



Real-Time-Consolidation with SAP BPC – What are the benefits?

The Real-Time Consolidation module is available in the core S/4 Hana Finance and it makes S/4 Hana transaction available for the consolidation module in real-time (without replicating transactional data). It's in fact doing much more than that handling for example account mapping and data releases as well as performing validation on source data.

Is it for me?

Let's first start with the obvious, you need to have S/4 Hana to be able to use Real-Time Consolidation (RTC), as RTC is part of the S/4 Hana platform, there is no RTC without S/4 Hana. It is also recommended that all (or at least a significant part of) your entities use S/4 Hana or plan to use it in the future.

RTC offers a unique value proposition for S/4 Hana customers, as you can perform a consolidation directly with your S/4 Hana transactional data without replicating them. For consolidation tasks, you will rely on the functionality of SAP BPC embedded (or optimized as it is running directly on S/4 Hana). You can also leverage SAP BPC optimized for you planning and have the same data integration possibilities there.

You can limit data duplication and use the same tool (same front-end for data input and reporting) for your planning and consolidation functionalities.

The only requirement to use RTC is to have/be in the process of implementing S/4 Hana.

What are the benefits compared to a classical consolidation solution?

The main benefit is that RTC works with the data of the local ERP (S/4 Hana) and that these data are not replicated. This of course makes the data available immediately and facilitates operations like drill through to source data. It provided full transparency of data in the consolidation tool.

About the author



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Marcel Frey has been working in IT and Business consulting for more than 15 years. He holds a Master in Business Economics from the University of Lausanne. Mr. Frey has been working with the SAP BPC solution since it's early days (as part of the Outlooksoft company), then in an expert level job in the SAP EMEA organization for several years before joining Stampa Partners, where he currently leads the SAP BPC practice.

RTC offers the following specific functionalities:

- ✓ Management of Entity/Intercompany dimension (company code, profit centers)
- ✓ Mapping from local to group Chart of Account
- ✓ Data Release
- ✓ Validation rules on source data in S/4 Hana
- ✓ Currency Conversion

RTC offers the possibility to perform consolidation based on company codes or on profit centers (management consolidation), the mapping is done based on a selection for each model and is then transparent for the user.

The Group Chart of Account will be maintained directly in S/4 Hana and the mapping of the local to group accounts will be maintained directly in the local chart of accounts in S/4 Hana.

From a business point of view, having data available in real-time can be a challenge as you need to have a stable set of data when performing consolidations. SAP has introduced the data release concept, which makes data available to RTC simply based on timestamps. Only released data will be available to the consolidation process (at least for the final data version).

Validations can be added on the source data in S/4 Hana, so that mistakes can already be identified early in the process when a posting is done.

The currency conversion can be performed on S/4 Hana directly or using BPC functionality, both approaches are supported in SAP RTC.

All the SAP BPC embedded consolidation functionalities are available on top of these RTC specific functionalities.

Data are simply
available for RTC

What would my consolidation process look like?

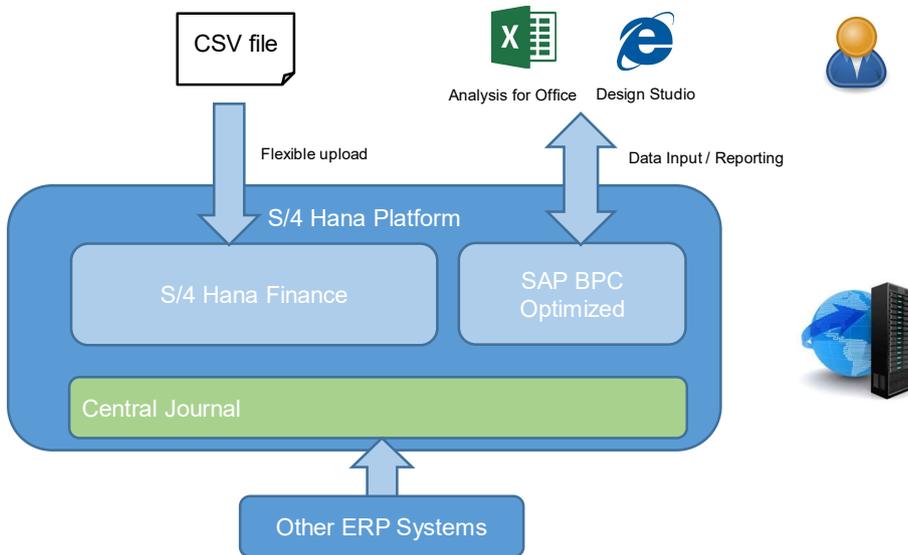
If we take a real-world scenario where S/4 Hana is not used by 100% of companies, but by 80% only.

Let's assume that we have 50 legal entities, 40 using S/4 Hana and a group of 10 smaller entities having a separate ERP (not linked to S/4 Hana with central journal).

The non S/4 Hana entities have 3 options to make their data available in RTC:

- ✓ Integration on ERP level (integrate local ERP with S/4 Hana using central journal function)
- ✓ Use flexible upload to import CSV file
- ✓ Manual data input in Excel / Web-based templates

The diagram shows these 3 options:



Option 2 would be the preferred option, as there is an uploaded functionality to import data using a standardized CSV format. The data release mechanism can also be applied to these “flexible uploads”.

For the S/4 Hana entities, the local entity will simply initiate a data release process once they are finished with their local bookings to make the data available in RTC.

RTC offers also a functionality to “preview” all available data in S/4 Hana with a so-called preliminary category. There is no data release mechanism for that category and this can be interesting to for example perform some early IC Matchings. This functionality of course works best if all entities use S/4 Hana and if continuous accounting principles are strictly applied by all entities.

Once the data have been released (or imported for non S/4 Hana companies), the standard consolidation tasks can be performed by the local entities:

- ✓ Running Controls
- ✓ Perform intercompany matching
- ✓ Calculate Cash Flow
- ✓ Perform additional data input (Tax, Headcounts, ...)
- ✓ Lock local data consolidation

RTC offers all the consolidation features of SAP BPC embedded and offers on top new functionalities like matrix consolidation (2 additional dimensions can be defined to perform a matrix consolidation on top of the consolidated data).

RTC is possible
even though some
entities do not use
S/4 Hana

How to get there?

How to get there depends of course from where you are starting from, there are 3 main possibilities here:

- ✓ S/4 Hana is already implemented
- ✓ S/4 is being implemented/rolled-out
- ✓ S/4 Hana is planned for the future but a new consolidation solution is needed right now

If you already have S/4 Hana rolled-out, you already have the technical architecture required for RTC and the project will solely focus on implementing the RTC features.

If S/4 Hana is being implemented/rolled out, the implementation of RTC can already start on the existing S/4 Hana instance, more companies will be added as the S/4 Hana roll out progresses.

If you don't currently have S/4 Hana and plan to implement it in the future, you can start implementing SAP BPC embedded and use the RTC objects, so that you can switch to real-time consolidation once S/4 Hana is implemented with less efforts. You won't have real-time data in the beginning, but by aligning the data model, you can make it re-usable for RTC in the future.

SAP RTC was initially offered with the S/4 Hana release 1610 and has been improved with 1709. New functionalities have been added, but the data model has also been changed between releases. It is recommended to have at least 1610 FPS02 to use RTC as the first releases of RTC were not having all required features to perform a full legal consolidation.

It is also important to understand that to get the new features of 1709 (and future releases), it is required to update the whole S/4 Hana platform and not just an add-on used for consolidation.

**1610 FPS02 is
recommended to
use RTC**

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