ERP- Oracle Apps

Lesson 4: Multiple Organization in Oracle Applications

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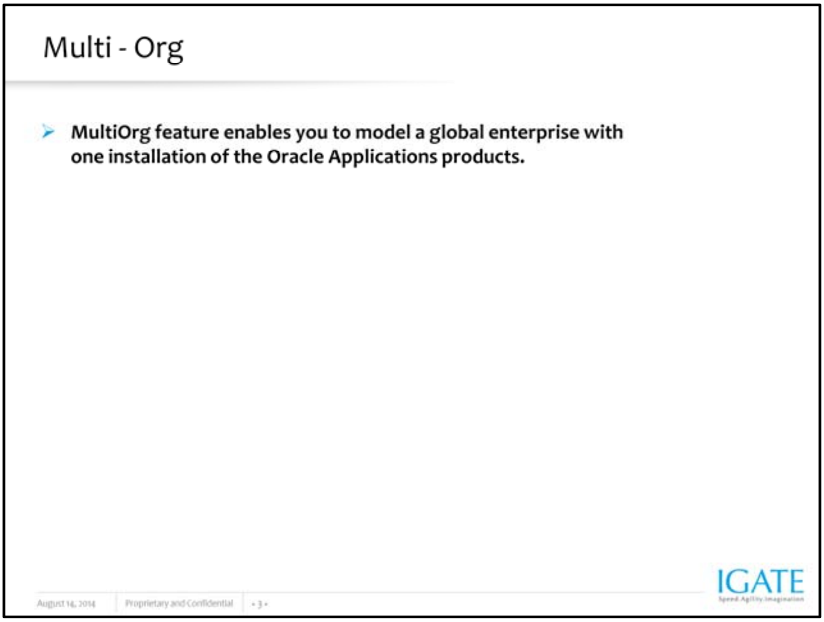
Lesson Objectives

- **To understand the following**
  - Multi-org
  - Types of organization
  - Selling, shipping ,purchasing and receiving
  - Identify the setup steps and considerations that are required for Multi-Org setup.



Multi-org
MultiOrg feature enables you to model a global enterprise with one installation of the Oracle Applications products. This greatly reduces maintenance and setup effort, and allows more global access to some shared data. Prior to the Multiple Organization Support feature, customers could secure data by implementing separate installations of Oracle Applications. In particular, separate installations of the sub-ledger products (Oracle Order Entry, Oracle Payables, Oracle Purchasing, Oracle Receivables) were required. The Multiple Organization Support feature, which is supported by all Oracle Applications products, provides a more pragmatic solution to data security by allowing customers to secure data by business unit within one installation of all Oracle Applications.

Multi-Org is an Oracle Financials feature that lets you identify specific data and financial transactions as belonging to a single organization - classified as an `Operating Unit' within your enterprise. This is essential for large customers with multiple lines of business or divisions where you want to secure access to information and simplify processing and reporting.
In many ways Operating Unit security on data and processes is similar to the Business Group capability of Oracle HRMS and this has led to a lot of the confusion between the two.

With Multi-Org you can define an owning Operating Unit and associate this with a user profile option - MO:Operating Unit. When you define data or execute a business process then the system will automatically attach the id of your Operating Unit organization to the data or transaction. When you query data then the system will use the Operating Unit organization id from your user profile to filter the query.

Multi-org (Contd…)
This contrasts with the Business Group security model in HRMS where you can secure data and processes by id of the Business Group. However, in HRMS the Business Group id is closely related to the country of operation, and not simply a division or line of business. While there are similarities between the two, it is important to realize that these are distinct and different mechanisms for two different functional areas. This is especially true for any global implementation of HRMS where the data for each country exists within a single business group but Operating Units exist across many countries, and business groups.
Important Note: You can classify any organization in any business group as an Operating Unit and you can use this Operating Unit organization id to secure data in any business group.

WHY IS MULTI-ORG STRONGLY RECOMMENDED?
Multi-Org is strongly recommended in Release 11i in order to prepare for performance improvements and Multi-Org Access Control.

Performance Improvement
The Multi-Org functionality is being improved to take advantage of the new core database features of Oracle Release 9i, which improves the overall performance of the E-Business Suite. In future releases, the existing Multi- Org view layer will be replaced with the Oracle 9i Virtual Private Database technology.

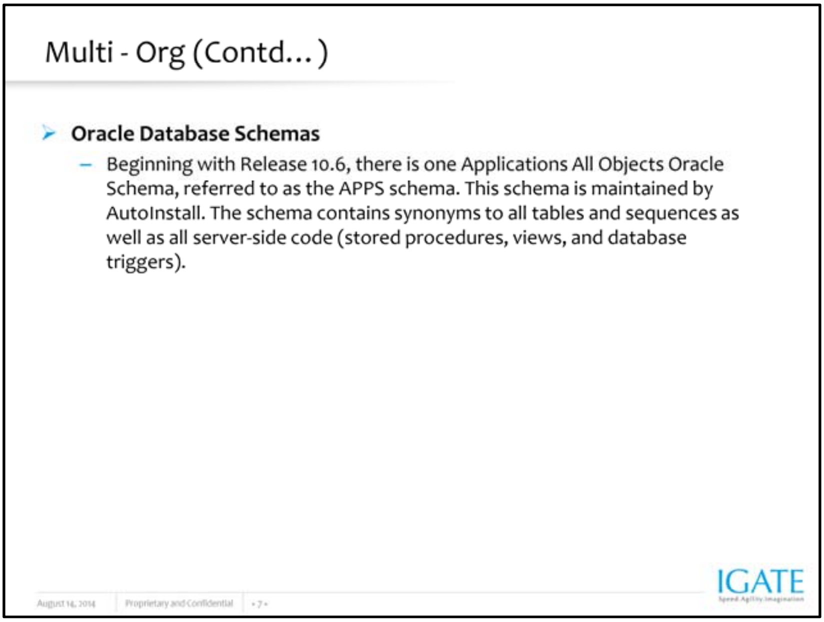
Multi-Org Access Control
Multi-Org Access Control is an upcoming feature of the E-Business Suite
that will allow a user to process and report on data that resides in an
unlimited number of Operating Units from within a single applications
responsibility.

Multi - Org (Contd...)

- **Major features**
  - Multiple Organizations in a Single Installation
  - Secure Access
  - Sell And Ship Products From Different Legal Entities
  - Receive Goods Into Any Inventory Organization
  - Automatic Accounting for Internal Requisitions
  - Multiple Organizations Reporting
  - can support multiple organizations running any Oracle Applications product with a single installation

Multi - Org (Contd…)

- **Database Architecture**
  - The Multiple Organization Support feature uses native database features introduced in Oracle 7.3 to build a security layer on top of a single installation of Oracle Applications. This layer of security provides the necessary data partitioning, while at the same time minimizes the number of potentially destabilizing changes to the application code itself. The security layer is provided using database views which allow access to the partitioned data without any changes to the applications code.



Oracle Database Schemas
Beginning with Release 10.6, there is one Applications All Objects Oracle Schema, referred to as the APPS schema. This schema is maintained by AutoInstall.
The schema contains synonyms to all tables and sequences as well as all server-side code (stored procedures, views, and database triggers).
Data partitioning is performed by database views. These views reside in the APPS Oracle schema and derive the appropriate operating unit context from an RDBMS variable introduced in Release 10.7.
A user logging into Oracle Applications then, in effect, sees data that has been filtered through the Multiple Organization Support view layer. This way, a particular user is sure to see only the data relevant to his/her Oracle responsibility.
The Multi-Org views reside in the APPS schema, which has access to the complete E-Business Suite data model, and contains synonyms to all tables and sequences, stored procedures, views, and database triggers. All applications code runs against the APPS schema.
The Multi-Org views are based on the Multi-Org tables that are partitioned by Operating Unit (ORG_ID). These tables reside in the product schema (for example, AP). A Multi-Org table is named with _ALL suffix.

Oracle Database Schemas (Contd…)

- In the APPS schema, the corresponding Multi-Org view is created with the same table name without the _ALL suffix.The Multi-Org views derive the Operating Unit context from a global database variable "CLIENT_INFO" included in the view definition.
- The CLIENT_INFO variable is a global database variable.
- Upon session initialization, AOL initialization (FND_GLOBAL.initialize) populates the org context in the CLIENT_INFO global database variable, with the value from the profile option "MO: Operating Unit".When you access a form from Applications, the FND_GLOBAL.initialize() API sets the org context in the CLIENT_INFO variable.
- This API accepts the user_id, responsibility_id, and resp_appl_id for the session as input parameters, and performs the following activities:

1. Reads the profiles, and caches the values.
2. Sets the org context, and the MRC context in the CLIENT_INFO variable
3. Sets the Security Group context. 4.Executes product specific, and
custom initialization

Multi - Org: Types of Organizations

- **Six Types of Organizations**
- **Set of Books**
- **Business Group**
- **Legal Entity**
- **Balancing Entity**
- **Operating Unit**
- **Inventory Organization**

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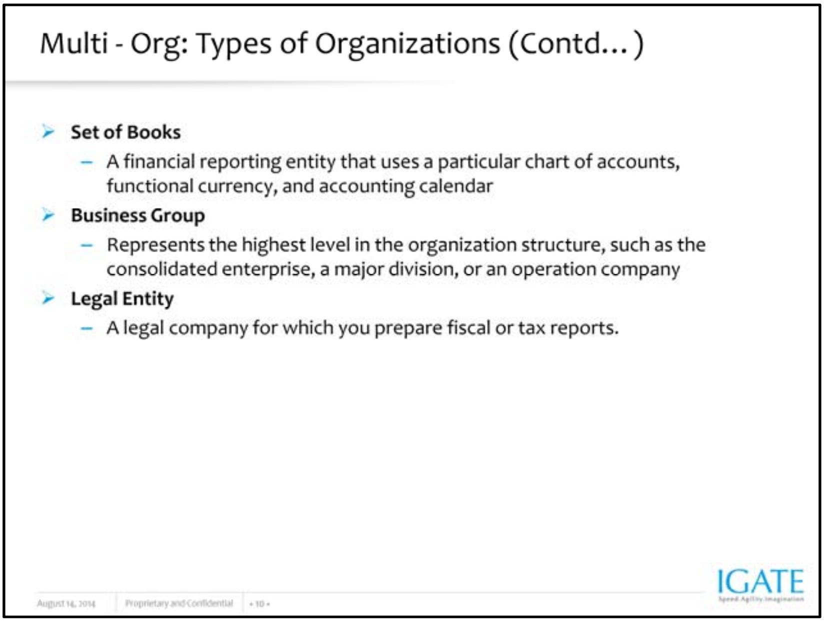

Business group

A business group is the largest organizational unit you define to represent your enterprise as an employer. A business group may correspond to a company or corporation, or in large enterprises, to a holding or parent company or corporation.

Oracle Human Resources includes a predefined organization named Setup Business Group. If you plan to use only one business group, we recommend that you modify the definition of this predefined business group rather than defining a new one.

A business group is a special classification of an organization, so you also need to specify its location and organization type and identity it as an internal organization. It is also essential to select the correct legislation code for a business group for correct functioning of Oracle Human Resources. You cannot change the legislation code after entering employees in a business group.

Employees, organizations, and other entities are partitioned by business group. If you set up more than one business group, your data will be partitioned accordingly. In addition, classifying an organization as a business group is not reversible. Be sure to plan your business group setup carefully.

Multi - Org: Types of Organizations (Contd...)

- **Balancing Entity**
  - Represents an accounting entity for which you prepare financial statements
- **Operating Unit**
  - Uses Oracle Cash Management, Order Management and Shipping Execution, Oracle Payables, Oracle Purchasing, and Oracle Receivables
- **Inventory Organization**
  - An organization for which you track inventory transactions and balances, and/or an organization that manufactures or distributes products.

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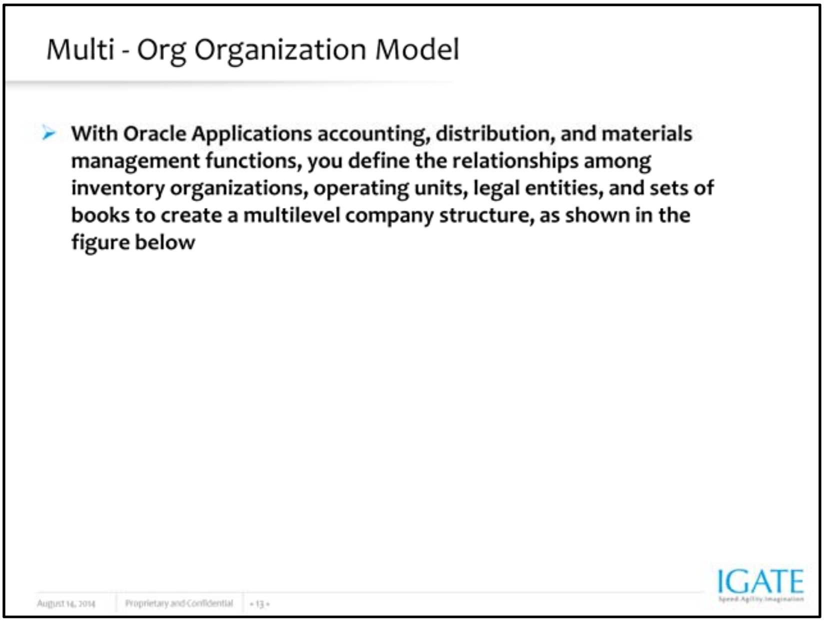
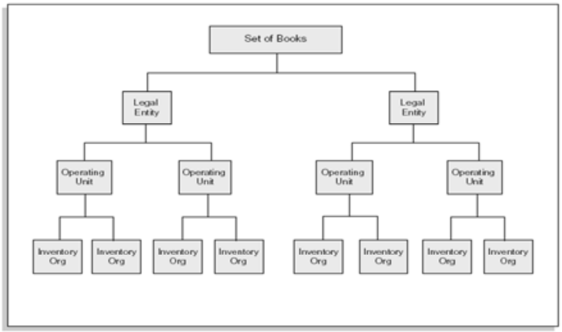
Multi - Org: Types of Organizations (Contd...)

- **HR Organization**
  - Represent the basic work structure of any enterprise
- **Organizations in Oracle Projects**
  - To define organization hierarchies to reflect your company's organizations structure
- **Asset Organizations**
  - Allows you to perform asset–related activities for a specific Oracle Assets corporate depreciation book.



Oracle Applications organization models
Define organizations and the relationships among them in arbitrarily complex enterprises
Dictates how transactions flow through different organizations and how those organizations interact with each other
Satisfies basic business needs
Complex enterprise has several organization structures

Human Resources Organization Model



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Responsibility Determines Operating Unit
Your responsibility determines the operating unit that you access when you use Oracle Applications. When you use Oracle Payables, Receivables, Order Entry, Purchasing, Projects, and Sales Compensation you see information that is relevant to your operating unit. All transactions that you create are automatically assigned to your operating unit.

Organization Model

- Legal Entities Post to a Set of Books
- Operating Units Are Part of a Legal Entity
- Inventory Organizations are Part of an Operating Unit
- Inventory Organization Determines Items Available to Order Management
- Inventory Organization Determines Items Available to Purchasing

Controlling Secure Access

- **Data Security**
- **Inventory Organization Security by Responsibility**
- **Responsibility Determines Operating Unit**

Sell And Ship Products From Different Legal Entities

- **Sell from One Legal Entity, Ship from Another Legal Entity**
- **Use the Choose Organization Window to Choose Inventory Organization**

Intercompany Accounting

- **Automatic Intercompany Sales Recognition**
- **Posting Intercompany Invoices to Different Accounts**
- **Report at the Legal Entity or Set of Books Level**
- **Multiple Organizations in European Implementations**

Overview

- Developing organizational structure
- Defining organizations and relationships
- Implementing Application products
- Adding a new operating unit
- Using Multiple Organizations Validation Report

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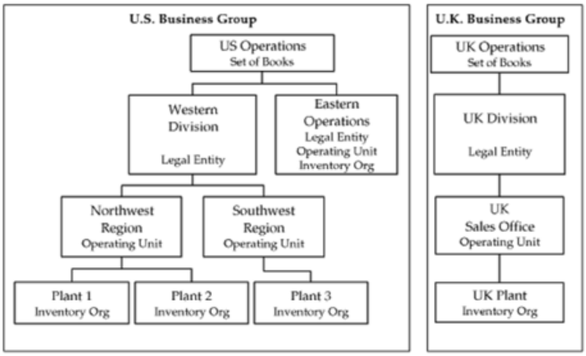
Steps for setting up a Multiple Organization Enterprise

- **1. Develop the Organization Structure**



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Steps

- **2. Define Sets of Books**

Set of Books Name	SOB Short Name	Functional Currency	Accounting Flexfield Structure	Calendar
U.S. Operations	US_Op	USD	Standard	Standard
U.K. Operations	UK_Op	GBP	Standard	Standard

Steps (Contd...)

- 3. Define Locations
- 4. Define Business Groups (optional)
- 5. Associate Responsibilities with Business Groups
- 6. Define Organizations

Organization Name	Legal Entity?	Oper. Unit	Inv. Org?
Western Division	Yes		
Eastern Operations	Yes	Yes	Yes
U.K. Division	Yes		
Northwest Region		Yes	
Southwest Region		Yes	
U.K. Sales Office		Yes	
Plant 1			Yes
Plant 2			Yes
Plant 3			Yes
U.K. Plant			Yes

Steps (Contd…)

Classification	Information Type	Required Attributes
Business Group	Business group information if Human Resources is installed. Otherwise, None.	Short Name, Employee/Applicant Numbering, Key Flexfield Structures, Default Legislation Code, and Currency
GRE/Legal Entity	Legal Entity Accounting	Set of Books, Location
Operating Unit	Operating Unit Information	Legal Entity, Set of Books
Inventory Organization	Accounting Information	Set of Books, Legal Entity, Operating Unit

Sequence	Additional Organization Information	Required Information
1	Accounting information	Set of books, legal entity, operating unit
2	Receiving information	Three-character organization code, prefix serial (no dummy)
3	Inventory information	All required accounts

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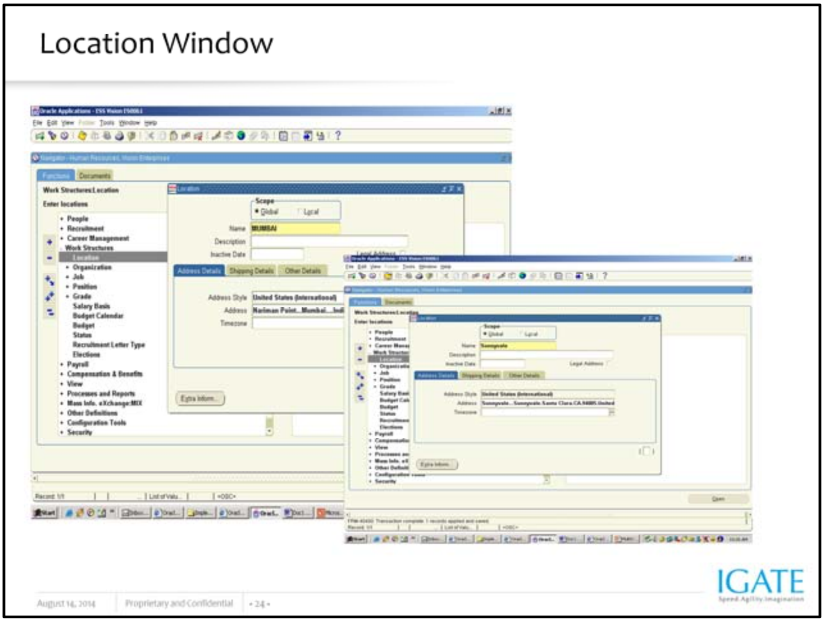


Location Window

You can enter addresses in the Location window.

Locations are shared across Business Groups in HRMS and with two other Oracle applications: Inventory and Purchasing. HRMS does not use some of the fields in the Location window. These fields are disabled for HRMS users.

1. Enter the name of the location, and a description if required.
2. Uncheck the Global check box if you want the location to only be available within the default Business Group of your current responsibility. Accept the default if you want the location to be a global location and therefore available to all Business Groups.

If you are setting up a global location, the location name must be unique across all Business Groups.

If you are setting up a location for one Business Group, the location name must be unique within that Business Group and all global locations, but does not have to be unique across all Business Groups.

Note: You cannot amend the Global check box once you have set up your location.

Select a national address style from the list. If a local address style exists for your country, it is displayed as the default. Otherwise, the international style is displayed.

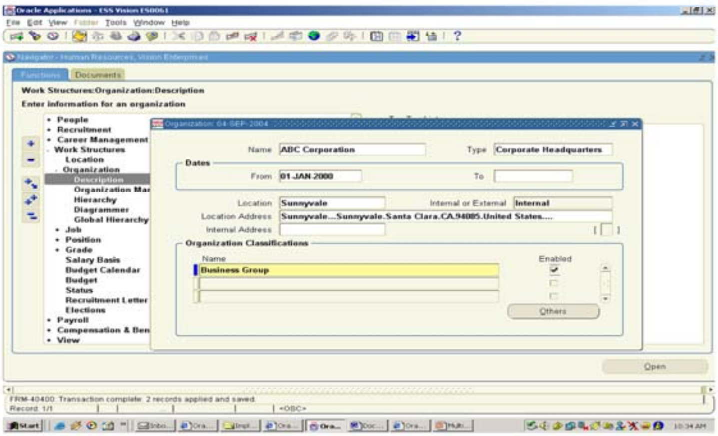
Fill in information in the Shipping Details tabbed region.

Location Window (Contd…)

Note: Selecting the check boxes means that you are making the location Name a valid location in the list of values on a Purchasing document. For example, selecting Ship-To Site makes the location Name a valid choice in the list of values for the Ship-To field on a purchase order header. Note that if you define a default Ship-To or Bill-To Location in the Supplier-Purchasing region of the Financials Options window for your organization, that is the location that *defaults* onto your purchase orders. But if you wanted to change that default, the location Name that you define here and enable as a Ship-To or Bill-To site is *available* in the list of values for you to choose from in the Ship-To or Bill-To fields.

Contact: Optional contact name for the location Name.
Ship-To Location: Usually the same as the location Name. You could select a separate, previously defined Ship-To Location--for example, if you wanted to create a location Name, Office A, and specify Receiving Dock A as its Ship-To Location. Note, however, that once you specify a separate Ship-To Location, you can no longer enable the location Name as a Ship-To Site. In this example, Receiving Dock A is the ship-to site for Office A; therefore, Office A itself cannot also be the ship-to site.
Ship-To Site: Select this option to make the location Name a valid ship-to organization on a purchase order or requisition.
Receiving Site: Select this option to make the location a valid receiving Location when creating a receipt or receiving transaction**.**
Office Site: Select this option to indicate that this location Name is an office site, such as a field office.
Bill-To Site: Select this option to make the location Name a valid bill-to site. The Bill-To Site, which is used by Payables, is specified on a purchase order header.
Internal Site: Select this option to make the location a valid internal ship-to location when creating an internal requisition.
4. Optionally fill in information in the Other Details tabbed region.
Inventory Organization: Select an inventory organization within which this location will be available in the list of values on a Purchasing document. By selecting no inventory organization, this location becomes available on Purchasing documents in all organizations.
Tax Name: Select a tax code to associate with the ship-to location. If you check the Ship-To Location option in the Purchasing tax default hierarchy, this is the tax code that defaults onto your requisitions and purchase orders, depending on your hierarchy.
EDI Location: If you use Electronic Data Interchange (EDI) to receive Advance Shipment Notices (ASNs) or ASNs with billing information (ASBNs), enter a defined location. This location should match the ship-to location specified on an ASN or ASBN.

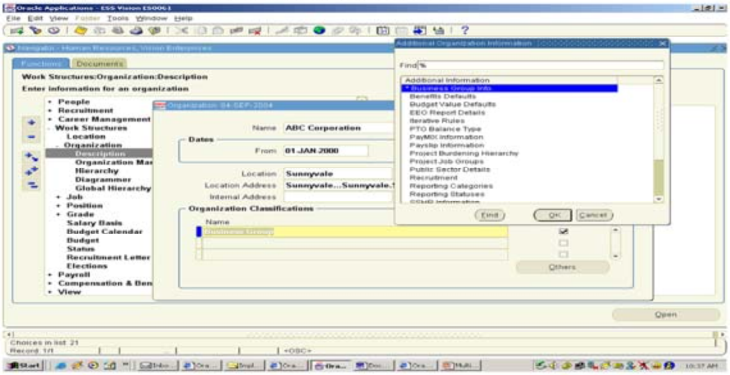
Organization Definition Window



Responsibility : Human Resource, Vision Enterprise
Work Structure>Organization>Description

Organization Definition Window (Contd…)

- Select the ‘Other’ tab and for Additional Information select *Business Group Info from the list of values.



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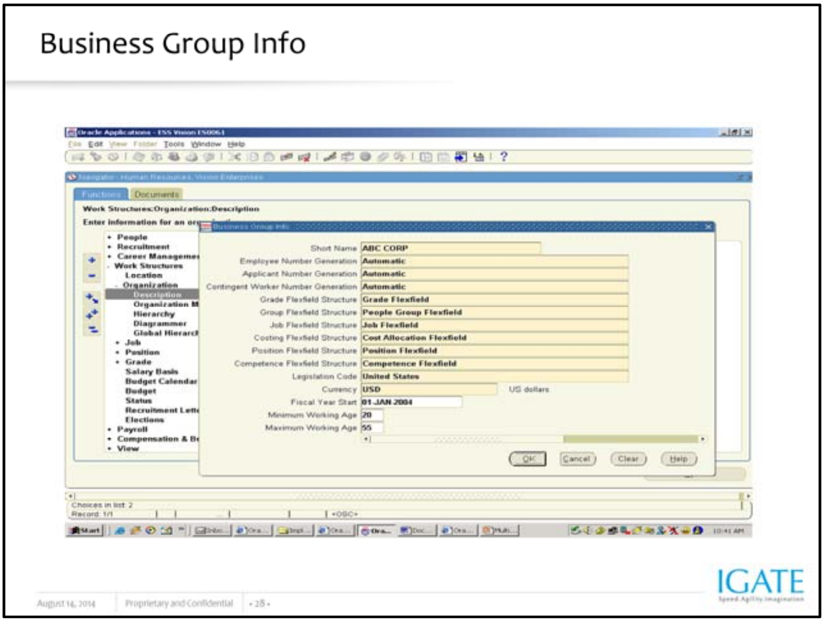


Business Group Info
To enter Business Group information:
1. In the Organization window, query the Business Group if it does not already appear there. In the Organization Classifications region, select Business Group, choose the Others button, and select Business Group Information.
2. Click in a field of the Additional Organization Information window to open the Business Group Information window.
3. You can enter a short name for the Business Group. This name is no longer used in Oracle HRMS It is provided for compatibility with earlier releases, where it appeared in the header line of each form. Select the method of creating identifying numbers for employees and applicants. The choices are:

Automatic number generation
Manual entry
Automatic use of the national identifier (for example, the social security number in the US, and the NI number in the UK). This option is available for employees only.

Attention: Once you save your method, you cannot later change to either of the automatic options. You can only change to manual entry.

Business Group Info (Contd…)

5. Select the names of the key flexfield structures you want to use in this Business Group.
6. Select the appropriate Legislation Code and default currency. The Legislation Code determines the startup data you can access and the contents of some legislation-specific windows.

Attention: Selecting the correct legislation code is essential for the correct functioning of Oracle HRMS. You cannot change the legislation code after entering employees against the Business Group.

7. **US users:** To maintain fiscal year balances in Oracle Payroll if your fiscal year is different from the calendar year, enter the fiscal year start date.

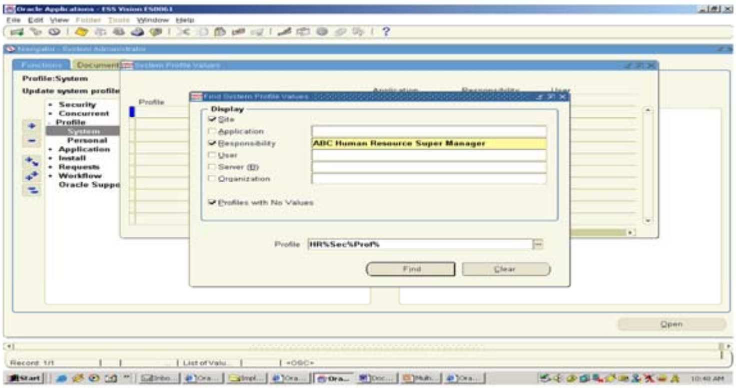
South African users: You must enter the fiscal year start date for your Business Group, or you will not be able to define payrolls later.

8. You can enter a Minimum and Maximum Working Age for the Business Group. When you enter or hire employees, you receive a warning if the person's age is outside this range.

Also classify your Business Group as a HR Organization.

Link Responsibilities to Business Group

- **System Profile Window**



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Responsibility : System Administrator
Profile>System

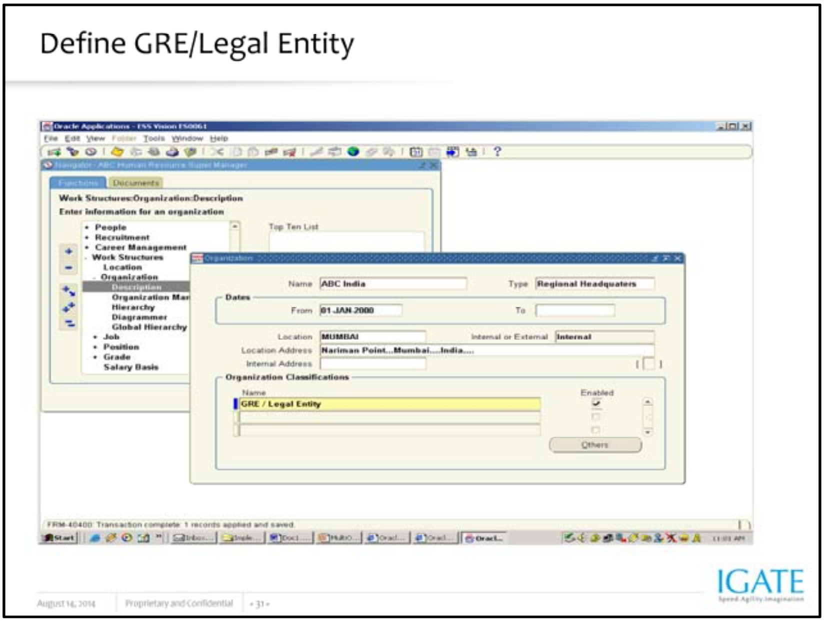
Responsibility : ABC Human Resource Super Manager, ABC India (Mumbai) Purchasing,ABC India (Mumbai) Payables, ABC India (Mumbai) Inventory, ABC India (Mumbai) Cash Management

Profile : HR Security Profile

Whenever a new Business Group is created, a Security Profile with identical name is automatically created.

If HR : Security Profile is set up, HR : Business Group is automatically defaulted with the same set-up, but not otherwise.

Set up for all responsibilities



Responsibility : ABC Human Resource Super Manager
Work Structure > Organization > Description

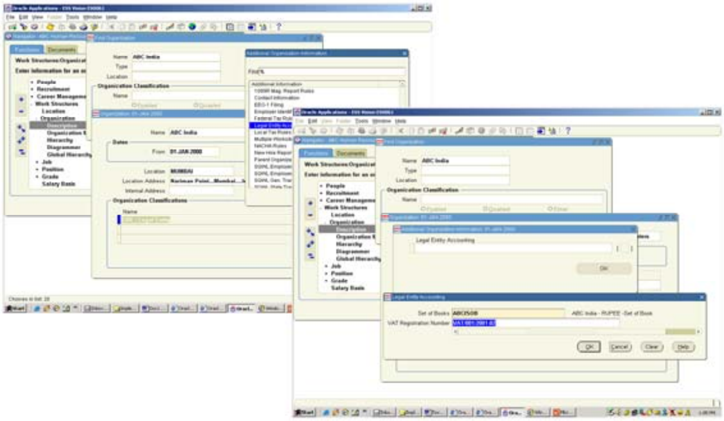
After defining one or more Business Groups for your enterprise, you set up one or more Government Reporting Entities (GREs) within each Business Group. The GRE is the organization that federal, state and local governments recognize as the employer who:

Issues pay to employees.
Withholds taxes from employees' pay and is liable for employer taxes and tax reporting.
Provides other government-mandated reporting, such as EEO-1, OSHA, and New Hire reports.

Each GRE has a unique 9-digit number (sometimes called the employer identification number or taxpayer identification number) issued by the IRS. Your enterprise may have just one such number, in which case your Business Group and GRE are the same organization.

Large enterprises may include a number of different divisions or companies each with its own identification number from the IRS, in which case you set up a GRE for each. You can associate several GREs together as a Tax Group, for which one of the GREs can serve as the common paymaster.

Legal Entity Accounting Information



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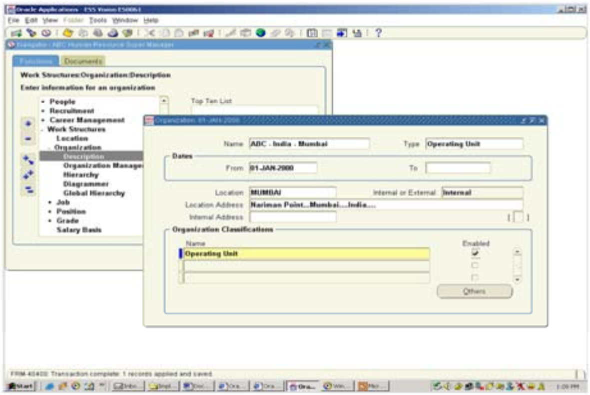
Define Operating Unit

- **ABC India – Mumbai ABC India - Delhi**



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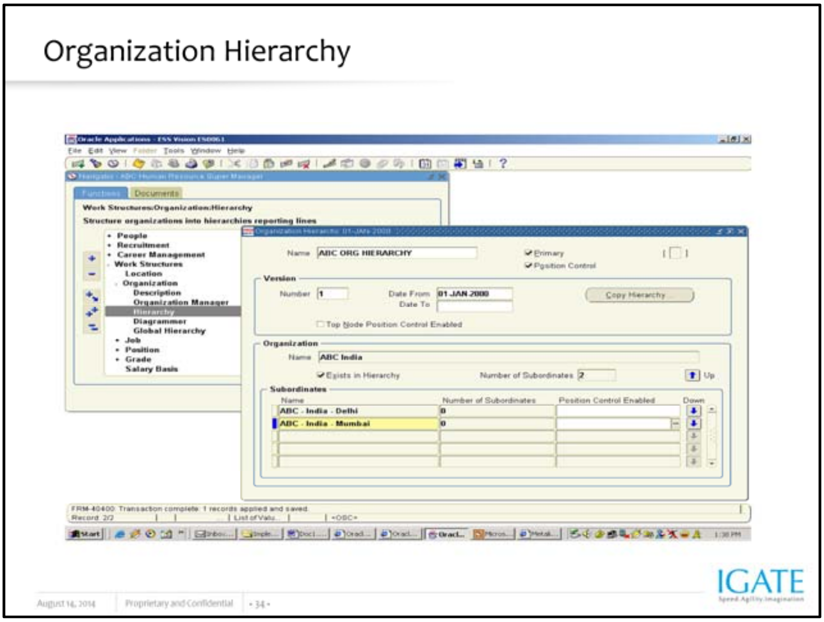
An organization that partitions data for sub ledger products (AP, AR, PO, OE).



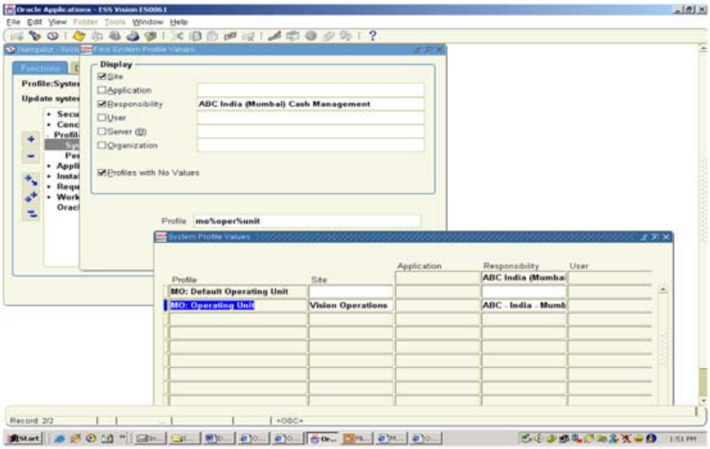
Responsibility:
Work Structure > Organization > Hierarchy

Creating Organization Hierarchies

Create organization hierarchies to show reporting lines and other hierarchical relationships. If you want to include organizations from a single Business Group, use the Organization Hierarchy window, alternatively, use the Global Organization Hierarchy window to include organizations from any Business Group. Always define hierarchies from the top organization down.

You must define the top organization in the hierarchy, and at least one organization subordinate to it.

Set up MO: Operating Unit



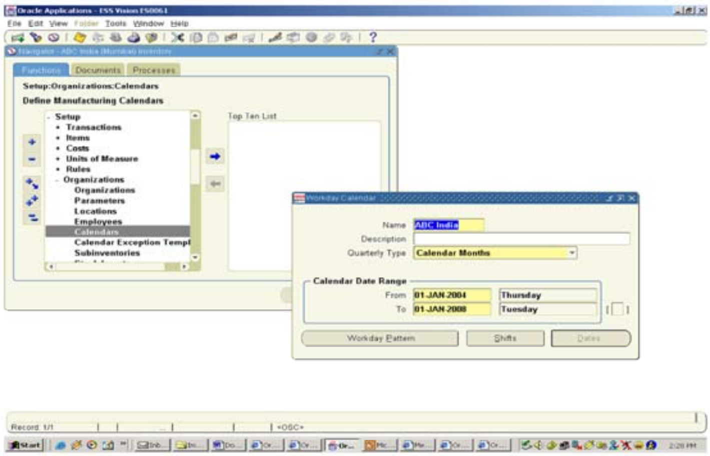
Set up this profile option for all responsibilities which are associated with Applications that work at the Operating Unit level, e.g. Payables,
Purchasing, Inventory, Cash Management etc.

Two profile options are introduced for Multi-Org Access Control:
MO: Security Profile
MO: Default Operating Unit

MO: Security Profile
Allows you to specify the Operating Units thata User has access to. The profile option can be set at Site, Responsibility, orUser level. If you do not use the Multi-Org Access Control inquiry-only featurefor JTF Territories, you should not set this profile option at any level. For JTF Territories, you may optionally set this profile optionat Responsibility level.

MO: Default Operating Unit
Allows you to specify which Operating Unitcan be used as default for transaction entry, and reporting.This profile option can be set at Site, Responsibility, or User level. This profile option is reserved for the upcoming Multi-Org Access Controlfeature. Therefore, you should not set this profile option at any level.

Workday Calendar



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Responsibility :
Setup > Organizations > Calendars

Creating a Workday Calendar
A workday calendar consists of a start date, and end date, and on and off days that follow one or more defined workday patterns. A workday calendar can also include shift information and exception dates, such as holidays or scheduled down time.

Use a workday calendar for forecasting and planning material requirements, use shift information for job scheduling, and capacity analysis. Workday exceptions identify deviations to the workday calendar. Shift exceptions identify deviations for a shift.

Attention: Shift exceptions take precedence over workday exceptions. (This is only relevant if a workday exception and a shift exception overlap.)
To assign workday exceptions to a workday calendar or calendar shift, either select them intuitively from the Calendar Dates (or Shift Calendar Dates) window, or apply them from an existing template, calendar, or shift.

To create a workday calendar:

1. Navigate to the Workday Calendar window.

2. Enter a name for the workday calendar.

3. Select a quarterly calendar type:

4/4/5 Week Pattern: Two four-week periods followed by one five-week period.

5/4/4 Week Pattern: One five-week period followed by two four-week periods.

Calendar Months: Twelve periods per year based on calendar months**.**

13 Periods: Thirteen four-week periods per year.

Note: If you use Oracle Master Scheduling/MRP, choose the 4/4/5 Weekly Pattern or the 5/4/4 Weekly Pattern to report MRP information in weeks and months. Otherwise, if you choose the 13 Periods calendar or Calendar Months, you can only report MRP information in monthly buckets.

4. Enter a date range for the workday calendar. The default end date is four years from the start date.

Note: Days on and off are calculated based on the start date and the day of the week. For example, if you want a standard five day workweek to start on 01-JAN, you must enter the start date as the Monday before 01-JAN (unless 01-JAN falls on a Monday).

Note: Set profile option BOM: Week or Period Start Date, to determine the start date. This profile option works in conjunction with the Workday Calendar.

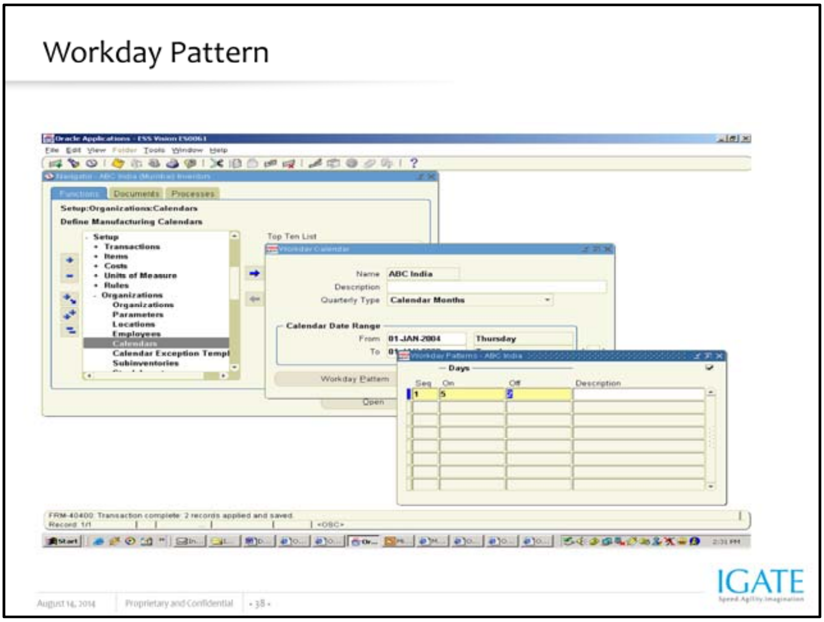
5. Continue creating the workday calendar by choosing one of the following buttons:

Workday Pattern: Set workdays on or off.

Shifts: Assign shifts to the workday calendar**.**

Dates: Review your work so far and its effect on the workday calendar. Do this before you build or rebuild the workday calendar you are now creating. (You can only do this after you have defined a workday pattern.)

Once you have created a workday pattern, assigned shifts, assigned workday and shift exceptions, and reviewed your work, you must build the calendar and assign it to an organization.



Creating a Workday Pattern

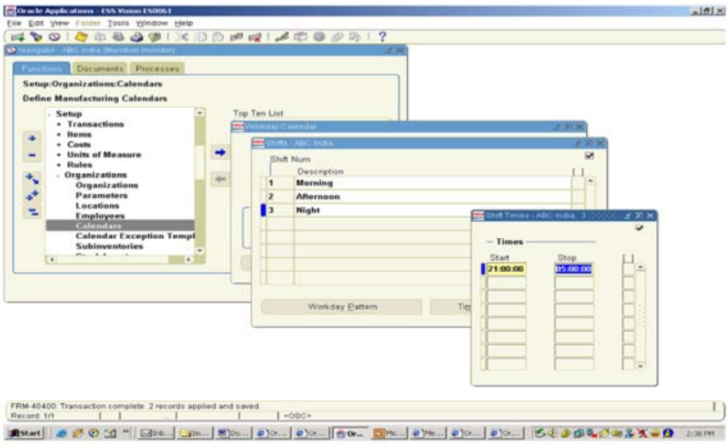
To create a workday pattern:

1. Navigate to the Workday Patterns (or Shift Workday Patterns) window. You can do this by choosing the Workday Pattern button from either the Workday Calendar or Shifts window.
2. Enter a sequence number in which the workday patterns are applied when the calendar is built.
3. Enter the number for consecutive workdays on and off. For example, if you want Monday through Friday on and Saturday and Sunday off, enter 5 for Days On and 2 for Days Off.
4. Enter a description for the sequence.

Repeat the previous three steps for each workday pattern to create. All defined sequences are repeated for the duration of the workday calendar. If there are two sequences, sequence 1 will be in effect first, then sequence 2, then 1 again, and so on. For example, assume that sequence 1 is 5 on and 2 off, and sequence 2 is 4 on and 3 off. The calendar shows 5 on, 2 off, 4 on, and 3 off.

5. Save your work. Doing so ensures that you can view calendar dates.

Shifts



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Creating Shifts and Shift Times

To create shifts and shift times:

1. Navigate to the Shifts window. You can do this by choosing the Shifts button from the Workday Calendar window.
2. Enter a shift number and a description.
3. Choose the Times button to open the Shift Times window.
4. Enter the start and stop times for each shift.

You can enter multiple start and stop times, but the start and stop times for a shift cannot overlap.

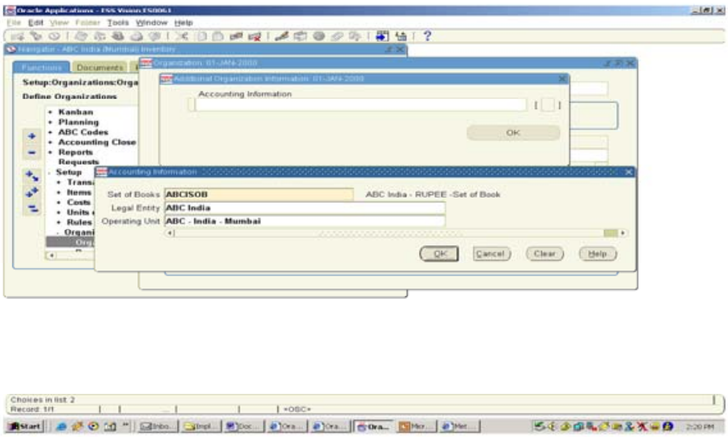
If you create a shift without first creating a workday pattern, a default workday pattern of 5 days on and 2 days off is created. You can then update that workday pattern.

Select Tools > Build to build the calendar

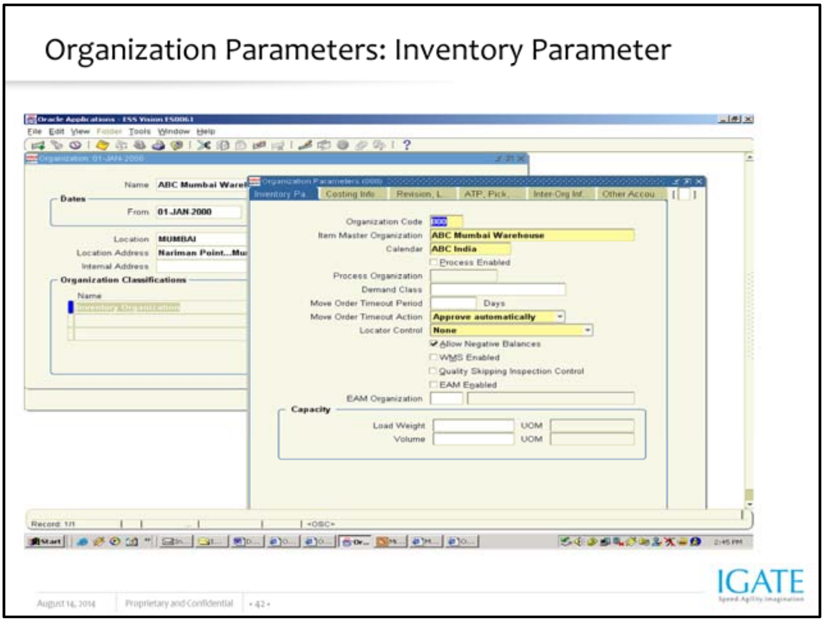
Define Inventory Organization

This Organization is defined from Purchasing or Inventory Responsibility
Responsibility : ABC India (Mumbai) Inventory
Setup > Organizations > Organizations

Accounting Information



Incorporate for the Inventory Organization Set of Book name, Legal Entity and Operating Unit.



Defining Default Inventory Parameters
To define inventory parameters:
1. Navigate to the Organization Parameters window.
2. Select the Inventory Parameters tabbed region.
3. Enter an organization code.
4. Select an Item Master organization.
Oracle Inventory only defines items in the Item Master organization of the organization from which you enter the Items window.
5.Select a workday calendar. This is required when Oracle Master Scheduling/MRP and Oracle Supply Chain Planning is installed.
6.Check the Process Enabled checkbox if the organization is a Process Manufacturing organization.
7. Select a process organization to which you want to relate this inventory organization.
8. Optionally, select a demand class.
Demand classes segregate scheduled demand and production into groups, allowing you to track and consume those groups independently. Oracle Master Scheduling/MRP and Oracle Supply Chain Planning uses this demand class during forecast consumption, and shipment and production relief.
9. In the Move Order Timeout Period field, enter the number of days a move order requisition can wait for approval.

The workflow approval process sends a notification to the item planner when a move order requisition requires approval. After the first timeout period, if the recipient has not approved or rejected the order, a reminder notice is sent. After the second timeout period, the order is automatically approved or rejected, depending on whether you select *Approve automatically* or *Reject automatically* in the Move Order Timeout Action field. If you want to bypass the move order approval process and automatically approve move order requisitions, enter *0* days in the Move Order Timeout Period field and select *Approve automatically* in the Move Order Timeout Action field.

10. Select a move order timeout action:

Approve automatically: After the second timeout period, move order requisitions are automatically approved. Select this option and set the Move Order Timeout Period to *0* if you want to bypass the move order approval process and automatically approve move order requisitions.

Reject automatically: After the second timeout period, move order requisitions are automatically rejected.

11. Select a locator control option:

None: Inventory transactions within this organization do not require locator information.

Prespecified only: Inventory transactions within this organization require a valid, predefined locator for each item.

Dynamic entry allowed: Inventory transactions within this organization require a locator for each item. You can choose a valid, predefined locator, or define a locator dynamically at the time of transaction.

Determined at subinventory level: Inventory transactions use locator control information that you define at the subinventory level.

12. Indicate whether to allow negative balances.

Determines whether inventory transactions can drive the inventory balance of an item negative.

Attention: If insufficient quantity on hand exists in a supply subinventory to satisfy backflush demand, Oracle Work in Process forces the supply subinventory balance negative, ignoring this option setting.

13.Indicate whether this organization is an Oracle Warehouse Management enabled organization. You can use WMS features such as LPNs, task management, warehouse execution rules and cost groups in this organization.

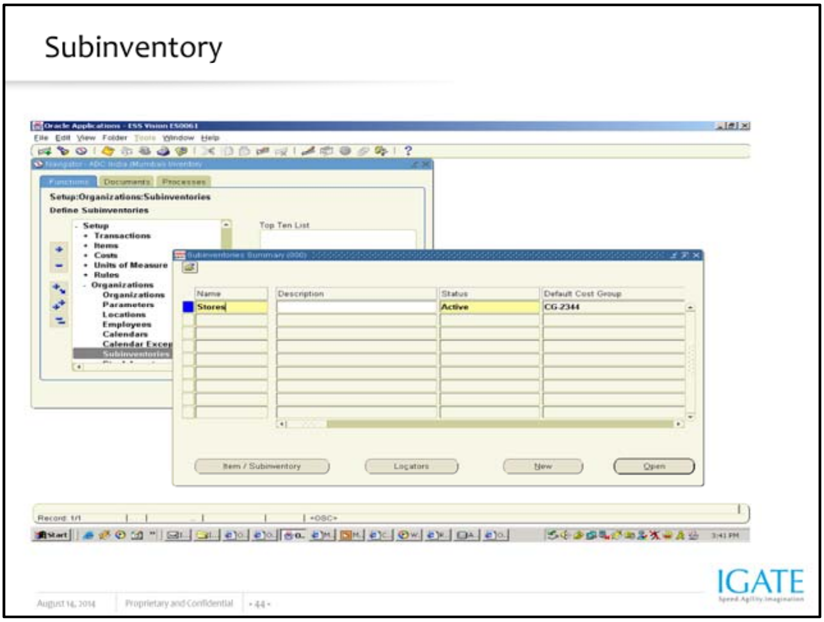
Locator control must be enabled in order to enable WMS. Once this has been enabled and transactions have been entered in this organization, this box cannot be unchecked.

14. Indicate whether this organization is enabled for Quality inspection.

15. Indicate whether this organization is an Oracle Enterprise Asset Management enabled Organization.

16. Enter a total load weight and unit of measure for this organization.

17. Enter a total volume and unit of measure for this organization.



Responsibility
Setup > Organizations > Subinventories

Defining Subinventories
Subinventories are unique physical or logical separations of material inventory, such as raw inventory, finished goods, or defective material. All material within an organization is held in a subinventory therefore, you must define at least one subinventory.

To define subinventory header information:
1. Navigate to the Subinventories Summary folder window.
2. Choose New. The Subinventories window appears.
3. Enter a unique alphanumeric name.
4. Indicate the material status of this subinventory, which controls the enabled transactions for all material in this subinventory. The status is not overridden by the status of any locator, lot or serial, within this subinventory. The statuses of those objects will be considered when determining transactions that are not enabled. This field is used if you have Oracle Warehouse Management installed.
5. Indicate the default cost group for this subinventory. If the cost group assignment rules fail to identify a cost group for newly received material, this cost group will be assigned. This cost group will remain with the material, even through subinventory transfers, until you perform a cost group change transaction. This feature is available if you have Oracle Warehouse Management installed, and you are working with a WMS enabled organization.

Summary

- **In this lesson we covered:**
  - Multi-org Definition
  - Major Features
  - Types of organization
  - Controlling access
  - Selling, shipping ,purchasing and receiving
  - Reporting at the legal entity of set of books level
  - The setup steps and considerations that are required for Multi-Org setup.

Review Question

- **Question 1: ____________ is a financial reporting entity that uses a particular chart of accounts, functional currency, and accounting calendar.**
  - Business Group
  - Set of books
  - Legal Entity
  - Operating unit

- **Question 2: Operating Units are part of a ____________**
  - Legal Entity
  - Organization
  - Set of Books
  - None of the Above

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Review Questions

- **Question 1: What is the purpose of the APPL_TOP directory?**
- **Question 2: Identify and describe the directories present in CUSTOM_TOP.**