Exercise 1: Configure a new legal entity

A legal entity is an organization that is identified through registration with a legal authority. Legal entities can enter into contracts and are required to prepare statements that report on their performance.

This exercise shows how to create a legal entity in Finance and Operations.

1. On the Left hand pane, go to **Organization administration > Organizations > Legal entities**.
2. Click **New**.
3. In the **Name** field, type a value.
4. In the **Company** field, type a value.
5. In the **Region** field, enter or select a value.
6. Click **OK**.
7. Wait for the system to build the legal template
8. In the **General** section, provide the following general information about the legal entity: Enter a **search name** if it is required.
9. Select whether this legal entity is being used as a **consolidation** company.
10. Select whether this legal entity is being used as an **elimination** company.
11. Expand the **Addresses** section, and select the company and then select edit.
12. Enter address information, such as the street name and number, postal code, and city.
13. Expand the **Contact** information section, and enter information about methods of communication, such as email addresses, URLs, and telephone numbers.
14. Expand the **Statutory** reporting section, and enter the registration numbers that are used for statutory reporting.
15. Expand the **Registration numbers** section, and enter any information required by the legal entity.
16. Expand the **Bank account information** section, and enter bank accounts and routing numbers for the legal entity.
17. Expand the **Foreign trade and logistics** section, and enter shipping information for the legal entity.
18. Expand the **Number sequences** section to view the number sequences that are associated with the legal entity.
19. Expand the **Images** section to view or change the logo and/or dashboard image that is associated with the legal entity.
20. Expand the **Tax registration** section, and enter the registration numbers that are used to report to tax authorities.
21. Expand the **Tax 1099** section, and enter 1099 information for the legal entity. (This is only necessary for a US based company.)
22. Click **Save**.

Exercise 2: Create an operating unit

An operating unit is an organization that is used to divide the control of economic resources and operational processes in a business. People in an operating unit have a duty to maximize the use of scarce resources, improve processes, and account for their performance.

The types of operating units include cost centers, business units, departments, and value streams.

This exercise shows how to create an operating unit.

1. Go to **Organization administration > Organizations > Operating units**.
2. Click **New** to open the drop-down menu.
3. In the list, find and select the type of operating unit that you want to create.
4. In the **Name** field, type a value.
5. Expand the **General** section, if necessary. Provide general information about the operating unit, such as an identification number, Data Universal Numbering System (DUNS) number, and manager.
6. Expand the **Addresses** section, if necessary.
7. Enter address information, such as the street name and number, postal code, and city.
8. Click **Add** to enter a new address record or click **Edit** to modify an existing address record.
9. Expand the **Contact** information section, if necessary.
10. Enter information about methods of communication, such as email addresses, URLs, and telephone numbers.
11. To enter a new communication record, click **New**. To modify an existing communication record, click **More options > Advanced**.
12. Click **Save**.

Exercise 3: Create an organization hierarchy

You can use organizational hierarchies to view and report on your business from various perspectives. For example, you can set up one hierarchy for tax, legal, or statutory reporting.

This exercise shows how to create an organizational hierarchy.

1. Go to **Organization administration > Organizations > Organization hierarchies**.

2. Click **New**.
3. In the **Name** field, type a value.
4. Click **Assign purpose**. In the list, find and select a purpose to assign to your organization hierarchy.
5. Click **Add**. In the list, find the hierarchy that you just created.
6. Click **OK**. In the list, find and select your hierarchy.
7. Click **View** hierarchy.
8. Add organizations, as necessary. To add an organization, click **Edit** and then click **Insert** to add the organization.
9. When you are done making changes you can save a draft and/or publish the changes.

Exercise 4: Set up a number sequence

Number sequences are used to generate readable, unique identifiers for master data records and transaction records that require them.

This exercise shows how to set up number sequences using the **Number sequences** page.

1. Go to **Organization administration > Number sequences > Number sequences**.
2. Click **Number sequence**.
3. In the **Number sequence code** field, type a value.
4. In the **Name** field, type a value.
5. Expand the **Scope parameters** section, and select a scope for the number sequence and select scope values.
6. Expand the **Segments** section, and define the format for the number sequence by adding, removing, and rearranging segments.
7. Expand the **General** section, and specify whether the number sequence is manual, and continuous or non-continuous.
8. Click **Save**.