



MRC

An Implementation



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MRC Overview

- ◆ Allows inquiry and reporting in a currency other than Transactional or Functional
- ◆ Introduced in Release 11
- ◆ Works with Financial modules
- ◆ Requires additional setup
- ◆ Requires additional processing
- ◆ Requires additional resources - time, disk space and patches!!
- ◆ Still being stabilized as a product

Enabled Modules

- ◆ General Ledger - Base module
- ◆ Accounts Payables
- ◆ Accounts Receivable
- ◆ Purchasing
- ◆ Fixed Assets
- ◆ Projects
- ◆ Cash Management
- ◆ Cost Management





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SETUPS

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♦ Setup performed in
General Ledger

- Additional Set of Books
 - Define Primary
 - Define Reporting
- Assign Reporting to Primary
- GL conversion options

- Assign other modules
- Assign Operating Unit
- Assign Asset Book for Fixed Assets
- Start and End dates
- No changing End dates for Assets and Projects

NLG

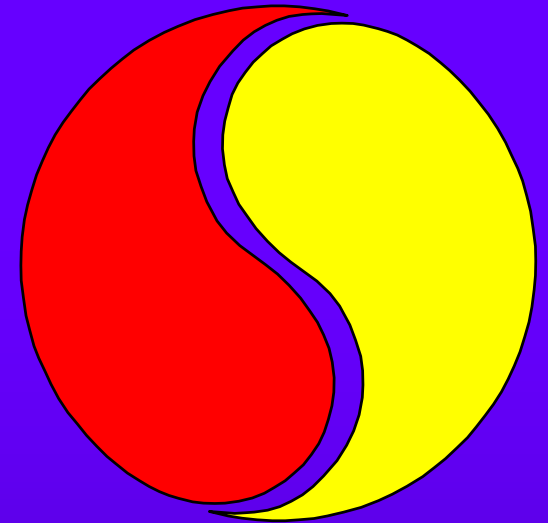
Additional Setups



- ◆ Additional Setups for conversion from existing data in Applications
 - First MRC Period
 - Date
 - Rate Type
 - Specific processes enable / facilitate this activity



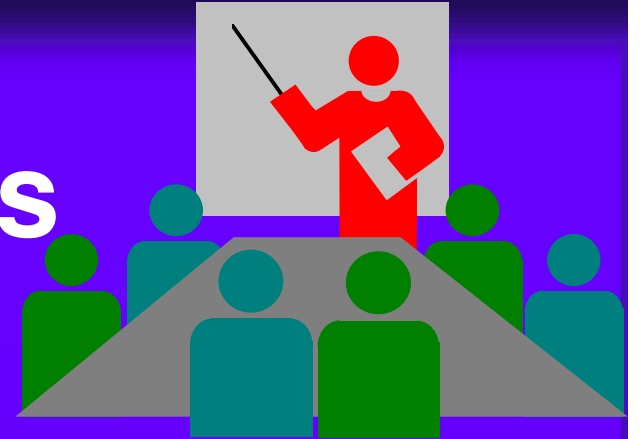
Required Activities



- ◆ Profile Options
 - MRC Set of Books
 - Set of Books Name
 - MRC:Maximum Days to RollForward
Conversion Rate
- ◆ Responsibility Definition
- ◆ Loading Currency Exchange Rates



Must Do's



- ◆ Educate users about the MRC functionality
- ◆ Plan requirement and impact on business
- ◆ Plan any conversion required and identify dates for each module
- ◆ If loading Assets - need to load rates in FA_MC_MASS_RATES table
- ◆ Identify start date for sub-ledger modules - MRC activation



CAVEAT

- ◆ Back-dated transactions in Sub-Ledgers
- ◆ Currency loads in GL_DAILY_RATES table
- ◆ Additional processes needed to be performed
- ◆ Support from OWWS and awareness of MRC
- ◆ Other

Novell

◆ The Company

- \$1.3 Billion (1999) revenue base
- 5400+ employees in 40+ countries

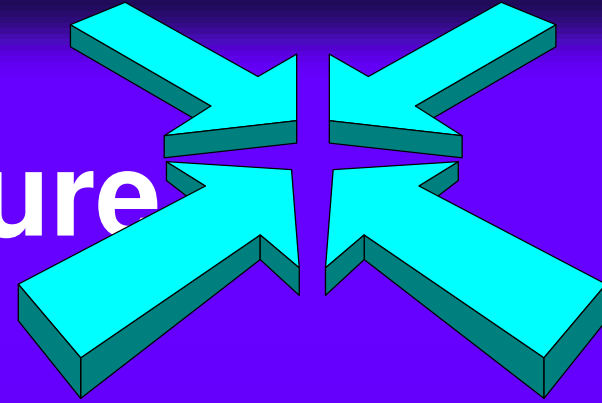
◆ The Vision

- To build the next generation of intelligent network infrastructure, enabling distributed internet and intranet computing
- To provide the best network server platform for the present and in the future
- Release 11 implemented to enable the drive towards the Vision through availability of information across the world
- Introduction of standardized cross-functional and Global Business Processes.





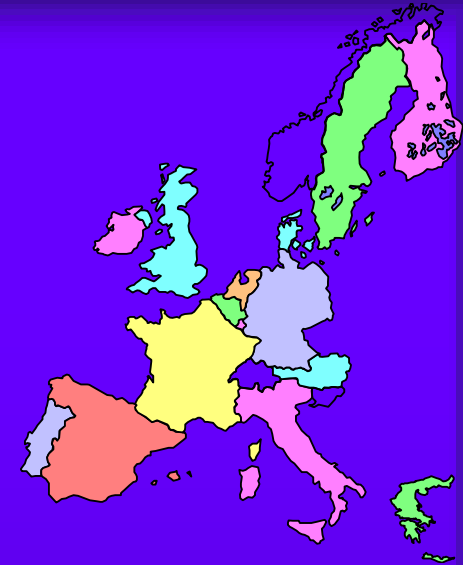
Novell's Structure



- ◆ Multiple Legal Entities
- ◆ Multiple Operating Units
- ◆ Multiple Set of Books
- ◆ Multiple Inventory Organizations
- ◆ Multiple Reporting Set of Books
- ◆ 11 Legal Entities
- ◆ 11 Operating Units
- ◆ 80 Set of Books
- ◆ 9 Inventory Organizations
- ◆ 44 Reporting Set of Books
- ◆ 1,2 and 3 RSOB's attached to PSOB



Novell



- ◆ The business reason for MRC
 - Euro countries' compliance with the EEC
 - Flexibility in moving to the euro when it became the true 'Euro' currency
 - Probable use for consolidation in the various countries for Corporate reporting



Trial - Testing

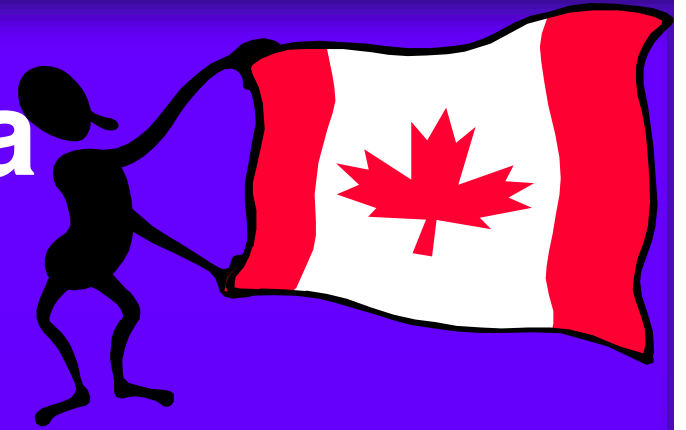
- ◆ MRC Setup and tested in the Demo Database
- ◆ Need for MRC-Mini Pack Transactional Upgrade Utility (Patch#740124)
- ◆ Upgrade Utilities
- ◆ New Books - New Operating Unit scenario
- ◆ FA Mass Additions load using ADI

MRC Trials and Resolutions

- ◆ Mini-Pack application (Patch# 740124) issues
 - Change in Print Style !?
- ◆ Use of ADI to load GL Balances
 - Issue with version
- ◆ Use of ADI to load Assets
 - FA_MC_MASS_RATES load



Canada



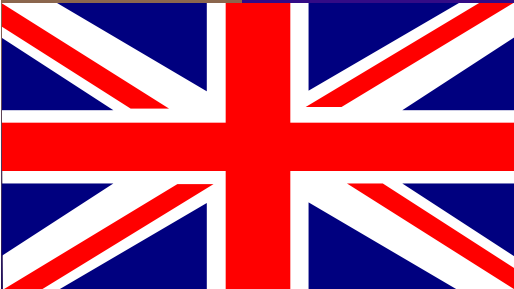
- ◆ Canada went live on 01-MAY-1999
- ◆ Functional currency Canadian Dollars
- ◆ One Reporting Set of Books - USD
- ◆ Issues
 - Accounts Payable Payment Batch confirmation
 - Resolved by canceling Invoice and re-entering with transaction date after MRC start date



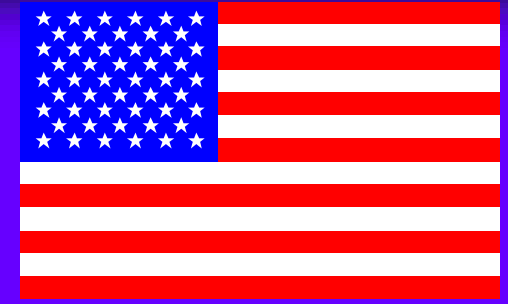


Netherlands and UK

- ◆ Netherlands went live on 01-JUN-1999
- ◆ Functional Currency - EUR
- ◆ Two Reporting Set of Books - NLG and USD
- ◆ UK went live on 01-JUL-1999
- ◆ Functional Currency - GBP
- ◆ One Reporting Set of Books - USD



BIG BANG Go-Live



- ◆ US AR
- ◆ IE Finance
- ◆ US Distribution & Manufacturing
- ◆ IE Distribution & Manufacturing
- ◆ Distribution & Manufacturing modules
 - OE, Inventory, BOM, ECO, MRP and WIP
- ◆ Impacted on IE AR with relation to MRC





AR Conversion Issues

- ◆ Novell had prior period Maintenance Invoices with open Deferred Revenue
- ◆ Data was to be converted from as far back as 3 years ago (August 1996)
- ◆ Conversion of open AR transactions for both the US and Ireland Sets of Books
- ◆ MRC had no impact on the US Finance implementation



Post-Conversion AR

- ◆ Converted AR transactions amounted to a large volume of data in the period JUL-99
- ◆ Issues
 - AR to GL Transfer - time consuming
 - Posting Issues
 - Unposted Items Report
 - User perspectives
 - Other issues - PO Accrual



PO Accrual Issue

- ◆ The Accrual Build Process is run from Purchasing in the Primary Responsibility
- ◆ In General Ledger the user has to import the transactions independently in the Primary and each Reporting Responsibility
- ◆ System pulled transactions in Detail in the Reporting Set of Books even though the setup was for Summary transfer
- ◆ The problem was resolved with a one-off patch



Issues with AR

- ◆ Multiple issues with the AR transfer to GL from the beginning
 - Resource Issues to complete initial transfer
 - Unposted Items Report
- ◆ Resolution
 - Fix resource issues with adequate table-space extension
 - Apply patch for resolving rounding issues Patch# 925415



AR Issues Contd....

- ◆ Issues increased every month
 - We had issues with Receipts being unpostable because they had rounding issues
 - Began with a single Receipt where we got a data-fix script
- ◆ Additional issues with Invoices and Credit Memos as well as Receipts
 - We got a generic data-fix script for the Invoices
 - We began getting specific data-fix scripts for each ‘problem’ Receipt



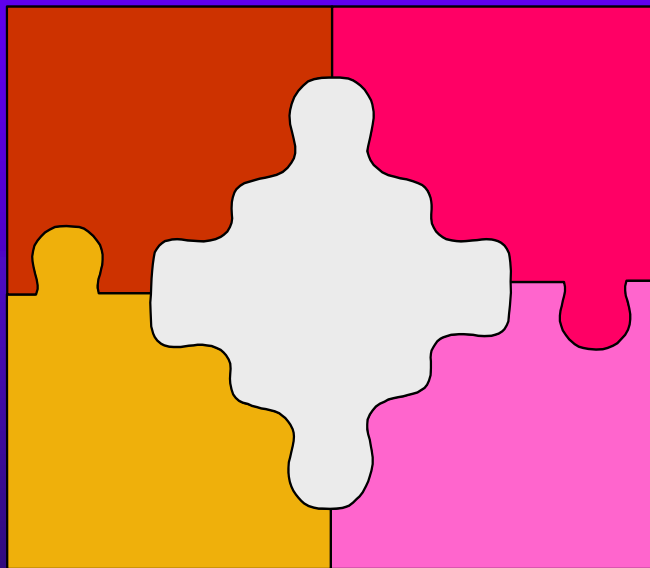
'Problem' Receipts

- ◆ Issues with Receipts that were not “postable” -
 - Rounding Issues (non-generic)
 - No data, or incorrect data in MRC sub-tables
 - Cross Currency Issues (On Unposted Items Report)
 - Close Period Form “stop-hand” problem

Patches Applied

- ◆ MRC related patches applied

- 740124
- 853555
- 949366
- 925415
- 1113592 (being tested)



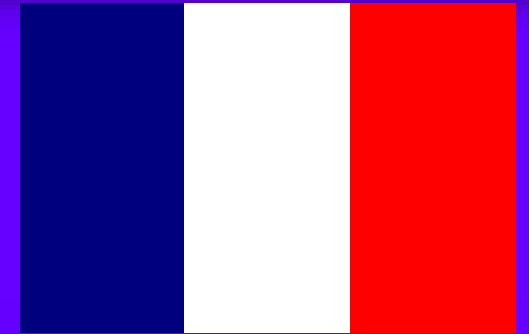
Germany



- ◆ Went live on 01-FEB-2000
- ◆ Issues with existing setup for Primary Functional Currency
- ◆ New Set of Books Design
- ◆ Three Reporting Set of Books
- ◆ Passover to the global design in Fiscal 2001
- ◆ Issues
 - FA problem with depreciation and resolution



France



- ◆ Went live on 01-FEB-2000
- ◆ Issues with existing design for Primary Functional Currency
- ◆ Local statutory reporting requirements
- ◆ Different Flexfield structure
- ◆ New Set of Books Design
- ◆ Three Reporting Set of Books
- ◆ NLS install



CONCLUSION

- ◆ Users must fully understand requirements, business need and usage before implementation
- ◆ Provides benefits for inquiry and furthers flexibility multi-currency reporting
- ◆ MRC provides benefits, but presents a different set of complications
- ◆ MRC related training required for the Support Organization in the company
- ◆ Setup related issues, that impact MRC, need to be monitored

About the Presenters

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- Has more than 20 years experience as Finance professional; has been US Controller at Novell prior to the implementation

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- Has over 15 years' experience in development, IT and business consulting





Questions Please ????