

# S/4 HANA Profitability Analysis Configuration



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## INTRODUCTION

Universal **group (a multinational company)** has companies based in various countries. A single controlling area 6600 and single operating concern 6600 will be used for all the companies for simplicity and to avoid duplication.

Universal Group is interested in getting product wise contribution margins and the profit up to EBIT (Earnings before interest and tax) level based on profit center/segment.

In case business decides to work with Profitability Analysis in S/4 HANA then it is now mandatory to activate Margin Analysis (Account based PA).

For doing the configuration we use the following path on the SAP application screen:-

SAP Menu → Tools → Customizing → IMG → SPRO - Execute Project →

 SAP Reference IMG

**Configuration for all the modules will be done here. The above path will not be referred henceforth; we will directly refer to the IMG node.**

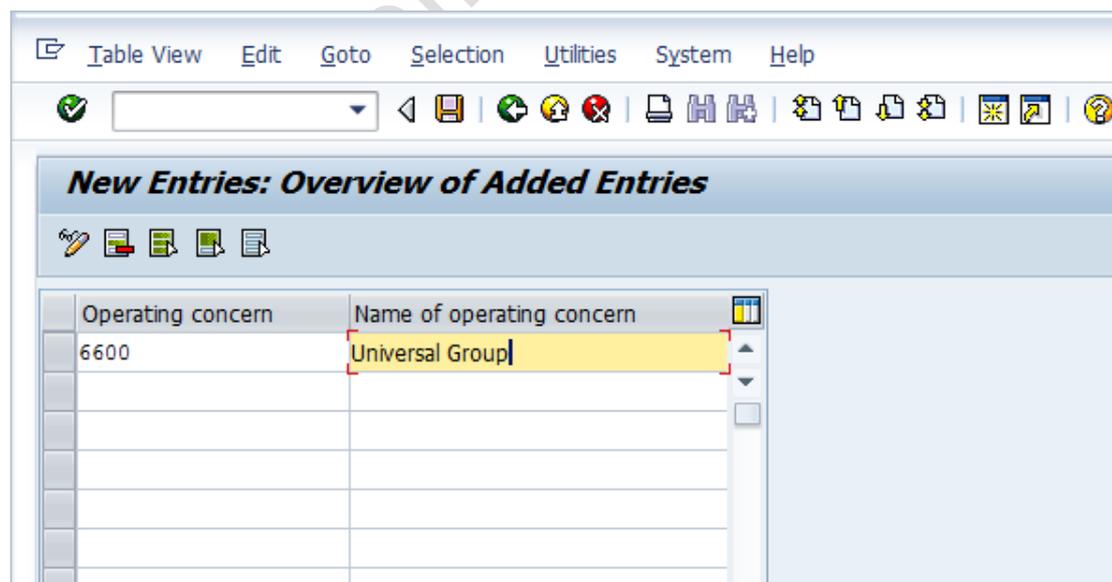
## 1.1 Structures

### 1.1.1 Create Operating Concern

SAP Customizing Implementation Guide → Enterprise Structure → Definition → Controlling → Create Operating Concern

Click on 

Update the operating concern code and description as shown below:-



Click on 

## 1.1.2 Maintain Characteristics

SAP Customizing Implementation Guide → Controlling → Profitability Analysis → Structures → Define operating concern → Maintain Characteristics

Characteristics are the analysis dimensions for PA. They define what items or objects the user will be able to analyze. Several essential and obvious characteristics (like "sales organization", "customer", "product", etc.) are pre-defined automatically for every operating concern; these are known as fixed characteristics.

In addition to the fixed characteristics, up to 50 non-fixed characteristics can be added to an operating concern.

**These non-fixed characteristics must be added to the field catalog before they can be used to define a new operating concern.**

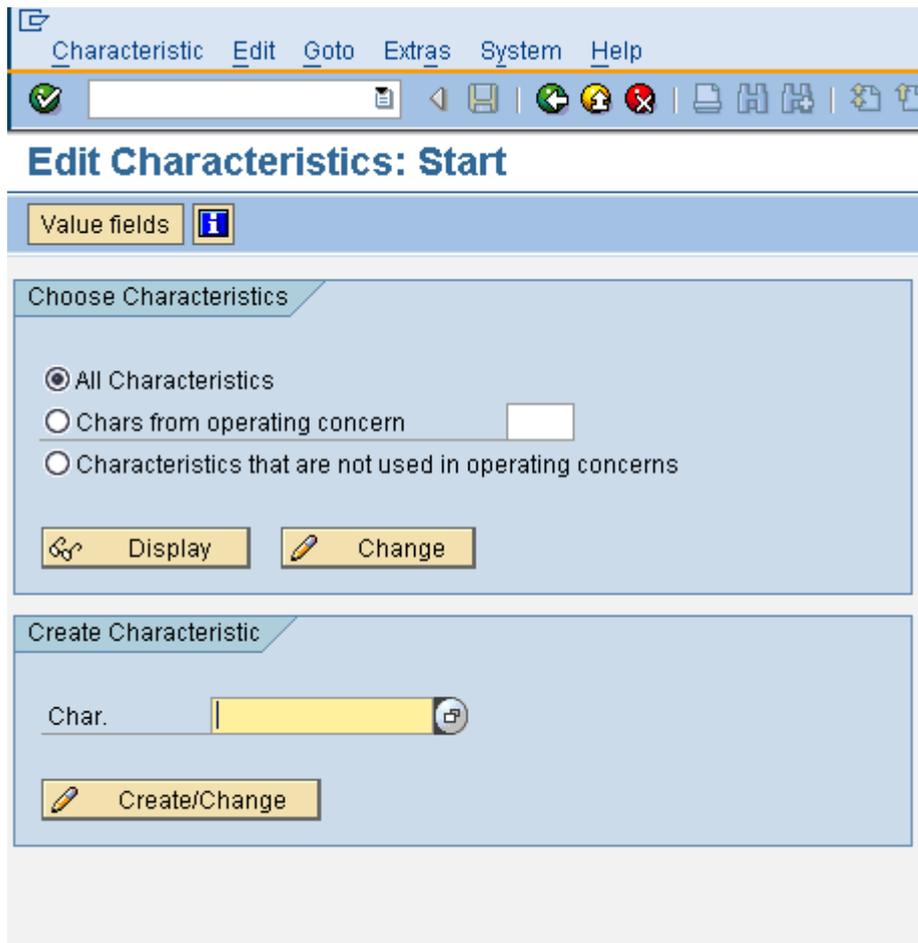
Characteristics in the field catalog can be accessed in any client.

Characteristics can be categorized according to how and when they are defined:

- **Copying characteristics from reference tables:** You can use characteristics that already exist in other applications when you define your operating concerns.
- **Characteristics created from scratch:** You can create ones which are only required in Profitability Analysis. To derive values for these characteristics, you need to define your own derivation strategy.
- **Predefined characteristics:** In addition to the fixed characteristics, a number of other predefined characteristics are available in the field catalog and can be added to your operating concern if desired. These include the customer group, customer district, country, and others.
- **Fixed characteristics:** A number of fundamental characteristics are automatically predefined in every operating concern. These include the product number, company code, billing type, business area, sales order, and so on.

Let us first view the Characteristics delivered by SAP.

Update the following:-



The screenshot shows the SAP 'Edit Characteristics: Start' dialog box. At the top, there is a menu bar with 'Characteristic', 'Edit', 'Goto', 'Extras', 'System', and 'Help'. Below the menu bar is a toolbar with various icons. The main area is divided into two sections: 'Choose Characteristics' and 'Create Characteristic'. In the 'Choose Characteristics' section, there are three radio buttons: 'All Characteristics' (selected), 'Chars from operating concern' (with an empty text box), and 'Characteristics that are not used in operating concerns'. Below these are 'Display' and 'Change' buttons. In the 'Create Characteristic' section, there is a 'Char.' label followed by a yellow text input field and a lock icon. Below this is a 'Create/Change' button.

Click on 

Characteristics Edit Goto Extras System Help

Display Characteristics: Overview

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
ARTNRG	Generic Article	GenArticle	CHAR	40	MARA	SATNR
BONUS	Vol. Rebate Grp	Rebate Grp	CHAR	2	MVKE	BONUS
BRSCH	Industry	Industry	CHAR	4	KNA1	BRSCH
BZIRK	Sales District	District	CHAR	6	KVVV	BZIRK
COLLE	Collection	Collection	CHAR	10	VBAP	FSH_COLLECTION
COPA_PRZNR	Business Process	Bus. Proc.	CHAR	12		
CRMSTY	CRM Cost Elmnt	CRM CstElm	CHAR	10		
CRMELEM	Marketing Element	Mkt.Elem.	NUMC	8		
CRMFIGR	CRM Key Figure	CRM KF	CHAR	16		
EFORM	Form of manufacture	Manuf.form	CHAR	5		
GEBIE	Area	Area	CHAR	4		
KDGRP	Customer Group	Cust.Group	CHAR	2	KVVV	KDGRP
KMATYP	Aircraft Type	Plane type	NUMC	2		
KMBRND	Brand	Brand	NUMC	2		
KMCATG	Business field	Bus. field	NUMC	2		
KMDEST	Destination	Destin.	CHAR	5		
KMFLTn	Flight Number	Flight no.	CHAR	6		
KMFLTY	Flight Type	FlightType	CHAR	4		
KMHIO1	CustomerHier01	CustHier01	CHAR	10	PAPARTNER	HIE01
KMHIO2	CustomerHier02	CustHier02	CHAR	10	PAPARTNER	HIE02
KMHIO3	CustomerHier03	CustHier03	CHAR	10	PAPARTNER	HIE03
KMIA TA	IATA Season	IATA seas.	CHAR	5		
KMKDGR	Customer Group	Cust.Group	CHAR	2	KVVV	KDGRP
KMLAND	Country	Country	CHAR	3	KNA1	LAND1
KMLEGS	Route Segment	RouteSegmt	CHAR	7		
KMMAKL	Material Group	Matl Group	CHAR	9	MARA	MATKL
KMNIEL	Nielsen ID	Nielsen ID	CHAR	2	KNA1	NIELS
KMOPDY	Day of Operation	OperatnDay	CHAR	2		

Enby 1 of 49

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
KMORIG	Departure Location	Depart.Loc	CHAR	5		
KMROUT	Rotation	Route	CHAR	5		
KMSTGE	Strat. Business Unit	SBU	NUMC	2		
KMVKBU	Sales office	Sales off.	CHAR	4	KQNVV	VKBUR
KMKVGR	Sales group	Sales Grp	CHAR	3	KQNVV	VKGRP
KMVTNR	Sales employee	Employee	NUMC	8	PAPARTNER	VRTNR
KMWNHG	Main material group	MainMatGrp	NUMC	2		
KMZONE	Zone	Zone	CHAR	5		
KUNRE	Bill-to party	Bill to	CHAR	10	PAPARTNER	KUNRE
KUNWE	Ship-to party	Ship-To	CHAR	10	PAPARTNER	KUNWE
LAND1	Country	Country	CHAR	3	KNA1	LAND1
MAABC	ABC Indicator	ABC	CHAR	1	MARC	MAABC
MATKL	Material Group	Matl Group	CHAR	9	MARA	MATKL
PARTNER	Partner	Partner	CHAR	10		
PRODH	Prod.hierarchy	Prod.hier.	CHAR	18	MVKE	PRODH
SAISJ	Season Year	SeasonYear	CHAR	4	VBAP	FSH_SEASON_YEAR
SAISO	Season	Season	CHAR	10	VBAP	FSH_SEASON
SORHIST	Sales ord.hist.	SO history	CHAR	1		
THEME	Theme	Theme	CHAR	10	VBAP	FSH_THEME
VKBUR	Sales office	Sales off.	CHAR	4	KQNVV	VKBUR
VKGRP	Sales group	Sales Grp	CHAR	3	KQNVV	VKGRP

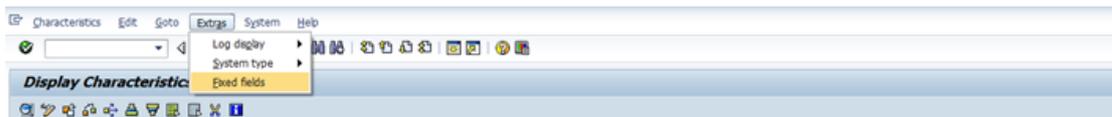
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We find that characteristics such as Material Group, Sales Group are already available.

Let us see the fixed characteristics.

Fixed characteristics can be seen as follows

Click on Extras → Fixed Fields



Characteristics Edit Goto Extras System Help

Display Characteristics: Overview

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
ARINR	Product		F CHAR	40	MARA	ARTNR
BUKRS	Company Code		F CHAR	4		BUKRS
COPA_KOSTL	Cost center		F CHAR	10		COPA_KOSTL
FKART	Billing Type		F CHAR	4		FKART
FKBER	Functional Area		F CHAR	16		FKBER
GSBER	Business Area		F CHAR	4		GSBER
KAUFN	Sales Order		F CHAR	10		KDAUF
KDPOS	Sales ord. item		F NUMC	6		KDPOS
KNDNR	Customer		F CHAR	10	KNA1	KUNDE_PA
KOKRS	CO Area		F CHAR	4		KOKRS
KSTRG	Cost Object		F CHAR	12		KSTRG
LIEFNR	Delivery		F CHAR	10		VBELN_VL
LIEFPOS	Item		F NUMC	6		POSNR_VL
PPRCTR	Partner PC		F CHAR	10		PPRCTR
PRCTR	Profit Center		F CHAR	10	MARC	PRCTR
PSPNR	WBS Element		F NUMC	8		PS_PSP_PNR
RKAUFNR	Order		F CHAR	12		AUFNR
SEGMENT	Segment		F CHAR	10		FB_SEGMENT

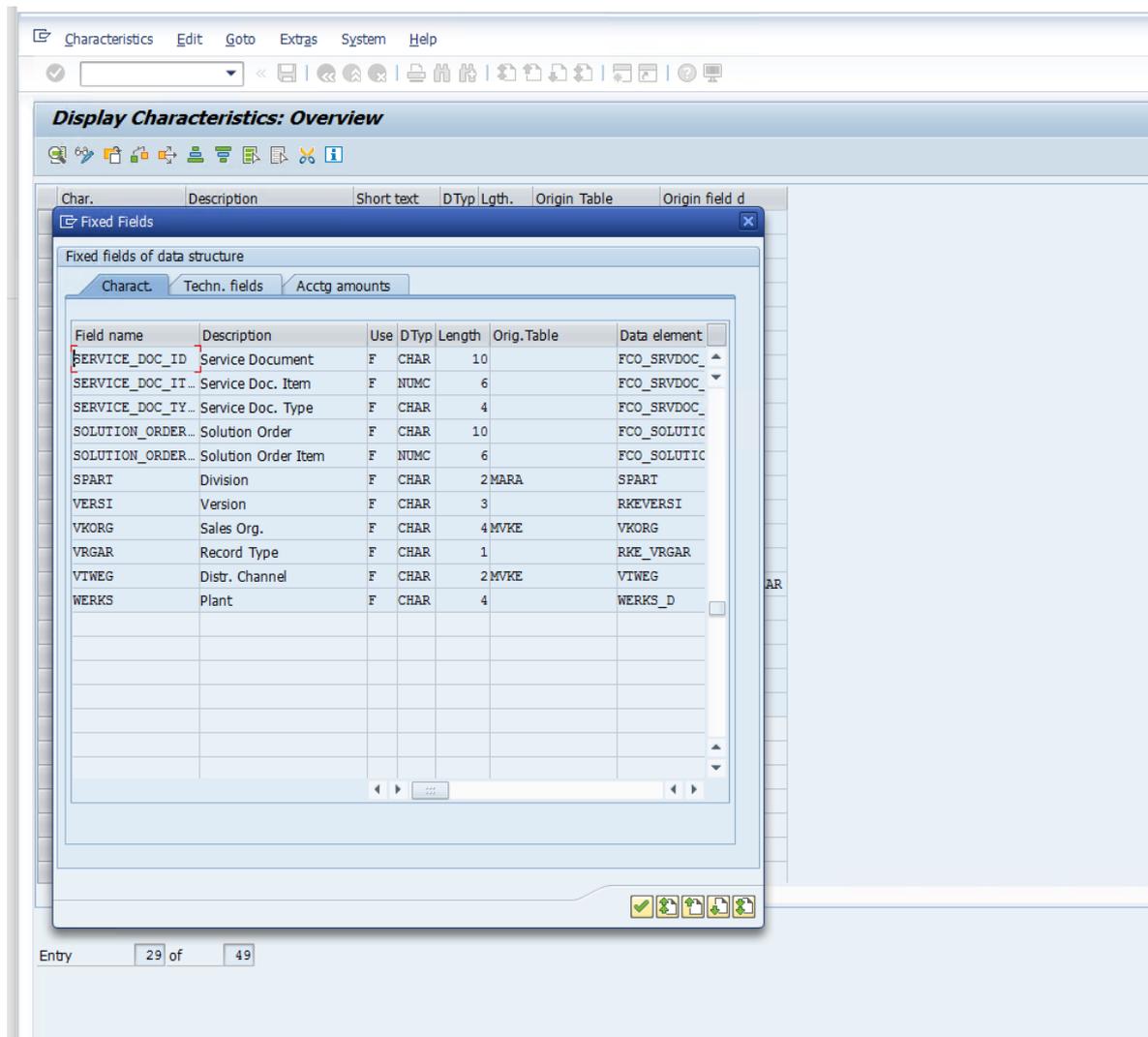
Fixed Fields of data structure

Charact. Techn. fields Acctg amounts

Field name Description Use DTyp Length Orig. Table Data element

Entry 29 of 49

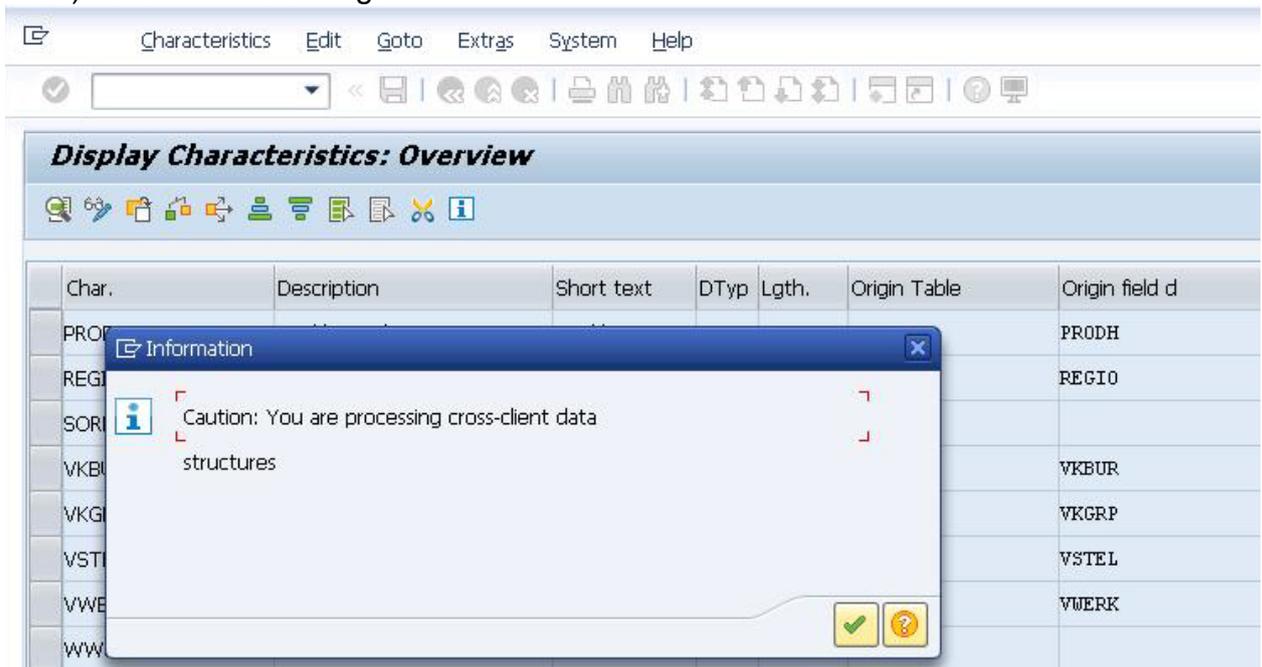
Click  to scroll down



Let us create the following characteristics since they are not available:-

- 1) Trading partner (VBUND) from the table KNA1 (Customer master)
- 2) Ship to party (KUNWE) from the table PAPARTNER
- 3) User defined characteristic WW012 – Country shipped to
- 4) Payer from the table PAPARTNER

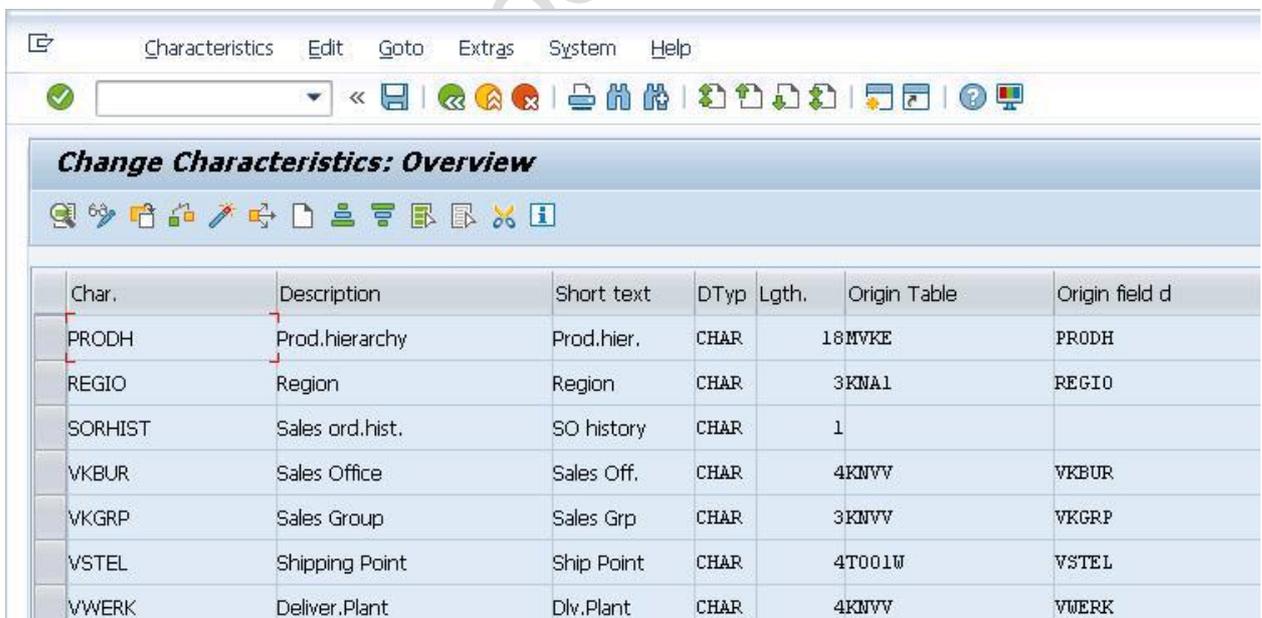
5) Click  to change



The screenshot shows the SAP 'Display Characteristics: Overview' screen. An information dialog box is open, displaying the message: 'Caution: You are processing cross-client data structures'. The dialog has a green checkmark button and a yellow question mark button.

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
PRODH						PRODH
REGIO						REGIO
SORHIST						
VKBUR						VKBUR
VKGRP						VKGRP
VSTEL						VSTEL
VWERK						VWERK

Click 



The screenshot shows the SAP 'Change Characteristics: Overview' screen. The table below lists the characteristics.

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
PRODH	Prod.hierarchy	Prod.hier.	CHAR	18	MVKE	PRODH
REGIO	Region	Region	CHAR	3	KNA1	REGIO
SORHIST	Sales ord.hist.	SO history	CHAR	1		
VKBUR	Sales Office	Sales Off.	CHAR	4	KNVV	VKBUR
VKGRP	Sales Group	Sales Grp	CHAR	3	KNVV	VKGRP
VSTEL	Shipping Point	Ship Point	CHAR	4	T001W	VSTEL
VWERK	Deliver.Plant	Dlv.Plant	CHAR	4	KNVV	VWERK

Click  to create new characteristics

Update the following Table for Customer Master general data (KNA1):-

**Change Characteristics: Overview**

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
KMHIO1	CustomerHier01	CustHier01	CHAR	10	PAPARTNER	HIE01
KMHIO2	CustomerHier02	CustHier02	CHAR	10	PAPARTNER	HIE02
KMHIO3						HIE03
KMIATA						
KMKDGR						KDGRP
KMLAND						LAND1
KMLEGS						
KMMAKL						MATKL
KMNIEL						NIELS
KMOPDY						
KMORIG						
KMROUT						
KMSTGE						
KMVKBU						VKBUR
KMVKGR						VKGRP
KMVTNR						VRTNR
KMWNH						
KMZONE						
KTOKD	Account group	Acct Group	CHAR	4	KNA1	KTOKD
KUNRE	Bill-to party	Bill to	CHAR	10	PAPARTNER	KUNRE
LAND1	Country	Country	CHAR	3	KNA1	LAND1

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## Select field VBUND – Trading Partner

Characteristics Edit Goto Extras System Help

Change Characteristics: Overview

Reference Table: KNA1 General Data in Cust

Field	Orig.name	Description	Data element	Cat.	Length
STKZU	STKZU	Liabe for VAT	STKZU	CHAR	1
TELBX	TELBX	Telebox	TELBX	CHAR	15
TELF2	TELF2	Telephone 2	TELF2	CHAR	16
TELTX	TELTX	Teletex	TELTX	CHAR	30
TELX1	TELX1	Telex	TELX1	CHAR	30
LZONE	LZONE	Transport.zone	LZONE	CHAR	10
XZEMP	XZEMP	Al.payer in doc	XREGU	CHAR	1
<b>VBUND</b>	<b>VBUND</b>	<b>Trading Partner</b>	<b>RASSC</b>	<b>CHAR</b>	<b>6</b>
STCEG	STCEG	VAT Reg. No.	STCEG	CHAR	20
DEAR1	DEAR1	Competitors	DEAR1	CHAR	1
DEAR2	DEAR2	Sales partner	DEAR2	CHAR	1

KMZONE	Zone	Zone	CHAR	5	
KTOKD	Account group	Acct Group	CHAR	4KMA1	KTOKD
KUNRE	Bill-to party	Bill to	CHAR	10PAPARTNER	KUNRE
LAND1	Country	Country	CHAR	3KMA1	LAND1

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Click 

Trading partner is now populated in the list of characteristics as seen below:-

The screenshot shows the SAP 'Change Characteristics: Overview' interface. The table lists various characteristics with columns for Char., Description, Short text, DTyp, Lgth., Origin Table, and Origin field d. The 'VBUND' row is selected, and an arrow points to the 'Description' field 'Trading Partner'.

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
VBUND	Trading Partner	Tradg Part	CHAR	6	KNA1	VBUND
KMMAKL	Material Group	Matl Group	CHAR	9	MARA	MATKL
KMNIEL	Nielsen ID	Nielsen ID	CHAR	2	KNA1	NIELS
KMOPDY	Day of Operation	OperatnDay	CHAR	2		
KMORIG	Departure Location	Depart.Loc	CHAR	5		
KMROUT	Rotation	Route	CHAR	5		
KMSTGE	Strat. Business Unit	SBU	NUMC	2		
KMVKBU	Sales office	Sales off.	CHAR	4	KNVV	VKBUR
KMVKGR	Sales group	Sales Grp	CHAR	3	KNVV	VKGRP
KMVTNR	Sales employee	Employee	NUMC	8	PAPARTNER	VRTNR
KMWNHG	Main material group	MainMatGrp	NUMC	2		
KMZONE	Zone	Zone	CHAR	5		
KUNRE	Bill-to party	Bill to	CHAR	10	PAPARTNER	KUNRE
KUNWE	Ship-to party	Ship-To	CHAR	10	PAPARTNER	KUNWE
LAND1	Country	Country	CHAR	3	KNA1	LAND1
MAABC	ABC Indicator	ABC	CHAR	1	MARC	MAABC
MATKL	Material Group	Matl Group	CHAR	9	MARA	MATKL
PARTNER	Partner	Partner	CHAR	10		
PRODH	Prod.hierarchy	Prod.hier.	CHAR	18	MVKE	PRODH
SAISJ	Season Year	Season Year	CHAR	4	VBAP	FSH_SEASON_YEAR
SAISO	Season	Season	CHAR	10	VBAP	FSH_SEASON
SORHIST	Sales ord.hist.	SO history	CHAR	1		
THEME	Theme	Theme	CHAR	10	VBAP	FSH_THEME
VKBUR	Sales office	Sales off.	CHAR	4	KNVV	VKBUR
VKGRP	Sales group	Sales Grp	CHAR	3	KNVV	VKGRP

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We will now create a user defined characteristic as follows. Select without value maintenance as we will populate data from sap country field.

The screenshot shows the SAP 'Change Characteristics: Overview' interface. A table lists various characteristics with columns for Char., Description, Short text, DTyp, Lgth., Origin Table, and Origin field d. A 'Create Char.: Assignment' dialog box is overlaid on the table. In this dialog, the 'Transfer from SAP table' option is unselected, and the 'User defined' option is selected. Under 'User defined', the 'New Characteristic' section has 'Char.' set to 'WW012' and 'Country shipped to'. The 'Without value maint.' radio button is selected, and the 'With reference to existing values' option is unselected. The 'Data element' field is empty. The background table shows characteristics like VBUND (Trading Partner), KMAKL (Material Group), and others.

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
VBUND	Trading Partner	Tradg Part	CHAR	6	KNA1	VBUND
KMAKL	Material Group	Matl Group	CHAR	9	MARA	MATKL
KMNIE						NIELS
KMOPF						VKBUR
KMORI						VKGRP
KMROU						VRINR
KMSTG						
KMVKE						
KMVKE						
KMVTN						
KMWWN						
KMZON						
KUNRE						KUNRE
KUNWE						KUNWE
LAND1						LAND1
MAABC						MAABC
MATKL						MATKL
PARTN						
PRODH						PRODH
SAISJ	Season Year	SeasonYear	CHAR	4	VBAP	FSH_SEASON_YEAR
SAISO	Season	Season	CHAR	10	VBAP	FSH_SEASON
SORHIST	Sales ord.hist.	SO history	CHAR	1		
THEME	Theme	Theme	CHAR	10	VBAP	FSH_THEME
VKBUR	Sales office	Sales off.	CHAR	4	KNVV	VKBUR
VKGRP	Sales group	Sales Grp	CHAR	3	KNVV	VKGRP

Update the following;-

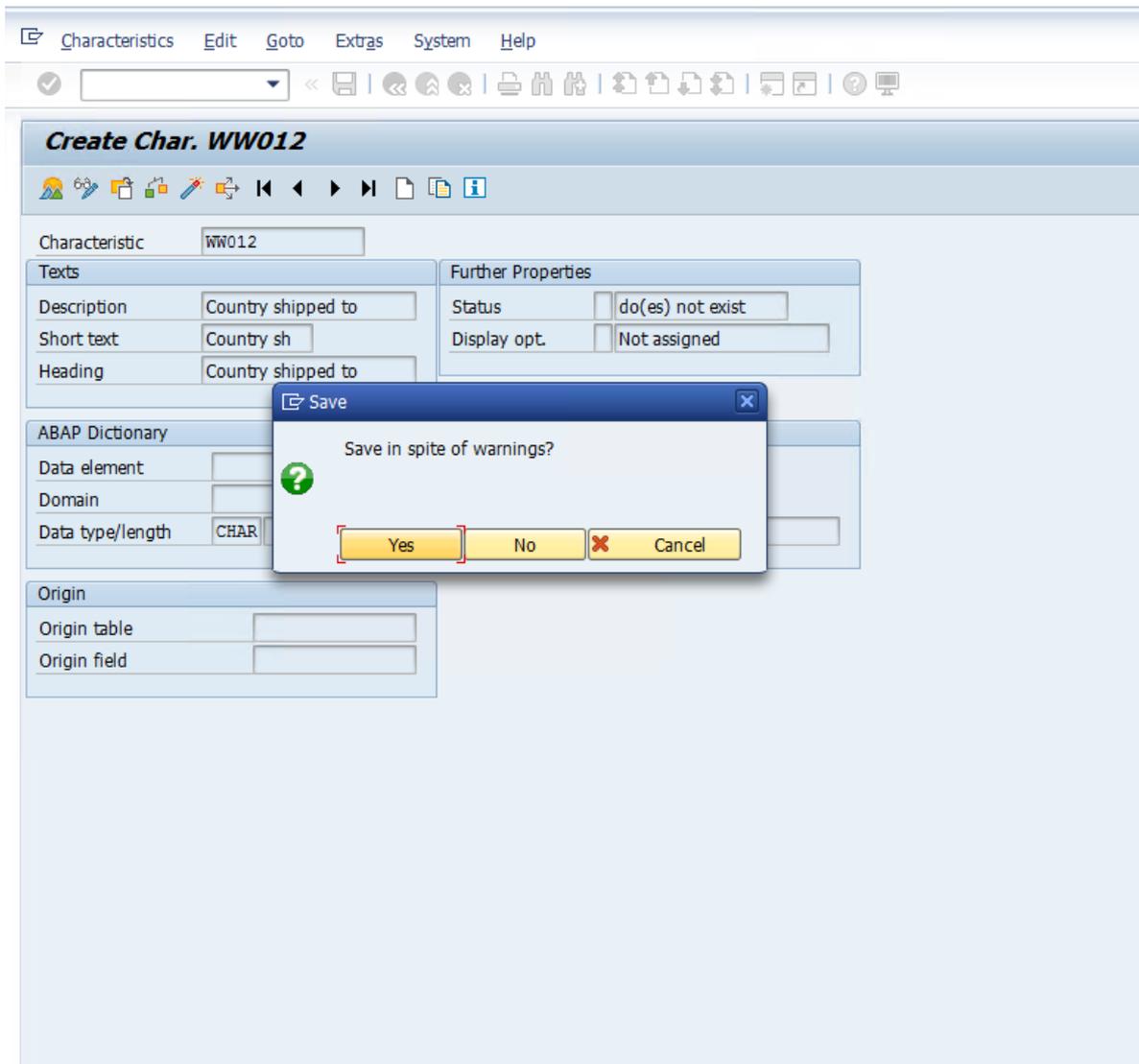
The screenshot shows the SAP 'Create Char.' configuration screen for characteristic 'WW012'. The interface includes a menu bar (Characteristics, Edit, Goto, Extras, System, Help) and a toolbar. The main content area is divided into several sections:

- Texts:** Description (Country shipped to), Short text (Country sh), Heading (Country shipped to).
- Further Properties:** Status (do(es) not exist), Display opt. (Not assigned).
- ABAP Dictionary:** Data element, Domain, Data type/length (CHAR 3), and a checkbox for 'nvr'.
- Validation:** Radio buttons for 'No check', 'Fixed values', and 'Check table'.
- Origin:** Origin table and Origin field.

Click  to activate

These warning message are describing the same fields are being used in other characteristics. We can ignore these messages.





Click Yes

Update the table PAPARTNER to select the characteristic ship to party:-

The screenshot shows the SAP 'Change Characteristics: Overview' interface. A modal dialog box titled 'Create Char.: Assignment' is open, allowing the user to define a new characteristic. The 'Transfer from SAP table' option is selected, and the 'Table' field is populated with 'PAPARTNER'. The background table lists various characteristics with their descriptions, data types, and origins.

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
BBBNR	Location no. 1	Loc.no. 1	NUMC		7KNA1	BBBNR
BONUS	Vol. rebate grp	Rebate grp	CHAR		2MVKE	BONUS
BRAN1						BRAN1
BRSCH						BRSCH
BZIRK						BZIRK
COPA_P						
CRMCS						
CRMELE						
CRMFIG						
EFORM						
GEBIE						
KDGRP						KDGRP
KMATYP						
KMBRND						
KMCATC						
KMDEST						
KMFLTN						
KMFLTY						
KMHIO1	CustomerHier01	Cust-Hier01	CHAR	10	PAPARTNER	HIE01
KMHIO2	CustomerHier02	Cust-Hier02	CHAR	10	PAPARTNER	HIE02
KMHIO3	CustomerHier03	Cust-Hier03	CHAR	10	PAPARTNER	HIE03

## Select Ship to party

Characteristics Edit Goto Extras System Help

Change Characteristics: Overview

Reference Table: PAPARTNER SD partner that can

Field	Orig.name	Description	Data element	Cat.	Length
MANDT	MANDT	Client	MANDT	CLNT	3
KUNWE	KUNWE	Ship-to party	KUNWE	CHAR	10
KUNRE	KUNRE	Bill-to party	KUNRE	CHAR	10
KUNRG	KUNRG	Payer	KUNRG	CHAR	10
SPDNR	SPDNR	FwdAgent	SPDNR	CHAR	10
VRTNR	VRTNR	Sales employee	VRTNR	NUMC	8
PDUMMY	PDUMMY		DUMMY	CHAR	1
HIE01	HIE01	CustomerHier01	HIEZU01	CHAR	10
HIE02	HIE02	CustomerHier02	HIEZU02	CHAR	10
HIE03	HIE03	CustomerHier03	HIEZU03	CHAR	10
HIE04	HIE04	CustomerHier04	HIEZU04	CHAR	10

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Click 

The characteristic ship to party is now updated in the list of characteristics

The screenshot shows the SAP 'Change Characteristics: Overview' interface. A table lists various characteristics. An arrow points to the 'Ship-to party' row, which has been updated. The table columns are: Char., Description, Short text, DTyp, Lgth., Origin Table, and Origin field d.

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
KUNWE	Ship-to party	Ship-to	CHAR	10	PAPARTNER	KUNWE
BBBNR	Location no. 1	Loc.no. 1	NUMC	7	KNA1	BBBNR
BONUS	Vol. rebate grp	Rebate grp	CHAR	2	MVKE	BONUS
BRAN1	Industry Code 1	Ind.Code 1	CHAR	10	KNA1	BRAN1
BRSCH	Industry	Industry	CHAR	4	KNA1	BRSCH
BZIRK	Sales district	District	CHAR	6	KNVV	BZIRK
COPA_PRZNR	Business Proc.	BusProcess	CHAR	12		
CRMCSTY	CRM Cost Elmnt	CRM CstElm	CHAR	10		
CRMELEM	Marketing Element	Mrkt.Elem.	NUMC	8		
CRMFIGR	CRM Key Figure	CRM KF	CHAR	16		
EFORM	Form of manufacture	Manuf.form	CHAR	5		
GEBIE	Area	Area	CHAR	4		
KDGRP	Customer group	Cust.group	CHAR	2	KNVV	KDGRP
KMATYP	Aircraft type	Plane type	NUMC	2		
KMBRND	Brand	Brand	NUMC	2		
KMCATG	Business field	Bus. field	NUMC	2		

Click on Activate  and then save

Characteristics Edit Goto Extras System Help

Change Characteristics: Overview

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
KUNWE	Ship-to party	Ship-to	CHAR		10PAPARTNER	KUNWE
BBBNR	Location no. 1	Loc.no. 1	NUMC		7KNA1	BBBNR
BONUS	Vol. rebate grp	Rebate grp	CHAR		2MVKE	BONUS
BRAN1	Industry Code 1	Ind.Code 1	CHAR		10KNA1	BRAN1
BRSCH	Industry	Industry	CHAR		4KNA1	BRSCH
BZIRK	Sales district	District	CHAR		6KNVV	BZIRK
COPA_PRZNR	Business Proc.	BusProcess	CHAR		12	
CRMCSTY	CRM Cost Elmnt	CRM CstElm	CHAR		10	
CRMELEM	Marketing Element	Mrkt.Elem.	NUMC		8	
CRMFIGR	CRM Key Figure	CRM KF	CHAR		16	
EFORM	Form of manufacture	Manuf.form	CHAR		5	
GEBIE	Area	Area	CHAR		4	
KDGRP	Customer group	Cust.group	CHAR		2KNVV	KDGRP
KMATYP	Aircraft type	Plane type	NUMC		2	
KMBRND	Brand	Brand	NUMC		2	
KMCATG	Business field	Bus. field	NUMC		2	
KMDEST	Destination	Destin.	CHAR		5	
KMFLTN	Flight number	Flight no.	CHAR		6	
KMFLTY	Flight type	FlightType	CHAR		4	
KMHID1	CustomerHier01	CustHier01	CHAR		10PAPARTNER	HIE01
KMHID2	CustomerHier02	CustHier02	CHAR		10PAPARTNER	HIE02

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Fields saved

SAP

The characteristics are saved.

Update the table PAPARTNER to select the characteristic **Payer**:-

The screenshot shows the SAP 'Change Characteristics: Overview' interface. A 'Create Char.: Assignment' dialog box is open, allowing the user to assign a characteristic to a table. The 'Transfer from SAP table' option is selected, and the 'Table' field is set to 'PAPARTNER'. The background table lists various characteristics with their descriptions, short texts, data types, lengths, origin tables, and origin field IDs.

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
BBBNR	Location no. 1	Loc.no. 1	NUMC		7KNA1	BBBNR
BONUS	Vol. rebate grp	Rebate grp	CHAR		2MVKE	BONUS
BRAN1						BRAN1
BRSCH						BRSCH
BZIRK						BZIRK
COPA_P						
CRMCS						
CRMELE						
CRMFIG						
EFORM						
GEBIE						
KDGRP						KDGRP
KMATYF						
KMBRND						
KMCATC						
KMDEST						
KMFLTN						
KMFLTY						
KMHIO1	CustomerHier01	Cust-Hier01	CHAR	10	PAPARTNER	HIE01
KMHIO2	CustomerHier02	Cust-Hier02	CHAR	10	PAPARTNER	HIE02
KMHIO3	CustomerHier03	Cust-Hier03	CHAR	10	PAPARTNER	HIE03

Characteristics Edit Goto Extras System Help

Change Characteristics: Overview

Reference Table: PAPARTNER SD partner that can

Field	Orig.name	Description	Data element	Cat.	Length
MANDT	MANDT	Client	MANDT	CLNT	3
KUNWE	KUNWE	Ship-to party	KUNWE	CHAR	10
KUNRE	KUNRE	Bill-to party	KUNRE	CHAR	10
KUNRG	KUNRG	Payer	KUNRG	CHAR	10
SPDNR	SPDNR	FwdAgent	SPDNR	CHAR	10
VRTNR	VRTNR	Sales employee	VRTNR	NUMC	8
PDUMMY	PDUMMY		DUMMY	CHAR	1
HIE01	HIE01	CustomerHier01	HIEZU01	CHAR	10
HIE02	HIE02	CustomerHier02	HIEZU02	CHAR	10
HIE03	HIE03	CustomerHier03	HIEZU03	CHAR	10
HIE04	HIE04	CustomerHier04	HIEZU04	CHAR	10

KMFLTY	Flight type	FlightType	CHAR	4	
KMHIO1	CustomerHier01	CustHier01	CHAR	10	PAPARTNER HIE01
KMHIO2	CustomerHier02	CustHier02	CHAR	10	PAPARTNER HIE02
KMHIO3	CustomerHier03	CustHier03	CHAR	10	PAPARTNER HIE03

Entry 1 of 63

Click 

The Payer is now updated in the characteristic catalog as seen below

LE Characteristics Edit Goto Extras System Help

Change Characteristics: Overview

Char.	Description	Short text	DTyp	Lgth.	Origin Table	Origin field d
KUNRG	Payer	Payer	CHAR		10PAPARTNER	KUMRG
BBBNR	Location no. 1	Loc.no. 1	NUMC		7KNA1	BBBNR
BONUS	Vol. rebate grp	Rebate grp	CHAR		2MVKE	BONUS
BRAN1	Industry Code 1	Ind.Code 1	CHAR		10KNA1	BRAN1
BRSCH	Industry	Industry	CHAR		4KNA1	BRSCH
BZIRK	Sales district	District	CHAR		6KNVV	BZIRK
COPA_PRZNR	Business Proc.	BusProcess	CHAR	12		
CRMSTY	CRM Cost Elmnt	CRM CstElm	CHAR	10		
CRMELEM	Marketing Element	Mkt.Elem.	NUMC	8		
CRMFGR	CRM Key Figure	CRM KF	CHAR	16		
EFORM	Form of manufacture	Manuf.form	CHAR	5		
GEBIE	Area	Area	CHAR	4		
KDGRP	Customer group	Cust.group	CHAR		2KNVV	KDGRP
KMATYP	Aircraft type	Plane type	NUMC	2		
KMBRND	Brand	Brand	NUMC	2		
KMCATG	Business field	Bus. field	NUMC	2		
KMDEST	Destination	Destin.	CHAR	5		
KMFLTN	Flight number	Flight no.	CHAR	6		
KMFLTY	Flight type	FlightType	CHAR	4		
KMHIO1	CustomerHier01	CustHier01	CHAR		10PAPARTNER	HIE01
KMHIO2	CustomerHier02	CustHier02	CHAR		10PAPARTNER	HIE02

Entry 1 of 64

## 1.1.4 Maintain Operating Concern

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Controlling → Profitability Analysis → Structures → Define operating concern → Maintain Operating Concern

Operating Concern is the organizational unit in Controlling- Profitability analysis (CO-PA).

The operating concern can have 2 approaches:-

- 1) Costing based Profitability Analysis – This groups costs and revenues according to value fields and costing based valuation approaches.
- 2) Margin Analysis(Account based) Profitability Analysis - groups costs and revenues according to cost elements and uses an accounting based valuation approach. Margin analysis based Profitability is permanently reconciled with Financial accounting.

**Margin Analysis based Profitability Analysis is now mandatory to activate in S/4 HANA in case we decide to work with Profitability Analysis. This results in the ACDOCA table also getting updated with the new characteristics created in Profitability Analysis**

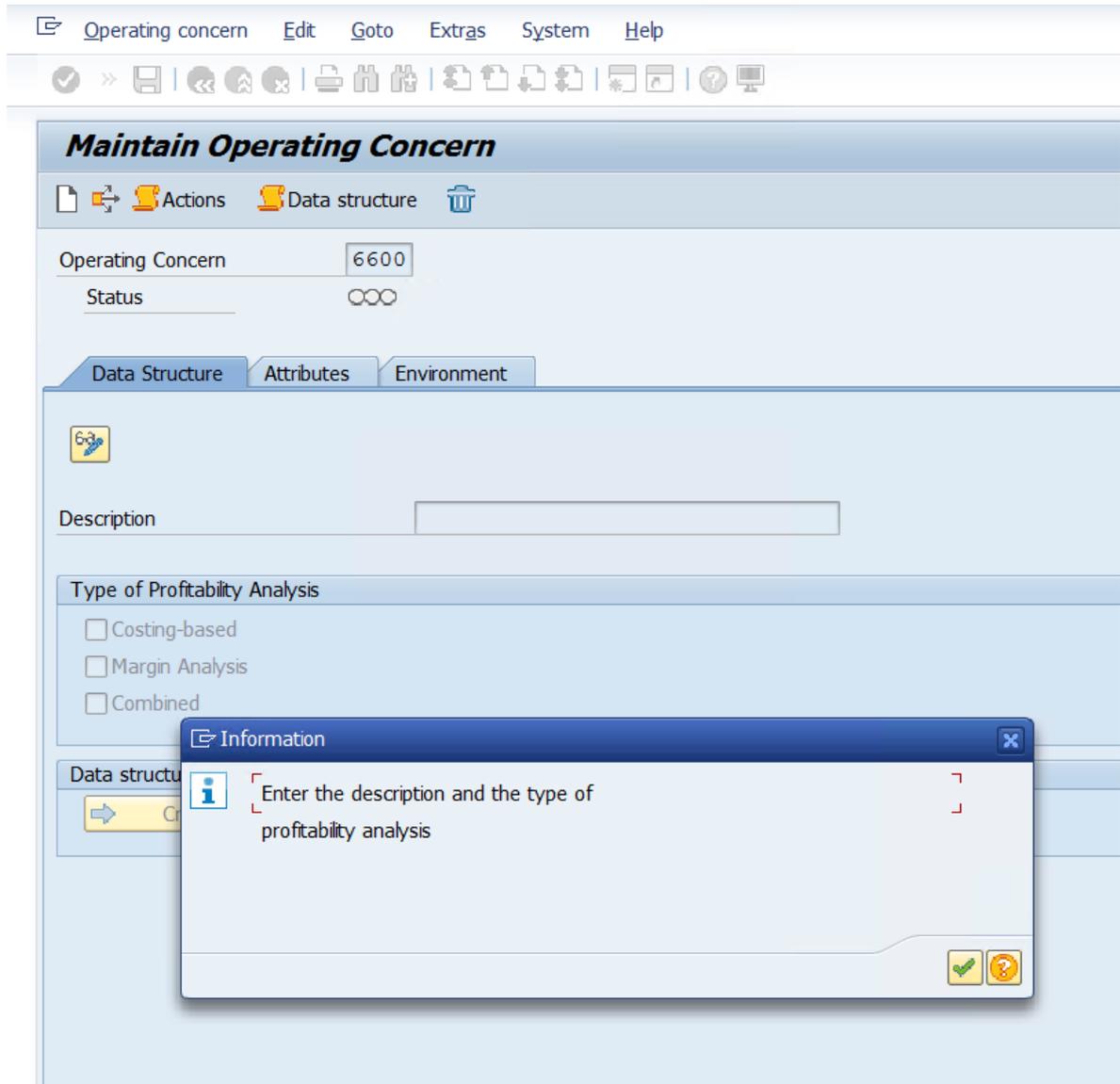
We define operating concern by selecting the characteristic (the one created by us and SAP delivered).

The structure of an operating concern is valid in all clients.

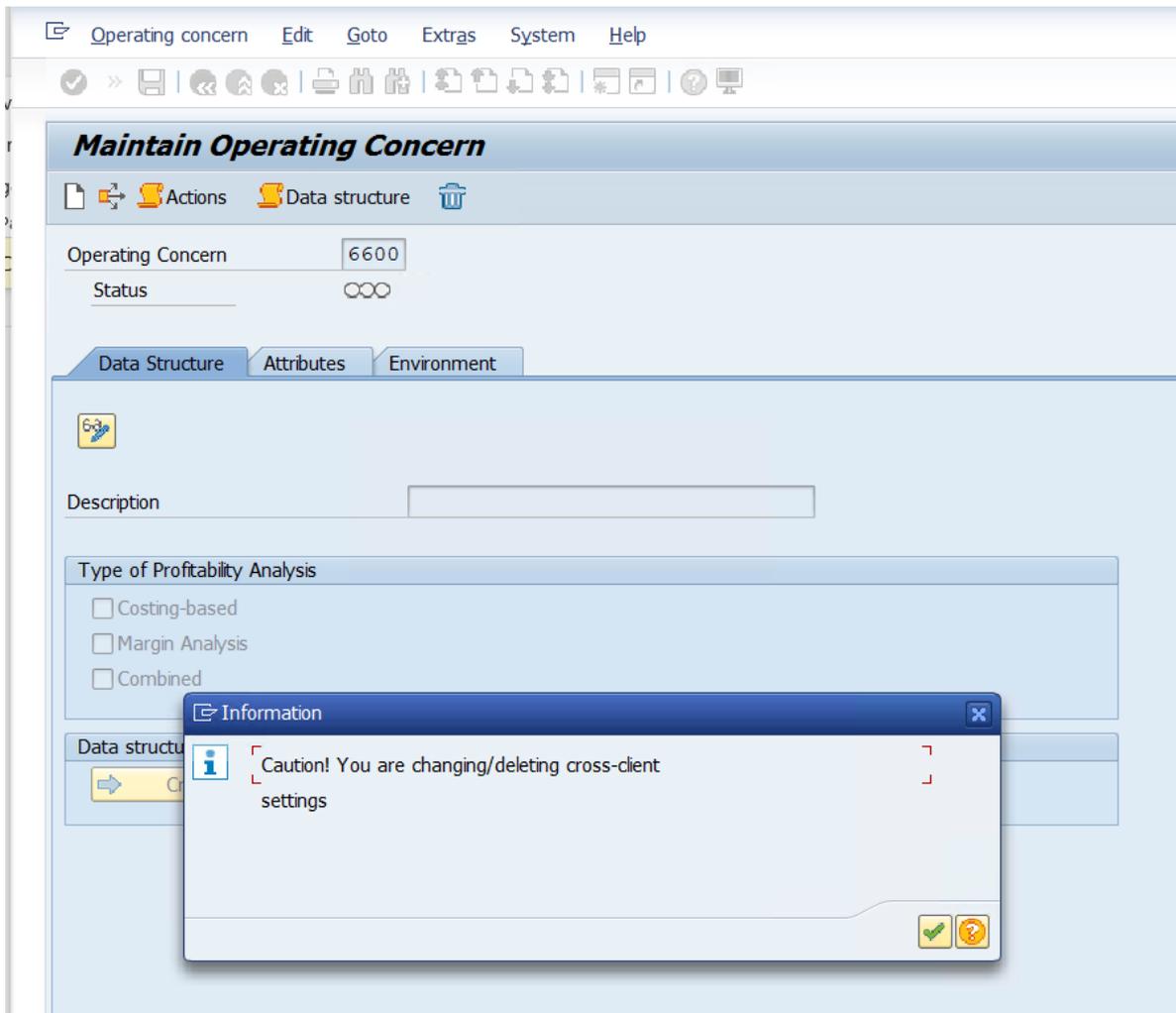
Any new characteristic created in the operating concern will be updated in the ACDOCA table by executing the program  
FCO\_ADD\_COPA\_FIELD\_TO\_ACDOCA

**We will configure the Margin Analysis based CO-PA (which is mandatory now).**

Update the following:-

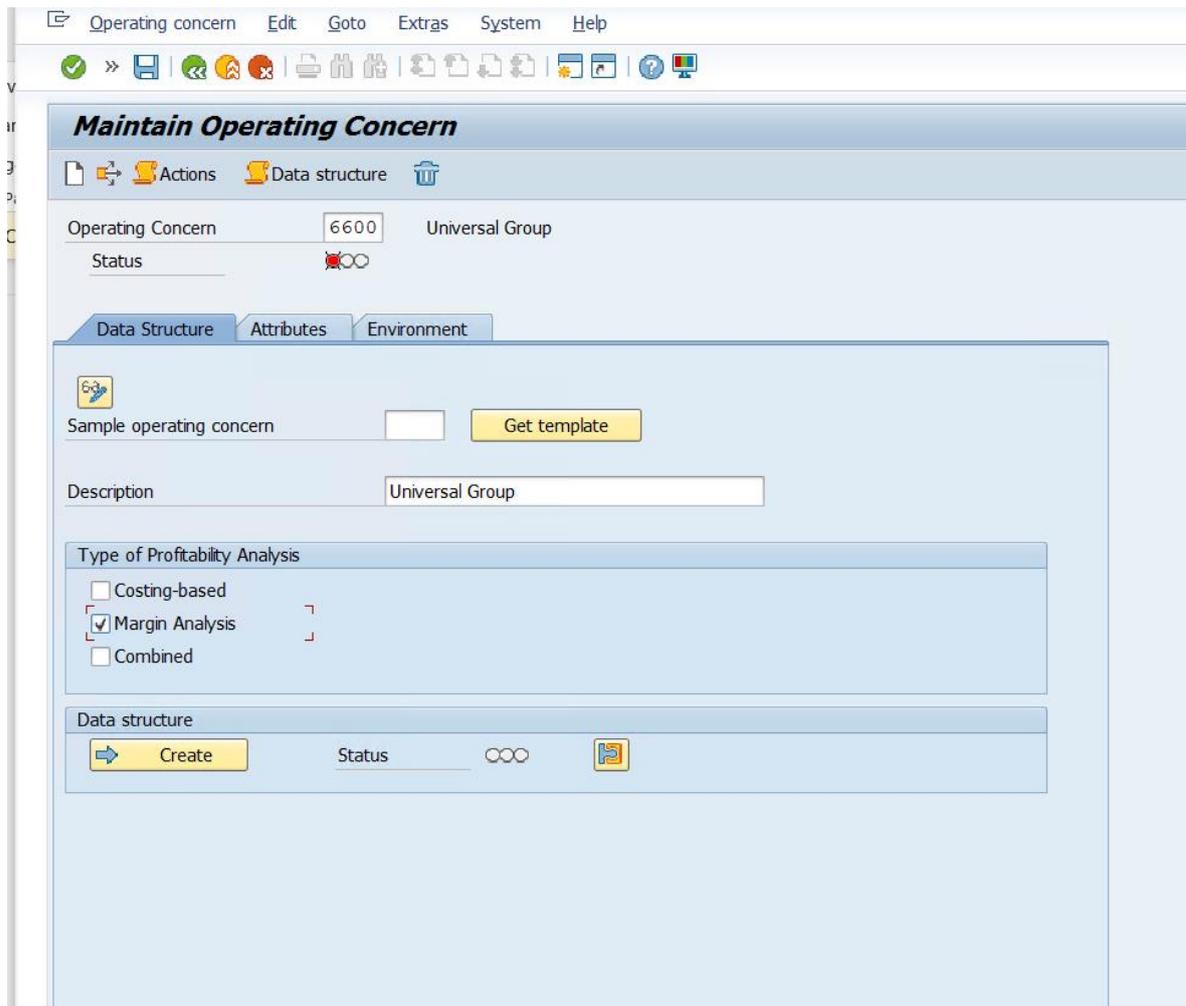


Click 

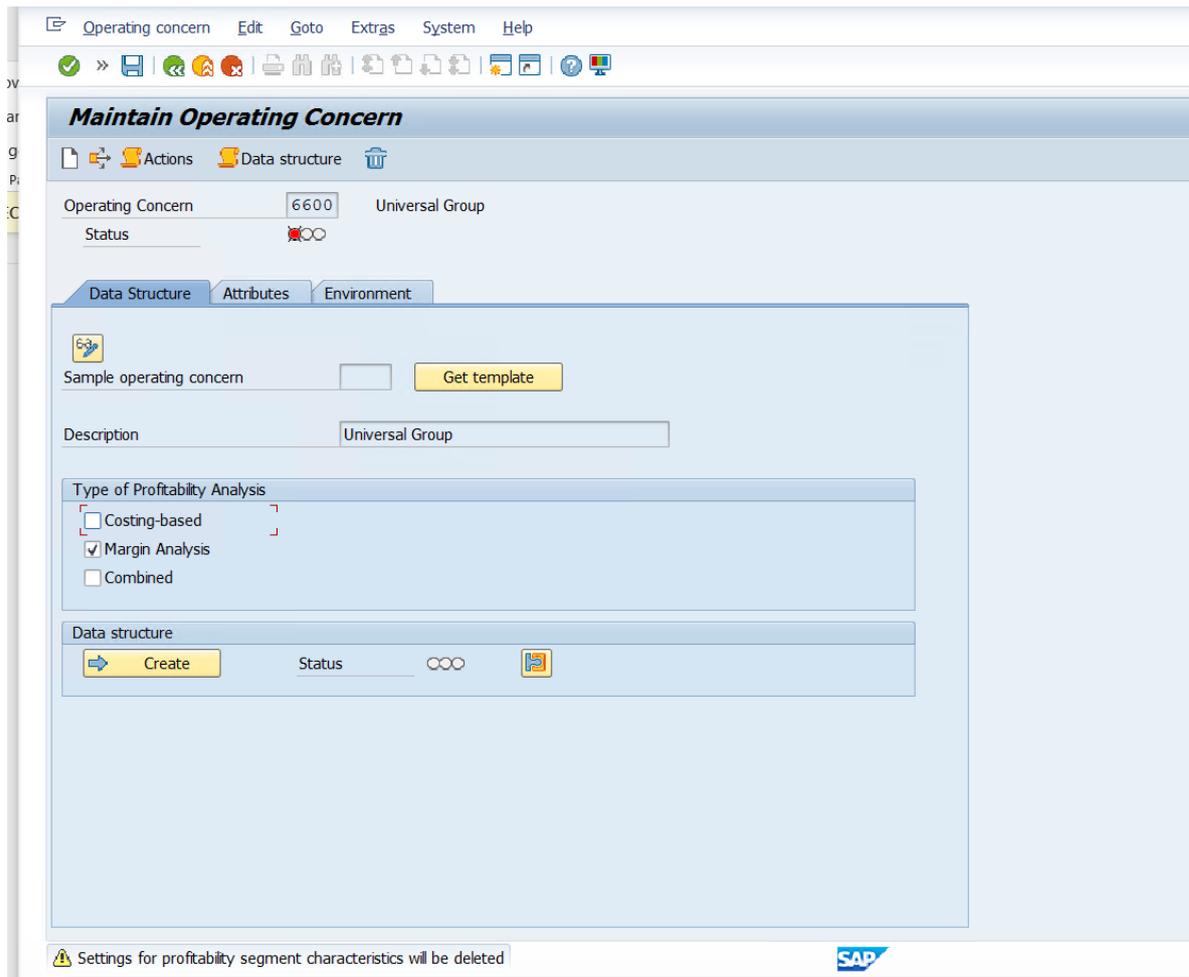


Click 

Update the following:-

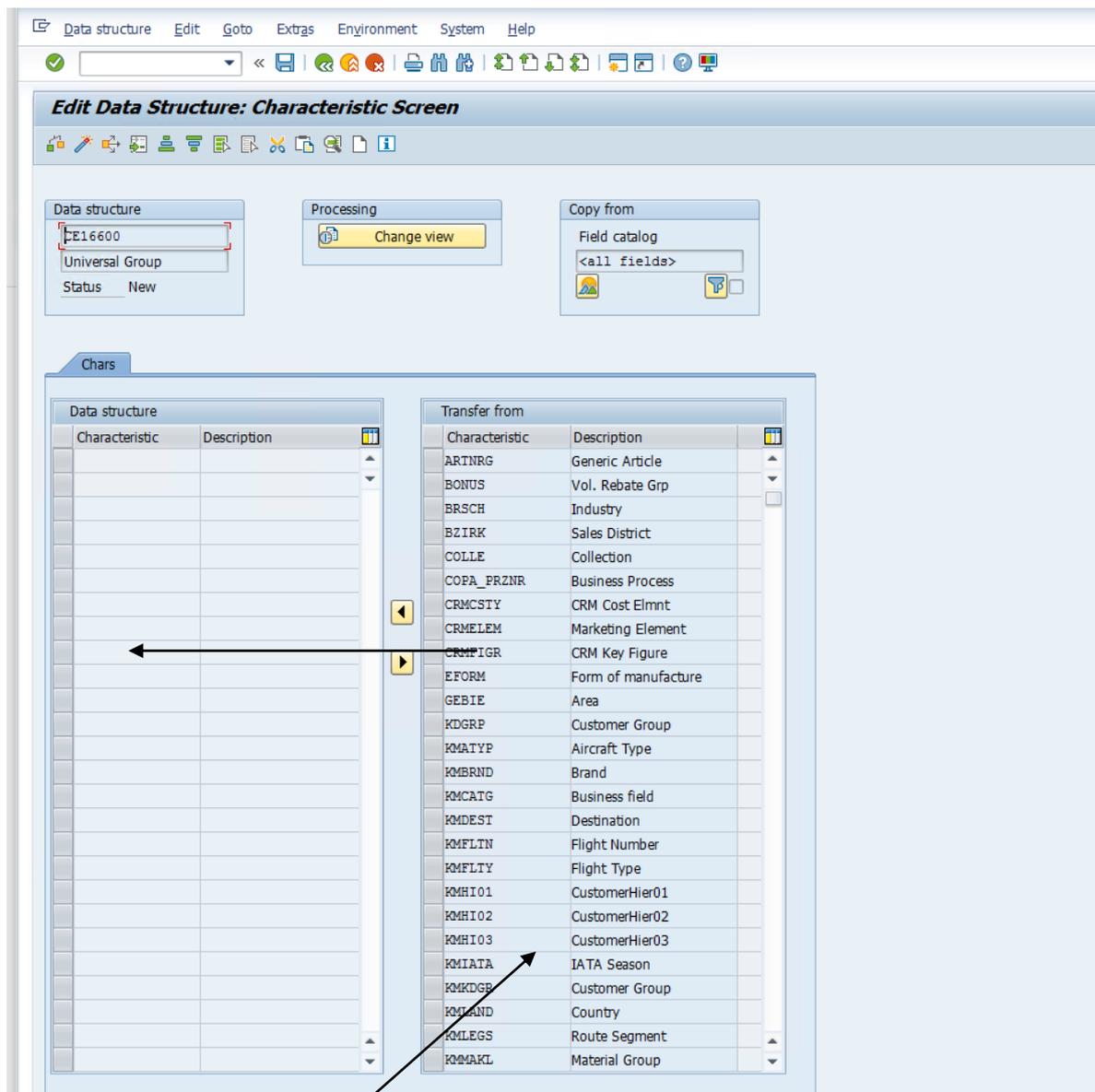


Click 



Press enter

Click  to create Data structure



Transfer the characteristic from the right side which is available, to the left side so that it is available in the operating concern 6600.

We will scroll down to see the relevant characteristic such as sales office, sales group. Select it by marking it

[Data structure](#) [Edit](#) [Goto](#) [Extras](#) [Environment](#) [System](#) [Help](#)

[Data structure](#) [Edit](#) [Goto](#) [Extras](#) [Environment](#) [System](#) [Help](#)

### Edit Data Structure: Characteristic Screen

[Data structure](#) [Processing](#) [Copy from](#)

Data structure: CE16600, Universal Group, Status: New

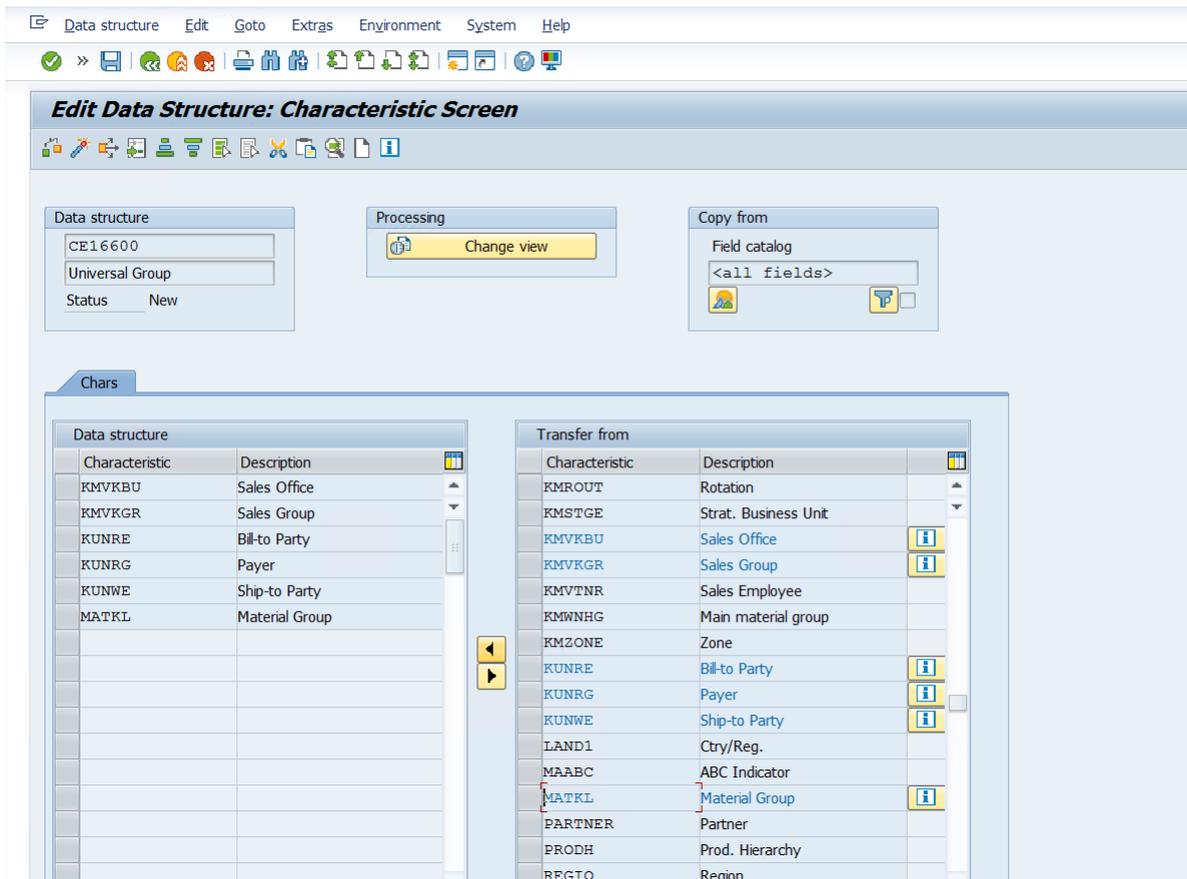
Processing: [Change view](#)

Copy from: Field catalog: <all fields>

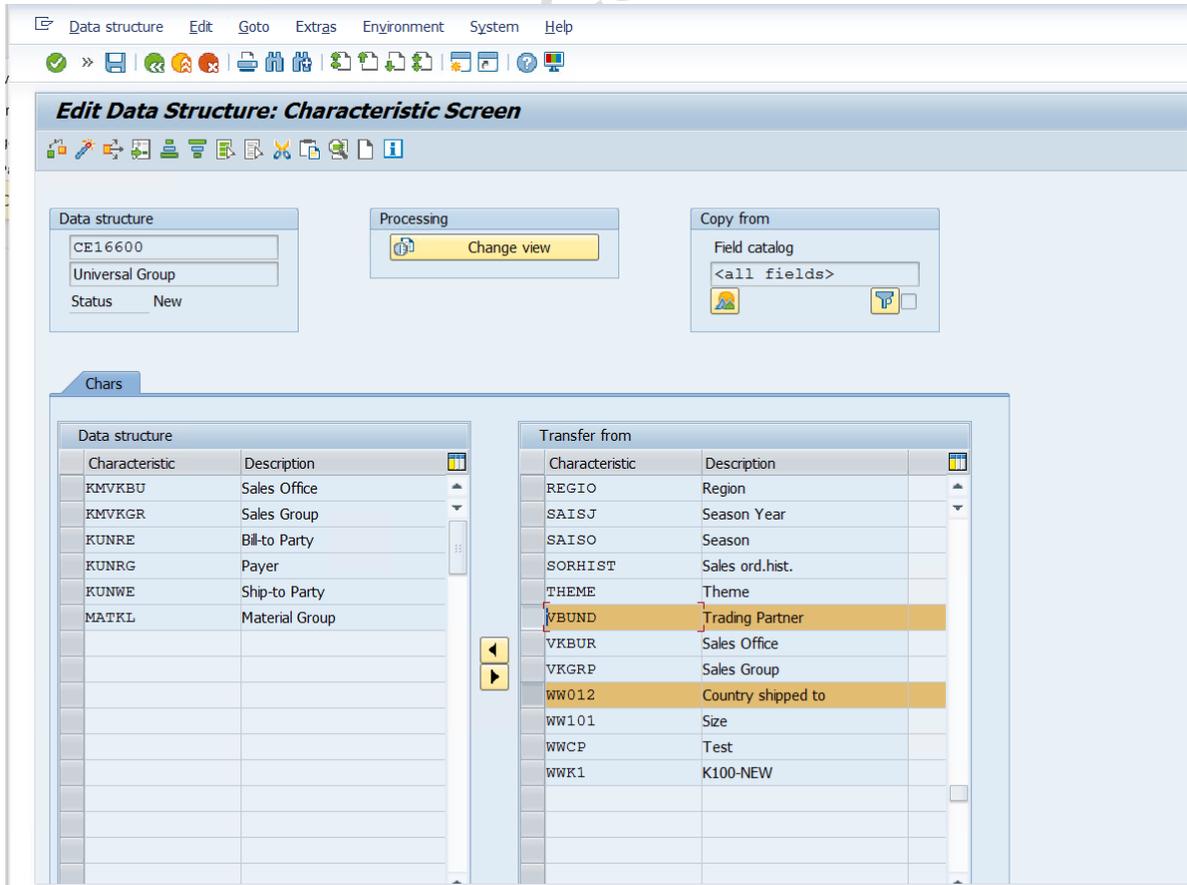
**Chars**

Data structure		Transfer from	
Characteristic	Description	Characteristic	Description
		KMR0UT	Rotation
		KMSTGE	Strat. Business Unit
		KMVKBU	Sales Office
		KMVKGR	Sales Group
		KMVTNR	Sales Employee
		KMWNHG	Main material group
		KMZONE	Zone
		KUNRE	Bill-to Party
		KUNRG	Payer
		KUNWE	Ship-to Party
		LAND1	Ctry/Reg.
		MAABC	ABC Indicator
		MATKL	Material Group
		PARTNER	Partner
		PRODH	Prod. Hierarchy
		REGIO	Region

Click 



Scroll down and select



Click 

**Edit Data Structure: Characteristic Screen**

Data structure: CE16600, Universal Group, Status: New

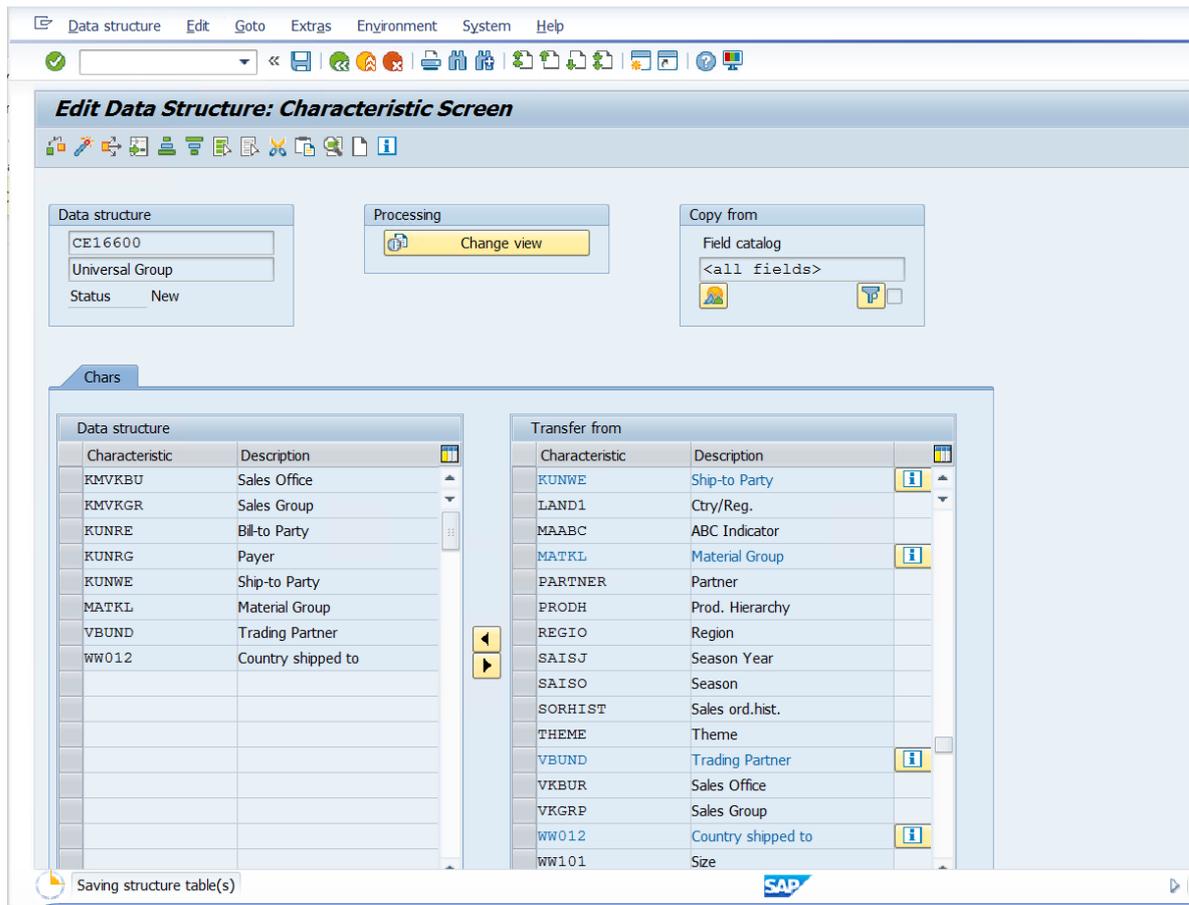
Processing: Change view

Copy from: Field catalog <all fields>

**Chars**

Data structure		Transfer from	
Characteristic	Description	Characteristic	Description
KMKVBU	Sales Office	REGIO	Region
KMKVGR	Sales Group	SAISJ	Season Year
KUNRE	Bill-to Party	SAISO	Season
KUNRG	Payer	SORHIST	Sales ord.hist.
KUNWE	Ship-to Party	THEME	Theme
MATKL	Material Group	VBUND	Trading Partner
VBUND	Trading Partner	VKBUR	Sales Office
WW012	Country shipped to	VKGRP	Sales Group
		WW012	Country shipped to
		WW101	Size
		WWCP	Test
		WWK1	K100-NEW

Click 



[Data structure](#) [Edit](#) [Goto](#) [Extras](#) [Environment](#) [System](#) [Help](#)

✓  <<

### Edit Data Structure: Characteristic Screen

**Data structure**

CE16600

Status

**Processing**

[Change view](#)

**Copy from**

Field catalog

<all fields>

**Chars**

Data structure		Transfer from	
Characteristic	Description	Characteristic	Description
KMVKBU	Sales Office	KUNWE	Ship-to Party
KMVKGR	Sales Group	LAND1	Ctry/Reg.
KUNRE	Bill-to Party	MAABC	ABC Indicator
KUNRG	Payer	MATKL	Material Group
KUNWE	Shp-to Party	PARTNER	Partner
MATKL	Material Group	PRODH	Prod. Hierarchy
VBUND	Trading Partner	REGIO	Region
WW012	Country shipped to	SAISJ	Season Year
		SAISO	Season
		SORHIST	Sales ord.hist.
		THEME	Theme
		VBUND	Trading Partner
		VKBUR	Sales Office
		VKGRP	Sales Group
		WW012	Country shipped to
		WW101	Size

✓ Data structure table CE16600 saved

Click



Data structure Edit Goto Extras Environment System Help  
 Edit Data Structure: Characteristic Screen  
 Data structure: CE16600, Status: Active  
 Processing: Change view  
 Copy from: Field catalog <all fields>

Chars

Data structure		Transfer from	
Characteristic	Description	Characteristic	Description
KMVKBU	Sales Office	KUNWE	Shp-to Party
KMVKGR	Sales Group	LAND1	Ctry/Reg.
KUNRE	Bill-to Party	MAABC	ABC Indicator
KUNRG	Payer	MATKL	Material Group
KUNWE	Shp-to Party	PARTNER	Partner
MATKL	Material Group	PRODH	Prod. Hierarchy
VBUND	Trading Partner	REGIO	Region
WW012	Country shipped to	SAISJ	Season Year
		SAISO	Season
		SORHIST	Sales ord.hist.
		THEME	Theme
		VBUND	Trading Partner
		VKBUR	Sales Office
		VKGRP	Sales Group
		WW012	Country shipped to
		WW101	Size

All objects for structure CE16600 activated

Click 

Operating concern Edit Goto Extras System Help

6600 Universal Group  
Status

Data Structure Attributes Environment

Description Universal Group

Type of Profitability Analysis

- Costing-based
- Margin Analysis
- Combined

Data structure

Change Status



Attributes

Click on tab

Operating concern Edit Goto Extras System Help

6600 Universal Group

Status

Data Structure Attributes Environment

Operating concern currency

Fiscal year variant

Costing-Based Profitability Analysis

Currency types for costing-based Profitability Analysis

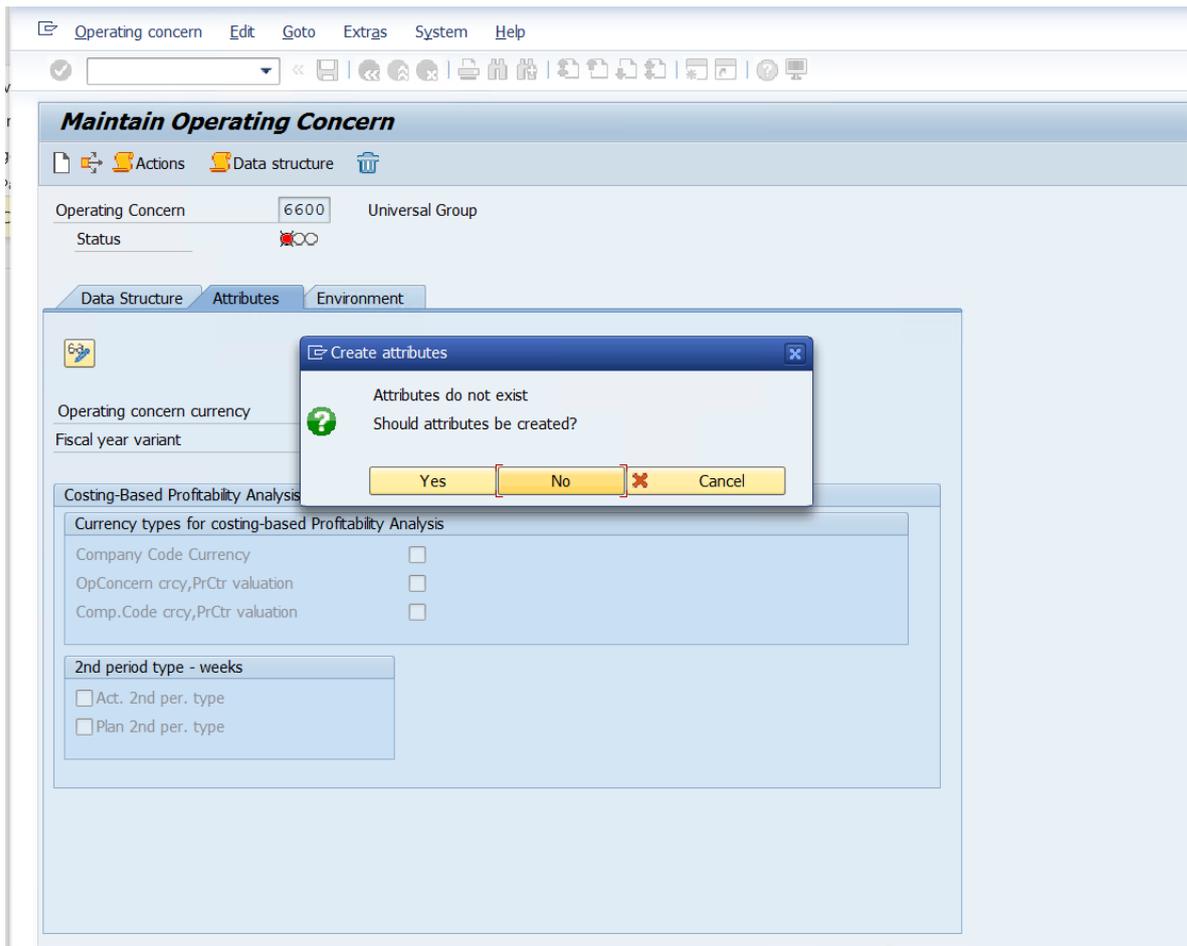
Company Code Currency	<input type="checkbox"/>
OpConcern crcy,PrCtr valuation	<input type="checkbox"/>
Comp.Code crcy,PrCtr valuation	<input type="checkbox"/>

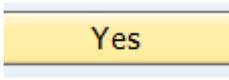
2nd period type - weeks

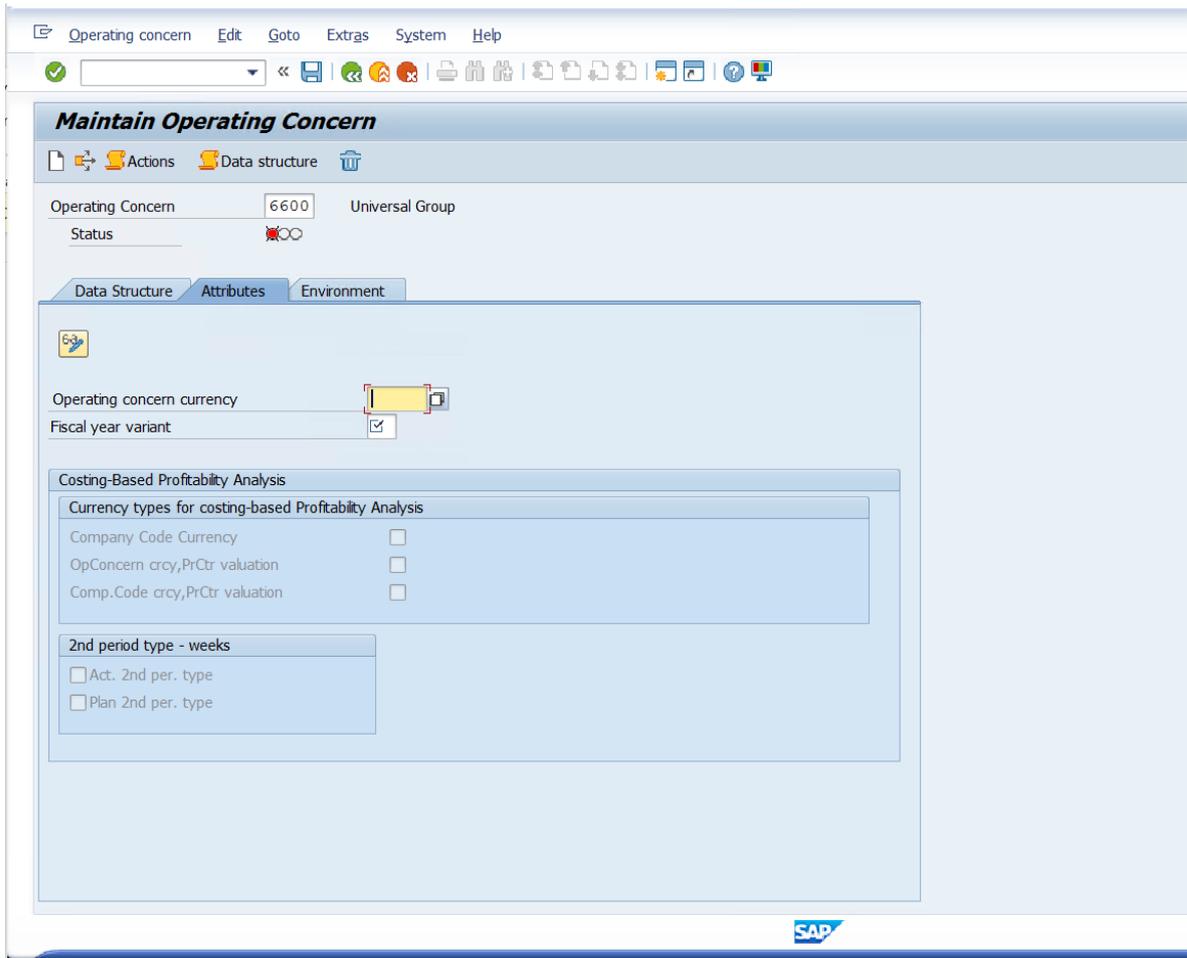
<input type="checkbox"/> Act. 2nd per. type
<input type="checkbox"/> Plan 2nd per. type

SAP

Click 



Click 



Update the following:-

**Maintain Operating Concern**

Actions Data structure

Operating Concern 6600 Universal Group

Status

Data Structure Attributes Environment

Operating concern currency USD

Fiscal year variant V3

Costing-Based Profitability Analysis

Currency types for costing-based Profitability Analysis

Company Code Currency	<input type="checkbox"/>
OpConcern crcy,PrCtr valuation	<input type="checkbox"/>
Comp.Code crcy,PrCtr valuation	<input type="checkbox"/>

2nd period type - weeks

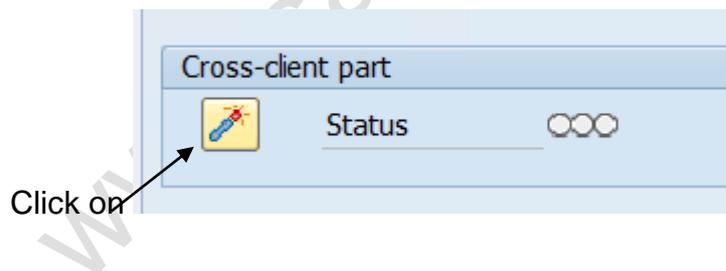
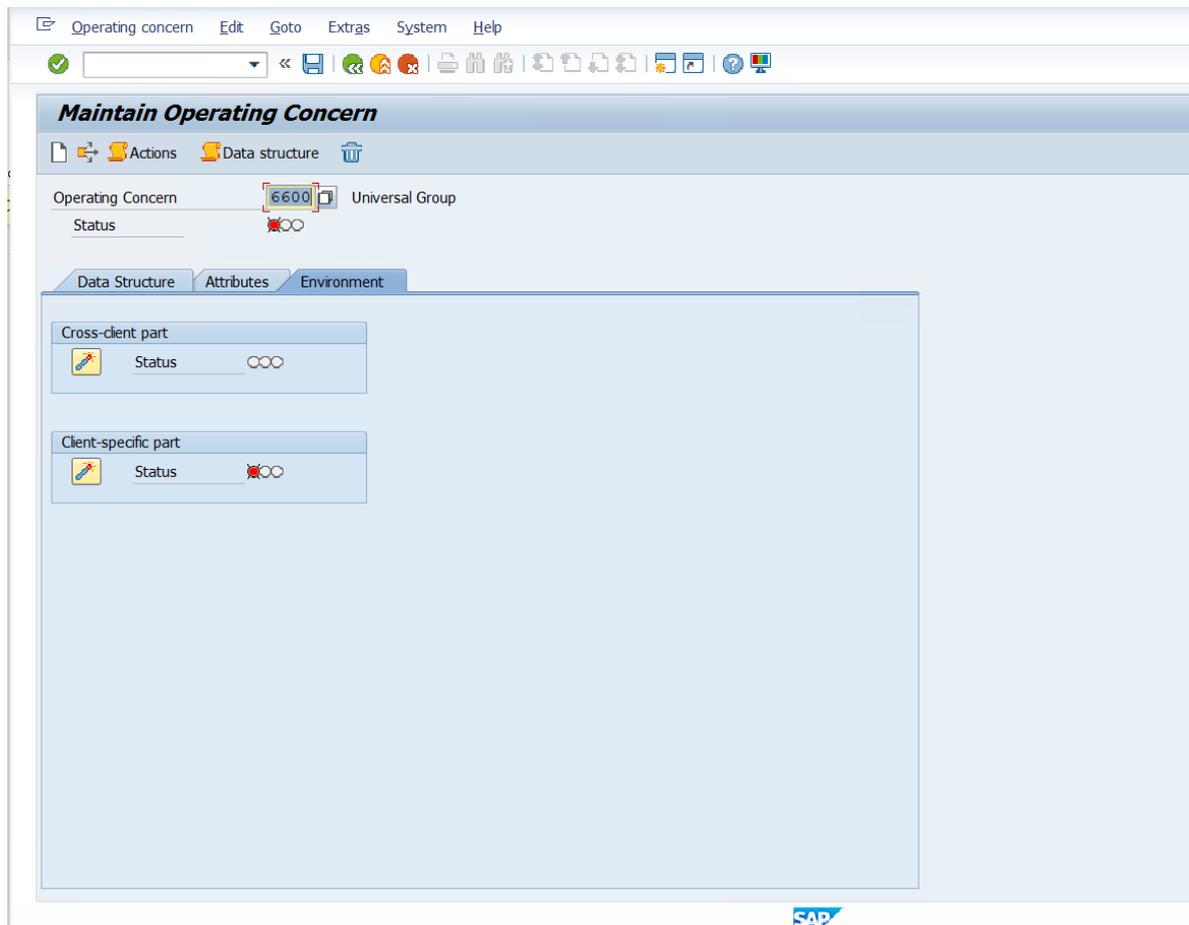
<input type="checkbox"/> Act. 2nd per. type
<input type="checkbox"/> Plan 2nd per. type

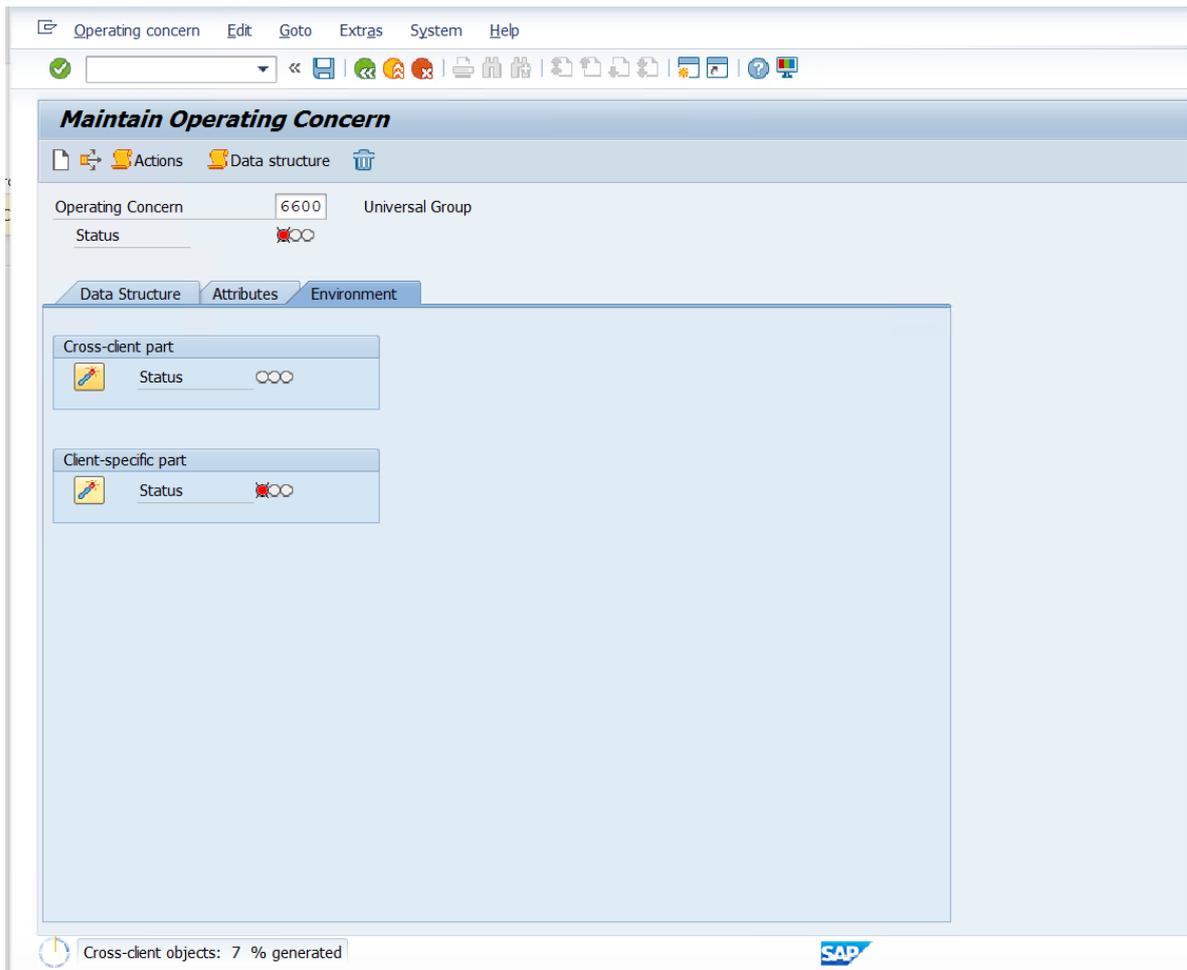
Press enter

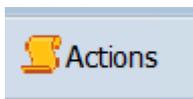
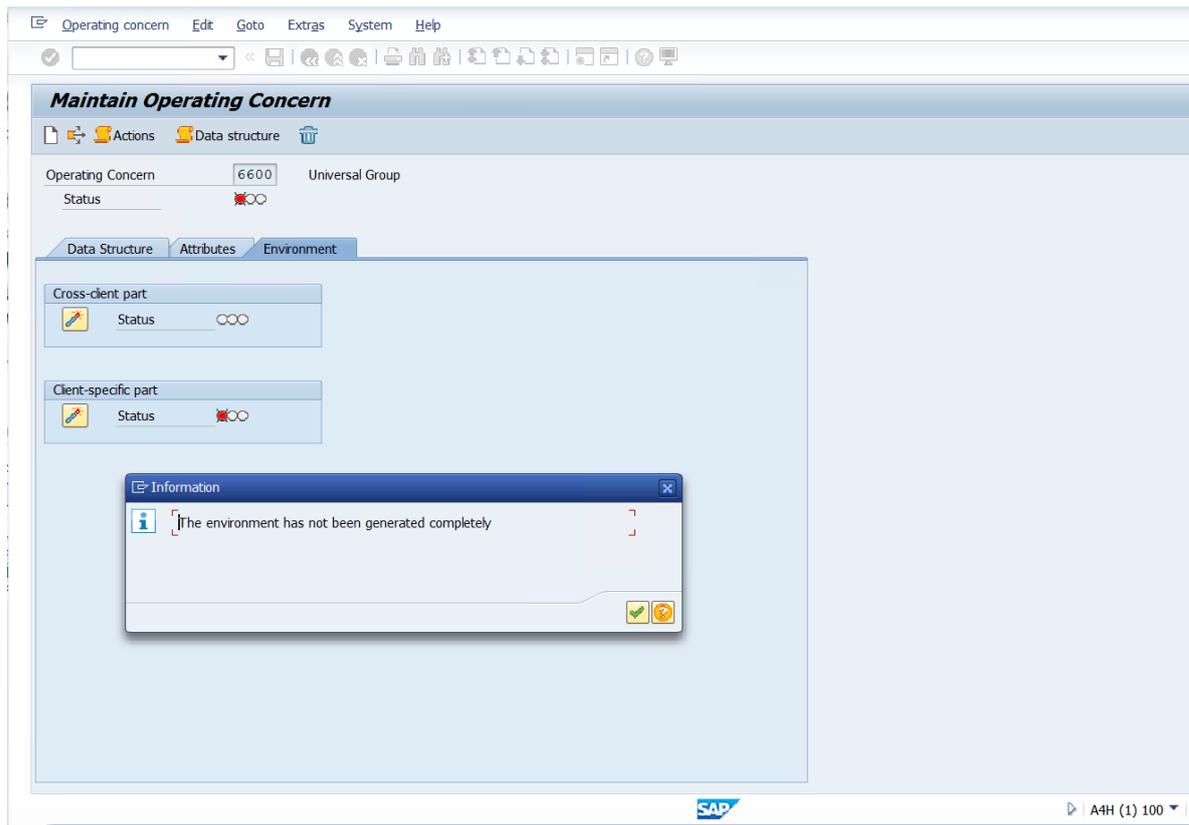
Fiscal year variant:-The fiscal year variant should match with the controlling area fiscal year variant and the company code fiscal year variant. We select V3 since Company code 6600; controlling area 6600 has the same fiscal year variant.

Click on 

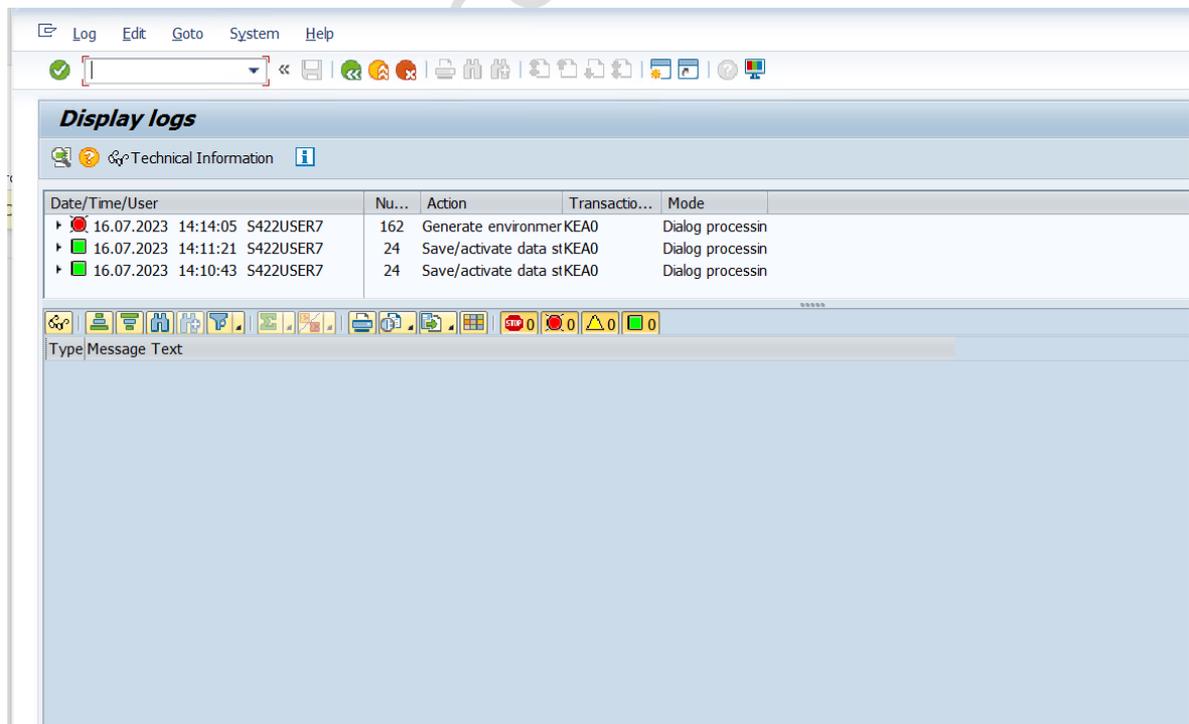
Click on 

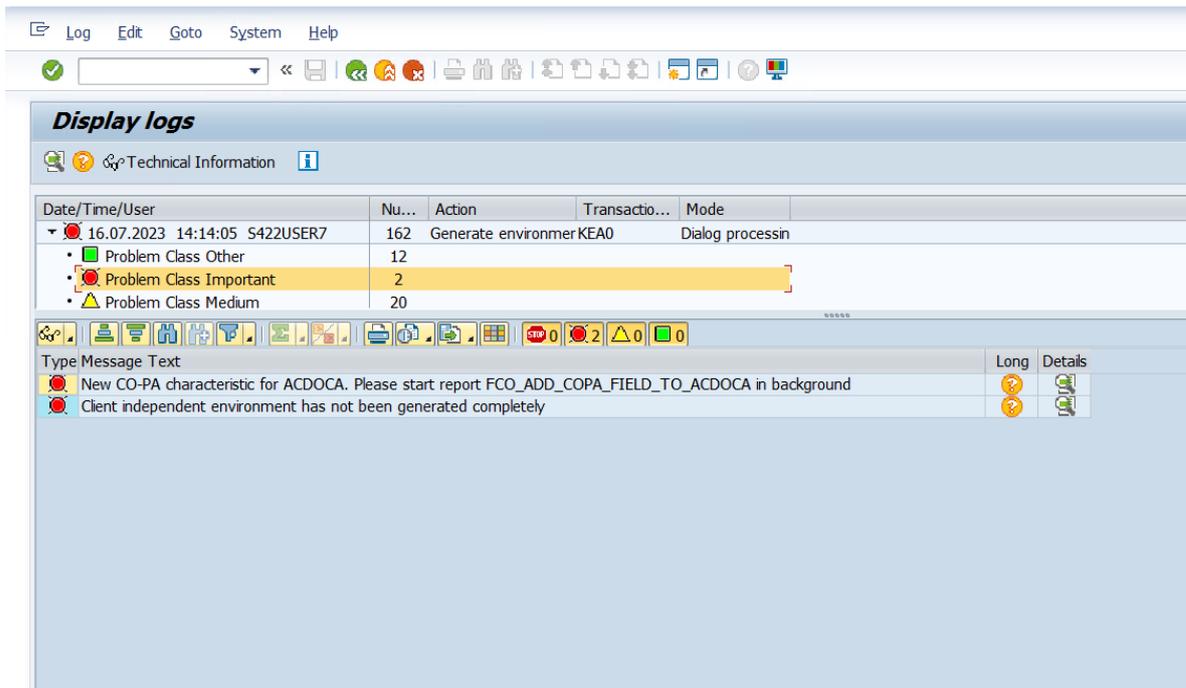




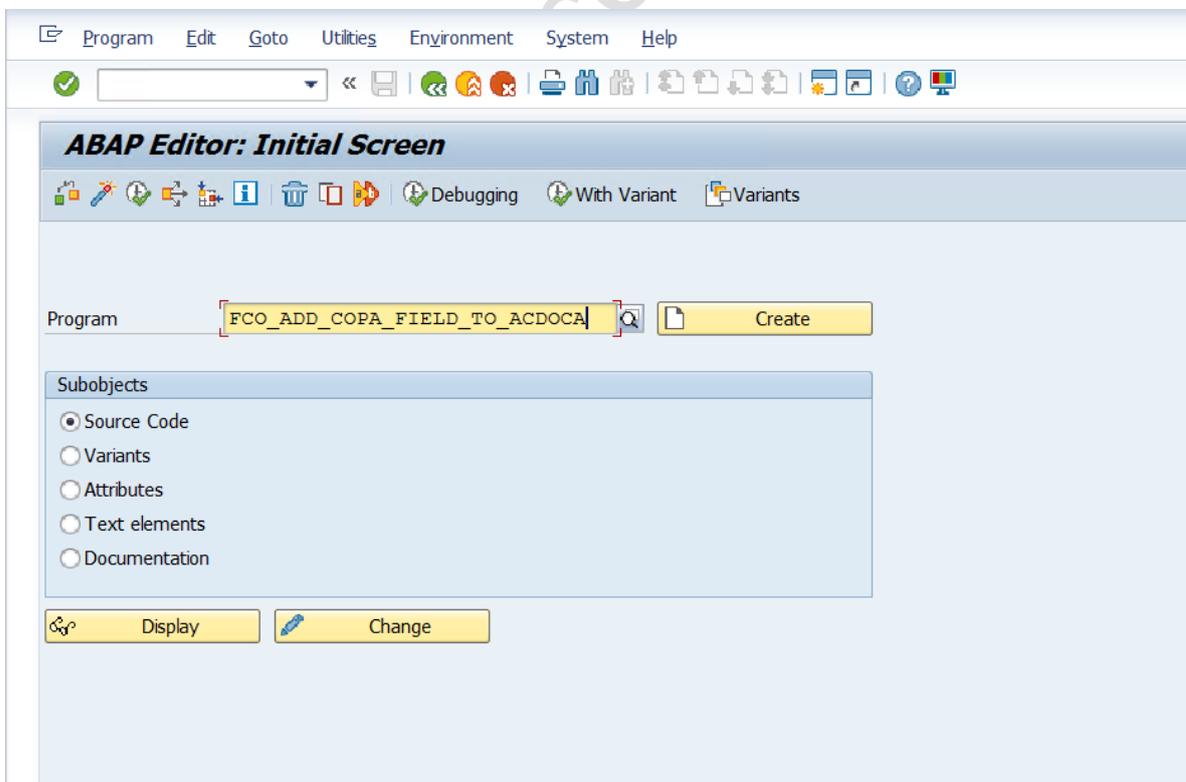


Click on

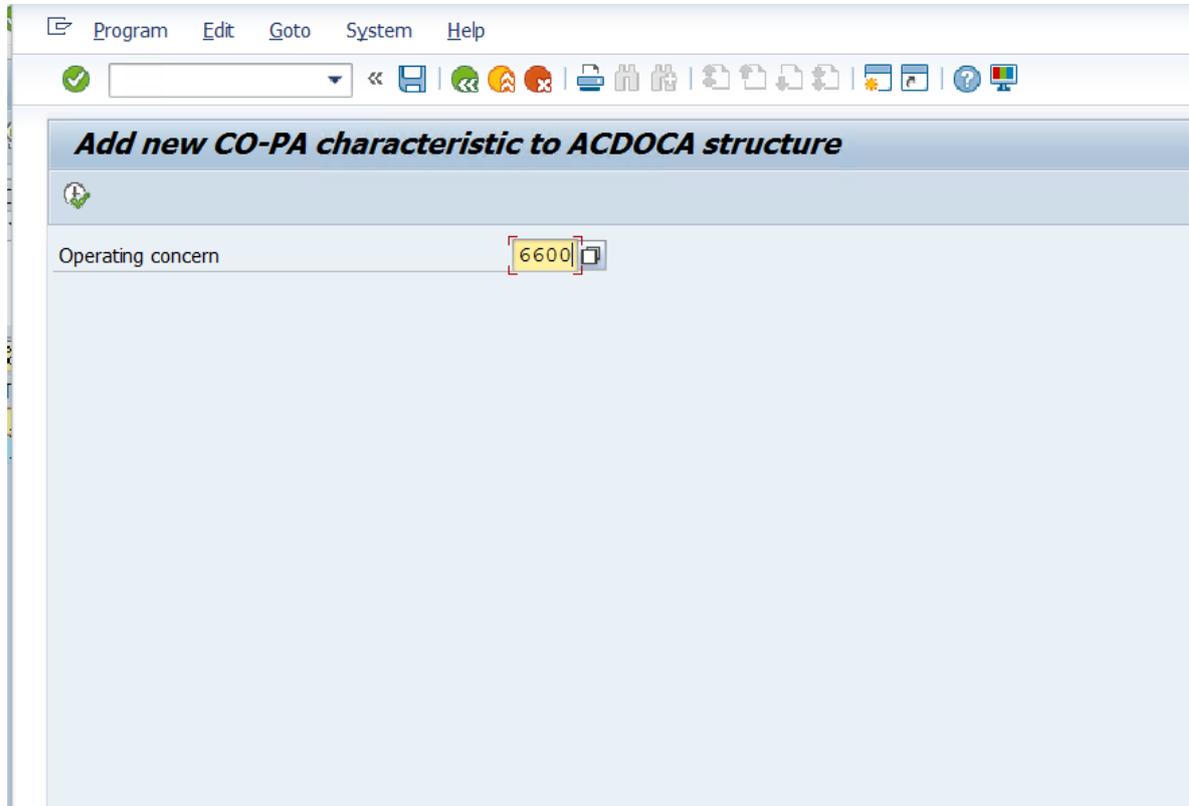




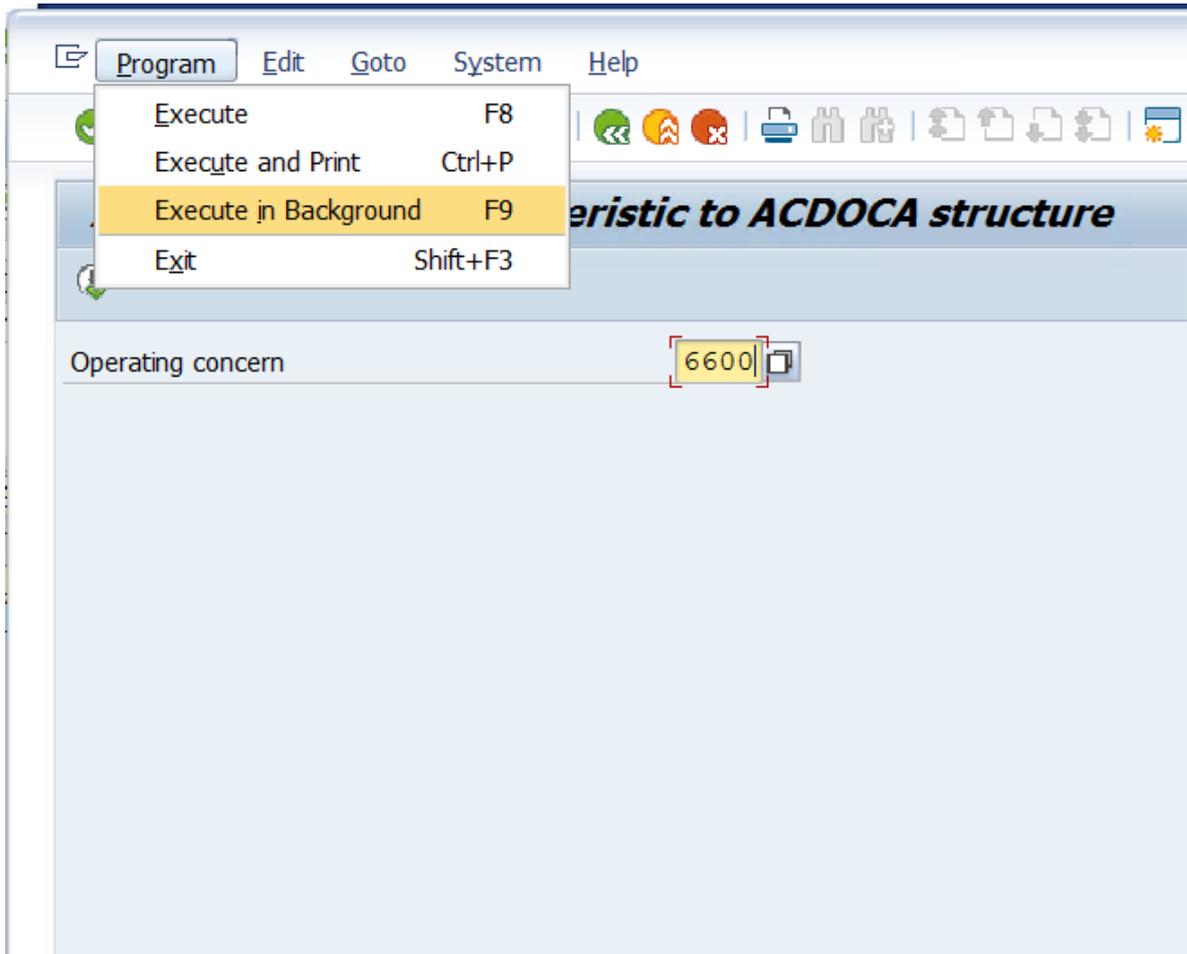
Run this program FCO\_ADD\_COPA\_FIELD\_TO\_ACDOCA in background using tcode SE38

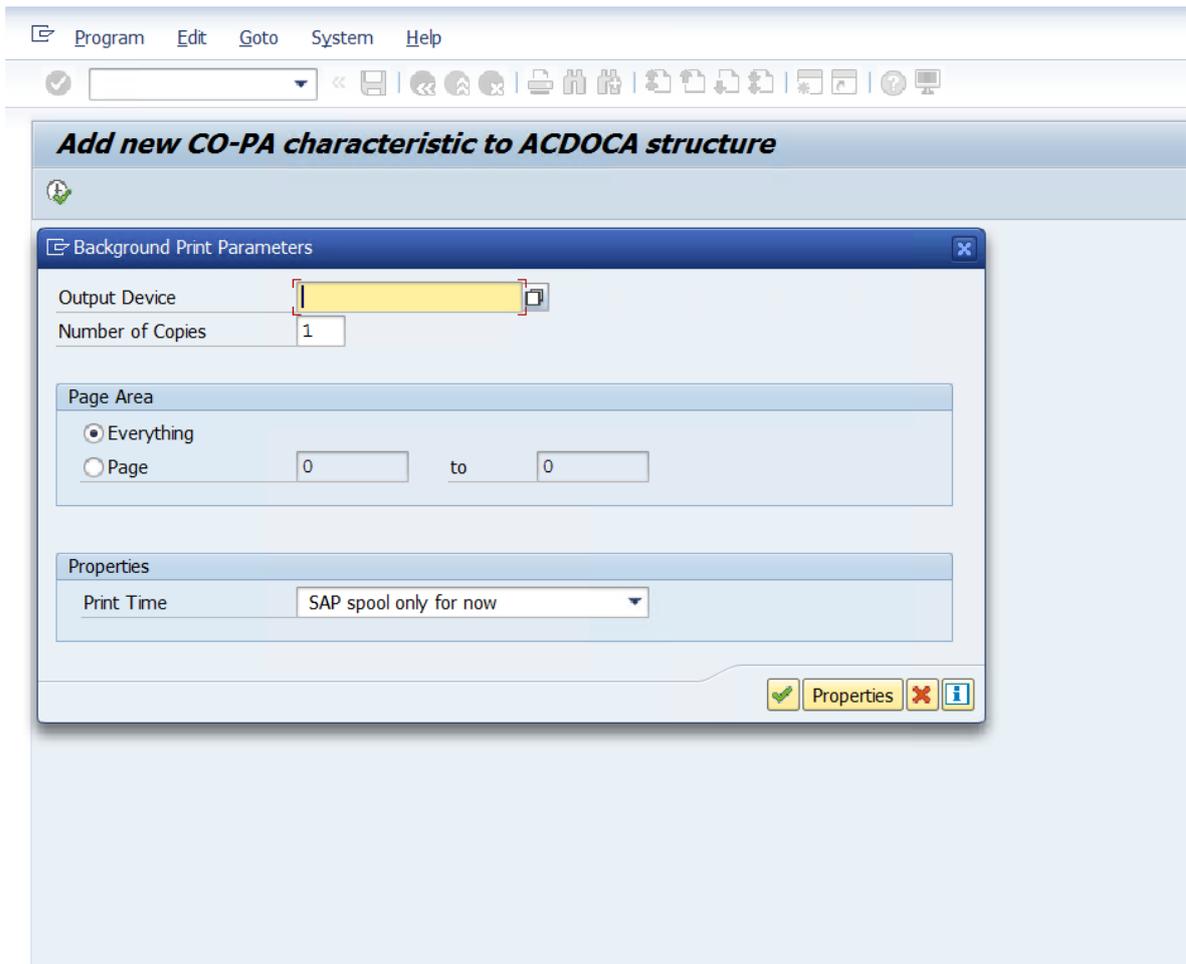


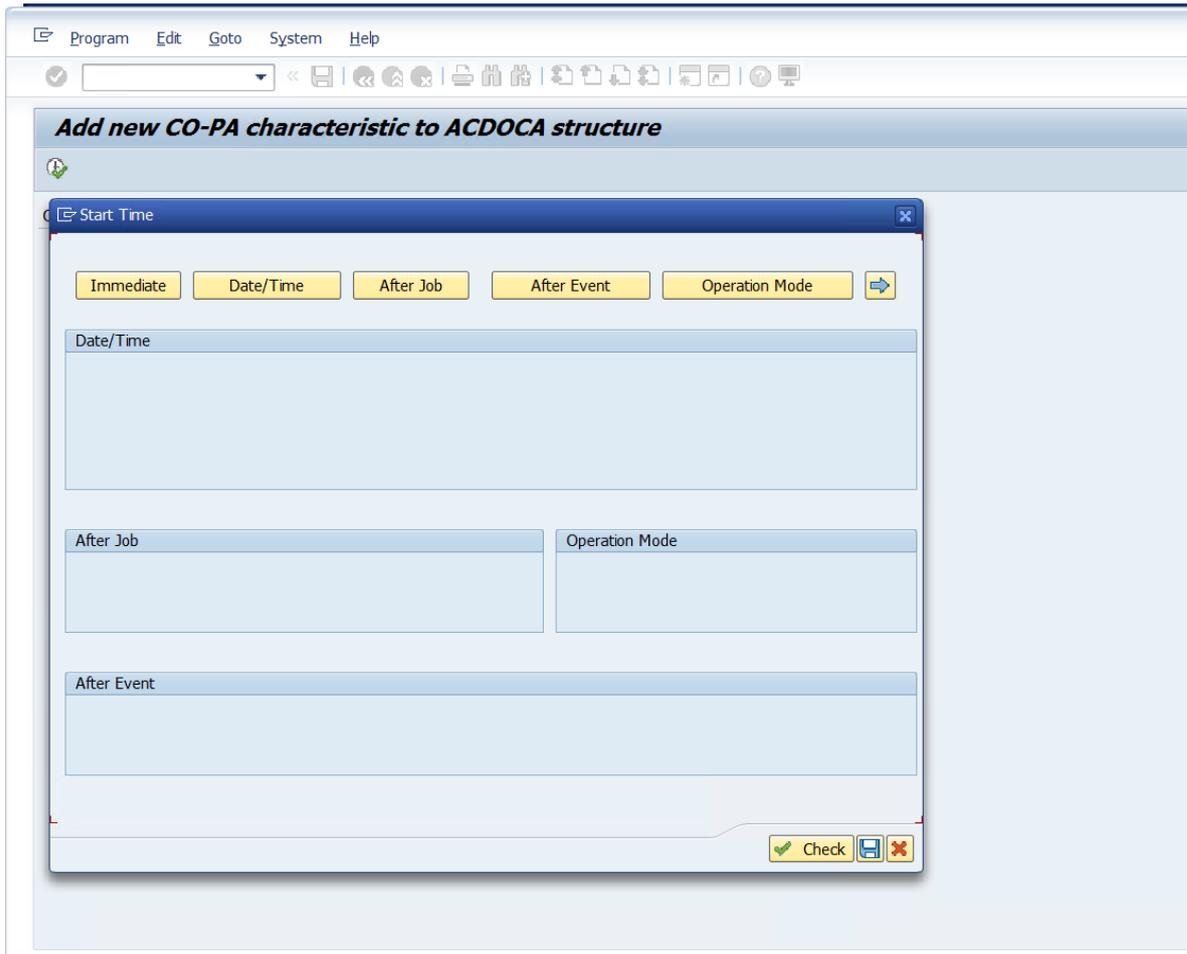
Click 



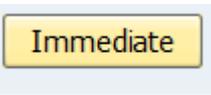
Click

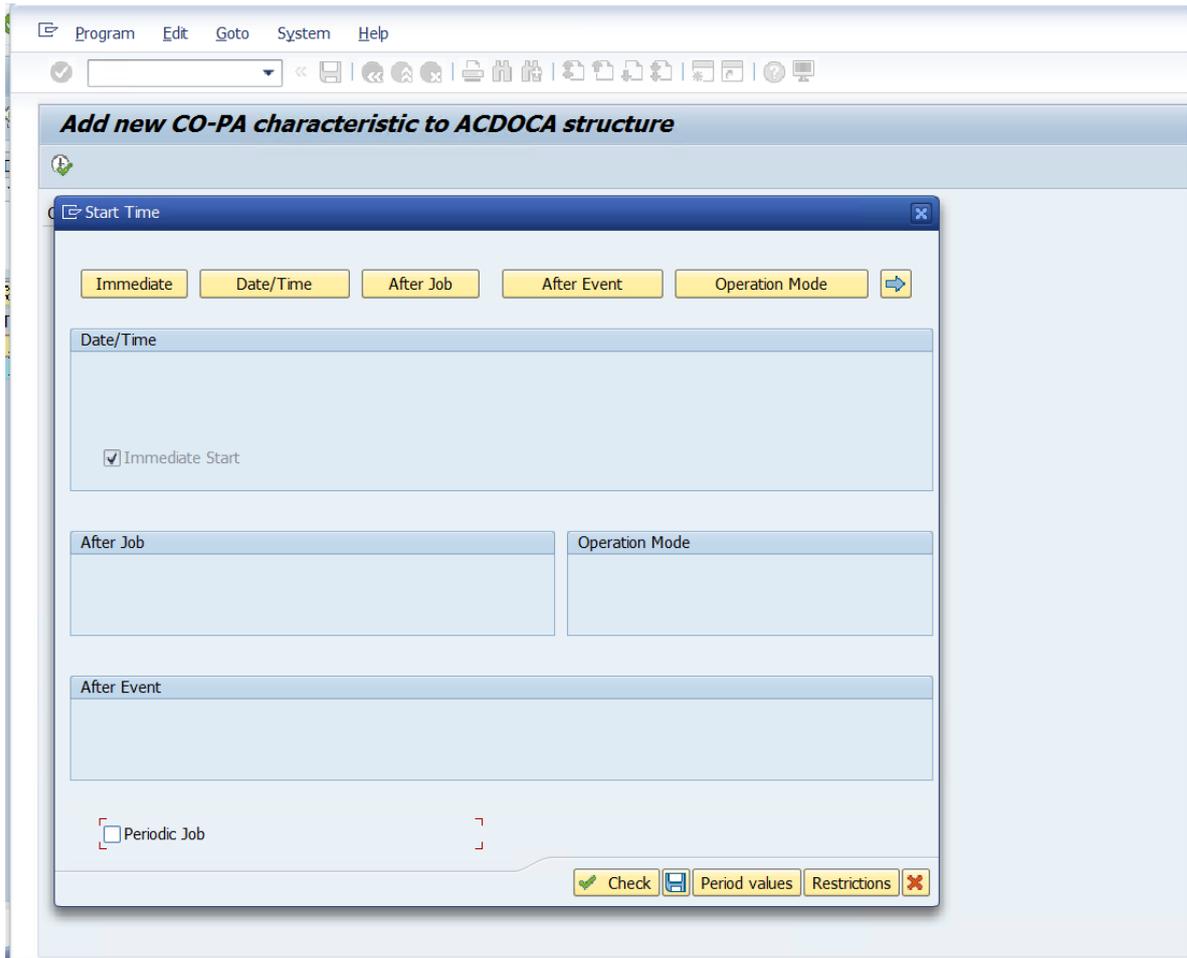




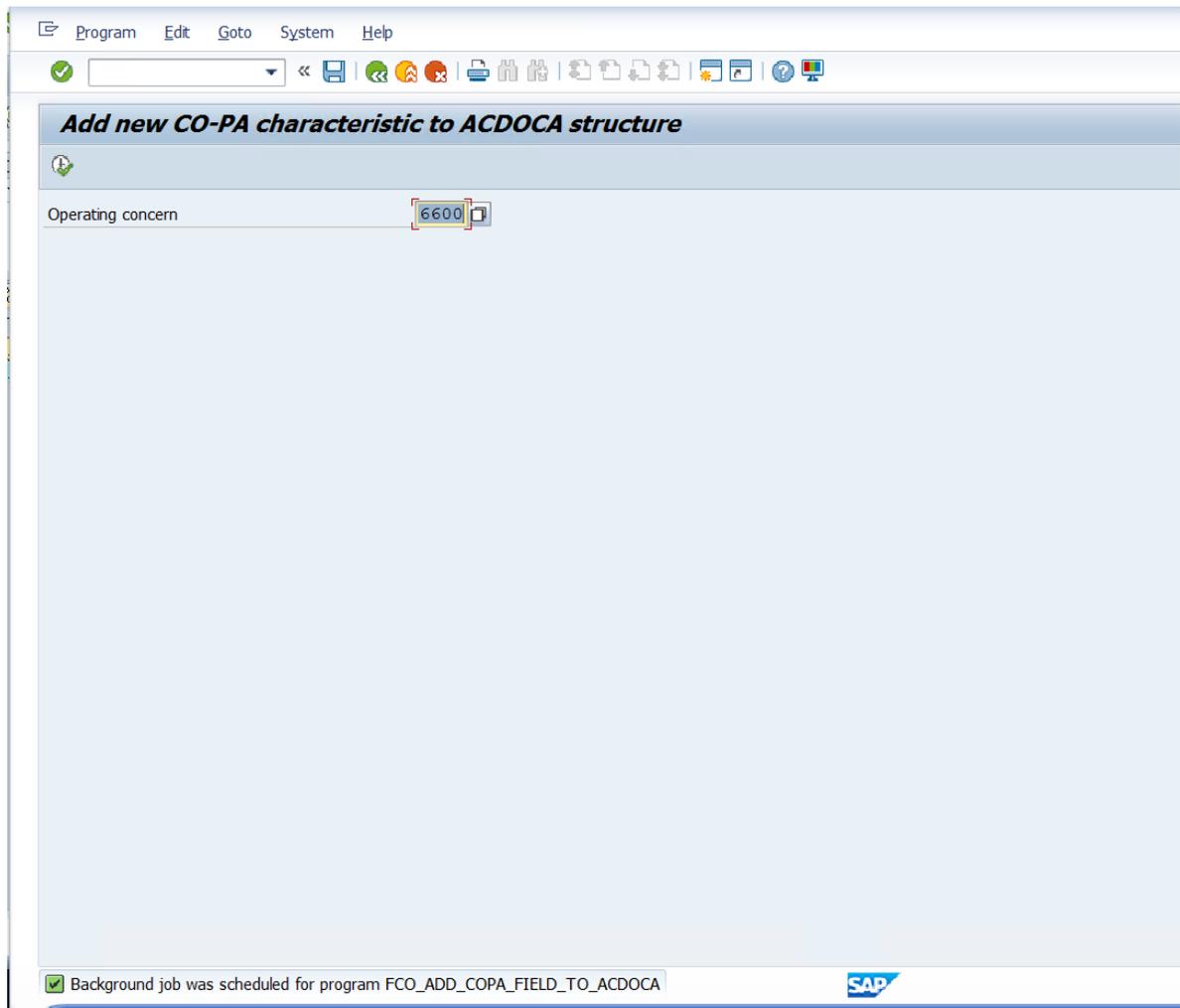


Click





Click 



Check the status in SM37

Job Edit Goto System Help

Simple Job Selection

Execute Extended Job Selection Information

Job Name \*

User Name S422USER7

Job Status

Sched.  Released  Ready  Active  Finished  Canceled

Job Start Condition

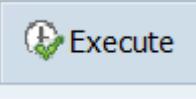
From 16.07.2023 To 16.07.2023

From To

Or after event

Job Step

ABAP Program Name

Click 

Job Edit Goto Extras Settings System Help

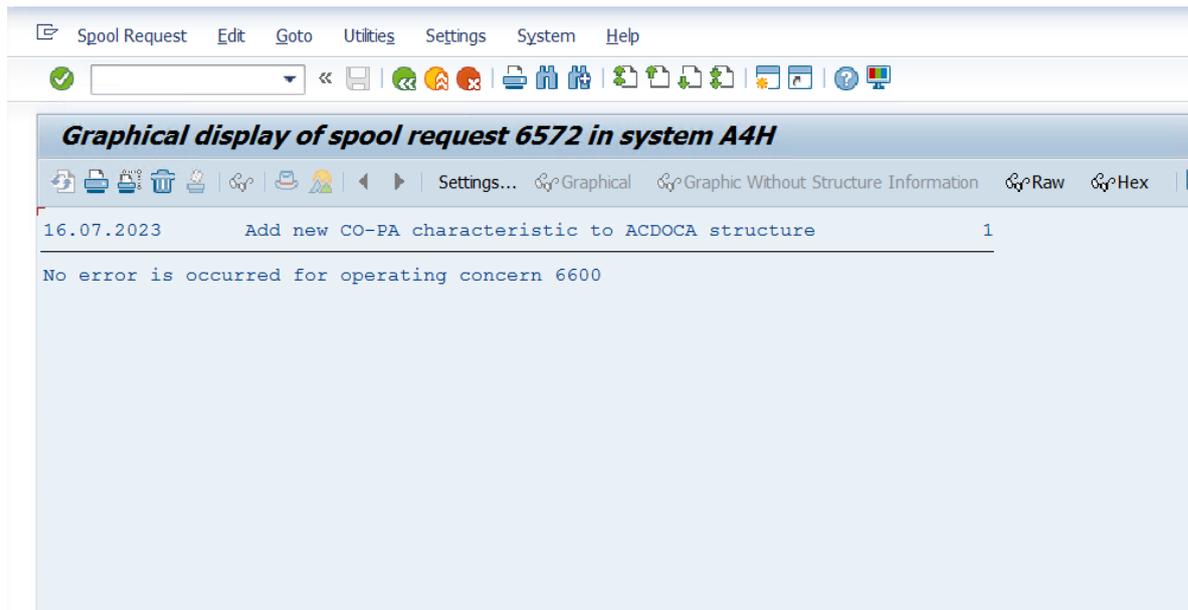
Job Overview

Refresh Release Spool Job log Step Job details Application servers

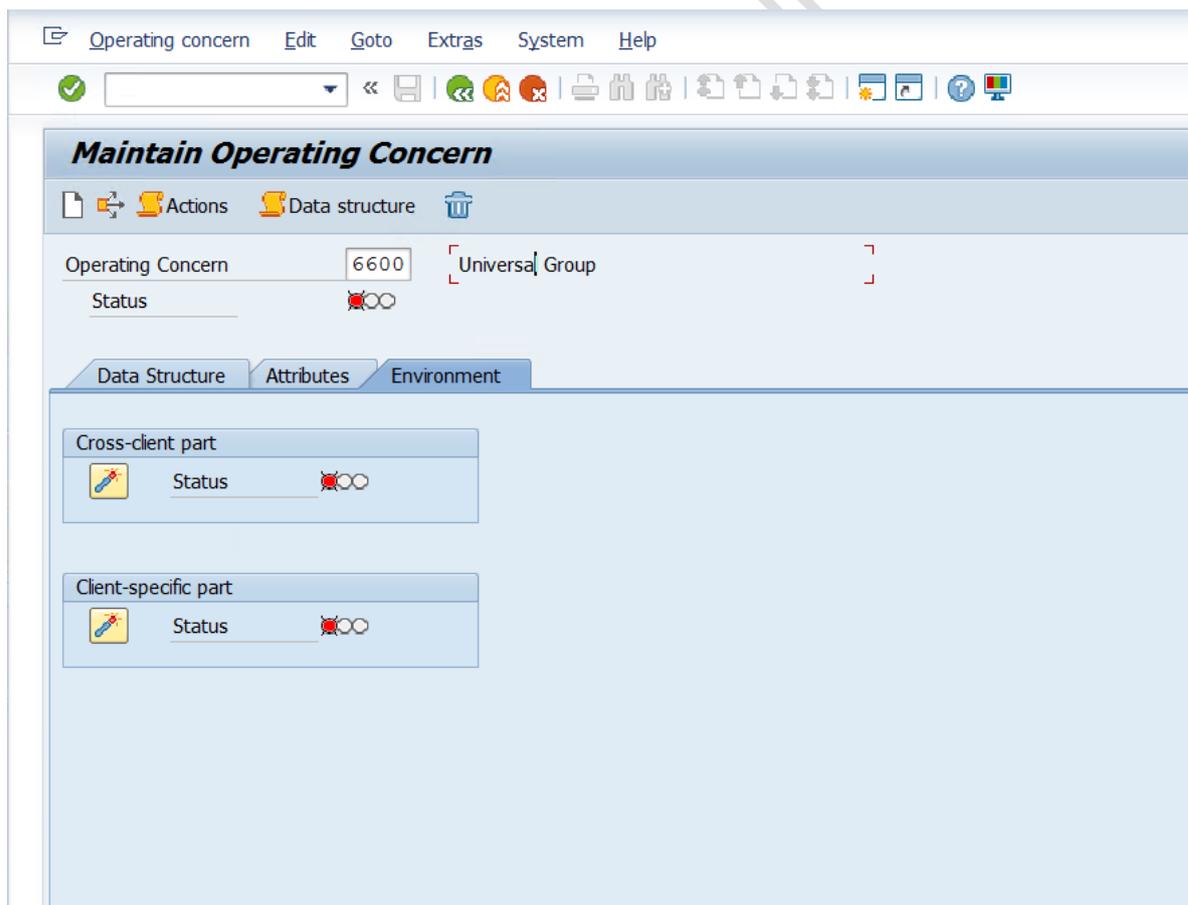
Job overview from: 16.07.2023 at: : :  
to: 16.07.2023 at: : :  
Selected job names: \*  
Selected user names: S422USER7

Scheduled  Released  Ready  Active  Finished  Canceled  
 Event-Driven Event ID:  
 ABAP program Program name :

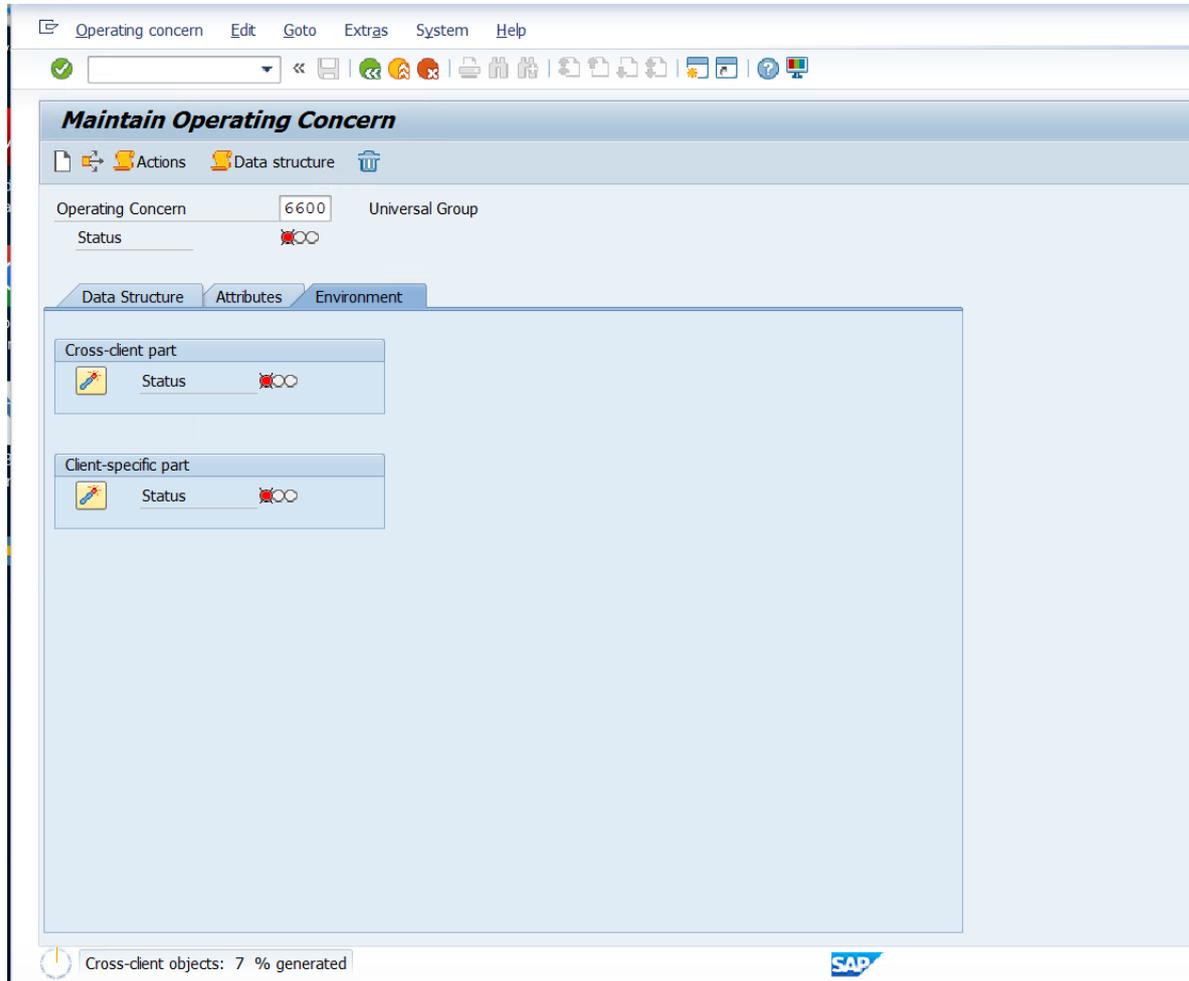
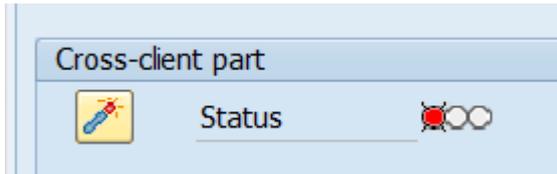
JobName	Spool	Job doc	Job CreatedB	Status	Start date	Start Time	Duration(sec.)	Delay	Cl	Reason f
FCO_ADD_COPA_FIELD_TO_ACDOCA			S422USER7	Active	16.07.2023	14:41:20	67	0	100	
*Summary							67	0		

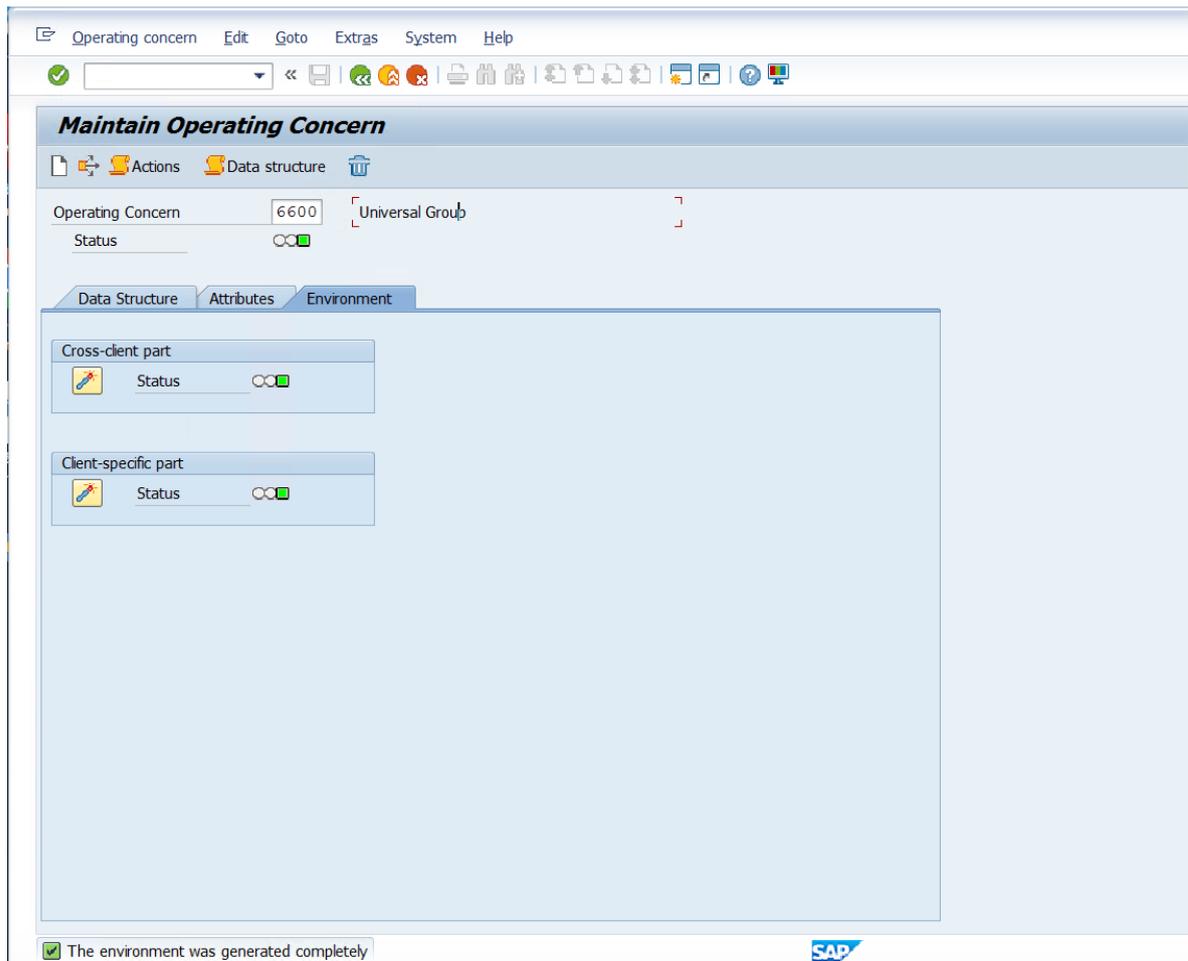


Go back to KEA0



Click on





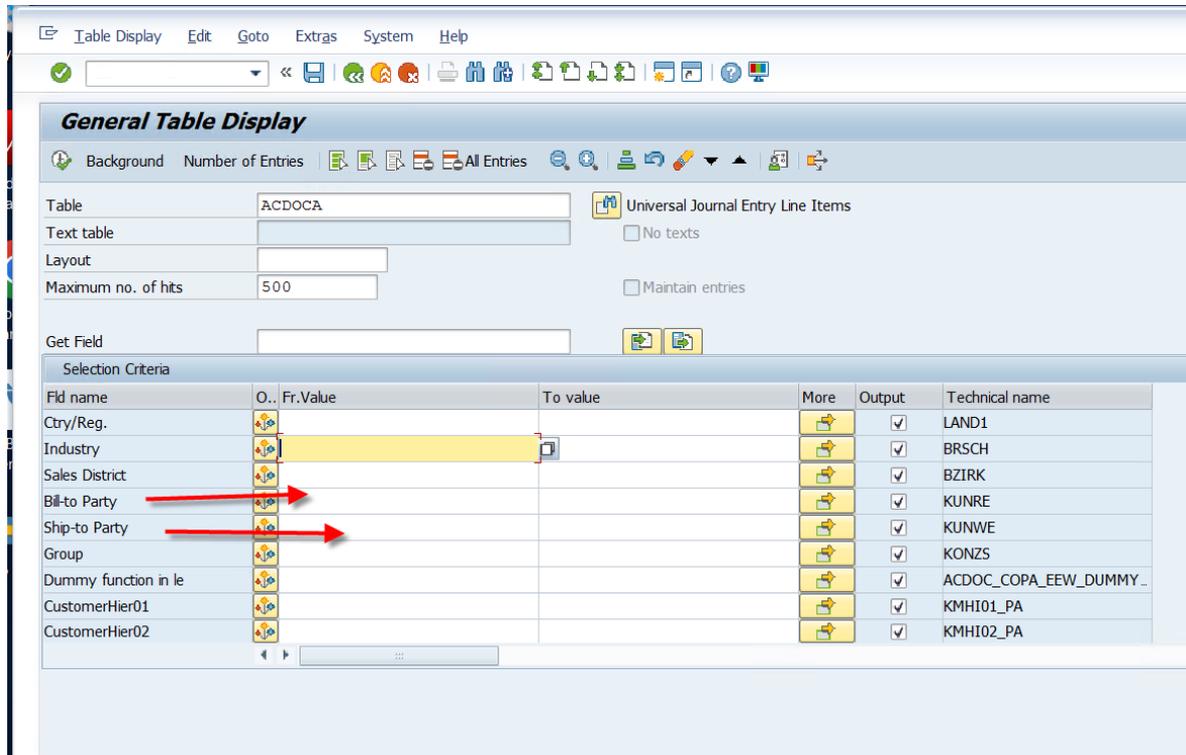
Check the new fields added in the ACDOCA table using transaction code SE16N

Update the table ACDOCA in the field table as shown below and press the enter button.

The screenshot shows the 'General Table Display' configuration window. The 'Table' field is highlighted and contains the text 'ACDOCA'. Below this, the 'Selection Criteria' table is visible, listing various fields and their corresponding 'Output' status.

Fld name	O..	Fr. Value	To value	More	Output	Technical name
Client						RCLNT
Ledger	↕			+	<input checked="" type="checkbox"/>	RLDNR
Company Code	↕			+	<input checked="" type="checkbox"/>	RBUKRS
Fiscal Year	↕			+	<input checked="" type="checkbox"/>	GJAHR
Document Number	↕			+	<input checked="" type="checkbox"/>	BELNR
Line Item	↕			+	<input checked="" type="checkbox"/>	DOCLN
G/L Fiscal Year	↕			+	<input checked="" type="checkbox"/>	RYEAR

Click on  and update “Bill to Party” therein so that you can see the results below



The screenshot shows the SAP 'General Table Display' interface for table ACDOCA. The 'Selection Criteria' table is as follows:

Fld name	O..	Fr.Value	To value	More	Output	Technical name
Ctry/Reg.					<input checked="" type="checkbox"/>	LAND1
Industry					<input checked="" type="checkbox"/>	BRSCH
Sales District					<input checked="" type="checkbox"/>	BZIRK
Bill-to Party					<input checked="" type="checkbox"/>	KUNRE
Ship-to Party					<input checked="" type="checkbox"/>	KUNWE
Group					<input checked="" type="checkbox"/>	KONZS
Dummy function in le					<input checked="" type="checkbox"/>	ACDOC_COPA_EEW_DUMMY_
CustomerHier01					<input checked="" type="checkbox"/>	KMH101_PA
CustomerHier02					<input checked="" type="checkbox"/>	KMH102_PA

The characteristic Bill to Party, Ship to party are now seen in the ACDOCA table which we created in the earlier step.

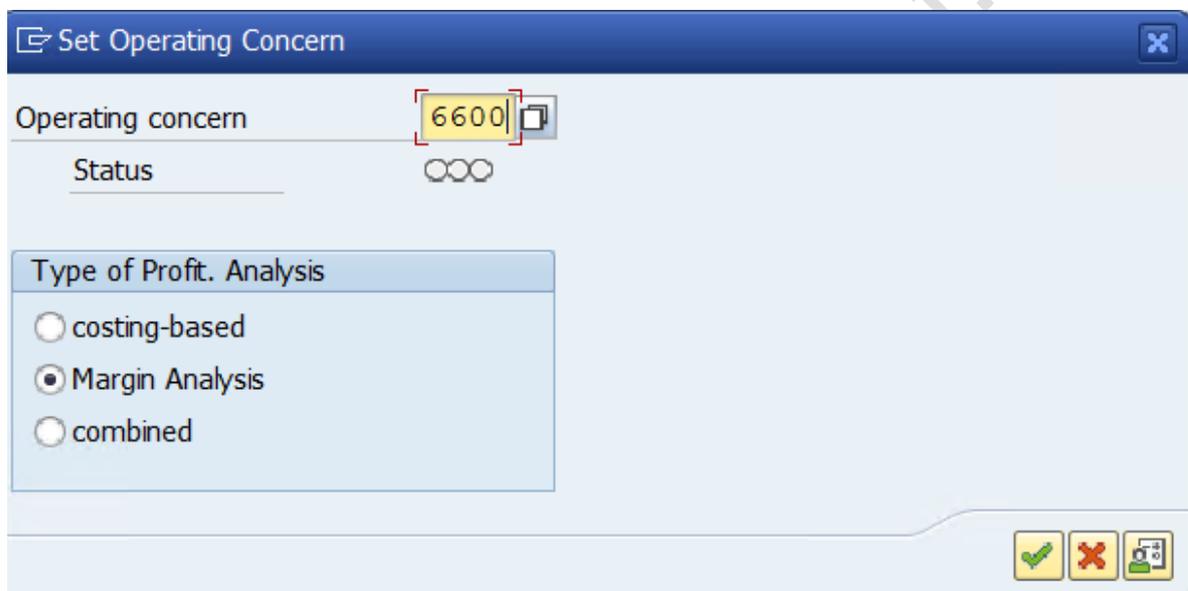
### 1.1.5 Set Operating Concern (KEBC)

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Controlling → Profitability Analysis → Structures → Set Operating Concern

Here we select the operating concern 6600. All functions that we then execute thereafter and until we logoff will relate to that type of profitability analysis for the specified operating concern. We can click on the save button to store the operating concern 6600 in our user master.

From the SAP application side we can call this through transaction code KEBC.

Update the operating concern 6600



The screenshot shows the 'Set Operating Concern' dialog box in SAP. The 'Operating concern' field is highlighted with a yellow box and contains the value '6600'. Below it, the 'Status' field is empty. The 'Type of Profit. Analysis' section has three radio buttons: 'costing-based', 'Margin Analysis' (which is selected), and 'combined'. At the bottom right of the dialog, there are three icons: a green checkmark, a red X, and a document icon.

Click  to save the settings as user default

### 1.1.6 Assign Controlling Area to Operating concern

SAP Customizing Implementation Guide → Enterprise Structure → Assignment → Controlling → Assign controlling area to operating concern

We assign the controlling area 6600 to operating concern 6600.

Update the following: -

The screenshot shows the SAP SPRO configuration screen for 'Change View Assignment Operating concern -> CO Area'. The table below lists the COAr and OpCo values for various operating concerns.

COAr	Name	OpCo	Name
6600	Universal Group	6600	
7300	CO Area for 7310, 7320		
7676	Controlling area for 7676		
7890	coccococcoco		
8888	888888888888888888888888888888		
9091	SUMIT TEXTILE		
9870	RUBEEN BAGS		
9923	NIKE LTD		
9EM0	Group controlling area		
A1CA	NESTLE CONTROLLING AREA		
A202	ABC Manufacturing		
AACO	Controlling Area A00-AA20		
AAKK	Kalpana pvt ltd		
AB12	abababababa		
ABAB	aaaaaa		

Click 

Click on 

### 1.1.7 Copy Operating Concern including Customizing

SAP CUSTOMIZING IMPLEMENTATION GUIDE → Controlling → Profitability Analysis → Structures → Define operating concern → Sample Operating Concerns → Copy Operating Concern including Customizing

This configuration is important when we want to copy customizing settings from an existing operating concern to a new operating concern. **This is very useful when we are doing rollouts for the same group.**

**This is required where the design implemented is separate controlling area and separate operating concern for each company code.** We can copy settings from an existing operating concern and make changes required for the new operating concern.

Here we specify the source operating concern and the target operating concerns. We can choose whether we want to copy data structures only, customizing settings only or both.

These are copied in separate steps:-

- 1) We need to copy the data structures first. In case we want to make some changes to the new operating concern after copying, we should generate the environment. We must enter a target operating concern name that does not yet exist.
- 2) We can then copy the customizing settings.

Click 

Operating concern Edit Goto System Help

SAP

Copy

Import operating concern Copy operating concern Copy specific objects

Copy from

Source operating concern

Source client 800

Copy to

Target operating concern

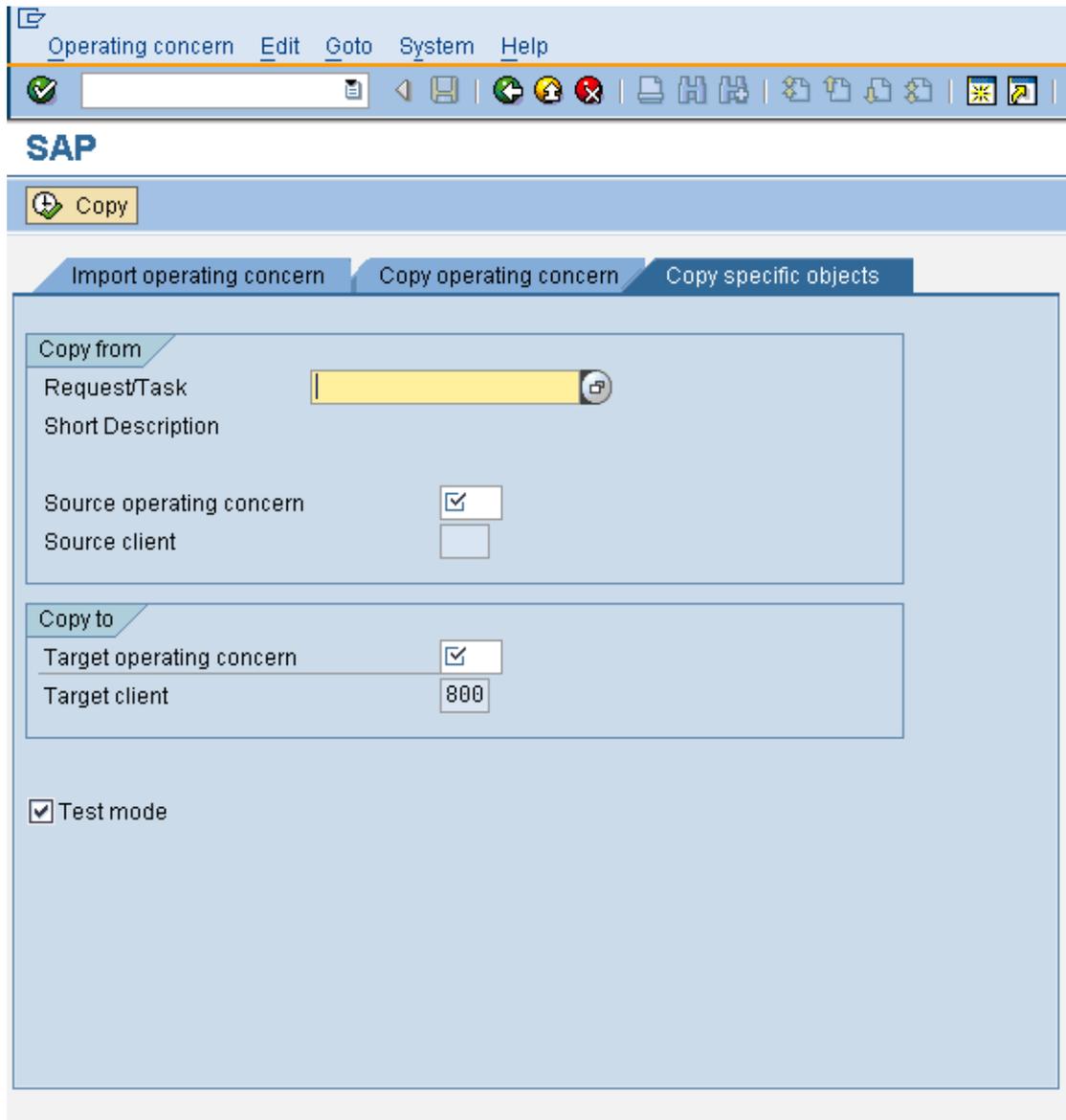
Target client 800

Copy Data Structures

Data structures  Generate environment (cross-client)

Copy Customizing

Customizing  Test mode



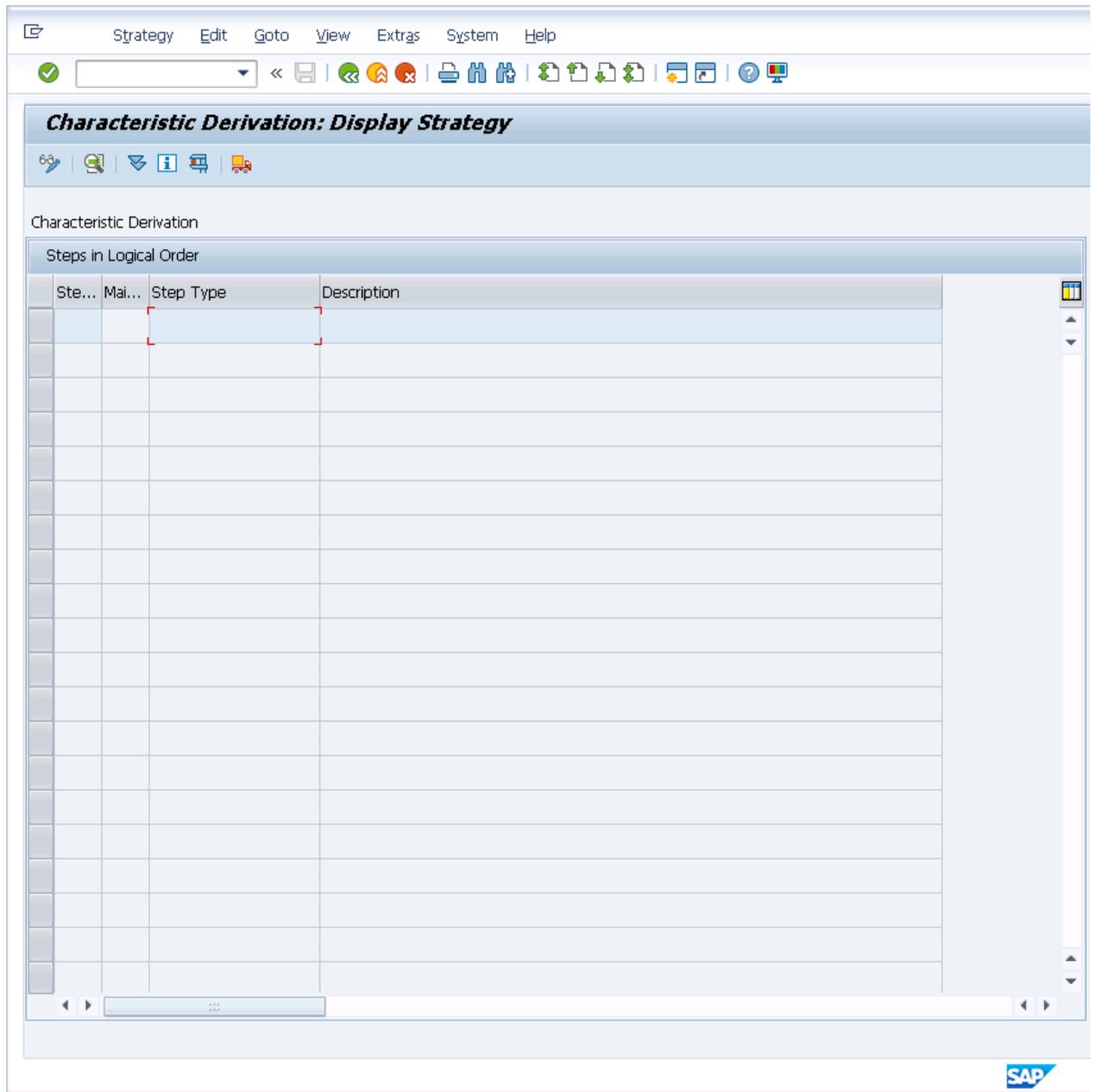
## 1.2 Master Data

### 1.2.1 Define Characteristic Derivation

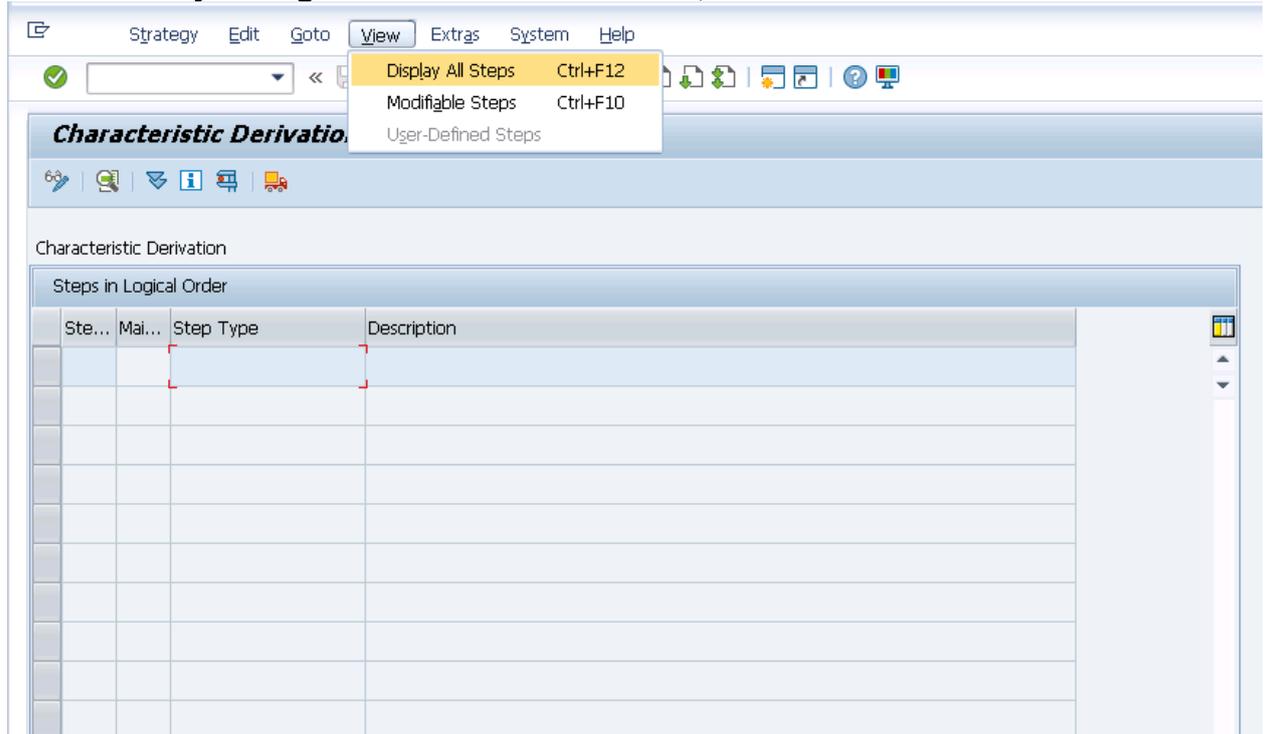
SAP CUSTOMIZING IMPLEMENTATION GUIDE → Controlling → Profitability Analysis → Master Data → Define Characteristic Derivation

Here we set up the derivation of characteristic values. Derivation allows us to find values for certain characteristics automatically based on the known values of other characteristics, where these characteristics are logically dependent on one another.

There is no derivation rules displayed currently as can be seen below:-



To see the system generated derivation rules, click as shown below:-

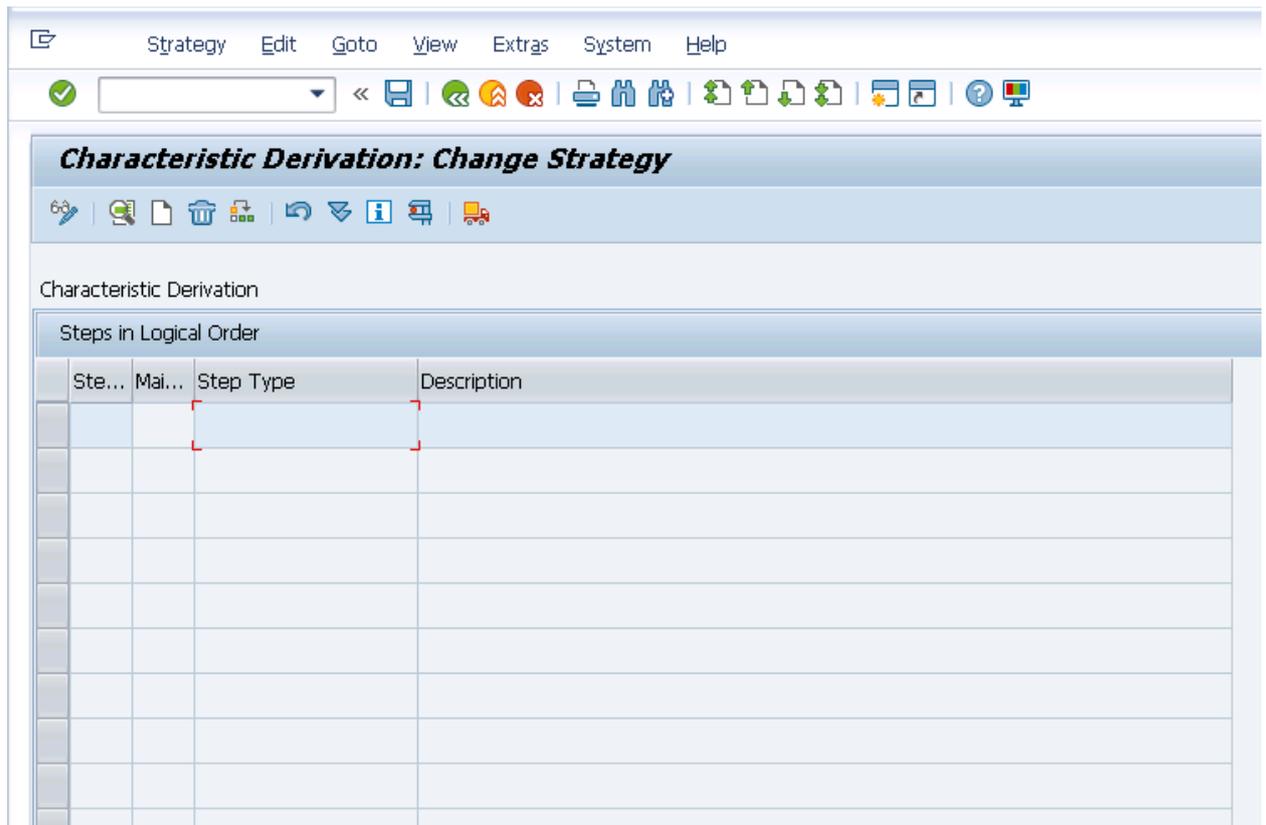


The system generated derivation rules are displayed below:-

The screenshot shows the SAP 'Characteristic Derivation: Display Strategy' window. The window title is 'Characteristic Derivation: Display Strategy'. Below the title bar, there is a menu bar with 'Strategy', 'Edit', 'Goto', 'View', 'Extras', 'System', and 'Help'. A toolbar contains various icons for navigation and actions. The main content area is titled 'Characteristic Derivation' and contains a table with the following columns: 'Ste...', 'Use...', 'Mo...', 'Mai...', 'Step Type', 'Co...', and 'Description'. The table lists 15 steps in logical order. Steps 7, 8, and 9 have green checkmarks in the 'Co...' column. Steps 13, 14, and 15 have yellow pencil icons in the 'Mo...' column. The table is scrollable and has a search bar at the bottom.

Ste...	Use...	Mo...	Mai...	Step Type	Co...	Description
1				Table lookup		Division from product
2				Function call		Company code from plant
3				Table lookup		Company code from sales organization
4				Function call		Controlling area from company code
5				Function call		Controlling area from operating concern, if unique
6				Function call		Check whether Profit Center Accounting is active
7				Table lookup	✓	Profit center from product/plant
8				Table lookup	✓	Profit center from CO order number
9				Table lookup	✓	Profit center from WBS element
10				Function call		Cost object from plant/product
11				Move		Move cost center
12				Table lookup		Unit of measure Sales Qty
13				Table lookup		Sales Office from Customer/Sales Organization/Distribution/
14				Table lookup		Sales Group from Customer/Sales Organization/Distribution C
15				Table lookup		Company ID of Trading Partner from Customer

Click **Change**  to create user defined derivation rules in addition to the system generated derivation rules.



Click Create Step

