

Six Steps for Unleashing the Full Power of Release 12 – August 28, 2012 – Q&A

Panelist: Helene Abrams, CEO and founder of eprentise

Below are the questions posed during the eprentise webinar on August 28 entitled “Six Steps for Unleashing the Full Power of Release 12,” along with the relevant answers, to the best of our knowledge. If you have questions, or wish to share any additional knowledge you may have with regard to these questions, please contact us at jgonzalez@eprentise.com with a subject line of “August 28 Webinar Questions.”

Q1: What is the role/functional use of the management segment?

A1: A management segment grants read/write access to a ledger or ledger set. A management segment grants access to all or specific ledger/management segment value (MSV) combinations. For example, you can have a data access set with ledger A and grant read only privileges to management segment value 100, grant read and write privileges to management segment value 200, and grant no access to management segment value 300. This can only be used if you have specified a management segment in your chart of accounts

Q2: In R12, can we copy the mass allocation formula from one instance to another?

A2: No – there is very little cross-instance functionality in EBS. There is a method to copy FSGs or do a GL Consolidation across instances, but I don’t know of anything else. You can copy allocation formulas to different ledgers.

Q3: Would archiving or purging be recommended before or after your R12 upgrade?

A3: First, let’s talk about the difference between archiving and purging. Archiving implies that the data can be restored into or viewed from the original instance. When you archive, you have a requirement to make sure that the data is maintained in the same format as the original instance or you would need to transform the data every time it was needed. Implementing and maintaining an archive environment is a very expensive long-term cost. For example, if you upgrade from R11 to R12, you would need to upgrade your archive instance as well so that your sets of books become ledgers, and all of the other data structure changes from 11 to 12 are reflected in the archive instance. Because the cost of storage is now so low, we do not recommend archiving to our customers at all.

Purging is done at the transaction level, and Oracle has purge functionality for most modules. We do recommend purging data that is no-longer required by statutory or regulatory requirements (be careful, as many countries require keeping more than 10 years of data for statutory requirements). The advantage of purging before your R12 upgrade is that your technical upgrade won’t take as long.

Q4: How much does it cost to upgrade?

A4: We don’t do those services, and there is a lot of variation depending on your specific environment. You would need to talk to someone who does upgrades on a regular basis. A technical upgrade is usually a fraction of the cost of a reimplementation (figures that I have heard are about 10-20% of the cost of a reimplementation) and takes much less time (again, I have heard figures like a fourth to half the time for a technical upgrade as opposed to a reimplementation).

Q5: Does R12 have the ability to do intercompany netting of transactions in different currencies across ledgers?

A5: The AP-AR Netting feature allows you to offset balances in both Oracle Payables and Oracle Receivables to reduce the outstanding debt owed either from an internal company or from a customer. It also supports foreign currency netting.

Q6: Does the secondary ledger have to be part of the financial statements coming from the primary subledger? Or can the secondary ledger be primarily for reporting purposes?

A6: The secondary ledger can be a reporting ledger only.

Q7: Can the accounting flexfield be different in the secondary ledger as opposed to the primary ledger?

A7: Yes, but that is not the recommended approach. We recommend having a single global chart of accounts so that there is consistency in reporting, and transparency across ledgers.

Q8: Are transactions updateable in the XLA prior to posting or moving to the primary ledger set(s)?

A8: Yes. If you are importing from subledgers that are integrated with Subledger Accounting and have chosen not to run Journal Import automatically when transferring amounts to General Ledger from your subledgers, you must run Journal Import manually in your ledgers and in each of your subledger level reporting currencies if you use subledger level reporting currencies.

Q9: In R12, I have a single responsibility across operating units. Do I still have security by operating unit?

A9: The security across operating units is through Multi-Org Access Control (MOAC). If you want security by operating unit, you will need to set up a separate responsibility for each individual operating unit.

Q10: Is there a separate GL interface table per ledger set?

A10: When you import your journals, it comes through the GL_Interface table, and you specify which ledger you want to import into (via a mandatory ledger_id column). You can only import data from a single ledger for a single journal import run.

Q11: We formerly used the GCS feature for consolidating two different instances. R12 doesn't support that. How can we consolidate sets of books across instances?

A11: Please talk to us at eprentise about consolidating the two instances. We will save you a lot of time and money and streamline your close process, and you will get an ROI in a very short timeframe. We can help you build the business case if you want.