

Keeping the Budget Holder Informed via the eBusiness Suite



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Keeping the Budget Holder Informed via the eBusiness Suite – Road Map for Today



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- Case Study for today:
 - **a GL Horror Story!!!**
- Keeping the Budget Holder Informed via the eBusiness Suite:
 - **the importance of the design**
 - **the importance of change**
 - **the importance of information**
- Reporting Controls:
 - STD, FSG, ADI?
 - Discoverer/11i Intelligence?



ORACLE Applications

Rolling Income Statement

Timeframe: Mar-97 Expanded Value: 402 View

[Retrieve Spreadsheet](#)

Vision Operations (USA)
For the Month Ending: Mar-97

	Jan-97	Feb-97	Mar-97	YTD-1997
Revenue				
4110 Hardware				\$ 47,322,566
Total Revenue				47,322,566
Cost of Sales				25,115,000
Gross Profit				22,207,566
Expenses				
Employee Expenses				570,000
Operating Expenses				281,156
Depreciation Expense				6,000
Total Expenses				857,156
Earnings				21,350,409
Other Income (Expense)				0
Earnings before Taxes				21,350,409
Provision for Taxes				0

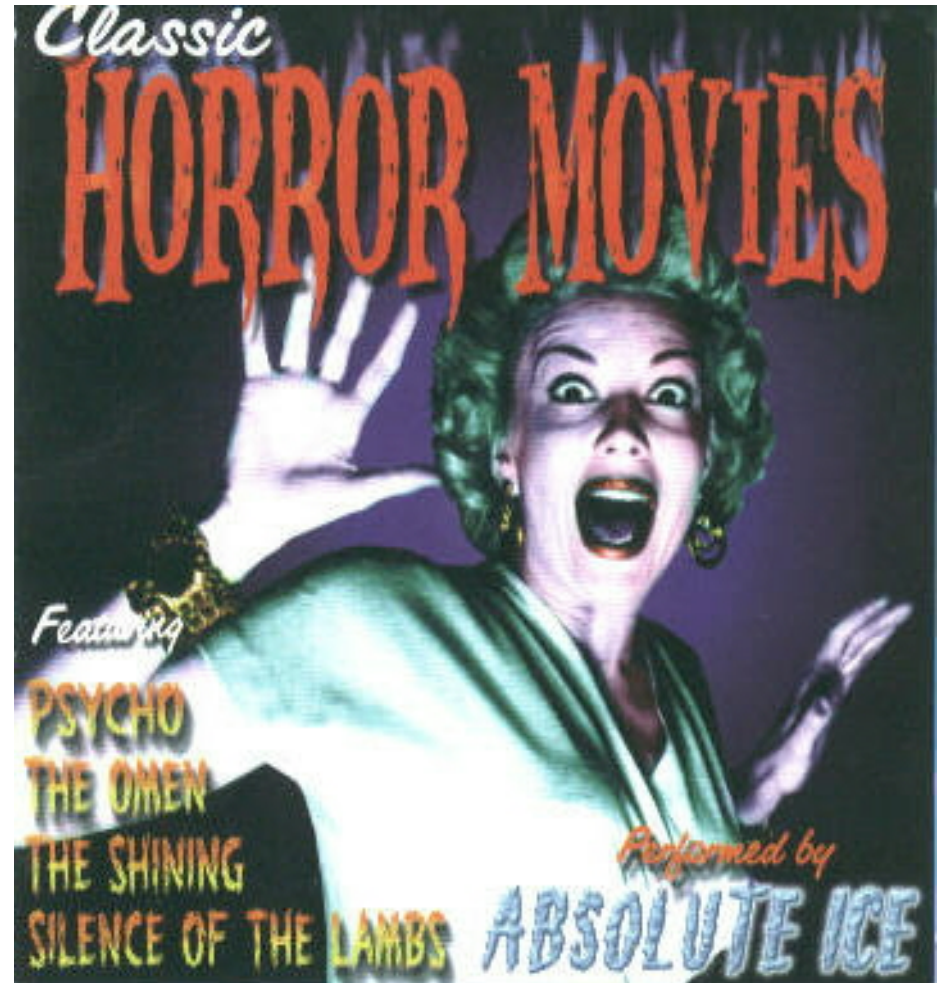


Keeping the Budget Holder Informed via the eBusiness Suite – GL Horror Story



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- Chart of Accounts was fairly standard **BUT**
- **32,000 Cost Centres?**
- Company = Fund
- Department = 5 years old
- Subjective = ???
 - Control Accounts?
 - Debtors, Creditors, VAT
- Cost Centre = Flat
- Reports – 1500 FSG
- **BUT** all reports produced using Discoverer – NO AUDIT INTEGRITY
- Journals? (don't ask...)



Keeping the Budget Holder Informed via the eBusiness Suite – Design Approach



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- Design is important – HOW?
 - Understand the business
 - Understand the statutory needs
 - Separate Oracle from Function
 - Separate Function from Role
 - Develop Business Analysis
 - Develop Accounting Analysis
 - **then** deliver technical solution
- Design is a business imperative – WHY?
 - Because the problem was a business problem and so the solution was designed to solve the problem – as identified by the Budget Holders!



Keeping the Budget Holder Informed via the eBusiness Suite – Transition and Change



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- Transition is vital – WHY?
 - The failure was a business failure
 - Chief Executive
 - Board Accountability
 - The failure was a legal failure
 - Audit Disqualification
 - The failure was a people issue
- Transition effected necessary change – HOW?
 - People Development
 - Confidence Development
 - Skills Development
 - Communication Development
 - Basically we had to start from the ground and work up



Keeping the Budget Holder Informed via the eBusiness Suite – Information and Reporting



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- Information Framework:
 - Standard Reports
 - FSG
 - ADI
 - Discoverer
 - Interfaces
 - Bespoke Intranet

The screenshot shows the Oracle Applications interface for a Rolling Income Statement. The left pane displays a navigation tree with categories like Public Reports, Cash Management Reports, Chief Operating Officer, Comparative Financials, Engineering Reports, Expense Reports, Financial Reports, and Human Resources Reports. The main window displays the 'Rolling Income Statement' for 'Vision Operations (USA)' for the month ending March 1997. The data is presented in a table with columns for Jan-97, Feb-97, Mar-97, and YTD-1997. The table includes Revenue, Total Revenue, Cost of Sales, Gross Profit, Expenses (Employee, Operating, Depreciation), Total Expenses, Earnings, Other Income (Expense), Earnings before Taxes, and Provision for Taxes.

	Jan-97	Feb-97	Mar-97	YTD-1997
Revenue	\$ 10,708,333	\$ 16,269,569	\$ 20,354,674	\$ 47,322,566
4110 Hardware	10,708,333	16,269,569	20,354,674	47,322,566
Total Revenue	10,708,333	16,269,569	20,354,674	47,322,566
Cost of Sales	5,205,000	10,205,000	9,705,000	25,115,000
Cost of Sales	5,205,000	10,205,000	9,705,000	25,115,000
Gross Profit	5,503,333	6,064,569	10,649,674	22,207,566
Expenses	170,000	190,000	210,000	570,000
Employee Expenses	95,706	98,640	86,811	281,156
Operating Expenses	2,000	2,000	2,000	6,000
Depreciation Expense	267,706	290,640	298,811	857,156
Total Expenses	5,235,628	5,763,919	10,350,863	21,350,409
Earnings	0	0	0	0
Other Income (Expense)	5,235,628	5,763,919	10,350,863	21,350,409
Earnings before Taxes	0	0	0	0
Provision for Taxes	0	0	0	0



Keeping the Budget Holder Informed via the eBusiness Suite – Reporting: Standard



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- Standard Reports are a ***design objective***
 - They have audit integrity
 - They have GL integrity
 - They have ***Accounts*** integrity
 - e.g. Trial Balance, Account Enquiry, Journal Enquiry

Keeping the Budget Holder Informed via the eBusiness Suite – Reporting: FSG



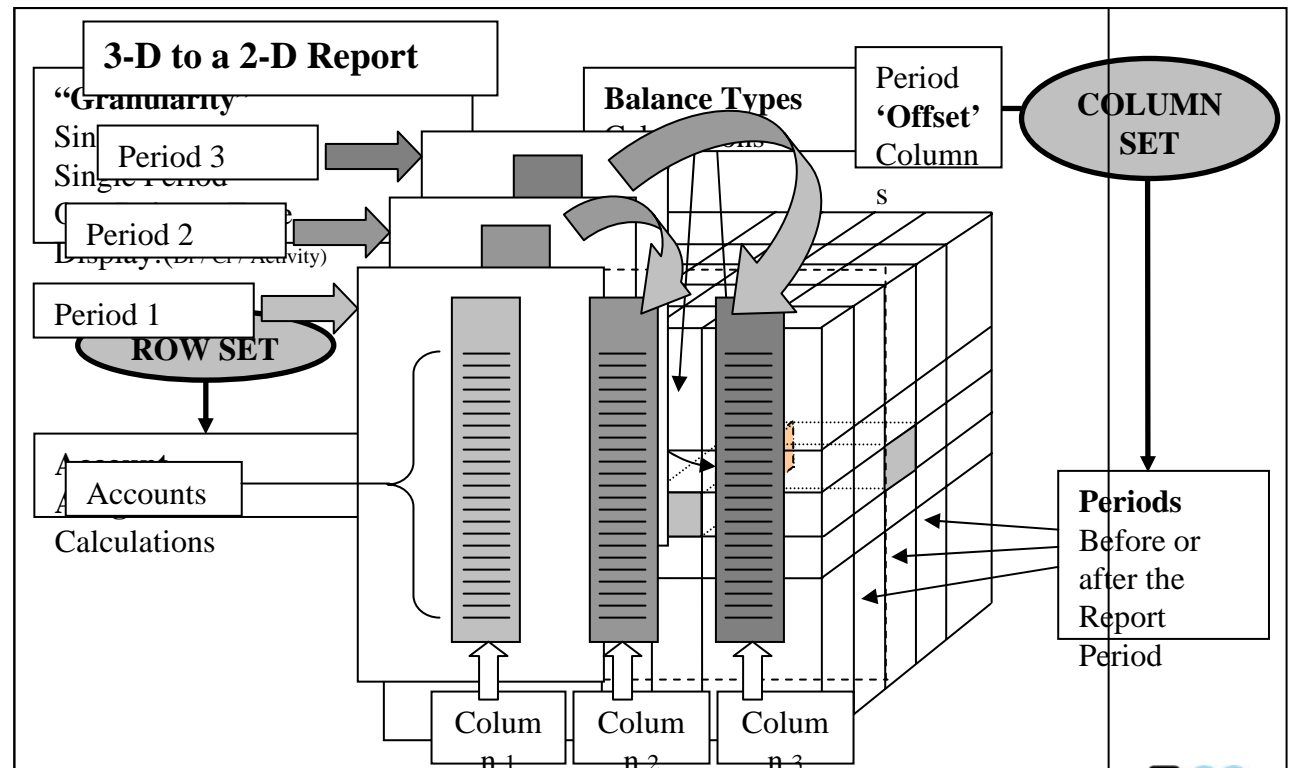
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- FSG Reports are a ***design imperative***
 - They have audit integrity
 - They have GL integrity
 - They have ***Business*** integrity

Keeping the Budget Holder Informed via the eBusiness Suite – Reporting: FSG



- FSG Reports are:
 - GL Only
 - Based upon Data Cube Concept



Keeping the Budget Holder Informed via the eBusiness Suite – Reporting: ADI



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- ADI is a **design consideration**
 - It has functional integrity
 - **BUT** it is only a tool
 - **AND** it is not excel!

A screenshot of a Microsoft Excel spreadsheet displaying an ADI (Actuals and Budgets) report. The report is titled "Budget: MENTOR GL TRG" and includes a yellow header section with the following information: "Organization: ALL", "Currency: GBP", "Period Range: AP03-04 to AD03-04", "Set of Books: D11 Main", and "Database: D11T512". A message below the header states "Message: Budget is frozen". The main data table has columns for "Entity", "Cost Centre", "Natural Account", "Programme", "Analysis", "Spare1", "Spare2", and monthly columns for "AP03-04", "MAY03-04", "JUN03-04", "JUL03-04", and "AUG03-04". The data rows show values for various entities and cost centers, with most values being zero.

Entity	Cost Centre	Natural Account	Programme	Analysis	Spare1	Spare2	AP03-04	MAY03-04	JUN03-04	JUL03-04	AUG03-04
01	0051	370130	INC0000	000000	000000	000000	0	0	0	0	0
01	0080	313610	COE0040	000000	000000	000000	0	0	0	0	0
01	0913	370120	HTV0000	000000	000000	000000	0	0	0	0	0
01	1007	214330	RCDEV	000000	000000	000000	0	0	0	0	0
01	1021	212210	RCDEV	000000	000000	000000	0	0	0	0	0

Keeping the Budget Holder Informed via the eBusiness Suite – Reporting: Discoverer



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- Discoverer Reports are not by **design** but by **Intelligence**
 - They do not have audit integrity
 - They do not have GL integrity
 - They do not have journal integrity
 - **BUT** they can be an important support intelligence tool if the EUL is fully understood and given business integrity.
 - e.g. Oracle 11i Financial Intelligence

	Actual Expense	Planned Expense	Variance	% Variance
> 1999	362,688	312,902,064	<312,539,376>	<100>%
> Ken's Company	0	0	0	0 %
> Operations (Vision USA)	362,688	312,902,064	<312,539,376>	<100>%
> Project Mfg (Vision MRC)	0	0	0	0 %
> 2000	0	0	0	0 %
> 2001	0	0	0	0 %

Keeping the Budget Holder Informed via the eBusiness Suite – Summary



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- Case Study for today:
 - ***Becoming a GL Success Story!!!***
- Keeping the Budget Holder Informed via the eBusiness Suite:
 - ***Design is important***
 - ***Transition management is important***
 - ***Delivering appropriate information to the budget holder***
- Reporting Controls:
 - FSG, ADI, STD
 - Disco/11i Intelligence

