R/3 SYSTEM

Optimize your management accounting. The SAP® CO-ABC Activity-Based Costing System gives you greater transparency in tracking overhead costs. Through complete integration with the rest of the R/3 System, you gain the proven benefits of our cost accounting module with a broad spectrum of additional functionalities.

IN FOCUS...

ACTIVITY-BASED COSTING — THE WAY FORWARD TO NEW CONTROLLING HORIZONS

MINIMIZE YOUR OVERHEAD COSTS WITH CO-ABC

If your company is faced with rapidly increasing overhead costs that can not be directly assigned, you need advanced cost control. CO-ABC lets you assign your overhead directly to business functions where the costs were originally incurred. You can then determine the factors affecting costs, promptly identify problem areas, and take immediate corrective action.

ANALYZE YOUR COST STRUCTURES ACROSS BUSINESS FUNCTIONS

Activities causing overhead costs are typically produced by a number of cost centers. So the conventional, function-oriented system of cost-center accounting is often inadequate. Integrating activity-based costing lets you improve your cost perspective with a crossfunctional view of your company's cost structures.

OPTIMIZE YOUR BUSINESS PROCESSES

Vital information acquired from our activity-based cost accounting system enables you to pinpoint and optimize your business processes. CO-ABC not only supports operational objectives, but also helps you address strategic planning issues. With this new set of data, you can make more informed decisions about capital investments, product, marketing, and service strategies.

GREATER INSIGHT INTO YOUR BUSINESS

Using R/3 CO-ABC functionality, you can easily create graphic overviews of your business processes. So you're able to enter all the relevant master
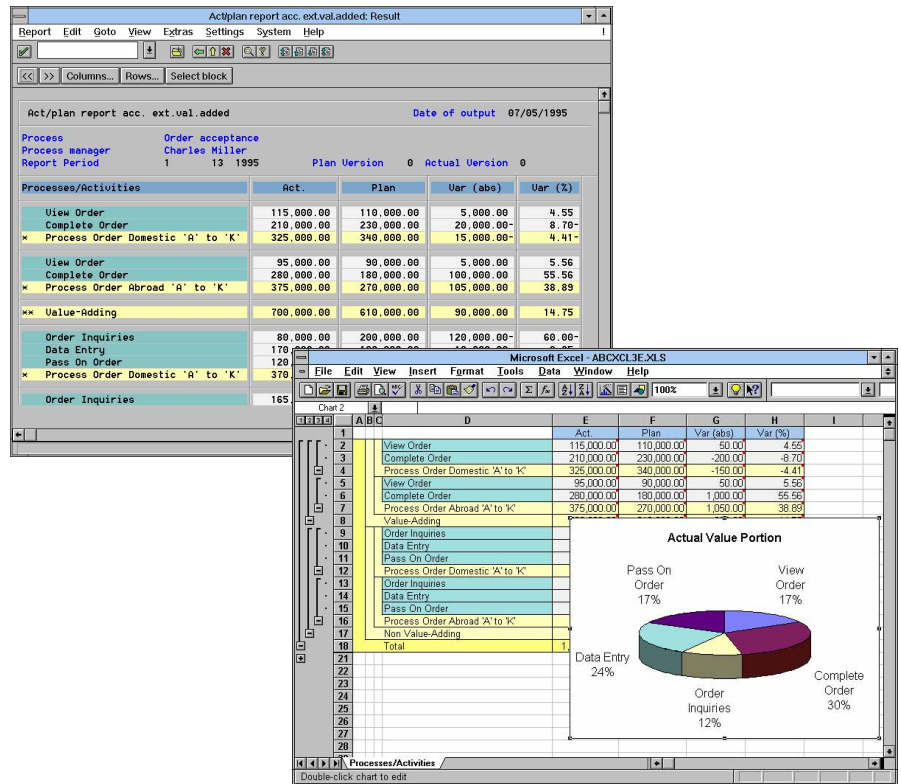
data for any specific process quickly. You can also assign characteristics to processes, such as degree of value-added, to perform detailed cost analyses.

COMPREHENSIVE INTEGRATION INTO THE R/3 ENVIRONMENT

To be effective, an activity-based costing system must be fully integrated into your business management. This requires extensive integration of external and internal accounting systems because they are where the most significant cost informa-tion is recorded or established. CO-ABC is completely integrated into the R/3 System and provides all the necessary interfaces to related applications in internal and external accounting. In addition, you can draw on an abundance of infor-mation from other R/3 modules (e.g., our Logistics System).

EFFICIENT ALLOCATION METHODS

CO-ABC provides a wide range of allocation methods for optimal distri-bution of overhead to processes and other control-ling objects. You can choose among simple techniques, such as straight allocation, or more sophisticated processes used in direct and indirect activity allocation. All cost and process characteristics are updated automatically to ensure that your overhead structure remains transparent - no matter how many levels your allocation procedure involve.

CUSTOMIZED AND INFORMATIVE REPORTS

With the integrated report function, you can perform the extensive analyses you need for optimal decision-making. Standard reports can be easily adapted to meet your special needs. The struc-tured lists and graphics in the report can be easily enhanced, by using a variety of text and graphics programs.

TECHNOLOGY AND SERVICE

R/3 software is based on Client/Server Architecture. R/3 is designed as an open system for use on operating systems from a variety of vendors. Along with the software, SAP® offers you a complete spectrum of services: professional consulting in organiza-tional and technical issues ranging from project planning to system implementation; qualified staff training, and 24-hour hotline support.

SAP's quality management system for software development meets the inter-national ISO 9001 standards.

Find out more. Just call or write us.

SAP development partners for CO-ABC: