

“Walk the Line” between Shared and Divisional AP

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Introduction

- The Sherwin-Williams Company is a world leader in the manufacture, development, distribution and sale of coatings and related products to professional, industrial, commercial and retail customers



History of the Project

- FACTS (Financial Analysis, Control & Tracking System) project
- Phase 2 includes AP module, 11.5.10
- Challenge of the AP team was to change over from independent divisions to a shared environment

History of the Project

- 5 core AP team members plus 2 consultants
- 9 month project
- Approximate yearly AP spend of \$3 billion+ for US and CAN
- Approximately 2.5 million invoices yearly, 400,000 payments

Specific Benefits of the Project

- The “Ones”
 1. One Vendor Master
 2. One Set of Payment Terms
 3. One Operating Unit (One for US and One for Canada)
 4. One Check Run by Legal Entity
 5. One Closing Schedule

Specific Benefits of the Project

- Additional “Ones”
 1. One Vendor Master Maintenance Team
 2. One Check Processing Team
 3. One consolidated Cash forecast
 4. Centralized phone number on all checks.
 5. One PO Box for returned checks.

Specific Benefits of the Project

- Vendor spend analysis
- Consolidation of vendor's invoices within a legal entity into one payment
- Reduced debit balances
- Consolidated bank accounts
- Reduced cost of check stock, envelopes, postage.
- Consolidated bank reconciliation
- Simplified Minority Reporting
- Better control over duplicate payments

Specific Benefits of the Project

- Reduction of 50+ “pay entities” across multiple systems
- Over 75,000 vendor sites reduced by about half during conversion to Oracle
- Control remained for different check stock and logos based on legal entities

Plan for Implementation

- Oracle system has just one operating unit per set of books
- Certain tax legal entities would have to be supported by separate bank accounts and check stock
- Some divisional autonomy would continue to be supported by a variety of organizational and system techniques

Organizational Techniques

- Centralized Vendor Master Maintenance team
- 27 source system feeds – needed strict naming standards and programming rules for data import
- Standardized weekly pay schedule

System Techniques

- Invoice batch naming standard and liability account validation
- Performed by Forms Personalizations and custom PL/SQL

System Techniques

Invoice Batches (FIN USA SWC Operating Unit)

SWC - Invoice Batches

Batch Name	Date	Liability Account	Pay Group	Invoice Type	Payment Terms
AUMAN20071207LBRF	07-DEC-2007	C101-1200005-43RF99-0000-0000	AUTO	Standard	
AUMAN20071207LBRF1	07-DEC-2007	C101-1200005-43RF99-0000-0000	AUTO	Standard	
CNMAN20071207DJN-1	07-DEC-2007	B100-1200005-CAPA99-0000-0000	SW	Standard	
CNMAN20071207DJN-2	07-DEC-2007	B100-1200005-CAPA99-0000-0000	BRUD	Standard	
CNMAN20071207DJN-3	07-DEC-2007	B150-1200005-CAT000-0000-0000	CTS	Standard	
CNMAN20071207ABC	20-FEB-2008	C101-1200005-43RF99-0000-0000	CTS	Standard	

Create

Error

The Pay Group is not valid for the selected Liability Account Division.

OK

Invoice Batch data validation

System Techniques

Form Personalizations (Invoice Batches)

Function Name: Form Name: Debug Mode:

Seq	Description	Level	Enabled
20	SWC Batch: Ensure Liability Account is populated if required	Function	<input checked="" type="checkbox"/>
25	SWC Batch: Ensure Pay Group is populated if required	Function	<input checked="" type="checkbox"/>
30	SWC Batch: Err when saving 'Changed' records if Liability Account has no valid Pay Group	Function	<input checked="" type="checkbox"/>
35	SWC Batch: Err when saving 'Changed' records if Pay Group is invalid for Liability Account	Function	<input checked="" type="checkbox"/>

Condition **Actions**

Trigger Event: (You can enter additional event names.)

Trigger Object:

Condition:

Processing Mode:

Context

Level	Value
Site	

Forms Personalization setups

System Techniques

- Custom KFF to help manage which divisions use shared vendor sites
- Custom Vendor Inquiry form developed to ease transition from legacy vendor numbering

System Techniques

The screenshot displays the Oracle Supplier Sites DFF form for 'Supplier Sites (FIN USA SWC Operating Unit) - 3M, 67797'. The main form shows details for site 'CHICAG0001' in the 'United States' at '2807 PAYSHERE CIRCLE', 'CHICAGO'. A sub-form titled 'SWC Vendor Site Usages' is open, showing usage flags for Consumer (N), Corporate (N), Auto (Y), CTS (N), and Stores (Y). The main form also shows 'Site Uses' with 'Pay' checked and 'Primary' unchecked. Other fields include 'All Others Legacy Supplier Number', 'Stores Supplier Number' (0000929433), 'DUNS Number', 'Site Usages' (N.N.Y.N.Y), and 'Additional Days Outstanding'.

Vendor Site DFF

System Techniques

Supplier Sites (FIN USA SWC Operating Unit)

Supplier Site ID
 Legacy Number
 Stores Number

Supplier Sites							
Supplier Site Name	Supplier Site ID	Legacy Number	Stores Number	Site Inactive Date	Supplier Name	Supplier Number	Supplier ID
CHICAGO001	29154		0000929433		3M	67797	68796
CHICAGO002	18442	683510			3M	67797	68796
CHICAGO003	19353	929433			3M	67797	68796

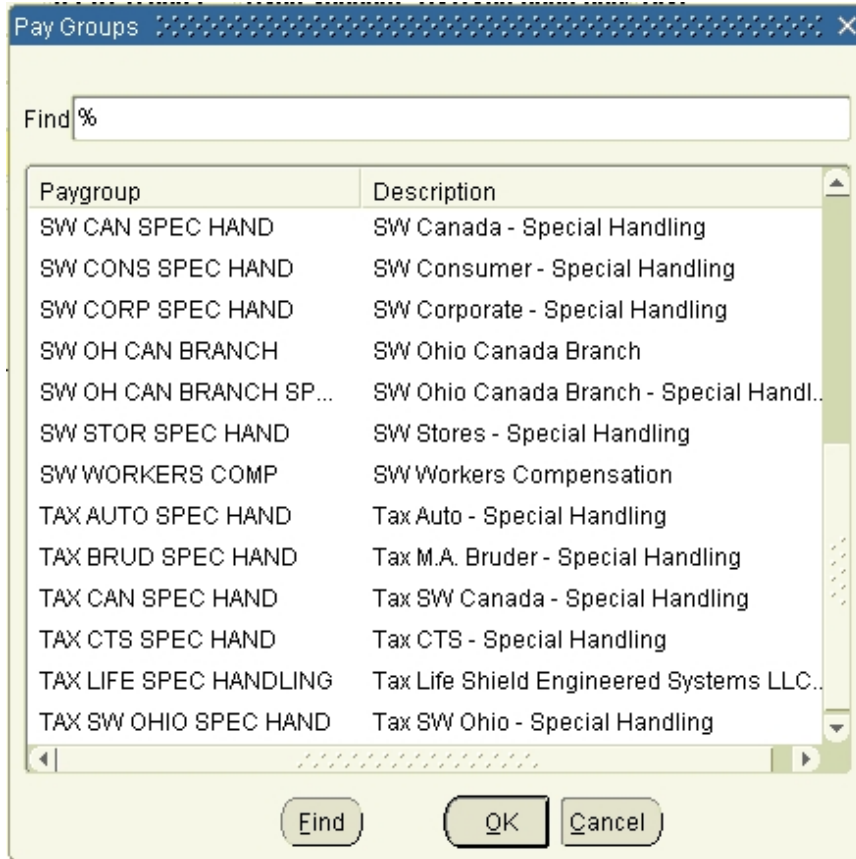
Custom Vendor Inquiry form



System Techniques

- Lengthy list of Pay Groups that were used for payment scheduling.
- Pay Group names triggered processing logic in the shared check printing group

System Techniques



Pay Group list

System Techniques

- Folders used to restrict data access based on divisional requirements
- Folders created with Query criteria included, some users could not modify the folder definitions

System Techniques

Open Interface Invoices

SWC - Open Interface Invoices - SWP (US)

Invoice ID	Source	Status	Invoice Type	Supplier Name	Supplier Num	Supplier ID	Supplier Site Code	Supplier Site ID
2355217	SWP	REJECTED	STANDARD	XEROX CORP	67031	68030		19548
2355218	SWP	REJECTED	STANDARD	XEROX CORP	67031	68030		19548

Open Interface Invoice Lines (2355217)

Invoice Total

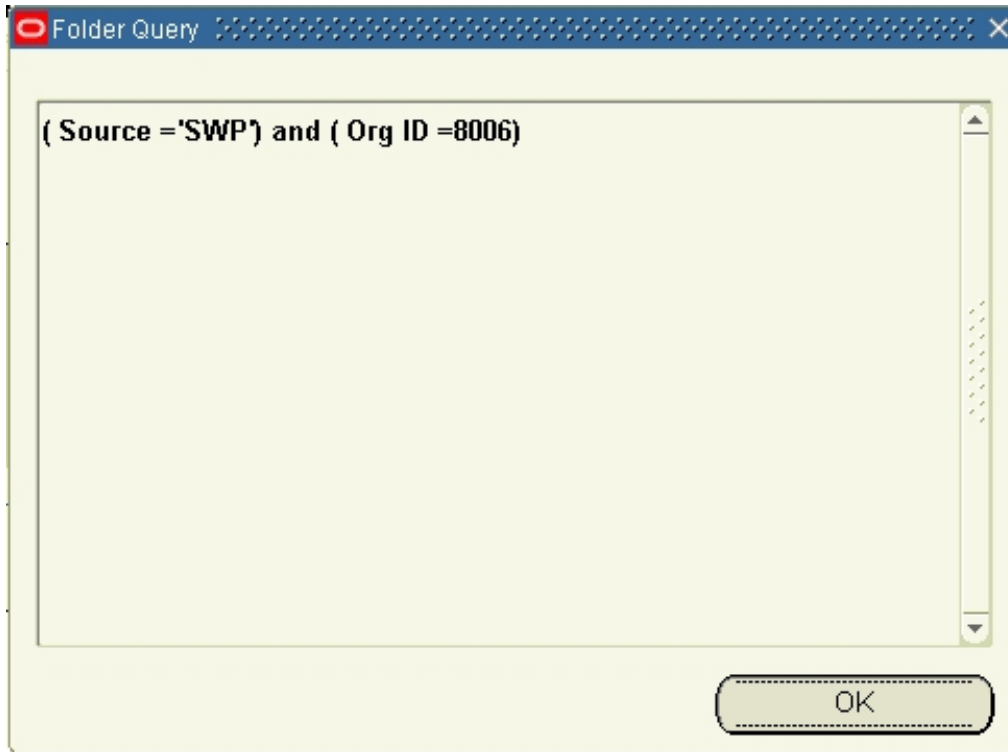
Lines Total

SWC - Open Interface Lines

Invoice ID	Invoice Line ID	Line Number	Line Type	Line Group Num	Amount	Accounting Date	Description
2355217	2054982	1	ITEM	0	153.29		

Custom Folders on Invoice Open Interface form

System Techniques



Folder query definition

Lessons Learned

- FACTS team included Divisional personnel (from all levels) early on
- Strong, experienced AP Functional team members and AP business analysts
- Important decisions were discussed with all divisions represented and the team came to a consensus

Conclusion

- We hope you learned from our experiences
- Questions are welcome

