



Achieving Customer Material Level Profitability With S/4HANA Finance - Account-Based COPA

Session ID # 83037

About the Speakers

Kris Griswold

- Controller, Dole Packaged Foods
- Several decades of experience as public accountant and controller for large enterprises
- Western Classical Singer

Raju Chintalapudi

- Senior Manager – SAP, Dole Packaged Foods
- Extensive experience in business transformation and implementation of enterprise applications
- Eastern Classical Musician

Key Outcomes/Objectives

1. Design Philosophy to Customer Profitability
2. How to realize Customer Profitability using S/4
3. Benefits and challenges in ABCOPA with S/4
HANA

AGENDA

- INTRODUCTION
- OUR LANDSCAPE
- CUSTOMER/MATERIAL PROFITABILITY
 - CONCEPTUALIZATION
 - REALIZATION
- S/4 HANA - ACCOUNT BASED COPA
 - ACTIVATION
 - MIGRATION
- FUTURE VISION

Dole Packaged Foods



Dole International Holdings

- 165 year History
- Fresh (Asia) and Packaged
- 300+ Products
- 90+ Countries
- 25,000+ Employees
- \$2.5 Billion Revenue

Dole Packaged Foods, LLC

- > \$1B Rev., Packaged Only
- Direct/Broker Sales
- 75% Asia Sourced
- USA Frozen Mfg.
- US Headquarters in LA
- 3PL Based NA Supply Chain



Product Categories

FROZEN FOODS



CANS, JARS, DRIED FRUIT



FRUIT SNACKS



JUICE

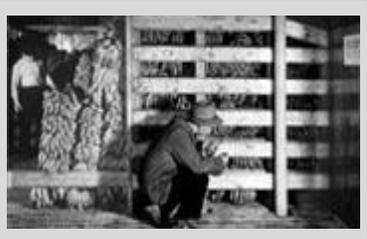


SNACK BITES



DOLE FOODS – MAKING HISTORY

1851



Samuel Castle & Amos Cooke, originally from Boston, set up their trading company in Hawaii

1863



Philipp Astheimer & Sohn is established in Hamburg, Germany. This company is now the basis for Dole's European business

1899-1901



James Drummond Dole, of Harvard School of Horticulture and Agriculture, comes to Hawaii and established Hawaiian Pineapple Company

“We have built this company on quality, and quality, and quality”.

1911



First machine for peeling, coring, and cutting pineapples

1964-1982



Diversification into bananas and other fruits and vegetables, and expansion into Latin America and Europe

1990s



Dole introduces Fruit Bowls®, the first all-natural fruit snack in a plastic cup.

2013

- Dole Packaged Foods becomes part of Itochu Corporation
- \$59bn trading business

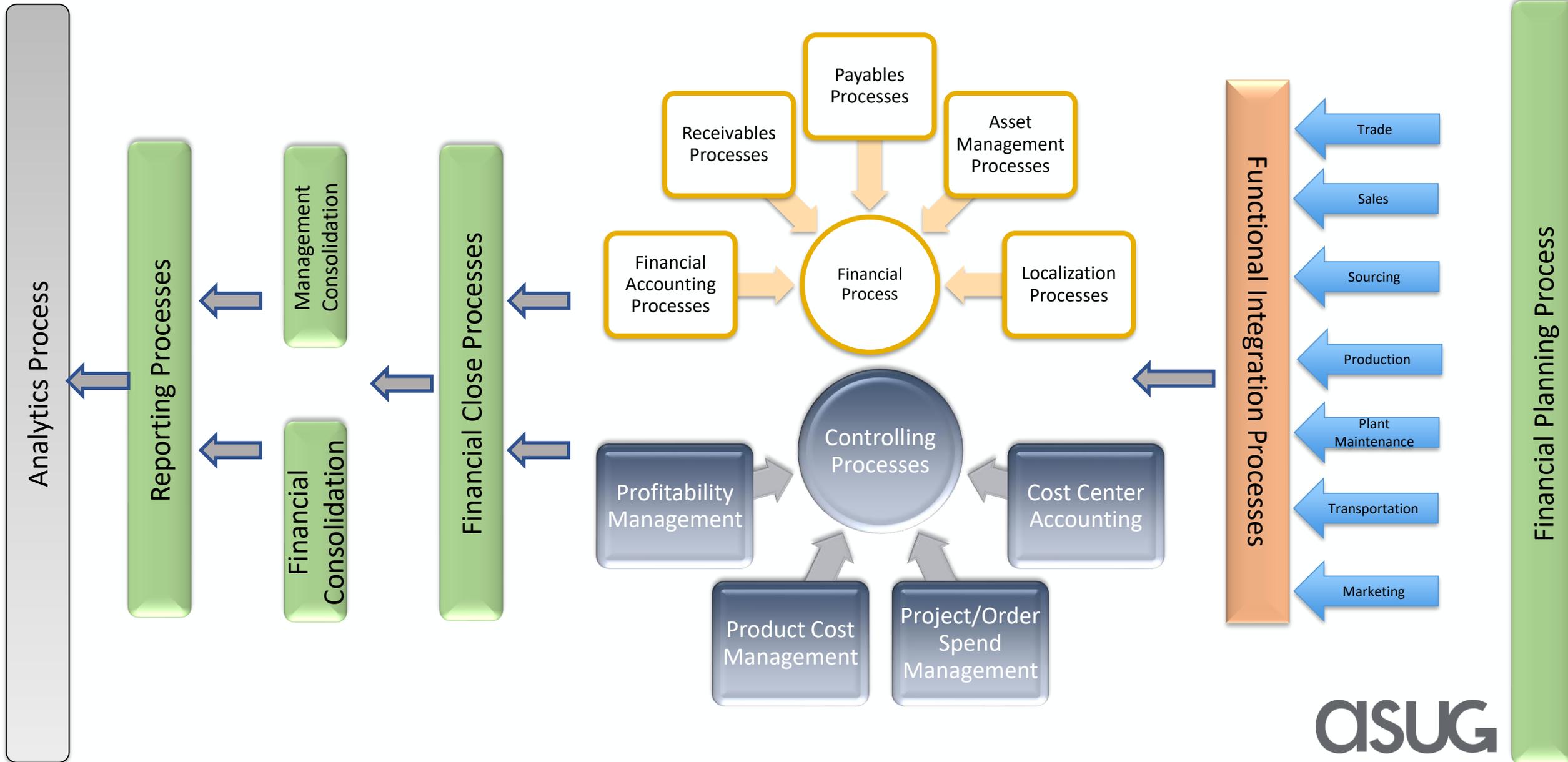


2017

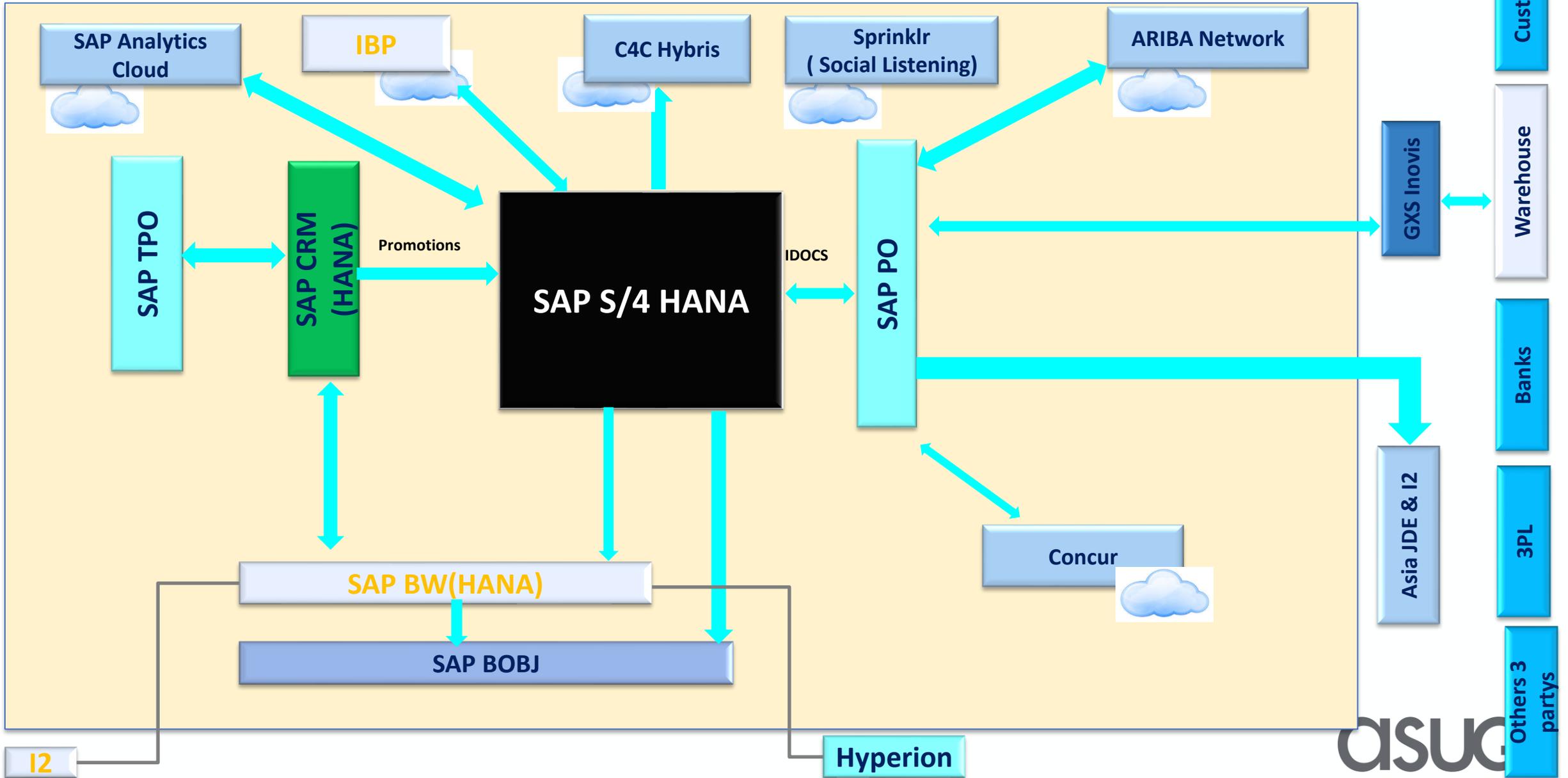


- Implementation of multiple SAP solutions, including S/4HANA
- Jan 2017 Go Live

KEY BUSINESS PROCESSES



CURRENT LANDSCAPE



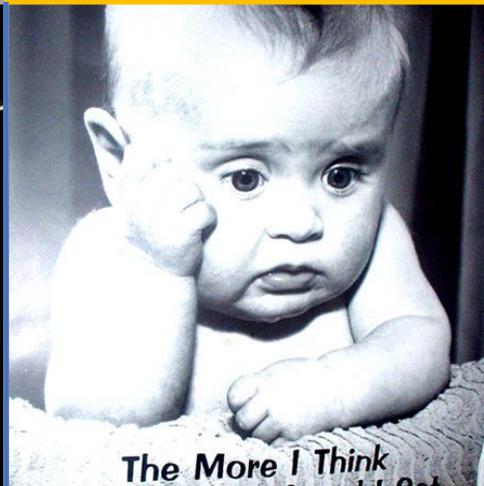
CUSTOMER PROFITABILITY – CONCEPTUALIZATION



Is your organization understanding profitability by products and customers



Do you have strong business process and system design to achieve this ?



What is your philosophy ? Do you want to be precisely wrong or approximately right ?

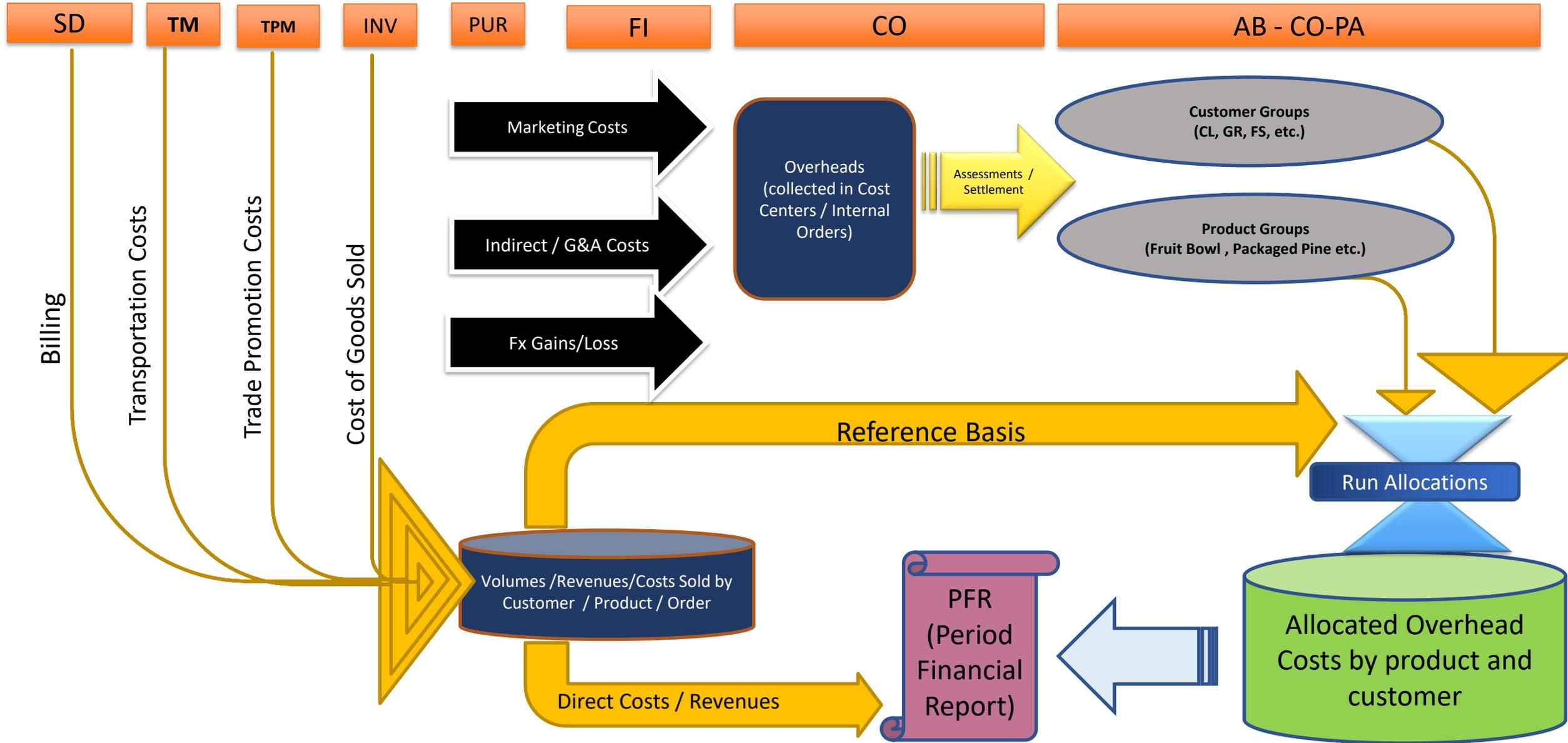


How to get there ?

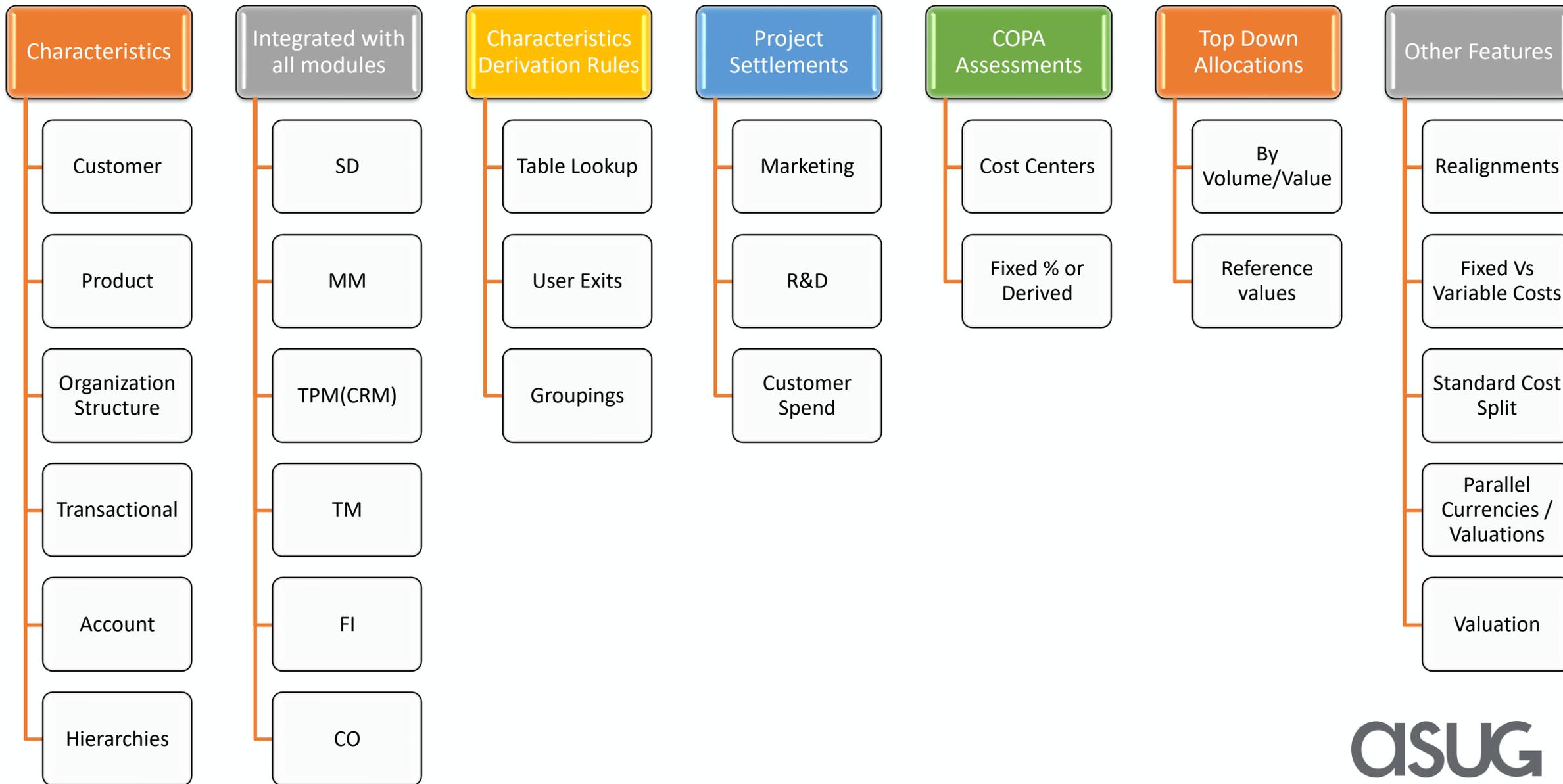


Just the end of beginning.....long way to go

CUSTOMER PROFITABILITY – REALIZATION



Key Functionalities



CBCOPA -CHALLENGES

- FI & COPA – Expertise GAP
- Different language between GL and COPA. (Accounts Vs FPA lived in different worlds)
- Reconciliation Issues
 - Ship Not billed
 - Missing Entries
 - Functional Area Reconciliation
 - COGS Reconciliation (KEAT)
- Value Field Restricted/impact on adding new ones
- Sign Handling Complexity
- Reliance on CBCOPA for Critical Decision Making - Statistical Vs Real Postings in COPA.
- Single Entry postings in COPA ☹️
- Reporting in BW/BI. Standard ECC reporting Clunky.

THANKS TO S/4
HANA - ABCOPA

Universal Journal Entry (ACDOCA)

Merger of GL Account, Cost Elements & Value Fields

All COPA Characteristics in GL

All postings in GL

Gap between CBCOPA & ABCOPA functionality minimal



MIGRATING & ACTIVATION OF ABCOPA - GAPS

ABCOPA activation in S/4 HANA is Optional .

No Migration path from CBCOPA to ABCOPA

No complete Parity of Functionality (though getting close – Refer 2349278 - S4TWL - Profitability Analysis)

No Enhancement Framework for Valuation - COPA0005 Enhancement for actual data update (CO-PA)

Though parallel activation possible – this would create double work for at least an year to keep both ABCOPA & CBCOPA in sync.
(Accounting will hate it 😞)

No Ability to repost to COPA Independently (KE4S) or No Fixes using KE21N

No Functionality to reset quantities (for non inventory movement)

WHAT WE DID ?



Activated ABCOPA & CBCOPA in parallel upon S/4 Migration



Converted CBCOPA into ABCOPA using HANA Model but stored in ZACDOCA (Shadow table)



Implemented Enhancements / automation for Ship not billed , COGS differences



New Characteristic for Inventory with true goods movement



Hard Cut off to transition to ABCOPA once stable



Business Process Design Integrity



HOW DID WE BENEFIT ?



Start Collecting data to ensure how data is posting using COPA over few periods . De-risk initial Go live



Ability to Combine ABCOPA and CBCOPA data for reporting



Reduced/ close gaps compared to CBOPA



Report True volume Sold & use for allocations



Reduce duplication of work in parallel running and reconciling of ABCOPA & CBCOPA

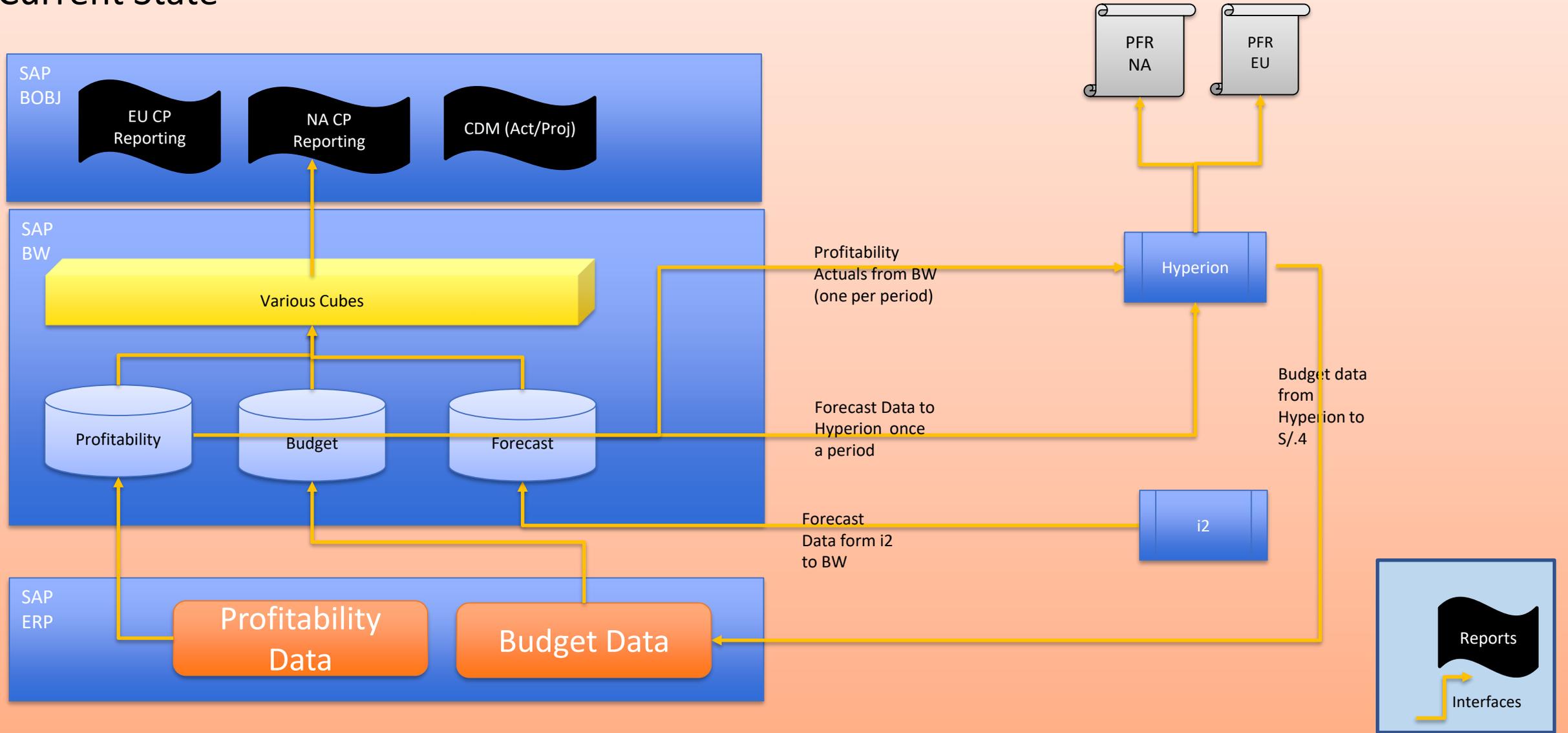


No reconciliation and reduction of time to close

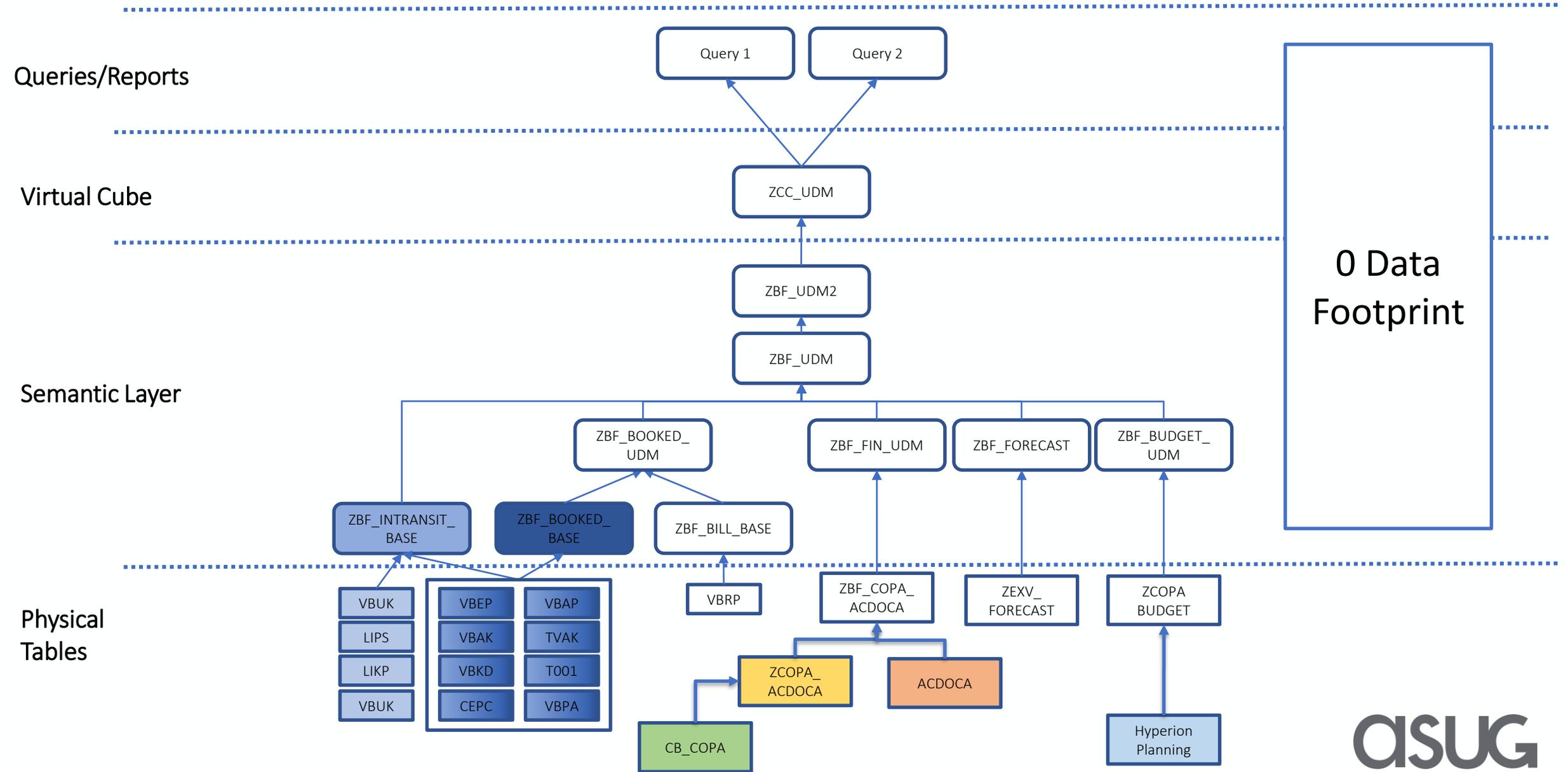


PAST REPORTING ARCHITECTURE WITH BW

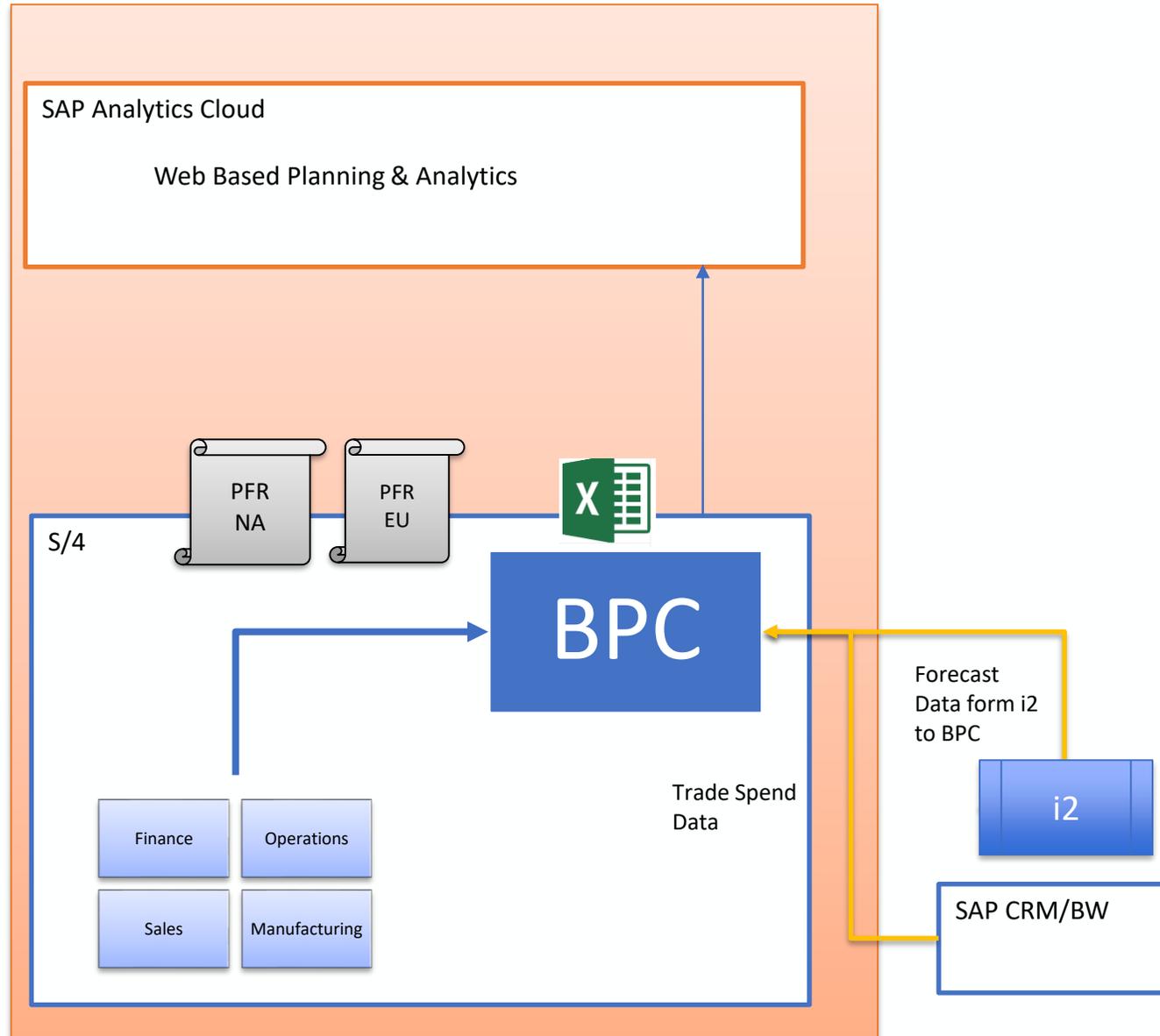
Current State



S/4 HANA LIVE EMBEDDED ANALYTICS – COMBINE SALES AND PROFITABILITY WITHIN S/4



FUTURE VISION



- Single Planning Platform (BPC)
- Collaborative Planning Experience
- Supports top down or bottom up budgeting / forecasting process
- Resides within the transactional system
- Uses scalable and stable HANA architecture
- User experience using both Excel and Web based analytics and planning (Unified user experience)
- No interfaces (minimal integration)
- Budgeting / Forecast by material & customer / sales office

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Presentation Materials

Access the slides from 2019 ASUG Annual Conference here:

<http://info.asug.com/2019-ac-slides>

Q&A

For questions after this session, contact us at

Kris.Griswold@doleintl.com

or

raju.chintalapudi@doleintl.com

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