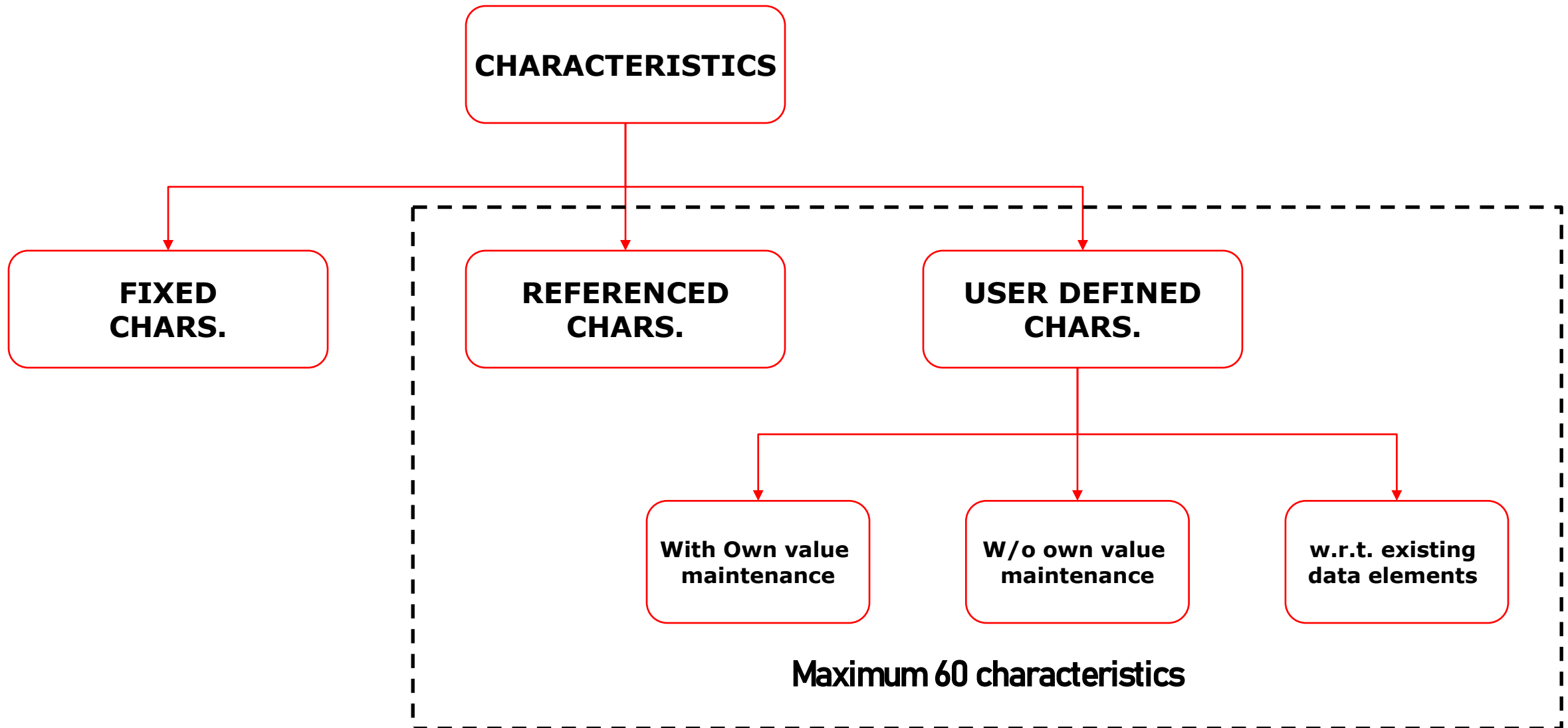
- Pre-defined in SAP, available in every Operating Concern, by default
- Can't be edited or deleted
- Few examples:
 - ❖ Company code, business area, plant, controlling area, profit center, sales org, distribution channel, division, Cost center, etc. (i.e. the SAP enterprise structure elements)
 - ❖ Sales order, billing type, product number, customer, etc. (i.e. the transaction data elements)

REFERENCED CHARS.

- Pre-defined in other SAP applications such as MM, SD, etc.
- Table fields from a pre-defined list of SAP Tables, having length ≤ 18 ,
- Few examples:
 - ❖ Material Group, Material Type from MARA
 - ❖ Sales District, Sales Office from KNVV
 - ❖ Country, Region from KNA1
 - ❖

USER DEFINED CHARS.

- Not available out-of-the-box, defined by the customer to suit their needs
- Name must begin with WW
- Field length ≤ 18





Compounding Characteristics

- User-defined characteristics can be compounded together so that they are always filled together.
 - ❖ By compounding the characteristics, a dependency (parent - child) is established between them. The child characteristic will be filled only when parent is filled
- Compounding of the characteristics is done at the time of defining the characteristic by choosing "Display Compound"

The screenshot shows the 'Create Char. WXYZ' dialog box in SAP. The 'Display compound' button in the top toolbar is highlighted with a red box. The dialog is divided into several sections:

- Characteristic:** WXYZ
- Texts:** Description: z, Short text: z, Heading: z
- Further Properties:** Status: do(es) not exist, Display opt.: Not assigned
- ABAP Dictionary:** Data element, Domain, Data type/length, ConvR.
- Origin:** Origin table, Origin field
- Validation:** No check, Fixed values, Check table (T25**), Text table (T25**), Text field, Long text field



The screenshot shows the SAP Easy Access interface. A table is overlaid on the screen, detailing the demo content. The table has three columns: Area, Demo, and T Code. The 'Area' column lists 'Configuration Settings'. The 'Demo' column lists three tasks: 'Display the Fixed characteristics', 'Create a referenced characteristic', and 'Create user defined characteristic'. The 'T Code' column lists 'KEA0', 'KEA5', and 'KEA5' respectively. The background of the screenshot shows the SAP navigation tree on the left and a toolbar at the top with buttons for 'Create role', 'Assign users', and 'Documentation'. The status bar at the bottom shows 'D10 (1) 100', 'gsdcb088', and 'INS'.

Area	Demo	T Code
Configuration Settings	▪ Display the Fixed characteristics	KEA0
	▪ Create a referenced characteristic	KEA5
	▪ Create user defined characteristic	KEA5

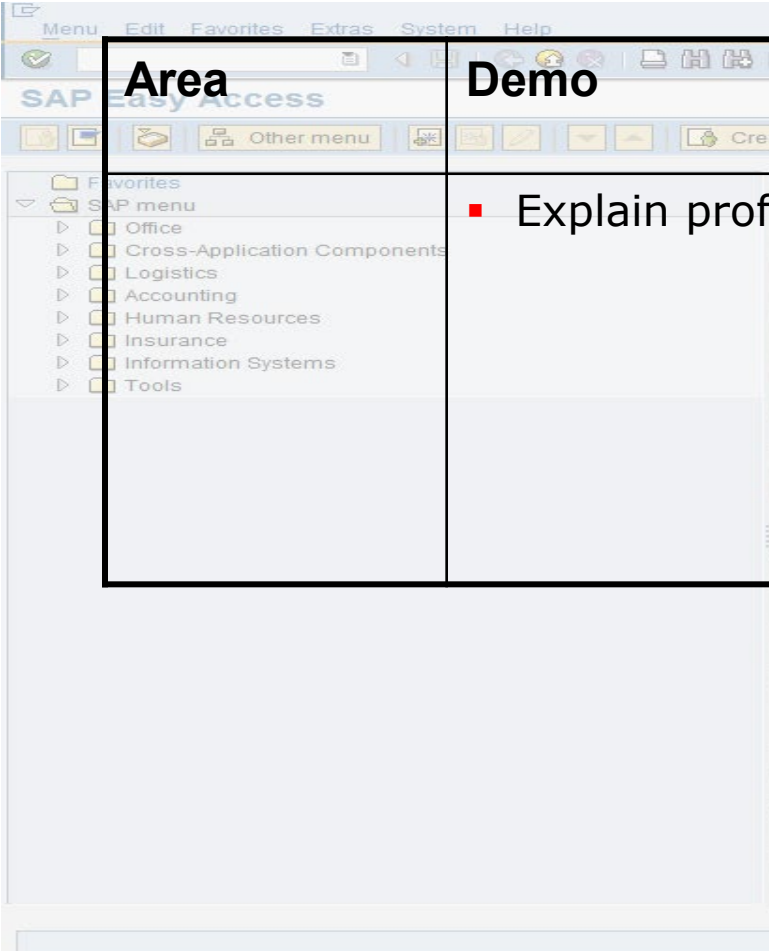
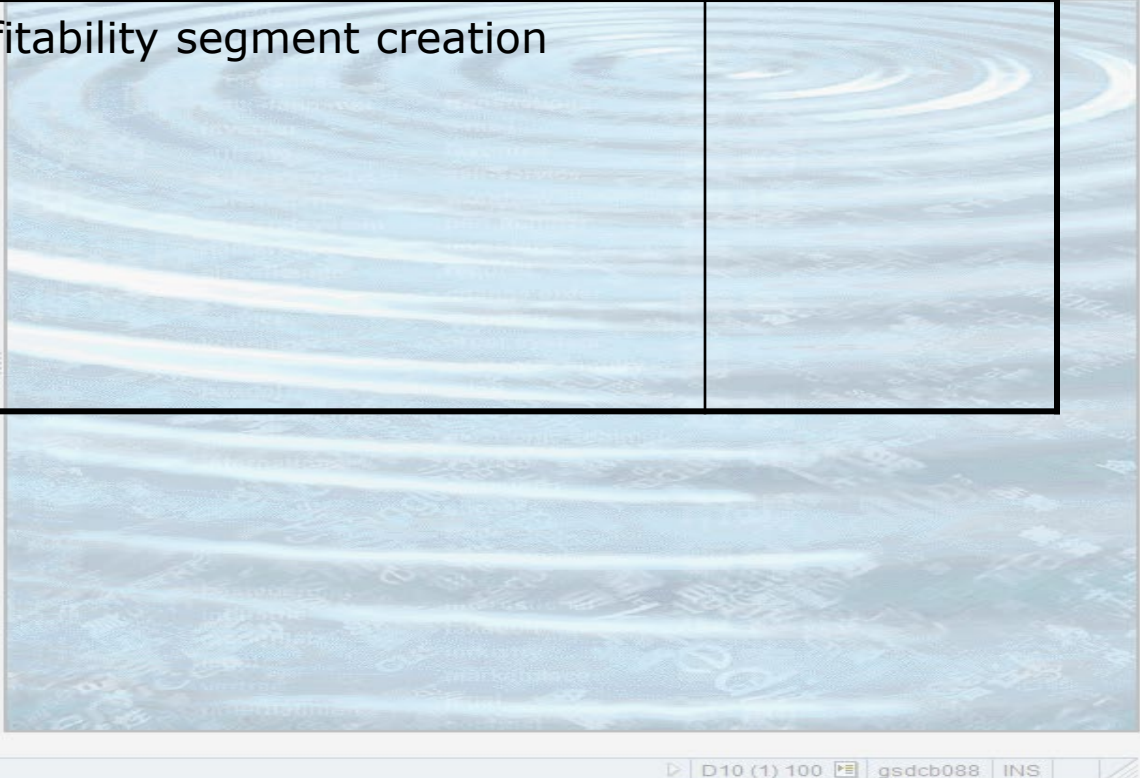


Profitability Segment



- From a technical standpoint, a Profitability Segment (PSG) is a Cost object just like Cost center, Internal Order, WBS Element
- It records revenues as well costs specific to a market segment (Customer, Product, etc.)
- A PSG is formed out of group of characteristic values of the “Segment Level Characteristics”
 - ❖ In S/4 HANA, by default, every characteristic is a segment level characteristic, unless summarized
 - ❖ Summarization may be required for large data volumes (E.g. retail customers)



Area	Demo	T Code
	<ul style="list-style-type: none">▪ Explain profitability segment creation	



Setting up an Operating Concern



- Step 1: Choose the type of profitability analysis (ABCOPA and/or CBCOPA)
- Step 2: Define the data structure
- Step 3: Define the operating concern attributes
- Step 4: Add COPA chars. to ACDOCA & generate the Operating Concern
- Step 5: Maintain the user defined characteristic values
- Step 6: Assign Operating Concern to Co. Area and Activate Profitability Analysis



Area	Demo	T Code
	<ul style="list-style-type: none">▪ Setting up operating concern▪ Maintain characteristic values▪ Assign Op. concern to Co. Area▪ Activate COPA▪ Prof. Segment Summarization▪ Program FCO_ADD_COPA_FIELD_TO_ACDOCA	<p>KEA0</p> <p>KES1</p> <p>KEKK</p> <p>KEKE</p> <p>KEQ7</p>



Characteristic Derivation



- Characteristic derivation refers to the process of determining characteristic value for a CO-PA characteristic
- The characteristic value for a characteristic may be determined on the basis of characteristic value for another characteristic or using a complex logic
 - ❖ If the system cannot determine a characteristic value for a characteristic, a blank, null, or unassigned characteristic value is posted.
- Derivation steps can be defined using one of the following methods. Each one of these is explained in the subsequent slides
 - ❖ Table Lookup
 - ❖ Derivation
 - ❖ Move
 - ❖ Clear
 - ❖ Enhancement
- Derivation rules can be configured either to apply for all situations, or to apply only when certain conditions are met (e.g. when a sales organization is 1000, for example)

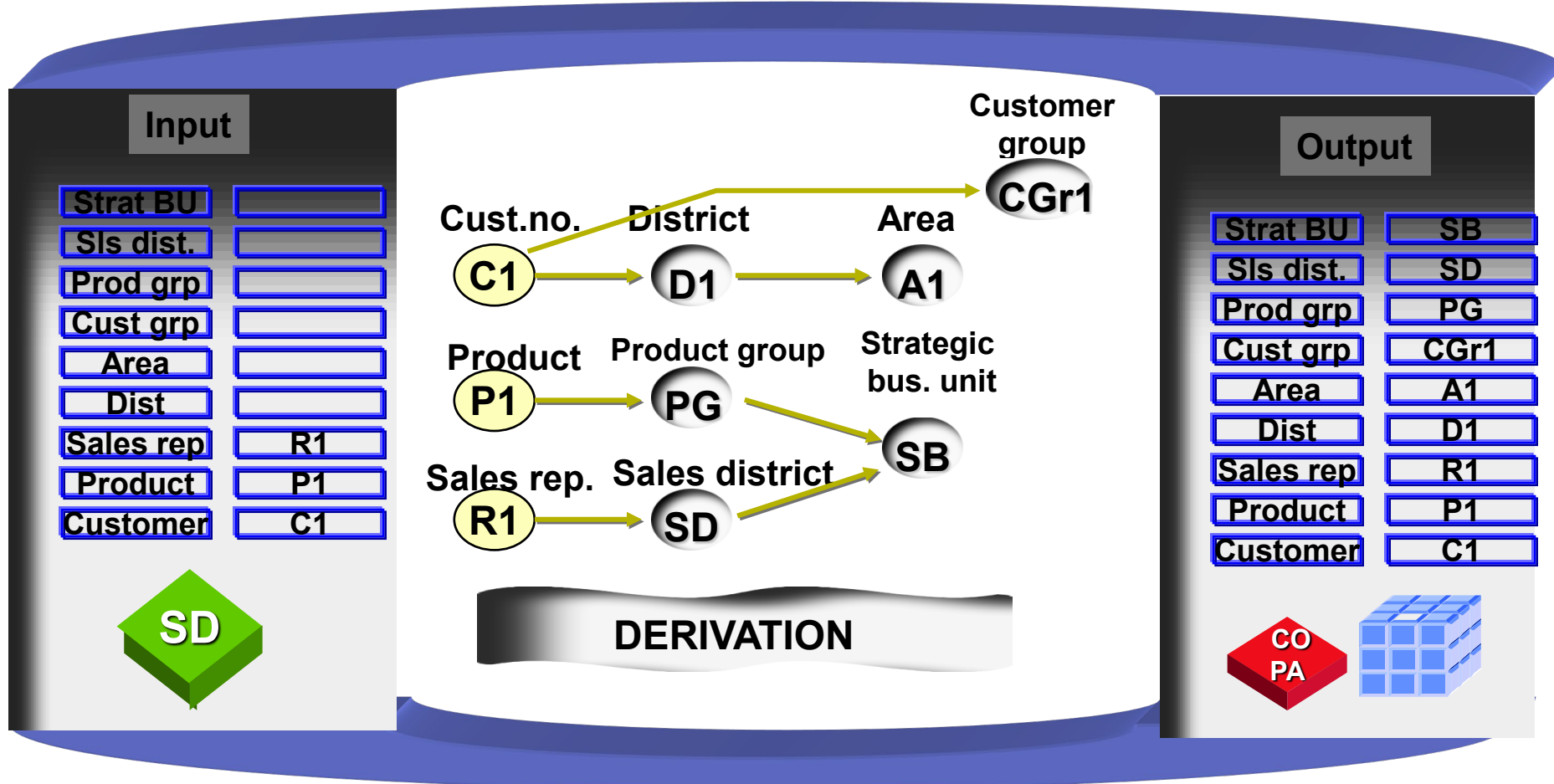
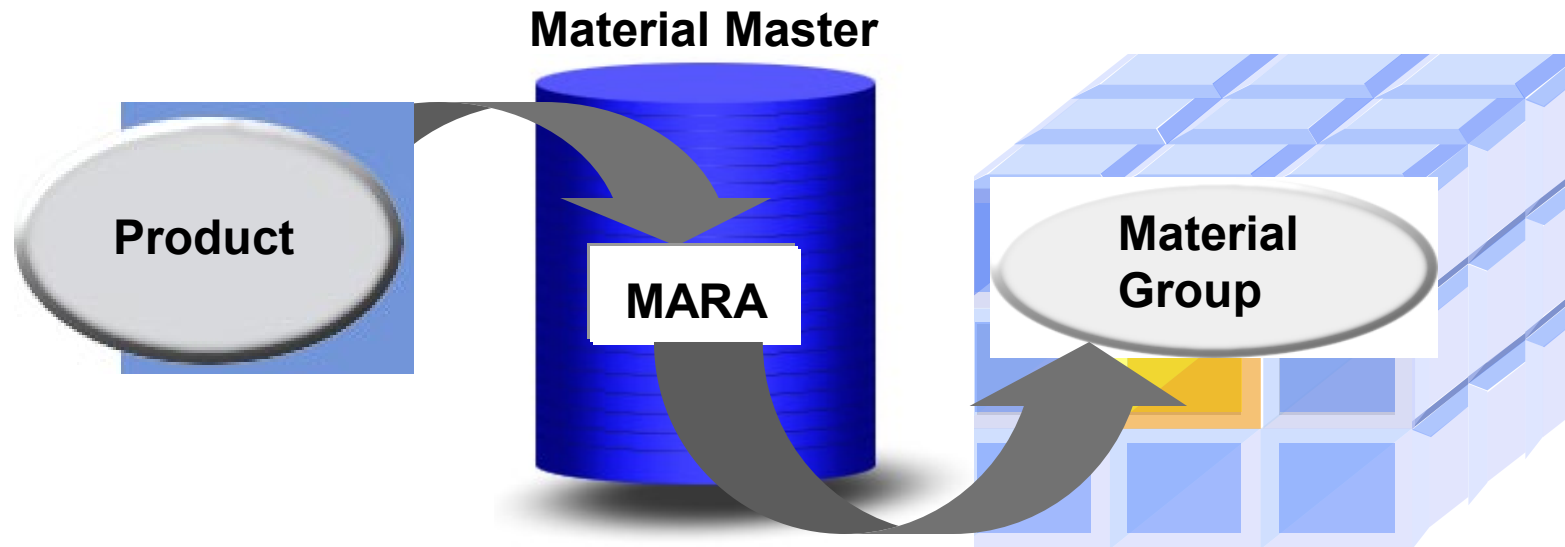
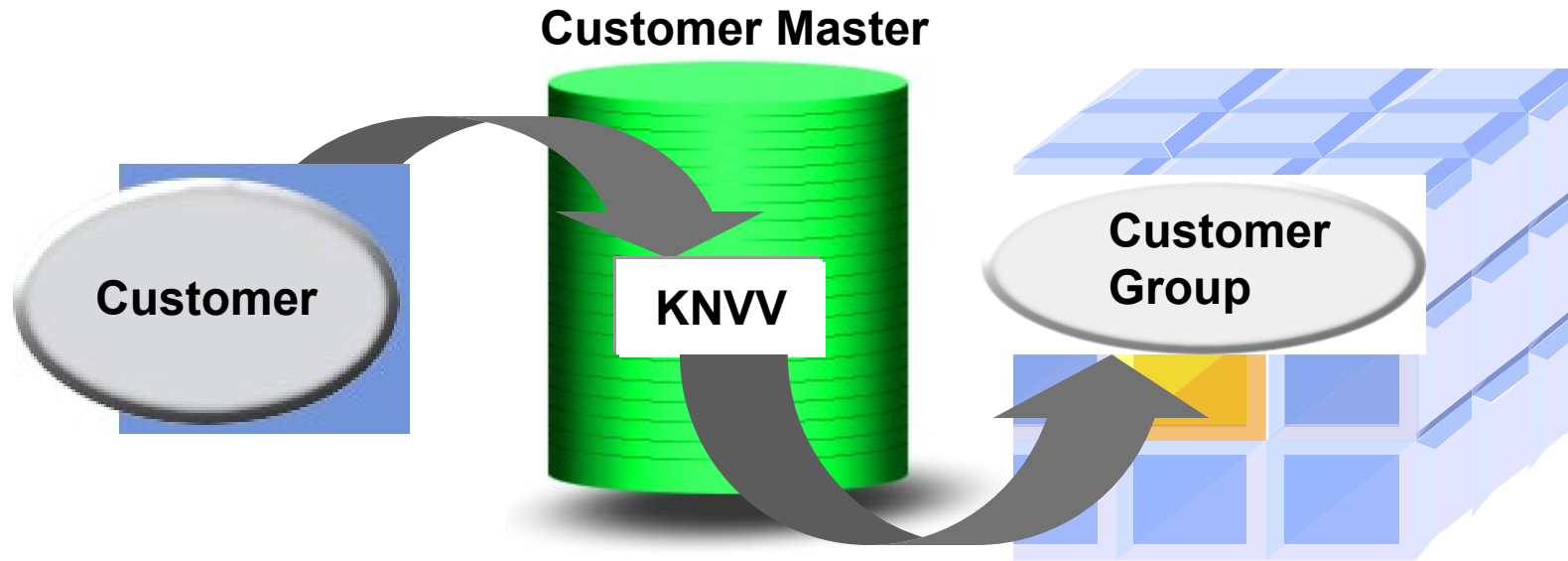


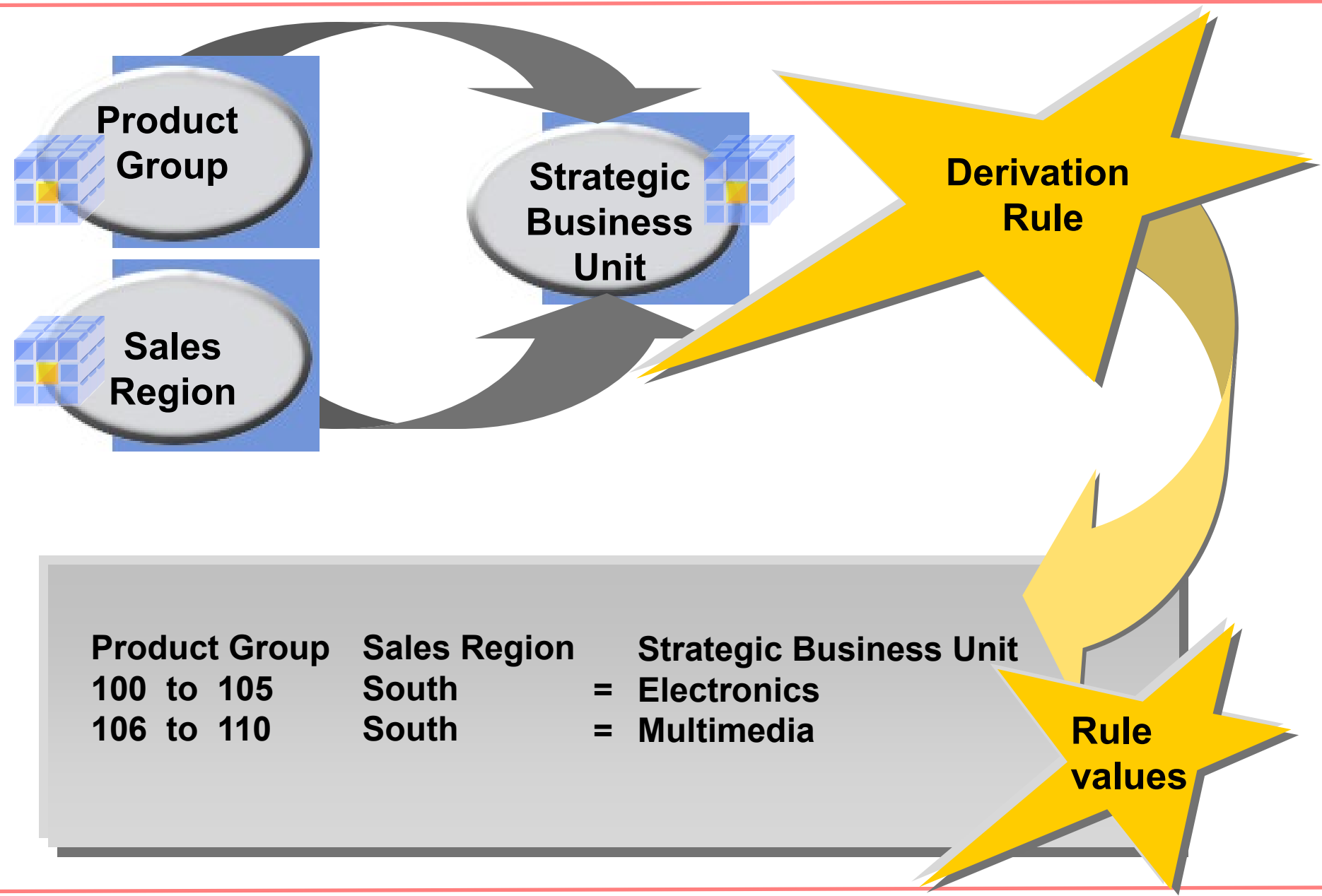


Table Lookup



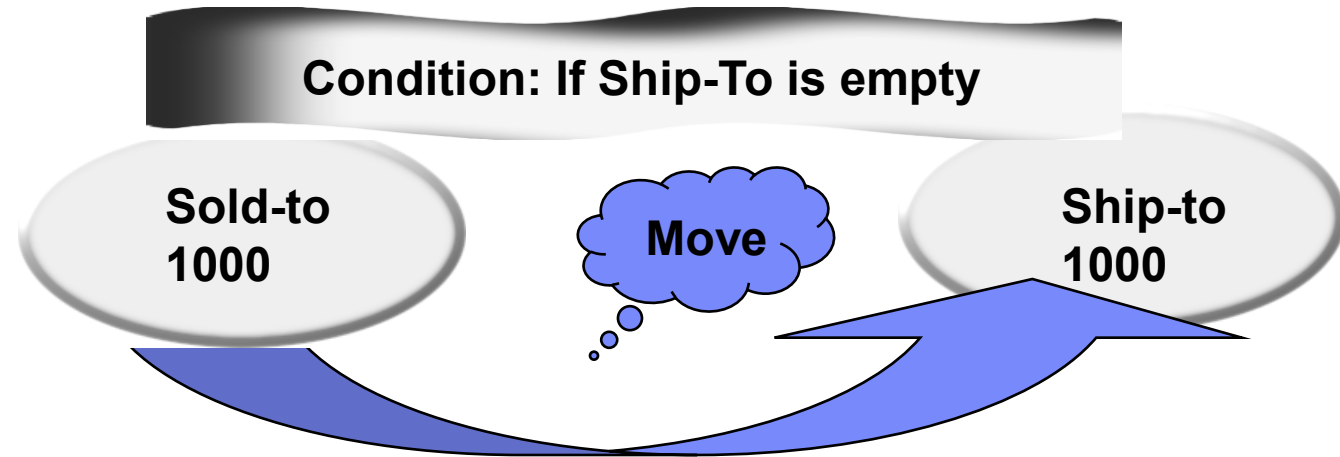


Derivation Rule





Move and Clear





Enhancement method

- Should the above four methods of derivation not suffice, a complex derivation logic can be written using ABAP to derive the characteristic values
- User Exit COPA0001 is to be used
 - ❖ Read the documentation for exit COPA0001 in T code SMOD for more details



Summary

- Characteristics are of 3 types – Fixed characteristics, referenced and user defined characteristics
- User defined characteristics can be either referenced from SAP tables or defined from scratch (WWXXX). These can be a max of 60 characteristics over and above the fixed chars
- WWXXX characteristics can be created with own value maintenance, without own value maintenance or with reference to existing data element
- For chars created with own value maintenance, char values need to be maintained in KES1
- Operating concern attributes like fiscal year variant need to be defined before generating the operating concern
- Derivation rules are used to derive the characteristic values for characteristics



- How to add a new Characteristic and Value field in a live environment?
 - ❖ If a new characteristic or value field is to be added or a description of an existing one needs to be changed, it requires regenerating the data structure/operating concern
 - ❖ The changes need to be transported via work bench request to Production and preferably when all the users are logged off to avoid any inconsistencies
 - ❖ The new char would remain blank for the transactions already posted. Though in some cases, you can use realignment (KEND) to populate it
 - ❖ The existing BW info cubes should also be written afresh to include the new chars/value fields
- While maintaining char values in KES1 – Error “Table T25xx not found” is thrown
 - ❖ Refer notes 64490, 942785, 872175 (depending on your release)
 - ❖ Execute programs RKEAGENF & RKEAGENV as mentioned in the notes
- How to delete a characteristic/value field when data exists
 - ❖ Refer note 21207
- How to derive Valuation type / Batch No in COPA
 - ❖ Maintain the entries in Table TKEZU as mentioned in note 111232
 - ❖ If Profitability segment needs to be re-determined at billing, follow note 70231



It's quiz time!!



Beware of multiple answers!!





- Q1. Which of the following are examples of fixed characteristics provided by SAP
(a) Customer (b) Product (c) Company code (d) Material group
- Q2. Which of the following statements is true about characteristics
(a) You can have 60 user defined characteristics
(b) Custom chars must have name starting from WW
(c) You need not maintain characteristic values for chars "with own value maintenance"
- Q3. To derive customer group from customer master, which derivation method you use
(a) Move (b) Table Lookup (c) Enhancement
- Q4. You can specify an execution condition to trigger the derivation rules
(a) True (b) False
- Q5. You can derive part of the characteristic value during characteristic derivation
(a) True (b) False
- Q6. Which of the following best describes a profitability segment (PSG)?
(a) PSG is a cost object which records both costs and revenues for Individual market segments
(b) It is a part of the SAP enterprise structure
- Q7. Using CBCOPA you get all the COPA characteristics as part of Table ACDOCA
(a) True (b) False



Q8. By default, every characteristic in S/4 HANA is a Segment level characteristic

(a) True (b) False

Q9. It is possible to use both forms of COPA side-by-side

(a) True (b) False



Thank you Thank you Grazie Tack Merci
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